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PROCEEDINGS AND DEBATES OF THE 99th CONGRESS, FIRST SESSION

HOUSE OF REPRESENTATIVES—*Monday, June 17, 1985*

The House met at 12 o'clock noon and was called to order by the Speaker pro tempore [Mr. WRIGHT].

DESIGNATION OF SPEAKER PRO TEMPORE

The SPEAKER pro tempore laid before the House the following communication from the Speaker:

WASHINGTON, DC,
June 13, 1985.

I hereby designate the Honorable Jim Wright to act as Speaker pro tempore on Monday, June 17, 1985.

THOMAS P. O'NEILL, Jr.,
Speaker of the House of Representatives.

PRAYER

The SPEAKER pro tempore. Our guest chaplain today is an old friend, the Reverend Edward L.R. Elson, the former Chaplain of the U.S. Senate.

The Reverend Edward L.R. Elson, S.T.D., former Chaplain, U.S. Senate, offered the following prayer:

O God of justice and mercy, come upon the people of this land and encompass them in Thy sovereign love. In the maelstrom of these agonizing days teach us the truth of the psalmist:

Thou shalt not be afraid for the terror by night; nor for the arrow that flyeth by day; nor for the pestilence that walketh in darkness; nor for the destruction that wasteth at noonday.—Psalm 91:5-6.

In these painful hours, suffer not our trust in Thee to fail. Invest us with a deeper compassion, sympathy and tenderness. Heal the sick and the wounded in spirit. Comfort the sorrowing and grant courage to those in peril.

Give Thy higher wisdom to the President, to the Members of Congress, to the judiciary and all whom we have placed in authority that freedom may be assured and peace and justice prevail. Brace us and strengthen us for the days yet to come. And may goodness and mercy attend us unto life eternal.

In Thy holy name we pray. Amen.

THE JOURNAL

The SPEAKER pro tempore. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Sparrow, one of its clerks, announced that the Senate had passed without amendment a joint resolution of the House of the following titles:

H.J. Res. 211. Joint resolution to recognize the pause for the Pledge of Allegiance as part of National Flag Day activities.

The message also announced that the Senate had passed with an amendment in which the concurrence of the House is requested, a bill of the House of the following title:

H.R. 2068. An act to authorize appropriations for fiscal years 1986 and 1987 for the Department of State, the U.S. Information Agency, the Board for International Broadcasting, and for other purposes.

The message also announced that the Senate insists upon its amendment to the bill (H.R. 2068) "An Act to authorize appropriations for fiscal years 1986 and 1987 for the Department of State, the United States Information Agency, the Board for International Broadcasting, and for other purposes," requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. LUGAR, Mr. HELMS,Mr. MATHIAS, Mr. EVANS (for the portion of the conference dealing with Iran claims legislation), Mr. PELL, and Mr. BIDEN to be the conferees on the part of the Senate.

The message also announced that the Senate had passed a bill and concurrent resolution of the following titles, in which the concurrence of the House is requested:

S. 895. An act to authorize appropriations to the Nuclear Regulatory Commission in accordance with section 261 of the Atomic Energy Act of 1954, as amended, and section 305 of the Energy Reorganization Act of 1974, as amended, and for other purposes; and

S. Con. Res. 50. Concurrent resolution welcoming the President of Tunisia on his official visit to the United States.

HOW TO PREVENT HIJACKINGS IN THE FUTURE

(Mr. GLICKMAN asked and was given permission to address the House for 1 minute, and to revise and extend his remarks.)

Mr. GLICKMAN. Mr. Speaker, there are several things the U.S. Government can and should immediately do to prevent future hijackings around the world which jeopardize the lives of American citizens.

First, our Government should provide financial assistance to U.S. air carriers operating overseas to enable these carriers to properly protect their passengers. Funds for such assistance could come out of the self-financing airport and airways trust fund. I have asked the FAA to determine if it has this authority. If not, I will introduce legislation to give them that authority, and I would urge my colleagues to join me. The world should know that the U.S. Government is helping to make our air carriers free from international terrorism.

Second, the United States should initiate as quickly as possible a meeting of the International Civil Aviation Organization and encourage world airlines to convene the International Air Transport Association to discuss ways to strengthen and standardize security at airports around the world.

Finally, U.S. air carriers should publicly acknowledge that they will not fly into commercial airports which do not meet adequate standards of passenger protection. Protecting U.S. citizens abroad is one of the highest priorities of our Government. As long as terrorists operate to threaten U.S. citizens, these steps will be needed.

☐ This symbol represents the time of day during the House proceedings, e.g., ☐ 1407 is 2:07 p.m.

● This "bullet" symbol identifies statements or insertions which are not spoken by the Member on the floor.

THE TERRORIST INCIDENT

(Mr. BROOMFIELD asked and was given permission to address the House for 1 minute.)

Mr. BROOMFIELD. Mr. Speaker, once again, the ugly specter of terrorism has raised its head. It should be clear to all of us that the hijacking of the TWA flight is not an isolated incident. It is part of a war directed against Americans and at our interests around the world.

International cooperation among the nations of the world is essential, to stop this growing threat.

We all know and appreciate our Government's policy of not negotiating with—or giving in to terrorists.

Meeting the terrrorists' demands may lead to a rapid increase in terrorist incidents followed by long lists of demands which our Government will be forced to meet.

While the use of military force is an option that any President has to consider, the use of such force at this time would appear to be unlikely.

If this incident is any indication of what the future will bring, I believe that all of us must accept the fact that terrorism is low-level warfare which our country must learn to fight.

The time to begin the fight is now.

I know that the Members will join me in wishing the President courage and determination during this time of crisis.

JOINT CHIEFS OF STAFF REFORM MEASURES IN THE MILITARY COMMAND REORGANIZATION ACT OF 1985

(Mr. SKELTON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SKELTON. Mr. Speaker, a few weeks ago President Reagan, while addressing the graduating class of the U.S. Naval Academy, made an oblique reference to the recent scandals in defense procurement. He said, "We've moved forward to ferret out waste and inefficiency, moreover, we are finding the waste and cutting it out."

Mr. Speaker, it is along these lines, that we, here in the Congress, must continue our initiatives to eliminate inefficiency in the Defense Department as well. The initiative that I mentioned last week illustrates my concern over this important subject—I'm referring to the reform of the Joint Chiefs of Staff. It is here, Mr. Speaker, that we can make a significant step in making our Nation's highest military command structure more efficient and effective.

Last week, in referring to the flaws in the JCS structure, I identified the problem of the inherent conflict of interest in the JCS, caused by the dual-hatting of the service chiefs. This week I will address another fundamental flaw—the inability of the JCS to provide clear, concise, timely and responsive military advice. Conclusively, it is this flaw that adversely affects the efficient operation of the JCS.

"The most general indictment against the JCS * * * is that the advice provided by the Joint Chiefs is frequently poor." This was part of the observations of Admiral Holloway, a former JCS member, and chairman of the Iran Committee that investigated that abortive, 1980 Iranian hostage rescue. The recommendations made after this investigation are indicative of the severity of this problem. I will mention only a few:

"The JCS must improve the quality of their military advice.

"The JCS are unable to set-aside their parochial biases and deliver objective military advice.

"The JCS have consistently failed to address contentious issues because of their Service biases.

"The JCS positions are characteristically wedded to the status quo.

"JCS have not become involved in resource allocation among defense programs." The list goes on.

My bill to reorganize the JCS includes a section that addresses these problems specifically. The result of such a reorganization will be a more efficient and effective national military command structure, one that can provide concise, timely and responsive military advice. The groundwork completed in the 98th Congress on this bill will allow these changes to be enacted this session.

Mr. Speaker, in the words of General Meyer, a distinguished, former Army Chief of Staff, "the reforms (of the JCS) are necessary to develop the smooth-running machinery required to see our Nation through to the 21st century with our freedom and national values."

BETTER SECURITY, MORE PRECAUTIONS NEEDED TO COMBAT TERRORISM

(Mr. PETRI asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PETRI. Mr. Speaker, at this moment, American citizens are being held captive in Beirut, and are enduring terror and suffering at the hands of our Nation's enemies.

This tragedy began in Athens, where a notoriously lax airport security system allowed the hijackers to board with handgrenades and machineguns. Apparently, lax security is a policy of the Greek Government, which is afraid of offending the Arabs. Already one American has died as a result of this policy.

The State Department should strongly urge American air carriers and civilians to avoid Athens airport.

Also, we should redouble our intelligence efforts in the Middle East. With greater resources and effort, we can have a better chance of learning about terrorist plans in time to stop them.

And when we fail to stop terrorist attacks on American citizens, our intelligence services should be given the resources to learn precisely which groups are responsible, and who needs to be brought to justice.

It's a dangerous world in many places outside of American borders, and we dare not be complacent.

□ 1210

THE NEW WELFARE QUEENS

(Mrs. SCHROEDER asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. SCHROEDER. Mr. Speaker, the President of the United States when he was running for office pointed out there was an awful lot of waste in some of our social programs and really made one of his major platform speeches and many of his radio speeches about what he called Welfare Queens.

Well, his administration has come up with their own version of Welfare Queens. They are the defense contractors of America.

The Office of the Inspector General of the Department of Defense tells us that now 45 of the top 100 American defense contractors are under criminal investigation of some sort. I find that shocking.

We also have got a whole investigation done by his very own Grace Commission a couple years ago and the primary thing that they pointed out is that less than 5 percent of the contracts of the Department of Defense were competitively bid. The other 95 percent were all being done by sole source, which gave all sorts of opportunity for inefficiency, graft, $400 this's and $700 that's.

Well, today the President is starting one more blue ribbon commission to go after this waste and abuse. I certainly hope that it works, but I think it is very important to point out that if the Justice Department were really prosecuting these cases of criminal wrong-doing, if they had followed the Grace Commission recommendations of many years ago and if they were doing many other things, one more commission would not be necessary.

I think people would like to see action rather than commissions at this time on this incredible problem that is costing the taxpayers so much money and only means that we are getting much less defense for our dollar.

TAXPAYERS' BILL OF RIGHTS

(Mr. REID asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. REID. Mr. Speaker, for several months, I've been speaking about the taxpayers' bill of rights—a bill I introduced earlier this session that would inject "equity" into Internal Revenue Service practices and policies.

I'm referring specifically to creating rights and remedies for taxpayers against abuses that arise from IRS auditing and collecting procedures.

To do this * * * however * * * I need the active support of my fellow Congressmen * * * both in terms of cosponsoring my bill and of voting for it when it comes to the floor.

This bill protects American taxpayers at a time when they have virtually lost faith in the system. We have this opportunity to end ongoing violations of citizens' rights. But * * * it will take all of us * * * working together * * * to pass a law that works for American taxpayers.

This bill will do just that * * * by addressing such problem areas as: Questionable tax enforcement practices * * * disclosure of rights and obligations of taxpayers * * * the awarding of costs to prevailing taxpayers * * * procedures involving taxpayer interviews * * * provisions for an ombudsman * * * GAO oversight of the IRS * * * and an appeals process for adverse IRS decisions.

This bill provides remedies that are long overdue. Let's work together to return equity to our tax system.

COMMUNICATION FROM THE CLERK OF THE HOUSE

The SPEAKER pro tempore laid before the House the following communication from the Clerk of the House of Representatives:

WASHINGTON, DC,
June 14, 1985.

Hon. THOMAS P. O'NEILL, Jr.,
The Speaker, House of Representatives, Washington, DC.

DEAR MR. SPEAKER: Pursuant to the permission granted in Clause 5, Rule III of the Rules of the U.S. House of Representatives, I have the honor to transmit a sealed envelope received from the White House at 4:15 p.m. on Friday, June 14, 1985 and said to contain a message from the President concerning findings and determinations to permit the export of non-Alaskan North Slope crude oil to Canada.

With kind regards, I am
Sincerely,

BENJAMIN J. GUTHRIE,
Clerk, House of Representatives.

FINDINGS AND DETERMINATIONS TO PERMIT EXPORT OF NON-ALASKAN NORTH SLOPE CRUDE OIL TO CANADA—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 99-78)

The SPEAKER pro tempore laid before the House the following message from the President of the United States, which was read, and together with the accompanying papers, without objection, referred to the Committee on Interior and Insular Affairs, the Committee on Energy and Commerce, and the Committee on Foreign Affairs, and ordered to be printed:

(For message, see proceedings of the Senate of today, Monday, June 17, 1985.)

COMMUNICATION FROM THE CLERK OF THE HOUSE

The SPEAKER pro tempore laid before the House the following communication from the Clerk of the House of Representatives:

WASHINGTON, DC,
June 12, 1985.

Hon. THOMAS P. O'NEILL, Jr.,
Speaker, House of Representatives, Washington, DC.

DEAR MR. SPEAKER: This is to notify you, pursuant to Rule L(50) of the Rules of the House of Representatives, that I have received a subpoena *duces tecum* from the United States District Court for the District of Columbia. After consultation with my General Counsel, I will notify you of my determinations as required by the House rule.

Sincerely,

BENJAMIN J. GUTHRIE,
Clerk, House of Representatives.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. This is the day for the consideration of bills under motions to suspend the rules.

Pursuant to the provisions of clause 5 of rule I, the Chair announces that he will postpone further proceedings today on each motion to suspend the rules on which a recorded vote or the yeas and nays are ordered, or on which the vote is objected to under clause 4 of rule XV.

Such rollcall votes, if postponed, will be taken up on Tuesday, June 18, 1985.

WELCOMING THE PRIME MINISTER OF TUNISIA ON HIS OFFICIAL VISIT TO THE UNITED STATES

Mr. BONKER. Mr. Speaker, I move to suspend the rules and concur in the Senate concurrent resolution (S. Con. Res. 50) welcoming the Prime Minister of Tunisia on his official visit to the United States.

The Clerk read as follows:

S. CON. RES. 50

Whereas the United States and the Republic of Tunisia share a common bond of friendship in the pursuit of democratic values;

Whereas the President and the people of Tunisia share with the Government and the people of the United States the ideals of liberty, peace, democracy, and progress;

Whereas the United States recognizes the achievements under President Bourguiba which include continued emphasis on progress in economic growth and political democratization resulting in sustained economic and social benefits for its people;

Whereas the people of the United States admire and applaud President Bourguiba since Tunisia was the first Arab country to give women the right to vote;

Whereas the United States commends the Tunisian Government and its people for recognizing the value and the power of formal education by allocating one-third of its budget to instruction as an investment in democracy in the future;

Whereas the United States values and respects Tunisia's role as a leader in the Arab world and its moderating influence in the Maghreb which has had significant benefits for our mutual and shared strategic interests;

Whereas Habib Bourguiba has always stood for peaceful settlement of regional conflicts and it was President Bourguiba, who, in 1965, called for peaceful coexistence between the Arabs and Israelis; and

Whereas the United States recognizes the importance of a strong and independent Tunisia: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That the Congress extends its warm greetings and respect to his excellency, Habib Bourguiba, the President of the Republic of Tunisia, on the occasion of his third official visit to the United States, with the hope that this visit will mark the continued close and friendly ties between our two great nations.

SEC. 2. The Secretary of the Senate shall transmit a copy of this resolution to the President for transmittal to the Government of Tunisia.

The SPEAKER pro tempore. Is a second demanded?

Mr. BROOMFIELD. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentleman from Washington [Mr. BONKER] will be recognized for 20 minutes, and the gentleman from Michigan [Mr. BROOMFIELD] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Washington [Mr. BONKER].

Mr. BONKER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of Senate Concurrent Resolution 50, welcoming the President of Tunisia, Habib Bourguiba, on the occasion of his official visit to the United States. This resolution was passed by the Senate last Thursday and is identical to House Concurrent Resolution 165, which has been cleared unanimously by the House Foreign Affairs Committee.

I am sure that the Members of the House are well aware of the longstand-

ing close relationship that we have enjoyed with the Republic of Tunisia. We welcome this visit in the spirit that our friendship and close ties will continue and grow.

Since its independence in 1956, Tunisia has dedicated its resources to progress in economic growth and political democratization in order to sustain the real economic and social benefits for its people. He has also never deviated from its commitment to formal education which is a continued investment in its future and freedom.

All of this has been realized under the leadership of President Bourguiba who has sought to preserve the traditional values of his country while moving it into the technological age. He is to be commended for his commitment to women, for it was President Bourguiba who gave them the right to vote and to fully participate in the affairs of their country.

It is a great honor and a distinct privilege to welcome, on behalf of the House of Representatives, the President of Tunisia who is a distinguished leader and a staunch supporter of democratic ideals.

I urge the passage of Senate Concurrent Resolution 50.

Mr. BROOMFIELD. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I strongly support this resolution which welcomes the President of the Republic of Tunisia, Habib Bourguiba, to the United States.

All of us hope that this visit will serve to highlight and strengthen the close ties between our two nations.

There are indeed many reasons why our relationship with Tunisia is a special one. Our two nations share the ideals of liberty, peace and the pursuit of democratic values. We admire the progress which Tunisia has made in economic and political growth. Many social benefits have been made available to the Tunisia people, especially in the area of formal education.

President Bourguiba has also given much to the cause, of peace by being a respected force of moderation in the region.

Given this special friendship between our great nations, and our support for a strong Tunisia, I urge my colleagues to join me in extending a warm welcome to President Habib Bourguiba.

Mr. BONKER. Mr. Speaker, I have no further requests for time.

Mr. BROOMFIELD. Mr. Speaker, I have no further requests for time.

The SPEAKER pro tempore (Mr. GRAY of Illinois). The question is on the motion offered by the gentleman from Washington [Mr. BONKER] that the House suspend the rules and concur in the Senate concurrent resolution, Senate Concurrent Resolution 50.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the Senate concurrent resolution was concerned in.

A motion to reconsider was laid on the table.

□ 1220

GENERAL LEAVE

Mr. BONKER. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the Senate concurrent resolution just adopted.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Washington?

There was no objection.

SAFE DRINKING WATER ACT AMENDMENTS OF 1985

Mr. WAXMAN. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 1650) to amend the Safe Drinking Water Act, as amended.

The Clerk read as follows:

H.R. 1650

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Safe Drinking Water Act Amendments of 1985".

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TITLE I—PUBLIC WATER SYSTEMS

SEC. 101. NATIONAL PRIMARY DRINKING WATER REGULATIONS.

(a) SIMPLIFICATION OF STATUTORY SYSTEM.—Section 1412(a) of the Safe Drinking Water Act is amended to read as follows:

"(a) Effective on the date of the enactment of the Safe Drinking Water Act Amendments of 1985, each national interim primary drinking water regulation promulgated under this section before such date of enactment shall be deemed to be a national primary drinking water regulation under subsection (b). No such regulation shall be required to comply with the standards set forth in subsection (b)(2) unless such regulation is amended to establish a different maximum contaminant level after the date of the enactment of such amendments.".

(b) EXPEDITED PROCEDURE FOR PROMULGATION.—(1) Section 1412(b) of the Safe Drinking Water Act is amended by striking out paragraphs (1) and (2), and so much of paragraph (3) as precedes the last sentence thereof and substituting:

"(1)(A) In the case of each of the 14 contaminants listed in the Advance Notice of Proposed Rulemaking published in volume 47, Federal Register, page 9352, not later than 12 months after the enactment of the Safe Drinking Water Act Amendments of 1985, the Administrator shall—

"(i) simultaneously propose a maximum contaminant level goal and a national primary drinking water regulation, and after opportunity for public comment, simultaneously publish a maximum contaminant level goal and a national primary drinking water regulation for those contaminants for which there is a rational basis, based on a weighing of all available health evidence, to believe that there may be any adverse effect on the health of persons; or

"(ii) publish in the Federal Register a determination that there is not sufficient evidence to constitute a rational basis, based on a weighing of all available health evidence, to believe that the contaminant may have any adverse effect on the health of persons.

"(B) In the case of each of the contaminants listed in the Advance Notice of Proposed Rulemaking published in volume 48, Federal Register, page 45502, not later than 36 months after the enactment of the Safe Drinking Water Act Amendments of 1985, the Administrator shall—

"(i) simultaneously propose a maximum contaminant level goal and a national primary drinking water regulation, and after opportunity for public comment, simultaneously publish a maximum contaminant level goal and national primary drinking water regulation for those contaminants for which there is a rational basis, based on a weighing of all available health evidence, to believe that there may be any adverse effect on the health of persons; or

"(ii) publish in the Federal Register a determination that there is not sufficient evidence to constitute a rational basis, based on a weighing of all available health evidence, to believe that the contaminant may have any adverse effect on the health of persons.

"(C)(i) The Administrator shall publish maximum contaminant level goals and simultaneously promulgate national primary drinking water regulations for each substance (other than a substance referred to in subparagraph (A) or (B) for which a national primary drinking water regulation was promulgated) which, in the judgment of the Administrator, may have any adverse effect on the health of persons. On January 1, 1988, and at annual intervals thereafter, the Administrator shall publish a list establishing priorities for the review of substances (other than substances referred to in subparagraph (A) or (B) for which a national primary drinking water regulation was promulgated) which may require regulation under this Act in order to prevent

known or anticipated adverse effects on the health of persons. Such priorities shall be based upon the extent to which such contaminant occurs in public water systems throughout the United States or on the known or anticipated adverse effects of such substance on the health of persons. In establishing such priorities the Administrator's consideration shall include, but not be limited to, substances regulated as toxic water pollutants under section 307 of the Clean Water Act and substances registered as pesticides under the Federal Insecticide, Fungicide, and Rodenticide Act.

"(ii) In the case of each contaminant listed on the priority list, not later than 3 years after such listing, the Administrator shall—

"(I) simultaneously propose a maximum contaminant level goal and a national primary drinking water regulation, and after opportunity for public comment, simultaneously publish a maximum contaminant level goal and a national primary drinking water regulation for those contaminants for which there is a rational basis, based on a weighing of all available health evidence, to believe that there may be any adverse effect on the health of persons; or

"(II) publish in the Federal Register a determination that there is not sufficient evidence to constitute a rational basis, based on a weighing of all available health evidence, to believe that the contaminant may have any adverse effect on the health of persons.

"(2) Each maximum contaminant level goal established under this subsection shall be set at the level at which, in the Administrator's judgment, no known or anticipated adverse effects on the health of persons occur and which allows an adequate margin of safety. Each national primary drinking water regulation for a contaminant for which a maximum contaminant level goal is established under this subsection shall specify a maximum level for such contaminant which is as close to the maximum contaminant level goal as is feasible.

"(3)(A) In the case of any contaminant the level of which cannot be accurately enough measured in drinking water to establish a maximum contaminant level goal and which may have an adverse effect on the health of persons, the Administrator shall list such contaminant under this paragraph in lieu of establishing a maximum contaminant level goal under paragraph (1) of this subsection. In lieu of establishing a maximum contaminant level for such contaminant under this subsection, the Administrator shall promulgate treatment techniques for such contaminant which requires treatment necessary in the Administrator's judgment to prevent known or anticipated adverse effects on the health of persons to the extent feasible.

"(B) If any contaminant referred to in subparagraph (A) or (B) of subsection (b)(1) is listed under this paragraph (and a national primary drinking water regulation requiring the use of treatment techniques is simultaneously promul- gated under this paragraph for such contaminant), the listing and promulgation under this paragraph shall be made on the date referred to in subparagraph (A) or (B) of subsection (b)(1) for the establishment of primary drinking water regulations.

"(C)(i) Not later than 18 months after the enactment of the Safe Drinking Water Act Amendments of 1985, the Administrator shall propose and promulgate national primary drinking water regulations specifying criteria under which filtration (including coagulation and sedimentation, as appropriate) is required as a treatment technique for public water systems supplied by surface water sources. In promulgating such rules, the Administrator shall consider the quality of source waters, protection afforded by watershed management, treatment practices (such as disinfection and length of water storage) and other factors relevant to protection of health.

"(ii) In lieu of the provisions of section 1415 the Administrator shall specify procedures by which the State determines which public water systems within its jurisdiction shall adopt filtration under the criteria of clause (i). The State may require the public water system to provide studies or other information, to assist in this determination. The procedures shall provide notice and opportunity for public hearing on this determination. If the State determines that filtration is required, the State shall prescribe a schedule for compliance by the public water system with the filtration requirement. A schedule shall require compliance within 18 months of a determination made under clause (iii).

"(iii) Within 18 months from the time that the Administrator establishes the criteria and procedures in this subparagraph, a State with primary enforcement responsibility shall adopt any necessary regulations to implement this subparagraph. Within 12 months of adoption of such regulations the State shall make determinations regarding filtration for all the public water systems within its jurisdiction supplied by surface waters.

"(iv) If a State does not have primary enforcement responsibility for public water systems, the Administrator shall have the same authority to make the determination in clause (ii) in such State as the State would have under that clause. Any filtration requirement or schedule under this subparagraph shall be treated as if it were a requirement of a national primary drinking water regulation.

"(D) Each national primary drinking water regulation which establishes a maximum contaminant level shall list the technology, treatment techniques, and other means which the Administrator finds to be feasible for purposes of meeting such maximum contaminant level, but a regulation under this paragraph shall not require that any specified technology, treatment technique, or other means be used for purposes of meeting such maximum contaminant level.

"(E) The Administrator shall propose and promulgate regulations requiring disinfection as a treatment technique for all public water systems. The Administrator is authorized to grant variances from this requirement according to the provisions under sections 1415(a)(1)(B) and 1415(a)(3).

"(4) The Administrator may, after opportunity for public comment, change maximum contaminant level goals, or the list established under paragraph (3), and shall simultaneously with such change, amend the national primary drinking water regulations concerned accordingly.".

(2) Redesignate the last sentence of paragraph (3) of section 1412(b) of such Act as paragraph (5) of such section, delete "generally" in such sentence, delete "paragraph" and substitute "subsection", after "finds" insert ", after examination for efficacy under field conditions and not solely under research laboratory conditions," and add the following at the end thereof: "For purposes of paragraph (2) of this subsection, the best available technology which is feasible for the control of synthetic organic chemicals includes the use of adsorption techniques such as the the use of granular activated carbon and other comparably effective techniques.".

(c) CONFORMING CHANGES.—(1) Paragraphs (4) and (5) of section 1412(b) of the Safe Drinking Water Act are each amended by striking "Revised national" in each place where it appears and substituting "National". Paragraphs (4), (5), and (6) of such section 1412(b) are redesignated as paragraphs (6), (7), and (8).

(2) Paragraph (1) of section 1413(a) of such Act is amended by striking out subparagraph (A) and (B) and substituting "are no less stringent than the national primary drinking water regulations in effect under section 1412(a) and 1412(b);".

(3) Section 1444(d) of such Act is amended by striking out "(including interim regulations)".

(d) SCIENTIFIC PEER REVIEW.—Section 1412(e) of the Safe Drinking Water Act is amended to read as follows:

"(e) The Administrator shall request comments from the Science Advisory Board (established under the Environmental Research, Development, and Demonstration Act of 1978) prior to proposal of a maximum contaminant level goal and national primary drinking water regulation. The Board shall respond, as it deems appropriate, within the time period applicable for promulgation of the national primary drinking water standard concerned. This subsection shall, under no circumstances, be used to delay final promulgation of any national primary drinking water standard.".

SEC. 102. MONITORING FOR UNREGULATED CONTAMINANTS.

(a) SIZE OF SYSTEM.—Section 1445(a) of the Safe Drinking Water Act is amended by adding at the end thereof the following: "In requiring a public water system to monitor under this subsection, the Administrator may take into consideration the system size and the contaminants likely to be found in the system's drinking water.".

(b) MONITORING REQUIREMENTS.—Section 1445(a) of the Safe Drinking Water Act is amended by adding "(1)" after "(a)" and by adding the following at the end thereof:

"(2) Not later than 18 months after the date of the enactment of the Safe Drinking Water Act Amendments of 1985, the Administrator shall promulgate regulations requiring every public water system to conduct a monitoring program for unregulated contaminants. The Administrator's regulations shall require monitoring of drinking water supplied by the system and shall vary the frequency and schedule of monitoring requirements for systems based on the number of persons served by the system and the contaminants likely to be found. Each system shall be required to monitor at least once every 5 years after the effective date of the Administrator's regulations unless the Administrator requires more frequent monitoring.

"(3) The Administrator's regulations under paragraph (2) shall list unregulated contaminants for which systems may be required to monitor, but each State which has primary enforcement responsibility may add or delete contaminants, for individual systems, based on an approved assessment of the contaminants likely to be found in the system. Each such State shall submit an assessment to the Administrator. Such assess-

ment shall be treated as approved on the date 30 days after its submission unless the Administrator disapproves the assessment within such 30-day period.

"(4) Notification of the availability of the results of the monitoring programs required under paragraph (2), and notification of the availability of the results of the monitoring program referred to in paragraph (5), shall be given to the persons served by the system and the Administrator.

"(5) The Administrator may waive the monitoring requirement under paragraph (2) for a system which has conducted a monitoring program after January 1, 1983, if the Administrator determines the program to have been consistent with the regulations promulgated under this section.

"(6) Any system supplying less than 150 service connections shall be treated as complying with this subsection if such system supplies appropriate water samples to the Administrator. The Administrator shall arrange for the analysis of such samples.".

SEC. 103. ENFORCEMENT OF REGULATIONS.

(a) NOTICE TO SYSTEMS.—Section 1414(a)(1)(A) of the Safe Drinking Water Act is amended by inserting "and such public water system" after the words "notify the State".

(b) PROMPT FEDERAL ENFORCEMENT.—(1) Section 1414(a)(1)(B) of the Safe Drinking Water Act is amended to read as follows:

"(B) If, beyond the thirtieth day after the Administrator's notification, the State has not commenced appropriate enforcement action, the Administrator shall issue an order under subsection (g) requiring the public water system to comply with such regulation or requirement or shall commence a civil action under subsection (b).".

(2) Section 1414(a)(2) of the Safe Drinking Water Act is amended by striking the words "he may commence a civil action under subsection (b)" and adding the following: "he shall issue an order under subsection (g) requiring the public water system to comply with such regulation or requirement or shall commence a civil action under subsection (b)".

(c) ADMINISTRATIVE ORDERS.—(1) Section 1414 of the Safe Drinking Water Act is amended by adding at the end thereof the following new subsection (g):

"(g)(1) In any case in which the Administrator is authorized to bring a civil action under this section with respect to any regulation, schedule, or other requirement, the Administrator also may issue an order to require compliance with such regulation, schedule, or other requirement.

"(2) An order issued under this subsection shall not take effect until after notice and opportunity for public hearing and, in the case of a State having primary enforcement responsibility, until after the Administrator has provided the State with an opportunity to confer with the Administrator regarding the proposed order. A copy of any order proposed to be issued under this subsection shall be sent to the appropriate State agency of the State involved if the State has primary enforcement responsibility for public water systems in that State. Any order issued under this subsection shall state with reasonable specificity the nature of the violation. In any case in which an order under this subsection is issued to a corporation, a copy of such order shall be issued to appropriate corporate officers.

"(3)(A) Any person who violates, or fails or refuses to comply with, an order under paragraph (2) shall be liable to the United States for a civil penalty of not more than $25,000 per day of violation.

"(B) Whenever any civil penalty sought by the Administrator under this paragraph does not exceed a total of $5,000, the penalty shall be assessed by the Administrator after notice and opportunity for a hearing on the record in accordance with section 554 of title 5 of the United States Code.

"(C) Whenever any civil penalty sought by the Administrator under this paragraph exceeds $5,000, the penalty shall be assessed by a civil action brought by the Administrator in the appropriate United States district court (as determined under the provisions of title 28 of the United States Code).

"(D) If any person fails to pay an assessment of a civil penalty after it has become a final and unappealable order, or after the appropriate court of appeals has entered final judgment in favor of the Administrator, the Attorney General shall recover the amount for which such person is liable in any appropriate district court of the United States. In any such action, the validity and appropriateness of the final order imposing the civil penalty shall not be subject to review.".

(2) Section 1414 of the Safe Drinking Water Act is amended by striking the words "FAILURE BY STATE TO ASSURE" from the section heading.

SEC. 104. PUBLIC NOTIFICATION.

Section 1414(c) of the Safe Drinking Water Act is amended by striking out the third and fourth sentences thereof and substituting: "Within 12 months after the date of the enactment of the Safe Drinking Water Act Amendments of 1985, the Administrator shall amend such regulations to provide for different types and frequencies of notice based on the differences between violations which are intermittent or infrequent and violations which are continuous or frequent. Such regulations shall also take into account the seriousness of any potential adverse health effects which may be involved. In no case shall notices be given less frequently than annually. Notice of any violation of a maximum contaminant level and any other notice of a violation designated by the Administrator as continuous or posing a serious potential adverse health effect shall be given no less frequently than every three months and shall include notice in a newspaper of general circulation serving the area served by the public water system (as determined by the Administrator). Notice under this subsection shall provide a clear and readily understandable explanation of the violation, the steps that the system is taking to correct such violation, and the consumers which should seek alternative water supplies until the violation is corrected if it is necessary for consumers to seek alternative water supplies. Until such amendments are promulgated, the regulations in effect on the date of the enactment of the Safe Drinking Water Act Amendments of 1985 shall remain in effect.".

SEC. 105. VARIANCES.

Section 1415(a)(1)(A) of the Safe Drinking Water Act is amended by—

(1) striking the word "despite" and substituting a period and the following: "A variance may only be issued to a system after the system's";

(2) striking the word "generally" before the word "available" and by adding after "(taking costs into consideration)." the following: "The Administrator shall propose and promulgate his finding of the best available technology, treatment techniques or other means available for each contaminant at the time he proposes and promulgates a maximum contaminant level for each such contaminant. The Administrator's finding of best available technology, treatment techniques or other means may vary depending on the number of persons served by the system or for other physical conditions related to engineering feasibility and costs of compliance with maximum contaminant levels as considered appropriate by the Administrator.";

(3) striking the words "within one year of the date" and adding "at the time"; and

(4) adding in clause (ii) after the words "water system of such" the word "additional".

SEC. 106. EXEMPTIONS.

(a) Section 1416 of the Safe Drinking Water Act is amended—

(1) in subsection (b)(1) by striking the words "within one year of the date" and adding "at the time".

(2) in subsection (b)(2)(A)(i) by striking the word "interim" and striking the words "not later than January 1, 1984" and adding "not later than twelve months after the date of the enactment of the Safe Drinking Water Act Amendments of 1985".

(b) Section 1416(b)(2)(A)(ii) of the Safe Drinking Water Act is amended by striking the word "revised" and the words "not later than seven years after the date such requirement takes effect" and adding "other than a regulation referred to in section 1412(a), 12 months after the date of the issuance of the exemption".

(c) Section 1416(b)(2)(B) is amended to read as follows:

"(B) The final date for compliance provided in any schedule in the case of any exemption may be extended by the State (in the case of a State which has primary enforcement responsibility) or by the Administrator (in any other case) for a period not to exceed three years after the date of the issuance of the exemption if the public water system establishes that—

"(i) the system cannot meet the standard without capital improvements which cannot be completed within the period of such exemption;

"(ii) in the case of a system which needs financial assistance for the necessary improvements, the system has entered into an agreement to obtain such financial assistance; or

"(iii) the system has entered into an enforceable agreement to become a part of a regional public water system.

In the case of a system which does not serve more than 500 service connections and which needs financial assistance for the necessary improvements, an exemption extended under the preceding sentence may be renewed for one or more additional 2-year periods if the system establishes that it is taking all practicable steps to meet the standard.".

SEC. 107. TAMPERING WITH PUBLIC WATER SYSTEMS.

Part D of the Safe Drinking Water Act is amended by adding the following new section at the end thereof:

"SEC. 1432. TAMPERING WITH PUBLIC WATER SYSTEMS.

"(a) TAMPERING.—Any person who tampers with a public water system shall be fined not more than $50,000, or imprisoned for not more than 5 years, or both.

"(b) ATTEMPT OR THREAT.—Any person who attempts to tamper, or makes a threat to tamper, with a public drinking water system be fined not more than $20,000, or imprisoned for not more than 3 years, or both.

"(c) CIVIL PENALTY.—The Administrator may bring a civil action in the appropriate United States district court (as determined under the provisions of title 28 of the United States Code) against any person who tampers, attempts to tamper, or makes a threat to tamper with a public water system. The court may impose on such person a civil penalty of not more than $50,000 for such tampering or not more than $20,000 for such attempt or threat.

"(d) DEFINITION OF 'TAMPER'.—For purposes of this section, the term 'tamper' means—

"(1) to introduce a contaminant into a public water system with the intention of harming persons; or

"(2) to otherwise interfere with the operation of a public water system with the intention of harming persons.".

SEC. 108. TECHNICAL ASSISTANCE FOR SMALL SYSTEMS.

Section 1442 of the Safe Drinking Water Act is amended by adding the following new subsection:

"(g) The Administrator is authorized to provide technical assistance to small public water systems to enable such systems to achieve and maintain compliance with national drinking water regulations. Such assistance may include 'circuit-rider' programs, training, and preliminary engineering studies. There are authorized to be appropriated to carry out this subsection, $10,000,000 for each of the fiscal years 1986 through 1989.".

TITLE II—PROTECTION OF UNDERGROUND SOURCES OF DRINKING WATER

SEC. 201. RESTRICTIONS ON UNDERGROUND INJECTION OF HAZARDOUS WASTE AND REGULATION OF STATE PROGRAMS.

(a) NATURAL GAS STORAGE.—Section 1421(b)(2)(A), section 1422(c)(1), and section 1425(a)(1) of the Safe Drinking Water Act are each amended by inserting "or natural gas storage operations" after "production".

(b) INJECTION RESTRICTION.—Part C of the Safe Drinking Water Act is amended by adding the following new sections at the end thereof:

"SEC. 1426. RESTRICTIONS ON HAZARDOUS WASTE INJECTION.

"No hazardous waste may be disposed of by underground injection above or into a formation which contains (within one-quarter mile of the injection well bore) a drinking water source except that injection of contaminated ground water into the aquifer from which it was withdrawn may be allowed if the Administrator determines, pursuant to procedures approved under this Act, the Solid Waste Disposal Act, or the Comprehensive Environmental Response, Compensation and Liability Act of 1980, that such injection is an appropriate and environmentally acceptable aspect of a cleanup, removal or remedial action for the contaminated aquifer. The prohibition established under this subsection shall take effect six months after the enactment of this section except in the case of any State in which identical prohibitions are in effect before such date. The term 'hazardous waste', as used in this section, means any hazardous waste, (as defined in the Solid Waste Disposal Act) which is listed or identified under section 3001 of that Act. The prohibition established by this section shall be treated for purposes of this Act as a prohibition established pursuant to an applicable underground injection program.

"SEC. 1427. REGULATION OF STATE PROGRAMS.

"(a) REVISED MONITORING REGULATIONS.—Not later than 18 months after enactment of the Safe Drinking Water Act Amendments of 1985 the Administrator shall revise regulations issued under this part to require monitoring of underground injection wells in such manner and in such locations as deemed appropriate by the Administrator so as to provide the earliest possible detection of fluid migration into, or in the direction of, an underground source of drinking water.

"(b) INVENTORY.—The Administrator, in cooperation with the State, shall conduct an inventory of all wells in the United States which inject hazardous wastes. The inventory shall include such information as the Administrator may, in his discretion, deem necessary to define the scope and nature of hazardous waste disposal in the United States through underground injection. A report summarizing the results of such inventory and making recommendations, if necessary, to protect underground sources of drinking water from hazardous waste migration from underground injection wells shall be submitted to the Congress not later than 9 months after the date of the enactment of the Safe Drinking Water Act Amendments of 1985.

"(c) INFORMATION.—The States shall make available to the Administrator such information as he deems necessary to accomplish the objectives of this section. The Administrator need not be limited to such information in conducting the inventory referred to in subsection (b).".

SEC. 202. ENFORCEMENT OF UIC PROGRAM.

(a) MANDATORY ENFORCEMENT.—(1) Section 1423(a)(1) of the Safe Drinking Water Act is amended by striking out all after the first sentence and substituting the following: "If beyond the thirtieth day after the Administrator's notification the State has not commenced appropriate enforcement action, the Administrator shall issue an order under subsection (d) requiring the person to comply with such requirement or shall commence a civil action under subsection (b)(1).".

(2) Section 1423(a)(2) of the Safe Drinking Water Act is amended by striking the words "he may commence a civil action under subsection (b)(1)" and substituting the following: "he shall issue an order under subsection (d) requiring the person to comply with such requirement or shall commence a civil action under subsection (b)(1)".

(3) Section 1423(b)(1) of the Safe Drinking Water Act is amended by striking out the first sentence thereof and substituting the following: "Civil actions referred to in paragraphs (1) and (2) of subsection (a) shall be brought in the appropriate United States district court and such court shall have jurisdiction to require compliance with any requirement of an applicable underground injection program.".

(b) PENALTIES.—Section 1423(b)(1) of the Safe Drinking Water Act is amended by striking in the last sentence "$5,000" and substituting "$25,000" and by striking "60" and substituting "30".

(c) CIVIL ACTION.—Section 1423 of the Safe Drinking Water Act is amended by adding the following new subsection at the end thereof:

"(d)(1) In any case in which the Administrator is authorized to bring a civil action under this section with respect to any requirement of an applicable underground injection control program, the Administrator may also issue an order to require compliance with such requirement.

"(2) An order issued under this subsection shall not take effect until after notice and opportunity for public hearing and, in the case of a State having primary enforcement responsibility for underground water sources (within the meaning of section 1422(b)(3) or 1425(c)) until after the Administrator has provided the State with an opportunity to confer with the Administrator regarding the proposed order. A copy of any order proposed to be issued under this subsection shall be sent to the appropriate State agency involved if the State has primary enforcement responsibility. Any order issued under this subsection shall state with reasonable specificity the nature of the violation. In any case in which an order under this subsection is issued to a corporation, a copy of such order shall be issued to appropriate corporate officers.

"(3)(A) Any person who violates, or fails or refuses to comply with an order under paragraph (2) shall be liable to the United States for a civil penalty of not more than $25,000 per day of violation.

"(B) Whenever the civil penalty sought by the Administrator under this paragraph does not exceed $5,000, the penalty shall be assessed by the Administrator after notice and opportunity for a hearing on the record in accordance with section 554 of title 5 of the United States Code.

"(C) Whenever the civil penalty sought by the Administrator exceeds $5,000, the penalty shall be assessed by a civil action brought by the Administrator in the appropriate United States district court (as determined under the provisions of title 28 of the United States Code).

"(D) If any person fails to pay an assessment of a civil penalty after it has become a final and unappealable order, or after the appropriate court of appeals has entered final judgment in favor of the Administrator, the Attorney General shall recover the amount for which such person is liable in any appropriate district court of the United States. In any such action, the validity and appropriateness of the final order imposing the civil penalty shall not be subject to review.".

(d) CONFORMING AMENDMENT.—Section 1423 of the Safe Drinking Water Act is amended by striking the words "FAILURE OF STATE TO ASSURE" from the section heading.

SEC. 203. STATE PLANS TO PROTECT UNDERGROUND SOURCES OF DRINKING WATER.

The Safe Drinking Water Act is amended by adding the following new section after section 1443:

"SEC. 1443A. STATE PLANS TO PROTECT UNDERGROUND SOURCES OF DRINKING WATER.

"(a) STATE PLANS.—After notice and opportunity for public hearing and within 36 months after the date of the enactment of this section, each State shall adopt and submit to the Administrator a comprehensive State plan to protect underground sources of drinking water from contamination that may adversely affect the health of persons. Each State plan under this section shall, at a minimum—

"(1) specify the lead agency which has responsibility for implementing the plan and demonstrate that this agency has adequate legal authority and financial resources to perform this function;

"(2) identify each underground source of drinking water in the State and perform an assessment which describes, for each such

source, the quality and quantity of water which it contains, its flow patterns and critical recharge zones, and its known and potential sources of contamination;

"(3) describe for each underground source of drinking water identified pursuant to paragraph (2) the location and types of human development which affect the source and the types of such development which can occur without resulting in the degradation of such sources;

"(4) set out the regulations and other measures which the State will implement under the plan, including the establishment of best management practices (BPMs) for categories or subcategories of activities that may contaminate underground drinking water sources; and

"(5) guarantee or provide for an alternative drinking water supply when an underground source of drinking water is contaminated so as to adversely affect the health of persons.

In developing the State plan, the State may categorize aquifers and, assuring the protection of public health, afford different levels of protection to different aquifers, based on quality and uses of the aquifer concerned. Nothing in this section shall require the Administrator to promulgate regulations under this section.

"(b) PUBLIC PARTICIPATION.—To the maximum extent possible, each State shall establish procedures, including but not limited to the establishment of technical and citizens' advisory committees to encourage the public to participate in developing the ground water protection plan.

"(c) APPROVAL OR DISAPPROVAL.—

"(1) IN GENERAL.—Within 9 months after receipt of a proposed plan submitted as specified in subsection (a), the Administrator shall approve the plan unless he determines that the plan or any portion thereof is inadequate to meet the requirements of this section. If the Administrator determines that a proposed State plan or any portion thereof is inadequate, he shall submit a written statement of the reasons for his determination to the Governor of the State within 30 days from the date of such determination of inadequacy.

"(2) MODIFICATION AND RESUBMISSION.—Within 6 months after receipt of the Administrator's written notice under paragraph (1) that any proposed State plan, or portion thereof, is inadequate, the State shall modify the plan based upon the recommendations of the Administrator and resubmit the modified plan to the Administrator. The Administrator shall approve or disapprove the modified plan within 90 days of his receipt thereof. If the Administrator disapproves the modification within such period, the State shall submit a second modification within 45 days. The Administrator shall approve or disapprove the second modification within 45 days of his receipt of the second modification.

"(d) ENFORCEMENT.—

"(1) SECTION 1449.—The duties of States and the Administrator set forth in this section shall be treated as 'requirements prescribed under this title' for purposes of section 1449.

"(2) ASSISTANCE UNDER SECTION 1422.—No State exercising primary enforcement responsibility under section 1422 for a State underground injection control program may receive any assistance under this Act for purposes of such program if the State has not complied with the requirements of subsections (a), (b), and (c) of this subsection or if any portion of a State plan has not been approved by the Administrator before the expiration of the periods specified in subsection (c).

"(e) BRINE CONTAMINATION.—In the case of each State in which oil or natural gas exploration occurs, the State plan under this section, consistent with the underground injection requirements of part C, the requirements of the Solid Waste Disposal Act, and the requirements of the Federal Water Pollution Control Act shall protect underground sources of drinking water from brine contamination which may adversely affect public health and which is associated with the production or recovery of oil and natural gas.

"(f) DEFINITION OF UNDERGROUND SOURCE OF DRINKING WATER.—As used in this section, the term 'underground source of drinking water' means underground water which—

"(1) supplies drinking water for any public water system;

"(2) is reasonably capable of supplying drinking water for any public water system; or

"(3) may be capable of supplying drinking water for a public water system if such system utilized technologically advanced treatment which has been commercially demonstrated to be economically feasible.

"(g) PROHIBITIONS.—

"(1) ACTIVITIES UNDER OTHER LAW.—No funds authorized to be appropriated under this section may be used to support activities authorized by the Federal Water Pollution Control Act, the Solid Waste Disposal Act, the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, or other sections of this Act.

"(2) INDIVIDUAL SOURCES.—No funds authorized to be appropriated under this section may be used to bring individual sources of contamination into compliance.

"(h) DEADLINES.—Each State shall make every reasonable effort to implement the State plan under this section within 2 years of its adoption. Within two years after the approval of each State plan under this section, each State shall submit to the Administrator a status report describing the State's progress in implementing the plan.

"(i) FEDERAL AGENCIES.—Each Federal agency conducting or supporting an activity affecting a critical recharge area identified in a ground water protection plan approved under this section shall conduct or support those activities in a manner which is consistent with the approved plan.".

SEC. 204. PROTECTION OF SOLE OR PRINCIPAL SOURCE GROUND WATER RECHARGE AREAS.

(a) NEW SECTION 1428.—Part C of the Safe Drinking Water Act is amended by adding the following new section at the end thereof:

"SEC. 1428. PROTECTION OF SOLE OR PRINCIPAL SOURCE GROUND WATER RECHARGE AREAS.

"(a) DESIGNATION OF SPA.—

"(1) PETITION.—Upon designation of a sole or principal source area pursuant to section 1424(e), any one or several municipalities (or State chartered entities charged with sole source aquifer maintenance and protection) within such area may initiate proceedings for the designation of a 'special protection area' within the sole or principal source area by petitioning the Governor of the State in which the proposed 'special protection area' is located to apply to the Administrator for the designation of 'special protection area' within the sole or principal source area.

"(2) CONTENTS.—A petition under this subsection shall propose boundaries for the special protection area and further shall evaluate whether—

"(A) the proposed special protection area is a recharge zone for significant volumes of ground water with drinking water supply potential;

"(B) the ground water which is recharged through the proposed special protection area is of high quality;

"(C) portions of the proposed special protection area within the sole or principal source area are already contaminated with toxic organics, nutrients, salts, or other pollutants;

"(D) maintenance of high quality in the sole or principal source aquifer or in the ground water recharged through the proposed special protection area would have significant economic, social, and ecological benefits for the sole or principal source area; and

"(E) degradation of ground water in the proposed special protection area would have significant economic, social, and ecological costs for the area.

"(b) APPROVAL OR DISAPPROVAL.—Within 180 days following receipt of a petition under this section, the Governor, taking into consideration the criteria set forth in subsection (a)(2), shall approve or disapprove the petition. If the Governor approves such petition, he shall—

"(1) propose the boundaries of the special protection area;

"(2) designate or, if necessary, establish a planning entity (which may be a public agency and which may include representatives of local and State governments or planning entities with a State charter) to develop a comprehensive management plan (hereinafter in this section referred to as the 'plan') for the special protection area; and

"(3) establish procedures for public participation in the development of the plan, for review, approval, and adoption of the plan, and for assistance to municipalities and other public agencies with authority under State law to implement the plan.

Where a local government planning agency exists with adequate authority to carry out this section with respect to any proposed special protection area, the Governor shall designate such agency as the planning entity under paragraph (2).

"(c) EPA.—

"(1) SUBMISSION.—Following approval of the petition the Governor shall submit such petition to the Administrator together with the summary of the action taken by the Governor under subsection (b).

"(2) APPROVAL OR DISAPPROVAL.—Within 120 days after the Administrator's receipt of the petition the Administrator shall approve or disapprove the petition. The Administrator shall approve the petition if he finds that—

"(A) the boundaries of the area concerned are based on the criteria set forth in subsection (a)(2); and

"(B) the planning entity has the authority, pursuant to State law, and the technical expertise to prepare the plan.

"(3) MATCHING GRANTS.—If the Administrator approves the petition, he may provide to the State, on a matching basis, a grant of 50 per centum of the costs incurred in preparing the petition and developing the plan, except that in the case of a municipality with a population of 10,000 or less, the Ad-

ministrator may provide to the State a grant of 60 per centum of such costs.

"(4) PRELIMINARY PLANNING FUNDS.—The designated planning entity, through the Governor, shall be eligible for preliminary planning funds for a period not to exceed two years.

"(d) COMPREHENSIVE MANAGEMENT PLAN.—

"(1) CONTENTS.—A planning entity designated under this section shall be authorized and directed to prepare a comprehensive management plan for the special protection area. Such plan shall be designed to maintain the quality of the ground water in the special protection area through maintenance, to the maximum extent possible, of the natural vegetative and hydrogeological conditions. Such plan shall include but not be limited to—

"(A) a determination of the quality of the existing ground water recharged through said special protection area and the natural recharge capabilities of the special protection area watershed;

"(B) an identification of existing and potential point and nonpoint sources of ground water degradation, ground water flow patterns, and the relationship between surface water management and ground water quality and recharge;

"(C) requirements designed to maintain existing underground drinking water quality or improve underground drinking water quality if prevailing conditions fail to meet drinking water standards, pursuant to this Act and State law;

"(D) a map showing the detailed boundary of the special protection area;

"(E) a resource assessment of the amount, location, and type of human development and activity which the ecosystem can sustain while still maintaining existing ground and surface water quality and protecting unique ecological features related to maintenance of water quality;

"(F) limits on Federal, State, and local government, financially assisted activities and projects which may contribute to degradation of such ground water or any loss of natural surface and subsurface infiltration or purification capability of the special protection area watershed;

"(G) a comprehensive statement of land use management including emergency contingency planning as it pertains to the maintenance of the quality of underground sources of drinking water or to the improvement of such sources if necessary to meet drinking water standards pursuant to this Act and State law;

"(H) actions in the special protection area which would avoid adverse impacts on water quality, recharge capabilities, or both;

"(I) consideration of specific techniques, which may include clustering, transfer of development rights, and other innovative measures sufficient to achieve the objectives of this section;

"(J) consideration of the establishment of a State institution to facilitate and assist in funding a development transfer credit system;

"(K) a program for State and local implementation of the plan described in this subsection in a manner that will insure the continued, uniform, consistent protection of the special protection area in accord with the purposes of this section;

"(L) pollution abatement measures, if appropriate; and

"(M) adequate personnel, funding, and authority to carry out the plan.

"(2) CONSULTATION AND HEARINGS.—During the development of the comprehensive management plan, the planning entity shall consult with, and consider the comments of, appropriate officials of any municipality and State or Federal agency which has jurisdiction over lands and waters within the special protection area, other concerned organizations and technical and citizen advisory committees which shall be established by the Governor. The planning entity shall conduct public hearings at places within the special protection area for the purpose of providing an opportunity to comment on any aspect of the plan.

"(e) FINAL PLAN.—The planning entity shall submit a final plan to the Governor for review. The Governor shall approve or disapprove the plan based upon a determination that such plan protects underground sources of drinking water covered therein from contamination that may adversely affect the health of persons. An approved plan shall be submitted by the Governor to the Administrator for review. Within 120 days, the Administrator shall approve the plan or submit in writing to the Governor his reasons for not approving it. The Governor may resubmit any plan which is not approved. The Administrator shall approve any plan which satisfies the requirements of this section.

"(f) MATCHING GRANTS.—If the Administrator approves the plan, he may provide to the State on a matching basis a grant of 50 per centum of the costs of implementing the plan (or 60 per centum of such costs in the case of an aquifer serving a population of 10,000 or less).

"(g) ORDER TO PROVIDE DRINKING WATER.—

"(1) ISSUANCE.—If the Administrator (or any State which has primary enforcement responsibility, within the meaning of section 1413, for public water systems under part B of this title) determines that—

"(A) any person has caused or contributed to the presence of any contaminant in any sole or principal source aquifer designated under section 1424(e) which supplies, or can reasonably be expected to supply, any public water system, and

"(B) the presence of such contaminant in such water system may adversely affect the health of persons unless such water is treated or alternative water supplies are provided,

he may issue an order requiring such person to provide adequate supplies of potable drinking water to the persons served by such public water system.

"(2) REVIEW.—Any interested person may obtain review of an order issued by the Administrator (or the State) under this section in the appropriate United States district court within thirty days after the issuance of the order.

"(3) ENFORCEMENT.—Any person who violates, or fails or refuses to comply with, an order under this subsection shall be liable to the United States (or to the State in the case of an action brought by the State) for a civil penalty of not more than $5,000 per day of violation. If any person fails to pay an assessment of a civil penalty after it has become a final and unappealable order, or after the appropriate court of appeals has entered final judgment in favor of the Administrator (or the State), the Attorney General shall recover the amount for which such person is liable in any appropriate district court of the United States. In any such action, the validity and appropriateness of the final order under this section or the assessment of a civil penalty shall not be subject to review.

"(4) OTHER RIGHTS.—Nothing in this section shall be construed to restrict or preempt any right which any public water system or any other person (or class of persons) may have under any statute or common law to seek enforcement in any Federal, State, or local court, or in any administrative proceeding, of any provision of this Act or any other relief regarding the contamination of any drinking water supply.

"(5) ROUTINE AGRICULTURAL ACTIVITIES.—Paragraph (1) shall not apply to any contamination which results from routine agricultural activities.

"(h) CRITERIA FOR AREAS DESIGNATED UNDER SECTION 1424(e).—Within 12 months after the date of the enactment of this section, the Administrator shall, by rule, establish criteria for the areas to be designated under section 1424(e) and eligible for special protections under this section. Such criteria shall include aquifer use, vulnerability, water quality, and unavailability of alternative supplies of drinking water. Designations made under section 1424(e) before the enactment of this section shall be reviewed and reevaluated in accordance with the criteria promulgated pursuant to this subsection.".

(b) PROHIBITION OF SOLID WASTE DISPOSAL OVER CERTAIN SOLE SOURCE AQUIFER.—Section 1424(e) of the Safe Drinking Water Act is amended by inserting "(1)" after "(e)" and by adding at the end thereof the following new paragraph:

"(2) Notwithstanding any other provision of law, no person may place solid waste (as defined in the Solid Waste Disposal Act) in a landfill, surface impoundment, waste pile, injection well, or land treatment facility (as those terms are defined in regulations under the Solid Waste Disposal Act) located over the Unconsolidated Quarternary Aquifer, or the recharge zone or streamflow source zone of such aquifer, in the Rockaway River Basin, New Jersey (as such aquifer and zones are described in the Federal Register, January 24, 1984, pages 2946-2948). This paragraph may be enforced by a civil action under section 1449.".

TITLE III—GENERAL PROVISIONS

SEC. 301. AUTHORIZATION OF APPROPRIATIONS.

(a) IN GENERAL.—Section 1442(f) of the Safe Drinking Water Act is amended by inserting the following at the end thereof: "There are authorized to be appropriated to carry out subsection (a)(2)(B), $4,000,000 for the fiscal year 1986, $4,000,000 for the fiscal year 1987, $4,800,000 for the fiscal year 1988, and $4,800,000 for the fiscal year 1989. There are authorized to be appropriated to carry out the provisions of this section (other than subsection (g), subsection (a)(2)(B), and provisions relating to research), $29,200,000 for the fiscal year 1986, $29,200,000 for the fiscal year 1987, $29,040,000 for the fiscal year 1988, and $29,040,000 for the fiscal year 1989.".

(b) STATE SUPERVISION PROGRAMS.—Section 1443(a)(7) of the Safe Drinking Water Act is amended by adding the following at the end thereof: "For the purposes of making grants under paragraph (1) there are authorized to be appropriated $29,400,000 for the fiscal year 1986, $29,400,000 for the fiscal year 1987, $35,300,000 for the fiscal year 1988, and $35,300,000 for the fiscal year 1989.".

(c) UNDERGROUND WATER SOURCE PROTECTION PROGRAM.—Section 1443(b)(5) of the Safe Drinking Water Act is amended by adding the following at the end thereof: "For the purpose of making grants under

paragraph (1) there are authorized to be appropriated $11,400,000 for the fiscal year 1986, $11,400,000 for the fiscal year 1987, $13,700,000 for the fiscal year 1988, and $13,700,000 for the fiscal year 1989.".

(d) EXTENSION OF AUTHORITY.—Section 1441(f) of the Safe Drinking Water Act is amended by striking out "in effect" and all that follows and substituting "in effect for more than one year.".

(e) PROTECTION OF UNDERGROUND SOURCES OF DRINKING WATER.—Section 1443A of the Safe Drinking Water Act, as added by this Act, is amended by adding the following new subsection at the end thereof:

"(j) AUTHORIZATION OF APPROPRIATIONS.—Upon the approval of any State plan under this section, the Administrator shall make grants to the State for 50 percent of the costs incurred by a State (as determined by the Administrator) in developing and implementing a State plan under this section. For purposes of making such grants there is authorized to be appropriated not more than $20,000,000 for each of the fiscal years 1986 and 1987 and $35,000,000 for each of the fiscal years 1988 and 1989.".

(f) PROTECTION OF SOLE OR PRINCIPAL SOURCE GROUND WATER RECHARGE AREAS.—Section 1428 of the Safe Drinking Water Act, as added by this Act, is amended by adding the following new subsection at the end thereof:

"(i) AUTHORIZATION.—

"(1) DEVELOPMENT.—There are authorized to be appropriated for grants for development of plans under this section, $3,000,000 for each of the fiscal years 1986 and 1987 and $5,000,000 for each of the fiscal years 1988 and 1989.

"(2) IMPLEMENTATION.—There are authorized to be appropriated for grants to implement plans under this section $7,000,000 for each of the fiscal years 1986 and 1987 and $10,000,000 for each of the fiscal years 1988 and 1989. Matching grants under this section may also be used to implement or update any water quality management plan for a sole or principal source aquifer approved (before the date of the enactment of this section) by the Administrator under section 208 of the Federal Water Pollution Control Act.".

SEC. 302. MISCELLANEOUS PROVISIONS.

(a) REPEAL.—Section 1442(e) of the Safe Drinking Water Act is repealed.

(b) COMPARATIVE HEALTH EFFECTS ASSESSMENT.—The Administrator of the Environmental Protection Agency shall conduct a comparative health effects assessment, using available data, to compare the relative effects on public health associated with water treatment chemicals and their by-products to the effects on public health associated with contaminants found in public water supplies. Not later than 18 months after the date of the enactment of this Act, the Administrator shall submit a report to the Congress setting forth the results of such assessment.

SEC. 303. INDIAN TRIBES.

(a) IN GENERAL.—Part E of the Safe Drinking Water Act is amended by adding the following new section after section 1450:

"SEC. 1451. INDIAN TRIBES.

"(a) IN GENERAL.—Subject to the provisions of subsection (b), the Administrator is authorized to treat Indian Tribes as States under this title, may delegate to such Tribes primary enforcement responsibility for public water systems and for underground injection control, and may provide such Tribes grant and contract assistance to carry out functions provided by this Act.

"(b) EPA REGULATIONS.—

"(1) SPECIFIC PROVISIONS.—The Administrator shall, within 18 months after the enactment of this section, promulgate final regulations specifying those provisions of this title for which it is appropriate to treat Indian Tribes as States. Such treatment shall be authorized only if:

"(A) the Indian Tribe is recognized by the Secretary of the Interior and has a governing body carrying out substantial governmental duties and powers;

"(B) the functions to be exercised by the Indian Tribe are within the area of the Tribal Government's jurisdiction; and

"(C) the Indian Tribe is reasonably expected to be capable, in the Administrator's judgment, of carrying out the functions to be exercised in a manner consistent with the terms and purposes of this title and of all applicable regulations.

"(2) PROVISIONS WHERE TREATMENT AS STATE INAPPROPRIATE.—For any provision of this title where treatment of Indian Tribes as identical to States is inappropriate, administratively infeasible or otherwise inconsistent with the purposes of this title, the Administrator may include in the regulations promulgated under this section, other means for administering such provision in a manner that will achieve the purpose of the provision. Nothing in this section shall be construed to allow Indian Tribes to assume or maintain primary enforcement responsibility for public water systems or for underground injection control in a manner less protective of the health of persons than such responsibility may be assumed or maintained by a State. An Indian tribe shall not be required to exercise criminal enforcement jurisdiction for purposes of complying with the preceding sentence.".

(b) DEFINITIONS.—

(1) INDIAN TRIBE.—Section 1401 of such Act is amended by inserting the following at the end thereof:

"(14) The term 'Indian Tribe' means any Indian tribe having a Federally recognized governing body carrying out substantial governmental duties and powers over any area.".

(2) MUNICIPALITY.—Section 1401 of such Act is amended by striking out from paragraph (10) the words "Indian tribal organization authorized by law" and substituting "Indian Tribe."

(c) PRIMARY ENFORCEMENT RESPONSIBILITY.—Section 1422 of such Act is amended by adding the following new subsection at the end thereof:

"(e) An Indian Tribe may assume primary enforcement responsibility for underground injection control under this section consistent with such regulations as the Administrator has prescribed pursuant to Part C and section 1451 of this Act. The area over which such Indian Tribe exercises governmental jurisdiction need not have been listed under subsection (a) of this section, and such Tribe need not submit an application to assume primary enforcement responsibility within the 270-day deadline noted in subsection (b)(1)(A) of this section. Until an Indian Tribe assumes primary enforcement responsibility, the currently applicable underground injection control program shall continue to apply. If an applicable underground injection control program does not exist for an Indian Tribe, the Administrator shall prescribe such a program pursuant to subsection (c) of this section, and consistent with section 1421(b), within 270 days of the enactment of this Act, unless an Indian Tribe first obtains approval to assume primary enforcement responsibility for underground injection control.".

(d) GRANTS.—(1) Section 1443(a)(2) of the Safe Drinking Water Act is amended by adding a new sentence after the final sentence in that paragraph stating: "The prohibitions contained in the preceding two sentences shall not apply to such grants when made to Indian Tribes."

(2) Section 1443(b) of such Act is amended by adding the following new sentence after the final sentence in paragraph (2) thereof: "The prohibition contained in the preceding sentence shall not apply to such grants when made to Indian Tribes.".

(e) STUDY.—The Administrator of the Environmental Protection Agency, in consultation with Indian tribes, shall carry out a study to inventory the program needs of Indian tribes under the Safe Drinking Water Act. The Administrator shall prepare a report detailing the results of such study. The report shall be submitted to the Congress together with the President's Budget Request for fiscal year 1987.

The SPEAKER pro tempore. Is a second demanded?

Mr. MADIGAN. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentleman from California [Mr. WAXMAN] will be recognized for 20 minutes, and the gentleman from Illinois [Mr. MADIGAN] will be recognized for 20 minutes.

The Chair recognizes the gentleman from California [Mr. WAXMAN].

GENERAL LEAVE

Mr. WAXMAN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on H.R. 1650.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. WAXMAN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the Safe Drinking Water Act is one of the most important public health measures protecting the American people. It directly addresses one of this Nation's most serious environmental health threats, the growing contamination of our drinking water with chemical poisons.

The bill, as reported, contains three titles. Title I requires the Environmental Protection Agency to finally get on with the vitally important job of establishing standards for health-threatening contaminants found in drinking water, and upgrades the monitoring and enforcement of these limits. Requirements for public notice of violations are streamlined, and variances and exemptions are extended for public water systems that cannot comply with the standards. Tampering with public water systems is made a Federal crime. And technical assist-

ance is provided for small water systems.

Title II tightens restrictions on the underground injection of hazardous wastes, a practice which threatens our drinking water supplies, and upgrades the enforcement of this program. This title also expands the existing program for the protection of "sole source aquifers"—especially important underground drinking water supplies—and provides for State plans to protect other underground sources of drinking water.

Title III renews the authorization of appropriations to carry out the Safe Drinking Water Act.

More and more evidence suggests that our drinking water supplies are contaminated by dangerous chemicals. Our Nation's ground water, which supplies half of the U.S. population with tap water, is becoming increasingly polluted. According to a report by the OTA, 29 percent of the ground water drinking water supplies of the U.S. cities with populations over 10,000 are contaminated. EPA reports that 45 percent of these public water systems contain organic chemicals.

Even though the Congress has worked hard to control much of this contamination through adoption of the Superfund and RCRA laws, I am not confident that these programs will be implemented swiftly and effectively enough to protect our Nation's drinking water supplies.

Every day there are reports of dangerous chemicals appearing in drinking water. For instance a recent health survey carried out in Woburn, MA concluded that tap water laced with heavy metals and organic chemicals had caused perinatal deaths, ear and eye birth defects, kidney and urinary disorders, and leukemia in children in the area.

EDB, one of the most potent cancer-causing substances ever tested by EPA, has been found in tap water in Florida, California, and other States as well.

Unfortunately, EPA has chosen to ignore, rather than respond to these concerns. The Agency has set few standards and has not yet regulated the many chemicals increasingly found in drinking water supplies. Moreover, enforcement of the few standards already on the books has been lax, with over 146,000 violations recorded in 1980.

H.R. 1650 does not have all of the elements that I would like to see in our Safe Drinking Water Act. It has no provisions to allow citizens afflicted by poisons in drinking water to seek redress in court. It still allows the agency to consider costs in the setting of standards which should be governed solely by the protection of public health. And its public notice requirements do not go far enough in requiring that consumers be notified when poisons are discovered in their drinking water.

But H.R. 1650, is a compromise vehicle with broad support. It would allow us to make significant progress in the crucially important effort to keep pace with today's understanding of the threat to our drinking water, and to utilize today's technologies for assuring that our water is safe.

The bill will require EPA to get on with the vitally important job of setting standards for the regulation of organic chemicals and other toxic contaminants in tap water. H.R. 1650 will also bring better monitoring and enforcement programs to millions of Americans. Also, this bill provides for the establishment of State plans to protect the ground water resources which supply half of the U.S. population with drinking water. Finally, H.R. 1650 establishes a special program for protecting drinking water in areas, such as Long Island, NY, where hundreds of thousands, or even millions of Americans rely on a single underground aquifer as their tap water supply.

Mr. Speaker, this bill is the result of the hard work by many Members on the sole source aquifer provision; for instance, NORM LENT, TOM FOLEY, and BILL CARNEY have all made important contributions to the drafting of H.R. 1650.

But I would be remiss if I did not recognize and commend the outstanding efforts of Representative TOM DOWNEY.

Representative DOWNEY's bill, H.R. 1038, was the basis for our sole source provision in H.R. 1650.

He has done a remarkable job of working with and educating the House on this issue. I think the direct result of his work will be safe drinking water for millions of Americans that rely on sole source aquifers.

As Mr. DOWNEY has argued so persuasively, the reason protection is needed is that many aquifers lie beneath pristine and undisturbed lands. These areas are critical to the preservation of their aquifer's recharge zone—the water reaching the aquifer depends on the nature of these lands and the degree of contamination of inflowing water. Once contaminated, there is no practical means to cleanse an aquifer system.

He has pointed out that on Long Island, there are 100,000 undeveloped acres of pine and scrub pine that lie above the recharge area and several more areas of forested land elsewhere on the Island. This land, like other recharge areas around the country, has been left in its natural condition and remains relatively free from landfill or septic tank seepage, leaks from underground storage tanks, or runoff from fertilizers, pesticides, and household products such as cleaners, solvents, disinfectants, and paint removers.

But, he has also noted that on the east end of Long Island, 1,500 private wells were closed because of contamination that occurred from just one accident. More contamination is likely if we don't take strong action.

I know that Representative DOWNEY is especially pleased with section 1428(d)(1)(h) of H.R. 1650. This provision will allow State and local governments to assess their contamination problems and take whatever actions are necessary to protect their aquifers, including obtaining natural undisturbed lands critical to protect the water quality and recharge capability of sole-source aquifers. This ability to prevent harm will be important not only to Long Island, but to many other sole-source aquifers as well.

As a final note, I want to thank ED MADIGAN and DENNIS ECKART, whose commitment and concern have made this legislation possible, and JOHN DINGELL for expeditiously moving this legislation through the Energy and Commerce Committee.

I urge all my colleagues to join with me in supporting this important bill.

Mr. Speaker, I reserve the balance of my time.

Mr. MADIGAN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in strong support of H.R. 1650, the Safe Drinking Water Act Amendments of 1985. I introduced this bill on March 21 with solid bipartisan support, and I am pleased that even with this very recent introduction, H.R. 1650 has attracted 66 cosponsors. I wish to commend Congressman WAXMAN, the distinguished chairman of the Subcommittee on Health and the Environment, and Congressman DINGELL, the distinguished full committee chairman, for their strong support for this legislation which has resulted in its expeditious consideration by this body.

Mr. Speaker, this bill is almost identical to one I introduced last Congress, H.R. 5959, which passed the House last September by a vote of 366 to 27. Unfortunately, the other body failed to consider that legislation, but I am pleased to see that it has already passed a similar bill this year.

The need for this legislation, Mr. Speaker, is obvious. Our surface water supplies are polluted by over 700 synthetic organic chemicals, heavy metals and other pollutants. The condition of our ground water supplies, which account for 50 percent of our drinking water, is also threatened. It is clear that we cannot solely rely on cleanup which is often technically or economically infeasible. Prevention of contamination is the only viable, long-term remedy for the problem.

Mr. Speaker, H.R. 1650 amends the Safe Drinking Water Act to provide for fast promulgation of national standards for drinking water contami-

nants, stricter enforcement of violations of the act, monitoring for unregulated contaminants, assistance to very small water systems, special protection for sole source aquifers, and State planning requirements for underground sources of drinking water. It maintains the crucial requirement of taking costs into consideration when setting national standards.

H.R. 1650 is a fiscally responsible bill. An amendment I offered which was adopted in subcommittee reduced the authorization levels in this bill by an average of 46 percent over the next 4 years. Overall, the bill before us today will save over $100 million per year over the next 4 years when compared with the bill which passed the House overwhelmingly last Congress.

There has been some discussion surrounding the standard setting language of this bill. We provide that EPA must regulate a list of contaminants which the agency has already identified as potentially hazardous, if there is a rational basis to do so, based on a weighing of all the available health evidence. This, Mr. Speaker, gives EPA flexibility to regulate those contaminants which are health-threatening.

On the other hand, the other body in its bill has absolutely required EPA to set national standards for some 85 contaminants, regardless of the health risk. I believe that the reason for this is OMB's recent refusal to allow the agency to publish final standards for some 30 drinking water contaminants. This decision has forced the other body to take these regulatory decisions into its own hands. I strongly support the maintenance of administrative flexibility in standard setting which is found in this bill, and I also join our country's water utilities in support of Federal, rather than State, drinking water standards. All of our citizens deserve equal protection from drinking water contamination.

I believe that this legislation strikes a sound balance between the flexibility required to regulate the Nation's 69,000 different public water systems and the active direction needed too provide consisently high quality drinking water throughout the country. I urge my colleagues to support this bill.

Mr. Speaker, our colleague from Illinois [Mr. GROTBERG], has brought a situation to my attention which needs to be addressed in the context of this reauthorization. He is concerned about the need for significant local community input into the rulemaking by the U.S. EPA relating to final safe drinking water standards. There are several communities in Illinois, including Geneva, Aurora, and Batavia, which now exceed the recommended maximum contaminant level [RMCL] for radium in drinking water supplies. These communities are attempting to work with EPA to develop acceptable radium standards.

It is my intent and understanding that EPA should work closely with local governments in finalizing contaminant levels in their community drinking water supplies, where it is appropriate. Clearly, a situation where only a few water supplies are affected by a given contaminant is especially suited to such input. H.R. 1650 also provides for independent scientific input where appropriate. Both local and independent scientific input must not unnecessarily delay the final promulgation of standards.

I thank Mr. GROTBERG for bringing this issue to my attention.

Mr. WAXMAN. Mr. Speaker, I am pleased at this time to yield to our colleaue on the Energy and Commerce Committee, formerly of our subcommittee, who authored the original legislation which has been the basis for much of what is in the bill today, the gentleman from Ohio [Mr. DENNIS ECKART].

Mr. ECKART of Ohio. I thank the chairman for yielding this time to me.

I wish to congratulate the gentleman from California [Mr. WAXMAN] and the gentleman from Illinois [Mr. MADIGAN] and their staffs for working diligently on the creation of a piece of legislation which I think will close the gap between the good intentions of the Congress and the rather ignoble performance of the EPA relative to protecting our Nation's ground water.

Nearly 11 years ago when we originally embarked on the course of regulation and improvement of the Nation's drinking water, we gave EPA a broad regulatory mandate, a mandate that frankly they have never exactly lived up to. Bitter experiences have been developed in numerous States all across the United States, from Massachusetts to Denver, Colorado, and from Washington down to Florida, all of which underline the fact that the Nation's drinking water is rapidly becoming a cesspool filled with organic contaminants, natural contaminants, the net result of which is that chemical contamination in ground water supplies has now been found in each of our 50 United States.

Bitter Experiences have resulted:

In Woburn, MA, chemical contaminants in drinking water wells appear to have contributed to statistically significant numbers of cases of leukemia and birth defects.

At least half a million rural families are drinking water that doesn't even meet standards generally acceptable as safe for public bathing beaches.

Today, we use 1960's technology to address 1980's problems.

The litany of statistics goes on, and they have become so familiar to those of us working on this legislation that they've become almost mundane. And that's the most frightening of all, because it certainly appears they've become mundane over at EPA.

Over 200 contaminants—both organic and synthetic—have been detected in our ground water supplies. Yet EPA has set only 22 mandatory drinking water standards.

Result is a lack of clear and consistent program of protection of drinking water and ground water. Mr. Speaker, it is a disgrace to allow statistics like those I just cited to continue to multiply. We need a specific and concise set of standards and regulations, and we need to make sure that EPA enforces them. We can no longer tolerate the failure to regulate effectively even the 14 most commonly found chemical contaminants in our water supplies, many of which are known human carcinogens.

Safe Drinking Water Act Amendments of 1985 add an essential piece to the solution of the hazardous waste puzzle. Last year, we enacted fundamental reform of the Resource Conservation and Recovery Act. This year we must reform the Safe Drinking Water Act of 1974, and move quickly to reauthorize a strong Superfund. We must take positive action to stop the inexorable degradation of our fragile environment.

Safe drinking water is a fundamental right of every human being. This year, we, in this Congress, must take the steps necessary to win back that right for the citizens of this Nation.

The litany of statistics can go on in this regard, but clearly the net result is that we are using the technology of the 1960's to deal with a problem of the 1980's.

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There are two additional provisions of this legislation which I think need to be underscored. Our colleagues, Congressmen DOWNEY, CARNEY, and FOLEY, have worked very hard to enact and enable this committee to present the proposal to have States have plans to protect underground sources of drinking water. Clearly what we must need to focus on is not only on the remedial action that plagues each and every single State in the United States, but the prevention of the spreading of these contaminants into other areas. We must acknowledge clearly the contamination of ground water does not respect municipal, county, or State boundaries. In fact, in this case, an ounce of prevention is very worth a pound of cure.

Only recently have States attempted to monitor and prevent ground water contamination, and these efforts still receive less attention and fewer resources than surface water programs.

Many State regulations for ground water protection do not recognize the connection between surface water and ground water and between land use

and ground water. Given the variation in the natural quality of ground water and the regional characteristics of the major sources of the contamination of ground water, there is much diversity in State regulatory mechanisms and organizational structures.

The one-quarter of the States have adopted ground water quality standards, and where they have, these often conflict with the few standards EPA has already set. This means there is no comprehensive strategy for the protection ground water.

As of 1982, 10 States has developed a system for classifying and protecting acquifers, and even fewer were able to successfully enforce their policy.

That is why we need a national ground water protection strategy like the one under section 203 to be implemented by the States. EPA's current ground water protection strategy is cosmetic. It's time for a strong national guidance to unify the states and encourage them in their effort to prevent poisioning of our ground water.

The particular provisions of section 203 supported by Congressmen DOWNEY, FOLEY, CARNEY, MADIGAN, WAXMAN, and myself are reflective not only of the peculiar needs of securing safe drinking water for future generations but, given the fiscal constraints of the United States and local governments, I think are appropriate and in order as well.

Of peculiar interest to the constituents of my State is the contamination of our ground water supplies by brine. It is estimated that over 525 billion gallons a year of brine are produced. Yet almost 460 billion gallons are accounted for. That means almost 65 billion gallons of brine unaccounted for, some of which are illegally disposed of into waterways, ground water tables, ponds, rivers, and streams of the United States. In recent years, we have discovered that 17 States, a growing number of States have reported brine contamination in ground water. The consequences of which, to a farmer or to a person living off their own well, is the fact that they do not have any water; their investment in their farm, their land becomes useless.

According to an OTA report on protecting the Nation's ground water (October 1984), we have discovered:

Sixty thousand brine injection wells in operation in the 1970's nationwide.

Four hundred and sixty billion gallons of brine per year are reinjected into wells (1980).

OTA estimate that, currently, 525 billion gallons/year of brine are produced, most of which is reinjected.

Brine pits and basins in use in 1980 yield a potential leachate volume for ground water contamination of 43 billion gallons/year.

Eight percent of the brine impoundments have high potenial to contaminate ground water, 17 percent have potential to contaminate water wells, and 68 percent have potential to contaminate surface wells.

Michigan Department of Natural Resources brine study (August 1984): Recent released report of the Michigan Department of Natural Resources, "Analysis of Aromatic Hydrocarbons in Oil Field Brines," indicated significant levels of known or suspected human carcinogens (benzene, ethylbenzene, toluene, and xylene) were found in a wide range of brine samples from 25 locations throughout Michigan.

Benzene (a proven human carcinogen) was found at levels up to 6.9 parts per million in at least two different samples and EPA has proposed a recommended maximum contaminant level for benzene at zero parts per million in their noticed of proposed rulemaking.

For those constituents, bad water is the same as no water at all. The provisions of this legislation will require States to establish ground water protection plans that include, the prevention of ground water contamination from the disposal of brine.

Ground water protection plans, an effective regulatory program for the preclusion of brine into our ground water supplies, updated standards, and regulations to put the EPA on an appropriate road to regulation I think make the Safe Drinking Water Act Amendments of 1985 an imperative and important part of our environmental retinue.

Mr. Speaker, this legislation has been a long time coming. In fact, it was just 4 years ago when another former colleague of ours, now a Member of the other body, then-Congressman GRAMM launched a serious attack on the integrity of the Safe Drinking Water Act which was repelled by the adroit handling of my colleague from California [Mr. WAXMAN]. Times have changed, and hopefully for the better.

Notwithstanding that we have dramatically upgraded the Safe Drinking Water Act with the provisions of law being suggested by Mr. MADIGAN supported by Mr. WAXMAN and myself, our time is long overdue. The reauthorization and the improvement of the Safe Drinking Water Act are important steps needed by this Nation for ourselves and for our children. I thank the chairman.

The SPEAKER pro tempore. Does the gentleman from Illinois desire to yield additional time?

Mr. MADIGAN. Mr. Speaker, I desire at the moment to reserve the balance of my time.

Mr. WAXMAN. Mr. Speaker, I yield as much time as he may consume to the gentleman from Ohio [Mr. SEIBERLING].

Mr. SEIBERLING. I thank the distinguished gentleman from California.

I rise in strong support of H.R. 1650, the reauthorization of the Safe Drinking Water Act. However, I object to its being brought up on the suspension calendar. I have an important amendment to this legislation which I will not be afforded an opportunity to offer because we are considering this bill under suspension of the rules.

My amendment would prohibit the addition of chemicals to the public water supplies for any purpose other than to render such water safe for human consumption, to test the water for contamination, or to improve the taste or clarity of the water. Why such an amendment?

Let me give an example:

Many communities add fluorides to the water supplies for the sole purpose of preventing tooth decay. The practice of adding chemicals to the water supplies which do not serve the purposes I just stated is wrong as a matter of principle. The only legitimate justification for the Government to force people to ingest chemicals such as fluorides against their will would be a finding that there is no other feasible way of protecting the health of the public. Clearly the addition of fluorides to the public water supplies fails that test.

Worse yet, there is substantial evidence that ingestion of fluorides can result in disfigurement and even impairment of health for many people. The National Academy of Sciences and the World Health Organization confirm that fluoride can cause mottling of the teeth and possibly other health risks. In these circumstances, it is an abuse of the powers of government to force people to ingest these chemicals against their will.

For many people, the risks of fluorosis and changes in bone density which can be caused by the ingestion of fluoride outweigh the supposed benefits of this chemical. Moreover, fluoride is available in many other forms such as dental fluoride treatments and fluoride toothpaste. Indeed it is hard to find toothpastes today that do not contain fluoride. The arguments originally advanced to justify this particular form of big brotherism have been overtaken by events. The principle behind the practice of fluoridating water supplies is bad.

We should be especially concerned about the precedent created by adding chemicals to the public water supply in order to treat a small segment of the public or to give people what someone has decided is good for them, whether they want it or not. If it can be done with one chemical in the name of combating tooth decay in some people, why not add iodides to combat goiter, aspirin to combat headaches, tranquilizers to combat tension, and so on? The possibilities are endless. The dangers are obvious. Fluori-

dation of public water supplies should be stopped. Certainly the House should have an opportunity to vote on this issue, as it will not have under suspension of the rules.

I regret having to make this statement against the suspension calendar treatment of this bill because I think in all other respects it is an outstanding bill and I commend the committee for its work in bringing it forth.

Mr. WAXMAN. Mr. Speaker, will the gentleman yield?

Mr. SEIBERLING. Yes; I would be happy to yield to the gentleman.

Mr. WAXMAN. I thank the gentleman for yielding.

Mr. Speaker, I appreciate the fact the gentleman will not have an opportunity to offer this amendment, which I regret. I do point out the fact that this bill has taken us a good number of years to finally work out. It has a number of controversial features which we think we have made less controversial. It is what we call a finely tuned compromise and only in the spirit of trying to get a bill through have we taken it to the suspension calendar. It is a bill that the House passed overwhelmingly last year and we hope will pass again so that we can deal with the outstanding issues on drinking water which should not mean that the gentleman would be precluded in the future from pursuing the substance of his proposal.

Mr. SEIBERLING. Well, I thank the chairman.

I would say further this bill addresses many, many dangers that need to be addressed in our drinking water supply and I would not want to see that course blocked as a result of desire to make this bill better. But I would hope that at some reasonable time the gentleman would consider my bill to deal with the problem of adding poisonous chemicals to the drinking water supply, including fluorides and possibly others.

Mr. WAXMAN. I appreciate the gentleman's statment and I certainly look forward to working with him on the issue.

Mr. SEIBERLING. I thank the gentleman.

Mr. WAXMAN. Mr. Speaker, we have no further requests for time and I yield back the balance of my time.

Mr. MADIGAN. Mr. Speaker, I yield myself 1 minute, for the purpose of expressing my appreciation to the gentleman from California [Mr. WAXMAN] for the diligent way in which he has brought this legislation to the floor of the House but also to thank him for the constructive participation of he and his staff throughout the entire process. And I would also like to say to the gentleman from Ohio [Mr. ECKART] that I sincerely appreciate all the hard work he has done on this bill, the contribution that he has made.

● Mr. McGRATH. I would like to take this opportunity to express my support for the Safe Drinking Water Act (H.R. 1650), which is being considered today in the House of Representatives. I am a cosponsor of this bill which directs the Environmental Protection Agency [EPA] to set limits on certain drinking water contaminants.

Our ground water is a vast national resource, and particularly important to those of us on Long Island. The U.S. Environmental Protection Agency has estimated that the amount of ground water is 50 times that of our annual flow of surface water. More than 90 percent of rural America, and millions in our urban and suburban areas, are dependent on underground water for drinking supplies. Nearly one-half of all Americans depend on ground water for drinking water.

A great deal of evidence has surfaced in recent years indicating that contamination of our Nation's ground water supplies is increasing at a dangerous pace. This legislation would simultaneously propose a minimum purity level goal and a national primary drinking water regulation, which would insure that drinking water would not adversely affect the health of our citizens. H.R. 1650 would increase the protection of public health by tightening requirements on EPA to set improvement standards.

Under the provisions of H.R. 1650, notification of violations will be made public in order to prevent potential adverse health effects. A major section of the bill that would be particularly important for Long Island residents is the restriction on hazardous waste injection. This restriction would prohibit injection of any hazardous waste into a formation which contains a drinking water source. Not only does the bill provide for protection of public drinking water, but also it provides grants to States on a matching basis to offset the costs incurred in preparing the petition and developing the improvement plan.

Access to safe drinking water is a vital concern of all of our citizens, and H.R. 1650 would help to insure that the public receives the safest drinking water available. As a cosponsor of this legislation, I urge my colleagues to lend their full support to ensure passage of this measure.●

● Mr. LENT. Mr. Speaker, I join my colleagues in urging support for H.R. 1650, the Safe Drinking Water Act Amendments.

A glass of water, at first glance seems harmless enough—but is it? Indeed, who would ever guess that the water we brush our teeth in, bathe in, and drink every day could be poisoning us. And yet, there is mounting evidence that our water supplies are contaminated by dangerous chemicals. Despite the progress made in purifying our drinking water since the passage of the 1974 Safe Drinking Water Act we are still faced with an alarming percentage of contaminated drinking water supplies across the country.

Over half the country relies on ground water supplies for their drinking water. A report issued by the Office of Technology Assessment determined that 29 percent of the ground water drinking water supplies of the 954 U.S. cities with populations over 10,000 are contaminated. Fortunately, a provision of H.R. 1650, the Safe Drinking Water Act Amendments, would effectively address this problem by ensuring the protection of our sole-source ground water recharge areas. This provision is critical to areas like Long Island which depends solely on underground acquifers for its drinking water. If these valuable resources are lost, our citizens will have no other supply to turn to.

Reports of drinking water contamination across the country have contributed to growing public concern over this grave national problem. In fact, public opinion polls indicate that an overwhelming majority of American people believe that drinking water contamination is a serious problem which merits immediate attention.

I believe H.R. 1650 effectively addresses our citizens legitimate concerns over the purity of our drinking water supplies. This legislation is vital to ensure safe, healthy drinking water for our generation, as well as for future generations.

I urge my colleagues to join me in supporting this much needed legislation. The health and well-being of our citizens depends upon our swift and favorable action on H.R. 1650.●

● Mrs. BOXER. Mr. Speaker, I would like to take this opportunity to commend Representatives MADIGAN, WAXMAN, ECKART, and LENT for the introduction of H.R. 1650, the Safe Drinking Water Act Amendments of 1985. This bill passed the House last year by an overwhelming margin, but was unfortunately not considered in the Senate.

Discoveries of chemical contaminants in California's surface and underground water supplies have been increasing in frequency since the late 1970's. Reports of these discoveries are regularly carried in a news media. Hardly a week goes by that does not give rise to a new report of a chemical threat to a community water supply or other water resource somewhere in the state.

Half of California's drinking water is taken from underground porous formations called aquifers. Despite the importance of these underground supplies, surface water has attracted most of the attention in the struggle to maintain water quality. State and Federal programs have focused on surface water quality for a simple reason; it is

there, easy to see and monitor. Although contamination of underground water can be traced to a number of sources, including septic tanks, agricultural pesticides and acid rain, there is increasing evidence that drinking water, particularly well water, is threatened by inadequate methods of storing dangerous chemicals and by improper disposal of hazardous wastes. Our current inability to prevent and detect leaks in underground storage facilities or to enforce requirements for hazardous waste disposal requires elaborate subsurface testing and eventually results in expensive cleanup procedures. Out dated water quality standards and inconsistent, inadequate detection programs often mean that entire drinking water supplies are contaminated before anything can be done about it.

We cannot afford to wait any longer to enact these Safe Drinking Water Act amendments. This legislation will regulate public water supplies and also provide for the protection of underground sources of water. It greatly strengthens the Environmental Protection Agency's authority to enforce the drinking water standards by issuing administrative orders and taking actions to address violations in States that are not diligently pursuing an enforcement action. Also, stringent criminal sanctions are instituted for those who may tamper with a public water system.

Additionally, the bill requires each State to develop and adopt a plan to protect underground sources of drinking water from contamination which may adversely affect the health of persons. Each plan must be approved by the EPA.

This legislation is crucial if we are to ensure that drinking water supplies in this country are kept safe for human consumption. Our present law is ineffective and we need to push EPA to do its job, promote efforts by States to plan for the protection of underground sources of drinking water, and protect the health of the people of this country. I am proud to be a cosponsor of this vitally needed legislation and am hopeful that this year Congress will pass this bill so that we may put it on the President's desk and launch a long overdue program to protect our Nation's underground water resources.●

Mr. MADIGAN. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

□ 1240

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from California [Mr. WAXMAN] that the House suspend the rules and pass the bill, H.R. 1650, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

Mr. WAXMAN. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the Senate bill (S. 124) entitled the "Safe Drinking Water Amendment Act of 1985," and ask for its immediate consideration.

The Clerk read the title of the Senate bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

The Clerk read the Senate bill, as follows:

S. 124

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SECTION 1. This Act may be cited as the "Safe Drinking Water Act Amendments of 1985".

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PUBLIC WATER SYSTEMS

NATIONAL PRIMARY DRINKING WATER REGULATIONS

SEC. 2. (a) Section 1412(a) of the Safe Drinking Water Act is amended to read as follows:

"(a) Effective on the date of enactment of the Safe Drinking Water Act Amendments of 1985, each national interim primary drinking water regulation promulgated under this section before such date of enactment shall be deemed to be a national primary drinking water regulation under subsection (b). No such regulation shall be required to comply with the standards set forth in subsection (b)(2) unless such regulation is amended to establish a different maximum contaminant level after the date of enactment of such amendments.".

(b) Section 1412(b) of the Safe Drinking Water Act is amended by striking paragraphs (1), (2), and (3), and inserting in lieu thereof the following:

"(b)(1) In the case of those contaminants listed in the Advance Notice of Proposed Rulemaking published in volume 47, Federal Register, page 9352, and in volume 48, Federal Register, page 45502, the Administrator shall simultaneously publish maximum contaminant level goals and promulgate national primary drinking water regulations—

"(A) not later than 12 months after the date of enactment of the Safe Drinking Water Act Amendments of 1985 for not less than 9 of those listed contaminants;

"(B) not later than 24 months after the date of enactment for not less than 40 of those listed contaminants; and

"(C) not later than 36 months after the date of enactment for the remainder of such listed contaminants.

"(2)(A) Not later than January 1, 1988, and at three year intervals thereafter, the Administrator shall publish a list of contaminants which, in the judgment of the Administrator, may have an adverse effect on the health of persons and are known or anticipated to occur in public water systems.

"(B) For the purpose of establishing such list, the Administrator shall form an advisory working group including members from the National Toxicology Program and the Environmental Protection Agency's Offices of Drinking Water, Pesticides, Toxic Substances, Ground Water, Solid Waste and Emergency Response and any others the Administrator deems appropriate. The Administrator's consideration of priorities shall include, but not be limited to, substances referred to in section 101(14) of the Comprehensive Environmental Response, Compensation, and Liability Act, and substances registered as pesticides under the Federal Insecticide, Fungicide, and Rodenticide Act.

"(C) Not later than 24 months after listing, the Administrator shall simultaneously propose a maximum contaminant level goal and a national primary drinking water regulation for not less than 25 contaminants from the priority list established under paragraph (2).

"(D) Not later than 36 months after listing, the Administrator shall simultaneously publish a maximum contaminant goal and promulgate a national primary drinking water regulation for those contaminants identified under subparagraph (C).

"(3) Each maximum contaminant level goal established under this subsection shall be set at the level at which no known or anticipated adverse effects on the health of persons occur and which allows an adequate margin of safety. Each national primary drinking water regulation for a contaminant for which a maximum contaminant level goal is established under this subsection shall specify a maximum level for such contaminant which is as close to the maximum contaminant level goal as is feasible.

"(4) For the purposes of this subsection, the term 'feasible' means feasible with the use of the best technology, treatment techniques and other means which the Administrator finds, after examination for efficacy under field conditions and not solely under laboratory conditions, are available (taking cost into consideration). For the purpose of paragraph (2), the use of granular activated carbon is available (taking costs into consideration) for the control of synthetic organic chemicals, and any technology, treatment technique, or other means found to be the best available for the control of synthetic organic chemicals must be at least as effective in controlling synthetic organic chemicals as the use of granular activated carbon.

"(5) Each national primary drinking water regulation which establishes a maximum

contaminant level shall list the technology, treatment techniques, and other means which the Administrator finds to be feasible for purposes of meeting such maximum contaminant level, but a primary drinking water regulation under this paragraph shall not require that a specified technology, treatment technique, or other means be used for purposes of meeting such maximum contaminant level.

"(6)(A) The Administrator is authorized to promulgate a national primary drinking water regulation that requires the use of a treatment technique in lieu of establishing a maximum contaminant level, if the Administrator makes a finding that it is not economically or technologically feasible to ascertain the level of the contaminant. In such case, the Administrator shall identify those treatment techniques which, in the Administrator's judgment, would prevent known or anticipated adverse effects on the health of persons to the extent feasible. Such regulations shall specify each treatment technique known to the Administrator which meets the requirements of this paragraph, but the Administrator may grant a variance from any such specified treatment technique in accordance with section 1415(a)(3).

"(B) If any contaminant referred to in paragraphs (b)(1) (A) or (B) is listed under this paragraph (and a national primary drinking water regulation requiring the use of treatment techniques is simultaneously promulgated under this paragraph for such contaminant), the listing and promulgation under this paragraph shall be made on the date referred to in paragraphs (b)(1) (A) or (B) for the establishment of primary drinking water regulations.

"(C)(i) Not later than 18 months after the enactment of the Safe Drinking Water Act Amendments of 1985, the Administrator shall propose and promulgate national primary drinking water regulations specifying criteria under which filtration (including coagulation and sedimentation, as appropriate) is required as a treatment technique for public water systems supplied by surface water sources. In promulgating such rules, the Administrator shall consider the quality of source waters, protection afforded by watershed management, treatment practices (such as disinfection and length of water storage) and other factors relevant to protection of health.

"(ii) In lieu of the provisions of section 1415 the Administrator shall specify procedures by which the State determines which public water systems within its jurisdiction shall adopt filtration under the criteria of clause (i). The State may require the public water system to provide studies or other information, to assist in this determination. The procedures shall provide notice and opportunity for public hearing on this determination. If the State determines that filtration is required, the State shall prescribe a schedule for compliance by the public water system with the filtration requirement. A schedule shall require compliance within 18 months of a determination made under clause (iii).

"(iii) Within 18 months from the time that the Administrator establishes the criteria and procedures in this subparagraph, a State with primary enforcement responsibility shall adopt any necessary regulations to implement this subparagraph. Within 12 months of adoption of such regulations the State shall make determinations regarding filtration for all the public water systems within its jurisdiction supplied by surface waters.

"(iv) If a State does not have primary enforcement responsibility for public water systems, the Administrator shall have the same authority to make the determination in clause (ii) in such State as the State would have under that clause.

"(v) Any filtration requirement or schedule under this subparagraph shall be treated as if it were a requirement of a national primary drinking water regulation.

"(D) Not later than 36 months after the enactment of the Safe Drinking Water Act Amendments of 1985, the Administrator shall propose and promulgate regulations requiring disinfection as a treatment technique for all public water systems and the Administrator shall simultaneously promulgate a rule specifying criteria that will be used by the Administrator or delegated State authorities to grant variances from this requirement according to the provisions of sections 1415(a)(1)(B) and 1415(a)(3). The Administrator or the delegated State authority shall, to the extent feasible, provide technical assistance to small public water systems in complying with this subparagraph.".

(c) Paragraphs (4) and (5) of section 1412(b) of the Safe Drinking Water Act are amended by striking "Revised national" both times the words occur and inserting both times in lieu thereof "National". Paragraphs (4), (5), and (6) of section 1412(b) of the Safe Drinking Water Act are redesignated as paragraph (7), (8), and (9) respectively.

(d) Paragraph (7) of the Safe Drinking Water Act as redesignated by subsection (c), is amended by adding at the end thereof the following: "Such review shall include an analysis of innovations or changes in technology, treatment techniques or other activities that have occurred over the previous three-year period and that may provide for greater protection of the health of persons and the findings of such review shall be published in the Federal Register. If, after opportunity for public comment, the Administrator concludes that changes in technology, treatment techniques or other means are not available to permit greater protection of the health of persons than that afforded by the existing regulations, an explanation of such conclusion, shall be published in the Federal Register.".

(e) Section 1412(e) of the Safe Drinking Water Act is amended to read as follows:

"(e) The Administrator shall provide the Science Advisory Board, established under the Environmental Research, Development and Demonstration Act of 1978, an opportunity to comment prior to proposal or during the public comment period on a maximum contaminant level goal and national primary drinking water regulation.".

ENFORCEMENT

SEC. 3. (a) Section 1414(a)(1)(A) of the Safe Drinking Water Act is amended by inserting "and such public water system" after the words "notify the State".

(b) Section 1414(a)(1)(B) of the Safe Drinking Water Act is amended to read as follows:

"(B) If beyond the thirtieth day after the Administrator's notification the State has not commenced appropriate enforcement action, the Administrator shall issue an order under subsection (g) requiring the public water system to comply with such regulation or requirement or shall commence a civil action under subsection (b).".

(c) Section 1414(a)(2) of the Safe Drinking Water Act is amended by striking the words "he may commence a civil action under subsection (b)" and inserting the following: "the Administrator shall issue an order under subsection (g) requiring the public water system to comply with such regulation or requirement or shall commence a civil action under subsection (b)".

(d) Section 1414(b) of the Safe Drinking Water Act is amended by—

(1) adding "or with an order issued under subsection (g)" after "drinking water regulation" in the first sentence;

(2) deleting "willful" immediately after "there has been a" in the second sentence; and

(3) striking "$5,000" and substituting "$25,000".

(e) Section 1414 of the Safe Drinking Water Act is amended by adding at the end thereof the following new subsection:

"(g)(1) In any case in which the Administrator is authorized to bring a civil action under this section with respect to any regulation, schedule, or other requirement, the Administrator also may issue an order to require compliance with such regulation, schedule, or other requirement.

"(2) An order issued under this subsection shall not take effect until after notice and opportunity for public hearing and, in the case of a State having primary enforcement responsibility, until after the Administrator has provided the State with an opportunity to confer with the Administrator regarding the proposed order. A copy of any order proposed to be issued under this subsection shall be sent to the appropriate State agency of the State involved if the State has primary enforcement responsibility for public water systems in that State. Any order issued under this subsection shall state with reasonable specificity the nature of the violation. In any case in which an order under this subsection is issued to a corporation, a copy of such order shall be issued to appropriate corporate officers.

"(3)(A) Any person who violates, fails, or refuses to comply with an order under paragraph (2) shall be liable to the United States for a civil penalty of not more than $25,000 per day of violation.

"(B) Whenever any civil penalty sought by the Administrator under this paragraph does not exceed a total of $5,000, the penalty shall be assessed by the Administrator after notice and opportunity for a hearing on the record in accordance with section 554 of title 5 of the United States Code.

"(C) Whenever a civil penalty sought by the Administrator exceeds $5,000, the penalty shall be assessed by a civil action brought by the Administrator in the appropriate United States district court (as determined under the provisions of title 28 of the United States Code).

"(D) If any person fails to pay an assessment of a civil penalty after it has become a final and unappealable order, or after the appropriate court of appeals has entered final judgment in favor of the Administrator, the Attorney General shall recover the amount for which such person is liable in any appropriate district court of the United States. In any such action, the validity and appropriateness of the final order imposing the civil penalty shall not be subject to review.".

(e) Section 1414 of the Safe Drinking Water Act is amended by striking the words "Failure by State to Assure" from the title.

PUBLIC NOTIFICATION

SEC. 4. (a) Section 1414(c) of the Safe Drinking Water Act is amended by striking everything after the sentence "The Administrator shall by regulation prescribe the

form, manner, and frequency for giving notice under this subsection." to the sentence beginning "The Administrator may also require" and inserting the following: "Within 18 months after the date of enactment of the Safe Drinking Water Act Amendments of 1985, the Administrator shall amend such regulations to provide for different types and frequencies of notice based on the differences between violations which are intermittent or infrequent and violations which are continuous or frequent. Such regulations shall also take into account the seriousness of any potential adverse health effects which may be involved. Notice of any violation of a maximum contaminant level or any other violation designated by the Administrator as posing a serious potential adverse health effect shall be given as soon as possible, but in no case later than 14 days after the violation. Notice of a continuous violation of a regulation other than a maximum contaminant level shall be given no less frequently than every three months. Notice of violations judged to be less serious shall be given no less frequently than annually. Notification of such violations to affected persons shall be as prompt as possible and shall include notification by newspaper and shall include, unless inappropriate, a press release to electronic media and individual mailings. Notice under this subsection shall provide a clear and readily understandable explanation of the violation, any potential adverse health effects, the steps that the system is taking to correct such violation, and the necessity for seeking alternative water supplies, if any, until the violation is corrected. Until such amended regulations are promulgated, the regulations in effect on the date of the enactment of the Safe Drinking Water Act Amendments of 1985 shall remain in effect.".

VARIANCES

SEC. 5. (a) Section 1415(a)(1)(A) of the Safe Drinking Water Act is amended by striking the word "despite" and inserting in lieu thereof the following: ". A variance may only be issued to a system after the system's".

(b) Section 1415(a)(1)(A) of the Safe Drinking Water Act is amended by striking the word "best" before technology; by striking the word "generally" before the word "available" and inserting in lieu thereof the words "the best"; and by adding after "(taking costs into consideration)." the following: "The Administrator shall propose and promulgate his finding of the best available technology, treatment techniques or other means available for each contaminant for purposes of this subsection at the time he proposes and promulgates a maximum contaminant level for each such contaminant. The Administrator's finding of best available technology, treatment techniques or other means for purposes of this subsection may vary depending on the number of persons served by the system or for other physical conditions related to engineering feasibility and costs of compliance with maximum contaminant levels as considered appropriate by the Administrator.".

(c) Section 1415(a)(1)(A) of the Safe Drinking Water Act is amended by striking the words "within one year of the date" and inserting in lieu thereof "at the time".

(d) Section 1415(a)(1)(A)(ii) of the Safe Drinking Water Act is amended by adding after the words "water system of such" the word "additional".

EXEMPTIONS

SEC. 6. (a) Section 1416(b)(1) of the Safe Drinking Water Act is amended by striking the words "within one year of the date" and inserting in lieu thereof "at the time".

(b) Section 1416(b)(2)(A)(i) of the Safe Drinking Water Act is amended by striking the word "interim" and striking the words "not later than January 1, 1984" and inserting in lieu thereof "not later than 12 months after the date of enactment of the Safe Drinking Water Act Amendments of 1985".

(c) Section 1416(b)(2)(A)(ii) of the Safe Drinking Water Act is amended by striking the word "revised"; and by striking the words "not later than seven years after the date such requirement takes effect" and inserting in lieu thereof "other than a regulation referred to in section 1412(a), 12 months after the date of the issuance of the exemption".

(d) Section 1416(b)(2)(B) of the Safe Drinking Water Act is amended to read as follows:

"(B) The final date for compliance provided in any schedule in the case of any exemption may be extended by the State (in the case of a State which has primary enforcement responsibility) or by the Administrator (in any other case) for a period not to exceed 3 years after the date of the issuance of the exemption if the public water system establishes that—

"(i) the system cannot meet the standard without capital improvements which cannot be completed within the period of such exemption;

"(ii) in the case of a system which needs financial assistance for the necessary improvements, the system has entered into an agreement to obtain such financial assistance; or

"(iii) the system has entered into an enforceable agreement to become a part of a regional public water system; and

the system is taking all practicable steps to meet the standard.

"(C) In the case of a system which does not serve more than 500 service connections and which needs financial assistance for the necessary improvements, an exemption granted under subsection (b)(2)(A) (i) or (ii) may be renewed for one or more additional 2-year periods if the system establishes that it continues to meet the requirements of subsection (B).".

MONITORING FOR UNREGULATED CONTAMINANTS

SEC. 7. (a) Section 1445(a) of the Safe Drinking Water Act is amended by adding at the end thereof the following: "In requiring a public water system to monitor under this subsection, the Administrator may take into consideration the system size and the contaminants likely to be found in the system's drinking water.".

(b) Section 1445(a) of the Safe Drinking Water Act is amended by adding "(1)" after "(a)" and adding the following at the end thereof:

"(2) Not later than 18 months after date of enactment of the Safe Drinking Water Act Amendments of 1985, the Administrator shall promulgate regulations for every public water system to conduct a monitoring program for unregulated contaminants. Such regulations shall require monitoring of drinking water supplied by the system, and shall vary the frequency and schedule of monitoring requirements for systems based on the number of persons served by the system, the source of supply, and the contaminants likely to be found. Each system shall be required to monitor at least once within 5 years of the effective date of such regulations unless the Administrator requires more frequent monitoring.

"(3) Regulations under paragraph (2) shall list unregulated contaminants for which systems may be required to monitor, and shall include criteria by which the primary enforcement authority in each State could show cause for deletion of a contaminant from the designated list. The primary State enforcement authority may delete contaminants for an individual system, in accordance with these criteria, with an approved assessment of the contaminants potentially to be found in the system. The Administrator shall approve or disapprove such an assessment submitted by a State within 90 days.

"(4) Public water systems conducting monitoring of unregulated contaminants pursuant to this section shall provide the results of such monitoring to the primary enforcement authority.

"(5) Notification of the availability of the results of such monitoring program required under paragraph (2), and notification of the availability of the results of the monitoring program referred to in paragraph (5), shall be given to the persons served by the system and the Administrator.

"(6) The Administrator may waive the monitoring requirement of this subsection for a system which has conducted a monitoring program after January 1, 1983, if the Administrator determines the program to have been consistent with the regulations promulgated under this section.

"(7) Any system supplying less than 150 service connections shall be regarded as complying with this subsection if such system provides water samples or the opportunity for sampling according to the rules established by the Administrator. There are authorized to be appropriated $30,000,000 in the fiscal year ending September 30, 1986 to remain available until expended to carry out the provisions of this subsection.".

TECHNICAL ASSISTANCE

SEC. 8. (a) Section 1442 of the Safe Drinking Water Act is amended by adding the following new subsection:

"(g) The Administrator is authorized to provide technical assistance to small public water systems or water systems of Indian tribal organizations to enable such systems to achieve and maintain compliance with national drinking water regulations. Such assistance may include 'circuit-rider' programs, training, and preliminary engineering studies. There are authorized to be appropriated to carry out this subsection $10,000,000 for each of the fiscal years 1986 through 1990. Of this sum, at least 5 per centum shall be utilized for technical assistance to Indian tribal organizations.".

TAMPERING WITH PUBLIC WATER SYSTEMS

SEC. 9. Part D of the Safe Drinking Water Act is amended by adding the following new section at the end thereof:

"TAMPERING WITH PUBLIC WATER SYSTEMS

"SEC. 1432. (a) Any person who tampers with a public water system shall be fined not more than $50,000, or imprisoned for not more than 5 years, or both.

"(b) Any person who attempts to tamper, or makes a threat to tamper, with a public drinking water system shall be fined not more than $20,000, or imprisoned for not more than 3 years, or both.

"(c) The Administrator may bring a civil action in the appropriate United States dis-

trict court (as determined under the provisions of title 28 of the United States Code) against any person who tampers, attempts to tamper, or makes a threat to tamper with a public water system. The court may impose on such person a civil penalty of not more than $50,000 for such tampering or not more than $20,000 for such attempt or threat.

"(d) For the purposes of this section, the term 'tamper' means—

"(1) to introduce a contaminant into a public water system with the intention of harming persons; or

"(2) to otherwise interfere with the operation of a public water system with the intention of harming persons.".

PROTECTION OF UNDERGROUND SOURCES OF DRINKING WATER

RESTRICTIONS ON UNDERGROUND INJECTION OF HAZARDOUS WASTE AND REGULATION OF STATE PROGRAMS

SEC. 10. (a) Section 1421(b)(2)(A), section 1422(c)(1), and section 1425(a)(1) of the Safe Drinking Water Act are each amended by inserting "or natural gas storage operations" after "production".

(b) Part C of the Safe Drinking Water Act is amended by adding at the end thereof the following new section:

"REGULATION OF STATE PROGRAMS

"SEC. 1426. (a) No later than 18 months after enactment of the Safe Drinking Water Act Amendments of 1985, the Administrator shall revise regulations issued under this Act to require ground water monitoring at locations and in such a way that would provide the earliest possible detection of fluid migration into, or in the direction of, underground drinking water sources from a class I injection well unless the Administrator or delegated State authority concludes, on the basis of the applicant's demonstration, that such monitoring is not necessary because no potential exists for migration from the injection zone that may be harmful to human health or the environment.

"(b) The Administrator shall submit a report to Congress no later than September 1987, summarizing the results of State surveys, currently required by the Administrator, 3 years after the delegation of the program, under this section to a primary State enforcement authority. The report shall include the following information:

"(1) the numbers and categories of class V wells which discharge nonhazardous waste into or above an underground source of drinking water,

"(2) the primary contamination problems associated with different categories of these disposal wells, and

"(3) recommendations for minimum design, construction, installation, and siting requirements that should be applied to protect underground sources of drinking water from such contamination wherever necessary.".

(c)(1) Section 7010(c) of the Solid Waste Disposal Act is amended by striking "sections 7002 and 7003 of this Act" and inserting in lieu thereof "the provisions of this Act".

(2) Section 7010 of the Solid Waste Disposal Act is renumbered as section 3020 and inserted after section 3019 of such Act.

ENFORCEMENT

SEC. 11. (a)(1) Section 1423(a)(1) of the Safe Drinking Water Act is amended by striking out all after the first sentence and substituting the following: "If beyond the thirtieth day after the Administrator's notification the State has not commenced appropriate enforcement action, the Administrator shall issue an order under subsection (d) requiring the person to comply with such requirement or shall commence a civil action under subsection (b).".

(2) Section 1423(a)(2) of the Safe Drinking Water Act is amended by striking the words "he may commence a civil action under subsection (b)(1)" and substituting the following: the Administrator shall issue an order under subsection (d) requiring the person to comply with such requirement or shall commence a civil action under subsection (b).".

(b) Section 1423(b) of the Safe Drinking Water Act is amended to read as follows:

"(b) Civil actions referred to in paragraphs (1) and (2) of subsection (a) shall be brought in the appropriate United States district court and such court shall have jurisdiction to require compliance with any requirement of an applicable underground injection program or an order issued under subsection (c). The court may enter such judgment as protection of public health may require. Any person who violates any requirement of an applicable underground injection control program (A) shall be subject to a civil penalty of not more than $25,000 for each day of such violation, and (B) if such violation is willful, such person may, in addition to or in lieu of the civil penalty authorized by clause (A), be fined not more than $25,000 for each day of such violation, or imprisoned for not more than three years, or both.".

(c) Section 1423 of the Safe Drinking Water Act is amended by inserting the following new subsection immediately after subsection (b) and redesignating the succeeding subsection accordingly:

"(c)(1) ADMINISTRATIVE ORDERS FOR OTHER THAN OIL OR NATURAL GAS INJECTION WELL OPERATORS.—In any case in which the Administrator is authorized to bring a civil action under this section with respect to any regulation or other requirement of this part other than those relating to (A) the underground injection of brine or other fluids which are brought to the surface in connection with oil or natural gas production, or (B) any underground injection for the secondary or tertiary recovery of oil or natural gas, the Administrator may also issue an order under this subsection either assessing a civil penalty of not more than $25,000 per day for each violation for any past or current violation, up to a maximum administrative penalty of $125,000, or requiring compliance with such regulation or other requirement, or both.

"(2) ADMINISTRATIVE ORDERS FOR OIL OR NATURAL GAS INJECTION WELL OPERATORS.—In any case in which the Administrator is authorized to bring a civil action under this section with respect to any regulation, or other requirement of this part relating to (A) the underground injection of brine or other fluids which are brought to the surface in connection with oil or natural gas production, or (B) any underground injection for the secondary or tertiary recovery of oil or natural gas, the Administrator may also issue an order under this subsection either assessing a civil penalty of not more than $5,000 per day for each violation for any past or current violation, up to a maximum administrative penalty of $125,000, or requiring compliance with such regulation or other requirement, or both.

"(3) PROCEDURE.—(A) An order under this subsection shall be issued by the Administrator after opportunity (provided in accordance with this subparagraph) for a hearing. Before issuing the order, the Administrator shall give to the person to whom it is directed written notice of the Administrator's proposal to issue such order and the opportunity to request, within 30 days of the date the notice is received by such person, a hearing on the order. Such hearing shall not be subject to sections 554 or 556 of title 5, United States Code, but shall provide a reasonable opportunity to be heard and to present evidence.

"(B) The Administrator shall provide public notice of, and reasonable opportunity to comment on, any proposed order.

"(C) Any citizen who comments on any proposed order under subparagraph (B) shall be given notice of any hearing held under this subsection and of any order. In any hearing held under subparagraph (A), such citizen shall have a reasonable opportunity to be heard and to present evidence. If no hearing is held prior to issuance of the order, then upon presentation by such citizen, within 30 days of issuance of the order, of evidence that such order was inadequate or improper, the Administrator shall set aside such order immediately and provide a hearing in accordance with subparagraph (A) on the proposed order.

"(D) Any order issued under this subsection shall become effective 30 days following its issuance unless an appeal is taken pursuant to paragraph (6) or the order is set aside pursuant to subparagraph (C). If a hearing request made pursuant to subparagraph (C) is denied, an order issued under this subsection shall become effective thirty days following such denial.

"(4) CONTENT OF ORDER.—(A) Any order issued under this subsection shall state with reasonable specificity the nature of the violation and may specify a reasonable time for compliance.

"(B) In assessing any civil penalty under this subsection, the Administrator shall take into account appropriate factors, including (i) the seriousness of the violation; (ii) the economic benefit (if any) resulting from the violation; (iii) any history of such violations; (iv) any good-faith efforts to comply with the applicable requirements; (v) the economic impact of the penalty on the violator; and (vi) such other matters as justice may require.

"(5) EFFECT OF ORDER.—Any violation with respect to which the Administrator has commenced and is diligently prosecuting an action, or has issued an order, under this subsection shall not be subject to an action under subsection (b) of this section or section 1424(c) or 1449 of this Act: *Provided,* That the foregoing limitation on civil actions under section 1449 of this Act shall not apply with respect to any violation for which (i) a civil action under section 1449(a)(1) of this Act has been filed prior to commencement of an action under this subsection or, (ii) a notice of violation under section 1449(b)(1) of this Act has been given prior to commencement of an action under this subsection and an action under section 1449(a)(1) of this Act is filed prior to 120 days after such notice is given.

"(6) JUDICIAL REVIEW.—Any person against whom an order is issued or who commented on a proposed order pursuant to paragraph (3) may file an appeal of such order with the United States District Court for the District of Columbia or the district in which the violation is alleged to have occurred. Such an appeal may only be filed within the 30 day period beginning on the date the order is issued. Appellant shall simultaneously send a copy of the appeal by

certified mail to the Administrator and to the Attorney General. The Administrator shall promptly file in such court a certified copy of the record on which such order was imposed. The district court shall not set aside or remand such order unless there is not substantial evidence on the record, taken as a whole, to support the finding of a violation or, unless the Administrator's assessment of penalty or requirement for compliance constitutes an abuse of discretion. The district court shall not impose additional civil penalties for the same violation unless the Administrator's assessment of a penalty constitutes an abuse of discretion.

"(7) COLLECTION.—If any person fails to pay an assessment of a civil penalty—

"(A) after the order becomes effective under paragraph (3), or

"(B) after a court, in an action brought under paragraph (6), has entered a final judgment in favor of the Administrator, the Administrator may request the Attorney General to bring a civil action in an appropriate district court to recover the amount assessed (plus costs, attorneys' fees, and interest at currently prevailing rates from the date the order is effective or the date of such final judgment, as the case may be). In such an action, the validity, amount, and appropriateness of such penalty shall not be subject to review.

"(8) SUBPOENA.—The Administrator may, in connection with administrative proceedings under this subsection, issue subpoenas compelling the attendance and testimony of witnesses and subpoenas duces tecum, and may request the Attorney General to bring an action to enforce any subpoena under this section. The district courts shall have jurisdiction to enforce such subpoenas and impose sanction.".

(d) Section 1423 of the Safe Drinking Water Act is amended by striking the words "FAILURE OF STATE TO ASSURE" from the title.

SOLE SOURCE AQUIFER DEMONSTRATION PROGRAM

SEC. 12. Part C of the Safe Drinking Water Act is amended by adding the following new section:

"SOLE SOURCE AQUIFER DEMONSTRATION PROGRAM

"SEC. 1427. (a) The purpose of this section is to establish procedures for development, implementation, and assessment of demonstration programs designed to protect critical aquifer protection areas located within areas designated as sole or principal source aquifers under section 1424(e) of the Safe Drinking Water Act.

"(b) For purposes of this section, critical aquifer protection area means all or part of an area located within an area for which an application for designation as a sole or principal source aquifer pursuant to section 1424(e) has been submitted to or approved by the Administrator as of the date of enactment of this section and which satisfies the criteria established by the Administrator under subsection (d).

"(c)(1) Any State, municipal, or local government or political subdivision thereof or any planning entity (including any interstate regional planning entity) that identifies a critical aquifer protection area over which it has authority or jurisdiction may apply to the Administrator for the selection of such area for a demonstration program under subsection (e). Any applicant shall consult with other government or planning entities with authority or jurisdiction in such area prior to application. The application shall include a certification by the Governor that the plan is consistent with State laws, regulations, and policies.

"(2) Applicants, other than the Governor, in any State in which any Federal funds under section 208 of the Clean Water Act have been expended prior to the date of enactment of this section for planning to protect a sole source aquifer designated under section 1424(e) of this Act shall: (A) submit the application for a demonstration program jointly with the Governor and (B) shall obtain the approval of any plan developed or implemented under subsection (g) of this section from the Governor prior to submission to the Administrator.

"(d) Within 16 months of the date of enactment of this section, the Administrator shall, by rule, establish criteria for identifying critical aquifer protection areas under this section. In establishing such criteria, the Administrator shall consider the following:

"(1) the vulnerability of the aquifer to contamination due to hydrogeologic characteristics;

"(2) the number of persons or the proportion of population using the ground water as a drinking water source;

"(3) the economic, social and environmental benefits that would result to the area from maintenance of ground water of high quality; and

"(4) the economic, social, and environmental costs that would result from degradation of the quality of the ground water.

"(e) An application submitted to the Administrator by any applicant shall propose boundaries for the critical aquifer protection area within their jurisdiction and shall include a plan proposal or a comprehensive management plan for the proposed protection area. A plan approved prior to the date of enactment under section 208 of the Clean Water Act to protect a sole source aquifer designated under section 1424(e) of this Act shall be considered a comprehensive management plan for the purposes of this section. The objectives of such plan shall be to maintain the quality of the ground water in the critical aquifer protection area in a manner reasonably expected to protect human health, the environment, and the ground water resources. The following elements shall be included in such a protection plan:

"(A) a map showing the detailed boundary of the critical protection area;

"(B) a hydrogeologic assessment of surface and ground water resources within the critical protection area;

"(C) an identification of existing and potential point and nonpoint sources of ground water degradation;

"(D) an assessment of the relationship between activities on the land surface and ground water quality;

"(E) specific actions and management practices to be implemented in the critical protection area to prevent adverse impacts on ground water quality;

"(F) identification of authority adequate to implement the plan, estimates of program costs, and sources of State matching funds.

"(f) Within 120 days after receipt of an application under this section, the Administrator must approve or disapprove the application based on a determination that the critical protection area satisfies the criteria established under subsection (d) and that a demonstration program for the area would provide protection for ground water quality consistent with the objectives stated in subsection (e). Any petitioner may modify and resubmit any application which is not approved. Upon approval of an application, the Administrator may enter into a cooperative agreement with the applicant to establish a demonstration program. Such program shall include the development and implementation of a plan for the protection of the ground water recharged through the critical aquifer protection area.

"(g) Upon entering a cooperative agreement under subsection (e), the Administrator may provide to the applicant, on a matching basis, a grant of 50 per centum of the costs of developing and implementing the plan established under this section. The total amount of grants under this section for any one aquifer, designated under section 1424(e), shall not exceed $4,000,000 in any fiscal year.

"(h) No funds authorized under this subsection may be used to fund activities funded under other sections of this Act or the Clean Water Act, the Solid Waste Disposal Act, the Comprehensive Environmental Response, Compensation and Liability Act of 1980, or other Federal statutes.

"(i) No funds authorized to be appropriated under this section may be used to clean up any source of contamination or to bring any source of contamination into compliance with Federal, State, or local statutes.

"(j) No later than December 31, 1989, each State shall submit to the Administrator a report assessing the impact of the program on ground water quality and identifying those measures found to be effective in protecting ground water resources. No later than September 30, 1990, the Administrator shall submit to Congress a report summarizing the State reports, and assessing the accomplishments of the sole source aquifer demonstration program including an identification of protection methods found to be most effective and recommendations for their application to protect ground water resources from contamination wherever necessary.

"(k) Nothing under this section shall be construed to amend, supersede or abrogate rights to quantities of water which have been established by interstate water compacts, Supreme Court decrees, or State water laws; or any requirement imposed or right provided under any Federal or State environmental or public health statute.

"(l) There are authorized to be appropriated for the purposes of this section $20,000,000 for each of the fiscal years 1987 through 1990.".

GENERAL PROVISIONS

AUTHORIZATION OF APPROPRIATIONS

SEC. 13. (a) Section 1442(f) of the Safe Drinking Water Act is amended by inserting the following at the end thereof: "There are authorized to be appropriated to carry out subsection (a)(2)(B), $11,300,000 for the fiscal year 1986, $11,300,000 for the fiscal year 1987, $11,300,000 for the fiscal year 1988, and $11,300,000 for the fiscal year 1989, and $11,300,000 for the fiscal year 1990. There are authorized to be appropriated to carry out the provisions of this section (other than subsection (g), subsection (a)(2)(B), and provisions relating to research), $47,000,000 for the fiscal year 1986, $47,000,000 for the fiscal year 1987, $47,000,000 for the fiscal year 1988, $47,000,000 for the fiscal year 1989, and $47,000,000 for the fiscal year 1990.".

(b) Section 1443(a)(7) of the Safe Drinking Water Act is amended by adding the following at the end thereof: "For the purposes of making grants under paragraph (1)

there are authorized to be appropriated $45,000,000 for the fiscal year 1986, $45,000,000 for the fiscal year 1987, $45,000,000 for the fiscal year 1988, $45,000,000 for the fiscal year 1989, and $45,000,000 for the fiscal year 1990.".

(c) Section 1443(b)(5) of the Safe Drinking Water Act is amended by adding the following at the end thereof: "For the purpose of making grants under paragraph (1) there are authorized to be appropriated $28,000,000 for the fiscal year 1986, $28,000,000 for the fiscal year 1987, $28,000,000 for the fiscal year 1988, $28,000,000 for the fiscal year 1989, and $28,000,000 for the fiscal year 1990.".

(d) Section 1441(f) of the Safe Drinking Water Act is amended by striking out "in effect" and all that follows and substituting "in effect for more than one year.".

INDIAN TRIBAL ORGANIZATION

SEC. 14. (a) Section 1401 of the Safe Drinking Water Act is amended by inserting the following after subsection 13:

"(14) The term 'Indian tribal organization' means any Indian tribe, band, nation, or other organized group or community (including any Alaska Native village, but not including any Alaska Native regional or village corporation) which is recognized as eligible for the special programs and services provided by the United States to Indians because of their status as Indians.".

(b) The Administrator, in cooperation with the Director of the Indian Health Service, shall, within 12 months of enactment, conduct a survey of drinking water on Indian reservations, identifying drinking water problems and the need, if any, for alternative drinking water supplies.

(c) The Administrator is authorized to make special provision for the treatment of Indian tribes under this Act, including the treatment of Indian tribes as States to the degree necessary to carry out the purposes of this Act. Such special provision may include the direct provision of funds to the governing bodies of Indian tribes, and the determination of priorities by Indian tribes, where not determined by the Administrator in cooperation with the Director of the Indian Health Service. The Administrator is authorized to reduce the non-Federal share otherwise required under section 1443 with respect to Indian tribes, as determined by the Administrator in cooperation with the Director of the Indian Health Service.

JUDICIAL REVIEW

SEC. 15. (a) Section 1448(a) of the Safe Drinking Water Act is amended to read as follows:

"JUDICIAL REVIEW

"SEC. 1448. (a)(1) A petition for review of—

"(A) action of the Administrator in promulgating any national primary drinking water regulation under section 1412, any regulation under section 1413(b), any regulation under section 1414(c), any regulation for State underground injection control programs under section 1421, or any general regulation for the administration of this title may be filed in the United States Court of Appeals for the District of Columbia, or in any United States court of appeals for a circuit in which the petitioner resides or transacts business which is directly affected by such action; and

"(B) action of the Administrator in promulgating any other regulation under this title, issuing any order under this title, or making any determination under this title may be filed only in the United States court of appeals for a circuit in which the petitioners resides or transacts business which is directly affected by such action.

Any such petition shall be filed within the 120-day period beginning on the date of the promulgation of the regulation or issuance of the order with respect to which review is sought or on the date of the determination with respect to which review is sought, or after such date only if the petition is based solely on grounds which arose after such one hundred and twentieth day. Action of the Administrator with respect to which review could have been obtained under this subsection shall not be subject to judicial review in any civil or criminal proceeding for enforcement or in any civil action to enjoin enforcement.

"(2)(A) If petitions for review of the same agency action have been filed in two or more United States courts of appeals and the Administrator has received written notice of the filing of the first such petition more than 30 days before receiving written notice of the filing of the second petition, then the record shall be filed in that court in which the first petition was filed. If petitions for review of the same agency action have been filed in two or more United States courts of appeals and the Administrator has received written notice of the filing of one or more petitions within 30 days or less after receiving written notice of the filing of the first petition, then the Administrator shall promptly advise in writing the Administrative Office of the United States Courts that petitions have been filed in two or more United States courts of appeals, and shall identify each court for which he has written notice that such petitions have been filed within 30 days or less of receiving written notice of the filing of the first such petition. Pursuant to a system of random selection devised for this purpose, and within three business days after receiving such notice from the Administrator the Administrative Office thereupon shall select the court in which the record shall be filed from among those identified by the Administrator. Upon notification of such selection, the Administrator shall promptly file the record in such court. For the purpose of review of agency action which has previously been remanded to the Administrator, the record shall be filed in the court of appeals which remanded such action.

"(B) Where petitions have been filed in two or more United States courts of appeals with respect to the same agency action and the record has been filed in one of such courts pursuant to paragraph (1), the other courts in which such petitions have been filed shall promptly transfer such petitions to the United States court of appeals in which the record has been filed. Pending selection of a court pursuant to subsection (1), any court in which a petition has been filed may postpone the effective date of the agency action until 15 days after the Administrative Office has selected the court in which the record shall be filed.

"(C) Any court in which a petition with respect to any agency action has been filed, including any court selected pursuant to subparagraph (A), may transfer such petition to any other United States court of appeals for the convenience of the parties or otherwise in the interest of justice.".

(b) Section 1448(b) of the Safe Drinking Water Act is amended by deleting "45-day" in both places where it appears and inserting "120-days" in lieu thereof.

MOTION OFFERED BY MR. WAXMAN

Mr. WAXMAN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. WAXMAN moves to strike out all after the enacting clause of the Senate bill, S. 124, and to insert in lieu thereof the provisions contained in H.R. 1650, as passed by the House.

The motion was agreed to.

The Senate bill was ordered to be read a third time, was read the third time, and passed.

The title of the Senate bill was amended so as to read: "To amend the Safe Drinking Water Act."

A motion to reconsider was laid on the table.

A similar House bill (H.R. 1650) was laid on the table.

EXTENSION OF TITLE X OF PUBLIC HEALTH SERVICE ACT

Mr. WAXMAN. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 2369) to revise and extend the programs of assistance under title X of the Public Health Service Act.

The Clerk read as follows:

H.R. 2369

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. REFERENCE TO ACT.

Whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Public Health Service Act.

SEC. 2. PROJECT GRANTS AND CONTRACTS.

Section 1001(d) (42 U.S.C. 300(d)) is amended to read as follows:

"(d) For grants and contracts under subsection (a) there are authorized to be appropriated $138,800,000 for fiscal year 1986; $147,000,000 for fiscal year 1987; and $156,200,000 for fiscal year 1988.".

SEC. 3. TRAINING.

(a) PROGRAM REVISION.—Subsection (a) of section 1003 (42 U.S.C. 300a-1) is amended by striking out "to provide the training for personnel to carry out family planning service programs described in section 1001 or 1002" and inserting in lieu thereof "to provide clinical training for personnel (including obstetric-gynecologic nurse practitioners), training for educators and counsellors, and training of other personnel to carry out family planning service programs described in sections 1001 and 1005".

(b) AUTHORIZATION OF APPROPRIATIONS.—Subsection (b) of section 1003 is amended to read as follows:

"(b) For grants and contracts under subsection (a) there are authorized to be appropriated $3,200,000 for fiscal year 1986; $3,400,000 for fiscal year 1987; and $3,600,000 for fiscal year 1988.".

SEC. 4. CONTRACEPTION.

(a) NEW AUTHORITY.—Section 1002 is repealed, section 1003 is redesignated as section 1002, and the following section is inserted before section 1004:

"CONTRACEPTIVE DEVELOPMENT AND EVALUATION

"SEC. 1003. (a) The Secretary may—

"(1) conduct, and

"(2) make grants to public and nonprofit private entities and enter into contracts with public and private entities and individuals for,

research into the development of new or improved contraceptive devices, drugs, and techniques and evaluations of the acceptance, convenience, safety, efficacy, and cost of contraceptive devices, drugs, and techniques.

"(b) To carry out subsection (a), there are authorized to be appropriated such sums as may be necessary.".

(b) CONFORMING AMENDMENT.—Section 1006(c) (42 U.S.C. 300a-4(c)) is amended by striking out "or 1002".

SEC. 5. RESEARCH.

Section 1004 (42 U.S.C. 300a-2) is amended (1) by inserting "and evaluation" after "development", and (2) by inserting before the period the following: "and research to improve the clinical management and direct delivery of family planning services".

SEC. 6. INFORMATION AND EDUCATION.

Section 1005 (42 U.S.C. 300a-3) is amended to read as follows:

"INFORMATION AND EDUCATION

"SEC. 1005. (a) The Secretary may make grants to public and nonprofit private entities and enter into contracts with public and private entities to assist in making available information and education to enable persons to make responsible choices concerning human sexuality, pregnancy, and parenthood. Such information and education shall be made available to all persons desiring it, either through appropriate community organizations or through facilities of the Department of Health and Human Services, with special emphasis on adolescents and parents, and shall include information about the availability of family planning methods and services.

"(b) For grants and contracts under subsection (a), there are authorized to be appropriated $500,000 for fiscal year 1986; $530,000 for fiscal year 1987; and $560,000 for fiscal year 1988.".

SEC. 7. DATA COLLECTION.

(a) DATA COLLECTION.—Title X is amended by adding at the end the following:

"DATA COLLECTION

"SEC. 1010. The Secretary shall collect on an annual basis data on—

"(1) the number of individuals who receive family planning services from entities that receive grants under section 1001 and the age, sex, race, and family income of such individual;

"(2) the types of family planning services chosen by people who receive services from entities which receive grants under section 1001;

"(3) the number of low-income individuals and the number of teenagers at risk of unintended pregnancies; and

"(4) the sources of funding for subsidized family planning services in the United States.

The Secretary may make grants to public and nonprofit private entities and enter into contracts with public and private entities and individuals for the collection of such data. The Secretary shall make available to the public data collected under this section.".

(b) CONFORMING AMENDMENT.—Section 1009(a) (42 U.S.C. 300a-6a) is amended by adding after paragraph (4) the following: "Such plan shall be based upon data collected under section 1010.".

SEC. 8. EFFECTIVE DATE.

The amendments made by this Act shall take effect October 1, 1985.

The SPEAKER pro tempore. Pursuant to the rule, a second is not required on this motion.

The gentleman from California [Mr. WAXMAN] will be recognized for 20 minutes and the gentleman from Illinois [Mr. MADIGAN] will be recognized for 20 minutes.

The Chair recognizes the gentleman from California [Mr. WAXMAN].

GENERAL LEAVE

Mr. WAXMAN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on H.R. 2369, the bill presently under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. WAXMAN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, H.R. 2369 extends for 3 fiscal years the authorization of appropriations for the Federal Family Planning Program, title 10 of the Public Health Service Act. Authorizations would be "frozen" in fiscal year 1986 at the current funding levels and then would grow only by the rate of inflation in both fiscal years 1987 and 1988.

The legislation also makes some minor, noncontroversial clarifications and changes in the current law regarding the training, research, and information and education activities supported through title 10. In addition, the bill creates a new authority for the development and evaluation of new contraceptive technologies, although no new funds are authorized for this purpose.

H.R. 2369 is supported by both the ranking member of the Subcommittee on Health and the Environment, Mr. MADIGAN, as well as the ranking member of the Energy and Commerce Committee, Mr. BROYHILL. The bill has enjoiyed strong bipartisan support throughout the markup process and was reported out of the Energy and Commerce Committee without amendment.

In considering H.R. 2369 today, Mr. Speaker, Members will have the opportunity to vote "pro-family". "Family" is what the Family Planning Program is all about. Its mission makes that very clear: The purpose of title 10 is to provide services to those who want to—and need to—plan for the children and families they wish to have, but who cannot afford to get help.

Family planning clinics offer such assistance by providing a broad range of family planning services, including natural family planning methods, infertility services, and services for adolescents. In most cases, these services are provided through State and local governments and through hospital outpatient clinics.

Over its 15-year history, the Family Planning Program has been most successful in meeting its mandate:

Each year, hundreds of thousands of unintended pregnancies—and in turn, hundreds of thousands of abortions—are averted as a direct result of the Family Planning Program.

Title 10 infertility services are responsible for giving childless couples the real chance to have children of their own.

And because of the title 10 program, millions of pregnant women have access to prenatal care services that lead to the delivery of healthy babies.

These achievements have lead to stronger, happier, and healthier families. It is in this sense, Mr. Speaker, that title 10 has become among the most "pro-family" programs supported by the Federal Government.

Despite this good work, Mr. Speaker, much more needs to be done. Millions of low-income women and sexually active adolescents are still without services. The rates for unintended pregnancy are still too high. And the number of abortions that occur as a result of unintended pregnancy is still of great concern.

H.R. 2369 can help alleviate these problems. And it can help ensure the continuation of the progress that has already been made.

I, therefore, urge my colleagues to demonstrate again their strong bipartisan support for the Family Planning Program by voting in favor of H.R. 2369.

Mr. MADIGAN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I want to join my colleagues in supporting H.R. 2369 as reported by the Committee on Energy and Commerce last month. This bipartisan legislation includes a simple funding reauthorization of the family planning programs at noninflationary levels.

Although there is opposition to House consideration of H.R. 2369 under suspension of the rules, I believe that it is important that the legislation move forward in this manner, since its enactment in 1970, the Family Planning Program, authorized in Title X of the Public Health Service Act, has provided preventive health, medical and educational services to low-income women and teenagers who

are unable to secure such services through the private sector.

Because questions are often raised about the use of funds authorized by this title, I would like to stress that explicit language in this title specifically prohibits the use of any appropriated funds for the provision of abortion services. This language remains intact with the passage of H.R. 2369.

I understand that several of my colleagues are opposed to taking up H.R. 2369 under suspension of the rules because they would like to offer an amendment to this legislation which would require family planning programs receiving Federal grants to notify parents or guardians that their unemancipated children or wards had sought family planning services. A similar amendment was defeated in the Energy and Commerce Committee, while I recognize my colleagues' concern about the Government taking on the role of parenting, I believe that many young women would not seek family planning services if they knew their parents were going to be notified.

I would like to point out that the current family planning statute requires that "to the extent practicable, entities which receive grants and contracts shall encourage family participation." This provision is clearly an integral section of the family planning law. This provision also remains intact with the passage of H.R. 2369.

I urge my colleagues to adopt H.R. 2369 under suspension of the rules. This bipartisan legislation deserves your support.

Mr. Speaker, I reserve the balance of my time.

Mr. WAXMAN. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. MADIGAN. Mr. Speaker, I yield back the balance of my time.

● Mr. WEISS. Mr. Speaker, again today we in the House find ourselves seeking to reauthorize, with the strong support of the American public, a program slated annually for annihilation by the Reagan administration. So again today, I rise in strong favor of the reauthorization of family planning services provided under title X of the Public Health Services Act and urge its overwhelming passage by my colleagues.

For the fifth year in a row, President Reagan has proposed wiping out our Nation's primary Federal program aimed at family planning for low-income women and teenagers, and folding it, with several other categorical programs, into a primary health care block grant.

Last year, this House overwhelmingly approved title X twice. But the Senate was able to hold the reauthorization hostage for almost the entire year. We face a similar confrontation this year, as no action on the reauthorization has yet been scheduled by the Senate Committee on Labor and Human Resources.

Title X does not favor one form of family planning over another, nor does it diminish the role of the family in important health-related decisions. What it does however—and what it does well—is provide for more informed choices by women and their families.

More than half of all pregnancies in this country are unintended. This figure for poor women is much higher. We must work to turn the tide on unwanted pregnancy and the subsequent poverty among women and children. Continued funding for title X is only one small step in what must become a much larger Federal effort to fight this problem.

Moral platitudes will not end the problem of unplanned and unwanted pregnancy. We need to provide for a well-informed public on the issues of sexuality and birth control.

This latest 3-year reauthorization request for title X is hardly extravagant. Funding for fiscal year 1986 is frozen at fiscal year 1985 levels. For 1987 and 1988 adjustments are made only for inflation.

Each Federal dollar invested in family planning in 1 year yields a minimum saving of $2 in health and welfare costs associated with unintended births in the following year alone.

I urge my colleagues in the House to demonstrate once again that we are very serious about our commitment to essential and cost-effective public health funding. Vote in favor of H.R. 2369 today under suspension of the rules.●

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from California [Mr. WAXMAN] that the House suspend the rules and pass the bill, H.R. 2369.

The question was taken.

Mr. COBEY. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to the provisions of clause 5, rule I, and the Chair's prior announcement, further proceedings on this motion will be postponed.

HEALTH RESEARCH EXTENSION ACT OF 1985

Mr. WAXMAN. Mr. Speaker, I move to suspend the rules and pass the bill H.R. 2409, to amend the Public Health Service Act to revise and extend the authorities under that Act relating to the National Institutes of Health and National Research Institutes, and for other purposes, as amended.

The Clerk read as follows:

H.R. 2409

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; REFERENCE TO ACT; AND TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Health Research Extension Act of 1985".

(b) REFERENCE TO ACT.—Except as otherwise specifically provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be a reference to a section or other provision of the Public Health Service Act.

(c) TABLE OF CONTENTS.—

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SEC. 2. REVISION OF TITLE IV OF THE PUBLIC HEALTH SERVICE ACT.

SEC. 2. Title IV of the Public Health Service Act is amended to read as follows:

"TITLE IV—NATIONAL RESEARCH INSTITUTES

"PART A—NATIONAL INSTITUTES OF HEALTH

"ORGANIZATION OF THE NATIONAL INSTITUTES OF HEALTH

"SEC. 401. (a) The National Institutes of Health is an agency of the Service.

"(b)(1) The following national research institutes are agencies of the National Institutes of Health:

"(A) The National Cancer Institute.

"(B) The National Heart, Lung, and Blood Institute.

"(C) The National Institute of Diabetes and Digestive and Kidney Diseases.

"(D) The National Institute of Arthritis and Musculoskeletal and Skin Diseases.

"(E) The National Institute on Aging.

"(F) The National Institute of Allergy and Infectious Diseases.

"(G) The National Institute of Child Health and Human Development.

"(H) The National Institute of Dental Research.

"(I) The National Eye Institute.

"(J) The National Institute of Neurological and Communicative Disorders and Stroke.

"(K) The National Institute of General Medical Sciences.

"(L) The National Institute of Environmental Health Sciences.

"(M) The National Institute of Nursing.

"(2) The following entities are agencies of the National Institutes of Health:

"(A) The National Library of Medicine.

"(B) The Division of Research Resources.

"(C) The John E. Fogarty International Center for Advanced Study in the Health Sciences.

"(c)(1) The Secretary may establish in the National Institutes of Health one or more additional national research institutes to conduct and support research, training, health information, and related programs with respect to any particular disease or groups of diseases or any other aspect of human health if—

"(A) the Secretary determines that an additional institute is necessary to carry out such activities; and

"(B) the additional institute is not established before the expiration of 180 days after the Secretary has provided the Committee on Energy and Commerce of the House of Representatives and the Committee on Labor and Human Resources of the Senate written notice of the determination made under clause (i) with respect to the institute.

"(2) The Secretary may reorganize the functions of any national research institute and may abolish any national research institute if the Secretary determines that the institute is no longer required. A reorganization or abolition may not take effect under this subparagraph before the expiration of 180 days after the Secretary has provided the Committee on Energy and Commerce of the House of Representatives and the Committee on Labor and Human Resources of the Senate written notice of the reorganization or abolition.

"(d) For purposes of this title, the term 'national research institute' means a national research institute listed in subsection (b) or established under subsection (c). A reference to the National Institutes of Health includes its agencies.

"APPOINTMENT AND AUTHORITY OF DIRECTOR OF NIH

"SEC. 402. (a) The National Institutes of Health shall be headed by the Director of the National Institutes of Health (hereafter in this title referred to as the 'Director of NIH') who shall be appointed by the President by and with the advice and consent of the Senate. The Director of NIH shall perform functions as provided under subsection (b) and as the Secretary may otherwise prescribe.

"(b) In carrying out the purposes of section 301, the Secretary, acting through the Director of NIH—

"(1) shall be responsible for the overall direction of the National Institutes of Health and for the establishment and implementation of general policies respecting the management and operation of programs and activities within the National Institutes of Health;

"(2) shall coordinate and oversee the operation of the national research institutes and administrative entities within the National Institutes of Health;

"(3) shall assure that research at the National Institutes of Health is subject to review in accordance with section 490(b);

"(4) for the national research institutes and administrative entities within the National Institutes of Health—

"(A) may acquire, construct, improve, repair, operate, and maintain, at the site of such institutes and entities, laboratories, and other research facilities, other facilities, equipment, and other real or personal property, and

"(B) may acquire, without regard to the Act of March 3, 1877 (40 U.S.C. 34), by lease or otherwise through the Administrator of General Services, buildings or parts of buildings in the District of Columbia or communities located adjacent to the District of Columbia for use for a period not to exceed ten years;

"(5) may secure resources for research conducted by or through the National Institutes of Health;

"(6) may, without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and without regard to the provisions of chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates, establish such technical and scientific peer review groups as are needed to carry out the requirements of this title and appoint and pay the members of such groups, except that officers and employees of the United States shall not receive additional compensation for service as members of such groups;

"(7) may secure for the National Institutes of Health consultation services and advice of persons from the United States or abroad;

"(8) may use, with their consent, the services, equipment, personnel, information, and facilities of other Federal, State, or local public agencies, with or without reimbursement therefor;

"(9) may, for purposes of study, admit and treat at facilities of the National Institutes of Health individuals not otherwise eligible for such treatment;

"(10) may accept voluntary and uncompensated services; and

"(11) may perform such other administrative functions as the Secretary determines are needed to effectively carry out this title.

The Federal Advisory Committee Act shall not apply to the duration of a peer review group appointed under paragraph (6). The members of such a group shall be individuals who by virtue of their training or experience are eminently qualified to perform the review functions of such group. Not more than one-fourth of the members of any such group shall be officers or employees of the United States.

"(c) The Director of NIH may make available to individuals and entities, for biomedical and behavioral research, substances and living organisms. Such substances and organisms shall be made available under such terms and conditions (including payment for them) as the Secretary determines appropriate.

"(d)(1) The Director of NIH may obtain (in accordance with section 3109 of title 5, United States Code, but without regard to the limitation on the period of service) the services of not more than two hundred experts or consultants, with scientific or other professional qualifications, for the National Institutes of Health.

"(2)(A) Except as provided in subparagraph (B), experts and consultants whose services are obtained under paragraph (1) shall be paid or reimbursed, in accordance with title 5, United States Code, for their travel and other expenses associated with their assignment.

"(B) Expenses specified in subparagraph (A) shall not be allowed in connection with the assignment of an expert or consultant whose services are obtained under paragraph (1) unless the expert or consultant has agreed in writing to complete the entire period of the assignment or one year of the assignment, whichever is shorter, unless separated or reassigned for reasons which are beyond the control of the expert or consultant and which are acceptable to the Secretary. If the expert or consultant violates the agreement, the money spent by the United States for such expenses is recoverable from the expert or consultant as a debt due the United States. The Secretary may waive in whole or in part a right of recovery under this subparagraph.

"(e) The Director of NIH shall—

"(1) advise the agencies of the National Institutes of Health on medical applications of research;

"(2) coordinate, review, and facilitate the systematic identification and evaluation of, clinically relevant information from research conducted by or through the national research institutes;

"(3) promote the effective transfer of the information described in paragraph (2) to the health care community and to entities that require such information; and

"(4) monitor the effectiveness of the activities described in paragraph (3).

"(f) There shall be in the National Institutes of Health an Associate Director for Prevention. The Director of NIH shall delegate to the Associate Director for Prevention the functions of the Director relating to the promotion of the disease prevention research programs of the national research institutes and the coordination of such programs among the national research institutes and between the national research institutes and other public and private entities. The Associate Director shall annually report to the Director of NIH on the prevention activities undertaken by the Associate Director. The report shall include a detailed statement of the expenditures made for the activities reported on and the personnel used in connection with such activities.

"REPORT OF DIRECTOR OF NIH

"SEC. 403. The Secretary shall transmit to the President and to the Congress a biennial report which shall be prepared by the Director of NIH and which shall consist of—

"(1) a description of the activities carried out by and through the National Institutes of Health and the policies respecting the programs of the National Institutes of Health and such recommendations respecting such policies as the Secretary considers appropriate;

"(2) a description of the activities undertaken to improve grants and contracting accountability and peer review procedures of the National Institutes of Health and the national research institutes;

"(3) the reports made by the Associate Director for Prevention under section 402(f) during the period for which the biennial report is prepared; and

"(4) the biennial reports of the Directors of each of the national research institutes.

The first report under this section shall be submitted not later than April 1, 1986, and shall relate to the fiscal year ending on the preceding September 30. The next report shall be submitted not later than December 30, 1988, and shall relate to the two-fiscal year period ending on the preceding September 30. Each subsequent report shall be submitted not later than 90 days after the two-fiscal-year period for which the report is to be submitted.

"PART B—GENERAL PROVISIONS RESPECTING NATIONAL RESEARCH INSTITUTES

"APPOINTMENT AND AUTHORITY OF THE DIRECTORS OF THE NATIONAL RESEARCH INSTITUTES

"SEC. 405. (a) The Director of the National Cancer Institute shall be appointed by the President and the Directors of the other national research institutes shall be appointed by the Secretary. Each Director shall report directly to the Director of NIH.

"(b)(1) In carrying out the purposes of section 301 with respect to the human diseases or disorders or other aspects of human health for which the national research institutes were established, the Secretary, acting through the Director of each national research institute—

"(A) shall encourage and support research, investigations, experiments, demonstrations, and studies in the health sciences related to—

"(i) the maintenance of health,

"(ii) the detection, diagnosis, treatment, and prevention of human diseases and disorders,

"(iii) the rehabilitation of individuals with human diseases, disorders, and disabilities, and

"(iv) the expansion of knowledge of the processes underlying human diseases, disorders, and disabilities, the processes underlying the normal and pathological functioning of the body and its organ systems, and the processes underlying the interactions between the human organism and the environment;

"(B) may, subject to the review prescribed under section 490(b) and any advisory council review under section 406(a)(3)(A)(i), conduct the research, investigations, experiments, demonstrations, and studies referred to in subparagraph (A);

"(C) may conduct and support research training (i) for which fellowship support is not provided under section 485, and (ii) which is not residency training of physicians or other health professionals;

"(D) may develop, implement, and support demonstrations and programs for the application of the results of the activities of the institute to clinical practice and disease prevention activities;

"(E) may develop, conduct, and support public and professional education and information programs;

"(F) may secure, develop and maintain, distribute, and support the development and maintenance of resources needed for research;

"(G) may make available the facilities of the institute to appropriate entities and individuals engaged in research activities and cooperate with and assist Federal and State agencies charged with protecting the public health;

"(H) may accept unconditional gifts made to the institute for their activities, and, in the case of gifts of a value in excess of $50,000, establish suitable memorials to the donor;

"(I) may secure for the institute consultation services and advice of persons from the United States or abroad;

"(J) may use, with their consent, the services, equipment, personnel, information, and facilities of other Federal, State, or local public agencies, with or without reimbursement therefor;

"(K) may accept voluntary and uncompensated services; and

"(L) may perform such other functions as the Secretary determines are needed to

carry out effectively the purposes of the institute.

The indemnification provisions of section 2354, title 10, United States Code, shall apply with respect to contracts entered into under this subsection and section 402(b).

"(2) Support for an activity or program under this subsection may be provided through grants, contracts, and cooperative agreements. The Secretary, acting through the Director of each national research institute—

"(A) may enter into a contract for research, training, or demonstrations only if the contract has been recommended after peer review required by regulations under section 490; and

"(B) may make grants and cooperative agreements under paragraph (1) for research, training, or demonstrations, except that—

"(i) if the direct cost of the grant or cooperative agreement to be approved does not exceed $50,000, such grant or cooperative agreement may be approved only after appropriate technical and scientific review in accordance with section 490, and

"(ii) if the direct cost of the grant or cooperative agreement to be approved exceeds $50,000, such grant or cooperative agreement may be approved only after appropriate technical and scientific review in accordance with section 490 and recommendation by the advisory council under section 406(a)(3)(A)(ii) to the national research institute involved.

"(c) In carrying out subsection (b), each Director of a national research institute—

"(1) shall coordinate, as appropriate, the activities of the institute with similar programs of other public and private entities;

"(2) shall cooperate with the Directors of the other national research institutes in the development and support of multidisciplinary research and research that involves more than one institute; and

"(3) may, with the approval of the advisory council for the institute and the Director of NIH, appoint peer review groups in addition to those appointed under section 402(b)(6).

"ADVISORY COUNCILS

"SEC. 406. (a)(1) Except as provided in subsection (h), the Secretary shall appoint an advisory council for each national research institute which (A) shall advise, assist, consult with, and make recommendations to the Secretary and the Director of such institute on matters related to the activities carried out through the institute and the policies respecting such activities, and (B) shall carry out the special functions prescribed by part C.

"(2) Each advisory council for a national research institute may recommend to the Secretary acceptance, in accordance with section 2101, of conditional gifts for study, investigation, or research respecting the disease, disorders, or other aspect of human health with respect to which the institute was established, for the acquisition of grounds, or for the construction, equipping, or maintenance of facilities for the institute.

"(3) Each advisory council for a national research institute—

"(A)(i) may on the basis of the materials provided under section 490(b)(2) respecting research conducted at the institute, make recommendations to the Director of the institute respecting such research,

"(ii) may review applications for grants and cooperative agreements for research or training and for which advisory council approval is required under section 405(b)(2) and recommend for approval applications for projects which show promise of making valuable contributions to human knowledge, and

"(iii) may review any grant, contract, or cooperative agreement proposed to be made or entered into by the institute;

"(B) may collect, by correspondence or by personal investigation, information as to studies which are being carried on in the United States or any other country as to the disease, disorders, or other aspect of human health with respect to which the institute was established and with the approval of the Director of the institute make available such information through appropriate publications for the benefit of public and private health entities and health professions personnel and scientists and for the information of the general public; and

"(C) may appoint subcommittees and convene workshops and conferences.

"(b)(1) Each advisory council shall consist of ex officio members and not more than eighteen members appointed by the Secretary. The ex officio members of an advisory council shall consist of the Secretary, the Director of NIH, the Director of the national research institute for which the council is established, the Chief Medical Director of the Veterans' Administration, the Assistant Secretary of Defense for Health Affairs, and such additional officers or employees of the United States as the Secretary determines necessary for the advisory council to effectively carry out its functions. The members of an advisory council who are not ex officio members shall be appointed as follows:

"(A) Two thirds of the members shall be appointed by the Secretary from among the leading representatives of the health and scientific disciplines (including public health and the behavioral or social sciences) relevant to the activities of the institute for which the advisory council is established.

"(B) One third of the members shall be appointed by the Secretary from the general public and shall include leaders in fields of public policy, law, health policy, economics, and management.

"(2) Members of an advisory council who are officers or employees of the United States shall not receive any compensation for service on the advisory council. The other members of an advisory council shall receive, for each day (including traveltime) they are engaged in the performance of the functions of the advisory council, compensation at rates not to exceed the daily equivalent of the annual rate in effect for grade GS-18 of the General Schedule.

"(c) The term of office of an appointed member of an advisory council is four years, except that any member appointed to fill a vacancy for an unexpired term shall be appointed for the remainder of such term and the Secretary shall make appointments to an advisory council in such a manner as to ensure that the terms of the members do not all expire in the same year. A member may serve after the expiration of the member's term until a successor has taken office. A member who has been appointed for a term of four years may not be reappointed to an advisory council before two years from the date of expiration of such term of office. If a vacancy occurs in the advisory council among the appointed members, the Secretary shall make an appointment to fill the vacancy within 90 days from the date the vacancy occurs.

"(d) The chairman of an advisory council shall be selected by the Secretary from among the appointed members, except that the Secretary may select the Director of the national research institute for which the advisory council is established to be the chairman of the advisory council. The term of office of the chairman shall be two years.

"(e) The advisory council shall meet at the call of the chairman or upon the request of the Director of the national research institute for which it was established, but at least three times each fiscal year. The location of the meetings of each advisory council is subject to the approval of the Director of the national research institute for which the advisory council was established.

"(f) The Director of the national research institute for which an advisory council is established shall designate a member of the staff of the institute to serve as the executive secretary of the advisory council. The Director of such institute shall make available to the advisory council such staff, information, and other assistance as it may require to carry out its functions. The Director of such institute shall provide orientation and training for new members of the advisory council to provide them with such information and training as may be appropriate for their effective participation in the functions of the advisory council.

"(g) Each advisory council may prepare, for inclusion in the biennial report made under section 407, (1) comments respecting the activities of the advisory council in the fiscal years respecting which the report is prepared, (2) comments on the progress of the national research institute for which it was established in meeting its objectives, and (3) recommendations respecting the future directions and program and policy emphasis of the institute. Each advisory council may prepare such additional reports as it may deem appropriate.

"(h)(1) Except as provided in paragraph (2), this section does not terminate the membership of any advisory council to a national research institute which was in existence on the effective date of the Health Research Extension Act of 1985. After such date—

"(A) the Secretary shall make appointments to each such advisory council in such a manner as to bring about as soon as practicable the composition for such council prescribed by this section;

"(B) each advisory council shall organize itself in accordance with this section and exercise the functions prescribed by this section; and

"(C) the Director of each national research institute shall perform for such advisory council the functions prescribed by this section.

"(2)(A) The National Cancer Advisory Board shall be the advisory council for the National Cancer Institute. This section applies to the National Cancer Advisory Board, except that—

"(i) appointments to such Board shall be made by the President;

"(ii) the term of office of an appointed member shall be 6 years;

"(iii) of the members appointed to the Board not less than five members shall be individuals knowledgeable in environmental carcinogenesis (including carcinogenesis involving occupational and dietary factors);

"(iv) the chairman of the Board shall be selected by the President from the appointed members and shall serve as chairman for a term of two years;

"(v) the ex officio members of the Board shall be the Secretary, the Director of the

Office of Science and Technology Policy, the Director of NIH, the Chief Medical Director of the Veterans' Administration, the Director of the National Institute for Occupational Safety and Health, the Director of the National Institute of Environmental Health Sciences, the Secretary of Labor, the Commissioner of the Food and Drug Administration, the Administrator of the Environmental Protection Agency, the Chairman of the Consumer Product Safety Commission and the Assistant Secretary of Defense for Health Affairs; and

"(vi) the Board shall meet at least four times each fiscal year.

"(B) This section applies to the advisory council to the National Heart, Lung, and Blood Institute, except that the advisory council shall meet at least four times each fiscal year.

"(C) This section applies to the advisory council to the National Institute of Nursing, except that the Chief Nursing Officer of the Veterans' Administration and the Director of the Division of Nursing of the Health Resources and Services Administration shall be ex officio members of the advisory council to the National Institute of Nursing. Of the members appointed to the advisory council under subsection (b)(1)(A), seven shall be professional nurses who are recognized experts in the area of clinical practice, education, or research.

"BIENNIAL REPORT

"SEC. 407. The Director of each national research institute, after consultation with the advisory council for the institute, shall prepare for inclusion in the biennial report made under section 403 a biennial report which shall consist of a description of the activities of the institute and program policies of the Director of the institute in the fiscal years respecting which the report is prepared. Each Director may prepare such additional reports as the Director determines appropriate. The Director of each institute shall provide the advisory council of the institute an opportunity for the submission of the written comments referred to in section 406(g).

"AUTHORIZATIONS OF APPROPRIATIONS

"SEC. 408. (a) In addition to amounts otherwise authorized to be appropriated under this title for the National Institutes of Health, the following amounts are authorized to be appropriated:

"(1)(A) For the National Cancer Institute (other than its programs under section 412), there is authorized to be appropriated $1,270,000,000 for fiscal year 1986.

"(B) For the programs under section 412, there is authorized to be appropriated $75,000,000 for fiscal year 1986.

"(2)(A) For the National Heart, Lung, and Blood Institute (other than its programs under section 419), there is authorized to be appropriated $788,000,000 for fiscal year 1986. Of the amount appropriated under this subsection for such fiscal year, not less than 15 percent of such amount shall be reserved for programs respecting diseases of the lung and not less than 15 percent of such amount shall be reserved for programs respecting blood diseases and blood resources.

"(B) For the programs under section 419, there is authorized to be appropriated $82,000,000 for fiscal year 1986.

"(b)(1) Except as provided in paragraph (2), the sum of the amounts obligated in any fiscal year for administrative expenses of the National Institutes of Health may not exceed an amount which is 5.5 percent of the total amount appropriated for such fiscal year for the National Institutes of Health.

"(2) Paragraph (1) does not apply to the National Library of Medicine, the John E. Fogarty International Center for Advanced Study in the Health Sciences, and the Office of Medical Applications of Research.

"(3) For purposes of paragraph (1), the term 'administrative expenses' means expenses incurred for the support of activities relevant to the award of grants, contracts, and cooperative agreements and expenses incurred for general administration of the scientific programs and activities of the National Institutes of Health. In identifying expenses incurred for such support and administration the Secretary shall consult with the Comptroller General.

"(4) Not later than December 31, 1987, and December 31 of each succeeding year, the Secretary shall report to the Congress the amount obligated in the fiscal year preceding such date for administrative expenses of the National Institutes of Health and the total amount appropriated for the National Institutes of Health for such fiscal year. The Secretary shall consult with the Comptroller General in preparing each report.

"PART C—SPECIFIC PROVISIONS RESPECTING NATIONAL RESEARCH INSTITUTES

"Subpart 1—National Cancer Institute

"PURPOSE OF INSTITUTE

"SEC. 410. The general purpose of the National Cancer Institute (hereafter in this subpart referred to as the 'Institute') is the conduct and support of research, training, health information dissemination, and other programs with respect to the cause, diagnosis, prevention, and treatment of cancer and the continuing care of cancer patients and the families of cancer patients.

"NATIONAL CANCER PROGRAM

"SEC. 411. The National Cancer Program shall consist of (1) an expanded, intensified, and coordinated cancer research program encompassing the research programs conducted and supported by the Institute and the related research programs of the other national research institutes, including an expanded and intensified research program for the prevention of cancer caused by occupational or environmental exposure to carcinogens, and (2) the other programs and activities of the Institute.

"CANCER CONTROL PROGRAMS

"SEC. 412. The Director of the Institute shall establish and support demonstration, education, and other programs for the detection, diagnosis, prevention, and treatment of cancer and for rehabilitation and counseling respecting cancer. Programs established and supported under this section shall include—

"(1) locally initiated education and demonstration programs (and regional networks of such programs) to transmit research results and to disseminate information respecting—

"(A) the detection, diagnosis, prevention, and treatment of cancer,

"(B) the continuing care of cancer patients and the families of cancer patients, and

"(C) rehabilitation and counseling respecting cancer,

to physicians and other health professionals who provide care to individuals who have cancer;

"(2) the demonstration of and the education of students of the health professions and health professionals in—

"(A) effective methods for the prevention and early detection of cancer and the identification of individuals with a high risk of developing cancer, and

"(B) improved methods of patient referral to appropriate centers for early diagnosis and treatment of cancer; and

"(3) the demonstration of new methods for the dissemination of information to the general public concerning the prevention, early detection, diagnosis, and treatment and control of cancer and information concerning unapproved and ineffective methods, drugs, and devices for the diagnosis, prevention, treatment, and control of cancer.

"SPECIAL AUTHORITIES OF THE DIRECTOR

"SEC. 413. (a) The Director of the Institute shall establish an information and education center to collect, identify, analyze, and disseminate on a timely basis, through publications and other appropriate means, to cancer patients and their families, physicians and other health professionals, and the general public, information on cancer research, diagnosis, prevention, and treatment (including information respecting nutrition programs for cancer patients and the relationship between nutrition and cancer). The Director of the Institute may take such action as may be necessary to insure that all channels for the dissemination and exchange of scientific knowledge and information are maintained between the Institute and other scientific, medical, and biomedical disciplines and organizations nationally and internationally.

"(b) The Director of the Institute in carrying out the National Cancer Program—

"(1) shall establish or support the large-scale production or distribution of specialized biological materials and other therapeutic substances for cancer research and set standards of safety and care for persons using such materials;

"(2) shall, in consultation with the advisory council for the Institute, support (A) research in the cancer field outside the United States by highly qualified foreign nationals which can be expected to benefit the American people, (B) collaborative research involving American and foreign participants, and (C) the training of American scientists abroad and foreign scientists in the United States;

"(3) shall, in consultation with the advisory council for the Institute, support appropriate programs of education (including continuing education) and training;

"(4) shall encourage and coordinate cancer research by industrial concerns where such concerns evidence a particular capability for such research;

"(5) may obtain (with the approval of the advisory council for the Institute and in accordance with section 3109 of title 5, United States Code, but without regard to the limitation on the period of service) the services of not more than one hundred and fifty-one experts or consultants who have scientific or professional qualifications;

"(6)(A) may, in consultation with the advisory council for the Institute, acquire, construct, improve, repair, operate, and maintain laboratories, other research facilities, equipment, and such other real or personal property as the Director determines necessary;

"(B) may, in consultation with the advisory council for the Institute, make grants for new construction or renovation of facilities; and

"(C) may, in consultation with the advisory council for the Institute, acquire, without regard to the Act of March 3, 1877 (40 U.S.C. 34), by lease or otherwise through the Administrator of General Services, buildings or parts of buildings in the District of Columbia or communities located adjacent to the District of Columbia for the use of the Institute for a period not to exceed ten years;

"(7) may, in consultation with the advisory council for the Institute, appoint one or more advisory committees composed of such private citizens and officials of Federal, State, and local governments to advise the Director with respect to the Director's functions;

"(8) may, subject to section 405(b)(2) and without regard to section 3324 of title 31 of the United States Code and section 3709 of the Revised Statutes (41 U.S.C. 5), enter into such contracts, leases, cooperative agreements, as may be necessary in the conduct of functions of the Director, with any public agency, or with any person, firm, association, corporation, or educational institution;

"(9) shall maintain and operate the International Cancer Research Data Bank, which shall collect, catalog, store, and disseminate insofar as feasible through the use of information systems accessible to the public, general practitioners, and oncologic investigators, the results of cancer research and treatment undertaken in any country for the use of any person involved in cancer research and treatment in any country; and

"(10)(A) shall, notwithstanding section 405(a), prepare and submit, directly to the President for review and transmittal to Congress, an annual budget estimate (including an estimate of the number and type of personnel needs for the Institute) for the National Cancer Program, after reasonable opportunity for comment (but without change) by the Secretary, the Director of NIH, and the Institute's advisory council; and (B) may receive from the President and the Office of Management and Budget directly all funds appropriated by Congress for obligation and expenditure by the Institute.

Except as otherwise provided, experts and consultants whose services are obtained under paragraph (5) shall be paid or reimbursed, in accordance with title 5, United States Code, for their travel and other expenses associated with their assignment. Such expenses shall not be allowed in connection with the assignment of an expert or consultant whose services are obtained under paragraph (5) unless the expert or consultant has agreed in writing to complete the entire period of the assignment or one year of the assignment, whichever is shorter, unless separated or reassigned for reasons which are beyond the control of the expert or consultant and which are acceptable to the Director of the Institute. If the expert or consultant violates the agreement, the money spent by the United States for such expenses is recoverable from the expert or consultant as a debt due the United States. The Secretary may waiver in whole or in part a right of recovery under this subparagraph.

"NATIONAL CANCER RESEARCH AND DEMONSTRATION CENTERS

"SEC. 414. (a)(1) The Director of the Institute may enter into cooperative agreements with and make grants to public or private nonprofit entities to pay all or part of the cost of planning, establishing, or strengthening, and providing basic operating support during fiscal year 1986 for centers for basic and clinical research into, training in, and demonstration of advanced diagnostic, prevention, and treatment methods for cancer.

"(2) A cooperative agreement or grant under paragraph (1) shall be entered into in accordance with policies established by the Director of NIH and after consultation with the Institute's advisory council.

"(b) Federal payments made under a cooperative agreement or grant under subsection (a) may be used for—

"(1) construction (notwithstanding any limitation under section 494);

"(2) staffing and other basic operating costs, including such patient care costs as are required for research;

"(3) clinical training, including training for allied health professionals, continuing education for health professionals and allied health professions personnel, and information programs for the public respecting cancer; and

"(4) demonstration purposes.

As used in this subsection, the term 'construction' does not include the acquisition of land, and the term 'training' does not include research training for which National Research Service Awards may be provided under section 485.

"(c) Support of a center under subsection (a) may be for a period of not to exceed five years. Such period may be extended by the Director for additional periods of not more than five years each if the operations of such center have been reviewed by an appropriate scientific review group established by the Director and if such group has recommended to the Director that such period should be extended.

"PRESIDENT'S CANCER PANEL

"SEC. 415. (a)(1) The President's Cancer Panel (hereafter in this section referred to as the 'Panel') shall be composed of three persons appointed by the President who by virtue of their training, experience, and background are exceptionally qualified to appraise the National Cancer Program. At least two members of the Panel shall be distinguished scientists or physicians.

"(2)(A) Members of the Panel shall be appointed for three-year terms, except that (i) any member appointed to fill a vacancy occurring prior to the expiration of the term for which the member's predecessor was appointed shall be appointed only for the remainder of such term, and (ii) a member may serve until the member's successor has taken office. If a vacancy occurs in the Panel, the President shall make an appointment to fill the vacancy not later than 90 days after the date the vacancy occurred.

"(B) The President shall designate one of the members to serve as the chairman of the Panel for a term of one year.

"(C) Members of the Panel shall each be entitled to receive the daily equivalent of the annual rate of basic pay in effect for grade GS-18 of the General Schedule for each day (including traveltime) during which they are engaged in the actual performance of duties as members of the Panel and shall be allowed travel expenses (including a per diem allowance) under section 5703 of title 5, United States Code.

"(3) The Panel shall meet at the call of the chairman, but not less often than four times a year. A transcript shall be kept of the proceedings of each meeting of the Panel, and the chairman shall make such transcript available to the public.

"(b) The Panel shall monitor the development and execution of the activities of the National Cancer Program, and shall report directly to the President. Any delays or blockages in rapid execution of the program shall immediately be brought to the attention of the President. The Panel shall submit to the President periodic progress reports on the program and shall submit to the President, the Secretary, and the Congress an annual evaluation of the efficacy of the program and suggestions for improvements, and shall submit such other reports as the President shall direct.

"ASSOCIATE DIRECTOR FOR PREVENTION

"SEC. 416. (a) There shall be in the Institute an Associate Director for Prevention to coordinate and promote the programs in the Institute in the prevention of cancer. The Associate Director shall be appointed by the Director of the Institute from individuals who because of their professional training or experience are experts in public health or preventive medicine.

"(b) The Associate Director for Prevention shall prepare for inclusion in the biennial report made under section 407 a description of the prevention activities of the Institute, including a description of the staff and resources allocated to those activities.

"Subpart 2—National Heart, Lung, and Blood Institute

"PURPOSE OF THE INSTITUTE

"SEC. 418. The general purpose of the National Heart, Lung, and Blood Institute (hereafter in this subpart referred to as the 'Institute') is the conduct and support of research, training, health information dissemination, and other programs with respect to heart, blood vessel, lung, and blood diseases and with respect to the use of blood and blood products and the management of blood resources.

"HEART, BLOOD VESSEL, LUNG, AND BLOOD DISEASE PREVENTION AND CONTROL PROGRAMS

"SEC. 419. The Director of the Institute, under policies established by the Director of NIH and after consultation with the advisory council for the Institute, shall establish programs as necessary for cooperation with other Federal health agencies, State, local, and regional public health agencies, and nonprofit private health agencies in the diagnosis, prevention, and treatment (including the provision of emergency medical services) of heart, blood vessel, lung, and blood diseases, appropriately emphasizing the prevention, diagnosis, and treatment of such diseases of children.

"INFORMATION AND EDUCATION

"SEC. 420. The Director of the Institute shall collect, identify, analyze, and disseminate on a timely basis, through publications and other appropriate means, to patients, families of patients, physicians and other health professionals, and the general public, information on research, prevention, diagnosis, and treatment of heart, blood vessel, lung, and blood diseases, the maintenance of health to reduce the incidence of such diseases, and on the use of blood and blood products and the management of blood resources. In carrying out this section the Director of the Institute shall place special emphasis upon—

"(1) the dissemination of information regarding diet and nutrition, environmental pollutants, exercise, stress, hypertension, cigarette smoking, weight control, and other factors affecting the prevention of arteriosclerosis and other cardiovascular diseases and of pulmonary and blood diseases; and

"(2) the dissemination of information designed to encourage children to adopt healthful habits respecting the risk factors related to the prevention of such diseases.

"NATIONAL HEART, BLOOD VESSEL, LUNG, AND BLOOD DISEASES AND BLOOD RESOURCES PROGRAM

"SEC. 421. (a) The National Heart, Blood Vessel, Lung, and Blood Diseases and Blood Resources Program (hereinafter referred to as the 'Program') may provide for—

"(1) investigation into the epidemiology, etiology, and prevention of all forms and aspects of heart, blood vessel, lung, and blood diseases, including investigations into the social, environmental, behavioral, nutritional, biological, and genetic determinants and influences involved in the epidemiology, etiology, and prevention of such diseases;

"(2) studies and research into the basic biological processes and mechanisms involved in the underlying normal and abnormal heart, blood vessel, lung, and blood phenomena;

"(3) research into the development, trial, and evaluation of techniques, drugs, and devices (including computers) used in, and approaches to, the diagnosis, treatment (including the provision of emergency medical services), and prevention of heart, blood vessel, lung, and blood diseases and the rehabilitation of patients suffering from such diseases;

"(4) establishment of programs that will focus and apply scientific and technological efforts involving the biological, physical, and engineering sciences to all facets of heart, blood vessel, lung, and blood diseases with emphasis on the refinement, development, and evaluation of technological devices that will assist, replace, or monitor vital organs and improve instrumentation for detection, diagnosis, and treatment of such diseases;

"(5) establishment of programs for the conduct and direction of field studies, large-scale testing and evaluation, and demonstration of preventive, diagnostic, therapeutic, and rehabilitative approaches to, and emergency medical services for, such diseases;

"(6) studies and research into blood diseases and blood, and into the use of blood for clinical purposes and all aspects of the management of blood resources in this country, including the collection, preservation, fractionation, and distribution of blood and blood products;

"(7) the education (including continuing education) and training of scientists, clinical investigators, and educators, in fields and specialties (including computer sciences) requisite to the conduct of clinical programs respecting heart, blood vessel, lung, and blood diseases and blood resources;

"(8) public and professional education relating to all aspects of such diseases, including the prevention of such diseases, and the use of blood and blood products and the management of blood resources;

"(9) establishment of programs for study and research into heart, blood vessel, lung, and blood diseases of children (including cystic fibrosis, hyaline membrane, hemolytic diseases such as sickle cell anemia and Cooley's anemia, and hemophilic diseases) and for the development and demonstration of diagnostic, treatment, and preventive approaches to such diseases; and

"(10) establishment of programs for study, research, development, demonstrations and evaluation of emergency medical services for people who become critically ill in connection with heart, blood vessel, lung, or blood diseases.

The Program shall be coordinated with other national research institutes to the extent that they have responsibilities respecting such diseases and shall give special emphasis to the continued development in the Institute of programs related to the causes of stroke and to effective coordination of such programs with related stroke programs in the National Institute of Neurological and Communicative Disorders and Stroke. The Director of the Institute, with the advice of the advisory council for the Institute, shall revise annually the plan for the Program and shall carry out the Program in accordance with such plan.

"(b) In carrying out the Program, the Director of the Institute, under policies established by the Director of NIH—

"(1) may, after approval of the advisory council for the Institute, obtain (in accordance with section 3109 of title 5, United States Code, but without regard to the limitation on the period of such service) the services of not more than one hundred experts or consultants who have scientific or professional qualifications;

"(2)(A) may, in consultation with the advisory council for the Institute, acquire and construct, improve, repair, operate, alter, renovate, and maintain, heart, blood vessel, lung, and blood disease and blood resource laboratory, research, training, and other facilities, equipment, and such other real or personal property as the Director determines necessary;

"(B) may, in consultation with the advisory council for the Institute, make grants for construction or renovation of facilities; and

"(C) may, in consultation with the advisory council for the Institute, acquire, without regard to the Act of March 3, 1877 (40 U.S.C. 34), by lease or otherwise, through the Administrator of General Services, buildings or parts of buildings in the District of Columbia or communities located adjacent to the District of Columbia for the use of the Institute for a period not to exceed ten years;

"(3) subject to section 405(b)(2) and without regard to section 3324 of title 31 of the United States Code and section 3709 of the Revised Statutes (41 U.S.C. 5), may enter into such contracts, leases, cooperative agreements, or other transactions, as may be necessary in the conduct of the Director's functions, with any public agency, or with any person, firm, association, corporation, or educational institutions; and

"(4) may make grants to public and nonprofit private entities to assist in meeting the cost of the care of patients in hospitals, clinics, and related facilities who are participating in research projects.

Except as otherwise provided, experts and consultants whose services are obtained under paragraph (1) shall be paid or reimbursed, in accordance with title 5, United States Code, for their travel and other expenses associated with their assignment. Such expenses shall not be allowed in connection with the assignment of an expert or consultant whose services are obtained under paragraph (1) unless the expert or consultant has agreed in writing to complete the entire period of the assignment or one year of the assignment, whichever is shorter, unless separated or reassigned for reasons which are beyond the control of the expert or consultant and which are acceptable to the Director of the Institute. If the expert or consultant violates the agreement, the money spent by the United States for such expenses is recoverable from the expert or consultant as a debt due the United States. The Secretary may waive in whole or in part a right of recovery under this subparagraph.

"NATIONAL RESEARCH AND DEMONSTRATION CENTERS FOR HEART, BLOOD VESSEL, LUNG, AND BLOOD DISEASES, SICKLE CELL ANEMIA, AND BLOOD RESOURCES

"SEC. 422. (a)(1) The Director of the Institute may provide, in accordance with subsection (c), for the development of—

"(A) ten centers for basic and clinical research into, training in, and demonstration of, advanced diagnostic, prevention, and treatment methods (including methods of providing emergency medical services) for heart and blood vessel diseases;

"(B) ten centers for basic and clinical research into, training in, and demonstration of, advanced diagnostic, prevention, and treatment methods (including methods of providing emergency medical services) for lung diseases (including bronchitis, emphysema, asthma, cystic fibrosis, and other lung diseases of children); and

"(C) ten centers for basic and clinical research into, training in, and demonstration of, advanced diagnostic, prevention, and treatment methods (including methods of providing emergency medical services) for blood diseases and research into blood, in the use of blood products and in the management of blood resources.

"(2) The centers developed under paragraph (1) shall, in addition to being utilized for research, training, and demonstrations, be utilized for the following prevention programs for cardiovascular, pulmonary, and blood diseases:

"(A) Programs to develop improved methods of detecting individuals with a high risk of developing cardiovascular, pulmonary, and blood diseases.

"(B) Programs to develop improved methods of intervention against those factors which cause individuals to have a high risk of developing such diseases.

"(C) Programs to develop health professions and allied health professions personnel highly skilled in the prevention of such diseases.

"(D) Programs to develop improved methods of providing emergency medical services for persons with such diseases.

"(E) Programs of continuing education for health and allied health professionals in the diagnosis, prevention, and treatment of such diseases and the maintenance of health to reduce the incidence of such diseases and information programs for the public respecting the prevention and early diagnosis and treatment of such diseases and the maintenance of health.

"(3) The research, training, and demonstration activities carried out through any such center may relate to any one or more of the diseases referred to in paragraph (1) of this subsection.

"(b) The Director of the Institute shall provide, in accordance with subsection (c), for the development of ten centers for basic and clinical research into the diagnosis, treatment, and control of sickle cell anemia.

"(c)(1) The Director of the Institute may enter into cooperative agreements with and make grants to public or private nonprofit entities to pay all or part of the cost of planning, establishing, or strengthening, and providing basic operating support for centers for basic and clinical research into, training in, and demonstration of the management of blood resources and advanced diagnostic, prevention, and treatment meth-

ods for heart, blood vessel, lung, or blood diseases.

"(2) A cooperative agreement or grant under paragraph (1) shall be entered into in accordance with policies established by the Director of NIH and after consultation with the Institute's advisory council.

"(3) Federal payments made under a cooperative agreement or grant under paragraph (1) may be used for—

"(A) construction (notwithstanding any limitation under section 494);

"(B) staffing and other basic operating costs, including such patient care costs as are required for research;

"(C) training, including training for allied health professionals; and

"(D) demonstration purposes.

As used in this subsection, the term 'construction' does not include the acquisition of land, and the term 'training' does not include research training for which National Research Service Awards may be provided under section 485.

"(4) Support of a center under paragraph (1) may be for a period of not to exceed five years. Such period may be extended by the Director for additional periods of not more than five years each if the operations of such center have been reviewed by an appropriate scientific review group established by the Director and if such group has recommended to the Director that such period should be extended.

"INTERAGENCY TECHNICAL COMMITTEE

"SEC. 423. (a) The Secretary shall establish an Interagency Technical Committee on Heart, Blood Vessel, Lung and Blood Diseases and Blood Resources which shall be responsible for coordinating those aspects of all Federal health programs and activities relating to heart, blood vessel, lung, and blood diseases and blood resources to assure the adequacy and technical soundness of such programs and activities and to provide for the full communication and exchange of information necessary to maintain adequate coordination of such programs and activities.

"(b) The Director of the Institute shall serve as chairman of the Committee and the Committee shall include representation from all Federal departments and agencies whose programs involve health functions or responsibilities relevant to the functions of the Committee, as determined by the Secretary.

"ASSOCIATE DIRECTOR FOR PREVENTION

"SEC. 424. (a) There shall be in the Institute an Associate Director for Prevention to coordinate and promote the programs in the Institute in the prevention of heart, blood vessel, lung, and blood diseases. The Associate Director shall be appointed by the Director of the Institute from individuals who because of their professional training or experience are experts in public health or preventive medicine.

"(b) The Associate Director for Prevention shall prepare for inclusion in the biennial report made under section 407 a description of the prevention activities of the Institute, including a description of the staff and resources allocated to those activities.

"Subpart 3—National Institute of Diabetes and Digestive and Kidney Diseases

"PURPOSE OF THE INSTITUTE

"SEC. 426. The general purpose of the National Institute of Diabetes and Digestive and Kidney Diseases (hereafter in this subpart referred to as the 'Institute') is the conduct and support of research, training, health information dissemination, and other programs with respect to diabetes mellitus and endocrine and metabolic diseases, digestive diseases and nutritional disorders, and kidney, urologic, and hematologic diseases.

"DATA SYSTEMS AND INFORMATION CLEARINGHOUSES

"SEC. 427. (a) The Director of the Institute shall (1) establish the National Diabetes Data System for the collection, storage, analysis, retrieval, and dissemination of data derived from patient populations with diabetes, including, where possible, data involving general populations for the purpose of detection of individuals with a risk of developing diabetes, and (2) establish the National Diabetes Information Clearinghouse to facilitate and enhance knowledge and understanding of diabetes on the part of health professionals, patients, and the public through the effective dissemination of information.

"(b) The Director of the Institute shall (1) establish the National Digestive Diseases Data System for the collection, storage, analysis, retrieval, and dissemination of data derived from patient populations with digestive diseases, including, where possible, data involving general populations for the purpose of detection of individuals with a risk of developing digestive diseases, and (2) establish the National Digestive Diseases Information Clearinghouse to facilitate and enhance knowledge and understanding of digestive diseases on the part of health professionals, patients, and the public through the effective dissemination of information.

"(c) The Director of the Institute shall (1) estabish the National Kidney and Urologic Diseases Data System for the collection, storage, analysis, retrieval, and dissemination of data derived from patient populations with kidney and urologic diseases, including, where possible, data involving general populations for the purpose of detection of individuals with a risk of developing kidney and urologic diseases and (2) establish the National Kidney and Urologic Diseases Information Clearinghouse to facilitate and enhance knowledge and understanding of kidney and urologic diseases on the part of health professionals, patients, and the public through the effective dissemination of information.

"DIVISION DIRECTORS FOR DIABETES, ENDOCRINOLOGY, AND METABOLIC DISEASES, DIGESTIVE DISEASES AND NUTRITION, AND KIDNEY, UROLOGIC, AND HEMATOLOGIC DISEASES

"SEC. 428. (a) In the Institute there shall be a Division Director for Diabetes, Endocrinology, and Metabolic Diseases, a Division Director for Digestive Diseases and Nutrition, and a Division Director for Kidney, Urologic, and Hematologic Diseases. Such Division Directors, under the supervision of the Director of the Institute, shall be responsible for—

"(1) developing a coordinated plan (including recommendations for expenditures) for each of the national research institutes within the National Institutes of Health with respect to research and training concerning diabetes, endocrine and metabolic diseases, digestive diseases and nutrition, and kidney, urologic, and hematologic diseases;

"(2) assessing the adequacy of management approaches for the activities within such institutes concerning such diseases and nutrition and developing improved approaches if needed;

"(3) monitoring and reviewing expenditures by such institutes concerning such diseases and nutrition; and

"(4) identifying research opportunities concerning such diseases and nutrition and recommending ways to utilize such opportunities.

The Director of the Institute shall transmit to the Director of NIH the plans, recommendations, and reviews of the Division Directors under paragraphs (1) through (4) together with such comments and recommendations as the Director of the Institute determines appropriate.

"(b) The Director of the Institute, acting through the Division Director for Kidney, Urologic, and Hematologic Diseases, the Division Director for Digestive Diseases and Nutrition, and the Division Director for Diabetes, Endocrinology, and Metabolic Diseases shall—

"(1) carry out programs of support for research and training (other than training for which National Research Service Awards may be made under section 485) in the diagnosis, prevention, and treatment of diabetes mellitus and endocrine and metabolic diseases, digestive diseases and nutritional disorders, kidney, urologic, and hematologic diseases, including support for training in medical schools, graduate clinical training, graduate training in epidemiology, epidemiology studies, clinical trials, and interdisciplinary research programs; and

"(2) establish programs of evaluation, planning, and dissemination of knowledge related to such research and training.

"INTERAGENCY COORDINATING COMMITTEES

"SEC. 429. (a) For the purpose of—

"(1) better coordination of the research activities of all the national research institutes relating to diabetes mellitus, digestive diseases, and kidney, urologic, and hematologic diseases; and

"(2) coordinating those aspects of all Federal health programs and activities relating to such diseases to assure the adequacy and technical soundness of such programs and activities and to provide for the full communication and exchange of information necessary to maintain adequate coordination of such programs and activities;

the Secretary shall establish a Diabetes Mellitus Interagency Coordinating Committee, a Digestive Diseases Interagency Coordinating Committee, and a Kidney, Urologic, and Hematologic Diseases Coordinating Committee (hereafter in this section individually referred to as a 'Committee').

"(b) Each committee shall be composed of the Directors of each of the national research institutes and divisions involved in research with respect to the diseases with respect to which the committee is established, the Division Director of the Institute for the diseases for which the committee is established, the Chief Medical Director of the Veterans' Administration, and the Assistant Secretary of Defense for Health Affairs and shall include representation from all other Federal departments and agencies whose programs involve health functions or responsibilities relevant to such diseases, as determined by the Secretary. Each committee shall be chaired by the Director of NIH. Each committee shall meet at the call of the chairman, but not less often than four times a year.

"(c) Each committee shall prepare an annual report for—

"(1) the Secretary;

"(2) the Director of NIH; and

"(3) the Advisory Board established under section 430 for the diseases for which the committee was established,

detailing the work of the committee in carrying out paragraphs (1) and (2) of subsection (a) in the fiscal year for which the report was prepared. Such report shall be submitted not later than the one hundred and twentieth day after the end of each fiscal year.

"ADVISORY BOARDS

"SEC. 430. (a) The Secretary shall establish in the Institute the National Diabetes Advisory Board, the National Digestive Diseases Advisory Board, and the National Kidney and Urologic Diseases Advisory Board (hereafter in this section individually referred to as an 'Advisory Board').

"(b) Each Advisory Board shall be composed of eighteen appointed members and nonvoting ex officio members as follows:

"(1) The Secretary shall appoint—

"(A) twelve members from individuals who are scientists, physicians, and other health professionals, who are not officers or employees of the United States, and who represent the specialties and disciplines relevant to the diseases with respect to which the Advisory Board is established; and

"(B) six members from the general public who are knowledgeable with respect to such diseases, including at least one member who is a person who suffers from such a disease and one member who is a parent of a person who suffers from such a disease.

Of the appointed members at least five shall by virtue of training or experience be knowledgeable in the fields of health education, nursing, data systems, public information, and community program development.

"(2) The following shall be ex officio members of each Advisory Board: The Assistant Secretary for Health, the Director of NIH, the Director of the National Institute of Diabetes and Digestive and Kidney Diseases, the Director of the Centers for Disease Control, the Chief Medical Director of the Veterans' Administration, the Assistant Secretary of Defense for Health Affairs, the Division Director of the National Institute of Diabetes and Digestive and Kidney Diseases for the diseases for which the Board is established, and such other officers and employees of the United States as the Secretary determines necessary for the Advisory Board to carry out its functions. In the case of the National Diabetes Advisory Board, the following shall also be ex officio members: The Director of the National Heart, Lung, and Blood Institute, the Director of the National Eye Institute, the Director of the National Institute of Child Health and Human Development, and the Administrator of the Health Resources and Services Administration.

"(c) Members of an Advisory Board who are officers or employees of the Federal Government shall serve as members of the Advisory Board without compensation in addition to that received in their regular public employment. Other members of the Board shall receive compensation at rates not to exceed the daily equivalent of the annual rate in effect for grade GS-18 of the General Schedule for each day (including traveltime) they are engaged in the performance of their duties as members of the Board.

"(d) The term of office of an appointed member of an Advisory Board is four years, except that no term of office may extend beyond the expiration of the Advisory Board. Any member appointed to fill a vacancy for an unexpired term shall be appointed for the remainder of such term. A member may serve after the expiration of the member's term until a successor has taken office. If a vacancy occurs in an Advisory Board, the Secretary shall make an appointment to fill the vacancy not later than 90 days from the date the vacancy occurred.

"(e) The members of each Advisory Board shall select a chairman from among the appointed members.

"(f) The Secretary shall, after consultation with and consideration of the recommendations of an Advisory Board, provide the Advisory Board with an executive director and one other professional staff member. In addition, the Secretary shall, after consultation with and consideration of the recommendations of the Advisory Board, provide the Advisory Board with such additional professional staff members, such clerical staff members, (through contracts or other arrangements) such administrative support services and facilities, such information, and such services of consultants, as the Secretary determines are necessary for the Advisory Board to carry out its functions.

"(g) Each Advisory Board shall meet at the call of the chairman or upon request of the Director of the Institute, but not less often than four times a year.

"(h) The Advisory Board for diabetes and digestive diseases shall—

"(1) review and evaluate the implementation of the plan (referred to in section 433) respecting the diseases with respect to which the Advisory Board was established and periodically update the plan to ensure its continuing relevance;

"(2) for the purpose of assuring the most effective use and organization of resources respecting such diseases, advise and make recommendations to the Congress, the Secretary, the Director of NIH, the Director of the Institute, and the heads of other appropriate Federal agencies for the implementation and revision of such plan; and

"(3) maintain liaison with other advisory bodies related to Federal agencies involved in the implementation of such plan, the coordinating committee for such diseases, and with key non-Federal entities involved in activities affecting the control of such diseases.

"(i) In carrying out its functions, each Advisory Board may establish subcommittees, convene workshops and conferences, and collect data. Such subcommittees may be composed of Advisory Board members and nonmember consultants with expertise in the particular area addressed by such subcommittees. The subcommittees may hold such meetings as are necessary to enable them to carry out their activities.

"(j) Each Advisory Board shall prepare an annual report for the Secretary which—

"(1) describes the Advisory Board's activities in the fiscal year for which the report is made;

"(2) describes and evaluates the progress made in such fiscal year in research, treatment, education, and training with respect to the diseases with respect to which the Advisory Board was established;

"(3) summarizes and analyzes expenditures made by the Federal Government for activities respecting such diseases in such fiscal year; and

"(4) contains the Advisory Board's recommendations (if any) for changes in the plan referred to in section 433.

"(k) Each Advisory Board shall expire on September 30, 1986.

"(l) The National Diabetes Advisory Board and the National Digestive Diseases Advisory Board in existence on the effective date of the Health Research Extension Act of 1985 shall terminate upon the appointment of a successor Board under subsection (a). The Secretary shall make appointments to the Advisory Boards established under subsection (a) before the expiration of 90 days after such effective date. The members of the Boards in existence on such date may be appointed, in accordance with subsections (b) and (d), to the Boards established under subsection (a) for diabetes and digestive diseases except that at least one-half of the members of the National Diabetes Advisory Board in existence on the effective date of the Health Research Extension Act of 1985 shall be appointed to the National Diabetes Advisory Board first established under subsection (a).

"RESEARCH AND TRAINING CENTERS

"SEC. 431. (a) Consistent with applicable recommendations of the National Commission on Diabetes, the Director of the Institute shall provide for the development or substantial expansion of centers for research and training in diabetes mellitus and related endocrine and metabolic diseases. Each center developed or expanded under this subsection shall—

"(1) utilize the facilities of a single institution, or be formed from a consortium of cooperating institutions, meeting such research and training qualifications as may be prescribed by the Secretary; and

"(2) conduct—

"(A) research in the diagnosis and treatment of diabetes mellitus and related endocrine and metabolic diseases and the complications resulting from such diseases;

"(B) training programs for physicians and allied health personnel in current methods of diagnosis and treatment of such diseases and complications, and in research in diabetes; and

"(C) information programs for physicians and allied health personnel who provide primary care for patients with such diseases or complications.

A center may use funds provided under this subsection to provide stipends for nurses and allied health professionals enrolled in research training programs described in paragraph (2)(B).

"(b) Consistent with applicable recommendations of the National Digestive Diseases Advisory Board, the Director shall provide for the development or substantial expansion of centers for research in digestive diseases and related functional, congenital, metabolic disorders, and normal development of the digestive tract. Each center developed or expanded under this subsection—

"(1) shall utilize the facilities of a single institution, or be formed from a consortium of cooperating institutions, meeting such research qualifications as may be prescribed by the Secretary;

"(2) shall develop and conduct basic and clinical research into the cause, diagnosis, early detection, prevention, control, and treatment of digestive diseases and nutritional disorders and related functional, congenital, or metabolic complications resulting from such diseases or disorders;

"(3) shall encourage research into and programs for—

"(A) providing information for physicians and others who care for patients with such diseases, disorders, and complications; pa-

tients and their families; and the general public;

"(B) model programs for cost effective and preventive patient care; and

"(C) training physicians and scientists in research on such diseases, disorders, and complications; and

"(4) may perform research and participate in epidemiological studies and gathering data relevant to digestive diseases and disorders to disseminate to the health care profession and to the public.

"(c) The Director shall provide for the development or substantial expansion of centers for research in kidney and urologic diseases. Each center developed or expanded under this subsection—

"(1) shall utilize the facilities of a single institution, or be formed from a consortium of cooperating institutions, meeting such research qualifications as may be prescribed by the Secretary;

"(2) shall develop and conduct basic and clinical research into the cause, diagnosis, early detection, prevention, control, and treatment of kidney and urologic diseases;

"(3) shall encourage research into and programs for—

"(A) providing information for physicians and others who care for patients with such disease; patients and their families; and the general public;

"(B) model programs for cost effective and preventive patient care; and

"(C) training physicians and scientists in research on such diseases; and

"(4) may perform research and participate in epidemiological studies and data collection relevant to kidney and urologic diseases in order to disseminate such research, studies, and data to the health care profession and to the public.

"(d) Insofar as practicable, centers developed or expanded under this section should be geographically dispersed throughout the United States and in environments with proven research capabilities. Support of a center under this section may be for a period of not to exceed five years and such period may be extended by the Director of the Institute for additional periods of not more than five years each if the operations of such center have been reviewed by an appropriate scientific review group established by the Director and if such group has recommended to the Director that such period should be extended.

"ADVISORY COUNCIL SUBCOMMITTEES

"SEC. 432. There are established within the advisory council for the Institute appointed under section 406 a subcommittee on diabetes and endocrine and metabolic diseases, a subcommittee on digestive diseases and nutrition, and a subcommittee on kidney, urologic, and hematologic diseases. The subcommittees shall be composed of members of the advisory council who are outstanding in the diagnosis, prevention, and treatment of the diseases for which the subcommittees are established and members of the advisory council who are leaders in the fields of education and public affairs. The subcommittees are authorized to review applications made to the Director of the Institute for grants for research and training projects relating to the diagnosis, prevention, and treatment of the diseases for which the subcommittees are established and shall recommend to the advisory council those applications and contracts that the subcommittees determine will best carry out the purposes of the Institute. The subcommittees shall also review and evaluate the diabetes and endocrine and metabolic diseases, digestive diseases and nutrition, and kidney, urologic, and hematologic diseases programs of the Institute and recommend to the advisory council such changes in the administration of such programs as the subcommittees determine are necessary.

"BIENNIAL REPORT

"SEC. 433. The Director of the Institute shall prepare for inclusion in the biennial report made under section 407 a description of the Institute's activities—

"(1) under the current diabetes plan under the National Diabetes Mellitus Research and Education Act; and

"(2) under the current digestive diseases plan formulated under the Arthritis, Diabetes, and Digestive Diseases Amendments of 1976.

The description submitted by the Director shall include an evaluation of the activities of the centers supported under section 431.

"Subpart 4—National Institute of Arthritis and Musculoskeletal and Skin Diseases

"PURPOSE OF THE INSTITUTE

"SEC. 435. The general purpose of the National Institute of Arthritis and Musculoskeletal and Skin Diseases (hereafter in this subpart referred to as the 'Institute') is the conduct and support of research and training, the dissemination of health information, and other programs with respect to arthritis and musculoskeletal and skin diseases, including sports-related disorders.

"NATIONAL ARTHRITIS AND MUSCULOSKELETAL DISEASES PROGRAM

"SEC. 436. (a) The Director of the Institute, with the advice of the Institute's advisory council, shall prepare and transmit to the Director of NIH a plan for a national arthritis and musculoskeletal diseases program to expand, intensify, and coordinate the activities of the Institute respecting arthritis and musculoskeletal diseases. The plan shall include such comments and recommendations as the Director of the Institutes determines appropriate. The Director of the Institute shall periodically review and revise such plan, shall transmit any revisions of such plan to the Director of NIH, and shall carry out the national arthritis and musculoskeletal diseases program in accordance with such revisions.

"(b) Activities under the national arthritis and musculoskeletal diseases program shall be coordinated with the other national research institutes to the extent that such institutes have responsibilities respecting arthritis and musculoskeletal diseases, and shall, at least, provide for—

"(1) investigation into the epidemiology, etiology, and prevention of all forms of arthritis and musculoskeletal diseases, including sports-related disorders, primarily through the support of basic research in such areas as immunology, genetics, biochemistry, microbiology, physiology, bioengineering, and any other scientific discipline which can contribute important knowledge to the treatment and understanding of arthritis and musculoskeletal diseases;

"(2) research into the development, trial, and evaluation of techniques, drugs, and devices used in the diagnosis, treatment, including medical rehabilitation and prevention of arthritis and musculoskeletal diseases;

"(3) research on the refinement, development, and evaluation of technological devices that will replace or be a substitute for damaged bone, muscle, and joints and other supporting structures; and

"(4) the establishment of mechanisms to monitor the causes of athletic injuries and identify ways of preventing such injuries on scholastic athletic fields.

"(c) The Director of the Institute shall carry out the national arthritis and musculoskeletal diseases program in accordance with the plan prepared under subsection (a).

"RESEARCH AND TRAINING

"SEC. 437. The Director of the Institute shall—

"(1) carry out programs of support for research and training (other than training for which National Research Service Awards may be made under section 485) in the diagnosis, prevention, and treatment of arthritis and musculoskeletal and skin diseases, including support for training in medical schools, graduate clinical training, graduate training in epidemiology, epidemiology studies, clinical trials, and interdisciplinary research programs; and

"(2) establish programs of evaluation, planning, and dissemination of knowledge related to such research and training.

"DATA SYSTEM AND INFORMATION CLEARINGHOUSE

"SEC. 438. (a) The Director of the Institute shall establish the National Arthritis and Musculoskeletal and Skin Diseases Data System for the collection, storage, analysis, retrieval, and dissemination of data derived from patient populations with arthritis and musculoskeletal and skin diseases, including where possible, data involving general populations for the purpose of detection of individuals with a risk of developing arthritis and musculoskeletal and skin diseases.

"(b) The Director of the Institute shall establish the National Arthritis and Musculoskeletal and Skin Diseases Information Clearinghouse to facilitate and enhance, through the effective dissemination of information, knowledge and understanding of arthritis and musculoskeletal and skin diseases by health professionals, patients, and the public.

"INTERAGENCY COORDINATING COMMITTEES

"SEC. 439. (a) For the purpose of—

"(1) better coordination of the research activities of all the national research institutes relating to arthritis, musculoskeletal diseases, and skin diseases, including sports-related disorders; and

"(2) coordinating the aspects of all Federal health programs and activities relating to arthritis, musculoskeletal diseases, and skin diseases in order to assure the adequacy and technical soundness of such programs and activities and in order to provide for the full communication and exchange of information necessary to maintain adequate coordination of such programs and activities,

the Secretary shall establish an Arthritis and Musculoskeletal Diseases Interagency Coordinating Committee and a Skin Diseases Interagency Coordinating Committee (hereafter in this section individually referred to as a 'Committee').

"(b) Each Committee shall be composed of the Directors of each of the national research institutes and divisions involved in research regarding the diseases with respect to which the Committee is established, the Chief Medical Director of the Veterans' Administration, the Assistant Secretary of Defense for Health Affairs, and representatives of all other Federal departments and agencies (as determined by the Secretary) whose programs involve health functions or responsibilities relevant to arthritis and musculoskeletal diseases or skin diseases, as the case may be. Each Committee shall be chaired by the Director of NIH. Each Com-

mittee shall meet at the call of the Chairman, but not less often than four times a year.

"(c) Not later than 120 days after the end of each fiscal year, each Committee shall prepare and transmit to the Secretary, the Director of NIH, the Director of the Institute, and the advisory council for the Institute a report detailing the activities of the Committee in such fiscal year in carrying out paragraphs (1) and (2) of subsection (a).

"ARTHRITIS AND MUSCULOSKELETAL DISEASES DEMONSTRATION PROJECTS

"SEC. 440. (a) The Director of the Institute may make grants to public and private nonprofit entities to establish and support projects for the development and demonstration of methods for screening, detection, and referral for treatment of arthritis and musculoskeletal diseases and for the dissemination of information on such methods to the health and allied health professions. Activities under such projects shall be coordinated with Federal, State, local, and regional health agencies, centers assisted under section 441, and the data system established under subsection (c).

"(b) Projects supported under this section shall include—

"(1) programs which emphasize the development and demonstration of new and improved methods of screening and early detection, referral for treatment, and diagnosis of individuals with a risk of developing arthritis and musculoskeletal diseases;

"(2) programs which emphasize the development and demonstration of new and improved methods for patient referral from local hospitals and physicians to appropriate centers for early diagnosis and treatment;

"(3) programs which emphasize the development and demonstration of new and improved means of standardizing patient data and recordkeeping;

"(4) programs which emphasize the development and demonstration of new and improved methods of dissemination of knowledge about the programs, methods, and means referred to in paragraphs (1), (2), and (3) of this subsection to health and allied health professionals;

"(5) programs which emphasize the development and demonstration of new and improved methods for the dissemination to the general public of information—

"(A) on the importance of early detection of arthritis and musculoskeletal diseases, of seeking prompt treatment, and of following an appropriate regimen; and

"(B) to discourage the promotion and use of unapproved and ineffective diagnostic, preventive treatment, and control methods for arthritis and unapproved and ineffective drugs and devices for arthritis and musculoskeletal diseases; and

"(6) projects for investigation into the epidemiology of all forms and aspects of arthritis and musculoskeletal diseases, including investigations into the social, environmental, behavioral, nutritional, and genetic determinants and influences involved in the epidemiology of arthritis and musculoskeletal diseases.

"(c) The Director shall provide for the standardization of patient data and recordkeeping for the collection, storage, analysis, retrieval, and dissemination of such data in cooperation with projects assisted under this section, centers assisted under section 441, and other persons engaged in arthritis and musculoskeletal disease programs.

"MULTIPURPOSE ARTHRITIS AND MUSCULOSKELETAL DISEASES CENTERS

"SEC. 441. (a) The Director of the Institute shall, after consultation with the advisory council for the Institute, provide for the development, modernization, and operation (including staffing and other operating costs such as the costs of patient care required for research) of new and existing centers for arthritis and musculoskeletal diseases. For purposes of this section, the term 'modernization' means the alteration, remodeling, improvement, expansion, and repair of existing buildings and the provision of equipment for such buildings to the extent necessary to make them suitable for use as centers described in the preceding sentence.

"(b) Each center assisted under this section shall—

"(1)(A) use the facilities of a single institution or a consortium of cooperating institutions, and (B) meet such qualifications as may be prescribed by the Secretary; and

"(2) conduct—

"(A) basic and clinical research into the cause, diagnosis, early detection, prevention, control, and treatment of arthritis and musculoskeletal diseases and complications resulting from arthritis and musculoskeletal diseases, including research into implantable biomaterials and biomechanical and other orthopedic procedures;

"(B) training programs for physicians, scientists, and other health and allied health professionals;

"(C) information and continuing education programs for physicians and other health and allied health professionals who provide care for patients with arthritis and musculoskeletal diseases; and

"(D) programs for the dissemination to the general public of information—

"(i) on the importance of early detection of arthritis and musculoskeletal diseases, of seeking prompt treatment, and of following an appropriate regimen; and

"(ii) to discourage the promotion and use of unapproved and ineffective diagnostic, preventive, treatment, and control methods and unapproved and ineffective drugs and devices.

A center may use funds provided under subsection (a) to provide stipends for health professionals enrolled in training programs described in paragraph (2)(B).

"(c) Each center assisted under this section may conduct programs to—

"(1) establish the effectiveness of new and improved methods of detection, referral, and diagnosis of individuals with a risk of developing arthritis and musculoskeletal diseases;

"(2) disseminate the results of research, screening, and other activities, and develop means of standardizing patient data and recordkeeping; and

"(3) develop community consultative services to facilitate the referral of patients to centers for treatment.

"(d) The Director of the Institute shall, insofar as practicable, provide for an equitable geographical distribution of centers assisted under this section. The Director shall give appropriate consideration to the need for centers especially suited to meeting the needs of children affected by arthritis and musculoskeletal diseases.

"(e) Support of a center under this section may be for a period of not to exceed five years. Such period may be extended by the Director of the Institute for one or more additional periods of not more than five years if the operations of such center have been reviewed by an appropriate scientific review group established by the Director and if such group has recommended to the Director that such period should be extended.

"ADVISORY BOARD

"SEC. 442. (a) The Secretary shall establish in the Institute the National Arthritis Advisory Board (hereafter in this section referred to as the 'Advisory Board').

"(b) The Advisory Board shall be composed of eighteen appointed members and nonvoting, ex officio members, as follows:

"(1) The Secretary shall appoint—

"(A) twelve members from individuals who are scientists, physicians, and other health professionals, who are not officers or employees of the United States, and who represent the specialties and disciplines relevant to arthritis, musculoskeletal diseases, and skin diseases; and

"(B) six members from the general public who are knowledgeable with respect to such diseases, including at least one member who is a person who suffers from such a disease and one member who is a parent of a person who suffers from such a disease.

Of the appointed members at least five shall by virtue of training or experience be knowledgeable in health education, nursing, data systems, public information, or community program development.

"(2) The following shall be ex officio members of the Advisory Board: The Assistant Secretary for Health, the Director of NIH, the Director of the National Institute of Arthritis and Musculoskeletal and Skin Diseases, the Director of the Centers for Disease Control, the Chief Medical Director of the Veterans' Administration, the Assistant Secretary of Defense for Health Affairs, and such other officers and employees of the United States as the Secretary determines necessary for the Advisory Board to carry out its functions.

"(c) Members of the Advisory Board who are officers or employees of the Federal Government shall serve as members of the Advisory Board without compensation in addition to that received in their regular public employment. Other members of the Advisory Board shall receive compensation at rates not to exceed the daily equivalent of the annual rate in effect for grade GS-18 of the General Schedule for each day (including traveltime) they are engaged in the performance of their duties as members of the Advisory Board.

"(d) The term of office of an appointed member of the Advisory Board is four years. Any member appointed to fill a vacancy for an unexpired term shall be appointed for the remainder of such term. A member may serve after the expiration of the member's term until a successor has taken office. If a vacancy occurs in the Advisory Board, the Secretary shall make an appointment to fill the vacancy not later than 90 days after the date the vacancy occurred.

"(e) The members of the Advisory Board shall select a chairman from among the appointed members.

"(f) The Secretary shall, after consultation with and consideration of the recommendations of the Advisory Board, provide the Advisory Board with an executive director and one other professional staff member. In addition, the Secretary shall, after consultation with and consideration of the recommendations of the Advisory Board, provide the Advisory Board with such additional professional staff members, such clerical staff members, and (through contracts or other arrangements) with such

administrative support services and facilities, such information, and such services of consultants, as the Secretary determines are necessary for the Advisory Board to carry out its functions.

"(g) The Advisory Board shall meet at the call of the chairman or upon request of the Director of the Institute, but not less often than four times a year.

"(h) The Advisory Board shall—

"(1) review and evaluate the implementation of the plan prepared under section 436(a) and periodically update the plan to ensure its continuing relevance;

"(2) for the purpose of assuring the most effective use and organization of resources respecting arthritis, musculoskeletal diseases and skin diseases, advise and make recommendations to the Congress, the Secretary, the Director of NIH, the Director of the Institute, and the heads of other appropriate Federal agencies for the implementation and revision of such plan; and

"(3) maintain liaison with other advisory bodies for Federal agencies involved in the implementation of such plan, the interagency coordinating committees for such diseases established under section 439, and with key non-Federal entities involved in activities affecting the control of such diseases.

"(i) In carrying out its functions, the Advisory Board may establish subcommittees, convene workshops and conferences, and collect data. Such subcommittees may be composed of Advisory Board members and nonmember consultants with expertise in the particular area addressed by such subcommittees. The subcommittees may hold such meetings as are necessary to enable them to carry out their activities.

"(j) The Advisory Board shall prepare an annual report for the Secretary which—

"(1) describes the Advisory Board's activities in the fiscal year for which the report is made;

"(2) describes and evaluates the progress made in such fiscal year in research, treatment, education, and training with respect to arthritis, musculoskeletal diseases, and skin diseases;

"(3) summarizes and analyzes expenditures made by the Federal Government for activities respecting such diseases in such fiscal year for which the report is made; and

"(4) contains the Advisory Board's recommendations (if any) for changes in the plan prepared under section 436(a).

"(k) The National Arthritis Advisory Board in existence on the effective date of the Health Research Extension Act of 1985 shall terminate upon the appointment of a successor Board under subsection (a). The Secretary shall make appointments to the Advisory Board established under subsection (a) before the expiration of 90 days after such effective date. The member of the Board in existence on such date may be appointed, in accordance with subsections (b) and (d), to the Advisory Board established under subsection (a).

"Subpart 5—National Institute on Aging

"PURPOSE OF THE INSTITUTE

"SEC. 443. The general purpose of the National Institute on Aging (hereafter in this subpart referred to as the 'Institute') is the conduct and support of biomedical, social, and behavioral research, training, health information dissemination, and other programs with respect to the aging process and the diseases and other special problems and needs of the aged.

"SPECIAL FUNCTIONS

"SEC. 444. (a) In carrying out the training responsibilities under this Act or any other Act for health and allied health professions personnel, the Secretary shall take appropriate steps to insure the education and training of adequate numbers of allied health, nursing, and paramedical personnel in the field of health care for the aged.

"(b) The Director of the Institute shall conduct scientific studies to measure the impact on the biological, medical, and psychological aspects of aging of programs and activities assisted or conducted by the Department of Health and Human Services.

"(c) The Director of the Institute shall carry out public information and education programs designed to disseminate as widely as possible the findings of research sponsored by the Institute, other relevant aging research and studies, and other information about the process of aging which may assist elderly and near-elderly persons in dealing with, and all Americans in understanding, the problems and processes associated with growing older.

"(d) The Director of the Institute shall make grants to public and private nonprofit institutions to conduct research relating to Alzheimer's Disease.

"ALZHEIMER'S DISEASE CENTERS

"SEC. 445. (a)(1) The Director of the Institute may enter into cooperative agreements with and make grants to public or private nonprofit entities to pay all or part of the cost of planning, establishing, or strengthening, and providing basic operating support for centers for basic and clinical research into, training in, and demonstration of advanced diagnostic, prevention, and treatment methods for Alzheimer's Disease.

"(2) A cooperative agreement or grant under paragraph (1) shall be entered into in accordance with policies established by the Director of NIH and after consultation with the Institute's advisory council.

"(b) Federal payments made under a cooperative agreement or grant under subsection (a) may be used for—

"(1) construction (notwithstanding any limitation under section 494);

"(2) staffing and other basic operating costs, including such patient care costs as are required for research;

"(3) training, including training for allied health professionals; and

"(4) demonstration purposes.

As used in this subsection, the term 'construction' does not include the acquisition of land, and the term 'training' does not include research training for which National Research Service Awards may be provided under section 485.

"(c) Support of a center under subsection (a) may be for a period of not to exceed five years. Such period may be extended by the Director for additional periods of not more than five years each if the operations of such center have been reviewed by an appropriate scientific review group established by the Director and if such group has recommended to the Director that such period should be extended.

"Subpart 6—National Institute of Allergy and Infectious Diseases

"PURPOSE OF THE INSTITUTE

"SEC. 446. The general purpose of the National Institute of Allergy and Infectious Diseases is the conduct and support of research, training, health information dissemination, and other programs with respect to allergic and immunologic diseases and disorders and infectious diseases.

"Subpart 7—National Institute of Child Health and Human Development

"PURPOSE OF THE INSTITUTE

"SEC. 448. The general purpose of the National Institute of Child Health and Human Development (hereafter in this subpart referred to as the 'Institute') is the conduct and support of research, training, health information dissemination, and other programs with respect to maternal health, child health, mental retardation, human growth and development, including prenatal development, population research, and special health problems and requirements of mothers and children.

"SUDDEN INFANT DEATH SYNDROME

"SEC. 449. The Director of the Institute shall conduct and support research which specifically relates to sudden infant death syndrome.

"MENTAL RETARDATION RESEARCH

"SEC. 450. The Director of the Institute shall conduct and support research and related activities into the causes, prevention, and treatment of mental retardation.

"ASSOCIATE DIRECTOR FOR PREVENTION

"SEC. 451. (a) There shall be in the Institute an Associate Director for Prevention to coordinate and promote the programs in the Institute in the prevention of health problems of mothers and children. The Associate Director shall be appointed by the Director of the Institute from individuals who because of their professional training or experience are experts in public health or preventive medicine.

"(b) The Associate Director for Prevention shall prepare for inclusion in the biennial report made under section 407 a description of the prevention activities of the Institute, including a description of the staff and resources allocated to those activities.

"Subpart 8—National Institute of Dental Research

"PURPOSE OF THE INSTITUTE

"SEC. 453. The general purpose of the National Institute of Dental Research is the conduct and support of research, training, health information dissemination, and other programs with respect to the cause, prevention, and methods of diagnosis and treatment of dental and oral diseases and conditions.

"Subpart 9—National Eye Institute

"PURPOSE OF THE INSTITUTE

"SEC. 455. The general purpose of the National Eye Institute (hereafter in this subpart referred to as the 'Institute') is the conduct and support of research, training, health information dissemination, and other programs with respect to blinding eye diseases, visual disorders, mechanisms of visual function, preservation of sight, and the special health problems and requirements of the blind. The Secretary may, through the Director of the Institute, carry out a program of grants for public and private nonprofit vision research facilities.

"Subpart 10—National Institute of Neurological and Communicative Disorders and Stroke

"PURPOSE OF THE INSTITUTE

"SEC. 457. The general purpose of the National Institute of Neurological and Communicative Disorders and Stroke (hereafter in this subpart referred to as the 'Institute') is the conduct and support of research, training, health information dissemination, and

other programs with respect to neurological disease and disorder, stroke, and disorders of human communication.

"SPINAL CORD REGENERATION RESEARCH

"SEC. 458. The Director of the Institute shall conduct and support research into spinal cord regeneration.

"BIOENGINEERING RESEARCH

"SEC. 459. The Director of the Institute shall make grants or enter into contracts for research on the means to overcome paralysis of the extremities through electrical stimulation and the use of computers.

"Subpart 11—National Institute of General Medical Sciences

"PURPOSE OF THE INSTITUTE

"SEC. 461. The general purpose of the National Institute of General Medical Sciences is the conduct and support of research, training, and, as appropriate, health information dissemination, and other programs with respect to general or basic medical sciences and related natural or behavioral sciences which have significance for two or more other national research institutes or are outside the general area of responsibility of any other national research institute.

"Subpart 12—National Institute of Environmental Health Sciences

"PURPOSE OF THE INSTITUTE

"SEC. 463. The general purpose of the National Institute of Environmental Health Sciences is the conduct and support of research, training, health information dissemination, and other programs with respect to factors in the environment that affect human health, directly or indirectly.

"Subpart 13—National Institute of Nursing

"PURPOSE OF THE INSTITUTE

"SEC. 465. The general purpose of the National Institute of Nursing (hereafter in this subpart referred to as the 'Institute') is the conduct and support of, and dissemination of information respecting, basic and clinical research, training, and other programs in nursing.

"SPECIFIC AUTHORITIES

"SEC. 466. To carry out section 465, the Director of the Institute, may provide research training and instruction and establish research traineeships and fellowships, in the Institute and other nonprofit institutions, in the study and investigation of the prevention of disease, health promotion, and the nursing care of individuals with and the families of individuals with acute and chronic illnesses. The Director of the Institute may provide individuals receiving such training and instruction or such traineeships or fellowships with such stipends and allowances (including amounts for travel and subsistence and dependency allowances) as the Director determines necessary. The Director may make grants to nonprofit institutions to provide such training and instruction and traineeships and fellowships.

"PART D—NATIONAL LIBRARY OF MEDICINE

"Subpart 1—General Provisions

"FUNCTIONS OF THE NATIONAL LIBRARY OF MEDICINE

"SEC. 468. (a) The Secretary, through the National Library of Medicine (hereafter referred to in this part as the 'Library') and subject to subsection (c), shall—

"(1) acquire and preserve books, periodicals, prints, films, recordings, and other library materials pertinent to medicine;

"(2) organize the materials specified in paragraph (1) by appropriate cataloging, indexing, and bibliographical listings;

"(3) publish and disseminate the catalogs, indexes, and bibliographies referred to in paragraph (2);

"(4) make available, through loans, photographic or other copying procedures, or otherwise, such materials in the Library as the Secretary determines appropriate;

"(5) provide reference and research assistance; and

"(6) engage in such other activities as the Secretary determines appropriate and as the Library's resources permit.

"(b) The Secretary may exchange, destroy, or otherwise dispose of any books, periodicals, films, and other library materials not needed for the permanent use of the Library.

"(c)(1) The Secretary may, after obtaining the advice and recommendations of the Board of Regents, prescribe rules under which the Library will—

"(A) provide copies of its publications or materials,

"(B) will make available its facilities for research, or

"(C) will make available its bibliographic, reference, or other services,

to public and private entities and individuals.

"(2) Rules prescribed under paragraph (1) may provide for making available such publications, materials, facilities, or services—

"(A) without charge as a public service,

"(B) upon a loan, exchange, or charge basis, or

"(C) in appropriate circumstances, under contract arrangements made with a public or other nonprofit entity.

"(d) Whenever the Secretary, with the advice of the Board of Regents, determines that—

"(1) in any geographic area of the United States there is no regional medical library adequate to serve such area;

"(2) under criteria prescribed for the administration of section 478, there is a need for a regional medical library to serve such area; and

"(3) because there is no medical library located in such area which, with financial assistance under section 478, can feasibly be developed into a regional medical library adequate to serve such area,

the Secretary may establish, as a branch of the Library, a regional medical library to serve the needs of such area.

"(e) Section 2101 shall be applicable to the acceptance and administration of gifts made for the benefit of the Library or for carrying out any of its functions, and the Board of Regents shall make recommendations to the Secretary relating to establishment within the Library of suitable memorials to the donors.

"(f) For purposes of this part the terms 'medicine' and 'medical', except when used in section 469, include preventive and therapeutic medicine, dentistry, pharmacy, hospitalization, nursing, public health, and the fundamental sciences related thereto, and other related fields of study, research, or activity.

"BOARD OF REGENTS

"SEC. 469. (a)(1) The Board of Regents of the National Library of Medicine consists of the Surgeons General of the Public Health Service, the Army, the Navy, and the Air Force, the Chief Medical Director of the Veterans' Administration, the Dean of the Uniformed Services University of the Health Sciences, the Assistant Director for Biological, Behavioral, and Social Sciences of the National Science Foundation, the Director of the National Agricultural Library, and the Librarian of Congress, all of whom shall be ex officio members, and ten members appointed by the Secretary. The ten appointed members shall be selected from among leaders in the various fields of the fundamental sciences, medicine, dentistry, public health, hospital administration, pharmacology, health communications technology, or scientific or medical library work, or in public affairs. At least six of the appointed members shall be selected from among leaders in the fields of medical, dental, or public health research or education.

"(2) The Board shall annually elect one of the appointed members to serve as Chairman until the next election. The Secretary shall designate a member of the Library staff to act as executive secretary of the Board.

"(b) The Board shall advise, consult with, and make recommendations to the Secretary on matters of policy in regard to the Library, including such matters as the acquisition of materials for the Library, the scope, content, and organization of the Library's services, and the rules under which its materials, publications, facilities, and services shall be made available to various kinds of users. The Secretary shall include in the annual report of the Secretary to the Congress a statement covering the recommendations made by the Board and the disposition thereof. The Secretary may use the services of any member of the Board in connection with matters related to the work of the Library, for such periods, in addition to conference periods, as the Secretary may determine.

"(c) Each appointed member of the Board shall hold office for a term of four years, except that any member appointed to fill a vacancy occurring prior to the expiration of the term for which the predecessor of such member was appointed shall be appointed for the remainder of such term. None of the appointed members shall be eligible for reappointment within one year after the end of the preceding term of such member.

"LIBRARY FACILITIES

"SEC. 470. There are authorized to be appropriated amounts sufficient for the erection and equipment of suitable and adequate buildings and facilities for use of the Library. The Administrator of General Services may acquire, by purchase, condemnation, donation, or otherwise, a suitable site or sites, selected by the Secretary in accordance with the direction of the Board, for such buildings and facilities and to erect thereon, furnish, and equip such buildings and facilities. The amounts authorized to be appropriated by this section include the cost of preparation of drawings and specifications, supervision of construction, and other administrative expenses incident to the work. The Administrator of General Services shall prepare the plans and specifications, make all necessary contracts, and supervise construction.

"Subpart 2—Financial Assistance

"AUTHORIZATION OF APPROPRIATIONS

"SEC. 472. For the purpose of grants and contracts under sections 475, 476, 477, 478, and 479, there are authorized to be appropriated $12,000,000 for fiscal year 1986. Funds appropriated under this section shall remain available for such purposes until the end of the fiscal year immediately following the fiscal year for which they were appropriated.

"DEFINITIONS

"SEC. 473. As used in this subpart—

"(1) the term 'medical library' means a library related to the sciences related to health; and

"(2) the term 'sciences related to health' includes medicine, osteopathy, dentistry, and public health, and fundamental and applied sciences when related thereto.

"NATIONAL MEDICAL LIBRARIES ASSISTANCE ADVISORY BOARD

"SEC. 474. (a) The Board of Regents of the National Library of Medicine shall also serve as the National Medical Libraries Assistance Advisory Board (hereafter in this subpart referred to as the 'Board').

"(b) The Board shall advise and assist the Secretary in the preparation of general regulations and with respect to policy matters arising in the administration of this subpart.

"(c) The Secretary may use the services of any member of the Board, in connection with matters related to the administration of this part for such periods, in addition to conference periods, as the Secretary may determine.

"(d) Appointed members of the Board who are not otherwise in the employ of the United States, while attending conferences of the Board or otherwise serving at the request of the Secretary in connection with the administration of this subpart, shall be entitled to receive compensation, per diem in lieu of subsistence, and travel expenses in the same manner and under the same conditions as that prescribed under section 208(c) when attending conferences, traveling, or serving at the request of the Secretary in connection with the Board's function under this section.

"GRANTS FOR TRAINING IN MEDICAL LIBRARY SCIENCES

"SEC. 475. The Secretary shall make grants—

"(1) to individuals to enable them to accept traineeships and fellowships leading to postbaccalaureate academic degrees in the field of medical library science, in related fields pertaining to sciences related to health, or in the field of the communication of information;

"(2) to individuals who are librarians or specialists in information on sciences relating to health, to enable them to undergo intensive training or retraining so as to attain greater competence in their occupations (including competence in the fields of automatic data processing and retrieval);

"(3) to assist appropriate public and private nonprofit institutions in developing, expanding, and improving training programs in library science and the field of communications of information pertaining to sciences relating to health; and

"(4) to assist in the establishment of internship programs in established medical libraries meeting standards which the Secretary shall prescribe.

"ASSISTANCE FOR SPECIAL SCIENTIFIC PROJECTS, AND FOR RESEARCH AND DEVELOPMENT IN MEDICAL LIBRARY SCIENCE AND RELATED FIELDS

"SEC. 476. (a) The Secretary shall make grants to physicians and other practitioners in the sciences related to health, to scientists, and to public or nonprofit private institutions on behalf of such physicians, other practitioners, and scientists for the compilation of existing, or writing of original, contributions relating to scientific, social, or cultural advancements in sciences related to health. In making such grants, the Secretary shall make appropriate arrangements under which the facilities of the Library and the facilities of libraries of public and private nonprofit institutions of higher learning may be made available in connection with the projects for which such grants are made.

"(b) The Secretary shall make grants to appropriate public or private nonprofit institutions and enter into contracts with appropriate persons, for purposes of carrying out projects of research, investigations, and demonstrations in the field of medical library science and related activities and for the development of new techniques, systems, and equipment, for processing, storing, retrieving, and distributing information pertaining to sciences related to health.

"GRANTS FOR ESTABLISHING, EXPANDING, AND IMPROVING THE BASIC RESOURCES OF MEDICAL LIBRARIES AND RELATED INSTRUMENTALITIES

"SEC. 477. (a) The Secretary shall make grants of money, materials, or both, to public or private nonprofit medical libraries and related scientific communication instrumentalities for the purpose of establishing, expanding, and improving their basic medical library or related resources. A grant under this subsection may be used for—

"(1) the acquisition of books, journals, photographs, motion picture and other films, and other similar materials;

"(2) cataloging, binding, and other services and procedures for processing library resource materials for use by those who are served by the library or related instrumentality;

"(3) the acquisition of duplication devices, facsimile equipment, film projectors, recording equipment, and other equipment to facilitate the use of the resources of the library or related instrumentality by those who are served by it; and

"(4) the introduction of new technologies in medical librarianship.

"(b)(1) The amount of any grant under this section to any medical library or related instrumentality shall be determined by the Secretary on the basis of the scope of library or related services provided by such library or instrumentality in relation to the population and purposes served by it. In making a determination of the scope of services served by any medical library or related instrumentality, the Secretary shall take into account—

"(A) the number of graduate and undergraduate students making use of the resources of such library or instrumentality;

"(B) the number of physicians and other practitioners in the sciences related to health utilizing the resources of such library or instrumentality;

"(C) the type of supportive staffs, if any, available to such library or instrumentality;

"(D) the type, size, and qualifications of the faculty of any school with which such library or instrumentality is affiliated;

"(E) the staff of any hospital or hospitals or of any clinic or clinics with which such library or instrumentality is affiliated; and

"(F) the geographic area served by such library or instrumentality and the availability within such area of medical library or related services provided by other libraries or related instrumentalities.

"(2) In no case shall any grant under this section to a medical library or related instrumentality for any fiscal year exceed $200,000. Grants to such medical libraries or related instrumentalities shall be in such amounts as the Secretary may by regulation prescribe with a view to assuring adequate continuing financial support for such libraries or instrumentalities from other sources during and after the period for which grants are provided.

"GRANTS AND CONTRACTS FOR ESTABLISHMENT OF REGIONAL MEDICAL LIBRARIES

"SEC. 478. (a) The Secretary, with the advice of the Board, shall make grants to and enter into contracts with existing public or private nonprofit medical libraries so as to enable each of them to serve as the regional medical library for the geographical area in which it is located.

"(b) The uses for which grants and contracts under this section may be employed include the—

"(1) acquisition of books, journals, and other similar materials;

"(2) cataloging, binding, and other procedures for processing library resource materials for use by those who are served by the library;

"(3) acquisition of duplicating devices and other equipment to facilitate the use of the resources of the library by those who are served by it;

"(4) acquisition of mechanisms and employment of personnel for the speedy transmission of materials from the regional library to local libraries in the geographic area served by the regional library; and

"(5) planning for services and activities under this section.

"(c)(1) Grants and contracts under this section shall only be made to or entered into with medical libraries which agree—

"(A) to modify and increase their library resources, and to supplement the resources of cooperating libraries in the region, so as to be able to provide adequate supportive services to all libraries in the region as well as to individual users of library services; and

"(B) to provide free loan services to qualified users and make available photoduplicated or facsimile copies of biomedical materials which qualified requesters may retain.

"(2) The Secretary, in awarding grants and contracts under this section, shall give priority to medical libraries having the greatest potential of fulfilling the needs for regional medical libraries. In determining the priority to be assigned to any medical library, the Secretary shall consider—

"(A) the adequacy of the library (in terms of collections, personnel, equipment, and other facilities) as a basis for a regional medical library; and

"(B) the size and nature of the population to be served in the region in which the library is located.

"(d) Grants and contracts under this section for basic resource materials to a library may not exceed—

"(1) 50 percent of the library's annual operating expense (exclusive of Federal financial assistance under this part) for the preceding year; or

"(2) in case of the first year in which the library receives a grant under this section for basic resource materials, 50 percent of its average annual operating expenses over the past three years (or if it had been in operation for less than three years, its annual operating expenses determined by the Secretary in accordance with regulations).

"FINANCIAL SUPPORT OF BIOMEDICAL SCIENTIFIC PUBLICATIONS

"SEC. 479. (a) The Secretary, with the advice of the Board, shall make grants to, and enter into appropriate contracts with, public or private nonprofit institutions of higher education and individual scientists for the purpose of supporting biomedical scientific publications of a nonprofit nature and to procure the compilation, writing, ed-

iting, and publication of reviews, abstracts, indices, handbooks, bibliographies, and related matter pertaining to scientific works and scientific developments.

"(b) Grants under this section in support of any single periodical publication may not be made for more than three years, except in those cases in which the Secretary determines that further support is necessary to carry out the purposes of this section.

"GRANTS AND RECORDS AND AUDIT

"SEC. 480. (a) Payments under grants made under sections 475, 476, 477, 478, and 479 may be made in advance or by way of reimbursement and in such installments as the Secretary shall prescribe by regulation after consultation with the Board.

"(b)(1) Each recipient of a grant under this subpart shall keep such records as the Secretary shall prescribe, including records which fully disclose the amount and disposition by such recipient of the proceeds of such grant, the total cost of the project or undertaking in connection with which such grant is given or used, and the amount of that portion of the cost of the project or undertaking supplied by other sources, and such other records as will facilitate an effective audit.

"(2) The Secretary and the Comptroller General of the United States, or any of their duly authorized representatives, shall have access for the purpose of audit and examination to any books, documents, papers, and records of such recipients that are pertinent to any grant received under this subpart.

"PART E—OTHER AGENCIES OF NIH

"DIVISION OF RESEARCH RESOURCES

"SEC. 482. The general purpose of the Division of Research Resources is to strengthen and enhance the research environments of entities engaged in health-related research by developing and supporting essential research resources.

"JOHN E. FOGARTY INTERNATIONAL CENTER FOR ADVANCED STUDY IN THE HEALTH SCIENCES

"SEC. 483. The general purpose of the John E. Fogarty International Center for Advanced Study in the Health Sciences is to—

"(1) facilitate the assembly of scientists and others in the biomedical, behavioral, and related fields for discussion, study, and research relating to the development of health science internationally;

"(2) provide research programs, conferences, and seminars to further international cooperation and collaboration in the life sciences;

"(3) provide postdoctorate fellowships for research training in the United States and abroad and promote exchanges of senior scientists between the United States and other countries;

"(4) coordinate the activities of the National Institutes of Health concerned with the health sciences internationally; and

"(5) receive foreign visitors to the National Institutes of Health.

"PART F—AWARDS AND TRAINING

"NATIONAL RESEARCH SERVICE AWARDS

"SEC. 485. (a)(1) The Secretary shall—

"(A) provide National Research Service Awards for—

"(i) biomedical and behavioral research at the National Institutes of Health and the Alcohol, Drug Abuse, and Mental Health Administration in matters relating to the cause, diagnosis, prevention, and treatment of the diseases or other health problems to which the activities of the National Institutes of Health and Administration are directed;

"(ii) training at the National Institutes of Health and at the Administration of individuals to undertake such research;

"(iii) biomedical and behavioral research and health services research (including research in primary medical care) at public and nonprofit private entities; and

"(iv) pre-doctoral and post-doctoral training at public and private institutions of individuals to undertake biomedical and behavioral research; and

"(B) make grants to public and nonprofit private institutions to enable such institutions to make National Research Service Awards for research (and training to undertake biomedical and behavioral research) in the matters described in subparagraph (A)(i) to individuals selected by such institutions.

A reference in this subsection to the National Institutes of Health or the Alcohol, Drug Abuse, and Mental Health Administration shall be considered to include the institutes, agencies, divisions, and bureaus included in the National Institutes of Health or under the Administration, as the case may be.

"(2) National Research Service Awards may not be used to support residency training of physicians and other health professionals.

"(3) In awarding National Research Service Awards under this section, the Secretary shall take account of the Nation's overall need for biomedical research personnel by giving special consideration to physicians who agree to undertake a minimum of two years of biomedical research.

"(b)(1) No National Research Service Award may be made by the Secretary to any individual unless—

"(A) the individual has submitted to the Secretary an application therefor and the Secretary has approved the application;

"(B) the individual provides, in such form and manner as the Secretary shall by regulation prescribe, assurances satisfactory to the Secretary that the individual will meet the service requirement of subsection (c); and

"(C) in the case of a National Research Service Award for a purpose described in subsection (a)(1)(A)(iii), the individual has been sponsored (in such manner as the Secretary may by regulation require) by the institution at which the research or training under the award will be conducted.

An application for an award shall be in such form, submitted in such manner, and contain such information, as the Secretary may by regulation prescribe.

"(2) The making of grants under subsection (a)(1)(B) for National Research Service Awards shall be subject to review and approval by the appropriate advisory councils within the Department of Health and Human Services (A) whose activities relate to the research or training under the awards, or (B) for the entity at which such research or training will be conducted.

"(3) No grant may be made under subsection (a)(1)(B) unless an application therefor has been submitted to and approved by the Secretary. Such application shall be in such form, submitted in such manner, and contain such information, as the Secretary may by regulation prescribe. Subject to the provisions of this section (other than paragraph (1)), National Research Service Awards made under a grant under subsection (a)(1)(B) shall be made in accordance with such regulations as the Secretary shall prescribe.

"(4) The period of any National Research Service Award made to any individual under subsection (a) may not exceed—

"(A) five years in the aggregate for pre-doctoral training; and

"(B) three years in the aggregate for post-doctoral training;

unless the Secretary for good cause shown waives the application of such limit to such individual.

"(5) National Research Service Awards shall provide for such stipends, tuition, fees, and allowances (including travel and subsistence expenses and dependency allowances), adjusted periodically to reflect increases in the cost of living, for the recipients of the awards as the Secretary may deem necessary. A National Research Service Award made to an individual for research or research training at a non-Federal public or nonprofit private institution shall also provide for payments to be made to the institution for the cost of support services (including the cost of faculty salaries, supplies, equipment, general research support, and related items) provided such individual by such institution. The amount of any such payments to any institution shall be determined by the Secretary and shall bear a direct relationship to the reasonable costs of the institution for establishing and maintaining the quality of its biomedical and behavioral research and training programs.

"(c)(1) Each individual who is awarded a National Research Service Award (other than an individual who is a pre-baccalaureate student who is awarded a National Research Service Award for research training) shall, in accordance with paragraph (3), engage in health research or teaching or any combination thereof which is in accordance with the usual patterns of academic employment, for a period computed in accordance with paragraph (2).

"(2) For each month for which an individual receives a National Research Service Award which is made for a period in excess of twelve months, such individual shall engage in one month of health research or teaching or any combination thereof which is in accordance with the usual patterns of academic employment.

"(3) The requirement of paragraph (1) shall be complied with by any individual to whom it applies within such reasonable period of time, after the completion of such individual's award, as the Secretary shall by regulation prescribe. The Secretary shall by regulation prescribe the type of research and teaching in which an individual may engage to comply with such requirement and such other requirements respecting research and teaching as the Secretary considers appropriate.

"(4)(A) If any individual to whom the requirement of paragraph (1) is applicable fails, within the period prescribed by paragraph (3), to comply with such requirements, the United States shall be entitled to recover from such individual an amount determined in accordance with the formula—

$$A=\phi\left(\frac{t-s}{t}\right)$$

in which 'A' is the amount the United States is entitled to recover; "ϕ" is the sum of the total amount paid under one or more

National Research Service Awards to such individual; 't' is the total number of months in such individual's service obligation; and 's' is the number of months of such obligation served by such individual in accordance with paragraphs (1) and (2) of this subsection.

"(B) Any amount which the United States is entitled to recover under subparagraph (A) shall, within the three-year period beginning on the date the United States becomes entitled to recover such amount, be paid to the United States. Until any amount due the United States under subparagraph (A) on account of any National Research Service Award is paid, there shall accrue to the United States interest on such amount at a rate fixed by the Secretary of the Treasury after taking into consideration private consumer rates of interest prevailing on the date the United States becomes entitled to such amount.

"(5)(A) Any obligation of an individual under paragraph (3) shall be canceled upon the death of such individual.

"(B) The Secretary shall by regulation provide for the waiver or suspension of any such obligation applicable to any individual whenever compliance by such individual is impossible or would involve substantial hardship to such individual or would be against equity and good conscience.

"(d) There are authorized to be appropriated to make payments under National Research Service Awards and under grants for such awards $238,000,000 for fiscal year 1986. Of the amounts appropriated under this subsection—

"(1) not less than 15 percent shall be made available for payments under National Research Service Awards provided by the Secretary under subsection (a)(1)(A);

"(2) not less than 50 percent shall be made available for grants under subsection (a)(1)(B) for National Research Service Awards;

"(3) one-half of one percent shall be made available for payments under National Research Service Awards which (A) are made to individuals affiliated with entities which have received grants or contracts under section 780, 784, or 786, and (B) are for research in primary medical care; and one-half of one percent shall be made available for payments under National Research Service Awards made for health services research by the National Center for Health Services Research and Health Care Technology Assessment under section 304(a)(3); and

"(4) not more than 4 percent may be obligated for National Research Service Awards for periods of three months or less.

"VISITING SCIENTIST AWARDS

"SEC. 486. (a) The Secretary may make awards (hereafter in this section referred to as 'Visiting Scientist Awards') to outstanding scientists who agree to serve as visiting scientists at institutions of postsecondary education which have significant enrollments of disadvantaged students. Visiting Scientist Awards shall be made by the Secretary to enable the faculty and students of such institutions to draw upon the special talents of scientists from other institutions for the purpose of receiving guidance, advice, and instruction with regard to research, teaching, and curriculum development in the biomedical and behavioral sciences and such other aspects of these sciences as the Secretary shall deem appropriate.

"(b) The amount of each Visiting Scientist Award shall include such sum as shall be commensurate with the salary or remuneration which the individual receiving the award would have been entitled to receive from the institution with which the individual has, or had, a permanent or immediately prior affiliation. Eligibility for and terms of Visiting Scientist Awards shall be determined in accordance with regulations the Secretary shall prescribe.

"STUDIES RESPECTING BIOMEDICAL AND BEHAVIORAL RESEARCH PERSONNEL

"SEC. 487. (a) The Secretary shall, in accordance with subsection (b), arrange for the conduct of a continuing study to—

"(1) establish (A) the Nation's overall need for biomedical and behavioral research personnel, (B) the subject areas in which such personnel are needed and the number of such personnel needed in each such area, and (C) the kinds and extent of training which should be provided such personnel;

"(2) assess (A) current training programs available for the training of biomedical and behavioral research personnel which are conducted under this Act, at or through national research institutes under the National Institutes of Health and institutes under the Alcohol, Drug Abuse, and Mental Health Administration, and (B) other current training programs available for the training of such personnel;

"(3) identify the kinds of research positions available to and held by individuals completing such programs;

"(4) determine, to the extent feasible, whether the programs referred to in clause (B) of paragraph (2) would be adequate to meet the needs established under paragraph (1) if the programs referred to in clause (A) of paragraph (2) were terminated; and

"(5) determine what modifications in the programs referred to in paragraph (2) are required to meet the needs established under paragraph (1).

"(b)(1) The Secretary shall request the National Academy of Science to conduct the study required by subsection (a) under an arrangement under which the actual expenses incurred by such Academy in conducting such study will be paid by the Secretary. If the National Academy of Science is willing to do so, the Secretary shall enter into such an arrangement with such Academy for the conduct of such study.

"(2) If the National Academy of Science is unwilling to conduct such study under such an arrangement, then the Secretary shall enter into a similar arrangement with other appropriate nonprofit private groups or associations under which such groups or associations will conduct such study and prepare and submit the reports thereon as provided in subsection (c).

"(3) The National Academy of Science or other group or association conducting the study required by subsection (a) shall conduct such study in consultation with the Director of NIH.

"(c) A report on the results of such study shall be submitted by the Secretary to the Committee on Energy and Commerce of the House of Representatives and the Committee on Labor and Human Resources of the Senate at least once every two years.

"PART G—GENERAL PROVISIONS

"INSTITUTIONAL REVIEW BOARDS; ETHICS GUIDANCE PROGRAM

"SEC. 489. (a) The Secretary shall by regulation require that each entity which applies for a grant, contract, or cooperative agreement under this Act for any project or program which involves the conduct of biomedical or behavioral research involving human subjects submit in or with its application for such grant, contract, or cooperative agreement assurances satisfactory to the Secretary that it has established (in accordance with regulations which the Secretary shall prescribe) a board (to be known as an 'Institutional Review Board') to review biomedical and behavioral research involving human subjects conducted at or supported by such entity in order to protect the rights of the human subjects of such research.

"(b)(1) The Secretary shall establish a program within the Department of Health and Human Services under which requests for clarification and guidance with respect to ethical issues raised in connection with biomedical or behavioral research involving human subjects are responded to promptly and appropriately.

"(2) The Secretary shall establish a process for the prompt and appropriate response to information provided to the Director of NIH respecting incidences of violations of the rights of human subjects of research for which funds have been made available under this Act. The process shall include procedures for the receiving of reports of such information from recipients of funds under this Act and taking appropriate action with respect to such violations.

"PEER REVIEW REQUIREMENTS

"SEC. 490. (a)(1) The Secretary, acting through the Director of NIH, shall by regulation require appropriate technical and scientific peer review of—

"(A) applications made for grants and cooperative agreements under this Act for biomedical and behavioral research; and

"(B) applications made for biomedical and behavioral research and development contracts to be administered through the National Institutes of Health.

"(2) Regulations promulgated under paragraph (1) shall require that the review of applications made for grants, contracts, and cooperative agreements required by the regulations be conducted—

"(A) in a manner consistent with the system for scientific peer review applicable on the date of the effective date of the Health Research Extension Act of 1985 to grants under this Act for biomedical and behavioral research; and

"(B) to the extent practical, by peer review groups performing such review on or before such date.

"(b) The Director of NIH shall establish procedures for periodic, technical, and scientific peer review of research at the National Institutes of Health. Such procedures shall require that—

"(1) the reviewing entity be provided a written description of the research to be reviewed; and

"(2) the reviewing entity provide the advisory council of the national research institute involved with such description and the results of the review by the entity.

"PROTECTION AGAINST SCIENTIFIC FRAUD

"SEC. 491. (a) The Secretary shall by regulation require that each entity which applies for a grant, contract, or cooperative agreement under this Act for any project or program which involves the conduct of biomedical or behavioral research submit in or with its application for such grant, contract, or cooperative agreement assurances satisfactory to the Secretary that such entity—

"(1) has established (in accordance with regulations which the Secretary shall prescribe) an administrative process to review reports of scientific fraud in connection

with biomedical and behavioral research conducted at or sponsored by such entity; and

"(2) will report to the Secretary any investigation of alleged scientific fraud which appears substantial.

"(b) The Director of NIH shall establish a process for the prompt and appropriate response to information provided the Director of NIH respecting scientific fraud in connection with projects for which funds have been made available under this Act. The process shall include procedures for the receiving of reports of such information from recipients of funds under this Act and taking appropriate action with respect to such fraud.

"RESEARCH ON PUBLIC HEALTH EMERGENCIES

"SEC. 492. (a) If the Secretary determines, after consultation with the Director of NIH, the Commissioner of the Food and Drug Administration, or the Director of the Centers for Disease Control, that a disease or disorder constitutes a public health emergency, the Secretary, acting through the Director of NIH—

"(1) shall expedite the review by advisory councils under section 406 and by peer review groups under section 490 of applications for grants for research on such disease or disorder or proposals for contracts for such research;

"(2) shall exercise the authority in section 3709 of the Revised Statutes (41 U.S.C. 5) respecting public exigencies to waive the advertising requirements of such section in the case of proposals for contracts for such research;

"(3) may provide administrative supplemental increases in existing grants and contracts to support new research relevant to such disease or disorder; and

"(4) shall disseminate, to health professionals and the public, information on the cause, prevention, and treatment of such disease or disorder that has been developed in research assisted under this section.

The amount of an increase in a grant or contract provided under paragraph (3) may not exceed one-half the original amount of the grant or contract.

"(b) Not later than 90 days after the end of a fiscal year, the Secretary shall report to the Committee on Energy and Commerce of the House of Representatives and the Committee on Labor and Human Resources of the Senate on actions taken under subsection (a) in such fiscal year.

"ANIMALS IN RESEARCH

"SEC. 493. (a) The Secretary, acting through the Director of NIH, shall establish guidelines for the following:

"(1) The proper care of animals to be used in biomedical and behavioral research.

"(2) The proper treatment of animals while being used in such research. Guidelines under this paragraph shall require—

"(A) the appropriate use of tranquilizers, analgesics, anesthetics, paralytics, and euthanasia for animals in such research; and

"(B) appropriate pre-surgical and post-surgical veterinary medical and nursing care for animals in such research.

Such guidelines shall not be construed to prescribe methods of research.

"(3) The organization and operation of animal care committees in accordance with subsection (b).

"(b)(1) Guidelines of the Secretary under subsection (a)(3) shall require animal care committees at each entity which conducts biomedical and behavioral research with funds provided under this Act (including the National Institutes of Health and the national research institutes) to assure compliance with the guidelines established under subsection (a).

"(2) Each animal care committee shall be appointed by the chief executive officer of the entity for which the committee is established, shall be composed of not fewer than three members, and shall include at least one individual who has no association with such entity and at least one doctor of veterinary medicine.

"(3) Each animal care committee of a research entity shall—

"(A) review the care and treatment of animals in all animal study areas and facilities of the research entity at least semi-annually to evaluate compliance with applicable guidelines established under subsection (a) for appropriate animal care and treatment;

"(B) keep appropriate records of reviews conducted under subparagraph (A); and

"(C) for each review conducted under subparagraph (A), file with the Director of NIH at least annually (i) a certification that the review has been conducted, and (ii) reports of any violations of guidelines established under subsection (a) or assurances required under paragraph (1) which were observed in such review and which have continued after notice by the committee to the research entity involved of the violations.

Reports filed under subparagraph (C) shall include any minority views filed by members of the committee.

"(c) The Director of NIH shall require each applicant for a grant, contract, or cooperative agreement involving, research on animals, administered by the National Institutes of Health or any national research institute to include in its application or contract proposal, submitted after the expiration of the twelve-month period beginning on the date of the effective date of this section—

"(1) assurances satisfactory to the Director of NIH that—

"(A) the applicant meets the requirements of the guidelines established under paragraphs (1) and (2) of subsection (a) and has an animal care committee which meets the requirements of subsection (b); and

"(B) scientists, animal technicians, and other personnel involved with animal care, treatment, and use by the applicant have available to them instruction or training in the humane practice of animal maintenance and experimentation, and the concept, availability, and use of research or testing methods that limit the use of animals or limit animal distress; and

"(2) a statement of the reasons for the use of animals in the research to be conducted with funds provided under such grant or contract.

Notwithstanding subsection (a)(2) of section 553 of title 5, United States Code, regulations under this subsection shall be promulgated in accordance with the notice and comment requirements of such section.

"(d) If the Director of NIH determines that—

"(1) the conditions of animal care, treatment, or use in an entity which is receiving a grant, contract, or cooperative agreement involving research on animals under this title do not meet applicable guidelines established under subsection (a);

"(2) the entity has been notified by the Director of NIH of such determination and has been given a reasonable opportunity to take corrective action; and

"(3) no action has been taken by the entity to correct such conditions;

the Director of NIH shall suspend or revoke such grant or contract under such conditions as the Director determines appropriate.

"(e) No guideline or regulation promulgated under subsection (a) or (c) may require a research entity to disclose trade secrets or commercial or financial information which is privileged or confidential.

"USE OF APPROPRIATIONS UNDER THIS TITLE

"SEC. 494. Appropriations to carry out the purposes of this title shall be available for the acquisition of land or the erection of buildings only if so specified. Such appropriations, unless otherwise expressly provided, may be expended in the District of Columbia for—

"(1) personal services;

"(2) stenographic recording and translating services;

"(3) travel expenses (including the expenses of attendance at meetings when specifically authorized by the Secretary);

"(4) rental;

"(5) supplies and equipment;

"(6) purchase and exchange of medical books, books of reference, directories, periodicals, newspapers, and press clippings;

"(7) purchase, operation, and maintenance of passenger motor vehicles;

"(8) printing and binding (in addition to that otherwise provided by law); and

"(9) all other necessary expenses in carrying out this title.

Such appropriations may be expended by contract if deemed necessary, without regard to section 3709 of the Revised Statutes (41 U.S.C. 5);

"GIFTS

"SEC. 495. The Secretary may, in accordance with section 2101, accept conditional gifts for the National Institutes of Health or a national research institute or for the acquisition of grounds or for the erection, equipment, or maintenance of facilities for the National Institutes of Health or a national research institute. Donations of $50,000 or over for the National Institutes of Health or a national research institute for carrying out the purposes of this title may be acknowledged by the establishment within the National Institutes of Health or national research institute of suitable memorials to the donors.

"FETAL RESEARCH

"SEC. 496. (a) The Secretary may not conduct or support any research or experimentation, in the United States or in any other country, on a nonviable living human fetus ex utero or a living human fetus ex utero for whom viability has not been ascertained unless the research or experimentation—

"(1) may enhance the well-being or meet the health needs of the fetus or enhance the probability of its survival to viability; or

"(2) will pose no added risk of suffering, injury, or death to the fetus and the purpose of the research or experimentation is the development of important biomedical knowledge which cannot be obtained by other means.

"(b) In administering the regulations for the protection of human research subjects which—

"(1) apply to research conducted or supported by the Secretary;

"(2) involve living human fetuses in utero; and

"(3) are published in section 46.208 of part 46 of title 45 of the Code of Federal Regulations;

or any successor to such regulations, the Secretary shall require that the risk standard (published in section 46.102(g) of such part 46 or any successor to such regulations) be the same for fetuses which are intended to be aborted and fetuses which are intended to be carried to term.

"(c)(1) The Biomedical Ethics Advisory Committee appointed under section 381 shall conduct a study of the nature, advisability, and biomedical and ethical implications of exercising any waiver of the risk standard published in section 46.102(g) of such part 46 (or any successor to such regulations). The Committee shall complete the study and report its findings to the Biomedical Ethics Board established under section 381 not later than the expiration of thirty months after the effective date of this Act. The report shall include the recommendations, if any, of the Committee on the advisability of the authority for such a waiver and the circumstances under which such a waiver might be granted. The Biomedical Ethics Board shall transmit the report to the Secretary, the Committee on Energy and Commerce of the House of Representatives, and the Committee on Labor and Human Resources of the Senate.

"(2) During the thirty-six-month period beginning on the effective date of this section, the Secretary may not grant (under section 46.211 of part 45 of title 46 of the Code of Federal Regulations or any successor to such section) a modification or waiver for fetal research.

"(3) Effective October 31, 1988, paragraph (2) is repealed.

"CONSTRUCTION OF TITLE

"SEC. 497. This title shall not be construed as limiting (1) the functions or authority of the Secretary under section 301 or of any officer or agency of the United States, relating to the study, prevention, diagnosis, and treatment of any disease for which a separate national research institute is established under this title, or (2) the expenditure of any funds therefor.".

SEC. 3. CONFORMING AMENDMENTS.

(a) ADVISORY COUNCILS.—(1) The National Advisory Health Council established under section 217 is terminated.

(2) Section 217(a) (42 U.S.C. 218(a)) is amended—

(A) in the first sentence—

(i) by striking out "National Advisory Health Council, the National Advisory Mental Health Council, the National Advisory Council on Alcohol Abuse and Alcoholism, and the National Advisory Dental Research Council" and inserting in lieu thereof "National Advisory Mental Health Council and the National Advisory Council on Alcohol Abuse and Alcoholism"; and

(ii) by striking out "by the Surgeon General with the approval of the Secretary of Health, Education, and Welfare" and inserting in lieu thereof "by the Secretary";

(B) in the second sentence—

(i) by striking out "in the case of the National Advisory Health Council, are skilled in the sciences related to health; and"

(ii) by striking out "the National Advisory Mental Health Council, the National Advisory Council on Alcohol Abuse and Alcoholism, the National Advisory Heart Council, and the National Advisory Dental Research Council" and inserting in lieu thereof "the National Advisory Mental Health Council and the National Advisory Council on Alcohol Abuse and Alcoholism"; and

(iii) by striking out ", alcohol abuse and alcoholism, and dental diseases and conditions" and inserting in lieu thereof "and alcohol abuse and alcoholism"; and

(C) by striking out the third sentence.

(3) Subsection (b) of section 217 is repealed and subsections (c) through (e) and subsection (g) are redesignated as subsections (b) through (e), respectively.

(4) Section 222(c) (42 U.S.C. 217a(c)) is amended to read as follows:

"(c) Upon appointment of any such council or committee, the Secretary may delegate to such council or committee such advisory functions relating to grants-in-aid for research or training projects or programs, in the areas or fields with which such council or committee is concerned, as the Secretary determines to be appropriate.".

(5) Section 301(a) (42 U.S.C. 241(a)) is amended—

(A) in paragraph (3), by striking out "as are recommended" through "for such fiscal year" and inserting in lieu thereof "as are recommended by the advisory council to the entity of the department supporting such projects or, in the case of mental health projects, by the National Advisory Mental Health Council; and make, upon recommendation of the advisory council to the entity of the department involved or the National Advisory Mental Health Council, grants-in-aid to public or nonprofit universities, hospitals, laboratories, and other institutions for the general support of their research"; and

(B) in paragraph (8), by striking out "recommendations of the National Advisory Health Council" through "such additional means" and inserting in lieu thereof "recommendations of the advisory councils to the entities of the department involved or, with respect to mental health, the National Advisory Mental Health Council, such additional means".

(6) Section 1122(a) (42 U.S.C. 300c-12(a)) is amended by striking out "under section 441".

(b) NATIONAL LIBRARY OF MEDICINE.—Parts I and J of title III are repealed.

(c) ORPHAN DRUG ACT.—Section 8(w) of the Orphan Drug Act (Public Law 97-414) is repealed.

SEC. 4. PLAN FOR RESEARCH AND ANIMALS.

(a) ESTABLISHMENT OF PLAN.—The Director of the National Institutes of Health shall establish a plan for—

(1) research to be conducted by or through the National Institutes of Health and the national research institutes into methods of biomedical research and experimentation—

(A) which do not require the use of animals;

(B) which reduce the number of animals used in such research; or

(C) which produce less pain and distress in such animals than methods currently in use;

(2) establishing the validity and reliability of the methods described in subparagraph (A);

(3) the development of such methods which have been found to be valid and reliable; and

(4) the training of scientists in the use of such methods.

The plan required by this paragraph shall be prepared not later than October 1, 1986.

(b) DISSEMINATION OF INFORMATION.—The Director of the National Institutes of Health shall take such actions as may be appropriate to convey to scientists and others involved with research or experimentation involving animals information respecting the methods found to be valid and reliable under subsection (a)(2).

(c) INTERAGENCY COORDINATING COMMITTEE.—The Director of the National Institutes of Health shall establish within the National Institutes of Health an Interagency Coordinating Committee to assist the Director of the National Institutes of Health in the development of the plan required by subsection (a). The Director of each national research institute shall serve on the Committee.

SEC. 5. RESEARCH ON LUPUS ERYTHEMATOSUS.

(a) ESTABLISHMENT OF COMMITTEE.—The Secretary shall establish a Lupus Erythematosus Coordinating Committee to plan, develop, coordinate, and implement comprehensive Federal initiatives in research on Lupus Erythematosus.

(b) COMMITTEE COMPOSITION AND MEETINGS.—(1) The committee shall be composed of—

(A) the Director of the National Institute of Neurological and Communicative Disorders and Stroke;

(B) the Director of the National Institute of Allergy and Infectious Diseases;

(C) the Director of the National Institute of Arthritis and Musculoskeletal and Skin Diseases;

(D) the Director of the National Institute of Child Health and Human Development;

(E) the Director of the National Institute of General Medical Sciences;

(F) the Director of the National Heart, Lung, and Blood Institute;

(G) the Director of the National Institute of Diabetes and Digestive and Kidney Diseases; and

(H) the Director of the Centers for Disease Control.

(2) The Committee shall meet at least four times a year. The Secretary shall designate as chairman of the Committee the Director of the National Institute of Arthritis and Musculoskeletal and Skin Diseases.

(c) REPORT.—The Committee shall prepare a report for Congress on its activities. The report shall include a description of research projects on Lupus Erythematosus conducted or supported by Federal agencies in the fiscal year for which the report is made, the nature and purpose of each such project, the amounts expended for each such project, and an identification of the entity which conducted the research under each such project. Such report shall be submitted not later than 18 months after the date of the effective date of this Act. The Committee shall terminate one month after the report is submitted.

SEC. 6. NATIONAL RESEARCH SERVICE AWARD STUDY.

The Secretary of Health and Human Services shall conduct a study of—

(1) the effect of the service obligation requirement of section 485(c) of the Public Health Service Act on the number and quality of individuals who apply for National Research Service Awards;

(2) the effect of section 485(c)(4) of such Act on the number of persons who engage in health research or training as a career;

(3) the number of persons who receive National Research Service Awards and who engage in health research or training as a career; and

(4) the effectiveness of the grant authority under section 485(a)(1)(B) of such Act in encouraging individuals to engage in health research and training as a career.

The Secretary shall complete the study within one year after the effective date of this Act and shall report the results of the study to the Committee on Energy and

Commerce of the House of Representatives and the Committee on Labor and Human Resources of the Senate.

SEC. 7. INTERAGENCY COMMITTEE ON SPINAL CORD INJURY.

(a) ESTABLISHMENT.—Within 90 days after the effective date of this Act, the Secretary of Health and Human Services shall establish in the National Institute of Neurological and Communicative Diseases and Stroke an Interagency Committee on Spinal Cord Injury (hereafter in this section referred to as the "Interagency Committee"). The Interagency Committee shall plan, develop, coordinate, and implement comprehensive Federal initiatives in research on spinal cord injury and regeneration.

(b) COMMITTEE COMPOSITION AND MEETINGS.—(1) The Interagency Committee shall consist of representatives from—

(A) the National Institute on Neurological and Communicative Disorders and Stroke;

(B) the Department of Defense;

(C) the Department of Education;

(D) the Veterans' Administration;

(E) the Office of Science and Technology Policy; and

(F) the National Science Foundation;

designated by the heads of such entities.

(2) The Interagency Committee shall meet at least four times. The Secretary of Health and Human Services shall select the Chairman of the Interagency Committee from the members of the Interagency Committee.

(c) REPORT.—Within the 18 months after the effective date of this Act, the Interagency Committee shall prepare and transmit to the Congress a report concerning its activities under this section. The report shall include a description of research projects on spinal cord injury and regeneration conducted or supported by Federal agencies during such 18-month period, the nature and purpose of each such project, the amounts expended for each such project, and an identification of the entity which conducted the research under each such project.

(d) TERMINATION.—The Interagency Committee shall terminate 90 days after the date on which the Interagency Committee transmits the report required by subsection (c) to the Congress.

SEC. 8. STUDY OF PERSONNEL FOR HEALTH NEEDS OF THE ELDERLY.

(a) STUDY.—The Secretary shall conduct a study on the adequacy and availability of personnel to meet the current and projected health needs (including needs for home and community-based care) of elderly Americans through the year 2020.

(b) REPORT.—The Secretary shall report the results of the study to the Committee on Energy and Commerce of the House of Representatives and the Committee on Labor and Human Resources of the Senate by March 1, 1987. The report on the study shall contain recommendations on—

(1) the number of primary care physicians and other health personnel needed to provide adequate care for the elderly;

(2) the training needs of physicians (including specialists) and other health personnel to provide care responsive to the particular needs of the elderly;

(3) necessary changes in medicare and other third party reimbursement necessary to support training of primary care and other physicians to meet the needs of the elderly; and

(4) necessary program changes in third party reimbursement programs (including changes in medicare programs) to support training of other health personnel in the care of the elderly.

SEC. 9. INTERAGENCY COMMITTEE ON LEARNING DISABILITIES.

(a) ESTABLISHMENT.—Not later than 90 days after the effective date of this Act, the Director of the National Institutes of Health shall establish an Interagency Committee on Learning Disabilities to review and assess Federal research priorities, activities, and findings regarding learning disabilities (including central nervous system dysfunction in children).

(b) COMPOSITION.—The Committee shall be composed of such representatives as the Director may designate, but shall include representatives from the National Institute of Neurological and Communicative Disorders and Stroke, the National Institute of Child Health and Human Development, the National Institute of Allergy and Infectious Diseases, the National Eye Institute, the National Institute of Environmental Health Sciences, the Division of Research Resources of the National Institutes of Health, and the National Institute of Mental Health.

(c) REPORT.—Not later than 18 months after the effective date of this Act, the Committee shall report to the Congress on its activities under subsection (a) and shall include in the report—

(1) the number of persons affected by learning disabilities and the demographic data which describes such persons;

(2) a description of the current research findings on the cause, diagnosis, treatment, and prevention of learning disabilities; and

(3) recommendations for legislation and administrative actions—

(A) to increase the effectiveness of research on learning disabilities and to improve the dissemination of the findings of such research; and

(B) respecting specific priorities for research in the cause, diagnosis, treatment, and prevention of learning disabilities.

(d) TERMINATION.—The Committee shall terminate 90 days after the date of the submission of the report under subsection (c).

SEC. 10. REVIEW OF DISEASE RESEARCH PROGRAMS OF THE NATIONAL INSTITUTE OF DIABETES AND DIGESTIVE AND KIDNEY DISEASES.

The Secretary of Health and Human Services shall conduct an administrative review of the disease research programs of the National Institute of Diabetes and Digestive and Kidney Diseases to determine if any of such programs could be more effectively and efficiently managed by other national research institutes. The Secretary shall complete such review within the one-year period beginning on the effective date of this section.

SEC. 11. BIOMEDICAL ETHICS.

Title III (as amended by section 3) is amended by adding at the end the following:

"PART I—BIOMEDICAL ETHICS

"SEC. 381. (a) There is established in the legislative branch of the Government the Biomedical Ethics Board (hereinafter referred to as the 'Board').

"(b)(1) The Board shall consist of twelve members as follows:

"(A) Six Members of the Senate appointed as follows: Three members appointed by the Majority Leader of the Senate from the majority party and three members appointed by the Minority Leader from the minority party.

"(B) Six Members of the House of Representatives appointed by the Speaker of the House of Representatives, three from the majority party and three from the minority party.

"(2) The term of office of a member of the Board shall expire when the member leaves the office of Senator or Representative, as the case may be, or upon the expiration of eight years after the date of the member's appointment to the Board, whichever occurs first.

"(3) Vacancies in the membership of the Board shall not affect the power of the remaining members to execute the functions of the Board and shall be filled in the same manner as in the case of the original appointment.

"(4) The Board shall select a chairman and a vice chairman from among its members at the beginning of each Congress. The vice chairman shall act as chairman in the absence of the chairman or in the event of the incapacity of the chairman. The chairmanship and vice chairmanship shall alternate between the Senate and the House of Representatives with each Congress. The chairman during each even-numbered Congress shall be selected by the Members of the House of Representatives on the Board from among their number. The vice chairman during each Congress shall be chosen in the same manner from that House of Congress other than the House of Congress of which the chairman is a Member.

"(5) The Board shall meet once every three months unless such meeting is dispensed with by the chairman, and may meet at any time upon the request of four or more members of the Board or upon the call of the chairman.

"(c)(1) The Board shall study and report to the Congress on a continuing basis on the ethical issues arising from the delivery of health care and biomedical and behavioral research, including the protection of human subjects of such research and developments in genetic engineering (including activities in recombinant DNA technology) which have implications for human genetic engineering.

"(2)(A) Except as provided in subparagraph (B), an annual report shall be transmitted to the Congress identifying the issues which were the subject of the study conducted under paragraph (1) and identifying areas, programs, and practices of medicine and biomedical and behavioral research which have significant ethical implications and which would be appropriate subjects for study.

"(B) A report on research and developments in genetic engineering (including activities in recombinant DNA technology) which have implications for human genetic engineering shall be transmitted to the Congress not later than eighteen months after the appointment of the Committee under subsection (d).

"(d)(1) To conduct the studies and make the reports required by subsection (c), the Board shall appoint a Biomedical Ethics Advisory Committee (hereinafter referred to as the 'Committee'). The Committee shall consist of fourteen members as follows:

"(A) Four of the members shall be appointed by the Board from individuals who are distinguished in biomedical or behavioral research.

"(B) Three of the members shall be appointed by the Board from individuals who are distinguished in the practice of medicine or otherwise distinguished in the provision of health care.

"(C) Five of the members shall be appointed by the Board from individuals who

are distinguished in one or more of the fields of ethics, theology, law, the natural sciences (other than the biomedical or behavioral sciences), the social sciences, the humanities, health administration, government, and public affairs.

"(D) Two of the members shall be appointed by the Board from individuals who are representatives of citizens with an interest in biomedical ethics but who possess no specific expertise.

"(2)(A) The Committee, by majority vote, shall elect from its members a chairman and a vice chairman and appoint an executive director who shall serve for such time and under such conditions as the Committee may prescribe. In the absence of the chairman, or in the event of the incapacity of the Chairman, the vice chairman shall act as chairman.

"(B) The term of office of each member of the Committee shall be four years, except that any such member appointed to fill a vacancy occurring prior to the expiration of the term for which such member's predecessor was appointed shall be appointed for the remainder of such term. Terms of the members shall be staggered so as to establish a rotating membership.

"(C) The members of the Committee shall receive no pay for their services as members of the Committee, but shall be allowed necessary travel expenses (or, in the alternative, mileage for use of privately owned vehicles and a per diem in lieu of subsistence at not to exceed the rate prescribed in sections 5702 and 5704 of title 5, United States Code) and other necessary expenses incurred by them in the performance of duties as a member of the Committee, without regard to the provisions of subchapter 1 of chapter 57 and section 5731 of title 5, United States Code, and regulations promulgated thereunder.

"(D) The executive director of the Committee, with the approval of the Committee, may employ such staff and consultants as necessary to prepare studies and reports for the Committee.

"(3)(A) The Committee may, for the purpose of carrying out its functions, hold such public hearings, sit and act at such times and places, and take such testimony, as the Committee considers appropriate.

"(B) Upon request of the Committee, the head of any Federal agency is authorized to detail, on a reimbursable basis, any of the personnel of such agency to the Committee to assist the Committee in carrying out its functions.

"(C) The Committee may secure directly from any department or agency of the United States information necessary to enable it to carry out its functions. Upon request of the chairman of the Committee, the head of such department or agency shall furnish such information to the Committee.

"(D) The Committee may accept, use, and dispose of gifts or donations or services or property.

"(E) The Committee may use the United States mails in the same manner and under the same conditions as other departments and agencies of the United States.

"(e) To enable the Board and the Committee to carry out their functions there are authorized to be appropriated $2,000,000 for fiscal year 1986.".

SEC. 12. EFFECTIVE DATE.

This Act and the amendments made by this Act shall take effect October 1, 1985.

The SPEAKER pro tempore. Pursuant to the rule, a second is not required on this motion.

The gentleman from California [Mr. WAXMAN] will be recognized for 20 minutes, and the gentleman from Illinois [Mr. MADIGAN] will be recognized for 20 minutes.

The Chair recognizes the gentleman from California [Mr. WAXMAN].

Mr. WAXMAN. Mr. Speaker, I yield myself such time as I may consume.

GENERAL LEAVE

Mr. WAXMAN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks, and to include extraneous matter, on H.R. 2409, the bill presently under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. WAXMAN. Mr. Speaker, I am pleased to present H.R. 2409, the Health Research Extension Act of 1985 to the House.

The Committee on Energy and Commerce and its subcommittee on Health and the Environment are committed to an effective national effort to prevent and cure cancer, heart disease, arthritis, diabetes, and many other fearsome diseases.

The National Institutes of Health are at the vanguard of our commitment to these goals. Through the NIH, our Nation's biomedical research effort is second to none in its scope and accomplishments. NIH has done more to expand human knowledge about the cause, treatment, and prevention of disease than any other research institution in the world.

The discoveries resulting from NIH activities have enabled dramatic improvements in the quality and effectiveness of health care services. The benefits of these activities in reducing human suffering and prolonging life are clear.

With the Congress' continued support, America's investment in health research will continue to produce generous dividends. The opportunities for major breakthroughs have never been better.

H.R. 2409 is similar to S. 540, legislation which was overwhelming approved by the House and Senate last year. Unfortunately that legislation was pocket-vetoed by the President.

Since the start of the 99th Congress Senator HATCH and I have worked to reintroduce this legislation and hopefully convince the President that the National Institutes of Health deserves the stature and affirmation of public support that is embodied by this legislation.

The legislation will go far to restore and maintain American's preminence in medical research. H.R. 2409 represents a necessary and forceful statement of support for the biomedical research programs of the NIH.

It was the result of extensive subcommittee and committee consideration during the 97th and 98th Congresses. The legislation has broad support within the Congress and the scientific community.

Mr. Speaker, H.R. 2409 contains a number of important provisions which I would like to describe for the benefit of our colleagues.

The statutory responsibilities of NIH under title IV of the Public Health Service Act have not been revised since 1944. These provisions have been in need of revision for many years in order to provide a consistent, comprehensive, and coordinated authority for the National Institutes of Health and each of the individual National Research Institutes. The legislation adequately defines the responsibilities of the NIH and streamlines redundant or inconsistent authorities.

In addition, the legislation extends the authorization of appropriations for expiring research authorities through fiscal year 1986. These authorities include: One, the National Cancer Institute; two, the National Health, Lung and Blood Institute; three, the National Library of Medicine's Medical Library Assistance Act; and four, the National Research Service Awards Program.

The legislation also makes a number of important changes to promote the more effective and efficient management of the NIH. These changes include procedures for peer review of intramural research and research contracts, as well as establishment of a system for investigating reports of scientific misconduct.

Mr. Speaker, a major concern of the House has been NIH resistance to placing serious emphasis upon the support of research related to the prevention of disease. Yet research on prevention holds the greatest promise of one day reducing the incidence of a wide range of illnesses and warrants high priority within this Nation's research agenda.

As a preliminary step toward encouraging the National Research Institutes to place greater emphasis on this aspect of the research spectrum, the legislation establishes new positions of Associate Director for Prevention Research within the National Cancer Institute, the National Institute of Child Health and Human Development and the Office of the NIH Director. A similar position is already in existence within the National Heart, Lung and Blood Institute.

The new Associate Directors for Prevention should be selected from among the Nation's most outstanding prevention and public health professionals. They should not be appointed from those current NIH officials who

have little or no background in the prevention field. Each Associate Director should devote full-time to prevention related activities and not have significant responsibilities for other nonprevention activities. The principal responsibility of the Associate Directors should be to ensure that research regarding the prevention of disease is a high priority of their respective institutes. With respect to the Associate Director for Prevention within the Office of the NIH Director, this responsibility includes the activities of the entire NIH.

The Associate Directors are to assure that the research plans of each institute include sections dealing with such prevention-related research as investigations into the epidemiology of disease, studies of the etiology of diseases—including the effect of diet and other personal habits on the development of disease, and the effect of environmental factors including air, water, radiation, and toxic substances, on the development of disease. Research into immunizations against disease, studies of the means to preclude the development of disease through changes in personal habits and environmental factors, and studies of methods for, and the cost-effectiveness of population screening programs. Each Associate Director should submit recommendations annually to the Director for the specific activities and resources required to carry out the institute's prevention-related activities.

Mr. Speaker, two of the most important provisions of H.R. 2409 establishes new research institutes.

One is the National Institute of Arthritis and Musculoskeletal and Skin Diseases. Creation of an arthritis institute has been a special interest of the distinguished chairman of the House Rules Committee, Mr. PEPPER. Over many years of public service Congressman PEPPER has carefully studied the progress of arthritis research in this country and at his urging the Energy and Commerce Committee voted last year to expand the Federal commitment to arthritis research through establishment of a separate national research institute.

The legislation also would establish a new National Institute on Nursing which has been a special interest of the gentleman from Illinois, Mr. MADIGAN.

The legislation also includes provisions to define the circumstances under which research involving living human fetuses may be conducted. These provisions have been worked out with Senators HATCH and DENTON. It provides clarification that fetuses outside the womb may be exposed to no added risk and that fetuses that are to be aborted may be exposed to only the same type of risk to which fetuses that would be carried to term may be exposed. That has been the standard for almost 10 years at NIH. And the bill clarifies what some groups have maintained is unclear in the regulations. The legislation also provides for a 3-year moratorium on the Secretary's ability to grant a waiver of risk standards and for a study of such waivers.

This issue has been a controversial one for a number of years in the Congress. Some groups have alleged that NIH has misused its funds and is conducting unethical research. Others have suggested that unscrupulous doctors urge abortions on unwilling patients just to have more research subjects. Still others have said fetal research is unnecessary.

There is no evidence to support any of these allegations.

In 1974 the Congress adopted a moratorium on research involving fetuses and commissioned a panel of ethicists and scientists to study the same issue. That study resulted in the present regulations on protection of human subjects, under which NIH has been operating for almost 10 years.

During that time, NIH has done much to improve the lives and chances for life of fetuses and low-birth-weight babies, and much of that improvement has been the direct result of fetal research. During the same period, those who oppose fetal research have been unable to document any charges of abuse or misuse of funds. The reports of strange experiments or objectionable practices have been of research conducted without Government support or outside of the United States or of research that was never conducted at all.

The research that has gone on has brought hope of life and health to millions who might never have lived or breathed without the medical advances that have resulted from research on pregnancy and fetal growth. Prematurity, fetal lung distress, Rh factors—all have killed infants in years past, and all are under investigation by scientists whose only tool to save lives is research involving fetuses.

I would like to insert at this point, the statement of policy on fetal research from the American Academy of Pediatrics, as illustrative of the importance of the issue.

The statement follows:

[From Pediatrics, Vol. 74, No. 3, September 1984]

FETAL RESEARCH

In the past several decades, we have witnessed astounding improvements in the health of infants and children as a result of successes in translating knowledge derived from laboratory and clinical research into effective therapies for the fetus and newborn. Improvements in the survival and reduction in newborn suffering would not have been possible without direct evaluation of the safety and efficacy of these therapies in the pregnant woman and fetus. For example, work done with pregnant women and their fetuses has led directly to the current Rh screening programs and the use of Rhogam, and has resulted in a marked decrease in pregnancy wastage and newborn morbidity due to erythroblastosis.

The outcome of thousands of pregnancies has been improved as a result of the evaluation of fetal lung maturity by lecithinsphingomyelin ratio (L/S ratio) and the administration of glucocorticosteroids to enhance lung maturity in infants at risk for hyaline membrane disease. Again, in these studies validation of normal developmental profiles and evaluation of safety and efficacy were required.

Our current success in monitoring pregnancy outcome is based on the safe evaluation of normal growth and our ability to detect adverse genetic and environmental influences in the developing fetus. We now can recognize fetal hypoxia during pregnancy and at delivery by knowledge of fetal heart rate profiles obtained by fetal research. Even the effects of noninvasive measures such as maternal bed rest and improved nutrition on fetal outcome in the pregnancy complicated by maternal hypertension must be assessed by continued fetal research.

Modern ultrasound has brought another dimension to the early diagnosis of major malformations. Defects such as diaphragmatic hernia can now be dignosed prenatally to prepare physicians for early postnatal intervention. There is the promise that ultrasound will permit definition of defects amenable to surgical correction or therapy in utero. Fetuses with heart failure and hydrops secondary to congenital heart block have been treated with maternal digoxin administration. Progress likely will be made in the intrauterine correction of anatomic defects such as genitourinary obstruction and hydrocephalus.

Advances in genetics made possible by fetal research permit the early diagnosis of a wide range of genetic disorders and the more fundamental promise of treatment and even cure of genetic diseases that currently result in death and disability. The diagnosis of sickle cell disease and thalassemia by DNA hybridization techniques is routine. α-Feto-protein is available for prenatal diagnosis of anencephaly and spinal bifida. Fetal research, however, is essential if further advances are to occur in diagnosis, early detection, and treatment.

Although we have seen significant progress, major problems remain. Low birth weight remains a leading cause of mortality and long-term morbidity in infants and children. Affected families may suffer great financial expenses and long-term emotional burdens. The development of safe methods to evaluate and prevent low birth weight requires the investigation of safe and effective interventions during pregnancy. Although we endorse the use of every available means of testing these therapies in the laboratory and in experimental animals, safety and efficacy in the human must ultimately be defined in the human.

Obstetrics and pediatrics are on the brink of a therapeutic and technologic explosion—new technologies such as nuclear magnetic resonance (NMR) and refinements in ultrasound will permit the noninvasive study of fetal metabolism and anatomy in health and disease. Gene therapy will offer the possibility of cure of disorders such as the hemoglobinopathies and phenylketonuria. The ultimate beneficiaries of fetal research will be the mothers, fetuses, and infants of the future.

The American Academy of Pediatrics emphasizes the need for continued improvements in maternal and infant health through the safe and effective introduction of new therapies and methods of assessing risk. We endorse the recommendations in "Research on the Fetus," a report by the National Commission for the Protection of Human Subjects of Biomedical and Behavioral Research.[1] These recommendations amplify and supplement the original 1975 Code of Ethics for the Use of Fetuses and Fetal Material for Research.[2]

Research may be defined as the careful, systematic, patient study and investigation to discover or establish facts or principles. Nowhere in medicine will the discovery of new facts or principles have more relevance to the prevention of disability and disease than in fetal and newborn medicine. The American Academy of Pediatrics supports the need for research to increase knowledge and improve care of the fetus and newborn infant.

Committee on Research, 1983-84:
MOSES GROSSMAN, MD, *Chairman,*
ROBERT L. BRENT, MD,
ROBERT A. HOEKELMAN, MD,
ROBERT C. NEERHOUT, MD,
ROBERT W. MILLER, MD,
ROBERT H. PARROTT, MD,
JAMES M. SUTHERLAND, MD,
Liaison Representatives:
LAWRENCE M. GARTNER, MD,
ROBERT P. KELCH, MD,
PAUL MCCARTHY, MD,
JOSEPH B. WARSHAW, MD.

I believe that the regulations under which NIH has been operating since the 1974-75 study have been appropriate and effective. If anything, the regulations have been too proscriptive, have limited research too severely, and have driven valuable scientists out of the NIH.

The legislation before us does not create new barriers to research: Indeed, in large part, the legislation places in statute the practices of the NIH and the regulations that have guided those practices. I do not believe that any of the language adopted here will have an effect on research that is ongoing at the NIH; nor do I believe that researchers need fear that the NIH will be forced by political considerations to turn away from valuable research programs.

In one particular area, however, this language does make a substantive—if temporary—change in the status quo. Under present regulations, the Secretary is allowed to waive restrictions if the applicant's Institutional Review Board, the Advisory Council of the appropriate NIH institute, and a specially convened Ethics Advisory Board deem it necessary to do so. Under this legislation, the Secretary will be unable to grant such waivers for a period of 3 years. During that time, the IRB review and the Advisory Council review, and the Ethics Advisory review may certainly go on, but the Secretary may not actually grant a waiver before October 31, 1988.

This moratorium comes at the request of the Members of the Senate during the 98th Congress. It was not contained in the original House-passed bill, and I do not believe it was necessary then and do not believe it is necessary now. The Senate, however did insist on the provision and, given the time-limited nature of the moratorium, I believe that it is a restriction that can be endured while tempers cool and rhetoric dies down. It is clear from the statutory language and committee report that the Secretary will be able to exercise her authority to waive the regulations again in 1988 without further congressional action.

I am concerned, however, by the policy behind this restriction. The 1974-75 study considered the issues of waivers in detail, and I find its examples compelling. Let me quote from one part of the study:

In the case of congenital rubella syndrome, descriptions of the condition (which comprises congenital heart disease, cataracts, deafness, and mental retardation) and its etiology (maternal rubella infection during pregnancy) were drawn from research on the living child and material from dead fetuses. Attenuation of the rubella virus for vaccine purposes was accomplished in tissue culture using nonhuman cells. Vaccine Trials were conducted on adults and children. The vaccine was found safe and effective and it was licensed in 1969, 28 years after the congenital rubella syndrome was first described.

No research on the living human fetus was required to develop the vaccine. A question remained, however, as to the safety of administering the vaccine during pregnancy or to women in child-bearing years. Should a pregnant woman, without immunity to rubella, be vaccinated to prevent the risk to the fetus that would ensue if she contracted natural rubella? Some experimental animal models for the rubella condition has been developed, the rhesus monkey being the closest one to the human. Accordingly, pregnant monkeys were inoculated with either rubella virus or the vaccine virus. Subsequent studies showed that five of six monkey fetuses whose mothers received slightly attenuated rubella virus were infected, but none of the six monkey fetuses whose mothers received vaccine virus was infected. Thus, the animal model suggested that the vaccine virus did not cross the placenta and was safe to administer during pregnancy, although other vaccine viruses were known to cross the human placenta.

Human studies were then undertaken. Because of the potential risk to the fetus, women requesting therapeutic abortion were employed as subjects. These volunteers received the vaccine and underwent the abortion 11 to 30 days later. Examination of tissues from the dead aborted fetuses showed that, *in contrast to the results in monkeys, the vaccine virus did cross the human placenta and infect the fetus. On the basis of this research* involving the fetus in anticipation of abortion, as well as subsequent reports of damage to the fetus following accidental rubella vaccination during pregnancy, *Administration of rubella vaccine to pregnant women or women who might become pregnant within 60 days of vaccination is proscribed.* [Emphasis added.]

This research was carried on in 1969, before the present regulations were in place. If this research were now to come to the NIH for funding, I believe it would require a secretarial waiver of risk standards, since the risk to the fetus is unknown. If this research were to come to the NIH for funding during the proposed moratorium on the Secretary's authority to grant waivers, it could not be approved.

Such restrictions are dangerous. Without the 1969 study, we might have had an epidemic of blind, deaf, and retarded rubella-syndrome babies, babies whose well-intentioned mothers were only going by the best—if mistaken—advice of their doctors on how to protect their pregnancy.

During the next 3 years there will be a multitude of new drugs and therapies introduced in American medicine, many of them to be used by pregnant women. Without secretarial waiver authority, NIH will be unable to fund research on the effects of such drugs and therapies on fetuses or pregnant women. I trust that the medical community will be cautious in its approaches during the time when we must remain ignorant of new products' effects on pregnancy. I hope that no new epidemics of birth defects will come to haunt those who insist that we halt testing.

Moreover, a number of new therapies—for diabetes, for spinal cord damage, for prematurity, for Alzheimer's Disease and for retarding conditions—are on the horizon. During the 3 years of the moratorium, many of them may be left unfunded and unresearched as we explore a subject already studied and resolved by a Government panel on ethics.

Such restrictions are also unnecessary. The waiver authority that is now in place has been used only once—to produce the diagnostic device for sickle cell anemia that is now the leading method for detecting the disease and other in-born genetic defects. Such detection leads not just to the ability for parents to elect to end a pregnancy that might result in pain, suffering, and death for the child. Such detection also leads to further research on the disease, its treatment, and its eventual prevention.

During the 3-year moratorium on the Secretary's waiver authority. The newly devised Biomedical Ethics Advisory Committee of the Biomedical Ethics Board is to study the "nature, advisability, and biomedical and ethi-

[1] National Commission for the Protection of Human Subjects of Biomedical and Behavioral Research: Research on the Fetus. Dept. of Health, Education and Welfare Publication No. (OS) 76-127, 1975.

[2] AAP Task Force on Pediatric Research, Informed Consent, and Medical Ethics: AAP Code of Ethics for the Use of Fetuses and Fetal Material for Research. Pediatrics 1975; 56:304.

cal implications" of the waiver of risk standards. I would emphasize that the charge to this committee is not to redo the entirety of the 1974-75 study. The question before this committee is not fetal research at large, but the very specific issues of research that involve unknown or greater-than-minimal risk to the fetus.

This subject was considered extensively by the previous study. I trust that the committee will not consider this congressional request for a second look to be the equivalent of a remand in search of a different result. The legislation before us does not imply dissatisfaction with the 1974-75 study or the regulations that have grown out of it. Indeed, the waiver regulations are intended to be automatically reinstated in 3 years, whether the committee has completed its review and made recommendations or not. I believe that the regulations have functioned well and that the primary failings of the Secretary's administration of them has been an unwillingness to appoint an Ethics Advisory Board to implement them fully. In 3 years' time, after full and even-handed review, perhaps; the Secretary will be willing to proceed with the responsibilities to pursue research ethnically and without regard to purely political pressures.

Finally, let me add that, although this moratorium is temporary, I believe that the Congress' heavy-handed intrusion into this area is not just dangerous and unnecessary, but also a precedent that we should carefully avoid in all future legislation to fund research. We, as politicans, are not medical doctors or ethicists. Few of us have disabled children or life-threatening diseases. To tell scientists to turn away from their studies in this instance is not far removed from censorship, from intrusions into academic freedom, from burning a book. It is sometimes politically dangerous to be in favor of free investigation. It is always scientific dangerous to be opposed to it.

Mr. Speaker, support of H.R. 2409 will establish health research as among the highest priorities of 99th Congress. An effective biomedical research program will lead to a healthier, more productive population.

I urge each Member's support for this important legislation.

Mr. MADIGAN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of H.R. 2409, a bill which provides for a 1-year extension of the expiring authorities of the National Institutes of Health. This legislation received bipartisan support from the Committee on Energy and Commerce and was reported by voice vote on May 15, 1985.

H.R. 2409 reauthorizes, for 1 year only, the research authorities of the National Cancer Institute and the National Heart, Lung, and Blood Institute, the National Research Service Awards and the Medical Library Assistance Act. This legislation is virtually identical to S. 540, the conference agreement which received unanimous support of both the House and Senate during the final days of the 98th Congress.

Many of the management directives and line-item authorizations contained in previous NIH bills have been removed from this bill and the authority of the Secretary of Health and Human Services contained in section 301 of the Public Health Service Act to conduct biomedical research has been strengthened. In addition, consensus language from last year's conference report dealing with the sensitive issues of fetal research and the use and care of animals in research is maintained in this bill.

I am also very supportive of the establishment of the National Institute of Nursing within H.R. 2409, which will complement the basic biomedical research conducted by NIH and the establishment of a National Institute of Arthritis and Musculoskeletal and Skin Disease, a proposal which has been a part of NIH reauthorizing legislation for the past 4 years.

In conclusion, I support and urge my colleagues to support this legislation which provides for the continuation and improvements to the legislative authority for the National Institutes of Health, the foundation of our Nation's biomedical research activities.

● Mr. WEISS. Mr. Speaker, I rise in support of H.R. 2409, the Health Research Extension Act of 1985.

The National Institutes of Health represent our Nation's greatest contribution to health related research. This support is an investment in the intellectual, medical, and economic future of our country, and there is no doubt that this investment is cost effective and absolutely essential. For example, the United States has an overwhelming technical and economic edge over all the nations of the world in the area of biotechnology. The men and women who have done the fundamental research and developed the resulting biotechnology products have, almost without exception, been trained through the programs of NIH.

The 14 institutes of NIH touch almost all aspect of the health and well-being of Americans, from infancy to old age. By encouraging research in a wide range of health issues. NIH grants are directly and indirectly responsible for the increased life expectancy that Americans now enjoy, as well as an improved quality of life for Americans with health problems.

Last year, Congress approved an NIH appropriations bill that included enough money to fund over 6,500 new and competing grants. President Reagan signed that bill, but in a surprise move in December, OMB directed NIH to decrease the number of new and competing grants by 23 percent, to only 5,000. On June 10 of this year, the Subcommittee on Intergovernmental Relations and Human Resources, which I chair, conducted a field hearing in Birmingham, AL on the impact of the OMB forward funding directive. The researchers, administrators, and corporate leaders there, like their colleagues across the country, have expressed very serious concerns about the OMB actions. Let me take this opportunity to share some of their observations with you.

Witnesses included researchers and administrators at the University of Alabama at Birmingham [UAB] and the Southern Research Institute, as well as corporate leaders from the Birmingham community. Their testimony described the importance of federally funded scientific research and the devastating impact of the OMB forward funding directive on individual research projects in the field of mental retardation and cancer chemotherapy, as well as established programs at the UAB's Comprehensive Cancer Center, Hypertension Research Center, and other health programs.

Current NIH recipients also spoke of their concern about future funding, and the long-term effects of the OMB action on current graduate students and junior faculty in a variety of biomedical fields. In some cases, these scientists have decided to leave the field. According to Dr. Norman Bray, an associate professor of psychology at UAB:

> If graduate students with training related to the problems of the mentally retarded and other developmentally disabled children leave the area, progress in understanding and actualizing the potential of these children will simply stop. It is not a simple matter of hoping for increased funding the next year to make up for losses such as these. The human potential lost could never be regained.

Of course, his observations are also applicable to a wide range of scientific endeavors funded by NIH.

Our witnesses expressed their gratitude for the support that Congress has shown NIH, but they remain concerned that time is running out. According to Dr. Claude Bennett, chair of the Department of Medicine at the UAB:

> If a clear decision is not made soon with specific instructions to NIH, the sheer amount of paperwork involved in getting the fiscal year 1985 budget appropriation spent may be impossible to accomplish by midnight September 30. If that occurs, the administration will have achieved its end regardless of the best intentions of the Congress.

UAB and the Southern Research Institute are representative of the many research institutions whose important work depends on NIH funding. The

testimony illustrated how NIH research touches all our lives, and how inadequate support for NIH will be felt by research efforts across the country. The Health Research Extension Act of 1985 authorizes the appropriation of adequate funding for NIH research efforts for fiscal year 1986 and strengthens the national research institutes. I applaud the efforts of my distinguished colleagues, Mr. DINGELL and Mr. WAXMAN, for their excellent work on this bill, and I want to urge my colleagues in the House to support their efforts to undo the damage that was done by the OMB forward funding directive.●

● Mr. WALGREN. Mr. Speaker, I am pleased to support today H.R. 2409, the bill reauthorizing the National Institute of Health.

The President's Commission for the Study of Ethical Problems in Medicine and Biomedical and Behavioral Research has helped put health research in some perspective with these words:

Since all human beings are vulnerable to disease and all die, health care has a special interpersonal significance: it expresses and nurtures bonds of empathy and compassion. The depth of a society's concern about health care can be seen as a measure of its sense of solidarity in the face of suffering and death. Moreover, health care takes on a special meaning because of its role in the beginning of a human being's life as well as the end. In spite of all the advances in the scientific understanding of birth, disease, and death, these profound and universal experiences remain shared mysteries that touch the spiritual side of human nature. For these reasons a society's commitment to health care reflects some of its most basic attitudes about what it is to be a member of the human community.

Since 1982, we have attempted to develop a bill to reauthorize the National Institutes of Health and for 5 years it has been a struggle. Last year, the struggle culminated in a late October veto by President Reagan—a veto overshadowed in the news media by Presidential campaign events. This year the struggle opened with the administration's refusal to award 1,500 grants as Congress directed and funded—a number that translates into $200 million. The Office of Management and Budget defended the failure to award the grants as efforts to stabilize funding, to deal with the hills and valleys in health research funding that we have had during the last 5 years.

It is striking to me to compare NIH's $5 billion funding level to other aspects of the Federal budget:

The Department of Defense's research budget request is $39 billion, a 25-percent increase over last year or $7.8 billion over 1985. The increase alone for military research is almost $8 billion, larger than the whole health research budget of the NIH. While NIH got −6 percent, research Governmentwide received a 12-percent boost.

The Department of Defense notified the Senate Armed Services Committee on May 14 that it had just found $4 billion in unspent or extra money.

The cost of half the additions the President wants for our stock of 37,000 nuclear warheads will cost $4 billion.

The MX—which the President calls a peacekeeper—will cost $25 billion.

We will pay $1.4 billion for the Army's chemical-bacteriological weapons and research program and for rebuilding 48 CH-47 heavy-lift helicopters.

Three nuclear-powered aircraft carriers with their airplanes and support ships and the Navy's antisubmarine-airplane—P-3C—program will cost $18 billion.

The toilet on the space shuttle cost $12 million to design.

The budget for the National Institutes of Health is six-tenths of 1 percent—(0.6 percent)—the total Federal budget. Their first year in office, the Reagan administration requested a 5.4-percent increase over 1981; this request was then revised, ending in a 7.2-percent decrease below 1981. Fiscal 1983 saw a 3-percent increase in their request, followed by an increase of 1.8 percent in 1984. But 1985 saw a 6-percent decrease in administration support coupled with their refusal to award 1,500 grants mandated by Congress.

The National Institutes of Health have helped us achieve a cancer cure rate that is approaching 50 percent. NIH work led us to the virtual elimination of polio by a vaccination, saving suffering—and incidentally $1 billion a year. The work of NIH researchers helped reduce the maternal death rate from pregnancy and childbirth by 80 percent between 1962 and 1980. NIH research has meant that paraplegics—who before World War II died of kidney failure, pneumonia, blood poisoning and other complications—can now survive. Even functional regeneration of the central nervous system is no longer viewed as an impossibility. Every $1 invested in research is estimated to produce $13 in cost-benefit savings. Clearly, this Nation should be extremely proud of its advances in medicine.

The National Institutes of Health are among our most valuable assets; they should not be a battleground. The question is not how to hold down spending, but whether our values do not require us to spend more?

The stranglehold over our Federal commitment to health research is, in part, the $200 billion Federal deficit. When Congress—without my support—adopted President Reagan's tax and spending proposals in 1981, the basic balance between revenue and spending was upended. The deficit exploded from $27 billion in 1979 to $59 billion in 1980, $58 billion in 1981, $110 billion in 1982, $195 billion in 1983, and $185 billion in 1984. In 1985, it is estimated to be a staggering $222 billion. We must now spend $70 billion every year in increased interest costs just to pay for the increase in the deficit since 1980—14 times what we are spending on health research. As long as this deficit hovers over the Federal budget, health research will be in the back seat scrambling for its small share of taxpayer dollars.

It is unfortunate—and in my view unnecessary—for the NIH to be a budget battleground year after year. The question should not be how to hold down spending or even it out, as OMB seems to want, the question ought to be how can we put more resources into health research?

About 855,000 Americans are diagnosed each year as having cancer; one of three babies born in 1985 will develop cancer in its lifetime; 3.5 million Americans are disabled by stroke; 60 million people suffer from cardiovascular disease; 100,000 Americans will die this year from allergic and infectious diseases; 62,000 people become blind each year. These startling numbers ought to tell us something.

There are several significant provisions in this bill. It directs the National Institute on Aging to support basic and clinical research into advanced diagnostic, prevention, and treatment methods for Alzheimer's disease through a program of regional centers. The bill requires HHS to conduct a study of the availability of physicians and other health professionals to meet the health needs of the elderly through the year 2020. The bill also establishes an Interagency Committee on Spinal Cord Injury to plan, coordinate and implement comprehensive Federal initiatives on research on spinal cord injury and regeneration, an initiative I sponsored.

I am also pleased the committee adopted my suggestions on animal care and treatment. Under the bill, NIH would be required to establish standards for the care and treatment of animals used in research. Each organization receiving NIH funds would be required to have an animal care committee to monitor the care and treatment of animals used. One member of the committee would have to have no formal association with the institution. These requirements are very similar to NIH's recently revised guidelines. I believe that an internal monitoring mechanism like this is far preferable to outside inspections and could go a long way toward developing a dialog on proper animal care and treatment. I am also grateful for the committee's acceptance of my suggestion that NIH develop a plan for research methods that do not use animals and reduce the number of animals used.

These provisions were developed carefully over a period of several years and try to achieve a balance between the interests of good research and appropriate animal care. They are not in any way intended to mandate or interfere with a particular research methodology.

It is my understanding that the Office of Management and Budget will recommend that the President veto this bill. I hope that is not the case. When we are funding only one-third of the research proposals received at NIH, we are clearly not doing enough. Health research is a wise public investment. I hope the President will join me in support of this important bill.●

● Mr. GREEN. Mr. Speaker, I rise to express my support for H.R. 2409, the Health Research Extension Act of 1985. This legislation is designed to revise and extend the authorities of the National Institutes of Health [NIH], so that we can continue to improve the health care of our citizens through progress in medical research. I urge my colleagues to support this bill, and should like to bring to their attention several provisions which are particularly important to me.

As medical science advances, it enables us to learn more and learn with greater speed about disease and how to prevent, treat, and cure it. Nonetheless, much remains to be discovered about many diseases which have afflicted people for years, from the common cold to cancer. One of these illnesses is arthritis, which affects the very young as well as the very old. H.R. 2409 creates a new National Institute of Arthritis and Musculoskeletal and Skin Diseases to focus and expand research in these areas. There are over 100 known forms of arthritis, a disease which affects an estimated 35 million Americans. The resulting costs to the Nation are staggering and increasing numbers of individuals must bear the pain and discomfort inherent in arthritis. To place greater emphasis and resources into arthritis research through the creation of this Institute is a significant step toward eventually finding a cure.

I hear frequently from many senior citizens in my district about another disease which afflicts older people—Alzheimer's disease. Unfortunately, this illness still remains a mystery. We know little more than that it afflicts an estimated 750,000 to 1 million Americans, costs the United States approximately $20 billion annually in heath care costs, and places a tremendous burden on victim's families, who have primary responsibility for the victims' care. Substantial research continues at NIH through four agencies. We have emphasized the need for continued support for Alzheimer's research in the Appropriations Committee, and have increased funding. I should like to express my appreciation to the authorizing committee for making specific reference to Alzheimer's disease in this legislation.

When we think about health care, we often tend to stereotype nurses as nice people in white uniforms who take patients' temperatures. Clearly, this perception is both dated and highly inappropriate, as the role of nurses in the health care delivery system has expanded dramatically. The Institute of Medicine issued a report which stressed the need to give greater visibility to nursing research, and to bring such study into the mainstream of health care research. The committee has acknowledged this gap in the research community, and has acted to close it by creating in this bill a National Institute of Nursing. This research will focus on health promotion and preventive and health as it relates to nursing care, with emphasis on the specific problems and issues faced by nurses, who play an integral role in our health care system.

An area of biomedical research that is of great interest to me is immunology. Immune system disorders are responsible for or related to, many illnesses, including allergies, juvenile diabetes, and rheumatoid arthritis. In the last few years, a substantial amount of Federal resources have been devoted to immunological research on a most devastating and fatal disease: Acquired Immunodeficiency Syndrome (AIDS). This is a disease we knew nothing about 5 years ago, and now NIH researchers are testing drugs in efforts to develop treatment for AIDS victims, and eventually a vaccine. However, until then, preventive health measures are the only means of minimizing the risk of contracting AIDS for those in groups considered to be at risk. This necessitates continued resources for AIDS research, and equally as important, greater resources for public education activities. I am glad to see that this bill acknowledges the importance of continued efforts to combat AIDS.

While significant attention has been given to the AIDS epidemic, scientists at NIH continue to conduct research into other immune system disorders. Unlike AIDS and such illnesses which stem from infection by viruses or other foreign bodies, there are "autoimmune" diseases, those caused by malfunction of the immune system itself. Sytemic Lupus Erythematosus is an autoimmune disease which affects over half a million Americans, 90 percent of whom are women, usually in their childbearing years. Lupus is a chronic inflammatory disease affecting connective tissue. The body's immune system breaks down and allows antibodies to attack normal tissue. Its severity varies, affecting only the skin in some people, but destroying major body organs in others. Sometimes it is fatal. At this time, there is no known cause or cure for Lupus, which claims 50,000 new victims every year. H.R. 2409 creates a temporary Lupus Erythematosus Coordinating Committee to plan, develop, coordinate, and implement comprehensive Federal initiatives on Lupus research. I believe this committee is urgently needed and is a critical component of this bill.

Mr. Speaker, the work conducted by the National Institutes of Health is far too extensive to discuss all aspects in the limited time we have today. I have highlighted these provisions because they are, in my view, of particular importance. This is not to minimize the fine work which continues in research on cancer, heart, lung and kidney disease, neurology, oral health, opthamology, maternal and child health, and environmental health sciences. I should like to express my overall support for biomedical research and urge my colleagues to support this vital public health legislation.●

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Mr. MADIGAN. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. WAXMAN. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from California [Mr. WAXMAN] that the House suspend the rules and pass the bill, H.R. 2409, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

HEALTH MAINTENANCE ORGANIZATION AMENDMENTS OF 1985

Mr. WAXMAN. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 2417) to amend the Public Health Service Act to revise and extend the program of assistance for health maintenance organizations.

The Clerk read as follows:

H.R. 2417

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; REFERENCE TO ACT.

(a) SHORT TITLE.—This Act may be cited as the "Health Maintenance Organization Amendments of 1985".

(b) REFERENCE TO ACT.—Whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or a repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Public Health Service Act.

SEC. 2. ELIMINATION OF AUTHORIZATION OF SUPPORT FOR FEASIBILITY SURVEYS, PLANNING, AND INITIAL DEVELOPMENT COSTS.

(a) IN GENERAL.—Sections 1303, 1304, and 1307(c) 42 U.S.C. 300e-2, 300e-3, and 300e-6(c)) are repealed.

(b) CONFORMING AMENDMENTS.—

(1) Section 1306 (42 U.S.C. 300e-5) is amended—

(A) by striking out "grant, contract, loan," each place it appears (except in subsection (b)(6)) and inserting in lieu thereof "loan",

(B) by striking out "in the case of an application for assistance under section 1303 or 1304, such application meets the application requirements of such section and in the case of an application for a loan or loan guarantee," in subsection (b)(1),

(C) by striking out "1304," in subsection (b)(2), and

(D) by striking out "grants, contracts, loans," in subsection (c) and inserting in lieu thereof "loans".

(2) Section 1307 (42 U.S.C. 300e-6) is amended—

(A) by striking out "grant, contract, loan," each place it appears and inserting in lieu thereof "loan",

(B) by striking out "grant, contract, or" in subsection (a)(1), and

(C) by striking out "such assistance" in subsection (a)(1) and inserting in lieu thereof "the loan".

(3) Section 1309(a) (42 U.S.C. 300e-8(a)) is amended—

(A) by striking out paragraph (1), and

(B) by striking out "(2)".

(4) The first sentence of section 1317(b) (42 U.S.C. 300e-16(b)) is amended—

(A) by striking out clause (1), and

(B) by redesignating clauses (2) and (3) as clauses (1) and (2), respectively.

(c) APPLICATION.—The amendments made by this section do not apply to any grant made or contract entered into under title XIII of the Public Health Service Act before October 1, 1985.

SEC. 3. LIMITATION ON LOANS AND LOAN GUARANTEES FOR INITIAL COSTS OF OPERATION.

(a) IN GENERAL.—The last sentence of section 1305(a) (42 U.S.C. 300-4(a)) is amended by inserting before the period ", and unless the Secretary has made a grant or loan to, entered into a contract with, or guaranteed a loan for, the organization in fiscal year 1981, 1982, 1983, 1984, or 1985 under this section or section 1304(b) (as in effect before October 1, 1985)".

(b) APPLICATION.—The amendment made by subsection (a) does not apply to any loan or loan guarantee for the initial costs of operation of a health maintenance organization made under title XIII of the Public Health Service Act before October 1, 1985.

SEC. 4. ELIMINATION OF LOANS AND LOAN GUARANTEES FOR ACQUISITION AND CONSTRUCTION OF AMBULATORY CARE FACILITIES.

(a) IN GENERAL.—Section 1305A (42 U.S.C. 300e-4a) is repealed.

(b) CONFORMING AMENDMENT.—Section 1306(b)(2) (42 U.S.C. 300e-5(b)(2)) is amended by striking out "or 1305A,".

(C) APPLICATION.—The amendments made by this section do not apply to any loan or loan guarantee made under section 1305A of the Public Health Service Act before October 1, 1985.

SEC. 5. REPEAL OF REQUIREMENT FOR HEALTH SYSTEMS AGENCY REVIEW.

Section 1306(b) (42 U.S.C. 300e-5(b)) is amended by striking out paragraph (5) and by redesignating paragraphs (6), (7), and (8) as paragraphs (5), (6), and (7), respectively.

SEC. 6. LIMITATION ON BORROWING BY LOAN GUARANTEE FUND.

The first sentence of section 1308(d))(2) (42 U.S.C. 300e-7 (d)(2)) is amended by inserting "before October 1, 1985," after "guarantees issued by him".

SEC. 7. REPEAL OF REQUIREMENT FOR PERIODIC DEMONSTRATION OF COMPLIANCE.

Section 1310(d) (42 U.S.C. 300e-9(d)) is amended by striking out the last sentence.

SEC. 8. ANNUAL UPDATE OF STATE LAW DIGEST.

The first sentence of section 1311(c) (42 U.S.C. 300e-10(c)) is amended by striking out "quarterly" and inserting in lieu thereof "annually".

SEC. 9 ELIMINATION OF UNNECESSARY REPORT.

Section 1318(e) (42 U.S.C. 300e-17(e)) is repealed.

SEC. 10. AUTHORIZATION OF APPROPRIATIONS.

Section 1309(b) (42 U.S.C. 300e-8(b)) is amended to read as follows:

"(b) To meet the obligations of the loan fund established under section 1308(e) resulting from defaults on loans made from the fund and to meet the other obligations of the fund, there is authorized to be appropriated to the loan fund for fiscal years 1986, 1987, 1988, and 1989, such sums as may be necessary.".

SEC. 11. ORGAN TRANSPLANTS AS PART OF BASIC COVERAGE.

Section 1302(1) (42 U.S.C. 300e-1(1)) is amended by inserting before the last sentence the following new sentence: "Such term includes a health service directly associated with an organ transplant only if such organ transplant was required to be included in basic health services on April 15, 1985.".

SEC. 12. EFFECTIVE DATE.

The amendments made by this Act shall take effect October 1, 1985.

The SPEAKER pro tempore. Pursuant to the rule, a second is not required on this motion.

The gentleman from California [Mr. WAXMAN] will be recognized for 20 minutes, and the gentleman from Illinois [Mr. MADIGAN] will be recognized for 20 minutes.

The Chair recognizes the gentleman from California [Mr. WAXMAN].

GENERAL LEAVE

Mr. WAXMAN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the the bill, H.R. 2417.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. WAXMAN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, H.R. 2417 makes a number of revisions in the HMO Act, which is title 13 of the Public Health Service Act.

The bill repeals the old grant and loan provisions, which have not been used since 1981 and are no longer needed. It also removes the current requirement that HMO's must cover any organ transplant as sooon as the Secretary of Health and Human Services determines that the procedure is no longer experimental.

Mr. Speaker, the only authorizations in the bill are those required to meet the obligations of the current loan fund resulting from defaults on outstanding loans. No new loans could be made.

The provisions of this bill are noncontroversial and I urge all Members to support it.

Mr. MADIGAN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of H.R. 2417 which makes several changes in title XIII of the Public Health Service Act. H.R. 2417 repeals the authority to make grants and loans to health maintenance organizations. The only authorizations in the bill are those required to meet the current obligations of the loan fund for outstanding loans. The Congressional Budget Office estimates that $2.5 million will be required to meet these obligations in fiscal year 1986 and $1.5 million in each of fiscal years 1987 and 1988.

The bill also removes the current requirement that health maintenance organizations must cover any organ transplant procedure as soon as the Secretary of Health and Human Services determines that the procedure is no longer experimental.

The administration has indicated that it does not have any objection to this legislation.

I urge my colleagues to join in supporting H.R. 2417.

Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. WAXMAN. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from California [Mr. WAXMAN] that the House suspend the rules and pass the bill, H.R. 2417.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

ORPHAN DRUG AMENDMENTS OF 1985

Mr. WAXMAN. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 2290) to amend the orphan drug provisions of the Federal Food, Drug, and Cosmetic Act and related laws, as amended.

The Clerk read as follows:

H.R. 2290

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Orphan Drug Admendments of 1985".

SEC. 2. MARKET PROTECTION.

Section 527 of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 360cc) is amended—

(1) by striking out "and for which a United States Letter of Patent may not be issued" in subsection (a);

(2) by striking out "and if a United States Letter of Patent may not be issued for the drug" in subsection (b); and

(3) by striking out "UNPATENTED" in the title of the section.

SEC. 3. ANTIBIOTIC DRUGS.

(a) DESIGNATION.—

(1) Section 525(a) of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 360aa(a)) is amended—

(A) by striking out "or" at the end of paragraph (1), by redesignating paragraph (2) as paragraph (3), and by inserting after paragraph (1) the following:

"(2) if the drug is an antibiotic, it may be certified for such disease or condition under section 507, or";

(B) by striking out "before" in paragraph (3) (as so redesignated);

(C) by inserting after "505" in the last sentence a comma and the following: "certification of such drug for such disease or condition under section 507,"; and

(D) by striking out "licensing under section 351 of the Public Health Service Act for such disease or condition" and inserting in lieu thereof "licensing of such drug for such disease or condition under section 351 of the Public Health Service Act".

(2) Section 526(a)(1) of such Act (21 U.S.C. 360bb(a)(1)) is amended—

(A) by striking out "or" at the end of subparagraph (A) and by striking out subparagraph (B) and inserting in lieu thereof the following:

"(B) if a certification for such drug is issued under section 507, or

"(C) if a license for such drug is issued under section 351 of the Public Health Service Act,"; and

(B) by striking out "the approval or license" and inserting in lieu thereof "the approval certification, or license".

(3) Section 527 of such Act (21 U.S.C. 360cc) is amended—

(A) by striking out "or" at the end of paragraph (1) in subsection (a), by redesignating paragraph (2) as paragraph (3), and by inserting after paragraph (1) the following:

"(2) issues a certification under section 507, or";

(B) by inserting after "505" in the first sentence of subsection (a) a comma and the following: "issue another certification under section 507,";

(C) by inserting after "holder of such approved application" in subsection (a) a comma and the following: "of such certification,";

(D) by inserting after "approval of the approved application" in subsection (a) a comma and the following: "the issuance of the certification,";

(E) by striking out "or a license" in subsection (b) and inserting in lieu thereof a comma and the following: "if a certification is issued under section 507 for such a drug, or if a license";

(F) by inserting after "application approval" in subsection (b) a comma and the following: "of the issuance of the certification under section 507,"

(G) by striking out ", if the drug is a biological product," in subsection (b);

(H) by inserting after "under section 505" in subsection (b) a comma and the following: ", issue another certification under section 507,";

(I) by inserting after "holder of such approved application" in subsection (b) a comma and the following: "of such certification,";

(J) by inserting after "application" in subsection (b)(1) a comma and the following: "of the certification,"; and

(K) by inserting after "other applications" in subsection (b)(2)" a comma and the following: "issuance of other certifications,".

SEC. 4. NATIONAL COMMISSION ON ORPHAN DISEASES.

(a) ESTABLISHMENT.—There is established the National Commission on Orphan Diseases (hereinafter referred to as the "Commission").

(b) DUTY.—The Commission shall assess the activities of the National Institutes of Health, the Alcohol, Drug Abuse, and Mental Health Administration, the Food and Drug Administration, other public agencies, and private entities in connection with—

(1) basic research conducted on rare diseases;

(2) the use in research on rare diseases of knowledge developed in other research;

(3) applied and clinical research on the prevention, diagnosis, and treatment of rare diseases; and

(4) the dissemination to the public, health care professionals, researchers, and drug and medical device manufacturers of knowledge developed in research on rare diseases and other diseases which can be used in the prevention, diagnosis, and treatment of rare diseases.

(c) REVIEW REQUIREMENTS.—In assessing the activities of the National Institutes of Health, the Alcohol, Drug Abuse, and Mental Health Administration, and the Food and Drug Administration in connection with research on rare diseases, the Commission shall review—

(1) the appropriateness of the priorities currently placed on research on rare diseases;

(2) the relative effectiveness of grants and contracts when used to fund research on rare diseases;

(3) the appropriateness of specific requirements applicable to applications for funds for research on rare diseases taking into consideration the reasonable capacity of applicants to meet such requirements;

(4) the adequacy of the scientific basis for such research, including the adequacy of the research facilities and research resources used in such research and the appropriateness of the scientific training of the personnel engaged in such research;

(5) the effectiveness of activities undertaken to encourage such research;

(6) the organization of the peer review process applicable to applications for funds for such research to determine if the organization of the peer review process could be revised to improve the effectiveness of the review provided to proposals for research on rare diseases;

(7) the effectiveness of the coordination between the national research institutes of the National Institutes of Health, the institutes of the Alcohol, Drug Abuse, and Mental Health Administration, the Food and Drug Administration, and private entities in supporting such research; and

(8) the effectiveness of activities undertaken to assure that knowledge developed in research on nonrare diseases is, when appropriate, used in research on rare diseases.

(d) COMPOSITION.—The Commission shall be composed of twenty members appointed by the Secretary of Health and Human Services as follows:

(1) Ten members shall be appointed from individuals who are not officers or employees of the Government and who by virtue of their training or experience in research on rare diseases or in the treatment of rare diseases are qualified to serve on the Commission.

(2) Five members shall be appointed from individuals who are not officers or employees of the Government and who have a rare disease or are employed to represent or are members of an organization concerned about rare disease.

(3) Four nonvoting members shall be appointed from—

(A) the directors of the national research institutes of the National Institutes of Health; or

(B) the directors of the institutes of the Alcohol, Drug Abuse, and Mental Health Administration,

which the Secretary determines are involved with rare diseases.

(4) One nonvoting member shall be appointed from officers or employees of the Food and Drug Administration who the Secretary determines are involved with rare diseases.

A vacancy in the Commission shall be filled in the manner in which the original appointment was made. If any member of the Commission who was appointed to the Commission as a director of a national research institute or an institute of the Alcohol, Drug Abuse, and Mental Health Administration or as an officer or employee of the Food and Drug Administration leaves that office or position, or if any member of the Commission who was appointed from persons who are not officers or employees of the Government becomes an officer or employee of the Government, such member may continue as a member of the Commission for not longer than the ninety-day period beginning on the date such member leaves that office or position or becomes such an officer or employee, as the case may be.

(e) TERM.—Members shall be appointed for the life of the Commission.

(f) COMPENSATION.—

(1) Except as provided in paragraph (2), members of the Commission shall each be entitled to receive compensation at a rate not to exceed the daily equivalent of the annual rate of basic pay in effect for grade GS-18 of the General Schedule for each day (including traveltime) during which they are engaged in the actual performance of duties as members of the Commission.

(2) Members of the Commission who are full-time officers or employees of the Government shall receive no additional pay by reason of their service on the Commission.

(g) CHAIRMAN.—The Chairman of the Commission shall be designated by the members of the Commission.

(h) STAFF.—Subject to such rules as may be prescribed by the Commission, the Commission may appoint and fix the pay of such personnel as it determines are necessary to enable the Commission to carry out its functions. Personnel shall be appointed subject to the provisions of title 5, United States Code, governing appointments in the competitive service, and shall be paid in accordance with the provisions of chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates.

(i) EXPERTS AND CONSULTANTS.—Subject to such rules as may be prescribed by the Commission, the Commission may procure temporary and intermittent services under section 3109(b) of title 5 of the United States

Code, but at rates for individuals not to exceed the daily equivalent of the basic pay payable for grade GS-15 of the General Schedule.

(j) DETAIL OF PERSONNEL.—Upon request of the Commission, the head of any Federal agency is authorized to detail, on a reimbursable basis, any of the personnel of such agency to the Commission to assist the Commission in carrying out its functions.

(k) ADMINISTRATIVE SUPPORT SERVICES.—The Administrator of General Services shall provide to the Commission on a reimbursable basis such administrative support services as the Commission may request.

(l) GENERAL AUTHORITY.—The Commission may, for the purpose of carrying out this section, hold such hearings, sit and act at such times and places, take such testimony, and receive such evidence, as the Commission considers appropriate.

(m) INFORMATION.—The Commission may secure directly from any department or agency of the United States information necessary to enable it to carry out this section. Upon request of the Chairman, the head of such department or agency shall furnish such information to the Commission.

(n) REPORT.—The Commission shall transmit to the Secretary and to each House of the Congress a report not later than September 30, 1987, on the activities of the Commission. The report shall contain a detailed statement of the findings and conclusions of the Commission, together with its recommendations for—

(1) a long range plan for the use of public and private resources to improve research into rare diseases and to assist in the prevention, diagnosis, and treatment of rare diseases; and

(2) such legislation or administrative actions as it considers appropriate.

(o) TERMINATION.—The Commission shall terminate 90 days after the date of the submittal of its report under subsection (n).

(p) FUNDS.—The Director of the National Institutes of Health shall make available $1,000,000 to the Commission from appropriations for fiscal year 1986 for the National Institutes of Health.

SEC. 5. FINANCIAL ASSISTANCE.

(a) QUALIFIED TESTING.—Section 5 of the Orphan Drug Act (21 U.S.C. 360ee) is amended—

(1) in subsection (a) by striking out "clinical"; and

(2) by amending subsection (b)(1) to read as follows:

"(1) The term 'qualified testing' means—

"(A) human clinical testing—

"(i) which is carried out under an exemption for a drug for a rare disease or condition under section 505(i) of the Federal Food, Drug, or Cosmetic Act (or regulations issued under such section); and

"(ii) which occurs after the date such drug is designated under section 526 of such Act and before the date on which an application with respect to such drug is submitted under section 505(b) or 507 of such Act or under section 351 of the Public Health Service Act; and

"(B) preclinical testing involving a drug for a rare disease or condition which occurs after the date such drug is designated under section 526 of such Act and before the date on which an application with respect to such drug is submitted under section 505(b) or 507 of such Act or under section 351 of the Public Health Service Act.".

(b) AUTHORIZATION.—Subsection (c) of such section 5 is amended to read as follows:

"(c) For grants and contracts under subsection (a) there are authorized to be appropriated $4,000,000 for fiscal year 1986, $4,000,000 for fiscal year 1987, and $4,000,000 for fiscal year 1988.".

SEC. 6. TECHNICAL CORRECTIONS.

(a) PUBLIC LAW 98-619.—The paragraph following the heading "EDUCATION FOR THE HANDICAPPED" under title III of the Departments of Labor, Health and Human Services, and Education and Related Agencies Appropriation Act, 1985 (Public Law 98-619) is amended—

(1) by inserting after "shall" the first time it appears a comma and the following: "except for part D of such Act,", and

(2) by adding at the end thereof the following: "The amounts available for such part D shall be available for obligation on October 1, 1984, and shall remain available until September 30, 1985.".

(b) PUBLIC LAW 98-527.—Section 122(b)(4)(C) of the Developmental Disabilities Assistance and Bill of Rights Act (42 U.S.C. 6022(b)(4)(C)) is amended by inserting "(i)" after "(C)" and by adding at the end of the following:

"(ii) Notwithstanding the requirements of subparagraph (E), upon application of a State, which under section 133(b)(4)(C) of this Act, as in effect on October 18, 1984, was permitted to make expenditures for services without regard to the requirements of section 133(b)(4)(B) of this Act as so in effect, the Secretary pursuant to regulations which the Secretary shall prescribe may permit the portion of the fund which must otherwise be expended under the State plan of such State for service activities in a limited number of services to be expended for the additional services for which expenditure was permitted under section 133(b)(4)(C) as so in effect if the Secretary determines that—

"(I) funds are not otherwise available under this Act for such additional services, and

"(II) the expenditures of such State on service activities in the initially specified services has reasonably met the need for those services in such State in comparison to the extent to which the need for such additional services has been met in such State."

SEC. 7. EFFECTIVE DATE.

(a) GENERAL RULE.—Except as provided in subsection (b), this Act and the amendments made by this Act shall take effect October 1, 1985.

(b) EXCEPTION.—The amendments made by sections 2, 3, and 6(a) shall take effect on the date of the enactment of this Act. The amendment made by section 6(b) shall take effect October 18, 1984.

The SPEAKER pro tempore. Is a second demanded?

Mr. MADIGAN. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentleman from California [Mr. WAXMAN] will be recognized for 20 minutes, and the gentleman from Illinois [Mr. MADIGAN] will be recognized for 20 minutes.

The Chair recognizes the gentleman from California [Mr. WAXMAN].

GENERAL LEAVE

Mr. WAXMAN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill, H.R. 2290.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. WAXMAN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, H.R. 2290 is the first reauthorization of the Orphan Drug Act. The bill would extend the authorizations for research grants for 3 additional years, expand the marketing protection available to sponsors of approved orphan drugs, and establish a National Commission on Orphan Diseases to evaluate governmental biomedical research activities on rare diseases.

The Orphan Drug Act was enacted in January 1983. At that time there were approximately 34 orphan drugs on the market. In the last 2 years an additional 54 drugs have been designated as orphan drugs and are now either under development or already approved.

The Department of Health and Human Services and its Food and Drug Administration have worked vigorously and successfully to create an effective administrative office, the Division of Orphan Products at FDA, and to implement the law. The number of designated drugs under testing or approved has exceeded optimistic predictions of 2 years ago.

The Orphan Drug Act has been quite successful so far. I urge all Members to continue their strong support for the act.

In addition to its major provisions, the legislation also contains a technical correction of the Developmental Disabilities Assistance and Bill of Rights Act. That act, which makes grants to States for services and coordination of services to the disabled, was reauthorized last fall and signed into law as Public Law 98-527.

In that reauthorization, however, a technical error was made in the requirements for States' plans for services to the disabled. Under the earlier law, each State was required to spend at least 65 percent of its allotment on services designated by the law as "priority services." The Secretary was, however, given the authority to waive this requirement if a State applied to perform other services with its allotment. Several States have exercised such an option: Montana provides services for rural, disabled people; California, Arizona, and Missouri provide for area boards or regional councils to deal with special needs of local areas. The conferees on the reauthorization of the Developmental Disabil-

ities Act agreed to retain this waiver authority.

Unfortunately, in the drafting of the legislation, the opening phrase of the waiver authority was copied from the old law, and conforming changes were not made. Consequently, the opening phrase of the law reads, "Notwithstanding the requirements of subparagraph (B) . . .," when, in fact, the provision restricting States' ability to spend services money on optional services is now contained within subparagraph (E).

The Subcommittee on Health and the Environment has received a number of questions on this technical error from representatives of the disabled in States with waivers. The subcommittee contacted the Department of Health and Human Services and pointed out the typographical error. We were, however, told that it was the Department's opinion that, without a technical correction to the law, the Secretary probably did not have the authority even to extend existing waivers.

My original intent was to offer at this time a technical correction to the law, merely changing the reference from "subparagraph (B)" to "subparagraph (E)." Some observers interested in the program, however, were concerned that the waiver authority of the old law might allow all States to avoid providing priority services altogether. While I would be surprised to find that all States now would like to provide optional services and that the Secretary would exercise her discretion to waive the requirements on all States, I am offering a more limited amendment to the legislation now being considered.

The amendment to the legislation would permit only those States that had an optional services waiver in place under the old law to apply for a renewal of their waiver of the 65-percent requirement. Moreover, the Secretary may not grant the waiver for services—such as those allowed as priority services or under other sections of the act—for which funds are available.

This is not a full correction of the typographical error; it is a very limited amendment. It is my intent, however, to allow those States that have implemented optional services and that wish to continue them to do so.

Mr. MADIGAN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I join Mr. WAXMAN in strong support of H.R. 2290, the Orphan Drug Amendments of 1985. The Orphan Drug Act was originally passed in 1983 to facilitate the development of drugs for the treatment of rare diseases by providing tax incentives to developers; grants to defray the costs of clinical trials; as well as exclusive marketing rights for 7 years for unpatentable orphan drugs.

The bill before us today would reauthorize this important law for 3 years and freeze authorizations at the current level of $4 million per year. It also makes clear that developers of any orphan drug, whether unpatentable or not, receive a full 7 years of exclusive marketing rights for the "rare use" for which the drug was approved.

Finally, the bill would make clear that grants are available, at the discretion of the Food and Drug Administration, for animal studies of orphan drugs as well as human clinical trials. Mr. Speaker, the administration supports this bill and I urge my colleagues to do the same.

● Mr. KASTENMEIER. Mr. Speaker, I rise in support of H.R. 2290, the Orphan Drug Act of 1985. As many of my colleagues know, the plight of persons suffering from rare diseases is one which deserves our utmost attention. This bill is an important followup to the work done on orphan drugs [1] two Congresses ago by my colleague HENRY WAXMAN, chairman of the Health and Environment Subcommittee. The purpose of this statement is to set forth the background of the problem and the legislative solution.

The problems of rare diseases have received increased attention in recent years within the executive branch, Congress and the pharmaceutical industry.[2] This focus has moved from expressions of compassion and understanding toward the victims suffering from rare diseases to effective and concrete responses. Groups such as the National Organization for Rare Disorders [NORD] have been instrumental in moving the policy debate to the front burner.

Orphan drugs pose unusual problems for the medical profession, the Food and Drug Administration, and the pharmaceutical industry. One problem that Congress has come to recognize is that the ordinary market forces that encourage the development of new drugs do not encourage the development of orphan drugs. Therefore, Congress enacted Public Law 97-414, to remedy this problem. Public Law 97-414 provides that unpatentable substances which are intended to be used for orphan or rare diseases can receive an exclusive marketing period of 7 years. Congress also extended some important tax benefits to the developers of orphan drugs. Unfortunately, these incentives have not been completely successful.

The FDA has construed the existing law to preclude the issuance of an exclusive marketing period for drugs which are still patented. However, certain drugs are discovered to have treatment possibilities for orphan diseases near the expiration of the patent. Thus, the person holding the patent in this situation—usually a pharmaceutical company—usually has little incentive to research the orphan use because of the imminent loss of marketing exclusivity. In this situation the FDA can deny the 7-year market exclusivity or delay the grant until the patent has expired. This result is undesirable from the perspective of persons suffering from orphan diseases because it may serve to delay important research activities. In part, this legislation corrects this anomalous result.

This orphan drug bill should be supported for several important policy reasons. First, these changes will have little effect on the marketplace approach which predominates in the pharmaceutical industry because the diseases which are being treated are rarely found in the general population. In fact, 48 of the first 54 drugs designated as orphan drugs were designed to treat potential patient populations of less than 35,000 people. Second, providing financial incentives to the orphan drug developers eliminates the need for the Federal Government to directly expand funds to do this research.

Although in the long run some additional Government research may prove necessary, this legislation holds out the promise of limiting that financial commitment. Finally, this legislation should serve to stimulate the development of research on patented items when such research will result in new and socially beneficial uses for the drug. This approach should serve to extract an extra benefit from existing inventions.

The current law and the proposed legislation provides at least two safeguards against abuse. The marketing exclusivity granted by 21 U.S.C. 360 cc (a) can be revoked or limited by subsection (b) when the Secretary finds that there is an insufficient supply of the drug. Second, the exclusivity granted by the act is limited to the orphan use. Therefore, after the patent expires, others may use the substance for any approved nonorphan use. Thus, these two limitations narrow the application of the orphan drug law to appropriate circumstances.

In closing, I would like to note that I requested that the Speaker grant a sequential referral of this bill to the Judiciary Committee before this bill came to the floor. However, the referral request was not motivated in any way by a hostility to the purposes of the bill. Rather, it was my view that the legislation raised several important public policy issues which should be aired through a hearing process. At

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[1] Included in a working definition of Orphan Drugs are the following categories: (1) drugs for rare diseases; (2) drugs for chronic diseases; (3) drugs for single administration (vaccines and diagnostic aids); and (4) drugs for treating drug abuse. See 21 U.S.C. 360 bb.

[2] For an excellent discussion of this issue see "Orphan Drugs: Medical Versus Market Value," Carolyn Asbury (Lexington Books, 1985).

the time of the request, there was an insufficient amount of information in the public record to determine whether the bill was in the public interest. Since that time, I have had an opportunity to communicate fully with the bill's sponsor, to obtain additional information from the hearing record, and to obtain data from the FDA and the Patent and Trademark Office as well as from other sources. This new information has convinced me that enactment of the bill will serve the public interest.

The most important criteria I use for judging the wisdom of intellectual property disputes is whether the proper balance has been struck between the furtherance of the public interest and the incentives provided to creators and inventors. In the patent context this balancing process results in an exchange whereby the inventor agrees to further the storehouse of knowledge by placing information in the public domain in return for a right to exclude others from practicing the invention for a limited term. In the context of this bill the bargain is apparently the industry's investment in testing and marketing of orphan drugs in return for the grant of a limited period of market exclusivity. My colleagues on the Energy and Commerce Committee are convinced that the holders of drug patents—particularly the pharmaceutical industry—will honor this bill and commit themselves to the advancement of research and marketing of orphan drugs. I fully expect that this increased activity will take place. Furthermore, I expect that, as an implicit part of the bargain, the orphan drug marketer will not misuse his monopoly position and charge exorbitant prices to persons suffering rare diseases.

It was my hope in requesting a sequential referral of this bill that questions could have been raised about the nature of this bargain between the Government and the orphan drug developers. I would have hope for a more explicit set of understandings from the industry concerning the financial commitment they can be expected to return.

Finally, I would have hoped that we could have made limitations on the pricing of these drugs an explicit part of the bargain. In any event, the exigencies of time have eliminated the possibility of further bargaining. Even without these modifications, there is much to be said for this bill and, therefore, I urge my colleagues to support it.●

● Mr. WEISS. Mr. Speaker, I rise in strong support of H.R. 2290, the Orphan Drug Amendments of 1985.

It wasn't very long ago when victims of rare diseases and their loved ones had nowhere to turn for help or for hope. While the pharmaceutical industry functioned well in marketing drugs for high blood pressure and headaches, it could not see fit to develop drugs for orphan diseases. In the private sector, the issue was one of profits and dividends, but to the millions of Americans suffering from rare afflictions, these medications were often a matter of life and death.

Two years ago the Congress unanimously authorized the Orphan Drug Act. My colleague from California, Mr. WAXMAN, deserves special recognition for his leadership on this important legislation.

The law has been a tremendous success, as evidenced by the designation of 55 orphan drugs since its passage. In fact, the number of designated orphan drugs that are under testing or already approved has far exceeded expectations of 2 years ago. Much of the credit for these great strides must be extended to the Food and Drug Administration [FDA], which has done an outstanding job in implementing the act.

Today, I urge the House to reaffirm its commitment to this critical issue by supporting this legislation. It contains some important changes which will eliminate additional obstacles to orphan drug development and establishes a Commission at the National Institutes of Health to evaluate current biomedical research efforts on rare diseases. In addition, the bill extends the $4 million grant program for orphan drug testing for 3 years. This funding level should be viewed as a bare minimum as it will only provide resources for a fraction of the testing that merits support.

The extension of this act will surely generate many new drugs for those suffering from rare diseases. But, it is not a panacea for this complex problem. During the next few years, it will be important for Congress and the FDA to monitor closely the status of orphan drug research and development. I believe that we need to be committed to expanding the Federal Government's involvement, should the need arise.●

● Mr. WALGREN. Mr. Speaker, the orphan drug bill, H.R. 2290, before us today, includes a provision creating a National Commission on Orphan Diseases, a step that I believe is an important one toward finding a cure for many rare diseases. Under this bill, the Commission on Rare Diseases would evaluate activities in connection with basic, applied, and clinical research on rare diseases as well as the dissemination of knowledge about rare disease. The Commission would report to Congress in 2 years so that we may take whatever actions are necessary on our part.

The Subcommittee on Health, on which I serve, has learned over the years that rare diseases may not get the attention they deserve, partly because of simple numbers: fewer people are affected. This is very unfortunate. Every disease is a serious problem for this society. While "strength in numbers" is a meaningful maxim in some arenas, it should not be a "requirement" in health research.

We have found, for example, that some diseases are so rare that it is difficult to get the necessary tissue samples to accompany a grant application for research. It is sometimes difficult to get the attention of researchers and help from the medical community for problems that affect only a few people. Some problems are unique to unusual diseases and disorders. Doctors, understandably, may not be familiar with all rare diseases and have difficulty diagnosing them. This makes it difficult to compile full information nationwide. It is almost a vicious circle of insufficient information, medical attention and research, with each just further complicating our problems in launching concerted national efforts to find cures.

Earlier this year, I introduced H.R. 615, to establish a Commission on neurofibromatosis. Neurofibromatosis or NF is a rare diseases, a genetic disorder of the central nervous system occurring in 1 out of every 3,000 births. Approximately 100,000 people are affected by NF in this country. The cause is unknown as, sadly, is the cure. It is my hope that persons involved with NF could be involved with this Commission. I am especially pleased we were able to put in the bill a requirement that five lay individuals with experience with a rare disease will be included as commissioners, along with scientists and medical professionals.

I sincerely hope the House will act favorably on this bill today and give a small ray of hope to many families affected by rare diseases.●

Mr. MADIGAN. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. WAXMAN. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

● Mr. GILMAN. Mr. Speaker, I rise in firm support of H.R. 2290, legislation which amends the 1983 Orphan Drug Act to further the awareness of rare diseases brought about by the original act and to promote greater progress toward their treatment and eventual control. I thank the distinguished gentleman from California, the chairman of the Subcommittee on Health and the Environment [Mr. WAXMAN], for his continued work on behalf of those who suffer from orphan dieseases and for his effort in bringing this measure to the floor.

The original Orphan Drug Act of 1983, which I also supported, provided considerable incentives for the development of drugs to treat little-known diseases. H.R. 2290 expands the provi-

sions of the original act in order to further build upon the research successes which have been brought about through enactment of the 1983 measure.

H.R. 2290 attempts to address the core of the issue by establishing a National Commission on Orphan Diseases to study rare illnesses more closely and report its findings to Congress. Such a commission will be invaluable in enhancing the awareness of orphan diseases, so nicknamed because their rarity causes them to be ignored for the purposes of study. Due to the lack of research on these diseases, cures are even tougher to find. The establishment of a study commission for these illnesses will help bring them to the forefront and demonstrate a substantial need for study in this area.

The importance of such awareness was brought home to me during my work last year on House Joint Resolution 565, legislation which I introduced and which was passed in the last Congress to designate a week in November as "National Epidermolysis Bullosa Awareness Week." As the House sponsor of the bill, I worked with many patients and families who must contend daily with epidermolysis bullosa, a rare skin disease which causes severe blisters after a minor trauma to the skin. I was encouraged by the tireless efforts of these people and by the efforts of the members of the Dystrophic Epidermolysis Bullosa Research Association [DEBRA] in searching for a cure for this orphan disease. The membership of DEBRA grows as awareness of the illness mounts. In this way, awareness has contributed greatly in the battle against this disease.

In addition to creating a study commission, H.R. 2290 also expands upon the original good intentions of the 1983 Orphan Drug Act by extending 7 years of market protection to any company which researches and produces an orphan drug. During this 7-year period, the Food and Drug Administration will not approve the application of a second company to produce the same drug for the same disease. The original act limited this protection only to those drugs which were not patentable. In extending this protection to all orphan drugs, this legislation provides better incentives to companies to produce orphan drugs, because they can be ensured that some research investment can be recouped.

In addition, H.R. 2290 reauthorizes funding of $4 milion per year during fiscal years 1986-87 for the Orphan Drug Research Grant Program and expands application to the grant to animal testing, as well as the human testing which was provided for in the orignal measure.

I urge my colleagues to join me in supporting H.R. 2290 and demonstrating a firm commitment toward finding cures for rare diseases which continue to cause suffering among countless families and individuals. In passing H.R. 2290, we can help increase awareness of these serious illnesses and with the help of the scientific community, hopefully find effective ways to treat orphan diseases.●

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from California [Mr. WAXMAN] that the House suspend the rules and pass the bill, H.R. 2290, as amended.

The question was taken.

Mr. WAXMAN. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to the provisions of clause 5, rule I, and the Chair's prior announcement, further proceedings on this motion will be postponed.

VACATING PROCEEDINGS ON PASSAGE OF H.R. 2417, HEALTH MAINTENANCE AMENDMENTS OF 1985

Mr. WAXMAN. Mr. Speaker, I ask unanimous consent that the proceedings by which the bill (H.R. 2417) to amend the Public Health Service Act to revise and extend the program of assistance for health maintenance organizations was passed under suspension of the rules today be vacated and that the yeas and nays be ordered.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

The SPEAKER pro tempore. The yeas and nays are ordered on the vote to final passage on H.R. 2417.

□ 1300

HOW DO YOU NEGOTIATE SUCCESSFULLY WITH THE SOVIETS? VERY SLOWLY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York [Mr. STRATTON] is recognized for 5 minutes.

● Mr. STRATTON. Mr. Speaker, last month when I was in Europe as part of the House delegation to the North Atlantic Assembly meeting I happened to see in the International Herald Tribune two articles written by Mr. Kenneth Adelman, Director of the Arms Control and Disarmament Agency. The articles dealt with what many people believe to be the most significant and effective negotiation ever carried out between the wartime Allies and the Soviet Union, the Vienna Peace Treaty.

The negotiations began in 1947 and were concluded successfully in 1955 with the evacuation of Austria by the Soviet Army.

As Mr. Adelman points out, because we believe that reducing nuclear weapons is such a crucial goal, it is easy for us and our European Allies to grow impatient with the negotiating process.

But the history of the Vienna negotiations makes it clear that if we are prepared to wait it out, even 8 years, and continue to advance new ideas and proposals, it has been demonstrated, at least in Vienna, that it is possible to succeed.

I believe the ups and downs of this fascinating piece of diplomatic history will be of great interest to my colleagues. The articles, by the way, have not been published as yet in the United States.

Under leave to extend my remarks, I enclose the two articles from the International Herald Tribune of May 18-19, and May 20, 1985.

[From the International Herald Tribune, Part I, May 18-19, 1985]

THE VIENNA PEACE TREATY: LESSONS FOR U.S. NEGOTIATORS

(By Kenneth L. Adelman and Charles A. Sorrels)

WASHINGTON—How to negotiate with the Soviet Union? The rules for doing so have been repeated often: negotiate from strength, specify U.S. negotiating goals, garner bipartisan support in Congress, and work closely with the allies. But in addition to these general rules, a host of lessons can be learned from one of the most successful negotiations conducted with the Soviet Union in the postwar era. The negotiations culminated in the Austrian State Treaty, the anniversary of which was celebrated Wednesday.

And celebrations were in order. The treaty, signed May 15, 1955, by the United States, Britain, France the Soviet Union and Austria, was a huge success. Measured by the fundamental values of assuring freedom and democracy, the treaty stands as a monument to Western diplomacy.

Except for northern Iran, it was the sole instance in which the Red Army withdrew any major force of occupation troops after the war. Moreover, the treaty restored to Austria its sovereignty, which it lost in March 1938 with Hitler's Anschluss.

Though Austria was "liberated" by Allied forces in the spring of 1945—when the Soviet troop commander proclaimed that the Red Army was a "liberating, not a conquering, army"—it took 10 years to get the Russians to grant real liberation. Had the United States and its allies lost heart during those 10 frustrating years and accepted an agreement for an agreement's sake, not only Austria but also the West's highest principles would have been the losers. Austrians today might not be free, especially from Soviet occupation. Austria might not constitute the source of stability that it is today, but rather would be a source of tension in Central Europe.

The tale began in Moscow. Meeting in October 1943, the American, British and Soviet

foreign ministers declared Austria's 1938 annexation by Nazi Germany null and void. They pledged to "see re-established a free and independent Austria."

There the matter stood until the Potsdam summit in August 1945, when another declaration was issued stipulating that "reparations should not be exacted from Austria." But on the summit's last day, Stalin rather offhandedly proposed including "German assets" in Austria as part of German reparations due the Soviet Union. The Americans, ever anxious to end the summit, and the British agreed—without obtaining a definition of "German assets in Eastern Austria." This was most unfortunate, as Secretary of State John Foster Dulles later noted: It "illustrates how terribly dangerous it is to make agreements that are hastily made and in loose terms." For this was to be a critical sticking point throughout the subsequent negotiations.

The issue's prominence came as no surprise. Soon after the Potsdam declaration, the Russians began plundering the Austrian economy as they did most rapaciously, even brutally, the nations of Eastern Europe. What they could not move, they seized in Austria as "German assets." These included two-thirds of the Austrian oil industry and virtually all Danube shipping facilities. By 1955, Soviet economic exploitation had inflicted on Austria losses of roughly $1 billion, excluding occupation costs.

The United States and Britain protested that the Soviet actions violated the Potsdam agreement. The Soviet Union rebuffed the protests. The Americans and the British resorted again to diplomacy, that spring of 1946, striving to place the Austrian State Treaty on the agenda of the Council of Foreign Ministers. The Soviet foreign minister, Vyacheslav Molotov, flatly refused.

That opened a diplomatic battle that was to run nearly a decade before yielding not only success for the West but also six critical lessons.

Lesson one: Major negotiations with the Russians require great, even superhuman patience.

The Russians are tough and wily negotiators. The first of four secretaries of state to negotiate the Austrian treaty. James Byrnes, later wrote about American negotiators who, "because a thing is right . . . cannot understand why Mr. Molotov does not agree to it." The third secretary involved, Dean Acheson, wrote: "What one may learn from these experiences is that Soviet authorities are not moved to agreement by negotiation—that is, by a series of mutual concessions. . . . Theirs is a more primitive form of political method. They cling stubbornly to a position, hoping to force an opponent to accept it." When the opponent doesn't, "they hastily abandon it—after asking and having been refused an unwarranted price—and hastily take up a new position, which may or may not represent a move toward greater mutual stability."

From 1947 to 1955, the four powers held a staggering 400 meetings on the Austrian treaty. In the bulk of those meetings—whether at the foreign minister level or lower—little or no progress was made.

At times, the gap widened. Seemingly significant progress would evaporate, once within hours. On June 20, 1949, in Paris, Soviet Foreign Minister Andrei Vishinsky did a swift reversal. Mr. Acheson writes how Ernest Bevin, the British foreign secretary, "congratulated him on a new record. Soviet agreements were fragile things but today's was the frailest yet. It had not even survived the day." The rock kept tumbling down, but the Sisyphuses of the West kept pushing it back.

The last secretary involved in the negotiations, John Foster Dulles, described the talks as "tortuous" and likened them to the myth of Sisyphus, who endlessly pushed a heavy stone up the mountain only to have it roll back down when nearing the peak.

The push up the mountain really began in January 1947. Special deputies to the four foreign ministers (France had been added after the war) met to draft and negotiate the treaty. These talks broke down in 1948 but were renewed in the middle of the following year. By that time Stalin may have had to readjust his foreign policy in response to the sort of Western resolve exemplified by the heroic Berlin airlift. He seemed to switch tactics and adopt his own "peace offensive." This was designed to give the appearance, if not the reality, of a thaw in the Cold War.

Lesson two: Major concessions, particularly in the form of package deals, can quickly be pocketed by the Russians in exchange for nothing.

A stumbling block for years was reparations. The Russians agreed at Potsdam not to exact them from Austria, yet demanded them thereafter; the West adamantly refused to grant them, yet later relinquished them.

Moscow had its eye most keenly on Austrian oil production. Western foreign ministers thought they had settled this issue during the May 1949 meeting in Paris, when the Russians agreed that their claim to oil assets would give them rights to 60 percent of the oil-producing lands in Eastern Austria. Two months later, the Russians "reinterpreted" the Paris agreement to claim a monopoly on future Austrian oil production. They sought not only to bleed a prostrate Austria but to establish a permanent economic hold over it.

During the September 1949 foreign ministers' meeting in New York, Mr. Vishinsky outlined the makings of a grand deal: All remaining unagreed articles would present "no difficulties" to Moscow if this matter of so-called German assets—i.e., reparations from Austria—"went the Soviets' way." The United States countered with a slight modification: The West would accept most of the Soviet demands on this main issue in exchange for Soviet agreement to the Western position on all other remaining and relatively subordinate issues. This fell short for the Russians.

The special Soviet deputy then responded—according to the State Department's historical record—with "one of the most abrupt statements in the record of postwar negotiations." He stated that the "German assets" article "must be worded exactly as the Soviet Union wished before any settlement could be reached on the other issues." When agreeing to this a few days later, the West made clear that it signed onto the exact Soviet wording in order to secure the earliest possible conclusion of the whole treaty.

The State Department record tells what happened next: "The Soviet Union readily accepted this offer, but then refused to give anything in return. Vishinsky's statement of a month before was in effect withdrawn once the Western powers had made the desired concession."

What became theirs, remained theirs; what was to be ours, remained negotiable.

[From the International Herald Tribune, Part II, May 20, 1985]

WITH THE SOVIETS, YOU DON'T NEGOTIATE IN A HURRY

(By Kenneth L. Adelman and Charles A. Sorrels)

WASHINGTON—Late in 1949 the Soviets threw in a new issue to obstruct negotiations on Austrian sovereignty. They demanded repayment for dried peas supplied to starving Austrians by Soviet troops—which in fact had been taken from German Wehrmacht stores in Vienna—as part of postwar relief due to Moscow. When Austria asked how much Moscow wanted for the dried peas, no reply was forthcoming. The rock of Sisyphus rolled down again.

Britain, France and the United States were learning the hard way about negotiating with the Soviet Union. One hard-learned lesson was this: At times the Soviets simply refuse to take yes for an answer.

From 1949 until early 1954, nearly a year after Stalin's death, progress in the talks was imperceptible. Then the three Western powers, along with Austria, made a stab to finish the treaty. They yielded ground, offering to accept the Soviet version of all five remaining articles. In an amazing feat of diplomatic chicanery, Soviet Foreign Minister Vyacheslav Molotov refused even this.

No, he could not accept his own version of all outstanding articles. Rather he added as a kicker the new demand that Soviet military occupation of Austria continue indefinitely. (In April 1946, Mr. Molotov had told then U.S. Secretary of State James Byrnes: "It might be necessary to leave troops in Austria for another year"—that is, until early 1947.)

John Foster Dulles later told the Senate Foreign Relations committee how "these new Soviet conditions made a mockery of the treaty." They were turned down flat by Austria and the West. When the Soviets are not prepared to advance negotiations, no amount of Western pleading or even concessions can bring results.

Another lessor.: The bargaining never ends until the final signing.

The last phase of any negotiating process is always the most intense, and generally the most important. The Soviets realize this well, and commonly lay heavy demands in the final hours. As Mr. Dulles put it later: "They astutely take into account any weaknesses of their opponent, such as impatience to get the negotiation over or willingness to treat any 'agreement' as a success, without regard to the contents or dependability." The only way to counter is to hang tough, to wait for another window of opportunity to open.

In April 1955 this happened. The Soviet government suddenly invited representatives of the Austrian government to Moscow. The Soviets' renewed willingness to bargain was probably related to events then going on beyond the Austrian treaty, including the granting of sovereignty to the Federal Republic of Germany, the creation of the Western European Union and, most im-

portant, the entry of West Germany into NATO.

Whatever the cause, the result was that Moscow was willing to move. It appeared ready to agree to pull back all Soviet forces from Austria.

The diplomatic action then moved to Vienna. It quickened during the first half of May 1955 and culminated in a treaty on May 15. No mention was made of dried peas.

The main stumbling block was the age-old one, reparations. In Vienna the Soviet Union still wanted to retain, for up to 30 years, most of the valuable Austrian oil properties, and it wanted to own in perpetuity the Austrian Danube shipping, including its docks. In Moscow in April the Soviets reached an economic accord with Austria that included Austrian payment of 10 million tons of oil to Moscow over 10 years, $2 million for Danube assets and $150 million in return for other "German assets" in Austria. Everything seemed set.

But then again, it was not. At the last minute the Soviet representative in Vienna refused to modify the text of the treaty to reflect the Austrian-Soviet accord reached the month before. In effect the Soviets wanted to be free to reoccupy Austria, based upon asserting remaining legal rights to economic assets there.

On May 10, 1955—a mere 5 days before the scheduled signing ceremonies—Secretary Dulles took a valiant decision: No way. He would not come to Vienna, and America would not sign, unless the treaty was modified to incorporate the Moscow economic accord of April. At the last moment the Soviets consented.

Yet another lesson: No treaty is perfect or controversy-free.

In the end Austria did in effect pay reparations to the Soviet Union—contrary to basic policy of the United States and Britain and contrary to what the Soviets had formally agreed at Potsdam in August 1945.

Not unexpectedly, this became a bone of contention in the ensuing Senate hearings. Senator Mike Mansfield told Mr. Dulles, "I am going to vote for this treaty, Mr. Secretary, but it seems to me that it is an extremely high price for a friendly democratic country such as Austria to pay." Senator Hubert Humphrey made a similar point: "My concern, sir, is registered because of the drain of a certain amount of commodities to the Soviets in the form of what you may call payments or reparations."

Again Secretary Dulles faced the issue squarely. "It is not perfect in that respect. We would, of course, have been much happier and the Austrians would have been much happier if the payments could have been totally discontinued." But, of course, they whittled the amount down considerably and, most important, completely got rid of Soviet legal rights over Austrian assets, and of Soviet occupation forces in Austria.

These were the large entries on the assets side of the ledger, to balance the reparations amounts on the debit side. Realizing this, all members of the Senate Foreign Relations Committee supported the treaty.

A final lesson is that Soviet motives in agreeing to a treaty may be neither begnign nor evident.

The dramatic shift in Soviet policy in April and May 1955 came as a surprise to the West. Just the year before, at the foreign ministers' meeting in Berlin, the Soviets had hardened their position to the point of refusing their own provisions. They settle up only when they decide to settle up, for reasons of their own.

What were the reasons? We know little better today than we did then. Perhaps Moscow wanted to keep the Western zones in Austria from entering NATO. Perhaps it was in part to assure that Austria would be truly a neutral nation wedged between West Germany and Italy. Perhaps it was the opening gambit by Nikita Khruschev in his "peace offensive."

The Soviets wanted to undermine NATO and Western public support for increasing defenses by offering Europeans peaceful, united Austria as an appealing neutral alternative to militarized alliance with the United States. They also sought to discourage West German rearmament—a constant, then particularly poignant Soviet fear—as a critical component of NATO's forward defense.

Regardless, the Soviets moved and we were wise enough to strike a good, even if not perfect, deal. Thirty years later it still stands the test of time as a good deal. That is no mean feat, especially in the postwar history of negotiating with the Soviets.

We hope that someday we can attain an equal level of success in our efforts to greatly reduce nuclear weapons and increase stability in the world. American and Soviet negotiators in Geneva have met together for about six weeks to discuss arms control issues. The negotiations are scheduled to begin again soon.

Because we believe that reducing nuclear weapons is such a crucial goal, it is easy to grow impatient with the process—to want to sign an agreement in several months' or a year's time. Certainly the American people and others place high hopes on our achieving quick results. That desire is not surprising, but we should not allow it to pressure us into hasty moves or unwise schemes.

Certainly, if our 30-year-success in Austria has taught us anything, it is that reaching effective agreements with the Soviet Union is a long, hard road. Worthwhile results do not happen overnight.

George Bernard Shaw wrote that "peace is not only better than war, but infinitely more arduous." Our experience in negotiating Austria's freedom makes this clear. Thirty years later we find ourselves pursuing an even more arduous task—ridding our world of the nuclear threat and ushering in a new era of peace and stability. If we heed the lessons of the years leading to 1955, our efforts can be even more promising.●

A TICKING TIME BOMB

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Florida [Mr. NELSON] is recognized for 5 minutes.

● Mr. NELSON of Florida. Mr. Speaker, it's time for the President to get tough with the Japanese to open up their semiconductor market and prevent potential dumping of chips in the United States.

Last Friday, the Semiconductor Industry Association [SIA] led its industry by filing a petition with the U.S. Trade Representative against the Japanese under section 301 of the Trade Act of 1974.

I have always been a supporter of free trade—but it must be fair trade.

Market barriers erected by the Japanese are unfair and impose heavy costs on the U.S. semiconductor industry, costing thousands of jobs. It is time for the Japanese to offer the same market opportunities to U.S. firms that we now offer to them.

This week, the United States and Japanese negotiators will sit down in Tokyo for another round of talks in an ongoing effort to resolve a host of disputes over trade in electronic products.

At the top of their list should be the difficulty of the semiconductor industry in selling in the burgeoning Japanese market.

The semiconductor chip industry in America is currently suffering from a deep recession with as many as 20,000 jobs being lost—traceable to a drop in global consumption as well as the market barriers in Japan and predatory pricing by Japan.

Over the last decade, the U.S. percent of the Japanese market has hovered around 10 percent—even though we have about 55 percent of the world market—while Japan's share of the U.S. market has risen from 8 percent to 18 percent in just the last 5 years.

This is a ticking time bomb—if the Japanese do not open up their semiconductor markets in the next several months, this trade conflict is liable to explode—if we let this industry fall behind, we are likely to fall further behind in other high-tech fields.●

TAX REFORM'S THREAT TO DEFICIT REDUCTION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Mr. PANETTA] is recognized for 30 minutes.

Mr. PANETTA. Mr. Speaker, as the Congress, the President and the American people struggle over the tax reform issue we all risk losing sight of what is still the most critical problem of our time: The Federal budget deficit. Over the next 6 months to a year Congress and the President will be spending enormous amounts of energy and political capital on a complex tax reform package that is badly needed but that, at best, will leave us with not a penny more in revenue to help reduce $200 billion deficits, and what, at worst, could result in $20 to $30 billion being added to the existing deficit.

Today, I call upon the House to take two important steps. One, to make a clear commitment that no tax reform bill brought to the floor will add to the deficit. And two, to ensure that any tax reform bill provides for in-

creased revenues directed specifically at deficit reduction, and conditioned on the enactment of spending cuts totaling $56 billion in 1986.

Tax reform is a noble goal, and while major changes are needed to make the Tax Code simpler and fairer, tax reform in and of itself is not worth very much if most of the economy is being undermined by massive Federal deficits. The need for greater revenues must be addressed at the same time as tax reform if we are to avoid the risk of serious economic damage in the years ahead. Frankly, we are just whistling past the graveyard if we ignore this problem.

The deficit crisis, as much as some would like to ignore it and focus on tax reform, is still real. The Congressional Budget Office projects deficits in the $200 billion range for the rest of this decade, and these figures are based, in view of recent history, on fairly optimistic economic conditions—4-percent inflation, unemployment between 6 and 7 percent, and real GNP growth at 3.5 percent for the rest of this decade. In fact, the GNP growth rate is now running at less than 1 percent, and if this trend continues, an additional $15 to $20 billion a year will be added to the fiscal year 1986 Federal deficit. Based on these growth figures, OMB Director David Stockman is projecting a deficit of $175 billion in fiscal year 1988 even if the savings in the Senate and House budget packages, which total some $300 billion over the next 3 years, are achieved.

There are other authorities that support the same conclusion. The Congressional Budget Office now projects that even with the budget resolution savings enacted we will still be facing a $180 billion deficit in 1987. For that same year, and still assuming that the savings achieved, Chase Econometrics projects a $200 billions deficit, Data Resources projects a $189 billion deficit, and Wharton Econometrics projects a $207 billion deficit.

This means that despite all of the battles over spending cuts waged this year, deficits will remain in the $200 billion range for the rest of this decade. There is little question that the $500 billion or more that will be added to the public debt, over the next 3 years in the pending budget packages, will cancel out whatever economic growth could be stimulated by a tax reform measure.

Yes, Congress and the President could squeeze more deficit reductions from spending cuts, but it will be next to impossible to eliminate a deficit of the size projected by Dave Stockman with spending reductions alone. Dave Stockman's $175 billion deficit figure in fiscal year 1988 already assumes passage of the following cuts this year: a freeze in Social Security COLA's, inflation-only growth in defense, a freeze in the Medicare Program, $15 billion worth of cuts in farm programs and substantial reductions in virtually every other Federal program. Even if Congress could eliminate all of the Federal programs in foreign aid, space, energy, environmental protection, agriculture, housing, transportation, education, veterans' benefits, and administration of justice, eliminate all of those programs altogether, there would still remain a significant deficit. Additional short-term freezes are possible, but vital responsibilities to the Nation and the American people ultimately must be met. Neither the Congress nor any President, Democrat or Republican, would propose a Government that provides solely for defense and interest payments on the debt. Instead, it is clear that while spending cuts are needed to reduce the deficit, increases in revenue are also needed to pay for essential Government services. The message delivered by David Stockman's new numbers is this: Revenues must be included in any balanced and effective deficit reduction package.

Unfortunately at the moment, Congress and the President are concentrating their political will on making major changes in the Tax Code that will raise not one dime of new revenue. The debate on tax reform should continue, but at the same time we should focus on a broad economic program that includes deficit control as well as tax reform.

It is helpful to be aware of why deficit control has to be part of our work on tax reform.

First, there is the problem of determining whether any tax reform package is indeed revenue neutral, that is revenues will neither be increased nor decreased by the reforms adopted. We have had modest success in projecting budget numbers in the past, but now forecasters are confronted with the unprecedented task of measuring the impact of hundreds of changes in the Tax Code that will be made through tax reform. Even with great care, it will be almost impossible to project with confidence what all these changes will leave us with in terms of revenues in the years to come—it may be revenue neutral, it may lose $10 billion a year in revenues, or $20 billion a year or more. The Ways and Means Committee has already heard testimony that the administration tax reform package will lose up to $30 billion worth of revenues over the next 5 years. The question is whether this Nation can afford to gamble that deficits will not be worsened by tax reform when they are already unacceptably large?

A second threat posed by tax reform to the deficit is the very real possibility that the whole process will deteriorate into a bidding war between the parties, and that the final result will be a bill that loses revenues and increases the deficit. The recent precedent for this type of disaster is the 1981 tax bill. An all-out effort by both parties to win in the House of Representatives added some $50 billion of tax cuts for special interests to both the administration and Democratic bills. These dubious tax breaks, many of which are targeted for modification in the President's tax reform package, have greatly increased deficits over the past 4 years. The stage is now set for a similar battle. With the prestige and political future of both parties hanging in the balance, there will be a temptation to make concessions to special interests in order to gain votes and win, and this will greatly increase the risk that the final tax reform package will aggravate the deficit problem.

Third, once tax reform is in place the options for enacting revenue increases will be drastically limited. Today there are four basic alternatives for increasing general revenues: raise individual or business tax rates; eliminate tax loopholes or tax expenditures for business or individuals; increase miscellaneous taxes like excise taxes, estate and gift taxes, or customs duties; or enact new taxes—a consumption tax or new energy taxes, for example.

The centerpiece of tax reform will be the reduction of individual tax rates, and it is unlikely that the President or Congress will turn around a year or two after tax reform is enacted and ask individuals, who have supported tax reform with the exception that their rates would be lowered, to accept a tax surcharge or higher rates. As for business, it will be asked to pay higher taxes under tax reform, and will be loath to accept an additional tax burden in 1986 or 1987 to help reduce the deficit. Many tax expenditures and loopholes will be eliminated in tax reform to replace revenue lost by lowering individual tax rates. Those that will be left—like the home mortgage interest deduction and charitable contributions—are extremely popular, and you can be sure they will not be eliminated for purposes of deficit reduction. Excise taxes, estate and gift taxes and other miscellaneous taxes constitute a very small portion, about 9 percent, of the revenue base, and raising taxes in these areas, even if it could be done, would not produce much in new revenue. That leaves new taxes as the only real option for additional revenues. However, there are powerful political forces aligned against any alternative in this area, and they will be strengthened by the reluctance of the country to go through another fight on taxes after tax reform has been adopted. Tax reform will leave few palatable options for increases in revenue to reduce the deficit. Furthermore, substantial political capital will be used in the tax reform effort, and there is a real question whether any

will be left to invest in the even more difficult task of increasing taxes, especially next year with the midterm House and Senate races on the horizon.

□ 1310

Mr. MADIGAN. Mr. Speaker, will the gentleman yield?

Mr. PANETTA. I am pleased to yield to the gentleman from Illinois.

Mr. MADIGAN. Mr. Speaker, I thank the gentleman for yielding.

This is a very courageous speech that the gentleman from California is making, and I want to acknowledge that.

As I read the budget agreed to by the Senate and the President, five items represent 75 percent of that total budget. Defense, as the gentleman has suggested, adjusted for inflation only, social security with increase capped at 2 percent, Medicare and Medicaid with actual reductions contemplated in funding, and interest on the debt represented 75 percent of the total of that agreement. So as the gentleman in the well said, we could literally eliminate all other functions of government, the Department of Transportation, the FBI, the Department of Agriculture, and those kinds of things and still not be able to balance the budget.

I have shared this thought process the gentleman is expressing now with various constituent groups with whom I have spoken about the problem we are facing. The question they ask me is, how could they be guaranteed that if the Congress does raise their taxes, those taxes will actually be used to address the deficit problem and not be just used to fund more Government spending?

Mr. Speaker, I wonder if the gentleman has an answer to that question?

Mr. PANETTA. Mr. Speaker, one of my suggestions is that we not bring a tax reform bill to the floor that adds to the deficit, but the second step is that additional revenues be adopted and set aside for deficit reduction, and that any new revenues be conditioned on the enactment of $56 billion in savings, hopefully through the reconciliation process.

I believe we can ensure that the reductions are adopted first by the House before any tax increases take effect so that we avoid the risk of enacting tax increases that are not accompanied by substantial spending reductions. I think the two have to go together.

Mr. MADIGAN. Mr. Speaker, will the gentleman yield further?

Mr. PANETTA. I am pleased to yield to the gentleman from Illinois.

Mr. MADIGAN. Mr. Speaker, I wonder if the gentleman, because of his acknowledged expertise in the area of budgets, has taken a look at where we would be on the deficit this year if we were operating on the pre-1981 Internal Revenue Code?

Mr. PANETTA. I believe the revenue loss from the 1981 tax bill was originally projected to be in the vicinity of $750 billion over 5 years.

□ 1320

So, where would the deficit now be without the tax cut? I would assume the answer is that it would be much lower. I cannot give the gentleman an exact figure, but it clearly would be substantially lower.

Mr. MADIGAN. Well, if the gentleman would yield to me for just one further comment.

Mr. PANETTA. I would be pleased to.

Mr. MADIGAN. I absolutely share his concern that this exercise that we are about to engage in on tax reform may result in exacerbating the problem that the gentleman is describing.

I think it is unfortunate that we are doing this at this time, because I think we ought to address this deficit as the No. 1 problem facing the Government.

I admire the gentleman's remarks and his courage.

Mr. PANETTA. Mr. Speaker, I thank the gentleman.

We are, it seems to me, at an historic crossroads on the deficit issue. We can make the tough choices this summer and do what everyone recognizes must be done to deal with the deficit crisis, or we can keep pretending that spending cuts alone are enough to balance the budget.

Tax reform represents both an opportunity and a threat. It can be used as a vehicle for addressing the need for new revenue, or it may result in less revenues and deeper deficits.

At the very least, it seems to me essential that the House make the following commitments with regard to tax reform:

One, that no tax reform bill will be brought to the floor if it adds to the deficit.

Second, that in bringing a tax proposal to the floor, it should also be used as a vehicle to include increased revenues that are specifically targeted at deficit reduction and conditioned on the enactment of $56 billion in savings for 1986.

The realities of the budget are that 85 percent of spending now goes for defense, for entitlements, and for interest payments on the national debt. There is no way that we can reduce that deficit unless we are prepared to deal with controlling the growth in defense spending, controlling the growth in entitlement spending, and raising sufficient revenue to pay the bills.

What is missing today is strong leadership on the deficit problem. The President and both parties have painted themselves into a corner on the revenue issue, and it will take a great act of will to cut through the rehetoric and the political posturing and get to work on cleaning up the deficit mess once and for all. This vacuum of leadership must end, or the Nation will remember 1985 as the year it lost the battle against the deficit.

ORDER OF BUSINESS

Mr. FRANK. Mr. Speaker, I ask unanimous consent to address the House for 5 minutes at this time.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

NAACP AND REFORM JEWISH GROUP CRITICIZE LINDA CHAVEZ FOR TRYING "TO DRIVE A WEDGE BETWEEN BLACKS AND JEWS"

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Massachusetts [Mr. FRANK] is recognized for 5 minutes.

Mr. FRANK. Mr. Speaker, the question of relations between various ethnic groups in this country is a sensitive one. In the 1984 campaign, as will sometimes happen in the heat of a very tough political campaign, some tensions flared up; one in particular which I regretted was the degree of friction between some people in the black community and some in the Jewish community.

Many Americans, including many of us here in the House, including I think the overwhelming majority of both black and Jewish Members, felt that those tensions were unnecessary and did not in fact reflect reality; that is, we felt that there was and continues to be a strong community of interest between the black and Jewish Members of this body and among black and Jewish people in the country at large on a whole range of issues in opposing the agenda of the radical right.

We have seen this kind of cooperation between the two groups; for instance, in trying to impose the imposition of religious practices in schools by the coercive mechanism of the States. We have seen it also in efforts to oppose apartheid in South Africa.

I was particularly distressed, therefore, to read a couple weeks ago a statement by Miss Linda Chavez, who is Deputy Assistant to the President for Public Liaison, formerly the Executive Director of the Civil Rights Commission, which was clearly an effort, it seems to me, for political expediency purposes to recreate tensions between the black and Jewish communities. I found that an extraordinarily regrettable event.

There have been under this administration's control of the Civil Rights Commission changes in the composition of State advisory commissions on

civil rights and the number of commissions that are headed by either members of minority groups or women has substantially diminished. White men are chairs of most of these now. In and of itself, that is a fact to be considered. Clearly, there are people of all sexes and races who are capable of doing this job; but a consistent shift away from women and minority group members in the area of civil rights raises certain concerns, since it is women and minority group members who have been generating many of the complaints about civil rights. Prejudice on racial and sex oriented bases have been admitted by the President and others to be serious problems.

Some people raise the issue about whether or not there was some trend away from the civil rights commitment. Miss Chavez, instead of meeting that on the merits, instead of arguing, as she had a right to argue of the facts supported her, that nothing like that was involved, instead told the newspapers, it was quoted in the New York Times of May 26, that she thought the objections to the shifts in chairs of the civil rights commission at the State level reflected "unspoken anti-Semitism."

Now, Mr. Speaker, I have to be honest with you to say that perhaps I am a little dim-witted. I am not sure how to figure out what unspoken anti-Semitism is. Maybe it consists of gestures. I am not sure. I would like to see perhaps a demonstration by Miss Chavez of how she figures out that something is unspoken anti-Semitism.

I wrote to her 2 weeks ago. One, I thought that she might have felt misquoted. People in this administration when they see their remarks in print, it has been my experience, often do not like them and claim they have been misquoted, and sometimes they are. I wrote and asked her for evidence that she had for that statement. I asked her to document for me the unspoken anti-Semitism.

As a Jewish-American, I am glad when people speak out against anti-Semitism. I am even glad when people speak out against unspoken anti-Semitism. I suppose I would not want to have an unspoken answer to anti-Semitism, because that would not be good enough, but I think an oral answer to implicit anti-Semitism is useful; but I would like to know how the Deputy Assistant to the President figured it out. I mean, was it the gestures that people used? Was it the clothes they were wearing? Was it the tone of their voices?

Now, I wrote to her and I asked for evidence. That was 2 weeks ago. I told her I thought that if she had no evidence, for her to have made that statement seemed to me deplorable. For someone whose responsibility in the White House is to work on group relations as she has, for a former Assistant to the Executive Director of the Civil Rights Commission, as she has been, to deliberately, for political purposes, respond to a criticism by stirring up black-Jewish tensions in an area where they did not exist seems to me to be deplorable.

I expect people in this administration to have views different than my own. I do not expect a high-ranking official of the President, for political purposes, to divert criticism, to stir up unfounded frictions between the black and Jewish communities.

I am forced to conclude by her failure to provide any evidence for her charge whatsoever that this reference to "unspoken antisemitism" was precisely that, an effort to fan political tensions.

I cannot think of a more irresponsible thing for someone in her position to do than to try and fan tensions between groups.

I was particularly pleased with the Union of American Hebrew Congregations and the NAACP to join together to criticize Miss Chavez' statement. In a joint statement by Rabbi Alexander Schindler and Benjamin Hooks, NAACP President, they said: "Mrs. Chavez' accusation is both false and inflammatory. For an administration spokesperson to attempt to distract criticism by interjecting the issue of antisemitism is a reprehensible form of political scapegoating and a blatant effort to drive a wedge between blacks and Jews."

Mr. Speaker, I ask that that statement and a copy of my letter to Miss Chavez be included with my remarks today.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The statement and letter are as follows:

NAACP AND REFORM JEWISH GROUP CRITICIZE LINDA CHAVEZ FOR TRYING 'TO DRIVE A WEDGE BETWEEN BLACKS AND JEWS

WASHINGTON.—The presidents of the NAACP and the Union of American Hebrew Congregations joined today (Fri., May 31) in assailing a statement by Linda Chavez, Deputy Assistant for Public Liaison to President Reagan, that there may be "unspoken anti-Semitism" in criticism of Administration efforts to change the composition of state advisory committees on civil rights.

In a statement by Benjamin L. Hooks, NAACP president, the Rabbi Alexander M. Schindler, UAHC president, the two organizations declared: "Mrs. Chavez's accusation is both false and inflammatory. For an Administration spokesperson to attempt to distract criticism by interjecting the issue of anti-Semitism is a reprehensible form of political scapegoating and a blatant effort to drive a wedge between blacks and Jews.

"We will not allow ourselves to be driven apart, nor to lose sight of our common values and goals."

Mrs. Chavez had noted that many of the white males now serving on state advisory committees were Jews, and said: "I wonder if there is not some unspoken anti-Semitism."

The NAACP-UAHC statement observed that of the 550 positions on the state committees there were now "a grand total of 40 more Jews than before," and remarked: "The critics of the Administration's plans include not only the members of our own organizations but the millions from both our communities who seek to eliminate racism and discrimination, whether aimed at blacks, women or Jews."

Mr. Hooks and Rabbi Schindler said Mrs. Chavez's remarks "demean the office of the President for whom she speaks. It is now incumbent upon the President to disavow such statements."

They said they were "dismayed" by the "racial, gender and ideological changes" reflected in the 313 new appointments to state civil rights advisory committees under the Civil Rights Commission reorganization plan. They pointed out that the number of women chairing the state committees had been reduced from 20 to four and the number of blacks from 21 to nine, and asserted that the general thrust of the Civil Rights Commission "includes opposition to the Civil Rights Act of 1984 and the Civil Rights Restoration Act of 1985." They added:

"The Commission favors elimination of hundreds of affirmative action hiring and education plans and has focussed its efforts on eliminating supposed 'reverse discrimination.'"

The joint statement charged that in the past several years the Civil Rights Commission "has abandoned its clear Congressional mandate to be an independent voice and watchdog fon civil rights. If it succeeds in recreating the state advisory committees in its own image, no watchdogs will be left."

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, DC, June 3, 1985.

MS. LINDA CHAVEZ,
Deputy Asst. to the President, Office of Public Liaison, the White House, Washington, DC.

DEAR MS. CHAVEZ: I was disturbed to read in the Sunday, May 26th, New York Times a suggestion by you that there may be "unspoken" anti-Semitism in some of the criticisms that have been made in the changes in the composition of state civil rights advisory commissions. If, in fact, there is such "unspoken anti-Semitism" it should be quite explicitly condemned and I would appreciate any evidence you have for the fact that this is involved in such criticism. I am always pleased when public officials choose to speak out against anti-Semitism—even when they are speaking out against unspoken anti-Semitism.

On the other hand, I confess to a certain skepticism that much evidence suggests that "unspoken anti-Semitism" is involved here. It certainly seems to me entirely legitimate for people to criticize so drastic a shift in the composition of civil rights advisory commissions of the sort that was documented by The Times. And if your comment about anti-Semitism was simply speculative and not based on any significant evidence it seems to me gravely mistaken. To make such a charge in the absence of evidence is in my judgment to stir up dangerous intergroup tensions for purely political reasons. It is because I would find such an accusation disturbing if it was not based on evidence that I have asked you what evidence you have for it. Because I think this is a matter that ought to be fully aired publicly. I hope

you'll be able to clarify for me the basis on which you made your anti-Semitism charge.

Finally, if you feel you were not accurately or fairly quoted by The New York Times I would appreciate your letting me know that so that I will not be commenting myself on a comment which does not fully represent your views.

BARNEY FRANK.

MY ADVICE TO THE PRIVILEGED ORDERS

The SPEAKER pro tempore (Mr. ECKART of Ohio). Under a previous order of the House, the gentleman from Texas [Mr. GONZALEZ] is recognized for 60 minutes.

Mr. GONZALEZ. Mr. Speaker, for some time now I have been addressing my colleagues and also for the record and beyond to what I call the privileged orders in America that today control America's destiny. The money barons, esconced in the powerful international banking empire and in complete control of the Federal Reserve Board, which in turn is the equivalent of what people call throughout the world the central bank, and while the American people, particularly the business community, have been sacrificed on the altar of the international scheming of these privileged elites that are not accountable to anybody; they transcend any national sovereignty in its ability to regulate, much less control, their activities, and that includes the United States. They transcend any kind of accountability in any manner, shape or form.

The ancient despots and potentates, from Croesus on had nothing by way of the power that these elites and privileged orders have today.

□ 1330

For many years, I would say 22 of the 24 I have been here, I have directly and indirectly been addressing the matter. It is a source of no satisfaction to say, "Well, I said so," or "I predicted."

I never have risen, and especially for the record, with that in mind. The fundamental purpose is the fundamental reason why I was chosen from the 20th Congressional District to represent that particular area in particular in the national legislative body; that is, to legislate. The record speaks for itself.

There is no Member of this House from the Speaker on down that can count upon the number of amendments, resolutions, bills, and any form of legislative activity in the last 24 years in number and content, initiated by myself, in most instances authored by myself, of course, with the help of the legislative counsel and services of the Congress, enacted into law, than what I have. That is the record.

In international finance, the international journals in French and German and in English and England will refer occasionally to the Gonzalez amendment. What was this? This was an amendment that I appended soon after I became chairman of the Subcommittee on International Finance, chairman of which I was for 10 years, and it had reference to the fact that it is the only congressional policy ever developed to take care of those situations in which through expropriation foreign sovereignties have expropriated national properties. It is the only one.

There was a so-called and still is a so-called Hickenlooper amendment, but this never was policy. The Hickenlooper amendment was overcharged and never has been invoked.

The Gonzalez amendment on four different occasions soon after its enactment—it did not even have to be invoked, all the Secretary of the Treasury through the American delegate in the various international institutional financial organizations that we belong to had to do with just to signify to our member there that we were thinking of invoking the Gonzalez amendment and those national sovereignties that had for political reasons expropriated American property came to the bargaining table and found an adjustment basis.

Now, it did not mean anything to the great, vast interests such as Anaconda Copper because, why, Anaconda Copper does not need the U.S. Government, it can take care of itself. But it did mean something to those 25 businessmen in Minnesota who had invested $25 million in a fishmeal plant in Peru and found themselves expropriated with no recourse. They were just going to lose their investment, even though they had been invited. Through the Gonzalez amendment they saved their life savings and their interests.

So when I speak to the RECORD that is exactly what I am doing.

We live in a day and time of television and televised coverings of these proceedings, which I applaud. I have always believed that everything we do should be reported so that since I was in the State senate and had to fight to try to convince the English-language TV stations to take a report by way of a reportial type concerning the activities during the session of the Senate, and had been steadfastly refused by the only two then English-language TV stations, until the third, the competitor was put in place, which always has proved to me the value of competition, and then, after my election to the Congress the other reluctant two did, and I am very grateful and very proud to say that everyone, with the exception of one now, for the past 6 years or so, does report now a 5-minute report. The Spanish-language TV station, which did not come into being in San Antonio—and, incidentally, was the only full-time Spanish-language TV station in the United States until comparatively recently—now, they always were accessible because the owner of that station was also the owner of the only Spanish-language radio station for many years, and they asked to obtain a report ever since I was on the city council, so that if you understood Spanish in San Antonio you probably, by listening in, could have a little bit of knowledge of what was going on in the inner sanctums of the city council.

Let me say to my colleagues that that experience of 3 years was the toughest, the meanest, the most arduous in my whole career. It was mean because local politics can get mean and, in fact, I am here today because when I stood up to speak like I continue to do there were elements that thought that was dangerous talk, that I should be eliminated. So an attempt was made after I had been harassed and intimidated by having some individuals come by in a fast car and fire a .38 into the garage door when I was parking the car. Naturally if they had wanted to hit me, I do not see how they could have missed. So I interpreted that as an attempt to intimidate. And then subsequent to that, an attempt to try to frame me up.

I was a lone voice on the city council. I had no powerful social position or wealth of any kind. In fact, I want to say for the RECORD that today, 33 years in public elective office later, I am just as poor or just as rich as I was when I started out. So that I am proud of that record and that achievement, and I am proud of the fact that I have always attempted to account.

So when I first came to the Congress, the reports were 15 minutes' duration because this was before the advent of the networks, powerful network system which today controls information in our country; 95 percent of the viewing time of the American people, that is their source, and is controlled by these vast concentrations that today are interlocking. They are interlocking because now they have been merged to the point where I would say about less than nine financial institutions control the greatest part of the aggregate of our financial resources in this country, and through interlocking directorships everything else, including these powerful media sources.

As a matter of fact, the reason I said awhile ago that all three but one of the English-language, full-time television stations, noncable, the reason two of the three only is that the third knocked me out when in one of my reports I made allusion to a powerful absentee Australian, or Aussie alien, who owned the local newspaper, and has continued his ownership of one of the first he acquired in the United States, and who at that time I reported had

interests in almost every little leaf that fell off of the local political tree as well as the national tree. And in making allusions of this kind I was immediately called to task by the TV manager. At that time the television station had just been separated in ownership from the newspaper.

□ 1340

But it was still a tenant of the newspaper ownership. Therefore, they demanded that I preclear my television shows.

Well, I could not do that if I wanted to because when I prepare 5 minutes today I go into the studio and extemporize for 5 minutes because I have so much to report and there is no activity that I get engaged in that I could not invite every single citizen of my constituency to come in. There is no reason to have any kind of secrecy in any of the transactions, proceedings, or meetings that I attend. So the station just demanded that I preclear. In other words, censor. I said no, that I would not tolerate censorship of any kind whatsoever.

So to this day this one big CBS outlet in my community does not carry my report. But perhaps now, under changes in ownership and all, they might. I do not know. All I know is that I believe that my constituency is entitled to know exactly how I think, exactly how I vote, exactly what I do, in my capacity as their Representative.

So that if it displeases them and at times I am sure, upon reflection of newspaper comments, I have displeased, they can at the proper time, which is once every 2 years, do what they think they should do with respect to whatever candidacy I am offering.

But since the advent of television, there have been some questions raised by some constituents who now receive cable. This is something of recent date, relatively, in my district. So that those who might have thought that I had ulterior motives in taking the floor under special orders in order to make use of this forum for external purposes, that is, purposes of influencing outside of the RECORD, outside of that which is available to my colleagues, they certainly cannot use that as a justifiable criticism because I have been in this body, and I had not been sworn but 1 month before I made use of what we always have called special orders.

There have been in the interim many occasions on which this very appreciated privilege has been called upon as a means of my accounting, as a means of my having for the RECORD, because I do not revise the RECORD. As I speak, the reporter of debates takes down, and that is the way it is written. I do not revise. I do not even check it. So any errors of any kind, such as typographical errors or spelling, are not my errors.

What I wanted to say today in continuation of my appeal to the privileged orders which, as I said in the beginning, was evocative of that great American poet, thinker, and preacher, because he was a minister during the Revolutionary War, to George Washington's troops, Joel Barlow, a great poet.

If I could, I would like to reproduce Joel Barlow's great work, some of which he did in verse, some he did not, but in prose. He was a colleague of Tom Paine. They were contemporaries. They thought very much alike. They were revolutionaries, if we use the word in that sense that we traditionally use the word "revolutionary."

Today it all depends on the point of view. The President calls what other people in other countries call terrorists, he calls them freedom fighters. So that their freedom fighters are our terrorists; our terrorists are their freedom fighters. This is how much we have sunk in the use and abuse of words.

But the fact is that men such as Joel Barlow, facing a world very similar, a world in turmoil, to the one that now continues to agitate every citizen throughout the world. It is similar because even though the world was big then, compared to the way it has shrunk today, and those things that we take for granted today were never, ever even in the wildest fantasies, imagined. The fundamentals, though, of those keen relationships between peoples which involve basic rules of elemental human justice, are still as valid as they were then.

He wrote a magnificent appeal to what he called the privileged orders of Europe for the need of revolution. We must try to visualize the world of that time. I think it is reflected in the words, as I have pointed out repeatedly, in the preamble to our Constitution. When we say: "We the people of the United States" we say it by rote. But those were the most—and continue to be—the most revolutionary words ever uttered. These were uttered at a time when the whole world was ruled by kings, czars, shahs, potentates, and sultans who said their power came from God, by divine right. Here were these upstart Americans saying, "Absolutely not; all power comes from the people."

So that we the people of the United States, in order to form a more perfect Union, establish justice, promote domestic tranquility, et cetera, it is "We the people" not "We the Congress" or "I, the President" or "We the judge or juries" of our system, but the people. This has been forgotten. The people today in America more and more are not in control of their destinies. Yes, they elect us, but under what circumstances? The average budget to get elected to the Congress this last year from Texas, to lose with, was a quarter of a million dollars. If I had had to start that way I would not be here. In fact, if I had to do it today, I would not be able to do it. But the people have been there.

So this is why I rise day after day. Sure, I did not rise because there is television coverage. I do not address the television audience. I address the colleagues for the record, because what I am saying is in the RECORD. If I am wrong, I will accept corrections. But if I am not, nothing will persuade me otherwise. This has been my fundamental guide all along.

Last week, exactly 1 week ago today, I took these special orders in anticipation of the consideration of and the vote on the so-called aid, through the supplemental appropriations bill, to the so-called Contras, or rebels, or whatever you have. The President says that they are the moral equivalent of our Founding Fathers. I have never, never in my life ever heard or ever expected to hear, especially from our Chief Executive, this sorry abuse of words.

□ 1350

These so-called rebels, or Contras have pillaged, they have raped, they continue to rape; they continue to rip open the bellies of 6-month-olds, 1-year-old babies, all in the name of saying that they are fighting communism.

We have fueled that war. In El Salvador, in every other spot in Central America, it has not been Russian rifles or Cuban-Castro armaments, it has been American. A week ago I said that I felt what the outcome of the vote would be, and during debate, the tendency has been to, on the part of the bill handlers, to look upon me as sort of a dissident and, therefore, where time is parceled out and controlled by those that are committed a certain way, there is a reluctance to afford the time necessary for discussion so that this is the reason, and this is the reason incidentally why historically special orders were developed in the course of the proceedings of the House. Special orders have one purpose, and only one purpose: That is to afford a Member, after all regular business, after all legislative business has been completed, to afford him a chance to enlarge, which limited debate would not, on a particular issue that he feels prompts a justification for an enlarged discussion on his part.

This is the only reason. This is why I would consider it an abuse for me to say that I was addressing an enlarged audience outside of the perimeters of this House floor, because I think the main purposes are to reason and discuss within the ambit of our membership.

I believe in the free trade of ideas in debate. I think it is the whole notion behind the reason for our great democracy. All throughout history, and is evidenced clearly here in the discussions and debates in the Constitutional Convention.

Having once set the base or predicate 1 week ago, I said further that it did not do any good to come in with postmortems. The idea was to do what we could in anticipation. What I have called, since I sat as a member of the city council of San Antonio, anticipatory legislation, anticipatory action, anticipatory discussion.

Had we had this, I doubt seriously there would have been such a thing as the Bay of Pigs; I doubt more seriously that there would have been such a thing as even the Korean conflict, or much less, the Vietnam conflict, which even to this day is an unhealed scar and wound, and had been so costly in treasure and blood.

And continues to be, for there has been, whether President Reagan wishes to brag about having recaptured it or not, there has been a loss of confidence among our so-called friends and allies, and this translates to foes as to our ability to back up.

What does that mean? Keep our commitments so that for 23 of the 24 years I have risen on the floor; special orders, during debate and asking questions since I couldn't get time for anything else I would get up to ask a question.

And the question has always been: What is the specifics of our commitments and our ability to keep them? We are spread out worldwide. The headline last week was about Central America. Today it is a hijacked plane, and the decision the President is going to have to make, in which he is between a hard rock and a very difficult place, but which is a product of our failure to define policy.

So last week, exactly today; 1 week ago, I said: All of you who chastise me for calling the rebels rapists, plunderers, and who accuse me of being friendly to the Communist regime in Nicaragua, stop the name-calling and let us look at the real world as it is.

I pointed out that there is no clarity, no coherence in the President's actions thus far. I will not dignify them by calling them a policy because the rest is history. It is not what I say. In the beginning, we were asked to help because we must interdict the flow of arms from Nicaragua to El Salvador, but not one shipment has been interdicted, even though we have armed the Honduran so-called Navy, Army, and Air Force to try to interdict. They have reported nothing. Absolutely nothing from Nicaragua as such.

The real world is they do not have to go through Nicaragua; there are other sources a lot quicker and a lot shorter and a lot more available, but 90 percent of the arms in El Salvador are American.

I spoke with one of the component, young rebel groups for there are five different rebel groups operating in El Salvador. Two years ago, one of them from up in the province where we are now using our Huey attack helicopters, very much like the Russians are in Afghanistan, no difference whatsoever; and we are killing and we are murdering, women, children, grandparents, grandchildren, with those attack helicopters, and we still have not gotten control of that province.

This young man told me 2 years ago that their biggest single source of arms were those that the soldiers were giving them, because the soldiers did not want to fight them. The soldiers were getting them from us. We are the ones that have been arming the Salvadoran Army.

So that when you have this kind of situation which is a common thread through every one of the situations we have been involved in, whether in Southeast Asia or even going back to 1918, when we lost 300 soldiers, when in company of France and England in 1918 we invaded Russia to try to put down their revolution, because we were going to squash Bolshevism. We failed.

Every nation fails. In our Revolutionary War, the King of England, George III, failed; we had the French helping us. If the French had not warded off the English Navy, George Washington may not have had old General Cornwallis surrendering.

These are the facts, and it is the same thing with all of the indigenous, native civil war, as differentiated from movements that are imposed with external force from outside the territory of these countries.

We have yet to develop a policy in the so-called postwar era of wars of liberation to differentiate, so that now when we are in the hands of people, at least in public power; not the real wielders of power behind them, but in public, what I call ideologues.

That is, for the first time in our history, we have Presidents, Cabinet members, sub-Cabinet members who are ideologues, ideologically dogmatic. We have never had that. We have always had good old-fashioned American pragmatism.

Franklin Roosevelt, during the Depression, might have been called a revolutionary; he might have been called a Socialist. But the truth is, he was no ideologue. He was pragmatic. He was practical. He knew the limitations of ideology.

Not so our President Reagan. This has been manifest in the things that have been catastrophic.

□ 1400

Two hundred and forty-one marines were murdered in Beirut. Why? Because of the President's obduracy for 14 months in defiance of the unanimous advice of the professional military, the Joint Chiefs of Staff.

This is why I rise in great alarm as to what we have set in motion south of the border.

I want to tell my colleagues that the vote last week was the equivalent of a Latin American Gulf of Tonkin Resolution. And now, as soon as the center of attention focuses away, or, as in the case of the murder of the marines, there is an emergency here that makes the President and the administration look as if they are dawdling or failing, then you will see a headline, my colleagues, you will see the headline—it is not long in the making, it will be pretty soon—in which you will see, "Nicaraguan forces"—maybe even airplanes—"have attacked the friendly ally and in the course of doing that have killed some of our soldiers."

I will guarantee you it will not take one meeting of this body before we will have a resolution in which we will do the same thing we did in 1964. And I might remind my colleagues I was here then. But this time you do not have to be a prophet. It is obvious it is coming.

Now, my question is the same one I posed a week ago: What are we going to do? What will be your action when Guatemala blows up?

Now, let us see. If we say that El Salvador is closer to my home city, San Antonio, than Washington is, then Guatemala is that much closer, because Guatemala is just one skip over, it is a neighbor to Mexico.

Now, there is a long history in each one of these countries. I see during the debates here and I see during the utterances reported attributed to the President and the Secretaries of State—and not just this President, but several—a great absence of knowledge, in other words, ignorance as to the history. I believe it is vital that we better start dusting off these history books because, after the action of last week, the course is one of calculated catastrophy, it is one in which again the military mission is not coherently clearly defined.

Now, the most pacifist voices that we have are the military, believe it or not. That is, in past years, those who saw the horrors of war and led our troops—Omar Bradley, that great, great leader, what were his words with respect to Vietnam? The wrong war at the wrong time in the wrong place against the wrong people. That was General Omar Bradley. It was not the ranting and raving protester or dissident or demonstrator.

What did Eisenhower say before? Oh, yes, all of those who had been so staunch in having him supported for election, the corporate interests, all of a sudden his real words that bothered

him the most, even as he was ill, have been very little disseminated in our country.

Now, let me read for you. Here he is in a speech to the Press Club. He was not feeling well. The biographers tell us that as he was addressing them he felt faint, he felt as if he was going to go over, and then he leaned on the podium. He set aside his prepared text, and he said:

The worst to be feared and the best to be expected can be simply stated. The worst is atomic war. The best would be this: a life of perpetual fear and tension, a burden of arms draining the wealth and the labor of all peoples.

Then here is what he said the price would be for that:

Every gun that is made, every warship launched, every rocket fired signifies in the final sense a theft from those who hunger and are not fed, those who are cold and are not clothed.

The biographer says suddenly perspiration began, sweat heading up in his face, he became dizzy, he thought he was going to faint. But he went on, and he said:

This world in arms is not spending money alone, it is spending the sweat of its labors, the genius of its scientists, the hopes of its children. The cost of one modern heavy bomber is a modern brick school in more than 30 cities. It is 2 electric power plants, each serving a town of 60,000 population. It is two fine fully equipped hospitals. We pay for a single fighter plane with half a million bushels of wheat.

Now, mind you, this was back in the 1950's.

We pay for a single destroyer with new homes that could have housed more than 8,000 people.

Today, a chairman of the largest subcommittee in the whole Congress, the Subcommittee on Housing and Community Development, where the President's program in the last 4 years has had 80 percent of its impact on reduction, I say: do you know what that means right now, my friend? The President is asking us this year to kill off every single assisted housing policy and program, including rural and urban. Some programs have been in place for 44 years. They have housed Americans. He has asked us to do away with them this year. At this point we are marking up the authorization bill, for if we do not, they will die by October 1.

It remains to be seen what the Congress will do. But the cost of 20 B-1 bombers will pay for all, every one of the assisted housing programs for the poor and the moderate income in this country.

I continue with General Eisenhower:

This is not a way of life in any true sense. Under the cloud of threatening war, it is humanity hanging from a cross of iron.

Conclusion: a substantial percentage of the savings achieved by disarmament to a fund for world aid and reconstruction, to assist all people to know the blessings of productive freedom, the monuments to this new kind of war would be these roads and schools, hospitals and homes, food and health.

This was the war that General Eisenhower was asking for; in other words, a war for peace, and creative effort.

We heard so much about another speech he made, this one at the end as he was bidding farewell to the office, when he said we must be wary of the acquisition of unwarranted influence, whether sought or unsought, by the military industrial complex.

Well, they are in total control today.

But he went further and he said something that, in the light of this President's ventures in these areas in which he is asking us to kill the domestic program so that we can have a vauge thing he calls star wars, let us see what Mr. Eisenhower said about all of that, which also has not been reported much. I notice President Reagan has referred to such Presidents as Roosevelt—Franklin, that is—to such Presidents as even John F. Kennedy, and one or two other so-called Democratic Party Presidents, but he never has made one reference to President Eisenhower. I wonder why. I wonder if he did he would not be reminded of this.

I proceed, and I quote:

Yet in holding scientific research and discovery in respect, as we should, we must also be alert to the equal and opposite danger that public policy could itself become the captive of a scientific technological elite.

His prophecy, unfortunately, his warning, was to no avail.

□ 1410

This prophesy, in case the warning was not heard, has taken place. This is the world we are presently living in. When we start asking questions about the so-called star wars, the answer is, "Oh, only these scientific minds, this elite, they are the only ones that can understand. Do not ask silly questions."

In the meanwhile, one thing that the President did not refer to because at that time America, economically, was still riding the crest of the post-war European reconstruction, the devastation in other parts of the world in which we were the producing nation. As of 4 years ago, that stopped. America now is a dumping ground for the products of other countries. We are no longer the producer of the world.

One other thing, we are now for the first time since 1914 the debtor; not the creditor nation. I have said before that in World War I, as well as World War II, there was only one creditor nation, and that was the United States. No longer so. Since 1914, until now, we had not been a debtor nation.

When Teddy Roosevelt went down and decided that we were going to construct the Panama Canal, it was just a hope and a dream, and it would not have succeeded any more than De Lesseps, the Frenchman who tried first to build the Panama Canal, had we not gone to Paris, France, and borrowed $40 million. Those were the capital centers of the day. But since 1914, why 1914? Because at that time and in that year, Europe decided to do what all through mankind the most unlearned lesson of all for mankind, that violence resolves nothing. Europe decided to go into war, not knowing that it was on the threshold of the most devastating, the most destructive type of war ever in the history of mankind.

Today, with the power to destroy ourselves, there seems to be no awareness that we have become the captives of what so prophetically General Eisenhower was trying to warn us about. This was a general, as Omar Bradley was. It was not a pacifist; it was not a demonstrator; he was not a "peacenik," as they are derogatorily called. But human beings throughout the world, not just in the United States, are sentient beings. Scientists at this time are starting to study the reported peculiar behavior pattern of the animal world in aniticipation of cataclysmic events such as great earthquakes.

In the case of the Japanese, the Philippines, the South American, and other great earthquakes, strange things were reported. Sea turtles in droves coming to the land and as somebody said, "Screaming like birds." Ducks suddenly barking like dogs and attacking each other. All kinds of animal existence coming out, so to speak of the crevices.

Scientists are studing can it be that there is some sensorial, undetected to us, sense or preception or some kind of sentient reaction that the animals, in anticipation of these great earthquakes have felt. If so, how do we study it? How do we diagnose it?

I believe very much in fact I know that human beings are bound to have that much more perception and whatever you call it; parapsychology or what, for if a dog can tell the difference between being stumbled over and kicked, certainly a human being should. Certainly, we ought to know that these movements now that are boiling under the surface, they are not reported.

When we had the great, big demonstration here 2 years ago, the administration did everything it could to try to minimize it. The press went along. But the so-called freeze movement is still very much alive. The reason is simple: When you go among the groups that are worried about this the most and feel it in their bones, they are literally living, eating, and breathing this fear, this question.

You see that they are relatively young; they are young couples with one or two children. The reason is

simple: These are the ones that are thinking ahead about the future for their children. They are wondering what kind of world are we bringing our children into. What can we do to make sure that they will not see and witness and feel the horrors of war, much less the unthinkable horrors of atomic war, which, by all accounts, cannot be winnable wars by anybody. There is no such thing as winners in that kind of an encounter.

Yet, there is no perception among leaders, and this is not only in our country, but throughout the world, but here we are this Monday, on the eve of the debate and apparently the leadership has decided that the House will do something and finish and complete work on what we call the Defense authorization bill for 1986.

The sum total will be, and the President's recommendations substantially will be honored, just like they were last week, to the surprise of some. Actually, those of us who have been around here a little while show no surprise. I have been on many occasions invited to the White House. I am not now, of course, and I do not expect it nor would I particularly welcome it. But I can remember in the early stages when Presidents summoned forth.

Every President I have known, and I have been here with six different Presidents, everyone would love to have and want to have and work toward having a "rubber stamp" Congress. But of course if we are going to be true to our basic system, that is the day that we will rue. It should never, never, never be that way at all because our system is predicated on the basic independence, coequality, and separateness of our powers. I have always been very sensitive about it. But the reason is maybe my background.

I find so many Americans so privileged that in their ancestral background they have never known what it is to have any of their forebears or relatives put in jail or had rifle butts tear down the front door of the house and the family terrorized. It is very difficult, even today, to convey to my colleagues that even in the great democracies, even in the fatherlands, the mother places of our institutions, in England, there is no such thing as a first amendment.

If there were, some of the horrors of this religious struggle in Northern Ireland would have been attenuated long ago. As a matter of fact, it was getting worse and worse until there was some realization on the part of the English authorities that they had better start recognizing some of the things we take for granted—what we call constitutional rights. But even now, there is no place I know of except the United States, I say to my colleagues, that has a first amendment. We are the only ones that have a first amendment.

So we must keep this in mind. This is the reason I got up a week ago to say, "What an irony." Instead of the Congress calling the President in and holding him accountable for violating the law, for conducting an illegal war in Central America contrary to the 1974 War Powers Limitation Act, instead of doing that, we cave in, we servilely crumble to the fear of Communism.

They said, "Well, look, HENRY, suppose the Commies do take over. Then the President will blame us." I say to my friends that is the reason I got up and said, "Fear not. Arise. Stand up for the independence of this body and make the President obey the law."

He is not a potentate. He is not a king. He is a darned good actor. But the forces behind him are not democratic at all, and, therefore, we should be on the alert more than ever in our history, now more than ever.

But the decision was different, and I abide by it and hope I am wrong. Now we are on the eve of debating $315 billion for what they call defense. I call it a war budget, for that is what it is. What is it predicated on? It is like the aid to Central America. I got up a week ago and said, "What is the objective?" Obviously, the President sent what he thought would be a confidential message to some Members of the House recently saying, what if everything fails—meaning the action we took last week on Nicaragua—then we will not rule out intervening directly. That means our men. Now, if that happens, what are we doing now in anticipation?

Gen. Mathew Ridgway in his memoirs tells us—and I wish every Member would read them; he wrote these by the time Vietnam had started, yes, but not when it had gotten so hot—he pointed out how, as a member of the Joint Chiefs of Staff, almost singlehandedly, he was able to dissuade his colleagues from succumbing to the Eisenhower administration's temptation to joint the French in fighting Ho Chi Minh more directly, that is, with our men. He was able to persuade them, according to his memoirs, to hold up until he could present facts to the logisticians, the Army experts, saying:

All right, here is what is involved. You have 8,000 miles of supply and communication lines. You have jungle diseases that even the best medics haven't been able to diagnose carefully. Our men will be there, and we want to make sure we know.

So they held it up. To his praise forever, General Eisenhower made the right decision.

But now what is our policy? What do we want to do? Do we want ideological purity because the Nicaraguan Government has some so-called Marxist-Leninists? Do we want them out so we can get somebody in who says, "Well, I am an anti-Communist," but who does not have the will and the respect of their own people? Is that what we want?

Then we had better be prepared for two things. First, we had better be prepared to use as least 100,000 of our military, to begin with. Then we will have to take over and rule, not only occupy but rule, Nicaragua, because if we think that we can impose again, like we did in 1929, the ex-Somocistas known as the rebels or Contras, we had better realize that will never happen. We will ourselves have to occupy, and if we do, let me say to the Members that we will not limit the war to Nicaragua; we will have guerrilla warfare going on for the foreseeable future. The one thing we will ensure is that we will prescribe our children, our grandchildren, and our great-grandchildren to an eternal enmity for years and generations and perhaps centuries to come.

Just like Europe, we have learned nothing. We have not even been true to our own ideals. If we were, we would realize some of these truths, some of these facts, not wishes, not fanciful, delusive ideologies.

Nobody will ever bomb communism out of existence, any more than you can bomb any idea out of existence. The only way you can defeat communism is through social justice. That is the way. And we can, if we remain loyal to our own principles first and foremost.

What, then, will we do when Guatemala blows up? And what is this budget that is going to be debated for the so-called defense system going to be?

These are our perverted priorities. Some of us are going to have to get up and offer amendments on this incremental increase in the so-called defense budget. To provide what? A mere modicum of justice for our own service families that need medical attention. They have been cheated for the last 15 years. Some of us have been trying to reverse that. I do not know if we will carry that through or not. We should not even have to offer an amendment. Just about one one-hundredth of what the President is asking us to ultimately pay in the beginning of Star Wars would take care of this need, but we will have to get up and go through the process of fighting for an amendment which will be resisted in the name of staying within the budget. That is No. 1.

Last year, after the Congress for 3 years had increased the defense budget, we will, by the end of the next fiscal year, have a total of $1 trillion worth of defense from tax dollars. Are we any more secure now than we were when Eisenhower spoke in the fifties? Noboby here will tell me we are. There is more insecurity.

In fact, what are the President and his advisers agonizing right now? Over

what to do about something over which they have very little control. The politics of this administration in the Middle East is in shambles. The loss of life, the Marines—it is incredible.

In the business section of the Washington Post of Friday, June 7, 1985, there was a headline that says, "8 Million U.S. Jobs Said Lost Since '79." Those jobs are the ones I have been talking about, in relation to the deficit, that we had better start addressing, and the President is not doing that. If Eisenhower were President, he would have long ago been speaking about it if he had even the glimmer of an international trade deficit, which now is over $143 billion. I have said this repeatedly, and I am the only one on either side of this Capitol that has said it. For every $10 billion of the $140 billion, there are 250,000 American jobs lost forever.

Mr. Speaker, the article from the business section of the Washington Post to which I referred is as follows:

[From the Washington Post, June 7, 1985]

8 MILLION U.S. JOBS SAID LOST SINCE '79

STUDY SAYS D.C., 35 STATES FAILED TO RECOUP FACTORY EMPLOYMENT CUT IN 2 RECESSIONS

(By Jane Seaberry)

Thirty-five states and the District have failed to recoup all of the factory jobs lost in the past two recessions, a loss that amounts to the elimination of more than 8 million jobs since 1979, according to a Labor Department report to be released today.

Six states have lost more than 500,000 jobs each since the recession in 1980. Illinois has lost the most, 1.3 million, followed by Pennsylvania, 1.1 million; Ohio, 1.1 million; Michigan, 962,000; New York, 676,000, and Indiana, 517,000.

Many private economists maintain that, despite large gains in jobs in the services industry and the shrinking proportion of jobs at factories, manufacturing is still important because those jobs provide employment that buys goods and services in other areas. Manufacturing also leads to advances in high technology, and exports of manufactured goods pay for the bulk of imports brought into the United States.

"Our country cannot sustain an enormous trade deficit indefinitely," said Jerry Jasinowski, chief economist for the National Association of Manufacturers, "The goods we purchase must be paid for."

In addition, productivity in manufacturing in recent years has been about three times as high as that in services, Jasinowski said. Those productivity gains help to keep costs and prices down.

The effect of the sharp slowdown in economic activity since the third quarter last year "has been very pervasive across all of manufacturing except business equipment, defense and space industries," Jasinowski said. Manufacturing has been particularly hard hit by longterm structural problems such as foreign competition, high interest rates and lower prices for some manufactured commodities, Jasinowski said.

According to the Labor Department study of 139 industries in manufacturing, 107 still have employment at levels equal to or less than levels before the recession in 1980, accounting for 2.3 million jobs. The remaining 32 industries gained 802,000 jobs since 1980.

Out of the industries that failed to regain their lost employment, 48 contributed about half of the loss and have continued to lose employment since the 1981 recession, the Labor Department study said. The remaining 59 industries have regained some employment since the depths of the last recession but are still below their peaks before 1980.

Although most of the states have failed to regain their factory jobs, 14 states have gained employment, led by California, 352,000; Florida, 319,000, and Arizona, 168,000.

Maryland lost 120,400 jobs, Virginia gained 44,400 jobs and the District lost 3,200 jobs.

Private economists said some industries have lost jobs because of long-term declines and others have suffered from cyclical swings.

For example, Roger Brinner of Data Resources Inc. said many industries have been hurt by the high value of the dollar. Employment in manufacturing would have been 1.5 million higher if the dollar had stayed at the same level as in 1980. Another 600,000 jobs were indirectly lost as a result of the elimination of the factory jobs, he said.

According to Brinner, manufacturing production would have increased 9.4 percent since 1980 if the dollar had remained stable.

If the dollar had not appreciated sharply:

The textile industry would have gained 78,000 jobs and increased production by 16.6 percent.

The apparel industry would have increased employment by 112,000 and production by 11.9 percent.

Chemicals and related products would have had 66,000 more jobs and a 10.6 percent production increase.

Primary metals, including steel, would have gained 69,000 jobs and had 13.8 percent higher production.

Nonelectrical machinery would have had 250,000 additional jobs and 15.1 percent higher production.

Electrical machinery would have gained 241,000 jobs with 17.1 percent higher production.

According to the Labor Department study, the industries with the largest job losses since 1980 were: blast furnaces and basic steel products, construction and related machinery, womens and misses outerwear, plastic materials and synthetics, footwear (except rubber footwear), weaving mills, glass and flatware and knitting mills.

Those with the largest job gains have been communication equipment, electronic component and accessories, office and computing machines, commercial printing, miscellaneous plastics products, guided missiles, space vehicles and parts, newspapers, motor vehicles and equipment and periodicals.

REDUCED FUNDING FOR SDI IN INTERESTS OF ARMS CONTROL

(Mr. FASCELL asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. FASCELL. Mr. Speaker, the strategic defense initiative [SDI] remains in the forefront of the country's attention as a subject of much controversy. Advanced development and deployment of the SDI is likely to have negative arms control and budgetary implications. In this regard, the Congress is faced with a number of choices concerning the SDI budget and SDI policy, many of which will surface in the debate on the fiscal year 1986 Department of Defense Authorization Bill.

Under my chairmanship, the Subcommittee on Arms Control, International Security and Science, is conducting a thorough and extensive examination of the administration's SDI and ASAT policies. Already, this year, the subcommittee has held three hearings on this subject. We have heard from experts in the scientific, academic and arms control communities. Based on these hearings to date, it is clear that U.S. pursuit of advanced development and deployment of the SDI as opposed to basic research will result in an acceleration of the arms race in offensive weapons and the beginning of another arms race in defensive weapons.

Last May, the subcommittee released an "Interim Report on the Administration's Space Arms Control and Defense Policy." The conclusions of that report remain just as true in May 1985 as they did in May 1984.

The report concluded that:

1. The SDI is excessively costly.

The research program alone is now a 6-year, 33-billion-dollar program. Deployment of the SDI, it is estimated, would cost in the trillions of dollars.

2. The technical feasibility of the program is in question.

Many experts testified that the SDI can never work. In fact, the SDI, does not meet the criteria for an effective SDI established by Paul Nitze in his Philadelphia speech. According to Hans Bethe, who testified before the subcommittee, "It seems very unlikely that Nitze's conditions can be fulfilled," That is, that the defense can be survivable and cost effective.

Bethe further indicated that "Soviet Russia cannot permit its chief weapon, the ICBM, to be made obsolete. Neither could we if the situation were reversed. The Russians can find effective countermeasures against our space defense . . . . The strongest countermeasure against SDI is of course the building of more missiles. If Russia were to proceed along this path, the U.S. would clearly respond with its own buildup, and the arms race spiral would go up still further."

3. The SDI will have an adverse impact on arms control.

The development and deployment of the SDI will result in inconsistencies with and ultimately, outright abrogation of the ABM Treaty. The ABM Treaty is central to restricting the arms race in defensive systems, thereby laying the basis for limits on offensive systems.

Former Secretary of Defense Robert McNamara made this point in a hearing before the subcommittee when he stated that the ABM "Treaty formalizes the insight that not only the deployment, but even the development of strategic defenses would stimulate an offensive buildup. Were the Treaty to collapse we could not move towards our goal of reducing the offensive threat."

Bethe also expounds on the importance of the ABM Treaty. He indicated to the subcommittee that the ABM Treaty "is a precondition to the control of offensive forces."

Another point to be made in reference to the ABM Treaty relates to its areas of ambiguity. The administration, in its recent report to the Congress on the Strategic Defense Initiative, seems to exploit these ambiguities in an attempt to weaken the Treaty. In my view and in the view of experts who testified before the subcommittee, emphasis should be placed on working with the Soviet Union to clarify these ambiguities and to define the terms of the Treaty in order to preserve and strenghten the integrity of the Treaty, rather than to exploit such ambiguities, thereby weakening the Treaty.

4. The SDI will result in the alienation of our closest allies.

We can already see this as evidenced by the confusion experienced by our allies on just what the SDI means and just what their role is in such a program. Many of our allies have expressed a desire which I share, and that is that we maintain a research program in SDI technologies as a hedge against Soviet breakout of the ABM Treaty. They are wary, as am I, that deployment is not likely to be in our best interests.

What is needed is not a full-scale program that will jeopardize our adherence to the ABM treaty and further escalate the arms race, but rather, a strong research program that would offset a potential Soviet breakout of the ABM treaty. A research program of this kind would demonstrate U.S. commitment to current arms control agreements, not preparation for U.S. breakout of the ABM treaty.

In this regard, the administration is requesting $3.7 billion for fiscal year 1986. This does not include another $500 million on top of that in related ballistic missile defense programs, bringing the actual total to $4.2 billion.

Moreover, CBO has indicated to the committee that as of the first part of 1985, DOD has only been able to spend around 8 percent of the $1.4 billion appropriated for SDI in fiscal year 1985. This calls into question the ability of DOD to absorb the money it already has received for SDI, let alone its ability to absorb the tremendous increase in SDI money the administration is requesting for fiscal year 1986.

Therefore, I fully support a reduced funding level for SDI research as this is in the best interests of arms control and will allow the United States to maintain a prudent hedge against Soviet activity in the strategic defensive area.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. PANETTA) to revise and extend their remarks and include extraneous material:)

Mr. FRANK, for 5 minutes, today.
Mr. RAY, for 5 minutes, today.
Mr. STRATTON, for 5 minutes, today.
Mr. ANNUNZIO, for 5 minutes, today.
Mr. NELSON of Florida, for 5 minutes, today.
Mr. GONZALEZ, for 60 minutes, today.
Mr. GAYDOS, for 30 minutes, June 19.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. FASCELL, to revise and extend in the body of the RECORD today.

(The following Members (at the request of Mr. COBEY) and to include extraneous matter:)

Mr. SHUMWAY.
Mr. GROTBERG.
Mr. MOORHEAD.
Mr. MCGRATH.

(The following Members (at the request of Mr. PANETTA) and to include extraneous matter:)

Mr. ANDERSON in 10 instances.
Mr. GONZALEZ in 10 instances.
Mr. BROWN of California in 10 intances.
Mr. ANNUNZIO in six instances.
Mr. JONES of Tennessee in 10 instances.
Mr. BONER of Tennessee in five instances.
Mr. KANJORSKI.
Mr. BONIOR of Michigan.
Mrs. KENNELLY.
Mr. FASCELL in two instances.
Mr. STARK in three instances.
Mr. FUSTER in two instances.
Mr. BENNETT in two instances.
Mr. FLORIO.
Mr. UDALL.
Mr. RODINO in two instances.
Mr. SYNAR in two instances.
Mr. LEVINE of California.
Mr. LELAND in two instances.

JOINT RESOLUTIONS PRESENTED TO THE PRESIDENT

Mr. ANNUNZIO, from the Committee on House Administration, repored that that committee did on June 14 present to the President, for his approval, joint resolutions of the House of the following titles:

H.J. Res. 25. Joint resolution to designate the week beginning June 2, 1985, as "National Theatre Week", and

H.J. Res. 64. Joint resolution designating Mother's Day, May 12, to Father's Day, June 16, 1985, as "Family Reunion Month."

ADJOURNMENT

Mr. GONZALEZ. Mr. Speaker, I move that House do now adjourn.

The motion was agreed to; accordingly (at 2 o'clock and 29 minutes p.m.) the House adjourned until tomorrow, Tuesday, June 18, 1985, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1490. A letter from the Assistant Secretary of Agriculture, transmitting the annual report of the Secretary of Agriculture; to the Committee on Agriculture.

1491. A letter from the Director, Defense Security Assistance Agency, transmitting the required information concerning the Department of the Air Force's proposed letter of offer to Japan for defense articles estimated to cost $50 million or more, pursuant to 10 U.S.C. 133b (96 Stat. 1288); to the Committee on Armed Services.

1492. A letter from the General Counsel of the Department of Defense, transmitting a draft of proposed legislation to amend chapter 157 of title 10, United States Code, to authorize the Secretary of Defense to provide transportation for next of kin of certain persons who are unaccounted for, to attend annual national meetings sponsored by the National League of Families of American Prisoners and Missing in Southeast Asia; to the Committee on Armed Services.

1493. A letter from the Chairman, Council of the District of Columbia, transmitting D.C. Act 6-39, "Tax Conformity Amendment Act of 1985," and report, pursuant to Public Law 93-198, section 602(c); to the Committee on the District of Columbia.

1494. A letter from the Chairman, Council of the District of Columbia, transmitting D.C. Act 6-36, "Closing of a Public Alley in Square 408, S.O. 84-142, Act of 1985," and report, pursuant to Public Law 93-198, section 602(c); to the Committee on the District of Columbia.

1495. A letter from the Chairman, Council of the District of Columbia, transmitting D.C. Act 6-31, "Professional Corporation Franchise Tax Amendments Act of 1985," and report, pursuant to Public Law 93-198, section 602(c); to the Committee on the District of Columbia.

1496. A letter from the Chairman, Council of the District of Columbia, transmitting D.C. Act 6-32, "D.C. Public Library Board of Trustees Appointment Amendment Act of 1985," and report, pursuant to Public Law 93-198, section 602(c); to the Committee on the District of Columbia.

1497. A letter from the Chairman, Council of the District of Columbia, transmitting D.C. Act 6-37, "Closing and Dedication of Public Alleys in Square 319, S.O. 72-72, Act of 1985," and report, pursuant to Public Law 93-198, section 602(c); to the Committee on the District of Columbia.

1498. A letter from the Chairman, Council of the District of Columbia, transmitting D.C. Act 6-38, "Closing of a Segment of Porter Street NW., adjacent to Square 2225, S.O. 80-373, Act of 1985," and report, pursuant to Public Law 93-198, section 602(c); to the Committee on the District of Columbia.

1499. A letter from the Chairman, Council of the District of Columbia, transmitting D.C. Act 6-40, "Motor Vehicle Fuel Tax Act Amendment Temporary Act of 1985," pursuant to Public Law 93-198, section 602(c); to the Committee on the District of Columbia.

1500. A letter from the Chairman, Council of the District of Columbia, transmitting D.C. Act 6-34, "D.C. Public Records Management Act of 1985," and report, pursuant

to Public Law 93-198, section 602(c); to the Committee on the District of Columbia.

1501. A letter from the Chairman, Council of the District of Columbia, transmitting D.C. Act 6-41, "Ambulatory Surgical Facility Amendments Act of 1985," and report, pursuant to Public Law 93-198, section 602(c); to the Committee on the District of Columbia.

1502. A letter from the Chairman, Council of the District of Columbia, transmitting D.C. Act 6-45, "Dance Alley Designation Act of 1985," and report, pursuant to Public Law 93-198, section 602(c); to the Committee on the District of Columbia.

1503. A letter from the Chairman, Council of the District of Columbia, transmitting D.C. Act 6-44, "American University Revenue Bond Act of 1985," and report, pursuant to Public Law 93-198, section 602(c); to the Committee on the District of Columbia.

1504. A letter from the Chairman, Council of the District of Columbia, transmitting D.C. Act 6-42, "Washington Beef Limited Partnership Project Revenue Bond Act of 1985," and report, pursuant to Public Law 93-198, section 602(c); to the Committee on the District of Columbia.

1505. A letter from the Chairman, Council of the District of Columbia, transmitting D.C. Act 6-35, "Elimination and Establishment of Building Restriction Lines in Square 2330, S.O. 84-159, Act of 1985," and report, pursuant to Public Law 93-198, section 602(c); to the Committee on the District of Columbia.

1506. A letter from the Chairman, Council of the District of Columbia, transmitting D.C. Act 6-33, "Closing and Dedication of Public Alleys in Square 212, S.O. 83-42, Act of 1985," and report, pursuant to Public Law 93-198, section 602(c); to the Committee on the District of Columbia.

1507. A letter from the Chairman, Equal Opportunity Commission, transmitting a report on the Commission's interagency coordination activities for the yearing ending September 30, 1984, pursuant to Public Law 92-261, section 715; to the Committee on Education and Labor.

1508. A letter from the Secretary of Education, transmitting a report on the use of funds appropriated for the Strengthening and Special Needs Programs under the Higher Education Act of 1965; to the Committee on Education and Labor.

1509. A letter from the Secretary, Interstate Commerce Commission, transmitting notification of an extraordinary extension of the deadline in a rail carrier proceeding, pursuant to 49 U.S.C. 10327(k)(2); to the Committee on Energy and Commerce.

1510. A letter from the Director, Defense Security Assistance Agency, transmitting a report concerning the Department of the Air Force's proposed letter of offer to Japan for defense articles and services estimated to cost $51 million, pursuant to 22 U.S.C. 2776(b); to the Committee on Foreign Affairs.

1511. A letter from the Director, Defense Security Assistance Agency, transmitting a report on the Department of the Navy's proposed agreement for certain leases or loans of defense articles to the Philippines (Transmittal No. 6-85), pursuant to 22 U.S.C. 2796(a); to the Committee on Foreign Affairs.

1512. A letter from the Director, Defense Security Assistance Agency, transmitting a report on commercial and governmental military exports, together with a list of all defense requirement surveys authorized for foreign countries during preceding quarter, pursuant to AECA, section 36(a) (90 Stat. 740; 94 Stat. 3134) and section 26(b) (92 Stat. 740) (E.O. 11958); to the Committee on Foreign Affairs.

1513. A letter from the Assistant Secretary of State for Legislative and Intergovernmental Affairs, transmitting a report on the political contributions by Thomas A. Nassif, of Virginia, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Kingdom of Morocco, pursuant to 22 U.S.C. 3944(b)(2); to the Committee on Foreign Affairs.

1514. A letter from the Assistant Secretary of State for Legislative and Intergovernmental Affairs, transmitting a report on the political contributions by Edwin G. Corr, of Oklahoma, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of El Salvador, pursuant to 22 U.S.C. 3944(b)(2); to the Committee on Foreign Affairs.

1515. A letter from the Asssistant Secretary of State for Legislative and Intergovernmental Affairs, transmitting a report on the political contributions by George Cranwell Montgomery, of Tennessee, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Sultanate of Oman, pursuant to 22 U.S.C. 3944(b)(2); to the Committee on Foreign Affairs.

1516. A letter from the Administrator, Agency for International Development, transmitting a report on the activities of the Inspector General, pursuant to Public Law 95-452, section 5(b); to the Committee on Government Operations.

1517. A letter from the Comptroller General, General Accounting Office, transmitting the report and recommendations concerning the claim of Ms. Betsy L. Randall for relief from liability to the United States, pursuant to 31 U.S.C. 3702(d); to the Committee on the Judiciary.

1518. A letter from the Chairman, Board of Governors, U.S. Postal Service, transmitting a report on the investigative activities of the Postal Service, pursuant to 39 U.S.C. 3013 (97 Stat. 1317); to the Committee on Post Office and Civil Service.

1519. A letter from the Acting Assistant Secretary of the Army (Civil Works), transmitting a report from the Chief of Engineers on Choctawhatchee River and Tributaries, Florida and Alabama; to the Committee on Public Works and Transportation.

1520. A letter from the Administrator, Veterans' Administration, transmitting a draft of proposed legislation to amend title 38, United States Code, to extend protection to Veterans' Administration health care personnel from suits alleging the commission of certain torts during the furnishing of medical care or treatment; to the Committee on Veterans' Affairs.

1521. A letter from the Federal and State Co-Chairman, Alaska Land Use Council, transmitting the fourth annual report on the activities of the Council, pursuant to Public Law 96-487, section 1201(g); jointly, to the Committees on Interior and Insular Affairs and Merchant Marine and Fisheries.

1522. A letter from the Secretary of Transportation, transmitting the 1984 annual report on the administration of the Natural Gas Pipeline Safety Act of 1968, pursuant to 49 U.S.C. App. 1683(a); jointly, to the Committees on Interior and Insular Affairs and Public Works and Transportation.

1523. A letter from the Secretary of Health and Human Services, transmitting a draft of proposed legislation to amend the Social Services Block Grant Act, authorize consolidation of certain block grants to Indian tribes; jointly, to the Committees on Ways and Means and Interior and Insular Affairs.

1524. A letter from the Secretary of Health and Human Services, transmitting a draft of proposed legislation entitled the "Health Care Financing Fraud and Abuse Amendments of 1985"; jointly, to the Committees on Ways and Means and Energy and Commerce.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. FAUNTROY (for himself, and Mr. MCKINNEY):

H.R. 2776. A bill to amend the District of Columbia Stadium Act of 1957 to direct the Secretary of the Interior to convey title to the Robert F. Kennedy Memorial Stadium to the District of Columbia; to the Committee on the District of Columbia.

By Mr. FLORIO:

H.R. 2777. A bill to amend the Federal Trade Commission Act to impose certain requirements with respect to the acquisition of substantial energy reserves holders, and for other purposes; jointly, to the Committees on Energy and Commerce, and the Judiciary.

By Mr. ROYBAL:

H.R. 2778. A bill to amend the Food Stamp Act of 1977 to modify deductions for medical expenses, to allow a deduction for burial expenses, to provide for categorical eligibility for recipients of certain benefits under the Social Security Act, and for other purposes; to the Committee on Agriculture.

By Mr. VANDER JAGT:

H.R. 2779. A bill entitled, "Small Issue Limit in Case of Certain Urban Development Action Grants"; to the Committee on Ways and Means.

By Mr. PANETTA (for himself, Mr. MINETA, Mr. WHITTEN, Mr. BROOKS, Mr. FLIPPO, Mr. MONTGOMERY, Mr. O'BRIEN, Mr. TALLON, Mr. DANIEL, Mr. STENHOLM, Mr. SHAW, Mr. GILMAN, Mrs. HOLT, Mr. ERDREICH, Mr. VANDER JAGT, Mr. CHAPPELL, Mr. MOORHEAD, Mr. HUTTO, Mr. KOSTMAYER, Mr. SUNDQUIST, Mr. SNYDER, Mr. CAMPBELL, Mr. DASCHLE, Mr. DYMALLY, Mr. GUNDERSON, Mr. HEFNER, Mr. JENKINS, Mr. MARTIN of New York, Mr. SUNIA, Mr. WORTLEY, Mrs. BURTON of California, Mr. CARPER, Mr. YOUNG of Missouri, Mr. RODINO, Mr. BEVILL, Mr. WOLPE, Mr. MCDADE, Mr. KASTENMEIER, Mr. JONES of Tennessee, Mr. BARNES, Mr. SABO, Mr. LEVIN of Michigan, Mr. TRAXLER, Mr. DOWDY of Mississippi, Mr. CHAPPIE, Mr. COELHO, Mr. COOPER, Mr. MOAKLEY, Mr. TAUKE, Mr. DYSON, Mr. TORRICELLI, Mr. LANTOS, Mr. TAYLOR, Mr. WIRTH, Mr. RUSSO, Mr. FRANK, Mr. EMERSON, Mr. LAGOMARSINO, Mrs. BOXER, Mr. CRAIG, Mr. DWYER of New Jersey, Mr. YOUNG of Florida, Mr. JEFFORDS, Mr. MCEWEN, Mr. FAZIO, and Mr. NIELSON of Utah):

H.J. Res. 316. Joint resolution designating the square dance as the national folk dance

of the United States for 1985 and 1986; to the Committee on Post Office and Civil Service.

By Mr. STARK:

H.J. Res. 317. Joint resolution expressing the sense of the Congress that, based on the June 13, 1985 decision of the Merit Systems Protection Board removing Mr. Charles O. Starrett from the position of Director of the Defense Contract Audit Agency, Mr. George B. Spanton, former DCAA auditor, replace Charles O. Starrett as the Director of the Defense Contract Audit Agency; to the Committee on Armed Services.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

163. By the SPEAKER: Memorial of the legislature of the State of Pennsylvania, relative to the Armed Forces; to the Committee on Armed Services.

164. Also, memorial of the legislature of the State of Nevada, relative to land use; to the Committee on Interior and Insular Affairs.

165. Also, memorial of the legislature of the State of Kentucky, relative to taxes; to the Committee on Ways and Means.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 281: Mr. LAFALCE, Mr. LUNDINE, Mr. PRICE, Mr. WEISS, Mr. KASTENMEIER, and Mr. YOUNG of Missouri.

H.R. 598: Mr. WORTLEY, Mr. PORTER, Mrs. BENTLEY, Mr. HENRY, Mr. CONYERS, Mr. DELLUMS, and Mr. SILJANDER.

H.R. 930: Mr. NIELSON of Utah, and Mr. WHITLEY.

H.R. 1345: Mr. BARTON of Texas.

H.R. 1381: Mr. NELSON of Florida and Mr. TALLON.

H.R. 1436: Mr. BROWN of Colorado.

H.R. 1507: Mr. QUILLEN and Mr. VENTO.

H.R. 1597: Mr. GUNDERSON, Mr. GREEN, and Mr. GROTBERG.

H.R. 2116: Mr. CONYERS, Mr. MARTINEZ, Mr. VENTO, and Mr. PORTER.

H.R. 2172: Mr. MRAZEK, Mr. CHANDLER, Mr. MARTINEZ, Mr. AKAKA, and Mr. LAFALCE.

H.R. 2186: Mr. STRATTON.

H.R. 2211: Mr. WEAVER.

H.R. 2489: Mr. KINDNESS.

H.R. 2515: Mr. PARRIS.

H.R. 2539: Mr. BARTON of Texas, Mr. SAXTON, Mrs. LLOYD, Mr. MARTINEZ, Mr. VENTO, Mr. PACKARD, Mr. SILJANDER, Mr. DELAY, Mr. KANJORSKI, Mr. RUDD, and Mr. ECKART of Ohio.

H.R. 2567: Mrs. COLLINS, Mr. ACKERMAN, Mr. SCHUMER, Mr. BUSTAMANTE, and Mr. RANGEL.

H.R. 2620: Mr. LIPINSKI, Mr. NOWAK, Mr. DELUGO, Mr. VISCLOSKY, Mr. SUNIA, Mr. FAZIO, and Mr. MCEWEN.

H.R. 2626: Mr. DAUB, Mr. ROBERTS, Mr. VOLKMER, and Mr. ECKART of Ohio.

H.R. 2675: Mr. BEILENSON and Mr. YATRON.

H.R. 2697: Mr. BARTON of Texas, Mr. DELAY, Mr. FROST, Mr. SISISKY, Mr. GLICKMAN, and Mr. HUTTO.

H.J. Res. 106: Mr. PANETTA, Mr. EARLY, Mr. TAUZIN, Mr. SCHUETTE, Mr. MCHUGH, Mr. DASCHLE, Mr. MCCOLLUM, Mr. MACKAY, Mr. VISCLOSKY, Mr. LENT, Mr. LELAND, Mr. WYLIE, Mr. MOLLOHAN, Mr. MCCLOSKEY, Mr. PACKARD, Mr. OWENS, Mr. BROWN of California, Mr. BOSCO, Mr. DARDEN, Mr. WISE, Mr. LUNGREN, Mr. MARKEY, Mr. DONNELLY, Mr. COOPER, Mr. THOMAS of Georgia, Mr. KINDNESS, Mr. GAYDOS, Mr. TALLON, Mr. ROWLAND of Georgia, Mr. OLIN, Mr. VALENTINE, Mr. ST GERMAIN, Mr. HALL of Ohio, Mr. EVANS of Illinois, Mr. BRUCE, Mr. COLEMAN of Texas, Mr. DURBIN, Mr. SAVAGE, Mr. LEHMAN of California, Mr. GRAY of Illinois, Mr. LOWRY of Washington, Mr. SNYDER, Mr. GEPHARDT, Mr. LAFALCE, Mr. SAXTON, Mrs. VUCANOVICH, Mr. BENNETT, Mr. PERKINS, Mr. GILMAN, and Mr. DUNCAN.

H.J. Res. 136: Mr. MILLER of Washington and Mr. STAGGERS.

H. Con. Res. 129: Mr. PACKARD, Mr. SCHULZE, and Mr. CRANE.

H. Con. Res. 131: Mr. GUARINI.

H. Con. Res. 162: Mr. BARNES.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

138. By the SPEAKER: Petition of the Polish American Veterans of Massachusetts, Boston, MA, relative to peace and freedom; to the Committee on Armed Services.

139. Also, petition of the U.S. American Peace Network in Europe, Federal Republic of Germany, relative to Strategic Defense Initiative; to the Committee on Armed Services.

140. Also, petition of the Mariposa County Board of Supervisors, Mariposa, CA, relative to the nuclear risk; to the Committee on Foreign Affairs.

141. Also, petition of the Foundation Western Europe-Southern Africa, The Hague, the Netherlands, relative to South Africa; to the Committee on Foreign Affairs.

142. Also, petition of the Church Women United, Southern California-Southern Nevada, relative to Social Security and the budget; to the Committee on Government Operations.

143. Also, petition of the North Carolina State Council of Machinists, Winston-Salem, NC, relative to forms of compensation; to the Committee on Ways and Means.

AMENDMENTS

Under clause 6 of rule XXIII, proposed amendments were submitted as follows:

H.R. 1872

By Mr. ANTHONY:

—Page 200, after line 4, insert the following:

SEC. 1050. DESTRUCTION OF EXISTING STOCKPILE OF LETHAL CHEMICAL AGENTS AND MUNITIONS.

(a) IN GENERAL. —(1) Notwithstanding any other provision of law, the Secretary of Defense (hereinafter in this section referred to as the "Secretary") shall, in accordance with the provisions of this section, carry out the destruction of the United States' stockpile of lethal chemical agents and munitions that exists on the date of the enactment of this Act.

(2) Such destruction shall be carried out in conjunction with the acquisition of binary chemical weapons for use by the Armed Forces.

(b) DATE FOR COMPLETION.—(1) Except as provided by paragraphs (2) and (3), the destruction of such stockpile shall be completed by September 30, 1994.

(2) If a treaty banning the possession of chemical agents and munitions is ratified by the United States, the date for completing the destruction of the United States' stockpile of such agents and munitions shall be the date established by such treaty.

(3)(A) In the event of a declaration of war by the Congress or of a national emergency by the President or the Congress or if the Secretary of Defense determines that there has been a significant delay in the acquisition of an adequate number of binary chemical weapons to meet the requirements of the Armed Forces (as defined by the Joint Chiefs of Staff as of September 30, 1985), the Secretary may defer, beyond September 30, 1994, the destruction of not more than ten percent of the stockpile described in subsection (a)(1).

(B) The Secretary shall transmit written notice to the Congress of any deferral made under subparagraph (A) within 30 days after the date on which the determination to defer is made or by August 31, 1994, whichever is earlier.

(c) ENVIRONMENTAL PROTECTION AND USE OF FACILITIES.—(1) In carrying out the requirement of subsection (a)(1), the Secretary shall provide for—

(A) maximum protection for the environment, the general public, and the personnel who are involved in such destruction; and

(B) adequate and safe facilities designed solely for the destruction of lethal chemical agents and munitions.

(2) Facilities constructed to carry out this section may not be used for any purpose other than the destruction of lethal chemical weapons and munitions, and when no longer needed to carry out this section, such facilities shall be cleaned, dismantled, and disposed of in accordance with applicable laws and regulations.

(d) PLAN.—(1) The Secretary shall develop a comprehensive plan to carry out this section.

(2) In developing such plan, the Secretary shall consult with the Secretary of Health and Human Services and the Administrator of the Environmental Protection Agency.

(3) The Secretary shall transmit a copy of such plan to the Congress by March 15, 1986.

(4) Such plan shall provide—

(A) an evaluation of the comparison of onsite destruction, regional destruction centers, and a national destruction site both inside and outside of the United States;

(B) for technological advances in techniques used to destroy chemical munitions;

(C) for the maintenance of a permanent, written record of the destruction of lethal chemical agents and munitions carried out under this section; and

(D) a description of—

(i) the methods and facilities to be used in the destruction of agents and munitions under this section;

(ii) the schedule for carrying out this section; and

(iii) the management organization established under subsection (e).

(e) MANAGEMENT ORGANIZATION.—(1) In carrying out this section, the Secretary shall provide for the establishment, by May 1, 1986, of a management organization within the Department of the Army.

(2) Such organization shall be responsible for management of the destruction of agents and munitions under this section.

(3) The Secretary shall designate a general officer as the director of the management organization established under paragraph (1). Such officer shall have—

(A) experience in the acquisition, storage, and destruction of chemical agents and munitions;

(B) training in chemical warfare defense operations; and

(C) outstanding qualifications regarding safety in handling chemical agents and munitions.

(f) IDENTIFICATION OF FUNDS.—Funds for carrying out this section shall be set forth in the budget of the Department of Defense for any fiscal year as a separate account. Such funds shall not be included in the budget accounts for any military department. Funds for military construction projects necessary to carry out this section may be set out in the annual military construction budget separately from other funds for such project.

(g) ANNUAL REPORT.—(1) Except as provided by paragraph (4), the Secretary shall transmit, by December 15 of each year, a report to the Congress on the activities carried out under this section during the fiscal year ending on September 30 of the calendar year in which the report is to be made.

(2) The first such report shall be transmitted by December 15, 1985, and shall contain—

(A) an accounting of the United States stockpile of lethal chemical agents and munitions on the date of the enactment of this Act; and

(B) a schedule of the activities planned to be carried out under this section during fiscal year 1986.

(3) Each report other than the first one shall contain—

(A) a site-by-site description of the construction, equipment, operation, and dismantling of facilities (during the fiscal year for which the report is made) used to carry out the destruction of agents and munitions under this section, including any accidents or other unplanned occurrences associated with such construction and operation; and

(B) an accounting of all funds expended (during such fiscal year) for activities carried out under this section, with a separate accounting for amounts expended for—

(i) the construction of and equipment for facilities used for the destruction of agents and munitions;

(ii) the operation of such facilities;

(iii) the dismantling or other closure of such facilities;

(iv) research and development; and

(v) program management.

(4) The Secretary shall transmit the final report under this subsection not later than 120 days following the completion of activities under this section.

(h) PROHIBITION OF ACQUIRING CERTAIN LETHAL CHEMICAL AGENTS AND MUNITIONS.—(1) Except as provided in paragraph (2), no agency of the Federal Government may, after the date of the enactment of this Act, develop or acquire lethal chemical agents on munitions other than those designed so that—

(A) the lethal agent is generated only after launch or firing; and

(B) there is no need to destroy the lethal agent in order to render the munition permanently inoperative.

(2) An agency of the Federal Government may acquire lethal chemical agents and munitions other than those described in paragraph (1) if they are acquired for the sole purpose of protecting the national security through intelligence analysis or through research, evaluation, or testing of such agents or munitions. Any agent or munition acquired under this paragraph may be used only for the purpose described in the preceding sentence.

(i) RENOUNCING FIRST USE OF CHEMICAL AGENTS AND MUNITIONS.—It is the sense of Congress that the President should publicly reaffirm the position of the United States renouncing the first use of chemical agents and munitions under any circumstances.

(j) DEFINITIONS.—For purposes of this section:

(1) The term "chemical agent and munition" means an agent or munition that, through its chemical properties, produces lethal or other damaging effects on human beings, except that such term does not include riot control agents, chemical herbicides, smoke and other obscuration materials.

(2) The term "lethal chemical agent and munition" means a chemical agent or munition that is designed to cause death, through its chemical properties, to human beings in field concentrations.

(3) The term "destruction" means, with respect to chemical munitions or agents—

(A) the demolishment of such munitions or agents by incineration or by any other means; or

(B) the dismantling or other disposal of such munitions or agents so as to make them useless for military purposes and harmless to human beings under normal circumstances.

(k) EFFECTIVE DATE.—The provisions of this section shall take effect on October 1, 1985.

By Mr. BEDELL:

—At the end of the bill, add the following new section:

SEC. . Section 2855 of title 10, United States Code, is amended to read as follows:

"SEC. 2855. LAW APPLICABLE TO CONTRACTS FOR ARCHITECTURAL AND ENGINEERING SERVICES AND CONSTRUCTION DESIGN.

"(a) Each contract for architectural and engineering services, construction design and other professional services of an architectural or engineering nature, as well as incidental services that members of these professions and those in their employ may logically or justifiably perform, in connection with a military construction project or a family housing project, shall be awarded in accordance with Title IX of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 541 et seq.). In selecting the firms deemed to be the most highly qualified to perform such services, as required by Section 903 of such Act (40 U.S.C. 543), the Secretary concerned shall consider, among other relevant data, the schedule or range of fees which shall be submitted by each offeror as part of its original proposal to the United States: *Provided,* That primary consideration in source selection for such services shall be based upon an evaluation of relative design proposals and necessary qualifications for successful performance. The total amount of such fees for such services shall not exceed the maximum amount prescribed for such fees in subsection (d) of section 2306 of this title, except that the Secretary may, as a matter of discretion, waive such amount and provide for such other maximum fee limitations as may be appropriate taking into account the size and complexity of the work to be performed.

"(b) Nothing in this section or in any other provision of law shall preclude the award of a contract pursuant to section 15 of the Small Business Act (15 U.S.C. 644) or section 8 of such Act (15 U.S.C. 637) solely because such contract is for the types of services described in subsection (a)."

By Mr. BENNETT:

—At the end of title VIII (page 143, after line 19) insert the following new section:

SEC. 802. CONFLICT-OF-INTEREST IN DEFENSE PROCUREMENT.

(a) LIMITATIONS ON ACCEPTANCE OF COMPENSATION.—(1) An individual who is a former officer or employee of the Department of Defense or a former or retired member of the Armed Forces who during the two-year period preceding the individual's separation from service in the Department of Defense had significant responsibilities for a procurement function with respect to a Government contractor may not accept compensation from that contractor for a period of two years following the individual's separation from service in the Department of Defense.

(2) Whoever, knowingly violates paragraph (1) shall be fined not more than $10,000 or imprisoned for not more than one year, or both.

(3) An individual who knowingly offers or provides any compensation to an individual the acceptance of which is or would be in violation of paragraph (1) shall be fined not more than $10,000 or imprisoned for not more than one year, or both.

(b) LIMITATIONS ON CONTRACTORS.—(1) Each contract for procurement of goods or services entered into by the Department of Defense shall include a provision under which the contractor agrees not to provide compensation to an individual if the acceptance of such compensation by such individual would violate subsection (a)(1).

(2) Such a contract shall also provide that if the contractor knowingly violates a contract provision required by paragraph (1) the contractor shall pay to the United States, as liquidated damages under the contract, an amount equal to the greater of—

(A) $100,000; or

(B) three times the compensation paid by the contractor to the individual in violation of such contract provision.

(c) REPORTING OF EMPLOYMENT CONTACTS.—If an officer or employee having significant responsibilities for a procurement function with respect to a Government contractor contacts, or is contacted by, the contractor regarding future compensation of the officer or employee by the contractor, the officer or employee shall—

(1) promptly report the contact to the officer or employee's supervisor and to the designated ethics official of the agency in which the officer or employee is serving;

(2) promptly report (as part of the report under paragraph (1) or as a separate report) when contacts with the contractor concerning such compensation have been terminated without agreement or commitment to future compensation of the officer or employee by the contractor; and

(3) disqualify himself from all participation in the performance of procurement functions relating to contracts with that contractor until a report described in paragraph (2) is made with respect to such contacts.

(d) CONTRACTOR REPORTS.—(1)(A) Each contractor subject to a contract term described in subsection (b) shall submit to the Secretary of Defense not later than April 1 of each year a report covering the previous calendar year. Each such report shall list the name of each individual (together with other information adequate for the Government to identify the individual) who is a former Department of Defense officer or

employee, or a former or retired member of the Armed Forces, who—

(i) was provided compensation by that contractor during the preceding calendar year, if such compensation was provided within two years after such officer or employee left service in the Department of Defense; and

(ii) had significant responsibilities for a procurement function during the individual's last two years of service in the Department of Defense.

(B) Each such listing shall—

(i) show each agency in which the individual was employed or served on active duty during the last two years of such indivudual's service in the Government;

(ii) show the indivudual's job titles during the last two years of such individual's service in the Government;

(iii) contain a full and complete description of the duties of the individual during the last two years of such service; and

(iv) contain a description of the duties (if any) that the individual is performing on behalf of the contractor.

(C) The first such report shall be submitted not later than April 1, 1987.

(2) The Secretary of Defense shall review each report under paragraph (1) to assess the report for accuracy and completeness and for the purpose of identifying possible violations of subsection (a) or (b) or paragraph (1). The Secretary shall report any such possible violation to the Attorney General.

(3) Whoever fails to file a report required by paragraph (1) shall be fined not more than $10,000.

(e) REVIEW BY DIRECTOR OF OFFICE OF GOVERNMENT ETHICS.—The Director of the Office of Government Ethics shall have access to the reports submitted under subsection (d)(1) and shall conduct an annual random review of the reports for violations of subsections (a), (b), and (d)(1). The Director shall submit a report to Congress not later than October 1 of each year on the operation of this section, including the findings of the Director based on the examination of reports for the preceding calendar year.

(f) COVERED PROCUREMENT FUNCTIONS.—Not later than 180 days after the date of the enactment of this Act, the Secretary of Defense—

(1) shall identify the procurement functions covered by this section and the organizational positions currently performing such functions; and

(2) shall provide a list of such functions and positions to Congress and to the Director of the Office of Government Ethics and publish such list in the Federal Register.

(g) EXCLUSION.—This section does not apply—

(1) to a contract for an amount less than $100,000; or

(2) to compensation of an individual by an entity that did not have a Department of Defense contract in excess of $100,000 at the time the individual had significant responsibilities for a significant procurement function with respect to a contract with that entity.

(h) ADVISORY OPINIONS FROM OFFICE OF GOVERNMENT ETHICS.—(1) An individual who is considering the propriety of accepting compensation that might place the individual in violation of subsection (a), may, before acceptance of such compensation, apply to the Director of the Office of Government Ethics for advice on the applicability of this section to the acceptance of such compensation.

(2) An application under paragraph (1) shall contain such information as the Director requires.

(i) WAIVER OF OTHERWISE APPLICABLE FINES UNDER TITLE 18.—The provisions of section 3623 of title 18, United States Code, shall not apply to maximum fines applicable under subsections (a)(2), (a)(3), and (d)(3).

(j) DEFINITIONS.—For purposes of this section:

(1) The term "compensation" includes any payment, gift, benefit, reward, favor, gratuity, or employment valued in excess of $100 at prevailing market price, provided directly, indirectly, or through a third party.

(2) The term "contractor" means any person, partnership, corporation, or agency (other than the Federal Government or the independent agencies thereof) that contracts to supply the Department of Defense with goods or services. Such term includes any parent, subsidiary, or affiliate thereof.

(3) The term "procurement function", with respect to a contract, means any acquisition action relating to the contract, including negotiating, awarding, administering, approving contract changes, costs analysis, quality assurance, operational and developmental testing, technical advice or recommendation, approval of payment, contractor selection, budgeting, auditing under the contract, or management of the procurement program.

(4) The term "Armed Forces" means the Army, Navy, Air Force, and Marine Corps and includes the Coast Guard when the Coast Guard is operating as a service in the Navy.

(k) SEPARATION OF MEMBERS OF ARMED FORCES.—For the purposes of this section, a member or former member of the Armed Forces shall be considered to have been separated from service in the Department of Defense upon such member's discharge or release from active duty.

(l) TRANSITION.—This section—

(A) does not preclude the continuation of employment that began before the effective date of this section or the acceptance of compensation for such employment; and

(B) does not, except as provided in paragraph (2), apply to an individual whose service with the Department of Defense terminates before April 1, 1986.

(2) Paragraph (1)(B) does not preclude the application of this section to an individual with respect to service in the Department of Defense by such individual on or after April 1, 1986.

(m) EFFECTIVE DATE.—This section shall take effect on January 1, 1986.

—At the end of Title II, add the following new section:

SEC. 207. (a) That at the time of submission to the Congress of the requests by the Department of Defense for fiscal year 1987 expenditures for the Strategic Defense Initiative, said Department shall inform Congress as to:

(1) What probable responses can be expected from potential enemies should the Strategic Defense Initiatives be carried out to procurement and deployment, such as what increase may be anticipated in offensive enemy weapons in an enemy's attempt to penetrate the defensive shield by increasing the numbers or qualities of its offensive weapons;

(2) What can be expected from potential enemies in the deployment of weapons not endangered by the Strategic Defense Initiative, such as cruise missiles and low trajectory submarine missiles;

(3) The degree of the dependency of success for the Strategic Defense Initiative upon a potential enemy's not deploying anti-satellite weapons;

(4) Whether it would be in the best security interests of the United States to share our discoveries in the Strategic Defense Initiative studies with potential enemies as a way of discouraging their offensive weapons buildup, as has been suggested by the Administration; and

(5) The cost estimates for the proposed Strategic Defense Initiative, not only in research and development but in procurement and deployment,

(b) Funds required for the conduct of subject studies shall be made available by the Strategic Defense Initiative Office.

By Mr. BRYANT:

—At the end of part A of title X (page 167, after line 10) insert the following new section:

SEC. 1002. REDUCTION IN PROCUREMENT AUTHORIZATIONS AVAILABLE BECAUSE OF PROCUREMENT REFORM.

(a) TEN PERCENT GENERAL REDUCTION.—The total amount obligated or expended from funds appropriated pursuant to authorizations of appropriations in title I and transferred pursuant to authorizations in title I may not exceed 90 percent of the sum of the amounts authorized to be appropriated and transferred in such title.

(b) REDUCTIONS TO COME FROM CONTRACT SAVINGS.—Reductions required by subsection (a)—

(1) may not be achieved through cancellation of any program or stretchout of procurement under any program; but

(2) may be achieved only through cost reductions under contracts entered into to carry out programs authorized by title I.

—Page 167, after line 10, add the following new section:

SEC. 1002. REPORT ON BUDGETING FOR INFLATION.

(a) REPORT ON SAVINGS FROM LOWER INFLATION.—Not later than September 1, 1985, the Secretary of Defense shall submit to Congress a report containing—

(1) an explanation of what the Department of Defense does with funds in any fiscal year that are [saved] as a result of a decrease in the anticipated rate of inflation during that year; and

(2) an estimate of the amount of unobligated funds from fiscal years before fiscal year 1985 proposed to be obligated during fiscal year 1985 that represents savings realized as the result of a difference in the inflation rate assumed at the time those funds were appropriated and the actual rate of inflation.

(b) PROPOSALS FOR NEW BUDGET SYSTEM FOR INFLATION ALLOWANCE.—The Secretary shall include in the report under subsection (a) a proposal or alternative proposals for a budget system under which—

(1) funds for any fiscal year would be appropriated to the Department of Defense without the addition of any amount for anticipated inflation during such fiscal year; and

(2) requests would be made to the Congress at the end of the fiscal year for any additional funds made necessary by reason of inflation during the fiscal year.

(c) RECOMMENDATIONS.—The Secretary shall include in such report—

(1) the Secretary's recommendations for procedures which would effectively implement a proposal submitted under subsection (b); and

(2) a discussion of the advantages and disadvantages of instituting such a proposal, together with any other comments and rec-

ommendations the Secretary considers appropriate.

By Mr. DICKINSON:

—Page 6, after line 9, insert the following new subsection:

(g) SAFETY MODIFICATIONS FOR PERSHING II MISSILE PROGRAM.—(1) In carrying out the Pershing II missile program for fiscal year 1986, the Secretary of the Army may purchase safety modfications (including 36 inert missile motors for the Pershing II missile) using funds made available for such program for such fiscal year.

(2) The Secretary may not obligate any funds for the safety modifications authorized by paragraph (1) until the Secretary submits to the Committees on Armed Services of the Senate and House of Representatives a report providing a detailed plan for the purchase of such safety modifications.

By Mr. DICKS:

—Page 23, line 12, strike out "$6,305,732,000" and insert in lieu thereof "$5,932,770,000".

Page 26, strike out lines 18 through 22 (and redesignate the succeeding paragraphs accordingly).

At the end of title II (page 29, line 14), add the following new section:

SEC. 207. STRATEGIC DEFENSE INITIATIVE.

(a) LIMITATION ON FY86 FUNDS FOR SDI.—Of the amount authorized in section 201 to be appropriated for fiscal year 1986 for research, development, test, and evaluation for the Defense Agencies, not more than $2,100,000,000 may be appropriated for activities of the Strategic Defense Initiative Organization of the Department of Defense.

(b) PROJECTS REQUIRED TO BE CARRIED OUT AT SPECIFIED LEVELS.—Of the amount appropriated or otherwise made available for fiscal year 1986 for research, development, test, and evaluation for activities of the Strategic Defense Initiative—

(1) not less than $12,500,000 shall be obligated or expended for the medical application of free-electron lasers and associated material and physical science research project;

(2) not less than $145,060,000 shall be obligated or expended for the battle management and command, control and communications project;

(3) not less than $98,240,000 shall be obligated or expended for the systems architecture project;

(4) not less than $72,150,000 shall be obligated or expended for the Strategic Defense Initiative system survivability project;

(5) not less than $103,500,000 shall be obligated or expended for lethality and target-hardening project; and

(6) not less than $75,000,000 shall be obligated or expended for a new project directed toward defense against manned aircraft and cruise missiles.

(c) PROJECTS LIMITED TO A SPECIFIED MAXIMUM.—Of the amount appropriated or otherwise made available for fiscal year 1986 for research, development, test, and evaluation for activities of the Strategic Defense Initiative—

(1) not more than $117,000,000 may be obligated or expended for the optical surveillance experiment;

(2) not more than $162,700,000 may be obligated or expended for the space-based laser concepts project;

(3) not more than $3,500,000 may be obligated or expended for hypervelocity launcher development project; and

(4) not more than $30,000,000 may be obligated or expended for the kinetic kill vehicle project.

(d) AMENDMENTS TO ANNUAL SDI REPORT.—Section 1102 of the Department of Defense Authorization Act, 1985 (Public Law 98-525; 98 Stat. 2580), is amended—

(1) by inserting "(a)" after "SEC. 1102.";

(2 by inserting ", including planned tests" in paragraph (1) after "ballistic missiles";

(3) by redesignating paragraphs (4), (5), (6), and (7) as paragraphs (5), (6), (7), and (8), respectively;

(4) by inserting after paragraph (3) the following new paragraph (4):

"(4) details of all developments in each Strategic Defense Initiative program and project during the previous calendar year;"; and

(5) by adding at the end thereof the following new subsection:

"(b) Each report under this section shall be submitted in two versions, one containing classified information requiring protection from unauthorized disclosure and the other containing no such classified information."

By Mr. FRENZEL:

—"Page 2, line 12, strike out "3,368,700,000" and insert in lieu thereof "$3,347,700,000"

Page 2, line 14, strike out "$5,369,900,000" and insert in lieu thereof "$5,213,300,000"

Page 2, line 16, strike out "$5,573,500,000" and insert in lieu thereof "$5,049,500,000"

Page 6, line 23, strike out "$5,577,400,000" and insert in lieu thereof "$5,470,200,000"

Page 8, line 4, strike out "$10,739,200,000" and insert in lieu thereof "$9,926,200,000"

Page 11, line 17, strike out "$6,591,800,000" and insert in lieu thereof "$5,279,400,000"

Page 12, line 15, strike out "$1,742,300,000" and insert in lieu thereof "$1,614,800,000"

Page 13, line 15, strike out "$9,043,900,000" and insert in lieu thereof "$8,706,400,000"

Page 15, line 14, strike out "$1,366,000,000" and insert in lieu thereof "$1,318,100,000"

Page 23, line 8, strike out "$4,882,675,000" and insert in lieu thereof "$4,782,775,000"

Page 23, line 12, strike out "$6,305,732,000" and insert in lieu thereof "$6,126,266,000.".

By Mr. HERTEL of Michigan:

(To the amendment offered by Mr. Nichols of Alabama.)

—In section 2324 of title 10, United States Code, as proposed to be added by the amendment offered by Mr. Nichols, insert the following new paragraph at the end of subsection (a):

"(4)(A) Whoever, having entered into a contract with the Department of Defense that includes terms for settlement of indirect costs, submits to the Department a proposal for settlement of such costs for any period after such costs have been accrued that includes a cost that is expressly specified by statute or regulation as being unallowable, knowing that such cost is unallowable, shall be imprisoned not more than 5 years, or fined not more than $250,000 in the case of an individual or $500,000 in case of a corporation."

By Mr. KANJORSKI:

—At the end of title III (page 38, after line 10) add the following new section:

SEC. 308. MILITARY ENTRANCE PROCESSING STATION, WILKES BARRE, PENNSYLVANIA.

None of the funds appropriated pursuant to the authorizations of appropriations in this title may be used to relocate the military entrance processing station in the city of Wilkes Barre, Pennsylvania, to a location outside that city.

By Mr. KRAMER:

—At the end of part B of title X (page 172, after line 20), add the following new section:

SEC. 1016. DATES FOR INITIAL OPERATIONAL CAPABILITY FOR AIR FORCE SHUTTLE OPERATIONS AND PLANNING COMPLEX.

(a) PRIORITY FOR ACHIEVING SPECIFIED IOCs.—The Secretary of the Air Force shall place the highest priority on meeting the following initial operational capability (IOC) dates for a fully capable Shuttle Operations and Planning Complex (SOPC) of the Consolidated Space Operations Center (CSOC):

(1) July 1987 for mission planning.

(2) January 1992 for mission readiness (including astronaut training).

(3) November 1992 for mission control.

(b) REPORT.—No later than December 31, 1985, the Secretary shall submit to the Committees on Armed Services of the Senate and House of Representatives a report on how the IOC dates set forth in subsection (a) will be met.

By Mr. McCOLLUM:

—At the end of title III (page 38, after line 10) insert the following new section:

SEC. 308. HUMANITARIAN ASSISTANCE TO RESISTANCE FORCES IN AFGHANISTAN.

(a) AUTHORITY TO PROVIDE ASSISTANCE.—The Secretary of Defense may provide to the resistance forces in Afghanistan humanitarian assistance in accordance with this section. The Secretary may use any excess and surplus supplies of the Department of Defense and any supplies donated to the Department for such purpose, to the extent that provision of those supplies would constitute humanitarian assistance.

(b) TRANSPORTATION.—(1) The Secretary may provide transportation for supplies provided as humanitarian assistance under this section. Any such transportation shall be by the most economical means, including (if economical and otherwise appropriate) use of Reserve aircraft and of crews performing required Reserve training missions.

(2) There is authorized to be appropriated $10,000,000 to the Secretary of Defense for fiscal year 1986 for the purposes of paragraph (1).

(c) PRIORITY OF ASSISTANCE.—The Secretary of Defense shall expedite the handling of assistance under this section. Upon identification of any excess or surplus supplies of the Department as being suitable for such assistance, such supplies shall immediately be made available for the purposes of this section.

(d) ADMINISTRATION WITHIN THE UNITED STATES.—The Secretary of Defense shall have sole responsibility for the administration of humanitarian assistance under this section within the United States and may not delegate any part of that authority to any agency outside the Department of Defense.

By Mr. MONTGOMERY:

—At the end of title III (page 38, after line 10) insert the following new section:

SEC. 308. HUMANITARIAN ASSISTANCE TO RESISTANCE FORCES IN AFGHANISTAN.

(a) AUTHORITY TO PROVIDE ASSISTANCE.—The Secretary of Defense may provide humanitarian assistance in accordance with this section to persons displaced or becoming refugees because of the invasion of Afghanistan by the Soviet Union. The Secretary may use any excess and surplus supplies of the Department of Defense and any supplies donated to the Department for such purpose, to the extent that provision

of those supplies would constitute humanitarian assistance.

(b) TRANSPORTATION.—(1) The Secretary may provide transportation for supplies provided as humanitarian assistance under this section. Any such transportation shall be by the most economical means, including (if economical and otherwise appropriate) use of Reserve aircraft and of crews performing required Reserve training missions.

(2) There is authorized to be appropriated $10,000,000 to the Secretary of Defense for fiscal year 1986 for the purposes of paragraph (1).

(c) PRIORITY OF ASSISTANCE.—The Secretary of Defense shall expedite the handling of assistance under this section. Upon identification of any excess for surplus supplies to the Department as being suitable for such assistance, such supplies shall immediately be made available for the purposes of this section.

(d) ADMINISTRATION WITHIN THE UNITED STATES.—The Secretary of Defense shall have sole responsibility for the administration of humanitarian assistance under this section within the United States and may not delegate any part of that authority to any agency outside the Department of Defense.

(e) DISTRIBUTION OF ASSISTANCE.—Assistance provided under this section shall be distributed to the recipients of the assistance by a private volunteer organization selected by the Secretary of Defense. If no suitable private volunteer organization is available, such assistance shall be distributed by the Agency for International Development.

—At the end of title III (page 38, after line 10) insert the following new section:

SEC. 308. LIMITATION CONCERNING AIR NATIONAL GUARD AND AIR FORCE RESERVE FLYING UNITS.

Funds appropriated to or for the use of the Secretary of the Air Force may not be used to deactivate or divest of its flying mission any flying unit of the Air National Guard of the Air Force Reserve.

—Page 172, after line 20, insert the following new section:

SEC. 1016. DEMONSTRATION PROJECT TO TEST THE USE OF A CERTAIN COMPUTER SYSTEM IN MILITARY HOSPITALS.

(a) TEST OF VETERANS' ADMINISTRATION DECENTRALIZED HOSPITAL COMPUTER PROGRAM.—The Secretary of Defense (hereinafter in this section referred to as the "Secretary") shall carry out a demonstration project for the purpose of testing the use in military hospitals of the hospital management computer system of the Veterans' Administration known as the Veterans' Administration's decentralized hospital computer program. The purpose of the test shall be to determine the feasibility and cost effectiveness of the use in military hospitals of such system rather than the use of centralized hospital management computer system, including the system referred to as the Composite Health-Care System.

(b) DURATION AND LOCATION OF DEMONSTRATION PROJECT.—The demonstration project under subsection (a) shall be carried out over a six-month period beginning on December 1, 1985, in six military hospitals designated by the Secretary. Two of such hospitals shall be under the jurisdiction of the Secretary of the Army, two shall be under the jurisdiction of the Secretary of the Navy, and two shall be under the jurisdiction of the Secretary of the Air Force.

(c) USE OF ALL COMPONENTS OF DHCP.—The Secretary, in consultation with the Administrator of Veterans' Affairs, shall ensure that all components of the system referred to in subsection (a) (including equipment and software) are used in each hospital in which the system is tested under this section.

(d) ASSISTANCE FROM VETERANS' ADMINISTRATION.—The Administrator of Veterans' Affairs shall provide, on a reimbursable basis, such personnel and equipment as are requested by the Secretary and determined by the Administrator to be available in order to assist the Secretary in carrying out the demonstration project under subsection (a).

(e) REPORT.—The Secretary shall transmit to Congress a report describing the demonstration project carried out under this section. Such report shall include specific findings and conclusions by the Secretary, and by the Secretary of each military department, with respect to the feasibility and cost-effectiveness of using the system referred to in subsection (a) in military hospitals, including the cost advantage that would accrue from acquiring a hospital management computer system in the near term rather than the date that would apply if the Secretary were to acquire a centralized computer system, including the system referred to as the Composite Health-Care System.

(f) RESTRICTION.—The Secretary may not enter into a contract for the procurement of a centralized computer system for military hospitals, including the system referred to as the Composite Health-Care System, until the Secretary has evaluated the results of the project carried out under this section, specifically with regard to the feasibility and cost-effectiveness of using the computer system referred to in subsection (a) for military hospitals instead of using a centralized computer system, including the system referred to as the Composite Health-Care System.

(g) COMPTROLLER GENERAL REPORT.—The Comptroller General shall evaluate the conduct of the demonstration project and shall report to Congress whether the Secretary has carried out the demonstration program in accordance with this section.

(h) DEFINITION.—In this section, the term "military hospital" means a hospital or medical center under the jurisdiction of the Secretary of the military department.

By Mr. NICHOLS:

—At the end of title III (page 38, after line 10), insert the following new section:

SEC. 308. SPECIFICATION OF CORE-LOGISTICS FUNCTIONS SUBJECT TO CONTRACTING-OUT LIMITATION.

(a) IN GENERAL.—A function of the Department of Defense described in subsection (b) shall be deemed for the purposes of section 307(b) of the Department of Defense Authorization Act, 1985 (Public Law 98-525; 98 Stat. 2514), to be a logistics activity identified by the Secretary of Defense under section 307(a)(2) of such Act as necessary to maintain the logistics capability of the Department of Defense described in section 307(a)(1) of such Act.

(b) DESCRIPTION OF FUNCTIONS.—The functions to which subsection (a) applies are the following:

(1) Depot level distribution and maintenance of mission-essential material at the following activities of the Army:

Anniston Army Depot, Anniston, Alabama.

Corpus Christi Army Depot, Corpus Christi, Texas.

Crane Army Ammunition Plant, Crane, Indiana. Fort Wingate Army Depot, Gallup, New Mexico.

Letterkenny, Army Depot, Letterkenny, Pennsylvania.

Lexington-Blue Grass Army Depot, Lexington, Kentucky.

McAlester Army Ammunition Plant, McAlester, Oklahoma.

New Cumberland Army Depot, Harrisburg, Pennsylvania.

Pueblo Army Depot, Pueblo, Colorado.

Red River Army Depot, Texarkana, Texas.

Rock Island Arsenal, Rock Island, Illinois.

Sacramento Army Depot, Sacramento, California.

Savanna Army Depot, Savanna, Illinois.

Seneca Army Depot, Romulus, New York.

Sharpe Army Depot, Stockton, California.

Sierra Army Depot, Herlong, California.

Tobyhanna Army Depot, Tobyhanna, Pennsylvania.

Tooele Army Depot, Tooele, Utah.

Umatilla Army Depot, Umatilla, Oregon.

Watervliet Arsenal, Watervliet, New York.

(2) Depot-level distribution and maintenance of mission-essential materiel at the following activities of the Navy:

Naval Air Rework Facility, Alameda, California.

Naval Air Rework Facility, Cherry Point, North Carolina.

Naval Air Rework Facility, Jacksonville, Florida.

Naval Air Rework Facility, Norfolk, Virginia.

Naval Air Rework Facility, Pensacola, Florida.

Naval Air Rework Facility, North Island, San Diego, California.

Naval Aviation Supply Office, Philadelphia, Pennsylvania.

Naval Construction Battalion Center, Davisville, Rhode Island.

Naval Construction Battalion Center, Gulfport, Mississippi.

Naval Construction Battalion Center, Port Hueneme, California.

Naval Electronics Systems Engineering Center, San Diego, California.

Naval Ordnance Station, Indian Head, Maryland.

Naval Ordnance Station, Louisville, Kentucky.

Naval Shipyard, Charleston, South Carolina.

Naval Shipyard, Norfolk, Virginia.

Naval Shipyard, Long Beach, California.

Naval Shipyard, Mare Island, California.

Naval Shipyard, Philadelphia, Pennsylvania.

Naval Shipyard, Portsmouth, Kittery, Maine.

Naval Shipyard, Pearl Harbor, Hawaii.

Naval Shipyard, Puget Sound, Bremerton, Washington.

Naval Ship Repair Facility, Guam.

Naval Supply Center, Charleston, South Carolina.

Naval Supply Center, Jacksonville, Florida.

Naval Supply Center, Norfolk, Virginia.

Naval Supply Center, Oakland, California.

Naval Supply Center, Pearl Harbor, Hawaii.

Naval Supply Center, Puget Sound, Bremerton, Washington.

Naval Supply Center, San Diego, California.

Naval Undersea Warfare Engineering Station, Keyport, Washington.

Naval Weapons Station, Charleston, South Carolina.
Naval Weapons Station, Colts Neck, Earle, New Jersey
Naval Weapons Station, Concord, California.
Naval Weapons Station, Seal Beach, California.
Naval Weapons Station, Yorktown, Virginia.
Naval Weapons Station Center, Crane, Indiana.
Navy Ships Parts Control Center, Mechanicsburg, Pennsylvania.
TRIDENT Refit Facility, Bangor, Bremerton, Washington.

(3) Depot-level distribution and maintenance of mission-essential materiel at the following activities of the Marine Corps:
Marine Corps Logistics Base, Albany, Georgia.
Marine Corps Logistics Base, Barstow, California.

(4) Depot-level distribution and maintenance of mission-essential materiel at the following activities of the Air Force:
Aerospace Guidance and Metrology Center, Newark Air Force Station, Ohio.
Ogden Air Logistics Center, Hill Air Force Base, Utah.
Oklahoma City Air Logistics Center, Tinker Air Force Base, Oklahoma.
Sacramento Air Logistics Center, McClellan Air force Base, California.
San Antonio Air Logistics Center, Kelly Air Force Base, Texas.
Warner Robins Air Logistics Center, Robins Air Force Base, Georgia.

(5) Depot-level distribution and maintenance of mission-essential equipment at the following activities of the Defense Logistics Agency:
Defense Construction Supply Center, Columbus, Ohio.
Defense Depot Mechanicsburg, Mechanicsburg, Pennsylvania.
Defense Depot Memphis, Memphis, Tennessee.
Defense Depot Ogden, Ogden, Utah.
Defense Depot Tracy, Tracy, California.
Defense Electronics Supply Center, Dayton, Ohio.
Defense General Supply Center, Richmond, Virginia.
Defense Industrial Plant Equipment Center, Memphis, Tennessee.
Defense Industrial Supply Center, Philadelphia, Pennsylvania.
Defense Logistics Service Center, Battle Creek, Michigan.
Defense Subsistence Office, Bayonne, New Jersey.

(6) Depot-level distribution and maintenance of mission-essential materiel at the following activities the Defense Mapping Agency:
Aerospace Center, Kansas City Field Office, Kansas City, Missouri.
Aerospace Center, St. Louis AFS, Missouri.
Office of Distribution Services, Brookmont, Maryland.
Office of Distribution Services, Clearfield, Utah.
Office of Distribution Services, Philadelphia, Pennsylvania.

(c) MATTERS INCLUDED WITHIN SPECIFIED FUNCTIONS.—The functions described in subsection (b) include—

(1) the facilities and equipment at the activities listed in that subsection; and

(2) the Government personnel who manage and perform the work at those activities.

(d) EXCLUSION OF CERTAIN FUNCTIONS.—Subsection (b) does not include any function that on the date of the enactment of this Act—

(1) is being performed under contract by non-Government personnel; or

(2) has been announced to Congress for review for conversion to performance by non-Government personnel under Office of Management and Budget Circular A-76.

(e) Definition.—For the purposes of this section, the term "mission-essential material" means all material which is authorized and available to combat, combat support, combat service support, and combat readiness training forces to accomplish their assigned mission.

(f) Technical Amendment.—Section 308(b)(4) of the Department of Defense Authorization Act, 1985 (Public Law 98-525; 98 Stat. 2515), is amended by striking out "30-day period" and inserting in lieu thereof "20-day period".

By Mr. PANETTA:

—Insert the following at the end of part C of title X (page 176, after line 8):

SEC. 1024. REPORT ON RETIREMENT BENEFITS OF PHILIPPINE SCOUTS

(a) IN GENERAL.—The Secretary of the Army (hereinafter in this section referred to as the "Secretary") shall conduct a study of—

(1) the disparity between the pay received by members of the Philippine Scouts who served during World War II and the pay received by other members of the United States Army during such war who had grades and lengths of service that correspond to the grades and lengths of service of such members of the Philippine Scouts; and

(2) the effect of this disparity on the retirement benefits of such members of the Philippine Scouts and their survivors.

(b) PARTICULAR SUBJECTS OF THE STUDY.—In carrying out such study, the Secretary shall—

(1) compile a list of all persons who served as members of the Philippine Scouts during the period beginning December 7, 1941, and ending December 31, 1946;

(2) compile a list of persons described in paragraph (1) who are alive on the date of enactment of this Act;

(3) determine the amount of basic pay each person described in paragraph (1) received for services rendered as a member of the Philippine Scouts during the period described in such paragraph and compare it to the amount of basic pay each such person would have received as a member of the Philippine Scouts during that period if the rates of basic pay during such period for the Philippine Scouts had been the same as the rates of basic pay for other members of the United States Army with corresponding grades and length of service during such period;

(4) determine the amount of retired pay that each person described in paragraph (2) is entitled to receive as retired pay from the Army as a result of service rendered as a Philippine Scout and compare it to the amount such person would receive with respect to periods beginning after the date of enactment of this Act if the rate of basic pay payable to such person during the period described in paragraph (1) had been the rate of basic pay payable to any other member of the United States Army with the corresponding grade and length of service during such period; and

(5) determine possible options, and the costs of each, for recalculating the retirement pay of persons described in paragraph (1), including survivor benefits, in order to remedy the disparity in pay received by such persons during their service as Philippine Scouts.

(c) REPORT.—(1) The Secretary shall transmit, within one year after the date of enactment of this Act, to the Armed Services Committees of the Senate and House of Representatives a report containing the findings and conclusions of the Secretary with respect to each of the matters described in paragraphs (1) through (5) of subsection (b).

(2) If the Secretary determines that—

(A) the documents necessary to compile the lists and make the determinations under subsection (b) are not attainable through reasonable efforts; or

(B) the cost of compiling such lists and making such determinations is excessive,

the Secretary shall make a report as soon as practicable to such Committees with a justification of such determination.

(3) If a report is made to the Committees under paragraph (2), the report to such Committees under paragraph (1) shall be based on the best information that can be reasonably obtained without excessive costs.

By Mr. SIKORSKI:

—At the end of part A of title X (page 167, after line 10) insert the following new section:

SEC. 1002. REDUCTION IN PROCUREMENT AUTHORIZATIONS AVAILABLE BECAUSE OF PROCUREMENT REFORM.

(a) TEN PERCENT GENERAL REDUCTION.—The total amount obligated or expended from funds appropriated pursuant to authorizations of appropriations in title I and transferred pursuant to authorizations in title I may not exceed 90 percent of the sum of the amounts authorized to be appropriated and transferred in such title.

(b) REDUCTIONS TO COME FROM CONTRACT SAVINGS.—Reductions required by subsection (a)—

(1) may not be achieved through cancellation of any program or stretchout of procurement under any program; but

(2) may be achieved only through cost reductions under contracts entered into to carry out programs authorized by title I.

—Page 167, after line 10, add the following new section:

SEC. 1002. REPORT ON BUDGETING FOR INFLATION.

(a) REPORT ON SAVINGS FROM LOWER INFLATION.—Not later than September 1, 1985, the Secretary of Defense shall submit to Congress a report containing—

(1) an explanation of what the Department of Defense does with funds in any fiscal year that are [saved] as a result of a decrease in the anticipated rate of inflation during that year; and

(2) an estimate of the amount of unobligated funds from fiscal years before fiscal year 1985 proposed to be obligated during fiscal year 1985 that represents savings realized as the result of a difference in the inflation rate assumed at the time those funds were appropriated and the actual rate of inflation.

(b) PROPOSALS FOR NEW BUDGET SYSTEM FOR INFLATION ALLOWANCE.—The Secretary shall include in the report under subsection (a) a proposal or alternative proposals for a budget system under which—

(1) funds for any fiscal year would be appropriated to the Department of Defense without the addition of any amount for anticipated inflation during such fiscal year; and

(2) requests would be made to the Congress at the end of the fiscal year for any additional funds made necessary by reason of inflation during the fiscal year.

(c) RECOMMENDATIONS.—The Secretary shall include in such report—

(1) the Secretary's recommendations for procedures which would effectively implement a proposal submitted under subsection (b); and

(2) a discussion of the advantages and disadvantages of instituting such a proposal, together with any other comments and recommendations the Secretary considers appropriate.

By Mr. DENNY SMITH:

—Insert the following new section at the end of title I (page 22, after line 23):

SEC. 111. REQUIREMENTS WITH RESPECT TO THE BRADLEY FIGHTING VEHICLE.

(a) IN GENERAL.—(1) The Secretary of Defense shall submit a report to the Armed Services Committees of the House of Representatives and the Senate, in both a classified and an unclassified version, with respect to the Bradley Fighting Vehicle. Such report shall describe the results of the two phase live five survivability testing program being carried out with respect to such vehicle.

(2) In Phase 1 of the testing program referred to in paragraph (1), at least 10 live fire tests using anti-armor weapons of the Soviet Union shall be conducted against such vehicle in its present configuration. In Phase 2 of such program, similar tests shall be conducted against such vehicle with enhanced survivability features.

(b) CONTENT OF REPORT.—The report required by this section shall contain the following:

(1) A complete analysis of the results of the testing program referred to in subsection (a), including an accounting of all of the test shots which were fired at such vehicle, the distances from which they were fired, and the effects of such shots.

(2) A description and justification for the measures of merit and the pass/fail criterion used in the testing program.

(3) A justification for exemption from the testing program any overmatch or undermatch weapon which would likely be encountered in combat conditions.

(4) Potential problems that were revealed by the tests and a proposed design modification for remedying such problems.

(5) The estimated unit cost of each proposed survivability modification and the overall program cost for the modifications.

(6) A comparison of the estimated unit cost of the Bradley Fighting Vehicle in both the baseline configuration and the modified configurations.

(c) DATE OF SUBMISSION FOR THE REPORT.—The reports required by this section shall be transmitted as follows:

(1) The report regarding the results of Phase 1 shall be transmitted no later than December 1, 1985.

(2) The report regarding the results of Phase 2 shall be transmitted no later than June 1, 1986.

—Insert the following at the end of part B of title X (page 172, after line 20):

SEC. 1016. BASE CLOSURES AND REALIGNMENTS.

(a) IN GENERAL.—Subsection (a) of section 2687 of title 10, United States Code, is amended—

(1) by striking out clauses (1) and (2) and inserting in lieu thereof the following:

"(1) any closure of a military installation or realignment with respect to a military installation if, as determined by the Secretary of Defense, the number of civilian personnel on the installation at the time of the Secretary's administrative decision regarding the closure or realignment is equal to or greater than one percent of the number of civilians employed at such time in the region in which the installation is located; or"; and

(2) by redesignating clause (3) as clause (2) and by striking out "or (2)" in such clause both places it appears.

(b) ACTIONS TO BE TAKEN BEFORE CLOSURE OR REALIGNMENT.—Subsection (b) of such section is amended—

(1) in clause (3)—

(A) by striking out "final"; and

(B) by striking out "and a detailed" and all that follows through "realignment" and inserting in lieu thereof ", a concise statement of the Secretary's findings concerning the socioeconomic impact of the proposed closure or realignment, and a succinct justification for the proposed closure or realignment with respect to the cost-effectiveness, strategic, and operational aspects of the closure or realignment;"; and

(2) in clause (4)—

(A) by striking out "60" and inserting in lieu thereof "30";

(B) by inserting "statement and" before "justification"; and

(C) by striking out "has" and inserting in lieu thereof "have".

(c) DEFINITIONS.—Subsection (d) of such section is amended—

(1) by striking out clause (1) and inserting in lieu thereof the following:

"(1) 'Military installation' means a base, camp, post, station, yard, center, or other activity under the jurisdiction of the Secretary of a military department which is located within any of the several States, the District of Columbia, the Commonwealth of Puerto Rico, or Guam."; and

(2) by adding the following before the period at the end of clause (2): ", base operating support personnel, and nonappropriated fund personnel".

(d) REVIEW OF ACTION.—Such section is further amended by adding at the end thereof the following new subsection:

"(f) Actions of Federal officers and employees with respect to the closure of a military installation or the realignment of a military installation, or with respect to the transfer, exchange, sale, or other disposal of real property that was the site of a military installation immediately before such disposal, are not subject to review by Federal courts under provisions, or with respect to any requirements, of Public Law 91-190 (or any regulation issued under that Public Law).".

(e) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to any closure or realignment of a military installation that is first publicly announced after January 1, 1986.

—Insert the following at the end of part B of title X (page 172, after line 20):

SEC 1016. BASE CLOSURES AND REALIGNMENTS.

(a) IN GENERAL.—Subsection (a) of section 2687 of title 10, United States Code, is amended—

(1) by striking out clauses (1) and (2) and inserting in lieu thereof the following:

"(1) any closure of a military installation or realignment with respect to a military installation if, as determined by the Secretary of Defense, the number of civilian personnel on the installation at the time of the Secretary's administrative decision regarding the closure or realignment is equal to or greater than one percent of the number of civilians employed at such time in the region in which the installation is located; or"; and

(2) by redesignating clause (3) as clause (2) and by striking out "or (2)" in such clause both places it appears.

(b) ACTIONS TO BE TAKEN BEFORE CLOSURE OR REALIGNMENT.—Subsection (b) of such section is amended—

(1) in clause (3)—

(A) by striking out "final"; and

(B) by striking out "and a detailed" and all that follows through "realignment" and inserting in lieu thereof ", a concise statement of the Secretary's findings concerning the socioeconomic impact of the proposed closure or realignment, and a succinct justification for the proposed closure or realignment with respect to the cost-effectiveness, strategic, and operational aspects of the closure or realignment;"; and

(2) in clause (4)—

(A) by striking out "60" and inserting in lieu thereof "30";

(B) by inserting "statement and" before "justification"; and

(C) by striking out "has" and inserting in lieu thereof "have".

(c) DEFINITIONS.—Subsection (d) of such section is amended—

(1) by striking out clause (1) and inserting in lieu thereof the following:

"(1) 'Military installation' means a base, camp, post, station, yard, center, or other activity under the jurisdiction of the Secretary of a military department which is located within any of the several States, the District of Columbia, the Commonwealth of Puerto Rico, or Guam."; and

(2) by adding the following before the period at the end of clause (2): ", base operating support personnel, and nonappropriated fund personnel".

(d) REVIEW OF ACTION.—Such section is further amended by adding at the end thereof the following new subsection:

"(f) Actions of Federal officers and employees with respect to the closure of a military installation or the realignment of a military installation, or with respect to the transfer, exchange, sale, or other disposal of real property that was the site of a military installation immediately before such disposal, are not subject to review by Federal courts under provisions, or with respect to any requirements, of Public Law 91-190 (or any regulation issued under that Public Law).".

(e) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to any closure or realignment of a military installation that is first publicly announced after January 1, 1986.

—Insert the following at the end of title I (page 22, after line 23):

SEC. 111. CONDITION ON PROCUREMENT OF CERTAIN COMBAT VEHICLES.

(a) IN GENERAL.—Chapter 141 of title 10, United States Code, is amended by adding the following new section at the end thereof:

"§ 2406. Condition on procurement of certain wheeled or tracked armored vehicles

"(a) The Secretary of Defense shall provide that no contract is entered into by the Department of Defense for the procurement of—

"(1) any newly developed combat wheeled or tracked armored vehicle; or

"(2) any combat wheeled or tracked armored vehicle with significant newly developed survivability modifications,

Unless the testing carried out in the development of such vehicle meets the requirements of subsection (b).

"(b)(1) The testing of any combat wheeled or tracked armored vehicle referred to in subsection (a) shall include a series of test shots to be made by each type of weapon (or appropriate substitute, if required) that is likely to be a combat threat to the vehicle. Such tests shall be carried out in a manner modeled after the Bradley Fighting Vehicle Joint Live-Fire Test Program and shall at least include test shots fired under the same conditions at both the test vehicle and the vehicle it is to replace, if any, with each vehicle being equipped with all of the elements that the vehicle would be equipped with in combat.

"(2) In making a determination under paragraph (1) concerning the weapons that are likely to be a combat threat to the vehicle, the Secretary may exclude such weapons that are obviously overmatched or undermatched threats to the vehicle.

"(c) The Secretary of Defense shall make a classified report and an unclassified report to the Committees on Appropriations and the Committees on Armed Services of the Senate and House of Representatives with respect to the testing of each vehicle for which testing is required under this section. The reports shall be transmitted along with the first request for authorizations for procurement of the vehicle or for modifications to an existing vehicle and shall include at least—

"(1) a complete description of the firing parameters used and an analysis of the effect on the vehicle of each test shot made;

"(2) a description and justification of the merit and pass/fail criterion used in carrying out the test;

"(3) the criterion used for excluding certain weapons as obvious overmatch or undermatch weapons under subsection (b)(2);

"(4) potential shortcomings of the vehicle that were revealed by the testing and the proposed plan incorporating changes considered cost effective that are necessary to overcome such shortcomings;

"(5) a comparison of the estimated unit cost of each newly developed vehicle or of the unit cost of the newly developed survivability modifications being made and the unit cost of the vehicle that is to be replaced, if any, by the test vehicle.

"(d) The Secretary of Defense shall include in the Test and Evaluation Master Plan established for any combat wheeled or tracked armored vehicle to which this section applies an estimated cost and schedule of the testing to be carried out with respect to such vehicle."

(b) TECHNICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by adding the following at the end thereof:

"2406. Condition on procurement of certain wheeled or tracked armored vehicles.".

—Page 6, after line 13, insert the following:

(2) Of the amount appropriated pursuant to the authorization of appropriations in paragraph (1), $11,000,000 is available only for the procurement of gun pods for Marine Corps Reserve aircraft with a demonstrated anti-armor lethality equivalent to the GAU-8 30 millimeter gun pod.

(3) The Secretary of the Navy shall, within 120 days after the date of enactment of this Act, transmit to the Armed Services Committees of the Senate and House of Representatives the final plan for carrying out the procurement required by paragraph (2).

Page 6, line 14, strike out "(2)" and insert in lieu thereof "(4)".

By Mr. STRATTON:

—Page 6, after line 9, insert the following new subsection:

(g) AH-64 APACHE HELICOPTERS.—The Secretary of the Army may not obligate funds appropriated or otherwise made available for a fiscal year after fiscal year 1985 for procurement of AH-64 Apache attack helicopters until the Director of the Defense Contract Audit Agency reports to the Secretary that the contractor for such helicopters has demonstrated to the satisfaction of the Director—

(1) that the contractor has implemented an effective and reliable system of internal accounting controls; and

(2) that the contractor has accumulated documentation (including journals, vouchers, invoices, and expense data) to support the contractor's final submission for settlement of indirect expenses for calendar years 1979 through 1983 and that such documentation is available to the Director.

—Page 15, line 14, strike out "$1,366,000,000" and insert in lieu therof "$1,382,000,000".

—At the end of title I (page 22, after line 23) insert the following new section:

SEC. 111. A6 AIRCRAFT REWING PROGRAM.

(a) AUTHORIZED PROGRAM.—The Secretary of the Navy is authorized to carry out a program to replace the wings of the A6 aircraft. The amount obligated to carry out such program during fiscal year 1985 may not exceed $240,000,000.

(b) REQUIRED WARRANTY.—Funds may be obligated for the program authorized by subsection (a) only under a firm fixed-price contract which includes a warranty guaranteeing a wing fatigue life of at least 8,800 hours.

(c) AUTHORIZATION FOR TRANSFER OF FUNDS.—There are hereby authorized to be transferred to, and merged with, amounts appropriated for procurement for aircraft for the Navy for fiscal year 1985, to the extent provided in appropriation Acts, $240,000,000 for the program authorized by subsection (a). Such amount shall be derived from amounts appropriated for procurement of aircraft for the Navy for fiscal years before fiscal year 1986 as follows:

(1) $103,000,000 shall be derived from amounts appropriated for fiscal years before fiscal year 1985 remaining available for obligation.

(2) $137,000,000 shall be derived from amounts appropriated for fiscal year 1985 remaining available for obligation.

By Mr. WIRTH:

—Page 176, after line 8, add the following new section:

SEC. 1024. ANNUAL REPORT ON NUCLEAR WINTER FINDINGS AND POLICY IMPLICATIONS.

(a) CONTINUED PARTICIPATION IN INTERAGENCY STUDIES.—Notwithstanding any limitation in any other provision of this Act, the Secretary of Defense, in accordance with section 1107(a) of the Department of Defense Authorization Act, 1985 (Public Law 98-525), shall participate in any comprehensive interagency study conducted on the atmospheric, climatic, environmental, and biological consequences of nuclear war and the implications that such consequences have for the nuclear weapons strategy and policy, the arms control policy, and the civil defense policy of the United States.

(b) ANNUAL REPORT ON NUCLEAR WINTER FINDINGS.—(1) Not later than March 1, 1986, the Secretary of Defense shall submit to the Committees on Armed Services of the Senate and House of Representatives an unclassified report suitable for release to the public, together with classified addenda (if required), concerning the subject described in subsection (a). The Secretary shall include in such report the following:

(A) A detailed review and assessment of the findings in the current body of domestic and international scientific literature on the atmospheric, climatic, environmental, and biological consequences of nuclear explosions and nuclear exchanges.

(B) A thorough evaluation of the implications that such findings have on—

(i) the nuclear weapons policy of the United States, especially with regard to strategy, targeting, planning, command, control, procurement, and deployment;

(ii) the nuclear arms control policy of the United States; and

(iii) the civil defense policy of the United States.

(C) A discussion of the manner in which the results of such evaluation of policy implications will be incorporated into the nuclear weapons, arms control, and civil defense policies of the United States.

(D) An analysis of the extent to which current scientific findings on the consequences of nuclear explosions are being studied, disseminated, and used in the Soviet Union.

(2) Not later than March 1st of 1987, 1988, 1989, and 1990, the Secretary shall submit to the Committees on Armed Services of the Senate and the House of Representatives an unclassified report suitable for release to the public, together with classified addenda (if required), containing—

(A) a detailed update of the items contained in the report described in paragraph (1), taking into account any scientific studies and findings made by other agencies within the Federal Government or entities outside the Federal Government; and

(B) the results of any study in which the Secretary has been participating under subsection (a).

By Mr. WYDEN:

—Page 167, after line 10, add the following new section:

SEC. 1002. REPORT ON BUDGETING FOR INFLATION.

(a) REPORT ON SAVINGS FROM LOWER INFLATION.—Not later than September 1, 1985, the Secretary of Defense shall submit to Congress a report containing—

(1) an explanation of what the Department of Defense does with funds in any fiscal year that are [saved] as a result of a decrease in the anticipated rate of inflation during that year; and

(2) an estimate of the amount of unobligated funds from fiscal years before fiscal year 1985 proposed to be obligated during fiscal year 1985 that represents savings realized as the result of a difference in the inflation rate assumed at the time those funds were appropriated and the actual rate of inflation.

(b) PROPOSALS FOR NEW BUDGET SYSTEM FOR INFLATION ALLOWANCE.—The Secretary shall include in the report under subsection (a) a proposal or alternative proposals for a budget system under which–

(1) funds for any fiscal year would be appropriated to the Department of Defense without the addition of any amount for anticipated inflation during such fiscal year; and

(2) requests would be made to the Congress at the end of the fiscal year for any additional funds made necessary by reason of inflation during the fiscal year.

(c) RECOMMENDATIONS.—The Secretary shall include in such report—

(1) the Secretary's recommendations for procedures which would effectively implement a proposal submitted under subsection (b); and

(2) a discussion of the advantages and disadvantages of instituting such a proposal, together with any other comments and recommendations the Secretary considers appropriate.

—At the end of part A of title X (page 167, after line 10) insert the following new section:

SEC. 1002. REDUCTION IN PROCUREMENT AUTHORIZATIONS AVAILABLE BECAUSE OF PROCUREMENT REFORM.

(a) TEN PERCENT GENERAL REDUCTION.—The total amount obligated or expended from funds appropriated pursuant to authorizations of appropriations in title I and transferred pursuant to authorizations in title I may not exceed 90 percent of the sum of the amounts authorized to be appropriated and transferred in such title.

(b) REDUCTIONS TO COME FROM CONTRACT SAVINGS.—Reductions required by subsection (a)—

(1) may not be achieved through cancellation of any program or stretchout of procurement under any program; but

(2) may be achieved only through cost reductions under contracts entered into to carry out programs authorized by title I.

SENATE—*Monday, June 17, 1985*

(Legislative day of Monday, June 3, 1985)

The Senate met at 12 noon, on the expiration of the recess, and was called to order by the President pro tempore [Mr. THURMOND].

PRAYER

The Chaplain, the Reverend Richard C. Halverson, D.D., offered the following prayer:

Let us pray.

Father in Heaven, time passes swiftly and only 10 work days remain before Independence Day recess. Help the Senators to remember the promises they made to themselves, when at other times approaching recess meant undue pressure, long nights, weary minds and bodies, jaded nerves, plans rearranged, staffs and families frustrated. Thank Thee Lord, for our leaders who work effectively and patiently to reach agreements that smooth the way for efficient floor time and productive legislation. Grant them wisdom beyond themselves and strength for their heavy responsibility. Free the Senators from the tyranny of the urgent and the annoyance of minutia which neutralize their power and thwart progress. Make this day one which fulfills hopes and provides a good start for a fruitful week. In His name who is the author of perfect order. Amen.

RECOGNITION OF THE MAJORITY LEADER

The PRESIDENT pro tempore. The distinguished majority leader is recognized.

SCHEDULE

Mr. DOLE. Mr. President, under the standing order, the leaders have 10 minutes each, unless reserved, followed by a special order in favor of the Senator from Wisconsin [Mr. PROXMIRE] not to exceed 15 minutes, followed by routine morning business not to extend beyond 1 p.m., with statements limited therein to 5 minutes each.

Following routine morning business, the Senate will turn to S. 979, the Energy Policy Conservation Act under a time agreement of 3 hours and 30 minutes. The Senate may also begin consideration of S. 1103, NOAA. Any votes ordered will be held over until Tuesday, June 18. The first vote would occur at about 2 p.m. after the respective policy luncheons adjourn.

It would be the hope of the leadership that also on Tuesday, we would complete action on EPCA, S. 979, also on NOAA, S. 1103, which I understand may not be controversial. If that is the case, we hope to turn to S. 49, the McClure-Volkmer gun legislation, and any available Commerce Committee authorization bills.

Also, the supplemental appropriations bill will be ready on Wednesday. I need to discuss that with the distinguished chairman of the committee because I have been advised by a highly placed White House source that they will veto that bill if the water projects are included without some reforms, even though it does contain Contra aid. So with that message having just been given to me less than 20 minutes ago, I need to consult with the chairman of the Appropriations Committee because, if it is going to be vetoed, I am not certain how eager I will be to bring it up. But if that should come up, hopefully we could double-track there for Wednesday, Thursday, and Friday. I would guess that on Friday we would not be in extremely late that afternoon, but I will attempt to advise the distinguished minority leader prior to the 12 o'clock policy meeting that we have tomorrow.

RECOGNITION OF THE MINORITY LEADER

The PRESIDING OFFICER (Mr. PRESSLER). The minority leader is recognized.

Mr. BYRD. Mr. President, I thank the distinguished majority leader.

RESERVATION OF THE MINORITY LEADER'S TIME

Mr. BYRD. Mr. President, I think I shall reserve my time if there is no objection.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOLE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

RECOGNITION OF SENATOR PROXMIRE

The PRESIDING OFFICER (Mr. MATTINGLY). Under the previous order, the Senator from Wisconsin [Mr. PROXMIRE] is recognized for not to exceed 15 minutes.

THE ARGENTINA LESSON FOR U.S. FISCAL POLICY

Mr. PROXMIRE. Mr. President, today Argentina reaps the whirlwind of deficit spending. For years, Argentina pursued the same kind of irresponsible Federal Government spending policy with the same heavy emphasis on military spending that has so conspicuously characterized the Federal Government of the United States, particularly in the past 5 years. The Argentine generals dominated that country's Government. They poured more and more of the country's resources into a military buildup. The Argentine Government sustained public support by refusing to raise the taxes necessary to pay for their Federal spending. How did they do it? Like our Federal Government, they lived off the equivalent of the old credit card. Buy now. Pay later. Borrow and spend. Print money and spend it. Above all, avoid the painful discipline of raising taxes to meet expenditures.

A pay-as-you-go policy, insisting on no spending without raising the taxes to pay for it, would have had three desirable consequences. First, it would have prevented the ever-growing debt and the growing burden of paying interest on that debt. Second, pay-as-you-go would have prevented the chaotic 1,000 percent rate of inflation Argentina now suffers from its policy of printing money to pay for the difference between what it spent—its tax revenues—and what it borrows.

I said 1,000 percent inflation. Think of that. That means that if somebody made $20,000 last year, with 1,000 percent inflation, that $20,000 would buy only $2,000 this year. They would not only be in poverty. They would be in abject, grinding poverty.

Third, and most important, raising taxes to pay for Federal spending would have brought the one painful but effective discipline that control and limit Federal spending: The resistance of taxpayers. Can there be any question that if Argentina had followed a pay-as-you-go policy, its Federal spending, and particularly its military spending, would certainly have been less?

So Argentina has stumbled into financial difficulties. What is serious about that? Mr. President, consider what Argentina is going through right now. The Saturday, June 15, New York Times reported that Raul Alfonsin, the Argentine President, has declared that his country will go on what

he called an economy of war to end the 1,000-percent annual rate of inflation. His program calls for the creation of a new currency, wage and price controls, and the real crusher: An end to Government deficit spending. That sounds crisp and clear and right, doesn't it? It sounds like it is right out of the anti-inflation text books. Well, it is right. But the cruel fact of life is that it will not work without strong public support. Will it get that public support?

The New York Times quotes one economist who says that the Alfonsin medicine will mean a "brutal" dive in the country's standard of living. The economist said that President Alfonsin is taking a substantial risk that could unleash political and social unrest. A banker said:

> This is like giving the cancer patient chemotherapy, drugs and x-ray treatment all in one day. It is very clear that it will be a tremendous blow to the working man in Argentina.

The Times reports that the initial reaction to President Alfonsin's plan is strongly negative. The labor unions are up in arms. The opposition party is vehemently attacking the Alfonsin plan. The business community is skeptical. Alfonsin must get his program through Congress: Wage and price controls, new taxes, a higher tariff, and a special mandatory savings program for high-income Argentines. Argentina, like the United States, has tried wage and price controls before. They did not work in the United States. They did not work when tried in Argentina.

That is the story, Mr. President. What a lesson for the United States. Well, what can we learn from it? Let us ask ourselves: How did Argentina get into this mess? Answer: By years of excessive Government spending, especially military spending, and by refusing to raise the taxes necessary to cover that spending and to discipline it. And what are we doing in the United States? We are doing the same thing. We have engaged in years of excessive Government spending. We have refused to cover that spending with adequate taxes. We have turned our backs on the discipline those taxes would bring to hold down spending. In fact, under the so-called Reagan tax proposal, we are not only failing to raise the revenues necessary to pay for our spending, we are now engaged in a so-called tax simplification program. What will that do? It will actually reduce the taxes on individuals.

What a false and foolish sense of well being. At a time when our country suffers the worst Federal deficits in the world's history, our President calls for a tax program that will ease Federal taxes on most Americans! Politically, of course, nothing could be better. Everyone wants his taxes cut. For now, that is. In a year or 2, or 5 or so, we are going to have to pay the price. The first fruit of this selfish, foolish policy will be inflation, and then we will find we can only cope with the soaring inflation with this kind of brutal action that President Alfonsin is so bravely proposing in Argentina.

Every year, we hesitate to face up to cutting spending and raising taxes that will make the corrective medicine harder to take and less likely to work. Members of Congress should study the lesson of today's Argentina. Tomorrow the greatest economy on Earth—the U.S. economy—could be Argentina writ large, if we fail to take the big bites we should take out of the deficits. We must cut spending until it hurts and then some. We must raise taxes knowing it will hurt even more.

HOW PROPORTIONAL RESPONSE MAY KILL NUCLEAR ARMS CONTROL

Mr. PROXMIRE. Mr. President, on June 5, the Senate adopted overwhelmingly the Bumpers-McClure sense-of-the-Senate resolution. The resolution was adopted as an amendment to the Defense authorization bill. This Senator supported the amendment. The primary thrust of the amendment was to express the sense of the Senate that the President should agree to continued compliance with the second Strategic Arms Limitation Treaty—that is SALT II.

Far and away the most significant part of that amendment, however, was the assertion that "nothing"—get this—"shall be construed as prohibiting the United States from carrying out other proportionate responses to Soviet undercutting of strategic arms provisions."

Mr. President, some may argue that this clause simply states a well known and widely accepted international treaty practice. They may argue that there is nothing new or novel about proportional response. Every sovereign country retains that right. So why is the inclusion of this provision in the amendment so critical? It is critical because everything depends on the President's exercise of this proportional response principle.

In view of the passage of the sense-of-the-Senate resolution, we now have a specific recognition by the Senate in a formal resolution overwhelmingly supported by this body telling the President that if the Soviet Union violates the treaty, the President has the approval of the Senate to decide to do likewise. In the past, this country has been very careful not to engage in this proportional response option in strategic arms control treaties. In fact, in May 1983, two experts issued an analysis of the role the Standing Consultative Commission has played in securing compliance with the SALT I treaty. In that analysis, they made the following conclusion:

> The guiding principle must be that, unless amended, the agreement remains as negotiated. Party A cannot forgive a transgression against an agreement by Party B in exchange for Party B's toleration of a comparable transgression by Party A; and each question must be dealt with on its merits. If horse-trading between separate questions were allowed, the original agreement would be quickly eroded and weakened by de facto amendments based on nothing but winking.

And then these experts added the following assertion:

> Certainly the U.S. Senate would not smile on such a process, and other agreements, the viability of which depends upon undiluted terms of the agreement in question, could be jeopardized.

Mr. President, the sense-of-the-Senate resolution that the Senate adopted on June 5 seems to have the Senate, if not smiling or winking at violation, declaring: "OK; go ahead; if the Soviets cheat, we cheat, not necessarily in connection with the same section of the treaty but in whatever part of the treaty would most clearly serve our interest."

In the view of this Senator, there is an obvious likelihood that this is exactly what may happen to SALT II when our side of the agreement is in the hands of a President who has consistently criticized SALT II, a President who has called SALT II "fatally flawed," and a President who has now announced that he will abide by the treaty but can, with formal Senate sanction, react with what he can call "proportional response" to an alleged violation of the treaty by the Soviet Union.

Mr. President, this comes close to a Gulf of Tonkin action on the part of the Senate.

The difficulty is that violations of all these arms control treaties are easy to allege. Both superpowers have made numerous allegations of violations of arms control treaties in the past. Reports from the Standing Consultative Commission have necessarily been general and brief because its proceedings are confidential. But we do have solid documentation of a series of allegations of violations alleged by both parties. At least in the case of SALT I, we have a report by the Arms Control and Disarmament Agency in 1982 that "both the United States and the Soviet Union have raised a number of questions in the Commission relating to each side's compliance with the SALT I agreements. In each case raised by the United States, the Soviet activity in question has either ceased or additional information has allayed U.S. concern."

That was what we had before we passed this Bumpers-McClure amendment.

With the sense-of-the-Senate amendment passed on June 5, we have quite

a different situation with respect to violations that the United States may allege of SALT II. The language of the amendment states that all compliance problems should be vigorously pursued with the Soviet Union through diplomatic channels including the Standing Consultative Commission. Will this work? The SCC meets secretly. Congress cannot publicly debate or discuss, let alone direct, SCC discussions. In spite of the amendment language, in fact the President is free without any reliance on any finding except his own to proceed to any violation of SALT II that may appear to him to be in the Nation's interest.

And that is not all. The President may, on the basis of precedent, decide that the Soviets have violated one of the other major nuclear arms control treaties. Acting on the basis of the SALT II precedent, as President Johnson acted on the Tonkin Gulf resolution and the sanction in the June 5 Senate resolution, he may feel free to engage in proportional response on the basis of allegations of Soviet violations with respect to any and all nuclear arms control treaties. The amendment does call on the Soviets to resolve compliance concerns. Again, good luck. It is likely to have a similar effect in calling on the President to consult with Congress and our allies before making any changes in current policy with regard to proportional response.

GENOCIDE TREATY

Mr. PROXMIRE. Mr. President, 36 years ago yesterday, President Harry Truman submitted the Genocide Treaty to the Senate for the first time.

He asked that the treaty be ratified but the Senate refused to do so.

Mr. President, the Genocide Treaty was born out of World War II and the Holocaust. It was drafted by the United Nations.

It was formally called the Convention on the Prevention and Punishment of the Crime of Genocide. And it was the first human rights treaty the U.N. had ever written.

Only 2 days after the U.N. had accepted the treaty, the United States delegation signed it.

But since then, the only action the Senate has taken on the treaty has been no action.

It was, as we know, it has been reported to the floor six times, most recently only a week ago.

The Senate passed a resolution last year promising to take it up and act on it early in this 99th Congress. We have obviously failed to do so.

Following President Truman's lead, Democratic and Republican administrations have given their support for the convention.

In addition, 96 other countries have acknowledged the need to protect human life under international law.

They have ratified the treaty.

The U.N. General Assembly in 1948, unanimously adopted the convention by a vote of 55 to 0.

This vote, incidently, came after intense work by the United States delegation in support of the measure.

A number of groups have strongly supported the treaty—from the American Bar Association to the National Council of Churches.

Yet every year for the past 36 years these groups have been disappointed that the Senate has failed to act.

In the last 36 years the Foreign Relations Committee has favorably reported the treaty to the floor six times.

Six times Mr. President!

Yet today the Genocide Convention remains the oldest treaty pending before the Senate.

Mr. President, it is now—at long last—time for the Senate to take action and ratify the Genocide Convention.

Let history record that the United States stood by the 96 other nations which ratified the Genocide Treaty—not that we stood silent.

President Truman gave the best summary of the need for this treaty in his letter of transmittal to the Senate:

> By the leading part of the United States has taken in the United Nations in producing an effective international legal instrument outlawing the world-shocking crime of genocide, we have established before the world our firm and clear policy toward that crime. By giving its advice and consent to my ratification of this convention, which I urge, the Senate of the United States will demonstrate that the United States is prepared to take effective action on its part to contribute to the establishment of principles of law and justice.

Mr. President, 1 year from today we should be celebrating this anniversary as the first year that the United States has ratified the Genocide Convention—not the 37th anniversary that the United States has passed it over.

I urge the Senate to ratify the Genocide Convention.

S. 1303—FEDERAL PESTICIDE REFORM ACT OF 1985

Mr. PROXMIRE. Mr. President, on January 29, I introduced S. 309 which would reform the current EPA pesticides program.

Today, along with Senators LEAHY, STAFFORD, CHAFEE, HARKIN, CRANSTON, HUMPHREY, and METZENBAUM, I am introducing a substitute bill, the Federal Pesticide Reform Act of 1985 which both streamlines S. 309 and includes new material reflecting EPA administrative reforms and recent scientific findings.

Congressman GEORGE BROWN introduced the companion bill on May 22.

While the bill retains much that was contained in S. 309, including its requirements for improved scientific registration data there is much that is new in the Federal Pesticides Reform Act.

For the first time the bill establishes a community right to know for information on pesticide manufacture. This section provides communities with the kinds of information they need to take effective action to prevent the kinds of catastrophe which followed last year's accident in Bhopal, India.

The bill also requires complete scientific health and safety testing of all pesticides on the market prior to reregistration. EPA must identify all gaps in existing health data and completely inventory all data requirements by July 1, 1987.

Under existing law EPA has no deadline by which this data is required. A 1982 House report found that 85 percent of pesticides had been inadequately tested. Since that report reregistration resources have actually declined.

In addition, the bill contains new language on pesticide-caused birth defects and reproductive effects. The proposed change would prevent the Administrator from registering pesticides that caused significant adverse effects on reproduction or growth and development of offspring. The Administrator would also be required to cancel pesticides that caused reproductive effects.

My bill would also add new provisions to FIFRA for protection of ground water. EPA would be required to determine the cause of ground water contamination by pesticides and must act to insure effective State action to control contamination or alter the permissible uses of offending pesticides. The bill also puts overseas uses of pesticides on equal footing with domestic uses.

Finally, the bill continues provisions found in S. 309 improving worker protection, allowing citizen suits, streamlining cancellation proceedings and closing registration loopholes.

Mr. President, these changes are necessary to protect the public health and environment and to restore public confidence in the pesticide regulatory program.

I urge Senator HELMS to hold hearings on this bill as soon as possible.

Mr. President, I ask unanimous consent that a copy of the bill and a section-by-section analysis be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 1303

Be it enacted by the Senate and House of Representatives of the United States of

America in Congress assembled, That this Act may be cited as the "Federal Pesticide Reform Act of 1985".

REFERENCES TO THE FEDERAL INSECTICIDE, FUNGICIDE, AND RODENTICIDE ACT

SEC. 2. Except as otherwise specifically provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Federal Insecticide, Fungicide, and Rodenticide Act (7 U.S.C. 136 et seq.).

DEFINITION OF CERTIFIED APPLICATOR

SEC. 3. Section 2(e)(4) (7 U.S.C. 136(e)(4)) is amended by adding at the end thereof the following new sentence: "For the purposes of this paragraph, a person shall be considered competent if the person has received (A) training equivalent to that necessary to become a certified applicator, and (B) in connection with pesticides, training in the use of appropriate safety procedures, clothing, and protective equipment, the detection of common symptoms of pesticide poisoning, the means of obtaining emergency medical treatment, and the requirements of laws, regulations, and labeling, including hazards posed by pesticides to workers, the public health, and the environment.".

DEFINITION OF INGREDIENT STATEMENT

SEC. 4. Section 2(n)(1) (7 U.S.C. 136(n)(1)) is amended by inserting "the name of any inert ingredient," after "active ingredient,".

DEFINITION OF MISBRANDED

SEC. 5. Section 2(q)(1) (7 U.S.C. 136(q)(1)) is amended—

(1) by inserting "or" at the end of clause (F);

(2) by striking out "; or" at the end of clause (G) and inserting in lieu thereof a period; and

(3) by striking out clause (H).

DEFINITION OF DATA GAP

SEC. 6. Section 2 (7 U.S.C. 136) is amended by adding at the end thereof the following new subsection:

"(ff) DATA GAP.—

"(1) The term 'data gap' means any study, information, or data required by the guidelines issued pursuant to section 3(c)(2), or other action determined by the Administrator to be necessary to make the determination required under section 3(g), which—

"(A) has not been submitted to the Agency; or

"(B) has been submitted to the Agency but which the Administrator determines does not satisfy the requirements of an adequate scientific study or is inconsistent with sound scientific principles.

"(2) In making the determination required under paragraph (1)(B), the Administrator shall examine, at a minimum, the protocols, the documentation of the conduct and analysis of the study, and the results of the study, to determine whether the study and the results of the study fulfill the data requirement for which the study was submitted to the Administrator.".

DEFINITION OF ADVERSE REPRODUCTIVE EFFECT

SEC. 7. Section 2 (7 U.S.C. 136) (as amended by section 6 of this Act) is amended by adding at the end thereof the following new subsection:

"(gg) ADVERSE REPRODUCTIVE EFFECT.—The term 'adverse reproductive effect' means a statistically significant adverse effect on parental reproductive performance and the growth and development of offspring, including gonadal function, conception, and parturition, abortions, birth defects, stillbirths, and resorptions, as determined with the use of chronic health data submitted pursuant to section 3(c)(2) or other relevant scientific evidence.".

REGISTRATION OF EXPORTED PESTICIDES

SEC. 8. Section 3(a) (7 U.S.C. 136a(a)) is amended by inserting "export or deliver for export to any foreign country," after "shipment,".

PUBLIC ACCESS TO PESTICIDE INFORMATION BEFORE REGISTRATION

SEC. 9. (a) Section 3(c)(2)(A) (7 U.S.C. 136a(c)(2)(A)) is amended by striking out the last sentence and inserting in lieu thereof the following new sentence: "Except as provided in section 10, during and after the comment period referred to in section 3(c)(4), data submitted to the Administrator in support of a petition to establish a tolerance or in support of an application for registration, and any other scientific information which is relevant to actions taken by the Administrator with respect to registration, shall be made available to the public in an expeditious manner.".

(b) The second sentence of section 3(c)(4) is amended by striking out "30" and inserting in lieu thereof "60".

REGISTRATION OF PESTICIDES CAUSING ADVERSE REPRODUCTIVE EFFECTS

SEC. 10. Section 3(c)(5) (7 U.S.C. 136a(c)(5)) is amended by inserting after the first sentence the following flush left margin sentence:

"The Administrator may not register a pesticide which has been shown to cause an adverse reproductive effect.".

CONDITIONAL REGISTRATION

SEC. 11. (a) Paragraph (7) of section 3(c) (7 U.S.C. 136a(c)(7)) is amended to read as follows:

"(7) REGISTRATION UNDER SPECIAL CIRCUMSTANCES.—

"(A) Notwithstanding subsection (c)(5), the Administrator may conditionally register or amend the registration of a pesticide if the Administrator determines that—

"(i) the pesticide and proposed use are identical or substantially similar to any currently registered pesticide and use thereof;

"(ii) approving the registration or amendment in the manner proposed by the applicant would not significantly increase the risk of any unreasonable adverse effects on the environment; and

"(iii) a use of the pesticide has not been—

"(I) canceled or suspended under section 6; or

"(II) voluntarily withdrawn, if the Administrator determines that the voluntary withdrawal of the pesticide was associated with concern over potential adverse human health or environmental consequences of the pesticide.

"(B)(i) Except as provided in clause (ii), an applicant seeking conditional registration or amended registration under this paragraph shall submit such data as would be required to obtain registration of a similar pesticide under subsection (c)(5).

"(ii) If an applicant is unable to submit an item of data because it has not yet been generated, the Administrator may register or amend the registration of the pesticide under such conditions as will require the submission of such data no later than the time such data are required to be submitted with respect to similar pesticides already registered under this Act.

"(iii) Registrations issued pursuant to Section 3(c)(7) shall be conditional upon submission of missing data and upon EPA's evaluation and acceptance of such data."

"(C) Subject to section 10, the Administrator shall make available to the public data submitted in support of the conditional registration of a pesticide under this paragraph, including a list of the outstanding tests to be performed on the pesticide and the timetable for performance of such tests.".

(b) Section 29 (7 U.S.C. 136w-4) is amended by striking out the second sentence.

INTERIM ADMINISTRATIVE REVIEW

SEC. 12. Section 3(c) (7 U.S.C. 136a(c)) is amended by striking out paragraph (8).

REREGISTRATION OF PESTICIDES

SEC. 13. Subsection (g) of section 3 (7 U.S.C. 135a(g)) is amended to read as follows:

"(g) REREGISTRATION OF PESTICIDES.—

"(1) The Administrator shall accomplish the reregistration of all pesticides in accordance with this subsection.

"(2)(A) No later than July 1, 1986, the Administrator shall publish in the Federal Register a list which contains the names and all data gaps for three hundred pesticide active ingredients not reregistered since September 31, 1978, in the order of their priority for reregistration under this Act.

"(B) In establishing the list required under subparagraph (A), the Administrator shall give the highest priority to pesticides which—

"(i) are used in substantial volume and result in postharvest residue in or on food or feed crops or in postapplication residues in potable ground water, edible fish, or shellfish;

"(ii) have been determined to have the most significant data gaps; or

"(iii) have been shown to cause mutagenic effects in appropriately designed and conducted experiments using a bacterial test system.

"(C) No later than July 1, 1987, the Administrator shall publish in the Federal Register a list which contains the names and all data gaps of all remaining pesticide active ingredients not contained in the list published pursuant to subparagraph (A) and not reregistered since September 31, 1978.

"(D) The establishment of a list by the Administrator under this paragraph shall not be subject to judicial review.

"(3) No later than thirty days after publishing a list of active ingredients of pesticides required under paragraph (2)(A) or (C), the Administrator shall notify existing registrants of each pesticide on such list pursuant to section 3(c)(2)(B) that, in order to maintain the registration of such pesticide under this Act, such registrants must complete studies to fill such data gaps within a reasonable time of not to exceed four years after such notice.

"(4)(A) No later than six months after providing the notice required under paragraph (3), the Administrator shall determine whether appropriate tests have been initiated to fill each of the data gaps for each pesticide active ingredient referred to in paragraph 2 (A) or (C).

"(B) If the Administrator determines that such a test has not been initiated within one year of the notice required under paragraph (3) or that progress is insufficient to ensure completion of such test within four years of such notice, the Administrator shall—

"(i) initiate or obtain a study necessary to fill such data gap as soon as practicable after such determination; and

"(ii) complete such study within a reasonable time, not to exceed four years, after the initiation of such study.

"(5) If the Administrator conducts a study under paragraph (4) to fill a data gap in an active ingredient in a pesticide under paragaph (4), the Administrator shall assess existing registrants of such pesticide in amounts necessary to cover all expenses incurred by the Administrator in filling such data gap.".

SAFETY OF INERT INGREDIENTS

SEC. 14. Section 3 (7 U.S.C. 136a) is amended by adding at the end thereof the following new subsection:

"(h) INERT INGREDIENTS.—

"(1) If an inert ingredient is contained in a pesticide that was not identified in any previous statements of the formula of the pesticide filed with the Administrator under this Act, an existing registrant or formulator of the pesticide shall file an amended confidential statement of the formula of the pesticide with the Administrator.

"(2) The Administrator may not register or reregister a pesticide containing an inert ingredient which, either alone or in combination with the active ingredients or other inert ingredients contained in the pesticide, causes unreasonable adverse effects on the environment.

"(3) No later than July 1, 1986, the Administrator shall—

"(A) develop and publish a plan to evaluate whether inert ingredients cause unreasonable adverse effects on the environment; and

"(B) issue regulations necessary to implement such plan.

"(4) If an inert ingredient of a pesticide is generally recognized as safe for use among experts qualified by scientific training and experience to evaluate the safety of chemicals, the Administrator may waive the application of this subsection to such ingredient.

"(5) Subject to section 10(d)(1), all information concerning the toxicity of inert ingredients shall be subject to disclosure in accordance with section 10.".

"(6) The Administrator shall complete reregistration of all pesticides within no more than one year of receipt of the data required by this subsection by determining whether pesticides being reregistered have an unreasonable adverse effect on man or the environment. Reregistration shall be accomplished by a thorough examination of all health and safety data required by the regulations and guidelines issued pursuant to section 3(c)(2) or otherwise necessary to make such determination."

DISCLOSURE OF ADVERSE EFFECTS

SEC. 15. Paragraph (2) of section 6(a) (7 U.S.C. 136d(a)(2)) is amended to read as follows:

"(2) INFORMATION.—If during or after the registration of a pesticide, the registrant has additional factual information regarding any adverse effects to man or the environment of the pesticide, the registrant shall immediately—

"(A) submit such information to the Administrator; and

"(B) identify such information as a disclosure under this paragraph of—

"(i) adverse effects of the pesticide; or

"(ii) if applicable, significant adverse effects of the pesticide on man or the environment.".

CANCELLATION BASED ON INACCURATE DATA

SEC. 16. Section 6(a) (7 U.S.C. 136d) is amended by adding at the end thereof the following new paragraph:

"(3) CANCELLATION BASED ON INACCURATE DATA.—

"(A) The Administrator shall immediately issue a notice of intent to cancel the registration of a pesticide or revoke a tolerance for the residue of a pesticide on food or feed if—

"(i) at any time after the registration of the pesticide or establishment of the tolerance, it appears to the Administrator that—

"(I) false, misleading, or inaccurate information has been submitted by the registrant of the pesticide to the Administrator in support of such registration or tolerance; and

"(II) such information is material; or

"(ii) the Administrator has mistakenly approved such registration or established such tolerance.

"(B)(i) If a hearing is held on such cancellation or revocation under subparagraph (A)(i), such hearing shall be limited to a determination of—

"(I) whether false, misleading, or inaccurate information was submitted to the Administrator; and

"(II) whether such information is material.

"(ii) If a hearing is held on such cancellation or revocation under subparagraph (A)(i) and a registrant establishes that such information is not presently material to the findings required under section 3(c)(5), the Administrator may not cancel such registration or revoke such tolerance.

"(iii) Such hearing shall be concluded within 90 days after issuance of the notice required under subaparagraph (A).

"(iv) The Administrator shall issue a final decision on such cancellation or revocation within 30 days of completion of such hearing.".

CANCELLATION BASED ON ADVERSE REPRODUCTIVE EFFECT

SEC. 17. Section 6(a) (7 U.S.C. 136d) (as amended by section 16 of this Act) is amended by adding at the end thereof the following new paragraph:

"(4) CANCELLATION BASED ON ADVERSE REPRODUCTIVE EFFECT.—The Administrator shall cancel any pesticide that has been shown to cause an adverse reproductive effect.".

NOTICE OF INTENT OF CANCELLATION

SEC. 18. (a) The first sentence of section 6(b) (7 U.S.C. 136d(b)) is amended to read as follows: "If it appears to the Administrator that a pesticide, active ingredient, category of pesticides or active ingredients, or other material required to be submitted does not comply with this Act or, when used in accordance with widespread and commonly recognized practice, has been shown to cause an adverse reproductive effect or to give rise to a substantial question of safety, the Administrator shall issue a notice of intent either—

"(1) to cancel its registration, together with the reasons (including the factual basis) for the action, or

"(2) to hold a hearing to determine whether or not its registration should be canceled.".

(b) The caption of section 6(b) is amended by striking out "AND CHANGE IN CLASSIFICATION".

CITIZENS' RIGHT TO INITIATE CANCELLATION HEARINGS

SEC. 19. The ninth sentence of section 6(b) (7 U.S.C. 136d(b)) is amended by inserting before the period at the end thereof the following: ", including a registrant, a user of the pesticide, or any member of the public, with or without an economic interest in the registration".

PUBLIC HEARINGS ON CANCELLATION

SEC. 20. Subsection (d) of section 6 (7 U.S.C. 136d(d)) is amended to read as follows:

"(d) PUBLIC HEARINGS AND SCIENTIFIC REVIEW.—

"(1) In the event a hearing is requested pursuant to subsection (b) or called by the Administrator pursuant to subsection (b), such hearing shall be held after due notice for the purpose of receiving evidence relevant and material—

"(A) to the issues raised by the objections filed by the applicant or other interested parties; or

"(B) if the hearing is called by the Administrator rather than by the filing of objections, to the issues stated by the Administrator.

"(2) Except as provided in this subsection, the hearing shall be conducted in accordance with section 554 of title 5, United States Code.

"(3) The hearing shall commence no later than—

"(A) 45 days after the date of the issuance of the notice required under subsection (b); or

"(B) with good cause shown by the Administrator, 60 days after such date.

"(4)(A) The hearing examiner shall give interested persons an opportunity to participate in the hearing through submission of written data, views, or arguments, with or without an opportunity for oral presentation.

"(B) The hearing examiner shall allow participants an opportunity in writing to rebut the written testimony submitted by other participants, except that the examiner may not permit cross-examination or the taking of depositions.

"(5)(A) Upon a showing of relevance and reasonable scope of evidence sought by any party to a public hearing, the Hearing Examiner shall issue a subpoena to compel testimony or production of documents from any person.

"(B) The Hearing Examiner shall be guided by the principles of the Federal Rules of Civil Procedure in making any order for the protection of a witness or the content of documents produced and shall order the payment of reasonable fees and expenses as a condition to requiring testimony of the witness.

"(C) On contest, the subpoena may be enforced by an appropriate United States district court in accordance with the principles stated herein.

"(6)(A) Upon the request of any party to a public hearing and when in the judgment of the Hearing Examiner it is necessary or desirable, the Hearing Examiner shall at any time before the hearing record is closed refer to a Committee of the National Academy of Sciences the relevant questions of scientific fact involved in the public hearing.

"(B) No member of any Committee of the National Academy of Sciences established to carry out the functions of this section shall have a financial or other conflict of interest with respect to any matter considered by such committee.

"(C) The Committee of the National Academy of Sciences shall report on such questions of scientific fact in writing to the Hearing Examiner no later than 60 days after the date of such referral.

"(D) The report shall be made public and shall be considered as part of the hearing record.

"(E) The Administrator shall enter into appropriate arrangements with the National Academy of Sciences—

"(i) to assure an objective and competent scientific review of the questions presented to Committees of the Academy; and

"(ii) to provide such other scientific advisory services as may be required by the Administrator for carrying out the purposes of this Act.

"(7) The hearing shall be completed no later than—

"(A) 30 days after the date of the commencement of the hearing; or

"(B) with good cause shown by the Administrator, 60 days after such date.

"(8) Notwithstanding section 557(c) of title 5, United States Code, the hearing examiner shall propose a recommended decision (together with findings and reasons therefor) no later than 30 days after the date of the conclusion of the hearing.

"(9)(A) As soon as practicable after the date of the completion of the hearing, but no later than 30 days after such date, the Administrator shall—

"(i) evaluate the data, reports, and recommended decision before the Administrator; and

"(ii) issue an order revoking the notice of intent issued under subsection (b), canceling the registration, or denying the registration of the article.

"(B) Such order shall be based only on substantial evidence of record presented at such hearing and shall set forth findings and reasons upon which the order is based.".

EFFECT OF CANCELLATION, SUSPENSION, OR WITHDRAWAL

SEC. 21. Section 6 (7 U.S.C. 136d) is amended by adding at the end thereof the following new subsection:

"(g) EFFECT OF CANCELLATION, SUSPENSION, OR WITHDRAWAL.—If the registration of a pesticide has been canceled, suspended, or voluntarily withdrawn (if the Administrator determines that the voluntary withdrawal of the registration was associated with concern over potential adverse human health or environmental consequences of the pesticide), the pesticide shall not be eligible for registration or conditional registration under section 3, an experimental use permit under section 5, or a special local needs registration under section 24(c), for a use for which the registration has been canceled, suspended, or voluntarily withdrawn, unless the Administrator finds that—

"(1) another registered pesticide, or other feasible alternative to the pesticide, is not available to control the pest damage the pesticide is designed to control;

"(2) the pest damage has increased substantially, or is a new pest infestation, since the cancellation, suspension, or withdrawal of the pesticide and such damage or infestation is causing or threatening to cause significant damage; and

"(3) data are available to the Administrator which demonstrate that the pesticide will effectively control the damage or infestation.".

DISCLOSURE OF INFORMATION BY REGISTRANTS

SEC. 22. (a) Subsections (c) and (d) of section 7 (7 U.S.C. 136e (c) and (d)) are amended to read as follows:

"(c) INFORMATION REQUIRED.—

"(1) Any producer operating an establishment registered under this section shall provide the Administrator within 30 days after it is registered, in the case of each pesticide currently produced or produced, sold, distributed, or exported during the past year and each intermediary chemical used in the production of such pesticide, with—

"(A) the chemical name, chemical abstracts service registry (CAS) number, trade name, and common name of such pesticide or chemical;

"(B) the amount of such pesticide produced annually and the amount of such chemical used in such production;

"(C) a summary of the health hazards and environmental risks associated with such pesticide or chemical, including the potential acute and chronic health hazards of, and potential means of human exposure to, such pesticide or chemical; and

"(D) the location of all chemical plants in the United States and in foreign countries used by the producer in the manufacture of such pesticide or chemical, including such information as the Administrator requires concerning the proximity of such plants to residential neighborhoods or populated areas and any plans for the evacuation of plant employees and residents of neighboring communities in the event of an emergency.

"(2) In addition to providing the information referred to in paragraph (1) to the Administrator, such producer shall provide such information to appropriate State and local police, fire, and health officials and to chemical plant employees or their representatives.

"(3) Upon the request of the Administrator for the purpose of assuring a stop sale order pursuant to section 13, a producer shall inform the Administrator of the name and address of any recipient of any pesticide produced in any registered establishment owned or operated by the producer.

"(4) Any producer who is operating an establishment registered under this section and who has exported a pesticide or active ingredient during the past year shall submit to the Administrator such information as the Administrator requires concerning the uses, recipients, and destinations of such pesticide and ingredient.

"(d) CONFIDENTIAL RECORDS AND INFORMATION.—

"(1) Except as provided in paragraph (2), any information submitted to the Administrator pursuant to subsection (c)(1) shall not be considered confidential and shall be fully available to the public.

"(2) Paragraph (1) does not authorize the Administrator to disclose information concerning the amount of pesticides produced or intermediary chemicals used in such production.".

(b) Section 7 is amended by adding at the end thereof the following new subsection:

"(e) PUBLIC REPORT.—The Administrator shall issue an annual public report which describes—

"(1) the total amount of each active pesticide ingredient used during the previous year in the production of pesticides registered under this Act;

"(2) the categories of such use by agricultural, household, home garden, industrial, institutional, and structural uses;

"(3) the patterns of pesticide use on food crops imported into the United States; and

"(4) the scope, frequency, and results of pesticide residue monitoring tests conducted on food by the Secretary of Health and Human Services and the Secretary of Agriculture.".

BOOKS AND RECORDS OF EXPORTED PESTICIDES

SEC. 23. (a) The first sentence of section 8(a) (7 U.S.C. 136f(a)) is amended by inserting ", both in the United States and in foreign countries," after "operations".

(b) Section 8(b) is amended—

(1) in the first sentence of the first paragraph—

(A) by inserting "exporter," after "distributor,";

(B) by inserting ", or exports or delivers for export," after "delivery" the first place it appears; and

(C) by inserting "export," after "delivery," each place it appears in clauses (1) and (2); and

(2) by inserting ", export," after "distribution" in the first sentence of the second paragraph.

DISCLOSURE OF INERT INGREDIENTS

SEC. 24. Section 10(d)(1) (7 U.S.C. 136h(d)(1)) is amended—

(1) by inserting ", in connection with an application for the registration or conditional registration of a pesticide under this Act," after "performed"; and

(2) by striking out "identity or" in clause (C) of the second proviso.

PESTICIDE INTERMEDIARY CHEMICALS

SEC. 25. Section 10(d) (7 U.S.C. 136h(d)) is amended by adding at the end thereof the following new paragraph:

"(4) Except as provided in section 7(d), all information submitted to the Administrator pursuant to section 7(c)(1) shall be available to the public.".

DISCLOSURE TO FOREIGN AND MULTINATIONAL PESTICIDE PRODUCERS

SEC. 26. Section 10 (7 U.S.C. 136h) is amended by striking out subsection (g).

RECORDS OF COMMERCIAL APPLICATORS

SEC. 27. (a) Subsection (a) of section 11 (7 U.S.C. 136i(a)) is amended to read as follows:

"(a) IN GENERAL.—The Administrator shall require a commercial applicator of pesticides to maintain records of pesticide applications, including the identity and amount of pesticides applied, the time, location, and rates of such applications, and such other information as the Administrator determines necessary to carry out this Act.".

(b) Section 11 is amended by adding at the end thereof the following new subsections:

"(c) ACCESS TO RECORDS.—For the purpose of enforcing this Act, a commercial applicator shall, upon request of the Administrator or an officer or employee of a State or political subdivision designated by the Administrator, furnish or permit the Administrator, officer, or employee at all reasonable times to have access to, and to copy, records maintained pursuant to subsection (a).

"(d) MAINTENANCE OF RECORDS.—A commercial applicator shall maintain the records required under subsection (a) for a period of time determined by the Administrator which is sufficient to carry out this Act, including the prevention of acute and chronic health effects and other adverse effects on the environment.

"(e) COOPERATIVE EXTENSION AGENTS.—

"(1) The Administrator and the Secretary of Agriculture shall jointly establish and maintain a system which utilizes cooperative extension agents to collect information concerning the application of agricultural pesticides by pesticide applicators who are not commercial applicators.

"(2) In establishing and maintaining such system, to the extent practicable, the Administrator and Secretary—

"(A) shall compile information which is similar to the type of information maintained under subsection (a) by commercial applicators; and

"(B) may not impose additional record-keeping requirements on pesticide applicators who are not commercial applicators.".

PESTICIDE DRIFT

SEC. 28. Section 11 (7 U.S.C. 136i) (as amended by section 27(b) of this Act) is amended by adding at the end thereof the following new subsection:

"(f) PESTICIDE DRIFT.—No later than July 1, 1986, in order to prevent the drift of pesticides onto nontarget property, the Administrator shall require—

"(1) registrants to modify the labeling of pesticides or take other actions;

"(2) commercial applicators to use the best available technology and application methods; or

"(3) both registrants and commercial applicants to take the actions referred to in clauses (1) and (2).".

UNLAWFUL ACTS INVOLVING USE OF DATA FOR REGISTRATION IN FOREIGN COUNTRIES

SEC. 29. Section 12(a)(2) (7 U.S.C. 136j(a)(2)) is amended—

(1) by striking out "or" at the end of clause (O));

(2) by striking out the period at the end of clause (P) and inserting in lieu thereof a semicolon and "and"; and

(3) by adding at the end thereof the following new clause:

"(Q) to use data submitted to the Administrator by an applicant or registrant under this Act for the licensing or registration of a pesticide in a foreign country during a period of exclusive use or any period for which compensation is required for the use of such data in the United States under section 3(c), unless such person has the consent of the applicant or registrant;".

UNLAWFUL ACTS INVOLVING DISCLOSURE OF ADVERSE EFFECTS

SEC. 30. Section 12(a)(2) (7 U.S.C. 136j(a)(2)) (as amended by section 29 of this Act) is amended by adding at the end thereof the following new clause:

"(R) to fail to make a disclosure of information required under section 6(a)(2); or".

UNLAWFUL ACTS INVOLVING VIOLATION OF REGULATIONS

SEC. 31. Section 12(a)(2) (7 U.S.C. 136j(a)(2)) (as amended by section 30 of this Act) is amended by adding at the end thereof the following new clause:

"(S) to violate any regulation issued by the Administrator under this Act.".

INDEMNITIES

SEC. 32. Section 15 (7 U.S.C. 136m) is repealed.

CITIZEN SUITS

SEC. 33. The Act is amended by inserting after section 16 (7 U.S.C. 136n) the following new section:

"SEC. 16A. CITIZEN SUITS.

"(a) IN GENERAL.—

"(1) Except as provided in subsection (b), a person may commence a civil action for damages or equitable relief, or both—

"(A) against a person (including (i) the United States and (ii) any other governmental instrumentality or agency to the extent permitted by the eleventh amendment to the Constitution of the United States) who is alleged to be in violation of this Act; or

"(B) against the Administrator where there is alleged a failure of the Administrator to perform any act or duty under this Act which is not discretionary with the Administrator.

"(2) The district courts of the United States shall have jurisdiction without regard to the amount in controversy or the citizenship of the parties—

"(A) to enforce this Act;

"(B) to order the Administrator to perform an act or duty described in paragraph (1)(B); and

"(C) to apply any appropriate civil or criminal penalty provided under this Act.

"(b) NOTICE.—

"(1)(A) An action may not be commenced under this section against a pesticide applicator who is not a commercial applicator—

"(i) prior to sixty days after the date the plaintiff has given notice of the alleged violation to the Administrator, the State in which the alleged violation occurs, and the defendant; or

"(ii) if the Administrator or a State has commenced and is diligently prosecuting a civil or criminal action in a Federal or State court to require compliance with this Act.

"(B) An affected person may intervene in an action described in subparagraph (A)(ii) as a matter of right.

"(2) Except as provided in subsection (f) and unless the violation poses an imminent hazard to human beings or the environment, an action may not be commenced under this section against the Administrator prior to sixty days after the date the plaintiff has given notice of the alleged violation to the Administrator.

"(3) A person shall provide notice under this subsection in such manner as the Administrator shall prescribe by regulation.

"(c) CERTAIN UNLAWFUL ACTS.—

"(1) An action alleging a violation of section 12(a)(1) may be brought under this section only in the judicial district in which the violation has occurred.

"(2) The Administrator may intervene in an action described in paragraph (1) as a matter of right.

"(d) COSTS OF LITIGATION.—A court may award the costs of litigation (including reasonable attorney and expert witness fees) to a prevailing party, other than the United States, in an action brought under this section.

"(e) LEGAL AND EQUITABLE RELIEF NOT RESTRICTED.—Nothing in this section shall restrict any right which a person may have to any legal or equitable relief for a violation of this Act by another person.".

IMPORTS AND EXPORTS

SEC. 34. (a) Subsection (a) of section 17 (7 U.S.C. 136o(a)) is amended to read as follows:

"(a) PESTICIDES AND DEVICES INTENDED FOR EXPORT.—

"(1) If the registration of the use or formulation of a pesticide under this Act has been canceled, suspended, denied, or voluntarily withdrawn (if the Administrator determines that the voluntary withdrawal of the registration was associated with concern over potential adverse human health or environmental consequences of the pesticide), or classified for restricted use under section 3(d), a person may not export such pesticide from the United States until—

"(A) such person has notified the Administrator of—

"(i) the quantity of such pesticide the person intends to export or deliver for export; and

"(ii) the foreign countries in which such pesticide will be applied; and

"(B) the appropriate officials of such foreign countries have—

"(i) received the information referred to in paragraph (3); and

"(ii) submitted a request referred to in paragraph (4).

"(2) An exporter who intends to make multiple shipments of a pesticide to one destination during a year may satisfy paragraph (1)(A) by submitting annually the information referred to in paragraph (1)(A).

"(3) Upon receipt of the information referred to in paragraph (1)(A) concerning the export of a pesticide to a foreign country, the Administrator shall provide such country with information regarding—

"(A) any restriction or prohibition on any use of such pesticide in the United States;

"(B) a detailed summary of any unreasonable adverse effects on the environment of the pesticide; and

"(C) the availability of regulatory and scientific documents concerning such pesticide.

"(4) In order to have a pesticide referred to in paragraph (1) exported from the United States to a foreign country, the foreign country in which the pesticide is to be applied must provide to the Administrator a request to have such pesticide exported to such country which includes—

"(A) an acknowledgment of receipt of the information referred to in paragraph (3); and

"(B) a description of—

"(i) the quantity and intended use of the pesticide;

"(ii) any registration and labeling requirements for the pesticide in such country;

"(iii) any procedures in such country to educate users in the safe handling, transportation, application, and disposal of such pesticide; and

"(iv) any requirements imposed in such country to control residues of such pesticide in order to permit compliance with subsection (d), including the results of any tests conducted in such country during the previous two years to determine whether such residues meet applicable tolerances established in the United States.

"(5) A country which intends to import multiple shipments of a pesticide for one use during a year may submit annually the request referred to in paragraph (4).".

(b) Section 17 is amended—

(1) by redesignating subsections (d) and (e) as subsections (e) and (f), respectively; and

(2) by inserting after subsection (c) the following new subsection:

"(d) IMPORTATION OF AGRICULTURAL COMMODITIES.—If the registration of a pesticide under this Act has been canceled, suspended, denied, or voluntarily withdrawn (if the Administrator determines that the voluntary withdrawal of the registration was associated with concern over potential adverse human health or environmental consequences of the pesticide for use on an agricultural commodity), a person may not import an agricultural commodity into the United States which contains detectable residues of such pesticide, unless the Administrator has established a tolerance for such pesticide because residues of such pesticide unavoidably persist in the environment.".

(c) Subsection (e) of section 17 (as redesignated by subsection (b)(1)) is amended to read as follows:

"(e) COOPERATION IN INTERNATIONAL EFFORTS.—The Administrator shall—

"(1) in cooperation with the Department of State, other appropriate Federal agencies, and non-governmental and internation-

al organizations, actively participate in and encourage international efforts to develop improved and uniform pesticide research and regulatory programs; and

"(2) provide foreign countries with technical assistance to develop such programs, including programs for education and safety training, comprehensive pesticide regulation, and alternative methods of pesticide control.".

OCCUPATIONAL SAFETY OR HEALTH STANDARDS

SEC. 35. Section 22 (7 U.S.C. 136t) is amended by adding at the end thereof the following new subsection:

"(c) OCCUPATIONAL SAFETY OR HEALTH STANDARDS.—In exercising any authority under this Act, the Administrator shall not, for purposes of section 4(b)(1) of the Occupational Safety and Health Act of 1970 (29 U.S.C. 653(b)(1)), be considered to be exercising statutory authority to prescribe or enforce standards or regulations affecting occupational safety or health.".

SPECIAL LOCAL NEEDS EXEMPTION

SEC. 36. (a) Section 24(b) (7 U.S.C. 136v(b)) is amended—

(1) by striking out "Such" and inserting in lieu thereof "(1) Except as provided in paragraph (2), the"; and

(2) by adding at the end thereof the following new paragraph:

"(2)(A) A State may impose or continue in effect requirements for labeling or packaging in order to enforce a prohibition on the use of a federally registered pesticide or device in the State.

"(B) If a State imposes or continues in effect the requirements, the State shall—

"(i) require that the prohibited use be stated on the labeling or packaging; and

"(ii) notify the Administrator of the action and the reasons for the action.

"(C) The Administrator shall—

"(i) maintain a record of the requirements; and

"(ii) make the record available to the public.".

(b) Section 24(c) is amended—

(1) by striking out "federally registered pesticides" in the first sentence of paragraph (1) and inserting in lieu thereof "pesticides which are registered under paragraph (5) or (7) of section 3(c) and";

(2) in paragraph (2)—

(A) by striking out "for more than ninety days if disapproved by the Administrator within that period" in the first sentence and inserting in lieu thereof "until 90 days have elapsed after the date on which the Administrator is notified by a State of the intent of the State to issue the registration";

(B) by inserting after the first sentence the following new sentence: "If the Administrator disapproves the registration during the 90-day period, the registration shall not become effective."; and

(C) by striking out "(A) on the basis of lack of essentially of a pesticide or (B)" in the last sentence;

(3) in paragraph (3)—

(A) by striking out "or" in the second sentence and inserting in lieu thereof "that";

(B) by inserting after "hazard," in the second sentence the following: "or that the registration is unnecessary to meet special local needs and therefore the registrant should apply for registration under section 3(c)(5),";

(C) by striking out "may" in the second sentence and inserting in lieu thereof "shall"; and

(D) by adding at the end thereof the following new sentence: "If more than five States provide under this subsection for the registration of a new or additional use of a pesticide to meet the same special local need, there shall be a rebuttable presumption that a special local need does not exist for purposes of this subsection.";

(4) by striking out "may" in the first sentence of paragraph (4) and inserting in lieu thereof "shall"; and

(5) by adding at the end thereof the following new paragraphs:

"(5) A registration issued by a State under this subsection shall expire after a one-year period.

"(6) If a special local need registration issued initially by a State has not been used or has lapsed, the State shall inform the Administrator of such fact.".

INDOOR EXPOSURE TO PESTICIDES

SEC. 37. Section 25(c) (7 U.S.C. 136w(c)) is amended—

(1) by striking out "and" at the end of clause (5);

(2) by striking out the period at the end thereof and inserting in lieu thereof a semicolon; and

(3) by adding at the end thereof the following new clause:

"(7) to establish and enforce standards for indoor human exposure to pesticides; and".

CHANGE IN CLASSIFICATION OR LABELING

SEC. 38. Section 25(c) (7 U.S.C. 136w(c)) (as amended by section 37 of this Act) is amended by adding at the end thereof the following new clause:

"(8) to issue an order changing the classification of a pesticide or requiring modification of the labeling or packaging of a pesticide.".

WORKER HEALTH AND SAFETY PROGRAM

SEC. 39. (a) Section 25 (7 U.S.C. 136w) is amended by adding at the end thereof the following new subsection:

"(f) WORKER HEALTH AND SAFETY PROGRAM.—

"(1) The Administrator shall establish and maintain an occupational health program for the protection of workers who mix, load, or apply pesticides or work in areas where pesticides are applied.

"(2)(A) The Administrator shall establish within the Office of Pesticide Programs of the Environmental Protection Agency a separate administrative unit responsible for worker health and safety in the handling of pesticides.

"(B) Such unit shall—

"(i) develop and maintain expertise on working conditions and work practices of workers exposed to pesticides;

"(ii) participate in the development of regulations, standards, and registration data requirements relating to the health and safety of workers exposed to pesticides;

"(iii) evaluate registration, reregistration, interim administrative review, and cancellation decisions with respect to effects of such actions on worker health and safety; and

"(iv) coordinate the worker health and safety standards and enforcement activities carried out under this Act with standards and enforcement activities carried out under the Occupational Safety and Health Act of 1970 (29 U.S.C. 651 et seq.).

"(3)(A) The Administrator shall issue regulations for the protection of employees who are exposed to pesticides.

"(B) The regulations shall require—

"(i) the protection of employees who mix, load, or apply pesticides, including the use of—

"(I) protective clothing and equipment; and

"(II) medical surveillance, emergency medical care, and hygiene;

"(ii) the training of each employee who mixes, loads, or applies a pesticide concerning—

"(I) worker, public health, and environmental hazards involved;

"(II) safety procedures to be followed;

"(III) clothing and protective equipment to be used;

"(IV) common symptoms of pesticide poisoning;

"(V) the location of emergency medical treatment; and

"(VI) applicable law, regulations, and labeling requirements; and

"(iii) the protection of field workers and other employees who work in areas treated with pesticides, including—

"(I) safe reentry intervals;

"(II) protective clothing;

"(III) information, training, and supervision; and

"(IV) emergency medical care and hygiene.

"(4) The Administrator and the Secretary of Labor shall adopt an interagency agreement which requires the Secretary to enforce pursuant to the Occupational Safety and Health Act (29 U.S.C. 651 et seq.) worker health and safety regulations issued by the Administrator under this Act.".

(b) The amendment made by subsection (a) shall be implemented as soon as practicable after the date of enactment of this Act, but no later than July 1, 1986.

CONTAMINATION OF GROUND WATER

SEC. 40. The Act (7 U.S.C. 136 et seq.) is amended by adding at the end thereof the following new section:

"SEC. 32. CONTAMINATION OF GROUND WATER.

"(a) NOTICE OF GROUND WATER CONTAMINATION.—If the Administrator determines that a pesticide is present in ground water as a result of an agricultural use of such pesticide in a manner consistent with its labeling, the Administrator shall immediately issue a notice of such contamination to the State in which such contamination has occurred and to each registrant of such pesticide.

"(b) NOTICE OF INTENT TO CANCEL REGISTRATION.—During the period beginning 120 days after issuance of such notice and ending 180 days after issuance of such notice, the Administrator shall issue, pursuant to section 6, a notice of intent to cancel the registration of the use of such pesticide that resulted in such ground water contamination unless—

"(1) the affected State has developed and implemented a plan which the Administrator determines is sufficient to assure that no additional contamination will occur as a result of agricultural use of the pesticide in a manner consistent with its labeling; or

"(2) the affected registrant has amended the pesticide label in a manner that the Administrator determines is sufficient to assure that no additional contamination will occur as a result of agricultural use of the pesticide in a manner consistent with its labeling.".

FEES

SEC. 41. The Act (7 U.S.C. 136 et seq.) (as amended by section 40 of this Act) is amended by adding at the end thereof the following new section:

"SEC. 33. FEES.

"No later than 120 days after the date of enactment of the Federal Pesticide Reform

Act of 1985, the Administrator shall require persons—

"(1) in order to register or reregister a pesticide or receive other services under section 3, 5, 18, or 24(c), to pay such fees to the Administrator as the Administrator determines will be sufficient over a reasonable period of time to establish and maintain a fully self-supportive registration and reregistration process under this Act; and

"(2) in order to receive services under sections 6, 7, 8, 9, and 13, to pay such fees to the Administrator as the Administrator determines will be sufficient to defray the costs of the services.".

EMPLOYEE PROTECTION

SEC. 42. The Act (7 U.S.C. 136 et seq.) (as amended by section 41 of this Act) is amended by adding at the end thereof the following new section:

"SEC. 34. EMPLOYEE PROTECTION.

"(a) IN GENERAL.—An employer may not discharge an employee or otherwise discriminate against an employee with respect to the compensation, terms, conditions, or privileges of employment of the employee on the ground that the employee (or a representative of the employee) has—

"(1) commenced, caused to be commenced, or is about to commence or cause to be commenced a proceeding under this Act;

"(2) testified or is about to testify in any such proceeding; or

"(3) assisted or participated, or is about to assist or participate in any manner, in such a proceeding or in any other action to carry out this Act.

"(b) ADMINISTRATION.—The Administrator shall implement this section in a manner consistent with the procedures, remedies, review, enforcement, and exclusion provisions established under section 23 of the Toxic Substances Control Act (15 U.S.C. 2622).".

CONFORMING AMENDMENTS TO TABLE OF CONTENTS

SEC. 43. The table of contents contained in section 1(b) (7 U.S.C. 116 note) is amended—

(1) by adding at the end of the items relating to section 2 the following:

"(ff) Data gap.
"(gg) Adverse reproductive effect.";

(2) by striking out the item relating to paragraph (8) of section 3(c);

(3) by adding at the end of the items relating to section 3 the following:

"(h) Inert ingredients.";

(4) by adding at the end of the items relating to section 6(a) the following:

"(3) Cancellation based on inaccurate data.
"(4) Cancellation based on adverse reproductive effect.";

(5) by striking out the item relating to section 6(b) and inserting in lieu thereof the following:

"(b) Cancellation.";

(6) by adding at the end of the items relating to section 6 the following:

"(g) Effect of cancellation, suspension, or withdrawal.";

(7) by adding at the end of the items relating to section 7 the following:

"(e) Public report.";

(8) by striking out the item relating to subsection (g) of section 10;

(9) by adding at the end of the items relating to section 11 the following:

"(c) Access to records.
"(d) Maintenance of records.
"(e) Cooperative extension agents.
"(f) Pesticide drift.";

(10) by striking out the items relating to section 15;

(11) by inserting after the items relating to section 16 the following:

"Sec. 16A. Citizen suits.
"(a) In general.
"(b) Notice.
"(c) Certain unlawful acts.
"(d) Costs of litigation.
"(e) Legal and equitable relief not restricted.";

(12) by striking out the items relating to section 17 and inserting in lieu thereof the following:

"Sec. 17. Imports and exports.
"(a) Pesticides and devices intended for export.
"(b) Cancellation notices furnished to foreign governments.
"(c) Importation of pesticides and devices.
"(d) Importation of agricultural commodities.
"(e) Cooperation in international efforts.
"(f) Regulations.";

(13) by adding at the end of the items relating to section 22 the following:

"(c) Occupational safety or health standards.";

(14) by adding at the end of the items relating to section 25 the following:

"(f) Worker health and safety program.";

and

(15) by adding at the end thereof the following:

"Sec. 32. Contamination of ground water.
"(a) Notice of ground water contamination.
"(b) Notice of intent to cancel registration.
"Sec. 33. Fees.
"Sec. 34. Employee protection.
"(a) In general.
"(b) Administration.".

SECTION-BY SECTION OF FEDERAL PESTICIDE REFORM ACT OF 1985

SEC. 3. Changes the definition of "competent person" to increase the level of training required by a person applying pesticides commercially. (Controversy exists about what level of training should be required of those applying pesticides. This proposal requires the person actually applying the pesticides, the "competent person," to undergo a minimum training program, but not have to actually be certified, which is the next higher level of competency.)

SEC. 4. Requires that inert ingredients, as well as active ingredients, be identified on a pesticide's ingredient statement (See Sections 14 & 24 of this bill). (Certain inert ingredients are bioactive compounds but, under current law, are not listed on the pesticide label nor subjected to the same level of health and safety testing as active ingredients. This proposal starts the safety testing as active ingredients. This proposal starts the process of subjecting these compounds to greater scrutiny.)

SEC. 5. Eliminates from the definition of a misbranded pesticide the provisions dealing with a pesticide manufactured in the U.S. solely for export and not registered in this country (See Sections 8 & 34). (Many pesticides are being exported for uses not registered in this country. Controversy exists about whether the U.S. should allow the unrestricted export of compounds for uses not allowed in this country. This proposal starts the process of increasing the restrictions on these exports by eliminating mention of the existing situation at this point in the Act.)

SEC. 6. Establishes a definition for "data gaps," the health and safety information missing from a pesticide's data files (Used in Section 13). (This is a new term used elsewhere in the bill.)

SEC. 7. Adds a new definition for "Adverse Reproductive Effect" (Used in Section 10 & 17). (This is a new term used elsewhere in the bill.)

SEC. 8. Requires that pesticides intended for export be registered (See Section 34). (If the U.S. has a duty to act responsibly in exporting toxic substances, it follows that adequate information and screening of these compounds should occur. This proposal requires that a pesticide be registered for at least one use in order to be eligible for export.)

SEC. 9. Allows public disclosure of information submitted in support of a pesticide registration application or a pesticide residue tolerance application in *advance* of a final decision. (Current law allows public comment on proposed registration and pesticide residue tolerance decisions. However, none of the health and safety data can be made public until *after* a decision is made. This proposal allows public access to this data while the decision is being made.)

SEC. 10. Prohibits the registration of a pesticide if it has an adverse reproductive effect. (Some pesticides are teratogens—cause birth defects—but this fact has not been adequately considered in past pesticide decisions. This proposal elevates the finding of teratogenicity to a reason for the denial of a pesticide application.)

SEC. 11. Restricts the use of conditional registrations so that adequate public health and environmental safeguards are met. (There has been a pattern of laxity or over issuance of conditional registrations, which are granted to applicants for new uses of existing pesticides, new companies seeking to register existing pesticides, and for new chemicals. These applications are not subjected to the same scrutiny as regular registrations. This proposal eliminates the issuance of conditional registrations except to new registrants for existing pesticides.)

SEC. 12. Deletes the requirement which requires a validated test or other significant evidence of unreasonable adverse effect before initiation of a formal agency review of a pesticide. (The cancellation process at EPA is a cumbersome and lengthy one. It also contains a number of redundancies, such as the provision eliminated here. This proposal, together with the proposal in Section 18, sets up a "risk only" trigger for the initiation of a cancellation hearing, during which a risk-benefit analysis is performed.)

SEC. 13. Sets a strict timetable for updating the health and safety data files for pesticides which have not been registered since September 31, 1978 and which: 1) are used on food crops or which might contaminate potable ground water; 2) have significant data gaps, as determined by the Administrator, or; 3) are mutagens. (EPA was to have reregistered every pesticide and pesticide use by 1976. It still has a backlog of missing data to collect and reviews to conduct which will take decades to complete. This proposal is nearly identical to law enacted in California in 1984 and would set a priority schedule for filling data gaps for the pesticides posing the greatest health risk. Under this proposal, EPA will identify a list of high-risk pesticides and require filling of data gaps for these by a time certain, or EPA will contract for the scientific studies necessary and bill the company which holds the registration.)

SEC. 14. Requires greater stringency for evaluating the adverse effects of inert ingredients used in pesticide formulations. (As explained above, there are some inerts which pose health and safety risks, just as active ingredients do. This proposal requires more data on inert ingredients, allows denial of registration for pesticides containing harmful inerts, and calls upon the Administrator to develop a comprehensive plan for dealing with inerts.)

SEC. 15. Sets a stricter requirement for a registrant of a pesticide to report to EPA when it finds additional evidence of risk with a pesticide. (See Section 30) (Current law requires notification to EPA when a registrant discovers unreasonable adverse effects connected with its product. This proposal requires the reporting of all adverse effects, and requires the company to specifically identify significant adverse effects.)

SEC. 16. Requires the triggering of a pesticide cancellation proceeding when information used to register a pesticide is shown to be false, misleading, or inaccurate. (Within the last few years, it was found that a number of pesticide data packages contained falsified data. This false data would prevent a pesticide from being registered, yet no provision exists for cancelling a registration for a pesticide after the discovery is made. This proposal, similar to California state law, triggers a cancellation proceeding when supporting data is found to be in error.)

SEC. 17. Establishes the finding of "adverse reproductive effects" as a cause for the initiation of a cancellation proceeding. (This proposal parallels the registration denial proposal in Section 10.)

SEC. 18. Reinforces the previous provision and also changes the threshold for the intiation of a cancellation proceeding to "a substantial question of safety," a more sensitive threshold. (Current law has been interpreted to require a number of steps and analyses to be done *before* a notice of intent to cancel a pesticide is issued. Then, many of these same steps are repeated during the cancellation hearing process. This proposal sets the threshold of "substantial question of safety," the risk threshold set in a 1971 federal court decision, as the trigger for a cancellation hearing and allows the risk-benefit process to proceed *after* that.)

SEC. 19. Allows the public to request an agency hearing on a proposed action to cancel or change the registration of a pesticide. (Currently only those with an economic interest in a cancellation decision can request a hearing on the decision. This provision allows the affected general public to have the same right to request a hearing.)

SEC. 20. Changes the cancellation hearing process to cut delays. (The cancellation process is generally recognized as a cumbersome and slow process which places the public at risk for years. This provision streamlines the hearing process, while giving the parties a right to participate, and sets explicit time limits to speed the decision process.)

SEC. 21. Restricts the issuance of subsequent registrations under Sections 3, 5, or 24(c) of the Act for pesticides which have been cancelled, suspended, or voluntarily withdrawn for risk reasons. (Some pesticides for which normal registrations are terminated are placed back on the market through the less rigorous registration processes under Sections 3, 5, and 24(c) of FIFRA. This provision tightens that loophole, requiring greater justification for these subsequent registrations.)

SEC. 22. Requires more health and safety information to be collected and made available for public disclosure on pesticide manufacturing plant operations (See Section 25). (The incident at Bhopal and the subsequent inquiries on chemical plant operations in this country showed a lack of public information about the chemicals contained in the manufacturing plants. This provision requires more comprehensive information to be collected and made available to the public about manufacturing plants.)

SEC. 23. Requires more complete records to be compiled by producers and handlers of pesticides which are intended for export. (As mentioned above, there is a need for greater scrutiny of our pesticide exports. This provision includes pesticide exporters and overseas manufacturing operations in the recordkeeping requirements under this Act.)

SEC. 24. Allows the public disclosure of the names of inert ingredients used in a pesticide. (This provision is the third change in the bill to place bioactive inerts on equal footing with active ingredients.)

SEC. 25. Clarifies the disclosability of data collected under Section 22. (This provision clarifies that intermediary chemicals are to be treated equally with active ingredients in disclosing information to the public, but that the amounts of such active ingredients and intermediary chemicals will not be disclosed.)

SEC. 26. Strikes the major restriction on public disclosure of health and safety data submitted by registrants in support of their registration application (See Section 29). (Current law prohibits the disclosure of health and safety information to foreign or multinational companies. However, EPA interprets this provision as requiring very strict conditions on the release of this data to the U.S. public, restricting the open use of this data. This provision repeals this prohibition.)

SEC. 27. Requires more complete record keeping by commercial applicators and establishes a national system of monitoring pesticide use patterns. (With current concern about groundwater contamination and public health, more complete information is required about volumes and use patterns of pesticides. This provision requires *commercial applicators* to maintain spray records—records which are kept by many currently—for EPA and state agency use. This provision also calls upon the Extension Service to monitor this information among private applicators, although private applicators will remain exempt from keeping detailed records themselves.)

SEC. 28. Requires the use of "best available technology" to reduce the drift of pesticides onto nontarget property. (Many accidental pesticide exposures are due to pesticide drifting onto adjoining property. This drift can cause harm to unprepared neighbors and their property. This provision seeks to speed the adoption of equipment and techniques to reduce spray drift.)

SEC. 29. Prohibits the use in other countries of health and safety data submitted for a registration in the U.S. (This provision seeks to replace the restrictions which are removed by Section 26 of the bill.)

SEC. 30. Makes it unlawful for a registrant to fail to disclose findings of additional risk associated with their pesticide. (As noted in Section 15, registrants are required to report findings of additional risk, but this is not a strongly enforced or penalized requirement. This provision places stronger penalties in place to make sure that registrants report these risk findings.)

SEC. 31. Makes it unlawful to violate regulations issued by EPA. (Many of the regulatory decisions of EPA have uncertain enforceability unless they are included on the pesticide label. For example, worker safety regulations have not been viewed as enforceable. This provision clarifies this situation by making it a violation of law to violate EPA regulation.)

SEC. 32. Repeals the requirement that the federal government indemnify the holders of cancelled or suspended pesticides. (Current law requires EPA to buy up supplies of pesticides in commercial channels for which sales have been suspended under an emergency order. The indemnification requirement may temper EPA's decision to suspend if the Agency faces large budgetary exposure. This provision repeals the requirement for EPA to buy up remaining stocks of suspended pesticides.)

SEC. 33. Allows civil suits to be initiated in federal district court against persons (including the federal government) found to be in violation of the Act. Litigants may seek damages or equitable relief. (Most environmental statutes have citizen suit provisions for violations of the statute which are used to supplement federal enforcement efforts. This provision creates the same provision in FIFRA. In addition, private applicators are protected in that they cannot be sued until after the violation has been reported to EPA or the state authorities and the EPA or the state fails to act within 60 days.)

SEC. 34. (A) Requires that cancelled and restricted use pesticides must undergo a more stringent procedure before being exported. (As explained above, this country has a responsibility for equal treatment of pesticides leaving this country. This provision requires the exporter of a pesticide to notify the Administrator of EPA, who must provide detailed information about the pesticide to the officials of the recipient country. The recipient country must acknowledge receipt of this information and details about the pesticide's use before export is permitted.)

(B) Prohibits importation of agricultural commodities with detectable levels of pesticides—levels due to new uses and not residues from past uses—which have been cancelled, suspended, denied, or withdrawn due to environmental concerns. (This provision tightens restrictions on food grown overseas with pesticides not allowed to be used in the U.S., protecting U.S. consumers and farmers.)

SEC. 35. Clarifies jurisdiction over farmworker safety between FIFRA and OSHA, allowing EPA and Department of Labor to engage in cooperative enforcement and to proceed with worker safety standards. (One of the reasons that EPA has not acted to initiate a worker safety program for pesticides is that any regulations it issues would pre-empt OSHA action under current law.)

SEC. 36. Tightens the issuance of special local needs pesticide registrations by questioning their need if they are being requested by a state deemed not capable of exercising control, or if the pesticide use is being sought in five or more states. (Past studies have shown a large number of unregistered pesticide uses being approved under the special local need category. This category does not require the same stringency of health and safety data and can be used as a "back door" approach to registration. This provision restricts the use of this registration category.)

SEC. 37. Authorizes EPA to establish and enforce standards for indoor pesticide resi-

dues. (Much human exposure to pesticides comes in the home or office where pest control operations may leave residues of harmful pesticides in the air. While we seek to limit exposure through residue standards on food and in water, there is no similar provision for our homes or offices. This provision allows EPA to deal with this problem by giving them authority to set indoor pesticide residue standards.)

SEC. 38. Gives the Administrator the power to change pesticide use classifications or modify labeling or packaging. (As stated elsewhere, the current process of modifying a pesticide's situation is a cumbersome and long one. This provision gives the Administrator the power to make some changes by less formal processes.)

SEC. 39. Establishes a worker health and safety program at EPA (See Sections 31 & 35). (EPA was given jurisdiction over pesticide safety for workers in 1972, but has failed to act. This provision puts a worker safety program in place.)

SEC. 40. Establishes a groundwater protection program which, upon detection of a pesticide in groundwater, requires the affected state to act to control further contamination, or the registrant to amend the use restrictions of the pesticide. (Groundwater contamination from pesticides is becoming one of the most serious problems facing pesticide use. The problem is one which requires a coordinated program and precise fitting of pesticide use to field conditions. This provision proposes a state-based system of rapid action which also allows a registrant to amend pesticide use restrictions to accomodate the specific conditions causing groundwater contamination.)

SEC. 41. Requires the imposition of registration fees sufficient to run the registration program at EPA. (Many of the problems being experienced by the pesticide program at EPA are due to inadequate resources. This provision tries to correct that by imposing registration fees sufficient to fund the program.)

SEC. 42. Protects employees of companies from being fired or penalized for reporting violations of this Act. (Other environmental protection statutes protect workers who report violations of the law from being harassed or fired by their employer. This provision, similar to one passed by the House in 1982, grants that same protection under FIFRA.)

SEC. 43. Changes the table of contents to reflect the changes proposed in this legislation.

ROUTINE MORNING BUSINESS

The PRESIDING OFFICER. Under the previous order, there will now be a period for the transaction of routine morning business for not to extend beyond the hour of 1 p.m. with statements therein limited to 5 minutes each.

U.S. TRADE BALANCE

Mr. MELCHER. Mr. President, the U.S. trade balance is at an alarming level. We are importing much more than we are exporting from this country. To put it simply, we overburden the imports that come in from abroad into our markets here as compared to the products that we export from the United States.

Last year the trade balance was a negative $126 billion. At the rate we are importing into the United States this year compared to our exports of commodities, products, and goods, we will exceed that record level of $126 billion by at least $10 to $12 billion.

There are a variety of reasons why we have such a reprehensible trade imbalance. First of all, we can cite the strong American dollar, where our dollar is worth so much more than the foreign currencies of other countries with which we deal. Second, the U.S. markets are much more open than almost all of our trading partners. They have adopted policies of protecting their markets much more than we do. But, third, the United States does a very poor job in meeting trade opportunities.

I want to dwell a little bit on agricultural exports because much of the exports that flow from the United States to other countries around the globe are agricultural commodities. These agricultural exports from the United States have been declining.

Mr. President, they are not declining because we do not have plenty of agriculture commodities to export. Indeed, the opposite is the case. We have tremendous quantities of surplus agricultural products. We have food in abundant share and much of the world needs the food supplies that we have here in the United States. But we are losing opportunities to export these food supplies from the United States, and that is one of the reasons our trade imbalance is so great and so discouraging.

In missing these opportunities to export our food abroad, let me give you some reasons. On these agricultural exports, there are five different departments that must approve or disapprove, modify, or accept an application from a foreign government or an application from a private voluntary organization or cooperative in a foreign country who have applied for an American commodity.

That is quite a scenario, Mr. President, when you consider that these five different departments—Agriculture, the Department of State, the Department of Treasury, the Office of Management and Budget, and the Department of Commerce—are all meeting together in a committee to look at an application from a foreign government, or one of the private, voluntary organizations and cooperatives for some of our food commodities to discuss whether or not the application should be accepted, modified, or rejected. They do not always meet, of course. They meet from time to time, and in the case of an emergency they would meet tomorrow. But by and large, this group meets about every 2 or 3 weeks to look at applications and to make their decisions.

To give a couple of examples, Mr. President, where applications have been delayed, denied, or modified in such a way that they are unacceptable to the foreign applicant, in the case of the Philippines all this year the wheat application was held up, and the wheat still has not been shipped from the United States. In the case of applications from India for some cooperative projects regarding dairy supplies and soybean supplies, those applications were delayed, shelved, or modified in such a way that the applications from India were redrafted and given to other countries. Canada is now supplying some of the commodities that we could have supplied to India in these cooperative ventures, and the common market countries are supplying some of the dried powdered milk for some of their cooperative ventures. In other words, Mr. President, we have lost opportunity in numerous countries but I have only cited two examples. Obviously, this must be corrected. The new farm bill that we are drafting in the Senate Agriculture Committee and its counterpart in the House Agriculture Committee I hope will make corrections in this five-member group of different departments of our Government that have to meet to make approval of a foreign application for food, and U.S. food commodities.

My suggestion along that line is to do as one former Secretary of Agriculture told me after serving a 4-year stint as our Secretary of Agriculture. I asked him what he would do differently if he were in the job presently as our Secretary of Agriculture. He told me very candidly that he would not want to have the job again unless there were someone in the White House at a high position, at a high level, that would have the President's attention and create interest and concern on the part of the President to solve our agricultural trade problems in a swifter and more meaningful way by being the boss—or the czar, if you want to call it that, or the head—of our Government receiving the commodity food applications from foreign governments and from private voluntary organizations abroad so that a decision could be made quickly without delay in a commonsense fashion to both help the country that is applying for the sales or purchases, bartering or donations of food supplies we have in such abundant quantities here in the United States. That person in the White House would be at a rather high level comparable to our National Security Adviser, and this new person for agricultural trade would be in a position to make decisions quickly and in the manner that would have the direct backing of the President.

Mr. President, I believe that such a provision will be in the new farm bill.

The Senate Committee has looked rather favorably on a proposal such as this. I would expect it to be one of the main features in the new farm bill. If it is enacted into law, I think we will have corrected one of the biggest oversights in the whole governmental process that we have in our agricultural commodity trade opportunities around the world. If that is true—and I believe it would be true—then we could look for enhancing rather than declining or reducing the amount of agricultural commodities that are shipped from the United States. Hence, that would offset some of the negative trade balance that we are now enduring.

Mr. PRESSLER. Mr. President, as chairman of the European Affairs Subcommittee of the Senate Foreign Relations Committee, I feel a responsibility to discuss a controversial issue; namely, security at the Athens Airport. I say this as a friend of Greece. Many people have asked me, since I am chairman of the Subcommittee on European Affairs and a known friend of Greece, to raise this issue on the Senate floor. This is not a criticism of Greece, per se; it is an attempt to clarify an issue with a close ally and a good friend.

Indeed, my credentials for support of Greece are such that I have been asked to make this speech. Back in my days in the House of Representatives, I frequently joined my colleague and friend, John Brademas, then a Democrat from Indiana, in fighting for fair treatment for Greece.

I have very few Greek constituents. I arrived at my support for Greece intellectually because I believe it is correct. I continue this support for Greece in the Senate, having sponsored the successful Pressler/Biden amendment of last year, and this year the Pressler amendment which reestablished the seven/ten Greece/Turkey military assistance ratio.

Thus, I rise in the Senate as a friend of Greece to raise a question that many in the tourist industry and in Government are asking. Today, I am asking the Secretary of State to make a finding regarding the safety of the airport in Athens for American tourists. If he determines that the airport does not meet the American standards of airport security, I have requested that he put out a travel advisory for tourists. I would suggest that this advisory be issued only after such a determination has been found.

Last night, I was briefed by officials from the Federal Aviation Administration and the State Department, who are of the opinion that Greece has been very loose about airport security. For example, a few years ago a plane was destroyed by a bomb after leaving Athens. There have been numerous unsuccessful attempts to disrupt air service in Athens, including a rocket launched in an attempt to shoot down a plane, a suitcase bomb that didn't go off, and other examples. A good security system could have prevented these situations.

There seems to be a lack of urgency for the Greeks to act. The problem also seems to be rooted in the fact that Greece is very interested in doing business with many of the Arab States and other countries.

There is nothing wrong with increased relations with the Arab States; I encourage Greece to have trade with all countries. But because there has been so much legitimate travel between Greece and the Mideast, some feel that a very loose attitude toward security has developed. This may be wrong, but that is what some seem to be saying. Therefore, we need to clarify the matter.

Recently, a team of aviation and airport security experts from the Federal Aviation Administration and other groups were in Greece to help upgrade airport security in Athens.

They were told that the upgraded system would be implemented fully after the elections. The elections were held on June 2, but these changes have not yet been implemented. I hope that the changes will be implemented soon, and that there is no need for a travel advisory. Nonetheless, this is a situation we must watch carefully.

If American tourists are endangered, then it is necessary to take steps to assure that the highest level of security is being observed. I say that as a friend of Greece, having supported our aid proposal to Greece despite criticism by some who disagreed with remarks made by the Greek Prime Minister. I feel it is important to demonstrate our solidarity with Greece as an important NATO partner.

I raise this matter because the safety of our citizens is of the highest importance. The Secretary of State should discuss this matter with the Greek Government, and reach a determination as to whether or not a travel advisory should be issued for tourists going to Greece this summer.

Airport security is almost in the background of this current tragedy. However, for the safety of our citizens in the future, the State Department must look into this matter.

One final note: This is in no means an action designed to blame the Greek Government for the present tragedy. Indeed, swift action could very likely be taken to assure that the Athens Airport does meet security standards, and that no travel advisory is needed. Nonetheless, when American citizens are involved, everything possible must be done to protect their safety.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. McCLURE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. EVANS). Without objection, it is so ordered.

FOREIGN TARGETING OF U.S. INDUSTRIES

Mr. THURMOND. Mr. President, I rise today to call to the attention of my colleagues an excellent, thought-provoking essay recently presented at Clemson University, in my home State of South Carolina, by Mr. Anthony Harrigan.

Mr. Harrigan is a noted columnist and is also president of the U.S. Business and Industrial Council. In addition to his columns, Mr. Harrigan has authored numerous articles, papers, and books. His writings on economic issues have earned him the Free Enterprise International Award.

In his essay, entitled "Foreign Targeting of United States Industries," Mr. Harrigan states that current U.S. trade policy must be changed, and changed dramatically, due to the fact that other countries are "targeting" American industries. He goes on to say that the United States cannot live on service industries and high technology alone.

Mr. President, I found this essay most informative. I urge all of my colleagues and their staffs to read this article at their earliest convenience. I therefore, ask unanimous consent, Mr. President, that the text of the essay be printed in the RECORD.

There being no objection, the essay was ordered to be printed in the RECORD, as follows:

FOREIGN TARGETING OF U.S. INDUSTRIES

(By Anthony Harrigan)

The dead hand of economic dogma is preventing the United States from understanding and responding to foreign trade offensives which are deindustrializing this once preeminent industrial power, unemploying Americans and endangering the future of the middle class on which our country's political and social stability is built. This is the overall threat in the ruinous trade situation now confronting the United States.

Ironically, the nature of the problem and the size of the stakes seem to escape the majority of policy and opinion-makers in our country. Both liberals and conservatives accept a free trade dogma which bears no relation to global economic realities of our time. They decry "protection," as though defense of national economic interests were an evil practice. It isn't surprising that the liberal-left element in the United States regards "protectionism" as a dirty word; this element in American public life favors a new international economic order based on the redistribution of America's wealth and reduction of the U.S. to second class power status in the world. America's colossal trade deficit, which is estimated to reach $123 billion this year, is fulfilling the dream of the

redistributionists and producing the deindustrialization which will move the United States towards a second class power status.

Conservatives should comprehend the situation and be profoundly concerned about the redistributionism and the deindustrialization. They should be the leaders in advocating a strategic economic policy for the United States. Unfortunately, the majority of them fail to understand and act accordingly. They treat the notion of "free trade" as an article of faith, despite the fact that there is no true free trade in the world today and that which passes for it is unilateral free trade on the part of the United States, which benefits countries with state-directed trade strategies and leaves the American people at a great disadvantage.

One wishes that conservative policy and opinionmakers would bear in mind the words of the great British conservative, Benjamin Disraeli, who said in 1843 that "Free trade is not a rule, it is an expedient. . . . Protection is not a rule, it is an expedient."

If the United States is not to be deindustrialized, producing a situation comparable to what the authors of the Morgenthau Plan envisioned for defeated Germany at the end of World War II, U.S. trade policy must be changed in a drastic way, beginning in 1985. First, however, there must be an opening up of the minds of Americans, beginning with the public policy-makers who hold positions of influence. These policy-makers will have to do what they have not done to date, namely examine the idea and operation of so-called free trade. Today, free trade is an unexamined idea in the United States.

It's very disturbing that while American factories, both old and new, are shut down as a result of a flood of foreign imports, neither liberals not conservatives seem to care—outside the affected industries and communities, that is. The free trade dogmatists say, in effect, to affected citizens—"let them eat cake." They would let American factories close down and throw their employees out of work—all in the interest of their idea of free trade.

If this were a minor problem, the economic dogmatism could be ignored. Unfortunately, it's a problem of colossal proportions.

A few statistics: In 1970, the U.S. accounted for 30 percent of the world GNP. By 1980, this had dropped to 20 percent. In 1970, the U.S. had a $5.4 billion trade surplus. In 1983, the U.S. trade deficit totaled $69.5 billion—up 92 percent from the previous year. Economic Data Resources Inc. predicts that the U.S. trade deficit "could hit $274 billion by 1990." Over half a million jobs have been lost in the smokestack industries. Sixty percent of the U.S. market for computerized machine tools and 38.7 percent of the market for semi-conductors has been lost. Seventy percent of footwear sales in the United States are imports. As you well know, textile and apparel imports are up 41 percent over the January-September period of last year.

This is what's happening in almost every industry. More U.S. investment isn't the answer. The textile industry will invest $1.7 billion in new plants and equipment this year, and the imports continue to increase.

The harsh statistics of industrial decline don't deter the free trade dogmatists. They have their ideas, and they intend to keep them—no matter what the evidence. They are wedded to notions that simply aren't true. For example, they say that trade is always in two directions. This bears on the overall truth but is not the total truth. In any trade, one partner may end up with the short end of the stick. Free trade theorists of the past argued that global wealth is maximized if each nation produces only those things it can manufacture better than others. This is a simple and compelling theory, but it isn't applicable to the 1980s.

The theorists of yesteryear never conceived of a situation where one country handicaps its industrial development by paying the defense costs of a competitor nation, as the United States pays for much of the defense of Japan. The free trade purists of today ingnore the fact that international trade in the 1980s often is between private businesses in the United States, which are governed by normal market conditions, and foreign government-directed enterprises which need pay no attention to profitability or efficiency. These enterprises are funded or guided by their governments and seek market share in the United States, irrespective of profitability.

The American exponents of free trade ignore the pervasive foreign government control of productive enterprises which seek to trade with the United States. The foreign firms have comparative advantages in the production of goods which derive from governmental action. The principle of comparative advantage is, therefore, distorted. In truth, the General Agreement on Tariffs and Trade (GATT) is meaningless; there is no general agreement on principles between the United States and its competitors with guided and directed economies. America's competitors have a wide range of devices available for national direction of trade—for maximizing their advantage over the United States while calling for free trade on the part of the U.S.—tariffs, quotas, technical and administrative barriers, testing requirements, state subsidiaries, targeting of U.S. companies and industries, use of American sub-free trade zones, government guidance, preferential purchasing, access to bank credit on special terms, cartels, etc. American companies, for their part, have only the most limited protection in a few industries and special areas such as defense production.

None of this seems to make a dent on the thinking of the free trade purists. This obduracy brings to mind the observation by Stanley J. Modic, editor of Industry Week, that " 'free trade' is an ideology, not a reality." Ideologies aren't easily penetrated by reality.

Industry after industry continues to suffer from foreign trade offensives. True, some industrial workers receive what seem excessive wages. But are U.S. wages to be lowered to foreign levels? Korean steelworkers earn about $3 an hour. Chinese textile workers receive 25 cents an hour. What would happen to the U.S. standard of living if American wages were slashed? Would executive salaries also be slashed to world levels? How would industrial workers pay for their homes or finance automobiles and other durable goods? The complaints aren't from "loser industries." The Coalition For International Trade Equity—Monsanto, DuPont, Motorola, etc.—represents the cream of America's high tech companies. Would the Japanese "retaliate" by halting sales of their cars? The Japanese, in the first place, want to sell, not buy. Their home market remains highly protected (and their industries innovative), while they preach against protection abroad.

State-directed trade strategies are working for Japan, South Korea and many other countries. They are targeting American industries and victimizing the United States. Most Americans don't even understand that a new game is being played, let alone that they are losing.

Again, the free trade purists dismiss the targeting and other elements of the new game. They say: So what? If these nations want to send goods to Americans at below production costs, the American consumer benefits. The alleged consumer benefit is the ultimate rationale of the free trade purists. Is it, in truth, a benefit to American consumers to become dependent on cheap, subsidized foreign goods—if the hidden price involves the destruction of American factories and the loss of industrial jobs. Americans are producers as well as consumers. I submit that the existence of strong, healthy domestic industries is the ultimate benefit for consumers in this country. As the late Dr. Otto Eckstein, head of Data Resources said, "You cannot have rising living standards without a successful industrial sector."

Certainly, the United States can't live on service industries and high tech alone, as some people foolishly believe. Philip Caldwell, Ford's outgoing chairman, has said that the post-industrial economy "is a myth." He pointed out that this nation cannot survive "if its work force does nothing more than get up each morning to ply one another's egoes or press one another's pants." B.E. Bidwell, executive vice president of Chrysler Corporation, has warned of Japanese economic encroachment, asking: "Do we want to become a colony—again?"

This, in my view, is the realistic position. But there are influential people who won't have anything of this argument and its supporting evidence. One of these influential people is Dr. Richard McKenzie. On October 10, 1984, Dr. McKenzie published an article in The Washington Times under the caption "Imports Are Good For Us." He went so far as to say that "If the International Trade Commission, the Congress and the Reagan administration are truly interested in enhancing the economic welfare of Americans, they should really promote the importation of subsidized foreign products." He said at that the lower prices "increase our purchasing power, meaning that even Uncle Sam would have more to spend on social and defense programs." The gaping hole in Dr. McKenzie's argument is that with more imports Americans won't have anything like the purchasing power they have today; they won't have the industrial jobs or the industries essential to defense mobilization. I find his argument illogical, but he is enjoying great success in getting it aired around the country. Of course, if his argument were translated into public policy, there wouldn't be a textile industry in the United States.

Every aspect of our national economic condition and policy is affected by the trade situation. Those liberals who continue to favor pump-priming with federal dollars assume that the money spent will result in job creation in the United States. That isn't the case, however, as a huge proportion of public money goes for the purchase of consumer and capital goods manufactured in other countries. The federal programs actually pump-prime the economies of Japan, South Korea, Brazil, etc.

One free trade argument that must be touched on is that import quotas boost the price of the affected American goods and, thereby, divert millions or billions from other industries. The free trade purists

argue that quotas destroy more jobs than they create. This argument can't be sustained, however. If the quotas or other devices aren't utilized and the consumers "benefit" from cut-rate, subsidized imports, where would the "saved" funds be diverted to? Not computers, aircraft production, refineries, etc. These and other advanced industries already are suffering from foreign targeting. In all likelihood, the "saved" funds would go into entertainment investments, condominium construction, food services, and similar enterprises. Unfortunately, these businesses don't contribute to the nation's strategic strength or its long-range productivity.

One wonders when the real world—the conditions in U.S. industries—will move the policy and opinion-makers to examine and reject the free trade ideology. One hopes that the great awakening will take place soon, for America's troubles are mounting year by year. The free traders need to examine America's needs and develop a national interest outlook and posture. They need to appreciate the fact that poor, so-called underdeveloped countries have learned how to make both basic and sophisticated goods, utilizing their vast labor pools and often, coercive governmental systems. Economically, the United States is in a siege position with respect to the countries that are targeting America, but Americans aren't aware of the seige or the dangers it poses to the United States.

One final note: The free trade dogmatists invariably insist that a tougher stance towards those countries that target our industries would leave international trade in complete disarray. I find that a wholly unconvincing argument; the U.S. has the capacity to establish new rules.

In this connection, I commend to your attention an article by former Secretary of State Henry Kissinger, published in the Washington Post October 22, 1984. I was pleasantly surprised to find that Dr. Kissinger took a very realistic position on the trade issue, saying it's time for a change in the rules. He cited mercantilist pressures of other nations and noted that "the Japanese economy," among others, "is geared to admininster the trade system to the national advantage."

Let me quote Dr. Kissinger directly. Two key paragraphs read as follows:

"The United States cannot afford to be the only country practicing free trade in an increasingly mercantilistic world.

"If the United States is driven to it, the United States can, however reluctantly, do well at the game of unilateral trade practices and bilateral agreements, In a world of trading blocs, the United States should be able to construct a trading bloc composed of the major Latin American nations, Canada, and probably Australia and New Zealand. Preparation for this partnership should influence American trade and debt policy, especially toward the nations of the Western Hemisphere."

Dr. Kissinger's observations should help alert Congress, the administration and the public to the seriousness of the international trade situation. Foreign targeting of American industry is responsible for the colossal trade deficit, which is just as threatening as the federal deficit. If the United States is to be prosperous in the future, it must deal with the problem of foreign trade offensives.

DEDICATION OF DWIGHT D. EISENHOWER SCULPTURE, EISENHOWER LIBRARY

Mr. DOLE. Mr. President, on Saturday, June 15, 1985, I was honored to be part of a ceremony marking the dedication of a sculpture of President Dwight D. Eisenhower at the Eisenhower Library in Abilene, KS.

The 17-foot bronze statue, which was cast in Florence, Italy, was donated to the museum by former U.S. Senator from Kansas, Harry Darby, a personal friend and adviser to Ike.

Also taking part in Saturday's ceremony were: Former Ambassador John S.D. Eisenhower; Senator NANCY KASSEBAUM; Senator Darby; Gov. John Carlin; Congressman PAT ROBERTS; Gen. Lyman L. Lemnitzer, representing the Secretary of the Army; and John Wickman, director of the library.

More than 1,000 people, including State and national dignitaries, attended the dedication at the impressive library site. The Eisenhower Library is a repository for the papers and memorabilia of a man who had a profound impact on modern history. And this statue, sculpted by Robert Dean, captures the essence of my fellow Kansan, his determination and "Can do" spirit.

Before inserting remarks I made at the ceremony, I want to say a special word of thanks to the people at Fort Riley, who went out of their way to be of help last Saturday, as well as Mack Teasley, assistant director of the library; James E. O'Neill, Assistant Archivist for Presidential Libraries; and the people of Abilene, who are rightly proud of Ike and the outstanding library that honors him.

The remarks follow:

ADDRESS BY SENATOR BOB DOLE—DEDICATION OF DWIGHT D. EISENHOWER SCULPTURE

It's an honor to participate in this dedication ceremony. In my view, the Eisenhower Library is one of the country's great historical centers. It's a special feeling to stand here today to reflect on the grand chapter of history that has its roots here.

I speak for all of us in thanking Senator Darby for his dedication and generosity in donating this impressive bronze statue of Dwight Eisenhower. It is a gift to the Eisenhower Library, and to the American people.

We all share Senator Darby's admiration for our Kansas hero. When I move into the majority leader's office in January, the first piece of art that I requested in my office was a portrait of Ike from the Eisenhower Library. It was done by English artist Sir John Lee Pemberton at the time Ike was Supreme Allied Commander in Europe.

While global events took our favorite son to distant shores, he never forgot who he was, or where he came from. In 1947, Dwight Eisenhower spoke from his heart about the town he loved. "Abilene provided both a healthy outdoor existence and a need to work. These same conditions were responsible for the existence of a society which, more nearly than any other I have encountered, eliminated prejudices based upon wealth, race, or creed, and maintained a standard of values that placed a premium upon integrity, decency, and consideration for others." That statement says more about this town—and this State—than anything I could add. Ike was Kansas.

As the Congress wrestles with the budget this year, I'm reminded that few things have changed in Washington. So far, most of our energies this year have been focused on two critical problems: Federal deficits and Pentagon spending. In Ike's second term, his biggest concerns were Federal deficits and Pentagon spending.

Although those problems still persist, the numbers are a lot bigger: President Eisenhower worried—and rightly so—about a $2 billion Federal deficit in 1959. This year, it's near $200 billion and climbing!

We went through a long, extremely difficult time in the Senate to come up with a 3-year $300 billion deficit package. Our intention was to cut the deficit in half by 1988. Now because of slower growth, we'll have to find an additional $50 to $60 billion in savings to meet that goal. We could use a little of Ike's power of persuasion now, along with his Kansas independence. And, yes, his stubbornness.

When it came to budgets, Ike had the right idea: "We've got to convince Americans that thrift is not a bad word." He fought the Pentagon, the special interest groups, and also a few Senators in both parties, in an effort to bring some fiscal sanity to Government.

But if our budget problems are similar to Ike's, they are also much more acute. Our defense needs have grown to match the Soviet threat—and domestic spending has grown even faster because of the public's growing expectations of Government.

Now all our budget appetites have to be reined in and I believe the Senate budget does a good job in that respect. But we need to apply in full force Ike's virtues—determination, balance, and common sense—to the budget battle. Then, we can secure the economic progress that President Reagan, like President Eisenhower, has worked so hard to attain.

Thanks to President Eisenhower's determined efforts, the Federal Treasury finished in the black for fiscal year 1960. To get the job done, President Eisenhower had told his Republican leaders that in order to win the budget battle he would use—quote—"Every rock, pebble, club, gun or whatever it takes." That's the kind of call to arms we need today in our present deficit dilemma.

Yet despite his record of success in the oval office, it is ironic that soon after leaving the White House, a national poll of American historians placed Eisenhower nearly at the bottom of the list of most admired Presidents. The academicians, however, are finally catching up to our beloved Kansan. In 1980, a new poll placed him ninth. I am confident that he will be ranked among the greatest along with Washington, Jefferson, Jackson, Lincoln, and, of course, the present occupant of the White House. What we do know today—and thank him for it—is that he guided his country safely and securely during his tenure in office. In essence, President Eisenhower gave the Nation eight years of peace and prosperity. Few other American Presidents in the twentieth century could make that claim.

Yet he never forgot that he was a "south sider" from Abilene. When he was welcomed back after World War II, twenty thousand people gathered in city park to welcome him home. Eloquently, he summed it all up, "Through this world it has been my fortune, or misfortune, to wander at consider-

able distances. Never has this town been outside my heart and memory."

Again, Senator Darby and all who made this event possible, you deserve our thanks and gratitude for this statue. We dedicate it today to a Kansan who George Marshall said "always completed his mission."

TRIBUTE TO MRS. ANNA D. LEVESQUE

Mr. PELL. Mr. President, at the end of this month a very special event will take place in my home State of Rhode Island. Mrs. Anna D. Levesque of Portsmouth will formally retire after a quarter of a century of exceptional service as an elementary school teacher in the Barrington, RI, public schools.

This retirement will mean the loss of an extremely talented and dedicated teacher, for Anna Levesque is no ordinary person and most certainly not an ordinary teacher. Her accomplishments are many.

In 1976, for example, Anna Levesque was named the Barrington Teacher of the Year.

Long active in the Barrington Teachers Association, an affiliate of the National Education Association, Anna served that organization as chairwoman from 1972 until 1977.

From 1975 until 1977 Anna Levesque was a member of the Governor's "Right to Read" Council. In addition, she served as a member of the statewide advisory group established by the Rhode Island Department of Education to establish goals for the Rhode Island schools.

In 1979 she was named by President Carter to serve as a member of the National Advisory Council on Women's Educational Equity.

These are but a few of the more outstanding accomplishments of Anna Levesque.

On a more personal note, I count Anna Levesque as one of my very special friends with a friendship that has spanned more than 25 years. For all these years, Anna Levesque has remained my steadfast friend, and I am grateful for the support and counsel she has given me so unselfishly.

Mr. President, the void created by Anna Levesque's retirement will not be an easy one to fill. Without question, we will miss her many, fine contributions to the children she helped so willingly, and to the profession she has served so well.

While she may be formally retiring at the end of this month, I am confident that we in Rhode Island will continue to reap the benefit of Anna Levesque's active and energetic involvement in the activities of her town and State.

For my own part, I simply wish Anna all the best that life can offer in the years ahead that she will be sharing with her beloved husband, Tom, who is likewise an old and warm friend of mine.

CHINA'S POLICY TOWARD TAIWAN

Mr. PELL. Mr. President, I wish to draw to the attention of my colleagues a recent statement by Chinese Communist Party leader Hu Yaobang that casts grave doubt on the Chinese commitment to a peaceful resolution of the Taiwan question.

According to a May 31 report by Agence France Presse, Mr. Hu told a Hong Kong publication that China might consider a military attack against Taiwan in the next decade. He was quoted as having said that:

In seven to ten years time, we may enjoy a strong economy equipped with modernized defense power. By then if most Taiwan people wish to return (to the mother country) and only a few saying no, we will have to use some force on them.

I don't know how the Chinese intend to determine what a majority on Taiwan think about this question, but I am confident that as democratic development continues on Taiwan the people will be able to give full and free expression of their desires for their future. And I have no doubt that those desires would not give any encouragement to Mr. Hu.

Mr. President, I know that many of my colleagues on both sides of the aisle are concerned about the future of Taiwan, and I ask unanimous consent that the full text of the press report that I mentioned earlier be printed at this point in the RECORD.

There being no objection, the press report was ordered to be printed in the RECORD, as follows:

HU YAOBANG SAYS PRC MIGHT "USE SOME FORCE" ON TAIWAN IN NEXT DECADE

HONG KONG, May 31.—Chinese Communist Party Leader Hu Yaobang has said Beijing might consider a military attack against Taiwan in the next decade, it was reported here today.

Mr. Hu was speaking to Lu Keng, publisher of a Hong Kong-based China-watching publication, Pai Shing, in Beijing recently, the magazine reported in its latest edition to be released on Saturday.

China has promised Taiwan autonomy in a bid to lure its political rivals, the Nationalists, to return to the lap of Beijing.

The military threat against Taiwan issued by the Chinese Party General Secretary was not imminent, according to Pai Shing.

"Everyone knows we have not yet have the military power (to attack Taiwan)," Mr. Hu was quoted as saying. "This temporary period may last four, five or seven, eight years.

"We have to wait until our economy is on the right track," Mr. Hu said. "military power is based on economic power."

"Say for instance, in seven to 10 years' time, we may enjoy a strong economy equipped with modernised defence power. By then if most Taiwan people wish to return (to the mother country) and only a few saying no, we will have to use some force on them."

Mr. Hu added that China would take possible interference from the United States into account.

"We won't fight an unprepared battle. And we won't fight a battle which we are not 100 percent sure of winning," Mr. Hu was quoted as saying.

He said the Taiwan question could have been solved without continuous meddling from Washington, where there is a strong pro-Taiwan lobby.

TRIBUTE TO ARKANSAS STATE SENATOR VADA SHEID

Mr. BUMPERS. Mr. President, on June 21, 1985, the Democrats of Baxter County, AR, are saluting one of their own for her outstanding service and contributions to the Democratic Party, the people of her State senatorial district, the State of Arkansas, and her Nation.

Senator Vada Sheid served with distinction in the Arkansas Legislature from 1967 through 1984. She was a tireless worker, and the needs and concerns of her constituents always had first priority on her long list of projects and activities. When it came to the people of her district, there was no problem too small or too difficult for Vada to tackle. She took a personal interest in every constituent, and the people she served knew they had a devoted friend and strong ally in Vada Sheid.

Vada's tenacity is legend in the State legislature. When she had an idea or found a program that could benefit her district, she would not stop working until that goal was an accomplished fact. When it came to north Arkansas, Vada would not take no for an answer, and county judges, Governors, U.S. Senators and her colleagues in the legislature learned that the only way to end a debate on the subject was to say yes.

It is doubtful that the Lake Norfork, Bridge would be built now if it hadn't been for Vada Sheid.

The North Arkansas Community College is a monument to her diligence, hard work, and her determination to provide educational opportunity for the people in north central Arkansas.

There is many a lost Social Security check that would still be unfound were it not for Vada Sheid. There are many elderly and ill Arkansans whose needs would have gone untended had it not been for Vada Sheid.

Vada Sheid's career in public service was about helping people—and no one has ever done it any better. Whether it was a county, a township, or a lone individual—if help was needed then Vada was there. She is a model for all elected officials to follow, and it gives me great pleasure to join in this much deserved tribute to an outstanding lady and legislator—State Senator Vada Sheid.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Morning business is closed.

ENERGY POLICY AND CONSERVATION AMENDMENTS ACT OF 1985

The PRESIDING OFFICER. Under the previous order, the hour of 1 p.m. having arrived, the Senate will proceed to consideration of S. 979, which the clerk will state.

The legislative clerk read as follows:

A bill (S. 979) to extend the expiration date of titles I and II of the Energy Policy and Conservation Act, and for other purposes.

The Senate proceeded to consider the bill, which had been reported from the Committee on Energy and Natural Resources, with an amendment to strike out all after the enacting clause, and insert the following:

That this Act may be cited as the "Energy Policy and Conservation Amendments Act of 1985".

SEC. 2. EXTENSION OF TITLES I AND II OF THE ENERGY POLICY AND CONSERVATION ACT.

Title I of the Energy Policy and Conservation Act is amended by adding at the end thereof the following new part:

"PART C—EXPIRATION

"EXPIRATION

"SEC. 171. Except as otherwise provided in title I, all authority under any provision of title I (other than a provision of such title amending another law) and any rule, regulation, or order issued pursuant to such authority, shall expire at midnight, June 30, 1989, but such expiration shall not affect any action or pending proceedings, civil or criminal, not finally determined on such date, nor any action or proceeding based on any act committed prior to midnight, June 30, 1989.".

SEC. 3. EXTENSION OF TITLE II OF THE ENERGY POLICY AND CONSERVATION ACT.

Title II of the Energy Policy and Conservation Act is amended by adding at the end thereof the following new part:

"PART D—EXPIRATION

"EXPIRATION

"SEC. 281. All authority under any provision of title II (other than a provision of such title amending another law) and any rule, regulation, or order issued pursuant to such authority, shall expire at midnight, June 30, 1987, but such expiration shall not affect any action or pending proceedings, civil or criminal, not finally determined on such date, nor any action or proceeding based upon any act committed prior to midnight, June 30, 1987.".

SEC. 4. CONFORMING AMENDMENTS.

(a) The Table of Contents for the Energy Policy and Conservation Act is amended by—

(1) adding after the item relating to section 166 the following new items:

"PART C—EXPIRATION

"Sec. 171. Expiration.";

(2) adding after the item relating to section 272 the following new items:

"PART D—EXPIRATION

"Sec. 281. Expiration.";

and

(3) striking

"Sec. 531. Expiration.".

(b) Section 252 of the Energy Policy and Conservation Act (42 U.S.C. 6272) is amended by striking subsection (j) and redesignating subsections (k) through (m) as (j) through (l).

(c) Section 531 of the Energy Policy and Conservation Act (42 U.S.C. 6491) is hereby repealed.

Mr. McCLURE. Mr. President, the Energy Policy and Conservation Amendments Act of 1985 extends title I and II of EPCA which are integral to the U.S. capability to respond domestically and internationally to a severe energy supply interruption.

The most important feature of title I is authority for the construction, filling, and maintenance of the strategic petroleum reserve. In the event of a severe energy supply interruption, Title I also authorizes the drawdown and distribution of the reserve in accordance with a distribution plan.

The strategic petroleum reserve is the key element of the U.S. capability to respond to domestic and international energy supply emergencies. The reserve currently provides our Nation with substantial insurance against the possibility of a severe energy supply interruption. That protection must be preserved.

The committee amendment in the nature of a substitute extends until June 30, 1989, existing strategic petroleum reserve authorities. These authorities would otherwise expire on June 30, 1985. Among other matters, title I of EPCA authorizes construction of the strategic petroleum reserve. In addition, title I provides the President with the necessary authority to draw down the reserve in the event of a severe energy supply disruption, or in order to meet U.S. obligations under the International Energy Program.

Another major component of the U.S. Energy Emergency Preparedness Program is maintaining a continuing commitment to the International Energy Program. There are presently 21 signatories to the IEP Agreement, consisting of most of the principal industrialized oil consuming nations. The IEP Agreement provides for creation of the International Energy Agency as an autonomous entity within the Organization for Economic Cooperation and Development. It also provides for establishment of an international oil-sharing system for use during oil supply emergencies, as well as an information system on the international oil market.

Each country also is required to establish emergency petroleum reserves.

Only effective U.S. participation in the International Energy Agency can assure our mutual energy preparedness in the event of a severe interruption of international energy supplies. All of us are fully aware of the mutual and critical interdependence of the economic and energy security of the world.

The committee amendment in the nature of a substitute also extends until June 30, 1987, the basic authorities which facilitate participation by the United States in the International Energy Program, which is operated by the International Energy Agency. These authorities are contained in title II of the Energy Policy and Conservation Act, which would otherwise expire on June 30, 1985. Among other matters, these authorities enable the United States to supply the information necessary for effective operation of the IEA. In addition, these authorities enable U.S. oil companies to voluntarily share available supplies under the IEA's auspices.

These authorities are essential for the Federal Government to prepare for and respond to severe energy emergencies, as well as meet its obligations under the International Energy Agreement. Therefore, it is critical that titles I and II of EPCA be expeditiously extended, and not become embroiled in the other energy emergency issues recently considered by the Congress.

During the last Congress the Committee on Energy and Natural Resources devoted extensive time to consideration of complementary authorities that would strengthen our Nation's energy emergency preparedness consistent with the policy set forth in section 271(b) of EPCA, which established the policy that "the Federal Government shall be prepared prior to any shortage of petroleum products to respond to energy emergencies, * * * as a supplement to reliance on the free market to mitigate the adverse impacts of a shortage of petroleum products on public health, safety, and welfare."

I continue to believe that energy emergency preparedness requires continuous upgrading and improvement. However, our country's energy emergency preparedness relies on titles I and II of the Energy Policy and Conservation Act, which are vital to our energy security. Without these fundamental authorities, the evolutionary process for upgrading and improving our national capability to respond to severe energy supply interruptions would be nonexistent.

Now is not the time to debate whether there should be a reduction or expansion of Federal energy emergency preparedness authorities. Now is the time to provide for a simple extension of EPCA as set forth in the committee amendment. Any lapse in EPCA authorities would undermine our allies' confidence in our commitment to this vital program. U.S. participation in the IEA is as relevant to our national security interests today

as it was when the agency was created in 1974.

Therefore, Mr. President, the committee recommends Senate adoption of its amendment in the nature of a substitute.

Mr. President, I reserve the remainder of my time.

Mr. JOHNSTON. Mr. President, I want to impress upon my colleagues the importance of our enacting S. 979 which would extend the expiration date of titles I and II of the Energy Policy and Conservation Act. This act was written 10 years ago and contains essentially all of the Federal Government's authority for addressing and mitigating the effects of another oil supply disruption. In particular, it contains all the authority for the filling, operation, drawdown, and distribution of the SPR, as well as the authority required for effective participation by the United States in the IEA program with our allies.

There are other provisions in this bill which are being extended but the SPR authority and IEA authority are by far the most important. The authority in title I is extended for 4 years; and the authority for title II is extended for 2 years. The authority in these titles expires on June 30 of this year. It is imperative that we extend the authority of these two titles prior to that date of expiration.

I urge my colleagues to adopt this legislation, and I yield the floor.

The PRESIDING OFFICER. Who yields time? If no one yields time, it will be equally divided.

Mr. McCLURE. Mr. President, I suggest the absence of a quorum with time to be equally divided.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. McCLURE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. McCLURE. Mr. President, I yield so much time as I may consume.

Mr. President, I understand that the unanimous-consent agreement entered into did not make in order the committee substitute, and the committee action is in the nature of a substitute.

The PRESIDING OFFICER. The Senator is correct.

Mr. McCLURE. I understand it has been cleared on both sides, and I therefore ask unanimous consent that the committee's amendment in the nature of a substitute be the pending business for the purpose of further amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. McCLURE. Mr. President, I suggest the absence of a quorum with time to be equally divided.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BRADLEY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 348

Mr. BRADLEY. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from New Jersey [Mr. BRADLEY] proposes an amendment numbered 348.

Mr. BRADLEY. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place in the bill add the following new title:

TITLE — EMERGENCY FINANCIAL RESPONSE

AUTHORITY TO PROVIDE EMERGENCY ASSISTANCE

SEC. x01. (a) The President shall under the authority of this Act supplement the rules implementing the Low Income Energy Assistance Program to provide an independent mechanism for emergency financial assistance in the form of standby block grants to State Governors (acting in accordance with state law) as part of the Federal Government's response to a petroleum disruption.

(b) The standby block plan under subsection (a), to the maximum extent practicable, shall provide for—

(1) the maintenance of essential public services so as to protect public health, safety, and welfare;

(2) the mitigation of extreme personal hardship caused by higher prices during the petroleum supply disruption; and

(3) maintenance of economic efficiency.

(c) The standby block grant plan shall include guidelines and requirements for State Governors (acting pursuant to state law) under which the block grants are conditioned, including provisions for submittal of State plans to ensure the objectives listed in subsection (b) are met. Reasonable accounting and auditing procedures shall be established. The standby block grant plan shall be developed in consultation with State Governors and State Legislatures and with the benefit of public participation.

(d) The requirements described in subsection (c) shall provide for a limitation on the percentage of the funds that may be used by state agencies for planning and administrative costs.

(e) The President shall submit to the Congress within 90 days the standby block grant plan described in this Title.

IMPLEMENTATION OF THE STANDBY BLOCK GRANT PLAN

SEC. x02. If the President determines to implement the standby block grant program, then he shall transmit his determination to the Congress together with his request for an emergency supplemental appropriation, including his recommendation for a formula allocating the appropriated funds among the several States.

DIRECT FEDERAL ASSISTANCE

SEC. x03. The President shall within 90 days of the enactment of this Title provide to the Congress his recommendations for changes in existing law so as to provide for direct federal assistance to recipients to complement the standby block grant plan established under this Title. The President's recommendations shall provide for changes in existing Federal direct assistance programs, such as the Low-Income Energy Assistance Program or for such other forms of direct Federal assistance as he deems appropriate, where the use of such programs in conjunction with the standby block grant plan would more effectively or more efficiently achieve the objectives in Sec. x01(b).

AUTHORIZATION OF APPROPRIATIONS

SEC. x04. There are hereby authorized to be appropriated such funds as may be necessary to carry out this title: the allocation of such funds among the several States shall be determined as provided in the emergency supplemental appropriation required by Section x02 of this Act.

Mr. BRADLEY. Mr. President, before energy emergencies occur, no one wants to think about them; but when they hit, everyone wants to know why we were not better prepared.

Who here will argue that the Nation is now better prepared for another oil supply disruption in the Persian Gulf? Who is satisfied with the emergency authorities now available to the President? Who is satisfied with the authorities extended by this bill?

Mr. President, the threatening events in the Persian Gulf flash onto and quickly off the Nation's newspapers. The intensity of the Iran-Iraq war flares up and dies down. An oil tanker was attacked yesterday but will be forgotten tomorrow. We say that we intend to keep the Strait of Hormuz open by military means if necessary, but so far we have refused to make plans to deal with the potential economic crisis here at home. The events of the last several days in the Middle East, the tragic drama of the hostages, only remind us how unstable that region of the world is.

We simply must establish a robust and vigorous strategy to deal with oil supply disruptions. We do not have such a strategy today. This strategy should consist of two broad and complementary components. The first is the aggressive use of the Strategic Petroleum Reserve. The second is emergency financial assistance for low-income Americans and emergency governmental services.

The Federal Government is irresponsibly unprepared to implement either strategy. Both are essential. At the congressional prodding of both recent administrations, the Strategic Petroleum Reserve is finally becoming a credible and useful tool to deal with oil supply disruptions.

Despite continual executive branch attempts to lower the fill rate, the reserve has been filled at a respectable,

if still inadequate, rate, and it now holds well over 400 million barrels of oil. That is better than earlier, but still woefully inadequate to hold down price increases if they result from a disruption in world oil supplies, and the Senate has now capped the SPR due to budgetary pressures.

But I am not debating the Strategic Petroleum Reserve this afternoon. Why? Because even with the early and coordinated use of the limited U.S. Strategic Petroleum Reserve and similar reserves of our allies, even with that, we must expect a severe disruption to cause increases in the price of oil and oil products. To address problems of extreme personal hardship caused by higher prices during an oil supply disruption, my amendment would provide emergency financial assistance to low-income Americans and State and local governments on a standby basis for use during such oil supply disruptions.

The financial assistance would be subject to emergency supplemental appropriations. Those outlays would likely be more than offset by increased revenues from the existing windfall profit tax and the revenues from the sale of SPR oil. If this proposal were enacted, we could assure those in our society less able to adapt to sudden changes in oil prices that they would receive assistance.

We cannot make those assurances today. Specifically, the provisions of the amendment are as follows:

The President is required to establish an independent mechanism for emergency financial assistance in the form of standby block grants to State governments.

Second, to avoid the charge that we are establishing a new program, we tell the President to make this block grant program a separate and independent part of the low-income energy assistance program. The President must design the program to enable the Governors to maintain essential public services, to mitigate extreme personal hardship, and to maintain economic efficiency.

The plan must include accounting and auditing procedures, guidelines and requirements for Governors, including provisions for the Governors to submit their plans for review to ensure that the State plans accomplish the stated goals.

Next, the President must submit his plan to Congress for review. We do not say approval. And he must submit his plan to Congress within 90 days.

The planning process undertaken by the Governors, together with the knowledge that the emergency block grant funds will be available during a disruption if the President decides to use it, will ensure that the President will have little choice but to trigger the program.

If the President does not initiate the program, Congress can initiate it. The trigger is the submittal of an emergency supplemental appropriation specifying the amount of money to be sent to the Nation's Governors and the amount to be sent to each State.

The President's request would be examined, modified, and approved by the two Appropriations Committees and then examined, modified, and approved by the House of Representatives and the Senate.

Presumably public pressure will ensure that Congress does not delay.

The amendment is the authorization for these expenditures. We do not specify how much money should be sent to the Governors because we do not know in advance how serious the disruption will be, how high the price might rise, nor how long the disruption is likely to last.

Nor do we know in advance whether the disruption will hit in the winter months or the summer months. Presumably, the distribution of funds between Northern and Southern States will depend in some degree on which season it occurs.

The revenues would come from the general fund.

The general fund will be larger during the disruption than would have been expected prior to the disruption for two reasons that I mentioned earlier. The first reason, the general fund, in other words, the revenues that the Government has to spend will be larger during an oil supply disruption, is that we will be selling SPR oil. Remember, over 400 million barrels of oil are already in stockpile. When there is a disruption, we will sell that oil. If oil is selling for $40 per barrel, and if we sell it at a rate of 2 million barrels per day, the revenues will be about $2.4 billion per month. The GAO estimates that it would take about $3.6 billion per year to offset 100 percent of the lost purchasing power of those families below the poverty line.

So, the first source of additional revenue that flows directly from the events of an oil supply disruption is the additional revenue from the sale of oil that is now in the strategic petroleum reserve.

The second source of funds is the existing windfall profit tax. It is written in terms of percentages of the world's selling price. If the world's selling price increases, windfall profit tax revenues increase. If there were disruption in the supply of oil in the Persian Gulf tonight, the price of oil obviously would be up. As the price of oil went up, the Federal Government would derive more revenue from the windfall profit tax.

So the two sources of additional revenue that flow to the Federal Government directly from the events of an oil supply disruption are the sale of SPR oil and the increased amount of revenue from the already existing windfall profit tax.

Mr. President, I argue that State Governors are better able to deal with the various problems and hardships caused by suddenly higher oil prices than a national program to help all the Nation's farmers, all the Nation's drug stores, all the Nation's small businesses.

Mr. President, I argue that the situation in New Jersey is different than the situation in Missouri or different than a situation in California.

And what we aim to do with this amendment is to make sure that those Governors have the means to address their own unique circumstances, the unique circumstances of their low-income population, and the unique circumstances that surround the delivery of necessary governmental services as seen by the Governor of that particular State.

Mr. President, the GAO has studied the whole concept of emergency financial response. They have found that the amount for certain emergency financial response measures is persuasive. But the key finding, as far as I am concerned, is that the several financial response measures with potential to ameliorate the effects of an oil supply disruption ought to be authorized in advance.

That is not me saying that, Mr. President. But that is the GAO. After a thorough and exhaustive study, it says that we had better have already authorized an emergency financial assistance program if we expect to be able to meet the needs of our various States and low-income people across this country, and we had better authorize that in advance, not in the midst of the crisis but in advance.

Mr. President, I ask unanimous consent that the GAO report be printed in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See Exhibit 1.)

Mr. BRADLEY. Mr. President, emergency preparedness is the most important and most neglected aspect of energy policy facing us today. We know we are still vulnerable for the same price shocks that hammered us in 1973 and 1979. The price of oil has dropped considerably since 1980 and 1981, but if there is a disruption in the Persian Gulf tonight, there is no doubt the price of oil will skyrocket once again. And as we are the largest consumer of oil internationally—about 16 million barrels a day—we will pay the most of that price increase.

Mr. President, we know we will be vulnerable as long as the free world, not just the United States, relies so heavily on oil from one unstable region of the world. We know that price shocks affect the United States

more severely than other nations. Why? Once again, because we use so much more oil than other nations.

We know that recessions following oil price shocks are more severe because, unlike normal business cycles, oil price shock recessions are coordinated around the world and tend to reinforce each other. It is not just the macroeconomic policy of one nation state, it is rather the effect of the loss of an essential commodity to the world economy that results in a coordinated recession around the world and, therefore, one much more difficult to counteract.

Mr. President, on a personal level, we know that higher oil prices and oil shock recessions create the most destruction and despair on those least able to adjust—in other words, the poor. We know that poor families in New Jersey and Oklahoma and Washington and all other States must spend a larger share of their lower incomes on utility, heating, and transportation bills.

Knowing all of this, Mr. President, why have we not acted? Why have we not established the means to protect those least able to adjust to the oil price shocks that we know are coming?

Mr. President, this I believe is our last opportunity to act in a way that not only makes sensible economic policy, but also sensible humanitarian policy.

Mr. President, I yield the floor.

EXHIBIT 1

U.S. GENERAL ACCOUNTING OFFICE,
Washington, DC, June 13, 1985.

Hon. BILL BRADLEY,
U.S. Senate.

DEAR SENATOR BRADLEY: In preparation for the Senate debate on renewal of the Energy Policy and Conservation Act of 1975 (EPCA), you requested that we brief your staff on our ongoing review of possible ecomomic policy reponses designed to mitigate the consequences of an oil disruption. Further, you asked that we provide your office with a copy of our briefing paper by June 13, 1985.

Attached for your information is the briefing paper prepared by our staff. Please note, however, that the paper is based on work in progress, has not been fully reviewed within GAO and is, therefore, subject to revision. We plan to issue a report on this subject at a latter date.

A copy of our recently-released report, *Evaluation of the Department of Energy's Plan to Sell Oil From the Strategic Petroleum Reserve* (GAO/RCED-85-80, June 5, 1985), which discusses issues pertinent to EPCA's renewal is also attached for your information.

Please call on us if we can be of further assistance.

Sincerely yours,

J. DEXTER PEACH,
Director.

BRIEFING PAPER—BENEFITS AND LIMITATIONS OF ECONOMIC POLICY RESPONSES TO AN OIL DISRUPTION [1]

AN ECONOMIC RESPONSE POLICY IS IMPORTANT

Previous oil supply disruptions, such as the 1973-74 Arab oil embargo and the 1979 Iran oil production shutdown, have resulted in higher inflation and unemployment, and reduced economic growth.

Disruptions are generally unanticipated and can, therefore, cause damage to the economy before a response can be initiated.

Those hurt most by rapidly rising oil prices could be low-income households because they tend to spend a greater portion of their income on energy-related costs.

CONGRESS HAS ASKED DOE FOR A CLEAR AND CONSISTENT STATEMENT OF ITS POLICY

The Energy Emergency Preparedness Act (EEPA) of 1982 required DOE to analyze economic response policies. DOE's August 3, 1983 report indicates that discretionary changes in economy-wide fiscal policy, involving either an income tax cut or a block grant, or changes in monetary policy, would be inappropriate.

The House Committee on Government Operations requested the Secretary of Energy to provide more information on economic response measures. DOE's July 30, 1984 report discusses its current research on household impacts of a disruption, but concluded that no new programs or policies should be prepared in detail until a disruption occurs.

The chairman, Subcommittee on Environment, Energy and Natural Resources of the House Committee on Government Operations requested that DOE provide additional information on its economic response policy. DOE's September 13, 1984 testimony and follow-up reply to the subcommittee suggests four targeted policy options involving the earned income tax credit (EITC) and the Low-Income Home Energy Assistance Program (LIHEAP) that are being considered to provide assistance to low-income households.

DOE'S CURRENT POSITION ON AN ECONOMIC RESPONSE POLICY

Rely on the market to determine the price and allocation of crude oil and use the SPR.

On December 20, 1984, DOE suggested a possible targeted LIHEAP response option along the following lines:

No change in the existing allocation formula for the basic LIHEAP Program,

Allocation of supplemental funding for home heating assistance under the basic LIHEAP allocation formula, and

A new supplemental allocation formula, which would reflect variations among the states in motor fuel costs.

DOE also suggested the possible modification of the EITC.

DOE has initiated no legislation or other action to date on these proposals to modify them for a response policy.

ACCORDING TO OUR EVALUATION DOE HAS NOT

Supported its position (that economy-wide policies are inappropriate and that no new targeted program or policies should be prepared in detail until a disruption occurs) by the analyses in its 1983 and 1984 reports. (Although, in general it appears most policies don't need to be prepared in advance, the effective use of block grants would require advance legislation).

Acknowledged the trade-offs of the economy-wide policies (e.g., between reducing the recessionary effects of a disruption, and reducing the inflationary effects).

Addressed and resolved current limitations with regard to using the LIHEAP or EITC as emergency economic response policies.

Initiated legislation or actions that would further develop these or other policies as viable economic response policies.

WE ANALYZED SEVERAL ECONOMIC RESPONSE POLICIES

Economy-wide response policies

A cut in personal income taxes combined with an increase in federal assistance to low-income households without income taxes withheld,

A reduction in employers' payroll taxes,

A general increase in Federal block grant funding to State governments, and

A monetary policy that increases the money supply growth rate.

Targeted response policies

An increase in the LIHEAP, and

An increase in the EITC.

These policies were selected because they have been proposed or considered by Congress, the administration and in academic literature. Further, they are designed to influence different sectors of the economy as well as different income groups.

In order to analyze the economy-wide policies, we first modelled an income tax cut that restored about 100 percent of the household purchasing power lost as a result of the disruption. The net effect of this economy-wide policy on the Federal deficit was an increase of about $34 billion annually over the three year period. To make comparisons among other fiscal policies meaningful, we analyzed them with the same net budgetary cost. When the three fiscal policies were accompanied by an increase in the money supply growth rate, the net cost was reduced to about $13 billion annually. However, there could be longer term inflationary effects of an increase in the money supply growth rate. (Each policy could be implemented on a smaller scale which would reduce both the cost and benefits).

The cost of using the targeted policies could be lower than the economy-wide policies because only low-income households would benefit directly. For example, using a disruption scenario developed by DOE (a doubling of oil prices) and Census Bureau data an estimate of the cost to offset the increased energy expenditures to low-income households can be developed. Under such a scenario it could cost about $3.6 billion for LIHEAP and $4.9 billion for the EITC, If these programs are expanded to offset 100 percent of the lost household purchasing power the first year.[2] These costs do not reflect administrative expenses.

MOST OF THE ECONOMIC RESPONSE POLICIES WE ANALYZED INVOLVE AN IMPORTANT TRADE-OFF

Our analysis indicates that several economy-wide policies could offset, to varying degrees, some of the impacts of an oil disruption, but involve a trade-off between con-

[1] This document was prepared by the GAO staff to serve as a framework for discussing economic policy responses options for an oil disruption. It is based on work in progress, has not been fully reviewed within GAO and is therefore, subject to revision.

[2] The cost of these two programs cannot be compared directly because states usually set income criteria for LIHEAP activities in the range of 120 to 129 percent of the poverty line which results in including some households with incomes above $10,000, while the EITC is restricted to those with incomes below $10,000.

trolling inflation and maintaining economic activity and employment.

For example, the income tax cut response policy increased GNP and reduced unemployment compared to the baseline (i.e., a disruption with no policy response), although this was attained at the expense of slightly increased inflation as shown in figures 1A and 1B below.

[Figures 1A and 1B not reproducible for RECORD.]

TARGETED POLICIES ARE CURRENTLY LIMITED BY ELIGIBILITY REQUIREMENTS AND FUNDING

The LIHEAP:

The current formula limits the use of funds primarily to heating and cooling and does not address rising motor fuel costs, and

Current funding allows only about 60 percent of low-income households to participate.

The EITC:

Program requirements limit the credit to about one-third of all low-income households with incomes under $10,000,[3] and

Tax return data shows that only about one-tenth of one percent of the credit has been paid out in the form of advance payment.

ADMINISTRATIVE PRACTICALITY OF THE ECONOMIC RESPONSE POLICIES

1 to 3 months to implement the fiscal policies once the necessary legislation is passed.

With the exception of a block grant program, legislation authorizing the use of these policies, prior to a disruption, may not be needed.

A block grant program appears to warrant advance legislation because (1) States are directly involved in this program (i.e. States receive funds based on the block grant formula), and (2) a significant amount of time may be required for State agencies to resolve questions involving authority to receive additional funds and plan for their distribution.

2 to 3 weeks to implement the monetary policy and no legislative action is necessary. (However, monetary policy is not under the control of the President or the Congress).

SUMMARY

DOE has continued to stress a policy of allowing the market to determine the price and allocation of oil.

Our analysis indicates that most economy-wide policies involve a trade-off between controlling inflation and maintaining economic activity and employment, as well as other considerations such as program cost and the number of households affected.

The selection of the appropriate policy, therefore, depends on a value judgments of these trade-offs and considerations.

DOE has not acknowledged the trade-offs of the economy-wide policies or the limitations of the targeted policies it analyzed.

The EITC and LIHEAP policies are currently limited by eligibility requirements and funding, which need to be addressed by DOE.

From an administrative standpoint, only a new block grant program or modified LIHEAP appear to warrant advanced legislation.

DOE has not proposed legislation for any economic response policy and therefore, the U.S. economy could be vulnerable to an oil disruption.

The PRESIDING OFFICER. Who yields time?

[3] Beginning January 1, 1985 the income limitation was increased to $11,000.

Mr. McCLURE. Mr. President, I am opposed to the amendment proposed by Senator BRADLEY. During the consideration of S. 979 by the Committee on Energy and Natural Resources, Senator BRADLEY offered his emergency financial response plan as an amendment to the bill. The amendment was rejected by the committee by a vote of 11 to 6.

It is evident to me that some critical details of Senator BRADLEY's proposal remain either unclear or undeveloped. For that reason, it should not be adopted by the Senate.

For example, the amendment would authorize the transfer of large amounts of money from the Federal Treasury to the States, in the event of a serious disruption in our oil supplies. Moreover, Senator BRADLEY's amendment contains no specific guidelines or requirements that would determine the amount of the transferred funds, the timing of the transfer, or the allocation of the funds among the various States.

To the extent that the amendment defers congressional decisionmaking until the oil supply disruption occurs, that is all the more reason to conclude that the appropriate time for congressional consideration of a new block grant program for the States is not today, but when the emergency occurs. We will then be in a position to learn the facts about the emergency and to make sound decisions on the amount of financial assistance needed, where it is needed, and how it should be distributed.

The amendment is grounded on the assumption that if a severe petroleum supply disruption should occur, the result would be a rapid increase in the price of gasoline and other petroleum products. The assumption is that the price increase would be so severe that it would cause extreme personal hardship among low-income citizens.

However, it is now the policy of the Federal Government that the Strategic Petroleum Reserve would be used at an early stage of a shortage to reduce the severity of price runups that otherwise would occur. In the event of a serious shortage, an early drawdown of the SPR would flood the market with new supplies, and sharp price increases would be dampened. Therefore, it is unclear whether large-scale financial assistance in the form of State block grants would be either appropriate or needed if a serious oil supply disruption should occur.

During markup of S. 979, Senator BRADLEY proposed to use revenues from the sale of SPR oil to fund his State block grant proposal. This ignores the fact that under current law, revenues from the sale of SPR oil must be deposited in a special account for the purchase of replacement oil. The SPR is intended to benefit all American consumers over the long term. This can only be accomplished by the replacement of SPR oil after an emergency.

Senator BRADLEY argued in the committee that since his amendment was self-financing, it would not cost the Treasury anything; it would be financed by the appreciated oil price. But that begs the question of replacing the oil after the emergency is over, which would be a direct draw on the Treasury.

Another very questionable assumption of the Bradley amendment is the idea that prompt action by the various States will reduce individual hardships and economic dislocations more effectively than other mechanisms. It assumes that under such circumstances, financial assistance at the State level would actually be more equitable. It also assumes that the assistance could be accomplished in a timely manner, and that it would be effective in achieving the intended results. This Senator has serious doubts about the validity of those assumptions.

Mr. President, the amendment raises many additional questions. Several examples—and they are only that, examples—come readily to mind. If the primary purpose of the amendment is to provide individuals with greater disposable income so that they can better afford to pay higher prices for petroleum products, would the State block grant mechanism provide assistance only to persons who actually incur higher costs? In other words, does the amendment propose that the payment to a person who owns a car would be greater than the payment to a person who does not own a car and thus would not directly incur the higher costs of gasoline?

I would ask Senator BRADLEY to demonstrate how the State block grant mechanism could be designed to produce an equitable distribution of funds among individuals. The amendment contains one explicit standard for such a distribution. It would require a standby plan designed to mitigate extreme personal hardship caused by higher prices during the petroleum supply disruption.

But Senator Bradley indicates in his statement on the floor that it would only be a standby plan, and we would actually work out the details when the disruption occurs, when we know what kind of disruption it is.

How would the States identify those individuals who are most adversely affected? Would a low-income person who does not own a car be less capable of paying higher prices than a middle-income person who owns two cars? Would a two-car family with a $20,000 combined income be more adversely affected than a one-car family with the same income? Certainly the two-car family would be faced with much higher cash outlays for gasoline. It

would not be possible, at the State level, to analyze individual needs in the absence of complete and constantly updated surveys of car ownership. I question whether such surveys would be practical.

We need a full discussion of these issues, and basic agreement that State block grant funds would be distributed in an equitable manner to individuals. The fact is, we do not have this assurance. The committee has held no hearings on Senator BRADLEY's amendment, and no detailed analysis has been conducted.

Turning now to the regional aspects of the proposed standby block grant plan, a number of additional questions need to be addressed. In the event of a severe oil shortage, how would the Government determine whether one region of the country was more adversely affected than another? Suppose such a determination could be made. Would the Government somehow adjust payments to individual States to reflect variations in the overall wealth of the regions? If the shortages were evenly distributed between the Northern States and the Southern States, would the latter receive a higher proportion of the available funds because per capita disposable incomes are lower in the Southern States?

These questions illustrate a fundamental point: The Congress will not be likely to grant the authority to dispense billions—I repeat "billions"—of dollars from the Federal Treasury to the States without specifying reasonably precise standards that would ensure an equitable distribution of funds. Such a massive transfer of funds may ultimately become necessary to reduce the adverse impacts on the national economy resulting from a petroleum supply shortage. However, if Federal economic assistance should become necessary, the Congress should make the required decisions at that time. Those basic decisions, if they ever need to be made, should be made in the same way that Congress changes the tax laws and other laws that directly affect the economic well-being of individuals. In short, it would serve no useful purpose to adopt a State block grant plan in advance of an actual oil supply disruption.

Finally, Mr. President, I would note that the amendment would require the President, within 90 days, to submit to the Congress his recommendations for changes in existing Federal direct assistance programs, such as the Low-Income Energy Assistance Program. Once again, the problem is that the proposed legislation contains no criteria or guidelines for the President's recommendations.

On October 29, 1981, by a vote of 88 to 8, the Senate rejected a so-called revenue recycling amendment offered by Senator BRADLEY. The vote on the revenue recycling proposal, I believe, reflected the same deficiencies in that proposal that are apparent in the amendment that is before us today, namely, inadequate statutory standards, unproven assumptions, and inadequate analysis of how effectively the proposed mechanism would operate.

Mr. President, there is one area in which the Senator from New Jersey and I are in complete agreement. That is on the advisability and desirability of having some effective standby plan in place in advance of an emergency. In 1982, when we were discussing that legislation on the floor of the Senate, the Senator discussed but did not then offer his revenue recycling proposal, it having been defeated the year before by the vote to which I referred earlier. The proposal for a standby emergency authority, which included the development of plans which in my view are far superior to the revenue recycling plan, was adopted by the Senate of the United States and by the House of Representatives. However, the President vetoed that plan. We did not have the votes in either the Senate or the House to override the President's veto. So we are not now talking about the desirability of standby authority. We are talking about only one aspect of it. I could have brought up again the standby emergency allocation authority bill which has earlier passed the Congress and was vetoed. But that would be a useless exercise in view of the administration's stalwart continuing opposition to such legislation, and the assurance that it would be vetoed again. So we are here confronted not with the preferable form of standby authority, but by the least preferred possible form of standby authority.

Mr. President, I ask unanimous consent that a letter signed by J.F. Salgado, Under Secretary of the Department of Energy, dated June 17, 1985, addressed to me, as chairman of the committee, be made a part of the RECORD at this point.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

DEPARTMENT OF ENERGY,
Washington, DC, June 17, 1985.

Hon. JAMES A. MCCLURE,
Chairman, Committee on Energy and Natural Resources, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: This is in response to your request for Department of Energy views on an amendment expected to be offered by Senator Bradley when the Senate considers S. 979, a bill "To extend the expiration date of titles I and II of the Energy Policy and Conservation Act, and for other purposes."

I understand that the Bradley amendment would require the President to "provide for emergency financial assistance in the form of standby block grants to State Governors (acting in accordance with State law) as part of the Federal Government's response to a petroleum disruption."

The Administration opposes the Bradley amendment. A program such as this, developed in advance, would of necessity be too general to address the wide variety of circumstances that might arise from an emergency. Experience in prior energy crises has demonstrated clearly that preconceived Government approaches too often become the problem rather than the solution.

Early use of the Strategic Petroleum Reserve would be the most effective response in an oil supply disruption. The Administration recognizes that some lower-income households may be more affected than others should fuel prices increase in a disruption, but there are programs in place to assist low-income persons. We do not believe that a new standby block grant is necessary at this time, nor that it would be the most effective way to compensate for the impacts of a disruption whose characteristics cannot be foreseen accurately.

The Office of Management and Budget has advised that there is no objection to the submission of this report from the standpoint of the Administration's program.

Yours truly,

J.F. SALGADO,
Under Secretary.

Mr. MCCLURE. That letter reiterates the administration's opposition to this Bradley amendment today.

Mr. President, I urge my colleagues to vote against the amendment.

I reserve the balance of my time.

Mr. BRADLEY addressed the Chair.

The PRESIDING OFFICER. The Senator from New Jersey.

Mr. BRADLEY. Mr. President, I always enjoy hearing my distinguished chairman arguing a floor amendment. I would enjoy the presentation more if he were not arguing against this amendment. But having just listened to the Senator's presentation, I guess the question I would raise is, Would the Senator oppose this amendment that would attempt to give flexibility to Governors and funds to low-income Americans without providing an alternative? If the Senator was standing today offering price control and allocations as an alternative, that might be an understandable position. The Senator might then argue that is the answer as to how we should protect low-income Americans and various States from the dangers and repercussions of an oil supply disruption. But that is not the case. The Senator is offering no alternative. So the Senator's opposition to this amendment really poses the question compared to what?

In the absence of the amendment that I have proposed, we have no program for emergency financial assistance to low-income Americans, financial assistance that would be tied directly to the increase in oil prices that would flow from an oil supply disruption.

The Senator also raised the issue of the 1981 vote. Well, I can almost remember back to 1981. And as I try to think, is there any difference between now and 1981, between the amendment that I am offering now and the

amendment offered in 1981, and between the circumstances in the world now and the circumstances in 1981? Well, let us address the last issue first. We are about 4 years removed from the last serious oil supply disruption. Memories do tend to cloud. We do not remember quite as well the effect of that disruption on our States and our citizens, the long lines, the difficult of getting oil, the high price increases, the number of Americans who could not pay utility bills, or buy gasoline for their cars, and the number of Americans who suffered. Yes, there is a difference between 1981 and today; that is, we seem to be further removed from perceiving the threat although the economic circumstances, and certainly the international political circumstances, post just as severe a threat to the supply of oil coming from the Persian Gulf today as it posed in 1981.

So there is that difference. But I would argue that there are also some very specific differences between the amendment that I offered in 1981 and the amendment that is offered today. Keep in mind the choice last time was between price controls and allocation as proposed by the Senator's bill, or emergency financial assistance. The Senate chose price controls. Today, there is no alternative. It is to say we have nothing. We are going to do nothing to protect the American people from the effect of an oil price increase. That is one major difference.

The second major difference in the 1981 amendment makes emergency financial assistance mandatory. The proposal today is discretionary—not mandatory, but discretionary—on the President.

The third difference is in 1981 the argument was made that indeed general revenues would increase because of the windfall profits tax and the sale of SPR oil. But in 1981 the amendment said all of that increase, every last dollar of that increase, would be returned to the States and the people.

Today's amendment provides the President with the necessary flexibility to deal with the disruption when it comes. In other words, he might choose to keep some of that additional revenue from the sale of SPR oil, windfall oil profits, and so on, for the purchase of SPR oil. But he also, if this amendment passes, might choose to use some of that revenue for low-income Americans or for States that clearly have very serious economic problems.

In the absence of this amendment, there will be no flexibility for Governors. They will not be able to decide how they would best apply money to overcome the economic disruption in their States. Absent this amendment, there will be no additional revenues for low-income Americans to be able to pay the increase in the price of oil.

So I would argue there are two major kinds of differences between now and 1981.

One is we seem to have forgotten the economic repercussions, and, therefore, can ignore the plight of our States and Governors and low-income Americans during the disruption.

Second, there are three very specific differences between this amendment and the amendment that was offered in 1981.

The Senator from Idaho also raised great concern for the two-car family. Well, Mr. President, I do not know too many people who could be receiving assistance under the low-income portion of this amendment who have to worry about two cars. Many of these individuals do not have one car. So let us keep in mind what the target is.

Indeed, we could get so tied up in writing guidelines that we would try to make sure that every possible individual of every kind of economic circumstance was taken care of with a Federal regulation of some sort or another, and maybe that is what the Senator from Idaho has in mind. I do not have that in mind.

I would like to see the money that will come to the general fund, or a portion of that money that will come to the general fund, because of the increase in the price of oil and the windfall profits tax and the money that will come from the sale of SPR oil, returned to the States so that they can take care of their own individual economic circumstances and so that they can take care of the economic needs of low-income Americans.

Mr. President, while I respect the Senator from Idaho and his leadership in all these years in trying to convince whatever administration is in power that we need to put oil for the strategic reserve in reserve, and I will state on the floor quite clearly he has been a leader in that half of the emergency preparedness program, I regret that he is unable to support this amendment that would attempt to address the other half of emergency preparedness policy, which is what happens to our citizens and to our businesses in the event of an oil supply disruption.

Let me make one final point during this exchange. That is absent passing this amendment there is nothing in place.

Yes, the Senator is right, the Senate passed price controls and allocations, but the President vetoed it so there is nothing on the books now.

Again, the argument that I would leave the Senate with at this phase is if you oppose this amendment, you are saying that there should be no program to help the American economy and low-income Americans to be able to cope with the effects of an economic oil supply disruption. I hope that is not what the Senate is going to say today.

The PRESIDING OFFICER (Mr. CHAFEE). The Senator from Idaho.

Mr. McCLURE. Mr. President, I appreciate the comments of my friend from New Jersey. On many of these issues we have been shoulder to shoulder. On many of them, too, the Senator from New Jersey has been the leader. I think I should be among the first to acknowledge that.

One of the reasons we can address emergency supply interruptions today in a different manner than in 1981 is because of the effectiveness of the strategic petroleum reserve today. It is a much more effective tool than it was at an earlier date. There has been no one more dedicated to the preservation and expansion of that system than the Senator from New Jersey. I would say I have generally supported the Senator from New Jersey in the SPR actions we have taken.

That is one of the differences, by the way, between now and 1981. In 1981, when we last voted on Senator BRADLEY's proposal and the Senate voted it down by a vote of 88 to 8, there were 16 days of supply in the strategic petroleum reserve, 16 days of total supply, not just of imports. Today we have 40 days of supply, or will have by the end of this calendar year. There are over 40 days of supply in the strategic petroleum reserve.

I think that we have seen the result of the effectiveness of just having the SPR, not just selling from the SPR but just having it. About 2 years ago when the bombing raids on shipping began to increase in the gulf, I think many people looked toward the interruption of the supply of oil. You would have expected there would be speculation on the world spot markets for oil. That speculation peaked at about 50 cents a barrel over the then current market price. There was no large price movement as had occurred earlier.

I would not say that the SPR was the total reason, but it was part of the reason.

That 50 cents, incidentally, dropped back in about 2 weeks. Even though the bombing has continued, the attacks on shipping have continued over the intervening 2 years, there has been no price speculation. The SPR is part of the reason. Decreased consumption is part of the reason. Dependence upon imported oil has declined, and that is part of the reason.

But, yes, there is another change since 1981, much different than before that time. Between then and now, the President of the United States vetoed a bill, and that man is still the President of the United States. He has said if we pass a bill again, he will veto it again. So the question is not whether we should have emergency standby authority. The President said he will veto it. I accept that verdict, whether I

agree with it or not. He has the authority under the Constitution to do that, and he has enough votes in the Congress to sustain that position.

So it is not a question of whether we should have more authority or not. The President has said we will not.

The question on this amendment is, If we are to have a standby authority, is this the appropriate standby authority?

I submit it is not. It is no better now than it was when the Senate rejected it 88 to 8 in 1981. It is no better now than when the distinguished Senator from New Jersey discussed it on the floor and did not offer it in 1982.

It is no better now than it was in the committee when the committee rejected it by a vote of 11 to 6 earlier this year. It is simply a bad solution to a problem that does exist. It will not aid us. It will only exacerbate some of our problems and cost the taxpayers of this country a very great deal.

When the Senator indicates that there is no help for the poor and the afflicted, that is not really true. We do have low-income energy assistance on the books today. It does, perhaps inadquately, address that problem.

The Senator suggests if we pass the bill that problem is answered without further congressional action, whereas his own amendment requires that in the event of an emergency we then appropriate the money to the States.

So it requires Congress to take the action which I say is appropriate to be taken then; under his amendment, it has to be taken then. So his amendment does not change anything, whether we pass it or not.

Finally, the Senator indicated that somehow, what we are really doing in turning down the amendment is walking away from the poor in our society. I have used the analogy of how, under this plan, do you make allocations of money to families that need money because of increased energy costs, and I have emphasized the fact that there are no criteria, and it is very difficult to write criteria. I suggested, do you make a distinction between a family that has a car and a family that does not? That Senator suggests that all poor people do not own a car. That is part of the problem. Some of them do. Does the family that owns a car need any more than the family that does not? If the allocation made to the family that has the car were adequate to meet their needs with the car, does the family that does not have a car get an equal payment? That would not be equitable. Beyond that, the Senator also says, but he did not say very loudly because it has less emotional appeal but nevertheless is true, this amendment has economic assistance to business. Economic assistance to the fat cats of this world, if you will.

You see, Mr. President, I can use the emotional argument, too, I say to my friend. What we are going to do is recycle, at the taxpayers' expense, money to multibillion-dollar, multinational corporations because, under State block grant assistance, in order to preserve the jobs of people out there, we would be shoveling money out by the barrel load to these wealthy defense contractors that are ripping off the public, as we all know today.

Mr. President, I do not know that that is what the Senator means, but I can make the argument in those terms just as well as we can talk about that poor old widow out there freezing to death in the dark who is not getting help from good old Uncle Sam when there is a shortage of energy.

No, Mr. President, we are not talking about whether or not there should be a program. I agree there ought to be. The President says he does not want to make that choice now, will not do so, and will—he has demonstrated that he means that he will—veto such legislation.

Beyond that, is this the most effective way of writing such a standby program? I suggest that it is not. It is perhaps the least effective way, in my judgment.

Mr. President, I reiterate what I said earlier: I hope my colleagues will reject this amendment when we vote on it tomorrow.

I might point out another one of those variables. Take two poor people in the same community subjected to the same weather, the same energy markets. One lives in a well-insulated home; one lives in one that is as leaky as a sieve. Are we going to make equal payments to both? If so, we are going to leave one of them very cold indeed, or if you make a payment to that person sufficient to keep him warm, you give an economic windfall to the other. I submit that this is an imprecise, very difficult attempt, a very clumsy attempt, if I may, to meet what may well be a very real problem.

I know the Senator from New Jersey knows that I believe we ought to have a standby program. We ought to be planning on what to do in an emergency. His disagreement and mine at this point would be over the method.

Mr. BRADLEY. Mr. President, I always enjoy hearing the distinguished chairman make his arguments. I found a new emotional zest in that argument made about defense contractors and multinational corporations. Maybe I am detecting a reorientation on the floor.

Mr. McCLURE. If the Senator will yield, the Senator is very persuasive on some matters.

Mr. BRADLEY. If I could, Mr. President, deal with the question that we do not need this because we already have a Low-Income Energy Assistance Program. First of all, the Low-Income Energy Assistance Program is considered to be absolutely necessary where it is today. We are looking at oil not at $20 or $25 but $50, $60, or $70 a barrel. It would be clearly inadequate then. It is not indexed, there is a year's lag between the decision to appropriate x amount and people actually getting the money. So it is an inadequate program, the Low-Income Energy Assistance Program is inadequate to meet the needs of American people who are faced with a price runup of $25, $30, or $40.

Second, the GAO, which is the only, I should say only authority that has been referred to today, said very clearly that if we are going to do block grants for States, as the Senator from Idaho says he would like to do, we had better have an authorization on the books prior to disruption.

I would say also that I do not expect the 50 State Governors to give money to multinational corporations or defense contractors. To the contrary, as I have heard the debate on this floor, it is the small business person who creates the jobs. It is the small business communities in our States that differ most significantly and they certainly would receive the bulk of the assistance that would be offered to business if that particular business were central to the economic health of the State involved.

I suppose I would say finally that what this is is not designing a program that would purport to deliver equity to the one-car poor family and to the no-car poor family and to the poor family making the same income but in slightly different circumstances. That is not possible, in my view, for the U.S. Senate to write that kind of detailed program. What this is is a program that would send 50 checks, period, to 50 State Governors to cope with the economic circumstances of an oil supply disruption. The National Governors' Association clearly supports this.

Call your Governor. Ask him if they want to have a program on the books that will allow them and give them the means to deal with the economic repercussions of an oil supply disruption. He will say, "Yes, we need it, Senator."

The Senator from Idaho says this Financial Assistance Program is not perfect, but it is better than nothing. The Senator points out that on previous occasions, the Senate has voted this down.

Earlier, I talked about the differences between 1981 and today. The Senator talked about the vote in the Energy Committee, 11 to 6, just a few weeks ago. The Senator did not talk about the vote in the Energy Committee last year, in which this program was approved 9 to 8 and then mysteriously did not make it to the floor where the Senate could have an op-

portunity to vote on this exact program that was approved by the Energy Committee last year.

So, Mr. President, I leave the Senate with one question: What will you say when you are asked during the next oil emergency, "What did you do to prepare"? If you vote for this amendment, you can say you attempted to get revenue to States to help them over the tough times and to poor people in this country to help them keep up with higher prices.

If you vote against this amendment, your answer will simply be, "I did nothing." I think that is an unacceptable answer in the Senate.

Mr. McCLURE. Mr. President, just very briefly, I think I understood the Senator from New Jersey to say that he had understood that I had said I favor block grants to the States in the event of an emergency.

I do not think I said that. I did not intend to say it. If the Senator from New Jersey understood me to say that, I will correct his impression and perhaps that of others who may have heard a similar statement or understood me to say that, because I do not favor the block grants. I think there are surely some Governors who may desire to have free money from the Federal Government, and that is the way many would view it. But I remember that Senator FORD, a former Governor of his State, argued against it in the committee on exactly the same ground; that he would not be able to administer it at the State level, and he saw no opportunity really for other Governors to administer it. It seems to me that to presume the Senate cannot write the rules, but 50 Governors can, flies in the face of reality.

Mr. President, I reserve the remainder of my time.

Mr. BRADLEY. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. On whose time?

Mr. BRADLEY. How much time do I have remaining?

The PRESIDING OFFICER. The Senator from New Jersey has 14 minutes remaining.

Mr. BRADLEY. On my time.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. METZENBAUM. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. METZENBAUM. Mr. President, I ask unanimous consent that the pending matter be temporarily set-aside until such time as the parties deem it advisable and that we may proceed forward with the next amendment.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

The Senator from Ohio.

AMENDMENT NO. 349

(Purpose: Limit certain new applications of EPCA section 252)

Mr. METZENBAUM. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from Ohio [Mr. METZENBAUM] proposes an amendment numbered 349.

Mr. METZENBAUM. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

The amendment is as follows:

At the end of the bill add the following new section:

"SEC. 5. LIMITATION ON NEW VOLUNTARY AGREEMENTS OR PLANS OF ACTION.

"Section 252 of the Energy Policy and Conservation Act is amended by adding at the end thereof the following:

"'(m) Effective after the date of enactment of the Energy Policy and Conservation Amendments Act of 1985,

"'(1) the defenses available under subsection (f) and (k) shall only be applicable under any new plan of action with respect to Type 1 activities (as that term is defined in the International Energy Agency Emergency Management Manual, dated December 1982), if—

"'(A) The Secretary has transmitted such new plan of action to the Congress; and

"'(B)(i) sixty calendar days of continuous session have elapsed since receipt by the Congress of such transmittal; or

"'(ii) within 60 calendar days of continuous session of receipt of such transmittal, either House of the Congress has disapproved a joint resolution of disapproval to subsection (n); and

"'(2) such defenses for type 1 activities with respect to such new plan shall not be available if there has been enacted, in accordance with subsection (n), a joint resolution of disapproval.

"'(3) For the purpose of this subsection—

"'(A) continuity of session is broken only by an adjournment of the Congress sine die at the end of the second session of Congress; and

"'(B) the days on which either House is not in session because of an adjournment of more than three days to a day certain are excluded in the computation of the calendar-day period involved.

"'(n)(1)(A) The application of defenses under subsection (f) and (k) for type 1 activities in respect to any new plan of action transmitted pursuant to subsection (m) shall be disapproved if a joint resolution of disapproval has been enacted into law during the 60-day period of continuous session after which such transmission was received by the Congress. For the purpose of this subsection, the term "joint resolution" means only a joint resolution of either House of the Congress as described in paragraph (3).

"'(B) After receipt by the Congress of the transmission under subsection (m)(1), a joint resolution of disapproval may be introduced in either House of the Congress. Upon introduction, the joint resolution shall be referred immediately to the Committee on Energy and Natural Resources of the Senate and the appropriate committee or committees of the House of Representatives.

"'(C) The Secretary may withdraw the transmission any time prior to adoption of such joint resolution by either House of the Congress.

"'(2) This subsection is enacted by the Congress—

"'(A) as an exercise of the rulemaking power of the Senate and House of Representatives, respectively and as such it is deemed a part of the rules of each House, respectively, but applicable only with respect to the procedure to be followed in that House in the case of resolutions described by paragraph (3); it supersedes other rules only to the extent that it is inconsistent therewith; and

"'(B) with full recognition of the constitutional right of either House to change the rules (so far as relating to the procedure of that House) at any time, in the same manner and to the same extent as in the case of any other rule of the respective House.

"'(3) The joint resolution disapproving the transmission under subsection (m) shall read as follows after the resolving clause: "That the Congress of the United States disapproves the availability of the defenses pursuant to sections 252 (f) and (k) of the Energy Policy and Conservation Act with respect to Type 1 activities under the new plan of action submitted to the Congress by the Secretary of Energy on ————.", the blank space therein being filled with the date and year of receipt by the Congress of the transmission under subsection (m).

"'(4)(A) If the committee to which a joint resolution under this subsection has been referred has not reported it at the end of 20 calendar days of continuous session after its referral, it shall be in order to move either to discharge the committee from further consideration of such resolution or to discharge any such committee from further consideration of any other joint resolution with respect to such transmission which has been referred to such committee.

"'(B) A motion to discharge shall be highly privileged (except that it may not be made after all committees to which such joint resolution has been referred have reported a joint resolution with respect to the transmission), and debate thereon shall be limited to not more than one hour, to be divided equally between those favoring and those opposing the joint resolution. An amendment to the motion shall not be in order, and it shall not be in order to move to reconsider the vote by which the motion was agreed to or disagreed to.

"'(C) If the motion to discharge is agreed to or disagreed to, the motion may not be renewed, nor may another motion to discharge the committee be made with respect to any other joint resolution with respect to the same transmission.

"'(5)(A) When all such committees have reported, or have been discharged from further consideration of a joint resolution, it shall be in order at any time thereafter within the 60 day period following receipt by the Congress of the new plan of action (even though a previous motion to the same effect has been disagreed to) to move to proceed to the consideration of such a joint resolution. The motion shall be highly privi-

leged and shall not be debatable. An amendment to the motion shall not be in order, and it shall not be in order to move to reconsider a vote by which the motion was agreed to or disagreed to.

"'(B) Debate on the joint resolution shall be limited to not more than 10 hours and final action on the joint resolution shall occur immediately following conclusion of such debate. A motion further to limit debate shall not be debatable. A motion to recommit such a joint resolution shall not be in order, and it shall not be in order to move to reconsider the vote by which such a joint resolution was agreed to or disagreed to.

"'(6)(A) Motions to postpone made with respect to the discharge from committee or consideration of a joint resolution, shall be decided without debate.

"'(B) Appeals from the decision of the Chair relating to the application of rules of the Senate or the House of Representatives, as the case may be, to the procedures relating to a joint resolution shall be decided without debate.'".

Mr. METZENBAUM. Mr. President, once again we address legislation to renew the U.S. participation in the International Energy Agency [IEA], the organization created to allocate oil in the event of a major oil shortage.

And once again, Congress is letting this renewal slip through without any real consideration of its merits or value.

As my colleagues know, I have always had serious doubts about our Nation's participation in the IEA, whether it serves our national interest and whether we should provide any antitrust exemptions to the oil industry.

During a major international oil crisis, our participation in the IEA emergency sharing system is likely to worsen, rather than improve, our supply situation.

Under the IEA sharing formula, countries are required to absorb any shortages in proportion to total consumption, not just imports. The result is that countries like the United States, which have worked to reduce imports as a percentage of total consumption, will usually be a net exporter of oil during an emergency.

For example, in the emergency sharing test conducted by the IEA in 1983, a partial blockade of the Strait of Hormuz was projected to reduce U.S. oil imports by 1.1 million barrels per day. Yet, the IEA sharing formula required the United States to absorb an additional loss of 1.3 million barrels per day. So the total loss to the United States was 2.4 million barrels of oil per day, more than double what it would have been without the IEA. At the same time, countries which rely more heavily on imports were getting oil from us.

What this means, Mr. President, is that in the event of a worldwide oil shortage, Americans would become the fall guys for the other nations participating in the IEA. The United States could be required to give up millions of barrels of oil to other nations.

At the time when our citizens will be most in need of oil for their homes, hospitals, businesses, farms and schools, we will be shipping it overseas. And in return for our agreement to make this great sacrifice, we get nothing in return from the other IEA members, not even appreciation.

I attended one of those IEA meetings some years ago, and I must admit that I was shocked. I was shocked, and I was disappointed. We were participating in this international organization. The only people who could benefit from it were the other nations who were participants. It could not help the United States one iota, and I sat there while my country was damned and ridiculed by the other nations.

The notion that this country should respond to an international oil crisis by doubling its shortage is an absolute absurdity. Yet, this is what the IEA is all about.

Obviously, this international agreement offers little to the citizens of our country. It is also unclear how effective the IEA sharing system will be in allocating supplies, and it is almost certain that the do-nothing energy policies of this administration will cause severe economic disruptions if the United States is required to fulfill its obligations under the IEA.

Mr. President, these conclusions are supported by the findings of a new General Accounting Office [GAO] study on the IEA, which I requested with Congressman SYNAR. I ask unanimous consent that the summary of this report be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

COMPTROLLER GENERAL
OF THE UNITED STATES,
Washington, DC.

Hon. HOWARD M. METZENBAUM,
U.S. Senate.
Hon. MIKE SYNAR, *Chairman,*
Subcommittee on Environment, Energy, and Natural Resources, Committee on Government Operations, House of Representatives.

This report responds to your requests that we assess U.S. participation in the International Energy Agency's (IEA) emergency oil sharing program. It provides the current status of a key IEA program and identifies certain unresolved problems. The legislative authorities for U.S. participation will expire on June 30, 1985, unless otherwise extended. We believe this report will contribute to the deliberations on continuing U.S. participation in IEA. At your request, we did not seek agency comments on this report.

No further distribution will be made for 30 days from the date of issue, unless you authorize its release or publicly announce its contents earlier. At that time, we will send copies to the Secretaries of Energy and State, the Attorney General, the Chairman of the Federal Trade Commission, and to other cognizant congressional committees and interested parties.

CHARLES A. BOWSHER,
Comptroller General
of the United States.

STATUS OF U.S. PARTICIPATION IN THE INTERNATIONAL ENERGY AGENCY'S EMERGENCY SHARING SYSTEM

DIGEST

The International Energy Agency (IEA) is composed of 21 major oil consuming countries that joined together to reduce their vulnerability to oil supply interruptions. Under an emergency sharing system, IEA members agree to establish demand restraint measures for reducing their oil demand by at least 7 to 10 percent during a serious supply disruption; maintain emergency oil reserves equal to 90 days of net imports; and, in a supply disruption equal to or exceeding 7 percent, to share oil supplies under an IEA allocation system.

In 1981 and 1983 GAO reported certain problems with the workability of the IEA's emergency sharing system and the effectiveness of U.S. participation in that system. Senator Howard Metzenbaum and, subsequently, Congressman Mike Synar, Chairman of the Subcommittee on Environment, Energy, and Natural Resources, House Committee on Government Operations, asked GAO to follow up on these matters. This report summarizes previous GAO reports, taking into account changes since they were issued and addresses the specific issues raised in the requests.

GAO found that progress has been made in addressing a number of the problems reported. For example:

In December 1983 IEA members agreed on a flexible standard for pricing oil shared during an emergency that increases the likelihood that oil companies will actively participate in correcting supply imbalances among members.

Other IEA members became more confident in the U.S. ability and willingness to meet its IEA commitments when the United States announced in February 1984 that it would not rely solely on higher prices to achieve demand restraint but would generally draw down oil from its Strategic Petroleum Reserve in large amounts early in a severe disruption to supplement its free market approach.

In July 1984, the IEA countries agreed to consult each other during a supply disruption to determine what individual and coordinated stock draw-down actions they could take.

However, GAO also found that some problems and uncertainties continue to exist or others have arisen. IEA members are conducting or plan to conduct comprehensive studies which address several of the important issues.

Concerning U.S. participation in the IEA, the most immediate issue requiring attention by the Congress is whether to re-enact or extend the legal authorities, which expire June 30, 1985, related to U.S. government and oil companies' participation in the IEA. However, other issues also exist.

DEMAND RESTRAINT EFFECTIVENESS

To meet their demand restraint commitment to IEA, member countries can use a wide range of approaches, including moral persuasion to encourage voluntary reductions by individuals and private industry; compulsory orders, such as restrictions on gasoline sales and purchases; and mandating fuel switching, allocation, or rationing. A

country can also rely on market forces to increase oil prices and thus reduce demand. In addition, countries can draw from their oil stocks held in excess of their IEA emergency reserve commitment in lieu of reducing oil consumption.

The IEA has not prescribed the extent each type of demand restraint approach should be relied on by member countries; however, many IEA countries have indicated that sole reliance on market forces is inappropriate. The use of a market approach alone in a severe disruption would drive up the price so high as to promote the kinds of economic consequences that the IEA system was designed to combat.

The current U.S. plan is to rely primarily on market forces, supplemented by use of its Strategic Petroleum Reserve oil.

Using the Strategic Petroleum Reserve to help keep up supply levels during an emergency can help reduce pressure for rapid price increases. Nonetheless, in a severe disruption price increases would likely be substantial. Recognizing this, the U.S. government has been examining additional actions that could be taken to provide economic relief to poor and low-income groups during a supply disruption. However, it has not yet developed any legislative proposals for congressional enactment.

The United States is the only IEA country which has neither the authority nor the intention to rely on government-directed allocation to reduce demand. The United States is concerned that some other IEA countries' approaches, which rely considerably on allocation, may not yield sufficient, timely reductions in consumption and/or may result in higher economic costs which could also affect other countries. For example, member governments may be reluctant to impose stringent allocation measures early in a crisis because such measures would be politically unpopular. (See p. 18.) Largely at U.S. urging, the IEA agreed in July 1984 to further examine (1) economic impacts of serious oil supply disruptions on each member country and (2) anticipated effectiveness in quantitative terms of member country demand reduction measures and the range of economic consequences.

In early 1984 U.S. officials had assuaged foreign concerns about the U.S. demand restraint approach (to rely primarily on market forces) by restating their intention to build a 750-million barrel Strategic Petroleum Reserve and ordinarily to use large amounts of it early in a severe crisis as a supplement to its market approach. The current U.S. budget proposal to impose a moratorium on the filling of the Strategic Petroleum Reserve when it reaches 489 million barrels (it contained about 460 million barrels on May 1, 1985) may renew concerns about the adequacy of U.S. demand restraint measures.

AMOUNT AND AVAILABILITY OF OIL STOCKS

Several IEA members have been short of the 90-day oil reserve requirement for 2 years or longer, but most have reserves greater than 90 days and 5 regularly maintain stocks greater than 150 days. The Strategic Petroleum Reserve, which the U.S. government has set up solely for use in emergencies, now exceeds the 90-day requirement. In aggregate, IEA oil stocks well exceed 90 days.

The actual amount of emergency oil reserves readily available in an emergency in many member countries, however, is not clear because the IEA definition of emergency reserves inlcudes industry oil stocks which are needed to maintain normal operations. These vary widely across companies and countries.

Uncertainties also exist about whether emergency oil reserves will be used effectively. Although the United States has announced its policy to generally use Strategic Petroleum Reserve stocks in substantial amounts early in a disruption, most other IEA members have not expressed such clearcut policies.

In addition, it is not clear whether some members have sufficient control of the oil stocks in their countries to enable effective use of the oil in an emergency. Additionally, while member countries agreed in July 1984 that coordinated use of emergency oil reserves can be an effective and rapid means of restoring lost oil, members are not obligated to use these reserves early in a supply disruption.

In July 1984, IEA members also agreed to study industry's minimum operating stock requirements in each country, whether additional emergency stocks are needed, and the effectiveness of members' methods for holding and using the stocks. These studies are currently underway. (See pp. 33 and 34.) Members also agreed that those who have 90 days or more of reserve stocks but do not feel these are sufficient to participate in an early coordinated drawdown of oil stocks will promptly make their best efforts to raise their stock levels. However, it is not evident which countries classify themselves in this category or what plans, if any, each has to increase its stocks.

INTERNATIONAL OIL ALLOCATION

In the past, GAO reported that problems of pricing, fair-sharing, and data reliability could threaten the successful implementation of the IEA's allocation system. Questions still remain in these areas, although important progress has been made on the price issue.

Pricing: For many years, lack of clarity about how to price oil allocated from a company in one IEA country to one in another member country has raised questions about the viability of the emergency sharing system in a real disruption. In December 1983 IEA revised its pricing guidelines to help clarify this question. However, the IEA lacks a mechanism, such as compulsory binding arbitration, for assuring resolution of price dispute in a timely and effective manner.

Fair-sharing: All IEA countries, except the United States, have established or are establishing fair-sharing programs to ensure that no one company would be disproportionately penalized or benefitted by actions it takes to help the country meet its IEA supply obligation. We surveyed 15 U.S. oil companies and 12 indicated that the U.S. government should assume or be prepared to assume a role in assuring that voluntary oil sharing does not impose an unfair burden on participating companies in the United States.

Data reliability: Lack of accurate data on each country's available supply of oil may delay implementing the emergency sharing system in a crisis, impede response to a disruption, and cause errors in calculating countries; allocation rights or obligations. The countries most heavily involved in trading oil, which include the United States, have the largest data discrepancies. According to IEA, during a 1983 test of the system these countries did not make sufficient efforts to resolve data problems that IEA identified and reported to them.

MEASURES FOR DEALING WITH SMALLER DISRUPTIONS

Disruptions smaller than 7 percent of oil supplies are not covered by the IEA emergency oil sharing system. However, because of the economic damage some of these disruptions could cause, the IEA countries have agreed to support implementation of a process for deciding what actions, if any, each country could take to help offset an oil shortfall. They have not committed themselves in advance to take specific actions, believing that such decisions must depend on the particular circumstances.

Although the United States has agreed to fully support IEA efforts to correct serious supply imbalances during a small disruption, U.S. legislation authorizes the executive branch to order U.S. companies to participate in the international allocation of oil only when the IEA emergency oil sharing system is triggered. In lesser disruptions, the U.S. Government will have to rely on persuasion to obtain U.S. company cooperation.

AUTHORIZING LEGISLATION EXPIRES JUNE 30, 1985

Important authorities for U.S. participation in the IEA contained in the Energy Policy and Conservation Act expire on June 30, 1985. The act authorizes the President to require companies to provide oil to other IEA countries if necessary to meet U.S. antitrust and breach of contract defenses to U.S. oil companies that participate in certain IEA activities.

If the act expires before new authorities are enacted, problems could arise. Without the antitrust and breach of contract defenses provided in the law, U.S. oil companies have said they would not voluntarily participate in the IEA emergency oil sharing system. Other IEA countries may view failure to extend these authorizing provisions as reflecting a lack of serious commitment by the United States to the IEA. By July 1985 the IEA countries will be well into preparations for the fifth test of the IEA emergency oil sharing system, which is scheduled for October-November 1985. A lapse of the authorities at the end of June would almost certainly mean that U.S. oil companies would drop out of preparations for this major exercise, and a meaningful test cannot be conducted without them.

U.S. COMPANY INVOLVEMENT AND ANTITRUST ISSUES

The voluntary participation of oil companies is considered by the U.S. government and the IEA as vital to the successful operation of th IEA emergency oil sharing system. The current U.S. Plan of Action, outlining what oil company actions taken to implement the IEA emergency oil sharing system will receive antitrust and breach of contract defense coverage, dates back to 1976 and is widely considered too broad and general in nature; more specific language is required.

The Department of Energy has been drafting a second plan of action since 1979 but has not completed a version satisfactory to the U.S. Government, the IEA Secretariat, and U.S. oil companies. However, major differences appear close to resolution except for the extent of recordmaking, recordkeeping, and reporting required by the companies.

Two previous drafts of the second plan of action (1981 and 1983) did not include antitrust and breach of contract defenses to companies for normal commercial transac-

tions made independent of the IEA during an oil disruption nor provide antitrust and breach of contract defenses in cases where U.S. oil companies shared certain price data concerning voluntary offers to share or receive oil with oil industry representatives assisting the IEA in Paris. The Department is now considering modifying its position on these issues to allow the plan of action to provide antitrust and breach of contract defenses to oil companies for certain of those two types of activities.

Although these changes are intended to facilitate the effective operation of the emergency sharing system, there could also be important disadvantages. For example, providing antitrust and breach of contract coverage for certain commercial transactions could result in companies breaking contracts to obtain the benefit of rising prices during an emergency, and the resulting higher price could accelerate world oil prices, contrary to IEA objectives. In addition, the added workload that accompanies such coverage might inhibit effective monitoring by U.S. government antitrust observers of U.S. oil company participation in the emergency sharing system.

CONCLUSIONS

The IEA has been the centerpiece of U.S. efforts to coordinate international energy policy with other western industrialized nations for more than a decade. The IEA provides an important vehicle for coordinating the national energy policies of its members. While problems and uncertainties still exist, IEA has been making progress in its efforts to improve the workability of its emergency oil sharing arrangements.

MATTER FOR CONSIDERATION BY THE CONGRESS

The authorities contained in the Energy Policy and Conservation Act of 1975 are necessary for effective U.S. participation in the IEA. Among other things, they provide authority for international oil allocation, for U.S. provision of energy industry information and data to the IEA, and for limited antitrust and breach of contract defenses for actions oil companies take to implement both the IEA information and allocation programs. Current authorities expire on June 30, 1985. GAO did not find any circumstances that would invalidate the original and continuing justification for U.S. participation in the IEA. Therefore, GAO believes that Congress should extend these authorities.

Mr. METZENBAUM. Mr. President, the study identified several uncertainties associated with the IEA Allocation Program and U.S. emergency preparedness plans.

According to the GAO, the amount of emergency oil reserves readily available to IEA countries is not certain, because reserve estimates include industry stocks which are needed for maintaining normal operations. There are also questions about whether the Government has access to such stocks in some countries, and whether they would be used effectively in a crisis.

The IEA still lacks a mechanism to resolve price disputes which could delay or interfere with oil allocations.

The IEA lacks accurate data on supplies of oil.

These problems could jeopardize the entire effort to limit demand, equitably allocate supplies, and stabilize prices in a time of crisis.

Moreover, it is very obvious from this GAO report that U.S. energy policies have left this Nation unprepared to deal with an international oil emergency, and could impair the efforts of the international sharing program. For example.—and I want to emphasize this:

The United States is the only country out of IEA's 21 members without a program for the allocation of oil supplies during an emergency.

That is the legislation our President vetoed—the standby allocation program.

GAO has indicated that the U.S. policy of reliance on rising prices to reduce consumption in a shortage will create serious problems for the poor and low-income groups, and competitive problems for independent refiners. Use of emergency stocks alone may not hold down prices or ensure adequate supplies.

The recent administration plan to stop filling the strategic petroleum reserve [SPR] has caused unease among IEA member countries, and may discourage other countries from building up their own reserves.

The United States is the only one of 21 IEA members without a fair sharing program to ensure that all oil companies bear a proportional share of a country's IEA allocation obligation. Without this program, oil companies will be reluctant to share their oil.

It is quite obvious that Americans get very little from either the IEA or the energy policies of this administration.

But the real irony of all of this is that the price of our participation in the IEA is our acquiescence to the demands of the major oil companies that they be shielded from antitrust and breach of contract prosecutions so that they may control the movements and supplies of oil during an international crisis.

Mr. President, time and time again in our Nation's history, the major oil companies of this country—some of which are international companies whose home offices are not based in this country—have had more audacity than any other segment of the American economy. Time and time again they have been successful in getting the U.S. Government to roll over and play dead. That is exactly what is happening in this instance, again.

We have a situation now in which, but for the amendment I have offered, the oil industry was about to provide for itself another gaping hole in the antitrust laws of this country. Who was going to be the helpmate? Who was going to make it possible? None other than the Department of Energy of this administration.

Mr. President, there is absolutely no reason to believe that in a time of crisis, the oil industry will act in a beneficent manner for the public interest. Yet, this is the premise upon which the immunities are based.

Now, the IEA and the oil industry want us to grant even more discretion to the companies, and there are indications that this administration is willing to go along with such a request.

Mr. President, until this point, I have addressed myself to my concerns about our Nation's participation in the IEA. I think it is foolhardy, it is dumb, it is illogical, and there is no rhyme or reason for doing it, and it makes the American people and the U.S. Government the sucker of the world. We should not be in the IEA.

My amendment does not address itself to our being in the IEA, and I do not come to the floor to fight that issue. We have shortened the extension period of our participation in the Agency and I have agreed to an extension for a lesser period than that originally proposed, 4 years, but I have agreed to it for practical reasons—because I did not believe I had sufficient voting strength or support to prevail upon this body to recognize that our Nation should not be in the IEA. If the Reagan administration and the oil industry think we should be in the IEA, and so say many Members of this body, then they must be right.

I do not agree. But the substance of my amendment deals instead with the expansion of the antitrust exemption which is being talked about, comtemplated, and discussed in the administration. This gets to the substance of my amendment.

The purpose of my amendment is to ensure that Congress has the right to review and stop if it chooses on an expedited basis any attempt by the Departments of Energy and Justice to expand the scope of antitrust and breach of contract immunities available to oil companies during an international energy crisis.

The Energy Policy and Conservation Act [EPCA] contains language establishing an antitrust and breach of contract defense for U.S. companies that participate in the International Energy Agency.

I have always resisted making such defenses available.

Currently, the antitrust and breach of contract defenses cover a limited range of transactions, those either approved by the IEA or mandated by the U.S. Government. These are called Type II and Type III transactions respectively. In both cases, those activities are closely monitored and must be approved before they qualify for the defense.

However, recent Department of Energy and Justice drafts of a new plan of action dramatically expand the scope of the antitrust and breach of contract immunities.

Mr. President, the distinguished chairman of the Energy and Natural

Resources Committee and his staff have been very cooperative in assisting me and my staff in obtaining the DOE, Justice, and FTC documents related to this issue.

After careful review of these materials, it is evident to me that the effect of the new plan proposed by DOE and Justice would permit U.S. oil companies to engage in any number of manipulative and abusive transactions.

Under the new proposal, the antitrust and breach of contract defenses would also cover normal business transactions, so-called Type I activities. The impact of such an expansion of the immunities would be that virtually any commercial transaction would be immunized as long as the parties could claim that a specific—though not the primary—purpose of the deal was to help the IEA oil allocation process. No prior IEA approval would be required. Companies could present the IEA with a fait accompli and still receive protection.

Let me give a few examples of the real problems that such an expansion could create.

If there were an acute oil shortage due to a cut-off of foreign supplies to the United States, and no cut-off to Europe, the major oil companies, through a series of telephone calls back and forth, might join in an agreement to triple the price of oil in the United States in order to induce a shift of supplies from Europe to this country.

In all fairness the case may be that such a dramatic price increase may not have been necessary, but merely a way of exploiting the shortage due to oil company greed. And who among us would not say that the oil companies would take advantage of the situation of the door were open just a bit so that they might walk through it? Such an incredible price-fixing scheme would be fully protected from antitrust or breach-of-contract statutes, and the American public would have no resourse whatsoever.

Do not say it could not happen. Since oil has become an essential commodity to the nations of the world, major oil companies have conspired to limit the control of oil reserves, manipulate prices, influence Government decisions and take advantage of international crises for the sole purpose of ensuring themselves greater and greater profits.

In his book, "The Seven Sisters," Anthony Sampson has chronicled much of this.

For example, the oil industry was only a few years old when John D. Rockfeller began to gain control of the refineries and distribution facilities that would lead to the creation of the Standard Oil Trust, the company that became the monopoly in the oil industry and amassed exorbitant profits as well.

The excesses of this trust were responsible for the enactment of the Sherman Antitrust Act and the Government mandated break up of Standard Oil in 1911.

In the 1920's the three leading international companies—Standard Oil of New Jersey, Shell and British Petroleum—forged a secret cartel agreement to allocate markets, limit production and fix prices.

Our own U.S. Navy was overcharged by the members of the Arabian American Oil Co. during World War II, and it led a Senate investigative committee to conclude in 1948 that:

"The oil companies have shown a singular lack of good faith, an avaricious desire from enormous profits, while at the same time they constantly sought the cloak of U.S. protection and financial assistance to preserve their vast concession."

Again in 1952, we see the oil companies described in a landmark report by the Senate Select Committee on Small Business entitled the International Petroleum Cartel. That report concluded that seven major oil companies controlled all of the principal oil producing areas outside of the United States, divided the markets and set artifically high prices.

The Arab Embargo of 1973 not only caused shortages and price increases in the United States and other nations, it also provided the major oil companies with record profits. And it should be noted in passing that even where there was no shortage the oil companies did not hesitate to keep their ships stationed off our shores so that they might indicate that there was a shortage and so that they might combine to raise their prices.

As a consequence their profits were so high that oil companies actually took ads out in the newspapers to try to defend them.

And it did not end after the rise of OPEC. The emergence of OPEC may have changed the way the game was played, but the results remain the same.

In 1979, a relatively minor shortage was transformed into a major crisis by oil company hoarding of oil and gasoline stocks.

There were plenty of supplies available, but the oil industry saw a chance to make a killing. So, suddenly Americans faced what the Government told them was a 2-million-barrel-a-day shortage.

The result? Prices soared, consumers waited in gasoline lines, farmers were unable to get fuel to work in their fields, the entire world was plunged into an economic recession—and the oil companies made billions of dollars in profits.

There is also strong evidence that the major multinational oil companies—the same corporations we may be entrusting with a carte blanche to violate the antitrust laws—have been conspiring for years to fix prices of west coast crude oil. Their scheme includes holding down the price for which they will pay independent drillers for their oil, preventing independent refiners from obtaining oil directly from drillers, and squeezing discounters out of the market.

This conspiracy is particularly nefarious because it not only artificially raises the price of oil to consumers, but it injures independent drillers, who find most new domestic sources of oil.

Although publicly released documents concern conduct in the 1970's, California law enforcement officials have filed new lawsuits alleging that these price-fixing schemes have continued.

There are other problems to the American economy that could and would result if oil companies are permitted to join together to restrain sales or restrict price competition.

Thousands of small businesses could be threatened. For example, if the Persian Gulf were blockaded, Japan would suffer a severe shortage and the IEA would likely seek to divert oil from the United States to Japan.

Oil companies could exploit this crisis by breaching long-term, low-priced supply contracts with small, independent refineries and distributors and shift massive quantities of oil—at significantly higher prices—to Japan. As long as a specific purpose of their action was to help the IEA move oil to Japan, they would be immune from suit. In short, they could use the crisis to unilaterally cancel their less lucrative contracts.

Government agencies have also expressed concern about the problems which may arise from expanding the scope of the immunities.

The GAO report, which I previously mentioned and which has now been introduced into the RECORD, raises serious questions about whether it is necessary to expand the defenses. The report also notes that expanding the antitrust and breach of contract defenses could reduce the ability of the United States to prevent and penalize collusive conduct, injure intermediate suppliers and consumers, and actually contribute to the rise in world oil prices, which is directly contrary to the objectives of the IEA.

Mr. President, I regret to state publicly that I am not at liberty to reveal the internal FTC staff memoranda I have seen on this issue. Let me just say that they lead one to firmly conclude that we are inviting the oil companies to cloak virtually all of their operations during an international emergency with antitrust and breach of contract defenses.

Congress never intended for the narrow antitrust and breach of con-

tract defenses to be expanded in a way that is now planned by DOE and Justice, and it certainly did not intend to condone the actions which could result.

Yet, S. 979 as reported by the committee provides no requirements for congressional review or administrative rulemaking before such drastic changes can take place. If left unchanged, EPCA would be better called the Energy Price-Fixing and Cartel Act.

The amendment I am offering requires that any plan of action which offers the antitrust and breach of contract defense to transactions which are not mandated by the U.S. Government or are not approved in advance by the IEA, must be presented to Congress 60 days before the defenses can attach to those activities.

If, during that 60-day period, Congress passes a joint resolution disapproving the extension of the defenses to type I activities, that coverage cannot take place.

This amendment guarantees that a joint resolution of disapproval will be subject to expedited procedures. This ensures that Congress will have the right to vote on, and reject, any expansion of the antitrust and breach of contract defenses currently available to the oil industry during an international energy crisis.

This amendment preserves Congress' right to review and make a decision on the need for such sweeping immunities before they can take effect.

This amendment is offered in order to send a message to the Department of Energy and the Department of Justice that this Congress has strong reservations about expanding and extending the antitrust immunities for the oil companies. This Senator has no difficulty in predicting with certainty that if there is such extension or expansion that occurs, I will make it possible for every Member of this Congress to vote as to whether he is on the side of the oil companies or on the side of the people of this country.

It is my understanding that the chairman of the Energy and Natural Resources Committee does not object to this amendment. And I want to thank the chairman for his cooperation in accepting this amendment and for the cooperation of staff in working out the language of this amendment. It will preserve the right of oversight and veto for Congress on this important issue.

Mr. President, I reserve the balance of my time.

Mr. McCLURE. Mr. President, the International Energy Program was established in order for the major oil consuming countries to respond effectively in the event of a severe international energy supply interruption. The IEP agreement provides for an information system on international oil markets and establishment of an international oil sharing system during international oil supply emergencies.

Section 252 of the Energy Policy and Conservation Act sets out procedures applicable to the development and implementation of voluntary agreements and plans of action to implement these allocation and information provisions of the International Energy Program. Pursuant to this authority, approximately 20 U.S. international oil companies are signitores to the original 1976 voluntary agreement and plan of act to implement the International Energy Program.

During an international energy supply emergency, participation by both major international oil companies and independent oil companies in this voluntary agreement is essential to the effective redistribution of oil if the IEP's emergency oil-sharing procedures are activated.

The existing 1976 voluntary agreement and plan of action provides very broadly that when the President determines that an international energy supply emergency exists, the participating oil companies, and I quote, "May take such actions as may be necessary or appropriate to implement emergency allocation programs of the IEA." However, those actions must be specified in advance in a "voluntary agreement" or "plan of action" in order to be within the scope of the limited antitrust defense available under section 252 to oil companies with respect to actions taken to implement the IEA's information and allocation systems. Any person asserting the antitrust defense under section 252 must demonstrate that their actions were "Specified in, or within the reasonable contemplation of," a plan of action. But, notwithstanding such proof, the defense under section 252 is unavailable in any instance where it is shown that the defendant's actions "Were taken for the purpose of injuring competition."

The purpose of the term plan of action as used in section 252 is to describe those types of actions by U.S. oil company participants under the existing voluntary agreement and plan of action to implement the International Energy Program, adopted in 1976, for which antitrust defense may be available. But such a defense under the IEA oil-sharing system would only be available after activation of the IEP in the event of an international oil supply emergency.

I must emphasize, Mr. President, that ever since 1976 the existing voluntary agreement and plan of action has provided very broadly that when the President determines that an international energy supply emergency exists the participating oil companies "May take such actions as may be necessary or appropriate to implement emergency allocation programs of the IEA."

But section 252 also requires that a plan of action be "As specific in its description of proposed substantive actions as is reasonable in light of known circumstances." Because of this statutory requirement, the executive branch, the participating oil companies, and the IEA itself, all have been trying since 1976 to develop a new, more detailed plan of action, to replace the very general existing one. Because of its concern, the Congress on more than one occasion has been critical of the delays in finalizing a new one.

Beginning in 1978, during a Democratic administration, and extending into the current Reagan administration, attempts have been made to develop a new plan of action. These attempts have evolved into an extended multiparty negotiation between U.S. Government staff—led by the Department of Energy but with intensive participation by the Justice Department and the Federal Trade Commission, as well as involvement of the State Department—and the various participating U.S. oil companies, with the IEA Secretariat also actively presenting its own views.

Since 1981, five versions of a new plan of action, some drafted by Government staff and some on behalf of industry, have been considered. However, agreement on a text thus far has not been reached, and the negotiating process is continuing.

Mr. President, Senator Metzenbaum has expressed concern that coverage under recent drafts of a plan of action to implement the IEA's international oil allocation system during an energy emergency, authorized by section 252, could extend to some of what the IEA calls type 1 oil supply transactions. My own review of the handling of this issue indicates that it is a difficult and complex problem, involving a need to balance competing policy considerations, within an area of responsibility delegated to the executive branch by the Congress. Thus far, the issue has been handled carefully and properly by the executive branch.

Preemptive legislative action on such a matter, while it still remains in the developmental stage, is both uncalled for and it could be very damaging to the potential effectiveness of the IEA sharing system if an emergency should occur.

It should be emphasized, Mr. President, that this issue, concerning the scope of coverage of the section 252 antitrust defense, has absolutely no bearing on oil company activities until there is in effect an international oil supply emergency; I must repeat, it only would become relevant in the event of an actual international

energy supply emergency declared by the President.

Section 252 makes available a limited antitrust defense with respect to actions taken by oil companies to implement the IEA's information and oil allocation systems, provided that those actions are specified in a voluntary agreement or plan of action. Section 252 says that a person asserting the antitrust defense must demonstrate that his actions were "Specified in, or within the reasonable contemplation of," a plan of action. Moreover, notwithstanding such proof, the defense is unavailable in any case where it is shown that the defendant's actions "Were taken for the purpose of injuring competition."

The issue of antitrust protection for certain type 1 transactions, about which Senator METZENBAUM is concerned, arose in the course of such negotiations, out of understandable industry apprehension over the antitrust risks associated with some type 1 transactions if the IEA emergency allocation system were activated. In commercial form and substance, there is no difference between what the IEA calls type 1 and type 2 international oil transactions. In the IEA oil sharing system, the distinction between type 1 and type 2 transactions basically depends on whether, in each monthly oil allocation cycle, the oil companies submit proposed transactions to the IEA in Paris and await IEA approval before implementing them; the transactions which are submitted to Paris are type 2, and all of the other international supply transactions which the companies choose to undertake are type 1—there also is a type 3, referring to Government-mandated transactions.

When the IEA's oil sharing system first was developed in the mid-1970's, it was thought that the system could operate efficiently through type 2 transactions. Such type 2 transactions, involving parallel industry behavior concerted through the IEA, involved antitrust risks under U.S. law, for which the participating U.S. companies needed the section 252 defense, but there did not then seem to be a need to protect their type 1 transactions against antitrust challenge. However, as the IEA's allocation plans evolved through four systems tests, more and more emphasis gradually was placed on the role of type 1 transactions in international oil allocation, and of the IEA in attempting to influence the destination of supplies in type 1 transactions. Not only did type 1 supply arrangements come to be seen as most expeditious and market-oriented, but also, a need was identified to avoid major type 1 oil flows in the "wrong" direction, including those which unintentionally reversed the benefits of type 2 transactions effectuated in a previous monthly allocation cycle. Understandably, the participating U.S. oil companies increasingly became worried about the antitrust risks which they would experience if, during an emergency, they undertook particular type 1 transactions in response to IEA exhortation.

This threatened to impair the efficiency of the IEA sharing system, for it could lead U.S. oil companies to refrain from certain type 1 transactions, and wait to submit some of them to the IEA as type 2, in which case the very identical commercial transactions could receive antitrust protection.

However, Mr. President, the executive branch always has recognized that any coverage for type 1 transactions under section 252 ought to be selective, rather than applying to normal business activity which the participating oil companies would have undertaken in any event.

What has led to Senator METZENBAUM's concern is the attempt of the administration to develop for inclusion in the new plan of action, a method of giving antitrust protection—and in effect breach of contract defense—to those type 1 transactions which need such protection because they have been induced by the IEA, while denying it to those which would have been undertaken even in the absence of IEA exhortation. This, I believe, is the sole issue.

I am informed that there are no known oil pricing or other issues which can be said to be peculiar to type 1 transactions. It is a difficult and complex matter, vital to the effectiveness of the IEA's emergency sharing system, which requires delicate balancing of IEA system requirements with the requirements of U.S. antitrust law.

However, it is premature to assess the success of the executive branch in accomplishing this objective, because no mutually agreeable plan of action yet has been arrived at with the oil companies, and the negotiations remain unfinished. As the Acting General Counsel of the Energy Department wrote on May 7:

> We do not yet know whether * * * narrowly constructed, carefully monitored, type 1 coverage can be developed and negotiated with the participating oil companies. It is too soon to evaluate our success in achieving this goal, for we have not yet arrived at the text of a plan of action that would be acceptable to the participating companies, and which staff of the involved U.S. Government agencies are able to recommend to their agencies; thus, we remain in the process of actively negotiating the plan of action. Indeed, various provisions of the draft plan of action which would bear directly upon the scope of type 1 coverage and upon the effectiveness of antitrust monitoring of such transactions, are among those currently receiving the most intensive attention.

I understand the Senator's concern that section 252 not be applied more broadly than is needed for the effectiveness of the IEA's emergency oil sharing system; indeed, in the past I have sponsored efforts within the Congress to confine the use of section 252 to legitimate energy emergency purposes. These negotiations, however, are not an attempt to expand the scope of section 252, but rather an effort to apply in a moderate and considered way, existing authority which the Congress has delegated to the executive branch, with the aim of assuring the effectiveness of IEA sharing during an emergency while preserving the protections of the antitrust laws.

I cannot yet tell whether this effort will yield a satisfactory result, but a review of the Government's documents bearing on this issue convinces me that there has been no wrongdoing, inadvertence, or inappropriate action; on the contrary, the staff of the involved agencies have been acting with great care and caution, and I do not believe the Congress should act preemptively to avoid a potential problem which presently shows no signs of developing.

There is no reason to act abruptly. There already exists an approved plan of action. That plan only would go into effect after the President declared the existence of an international energy supply emergency.

The new plan of action is still in the formulative stage; it is not yet a finished document. It has not been adopted by the participating U.S. oil companies. Moreover, it cannot be made effective until it has been approved by the Attorney General and the Secretary of Energy. And before the Attorney General can approve it, he must consult with the Federal Trade Commission, whose views are required by section 252 to be published in the Federal Register. In addition, the General Accounting Office constantly monitors the industry meetings at which the plan of action is discussed.

Under the circumstances, congressional action on what is still a proposed new plan of action would seem an unwarranted, premature interference in a wholly legitimate and proper executive branch exercise of delegated authority.

Therefore, I join with Senator METZENBAUM in an amendment that provides a procedure for notification of the Congress of the inclusion in any new plan of action of any provisions that would make available antitrust or breach of contract defenses to type 1 activities. In the event that the Congress disagrees with such proposed coverage, an expedited procedure is provided for consideration of a joint resolution of disapproval of such provisions. The congressional review would only be applicable to those provisions of any new plan of action which deal with type 1 activities. Any other provisions of a new plan of

action would be unaffected by enactment into law of a joint resolution of disapproval, provided the new plan of action otherwise complied with the requirements of section 252.

Moreover, while any new plan of action is being formulated pursuant to section 252, the provisions of the existing plan of action, including the defense provided for therein, remains available under section 252 in the event of an international oil supply emergency.

I was pleased to work personally with Senator METZENBAUM in drafting the provisions of this amendment. It now provides the assured mechanism for oversight which the Senator from Ohio desires, without diminishing the authority which the administration now has or undermining its efforts to pursue a prudent and workable new plan.

MR. McCLURE. Mr. President, during this debate the Senator from Ohio has made reference to a new General Accounting Office report on the "Status of U.S. Participation in the International Energy Agency's Emergency Sharing System." The distribution of this report has not only been restricted to himself and Representative SYNAR, but it is not in the public domain until today.

Moreover, I understand that neither the Energy Department nor the State Department, nor the Justice Department, nor the Federal Trade Commission, have been invited to comment on this report.

Yet the report addresses the effect of providing the EPCA breach-of-contract defense to type 1 transactions undertaken pursuant to an approved plan of action. But more importantly, Mr. President, I am informed that GAO did not discuss the type 1 issues covered in its report with the executive branch officials most knowledgeable about the plan of action. Had they done so, perhaps they would not have based their conclusions on such an unrealistic and misleading scenario.

The GAO's analysis rests on an unrealistic view of how oil is distributed; how oil is priced; and how oil is contracted for. The report also fails to understand basic aspects of how the section 252 antitrust defense works; and in addition, the report provides a misleading portrayal of the current proposal that, in fact, is intended to apply only very selectively to those transactions which the IEA has encouraged the U.S. companies to undertake during an international energy emergency.

The GAO's main concern about the proposed coverage of type 1 transactions in the draft plan of action seems to be a fear that making available the breach-of-contract defense could result in participating oil companies breaking crude oil resale contracts during an emergency, in order to sell oil for a higher price, thereby assertedly driving up world oil prices. There are a number of problems with this scenario.

In the first place, there no longer is much third-party crude oil, in the international market, that is, oil which a U.S. company buys from a producer country and resells to another refiner. That market dried up during the past oil supply disruptions. Mr. President, today most of those refiners who formerly depended on the majors for their crude oil supplies now buy directly from the producers or in the spot market. Under current practices reallocations of supplies by the U.S. companies that participate in the IEA are more likely to involve shifting oil among their own affiliates, rather than taking oil away fom competing refiners. Therefore, point one is that the GAO analysis is based on a false notion of supply relationships.

Second, the GAO analysis is based on an outdated concept of crude oil pricing practices. The report assumes prices do not change under long-term contracts, when in fact today there are precious few, if any, long-term fixed-price supply contracts. And once an emergency starts to develop, you can bet that contract prices will automatically adjust and pretty rapidly. Yet the GAO report portrays an unrealistic world oil market in which suppliers are locked into below-market prices, which is not the case.

Third, even if there were no IEA, the oil companies would start to reallocate their supplies worldwide if there were an oil supply shortage. Force majeure clauses are common practice in the industry, and most of them do not depend on an IEA activated sharing program in order to be applicable. What the EPCA breach-of-contract defense adds, in this context is simply a greater degree of legal protection for those companies which marginally reallocate their supplies in order to help balance out the IEA's oil sharing system in the manner indicated by the IEA's sharing formula. And, only when there is an international energy emergency.

Fourth, the GAO's postulates a world market where major oil companies sell crude oil to their competitors at low-fixed prices during an oil supply disruption. If, for the sake of argument one were to accept this unrealsitic notion, the fact remains that the FPCA already protects those hypothetical competitors against the scenario that the GAO depicts. Under section 252, a participating oil company loses the antitrust defense if it acts to injure competition. To deprive one's domestic competitor of low-priced oil in order to sell in a higher priced foreign market could well be seen as an attempt to injure competition. Thus, under EPCA, a company could not gain the breach-of-contract defense in acting the way the GAO suggests, without simultaneously risking loss of antitrust protection. That doesn't make sense.

Finally, let's put this in perspective. In so-called type 2 transactions, participating oil companies are free to submit what are known as closed-loop transactions; to the IEA for approval; these are deals already worked out between sellers and buyers, and the parties can be their own affiliates or independent companies. My understanding is that such deals are routinely approved by the IEA, without close inspection, and always without IEA review of prices. So, anything that could happen with respect to breach-of-contract, or crude oil pricing in the type 1 transaction, already can happen in a type 2 transaction. This fact does not eliminate the utility, from the IEA's standpoint, of encouraging type 1 transactions. But that is a separate issue.

The only real issue here is whether under the proposed new plan of action antitrust and breach-of-contract protection will be provided to too many type 1 transactions, or to transactions that don't warrant availability of these defenses. And that depends on how successful the Government turns out to be in drafting and negotiating the document, a process that hasn't yet been completed. DOE has assured the Congress that the administration's intent is to grant the antitrust and breach-of-contract defenses only on a very selective basis, to transactions that have been undertaken at IEA urging in order to move oil where the IEA sees that it needs to go, and with full monitoring and recordkeeping protections. There is no reason why such selective protection should burden the antitrust authorities, or add serious breach-of-contract risks.

The main goal of the IEA sharing process is to avoid the kind of scramble for scarce oil supplies that can drive spot prices up for everyone. Both type 2 transactions, and those type 1 transactions which take place at the urging of the IEA—and those are the only type 1 transactions which anyone is considering protecting under section 252—equally facilitate IEA sharing. Both kinds of transactions, so long as consistent with the respective IEA countries' supply rights in the emergency, should help hold prices down, not drive them up. Unfortunately, the GAO has published a report suggesting otherwise, at this critical juncture in the EPCA's extension. In addition, the GAO did not test its ideas on the executive branch officials most knowledgeable about the subject, and thus provide the Congress with their views. That, too, is most unfortunate.

Mr. President, I reserve the remainder of my time.

(Mr. COCHRAN assumed the Chair.)

Mr. METZENBAUM. Mr. President, how much time remains to me?

The PRESIDING OFFICER. The Senator from Ohio has 18 minutes remaining.

Mr. METZENBAUM. I will not take 18 minutes, but I do rise to say to my colleague, the chairman of the committee has suggested in his remarks that the GAO report was only made available today. I would point out that if that were the case, the profundity of knowledge and expertise of my friend from Idaho would be beyond even my genuine respect for his ability. I think it is fair to point out to him, and I think he would agree, that we made a copy of the report available to members of his staff on Friday.

Mr. McCLURE. Will the Senator yield?

Mr. METZENBAUM. Certainly.

Mr. McCLURE. I wish to clarify the record. I appreciate the observation the Senator has made. The GAO report was made available to members of my staff on Friday, but as I stated earlier it was not publicy available or released until today.

Mr. METZENBAUM. In fact, we do not have any secrets in my office. We would be very happy to provide a copy of the report if anybody in the administration would indicate an interest. I do not think anybody was denied it. As the Senator knows, we made strenuous efforts to try to get the FTC documents and the Department of Justice information and have been reasonably successful but not totally successful. We are under some proscriptions as to the right to use them on a public basis. We adhere to and acknowledge those restrictions.

The GAO report is something that I do indeed want the administration and every department of our Government to be familiar with because I think it sends up some very strong alarm signals. I do not know that it is appropriate for me to debate the efficacy of those alarm signals and the problems that are raised by the chairman of the committee. I think the GAO report speaks for itself. It is that arm of our Government, of the Congress, that prepares reports of this kind for the Congress in order that we may have a factual basis in a situation such as this.

Mr. President, I want to address myself further to that issue. I am very pleased, I might say, that the chairman of the committee had indicated his support for and recognition of the value of the amendment which has been worked out with the staff and myself. I would appreciate, within those limitations that are always involved, as the Senator from Ohio, if I may have some rather strong assurances that the chairman of the committee would seek to protect the amendment's remaining in the bill after the conference committee.

Mr. McCLURE. Mr. President, if the Senator will yield, I shall be happy to respond.

Mr. METZENBAUM. I yield.

Mr. McCLURE. I can make no guarantees about what will happen in the conference, but this is a reasonable compromise. The points of view that have been raised meet the concerns of the Senator from Ohio. I support the amendment that the Senator has offered, and at the appropriate time, will urge that the Senate adopt the amendment. I shall attempt to carry out that will as expressed by the Senate in the conference.

Mr. METZENBAUM. I thank the Senator from Idaho for making that assurance.

Mr. President, I think I, for one, have had time to express myself on this issue. If the Senator from Idaho is prepared to yield back the remainder of his time, I am prepared to yield back the remainder of my time.

The PRESIDING OFFICER. The Senator from Idaho.

Mr. McCLURE. Mr. President, I did not want the Senator from Ohio to yield back the remainder of his time without his having heard a couple of other remarks I wish to make.

First, the staff has reminded me that the Senate position on this amendment relies on some expedited procedures for review. The House has traditionally had a little bit of trouble accepting such expedited procedures, so I am not certain that the conference road will be easy. While I fully support it and am largely strongly for it, I do not want to mislead the Senator from Ohio as to whether or not the House will readily accede to our position.

Mr. METZENBAUM. Mr. President, I appreciate the comments of the Senator from Idaho. I do hope that they will, because the Senate has a heavy agenda ahead of it for the balance of this year and I would hate to be debating this issue after the conference ad infinitum. I am not inclined to do so, but certainly will if I must.

I hope we can prevail upon the House to accept the wisdom of the Senate on this subject.

Mr. McCLURE. If the Senator will yield, on my time, Mr. President——

Mr. METZENBAUM. I do yield, Mr. President.

Mr. McCLURE. I want to point out an error on page 7 of the committee report as filed. I do that having lived in mortal terror that the Senator from Ohio would have discovered that error before I did, because it seems almost Freudian in its implications.

At the bottom of page 7 of the report, the title carried in that sentence is wrong. The title says, "Section 1 provides that the short title is the 'Enemy Policy and Conservation Amendments Act of 1985'."

In spite of the Senator's criticisms of the IEA, this is not really intended to support the enemy. That is a misprint. It should read "Energy." It is not the policy of this EPCA Amendments Act.

Mr. METZENBAUM. I accept the correction. Even I would not have caught that.

Mr. McCLURE. I was sure the Senator would, but I am glad I pointed it out before the Senator from Ohio seized upon it.

Mr. METZENBAUM. It would have given me about 7 minutes to speak on this issue in a more jocular vein. But I did miss it and I appreciate the Senator's pointing it out.

Mr. McCLURE. Mr. President, I am prepared to yield back the remainder of my time and in doing so, I urge the Senate to adopt the amendment.

Mr. METZENBAUM. I yield back the remainder of my time, Mr. President.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 349) was agreed to.

Mr. McCLURE. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. METZENBAUM. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. METZENBAUM. Mr. President, I wish to express my appreciation to the Senator from Idaho and his staff for their courtesy and cooperation on this matter.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. CRANSTON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CRANSTON. Mr. President, I ask unanimous consent that the Bradley amendment be temporarily set aside.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

AMENDMENT NO. 350

(Purpose: To amend the Energy Policy and Conservation Act to improve administration of the Federal program for consumer products, enhance information programs, encourage purchase of more energy-efficient appliances, implement efficiency standards for certain appliances and im-

prove environmental quality by reducing acid-producing emissions threatening public health and safety, and for other purposes)

Mr. CRANSTON. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The bill clerk read as follows:

The Senator from California [Mr. CRANSTON] proposes an amendment numbered 350.

Mr. CRANSTON. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 4 following line 8, insert the following:

SECTION —. SHORT TITLE.

This Amendment may be cited as the "Consumer Products Energy Efficiency Amendments of 1985".

SEC. —. FINDINGS AND PURPOSE.

(a) FINDINGS.—The Congress hereby finds that—

(1) consumer appliances consume significant portion of domestic and imported energy, and if current trends continue, such applicances will consume 30 percent more energy in the next two decades, requiring the construction and use of many new large central powerplants;

(2) continued use of inefficient appliances threatens our national security, national environment and the domestic economy, and can be a competitive disadvantage in international appliance markets;

(3) energy-efficient appliances are technologically feasible and are presently being manufactured by some manufacturers. In more widespread production and use, they would substantially reduce electric consumption and reduce energy costs to all users of such appliances;

(4) increased disclosure of information regarding appliance energy consumption would promote the purchase of energy-efficient appliances;

(5) however, better information cannot effectively influence a substantial percentage of consumer appliance purchases because they are made by building contractors, landlords and other third-party purchasers who do not bear the energy costs of operating such appliances; and

(6) the deposit of acid compounds emitted by powerplants is causing and contributing to widespread, long-term ecosystem degradation. Appliance standards, by saving electricity, will contribute to reducing these emissions.

(b) PURPOSE.—The purpose of this Amendment is to provide for a substantial gain in energy efficiency, and thereby serve the national interest, by improving the administration of the Federal energy conservation program for consumer products, enhancing consumer information programs to encourage the purchase of more energy-efficient appliances, and establish energy efficiency standards for furnaces, central air conditioners, water heaters, refrigerators, refrigerator-freezers and freezers.

SEC. —. DISCLOSURE IN ADVERTISING AND SALE.

(a) DISCLOSURE AT POINT OF SALE.—Subsection (c)(4) of section 324 of the Energy Policy and Conservation Act (42 U.S.C. 6294(c)(4)), relating to labeling, is amended to read as follows:

"(4) A rule under this section applicable to a covered product shall, within 180 days after the date of the enactment of the Consumer Products Energy Efficiency Amendments of 1985, require disclosure, in any printed matter displayed or distributed at the point of sale of such product, of any information which may be required under this section to be disclosed on the label of such product or included in advertising related to such product.".

(b) DISCLOSURE IN ADVERTISEMENT.—Such subsection is further amended by adding at the end thereof the following new paragraph:

"(7)(A) In the case of a manufacturer of a covered product to which a rule under this section applies, the Commission shall, within 180 days after the date of the enactment of the Consumer Products Energy Efficiency Amendments of 1985, require such manufacturer to disclose, in any broadcast advertisement or any advertisement in any newspaper, magazine or other periodical, any information which may be required under this section to be disclosed on the label of such product.

"(B) Such disclosure shall be made in a manner that the Commission determines is likely to assist consumers in making purchasing decisions.".

(c) TECHNICAL AMENDMENTS.—(1) The heading of such section is amended to read as follows:

"DISCLOSURE IN LABELING, ADVERTISING AND SALE"

(2) The table of contents for such Act is amended by striking out the item relating to Section 325 and inserting in lieu thereof the following:

SEC. 325. Disclosure in labeling, advertising and sale.".

SEC. —. CONSUMER EDUCATION.

Section 337 of the Energy Policy and Conservation Act (42 U.S.C. 6307), relating to consumer education, is amended—

(1) by striking out "337." and inserting in lieu thereof "337. (a)";

(2) by striking out the last sentence; and

(3) by adding the following new subsection at the end thereof:

"(b) The Secretary, in consultation with the Commission, shall publish and make available comparative guides of each type (and class) of covered products, indicating its energy efficiency and annual operating cost. Such guides shall contain consumer information on calculating the life-cycle costs of each such type (and class).".

SEC. —. ENERGY EFFICIENCY STANDARDS FOR WATER HEATERS, CENTRAL AIR-CONDITIONERS, FURNACES, REFRIGERATORS, REFRIGERATOR-FREEZERS AND FREEZERS.

Section 325(a) of the Energy Policy and Conservation Act (42 U.S.C. 6295(a)), relating to energy efficiency standards, is amended by adding at the end thereof the following new paragraph:

"(3) (A) Notwithstanding subsection (b) and subsection (d), the Secretary shall, no later than 180 days after the date of the enactment of the Consumer Products Energy Efficiency Amendments of 1985, prescribe an energy efficiency standard for each type (or class) of covered products specified in paragraphs (1), (2), (5), (12), and (13) of section 322(a). Notwithstanding the second sentence of subsection (c), each such energy efficiency standard shall take effect not later than 18 months after the date on which the Secretary prescribes it. The Secretary may not reevaluate, under subsection (h), a standard required by this paragraph before the end of the 3-year period beginning on the date on which such standard takes effects.

"(3) The standards for a type (or class) of covered products under this paragraph shall—

"(i) be no less than the average shipment weighted energy efficiency for such type (or class) for 1984, and

"(ii) be based on a test procedure prescribed under section 323 for such type (or class).".

SEC. —. PROMOTION OF DOMESTIC PRODUCTION AND REDUCTION OF DOMESTIC UNEMPLOYMENT.

(a) ECONOMIC JUSTIFICATION OF STANDARDS.—Subsection (d) of section 325 of the Energy Policy and Conservation Act (42 U.S.C. 6295), relating to energy efficiency standards, is amended by redesignating paragraphs (6) and (7) as paragraphs (10) and (11), respectively, and by inserting after paragraph (5) the following new paragraphs:

"(6) the effect of such standard on the promotion of domestic production,

"(7) the effect of such standard on the reduction of unemployment and the improvement of the economy,".

"(8) the effect of such standards on electric utilities, including demand growth, construction needs, utility rates, and load management,"

(9) the effect of such standards on the human environment, including reductions in the deposition of acid compounds emitted by powerplants,"

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall apply to determinations made more than 180 days after the date of the enactment of this Amendment.

SEC. —. REPORT ON IMPORTS

Section 338 of the Energy Policy and Consevation Act (42 U.S.C. 6308), relating to annual report, is amended by adding at the end thereof the following: "Each such report shall include information regarding the percentage of covered products which are imported and the percentage of components of covered products which are imported.".

SEC. —. IMPROVEMENTS IN ENERGY EFFICIENCY AND CONSERVATION.

(a) REQUIREMENT FOR STANDARD.—Subparagraph (C) of section 325(a)(2) of the Energy Policy and Conservation Act (42 U.S.C. 6295 (a)(2)(C)), relating to a determination that a substantial improvement in energy efficiency is feasible is amended by striking out "substantial improvement" and inserting in lieu thereof "improvement of 20 percent or more".

(b) CONFORMING AMENDMENT.—Paragraph (2) of section 325(b) of such Act (42 U.S.C. 6295(b)(2)) is amended by striking out "significant conservation of energy" and inserting in lieu thereof "improvement of 20 percent or more in energy efficiency".

SEC. —. CRITERIA FOR ESTABLISHING SPECIAL STANDARDS.

(a) BASIS OF DETERMINATION FOR SPECIAL STANDARDS.—Subsection (f) of Section 325 of the Energy Policy and Conservation Act (42

U.S.C. 6295(f)), relating to special energy efficiency standards, is amended by adding at the end thereof the following new paragraph:

"(3)(A) In determining under this paragraph whether a performance-related feature justifies the establishment of a higher standard, the Secretary shall consider such factors as—

(i) the utility to the consumer of such a feature, and

(ii) such other factors as he deems appropriate.".

"(B) In determining under this paragraph whether a performance-related feature justifies the establishment of a lower standard, the Secretary shall consider such factors as—

"(i) the utility to the consumer of such a feature,

"(ii) the additional cost of meeting the otherwise applicable standard,

"(iii) the additional estimated range of annual operating costs which would result from such lower standards, and

"(iv) such other factors as the Secretary deems appropriate.".

(b) CONFORMING AMENDMENT.—Section 325(f)(1) of such Act is amended by striking out the last sentence thereof.

SEC. —. AVERAGE ENERGY EFFICIENCY BY PRODUCT TYPE OR CLASS.

Section 325 of the Energy Policy and Conservation Act (42 U.S.C. 6295), relating to energy efficiency standards, is amended by adding at the end thereof the following new subsection:

"(k)(1) No later than 180 days after the date of the enactment of the Consumer Products Energy Efficiency Amendments of 1985, the Secretary shall prescribe a combined average energy efficiency standard for each of the types of products described in paragraphs (1) through (14) of section 322(a).

"(2) Notwithstanding any other provision of this part, if for any twelve month period the average energy efficiency of the total number of a type of covered products manufacturered by a manufacturer or marketed by a private labeler are determined to meet the combined average efficiency standard applicable to such type, such manufacturer or private labeler shall be treated as meeting the applicable energy efficiency standard for the period covered by such determination.

"(3) For purposes of this subsection, the term 'combined average energy efficiency standard' means, for any product type, an energy efficiency standard which results in energy efficiency equivalent to compliance with the energy efficiency standards for such type under section 325(c).".

SEC. —. EFFECT OF FEDERAL STANDARD ON OTHER LAW: ESTABLISHES EXPECTED AVERAGE IMPROVEMENTS FOR ENERGY EFFICIENCY.

Subsection (b) of Section 325 of the Energy Policy and Conservation Act (42 U.S.C. 6295(b)), relating to energy efficiency standards, is amended—

(1) by striking out "(b)" and inserting in lieu thereof "(b)(1)";

(2) by redesignating paragraph (1) and (2) as subparagraphs (A) and (B), respectively;

(3) by striking out "or" at the end of subparagraph (B) (as so redesignated) and inserting in lieu there of "and";

(4) by striking out the last sentence thereof; and

(5) by adding at the end thereof the following new paragraph:

"(2) If no standard for a type (or class) of covered product is prescribed, the Secretary shall issue a guideline for improvement in energy efficiency for such type (or class) or each of the following 5 years. The Secretary shall monitor the improvements in efficiency of such type (or 13 class) and shall prescribe a standard under section 325 whenever such type (or class) fails, for 3 consecutive years, to achieve at least half of the improvement under such guideline. Such rule shall require a level of energy savings equal to the improvement specified in such guideline.".

Mr. CRANSTON. Mr. President, this amendment would set meaningful national efficiency standards for major household appliances, as contemplated by the Energy Policy and Conservation Act [EPCA].

One-third of the energy used in our homes operates electrical appliances, and this percentage is increasing.

Congress has supported a Federal program to improve consumer appliance efficiency since 1975.

Legislation mandating national appliance efficiency standards was first adopted late in 1978, after the Iranian oil crisis began.

By the time Congress acted, 10 States—including California—had already enacted appliance efficiency standards.

Manufacturers selling in those markets had to produce more efficient appliances.

Even more States—Oregon is a current example—are in the process of adopting their own standards.

Without effective national standards, manufacturers face the costly and increasing dilemma of meeting different standards in each State in which they choose to do business.

With effective national standards, we can save enough electricity to avoid building 15 new nuclear power plants, costing more than $45 billion, according to the Lawrence Berkeley Laboratory.

Replacing just the 12 million refrigerators and freezers in use in California in 1982 with high-efficiency models is cutting the State's electric consumption by an estimated 5 percent, about 1,700 megawatts, the capacity of two new nuclear power plants.

Congress mandated national appliance efficiency standards for each of the 13 major household appliances when the Energy Conservation and Policy Act was enacted in November 1978, requiring regulations implementing national standards by December 1980.

Even though the then contemplated national standards were expected to be less stringent than California standards then in place, the Nation would gain from adoption of national standards.

I fought to make sure that adoption of the Federal law did not preempt prematurely existing State standards before the Federal standards took effect.

It is a good thing I did, Mr. President.

Despite the clear congressional mandate, the Carter administration left office without adopting the standards, due at the end of their tenure, and DOE under the Reagan administration has purported to meet the requirement for national efficiency standards by adopting a regulation that says no standards are necessary.

In terms of encouraging increased energy efficiency, these standards are meaningless, if not counterproductive.

Meanwhile—to avoid preemption by this nonstandard, States such as California, Florida, New York, and Kansas, among others with their own standards, have petitioned the administration for exemption.

California's standards have worked so effectively that they have recently been broadened by the legislature.

Mr. President, the energy savings we can realize for effective standards are considerable.

By the turn of the century, California alone expects to save the equivalent of 21¼ million barrels of oil each year from residential and commercial appliance efficiency standards.

That's about $6 billion each year, at current oil prices. By then it will be much, much more.

There are other advantages as well, Mr. President:

Currently, acid rain is doing billions of dollars of damage each year.

While acid precipitation apparently has more than one cause, almost no one seriously disputes that emissions from the tall stacks of coal-fired midwestern powerplants are contributing serious damage to the forests, agriculture, water supplies, and manmade materials in 31 States east of the Mississippi River.

Yet, needed action to curtail this damage has been held up while debate rages over who will bear the tremendous costs of some of the proposals for cleanup.

My amendment makes possible curtailing this damage in the lowest cost, most trouble-free, most efficient way possible.

By significantly reducing the demand for electricity, it would permit the early retirement of many of these acid-emission producing powerplants, saving utilities and their ratepayers money, while curtailing the noxious air emissions that are helping cause acid damage elsewhere.

Amana, Carrier and other manufacturers of fuel-efficient appliances have already proven that the technology is avialable to make the improvements these standards would require.

Why not then just leave the energy savings to informed consumers and the free operation of the marketplace, as some have suggested?

First, because the State regulations have restructured the marketplace.

Second, because stimulus-response relationship between crude oil and other utility fuel prices and the purchase of electrical appliances by utility customers is too indirect.

Third, because as much as 80 percent of the major residential appliances are not purchased by those who will ultimately use them, but by builders, apartment house owners and others who find lower appliance price a stronger incentive than lower electric bills over the life of the appliance.

Fourth, because the information for appliance users to calculate accurately the "life-cycle" cost benefits of efficient appliances are not readily available.

Fifth, because energy prices do not rise in constant trend lines. They fluctuate. But the national interest in using our energy resources efficiently is constant.

DOE now estimates that future needs for powerplants will cost utility ratepayers upward of $1.8 trillion by the end of the century.

With efficient appliances much of this waste of resources can be eliminated.

The Consumer Products Energy Efficiency Amendment of 1985 would require the Department of Energy within 180 days to implement standards for furnaces, central air-conditioners, water heaters, refrigerators, refrigerator-freezers and freezers. This provision would get rid of the biggest energy guzzlers from the market without unduly burdening manufacturers.

The amendment would also improve product labeling to enable consumers to make informed energy decisions when purchasing new appliances.

Mr. President, we can no longer afford to waste energy and endanger the environment unnecessarily. Ten percent of the Nation's refrigerators and central air-conditioners are in California.

With the new State standards effective in 1987 and 1988, the need for new electric generation capacity will be reduced by almost 1,000 megawatts in 1996.

Manufacturers can meet the standards without undue hardship, and consumers, utilities, industry and the environment all benefit.

Savings of an additional 7 million barrels of oil equivalent in 1988 will result from just the recently adopted improvements in the State's appliance efficiency standards.

Increased use of efficient products would save consumers billions of dollars, ease utility load management problems, especially during peak periods, hold down future energy costs and free capital for other purposes, and significantly reduce emissions from coal-fired plants causing acid rain damage.

We have the technology available now to provide for our energy needs without endangering our environment.

We owe the American people the effort to focus on preventing future energy crises instead of just managing them.

Mr. McCLURE. Mr. President, there are several points that I should like to make in response to the Senator from California. First, that his amendment has several serious flaws, in that it addresses problems which are being resolved within existing legislation and, secondly, that it makes certain assumptions about potential energy efficiency improvements which are incorrect. I would like to emphasize, also, that the central issue before us now is the reauthorization of the legal authorities which establish the foundation for the Nation's ability to respond to an energy emergency. The Administration has made clear its opposition to any amendments to this reauthorization. I believe that it is inappropriate, at a time when our Nation's legal basis to respond to an energy emergency is about to expire, to consider amendments which do not directly address the issue of our Nation's response to an energy emergency.

Mr. President, the amendment which the Senator from California offers is intended to encourage energy efficiency in certain consumer appliances, such as furnaces, air conditioners, and refrigerators. The amendment assumes that new legislation is needed to encourage energy efficiency. This is simply not true. The fact is, the energy efficiency of consumer products is improving under current policies. For example, the energy efficiency of gas furnaces has improved by nearly 20 percent over the past 10 years.

Mr. President, I agree with the Senior Senator from California on the need to increase our Nation's energy efficiency and, of course, consumer products use a significant amount of energy. However, I do not agree that we need more regulations and more bureaucrats in order to achieve greater energy efficiency. The vast majority of consumers are aware of the importance of energy efficiency and of the savings associated with it. The facts demonstrate that consumers are buying more efficient appliances and that producers are meeting the new demands for such appliances.

This amendment would require that manufacturers and the department of energy publish and make available brochures on energy efficiency of major appliances. This is unnecessary. I invite any of my colleagues to visit appliance stores and they will find that energy efficiency directories are readily available. Why should we require the U.S. Government to produce, at great expense to the taxpayer, publications which are available already? The answer is obvious, we should not.

The simple fact is, this amendment is not necessary. The information needed by consumers to make decisions on energy efficiency in certain products is available. Further, consumer buying figures demonstrate that consumers are deciding to buy more efficient appliances. Passage of this amendment would increase regulations and the costs of Government to meet a need which is already being met.

Another flaw in this amendment is that it would substitute a 20-percent energy savings for the presently required "significant energy savings." This numerical standard would lead to inequities. A 5-percent energy savings in a furnace can often save more energy than a 20-percent energy savings in a refrigerator because a furnace uses much more energy. However, this amendment ignores this fact and applies an across-the-board standard to several appliances. Again, I believe that it is best to let the consumers decide where it is best to invest in more efficient appliances.

Mr. President, throughout this Nation Americans are faced with increasing energy bills, particularly electricity. These consumers do not need to be told by their Government how they can save money by conserving energy. They are doing it on their own. Manufacturers do not have to be directed to produce more energy-efficient appliances. They are doing it in response to consumer demand. This amendment has costs which will have to be borne by all of the taxpayers, while its benefits are questionable, at best.

Mr. President, considering the flaws in this amendment and the need to move quickly to reauthorize our Nation's energy emergency response statutes, I would like to ask the Senator from California to withdraw his amendment. I agree with him that the energy crisis is still with us and that we must use energy efficiently. However, I do not agree that this amendment is needed to increase the energy efficency of consumer products, nor do I believe this to be the time to be considering such an amendment.

Mr. CRANSTON. Mr. President, I would be delighted to have this amendment adopted today, but I have no such expectation.

I share the view of the distinguished committee chairman that it is important to extend the two programs the committee has extended, and to defer to another day related goals less easily achieved.

So, I will be introducing this amendment to EPCA as a freestanding bill before the July 4 recess, along with companion legislation to be introduced

in the other body by Representative GEJDENSON of Connecticut.

I would be very pleased to have the cosponsorship of any of my colleagues, and a commitment from the committee that this issue will have the attention and hearings it deserves, after it is introduced.

Mr. McCURE. Mr. President, within the constraints of the hearing schedule of the committee—as the Senator knows, it is a tight schedule until the August recess—I am not certain that we will be able to do in in the near term. But I will certainly work with the Senator from California in looking at this measure and any other legislation that bears on these questions.

Mr. CRANSTON. Mr. President, I appreciate this very much. I hope in the not-to-long term to get it considered by the committee.

Mr. President, in view of that response, I withdraw the amendment.

The PRESIDING OFFICER. The amendment is withdrawn.

Mr. DOMENICI. Mr. President, I wish to clarify with the distinguished chairman of the Energy and Natural Resources Committee the intent of Senate bill 979 regarding the future of the Strategic Petroleum Reserve. I understand that Senate bill 979 is intended to provide a simple extension of the Energy Policy and Conservation Act, which expires at the end of this month. However, that act also provides the basic authority for the Strategic Petroleum Reserve.

My concern, Mr. President, is the relationship between Senate approval or enactment of Senate bill 979 and the recent Senate passed Budget Resolution for Fiscal Year 1986, which currently is in conference. That resolution assumes a moratorium on further development and filling of the SPR. My further concern, Mr. President, is that Senate passage of Senate bill 979 not be viewed as prejudging the outcome of the conference on that budget resolution regarding an SPR moratorium on further development and filling on the SPR.

Will the distinguished Senator from Idaho, the chairman of the Energy and Natural Resources Committee, comment?

Mr. McCLURE. Mr. President, the Senator from New Mexico is correct. Senate bill 979 provides a simple extension of title I of the Energy Policy and Conservation Act. That title authorizes not only the construction and fill of the SPR, but it also provides the basic authority for the maintenance and operation of the SPR, and its drawdown during an energy emergency. Authorization of appropriations for this program is provided in separate legislation. From this perspective, Senate passage of Senate bill 979 should not be viewed as prejudging the outcome of either the conference on the budget resolution of future Senate action on the Supplemental Appropriations Act for Fiscal Year 1985. When the Congress has agreed on the final form of the Budget Resolution for Fiscal Year 1986, the committee, at that time, will address any reconciliation instructions based on assumptions regarding the future of the Strategic Petroleum Reserve.

Mr. McCLURE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. DENTON). Without objection, it is so ordered.

AMENDMENT NO. 351

(Purpose: To establish a national coal imports reporting program to provide an information base to permit the Congress to monitor trends in United States coal imports and develop national policy to protect the interests of the United States)

Mr. BYRD. Mr. President, I send to the desk an amendment on behalf of myself, Mr. FORD, Mr. ROCKEFELLER, and Mr. WARNER, and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from West Virginia [Mr. BYRD], for himself, Senator FORD, Senator ROCKEFELLER, and Senator WARNER, proposes an amendment numbered 351.

Mr. BYRD. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the end of the bill add the following new title:

"TITLE II—COAL IMPORTS

"SEC. 201. SHORT TITLE.

"This title may be cited as the National Coal Imports Reporting Act of 1985.

"SEC. 202. UNITED STATES COAL IMPORTS REVIEW

"(a) The Energy Information Administration shall issue a report quarterly and provide an annual summary of the quarterly reports to the Congress, on the status of United States coal imports. Such quarterly reports may be published as a part of the Quarterly Coal Report published by the Energy Information Administration.

"(b) Each report required by this section shall—

"(1) include current and previous year data on the quantity, quality (including heating value, sulfur content, and ash content), and delivered price of all coals imported by domestic electric utility plants that imported more than 10,000 tons during the calendar year into the United States;

"(2) identify the foreign nations exporting the coal, the domestic electric-utility plants receiving coal from each exporting nation, domestically-produced coal supplied to United States electric-utility plants of imported coal, and domestic coal production, by State, displaced by the imported coal;

"(3) identify at regional and state levels of aggregation (where allowed under disclosure policy) transportation modes and costs for delivery of imported coal from the exporting country port of origin to the point of consumption in the United States; and

"(4) specifically high-light and analyze any significant trends of unusual variations in coal imports.

"(c) The first report required by this section shall be submitted to Congress in March 1986. Subsequent reports shall be submitted within 90 days after the end of each quarter.

"(d) Information and data required for the purpose of this Act shall be subject to existing law regarding the collection and disclosure of such data.

"SEC. 203. ANALYSIS OF THE UNITED STATES COAL IMPORT MARKET.

"(a) The Secretary of Energy, acting through the Energy Information Administration, shall conduct a comprehensive analysis of the coal import market in the United States and report the findings of such analysis to the Committee on Energy and Natural Resources of the Senate and the Energy and Natural Resources of the House of Representatives, within nine months of the date of enactment of this Act.

"(b) The report required by this section shall—

"(1) contain a detailed analysis of potential domestic markets for foreign coals, by producing nation, between 1985 and 1995;

"(2) identify potential domestic consuming sectors of imported coal and evaluate the magnitude of any potential economic disruptions for each impacted State, including analysis of direct and indirect employment impact in the domestic coal industry and resulting income loss to each State;

"(3) identify domestically produced coal that potentially could be replaced by imported coal;

"(4) identify contractural commitments of domestic utilities expiring between 1985 and 1995 and describe spot buying practices of domestic utilities, fuel cost patterns, plant modification costs required to burn foreign coals, proximity of navigable waters to utilities, demand for compliance coal, availability of less expensive purchased power from Canada, and State and local considerations;

"(5) Evaluate increased coal consumption at domestic electric utilities resulting from increased power sales and analyze the potential coal import market represented by this increased consumption. Increased consumption should include that represented by existing coal-fired plants, new coal-fired plants projected up to the year 1995 and plants planning to convert to coal by 1995;

"(6) identify existing authorities available to the Federal government relating to coal imports, assess the potential impact of exercising each of these authorities, and describe Administration plans and strategies to address coal imports;

"(7) identify and characterize the coal export policies of all major coal exporting nations, including the United States, Australia, Canada, Colombia, Poland, and South Africa with specific consideration of such policies as—

"(A) direct or indirect government subsidies to coal exporters;

"(B) health, safety, and environmental regulations imposed on each coal producer; and

"(C) trade policies relating to coal exports;

"(8) identify and characterize the excess capacity of foreign producers, potential development of new export-oriented coal mines in foreign nations, operating costs of foreign coal mines, capacity of ocean vessels to transport foreign coal and constraints on importing coal into the United States because of port and harbor availability;

"(9) identify and characterize specifically the participation of all United States corporations involved in mining and exporting coal from foreign nations; and

"(10) identify and characterize the policies governing coal imports of all coal-importing industrialized nations, including the United States, Japan, and the European nations by considering such factors as import duties or tariffs, import quotas, and other governmental restrictions or trade policies impacting coal imports.".

COAL IMPORTS AND DOMESTIC MARKETS

Mr. BYRD. Mr. President, the amendment I offer today to the Energy Policy and Conservation Amendments Act of 1985 is addressed to the problem of U.S. coal imports and the potential economic impact on the domestic coal industry. My amendment directs the Energy Information Administration to report quarterly on coal imports into the United States, and to issue a summary annual report. My amendment also requires the Department of Energy to conduct a comprehensive analysis of the potential domestic market for imported coal between now and the year 1995. The findings of that analysis are to be submitted to the Senate Committee on Energy and Natural Resources and the appropriate committees of the House of Representatives within 9 months.

Mr. President, can you imagine your reaction if you read in tomorrow's paper that Saudi Arabia is importing oil? The Saudis probably have the same reaction when they read that the United States—the Saudi Arabia of coal—is importing coal. After all, the United States is the Saudi Arabia of coal. I have expressed my concerns about the problem of U.S. coal imports previously on the floor of the Senate. In fact, on June 6, I introduced legislation, S. 1248, the National Coal Imports Reporting Act of 1985, addressing this problem.

The United States represents a large and attractive market to foreign coal producers. Foreign coal producers are aggressively, and successfully, marketing their coal in particular regions, such as the east and gulf coasts of the United States. These markets account for nearly 30 percent of U.S. coal consumption. The east coast market is particularly important to my State of West Virginia. To the extent that foreign coal imports displace West Virginia coal in this market, West Virginia will suffer.

There are only a few very preliminary analyses of the potential impacts of coal imports. Thus, it is difficult to quantify the extent to which foreign coal imports could penetrate domestic coal markets. For example, a recent study by the Department of Commerce concluded that by 1990, total steam coal imports into the United States could reach 17.7 million tons per year with 31 utility plants importing foreign coal. However, the Commerce Department projection of import levels may be underestimated. Another recent study, reported in testimony before a House subcommittee, identified over 160 electric utilities in the United States, that are potential markets for imported coal, and pointed out that by 1990, about 37 million tons of utility coal demand, not under supply contract, will exist at east and gulf coast utilities that are capable of burning imported coal. Finally, the study emphasized the price disadvantage faced by domestic coal producers, reporting that, along the Atlantic coast, competitive foreign coals average 87 percent of the U.S. price, and along the gulf coast, foreign coals average 77 percent of the price of domestic coals. Moreover, while most utilities indicated to the Commerce Department that they would take up to one-third of their requirements from foreign sources, some indicated, off the record, a willingness to fill all their needs with imported coal.

It is essential that we gather the necessary information to be able to carefully assess the extent to which foreign coal imports will affect U.S. coal markets. Accordingly, my amendment directs the Energy Information Administration to report quarterly on the quantity, quality, and price of all imported coals. In addition, statistics on country of origin, U.S. electric utility consumers of the foreign coal, domestic suppliers to these same consumers, and domestic coal displaced by imported coal will be reported. My amendment will provide information which will be useful for monitoring trends in U.S. coal imports.

Furthermore, Mr. President, my amendment directs the Department of Energy to issue a report which focuses on the future. The Secretary of Energy, through the Energy Information Administration, is directed to conduct a detailed analysis of potential U.S. markets for coal imports during the next 10 years. This analysis will identify potential domestic consumers and the magnitude of any potential economic disruptions, by State, including direct and indirect employment impacts in the domestic coal industry. The analysis will identify existing authorities available to the Federal Government relating to coal imports, and identify administration plans to address this problem. The Secretary of Energy is required to submit this report to the Senate Committee on Energy and Natural Resources and the appropriate committees of the House of Representatives within 9 months.

Mr. President, my amendment will establish an information base which will be useful for carefully assessing trends in coal imports and their economic implications and impacts on the coal-producing regions of the United States.

Mr. McCLURE addressed the Chair.

The PRESIDING OFFICER. The Senator from Idaho.

Mr. McCLURE. Mr. President, I am familiar with the amendment of the distinguished Senator from West Virginia, the minority leader. The amendment provides for the monitoring of the status and trends in U.S. coal imports by the Energy Information Administration. In addition, the amendment directs the Secretary of Energy, within 9 months of enactment, to conduct a comprehensive analysis of the coal import market in the United States and report his findings to the Committee on Energy and Natural Resources.

The Energy and Natural Resources Committee has a long history of interest and concern in the implications of international coal trade patterns on national energy policy. Under the Standing Rules of the Senate the committee has jurisdiction over both energy policy and coal production, distribution, and utilization.

Since the 97th Congress, under Senator WARNER's leadership, the Subcommittee on Natural Resource Development and Production has held extensive oversight hearings on coal issues, with a major emphasis on international coal issues. Most recently on June 6 hearings were held on the impact of coal imports on the domestic coal industry. The distinguished minority leader testified and discussed his proposal for legislation. Later that same day he introduced S. 1248, the National Coal Imports Reporting Act of 1985. Unfortunately, in my opinion, that measure was inappropriately referred to the Committee on Finance; it should have been referred to the Energy and Natural Resources Committee, since it deals with coal production, distribution, and utilization, not to mention national energy policy. However, that is another matter, for resolution at a later time.

At this time, Mr. President, I am pleased, on behalf of the committee, to accept the amendment of the Senator from West Virginia. I understand that the amendment incorporates changes in S. 1248 based upon discussions with the administration and between staff.

Mr. President, I am happy to yield the remainder of my time to the Senator from Virginia.

Mr. WARNER. Mr. President, I thank the manager and the distinguished minority leader. I was upstairs on our regular Monday SALT briefing.

Mr. President, I am pleased to cosponsor this amendment offered by the distinguished minority leader to

direct the Department of Energy to issue a new quarterly report devoted exclusively to U.S. coal imports. This report will be invaluable in monitoring coal import trends and will include statistics on country of origin, U.S. consumers, and domestic coal displaced by the imported coal.

Mr. President, this is a very important amendment which will greatly facilitate the ability of the Congress to respond to the growing problem of the impact of coal imports on our domestic coal industry. The Committee on Energy and Natural Resources, which has jurisdiction over coal production, distribution, and utilization, will benefit greatly from the information in this report. Both as a Senator from the State of Virginia and as chairman of the Subcommittee on Natural Resources Development and Production of the Energy Committee, I share with the minority leader a strong personal interest in the information which this report will provide.

On June 6, I chaired a very lively hearing of the Senate Subcommittee on Natural Resources Development and Production on coal imports. The purpose of the hearing was to focus principally on imports of steam coal destined for our domestic utility market from foreign suppliers who have either previously exported steam coal to the United States or who now intend to do so. The countries of South Africa, Australia, Poland, and Canada have all, at one time or another, exported coal to the United States. The impetus for my hearing was the recent entry by Colombia into the coal export market.

The testimony presented at the hearing indicated that is is very difficult to assess how much of a problem coal imports will be in the future and what the appropriate course of action is. We simply do not have enough information. The distinguished minority leader was the lead witness at the hearing; and announced his intentions to introduce S. 1248, to require the Department of Energy to monitor and report periodically on coal imports. I was pleased to cosponsor that measure. The amendment we are introducing today is based on S. 1248 and will give us the data we need to assess the coal import situation.

Although steam coal imports last year amounted to only 1.3 million tons, or less than 0.2 percent of domestic production, I am gravely concerned about what might be in store for our coal industry in the coming years. Clearly, the future adverse impacts from foreign coal imports on domestic production and employment can and will be serious if we just stand by and let it happen. I say this not as an advocate for protectionist action against foreign coal suppliers, but as one who believes that we must examine all factors which inhibit our ability to compete in the world coal market. Here at home we must address such factors as high production costs, compliance costs for pre- and postmining environmental regulations, rail rates, inland waterway costs, utility procurement practices, tax and royalty schedules, and the prospect of acid rain controls. On the international scene, we must look at dollar exchange rates, cost of capital, tax and subsidies, transportation rates, structure of the foreign coal export industry, and oil and gas price fluctuations. Obviously, changes in any of these factors can and have had pronounced impacts on our competitive posture.

Increasing the consumption of U.S. coal has been and will continue to be one of my highest priorities in the U.S. Senate. It depends on finding new and better ways to mine coal, to transport coal, to export coal and to burn coal cleaner and more efficiently. The worldwide competition from other coal-producing nations is fierce—not only in the coal export market but also from coal imports.

One of the most disturbing facts brought to light at the hearing on coal imports into this country was the financing of the Colombian mine, El Cerrejon, a 50-50 joint venture between the Government of Colombia and Exxon Corp. The El Cerrejon Coal mine, which will be competitive with American coal in the world market, is being partially financed with an $850 million loan from the Export-Import Bank. The Government of Colombia is using these funds to develop their half interest in El Cerrejon. I am advised that $600 million of the $850 million has already been obligated. I find it outrageous that the United States is contributing to the development of foreign coal reserves which ultimately will undercut not only our domestic coal production, but will also undercut some of our existing export markets. A witness from the U.S. Department of Commerce pointed out that Colombia coal imports could cause a displacement in domestic coal production by as much as 11,200,000 tons and cause a direct production employment loss of as many as 2,780 jobs here in the United States. I find it unbelievable that the United States, deemed the "Saudi Arabia of Coal," is importing coal. Putting it another way, as the Secretary of the Interior, Don Hodel recently did, "importing coal is like Saudi Arabia importing oil." I find this scenario absolutely ludicrous. But, most unfortunately, that is exactly what is happening.

Working together I am confident we can meet the challenges of making American coal competitive in the world market and indeed find new markets. That is why I am so pleased to join the distinguished minority leader in offering this amendment.

Just last week on the foreign relations authorization bill, I was pleased to join with the distinguished minority leader in cosponsoring an amendment which directed the Export-Import Bank to issue a report within 30 days, to the Senate Energy and Natural Resources Committee, of which I am a member. It would contain the status, terms, and all other pertinent information on all assistance provided to foreign nations that produce or export coal, for the purpose of financing or assisting in the development of coal production, transportation, export, or other coal related activities or operations. I find it offensive that American taxpayers are financing foreign coal developments which will put our Virginia miners out of work. But with the help of the minority leader, we will get to the bottom of this dilemma.

I wish to express appreciation to the distinguished minority leader for allowing me to join him in this amendment.

Mr. ROCKEFELLER. Mr. President, I rise to support the amendment by my senior colleague from West Virginia [Mr. BYRD]. I have added my name as a cosponsor of his amendment because I believe the subject and purpose of the amendment is an important first step in dealing with the potentially growing problem of coal imports. The Senator's amendment, concerning information gathering, is crucial to our complete understanding of the problem before us, and is absolutely essential to our ability to monitor the threat of the growing coal import trade.

Mr. President, on June 6, 1985, the Subcommittee on Natural Resources Development and Production of the Committee on Energy and Natural Resources, chaired by the distinguished Senator from Virginia [Mr. WARNER] held an extremely informative hearing on the subject of coal imports. What we learned from the witnesses at that hearing—including the senior Senator from West Virginia—was that the potential for significant quantities of imported coal to be used in key American coal markets, especially key West Virginia coal markets, is rising. Although it is by no means certain the precise quantity or destination of imported coal, the witnesses agreed on one basic fact—that coal imports will be rising.

It is truly amazing, astonishing, to think that the United States, with fully 25 percent of the world's recoverable coal reserves at its disposal, would contemplate the use of foreign coal. For the tens of thousands of our miners who are out of work—thousands of whom are West Virginians—and for the operators of the hundreds of mines that lie idle, the reaction can only be one of alarm, dismay, and anxiety.

To these people the threat of rising coal imports means only one thing, that their productive capacity as a miner and the productive capacity of their mine may never be tapped again.

But Mr. President, to the miners and mine operators who are currently producing America's most abundant resource, the threat of imports looms as a clear and present danger on the horizon. It is reminiscent of the early threats to other industries—steel, autos, glass, textiles, shoes—that started small and inconspicuously but grew to become the dominant threat to their very survival.

Mr. President, we have come too far in our understanding of the threats to American markets, in our understanding of how other nations have learned to selectively target our industries into extinction, to allow the coal import problem to sap the very lifeblood out of our coal industry. A healthy coal industry is simply too important to American industry and to American energy security to wait for the coal import problem to grow any larger. Whether the threat is from Colombia, South Africa, or elsewhere, we must be ready and willing to act quickly to stem the tide of these imports.

The amendment by the senior Senator from West Virginia will give us the information vital to a determination of when and how to act. Although I am inclinded to think we must act immediately to nip this problem in the bud, if it is not the will of Congress to do so, the data to be gained by the Energy Information Administration as a result of this amendment will help to convince Members in the future.

I strongly support the amendment and urge its adoption.

Mr. McCLURE. Mr. President, has all time on the amendment expired?

The PRESIDING OFFICER. Time still remains.

Mr. McCLURE. Mr. President, I am prepared to yield back the remainder of my time.

Mr. BYRD. If the Senator will yield me time, I wish to thank him for his support and for his leadership in this matter, and to specially thank him for the leadership he has consistently shown in respect to coal technology.

I also thank Mr. WARNER, the distinguished Senator from Virginia, who has made a fine statement in support of the amendment, whose support is extremely important, and who has proceeded to conduct hearings by his subcommittee on this subject. I thank him for the conduct of the hearings and I appreciate the excellent support that he consistently gives to matters affecting the welfare of the coal industry and the people who work in that industry.

The PRESIDING OFFICER. Do Senators yield back the remainder of their time?

Mr. McCLURE. Mr. President, I yield back the reaminder of my time.

Mr. BYRD. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. All time having been yielded back, the question is on agreeing to the amendment.

The amendment (No. 351) was agreed to.

Mr. BYRD. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. McCLURE. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. McCLURE. Mr. President, as I understand, all amendments provided for in the unanimous-consent agreement have now been presented. Two have been adopted and one is yet to be resolved, the Bradley amendment. There is still some time remaining for debate on the Bradley amendment. My understanding is that the Senator from New Jersey has requested that the remainder of the time this afternoon be yielded back but that there be a period of time on tomorrow, 10 minutes equally divided to commence at the hour of 2 o'clock, to be followed by a vote with relation to the Bradley amendment at 2:10, and that no intervening motions or other actions with respect to the amendment be in order prior to the vote with relation to the amendment at 2:10.

Mr. President, I think we would make that unanimous-consent request and leave the remainder of the unanimous-consent agreement on the books, providing for the adoption of the committee amendment by way of a substitute for the House text, following action on the committee substitute. We would then be in a position to conclude the business of the Senate with relation to this bill on tomorrow.

Therefore, I ask unanimous consent as I have outlined.

Mr. BYRD. Mr. President, reserving the right to object and I will not object, may I be assured by the Chair that the already agreed to order that was entered last week in connection with this measure and the request just propounded by the distinguished manager of the bill, together provide that no intervening action of any kind may occur between the vote on the Bradley amendment to the committee amendment and the vote on adopting the committee amendment?

The PRESIDING OFFICER. It is to go at the end of the committee amendment.

Mr. BYRD. That there be no intervening action between the time that amendment is disposed of one way or the other and the adoption of the committee amendment, and there shall be no intervening action between the time of the adoption of the committee amendment and third reading?

The PRESIDING OFFICER. The Senator is correct.

Mr. BYRD. And there is no other area following that in which any amendment may be offered or any motion to recommit with instructions may be made?

The PRESIDING OFFICER. The Senator is correct.

Mr. BYRD. And or other motions other than to reconsider.

The PRESIDING OFFICER. The Senator is correct.

Mr. McCLURE. The vote with relation to the Bradley amendment could be a motion to table or an up or down vote.

The PRESIDING OFFICER. The Senator is correct.

Mr. McCLURE. I thank the Chair. I make that request.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. McCLURE. I thank the Chair. Under that unanimous-consent agreement, we have completed the business on the pending legislative action for today. Is that correct?

The PRESIDING OFFICER. The Senator is correct.

Mr. McCLURE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. McCLURE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ROUTINE MORNING BUSINESS

Mr. McCLURE. Mr. President, I ask unanimous consent that the Senate now return to the consideration of routine morning business for a period not to exceed the hour of 5:30 p.m., with statements therein limited to not more than 5 minute, with the exception of the distinguished Democratic leader, to which the limitation will not apply.

The PRESIDING OFFICER. Without objection, it is so ordered.

MESSAGES FROM THE PRESIDENT RECEIVED DURING THE RECESS

Under the authority of the order of the Senate of January 3, 1985, the Secretary of the Senate, on June 14, 1985, during the recess of the Senate, received messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(The nominations received on June 14, 1985 are printed at the end of the Senate proceedings.)

SALE OF NORTH SLOPE OIL TO CANADA—MESSAGE FROM THE PRESIDENT RECEIVED DURING THE RECESS—PM 58

Under the authority of the order of the Senate of January 3, 1985, the Secretary of the Senate, on June 14, 1985, during the recess of the Senate, received the following message from the President of the United States, together with accompanying papers; which was referred to the Committee on Energy and Natural Resources:

To the Congress of the United States:

I hereby transmit the requisite findings and determinations to permit the export of non-Alaskan North Slope crude oil to Canada. These findings and determinations are made pursuant to section 28 of the Outer Continental Shelf Lands Act (43 U.S.C. 1354), section 28(u) of the Mineral Lands Leasing Act (30 U.S.C. 185(u)), and section 103 of the Energy Policy and Conservation Act (42 U.S.C. 6212).

RONALD REAGAN.

THE WHITE HOUSE, *June 14, 1985.*

MESSAGE FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Saunders, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session, the Acting President pro tempore laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

MESSAGE FROM THE HOUSE

At 12:02 p.m., a message from the House of Representatives, delivered by Ms. Goetz, one of its reading clerks, announced that the House disagrees to the amendment of the Senate to the bill (H.R. 1617) to authorize appropriations to the Secretary of Commerce for the programs of the National Bureau of Standards for fiscal year 1986, and for other purposes; it agrees to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and appoints Mr. FUQUA, Mr. WALGREN, Mr. LUNDINE, Mr. LUJAN, and Mr. BOEHLERT as managers of the conference on the part of the House.

The message also announced that the House has passed the following bill, in which it requests the concurrence of the Senate:

H.R. 1452 An act to amend the Immigration and Nationality Act to extend for two years the authorization of appropriations for refugee assistance, and for other purposes.

MEASURES REFERRED

The following bill was read the first and second times by unanimous consent, and referred as indicated:

H.R. 1452. An act to amend the Immigration and Nationality Act to extend for two years the authorization of appropriations for refugee assistance, and for other purposes; to the Committee on the Judiciary.

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC-1299. A communication from the President of the United States transmitting a request for supplemental appropriations for fiscal year 1985 for internal security assistance; to the Committee on Appropriations.

EC-1300. A communication from the Administrator of the Environmental Protection Agency transmitting, pursuant to law, a report on necessity for and adequacy of revenue raised for future requirements of the Post-Closure Liability Trust Fund; to the Committee on Finance.

EC-1301. A communication from the chairman of the D.C. Council transmitting, pursuant to law, a copy of D.C. act 6-43; to the Committee on Governmental Affairs.

EC-1302. A communication from the chairman of the D.C. Council transmitting, pursuant to law, a copy of D.C. act 6-47; to the Committee on Governmental Affairs.

EC-1303. A communication from the chairman of the D.C. Council transmitting, pursuant to law, a copy of D.C. act 6-31; to the Committee on Governmental Affairs.

EC-1304. A communication from the chairman of the D.C. Council transmitting, pursuant to law, a copy of D.C. act 6-36; to the Committee on Governmental Affairs.

EC-1305. A communication from the chairman of the D.C. Council transmitting, pursuant to law, a copy of D.C. act 6-34; to the Committee on Governmental Affairs.

EC-1306. A communication from the chairman of the D.C. Council transmitting, pursuant to law, a copy of D.C. act 6-40; to the Committee on Governmental Affairs.

EC-1307. A communication from the chairman of the D.C. Council transmitting, pursuant to law, a copy of D.C. act 6-39; to the Committee on Governmental Affairs.

EC-1308. A communication from the chairman of the D.C. Council transmitting, pursuant to law, a copy of D.C. act 6-38; to the Committee on Governmental Affairs.

EC-1309. A communication from the chairman of the D.C. Council transmitting, pursuant to law, a copy of D.C. act 6-37; to the Committee on Governmental Affairs.

EC-1310. A communication from the chairman of the D.C. Council transmitting, pursuant to law, a copy of D.C. act 6-32; to the Committee on Governmental Affairs.

EC-1311. A communication from the chairman of the D.C. Council transmitting, pursuant to law, a copy of D.C. act 6-33; to the Committee on Governmental Affairs.

EC-1312. A communication from the chairman of the D.C. Council transmitting, pursuant to law, a copy of D.C. act 6-35; to the Committee on Governmental Affairs.

EC-1313. A communication from the chairman of the D.C. Council transmitting, pursuant to law, a copy of D.C. act 6-42; to the Committee on Governmental Affairs.

EC-1314. A communication from the chairman of the D.C. Council transmitting, pursuant to law, a copy of D.C. act 6-44; to the Committee on Governmental Affairs.

EC-1315. A communication from the chairman of the D.C. Council transmitting, pursuant to law, a copy of D.C. act 6-45; to the Committee on Governmental Affairs.

EC-1316. A communication from the chairman of the D.C. Council transmitting, pursuant to law, a copy of D.C. act 6-47; to the Committee on Governmental Affairs.

EC-1317. A communication from the chairman of the D.C. Council transmitting, pursuant to law, a copy of D.C. act 6-46; to the Committee on Governmental Affairs.

EC-1318. A communication from the chairman of the D.C. Council transmitting, pursuant to law, a copy of D.C. act 6-41; to the Committee on Governmental Affairs.

EC-1319. A communication from the Comptroller General of the United States transmitting, pursuant to law, a report entitled "Effects of the 1980 Multiemployer Pension Plan Amendments Act on Plan Participants' Benefits"; to the Committee on Labor and Human Resources.

EC-1320. A communication from the Assistant Secretary of Agriculture transmitting, pursuant to law, the 1984 Annual Report of the Secretary of Agriculture; to the Committee on Agriculture, Nutrition, and Forestry.

EC-1321. A communication from the Department of Defense transmitting, pursuant to law, a secret report for the period July 1-August 31, 1985 on certain weapons systems contract awards; to the Committee on Armed Services.

EC-1322. A communication from the Secretary of Defense transmitting, pursuant to law, a report certifying that the MX Missile Program is essential to the national security and that there are no alternatives to such system; to the Committee on Armed Services.

EC-1323. A communication from the Comptroller General of the United States transmitting pursuant to law, a report entitled "Examination of the Federal Financing Bank's Financial Statements for the Years Ended September 30, 1984 and 1983"; to the Committee on Banking, Housing, and Urban Affairs.

EC-1324. A communication from the Comptroller General of the United States transmitting pursuant to law, a report entitled "Reviews of the Audits of the Federal Home Loan Mortgage Corporation's Financial Statements for the Years Ended December 31, 1983 and 1982"; to the Committee on Banking, Housing, and Urban Affairs.

EC-1325. A communication from the Secretary of Housing and Urban Development transmitting, pursuant to law, a report on HUD-owned Multifamily Project Negotiated Sales; to the Committee on Banking, Housing, and Urban Affairs.

EC-1326. A communication from the Chairman of the Federal Deposit Insurance Corporation transmitting, pursuant to law, the FDIC's Annual Report for 1984; to the Committee on Banking, Housing, and Urban Affairs.

EC-1327. A communication from the Secretary of the Interior transmitting, pursuant to law, the Federal Coal Management Report, fiscal year 1984; to the Committee on Energy and Natural Resources.

REPORTS OF COMMITTEES RECEIVED DURING RECESS

Under the authority of the order of the Senate of June 13, 1985, the following reports of committees were submitted on June 14, 1985, during the recess of the Senate:

By Mr. McCLURE, from the Committee on Energy and Natural Resources, with an amendment in the nature of a substitute:

S. 1068. A bill to eliminate unnecessary paperwork and reporting requirements contained in section 15(1) of the Outer Continental Shelf Lands Act, and sections 601 and 606 of the Outer Continental Shelf Lands Act Amendment of 1978 (Rept. No. 99-84).

By Mr. DANFORTH, from the Committee on Commerce, Science, and Transportation, without amendment:

S. 1079: A bill to provide authorization of appropriations for activities of the National Telecommunications and Information Administration (Rept. No. 99-85).

By Mr. DANFORTH, from the Committee on Commerce, Science, and Transportation, with an amendment:

S. 1279: A bill to provide authorization of appropriations for activities under the Land Remote-Sensing Commercialization Act of 1984 (Rept. No. 99-86).

By Mr. DANFORTH, from the Committee on Commerce, Science, and Transportation, without amendment:

S. Res. 180: An original resolution waiving section 402(a) of the Congressional Budget Act of 1974 with respect to the consideration of S. 1279.

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. MURKOWSKI, from the Committee on Veterans' Affairs:

Donald E. Shasteen, of Maryland, to be Assistant Secretary of Labor for Veterans' Employment.

(The above nomination was reported from the Committee on Veterans' Affairs with the recommendation that it be confirmed, subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

By Mr. HATCH, from the Committee on Labor and Human Resources:

Donald E. Shasteen, of Maryland, to be Assistant Secretary of Labor for Veterans' Employment.

(The above nomination was reported from the Committee on Labor and Human Resources with the recommendation that it be confirmed, subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. PROXMIRE (for himself, Mr. LEAHY, Mr. STAFFORD, Mr. HARKIN, Mr. CRANSTON, Mr. HUMPHREY, Mr. CHAFEE, and Mr. METZENBAUM):

S. 1303. A bill to amend the Federal Insecticide, Fungicide, and Rodenticide Act to better protect the public from the hazards of pesticides, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. METZENBAUM:

S. 1304. A bill to amend title IV of the National Housing Act; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. TRIBLE (for himself and Mr. DENTON):

S. 1305. A bill to amend title 18, United States Code, to establish criminal penalties for the transmission by computer of obscene matter, or by computer or other means, of matter pertaining to the sexual exploitation of children, and for other purposes; to the Committee on the Judiciary.

By Mr. INOUYE:

S. 1306. A bill to amend title 10, United States Code, to authorize the uniformed services to furnish dental prostheses to dependents of members of the uniformed services in facilities of the uniformed services without reimbursement; to the Committee on Armed Services.

By Mr. INOUYE:

S. 1307. A bill to amend chapter 5 of title 37, United States Code, to revise the special pay provisions for dental officers in the Armed Forces of the United States; to the Committee on Armed Services.

By Mr. LUGAR (by request):

S. 1308. A bill to authorize supplemental economic assistance for Jordan, and for other purposes; to the Committee on Foreign Relations.

By Mr. HATCH (for himself and Mr. KENNEDY):

S. 1309. A bill to amend the Public Health Service Act to revise and extend the authorities under that act relating to the National Institutes of Health and National Research Institutes, and for other purposes; to the Committee on Labor and Human Resources.

By Mr. DANFORTH (for himself, Mr. HOLLINGS, Mr. SIMON, Mr. DIXON, Mr. GOLDWATER, Mr. PRESSLER, Mrs. KASSEBAUM and Mr. HATFIELD):

S. 1310. A bill to amend the Communications Act of 1934 regarding the broadcasting of certain material regarding candidates for Federal elective office, and for other purposes; to the Committee on Commerce, Science, and Transportation.

By Mr. GOLDWATER (for himself, Mr. GARN, Mr. GLENN, Mr. TRIBLE and Mr. WARNER):

S. 1311. A bill to authorize the Smithsonian Institution to plan, design, and construct facilities for the National Air and Space Museum; to the Committee on Rules and Administration.

By Mr. SIMON:

S.J. Res. 146. A joint resolution designating August 1985 as "Polish American Heritage Month"; to the Committee on the Judiciary.

By Mr. HATCH (for himself and Mr. KENNEDY):

S.J. Res. 147. A joint resolution to designate a calendar week in 1985 as "National Infection Control Week"; to the Committee on the Judiciary.

By Mr. BYRD:

S.J. Res. 148. A joint resolution to establish a National Commission on Espionage and Security; to the Committee on Governmental Affairs.

STATMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. PROXMIRE (for himself, Mr. LEAHY, Mr. STAFFORD, Mr. HARKIN, Mr. CRANSTON, Mr. HUMPHREY, Mr. CHAFEE, and Mr. METZENBAUM):

S. 1303. A bill to amend the Federal Insecticide, Fungicide, and Rodenticide Act to better protect the public from the hazards of pesticides, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

(The remarks of Mr. PROXMIRE and the text of the legislation appear earlier in today's RECORD.)

By Mr. METZENBAUM:

S. 1304. A bill to amend title IV of the National Housing Act; to the Committee on Banking, Housing, and Urban Affairs.

FEDERAL DEPOSIT INSURANCE PROTECTION ACT

● Mr. METZENBAUM. Mr. President, the problems of the Federal Savings and Loan Insurance Corporation [FSLIC] are well documented.

The $6 billion fund insures over $780 billion in deposits; by the end of 1984, FSLIC's ratio of reserves-to-deposits had declined to .76 percent; in the fiscal year ending September 30, 1984, FSLIC closed one institution and arranged the takeover of 26 failed or ailing thrifts; the rescues cost FSLIC $1.1 billion, about what it earned in premium and interest income; and by 1986, FSLIC will be losing money.

Over the last several years, financial service deregulation, coupled with persistently high interest rates, has triggered a rash of S&L failures and put increasing pressure on FSLIC's resources.

As U.S. News & World Report said in a recent article headlined "How safe are deposits in ailing banks, S&L's?"

The unending stream of failures of banks and savings and loans is now starting to strain the Nation's deposit insurance system—long the bedrock of public confidence in financial institutions.

A recent paper prepared for the Federal Home Loan Bank Board by James R. Barth, a visiting scholar on leave from George Washington University, reported:

Although there has recently been an unprecedented number of thrift-institution failures, the even larger number of institutions with negative and extremely low positive levels of net worth indicates that the number of future failures is likely to be large. The FSLIC reserves, however, are at an extremely low level, so that even a relatively small increase in the number of failures could swamp the fund.

A growing number of thrifts have decided that their traditional mortgage lending activity alone is not profitable enough to sustain them in the increasingly competitive financial services market.

Accordingly, thanks to expanded power granted by Congress and several

States, they have turned to riskier, but potentially more profitable direct investments. Arizona permits direct investments by State-chartered thrifts equal to 36 percent of assets; California and Texas permit such investments up to 100 percent, Ohio up to 36 percent and Florida up to 30 percent. Under these State laws, thrifts may make investments in equity securities, real estate developments, Wendy's hambuger stands, junk bonds and even oil and gas drilling. And with each high flying investment, they're taking a bigger gamble with the American taxpayers' money. For it is the American taxpayer who will pay, through the Federal insurance system, if some of these chancy investments turn sour.

Allan Sloan and Allan Dodds Frank, writing in the December 31, 1984, edition of Forbes Magazine, described this disturbing trend among some thrifts toward high risk investment.

Butterfield Savings of Santa Ana, CA, has acquired the 33-restaurant Love's barbeque chain and 10 Wendy's outlets. First Texas Savings Association of Dallas, a $7 billion S&L, has purchased hundreds of millions of dollars worth of junk bonds. Columbia Savings of Beverly Hills, CA, the Belzberg's Family's Far West S&L, and a group of other S&L's helped finance Saul Steinberg's raid on Disney, Boone Pickens' raid on Gulf Oil and presumably are involved in his raid on Phillips Petroleum. Financial Corp. of America bought 10 million shares of American Express stock in a takeover try and 900,000 shares of Walt Disney as an arbitrage play; Goldome of Buffalo, NY is using tax loss carryforwards to buy into leveraged buyouts. Western Savings and Loan of Phoenex bought and sold 25 percent of Del E. Webb Corp., the Casino Co., and has invested $35 million in Broadview Savings of Cleveland in return for Broadview's buying $35 million of westrn Arizona's real estate. Olney Savings Association of Olney, TX even bought the local funeral home, which it sold last year.

Other reports have spotlighted additional risky investment activity.

An April 1, 1985 Business Week article entitled "Playing Chicken With a Thrift's Assets?" wrote:

Charles H. Keating Jr., chairman, of American Continental Corp., is playing a dangerous game. In trying to stop Gulf Broadcasting Co., a Dallas-based owner of six TV and eight radio stations in which American is a major shareholder, from selling its assets, Keating may end up his own victim. And he may take American's shareholders and depositors in its savings and loan subsidiary with him.

The reason: If Keating succeeds in aborting Gulf's liquidation, he might endanger the assets of the $1.8 billion Lincoln Savings & Loan Association, a wholly-owned, federally insured unit of American in southern California. Almost all of the $132 million used to acquire Gulf shares came from Lincoln Savings.

The risk attendant to these activities, both to the thrifts involved and, by extension to the Federal Insurance Fund, are serious. In a recent rulemaking imposing some modest restrictions on direct investment, the Federal Home Loan Bank Board said:

The Board's supervisory experience is replete with institutions purchasing oil wells, fast food restaurants, racehorses, broadcasting companies, and other assets for which they have no experience and no comparative advantage relative to their competitors.

The Board went on to say that:

Severe losses have occurred, or will occur, in many institutions that have invested most heavily in direct investments * * *. Moreover, available data may seriously understate losses that have already occurred as a result of direct investments because expected losses resulting from poor asset quality generally do not immediately appear on an institutions' book.

It is clear that the linchpin for these high risk investments is Federal deposit insurance. In a footnote to its recent direct investment rule, the bank board said that:

The presence of Federal insurance, particularly where there are only low levels of net-worth, creates a powerful incentive for institutions to gamble on high risk investments because the institution profits if the investment succeeds while the FSLIC fund bears virtually all the loss if it fails."

Many of the S&L's involved in high-flying investments have access to low, effectively Government subsidized rates on funds borrowed at varying maturities from the Federal Home Loan Bank window. I seriously question the wisdom, both from a financial and public policy standpoint, of permitting these funds to be used, not for home financing, as originally intended, but for building restaurants, wind farms, and financing hostile takeovers.

Access to cheap funds and Federal deposit insurance gives S&L's seeking to invest in nonhousing-related activities a tremendous edge over independent entrepreneurs who must raise money through conventional channels and do not have the luxury of the full faith and credit of the United States. I think that is grossly inequitable. Deposit insurance and the Bank Board window were not set up so thrifts could compete against small businessmen and women.

Some will argue that only a handful of thrifts are engaging in these high risk investments and that the majority are acting in a responsible manner. But unfortunately, that begs the issue. The fact is that it only takes a few failures to tax the FSLIC fund and public confidence. For example, last year, the failure of the Empire Savings and Loan and San Marino Savings and Loan, which were both the result of direct investments, cost FSLIC $400 million, more than 6 percent of the entire fund.

As deregulation continues to shake out the healthy thrifts from the ailing thrifts, additional failures are certain. In short, the deposit insurance system is about to be tested as never before.

I do not believe that the thrifts should be able to use the cover of Federal insurance to engage in dubious investments. The taxpayers should not be asked to bail out a thrift that speculated in real estate, in stocks or in junk bonds.

That is why I am introducing the Federal Deposit Insurance System Protection Act. This legislation would prohibit most of the high risk direct investments discussed above, such as wind farms and fast food franchises, as well as investments in such activities as equity securities, general insurance underwriting, and full service securities brokerage. It would also require the Bank Board to issue regulations limiting—not prohibiting—thrift investments in junk bonds.

At the same time, it would preserve the ability of S&L's to engage in a wide variety of traditional investment activities, such as home mortgages, insurance agencies, underwriting credit life and credit health insurance, making commerical loans, purchasing various Federal, State, and local government obligations and mortgage-backed securities, acquiring, developing and constructing unimproved real estate lots, acquiring improved real estate for rental, remodeling, rehabilitation, modernization, renovation or demolition and rebuilding for sale or rental.

Recognizing that the financial services industry is changing rapidly, the bill would give the Bank Board discretion to permit other investments on a case by case basis.

Some would say this bill represents an assault on the dual banking system. I believe in the dual banking system. I do not want to, nor does this legislation, destroy it. But support of the dual banking system does not mean that State chartered thrifts should be free to engage in all manner of risky investments regardless of the impact of such activity on the Federal system. The dual banking system is a two way street: If prudence is abandoned at the State level, it is not the responsibility of the Federal Government to underwrite such excesses.

The recent run on State-insured S&L's in Ohio and Maryland demonstrated how fast a fragile insurance system can unravel, spreading panic among customers. We cannot afford to trifle with the soundness of the Federal deposit insurance system.

My purpose in proposing this bill is to protect the deposit insurance system. A number of other proposals with the same goal in mind have been discussed, including adopting a risk-based premium system and increasing the capital requirements for federally insured thrifts. I believe this proposal is an important component of any effort to protect FSLIC. I will continue looking for alternative or complementary approaches to accomplish this goal.

I ask unanimous consent that the bill be printed in the RECORD at this point.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1304

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Federal Deposit Insurance Protection Act".

SEC. 22. The National Housing Act is amended by inserting after section 408 (12 U.S.C. 1730a) the following new section:

"LIMITATIONS ON CERTAIN ACTIVITIES AND INVESTMENTS

SEC. 408A. (a) An insured institution may not, directly or indirectly or through a subsidiary, commence or continue, after the expiration of three years after the date of enactment of this section, any business activity other than—

"(1) loans, investments, and activities to the same extent authorized to be made or engaged in by Federal savings and loan associations, by legislation or regulation;

"(2) business activities which multiple savings and loan holding companies and their subsidiaries are authorized to engage in pursuant to section 408(c)(2) of this Act (12 U.S.C. 1730(c)(2)) and regulations of the Corporation thereunder; and

"(3) furnishing or performing such other services as the Corporation may approve or may prescribe by regulations as being a proper incident to the operations of insured institutions and not detrimental to the interests of savings account holders therein.

"(1) extend the time periods referred to in subsection (a) from year to year, for an additional period not exceeding three years, if the Corporation finds that such extension would not be detrimental to the public interest; and

"(2) provide, by rule, regulation, or order, exemptions from the prohibitions of subsection (a) for specific activities or investments, if the Corporation finds that such exemption would not present an undue risk to the insurance funds of the Corporation.

"(c)(1) An insured institution may not, directly or indirectly or through a subsidiary, invest in or hold corporate debt obligations or securities which are not rated in one of the four highest rating categories by a nationally recognized statistical rating organization except to the extent permitted under regulations of the Corporation.

"(2) For the purpose of this subsection, the Corporation shall, not later than 60 days after the date of enactment of this subsection, prescribe regulations—

"(A) limiting the aggregate amount of such obligations and securities in which an insured institution may invest so that each insured institution retains maximum investment flexibility consistent with protection of the Corporation's insurance funds;

"(3) limiting the amount of such obligations and securities of any one issuer in which an insured institution may invest so that a default by any single issuer will not present an undue risk to the Corporation's insurance funds;

"(C) containing guidelines that, among other things, require insured institutions to conduct a detailed evaluation of the creditworthiness of the issuers of such obligations or securities;

"(D) requiring each insured institution to establish a reasonable reserve against losses on investments subject to this subsection; and

"(E) establishing one or more standards of capital adequacy for insured institutions making investments subject to this subsection.".●

By Mr. TRIBLE (for himself and Mr. DENTON):

S. 1305. A bill to amend title 18, United States Code, to establish criminal penalties for the transmission by computer of obscene matter, or by computer or by other means, of matter pertaining to the sexual exploitation of children, and for other purposes; to the Committee on the Judiciary.

COMPUTER PORNOGRAPHY AND CHILD EXPLOITATION PREVENTION ACT

Mr. TRIBLE. Mr. President, I am introducing legislation today to address a foreboding development: The use of computers by child molesters and pornographers to transmit prurient material. I am pleased that the distinguished chairman of the Security and Terrorism Subcommittee [Senator DENTON] has joined me as an original cosponsor of this bill.

This legislation is designed to deter and punish two insidious uses of computers. The first is the use of computers by pedophiles to communicate with one another and to catalog information about their victims. The second is the offering of so-called sex talk computer services similar to the dial-a-porn programs which have sprung up around the country.

It should surprise no one that computers are being used in this manner. Over the years, the pornography industry has taken full advantage of new technologies in the communications field.

We have seen the pornography industry offer sexually explicit phone messages. Last year Congress spoke to the issue of obscene and indecent cable programming.

Congress has repeatedly had to revise Federal obscenity and indecency laws to ensure that they kept pace with technological developments in communications. Today, we must do so again.

Computers offer a tremendous boon to pornographers and child molesters alike. Their use in homes and businesses is increasing. They afford their users great secrecy. And their use to transmit offensive material is apparently not proscribed by existing Federal law.

Computer sex talk services are now operating in the United States. These are patterned after the dial-a-porn services which Congress has fought for so long, except that the ensuing conversations are written rather than spoken.

The computer also seems to have become a preferred means of communications among child molesters. Officials of the FBI's behavioral science unit told Senator DENTON's Security and Terrorism Subcommittee last week that pedophiles are using home and office computers to store and retrieve information about their victims and about their child pornography collections. They are also using computers to communicate with one another and to locate other pedophiles.

The January 1984 issue of the FBI's Law Enforcement Bulletin detailed two such cases. In one, a computer network listed children by sex, race, hair, and eye color, type of sexual act performed, and other particulars on a mailing list that was hundreds of feet long. The list reportedly contained names from six different countries.

The FBI Bulletin also reports that a child molester had cataloged information into his computer about sexual activity with more than 400 children. He also used his computer to index information on his child pornography collection so that he could locate photographs on specific sexual acts.

In addition, I was recently contacted by the Commonwealth's attorney's office in Virginia Beach, VA, about a similar case. The Commonwealth's attorney there has charged an individual who is a computer programmer with several child pornography offenses. During the course of the investigation, authorities seized a computer printout of a mailing list indicating that the accused had contacts with individuals in 33 States and 7 foreign countries.

Mr. President, I ask unanimous consent that a copy of the Commonwealth's attorney's correspondence be inserted in the RECORD at this point.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

COMMONWEALTH OF VIRGINIA,
OFFICE OF THE COMMONWEALTH'S ATTORNEY, CITY OF VIRGINIA BEACH,
Virginia Beach, VA, June 5, 1985.

Hon. PAUL TRIBLE,
U.S. Senator,
Washington, DC.

DEAR PAUL: In view of your interest in the use of computers by child pornographers, I think it appropriate that I acquaint you with a case currently pending here in the City of Virginia Beach.

In October of 1984, investigators of the Juvenile Exploitation Squad of the Virginia Beach Police Department and a Special Agent of the United States Postal Inspection Service began an undercover operation targeted at one Ronald C. Wagener. This operation culminated in the arrest of Mr. Wagener approximately three weeks ago on three felony charges of distributing obscene material depicting juveniles, and the execution of search warrants at his home and place of business.

Mr. Wagener is a computer programmer and systems analyst by profession and made a number of statements to the undercover officer to the effect that his mailing list was kept on a computer disk with the use of a data encryption program. In executing the search warrant on his home, Virginia Beach Police Officers seized fourteen video cassette recorders of various formats, video

cameras, editing equipment, mixing boards, color processors and other associated video production equipment. In addition, the following is a partial inventory of the pornographic items seized in connection with the search warrant: 206 eight millimeter films, 34 Bata format video tapes, 74 VHS format video tapes, 25 U-Matic video tapes, 27 compact format video tapes, 10 one-inch commercial quality Scotch video tapes, 377 still photographs and 63 slides.

Although the bulk of these items depict sexual activity between adults and various animals, sadism between adults, bondage, and master-slave relationships, we have, however, identified approximately thirty video tapes and several dozen still photographs and slides which depict sexual activity between adults and juveniles of both sexes between the ages of six and fifteen years.

We also seized a computer print-out which appears to be at least a partial copy of Mr. Wagener's mailing list showing that he had contacts with individuals in at least thirty-three states and seven foreign countries. At this point, we do not know whether or not the print-out constitutes the complete mailing list as without Mr. Wagener's cooperation, we cannot break the encryption program he used to code his mailing list on the computer disk.

For your information, we expect to be presenting additional indictments against Mr. Wagener involving child pornography to the July meeting of the Virginia Beach Grand Jury, and I will be happy to keep you and your staff posted as to the progress of the case.

If this office can be of assistance to you in regard to this matter, please do not hesitate to contact me.

Very truly yours,

ROBERT J. HUMPHREYS,
Chief Deputy Commonwealth's Attorney.

Mr. TRIBLE. Mr. President, the use of computers to deal in child pornography is extremely alarming. So too is the prospect that pedophiles are exchanging information of their victims. It is particularly worrisome when the molester knows the name and address of the child, and can exchange this information by the secretive means of computer transmission. This worsens the risk that an abused child will become the target of another pedophile.

Likewise, the operation of so-called sex talk computer services is extremely dangerous. The increasing use of computers means that more and more people will have access to these services. It also means that more and more children might try to take advantage of them.

The use of computers by pedophiles and pornographers has no place in a nation which cherishes its children. And yet this practice does not appear to be prohibited by existing Federal law.

Last year, I contacted the Department of Justice and the Federal Communications Commission to determine whether present Federal law proscribes these activities. Neither was certain that obscene transmissions by computer are now illegal. Both doubted that transmissions that were not themselves obscene—such as the names and addresses of child abuse victims could be prosecuted. Officials from the Justice Department and the FCC reiterated those doubts in their subcommittee testimony last week.

Mr. President, I ask unanimous consent that copies of my original inquiries and the responses by the FCC and the Justice Department be inserted in the RECORD at this time.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

UNITED STATES SENATE,
Washington, DC, August 3, 1984.

WILLIAM FRENCH SMITH,
Attorney General of the United States,
U.S. Department of Justice,
Washington, DC.

DEAR BILL: I am writing to determine whether the existing prohibition on obscene and indecent telephone calls applies to transmissions made by use of a computer.

As you know, the Communications Act as amended prohibits making any comment, request, suggestion or proposal which is obscene, lewd, lascivious, filthy, or indecent, by means of telephone. As a result of last year's dial-a-porn legislation, it also explicitly proscribes obscene or indecent communications made for commercial purposes to anyone under 18.

However, it is not readily clear whether these prohibitions apply to transmissions of the same nature that are made by use of a computer, Many computer systems make use of telephone lines. Thus, I would ask that you clarify the phrase by means of telephone, as contained in 47 U.S.C. 223, in the following ways:

1. Do the prohibitions contained in Sec. 223 apply only when use is made of the common, desk top telephone; or does the phrase by means of telephone have a broader interpretation, one, for example, that covers transmissions made by computer over telephone lines?

2. Do the Sec. 223 prohibitions apply if the telephone itself is used in conjunction with a computer modem?

3. Do the Sec. 223 prohibitions apply if the computer is capable of directly accessing the telephone lines, and the transmission therefore does not require use of the desk top telephone at all?

The potential for harm resulting from computer transmissions of obscene or otherwise unacceptable material is enormous. Already, law enforcement officials have reported cases in which child molesters kept meticulous computer records of the names, addresses and telephone numbers of their victims. The prospect of this information being exchanged by pedophiles through computer networks is despicable and unacceptable.

I am deeply concerned about this situation, and I look forward to receiving your opinion on the above questions as soon as possible.

Sincerely,

PAUL TRIBLE.

UNITED STATES SENATE,
Washington, DC, August 3, 1984.

Hon. MARK S. FOWLER,
Chairman, Federal Communications Commission,
1919 M Street, N.W.,
Washington, DC.

DEAR MR. FOWLER: I am writing to determine whether the existing prohibition on obscene and indecent telephone calls applies to transmissions made by use of a computer.

As you know, the Communications Act as amended prohibits making any comment, request, suggestion or proposal which is obscene, lewd, lascivious, filthy, or indecent, by means of telephone. As a result of last year's dial-a-porn legislation, it also explicitly proscribes obscene or indecent communications made for commercial purposes to anyone under 18.

However, it is not readily clear whether these prohibitions apply to transmissions of the same nature that are made by use of a computer. Many computer systems make use of telephone lines, for example, without employing the desk top telephone itself. Thus, I would ask that you clarify the phrase by means of telephone, as contained in 47 U.S.C. 223, in the following ways:

1. Do the prohibitions contained in Sec. 223 apply only when use is made of the common, desk top telephone; or does the phrase by means of telephone have a broader interpretation, one, for example, that covers transmissions made by computer over telephone lines?

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I am deeply concerned about this situation, and I look forward to receiving your opinion on the above questions as soon as possible.

Sincerely,

PAUL TRIBLE.

U.S. DEPARTMENT OF JUSTICE,
CRIMINAL DIVISION, OFFICE OF THE ASSISTANT ATTORNEY GENERAL,
Washington, DC, October 3, 1984.

Hon. PAUL TRIBLE,
U.S. Senate,
Washington, DC.

DEAR SENATOR TRIBLE: This is in further response to your August 3, 1984, letter to the Attorney General asking whether 47 U.S.C. 223, as recently amended, applies to the transmission of obscene material by computer through telephone hook-up.

You inquired whether the statute reaches communications between computers. While it clearly covers telephone calls as such, neither the legislative history nor case law sheds any light on the question of whether the statute covers the transmission of information directly from computer to computer. In this area technological advancements have far outstripped legal developments. Although it seems reasonable that section 223 should apply to such conduct, assuming the material transmitted is obscene or indecent, we are unable to provide a definitive answer to this issue at this time.

However, an argument can be made that another statute, 18 U.S.C. 1462, covers transmissions betweeen computers over tele-

phone lines. Section 1462 prohibits the interstate transportation by "common carrier" of, inter alia, "any obscene, lewd, lascivious, or filthy book, pamphlet, picture, motion picture film, paper, letter, writing, print, or other matter of indecent character."

An issue under this section is whether transmission by "common carrier" includes transmission by telephone lines. The District of Columbia Circuit has stated that the essential characteristic of a common carrier is its quasi-public character, which arises out of an undertaking to carry for all people indifferently. *National Association of Regulatory Utility Commissioners* v. *FCC*, 525 F.2d 630 (D.C. Cir. 1976).

This definition would appear to cover telephone companies, which are also clearly covered by the definition of "communication common carrier" as set forth in 47 U.S.C. 153(h), i.e., "any person engaged as a common carrier for hire, in interstate or foreign communications by wire or radio." The Supreme Court has specifically noted that the definition contained in section 153(h) includes telephone companies. *United States* v. *RCA*, 358 U.S. 334, 348-349 (1959); *Federal Communications Commission* v. *Sanders Bros. Radio Station*, 309 U.S. 470, 474 (1940).

Another question which arises in connection with 18 U.S.C. 1462 is whether telephone transmissions are "matter" as used in that section. We have found no relevant case law, and a review of the legislative history of the statute and its various amendments disclosed nothing decisive. Only a 1950 amendment, which added phonograph recordings, sheds any light. This amendment was prompted by a Supreme Court decision, *United States* v. *Alpers*, 338 U.S. 680 (1950), which held that obscene phonograph records are prohibited "matter" within the meaning of section 1462.

The Court stated, 338 U.S. at 683-684:

The obvious purpose of the legislation under consideration was to prevent the channels of interstate commerce from being used to disseminate any matter that, in its essential nature, communicates obscene, lewd, lascivious or filthy ideas . . . . This is a comprehensive statute, which should not be constricted by a mechanical rule of construction.

Four Justices, however, disagreed with this conclusion.

Congress, noting the difference of opinion among the Justices as to whether the term "matter" was broad enough to include phonograph records, and desiring to clarify the issue, amended the statute to include phonograph records. It should be stressed that the reason for the amendment was not to add to the statute, but, rather, to clear up any ambiguity from the dissent in *Alpers*.[1] See 1950 U.S. Code Cong. Service, pp. 2438 *et seq.*

It can therefore be argued that *Alpers* supports the proposition that obscene telephone transmissions are included within the meaning of "matter" as used in section 1462. Just as in the case of phonograph recordings, the fact that Congress has not yet chosen to specify such transmissions does not mean that they are excluded from coverage under the statute. As the Court stated in *Alpers*, Congress intended by this statute to proscribe generally the dissemination of obscene material. Including telephone transmissions would therefore be a reasonable application of the statute. The counterargument is that Congress provided specifically for obscene "telephone" calls in 47 U.S.C. 223, and federal law is limited by what is provided in that section.

We have also considered whether the transmission of this material would be covered by a third statute, 18 U.S.C. 1465, which prohibits the interstate transportation, for the purpose of sale or distribution, of obscene material, including, *inter alia*, any "picture, film, . . . electrical transcription or other article capable of producing sound or any other matter of indecent or immoral character." However, the legislative history suggests rather strongly that this statute was enacted to cover private carriage rather than use of a common carrier. H.R. Rep. No. 690, June 1, 1955, p. 2. During debate, Congressman Kenneth B. Keating of New York stated that this legislation was intended to fill a "serious loophole" in the law which permitted carriage of obscene material "by private automobiles and trucks." Congressional Record, June 7, 1955, p. A4050. Therefore, if telephone companies are common carriers, it would appear that this section does not apply. Moreover, the section is limited to transportation for sale or distribution.

Additionally, you expressed concern that pedophiles would exchange names, addresses and telephone numbers of their victims by computer telephone hook-up. Section 223, title 47 U.S.C., is, in essence, limited to the interstate communication of obscene or indecent material, and such computerized lists would not appear to fall within its scope. Moreover, as you noted, communications covered by recently-enacted subsection (b) must be for a commercial purpose.

In summary, a definitive response to the question of whether the interstate transmission of obscene material between computers over telephone lines violates 47 U.S.C. 223 or 18 U.S.C. 1462 will have to await further development of case law. At this time, we can only say that the use of telephone lines to transmit information or material which is *per se* neither "obscene" nor "indecent," such as names, addresses and telephone numbers, is not conduct proscribed by the language of either of these statutes and thus would appear not to be prohibited by current Federal law.

We hope that this information will be of assistance to you.

Sincerely,

STEPHEN S. TROTT,
Assistant Attorney General,
Criminal Division.

By:

VICTORIA TOENSING,
Deputy Assistant
Attorney General,
Criminal Division.

FEDERAL COMMUNICATIONS COMMISSION,
Washington, DC, August 21, 1984.

Hon. PAUL S. TRIBLE,
U.S. Senate,
Washington, DC.

DEAR SENATOR TRIBLE: Chairman Fowler has requested that I respond to your recent correspondence, in which you inquired whether the phrase "by means of telephone," contained in 47 U.S.C. § 223, applies to transmissions made by use of a computer. Apparently, your inquiry was instigated by the discovery that pedophiles have been compiling, by means of computers, informative data on their victims, and you are concerned that the possibility exists that such information may be exchanged through computer networks which utilize telephone lines.

While we believe that Section 223 would probably apply to the use of telephone lines by computers, whether in conjunction with a computer modem or with a desk top telephone, it does not appear that Section 223 applies to the transmission of messages which are not in themselves obscene or indecent. Section 223(a), in relevant part, makes it a crime to make "any comment, request, suggestion or proposal which is obscene, lewd, lascivious, filthy, or indecent." Exchanges of data concerning solely the names, addresses and telephone numbers of victims of child molesters would not seem to fall within the offense defined by Section 223(a). Secton 223(b) is plainly inappliable to telephonic transmissions between computers because the gravaman of the offense under Section 223(b) is the making of an obsene or indecent communication to a minor.

I hope this is responsive to your inquiry. If there is any further way in which I or my staff can be of assistance to you in this matter, please do not hesitate to contact me.

Sincerely yours,

BRUCE E. FEIN,
General Counsel.

Mr. TRIBLE. Mr. President, there is clearly no consensus on whether the use of computers by pornographers and pedophiles is a Federal crime. The legislation I am introducing today would resolve these uncertainties. Section 2 of the bill makes it clear that the exiting prohibition on interstate transportation of obscene material applies to interstate computer transmissions. It does so by adding a new subsection on computers to 18 U.S.C. 1462.

In addition, the bill amends 18 U.S.C. 2251 and 2252 to penalize the production or distribution of an array of materials related to child molestation and child pornography. It would proscribe any printed or computer-transmitted statement whose purpose is to facilitate the sexual abuse or sexually explicit depiction of a child. It would also proscribe printed statements or computer transmissions aimed at buying, selling, or exchanging child pornography.

Thus, the legislation would forbid a pedophile from communicating by computer or in writing about his abuse of children. He could no longer use his home or office computer to locate other child molesters. In addition, he would not be able to exchange the names, addresses, or other descriptive information about his victims with other pedophiles, if his intent was to facilitate further abuse of those children.

Moreover, pedophiles and others who collect child pornography could no longer contact one another in writing or by computer. Inquiries and ad-

[1] The Court in *Alpers* noted that Congress had amended the statute in 1920 to include motion picture films but took the view that Congress did not intend this addition to imply that if obscene matter was not specifically denominated it was outside the prohibition of the statute or that only visual obscene matter was within the prohibition of the statute.

vertisements via these media by persons wishing to produce, buy, sell, or trade child pornography would be prohibited. These acts would be punished just as severely as the actual production and distribution of child pornography.

We must ensure that misuse of computer technology does not contribute to the abuse of our children or the spread of obscenity. The legislation that I am introducing today would do so. I urge my colleagues to cosponsor this important bill, and I ask unanimous consent that a copy be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1305

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Computer Pornography and Child Exploitation Prevention Act of 1985".

SEC. 2. Section 1462 of title 18, United States Code, is amended by—

(1) inserting after subsection (c) the following:

"(d) any obscene, lewd, lascivious, or filthy writing, description, picture, or other matter entered, stored, or transmitted by or in a computer; or "Whoever knowingly owns, offers, provides, or operates any computer program or service having reasonable cause to believe that the computer program or computer service is being used to transmit in interstate or foreign commerce any matter the carriage of which is herein made unlawful; or"; and

(2) inserting at the end thereof the following: "For purposes of this section—

"(1) the term 'computer' means an electronic, magnetic, optical, electrochemical, or other high-speed data processing device performing logical, arithmetic, or storage functions, and includes any data storage facility or communications facility directly related to or operating in conjunction with such device;

"(2) the term 'computer program' means an instruction or statement or a series of instructions or statements in a form acceptable to a computer which permits the functioning of a computer system in a manner designed to provide appropriate products from such computer system;

"(3) the term 'computer service' includes computer time, data processing, and storage functions; and

"(4) the term 'computer system' means a set of related connected or unconnected computers, computer equipment, devices, and software.

SEC. 3. (a) Section 2251 of title 18, United States Code, is amended—

(1) in subsection (a) by striking out "subsection (c)" and inserting in lieu thereof "subsection (d)";

(2) in subsection (b) by striking out "subsection (c)" and inserting in lieu thereof "subsection (d)";

(3) by redesignating subsection (c) as subsection (d); and

(4) by inserting after subsection (b) the following new subsection:

(c) Any person who knowingly enters into or transmits by means of computer, or makes, prints, publishes, or reproduces by other means, or knowingly causes or allows to be entered into or transmitted by means of computer, or made, printed, published, or reproduced by other means—

(1) any notice, statement or advertisement; or

(2) any minors' name, telephone number, place of residence, physical characteristics, or other descriptive or identifying information,

for purposes of facilitating, encouraging, offering, or soliciting sexually explicit conduct of or with any minor, or the visual depiction of such conduct, shall be punished as provided in subsection (d) of this section, if such person knows or has reason to know that such notice, statement, advertisement, or descriptive or identifying information will be transported in interstate or foreign commerce or mailed, or if such information has actually been transported in interstate or foreign commerce or mailed.

SEC. 4. Section 2252 of title 18, United States Code, is amended—

(1) in subsection (a) by striking out "subsection (b)" and inserting in lieu thereof "subsection (c)";

(2) by redesignating subsection (b) as subsection (c);

(3) by inserting after subsection (a) the following new subsection:

(b) Any person who knowingly enters into or transmits by means of computer, or makes, prints, publishes, or reproduces by other means, or knowingly causes or allows to be entered into or transmitted by means of computer, or made, printed, published, or reproduced by other means any notice, statement, or advertisement to buy, sell, receive, exchange, or disseminate any visual depiction, if—

(1) the producing of such visual depiction involves the use of a minor engaging in sexually explicit conduct; and

(2) such visual depiction is of such conduct;

shall be punished as provided in subsection (c) of this section, if such person knows or has reason to know that such notice, statement, or advertisement will be transported in interstate or foreign commerce or mailed, or if such notice, statement, or advertisement has actually been transported in interstate or foreign commerce or mailed.

SEC. 5. Section 2255 of title 18, United States Code, is amended by adding at the end thereof the following new paragraph:

(5) "computer" means an electronic, magnetic, optical, electrochemical, or other high-speed data processing device performing logical, arithmetic, or storage functions, and includes any data storage facility directly related to or operating in conjunction with such device.

Mr. DENTON. Mr. President, I am pleased to join my esteemed colleague, Senator TRIBLE, in support of the bill which he has offered today, of which I am an original cosponsor. I commend Senator TRIBLE for his leadership role in introducing this piece of legislation, which seeks to establish criminal penalties for the transmission by computer of obscene matter or matter which pertains to the sexual exploitation of children.

The rapid evolution of Federal communication channels has increased the technical complexities of regulating interstate communication in certain problem areas. There is great concern that pedophiles exchange names, addresses, and telephone numbers of their child victims by computer telephone hook-up. There is evidence that this exchange of information supports the pedophile in his continued pattern of sexually molesting children. Concern for this problem prompted me, as chairman of the Subcommittee on Security and Terrorism of the Senate Committee on the Judiciary, to schedule a hearing on the subject of the use of computers to transmit material inciting crime, particularly crimes involving the sexual abuse of children.

I had the opportunity to hear testimony that documented the terrible consequences of child sexual abuse, when I served as chairman of the Subcommittee on Family and Human Services of the Senate Committee on Labor and Human Resources, during a series of hearings on the breakdown of the family in the United States, as well as a series of hearings on the reauthorization legislation for the Child Abuse Prevention and Treatment and Adoption Reform Act. The subcommittee heard testimony from a number of professionals in the child abuse treatment community that the effects of child abuse and child sexual abuse linger long after the bruises heal. Many felons now behind bars are said to have been abused as children. In addition, there is substantial evidence that the children who have been abused are more likely to grow up and become child abusers themselves.

In my capacity as a member of the Subcommittee on Juvenile Justice of the Senate Committee on the Judiciary, I heard testimony that indicated that sexually exploited persons are unable to develop healthy, affectionate relationships in later life, that they may have sexual dysfunction, and that they may become victims in a continuous cycle of abuse.

The prevention of sexual exploitation and abuse of children constitutes a governmental concern of the highest order. Effective action must be taken immediately to stop the dissemination of obscene matter and the potential growth of a nationwide pedophile network. I urge support of S. 1305.

By Mr. INOUYE:

S. 1306. A bill to amend title 10, United States Code, to authorize the uniformed services to furnish dental prostheses to dependents of members of the uniformed services in facilities of the uniformed services without reimbursement; to the Committee on Armed Services.

PROVISION OF DENTAL PROSTHESES TO DEPENDENTS OF MEMBERS OF THE UNIFORMED SERVICES

● Mr. INOUYE. Mr. President, today I am introuducing legislation to authorize the Department of Defense to provide dental prostheses to dependents of active duty personnel in military facilities without requiring any reimbursement for these items.

It is my understanding that for the past 20 years, the Department of Defense has, in fact, done this; however, as of October 1, 1985, due to the current statutory language and its interpretation, the Department will be requiring reimbursement.

It is also my understanding that the annual savings to the Department of Defense is expected to be in the area of $300,000 to $400,000. In my judgment, it would be considerably easier administratively and ensure greater family morale if the Department did not attempt to recoup these moneys.

Mr. President, I request unanimous consent that the text of this bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1306

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 1077(b)(2) of title 10, United States Code, is amended—

(1) by striking out "and" at the end of subclause (A);

(2) by striking out the period at the end of subclause (B) and inserting in lieu thereof ", and"; and

(3) by inserting after subclause (B) the following new subclause (C):

(C) dental prostheses may be provided.". ●

By Mr. INOUYE:

S. 1307. A bill to amend chapter 5 of title 37, United States Code, to revise the special pay provisions for dental officers in the Armed Forces of the United States; to the Committee on Armed Services.

ARMED FORCES DENTAL OFFICERS SPECIAL PAY ACT

● Mr. INOUYE. Mr. President, today I am introducing legislation to revise the special pay provisions for dental officers in the Armed Forces of the United States. The purpose of this bill is to increase effectiveness of the health care system for the Department of Defense through more efficient application of special pay for dentists. This special pay, based on the number of years of active duty dental service, is critical to retention and recruiting in the Dental Corps. This creates an incentive by addressing the disparity in pay between military and civilian dentists. Although the proposed pay system will not create parity with civilian dentists, the system should provide the necessary incentives for recruitment and retention of dental officers. Upward retention increases mission readiness essential to national defense.

Mr. President, I request unanimous consent that the text of this bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1307

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SECTION 1. This Act may be cited as the "Armed Forces Dental Officers Special Pay Act of 1985".

REVISION OF SPECIAL PAY FOR DENTAL OFFICERS OF THE ARMED SERVICES

SEC. 2. (a) Section 302b of title 37, United States Code, relating to special pay for dental officers of the uniformed services, is amended to read as follows:

"§ 302b. Special pay: dental officers of the armed forces

"(a)(1) An officer who is officer of the Dental Corps of the Army or Navy or an officer of the Air Force designated as a dental officer and who is on active duty under a call or order to active duty for a period of not less than one year is entitled to special pay in accordance with this subsection.

"(2) An officer described in paragraph (1) of this subsection who is serving in a pay grade below grade O-7 is entitled to special pay at the following rates—

"(A) $1,200 per year, if the officer has less than three years of creditable service; or

"(B) $2,400 per year, if the officer has at least three but less than six years of creditable service;

"(C) $3,500 per year, if the officer has at least six but less than fourteen years of creditable service; or

"(D) $4,800 per year, if the officer has at least fourteen years of creditable service.

"(3) An officer described in paragraph (1) of this subsection who is serving in a pay grade above grade O-6 is entitled to special pay at the rate of $1,200 per year.

"(4)(A) Subject to subsection (b) of this section, an officer entitled to special pay under paragraph (2) or (3) of this subsection who has at least three but less than six years of creditable service as a dental officer is entitled to additional special pay in the amount of—

"(i) $4,000 for any twelve-month period during which the officer is not undergoing residency training; or

"(ii) $2,000 while the officer is undergoing residency training.

"(B) Subject to subsection (b) of this section, an officer entitled to special pay under paragraph (2) or (3) of this subsection who has at least six but less than twelve years of creditable service as a dental officer is entitled to additional special pay in the amount of—

(i) $6,000 for any twelve-month period during which the officer is not undergoing residency training; or

"(ii) $3,000 while the officer is undergoing residency training.

"(C) Subject to subsection (b) of this section, an officer entitled to special pay under paragraph (2) or (3) of this subsection who has at least twelve but less than eighteen years of creditable service as a dental officer is entitled to additional special pay in the amount of—

"(i) $8,000 for any twelve-month period during which the officer is not undergoing residency training; or

"(ii) $4,000 while the officer is undergoing residency training.

"(D) Subject to subsection (b) of this section, an officer entitled to special pay under paragraph (2) or (3) of this subsection who has at least eighteen or more years of creditable service as a dental officer is entitled to additional special pay in the amount of—

"(i) $11,000 for any twelve-month period during which the officer is not undergoing residency training; or

"(ii) $4,000 while the officer is undergoing redisency training.

"(5) An officer who is entitled to special pay under paragraph (2) or (3) of this subsection and who is board certified is entitled to board certification special pay of $2,400 per year.

"(b)(1) An officer may not be paid additional special pay under subsection (a)(4) of this section for any twelve-month period unless the officer first executes a written agreement under which the officer agrees to remain on active duty for a period of not less than one year beginning on the date the officer accepts the award of such special pay.

"(2) Under regulations prescribed by the Secretary of Defense under section 303a(a) of this title, the Secretary concerned may terminate at any time an officer's entitlement to the special pay authorized by subsection (a)(4). If such entitlement is terminated, the officer concerned is entitled to be paid such special pay only for the part of the period on active duty that he served, and he may be required to refund any amount in excess of that entitlement.

"(c) Regulations prescribed by the Secretary of Defense under section 303a(a) of this title shall include standards for determining—

"(1) whether an officer is undergoing residency training for purposes of subsections (a)(4)(A), (a)(4)(B), (a)(4)(C), and (a)(4)(D) of this section, and

"(2) whether an officer is board certified for purposes of subsection (a)(5) of this section.

"(d) Special pay payable to an officer under paragraphs (2), (3), and (5) of subsection (a) of this section shall be paid monthly. Special pay payable to an officer under subsection (a)(4) of this section shall be paid annually at the beginning of the twelve-month period for which the officer is entitled to such payment.

"(e) An officer who voluntarily terminates service on active duty before the end of the period for which a payment of special pay was made to such officer under subsection (a)(4) of this section shall refund to the United States an amount which bears the same ratio to the amount of special pay paid to such officer as the unserved part of such period bears to the total period for which the payment was made.

"(f) A discharge in bankruptcy under title 11 shall not release a person from an obligation to reimburse the United States required under the terms of an agreement described in subsection (b) of this section if the final decree of the discharge in bankruptcy was issued within the five-year period beginning on the last day of the period which such person had agreed to serve on active duty. This subsection applies to a discharge in bankruptcy in any proceeding which begins after September 30, 1985.

"(g) For purposes of this section, creditable service of an officer is computed by adding—

"(1) all periods which the officer spent in dental internship or residency training during which the officer was not on active duty; and

"(2) all periods of service on active duty in the Dental Corps of the Army or Navy, as an officer of the Air Force designated as a dental officer, or as a dental officer of the Public Health Service.".

"(b) Section 311 of such title is repealed.

"(c) The item relating to such section in the table of sections at the beginning of chapter 5 of such title is amended to read as follows:

"302b. Special Pay: dental officers of the armed forces." ●

By Mr. LUGAR (by request):

S. 1308. A bill to authorize supplemental economic assistance for Jordan, and for other purposes; to the Committee on Foreign Relations.

JORDAN SUPPLEMENTAL ECONOMIC ASSISTANCE AUTHORIZATION ACT

● Mr. LUGAR. Mr. President, I offer on behalf of the administration a bill to authorize $250 million in supplemental economic assistance to Jordan. This money shall remain available until September 30, 1986.

According to the Secretary of State, the request would include $100 million for a Commodity Import Program [CIP], a $100 million cash transfer, and $50 million for project aid, to be added to the current fiscal year 1985 ESF Program of $20 million and fiscal year 1986 request of $20 million. This combination provides development content and the immediate economic impact which Jordan requires politically and economically. A cash transfer will address a pressing need, and will help avoid domestic strains caused by a poorly performing economy. The CIP will ensure the import of capital goods needed for improved long-term economic performance.

The administration believes that this program is needed to provide King Hussein with the economic stability he needs while confronting the hard political choices involved in steps to achieve peace.

A request of this proportion raises numerous questions as to the size of the package and how this will influence the Middle East peace process. The Foreign Relations Committee will begin the process of examining these and other issues in hearings scheduled for the day after tomorrow.●

By Mr. HATCH (for himself and Mr. KENNEDY):

S. 1309. A bill to amend the Public Health Service Act to revise and extend the authorities under that act relating to the National Institutes of Health and National Research Institutes, and for other purposes; to the Committee on Labor and Human Resources.

HEALTH RESEARCH EXTENSION ACT

Mr. HATCH. Mr. President, today I am pleased to introduce the "Biomedical Research Extension Act of 1985" which modified title IV of the Public Health Service Act. This legislation reauthorizes the two largest institutes of the National Institutes of Health—the National Cancer Institute and the National Heart, Lung, and Blood Institute. These two institutes require periodic reauthorization, while the other nine institutes of the NIH operate under the general research authority of section 301 of the Public Health Service [PHS] Act. This bill also establishes a new National Institute of Arthritis, Musculoskeletal, and Skin Disease by separating those programs from the current National Institute of Arthritis, Diabetes, and Digestive and Kidney Disorders. There are also some requirements for studies conducted by time-limited committees to make recommendations regarding a number of research-related issues.

While the bill makes a significant improvement in the current Law, by rewriting and clarifying title IV of the PHS Act, it does not alter or diminish the authority under which the Federal Government sponsors health-related research. Section 301 of the PHS Act authorizes the Secretary of Health and Human Services to "conduct * * *, encourage, cooperate with, and render assistance * * *, and promote the coordination of research, investigations, experiments, demonstrations, and studies relating to the cause, diagnoses, treatment, control and prevention of physical and mental diseases and impairments of man * * *" This the foundation of what has unquestionably been the most successful research endeavor in the history of mankind—the accomplishments of our federally funded research effort in biomedical sciences has astonished the world. Year after year, research conducted at our National Institutes of Health, and by scientists funded through grants and contracts at research centers throughout the country, has produced significant advances in knowledge that have led to improved health for people everywhere. Research breakthoughs sometimes occur in unexpected areas, demonstrating the importance of providing an environment for our research scientists as free of constraints as possible. Federal funding for this research has helped provide such an environment. Continued Federal support is essential if we are to maintain a position of worldwide leadership in biomedical research, and if we are to find answers to current and future medical problems.

There are three disease categories which I believe need special attention. The first is cancer. The "War on Cancer," which began with enactment of the National Cancer Act in 1971, has provided an army of research scientists and skilled clinicians and an armamentarium of new treatments. Today, as a result, more than half of all cancers are curable. It was only a few years ago that cancer was almost inevitably fatal. Cures are now possible for: youngsters with leukemia; young people with Hodgkins Disease and lymphoma; individuals with cancer of the colon and breast when their malignancy is detected early through improved diagnostic techniques. Furthermore, prolonged life, free from much of the pain and disability which was once commonplace is now possible for literally thousands of cancer victims due to improved methods of treatment. The battles must go on. As our population ages, more of us fall prey to cancer. This accounts, in part, for the increasing incidence of these dread disorders. The legislation I am introducing today reaffirms our national commitment to strike at the heart of cancer and eventually win this war. This legislation preserves the intent of the original National Cancer Act, which is to give adequate support and freedom for the National Cancer Institute to fund a broad range of research, not only at the NCI, but at cancer centers and academic medical centers throughout the country. I know the authorization levels are not as high as some would like. Yet, in a year of restraint, it, nonetheless, provides for moderate increases in the funding of new and competing grants and for the establishment of some new cancer centers, thus strengthening the foundation of our cancer research effort.

Heart and vascular, lung, and blood diseases also deserve special attention. Perhaps the most dramatic and gratifying improvments in our Nations' health are represented by the declining incidence of heart attack and stroke. Over the past decade, heart attacks have decreased by 27 percent and strokes have decreased by 43 percent. Much of this can be attributed to research funded by the National Heart, Lung and Blood Institute [NHLBI]. Over a decade ago, regional medical programs sponsored through this institute highlighted the importance of early detection and treatment of hypertension. Large clinical studies sponsored by NHLBI produced strong evidence of the cardiovascular benefit of exercise. This evidence has clearly been an important factor in the increasing interest in physical fitness of our citizens nationwide. In addition, the importance of proper nutrition, and particularly the health benefits of moderating our intake of dietary fat, has been made widely known to our citizens, thanks to research and education sponsored by the institute. Although heart disease remains our No. 1 killer, it is very soon to become No. 2, because of our investment in cardiovascular research. Clearly we need to maintain the excellence of this research effort.

Unfortunately, chronic lung diseases claim an increasing number of our citizens lives annually and impose tremendous burdens of long-term disability for others. Although much of this is preventable and is directly related to cigarette smoking, we must continue research to find improved methods

of treating emphysema, chronic bronchitis and other forms of lung disease. The legislation I am introducing today will maintain and strengthen this research. It will enable NHLBI to continue their focus on prevention and add to their already remarkable accomplishments.

Significant progress is being made as well in understanding and being able to treat such complex and devastating blood diseases as sickle cell disease and Cooley's anemia. This research and NHLBI's important responsibility to manage the Nation's blood resources will continue and be strengthened by this bill.

A third area of human suffering and disability which merits highlighting is arthritis and musculoskeletal disease. I have lent my support for the past 3 years to efforts to establish a new National Institute of Arthritis, Musculoskeletal, and Skin Disease. This legislation has passed separately from both Houses of Congress and also as a part of an NIH reauthorization bill last year—S. 540—which was subsequently voted by President Reagan. However, I believe that the administrative structure and the research base are now sufficiently well developed in these areas that separation of the arthritis, musculoskeletal, and skin diseases programs into a separate institute is scientifically and fiscally sound. While it is certainly true that there has been fine coordination among the various NIADDK research programs, to the benefit of all of them, I do not believe that this synergism will be destroyed by the establishment of a new institute. There is excellent research synergism at NIH—both within and among the institutes. I also do not accept that a decision, arrived at after careful deliberation, that a single additional research institute is appropriate, constitutes an irrational and politically motivated approach. I do not support proliferation—an excessive, rapid spread of institutes. I support the establishment of a single additional institute after a long and detailed analysis of the need for such establishment and the enormous benefit to be gained. I understand concerns about proliferation of new institutes at NIH and the potential for diluting our research efforts by creating unnecessary overhead and administrative costs. However, through this bill I reaffirm my support for an expanded and more focused national research effort, targeted to finding improved methods of preventing, treating, and, hopefully, curing arthritis.

Arthritis is actually more than 100 different disorders, which afflict some 49 million of our citizens. All of us suffer, at some time in our life, from some form of arthritis. Most of us are not significantly disabled, and minor forms do respond to current treatments. But, arthritis, musculoskeletal diseases, and skin disorders collectively result in an extraordinary loss to our economy from lost productivity as well as from medical expense. I agree with the motto of the National Arthritis Foundation—"It's time we took a look at arthritis seriously"—this new institute will provide a major focus—one that is so long overdue, on arthritis and musculoskeletal and skin diseases.

Concurrent with establishing this new institute, there will be created a National Institute of Diabetes and Digestive and Kidney Disease. This will provide for ongoing and improved research efforts in these disease categories. At present, there is much promise held by research devoted to finding a cure for diabetes. Youngsters who develop diabetes early in life may, in fact, be suffering the consequences of an infectious disease which could be entirely preventable. Others, who have insulin-dependent diabetes, may eventually be cured if improved methods of pancreatic beta cell transplantation can be found. In short, there is justifiable optimism about finding a cure for diabetes; we may dare to begin hoping that diabetes may soon join the ranks of other diseases which have become part of medical history.

Last year, the President objected to a provision in the NIH reauthorization bill establishing a new Institute for Nursing Research. The National Institute of Nursing, authorized in S. 540, was intended to provide opportunities for nurses to participate in research conducted and supported by the National Institutes of Health. This effort was championed by my colleague in the House of Representatives, Mr. EDWARD MADIGAN. In response to the 1983 Institute of Medicine study which identified the need to establish an organizational entity for nursing research, he chose to author legislation which would establish a new institute at NIH. I support the intent of this effort; that is, to increase Federal support for nursing research and provide more visibility for qualified nursing researchers. However, I am concerned that the proposal for the new institute is premature and that possible funding may not be sufficient to accomplish the stated goals. Therefore, I have chosen to work with representatives of the nursing profession and the administration to develop an alternative proposal which will place nursing research in the mainstream of scientific investigation. I am convinced that a substantial share of our health care dollars could be saved if research conducted by nurses related to improved patient care, patient education, and health promotion were substantially supported. Furthermore, nurses play a vital role in the delivery of health care in many underserved areas and should play a major role in health services research. Although the legislation I am introducing today, which is similar in many respects to the bill vetoed last year (S. 540), does not include the National Institute of Nursing, I look forward to working with my colleague, Congressman MADIGAN, and others supportive of the nursing profession to improve Federal support for nursing research.

In addition to highlighting certain disease categories, the bill I am introducing today provides, perhaps, the most critical ingredient in a successful research endeavor—stability. The veto message of S. 540 cited objections to a budget which exceeded that of the administration. I am pleased to have been part of recent negotiations in the Senate related to the NIH budget. Several of my colleagues and I met with Mr. David Stockman, Director of the Office of Management and Budget, and conveyed strong congressional support for our biomedical research effort. Mr. Stockman expressed support for increasing the NIH budget so that 6,000 new and competing grants can be funded annually for the next 3 years. My bill adopts this agreed-upon level, as well as providing funds sufficient to maintain current services. It is essential that we provide for economic stability of our research effort. Inadequate funding is only part of the problem. I have heard repeatedly from representatives of the scientific community and academia that "mixed messages" from administrators at NIH, the Office of Management and Budget, and Congress result in considerable confusion and poor morale among research scientists. This has a particularly negative impact upon talented young people who, while interested in becoming research scientists, are discouraged from pursuing such a career because of perceptions of inadequate funding. Historically, Government support for research has been good. But when young people embarking on a research career hear repeatedly from their mentors that research grants are in jeopardy, they cannot be blamed for seeking a more predictable and stable environment in which to work. I believe this factor alone makes it critical that this legislation be enacted into law. We need to assure a consensus for a stable level of Federal support for basic biomedical science.

Over the past few years, there were a number of sensitive negotiations regarding research issues not related to funding. These included concerns expressed by a large number of our citizens, through focused interest groups, about animal welfare and fetal research. After investing a great deal of energy and time in considering disparate points of view, agreements were achieved. I believe they fairly represent the concerns of a broad spectrum of people, including very legitimate

worries expressed by scientists. They should be enacted into law.

The last objection of the S. 540 veto message cited unnecessary congressional intrusion—micromanagement. In truth, the legislation passed last year is relatively free of specific congressional direction. After listening to numerous proponents of disease targeted research, reviewing proposals for set-aside funding for particular projects, and considering multiple requests for administrative changes, we distilled such concerns to a small number of congressional directives. In fact, in place of permanent changes, we established only time limited studies or commissions to address concerns of great national interest—spinal cord injury, personnel for health needs of the elderly, learning disabilities, and lupus erythematosis. After completing reports to Congress, these commissions cease to exist. The legislation introduced today again includes these directives. I believe that both the public and our scientists stand to benefit from the information these reports will provide. I do not believe it is likely that additional legislative authorities will be needed to achieve recommendations the reports might make.

In order to respond to objections raised by the administration to specific provisions in last year's conferenced bill, I have included several minor modifications or deletions. All of the changes are intended to give flexibility and freedom to our research scientists and administrators, while maintaining appropriate accountability for public funds.

Mr. President, I urge my colleagues to join with me in approving this legislation as soon as possible. We do not need hearings to explore further the issues related to reauthorization. What we need is an expedient message to our academic and health communities that biomedical research is important to our citizens. I ask unanimous consent that the text of the legislation be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE; REFERENCE TO ACT; AND TABLE OF CONTENTS

SECTION 1. (a) This Act may be cited as the "Health Research Extension Act of 1985".

(b) Except as otherwise specifically provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be a reference to a section or other provision of the Public Health Service Act.

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REVISION OF TITLE IV OF THE PUBLIC HEALTH SERVICE ACT

SEC. 2. Title IV of the Public Health Service Act is amended to read as follows:

"TITLE IV—NATIONAL RESEARCH INSTITUTES

"PART A—NATIONAL INSTITUTES OF HEALTH

"ORGANIZATION OF THE NATIONAL INSTITUTES OF HEALTH

"SEC. 401. (a) The National Institutes of Health is an agency of the Service.

"(b)(1) The following national research institutes are agencies of the National Institutes of Health:

"(A) The National Cancer Institute.

"(B) The National Heart, Lung, and Blood Institute.

"(C) The National Institute of Diabetes and Digestive and Kidney Diseases.

"(D) The National Institute of Arthritis and Musculoskeletal and Skin Diseases.

"(E) The National Institute on Aging.

"(F) The National Institute of Allergy and Infectious Diseases.

"(G) The National Institute of Child Health and Human Development.

"(H) The National Institute of Dental Research.

"(I) The National Eye Institute.

"(J) The National Institute of Neurological and Communicative Disorders and Stroke.

"(K) The National Institute of General Medical Sciences.

"(L) The National Institute of Environmental Health Sciences.

"(2) The following entities are agencies of the National Institutes of Health:

"(A) The National Library of Medicine.

"(B) The Division of Research Resources.

"(C) The John E. Fogarty International Center for Advanced Study in the Health Sciences.

"(c)(1) The Secretary may establish in the National Institutes of Health one or more additional national research institutes to conduct and support research, training, health information, and other programs with respect to any particular disease or groups of diseases or any other aspect of human health if—

"(A) the Secretary determines that an additional institute is necessary to carry out such activities; and

"(B) the additional institute is not established before the expiration of 90 days after the Secretary has provided the Committee on Energy and Commerce of the House of Representatives and the Committee on Labor and Human Resources of the Senate written notice of the determination made under clause (i) with respect to the institute.

"(2) The Secretary may reorganize the functions of any national research institute and may abolish any national research institute if the Secretary determines that the institute is no longer required. A reorganization or abolition may not take effect under this subparagraph before the expiration of 90 days after the Secretary has provided the Committee on Energy and Commerce of the House of Representatives and the Committee on Labor and Human Resources of the Senate written notice of the reorganization or abolition.

"(d) For purposes of this title, the term 'national research institute' means a national research institute listed in subsection (b) or established under subsection (c). A reference to the National Institutes of Health includes its agencies.

"APPOINTMENT AND AUTHORITY OF DIRECTOR OF NIH

"SEC. 402. (a) The National Institutes of Health shall be headed by the Director of the National Institutes of Health (hereafter in this title referred to as the 'Director of NIH') who shall be appointed by the President by and with the advice and consent of the Senate. The Director of NIH shall perform functions as provided under subsection (b) and as the Secretary may otherwise prescribe.

"(b) In carrying out the purposes of section 301, the Secretary, acting through the Director of NIH—

"(1) shall be responsible for the overall direction of the National Institutes of Health and for the establishment and implementation of general policies respecting the management and operation of programs and activities within the National Institutes of Health;

"(2) shall coordinate and oversee the operation of the national research institutes and administrative entities within the National Institutes of Health;

"(3) shall assure that research at the National Institutes of Health is subject to review in accordance with sections 405(c)(3) and 490(b);

"(4) for the national research institutes and administrative entities within the National Institutes of Health—

"(A) may acquire, construct, improve, repair, operate, and maintain, at the site of such institutes and entities, laboratories, and other research facilities, other facilities, equipment, and other real or personal property, and

"(B) may acquire, without regard to the Act of March 3, 1877 (40 U.S.C. 34), by lease or otherwise through the Administrator of General Services, buildings or parts of buildings in the District of Columbia or communities located adjacent to the District of Columbia for use for a period not to exceed ten years;

"(5) may secure resources for research conducted by or through the National Institutes of Health;

"(6) may, without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and without regard to the provisions of chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates, establish such technical and scientific peer review groups as are needed to carry out the requirements of this title and appoint and pay the members of such groups, except that officers and employees of the United States shall not receive additional compensation for service as members of such groups;

"(7) may secure for the National Institutes of Health consultation services and advice of persons from the United States or abroad;

"(8) may use, with their consent, the services, equipment, personnel, information, and facilities of other Federal, State, or local public agencies, with or without reimbursement therefor;

"(9) may, for purposes of study, admit and treat at facilities of the National Institutes of Health individuals not otherwise eligible for such treatment;

"(10) may accept voluntary and uncompensated services; and

"(11) may perform such other administrative functions as the Secretary determines are needed to effectively carry out this title. The Federal Advisory Committee Act shall not apply to any peer review group appointed under paragraph (6). The members of such a group shall be individuals who by virtue of their training or experience are eminently qualified to perform the review functions of such group. Not more than one-fourth of the members of any such group shall be officers or employees of the United States.

"(c) The Director of NIH may make available to individuals and entities, for biomedical and behavioral research, substances and living organisms. Such substances and organisms shall be made available under such terms and conditions (including payment for them) as the Secretary determines appropriate.

"(d)(1) The Director of NIH may obtain (in accordance with section 3109 of title 5, United States Code, but without regard to the limitation in such section on the period of service) the services of not more than two hundred experts or consultants, with scientific or other professional qualifications, for the National Institutes of Health.

"(2)(A) Except as provided in subparagraph (B), experts and consultants whose services are obtained under paragraph (1) shall be paid or reimbursed, in accordance with title 5, United States Code, for their travel and other expenses associated with their assignment.

"(B) Expenses specified in subparagraph (A) shall not be allowed in connection with the assignment of an expert or consultant whose services are obtained under paragraph (1) unless the expert or consultant

has agreed in writing to complete the entire period of the assignment or one year of the assignment, whichever is shorter, unless separated or reassigned for reasons which are beyond the control of the expert or consultant and which are acceptable to the Secretary. If the expert or consultant violates the agreement, the money spent by the United States for such expenses is recoverable from the expert or consultant as a debt due the United States. The Secretary may waive in whole or in part a right of recovery under this subparagraph.

"(e) The Director of NIH shall—

"(1) advise the agencies of the National Institutes of Health on medical applications of research;

"(2) coordinate, review, and facilitate the systematic identification and evaluation of, clinically relevant information from research conducted by or through the national research institutes;

"(3) promote the effective transfer of the information described in paragraph (2) to the health care community and to entities that require such information; and

"(4) monitor the effectiveness of the activities described in paragraph (3).

"(f) There shall be in the National Institutes of Health an Associate Director for Prevention. The Director of NIH shall delegate to the Associate Director for Prevention the functions of the Director relating to the promotion of the disease prevention research programs of the national research institutes and the coordination of such programs among the national research institutes and between the national research institutes and other public and private entities. The Associate Director shall annually report to the Director of NIH on the prevention activities undertaken by the Associate Director. The report shall include a detailed statement of the expenditures made for the activities reported on and the personnel used in connection with such activities.

"REPORT OF DIRECTOR OF NIH

"SEC. 403. The Secretary shall transmit to the President and to the Congress a biennial report which shall be prepared by the Director of NIH and which shall consist of—

"(1) a description of the activities carried out by and through the National Institutes of Health and the policies respecting the programs of the National Institutes of Health and such recommendations respecting such policies as the Secretary considers appropriate;

"(2) a description of the activities undertaken to improve grants and contracting accountability and peer review procedures of the National Institutes of Health and the national research institutes;

"(3) the reports made by the Associate Director for Prevention under section 402(f) during the period for which the biennial report is prepared; and

"(4) the biennial reports of the Directors of each of the national research institutes.

The first report under this section shall be submitted not later than April 1, 1986, and shall relate to the fiscal year ending on the preceding September 30. The next report shall be submitted not later than December 30, 1988, and shall relate to the two-fiscal year period ending on the preceding September 30. Each subsequent report shall be submitted not later than 90 days after the end of the two-fiscal-year period for which the report is to be submitted.

"PART B—GENERAL PROVISIONS RESPECTING NATIONAL RESEARCH INSTITUTES

"APPOINTMENT AND AUTHORITY OF THE DIRECTORS OF THE NATIONAL RESEARCH INSTITUTES

"SEC. 405. (a) The Director of the National Cancer Institute shall be appointed by the President and the Directors of the other national research institutes shall be appointed by the Secretary. Each Director of a national research institute shall report directly to the Director of NIH.

"(b)(1) In carrying out the purposes of section 301 with respect to the human diseases or disorders or other aspects of human health for which the national research institutes were established, the Secretary, acting through the Director of each national research institute—

"(A) shall encourage and support research, investigations, experiments, demonstrations, and studies in the health sciences related to—

"(i) the maintenance of health,

"(ii) the detection, diagnosis, treatment, and prevention of human diseases and disorders,

"(iii) the rehabilitation of individuals with human diseases, disorders, and disabilities, and

"(iv) the expansion of knowledge of the processes underlying human diseases, disorders, and disabilities, the processes underlying the normal and pathological functioning of the body and its organ systems, and the processes underlying the interactions between the human organism and the environment;

"(B) may, subject to the peer review prescribed under section 490(b) and any advisory council review under section 406(a)(3)(A)(i), conduct the research, investigations, experiments, demonstrations, and studies referred to in subparagraph (A);

"(C) may conduct and support research training (i) for which fellowship support is not provided under section 485, and (ii) which is not residency training of physicians or other health professionals;

"(D) may develop, implement, and support demonstrations and programs for the application of the results of the activities of the institute to clinical practice and disease prevention activities;

"(E) may develop, conduct, and support public and professional education and information programs;

"(F) may secure, develop and maintain, distribute, and support the development and maintenance of resources needed for research;

"(G) may make available the facilities of the institute to appropriate entities and individuals engaged in research activities and cooperate with and assist Federal and State agencies charged with protecting the public health;

"(H) may accept unconditional gifts made to the institute for its activities, and, in the case of gifts of a value in excess of $50,000, establish suitable memorials to the donor;

"(I) may secure for the institute consultation services and advice of persons from the United States or abroad;

"(J) may use, with their consent, the services, equipment, personnel, information, and facilities of other Federal, State, or local public agencies, with or without reimbursement therefor;

"(K) may accept voluntary and uncompensated services; and

"(L) may perform such other functions as the Secretary determines are needed to carry out effectively the purposes of the institute.

The indemnification provisions of section 2354, title 10, United States Code, shall apply with respect to contracts entered into under this subsection and section 402(b).

"(2) Support for an activity or program under this subsection may be provided through grants, contracts, and cooperative agreements. The Secretary, acting through the Director of each national research institute—

"(A) may enter into a contract for research, training, or demonstrations only if the contract has been recommended after peer review required by regulations under section 490; and

"(B) may make grants and cooperative agreements under paragraph (1) for research, training, or demonstrations, except that—

"(i) if the direct cost of the grant or cooperative agreement to be made does not exceed $50,000, such grant or cooperative agreement may be made only if such grant or cooperative agreement is recommended after peer review required by regulations under section 490, and

"(ii) if the direct cost of the grant or cooperative agreement to be made equals or exceeds $50,000, such grant or cooperative agreement may be made only if such grant or cooperative agreement is recommended after peer review required by regulations under section 490 and is recommended under section 406(a)(3)(A)(ii) by the advisory council for the national research institute involved.

"(c) In carrying out subsection (b), each Director of a national research institute—

"(1) shall coordinate, as appropriate, the activities of the institute with similar programs of other public and private entities;

"(2) shall cooperate with the Directors of the other national research institutes in the development and support of multidisciplinary research and research that involves more than one institute; and

"(3) may, with the approval of the advisory council for the institute and the Director of NIH, appoint peer review groups in addition to those appointed under section 402(b)(6).

"ADVISORY COUNCILS

"SEC. 406. (a)(1) Except as provided in subsection (h), the Secretary shall appoint an advisory council for each national research institute which (A) shall advise, assist, consult with, and make recommendations to the Secretary and the Director of such institute on matters related to the activities carried out by and through the institute and the policies respecting such activities, and (B) shall carry out the special functions prescribed by part C.

"(2) Each advisory council for a national research institute may recommend to the Secretary acceptance, in accordance with section 2101, of conditional gifts for study, investigation, or research respecting the diseases, disorders, or other aspect of human health with respect to which the institute was established, for the acquisition of grounds, or for the construction, equipping, or maintenance of facilities for the institute.

"(3) Each advisory council for a national research institute—

"(A)(i) may on the basis of the materials provided under section 490(b)(2) respecting research conducted at the institute, make recommendations to the Director of the institute respecting such research,

"(ii) may review applications for grants and cooperative agreements for research or

training and for which advisory council approval is required under section 405(b)(2) and recommend for approval applications for projects which show promise of making valuable contributions to human knowledge, and

"(iii) may review any grant, contract, or cooperative agreement proposed to be made or entered into by the institute;

"(B) may collect, by correspondence or by personal investigation, information as to studies which are being carried on in the United States or any other country as to the disease, disorders, or other aspect of human health with respect to which the institute was established and with the approval of the Director of the institute make available such information through appropriate publications for the benefit of public and private health entities and health professions personnel and scientists and for the information of the general public; and

"(C) may appoint subcommittees and convene workshops and conferences.

"(b)(1) Each advisory council shall consist of ex officio members and not more than eighteen members appointed by the Secretary.

"(2) The ex officio members of an advisory council shall consist of—

"(A) the Secretary, the Director of NIH, the Director of the national research institute for which the council is established, the Chief Medical Director or the Chief Dental Director of the Veterans' Administration, and the Assistant Secretary of Defense for Health Affairs (or the designees of such officers); and

"(B) such additional officers or employees of the United States as the Secretary determines necessary for the advisory council to effectively carry out its functions.

"(3) The members of an advisory council who are not ex officio members shall be appointed as follows:

"(A) Two thirds of the members shall be appointed by the Secretary from among the leading representatives of the health and scientific disciplines relevant to the activities of the national research institute for which the advisory council is established.

"(B) One third of the members shall be appointed by the Secretary from the general public and from among leaders in fields of public health, behavioral science, social science, public policy, law, health policy, economics, and management, and at least one of such members shall be from the general public.

"(4) Members of an advisory council who are officers or employees of the United States shall not receive any compensation for service on the advisory council. The other members of an advisory council shall receive, for each day (including traveltime) they are engaged in the performance of the functions of the advisory council, compensation at rates not to exceed the daily equivalent of the annual rate in effect for grade GS-18 of the General Schedule.

"(c) The term of office of an appointed member of an advisory council is four years, except that any member appointed to fill a vacancy for an unexpired term shall be appointed for the remainder of such term and the Secretary shall make appointments to an advisory council in such a manner as to ensure that the terms of the members do not all expire in the same year. A member may serve after the expiration of the member's term until a successor has taken office. A member who has been appointed for a term of four years may not be reappointed to an advisory council before two years from the date of expiration of such term of office. If a vacancy occurs in the advisory council among the appointed members, the Secretary shall make an appointment to fill the vacancy within 90 days from the date the vacancy occurs.

"(d) The chairman of an advisory council shall be the Director of the national research institute for which the advisory council is established.

"(e) The advisory council shall meet at the call of the chairman or upon the request of the Director of the national research institute for which it was established, but at least three times each fiscal year. The location of the meetings of each advisory council is subject to the approval of the Director of the national research institute for which the advisory council was established.

"(f) The Director of the national research institute for which an advisory council is established shall designate a member of the staff of the institute to serve as the executive secretary of the advisory council. The Director of such institute shall make available to the advisory council such staff, information, and other assistance as it may require to carry out its functions. The Director of such institute shall provide orientation and training for new members of the advisory council to provide them with such information and training as may be appropriate for their effective participation in the functions of the advisory council.

"(g) Each advisory council may prepare, for inclusion in the biennial report made under section 407, (1) comments respecting the activities of the advisory council in the fiscal years respecting which the report is prepared, (2) comments on the progress of the national research institute for which it was established in meeting its objectives, and (3) recommendations respecting the future directions and program and policy emphasis of the institute. Each advisory council may prepare such additional reports as it may determine appropriate.

"(h)(1) Except as provided in paragraph (2), this section does not terminate the membership of any advisory council for a national research institute which was in existence on the effective date of the Health Research Extension Act of 1985. After such date—

"(A) the Secretary shall make appointments to each such advisory council in such a manner as to bring about as soon as practicable the composition for such council prescribed by this section;

"(B) each advisory council shall organize itself in accordance with this section and exercise the functions prescribed by this section; and

"(C) the Director of each national research institute shall perform for such advisory council the functions prescribed by this section.

"(2)(A) The National Cancer Advisory Board shall be the advisory council for the National Cancer Institute. This section applies to the National Cancer Advisory Board, except that—

"(i) appointments to such Board shall be made by the President;

"(ii) the term of office of an appointed member shall be 6 years;

"(iii) of the members appointed to the Board, not less than five members shall be individuals knowledgeable in environmental carcinogenesis (including carcinogenesis involving occupational and dietary factors);

"(iv) the chairman of the Board shall be selected by the President from the appointed members and shall serve as chairman for a term of two years;

"(v) the ex officio members of the Board shall be the Secretary, the Director of the Office of Science and Technology Policy, the Director of NIH, the Chief Medical Director of the Veterans' Administration, the Director of the National Institute for Occupational Safety and Health, the Director of the National Institute of Environmental Health Sciences, the Secretary of Labor, the Commissioner of the Food and Drug Administration, the Administrator of the Environmental Protection Agency, the Chairman of the Consumer Product Safety Commission, and the Assistant Secretary of Defense for Health Affairs (or the designees of such officers); and

"(vi) the Board shall meet at least four times each fiscal year.

"(B) This section applies to the advisory council to the National Heart, Lung, and Blood Institute, except that such advisory council shall meet at least four times each fiscal year.

"BIENNIAL REPORT

"SEC. 407. The Director of each national research institute, after consultation with the advisory council for the institute, shall prepare for inclusion in the biennial report made under section 403 a biennial report which shall consist of a description of the activities of the institute and program policies of the Director of the institute in the fiscal years respecting which the report is prepared. The Director of each national research institute may prepare such additional reports as the Director determines appropriate. The Director of each national research institute shall provide the advisory council for the institute an opportunity for the submission of the written comments referred to in section 406(g).

"AUTHORIZATIONS OF APPROPRIATIONS

"SEC. 408. (a) In addition to amounts otherwise authorized to be appropriated under this title for the National Institutes of Health, the following amounts are authorized to be appropriated:

"(1)(A) For the National Cancer Institute (other than its programs under section 412), there are authorized to be appropriated $1,194,000,000 for fiscal year 1986, $1,270,000,000 for fiscal year 1987, and $1,344,000,000 for fiscal year 1988.

"(B) For the programs under section 412, there are authorized to be appropriated $68,000,000 for fiscal year 1986, $74,000,000 for fiscal year 1987, and $80,000,000 for fiscal year 1988.

"(2)(A) For the National Heart, Lung, and Blood Institute (other than its programs under section 419), there are authorized to be appropriated $809,000,000 for fiscal year 1986, $871,000,000 for fiscal year 1987, and $927,000,000 for fiscal year 1988. Of the amount appropriated under this subsection for any such fiscal year, not less than 15 percent of such amount shall be reserved for programs respecting diseases of the lung and not less than 15 percent of such amount shall be reserved for programs respecting blood diseases and blood resources.

"(B) For the programs under section 419, there are authorized to be appropriated $82,000,000 for fiscal year 1986, $90,000,000 for fiscal year 1987, and $98,000,000 for fiscal year 1988.

"(b)(1) Not later than December 31, 1987, and December 31 of each succeeding year, the Secretary shall report to the Congress the amount obligated in the fiscal year preceding such date for administrative ex-

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penses of the National Institutes of Health and the total amount appropriated for the National Institutes of Health for such fiscal year. The Secretary shall consult with the Comptroller General in preparing each report.

"(2) For purposes of paragraph (1), the term 'administrative expenses' means expenses incurred for the support of activities relevant to the award of grants, contracts, and cooperative agreements, and expenses incurred for general administration of the scientific programs and activities of the National Institutes of Health. In identifying expenses incurred for such support and administration, the Secretary shall consult with the Comptroller General of the United States.

"PART C—SPECIFIC PROVISIONS RESPECTING NATIONAL RESEARCH INSTITUTES

"SUBPART 1—NATIONAL CANCER INSTITUTE

"PURPOSE OF INSTITUTE

"SEC. 410. The general purpose of the National Cancer Institute (hereafter in this subpart referred to as the 'Institute') is the conduct and support of research, training, health information dissemination, and other programs with respect to the cause, diagnosis, prevention, and treatment of cancer and the continuing care of cancer patients and the families of cancer patients.

"NATIONAL CANCER PROGRAM

"SEC. 411. The National Cancer Program shall consist of (1) an expanded, intensified, and coordinated cancer research program encompassing the research programs conducted and supported by the Institute and the related research programs of the other national research institutes, including an expanded and intensified research program for the prevention of cancer caused by occupational or environmental exposure to carcinogens, and (2) the other programs and activities of the Institute.

"CANCER CONTROL PROGRAMS

"SEC. 412. The Director of the Institute shall establish and support demonstration, education, and other programs for the detection, diagnosis, prevention, and treatment of cancer and for rehabilitation and counseling respecting cancer. Programs established and supported under this section shall include—

"(1) locally initiated education and demonstration programs (and regional networks of such programs) to transmit research results and to disseminate information respecting—

"(A) the detection, diagnosis, prevention, and treatment of cancer,

"(B) the continuing care of cancer patients and the families of cancer patients, and

"(C) rehabilitation and counseling respecting cancer,

to physicians and other health professionals who provide care to individuals who have cancer;

"(2) the demonstration of and the education of students of the health professions and health professionals in—

"(A) effective methods for the prevention and early detection of cancer and the identification of individuals with a high risk of developing cancer, and

"(B) improved methods of patient referral to appropriate centers for early diagnosis and treatment of cancer; and

"(3) the demonstration of new methods for the dissemination of information to the general public concerning the prevention, early detection, diagnosis, and treatment and control of cancer and information concerning unapproved and ineffective methods, drugs, and devices for the diagnosis, prevention, treatment, and control of cancer.

"SPECIAL AUTHORITIES OF THE DIRECTOR

"SEC. 413. (a) The Director of the Institute shall establish an information and education center to collect, identify, analyze, and disseminate on a timely basis, through publications and other appropriate means, to cancer patients and their families, physicians and other health professionals, and the general public, information on cancer research, diagnosis, prevention, and treatment (including information respecting nutrition programs for cancer patients and the relationship between nutrition and cancer). The Director of the Institute may take such action as may be necessary to insure that all channels for the dissemination and exchange of scientific knowledge and information are maintained between the Institute and other scientific, medical, and biomedical disciplines and organizations nationally and internationally.

"(b) The Director of the Institute in carrying out the National Cancer Program—

"(1) shall establish or support the large-scale production or distribution of specialized biological materials and other therapeutic substances for cancer research and set standards of safety and care for persons using such materials;

"(2) shall, in consultation with the advisory council for the Institute, support (A) research in the cancer field outside the United States by highly qualified foreign nationals which can be expected to benefit the American people, (B) collaborative research involving American and foreign participants, and (C) the training of American scientists abroad and foreign scientists in the United States;

"(3) shall, in consultation with the advisory council for the Institute, support appropriate programs of education (including continuing education) and training in fundamental sciences and clinical disciplines in order to enable investigators, physicians, and allied health professionals to participate in clinical programs relating to cancer;

"(4) shall encourage and coordinate cancer research by industrial concerns where such concerns evidence a particular capability for such research;

"(5) may obtain (with the approval of the advisory council for the Institute and in accordance with section 3109 of title 5, United States Code, but without regard to the limitation in such section on the period of service) the services of not more than one hundred and fifty-one experts or consultants who have scientific or professional qualifications;

"(6)(A) may, in consultation with the advisory council for the Institute, acquire, construct, improve, repair, operate, and maintain laboratories, other research facilities, equipment, and such other real or personal property as the Director determines necessary;

"(B) may, in consultation with the advisory council for the Institute, make grants for construction or renovation of facilities; and

"(C) may, in consultation with the advisory council for the Institute, acquire, without regard to the Act of March 3, 1877 (40 U.S.C. 34), by lease or otherwise through the Administrator of General Services, buildings or parts of buildings in the District of Columbia or communities located adjacent to the District of Columbia for the use of the Institute for a period not to exceed ten years;

"(7) may, in consultation with the advisory council for the Institute, appoint one or more advisory committees composed of such private citizens and officials of Federal, State, and local governments to advise the Director with respect to the Director's functions;

"(8) may, subject to section 405(b)(2) and without regard to section 3324 of title 31, United States Code, and section 3709 of the Revised Statutes (41 U.S.C. 5), enter into such contracts, leases, cooperative agreements, as may be necessary in the conduct of functions of the Director, with any public agency, or with any person, firm, association, corporation, or educational institution;

"(9) shall maintain and operate the International Cancer Research Data Bank, which shall collect, catalog, store, and disseminate insofar as feasible through the use of information systems accessible to the public, general practitioners, and oncologic investigators, the results of cancer research and treatment undertaken in any country for the use of any person involved in cancer research and treatment in any country; and

"(10)(A) shall, notwithstanding section 405(a), prepare and submit, directly to the President for review and transmittal to Congress, an annual budget estimate (including an estimate of the number and type of personnel needs for the Institute) for the National Cancer Program, after reasonable opportunity for comment (but without change) by the Secretary, the Director of NIH, and the Institute's advisory council; and (B) may receive from the President and the Office of Management and Budget directly all funds appropriated by Congress for obligation and expenditure by the Institute.

"(c) Except as otherwise provided, experts and consultants whose services are obtained under paragraph (5) of subsection (b) shall be paid or reimbursed, in accordance with title 5, United States Code, for their travel to and from their place of service and for other expenses associated with their assignment. Such expenses shall not be allowed in connection with the assignment of an expert or consultant whose services are obtained under such paragraph unless the expert or consultant has agreed in writing to complete the entire period of the assignment or one year of the assignment, whichever is shorter, unless separated or reassigned for reasons which are beyond the control of the expert or consultant and which are acceptable to the Director of the Institute. If the expert or consultant violates the agreement, the money spent by the United States for such expenses is recoverable from the expert or consultant as a debt due the United States. The Secretary may waiver in whole or in part a right of recovery under this subsection.

"NATIONAL CANCER RESEARCH AND DEMONSTRATION CENTERS

"SEC. 414. (a) The Director of the Institute is authorized to provide for the establishment of new centers for basic and clinical research into, training in, and demonstration of, advanced diagnostic, prevention, and treatment methods for cancer. Such centers may be supported under subsection (b) or under any other applicable provision of law.

"(b)(1) The Director of the Institute, under policies established by the Director of NIH and after consultation with the advisory council to the Institute, is authorized to enter into cooperative agreements with public or private nonprofit agencies or insti-

tutions to pay all or part of the cost of planning, establishing, or strengthening, and providing basic operating support for existing or new centers for basic and clinical research into, training in, and demonstration of advanced diagnostic, prevention, and treatment methods for cancer.

"(2) Federal payments made under this subsection in support of a cooperative agreement under paragraph (1) may be used for—

"(A) construction (notwithstanding any limitation under section 494);

"(B) staffing and other basic operating costs, including such patient care costs as are required for research;

"(C) clinical training, including training for allied health professionals, continuing education for health professionals and allied health professions personnel, and information programs for the public respecting cancer; and

"(D) demonstration purposes.

"(c) As used in this section, the term 'construction' does not include the acquisition of land, and the term 'training' does not include research training for which National Research Service Awards may be provided under section 485.

"(d) Support of a center under this section may be for a period of not to exceed five years. Such period may be extended by the Director for additional periods of not more than five years each if the operations of such center have been reviewed by an appropriate scientific review group established by the Director and if such group has recommended to the Director that such period should be extended.

"PRESIDENT'S CANCER PANEL

"SEC. 415. (a)(1) The President's Cancer Panel (hereafter in this section referred to as the 'Panel') shall be composed of three persons appointed by the President who by virture of their training, experience, and background are exceptionally qualified to appraise the National Cancer Program. At least two members of the Panel shall be distinguished scientists or physicians.

"(2)(A) Members of the Panel shall be appointed for three-year terms, except that (i) any member appointed to fill a vacancy occurring prior to the expiration of the term for which the member's predecessor was appointed shall be appointed only for the remainder of such term, and (ii) a member may serve until the member's successor has taken office. If a vacancy occurs in the Panel, the President shall make an appointment to fill the vacancy not later than 90 days after the date the vacancy occurred.

"(B) The President shall designate one of the members to serve as the chairman of the Panel for a term of one year.

"(C) Members of the Panel shall each be entitled to receive the daily equivalent of the annual rate of basic pay in effect for grade GS-18 of the General Schedule for each day (including traveltime) during which they are engaged in the actual performance of duties as members of the Panel and shall be allowed travel expenses (including a per diem allowance) under section 5703 of title 5, United States Code.

"(3) The Panel shall meet at the call of the chairman, but not less often than four times a year. A transcript shall be kept of the proceedings of each meeting of the Panel, and the chairman shall make such transcript available to the public.

"(b) The Panel shall monitor the development and execution of the activities of the National Cancer Program, and shall report directly to the President. Any delays or blockages in rapid execution of the Program shall immediately be brought to the attention of the President. The Panel shall submit to the President periodic progress reports on the Program and shall submit to the President, the Secretary, and the Congress an annual evaluation of the efficacy of the Program and suggestions for improvements, and shall submit such other reports as the President shall direct.

"ASSOCIATE DIRECTOR FOR PREVENTION

"SEC. 416. (a) There shall be in the Institute an Associate Director for Prevention to coordinate and promote the programs in the Institute concerning the prevention of cancer. The Associate Director shall be appointed by the Director of the Institute from individuals who because of their professional training or experience are experts in public health or preventive medicine.

"(b) The Associate Director for Prevention shall prepare for inclusion in the biennial report made under section 407 a description of the prevention activities of the Institute, including a description of the staff and resources allocated to those activities.

"SUBPART 2—NATIONAL HEART, LUNG, AND BLOOD INSTITUTE

"PURPOSE OF THE INSTITUTE

"SEC. 418. The general purpose of the National Heart, Lung, and Blood Institute (hereafter in this subpart referred to as the 'Institute') is the conduct and support of research, training, health information dissemination, and other programs with respect to heart, blood vessel, lung, and blood diseases and with respect to the use of blood and blood products and the management of blood resources.

"HEART, BLOOD VESSEL, LUNG, AND BLOOD DISEASE PREVENTION AND CONTROL PROGRAMS

"SEC. 419. The Director of the Institute, under policies established by the Director of NIH and after consultation with the advisory council for the Institute, shall establish programs as necessary for cooperation with other Federal health agencies, State, local, and regional public health agencies, and nonprofit private health agencies in the diagnosis, prevention, and treatment (including the provision of emergency medical services) of heart, blood vessel, lung, and blood diseases, appropriately emphasizing the prevention, diagnosis, and treatment of such diseases of children.

"INFORMATION AND EDUCATION

"SEC. 420. The Director of the Institute shall collect, identify, analyze, and disseminate on a timely basis, through publications and other appropriate means, to patients, families of patients, physicians and other health professionals, and the general public, information on research, prevention, diagnosis, and treatment of heart, blood vessel, lung, and blood diseases, the maintenance of health to reduce the incidence of such diseases, and on the use of blood and blood products and the management of blood resources. In carrying out this section the Director of the Institute shall place special emphasis upon—

"(1) the dissemination of information regarding diet and nutrition, environmental pollutants, exercise, stress, hypertension, cigarette smoking, weight control, and other factors affecting the prevention of arteriosclerosis and other cardiovascular diseases and of pulmonary and blood diseases; and

"(2) the dissemination of information designed to encourage children to adopt healthful habits respecting the risk factors related to the prevention of such diseases.

"NATIONAL HEART, BLOOD VESSEL, LUNG, AND BLOOD DISEASES AND BLOOD RESOURCES PROGRAM

"SEC. 421. (a)(1) The National Heart, Blood Vessel, Lung, and Blood Diseases and Blood Resources Program (hereafter in this subpart referred to as the 'Program') may provide for—

"(A) investigation into the epidemiology, etiology, and prevention of all forms and aspects of heart, blood vessel, lung, and blood diseases, including investigations into the social, environmental, behavioral, nutritional, biological, and genetic determinants and influences involved in the epidemiology, etiology, and prevention of such diseases;

"(B) studies and research into the basic biological processes and mechanisms involved in the underlying normal and abnormal heart, blood vessel, lung, and blood phenomena;

"(C) research into the development, trial, and evaluation of techniques, drugs, and devices (including computers) used in, and approaches to, the diagnosis, treatment (including the provision of emergency medical services), and prevention of heart, blood vessel, lung, and blood diseases and the rehabilitation of patients suffering from such diseases;

"(D) establishment of programs that will focus and apply scientific and technological efforts involving the biological, physical, and engineering sciences to all facets of heart, blood vessel, lung, and blood diseases with emphasis on the refinement, development, and evaluation of technological devices that will assist, replace, or monitor vital organs and improve instrumentation for detection, diagnosis, and treatment of such diseases;

"(E) establishment of programs for the conduct and direction of field studies, large-scale testing and evaluation, and demonstration of preventive, diagnostic, therapeutic, and rehabilitative approaches to, and emergency medical services for, such diseases;

"(F) studies and research into blood diseases and blood, and into the use of blood for clinical purposes and all aspects of the management of blood resources in the United States, including the collection, preservation, fractionation, and distribution of blood and blood products;

"(G) the education (including continuing education) and training of scientists, clinical investigators, and educators in fields and specialties (including computer sciences) requisite to the conduct of clinical programs respecting heart, blood vessel, lung, and blood diseases and blood resources;

"(H) public and professional education relating to all aspects of such diseases, including the prevention of such diseases, and the use of blood and blood products and the management of blood resources;

"(I) establishment of programs for study and research into heart, blood vessel, lung, and blood diseases of children (including cystic fibrosis, hyaline membrane, hemolytic diseases such as sickle cell anemia and Cooley's anemia, and hemophilic diseases) and for the development and demonstration of diagnostic, treatment, and preventive approaches to such diseases; and

"(J) establishment of programs for study, research, development, demonstrations, and evaluation of emergency medical services for people who become critically ill in connection with heart, blood vessel, lung, or blood diseases.

"(2) The Program shall be coordinated with other national research institutes to

the extent that they have responsibilities respecting such diseases and shall give special emphasis to the continued development in the Institute of programs related to the causes of stroke and to effective coordination of such programs with related stroke programs in the National Institute of Neurological and Communicative Disorders and Stroke. The Director of the Institute, with the advice of the advisory council for the Institute, shall revise annually the plan for the Program and shall carry out the Program in accordance with such plan.

"(b) In carrying out the Program, the Director of the Institute, under policies established by the Director of NIH—

"(1) may, after approval of the advisory council for the Institute, obtain (in accordance with section 3109 of title 5, United States Code, but without regard to the limitation in such section on the period of service) the services of not more than one hundred experts or consultants who have scientific or professional qualifications;

"(2)(A) may, in consultation with the advisory council for the Institute, acquire and construct, improve, repair, operate, alter, renovate, and maintain, heart, blood vessel, lung, and blood disease and blood resource laboratory, research, training, and other facilities, equipment, and such other real or personal property as the Director determines necessary;

"(B) may, in consultation with the advisory council for the Institute, make grants for construction or renovation of facilities; and

"(C) may, in consultation with the advisory council for the Institute, acquire, without regard to the Act of March 3, 1877 (40 U.S.C. 34), by lease or otherwise, through the Administrator of General Services, buildings or parts of buildings in the District of Columbia or communities located adjacent to the District of Columbia for the use of the Institute for a period not to exceed ten years;

"(3) subject to section 405(b)(2) and without regard to section 3324 of title 31, United States Code, and section 3709 of the Revised Statutes (41 U.S.C. 5), may enter into such contracts, leases, cooperative agreements, or other transactions, as may be necessary in the conduct of the Director's functions, with any public agency, or with any person, firm, association, corporation, or educational institutions; and

"(4) may make grants to public and nonprofit private entities to assist in meeting the cost of the care of patients in hospitals, clinics, and related facilities who are participating in research projects.

"(c) Except as otherwise provided, experts and consultants whose services are obtained under paragraph (1) of subsection (b) shall be paid or reimbursed, in accordance with title 5, United States Code, for their travel to and from their place of service and for other expenses associated with their assignment. Such expenses shall not be allowed in connection with the assignment of an expert or consultant whose services are obtained under such paragraph unless the expert or consultant has agreed in writing to complete the entire period of the assignment or one year of the assignment, whichever is shorter, unless separated or reassigned for reasons which are beyond the control of the expert or consultant and which are acceptable to the Director of the Institute. If the expert or consultant violates the agreement, the money spent by the United States for such expenses is recoverable from the expert or consultant as a debt due the United States. The Secretary may waive in whole or in part a right of recovery under this subsection.

"NATIONAL RESEARCH AND DEMONSTRATION CENTERS FOR HEART, BLOOD VESSEL, LUNG, AND BLOOD DISEASES, SICKLE CELL ANEMIA, AND BLOOD RESOURCES

"SEC. 422. (a)(1) The Director of the Institute may provide, in accordance with subsection (c), for the development of—

"(A) ten centers for basic and clinical research into, training in, and demonstration of, advanced diagnostic, prevention, and treatment methods (including methods of providing emergency medical services) for heart and blood vessel diseases;

"(B) ten centers for basic and clinical research into, training in, and demonstration of, advanced diagnostic, prevention, and treatment methods (including methods of providing emergency medical services) for lung diseases (including bronchitis, emphysema, asthma, cystic fibrosis, and other lung diseases of children); and

"(C) ten centers for basic and clinical research into, training in, and demonstration of, advanced diagnostic, prevention, and treatment methods (including methods of providing emergency medical services) for blood diseases and research into blood, in the use of blood products and in the management of blood resources.

"(2) The centers developed under paragraph (1) shall, in addition to being utilized for research, training, and demonstrations, be utilized for the following prevention programs for cardiovascular, pulmonary, and blood diseases:

"(A) Programs to develop improved methods of detecting individuals with a high risk of developing cardiovascular, pulmonary, and blood diseases.

"(B) Programs to develop improved methods of intervention against those factors which cause individuals to have a high risk of developing such diseases.

"(C) Programs to develop health professions and allied health professions personnel highly skilled in the prevention of such diseases.

"(D) Programs to develop improved methods of providing emergency medical services for persons with such diseases.

"(E) Programs of continuing education for health and allied health professionals in the diagnosis, prevention, and treatment of such diseases and the maintenance of health to reduce the incidence of such diseases and information programs for the public respecting the prevention and early diagnosis and treatment of such diseases and the maintenance of health.

"(3) The research, training, and demonstration activities carried out through any such center may relate to any one or more of the diseases referred to in paragraph (1) of this subsection.

"(b) The Director of the Institute shall provide, in accordance with subsection (c), for the development of ten centers for basic and clinical research into the diagnosis, treatment, and control of sickle cell anemia.

"(c)(1) The Director of the Institute may enter into cooperative agreements with and make grants to public or private nonprofit entities to pay all or part of the cost of planning, establishing, or strengthening, and providing basic operating support for centers for basic and clinical research into, training in, and demonstration of the management of blood resources and advanced diagnostic, prevention, and treatment methods for heart, blood vessel, lung, or blood diseases.

"(2) A cooperative agreement or grant under paragraph (1) shall be entered into in accordance with policies established by the Director of NIH and after consultation with the Institute's advisory council.

"(3) Federal payments made under a cooperative agreement or grant under paragraph (1) may be used for—

"(A) construction (notwithstanding any limitation under section 494);

"(B) staffing and other basic operating costs, including such patient care costs as are required for research;

"(C) training, including training for allied health professionals; and

"(D) demonstration purposes.

"(4) As used in this subsection, the term 'construction' does not include the acquisition of land, and the term 'training' does not include research training for which National Research Service Awards may be provided under section 485.

"(5) Support of a center under paragraph (1) may be for a period of not to exceed five years. Such period may be extended by the Director for additional periods of not more than five years each if the operations of such center have been reviewed by an appropriate scientific review group established by the Director and if such group has recommended to the Director that such period should be extended.

"INTERAGENCY TECHNICAL COMMITTEE

"SEC. 423. (a) The Secretary shall establish an Interagency Technical Committee on Heart, Blood Vessel, Lung and Blood Diseases and Blood Resources which shall be responsible for coordinating those aspects of all Federal health programs and activities relating to heart, blood vessel, lung, and blood diseases and blood resources to assure the adequacy and technical soundness of such programs and activities and to provide for the full communication and exchange of information necessary to maintain adequate coordination of such programs and activities.

"(b) The Director of the Institute shall serve as chairman of the Committee and the Committee shall include representation from all Federal departments and agencies whose programs involve health functions or responsibilities relevant to the functions of the Committee, as determined by the Secretary.

"ASSOCIATE DIRECTOR FOR PREVENTION

"SEC. 424. (a) There shall be in the Institute an Associate Director for Prevention to coordinate and promote the programs in the Institute concerning the prevention of heart, blood vessel, lung, and blood diseases. The Associate Director shall be appointed by the Director of the Institute from individuals who because of their professional training or experience are experts in public health or preventive medicine.

"(b) The Associate Director for Prevention shall prepare for inclusion in the biennial report made under section 407 a description of the prevention activities of the Institute, including a description of the staff and resources allocated to those activities.

"SUBPART 3—NATIONAL INSTITUTE OF DIABETES AND DIGESTIVE AND KIDNEY DISEASES

"PURPOSE OF THE INSTITUTE

"SEC. 426. The general purpose of the National Institute of Diabetes and Digestive and Kidney Diseases (hereafter in this subpart referred to as the 'Institute') is the conduct and support of research, training, health information dissemination, and

other programs with respect to diabetes mellitus and endocrine and metabolic diseases, digestive diseases and nutritional disorders, and kidney, urologic, and hematologic diseases.

"DATA SYSTEMS AND INFORMATION CLEARINGHOUSES

"SEC. 427. (a) The Director of the Institute shall (1) establish the National Diabetes Data System for the collection, storage, analysis, retrieval, and dissemination of data derived from patient populations with diabetes, including, where possible, data involving general populations for the purpose of detection of individuals with a risk of developing diabetes, and (2) establish the National Diabetes Information Clearinghouse to facilitate and enhance knowledge and understanding of diabetes on the part of health professionals, patients, and the public through the effective dissemination of information.

"(b) The Director of the Institute shall (1) establish the National Digestive Diseases Data System for the collection, storage, analysis, retrieval, and dissemination of data derived from patient populations with digestive diseases, including, where possible, data involving general populations for the purpose of detection of individuals with a risk of developing digestive diseases, and (2) establish the National Digestive Diseases Information Clearinghouse to facilitate and enhance knowledge and understanding of digestive diseases on the part of health professionals, patients, and the public through the effective dissemination of information.

"(c) The Director of the Institute shall (1) establish the National Kidney and Urologic Diseases Data System for the collection, storage, analysis, retrieval, and dissemination of data derived from patient populations with kidney and urologic diseases, including, where possible, data involving general populations for the purpose of detection of individuals with a risk of developing kidney and urologic diseases and (2) establish the National Kidney and Urologic Diseases Information Clearinghouse to facilitate and enhance knowledge and understanding of kidney and urologic diseases on the part of health professionals, patients, and the public through the effective dissemination of information.

"DIVISION DIRECTORS FOR DIABETES, ENDOCRINOLOGY, AND METABOLIC DISEASES, DIGESTIVE DISEASES AND NUTRITION, AND KIDNEY, UROLOGIC, AND HEMATOLOGIC DISEASES

"SEC. 428. (a)(1) In the Institute there shall be a Division Director for Diabetes, Endocrinology, and Metabolic Diseases, a Division Director for Digestive Diseases and Nutrition, and a Division Director for Kidney, Urologic, and Hematologic Diseases. Such Division Directors, under the supervision of the Director of the Institute, shall be responsible for—

"(A) developing a coordinated plan (including recommendations for expenditures) for each of the national research institutes within the National Institutes of Health with respect to research and training concerning diabetes, endocrine and metabolic diseases, digestive diseases and nutrition, and kidney, urologic, and hematologic diseases;

"(B) assessing the adequacy of management approaches for the activities within such institutes concerning such diseases and nutrition and developing improved approaches if needed;

"(C) monitoring and reviewing expenditures by such institutes concerning such diseases and nutrition; and

"(D) identifying research opportunities concerning such diseases and nutrition and recommending ways to utilize such opportunities.

"(2) The Director of the Institute shall transmit to the Director of NIH the plans, recommendations, and reviews of the Division Directors under subparagraphs (A) through (D) of paragraph (1) and such comments and recommendations as the Director of the Institute determines appropriate.

"(b) The Director of the Institute, acting through the Division Director for Diabetes, Endocrinology, and Metabolic Diseases, the Division Director for Digestive Diseases and Nutrition, and the Division Director for Kidney, Urologic, and Hematologic Diseases shall—

"(1) carry out programs of support for research and training (other than training for which National Research Service Awards may be made under section 485) in the diagnosis, prevention, and treatment of diabetes mellitus and endocrine and metabolic diseases, digestive diseases and nutritional disorders, and kidney, urologic, and hematologic diseases, including support for training in medical schools, graduate clinical training, graduate training in epidemiology, epidemiology studies, clinical trials, and interdisciplinary research programs; and

"(2) establish programs of evaluation, planning, and dissemination of knowledge related to such research and training.

"INTERAGENCY COORDINATING COMMITTEES

"SEC. 429. (a) For the purpose of—

"(1) better coordination of the research activities of all the national research institutes relating to diabetes mellitus, digestive diseases, and kidney, urologic, and hematologic diseases; and

"(2) coordinating those aspects of all Federal health programs and activities relating to such diseases to assure the adequacy and technical soundness of such programs and activities and to provide for the full communication and exchange of information necessary to maintain adequate coordination of such programs and activities;

the Secretary shall establish a Diabetes Mellitus Interagency Coordinating Committee, a Digestive Diseases Interagency Coordinating Committee, and a Kidney, Urologic, and Hematologic Diseases Coordinating Committee (hereafter in this section individually referred to as a 'Committee').

"(b) Each Committee shall be composed of the Directors of each of the national research institutes and divisions involved in research with respect to the diseases for which the committee is established, the Division Director of the Institute for the diseases for which the committee is established, the Chief Medical Director of the Veterans' Administration, and the Assistant Secretary of Defense for Health Affairs (or the designees of such officers), and shall include representation from all other Federal departments and agencies whose programs involve health functions or responsibilities relevant to such diseases, as determined by the Secretary. Each Committee shall be chaired by the Director of NIH (or the designee of such Director). Each Committee shall meet at the call of the chairman, but not less often than four times a year.

"(c) Each Committee shall prepare an annual report for—

"(1) the Secretary;

"(2) the Director of NIH; and

"(3) the Advisory Board established under section 430 for the diseases for which the Committee was established,

detailing the work of the Committee in carrying out paragraphs (1) and (2) of subsection (a) in the fiscal year for which the report was prepared. Such report shall be submitted not later than 120 days after the end of each fiscal year.

"ADVISORY BOARDS

"SEC. 430. (a) The Secretary shall establish in the Institute the National Diabetes Advisory Board, the National Digestive Diseases Advisory Board, and the National Kidney and Urologic Diseases Advisory Board (hereafter in this section individually referred to as an 'Advisory Board').

"(b) Each Advisory Board shall be composed of eighteen appointed members and nonvoting ex officio members as follows:

"(1) The Secretary shall appoint—

"(A) twelve members from individuals who are scientists, physicians, and other health professionals, who are not officers or employees of the United States, and who represent the specialties and disciplines relevant to the diseases with respect to which the Advisory Board is established; and

"(B) six members from the general public who are knowledgeable with respect to such diseases, including at least one member who is a person who has such a disease and one member who is a parent of a person who has such a disease.

Of the appointed members, at least five shall by virtue of training or experience be knowledgeable in the fields of health education, nursing, data systems, public information, and community program development.

"(2)(A) The following shall be ex officio members of each Advisory Board:

"(i) The Assistant Secretary for Health, the Director of NIH, the Director of the National Institute of Diabetes and Digestive and Kidney Diseases, the Director of the Centers for Disease Control, the Chief Medical Director of the Veterans' Administration, the Assistant Secretary of Defense for Health Affairs, and the Division Director of the National Institute of Diabetes and Digestive and Kidney Diseases for the diseases for which the Board is established (or the designees of such officers).

"(ii) Such other officers and employees of the United States as the Secretary determines necessary for the Advisory Board to carry out its functions.

"(B) In the case of the National Diabetes Advisory Board, the following shall also be ex officio members: The Director of the National Heart, Lung, and Blood Institute, the Director of the National Eye Institute, the Director of the National Institute of Child Health and Human Development, and the Administrator of the Health Resources and Services Administration (or the designees of such officers).

"(c) Members of an Advisory Board who are officers or employees of the Federal Government shall serve as members of the Advisory Board without compensation in addition to that received in their regular public employment. Other members of the Board shall receive compensation at rates not to exceed the daily equivalent of the annual rate in effect for grade GS-18 of the General Schedule for each day (including traveltime) they are engaged in the performance of their duties as members of the Board.

"(d) The term of office of an appointed member of an Advisory Board is four years, except that no term of office may extend beyond the expiration of the Advisory Board. Any member appointed to fill a vacancy for an unexpired term shall be ap-

pointed for the remainder of such term. A member may serve after the expiration of the member's term until a successor has taken office. If a vacancy occurs in an Advisory Board, the Secretary shall make an appointment to fill the vacancy not later than 90 days from the date the vacancy occurred.

"(e) The members of each Advisory Board shall select a chairman from among the appointed members.

"(f) The Secretary shall, after consultation with and consideration of the recommendations of an Advisory Board, provide the Advisory Board with an executive director and one other professional staff member. In addition, the Secretary shall, after consultation with and consideration of the recommendations of the Advisory Board, provide the Advisory Board with such additional professional staff members, such clerical staff members, and (through contracts or other arrangements) such administrative support services and facilities, such information, and such services of consultants, as the Secretary determines are necessary for the Advisory Board to carry out its functions.

"(g) Each Advisory Board shall meet at the call of the chairman or upon request of the Director of the Institute, but not less often than four times a year.

"(h) The National Diabetes Advisory Board and the National Digestive Diseases Advisory Board shall—

"(1) review and evaluate the implementation of the plan (referred to in section 433) respecting the diseases with respect to which the Advisory Board was established and periodically update the plan to ensure its continuing relevance;

"(2) for the purpose of assuring the most effective use and organization of resources respecting such diseases, advise and make recommendations to the Congress, the Secretary, the Director of NIH, the Director of the Institute, and the heads of other appropriate Federal agencies for the implementation and revision of such plan; and

"(3) maintain liaison with other advisory bodies related to Federal agencies involved in the implementation of such plan, the coordinating committee for such diseases, and with key non-Federal entities involved in activities affecting the control of such diseases.

"(i) In carrying out its functions, each Advisory Board may establish subcommittees, convene workshops and conferences, and collect data. Such subcommittees may be composed of Advisory Board members and nonmember consultants with expertise in the particular area addressed by such subcommittees. The subcommittees may hold such meetings as are necessary to enable them to carry out their activities.

"(j) Each Advisory Board shall prepare an annual report for the Secretary which—

"(1) describes the Advisory Board's activities in the fiscal year for which the report is made;

"(2) describes and evaluates the progress made in such fiscal year in research, treatment, education, and training with respect to the diseases with respect to which the Advisory Board was established;

"(3) summarizes and analyzes expenditures made by the Federal Government for activities respecting such diseases in such fiscal year; and

"(4) contains the Advisory Board's recommendations (if any) for changes in the plan referred to in section 433.

"(k) Each Advisory Board shall expire on September 30, 1988.

"(l) The National Diabetes Advisory Board and the National Digestive Diseases Advisory Board in existence on the effective date of the Health Research Extension Act of 1985 shall terminate upon the appointment of a successor Board under subsection (a). The Secretary shall make appointments to the Advisory Boards established under subsection (a) before the expiration of 90 days after such effective date. The members of the Boards in existence on such date may be appointed, in accordance with subsections (b) and (d), to the Boards established under subsection (a) for diabetes and digestive diseases, except that at least one-half of the members of the National Diabetes Advisory Board in existence on the effective date of the Health Research Extension Act of 1985 shall be appointed to the National Diabetes Advisory Board first established under subsection (a).

"RESEARCH AND TRAINING CENTERS

"SEC. 431. (a)(1) Consistent with applicable recommendations of the National Commission on Diabetes, the Director of the Institute shall provide for the development or substantial expansion of centers for research and training in diabetes mellitus and related endocrine and metabolic diseases. Each center developed or expanded under this subsection shall—

"(A) utilize the facilities of a single institution, or be formed from a consortium of cooperating institutions, meeting such research and training qualifications as may be prescribed by the Secretary; and

"(B) conduct—

"(i) research in the diagnosis and treatment of diabetes mellitus and related endocrine and metabolic diseases and the complications resulting from such diseases;

"(ii) training programs for physicians and allied health personnel in current methods of diagnosis and treatment of such diseases and complications, and in research in diabetes; and

"(iii) information programs for physicians and allied health personnel who provide primary care for patients with such diseases or complications.

"(2) A center may use funds provided under this subsection to provide stipends for nurses and allied health professionals enrolled in research training programs described in paragraph (1)(B)(ii).

"(b) Consistent with applicable recommendations of the National Digestive Diseases Advisory Board, the Director shall provide for the development or substantial expansion of centers for research in digestive diseases and related functional, congenital, metabolic disorders, and normal development of the digestive tract. Each center developed or expanded under this subsection—

"(1) shall utilize the facilities of a single institution, or be formed from a consortium of cooperating institutions, meeting such research qualifications as may be prescribed by the Secretary;

"(2) shall develop and conduct basic and clinical research into the cause, diagnosis, early detection, prevention, control, and treatment of digestive diseases and nutritional disorders and related functional, congenital, or metabolic complications resulting from such diseases or disorders;

"(3) shall encourage research into and programs for—

"(A) providing information for patients with such diseases, disorders, and complications and the families of such patients, physicians and others who care for such patients, and the general public;

"(B) model programs for cost effective and preventive patient care; and

"(C) training physicians and scientists in research on such diseases, disorders, and complications; and

"(4) may perform research and participate in epidemiological studies and data collection relevant to digestive diseases and disorders in order to disseminate such research, studies, and data to the health care profession and to the public.

"(c) The Director shall provide for the development, establishment, or substantial expansion of centers for research in kidney and urologic diseases. Each center developed, established, or expanded under this subsection—

"(1) shall utilize the facilities of a single institution, or be formed from a consortium of cooperating institutions, meeting such research qualifications as may be prescribed by the Secretary;

"(2) shall develop and conduct basic and clinical research into the cause, diagnosis, early detection, prevention, control, and treatment of kidney and urologic diseases;

"(3) shall encourage research into and programs for—

"(A) providing information for patients with such diseases and the families of such patients, physicians and others who care for such patients, and the general public;

"(B) model programs for cost effective and preventive patient care; and

"(C) training physicians and scientists in research on such diseases; and

"(4) may perform research and participate in epidemiological studies and data collection relevant to kidney and urologic diseases in order to disseminate such research, studies, and data to the health care profession and to the public.

"(d) Insofar as practicable, centers developed, established, or expanded under this section should be geographically dispersed throughout the United States and in environments with proven research capabilities. Support of a center under this section may be for a period of not to exceed five years and such period may be extended by the Director of the Institute for additional periods of not more than five years each if the operations of such center have been reviewed by an appropriate scientific review group established by the Director and if such group has recommended to the Director that such period should be extended.

"ADVISORY COUNCIL SUBCOMMITTEES

"SEC. 432. There are established within the advisory council for the Institute appointed under section 406 a subcommittee on diabetes and endocrine and metabolic diseases, a subcommittee on digestive diseases and nutrition, and a subcommittee on kidney, urologic, and hematologic diseases. The subcommittees shall be composed of members of the advisory council who are outstanding in the diagnosis, prevention, and treatment of the diseases for which the subcommittees are established and members of the advisory council who are leaders in the fields of education and public affairs. The subcommittees are authorized to review applications made to the Director of the Institute for grants for research and training projects relating to the diagnosis, prevention, and treatment of the diseases for which the subcommittees are established and shall recommend to the advisory council those applications and contracts that the subcommittees determine will best carry out the purposes of the Institute. The subcommittees shall also review and evaluate the

diabetes and endocrine and metabolic diseases, digestive diseases and nutrition, and kidney, urologic, and hematologic diseases programs of the Institute and recommend to the advisory council such changes in the administration of such programs as the subcommittees determine are necessary.

"BIENNIAL REPORT

"SEC. 433. The Director of the Institute shall prepare for inclusion in the biennial report made under section 407 a description of the Institute's activities—

"(1) under the current diabetes plan under the National Diabetes Mellitus Research and Education Act; and

"(2) under the current digestive diseases plan formulated under the Arthritis, Diabetes, and Digestive Diseases Amendments of 1976.

The description submitted by the Director shall include an evaluation of the activities of the centers supported under section 431.

"SUBPART 4—NATIONAL INSTITUTE OF ARTHRITIS AND MUSCULOSKELETAL AND SKIN DISEASES

"PURPOSE OF THE INSTITUTE

"SEC. 435. The general purpose of the National Institute of Arthritis and Musculoskeletal and Skin Diseases (hereafter in this subpart referred to as the 'Institute') is the conduct and support of research and training, the dissemination of health information, and other programs with respect to arthritis and musculoskeletal and skin diseases, including sports-related disorders.

"NATIONAL ARTHRITIS AND MUSCULOSKELETAL DISEASES PROGRAM

"SEC. 436. (a) The Director of the Institute, with the advice of the Institute's advisory council, shall prepare and transmit to the Director of NIH a plan for a national arthritis and musculoskeletal diseases program to expand, intensify, and coordinate the activities of the Institute respecting arthritis and musculoskeletal diseases. The plan shall include such comments and recommendations as the Director of the Institutes determines appropriate. The Director of the Institute shall periodically review and revise such plan and shall transmit any revisions of such plan to the Director of NIH.

"(b) Activities under the national arthritis and musculoskeletal diseases program shall be coordinated with the other national research institutes to the extent that such institutes have responsibilities respecting arthritis and musculoskeletal diseases, and shall, at least, provide for—

"(1) investigation into the epidemiology, etiology, and prevention of all forms of arthritis and musculoskeletal diseases, including sports-related disorders, primarily through the support of basic research in such areas as immunology, genetics, biochemistry, microbiology, physiology, bioengineering, and any other scientific discipline which can contribute important knowledge to the treatment and understanding of arthritis and musculoskeletal diseases;

"(2) research into the development, trial, and evaluation of techniques, drugs, and devices used in the diagnosis, treatment, including medical rehabilitation and prevention of arthritis and musculoskeletal diseases;

"(3) research on the refinement, development, and evaluation of technological devices that will replace or be a substitute for damaged bone, muscle, and joints and other supporting structures; and

"(4) the establishment of mechanisms to monitor the causes of athletic injuries and identify ways of preventing such injuries on scholastic athletic fields.

"(c) The Director of the Institute shall carry out the national arthritis and musculoskeletal diseases program in accordance with the plan prepared under subsection (a) and any revisions of such plan made under such subsection.

"RESEARCH AND TRAINING

"SEC. 437. The Director of the Institute shall—

"(1) carry out programs of support for research and training (other than training for which National Research Service Awards may be made under section 485) in the diagnosis, prevention, and treatment of arthritis and musculoskeletal and skin diseases, including support for training in medical schools, graduate clinical training, graduate training in epidemiology, epidemiology studies, clinical trials, and interdisciplinary research programs; and

"(2) establish programs of evaluation, planning, and dissemination of knowledge related to such research and training.

"DATA SYSTEM AND INFORMATION CLEARINGHOUSE

"SEC. 438. (a) The Director of the Institute shall establish the National Arthritis and Musculoskeletal and Skin Diseases Data System for the collection, storage, analysis, retrieval, and dissemination of data derived from patient populations with arthritis and musculoskeletal and skin diseases, including where possible, data involving general populations for the purpose of detection of individuals with a risk of developing arthritis and musculoskeletal and skin diseases.

"(b) The Director of the Institute shall establish the National Arthritis and Musculoskeletal and Skin Diseases Information Clearinghouse to facilitate and enhance, through the effective dissemination of information, knowledge and understanding of arthritis and musculoskeletal and skin diseases by health professionals, patients, and the public.

"INTERAGENCY COORDINATING COMMITTEES

"SEC. 439. (a) For the purpose of—

"(1) better coordination of the research activities of all the national research institutes relating to arthritis, musculoskeletal diseases, and skin diseases, including sports-related disorders; and

"(2) coordinating the aspects of all Federal health programs and activities relating to arthritis, musculoskeletal diseases, and skin diseases in order to assure the adequacy and technical soundness of such programs and activities and in order to provide for the full communication and exchange of information necessary to maintain adequate coordination of such programs and activities,

the Secretary shall establish an Arthritis and Musculoskeletal Diseases Interagency Coordinating Committee and a Skin Diseases Interagency Coordinating Committee (hereafter in this section individually referred to as a 'Committee').

"(b) Each Committee shall be composed of the Directors of each of the national research institutes and divisions involved in research regarding the diseases with respect to which the Committee is established, the Chief Medical Director of the Veterans' Administration, and the Assistant Secretary of Defense for Health Affairs (or the designees of such officers), and representatives of all other Federal departments and agencies (as determined by the Secretary) whose programs involve health functions or responsibilities relevant to arthritis and musculoskeletal diseases or skin diseases, as the case may be. Each Committee shall be chaired by the Director of NIH (or the designee of the Director). Each Committee shall meet at the call of the Chairman, but not less often than four times a year.

"(c) Not later than 120 days after the end of each fiscal year, each Committee shall prepare and transmit to the Secretary, the Director of NIH, the Director of the Institute, and the advisory council for the Institute a report detailing the activities of the Committee in such fiscal year in carrying out paragraphs (1) and (2) of subsection (a).

"ARTHRITIS AND MUSCULOSKELETAL DISEASES DEMONSTRATION PROJECTS

"SEC. 440. (a) The Director of the Institute may make grants to public and private nonprofit entities to establish and support projects for the development and demonstration of methods for screening, detection, and referral for treatment of arthritis and musculoskeletal diseases and for the dissemination of information on such methods to the health and allied health professions. Activities under such projects shall be coordinated with Federal, State, local, and regional health agencies, centers assisted under section 441, and the data system established under subsection (c).

"(b) Projects supported under this section shall include—

"(1) programs which emphasize the development and demonstration of new and improved methods of screening and early detection, referral for treatment, and diagnosis of individuals with a risk of developing arthritis and musculoskeletal diseases;

"(2) programs which emphasize the development and demonstration of new and improved methods for patient referral from local hospitals and physicians to appropriate centers for early diagnosis and treatment;

"(3) programs which emphasize the development and demonstration of new and improved means of standardizing patient data and recordkeeping;

"(4) programs which emphasize the development and demonstration of new and improved methods of dissemination of knowledge about the programs, methods, and means referred to in paragraphs (1), (2), and (3) of this subsection to health and allied health professionals;

"(5) programs which emphasize the development and demonstration of new and improved methods for the dissemination to the general public of information—

"(A) on the importance of early detection of arthritis and musculoskeletal diseases, of seeking prompt treatment, and of following an appropriate regimen; and

"(B) to discourage the promotion and use of unapproved and ineffective diagnostic, preventive treatment, and control methods for arthritis and unapproved and ineffective drugs and devices for arthritis and musculoskeletal diseases; and

"(6) projects for investigation into the epidemiology of all forms and aspects of arthritis and musculoskeletal diseases, including investigations into the social, environmental, behavioral, nutritional, and genetic determinants and influences involved in the epidemiology of arthritis and musculoskeletal diseases.

"(c) The Director shall provide for the standardization of patient data and recordkeeping for the collection, storage, analysis, retrieval, and dissemination of such data in cooperation with projects assisted under this section, centers assisted under section

441, and other persons engaged in arthritis and musculoskeletal disease programs.

"MULTIPURPOSE ARTHRITIS AND MUSCULOSKELETAL DISEASES CENTERS

"SEC. 441. (a) The Director of the Institute shall, after consultation with the advisory council for the Institute, provide for the development, modernization, and operation (including staffing and other operating costs such as the costs of patient care required for research) of new and existing centers for arthritis and musculoskeletal diseases. For purposes of this section, the term 'modernization' means the alteration, remodeling, improvement, expansion, and repair of existing buildings and the provision of equipment for such buildings to the extent necessary to make them suitable for use as centers described in the preceding sentence.

"(b) Each center assisted under this section shall—

"(1)(A) use the facilities of a single institution or a consortium of cooperating institutions, and (B) meet such qualifications as may be prescribed by the Secretary; and

"(2) conduct—

"(A) basic and clinical research into the cause, diagnosis, early detection, prevention, control, and treatment of arthritis and musculoskeletal diseases and complications resulting from arthritis and musculoskeletal diseases, including research into implantable biomaterials and biomechanical and other orthopedic procedures;

"(B) training programs for physicians, scientists, and other health and allied health professionals;

"(C) information and continuing education programs for physicians and other health and allied health professionals who provide care for patients with arthritis and musculoskeletal diseases; and

"(D) programs for the dissemination to the general public of information—

"(i) on the importance of early detection of arthritis and musculoskeletal diseases, of seeking prompt treatment, and of following an appropriate regimen; and

"(ii) to discourage the promotion and use of unapproved and ineffective diagnostic, preventive, treatment, and control methods and unapproved and ineffective drugs and devices.

A center may use funds provided under subsection (a) to provide stipends for health professionals enrolled in training programs described in paragraph (2)(B).

"(c) Each center assisted under this section may conduct programs to—

"(1) establish the effectiveness of new and improved methods of detection, referral, and diagnosis of individuals with a risk of developing arthritis and musculoskeletal diseases;

"(2) disseminate the results of research, screening, and other activities, and develop means of standardizing patient data and recordkeeping; and

"(3) develop community consultative services to facilitate the referral of patients to centers for treatment.

"(d) The Director of the Institute shall, insofar as practicable, provide for an equitable geographical distribution of centers assisted under this section. The Director shall give appropriate consideration to the need for centers especially suited to meeting the needs of children affected by arthritis and musculoskeletal diseases.

"(e) Support of a center under this section may be for a period of not to exceed five years. Such period may be extended by the Director of the Institute for one or more additional periods of not more than five years if the operations of such center have been reviewed by an appropriate scientific review group established by the Director and if such group has recommended to the Director that such period should be extended.

"ADVISORY BOARD

"SEC. 442. (a) The Secretary shall establish in the Institute the National Arthritis Advisory Board (hereafter in this section referred to as the 'Advisory Board').

"(b) The Advisory Board shall be composed of eighteen appointed members and nonvoting, ex officio members, as follows:

"(1) The Secretary shall appoint—

"(A) twelve members from individuals who are scientists, physicians, and other health professionals, who are not officers or employees of the United States, and who represent the specialties and disciplines relevant to arthritis, musculoskeletal diseases, and skin diseases; and

"(B) six members from the general public who are knowledgeable with respect to such diseases, including at least one member who is a person who has such a disease and one member who is a parent of a person who has such a disease.

Of the appointed members, at least five shall by virtue of training or experience be knowledgeable in health education, nursing, data systems, public information, or community program development.

"(2) The following shall be ex officio members of the Advisory Board: The Assistant Secretary for Health, the Director of NIH, the Director of the National Institute of Arthritis and Musculoskeletal and Skin Diseases, the Director of the Centers for Disease Control, the Chief Medical Director of the Veterans' Administration, and the Assistant Secretary of Defense for Health Affairs (or the designees of such officers), and such other officers and employees of the United States as the Secretary determines necessary for the Advisory Board to carry out its functions.

"(c) Members of the Advisory Board who are officers or employees of the Federal Government shall serve as members of the Advisory Board without compensation in addition to that received in their regular public employment. Other members of the Advisory Board shall receive compensation at rates not to exceed the daily equivalent of the annual rate in effect for grade GS-18 of the General Schedule for each day (including traveltime) they are engaged in the performance of their duties as members of the Advisory Board.

"(d) The term of office of an appointed member of the Advisory Board is four years. Any member appointed to fill a vacancy for an unexpired term shall be appointed for the remainder of such term. A member may serve after the expiration of the member's term until a successor has taken office. If a vacancy occurs in the Advisory Board, the Secretary shall make an appointment to fill the vacancy not later than 90 days after the date the vacancy occurred.

"(e) The members of the Advisory Board shall select a chairman from among the appointed members.

"(f) The Secretary shall, after consultation with and consideration of the recommendations of the Advisory Board, provide the Advisory Board with an executive director and one other professional staff member. In addition, the Secretary shall, after consultation with and consideration of the recommendations of the Advisory Board, provide the Advisory Board with such additional professional staff members, such clerical staff members, and (through contracts or other arrangements) with such administrative support services and facilities, such information, and such services of consultants, as the Secretary determines are necessary for the Advisory Board to carry out its functions.

"(g) The Advisory Board shall meet at the call of the chairman or upon request of the Director of the Institute, but not less often than four times a year.

"(h) The Advisory Board shall—

"(1) review and evaluate the implementation of the plan prepared under section 436(a) and periodically update the plan to ensure its continuing relevance;

"(2) for the purpose of assuring the most effective use and organization of resources respecting arthritis, musculoskeletal diseases and skin diseases, advise and make recommendations to the Congress, the Secretary, the Director of NIH, the Director of the Institute, and the heads of other appropriate Federal agencies for the implementation and revision of such plan; and

"(3) maintain liaison with other advisory bodies for Federal agencies involved in the implementation of such plan, the interagency coordinating committees for such diseases established under section 439, and with key non-Federal entities involved in activities affecting the control of such diseases.

"(i) In carrying out its functions, the Advisory Board may establish subcommittees, convene workshops and conferences, and collect data. Such subcommittees may be composed of Advisory Board members and nonmember consultants with expertise in the particular area addressed by such subcommittees. The subcommittees may hold such meetings as are necessary to enable them to carry out their activities.

"(j) The Advisory Board shall prepare an annual report for the Secretary which—

"(1) describes the Advisory Board's activities in the fiscal year for which the report is made;

"(2) describes and evaluates the progress made in such fiscal year in research, treatment, education, and training with respect to arthritis, musculoskeletal diseases, and skin diseases;

"(3) summarizes and analyzes expenditures made by the Federal Government for activities respecting such diseases in such fiscal year for which the report is made; and

"(4) contains the Advisory Board's recommendations (if any) for changes in the plan prepared under section 436(a).

"(k) The National Arthritis Advisory Board in existence on the effective date of the Health Research Extension Act of 1985 shall terminate upon the appointment of a successor Board under subsection (a). The Secretary shall make appointments to the Advisory Board established under subsection (a) before the expiration of 90 days after such effective date. The member of the Board in existence on such date may be appointed, in accordance with subsections (b) and (d), to the Advisory Board established under subsection (a).

"SUBPART 5—NATIONAL INSTITUTE ON AGING

"PURPOSE OF THE INSTITUTE

"SEC. 443. The general purpose of the National Institute on Aging (hereafter in this subpart referred to as the 'Institute') is the conduct and support of biomedical, social, and behavioral research, training, health information dissemination, and other programs with respect to the aging process and

the diseases and other special problems and needs of the aged.

"SPECIAL FUNCTIONS

"SEC. 444. (a) In carrying out the training responsibilities under this Act or any other Act for health and allied health professions personnel, the Secretary shall take appropriate steps to insure the education and training of adequate numbers of allied health, nursing, and paramedical personnel in the field of health care for the aged.

"(b) The Director of the Institute shall conduct scientific studies to measure the impact on the biological, medical, social, and psychological aspects of aging of programs and activities assisted or conducted by the Department of Health and Human Services.

"(c) The Director of the Institute shall carry out public information and education programs designed to disseminate as widely as possible the findings of research sponsored by the Institute, other relevant aging research and studies, and other information about the process of aging which may assist elderly and near-elderly persons in dealing with, and all Americans in understanding, the problems and processes associated with growing older.

"(d) The Director of the Institute shall make grants to public and private nonprofit institutions to conduct research relating to Alzheimer's Disease.

"ALZHEIMER'S DISEASE CENTERS

"SEC. 445. (a)(1) The Director of the Institute may enter into cooperative agreements with and make grants to public or private nonprofit entities to pay all or part of the cost of planning, establishing, or strengthening, and providing basic operating support for centers for basic and clinical research into, training in, and demonstration of advanced diagnostic, prevention, and treatment methods for Alzheimer's Disease.

"(2) A cooperative agreement or grant under paragraph (1) shall be entered into in accordance with policies established by the Director of NIH and after consultation with the Institute's advisory council.

"(b)(1) Federal payments made under a cooperative agreement or grant under subsection (a) may be used for—

"(A) construction (notwithstanding any limitation under section 494);

"(B) staffing and other basic operating costs, including such patient care costs as are required for research;

"(C) training, including training for allied health professionals; and

"(D) demonstration purposes.

"(2) As used in this subsection, the term 'construction' does not include the acquisition of land, and the term 'training' does not include research training for which National Research Service Awards may be provided under section 485.

"(c) Support of a center under subsection (a) may be for a period of not to exceed five years. Such period may be extended by the Director for additional periods of not more than five years each if the operations of such center have been reviewed by an appropriate scientific review group established by the Director and if such group has recommended to the Director that such period should be extended.

"SUBPART 6—NATIONAL INSTITUTE OF ALLERGY AND INFECTIOUS DISEASES

"PURPOSE OF THE INSTITUTE

"SEC. 446. The general purpose of the National Institute of Allergy and Infectious Diseases is the conduct and support of research, training, health information dissemination, and other programs with respect to allergic and immunologic diseases and disorders and infectious diseases.

"SUBPART 7—NATIONAL INSTITUTE OF CHILD HEALTH AND HUMAN DEVELOPMENT

"PURPOSE OF THE INSTITUTE

"SEC. 448. The general purpose of the National Institute of Child Health and Human Development (hereafter in this subpart referred to as the 'Institute') is the conduct and support of research, training, health information dissemination, and other programs with respect to maternal health, child health, mental retardation, human growth and development, including prenatal development, and special health problems and requirements of mothers and children.

"SUDDEN INFANT DEATH SYNDROME

"SEC. 449. The Director of the Institute shall conduct and support research which specifically relates to sudden infant death syndrome.

"MENTAL RETARDATION RESEARCH

"SEC. 450. The Director of the Institute shall conduct and support research and related activities with respect to the causes, prevention, and treatment of mental retardation.

"ASSOCIATE DIRECTOR FOR PREVENTION

"SEC. 451. (a) There shall be in the Institute an Associate Director for Prevention to coordinate and promote the programs in the Institute concerning the prevention of health problems of mothers and children. The Associate Director shall be appointed by the Director of the Institute from individuals who because of their professional training or experience are experts in public health or preventive medicine.

"(b) The Associate Director for Prevention shall prepare for inclusion in the biennial report made under section 407 a description of the prevention activities of the Institute, including a description of the staff and resources allocated to those activities.

"SUBPART 8—NATIONAL INSTITUTE OF DENTAL RESEARCH

"PURPOSE OF THE INSTITUTE

"SEC. 453. The general purpose of the National Institute of Dental Research is the conduct and support of research, training, health information dissemination, and other programs with respect to the cause, prevention, and methods of diagnosis and treatment of dental and oral diseases and conditions.

"SUBPART 9—NATIONAL EYE INSTITUTE

"PURPOSE OF THE INSTITUTE

"SEC. 455. The general purpose of the National Eye Institute (hereafter in this subpart referred to as the 'Institute') is the conduct and support of research, training, health information dissemination, and other programs with respect to blinding eye diseases, visual disorders, mechanisms of visual function, preservation of sight, and the special health problems and requirements of the blind. The Director of the Institute may carry out a program of grants for public and private nonprofit vision research facilities.

"SUBPART 10—NATIONAL INSTITUTE OF NEUROLOGICAL AND COMMUNICATIVE DISORDERS AND STROKE

"PURPOSE OF THE INSTITUTE

"SEC. 457. The general purpose of the National Institute of Neurological and Communicative Disorders and Stroke (hereafter in this subpart referred to as the 'Institute') is the conduct and support of research, training, health information dissemination, and other programs with respect to neurological disease and disorder, stroke, and disorders of human communication.

"SPINAL CORD REGENERATION RESEARCH

"SEC. 458. The Director of the Institute shall conduct and support research into spinal cord regeneration.

"BIOENGINEERING RESEARCH

"SEC. 459. The Director of the Institute shall make grants or enter into contracts for research on the means to overcome paralysis of the extremities through electrical stimulation and the use of computers.

"SUBPART 11—NATIONAL INSTITUTE OF GENERAL MEDICAL SCIENCES

"PURPOSE OF THE INSTITUTE

"SEC. 461. The general purpose of the National Institute of General Medical Sciences is the conduct and support of research, training, and, as appropriate, health information dissemination, and other programs with respect to general or basic medical sciences and related natural or behavioral sciences which have significance for two or more other national research institutes or are outside the general area of responsibility of any other national research institute.

"SUBPART 12—NATIONAL INSTITUTE OF ENVIRONMENTAL HEALTH SCIENCES

"PURPOSE OF THE INSTITUTE

"SEC. 463. The general purpose of the National Institute of Environmental Health Sciences is the conduct and support of research, training, health information dissemination, and other programs with respect to factors in the environment that affect human health, directly or indirectly.

"PART D—NATIONAL LIBRARY OF MEDICINE

"SUBPART 1—GENERAL PROVISIONS

"PURPOSE AND ESTABLISHMENT OF THE LIBRARY

"SEC. 467. In order to assist the advancement of medical and related sciences, and to aid the dissemination and exchange of scientific and other information important to the progress of medicine and to the public health, there is established the National Library of Medicine (hereafter in this part referred to as the 'Library').

"FUNCTIONS OF THE LIBRARY

"SEC. 468. (a) The Secretary, through the Library and subject to subsection (c), shall—

"(1) acquire and preserve books, periodicals, prints, films, recordings, and other library materials pertinent to medicine;

"(2) organize the materials specified in paragraph (1) by appropriate cataloging, indexing, and bibliographical listings;

"(3) publish and disseminate the catalogs, indexes, and bibliographies referred to in paragraph (2);

"(4) make available, through loans, photographic or other copying procedures, or otherwise, such materials in the Library as the Secretary determines appropriate;

"(5) provide reference and research assistance; and

"(6) engage in such other activities as the Secretary determines appropriate and as the Library's resources permit.

"(b) The Secretary may exchange, destroy, or otherwise dispose of any books, periodicals, films, and other library materials not needed for the permanent use of the Library.

"(c)(1) The Secretary may, after obtaining the advice and recommendations of the Board of Regents, prescribe rules under which the Library will—

"(A) provide copies of its publications or materials,

"(B) will make available its facilities for research, or

"(C) will make available its bibliographic, reference, or other services,

to public and private entities and individuals.

"(2) Rules prescribed under paragraph (1) may provide for making available such publications, materials, facilities, or services—

"(A) without charge as a public service,

"(B) upon a loan, exchange, or charge basis, or

"(C) in appropriate circumstances, under contract arrangements made with a public or other nonprofit entity.

"(d) Whenever the Secretary, with the advice of the Board of Regents, determines that—

"(1) in any geographic area of the United States there is no regional medical library adequate to serve such area;

"(2) under criteria prescribed for the administration of section 478, there is a need for a regional medical library to serve such area; and

"(3) because there is no medical library located in such area which, with financial assistance under section 478, can feasibly be developed into a regional medical library adequate to serve such area,

the Secretary may establish, as a branch of the Library, a regional medical library to serve the needs of such area.

"(e) Section 2101 shall be applicable to the acceptance and administration of gifts made for the benefit of the Library or for carrying out any of its functions, and the Board of Regents shall make recommendations to the Secretary relating to establishment within the Library of suitable memorials to the donors.

"(f) For purposes of this part the terms 'medicine' and 'medical', except when used in section 469, include preventive and therapeutic medicine, dentistry, pharmacy, hospitalization, nursing, public health, and the fundamental sciences related thereto, and other related fields of study, research, or activity.

"BOARD OF REGENTS

"SEC. 469. (a)(1) The Board of Regents of the National Library of Medicine consists of the Surgeons General of the Public Health Service, the Army, the Navy, and the Air Force, the Chief Medical Director of the Veterans' Administration, the Assistant Director for Biological, Behavioral, and Social Sciences of the National Science Foundation, and the Librarian of Congress, all of whom shall be ex officio members, and ten members appointed by the Secretary. The ten appointed members shall be selected from among leaders in the various fields of the fundamental sciences, medicine, dentistry, public health, hospital administration, pharmacology, health communications technology, or scientific or medical library work, or in public affairs. At least six of the appointed members shall be selected from among leaders in the fields of medical, dental, or public health research or education.

"(2) The Board shall annually elect one of the appointed members to serve as Chairman until the next election. The Secretary shall designate a member of the Library staff to act as executive secretary of the Board.

"(b) The Board shall advise, consult with, and make recommendations to the Secretary on matters of policy in regard to the Library, including such matters as the acquisition of materials for the Library, the scope, content, and organization of the Library's services, and the rules under which its materials, publications, facilities, and services shall be made available to various kinds of users. The Secretary shall include in the annual report of the Secretary to the Congress a statement covering the recommendations made by the Board and the disposition thereof. The Secretary may use the services of any member of the Board in connection with matters related to the work of the Library, for such periods, in addition to conference periods, as the Secretary may determine.

"(c) Each appointed member of the Board shall hold office for a term of four years, except that any member appointed to fill a vacancy occurring prior to the expiration of the term for which the predecessor of such member was appointed shall be appointed for the remainder of such term. None of the appointed members shall be eligible for reappointment within one year after the end of the preceding term of such member.

"LIBRARY FACILITIES

"SEC. 470. There are authorized to be appropriated amounts sufficient for the erection and equipment of suitable and adequate buildings and facilities for use of the Library. The Administrator of General Services may acquire, by purchase, condemnation, donation, or otherwise, a suitable site or sites, selected by the Secretary in accordance with the direction of the Board, for such buildings and facilities and to erect thereon, furnish, and equip such buildings and facilities. The amounts authorized to be appropriated by this section include the cost of preparation of drawings and specifications, supervision of construction, and other administrative expenses incident to the work. The Administrator of General Services shall prepare the plans and specifications, make all necessary contracts, and supervise construction.

"SUBPART 2—FINANCIAL ASSISTANCE

"AUTHORIZATION OF APPROPRIATIONS

"SEC. 472. For the purpose of grants and contracts under sections 475, 476, 477, 478, and 479, there are authorized to be appropriated $12,000,000 for fiscal year 1986, $13,000,000 for fiscal year 1987, and $14,000,000 for fiscal year 1988. Funds appropriated under this section shall remain available for such purposes until the end of the fiscal year immediately following the fiscal year for which they were appropriated.

"DEFINITIONS

"SEC. 473. As used in this subpart—

"(1) the term 'medical library' means a library related to the sciences related to health; and

"(2) the term 'sciences related to health' includes medicine, osteopathy, dentistry, and public health, and fundamental and applied sciences when related thereto.

"NATIONAL MEDICAL LIBRARIES ASSISTANCE ADVISORY BOARD

"SEC. 474. (a) The Board of Regents of the National Library of Medicine shall also serve as the National Medical Libraries Assistance Advisory Board (hereafter in this subpart referred to as the 'Board').

"(b) The Board shall advise and assist the Secretary in the preparation of general regulations and with respect to policy matters arising in the administration of this subpart.

"(c) The Secretary may use the services of any member of the Board, in connection with matters related to the administration of this part for such periods, in addition to conference periods, as the Secretary may determine.

"(d) Appointed members of the Board who are not otherwise in the employ of the United States, while attending conferences of the Board or otherwise serving at the request of the Secretary in connection with the administration of this subpart, shall be entitled to receive compensation, per diem in lieu of subsistence, and travel expenses in the same manner and under the same conditions as that prescribed under section 208(c) when attending conferences, traveling, or serving at the request of the Secretary in connection with the Board's function under this section.

"GRANTS FOR TRAINING IN MEDICAL LIBRARY SCIENCES

"SEC. 475. The Secretary shall make grants—

"(1) to individuals to enable them to accept traineeships and fellowships leading to postbaccalaureate academic degrees in the field of medical library science, in related fields pertaining to sciences related to health, or in the field of the communication of information;

"(2) to individuals who are librarians or specialists in information on sciences relating to health, to enable them to undergo intensive training or retraining so as to attain greater competence in their occupations (including competence in the fields of automatic data processing and retrieval);

"(3) to assist appropriate public and private nonprofit institutions in developing, expanding, and improving training programs in library science and the field of communications of information pertaining to sciences relating to health; and

"(4) to assist in the establishment of internship programs in established medical libraries meeting standards which the Secretary shall prescribe.

"ASSISTANCE FOR SPECIAL SCIENTIFIC PROJECTS, AND FOR RESEARCH AND DEVELOPMENT IN MEDICAL LIBRARY SCIENCE AND RELATED FIELDS

"SEC. 476. (a) The Secretary shall make grants to physicians and other practitioners in the sciences related to health, to scientists, and to public or nonprofit private institutions on behalf of such physicians, other practitioners, and scientists for the compilation of existing, or the writing of original, contributions relating to scientific, social, or cultural advancements in sciences related to health. In making such grants, the Secretary shall make appropriate arrangements under which the facilities of the Library and the facilities of libraries of public and private nonprofit institutions of higher learning may be made available in connection with the projects for which such grants are made.

"(b) The Secretary shall make grants to appropriate public or private nonprofit institutions and enter into contracts with appropriate persons, for purposes of carrying out projects of research, investigations, and demonstrations in the field of medical library science and related activities and for the development of new techniques, systems, and equipment, for processing, storing, retrieving, and distributing information pertaining to sciences related to health.

"GRANTS FOR ESTABLISHING, EXPANDING, AND IMPROVING THE BASIC RESOURCES OF MEDICAL LIBRARIES AND RELATED INSTRUMENTALITIES

"SEC. 477. (a) The Secretary shall make grants of money, materials, or both, to

public or private nonprofit medical libraries and related scientific communication instrumentalities for the purpose of establishing, expanding, and improving their basic medical library or related resources. A grant under this subsection may be used for—

"(1) the acquisition of books, journals, photographs, motion picture and other films, and other similar materials;

"(2) cataloging, binding, and other services and procedures for processing library resource materials for use by those who are served by the library or related instrumentality;

"(3) the acquisition of duplication devices, facsimile equipment, film projectors, recording equipment, and other equipment to facilitate the use of the resources of the library or related instrumentality by those who are served by it; and

"(4) the introduction of new technologies in medical librarianship.

"(b)(1) The amount of any grant under this section to any medical library or related instrumentality shall be determined by the Secretary on the basis of the scope of library or related services provided by such library or instrumentality in relation to the population and purposes served by it. In making a detemination of the scope of services served by any medical library or related instrumentality, the Secretary shall take into account—

"(A) the number of graduate and undergraduate students making use of the resources of such library or instrumentality;

"(B) the number of physicians and other practitioners in the sciences related to health utilizing the resources of such library or instrumentality;

"(C) the type of supportive staffs, if any, available to such library or instrumentality;

"(D) the type, size, and qualifications of the faculty of any school with which such library or instrumentality is affiliated;

"(E) the staff of any hospital or hospitals or of any clinic or clinics with which such library or instrumentality is affiliated; and

"(F) the geographic area served by such library or instrumentality and the availability within such area of medical library or related services provided by other libraries or related instrumentalities.

"(2) Grants to medical libraries or related instrumentalities under this section shall be in such amounts as the Secretary may by regulation prescribe with a view to assuring adequate continuing financial support for such libraries or instrumentalities from other sources during and after the period for which grants are provided.

"GRANTS AND CONTRACTS FOR ESTABLISHMENT OF REGIONAL MEDICAL LIBRARIES

"SEC. 478. (a) The Secretary, with the advice of the Board, shall make grants to and enter into contracts with existing public or private nonprofit medical libraries so as to enable each of them to serve as the regional medical library for the geographical area in which it is located.

"(b) The uses for which grants and contracts under this section may be employed include the—

"(1) acquisition of books, journals, and other similar materials;

"(2) cataloging, binding, and other procedures for processing library resource materials for use by those who are served by the library;

"(3) acquisition of duplicating devices and other equipment to facilitate the use of the resources of the library by those who are served by it;

"(4) acquisition of mechanisms and employment of personnel for the speedy transmission of materials from the regional library to local libraries in the geographic area served by the regional library; and

"(5) planning for services and activities under this section.

"(c)(1) Grants and contracts under this section shall only be made to or entered into with medical libraries which agree—

"(A) to modify and increase their library resources, and to supplement the resources of cooperating libraries in the region, so as to be able to provide adequate supportive services to all libraries in the region as well as to individual users of library services; and

"(B) to provide loan services to qualified users and make available photoduplicated or facsimile copies of biomedical materials which qualified requesters may retain.

"(2) The Secretary, in awarding grants and contracts under this section, shall give priority to medical libraries having the greatest potential of fulfilling the needs for regional medical libraries. In determining the priority to be assigned to any medical library, the Secretary shall consider—

"(A) the adequacy of the library (in terms of collections, personnel, equipment, and other facilities) as a basis for a regional medical library; and

"(B) the size and nature of the population to be served in the region in which the library is located.

"(d) Grants and contracts under this section for basic resource materials to a library may not exceed—

"(1) 50 percent of the library's annual operating expense (exclusive of Federal financial assistance under this part) for the preceding year; or

"(2) in case of the first year in which the library receives a grant under this section for basic resource materials, 50 percent of its average annual operating expenses over the past three years (or if it had been in operation for less than three years, its annual operating expenses determined by the Secretary in accordance with regulations).

"FINANCIAL SUPPORT OF BIOMEDICAL SCIENTIFIC PUBLICATIONS

"SEC. 479. (a) The Secretary, with the advice of the Board, shall make grants to, and enter into appropriate contracts with, public or private nonprofit institutions of higher education and individual scientists for the purpose of supporting biomedical scientific publications of a nonprofit nature and to procure the compilation, writing, editing, and publication of reviews, abstracts, indices, handbooks, bibliographies, and related matter pertaining to scientific works and scientific developments.

"(b) Grants under this section in support of any single periodical publication may not be made for more than three years, except in those cases in which the Secretary determines that further support is necessary to carry out the purposes of this section.

"GRANT PAYMENTS; RECORDS AND AUDIT

"SEC. 480. (a) Payments under grants made under sections 475, 476, 477, 478, and 479 may be made in advance or by way of reimbursement and in such installments as the Secretary shall prescribe by regulation after consultation with the Board.

"(b)(1) Each recipient of a grant under this subpart shall keep such records as the Secretary shall prescribe, including records which fully disclose the amount and disposition by such recipient of the proceeds of such grant, the total cost of the project or undertaking in connection with which such grant is given or used, and the amount of that portion of the cost of the project or undertaking supplied by other sources, and such other records as will facilitate an effective audit.

"(2) The Secretary and the Comptroller General of the United States, or any of their duly authorized representatives, shall have access for the purpose of audit and examination to any books, documents, papers, and records of such recipients that are pertinent to any grant received under this subpart.

"PART E—OTHER AGENCIES OF NIH

"DIVISION OF RESEARCH RESOURCES

"SEC. 482. The general purpose of the Division of Research Resources is to strengthen and enhance the research environments of entities engaged in health-related research by developing and supporting essential research resources.

"JOHN E. FOGARTY INTERNATIONAL CENTER FOR ADVANCED STUDY IN THE HEALTH SCIENCES

"SEC. 483. The general purpose of the John E. Fogarty International Center for Advanced Study in the Health Sciences is to—

"(1) facilitate the assembly of scientists and others in the biomedical, behavioral, and related fields for discussion, study, and research relating to the development of health science internationally;

"(2) provide research programs, conferences, and seminars to further international cooperation and collaboration in the life sciences;

"(3) provide postdoctorate fellowships for research training in the United States and abroad and promote exchanges of senior scientists between the United States and other countries;

"(4) coordinate the activities of the National Institutes of Health concerned with the health sciences internationally; and

"(5) receive foreign visitors to the National Institutes of Health.

"PART F—AWARDS AND TRAINING

"NATIONAL RESEARCH SERVICE AWARDS

"SEC. 485. (a)(1) The Secretary shall—

"(A) provide National Research Service Awards for—

"(i) biomedical and behavioral research at the National Institutes of Health and the Alcohol, Drug Abuse, and Mental Health Administration in matters relating to the cause, diagnosis, prevention, and treatment of the diseases or other health problems to which the activities of the National Institutes of Health and Administration are directed;

"(ii) training at the National Institutes of Health and at the Administration of individuals to undertake such research;

"(iii) biomedical and behavioral research and health services research (including research in primary medical care) at public and nonprofit private entities; and

"(iv) pre-doctoral and post-doctoral training at public and private institutions of individuals to undertake biomedical and behavioral research; and

"(B) make grants to public and nonprofit private institutions to enable such institutions to make National Research Service Awards for research (and training to undertake biomedical and behavioral research) in the matters described in subparagraph (A)(i) to individuals selected by such institutions.

A reference in this subsection to the National Institutes of Health or the Alcohol, Drug Abuse, and Mental Health Administration shall be considered to include the institutes,

agencies, divisions, and bureaus included in the National Institutes of Health or under the Administration, as the case may be.

"(2) National Research Service Awards may not be used to support residency training of physicians and other health professionals.

"(3) In awarding National Research Service Awards under this section, the Secretary shall take account of the Nation's overall need for biomedical research personnel by giving special consideration to physicians who agree to undertake a minimum of two years of biomedical research.

"(b)(1) No National Research Service Award may be made by the Secretary to any individual unless—

"(A) the individual has submitted to the Secretary an application therefor and the Secretary has approved the application;

"(B) the individual provides, in such form and manner as the Secretary shall by regulation prescribe, assurances satisfactory to the Secretary that the individual will meet the service requirement of subsection (c); and

"(C) in the case of a National Research Service Award for a purpose described in subsection (a)(1)(A)(iii), the individual has been sponsored (in such manner as the Secretary may by regulation require) by the institution at which the research or training under the award will be conducted.

An application for an award shall be in such form, submitted in such manner, and contain such information, as the Secretary may by regulation prescribe.

"(2) The making of grants under subsection (a)(1)(B) for National Research Service Awards shall be subject to review and approval by the appropriate advisory councils within the Department of Health and Human Services (A) whose activities relate to the research or training under the awards, or (B) for the entity at which such research or training will be conducted.

"(3) No grant may be made under subsection (a)(1)(B) unless an application therefor has been submitted to and approved by the Secretary. Such application shall be in such form, submitted in such manner, and contain such information, as the Secretary may by regulation prescribe. Subject to the provisions of this section (other than paragraph (1)), National Research Service Awards made under a grant under subsection (a)(1)(B) shall be made in accordance with such regulations as the Secretary shall prescribe.

"(4) The period of any National Research Service Award made to any individual under subsection (a) may not exceed—

"(A) five years in the aggregate for predoctoral training; and

"(B) three years in the aggregate for postdoctoral training;

unless the Secretary for good cause shown waives the application of such limit to such individual.

"(5) National Research Service Awards shall provide for such stipends, tuition, fees, and allowances (including travel and subsistence expenses and dependency allowances), adjusted periodically to reflect increases in the cost of living, for the recipients of the awards as the Secretary may deem necessary. A National Research Service Award made to an individual for research or research training at a non-Federal public or nonprofit private institution shall also provide for payments to be made to the institution for the cost of support services (including the cost of faculty salaries, supplies, equipment, general research support, and related items) provided such individual by such institution. The amount of any such payments to any institution shall be determined by the Secretary and shall bear a direct relationship to the reasonable costs of the institution for establishing and maintaining the quality of its biomedical and behavioral research and training programs.

"(c)(1) Each individual who is awarded a National Research Service Award (other than an individual who is a pre-baccalaureate student who is awarded a National Research Service Award for research training) shall, in accordance with paragraph (3), engage in health research or teaching or any combination thereof which is in accordance with the usual patterns of academic employment, for a period computed in accordance with paragraph (2).

"(2) For each month for which an individual receives a National Research Service Award which is made for a period in excess of twelve months, such individual shall engage in one month of health research or teaching or any combination thereof which is in accordance with the usual patterns of academic employment.

"(3) The requirement of paragraph (1) shall be complied with by any individual to whom it applies within such reasonable period of time, after the completion of such individual's award, as the Secretary shall by regulation prescribe. The Secretary shall by regulation prescribe the type of research and teaching in which an individual may engage to comply with such requirement and such other requirements respecting research and teaching as the Secretary considers appropriate.

"(4)(A) If any individual to whom the requirement of paragraph (1) is applicable fails, within the period prescribed by paragraph (3), to comply with such requirements, the United States shall be entitled to recover from such individual an amount determined in accordance with the formula—

$$A = \phi \frac{t-s}{t}$$

in which 'A' is the amount the United States is entitled to recover; 'ϕ' is the sum of the total amount paid under one or more National Research Service Awards to such individual; 't' is the total number of months in such individual's service obligation; and 's' is the number of months of such obligation served by such individual in accordance with paragraphs (1) and (2) of this subsection.

"(B) Any amount which the United States is entitled to recover under subparagraph (A) shall, within the three-year period beginning on the date the United States becomes entitled to recover such amount, be paid to the United States. Until any amount due the United States under subparagraph (A) on account of any National Research Service Award is paid, there shall accrue to the United States interest on such amount at a rate fixed by the Secretary of the Treasury after taking into consideration private consumer rates of interest prevailing on the date the United States becomes entitled to such amount.

"(5)(A) Any obligation of an individual under paragraph (1) shall be canceled upon the death of such individual.

"(B) The Secretary shall by regulation provide for the waiver or suspension of any such obligation applicable to any individual whenever compliance by such individual is impossible or would involve substantial hardship to such individual or would be against equity and good conscience.

"(d) There are authorized to be appropriated to make payments under National Research Service Awards and under grants for such awards $223,000,000 for fiscal year 1986, $235,000,000 for fiscal year 1987, and $245,000,000 for fiscal year 1988. Of the amounts appropriated under this subsection—

"(1) not less than 15 percent shall be made available for payments under National Research Service Awards provided by the Secretary under subsection (a)(1)(A);

"(2) not less than 50 percent shall be made available for grants under subsection (a)(1)(B) for National Research Service Awards;

"(3) one-half of one percent shall be made available for payments under National Research Service Awards which (A) are made to individuals affiliated with entities which have received grants or contracts under section 780, 784, or 786, and (B) are for research in primary medical care; and one-half of one percent shall be made available for payments under National Research Service Awards made for health services research by the National Center for Health Services Research and Health Care Technology Assessment under section 304(a)(3); and

"(4) not more than 4 percent may be obligated for National Research Service Awards for periods of three months or less.

"VISITING SCIENTIST AWARDS

"SEC. 486. (a) The Secretary may make awards (hereafter in this section referred to as 'Visiting Scientist Awards') to outstanding scientists who agree to serve as visiting scientists at institutions of postsecondary education which have significant enrollments of disadvantaged students. Visiting Scientist Awards shall be made by the Secretary to enable the faculty and students of such institutions to draw upon the special talents of scientists from other institutions for the purpose of receiving guidance, advice, and instruction with regard to research, teaching, and curriculum development in the biomedical and behavioral sciences and such other aspects of these sciences as the Secretary shall deem appropriate.

"(b) The amount of each Visiting Scientist Award shall include such sum as shall be commensurate with the salary or remuneration which the individual receiving the award would have been entitled to receive from the institution with which the individual has, or had, a permanent or immediately prior affiliation. Eligibility for and terms of Visiting Scientist Awards shall be determined in accordance with regulations the Secretary shall prescribe.

"STUDIES RESPECTING BIOMEDICAL AND BEHAVIORAL RESEARCH PERSONNEL

"SEC. 487. (a) Within five years after the date of enactment of the Health Research Extension Act of 1985, and every five years thereafter, the Secretary shall, in accordance with subsection (b), arrange for the conduct of a study to—

"(1) establish (A) the Nation's overall need for biomedical and behavioral research personnel, (B) the subject areas in which such personnel are needed and the number of such personnel needed in each such area, and (C) the kinds and extent of training which should be provided such personnel;

"(2) assess (A) current training programs available for the training of biomedical and behavioral research personnel which are conducted under this Act, at or through national research institutes under the National Institutes of Health and institutes under the Alcohol, Drug Abuse, and Mental Health Administration, and (B) other current training programs available for the training of such personnel;

"(3) identify the kinds of research positions available to and held by individuals completing such programs;

"(4) determine, to the extent feasible, whether the programs referred to in clause (B) of paragraph (2) would be adequate to meet the needs established under paragraph (1) if the programs referred to in clause (A) of paragraph (2) were terminated; and

"(5) determine what modifications in the programs referred to in paragraph (2) are required to meet the needs established under paragraph (1).

"(b)(1) The Secretary shall request the National Academy of Sciences to conduct each study required by subsection (a) under an arrangement under which the actual expenses incurred by such Academy in conducting each such study will be paid by the Secretary. If the National Academy of Sciences is willing to do so, the Secretary shall enter into such an arrangement with such Academy for the conduct of each such study.

"(2) If the National Academy of Sciences is unwilling to conduct any such study under such an arrangement, then the Secretary shall enter into a similar arrangement with other appropriate nonprofit private groups or associations under which such groups or associations will conduct such study and prepare and submit the reports thereon as provided in subsection (c).

"(3) The National Academy of Sciences or other group or association conducting each study required by subsection (a) shall conduct each such study in consultation with the Director of NIH.

"(c) A report on the results of each study required under subsection (a) shall be submitted by the Secretary to the Committee on Energy and Commerce of the House of Representatives and the Committee on Labor and Human Resources of the Senate.

"PART G—GENERAL PROVISIONS

"INSTITUTIONAL REVIEW BOARDS; ETHICS GUIDANCE PROGRAM

"SEC. 489. (a) The Secretary shall by regulation require that each entity which applies for a grant, contract, or cooperative agreement under this Act for any project or program which involves the conduct of biomedical or behavioral research involving human subjects submit in or with its application for such grant, contract, or cooperative agreement assurances satisfactory to the Secretary that it has established (in accordance with regulations which the Secretary shall prescribe) a board (to be known as an 'Institutional Review Board') to review biomedical and behavioral research involving human subjects conducted at or supported by such entity in order to protect the rights of the human subjects of such research.

"(b)(1) The Secretary shall establish a program within the Department of Health and Human Services under which requests for clarification and guidance with respect to ethical issues raised in connection with biomedical or behavioral research involving human subjects are responded to promptly and appropriately.

"(2) The Secretary shall establish a process for the prompt and appropriate response to information provided to the Director of NIH respecting incidences of violations of the rights of human subjects of research for which funds have been made available under this Act. The process shall include procedures for the receiving of reports of such information from recipients of funds under this Act and taking appropriate action with respect to such violations.

"PEER REVIEW REQUIREMENTS

"SEC. 490. (a)(1) The Secretary, acting through the Director of NIH, shall by regulation require appropriate technical and scientific peer review of—

"(A) grants and cooperative agreements under this Act for biomedical and behavioral research; and

"(B) biomedical and behavioral research and development contracts to be administered through the National Institutes of Health.

"(2) Regulations promulgated under paragraph (1) shall require that the review of grants, contracts, and cooperative agreements required by the regulations be conducted—

"(A) in a manner consistent with the system for scientific peer review applicable on the date of the effective date of the Health Research Extension Act of 1985 to grants under this Act for biomedical and behavioral research;

"(B) to the extent practical, by peer review groups performing such review on or before such date; and

"(C) in accordance with section 405(c)(3).

"(b) The Director of NIH shall establish procedures for periodic, technical, and scientific peer review of research at the National Institutes of Health. Such procedures shall require that—

"(1) the reviewing entity be provided a written description of the research to be reviewed; and

"(2) the reviewing entity provide the advisory council of the national research institute involved with such description and the results of the review by the entity.

"PROTECTION AGAINST SCIENTIFIC FRAUD

"SEC. 491. (a) The Secretary shall by regulation require that each entity which applies for a grant, contract, or cooperative agreement under this Act for any project or program which involves the conduct of biomedical or behavioral research submit in or with its application for such grant, contract, or cooperative agreement assurances satisfactory to the Secretary that such entity—

"(1) has established (in accordance with regulations which the Secretary shall prescribe) an administrative process to review reports of scientific fraud in connection with biomedical and behavioral research conducted at or sponsored by such entity; and

"(2) will report to the Secretary any investigation of alleged scientific fraud which appears substantial.

"(b) The Director of NIH shall establish a process for the prompt and appropriate response to information provided the Director of NIH respecting scientific fraud in connection with projects for which funds have been made available under this Act. The process shall include procedures for the receiving of reports of such information from recipients of funds under this Act and taking appropriate action with respect to such fraud.

"RESEARCH ON PUBLIC HEALTH EMERGENCIES

"SEC. 492. (a) If the Secretary determines, after consultation with the Director of NIH, the Commissioner of the Food and Drug Administration, or the Director of the Centers for Disease Control, that a disease or disorder constitutes a public health emergency, the Secretary, acting through the Director of NIH—

"(1) shall expedite the review by advisory councils under section 406 and the peer review required by regulations under section 490 of grants for research on such disease or disorder or proposals for contracts for such research;

"(2) shall exercise the authority in section 3709 of the Revised Statutes (41 U.S.C. 5) respecting public exigencies to waive the advertising requirements of such section in the case of proposals for contracts for such research;

"(3) may provide administrative supplemental increases in existing grants and contracts to support new research relevant to such disease or disorder; and

"(4) shall disseminate, to health professionals and the public, information on the cause, prevention, and treatment of such disease or disorder that has been developed in research assisted under this section.

The amount of an increase in a grant or contract provided under paragraph (3) may not exceed one-half the original amount of the grant or contract.

"(b) Not later than 90 days after the end of a fiscal year, the Secretary shall report to the Committee on Energy and Commerce of the House of Representatives and the Committee on Labor and Human Resources of the Senate on actions taken under subsection (a) in such fiscal year.

"ANIMALS IN RESEARCH

"SEC. 493. (a) The Secretary, acting through the Director of NIH, shall establish guidelines for the following:

"(1) The proper care of animals to be used in biomedical and behavioral research.

"(2) The proper treatment of animals while being used in such research. Guidelines under this paragraph shall specify—

"(A) the appropriate use of tranquilizers, analgesics, anesthetics, paralytics, and euthanasia for animals in such research; and

"(B) appropriate pre-surgical and post-surgical veterinary medical and nursing care for animals in such research.

Such guidelines shall not be construed to prescribe methods of research.

"(3) The organization and operation of animal care committees in accordance with subsection (b).

"(b)(1) Guidelines of the Secretary under subsection (a)(3) shall require animal care committees at each entity which conducts biomedical and behavioral research with funds provided under this Act (including the National Institutes of Health and the national research institutes) to assure compliance with the guidelines established under subsection (a).

"(2) Each animal care committee shall be appointed by the chief executive officer of the entity for which the committee is established, shall be composed of not fewer than three members, and shall include at least one individual who has no association with such entity and at least one doctor of veterinary medicine.

"(3) Each animal care committee of a research entity shall—

"(A) review the care and treatment of animals in all animal study areas and facilities

of the research entity at least semiannually to evaluate compliance with applicable guidelines established under subsection (a) for appropriate animal care and treatment;

"(B) keep appropriate records of reviews conducted under subparagraph (A); and

"(C) for each review conducted under subparagraph (A), file with the Director of NIH at least annually (i) a certification that the review has been conducted, and (ii) reports of any violations of guidelines established under subsection (a) or assurances required under paragraph (1) which were observed in such review and which have continued after notice by the committee to the research entity involved of the violations.

Reports filed under subparagraph (C) shall include any minority views filed by members of the committee.

"(c) The Director of NIH shall require each applicant for a grant, contract, or cooperative agreement involving research on animals which is administered by the National Institutes of Health or any national research institute to include in any application or contract proposal submitted after the expiration of the twelve-month period beginning on the effective date of this section—

"(1) assurances satisfactory to the Director of NIH that—

"(A) the applicant meets the requirements of the guidelines established under paragraphs (1) and (2) of subsection (a) and has an animal care committee which meets the requirements of subsection (b); and

"(B) scientists, animal technicians, and other personnel involved with animal care, treatment, and use by the applicant have available to them instruction or training in the humane practice of animal maintenance and experimentation, and the concept, availability, and use of research or testing methods that limit the use of animals or limit animal distress; and

"(2) a statement of the reasons for the use of animals in the research to be conducted with funds provided under such grant or contract.

Notwithstanding subsection (a)(2) of section 553 of title 5, United States Code, regulations under this subsection shall be promulgated in accordance with the notice and comment requirements of such section.

"(d) If the Director of NIH determines that—

"(1) the conditions of animal care, treatment, or use in an entity which is receiving a grant, contract, or cooperative agreement involving research on animals under this title do not meet applicable guidelines established under subsection (a);

"(2) the entity has been notified by the Director of NIH of such determination and has been given a reasonable opportunity to take corrective action; and

"(3) no action has been taken by the entity to correct such conditions;

the Director of NIH shall suspend or revoke such grant or contract under such conditions as the Director determines appropriate.

"(e) No guideline or regulation promulgated under subsection (a) or (c) may require a research entity to publicly disclose trade secrets or commercial or financial information which is privileged or confidential.

"USE OF APPROPRIATIONS UNDER THIS TITLE

"SEC. 494. Appropriations to carry out the purposes of this title shall be available for the acquisition of land or the erection of buildings only if so specified. Such appropriations, unless otherwise expressly provided, may be expended in the District of Columbia for—

"(1) personal services;

"(2) stenographic recording and translating services;

"(3) travel expenses (including the expenses of attendance at meetings when specifically authorized by the Secretary);

"(4) rental;

"(5) supplies and equipment;

"(6) purchase and exchange of medical books, books of reference, directories, periodicals, newspapers, and press clippings;

"(7) purchase, operation, and maintenance of passenger motor vehicles;

"(8) printing and binding (in addition to that otherwise provided by law); and

"(9) all other necessary expenses in carrying out this title.

Such appropriations may be expended by contract if deemed necessary, without regard to section 3709 of the Revised Statutes (41 U.S.C. 5).

"GIFTS

"SEC. 495. The Secretary may, in accordance with section 2101, accept conditional gifts for the National Institutes of Health or a national research institute or for the acquisition of grounds or for the erection, equipment, or maintenance of facilities for the National Institutes of Health or a national research institute. Donations equal to or in excess of $50,000 for the National Institutes of Health or a national research institute for carrying out the purposes of this title may be acknowledged by the establishment within the National Institutes of Health or national research institute of suitable memorials to the donors.

"FETAL RESEARCH

"SEC. 496. (a) The Secretary may not conduct or support any research or experimentation, in the United States or in any other country, on a nonviable living human fetus ex utero or a living human fetus ex utero for whom viability has not been ascertained unless the research or experimentation—

"(1) may enhance the well-being or meet the health needs of the fetus or enhance the probability of its survival to viability; or

"(2) will pose no added risk of suffering, injury, or death to the fetus and the purpose of the research or experimentation is the development of important biomedical knowledge which cannot be obtained by other means.

"(b) In administering the regulations for the protection of human research subjects which—

"(1) apply to research conducted or supported by the Secretary;

"(2) involve living human fetuses in utero; and

"(3) are published in section 46.208 of part 46 of title 45 of the Code of Federal Regulations;

or any successor to such regulations, the Secretary shall require that the risk standard (published in section 46.102(g) of such part 46 or any successor to such regulations) be the same for fetuses which are intended to be aborted and fetuses which are intended to be carried to term.

"(c)(1) The Biomedical Ethics Advisory Committee appointed under section 381 shall conduct a study of the nature, advisability, and biomedical and ethical implications of exercising any waiver of the risk standard published in section 46.102(g) of such part 46 (or any successor to such regulations). The Committee shall complete the study and report its findings to the Biomedical Ethics Board established under section 381 not later than the expiration of thirty months after the effective date of this section. The report shall include the recommendations, if any, of the Committee on the advisability of the authority for such a waiver and the circumstances under which such a waiver might be granted. The Biomedical Ethics Board shall transmit the report to the Secretary, the Committee on Energy and Commerce of the House of Representatives, and the Committee on Labor and Human Resources of the Senate.

"(2) During the thirty-six-month period beginning on the effective date of this section, the Secretary may not grant (under section 46.211 of part 45 of title 46 of the Code of Federal Regulations or any successor to such section) a modification or waiver for fetal research.

"(3) Effective October 31, 1988, paragraph (2) is repealed.

"CONSTRUCTION OF TITLE

"SEC. 497. This title shall not be construed as limiting (1) the functions or authority of the Secretary under section 301 or of any officer or agency of the United States, relating to the study, prevention, diagnosis, and treatment of any disease for which a separate national research institute is established under this title, or (2) the expenditure of any funds therefor.".

CONFORMING AMENDMENTS

SEC. 3. (a)(1) The National Advisory Health Council established under section 217 is terminated.

(2) Section 217(a) is amended—

(A) in the first sentence—

(i) by striking out "National Advisory Health Council, the National Advisory Mental Health Council, the National Advisory Council on Alcohol Abuse and Alcoholism, and the National Advisory Dental Research Council" and inserting in lieu thereof "National Advisory Mental Health Council and the National Advisory Council on Alcohol Abuse and Alcoholism"; and

(ii) by striking out "by the Surgeon General with the approval of the Secretary of Health, Education, and Welfare" and inserting in lieu thereof "by the Secretary";

(B) in the second sentence—

(i) by striking out "in the case of the National Advisory Health Council, are skilled in the sciences related to health; and"

(ii) by striking out "the National Advisory Mental Health Council, the National Advisory Council on Alcohol Abuse and Alcoholism, the National Advisory Heart Council, and the National Advisory Dental Research Council" and inserting in lieu thereof "the National Advisory Mental Health Council and the National Advisory Council on Alcohol Abuse and Alcoholism"; and

(iii) by striking out ", alcohol abuse and alcoholism, and dental diseases and conditions" and inserting in lieu thereof "and alcohol abuse and alcoholism"; and

(C) by striking out the third sentence.

(3) Subsection (b) of section 217 is repealed and subsections (c) through (e) and subsection (g) are redesignated as subsections (b) through (e), respectively.

(4) Section 222(c) is amended to read as follows:

"(c) Upon appointment of any such council or committee, the Secretary may delegate to such council or committee such advisory functions relating to grants-in-aid for research or training projects or programs, in the areas or fields with which such council or committee is concerned, as the Secretary determines to be appropriate.".

(5) Section 301(a) is amended—

(A) in paragraph (3), by striking out "as are recommended" through "for such fiscal year" and inserting in lieu thereof "as are recommended by the advisory council to the entity of the Department supporting such projects or, in the case of mental health projects, by the National Advisory Mental Health Council; and make, upon recommendation of the advisory council to the entity of the department involved or the National Advisory Mental Health Council, grants-in-aid to public or nonprofit universities, hospitals, laboratories, and other institutions for the general support of their research"; and

(B) in paragraph (8), by striking out "recommendations of the National Advisory Health Council" through "as he deems" and inserting in lieu thereof "recommendations of the advisory councils to the entities of the department involved or, with respect to mental health, the National Advisory Mental Health Council, such additional means as the Secretary considers".

(6) Section 1122(a) is amended by striking out "under section 441".

(b) Parts I and J of title III are repealed.

(c) Section 8(w) of the Orphan Drug Act is repealed.

(d) Section 506 is amended by adding at the end thereof the following new subsection:

"(e)(1) If the direct cost of a grant or contract (described in subsection (a)) to be made does not exceed $50,000, the Secretary may make such grant or cooperative agreement only if such grant or cooperative agreement is recommended after peer review required by regulations under subsections (a) and (b).

"(2) If the direct cost of a grant or contract (described in subsection (a)) to be made equals or exceeds $50,000, the Secretary may make such grant or cooperative agreement only if such grant or cooperative agreement is recommended after peer review required by regulations under subsections (a) and (b), and is recommended by the National Advisory Mental Health Council, the National Advisory Council on Alcohol Abuse and Alcoholism, or the National Advisory Council on Drug Abuse, as is appropriate.".

PLAN FOR RESEARCH INVOLVING ANIMALS

SEC. 4. (a) The Director of the National Institutes of Health shall establish a plan for—

(1) research to be conducted by or through the National Institutes of Health and the national research institutes into methods of biomedical research and experimentation—

(A) which do not require the use of animals;

(B) which reduce the number of animals used in such research; or

(C) which produce less pain and distress in such animals than methods currently in use;

(2) establishing the validity and reliability of the methods described in subparagraph (A);

(3) the development of such methods which have been found to be valid and reliable; and

(4) the training of scientists in the use of such methods.

The plan required by this paragraph shall be prepared not later than October 1, 1986.

(b) The Director of the National Institutes of Health shall take such actions as may be appropriate to convey to scientists and others involved with research or experimentation involving animals information respecting the methods found to be valid and reliable under subsection (a)(2).

(c) The Director of the National Institutes of Health shall establish within the National Institutes of Health an Interagency Coordinating Committee to assist the Director of the National Institutes of Health in the development of the plan required by subsection (a). The Director of each national research institute shall serve on the Committee.

RESEARCH ON LUPUS ERYTHEMATOSUS

SEC. 5. (a) The Secretary shall establish a Lupus Erythematosus Coordinating Committee to plan, develop, coordinate, and implement comprehensive Federal initiatives in research on Lupus Erythematosus.

(b)(1) The Committee shall be composed of—

(A) the Director of the National Institute of Neurological and Communicative Disorders and Stroke (or the designee of such Director);

(B) the Director of the National Institute of Allergy and Infectious Diseases (or the designee of such Director);

(C) the Director of the National Institute of Arthritis and Musculoskeletal and Skin Diseases (or the designee of such Director);

(D) the Director of the National Institute of General Medical Sciences (or the designee of such Director);

(E) the Director of the National Heart, Lung, and Blood Institute (or the designee of such Director);

(F) the Director of the National Institute of Diabetes and Digestive and Kidney Diseases (or the designee of such Director); and

(G) the Director of the Centers for Disease Control (or the designee of such Director).

(2) The Committee shall meet at least four times a year. The Secretary shall designate as chairman of the Committee the Director of the National Institute of Arthritis and Musculoskeletal and Skin Diseases.

(c) The Committee shall prepare a report for Congress on its activities. The report shall include a description of research projects on Lupus Erythematosus conducted or supported by Federal agencies in the fiscal year for which the report is made, the nature and purpose of each such project, the amounts expended for each such project, and an identification of the entity which conducted the research under each such project. Such report shall be submitted not later than 18 months after the date of the effective date of this Act. The Committee shall terminate one month after the report is submitted.

NATIONAL RESEARCH SERVICE AWARD STUDY

SEC. 6. (a) The Secretary of Health and Human Services shall conduct a study of—

(1) the effect of the service obligation requirement of section 485(c) of the Public Health Service Act on the number and quality of individuals who apply for National Research Service Awards;

(2) the effect of section 485(c)(4) of such Act on the number of persons who engage in health research or training as a career;

(3) the number of persons who receive National Research Service Awards and who engage in health research or training as a career; and

(4) the effectiveness of the grant authority under section 485(a)(1)(B) of such Act in encouraging individuals to engage in health research and training as a career.

(b) The Secretary shall complete the study required by subsection (a) within one year after the effective date of this Act and shall report the results of the study to the Committee on Energy and Commerce of the House of Representatives and the Committee on Labor and Human Resources of the Senate.

INTERAGENCY COMMITTEE ON SPINAL CORD INJURY

SEC. 7. (a) Within 90 days after the effective date of this Act, the Secretary of Health and Human Services shall establish in the National Institute of Neurological and Communicative Diseases and Stroke an Interagency Committee on Spinal Cord Injury (hereafter in this section referred to as the "Interagency Committee"). The Interagency Committee shall plan, develop, coordinate, and implement comprehensive Federal initiatives in research on spinal cord injury and regeneration.

(b)(1) The Interagency Committee shall consist of representatives from—

(A) the National Institute on Neurological and Communicative Disorders and Stroke;

(B) the Department of Defense;

(C) the Department of Education;

(D) the Veterans' Administration;

(E) the Office of Science and Technology Policy; and

(F) the National Science Foundation;

designated by the heads of such entities.

(2) The Interagency Committee shall meet at least four times. The Secretary of Health and Human Services shall select the Chairman of the Interagency Committee from the members of the Interagency Committee.

(c) Within the 18 months after the effective date of this Act, the Interagency Committee shall prepare and transmit to the Congress a report concerning its activities under this section. The report shall include a description of research projects on spinal cord injury and regeneration conducted or supported by Federal agencies during such 18-month period, the nature and purpose of each such project, the amounts expended for each such project, and an identification of the entity which conducted the research under each such project.

(d) The Interagency Committee shall terminate 90 days after the date on which the Interagency Committee transmits the report required by subsection (c) to the Congress.

STUDY OF PERSONNEL FOR HEALTH NEEDS OF THE ELDERLY

SEC. 8. (a) The Secretary shall conduct a study on the adequacy and availability of personnel to meet the current and projected health needs (including needs for home and community-based care) of elderly Americans through the year 2020.

(b) The Secretary shall report the results of the study to the Committee on Energy and Commerce of the House of Representatives and the Committee on Labor and Human Resources of the Senate by March 1, 1986. The report on the study shall contain recommendations on—

(1) the number of primary care physicians, dentists, and other health personnel needed to provide adequate care for the elderly;

(2) the training needs of physicians and dentists (including specialists) and other health personnel to provide care responsive to the particular needs of the elderly;

(3) necessary changes in medicare and other third party reimbursement programs necessary to support training of primary care and other physicians to meet the needs of the elderly; and

(4) necessary program changes in third party reimbursement programs (including changes in medicare programs) to support

training of other health personnel in the care of the elderly.

INTERAGENCY COMMITTEE ON LEARNING DISABILITIES

SEC. 9. (a) Not later than 90 days after the effective date of this Act, the Director of the National Institutes of Health shall establish an Interagency Committee on Learning Disabilities to review and assess Federal research priorities, activities, and findings regarding learning disabilities (including central nervous system dysfunction in children).

(b) The Committee shall be composed of such representatives as the Director may designate, but shall include representatives from the National Institute of Neurological and Communicative Disorders and Stroke, the National Institute of Child Health and Human Development, the National Institute of Allergy and Infectious Diseases, the National Eye Institute, the National Institute of Environmental Health Sciences, the Division of Research Resources of the National Institutes of Health, and the National Institute of Mental Health.

(c) Not later than 18 months after the effective date of this Act, the Committee shall report to the Congress on its activities under subsection (a) and shall include in the report—

(1) the number of persons affected by learning disabilities and the demographic data which describes such persons;

(2) a description of the current research findings on the cause, diagnosis, treatment, and prevention of learning disabilities; and

(3) recommendations for legislation and administrative actions—

(A) to increase the effectiveness of research on learning disabilities and to improve the dissemination of the findings of such research; and

(B) respecting specific priorities for research in the cause, diagnosis, treatment, and prevention of learning disabilities.

(d) The Committee shall terminate 90 days after the date of the submission of the report under subsection (c).

REVIEW OF DISEASE RESEARCH PROGRAMS OF THE NATIONAL INSTITUTE OF DIABETES AND DIGESTIVE AND KIDNEY DISEASES

SEC. 10. The Secretary of Health and Human Services shall conduct an administrative review of the disease research programs of the National Institute of Diabetes and Digestive and Kidney Diseases to determine if any of such programs could be more effectively and efficiently managed by other national research institutes. The Secretary shall complete such review within the one-year period beginning on the effective date of this Act.

BIOMEDICAL ETHICS

SEC. 11. Title III (as amended by section 3(b)) is amended by adding at the end the following:

"PART I—BIOMEDICAL ETHICS

"SEC. 381. (a) There is established in the legislative branch of the Government the Biomedical Ethics Board (hereinafter referred to as the 'Board').

"(b)(1) The Board shall consist of twelve members as follows:

"(A) Six Members of the Senate appointed as follows: Three members appointed by the Majority Leader of the Senate from the majority party and three members appointed by the Minority Leader from the minority party.

"(B) Six Members of the House of Representatives appointed by the Speaker of the House of Representatives, three from the majority party and three from the minority party.

"(2) The term of office of a member of the Board shall expire when the member leaves the office of Senator or Representative, as the case may be, or upon the expiration of eight years after the date of the member's appointment to the Board, whichever occurs first.

"(3) Vacancies in the membership of the Board shall not affect the power of the remaining members to execute the functions of the Board and shall be filled in the same manner as in the case of the original appointment.

"(4) The Board shall select a chairman and a vice chairman from among its members at the beginning of each Congress. The vice chairman shall act as chairman in the absence of the chairman or in the event of the incapacity of the chairman. The chairmanship and vice chairmanship shall alternate between the Senate and the House of Representatives with each Congress. The chairman during each even-numbered Congress shall be selected by the Members of the House of Representatives on the Board from among their number. The vice chairman during each Congress shall be chosen in the same manner from that House of Congress other than the House of Congress of which the chairman is a Member.

"(5) The Board shall meet once every three months unless such meeting is dispensed with by the chairman, and may meet at any time upon the request of four or more members of the Board or upon the call of the chairman.

"(c)(1) The Board shall study and report to the Congress on a continuing basis on the ethical issues arising from the delivery of health care and biomedical and behavioral research, including the protection of human subjects of such research and developments in genetic engineering (including activities in recombinant DNA technology) which have implications for human genetic engineering.

"(2)(A) Except as provided in subparagraph (B), an annual report shall be transmitted to the Congress identifying the issues which were the subject of the study conducted under paragraph (1) and identifying areas, programs, and practices of medicine and biomedical and behavioral research which have significant ethical implications and which would be appropriate subjects for study.

"(B) A report on research and developments in genetic engineering (including activities in recombinant DNA technology) which have implications for human genetic engineering shall be transmitted to the Congress not later than eighteen months after the appointment of the Committee under subsection (d).

"(d)(1) To conduct the studies and make the reports required by subsection (c), the Board shall appoint a Biomedical Ethics Advisory Committee (hereinafter referred to as the 'Committee'). The Committee shall consist of fourteen members as follows:

"(A) Four of the members shall be appointed by the Board from individuals who are distinguished in biomedical or behavioral research.

"(B) Three of the members shall be appointed by the Board from individuals who are distinguished in the practice of medicine or otherwise distinguished in the provision of health care.

"(C) Five of the members shall be appointed by the Board from individuals who are distinguished in one or more of the fields of ethics, theology, law, the natural sciences (other than the biomedical or behavioral sciences), the social sciences, the humanities, health administration, government, and public affairs.

"(D) Two of the members shall be appointed by the Board from individuals who are representatives of citizens with an interest in biomedical ethics but who possess no specific expertise.

"(2)(A) The Committee, by majority vote, shall elect from its members a chairman and a vice chairman and appoint an executive director who shall serve for such time and under such conditions as the Committee may prescribe. In the absence of the chairman, or in the event of the incapacity of the chairman, the vice chairman shall act as chairman.

"(B) The term of office of each member of the Committee shall be four years, except that any such member appointed to fill a vacancy occurring prior to the expiration of the term for which such member's predecessor was appointed shall be appointed for the remainder of such term. Terms of the members shall be staggered so as to establish a rotating membership.

"(C) The members of the Committee shall receive no pay for their services as members of the Committee, but shall be allowed necessary travel expenses (or, in the alternative, mileage for use of privately owned vehicles and a per diem in lieu of subsistence at not to exceed the rate prescribed in sections 5702 and 5704 of title 5, United States Code) and other necessary expenses incurred by them in the performance of duties as a member of the Committee, without regard to the provisions of subchapter 1 of chapter 57 and section 5731 of title 5, United States Code, and regulations promulgated thereunder.

"(D) The executive director of the Committee, with the approval of the Committee, may employ such staff and consultants as necessary to prepare studies and reports for the Committee.

"(3)(A) The Committee may, for the purpose of carrying out its functions, hold such public hearings, sit and act at such times and places, and take such testimony, as the Committee considers appropriate.

"(B) Upon request of the Committee, the head of any Federal agency is authorized to detail, on a reimbursable basis, any of the personnel of such agency to the Committee to assist the Committee in carrying out its functions.

"(C) The Committee may secure directly from any department or agency of the United States information necessary to enable it to carry out its functions. Upon request of the chairman of the Committee, the head of such department or agency shall furnish such information to the Committee.

"(D) The Committee may accept, use, and dispose of gifts or donations or services or property.

"(E) The Committee may use the United States mails in the same manner and under the same conditions as other departments and agencies of the United States.

"(e) To enable the Board and the Committee to carry out their functions there are authorized to be appropriated $2,000,000 for fiscal year 1986, $2,500,000 for fiscal year 1987, and $3,000,000 for fiscal year 1988.".

EFFECTIVE DATE

SEC. 12. This Act and the amendments made by this Act shall take effect October 1, 1985.

Mr. KENNEDY. Mr. President, I am pleased to join my colleague, Senator HATCH, in introducing the reauthorizing legislation for the National Institutes of Health. This bill contains specific 3-year authorizations for the National Cancer Institute and the National Heart, Lung, Blood Institute. It creates a new institute, the National Institute for Arthritis, Musculoskeletal and Skin Diseases, and establishes important mechanisms for integrating the participation of nurse researchers into the activities of all the institutes. It accomplishes a long overdue recodification of the law regarding NIH. And the legislation includes a provision of which I am particularly proud—the creation of a Congressional Office of Biomedical Ethics patterned after the Office of Technology Assessment.

This has been a trying year of our Nation's biomedical researchers. Reauthorizing legislation introduced by us last year that was nearly identical to the bill we are introducing today was vetoed by the President. That veto, coupled with an attack on the NIH budget by the Office of Management and Budget, has created considerable alarm among researchers throughout the country.

After the 1985 appropriations bill for the NIH was passed by Congress and signed by the President, the Office of Management and Budget took the unprecedented action of impounding a portion of the funds and holding them aside to spend in future years. The number of new and competing grants that could be awarded in 1985 decreased by 1,500 grants from 6,500, the number intended by Congress, to 5,000.

Not only was this action illegal and contrary to the intent of Congress, it was also based on ignorance of the scientific funding process. When this action was taken, the first of three cycles of funding was complete. Many scientists had received their priority scores for the year. Some had begun to hire new colleagues based on expectations of funding. The reduction of the budget meant that priority scores high enough to win funding in the first cycle could not win funding in the second. A fair and predictable process had been transformed into a lottery.

The negative reaction from the scientific community was marked. Many scientists took time out from their busy schedules to visit Washington. Hearings were held. There were disturbing revelations including instances where Nobel prize winning scientists were denied funding because of the damaged funding process.

Together with my colleague, Senator WEICKER, I introduced Senate Joint Resolution 89 to restore funding for the full 6,500 grants appropriated by Congress. A similar resolution was introduced in the House of Representatives. These resolutions and the pressure brought to bear by the scientific community led to a compromise. The administration promised to raise the level for the year to 5,500. To this date, no new directive has been given to the directors of the National Institutes to bring the grant level to the compromise number.

The authorization levels in the bill we are introducing today are based on the budget already adopted this year by the Senate. They allow for the award of 6,000 new and competing grants for each year from 1986 to 1988. While this is somewhat less than last year's target, it will be the largest number of new grants ever awarded by the Institutes. I am particularly pleased to point out that this legislation also creates a new institute which will focus on one of our country's more common disabling afflictions—arthritis.

There are a number of different kinds of arthritis. To this date research on these conditions and many related disorders, has been carried out under the auspices of the National Institutes of Arthritis, Diabetes, Digestive and Kidney Disorders. The creation of a separate Institute for Arthritis will signify a special emphasis to be placed on finding a cure for this condition which contributes disproportionately to pain and suffering and days lost from work.

Another important aspect of this bill is its emphasis on stimulating nursing research. Although it does not establish a new Nursing Institute, which was a provision of last year's vetoed bill, there are many features which will stimulate the participation of nurses in the research conducted at the Institutes.

Nurses are indispensable professionals within our health care system who generally have the greatest share of patient contact. Though they clearly have much to offer the research effort, they have often been denied opportunities to participate. To assure that nurses participate actively and fully, we are requiring that nurses be involved in all aspects of studies conducted at the Clinical Center. Nurses will also, from this time forward, sit on the study sections and advisory councils of the Institutes. In addition, assistance will be offered to schools of nursing to aid prospective researchers in their efforts to develop workable methodologies and projects.

It is with special pleasure that I mention another feature of this reauthorizing legislation, the creation of a Congressional Office of Biomedical Ethics patterned after OTA. There are no more difficult sets of questions that daily confront medical practitioners, patients, families, researchers, and public policy makers than the ethical issues arising around medical practice and biomedical research. The President's Commission for the Study of Ethical Problems in Medicine and Biomedical and Behavioral Research showed that an independent panel to think through these issues could provide invaluable guidance to those who must take responsibility for hard decisions in this area. It is essential that this type of assistance be available on a continuing basis.

Finally, let me say that this has been a particularly successful year for our Nation's biomedical researchers. I would like to mention one accomplishment which, in many ways, symbolizes the tremendous progress of the last decade. Without the progress in virology, gene cloning, genetic engineering, and monoclonal antibodies of recent years, it would not have been possible to identify the virus which caused the Acquired Immunodeficiency Syndrome [AIDS] and develop a test to protect the Nation's blood supply.

There can be no better evidence of the wisdom of Government than the resources it has invested in this preeminent research institution. Sure, there can be no better answer for those naysayers who endlessly berate the accomplishments of Government programs than to point to the National Institutes which were established by the Federal Government and run exclusively on public monies. There can be no more valuable commitment to our Nation's future than the reauthorization of the National Institutes of Health.

By Mr. DANFORTH (for himself, Mr. HOLLINGS, Mr. SIMON, Mr. DIXON, Mr. GOLDWATER, Mr. PRESSLER, Mrs. KASSEBAUM, and Mr. HATFIELD):

S. 1310. A bill to amend the Communications Act of 1934 regarding the broadcasting of certain material regarding candidates for Federal elective office, and for other purposes; to the Committee on Commerce, Science, and Transportation.

CLEAN CAMPAIGN ACT

Mr. DANFORTH. Mr. President, today I am introducing legislation on behalf of myself and Senators HOLLINGS, SIMON, DIXON, GOLDWATER, PRESSLER, KASSEBAUM and HATFIELD to address the increasing negativism of political campaigns. Negative campaigning has always existed in American politics, but the advent of television commercials and political action committees has blown it into previously undreamed-of proportions.

Mr. President, a well-educated, well-informed public is the foundation upon which American democracy is built. Negative political campaigning is shaking our democracy off that foundation. The public increasingly is voting against candidates, after a barrage of 30-second negative ads that

have reduced complex issues and personalities into buzzwords and strawmen. Independent political action committees and wealthy interlopers are free to inject themselves into races, as well. These PAC's may have no loyalty to a district or a State, a candidate or a party. Nonetheless, they can spend thousands of dollars on negative ads.

Negative political campaigns have drawn such general expressions of revulsion that some ask why they are used. The answer is that they are used because they work. They wear down and tear down opponents, and they win elections.

But, Mr. President, what are the results of this kind of victory? How does a politician serve his constituency if he was elected not because of his positions on issues, but because the voters disliked his opponent more than they disliked him? Politicians enjoy believing that being elected confers a mandate, but what kind of mandate is that?

Mr. President, negative political campaigning is creating apathy and cynicism among the voting public, and distorting our electoral process. I also believe it is beginning to cloud the atmosphere of the Senate. I sense an increasing mood of defensiveness, of testiness, and a breakdown in the comity and collegiality that we need to function as a deliberative body. There is a sense of fear here, based on the apprehension that when we next face reelection, our opponents will use negative tactics against us, and we will have to use such tactics against them to survive.

Mr. President, the bill we are introducing today provides a starting point for dealing with this troubling problem. It applies to Federal elective campaigns that are conducted through the broadcast media. The bill is based upon Congress' constitutional power to regulate Federal elections, and on established legal principles set out in the Communications Act regarding political acces rights and regulation of the broadcast media.

The bill, entitled the "Clean Campaign Act of 1985," has two main provisions. First, it says to Federal candidates that if you want to broadcast an ad that refers to your opponent, you must make that reference in person. If an ad is broadcast in which you refer to your opponent and you have not made the reference in person, then your opponent gets free time to respond to that ad. The intent of this provision is not to eliminate negative ads; it is designed to increase a candidate's accountability when he seeks to use negative ads. Thus, if a candidate wants to refer to his opponent, the public will see with its own eyes and hear with its own ears that candidate, not some anonymous actor or a portentous voice narrating a staged scene.

The second provision of the bill addresses independent political advertisements placed by PAC's or even individuals. It provides that if a PAC airs an ad opposing a Federal candidate, then that candidate will get free response time. If a PAC airs an ad endorsing a Federal candidate, then the opponents of that candidate get free response time. Again, this bill does not seek to eliminate or restrict PAC ads. It merely attempts to restore some balance to a campaign in which independent ads are aired. This provision will provide candidates with some ability to respond to messages that otherwise might be unanswerable.

Mr. President, any legislation relating to political speech raises first amendment concerns. We have been fortunate to have had the assistance of the noted law firm of Sidley & Austin in preparing this bill. They have reviewed the constitutional issues raised by the bill, and have concluded that a strong case could be made in court that the bill is constitutional.

Mr. President, my cosponsors and I are excited about this bill. We believe it provides a focused mechanism for dealing with this crucial problem, and we hope it also generates widespread debate on additional solutions. The Commerce Committee will begin hearings in July on the bill, and we look forward to input from the public, the press, and our colleagues in Congress.

Mr. President, I ask unanimous consent that the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1310

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Clean Campaign Act of 1985".

SEC. 2. (a) Section 315 of the Communications Act of 1934 (47 U.S.C. 315) is amended—

(1) by redesignating subsections (b), (c) and (d) as subsections (d), (e) and (f), respectively; and

(2) by inserting immediately after subsection (a) the following:

"(b)(1) If any legally qualified candidate for any Federal elective office (or an authorized committee of any such candidate) who uses rights of access and conditions of access under the provisions of this Act utilizes a broadcasting station to refer, directly or indirectly, to another legally qualified candidate for that office, such reference shall be made in person by such legally qualified candidate.

"(2) If the licensee of a broadcasting station permits such station to be utilized in a manner not in accordance with the provisions of paragraph (1) of this subsection, such licensee shall provide, within a reasonable period of time, to the candidate to whom reference was made the opportunity to utilize, without charge, the same amount of time of such broadcasting station, during the same period of the day, as was utilized by the legally qualified candidate (or by an authorized committee of such legally qualified candidate).

"(c)(1) If any licensee permits a person to utilize a broadcasting station to broadcast material which either endorses a legally qualified candidate for any Federal elective office or opposes a legally qualified candidate for that office, such licensee shall, within a reasonable period of time, provide to any legally qualified candidate opposing the candidate endorsed (or to an authorized committee of such legally qualified candidate), or to any legally qualified candidate who was so opposed (or to an authorized committee of such legally qualified candidate), the opportunity to utilize, without charge, the same amount of time on such broadcasting station, during the same period of the day, as was utilized by such person.

"(2) For purposes of this subsection, the term 'person' includes an individual, partnership, committee, association, corporation, or any other organization or group of persons, but such term does not include a legally qualified candidate for any Federal elective office or an authorized committee of any such candidate.".

(b) Section 315(a) of the Communications Act of 1934 (47 U.S.C. 315(a)) is amended by striking "section" and inserting in lieu thereof "subsection".

(c) Section 315(e) of the Communications Act of 1934, as so redesignated by subsection (a) of this section, is amended to read as follows:

"(e) For purposes of this section—

"(1) the term 'authorized committee' means, with respect to any candidate for nomination for election, or election, to any Federal elective office, any committee, club, association, or other group of persons which receives contributions or makes expenditures during a calendar year in an aggregate amount exceeding $1,000 and which is authorized by such candidate to accept contributions or make expenditures on behalf of such candidate to further the nomination or election of such candidate;

"(2) the term 'broadcasting station' includes a community antenna television system; and

"(3) the terms 'licensee' and 'station licensee' when used with respect to a community antenna system means the operator of such system.".

SEC. 3. If any provision of this Act or the application of it to any person or circumstance is held invalid, the remainder of this Act and the application of the provision to any such person or circumstance shall not be affected by such invalidation.

Mr. HOLLINGS. Mr. President, I am joining today with Senator DANFORTH to introduce legislation that furthers the intent and improves the effectiveness of the political broadcasting laws. The Clean Campaign Act of 1985 addresses and remedies two specific problems that greatly threaten balance and accountability in the political broadcasting arena.

The first problem involves the use of broadcast time for negative advertising. While attacks on opponents are certainly not new, with the advent of sophisticated use of the electronic media, such attacks are becoming more and more insidious and are contributing less and less to the distribution of information about candidates. In the past few years, I have seen just about every form of animal and every type of hired performer make incorrect or misleading remarks about a candidate's opponent.

Now, I know full well that we cannot

limit—nor would we want to limit—a candidate's discussion of an opponent's character, record, and other qualification to hold office. On the other hand, the objective of this activity is to increase the knowledge of the voter so that an educated choice can be made. That is why Senator DANFORTH and I are proposing a relatively simple policy: If you want to discuss your opponent in a broadcast advertisement, you must do it in person. In this way, candidates can make the points they wish to make about their opponents while being more responsible about what they say.

The second problem involves the use of PAC money to air advertisements on broadcast stations. We all have seen how PAC's can seriously damage the balance in a campaign through the expenditure of enormous amounts of money. In effect, a candidate budgets to fight one well-financed opponent but then ends up fighting many.

While the existing political broadcasting laws give a candidate equal opportunities vis-a-vis an opposing candidate, the laws offer far fewer protections when it comes to PAC's. The current requirements of lowest unit advertising rate or free time or just the ability to respond promptly do not apply with PAC's. In addition, when a candidate responds to a PAC, he then triggers the equal opportunities provision of the law. In the end, he finds he keeps making one statement for two or more on the other side. How can he hope to compete fairly? To cure this problem, Senator DANFORTH and I are again taking a straightforward approach, which in no way limits the ability of PAC's to advertise: If a broadcaster airs PAC advertisements, the broadcaster must then give the candidate who is opposed or otherwise not supported, free time within a reasonable period.

I have long been concerned about how we now use broadcast time to advertise candidates for office. The British system of providing only limited blocks of time free of charge has always had some attractions. I, however, recognize that vast changes are not now in the offering. But some further tuning of our current system is required. The approach Senator DANFORTH and I have taken is reasonable and restricts the speech of no one. It will improve the accountability of candidates and the balance in campaigns. In the end, the public will benefit by having the best information possible on which to make an intelligent choice.

Finally, I want to note that in proposing this legislation, we are again signaling the strong support of the Congress for the political broadcasting laws. The current FCC has shown an inclination to weaken or eliminate the current political broadcasting requirements. They should not do so. Any action by the Commission that would in any way harm these requirements would be met by immediate and strong action by the Congress.

By Mr. GOLDWATER (for himself, Mr. GARN, Mr. GLENN, Mr. TRIBLE, and Mr. WARNER):

S. 1311. A bill to authorize the Smithsonian Institution to plan, design, and construct facilities for the National Air and Space Museum; to the Committee on Rules and Administration.

DULLES WING OF THE NATIONAL AIR AND SPACE MUSEUM

● Mr. GOLDWATER. Mr. President, I join today with Senators GARN, WARNER, TRIBLE, and GLENN to introduce legislation authorizing expansion of the National Air and Space Museum by planning and constructing related facilities at the Dulles International Airport.

In order to carry out construction of the facilities, which may consist of up to four hangar-type buildings, funds are authorized in stages. First, $2,400,000 is authorized effective October 1, 1985, for planning and design of the facility. Beginning with fiscal year 1989, an additional $42,600,000 would be authorized to carry out the actual construction of facilities. However, these construction moneys could be obligated and expended only on a matching basis with non-Federal funds. The money would not be available for any stage of construction until sufficient funds are raised to complete that particular phase of the overall facilities. The Federal Aviation Administration would be authorized and directed to lease a maximum of 100 acres of land at Dulles International Airport appropriate for expansion of the museum but which, when used for the museum, would not interfere with the operations of the airport.

Mr. President, it is an unusual and fortunate circumstance when the public need for a facility and a public desire to support its creation coincide. Such is the case of the Dulles wing of the National Air and Space Museum.

The existing National Air and Space Museum on The Mall is the most popular museum in the world, and its approval stems from the manner in which its artifacts, from the recently restored Wright Flyer to the Pioneer 10 spacecraft, are exhibited to the public. Less well known is the fact that the museum has other programs fully as important as its exhibits, and of the same high quality. These include its films, its publications, its research and the remarkable care given to the preservation and restoration of its collection.

The crucial matter of preserving a collection is the heart of any museum's function, and one can tell by inspection that the present site of the museum's restoration and preservation activities, the Paul E. Garber Facility at Silver Hill, is totally inadequate for the existing collection, and absolutely unsuitable for the collection in the future.

It should be noted here that the museum is extremely discriminating in its collection process, accepting from many offers for donation only those items which clearly demonstrate an important facet of technology or history. It refuses many more articles than it accepts, as a part of the curatorial process, and with full regard for the expense of storing objects over time.

It is a fact of life, however, that the very subject matter of the museum, the artifacts of air and space, are by their nature large. One of the most important aircraft of all time, and certainly the most important of the jet age, the prototype Boeing 707, is currently stored in the desert near Tucson in my State, where it is subject to the elements. This aircraft generated many billions of dollars for the United States; it and its derivatives have been perhaps the most important plus in our balance-of-trade projections. But more than that, it literally revolutionized mankind, making it possible for the average citizen to exchange their shopping bags for luggage, and catapulted transatlantic crossings from 500,000 per year to more than 20 million.

The 707 prototype should be on exhibit, fully restored in our Nation's Capital, as a symbol of America's aviation heritage. Its companion piece should be the space shuttle, the symbol of the conversion of space from experimental to business status. Unfortunately both of these—and many other similar inspirational craft—are not only too large to be exhibited in the museum on The Mall, they cannot be disassembled for transportation to The Mall. They and others in the collection must be exhibited at a location where there is a runway; the perfect location, one that has been advocated by the public, by business, and by State and local authorities, is Dulles Airport.

Mr. President, the Dulles wing would become a focal point for the remainder of the Air and Space Museum's fascinating collections of artifacts, and would permit the visitor to view the remarkable restoration activities which have brought the museum worldwide renown.

It is my understanding that the Federal Aviation Administration has indicated its willingness to lease 100 acres of land at Dulles to the Smithsonian to provide an adequate space for the buildings, parking, and the necessary support activities. The area agreed upon would provide ample room for expansion, and would not interfere with the primary purpose of the airport.

The decision to request a location at Dulles was done only after many other sites were considered. There was no room at Washington National; Balti-

more-Washington International Airport indicated that there was no space available because of future requirements; the Glenn L. Martin airport in Baltimore did not have adequate space; Andrews Air Force Base had inadequate space, and there was no guarantee of permanence for the facility, due to the uncertainties of military missions; the Fairchild plant at Hagerstown was too distant, and had no genuine local support. Dulles International Airport, on the other hand, met all the criteria for museum and airport needs, and in addition, has the enthusiastic, sustained support of many influential civil and business groups.

The regents of the Smithsonian have given their preliminary approval to the Dulles wing, and authorized the National Air and Space Museum to continue with preliminary planning.

The facility as currently planned would consist of four hangar-type buildings, approximately 250 by 300 feet, with a ceiling height of at least 75 feet. One of these would be a combination shop and storage area, while the others would be used to store and exhibit space craft. There would be smaller buildings for the storage of engines and other aircraft parts, and for offices and a visitor's lobby. There would be sufficient ramp space to allow movement of aircraft and access to the active runway. The facility itself would be directly accessible from outside the airport without going through the terminal area.

The facility construction would be phased over a period of 10 years, with the first building handling the most urgent needs of the museum, and serving also as a focus of public interest.

The degree of spontaneous public support is astounding; influential citizens have formed an Aviation Heritage Council that will work to collect private funding to match the Federal component of the program.

Mr. President, perhaps most important from the public point of view is the fact that these facilities will help relieve the enormous visitor load on the museum downtown, and permit the museum to create exhibits in which a greater degree of public interaction will be possible. The museum has an enviable track record which augers well for the success of the new Dulles wing. I hope my colleagues will support us in this effort and that the legislation will be acted on promptly.●

By Mr. SIMON:

S.J. Res. 146. Joint resolution designating August 1985 as "Polish American Heritage Month"; to the Committee on the Judiciary.

POLISH AMERICAN HERITAGE MONTH

● Mr. SIMON. Mr. President, it is with great pride that I introduce this legislation designating August 1985 as "Polish American Heritage Month," in recognition of the outstanding contributions made by Polish Americans.

Poles and Polish Americans have played a major role in shaping our history. From Kazimierz Pulaski and Tadeusz Kosciusko, heroes of the American Revolutionary Army, to Edmund Muskie and Zbigniew Brzezinski, Polish Americans have helped determine American political and military history. Polish Americans have been in the forefront of our cultural, scientific, educational, athletic, and entertainment worlds. In short, they have greatly enriched the American experience.

We also send another message when we so honor Polish Americans. We inform those struggling for freedom and democracy in Poland, from Lech Walesa to the three codefendants in the Polish Government's anti-Solidarity trial, that the United States stands with them in their historic confrontation with those seeking to stem the tide of social justice. We do this by honoring Poland's native sons and daughters who have chosen to emigrate to America, bringing with them the ideas and talents nurtured over the centuries by Polish history. Let us join with our colleagues in the House of Representatives and designate August 1985 as "Polish American Heritage Month."●

By Mr. HATCH (for himself and Mr. KENNEDY):

S.J. Res. 147. Joint resolution to designate a calendar week in 1985 as "National Infection Control Week"; to the Committee on the Judiciary.

NATIONAL INFECTION CONTROL WEEK

● Mr. HATCH. Mr. President, I am today introducing a joint resolution authorizing the President to annually designate a week in 1985 as "National Infection Control Week." This week will serve to make us all aware of how infection, a significant cause of disease and death, can be prevented.

In conjunction with the first National Infection Control Week, the Department of Health and Human Services [HHS] plans to launch the T. Bear campaign to make children, who are particularly prone to infection, more aware of what they can do. The message of the campaign will be "Handwashing Prevents Infection * * * It Really Does."

Children are in special need of having this message brought to them. The T. Bear campaign began at the Pediatric Branch of the National Cancer Institute. There the patients are children afflicted with cancer for whom infection can have dire consequences. Not only hospitals but also schools and day care centers are locations for transmission of infection. For example, the Centers for Disease Control report that they respond to more requests to investigate outbreaks of infectious disease in day care centers than in any other setting.

The best solution to infection is prevention. For children this comes down to a simple message: Handwashing prevents infection. In conjunction with the T. Bear Foundation, the Department of Health and Human Services is beginning a campaign to take this message to the hospitals, schools, day-care and Head Start centers. There are already 36 flagship facilities. Each has agreed to submit an evaluation of the handwashing behavior and infection patterns in their facility before, during and after implementation of the program.

Mr. President, my joint resolution would provide for the designation of "National Infection Control Week." Included in HHS 1990 objectives for America's health, is the goal of reducing nosocomial infections (those acquired in a hospital setting) by 20 percent. Each year more than 20,000 people die as a direct result of this kind of infection and in at least another 60,000 deaths nosocomial infection is considered a contributing cause. There is much to be done to reduce the incidence of infection. The T. Bear campaign is an important first step. I am confident that in this year and in future years designation of "National Infection Control Week" will contribute to increasing public awareness of what can be done to prevent infection.●

● Mr. KENNEDY. Mr. President, I am pleased to cosponsor this joint resolution designating a week in 1985, as "National Infection Control Week." This event will provide a vehicle for focusing national attention on the importance of handwashing to prevent the spread of infection. The campaign will be directed at children, and caregivers responsible for them. Its theme will be symbolized by a poster with a picture of a teddy bear, called T. Bear. The campaign will begin in hospitals and focus on nosocomial (hospital acquired) infections.

Thousands of children in hospitals, schools, and day-care centers are prone to unnecessary diseases, or even death, because of transmitted infections. Children in the pediatric wards of hospitals are particularly susceptible to the menace of nosocomial infection. This growing threat can be blocked by the simple practice of handwashing. The T. Bear campaign promotes this fundamental message. It is a worthwhile effort, and one that I am happy to support.●

ADDITIONAL COSPONSORS

S. 37

At the request of Mr. HATCH, the name of the Senator from Delaware [Mr. ROTH] was added as a cosponsor

of S. 37, a bill to provide for civil rights in public schools.

S. 49

At the request of Mr. McCLURE, the name of the Senator from Virginia [Mr. TRIBLE] was added as a cosponsor of S. 49, a bill to protect firearm owners' constitutional rights, civil liberties, and rights to privacy.

S. 210

At the request of Mr. D'AMATO, the name of the Senator from North Dakota [Mr. BURDICK] was added as a cosponsor of S. 210, a bill to repeal the inclusion of tax-exempt interest from the calculation determining the taxation of social security benefits.

S. 361

At the request of Mr. MOYNIHAN, the name of the Senator from North Carolina [Mr. EAST] was added as a cosponsor of S. 361, a bill to amend the Internal Revenue Code of 1954 to make permanent the deduction for charitable contributions by non-itemizers.

S. 425

At the request of Mr. GOLDWATER, the name of the Senator from Maine [Mr. MITCHELL] was added as a cosponsor of S. 425, a bill to amend the Public Health Service Act to establish a National Institute of Arthritis and Musculoskeletal and Skin Diseases.

S. 670

At the request of Mr. PELL, the names of the Senator from Massachusetts [Mr. KENNEDY], the Senator from Ohio [Mr. METZENBAUM], and the Senator from Montana [Mr. MELCHER] were added as cosponsors of S. 670, a bill to amend the National Labor Relations Act to give employers and performers in the performing arts rights given by section 8(e) of such act to employers and employees in similarly situated industries, and to give to employers and performers in the performing arts the same rights given by section 8(f) of such act to employers and employees in the construction industry, and for other purposes.

S. 865

At the request of Mr. D'AMATO, his name was added as a cosponsor of S. 865, a bill to award special congressional gold medals to Jan Scruggs, Robert Doubek, and Jack Wheeler.

S. 876

At the request of Mr. MURKOWSKI, the names of the Senator from California [Mr. CRANSTON], the Senator from Wyoming [Mr. SIMPSON], the Senator from Hawaii [Mr. MATSUNAGA], the Senator from Vermont [Mr. STAFFORD], the Senator from Arizona [Mr. DECONCINI], the Senator from Maine [Mr. MITCHELL], the Senator from Pennsylvania [Mr. SPECTER], the Senator from West Virginia [Mr. ROCKEFELLER], and the Senator from Minnesota [Mr. BOSCHWITZ] were added as cosponsors of S. 876, a bill to amend title 38, United States Code, to establish, extend, and improve certain Veterans' Administration health care programs.

S. 902

At the request of Mr. DECONCINI, the name of the Senator from Maine [Mr. COHEN] was added as a cosponsor of S. 902, a bill to establish Federal standards and regulations for the conduct of gaming activities within Indian country, and for other purposes.

S. 942

At the request of Mr. DANFORTH, the name of the Senator from Louisiana [Mr. LONG] was added as a cosponsor of S. 942, a bill to promote expansion of international trade in telecommunications equipment and services, and for other purposes.

S. 987

At the request of Mr. BYRD, his name was added as a cosponsor of S. 987, a bill to recognize the organization known as the Daughters of Union Veterans of the Civil War 1861-1865.

S. 1039

At the request of Mr. CRANSTON, the name of the Senator from Delaware [Mr. BIDEN] was added as a cosponsor of S. 1039, a bill entitled the "Ocean Incineration Research Act of 1985."

S. 1064

At the request of Mr. PELL, the name of the Senator from Massachusetts [Mr. KENNEDY] was added as a cosponsor of S. 1064, a bill to provide for the continuation of the national diffusion network.

S. 1084

At the request of Mr. GOLDWATER, the name of the Senator from Washington [Mr. EVANS] was added as a cosponsor of S. 1084, a bill to authorize appropriations of funds for activities of the Corporation for Public Broadcasting, and for other purposes.

S. 1162

At the request of Mr. HART, the name of the Senator from Vermont [Mr. LEAHY] was added as a cosponsor of S. 1162, a bill to amend the Nuclear Waste Policy Act of 1982 to require the Secretary of Energy to incorporate transportation impacts into the selection process for repositories of high-level radioactive waste.

S. 1223

At the request of Mr. ARMSTRONG, the names of the Senator from New Mexico [Mr. BINGAMAN], the Senator from Minnesota [Mr. BOSCHWITZ], the Senator from Hawaii [Mr. INOUYE], the Senator from Michigan [Mr. LEVIN], the Senator from Hawaii [Mr. MATSUNAGA], the Senator from Rhode Island [Mr. PELL], the Senator from South Dakota [Mr. PRESSLER], the Senator from West Virginia [Mr. ROCKEFELLER], the Senator from New Hampshire [Mr. RUDMAN], and the Senator from Vermont [Mr. STAFFORD] were added as cosponsors of S. 1223, a bill to authorize the erection of a memorial on Federal land in the District of Columbia or its environs to honor members of the Armed Forces of the United States who served in the Korean war.

S. 1224

At the request of Mr. McCLURE, the names of the Senator from Alabama [Mr. HEFLIN], and the Senator from Virginia [Mr. TRIBLE] were added as cosponsors of S. 1224, a bill to limit the importation of softwood lumber into the United States, and for other purposes.

SENATE JOINT RESOLUTION 115

At the request of Mr. D'AMATO, his name was added as a cosponsor of Senate Joint Resolution 115, a joint resolution to designate 1985 as the Oil Heat Centennial Year.

SENATE JOINT RESOLUTION 136

At the request of Mr. HATFIELD, the names of the Senator from New Jersey [Mr. BRADLEY], the Senator from Idaho [Mr. SYMMS], and the Senator from Connecticut [Mr. DODD] were added as cosponsors of Senate Joint Resolution 136, a joint resolution to authorize and request the President to issue a proclamation designating the calendar week beginning with Sunday, April 13, 1986, as National Garden Week.

SENATE CONCURRENT RESOLUTION 41

At the request of Mr. BAUCUS, the names of the Senator from North Dakota [Mr. ANDREWS], and the Senator from Connecticut [Mr. DODD] were added as cosponsors of Senate Concurrent Resolution 41 expressing the sense of the Congress that corporate income tax rates should remain graduated.

SENATE CONCURRENT RESOLUTION 43

At the request of Mr. McCLURE, the name of the Senator from South Carolina [Mr. THURMOND] was added as a cosponsor of Senate Concurrent Resolution 43, a concurrent resolution expressing the sense of the Congress that the English language is the official language of the United States.

SENATE CONCURRENT RESOLUTION 45

At the request of Mr. D'AMATO, the name of the Senator from Pennsylvania [Mr. SPECTER] was added as cosponsor of Senate Concurrent Resolution 45, a concurrent resolution condemning the actions of the Nicaraguan Government that hinder freedom of religion.

AMENDMENTS SUBMITTED

ENERGY POLICY AND CONSERVATION ACT AMENDMENTS

BRADLEY AMENDMENT NO. 348

Mr. BRADLEY proposed an amendment to the bill (S. 979) to extend the expiration date of titles I and II of the

Energy Policy and Conservation Act, and for other purposes; as follows:

At the appropriate place in the bill add the following new title:

TITLE —EMERGENCY FINANCIAL RESPONSE

AUTHORITY TO PROVIDE EMERGENCY ASSISTANCE

SEC. . (a) The President shall under the authority of this Act supplement the rules implementing the Low Income Energy Assistance Program to provide an independent mechanism for emergency financial assistance in the form of standby block grants to State Governors (acting in accordance with State law) as part of the Federal Government's response to a petroleum disruption.

(b) The standby block plan under subsection (a), to the maximum extent practicable, shall provide for—

(1) the maintenance of essential public services so as to protect public health, safety, and welfare;

(2) the mitigation of extreme personal hardship caused by higher prices during the petroleum supply disruption; and

(3) maintenance of economic efficiency.

(c) The standby block grant plan shall include guidelines and requirements for State Governors (acting pursuant to State law) under which the block grants are conditioned, including provisions for submittal of State plans to ensure the objectives listed in subsection (b) are met. Reasonable accounting and auditing procedures shall be established. The standby block grant plan shall be developed in consultation with State Governors and State legislatures and with the benefit of public participation.

(d) The requirements described in subsection (c) shall provide for a limitation on the percentage of the funds that may be used by State agencies for planning and administrative costs.

(e) The President shall submit to the Congress within 90 days the standby block grant plan described in this title.

IMPLEMENTATION OF THE STANDBY BLOCK GRANT PLAN

SEC. . If the President determines to implement the standby block grant program, then he shall transmit his determination to the Congress together with his request for an emergency supplemental appropriation, including this recommendation for a formula allocating the appropriated funds among the several States.

DIRECT FEDERAL ASSISTANCE

SEC. . The President shall within 90 days of the enactment of this Title provide to the Congress his recommendations for changes in existing law so as to provide for direct Federal assistance to recipients to complement the standby block grant plan established under this Title. The President's recommendations shall provide for changes in existing Federal direct assistance programs, such as the Low-Income Energy Assistance Program or for such other forms of direct Federal assistance as he deems appropriate, where the use of such programs in conjunction with the standby block grant plan would more effectively or more efficiently achieve the objectives in sec. 01(b).

AUTHORIZATION OF APPROPRIATIONS

SEC. . There are hereby authorized to be appropriated such funds as may be necessary to carry out this title; the allocation of such funds among the several States shall be determined as provided in the emergency supplemental appropriation required by section 02 of the Act.

METZENBAUM AMENDMENT NO. 349

Mr. METZENBAUM proposed an amendment to the bill S. 979, supra; as follows:

At the end of the bill add the following new section:

"SEC. 5. LIMITATION ON NEW VOLUNTARY AGREEMENTS OR PLANS OF ACTION.

"Section 252 of the Energy Policy and Conservation Act is amended by adding at the end thereof the following:

"'(m) Effective after the date of enactment of the Energy Policy and Conservation Amendments Act of 1985,

"'(1) the defenses available under subsection (f) and (k) shall only be applicable under any new plan of action with respect to Type 1 activities (as that term is defined in the International Energy Agency Emergency Management Manual, dated December 1982), if—

"'(A) the Secretary has transmitted such new plan of action to the Congress; and

"'(B)(i) sixty calendar days of continuous session have elapsed since receipt by the Congress of such transmittal; or

"'(ii) within 60 calendar days of continuous session of receipt of such transmittal, either House of the Congress has disapproved a joint resolution of disapproval pursuant to subsection (n); and

"'(2) such defenses for Type 1 activities with respect to such new plan shall not be available if there has been enacted, in accordance with subsection (n), a joint resolution of disapproval.

"'(3) For the purpose of this subsection—

"'(A) continuity of session is broken only by an adjournment of the Congress sine die at the end of the second session of Congress; and

"'(B) the days on which either House is not in session because of an adjournment of more than three days to a day certain are excluded in the computation of the calendar-day period involved.

"'(n)(1)(A) The application of defenses under subsection (f) and (k) for Type 1 activities in respect to any new plan of action transmitted pursuant to subsection (m) shall be disapproved if a joint resolution of disapproval has been enacted into law during the 60 day period of continuous session after which such transmission was received by the Congress. For the purpose of this subsection, the term "joint resolution" means only a joint resolution of either House of the Congress as described in paragraph (3).

"'(B) After receipt by the Congress of the transmission under subsection (m)(1), a joint resolution of disapproval may be introduced in either House of the Congress. Upon introduction, the joint resolution shall be referred immediately to the Committee on Energy and Natural Resources of the Senate and the appropriate committee or committees of the House of Representatives.

"'(C) The Secretary may withdraw the transmission any time prior to adoption of such joint resolution by either House of the Congress.

"'(2) This subsection is enacted by the Congress—

"'(A) as an exercise of the rulemaking power of the Senate and House of Representatives, respectively and as such it is deemed a part of the rules of each House, respectively, but applicable only with respect to the procedure to be followed in that House in the case of resolutions described by paragraph (3); it supersedes other rules only to the extent that it is inconsistent therewith; and

"'(B) with full recognition of the constitutional right of either House to change the rules (so far as relating to the procedure of that House) at any time, in the same manner and to the same extent as in the case of any other rule of the respective House.

"'(3) The joint resolution disapproving the transmission under subsection (m) shall read as follows after the resolving clause: "That the Congress of the United States disapproves the availability of the defenses pursuant to sections 252(f) and (k) of the Energy Policy and Conservation Act with respect to Type 1 activities under the new plan of action submitted to the Congress by the Secretary of Energy on .", the blank space therein being full with the date and year of receipt by the Congress of the transmission under subsection (m).

"'(4)(A) If the committee to which a joint resolution under this subsection has been referred has not reported it at the end of 20 calendar days of continuous session after its referral, it shall be in order to move either to discharge the committee from further consideration of such resolution or to discharge any such committee from further consideration of any other joint resolution with respect to such transmission which has been referred to such committee.

"'(B) A motion to discharge shall be highly privileged (except that in may not be made after all committees to which such joint resolution has been referred have reported a joint resolution with respect to the transmission), and debate thereon shall be limited to not more than one hour, to be divided equally between those favoring and those opposing the joint resolution. An amendment to the motion shall not be order, and it shall not be in order to move to reconsider the vote by which the motion was agreed to or disagreed to.

"'(C) If the motion to discharge is agreed to or disagreed to, the motion may not be renewed, nor may another motion to discharge the committee be made with respect to any other joint resolution with respect to the same transmission.

"'(5)(A) When all such committees have reported, or have been discharged from further consideration of a joint resolution, it shall be in order at any time thereafter within the 60 day period following receipt by the Congress of the new plan of action (even though a previous motion to the same effect has been disagreed to) to move to proceed to the consideration of such a joint resolution. The motion shall be highly privileged and shall not be debatable. An amendment to the motion shall not be in order, and it shall not be in order to move to reconsider a vote by which the motion was agreed to or disagreed to.

"'(B) Debate on the joint resolution shall be limited to not more than 10 hours and final action on the joint resolution shall occur immediately following conclusion of such debate. A motion further to limit debate shall not be debatable. A motion to recommit such a joint resolution shall not be in order, and it shall not be in order to move to reconsider the vote by which such a joint resolution was agreed to or disagreed to.

"'(6)(A) Motions to postpone made with respect to the discharge from committee or consideration of a joint resolution, shall be decided without debate.

"'(B) Appeals from the decision of the Chair relating to the application of rules of the Senate or the House of Representatives, as the case may be, to the procedures relating to a joint resolution shall be decided without debate.'".

CRANSTON AMENDMENT NO. 350

Mr. CRANSTON proposed an amendment to the bill S. 979, supra; as follows:

On page 4 following line 8, insert the following:

SECTION —. SHORT TITLE.

This Amendment may be cited as the "Consumer Products Energy Efficiency Amendments of 1985".

SEC. —. FINDINGS AND PURPOSE.

(a) FINDINGS.—The Congress hereby finds that—

(1) consumer appliances consume a significant portion of domestic and imported energy, and if current trends continue, such appliances will consume 30 percent more energy in the next two decades, requiring the construction and use of many new large central powerplants;

(2) continued use of inefficient appliances threatens our national security, national environment and the domestic economy, and can be a competitive disadvantage in international appliance markets;

(3) energy-efficient appliances are technologically feasible and are presently being manufactured by some manufacturers. In more widespread production and use, they would substantially reduce electric consumption and reduce energy costs to all users of such appliances;

(4) increased disclosure of information regarding appliance energy consumption would promote the purchase of energy-efficient appliances;

(5) however, better information cannot effectively influence a substantial percentage of consumer appliance purchases because they are made by building contractors, landlords and other third-party purchasers who do not bear the energy costs of operating such appliances; and

(6) the deposit of acid compounds emitted by powerplants is causing and contributing to widespread, long-term ecosystem degradation. Appliance standards, by saving electricity, will contribute to reducing these emissions.

(b) PURPOSE.—The purpose of this Amendment is to provide for a substantial gain in energy efficiency, and thereby serve the national interest, by improving the administration of the Federal energy conservation program for consumer products, enhancing consumer information programs to encourage the purchase of more energy-efficient appliances, and establish energy efficiency standards for furnaces, central air conditioners, water heaters, refrigerators, refrigerator-freezers and freezers.

SEC. —. DISCLOSURE IN ADVERTISING AND SALE.

(a) DISCLOSURE AT POINT OF SALE.—Subsection (c)(4) of section 324 of the Energy Policy and Conservation Act (42 U.S.C. 6294(c)(4)), relating to labeling, is amended to read as follows:

"(4) A rule under this section applicable to a covered product shall, within 180 days after the date of the enactment of the Consumer Products Energy Efficiency Amendments of 1985, require disclosure, in any printed matter displayed or distributed at the point of sale of such product, of any information which may be required under this section to be disclosed on the label of such product or included in advertising related to such product.".

(b) DISCLOSURE IN ADVERTISEMENT.—Such subsection is further amended by adding at the end thereof the following new paragraph:

"(7)(A) In the case of a manufacturer of a covered product to which a rule under this section applies, the Commission shall, within 180 days after the date of the enactment of the Consumer Products Energy Efficiency Amendments of 1985, require such manufacturer to disclose, in any broadcast advertisement or any advertisement in any newspaper, magazine or other periodical, any information which may be required under this section to be disclosed on the label of such product.

"(B) Such disclosure shall be made in a manner that the Commission determines is likely to assist consumers in making purchasing decisions.".

(c) TECHNICAL AMENDMENTS.—(1) The heading of such section is amended to read as follows:

"DISCLOSURE IN LABELING, ADVERTISING AND SALE".

(2) The table of contents for such Act is amended by striking out the item relating to Section 325 and inserting in lieu thereof the following:

"Sec. 325. Disclosure in labeling, advertising and sale.".

SEC. —. CONSUMER EDUCATION.

Section 337 of the Energy Policy and Conservation Act (42 U.S.C. 6307), relating to consumer education, is amended—

(1) by striking out "337." and inserting in lieu thereof "337. (a)";

(2) by striking out the last sentence; and

(3) by adding the following new subsection at the end thereof:

"(b) The Secretary, in consultation with the Commission, shall publish and make available comparative guides of each type (and class) of covered products, indicating its energy efficiency and annual operating cost. Such guides shall contain consumer information on calculating the life-cycle costs of each such type (and class).".

SEC. —. ENERGY EFFICIENCY STANDARDS FOR WATER HEATERS, CENTRAL AIR-CONDITIONERS, FURNACES, REFRIGERATORS, REFRIGERATOR-FREEZERS AND FREEZERS.

Section 325(a) of the Energy Policy and Conservation Act (42 U.S.C. 6295(a)), relating to energy efficiency standards, is amended by adding at the end thereof the following new paragraph:

"(3)(A) Notwithstanding subsection (b) and subsection (d), the Secretary shall, no later than 180 days after the date of the enactment of the Consumer Products Energy Efficiency Amendments of 1985, prescribe an energy efficiency standard for each type (or class) of covered products specified in paragraphs (1), (2), (5), (12), and (13) of section 322(a). Notwithstanding the second sentence of subsection (c), each such energy efficiency standard shall take effect not later than 18 months after the date on which the Secretary prescribes it. The Secretary may not reevaluate, under subsection (h), a standard required by this paragraph before the end of the 3-year period beginning on the date on which such standard takes effect.

"(B) The standards for a type (or class) of covered products under this paragraph shall—

"(i) be no less than the average shipment weighted energy efficiency for such type (or class) for 1984, and

"(ii) be based on a test procedure prescribed under section 323 for such type (or class).".

SEC. —. PROMOTION OF DOMESTIC PRODUCTION AND REDUCTION OF DOMESTIC UNEMPLOYMENT.

(a) ECONOMIC JUSTIFICATION OF STANDARDS.—Subsection (d) of section 325 of the Energy Policy and Conservation Act (42 U.S.C. 6295), relating to energy efficiency standards, is amended by redesignating paragraphs (6) and (7) as paragraphs (10) and (11), respectively, and by inserting after paragraph (5) the following new paragraphs:

"(6) the effect of such standard on the promotion of domestic production,

"(7) the effect of such standard on the reduction of unemployment and the improvement of the economy,

"(8) the effect on such standards on electric utilities, inc. ıding demand growth, construction needs, utility rates, and load management,

"(9) the effect of such standards on the human environment, including reductions in the deposition of the acid compounds emitted by powerplants,"

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall apply to determinations made more than 180 days after the date of the enactment of this Amendment.

SEC. —. REPORT ON IMPORTS.

Section 338 of the Energy Policy and Conservation Act (42 U.S.C. 6308), relating to annual report, is amended by adding at the end thereof the following: "Each such report shall include information regarding the percentage of covered products which are imported and the percentage of components of covered products which are imported.".

SEC. —. IMPROVEMENTS IN ENERGY EFFICIENCY AND CONSERVATION.

(a) REQUIREMENT FOR STANDARD.—Subparagraph (C) of section 325(a)(2) of the Energy Policy and Conservation Act (42 U.S.C. 6295(a)(2)(C)), relating to a determination that a substantial improvement in energy efficiency is feasible is amended by striking out "substantial improvement" and inserting in lieu thereof "improvement of 20 percent or more".

(b) CONFORMING AMENDMENT.—Paragraph (2) of section 325(b) of such Act (42 U.S.C. 6295(b)(2)) is amended by striking out "significant conservation of energy" and inserting in lieu thereof "improvement of 20 percent or more in energy efficiency".

SEC. —. CRITERIA FOR ESTABLISHING SPECIAL STANDARDS.

(a) BASIS OF DETERMINATION FOR SPECIAL STANDARDS.—Subsection (f) of Section 325 of the Energy Policy and Conservation Act (42 U.S.C. 6295(f)), relating to special energy efficiency standards, is amended by adding at the end thereof the following new paragraph:

"(3)(A) In determining under this paragraph whether a performance-related feature justifies the establishment of a higher standard, the Secretary shall consider such factors as—

(i) the utility to the consumer of such a feature, and

(ii) such other factors as he deems appropriate.".

"(B) In determining under this paragraph whether a performance-related feature justifies the establishment of a lower standard, the Secretary shall consider factors as—

"(i) the utility to the consumer of such a feature,

"(ii) the additional cost of meeting the otherwise applicable standard,

"(iii) the additional estimated range of annual operating costs which would result from such lower standard, and

"(iv) such other factors as the Secretary deems appropriate.".

(b) CONFORMING AMENDMENT.—Section 325(f)(1) of such Act is amended by striking out the last sentence thereof.

SEC. —. AVERAGE ENERGY EFFICIENCY BY PRODUCT TYPE OR CLASS.

Section 325 of the Energy Policy and Conservation Act (42 U.S.C. 6295), relating to energy efficiency standards, is amended by adding at the end thereof the following new subsection:

"(k)(1) No later than 180 days after the date of the enactment of the Consumer Products Energy Efficiency Amendments of 1985, the Secretary shall prescribe a combined average energy efficiency standard for each of the types of products described in paragraphs (1) through (14) of section 322(a).

"(2) Notwithstanding any other provision of this part, if for any twelve month period the average energy efficiency of the total number of a type of covered products manufactured by a manufacturer or marketed by a private labeler are determined to meet the combined average efficiency standard applicable to such type, such manufacturer or private labeler shall be treated as meeting the applicable energy efficiency standard for the period covered by such determination.

"(3) For purposes of this subsection, the term 'combined average energy efficiency standard' means, for any product type, an energy efficiency standard which results in energy efficiency equivalent to compliance with the energy efficiency standards for such type under section 325(c).".

SEC. —. EFFECT OF FEDERAL STANDARD ON OTHER LAW; ESTABLISHING EXPECTED AVERAGE IMPROVEMENTS FOR ENERGY EFFICIENCY.

Subsection (b) of Section 325 of the Energy Policy and Conservation Act (42 U.S.C. 6295(b)), relating to energy efficiency standards, is amended—

(1) by striking out "(b)" and inserting in lieu thereof "(b)(1)";

(2) by redesignating paragraphs (1) and (2) as subparagraphs (A) and (B), respectively;

(3) by strikingout "or" at the end of subparagraph (B) (as so redesignated) and inserting in lieu thereof "and";

(4) by striking out the last sentence thereof; and

(5) by adding at the end thereof the following new paragraph:

"(2) If no standard for a type (or class) of covered product is prescribed, the Secretary shall issue a guideline for improvement in energy efficiency for such type (or class) for each of the following 5 years. The Secretary shall monitor the improvements in efficiency of such type (or 13 class) and shall prescribe a standard under section 325 whenever such type (or class) fails, for 3 consecutive years, to achieve at least half of the improvement under such guideline. Such rule shall require a level of energy savings equal to the improvement specified in such guideline.".

BYRD (AND OTHERS) AMENDMENT NO. 351

Mr. BYRD (for himself, Mr. ROCKEFELLER, Mr. Ford, and Mr. WARNER) proposed an amendment to the bill S. 979, supra; as follows:

At the end of the bill add the following new title:

"TITLE II—COAL IMPORTS

"SEC. 201. SHORT TITLE.

"This title may be cited as the National Coal Imports Reporting Act of 1985.

"SEC. 202. UNITED STATES COAL IMPORTS REVIEW.

"(a) The Energy Information Administration shall issue a report quarterly and provide an annual summary of the quarterly reports to the Congress, on the status of United States coal imports. Such quarterly reports may be published as a part of the Quarterly Coal Report published by the Energy Information Administration.

"(b) Each report required by this section shall—

"(1) include current and previous year data on the quantity, quality (including heating value, sulfur content, and ash content), and delivered price of all coals imported by domestic electric utility plants that imported more than 10,000 tons during the calendar year into the United States;

"(2) identify the foreign nations exporting the coal, the domestic electric-utility plants receiving coal from each exporting nation, domestically-produced coal supplied to United States electric-utility plants of imported coal, and domestic coal production, by State, displaced by the imported coal;

"(3) identify at regional and state levels of aggregation (where allowed under disclosure policy) transportation modes and costs for delivery of imported coal from the exporting country port of origin to the point of consumption in the United States; and

"(4) specifically high-light and analyze any significant trends of unusual variations in coal imports.

"(c) The first report required by this section shall be submitted to Congress in March 1986. Subsequent reports shall be submitted within 90 days after the end of each quarter.

"(d) Information and data required for the purpose of this Act shall be subject to existing law regarding the collection and disclosure of such data.

"SEC. 203. ANALYSIS OF THE UNITED STATES COAL IMPORT MARKET.

"(a) The Secretary of Energy, acting through the Energy Infomation Administration, shall conduct a comprehensive analysis of the coal import market in the United States and report the findings of such analysis to the Committee on Energy and Natural Resources of the Senate and the appropriate committees of the House of Representatives, within nine months of the date of enactment of this Act.

"(b) The report required by this section shall—

"(1) contain a detailed analysis of potential domestic markets for foreign coals, by producing nation, between 1985 and 1995;

"(2) identify potential domestic consuming sectors of imported coal and evaluate the magnitude of any potential economic disruptions for each impacted State, including analysis of direct and indirect employment impact in the domestic coal industry and resulting income loss to each State;

"(3) identify domestically produced coal that potentially could be replaced by imported coal;

"(4) identify contractual commitments of domestic utilities expiring between 1985 and 1995 and describe spot buying practices of domestic utilities, fuel cost patterns, plant modification costs required to burn foreign coals, proximity of navigable waters to utilities, demand for compliance coal, availability of less expensive purchased power from Canada, and State and local considerations;

"(5) Evaluate increased coal consumption at domestic electric utilities resulting from increased power sales and analyze the potential coal import market represented by this increased consumption. Increased consumption should include that represented by existing coal-fired plants, new coal-fired plants projected up to the year 1995 and plants planning to convert to coal by 1995;

"(6) identify existing authorities available to the Federal government relating to coal imports, assess the potential impact of exercising each of these authorities, and describe Administration plans and strategies to address coal imports;

"(7) identify and characterize the coal export policies of all major coal exporting nations, including the United States, Australia, Canada, Colombia, Poland, and South Africa with specific consideration of such policies as—

"(A) direct or indirect government subsidies to coal exporters;

"(B) health, safety, and environmental regulations imposed on each coal producer; and

"(C) trade policies relating to coal exports;

"(8) identify and characterize the excess capacity of foreign producers, potential development of new export-oriented coal mines in foreign nations, operating costs of foreign coal mines, capacity of ocean vessels to transport foreign coal and constraints on importing coal into the United States because of port and harbor availability;

"(9) identify and characterize specifically the participation of all United States corporations involved in mining and exporting coal from foreign nations; and

"(10) identify and characterize the policies governing coal imports of all coal-importing industrialized nations, including the United States, Japan, and the European nations by considering such factors as import duties or tariffs, import quotas, and other governmental restrictions or trade policies impacting coal imports.".

ADDITIONAL STATEMENTS

AFRICAN FAMINE

● Mr. HATFIELD. Mr. President, Senators KASTEN and KENNEDY have been working together over the last several months on various proposals which seek to respond to the needs in sub-Saharan Africa.

Their latest proposal, adopted by the Senate in conjunction with the foreign assistance authorization legislation, would establish an African famine recovery and development fund as part of the U.S. Foreign Assistance Program. I applaud the efforts of my colleagues in this area.

Mr. President, I ask that an article which recently appeared in the Boston Globe written by Senators KASTEN and KENNEDY appear in the RECORD at this point.

The article follows:

[From the Boston Globe, June 7, 1985]

HELPING AFRICAN COUNTRIES TO FEED THEMSELVES

(Edward M. Kennedy and Robert Kasten)

WASHINGTON.—The early rains that came last month to Ethiopia and other parched nations of Africa brought a mixed blessing of hope and fear—hope that the worst is over, fear that the world will be lulled into inaction and neglect.

Even as the current emergency-relief operations continue, we must also begin the longer-term recovery and development programs indispensable to the prevention of future famines.

Unless we achieve the transition from relief to rehabilitation to a self-sustaining future, the same horrible pictures of hunger in Ethiopia and other parts of Africa will be transmitted again this year: the victims will be new, but the tragedy will be the same.

US food, medicine, and other relief have saved the lives of millions. The challenge now is not only to keep the food pipeline filled, but to lay the groundwork for the longer term.

The Senate has taken a major step by establishing an African Famine Recovery and Development Fund as part of the US foreign-aid program. The House and the President should follow suit.

The goal of the fund is to support a range of innovative measures to help the continent and its individual nations achieve self-sufficiency in food production.

Broad agricultural reform is the key to avoiding future famines and to minimizing the effect of droughts when they occur. African nations must make the initial commitment to such reform, but they are unlikely to do so without substantial encouragement and financial help from other countries.

Unless the United States responds generously to nations that pursue reforms—and rewards them with additional assistance when they do—change may never come.

Many governments in Africa are disinclined to alter economic and agricultural policies that favor urban consumers over rural farmers. Prices paid to farmers are kept artificially low. Currencies are inflated, and loans from abroad are used to import inexpensive foods at the expense of local farmers. Often, export crops are promoted at the expense of domestic food crops in order to generate hard currency to pay for food imports relished by the urban population.

Political courage is needed to reverse these entrenched habits, and nations willing to begin the effort deserve extra US aid.

The new African Famine Recovery and Development Fund will also emphasize the importance of support for small farmers.

A recent study by the Congressional Office of Technology Assessment concludes that "farmers and herders with little access to economic and natural resources hold the key to increasing food production in Africa."

As the report notes, the most appropriate role for the United States is to promote technologies in Africa that are low-risk, resource-conserving, small-scale, adapted to local labor conditions, and consistent with traditional agricultural methods.

Another goal of the new fund is to facilitate recovery from the massive environmental damage resulting from the drought and desertification of once-fertile lands in Africa. Environmental damage in Ethiopia, Sudan, and vast areas of Africa has been accumulating for years as a result of deforestation and overgrazing, and is unlikely to be halted unless long-range environmental factors receive greater weight in current development programs.

Ethiopia has already embarked on an effort to halve the herds of goats and other livestock, which far exceed current needs and which are the principal cause of overgrazing in rural areas. Similarly, Sudan now recognizes that reforestation must receive a higher priority in its developing plans. Assistance for such efforts will be a top priority of the fund.

As the accompanying chart shows, per capita food production has risen steadily in recent years in Asia and Latin America, but is sharply down in Africa. Two decades ago, the United States helped to reduce this trend in Asia and to end a series of tragic famines in India. Today, as a result of thoughtful reforms and assistance undertaken in the 1960s, India feeds herself.

Even in the Sahel, the previous flash point for famine in Africa, steady progress has been achieved.

Precedents like these offer hope that the Famine Recovery and Development Fund can play a central role in abolishing the cycle of famine in Africa.●

GENERAL DYNAMICS PENALTIES

● Mr. MITCHELL. Mr. President, last month, the DOD inspector general, Joseph H. Sherick, recommended that three high-ranking General Dynamics Corp. executives be banned from military contracting. This recommendation resulted from an investigation into improper billings and gifts by this huge corporation.

Despite clear evidence of overbillings and improper gratuities, however, Secretary of the Navy John F. Lehman rejected the inspector general's recommendation.

Overhead charges were recovered. A fine was levied againt the corporation. Several contracts were canceled. And new contracts were suspended.

But these penalties were borne by General Dynamics Corp., a legal fiction created by American jurisprudence, and not by the executives responsible for the acts. Thus, we have penalized an inanimate corporation and its largely blameless stockholders.

It is ironic that this administration, which has so often asserted that "corporations don't pay taxes, only people pay taxes" does not seem to be able to recognize that corporations do not commit crimes, people commit crimes.

If there is one principle to which our Nation ought to be dedicated it is the principle of equal justice before the law.

What kind of example does this set? What message are the executives of large American corporations to derive from these acts? At a time when mismanagement, fraud, and abuse appear almost daily in the headlines of America's newspapers, what are taxpayers and law-abiding citizens to think about this kind of response?

The decision by Secretary Lehman makes it clear that the Navy is unwilling to hold executives of major corporations responsible for fraud and misconduct. Instead of equally applying the laws, we have a double standard—one set of rules for the giant defense firms, a second and more stringent set for all others.

The Secretary has ample authority to take meaningful steps. He need not wait for the outcome of criminal investigations. The inspector general's recommendations were made pursuant to the statutory authority granted to that office by the legislation that established Offices of Inspector General in all of the departments and agencies.

I am not suggesting that the Inspector's recommendations be blindly followed in all cases. But unless real people are held responsible for the actions of corporations, the "pervasive corporate attitude" regarding improper billing and gratuities, which Secretary Lehman blames for the actions of General Dynamics, will only be reinforced.

Respect for law and order can never be maintained if equal application of the laws does not prevail. Existing laws must be applied. Double standards cannot be allowed to exist. Unless and until the Navy—indeed all department and agencies of the Government—exercises its authority to protect the taxpayer from contract abuses its credibility will continue to erode.

Mr. President, my colleague from Wisconsin, Mr. PROXMIRE, and I have written to Secretary Lehman to express our concerns about this matter. I ask that the text of that letter appear in the RECORD at this point.

The letter follows:

U.S. SENATE,
Washington, DC, June 11, 1985.

Hon. JOHN F. LEHMAN, Jr.,
Secretary of the Navy, Department of the Navy, Washington, DC.

DEAR SECRETARY LEHMAN: We are very distressed about your recent decision to reject the recommendation of Joseph Sherick, DoD Inspector General, concerning the banning of three General Dynamics executives from future military contracting.

This decision makes it apparent that the Navy is unwilling to hold individuals who participate in defense contracts responsible for fraud and misconduct. Instead, a modest monetary penalty has been levied against a huge multi-billion dollar corporation—a legal entity, owned by largely blameless stockholders, who will ultimately pay the fine while identifiable executives go unpunished.

What kind of example does this set for other corporate executives doing business with the government? Can they systematically violate the terms of government contracts, give illegal favors and gifts to high public officials, and submit fraudulent claims, without fear that they will be personally liable for their actions?

Is such treatment fair when, for example, a salesman from Maine caught giving a set of golf clubs to a purchasing agent at Kittery Naval Shipyard, was tried and convicted on bribery charges? The Navy wasted no time with him.

One can only conclude that you have chosen to follow the double standard set by your predecessors—one set of rules for the giant defense firms, a second and more stringent set for all others.

The Inspector General Act of 1978 established offices of Inspector General "to conduct and supervise audits and investigations relating to programs and operations" of the Department of Defense and other departments and agencies. The Inspector General is given the authority to investigate and recommend remedies regarding fraud and abuse. The Defense Acquisition Regulations (Sec. 1-600) and limitations on the expenditures of appropriations (10 U.S.C. 2207) provide remedies for the types of fraud and misconduct involved in this case. You have ample authority to take meaningful steps without waiting for the outcome of criminal investigations.

The DoD Inspector General made recommendations pursuant to such authority. But you have chosen to reject those recommendations because of the presence of what you termed "pervasive corporate attitude" rather than specific actions by individuals.

Who then is responsible? Who decides what the General Dynamics Corporation will do? Doesn't the failure to punish executives help create the "pervasive corporate attitude" about which you are concerned? By the way, we would like to know on what that conclusion is based with respect to the pervasiveness of corporate attitudes. Has there been a survey, study or report on corporate misconduct? if so, we would like a copy.

In 1962, the Chief of Justice of the United States, Earl Warren, warned that anonymous corporate entities cannot be allowed to bear sole blame for criminal actions; real people must also bear responsibility. Failing that, Chief Justice Warren said, the laws "become mere license fees for illegitimate corporate business operations." We share this concern.

Mr. Secretary, we urge you to reconsider your decision in this matter. Respect for law and order can never be maintained if equal application of the laws does not prevail. We do not suggest that you make examples of these individuals. We do suggest that existing laws should be applied and that responsible individuals be held to account for their actions. Until you exercise your authority to protect the Navy and the taxpayer from contract abuses, the Navy's credibility will continue to erode.

Sincerely,

WILLIAM PROXMIRE,
U.S. Senator.
GEORGE J. MITCHELL,
U.S. Senator.●

THE SEMICONDUCTOR INDUSTRY

● Mr. PACKWOOD. Mr. President, this spring, both Houses of Congress, following the Finance Committee's lead, expressed their frustration with Japan's failure to open its markets to foreign products and services. The Finance Committee has approved a bill which will require the President to retaliate against Japan unless and until U.S. exporters obtain meaningful access to the markets of Japan.

The Japanese Government has responded with promises of meaningful market opening measures, to be announced in July. Yet, with the date of that announcement barely a month away, there is little evidence that new policies are emerging from Tokyo. A case in point is that of trade in semiconductors.

There can be no doubt about the competitiveness of the U.S. semiconductor industry. The U.S. industry has captured 55 percent of the world market for semiconductors, whereas the Japanese have only been able to capture about 11 percent of that market. Yet in Japan, the U.S. share of the semiconductor market has remained at about 10 percent in spite of numerous efforts over a decade by the U.S. industry and the U.S. Government to obtain a liberalization of that market. But none of these liberalization efforts has changed the oligopolistic situation of the Japanese semiconductor industry. A small number of Japanese electronics companies both produce and consume Japan's semiconductors. These same firms dominate most semiconductor end-product markets; procure the bulk of their semiconductors from each other; are linked by a large number of horizontal ties with respect to research, development and, some cases, production and sales; are characterized by a strong "buy national" bias; and have a long history of collusive activity, intended in part to exclude foreign products.

This anticompetitive situation could be ended by enforcement of Japan's antitrust laws. But, as in the case of other industries, the government is apparently reluctant to break up arrangements which it helped create in the post-war period. Over the years, the Japanese Government has protected the semiconductor industry and semiconductor end-product industries, has restricted entry into the semiconductor industry to large electronics producers, has encouraged division of product markets, and promoted cooperation in research, development, production and sales of semiconductors. In short, the oligopoly that now dominates Japanese semiconductors and makes foreign penetration so difficult, was nutured and promoted by the Japanese Government.

While it should not surprise us that the Japanese Government has been reluctant to enforce its antitrust laws against an oligopoly of its own creation, we must conclude that failure to reverse this policy renders any other market opening measures affecting semiconductors meaningless. We shall await the July announcements from Tokyo interest, but unless the Japanese Government addresses the structural problems illustrated by the semiconductor case in a forthright manner, there can be no prospect of any meaningful opening of the Japanese market.●

THE AMERICAN CONSERVATION CORPS

● Mr. MOYNIHAN. Mr. President, an editorial appearing in last Tuesday's New York Times, entitled "Help for the Teenage Recession," nicely highlights the continuing need for legislation to create an American Conservation Corps [ACC]. The teenage labor force increased from 8.039 million in April to 8.082 million last month. Yet there were 66,000 fewer jobs. Accordingly, teenage unemployment increased from 17.7 percent to 18.9 percent.

Last year, President Reagan vetoed legislation to create an ACC, calling it a "discredited approach to youth employment." The existence of some 30 State, local, and private corps proves otherwise. But these programs need and deserve a modicum of Federal assistance.

This year, Representative JOHN SEIBERLING and Senator CHARLES MCC. MATHIAS, JR., and I reintroduced ACC-authorizing legislation—H.R. 99 and S. 27, respectively. H.R. 99 should be approved by the House of Representatives within a week or two. I urge my Senate colleagues to act likewise; else we put at risk a most precious resource: 3.2 million youths between the ages of 16 and 25 currently out of school, out of work, and nearly out of hope. Economic recovery now in its third year has failed to mitigate chronic youth unemployment; it is time for the Federal Government to assume some responsibility.

Mr. President, I ask that the editorial be placed in the RECORD.

The editorial follows:

HELP FOR THE TEENAGE RECESSION

Though overall employment has risen handsomely for most of the last two years, employment among teen-agers has barely risen at all. That's the strongest argument for the American Conservation Corps, once again beginning to work its way through Congress.

Total employment has risen by an impressive 4 million in the last 18 months—to 107 million in May. With teen-agers, it's a different story: the number of jobholders aged 16 to 19 years was 6.4 million in December 1983, 50,000 *lower* a year later, and just 6.6 million last month. Teen-agers represent 18 percent of the unemployed, but a booming economy has yielded them barely 3 percent of the new jobs.

The proposed corps, a 1980's version of the New Deal's Civilian Conservation Corps, won't solve the problem, but it would help. It would provide temporary jobs for unemployed young people from 16 to 25 years old. They would gain the experience of holding a job; the Federal, state and local governments would gain able bodies for much-needed convervation work all over the country.

Though a bill establishing the Conservation Corps passed Congress last year, President Reagan vetoed it as a "discredited approach to youth employment." It offended his entrenched view that Federal jobs programs are make-work. But if any approach

has been thoroughly discredited, it's the notion that a booming economy will heal the festering sore of youth unemployment.

The 1985 bill has been modified to make it less Federal. Funded at $75 million a year for three years, last year's bill allotted one-third to state governments. This year's House committee bill allots the states one-half, and increases the required state matching funds to 25 percent, from 15 percent.

The bill is headed for a vote soon in the House, which approved a much bigger corps in each of the last three years. Senate conservatives who were responsible for the cutback to its present size last year should like this year's changes even more. The bill is worth support even in this reduced and modified form. What's important is to get it started. Today's unemployed teen-agers may all too soon become tomorrow's unemployed adults.●

OIL HEAT CENTENNIAL YEAR

● Mr. D'AMATO. Mr. President, I rise today in support of Senate Joint Resolution 115, a measure designating 1985 as the "Oil Heat Centennial Year."

This resolution, introduced by Senator LEAHY, celebrates the 100th anniversary of the issuance of a patent for the first sophisticated oil burner. That patent was issued to David Burell of Little Falls, NY, on August 11, 1885.

The breakthrough brought on by this technology is certainly something to celebrate. It contributed significantly to industrial development and increased U.S. naval power during World War I. It became—and remains—the primary means of burning fuel oil cleanly and efficiently.

Oil heat remains a safe and economic means of heating homes and offices. It is used extensively in more than 22 States, but it is particularly important in the Northeast. In fact, New York uses more heating oil than any other State in the Nation, having over 3 million units heated with oil.

Significantly, the oil heating industry was built by small business, and small business continues to form the backbone of the industry. In honoring the fuel oil industry we also honor the contributions of small business to the American economy.

I urge my colleagues to join me in cosponsoring Senate Joint Resolution 115 to honor these men and women. Many of these businesses are family run and have progressed from generation to generation, beginning with the sale of ice, then coal, and finally heating oil. One hundred years is certainly a landmark for this industry, and I am pleased to participate in honoring this centennial through cosponsorship of Senate Joint Resolution 115.●

CONGRESSIONAL SALUTE TO GLACIER NATIONAL PARK SUPERINTENDENT ROBERT HARADEN

● Mr. BAUCUS. Mr. President, today I want to pay tribute to an outstanding public servant, Robert Haraden. His dedication and leadership are reflected in the outstanding work he has done as Superintendent of Glacier National Park.

Mr. Haraden recently received the Stephen T. Mather award. This honor, bestowed by the National Parks and Conservation Association in memory of the first director of the National Park Service, is presented annually to public employees who "have risked their careers for the preservation of America's environmental integrity."

The care, maintenance, and management of our national parks should be of critical concern to all Americans. Mr. Haraden showed great courage in his efforts to protect the fragile beauty of Glacier National Park. He had to tangle with the Office of Management and Budget over a plan to contract out park road and trail maintenance work to private companies in his park.

Bob Haraden maintained that road and trail workers must be trained to be aware of the environment and how to protect it. In a previous year, a private operator had eroded a stream bank while doing road work in Glacier. He would not allow a repeat of this problem.

We passed legislation that halted random contracting of government functions; now, thanks in large part to Bob's work, contracting out must be justified and submitted to Congress first. Mr. Haraden also has been on the front line of the effort to protect Glacier Park from potentially devastating mineral development.

Bob Haraden is protecting Glacier National Park. Americans, present and future, owe him a great deal of gratitude for his integrity and leadership.●

SDI

● Mr. BOSCHWITZ. Mr. President, I know my colleagues share the desire to increase our knowledge of the vital and complex issue of the strategic defense initiative.

In my study of this issue, I've come across two very insightful and enlightening articles. The first is an article from Commentary, written by Dr. Robert Jastrow, professor of earth science at Dartmouth College. The second is from the New York Times Magazine, cowritten by Zbigniew Brzezinski, President Carter's National Security Adviser; Max Kampelman, head of the American negotiating team for the Geneva talks with the Soviet Union; and Dr. Jastrow.

I believe these articles will provide people on all sides of the issue with a better understanding of the strategic defense initiative.

I ask that the two articles be printed in the RECORD.

The articles follow:

THE WAR AGAINST "STAR WARS"

(By Robert Jastrow)

President Reagan offered a new strategic vision to the American people in his "Star Wars" speech of March 23, 1983. The policy he had inherited from his predecessors relied on the threat of incinerating millions of Soviet civilians as the main deterrent to a Soviet nuclear attack on our country. The President was troubled by the moral dimensions of this policy. He said: "The human spirit must be capable of rising above dealing with other nations and human beings by threatening their existence." And he called on our scientists to find a way of defending the United States against a Soviet nuclear attack by intercepting the Soviet missiles before they reached our soil.

When I first heard the President's speech, I thought he had a great idea. I wrote an article commenting favorably on the proposal [1] and then, a little later, I traveled to Washington to hear a talk by Dr. George Keyworth, the President's Science Adviser, on the strategic and technical implications of the President's plan.

Since Dr. Keyworth was rumored to have made a major contribution to the thinking behind the "Star War" speech, I felt that I would be getting an insider's view of the technical prospects for success in this difficult undertaking. That was particularly interesting to me, because several of my fellow physicists had expressed the gravest reservations about the technical feasibility of the proposal. In fact, Dr. Hans Bethe, a distinguished Nobel laureate in physics, had said bluntly, "I don't think it can be done."

Dr. Keyworth started by describing the circumstances that had led to the President's speech. Then he got into the technical areas I had come to hear about. "For more than five months," he told us, "some fifty of our nation's better technical minds [have] devoted their efforts almost exclusively to one problem—the defense against ballistic missiles." This group of specialists, which included some of the most qualified defense scientists in the country, had concluded that the President's goal was realistic—that it "probably could be done."

"The basis for their optimism," Dr. Keyworth went on, "is our tremendously broad technical progress over the past decade." He pointed specifically to the advances in computers and "new laser techniques." He also mentioned the promising new developments that might enable us to protect the vitally important satellites carrying all this laser weaponry and computing equipment, and prevent the Soviets from knocking these critical satellites out as a preliminary to a nuclear attack on the United States. "These and other recent technical advances," Dr. Keyworth concluded, "offer the possibility of a workable strategic [missile] defense system."

That was pretty clear language. Defense experts had given the President's proposal a green light on its technical merits. I went back to New York with a feeling that the President's vision of the future—a future in which nuclear weapons would be "impotent and obsolete"—was going to become a reality.

The following month a panel of university scientists came out with a report that flatly contradicted Dr. Keyworth's assessment. According to the panel, an effective defense of the United States against Soviet missiles

[1] Commentary, January 1984.

was "unattainable." The report, prepared under the sponsorship of the Union of Concerned Scientists (UCS),[2] leveled numerous criticisms at the "Star Wars" proposal. It pointed out, *inter alia*, that thousands of satellites would be needed to provide a defensive screen; that one of the "Star Wars" devices under consideration would require placing in orbit a satellite weighing 40,000 tons; that the power needed for the lasers and other devices proposed would equal as much as 60 percent of the total power output of the United States; and that, in any case, the Soviets would be able to foil our defenses with a large bag of relatively inexpensive tricks, such as spinning the missile to prevent the laser from burning a hole in it, or putting a shine on it to reflect the laser light.

The signers of the report included physicists of world renown and great distinction. The impact of their criticisms seemed absolutely devastating.

Around the same time, another study of the feasibility of the "Star Wars" defense came out with more or less the same conclusion. According to that report, which had been prepared for the Office of Technology Assessment (OTA)[3] of the Congress, the chance of protecting the American people from a Soviet missile attack is "so remote that it should not serve as the basis for public expectations or national policy."

These scientific studies, documented with charts and tables, apparently sounded the death knell of missile defense. Scientists had judged the President's proposal, and found it wanting. According to *Nature*, the most prestigious science journal in the world:

The scientific community knows that [the President's proposal] will not work. The President's advisers, including his science adviser, Dr. George Keyworth, know it too, but are afraid to say so.

Dr. Keyworth is employed to keep the President informed on these technical matters, but sadly, there is no evidence that he is willing to give Mr. Reagan the bad news.

A few weeks later, I received unclassified summaries of the blue-ribbon panels appointed by the Defense Department to look into the feasibility of a United States defense against Soviet missiles.[4] These were the documents on which Dr. Keyworth had relied in part for his optimistic appraisal. The reports by the government-appointed consultants were as different from the reports by the university scientists as day is from night. One group of distinguished experts said no fundamental obstacles stood in the way of success; the other group, equally distinguished, said it would not work. Who was right? According to the UCS report, "any inquisitive citizen" could understand the technical issues. I decided to look into the matter. This is what I found.

Missiles consist of two or three separate rockets or "stages," also called boosters. On top of the uppermost stage sits the "bus" carrying the warheads. One by one, the stages ignite, burn out, and fall away. After the last stage has burned out and departed, the bus continues upward and onward through space. At this point it begins to release its separate warheads. Each warhead is pushed off the bus in a different direction with a different velocity, so as to reach a different target. The missiles with this capability are said to be MIRVed (MIRV stands for multiple independently targetable reentry vehicle).

Most of the discussion of the "Star Wars" defense assumes a many-layered defense with three or four distinct layers. The idea behind having several layers is that the total defense can be made nearly perfect in this way, even if the individual layers are less than perfect. For example, if each layer has, say, an 80-percent effectiveness—which means that one in five missiles or warheads will get through—a combination of three such layers will have an overall effectiveness better than 99 percent, which means that no more than one warhead in 100 will reach its target.[5]

The first layer, called the boost-phase defense, goes into effect as the Soviet missile rises above the atmosphere at the beginning of its trajectory. In the second layer, or midcourse defense, the booster has burned out and fallen away, and we concentrate on trying to destroy or disable the "bus" carrying the nuclear warheads, or the individual warheads themselves, as they arc up and over through space on their way to the United States. In the third layer, or terminal defense, we try to intercept each warhead in the final stages of its flight.

The boost-phase defense offers the greatest payoff to the defender because at this stage the missile has not yet sent any of its warheads on their separate paths. Since the largest Soviet missiles carry ten warheads each, if our defense can destroy one of these missiles at the beginning of its flight, it will eliminate ten warheads at a time. The defense catches the Soviet missiles when they have all their eggs in one basket, so to speak.

But the boost-phase defense is also the most difficult technically, and has drawn the most fire from critics. How can we destroy a Soviet missile thousands of miles away, within seconds or minutes after it has left its silo?

At the present time, one of the most promising technologies for doing that is the laser, which shoots a bolt of light at the missile as it rises. Missiles move fast, but light moves faster. A laser beam travels a thousand miles in less than a hundredth of a second. Focused in a bright spot on the missile's skin, the laser beam either burns a hole through the thin metal of the skin, which is only about a tenth of an inch thick, or it softens the metal sufficiently so that it ruptures and the missile disintegrates.

Another very promising technology for the boost-phase defense is the Neutral Particle Beam, which shoots a stream of fast-moving hydrogen atoms at the missile. The atoms travel at a speed of about 60,000 miles a second, which is less than the speed of light but still fast enough to catch up to the missile in a fraction of a second. The beam of fast-moving atoms is very penetrating, and goes through the metal skin of the missile and into the electronic brain that guides it on its course. There the atoms create spurious pulses of electricity that can cause the brain to hallucinate, driving the missile off its course so that it begins to tumble and destroys itself. If the beam is intense enough, it can flip the bits inside the brain's memory so that it remembers the wrong things; or it can cause the brain to lose its memory altogether. Any one of these effects will be deadly to the Soviet missile's execution of its task.

The Neutral Particle Beam can also play havoc with the circuits in the electronic brain that guide the bus sitting on top of the missile. The mischief created here may prevent the bus from releasing its warheads; or it may cause the bus to send the warheads in the wrong directions, so that they miss their targets; or it may damage the electronic circuits in the warheads themselves, after they have been pushed off the bus, so that when they reach their targets they fail to explode.[6] The Neutral Particle Beam can be lethal to the attacker in the boost phase, the mid-course phase, and the terminal phase. All in all, it is a most useful device.

Now for an important point: to be effective, the laser or the Neutral Particle Beam must have unobstructed views of all the Soviet missile fields. One of the best ways of achieving that is to put the device that produces these beams on a satellite and send it into orbit.

So this, then, is the essence of the plan for a boost-phase defense against Soviet missiles: a fleet of satellites, containing equipment that generates laser beams or Neutral Particle Beams, circles the earth, with enough satellites in the fleet so that several satellites are over the Soviet missile fields at all times—a sufficient number to shoot down, in the worst case, all 1,400 Soviet missiles if they are launched against us simultaneously.

The plan looks good on paper. Yet according to the UCS report, it has absolutely no practical value. This study shows that because of the realities of satellite orbits, the satellites needed to protect the United States against Soviet attack would "number in the thousands." The report's detailed calculations put the precise number at 2,400 satellites.

Now, everyone acknowledges that these satellites are going to be extremely expensive. Each one will cost a billion dollars or more—as much as an aircraft carrier. Satellites are the big-ticket items in the plan for a space-based defense. If thousands are needed, the cost of implementing the plan will be many trillions of dollars. A defense with a price tag like that is indeed a "turkey," as a spokesman for the UCS called it.

If the numbers put out by the USC were right, there would be no point in looking into the plan further. But after the UCS report hit the papers, I began to hear rumors from professionals in the field that the numbers were not right. Since the whole "Star Wars" plan rested on this one point, I thought I would just check out the calculations myself. So I got hold of a polar-projection map of the northern hemisphere and a piece of celluloid. I marked the posi-

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[2] Space-Based Missile Defense, March 1984; The Fallacy of Star Wars, based on studies conducted by the Union of Concerned Scientists, edited by John Tirman, Vintage, 293 pp., $4.95.

[3] *Directed Energy Missile Defense in Space:* A Background Paper, April 1984.

[4] *Ballistic Missile Defense and U.S. National Security:* A Summary Report, Prepared for the Future Security Strategy Study, October 1983; *The Strategic Defense Initiative:* Statement by Dr. James C. Fletcher Before the House Committee on Armed Services, March 1984.

[5] The explanation is that 20 percent get through the first layer; 20 percent of that fraction, or a net of 4 percent, get through the second layer; finally, 20 percent of that 4 percent, or 0.8 percent, get through the third layer. The overall effectiveness of the three layers is 99.2 percent.

[6] Nuclear explosives, unlike ordinary explosives, do not detonate if you drop them or hit them with a hammer. A series of precisely timed steps, controlled by electronic circuits in the warhead, has to occur before the explosion can happen. If the circuits are damaged, and the steps do not occur, or their timing is off, the warhead will not explode.

tions of the North Pole and the Soviet missile fields on the celluloid, stuck a pin through the North Pole, and rotated the celluloid around the Pole to imitate the rotation of the earth carrying the missile fields with it. Then I played with the map, the moving celluloid, and different kinds of satellite orbits for a day or two, to get a feel for the problem.

It was soon clear that about 50 evenly spaced satellite orbits, with four satellites in each orbit, would guarantee adequate coverage of the missile fields. In other words, 200 satellites would do the job, and "thousands" were certainly not needed. I could also see that it might be possible to get down to fewer than 100 satellites, but I could not prove that with my celluloid "computer."

I talked again with my friends in the defense community and they told me that my answers were in the right ballpark. The experts had been looking at this problem for more than ten years, and the accurate results were well known. As I had suspected, a hundred or so satellites were adequate. According to careful computer studies done at the Livermore laboratory, 90 satellites could suffice, and if the satellites were put into low-altitude orbits, we might get by with as few as 45 satellites.[7]

So the bottom line is that 90 satellites—and perhaps somewhat fewer—are needed to counter a Soviet attack. That cuts the cost down from many trillions of dollars to a level that could be absorbed into the amount already earmarked by the government for spending on our strategic forces during the next ten or fifteen years. It removes the aura of costliness and impracticality which had been cast over the President's proposal by the Union of Concerned Scientists' report.

The scientists who did these calculations for the UCS had exaggerated the number of satellites by a factor of about twenty-five. How did they make a mistake like that? A modicum of thought should have indicated that "thousands" of satellities could not be the right answer. Apparently the members of the panel did begin to think more carefully about the matter later on—but only after they had issued their report—because in testimony before a congressional committee a UCS spokesman lowered his organization's estimate from 2,400 satellites to 800 satellites.[8] In their most recent publication on the matter, the members of the panel lowered their estimate again, to 300 satellites.[9] That was getting closer. Another factor of three down and they would be home.

But the Union of Concerned Scientists never said to the press or the Congress: "We have found important mistakes in our calculations, and when these mistakes are corrected the impact is to cut the cost of the missile defense drastically. In fact, correcting these errors of ours has the effect of making the President's idea much more practical than we thought it was when we issued our report." Months after the publication of the report, Science 84, published by the American Association for the Advancement of Science, was still referring to the need for "2,400 orbiting laser stations."

The work by the Union of Concerned Scientists on the question of the satellite fleet is the poorest that has appeared in print, to my knowledge. The report prepared for the Office of Technology Assessment, which does a better job on this particular question, says that 160 satellites are needed for our defense. That is only about double the accurate result that came out of the computer studies at Livermore.

But the report to the OTA has a different failing. Because of an error in reasoning—an extremely inefficient placement of the satellites in their orbits—it concludes that if the Soviets were to build more missiles in an effort to overwhelm our defense, the United States would have to increase the number of its satellites in orbit in direct proportion to the increase in the number of Soviet missiles.[10]

This seems like a technical detail, but it has a cosmic impact. It means that if the Soviets build twice as many missiles, we have to build twice as many satellites. If they build four times as many missiles, we have to build four times as many satellites. Since our satellites are going to be expensive, that can be a costly trade-off. In fact, it could enable the Soviets to overwhelm our defense simply by building more missiles. As the *New Republic* said: "They could just roll out more SS-18's" (the SS-18 is the biggest and most powerful missile in the Soviet arsenal).

But some fine work by the theoretical physicists at Los Alamos has shown that the report to the OTA is seriously in error. The Los Alamos calculations, which have been confirmed by computations at Livermore, show that the number of satellites needed to counter a Soviet attack does *not* go up in direct proportion to the number of Soviet missiles. It turns out instead that the number of satellites goes up approximately in proportion to the *square root* of the number of missiles.

That also seems like a fine point—almost a quibble—but consider its significance. The square root means that if the Soviets build *four* times as many missiles, we only have to build *twice* as many satellites to match them. Suppose the United States built a defensive screen of 100 satellites that could shoot down—as a very conservative estimate—80 percent, of four-fifths, of the Soviet missiles. And suppose the Soviets decided they wanted to build enough missiles so that the number of missiles getting through our defensive screen would be the same as the number that would have reached the United States if we had no defense. That is what "overwhelming the defense" means. To do that, the Soviets would have to build more than 5,000 additional missiles and solos.[11] The Los Alamos "square-root" rule tells us that if the Soviets went to that trouble and expense, the United States could counter those thousands of new missiles with only 100 additional satellites.

With numbers like that, the cost tradeoffs are bound to favor the defense over the offense. If the Soviets tried to overwhelm our defense, they would be bankrupted before we were.

The report to the OTA has other defects. One is a peculiar passage in which the author exaggerates by a factor of roughly 50 the requirements for a terminal defense, i.e., a defense that tries to destroy the Soviet warheads toward the end of their passage, when they are already over the United States. Current planning assumes that as the warheads descend, they will be intercepted by smart mini-missiles with computer brains and radar or infrared "eyes," which maneuver into the path of the warhead and destroy it on impact. A smart missile of this kind destroyed an oncoming enemy warhead at an altitude of 100 miles on June 10, 1984, in a successful test of the technology by the Army.

The question is: how many smart missiles are required. Professionals sizing up the problem have concluded that at most 5,000 intercepting missiles will be needed. The answer according to the report to the OTA: 280,000 smart missiles. Though these smart missiles will not cost as much as aircraft carriers, they are not exactly throwaways. Thus the effect of this calculation, as with the studies by the Union of Concerned Scientists on the size of our fleet of laser-equipped satellites, is to create the impression that a defense against Soviet missiles will be so costly as to be impractical.

How did the report to the Office of Technology Assessment arrive at 280,000 missiles? First, the report assumed that about 1,000 sites in the United States—missile silos, command posts, and so on—need to be defended. That is reasonable.

Second, the report assumed the Soviets might choose to concentrate their whole attack on any one of these 1,000 sites. This means that every single site would have to have enough intercepting missiles to counter the Soviet attack, if the entire attack were aimed at this one location.

That is not reasonable. Why would the Soviets launch thousands of warheads—their entire nuclear arsenal—against one American missile silo? This is known in the trade as a GIGO calculation (garbage in, garbage out). The theorist makes an absurd assumption, does some impeccable mathematics, and arrives at an absurd answer.

When theoretical physicists joust over ideas, a factor of two hardly counts; a factor of three matters a bit; factors of ten begin to be important; factors of 100 can win or lose an argument; and factors of 1,000 begin to be embarrassing. In a study of the practicality of the Neutral Particle Beam—that most promising destroyer of Soviet missiles and warheads—the panel of the Union of Concerned Scientists made a mistake by a cool factor of 1,600. As in the case of the

[7] These numbers depend on the power of the laser beams and the sizes of the mirror used to focus them. All the studies described here make the same assumptions—a 20- or 25-million-watt laser and a 30-foot mirror.

[8] The scientist explained that his panel had forgotten that Soviet missile fields are spread out across a 5,000-mile arc in the USSR, and had put all the missiles in one spot. This made it harder for the satellite lasers to reach all the missiles, and meant more satellites were needed.

[9] The Fallacy of Star Wars, Chapter 5. The explanation offered by the UCS for this correction is that its experts belatedly realized some satellites are closer to their missile quarry than others, and can polish the missile off in a shorter time. That means each satellite can kill more missiles, and, therefore, fewer satellites are needed to do the whole job.

[10] The report assumed the American satellites would move through space in tight bunches, instead of being spread out around their orbits. By bunching them together this way, it kept the satellites from being used effectively, and overestimated the number of satellites we would have to put up to counter an increased Soviet deployment of missiles. The theorists at Livermore and Los Alamos assumed the satellites were spread out evenly in their orbits when they did their calculations. I did also, when I took a look at the problem. Anyone trying to figure out how to build the best defense for the United States at the lowest cost to the taxpayer would do the same.

[11] The Soviets have 1,400 missiles silos and missiles. To get five times this number and make up for the losses suffered in penetrating our defense, they would have to build another 5,600 missiles and silos.

panel's estimate of the size of our satellite fleet, the direction of its error was such as to make this promising "Star Wars" technology seem hopelessly impractical.

According to the scientists who wrote the UCS report, the device—called a linear accelerator—needed to generate the Neutral Particle Beam would weigh 40,000 tons. To be effective, this enormous weight would have to be placed in a satellite. Of course, the idea of loading 40,000 tons onto an orbiting satellite is absurb. By comparison, the NASA space station will weigh about 40 tons. This finding by the Union of Concerned Scientists makes it clear that the plan to use the Neutral Particle Beam is ridiculous.

But the UCS's study panel made a mistake. The correct result for the weight of the linear accelerator is 25 tons, and not 40,000 tons. Now, 25 tons is quite a practical weight to put into an orbiting satellite. It is, in fact, about the same as the payload carried in a single flight of the NASA shuttle.[12]

A UCS spokesman admitted his organization's rather large error in congressional testimony some months ago.[13] But when he made the admission he did not say: "We have made a mistake by a factor of more than a thousand, and the correct weight of the accelerator for this Neutral Particle Beam is not 40,000 tons, but closer to 25 tons." He said: "We proposed to increase the area of the beam and accelerator, noting that would make the accelerator unacceptably massive for orbital deployment. Our colleagues have pointed out that the area could be increased after the beam leaves the small accelerator."

That was all he said about the mistake in his testimony.

Now, this cryptic remark does not convey to a Senator attending the hearing that the scientist has just confessed to a mistake which changes a 40,000-ton satellite into a 25-ton satellite. There is nothing in his remark to indicate that the UCS's distinguished panel of scientists had reached a false conclusion on one of the best "Star Wars" defenses because the panel had made a whopping error in its calculations.

The report prepared for the OTA also makes a mistake on the Neutral Particle Beam, but this mistake is only by a factor of fifteen. According to the report, the Soviet Union can protect its missiles and warheads from the Neutral Particle Beam with a lead shield about one-tenth of an inch thick. The shield, the report states, would not weigh too much and therefore could be "an attractive countermeasure" for the Soviets.

But scientists at Los Alamos have pointed out that a layer of lead one-tenth of an inch thick will not stop the fast-moving atoms of the Neutral Particle Beam; they will go right through it. In fact, a table printed in the OTA report itself shows that the lead shield must be 15 times thicker—at least 1½ inches long—to stop these fast-moving particles.

A layer of lead as thick as that, wrapped around the electronics in the missile and its warheads, would weigh many tons—considerably more than the total weight of all the warheads on the missile. If the Soviets were unwise enough to follow the advice offered them in the report to the Office of Technology Assessment, their missile would be so loaded down with lead that it would be unable to get off the ground.

That would be a great plus for American security, and a nice response from our defense scientists to the President's call for ways of making the Soviet missiles "impotent and obsolete."

Other suggestions for the Soviets can be found in the report by the Union of Concerned Scientists. They include shining up the Soviet missiles, spinning them, attaching "band-aids" and "window shades," as the UCS report calls them, and launching "balloons" as fake warheads. I am not an expert in this dark area of "countermeasures," but I have talked with the experts enough to understand why the professionals in the defense community regard many of these proposals as bordering on insanity.

Putting a shine on the missile sounds like a good idea, because it reflects a part of the laser beam and weakens the beam's effect. However, it would be a poor idea for the Soviets in practice. One reason is that the Soviets could not count on keeping their missiles shiny; during the launch the missile gets dirty, partly because of its own exhaust gases, and its luster is quickly dulled. But the main reason is that no shine is perfect; some laser energy is bound to get through, and will heat the surface. The heating tends to dull the shine, so more heat gets through, and dulls the shine some more, and still more heat gets through . . . and very soon the shine is gone.

Spinning the missile spreads the energy of the laser beam over its whole circumference, and is a better idea than putting a shine on it. However, it only gains the Soviets a factor of pi, or roughly three, at most. And it does not gain them anything at all if the laser energy is transmitted in sharp pulses that catch the missile in one point of its spin, so to speak. The experts say there is no problem in building a laser that sends out its energy in sharp pulses.

Now to the other proposals by the scientists on the UCS panel. The "band-aid" is a metal skirt which slides up and down the outside of the missile, automatically picking out the spot that is receiving the full heat of the laser beam, and protecting the metal skin underneath. The "window shade" is a flexible, metallized sheet which is rolled up and fastened to the outside of the missile when it is launched, and then unrolled at altitudes above fifty miles. It is supposed to protect the missile against the X-ray laser, which is another exotic but promising defense technology.

The trouble with these suggestions is that they do not fit the realities of missile construction very well. A missile is a very fragile object, the ratio of its weight empty to its weight loaded being 10 or 15 to 1—nearly the same as an eggshell. Any attempt to fasten band-aids and window shades on the outside of the missile, even if their contours are smoothed to minimize drag, would put stresses on the flimsy structure that would require a major renovation of the rocket and a new series of test flights. If the Soviets tried to carry out all the suggestions made by the UCS's scientists—putting on band-aids and window shades, spinning their missiles and shining them up—their missile program would be tied up in knots. That would be another fine response from our scientists to the President's call for a way of rendering the Soviet weapons useless.

The "balloon" is still another trick to foil our defenses. The thought here is that after the boost phase is over, and the booster rocket has fallen away, the bus that normally pushes out the Soviet warheads will instead kick out a large number of "balloons"—light, metallized hollow spheres. Some balloons will have warheads inside them, and some will not. Since the empty balloons weigh very little, the Soviets can put out a great many of these. Not knowing which among this great multitude of balloons contain warheads, we will waste our mid-course defense on killing every balloon in sight, empty or not.

A friend who works on these matters all the time explained to me what was wrong with this idea. He said that a modest amount of thought reveals that it is possible to tell very easily which balloons have warheads and which do not. All the defense has to do is tap one, in effect, by directing a sharp pulse of laser light at it, and then observing how it recoils. An empty balloon will recoil more rapidly than a loaded one. Once the loaded balloons—the ones with the warheads—are picked out, we can go after them with our Neutral Particle Beams, or other warhead-killers.

This list of proposed countermeasures is not complete, but it is representative. The ideas put forward by the UCS—the band-aid, the window shade, the shining and spinning rockets, and the balloon—remind one of nothing so much as a group of bright students from the Bronx High School of Science getting together to play a game in which they pretend to be Soviet scientists figuring out how to defeat American missile defenses. The ideas they come up with are pretty good for a group of high-school students, but not good enough to stand up to more than a thirty-minute scrutiny by the defense professionals who earn their living in thinking about these matters.

Of course, there is no harm in these proposals. The harm comes in offering shoddy work—superficial analyses, marred by errors of fact, reasoning, and simple carelessness—as a sound scientific study bearing on a decision of vital importance to the American people. The work seems sound enough on casual examination, with its numbers, graphs, and theoretical argumets. Certainly the New York *Times* was impressed when it described the UCS report as "exhaustive and highly technical" It is only when you penetrate more deeply, and begin to talk with knowledgeable people who have thought long and hard about these problems, that you realize some thing is wrong here.

How did published work to competent scientists come to have so many major errors? A theorist reviewing these reports on the feasibility of the President's proposal cannot help noticing that all the errors and rough spots in the calculations seem to push the result in one direction—toward a bigger and more costly defense, and a negative verdict on the soundness of a "Star Wars" defense against Soviet missiles. If the calculations had been done without bias, conscious or otherwise, you would expect some errors to push the result one way, and other errors to punch it the other way.

But all the errors and omissions go in one direction only—toward making the President's plan seem impractical, costly, and ineffective.

This is not to say that the errors were made in a deliberate, conscious effort to deceive. I do not think that for a moment. What happens is quite different, and every theorist will recognize the phenomenon. When you finish a calculation, you check your result against your intuitive feeling as

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[12] The shuttle's payload is 33 tons in the orbits currently is use. It would be about 20 tons in the orbits needed for the defensive screen against Soviet missiles.

[13] Hearings Before the Senate Committee on Armed Services, April 24, 1984.

to what the situation should be. You ask yourself: "Does this result make sense, or not?" If the result does not make sense, you know either that you have made a great discovery which will propel you to Stockholm, or you have made a mistake. Usually you assume the latter, and you proceed to check your calculations very carefully. But if the result seems to be in good agreement with everything you expected about the behavior of the system you are investigating, you say to yourself, "Well, that looks all right," and you go on to the next step.

Of course, a careful theorist always checks his calculations anyway, whether the answer seems sensible or not. But he is apt to check them just a mite less carefully if the results agree with what he expected than if they do not.

I think this is what must have happened to the theorists who wrote the report for the Union of Concerned Scientists. Clearly they had a strong bias against the President's proposal from the beginning, because they believed that a defense against Soviet missiles would, in their own words, "have a profoundly destabilizing effect on the nuclear balance, increasing the risk of nuclear war," and that such a defense against missiles "could well produce higher numbers of fatalities" than no defense at all.

So, when the calculations by the panel yielded the result that thousands of laser-equipped satellities would be needed to counter a Soviet attack—which meant that for this reason alone the whole plan was hopelessly impractical—the members of the panel were not surprised. Their technical studies had simply confirmed what they already knew to be true for other reasons, namely, that the President's idea was terrible.

Now, I would like to wager that if the theorists studying the matter for the UCS had found that only 10 satellites could protect the United States from a massive Soviet attack—if they had gotten a result that indicated the President's proposal was simple, effective, and inexpensive to carry out—then they would have scrutinized their calculations very, very carefully.

What is one to make of all this?

When I was a graduate student in theoretical physics, we revered some of the men who have lent their names to the report by the Union of Concerned Scientists. They are among the giants of 20th-century physics—the golden era in our profession. Yet these scientists have given their endorsement to badly flawed calculations that create a misleading impression in the minds of Congress and the public on the technical feasibility of a proposal aimed at protecting the United States from destruction.

Lowell Wood, a theorist at Livermore and one of the most brilliant of the younger generation of defense scientists, made a comment recently to the New York Times about what he also saw as a contradiction between the research talents of Dr. Hans Bethe—the most prominent physicist associated with the Union of Concerned Scientists—and the negative views of that great theorist on the technical merits of the proposal to defend the United States against Soviet missiles. Dr. Wood said:

Is Hans Bethe a good physicist? Yes, he's one of the best alive. Is he a rocket engineer? No. Is he a military-systems engineer? No. Is he a general? No. Everybody around here respects Hans Bethe enormously as a physicist. But weapons are my profession. He dabbles as a military-systems analyst.

It seems to me that Dr. Wood has part of the answer. I think the remainder of the answer is that scientists belong to the human race. As with the rest of us, in matters on which they have strong feelings, their rational judgments can be clouded by their ideological preconceptions.

DEFENSE IN SPACE IS NOT 'STAR WARS'

(By Zbigniew Brzeznski, Robert Jastrow, Max. M. Kampelman)

Faith moves mountains. When it is in eternal religious values, faith is an indispensable strength of the human spirit. When it is directed toward political choices, it is often an excuse for an analytic paralysis.

Regrettably, our national debate over President Reagan's suggestion that the country develop a strategic defense against a Soviet nuclear attack is taking on a theological dimension that has no place in a realistic search for a path out of the world's dilemma. The idea of basing our security on the ability to defend ourselves deserves serious consideration. Certainly, the role of strategic defense was a major issue in the recent dialogue in Geneva between United States Secretary of State George P. Shultz and Soviet Foreign Minister Andrei A. Gromyko on new arms-control negotiations.

For many years, our search for security has been restricted to designing offensive weapons to deter aggression through fear of reprisals. We must not abandon nuclear deterrence until we are convinced that a better means is at hand. But we cannot deny that, for both the Soviet Union and the United States, the costs, insecurities and tensions surrounding this search for newer, more effective and more accurate nuclear missiles produce a profound unease that in itself undermines stability.

The conventional view is that stability in the nuclear age is based on two contradictory pursuits: the acquisition of increasingly efficient nuclear weapons and the negotiation of limits and reductions in such weapons. The United States is diligently pursuing both objectives, but the complexity of arriving at effectual arms-control agreements is becoming apparent as more precise and mobile weapons, with multiple warheads, appear on both sides. Unlike ours, moreover, many Soviet missile silos are reloadable, and thus the number of silos does not indicate the number of missiles, further complicating verification.

We must never ignore the reality that the overwhelming majority of the Soviet strategic forces is composed of primarily first-strike weaponry. And given the large numbers of first-strike Soviet SS-17, -18 and -19 land-based missiles, no responsible American leader can make decisions about security needs without acknowledging that a Soviet first strike can become a practical option.

The Russians could strike us first by firing the reloadable portion of their nuclear arsenal at our missiles, the Strategic Air Command and nuclear submarine bases, and if the surviving American forces (essentially nuclear submarines) were to respond, the Russians could immediately counter by attacking our cities with missiles from nonreloadable silos and, a few hours later, with whatever of their first-strike reloadable weapons had survived our counterattack. They are set up for launching three salvos to our one.

To us, this catastrophic exchange is unthinkable. But, with the strong probability that the American response would be badly crippled at the outset by a Soviet strike, some Russians leader could someday well consider such a potential cost bearable in the light of the resulting "victory." Furthermore, such an analysis might well anticipate that an American President, knowing that a strike against our cities would inevitably follow our response to a Soviet first strike, might choose to avoid such a catastrophe by making important political concessions. No responsible American President can permit this country to have to live under such a threat, not to speak of the hypothetical danger of having to choose either annihilaton or submission to nuclear blackmail. Hence the understandable and continual drive for more effective offensive missiles to provide greater deterrence.

The result is that weapons technology is shaping an increasingly precarious American-Soviet Strategic relationship. For this reason, we urge serious consideration be given to whether some form of Strategic Defense Initiative (S.D.I.) might not be stabilizing, enhancing to deterrence and even helpful to arms control. To that end, we address the major issues in stretegic defense from three points of view:

(1) The technical: Is a defense against missiles technically and budgetarily feasible?

(2) The strategic: Is a defense against missiles strategic desirable? Does it enhance or diminish stability? Does it enhance or dminish the prospects for arms control and a nuclear-weapons build-down?

(3) The political: What are the political implications of strategic defense for our own country and for our relations with our allies? What are the implications for the larger dimensions of our relationship with the Soviet Union? How do we seek the needed domestic consensus on a viable strategy?

A great deal has been written about the state of missile-defense technology. Some experts say the technology sought is unattainable, others that it is merely unattainable in this generation. Yet the promise of the Strategic Defense Initiative is real. Some of the technologies are mature and unexotic. Their deployment around the end of this decade would involve mainly engineering development. Technically, these vital defenses could be in place at this moment were it not for the constraints accepted by the United States in its adherence to the antiballistic missile treaty of 1972.

With development and some additional research, we can now construct and deploy a two-layer or double-screen defense, which can be in place by the early 1990's at a cost we estimate to be somewhere in the neighborhood of $60 billion. A conservative estimate of the effectiveness of each layer would be 70 percent. The combined effectiveness of the two layers would be over 90 percent: Less than one Soviet warhead in 10 would reach its target—more than sufficient to discourage Soviet leaders from any thought of achieving a successful first strike.

The first layer in the two-layer defense system—the "boost-phase" defense—would go into effect as a Soviet first-strike missile, or "booster," carrying multiple warheads rises above the atmosphere at the beginning of its trajectory. This boost-phase defense—based on interception and destruction by nonnuclear projectiles—would depend on satellites for the surveillance of the Soviet missile field and the tracking of missiles as they rise from their silos. These operations could only be carried out from space platforms orbiting over the Soviet Union. Because they are weightless in orbit, such platforms could be protected against attack by

heavy armor, onboard weapons and maneuverability.

After the booster has burned out and fallen away, the warheads arc through space on their way to the United States. The second layer of the defense—the terminal defense—comes into play as the warheads descend. Interception would be at considerable altitude, above the atmosphere if possible. This second phase requires further engineering, already under way, because interception above the atmosphere makes it difficult to discriminate between real warheads and decoys. In the interim, interception can take place in the atmosphere, where differences in air drag separate warheads from decoys. In either event, destruction of the warheads would take place at sufficiently high altitudes, above 100,000 feet, so that there would be no ground damage from warheads designed to explode when approached by an intercepting missile.

Of the two layers in the defense, the boost phase is by far the most important. It would prevent the Russians from concentrating their warheads on such high-priority targets as the national-command authority (the chain of command, beginning with the President, for ordering a nuclear strike), key intercontinental-ballistic missile silos or the Trident submarine pens, because they could not predict which booster and which warheads would escape destruction and get through.

This fact is important. Simply a so-called "point defense" of our missile silos, it has been suggested, would be sufficient to restore much of the credibility of our land-based deterrent, now compromised by 6,000 Soviet ICBM warheads. It is particularly necessary to protect the 550 silos containing our Minuteman III ICBM's, of which 300 have the highly precise Mark 12A warheads. These are the only missiles in the possession of the United States with the combination of yield and accuracy required to destroy hardened Soviet military sites and the 1,500 hardened bunkers that would shelter the Soviet leadership. But their very importance to us illustrates the difficulty of a point defense, because the value of the silos to us means they will be among the highest-priority targets in any Soviet first strike. The Russians can overwhelm any point defense we place around those silos, if they wish to do so, by allocating large numbers of warheads to these critical targets. But if we include a boost-phase defense to destroy their warheads at the time of firing, their objective becomes enormously more difficult to accomplish.

The boost-phase defense has still another advantage. It could effectively contend with the menace of the Soviet SS-18's, monster missiles twice the size of the 97.5-ton MX. Each SS-18 carries 10 warheads, but probably could be loaded with up to 30. The Russians could thus add thousands of ICBM warheads to their arsenal at relatively modest cost. With numbers like that, the costs favor the Russians. But a boost-phase defense can eliminate all a missile's warheads at one time—an effective response to the SS-18 problem.

The likely technology for an early use of the boost-phase defense would use "smart" nonnuclear projectiles that home in on the target, using radar or heat waves, and destroy it on impoact. The technology is close at hand and need not wait for the availability of the more devastating but less mature technologies of the laser, the neutral particle beam or the electromagnetic rail gun. The interceptor rocket for this early boost-phase defense could be derived from air-defense interceptors that will soon be available, or the technology of antisatellite missiles (ASAT) launched from F-15 aircraft. These rockets could weigh about 500 pounds, the nonnuclear supersonic projectiles about 10 pounds.

Interceptor rockets would be stored in pods on satellites and fired from space. The tracking information needed to aim the rockets would also be acquired from satellites orbiting over the Soviet missile fields. The so-called "space weapons" of strategic defense are indispensable for the crucial boost-phase defense. To eliminate them would destroy the usefulness of the defense.

We estimate the cost of establishing such a boost-phase defense by the early 1990's would be roughly $45 billion. That price tag includes 100 satellites, each holding 150 interceptors—sufficient to counter a mass Soviet attack from all their 1,400 silos; plus four geosynchronous satellites and 10 low-altitude satellites dedicated to surveillance and tracking; plus the cost of facilities for ground-control communications and battle management.

The technology used for the terminal defense could be a small, nonnuclear homing interceptor with a heat-seeking sensor, which would be launched by a rocket weighing one to two tons and costing a few million dollars each. Interception would take place above the atmosphere, if possible, to give wider "area" protection to the terrain below. These heat-seeking interceptors can be available for deployment in about five years if a decision is reached to follow that course. One concept for this technology was tested successfully last June by the Defense Department when an intercepting missile zeroed in on an oncoming warhead at an altitude of 100 miles and destroyed it.

The technology for a terminal defense within the atmosphere would be somewhat different, but would probably also depend on heat-seeking missiles. The cost of this terminal layer of defense would be about $15 billion and include $10 billion for 5,000 interceptors, plus $5 billion for 10 aircraft carrying instruments for tracking of the Soviet warheads.

The estimated $60 billion for this two-layer defense is a ball-park figure, of course. However, even with its uncertainties, it is surely an affordable outlay for protecting our country from a nuclear first strike.

To be sure, the above is not an attractive option to those who place all their eggs in the arms-control basket and underestimate the immense difficulty of attaining an effective and truly verifiable pact. It is also not appealing to those wedded to the idea that it is best to assure survival by simply maintaining the perilous balance of terror between the United States and the Soviet Union. We favor energetically pursuing arms-control negotiations and seeking to achieve credible deterrence, but these options by themselves are unfortunately not as likely to provide a more secure future as the alternative strategy of mutual security combining defense against missiles with retaliatory offense.

The simplest and most appealing option, quite naturally, is comprehensive arms control. Large reductions in both launchers and warheads, as well as effective restrictions on surreptitious deployment or qualitative improvements, would enhance nuclear stability and produce greater mutual confidence. It would, if properly negotiated and effectively monitored, enhance mutual survival.

How likely is such a future? Some progress in arms control is probably possible, but genuinely effective arms control would require that: (1) there be a restraint imposed on qualitative weapons enhancement; (2) mobile systems, relatively easy to deploy secretly, be subject to some form of direct verification; (3) a method be devised for distinguishing nuclear-armed and nonnuclear cruise missiles, and (4) monitoring arrangements be devised for preventing surreptitious development, testing and deployment of new systems. So far, the Soviet record of compliance with the SALT I and SALT II accords is sufficiently troubling to warrant skepticism regarding the likelihood of implementing any such complex and far-reaching agreement.

Moreover, such an agreement would have to recognize that it is no longer possible to limit space-based systems without imposing a simultaneous limit, along the above lines, on terrestrially deployed systems, which present the greater threat to survival. After all, the space-based defenses include no weapons of mass destruction and no nuclear weapons. And it should be some cause for concern to note the Soviet insistence on prohibiting space-based *defensive sytems*, the only method now available to inhibit the first-strike use of land-based Soviet offensive systems.

Finally, a comprehensive and genuinely verifiable agreement, limiting both qualitatively and quantitively the respective strategic forces, on earth and in space, will require a much more felicitous political climate than currently exists. Negotiations may lead to such improvement, but in the setting of intense and profound geopolitical rivalry, how realistic is it to expect in the near future accommodation sufficient to generate the political will essential for a genuine breakthrough in arms-control negotiations? The mere mentions of Afghanistan, Nicaragua, Sakharov and Soviet violations of the humanitarian provisions of the Helsinki Final Act dramatize the depths of the problem. There may be no direct negotiating linkage between these acts of Soviet misconduct and arms control, but their political interaction is evident.

This is why there is currently such an emphasis on maintaining peace via the doctrine of deterrence based on mutual assured destruction, called MAD. But what does this mean in an age when weapons are becoming incredibly precise, mobile and difficult to count? In the absence of a miraculous breakthrough in arms control, the only possible protection within the framework of the deterrence approach is to stockpile more offensive systems. This is in part what we are doing. But how many of such systems will be needed in the likely conditions of the next decade? If Soviet strategic forces continue to grow both quantitatively and qualitatively, our country will have to deploy, at enormous cost, probably no fewer than 1,500 to 2,000 mobile Midgetmen to preserve deterrence. How will they be deployed? Where? And at what cost? And will the Soviet Union and the United States be more or less secure with the deployment of such precise weaponry capable of effective preemption? The Soviet answer is clear: The Russians are busy enhancing the survivability of their leadership and of their key facilities by hardening, dispersal and deception.

This second traditional alternative, mutual assured destruction, cannot be an acceptable, long-run option, although it is a necessary policy in the absence of an alter-

native, given the dynamics of weapons technology. Thus, a new third option, the Strategy of Mutual Security, must be explored as preferable. The combination of defense against space missiles with retaliatory offense in reserve enhances deterrence.

And it does not compromise stability, even if only the United States were initially to have such a strategic defense. The deployment of the systems described above would not give us absolute protection from Soviet retaliation against a possible first strike by us, a reasonable though misplaced Soviet concern. Furthermore, the Russians know we are not deploying first-strike counterforce systems in sufficient numbers to make a first strike by us feasible. In any case, one can be quite certain that the Russians will also be moving to acquire an enhanced strategic defense, even if they do not accept President Reagan's offer to share ours. Indeed, they are doing so now and have been for some time.

As our strategic space-defense initiative expands incrementally, it should be realistically possible to scale down our offensive forces. Such a transition, first of the United States and eventually of the Soviet Union, into a genuinely defensive posture, with neither side posing a first-strike threat to the other, would not only be stabilizing but it would also be most helpful to the pursuit of more far-reaching arms-control agreements. Strategic defense would compensate for the inevitable difficulties of verification and for the absence of genuine trust by permitting some risk-taking in such agreements. This is another reason why strategic defense should not be traded in the forthcoming negotiations in return for promises that can be broken at any time.

No significant public policy can be carried out in a democracy without being fully discussed and accepted by the broad polity. Nor can an interested public be expected to resolve disputes among experts as to questions of technical feasibility. The current debate over President Reagan's initiative for a strategic defense program suffers from that conflict among scientists. It is important to clarify this issue.

We can begin a two-tiered strategic defense that would protect command structure as well as our missiles and silos and thus discourage any thoughts by the Soviet military that a first-strike effort would be effective. Some within the scientific community minimize the importance of this technical feasibility and emphasize instead the view that it is scientifically impossible today to provide a strategic defense that will protect our cities. Such a broad defense of populations is today not feasible, but it is prudent for our society to keep in mind the rising tide of technical and scientific advances so rapidly overwhelming the 20th century.

The "impossible" is a concept we should use with great hesitation. It is foolhardy to predict the timing of innovations. We are persuaded that the laws of physics do not in any way prevent the technical requirements of a defensive shield that would protect populations as well as weapons. A total shield should remain our ultimate objective, but there is every reason for us to explore transitional defenses, particularly because the one we have discussed would serve to deter the dangers of a first strike. Defenses against ballistic missiles can be effective without being "perfect," and the technology for this is nearly in hand.

Society must also not forget that ever since the beginning of the scientific age, the organized scientific community has not had a particularly good record of predicting developments that were not part of the common wisdom of the day. In 1926, for example, A.W. Bickerton, a British scientist, said it was scientifically impossible to send a rocket to the moon. In the weapons field, United States Adm. William D. Leahy told President Harry S. Truman in 1945: "That [atomic] bomb will never go off, and I speak as an expert in explosives." And Dr. Vannevar Bush, who directed the Government's World War II science effort, said after the war that he rejected the talk "about a 3,000-mile rocket shot from one continent to the other carrying an atomic bomb . . . and we can leave that out of our thinking." In the strategic area, as late as 1965, the capable Secretary of Defense Robert S. McNamara wrote: "There is no indication that the Soviets are seeking to develop a strategic force as large as our own."

Our debate and our discussion, furthermore, must not ignore what the Russians, who have always understood the need for defenses, are doing in space. They have spent more on strategic defensive forces since the antiballistic missile (ABM) treaty was signed in 1972 than on strategic offensive forces. Their antisatellite program began nearly two decades ago. The Soviet military is now working aggressively on a nationwide missile-defense system; and it now appears ready to deploy a system capable of defending the country not only against aircraft, but also many types of ballistic missiles. Clearly, the Soviet work in strategic defense has taken place in spite of ABM treaty provisions. The large radar installation in central Siberia expressly violates that treaty with us. Yet the planning for it must have begun many years ago.

The recent Geneva meeting must be considered a major productive result of President Reagan's March 1983 speech announcing that we would begin developing a strategic defense initiative. We are reminded that in 1967 President Lyndon B. Johnson proposed to Prime Minister Aleksei N. Kosygin a ban on ABM's, which was flatly rejected. In 1969, President Nixon proposed to the Congress that our country begin such an ABM program, because the Russians showed little desire to join us in prohibiting such weapons. Shortly after Congress approved that program, the Russians embraced the idea of an ABM treaty. Had our Government not announced its S.D.I. program, we might still be in the cold storage of the Soviet freeze precipitated by their walking out of the Geneva negotiations.

Arms control has been said to be at a dead end, and the stalemate has reflected an impasse in thought and in conception. Our present policy requires both us and the Soviet Union to rely on a theory of mutual annihilation based on a strategic balance of offensive weapons. The American approach has been to depend on deterrence alone and not on defending ourselves from Soviet offensive weapons, while the Russians have made it clear by their actions that they intend to defend themselves against our missile. In any event, what is clear is that mankind must find ways of lifting itself out of this balance of terror. Mutual assured destruction must be replaced by mutual assured survival. Our safety cannot depend on our having no defense against missiles. The proper role of government is to protect the country from aggression, not merely avenge it. It is astounding that a President should be faulted for seeking a formula and an approach that will protect us from the continual threats and terrors coming from the volatile vagaries of adventurism and miscalculation.

Even if a perfect defense of our population should be impossible to achieve—and none of us can be certain of that—the leaders of our Government have a responsibility to seek defense alternatives designed to complicate and frustrate aggression by our adversaries. The very injection of doubt into their calculations strengthens the prospect of hesitation and deterrence. It may not be possible to destroy the world's ballistic missiles, but if we can return them to the status of a retaliatory deterrent rather than a preemptive strike we will have reduced the need for the existing large arsenal and thereby the threat of war.

The argument has been made that the S.D.I. is politically harmful because our North Atlantic Treaty Organization allies have not received the initiative with any enthusiasm. Their skepticism is an understandable initial reaction. First of all, our allies were taken by surprise by the President's March proposal of a Strategic Defense Initiative. At times, secret discussions are necessary, but doubtless allied cooperation will be forthcoming in direct proportion to timely and honest consultation. Furthermore, European political leaders feel under great pressure from an activist peace movement that emphasizes traditional arms-control negotiations as a major objective. A new approach, which the Russians criticize as hostile, is, therefore, looked upon as troubling, regardless of its merit.

As to the substance of the initiative, coupling our national security interest with that of our allies is a foundation of NATO defense. Any tendency toward decoupling produces great concern on their part. Western European leaders look upon all security proposals with that criterion in mind. Should America technically succeed in providing a shield against missiles, Europeans wonder whether they would then not be left in an exposed position, facing a superior Soviet conventional military force.

The concerns may be understandable, but will diminish with time and discussion. First of all, President Reagan's call for strategic defense brought the Russians back to the Geneva negotiating table. More important, however, it will become increasingly evident to our friends, as some of the confusion about the technology dissipates, that the ability of the United States to protect its missiles immeasurably strengthens our power to deter and thereby serves to protect our allies. Indeed, such a system is expected to be at least as effective against the SS-20's aimed at western Europe as it is against ICBM's. Finally, a development pulling the world away from the precipice of nuclear terror goes far to help create an encouraging atmosphere for dialogue and agreement, a vital prerequisite for peace.

In light of the above, we reach two basic conclusions:

(1) Developing a stabilizing, limited two-tiers strategic defense capability is desirable and called for by the likely strategic conditions immediately ahead. Such a deployment would be helpful both in the military and in the political dimensions. It is a proper response to the challenge posed by political uncertainties and the dynamics of weapons development. The two-layered defense described here can be deployed by the early 1990's. Americans will rest easier when that limited defense is in place, for it will mean that the prospect of a Soviet first strike is almost nil.

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(2) A three- or four-layer defense, using such advanced technologies as the laser now under investigation in the research phase of the Strategic Defense Intiative, may become a reality by the end of the century. If this research shows an advanced system to be practical, its deployment may well boost the efficiency of our defense to a level so close to perfection as to signal a final end to the era of nuclear ballistic missiles. A research program offering such enormous potential gains in our security must be pursued in spite of the fact that a successful outcome cannot be assured at this juncture.

The current debate is necessary. There are many questions, technical and political, ahead of us. For the debate to be constructive, however, we must overcome the tendency to politicize it on a partisan basis. Our objective should be to find a way out of the current maze of world terror. The President's initiative toward that end is a major contribution to arms control and stability. The aim of making nuclear weapons impotent and obsolete should be encouraged and not savaged.

CONGRESSIONAL CALL TO CONSCIENCE

● Mr. WILSON. Mr. President, I rise today to join my colleagues who are participating in the 1985 Congressional Call to Conscience Vigil for Soviet Jewry. I would like to thank the Senator from Minnesota [Mr. BOSCHWITZ] for sponsoring this effort. As many of my colleagues have done, I would like to bring to the attention of this body and indeed to the entire Nation the plight of one of the many Soviet Jews known as refuseniks.

These Soviet Jews, who are being denied permission to emigrate from the Soviet Union, are consistently persecuted and harassed by Soviet authorities. They are accused of trumped-up crimes ranging from defaming the Soviet State to "hooliganism." The punishment they receive is as just as the crimes they are charged with are legitimate, such as loss of citizenship, employment or at worst—imprisonment in a labor camp. These ordeals have had a lasting and often irreversible impact upon the lives and families of these refuseniks.

The simple desire to emigrate, so that they may freely practice their religious beliefs and be with family members, appears justification enough for the Soviet authorities to commit such unconscionable acts. This desire to emigrate has not been suppressed by the authorities; however, the Soviets have managed in the last few years to stem the flow of emigrees to a trickle. This has become a deplorable state of affairs for the Soviet Jew.

One such case involves the refusenik family of Lev Shapiro. Lev is a 45-year-old electronics engineer, who was employed until 1970 at the Research Institute of Radio Electronics in Leningrad.

In 1977, Lev and his family applied for an exit visa. He was refused on the grounds of the secrecy of his work at the institute 7 years earlier, and, therefore, such a request was not in the interest of the Soviet Union. All of his requests since that time have also been denied.

The Shapiros maintain a traditional Jewish home despite the lack of religious and cultural material available to them. Because of his beliefs and his support for the Jewish emigration movement, Lev has been publicly harassed by the Soviets.

The Leningrad newspaper, in May 1980, ran a story characterizing Lev as a criminal and a person who has Zionist friends. In November 1984, Lev was featured in an antisemitic television film called, "Hirelings and Accomplices," in which he was accused of betraying his country and of black market dealing in goods smuggled into him by his Western accomplices. The most recent incident happened in December of 1984, when the authorities, in an attempt to further isolate the family, disconnected their phone.

Mr. President, we as representatives of the leading Nation in the free world, have a moral responsibility to expose Soviet treatment of its Jewish citizens. We can not stand by the wayside and let this brutal and ruthless campaign wipe out a religion and a culture. We must remain steadfast in our vigilance. We must continue to help these devoted people obtain freedom by reminding the world of their tragic plight.●

AUTHORIZATION OF A GOLD MEDAL FOR THOSE WHO LED THE VIETNAM VETERANS MEMORIAL EFFORT

● Mr. D'AMATO. Mr. President, I am pleased today to cosponsor S. 865, introduced by the distinguished Senator from Maryland, to authorize the President of the United States to award a special gold medal to Jan Scruggs, Robert Doubek, and John Wheeler, the three Vietnam veterans who provided the necessary leadership to develop the Vietnam Veterans Memorial in Washington.

In 1979, these three veterans had a vision for America to erect a suitable memorial to remember for all time the 56,000 men and women who died in Vietnam. This was to be a special memorial, one to recognize the dead and missing in a personal way and yet allow Americans of conflicting opinions to put aside their differences and adopt a common peace of mind.

Today, this great memorial inspires in the millions of people who see it the bravery and dedication to duty of these thousands of individuals who gave their lives in a far off land and never came home. This memorial is now a national meeting place for the living who want to remember their dead.

Veterans from across the Nation come to pay tribute to their fallen comrades and quietly discuss those years symbolized by the black marble walls. Many adult men are overcome by emotion as they read the names of men they once knew and recall vivid faces in their memories. Fathers, mothers, sons, daughters, friends, classmates, neighbors—they are all there.

This memorial creates a range of emotions in all who visit it which runs from pride to sadness. However, all who visit this site leave with a special feeling inside that they are glad they came to pay tribute.

The national effort to create this memorial served to heal the wounds of this unpopular war which crossed our minds daily for a decade. This effort to unite America in recognition of the sacrifice of all Vietnam veterans was a challenging task. We have a Vietnam Veterans Memorial today because of the leadership and perseverance of these three men: Jan Scruggs, Robert Doubek, and John Wheeler.

Mr. President, I am proud to cosponsor S. 865 to authorize the President of the United States to award a special gold medal to these great Americans.

Thank you, Mr. President.●

NATIONAL ICE CREAM MONTH

● Mr. DECONCINI. Mr. President, there are few events on the Hill that are truly bipartisan, and without any political overtones. One of those precious few events is coming up on June 20—the annual "World's Largest Ice Cream Party"—sponsored by the International Association of Ice Cream Manufacturers. It is no secret that I am a great fan of ice cream, and I expect that I, and most of my staff, will attend the ice cream party.

Not only is ice cream an all-American treat, it is also an important part of the dairy industry. It is manufactured in all 50 States, with 1 of every 10 gallons of milk produced in the United States going into ice cream products. The ice cream industry is an $8 billion industry which provides jobs to more than 18,000 people.

But on a hot summer's evening in Arizona—and we have our share—these statistics don't mean a thing. What is important is the delightful, refreshing and cooling taste of an ice cream cone.

Therefore I urge my colleagues to attend the "World's Largest Ice Cream Party" which will serve as this year's kickoff for "Ice Cream for America" on June 20 between 4 to 7 p.m. in the Russell Senate Office Building Courtyard.●

VOLUNTEERS IN OVERSEAS COOPERATIVE ASSISTANCE

● Mr. DANFORTH. Mr. President, much good work is done in developing countries utilizing Agricultural Development Funds administered by the Agency for International Development. Mr. Lawrence Wisniewski, a senior officer of the St. Louis Farm Credit Banks, has reported to me about a recent success of the program following his 60-day tour of duty in Uganda. He served as a volunteer consultant to the Cooperaive Bank, Ltd. in Kampala to modernize the bank's operations and recordkeeping. Manuals for credit and accounting procedures were developed which also can be used to train bank staff.

This project arose through a request made to Volunteers in Overseas Cooperative Assistance. VOCA is a private, nonprofit organization, providing short-term technical assistance to cooperatives and government agencies in developing countries. Uganda asked for the assistance of a qualified farm credit banking official. VOCA was aware of Mr. Wisniewski's availability because of his years of experience with the farm credit banks and his successful tour of duty as a VOCA volunteer on a cooperative credit project in Sierra Leone in 1984. I want to thank Mr. Glenn Heitz, president of the St. Louis Farm Credit Banks, for granting Mr. Wisniewski a leave of absence for this work. It is through the mobilization of such private sector resources and skills that important foreign economic development work can go forward.

The willingness of citizens to contribute time and professional expertise in developing countries—"people to people"—adds an important dimension to the foreign assistance programs of the U.S. Government.

As VOCA emphasizes, its most important resource is the volunteered skills of highly qualified people like Mr. Wisniewski. VOCA carries out about 35 projects each year with a small staff and an almost limitless pool of specialists willing to volunteer their know-how. The services of volunteers, valued at $250 per day, represent a substantial portion of VOCA's resources.

Mr. Wisniewski's volunteerism epitomizes the kind of foreign assistance the American people wholeheartedly support. It offers technical help—not money, but know-how. It offers this help to groups of people who want it and ask for it and who are willing to commit some of their own resources to a joint effort with the United States. Supported by relatively small amounts of AID funds, such a program is able to marshal additional direct contributions from United States cooperatives and use these resources to recruit and support in the field the volunteer services of highly skilled, well-qualified men and women. In 1984 VOCA utilized $710,000 in AID funds and $490,000 from private contributions for this purpose. It is one of the most cost efficient programs administered by the Agency for International Development. Mr. President, it is worthy of our enthusiastic support.●

SMOOT-HAWLEY TARIFF ACT

● Mr. CHAFEE. Mr. President, 55 years ago today Congress passed the Smoot-Hawley Tariff Act which, without question, led to the Great Depression.

Today, many years later, we face a crisis in our trading sectors of equal proportions. America is being flooded with bargain imports and its traditional exports—machinery, chemicals, electronics, grain—have lost their competitive edge.

The main culprit in all this is the 30-percent increase in the exchange value of the dollar since 1981. Appreciations in the dollar on foreign exchange markets effectively subsidize U.S. imports and tax exports. This all poses damaging consequences for the long term health of our export-oriented industries.

No matter where we place the blame for our current trade ills, the problem is that protectionism has once again reared its ugly head, not just in developing countries and Japan, but among workers and communities most hurt by low-priced, high quality imports; in corporate board rooms where managers are confused and frustrated by lost market share and lower profit margins; and notably in the U.S. Congress where trade threatens to become this Congress' most divisive political issue.

It would be a fatal mistake to allow these protectionist interests to completely capture our trade agenda. We cannot allow a return to the kind of environment that permitted the enactment of the Smoot-Hawley Tariff Act.

We must explore alternatives to our trade problems and pursue new approaches to trade policy. There is no room in that policy for protectionism, as a recent New York Times article urges. I ask that this article, entitled "America's Retreat From Protectionism," be printed in the RECORD at this point as a poignant reminder of the economic downfall which followed the closing of our markets in 1930.

The article follows:

[From the New York Times, June 16, 1985]

AMERICA'S RETREAT FROM PROTECTIONISM

(By Jeffrey E. Garten)

Tomorrow marks the day in 1930 that Congress passed the Smoot-Hawley Tariff Act, the highest import levy in American history. This single act provoked a wave of retaliation, forced Europe to suspend debt repayments and caused world commerce to dry up. Is the Unbited States once again poised for such wide-spread protectionism?

Hong Kong weavers, South Korean TV producers, Mexican tomato growers and Japanese steel manufacturers—all smarting from United States quotas—would scream "yes." So would anyone listening to American trade officials arriving in Tokyo to threaten Japan, or anyone watching the fist-pounding and foot stomping of frustrated Congressmen, blaming European for our farm problems.

But in terms of across-the-board protectionism, as opposed to occasional, case-by-case import barriers, the pessimists are probably wrong.

True, America is under severe pressure to do something about its trade deficit, which could exceed $140 billion this year. Farmers are getting new trade subsidies. Textile workers are being given tighter quotas. Big steel wants more help. Retaliation against Japan is a serious threat.

Nevertheless, countervailing forces are poweful. For America, protectionism would now be economic hari-kari, and deep down we know it. Looking beyond Congressional rehetoric, moreover, there is a dwindling constituency for closing our borders.

The United States has become totally hooked on imports. Toyotas, Hondas and Volkswagens will soon capture more than 30 percent of our market. Foreign steel and consumer electronics are making similar inroads. Domestic producers of raidos, TV's and videocassette recorders have long gone the way of dinosaurs. The trend could slowed slightly but not much, without pulling the economy up by its roots.

Cutting off imports or jacking up their costs would clobber American firms that have shifted operations abroad to sell back to the United States. Two-thirds of every I.B.M. personal computer is made in Japan or Singapore. Half the components of all American machine tools are manufactured overseas. Even much of what we buy under American brand names is made by foreign companies: the Eastman Kodak Company sells copiers from Japan's Canon Corporation under its own name, and drugs manufactured by Sweden's Astra Company will soon carry Merck & Company labels.

The growing number of American joint ventures with foreign companies on United States soil further blurs the distinction between imports and domestic products. When the General Motors and Toyota team up in California to produce small cars, using many parts from Japan, or when the RCA Corporation and the Sharp Corporation of Japan build satellites in the United States with components from both nations, are the products American or not?

The Congressional Budget Office recently warned the House and Senate against enacting a proposed 20 percent general tariff. Imports might be cut, it said, but our exports would be priced out of world markets in at least four ways. First, protection would be inflationary and would raise almost all domestic production costs. Second, since we would buy less from foreigners, fewer dollars would circulate abroad; this shortage would drive up the value of our currency, and our exports would become even more expensive than they are now. Third, the cost would rise for foreign parts, which are essential to so many of our exporters. Finally, retaliation against the United States would almost certainly be assured.

Even selective protection backfires these days. As we held back cars from Japan, we could watch a new auto industry spring up in Korea. If we now move to halt imports of telecommunications equipment, we could see a resurgence of the American Telephone and Telegraph Company monopoly, since

the smaller and newer American manufacturers could not satisfy domestic demand.

Governments ignore economic logic every day. But headlines notwithstanding, politics is also moving away from serious protectionism.

America is becoming a service economy, where, for most industries, imports are either essential, complementary or irrelevant. Seventy-four percent of nonfarm workers are now employed in transportation, banking, insurance, real estate, government and the retail trade.

Unions, so long the proponents of trade barriers, are increasingly impotent. Today, 19 percent of the work force is "organized," compared with 35 percent in 1955.

The traditional argument that imports wipe out jobs, moreover, holds much less weight these days, given that the United States has been creating new jobs at breakneck speed—25 million of them in the last 10 years despite two deep recessions.

While Washington wrings its hands, the nation's governors and mayors are anxious to forge new international trade ties. These politicians are not protectionists.

Demographics argue for fewer barriers to imports. In the 1970's, 65 percent of America's population growth occurred in the South and West, where trade with Latin America and the Pacific Basin are crucial. Yuppies want their Audis, Ellesse jogging suits and Panasonic stereos. An aging population depending increasingly on fixed income from Social Security will fight the higher prices that protection would bring.

Finally, it is hard to believe that an Administration and Congress preoccupied with opening up the economy through deregulation and tax simplification will put their hearts into closing it through tariffs and quotas.

None of this implies that the escalating trade deficit is good or inevitable. But one of the most important lessons of Smoot-Hawley is how it came about: President Hoover lacked an economic strategy, lost control of trade policy altogether and Congress took over. There is an ominous parallel with the Reagan Administration. Until recently, the President was not tough enough in trying to open the Japanese market, and he gave scant attention to the overvalued dollar and high interest rates, which were killing our exporters. He has threatened often to unleash Congress, a strategy that inevitably becomes self-fulfilling.

There is a clear difference between protectionist tough talk and the realities of markets and politics. Earlier this spring, the Senate passed, by an unprecedented 92-to-0 vote, a resolution condemning Japanese trade practices. But at hearings on the same subject in May, few Senators showed up. This past March, the Chrysler Corporation's chairman, Lee A. Iacocca pushed hard to keep import quotas on Japanese autos. Two weeks later, after the Administration decided to let quotas lapse, he was in Tokyo concluding new deals with the Mitsubishi Corporation to import Japanese cars.

Listen to Senator John C. Danforth, Republican of Missouri, who has led the charge against Japan: "The international trading system as it exists today is malfunctioning," he said in April. "Unless the system is made to work, it is doomed."

But he added: "The Smoot-Hawley Tariff Act did contribute to the Great Depression. To repeat the same mistake more than half a century later would be an act of gross stupidity." Can anyone doubt that he is right?●

ASSISTANCE TO THE CONTRAS IN THE STATE DEPARTMENT AUTHORIZATION BILL

● Mr. LEVIN. Mr. President, the series of votes which we concluded last week on the proposed assistance to the Contra forces which are fighting the Government of Nicaragua was a tortuous way to attempt to hammer out a foreign policy for that region. I am deeply concerned that after all of this effort, neither the Senate nor the administration has arrived at a coherent policy. If the administration's claim is correct that the activities of the Government of Nicaragua constitute an imminent threat to our vital national interests, then the amount of funding which we have voted would be inadequate and the restrictions on the assistance would be inappropriate. If, on the other hand, there is still a chance for a negotiated solution to the conflicts in Central America, then we should tightly link whatever assistance we give to the Contras to a cease-fire and negotiations among the interested parties. But it appears at this point that the administration and the Senate have decided to pursue neither course, and the result is a policy vacuum.

In considering the amendments that came before the Senate, I attempted to reason from a general policy to the specific implementation of that policy. Our goals with respect to Nicaragua should be to establish peaceful relations consistent with the Contadora negotiation process, to mutually respect each other's territorial integrity, to foster conditions which would reduce Nicaragua's reliance on the Soviet Union, to prevent the establishment of a foreign military base in Nicaragua, and to encourage the internal democratization of Nicaragua. Implicit in these goals is that we should not attempt to overthrow the Government of Nicaragua, a government with which we have full diplomatic relations. Nor can we hide behind a fiction that we are not attempting to overthrow a government when groups which we fund are fighting that government with that goal.

The Dodd amendment, the first Contra amendment which we considered during this debate, is consistent with these policy goals. The Dodd amendment would have authorized $14 million to provide for the safe and orderly withdrawal from Nicaragua of the Contras and to relocate those forces and their families. It clearly stated that if a foreign military base were established in Central America, if sophisticated and superior offensive weapons systems were introduced into Central America by a Communist country, or if nuclear weapons were stationed or deployed in Central America, that the Congress would act promptly to defend the interests of the United States through a military force if necessary. As such, the Dodd amendment drew a line in the dirt and informed the Nicaraguan Government what kinds of actions would precipitate a swift and firm American response. Senator DODD in his statement in support of his amendment made clear that this list of possible actions which would precipitate a response by the United States was not exhaustive. Having clearly stated the U.S. interests and resolve, the Dodd amendment was able to put an end to our reliance on the Contra forces and to provide the resources necessary to relocate the Contra forces which had at one time depended upon us for support. This amendment provided one of the approaches which I could support that was offered during this debate on Central America.

The Kennedy amendment, which was the next amendment offered, also followed logically the Dodd amendment because it expanded further upon the process by which U.S. military forces would be authorized. The Kennedy amendment recognized that for U.S. military action to be successful and sustainable it must be backed by a broad consensus, and for that reason the amendment would have required congressional authorization unless clear and present emergency situations exist. I was concerned about the Kennedy amendment's trying to enumerate in advance all of the emergency situations which might justify U.S. military action. Nevertheless, I voted for the Kennedy amendment, even with its imperfections, because it would have sent an important message to the President that the Congress should be responsibly involved in the decisionmaking process with respect to use of U.S. combat troops in Nicaragua.

The next amendment which came before the Senate was offered by Senator HART. The concerns which I had with respect to the Kennedy amendment were magnified in this amendment. I voted against the Hart amendment because I thought it went too far in restricting the powers of the President in Central America. Unlike the Kennedy amendment, which placed limitations on the introduction of U.S. troops into Nicaragua for the purpose of combat, the Hart amendment would have placed severe restrictions on the introduction of U.S. combat troops into Central America. This is an important distinction. The Kennedy amendment said: "Don't invade Nicaragua with U.S. combat troops unless it has been authorized by Congress or is necessary to protect U.S. citizens." The Hart amendment in effect said: "Don't even send combat troops into Honduras for training exercises at the request of the Honduran Government unless authorized by the Congress." In fact, unless there was congressional

authorization, the Hart amendment would seemingly not have allowed sending U.S. combat troops to Honduras at the request of that country when faced with an imminent attack on it by the Soviet Union.

Similarly, the Hart amendment was more restrictive than the Kennedy amendment when it came to the use of U.S. combat troops in emergency situations. The Kennedy amendment would have allowed U.S. combat troops to be used to provide necessary protection for U.S. citizens without prior congressional authorization. The Hart amendment would have required congressional authorization unless these troops were going to be used to evacuate U.S. citizens from Central America. We should recognize that there could be a set of circumstances in which we may want speedy dispatch of U.S. combat troops to protect our citizens in our embassy in Costa Rica, for example, at the invitation of that government perhaps, even if we don't seek the imminent evacuation of U.S. citizens from that embassy. The Kennedy amendment would seem to have permitted such a deployment of U.S. combat troops without congressional authorization, but the Hart amendment seemingly did not.

The Biden amendment, which was the next amendment considered, offered an alternative approach to the one embodied in the Dodd amendment, which was defeated earlier. The Biden amendment would have provided funds for humanitarian assistance to the Contras. It conditioned that assistance on the United States' resuming bilateral negotiations with Nicaragua, and on the Government of Nicaragua and the Contras entering into negotiations and a cease-fire. It also stipulated that if Nicaragua refused to enter into negotiations, the humanitarian assistance would still be provided. If, however, the Contras violated the cease-fire, then the humanitarian assistance would be terminated. The Biden amendment went on to state that the Contras could not receive assistance in the future if the Contras had not eliminated from their ranks persons who have engaged in human rights abuses.

In these two respects, the Biden amendment offered a better chance of achieving the policy goals I set forth at the outset of my remarks, than did the Nunn amendment, which followed in and which I did not support. The Nunn amendment merely urged the President to pursue negotiations and only urged the President to call upon the Contras to remove from their ranks those who have engaged in human rights abuses. In contrast, the Biden amendment conditioned the humanitarian assistance on negotiations toward a peaceful settlement and conditioned future assistance on the Contras eliminating from their ranks members who had abused human rights.

Similarly, the Nunn amendment provided for the repeal of the so-called Boland amendment which provided that no funds available to any agency of the United States could be expended for the purpose or which would have the effect of supporting, directly or indirectly, military or paramilitary operations in Nicaragua by any nation or group. During the debate on the Nunn amendment, Senator NUNN described both a broad and narrow interpretation of the Boland amendment. He suggested that the broad interpretation, which he rejected, would not allow U.S. actions in Nicaragua to destroy a terrorist base in which training was taking place for terrorism to be carried out against the United States itself. Under this interpretation, the United States could not take action because that action would indirectly support the Contras. I agree that this interpretation is too broad, and if this were the only interpretation of the Boland amendment, I would also support its repeal.

However, as Senator NUNN pointed out, the Boland amendment can be interpreted more narrowly so as to permit a U.S. agency to take specific actions in Nicaragua in response to a specific threat to the United States. Assuming his narrower definition, the Boland amendment is still necessary because without the Boland language, the Nunn amendment is inadequate to prevent incidents like the mining of the harbors of Nicaragua. The Nunn amendment would only prohibit any U.S. agency from providing nonhumanitarian assistance to the Contras. This would seemingly not prohibit the CIA from spending money to mine the harbors of Nicaragua, if that money were not funneled through the Contras. We should know by now that the absence of an express prohibition may be perceived as permission by the CIA.

I was also concerned that the Nunn amendment's prohibition on other materiel assistance to the Contras was too vague. Senator NUNN agreed during the debate that the Conference Committee should seek to find a clearer word. The vagueness of the word "materiel" diminishes the effect of the prohibition of no other materiel assistance to the Contras.

The net effect of these votes was to put the Senate on record in support of providing humanitarian assistance to the Contras, but without adequately conditioning that aid on the efforts toward a negotiated settlement by all the countries concerned, and without adequately safeguarding against U.S. agencies engaging in congressionally unauthorized military activities against Nicaragua. These votes will not further the cause of peace and reconciliation in Central America. It is for this reason, among others, that I voted against final passage of the State Department authorization bill.●

RIVER OF RED INK

● Mr. DANFORTH. Mr. President, the Missouri and Mississippi Rivers are two of the Nation's great arteries of waterborne commerce, and the inland navigation industry is a vital component of our national transportation system. But the economic health the country now is enjoying has not reached the waterways and the companies that ply their trade there. In fact, disastrous economic conditions prevail.

Later this year, we may be considering, in the context of an omnibus water projects bill, the question of waterway user fees, to be added to the fuel tax already paid by the industry. For this reason, I should like to bring to the attention of my colleagues an article recently published by the St. Louis Post-Dispatch, entitled "Barge Industry Awash in River of Red Ink." I believe it accurately describes the economic difficulties the industry faces, and I ask that the article be printed in the RECORD.

The article follows:

[From the St. Louis Post-Dispatch, June 9, 1985]

BARGE INDUSTRY AWASH IN RIVER OF RED INK

(By Robert L. Koenig)

The river transportation industry—long a vital part of St. Louis' commerce and history—is in the throes of financial troubles that some analysts and rivermen say rival even the deepest troughs of the Great Depression.

What many barge companies hoped would be a spring of recovery this year has proved so far to be a bust. The industry continues to battle a dangerous economic current that has idled a third to a half of the towboats and barges along segments of the Mississippi and Ohio rivers.

As that depression has deepened over the last few years, St. Louis—long known as the nation's largest inland port—has lost ground as a river city. About 22.7 million tons of river traffic passed through the port of Metropolitan St. Louis in 1983; that was second to Pittsburgh's 26.5 million tons.

The rash of bankruptcies and mergers in the industry has thrown hundreds of pilots, deckhands, cooks, oilers, fuelers and boilermakers in the St. Louis area out of work. And the waiting lists for jobs at the union halls keep growing longer.

"Everybody said we hit bottom in 1984," said George Matz, port agent for the National Maritime Union here "But here we are going into 1985, and now they're talking about a worse year. Let's hope we all survive it."

That assessment is shared even by the industry's boosters.

"This industry is in terrible shape," said Joseph Farrell, president of the American Waterways Operators, the trade association of barge and tow operators.

Two years ago, the waterway operators organization, based in Arlington, Va., closed its St. Louis office to save money. About the same time, another national water resource group also shuttered its office here.

"This association mirrors the industry," Farrell said.

A number of St. Louis' river companies have folded or left town in recent years. "St. Louis is no longer quite the hub of river commerce that it once was," said James V. Swift, vice president and business manager for The Waterways Journal Inc., a magazine based here.

Farrell said the number of barge companies nationwide had plummeted to about 1,000 from an estimated 1,500 a decade ago. In the St. Louis area, about 17 barge companies have survived out of the 40 or so that operated here in the 1970s, one official estimated.

"The first few years, we lost the mom and pop companies that didn't have the staying power to make it through the hard times," said Robert Goodwin of Jefferson Barracks Marine Service Inc. "Now we're losing the medium-size companies—more and more each year."

Tied to a dock on the Mississippi about a mile south of Jefferson Barracks Bridge, two gleaming towboats owned by th Agri-Trans Corp. sat idle on a recent weekday. The generators hummed on the multimillion-dollar crafts, but the boats were going nowhere.

A few miles upstream, at the MVBL Terminal dock at the foot of Rutger Street in south St. Louis, a few more towboats rocked gently in the river—waiting for full barges to push upriver. That wait might be a long one.

Such equipment is idled at docks and in fleeting areas up and down the Mississippi—signs of the equipment surplus that plagues the industry.

Lloyd H. Eneix, senior vice president of Agri-Trans Corp., a cooperative firm that hauls grain and fertilizer in its 400-barge fleet, said that half of the firm's 10 towboats were idle.

"We thought we hit bottom last year," he said. "Well, this year is worse."

Tom Barta, president of The Valley Line Inc., has a similar story. "We're running less than half of the boats that we'd normally be running at this time of year," he said.

Valley Line, which is based here, owns 33 towboats and 1,200 barges. It is the third-largest barge company on the inland waterway system.

"Our company has laid people off. All the other river companies have laid people off," Barta said. "And you're seeing the firms that service the barge industry in worse shape than we are."

Barta said the trend toward consolidation in the industry was bound to continue as long as business was bad.

Since 1968, Valley Line has been a subsidiary of the Chromalloy America Corp. of St. Louis. It used to be called the Mississippi Valley Barge Line Co.

The only St. Louis barge company older than Valley is Federal Barge Lines, which was established by the federal government in the early 1920s as part of the Inland Waterways Corp.

Charles Skie, vice president of Midland, says Federal Barge maintains only a sales office and small fleeting areas in St. Louis.

"We're folding it into our present operation," Skie said. He said most of Federal Barge's 15 towboats and 600 barges would operate outside St. Louis. With more than 2,300 barges, Midland is by far the largest barge company on the inland waterways.

Skie said Midland was making money, but he conceded that conditions in the industry were "worse than anyone in the industry has seen so far."

"The industry is a basket case," said U.S. Sen. John Danforth, R-Mo. "The last thing we should be doing is talking about trying to squeeze more blood from a stone."

Danforth commented Friday on the efforts of the administration of President Ronald Reagan to increase the user fees charged to barge and tow businesses. Tow operators pay a fuel tax "user fee" of 8 cents a gallon, which will increase to 10 cents a gallon in October.

This week, the Senate Committee on Environment and Public Works is considering final approval of a bill that would require that industry share the cost of all federal water projects—a move that Danforth and others see as tantamount to increasing user fees.

But whether or not additional user fees are imposed, the future of the river transportation industry appears bleak, some analysts say. One recent report sponsored by the U.S. Maritime Administration recommends that owners begin to scrap idle barges.

Surplus barges have contributed to the depression. Farrell, of the Waterways Operators organization, attributes the economic woes of the industry to three major factors:

The building of excess barges and towboats in the late 1970's and early 1980s, leading to a massive surplus. That construction was spurred by changes in tax laws and by the anticipation of huge increases in grain and coal exports—increases that failed to materialize.

The grain embargo in 1980 against the Soviet Union. The embargo adversely affected U.S. grain exports and the amount of grain carried by barges.

The world oil glut. That has cut down on the demand for U.S. coal, so less coal is being transported on the river.●

ORDER FOR RECESS TODAY UNTIL 11 A.M. TOMORROW

Mr. McCLURE. Mr. President, I ask unanimous consent that, upon the conclusion of the remarks of the distinguished Senator from West Virginia and/or the hour of 5:30 p.m. having arrived, the Senate then stand in recess until the hour of 11 a.m. on tomorrow.

The PRESIDING OFFICER (Mr. HATCH). Is there objection? Without objection, it is so ordered.

NATIONAL COMMISSION ON ESPIONAGE AND SECURITY

Mr. BYRD. Mr. President, the published reports which have come to my attention since the first arrest was made in the Walker spy case have made it clear to me that there is a compelling need for the Congress to take urgent and aggressive action with respect to our Government's ability to cope with Soviet espionage.

It has been reported that 4.3 million Americans have received security clearances from our Government and therefore have access to the most sensitive Government information relating to our national defense. Every one of these individuals is a potential prime target for recruitment for the hundreds of Soviet KGB agents who roam our streets.

The Defense Department is said to have only 1,500 civilian investigators who this year are expected to conduct 220,000 sensitive clearance investigations of military and defense contractor personnel.

The Federal Bureau of Investigation, which has the primary responsibility for tracking Soviet espionage in the United States, is said to be unable to cope with the huge number of suspected Soviet agents in this country.

The mountains of Government paper marked "confidential," "secret," and "top secret" seem to grow ever higher each day, and the entire classification system is said to be held in disrepute.

Assertions continue that the top levels of our Government, including the CIA itself, may have been penetrated by the KGB. Others strongly disagree. No one seems to know for sure.

The Walker case is said to involve an individual alleged to have been spying for the Soviets for as long as 20 years, and no one even suspected it.

This situation simply cannot be allowed to continue. We must take immediate action to uncover the scope and magnitude of this problem and then take strong and effective action to correct it. We in the Congress cannot authorize billions of dollars for the most sensitive and sophisticated defense and intelligence systems, only to learn that the details of those systems have been turned over to our adversaries by employees of our own Government.

I have therefore prepared legislation which I am introducing today to establish a National Commission on Espionage and Security to investigate this problem. The Commission would be directed to investigate—efforts which may have been made by hostile foreign powers to penetrate our Government—the adequacy of counterintelligence investigations by the United States to detect and protect against such penetrations; and—the adequacy and effectiveness of the classification system, background security investigations, and the whole question of security clearances. The Commission will be authorized to hold hearings, issue subpoenas, and have full and complete access to whatever information it may need to fulfill its task.

The Commission will be required to report on its findings and recommendations in 18 months.

The Commission that will be created by this resolution will consist of eight members, to be appointed as follows: Four would be appointed by the President of the United States, including one former Secretary of Defense, one former Director of Central Intelligence, and one former special assistant to the President for national security affairs; one would be appointed by the

President of the Senator from the majority Members of the Senator upon the recommendation of the majority leader of the Senate; one would be appointed by the President of the Senate from the minority Members of the Senator upon the recommendation of the minority leader of the Senate; one to be appointed by the Speaker of the House of Representatives from the majority Members of the House; and one to be appointed by the Speaker of the House for the minority Members of the House upon recommendation of the minority leader of the House.

The members of the Commission would select the chairman and the vice chairman.

The Commission would be authorized to employ and fix the compensation of such persons or consultants as it deems necessary and appropriate subject to certain provisions of the legislation. The Commission will be authorized to hold hearings, take testimony and depositions under oath, and do everything necessary and appropriate which is authorized by law to make the investigation and study specified.

The Commission would be authorized and directed to make a complete investigation and study which would reveal the full facts with respect to the nature and extent of recent penetrations of the U.S. Government or efforts to penetrate by hostile foreign powers to obtain the information that is described in the resolution; the extent and the adequacy of efforts of the United States to protect against such penetrations; the adequacy and effectiveness of the classification system; background investigations conducted for security clearances; systems involving the issuance of clearances; security systems, counterintelligence investigations, counterespionage investigations, damage assessments, relevant Federal laws, Executive orders, directives and policies, investigative, prosecutorial and expulsion policy, treaties, and other international agreements to which the United States is a signator; and such other related matters as the Commission deems necessary in order to carry out its responsibility.

The Commission would have the power to issue subpoenas requiring the attendance of witnesses and testimony of witnesses and the production of information relating to a matter under investigation by the Commission.

Mr. President, I talked with former President Carter yesterday, and he stressed the need for prompt action by our Government in this subject area. He felt that it was a good concept and that we need to proceed. He indicated that he would be happy to appear and testify as a witness should he be called upon by the Commission. I tried to reach President Nixon yesterday, but he was out of the country. Today, he is back in the country and I have talked with him and he felt that it was time to move to protect our country against those who would sell our country "down the river."

He made some helpful suggestions to me and, likewise, indicated his willingness to appear as a witness before the Commission, if asked to do so.

I also talked on yesterday with former Secretary of Defense Harold Brown, who was in California but returned last evening to the Nation's Capital. He likewise joined in expressing support for the effort and is happy to support and appear before the Commission for testimony if the Commission should see fit to call upon him.

Mr. President, I have talked with President Reagan earlier this afternoon, and he indicated that he would be happy to have a look at the resolution and seemed to be supportive and, in any event, very interested.

Mr. President, I think it would be very worthwhile if former Directors of the CIA were asked to respond for the purpose of testimony. I talked with former CIA Director Admiral Turner on yesterday, and he expressed strong support for the idea and likewise, as have the others with whom I talked, indicated a ready willingness to appear before the Commission and work with the Commission in any way, should the Commission see fit to call on him. I have not been able to talk with other former Directors of the CIA, Mr. Colby, Mr. Helms, and others, and I have not yet been able to reach Dr. Schlesinger. I called him on yesterday, but he was in Europe, I believe, and will be returning to the United States this evening or tomorrow. I have not yet had an opportunity to talk to former President Ford, but I certainly hope to do so.

Mr. President, I have just completed a telephone conversation with former security advisor, Mr. Brzezinski. He said that the whole security apparatus is due for an examination and it is long overdue. He was quite enthusiastic about such a commission.

Mr. President, I hope that the administration and my colleagues on both sides of the aisle will be supportive of the resolution that I will submit today. We are all in this together. Both the executive and the legislative branches have much to contribute toward examining the problem and coming up with responsible and effective solutions. This is a bipartisan approach which I am suggesting to deal with a nonpartisan problem.

I am not going after anybody that I can think of as I introduce this resolution. I am not attempting to blame one administration or another, one party or another. As I see it, our objective, simply put, is to find the holes in our Nation's security fabric and to close them for the future, with no scapegoats. It is simply a serious and fundamental problems which goes to the very heart of the effective defense of our Nation.

Mr. President, I ask unanimous consent that I may have until 7 o'clock today to introduce the resolution.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Mr. President, I also ask unanimous consent that the resolution be printed in the RECORD.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

S.J. RES. 148

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled,

That (a) there is hereby established a national commission which may be called for convenience of expression, the National Commission on Espionage and Security, to conduct an investigation and study with respect to the adequacy of counterespionage, counterintelligence and security activities of the United States in the protection of vital secret (1) defense, (2) foreign policy, and (3) intelligence information of the United States against the efforts of hostile foreign powers to obtain such information, as further described in section 3 below.

(b) The Commission created by this resolution shall consist of eight members, to be appointed as follows:

(1) Four to be appointed by the President of the United States, including one former Secretary of Defense, one former Director of Central Intelligence, and one former Special Assistant to the President for National Security Affairs.

(2) One to be appointed by the President of the Senate from the majority Members of the Senate upon the recommendation of the majority leader of the Senate;

(3) One to be appointed by the President of the Senate from the minority Members of the Senate upon the recommendation of the minority leader of the Senate;

(4) One to be appointed by the Speaker of the House of Representatives from the majority Members of the House; and

(5) One to be appointed by the Speaker of the House of Representatives from the minority Members of the House upon the recommendation of the minority leader of the House.

(c) The members of the Commission shall select a chairman and a vice chairman. Vacancies in the membership of the Commission shall not affect the authority of the remaining members to execute the functions of the Commission and shall be filled in the same manner as the original appointments to it are made.

(d) A majority of the members of the Commission shall constitute a quorum for the transaction of business, but the Commission may affix a lesser number as a quorum for the purpose of taking testimony or depositions.

(e) To enable the Commission to make the investigation and study authorized and directed by this resolution, the Commission is authorized to employ and fix the compensation of such persons as it deems necesssary and appropriate, subject to the provisions of Section 12(c) below.

SEC. 2. The Commission is authorized to hold hearings, take testimony and depositions under oath, and to do everything necessary and appropriate which is authorized

by law to make the investigation and study specified in subsection (a) of the first section.

SEC. 3. Without abridging in any way the authority conferred upon the Commission by the preceding section, the Commission is authorized and directed to make a complete investigation and study which will reveal the full facts with respect to:

(a) The nature and extent of recent penetrations of, or efforts to penetrate, the United States Government by hostile foreign powers to obtain the information described in section 1(a);

(b) The extent and adequacy of efforts by the United States to detect and protect against such penetrations;

(c) The adequacy and effectiveness of:

(1) The classification system;

(2) Background investigations conducted for security clearances;

(3) Systems involving the issuances of such clearances:

(4) Security systems;

(5) Counterintelligence investigations;

(6) Counterespionage investigations;

(7) Damage assessments;

(8) Relevant Federal laws, executive orders, directives, and policies;

(9) Investigative, presecutorial and expulsion policy; and

(10) Treaties and other international agreements to which the United States is a signatory.

(d) Such other related matters as the Commission deems necessary in order to carry out its responsibilities.

SEC. 4. Subject only to other provisions of this resolution, all departments, agencies, and other components, and all officials and other employees, of the United States Government are authorized and directed to:

(a) Extend full and complete cooperation to the Commission;

(b) Render such assistance as the Commission may request

(c) Provide such information and testimony, whether at hearings or by interview or deposition, as the Commission may request;

(d) Provide access to all records, writings, documents and other materials as the Commission may request.

SEC. 5. (a) The Commission, or any member of the Commission when so authorized by the Commission, shall have the power to issue subpoenas requiring the attendance and testimony of witnesses and the production of information relating to a matter under investigation by the Commission. A subpoena may require the person to whom it is directed to produce such information at any time before such person is to testify. Such attendance of witnesses and the production of such evidence may be required from any place within the jurisdiction of the United States at any designated place of interview or hearing. A person to whom a subpoena issued under this subsection is directed may, for cause shown, move to enlarge or shorten the time of attendance and testimony, or may move to quash or modify a subpoena for the production of information if it is unreasonable or oppressive. In the case of a subpoena issued for the purpose of taking a deposition upon oral examination, the person to be deposed may make any motion permitted under rule 26(c) of the Federal Rules of Civil Procedure.

(b)(1) In case of contumacy or refusal to obey a subpoena issued to a person under this section, a court of the United States within the jurisdiction of which the person is directed to appear or produce information or within the jurisdiction of which the person is found, resides or transacts business, may upon application by the Attorney General, issue to such person an order requiring such person to appear before the Commission, or before a member of the Commission, or a member of the staff of the Commission designating the Commission for such purpose, there to give testimony or produce information relating to the matter under invsestigation, as required by the subpoena. Any failure to obey such order of the court may be punished by the court of a contempt thereof.

(2) The Commission is an agency of the United States for the purpose of rule 81(a)(3) of the Federal Rules of Civil Procedure.

(c) Process of a court to which application may be made under this section may be served in a judicial district wherein the person required to be served is found, resides, or transacts business.

SEC. 6. A court of the United States within the jurisdiction in which testimony of a person in custody is sought by the Commission or within the jurisdiction of which such person is held in custody, may, upon application by the Attorney General, issue a writ of *habeas corpus ad testificandum* requiring the custodian to produce such person before the commission, or before a member of the Commission or a member of the staff of the Commission designated by the Commission for such purpose.

SEC. 7. The Commission is an agency of the United States for the purpose of part V of title 18 of the United States Code.

SEC. 8. (a) Process and papers issued pursuant to this resolution may be served in person, by registered or certified mail, by telegraph, or by leaving a copy thereof at the residence or principal office or place of business of the person required to be served. when service is by registered or certified mail, or by telegraph, the return post office receipt or telegraph receipt therefor shall be proof of service. Otherwise, the verified return by the individual making service, setting forth the manner of such service shall be proof of service.

(b) A witness summoned pursuant to this resolution shall be paid the same fees and mileage as are paid witnesses in the courts of the United States, and a witness whose deposition is taken and the person taking the same shall severally be entitled to the same fees as are paid for like services in the courts of the United States.

SEC. 9. (a) The investigative activities of the Commission are civil or criminal law enforcement activities for the purposes of section 552a(b)(7) of title 5, United States Code, except that section 552a(c)(3) shall apply after the termination of the Commission.

(b) The Commission is a Government authority, and an investigation conducted by the Commission is a law enforcement inquiry, for the purposes of the Right to Financial Privacy Act of 1978 (12 U.S.C. 3401 *et seq.*). Any delay authorized by court order in the notice required under that Act shall not exceed the life of the Commission, including any extension thereof. Notwithstanding a delay authorized by court order, if the Commission elects to publicly disclose the information in hearings or otherwise, it shall give notice required under the Right to Financial Privacy Act a reasonable time in advance of such disclosure.

SEC. 10. Conduct which, if directed against a United States attorney, would violate section 111 or 1114 of title 18, United States Code, shall, if directed against a member of the Commission, be subject to the same punishments as are provided by such sections for such conduct.

SEC. 11. The functions of the President under section 10(d) of the Federal Advisory Committee Act (5 U.S.C. App. 10(d)), shall be performed by the Chairman of the commission.

SEC. 12. (a) The Commission shall adopt rules and procedures (1) to govern its proceedings; (2) to provide for the security of records, documents, information, and other materials in its custody and of its proceedings; (3) to prevent unauthorized disclosure of information and materials disclosed to it in the course of its inquiry; (4) to provide the right to counsel to all witnesses examined pursuant to subpoena; and (5) to accord the full protection of all rights secured and guaranteed by the Constitution of the United States.

(b) No information in the possession of the Commission shall be disclosed by any member or employee of the Commission to any person who is not a member or employee of the Commission, except as authorized by the Commission and by law.

(c) The term "employee of the Commission" means a person (1) whose services have been retained by the Commission, (2) who has been specifically designated by the Commission as authorized to have access to information in the possession of the Commission, and (3) who has agreed in writing and under oath to be bound by the rules of the Commission, the provisions of this resolution, and other provisions of law relating to the nondisclosure of information.

SEC. 13. The Commission shall make a final report of the results of the investigation, together with its findings and its recommendations to the President and to the Congress, at the earliest possible date, but no later than March 1, 1987. The Commission may also submit such interim reports as it considers appropriate. After submission of its final report, the Commission shall have three calendar months to close its affairs, and on the expiration of such three calendar months shall cease to exist.

SEC. 14. There are authorized to be appropriated for the fiscal year ending September 30, 1986 such sums as are necessary to carry out the activities of the Commission.

Mr. BYRD. Mr. President, if any Senator seeks the floor, I will be glad to relinquish it. This is my 75th speech on the subject, "The United States Senate" over a period of 5 years.

THE U.S. SENATE

CONGRESSIONAL REFORM: THE LEGISLATIVE REORGANIZATION ACT OF 1946

Mr. BYRD. Mr. President, when we think back to the nineteenth century Senate, we can easily conjure up images of senators who enjoyed sufficient leisure to do their own research, draft their own legislation, and to write lengthy speeches. Most members had no other office space than their desks in the Senate chamber or in their boardinghouse quarters near the Capitol Building. Today, the sites of many of those boardinghouses are cov-

ered with House and Senate office buildings where members have quarters that only barely seem to accommodate the increasing requirements of their diverse constituencies. In the middle of the last century, members who required staff assistance purchased it out of their personal funds during the usually abbreviated legislative year.

After World War I, demands on members' time and attention escalated rapidly as improved means of transportation and communication brought the electorate and the elected into greater proximity. As the national government assumed a greater role in the lives of everyday citizens, pressures on Congress multipled. And as the 1920's gave way to the Great Depression and the New Deal era of the 1930's, Congress demonstrated increasing inability to legislate with the deliberation and expertise that had characterized its course during the seemingly less complicated nineteenth century.[1]

Congress had slight opportunity to dwell on matters of internal organization and support during the Depression and New Deal years. By 1940, however, many members were becoming painfully aware of the fate of representative bodies around the world at the hands of totalitarian regimes. Many recognized that a strong, effective Congress was the best protection against executive tyranny, foreign and domestic. Later that year, House Speaker Sam Rayburn warned that the ability or our democracy to survive was directly related to the ability of Congress to balance demands for adequate discussion against demands for prompt and effective action. Rayburn stressed the necessity of independent "technical competence" as the foundation of a solid legislative program. "A great national legislature cannot safely rely on the technical assistance and advice which private interests are willing to provide." [2]

Jerry Voorhis, a Democratic representative from California, was an early and persistent critic of Congress' inability to maintain a strong and coequal role in the federal system. He warned that the future of constitutional government would be in jeopardy unless Congress insisted on exercising its traditional responsibilities with a force and vigor equal to that of the Franklin Roosevelt administration.[3]

Congress, in 1941, was ill-equipped to accept the Voorhis and Rayburn challenges. At that time, of every seven dollars it authorized the federal government to spend, Congress spent only one cent on itself.[4] Its 3,200-member staff was predominantly clerical and custodial with not more than two hundred persons who could be considered legislative professionals. Senators were required to use their office clerks as the principal staff of any committee they chaired, thus ignoring professional competence as the foundation for committee staffing.[5] This situation encouraged the traditional practice of creating additional committees as sources of prestige, office space, and extra staff for their chairmen.

On the eve of Pearl Harbor, Congress remained reluctant to supply itself with independent sources of expertise. Librarian of Congress Archibald MacLeish argued in vain for increased funding of his Legislative Reference Service. He justified his request on the assumption that the Congress had the right to "scholarly research and counsel in law, and history and economics at least equal to that of people who come before committees" from the executive branch and private interest groups.[6]

Strong opposition in the House of Representatives killed MacLeish's hopes of revitalizing his understaffed and obscure reference service. In the Senate, in June 1941, a similar fate awaited a measure introduced by Senator A.B. "Happy" Chandler of Kentucky. Chandler proposed that the Senate allow each member to hire one "research expert" at a competitive salary. His proposal died because many senators apparently believed it would establish a cadre of "political assistants" who would eventually be in a position to compete for their jobs.[7] The opposition had deep roots in the members' self-image. Congressmen feared the public would view the appropriation of tax dollars for staff experts as an open confession of members' inability to carry traditional legislative burdens.

American entry into World War II escalated the already severe pressures on Congress. During Roosevelt's first two administrations Congress alternated between the roles of acquiescent provider and stubborn critic. Its effectiveness varied inversely with the intensity of a particular crisis. In the months after Pearl Harbor, observers became increasingly critical of what appeared to be congressional intransigence, tolerable during peacetime, but unforgivable while at war. In January 1942, a New York Times editorial greeted a returning 77th Congress with the warning that it must "show itself more alert and efficient" than the previous session if the United States hopes to win the war without "needless loss of time and treasure and lives." [8]

Fragmentation of the committee structure generated particular criticism. Early in 1942, Arthur Krock, the New York Times columnist, expressed a common frustration at the amount of time wasted by executive branch officials in appearing repeatedly before committees the jurisdictions of which frequently overlapped or duplicated those of other committees. Commerce Secretary Jesse Jones appeared eighteen times before as may different committees to deliver his standard two-hour speech.[9] Krock suggested in vain that the eight military oversight committees be merged into a single House-Senate war inquiry unit.[10] Senators tended to view these joint committees as potential threats to the Senate's "appellate" role in the legislative process. House members, too, had been traditionally wary of joint meetings, fearing that better-known and politically more secure senators would receive the "lion's share" of the credit while representatives would do the "lion's share" of the work.[11]

Early in 1942, Congress made an ill-starred effort to assert and strengthen its members' prerogatives. After minimal debate, the House and Senate passed bills extending civil service pension eligibility to the legislative branch. At the same time, they gave each member the option to buy unlimited gasoline at a time of strict rationing.[12] An instant storm of protest arose over the "pension grab" and the so-called gasoline "x-card" issues. Spearheaded by the Junior Chamber of Commerce, Americans responded angrily to what they saw as a brazen act of self aggrandizement by their elected representatives. The Jaycees instituted a "Bundles for Congress" program to collect old clothes, discarded shoes, and assorted trash for the apparently destitute and avaracious members. Sensitive to criticism in an election year, members quickly reversed themselves rather than argue that these "privileges" did not exceed those that executive branch employees already enjoyed.[13]

By mid-1942, Congress was in what one national magazine called a "touchy mood * * * more angry and disturbed than at any time in modern political history." [14] Members lashed out with defensive statements showing their frustration at being the public's whipping boy for wartime controls and regulations imposed by executive branch authority. Speaker Rayburn thundered that he was "damned tired of having Congress made the goat for everything." [15] Senator Joseph O'Mahoney demanded that the executive branch stop expanding its powers by "interpretation." [16] Senator Walter George observed that "castigating Congress seems to have developed, of late, into a pernicious national pastime." Taking exception to "indiscriminate sniping and yowling," Senator George called for an end to such "thoughtless disparagement." He remined critics that the executive, rather than Congress, had the sole responsibility for the conduct of the war. When faced with requests for huge appropriations, "All we can do is to ask, 'Do you really need all that?' Then we grant the funds."[17]

Up to this point, however, proposed remedies to these frustrations had lacked focus and detailed analysis. Early in 1941, the American Political Science Association, under pressure from its Washington members, had abandoned its traditional detachment from reform issues and established a Committee on Congress to study the operation of the legislative branch. The Association appointed ten prominent political scientists and public administrators, and named Dr. George B. Galloway chairman.[18] Sixteen months later the committee released a preliminary report, signaling a new campaign in the war for legislative reform.[19]

At the age of forty-three, George Galloway had established a solid reputation as a gifted scholar and political analyst. In 1926, he had received his doctorate from the Robert Brookings Graduate School of Economics and Government in Washington. The Brookings School was noted for its emphasis on training for research in the "practical problems of government policy." Its curriculum stressed close personal contact with federal officials.

As chairman of the Committee on Congress, Galloway set out to identify members who were sympathetic to legislative reform. In a series of off-the-record monthly dinners, the committee's members encouraged the congressional guests to express their frustrations and ideas. The committee then tried out the members' ideas on various political scientists. Finally, they returned to the congressmen to test the resulting syntheses. By mid-1942, an outline had emerged. The committee concluded unanimously that the decline in Congress' prestige and effectiveness was attributable to the "technical nature of modern public problems." [20] Although the imbalance in favor of the executive had been intensified by the unprecedented dominance of foreign and military issues, the committee predicted that the postwar period was likely to generate pressures of equivalent, if not greater, magnitude. The preliminary report focused on eight major congressional handicaps. They included the diversion of attention from national policy-making by local and private legislative demands, the lack of "adequate independent technical advice for lawmaking," the excessive number of committees, and the lack of facilities for sufficient oversight of executive administrative action. The report also cited insufficient clerical support, low pay for members and staff, and unrestrained lobby pressures.

The committee suggested several improvements as a basis for further discussion leading to a final report.[21] It urged Congress to consider at once a reform program that would highlight its deliberative role. Panel members argued that focus would shift to committee hearings as the heart of the legislative process. They further suggested that the House and Senate hold full legislative sessions in the evening once or twice a week to "ratify" committee decisions. Congress should encourage radio stations to broadcast these sessions even at the risk of competing with such favorites as the "Quiz Kids", "Information Please", or commentator Raymond Gram Swing. Finally, the committee members recommended that Congress take a four-day recess each month, so that members might return to their districts to capitalize on the radio publicity. They hoped this would increase respect for the members and for the institution.

While senators and representatives were pondering the Association's report and planning their respective reelection strategies, President Roosevelt stepped up his campaign to force Congress to act on major administration proposals. On September 7, 1942, he sent a message to both houses recommending the passage of farm price support legislation. He threatened, "In the event that the Congress should fail to act, and act adequately, I shall accept the responsibility, and I will act." [22] The president got the legislation within his three-week deadline.[23]

Despite their compliance, members of the Senate and House were outraged at Roosevelt's tactics. On October 1, 1942, Representative Everett Dirksen of Illinois delivered a speech entitled "What Is Wrong With Congress?" Dirksen asserted that Congress' low status in the public eye was directly related to its "fear of doing something for ourselves as an institution." He continued, mindful of the "pension grab" and "x-card" affairs, "It is a very natural apprehension, for when we do, we are often at the receiving end of a lot of spicy, derogatory comment that has a great deal of reader interest." He concluded that the only thing wrong with Congress was that it had "failed to equip itself to cope with growing executive power and the bureaucracy." [24]

As the November 1942 congressional elections drew near, the widely-read *Reader's Digest* reinforced Dirksen's point. It reported that only four of seventy-six congressional committees had "expert staffs prepared professionally even to cross-examine the experts of the executive branch." The remainder "trust to their own native amateur intelligence." Concluding with an assessment that no incumbent congressman wanted to hear, the article labeled members "corner store wise-acres in an age of calculating-machine-trained researchers." [25]

On election day, congressional Democrats suffered badly. Republicans gained forty-seven seats in the House and ten in the Senate. A number of members had decided to retire, so the net membership turnover within both parties was 106 in the House and 13 in the Senate.[26] Democrats retained narrow control in both Houses. It was clear to the leadership, however, that legislative reform would have a higher priority among a larger number in the new Congress.

In 1943, members introduced an unprecedented number of reform-oriented resolutions ranging from a frivolous measure to create a "Committee to Protect the Integrity of Congress," to Dirksen's constructive Select Committee on Congressional Reorganization.[27] These resolutions varied, but most called for an improved method of liaison between Congress and the executive, reorganization of the committee system, legislative scrutiny of executive action, and increased use of experts.[28]

During 1943, six congressmen emerged as leaders in the movement, to strengthen Congress. The most active advocates in the house were Estes Kefauver of Tennessee, A.S. "Mike" Monroney of Oklahoma, Dirksen, and Voorhis. Francis Maloney of Connecticut and Robert La Follette, Jr., of Wisconsin led the way in the Senate.

Kefauver spent most of his energy on a proposal to improve communications with the executive. His measure would have established a bi-weekly "report and question period" during which heads of executive agencies would appear voluntarily before Congress to report on their activities and answer members' questions. Kefauver believed this procedure, modeled on British parliamentary practice, would promote more effective legislative oversight and do away with "cumberson and irksome" special investigating committees.[29]

Like Kefauver, Voorhis was concerned with improving executive oversight. He directed his attention, however, to strengthening staff resources. Based on his service on the Select Committee to Investigate Acts of Executive Branch Agencies, he concluded that executive agencies exceeded their authority because Congress often failed to define their specific powers and limitations. Voorhis believed that "better sources of information, better staff, and a better direction of the work of its members" would ease this situation.[30]

During 1943, Dirksen and Monroney in the House, joined the Senate's La Follette and Maloney to sponsor a series of identical bills to create a Joint Committee on the Organization of Congress.[31] This legislation revealed the clear imprint of Galloway's Committee on Congress. It called for study of the organization, operation and staffing of each house, the relations between the Senate and House, the relations of Congress to the other two branches, and the relations among committees.

In July 1943, Senator La Follettee published an article that quickly rallied broad popular support to the less-well-publicized reform proposals of the Galloway committee. La Follettee cited the frustration surrounding the just-concluded 77th Congress, noting that "probably no Congress in recent history suffered so much abuse and public derogation." Referring to the president's 1942 Labor Day ultimatum to Congress, La Follette suggested that it was "time for the American people to take stock of the situation, war or no war."[32] He singled out for special attention the excessive number of committee assignments for members and poor budget control. He noted that more than half of the Senate's members served on at least six committees, while some served on as many as ten. Finally, he observed that the president's budget bureau received funding three times greater than the combined staffs of the House and Senate's Appropriations committees. His solution, suggestive of the Galloway committee's finding, was to reduce drastically the number of committees and the size of each, and to create more joint committees with expert staff. His objective was to allow more time for members to be "legislators."[33]

In November 1943, the chances for an effective reorganization appeared better than ever. The *New York Times* carried a front page account of a news conference called by Dr. George Calver, the congressional physician. Calver announced that he would prescribe a "long period of rest and relaxation for an overworked, nervous, and underpaid Congress." The physician, perhaps influenced by those close to the Galloway committee, proclaimed that "a $10,000 salary looks good until after /the member/ has paid his taxes, his Washington living expenses, his campaign expenses, and his bills for maintaining a house back home."[34]

By early 1944, the Maloney-Monroney bill, as the press called it, had become the reformers' principal vehicle. Congressional Republicans joined the bandwagon, believing that, if the reform issue worked as well in the 1944 elections as it had in those of 1942, they stood a good chance to take control of Congress. Republican Senator Robert Taft speculated publicly that a GOP victory would increase the chances for legislative reform, and that Senate Republicans, out of power for nearly fifteen years, would be willing to reduce the number of committees since they had no chairmanships to give up.[35]

The League of Women Voters also recognized the suitability of congressional reform as an election issue. Galloway assisted the League in preparing a roundtable discussion on the "Organization of Congress" for its 1944 national convention. The panelists included Representatives Kefauver, Dirksen, and Monroney.[36]

In June 1944, while the Nation's attention was focused on post-D-Day European military operations, the Senate Rules Committee recommended favorable consideration of the Maloney-Monroney resolution.[37] Committee chairman Harry Byrd stressed the importance of a permanent modernization program, noting that post-war demands would likely be more severe than those of the war years for a Congress geared to a pre-war pace.[38] The joint study committee was to have twelve members, six from each house, evenly divided by party. The Senate Rules Committee, sensitive to the prerogatives of each body, stipulated that the panel's recommendations must have the support of at least four members from each chamber.[39]

Preoccupied with demobilization, reconversion, and the summer recess, Congress appeared to be allowing the reform issue to slip away under the pressures of fall election campaigns. In September, Representative Monroney made a radio address to plead for action. He spoke of the crippling effect that Congress' limited resources had over its efforts to oversee the activities of three million executive branch employees. He claimed that Congress was trying to supervise the operation of a $78 billion government with tools fashioned fifty years earlier for a budget less than one-half of one percent of that size. Monroney compared Congress' Legislative Drafting Service, with its eight employees and $83,000 budget, to the Agriculture Department's legislative section. That body employed six hundred persons, and paid them more than $1.5 million. The House and Senate Appropriations committees had twelve "clerks" to examine the entire national budget. Monroney argued that the increased cost of a larger congressional staff could easily be made up by carefully pruning executive budgets. He concluded with a plea for quick action on his resolution, noting that of all the pending reform-related measures, only his was designed to study all of the suggestions.[40]

Representative Monroney got his wish, but not until after the November elections. In mid-December, with four days remaining in the life of the "lame duck" 78th Congress, the House briefly debated and passed the Maloney-Monroney resolution. The Senate quickly concurred. On the last day of the session, the newly-established joint-study committee elected Senator Maloney and Representative Monroney chairman and vice-chairman respectively.[41]

At the beginning of the 79th Congress in January 1945, Francis Maloney's Senate colleagues had come to regard him as a "senator's senator," a hard-working, soft-spoken, and non-partisan mediator of internal Senate disputes. He chaired one of the five standing committees to which he was assigned, and served on three other special committees as well as several commissions.[42] He looked on his new chairmanship as a golden opportunity to make inroads against Congress' killing workload.

Death denied Francis Maloney the chance to engage that opportunity. On January 16, 1945, he died of a heart ailment, complicated by influenza and exhaustion.[43] Later that same day, the National Planning Association released yet another survey that documented congressional shortcomings and gave particular poignancy to Maloney's passing.[44] The Association, co-founded by George Galloway, had selected Robert Heller, a Cleveland engineer and management analyst, to study Congress from a "practical engineering angle." The Heller report, drafted in part by Galloway, concluded that Congress would lose the public confidence essential to its functioning unless it was strengthened.[45] The report urged Congress to place greater emphasis on major policy issues and less on such details as running the District of Columbia government, or dealing with private claims legislation. Observing that Congress was operating "with hand tools in a mechanized age," the report offered fourteen recommendations. They included a 150 percent pay raise for members, a majority and minority legislative policy committee for each house, expansion of staff resources, a "report and question period," and basic procedural reforms related to selection of committee chairmen and Senate cloture.[46] Congressional reformers were pleased to have the additional ammunition that the report provided, but they concluded that it displayed little familiarity with the day-to-day operations and traditions of Congress.[47]

At the start of 1945, the strongest impediments to legislative reform were preoccupation with the final military operations in Europe and the suspicion by senior House members that they had little to gain and much to lose from a change in the status quo. Few could argue in principle with the study committee concept, but reformers were apprehensive that congressional elders would kill the infant at the hour of its birth. Accordingly, George Galloway pressed his American Political Science Association Committee on Congress to issue its final report, with appropriate fanfare, in order to push Congress to reauthorize the joint committee for the new session. Early in February, as Allied forces began their final drive on Berlin, the Galloway committee released a refined version of the 1942 preliminary study.

It asserted that Congress needed to "modernize its machinery and methods to fit modern conditions if it is to keep pace with a greatly enlarged and active executive branch." The committee observed that "This is a better approach than that which seeks to meet the problem by reducing and hamstringing the executive. A stronger and more representative legislature, in closer touch with, and better informed, about the administration, is the antidote to bureaucracy," the report concluded.[48] Several days later, after explicitly removing the joint committee's authority to study matters of rules and procedure, the Senate joined the House in renewing the panel's life. Robert La Follette succeeded Francis Maloney as chairman.[49]

The Joint committee quickly named George Galloway as its director and sole staff member.[50] Galloway was well aware of the distinction between getting Congress to study an issue and moving it to effective legislative action.[51] The first of these tasks had consumed four years of his life. He realized that the second would require equal amounts of careful planning and good fortune. The composition of the joint committee gave Galloway reason for encouragement. La Follette, Monroney, and Dirksen offered outstanding reform credentials. Senator Elbert Thomas of Utah, holding a doctorate in Chinese political thought, epitomized the scholar-in-politics. In the late 1930's he had worked effectively with La Follette on the latter's civil liberties committee. Observers of that earlier body noted that La Follette's style was to probe for facts, grilling witnesses "sharply, steadily, and coldly, working with the * * * precision and power of a steel riveters." Thomas, on the other hand, "genially encouraged witnesses to relax and unbend. He probed for attitudes rather than details, setting witnesses up while La Follette knocked them down."[52] The average length of the joint committee's members' congressional service was fourteen years. Four of them had served at least twenty years.[53]

Galloway moved quickly. Several days after his appointment, the joint committee held the first of thirty-nine public hearings. In less than four months, the joint committee heard 102 witnesses, and produced a printed record exceeding 1,500 pages.[54] Due to schedule conflicts and the largely record-building nature of the hearings, members' attendance was generally poor.[55] Consequently, Galloway had the responsibility of developing, with little guidance from committee members, recommendations that would survive severe congressional and public scrutiny. One observer noted that Galloway moved into this assignment with "great tact and distinction" and that the "rapport between the dynamic and thoughtful co-chairmen and Dr. Galloway was virtually perfect."[56] Without the creative and wholehearted support of these three men, the joint committee's report would have joined in oblivion scores of other soon-forgotten advisory committee documents.

At the end of the first month of hearings, the Nation got a new president. Harry Truman had risen from obscurity to distinction due largely to his role as chairman of an important Senate investigating committee.[57] In April 1945, few knew better than Truman the frustrations of an overworked, under-staffed, and poorly-paid Congress. During his Senate years, he had found it necessary to supplement his income by placing his wife on his office payroll.[58]

On the surface, the joint committee could hardly have asked for a better climate in which to work. A new chief executive, the winding down of a long war, and the introduction of the atomic bomb all pointed to a new and uncertain era. Clearly, the times required a stronger and more responsive Congress to check the all too familiar independence of the executive. Yet, an overly-sympathetic executive might remove much of the force from the reformers' arguments.

Galloway moved quickly to exploit the strategic possibilities of the newly-dawning age. He organized an extensive program of public education to generate grass roots support.[59] To civic groups, magazines, radio networks, and film makers Galloway provided arguments, reports, testimonials, and vast amounts of his time. Appreciating the value of the Heller report's brevity and popular focus, he sent 80,000 copies to newsstands. The League of Women Voters, as a consequence of Galloway's success in providing three key congressmen as speakers for its 1944 convention, placed congressional reform at the top of its priorities list.

Galloway capped his publicity efforts, by engineering a major cover story in a June 1945 issue of *Life* magazine. Entitled "U.S. Congress: It Faces Great New Tasks With Outworn Tools," the article focused on the overburdened congressman, "too busy to do the job right." *Life* informed the Nation that "with few important exceptions, congressional procedure is the same as it was in 1789."[60]

Galloway did not overlook the educational needs of those in Congress who would eventually vote on the joint committee's recommendations. He compiled and distributed copies of articles and lists of bills related to strengthening Congress.[61] With great tact, he prodded his panel's members to use their influence on other congressmen.

In October 1945, as the joint committee's members struggled over tentative recommendations, Mississippi's Theodore Bilbo, *Life's* candidate for the "worst man in the Senate," conducted a thirty-day filibuster.[62] Another magazine quoted a nervous representative as fearing that "unless we straighten it /the congressional system/ out, the American people are going to straighten us out * * * the people might get too mad and go too far for the public /!/ good."[63]

Late in 1945, the Truman honeymoon ended. Congress struggled with issues associated with the United Nations Charter, tax reduction, international monetary reform, and *executive* reorganization.[64] The congressional physician, a Dr. Carver, suggested that each house convene at 1:00 p.m., instead of noon, so that members could "eat a decent lunch."[65]

On March 4, 1946, after nearly a year of study, the joint committee submitted thirty-seven recommendations to Congress.[66] The first category of proposals were those to reorganize the committee structure and improve legislative coordination and accountability. They recommended that Congress consolidate its eighty-one standing committees into thirty-four. Each committee would have fewer members, more carefully defined jurisdiction, stronger executive oversight, and four additional staff experts.[67] Additionally, each house was urged to create legislative policy committees. Members of the majority policy committees would serve as a formal council, meeting regularly with the president "to facilitate the formulation and carrying out of national policy."[68]

The second category recommendations sought to provide improved support facilities for members. They included a major expansion of the Legislative Reference Service, and administrative assistant for each member, and the establishment of a Congressional Personnel Office. The office would reduce the prevailing chaos surrounding employment standards, pay scales, and tenure rights. This category also included a proposed 50-percent pay raise for members, improved legislative budget surveillance, registration of lobbyists, home rule for the District of Columbia, and transfer of non-current official records to the National Archives.[69]

Press reaction was generally favorable, although some commentators took the joint committee to task for dodging the "hard questions" of rules and procedure.[70] One noted that even these "mild" recommendations were "being welcomed with less than wholehearted approval by Congress," and that the joint committee lacked the authority to convert its proposals into legislation.[71]

At this point, La Follette and Monroney effectively took the reins of leadership from Galloway and begin

the task of salvaging the joint committee's proposals. In the Senate, existing procedure dictated splitting the recommendations and sending them to committees according to subject. La Follette realized that several hostile committee chairmen were prepared to bottle up the proposals indefinitely. Accordingly, he offered a resolution that would convert the Senate members of the joint panel into a temporary legislative committee.[72] Ironically, this was in direct opposition to the joint committee's recommendation to rely on established standing committees rather than limited-tenure special committees.[73] La Follette's promise that the special committee would submit no proposal to change Senate rules convinced the Senate to grant his request. In mid-May, sensing growing support for action in the face of continued legislative chaos and the 1946 elections, La Follette succeeded in placing the bill directly before the Senate for action.[74]

On June 6, 1946, the Senate began debate. One newspaper noted that the legislation faced a triple threat of "pride, patronage, and politics."[75] By approving the bill, members would acknowledge that they could not do it all by themselves; they would stand to lose treasured patronage positions; and many of them remained reluctant to be in the position of voting themselves increased benefits in an election year.

The debate centered primarily on the patronage threat and the pay raise. La Follette gradually yielded on both issues. On June 10, 1946, he broke an impasse by dropping the proposal to set up a personnel "czar" and by cutting in half the amount of the salary increase. He held fast, however, on the reduction of committees, the "keystone of the arch of this whole plan."[76] The Senate then quickly passed the bill by a margin of 49 to 16.[77]

The bill moved to the House. There it rested for six weeks on the Speaker's desk. Monroney and Dirksen used their considerable skills in attempting to negotiate the conditions of its admission to the House floor where it enjoyed majority support. Speaker Rayburn recognized in the bill extensive challenges to his autonomy. Policy committees would rationalize the murky decision-making process and fix accountability.[78] The House of that day, far more than the Senate, was controlled by its leadership. Rayburn realized that procedural uncertainty worked to his advantage. Establishment of party policy committees would undermine that advantage and strike at his power to resolve difficulties by appointing special committees or deciding among various disputants.

The bill's managers reluctantly agreed to the Speaker's condition that the policy committee provision must be dropped. They exercised a bit of political legerdemain by cutting in half the $5,000 salary increase and then granting each member a tax-free $2,500 "expense allowance." Galloway called Rayburn's eleventh hour maneuvers "an astonishing piece of political piracy * * * a travesty on the democratic process."[79]

On Thursday, July 25, 1946, as a second atomic test took place at Bikini, Monroney and Dirksen resisted a hailstorm of floor amendments to secure House passage by a vote of 229 to 61.[80] Senator La Follette was then faced with a major tactical decision. If he tried to reconcile the Senate bill with the weaker House version, it would have spelled certain defeat for the entire program. He had simply run out of time. On Friday, July 26, 1946, members were beginning to drift away from the sweltering capital. By the following Monday, Congress would probably lack the necessary quorum to continue its work. La Follette, therefore, presented the weaker bill on Friday and the Senate readily agreed to it. Several days later, on August 2, President Truman readily signed the measure calling it "one of the most significant advances in the organization of Congress" since its establishment.[81]

Mr. President, I shall now turn briefly to a discussion of the short term accomplishments of this landmark piece of legislation. Its framers had, as I have indicated, three basic objectives. These included a fundamental streamlining of the committee structure, development of a professional staff, and greater legislative control of the federal budget process. The reorganization act succeeded, for the most part, in the first two areas and failed in the latter. The measure, despite its supporters' earlier hopes, did not address matters of floor procedure or structural changes in relations between the legislative and executive branches.[82]

The act sought to reduce the jurisdictional confusion that resulted from a proliferation of committees. It did so in two ways. First, it eliminated obsolete committees and consolidated others. This reduced the number in the Senate from 33 to 15, and in the House from 48 to 19. Under the act, senators were assigned two committees instead of as many as nine. Representatives served on one instead of five. Of course, the reduction in the number of standing committees was offset by an expansion in the number of subcommittees, but the reformers contended, with some merit, that members would be able to concentrate their energies in more carefully focused subject areas. The Senate sought to prohibit establishment of special committees, but the House successfully fought that provision in the act's final version. Nonetheless, both chambers severely limited the creation of special committees. In 1946, there were twelve such panels in Congress. Three years later, only one existed. The reorganization act also sought to reduce jurisdictional confusion by carefully defining each committee's legislative responsibilities. For the Senate, these definitions were incorporated into Rule XXV of the Standing Rules.

The act required committees to set regular meeting days, to open a majority of sessions to the public, to keep transcripts of hearings, and to send noncurrent official records to the National Archives for preservation and public use. Committee chairmen were obligated to bring bills to a final vote and to ensure that measures approved with a majority of committee members present be reported promptly to their respective house. Witnesses were directed to submit written testimony in advance of their appearance before committees thereby allowing members sufficient time to prepare questions.

The act's second major contribution was to expand and improve the quality of committee professional staff. It authorized each standing committee to appoint four professional and six clerical staff members. Previously, committee staffs had divided their labors between committee work and constituency services for individual members. The change promoted a growth of technical expertise that reinforced Congress' investigatory role in the years following World War II. To further strengthen congressional staff resources, the act upgraded the Legislative Reference Service to a separate department within the Library of Congress, doubled its appropriation, and provided for creation of a staff of senior specialists in subject fields roughly equivalent to those of the standing committees. Significantly, these specialists were to be paid at a rate comparable to that of their counterparts in the executive branch. Finally, the act expanded the bill drafting service available through the office of Legislative Counsel. I have discussed the development of that office earlier in this series, but it is important to note here the indispensability of such a facility for ensuring Congress' independence of executive dictation.[83]

The principal failing of the Legislative Reorganization Act came in its efforts to provide more effective control of the federal budget process. The measure established a Joint Budget Committee, consisting of the members of the Senate and House Appropriations committees and the Senate Finance and House Ways and Means committees. That panel was given responsibility for preparing annual estimates of federal receipts and expenditures. These estimates were to be tied to a concurrent resolution placing a limit on annual appropriations. Unfor-

tunately, the joint committee, with more than 100 members, proved too unwieldly to operate effectively. It was unable to obtain accurate spending estimates early enough in each fiscal year to apply them to specific agency funding requests. Consequently, this procedure was abandoned after 1949. In the decade that followed, the Senate, on five different occasions, passed legislation to reestablish the joint committee, but each time the House defeated the measure as a threat to the prerogatives of its Appropriations Committee.[84]

The Legislative Reorganization Act of 1946 contained a number of other important reforms, including a pay increase for members, bringing their salaries from $10,000 to $12,500 per year and maintaining their $2,500 tax-free expense allowance. It also finally brought members under the provisions of the Civil Service Retirement Act; it created the *Daily Digest* section of the *Congressional Record*; and it established a procedure for the registration of lobbyists, requiring them to file quarterly spending reports with the Secretary of the Senate and the Clerk of the House.

There were several reforms, desired by the Senate and opposed by the House, that were dropped from the final version but immediately embodied in subsequent legislation. The first was a provision for establishing Senate majority and minority policy committees. I have discussed their creation at length earlier in this series.[85] A second important reform, adopted subsequently, permitted senators, for the first time, to hire administrative assistants.

Mr. President, the significance of the Legislative Reorganization Act of 1946 is that it began, rather than completed, a process of institutional self-evaluation that continues today. The process it set in motion led to the establishment in 1965 of another Joint Committee on the Organization of Congress, chaired by Mike Monroney who by then had moved to the Senate. The work of that body came to fruition with the passage of the Legislative Reorganization Act of 1970, and other reforms that I shall discuss at the appropriate time.

NOTES TO "CONGRESSIONAL REFORM: THE LEGISLATIVE REORGANIZATION ACT OF 1946"

[1] There are many books and articles on congressional reform. The most comprehensive of the contemporary accounts are George B. Galloway, *Congress at the Crossroads* (New York: Thomas Y. Crowell Co., 1946) and Roland A. Young, *This Is Congress* (New York: A.A. Knopf, 1943). There are fifty-five magazine articles from the period 1938 to 1946 in U.S., Congress, Special Joint Committee on the Organization of Congress, *The Organization of Congress: Symposium on Congress by Members of Congress and Others*, Joint Committee Print, 79th Congress, 1st sess.

[2] U.S., Congress, House, Representative Rayburn speaking at Dallas, Texas on December 10, 1940, cited in *Congressional Record* 87; text in *Symposium on Congress*, pp. 193-200.

[3] U.S., Congress, House, Representative Voorhis, "The Place of Congress in the Scheme of Government," February 24, 1941, *Congressional Record* 87: 1337-38.

[4] Robert Heller, *Strengthening the Congress* (Washington, DC: National Planning Assn., 1945), p. 10.

[5] Lindsay Rogers, "The Staffing of Congress" *Political Science Quarterly* 56 (March 1941), pp. 1-22. This article provides the best single study of nineteenth and early twentieth century staffing. See also Harrison W. Fox, Jr. and Susan Webb Hammond, *Congressional Staffs: The Invisible Force in American Lawmaking* (New York: The Free Press, 1977), pp. 15-25; and Michael J. Malbin, *Unelected Representatives: Congressional Staff and the Future of Representative Government* (New York: Basic Books, 1980).

[6] U.S., Congress, House, Committee on Appropriations, *Hearings Before the Subcommittee on Legislative Branch Appropriations*, 76th Congress, 2nd sess., p. 93.

[7] *Congressional Record* 87: 5085-87.

[8] *New York Times*, January 6, 1942. p. 22.

[9] Cited in George E. Outlined, "We Must Modernize Congress," *Reader's Digest*, February 1945, pp. 35-38.

[10] *New York Times*, March 20, 1942, p. 18.

[11] Galloway, *Congress at the Crossroads*, p. 56.

[12] For a sampling of congressional public sentiment on this issue, see *Congressional Record* 88: 4138-4139, 4159, 4164-4165.

[13] Robert M. La Follette, Jr., "A Senator Looks at Congress," *The Atlantic Monthly*, July 1943, pp. 91-96. Congressmen actually received only 200 of the 15,000 "x-cards" issued in the District of Columbia.

[14] "Congress Under Fire: Scapegoat for the Nation," *United States News*, June 19, 1942.

[15] Quoted in Walter F. George, "Don't Blame Congress for Everything," *Look*, June 30, 1942, pp. 28-30.

[16] *Congressional Record* 88: A2329-31.

[17] George, "Don't Blame Congress for Everything," p. 28.

[18] The members were Joseph P. Chamberlain, Columbia University; Marshall E. Dimock, Northwestern University; Pendleton Herring and Arthur N. Holcombe, Harvard University; Meyer Jacobstein, Senate Committee on Postwar Economic Planning; Robert D. Leigh, Bennington College; Benjamin B. Wallace, United States Tariff Commission (his $4,200 gift financed the work of the committee); Schuyler C. Wallace, Columbia University; Roland Young, Senate Foreign Relations Committee.

[19] George B. Galloway, "Congress: Problem, Diagnosis, Proposal," *American Political Science Review* (December 1942), pp. 1091-1102. Article includes text of the draft report and an extensive list of proposals submitted to, but not accepted by, the committee.

[20] Galloway, "Congress: Problem, Diagnosis, Proposal," pp. 1091-1100.0

[21] Ibid.

[22] U.S. Congress, Senate, *Journal of the Senate of the United States of America*, 77th Congress, 2nd sess., p. 377.

[23] *The Emergency Price Control Act of 1942*, Public Law 77-729.

[24] *Congressional Record* 88: 7696-7710.

[25] William Hard, "Congress' Biggest Job," *Reader's Digest*, October 1942, pp. 16-20.

[26] Floyd M. Riddick, "First Session of the Seventy-Eighth Congress," *American Political Science Review* (April 1944), p. 301.

[27] U.S., Congress, House, *A Resolution to Establish a Committee to Protect the Integrity of Congress*, H. Res. 113, 78th Congress, 1st sess. 1943. Sponsored by Representative Clare E. Hoffman of Michigan; U.S., Congress, House, *A Resolution Creating the Select Committee on Reorganization*, H. Res. 19, 78th Congress, 1st sess., 1943.

[28] John A Perkins, "Congressional Self-Improvement," *American Political Science Review* (June 1944), pp. 499-511. An excellent and comprehensive summary.

[29] Estes Kefauver, "The Need for Better Executive-Legislative Teamwork in the National Government," *American Political Science Review* (April 1944), pp. 317-25. In the 78th Congress (1943-44) his proposal was set forth in H. Res. 327; in the 79th Congress (1945-46) it was H. Res. 31. See also Kefauver, *A Twentieth Century Congress* (New York: Duell, Sloan and Pearce, 1947), pp. 70-78, 143-52.

[30] Jerry Voorhis, *Confessions of a Congressman* (New York: Doubleday, 1947), p. 313.

[31] Dirksen: H. Res. 19; Monroney: H. Con. Res. 54; La Follette: S. Res. 169; Maloney: S. Con. Res. 23; all 78th Congress.

[32] La Follette, "A Senator Looks At Congress," pp. 91-96.

[33] Ibid.

[34] *New York Times*, November 12, 1943, p. 1.

[35] Ibid., March 20, 1944, p. 11.

[36] Ibid., April 16, 1944, p. 34.

[37] Ibid., June 25, 1944, p. 24

[38] Ibid., July 9, 1944, p. 36.

[39] Leading congressional reformers never expected to alter House and Senate rules and procedures, although they frequently raised the possibility as a spur to negotiations.

[40] A.S. Mike Monroney, "Streamlining Congress," A Radio Address Delivered From Station WOL, Washington, DC, September 13, 1944. Text reprinted in *Symposium on Congress*, pp. 144-49.

[41] *Congressional Record* 90: 9535-46.

[42] U.S., Congress, *Official Congressional Directory*, 78th Congress, 2nd sess., p. 193.

[43] *Washington Post*, January 17, 1945, p. 10. Eulogies appear in U.S., Congress, Joint Committee on Printing, *Memorial Services: Francis Thomas Maloney*, 79th Congress, 1st sess., 1945. See also *New York Times*, January 17, 1945, p. 21.

[44] Heller, *Strengthening the Congress*.

[45] Madeleine Wing Adler, "Congressional Reform: An Exploratory Case," (Ph.D. dissertation, University of Wisconsin, 1969), p. 42. In a March 28, 1966 interview Galloway acknowledged to Adler that he helped write the Heller report. See also Heller, *Strengthening the Congress*, pp. 1-11.

[46] Heller, *Strengthening the Congress*, pp. 12-35.

[47] Reviewed by John A. Perkins in *American Political Science Review* (June 1945), pp. 582-84.

[48] George Galloway, et al, *The Reorganization of Congress* (Washington, DC: Public Affairs Press, 1945), pp. 1-89.

[49] *Congressional Record* 91: 1749.

[50] Washington, DC, National Archives, Legislative Records Division, Record Group 128, Joint Committee on the Organization of Congress, 79th Congress, folder 5. The Joint Committee received an authorization of $15,000. Galloway hired a part time clerk.

[51] Earlier Galloway had cautioned Maloney and Monroney to take great care in selecting a name for the Joint Committee. He avoided such words as "reform" "reorganize," and even the inocuous "strengthen."

[52] Jerold S. Auerbach, *Labor and Liberty: The La Follette Committee and the New Deal* (New York: Bobbs-Merrill, 1966), pp. 78-80.

[53] James T. Patterson, *Congressional Conservatism and the New Deal* (Lexington, Kentucky: University of Kentucky Press, 1967), p. 181.

[54] U.S., Congress, Joint Committee on the Organization of Congress, *Hearings*, 79th Congress, 1st sess., parts 1-4; also *Symposium*.

[55] Only La Follette and Monroney attended thirty or more sessions. Senators Wayland Brooks and Richard Russell attended only two. Five of the twelve participated in more than half. Of these five, four were members of the House.

[56] As noted by Ernest Griffith in memorial services to Galloway, reprinted in *Congressional Record* 113: 2594-96, September 19, 1967.

[57] Special Committee to Investigate the National Defense Program.

[58] U.S., Congress, Senate, *Report of the Secretary of the Senate*, 79th Congress, 1st sess., Sen. Doc. 7, p. 159. Bess W. Truman is listed as "Clerk to Senator Truman" at an annual salary of $4,500.

[59] Athens, Georgia, Richard B. Russell Memorial Library, Group IX, Series II, Box 14. Numerous letters from Galloway urging Russell to take an active part in the Joint Committee's work. Galloway cited specific accomplishments of the panel to date.

[60] *Life*, June 18, 1945, pp. 71-85.

[61] U.S., Congress, Joint Committee on the Organization of Congress, *First Progress Report, April 1, 1945*, pp. 8-13, and *Symposium*.

[62] *Life*, March 11, 1946, p. 38.

[63] Representative Ben Jensen of Iowa as quoted in Henry Pringle, "Can Congress Save Itself," *Saturday Evening Post*, October 6, 1945, p. 28.

[64] Floyd M. Riddick, "The First Session of the Seventy-Ninth Congress," *American Political Science Review* (April 1946), pp. 256-71.

[65] Quoted in Pringle, p. 114.

[66] U.S., Congress, Joint Committee on the Organization of Congress, *Report Pursuant to H. Con. Res. 18, March 4, 1946*, 79th Congress, 2nd sess., Senate Report 1011, pp. 1-35.

[67] Ibid., pp. 2-11.

[68] Ibid., p. 13.

[69] Ibid., pp. 14-33.

[10] *New York Times* March 5, 1946, p. 1, and March 10, 1946, p. 8.
[11] Ibid., April 24, 1946, p. 21.
[12] Ibid.
[13] Recommendation number three, final report, p. 5.
[14] *New York Times*, May 14, 1946, p. 17.
[15] Ibid., June 7, 1946, p. 6.
[16] Quoted in *New York Times*, June 9, 1946, p. 5.
[17] *Congressional Record* 92: 6578.
[18] Galloway, *Congress at the Crossroads*, pp. 340-46.
[19] Ibid., p. 345.
[20] *Congressional Record* 92: 10037-104.
[21] *New York Times*, July 27, 1946, p. 1; U.S., President, *Public Papers of the President of the United States: Harry S Truman, 1946*, p. 373; Public Law 79-601.
[22] In 1948 and 1951 the Senate conducted extensive hearings to evaluate the success of this act. The printed transcripts contain a wealth of information on legislative reform. See U.S., Congress, Senate, Committee on Expenditures in the Executive Departments, *Evaluation of the Legislative Reorganization Act of 1946*, 80th Congress, 2nd sess. (February 1948); and U.S., Congress, Senate, Committee on Expenditures in the Executive Departments, *Organization and Operation of Congress*, 82nd Congress, 1st sess. (June 1951).
[23] *Congressional Record*, January 21, 1981, pp. S445-447 (daily edition).
[24] George B. Galloway, *History of the House of Representatives* (New York: Thomas Y. Crowell Company, 1961), pp. 57-61; A.S. Mike Monroney, et al, *The Strengthening of American Political Institutions* (Port Washington NY: Kennikat Press, 1972/reprint of 1949 edition), pp. 3-24.
[25] *Congressional Record*, August 1, 1980, pp. S10612-10616 (daily edition); and August 4, 1980, pp. S10654-10657 (daily edition).

IN APPRECIATION OF SENATOR BYRD'S HISTORICAL SERIES

Mr. BYRD. Mr. President, I yield, under the order, to the distinguished majority whip.

Mr. SIMPSON. Mr. President, I thank the minority leader for yielding.

Mr. President, let me reflect that we have heard, I believe, the 75th in a series of excellent historical perspectives as presented by the Democratic leader. One day, when we all slow down long enough, that series will be a compiled series of volumes that will be of extraordinary worth to this body. It will be more than a series, it will be a treasure.

I want to say that I deeply appreciate the extraordinary scholarship and ability that has gone into the preparation of that historical series.

Mr. BYRD. Mr. President, I thank the distinguished majority whip.

EXTENSION OF TIME FOR ROUTINE MORNING BUSINESS

Mr. SIMPSON. Mr. President, I ask unanimous consent that the time for routine morning business be extended until no later than 6 p.m. in order to conclude the remaining business at hand.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDERS FOR TUESDAY

ORDER FOR RECESS UNTIL 11 A.M. TOMORROW

Mr. SIMPSON. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in recess until the hour of 11 a.m. on Tuesday, June 18, 1985.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR RECOGNITION OF SENATOR PROXMIRE

Mr. SIMPSON. I ask unanimous consent that, following the two leaders under the standing order, there be a special order in favor of the Senator from Wisconsin [Mr. PROXMIRE] for not to exceed 15 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR PERIOD FOR TRANSACTION OF ROUTINE MORNING BUSINESS

Mr. SIMPSON. Mr. President, following the recognition of Mr. PROXMIRE under the special order, I ask unanimous consent that there be a period for the transaction of routine morning business not to extend beyond the hour of 12 noon, with statements therein limited to 5 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR RECESS TOMORROW FROM 12 NOON TO 2 P.M.

Mr. SIMPSON. Mr. President, I ask unanimous consent that the Senate stand in recess between the hours of 12 noon and 2 p.m. tommorrow.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. SIMPSON. Mr. President, this is just a review of what we will cover tomorrow. At 2 p.m. the Senate will have 10 minutes of debate on amendment No. 348; that is, the Bradley amendment, to S. 979, the Energy Policy and Conservation Act, to be equally divided, to be followed immediately then by a vote. A rollcall vote is expected to follow on final passage of S. 979. Following final passage of S. 979, the Sentate will begin consideration on S. 408, the Small Business Act, or S. 1103, the National Oceanic and Atmospheric Administration. It is the intention of the majority leader to also consider S. 49, the so-called McClure-Volkmer bill. Rollcall votes are expected during the Tuesday session of the Senate.

RECESS UNTIL 11 A.M. TOMMORROW

Mr. SIMPSON. Therefore, Mr. President, in accordance with the previous order, I move that the Senate recess until 11 a.m. on Tuesday, June 18, 1985.

The motion was agreed to, and at 5:50 p.m. the Senate recessed until Tuesday, June 18, 1985, at 11 a.m.

NOMINATIONS

Executive nominations received by the Secretary of the Senate June 14, 1985, under authority of the order of the Senate of January 3, 1985:

DEPARTMENT OF STATE

Elliott Abrams, of the District of Columbia, to be an Assistant Secretary of State, vice Langhorne A. Motley.

Thomas Anthony Nassif, of Virginia, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Kingdom of Morocco.

THE JUDICIARY

James M. Rosenbuam, of Minnesota, to be U.S. district judge for the district of Minnesota vice a new position created by Public Law 98-353, approved July 10, 1984.

NATIONAL COUNCIL ON THE HANDICAPPED

John S. Erthein, of California, to be a Member of the National Council on the Handicapped for a term expiring September 17, 1987. (Reappointment.)

OCCUPATIONAL SAFETY AND HEALTH REVIEW COMMISSION

John R. Wall, of Ohio, to be a Member of the Occupational Safety and Health Review Commission for the remainder of the term expiring April 27, 1987, vice Robert A. Rowland.

Executive nominations received by the Senate June 17, 1985:

DEPARTMENT OF STATE

Richard R. Burt, of the District of Columbia, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Federal Republic of Germany.

IN THE ARMY

The following-named officer for appointment as the dean of the Academic Board, U.S. Military Academy, an additional permanent professor, who has the grade of brigadier general while serving as such under the provisions of title 10, United States Code, section 4333(b) and 4335:

Col. Roy K. Flint, [redacted] U.S. Army.

EXTENSIONS OF REMARKS

RIGHTS, WRONGS: NOW SCHOOLS TEACH THEM

HON. CHARLES E. BENNETT

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 17, 1985

● Mr. BENNETT. Mr. Speaker, Congress passed, in the last session, legislation which allows, under block grant approval, a system so local school boards can give instruction to pupils in citizenship. This is an area in which many school boards and many communities have found a need. The following article from the U.S. News & World Report of May 13, 1985, throws light on what particular educators are thinking in this area.

[From U.S. News & World Report, May 13, 1985]

RIGHTS, WRONGS: NOW SCHOOLS TEACH THEM

EDUCATORS ARE USING LITERARY EXAMPLES AND REAL-LIFE SITUATIONS TO DEMONSTRATE VALUES TO YOUNG PEOPLE

It started with eight high-school students trying to rid their Fort Worth, Tex., classrooms of youths involved in theft and drugs.

But now a grand jury is investigating whether, in their effort, the eight became involved in organized criminal offenses, including allegations of bombing a student's car and hanging a dead cat from a steering wheel.

The Fort Worth Independent School District responded by holding a staff workshop on overcoming hatred by reinforcing values such as respect for others and separating right from wrong.

THREE C'S

In recent months, cries for reinforcement of values in the classroom have intensified across the nation—often amid controversy. U.S. Secretary of Education William Bennett has urged schools to stress the three C's: Character, content and choice.

In a 1984 Gallup Poll, 68 percent of public-school parents said a top goal of schools should be to develop standards of right and wrong—second only to 74 percent who cited teaching children to speak and write properly.

From Maryland to California, school districts have wrestled with ways to find ethics that neither favor nor offend any group, adding instruction in nonsectarian values such as honesty on which virtually all agree:

As part of a school plan based on 12 "democratic principles," math classes at South High School in Salt Lake City mix calculations on income-tax returns with lessons on why cheating is wrong.

Pupils at Chicago's Howe Elementary School find that misbehaving before a substitute teacher means writing notes of apology to the teacher and the principal.

In more than 80 Dade County, Fla., schools, children discuss consequences of values choices, such as deciding to be honest or to steal as a way to belong.

Notes Jim Enochs, assistant school superintendent in Modesto, Calif: "The notion that you can have learning without values and discipline is wrong. You can't have one without the other."

The separation of public education and moral instruction occurred over the past two decades in a departure from practices that date back centuries. In ancient Greece, for example, shaping human character was considered a major goal of education, and epic poems such as Homer's Iliad and Odyssey were recited to inspire listeners to adopt the noble traits of these heroes.

In that tradition, "McGuffey Eclectric Readers" gained widespread use throughout the U.S. during the 1800s and early 1900s with their blend of reading lessons and moral messages. Warned one primer: "You must not lie. Bad boys lie, and swear, and steal."

During the 1960s, schools shifted their stance on character education to show more tolerance for changing family lifestyles, and treated values as an individual matter. Schools became "Value neutral," and teachers were told not to infuse ethics into lessons.

As a result, says Scott Thomson, director of the National Association of Secondary School Principals, schools taught students that all values were in effect equal and no values were important.

In the past few years, areas troubled by growing youth alienation and behavior problems have broached teaching values cautiously. Avoiding topics such as sex education and school prayer that created dissension in the past, schools have selected values that are embraced by all cultures and offend none.

Notes Ann Kahn of the National PTA: "There are universal values, such as honesty, that parents expect the schools to teach. But schools have no business teaching the values of one group or one religious faith."

A Baltimore County, Md., task force avoided such conflicts by turning to the Constitution and Bill of Rights to develop a "common core" of 24 values ranging from compassion to truth that schools should teach. As part of regular classes, elementary-school pupils examine Goldilock's transgressions against the three bears, and high-school seniors study conflicting loyalties in "Antigone."

At Oak Park & River Forest High School outside Chicago, freshmen learn compassion for the handicapped by reading Daniel Keyes's "Flowers for Algernon," which details the experiences of a mentally retarded man.

Notes academic principal Donald Offerman: "If a student is emotionally touched by a story, there is no better way values can come through."

CLASS DISCUSSIONS

More than 15,000 elementary-school classrooms teach values with materials from the American Institute for Character Education in San Antonio, Tex. Pupils discuss stories about children faced with values decisions, stressing the consequences.

Teachers play dual roles in values education, serving as instructor and moral example. In Baltimore County, 80 percent of teachers felt they should be acceptable role models for children. But American Federation of Teachers President Albert Shanker says that "without looking under every bed," many districts could be more careful to select teachers of good character.

Educators emphasize that teaching values at school cannot replace lessons at home. "A child can learn algebra or French without his parents knowing any of that," observes Chester Finn, professor of education and public policy at Vanderbilt University. "But it is hard to teach good character to a child if he starts with none at home."●

TONY SCOTTI HONORED WITH SPIRIT OF LIFE AWARD FROM CITY OF HOPE

HON. PETER W. RODINO, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Monday, June 17, 1985

● Mr. RODINO. Mr. Speaker, I am proud to take this opportunity to pay tribute to the City of Hope National Medical Center and Research Institute in Duarte, CA. On June 27, there will be a testimonial dinner honoring Tony Scotti and the establishment of the Scotti Bros. research fellowship at the City of Hope.

The music industry has played a major role in the financial and public support of the City of Hope. Many members of this profession made tremendous contributions to this fine charity.

The City of Hope is a pilot medical center and research institute serving all America. This hospital without walls offers free care to patients from across the Nation and around the world. Of those suffering from the catastrophic disorders treated at this warm and homelike medical center, the only question asked is: "Can we help?" If the answer is "yes," treatment is provided at no cost. The City of Hope seeks new horizons in health and humanitarianism.

Tony Scotti has distinguished himself in the entertainment business as an innovative and creative entrepreneur. From its inception in 1974 Scotti Bros. Entertainment Industries, under the leadership of Tony Scotti and his brother Ben, has consistently maintained a high standard of quality in all its activities. In music, film, and television, Scotti Bros. has chalked up a string of successes. Most important, however, is that with each success they have become further committed to helping others. That is why it is so significant that the City of Hope's music industry is honoring Tony Scotti with its most prestigious award—the "Spirit of Life."

Mr. Speaker, I know that my colleagues will join me in offering best wishes to Tony Scotti and to all the fine people involved with the City of Hope.●

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

TRIBUTE TO SHAWN WARNER AND KEITH CAHILL

HON. JAMES J. FLORIO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Monday, June 17, 1985

● Mr. FLORIO. Mr. Speaker, I would like to share with my colleagues the heroic actions of Shawn Warner, age 15, and Keith Cahill, age 13, of Stratford, NJ. The Council of Stratford recently honored the youths for rescuing a 4-year-old boy from an unattended car that rolled into oncoming traffic.

On May 23, 1985, the two were delivering newspapers when they heard 4-year-old Gregory Kirkpatrick crying for help. The child had slipped out of his grandmother's house and climbed into his mother's car. The car was rolling down the driveway toward the street. Cahill jumped into the rolling car and put on the emergency brake.

I commend and thank Shawn and Keith for quick thinking and courageous action. Their bravey and willingness to help is something we can all admire. I am inserting for the RECORD an article which appeared in the Courier-Post reporting the story of these two fine young people.

TWO STRATFORD TEEN-AGERS HONORED FOR RESCUING BOY

(By Carl J. Roeder)

STRATFORD.—Two local youths received letters of commendation at last night's borough council meeting for their heroic efforts in saving the life of a 4-year-old boy.

Fifteen-year-old Shawn Warner and 13-year old Keith Cahill, both residents of Winding Way, were honored by the council for the May 23 rescue of the boy from an unattended vehicle that began backing down a resident's driveway into oncoming traffic.

Police Chief Francis Washart, presenter of the commendations, said the youths were delivering the Courier Post on Winding Way when they heard the 4-year-old crying for help. Only 4-feet-8-inches tall, Cahill jumped off his bike and caught the blue, Toyota sports coupe as it entered the street.

Running to the rear of the vehicle Cahill managed to use his 85-pounds to stop the car about five feet from a tree on the opposite side of the street.

Warner, a freshman at Paul VI High School, blocked the path of an oncoming vehicle and then jumped in the front seat of the wayward auto to engage the emergency brake.

"I didn't think we would get anything," Cahill said after the meeting. "I had it pretty much stopped and my friend jumped in the car and hit the brakes."

However, the incident was a little more traumatic for Gregory Kirkpatrick as he found himself in the middle of his first solo driving lesson.

Gregory's mother, Cindy Kirkpatrick of Sicklerville, said she was visiting her mother, Ann Rockwell, when the incident occurred.

"I don't think he knew what to do—he looked very scared." Kirkpatrick said.

She said her son apparently thought it was time to leave and sneaked out of the Rockwell house unnoticed.

"Apparently he was playing with the emergency brake because I had left the car in gear," Kirkpatrick said, "It left me shaking for a while."

The incident was witnessed by Stratford patrolman Jay Wilkins who recommended Cahill, a seventh-grader at the Samuel S. Yellin Elementary School, and Warner for the commendations.

"God knows what could have happened," Kirkpatrick said of the two rescuers.●

WYOMING MONUMENT REDEDICATED

HON. PAUL E. KANJORSKI

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 17, 1985

● Mr. KANJORSKI. Mr. Speaker, on June 2, an important historical site in the 11th Congressional District was rededicated by concerned citizens. The Wyoming Monument, which is located on a half-acre plot in Wyoming Borough, memorializes the Battle of Wyoming. It is a reminder of a small but significant event in our Nation's fight for freedom.

The Battle of Wyoming was an attempt by the British to demoralize the colonies after some early Revolutionary War successes by the Americans at Saratoga and Princeton. The British reasoned that they would compensate for these losses by striking isolated, defenseless settlements, such as the Wyoming Valley, which was then situated along the frontier between settled areas and the unsettled West.

By 1776, the Wyoming Valley had sent most of its young men and supplies to fight with the Continental Army under Gen. George Washington. This left the area a prime target for Redcoat attacks—unprepared, untrained, and vulnerable. Its location on the banks of the Susquehanna River provided the British with ideal transportation in and out of the region.

The British and their Indian scouts invaded the valley on July 2, 1778. Under the direction of Maj. John Butler, the superintendent of Indian affairs for His Majesty, King George III, the British established a camp at Fort Wintermoot, situated in present-day Exeter, PA.

The colonists, commanded by militia Cols. Zebulon Butler and Nathan Denison, were badly outnumbered by the well-equipped, well-trained British troops. The Wyoming militia of 350 settlers, mostly old men and young boys, was no match for the invaders.

On the afternoon of Friday, July 3, the American militia set out to repel the British. Colonel Butler ordered his men to burn their own headquarters at Fort Wintermoot, confusing the Americans into thinking that the British and Indians were retreating. The small militia walked right into the trap.

In 1885, the Wyoming Monument was erected above a vault containing the bodies of the 96 militiamen killed that day. One hundred years later, we commemorate this event as part of Wyoming Borough's Centennial Week.

Mr. Speaker, it is with great pride that I call your attention to the rededication of this monument, which is of great historical importance to the residents of the Wyoming Valley. The men who fought and died here are but the first in a long history of Americans willing to sacrifice their lives for our Nation's liberty.●

NEIL SWEENEY

HON. FORTNEY H. (PETE) STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 17, 1985

● Mr. STARK. Mr. Speaker, on June 27, 1985, the Pleasanton Joint School District and the Amador Valley Joint Union High School District will honor Deputy Superintendent Neil Sweeney upon his retirement after 35 years of distinguished service to schools and students of those districts.

Over the course of these 35 years, Mr. Sweeney has been a dedicated staff member and a leader in the field of education as a public school official. He has served in outstanding fashion for many years as a teacher, coach, high school counselor, high school principal, and district administrator. In this latter role he has served as a director of secondary curriculum, assistant superintendent for educational services and, most recently, as deputy superintendent. He has served with distinction as a leader in the field of education through his work with such organizations as the California Teachers Association, the California Association of School Principals and the Association of California School Administrators. In 1981 he received the "Outstanding Administrator" Award from the Amador Valley Association of California School Administrators. Mr. Sweeney has been a mentor for many who have followed in his footsteps.

In addition to his busy and distinguished career as an educator, Mr. Sweeney has also found the time to make other significant contributions to his community. In 1979 he was the recipient of a ward from the Pleasanton Chamber of Commerce for his service to youth. He is the former chair of the United Bay Area Crusade, past president of the Native Sons of California and an active member of St. Augustine's Church. A dedicated family man, he is the father of eight children, three of whom have chosen to become educators themselves.

I applaud Neil Sweeney's achievements, particularly in light of the important role public school administrators play in the future of our Nation's children. I am very pleased to join with others in this celebration honoring these achievements.●

DISAPPEARING FARM CRISIS

HON. JOHN E. GROTBERG

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, June 17, 1985

● Mr. GROTBERG. Mr. Speaker, in the Wednesday, June 5, 1985, edition of the Chicago Tribune, there appeared an editorial entitled "Disappearing Farm Crisis," which describes many of my feelings and those of several of our colleagues regarding the debate earlier this year dealing with emergency credit for our farmers. Although I believe that the title of the editorial is not totally accurate—there are pockets of depressed agricultural areas in our country—on the whole, I believe that the editorial is well reasoned and thought-provoking.

For the benefit of our colleagues, I am inserting the editorial at this point in the RECORD:

[From the Chicago Tribune, June 5, 1985]

DISAPPEARING FARM CRISIS

It wasn't all that many weeks ago that Congress and state legislatures across the country were confronted with what was called a great national farm-credit crisis. There were dire warnings of massive farm bankruptcies and farm-state bank failures. Unless government came up with the necessary credit, farmers across the land would be unable to get in spring plantings. Doom, doom, doom.

Congress rushed to the rescue, dragging a reluctantly generous administration with it. Legislatures passed hasty measures such as Illinois' Emergency Farm Credit Allocation Act, which authorized up to $25 million in spring planting loans.

The spring planting season has come and mostly gone, and with it the largely mythical farm-credit crisis. According to the Agriculture Department, only about 5 percent of the nation's farmers were unable to obtain sufficient credit for planting. Most of them appear to have rented their land to other farmers who put it into production. Only 175 loan applications have been made to date in Illinois under the emergency law, seeking a grand total of $500,000—one-fiftieth of the money available.

Once again, panicky politicians have thrown together new and costly government programs to meet a transitory and, in this case, mostly illusory need. If the last 50 years are an example, many of these "temporary" credit programs will survive and grow, adding yet more layers of bureaucracy to the agglutination of farm income support programs.

There is a farm crisis coming, and the government can take much of the blame for it. Because of good weather, because there was sufficient seed money, many, many acres have been planted. The Agriculture Department expects this year's wheat crop easily to equal last year's record yield of 2.6 billion bushels. Corn should be a record 7.9 billion bushels. Farmers are planting so heavily because prices are low and they hope to expand their income through higher volume.

But the volume is going to depress prices—by some 33 percent compared with last year, according to the department. There will be more surpluses, more cost to taxpayers for storing the surpluses and more cost to augment the farmers' incomes.

There is only one answer to all these crises. It calls for a long-term approach, not short-term expediency, and it means a retreat from all these chaotic schemes and programs until American agriculture is able to deal with the laws of supply and demand rationally.

But the farmers' supposed "friends" on Capitol Hill will keep pressing in the other direction, and the farmers' real plight will continue to get worse.●

FAMILY FARM BANKRUPTCY ACT OF 1985

HON. MIKE SYNAR

OF OKLAHOMA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 17, 1985

● Mr. SYNAR. Mr. Speaker, as original coauthor of the Family Farm Bankruptcy Act of 1985, I would like to share the following letter which is typical of letters I have been receiving from across the country illustrating the need for this legislation:

AUDUBON, IA,
May 21, 1985.

Hon. MIKE SYNAR,
U.S. House of Representatives,
Washington, DC.

SIR: We support passage of House Resolution 2211, an amendment to the Chapter 13 bankruptcy law, presently under consideration in the House Subcommittee on Monopolies and Commercial Law. We understand passage of this bill would include the family farmer in the Chapter 13 bankruptcy provision by raising the debt ceiling to $1 million.

After 30 years of farming in Iowa, we were forced to file a Chapter 11 bankruptcy in an attempt to reorganize our farm debt and continue to farm our land. Our bank, which constitutes the majority of our farm debt, appears to be uncooperative in court. We doubt that the bank will accept our plan of reorganization. Our attorney feels our future lies in the passage of this amendment to the Chapter 13 bankruptcy law. By qualifying for debt reorganization under an amended Chapter 13 bankruptcy provision, we know we will be able to continue farming, pay our debts, and stay off welfare. We want to work; we are willing to work hard—we always have.

We urge your committee to bring this amendment to the House floor immediately. Time is running out for us and for other farmers.

Thank you for your time and consideration.

Sincerely,

HAROLD AND MARY SAND.●

THE MX VERSUS READINESS

HON. CHARLES E. BENNETT

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 17, 1985

● Mr. BENNETT. Mr. Speaker, in the May 26 Los Angeles Times there was an interesting article which I include at this point in the RECORD. I do this because so many people take the easy idea that any vote against a particular weapon is against national defense, and perhaps in ancient days that may have been so. It is no longer so in 1985, when the fact is, if you spend billions of dollars for a faulted vulnerable weapon like the MX, those billions are really in essence taken away from very much needed weapons such as conventional weapons in Europe which might make the difference between having to go to a nuclear war or not. It is not a trivial matter.

THE MX VERSUS READINESS

The Senate displayed admirable common sense by voting last week to impose a ceiling of 50 on the number of MX missiles that can be deployed in vulnerable, fixed-base silos. A bill pending in the House that would put a still lower cap on the MX program is even more appealing.

Sen. Sam Nunn (D-Ga.), the most influential Democrat on defense matters, had wanted a cap of 40 MXs, but he accepted the 50-missile "compromise" reluctantly offered by President Reagan in order to avoid any chance of ending up with no ceiling at all. The President chooses to interpret the Senate action as a mere pause on the road to fulfillment of his plan for deployment of 100 of the big 10-warhead missiles. But the lopsided vote shows that the intent of Congress is to top off the program.

Even in the unlikely event that survivable, politically acceptable basing mode could be found for the MX, the missile is not the best response to the threat posed by the huge multiple-warhead strategic missiles that have been deployed by the Soviet Union. But putting the MX in old Minuteman missile holes, where it would be vulnerable to destruction unless launched at the first sign of a Soviet attack, makes no sense at all.

Congress has nonetheless voted funds for 42 MXs; the Administration has been seeking authority for an additional 48 in fiscal 1986, which will begin next Oct. 1. The amendment approved by the Senate last week would allow the Air Force to build 12 missiles next year, and would accept the probable necessity for production of several dozen more as spares and test vehicles, but total MX deployment would be limited to 50 unless the Administration came up with a survivable basing mode acceptable to Congress.

Last week's MX vote came against a disturbing background of budget cuts for military readiness—things like spare parts, ammunition stores, combat medical facilities and other necessities for the conventional, non-nuclear conduct of war. Committees of both the House and the Senate have recommended cuts of well over $1 billion in the amount requested by the Administration, which itself was inadequate.

There is always a tendency, even more pronounced in Congress than in the Pentagon, to shortchange the readiness budget in order to avoid hard choices among competing weapon systems, which have much more potent political constituencies. This is dangerously wrong.

Several operational commanders testified in vain that readiness programs should be protected. The most sobering argument is the one made by Gen. Bernard Rogers, supreme commander of allied forces in Europe, that shortages of ammunition and and other materiel could compel the alliance to make "early use" of nuclear weapons to repel a Soviet attack because non-nuclear capabilities would quickly be exhausted.

House and Senate conferees should remember that cold reality when they meet to hammer out the final version of legislation dividing funds between readiness and several dubious weapon systems—prominent among which is the MX.●

BILL WOULD RESTORE BALANCE TO MERGER ENFORCEMENT

HON. JAMES J. FLORIO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Monday, June 17, 1985

● Mr. FLORIO. Mr. Speaker, I am introducing a bill today that would enable the Government and the public to take a closer, more deliberate look at giant mergers—particularly oil company mergers—before they are approved. The bill would defer final approval of settlements by the antitrust agencies in oil mergers until divestitures required by any settlement have been approved. It would extend the time for review by the antitrust agencies of proposed large mergers in all industries. Finally, it would ensure that State attorneys general can have access to information filed with the Federal antitrust agencies by companies proposing mergers in any industry.

The flood of recent takeovers has overwhelmed the legal safeguards put in place in past decades. The number of large mergers has risen steadily. In industries like petroleum, massive industrywide restructuring is underway, with huge mergers, market withdrawals, divestitures, and liquidations. The serious potential implications of this restructuring for jobs, for access to supplies by jobbers and gas stations, and for the price at the pump are common knowledge. Beyond this, however, the restructuring could have adverse consequences for the country's financial structure, energy independence, and even national security.

With few exceptions, the Federal Trade Commission has given the green light to the giant oil mergers. Although acknowledging serious potential anticompetitive consequences, the FTC has chosen increasingly not to enjoin oil mergers, but to let them take place subject to divestiture of specified refineries, gas stations, and pipelines. Some observers believe that the unprecedented size of the merger wave is in no small part a function of the current permissive attitude at the antitrust enforcement agencies. (See Business Week, Feb. 6, 1984 and June 3, 1985.) However, the philosophy underlying the antitrust laws has always been that competition is so fundamental to national policy that reliance cannot be placed on a single source of enforcement. Not only do we have two Federal enforcement agencies, but we have enforcement through private suits and by State attorneys general. The wisdom of this approach is illustrated by the fact that although the current administration at the FTC has been approving oil mergers right and left, Mobil's attempted acquisition of Marathon Oil in 1981 was stopped by a private antitrust action.

Nevertheless, the Federal antitrust enforcement agencies retain great influence in the overall approach to the current merger wave. Two features of their current enforcement approach are creating difficulties for private and State enforcement. First, in some cases mergers have been approved subject to divestitures which are supposed to remove the anticompetitive impact, but the merger is allowed to go forward before buyers have been approved for the divested assets. As a result, the various affected parties do not know whether the remedy devised to cure the competitive problems will work. This has the effect of removing the fail-safe of private enforcement, because once a merger is consummated it is very difficult for a private antitrust action to restore the status quo. My bill would address this problem by deferring final approval of large oil industry mergers until any divestitures are completed.

A second difficulty created by current Federal enforcement procedure is the refusal of the FTC to provide State attorneys general with materials obtained from the merging parties under the Hart-Scott-Rodino premerger clearance law. Prior to 1984, the policy of the FTC was to release this information to the States for use in connection with their own law enforcement proceedings. However, in 1984 the FTC, by a 3 to 2 vote, interpreted its statute to proclude it from providing the material to the States. As a result, States affected by the oil mergers and seeking the help of the Commission were denied access to information they considered necessary. My bill would correct this situation by insuring that the States could have access to the information for use in law enforcement actions if State officials provide a certification regarding confidential treatment.

Mr. Speaker, we are finding in many areas of public policy, from civil rights, to welfare, to environmental protection, that the public will not tolerate abandonment of the hard won gains of decades just because those following current fashion in Washington have lost interest in law enforcement—see "States Are Found More Responsive on Social Issues" New York Times, May 19, 1985, page 1. Fortunately our legal system, including its institutions of federalism, provides the public with recourse outside Washington. My bill would not by itself stop a single merger. But it would put an end to the current stampede in which approvals are rushed through without an opportunity for the checks and balances to operate that were designed to safeguard our fundamental policy favoring a free, competitive economy. If, with the checks and balances restored, the courts rule that the current merger wave should still go forward, we can return to examine whether our substantive antitrust laws need revision. A first, moderate step is simply to stop blocking the cases from getting before the courts.●

THOMAS PANNULLO HONORED

HON. PETER W. RODINO JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Monday, June 17, 1985

● Mr. RODINO. Mr. Speaker, on Friday, June 21, I will have the honor of participating in a testimonial dinner-dance in honor of my dear friend Thomas Pannullo.

The owner of Thomm's Restaurant in Newark—a well-known establishment and one of my personal favorites—Tom Pannullo has played an imporant role in civic and charitable activities for many years. He has always been willing to help his church and his community, and has been actively involved with a variety of causes.

The dinner held in his honor is an opportunity for Tom's many friends and admirers to pay our respects, and to thank him for all he has done in our community in the past 30 years. Hosting the event will be Michael Bottone, Angelo Bianchi, and Jayne Bottone. The Honorable Robert Sarcone will be the master of ceremonies, and the dinner committee includes Jean and Vincent Palumbo, Pat Pepe, Rose and Fred Bertoli, James Fallano, Grace Mulligan, John Pasquanosa, Hon. Benjamin Jones, Jerry Leopoldi, Al Conti, Lorraine and Gene Debellis, Peter, Vincent, and Anthony Pannullo, Ralph Ciccone, Michael Gennaro, Ida and Thomas Roccia, Joyce McEvoy, Nick Nichols, Tony D'Errico, Mike Criscola, and Ace Alagna.

Mr. Speaker, I am looking forward to this every special event, honoring a very special person, and I know my colleagues join me in congratulating Thomas Pannullo.●

AMENDMENT TO H.R. 1872

HON. MIKE SYNAR

OF OKLAHOMA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 17, 1985

● Mr. SYNAR. Mr. Speaker, I will be offering an amendment to H.R. 1872, the Defense authorization bill, to require the Secretary of Defense to report to Congress by February 1, 1986, on the total program cost of the advanced technology bomber [ATB]. The amendment also prohibits the expenditure of any funds for the procurement of ATB's until the report is submitted to Congress.

Aviation Week, the authoritative aerospace journal, hinted recently that the Department of Defense may be gearing up for a major weapons program without congressional oversight and without the benefit of full debate. In an editorial entitled, "Where the Money Goes," Aviation Week claims that funding for a secret program with the code name "Aurora" is "production startup money for the

Northrop advanced technology bomber."

Covert full-scale production of Stealth could be a disaster, both from the standpoint of the precedent such a step would represent and because it would be a needless risk that could boomerang and damage our national security. Deep secrecy surrounding the cost of Stealth obviously deprives the Soviets of some technical details. But the secrecy of the program cost also prevents Congress from exercising its oversight responsibility.

For us to commit to buying Stealth without first flying it could only be justified on three grounds: One, minimal technical risk; two, a significant weakness in American capabilities; or three, an equally significant increase in the threat to American security. None of these conditions exists. There is no reason for us to buy an airplane which hasn't flown and whose cost and performance are unknown.

We have seen rampant cost overruns even when Pentagon programs are subject to full price disclosure. One can easily imagine what might happen to a program that is insulated from congressional oversight.

Indeed, we may already be paying the price for the secrecy of Stealth costs. The Washington Post recently reported that "The Stealth is running far above cost estimates, according to Air Force sources, making it a candidate for stretchout."

Stealth represents only a small portion of the growth in DOD "black" programs. Defense Week reported last year that the amount of money spent each year on the Pentagon's highly classified and restricted "black" projects has soared by at least 777 percent over the past 5 years, according to estimates derived from public Pentagon documents. These are programs that are shielded from public scrutiny and congressional oversight and insulated from any incentive to keep costs within schedule.

Less than 4 years ago, a parade of expert witnesses before congressional committees described the uncertainties surrounding Stealth. The Air Force Chief of Staff cautioned against acceleration of Stealth because of the "quantum leap in technologies and consequent uncertainties involved."

Richard DeLauer, then Under Secretary of Defense, warned Congress:

Stop betting on advanced technology before you prove it. Do some testing and some configuration development before you enter production. Once you enter production, for goodness sakes, have some competition throughout the program so no one gets in a sole source position.

His words have been lost in the rush to get Stealth underway before Congress can examine its true worth.

Congress is in the process of an unprecedented abdication of its oversight responsibilities. The result could be a serious threat to our national security and the possibility of billions in squandered defense dollars. At the very least, Congress should be told what the ATB will cost and make a decision from that information about whether to begin procuring the ATB.

AMENDMENT TO H.R. 1872

At the end of title I (page 22, after line 23) insert the following new section:

SEC. 111. ADVANCED TECHNOLOGY BOMBER.

(a) REPORT ON TOTAL PROGRAM COST.—Not later than February 1, 1986, the Secretary of Defense shall transmit to Congress a report setting forth the total program cost for the advanced technology bomber program. The Secretary shall include in the report the Secretary's evaluation of the reliability of the cost estimates for the program.

(b) LIMITATION ON EXPENDITURE OF PROCUREMENT FUNDS.—No funds appropriated pursuant to the authorizations of appropriations in this title may be obligated or expended for the advanced technology bomber program until the report required by subsection (a) is transmitted to Congress.●

U.S. URANIUM MINES, THRIVING 5 YEARS AGO, ARE NEARING EXTINCTION

HON. BILL RICHARDSON

OF NEW MEXICO

IN THE HOUSE OF REPRESENTATIVES

Monday, June 17, 1985

● Mr. RICHARDSON. Mr. Speaker, our Nation has long recognized that a strong and viable domestic uranium supply industry is an integral part of our nuclear fuel cycle and that it is vital to our energy independence and our national security. Yet, in the words of the Wall Street Journal, "it barely exists now, after a collapse that by industrial standards occurred practically overnight." Not long ago, the industry employed 22,000 workers. Today that total is less than 2,000. This has taken a heavy toll in many western communities, including the uranium producing areas in my district in New Mexico.

Mr. Speaker, we will soon be largely—and overly—dependent on foreign sources of supply for an essential energy resource. In my view, this dependence is shortsighted and misguided. It is unequivocal that an international uranium cartel functioned in the 1970's. The mechanism for such a cartel continues to exist today. If we are to avoid OPEC-like shortages and price runups relating to uranium, we must preserve the check and balance of our domestic producers.

Under existing law, the Department of Energy and the Nuclear Regulatory Commission—as successors to the old Atomic Energy Commission—are obligated to assure the maintenance of a viable domestic uranium industry. They are failing to do so. It is my pleasure to announce that the chairman of the House Interior Committee, MORRIS K. UDALL, has set aside June 20 for a hearing to discuss remedies for this situation. I wish to thank Chairman UDALL for his interest in this difficult subject and I want to encourage as many of my colleagues as possible to participate in the upcoming hearings.

Mr. Speaker, for the benefit of my colleagues, I wish to include in the RECORD the Wall Street Journal article which I referenced earlier. The article presents a responsible summary of the condition of our domestic industry and the need for some form of domestic content requirement if our energy independence is to be preserved. I also wish to include the response by the American Mining Congress to a question propounded by our Science and Technology Committee concerning whether uranium "should continue to be considered a critical material requiring government support?" This response was recently published in Nuclear Fuel.

U.S. URANIUM MINES, THRIVING 5 YEARS AGO, ARE NEARING EXTINCTION

(By William E. Blundell)

GRANTS, NM.—Not long ago, the U.S. Department of Energy declared that the domestic uranium industry is not dead. If that's so, people here ask, where's that smell of death coming from?

Grants was the Pittsburgh of uranium. In 1980, thousands of men working dozens of area mines dug out a third of U.S. production and, on pay of $35,000 to $70,000 a year and sometimes more, spent like kings. They bought Cadillacs, Lincolns, boats and pickups galore. They drank and fought their way from the Pioneer to Pat's Bar, sometimes finishing a raucous night by mowing down a few light stanchions on bustling Santa Fe Avenue.

Today, every mine but one is closed. Pat's is closed. The Lux theater is closed, its marquee blank and broken. Some 200 homes stand vacant. In the Uranium Cafe, dust settles over stacked-up chairs and tables, and a deadly silence has settled over Santa Fe Avenue. Says Mark Lautman, an industrial developer trying to bring new business to a shrinking Grants: "The game is over. Uranium is history."

MANY DEPRESSANTS

Much the same thing is happening across the West as the domestic uranium business plunges toward extinction. Antipathy toward nuclear power after Three Mile Island is only one reason. Also to blame are colossal misjudgments by major players and Energy Department policies that sometimes seem designed to discourage instead of preserve U.S. mining and milling.

To save the remnants of the industry, producers and others are fighting to limit the use of foreign uranium here and to force the Energy Department to alter its policies. If they fail, most in the business fear that it is finished. In any case, recent discoveries of enormously rich, low-cost foreign deposits blight domestic uranium's future; on pure economics alone, the industry no longer has a reason to exist

It barely exists now, after a collapse that by industrial standards occurred practically overnight. Five years ago, about 22,000 U.S. workers turned out a record 43.7 million pounds of yellowcake, the uranium oxide that is processed into fuel, to lead the non-Communist world. This year, a work force that has already shrunk almost 90% is expected to produce only 10 million pounds, about a third of Canada's projected output. Capital investment in the domestic business has almost vanished, too.

LOST JOBS

In Wyoming, where 15 of 19 mines are mothballed, Jeffrey City lost most of its payroll in a single year. In Ticaboo, Utah, a town built by a uranium unit of Consumers Power Co. of Jackson, Mich., barely three dozen people now huddle in mobile homes, all that's left of nearly 500 who once worked there. The uranium operation—and with it an interest in Ticaboo itself—is for sale, cheap. So are similar dormant properties across the West as more and more producers abandon the business.

The industry has been hammered by an enormous glut of uranium that still overhangs non-Communist-world markets and probably won't be worked off for three to five years. The oversupply has already sent spot prices for uranium plummeting from $40 a pound in January 1980 to $15 today—less than half the current cost of producing the metal in the U.S. The only producers here that can make money in conventional uranium mining are those fulfilling contracts signed at much higher prices years ago, and those orders are running out.

CLINGING TO HOPE

The origins of the glut lie in the past of an industry plagued by perennially unfounded optimism. Says George White Jr., the chairman of Nuexco, a Menlo Park, Calif., uranium broker, consultant and industry information bank: "Tomorrow, always tomorrow, was going to bring the golden age. We all went wrong continuing to believe optimistic forecasts long after we had reason to doubt them."

In the early 1970s, utilities ordered nuclear plants by the fistful to meet electricity demand that they expected to double in 10 years. Even after energy conservation began to short-circuit their forecasts, they were slow to see this or, at least, couldn't afford to believe it; so long as any chance remained that their plants of the 1980s would be needed, they had to fuel them. And they were forced to do this unrealistically far in advance by a new enrichment contract imposed in 1973 by the now-defunct Atomic Energy Commission.

The AEC then had the non-Communist-world monopoly on enrichment, the process by which the tiny percentage of U-235, a highly fissionable isotope in uranium concentrate, is increased to create fuel-grade material. Under the old AEC agreement, utilities could contract for enrichment only months before they needed fuel; under the new one, they had to contract for it up to eight years in advance and were locked into 10-year order schedules.

The AEC wanted to get a better fix on the anticipated heavy demand for enrichment. But the new contract immediately forced utilities into long-term deals for yellowcake when they couldn't be sure, so far ahead of time, that their planned plants would be built on time or needed at all. In effect, the AEC created a wave of artificial advance demand completely divorced from any current need for fuel. After this became apparent, the AEC and its successor agencies tried contract adjustments, but supply remained hopelessly out of whack with demand.

Then Westinghouse Electric Corp. added another complication. It had collared 40% of the reactor market, in part by promising customers uranium at about $10 a pound to fuel their plants. But it hadn't bothered to buy 66 million of the 81 million pounds that it had pre-sold, gambling on a stable market for its later purchases. It lost.

This policy itself helped to keep prices low for a while by removing a lot of demand from the market without reducing current supply. But other buying—and, it developed, price-rigging by a producer cartel—jacked prices up to $26 a pound by the fall of 1975. Facing enormous potential losses, Westinghouse abandoned its uranium commitments, was sued by a flock of customers and, in turn, sued producers allegedly involved in the cartel. The utilities that it had left in the lurch poured into the market to cover their uranium needs; prices exploded anew, topping out at $43.40 in 1978.

Feeding on the high prices, uranium mining boomed as never before in 1978–80—precisely when the real need for uranium was clearly shriveling.

By then, it was plain that energy conservation was destroying the need for many of the planned power plants; at the same time, their projected construction costs were soaring. So, some utilities began canceling and delaying power plants years before the 1979 near-disaster at Three Mile Island. After it, the stream of cancellations became a flood—just as a tide of uranium and processed fuel swamped the markets. All the industry's chickens had come home to roost at once, and prices and production plummeted.

CAUGHT UNPREPARED

The bust caught many unprepared. Gulf Corp. had barely begun production from its giant Mount Taylor mine near Grants, a project that cost Gulf more than $400 million to develop, when it had to shut down. Today, giant pumps still suck warm water from the mine, which a Gulf official has called "the deepest hot tub in New Mexico." The power bill alone for the pumping, which is designed to keep the mine from filling with water and thus becoming much more expensive to reopen some day, exceeds $250,000 a month.

The human cost has been great, too. East of Grants, Indians of the Laguna pueblo stare into the pits of the mammoth Jackpile-Paguate Mine, closed for good. Once an agrarian people, the Lagunas had, for 30 years, increasingly abandoned fields and pastures to rely on a resource now no longer needed.

In Grants, therapists are struggling with heavy caseloads of victims of alcoholism, family breakdown, abuse of wives and children, and deep insecurity. Local 2-708 of the Oil, Chemical & Atomic Workers, once 1,300 strong, is down to about 25 members; its president, Florentino Ortiz, recently lost his own job. "If our members' homes weren't paid for, they lost them and all their credit, too," he says. "How can they ever buy houses again? There is just tremendous frustration."

In neighboring Milan, some remaining miners eke out a living by selling firewood or harvesting, on hands and knees, pinon nuts from the forest. The city water department accepts $3 partial payments, painfully accumulated by families, on $15 monthly bills. "These are proud people who don't want charity," Mayor Toby Michael says. "It just breaks your heart to see this happen to friends who've lived here 20 years."

FOREIGN ADVANTAGES

The uranium glut collapsing the domestic industry, and places such as Milan with it, isn't affecting foreign producers nearly as much. They have the advantages of a strong U.S. dollar, which helps them sell here, and of recently developed deposits so rich—and consequently so cheap to exploit—that domestic mines can't come close to matching them. "The leverage obtained from high-grade ore is tremendous. Grade is the name of this game," says Mr. White of Nuexco.

The U.S. industry and its supporters want protection against such imports, which are rapidly spreading into what is left of the U.S. market. They aren't getting it from the Energy Department, although the Atomic Energy Act requires that agency to preserve a viable domestic industry.

The department could attempt a rescue by sharply curtailing or eliminating its enrichment of foreign uranium for use here. It hasn't. It also could formally declare the industry to be inviable, thus triggering consideration of trade restrictions on foreign uranium. It hasn't done that, either. Indeed, using a complex set of formulas, it declared the business still alive as recently as last December, to the astonishment of practically everyone familar with domestic uranium's plight.

Last year, moreover, the department converted most of its customers to a new enrichment contract that, though far more flexible than the old, seems geared to increase Energy Department revenues at the expense of domestic producers. To its many critics, all this makes the department guilty of a conflict of interest. "It is shutting down the industry it is supposed to preserve," says Paul Biederman, New Mexico's secretary for energy and minerals.

PROCESSING EMPHASIZED

There are two ways to get a given quantity of fuel: use a sizable amount of uranium and a modest amount of processing work (which is what the Energy Department gets paid for) or use less uranium and more work. The new contract encourages the latter. What's more, the department has been shaving its own processing costs by drawing from the federal uranium stockpile and adding that to the feedstock provided by utilities. This further robs producers of sales, they argue.

The department denies that it is snuffing out the domestic industry. But it does have a vested interest in processing foreign as well as domestic uranium, and in otherwise increasing its revenues and slicing its costs. It is legally obligated to fully cover the costs of its enrichment program, which has been battered by foreign competition arising over the past decade. The worst threat to domestic producers, it argues, would be the deterioration of domestic enrichment, an event that the new contract seeks to prevent. Stuck with idle capacity, the department has already announced the closing of an old enrichment plant and the abandonment of another still unfinished after a $2.6 billion outlay.

Producers aren't buying that. "If the federal government wants to tell us there is no need for our product, that security of supply is no problem, that the common defense and general welfare provisions of the Constitution are meaningless, then I guess we'll just go away," says Edward Farley Jr., the chairman and president of Atlas Corp., which has had to close its uranium operations. Without help, he gives what's left of the business a year to live.

LOST CLOUT

Three other producers are suing the Energy Department in federal court in Denver, seeking, among other things, a ban on enrichment of foreign uranium for use here pending permanent restrictions, invalidation of the enrichment contract, and a ban on any department moves limiting domestic uranium demand. The industry also is lobbying for protective federal legislation.

But even if the industry gets such help, it will never again be a power in world markets. Its uranium deposits are no longer competitive and are growing less so with every foreign discovery. At Cigar Lake in Saskatchewan, for example, a foreign consortium is probing for the limits of a huge strike that, if mined, could yield 250 pounds of yellowcake per ton; New Mexico producers get only three to six pounds per ton.

Uranium from such rich lodes could drive U.S. supplies out of all unprotected markets. "Cigar Lake is a real gorilla, and a gorilla goes where it wants," says a marketing executive of one producer here.

Grants isn't counting on a uranium revival even though Chevron Corp., Gulf's new owner, has begun limited mining at Mount Taylor to test its costs there. Instead, Grants hopes to draw tourists by building a ski resort, and it seeks retirees who, as City Manager Frank King puts it, "don't want to sit in Florida and sweat a lot." And Mr. Lautman, the industrial developer, offers a bounty of up to $1,000 for a lead that results in a new business settling in Grants.

A few have, and the state has located prison and highway facilities nearby, but Grants has barely begun to replace its losses. "This community never had to compete; it inherited 8,000 uranium jobs," Mr. Lautman says. "Now, every job we bring in will have to be won in battle."

IS URANIUM A CRITICAL MATERIAL REQUIRING U.S. GOVERNMENT SUPPORT?

The House Science & Technology Subcommittee on Energy Research & Production asked the American Mining Congress (AMC) the following question after AMC testified before the subcommittee in March:

When the section of the Atomic Energy Act dealing with the viability of the uranium industry was passed in 1964, uranium was a scarcer commodity than it is today. Why should uranium continue to be considered a critical material requiring government support since there is obviously an abundant supply from friendly nations like Canada? Even if the "upgrade-in-Canada" (page 4 of your testimony) policy causes Canada to be "unreliable," couldn't the U.S. then rely on (1) the stockpile; (2) other suppliers, like Australia; and (3) restarting the domestic industry if that became necessary?

AMC: Uranium was not a scarcer commodity in 1964 when the original viability legislation was passed. The implication that scarcity was the principal reason for the 1964 viability law is not accurate. Indeed, the legislative history to the 1964 act states that "special nuclear materials and the source materials from which they are produced are no longer scarce." Rather, Congress and the Atomic Energy Commission recognized that excessive production capacity and foreign competition (conditions similar to those found today) threatened the continued existence of the U.S. uranium industry. The viability language was passed not due to scarcity, but because "the maintenance of a viable domestic industry is an integral part of a sound nuclear industry and may, indeed, be closely intertwined with the defense and security interests of the United States."

Second, we do not regard, and do not claim, that the "upgrade-in-Canada" policy pursued by Canada causes Canada to be "unreliable." We note simply that it threatens the U.S. uranium conversion industry, and, if extended to enrichment, will threaten DOE's enrichment enterprise as well. Whether Canada is "unreliable" depends on one's assessment of other factors, such as allegations of Canadian participation in an international uranium cartel. Canada's previous unilateral moratorium on exports, Canada's restrictions on foreign ownership, and official mechanisms in place in Canada to control price and terms of uranium export contracts.

The question . . . is composed of two questions. The first is "why should uranium continue to be considered a critical material requiring government support, since there is obviously an abundant supply from friendly nations like Canada?" The short answer to this question is national security and energy independence (self-sufficiency). It is shortsighted and places the United States in a vulnerable position to become excessively dependent upon foreign sources of supply. We assume that Congress, and in particular, the Science Committee, earnestly supports a vigorous DOE enrichment enterprise and technology in order to avoid exactly such a dependence.

These are many additional facets to this question. Initially, it should be recognized that the United States did rely on Canada and South Africa for most of its uranium needs until the mid-1950s. This was viewed as unacceptable for security and energy independence reasons, and the decision was made to develop a domestic uranium supply industry. It is also noteworthy that Canada bars sales for military purposes. Since Australia does as well, loss of a domestic uranium industry would leave the United States substantially dependent upon Africa for future military uranium requirements. It is not clear that this is consistent with U.S. policy and interests. Moreover, Canada can reasonably be expected over time to profit-maximize in the fashion of a classic monopolist; i.e. Canada will charge as much for its uranium as possible without precipitating significant U.S. production. The net effect of relying on Canada would accordingly be to export U.S. jobs to Canada without any significant reduction in the cost of nuclear fuels to U.S. utilities. Finally, as indicated in a recent report by Colordao Nuclear Corporation, most of Canada's existing production capacity is already spoken for.

The second question asks why the United States cannot rely on (1) the stockpile; (2) other suppliers such as Australia, and (3) restarting the domestic industry if that became necessary. As to the stockpile, GAO has indicated that DOE is disposing of the stockpile and the United States may have to purchase uranium in a few years. Thus, the stockpile is a short-term and disappearing solution. As to other suppliers such as Australia, they are subject to the same or worse infirmities as Canada. Australia has embargoed France due to nuclear testing, controls its prices, restricts foreign ownership, prohibits military sales and flirts with phasing out uranium production entirely for political reasons. As to other sources generally, Robert Rich, until recently the nuclear fuel manager for the Yankee Atomic utilities, is quoted in *Nuclear Fuel* (February 4, 1985, at page 8) as follows:

"When one considers that well over half of the western world's uranium resources are in areas that have been commonly characterized as politically unstable, there's a large potential for market disruption by political events."

As to restarting the U.S. industry, this will require considerable time and expense. Once existing mines are closed, it will be more expensive, and impossible in some cases, to reopen them. Costs will be much higher. At least four or five years will be required to restore capacity, to retrain the workforce and to obtain the necessary governmental permits. Moreover, it is unclear that private firms would again consider entering the U.S. uranium industry in the absence of firm, long-term commitments by the U.S. government and customers to purchase domestic uranium.●

THE OLDER AMERICANS FOOD STAMP REFORM ACT OF 1985

HON. EDWARD R. ROYBAL

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 17, 1985

● Mr. ROYBAL. Mr. Speaker, today I am introducing the Older Americans Food Stamp Reform Act of 1985. This bill will work to make the food stamp program more responsive and accessible to low-income elderly and disabled Americans.

If enacted this bill would: Lower the threshold for medical deductions from the current $35 a month to a formula allowing a deduction for all medical expenses at a new threshold of $35 per month or 5 percent of gross income, whichever is the lesser. Out-of-pocket medical expenses of the elderly are substantial and are very likely to increase over the next few years. For those who are poor, such costs often mean delaying care and going without proper medication, eyeglasses, or dental care. Current food stamp law requires elderly or disabled recipients to spend $35 in a month on medical expenses before they can be deducted from gross income in calculating eligibility and benefits. For the average food stamp household with an elderly member, this amount represents 10 percent of monthly gross income and prevents most elderly and disabled recipients from claiming the medical deduction. Currently, only 10.6 percent of elderly households currently take a medical deduction. This provision would result in lowering the current threshold of $35 to an average of approximately $18.

Permit the excess costs related to a physician-prescribed special diet to be an allowable medical expense for elderly and disabled persons. A very large number of older persons are required by their physicians to adhere to special diets for such common but life-threatening conditions as high blood pressure and diabetes. The Thrifty Food Plan, upon which food stamp benefits are based, does not take into account the higher costs associated with following a special diet. This provision would allow the excess costs directly associated with a special diet to be deducted as a medical expense.

Allow elderly food stamp recipients to maintain a separate account designated for burial costs up to $1,500. Current law allows SSI and Medicaid recipients to maintain this account. However, having such an account some SSI recipients from participating in the food stamp program. This provision would provide for greater consistency and allow otherwise eligible persons to set aside a small amount of money for burial costs, a great concern for most elderly persons.

Make AFDC and SSI recipients categorically eligible for the Food Stamp Program. This provision was included

in H.R. 5151 the Hunger Relief Act last year and was recommended by the President's Task Force on Food Assistance. This provision would improve the coordination of the roles of Social Security and food stamp offices, and administrative paperwork would be reduced.

Require the Social Security Administration SSA—to assist all SSI and Social Security applicants and recipients with food stamp program information and with streamlined food stamp applications. Current law requires SSA to assist SSI recipients with food stamp applications. However, only 2 percent of SSI recipients are being assisted in making application for food stamps. As for Social Security participants, the current law is optional, and there are no provisions regarding applicants for SSI and Social Security. This proposed legislation would require such assistance for participants, applicants and recipients, in both SSI and Social Security programs. It also clarifies the requirement in existing law since 1977, which SSA has not properly implemented, that it assist SSI recipients in executing a simplified food stamp application in SSA offices.

Mandate States to conduct outreach activities to potential elderly and disabled food stamp recipients, 50 percent of such costs would be shared by the Federal Government. The States would be required to identify and focus such efforts toward underserved elderly and disabled populations. Currently, only about 23 percent of elderly households below 125 percent of the poverty line are receiving food stamps. Additionally, only 19 percent of congregate meal participants currently receive food stamps.

Raise the liquid asset limitations from $1,500 to $2,250 for nonelderly households and from $3,000 to $3,500 for elderly households, and annually adjust such levels to inflation. This provision was originally recommended by the President's Task Force on Food Assistance. The current resource limits have not been updated since the first time national standards were set for resource eligibility back in 1971. These new revised levels would partially account for inflationary increases since that time.

Allow frail elderly recipients to apply for food stamps as a separate household, regardless of income level of caretakers, when they have been certified as unable to purchase and prepare their own meals. Current law states that for elders who can still prepare their own food, there is no restriction on the income of other household members. Current law also requires that, for elderly persons who are too frail to purchase and prepare their own meals, the elderly person can only be considered a single household if the income of the caretaker family is below 165 percent of poverty. Even though the latter provision was added to the law in 1982 to help elderly recipients who were unable to purchase and prepare their own food, elderly persons are losing food stamp eligibility and/or benefits when they become frail. This provision has unintentionally punished those individuals who unfortunately become frail, and has become a disincentive for family members and others to try and care for them.

Place the broader definition of medical expenses, currently in regulation, into the statute. Regulation defines which medical expenses are allowable as deductions (7 C.F.R. section 273.9(d)(3)(i-x)). The statute should be more explicit, to ensure the continued deduction of dental, physical therapy, and other medical expenses which are frequently used by the elderly and disabled.

Facilitate the use of food stamps by elderly and disabled persons to purchase low-priced meals in restaurants. Current law does allow persons who are 60 years of age or older to use food stamps to purchase prepared meals at restaurants, senior centers, elderly housing complexes, and similar institutions, however, these entities must contract with the a State agency and must provide meals at concessionary prices. These requirements have unfortunately become a disincentive for private facilities and States to provide such alternatives and unduly restrict availability of this service to food stamp recipients. This legislation proposes to remove the contracting and concessionary requirements. This proposed change in the law is intended to significantly augment the availability of nutritious hot meals for households which lack cooking facilities or for individuals whose physical limitations prevent full access to shopping or cooking. It would also provide access to fresh food, produce and hot meals, and a nutritionally balanced diet.

Unlike the senior citizen congregate and home-delivered meals programs, the Food Stamp Program is not usually identified and an elderly nutrition program. However, almost 20 percent of all food stamp households have at least one elderly member.

Even though the Food Stamp Program is this country's largest elderly nutrition program, there are many needy older persons who do not receive food stamps, and of those who do, most receive very low benefits. Currently, only about 23 percent of elderly households below 125 percent of the poverty line are receiving food stamps; 30 percent of elderly food stamp recipients receive the minimum $10 monthly benefit.

This legislation would address this problems by making the Food Stamp Program more accessible to the low-income elderly and modestly improving benefit levels to more adequately address the nutritional needs of elderly and disabled food stamp recipients. The proposed provisions would also promote greater efficiency in administering the program, since 88 percent of elderly food stamp recipients receive either Social Security or SSI. Moreover, these improvements would be accomplished at minimal cost to the Federal Government.

I hope that my colleagues join me in support of this most important legislation which is supported by the American Association of Retired Persons, National Council of Senior Citizens, Food and Research Action Center, and the National Senior Citizens Law Center.●

FORGET CHEMICAL WEAPONS

HON. BARBARA B. KENNELLY

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Monday, June 17, 1985

● Mrs. KENNELLY. Mr. Speaker, this week the House will vote on whether to continue our 16-year moratorium on U.S. chemical weapons production. The administration has requested production funds in each of the last 3 years. Each time, the House has wisely turned down those requests.

I urge my colleagues to read the following editorial from the June 1 edition of the Hartford Courant:

[From the Hartford Courant, June 1, 1985]

FORGET CHEMICAL WEAPONS

Year after year, President Reagan asks Congress to let the government start making chemical weapons again. Year after year, Congress says no. Maybe this year Mr. Reagan will finally get the message.

The Republican-dominated Senate voted 50-46 the other day against taking money for chemical arms out of the military budget. Connecticut's senators, Lowell P. Weicker and Christopher J. Dodd, were in the minority. But the response of the House, which is controlled by Democrats, isn't hard to predict. It has rejected the idea three years in a row.

This country has no more business building (or owning) chemical weapons now than it did in 1969, when President Richard M. Nixon stopped the U.S. chemical and biological weapons program. It was for good reason that the United States signed the 1925 Geneva Protocol, which prohibits their use in war: Civilized nations wouldn't think of using them, even in retaliation.

The Reagan administration argues that new U.S. chemical weapons are needed as a deterrent pending a U.S.-Soviet treaty banning them. Yet the Soviets may have used chemical weapons in Laos, Cambodia and Afghanistan despite our stockpile of such devices.

The way to rid the world of chemical weapons isn't to keep producing them. It's to press for international agreements to destroy the ones that exist and to build no more.

As is shown by the history of nuclear arms, and by U.S. steps toward a space-based defense, the likeliest result of new weaponry isn't arms-reduction talks, but an arms race. The same lesson applies to chemical weapons, but it's one the President still hasn't learned.●

OLD GLORY: THE WORLD'S SYMBOL OF FREEDOM

HON. ROY DYSON

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Monday, June 17, 1985

● Mr. DYSON. Mr. Speaker, I rise today to pay tribute to the most outstanding symbol of human freedom and accomplishment that the world has ever seen—the American flag. On June 14, 1777, the Continental Congress adopted as the official flag of the United States a design of 13 stripes and 13 stars. To commemorate this august occasion President Harry S. Truman signed the National Flag Day bill in 1949, giving official and lasting recognition to June 14 as the United States' official Flag Day. Ever since then, the 14th of June has been a date to display the flag, and to perform suitable ceremonies in honor of the Stars and Stripes.

Too often, we hear only cynicism and negative feelings when our country is discussed. Let us take this opportunity to try and dispell these pessimistic feelings and to display with pride a symbol which is well-worth our respect and adoration. Old Glory has been witness to countless occasions when human freedom was threatened, and to countless occasions of the triumph of human endeavor. Our proud flag has been the symbol of liberty ever since the birth of our country over 200 years ago. No other flag has defended social, economic, and political freedom on so wide a scale or so successfully, as ours has. Old Glory rode the prow while crossing the Potomac; She led the charge against slavery; She served as a beacon to our troops while slogging through the cold snow in Germany, and through the steaming jungles of the Far East; She stood firm in our struggle in Korea; and She flew till the end in defense of Vietnam, ever serving as an inspiration to our troops so far from home. When Old Glory wasn't fighting in defense of freedom, She was carrying inspiration and hope to the people of the world. She accompanied missionaries and doctors into the untamed wilds over 100 years ago, and even today She continues to bring aid in the form of medicine, food, and money to the peoples of the world, regardless of how alien they seem to us. The Stars and Stripes accompanied our explorers—both internal and external, and our scientists on their quests for knowledge in the hope of the betterment of mankind. She was even on the white tip of the first Saturn rocket to hurl itself into space—the latest frontier.

The accomplishments go on and on, and the dedication, love, and patriotism which our flag symbolizes is unparalleled. Of course there have been mistakes and errors in our past. Our country is not perfect. But we can be proud of our country. In spite of her mistakes, America today stands as a bastion of human freedom, and her flag embodies the principles of "life, liberty, and the pursuit of happiness." Today, let us take a moment and reflect upon how we are truly blessed to be a part of America. Let us take joy in the realization of how great our Nation is, and take even deeper pride in the symbol which truly is our Nation, and which is synonymous with justice, liberty, and humanity throughout the world.

Mr. Speaker, I ask my fellow distinguished colleagues and distinguished citizens across the Nation to celebrate a day which offers us the chance to say "Thank you" to the countless people who have given their lives over the last 200 years in order that we would live free. But also, let us renew our pledge to defend Old Glory, and to defend the principles of "life, liberty, and the pursuit of happiness" around the globe so that these same words may be repeated each June 14 for the next 200 years.●

RALPH LAIRD

HON. FORTNEY H. (PETE) STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 17, 1985

● Mr. STARK. Mr. Speaker, on June 27, 1985, the Pleasanton Joint School District and the Amador Valley Joint Union High School District will honor Assistant Superintendent Ralph Laird upon his retirement after 35 years of distinguished service in the field of education, the last 13 years of which have been spent in these districts.

Mr. Laird has had an outstanding career as a teacher, administrator, and leader in the field of education. For 12 years, he was a social science and business teacher at John Swett High School. He served as a high school administrator with John Swett, San Dimas and Amador Valley High Schools. He has served for the past 6 years as an assistant superintendent in charge of personnel. Mr. Laird has brought dedication and commitment to all of his work.

Mr. Laird has also been active as an educational leader. Most notable has been his service for nearly two decades on committees for the Western Accreditation of Schools and Colleges. In this capacity, he has led many visitation committees to schools both in California and abroad. On the personal side, Mr. Laird has received national publicity for his collection of political memorabilia, especially campaign buttons. He is much sought after as a speaker.

I applaud Ralph Laird's achievements, particularly in light of the important role public school administrators play in the future of our Nation's children. I am very pleased to join with others in this celebration honoring these achievements.●

A TRIBUTE TO THE MARTIN LUTHER KING, JR. COMMUNITY PLAYERS

HON. MICKEY LELAND

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Monday, June 17, 1985

● Mr. LELAND. Mr. Speaker, I would like to take this opportunity to honor the outstanding high school seniors who comprise the membership of the Martin Luther King, Jr. Community Players of New Brunswick, NJ on the occasion of their 17th Anniversary Ceremony.

The purpose of the anniversary ceremony is to honor outstanding students who have maintained high scholarship standards, excelled in the service of their communities and demonstrated the characteristics of a good citizen in the legacy of Dr. Martin Luther King, Jr. The program also provides a unique opportunity for the award recipients to present a tribute to their parents.

I would also like to congratulate the leadership of this group for recognizing the need to teach our youth the importance of discipline, respect, and character. The organizational motto, "Developing Youth To Assume Responsibility," is particularly noteworthy amidst unyielding adversities including spiraling black youth unemployment, the temptation of drugs and alcohol, and the lack of opportunities to enter college with the rapid disappearance of financial aid programs. But nonetheless, here is a group of young people who believe that they should aspire to greater heights and new horizons.

To these young people and those who have touched their lives, let us share the vision of Abraham Lincoln who said:

A child is a person who is going to carry on what you have started. He is going to sit where you are sitting, and when you are gone, attend to those things which you think are important. You may adopt all the policies you please, but how they are carried out depends on him. He will assume control of your cities, states, and nations. He is going to move in and take over your churches, schools, universities, and corporations. All your books are going to be judged, praised or condemned by him. The fate of humanity is in his hands.

1985 ACADEMIC AND COMMUNITY ACHIEVERS

Melissa Carmen, Class Valedictorian and Eminent Scholar; Sonja Johnson, Class Salutatorian and Eminent Scholar; Jarred Alford, Most Likely to Succeed and Eminent Scholar; Eric Orlando Young, Most Athletic and Eminent Scholar; Robert Mark Blount, Most Distinguished Citizen; Marcus Vincent Andrews, Most Promising Student; Dana Brown, Jackie Robinson Achiever; Rodney Butler, Martin Luther King, Jr. Community Players Commended Student; Steven Donaldson, Brothers Fellowship Student of the Year; Kelly Gavin, Youth in Frontier Service Student of the Year; Rhonda Gipson, Sisters Fellowship Student of the Year; Rodney Hardee, Frederick Douglass Scholar; Kevin Houston, Outstanding All-Around

Achiever; Amy Howard, Distinguished Achiever; Tabby Hughes, Player of the Year; Otis Rogers, Martin Luther King, Jr., Scholar; Dionne Tinley, Person of Honor; Jason Alford, Student of Distinction; Richard Underwood, Most Determined Achiever; Jacqueline Little, Most Outstanding College Student.●

CHARLES F. "TYE" VEDEN: DISTINGUISHED EAGLE SCOUT AWARD

HON. CARLOS J. MOORHEAD

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 17, 1985

● Mr. MOORHEAD. Mr. Speaker, on June 18, 1985, the Verdugo Hills Council, Boy Scouts of America will present to Charles F. "Tye" Veden the prestigious Distinguished Eagle Scout Award. This special honor is bestowed sparingly. It is reserved for Eagle Scouts who after at least 25 years have distinguished themselves in their career and public life.

Tye Veden received his Eagle Scout Award from the Verdugo Hills Council, BSA on December 3, 1945. Since that time, his achievements, awards, and accomplishments kept piling up.

As a businessman, Mr. Veden is the chairman of the board of Knight Insurance Agency, Inc. He is admired as a knowledgeable professional; respected as a successful businessman and esteemed as a leader in the industry.

Over the last decade, he has been a constant worker for the community's benefit. He has never said no to a request for help or assistance. Mr. Veden has been a member and president of the Junior Chamber of Commerce and the Glendale Chamber of Commerce. He has served on the boards of directors of the Verdugo Hill Council, BSA, the Glendale Merchants Association, the YMCA, the Verdugo Club, the Glendale Adventist Medical Center Foundation, and the Glendale Community Foundation.

Within city government, he has been very active and very productive, serving on the school district tax override committee, the Glendale Planning Commission, the parks and recreation commission and the Glendale Joint Facilities Commission.

Mr. Speaker, Mr. Veden has been an asset to his family, his friends, his community and his Nation. He richly deserves this special honor and recognition.●

NEW UNDER SECRETARY FOR DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

HON. NORMAN D. SHUMWAY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 17, 1985

● Mr. SHUMWAY. Mr. Speaker, I am pleased to note that Lee Verstandig, a highly respected and professional public servant, will soon be providing his services to the Department of Housing and Urban Development as Under Secretary. These could be no better choice for this important post.

Lee has continually proven his outstanding leadership and capabilities in a variety of administration positions, most recently as Assistant to the President for Intergovernmental Affairs. He has also served as White House liaison to local government, as Assistant Secretary for Governmental Affairs at the Department of Transportation, and as Acting Administrator of the Environmental Protection Agency for a brief period in early 1983.

Lee's abilities were especially well demonstrated while at DOT under then-Secretary Drew Lewis. Indeed, the many successes in the Department are in no small measure due to Lee Verstandig's ability to encourage legislative cooperation, and to get through seemingly impenetrable "redtape." Likewise, he demonstrated his keen professionalism during a very turbulent period at the EPA, bridging the gap between the departure of one Administrator and the arrival of another.

There is no doubt in my mind that Lee will continue to benefit the administration and the Nation in his new post with HUD. I am hopeful that the Senate will share that view as it proceeds with his confirmation.●

"BOOSTING PUERTO RICO" AND THE CARIBBEAN BASIN INITIATIVE BY SAVING SECTION 936

HON. JAIME B. FUSTER

OF PUERTO RICO

IN THE HOUSE OF REPRESENTATIVES

Monday, June 17, 1985

● Mr. FUSTER. Mr. Speaker, my distinguished colleague and fellow Puerto Rican, the Honorable BOBBY GARCIA wrote about an issue of vital importance to Puerto Rico in the June 12 issue of the Washington Times.

This article "Boosting Puerto Rico," explains the salutary effect which funds generated in Puerto Rico by section 936 companies can have on the Puerto Rican economy, on the Caribbean Basin Initiative and on the prospects for the regional stability of the entire Caribbean and Central American region.

I insert the entire article in the RECORD.

[From the Washington Times, June 12, 1985]

BOOSTING PUERTO RICO

[By Robert Garcia]

In his inaugural address this January, the governor of Puerto Rico, Rafael Hernandez Colon, announced an innovative plan that would give the Caribbean Basin Initiative a much needed shot in the arm, as well as help Puerto Rico's ailing economy.

The governor intends to achieve this goal by making available a portion of corporate funds accrued by utilizing section 936 of the Internal Revenue Code.

Section 936 is a tax break which permits U.S. mainland corporations to earn tax-free profits from their Puerto Rico-based affiliates. In addition, most of these corporations often deposit their 936 earnings in Puerto Rican banks to take advantage of a Puerto Rican tax law which reduces the tollgate tax that would otherwise be levied on the repatriation of these profits to the mainland.

As of last September, there were $6.7 billion in deposits in Puetro Rican banks as a result of this program. The depository banks under Puerto Rican law are required to redeposit 10 percent of these funds—some $670 million at the moment—in the Puerto Rican Development Bank. Until now, that bank has used these funds for investments in the mainland, which has had little direct benefit for development in Puerto Rico. The governor intends to make these funds available on a concessionary basis to Puerto Rican companies willing to set up twin plants in Puerto Rico and Caribbean Basin nations.

The twin-plant concept is fairly simple: a corporation would begin manufacturing a product in a CBI nation—the labor-intensive portion of that product—and complete the process in Puerto Rico—the capital-intensive or more technical part of the manufacturing process. At least 20 percent of the value of the product must come from Puerto Rican plants.

This concept makes it even more crucial to preserve the 936 tax break in the face of Treasury Department and congressional threats to eliminate or moderate it in a tax reform package. The importance of 936 to Puerto Rico's economy cannot be overestimated. Approximately 25 percent of all salaries paid in Puerto Rico are derived from 936 firms either directly or indirectly, and this is at a time when the unemployment rate of Puerto Rico is hovering around 20 percent.

Further, 936 firms account for 34 percent of Puerto Rico's gross domestic product, 20 percent of its gross national product, 19 percent of personal income, and 14 percent of government income.

The government's plan is not completely new. A similar program is already being used by the Japanese. They have actively developed a manufacturing process that emphasizes capital-intensive or higher-value-added manufacturing. The Japanese farm out the labor-intensive portion of the process to other nations in the region which are better equipped to produce that part of the product.

Puerto Rico would like to become the Japan of the Caribbean Basin, and Gov. Hernandez Colon believes it is possible. The key to Puerto Rico's success is the preservation of 936.

The CBI was developed on two basic principles, duty-free access to U.S. markets and tax incentives. While the duty-free access was written into the legislation—nations get 12 years of access to U.S. markets—the tax incentives have never materialized. By using 936-related funds, tax incentives—that is, investment incentives—would finally become a part of the CBI.

Finally, the worthiness of any program can be measured by the willingness of people to try it out. The governor of Puerto Rico decided to put his brainchild to the test by taking a trip to Grenada with a group of executives representing potential twin-plant investors. This group met with Grenadian Prime Minister Herbert Blaize. As a result of that meeting, Johnson & Johnson, Schering-Plough, and Smithkline Beckman corporations, as well as Prime Minister Blaize, have all committed themselves to participating in the governor's program if 936 is left intact.

Gov. Hernandez Colon recently stated that Puerto Rico ". . . share[s] [with] the United States [a] stake in the political stability of the entire Caribbean and Central America. We must become creative participants in the region. By assisting our neighbors and the United States, we can also assure our own prosperity."

The governor is right: we all have a stake in regional stability, and that stability can be best achieved by working toward economic prosperity.

His program holds out hope for that prosperity. It costs nothing in direct aid, and it offers a great deal of promise.●

FUTURE STAR FROM THE BRONX

HON. ROBERT GARCIA

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, June 17, 1985

● Mr. GARCIA. Mr. Speaker, it is my privilege to bring to the attention of my colleagues a young man who is well on his way to becoming another "Bronx Bomber." Cliff Gonzalez of St. Raymond High School in the Bronx plays baseball with the skill and intensity worthy of the Bronx's best baseball tradition.

Cliff, a hard worker, is dedicated to baseball, and because of his dedication, he has an excellent chance of being selected in the major league draft. Yet, Cliff is more than an athlete. He is also a fine student who I am sure will be able to succeed in any career he chooses.

I am enclosing an article on Cliff from the New York Post so that my colleagues will be able to read more about his many accomplishments.

[From the New York Post, Apr. 10, 1985]

POST HS ATHLETE OF WEEK—CLIFF GONZALEZ, ST. RAYMOND

By Steve Barenfeld

Cliff Gonzalez can do it all—and last week he did.

Gonzalez, a senior centerfielder for St. Raymond HS in The Bronx, went 10-for-16 with two home runs, three doubles and seven RBIs to lead the Ravens to five victories.

For his outstanding performance, Gonzalez is The Post's High School Athlete of the Week.

Gonzalez, 5-10, 155 pounds, started poorly last week. Batting third, he went 0-for-2 in a 3-2 win over Lehman on Tuesday. On Wednesday, the lefthanded hitter, who throws righty, went 2-for-3 and drove in a run in St. Ray's 14-0 rout of St. Francis Prep. The next day he again was 2-for-3 with a double and an RBI in a 3-2 victory over George Washington.

But it was Saturday when Gonzalez really started banging the ball. He went 3-for-3 with a homer, two doubles and an RBI in a morning victory over McClancy. Later in the day, in the Monroe Tournament, he went 3-for-5 with another home run and stole his 100th career base in a 27-0 stroll past Norman Thomas.

He doesn't plan on letting up, either.

"I think I can keep up this pace," said Gonzalez, who will be 18 next Thursday. "This is my last year and I want to leave with a bang."

There's no reason why he can't. Gonzalez, who hit .454 last season, is a marvelous athlete who already was considered major-league material. But he has gotten better.

"I know I've improved tremendously," Gonzalez said. "This past winter I worked on Nautilus and improved my strength. I'm also smarter and more selective at the plate."

"He's the best player I've ever had," said Raven coach Ron Patnosh, who is in his 18th year. "He does everything. He can run—he goes from home to first in 3.8. He hits for power and average. He has a major-league arm.

"I think he has a good shot to get drafted."

So does Gonzalez, but that doesn't mean he'll go right for a pro career.

"If the money's right—over $40,000—I would sign," he said. "But if not, I'll go to college."

Seton Hall, St. John's, Oklahoma State and Old Dominion have offered him full scholarships. But Gonzalez, who has close to a 90 average, would like to go to Yale.

"I'd like to be a business person," he said. "I know they have an average baseball program, but I don't think where you play in college makes that much of a difference. You really develop in summer leagues.

"I've always loved baseball, and my friends get mad at me because I'm always either playing or watching on TV. I'd love to play major-league ball and I feel I have a very good shot."●

CITY OF CAMBRIDGE, MD: RESOLUTION URGING CONGRESS TO ADOPT A BILL EXEMPTING STATE AND LOCAL EMPLOYEES FROM THE FAIR LABOR STANDARDS ACT [FLSA]

HON. ROY DYSON

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Monday, June 17, 1985

● Mr. DYSON. Mr. Speaker, I rise on behalf of the commissioners of Cambridge, MD. The U.S. Supreme Court, in a reversal of a 1976 decision, recently held that the FLSA applies to compensation paid by State and local governments to their employees.

The commissioners express the belief that it is in the public interest of the city of Cambridge to preserve existing compensation and job scheduling arrangements and agreements—a system that has the support of Cambridge's public officials and employees.

The commissioners urge the Maryland delegation as well as the chairman of the Subcommittee on Labor Standards of the House Education and Labor Committee, and the Subcommittee on Labor of the Senate Labor and Human Resources Committee to introduce legislation providing for the exemption of State and local governments from the requirements of the FLSA. If such legislation is not adopted, the commissioners state that the cost to Cambridge of complying with the FLSA will be $15,500 per year in overtime costs, plus a large sum in revising the city's recordkeeping system.●

THE CASE AGAINST CHEMICAL WEAPONS PRODUCTION

HON. MORRIS K. UDALL

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 17, 1985

● Mr. UDALL. Mr. Speaker, the House this week will vote again on the chemical weapons issue. An amendment will be offered by our colleagues DANTE FASCELL and JOHN PORTER to strike all funding for chemical weapons production. In support of their amendment, they have written a timely and highly persuasive column in today's Washington Post. As their article makes clear, "for sound reasons of defense, foreign policy, arms control and budget, Congress should once again say no."

At this point in the RECORD I would like to insert the article:

NEW NERVE-GAS WEAPONS THAT WE DON'T NEED

(By Dante B. Fascell and John E. Porter)

Would you support a new Pentagon program that adds billions of dollars to the $200 billion deficit, that has never been field tested because it has failed 80 percent of its controlled laboratory tests, that has been rejected by our closest allies in NATO, that if put into effect would kill civilians in droves while leaving protected enemy soldiers unharmed, and that makes chemical weapons proliferation and terrorist use more likely and arms control less so?

Of course not.

That's why a bipartisan majority in the House has decisively rejected over the past three years the Pentagon's request to produce new binary nerve gas weapons, a proposal supported on this page May 21 ["Chemical Weapons: The Real Issues," by Sens. John Glenn, Barry Goldwater, Sam Nunn and John Warner]. We strongly support, however, the administration's request for over $1 billion to improve chemical protection for our troops and to continue chemical research efforts.

The message from Congress has been clear: if the chemical threat from the Soviet Union is as dangerous and real as argued, then the priorities of our chemical program should be the protection of our troops, the maintenance of our current adequate retaliatory stockpile and the pursuit of a verifiable arms control ban on chemical weapons. As Rep. Les Aspin said: "We want more defense, not more production lines."

In its technical evaluations of the binary Bigeye bomb, the General Accounting Office found that binary weapons are not as safe, modern or reliable as claimed by the Department of Defense. For example, one binary component is as least as toxic as the chemical that leaked at Bhopal, India. Citing moisture, temperature, purity, fusing and structural deficiencies, GAO concluded that "technical problems still plague the Bigeye bomb development."

This conclusion was preceded by the infamous 1982 test in which the Bigeye bomb prematurely exploded and spewed deadly gas at an Army test facility. Just two weeks ago, the GAO reported that the Bigeye has failed to meet test standards at least eight out of 10 times over the past year.

In an effort to sell the binary program, Pentagon reports have argued that the binary stockpile would be substantially smaller than the current usable unitary

chemical stockpile. That hardly seems a credible deterrent to the Soviet chemical threat. Furthermore, a Defense Department blue-ribbon panel has already concluded that the current stockpile is adequate and constitutes a credible retaliatory deterrent into the 1990s. It's hard to understand why the Pentagon would want to replace the current stockpile in Europe, where the greatest threat of chemical warfare exists, with one that is smaller and not acceptable to the Europeans.

It is clear that in order to form a credible deterrent, the new weapons would have to be prepositioned in Europe. Moving massive amounts of nerve gas munitions in the opening phases of a crisis, as the Pentagon argues, would only worsen the situation and convince the Soviets that we were preparing to strike first.

If pressed, the issue of binary chemical weapons in Europe would become one of the hottest issues facing NATO, placing into jeopardy more important defense and foreign policy objectives—joint research on SDI, theater nuclear deployments, and improvements in conventional defenses. The supreme allied commander in Europe, Gen. Bernard Rogers, aptly described this reality in April: "The issue has become too tough to handle. I find it is put in the too-sensitive/too-tough-to-handle box and it just reposes there." The secretary general of NATO, Lord Carrington, said as much at a recent congressional reception. Our European allies do not hesitate to wonder why we would hand Mikhail Gorbachev such a public relations opportunity in the middle of his peace offensive.

Confronted with decisive bipartisan defeats in the Congress, the Pentagon has tried to rescue the binary program by appointing a commission. A majority of the commission were already pro-binary, and the panel did not include a single opponent, despite our recommendation that Ed Bethune, a former Republican colleague and recognized expert, be appointed.

In addition, the commission's executive secretary, the Defense Department's assistant secretary on chemical matters and the Pentagon's chief lobbyist for the binary program are one and the same person. The commission's three-page testimony, hastily produced in just five weeks, predictably endorsed the Pentagon's binary request. The commission even hired a few public relations consultants at $250 a day to spread the word.

Except for adding even more to the federal deficit, nothing has changed on this issue since the House, by a bipartisan majority, overwhelmingly defeated the binary nerve gas program. Already 119 Democrats and Republicans are sponsoring legislation to delete this unwarranted program once again. For sound reasons of defense, foreign policy, arms control and budget, Congress should once again say no.●

DRUE SMITH OFTEN IMITATED . . . NEVER DUPLICATED

HON. BART GORDON

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Monday, June 17, 1985

● Mr. GORDON. Mr. Speaker, it is with a heavy heart that I rise today to bid farewell to a fine public servant, a great reporter, and a dear friend.

Drue Smith, who has covered Tennessee politics and politicians without fear or favor, is hanging up her microphone and calling it quits after many years of distinguished service to her faithful listeners.

Drue has reported faithfully to United Press International and to her listeners on the Tennessee Radio Network. She has worked diligently to keep her listeners on WVOL, WSIX, WJCW, WRJZ, WDEF and WDIX informed of the latest happenings in the Tennessee General Assembly.

Her reports to the University of Tennessee have been illuminating and faithfully produced.

Mr. Speaker, I rise today to request that this Congress honor Drue Smith, the first lady of the Tennessee press corps who recently announced retirement from the Tennessee Radio Network.

Elected officials, as we all know, are scrutinized by the press on a daily basis. And although Drue's daily ritual of political news reporting has come to a close, the memory of her illuminating appearance at every possible Capitol Hill function is etched into Tennessee's rich political history.

Drue shall be remembered in Tennessee for her grace under pressure, her attention to every sartorial detail, and for her Christmas glasses with the little blinking lights.

Drue may be gone but she will not be forgotten even as she was imitated but never duplicated.●

EDEN EXPRESS RESTAURANT A STORY OF MARKED SUCCESS FOR THE MENTALLY DISABLED

HON. FORTNEY H. (PETE) STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 17, 1985

● Mr. STARK. Mr. Speaker, the mentally disabled are frequently ignored and abused. The little attention they do receive is too often medication to keep them quiet. Today I would like to commend the Eden Express Restaurant for the positive approach they have taken in dealing with the mentally disabled.

Located in Hayward, CA, Eden Express provides a training program in restaurant skills for persons who are recovering from mental illness. Eden Express provides a vehicle of reentry into the community and normal relationships with people, school, and jobs.

Since its opening in October of 1980, 212 persons, most of them young adults have gone through the training program. Their disabilities range from being schizophrenic to emotionally immature to developmentally disabled or retarded. Sixty-five percent were "graduates;" who got jobs, often their first job. The majority of them are doing very well.

As a restaurant, it is in the black. Each individual advances at his or her own pace through the various job stations: dish washing, laundry, janitor, food preparation, kitchen aide to cook, beverage bar, busing, waiting tables, cashier, host. Together the group has made it one of the most popular restaurants in downtown Hayward.

Most of the trainees go into entry level restaurant or food service jobs. Some go back to college. Of all that enter the training program at Eden Express, 98 percent are helped. Comparing that to the 5 percent of the overall labeled mentally disabled that make it, one can readily see that Eden Express is an overwhelming success.●

GREAT CALIFORNIA GRAY WHALE

HON. DOUGLAS H. BOSCO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 17, 1985

● Mr. BOSCO. Mr. Speaker, as you are well aware, one of the most precious resources that we have in this country is the diversity and vitality of the wildlife. We in California have fought long and hard to preserve the quality of this natural resource. Presently, we are working to protect the "endangered species" status of the great California gray whale so as to ensure its healthy and long-term prosperity.

This is an issue that affects a great many persons, not just Californians. However, as you can well imagine, Californians tend to harbor some of the strongest feelings about the California gray whale. The strong emotional impact that the gray whale has on Californians was again revealed to me recently. I just received a very moving and thoughtful poem about the gray whale. This poem was written by Jamie Lawson from Crescent City, CA. Because I feel this poem expresses a bond between man, the gray whale, and nature that we must recognize and not forget, I would like to share it with you.

GRAY TO GRAY

(By Jamie Lawson)

Our great journey north has begun once more.
You, young gray whale, shall accompany me.
There are important things I must tell you,
Important things to see.

That is a ship. Now, where are you off to?
I tell you, my child, you shouldn't go near.
Those ships were once bringers of death for us,
Bringers of death and fear.

Don't squeal at me! I know the others say
That the exploding harpoons are no more,
The humans do not try to murder us
And fill the sea with gore.

About eighty of these journeys ago
The killing ships all were suddenly gone.
No one now save the black-and-white orca
Tries to silence our song.

Yes, my child, I know that now we are safe.
We and the humans perhaps could be friends.
But I don't trust them—who knows when they'll try

To kill us for their ends?
Let us slip away so they will not see.
It's not difficult—I'll show you the way.
Breathe softly at the surface, then dive deep,
These coastal waters will conceal our gray.●

CHEMICAL WEAPONS: IT'S THE PENTAGON'S CASE THAT LEAKS, NOT THE EXISTING STOCKPILE

HON. DAVID E. BONIOR

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Monday, June 17, 1985

● Mr. BONIOR of Michigan. Mr. Speaker, the Pentagon is making a hard-sell to Congress to gain approval of a new generation of chemical weapons. In so doing, the Pentagon constantly stretches the facts, overstates its case, and contradicts other information in its possession from independent sources.

In its zeal, the Pentagon has been leaving a false impression on the need for the United States to resume production of lethal nerve gas.

Let us look at the facts compared to some of the claims the Pentagon is making:

First, the Pentagon claims that the existing U.S. stockpile of chemical weapons is no longer usable.

In fact, the Pentagon's own studies show a substantial and usable stockpile of chemical weapons. A Pentagon-established blue ribbon panel reported in 1983 that except in rare instances, the existing munitions "appear to be in good shape." Defense Secretary Weinberger conceded that year that our artillery shells stockpile is "in the range of sufficiency." Even the Pentagon's chief salesman for chemical weapons, Thomas J. Welch, agreed before the Senate Armed Services Committee earlier this year that we can fire all our nerve gas artillery shells.

Second, if you won't believe that our existing stockpile is nonexistent, the Pentagon then further argues that our nerve gas weapons will deteriorate in the near future.

The same 1983 blue ribbon panel stated there is insufficient evidence to predict the future condition of our stockpile—Pentagon claims to the contrary. It recommended undertaking tests to determine future reliability. In point of fact, our stockpile of usable chemical weapons has actually increased in recent years due to a heightened Army maintenance program.

Third, the Pentagon argues that the new chemical weapons would be safer than our existing stockpile.

Here there is a grain of truth and a mass of exaggeration. The National Academy of Sciences last year praised the Army for its excellent job of overseeing our present stockpile and pointed out there has never been a significant accident with our stockpile.

Even Pentagon witnesses before the Senate Armed Services Committee conceded earlier this year that the safety of our existing stockpile is not a problem.

Moreover, the new generation of chemical weapons has been plagued by a series of technical problems that make it clear that the new weapons are still not safe for those using them or present a proven threat to the enemy. A few years ago, the GAO found that the bombs would explode prematurely in the aircraft carrying it. Now the GAO finds that the bomb remains technically flawed despite many years of testing.

Fourth, if the first three arguments are not convincing enough, the Pentagon then argues that a vote to approve production is a vote for a smaller stockpile of chemical weapons as we will destroy our existing weapons at the same time.

This argument is interesting, but it flies in the face of the Pentagon argument about a huge Soviet advantage in chemical weapons and the need to enlarge our deterrent force. It is not clear how the Pentagon can argue about a superior Soviet force that should scare us into a chemical weapons buildup and at the same time talk about shrinking our existing stockpile. Something does not compute.

Furthermore, the Pentagon is asking us to replace our current reliable and fully tested chemical stockpile overseas with one that is unreliable and not fully tested in the United States. That hardly seems like a credible deterrent to the Soviet chemical threat.

In sum, I urge you to support the bipartisan effort led by Representative DANTE B. FASCELL and Representative JOHN E. PORTER who will offer their amendment deleting $124 million for binary production from the DOD authorization bill on Tuesday, June 18.●0

SPORTS COMMENTATOR FORCED TO QUIT JOB OVER REFUSAL TO BROADCAST FROM SOUTH AFRICA

HON. MICKEY LELAND

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Monday, June 17, 1985

● Mr. LELAND. Mr. Speaker, I would like to call your attention to an article you may have missed in last Friday's Washington Post. The article concerns a New Zealand sports commentator's decision to quit his job rather than be fired for his refusal to broadcast the national team's games from South Africa.

I feel it is very important to realize that apartheid is an issue receiving attention and spurring protests worldwide. Apartheid is an issue that crosses all national lines and should unite us in our efforts to achieve justice, equality, and dignity for everyone.

I commend commentator John Howson for his courageous decision to act on his beliefs despite resulting personal hardship. I urge all my colleagues to read the following article:

NEW ZEALAND ANNOUNCER QUITS OVER SOUTH AFRICA

WELLINGTON, NEW ZEALAND, June 13.—New Zealand's top rugby commentator quit his job with the state-owned broadcasting corporation today rather than broadcast the national team's games from white-ruled South Africa, Radio New Zealand said.

John Howson, who has broadcast all of the New Zealand national team's major matches in the past 10 years, was quoted as saying he was given a 24-hour ultimatum to agree to make the South Africa trip or be fired.

Public opinion in New Zealand is sharply divided on the trip because of South Africa's policy on racial segregation, known as apartheid.●

SENATE COMMITTEE MEETINGS

Title IV of Senate Resolution 4, agreed to by the Senate on February 4, 1977, calls for establishment of a system for a computerized schedule of all meetings and hearings of Senate committees, subcommittees, joint committees, and committees of conference. This title requires all such committees to notify the Office of the Senate Daily Digest—designated by the Rules Committee—of the time, place, and purpose of the meetings, when scheduled, and any cancellations or changes in the meetings as they occur.

As an additional procedure along with the computerization of this information, the Office of the Senate Daily Digest will prepare this information for printing in the Extensions of Remarks section of the CONGRESSIONAL RECORD on Monday and Wednesday of each week.

Any changes in committee scheduling will be indicated by placement of an asterisk to the left of the name of the unit conducting such meetings.

Meetings scheduled for Tuesday, June 18, 1985, may be found in the Daily Digest of today's RECORD.

MEETINGS SCHEDULED

JUNE 19

9:00 a.m.

* Foreign Relations

To hold hearings on the nomination of John C. Whitehead, of New Jersey, to be Deputy Secretary of State.

SD-419

9:30 a.m.

Banking, Housing, and Urban Affairs

To continue oversight hearings on the condition, structure, and competition within the domestic financial services industry, focusing on implications of further deregulation of depository institutions.

SD-538

Finance

To continue hearings of the President's tax reform proposal.

SD-215

Judiciary

Constitution Subcommittee

To hold hearings on S.J. Res. 2 and S.J. Res. 3, proposing an amendment to

the U.S. Constitution relating to voluntary silent prayer or reflection, and related measures.
SD-226

Select on Intelligence
To hold closed hearings on intelligence matters.
SH-219

10:00 a.m.
Agriculture, Nutrition, and Forestry
Business meeting, to continue markup of S. 501 and S. 616, bills to expand export markets for United States agricultural commodities, provide price and income protection for farmers, assure consumers an abundance of food and fiber at reasonable prices, and continue low-income food assistance programs, and related measures.
SR-328A

Commerce, Science, and Transportation
Business meeting, to consider S. 721, to make exports of U.S. agricultural commodities competitive in world markets with sales of other countries by clarifying export activities of the Department of Agriculture relating to the cargo preference provisions.
SR-253

Energy and Natural Resources
Business meeting, to consider S. 410, to repeal the Commercial and Apartment Conservation Service (CACS), a program to encourage the installation of energy conservation and renewable energy resources measures in apartment and small commercial buildings, H.R. 1373, to designate the wilderness in the Point Reyes National Seashore in California as the Phillip Burton Wilderness, S. 444, to convey certain U.S. lands in Alaska to NANA Regional Corporation in exchange for lands owned by such corporation, S. 1055, to designate the Granite Reef aqueduct of the Central Arizona Project as the "Hayden-Rhodes Aqueduct", H.R. 37, to identify, commemorate, and preserve the legacy of historic landscapes of Frederick Law Olmsted, and other pending business.
SD-366

Environmental and Public Works
Environment Pollution Subcommittee
To hold oversight hearings to review Environmental Protection Agency regulations concerning ocean incineration of hazardous waste.
SD-406

Foreign Relations
To hold hearings on the Administration's proposal for urgent economic assistance to Jordan.
SD-419

Governmental Affairs
To hold hearings on the nomination of Terence C. Golden, of Texas, to be Administrator of General Services.
SD-342

Judiciary
Security and Terrorism Subcommittee
Business meeting, to mark up S. 274, to improve the security of nuclear power facilities by granting power reactor licensees access to certain information in FBI criminal history files, and to provide for the conduct of a background investigation on any individual having unescorted access to nuclear power facilities.
SD-628

Labor and Human Resources
Education, Arts, and Humanities Subcommittee
To hold hearings on proposed legislation authorizing funds for fiscal year 1986 for the National Endowment of the Arts and the National Endowment for the Humanities.
SD-430

Joint Economic
Agriculture and Transportation Subcommittee
To resume hearings to examine economic problems of rural America.
SD-485

2:00 p.m.
Foreign Relations
To hold hearings on the nomination of Marvin L. Stone, of Virginia, to be Deputy Director of the United States Information Agency.
SD-419

Judiciary
To hold hearings on pending nominations.
SD-226

3:00 p.m.
Agriculture, Nutrition, and Forestry
Business meeting, to continue markup of S. 501 and S. 616, bills to expand export markets for United States agricultural commodities, provide price and income protection for farmers, assure consumers an abundance of food and fiber at reasonable prices, and continue low-income food assistance programs, and related measures.
SR-328A

JUNE 20

9:00 a.m.
Armed Services
Manpower and Personnel Subcommittee
To hold hearings on certain provisions relating to changes in the survival benefits plan, as contained in H.R. 1872, Department of Defense Authorization Act, 1986 (pending on House calendar).
SR-232A

Banking, Housing, and Urban Affairs
To continue oversight hearings on the condition, structure, and competition within the domestic financial services industry, focusing on implications of further deregulation of depository institutions.
SD-538

Commerce, Science, and Transportation
To hold hearings on S. Res. 178, to urge the Administrator of the National Highway Traffic Safety Administration to retain the current automobile fuel economy standard, and S. 1097, to provide for the appropriate treatment of methanol.
SR-253

9:30 a.m.
Armed Services
Closed briefing on Army Light Division (light aircraft used for medical emergency situations), and to consider routine military nominations.
SR-222

Finance
To continue hearings on the President's tax reform proposal.
SD-215

Labor and Human Resources
Aging Subcommittee
To hold hearings on the diagnosis and treatment of osteoporosis.
SD-430

Veterans' Affairs
To hold oversight hearings on the Administration's proposed health care policy changes.
SR-418

10:00 a.m.
Agriculture, Nutrition, and Forestry
Business meeting, to continue markup of S. 501 and S. 616, bills to expand export markets for United States agricultural commodities, provide price and income protection for farmers, assure consumers an abundance of food and fiber at reasonable prices, and continue low-income food assistance programs, and related measures.
SR-328A

Energy and Natural Resources
Public Lands, Reserved Water and Resource Conservation Subcommittee
To hold hearings on S. 816, to establish the Pine Ridge Wilderness and Soldier Creek Wilderness in the Nebraska National Forest.
SD-342

Environment and Public Works
Toxic Substances and Environmental Oversight Subcommittee
To resume oversight hearings on issues relating to groundwater protection.
SD-406

Judiciary
Business meeting, on pending calendar business.
SD-226

Labor and Human Resources
Education, Arts, and Humanities Subcommittee
To continue hearings on proposed legislation authorizing funds for fiscal year 1986 for the National Endowment of the Arts and the National Endowment for the Humanities.
SR-485

Joint Economic
Monetary and Fiscal Policy Subcommittee
To hold hearings on the war on poverty.
SD-138

11:30 a.m.
*Appropriations
District of Columbia Subcommittee
To resume hearings on proposed budget estimates for fiscal year 1986 for the government of the District of Columbia, focusing on the D.C. court system.
SD-192

2:00 p.m.
Foreign Relations
To hold hearings on the nominations of David G. Newton, of Virginia, to be Ambassador to the Republic of Iraq, Thomas R. Pickering, of New Jersey, to be Ambassador to Israel, and L. Craig Johnstone, of Washington, to be Ambassador to the Democratic and Popular Republic of Algeria.
SD-419

Governmental Affairs
Intergovernmental Relations Subcommittee
To hold hearings on S. 904, Water Research Foundation Act.
SD-342

Rules and Administration
Business meeting, to consider the nomination of Ralph E. Kennickell, Jr., of Virginia, to be Public Printer of the United States, and S. 43, to provide that each item of any general or special appropriation bill and any bill or joint resolution making supplemental, deficiency, or continuing appropriations that is agreed to by both Houses of the Congress in the same form shall be enrolled as a separate bill or joint resolution for presentation to the President.
S-128, Capitol

3:00 p.m.
Agriculture, Nutrition, and Forestry
Business meeting, to continue markup of S. 501 and S. 616, bills to expand export markets for United States agricultural commodities, provide price and income protection for farmers, assure consumers an abundance of food and fiber at reasonable prices,

and continue low-income food assistance programs, and related measure.
SR-328A

4:00 p.m.
Select on Intelligence
Closed briefing on intelligence matters.
SH-219

JUNE 21

9:15 a.m.
Finance
Energy and Agricultural Taxation Subcommittee
To hold hearings on the tax impact on national energy policy
SD-215

10:00 a.m.
Judiciary
To hold hearings on S. 397, to modify the application of the Sherman and Clayton Acts to international commerce.
SD-226

Joint Economic
To resume hearings on the impact of the international debt crisis on the U.S. economy.
2359 Rayburn Building

JUNE 24

9:30 a.m.
Finance
Taxation and Debt Management Subcommittee
To hold hearings on S. 203, to provide a one-time amnesty from criminal and civil tax penalties, as well as 50% of any interest penalty, for taxpayers who pay previous Federal tax underpayments during the amnesty period, and S. 205, to create a mechanism for taxpayers to designate $1 of any Federal tax overpayment for payment to the National Organ Transplant Trust Fund.
SD-215

Judiciary
Immigration and Refugee Policy Subcommittee
To resume hearings on S. 1200, to control unauthorized immigration into the United States.
SD-226

10:00 a.m.
Joint Economic
To resume hearings on the impact of the international debt crisis on the U.S. economy.
2359 Rayburn Building

2:00 p.m.
Finance
Social Security and Income Maintenance Programs Subcommittee
To hold oversight hearings on the implementation of the Adoption Assistance and Child Welfare Act (P.L. 96-272), and on proposals to modify the foster care and adoption assistance program.
SD-215

JUNE 25

9:00 a.m.
Energy and Natural Resources
Energy Research and Development Subcommittee
To hold hearings on S. 1225, to compensate the public for injuries or damages suffered in the event of an accident involving nuclear activities undertaken by the Nuclear Regulatory Commission licensees or Department of Energy contractors.
SD-366

9:30 a.m.
Commerce, Science, and Transportation
Consumer Subcommittee
To resume hearings on proposed amendments to S. 100, the Product Liability Act, to reform product liability law and provide an alternative to a traditional lawsuit for recovery of out-of-pocket expenses that result from product-related injuries.
SR-253

Finance
To resume hearings on the President's tax reform proposal.
SD-215

Governmental Affairs
Oversight of Government Management Subcommittee
To hold oversight hearings on the Department of Labor's enforcement of the Employee Retirement Income Security Act (ERISA).
SD-342

Labor and Human Resources
To hold oversight hearings to examine certain barriers to adoption.
SD-430

10:00 a.m.
Appropriations
Defense Subcommittee
To resume hearings on proposed budget estimates for fiscal year 1986 for the Department of Defense.
SD-192

Environment and Public Works
Business meeting, to consider pending calendar business.
SD-406

Foreign Relations
Business meeting, to consider pending calender business.
SD-419

2:00 p.m.
Finance
International Trade Subcommittee
To hold hearings to examine the enforcement of U.S. prohibitions on the importation of goods produced by convict labor.
SD-215

JUNE 26

9:30 a.m.
Commerce, Science, and Transportation
Aviation Subcommittee
To hold hearings on S. 1017, to provide for the transfer of the Metropolitan Washington Airports to an independent airport authority, and S. 1110, to provide for the award of grants to the Washington Metropolitan Airports for certain capital expenditures.
SR-253

Finance
To continue hearings on the President's tax reform proposal.
SD-215

Governmental Affairs
Oversight of Government Management Subcommittee
To continue hearings on the Department of Labor's enforcement of the Employee Retirement Income Security Act (ERISA).
SD-342

10:00 a.m.
Environment and Public Works
Nuclear Regulation Subcommittee
To hold hearings on S. 836, to revise licensing procedures for production and utilization facilities for nuclear material, and S. 16, to establish a National Academy for Nuclear Power Safety to provide training to civilian nuclear power plant personnel.
SD-406

Select on Indian Affairs
To hold hearings on S. 902, to establish federal standards for gaming activities on Indian lands.
SD-628

1:00 p.m.
*Governmental Affairs
Intergovernmental Relations Subcommittee
To hold hearings on proposed legislation to modify deductions for certain tax payments to State and local governments.
SD-342

JUNE 27

9:30 a.m.
Finance
To continue hearings on the President's tax reform proposal.
SD-215

10:00 a.m.
Commerce, Science, and Transportation
To hold hearings in conjunction with the National Ocean Policy Study on S. 1245, the Fishery Conservation and Management Act Amendments of 1985.
SR-253

Energy and Natural Resources
Public Lands, Reserved Water and Resource Conservation Subcommittee
To hold oversight hearings on recreation fees as authorized in the Land and Water Conservation Fund Act of 1965.
SD-366

Environment and Public Works
Nuclear Regulation Subcommittee
To continue hearings on S. 836, to revise licensing procedures for production and utilization facilities for nuclear material, and S. 16, to establish a National Academy for Nuclear Power Safety to provide training to civilian nuclear power plant personnel.
SD-406

Labor and Human Resources
Children, Family, Drugs, and Alcoholism Subcommittee
To hold hearings to examine the problem of drugs in the military.
SD-430

4:00 p.m.
Select on Intelligence
Closed briefing on intelligence matters.
SH-219

JULY 9

9:30 a.m.
Energy and Natural Resources
Natural Resources Development and Production Subcommittee
To hold oversight hearings on the impact on the coal industry of the Office of Surface Mining's proposed rulemaking to collect permit application fees.
SD-366

JULY 10

9:30 a.m.
Labor and Human Resources
To resume oversight hearings to examine certain barriers to adoption.
SD-430

10:00 a.m.
Environment and Public Works
Transportation Subcommittee
To hold hearings on proposed legislation authorizing funds for the Federal Aid Highway Program.
SD-406

JULY 11

10:00 a.m.
Environment and Public Works
Transportation Subcommittee
To continue hearings on proposed legislation authorizing funds for the Federal Aid Highway Program.
SD-406

JULY 12

9:30 a.m.
Energy and Natural Resources
Public Lands, Reserved Water and Resource Conservation Subcommittee
To hold hearings on S. 720, to establish a permanent boundary for the Acadia National Park in the State of Maine.
SD-366

10:00 a.m.
Environment and Public Works
To hold oversight hearings on the implementation of the Asbestos School Hazard Abatement Act (Title V of P.L. 98-377).
SD-406

JULY 15

9:30 a.m.
Finance
International Trade Subcommittee
To hold hearings on S. 680, to limit imports of textiles and textile products into the United States to a one percent growth rate for exporting countries
SD-215

10:00 a.m.
Environment and Public Works
Environmental Pollution Subcommittee
To resume oversight hearings on the implementation of section 404 of the Clean Water Act, relating to the wetlands dredge and fill permit program.
SD-406

2:00 p.m.
Environment and Public Works
Regional and Community Development Subcommittee
To hold hearings to review the programs and policies of the Tennessee Valley Authority.
SD-406

JULY 16

9:30 a.m.
Labor and Human Resources
To hold oversight hearings to examine U.S. relations with the International Labor Organization (I.L.O.).
SD-430

10:00 a.m.
Environment and Public Works
Regional and Community Development Subcommittee
To continue hearings to review the programs and policies of the Tennessee Valley Authority.
SD-406

JULY 17

9:00 a.m.
Labor and Human Resources
Business meeting, to consider pending calendar business.
SD-430

9:30 a.m.
Labor and Human Resources
To hold hearings on civil rights issues.
SD-430

10:00 a.m.
Environment and Public Works
Environmental Pollution Subcommittee
To resume oversight hearings to review Environmental Protection Agency regulations concerning ocean incineration of hazardous waste.
SD-406

JULY 18

10:00 a.m.
Environment and Public Works
Transportation Subcommittee
To resume hearings on proposed legislation authorizing funds for the Federal Aid Highway Program.
SD-406

JULY 22

2:00 p.m.
Environment and Public Works
Regional and Community Development Subcommittee
To resume hearings to review the programs and policies of the Tennessee Valley Authority
SD-406

JULY 23

10:00 a.m.
Environment and Public Works
Nuclear Regulation Subcommittee
To hold hearings on S. 445, to revise certain provisions regarding liability for nuclear incidents, and S. 1225, to compensate the public for injuries or damages suffered in the event of an accident involving nuclear activities undertaken by Nuclear Regulatory Commission licensees or Department of Energy contractors.
SD-406

JULY 25

9:30 a.m.
Labor and Human Resources
Labor Subcommittee
To hold oversight hearings on the impact of the Supreme Court's ruling in Garcia vs. San Antonio Metropolitan Transit Authority on the coverage of state and local government employees under the Fair Labor Standards Act.
SD-430

10:00 a.m.
Environment and Public Works
Nuclear Regulation Subcommittee
To resume hearings on S. 445, to revise certain provisions regarding liability for nuclear incidents, and S. 1225, to compensate the public for injuries or damages suffered in the event of an accident involving nuclear activities undertaken by Nuclear Regulatory Commission licensees or Department of Energy contractors.
SD-406

JULY 31

9:30 a.m.
Labor and Human Resources
To hold hearings to examine certain barriers to health care.
SD-430

10:00 a.m.
Environment and Public Works
Transportation Subcommittee
To resume hearings on proposed legislation authorizing funds for the Federal Aid Highway Program.
SD-406

OCTOBER 1

11:00 a.m.
Veterans' Affairs
To hold hearings to review the legislative priorities of the American Legion.
SD-106

CANCELLATIONS

JUNE 18

10:00 a.m.
Environment and Public Works
Business meeting, to consider pending calendar business.
SD-406

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Holocaust Memorial Council.
SD-192

Judiciary
Administrative Practice and Procedure Subcommittee
To hold hearings to review Department of Defense procurement fraud.
SD-226

JUNE 25

9:30 a.m.
Veterans' Affairs
Business meeting, to meet, to consider, proposed reconciliation legislation on the budget.
SD-418

SENATE—*Tuesday, June 18, 1985*

(Legislative day of Monday, June 3, 1985)

The Senate met at 11 a.m., on the expiration of the recess, and was called to order by the President pro tempore [Mr. THURMOND].

The PRESIDENT pro tempore. Our prayer this morning will be offered by the Reverend Dr. Edward L.R. Elson, the former Chaplain of the Senate. We are happy to have him with us.

PRAYER

The Reverend Edward L.R. Elson, S.T.D., former Chaplain, U.S. Senate, offered the following prayer:

God of our fathers and our God, who has watched over this Nation from generation to generation, look upon us in this painful hour of history, and breathe upon our inmost being the reality of Thy guiding presence. Put moral muscle in the fiber of our common life and arm us with the sinews of the spirit. Endow us with a deeper compassion, sympathy and tenderness. Release the captives. Heal the sick, comfort the sorrowing and give courage to those in danger.

Guide by Thy higher wisdom the President and all who serve in this Government that peace and justice may everywhere prevail. Now send us to our work, strong in spirit, alert in mind, warm in heart to do the right that needs assistance, against the wrong that needs resistance, to the future in the distance when the little kingdoms of this world are consummated in the kingdom whose builder and maker is God.

Hear all our prayers uttered or unexpressed and keep us by Thy grace. In Thy holy name we pray. Amen.

RECOGNITION OF THE ACTING MAJORITY LEADER

The PRESIDENT pro tempore. The distinguished acting majority leader is recognized.

Mr. RUDMAN. I thank the Chair.

SCHEDULE

Mr. RUDMAN. Mr. President, the majority leader is unavoidably detained in a meeting this morning. The two leaders under the standing order have their usual 10 minutes each, and I understand that the Senator from South Carolina [Mr. THURMOND] would like 5 minutes of leadership time, and the Senator from Mississippi [Mr. COCHRAN] would like 2 minutes of leadership time. That will follow the Democratic leader.

There is a special order in favor of the Senator from Wisconsin, [Mr. PROXMIRE] for not to exceed 15 minutes.

There will be a period for the transaction of routine morning business not to extend beyond the hour of 12 noon with statements therein limited to 5 minutes each.

The Senate, as usual, today will stand in recess between the hours of 12 noon and 2 p.m. for the party luncheons.

At 2 o'clock, the Senate will have 10 minutes of debate to be equally divided on amendment No. 348, the Bradley amendment, to S. 979, the Energy Policy and Conservation Act, which will be immediately followed by a vote. A rollcall vote is expected on final passage of S. 979.

Following the disposition of S. 979, it is the intention of the majority leader to begin consideration of S. 408, the Small Business Act, or S. 1103, dealing with NOAA.

It is also a possibility that the Senate will begin consideration of Calendar No. 3, S. 49, the gun bill.

Mr. President, I will reserve the remainder of my time.

Mr. President, I yield to my good friend, the Democratic leader.

RECOGNITION OF THE MINORITY LEADER

The PRESIDING OFFICER (Mr. MCCONNELL). The minority leader is recognized.

A COMPARISON OF THE SENATE-PASSED BUDGET TO THE BYRD CRANSTON-INOUYE-MATSUNAGA BUDGET AMENDMENT

Mr. BYRD. Mr. President, recently the Senate passed the first concurrent budget resolution.

At the time, I described some of the inadequacies in that budget and the detrimental effects I believe will result should it become the budget of the U.S. Government for 1986 and beyond.

One of the most disappointing facts about the acceptance of this budget was the fact that the Senate had been offered—but had rejected by near party-line votes—several important budget amendments that would have resulted in considerable improvement to the White House-Republican leadership budget. The day before—on May 8—I offered such an amendment. It was an amendment that had been carefully crafted in consultation with all Members of the Senate Democratic Conference, and one that sought to remedy the most glaring of the White House-Republican leadership budget's deficiencies.

I offered the amendment on behalf of myself, Mr. CRANSTON, Mr. INOUYE, and Mr. MATSUNAGA. The amendment offered the Senate a chance to first, reduce the deficit more than the final Republican budget; second, save the cost-of-living adjustment for Social Security and all other retirement and veterans programs; third, ensure that profitable corporations pay their fair share of income taxes; and fourth, cut less deeply into a number of Federal programs critical to assuring fairness and equity for all Americans, to enhancing our competitiveness with other industrialized nations, and to making essential investments necessary to continued progress in the future.

The Byrd-Cranston-Inouye-Matsunaga proposal would have reduced the deficit in fiscal year 1986 half-a-billion dollars more than the White House-Republican budget reduces it. Over the 3-year period 1986 through 1988, the Democratic leadership proposal would have reduced the deficit 7½ billion more—and would have provided a lower deficit in each of the 3 years.

By the end of fiscal year 1988, the budget as modified by the Byrd amendment would have yielded a deficit of $99.6 billion for that year while the budget passed by Senate Republicans left a deficit of over $104 billion in that same year. And, yet, the Byrd budget would have been fairer and much more nearly sufficient to meet America's needs.

I believe that the single most important difference between the Byrd-Democatic leadership budget and the White House-Republican leadership budget as passed is that the Byrd proposal provided full cost-of-living adjustments for Social Security—and all other retirement, veterans, and disability programs including the Black Lung Program—while the Republican budget eliminates those COLA's for a full 1-year period.

The Byrd amendment also called on the Finance Committee to obtain approximately $61 billion in deficit reduction from additional revenues. Even though budget resolutions cannot instruct the committee precisely how to do that, I made clear that, first, I would object strongly to any increases in personal income taxes; and, second, I favored gaining the bulk of this additional revenue by closing cor-

porate tax loopholes through establishment of a 20-percent corporate minimum tax and freezing the value of corporate tax deductions, credits, and exemptions.

The corporate minimum tax proposed in the Byrd budget package would apply only to profitable firms now paying little or nothing in income taxes, and so would not increase the burden for struggling or marginal firms. Scores of profitable corporations pay little or nothing in income taxes at the same time that average Americans are being asked to make substantial sacrifices in the name of deficit reduction. This isn't fair, and the amendment I offered was designed to remedy this unfairness.

I also indicated that some of the revenues called for in the Byrd-Cranston-Inouye-Matsunaga amendment could be achieved by extending the Federal tax on cigarettes now scheduled to expire at the end of this year, and by investing in strengthened tax compliance capacity for the Internal Revenue Service—so that those who now owe taxes would not be permitted to escape without paying what they owe.

In addition to these differences, the budget I offered would have restored cuts in a number of critical programs which are vital to our Nation's future. The White House-Republican leadership budget as passed eliminates urban development grants and export promotion loans; and makes deep cuts in funding for education, job training, basic science and research programs—including National Institutes of Health disease prevention and treatment research—mass transit, Amtrak, regional economic development programs—including the Appalachian Regional Commission—and agricultural programs.

The Byrd budget amendment would have provided sufficient resources for these programs to enable them to continue to meet the needs they now are meeting. These programs are important to our efforts to remain a world industrial and commercial leader, to preserve the jobs we now have and add to them, and to improve our quality of life. Cutting them back, as the White House-Republican leadership budget does, will exact a great toll in future years—a toll that our children and their children will pay.

Finally, the Byrd budget amendment rejected the Republican budget's increases in out-of-pocket health care costs to be exacted from Medicare beneficiaries, as well as its deep reductions in the Medicaid Program. Under the budget the Republicans passed, elderly and disabled Medicare beneficiaries will have to pay higher premiums for physicians and outpatient coverage, higher deductibles each year before that coverage will provide any protection, and they will have to make a substantial payment every time they receive a home health visit.

Our Democratic leadership budget proposal also cut foreign aid spending by $1.9 billion over 3 years—while protecting aid to Israel, Egypt, Greece, and Turkey.

For defense spending, the Byrd amendment provided for a 1-percent increase above inflation in fiscal year 1986 and 3 percent beyond inflation in each of both 1987 and 1988. The final Republican budget provides only an inflation adjustment in 1986 and the same 3 percent real growth in each of the subsequent 2 years.

I believe that the amendment I offered would have provided for a fairer and more workable spending plan for this Nation for the coming years. It also would have given our Nation a much greater likelihood of enhancing our competitiveness with other industrialized countries, and would have made important investments in America's future—shortchanged in the Republican-White House budget—by funding education and child nutrition programs, agriculture programs, and programs critical to meeting our cities' and national transportation needs.

Mr. President, I ask unanimous consent that I may reserve the balance of my time.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER OF PROCEDURE

Mr. RUDMAN. Mr. President, I now yield 5 minutes of the leadership time to the President pro tempore, the Senator from South Carolina, following which I would like to yield 2 minutes to the Senator from Mississippi [Mr. COCHRAN].

Mr. THURMOND. Mr. President, I wish to thank the able acting majority leader.

CLOSING OF TEXTILE MILLS

Mr. THURMOND. Mr. President, I rise again today to call to the attention of the Senate and the people of this country to the plight of the American textile industry. In my home State of South Carolina, mills continue to close and employees continue to lose their jobs.

I hold in my hand an article from the largest newspaper in South Carolina, the State. Its headline reads, "Bamberg Mill Shutting Down."

The article reads this way:

Bamberg Textile Mills is shutting down operations because of competition from imports, and a majority of its 300 workers have already been laid off.

Zandy Leaderman, chairman of the board of the mill's parent company, Rockland Industries of Baltimore, said the decision to close down the plant was made Wednesday.

He blamed the closing on "foreign imports and the cost of making goods here."

The plant is Bamberg's largest employer, said the mill's comptroller, D.R. Damon. He said 175 workers were laid off Thursday and another 125 will go within a month.

The mill's president, Richard Allen of Bamberg, could not be reached for comment Friday night.

Leaderman said the plant's closing would come "pretty quick."

"All we're doing is running out the goods on the looms now, and that won't take long," he said.

Damon said there was virtually no chance the plant would ever reopen, but the building and property would be made available to other industries.

He said there was little chance the laid-off employees could be transferred to other divisions of Rockland.

The company's other businesses in Bamberg—an industrial park and a finishing plant—will remain open Leaderman said.

Rockland operated the Bamberg mill for the past 17 years, and the mill previously had operated under various owners for at least 50 years, Leaderman said.

This article, illustrates what seems to be an almost daily occurrence through the United States.

Mr. President, the textile industry ranks second to the steel industry for purposes of national defense.

We have to have textiles to make uniforms, parachutes, and other items that are so important to the defense of this country. During times of war, we may not be able to get these textile products from overseas.

Mr. President, I hope the administration will see the light and recognize that we are endangering the economy and the future of this country by allowing these textile mills to close.

I hope the administration will also see the light and recognize that we are losing thousands and thousands of jobs.

I beg the administration to study this matter in depth. I have backed the administration and want to back it on everything I can, but the administration is making a terrible mistake by allowing the textile mills of this country to close and allowing imports to enter our country on an excessive basis.

Last year, nearly one-half of all the cloth used in this country was imported. We cannot allow this to continue if we are going to protect the economy and defense of this Nation.

Mr. COCHRAN addressed the Chair.

The PRESIDING OFFICER. The Senator from Mississippi.

AMERICAN HOSTAGES IN LEBANON

Mr. COCHRAN. Mr. President, I rise to commend the President, his Cabinet members, and staff who have been working to help secure the safe release of American citizens who are held hostage in Lebanon.

Our thoughts and prayers are with those hostages today. I know all Americans would like for them to know we

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will not abandon them and that every means available and appropriate will be used to gain their safe release.

I cannot help but add, Mr. President, my firm belief that we must also see to it that somebody is made to pay for this heinous and criminal act.

We must demonstrate through action, not just words, that we will use our military resources to protect American lives and retaliate against those responsible for such reprehensible actions.

I know the options available to us are not clearcut, or easy to evaluate, but we must not encourage, by our inaction, this kind of callous disregard for the lives of American citizens.

I think it is also important for us to review security measures on our overseas flights. One improvement I feel we should consider is the requirement that antihijacking personnel be stationed on American air carriers to help prevent such acts of terror on overseas flights in the future.

I yield the floor.

RECOGNITION OF SENATOR PROXMIRE

The PRESIDING OFFICER. Under the previous order, the Senator from Wisconsin [Mr. PROXMIRE] is recognized for not to exceed 15 minutes.

EXPOSING A MYTH A DAY

Mr. PROXMIRE. Mr. President, this Senator has great admiration and respect for the American media. That is why, for the life of me, I cannot understand how the critical and dramatically improved American press has permitted myths or clear and obvious contradictions of fact to be advanced usually by the administration. Because they have been unchallenged and because they have been advanced by the President of the United States or authoritative public officials speaking for him, they are generally believed by Americans. They should not be. They are untrue. I do not call these myths lies. A lie is a deliberate, calculated statement that is untrue. The liar knows it is untrue. In the case of these myths, the administration appears to sincerely believe what they say is true. They do not deliberately plan to deceive.

I am sure the media, in reporting what the President and other leading figures in the administration say, does not mean to extend and propagate the untruth. But they see their job as reporting the news. What the President says is always news. It should be news. So they report it. Occasionally, the myth is exposed as wrong. But this is rarely done. The President or some administration figure announces the myth. The newspapers and television and radio report it to every nook and cranny of the country. The myth is rarely denied. When it is denied, it is denied with far less visibility and audibility than its original assertion. So who is to doubt it? Gradually these myths have become an accepted part of American public opinion.

Over the next few days, I will briefly discuss on the floor of the Senate a myth a day.

The first myth is that the years since the Reagan administration have taken over have been years of progress in overcoming the country's oldest and most serious economic problem: unemployment. The fact is that in the years since the Reagan policies have developed enough to have an effect on unemployment, unemployment has been higher than at any time since the beginning of the U.S. participation in World War II, 43 years ago. Prior to 1982, there has been only 2 years since 1941 when unemployment in America exceeded 7 percent. Since 1982, Reagan policies have been accompanied by unemployment that has exceeded 7 percent in every single year. Unemployment seems likely to continue to do so during the remainder of the Reagan administration, especially in 1985 and 1986.

This is the No. 1 economic problem that most Americans feel and complain about—unemployment. People do not want a handout. They want a job. And yet we have had only 2 years until 1982, over the past 43 years, when unemployment exceeded 7 percent. In every year under President Reagan, this has been the case. It is a myth that it seems to me we have to explode, the notion that this administration has succeeded in an economic program that has gotten our No. 1 economic problem under control.

LET'S PUT THE STANDING CONSULTATIVE COMMISSION TO WORK ON ARMS CONTROL

Mr. PROXMIRE. Mr. President, yesterday I discussed the inherent problems of proportional response, and today I want to indicate how we can resolve some of these problems by making greater use of the Standing Consultative Commission.

The 1982 edition of Arms Control and Disarmament Agreements, published by the Arms Control and Disarmament Agency, made a statement that has fascinating implications for arms control. Just listen:

> Both the United States and the Soviet Union have raised a number of questions in the commission—the Standing Consultative Commission—relating to each side in compliance with the SALT I agreements. In each case raised by the United States, the Soviet activity in question has either ceased or additional information has allayed U.S. concern.

Why is this statement significant? Here is why: It means that at least one nuclear weapons agreement made between Russia and the United States has been for a period of time effectively disciplined. It means that thanks to the Standing Consultative Commission, SALT I, as of 1982, had probably been observed. But it means more.

It means we have in place an institution—the SCC—which has a record of giving both superpowers an opportunity to make a nuclear arms control agreement with the U.S.S.R. a reasonably reliable agreement. Mr. President, I stress opportunity. The SCC gives the superpowers a fighting chance to make nuclear arms control agreements work. Does the SCC assure us we can rely on Soviet compliance with SALT I or SALT II or the ABM treaty? Of course not. What does it do? It gives the President a chance to act constructively to save an arms control agreement when our intelligence service reports evidence that the U.S.S.R. may be violating the treaty. It gives the Soviets the same constructive opportunity. The Arms Control Agency report that the SCC worked to correct possible Soviet violations of SALT I or it worked to allay our suspicions.

What does that prove? It proves how useful the SCC can be if we use it aggressively. The SCC has jurisdiction with respect to SALT II. It also applies to the antiballistic missile treaties. In the case of both of these treaties the administration has alleged that the Soviets have been in violation. What has the administration done about these violations? The violations have allegedly occurred over the first 2 or 3 years. The SCC is required by agreement to meet at least twice a year. Since the Arms Control Agency in a public unclassified report was able to give Americans assurance in 1982 that the Soviets had satisfied our concerns as expressed in SCC meetings with respect to compliance with SALT I, why do we not have a report from the ACDA now on the U.S.S.R. compliance or lack thereof on the ABM treaty and SALT II? Instead of the kind of aggressive use of the SCC that worked in the past, we have an offhand assertion by the President that we may violate SALT II because compliance has been "rather onesided." Perhaps the President is right, but where is the evidence? Why does not the President or the ACDA tell us if the United States has or has not taken its case to the SCC?

If the administration has not done so precisely, what was the reason for the creation of the Standing Consultative Commission? Did they or did they not agree either to discontinue violations of the Soviet Union or to satisfy the United States that the U.S.S.R. was not in violation of the treaty? If the ACDA can make the report it made in 1982 in general terms specifying compliance or noncompliance by the Soviets without violating the con-

fidentiality agreement made in establishing the SCC, why can it not make a similar report in 1985?

Mr. President, the use of the SCC to verify or rebut charges of violations of nuclear arms control agreements is at this time crucial to the preservation of arms control. The survival of two of the five major nuclear arms control agreements between the United States and the U.S.S.R. hangs in the balance. Obviously, if the Soviet Union or the United States want to kill arms control, it is dead. But both countries will lose tragically if nuclear arms control dies. Both will suffer cruelly from the burden of a continued and accelerated arms race. Both countries will risk a sharp escalation in the prospect of a nuclear war that would utterly destroy the super powers. Either super power can kill arms control. Unless this administration makes full use of the opportunity to salvage these major treaties in the Standing Consultative Commission, the United States will bear a heavy share of guilt for the collapse of nuclear arms control.

WILFRID ISRAEL'S NOBLE LIFE

Mr. PROXMIRE. Mr. President, last week I spoke in this Chamber on two books that were reviewed in the April issue of Commentary magazine by Richard S. Levy.

Today, Mr. President, I would like to speak on the third book Mr. Levy reviews in that April issue. It is a book that brings to light the extraordinary bravery of Wilfrid Israel, a Jew who remained in Hitler's Germany until 1939 and who arranged the escape of many of his fellow Jews.

The book is "A Refuge From Darkness: Wilfrid Israel and the Rescue of the Jews," written by Naomi Shepherd. It describes the rescue of Jews as seen from the grassroots level.

It is a reminder to us, Mr. President, that even a tragedy of such incomprehensible proportions as the Holocaust was fashioned by individuals and that it was and still is up to individuals to stand up to such evil.

Let us examine the example of Wilfrid Israel. Israel took part in the famine relief in Russia in 1921 and witnessed human indifference to the deaths of millions.

When Hitler rose to power in Germany in 1933, Wilfrid Israel could easily have escaped since he was wealthy and possessed a British passport.

But Israel chose to remain until just before the war started in order to assist the weaker victims of Nazism. He used connections and bribery to arrange the escape of many Jewish children to Britain and Palestine. He even managed to accomplish the release of numerous individuals from concentration camps.

After arriving in Britain in 1939, Israel worked as a German expert for various agencies, trying to convince the British of the danger European Jews faced. He also concentrated on the problem of postwar relief and resettlement.

Sadly, returning from a mission to Jewish refugee camps in Spain and Portugal in 1943, Wilfrid Israel died when the Germans shot down the plane in which he was traveling.

Wilfrid Israel's noble life was filled with danger. But he showed extreme courage.

Mr. President, civilization does not face such extreme danger today, where a madman is trying to exterminate an entire race of people, as we did before and during World War II, with Hitler. Yet the threat that such a nightmare can occur again will always remain.

That is why we must have the courage to protect our liberty and stand up for basic human rights.

That is why we must be forever vigilant that a Holocaust never be repeated.

That is why we in this Chamber must ratify the Genocide Treaty.

Remembering the tragedy that engulfed the life of Wilfrid Israel, the Senate should underscore the determination of the United States to ensure that no people live in fear of the crime of genocide.

The Senate must ratify the Genocide Treaty, and it must do it quickly.

In the final days of the last session, we passed a resolution to take up the Genocide Treaty promptly this session, with only two negative votes. It has now been reported to us by the Foreign Affairs Committee for the sixth time, by a 10-to-1 vote. The treaty has enjoyed the support of every President since World War II.

To ratify the Genocide Treaty is to affirm our love of liberty.

To ratify the Genocide Treaty is to display the courage that is inbred in our political system.

To ratify the Genocide Treaty is to document our compassion for basic human rights.

Not to ratify this important treaty, Mr. President, is to shame the valor Wilfrid Israel and so many others like him showed during this nightmare in world history.

Mr. President, I yield the floor.

ROUTINE MORNING BUSINESS

The PRESIDING OFFICER. Under the previous order, there will now be a period for the transaction of routine morning business for not to extend beyond the hour of 12 noon, with statements therein limited to 5 minutes each.

MISTREATMENT OF JEWS IN SOVIET UNION

Mr. LONG. Mr. President, I rise today to denounce the treatment of Jews in the Soviet Union. In so doing I am honored to join a number of my colleagues as a participant in the 1985 Congressional Call to Conscience.

It is the obligation of those fortunate enough to live in a free society to remain aware of those who enjoy no such priviledge. It is incumbent upon us to speak out against the oppression which exists in those parts of the world where governments deny their citizens the most basic human rights.

We have recently embarked upon another round of arms negotiations with the Soviet Union. We fully recognize the existence of a goal we share with the Soviets—the avoidance of our mutual annihilation. Yet, that does not imply the preclusion of our duty to speak out against Soviet practices when those practices warrant criticism.

In the present case, we must not forget that the condition of Soviet Jews continues to deteriorate. Fewer Jews are now allowed to leave the Soviet Union than at any other time in the previous 10 years. Indeed, there is speculation that the Soviet authorities are considering the termination of all emigration. At the same time, there are reports that at no time since the reign of Stalin have there been more acts of official discrimination and repression directed at Soviet Jews.

Moscow observers cannot remember a recent period in which there have been so many unfounded political arrests of Jews. They range from teachers of Hebrew, sentenced to forced labor camps, to cultural activists, committed to psychiatric hospitals. Dissidents have been arrested on trumped up charges or simply accused of committing anti-Soviet slander.

The Soviet authorities deny these allegations. They counter that Jews occupy positions of importance within Soviet society as professionals and academics and that they are not mistreated. It is their position that the level of emigration has dropped because few Soviet Jews have a desire to emigrate and that many who have left are unhappy. They assert that those who apply to emigrate are not stigmatized.

But, Mr. President, I would like to tell you about Yuli Kosharovsky, a Soviet refusenik whom I have adopted. He and his family have been trying to emigrate to Israel from Moscow for 14 years.

Yuli is a 36-year-old radio electronics engineer. He first applied to emigrate from the Soviet Union in April 1971, but his application was refused one month later on the grounds of the "secrecy" of his previous work. In May 1980, Kosharovsky was advised that his period of "secrecy" had expired,

but that he would not be permitted to emigrate for a new reason—the absence of close relatives in Israel.

During the years that Kosharovsky has been compelled to live as a refusenik in the Soviet Union, he has been the target of relentless harassment and intimidation. Denied work in his chosen profession because of his desire to emigrate, Kosharovsky was then threatened with arrest in 1977 on a "parasitism" charge. He was placed under house arrest during President Nixon's visit to the Soviet Union and has imprisoned on charges of "hooliganism" and disturbing the public order. He was even led away from his home in chains on one occasion.

Mr. Kosharovsky and his family have endured more than a decade of suffering and hardship resulting from his desire to emigrate to Israel and his teaching of Hebrew. He and his family are part of a large and growing number of Jews across the Soviet Union who have regrettably concluded that there is no future for them in their country and who seek to establish new lives for themselves in the historic homeland of the Jewish people—Israel.

Americans from many walks of life have focussed their attention and efforts upon working for the repatriation of Kosharovsky and thousands of other Jewish refuseniks. I will continue my efforts on behalf of Kosharovsky until he and his family are allowed to emigrate to Israel. The Soviets must be made to realize how abhorrent the world finds their treatment of their own Jewish citizens. We implore the Soviet Union to recognize the universal right of emigration and to release those who are held in that country against their will.

TIMBER TAXES

Mr. HATFIELD. Mr. President, the administration's long-awaited tax reform proposal with its provisions on timber tax treatment reflects a serious misunderstanding about the nature of the forestry enterprise—an enterprise that is vital to the economic well-being of Oregon and other timber-producing States. On behalf of my colleagues, Senators MCCLURE and SYMMS of Idaho, and Senators, GORTON and EVANS of Washington, I would like to relate to my colleagues some of the unique requirements of timber management and the benefits they confer.

First and foremost, timber growing is an inherently risky, long-term enterprise. Money invested in a stand of trees that requires 60 years before harvest represents risk capital at work. That is why retaining capital gains treatment for timber is essential if we are to attract the capital investment necessary to replenish our forests.

Rural, forest-based economies across the country have depended greatly on the practice of sustained-yield forestry to assure the nation of a continuous crop of timber. And sustained-yield forestry was made possible by the passage of timber capital gains treatment legislation in 1944. Since that time, Mr. President, companies and individual woodland owners have responded to this wise policy by practicing sound forest management, rewarding the nation with magnificent forests for commodity and recreational use, and providing a livelihood for thousands of people.

In 1982 alone, the latest year for which statistics are available, more than half-a-million acres were reforested throughout the Western States. That enviable record typifies the postwar experience which has become one of the great conservation success stories of our ERA. The bygone days of cut-and-run forestry have been replaced by the practice of scientific forest management. Do we now want to jeopardize this admirable accomplishment by depriving forest land owners of the enlightened policies that have helped make it all possible?

In many regions of the country, Mr. President, forestry is the lifeblood of rural communities. Oregon has become virtually synonomous with timberland. In 1982, Oregon's forest industry employed more than 88,000 men and women—over a third of all manufacturing employees in my State. In addition to the 5.3 million acres of company timberlands, Oregon boasts more than 25,700 private individual woodland owners. These individuals face the same steep initial planting costs, the same long holding periods for their tree crops, and the same risks that the companies face. Without proper tax incentives to balance the extraordinary uncertainties of timber investment, I fear for the long-term prospects of Oregon's most important manufacturing enterprise.

The goal of tax reform is certainly an admirable one. We all want a simpler, more rational Tax Code. I have introduced a major reform package, simpliform, in every Congress since 1972. But as we debate this issue in the months ahead, I trust we will recognize our obligation to think about the consequences of our actions. It will be a Pyrrhic victory, Mr. President, if we inadvertently destroy an important industry for the sake of building a better Tax Code.

Mr. President, I ask unanimous consent that two short fact sheets developed by wood products experts be included in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

THE PRESIDENT'S TAX PROPOSAL—THE IMPACT ON TIMBER CAPITAL GAINS

The Administration's proposal would eliminate Section 631. Large numbers of timber owners would not be entitled to capital gains treatment at all, while other owners would still be entitled to capital gains treatment under the general rules applicable to owners of investment property. The result of such a change would return the industry to the incoherent state which existed prior to the enactment of Section 631 when timber owners were taxes differently.

In attempting to achieve tax "neutrality" among investment alternatives, timber investments—long-term in nature with large front-end capital outlays, accompanied by substantial risk (both physical and market)—are classic examples of risk capital at work. The economic theory behind the proposal assumes current law misallocates capital to some investments and that market price realignments will correct such misallocations—simply ignoring timber growing's extended time horizons.

The Administration's proposal, by repealing Section 631, would increase the rate of tax on timber appreciation—from a 20% rate to 35% for individuals and from a 28% rate to 33% for corporations. The repeal of Section 631 would be outright with no replacement provision or offset—basis indexing or depletion purposes would be prospective only, the economic effect of which would be miniscule.

The combination of factors in the President's proposal which impact timber would inevitably increase the cost of our timber resources. This has obvious implications for our ability to compete in both domestic and world markets. The forest products industry *was* an effective competitor in the international market place before exchange rates went awry and the industry intends to regain that posture when rates come back into balance. Increasing the domestic costs of timber resources clearly would delay the time when the industry can again become competitive, further damaging our balance of payments.

Elimination of capital gains on timber would be a monumental breach of faith with timber owners who have planted and maintained their forests over decades in anticipation of a rate of return predicated on lower tax rates. To encourage reforestation with a rate differential incentive and then to eliminate the differential prior to harvest would guarantee a substantial reduction in reforestation activities subsequent to the adoption of the President's proposal.

A significant tax rate differential (currently 18 percentage points for corporations and 30 points at the maximum rate for individuals) is necessary to attract capital to forestry. In 1984, the Department of Agriculture forecasted that in the long run, timber remains in critically short supply—a conclusion also reached by numerous private forecasts. The study concluded that new and incremental investment is needed to meet these shortages, investment which is difficult to achieve under even the current tax system.

The consequences of the President's tax proposal is failure to provide a risk capital incentive to timber would be as follows:

Marginal timberlands would simply not be regenerated and much less intensive forestry would be practiced on those lands that are reforested.

Because the rate of return at the time of harvest would be reduced, timber utilization from each acre would be less. The obvious consequences of lower utilization would be that more acres would be harvested to provide an equivalent flow of wood. This places significant pressure on both public and pri-

vate lands to make more acres available for harvest—an exact contradiction of the current social trend toward reserving acreage for multiple use or preservation.

The President's proposal, by virtue of lowering rates of return on the harvest or sale of timber, coupled with the raising of rates of return on other investments because of the decreased tax rates, will:

Encourage timber owners to redeploy the capital presently invested in timber to alternative investments by liquidating timber investments.

Further impede the badly needed future investments in timber.

THE PRESIDENT'S TAX PROPOSAL—CAPITALIZATION REQUIREMENTS FOR TIMBER OWNERS

NATURE OF THE PROPOSAL

The President's Proposal would impose on timber owners a requirement to capitalize virtually all management costs, property taxes and interest expense from the time timber is first planted until it is ultimately harvested or sold. This requirement would encourage timber owners to manage their forestry investments less intensively, liquidate existing timber investments even though sound forestry might dictate otherwise and provide a significant disincentive to future forestry investment.

The proposal would reduce the already low rate of return by approximately two percentage points for both individuals and corporations.

THE PROPOSED CAPITALIZATION RULES

Under current law, timber owners are required to capitalize all direct costs of planting and establishing a stand of timber. Under general principles of tax law applicable to all taxpayers, all other costs of managing and protecting a forestry investment are deductible. Similarly, property taxes and interest expense are deductible for timber owners as they are for all other taxpayers.

The President's tax reform proposal would require these costs to be capitalized annually and be deducted through depletion at the time the timber is ultimately sold or harvested. The costs to be capitalized for all timber owners would include fire, disease, and insect control expenses; management expenses; and property taxes. Interest expense of any timber owner would generally be deemed first to be incurred for the carrying of the timber investment and would have to be capitalized. The amount capitalized would be the interest on the amount of debt up to the basis of the timber. This proposal assumes that, irrespective of the underlying purpose for which debt is incurred, if a timber investment were liquidated, such debt could be liquidated. For example, if a timber owner is also a farmer and borrows money to buy a new tractor, the amount of this borrowing would be considered incurred to carry the owner's timber investment.

The proposal is based on the concept that because a timber investment involves a substantial period of time over which the income is to be realized, these costs should be capitalized and recovered at the time of disposal.

The proposal assumes that this treatment:

Better matches revenue and expense. (Neither the financial statements of all companies within the industry audited by various public accountants nor the AICPA have reached the same conclusion—this is a new and unsubstantiated interpretation.)

Eliminates abusive tax shelters in the "natural deferral" industries. (Under current law, timber investments are treated the same as all other investments; in fact, few, if any, tax shelters involving timber have ever existed.)

EFFECT OF THE PROPOSAL

This proposal, if enacted, would create a serious impediment to forestry investment and the practice of sound forestry. Timber would be treated differentially from virtually all other forms of investment with a requirement that management, protection, property tax and interest expenses be capitalized. Such treatment obviously raises the after-tax cost of such expenditures, reducing the rate of return on timber investments, and significantly limiting the amount of capital available to timber growing.

TERRORISTS' DEMANDS MUST BE REJECTED

Mr. LONG. Mr. President, the hijacking of TWA flight 847 is just one more example of what will continue to happen to us if we yield to the demands of terrorism.

If we give in to terrorists, it will only lead to more of the same. Therefore, the only way to deal with this situation is to fix the responsibility and punish those responsible.

We should tell these people that their demands are being rejected and we will make them pay a steep price for what they have already done, as well as any further outrages.

I hope and pray that no more hostages will be harmed. But even if our actions cost American lives today, failure to act swiftly with force will undoubtedly cost us hundreds, even thousands of lives in the years to come.

I have communicated my feelings to the White House and hope that the President knows that this is his opportunity to prove he is a strong leader, and that he will not allow our country to once again be humiliated on the world stage by thugs who kill innocent people in the name of their religion, or their distorted view of our situation.

THREATENED VETO OF FISCAL 1985 SUPPLEMENTAL

Mr. HATFIELD. Mr. President, this morning's newspaper carried stories of a threatened veto of H.R. 2577, the fiscal year 1985 supplemental appropriation bill. I must say I was somewhat taken aback by those accounts. First of all, I find it unusual to have such threats prior to Senate action. Usually Mr. Stockman holds his fire until after the Senate has worked its will, and, indeed the official statement of administration policy of today's date makes not mention of any veto.

Be that as it may, I am particularly disappointed that the OMB Director, that untiring warrior against the Federal deficit, is threatening veto of a bill that is below the President's request.

The bill reported from the Appropriations Committee last Thursday provides a total of $13.468 billion. The President's request, including the request for $250 million for economic assistance to Jordan that was transmitted to the Congress during our markup, amounts to a total of $13.885 billion. So the measure reported to the Senate by the Appropriations Committee is more than $400 million below the President's request. I would submit that the committee is doing a better job on the deficit than the OMB Director.

Mr. President, the OMB Director apparently wants to make this an issue of funding for water projects. But the 25 water projects he has so vehemently attacked are only provided $63 million in the bill reported by the committee. There is much, much more of importance to the President and the Members of this Senate. The bill would provide $3.9 billion for reimbursement of net realized losses of the Commodity Credit Corporation, $3.5 billion for payments to the Social Security trust funds, $2 billion for foreign aid to Israel and Egypt, $38 million for humanitarian assistance to Nicaragua, $720 million for guaranteed student loans, $318 million for food stamps, $175 million for veterans compensation and pensions, $72 million for an enhanced drug enforcement initiative, and $1.3 billion in pay costs, among other items. All of these appropriations were requested by the administration. I would like to point out that the aid package for Israel and Egypt alone exceeds the entire construction cost of all 25 water projects. Additional bill highlights and details are contained in Senate Report 99-82, which has been available since Friday morning.

In addition to all these important matters, the committee has recommended to the Senate a package of 25 water projects and the first-year funding required. Given the rather distorted presentation in this morning's papers, I would like to give a little background on this proposal. I will have more to say on this subject in a special order speech tomorrow.

The last major water project construction authorization bill was signed into law in December 1970. Water needs and congressional pressure have intensified over 14 years of delay and inaction. Since 1980, the Corps of Engineers has started construction on only 2 new projects while completing construction on about 95. The actual construction appropriation has been reduced from $1.6 billion in 1980 to $864 million in 1985.

The bill reported by the committee includes $63.1 million for 25 new projects, 22 corps and 3 Bureau projects. These are the same projects that passed the Senate last October on

the continuing resolution. The committee version includes a cost-sharing provision. The provision would fence the appropriations until cost-sharing agreements "under terms and conditions" acceptable to the administration are reached.

The cost-sharing provision prohibits spending on any projects until the corps or Bureau sign binding cost-sharing agreements with the local sponsors and these agreements are sent to Congress for review. The committee recommended the cost-sharing language hoping to spark a major breakthrough in the long-stalled water project debate. Environmental groups have called the fencing language a very significant step toward resolving the project funding policy issue.

The administration has requested 32 new projects, 29 corps and 3 bureau projects, 6 of which are not authorized, in their budget. The administration does not have binding agreements for cost-sharing on any of these projects. At best, the local sponsors have indicated an interest in cost-sharing through informal letters of intent. The total Federal cost of the 25 projects in the Senate supplemental over the construction period, 7 to 10 years, would be $1.4 billion with the administration's cost sharing. The total cost of the administration's 32 projects is $1.4 billion.

Mr. President, I ask unanimous consent that a table summarizing the committee's recommendation, the House position, and the administration request be printed in the RECORD at this point.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

NEW WATER PROJECTS

[In millions of dollars]

	Author-ized	Project cost	Federal cost		Committee recommendation
			Current policy	Administration proposal	
CORPS OF ENGINEERS					
Alabama: Mobile Harbor	N	278.4	268.6	34.9	0.5
Arkansas: Eight Mile Creek	N	14.6	14.5	9.5	.3
California:					
(A) Merced County streams.	Y	111.0	83.4	72.2	3.0
(A) Sacramento deep water ship channel.	N	106.6	87.3	43.5	1.0
Florida: Dade County	N	8.3	4.1	4.1	1.0
Hawaii: (A) Kahoma stream.	Y	23.9	17.8	15.5	2.0
Illinois: Lock and dam 26 (2d lock).	N	220.0	220.0	60.0	2.0
Louisiana:					
Atchafalaya Basin Floodway.	N	250.0	195.0	0	.5
Mississippi River Ship Channel.	N	452.0	241.7	66.0	1.2
Maine: Jonesport Harbor	Y	9.2	9.2	2.8	1.0
Maryland: Baltimore Harbor	Y	355.0	293.2	89.0	8.0
Minnesota: (A) Bassett Creek.	Y	37.4	24.3	24.3	1.5
Mississippi: Gulfport Harbor	N	41.3	41.1	12.4	1.0
New Jersey: Liberty State Park Seawall.	Y	34.9	21.3	17.5	3.0
New York:					
(A) Ellicott Creek	Y	22.9	13.8	13.8	1.0
Moriches Inlet	Y	5.0	2.7	1.5	1.0
Ohio: (A) Gallipolis lock and dam.	N	370.0	370.0	111.0	1.8

NEW WATER PROJECTS—Continued

[In millions of dollars]

	Author-ized	Project cost	Federal cost		Committee recommendation
			Current policy	Administration proposal	
Oregon: Bonneville lock and dam.	N	191.0	191.0	57.3	6.0
Texas: (A) Freeport Harbor.	Y	26.6	25.1	8.0	2.0
Utah: (A) Little Dell Lake	Y	107.9	105.0	53.3	2.0
Virginia:					
Norfolk Harbor	N	525.6	467.7	16.1	8.0
Richmond Filtration	Y	11.4	10.3	7.4	1.0
Subtotal, Corps of Engineers.		3,208.1	2,709.7	721.3	48.8
BUREAU OF RECLAMATION					
Arizona: (A) Headgate Rock.	Y	58.1	58.1	58.1	8.3
Colorado/New Mexico: Animas-La Plata.	Y	589.2	543.1	543.1	1.0
Wyoming: (A) Buffalo Bill Dam.	Y	117.7	70.7	70.7	5.0
Subtotal, Bureau of Reclamation.		765.0	671.9	671.9	14.3
Grand total		3,968.0	3,379.0	1,392.0	63.1

Summary comparison with House action—House: 35 projects; $1.2 billion total Federal cost; $71.9 million new appropriation; 25 projects requested by the administration. Senate: 25 projects; $1.4 billion total Federal cost with cost sharing; 11 unauthorized projects which would be authorized; $63.1 million new appropriation; 10 projects requested by the administration. Administration: 32 projects; $1.4 billion total Federal cost with cost sharing; 6 unauthorized projects; $55.8 million new appropriation.

Mr. PROXMIRE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. DOLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

SCHEDULE

Mr. DOLE. Mr. President, I thought it might be helpful to my colleagues and others who have an interest in legislation to recap what we hope to do for the balance of this week.

As has been previously announced, there will be the customary Tuesday recess from 12 o'clock to 2 o'clock so that members of each party can have their policy luncheons. Then we will reconvene at 2 o'clock and begin voting, after 10 minutes of debate, on the Bradley amendment to S. 979, EPCA, the Energy Policy Conservation Act. Following the vote on the Bradley amendment, the Senate will vote on final passage of the bill. I am not certain whether there will be a rollcall on final passage.

Following disposition of that bill, it is my intention to turn to S. 408, the Small Business Administration Authorization Act. If we do that, we can expect votes on that bill. I hope it could be disposed of at an early hour this evening.

I would also hope that in the process we can dispose of a couple of the Commerce Committee bills that we believe are noncontroversial. Maybe we could do that in the wrapup this evening.

It would then be the intention of the majority leader to lay down S. 49, the McClure-Volkmer gun bill. Then on Wednesday, the gun bill, if pending, and also possibly to begin consideration of H.R. 2577, the supplemental appropriations bill, although I would indicate again that there is some difference of opinion there between the White House and the Appropriations Committee. The White House has indicated, unless there is some agreement worked out on the water projects, unless there is some reform included in the supplemental, then the President would perhaps veto the supplemental appropriations bill. I am not so certain I want to spend 3 or 4 days on something that we are certain is going to be vetoed. There ought to be other ways to occupy our time. But there may be some way to resolve that difference of opinion between the committee and the President's representatives. We will be meeting on that later today.

In reference to S. 49, there is a possibility of some time agreement being worked out. It is not accomplished yet. If not, we will probably be on that bill on Wednesday, Thursday, and Friday, and/or the supplemental appropriations bill on Wednesday, Thursday, or Friday.

On Friday, we hopefully will be able to complete business somewhere between 3:30 and 4 o'clock in the afternoon.

Next week, of course, will be a busy week, because there is the July Fourth recess that starts on the 28th. I hope during that week we can bring up the imputed interest bill. Again, I would indicate that is the first tax bill to hit the Senate floor this year. There is always a desire by Members to put on little amendments. If that is the case, we will not bring up imputed interest next week or the next week or the next week or the next week. So I hope all those Members who feel compelled to offer tax amendments will just wait until we get to the big tax reform proposal, which is moving, at least there are hearings being held, and maybe will consider later this year.

If we can reach some time agreement on the imputed interest bill and some understanding as far as amendments, I think it is a matter that should be addressed before the recess. We have conveyed this information to the chairman of the Finance Committee, Senator PACKWOOD.

If we do all those things, and I believe we will obviously be looking at the Executive Calendar and other noncontroversial measures that we can dispose of in the process, then we would be able to recess on Thursday or Friday of next week with a fairly clean calendar and we would come back after the July Fourth recess prepared to take up other business, the South

Africa apartheid bill, perhaps. There are a number of additional measures that are pending which we might also take up.

So I would just indicate to my colleagues that we will have votes today, undoubtedly have votes tomorrow, Thursday, and Friday, and we hope to complete action in the Senate by 3:30 or 4 o'clock.

RECESS UNTIL 2 P.M.

The PRESIDING OFFICER. Under the previous order, the hour of 12 noon having arrived, the Senate will now stand in recess until the hour of 2 p.m.

Thereupon, the Senate, at 11:59 a.m., recessed until 2 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer [Mr. EVANS].

ENERGY POLICY AND CONSERVATION AMENDMENTS ACT OF 1985

The PRESIDING OFFICER. Under the previous order, the hour of 2 p.m. having arrived, the Senate will resume consideration of S. 979, which the clerk will state.

The assistant legislative clerk read as follows:

A bill (S. 979) to extend the expiration date of titles I and II of the Energy Policy and Conservation Act, and for other purposes.

The Senate resumed consideration of the bill.

Pending:

Bradley Amendment No. 348, to require the President to prepare and implement a program of emergency block grants to States to enable them to deal with the effects of suddenly higher oil prices during an oil emergency.

The PRESIDING OFFICER. The Senator from New Jersey.

AMENDMENT NO. 348

Mr. BRADLEY. Mr. President, this issue is not complicated, but it is enormously important. If there were a disruption in oil supplies from the gulf today, we as a nation have no response, none. The amendment that I am offering simply authorizes standby emergency block grants to States during an oil supply disruption. It is a modest attempt to do something for those segments of America which cannot quickly adapt to suddenly higher prices for gasoline, heating oil, and food. Those segments include poor people, State and local governments trying to maintain essential public services, such as police, fire, and ambulance, and poor farmers who must pay the higher fuel prices for their farm vehicles.

Mr. President, this is important to understand. If there is a disruption, the price of oil will skyrocket. The present Low-Income Assistance Program is based on what poor people pay for heating and cooling. It says nothing about gasoline. It essentially gives no relief to the poor people who live west of the Mississippi.

Mr. President, in past oil supply disruptions, we had legislation for price controls. There is no legislation for price controls today on the books. Unlike in the past, and I would like to underline this, the choice before us today is between standby block grants and nothing—nothing. No response. No response to the panic, to the chaos, to the rush to the gas stations, to the suffering caused by higher oil prices that will accompany the next oil supply disruption.

Mr. President, the amendment before us today was passed in the Energy Committee last year by a vote of 9 to 8. Unlike amendments similar to this in 1981, this amendment is different. This program is discretionary, not mandatory. Unlike price control authority, which the President has vetoed, this program has not drawn a veto threat.

The Congress would be in full control of the size of the Block Grant Program and the allocation.

Mr. President, if there is an oil supply disruption, the Federal Government will get more money. It will get more money because of the increased revenues that will automatically flow from the windfall profits tax. It will get more money because we will auction oil in the strategic petroleum reserve.

This amendment simply says take that money, this additional revenue that comes from the events of an oil supply disruption, and return it to Governors so that they can cope with the economic circumstances in their State, so that they can make sure that poor people and essential industries have the means to pay the higher oil prices.

Mr. President, this is our last chance to prepare for the next supply disruption. The next time we take it up we will be in the middle of a crisis. The time to authorize is now. The time to prepare for the next emergency is now.

When the disruption comes, all of you will be asked, why are we not prepared for this? Why did we not do something? Why are we not prepared?

Mr. President, the distinguished chairman says this Financial Assistance Program is not perfect. But it is better than nothing. What will you say when you are asked during the next oil supply emergency, what did you do to prepare? If you vote against this amendment, you will say, "Nothing."

I think that is an inappropriate response for the U.S. Senate.

Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The Senator from Idaho.

Mr. McCLURE. Mr. President, I rise in opposition to the amendment. It is not that I disagree with the Senator from New Jersey as to whether or not we ought to have some emergency response mechanism and some planning. It is just that it seems to me this is the least appropriate way to do it.

We have tried before, as I said yesterday, to pass standby emergency petroleum allocation authority. Such a bill did pass the Senate and the House, but it was, unfortunately, vetoed by the President of the United States because he did not wish to have that authority.

The Senate and the House did not have enough votes to override that veto, so the veto stood, and I suspect will stay in that regard.

At the time we debated that bill on the floor, the Senator from New Jersey raised the issue being discussed here today, as he had in the committee earlier, with respect to revenue recycling as an alternative to the allocation of oil supplies. The theory was simply that we had not done well in the allocation of petroleum supplies; that we should let the market do that; let the price run up wherever the price would run; then make sure the people have enough money to buy the high-priced supplies.

The Senator did not say as loudly today as he did yesterday with respect to businesses as he has with respect to individuals, but the amendment also includes a recycling of revenues to businesses so that they can buy the high-priced petroleum.

This proposal is all premised upon the assumption that somehow this is not going to cost anything because we can sell strategic petroleum reserve oil for enough to provide the money to give to the Governors to do the good things that we want done; not exactly how the Governors would do it, but at least provide them with some money if Congress at that time acts.

Mr. President, I do not mean to belabor, it, but I think the Government, who obviously does not do a very good job at allocating petroleum supplies in the event of an emergency, is not going to do any better in making the allocation of money in the event of an emergency.

Although admittedly the Federal Government has a lot more experience in handing out money than they do in the allocation of petroleum, I would submit that the record is not good. But in this instance it is one step removed from that because without any guidelines, without any instructions, and with precious little direction at

all. We would simply write out 50 checks to 50 State Governors and say, "Now, you go do it."

That, I submit, is not a good practice for us to be involved in. I hope the Senate will reject the amendment.

I have talked to the Senator from New Jersey, and I know of this utter good faith in this matter. Because of his utter good faith in this matter, I will not make a motion to table. I do, however, hope that in the vote that has been called for, the Senate will be prepared to reject the amendment.

Mr. BRADLEY. Mr. President, how much time have I remaining?

The PRESIDING OFFICER. One minute.

Mr. BRADLEY. If I could, I would like to make one final statement.

I agree with the chairman, the Federal Government does not do a good job of allocating oil. This amendment would have the Federal Government send 50 checks—that is it, 50 checks—to State Governors to allow them to cope with the higher prices of oil caused by an oil supply disruption. They would be aimed at essential businesses and the low-income families.

Mr. CHAFEE. Mr. President, I am pleased to support emergency financial response amendment No. 348, introduced by Senator BRADLEY. This amendment to the Energy Policy and Conservation Amendments Act of 1985 provides emergency block grants to State Governors in the event of an oil supply disruption.

Now is the time to prepare for future energy crises. The strategic petroleum reserve is the first component of a strategy to deal with oil supply disruptions. The second component should be a mechanism to provide emergency financial assistance in the event of a crisis. The proposed standby block plan established in this amendment can help to mitigate extreme personal hardship, maintain essential public services, and maintain economic efficiency.

A severe disruption in oil supplies will inevitably result in rising oil prices. In the face of a rapid price increase, the existing Low-Income Energy Assistance Program will not provide adequate protection. Without this amendment, there will be no additional revenues available to help low-income Americans pay the increased price of oil.

In the event of an oil supply disruption, this amendment allows the Governors of each State to submit a standby block grant plan. The Governors are provided some flexibility in determining the funding required as well as the recipients of the assistance. Thus, Governors are given the means to address their own unique circumstances. These plans will receive Presidential as well as congressional review.

The amount of financial assistance will depend on the severity of the crisis. The revenues would come from the general fund and would likely be offset by additional revenues resulting from the disruption: Increased revenues from windfall profits taxes along with revenues from the sale of SPR oil. The funding would be approved in Congress in an emergency supplemental appropriation.

Let us take steps now, rather than in the midst of a crisis, to assure that assistance will be available for low-income Americans and emergency governmental services. I hope the Senate will give this amendment favorable consideration.

Mr. McCLURE. Mr. President, it seems to me that if a block grant is to be successful, if we were to go in that direction, we would have to have more specific guidance than the criteria set forth in this proposal. What is meant by essential public services? How do you make that decision? Who makes it? What is meant by mitigating and extreme personal hardship?

How do you define what that is and how do you decide who gets money under this proposal?

What is meant by maintaining economic efficiency?

Which businesses are so important that economic efficiency will yield multimillion-dollar payments to businesses out of this fund to be administered by governments?

It seems to me that we have neither the background nor the detail upon which to make those judgments. I therefore hope the Senate will reject the amendment.

I yield back the remainder of my time.

Mr. BRADLEY. Mr. President, I ask unanimous consent that Senator DODD, Senator HEINZ, and Senator BINGAMAN be added as cosponsors.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BRADLEY. I yield back the remainder of my time.

The PRESIDING OFFICER. All time having been yielded back, the question is on agreeing to the amendment. The yeas and nays have been ordered. The clerk will call the roll.

Mr. McCLURE. Mr. President, before the vote begins, let me advise Members there will probably be a rollcall vote on passage immediately following this vote.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. CRANSTON. I announce that the Senator from Oklahoma [Mr. BOREN] is necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 44, nays 55, as follows:

[Rollcall Vote No. 127 Leg.]

YEAS—44

Bentsen	Eagleton	Melcher
Biden	Exon	Metzenbaum
Bingaman	Gore	Mitchell
Bradley	Harkin	Moynihan
Bumpers	Hart	Nunn
Burdick	Hatfield	Pell
Byrd	Heinz	Pryor
Chafee	Inouye	Riegle
Chiles	Kennedy	Rockefeller
Cohen	Kerry	Sarbanes
Cranston	Lautenberg	Sasser
D'Amato	Leahy	Simon
Danforth	Levin	Specter
DeConcini	Mathias	Weicker
Dodd	Matsunaga	

NAYS—55

Abdnor	Grassley	Packwood
Andrews	Hatch	Pressler
Armstrong	Hawkins	Proxmire
Baucus	Hecht	Quayle
Boschwitz	Heflin	Roth
Cochran	Helms	Rudman
Denton	Hollings	Simpson
Dixon	Humphrey	Stafford
Dole	Johnston	Stennis
Domenici	Kassebaum	Stevens
Durenberger	Kasten	Symms
East	Laxalt	Thurmond
Evans	Long	Trible
Ford	Lugar	Wallop
Garn	Mattingly	Warner
Glenn	McClure	Wilson
Goldwater	McConnell	Zorinsky
Gorton	Murkowski	
Gramm	Nickles	

NOT VOTING—1

Boren

So the amendment (No. 348) was rejected.

Mr. McCLURE. Mr. President, I move to reconsider the vote by which the amendment was rejected.

Mr. HATCH. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. BINGAMAN. Mr. President, I am pleased to cosponsor the Energy Policy and Conservation Amendments Act of 1985. The passage of this act is essential to the U.S. capability to respond domestically and internationally to a severe supply disruption. This bill will extend the expiration date of title I from June 30, 1985, to June 30, 1989. Title I authorizes the construction, filling and maintenance of the strategic petroleum reserve [SPR] and its drawdown and distribution.

The strategic petroleum reserve is the key element in the U.S. capability to respond to domestic and international energy supply emergencies. The reserve gives our Nation substantial insurance against the possibility of a severe energy supply interruption.

This legislation also extends from June 30, 1985, to June 30, 1987, the expiration date of title II, which contains the basic statutory authority for U.S. participation in the International Energy Agency. Effective U.S. participation in the International Energy Agency assures mutual preparedness in the event of a severe international supply interruption. The IEA provisions are essential for responding to energy emergencies and meeting our

obligations under the international energy agreement.

Energy emergency preparedness requires continuing upgrading and improvement. Our country's energy emergency preparedness relies on titles I and II of the Energy Policy and Conservation Act. Without these fundamental authorities the evolutionary process for upgrading and improving our national capability to respond to severe energy supply interruptions would be nonexistent.

International economies are interdependent, and most of our trading parties are more vulnerable to supply disruptions than we are. A major crisis in international energy markets, although unlikely in the foreseeable future, would be felt here as well as abroad. A lapse in EPCA would convey the impression internationally that the United States is not serious about energy security. This would be a serious mistake.

We are less dependent today on foreign sources of energy than at any time in our recent past. However, we cannot become complacent and forget the hard lessons of the energy crisis of the seventies. In its Annual Energy Outlook 1984, the Energy Information Administration projects that under almost any scenario, petroleum imports will double by 1995. This means we will be importing approximately the same percentage of oil as we did during the height of the energy crisis, making us just as vulnerable to a potential disruption. We must take action now to deflect this future threat.

EPCA is vital to our energy security and to our ability to fulfill our international commitments in the energy sphere. If we do not extend the provisions of EPCA we will undermine confidence in our commitment to energy security, both at home and abroad. I urge my colleagues to support its extension.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment in the nature of a substitute, as amended.

The committee amendment in the nature of a substitute, as amended, was agreed to.

Mr. McCLURE. Mr. President, I ask for the yeas and nays on final passage.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading and was read the third time.

Mr. McCLURE. Mr. President, I believe that under the unanimous-consent agreement, we were to strike all after the enacting clause of H.R. 1699 and to substitute the text of S. 979, as amended.

The PRESIDING OFFICER. The Senator is correct.

The House bill will be stated by title.

The assistant legislative clerk read as follows:

A bill (H.R. 1699) to extend title I and part B of title II of the Energy Policy and Conservation Act, and for other purposes.

The PRESIDING OFFICER. Without objection, the Senate will proceed to the consideration of the bill.

Without objection, all after the enacting clause is stricken.

Mr. McCLURE. Mr. President, I ask unanimous consent that the order for the yeas and nays be considered to apply to the House bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

The question is on the engrossment of the amendment and the third reading of the bill.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall it pass?

On this question the yeas and nays have been ordered, and the clerk will call the roll.

The bill clerk called the roll.

Mr. CRANSTON. I announce that the Senator from Oklahoma [Mr. BOREN] is necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 98, nays 1, as follows:

[Rollcall Vote No. 128 Leg.]

YEAS—98

Abdnor	Gore	Metzenbaum
Andrews	Gorton	Mitchell
Armstrong	Gramm	Moynihan
Baucus	Grassley	Murkowski
Bentsen	Harkin	Nickles
Biden	Hart	Nunn
Bingaman	Hatch	Packwood
Boschwitz	Hatfield	Pell
Bumpers	Hawkins	Pressler
Burdick	Hecht	Proxmire
Byrd	Heflin	Pryor
Chafee	Heinz	Quayle
Chiles	Helms	Riegle
Cochran	Hollings	Rockefeller
Cohen	Humphrey	Roth
Cranston	Inouye	Rudman
D'Amato	Johnston	Sarbanes
Danforth	Kassebaum	Sasser
DeConcini	Kasten	Simon
Denton	Kennedy	Simpson
Dixon	Kerry	Specter
Dodd	Lautenberg	Stafford
Dole	Laxalt	Stennis
Domenici	Leahy	Stevens
Durenberger	Levin	Symms
Eagleton	Long	Thurmond
East	Lugar	Trible
Evans	Mathias	Wallop
Exon	Matsunaga	Warner
Ford	Mattingly	Weicker
Garn	McClure	Wilson
Glenn	McConnell	Zorinsky
Goldwater	Melcher	

NAYS—1

Bradley

NOT VOTING—1

Boren

So the bill (H.R. 1699) as amended was passed, as follows:

H.R. 1699

Resolved, That the bill from the House of Representatives (H.R. 1699) entitled "An Act to extend title I and part B of title II of the Energy Policy and Conservation Act, and for other purposes", do pass with the following amendment:

Strike out all after the enacting clause and insert:

TITLE I—ENERGY POLICY AND CONSERVATION

SEC. 101. SHORT TITLE.

This title may cited as the "Energy Policy and Conservation Amendments Act of 1985".

SEC. 102. EXTENSION OF TITLES I AND II OF THE ENERGY POLICY AND CONSERVATION ACT.

Title I of the Energy Policy and Conservation Act is amended by adding at the end thereof the following new part:

"PART C—EXPIRATION

"EXPIRATION

"SEC. 171. Except as otherwise provided in title I, all authority under any provision of title I (other than a provision of such title amending another law) and any rule, regulation, or order, issued pursuant to such authority, shall expire at midnight, June 30, 1989, but such expiration shall not affect any action or pending proceedings, civil or criminal, not finally determined on such date, nor any action or proceeding based on any act committed prior to midnight, June 30, 1989.".

SEC. 103. EXTENSION OF TITLE II OF THE ENERGY POLICY AND CONSERVATION ACT.

Title II of the Energy Policy and Conservation Act is amended by adding at the end thereof the following new part:

"PART D—EXPIRATION

"EXPIRATION

"SEC. 281. All authority under any provision of title II (other than a provision of such title amending another law) and any rule, regulation, or order issued pursuant to such authority, shall expire at midnight, June 30, 1987, but such expiration shall not affect any action or pending proceedings, civil or criminal, not finally determined on such date, nor any action or proceeding based upon any act committed prior to midnight, June 30, 1987.".

SEC. 104. CONFORMING AMENDMENTS.

(a) The Table of Contents for the Energy Policy and Conservation Act is amended by—

(1) adding after the item relating to section 166 the following new items:

"PART C—EXPIRATION

"Sec. 171. Expiration.";

(2) adding after the item relating to section 272 the following new items:

"PART D—EXPIRATION

"Sec. 281. Expiration.";

and

(3) striking

"Sec. 531. Expiration.".

(b) Section 252 of the Energy Policy and Conservation Act (42 U.S.C. 6272) is amended by striking subsection (j) and redesignating subsections (k) through (m) as (j) through (l).

(c) Section 531 of the Energy Policy and Conservation Act (42 U.S.C. 6401) is hereby repealed.

SEC. 105. LIMITATION ON NEW VOLUNTARY AGREEMENTS OR PLANS OF ACTION.

Section 252 of the Energy Policy and Conservation Act is amended by adding at the end thereof the following:

"(m) Effective after the date of enactment of the Energy Policy and Conservation Amendments Act of 1985—

"(1) the defenses available under subsection (f) and (k) shall only be applicable under any new plan of action with respect to Type 1 activities (as that term is defined in the International Energy Agency Emergency Management Manual, dated December 1982), if—

"(A) the Secretary has transmitted such new plan of action to the Congress; and

"(B)(i) sixty calendar days of continuous session have elapsed since receipt by the Congress of such transmittal; or

"(ii) within 60 calendar days of continuous session of receipt of such transmittal, either House of the Congress has disapproved a joint resolution of disapproval pursuant to subsection (n); and

"(2) such defenses for Type 1 activities with respect to such new plan shall not be available if there has been enacted, in accordance with subsection (n), a joint resolution of disapproval.

"(3) For the purpose of this subsection—

"(A) continuity of session is broken only by an adjournment of the Congress sine die at the end of the second session of Congress; and

"(B) the days on which either House is not in session because of an adjournment of more than three days to a day certain are excluded in the computation of the calendar-day period involved.

"(n)(1)(A) The application of defenses under subsections (f) and (k) for Type 1 activities in respect to any new plan of action transmitted pursuant to subsection (m) shall be disapproved if a joint resolution of disapproval has been enacted into law during the 60 day period of continuous session after which such transmission was received by the Congress. For the purpose of this subsection, the term "joint resolution" means only a joint resolution of either House of the Congress as described in paragraph (3).

"(B) After receipt by the Congress of the transmission under subsection (m)(1), a joint resolution of disapproval may be introduced in either House of the Congress. Upon introduction, the joint resolution shall be referred immediately to the Committee on Energy and Natural Resources of the Senate and the appropriate committee or committees of the House of Representatives.

"(C) The Secretary may withdraw the transmission any time prior to adoption of such joint resolution by either House of the Congress.

"(2) This subsection is enacted by the Congress—

"(A) as an exercise of the rulemaking power of the Senate and House of Representatives, respectively, and as such it is deemed a part of the rules of each House, respectively, but applicable only with respect to the procedure to be followed in that House in the case of resolutions described by paragraph (3); it supersedes other rules only to the extent that it is inconsistent therewith; and

"(B) with full recognition of the constitutional right of either House to change the rules (so far as relating to the procedure of that House) at any time, in the same manner and to the same extent as in the case of any other rule of the respective House.

"(3) The joint resolution disapproving the transmission under subsection (m) shall read as follows after the resolving clause: 'That the Congress of the United States disapproves the availability of the defenses pursuant to sections 252 (f) and (k) of the Energy Policy and Conservation Act with respect to Type 1 activities under the new plan of action submitted to the Congress by the Secretary of Energy on .', the blank space therein being filled with the date and year of receipt by the Congress of the transmission under subsection (m).

"(4)(A) If the committee to which a joint resolution under this subsection has been referred has not reported it at the end of 20 calendar days of continuous session after its referral, it shall be in order to move either to discharge the committee from further consideration of such resolution or to discharge any such committee from further consideration of any other joint resolution with respect to such transmission which has been referred to such committee.

"(B) A motion to discharge shall be highly privileged (except that it may not be made after all committees to which such joint resolution has been referred have reported a joint resolution with respect to the transmission), and debate thereon shall be limited to not more than one hour, to be divided equally between those favoring and those opposing the joint resolution. An amendment to the motion shall not be order, and it shall not be in order to move to reconsider the vote by which the motion was agreed to or disagreed to.

"(C) If the motion to discharge is agreed to or disagreed to, the motion may not be renewed, nor may another motion to discharge the committee be made with respect to any other joint resolution with respect to the same transmission.

"(5)(A) When all such committee have reported, or have been discharged from further consideration of a joint resolution, it shall be in order at any time thereafter within the 60 day period following receipt by the Congress of the new plan of action (even though a previous motion to the same effect has been disagreed to) to move to proceed to the consideration of such a joint resolution. The motion shall be highly privileged and shall not be debatable. An amendment to the motion shall not be in order, and it shall not be in order to move to reconsider a vote by which the motion was agreed to or disagreed to.

"(B) Debate on the joint resolution shall be limited to not more than 10 hours and final action on the joint resolution shall occur immediately following conclusion of such debate. A motion further to limit debate shall not be debatable. A motion to recommit such a joint resolution shall not be in order, and it shall not be in order to move to reconsider the vote by which such a joint resolution was agreed to or disagreed to.

"(6)(A) Motions to postpone made with respect to the discharge from committee or consideration of a joint resolution, shall be decided without debate.

"(B) Appeals from the decision of the Chair relating to the application of rules of the Senate or the House of Representatives, as the case may be, to the procedures relating to a joint resolution shall be decided without debate.".

TITLE II—COAL IMPORTS

SEC. 201. SHORT TITLE.

This title may be cited as the "National Coal Imports Reporting Act of 1985".

SEC. 202. UNITED STATES COAL IMPORTS REVIEW.

(a) The Energy Information Administration shall issue a report quarterly and provide an annual summary of the quarterly reports to the Congress, on the status of United States coal imports. Such quarterly reports may be published as a part of the Quarterly Coal Report published by the Energy Information Administration.

(b) Each report required by this section shall—

(1) include current and previous year data on the quantity, quality (including heating value, sulfur content, and ash content), and delivered price of all coals imported by domestic electric utility plants that imported more than 10,000 tons during the calendar year into the United States;

(2) identify the foreign nations exporting the coal, the domestic electric-utility plants receiving coal from each exporting nation, domestically-produced coal supplied to United States electric-utility plants of imported coal, and domestic coal production, by State, displaced by the imported coal;

(3) identify at regional and State levels of aggregation (where allowed under disclosure policy) transportation modes and costs for delivery of imported coal from the exporting country port of origin to the point of consumption in the United States; and

(4) specifically high-light and analyze any significant trends of unusual variations in coal imports.

(c) The first report required by this section shall be submitted to Congress in March 1986. Subsequent reports shall be submitted within 90 days after the end of each quarter.

(d) Information and data required for the purpose of this Act shall be subject to existing law regarding the collection and disclosure of such data.

SEC. 203. ANALYSIS OF THE UNITED STATES COAL IMPORT MARKET.

(a) The Secretary of Energy, acting through the Energy Information Administration, shall conduct a comprehensive analysis of the coal import market in the United States and report the findings of such analysis to the Committee on Energy and Natural Resources of the Senate and the appropriate committees of the House of Representatives, within nine months of the date of enactment of this Act.

(b) The report required by this section shall—

(1) contain a detailed analysis of potential domestic markets for foreign coals, by producing nation, between 1985 and 1995;

(2) identify potential domestic consuming sectors of imported coal and evaluate the magnitude of any potential economic disruptions for each impacted State, including analysis of direct and indirect employment impact in the domestic coal industry and resulting income loss to each State;

(3) identify domestically produced coal that potentially could be replaced by imported coal;

(4) identify contractual commitments of domestic utilities expiring between 1985 and 1995 and describe spot buying practices of domestic utilities, fuel cost patterns, plant modification costs required to burn foreign coals, proximity of navigable waters to utilities, demand for compliance coal, availability of less expensive purchased power from Canada, and State and local considerations;

(5) Evaluate increased coal consumption at domestic electric utilities resulting from increased power sales and analyze the potential coal import market represented by this increased consumption. Increased consumption should include that represented by existing coal-fired plants, new coal-fired plants projected up to the year 1995 and plants planning to convert to coal by 1995;

(6) identify existing authorities available to the Federal government relating to coal imports, assess the potential impact of exercising each of these authorities, and describe Administration plans and strategies to address coal imports;

(7) identify and characterize the coal export policies of all major coal exporting nations, including the United States, Australia, Canada, Colombia, Poland, and South Africa with specific consideration of such policies as—

(A) direct or indirect government subsidies to coal exporters;

(B) health, safety, and environmental regulations imposed on each coal producer; and

(C) trade policies relating to coal exports;

(8) identify and characterize the excess capacity of foreign producers, potential development of new export-oriented coal mines in foreign nations, operating costs of foreign coal mines, capacity of ocean vessels to transport foreign coal and constraints on importing coal into the United States because of port and harbor availability;

(9) identify and characterize specifically the participation of all United States corporations involved in mining and exporting coal from foreign nations; and

(10) identify and characterize the policies governing coal imports of all coal-importing industrialized nations, including the United States, Japan, and the European nations by considering such factors as import duties or tariffs, import quotas, and other governmental restrictions or trade policies impacting coal imports.

Mr. McCLURE. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. GARN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. DOLE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. DOLE. Mr. President, I ask unanimous consent the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. NICKLES). Without objection, it is so ordered.

SCHEDULE

Mr. DOLE. Mr. President, it is our hope that we can soon proceed to the consideration of S. 1103, a minor bill, which we understood had been cleared about a week ago. It is still in the process of clearance.

A number of Members have asked about when we can leave this evening. It will be about an hour later than I advised earlier, because, frankly, we have not done anything for the past hour.

We will call up S. 1103, if we can get it cleared, in the next few moments.

We also hope to get an agreement on S. 408, the small business authorization bill. I understand that we can resolve one problem, and there is a possibility of getting a time agreement on that bill.

We plan to complete action on those two bills today.

I advise Members to whom I indicated that we might complete our business by 6 o'clock that it will be closer to 7 or 8 o'clock this evening.

In addition, it is my intention to lay down S. 47, the gun bill, and we hope a time agreement can be reached on that measure. The agreement would be premised on the fact that we would not bring up the bill until after the July 4 recess. We are in the process of trying to clear that on both sides and get an agreement. There would be a number of amendments and a number of votes. Where we cannot agree, we will have the votes; and if we can agree, we will do that.

I urge my colleagues not to hold up minor legislation. If somebody has an amendment or if there is some dispute, let us take it up. If not, let us pass it.

I say within the next 5 minutes if we cannot get clearance on S. 1103, we will just call the bill up.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. GORTON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

NOAA ATMOSPHERIC AND SATELLITE PROGRAM AUTHORIZATION ACT OF 1985

Mr. GORTON. Mr. President, I ask unanimous consent that the Senate now turn to Calendar No. 160, S. 1103, a bill to authorize certain atmospheric and satellite programs and functions of the National Oceanic and Atmospheric Administration.

Mr. BYRD. Mr. President, reserving the right to object. There is no objection on this side, provided only one amendment is in order, that being an amendment offered by Mr. GORTON.

Mr. GORTON. That is correct.

Mr. BYRD. There is no objection.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

A bill (S. 1103) to authorize certain atmospheric and satellite programs and functions of the National Oceanic and Atmospheric Administration, and for other purposes.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Washington?

There being no objection, the Senate proceeded to consider the bill.

Mr. GORTON. Mr. President, S. 1103 authorizes fiscal year 1986 appropriations for the atmospheric and satellite programs of the National Oceanic and Atmospheric Administration [NOAA]. The bill was ordered reported by unanimous vote of the Commerce Committee on May 9, 1985.

S. 1103 would freeze funding at the fiscal year 1985 level for each budget subactivity within these program areas except the satellite systems subactivity. For which funding would be increased by $74 million. This increase is intended to accelerate procurement of NOAA's geostationary [GOES] weather satellites in light of last year's premature failure of the GOES-East satellite. Weather data from the GOES system are of critical importance for NOAA's weather forecasting and this funding increase has been requested by the administration to ensure that GOES service is not interrupted in the next few years.

The bill, as reported, also requires NOAA to follow certain procedures prior to closing or consolidating weather stations and to contracting for private performance of NOAA activities. These administrative decisions often involve activities which are important to public safety and welfare and the Congress had demonstrated clear intent to be consulted before these decisions are carried out.

Section 401 of the bill requires the Secretary of Commerce to consider specific factors in deciding whether to close or consolidate any National Weather Service office and to provide a written justification for any decision to carry out a closure or consolidation.

Section 402 requires NOAA to report to the authorizing congressional committees before contracting out any NOAA activity to the private sector. Mr. President, I ask my colleagues to accept an amendment to section 402 as reported by the Commerce Committee.

Section 402, as reported, requires the Administrator of NOAA to report to the authorizing committees before awarding a contract for private performance of a NOAA activity and before issuing a request for proposals [RFP] for such a contract. NOAA cannot proceed with a contract or RFP until a period of 30 days on which the Congress is in session has expired.

The administration has objected to this provision on two grounds. First, the administration argues that NOAA cannot determine whether contracting out a given activity is appropriate until proposals have been received and evaluated. Second, a waiting of 30 days on which the Congress is in session is seen by the administration as unduly restrictive to the contracting process because this period can extend several months. NOAA, in requesting that the

waiting period be reduced, has agreed to delay the awarding of any contract until questions raised by Members of Congress have been addressed.

My amendment to section 402 would make the reporting requirement apply only to awarding of contracts and would reduce the waiting period to 30 calendar days. I believe that this amendment satisfies many of NOAA's concerns while providing assurance that the concerns of the Congress will be addressed before contracting decisions are carried out.

AMENDMENT NO. 352

(Purpose: Add provision regarding the awarding of certain contracts by the National Oceanic and Atmospheric Administration)

Mr. GORTON. Mr. President, I send an amendment to the desk, the one which I have discussed, and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from Washington [Mr. GORTON] proposes an amendment numbered 352.

Mr. GORTON. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 7, strike all from line 22 through line 18 on page 8, and insert in lieu thereof the following:

AWARDING OF CONTRACTS

SEC. 402. The National Oceanic and Atmospheric Administration may not award any contract for the performance of any "commercial activity", as defined by paragraph 6.a. of Office of Management and Budget Circular Memorandum A-76, which is performed by National Oceanic and Atmospheric Administration employees until at least 30 calendar days after the Administrator of the National Oceanic and Atmospheric Administration has presented, in writing, to the President of the Senate, the Speaker of the House of Representatives, the Committee on Commerce, Science, and Transportation of the Senate, and the Committee on Merchant Marine and Fisheries and the Committee on Science and Technology of the House of Representatives, a full and complete description of such proposed contract, together with supporting documentation. Such documentation shall include—

(1) a comparison of the cost of such activity as performed by employees of the National Oceanic and Atmospheric Administration and the cost such activity as performed under the proposed contract;

(2) a comparison of the services performed by employees of the National Oceanic and Atmospheric Administration and the services to be performed under the proposed contract; and

(3) an assessment of the benefits to the Federal Government of proceeding with the proposed contract.

Mr. GORTON. Mr. President, I have already explained the amendment. I ask my colleagues to accept it and to pass S. 1103 with that amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Washington [Mr. GORTON].

The amendment (No. 352) was agreed to.

Mr. WILSON. Mr. President, today I would like to express my support for the continued funding at fiscal 1985 levels of the Fruit Frost-Agricultural Weather Forecast and Advisory Service Program within the National Oceanic and Atmospheric Administration [NOAA] authorization.

I am pleased that the Committee on Commerce, Science, and Tranportation has adopted this position in its fiscal 1986 authorization recommendations, particularly for this vital subactivity performed under the auspices of the National Oceanic and Atmospheric Administration.

For over 60 years, the Fruit Frost-Agricultural Weather Forecast and Advisory Service Program has provided the multibillion dollar fruit and vegetable industries in California, Arizona, Texas, and Florida with accurate, site-specific minimum temperature forecasts and other advisory services. Armed with these detailed forecasts in advance of a potential problem, growers are better able to take steps necessary for avoiding damage to crops. This program employs highly trained agricultural meteorologists, who closely monitor weather patterns which could be potentially devastating to sensitive crops. Information is gathered on a daily basis from numerous sites and carefully analyzed by meterorologists, who then make site-specific forecasts for the various locations within their region. These forecasts are made available to the public through television, radio, and telephone recorders.

The California Fruit Frost-Agricultural Weather Forecast and Advisory Service covers those areas where frost sensitive crops are grown, from the northern Sacramento Valley to the Mexican border. It is estimated that over $1 billion of the $15 billion California agricultural output is frost sensitive. Further, the estimated annual crop-loss savings in California alone approaches $70 million. This program has the highest cost-benefit ratio of any division within the National Weather Service.

The committee has recognized that the programs and services of the National Weather Service [NWS] are of critical importance to the safety and welfare of all Americans. The collection, analysis, and dissemination of weather data by the NWS are the primary means by which all U.S. weather forecasts are developed. Many of these activities are carried out within the public warning and forecast subactivity. The committee noted its concern that a reduction in funding for public warning and forecast services may lead to serious degradation of weather services. The committee also agreed that decisions to close or consolidate NWS offices and to contract for private performance of NOAA activities should be preceded by proper consideration of all relevant factors. The interests of individuals and communities affected by these decisions are not always served by decisions which are based solely on cost to the Federal Government.

Such is the case with the Fruit Frost-Agricultural Weather Forecast and Advisory Service, a highly useful and low-cost service which more than pays for itself in crop-loss savings and which benefits farmers around the country. This is why I am especially pleased to be able to support the committee's 1986 funding authorization in this area of vital interest to our farmers.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed, as follows:

S. 1103

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "National Oceanic and Atmospheric Administration Atmospheric and Satellite Program Authorization Act of 1985".

TITLE I—ATMOSPHERIC PROGRAMS

PUBLIC WARNING AND FORECAST SERVICES

SEC. 101. There are authorized to be appropriated to the Department of Commerce to enable the National Oceanic and Atmospheric Administration to carry out its public warning and forecast service duties under law, $287,592,000 for fiscal year 1986. Moneys appropriated pursuant to this authorization shall be used to fund those duties relating to public warning and forecast specified by the Act entitled "An Act to increase the efficiency and reduce the expenses of the Signal Corps of the Army, and to transfer the Weather Service to the Department of Agriculture", approved October 1, 1890 (15 U.S.C. 311 et seq.), the Act entitled "An Act to define the functions and duties of the Coast and Geodetic Survey, and for other purposes", approved August 6, 1947 (33 U.S.C. 883a. et seq.), and any other law involving such duties. Such duties include meteorological, hydrological, and oceanographc public warnings and forecasts.

ATMOSPHERIC AND HYDROLOGICAL RESEARCH

SEC. 102. (a) There are authorized to be appropriated to the Department of Commerce to enable the National Oceanic and Atmospheric Administration to carry out its atmospheric and hydrological research duties under law, $65,531,000 for fiscal year 1986. Moneys appropriated pursuant to this authorization shall be used to fund those duties relating to atmospheric and hydrological research specified by the Act entitled "An Act to increase the efficiency and reduce the expenses of the Signal Corps of the Army, and to transfer the Weather Service to the Department of Agriculture", approved October 1, 1890 (15 U.S.C. 311 et

seq.), and by any other law involving such duties. Such duties include research for developing improved prediction capabilities for atmospheric and hydrological processes.

(b) The authorization provided for under subsection (a) of this section shall be in addition to moneys authorized under the Act entitled "An Act to provide for the reporting of weather modification activities to the Federal Government", approved December 18, 1971 (15 U.S.C. 330 et seq.), and the National Climate Program Act (15 U.S.C. 2901 et seq.), for the purpose of carrying out such duties relating to atmospheric and hydrological research.

TITLE II—SATELLITE PROGRAMS

SATELLITE SERVICES

SEC. 201. There are authorized to be appropriated to the Department of Commerce to enable the National Oceanic and Atmospheric Administration to carry out its satellite services duties under law, $85,208,000 for fiscal year 1986. Moneys appropriated pursuant to this authorization shall be used to fund those duties relating to satellite services specified by the Act entitled "An Act to increase the efficiency and reduce the expenses of the Signal Corps of the Army, and to transfer the Weather Service to the Department of Agriculture", approved October 1, 1890 (15 U.S.C. 311 et seq.), the National Aeronautics and Space Administration Authorization Act, 1985, approved July 16, 1984 (Public Law 98-361; 98 Stat. 422), and any other law involving such duties. Such duties include satellite maintenance and operations and satellite data analysis.

SATELLITE SYSTEMS

SEC. 202. (a) There are authorized to be appropriated to the Department of Commerce to enable the National Oceanic and Atmospheric Administration to carry out its satellite systems duties under law, $276,779,000 for fiscal year 1986. Moneys appropriated pursuant to this authorization shall be used to fund those duties relating to satellite systems specified by the Act entitled "An Act to increase the efficiency and reduce the expenses of the Signal Corps of the Army, and to transfer the Weather Service to the Department of Agriculture", approved October 1, 1890 (15 U.S.C. 311 et seq.), the National Aeronautics and Space Administration Authorization Act, 1985, approved July 16, 1984 (Public Law 97-361; 98 Stat. 422), and by any other law involving such duties. Such duties include space craft procurement, launch, and associated ground station system changes involving polar orbiting and geostationary meteorological satellites and land remote sensing satellites.

(b) The authorization provided for under subsection (a) of this section shall be in addition to moneys authorized under the Land Remote-Sensing Commercialization Act of 1984 (15 U.S.C. 4201 et seq.) for the purpose of carrying out such duties relating to satellite systems.

DATA AND INFORMATION SERVICES

SEC. 203. There are authorized to be appropriated to the Department of Commerce to enable the National Oceanic and Atmospheric Administration to carry out its data and information services duties under law, $25,118,000 for fiscal year 1986. Moneys appropriated pursuant to this authorization shall be used to fund those duties relating to data and information services specified by the Act entitled "An Act to increase the efficiency and reduce the expenses of the Signal Corps of the Army, and to transfer the Weather Service to the Department of Agriculture", approved October 1, 1890 (15 U.S.C. 311 et seq.), and any other law involving such duties. Such duties include environmental data and information products and services in the atmospheric, marine, solid earth, and solar-terrestrial sciences.

TITLE III—OTHER AUTHORIZATIONS

NATIONAL CLIMATE PROGRAM

SEC. 301. There are authorized to be appropriated to the Department of Commerce to enable the National Oceanic and Atmospheric Administration to carry out its study of natural and man-induced climate processes under law $2,000,000 for fiscal year 1986. Moneys appropriated pursuant to this authorization shall be used to fund those duties relating to climate information services specified by the National Climate Program Act (15 U.S.C. 2901 et seq.), and any other law involving such duties.

WEATHER MODIFICATION REPORTING ACT

SEC. 302. Section 6 of the Act entitled "An Act to provide for the reporting of weather modification activities to the Federal Government", approved December 18, 1971 (15 U.S.C. 330e) is amended—

(1) by striking "and"; and

(2) by striking all after "1981," and inserting in lieu thereof the following: "and $100,000 for the fiscal year ending September 30, 1986, to carry out the provisions of this Act.".

TITLE IV—MISCELLANEOUS

WEATHER SERVICE OFFICES

SEC. 401. (a) No weather service office or weather service forecast office of the National Weather Service shall be closed or consolidated until the Secretary of Commerce establishes appropriate standards, principles, and procedures (including formal hearings, comment periods, public notices, and other appropriate means of presenting evidence, views, and opinions) relating to any proposed closure or consolidation of such an office.

(b) The Secretary, in deciding whether to carry out such a closing or consolidation, shall take fully into account any views expressed by persons served by any affected office, and shall consider specifically—

(1) the effect of such closing or consolidation on the community served by such office;

(2) the economic savings to the Federal Government resulting from such closing or consolidation; and

(3) such other factors as the National Weather Service determines are appropriate.

(c) Any decision of the Secretary to carry out such a closing or consolidation shall be in writing and shall set forth the findings of the Secretary with respect to the matters set forth in subsection (b) of this section, together with a statement of the reasons for such findings and of the basis on which such decision was made. Any such decision shall be made available to persons served by the affected office.

(d) The Secretary shall take no action to carry out such a closing or consolidation until sixty days after the Secretary's decision is made available to persons served by the affected office, as required by subsection (c) of this section.

AWARDING OF CONTRACTS

SEC. 402. The National Oceanic and Atmospheric Administration may not award any contract for the performance of any "commercial activity", as defined by paragraph 6.a. of Office of Management and Budget Circular Memorandum A-76, which is performed by National Oceanic and Atmospheric Administration employees until at least thirty calendar days after the Administrator of the National Oceanic and Atmospheric Administration has presented, in writing, to the President of the Senate, the Speaker of the House of Representatives, the Committee on Commerce, Science, and Transportation of the Senate, and the Committee on Merchant Marine and Fisheries and the Committee on Science and Technology of the House of Representatives, a full and complete description of such proposed contract, together with supporting documentation. Such documentation shall include—

(1) a comparison of the cost of such activity as performed by employees of the National Oceanic and Atmospheric Administration and the cost of such activity as performed under the proposed contract;

(2) a comparison of the services performed by employees of the National Oceanic and Atmospheric Administration and the services to be performed under the proposed contract; and

(3) an assessment of the benefits to the Federal Government of proceeding with the proposed contract.

Mr. GORTON. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. DOLE. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. GORTON. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. DOLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. MURKOWSKI). Without objection it is so ordered.

ORDER OF PROCEDURE

Mr. DOLE. Mr. President, we are apparently stymied on S. 408, the Small Business Administration authorization bill. It was my understanding earlier that there would be no objection to a time agreement with reference to germane amendments to the SBA authorization proposal. Members on both sides had agreed to 2 hours on the bill and amendments offered by four or five Senators. With time agreements we thought we could dispose of that bill this afternoon.

It now appears that it is not possible, that there is objection to that agreement. There is a Senator who wants to offer a prayer amendment to the Small Business authorization bill.

It is my hope that we could demonstrate to the budget conference now meeting, by passing S. 408, with or without amendments, that the Senate was still very much concerned about deficit reductions, that we are making appropriate changes in the authorization act to reflect the Senate vote on

the budget resolution a few weeks ago. It is still my hope that maybe later in the day we could reach an agreement, though probably not take it up today.

I would hope that those who have problems would understand that it is just 1 day we have lost which we could use on other legislation.

I will also indicate the prayer amendment, I assume, is going to be brought up on its own or offered to some other legislation.

We are also in the process of trying to secure a time agreement on S. 49, the McClure-Volkmer gun bill.

If we can reach an agreement, which we are now checking with Members on both sides about, the bill would be brought up on Monday, July 8. There would be 10 hours on the bill equally divided, and the first degree amendments would number 7, a technical amendment, and then the majority leader each reserve the right to offer two germane amendments.

We are in the process of trying to reach an agreement on that. If we can reach that agreement this afternoon, we will not lay down S. 49.

Beyond that, I guess we can now maybe take up some of the noncontroversial items.

Mr. BYRD. Mr. President, will the distinguished majority leader yield?

Mr. DOLE. I am glad to yield.

Mr. BYRD. I was in my office when the leader began speaking. Does he understand that this side has been ready to enter into a unanimous-consent agreement with regard to the small business legislation?

Mr. DOLE. I indicated that, concerning germane amendments, that we are ready to go. But I was talking about nongermane amendments. We hope that we can resolve that. Members on the minority side have been prepared for 2 or 3 hours, as have the Members on my side. We could probably dispose of this bill in a couple of hours, but we will probably not do it today.

We are now shopping for the next agreement on S. 49.

I think there is a hotline going out to Members on both sides that at 11 o'clock tomorrow morning, it is my understanding that Mr. McFarlane will be available for a briefing in S-407 on the highjacking crisis. I would certainly urge my colleagues on both sides to attend that briefing. I know it interferes with committee meetings, but it is important. Hopefully, we can receive all the information that is now available to the administration.

I thank the distinguished minority leader for suggesting that we do this at the appropriate time.

Mr. BYRD. I thank the majority leader.

Mr. President, do I understand now from the majority leader that the small business bill will not come up today, and if I am correct on that, is it anticipated that there would be no rollcall votes?

Mr. DOLE. I would indicate at this time, there will be no rollcall votes. I regret not being able to proceed with S. 408.

We do have a number of minor items that I think are important that we might dispose of at this time.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. McCLURE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. GRAMM). Without objection it is so ordered.

THE CALENDAR

Mr. McCLURE. Mr. President, I inquire of the minority leader if he is in a position to pass or indefinitely postpone the following calendar items: Calendar No. 110, H.R. 14.

Mr. BYRD. Yes, that items has been cleared.

Mr. McCLURE. Calendar No. 115, S. 1114.

Mr. BYRD. Likewise, that calendar item has been cleared for postponement.

Mr. McCLURE. That would be indefinitely postponed.

Mr. BYRD. Yes.

Mr. McCLURE. Calendar No. 180, Senate Joint Resolution 24.

Mr. BYRD. Mr. President, that item has been cleared on this side for action.

Mr. McCLURE. Calendar No. 181, Senate Joint Resolution 124.

Mr. BYRD. That items has been cleared on this side for action.

Mr. McCLURE. And Calendar No. 182, Senate Joint Resoluton 136.

Mr. BYRD. That item has been cleared on this side for action.

Mr. McCLURE. Mr. President, I ask unanimous consent that the calendar items just identified be considered en bloc and passed or indefinitely postponed en bloc and that all amendments and preambles be agreed to en bloc.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

CARL D. PERKINS FEDERAL BUILDING AND UNITED STATES COURTHOUSE

The bill (H.R. 14) to designate the Federal Building and United States Courthouse in Ashland, KY, as the "Carl D. Perkins Federal Building and United States Courthouse," was considered, ordered to a third reading, read the third time, and passed.

Mr. McCLURE. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

NATIONAL MAKE-A-WISH MONTH

The Senate proceeded to the consideration of the joint resolution (S.J. Res. 24) to designate the month of October 1985, as "National Make-A-Wish Month."

Mr. BRADLEY. Mr. President, I am very pleased that we now have before the U.S. Senate, Senate Joint Resolution 24, a resolution to designate the month of October 1985, as "National Make-A-Wish Month." When Senator DECONCINI and I introduced the resolution in January, we wanted to focus attention on the efforts of hundreds of Americans who have been working to make the wishes of a special group of children come true.

Our great Nation was founded in order to make the fulfillment of wishes possible. Our creed is the "American Dream" and we believe that, with time and hard work, wishes can come true. We cherish the seemingly far-fetched wishes of childhood, and we prize the freedom that enables our Nation's children, as they mature, to pursue their personal, and collectively national, ambitions.

Thus it strikes us as a most grevious injustice that every year over 5,000 of our children lose their lives, and their opportunity to fulfill their dreams, to terminal illnesses. Although research institutions are working day and night to discover cures for these devastating diseases, too many children will not benefit from this research.

Fortunately, there is a nationwide, nonprofit organization which is dedicated to granting the wishes of terminally ill children in their compressed lifetimes. The Make-A-Wish Foundation has 40 chapters in 24 States across the country working against time to coordinate, plan, and finance today's wishes of children who may not have a tomorrow. Who can forget the joy of our Nation when in 1926 Babe Ruth hit three home runs for Johnny Sylvester, an 11-year-old who was dying of a spinal infection? It is that heart-warming joy that the Make-A-Wish Foundation seeks to multiply from coast-to-coast, across geographic and socioeconomic separations, to those in need of at least one bright day.

The memories of families who lose children to terminal illness are crowded with images of hospitals, painful treatments, and worries over medical bills. The Make-A-Wish Foundation works to brighten these memories by giving sick youngsters a dream come true and by helping their families share that happiness.

Thanks to the Make-A-Wish Foundation, in December 1983 we were cheered by the sight of 7-year-old Hodgkin's sufferer Amy Benham joining President Reagan to light the national Christmas tree. Living with her family in Weston, WA, Amy has been more fortunate than most, and we hope that her happiness will last for many holiday seasons.

I have been touched by participating in the activities of the Make-A-Wish Foundation in New Jersey. Being able to fulfill the wish of a terminally ill child and to see his happiness despite a long struggle against leukemia has been uniquely moving and fulfilling for me.

To see the smile of a young boy or girl experiencing his or her dream—whether to dance in a ballet, to ride on a fire truck, to watch a Bears game from the bench, or to be a policeman, bat boy, or Senator for a day—is to reaffirm a faith in human kindness.

Because so many of our children face shortened lifetimes and because the Make-A-Wish Foundation has been and will continue to be successful in brightening these youngsters' remaining days, it is appropriate that a resolution focus the Nation's attention on these children, in order that their wishes may be granted while there is time.

I thank the cosponsors of Senate Joint Resolution 24 for their support. A companion resolution, House Joint Resolution 221, sponsored by Representative RINALDO of New Jersey, has been introduced in the House, and I hope it will be approved expeditiously. The Make-A-Wish Foundation is planning to stage numerous events nationwide during October to publicize their excellent work. These efforts deserve national attention. National Make-A-Wish Month cannot fail to increase the number of children served each year, not only by engendering support for the organization, but more important, also by making families all over the Nation award that there are people ready, willing and able to give children some much-needed relief and joy.

The joint resolution was considered, ordered to be engrossed for a third reading, read the third time and passed.

The preamble was agreed to.

The joint resolution, and the preamble, are as follows:

S.J. RES. 24

Whereas over five thousand children in the United States die from a terminal illness each year;

Whereas the Make-A-Wish Foundation has established forty chapters in twenty-four States across the country;

Whereas the Make-A-Wish Foundation is a nonprofit organization with a sole purpose of granting the wishes of children who are terminally ill;

Whereas families of such children do not have the luxury of time and frequently are not financially able to provide for a child's fondest wish;

Whereas as wish provides welcome respite during the time of heart-touching turmoil for a family;

Whereas many dedicated individuals and private organizations are working to grant the wishes of such children;

Whereas more contributions will be necessary to sustain the organization; and

Whereas it is appropriate to focus the attention of the Nation upon the wishes of such children in order that such wishes may be granted: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the month of October 1985 is designated "National Make-A-Wish Month" and the President is authorized and requested to issue a proclamation calling upon all Government agencies, educational, philanthropic, scientific, medical, and health care organizations and professionals, and the people of the United States to observe such month with appropriate programs, ceremonies, and activities.

Mr. McCLURE. Mr. President, I move to reconsider the vote by which the joint resolution was passed.

Mr. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

NATIONAL DAY OF PEACE

The Senate proceeded to consider the joint resolution (S.J. Res. 124) to designate "National Day of Peace," which had been reported from the Committee on the Judiciary, with amendments, as follows:

S.J. RES. 124

Whereas all Americans need to reflect on the prospect of peace among the peoples of the world; and

Whereas a time should be set aside when people of all shades of opinion can come together in unity to consider the possibilities for peaceful coexistence: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the first Sunday of August, *1985,* is designated as "National Day of Peace" and the President is requested to issue a proclamation calling upon the people of the United States to observe such a day with *Prayer,* appropriate celebrations and activities.

The amendments were agreed to.

The joint resolution was ordered to be engrossed for a third reading, read the third time, and passed.

The preamble was agreed to.

Mr. McCLURE. Mr. President, I move to reconsider the vote by which the joint resolution was passed.

Mr. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

NATIONAL GARDEN WEEK

The joint resolution (S.J. Res. 136) to authorize and request the President to issue a proclamation designating the calendar week beginning with Sunday, April 13, 1986, as "National Garden Week," was considered, ordered to be engrossed for a third reading, read the third time and passed.

The preamble was agreed to.

The joint resolution, and the preamble, are as follows:

S.J. RES. 136

Whereas the gardeners of this country produce an abundance of food for our people and enable us to export food to other countries which are in desperate need; and

Whereas the gardeners help to preserve and foster our traditional spirit of independence and individual initiative; and

Whereas gardening instills in our people, both young and old, a greater appreciation for nature, in general, and for our beautiful land, in particular; and

Whereas such appreciation naturally leads to a greater respect and care for our environment; and

Whereas gardening, in addition to being most beneficial for our country, furnishes a pleasant, healthful, and productive full- or part-time activity for a large number of our citizens; and

Whereas our gardens also yield flowers of great variety and breathtaking beauty; and

Whereas these flowers bring beauty into our lives and satisfy our aesthetic needs: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the President is authorized and requested to issue a proclamation—

(1) designating the calendar week beginning with Sunday, April 13, 1986, as "National Garden Week; and

(2) urging Federal, State, and local government agencies, as well as citizens and private organizations, to observe that week with educational efforts, ceremonies, and other appropriate activities which shall include the wearing of garden flowers as a symbol of our appreciation for the efforts and contributions of our gardeners.

Mr. McCLURE. Mr. President, I move to reconsider the vote by which the joint resolution was passed.

Mr. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

S. 1114—INDEFINITELY POSTPONED

Mr. McCLURE. Mr. President, I ask unanimous consent that S. 1114, a bill to approve and implement the free trade area agreement between the United States and Israel, be indefinitely postponed.

The PRESIDING OFFICER. Without objection, it is so ordered.

S. 979 PLACED ON CALENDAR

Mr. McCLURE. Mr. President, I ask unanimous consent that S. 979 be placed back on the calendar.

The PRESIDING OFFICER. Is there objection?

Mr. BYRD. Mr. President, reserving the right to object—Mr. President, I remove my reservation.

The PRESIDING OFFICER. Without objection it is so ordered.

ADDITIONAL COSPONSOR—SENATE JOINT RESOLUTION 148

Mr. BYRD. Mr. President, I ask unanimous consent that Mr. LEAHY be added as a cosponsor of Senate Joint Resolution 148, a joint resolution to establish a national commission on espionage and security.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. I thank the Chair. I yield the floor.

ROUTINE MORNING BUSINESS

(During the day routine morning business was transacted and additional statements were submitted, as follows:)

MESSAGES FROM THE HOUSE

At 2:20 p.m., a message from the House of Representatives, delivered by Mr. Berry, one of its reading clerks, announced that the House has passed the following bill, with amendments, in which it requests the concurrence of the Senate:

S. 124. An act entitled the "Safe Drinking Water Act Amendments of 1985".

The message also announced that the House has agreed to the following concurrent resolution, without amendment:

S. Con. Res. 50. Concurrent resolution welcoming the President of Tunisia on his official visit to the United States.

ENROLLED JOINT RESOLUTION SIGNED

The message further announced that the Speaker of the House has signed the following enrolled joint resolution:

H.J. Res. 211. Joint resolution to recognize the pause for the Pledge of Allegiance as part of National Flag Day activities.

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC-1328. A communication from the Acting Assistant Secretary of the Army transmitting, pursuant to law, a report on project cleared for deauthorization; to the Committee on Environment and Public Works.

EC-1329. A communication from the Assistant Legal Adviser for Treaty Affairs, Department of State, transmitting, pursuant to law, copies of international agreements, other than treaties, entered into within the 60 days previous to June 11, 1985; to the Committee on Foreign Relations.

EC-1330. A communication from the Chairman of the Board of Governors of the U.S. Postal Service transmitting pursuant to law, the semiannual report on the civil misrepresentation activities of the Postal Service; to the Committee on Governmental Affairs.

EC-1331. A communication from the Administrator of the Agency for International Development transmitting, pursuant to law, the semiannual report of the inspector general of AID; to the Committee of Governmental Affairs.

EC-1332. A communication from the Chairman of the D.C. Council transmitting, pursuant to law, a copy of D.C. Act 6-30; to the Committee on Governmental Affairs.

EC-1333. A communication from the Attorney General of the United States transmitting a draft of proposed legislation to combat money laundering; to the Committee on the Judiciary.

EC-1334. A communication from the Administrator of the Veterans' Administation transmitting a draft of proposed legislation to protect certain VA personnel from certain torts suits during furnishing of medical care or treatment; to the Committee on Veterans' Affairs.

EC-1335. A communication from the Comptroller General of the United States transmitting pursuant to law, a report and recommendations in the claim of Ms. Betsy L. Randall for relief from certain liability; to the Committee on Governmental Affairs.

EC-1336. A communication from the Secretary of Transportation transmitting pursuant to law, the annual report on the administraion of the Pipeline Safety Act of 1979; to the Committee on Commerce, Science, and Transportation.

EC-1337. A communication from the Acting Executive Director of the U.S. Holocaust Memorial Council transmitting a draft of proposed legislation authorizing appropriations for the Council; to the Committee on Energy and Natural Resources.

EC-1338. A communication from the General Manager of the Norfolk Naval Shipyard Cooperative Association, transmitting pursuant to law, the Federal pension plan annual report for plan year 1984; to the Committee on Governmental Affairs.

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. GARN, from the Committee on Banking, Housing, and Urban Affairs:

Lee L. Verstandig, of the District of Columbia, to be Under Secretary of Housing and Urban Development.

(The above nomination was reported from the Committee on Banking, Housing, and Urban Affairs with the recommendation that it be confirmed, subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

By Mr. LUGAR, from the Committee on Foreign Relations:

Fernando Enrique Rondon, of Virginia, a career member of the Senior Foreign Service, class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States to the Republic of Ecuador.

Contributions are to be reported for the period beginning on the first day of the fourth calendar year preceding the calendar year of the nomination and ending on the date of the nomination.

Nominee: Fernando E. Rondon.

Post: Ecuador.

Contributions, amount, date, and donee.

1. Self, Fernando Rondon: none.

2. Spouse, Marian Hand Rondon: none.

3. Children and Spouses: F. Mark Rondon, Lawrence Rondon, Susan Rondon: None.

4. Parents: Fernando and Martha Rondon: none.

5. Grandparents: Fernando and Clara Rondon: none, Enrique and Margarita Seldner: none.

6. Brothers and Spouses: Richard and Teresa Rondon: none.

7. Sisters and Spouses: Martha and Jose Gonzalez: none.

Peter Scott Bridges, of Louisiana, a Career Member of the Senior Foreign Service, Class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States to the Somali Democratic Republic.

Contributions are to be reported for the period beginning on the first day of the fourth calendar year preceding the calendar year of the nomination and ending on the date of the nomination.

Nominee: Peter Scott Bridges.

Post: Ambassador to Somalia.

Contributions, amount, date, and donee.

1. Self: None.

2. Spouse: $50.00, 1980, John Anderson.

3. Children and Spouses: David S., Elizabeth L., Mary B. and Andrew D. Bridges, none.

4. Parents: Shirley D. Bridges (father, died 1961), none.

5. Grandparents: All deceased before 1980.

6. Brothers and Spouses: None.

7. Sisters and Spouses: Bartow Ann and Peter J. Pizzo, none; Mary E. Wiggenhorn, none.

Charles A. Gillespie, Jr., of California, a Career Member of the Senior Foreign Service, Class of Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States to the Republic of Colombia.

Contributions are to be reported for the period beginning on the first day of the fourth calendar year preceding the calendar year of the nomination and ending on the date of the nomination.

Nominee: Charles A. Gillespie, Jr.

Post: Colombia.

Contributions, amount, date, donee.

1. Self: none.

2. Spouse: Vivian H. none.

3. Children and Spouses: Son—Charles A. IV none; Daughter—Kristin H. none.

4. Parents: Father—deceased 1964; Mother—Ann H. Gillespie; none.

5. Granparents: All deceased.

6. Brothers and Spouses: none.

7. Sisters and Spouses: none.

Sheldon J. Krys, of Maryland, a Career Member of the Senior Foreign Service, Class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States to the Republic of Trinidad and Tobago.

Contributions are to be reported for the period beginning on the first day of the fourth calendar year preceding the calendar year of the nomination and ending on the date of the nomination.

Nominee: Sheldon Jack Krys.

Post: Trinidad and Tobago.

Contributions. amount date, donee.

1. Self, Sheldon Jack Krys, none.

2. Spouse, Doris M. Krys, none.

3. Children and spouses: names, Wendy, Madeleine and Susan, none.

4. Parents: names, Martin Krys (deceased), none; Anna Krys, none.

5. Grandparents: names, Shya and Sheva Krys (deceased), none; Morris and Sarah Jacobowitz (deceased), none.

6. Brothers and spouses: names, none.

7. Sisters and spouses: names, Sylvia Nudelman (sister); Eugene Nudelman, Jr., (brother-in-law), $50—November 1984—Michael Landberg (Non-partisan City Council, Portland, Oregon).

Lowell C. Kilday, of Virginia, a Career Member of the Senior Foreign Service, Class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States to the Dominican Republic.

Contributions are to be reported for the period beginning on the first day of the fourth calendar year preceding the calendar year of the nomination and ending on the date of the nomination.

Nominee: Lowell C. Kilday.

Post: Santo Domingo.

Contributions, amount, date, donee.

1. Self, none.

2. Spouse, none.

3. Children and spouses: names, William Kilday, Daniel and Sandra Kilday, John Kilday, Marcus Kilday, Analisa Kilday, Thomas Kilday, none.

4. Parents: names, William and Helga Kilday, none.

5. Grandparents: names, deceased.

6. Brothers and spouses: names, Howard and Shirley Kilday, Douglas and Patricia Kilday, none.

7. Sisters and spouses, names, Michael and Marie Savagian; Carolyn Kilday, none.

Harry George Barnes, Jr., of Maryland, a Career Member of the Senior Foreign Service, Class of Career Minister, to be Ambassador Extraordinary and Plenipotentiary of the United States to the Republic of Chile.

Contributions are to be reported for the period beginning on the first day of the fourth calendar year preceding the calendar year of the nomination and ending on the date of the nomination.

Nominee: Harry G. Barnes, Jr.

Post: Santiago.

Contributions, amount, date, donee.

1. Self: $200—1984—Women's Campaign Fund.

2. Spouse: $150—1982—Women's Campaign Fund; $50—1982—Natl. Women's Pol. Caucus.

3. Children and spouses: names, Douglas M. Barnes, $25—1984—DNC; Mary Benton, none; Pauline M. Barnes, Adrian A. Basara, $20—1984—James Hunt (U.S. Senate Candidate); Adrienne Barnes Brown, none; Michael Brown, none; Sibley A. Barnes, none.

4. Parents: names, Bertha B. Barnes, $45—1984—Republican National Committee; $10—1984—G.O.P Victory Fund; $40—1984—National Republican Senatorial Committee; $10—1984—Reagan-Bush '84; $10—1984—Alexander for Congress.

5. Grandparents: names, deceased.

6. Brothers and spouses: names, Louis B. Barnes, $50—1982—Jim Guest (U.S. Senate Candidate); Spouse, Wenday Barnes, none.

Robert L. Pugh, of Virginia, a Career Member of the Senior Foreign Service, Class of Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States to the Islamic Republic of Mauritania.

Contributions are to be reported for the period beginning on the first day of the fourth calendar year preceding the calendar year of the nomination and ending on the date of the nomination.

Nominee: Robert L. Pugh.

Post: Ambassador to Mauritania.

Nominated February 1985.

Contributions, amount, date, donee.

1. Self; none.

2. Spouse: Bonnie B. Pugh, none.

3. Children and spouses: names, son, Malcolm R. Pugh, none; daughter, Anne C. Pugh, none.

4. Parents: names, both deceased.

5. Grandparents: names, all deceased.

6. Brothers and spouses: names, George M. and Ruth Sheets, none; Edwin F. and Linda Sheets, none.

7. Sisters and spouses: names, Lonna Arklin, none.

J. William Middendorf II, of Virginia, to be the Representative of the United States to the European Communities, with the rank and status of Ambassador Extraordinary and Plenipotentiary.

Contributions are to be reported for the period beginning on the first day of the fourth calendar year preceding the calendar year of the nomination and ending on the date of the nomination.

Nominee: J. William Middendorf II.

Post: U.S. Representative to European Economic Community.

Nominated: January 26, 1985.

CONTRIBUTIONS: DATE, DONEE, AMOUNT

1. Self, and 2. Spouse:

POLITICAL CONTRIBUTIONS IN JANUARY 1985 MADE BY J. WILLIAM MIDDENDORF II AND ISABELLE P. MIDDENDORF, JOINTLY

1/3-85—Mac Sweeney, Committee, $250.
1/3-85—Republicans Abroad, $250.
1/8-85—East for Senate Committee, $250.
1/17-85—Republicans Abroad, $250.
1/25-85—Friends of Wyatt Durette, $250.
1/3/84—Rhode Island Republican Party-Fund Raiser Ed DiPrete, $100.
1/6/84—Youth for Reagan Campaign, $15.
1/7/84—Helen Bentley for Congress, $100.
1/7/84—The Anniversary Committee, $140.
1/14/84—National Republican Senatorial Committee, $200.
1/14/84—Warner '84 Committee, $500.
1/14/84—The Anniversary Ball, $100.
1/14/84—Friends of Frank Wolf in '84, $100.
1/16/84—Once More in '84, $100.
1/19/84—Once More in '84, $50.
1/25/84—Reagan-Bush in '84 (Mrs. Middendorf), $1,000.
1/27/84—Warner '84 Committee, $100.
2/7/84—National Republican Club, $500.
1/8/84—1984 Platform Committee, $100.
2/18/84—Farley for Congress, $250.
2/20/84—Citizens for Reagan, $100.
2/28/84—Conservative Political Action Conference '84, $150.
3/3/84—National Federation of Republican Women, $30.
3/12/84—Connecticut Republican Party, $50.
3/25/84—Republicans Abroad, $500.
4/5/84—Farley for Congress, $100.
4/23/84—Arlington Young Republicans, $100.
4/23/84—Warner '84 Committee, $1,000.
4/24/84—Friends of Frank Wolf, $250.
5/21/84—Reagan Media Campaign, $250.
6/4/84—RNC Presidential Fund, 1984 Campaign, $250.
6/10/84—Citizens for Reagan, $1,000.
6/21/84—Andy Ireland Campaign Committee, $250.
6/25/84—Friends of Congressman Frank Wolf, $150.
7/2/84—Friends of Frank Wolf, $500.
7/12/84—National Federation of Republican Women, $25.
7/20/84—Friends of Wyatt Durette, $250.
7/31/84—Young Republicans National Federation, $75.
8/14/84—President and Vice-President Luncheon, $2,000.
8/28/84—Little Compton Republican Town Committee, $100.
9/10/84—Republican National Spanish Assembly, $300.
10/8/84—Republican Congressional Boosters Club, $1,000.
10/9/84—Griffin for Supreme Court Committee, $25.
10/9/84—Chuck Cozzens for Senate, $250.
10/14/84—Republican National Committee, $1,000.
10/19/84—Warner '84 Committee, $250.
10/22/84—1984 Commonwealth Gala, $100.
10/26/84—10th District Republican Committee, $100.
11/1/84—Combined Federal Campaign, $500.
12/8/84—Republican Senatorial Club, $200.
12/13/84—Elliot Richardson Committee, $250.

POLITICAL CONTRIBUTIONS IN 1983 MADE BY J. WILLIAM MIDDENDORF II AND ISABELLE P. MIDDENDORF, JOINTLY

1/6/83—Pressler for Senate, $500.
1/17/83—National Congressional Club, $250.
1/23/83—Conservative Political Action Conference, $250.
2/16/83—Republicans Abroad, $400.
3/9/83—Americans for Reagan Agenda, $25.
3/9/83—Conservative Political Action Conference, $50.
3/9/83—Republican Congressional Boosters Club, $100.
3/22/83—John Herrity Campaign Committee, $100.
4/11/83—Senator John East Campaign, $100.
4/11/83—Fairfax Republican Gala Committee, $100.
4/23/83—Jack Herrity for Chairman, $70.
4/30/83—10th District Republican Committee, $100.
5/8/83—Jesse Helms for Senate, $500.
5/16/83—Helms for Senate, $1,500.
5/17/83—Lawrence Smith for Congress, $250.
6/7/83—National Conservative Foundation, $400.
6/9/83—Citizens for Reagan, $100.
6/10/83—Americans for Reagan Agenda, $250.
6/18/83—Citizens for Reagan, $100.
7/1/83—Friends of John Warner '84, $1,000.
7/15/83—Herrity for Chairman, $250.
8/26/83—Cohen for Senator, $100.
8/26/83—Rhode Island Republican Party, $150.
8/26/83—Herrity for Chairman, $250.
8/30/83—Citizens for Reagan, $250.
9/2/83—Rhode Island Republican Party, $150.
9/2/83—Republican National Hispanic Assembly, $300.
9/2/83—Herman for Governor, $50.
10/1/83—John Baber for Sheriff, $250.
10/10/83—Republican National Hispanic Assembly, $35.
11/1/83—Warren C. Berry Campaign Committee, $100.
11/1/83—Corryel for Supervisor, $200.

11/16/83—RNC President's Club, $1,000.
12/5/83—Evans '82 Committee, $100.

POLITICAL CONTRIBUTIONS IN 1982 MADE BY J. WILLIAM MIDDENDORF II AND ISABELLE P. MIDDENDORF, JOINTLY

1/10/82—Service League of North Virginia, $100.
1/10/82—National Congressional Club, $500.
1/10/82—Reagan Anniversary NCPAC, $300.
1/10/82—American Conservative Union '82, $175.
1/14/82—Friends of Frank Wolf, $50.
1/17/82—Jeff Bell for Senate, $100.
1/18/82—Rhode Island Republican Party, $1,000.
1/25/82—First Anniversary Inaugural Ball, $80.
2/11/82—Friends of Frank Wolf (Primary), $1,000.
2/11/82—Durette '82 Committee, $50.
3/14/82—Republican 1982 Senate House Dinner, $2,000.
3/14/82—People for John Heritz Committee, $100.
3/16/82—McDonald for Congress, $250.
4/16/82—Clarence Brown for Governor, $100.
4/26/82—National Federation of Republican Women, $50.
4/27/82—Trible for Senate, $500.
4/27/82—Friends of Prescott Bush, $150.
4/27/82—Citizens for Gilman, $1,000.
5/2/82—Friends of Don Bray, $50.
5/3/82—Warner for U.S. Senate, $125.
5/14/82—Friends of Dick Lugar '82, $1,000.
5/17/82—Citizens for the Republic, $200.
5/20/82—Trible for U.S. Senate, $500.
5/24/82—Republican Party of Virginia, $50.
5/24/82—Conservative Political Action Conference, $500.
6/4/82—Trible for Senate, $100.
6/9/82—Conservative Political Action Conference, $50.
6/9/82—Evans '82 Committee, $250.
6/10/82—Friends of Frank Wolf, $250.
6/25/82—Heckler Congressional Committee, $100.
6/25/82—Slocum for Rhode Island General Assembly, $1,000.
6/30/82—Washington Conservative Club, $250.
7/8/82—10th District Republican Committee, $50.
7/17/82—Friends of Frank Wolf, $400.
8/1/82—Rhode Island Republican Party, $400.
8/24/82—National Congressional Club, $100.
9/12/82—Friends of Frank Wolf, $250.
9/12/82—Trible for Senate, $500.
9/13/82—Bentley for Congress, $150.
9/17/82—Susan Farmer Committee, $250.
9/18/82—Friends of Doug Brown, $25.
9/18/82—Susan Farmer Committee, $100.
9/18/82—McDonald for Congress, $100.
10/4/82—Heckler for Congress Committee, $250.
10/12/82—National Federation of Republican Women, $50.
10/19/82—Friends of Ham Fish, $100.
10/19/82—Evans '82 Committee, $200.
10/19/82—National Conservative Political Action, $100.
10/19/82—Friends of Prescott Bush, $250.
10/21/82—Republican Congressional Boosters Club, $1,000.
10/25/82—Friends of Frank Wolf, $100.
10/26/82—Levey for Senate, $250.
10/26/82—Combined Federal Campaign, $500.
11/1/82—Paul Trible for Senate, $500.
11/1/82—David Emery for U.S. Senate, $500.
11/1/82—Republican Party of Virginia, $500.
11/1/82—Republican National Finance Committee, $500.
11/1/82—Frank Wolf for Congress, $500.
11/4/82—John Rhodes Appreciation Dinner, $250.
12/3/82—Evans '82 Committee, $100.

POLITICAL CONTRIBUTIONS IN 1981 MADE BY J. WILLIAM MIDDENDORF II AND ISABELLE P. MIDDENDORF, JOINTLY

1/20/81—Ashbrook for Senate, $500.
2/18/81—Wallop Senate Drive, $1,000.
2/23/81—1981 Senate House Dinner, $2,000.
3/4/81—Warner for U.S. Senate Committee, $500.
3/19/81—Durette in '81 Committee, $100.
4/6/81—Durette in '81 Committee, $250.
4/15/81—10th District Republican Committee, $20.
5/15/81—Citizens for Reagan, $100.
6/18/81—Republican Senatorial Committee, $150.
6/30/81—Durette in '81, $250.
7/13/81—Thoburn '81 Committee, $200.
7/17/81—Newport Republican Dinner Dance, $300.
8/11/81—Newport Republican Benefit Dinner, $700.
8/26/81—Little Compton R.I. Republican Party, $100.
9/12/81—Durette in '81 Committee, $100.
9/28/81—Evans '82 Re-election Campaign, $200.
10/5/81—Durette in '81, $75.
10/4/81—Republican National Hispanic Assembly, $100.
10/13/81—Durette in '81, $1,000.
10/16/81—Durette in '81, $40.
10/16/81—Evans '82 Re-election Campaign, $250.
12/14/81—Durette in '81 Committee, $100.
3. Children and spouses' names: None.
4. Parents' names: Not available.
5. Grandparents' Names: not available.
6. Brothers' and spouses' names: No information available.
7. Sisters' and spouses' names: No information available.

Edward Joseph Perkins, of Oregon, a Career Member of the Senior Foreign Service, Class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States to the Republic of Liberia.

Contributions are to be reported for the period beginning on the first day of the fourth calendar year preceding the calendar year of the nomination and ending on the date of the nomination.

Nominee: Edward Joseph Perkins.
Post: Monrovia.
Contributions, amount, date, donee.
1. Self, none.
2. Spouse, none.
3. Children and spouses: Names, Katherine Karla, none, Sarah Elizabeth, none.
4. Parents: Names, Edward Perkins, Sr. (deceased) none. Tiny Estella Holmes, none.
5. Grandparents: Names, Nathan Noble (deceased), none. Sarah Noble (deceased), none.
6. Brothers and spouses: Names, none.
7. Sisters and spouses: Names, none.

Lewis Arthur Tambs, of Arizona, to be Ambassador Extraordinary and Plenipotentiary of the United States to the Republic of Costa Rica.

Contributions are to be reported for the period beginning on the first day of the fourth calendar year preceding the calendar year of the nomination and ending on the date of the nomination.

Nominee: Lewis A. Tambs.
Post: U.S. Ambassador to Costa Rica.
Contributions, amount, $100; date, 1982-82; donee, Republican Party of Arizona.
1. Self, Vol Foreign Pol Consultant to Dean Sellers/Pete Dunn, 1982 Ambassadors for Helms, 1984.
2. Spouse, Woody Jenkins of Louisiana, $100, 1980. Republican National Committee, $100, 1984.
3. Children and spouses: Names, none.
4. Parents: Names, Marguerite J. Jones, Mother, $50, 1981-84, Robert (R-CA) Lagomarsino. Father (deceased), none.
5. Grandparents: Names, deceased, none.
6. Brothers and spouses: Names, none (only child).
7. Sisters and spouses: Names, none (only child).

Edward Morgan Rowell, of California, a Career Member of the Senior Foreign Service, Class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States to the Republic of Bolivia.

Contributions are to be reported for the period beginning on the first day of the fourth calendar year preceding the calendar year of the nomination and ending on the date of the nomination.

Nominee: Edward M. Rowell.
Post: Ambassador to Bolivia.
Contributions, amount, date, donee.
1. Self, none.
2. Spouse, none.
3. Children and spouses: Names Edward O. & Christopher, none. D. Rowell; Karen (daughter) Schuler and husband Timothy D. Schuler, no contributions.
4. Parents: Names Edward J. Rowell—deceased 1974. Mary M. Rowell—deceased 1972.
5. Grandparents: Names Frederick and Mary Mohler—deceased 1947 and 1950 respectively. Edward F. and Anne C. Rowell—deceased 1937 and 1950 respectively.
6. Brothers and Spouses: Names Barbara E. Rowell (borther's wife)—no contributions. Frederic C. Rowell (brother)—no contributions.
7. Sisters and spouses: Names, no sisters.

Paul Julian Hare, of the District of Columbia, a Career Member of the Senior Foreign Service, Class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States to the Republic of Zambia.

Contributions are to be reported for the period beginning on the first day of the fourth calendar year preceding the calendar year of the nomination and ending on the date of the nomination.

Nominee: Paul Julian Hare.
Post: Ambassador to Zambia.
Contributions, amount, date, donee.
1. Self, $50, 1982, Rep. Les Aspin.
2. Spouse: Robbie Anna, none.
3. Children and spouses: Names Emmett and Jessica, none.
4. Parents: Names Raymond and Julia, $25 × 4=$100, 1981, 1982, 1983, 1984, Republican National Committee.
5. Grandparents: Names deceased, none.
6. Brothers and spouses: Names Raymond, none.
7. Sisters and spouses, Names none, none.

John Douglas Scanlan, of Hawaii, a Career Member of the Senior Foreign Serv-

ice, Class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States to the Socialist Federal Republic of Yugoslavia.

Contributions are to be reported for the period beginning on the first day of the fourth calendar year preceding the calendar year of the nomination and ending on the date of the nomination.

Nominee: John D. Scanlan.

Post: Belgrade, Yugoslavia.

Contributions, amount, date, donee.

1. Self, none.

2. Spouse: Margaret A. Scanlan, none.

3. Children and spouses: Names, Kathleen A., Michael D., Malia J., and John C. Scanlan, my four children, none married, none.

4. Parents: Both deceased for over 10 years. Names: Paul D. and Ruby J. Scanlan.

5. Grandparents: All deceased for over 30 years. Names Mr. and Mrs. Thomas D. Scanlan, Mr. and Mrs. Elmer M. Bennes.

6. Brothers and spouses: Names No brothers.

7. Sisters and spouses: Names Mr. & Mrs. Lavern E. Olson (Kathleen—sister) 2014 Fairway Lane, Alexandria, MN 56308, none.

John Dimitri Negroponte, of New York, a Career Member of the Senior Foreign Service, Class of Minister-Counselor, to be Assistant Secretary of State for Oceans and International Environmental and Scientific Affairs; and

Douglas W. McMinn, of Virginia, to be an Assistant Secretary of State.

(The above nominations were reported from the Committee on Foreign Relations with the recommendation that they be confirmed.)

By Mr. GOLDWATER, from the Committee on Armed Services:

The following-named officer under the provisions of Title 10, United States Code, Section 601, to be assigned to a position of importance and responsibility designated by the President under Title 10, United States Code, Section 601:

To be general

Lt. Gen. John T. Chain, Jr., xxx-xx-[redacted]FR, United States Air Force.

Mr. GOLDWATER. Mr. President, from the Committee on Armed Services, I report favorably the following nomination and ask that it be placed on the Executive Calendar:

Lt. Gen. John T. Chain, Jr., U.S. Air Force, to be general (Ref. #369).

The PRESIDING OFFICER. Without objection, it is so ordered.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. PRESSLER (for himself, Mr. EAGLETON, Mr. INOUYE, Mr. EXON, and Mr. DURENBERGER):

S. 1312. A bill to provide that the Federal Communications Commission review the proposed acquisition of television networks to ensure such acquisitions are in the public interest, and for other purposes; to the Committee on Commerce, Science, and Transportation.

By Mr. METZENBAUM (for himself and Mr. GORTON):

S. 1313. A bill to amend the Federal Trade Commission Act to allow certain actions by State attorneys general; to the Committee on the Judiciary.

By Mr. D'AMATO (for himself, Mr. METZENBAUM, and Mr. CRANSTON):

S. 1314. A bill to amend the Securities Exchange Act of 1934 to prohibit the trading on certain exchanges and markets of nonvoting shares and shares carrying disproportionate voting rights; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. DECONCINI (for himself and Mr. GOLDWATER):

S. 1315. A bill to designate the Salt-Gila Aqueduct of the Central Arizona project as the "Fannin-McFarland Aqueduct"; to the Committee on Energy and Natural Resources.

By Mr. INOUYE:

S. 1316. A bill for the relief of June Feldman; to the Committee on Governmental Affairs.

By Mr. RIEGLE (for himself and Mr. LEVIN):

S. 1317. A bill to amend title XVIII of the Social Security Act to treat certain osteopathic hospitals as rural referral centers for purposes of payment under the prospective payment system; to the Committee on Finance.

By Mr. DOMENICI (by request):

S. 1318. A bill to authorize the Secretary of the department in which the Coast Guard is operating to establish fees for certain Coast Guard services and for other purposes; to the Committee on Commerce, Science, and Transportation.

By Mr. LAXALT (for himself and Mr. HECHT):

S. 1319. A bill to relieve the Washoe County Water Conservation District, Nevada, of certain Federal repayment obligations; to the Committee on Energy and Natural Resources.

By Mr. CRANSTON (for himself and Mr. DODD):

S. 1320. A bill to improve the enforcement of child abuse laws; to the Committee on Labor and Human Resources.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. STAFFORD:

S. Res. 181. Resolution authorizing the printing of the report entitled "Highway Bridge Replacement and Rehabilitation Program, Sixth Annual Report to Congress" as a Senate Document; to the Committee on Rules and Administration.

By Mr. ABDNOR:

S. Res. 182. Resolution expressing the sense of the Senate with regard to the strengthening of airport and airline security for American air carriers serving points outside the boundries of the United States; to the Committee on Governmental Affairs.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. PRESSLER (for himself, Mr. EAGLETON, Mr. INOUYE, Mr. EXON, and Mr. DURENBERGER):

S. 1312. A bill to provide that the Federal Communications Commission review the proposed acquisition of television networks to ensure such acquisitions are in the public interest, and for other purposes; to the Committee on Commerce, Science, and Transportation.

NETWORK ACQUISITION APPROVAL ACT

Mr. PRESSLER. Mr. President, today I rise to introduce the Federal Communications Commission Network Acquisition Approval Act of 1985. This important legislation would ensure that, in cases involving a proposed hostile takeover of a major national television network, the FCC would thoroughly examine the public interest implications of the proposed change in ownership.

The national broadcast networks provide programming services that are relied on by hundreds of affiliated stations and millions of viewers across the country. It is essential that the FCC give careful and deliberate consideration to the specific facts involved in hostile takeovers to make certain that radical changes will not jeopardize the continuity of these important services. Accordingly, in all cases of this type, the act would direct the FCC to develop—and make public—a full record of the relevant facts and to examine the proposal in an evidentiary hearing before reaching a final "public interest" decision to grant or deny the application.

In the past, the FCC has recognized that the transfer of control of a national network requires the use of evidentiary hearings because these proceedings involve issues "far transcending in significance" those found in routine transfers of broadcast stations. In light of the vital importance of the major networks to the entire American system of broadcasting, the procedures used by the Commission in past network transfer cases have been entirely reasonable and appropriate. The pending legislation would merely codify the Commission's past practice to the extent of ensuring that in hostile takeovers—the cases which obviously involve the greatest risk of a disruption of existing service—the Commission would examine all of the facts in an evidentiary hearing.

Notwithstanding the Commission's long tradition of holding such hearings in network transfer cases, congressional action is now imperative to ensure that vitally important issues will continue to receive full consideration. FCC officials have been quoted recently as saying that it would be "very strange" to conduct evidentiary hearings in a pending, and extremely controversial, network transfer case.

Far from being strange, network transfers involving the fundamental changes in management that accompany hostile takeovers inherently raise issues that warrant close scrutiny in evidentiary hearings. The legislation would permit the FCC to retain its discretion to determine whether such

procedures are warranted in cases involving friendly mergers and acquisitions, but would eliminate all doubt as to the intent of Congress in hostile takeover cases.

I urge my colleagues to support this bill. By enacting this legislation, we will be protecting the critical interests of affiliated stations and viewers all across the country.

Mr. EAGLETON. Mr. President, I am pleased to cosponsor FCC Network Acquisition Approval Act introduced by my distinguished colleague from South Dakota, Senator PRESSLER.

This bill simply requires that in the event of a hostile takeover attempt aimed at any of the three broadcast networks the FCC must hold evidentiary hearings on the takeover attempt and its ramifications. In the past, such hearings were convened as a matter of course by the FCC. Today, however, the FCC's commitment to protecting the public's interest seems limited to a proposal to hold one day of informal, oral hearings on the subject. I do not view such treatment of this issue as an adequate fulfillment of the FCC's mandate to ensure that networks operate in the public interest.

This bill restores the public's right to review who is going to own and run our Nation's airwaves. This is an important factor to be considered. We are not talking about the transfer of one shoe company to another. We are talking about the transfer of ownership of our public airwaves.

In the last few months, there have been three significant proposals for ownership changes: First, Capital Cities' acquisition of ABC, which is a friendly takeover; second, Turner Broadcasting's attempt to acquire CBS, which is hostile, and; third, Rupert Murdoch's announcement of intention to buy Metro Media Television. Already this year, six transactions in this industry have been proposed worth nearly $12 billion, more than four times the value of all such deals in 1984. Should all of the proposed changes be approved they would represent a radical change in the complexion of the American broadcasting industry.

Why should we, the representatives of the public, care? Why should it matter to us whether Ted Turner is at the helm of CBS or whether Rupert Murdoch, an instant American, owns a chain of stations across the country?

The answers to those questions speak directly to the issue of the public's ownership of the airwaves. As Federal Communications Commissioner Jim Quello recently wrote during the Storer Communications Inc. case,

> With a substantial transfer of control, the FCC must make a public interest finding before transfer of control and allow the public a 30-day comment period. The Commission has a broader obligation in transfers than the Securities and Exchange Commission, which protects shareholders or antitrust departments, which preserves competition. The FCC has the obligation to protect the public interest—to assure quality service to broadcast viewers and listeners. Quality service requires stability of ownership, long-range planning and development.

Commissioner Quello went on to say that "our broadcasting system requires a degree of stability that is not enhanced by excessive financial manipulation and speculation."

If the FCC has taken the high road of protecting the public's interest and rights there would be no need to introduce legislation of this kind today. Unfortunately this is not the case. I have written twice to Chairman Fowler regarding the CBS/Turner takeover, asking for a full evidentiary hearing. As several of our colleagues and I said in our most recent letter to FCC Chairman Fowler, the petitions on file at the agency contain reason enough to hold a full-scale hearing into Mr. Turner's qualifications to own and operate CBS in the public interest. The public interest demands more than just a cursory examination in a 1-day oral argument. We agree with the Motion Picture Association of America that the proposed transfer of CBS to Turner "raises numerous and difficult issues" and that Turner "offers little or no evidence or analysis concerning these critical issues."

The vital national interest in a proposed network transfer is as evident now as it was in the past when the Commission held evidentiary hearings. For the FCC to consider allowing the transfer of one of the Nation's three broadcast networks without more information and more opportunity for the public to participate strains the concept that the national communications media should operate in the public interest. This bill assures that the crucial determination of the public's interest will be made on a full and complete record; nothing more or nothing less. As representatives of the public, I think we should make sure that the FCC carries out its mandate and holds full evidentiary hearings. If the FCC under this administration will not use its discretionary authority in compliance with congressional intent, then we must act to make mandatory this discretion. Thank you.

By Mr. METZENBAUM (for himself and Mr. GORTON):

S. 1313. A bill to amend the Federal Trade Commission Act to allow certain actions by State attorneys general; to the Committee on the Judiciary.

STATE ATTORNEYS GENERAL ENFORCEMENT OF THE FEDERAL TRADE COMMISSION ACT

Mr. METZENBAUM. Mr. President, today I am introducing legislation authorizing State attorneys general to enforce the Federal Trade Commission Act's prohibition on unfair and deceptive practices. This bill will allow State AG's to sue in Federal court to obtain orders to stop fraudulent and deceptive companies from operating anywhere in the United States.

The Federal Trade Commission is the principal Federal consumer protection agency with authority to police deceptive practices throughout the country. This bill does not change this role of the FTC. However, the reality is that the FTC has been hit hard by budget cuts over the last 5 years. Its budget in fiscal year 1981 was about $71 million. In order to keep pace with inflation, its budget for fiscal year 1986 would be $95 million rather than the $64 million proposed by the administration. Because of this substantial budget cut, the number of empoyees at the FTC has been reduced from over 1,700 at the beginning of 1981 to a proposed level of 1,168 employees in fiscal year 1986, a reduction of over 30 percent. The size of the staff in the FTC's regional offices, the enforcement arm closest to the consumers, has been cut by more than half over the past 5 years.

Whether or not one agrees with these budgets cuts, they are a reality. The effect has been to force a greater and greater burden on the States to protect consumers from phony land sales schemes, deceptive advertising, and shoddy products.

Currently, State AG's are generally limited to obtaining court orders to stop fraudulent practices within their own State. Consequently, AG's from several States may have to bring many different actions in order to put a stop to fraudulent practices throughout the Nation. This bill will authorize the Federal courts to grant nationwide remedies in appropriate cases so that a single case will accomplish what now takes several to accomplish.

In order to make sure that the law prohibiting unfair and deceptive practices is interpreted consistently, the Federal Trade Commission is authorized to intervene in any action in order to set out its views of the applicable law.

I am pleased to be joined in the introduction of this bill by my colleague from Washington, Senator GORTON. This bipartisan effort to improve the effectiveness of consumer protection enforcement will have substantial benefits for the consumers of this country.

Mr. President, I ask unanimous consent that the text of the bill and a more detailed explanation of the bill also be entered into the RECORD at this point.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 1313

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Federal Trade Commission Act (15 U.S.C. 41) is amended by redesignating sections 24 and 25 as sections 25 and 26, respectively,

and by adding after section 23 the following new section:

"SEC. 24. (a) Any attorney general of a State may bring a civil action in the name of such State, in any district court of the United States having jurisdiction of the defendant, to secure relief, as provided in subsection (c), for any violation of—

"(1) any provision of this Act, or

"(2) any order issued or rule promulgated under this Act,

respecting unfair or deceptive acts or practices in or affecting commerce if the attorney general alleges that such acts or practices affect or may affect the State or its residents.

"(b) No action may be commenced under subsection (a) respecting unfair or deceptive acts or practices unless the Commission and attorneys general of other States have been given written notice of the commencing of the action—

"(1) at least 30 days before the action is to be commenced, or

"(2) as early as practicable if the attorney general commencing the action—

"(A) alleges that the harm to the public from the unfair or deceptive acts or practices is ongoing or may recur, and

"(B) petitions the court for temporary or preliminary relief from such harm.

The Commission may intervene by its own attorneys in any such action, and the attorney general of any other State may intervene in any such action if the State or its residents are or may be affected by the acts or practices with respect to which the action is brought.

"(c) In an action brought under subsection (a) a court may—

"(1) impose a civil penalty in the same manner and circumstances as it could if the action was brought by the Commission or the Attorney General of the United States under section 5(l) or 5(m),

"(2) grant mandatory injunctions and such other and further equitable relief as the court may deem appropriate, and

"(3) grant such relief as the court finds necessary to redress injury to consumers or other persons resulting from the violation of a rule or provision of this Act, including rescission or reformation of contracts, refund of money or return of property, payment of damages, and public notification of the violation.

Relief granted under paragraph (1), (2), or (3) may include relief relating to persons outside the State and relief applicable to conduct outside the State of any attorney general who is a party to the action. An attorney general of any State may, petition any court which has jurisdiction of a person subject to an order of a court imposing a civil penalty or granting relief under paragraph (1), (2), or (3) to enforce such order with respect to such person if the attorney general alleges that failure to comply with such order affects or may affect such State or its residents.

"(d) For purposes of this section—

"(1) the term 'attorney general' means the chief legal officer of a State, and

"(2) the term 'State' includes the District of Columbia.".

FEDERAL CAUSE OF ACTION FOR STATE ATTORNEYS GENERAL: EXPLANATION OF THE BILL

This proposed legislation authorizes state attorneys general to enforce the federal prohibition of unfair or deceptive acts or practices in or affecting interstate commerce, now enforced only by the Federal Trade Commission. Under this bill, an Attorney General could, individually or in conjunction with others, file on action in federal court seeking a broad range of remedies, including injunctions and monetary redress. State AG's could also bring an action to enforce a Federal Trade Commission Trade Regulation Rule or the terms of FTC orders. In all cases, the state initiating the action would have to show that the unfair or deceptive practices affect or may affect the state's residents or the state government itself.

However, relief could extend to citizens of other states if appropriate.

The Federal Trade Commission is the principal federal agency charged with protecting consumers in the case of unfair or deceptive practices occurring on a nationwide basis. This legislation would not change this important role of the FTC. The FTC would continue to be the agency with the resources and expertise to bring most major national cases. However, this additional authority would improve the effectiveness of consumer protection by allowing state attorneys general to bring cases with a national impact as well.

Increasingly, federal budget austerity has shifted more responsibility for consumer protection with the state attorneys general who are closest to the consumer. This bill will clearly allow state AG's to seek remedies that are national in scope rather than limited only to the boundaries of their state. This strengthening of remedies available in consumer protection actions will increase the effectiveness of consumer protection enforcement by the states to be commensurate with their increased responsibility. For example, a deceptive land sales scheme may be operated in several states, harming consumers in many regions of the country. Currently, a successful action by a state AG has generally resulted only in relief limited to the operation of the fraudulent land sales company within a single state. Consequently, other states must duplicate the time and expense of bringing an action. Under this bill, a single action by a state attorney general would result in stopping the company from operating throughout the country.

In addition to authorizing the federal courts to award relief that extends beyond state boundaries, this bill would allow state AG's to enforce Commission rules and orders. In some cases, state law already authorizes states to enforce FTC rules but this bill would insure that all states could do so. By allowing states to enforce FTC rules and orders, the effectiveness of the Federal Trade Commission would also be substantially improved. Currently, the FTC must use its limited staff to enforce a large number of rules and orders. By allowing state AG's to enforce these as well, the chances that a company violating a rule or order would be prosecuted would be much greater and compliance would be correspondingly higher, too.

The decades of federal and state court cases, as well as opinions by the Federal Trade Commission, have created an extensive body of law establishing the meaning of unfair or deceptive acts or practices. The bill authorizes the FTC to intervene in any action in order to encourage a consistent interpretation of the FTC Act. Intervention would allow the FTC to set out its views on the applicable law views on the applicable law and appropriate relief if it chose to do so, or to seek additional relief in its own petition. In addition, the bill allows attorneys general of other states whose citizens are affected by the unfair or deceptive practices that are the subject of the initial action to intervene. This provision is intended to allow other state AG's to seek relief for the acts or practices of the same defendant and to have a say in how the residents of their state will be affected by the action.

By Mr. D'AMATO (for himself, Mr. METZENBAUM, and Mr. CRANSTON):

S. 1314. A bill to amend the Securities Exchange Act of 1934 to prohibit the trading on certain exchanges and markets of nonvoting shares and shares carrying disproportionate voting rights; to the Committee on Banking, Housing, and Urban Affairs.

SHAREHOLDER DEMOCRACY PROTECTION ACT

● Mr. D'AMATO. Mr. President, during the last few years we have watched with interest and concern as the wave of hostile takeovers has continued to sustain its momentum. Between 1978 and 1983 there were approximately 430 tender offers involving publicly traded corporations; 31 percent of these offers drew a hostile response from the management of the target company. The value of merger and acquisition transactions in 1984 exceeded $125 billion with the value of the largest merger to date exceeding $13 billion.

While sorting out the ramifications of these mergers, we must pay particular attention to the effects of these transactions on corporate shareholders. As we watch the evolution of offensive and defensive tactics with names like Scorched Earth and Poison Pills, one has to wonder who is protecting the shareholders from the flames and the poison being applied by the corporate managers. One such egregious tactic causes the disenfranchisement of corporate shareholders. When confronted with a hostile takeover, target managers may respond by issuing a new class of common stock, carrying up to 10 votes for every share, to an investor group sympathetic to the target corporation's management. The creation of this second class of stock dramatically dilutes the voting rights of the original shareholders who own the original class of common stock that carries but one vote per share. This defensive tactic strikes at the very heart of shareholder democracy.

Recent studies indicate that stocks listed on the New York Stock Exchange alone have over 43 million individual owners for their 50 billion listed shares. For more than half a century the New York Stock Exchange has prohibited the listing of securities of companies that issue multiple classes of stock with different voting rights. During this period the New York Stock Exchange has delisted at least six companies for violating these rules. Now in the face of strong competitive pressures from the American Stock

Exchange and NASDAQ, the New York Stock Exchange is considering lowering its listing standards to match the lower standards of the other exchanges. This race to the bottom must be halted.

The way to terminate this erosion of shareholder democracy is to raise the listing standards of the American Stock Exchange and NASDAQ. In the opinion, the failure by these exchanges to implement such changes is an abdication of their regulatory authority. It is my hope that they will respond accordingly. And in the event that changes by the AMEX and NASDAQ are not forthcoming, a proceeding should be commenced by the Securities and Exchange Commission to cause the appropriate changes.

It is because of my deep concern for the protection of shareholders and my uncertainty regarding the likelihood of action by the exchanges or the SEC that I am introducing the Shareholder Democracy Protection Act; a bill to prohibit the further listing of stock with different classes of voting rights. The proposed legislation would affect the New York Stock Exchange, the American Stock Exchange, NASDAQ, NMS stocks, and all regional exchanges. Recognizing that there are a number of AMEX, NASDAQ/NMS and New York Stock Exchange companies with disproportionate voting provisions adopted in good faith under State law are preexisting self-regulatory organization standards, the proposed legislation includes a "grandfather" provision in order to prevent any undue hardship. This grandfather provision would apply to all listed companies on national exchanges or automated quotation systems meeting the current American Stock Exchange listing standards for disproportionate voting rights. Any companies listed on the NYSE, AMEX or NASDAQ that are below the current AMEX listing standards for disproportionate voting rights would be required to upgrade within 2 years to current AMEX listing standards in order to be grandfathered. In addition, the grandfather would be permanent as long as the particular company continued to remain on the exchange or trading system that originally listed the stock carrying the disproportionate voting rights.

I join with Senators METZENBAUM and CRANSTON on a bipartisan basis in introducing this necessary legislation. I commend Congressman DINGELL, chairman of the House Energy and Commerce Committee for his continuing efforts on this important issue.

Mr. President, I ask unanimous consent that the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1314

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 12 of the Securities Exchange Act of 1934 (15 U.S.C. 781) is amended by adding at the end therefor the following new subsection:

"(n)(1) A security may not be registered under subsection (b) of this section on a national securities exchange if such security is a common stock that is part of a class of securities of the issuer which is nonvoting or which carries disproportionate voting rights.

"(2) Paragraph (1) shall not prohibit the continued registration of a common stock that is part of a class which carries disproportionate voting rights if such common stock (A) was admitted to listed trading on a national securities exchange prior to June 17, 1985, (B) remains continuously listed on such exchange, and (C) within two years of June 17, 1985, meets the minimum standards for original listing in effect on June 17, 1985, with respect to disproportionate voting rights of the national securities exchange which had the second highest trading volume in 1984.

"(3) For purposes of this subsection, a class of common stock carries a disproportionate voting right if the beneficial owner of a share of any class of common stock of the issuer is entitled to cast more or less than one vote on the basis of such share on any matter requiring the vote of the common stock of the issuer,".

SEC. 2. Section 15A of the Securities Exchange Act of 1934 (15 U.S.C. 780-3) is amended by adding at the end thereof the following new subsection:

"(i)(1) A security may not be quoted on an automated quotation system operated by a national securities association registered pursuant to this section if such security is a common stock that is part of a class of securities of the issuer which is nonvoting or which carries disproportionate voting rights.

"(2) Paragraph (1) shall not prohibit the continued quotation of a common stock that is part of a class which carries disproportionate voting rights if such common stock (A) was prior to June 17, 1985, quoted on an automated quotation system operated by a national securities association, and (B) within two years of June 17, 1985, meets the minimum standards for original listing in effect on June 17, 1985, with respect to disproportionate voting rights of the national securities exchange which had the second highest trading volume in 1984.

"(3) For purposes of this subsection, a class of common stock carries a disproportionate voting right if the beneficial owner of a share of any class of common stock of the issuer is entitled to cast more or less than one vote on the basis of such share on any matter requiring the vote of the common stock of the issues.".●

● Mr. METZENBAUM. Mr. President, I am pleased to join Senator D'AMATO in introducing the Shareholder Democracy Protection Act. This bill will prevent the further erosion of the one-share-one-vote principle of corporate governance.

Frankly, I never thought such legislation would be necessary. The one-share-one-vote doctrine has been as fundamental to our system of corporate governance as the one-man-one-vote principle has been to our political system.

But in the past year, more and more companies, seeking to guard against hostile takeovers, have issued a new class of common stock with unequal voting rights. These so-called dual capitalization programs lodge disproportionate voting rights in management or other friendly hands.

As a result, companies disenfranchise common shareholders and give incumbent management considerable power to run and control the corporation without being accountable to the shareholders—the true owners of the business.

This is not only unfair to common stockholders, it is also an assault on a basic tenet of our economic system—which is based on the broad public ownership of corporations.

The legislation we're introducing would simply require companies that trade on national and regional exchanges and through the automated trading system of the National Association of Securities Dealers to have equal voting rights for all shareholders.

Companies that have two classes of common stock with disparate voting rights would be allowed to retain them if they meet four conditions: The stock must be issued as of June 17, 1985; the company must continue to be listed on the same exchange or quoted on the same system; the voting ratio in favor of the "super" voting class must not be greater than 10 to 1; and the limited voting class must have the right to elect at least 25 percent of the company's board of directors. Companies which currently have two classes of common stock that don't meet these standards would have 2 years to meet them.

The bill would not permit companies to evade these listing standards by issuing two classes of common stock with equal voting rights and then requiring that a majority of both classes must approve a particular transaction. Such an arrangement would clearly violate the intent of the law.

Currently, the New York Stock Exchange rules require all listed companies to adhere to the one-share-one-vote principle while both the American Stock Exchange and NASDAQ permit trading of companies with dual class capitalizations.

About a year ago, several NYSE-traded companies, including Dow Jones, Figgie International, and Hershey, Inc., created new classes of stock with limited voting rights. Now, more than 20 NYSE firms have either issued or announced plans to do the same. The impetus for all these companies to put dual class capitalization programs in place was their effectiveness in thwarting hostile takeovers.

Under exchange rules, these companies would be delisted, and forced to trade on the AMEX, NASDAQ or other regional exchanges. But the NYSE, seeking to avoid the loss of income that would occur if it delisted major firms, imposed a moratorium on delisting companies that violate the one-share-one-vote principle while a special ad hoc committee studied the problem.

The ad hoc committee recommended that companies with two classes of common stock be permitted to trade on the NYSE if certain conditions are met. The exchange is considering this recommendation. Many observers believe that, faced with the choice of losing lucrative listings to competing exchanges or modifying its listing standards, the NYSE is likely to accept the ad hoc panel's recommendations. I believe such a step would mark the end of the one-share-one-vote era.

John Whitehead, a limited partner and former cochairman of Goldman Sachs & Co., recently wrote a compelling critique of the ad hoc committee's recommendations.

I believe that this action, if it occurs, will have serious negative implications for the whole capitalist system. There are 43 million individual stockholders in the United States. The broad public ownership of our great American companies is one of the things that distinguishes our system from those of countries such as Germany and Japan and has made our capital market the deepest and most liquid in the world.

The one-share-one-vote principle has been a cornerstone of this corporate democracy. If it is taken away or watered down, public investors will in time feel that the cards are stacked against them by some inside group that controls the votes, and they will no longer be willing to own their "share of American business," as the exchange's advertising slogan used to state. Furthermore, stockholder voting rights are an important reminder to management that it should always act in the stockholders' interest, a reminder that should not be given up lightly.

I understand that many companies are resorting to the dual capitalization device solely to avoid hostile takeovers and, in a different world, would agree with me that such a step is wrong.

I share their concern about hostile takeovers and have introduced S. 860, the Shareholder Fairness Act, to address abuses by both bidders and targets. But I believe that regardless of what we feel about hostile takeovers, we should all agree that the disenfranchisement of shareholders is an inappropriate way for target management to defend inself.

Last Friday, the self-regulatory organizations met to seek a private sector agreement to protect the one-share-one-vote principle. I hope they reach such an agreement. But, if they do not, I hope that Congress will enact comprehensive tender offer reform legislation this session that includes a provision similar to the language in the bill we are introducing today.

If the SRO's fail to act, and if Congress does not pass a comprehensive tender offer package, I would move independently to enact the Shareholder Democracy Protection Act as a free standing bill.●

By Mr. DECONCINI (for himself and Mr. GOLDWATER):

S. 1315. A bill to designate the Salt-Gila aqueduct of the central Arizona project as the "Fannin-McFarland Aqueduct"; to the Committee on Energy and Natural Resources.

FANNIN-MC FARLAND AQUEDUCT

● Mr. DECONCINI. Mr. President, I am sponsoring legislation today that pays tribute to the enormous contributions made by former Arizona Senators Paul Fannin and Ernest McFarland to the development of the central Arizona project. As you know, Mr. President, the central Arizona project, a Bureau of Reclamation water supply and diversion project, was authorized by the Congress in 1968. It is the most important Federal project in the State of Arizona and one upon which the people of Arizona depend for meeting water supply needs now and into the future.

The CAP is about 45 percent complete and the first Colorado River water deliveries will be made to the Phoenix metropolitan area late this year. Arizonans are awaiting these initial water deliveries with great anticipation. Once Colorado River waters are delivered to our growing metropolitan areas, we can start to effectively plan for our State's future.

Because of the pending event this year, I believe now is the proper time to pay tribute to those Members of Congress from the State of Arizona who helped steer the CAP through the Congress amidst considerable controversy and debate. Two of those individuals, both former Governors of the State of Arizona and former Members of the U.S. Senate, Paul Fannin and Ernest McFarland, were vital players in the negotiations leading up to the final passage of legislation authorizing the CAP. Their roles as statesmen and dogged negotiators on behalf of Arizona in difficult times merit, at the very least, their names on a portion of the project they worked so hard to secure.

The legislation I propose today will redesignate a portion of the central Arizona project, known as the Salt-Gila Aqueduct, as the "Fannin-McFarland Aqueduct." Earlier legislation renames the Granite Reef Aqueduct as the "Hayden-Rhodes Waterway" and while I would like to add the names of sitting Members of Congress, the Honorable MORRIS K. UDALL and the Honorable BARRY GOLDWATER, to the list because of their unswerving and dedicated support of the CAP, I am advised that Senate protocol prohibits doing so while they are Members of Congress. However, I do plan to sponsor legislation at the appropriate time in the future to honor Congressman UDALL, former Interior Secretary Stewart Udall, and Senator GOLDWATER. Stewart Udall, also from Arizona, played an integral role in the development of the CAP when he served as a Member of Congress and Secretary of the Interior. I intend to propose legislation to name the Tucson Aqueduct, phase A and B, in honor of these three distinguished national leaders from Arizona.

Mr. President, when Arizonans reflect on the history of their great State, they will be inspired by the tremendous contributions made on a bipartisan level to the CAP. The history of the CAP in and of itself could garner a very large segment in our State's historical evolution. Here it is 1985 and the CAP is about 45 percent complete. The project was first authorized in 1968 but its concept dates all the way back to 1918. That's a very long time, Mr. President, and as you can well imagine, countless individuals dedicated time and considerable effort to this very worthy and very necessary public works project throughout that period. The CAP was once referred to as a "mad man's dream." Late this year, that project will blossom from a dream to reality.

Mr. President, I ask unanimous consent that the text of the bill be printed at this point in the RECORD, and I urge my colleagues on the Senate Energy and Natural Resources Committee to take timely action on this legislation.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1315

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Salt-Gila aqueduct of the central Arizona project, constructed, operated, and maintained under section 301(a)(7) of the Colorado River Basin Project Act (43 U.S.C. 1521(a)(7)), hereafter shall be known and designated as the "Fannin-McFarland Aqueduct".

SEC. 2. Any reference in any law, regulation, document, record, map, or other paper of the United States to the aqueduct referred to in the first section hereby is deemed to be a reference to the "Fannin-McFarland Aqueduct".●

By Mr. RIEGLE (for himself and Mr. LEVIN):

S. 1317. A bill to amend title XVIII of the Social Security Act to treat certain rural osteopathic hospitals as rural referral centers for purposes of payment under the prospective payment system; to the Committee on Finance.

TREATMENT OF CERTAIN RURAL OSTEOPATHIC HOSPITALS AS RURAL REFERRAL CENTERS

● Mr. RIEGLE. Mr. President, today I am introducing a bill which would eliminate one of the inequities created by the new Medicare prospective payment system. The bill, S. 1317, will amend title XVIII of the Social Security Act to treat certain rural osteopathic hospitals as rural referral centers for the purpose of payment under the prospective payment system.

The diagnostic related groups [DRG's] of the new Medicare prospective payment system [PPS] is presently in its second year of implementation. This new prospective approach to hospital reimbursement was a revolutionary change from the retrospective cost-based reimbursement system which has been in place since the creation of Medicare.

However, as with any new system, there is going to be the need to make refinements and adjustments. Today, I would like to discuss one inequity which needs to be addressed. This is in the area of the rural referral classification system under the new PPS Program. The PPS system was instituted with an urban-rural payment differential. The rural hospitals receive a smaller reimbursement for the same DRG because of the less expensive care delivered in the rural setting. Congress did, however, recognize that there are rural hospitals which serve as referral centers for larger communities. Hospitals in these rural settings with over 500 beds were allowed to receive the higher urban rate. In addition, the Department of Health and Human Services on August 31, 1984, issued regulations which expanded the scope of the rural referral designation by allowing hospitals with less than 500 beds to qualify if certain other utilization criteria were met. One of these requirements is that a hospital have an annual discharge rate of at least 6,000 discharges or an equivalent number to their urban counterparts. This criteria is unrealistic for a number of osteopathic hospitals which otherwise qualify for such a designation.

Osteopathic medicine is an approach to medicine which allows for an alternative model for the delivery of health care. It is a patient-oriented approach which emphasizes the concepts of "wellness" and preventative approaches to care. The Federal Government has always recognized osteopathic medicine as a separate but complementary system. This distinctiveness has been acknowledged in all aspects of the health care industry.

Osteopathic hospitals are by their very nature smaller in scope and size than their allopathic counterpart. Osteopathic medicine has only 109 teaching hospitals in this country and osteopathic physicians comprise only 2 percent of the physicians in the United States. Even so, osteopathic physicians serve over 10 percent of our Nation's patient health care needs.

Many osteopathic hospitals are located in rural areas. Nearly 50 percent nationwide have less than 100 beds and 80 percent have less than 200 beds. Yet for many of these communities, they serve a vital function. In addition, a few serve as referral centers in the fullest sense of the word. It is evident in the range of services delivered, the breadth of their referral base and in the complexity of the cases that they treat. However, their small physical size prohibits them from meeting the 6,000 annual discharges and therefore qualifying for the designation as a rural referral center.

S. 1317 would amend title XVIII of the Social Security Act, or Medicare to lower the minimum number of discharges from the 6,000 level to 3,000 for certain rural osteopathic hospitals. This change will allow these vital hospitals to continue their work and serve as rural referral centers meeting the health care needs of their communities.

Mr. President, I urge all my colleagues to join with me in this important corrective measure to the Medicare Program.●

By Mr. DOMENICI (by request):

S. 1318. A bill to authorize the Secretary of the department in which the Coast Guard is operating to establish fees for certain Coast Guard services and for other purposes; to the Committee on Commerce, Science, and Transportation.

COAST GUARD USER FEE AUTHORIZATION ACT

● Mr. DOMENICI. Mr. President, by request, I introduce a bill to authorize the Secretary of Transportation to establish fees for certain services provided by the U.S. Coast Guard.

The purpose of this legislation is to shift the costs of certain Coast Guard services from the general taxpayer to the user that specifically benefits from these services. Currently, the general taxpayer pays for virtually all of the services that the Coast Guard provides free-of-charge to commercial mariners and recreational boaters.

The Coast Guard estimates that net receipts from this bill will yield $236 million in fiscal year 1986, and $476 million in each fiscal year 1987 through 1990. I would like to take this opportunity to point out that the first budget resolution for fiscal years 1986-88, as recently passed by the Senate, assumes far less in Coast Guard user fees than the administration's proposal. The Senate's budget resolution assumes $150 million in each fiscal year 1986 through 1988 from Coast Guard user fee receipts. The proposed level of user fees in the Senate budget resolution will cover an average of only 8 percent of the Coast Guard's annual operating costs.

The U.S. Coast Guard has provided a wealth of services to the maritime community and the entire Nation, since its predecessor, the Revenue Marine Service, was created as part of the Treasury Department in the 18th century. I encourage my colleagues to consider the worthy principle of having the beneficiaries of Coast Guard services cover a small portion of the costs of these valuable services.

I commend the administration for taking the initiative on this issue. I ask unanimous consent that the bill be printed in the RECORD at this point, together with a section-by-section analysis of the bill.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1318

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Coast Guard User Fee Authorization Act of 1985".

SEC. 2. (a) At the end of part I of title 14, United States Code, add the following new chapter:

"CHAPTER 19—USER FEES

"Sec.
671. Definitions.
672. User fee authority.
673. Establishment of fees.
674. Collection of fees.
675. Treatment of receipts.
676. Annual search and rescue certification.
677. Exemptions.
678. Liability of the United States not altered.
679. Penalties.

"§ 671. Definitions

"In this chapter—

"(1) "associated equipment"—

"(A) means—

"(i) a system, accessory, component, or appurtenance of a recreational boat; or

"(ii) a marine safety article intended for use on board a recreational boat; but

"(B) does not include radio equipment.

"(2) "offshore facility" means any artificial island, installation, or other device permanently or temporarily attached to the seabed of the United States Outer Continental Shelf, which is erected thereon for the purpose of exploring for, developing, or producing resources therefrom.

"(3) "operating expenses" means costs incurred by the Coast Guard as necessary expenses for its operation and maintenance.

"(4) "owner" means a person who claims lawful possession of a vessel, facility, or terminal by virtue of legal title or equitable interest therein which entitles that person to such possession.

"(5) "recreational boat" means any vessel that is operated only for pleasure use.

"(6) "recreational boat and associated equipment manufacturer" means any person engaged in—

"(A) the manufacture, construction, or assembly of recreational boats or associated equipment; or

"(B) the manufacture or construction of components for recreational boats and associated equipment to be sold for subsequent assembly; or

"(C) the importation into the United States for sale of recreational boats, associated equipment or components thereof.

"(7) 'terminal'—
"(A) means—
"(i) a pier, wharf, dock, similar structure, or area of land to which a vessel is or may be secured;
"(ii) an area of land, water, or land and water under and in immediate proximity to a pier, wharf, dock, similar structure, or area of land to which a vessel is or may be secured;
"(iii) any building on or contiguous to a pier, wharf, dock, similar structure, or area of land to which a vessel is or may be secured;
"(iv) any equipment and materials on a pier, wharf, dock, or similar structure, or area of land to which a vessel is or may be secured, or in a building that is on or adjacent to such a structure or land; and
"(v) a deepwater port; but
"(B) does not include facilities operated by the Department of Defense.

"§ 672. User fee authority

"(a) The Secretary, in consultation with affected Federal agencies, may establish a system of fees to recover that portion of the related operating expenses of services, which primarily benefit the users of the services and are beyond those benefits that accrue to the public at large, that are provided or made available by the Coast Guard to—
"(1) the owners, operators, or persons in charge of—
"(A) vessels,
"(B) terminals, or
"(C) offshore facilities;
"(2) individuals who are licensed, certificated, or issued merchant mariners' documents by the Coast Guard;
"(3) recreational boat and associated equipment manufacturers;
"(4) manufacturers of materials and equipment approved by the Coast Guard; and
"(5) other users of Coast Guard services.
"(b) In addition to the operating expenses relating to the services authorized to be recovered under this subsection, the Secretary may also recover reasonable administrative and enforcement costs associated with this chapter.
"(c) The operating expenses of the following Coast Guard programs may not be included in the operating expenses to be recovered—
"(1) Enforcement of Laws and Treaties.
"(2) Polar Ice Operations.
"(3) Defense Readiness.
"(4) Waterways management.
(d) The fee schedule prescribed by this section may not conflict with the International obligations of the United States.

"§ 673. Establishment of fees

"(a) The Secretary shall issue regulations to carry out this chapter, including fee schedules.
"(b) The Secretary shall consider the following factors in establishing fees for Coast Guard services—
"(1) the cost of providing the services, excluding that portion of the costs that primarily benefits the public at large rather than the actual users of the service;
"(2) the number of vessels, terminals, offshore facilities, and persons affected;
"(3) the costs of administering and enforcing the collection of fees; and
"(4) the equity and economic impact of the charges to be imposed.

"§ 674. Collection of fees

"(a) The Secretary may collect fees from:
"(1) the owner, operator, or person in charge of—
"(A) a vessel (other than a public vessel) operating in or on waters subject to the jurisdiction of the United States,
"(B) a terminal, located on or adjacent to waters subject to the jurisdiction of the United States, or
"(C) an offshore facility;
"(2) individuals who are licensed, certificated, or issued merchant mariners' documents by the Coast Guard;
"(3) recreational boat and associated equipment manufacturers;
"(4) manufacturers of materials and equipment approved by the Coast Guard; and
"(5) other users of Coast Guard services.
"(b) The Secretary may employ any federal, state, or local agency or instrumentality, or private enterprise or business, to collect fees established under this section. These fee collection services, which shall not include the institution of litigation, may be provided under such reasonable terms and conditions, including reimbursement with proper accounting to the Secretary, as the Secretary and such agency or business agree.

"§ 675. Treatment of receipts

Amounts collected pursuant to this Act shall be deposited in the general fund of the Treasury as proprietary receipts of the department in which the Coast Guard is operating, ascribed to Coast Guard activities.

"§ 676. Annual search and rescue verification

"There shall be an annual verification by the Secretary that the amounts spent on Coast Guard search and rescue activities are not less than the amounts collected annually for such purposes.

"§ 677. Exemptions

"The Secretary may grant exemptions from any provision of this chapter or any regulations issued under this chapter.

"§ 678. Liability of the United States not altered

"The collection of fees for Coast Guard services shall not alter or expand the duties and liability of the United States under existing law for the performance of functions for which fees are collected, nor shall the collection of fees constitute an express or implied undertaking by the United States to perform any service or activity in a certain manner or to provide any service at a particular time and place.

"§ 679. Penalties

"(a) The owner, operator, or person in charge of a recreational boat who fails to pay a fee prescribed under section 672 of this title is liable to the United States Government for a civil penalty of not more than $5000 for each occurrence, in addition to any fee imposed.
"(b) The owner, operator, or person in charge of a vessel (other than a recreational boat), terminal, offshore facility, any recreational boat or associated equipment manufacturer; manufacturer of materials or equipment approved by the Coast Guard; or other user of Coast Guard services who fails to pay a fee prescribed under section 672 of this title is liable to the United States Government for a civil penalty of not more than $25,000 or two times the fee, whichever is greater, for each occurrence, in addition to any fee imposed.
"(c) Any individual licensed, certificated, or issued a merchant mariners' document by the Coast Guard who fails to pay a fee prescribed under section 672 of this title is liable to the United States Government for a civil penalty of not more than $5000 for each occurrence, in addition to any fee imposed.
"(d) Any person who fails to comply with a regulation prescribed under this chapter is liable to the United States Government for a civil penalty of not more than $5000 for each violation.
"(e) The vessel of any owner, operator, or person in charge who fails to pay a fee or penalty, or who fails to comply with a regulation prescribed under this chapter, also is liable in rem for the fee and any civil penalty assessed under this section, and may be proceeded against in the United States District Court of any district in which the recreational boat or other vessel may be found.
"(f) A certificate, license, permit, approval, or document issued by the Coast Guard is invalid until all required fees have been paid to the United States Government.
"(g) After notice and an opportunity for a hearing, a person found by the Secretary to have violated this chapter or a regulation prescribed under this chapter for which a civil penalty is provided, is liable to the United States Government for the civil penalty provided. The amount of the civil penalty shall be assessed by the Secretary by written notice. In determining the amount of the penalty, the Secretary shall consider the nature, circumstances, extent, and gravity of the prohibited acts committed and, with respect to the violator, the degree of culpability, any history of prior offenses, ability to pay, and other matters that justice requires.
"(h) The Secretary may compromise, modify, or remit, with or without consideration, a civil penalty under this chapter until the assessment is referred to the Attorney General.
"(i) If a person fails to pay an assessment of a civil penalty after it has become final, the Secretary may refer the matter to the Attorney General for collection in an appropriate district court of the United States.
"(j) The Secretary may deny entry to a port or place subject to the jurisdiction of the United States to a vessel if any required fees have not been paid.
"(k) When requested by the Secretary, the Secretary of the Treasury shall deny the clearance required by section 4197 of the Revised Statutes of the United States, as amended (46 App. U.S.C. 91), to the vessel until the fee assessed for Coast Guard services is paid or until a bond is posted for the payment thereof.".
(b) The analysis of part I of title 14, United States Code, which is located immediately before chapter 1, is amended by adding at the end the following new item:
"19. User Fees..... 671".

SEC. 3. Conforming amendments:
(a) Subsection I of the Ship Mortgage Act, Sec. 30 of the Act of June 5, 1920, c. 250, 41 Stat. 1002 (46 App. U.S.C. 927), as amended by the Act of September 16, 1966 (Public Law 89-582, 80 Stat. 795) is amended by striking out the third and fourth sentences.
(b) Section 2110 of Title 46, United States Code (P.L. 98-89, August 26, 1983), is repealed.

SECTION-BY-SECTION ANALYSIS

The first section of the bill titles the bill as the "Coast Guard User Fee Authorization Act of 1985".

Section 2 adds a new chapter 26—User Fees—to title 14 of the United States Code. Following is a description of the sections in the new chapter.

SEC. 671. DEFINITIONS.

This section defines terms applicable to the chapter.

SEC. 672. USER FEE AUTHORITY.

This section vests general authority in the Secretary of the department in which the Coast Guard is operating to establish a system of user fees which would recover the operating expenses of certain Coast Guard services. Specifically excluded from the user fee program are services which benefit the general public and not a specific group of users, and are therefore appropriately paid by the general taxpayers. These excluded services are:

1. ENFORCEMENT OF LAWS AND TREATIES. Maritime enforcement of laws and treaties is accomplished by boats, cutters, and aircraft conducting patrols to enforce certain international agreements and Federal laws on the high seas and waters over which the United States exercises jurisdiction, including fisheries enforcement, which involves living marine resources, and general law enforcement, which concerns drug smuggling, illegal immigration, hijacking/theft of vessels, and other similar unlawful activities. This exclusion is intended to pertain only to costs attributable to this Coast Guard operating program, not to costs attributable to enforcement of other Coast Guard regulatory responsibilities. It will not prevent the reimbursement of the Coast Guard by other agencies from fees collected by those agencies for Coast Guard law enforcement activities, such as the reimbursement of the Coast Guard by the Department of Commerce from the foreign fishing vessel permit fees.

2. POLAR ICE OPERATIONS. Polar ice operations are performed by specially constructed icebreakers or ice-strengthened cutters which operate in support of Coast Guard programs and the requirements of other agencies, such as the Department of Defense and the National Science Foundation. Exclusion of these activities from this legislation will not prevent the reimbursement of the Coast Guard by other agencies or foreign nations for services performed by Coast Guard units under agreements of understanding or international agreements, such as reimbursement by the National Science Foundation for their share of the expenses of polar ice operations or sharing of expenses of the International Ice Patrol by participating nations.

3. DEFENSE READINESS. The Coast Guard operates as a service in the Navy in time of war or national emergency at the direction of the President. During peacetime, an effective state of defense preparedness is maintained by both regular and reserve components through individual and unit training, by joint training exercises with the other Armed Forces, and by Coast Guard exercises.

4. WATERWAYS MANAGEMENT. The Coast Guard employes passive and active traffic management techniques and navigation safety procedures to assure an acceptable level of safety in and around U.S. ports and waterways. Passive management techniques and navigation safety procedures are any form of regulatory action where compliance is vested in the user. Active management techniques, vessel traffic services, involve direct interaction between the user and the Coast Guard to ensure compliance. The benefits of the resulting safe operations accrue not only to the vessels operating there and the individual port operators, but also to the environment and the general populace. They are protected from the effects of potential explosions and releases of hazardous materials, and their general economic well-being often depends on the viability of the port and waterway operations. In addition, the program serves a vital defense function. Because of the voluntary nature of most vessel traffic services and the few ports that have services it would not be equitable to assess a user fee on all waterway users for the costs of the vessel traffic services that are not attributable to the national defense or the benefit of the communities in which the services are operated. While it may be possible to develop user charges for those vessels which benefit from vessel traffic services, the administrative burden and costs of collecting user fees for the costs attributable to specific users will outweigh the potential recovery.

While it is in the national interest for the Coast Guard to perform the following services related to maritime safety, they do benefit identifiable user groups, and it is appropriate to recover some of the costs. Expenses associated with those services that would be recovered under this bill include:

1. COMMERCIAL VESSEL SAFETY. The Coast Guard conducts several types of inspections under this program:

a. INITIAL INSPECTION FOR CERTIFICATION. The Coast Guard conducts plan review of certain vessels and physically inspects a vessel during its construction (including hull, propulsion, and safety systems) to see that construction conforms to approved plans and regulations. Inspection of major vessels during all phases of construction can consist of hundreds of hours of physical examination and extensive testing of the work under construction.

b. INSPECTION FOR CERTIFICATION. Inspections for certification are required at various frequencies, depending on the type and service of the vessel. The Coast Guard inspects the vessel to determine its condition, using both physical examinations and performance of tests.

c. REINSPECTIONS. Reinspections are required at prescribed, periodic intervals during the period of validity of the Certificate of Inspection. The scope of the reinspection is the same as the inspection for certification, but in less detail, unless it is determined that a major change has occurred since the last inspection.

d. DRYDOCK EXAMINATION. The Coast Guard examines a vessel's hull, machinery, and other appurtenances to determine their overall condition. Examinations can include extensive testing, if warranted, and can take from hours to days depending on the size and condition of the vessel. Drydock examinations are required at intervals of from one to ten years, depending on the vessel's age, trade, and route.

e. FIXED OFFSHORE STRUCTURE INSPECTION. Structures and islands located on the Outer Continental Shelf are regulated by the Coast Guard with respect to lights and other warning devices, safety equipment, and other matters related to the protection of life and property. The Coast Guard inspects those structures and islands to ensure compliance with applicable standards.

f. LICENSING AND DOCUMENTATION OF MERCHANT MARINE PERSONNEL. As part of the process of reducing risks from commercial vessel operations, applicants seeking employment on specified vessels must hold appropriate licenses, certificates, or merchant mariners' documents issued by the Coast Guard. The Coast Guard processes those applications to ensure that merchant mariners have the necessary qualifications for the safe operation of merchant vessels. The Coast Guard also maintains a register of reports on the conduct, character, and qualification of merchant marine personnel.

g. VESSEL DOCUMENTATION. Federal law requires the issuance of documents to vessels registered in the foreign trade or licensed to engage in the trade on the Great Lakes, in the coastwise trade, or in the fisheries. The Coast Guard administers these vessel documentation laws.

h. TONNAGE MEASUREMENT. The measurement of vessels is required to determine gross and net tonnages, which affect how national inspection laws and various customs and canal transit duties will apply to the vessels. The Coast Guard processes certain applications for measurement.

i. EQUIPMENT APPROVAL. The Coast Guard administers an approval program for certain types of lifesaving and safety associated equipment used on vessels.

2. AIDS TO NAVIGATION. A network of over 45,000 manned and unmanned aids to navigation is maintained along our coasts and on our inland waterways to ensure the safe passage of the mariner. Loran-C stations and radio beacons are operated in the Coastal Confluence Zone and the Great Lakes to serve the needs of the armed services as well as marine and air commerce.

3. RECREATIONAL BOATING SAFETY. The Coast Guard develops minimum boating safety standards and monitors manufacturer compliance; administers a safety recall or defect notification program under which recreational boat manufacturers could be required to notify owners and correct defects; administers an approval program for certain types of lifesaving and safety associated equipment, such as personal flotation devices, visual distress signals and fire extinguishing systems; investigates boating fatalities on navigable waters of the United States and analyzes the results to develop safety programs; disseminates safety information and coordinates education and other safety activities with the states and boating safety organizations; and supports the volunteer Coast Guard Auxiliary.

4. PORT AND ENVIRONMENTAL SAFETY. The Coast Guard monitors hazardous cargo transfer, liquid bulk transfer, and ocean dumping operations; boards vessels to ensure compliance with dangerous cargo laws and regulations, pollution prevention laws, regulations, and international treaties; surveys and inspects bulk liquid waterfront facilities; conducts spot checks on designated waterfront facilities; and issues port safety and security identity cards to port workers.

5. MARINE ENVIRONMENTAL RESPONSE. The Coast Guard ensures the adequate cleanup of oil and hazardous substances spills.

6. DOMESTIC ICE OPERATIONS. The Coast Guard maintains several cutters specifically designed for breaking ice on the Great Lakes, inland, and coastal waters, along with vessels outfitted with ice-strengthened hulls. In combination, these vessels are the resources available upon request to assist vessels that navigate on waters which are normally ice-bound in the winter. This activity takes place primarily in the Great Lakes region (including the inland rivers) and the Northeast coast of the continental United States. It would not include emergency domestic ice operations that are necessary to the movement of essential commodities or to ice operations in areas that are normally ice free.

7. BRIDGE ADMINISTRATION. The Coast Guard approves the location and plans of proposed bridges prior to commencement of construction, alteration, or removal of obstructive bridges, and issues and enforces drawbridge regulations.

8. SEARCH AND RESCUE. The Coast Guard is designated as the search and rescue coordinator for waters subject to the jurisdiction of the United States and certain areas of the high seas. In addition to serving maritime users, Coast Guard search and rescue (SAR) facilities perform SAR missions over adjacent coastal and inland areas. A network of boats, aircraft, cutters, rescue coordination centers, communication facilities, air stations, and boat stations are maintained in a state of readiness to provide this assistance.

In addition to authorizing the establishment of user fees, Section 672 also authorizes the Secretary to collect those fees from specific service recipients, including individuals who are licensed, certificated, or issued merchant mariners' documents by the Coast Guard; recreational boat and associated equipment manufacturers; manufacturers of materials and equipment approved by the Coast Guard; owners, operators, or persons in charge of all types of vessels, offshore facilities, and terminals; and other users of Coast Guard services.

In establishing the user fee schedule the Secretary will consult with other affected Federal agencies. Provision is made in subsection (d) to ensure that the fee schedules do not conflict with the international obligations of the United States.

SEC. 673. ESTABLISHMENT OF FEES.

The Secretary is charged with developing regulations, including fee schedules, to carry out the chapter. In developing regulations the Secretary will consult with affected agencies. The public will be given the opportunity to comment through the rulemaking process.

This section describes the factors the Secretary will consider in establishing and issuing user fee schedules authorized under section 672. The Secretary will consider the following factors in developing fee schedules:

a. The Coast Guard operating expenses for providing specific services, beyond those benefits that accrue to the public at large;

b. The full costs of administering and enforcing the collection of fees;

c. The number of service recipients, taking into consideration the types and sizes of vessels and facilities.

d. The equity and economic impact of the charges imposed.

SEC. 674. COLLECTION OF FEES.

This section permits the Secretary to collect fees from those categories of users designated in section 672. Section 674 also authorizes the Secretary to employ, under reasonable terms and conditions, Federal, state, and local government entities, and private enterprises or businesses, to help with the collection of user fees.

The term "waters subject to the jurisdiction of the United States" is used in the same sense as it is used in various laws enforced by the Coast Guard. (For example see 46 U.S.C. 4301.) The term has been interpreted in 33 CFR 2.05-30 to include the navigable waters of the United States; other waters located on lands owned by the United States, with respect to which the United States has retained exclusive or concurrent jurisdiction or accepted jurisdiction under R.S. 355 (33 U.S.C. 733); and the waters within the territories and possessions of the United States and the Trust Territory of the Pacific Islands.

SEC. 675. TREATMENT OF RECEIPTS.

This section provides for depositing fees collected under this act as proprietary receipts of the department in which the Coast Guard is operating, ascribed to Coast Guard activities, in the General Fund of the Treasury.

SEC. 676. ANNUAL SEARCH AND RESCUE VERIFICATION.

This provision, in conjunction with section 675, provides for an accounting of the amounts collected and expended for search and rescue activities. This is designed to demonstrate that amounts collected from marine users for this purpose do not exceed the costs of providing the services to those users.

SEC. 677. EXEMPTIONS.

This section gives the Secretary the authority to grant exemptions which would not adversely affect the purpose of this proposal. For example, lifeboats an similar boats could be exempted from the requirement to pay an annual fee so mariners are not required to pay more than one user fee for what is essentially auxiliary equipment. Coast Guard Auxiliarists who voluntarily provide boating safety information, courtesy marine examinations, or on-the-water assistance may be exempted from all or part of the user fee requirement. The Secretary needs the flexibility to grant exemptions when justified.

SEC. 678. LIABILITY OF THE UNITED STATES NOT ALTERED.

This section explicitly sets forth the intended limitations on the liability of the United States as a result of this proposal. The imposition of user fees is not intended to increase the possibility that the United States will be held to a higher standard of care than if no fees were assessed. Nor is the intent to create exposure to liability to third parties. The intent of this section is to limit the liability of the United States to that of a government entity with sovereign immunity, rather than that of a provider of services.

SEC. 679. PENALTIES.

This section establishes a civil penalty procedure, in addition to those already provided by law, when a user fee is not paid. Under this section, the maximum penalty is $5000, in addition to the fee, for the owner, operator, or person in charge of a recreational boat and for individuals licensed, certificated, or issued merchant mariners' documents by the Coast Guard.

The maximum penalty for the owner, operator, or person in charge of a vessel (other than a recreational boat), terminals, or offshore facilities; for recreational boat and associated equipment manufacturers; manufacturers of materials and equipment approved by the Coast Guard; and other users of Coast Guard services is $25,000 or twice the fee, whichever is greater, in addition to the prescribed fee. In addition, a vessel used by an owner or operator who has not paid the prescribed user fee is liable in rem for the penalty and the prescribed user fee. Any certificate, document, permit, approval, or license issued by the Coast Guard is invalid until all fees are paid. The Secretary is granted the authority to deny a vessel entry to a port or place subject to the jurisdiction of the United States if the required fees for a vessel have not been paid. Finally, this section requires the Secretary of the Treasury, when requested by the Secretary, to withhold clearance for vessels bound to foreign ports until the prescribed fee is paid or a bond is posted.

It is envisioned that the current Coast Guard penalty assessment procedures in Part 1.07 of title 33, Code of Federal Regulations, will be used to assess the penalties prescribed by the Act.

Section 3 repeals restrictions on the amount that may be charged to record bills of sale, conveyances, mortgages and furnish copies in Subsection I of the Ship Mortgage Act, Sec. 30 of the Act of June 5, 1920, c. 250, Sec. 30, 41 Stat. 1002 (46 App. U.S.C. 927), as amended; and the prohibition in section 2110 of 46 U.S. Code on charging fees for services related to the engagement and discharge of seamen, the inspection and examination of vessels, the licensing of masters, mates, pilots, and engineers, and the measurement or documentation of vessels.●

By Mr. CRANSTON (for himself and Mr. DODD):

S. 1320. A bill to improve the enforcement of child abuse laws; to the Committee on Labor and Human Resources.

CHILD ABUSE REPORTING AND CLEARINGHOUSE IMPROVEMENT ACT

Mr. CRANSTON. Mr. President, I am today introducing the proposed Child Abuse Reporting and Clearinghouse Improvements Act of 1985. I am joined in introducing this legislation by the distinguished Senator from Connecticut [Mr. DODD], who serves both as the cochairman of the Senate children's caucus and the ranking minority member of the Subcommittee on Children, Families, Alcoholism and Drugs of the Labor and Human Resources Committee. Companion legislation is being introduced today in the House of Representatives by several of my colleagues from California, including Representatives DON EDWARDS, GEORGE MILLER, and MEL LEVINE.

This legislation is derived from the recommendations proposed by a commission on Enforcement of Child Abuse Laws convened by the California attorney general, John Van de Kamp. This commission, which released its final report in April of this year, made numerous recommendations to improve the enforcement of child abuse laws in California. The commission focused its attention on how the existing systems assist child victims of sexual and physical abuse and what should be done to improve those systems. Their investigations found that the child victim is too frequently victimized again by those very systems designed to help. The report issued by the Van de Kamp Commission contains numerous recommendations and suggestions on how these systems might be made to work better for the children involved.

RELATIONSHIP TO THE PROPOSED CHILDREN'S JUSTICE ACT

Mr. President, many of the recommendations in the California attorney general's commission report call for changes in California laws and judicial procedures which closely parallel the reforms proposed in legislation which was introduced by the distinguished Senator from Florida [Mrs. HAWKINS], the proposed Children's Justice Act, S. 140. On May 2, 1985, I testified before the Subcommittee on Children, Fami-

lies, Alcoholism and Drugs, which Senator HAWKINS chairs, in support of S. 140 and to present the report of the Van de Kamp Commission to the subcommittee.

I have also joined as a cosponsor of S. 140 and plan to work closely with the Senator from Florida in getting this legislation enacted into law.

I ask unanimous consent that a copy of my testimony be printed in the RECORD at the conclusion of my remarks.

OTHER RECOMMENDATIONS IN THE CALIFORNIA REPORT

In addition to recommending changes in California statutes and procedures to improve the investigation and prosecution of child abuse cases and reduce the trauma to the child victim witnesses involved in these cases, the California attorney general's commission also made several recommendations involving issues at the Federal level. These recommendations are incorporated into the legislation that I am introducing today.

This legislation contains three provisions:

First, it would amend the Federal alcoholism and drug treatment statute provisions relating to confidentiality to make clear that these statutory provisions should not be construed to interfere with an obligation, under State laws, to report child abuse.

Second, it would require that information on child abuse incidents, including child sexual abuse, be included in the FBI's Uniform Crime Reporting System [UCR].

Third, it would direct the National Center on Child Abuse and Neglect in the Department of Health and Human Services to take an active role in; first, collecting and disseminating to appropriate State and local law enforcement agencies information on various techniques and approaches that are being developed, utilized, or proposed to improve the success of investigation and prosecution of child sexual abuse cases, and to reduce the trauma to the child victim in such investigations and prosecutions; second, developing and disseminating model training materials and procedures to help ensure that all law enforcement, legal, judicial, and child welfare personnel are adequately trained to deal with child sexual abuse victims; and third, to support research projects to assist in identifying effective approaches to improving the investigation and prosecution of child sexual abuse cases.

This latter provision is derived from an amendment I proposed during my testimony in support of S. 140. I have included it in the legislation I am introducing today so that others will have an opportunity to review this proposal as well but I very much hope that the basic thrust of this amendment and the other provisions included in this new bill will be incorporated into S. 140 as it moves forward.

FEDERAL PREEMPTION OF STATE REPORTING LAWS

Mr. President, section 2 of this legislation deals with a problem that has arisen regarding the conflict between the general confidentiality provisions in the Federal drug abuse and alcoholism statutes, sections 290dd-3 and 290ee-3 of title 42, United States Code, and State and local laws which require all health-care professionals to report cases of known or suspected child abuse which come to their attention. The general confidentiality provisions in the Federal laws have been construed by the Department of Health and Human Services to bar employees of drug and alcoholism programs from complying with State or local laws requiring child abuse reporting.

It is ironic that States, under the Federal Child Abuse Prevention and Treatment Act, Public Law 93-247, are required to enact laws mandating the reporting of child abuse, yet another Federal statute—involving the federally funded drug and alcoholism treatment programs—has been interpreted as prohibiting compliance with those very reporting obligations. It is also ironic that health-care providers working in a drug or alcohol treatment program that is totally funded by State, local, or private sources would be fully obligated to comply with child abuse reporting requirements. However, the presence in such a program of Federal funding under the drug abuse or alcoholism acts would override such obligations.

Mr. President, substance abuse is closely related to child abuse. Last week, at a policy forum of the Senate children's caucus that I chaired in Los Angeles, one of the witnesses—a frontline children's services worker—told me that at least 50 percent of the child abuse cases she handles involves a parent who is a drug abuser. It is simply unconscionable that State efforts to protect these children are being hampered by this conflict between Federal laws.

Mr. President, I recognize that there may be concerns that if substance abusers are not guaranteed confidentiality, they may not seek help at these programs. Similar concerns were raised a decade ago when the child abuse reporting laws were first enacted. It was argued then that to require, for example, health professionals to report child abuse would deter abusive parents from bringing their children in for treatment. But experience has not shown that to be true. Child abuse reporting has become an accepted responsibility for many, many professionals.

In California, and in most other States as well, all physicians, psychiatrists, psychologists, nurses, dentists, laboratory technicians and a multitude of other health-related professionals are required to comply with child abuse reporting laws. The same reporting requirements apply under California law to State or county public health employees involved in venereal disease treatment programs; precisely the same confidentiality issues are involved in those very sensitive programs and there is no evidence that the child abuse reporting requirement has hindered carrying out of venereal disease programs.

It is also relevant that a number of courts have already determined that the records maintained by a federally funded drug or alcoholism treatment program can be made available, through a court order, in connection with prosecution of a child abuse case. The Federal statute authorizes release of information, for good cause, pursuant to a court order. In one New York case, *In the Matter of the Doe Children*, 93 Misc. 2d 479, 402 N.Y.S. 958 (Fam. Ct. 1978), the need for such information in a child neglect case was held to outweigh the patient's confidentiality interests under the Federal statutes. As explained in the Doe case:

> In assessing the public interest, the court must consider the safety and welfare of the three children who are alleged to be neglected. . . . The interests of these young children in living in secure surroundings outweighs any possible injury to the patient or to the physician-patient relationship. 402 N.Y.S. 2d at 959-60.

Other court decisions have reached similar conclusions. It is clear, therefore, that the information gathered in the course of providing treatment in a federally funded drug or alcoholism program is not absolutely privileged and can be provided after the abuse occurs pursuant to a court order. These providers thus cannot, under existing law, guarantee absolute confidentiality to their clients since the records can be made available in such a child abuse or neglect proceeding. However, under the HHS interpretation of sections 290dd-3 and 290ee-3 of title 42, a health-care professional cannot report an ongoing child abuse case to a child protection worker.

The Department of Health and Human Services, in regulations promulgated on August 25, 1983—Federal Register, vol. 48, No. 166, at page 38767—in response to comments urging that the regulations provide for compliance with child abuse reporting laws, recognized the problem in existing law, but concluded that the "Department cannot by regulation abrogate the statutory restrictions where a disclosure is made in connection with the reporting of child abuse or neglect." The Department did state, however, that it is the policy of the Department "to encourage providers of alcohol and drug abuse services to report instances of child abuse and neglect where this can be done in con-

formity with the statutory confidentiality protections." It further suggested using court orders to authorize disclosures, reporting in a manner which does not identify the patient as an alcohol or drug abuse patient, getting the consent of the patient to make the report, or utilizing the exception for a medical emergency to justify breaking the confidentiality provisions where the child requires immediate medical intervention.

Mr. President, it is time that we dealt with this problem in a straightforward manner. The U.S. Attorney General's Task Force on Family Violence in 1984 reached the same conclusion as the California attorney general's commission. That task force flatly recommended that "confidentiality statutes and regulations for Federal alcohol and drug abuse treatment programs should be amended to require compliance with State laws on mandatory reporting of child abuse, neglect and molestation." Our bill would implement that recommendation.

The language to be added to the drug abuse and alcoholism treatment statutes is virtually identical to language included in section 312(b) of last year's child abuse amendments, Public Law 98-457, providing an exception with respect to the obligation to report suspected child abuse incidents within the general confidentiality provisions of the new family violence prevention and services program.

INCLUSION OF CHILD ABUSE STATISTICS IN THE UNIFORM CRIME REPORTING SYSTEM

One continuing problem in the child abuse field is the lack of hard data on the incidence and disposition of child abuse cases. The California commission noted that the data and research necessary to guide policymakers in the area of child abuse was inadequate. Among the several recommendations contained in the report was the recommendation that the U.S. Attorney General provide for the inclusion of child abuse statistics in the FBI Uniform Crime Reporting System. An identical recommendation was included in the U.S. Attorney General's Task Force on Family Violence report.

The legislation being introduced today would direct that the Uniform Crime Reporting System be modified so as to include such information. It also directs the Attorney General to report back to Congress within 90 days after the enactment of this act on whether such modification has been made and, if not, when it will be made.

NATIONAL CENTER ON CHILD ABUSE AND NEGLECT

Finally, Mr. President, this legislation would direct the National Center on Child Abuse and Neglect to begin to play a more active role in helping States improve and reform their laws relating to the investigation and prosecution of child sexual abuse cases in a manner that will reduce the trauma experienced by the child victims.

Specifically, the bill would require that, within 6 months, the Center compile, analyze, publish, and disseminate to each State information on the various approaches being utilized, developed, or proposed, including an evaluation of the effectiveness or lack thereof, to improve the investigation and prosecution of child sexual abuse cases in a manner which would reduce the trauma to the child victim and provide the States with other materials or information that may be helpful in making such improvements. It would also require the National Center to provide the States with model training materials and procedures to help ensure that all law enforcement, legal, judicial, and child welfare personnel are adequately trained to deal with child sexual abuse victims. Lastly, it would require the Center to provide for the support of research projects to assist in identifying effective approaches to improve the investigation and prosecution of child sexual abuse cases in a manner which reduces the trauma to the child victim. These activities, under the bill, would be carried out in coordination with the Department of Justice which is also already involved in support of certain research activities in this area. Ideally, these two Federal agencies would pool their resources and creativity to help provide leadership and support to the States in their efforts to improve State and local investigation and prosecution procedures.

Mr. President, repeatedly, the California commission stressed the need for development of appropriate procedures, training materials, and research into the various aspects of the problem of child abuse, particularly those relating to sexual abuse cases. One specific recommendation was for the State of California to investigate what other jurisdictions, both domestic and foreign, are doing in these areas and analyze the reasons for the effectiveness or lack thereof of approaches being tested in other jurisdictions. During the hearings on S. 140, witnesses repeatedly called for the sharing of information on what was being tried and what was effective. Jack Yelverton, executive director of the National District Attorneys Association specifically called for the establishment of a national network to share information and expertise on model programs, to report and track changes in case and statutory law throughout the States and disseminate this information, to monitor and evaluate changes in State and Federal laws based upon the actual case experience of prosecutors, and to develop model legislation based upon such experience.

During the hearing in Los Angeles I chaired last week, I heard a similar plea for clearinghouse activities to support local law enforcement efforts to deal with complex sexual abuse cases. It was suggested that there ought to be one telephone number that local officials throughout the country could call to get information and advice on how to proceed with these difficult cases.

Mr. President, I was one of the cosponsors of the legislation enacted in 1974 which established the National Center for Child Abuse and Neglect, and, as the chairman of the Senate Subcommittee on Child and Human Development, I authored the 1978 legislation which extended the authorization of appropriations in that act. The Center was established to serve as just such a clearinghouse for information and to help develop the materials and procedures to be used by individual States and localities in confronting these cases. One persistent problem that has plagued the Federal Child Abuse Program since it was first established has been its not disseminating information and research findings on a timely basis to those in the field who need to know what approaches and techniques are being tested in other jurisdictions and which of those are working and which are not.

A basic reason for this failing has been that the National Center has been buried in the HHS bureaucracy, with its funding diverted on occasion to support general discretionary projects supported by the Office of Human Development Services, rather than spent on projects focused specifically on the issues of child abuse and neglect. In April of 1980, the General Accounting Office [GAO] issued a report highlighting the weakness in the National Center's activities. That report—"Increased Federal Efforts Needed to Better Identify, Treat, and Prevent Child Abuse and Neglect"—noted that the "Center has provided little guidance and assistance to States and localities on effective approaches and programs to deal with abuse and neglect * * *. Center officials had not clearly communicated to States and localities their opinions on promising approaches and programs even after extensive research and evaluation." GAO specifically recommended that to improve its leadership and assistance, the Center should be required to better coordinate Federal programs and resources, identify approaches and programs showing promise of success, and develop information on the progress of States and localities in addressing abuse and neglect. GAO also noted that much of the problem arose from the lack of adequate support for the Center from HHS and noted prior efforts within HHS to divert some of the Center's research funds to other programs. Nothing in the intervening years since the GAO report was issued has changed much. Indeed, Congress was forced in last year's legislation re-

authorizing appropriations for the Federal Child Abuse Program to include provisions prohibiting HHS from using any funds appropriated under the child abuse act for any purpose other than that for which such funds were specifically authorized.

During the hearings held in the last Congress on reauthorizing funding for the National Center, the American Humane Association specifically recommended that the Center should emphasize its dissemination of information and knowledge in an "assertive" way. It is not enough to have a National Center that serves merely as a repository of information; active efforts need to be made to share the information with those in the field who can put it to use. Without this kind of leadership and initiative to disseminate information, the individual States are needlessly left to duplicate activities and waste time and resources pursuing deadends.

The legislation being introduced today thus would give the National Center a specific role and 6-month deadline to meet in the national effort to improve investigation and prosecution of child sexual abuse cases. It is also directed to provide support to research projects aimed at identifying effective approaches to these investigations and prosecutions.

Mr. President, the legislation is drafted so that these activities will be carried out by the National Center utilizing the discretionary funds that are appropriated for activities carried out under section 2(b) of the Child Abuse Act. The 1985 HHS Appropriation Act substantially increased the funds allocated for the Child Abuse Program. The total appropriation for the Child Abuse Program was increased from the fiscal year 1984 level of $16 million to a total fiscal year 1985 level of $30 million. The amount appropriated for discretionary activities was increased from $9.5 million for fiscal year 1984 to $11 million for fiscal year 1985. Since the activities called for under this bill are already within the areas of responsibility of the National Center, there is no reason why the Center cannot satisfy these requirements with its existing resources. This issue deserves priority attention.

Mr. President, I want to underscore the importance of the requirement that the National Center disseminate model training materials to law enforcement, judicial, legal, and child welfare personnel on how to deal with child sexual abuse victims. The need for this material has been stressed over and over, both in the Van de Camp Commission report and the testimony of witnesses who appeared before that commission. Dealing with a child who has been the victim of sexual abuse is a very difficult and very sensitive matter. The danger of further and deeper traumatization of the child by insensitive questioning or treatment is very high. Without adequate training, many professionals who want to help a child may actually do more harm than good. The judges as well as the lawyers who deal with these children in the courtroom setting particularly need to be sensitized to the special problems facing these young witnesses.

Mr. President, the need to make the courtroom a less traumatic experience for child sexual abuse witnesses was dramatically illustrated last week when the parents of 28 of the 41 children scheduled to testify in the McMartin Preschool sexual abuse preliminary hearing proceeding refused to let their children testify. The trial court judge had ruled that a new State law permitting closed-circuit television testimony in such cases could not be applied to the pending case. These parents refused to submit their children to the same ordeal that the 13 children who had already testified in the 10-month long preliminary hearing had been forced to endure. Finally, the training to be developed under our bill would need to go beyond the training of just the child welfare workers who are assigned to these cases or even the law enforcement officers assigned to specialized child abuse units. An aggressive campaign needs to be mounted to make sure that all participants in the legal and social services systems who interact with these very vulnerable children are adequately trained to help, not add injury, to these victims.

CONCLUSION

Mr. President, child abuse, particularly sexual abuse of children, is a very serious problem in our society. The growing statistics on the incidence of sexual abuse of children—regardless of whether they represent merely better reporting procedures or an increase in the cases themselves—demonstrate beyond any doubt that more needs to be done by Government entities at every level to deal effectively with this devastating abuse. As the Senate coauthor with former Senator Percy of the 1978 legislation which established the first Federal program focused upon providing treatment for the young victims of sexual abuse, I an convinced that we must also deal with another aspect of this problem—the further victimization of the child through a judicial process that fails to recognize the additional trauma that a child experiences in the prosecution of these cases through the criminal court system. I am deeply committed to finding ways to prevent child abuse and child sexual abuse and to provide appropriate treatment for child abuse victims and their families. But we also must take steps to make sure that the judicial and the law enforcement aspects of these cases are adequately handled. Parents are justifiably reluctant to have their children subjected to a further abuse through the criminal prosecution of these cases. As a consequence, in some cases, the perpetrators of heinous crimes against young children are allowed to go free. Better reporting and enforcement of child abuse laws can help deter potential abusers from engaging in the abuse in the first instance.

Mr. President, I ask unanimous consent that the text of the legislation be printed in the RECORD preceding my testimony on S. 140.

There being no objection, the bill and testimony were ordered to be printed in the RECORD, as follows:

S. 1320

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Child Abuse Reporting and Clearinghouse Improvements Act of 1985".

SEC. 2. (a) Section 523 of the Public Health Service Act (42 U.S.C. 290dd-3) is amended—

(1) by striking out "subsection (e)" in subsection (a) and inserting in lieu thereof "subsections (e) and (i)"; and

(2) by adding at the end the following new subsection:

"(i) Nothing in this section shall be construed to supersede the application of State or local requirements for the reporting of incidents of suspected child abuse to the appropriate State or local authorities.".

(b) Section 527 of such Act (42 U.S.C. 290ee-3) is amended—

(1) by striking out "subsection (e)" in subsection (a) and inserting in lieu thereof "subsections (e) and (i)"; and

(2) by adding at the end the following new subsection:

"(i) Nothing in this section shall be construed to supersede the application of State or local requirements for the reporting of incidents of suspected child abuse to the appropriate State or local authorities.".

SEC. 3. The classification system used by the Identification Division of the Federal Bureau of Investigation in its Criminal File shall be modified to include a category for specific statistics for offenses involving child abuse, including child sexual abuse. Not later than 90 days after the date of the enactment of this Act, the Attorney General shall report to the appropriate Committees of the Congress on whether this modification has been made and, if not, why it has not yet been made and when it will be made.

SEC. 4. Section 2(b) of the Child Abuse Prevention and Treatment Act (42 U.S.C. 5101(b)) is amended—

(1) by striking out "and" after clause (6);

(2) by striking out the period at the end of clause (7) and inserting in lieu thereof a semicolon and "and"; and

(3) by adding after clause (7) the following new clause:

"(8) in coordination with the Department of Justice—

(A) compile, analyze, publish, and disseminate to each State a summary, including an evaluation of the effectiveness or lack thereof, of approaches being utilized, developed, or proposed with respect to improving the investigation and prosecution of child sexual abuse cases in a manner which reduces the trauma to the child victim along with such other materials or information as

may be helpful to the States in developing or implementing programs or procedures to improve such investigations and prosecutions;

(B) develop and disseminate to appropriate State officials model training materials and procedures to help ensure that all law enforcement, legal, judicial, and child welfare personnel are adequately trained to deal with child sexual abuse victims; and

(C) provide for the support of research projects to assist in identifying effective approaches to improve the investigation and prosecution of child sexual abuse cases in a manner which reduces the trauma to the child victim.".

SEC. 5. The summary, information, and materials required to be disseminated under clause (8)(A) and (B) as added by section 4 of this Act, shall be made available to appropriate State officials not later than 180 days after the date of the enactment of this Act.

TESTIMONY OF SENATOR ALAN CRANSTON

I am pleased to have this opportunity to present testimony on S. 140 and to share with you some of the recommendations and findings from a report issued a few weeks ago by the California Attorney General's Commission on the Enforcement of Child Abuse Laws.

First, however, I want to recognize the tremendous work which both the new Chairwoman of this Subcommittee, Senator Hawkins and the Ranking Minority Member, Senator Dodd, have done in bringing national attention to the problems of sexual abuse of young children. The forum on this issue held last year by the Senate Children's Caucus, which both Senator Dodd and Senator Hawkins participate in, played an important role in focusing attention upon a subject which has too often been hidden from public view. The legislation which Senator DODD authored last year, enacted as part of the Continuing Resolution, which established a federal children's trust fund matching grant program to help encourage states to develop programs to prevent child abuse also promises to expand the resources available for these important activities.

1978 LEGISLATIVE EFFORTS

As the former chairman of the Child and Human Development Subcommittee of the Senate Labor and Human Resources Committee—one of the predecessors of this subcommittee—I have had a long standing interest and concern about the problems relating to child abuse and neglect, including sexual abuse.

In 1978, I co-authored with Senator Percy legislation which established the first federal program focused specifically on the problem of sexual abuse of children. That measure, which was enacted as part of Public Law 95-266, established a small grant program under the federal Child Abuse Prevention and Treatment Act to help establish programs to provide services and treatment to children who were the victims of sexual abuse and to help develop programs to prevent such abuse. Although the separate funding for that program was eliminated in the 1981 Budget Reconciliation legislation, I am pleased to say that we were able to restore the separate funding authorization in last years Child Abuse Amendments, Public Law 98-457.

What seemed in 1978 to be an important problem appears today to have represented merely the tip of an iceberg. The growing statistics on incidence of sexual abuse of children—regardless of whether they represent merely better reporting procedures or an increase in the cases themselves—demonstrate beyond any doubt that more needs to be done by government entities at every level to deal effectively with the devastating abuse of our children.

The 1978 law focused primarily on providing treatment for the young victims of sexual abuse.

The legislation proposed by Senator Hawkins, the proposed "Children's Justice Act", moves a step further by addressing another very important element of the overall problem relating to sexual abuse cases—the further victimization of the child victims through an abusive judicial process that fails to recognize the special nature of the crime involved and the additional trauma inflicted upon the children who are often the principal sources of evidence in the judicial proceedings brought against the perpetrators of the sexual abuse. S. 140 would authorize the appropriation of funds for grants to be made to states which enact reforms designed to improve legal and administrative proceedings regarding the investigation and prosecution of sexual child abuse cases.

This new focus is greatly needed.

As I mentioned in my introductory remarks, the California Attorney General's Commission on Enforcement of Child Abuse Laws has recently issued a report containing a series of findings and recommendations focused primarily on how the criminal justice system could be made to work better to protect children who are the victims of sexual and physical abuse.

Later this month, John Van de Kamp, the California Attorney General, and I will be announcing a joint effort at the state and federal level to bring about implementation of the recommendations of the Attorney General's Commission. Towards that end, I intend to introduce omnibus legislation late this month to carry out several of the recommendations with respect to specific provisions of various federal laws which appear to conflict with state child abuse reporting requirements.

Specifically, I will incorporate in that legislation recommendation II.A.1. (page 1-14), to change federal drug abuse statutes to allow the reporting of child abuse as required by state law, recommendation II.C.1. (page 6-2) containing similar proposals with respect to federal welfare and social services statutes, and recommendation II.C.1. (page 6-2) to include child abuse statistics in the FBI Uniform Crime Reporting System.

RECOMMENDATIONS RELATING TO PURPOSES OF S. 140

In addition, many of the recommendations contained in the California Attorney General's Commission's report are fully consistent with purposes of the legislation which Senator Hawkins has introduced, S. 140.

For example, the California Commission recommended that local law enforcement agencies in California established specialized units or specially trained officers to handle all phases of investigation and prosecution of these cases—a concept which would fall within the purposes of S. 140.

A number of recommendations in the report focus upon the need for legislation to modify courtroom procedures to accommodate the special needs of child victims. These recommendations include:

Placing reasonable limitations within constitutional limits on repetitive questions asked of child witnesses;

Explicit judicial authority to control the method of questioning of child witnesses;

Establishment of special rules for determining the competency of child witnesses;

Expanding the evidentiary rules relating to hearsay testimony to provide, with appropriate safeguards, for the admissibility of out-of-court statements of young child abuse victims; and,

Permitting the use of contemporaneous close-circuit televised testimony of very young witnesses in order to reduce the pressures and tensions experienced by these children in experiencing a typical courtroom situation.

I ask that a copy of the executive summary of the California Commission's recommendations be included in the hearing record at the conclusion of my remarks. I am also submitting a copy of the full report for the Subcommittee's files.

I believe that the Chairwoman has already received a letter from Attorney General Van de Kamp in support of S. 140. I would like to join in that support and would request that my name be added as a cosponsor of this legislation.

At this point, the recommendations in the California Commissions report remain simply recommendations. Enactment of S. 140 would, I believe, provide a real incentive and stimulus to move them from the recommendation stage to the implementation stage.

RECOMMENDATIONS FOR AMENDMENTS TO S. 140

Finally, Madam Chairperson, I have several suggested amendments to S. 140 that are appended to my prepared statement to address additional areas of concern highlighted in the California Commission's report.

Repeatedly, the Commission stressed the need for development of appropriate procedures, training materials, and research into various aspects of the problems of child abuse.

I believe that the federal government can and should play an expanded role, through the National Center on Child Abuse and Neglect, to assist the states in their efforts in this area.

For example, the Commission recommended that the California Attorney General research the techniques used in other jurisdictions, both domestic and foreign, and analyze the reasons for their effectiveness or lack thereof. That would seem to be a function that the federal government can perform, rather than leave it to each individual state to attempt to acquire and compile this type of information.

Several other recommendations in the Commission's report call for long-term research into various areas affecting this problem.

Again, research activities are well suited for federal involvement, coordination, and dissemination, rather than relying on individual state efforts and potential duplication.

The National Center for Child Abuse and Neglect was established to serve as clearinghouse on information in this field and to help develop training materials and procedures to be used by individual states and localities. One persistent problem that has plaqued the federal child abuse program since it was first established has been its ability to disseminate information and research findings on a timely basis to those in the field who need to know what approaches and techniques are being tested out in other jurisdictions and which of those are working and which are not.

Over the years, the National Center has been buried in HHS bureaucracy, its funding diverted on occasion to support general discretionary projects supported by the Office of Human Development Services, rather than projects focused specifically on the issues of child abuse and neglect. Congress was forced in last year's legislation reauthorizing appropriations for the federal child abuse program to include provisions prohibiting HHS from using any funds appropriated under the child abuse act for any purpose other than that for which such funds were specifically authorized.

The National Center can and should play an active role in supporting the efforts of states develop innovative approaches to dealing with the treatment of child victims in the criminal justice systems proceedings. However, to get the Center to respond to this need in a timely fashion, I believe it will be necessary to provide an explicit legislation mandate to the Center.

Accordingly, the amendment I am proposing to S. 140 would direct the National Center to become an active partner in state efforts to develop programs consistent with the purposes of S. 140. This amendment would require the National Center to compile and disseminate within six months of the date of enactment information on the various approaches already developed or in the process of being developed, along with information on the effectiveness or lack thereof of various approaches, to develop and disseminate appropriate training materials for professionals involved at all points in the criminal justice system, from law enforcement personnel to judges themselves, and to support an on-going research effort in this area, focusing upon identifying promising approaches. This amendment would also require the National Center to evaluate the activities carried out by the States pursuant to the provisions of S. 140 and to report to Congress on the effectiveness of these activities in achieving the bill's goals as well as on the steps that the National Center has taken to facilitate accomplishment of the purposes of the bill.

Finally, my amendment would modify S. 140 to provide explicitly that the new funds could be distributed directly to state law enforcement agencies, such as the state departments of justice, and would not be limited to the state agencies, such as the social services agencies, which currently receive grants under section 4(a) of the Federal Child Abuse Prevention and Treatment Act. I believe that allowing these funds to go directly to statewide law enforcement agenices would be of significant benefit in helping to elevate the level of interest and attention paid to how the criminal justice system deals with child abuse cases. As long as child abuse is regarded primarily as a matter for the child welfare or social services agencies, rather than for law enforcement agencies as well, the changes that are contemplated under S. 140 are not likely to move forward with the speed they require.

As I noted, attached to my testimony is an amendment to carry out the purposes I have outlined. I would welcome your input on this amendment, Madame Chairwoman and Sentor Dodd, and hope that our staffs can work together to develop this concept into a form that would be acceptable to the Subcommittee.

CONCLUSION

Madam Chairwoman and members of the Subcommittee, I very much appreciate this opportunity to share with you these recommendations and the findings from the California Attorney General's Commission on the Enforcement of Child Abuse Laws. I am pleased to lend my support and suggestions to your efforts to bring about the important and necessary changes we are seeking in how the criminal justice system deals with protecting the interests of children who have been the victims of abuse.

ADDITIONAL COSPONSORS

S. 15

At the request of Mr. MOYNIHAN, the name of the Senator from Ohio [Mr. METZENBAUM] was added as a cosponsor of S. 15, a bill to authorize the Secretary of Health and Human Services to make grants to States for the purpose of increasing the ability of States to provide drug abuse prevention, education, treatment, and rehabilitation, and for other purposes, to authorize the Attorney General to make grants to States for the purpose of increasing the level of State and local enforcement of State laws relating to production, illegal possession, and transfer of controlled substances.

S. 49

At the request of Mr. MCCLURE, the names of the Senator from Pennsylvania [Mr. SPECTER], the Senator from Florida [Mrs. HAWKINS], the Senator from Kentucky [Mr. FORD], and the Senator from Oregon [Mr. PACKWOOD] were added as cosponsors of S. 49, a bill to protect firearm owners' constitutional rights, civil liberties, and rights to privacy.

S. 231

At the request of Mr. DOLE, the name of the Senator from Vermont [Mr. LEAHY] was added as a cosponsor of S. 231, a bill to establish a National Commission on Neurofibromatosis.

S. 274

At the request of Mr. DENTON, the name of the Senator from Indiana [Mr. LUGAR] was added as a cosponsor of S. 274, a bill to provide for the national security by allowing access to certain Federal criminal history records.

S. 359

At the request of Mr. DURENBERGER, the name of the Senator from Hawaii [Mr. MATSUNAGA] was added as a cosponsor of S. 359, a bill to provide for medical demonstrations in health promotion and disease prevention.

S. 415

At the request of Mr. WEICKER, the name of the Senator from Rhode Island [Mr. PELL] was added as a cosponsor of S. 415, a bill to amend the Education of the Handicapped Act to authorize the award of reasonable attorneys' fees to certain prevailing parties, and to clarify the effect of the Education of the Handicapped Act on rights, procedures, and remedies under other laws relating to the prohibition of discrimination.

S. 426

At the request of Mr. WALLOP, the name of the Senator from Oklahoma [Mr. NICKLES] was added as a cosponsor of S. 426, a bill to amend the Federal Power Act to provide for more protection to electric consumers.

S. 429

At the request of Mr. HEINZ, the name of the Senator from Pennsylvania [Mr. SPECTER] was added as a cosponsor of S. 429, a bill to extend the statute of limitations for fraud under the customs laws and to clarify the extent of Government access to grand jury proceedings.

S. 739

At the request of Mr. DIXON, the name of the Senator from Tennessee [Mr. GORE] was added as a cosponsor of S. 739, a bill to establish a National Endowment for the Homeless.

S. 788

At the request of Mr. BRADLEY, the name of the Senator from New York [Mr. MOYNIHAN] was added as a cosponsor of S. 788, a bill entitled the "Senior Citizens Independent Community Care Act."

S. 810

At the request of Mr. CRANSTON, the name of the Senator from New York [Mr. MOYNIHAN] was added as a cosponsor of S. 810, a bill to amend title XX of the Social Security Act to assist States in improving the equality of child-care services.

S. 855

At the request of Mr. PRYOR, the names of the Senator from Tennessee [Mr. SASSER], and the Senator from Florida [Mrs. HAWKINS] were added as cosponsors of S. 855, a bill for the relief of rural mail carriers.

S. 882

At the request of Mr. CRANSTON, the name of the Senator from Minnesota [Mr. DURENBERGER], was added as a cosponsor of S. 882, a bill to amend the Peace Corps Act to establish a Peace Corps National Advisory Council, to establish a policy of providing opportunities for a volunteer corps of at least 10,000, and to provide for nonpartisan appointments.

S. 974

At the request of Mr. WEICKER, the name of the Senator from Rhode Island [Mr. PELL], was added as a cosponsor of S. 974, a bill to provide for protection and advocacy for mentally ill persons.

S. 979

At the request of Mr. BINGAMAN, his name was added as a cosponsor of S. 979, a bill to extend the expiration date of titles I and II of the Energy Policy and Conservation Act, and for other purposes.

S. 1017

At the request of Mr. DANFORTH, the name of the Senator from Utah [Mr.

GARN] was added as a cosponsor of S. 1017, a bill to provide for the transfer of the Metropolitan Washington Airports to an independent airport authority.

S. 1084

At the request of Mr. GOLDWATER, the names of the Senator from Oregon [Mr. HATFIELD] and the Senator from North Dakota [Mr. ANDREWS] were added as cosponsors of S. 1084, a bill to authorize appropriations of funds for activities of the Corporation for Public Broadcasting, and for other purposes.

S. 1209

At the request of Mr. CHILES, the names of the Senator from North Dakota [Mr. ANDREWS] and the Senator from Maryland [Mr. SARBANES] were added as cosponsors of S. 1209, a bill to establish the National Commission to Prevent Infant Mortality.

S. 1218

At the request of Mr. DANFORTH, the name of the Senator from Texas [Mr. BENTSEN] was added as a cosponsor of S. 1218, a bill to amend the Federal Aviation Act of 1958 to provide for the revocation of certain certificates for air transportation, and for other purposes.

S. 1277

At the request of Mr. BRADLEY, the name of the Senator from Montana [Mr. MELCHER] was added as a cosponsor of S. 1277, a bill to amend title XIX of the Social Security Act to provide that States may provide home or community-based services under the Medicaid Program without the necessity of obtaining a waiver.

S. 1298

At the request of Mr. ANDREWS, the name of the Senator from Montana [Mr. BAUCUS] was added as a cosponsor of S. 1298, a bill to coordinate and expand services for the prevention, identification, and treatment of alcohol and drug abuse among Indian youth, and for other purposes.

SENATE JOINT RESOLUTION 21

At the request of Mr. GRASSLEY, the name of the Senator from Oklahoma [Mr. NICKLES] was added as a cosponsor of Senate Joint Resolution 21, a joint resolution proposing an amendment to the Constitution of the United States with respect to the right to life.

SENATE JOINT RESOLUTION 73

At the request of Mr. GRASSLEY, the name of the Senator from New Hampshire [Mr. HUMPHREY] was added as a cosponsor of Senate Joint Resolution 73, a joint resolution to designate the week of September 15, 1985, through September 21, 1985, as "National Independent Free Papers Week."

SENATE JOINT RESOLUTION 122

At the request of Mr. BRADLEY the name of the Senator from Maine [Mr. COHEN] was added as a cosponsor of Senate Joint Resolution 122, a joint resolution to authorize the President to proclaim the last Friday of April each year as "National Arbor Day."

SENATE JOINT RESOLUTION 132

At the request of Mr. DANFORTH, the names of the Senator from California [Mr. CRANSTON], and the Senator from Minnesota [Mr. DURENBERGER] were added as cosponsors of Senate Joint Resolution 132, a joint resolution designating October 1985, as "National Head Injury Awareness Month."

SENATE JOINT RESOLUTION 148

At the request of Mr. BYRD, the name of the Senator from Vermont [Mr. LEAHY] was added as a cosponsor of Senate Joint Resolution 148, a joint resolution to establish a national commission on espionage and security.

SENATE CONCURRENT RESOLUTION 46

At the request of Mr. ANDREWS, the names of the Senator from Arkansas [Mr. BUMPERS], and the Senator from Georgia [Mr. MATTINGLY] were added as cosponsors of Senate Concurrent Resolution 46, a concurrent resolution to express the sense of the Congress regarding Americans missing in Southeast Asia.

SENATE RESOLUTION 174

At the request of Mr. GORE, the names of the Senator from Arkansas [Mr. BUMPERS], and the Senator from Massachusetts [Mr. KERRY] were added as cosponsors of Senate Resolution 174, a resolution expressing the sense of the Senate with respect to the proposed closing and downgrading of certain offices of the Social Security Administration.

AMENDMENT NO. 348

At the request of Mr. HEINZ, his name was added as a cosponsor of Amendment No. 348 proposed to S. 979, a bill to extend the expiration date of titles I and II of the Energy Policy and Conservation Act, and for other purposes.

At the request of Mr. BRADLEY, the names of the Senator from Connecticut [Mr. DODD], and the Senator from New Mexico [Mr. BINGAMAN] were added as cosponsors of amendment No. 348 proposed to S. 979, supra.

SENATE RESOLUTION 181—AUTHORIZING THE PRINTING OF A REPORT AS A SENATE DOCUMENT

Mr. STAFFORD submitted the following resolution; which was referred to the Committee on Rules and Administration:

S. RES. 181

Resolved, That the annual report of the Secretary of Transportation to the Congress of the United States in compliance with section 144(i) of title 23, United States Code entitled, "Highway Bridge Replacement and Rehabilitation Program, Sixth Annual Report to Congress" be printed as a Senate document.

SEC. 2. There shall be printed three hundred additional copies for the use of the Committee on Environment and Public Works.

SENATE RESOLUTION 182—EXPRESSING THE SENSE OF THE SENATE WITH REGARD TO AIRPORT AND AIRLINE SECURITY OUTSIDE THE U.S.

Mr. ABDNOR submitted the following resolution; which was referred to the Committee on Governmental Affairs:

S. RES. 182

Whereas, the current hijacking of Trans World Airlines, Flight 847 has tragically illustrated the glaring inadequacies of airline and airport screening procedures at international airports served by American carriers;

Whereas, the federal government has a responsibility to protect Americans traveling in foreign countries on American flag carriers;

Whereas, foreign terrorists are purposely attacking American air carriers and Americans traveling aboard these aircraft to gain publicity for their political goals;

Whereas, these attacks on American air carriers and Americans traveling on these carriers have resulted in tragic loss of life, injury, and the denial of the right of Americans to safe passage between nations;

Whereas, the lack of adequate security measures at many international airports exacerbates the potential for terrorist actions against commercial aircraft: Now, therefore, be it

Resolved by the Senate, that—

(1) The U.S. Departments of State, Justice, Transportation, Commerce, and Defense create a task force to review security procedures at international airports to identify areas that need be improved to better insure the safety of Americans traveling abroad on American flag carriers;

(2) that this special task force, after consulting with the airline industry and other concerned parties, forward its recommendations to the U.S. Senate and the appropriate federal agencies for possible action;

(3) that this special task force seriously consider the need for a federal sky marshall program aboard international flights involving American carriers and passengers;

(4) that this special task force consider the current regulations affecting carry-on luggage, search of all personal belongings, and bodily searches;

(5) that any proposed legislative remedies be submitted to the appropriate Congressional committees for appropriate action;

(6) That, based upon the findings of the task force, the federal government should be prepared to exercise diplomatic initiatives to encourage foreign governments to strengthen security procedures at international airports, and that any new international air agreement meet this security criteria before being approved by the U.S. government.

Mr. ABDNOR. Mr. President, I know that all Americans share a sense of outrage and frustration with the hijacking of Trans World Airlines flight 847 and the tragic events which have been associated with it.

I returned home to South Dakota this past weekend and had the oppor-

tunity to visit with many of my constituents about the events surrounding the taking of this aircraft. South Dakotans share the sense of outrage which all Americans feel at this latest act of terrorism and the death of one American at the hands of these international outlaws. They pray that the remaining hostages are returned safely home to America and their awaiting families and friends.

In addition, South Dakotans believe that the time has come for the United States to take strong action against those who would perpetrate these acts of violence and murder. My goal today is not to second-guess the actions currently underway to free the remaining passengers held in hostile hands, but to introduce a sense-of-the-Senate resolution which would place the U.S. Senate on record requesting that a strong Federal program be put in place to ensure the safety of Americans traveling in foreign nations aboard American air carriers.

There is no doubt that security measures at both domestic and international airports around the world are inadequate to meet the challenges which face international aviation on a daily basis. It is time that we take action to strengthen the security measures used for American carriers in foreign airports. We have done little in the way of promoting or developing aviation counterterrorism technology. Unfortunately, we have placed passenger convenience ahead of passenger safety. Major changes are necessary, and I believe that the traveling public will support such measures given the tragic events which fill our television screens on a daily basis.

This sense of the Senate resolution does not address the current hostage situation in Beirut. It rather, addresses certain actions which can be taken by our Nation to assure that this type of incident is avoided in the future. My resolution is fairly simple. It calls upon the appropriate Federal agencies to assemble a task force to review all current aviation programs with the goal of improving and tightening security at international airports served by American air carriers.

It also calls on this task force to work with the airlines and the aviation community to devise programs which will enhance international air safety. In addition, it recommends that strong action be taken in negotiating new air agreements with foreign nations to assure that all possible safeguards are taken by these countries to assure passenger safety before we agree to any such agreement. We have the ability to strengthen international air safety, and we must take action to do so.

Mr. President, terrorism is a worldwide problem and can only be combated on a worldwide basis. As long as one individual's right to free passage is threatened, no one is safe. We cannot allow the world aviation community to be held hostage to the irresponsible actions of a few madmen bent on murder, mayhem or suicide. We can reduce the chances of similar tragedies in the future by strengthening airport safety, and I call upon the administration and Congress to work with the aviation community in quickly addressing these concerns and implementing new policies to safeguard Americans traveling abroad.

AMENDMENTS SUBMITTED

NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION ATMOSPHERIC AND SATELLITE PROGRAM AUTHORIZATION ACT, 1985

GORTON AMENDMENT NO. 352

Mr. GORTON proposed an amendment to the bill (S. 1103) to authorize certain atmospheric and satellite programs and functions of the National Oceanic and Atmospheric Administration, and for other purposes; as follows:

On page 7, strike all from line 22 through line 18 on page 8, and insert in lieu thereof the following:

AWARDING OF CONTRACTS

SEC. 402. The National Oceanic and Atmospheric Administration may not award any contract for the performance of any "commercial activity", as defined by paragraph 6.a. of Office of Management and Budget Circular Memorandum A-76, which is performed by National Oceanic and Atmospheric Administration employees until at least 30 calendar days after the Administrator of the National Oceanic and Atmospheric Administration has presented, in writing, to the President of the Senate, the Speaker of the House of Representatives, the Committee on Commerce, Science, and Transportation of the Senate, and the Committee on Merchant Marine and Fisheries and the Committee on Science and Technology of the House of Representatives, a full and complete description of such proposed contract, together with supporting documentation. Such documentation shall include—

(1) a comparison of the cost of such activity as performed by employees of the National Oceanic and Atmospheric Administration and the cost of such activity as performed under the proposed contract;

(2) a comparison of the services performed by employees of the National Oceanic and Atmospheric Administration and the services to be performed under the proposed contract; and

(3) an assessment of the benefits to the Federal Government of proceeding with the proposed contract.

NOTICES OF HEARINGS

SUBCOMMITTEE ON INTERGOVERNMENTAL RELATIONS

Mr. DURENBERGER. Mr. President, I wish to announce that the Senate Subcommittee on Intergovernmental Relations will hold a hearing on the deductibility of State and local taxes, on Wednesday, June 26, at 1 p.m. in room 342 of the Dirksen Senate Office Building.

SUBCOMMITTEE ON OVERSIGHT OF GOVERNMENT MANAGEMENT

Mr. COHEN. Mr. President, I wish to announce that the Senate Oversight of Government Management Subcommittee will hold hearings on the Department of Labor's Enforcement of the Employee Retirement Income Security Act [ERISA] on Tuesday and Wednesday, June 25 and 26 at 9:30 a.m., in room 342 of the Dirksen Senate Office Building.

AUTHORITY FOR COMMITTEES TO MEET

SELECT COMMITTEE ON INTELLIGENCE

Mr. McCLURE. Mr. President, I ask unanimous consent that the Select Committee on Intelligence be authorized to meet during the session of the Senate on Tuesday, June 18, in closed executive session, for a briefing on intelligence matters.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON OVERSIGHT OF GOVERNMENT MANAGEMENT

Mr. McCLURE. Mr. President, I ask unanimous consent that the Subcommittee on Oversight of Govenment Management, of the Committee on Governmental Affairs be authorized to meet during the session of the Senate on Tuesday, June 18, 1985, in order to conduct a hearing on S. 1134, the Program Fraud, Civil Penalties Act of 1985.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON THE JUDICIARY

Mr. McCLURE. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to meet during the session of the Senate on Tuesday, June 18, 1985, in order to continue hearing on the nomination of William Bradford Reynolds to be Associate Attorney general for the Department of Justice.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON ENVIRONMENT AND PUBLIC WORKS

Mr. McCLURE. Mr. President, I ask unanimous consent that the Committee on Environment and Public Works be authorized to meet during the session of the Senate on Tuesday, June 18, 1985, in order to conduct a hearing on the nomination of Thomas Morgan Roberts to be a member of the Nuclear Regulatory Commission.

The PRESIDING OFFICER. Without objection it is so ordered.

ADDITIONAL STATEMENTS

FOREIGN POLICY BY AMENDMENTS

● Mr. GOLDWATER. Mr. President, one of the benefits of a responsible press is incisive reporting and interpretation of events whose historical relevance may otherwise be dimmed from public awareness. One such contribution to public knowledge is the Wall Street Journal editorial of June 7 correctly labeling the attempt by Congress to conduct foreign policy by legislative amendment as harmful political interference.

Commenting on "The Week That Was," the period of June 3 through 7, the Wall Street Journal had this to say:

> Congress has had a busy week directing U.S. foreign policy. It's too bad that its various votes have had so little to do with the Nation's real interests and so much to do with political opportunism. But that's often the case, which is why the Founding Fathers sought to make foreign policy mainly an Executive responsibility.

During the week, the House passed economic sanctions against South Africa opposed by prominent South African Blacks, and the Senate acted on both the Department of Defense authorization bill and foreign relations authorizations, each of which were the occasion for offering dozens of amendments intervening with the direction of foreign policy. In the 9 legislative days alone it took the Senate to debate the DOD bill, this body considered 117 different amendments, 81 of which were actually adopted.

Yet, throughout these many hours of debate, from May 17 through June 3, I cannot remember a single vote or amendment directed against a specific weapon, such as the B-1 bomber, the M-1 tank, or what I call the "Bradley Battle Wagon," an armored personnel carrier. It is true a number of votes were cast in different ways involving the SDI—the Strategic Defense Initiative—but they were not cast in the form of votes for or against a specific weapon system. Rather, the issue was argued from a fundamental misunderstanding of the concept and characteristics of the system, which should be looked upon as an antiweapon. Nor did the proponents of these amendments realize that what they were seeking would terminate important defense programs designed to perform missions that will be necessary even if we do not decide to deploy the SDI.

Mr. President, war cannot be ended by amendments. Foreign policy cannot be conducted by amendments. I should like to think that I will live to see the day when the moral forces of the world might prevail and the world can understand the stupidity of war. History instructs us, however, that until that day arrives, the surest means of security is to maintain a proper defense for our country. A credible defense requires the coherent and uniform direction of the national forces, something which is not likely to be found in the shifting opinions and moods of a legislative chamber consisting mainly of military amateurs and persons who have never given up the idea that they have to be reelected.

Mr. President, the Constitution provides Congress with power to raise and support the Armed Forces. But the direction of the defense forces once established and the daily control of foreign affairs rest with the President. The Founding Fathers understood that Congress lacked the information and capacity for fast decisionmaking essential to protect the Nation in time of crisis. During its formative years, the United States was concerned with securing its borders against the foreign powers whose territories encircled the Union and with developing its great potential for growth and economic progress. Today the United States stretches across a continent and beyond and stands as the largest, most powerful source of freedom and liberty in the world.

With this new status has come the unavoidable realization in a world of interrelated economies, instant communications, and modern technology that in order to protect its own citizens and liberties, the United States must carry a major role in preventing aggression by our adversaries. Acting for the Nation, the President has a duty to recognize and resist challenges to our country and people in the early stages of any threatening danger. If he waits or is incapacitated from action until the challenge becomes clear beyond any controversy, the cost of resistance may become prohibitive leaving no recourse but submission to aggression or all-out war.

The point I am making about the meddling amendments which have become almost a weekly exercise in Congress, and the point I will continue to make about them and the war powers resolution in the weeks ahead, is that there is grave danger in any legislative restriction which removes flexibility from the President to deal with unforeseen events. For example, the shameful failure of Congress to grant even humanitarian legislation permitting the evacuation of American citizens from Saigon in 1975 is proof enough that Congress cannot be counted on to deal properly with future defense needs as they arise. Unlike the President, an assembly of 535 politically motivated Secretaries of State does not rush to decision.

Mr. President, anyone who reviews our history will know that Presidents have always exercised independent direction of foreign policy and the military forces when they believed the protection of American citizens or the vital interests of the United States required it. In fact, I have confirmed that Presidents have used the troops in hostilities more than 200 times without any congressional declarations of war.

The first President, George Washington, assumed he possessed the power to make defensive war when he told his Secretary of State, Thomas Jefferson, to threaten Spain with military action if she would not open her possessions on the Mississippi River to the trade of American citizens.

When he became President, Jefferson sent a squadron of armed ships into the Mediterranean without having any congressional authority and gave them orders to sink, burn, and destroy any vessels of the Barbary pirates which may threaten American commerce. It was fully half a year after he issued these military directives and 4 months after our Navy was embroiled in a naval blockade and battle that Jefferson got around to informing Congress and seeking its ratification of his actions.

On September 20, 1810, when he was in retirement, Jefferson enunciated the principle which had guided his policies and should guide all loyal officers of the Nation. "A strict observance of the written laws is doubtless one of the high duties of a good citizen," he declared, "but it is not the highest. The laws of necessity, of self-preservation, of saving our country when in danger are of higher obligation."

Thomas Jefferson's concise and sensible statement discloses why the framers conferred upon the President independent authority to act when the safety of the Nation and its people demanded it. The survival of our experiment in freedom with representative government may well depend upon the awakening by Congress to this basic principle which lies at the center of a constitution the framers meant to endure.

Mr. President, I ask that the editorial from the Wall Street Journal to which I referred may appear at this point in the RECORD.

The editorial follows:

[From the Wall Street Journal, June 7, 1985]

EASY VOTES

Congress has had a busy week directing U.S. foreign policy. It's too bad that its various votes have had so little to do with the nation's real interests and so much to do with political opportunism. But that's often the case, which is why the Founding Fathers sought to make foreign policy mainly an executive responsibility.

Congressional foreign policy makers focused on Jordan, SALT and South Africa. In each case, the issues are complex and sensitive, but were treated mainly with profound thoughts about where the most votes lie.

The Senate, for example, tacked on to the defense authorization bill a rider instructing the president to continue abiding by SALT

II but to respond in kind to any Soviet violations. This lets the voters know the Senate is pure in heart. But Mr. Reagan still will have to make up his own mind about how much he wants to jeopardize U.S. security by breaking up submarines while the Soviets are expanding their nuclear arsenal.

In a similarly unhelpful vein, a non-binding resolution backed by 70 senators put the Senate on record opposing new arms for Jordan unless that country enters direct peace talks with Israel. Very few senators have been defeated at the polls for supporting Israel, and the Israelis understandably do not favor weapons sales to Arab countries under any conditions. But King Hussein gets very nervous when Americans try to put his feet to the fire, and the interests of Mideast peace might have been better served if the senators had listened to Secretary of State George Shultz, who asked them to stay out of the delicate negotiations with the king.

The most serious foreign-policy intervention, however, came about in the House, which voted 295–127 Wednesday to apply economic sanctions to South Africa. This measure was a victory for the Free South Africa Movement, led by Randall Robinson, director of a Washington-based group called TransAfrica. His campaign targets apartheid, and since there are practically no apartheid fans in the U.S. it has had no trouble collecting adherents. Any number of prominent Americans have been willing to join in public demonstrations in front of South African diplomatic missions or the headquarters of companies doing business in South Africa. It has been a mark of honor to be arrested in this good cause. Even Amy Carter succeeded in that.

But as popular as this movement has been, you don't have to probe very deeply to see that it has very little to do with the interests of black South Africans. Mr. Robinson is a man of the American left. TransAfrica has served as a U.S. forum for, among others, Sam Nujoma, Marxist leader of the South-West Africa People's Organization (SWAPO), and Michael Manley, who until he was ousted by the voters in 1980, was pulling Jamaica into the Cuban orbit. Mr. Robinson has been saying, in effect, that anyone who supports Ronald Reagan's moderation in prodding South Africa's leaders toward social and political change is a friend of apartheid. Even Republicans cringe before such a charge and 56 of them voted for sanctions in the House.

But the simple truth is that economic sanctions are the worst possible form of pressure the U.S. can apply. American companies have for years been a significant force in eradicating on-the-job racial distinctions, such as separate washrooms and eating areas. Economic development fed by investment from the U.S. and other foreign sources has forced modification of racial barriers, simply because expansion is dependent upon assimilating blacks, coloreds and Asians into higher skills, requiring higher levels of training and education and paying higher salaries. Bars against interracial marriage and the purchase of homes in what were once regarded as "temporary" black townships have been among the most recent barriers to fall.

Mangosuthu G. Buthelezi, chief of the six million-member Zulu tribe, visited the U.S. in February and let it be known that he opposes sanctions on the simple grounds that they would harm South African blacks. Mr. Robinson called him an "apologist" for the South African government, to which Mr. Buthelezi replied that this was not only an insult to him but to the people who elected him their chief. It doesn't take much imagination for a South African black leader to know that if the country becomes more radicalized the black majority will experience most of the suffering.

But the U.S. Congress is well on the way toward forcing the very policy that a prominent South African black warns against, all in the name of helping South African blacks. Here again, Mr. Reagan is to be awarded the honor of choosing between good policy and political popularity. It is the kind of choice his political opponents enjoy putting before him and his political friends are often too spineless to resist.●

WORLDWIDE MARRIAGE ENCOUNTER MEETS IN NEW JERSEY

● Mr. LAUTENBERG. Mr. President, on the weekend of June 28–30, 1985, more than 1,500 couples from Maine to Delaware will be gathering for the 1985 convention of Worldwide Marriage Encounter at William Paterson College in Wayne, NJ. The couples will be hearing presentations on the positive aspects of the married relationship. The Worldwide Marriage Encounter organization is affiliated with the Family Life Ministries Program of the Archdiocese of Newark, NJ, under the direction of Father Robert Harrington.

Worldwide Marriage Encounter is an organization which believes that the quality and depth of love shared by a wife and husband is an essential determinant of the quality and depth of family life. Through their weekend encounter experience, couples have an opportunity to focus on strengthening their relationship and love for one another.

The Worldwide Marriage Encounter movement was founded by a young Spanish diocesan laborer priest, Father Gabriel Calvo, in Barcelona, Spain, in 1952. The movement reached the United States in 1967. Although the Worldwide Marriage Encounter experience was developed for Catholics, it welcomes participants of many different faiths. The weekend experience is currently offered in Latin America, Europe, Africa, Australia, and Asia in addition to the United States and Canada. Participants come from 59 countries and all 50 States.

The first convention of Worldwide Marriage Encounter was held in Long Island, NY, in 1972. The 1985 convention in New Jersey will be presided over by The Most Reverend Frank J. Rodimer, bishop of Paterson, NJ. This year's ecumenical convention reflects its international flavor, as there will be presentations in English, Spanish, and Korean. The proceedings will be signed for the deaf. They will also include the participation of Korean couples from both the Northeastern corridor and from the Republic of Korea itself.●

TENNESSEE COAL RESEARCH AND ENERGY CONSERVATION

● Mr. SASSER. Mr. President, I would like to bring to the attention of my colleagues in the Senate an article in the June 3 issue of Business Week. It features one phase of clean coal technology that is being developed at the University of Tennessee's Space Institute at Tullahoma, TN.

About 10 years ago, in the midst of the oil crisis, considerable research funds were allocated to the development of magnetohydrodynamics, generally known as MHD, in the hopes that 50 percent more energy could be squeezed out of coal than is possible with conventional methods.

In recent years, scientists developing MHD in the experimental plant at the University of Tennessee's Space Institute struggled to keep the project alive. Now, worries about acid rain are bringing MHD back into the limelight.

Dr. Susan Wu, administrator of the program, is quoted as saying, "I think the energy department is now on our side," and the article goes to indicate that the private sector is increasingly interested in this technology, which is based on a principle discovered more than 150 years ago.

Mr. President, I ask that the full text of the Business Week article be printed in the RECORD.

The article follows:

[From Business Week, June 3, 1985]

REVIVING A TECHNOLOGY TO CLEAN UP AFTER COAL

Coal is dirty, gritty stuff. When it burns, it spews out a witch's brew of pollutants—everything from soot to the sulfur oxides that are blamed for acid rain. This problem is especially serious for huge coal-fired power plants, which can burn up to 9,000 tons of coal a day. Even with costly scrubbers and devices to capture particulates, a lot of sulfur dioxide still gets through.

But an experimental power plant in Tullahoma, Tenn., bypasses this costly process. Although it burns coal, the plant emits from its slender stack only a pure white plume that is nearly all steam. Its secret? An almost-abandoned energy technology known as magneto-hydrodynamics (MHD)

Skipping steps. A decade ago, when research funds were plentiful and U.S. dependence on imported oil was worrisome, the Energy Dept. was pouring money into MHD. It hoped the technology could squeeze 50% more energy out of coal than conventional boilers. But when the energy crisis gave way to an oil glut, interest waned. Scientists developing MHD in the experimental plant at the University of Tennessee's Space Institute struggled for years just to keep the project alive.

Now, worries about acid rain are dragging MHD back into the limelight. The huge coal-fired power plants in the Midwest produce much of the pollution that is damaging lakes and forest in the Northeast and Canada. The Energy Dept. is asking Congress for $30 million to determine if MHD might be one way to solve that problem. And several companies—including such giants as General Dynamics Corp. and

Westinghouse Electric Corp.—hope to build the first commercial MHD facility.

The process works on a principle discovered more than 150 years ago by British scientist Michael Faraday: Passing a charged fluid through a magnetic field generates electricity. This skips the step of using heat to turn a mechanical generator, so an MHD power plant can achieve an efficiency of about 45% vs. about 35% for a conventional plant. The technology becomes even more efficient if the waste heat is captured and used to run conventional turbine.

Researchers at Tullahoma are convinced that their small, 1 Mw demonstration plant has already proved the commercial feasibility of MHD. To start the process, technicians pulverize coal into a coarse powder and seed it with particles of potassium to increase its electrical conductivity. Next, as they watch from behind a bank of video monitors, the powder is mixed with oxygen and burned under high pressure until it reaches about 5,000F. The resulting plasma is then rammed at supersonic speeds through a powerful magnetic field to produce almost pollution-free electricity.

Where do all the pollutants go? Tests at Tullahoma and Argonne National Laboratory in Batavia, Ill., found that the potassium particles combine with the sulfur in the coal. This means that smoke from an MHD generator contains practically no sulfur dioxide. And particulate pollutants can easily be removed with such standard pollution-control devices as electrostatic precipitators.

On our side. The Energy Dept.'s new interest in the technique represents quite a turnaround. During the previous four years, it completely cut MHD from its budget requests. But each time, Congress put back enough money to keep the project crawling along. Then after a series of meetings with energy experts last spring, the agency asked for extra money to fund MHD in fiscal 1986. Officials are now drawing up a five-year schedule to coordinate development efforts. "I think the Energy Dept. is now on our side," says Y. C. L. Susan Wu, administrator of the Tennessee program.

The private sector certainly is. Several corporations that serve the utility industry recently formed MHD Development Corp., a for-profit consortium that plans to convert an existing oil-fired power plant to coal-fired MHD. The group, which is considering several plants, says it is now willing to pay up to half the conversion's estimated $412 million cost. And if there is no government money, "we will look for sources of private funding," insists John C. Orth, president of the Montana Energy Research & Development Institute, who helped form the corporation.

The consortium has raised the spirits of the researchers at Tullahoma who have doggedly pursued MHD for the past decade. "I'm optimistic," says Norman R. Johanson, manager of the test site. "If we can sell this five-year plan to Congress, I think MHD can be a commercial thing before the year 2000." At the same time, backers of MHD will have shown that all their technology needed was the right problem to solve.●

FIRST AMENDMENT CENTER

● Mr. PRESSLER. Mr. President, the Society of Professional Journalists recently established a landmark First Amendment Center in Washington. The organization will work toward two vital goals: freedom of the press and the responsibility of the press. The Media Institute, a nonprofit organization encouraging more comprehensive and balanced media coverage, published an article in its May 1985 newsletter concerning the establishment of the First Amendment Center and what it hopes to accomplish. The article was written by Grant Dillman, director of the new center and the former Washington Bureau Chief of United Press International.

As a longtime supporter of a free and responsible press. I ask that this article be printed in the RECORD.

The article follows:

[From the Media Institute Forum, May 1985]

FIRST AMENDMENT: STANDING UP TO ABUSES, APATHY—JOURNALISTS MUST TAKE ACTION TO WIN PUBLIC TRUST

(By Grant Dillman)

The cover of the January-February issue of the Columbia Journalism Review announces in red letters, "Trashing the FOIA." Inside, an article by Steve Weinberg reports that 18 years after its passage, the Freedom of Information Act is not working the way it was intended, and is in danger of being seriously eroded under the Reagan Administration.

Peter Prichard, chairman of the Freedom of Information Committee of the Society of Professional Journalists/Sigma Delta Chi, writes in the March Quill, the Society's publication, that journalists must defend the First Amendment "with every fiber of our beings."

But Prichard, associate editorial director of USA Today, quickly adds that "we err if we apply that same energy to defending sloppy journalism, inaccurate stories, or unfair or unbalanced reporting."

Weinberg and Prichard touch on two facets of the sharpest debate to rock American journalism in decades. In courtrooms, legislative committees, executive suites, professional conferences, public forums, and newsrooms, the media and their critics are arguing the proper role of the press in the nation's life and conscience.

Critics accuse the media of excesses that violate individual privacy, promote liberal ideologies, and threaten national security. Reporters and editors counter that their critics, for selfish reasons, are trying to cut off information needed by Americans to reach informed decisions.

Now, the Society of Professional Journalists/Sigma Delta Chi has set up a Washington First Amendment Center that will try to rally support for an unfettered press, improve media performance, and help newsmakers, journalists, and the public better understand each other.

The Center is financed by a $250,000 grant from Central Newspapers, Inc., the Indianapolis-based newspaper group owned by the Pulliam family. It will operate at first on a part-time basis, expanding its activities as the fund and its investment revenues increase. The goal is a full-time director and support staff as soon as possible.

Initial emphasis will be on monitoring FOI developments in Washington and across the country, helping shape Society positions on FOI issues, developing a regular FOI digest for editors, working with other FOI groups, and initiating op-ed pieces for newspapers and broadcast outlets.

Forty-five years in the news business, fielding complaints from readers and editors alike, have convinced me that the current widespread distrust of the media stems largely from the fact that the public does not understand how the media operate.

Reporters and editors must drive home the idea that a given story represents the best a reporter has been able to find out at that point about a given situation from sources he considers responsible—and that new facts may emerge later to alter the picture.

If readers, listeners, and viewers approached news with that in mind, they might be less tempted to blame the reporter—and the newspaper—for bad news instead of the people or events actually responsible. It might be easier for them to understand that newsgathering is a very human pursuit marred occasionally by human error.

Editors, liberal and conservative alike, seem to agree that reporters generally can and do subordinate their own feelings in handling stories. It is not so clear readers agree.

Newspapers and broadcast outlets are working hard on the credibility problem. They are running corrections, initiating radio and television speak-out programs, and allocating more space for letters to the editor and op-ed pieces reflecting rival views on critical issues.

They also appear to have got a message from the Sharon and Westmoreland cases—and a spate of other libel suits—that the courts and the public are more determined than ever to hold them strictly accountable for what they write and broadcast.

None of this means an end to aggressive reporting. It does mean emphasizing accuracy, balance, and fairness, always the goals of responsible journalists. It also means media groups must intensify efforts to educate Americans about their stake in an open society.

If anyone doubts the magnitude of the challenge, consider just a few among the dozens and dozens of flashpoints involving newsmakers, reporters, and public attitudes.

At the White House, reporters complain bitterly about slickly packaged news and lack of opportunity to ask the president meaningful questions. Some citizens—and some editors of those same White House reporters—call the reporters rude and contend they ask inane questions.

The list goes on. The Pentagon comes under fire for excluding reporters from the Grenada invasion and finally works out a "pool" arrangement for any such future operations. When the Pentagon tests the system by sending a group of reporters to Honduras to observe military maneuvers, word leaks out and the Pentagon is forced to go public, raising a possibility the plan may be junked.

The libel mania has gone so far that a local official sued the author of a critical letter to the editor, and the newspaper, prompting Bill Moyers to comment on CBS that a verdict in the official's favor would amount to a gag on a citizen's right to criticize his government.

In his article in the *Columbia Journalism Review*, Steve Weinberg recited a series of "horror stories" on how agencies have circumvented the FOI law by claiming material sought by reporters would injure national security, by levying excessive processing fees, or by simply stonewalling.

Worse, he said, bills now pending in Congress would increase exemptions from the law and give bureaucrats increased discretion to withhold information.

"Journalists may be uncomfortable as lobbyists," he said, "but having the tools to do the job should be considered a legitimate and nonpartisan issue on which to speak out."

Journalists also should not be uncomfortable about telling the public why and how they cover the news because, like it or not, they probably will operate in a goldfish bowl from now on. And they need the public on their side because the public will help decide how big the bowl will be.●

SOVIET JEWISH REFUSENIKS

● Mr. GORE. Mr. President, I would like to take this opportunity to call to the attention of my colleagues in the Senate the plight of the Soviet Jewish Refuseniks. Further, I call their attention to a special group of persons whose names I share with them today.

These persons have a strong desire to leave the Soviet Union and join their families in Israel. Some of these people have been separated from their families for as long as 10 years. Letters to and from the refusenkis are censored, they are harrassed, and not allowed to obtain employment. Suffering is part of their daily existence and they are ostracized by their fellow countrymen.

Although we are limited, for obvious reasons, as to what we can do to help these people, it is of the utmost importance that we continue to pressure the Soviet Government to release the refuseniks.

In 1975, the Soviet Union became a signatory to the Helsinki accords, pledging to "present human rights and fundamental freedoms, including the freedom of thought, conscience, religion or belief" and to "work in a positive and humanitarian spirit with the applications of persons who wish to reunite with members of their family." The U.S.S.R. has flagrantly disobeyed the Helsinki accords.

I strongly encourage Members of the Senate to become active in helping the Soviet Jewish Refuseniks. We need a commitment to action if we are to realize our desire to see these people leave the Soviet Union and begin life again reunited with their families.

The list I have shared with my colleagues today is but a small portion of the people who are classified as refuseniks and in desperate need of our help.●

REALIZING PRODUCTIVE POTENTIAL

● Mr. HEINZ. Mr. President, today I would like to address an issue which has become a matter of crucial concern to our Nation. Today, America finds itself in a state of industrial decline. Once the world's economic and political leader, our ability to compete in international markets is deteriorating. In industry after industry, and in the new as well as the old, we are losing market share to foreign competition. Deindustrialization, once a debate among economists, columnists, and political scientists, is now a vital issue which the Nation cannot ignore. The United States, as a nation, faces the challenge of strengthening its industrial base and reasserting itself in the international arena. This is particularly true for the manufacturing sector. The Bureau of Labor Statistics, in a study issued only 2 weeks ago, reported that 2 million manufacturing jobs have been lost since 1979. In order to do so, however, we must first gain an understanding of the problems which have led to this crisis.

In part, these problems have their roots outside the United States. Other countries have begun to use new mercantilist trade strategies which promote exports but restrict imports. Short of a direct tariff, mercantilist nations are raising nontariff barriers, subsidizing key sectors and enhancing comparative advantage, and selling products at below world trade prices. These tactics have created a distorted trading system, where the United States has become one of the few major trading nations which maintains a free and open trading system.

In part, our Nation's trading crisis is also due to the changes in the global economy. Technological innovations in communications and transportation have created a complex, interdependent world market where trade cannot be limited by distance. Freely floating exchange rates and the rising value of the dollar have encouraged imports but discouraged exports. This in turn, has caused our trade and current account deficits to balloon. The General Agreement on Tariffs and Trade [GATT], the international covenant which regulates world trade, was created nearly 40 years ago. It envisioned a free and open international trading community in a stable financially regulated world. The rules established by GATT no longer apply to the modern world.

Yet the sources of the problem are not outside the United States. We have played our own part in the deindustrialization of America. We have pursued a policy of benign neglect of international trade and financial systems. While dumping, subsidies, and nontariff barriers have created market distortions at our expense, we lack a comprehensive strategy for dealing with these problems. While the global trading system evolves, we continue to follow rules which have no modern relevance. In essence, we lack a comprehensive trade policy which addresses these problems.

Addressing these problems means revitalizing our economy and maintaining a fair and open trading system. It is in this context that I present to my colleagues the first in a series of articles which aim to explore the problems afflicting our industries, as well as the range of solutions available.

In particular, I would like to bring to my colleague's attention an article concerning the experiences of Jacques Koppel, the director of the technology management center of Philadelphia's Council for Labor and Industry. Entitled "Why Companies Hesitate to Automate," the piece describes Mr. Koppel's recent exploration of automation in a number of Pennsylvania industries which are being adversely affected by foreign competition.

In a survey of 100 companies, Mr. Koppel found that the majority of producers were using methods which were both costly and inefficient. Producers were not using readily available technologies which could cut costs and as well as increase productivity. Moreover, many companies were disinterested in the productive potential of improved technologies.

The lack of interest in automation has important consequences beyond productivity and profits. The ability of foreign companies to utilize advanced production techniques has enabled them to capture increasing shares of the U.S. market. As a result, American industry, and the American economy suffers.

Mr. Koppel attributed the lack of automation to three major factors. First, the training of most managers deemphasizes the improvements in the production process. Instead, their backgrounds tend to stress salesmanship marketing strategies, and financial accounting. Second, small companies, limited by time and insufficient manpower, do not have the capacity for evaluating the importance of specific technologies to their own production processes. As a result, recent innovations seem strange and unfamiliar, and management is afraid to use technology which it does not understand. Third, most of these companies are small, managed by only a few individuals who must perform many tasks. These managers become so preoccupied with day-to-day business needs that production improvement becomes a minor consideration.

Mr. Koppel's assessment is compelling. The productive potential presented by new technologies is not being realized. Small business managers, uninformed and overburdened by daily business activities, have become disinterested in production improvements. As a result, productive efficiency and industrial capacity is lagging behind that of our foreign competitors.

In addition, I applaud Mr. Koppel's constructive approach to the problem. In order to encourage the introduction of new technologies to small companies, he is providing a free advisory service to local management. Mr. Koppel assesses the applicability of specific technologies for local compa-

nies. If the company requests, Mr. Koppel will also perform a cost-benefit analysis for the new production methods.

Mr. Koppel, however, has not examined the effect of technology on job availability, and this is an issue which I will address separately tomorrow. Nevertheless, Mr. Koppel has taken a serious problem which affects the ability of American industry to compete with foreign producers and he has offered a promising solution. Mr. Koppel is to be commended for his constructive actions, and I encourage further thought and investigation of his approach. Mr. President, I ask that the text of the article be printed in the RECORD.

The text follows:

[From the Philadelphia Inquirer, May 12, 1985]

WHY COMPANIES HESITATE TO AUTOMATE

(By Andrea Knox)

Eighteen months ago, Jacques Koppel set out to see how automation was being used in a number of Pennsylvania industries that were being hurt by imports.

The quest turned out to be irrelevant.

"For the most part, they weren't using technology," said Koppel, who heads the Technology Management Center of Philadelphia's Council for Labor and Industry.

He found toolmakers still using hand-guided machines, even though faster and more accurate machines, controlled either by punched tapes or by computers, have been available for 25 years.

He discovered companies making intricate electronic components and medical devices that were not testing their products during manufacturing, even though such testing could have cut production costs by increasing the percentage of finished products that worked properly.

And many of the 100 companies that he surveyed were carrying excess inventory, suffering delays in collecting money, or laboring under other costly handicaps that could be prevented by computer systems and other technologies that are widely available.

His findings were not really surprising. In recent years, U.S. import-watchers have said repeatedly that this country's persistence in clinging to old manufacturing technologies is one reason Japanese products are stealing sales from American goods.

What did surprise Koppel was that many companies did not seem to care.

"There was very little curiosity on the part of management to look at how the new technologies could improve their situation," he said. "That's disturbing."

While many of the companies he surveyed had not felt direct pressures from either foreign or domestic competition, it was clear to Koppel that new technologies would help them cut costs, improve product reliability and deliver products more quickly, thereby making them more profitable.

So what was holding them back?

According to Koppel and others, the managers of many American companies, both large and small, share a deeply ingrained indifference to the importance of production technologies—even when those technologies could make the difference between life and death for their companies.

That attitude does not amount to a suspicion of technology; most managers have sprung from an American cultural tradition that delights in ingenious ways of doing things.

But they also have sprung from a tradition that, in recent decades, has given short shrift to the importance of the manufacturing process, said George Kuper, executive director of the National Academy of Sciences.

Kuper said that most managers' senses of what is most important in business are shaped by what they read and learn in the press, in school and around the cracker-barrel. And much of that emphasizes areas other than the production process.

Salesmanship and financial accounting get big play and real estate killings, marketing strategies, tax-shelter devices and other financial maneuvers are studied, publicized and applauded.

So, to many managers of both large and small businesses, the idea that improving the manufacturing process can strengthen a company is quite foreign.

FEAR OF THE UNKNOWN

Those who have talked with entrepreneurs say reluctance to innovate appears to spring from a sense of insecurity about stepping into something new and unknown, an insecurity that is nurtured in many cases by the financial limitations of a company and the bewildering amount of information on new technologies.

"Many entrepreneurs know about something they could be doing, but they're afraid because what we're talking about is major change," said Jim Osberg, director of production-operations planning for Rockwell International Corp.

L.E. Jenneke, chief executive officer of the Landis Tool Division of Litton Industries in Waynesboro, Pa., understands that fear.

Landis, which had revenues of $40 million last year from sales of its grinding tools, already uses computer-controlled machines. Recently, management decided to install a computerized system for collecting production data from those machines.

For Landis, the upgrade is a necessity. "The alternative is getting out of date and going out of business," Jenneke said.

Nevertheless, management had to swallow hard and "have faith the thing will work out," because some important questions about the project's viability will not be answered until after the money is spent and the equipment is up and running. Jenneke said. One of those questions is the critical issue of how long it will take for the new equipment to pay for itself.

So it is not surprising that smaller companies of the kind Koppel surveyed, half of which had revenues of less than $5 million a year, have an even more difficult time deciding to take the plunge.

"It's a lot harder for a small company where one individual is wearing 10 hats because the kinds of things you need to do to make that decision tend to get pushed back by the day-to-day needs of the business," said Stephen P. Andrade.

Americo Vasso, owner of Jackson & Heit Machine Co. Inc. in Northeast Philadelphia, is typical of the entrepreneur who already is juggling so many jobs that he doesn't even want to think about new factory equipment.

Vasso, who is also secretary of the National Tool & Die Association, is not anti-technology. In fact, a few years ago, when orders for his precision machining slowed down, he did not hesitate to supplement his operations by adding a high-technology business, making magnetic heads for commercial video recorders.

But now he has more work than he can handle and is trying to slow the company down. "It's getting bigger than I want," he says. "I know there are newer technologies, but I don't have time to train people to use them. I'm overloaded now."

At B&J Machines, Inc., where William O'Brien's management skills have been supplemented by those of sons Jim and William Jr., the thinking has been quite different—and has paid off.

Revenues this year will be about $500,000, a "significant increase" over last year, said Jim O'Brien. The increase is due, in part, to the installation last fall of a new $35,000 computerized milling machine.

Jim O'Brien spoke glowingly about the improvement that the new machine has brought to the company's business of producing parts for ammunition-testing equipment. Production costs and delivery times have been reduced because five parts can be produced in the time it was taking to make one, and a much higher percentage of the finished parts will meet the customer's specifications.

One result of the new technology was a successful bid on a government contract for gun sights. With the old equipment, the company's bid would have been too high to be competitive, O'Brien said.

To date, much of the U.S. attention to automation has focused on the automotive industry, which was hard hit by Japanese imports beginning in the 1970s but now has begun to fight back. Detroit is already the nation's largest user of industrial robots, and General Motors Corp. has announced major capital-spending plans aimed at installing computer control on both work flow and individual operations in entire factories.

But even an industry such as tool-and-die making, where many companies are very small, can benefit from improvements in manufacturing technology, according to Kuper, who said all the pieces needed to create a completely automated machine shop will be available within a few years.

In such a shop, the designs for all parts ever made would be stored in a computer. The same computer would be able to check an inventory list to determine if the materials for making the part are in stock, or if the inventory contains a similar piece that could be milled to the proper shape. It could also give precise information on work in progress, enabling a salesperson to quote an accurate delivery date to the customer.

At the push of a button, the design and manufacturing instructions would be sent from the central computer to the computer that controls the machine that makes the part. An operator would feed in raw material, and a finished part would emerge a few minutes later.

Parts of this technology are already in use in a number of machine shops, "and you'd be surprised how much money they save," said Kuper.

A LONG WAY TO GO

Despite such innovations by a few shops, both machine-tool manufacturers and tool-and-die makers have a long way to go in adopting new technology, said Koppel.

He pointed out that the Japanese have gained nearly half of the U.S. market for machine tools since they began selling here in the early 1980s.

Tool-and-die makers have suffered as well, according to Kuper, who said that in recent years, major manufacturers turned for parts to Korea and Japan, where automation is

one factor in producing cheaper parts that are delivered faster.

But even if this were not so, upgrading the nation's tool-and-die shops would be important because they "provide the wherewithal for a lot of other fabricators to function," Kuper said.

Dishwashers, lawn mowers, automobiles—even guided missiles and space shuttles—are assembled from parts and pieces made in the nation's small machine shops.

"That's one reason they [space vehicles] have problems," said Koppel. "Thousands of parts and screws are all made in these little shops and no one is checking to see that they all fit together."

But in a small shop with five to 20 employees, the owner or manager simply does not have the time to investigate the available technologies in enough detail to decide which one is most appropriate to him.

Koppel, therefore, has embarked on a new project, financed by Pennsylvania's Benjamin Franklin Partnership, under which he has provided free help in evaluating new technologies to the managements of 14 machine shops and seven other companies.

So far, seven of the 21 companies have been sufficiently intrigued by the results of the evaluation to ask Koppel for cost-benefit analyses of the technologies he has recommended.●

S. 1277—MEDICAID HOME AND COMMUNITY-BASED SERVICES IMPROVEMENT ACT

● Mr. BRADLEY. Mr. President, I introduced S. 1277, the Medicaid Home and Community-Based Services Improvement Act of 1985, on June 11, 1985. The bill was not included with my remarks in the CONGRESSIONAL RECORD at that time.

I hereby ask that the text of my bill be printed in the CONGRESSIONAL RECORD.

The text of the bill follows:

S. 1277

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Medicaid Home and Community-Based Services Improvement Act of 1985".

SEC. 2. AMENDMENTS TO THE SOCIAL SECURITY ACT.

(a) OPTIONAL STATE SERVICES.—Section 1905(a) of the Social Security Act is amended—

(1) by striking out "and" at the end of paragraph (17);

(2) by redesignating paragraph (18) as paragraph (19); and

(3) by inserting after paragraph (17) the following new paragraph:

"(18) home or community-based services (as defined in subsection (o); and".

(b) DEFINITION.—Section 1905 of such Act is amended by adding at the end thereof the following new subsection:

"(o)(1) The term 'home or community-based services' means any home or community-based services (other than room and board) approved by the Secretary which are provided pursuant to a written plan of care to individuals with respect to whom there has been a determination that but for the provision of such services the individuals would require the level of care provided in a skilled nursing facility or intermediate care facility, the cost of which could be reimbursed under the State plan.

"(2) Home or community-based services may be included as medical assistance only if the State plan provides that—

"(A) necessary safeguards (including adequate standards for provider participation) have been taken to protect the health and welfare of individuals provided such services and to assure financial accountability for funds expended with respect to such services;

"(B) The State will provide, with respect to individuals who—

"(i) are entitled to medical assistance for skilled nursing facility or intermediate care facility services under the State plan,

"(ii) may require such services, and

"(iii) may be eligible for such home or community-based care,

for an evaluation of the need for such skilled nursing facility or intermediate care facility services;

"(C) such individuals who are determined to be likely to require the level of care provided in a skilled nursing facility or intermediate care facility are informed of the feasible alternatives, if available, at the choice of such individuals, to the provision of skilled nursing facility or intermediate care facility services;

"(D) the Federal payments under this title with respect to all individuals in such State who receive home or community-based services are not greater than the Federal payments which would be made under this title with respect to those individuals if such home and community-based alternative services were not available, taking into account the adequacy of the State's capacity to meet the needs of such population as evidenced by the increasing numbers of elderly and disabled individuals at risk of requiring long-term care, and the changes in health care costs; and

"(E) the State will provide to the Secretary annually, consistent with a data collection plan designed by the Secretary, information on the impact of such services on the type and amount of medical assistance provided under the State plan and on the health and welfare of recipients.

"(3) A State may provide home or community-based services under the State plan without regard to the requirements of section 1902(a)(1) and section 1902(a)(10).

"(4) The State plan may, consistent with paragraph (2)—

"(A) limit the individuals provided home or community-based services to individuals with respect to whom the State has determined that there is a reasonable expectation that the amount of medical assistance provided with respect to the individual will not exceed the amount of such medical assistance provided for such individual if the plan did not include home or community-based services; and

"(B) provide medical assistance to individuals (to the extent consistent with written plans of care, which are subject to the approval of the State) for case management services, homemaker/home health aide services and personal care services, adult day health services, rehabilitation services, respite care, and such other services requested by the State as the Secretary may approve.

"(5) The State may provide, with respect to post-eligibility treatment of income of individuals receiving home or community-based services, that the maximum amount of the individual's income which may be disregarded for any month for the maintenance needs of the individual shall be the maximum allowed for that purpose under regulations in effect on June 1, 1985, for individuals receiving such services under waivers, increased by $150 per month.".

(c) REPEAL OF WAIVER PROVISION.—(1) Section 1915 of such Act is amended—

(A) by striking out subsection (c);

(B) by redesignating subsections (d), (e), and (f) as subsections (c), (d), and (e); and

(C) in subsection (c), as so redesignated, by striking out "(other than a waiver under subsection (c))".

(2) Section 1902(a)(10)(A)(ii)(VI) of such Act is amended—

(A) by striking out "described in section 1915(c)" and inserting in lieu thereof "(as defined in section 1905(o))"; and

(B) by striking out "pursuant to a waiver granted by the Secretary under section 1915(c)" and inserting in lieu thereof "under the State plan".

(d) EFFECTIVE DATE.—The amendments made by this Act shall apply to services provided on or after October 1, 1985.●

PROPOSED ARMS SALES

● Mr. LUGAR. Mr. President, section 36(b) of the Arms Export Control Act requires that Congress receive advance notification of proposed arms sales under that act in excess of $50 million or, in the case of major defense equipment as defined in the act, those in excess of $14 million. Upon such notification, the Congress has 30 calendar days during which the sale may be reviewed. The provision stipulates that, in the Senate, the notification of proposed sales be sent to the chairman of the Foreign Relations Committee.

In keeping with my intention to see that such information is available to the full Senate, I ask to have printed in the RECORD the notification I have received.

The notification follows:

DEFENSE SECURITY ASSISTANCE AGENCY,
Washington, DC, June 14, 1985.

In reply refer to I-03482/85ct.

Hon. RICHARD C. LUGAR,
Chairman, Committee on Foreign Relations, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: Pursuant to the reporting requirements of Section 3(b) of the Arms Export Control Act, we are forwarding herewith Transmittal No. 85-39, concerning the Department of the Air Force's proposed Letter of Offer to Japan for defense articles and services estimated to cost $51 million. Shortly after this letter is delivered to your office, we plan to notify the news media.

Sincerely,

PHILIP C. GAST,
Director.

TRANSMITTAL No. 85-39

Notice of Proposed Issuance of Letter of Offer Pursuant to Section 36(b) of the Arms Export Control Act

(i) Prospective purchaser: Japan.

(ii) Total estimated value:

	Millions
Major defense equipment [1]	$42
Other	9
Total	51

[1] As defined in section 47(6) of the Arms Export Control Act.

(iii) Description of articles or services offered: Two C-130H aircraft with related support equipment and spare parts.

(iv) Military department: Air Force (SFM).

(v) Sales commission, fee, etc., paid, offered, or agreed to be paid:

(vi) Sensitivity of technology contained in the defense articles of defense services proposed to be sold:

(vii) Section 28 report: Included in report for quarter ending 30 June 1984.

(viii) Date report delivered to Congress: 14 June 1985.

POLICY JUSTIFICATION

JAPAN—C-130H AIRCRAFT

The Government of Japan has requested the purchase of two C-130H aircraft with related support equipment and spare parts. The estimated cost is $51 million.

Japan is one of the major political and economic powers in East Asia and the Western Pacific and a key partner of the United States in ensuring the peace and stability of that region. It is vital to the U.S. national interest to assist Japan in developing and maintaining a strong and ready self-defense capability which will contribute to an acceptable military balance in the area. This sale is consistent with these U.S. objectives and the 1960 U.S.-Japan Treaty of Mutual Cooperation and Security.

Japan already has four C-130H aircraft in their inventory. These C-130H aircraft will be used in a transport role in support of the Japan Self Defense Force.

The sale of this equipment and support will not affect the basic military balance in the region.

The prime contractor will be the Lockheed Corporation of Marietta, Georgia.

Implementation of this sale will not require the assignment of any additional U.S. Government personnel; however, one contractor representative will be required in Japan for one year.

There will be no adverse impact on U.S. defense readiness as a result of this sale.●

HIGHER EDUCATION PERSPECTIVE

● Mr. STAFFORD. Mr. President, Federal support for higher education was a topic of considerable debate as the Senate worked to develop an acceptable budget package during the past few months. The upcoming reauthorization of the Higher Education Act will extend this examination and discussion throughout the 99th Congress. For several decades, support for higher education in the Congress has been strongly bipartisan. As chairman of the Senate Subcommittee on Education, Arts and Humanities, I believe that this bipartisan commitment to make postsecondary educational opportunities available to everyone is vital to our Nation's future.

The board of trustees of the Carnegie Foundation for the Advancement of Teaching, led by the able Ernest L. Boyer, former U.S. Commissioner of Education, recently issued a publication entitled "Sustaining the Vision."

This statement artfully chronicles America's long tradition of support for higher education, and reminds us of the continually growing importance a well-educated citizenry has in our future. There are demographic changes taking place in America that are dramatically increasing the number of retirees that our younger work force will have to support. Our society is becoming more complex and the percentage of jobs requiring highly technical skills is rapidly increasing. These changes intensify the need to make more and more educational opportunities available.

The Federal Government spends approximately $10 billion annually in support of Federal student financial assistance. It is a budget item that should not be overlooked as we consider ways to control our enormous national deficit. We must keep in mind, however, that what we chose to cut today, will be subtracted from the future capabilities and achievements of those men and women who would thus be denied higher educational opportunities. Their individual losses add up to our national detriment.

Mr. President, I request that the Carnegie Foundation statement, "Sustaining the Vision," be printed in its entirety in the CONGRESSIONAL RECORD, and I urge my colleagues to take a careful look at this excellent and thoughtful statement.

The material follows:

SUSTAINING THE VISION—A STATEMENT ON THE FEDERAL ROLE IN HIGHER EDUCATION

I. A TRADITION THREATENED

America began with the conviction that for democracy to work, education is essential. Those who charted the future of this nation linked democracy to knowledge.

George Washington said "Knowledge is . . . the surest basis of public happiness." John Jay declared knowledge is "the soul of the Republic." And in 1778, Thomas Jefferson drew up an education plan "to raise the mass of the people to the high ground of moral respectability necessary to their own safety, and to orderly government. . . ."

In these convictions, the nation built public schools for universal education. Colleges were established to train leaders and serve America in peace and war. Private and state support increasingly was supplemented by federal assistance, resulting in a higher education system unequaled in the world.

Today the vital federal connection to our colleges and universities is being challenged. After decades of strong bi-partisan support, the current debate about budget priorities has been focused almost exclusively on numbers and on the negatives of higher education. The larger perspective has been lost.

We hear how much education costs, not how much it's worth. We are told that students are exploiters, rather than tomorrow's leaders. And we are reminded of the abuses, not the benefits of aid to higher education.

One is constrained to ask: Have we forgotten our history?

In 1652, the Massachusetts General Court donated land and later authorized tax levies to support Harvard College, which had been established when the little colony in New England was only 6 years old.

In the Ordinance of 1785, public lands in the Northwest Territory were set aside by Congress for the support of education.

During the dark days of the Civil War, President Abraham Lincoln signed into law the Morrill Act. This historic legislation helped build a network of federally-supported land-grant colleges that drove our agricultural and industrial revolution.

In the depths of the Depression, Congress approved President Franklin Roosevelt's work-study legislation. Needy college students got monthly federal stipends for helping to build facilities on their campuses. And with this support they were able to complete their education.

During World War II, when democracy was threatened, the nation's universities joined with the federal government to create the most powerful research engine the world had ever known.

After that war, almost 8 million former servicemen—many of whom had hardly dreamed of higher education—went to college supported by the federally-funded G.I. Bill. They returned to civilian life with minds enriched and talents sharpened.

In 1947, Secretary of State George C. Marshall proposed what became known as the Marshall Plan to restore the war-scarred continent of Europe. With federal support, university specialists went abroad to help rebuild the devastated nations.

President Harry Truman, in 1949, made "Point Four" a cornerstone of United States foreign policy. Teachers and scholars traveled overseas to work with laborers and technicians, as well as civil servants, in Third World countries.

In 1958, Congress, shocked by Sputnik, again turned to campuses for help. President Dwight Eisenhower's National Defense Education Act linked schools and colleges to the security of the nation.

Responding to American idealism, President John F. Kennedy called for Peace Corps volunteers—mostly college students—to serve in villages and classrooms overseas.

In the 1960s, the Higher Education Facilities Act created a program of matching grants and loans to construct new academic buildings at both public and private higher learning institutions.

During this same decade it became an article of faith that no qualified young person should be denied an opportunity for a college education. In 1965, a landmark federal aid program for needy students was launched.

The Higher Education Amendments of 1972 dramatically extended this commitment. The Educational Opportunity Grants—later named Pell Grants—helped millions of young men and women to go to college and helped keep them there once they were enrolled.

Since 1954, the number of college and university students in the United States has increased from 2.4 million to over 12 million today. Black student enrollment has grown to over one million. The number of women in higher education has risen from one-third to more than one-half of the overall enrollment. Now, about half of all full-time college sudents are receiving some form of federal assistance.

While higher education today still receives only about one-fourth of its total support from Washington, a unique partnership has evolved between the federal government and higher education, a partnership to advance key national objectives: social justice, economic growth, civic and

cultural enrichment, and security for the nation.

The country has profited enormously from this investment. Millions of graduates leave campuses each year to invigorate every vital sector: government, business, communications, health services, science, and the arts. It is difficult to imagine a strong America without a strong partnership with higher education.

II. THE PRESENT CHALLENGE

For three centuries, education has been at the heart of our national achievements. But the agenda is unfinished. Urgent new priorities have emerged and more, not less, education is required.

The demography of the United States is changing. Within ten years, the number of 18- to 24-years-olds will drop by 21 percent. Fewer young people will be available to do the nation's work.

At the same time important shifts are occurring in the nation's ethnic and racial composition. Today, slightly more than one-fourth of white Americans are 19 years of age and under, but 40 percent of all Hispanics and over one-third of all blacks are in this age category. Nearly half of all white families have children under 18 years of age. In contrast, 60 percent of all black and almost 70 percent of all Hispanic families have children in this age group.

Black and Hispanic young people are precisely those who have been least well served by the education system. Almost 80 percent of white teenagers graduate from high school, compared with only about 60 percent of black and 50 percent of Hispanic young people. And students from these minority groups are also less likely to complete their college education.

If minority students continue to leave school and college at the current rate, a shockingly large proportion of our youth will find it difficult, if not impossible, to realize their full potential. If America fails these students, the need for informed participants in our complex society will go unfulfilled.

Shifts in the economy also have consequences for American education. Since 1958, the percentage of blue collar and farm workers has declined. And the proportion of professional and technical workers has more than doubled. New jobs are emerging. Our challege is to educate and reeducate citizens of all ages so they remain creative and productive.

International competition has increased. The world's 165 independent nations and 60-odd political units are now interlocked. A strong dollar in the United States hurts Common Market countries; bad harvests in the Soviet Union help Canadian farmers; a robotics breakthrough in Tokyo has an impact on Detroit. In the new fields of computing, artificial intelligence, biotechnology and optical fibers, the race for leadership is on.

John Gardner said it well: "modern societies run on talent." In a world dominated by more competitive markets and more complicated tools, to shift resources away from education would be a grave mistake.

But the global challenge goes far beyond economic competition. The world has become a more crowded, more volatile, more unstable place. For the first time, a generation has grown up with headlines that describe ecological and nuclear threats to survival. If education cannot help the coming generation see beyond itself and better understand the interdependent nature of our planet, human prospects will be dangerously diminished.

We conclude that twelve years of formal schooling will increasingly be insufficient for our citizens. In the future, almost everyone will need some form of post-high school education if they are to remain personally empowered, economically productive, and civically prepared.

III. A PARTNERSHIP REAFFIRMED

We believe that the moment has come for the historic partnership between the federal government and the nation's colleges to be reaffirmed. Educational obligations are increasing and federal support for colleges and universities must increase, too.

We do not deny the need for more private and state support for higher education. Nor do we deny the need to reduce the federal deficit and scrutinize all programs. But for the Washington debate to focus almost exclusively on how much education costs is to neglect the larger question: How much of America's human resources can we afford to waste?

Further, substantial cuts in higher education aid have already been made. Federal aid to students has dropped by 17 percent in just five years, adjusting for inflation.

We believe the Pell Grant program should be strengthened by maintaining current funding levels and indexing future funding to inflation. Equality of opportunity is not just a remembered slogan of the past; it remains an urgent unfinished obligation of the future.

We further believe the current benefits of the Guaranteed Student Loan program should be maintained. And eligibility for loans should be determined by the special economic circumstances of each student, not arbitrarily imposed. Without such loans it would be difficult for many low- and middle-income students to attend the college that would serve them best.

A budding scientist from a middle class home should not be denied the opportunity of attending a high-tuition research university if such an education would be most beneficial to the student. The young person from a poor, inner-city family should be able to accept an invitation from a nonpublic liberal arts college, if this is where the student's talents could be most effectively developed.

Further, to reduce federal loans substantially would put many private colleges at risk. A two-tiered higher education system would emerge—one for the poor and another for the rich. The remarkable diversity in American higher education would be undermined.

While access to collegiate education must remain a high priority, the need is no less urgent at the level of graduate education. Critics decry the state of American higher education; yet the work of our academic scholars and researchers is the envy of the world. In the last decade alone, Americans have won over two-thirds of the Nobel prizes for science and medicine. They dominate the world's scientific literature, producing over one-third of the influential scholarly science and engineering articles.

Despite these remarkable achievements, federal support for academic science and engineering research is diminishing as a percentage of the total university research budget. While graduate student stipends in those specialized fields have recently increased, scholarship funds for graduate students in social science and humanities have been woefully neglected. University-based research is a tradition that cannot be interrupted without serious, perhaps irreparable damage to the nation. We conclude that federal support for graduate study across the disciplines should be expanded to sustain and enrich scholarships in the nation.

IV. THE NATION'S FUTURE

Because throughout its history America has linked democracy to knowledge, our goal increasingly has been to expand the opportunities for both school and college education. If we sustain this vision, there is no limit to what the energies of our people can produce. But if we distort it, we will surely breed cynicism and despair. And we will be a different people from the one, in our finest moments, we have always believed ourselves to be.

The aim of education in our democracy is not only to prepare the young for work but to enable them to live with dignity and purpose; not only to generate new knowledge, but to channel knowledge to humane ends; not merely to learn about our civic institutions, but to shape a citizenry that can weigh decisions wisely and promote the public good.

This nation's greatest strength is not its weapons but its people. Our greatest hope is not technology but the potential of coming generations. Education is, as it has always been, an investment in the future of the nation.

TRUSTEES OF THE CARNEGIE FOUNDATION FOR THE ADVANCEMENT OF TEACHING

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Alan Pifer, President Emeritus and Senior Consultant, Carnegie Corporation of New York.

Donald C. Platten, Chairman of the Executive Committee, Chemical Bank of New York.

Lauren B. Resnick, Co-Director, Learning Research and Development Center, University of Pittsburgh.

Frank H.T. Rhodes, President, Cornell University.

Adele Simmons, President, Hampshire College.

Barbara Uehling, Chancellor, University of Missouri-Columbia.●

THE FEDERAL PESTICIDE REFORM ACT OF 1985

● Mr. CHAFEE. Mr. President, I am pleased to join as a cosponsor of S. 1303, the Federal Pesticide Reform Act of 1985. This bill presents Members of this body with an important opportunity—an opportunity to protect human health and the environment.

This legislation would amend the existing pesticides control law—known as FIFRA—before the shortcomings and loopholes in that law become front page material. Sadly, it took stories like Love Canal in New York, the Valley of the Drums in Kentucky, and the Picillo Dump in my own State of Rhode Island before legislation was enacted to address the sins of the past regarding hazardous wastes. The stage is now set for similar stories stemming from the use and abuse of pesticides.

Members of the Committee on Environment and Public Works are all too familiar with the telltale signs of trouble on the horizon. Already we are beginning to see evidence of pesticide contamination in some of our rivers and in ground water areas that supply drinking water. And with increasing frequency, we are discovering pesticide contamination at Superfund sites.

We have taken great strides under the Clean Water Act to make rivers that had become industrial sewers fishable and swimmable once again. These accomplishments are threatened, however, by improper and inadequate regulation of pesticides.

Evidence that something is seriously wrong with the existing FIFRA program is accumulating daily, and our colleagues in the House have already heard about the shortcomings of the existing law from EPA officials and others. The time to act is now.

Too often, we respond to known hazards only after their consequences have become widespread, and we pay a high price for doing so. Here we have an opportunity to review and reform our pesticide law, before its flaws lead to large-scale environmental problems that Congress will have to deal with several years down the road.

As a member of the Environment and Public Works Committee, I urge the Senate to seize this opportunity for preventative action. To do otherwise would be a dangerous and costly mistake that we can ill afford.●

REVOLVING DOOR EMPLOYMENT

● Mr. PRYOR. Mr. President, I rise today to direct the attention of the Senate to a most disturbing report which the General Accounting Office [GAO] has just released on the "revolving door" problem. I wish to thank my distinguished colleague from Delaware, the chairman of the Senate Governmental Affairs Committee—Senator ROTH—for asking the GAO to investigate this matter.

As some of my colleagues know, I have joined with Senator PROXMIRE in introducing legislation to eliminate or at least significantly reduce conflicts of interest which occur when a Government procurement officer resigns and goes to work for the very same contractor he monitored during his Federal service. The GAO in its report, entitled "Extent of Compliance With DOD's Requirement To Report Defense Related Employment," demonstrates very ably that this situation is out of control. In fact, the law on the books today, 10 U.S.C. 2397, contains a reporting requirement for certain DOD employees who go to work for contractors. This is routinely being ignored according to the report. GAO has determined approximately 70 percent of those employees who were required to file reports on post-Government employment failed to do so in fiscal year 1983. It might be expected that some failure to comply with such a reporting requirement would occur, but 70 percent is shocking and unacceptable.

Mr. President, although this study does not tell Congress how many Government employees have done less than their best for the Government in order to receive consideration for post-Government employment, it does demonstrate the weakness and ineffectiveness of simple reporting requirements. To a large degree they are unenforceable and therefore meaningless. This is exactly why Senator PROXMIRE and I have introduced legislation to stop Government procurement employees from going to work for these contractors for at least 3 years after they exercised responsibility for that contractor's business with the Federal Government. Senator PROXMIRE and I remain unconvinced that simple reporting requirements—even with tougher penalties—will solve this problem.

Our bill, S. 1165, is not pending in the Governmental Affairs Committee. I hope hearings will take place soon, and I am especially eager to work with Chairman ROTH on this matter within his committee's jurisdiction.

I believe it is important to note that Congresswoman BARBARA BOXER and Congressman CHARLES BENNETT are working hard on this very issue as the House prepares to consider its version of the Department of Defense authorization bill. Congressman BENNETT has been successful in inserting revolving door language, applicable to DOD employees—which is similar to the governmentwide bill Senator PROXMIRE and I have introduced—in the committee version of the bill. I am very hopeful these two Members and others will gain the support of a majority of the House of Representatives to approve meaningful reform of this kind which is so badly needed.

Finally, I want to urge my colleagues in the Senate to consider very carefully whether the interests of the taxpayers and the advancement of our national security are not suffering as a result of increasing personnel transfers. I ask them to consider how many more billions of dollars must be wasted before we finally put an end to the "revolving door."

I ask my colleagues to take action—swift and decisive action—to slam shut the revolving door.●

UNCONTROLLED EXPORTS TO THE SOVIETS

● Mr. GARN. Mr. President, last week, the Washington Times published the story of 35 tons of unknown, uninspected goods that were shipped out of the United States directly to the Soviet Union. Is this another case of espionage? Is this just one more incident of Soviet officials clandestinely making off with U.S. goods?

What is most ironic—and baffling—about this episode is that this totally uncontrolled transfer was made not only with the knowledge but with the second-mile help of the State Department, particularly its Soviet Affairs Office. Ostensibly, this was a shipment, 35 tons, of personal effects, but no inspection was made of the cargo. Deviating from usual practice, State failed to order a Customs inspection of the shipment.

It is incredible, Mr. President, that while law-abiding U.S. exporters are patiently waiting to get permission from the Government, in compliance with our export control laws, to ship their exports, the State Department is bending over backwards to help the Soviets to ship out 35 tons of so-called personal effects without even so much as inspecting what was in the boxes.

In the fall of 1983, our authorities were congratulating themselves over the biggest disrupted technology transfer attempt in history, where approximately 35 tons of sensitive equipment were stopped on their way to the Soviet Union. Now we have the State Department facilitating a shipment of that magnitude with nothing more than the Soviets' word that it is personal effects. What is going on?

Even if we assume, Mr. President—and this is an assumption counter to

everything we know about Soviet behavior and intentions—that the Soviets truly sent bona fide personal effects, all 35 tons worth, the shipment is still outrageous. For while the State Department is taking the Soviets by the hand and making life wonderful for their embassy staff here—so many of whom work for Soviet intelligence services—the Soviets have been making life difficult for our Embassy staff in the Soviet Union. As recently as May 17, 14 boxes of household goods of U.S. diplomats were refused clearance to be shipped out of the Soviet Union. Our Ambassador reported that such restrictions cause major hardship for our people there.

Mr. President, the Senate hopes to be going to conference soon with the House of Representatives on legislation to strengthen our national security export control laws. One provision of that legislation would authorize controlling sales of high technology to the embassies of the Soviet bloc countries. The fact that there are no such controls now is one of the reasons why this uncontrolled shipment is so troublesome. But I wonder how effective any legislation is going to be if the State Department is going to act, wittingly or not, as an agent to facilitate Soviet transfers out of the United States.

I ask that the article from the June 14, 1985, edition of the Washington Times be printed in the RECORD at this point.

The article follows:

[From the Washington Times, June 14, 1985]

STATE CLOSES EYES TO SOVIET EMBASSY CARGO

(By Bill Gertz)

The State Department allowed a 35-ton shipment of Soviet goods to leave this country two weeks ago without requiring any customs inspection, according to confidential U.S. government documents.

An internal account of events leading up to the shipment and interviews with U.S. officials reveal that a last-minute attempt to conduct a search was called off, and standard procedures covering the transfer of foreign embassy goods were not followed.

In this case, according to documents obtained by The Washington Times, the State Department Soviet Affairs Office failed to order a Customs Service inspection of the unspecified cargo during a recent rotation of Soviet Embassy personnel.

That office also did not notify the State Department agency that handles foreign embassy affairs, the Office of Foreign Missions [OFM], or the FBI, the U.S. Customs Service and other counterintelligence agencies, the documents charge.

State Department Press Officer Donna Gigliotti, in a statement issued Tuesday, dismissed the allegations as "false" and said the cargo was unloaded from trucks "in the presence of a Customs official." She said "all appropriate offices and agencies were fully informed."

Another official at the Soviet Desk, while acknowledging problems in the procedures, said his office was not contacted by Customs in this case and "was not involved in any decision one way or another."

The State Department response appears to conflict with the Customs Service's account. Chris Fraser, a Customs spokesman, said, "The State Department decided not to have the vessel inspected."

U.S. officials said they did not know what was contained in the cargo that left the country June 2 without diplomatic protection.

A Soviet Embassy spokesman said the containers held "personal belongings" and described the ship as a "passenger ship."

A State Department official described the large shipment as part of a reciprocal agreement ostensibly involving the transfer of personal effects, but which actually provides U.S. goods to overseas Soviet personnel as "perks."

In response to questions about the possible transfer of illegal high technology exports to the Soviet Union, the official conceded: "There are loopholes [in law] that are very difficult to plug."

One document by a U.S. Government official charges that State Department officials "went out of their way to facilitate Soviet efforts to ship out of this country 35 tons of unknown goods without any inspection or observance of packing and loading."

"At no time were any of the goods inspected by customs nor was there a customs inspector present at any time during the loading," one document states.

The document also alleged that "The [Soviet] Desk chose not to direct any customs inspection of the Soviet shipment."

The uninspected departure contrasts sharply with reports of Soviet harassment of U.S. personnel in Moscow last month. Fourteen boxes of "household goods" belonging to American Embassy personnel were refused clearance May 17, according to a confidential State Department cable.

The cable, signed by U.S. Ambassador Arthur Hartman, states that a new Soviet customs restriction was imposed recently in a move that "represents a considerable burden for the embassy and especially the departing employee."

"If they [the Soviets] begin to delay shipments or confiscate items arbitrarily, we could also retaliate on a one-for-one basis," Mr. Hartman said in the May 30 cable.

One document reveals that the OFM was not informed of the May 30 cargo transfer until the day it was moved by a convoy of trucks from New York and Washington to a Soviet ship docked in Baltimore harbor.

The OFM tried to order a last-minute customs inspection, but the goods already had been loaded onto the Soviet ship. One of the documents reported that "no attempt was made to force the Soviets to download the ship for purposes of inspection" at that time. The ship, the Gruzia, left Baltimore harbor June 2 for the U.S.S.R. with the cargo and close to 300 Soviet passengers.

The OFM request was made through project EXODUS, the Customs Service program aimed at halting shipments of illegal technology to the Eastern bloc.

Customs officials can inspect nondiplomatic goods leaving the country, the documents state, but "do not do so unless directed by the State Department Soviet Desk."

After being informed that no customs inspection was ordered, OFM, "independent of the Soviet desk," ordered an inspection "through project EXODUS," one document states. Customs officials have claimed that the EXODUS program has halted close to a quarter of a billion dollars worth of illegal technology exports.

The truck rentals were arranged by the Soviet Embassy on the special approval of the State Department Soviet Desk, despite vehicle rental restrictions outlined in the Foreign Missions Act of 1982, one document states. The act states that only the OFM's Travel Service Bureau can facilitate vehicle rentals for foreign embassies.

Documents reveal that on May 28 the Soviet Embassy in Washingtron submitted a formal request to the Soviet Desk at State for permission to rent 13 trucks in the Washington area and three trucks in the New York area to transport goods to Baltimore. The request was granted "without prior coordination and without even notifying the OFM" the documents state.

According to the documents, the OFM's director of travel services, Kathleen Anderson, "was unable to make contact with the State Department Soviet Desk to alter the situation." Ms. Anderson could not be reached for comment, but a spokesman for the OFM had no comment on the incident.

"For some unknown reason," one document states, "this information was not provided to the Washington field office of the FBI, who [sic] has the responsibility for monitoring Soviet activities in the Washington, D.C. area."

Under U.S. law, Soviet Embassy personnel are now allowed to rent vehicles without obtaining a waiver first from the State Department. Additionally, the Foreign Missions Act of 1982 requires that a section of the Office of Foreign Missions, the Travel Service Bureau, handle all vehicle rentals for foreign embassies.

The documents charge that while the Soviet desk is not required to inform the OFM when it grants a waiver on embassy vehicle rentals, the movement of large amounts of cargo and embassy employees "obviously requires some coordination between the State Department Soviet Desk and the OFM."

"There was a breakdown within OFM caused by a lack of cooperation from the Soviet Desk at State," a report on the incident states. "The result is that none of the organizations that needed the information had knowledge of specific Soviet plans," the report said.

If the OFM had arranged the rentals, they would have supplied "appropriately qualified drivers," a document states.●

TRIBUTE TO ARKANSAS STATE SENATOR VADA SHEID

● Mr. PRYOR. Mr. President, my longtime friend and colleague Senator Vada Sheid of Mountain Home, AR, has retired from the State senate after years of service to the people of her district in the northern part of the State. On June 21 the Democrats of Baxter County, her home, will recognize the dedication she has given them.

Vada Sheid was born in Wideman, not far from Norfork Lake in the Arkansas Ozarks. In this beautiful area of the State, she has known the people and land as if they belonged personally to her. During her time in the senate she devoted countless hours to taking care of her constituents with the same attention a mother would give her children.

She was rewarded with a remarkably successful career as an elected official. First she served as county treasurer for three full terms. Then she was elected to the State House of Representatives in 1967, where she was reelected to four additional terms. Finally, she went to the State senate in 1977.

There is one project, Mr. President, that will always bear Senator Sheid's name, and that is the bridge that spans Lake Norfork in Baxter County. For years this was Vada's pet project, and its necessity to the people of her district was voiced time and again by the senator. She was a fearless advocate, and eventually it was built and dedicated. Certainly it stands today as testimony to her tireless efforts on behalf of north Arkansas.

During my tenure as Governor, I remember countless times when Senator Sheid would call me on the phone with requests for services to her constituents. I always knew that whatever she asked had better be followed through right away—whether it was a needed fire inspection, or a student loan for some young person going to college, or a letter to a friend of hers celebrating a birthday. I knew that she would come back for a follow-up. Vada never forgot a thing.

That is why, Mr. President, it is fitting and appropriate that the people of Vada Sheid's district are not forgetting her. June 21 is a special day in Arkansas for that very reason. I join her friends in Baxter County in celebrating a remarkable career in Arkansas politics. I would even call it an unparalleled career, Mr. President. Vada Sheid is someone whose political career and experience I commend to my colleagues with honor and pride.●

INDIAN JUVENILE ALCOHOL AND DRUG ABUSE PREVENTION ACT—S. 1298

● Mr. BINGAMAN. Mr. President, I am very pleased to join as an original cosponsor of the Indian Juvenile Alcohol and Drug Abuse Prevention Act, S. 1298. I commend the leadership of my colleague from North Dakota, Senator MARK ANDREWS, for introducing this necessary piece of legislation.

Less than 2 weeks ago, I heard a field hearing in Gallup, NM, on S. 400, the Indian Health Promotion and Disease Prevention Act of 1985, a bill I introduced. S. 400 establishes a health promotion and disease prevention service within the Indian Health Service. Included in the bill's definition of health promotion is the reduction of alcohol and drug abuse. Consequently, testimony from the witnesses included discussion of the alcohol abuse epidemic in Indian country.

The hearing testimony revealed many health problems, but the No. 1 problem remained the same—alcoholism and alcohol related diseases, injuries, and death. It is clearly the most pervasive health and social problem facing Indians today. Larry Miike of the Office of Technology Assessment testified:

> The need for such multiple approaches (outside the medical area) to the prevention and control of alcohol abuse makes the impact of any single program, however broad, difficult to assess, but it is clear that a simple medical approach is insufficient and comes too late for most alcoholics.

As a result of this, other testimony, and my firsthand experiences with several Indian communities, I am convinced that intervention and prevention are the key and must begin at the youngest ages possible.

The Indian community is not unaware of this problem and its impact. Gilbert Pena, chairman of the All Indian Pueblo Council, which includes 18 Pueblos in New Mexico, explained in his testimony:

> The most obvious and vicious threat to the lives and well-being of our Pueblo people is the damage brought on by alcoholism related destruction. Alcohol is a contributing factor in most of the motor vehicle accidents in our communities. Many of the costly hospital admissions are in some way connected with alcohol abuse.
>
> However, in terms of the substantial cost of primary care and the strain on this nation's budget, economic cost is really nothing compared to the social cost to the Tribe. An extremely important part of the Indian culture and tradition lies in the sharing of experience and wisdom between the elders and the young people. Given the tragic rates of accidents and death among the younger age groups it is easy to see how the social order is severely impacted. Many promising young Indian leaders are now a part of the statistics.

Although the statistics paint a grim picture, some important attempts are being made to educate Indian youth to the dangers of alcohol and drug abuse. In northern New Mexico, Tom Lujan, director of social services for the Eight Northern Indian Pueblos Council has an innovative and proven program directed to Indian youth. Tom teaches the children native dances and helps them identify with their cultural heritage. This in turn has helped them develop a positive self concept as young adults. Such efforts need to be continued, but the battle is lost if we approach the task in a piecemeal fashion.

The most logical place for a prevention program would be in the schools, since this is where students are in a teaching environment. This bill authorizes the Bureau of Indian Affairs to enter into agreements with the Indian Health Service to provide instruction regarding alcohol and drug abuse to students in kindergarten and grades 1 through 12. BIA and IHS personnel are also trained in alcohol and drug abuse instruction as well as crisis intervention and family relations.

S. 1298 also establishes emergency shelters to house Indian juveniles arrested for an offense related to alcohol and drugs. In addition, rehabilitation programs for juvenile alcohol and drug abusers are to be established with such funds as may be necessary to carry out the provisions of the act.

I believe that with this legislation and the important self-help activities underway in the Indian community, we are heading in the right direction. This legislation has my wholehearted support. Alcohol and drug abuse among Indian kids undoubtedly is the major problem, but while we are concerned with deterring this type of behavior we must not neglect other aspects of improved health, which requires a comphehensive approach. Therefore, at the same time Indian children are learning of the harmful effects of alcohol and drugs, they should also be learning what makes them healthy and what they can do toward that end. Good nutrition, physical exercise, immunizations, reduction of smoking, control of sexually transmittable diseases, are only a few of the life style changes that can be made, and should not be neglected. As we consider this problem and this legislation we must also begin to address health promotion and disease prevention on a larger scale for all our citizens. With self-help we can improve individual lives and contribute to a healthier, happier nation.

In closing, Mr. President, I would like to submit for the RECORD, an editorial that appeared in the Navajo Times Today, on June 4, 1985, written by Editor Mark N. Trahant. It declares alcoholism a "war"—not a "problem." With the introduction of the Indian Alcohol and Drug Abuse Act, we in Congress, will signal our intention to "win this war."

The editorial follows:

STOP THE KILLING

Conroy Chino, an Albuquerque TV reporter, was absolutely right when he told Ft. Wingate graduates about the incredible waste of Indian talent.

This weekend another young, talented Indian was killed in a car accident. This accident, for us at the Navajo Times Today, was different because the young man who died worked with us every day.

Yet every weekend, maybe every day, another Indian person, often a young Indian person, is a casualty of the "alcohol problem."

Alcoholism no longer a "problem." It's a war, and one that Indian people are losing.

Look at the casualty rates: four of the top 10 killers of Indian people are alcohol-related. More than half of all Indians born today are unlikely to reach middle age.

This is a war with victims. It isn't just a metaphor. It has blood, guts and an insidious enemy. Fewer Indians have died in Korea, Vietnam or two world wars than have died because of alcohol.

This war has casualties. This war has horrors. And this war, it seems, has never had a cease fire—not even for a few minutes.

The road to Gallup is all too often a road to death. It's just taken for granted. Sure, we are all saddened when somebody dies. But what are we doing to change things? Very, very little.

There's not just sadness, either. There's also anger. So we ask when are things going to change? When are roads going to be improved? When are people going to learn not to drive drunk?

Remember the new, wide highway 264 promised? It's still not here, and people still die. Remember the tribe's new alcohol policy and the reservation-wide hearings? They happened and a policy is probably being drafted, and people still die.

The tragedy goes on and on. Young people, middle-aged people and old people die because alcohol is a rotten thread that touches every fabric of society here.

When does the killing stop?—M.N.T.●

BEYOND MX

● Mr. HATFIELD. Mr. President, my good friend and former colleague from the great State of Utah, Ted Moss, recently brought to my attention what he felt was an insightful and thought-provoking article. It is a privilege to ask that it be printed in the RECORD. The article was written by Prof. Edwin B. Firmage, who is a member of the faculty of the University of Utah College of Law, and offers an analysis of the justification for the MX Missile Program.

I ask that his article "Beyond MX" be printed in the RECORD.

The article follows:

BEYOND MX

(By Edwin B. Firmage)

The heartbreakingly close vote funding additional MX has, quite naturally, discouraged some who have long fought this misbegotten missile which lacks a defensible strategic purpose of a secure basing mode. In order to defend an indefensible weapon, two successive administrations have each year offered a different reason to justify this missile. First, under the Carter administration, MX in mobile basing mode would extend the life of the land-based leg of the triad (land- sea- and air-based strategic weapons) by providing invulnerability even though each side's accuracy was improving enough to permit the targeting of weapons rather than cities. When this proved politically and technically false, a theory of "fighting and winning" a nuclear war came in with the Reagan administration. A "hard target kill" capacity for MX was tauted, which amounted to a strategy of the first use of nuclear weapons (why target empty silos?). When during the first two years of the Reagan administration, the candid expression of this concept of building nuclear weapons for use in war rather than deterrence from war produced a healthy fear of such insanity and world-wide reaction against this policy, pressure increasingly was put upon the administration, both from our allies abroad and from our own voters, to enter into arms control negotiations. This administration was pulled and pushed, seemingly against its will, into the arms control talks at Geneva.

Significant majorities in both houses of Congress had by this time become convinced that MX was a weapon without a justifiable purpose. But members of Congress are notoriously vulnerable to an argument by the President that "national security" demands a particular weapon. When Mr. Reagan linked MX as a "bargaining chip" in the Geneva negotiations, the old pattern of arms racing under the guise of arms reductions again proved successful.

President Reagan and his Secretary of Defense Caspar Weinberger, have presided over the greatest expenditure on military weaponry in the history of this country. Simultaneously and directly related, they have caused a greater increase in the national debt than that of any other administration, without either war or depression to combat.

"National security" is a term completely debased in this administration. National security must entail an economy not artificially fueled by foreign investment when our balance of trade has now made us a debtor nation for the first time since 1914. National security must include educational opportunity for a middle class that supports the largest part of our country's expenses, by providing student loans. National mass transit should be accomplished during these few years when a temporary oil glut will allow our society a breathing space for great change in our means of energy and transportation. National security must not allow American farmers to be dispossessed and more farms foreclosed than at any time since the Great Depression. National security cannot tolerate the destruction of this nation's heavy industry and mining industry. National security must include a monetary policy not insuring a rise in interest rates by the enormous budget deficits put in place by budgets submitted by this President, wildly out of balance. Mr. Reagan needn't wait for a "balanced budget amendment" to force fiscal and monetary prudence upon a recalcitrant Congress: all he needs to do is to submit his first responsible and balanced budget in his two terms in office. Then if Congress rejects such a budget, Mr. Reagan could justifiably blame Congress. Until then, his constant use of Congress as a whipping boy for the budget deficits his own administration has produced over five years should fool no one. While Congress must pass funding bills, the President submits a budget each year to the Congress. This presidential document, the budget, prepared under the office of the Presidency in the Bureau of the Budget, becomes the basic document which largely determines the parameters of debate and compromise between competing factions in government. As long as this President is committed to an enormous and unnecessary arms race with the Soviet Union, funded by massive deficit spending, real national security, based upon a strong national economy without the threat of recession, inflation, high interest rates and international trade imbalance, will not be possible.

Mr. Reagan has approximately 30,000 nuclear warheads as bargaining chips at Geneva, without MX. The Soviets have larger but fewer and less accurate rough equivalents. MX, rather than giving us increased leverage at Geneva, will simply produce a reaction by the Soviets toward further increases in their own strategic weaponry. We will simply each bargain from a position of both sides possessing even more weapons which, somehow, each side must ultimately dispose of. Funding MX does not, as this administration maintains, demonstrate strong national resolve, national consensus. Continued deployment of a weapon without purpose, at great cost, proves only a lack of intelligence and prudence in national leadership. Whether this condition will frighten the Russians into a compliant mood is yet to be demonstrated.

Both budget economy and national security demand less, not more, nuclear weapons. Each side now knows that the "nuclear winter" scenario, first presented by Carl Sagan and Paul Ehrlich, is essentially correct. That is, the detonation over the cities of the Northern hemisphere of a small fraction of the nuclear weapons possessed by either side would produce such a cloud of heavy radioactive debris into the atmosphere that the sun's light would disappear. Temparatures would plummet. Much of the world would freeze in a dark night of months of winter. Photosynthesis would cease. The chain of life would be sundered at countless points. The continuation of life on the planet could not be assured.

This struggle is not fundamentally about MX. If MX funding had been denied and that misbeggotten system ended, we would still face scores of times overkill in the nuclear arsenals of the two superpowers. Our goal is and always has been to remove the threat of nuclear annihilation from the world. We must continue our efforts, whatever political party controls the White House or Congress, to reduce and finally eliminate nuclear weapons, and resolve disputes by peaceful means. We face three short-term objectives and one long-range goal essential to a continuation of human society.

On the short-term, we must first end the quantitative (or vertical) arms race with the Soviet Union. The sheer size of the nuclear stockpiles must be reduced below the level of a potential nuclear winter; and then finally eliminated entirely. This can be done by freezing, and then deeply cutting and finally eliminating, the stockpiles of each side with multilateral and verifiable agreements between the nuclear-weapon states. Second, we must end the qualitative arms race, by which each side continues to "improve" its nuclear weapons in accuracy and in ability actually to use such weapons in war, rather than seeing nuclear weapons at best as deterrents against any use by another of such weaponry. This can be done by a complete ban on further testing of nuclear weapons. A nation will not deploy a new weapon it cannot test. Third, the horizontal arms race, or the proliferation of nuclear weapons to nations not now possessing them, must cease. If we do not bring this spreading infection to a halt, we will soon face a world with 20 or 30 nuclear-weapon states. Terrorist groups also will finally obtain nuclear weapons. Then nuclear war by accident, miscalculation, insanity or design will simply be a matter of time. This goal can only be accomplished when the major nuclear powers no longer maintain a position of unnatural superiority over non-nuclear states by the continual development of nuclear weaponry. Only from such a position of legal and ethical behavior ourselves could the present nuclear states demand and then enforce abstinance from other states. The true drunk cannot preach the virtues of abstinance with credibility.

But finally we face a greater challenge which surpasses even these enormous challenges to politics and diplomacy. Even if we could by some magnificent flowering of international diplomacy somehow match the creativity of our Founding Fathers who gave us the American Constitution, and eliminate all nuclear weapons from the earth, the quest would not be over. For each

generation from this moment on must make the decision for itself whether to develop, deploy and eventually to use such weapons. The knowledge of nuclear weaponry is forever out of the bottle. We can never again return in innocence to a pre-nuclear Eden. We must somehow raise our consciousness, become aware that we as human beings have profoundly so much in common with each other that our real differences are minuscule by comparison. We must learn to see each other as basically indistinguishable from ourselves. We must not externalize evil. As we would not dismember ourselves we must not injure each other. Love of neighbor as oneself has been a concept central to the world's great religions and enemy love has been at the heart of the greatest teachings ever given. The ultimate wisdom, even necessity of such a vision should now be apparent to all who care about this planet and the life that exists upon it.●

SOUTHEASTERN ARCHAEOLOGY COLLECTION OF THE UNIVERSITY OF ARKANSAS EXHIBITED AT THE NATIONAL GALLERY OF ART

● Mr. PRYOR. Mr. President, I am very proud of a project sponsored by the University of Arkansas at Fayetteville and the participation of its museum in an exhibition currently at the National Gallery of Art here in Washington. Nine priceless treasures from the university's southeastern archaeology collection are included in the ancient art of the American woodland Indians exhibition and will later tour other major museums throughout the country.

Included from Arkansas are ceramic jars, effigy vessels, and other ornaments that demonstrate life in prehistoric North America from about 3000 B.C. to A.D. 1600. They are specifically related to an environmental realm known as the woodlands, a region encompassing the greater Mississippi Basin east to the eastern coastal plain, and from the Great Lakes south to the Gulf of Mexico.

These objects were selected by some of the world's foremost archaeologists and art historians as those that best communicate a social and esthetic significance. We are proud that these artifacts have been selected, in addition, because they demonstrate the importance of the museum at the University of Arkansas and the contribution it continues to make to the State and its people.

I congratulate the faculty and staff at Fayetteville for the work they have done in this important exhibition, and for the time and effort they spend on behalf of their students. I also commend this exhibition to my colleagues in the Senate.●

CAN WE SAVE CAMBODIA?

● Mr. MOYNIHAN. Mr. President, on May 7, 1985 the Washington Post published an essay by my good friend and colleague from New York, Representative STEPHEN J. SOLARZ, on why the United States should provide assistance to the non-Communist resistance movement in Cambodia. Representative SOLARZ makes a most persuasive case that such assistance would be in the best interests of the United States. Such aid would demonstrate our commitment to freedom in Cambodia while ensuring that the nations of the Association of Southeast Asian Nations continue to play the primary role in this effort.

Mr. President, I commend the article by Representative SOLARZ to my colleagues, and ask that it be printed in full in the RECORD.

The article follows:

[From the Washington Post, May 7, 1985]

HELP THE DEMOCRATIC RESISTANCE

(By Stephen J. Solarz)

The United States has two overriding objectives in Cambodia. One is to secure the withdrawal of Vietnam, thereby permitting the Cambodian people to determine their own destiny and reducing the Vietnamese threat to Thailand. The other is to prevent the return of the Khmer Rouge, thereby saving the Cambodian people from the murderous rule of Pol Pot.

Both of these objectives require a stronger noncommunist resistance movement. The continued presence of 50,000 Vietnamese troops in Laos, despite the absence of any genuine resistance movement in that country, makes it clear that the 170,000 Vietnamese troops in Cambodia will leave only if significant political and military pressure is mounted against them. And if Vietnam does withdraw from Cambodia, a militarily viable noncommunist resistance will be essential to prevent Pol Pot from returning to power.

For these reasons, the House Foreign Affairs Committee, with overwhelming bipartisan support, recently voted to provide $5 million in military assistance to the two noncommunist resistance forces in Cambodia.

Opponents of this initiative contend that the Cambodians will never be able to drive the Vietnamese out, and that our aid will only increase the suffering of the Cambodian people. There is, to be sure, no way the resistance movement can force the more powerful Vietnamese out of Cambodia. But the resistance movement could make the Vietnamese occupation so costly that Hanoi would be willing to withdraw its troops as part of a political settlement. In the past few years, the noncommunist resistance forces have increased from several hundred to more than 20,000 armed men, and as William Branigin pointed out recently in The Post, Cambodia is becoming Vietnam's "Vietnam."

With additional supplies and support, the noncommunist forces could substantially increase the number of their men under arms and thus intensify the pressure on Vietnam to negotiate a settlement. For America to refrain from assisting the forces of freedom in Cambodia would not end the resistance, but only diminish its prospects for success. It is not up to us to decide whether the Cambodian people will carry on their struggle for freedom and independence. The only question we face is whether to aid them in that effort.

Some have argued against American assistance on the grounds that U.S. aid might end up in the hands of Pol Pot and his murderous forces. It would, indeed, be unthinkable for any American assistance to go to the Khmer Rouge. Yet with three separate resistance movements operating in three different areas, procedures can surely be adopted to prevent the diversion of our assistance.

Others have expressed the concern that U.S. aid would eventually lead to the reintroduction of American combat forces into Southeast Asia. Yet it is precisely because of our previous involvement in Indochina that there is no possibility limited amounts of U.S. aid would lead to the re-involvement of American troops.

Critics have also contended that $5 million would not make a difference in Cambodia. Yet $5 million represents roughly 30 percent of what would be required for a significant and feasible expansion of the democratic resistance over the next year. An American contribution in this amount would demonstrate our commitment to Cambodia's freedom while ensuring that the countries of the Association of Southeast Asian Nations continue to play the primary role in this effort. It would also heighten the morale of the democratic resistance in the wake of the recent Vietnamese offensive and encourage the ASEAN countries to continue their support.

American aid for Cambodia's democratic resistance would not justify, as some fear, a resumption of our assistance to the contras in Nicaragua. There are significant differences between these two conflicts. In Cambodia, as in Afghanistan, an indigenous resistance movement is fighting to achieve the withdrawal of a foreign army of occupation, and virtually all of our friends in the region have welcomed the possibility of U.S. assistance to the noncommunist forces. In Nicaragua, the *contras* are attempting to overthrow an internationally recognized government, and most countries in the region are opposed to U.S. involvement in what is essentially a civil war.

What is at stake in Cambodia is the fate not just of a country but of a civilization. The Vietnamese are already colonizing Cambodia with hundreds of thousands of Vietnamese "settlers." They have begun to "Vietnamize" not just the countryside but the culture of Cambodia.

So long as the Cambodian people themselves are willing to resist, we have a political and moral interest in helping them. By refusing to aid those courageous Cambodians who are fighting for democracy and self-determination, we would be legitimizing the Vietnamese occupation at best and facilitating the return of the Khmer Rouge at worst. Surely the Cambodian people deserve better than that.●

ORDERS FOR WEDNESDAY

ORDER FOR RECESS UNTIL 9:30 A.M.

Mr. McCLURE. Mr. President, I ask unanimous consent that once the Senate completes its business today it stand in recess until the hour of 9:30 a.m. on Wednesday, June 19, 1985.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

ORDER FOR RECOGNITION OF CERTAIN SENATORS

Mr. McCLURE. Mr. President, I ask unanimous consent that, following the two leaders under the standing order,

there be special orders in favor of the following Senators for not to exceed 15 minutes each: Senators HATFIELD, PROXMIRE, BYRD, CRANSTON, INOUYE, and MOYNIHAN.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDERS FOR ROUTINE MORNING BUSINESS AND RECESS BETWEEN 11 A.M. AND 12 NOON

Mr. McCLURE. Mr. President, I ask unanimous consent that, following the special orders just identified, there be a period for the transaction of routine morning business, if time permits, not to extend beyond the hour of 11 a.m., with statements therein limited to 5 minutes each.

Following routine morning business, at 11 a.m., I ask unanimous consent that the Senate stand in recess until 12 o'clock noon for all Senators to attend a briefing dealing with the hostage situation in Beirut.

When the Senate reconvenes at 12 o'clock noon, it will be the intention of the majority leader to turn to any or all of the following items: S. 408, small business; S. 49, the gun bill; S. 990, NOAA oceans; H.R. 2577, the supplemental; or H.R. 47, the coin bill.

Mr. BYRD. Mr. President, reserving the right to object, I am sure the distinguished acting Republican leader did not intend that the fifth paragraph which he read would be a part of the unanimous-consent request.

Mr. McCLURE. No; it is just an identification of the possible intention.

The PRESIDING OFFICER. The unanimous-consent request as stated, not including the last paragraph; without objection, it is so ordered.

Mr. BYRD. I thank the Chair.

Mr. McCLURE. I thank the distinguished minority leader, and I thank the Chair.

RECESS UNTIL 9:30 A.M. TOMORROW

Mr. McCLURE. Mr. President, I know of no further business to come before the Senate.

Therefore, I move, in accordance with the order just entered, that the Senate stand in recess until 9:30 a.m. tomorrow.

Thereupon, at 6:08 p.m., the Senate recessed until tomorrow, Wednesday, June 19, 1985, at 9:30 a.m.

HOUSE OF REPRESENTATIVES—*Tuesday, June 18, 1985*

The House met at 12 o'clock noon.

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

Almighty God, creator of the world and counselor and sustainer of those who trust in You, we ask Your blessing upon all who have any need, especially those held hostage in distant lands. May Your spirit give courage and strength to them and to their families. Our hearts reach out in the bond of concern to those who are anxious, even as we pray for understanding and for peace. In Your holy name, we pray, Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Sparrow, one of its clerks, announced that the Senate had passed a bill of the following title, in which the concurrence of the House is requested:

S. 1128. An act to amend the Clean Water Act, and for other purposes.

PRIVATE CALENDAR

The SPEAKER. This is Private Calendar day. The Clerk will call the first individual bill on the Private Calendar.

CERTAIN FORMER FLIGHT ENGINEERS OF WESTERN AIRLINES

The Clerk called the bill (H.R. 484) for the relief of certain flight engineers of Western Airlines.

Mr. SENSENBRENNER. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

MEALS ON WHEELS OF THE MONTEREY PENINSULA, INC.

The Clerk called the bill (H.R. 1095) for the relief of Meals on Wheels of the Monterey Peninsula, Inc.

Mr. SENSENBRENNER. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

The SPEAKER. This concludes the call of the Private Calendar.

INTRODUCTION OF LEGISLATION TO COMBAT CHILD ABUSE AND NEGLECT

(Mr. LEVINE of California asked and was given permission to address the House for 1 minute, and to revise and extend his remarks.)

Mr. LEVINE of California. Mr. Speaker, every year over 1 million cases of child abuse and neglect are reported. In my home State of California reports of sexual abuse increased 228 percent from 1977 to 1981, and reports of physical abuse increased 115 percent during the same period. Today my colleagues from California, the gentleman from California [Mr. EDWARDS] and the gentleman from California [Mr. MILLER], and I are introducing legislation that will provide needed protections to the children of our Nation.

We are learning, Mr. Speaker, that child abuse is not a new crime, rather it is a newly reported crime.

We are learning that child abuse is not an isolated crime; it occurs frequently and at every level of our society. And we are learning that our justice system simply is not prepared to deal with this crime against young and frightened victims.

Our legislation will require the Federal Government to play a more constructive role in combating child abuse. The bill will increase reporting of child abuse incidents by permitting the personnel in federally funded drug and alcohol treatment programs to report suspected cases of child abuse.

Second, it will require the FBI to include a specific category for child abuse in its criminal files, documenting these crimes.

Third, it will direct the National Center on Child Abuse and Neglect to provide State officials throughout the country with materials to assist them in combating child abuse.

Mr. Speaker, I am pleased to join in introducing this vital legislation, and I would urge and welcome the cosponsorship of our colleagues in the House.

HIJACKING GIVES RISE TO PROPOSAL ON AIR TRAVEL REGULATIONS

(Mr. McKINNEY asked and was given permission to address the House for 1 minute, and to revise and extend his remarks.)

Mr. McKINNEY. Mr. Speaker, the hijacking of TWA Flight 847 has once again left this Nation frustrated and outraged. Once again American citizens are in danger because of the act of mindless terrorists and in fact the sloppiness of airport security within another nation.

I will be presenting to my colleagues today a "Dear Colleague" letter to join with me in antihijacking amendments. Under this new bill the Secretary of the Department of Transportation would be directed to immediately suspend all U.S. airlines from landing in a nation where a hijacking has taken place and to close direct travel from said nation to this Nation. If security is not improved within 48 hours, the Secretary of the Department of Transportation, in consultation with the Secretary of State, would prohibit all foreign commercial airlines which have stops in said nation from landing in the United States. The Secretary of the Department of Transportation may rescind the above restrictions when it has been determined to the satisfaction of the Department of Transportation that that nation's airports are in security compliance. The Secretary of the Department of Transportation would be given the power to suspend U.S. airline travel to and from a nation which will not improve its security as recommended by DOT's Office of Civil Aviation Security and to impose restrictions on operations of that nation in the United States.

The Secretary would be instructed to study and examine the security of international airports in the system where American citizens are required to travel, and report on the safety of all these airports.

I would simply suggest, Mr. Speaker, that lax security has cost a young American his life in a brutal murder and taken the Middle East to the brink of war. Something must be done, and this Nation must stand firm behind the principle that nations who enjoy the benefit of international air privileges, must live up to their responsibilities to provide secure airports.

□ This symbol represents the time of day during the House proceedings, e.g., □ 1407 is 2:07 p.m.

● This "bullet" symbol identifies statements or insertions which are not spoken by the Member on the floor.

PERMISSION FOR SUBCOMMITTEE ON MERCHANT MARINE OF COMMITTEE ON MERCHANT MARINE AND FISHERIES TO SIT DURING THE 5-MINUTE RULE TODAY, TUESDAY, JUNE 18, 1985

Mr. BIAGGI. Mr. Speaker, I ask unanimous consent that the Subcommittee on Merchant Marine of the Committee on Merchant Marine and Fisheries be permitted to sit at 2 p.m. on Tuesday, June 18, 1985, for the purpose of marking up H.R. 2485, relating to the repayment of construction-differential subsidies.

The ranking minority member of the committee, the gentleman from New York [Mr. LENT] and the ranking minority member of the subcommittee, the gentleman from Kentucky [Mr. SNYDER] have been apprised of the markup date and time and are in accord with this request.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

PERMISSION FOR COMMITTEE ON THE DISTRICT OF COLUMBIA TO FILE REPORT ON H.R. 2776

Mr. FAUNTROY. Mr. Speaker, I ask unanimous consent that the Committee on the District of Columbia have until midnight tonight to file its report on H.R. 2776.

The SPEAKER. Is there objection to the request of the gentleman from the District of Columbia?

There was no objection.

URGING UNIFIED SUPPORT OF THE PRESIDENT IN DEALING WITH HOSTAGE SITUATION

(Mr. GEKAS asked and was given permission to address the House for 1 minute, and to revise and extend his remarks.)

Mr. GEKAS. Mr. Speaker, now is the time for all good Members to come to the aid of the President of the United States. The crisis facing all America in the keeping and holding of the hostages calls for all of us in one strong voice to support the leadership of the President of the United States as he tries to unravel this mess.

It does no good for 435 Members of the Congress to individually prescribe actions to be taken or remedies to be applied when this very precise time unified action is required. We must depend on and support the President of the United States as he consults with his Secretary of State, with the international community, with the International Red Cross, and with the allies that we have around the world so that the applicable pressure can be applied on the situation to resolve it in as swiftly a fashion as possible so that our hostages can be returned safely to their homes.

Mr. Speaker, individual remedies by individual Members of Congress can only confuse the issue. Let us support the Chief Executive as he tries to unravel this mess at this critical moment in our history.

A CALL FOR IMMEDIATE REVIEW OF SECURITY AT FOREIGN AIRPORTS

(Mr. BIAGGI asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BIAGGI. Mr. Speaker, as the hostage ordeal continues for the ill fated passengers aboard TWA Flight 847, we offer our continued prayers for their safe and immediate release.

Yet, there is a larger issue here—one that poses a threat to the hundreds of thousands of Americans who travel overseas each year. How safe are airports in foreign nations? An obvious culprit in the TWA hijacking was lax security at the Athens Airport, compounded by an almost total lack of security at the Beirut Airport.

Today I call upon both the Departments of State and Transportation to conduct immediate reviews of security at foreign airports and to issue a directive to all U.S. carriers suspending their service into those airports which lack adequate security to combat armed hijackers. At the very least, we should insist on security equivalent to what we find in U.S. airports where skyjackings have been dramatically reduced in recent years.

USE OF FORCE NECESSARY IN DEALING WITH TERRORISTS

(Mr. GREGG asked and was given permission to address the House for 1 minute.)

Mr. GREGG. Mr. Speaker, when an American sailor is singled out and murdered simply because he is an American, the time has come for America to meet force with force when addressing such terrorist activity.

□ 1210

Upon the return to America of the hostages now being held in Lebanon, or should any more of our people be harmed, we as a nation must respond to this act with the destruction of those forces which undertake this form of organized barbarism.

We are the most powerful nation in the world and one of the primary purposes of that power should be the protection of our citizens. Unless the orchestrators of this terrorism understand that we intend and we have the ability to use that force, we will never be able to address their activities. We will be considered impotent.

The murder of this American citizen was a villainous act. It was an act against all Americans and it is one that needs to be responded to.

LEGISLATION ON VETERANS' HOMES FORECLOSURES

(Mr. SUNDQUIST asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SUNDQUIST. Mr. Speaker, today I am introducing legislation that is designed to speed up the sale of homes on which the Veterans' Administration has foreclosed. My interest in this comes from the fact that there is almost a year's time between foreclosure and resale on those homes. Additionally, there is a $10,000 loss to the Federal Government on each foreclosure. When you consider there are presently 30,000 of these homes, the lost revenue becomes significant.

Essentially, my legislation would provide a substantial discount on the price of a home for the veteran, first time home buyer. If the home has remained idle for 3 to 6 months, a 20-percent discount would be provided; 7 to 12 months, a 25-percent discount; over 1 year, a 30-percent discount. I strongly believe that rapidly reselling these homes at discounts would increase the flow of cash to the loan guaranty fund and diminish the need for the Congress to appropriate funds, while also reducing the need for an increase in the loan origination fee.

Mr. Speaker, I am hopeful hearings will soon be held on this initiative. I have been in touch with veterans organizations and the real estate community, and I expect that they will provide testimony in support of my proposal. Further, I urge my colleagues to offer their support of this proposal.

ROBERT STETHEM, A BRAVE YOUNG MAN

(Mr. DYSON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DYSON. Mr. Speaker, I rise today to speak about a sad and tragic loss. A loss for my district and a loss for our entire Nation. Whenever we lose the life of a vital young person the effects of that loss can be felt around the world. We have a cancer in this world called terrorism and this week it touched my congressional district and snuffed out the life of Robert Stethem of Waldorf, MD. Waldorf is located in southern Maryland and is a quiet place filled with rolling farmlands. The pain of ruthless brutality has shattered this quiet place and reminded us all of the horror of an unsettled world.

Robert Stethem was a fresh-faced young graduate of Thomas Stone High School in 1980. Mr. Speaker, I just de-

livered the graduating address to that very school a few days ago. In my remarks I warned them that we live in a difficult and dangerous world. I reminded them that they must leave that ceremony with the spirit of peace in their heart or there would be no peace. I reminded them that they must leave that room with a determination to make this country strong or we would be at the hands of those who would take from us the peaceful life we cherish so much in this Nation.

When the terrorists took this wonderful young Thomas Stone graduate, who had been so popular with his classmates, who had run his football to touchdown after touchdown in winning football games for Thomas Stone, and kicked and beat him senseless, they were assaulting the soul of our Nation and the heart of my district. When they took this fine young man and put a bullet in his head they were trying to snuff out the life of our country.

Well Mr. Speaker, they failed. Because the brave spirit of that wonderful southern Maryland graduate lives on in the hearts and souls of all Americans. And they will take rank behind Robert Stethem's memory and carry on the endless fight for freedom, democracy, and peace until the end of time.

Mr. Speaker, I add my voice to the millions of prayers in America and those from around the globe for the release of those hostages still in jeopardy. I send my words of comfort to the family and friends of Robbie and promise them that we will never stop fighting for peace in this world, and I promise them that this Congress will never end the ceaseless quest for an answer to the mindlessness of terrorism.

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 2124

Mr. HOPKINS. Mr. Speaker, I ask unanimous consent that my name be removed as a cosponsor of H.R. 2124.

The SPEAKER pro tempore (Mr. SCHEUER). Is there objection to the request of the gentleman from Kentucky?

There was no objection.

REPORT ON PROGRESS OF MARTIN LUTHER KING, JR. FEDERAL HOLIDAY COMMISSION

(Mr. REGULA asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. REGULA. Mr. Speaker, during the 98th Congress, this body passed legislation creating the Martin Luther King, Jr. Federal Holiday Commission. The charge of this Commission is to advise and encourage appropriate activities for our country's first national holiday commemorating the birthday of Martin Luther King, Jr. on January 20, 1986.

As one of four Members of the House appointed to this Commission, I would like to take this opportunity to report to my colleagues on the progress of this Commission.

Mrs. Coretta King and Hon. James Thompson, Governor of the State of Illinois serve as chair and vice-chair respectively. The 31 commissioners are representatives from government, business, religious, labor, and entertainment, and their diversity reflects this body's commitment to encourage Americans from all walks of life to join in this celebration.

The Commission has set forth a plan of action which is intended to facilitate its task of uniting the Nation in this commemoration of Dr. King's life and work for civil rights. We intend to promote activities in education, among youth, through the various forms of media, and a variety of other events at the State and local level.

Recently, the Commission established "Living the Dream" as the theme for the 1986 holiday. In selecting this theme, the Commission desires that all Americans celebrate on January 20, 1986 and continue after that day to reaffirm their commitment to the ideals of freedom, justice, and opportunity for all.

As cochairman of the legislative committee, it is my task to encourage each of the 50 States and the U.S. territories to enact State holidays in conjunction with the Federal holiday.

Another committee is calling upon State Governors to create State holiday commissions which would plan celebrations in the States. Today, I am calling on each of you, as you travel to your home districts, to encourage your States to enact such holidays and then to take part in State holiday celebration activities.

Let us join together in making the first celebration of the Martin Luther King, Jr. holiday a success.

DEVASTATING EFFECT OF TRADE DEFICIT IN U.S. MANUFACTURING

(Mr. MACKAY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MACKAY. Mr. Speaker, today the Wall Street Journal reported that the U.S. trade deficit was $30 billion in the first quarter of 1985. Following last year's $101 billion deficit, the United States has been transformed into a debtor nation.

In 2 years, the United States has frittered away our position as the world's largest creditor nation. By the end of 1985, we will be the largest debtor nation in the world, substantially exceeding Brazil and Mexico.

The effect of this trade deficit on the U.S. manufacturing sector has been devastating. The overvalued dollar means that producers and workers now face the equivalent of a 40-percent tax on their exports and must compete with a 40-percent subsidy on foreign goods and services sold to Americans. No industry is being spared, including our once dominant computer industry, as illustrated by the recent layoff by Apple Computer of 25 percent of its employees.

This problem cannot be blamed on anyone else. It is caused by our failure to balance the Federal budget. My hope is that with or without the President's leadership, the Congress will take the initiative and enact a significant deficit reduction this year.

MID-CAREER MATH AND SCIENCE TEACHER PROGRAM

(Mr. CHANDLER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. CHANDLER. Mr. Speaker, I am introducing legislation today designed to provide mid- and late-career professionals who already possess backgrounds in math and science with the training to become classroom teachers. With the shortage of math and science teachers and an expected 25 percent drop over the next dozen years in the number of 18 to 25 year olds, I believe we must look to nontraditional sources for our teachers. The Mid-Career Math and Science Teacher Program uses mid- to late-career professionals with an interest in teaching to improve education at the precollegiate level. The program provides teacher training to individuals with an educational background and experience in math and science.

The Harvard Graduate School of Education developed this innovative approach to teaching. They have been astounded at the number of applicants. Many potential participants are eligible for early retirement or voluntary severance plans. Depending on the industry and the employee's status, good pension plans are available. For many individuals in the mid- to late-career category, the two most significant financial expenses of their careers—mortgage payments and college tuitions—are well behind them. With potential tax advantages and changing financial requirements, a new career in teaching may not be as economically constraining for a mid-career professional as it would be for a young college graduate. Teaching also enables many of these professionals an opportunity to serve—a way to fulfill a dream.

My legislation would create a 2-year pilot project geared to encourage growth in finding teachers from nontraditional sources. One institution would be chosen from each of the 10 Federal regions based upon competitive application. The programs are intended to assist the mid- to late-career professional in changing to the teaching profession. Participants would need a degree and job experience in mathematics or science or both. The institution would be directed to design a program which includes a screening mechanism to choose individuals who would be likely to succeed as classroom teachers. The active participation of qualified classroom teachers would be required as well as follow-up assistance. Upon completion of the intensive study, individuals would be certified teachers.

This program would provide desperately needed teachers who would present a new perspective to the precollegiate level of math and science. I urge my colleagues to cosponsor this innovative approach to education. Please join me in encouraging this novel and worthwhile approach.

□ 1220

UNITY REGARDING HOSTAGE CRISIS

(Mr. DURBIN asked and was given permission to address the House for 1 minute.)

Mr. DURBIN. Mr. Speaker, one of the most bitter pills for a politician to swallow is his own words.

Over the last several days I have repeatedly heard references to President Reagan's criticism of President Carter's handling of the hostage crisis in Tehran. Although I personally have frequently differed with the President on foreign policy, and took this floor last week to disagree with the administration's policy in Central America, I believe the taking of American hostages in Beirut requires us to put our political loyalties aside.

It is time for the United States to speak with one voice for the safe return of our hostages from Beirut and for a firm foreign policy in regard to terrorist threats.

I urge my colleagues to close ranks not as Democrats or Republicans, but as fellow Americans standing together in this crisis.

AMERICAN-ISRAELI BOND AND TERRORISM

(Mr. COURTER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.

Mr. COURTER. Mr. Speaker, over the TWA airliner's radio, the Shiite gunmen have laid blame for the present hijacking on American aid to Israel and U.S. approval of the 1982 Israeli intervention in Lebanon.

The terrorists have separated Americans with Jewish-sounding names from the other passengers, just as, at Entebbe years ago, a German woman bearing a submachine gun separated non-Jewish hijacking victims from Jewish ones a few of whom still bore the 30-year-old tatoo marks of the concentration camps.

The hostages in Beirut are now in the hands of a Muslim militia leader who is fiercely opposed to any Israeli influence in Lebanon, but who never attacks the Syrian troops who hold so much of that country.

Finally, the condition for the release of the Americans is the Israeli release of their Shiite prisoners.

Once again, Mr. Speaker, we have a terrorist attack aimed at the United States-Israeli bond. This link—sentimental, moral, financial, political, military—has been the avowed target of scores of major terrorist attacks all over the world in the last two decades. If terrorism is war—and it is—the United States-Israeli alliance is one of its chief strategic targets.

Once again, we will hear people say that if only we would break that bond, our troubles would end. But the whispers of others who wonder, in the present crisis, "whether the Israelis might handle this one for us" are more than a confession of apparent American indecisiveness; they are a confirmation of something we do know: Israel is the only sovereign democracy in the Middle East and the only American ally there of undeniable reliability and tenacity.

PROTECTION OF AMERICANS TRAVELING ABROAD

(Mr. ANDERSON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ANDERSON. Mr. Speaker, as you are well aware, we are now well into day five of the odyssey involving TWA flight 847. As I speak, more than 40 innocent American tourists continue to be held hostage by Shiite Moslem fanatics in Beirut.

The pictures of this unfolding drama which we have seen on our television screens provoke feelings of fear, frustration, humiliation and perhaps most of all, anger.

Since the State Department began keeping statistics in 1968, there have been many thousands of international terrorist incidents. And, unfortunately, American citizens and U.S. interests remain a primary target of many of these violent attacks.

Today, I intend to reintroduce legislation—which I first introduced 7 years ago when I chaired the Subcommittee on Aviation—to help protect Americans traveling abroad.

My bill requires the President to compile a list of countries which actively support international terrorism and to impose specified sanctions against such countries. These sanctions include the elimination of assistance under the Foreign Assistance Act of 1961, other than international disaster assistance, and refusal to sell any defense articles or services, or to extend any credit, under the Arms Export Control Act.

The bill also requires the Secretary of Transportation to assess security measures at foreign airports. If these airports do not meet internationally established standards, the Secretary must give notice to the traveling public and the Secretary is authorized, with the approval of the Secretary of State, to revoke the operating authority of United States and foreign air carriers which use the foreign airport to provide air service to the United States. Further, the bill sets criminal penalties of up to $10,000 in fines and 20 years in prison, or both, for the hijacking of an aircraft.

Another provision of the bill requires the tagging of car-sensitive explosives with a material which can be detected prior to detonation and which would allow identification of the source of the explosive following detonation.

Although there is no single solution or answer to deal with this difficult and deadly problem, I think my bill will help protect millions of innocent Americans who travel through airports at home and especially abroad.

DAVID PACKARD CHAIRS PENTAGON TASK FORCE

(Mr. DREIER of California asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DREIER of California. Mr. Speaker, as we begin debate on the Defense Department authorization bill it is very important for us to remember that while Ronald Reagan has fought for a strong defense posture it was Ronald Reagan who back in 1981 asked us to put in place an inspector general to ensure that waste, fraud, and abuse would be eliminated from the Pentagon. It is Ronald Reagan who just yesterday formally, announced that a former top-ranking Department of Defense official, my fellow Californian, David Packard, will continue in that attempt to ferret out waste, fraud, and abuse as he will chair a task force to do just that.

I congratulate the President for working toward a strong yet cost effective defense posture.

PREVENTION OF TERRORISM

(Mrs. SCHROEDER asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. SCHROEDER. Mr. Speaker, we are all terribly saddened by the awful hostage situation that is going on, and I think all of us want to make perfectly clear that the first order of business is to get the hostages out alive. They are totally innocent. They are as innocent as any group of hostages ever has been and their safety has to be our first goal. Everything we do should be focused on their safety.

I want to point out some of the unfinished business that we left behind after Iran. Earlier this year I introduced a hostage relief bill at the request of the hostage families from the Iranian era. People are not aware of the fact that they never got any remuneration for the fact that they were kept for over 400 days. Our Government never reimbursed them.

Second, I think many people are not aware of the fact that this Government held to the Algiers agreement which prevented our hostages or their family from being able to sue the Iranian Government for damages after the incident had occurred. So they were absolutely shut out from pursuing any suits against Iran in international courts, although most people felt they would have had a very good case since this was clearly state-supported terrorism.

What has happened in these awful hostage situations is that when they are over we are so relieved they are over that we never go back and think what we can do to prevent future instance. I hope we learn from that. I hope we finally pay the debt owed to the people who are in Iran and move forward to do everything we can in working with other countries to try and prevent the type of circumstances that would ever allow this type of thing to happen again.

DIPLOMATIC AND MILITARY PASSPORTS DANGEROUS IN INTERNATIONAL TRAVEL

(Mr. DORNAN of California asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DORNAN of California. Mr. Speaker, I would like to give a warning to all of my colleagues, having flown on TWA flight 847 a few months ago from Athens to Rome.

As with most Members here, when I was a freshman Member in 1977 I was given an opportunity to procure three passports, the standard blue passport that most Americans use in foreign travel, a red official passport which is identical to the one used by most U.S. Government employees including all of our American military personnel, plus the black diplomatic passport reserved for White House key staff, U.S. Foreign Service Officers and U.S. Congressmen and Senators.

Well, I was traveling with a red official passport on TWA flight 847 and now we're told that the two murdering thugs made all of our innocent hostages hold their passports over their heads and then the terrorists looked for those official and diplomatic passports. The killers did not isolate first those people with possible Jewish surnames. That was their third category for vicious special treatment. The first passenger the thugs went after were those holding up diplomatic passports. Then they went after those with red official passports, and that is how they identified our young navy serviceman. They viciously beat this brave young sailor from Maryland, Petty Officer Robert Stethem and eventually executed him while his hands were tied because, and only because, he served all his fellow Americans as a member of our military forces.

I would recommend to every Member of this House, that they never, never travel again in foreign travel with their black or their red official passports. The simple procedure of using the standard blue passport could save you from abuse, torture, and even death.

□ 1230

If our country cannot defend U.S. citizens as we travel around this world, even on our own air carriers, the very least our Government can do is to avenge those who are murdered. After we have our TWA passengers safely back in this country, God willing, the United States must avenge the life of Robert Stethem. This 23-year-old sailor died serving his country. John 15:13. I think we have reached the final watershed of terrorism around this world against Americans.

Algeria must be made to pay a price for allowing TWA flight 847 to leave Algiers Airport when they should have shot out the planes' tires. And any American who travels through the airport at Athens is a fool. American tourists should pass on the Greek Isles. Vist the Hawaiian Islands, go to the Caribbean Islands, but stay away from Athens. The airports in Greece have the worst security procedures of any nation in the world. There are at least 100 or so traveling students sleeping over-night at the Athens Airport every spring and summer night. There is virtually no security for some flights. You take your life in your hands when you board a flight originating there. Plus the Greek Prime Minister Andreous Popandreou has encouraged a climate of hatred for the United States in his country. Hatred that gives succor to murdering terrorists.

RESTRAINT IN CRISIS

(Mr. ALEXANDER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ALEXANDER. Mr. Speaker, the 40 Americans who remain hostage at this moment have drawn world attention to the impact that terrorism can have upon our lives. In attempting to deal with terrorism and the lives of these hostages, we sometimes forget that murder, kidnaping, and brutality is a way of life for many in the Middle East. While there is a tendency among some of us to lash out against this way of life, we are members of a civilized society which holds every human life sacred. While we all feel outraged over this latest incident, we must remember that only a unified determined response will win the release of the American hostages.

At this difficult time I urge the support of all Americans for the President in this crisis, and I ask for restraint among all of us until the crisis has ended and our fellow Americans are returned safely to their families.

LET US BRING THE HOSTAGES BACK SAFELY

(Ms. FIEDLER asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. FIEDLER. Mr. Speaker, I too am here to speak for a moment about what is going on in Lebanon with the hostages. I happen to have a constituent who is one of the 40 who is being held. His name is Thomas Murray. I would simply like to offer my prayers and hopes to the family of Mr. Murray, Jeannie, his lovely wife, and everyone else within his family, to make certain that we focus all of our positive attention on his and the balance of the hostages' well being and return.

I think one of the frustrating feelings that we have all had is that we know how limited we are in a situation like this. We are angry, we are upset, we want to do something that expresses our frustration and, at the same time, we know how vulnerable as human beings we can be to somebody who has a knife at our throat or a gun at our back.

Mr. Speaker, I know that the President will continue to take every effort he can to expedite the hostages release.

I happen to agree with my colleague, BOB DORNAN, that following the conclusion of their release, that we do take whatever actions are reasonable in light of this very vicious attack, and murder.

THE UNITED STATES AS A DEBTOR NATION

(Mr. BONKER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BONKER. Mr. Speaker, recently when I was in Peru, a country that is beset with serious economic problems, I had the privilege of meeting with President-elect Allen Garcia, to discuss Peru's status as a debtor nation.

For the first time since 1914 so, too, is the United States a debtor nation. Economists predict that by 1989 the United States will owe foreign investors over $1 trillion. What the net debtor's status means is that U.S. companies must export more to get foreign currency just to pay interest on the accumulating debt. But exports have been going steadily down, as our industrial base is rapidly deteriorating. Our GNP growth rate for the first quarter of 1985 was under 1 percent.

Our manufacturing capacity is now barely above 80 percent. We are even losing our competitive position when it comes to high technology.

Last year for the first time we posted a trade deficit in technology of $8 billion.

Time is running out for the administration to develop a trade policy that will correct this ominous trend. Otherwise, the United States will join Peru and other countries in Latin America as a debtor nation.

LET'S THINK OF OUR CHILDREN—AND COMPROMISE ON DEFENSE

(Mr. PORTER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PORTER. Mr. Speaker, I would like to address myself to Members of the Senate who resist any further compromise on defense spending.

Most of these Senators have children and many have grandchildren. Senator PETE DOMENICI, the Budget Committee chairman, a man for whom I have the highest respect, has seven children of his own. I have five. One of the reasons we both favor a strong national defense is to ensure that America's freedoms will be preserved for today's children throughout their lifetimes.

But somehow, when it comes to the budget, we end up sticking it to our children. Every year we tolerate a $200 billion deficit means another $20 billion our children will have to pay in extra taxes, every year, before they can spend a penny on whatever their defense needs will be at the time.

Unless the Senate agrees to accept the House cuts in defense, the House will never agree to the Senate cuts in Social Security COLA's and other domestic spending. And, once again, it will be the children—Senator DOMENICI's children, my children, all our children—who will foot the bill.

A VOTE FOR THE AUTHORIZATION FOR TITLE X

(Mrs. LLOYD asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. LLOYD. Mr. Speaker, today we will be voting on authorizations for title X and I urge its passage.

Emotions justifiably run high whenever the topic of family planning is raised. Abortion has become, in effect, a method of family planning. I am committed to stopping those abortions and on that my record is clear. This act contains no money for abortion. In fact, by definition, family planning obviates the need for abortion and further insures that every child is a wanted child.

Through these family planning services we hope to reach those who might not otherwise seek family planning assistance. Some concern has been expressed over colocation and I join the effort to ensure that abortion is in no way portrayed as an alternative.

What we must do is prevent pregnancies and to do that we must be realistic. We will save many more lives by being so. Sexual activity among teenagers is prevalent. The result, all too often is an unwanted pregnancy and, sadly abortion and suicide. Statistics now show that 4 of 10 14-year-olds will become pregnant while in their teens—some more than once. Pregnant teens are 7 to 10 times more likely to commit suicide than others. If we are to stop this cruel, inhumane cycle we must support this program.

NICARAGUAN PEOPLE WANT FREEDOM AND ARE WILLING TO FIGHT FOR IT

(Mr. BURTON of Indiana asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BURTON of Indiana. Mr. Speaker, many of my more liberal colleagues have said on occasion that the people of Nicaragua like the government they have down there and that we should keep our nose out of that situation and let those people fend for themselves.

Well, I hope they were watching "World News Tonight" last Saturday when Peter Jennings reported that 400,000 people, one-tenth of the population of Nicaragua, took to the streets of Managua and demonstrated against the Communist government when Cardinal Bravo returned. They said: "Christianity, yes, Communist no," and they tore down signs that the Communists were putting up.

Those people want freedom and the people of the United States should support that effort and help give it to them.

I submit to my colleagues on this side of the aisle they should listen to what the people of Nicaragua are saying; they want freedom; and they are willing to fight for it. We should be willing to give them the tools that are necessary for them to regain their country.

□ 1240

IRS REFUND DELAYS

(Mr. PICKLE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PICKLE. Mr. Speaker, last week, I was informed by the IRS that over 1.1 million taxpayers still have not received their tax refunds for this past year. Further, the IRS still does not know how much interest the Government owes these taxpayers because the refund checks have not even been processed.

I am disappointed in the delays in processing these refunds. It is a great inconvenience to the taxpayers involved, and it costs the Federal Government millions of dollars in unnecessary interest payments.

If the average refund is $830, as the IRS reports was the average refund amount this year, this means the total amount of outstanding refunds would be more than $913 million. The IRS must pay interest, at an annual rate of 13 percent, on unpaid refunds. Last year, the IRS paid $209 million in interest payments on late refunds. This year, the IRS expects to pay even more.

But going beyond the cost of the IRS delays to the Government we must concern ourselves with what this does to the confidence of the American people in our tax system. Our system is based on voluntary compliance. If people lose faith in the IRS' ability to administer the Tax Code fairly, accurately, and promptly, it could spell disaster for the entire tax system. This is especially important at a time when we are considering a major reform of our Tax Code. All of our efforts to reform the code will be in vain if the IRS can't administer the code efficiently and promptly. We need to know why there has been this delay.

My subcommittee will investigate this matter in a hearing this Friday, June 21, at 9 a.m., in room 1100, Longworth. I will ask Commissioner Roscoe Egger to explain these developments.

A BOLAND AMENDMENT WOULD TIE OUR HANDS IN LEBANON

(Mr. LIVINGSTON asked and was given permission to address the House

for 1 minute, and to revise and extend his remarks.)

Mr. LIVINGSTON. Mr. Speaker, all of us in the civilized world must decry the events that have taken place over the last few days aboard TWA flight 847. Some people have said we need to retaliate.

I would just like to remind my colleagues that if the Boland amendment, which is in effect in Nicaragua today by virtue of passage of legislation in this House over the last couple of years, if that amendment were in place in Lebanon as opposed to Nicaragua, there would not be a darn thing that we could do about this outrage. There would be no retaliation under any circumstances, for retaliation would be prohibited by U.S. law.

VOTE AGAINST PASSAGE OF H.R. 2369 ON THE SUSPENSION CALENDAR

(Mr. DANNEMEYER asked and was given permission to address the House for 1 minute.)

Mr. DANNEMEYER. Mr. Speaker and Members, today very shortly the House will vote on H.R. 2369, Family Planning. There are some amendments that some of us on the Committee on Energy and Commerce, when this bill was considered, would like to bring to the attention of the Members today on the floor, because they present very profound policy questions, but since the matter is on the Suspension Calendar we will be precluded from doing that.

Also, the rules of the House say that measures providing for authorizations in excess of $100 million generally speaking do not belong on the Suspension Calendar. This measure calls for authorization in 1986 fiscal year of in excess of $142 million.

I submit that a measure of this magnitude, with all of the policy implications and the money that is involved, does not belong on the Suspension Calendar.

Three of us, members of the committee that considered it, in the Energy and Commerce Committee, signed a Dear Colleague letter asking for a no vote on the Suspension Calendar this morning so that we can bring it up under a regular rule so that we will have an opportunity of offering amendments for the consideration of the House.

I ask your no vote on the matter on suspension.

SHIITE TERRORISTS' DISPLAY OF ANTISEMITISM CANNOT BE TOLERATED IN NEGOTIATIONS

(Mr. SCHUMER asked and was given permission to address the House for 1 minute, and to revise and extend his remarks.)

Mr. SCHUMER. Mr. Speaker, 40 years ago, millions of men, women, and children were summarily murdered in Europe. In many instances, Nazi murderers asked people who were thought to be Jews to line up at one door; who were thought to be non-Jews to line up at another door.

After the world learned of this horror, it vowed never again. Today, Shiite terrorists, the modern-day Mengeles of the world, have once again in the rankest display of antisemitism, segregated American citizens on the basis of religion. Those with Jewish-sounding names have been taken off the plane and put in one place; the rest in another place.

Our Nation should make clear, all hostages must be treated equally, and our negotiations should continue to treat the hostages exactly the same, and the world must make clear that these terrorists are no better than the Hitlers, the Eichmanns, the Mengeles, and they should be regarded in exactly the same light.

STOP AMERICAN AIRCRAFT GOING THROUGH ATHENS AIRPORT

(Mr. LEWIS of California asked and was given permission to address the House for 1 minute, and to revise and extend his remarks.)

Mr. LEWIS of California. Mr. Speaker, it was my intention today to introduce a measure that would essentially keep American aircraft from landing at the airport in Athens, an airport that is notorious for its lack of effective security. Further, my proposal would call upon the Department of Transportation to develop a process for reviewing antiterrorist procedures throughout the world to make certain that every antiterrorist system known is being used for the protection of tourist flying abroad.

Earlier in the day, two of my colleagues, the gentleman from Delaware [Mr. MCKINNEY] and the gentleman from California [Mr. ANDERSON] introduced similar measures, so it is my intention to join them in their efforts to establish a comprehensive program dealing with the problem of airline safety throughout the world.

Beyond that point, Mr. Speaker, I think it is critical that we recognize that the American people are united in their outrage at this sort of terrorist activity. It is critical that we in the House present a unified voice in support of the President as he first works for the freedom of those hostages, and from that point designs a policy that will prevent this sort of unacceptable action in the future.

WE MUST ENSURE THE SAFETY OF U.S. CITIZENS ABROAD

(Mrs. COLLINS asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. COLLINS. Mr. Speaker, all of us are justifiably appalled and concerned by the actions of the current Shiite outlaws in Beirut. The kidnapping and murder of innocents are totally reprehensible and it is an unacceptable way for any organization or country to conduct its international relations.

Yet, much of the talk we hear these days is of military action and a refusal to negotiate any settlement short of an unconditional surrender by the terrorists. The United States must "save face" they say. Indeed, the faces we must save are of the 43 American citizens on which there is the horror of possible death at the hands of fanatics. In our anger, let us not forget that the first responsibility of the United States abroad, to ensure the safety of our citizens.

After this crisis has been resolved, we must sit down with our allies and discuss the prevention of future terrorism. If Americans are to be using foreign airports, they must be guaranteed of their security procedures. Our intelligence agencies must cooperate with their foreign counterparts to obtain information on the planned acts of terrorist groups. Finally, a credible military antiterrorist unit must exist as a final deterrent.

Above all, we must make the saving of lives our first priority, combined with a determination not to allow terrorism to dictate the course of world politics.

CHILDREN FOR CHILDREN

(Mr. ACKERMAN asked and was given permission to address the House for 1 minute, and to revise and extend his remarks.)

Mr. ACKERMAN. Mr. Speaker, I would like to take this opportunity to bring to the attention of my distinguished colleagues the phenomenal success of the massive, citywide drive in New York for Ethiopian famine relief, called Children for Children.

Mr. Speaker, we launched this drive in New York last December after I returned from Ethiopia with some of my colleagues. After viewing the videotapes of crying, hungry children huddled at crowded feeding centers in Ethiopia, students in the more than 900 New York City public schools went into action.

Our school children have raised more than $250,000, and have saved the lives of tens of thousands of adults and children in Ethiopia who would have otherwise perished. Children across the city; rich, poor, black, white, yellow, sung in talent shows, made cookies for bake sales, and gave up their pennies and their allowances and their lunch money to send desperately needed grain to the starving children of Ethiopia.

The students of New York have challenged their counterparts across this great Nation to do as they have, and already other schools across the country have responded to this challenge.

The children of the Shenandoah Middle School in Iowa have raised $862 from their small school. The Charles Smith Jewish Central Day School in Rockville, MD, has collected $1,100; the Worcester Central Catholic Elementary School in Massachusetts has raised over $6,500; and the students of the Los Angeles public school system have already sent a shipment of medical supplies to Ethiopia.

I would especially like to commend and congratulate the students at Halsey Junior High School in Forest Hills, NY, for raising more than $5,106—more than any other school per capita in the city, and to state that Mr. James Perine, their teacher who spearheaded this drive; Christine Kwok, a ninth grader; and Allyson Mestel, an eighth grader; are here in Washington today to deliver that check. They have asked me to repeat to you that our kids challenge your kids to help save the lives of other kids. We hope that you are able to beat us.

□ 1250

CALL OF THE HOUSE

Mr. WAXMAN. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The call was taken by electronic device, and the following Members responded to their names:

[Roll No. 161]

Ackerman	Brown (CA)	Daschle
Addabbo	Brown (CO)	Daub
Alexander	Broyhill	Davis
Anderson	Bruce	de la Garza
Andrews	Bryant	DeLay
Annunzio	Burton (CA)	Dellums
Archer	Burton (IN)	Derrick
Armey	Bustamante	DeWine
Aspin	Byron	Dickinson
Atkins	Callahan	Dicks
Badham	Campbell	Dingell
Barnard	Carney	DioGuardi
Bartlett	Carper	Dixon
Barton	Carr	Dorgan (ND)
Bateman	Chandler	Dornan (CA)
Bates	Chappie	Dreier
Bedell	Cheney	Duncan
Beilenson	Clay	Durbin
Bennett	Clinger	Dwyer
Bereuter	Coats	Dymally
Berman	Cobey	Dyson
Bevill	Coble	Early
Biaggi	Coelho	Eckart (OH)
Bilirakis	Coleman (MO)	Eckert (NY)
Bliley	Coleman (TX)	Edgar
Boehlert	Collins	Edwards (CA)
Boggs	Combest	Edwards (OK)
Boland	Conte	Emerson
Boner (TN)	Conyers	English
Bonior (MI)	Cooper	Erdreich
Bonker	Coughlin	Evans (IA)
Borski	Courter	Evans (IL)
Bosco	Coyne	Fascell
Boulter	Craig	Fawell
Boxer	Crane	Fazio
Breaux	Daniel	Feighan
Brooks	Dannemeyer	Fiedler
Broomfield	Darden	Fields
Fish	Lott	Rowland (CT)
Florio	Lowery (CA)	Rowland (GA)
Foglietta	Lowry (WA)	Roybal
Foley	Lujan	Rudd
Ford (MI)	Luken	Russo
Ford (TN)	Lundine	Sabo
Frank	Lungren	Savage
Frenzel	Mack	Saxton
Fuqua	MacKay	Schaefer
Gallo	Madigan	Schneider
Gaydos	Manton	Schroeder
Gejdenson	Markey	Schuette
Gekas	Martin (NY)	Schulze
Gephardt	Martinez	Schumer
Gibbons	Matsui	Seiberling
Gilman	Mavroules	Sensenbrenner
Gingrich	Mazzoli	Sharp
Glickman	McCain	Shaw
Gonzalez	McCandless	Shelby
Goodling	McCloskey	Shumway
Gordon	McCollum	Sikorski
Gradison	McCurdy	Siljander
Gray (IL)	McDade	Sisisky
Gray (PA)	McEwen	Skeen
Green	McGrath	Skelton
Gregg	McHugh	Slattery
Grotberg	McKernan	Slaughter
Guarini	McMillan	Smith (FL)
Gunderson	Meyers	Smith (IA)
Hall (OH)	Mica	Smith (NE)
Hall, Ralph	Michel	Smith (NH)
Hamilton	Mikulski	Smith (NJ)
Hammerschmidt	Miller (CA)	Smith, Denny
Hansen	Miller (OH)	Smith, Robert
Hartnett	Miller (WA)	Snowe
Hatcher	Mineta	Snyder
Hawkins	Mitchell	Solarz
Hayes	Moakley	Spence
Hefner	Molinari	Spratt
Heftel	Mollohan	St Germain
Hendon	Monson	Staggers
Henry	Montgomery	Stallings
Hertel	Moore	Stangeland
Hiler	Moorhead	Stenholm
Hillis	Morrison (CT)	Stokes
Holt	Morrison (WA)	Strang
Hopkins	Mrazek	Stratton
Horton	Murphy	Studds
Howard	Murtha	Stump
Hoyer	Myers	Sundquist
Hubbard	Natcher	Sweeney
Huckaby	Neal	Swift
Hughes	Nelson	Swindall
Hunter	Nichols	Synar
Hutto	Nielson	Tauke
Hyde	Nowak	Tauzin
Ireland	O'Brien	Taylor
Jacobs	Oakar	Thomas (CA)
Jenkins	Oberstar	Thomas (GA)
Johnson	Obey	Torricelli
Jones (NC)	Olin	Traficant
Jones (OK)	Owens	Traxler
Jones (TN)	Oxley	Valentine
Kanjorski	Packard	Vander Jagt
Kaptur	Panetta	Vento
Kasich	Parris	Visclosky
Kastenmeier	Pashayan	Volkmer
Kennelly	Pease	Vucanovich
Kildee	Penny	Walgren
Kindness	Perkins	Walker
Kolbe	Petri	Watkins
Kolter	Pickle	Waxman
Kostmayer	Porter	Weaver
Kramer	Price	Weber
LaFalce	Pursell	Weiss
Lagomarsino	Quillen	Wheat
Lantos	Rahall	Whitehurst
Latta	Ray	Whitley
Leach (IA)	Regula	Whittaker
Leath (TX)	Reid	Williams
Lehman (CA)	Richardson	Wirth
Lehman (FL)	Ridge	Wolf
Leland	Rinaldo	Wolpe
Lent	Ritter	Wortley
Levin (MI)	Roberts	Wright
Levine (CA)	Robinson	Wyden
Lewis (CA)	Rodino	Wylie
Lewis (FL)	Roemer	Yates
Lightfoot	Rogers	Yatron
Lipinski	Rose	Young (AK)
Livingston	Rostenkowski	Young (FL)
Lloyd	Roth	Young (MO)
Long	Roukema	Zschau

□ 1300

The SPEAKER pro tempore (Mr. NATCHER). On this rollcall, 393 Members have recorded their presence by electronic device, a quorum.

Under the rule, further proceedings under the call were dispensed with.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Pursuant to the provisions of clause 5, rule I, the Chair will now put the question on each motion on which further proceedings were postponed on Monday, June 17, 1985, in the order in which that motion was entertained.

Votes will be taken in the following order:

H.R. 2369, by the yeas and nays;

H.R. 2417, by the yeas and nays; and

H.R. 2290, by the yeas and nays.

The Chair will reduce to 5 minutes the time for any electronic votes after the first such vote in this series.

□ 1310

EXTENSION OF TITLE X OF PUBLIC HEALTH SERVICE ACT

The SPEAKER pro tempore. The unfinished business is the question of suspending the rules and passing the bill, H.R. 2369.

The Clerk read the title of the bill.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from California [Mr. WAXMAN] that the House suspend the rules and pass the bill, H.R. 2369, on which the yeas and nays are ordered.

The vote was taken by electronic device, and there were—yeas 214, nays 197, not voting 22, as follows:

[Roll No. 162]

YEAS—214

Ackerman	Collins	Foglietta
Addabbo	Conte	Foley
Alexander	Conyers	Ford (MI)
Anderson	Cooper	Ford (TN)
Andrews	Coughlin	Fowler
Anthony	Coyne	Frank
Aspin	Crockett	Frenzel
Atkins	Darden	Frost
Barnard	Daschle	Gallo
Barnes	Davis	Garcia
Bates	Dellums	Gejdenson
Bedell	Derrick	Gibbons
Beilenson	Dickinson	Gilman
Bennett	Dicks	Glickman
Berman	Dingell	Gonzalez
Bevill	DioGuardi	Gordon
Boehlert	Dixon	Gray (IL)
Boner (TN)	Donnelly	Gray (PA)
Bonker	Dorgan (ND)	Green
Bosco	Durbin	Gregg
Boxer	Dwyer	Guarini
Brooks	Dymally	Hamilton
Brown (CA)	Eckart (OH)	Hatcher
Broyhill	Edgar	Hawkins
Bruce	Edwards (CA)	Hayes
Bryant	Erdreich	Hefner
Burton (CA)	Evans (IA)	Heftel
Bustamante	Evans (IL)	Henry
Carper	Fascell	Hillis
Carr	Fawell	Horton
Chandler	Fazio	Howard
Clay	Feighan	Hoyer
Coelho	Fish	Hughes
Coleman (TX)	Florio	Jacobs

Jenkins	Mitchell	Smith (FL)
Johnson	Moakley	Smith (IA)
Jones (NC)	Morrison (CT)	Smith, Robert
Jones (TN)	Morrison (WA)	Snowe
Kaptur	Mrazek	Solarz
Kastenmeier	Neal	Spratt
Kennelly	Nowak	Stark
Kildee	Oakar	Stokes
Kolbe	Obey	Stratton
Kostmayer	Olin	Studds
Lantos	Owens	Swift
Leach (IA)	Panetta	Synar
Leath (TX)	Pease	Thomas (CA)
Lehman (CA)	Pepper	Thomas (GA)
Lehman (FL)	Perkins	Torricelli
Leland	Pickle	Traficant
Levin (MI)	Porter	Udall
Levine (CA)	Pursell	Valentine
Lloyd	Ray	Vento
Lowry (WA)	Richardson	Visclosky
Lundine	Ridge	Walgren
MacKay	Robinson	Waxman
Madigan	Rodino	Weaver
Manton	Rose	Weiss
Markey	Roukema	Wheat
Martinez	Rowland (GA)	Whitehurst
Matsui	Roybal	Whitley
McCloskey	Sabo	Whitten
McCurdy	Savage	Williams
McHugh	Scheuer	Wirth
McKernan	Schneider	Wise
McKinney	Schroeder	Wolpe
Meyers	Schumer	Wright
Mica	Seiberling	Wyden
Mikulski	Sharp	Yates
Miller (CA)	Shelby	Zschau
Miller (WA)	Sisisky	
Mineta	Slattery	

NAYS—197

Annunzio	Gekas	McMillan
Applegate	Gephardt	Michel
Archer	Gingrich	Miller (OH)
Armey	Goodling	Molinari
Badham	Gradison	Mollohan
Bartlett	Grotberg	Monson
Barton	Gunderson	Montgomery
Bateman	Hall (OH)	Moore
Bereuter	Hall, Ralph	Moorhead
Biaggi	Hammerschmidt	Murphy
Bilirakis	Hansen	Murtha
Bliley	Hartnett	Myers
Boggs	Hendon	Natcher
Boland	Hertel	Nelson
Bonior (MI)	Hiler	Nichols
Borski	Holt	Nielson
Boulter	Hopkins	O'Brien
Breaux	Hubbard	Oberstar
Broomfield	Huckaby	Ortiz
Brown (CO)	Hunter	Oxley
Burton (IN)	Hutto	Packard
Byron	Hyde	Parris
Callahan	Ireland	Pashayan
Campbell	Jones (OK)	Penny
Carney	Kanjorski	Petri
Chappie	Kasich	Price
Cheney	Kemp	Quillen
Clinger	Kindness	Rahall
Coats	Kolter	Regula
Cobey	Kramer	Reid
Coble	LaFalce	Rinaldo
Coleman (MO)	Lagomarsino	Ritter
Combest	Latta	Roberts
Courter	Lent	Roemer
Craig	Lewis (CA)	Rogers
Crane	Lewis (FL)	Rostenkowski
Daniel	Lightfoot	Roth
Dannemeyer	Lipinski	Rowland (CT)
Daub	Livingston	Rudd
de la Garza	Long	Russo
DeLay	Lott	Saxton
DeWine	Lowery (CA)	Schaefer
Dornan (CA)	Lujan	Schuette
Dreier	Luken	Schulze
Duncan	Lungren	Sensenbrenner
Dyson	Mack	Shaw
Early	Martin (NY)	Shumway
Eckert (NY)	Mavroules	Shuster
Edwards (OK)	Mazzoli	Sikorski
Emerson	McCain	Siljander
English	McCandless	Skeen
Fiedler	McCollum	Skelton
Fields	McDade	Slaughter
Fuqua	McEwen	Smith (NE)
Gaydos	McGrath	Smith (NH)
Smith (NJ)	Sundquist	Watkins
Smith, Denny	Sweeney	Weber
Snyder	Swindall	Whittaker
Spence	Tauke	Wolf
St Germain	Tauzin	Wortley
Staggers	Taylor	Wylie
Stallings	Traxler	Yatron
Stangeland	Vander Jagt	Young (AK)
Stenholm	Volkmer	Young (FL)
Strang	Vucanovich	Young (MO)
Stump	Walker	

NOT VOTING—22

Akaka	Franklin	Roe
AuCoin	Jeffords	Solomon
Bentley	Kleczka	Tallon
Boucher	Loeffler	Torres
Chappell	Marlenee	Towns
Dowdy	Martin (IL)	Wilson
Downey	Moody	
Flippo	Rangel	

□ 1320

The Clerk announced the following pairs:

On this vote:

Mr. Moody and Mr. Rangel for, with Mr. Solomon against.

Mr. Akaka and Mr. Towns for, with Mr. Franklin against.

Messrs. KASICH, EDWARDS of Oklahoma, MOORE, SIKORSKI, RAHALL, RUSSO, HERTEL of Michigan, MURPHY, DE LA GARZA, LAFALCE, ENGLISH, and RITTER, Mrs. BOGGS, Messrs. COURTER, ROSTENKOWSKI, MURTHA, REID, REGULA, KRAMER, MICA, YOUNG of Alaska, CLINGER, BREAUX, NATCHER, LUJAN, and O'BRIEN, Mrs. LONG, and Messrs. BIAGGI, WATKINS, BORSKI, PASHAYAN, SKEEN, BOLAND, EARLY, ORTIZ, TRAXLER, VANDER JAGT, and HUNTER changed their votes from "yea" to "nay."

Messrs. MILLER of Washington, KOLBE, and MICA changed their votes from "nay" to "yea."

So (two-thirds not having voted in favor thereof) the motion was rejected.

The result of the vote was announced as above recorded.

□ 1330

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Pursuant to the provisions of clause 5 of rule I, the Chair announces that he will reduce to a minimum of 5 minutes the period of time within which a vote by electronic device may be taken on all of the additional motions to suspend the rules on which the Chair has postponed further proceedings.

HEALTH MAINTENANCE ORGANIZATION AMENDMENTS OF 1985

The SPEAKER pro tempore. The unfinished business is the question of suspending the rules and passing the bill, H.R. 2417.

The Clerk read the title of the bill.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from California [Mr. WAXMAN] that the House suspend the rules and pass the bill, H.R. 2417, on which the yeas and nays are ordered.

The vote was taken by electronic device, and there were—yeas 411, nays 2, not voting 20, as follows:

[Roll No. 163]

YEAS—411

Ackerman	Davis	Hertel
Addabbo	de la Garza	Hiler
Alexander	DeLay	Hillis
Anderson	Dellums	Holt
Andrews	Derrick	Hopkins
Annunzio	DeWine	Horton
Anthony	Dickinson	Howard
Applegate	Dicks	Hoyer
Archer	Dingell	Hubbard
Armey	DioGuardi	Huckaby
Aspin	Dixon	Hughes
Atkins	Donnelly	Hunter
Badham	Dorgan (ND)	Hutto
Barnard	Dornan (CA)	Hyde
Barnes	Downey	Ireland
Bartlett	Dreier	Jacobs
Barton	Duncan	Jenkins
Bateman	Durbin	Johnson
Bates	Dwyer	Jones (NC)
Bedell	Dymally	Jones (OK)
Beilenson	Dyson	Jones (TN)
Bennett	Early	Kanjorski
Bereuter	Eckart (OH)	Kaptur
Berman	Eckert (NY)	Kasich
Bevill	Edgar	Kastenmeier
Biaggi	Edwards (CA)	Kemp
Bilirakis	Edwards (OK)	Kennelly
Bliley	Emerson	Kildee
Boehlert	English	Kindness
Boggs	Erdreich	Kolbe
Boland	Evans (IA)	Kolter
Boner (TN)	Evans (IL)	Kostmayer
Bonior (MI)	Fascell	Kramer
Bonker	Fawell	LaFalce
Borski	Fazio	Lagomarsino
Bosco	Feighan	Lantos
Boulter	Fiedler	Latta
Boxer	Fields	Leach (IA)
Breaux	Fish	Leath (TX)
Brooks	Florio	Lehman (CA)
Broomfield	Foglietta	Lehman (FL)
Brown (CA)	Foley	Leland
Brown (CO)	Ford (MI)	Lent
Broyhill	Ford (TN)	Levin (MI)
Bruce	Fowler	Levine (CA)
Bryant	Frank	Lewis (CA)
Burton (CA)	Frenzel	Lewis (FL)
Burton (IN)	Frost	Lightfoot
Bustamante	Fuqua	Lipinski
Byron	Gallo	Livingston
Callahan	Garcia	Lloyd
Campbell	Gaydos	Long
Carney	Gejdenson	Lott
Carper	Gekas	Lowery (CA)
Carr	Gephardt	Lowry (WA)
Chandler	Gibbons	Lujan
Chappell	Gilman	Luken
Chappie	Gingrich	Lundine
Cheney	Glickman	Lungren
Clay	Gonzalez	Mack
Clinger	Goodling	MacKay
Coats	Gordon	Madigan
Cobey	Gradison	Manton
Coble	Gray (IL)	Markey
Coelho	Gray (PA)	Martin (NY)
Coleman (MO)	Green	Martinez
Coleman (TX)	Gregg	Matsui
Collins	Grotberg	Mavroules
Combest	Guarini	Mazzoli
Conte	Gunderson	McCain
Conyers	Hall (OH)	McCandless
Cooper	Hall, Ralph	McCloskey
Coughlin	Hamilton	McCollum
Courter	Hammerschmidt	McCurdy
Coyne	Hansen	McDade
Craig	Hartnett	McEwen
Crane	Hatcher	McGrath
Crockett	Hawkins	McHugh
Daniel	Hayes	McKernan
Dannemeyer	Hefner	McKinney
Darden	Heftel	McMillan
Daschle	Hendon	Meyers
Daub	Henry	Mica

Michel	Roberts	Stangeland
Mikulski	Robinson	Stark
Miller (CA)	Rodino	Stenholm
Miller (OH)	Roe	Stokes
Miller (WA)	Roemer	Strang
Mineta	Rogers	Stratton
Mitchell	Rose	Studds
Molinari	Rostenkowski	Stump
Mollohan	Roth	Sundquist
Monson	Roukema	Sweeney
Montgomery	Rowland (CT)	Swift
Moore	Rowland (GA)	Swindall
Moorhead	Roybal	Synar
Morrison (CT)	Rudd	Tauke
Morrison (WA)	Russo	Tauzin
Mrazek	Sabo	Taylor
Murphy	Savage	Thomas (CA)
Murtha	Saxton	Thomas (GA)
Myers	Schaefer	Torricelli
Natcher	Scheuer	Traficant
Neal	Schneider	Traxler
Nelson	Schroeder	Udall
Nichols	Schuette	Valentine
Nielson	Schulze	Vander Jagt
Nowak	Schumer	Vento
O'Brien	Seiberling	Visclosky
Oakar	Sensenbrenner	Volkmer
Obey	Sharp	Vucanovich
Olin	Shaw	Walker
Ortiz	Shelby	Watkins
Owens	Shumway	Waxman
Oxley	Shuster	Weaver
Packard	Sikorski	Weber
Panetta	Siljander	Weiss
Parris	Sisisky	Wheat
Pashayan	Skeen	Whitehurst
Pease	Skelton	Whitley
Penny	Slattery	Whittaker
Pepper	Slaughter	Whitten
Perkins	Smith (FL)	Williams
Petri	Smith (IA)	Wirth
Pickle	Smith (NE)	Wise
Porter	Smith (NH)	Wolf
Price	Smith (NJ)	Wolpe
Pursell	Smith, Denny	Wortley
Quillen	Smith, Robert	Wright
Rahall	Snowe	Wyden
Ray	Snyder	Wylie
Regula	Solarz	Yates
Reid	Spence	Yatron
Richardson	Spratt	Young (AK)
Ridge	St Germain	Young (FL)
Rinaldo	Staggers	Young (MO)
Ritter	Stallings	Zschau

NAYS—2

Oberstar	Walgren	

NOT VOTING—20

Akaka	Jeffords	Rangel
AuCoin	Kleczka	Solomon
Bentley	Loeffler	Tallon
Boucher	Marlenee	Torres
Dowdy	Martin (IL)	Towns
Flippo	Moakley	Wilson
Franklin	Moody	

So (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

ORPHAN DRUG AMENDMENTS OF 1985

The SPEAKER pro tempore. The unfinished business is the question of suspending the rules and passing the bill, H.R. 2290, as amended.

The Clerk read the title of the bill.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from California [Mr. WAXMAN] that the House suspend the rules and pass the bill, H.R. 2290, as amended, on which the yeas and nays are ordered.

The vote was taken by electronic device, and there were—yeas 413, nays 0, not voting 20, as follows:

[Roll No. 164]

YEAS—413

Ackerman	Dickinson	Hunter
Alexander	Dicks	Hutto
Anderson	Dingell	Hyde
Andrews	DioGuardi	Ireland
Annunzio	Dixon	Jacobs
Anthony	Donnelly	Jenkins
Applegate	Dorgan (ND)	Johnson
Archer	Dornan (CA)	Jones (NC)
Armey	Downey	Jones (OK)
Aspin	Dreier	Jones (TN)
Atkins	Duncan	Kanjorski
Badham	Durbin	Kaptur
Barnard	Dwyer	Kasich
Barnes	Dymally	Kastenmeier
Bartlett	Dyson	Kemp
Barton	Early	Kennelly
Bateman	Eckart (OH)	Kildee
Bates	Eckert (NY)	Kindness
Bedell	Edgar	Kolbe
Beilenson	Edwards (CA)	Kolter
Bennett	Edwards (OK)	Kostmayer
Bereuter	Emerson	Kramer
Berman	English	LaFalce
Bevill	Erdreich	Lagomarsino
Biaggi	Evans (IA)	Lantos
Billirakis	Evans (IL)	Latta
Bliley	Fascell	Leach (IA)
Boehlert	Fawell	Leath (TX)
Boggs	Fazio	Lehman (CA)
Boland	Feighan	Lehman (FL)
Boner (TN)	Fiedler	Leland
Bonior (MI)	Fields	Lent
Bonker	Fish	Levin (MI)
Borski	Florio	Levine (CA)
Bosco	Foglietta	Lewis (CA)
Boulter	Foley	Lewis (FL)
Boxer	Ford (MI)	Lightfoot
Breaux	Ford (TN)	Lipinski
Brooks	Fowler	Livingston
Broomfield	Frank	Lloyd
Brown (CA)	Frenzel	Long
Brown (CO)	Frost	Lott
Broyhill	Fuqua	Lowery (CA)
Bruce	Gallo	Lowry (WA)
Bryant	Garcia	Lujan
Burton (CA)	Gaydos	Luken
Burton (IN)	Gejdenson	Lundine
Bustamante	Gekas	Lungren
Byron	Gephardt	Mack
Callahan	Gibbons	MacKay
Campbell	Gilman	Madigan
Carney	Gingrich	Manton
Carper	Glickman	Markey
Carr	Gonzalez	Martin (NY)
Chandler	Goodling	Martinez
Chappell	Gordon	Matsui
Chappie	Gradison	Mavroules
Cheney	Gray (IL)	Mazzoli
Clay	Gray (PA)	McCain
Clinger	Green	McCandless
Coats	Gregg	McCloskey
Cobey	Grotberg	McCollum
Coble	Guarini	McCurdy
Coelho	Gunderson	McDade
Coleman (MO)	Hall (OH)	McEwen
Coleman (TX)	Hall, Ralph	McGrath
Collins	Hamilton	McHugh
Combest	Hammerschmidt	McKernan
Conte	Hansen	McKinney
Conyers	Hartnett	McMillan
Cooper	Hatcher	Meyers
Coughlin	Hawkins	Mica
Courter	Hayes	Michel
Coyne	Hefner	Mikulski
Craig	Heftel	Miller (CA)
Crane	Hendon	Miller (OH)
Crockett	Henry	Miller (WA)
Daniel	Hertel	Mineta
Dannemeyer	Hiler	Mitchell
Darden	Hillis	Moakley
Daschle	Holt	Molinari
Daub	Hopkins	Mollohan
Davis	Horton	Monson
de la Garza	Howard	Montgomery
DeLay	Hoyer	Moore
Dellums	Hubbard	Moorhead
Derrick	Huckaby	Morrison (CT)
DeWine	Hughes	Morrison (WA)
Mrazek	Rowland (CT)	Studds
Murphy	Rowland (GA)	Stump
Murtha	Roybal	Sundquist
Myers	Rudd	Sweeney
Natcher	Russo	Swift
Neal	Sabo	Swindall
Nelson	Savage	Synar
Nichols	Saxton	Tauke
Nielson	Schaefer	Tauzin
Nowak	Scheuer	Taylor
O'Brien	Schneider	Thomas (CA)
Oakar	Schroeder	Thomas (GA)
Oberstar	Schuette	Torricelli
Obey	Schulze	Traficant
Olin	Schumer	Traxler
Ortiz	Seiberling	Udall
Owens	Sensenbrenner	Valentine
Oxley	Sharp	Vander Jagt
Packard	Shaw	Vento
Panetta	Shelby	Visclosky
Parris	Shumway	Volkmer
Pashayan	Shuster	Vucanovich
Pease	Sikorski	Walgren
Penny	Siljander	Walker
Pepper	Sisisky	Watkins
Perkins	Skeen	Waxman
Petri	Skelton	Weaver
Pickle	Slattery	Weber
Porter	Slaughter	Weiss
Price	Smith (FL)	Wheat
Pursell	Smith (IA)	Whitehurst
Quillen	Smith (NE)	Whitley
Rahall	Smith (NH)	Whittaker
Ray	Smith (NJ)	Whitten
Regula	Smith, Denny	Williams
Reid	Smith, Robert	Wirth
Richardson	Snowe	Wise
Ridge	Snyder	Wolf
Rinaldo	Solarz	Wolpe
Ritter	Spence	Wortley
Roberts	Spratt	Wright
Robinson	St Germain	Wyden
Rodino	Staggers	Wylie
Roe	Stallings	Yates
Roemer	Stangeland	Yatron
Rogers	Stark	Young (AK)
Rose	Stenholm	Young (FL)
Rostenkowski	Stokes	Young (MO)
Roth	Strang	Zschau
Roukema	Stratton	

NAYS—0

NOT VOTING—20

Addabbo	Franklin	Rangel
Akaka	Jeffords	Solomon
AuCoin	Kleczka	Tallon
Bentley	Loeffler	Torres
Boucher	Marlenee	Towns
Dowdy	Martin (IL)	Wilson
Flippo	Moody	

□ 1350

So (two-thirds having voted in favor thereof) the rules were suspended and the bill as amended, was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

Mr. WAXMAN. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the Senate bill (S. 1147) to amend the orphan drug provisions of the Federal Food, Drug, and Cosmetic Act, and related laws, and ask for its immediate consideration.

The Clerk read the title of the Senate bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

Mr. MADIGAN. Mr. Speaker, reserving the right to object, I would yield to the gentleman from California [Mr. WAXMAN] to explain to the House exactly what it is we are doing.

Mr. WAXMAN. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, the purpose of my request is to take up the Senate bill and amend that bill with the House version just passed with an amendment thereto.

Mr. MADIGAN. I thank the gentleman.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

The Clerk read the Senate bill, as follows:

S. 1147

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Orphan Drug Amendments of 1985".

MARKETING PROTECTION

SEC. 2. Section 527 of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 360cc) is amended—

(1) by striking out "UNPATENTED" in the title of the section;

(2) by striking out "and for which a United States Letter of Patent may not be issued" in subsection (a); and

(3) by striking out "and if a United States Letter of Patent may not be issued for the drug" in subsection (b).

NATIONAL COMMISSION ON ORPHAN DISEASES

SEC. 3. (a) There is established the National Commission on Orphan Diseases (hereafter in this section referred to as the "Commission").

(b) The Commission shall assess the activities of the National Institutes of Health, the Alcohol, Drug Abuse, and Mental Health Administration, the Food and Drug Administration, other public agencies, and private entities in connection with—

(1) basic research relating to rare diseases;

(2) the use in research on rare diseases of knowledge developed in other research;

(3) applied and clinical research relating to the prevention, diagnosis, and treatment of rare diseases; and

(4) the dissemination to the public, health care professionals, researchers, and drug and medical device manufacturers of knowledge developed in research relating to rare diseases and other diseases which can be used in the prevention, diagnosis, and treatment of rare diseases.

(c) In assessing the activities of the National Institutes of Health, the Alcohol, Drug Abuse, and Mental Health Administration, and the Food and Drug Administration in connection with research relating to rare diseases, the Commission shall review—

(1) the appropriateness of the priorities currently placed on research relating to rare diseases;

(2) the relative effectiveness of grants and contracts when used to fund research relating to rare diseases;

(3) the adequacy of the scientific basis for such research, including the adequacy of the research facilities and research resources used in such research and the appropriateness of the scientific training of the personnel engaged in such research;

(4) the effectiveness of activities undertaken to encourage such research;

(5) the organization of the peer review process applicable to applications for funds for such research to determine if the organization of the peer review process could be revised to improve the effectiveness of the review provided to proposals for research relating to rare diseases;

(6) the effectiveness of the coordination between the national research institutes of the National Institutes of Health, the Institutes of the Alcohol, Drug Abuse, and Mental Health Administration, the Food and Drug Administration, and private entities in supporting such research; and

(7) the effectiveness of activities undertaken to assure that knowledge developed in research on nonrare diseases is, when appropriate, used in research on rare diseases.

(d)(1) The Commission shall be composed of twenty members appointed by the Secretary of Health and Human Services as follows:

(A) Ten members shall be appointed from individuals who are not officers or employees of the Government and who by virtue of their training or experience in research on rare diseases or in the treatment of rare diseases are qualified to serve on the Commission.

(B) Five members shall be appointed from individuals who are not officers or employees of the Government and who have a rare disease or are employed to represent or are members of an organization concerned about rare disease.

(C) Four nonvoting members shall be appointed from—

(i) the directors of the national research institutes of the National Institutes of Health; or

(ii) the directors of the institutes of the Alcohol, Drug Abuse, and Mental Health Administration;

which the Secretary determines are involved with rare diseases.

(D) One nonvoting member shall be appointed from officer or employees of the Food and Drug Administration who the Secretary determines are involved with rare diseases.

(2) A vacancy in the Commission shall be filled in the manner in which the original appointment was made.

(3) If any member of the Commission who was appointed to the Commission as a director of a national research institute, a director of an institute of the Alcohol, Drug Abuse, and Mental Health Administration, or an officer or employee of the Food and Drug Administration, leaves that office or employment, or if any member of the Commission who was appointed under subparagraph (A) or (B) of paragraph (1) becomes an officer or employee of the Government, such member may continue as a member of the Commission for not longer than the ninety-day period beginning on the date such member leaves that office or employment or becomes such an officer or employee, as the case may be.

(e) Except as provided in subsection (d)(3), members shall be appointed for the life of the Commission.

(f)(1) Except as provided in paragraph (2), members of the Commission shall each be entitled to receive compensation at a rate equal to the daily equivalent of the annual rate of basic pay in effect for grade GS-18 of the General Schedule for each day (including traveltime) during which they are engaged in the actual performance of duties as members of the Commission.

(2) Members of the Commission who are full-time officers or employees of the Government shall receive no additional pay by reason of their service on the Commission.

(g) The Chairman of the Commission shall be designated by the members of the Commission.

(h) Subject to such rules as may be prescribed by the Commission, the Commission may appoint and fix the pay of such personnel as it determines are necessary to enable the Commission to carry out its functions. Personnel shall be appointed subject to the provisions of title 5, United States Code, governing appointments in the competitive service, and shall be paid in accordance with the provisions of chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates.

(i) Subject to such rules as many be prescribed by the Commission, the Commission may procure temporary and intermittent services under section 3109(b) of title 5 of the United States Code, but at rates for individuals not to exceed the daily equivalent of the basic pay payable for grade GS-15 of the General Schedule.

(j) Upon request of the Commission, the head of any Federal agency is authorized to detail, on a reimbursable basis, any of the personnel of such agency to the Commissions to assist the commission in carrying out its duties under this section.

(k) The Administrator of General Services shall provide to the Commission on a reimbursable basis such administrative support as the Commission may request.

(l) The Commission may, for the purpose of carrying out this section, hold such hearings, sit and act at such times and places, take such testimony, and receive such evidence, as the Commission considers appropriate.

(m) The Commission may secure directly from any department or agency of the United States information necessary to enable it to carry out this section. Upon request of the Chairman, the head of such department or agency shall furnish such information to the Commission.

(n) By September 30, 1987, the Commission shall transmit to the Secretary and to each House of the Congress a report on the activities of the Commission. The report shall contain a detailed statement of the findings and conclusions of the Commission, together with its recommendations for—

(1) a long-range plan for the use of public and private resources to improve research into rare diseases and to assist in the prevention, diagnosis, and treatment of rare diseases; and

(2) such legislation or administrative actions as the Commission considers appropriate.

(o) The Commission shall terminate 90 days after the date of the submittal of its report under subsection (n).

(p) The Secretary shall make available $1,000,000 to the Commission from appropriations for fiscal year 1986 for the Public Health Service.

GRANTS AND CONTRACTS FOR THE DEVELOPMENT OF DRUGS FOR RARE DISEASES AND CONDITIONS

SEC. 4. Section 5 of the Orphan Drug Act (21 U.S.C. 360ee) is amended—

(1) by striking out "clinical" in subsection (a);

(2) by striking out subsection (b)(1) and inserting in lieu thereof the following:

"(1) The term 'qualified testing' means—

"(A) human clinical testing—

"(i) which is carried out under an exemption for a drug for a rare disease or condition under section 505(i) of the Federal

Food, Drug, or Cosmetic Act (or regulations issued under such section); and

"(ii) which occurs after the date such drug is designated under section 526 of such Act and before the date on which an application with respect to such drug is submitted under section 505(b) of such Act or under section 351 of the Public Health Service Act; and

"(B) preclinical testing involving a drug for a rare disease or condition which occurs after the date such drug is designated under section 526 of such Act and before the date on which an application with respect to such drug is submitted under section 505(b) of such Act or under section 351 of the Public Health Service Act."; and

(3) by striking out subsection (c) and inserting in lieu thereof the following:

"(c) For grants and contracts under subsection (a) there are authorized to be appropriated $4,000,000 for fiscal year 1986, $4,000,000 for fiscal year 1987, and $4,000,000 for fiscal year 1988.".

CORRECTION OF PUBLIC LAW 98-619

SEC. 5. The matter following the heading "Education for the Handicapped" under title III of the Departments of Labor, Health and Human Services, and Education and Related Agencies Appropriation Act, 1985, is amended by inserting after "shall" the first time it appears a comma and the following: "except for part D of such Act," and by adding at the end thereof a colon and the following: *"Provided further,* That the amounts available for such part D shall be available for obligation on October 1, 1984, and shall remain available until September 30, 1985".

EFFECTIVE DATE

Sec. 6. (a) Except as provided in subsection (b), this Act and the amendments made by this Act shall take effect on October 1, 1985.

(b) The amendments made by section 5 of this Act shall take effect on the date of enactment of this Act.

MOTION OFFERED BY MR. WAXMAN

Mr. WAXMAN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. WAXMAN moves to strike out all after the enacting clause of the Senate bill, S. 1147, and to insert in lieu thereof the provisions contained in H.R. 2290, as passed by the House.

The motion was agreed to.

The Senate bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A similar House bill (H.R. 2290) was laid on the table.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 1383, AGRICULTURAL PRODUCTIVITY ACT OF 1985

Mr. DERRICK, from the Committee on Rules, submitted a privileged report (Rept. No. 99-173) on the resolution (H. Res. 201) providing for the consideration of the bill (HR 1383) to direct the Secretary of Agriculture to take certain actions to improve the productivity of American farmers, and for other purposes, which was referred to the House Calendar and ordered to be printed.

DEPARTMENT OF DEFENSE AUTHORIZATION ACT, 1986

Mr. DERRICK. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 200 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 200

Resolved, That during the further consideration in the Committee of the Whole of the bill (H.R. 1872) to authorize appropriations for fiscal year 1986 for the Armed Forces for procurement, for research, development, test, and evaluation, for operation and maintenance, and for working capital funds, to prescribe personnel strengths for such fiscal year for the Armed Forces, and for other purposes, all points of order for failure to comply with the provisions of section 303(a) of the Congressional Budget Act of 1974 (Public Law 93-344) are hereby waived against the consideration of the amendment in the nature of a substitute recommended by the Committee on Armed Services now printed in the bill and made in order as original text for the purpose of amendment by H. Res. 169. Immediately after the enacting clause of the bill is read following general debate, it shall be in order to consider, before the consideration of any other amendments, the amendment to the committee substitute printed in the Congressional Record of June 13, 1985, by, and if offered by, Representative Aspin of Wisconsin, and said amendment shall be considered as having been read. Said amendment shall be in order although perfecting portions of the substitute which have not yet been read for amendment, shall not be subject to amendment, shall not be subject to a demand for a division of the question in the House or in Committee of the Whole, and shall be debatable for not to exceed one hour, to be equally divided and controlled by Representative Aspin and a Member opposed thereto. Immediately after the disposition of said amendment, it shall be in order to consider before any other amendments, the amendment to the committee substitute printed in the Congressional Record of June 13, 1985, by, and if offered by, Representative Dickinson of Alabama, and said amendment shall be in order although perfecting a portion of the bill which has not yet been read for amendment. It shall be in order to consider a substitute for said amendment printed in the Congressional Record of June 13, 1985, by, and if offered by, Representative Mavroules of Massachusetts, and all points of order against said substitute for failure to comply with the provisions of clause 7 of rule XVI are hereby waived. It shall be in order to consider an amendment to the Mavroules substitute printed in the Congressional Record of June 13, 1985, by, and if offered by, Representative Bennett of Florida, and all points of order against said amendment for failure to comply with the provisions of clause 7 of rule XVI are hereby waived.

SEC. 2. After the passage of H.R. 1872, it shall be in order to take from the Speaker's table the bill S. 1160 and to consider said bill in the House, and all points of order against the consideration of said bill for failure to comply with the provisions of sections 303(a), 401(a), and 402(a) of the Congressional Budget Act of 1974 (Public Law 93-344) are hereby waived. It shall then be in order in the House (1) to move to strike out all after the enacting clause of the said Senate bill and to insert in lieu thereof the provisions contained in H.R. 1872 as passed by the House, and all points of order against said substitute for failure to comply with the provisions of clause 5(a) of rule XXI and section 303(a) of the Congressional Budget Act of 1974 (Public Law 93-344) are hereby waived; and (2) to move that the House insist on the House amendment to said bill and request a conference with the Senate thereon.

□ 1400

The SPEAKER pro tempore. The gentleman from South Carolina [Mr. DERRICK] is recognized for 1 hour.

Mr. DERRICK. Mr. Speaker, I yield the customary 30 minutes, for the purpose of debate only, to the gentleman from Ohio [Mr. LATTA], and pending that, I yield myself such time as I may consume.

Mr. Speaker, we have a somewhat unusual situation here today in that the rule before us, House Resolution 200, is the second rule reported by the Committee on Rules which deals with the consideration of H.R. 1872, the Department of Defense Authorization Act for fiscal year 1986.

The first rule, House Resolution 169, was adopted by the House on May 15 of this year. It made it in order to consider H.R. 1872, made the Armed Services Committee amendment in the nature of a substitute in order as original text, provided a number of waivers of points of order against the bill and the substitute, made in order at the end of the bill a substitute by Representative DELLUMS, and required that all amendments to the bill or the armed services substitute must be printed in the RECORD. However, that rule did not waive section 303(a) of the Budget Act against consideration of the Armed Services Committee substitute. That waiver is necessary to permit consideration of that substitute because the substitute in a number of instances provides new spending authority for fiscal year 1986, and section 303(a) prohibits consideration of such budgetary legislation prior to the the adoption of a budget resolution for a fiscal year. Because the House was at that time about to take up the budget resolution for fiscal year 1986, the Rules Committee believed it would not be appropriate to allow the armed services substitute to be considered at that time. The committee, therefore, reported a rule which provided for the consideration of H.R. 1872, but did not waive section 303(a) to allow the armed services substitute to be considered. This allowed the House to complete general debate on H.R. 1872, which it did on May 15, but to put off the amendment process until after the House had acted on the budget resolution.

Since on May 23 the House passed House Congressional Resolution 152, the first budget resolution for fiscal year 1986, the Rules Committee has

reported this supplemental rule, House Resolution 200, which will allow the House to proceed with the further consideration of H.R. 1872. I want to point out that the provisions of the original rule, House Resolution 169, are still in effect. The waivers granted by that rule still apply, the Dellums substitute is still in order at the end of consideration of the bill for amendment, and all amendments to the bill or to the Armed Services Committee substitute must be printed in the CONGRESSIONAL RECORD prior to consideration of such amendments.

The rule before the House today provides additional procedures to allow for the further consideration of H.R. 1872 by providing for appropriate waivers, as well as procedures for the consideration of several specific amendments. House Resolution 200 waives section 303(a) of the Budget Act, which prohibits consideration of budgetary legislation prior to the adoption of the first budget resolution, against the Armed Services substitute. The House and Senate are presently in conference on the first concurrent resolution on the budget for fiscal year 1986, and while the authorization levels contained in this defense authorization bill are above those assumed in the House-passed budget resolution, an amendment is made in order by this rule, to be offered by Mr. ASPIN of Wisconsin, which is intended to have the effect of bringing the aggregate spending levels in the bill within the levels assumed in the House-passed budget resolution.

Specifically, Mr. Speaker, this rule provides that immediately following the reading of the enacting clause and before the consideration of any other amendments, it shall be in order to consider an amendment to the committee substitute printed in the CONGRESSIONAL RECORD of June 13, 1985, by Mr. ASPIN. In order to allow the entire Aspin proposal to be considered at the beginning of the amending process, the rule allows the offering of the proposal as a single amendment even though it will amend the first three titles of the bill. The rule provides, therefore, that the amendment is in order even though it will perfect portions of the substitute which will not yet have been read; 1 hour of debate is provided for this amendment, with the time to be equally divided and controlled by Mr. ASPIN and a Member opposed to the amendment. The rule also provides that the Aspin amendment shall not be amendable, nor subject to a demand for a division of the question.

Essentially, Mr. Speaker, this procedure will afford the Members of the House with an early opportunity for a straight up-or-down vote on the policy options embodied in Mr. ASPIN's amendment, as well as an opportunity to make significant reductions in defense spending levels at the outset of the amending process on this bill. I would also note that this will not affect the ability of other Members of the House to offer other amendments that will affect the dollar levels contained in the bill.

This rule also contains procedures for the orderly consideration of three amendments on the MX Program. Immediately following the disposition of the Aspin amendment, the rule makes in order an amendment printed in the CONGRESSIONAL RECORD of June 13, 1985, by Mr. DICKINSON of Alabama. This amendment is made in order although it is perfecting a portion of the bill which will not yet have been read for amendment.

Next, a substitute for the Dickinson MX missile amendment printed in the CONGRESSIONAL RECORD of June 13, 1985, by Mr. MAVROULES of Massachusetts is made in order. All points of order against this amendment for failure to comply with clause 7 of rule XVI, the rule of germaneness, are waived against this amendment. A third MX amendment, printed in the CONGRESSIONAL RECORD of June 13, 1985, by Mr. BENNETT of Florida, is also made in order by this rule as a perfecting amendment to the amendment to be offered by Mr. MAVROULES. All points of order against this amendment for failure to comply with clause 7 of rule XVI, the rule of germaneness, are waived. I would note, Mr. Speaker, that although both these amendments are germane to the bill, for technical reasons the Mavroules amendment is not germane to the Dickinson amendment, and the Bennett amendment is not germane to the Mavroules substitute amendment. Therefore, a waiver of the rule of germaneness is provided for both the Mavroules and Bennett MX amendments.

Mr. Speaker, I would like to stress that although this rule provides a specific procedure for the offering of the three MX amendments I have cited, the rule does not preclude the consideration of other amendments on this subject. Any such amendment must comply with the normal rules of the House, and pursuant to the original rule providing for consideration of this bill, if the amendment amends the bill or the substitute, it must have been printed in the CONGRESSIONAL RECORD prior to consideration of the amendment.

Section 2 of this rule, Mr. Speaker, provides for a hookup with a Senate-passed measure, S. 1160, which is presently at the Speaker's desk. Section 2 of House Resolution 200 provides that after passage of H.R. 1872, it will be in order to take S. 1160 from the Speaker's table and consider the bill in the House. All points of order against S. 1160 for failure to comply with sections 303(a), 401(a), and 402(a) of the Congressional Budget Act are waived.

House Resolution 200 then makes in order a motion to strike out all after the enacting clause of S. 1160 and insert in lieu thereof the provisions of H.R. 1872 as passed by the House. Points of order against this substitute for failure to comply with clause 5(a) of rule XXI and section 303(a) of the Congressional Budget Act are waived. Finally, Mr. Speaker, the rule provides for a motion that the House insist on the House amendment and to request a conference with the Senate.

Mr. Speaker, because it has been necessary for the Committee on Rules to report additional procedures for the consideration of H.R. 1872, our present situation is a little more complex than is normal. I would like to remind my colleagues that the first rule adopted for consideration of this bill, House Resolution 169, remains in force. The provisions of House Resolution 200, which is before the House today, provide additional procedures for the consideration of the Defense Authorization Act for fiscal year 1986.

Moreover, this rule will allow for the expeditious consideration of an amendment offered by Mr. ASPIN which will significantly reduce the aggregate spending level contained in this bill to a level intended to be consistent with the levels assumed in the House-passed budget resolution.

This rule will also allow for the orderly consideration of three distinct and important policy alternatives on the MX Missile Program, while not precluding any Member from offering another alternative on this or other provisions in the bill, as long as the amendment complies with the normal rules of the House and the provisions of House Resolution 169.

Mr. Speaker, I urge adoption of the rule.

□ 1410

Mr. LATTA. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the House has already adopted one rule providing for the consideration of the Defense authorization bill.

Of all the numerous provisions in this second rule, only the waiver of section 303(a) of the Budget Act is required in order to allow the House to consider the bill. The Budget Act waivers would not be necessary if action on the budget resolution conference report were completed.

And I just wish I could tell the Members of the House that we are near completion on that Budget Act. The way we are going, we are not going to complete action by the Fourth of July recess, as many of us would hope.

The problem is that section 303(a) of the Budget Act provides that it shall not be in order to consider any bill

providing new entitlement authority until the first budget resolution has been adopted. This bill contains various new entitlement authority provisions. Among those provisions is a pay raise of 3 percent for uniformed personnel effective January 1, 1986. Mr. Speaker, if we want to consider this bill now, rather than wait until after the budget resolution conference report is completed, then the waiver is going to have to be included. The need to go back for this waiver was recognized at the time that the Rules Committee met on the first rule, but the decision was made not to report the Budget Act waiver until after the House had had an opportunity to go through its initial consideration of the budget resolution.

Mr. Speaker, if the Budget Committee had moved in a timely fashion earlier in the year, instead of waiting week after week for the Senate to act, action on the budget resolution conference report could probably have been completed by now and even this budget waiver would have been unnecessary.

Mr. Speaker, once the Rules Committee was scheduled to meet on the budget waiver, then ideas for other provisions to attach to the rule started to surface.

The Rules Committee was asked to allow the chairman of the Armed Services Committee to offer an amendment to reduce the authorization level in the bill to the level in the House-passed budget resolution. Such an amendment was made in order and was made nonamendable, even though the figure in the Aspin amendment may not in fact turn out to be the figure in the final budget resolution conference report.

Then the Rules Committee was asked to make in order a series of three amendments dealing with the MX missile, two of which required waivers of the germaneness rule. These also were permitted.

Finally, the Rules Committee also added a section providing that after completion of action on the House bill, it will be in order to insert the House-passed language in the Senate bill and request a conference.

Mr. Speaker, this rule may be a good reason why we should not grant a rule until the bill is ready for floor consideration.

Mr. Speaker, I have no further requests for time, and I reserve the balance of my time.

Mr. DERRICK. Mr. Speaker, I have no further requests for time, and I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

The SPEAKER pro tempore. Pursuant to House Resolution 169 and rule XXIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the further consideration of the bill, H.R. 1872.

□ 1416

IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H.R. 1872) to authorize appropriations for fiscal year 1986 for the Armed Forces for procurement, for research, development, test, and evaluation, for operation and maintenance, and for working capital funds, to prescribe personnel strengths for such fiscal year for the Armed Forces, and for other purposes; with Mr. ROSTENKOWSKI in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. When the Committee of the Whole rose on Wednesday, May 15, 1985, all time for general debate had expired.

Pursuant to House Resolution 169, the substitute committee amendment now printed in the reported bill shall be considered by titles as an original bill for the purpose of amendment and each title shall be considered as having been read.

No amendment to the bill or said substitute shall be in order except amendments printed in the CONGRESSIONAL RECORD.

After the bill has been considered for amendment in its entirety, it shall be in order to consider an amendment printed in the CONGRESSIONAL RECORD of May 16, 1985, by, and if offered by Representative DELLUMS which shall be considered as having been read and shall be debatable before consideration of amendments thereto for 1 hour to be equally divided and controlled by Representative DELLUMS and a Member opposed thereto.

Pursuant to House Resolution 200, it shall be in order to consider immediately after the enacting clause is read and before the consideration of any other amendments, the amendment to the committee substitute printed in the CONGRESSIONAL RECORD of June 13, 1985, by, and if offered by representative ASPIN which shall be considered as having been read, shall not be subject to amendment but shall be debatable for 1 hour equally divided and controlled by Representative ASPIN and a Member opposed thereto. Immediately after the disposition of the Aspin amendment, it shall be in order to consider before any other amendments, the amendment to the committee amendment printed in the CONGRESSIONAL RECORD of June 13, 1985, by, and if offered by Representative DICKINSON.

The Clerk will read the enacting clause.

The Clerk read the enacting clause, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

AMENDMENT OFFERED BY MR. ASPIN

Mr. ASPIN. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Mr. ASPIN: At the end of title I (page 22, after line 23), add the following new sections:

SEC. 111. REDUCTIONS IN AUTHORIZATIONS DUE TO SAVINGS FROM LOWER INFLATION AND PRIOR-YEAR COST SAVINGS.

(a) ARMY.—The amounts authorized in section 101(a) to be appropriated for the Army are reduced by the following amounts:

(1) For aircraft, $185,400,000.

(2) For missiles, $222,000,000.

(3) For weapons and tracked combat vehicles, $338,600,000.

(4) For ammunition, $323,300,000.

(5) For other procurement, $577,900,000.

(b) NAVY AND MARINE CORPS.—The amounts authorized in section 102 to be appropriated for the Navy and Marine Corps are reduced by the following amounts:

(1) For aircraft, Navy, $635,500,000.

(2) For weapons procurement, Navy, $316,600,000.

(3) For shipbuilding and conversion, Navy, $1,271,800,000.

(4) For other procurement, Navy, $662,800,000.

(5) For procurement, Marine Corps, $144,200,000.

(c) AIR FORCE.—The amounts authorized in section 103(a) to be appropriated for the Air Force are reduced by the following amounts:

(1) For aircraft, $1,955,300,000.

(2) For missiles, $473,100,000.

(3) For other procurement, $620,500,000.

(d) DEFENSE AGENCIES.—The amount authorized in section 104 to be appropriated for the Defense Agencies is reduced by $91,900,000.

(e) NATO COOPERATIVE PROGRAMS.—The amount authorized in section 105 to be appropriated for NATO cooperative defense programs is reduced by $7,100,000.

(f) FY86 PROGRAM REDUCTIONS TO BE FROM COST SAVINGS.—(1) Authorization reductions described in paragraph (2)—

(A) may not be derived through cancellation of any authorized program, stretchout of procurement under any authorized program, or any other change in an authorized program; but

(B) may be derived only through cost reductions under programs of the Department of Defense under this title that are achieved without a change in quantity or quality of goods or services acquired by the Department, including—

(i) reductions due to the rate of inflation for fiscal year 1986 being lower than the rate assumed in the President's budget for fiscal year 1986; and

(ii) reductions due to the elimination of allowances for amounts for inflation for fiscal years after fiscal year 1986.

(2) Paragraph (1) applies to the following amounts under the reductions provided by this section in authorizations of appropriations:

(A) Aircraft, Army, $185,400,000.

(B) Missiles, Army, $197,000,000.

(C) Weapons and tracked combat vehicles, Army, $338,600,000.
(D) Ammunition, Army, $105,700,000.
(E) Other procurement, Army, $327,700,000.
(F) Aircraft, Navy, $554,400,000.
(G) Weapons, Navy, $301,600,000.
(H) Shipbuilding and conversion, Navy, $849,800,000.
(I) Other procurement, Navy, $396,300,000.
(J) Procurement, Marine Corps, $113,300,000.
(K) Aircraft, Air Force, $1,549,300,000.
(L) Missiles, Air Force, $442,100,000.
(M) Other Procurement, Air Force, $321,900,000.
(N) Defense Agencies, $52,900,000.
(O) NATO cooperative programs, $7,100,000.

(g) INTEGRATION WITH OTHER PROVISIONS OF ACT.—The reductions provided by this section in the authorizations of appropriations in this title—

(1) are in addition to any reduction in such authorizations provided in any other provision of this Act; and

(2) are provided notwithstanding any increase in such authorizations provided in any other provision of this Act.

SEC. 112. AUTHORIZATION OF ADDITIONAL TRANSFERS OF PRIOR-YEAR FUNDS.

(a) ARMY.—There are hereby authorized to be transferred to, and merged with, amounts appropriated for procurement for the Army pursuant to the authorizations of appropriations in section 101(a) the following amounts:

(1) MISSILES.—$25,000,000 for procurement of missiles, to be derived from amounts appropriated for fiscal year 1985 for procurement of missiles for the Army.

(2) AMMUNITION.—$111,900,000 for procurement of ammunition, to be derived from amounts appropriated for fiscal years 1984 and 1985 for procurement of ammunition for the Army, of which—

(A) $30,000,000 shall be derived from amounts appropriated for fiscal year 1984; and

(B) $81,900,000 shall be derived from amounts appropriated for fiscal year 1985.

(3) OTHER PROCUREMENT.—$218,200,000 for other procurement, to be derived from amounts appropriated for fiscal years 1984 and 1985 for other procurement for the Army, of which—

(A) $79,000,000 shall be derived from amounts appropriated for fiscal year 1984; and

(B) $139,200,000 shall be derived from amounts appropriated for fiscal year 1985.

(b) NAVY AND MARINE CORPS.—There are hereby authorized to be transferred to, and merged with, amounts appropriated for procurement for the Navy and Marine Corps pursuant to the authorizations of appropriations in section 102 the following amounts:

(1) AIRCRAFT.—$82,100,000 for procurement of aircraft for the Navy, to be derived from amounts appropriated for fiscal year 1985 for procurement of aircraft for the Navy.

(2) WEAPONS.—$15,000,000 for procurement of weapons for the Navy, to be derived from amounts appropriated for fiscal year 1985 for procurement of weapons for the Navy.

(3) SHIPBUILDING AND CONVERSION.—$422,000,000 for shipbuilding and conversion for the Navy, to be derived from amounts appropriated for fiscal years 1983, 1984, and 1985 for shipbuilding and conversion for the Navy, of which—

(A) $129,000,000 shall be derived from amounts appropriated for fiscal year 1983;

(B) $100,000,000 shall be derived from amounts appropriated for fiscal year 1984; and

(C) $193,000,000 shall be derived from amounts appropriated for fiscal year 1985.

(4) OTHER PROCUREMENT.—$221,000,000 for other procurement for the Navy, to be derived from amounts appropriated for fiscal years 1984 and 1985 for other procurement for the Navy, of which—

(A) $70,000,000 shall be derived from amounts appropriated for fiscal year 1984; and

(B) $151,000,000 shall be derived from amounts appropriated for fiscal year 1985.

(5) PROCUREMENT, MARINE CORPS.—$28,000,000 for procurement for the Marine Corps, to be derived from amounts appropriated for fiscal year 1985 for procurement for the Marine Corps.

(c) AIR FORCE.—There are hereby authorized to be transferred to, and merged with, amounts appropriated for procurement for the Air Force pursuant to the authorizations of appropriations in section 103(a) the following amounts:

(1) AIRCRAFT.—$406,000,000 for procurement of aircraft, to be derived from amounts appropriated for fiscal year 1985 for procurement of aircraft for the Air Force.

(2) MISSILES.—$31,000,000 for procurement of missiles to be derived from amounts appropriated for fiscal year 1985 for procurement of missiles for the Air Force.

(3) OTHER PROCUREMENT.—$282,000,000 for other procurement, to be derived from amounts appropriated for fiscal years 1984 and 1985 for other procurement for the Air Force, of which—

(A) $86,000,000 shall be derived from amounts appropriated for fiscal year 1984; and

(B) $196,000,000 shall be derived from amounts appropriated for fiscal year 1985.

(d) DEFENSE AGENCIES.—There is hereby authorized to be transferred to, and merged with, amounts appropriated for procurement for the Defense Agencies pursuant to the authorization of appropriations in section 104 the amount of $36,000,000, to be derived from amounts appropriated for fiscal years 1984 and 1985 for procurement for the Defense Agencies, of which—

(1) $15,000,000 shall be derived from amounts appropriated for fiscal year 1984; and

(2) $21,000,000 shall be derived from amounts appropriated for fiscal year 1985.

(e) AUTHORIZATION OF TRANSFERS SUBJECT TO PROVISIONS OF APPROPRIATIONS ACTS.—Transfers authorized by this section may be made only to the extent provided in appropriation Acts.

(f) SOURCE OF TRANSFERRED FUNDS.—(1) All amounts transferred under this section shall be derived from funds described in this section that remain available for obligation.

(2) Except as provided in paragraph (3), such funds—

(A) may not be derived through cancellation of any program, stretchout of procurement under any program, or any other program change; but

(B) may be derived only through cost reductions (including reductions due to rates of inflation being lower than rates assumed when such funds were budgeted) under programs for which such funds were authorized and appropriated that are achieved without a change in the quantity or quality of goods or services acquired by the Department of Defense.

(3) Funds for the transfer authorized by subsection (a)(2)(B) may be derived from the light-weight multipurpose weapon system, and funds for the transfer authorized by subsection (a)(3)(B) may be derived from the Single Channel Objective Tactical Terminal program.

SEC. 113. REPORT.

Before the Secretary of Defense may implement a program change under a reduction subject to section 111(f) or under a transfer under section 112, the Secretary shall submit to the Committees on Armed Services of the Senate and House of Representatives a report describing the programs in which such reductions will be made in accordance with section 111(f) and the programs that are the source of the funds transferred under section 112.

At the end of title II (page 29, after line 14) add the following new section:

SEC. 207. REDUCTIONS IN AUTHORIZATIONS DUE TO SAVINGS FROM LOWER INFLATION AND PRIOR-YEAR COST SAVINGS.

(a) REDUCTIONS IN AUTHORIZATIONS.—The amounts authorized in section 201 to be appropriated are reduced by the following amounts:

(1) For the Army, $89,000,000.

(2) For the Navy (including the Marine Corps), $194,000,000.

(3) For the Air Force, $270,000,000.

(4) For the Defense Agencies, $47,000,000.

(b) FY86 PROGRAM REDUCTIONS TO BE FROM COST SAVINGS.—(1) Authorization reductions described in paragraph (2)—

(A) may not be derived through cancellation of any authorized program or any other change in an authorized program; but

(B) may be derived only through cost reductions (including reductions due to the rate of inflation being lower than the rate assumed in the President's budget for fiscal year 1986) under programs of the Department of Defense under this title that are achieved without a change in the quantity or quality of goods or services acquired by the Department.

(2) Paragraph (1) applies to the following amounts under the reductions provided by subsection (a) in authorizations of appropriations:

(A) For the Army, $4,000,000.

(B) For the Navy (including the Marine Corps), $11,000,000.

(C) For the Air Force, $14,000,000.

(c) INTEGRATION WITH OTHER PROVISIONS OF ACT.—The reductions provided by subsection (a) in the authorizations of appropriations in section 201—

(1) are in addition to any reduction in such authorizations provided in any other provision of this Act; and

(2) are provided notwithstanding any increase in such authorizations provided in any other provision of this Act.

SEC. 208. AUTHORIZATION OF TRANSFERS OF PRIOR-YEAR FUNDS.

(a) AUTHORIZED TRANSFERS.—There are hereby authorized to be transferred to, and merged with, amounts appropriated for research, development, test, and evaluation for the Armed Forces pursuant to the authorizations of appropriations in section 201 the following amounts:

(1) ARMY.—$85,000,000, to be derived from amounts appropriated for fiscal year 1985 for research, development, test, and evaluation for the Army.

(2) NAVY.—$183,000,000, to be derived from amounts appropriated for fiscal year 1985 for research, development, test, and

evaluation for the Navy (including the Marine Corps).

(3) AIR FORCE.—$256,000,000, to be derived from amounts appropriated for fiscal year 1985 for research, development, test, and evaluation for the Air Force.

(4) DEFENSE AGENCIES.—$47,000,000, to be derived from amounts appropriated for fiscal year 1985 for research, development, test, and evaluation for the Defense Agencies.

(b) AUTHORIZATION OF TRANSFERS SUBJECT TO PROVISIONS OF APPROPRIATIONS ACTS.—Transfers authorized by subsection (a) may be made only to the extent provided in appropriation Acts.

At the end of title III (page 38, after line 10) add the following new section:

SEC. 308. REDUCTIONS IN AUTHORIZATIONS DUE TO SAVINGS FROM COST SAVINGS.

(a) REDUCTIONS IN AUTHORIZATIONS.—The amounts authorized in section 301 to be appropriated are reduced by the following amounts:

(1) For the Army, $282,700,000.
(2) For the Navy, $632,600,000.
(3) For the Marine Corps, $18,000,000.
(4) For the Air Force, $266,900,000.
(5) For the Defense Agencies, $244,000,000.
(6) For the Army Reserve, $19,100,000.
(7) For the Navy Reserve, $45,900,000.
(8) For the Marine Corps Reserve, $4,200,000.
(9) For the Air Force Reserve, $11,000,000.
(10) For the Army National Guard, $28,000,000.
(11) For the Air National Guard, $24,600,000.

(b) PROGRAM REDUCTIONS TO BE FROM COST SAVINGS.—Authorization reductions described in subsection (a) may be derived only through cost reductions (including reductions due to the rate of inflation being lower than the rate assumed in the President's budget for fiscal year 1986) under programs of the Department of Defense under this title that are achieved without a change in the quantity or quality of goods or services acquired by the Department.

(c) INTEGRATION WITH OTHER PROVISIONS OF ACT.—The reductions provided by subsection (a) in the authorizations of appropriations in section 301—

(1) are in addition to any reduction in such authorizations provided in any other provision of this Act; and

(2) are provided notwithstanding any increase in such authorizations provided in any other provision of this Act.

The CHAIRMAN. Pursuant to House Resolution 200, the gentleman from Wisconsin [Mr. ASPIN] will be recognized for 30 minutes, and a Member opposed will be recognized for 30 minutes.

The Chair recognizes the gentleman from Wisconsin [Mr. ASPIN].

Mr. ASPIN. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, it would be worth it, I think, to talk a little bit about how it is that we came to this amendment and what I am trying to do with the amendment.

As the House will recall, the bill that we had passed out of our committee and debated under general debate on the House floor a couple of weeks ago was a bill that came forward before we passed a budget resolution in the House. We had in our committee, the Armed Services Committee, marked up to a level of last year's budget plus inflation.

□ 1420

We had in our budget the amount of money that would cover last year's level, plus the rate of inflation, and we had kind of guessed that is where the Budget Committee was going to come out, and that is what we marked up to.

We reported that bill out and began the general debate on the floor on that bill. Since then, the Budget Committee came out with their resolution, and because of the necessity of moving the budget before anything else in the House, the Armed Services Committee bill was taken from the floor and the budget resolution was put on the floor.

The budget resolution that passed the House had a different number for defense than we had. What they had in was last year's level, period. So they just had the amount of money in there for last year's level; we were marking up to a level of last year's level plus inflation. A difference of some $10 billion between the two resolutions.

Mr. Chairman, I know that there are a number of people who want the opportunity to say that what they voted for in defense is consistent with the budget resolution. That being the case, I thought it was best that we come up with an amendment to offer at the beginning of the process; to offer an amendment at the beginning that would make us conform with the budget resolution, and frankly, Members in the House can vote for it or vote against it as they like. I do not offer this with any great deal of feeling behind it. Because I think that what we had in our bill was closer to the right amount that we ought to be spending on defense than was the budget resolution.

Given the fact that the budget resolution did pass this House, and was a different number, I think it is important that we offer an amendment right at the top to make the defense bill in conformity with the budget resolution. I tell the Members in the House to vote the way you want; I am not urging one way or another. I personally am going to vote for the amendment, but I think everybody can vote for it or vote against it as they wish.

Let us get the issue decided way up at the front: Is the budget going to have an impact on the amount of money in the authorization bill? As Members of Congress know, there is no technical reason why the authorization bill has to conform to the budget resolution. The appropriations bills have to conform to the budget resolution; not the authorization bills. So if people want to vote no on this resolution, they are perfectly justified in doing so on the grounds that the authorization bill is not controlled by the budget resolution.

What is controlled by the budget resolution will be the appropriations bill that will come later in the process. So vote as you like; you can justify a vote for this amendment or a vote against this amendment. But it does give people an opportunity, if they desire, to bring the defense bill into line with the budget resolution.

Let me tell you what this bill does. And it does it, I think, in a way that is least harmful to what we are trying to do in the defense bill.

There are two parts to the $10 billion cut that I am offering in this amendment. The first part is $4.4 billion that comes from Secretary Weinberger's proposal to the Senate to cut $4.4 billion out of their budget. That extra cut was presented to the Senate after we had marked up our bill, and we have checked with the Pentagon and the savings that Secretary Weinberger has suggested to the Senate bill also apply to the House bill. So the first thing we can do, if you are interested, is to take out the $4.4 billion that Secretary Weinberger says that he does not need and was taken out of the Senate bill; we can also take it out of the House bill. That one I would vote for in any case. If they do not want it, it does not make any sense for us to keep it in.

The second part of this is a change in the way in which we do inflation. As I reported to the Members of the House some weeks back, and I know that many members of the committee are aware, the way we deal with inflation in the defense budget is not a very exact science, nor is it very satisfactory from a budgetary standpoint. Because of the need, to fully fund weapons systems, we have to also make an estimate for inflation in the years ahead. Let me give you an example.

If we have a weapons system that takes more then 1 year to build, and in the case of ships, it may take 7 or 8 years to build, we have to fully fund that weapons system right up in the first year in which it is funded. That is the practice since the 1950's when we wanted to avoid the camel's nose under the tent, we fully fund weapons systems in the year in which we authorize them. We put in all of the money to build the system in 1986, even though we might be building that weapons system out until 1992 in the most extreme case.

When we do that, out to 1992, of course there is inflation in each of the years between now and 1992, and we have to estimate what that rate of inflation is. The rate of inflation in each of those years is a very, very inexact science. Lord knows, it is tough enough to figure out what the infla-

tion rate is going to be for 1986 sitting here in 1985. It is virtually impossible to know what the inflation rate sitting here in 1985, what the inflation rate is going to be for 1987, 1988, 1989, et cetera.

What we are saying here, and what I was saying in a report that was made to Congress before is that there ought to be a different way of doing this. Maybe we ought to have a revolving fund. Maybe what we ought to do is just annually authorize the amount for inflation. In any case, I asked the Secretary of Defense to have a look at it, and there is some correspondence going back and forth about treating the rate of inflation.

What I have done in this amendment is to take out the future funding for the rate of inflation out of this bill. $5.6 billion worth of future inflation that is in the bill because we have to fully fund the program. What we have in here is funding for the inflation rate expected in 1986, but we have taken out the inflation rate, or at least most of the inflation rate expected for years beyond 1986. What we have come up with is a total cut of $10 billion to this bill.

It is a bill now, then, that does not affect any of the weapons system levels in this bill for funding. In other words, we have not changed the number of M-1 tanks, the number of F-16 planes, or whatever it is that is in this bill, we have not changed those numbers. Those numbers remain the same. What we have done is take out the money for future inflation.

It seems to me that this amendment is the best way to go. We do not know what the Budget Committee's final resolution on defense is going to be. We know what the House position is, which is last year's level, period. We know what the Senate Budget Committee's position on defense is: Last year's level plus the rate of inflation. We do not know where that conference is going to come out. Is it going to come out at our level, the Senate level, or something in between?

Second, even if we knew that level, it is an absolute fact that the authorization bill, by law, does not have to pass, does not have to conform to the budget resolution. The appropriation bill does, but the authorization bill does not.

So given those uncertainties, number one, we do not know where this thing is going to come out. Number two, what we really have to worry about is the appropriation bill conforming to the budget resolution, and, that appropriation bill has to conform to the budget resolution. It gives us some numbers to play with and we are going to have to work this thing out in conference as to what we do with the various weapons systems that are going to be offered.

The one advantage of passing this budget resolution is that it will take the pressure off of various amendments later in the process. Some may think this is an advantage; some may think it is a disadvantage. But if we are discussing various amendments in the future in this bill, amendments that will cut, the added argument for this amendment is that it will bring down to conformity with the budget resolution.

□ 1430

People who want to offer amendments further in this bill, who want to add, will find themselves swimming upstream against an attitude, "Well, you are further making this budget out of synch with the budget resolution."

So the argument, I think, is what we ought to do is take this amendment, pass it, make it consistent with the budget resolution, and then look at the various amendments as they come along and judge them on their merits. If people want to vote for SDI or against SDI, they ought to be doing it on the merits, not because the budget is over or under the budget resolution when that amendment comes up.

If somebody wants to vote for additional money for something, they ought to be able to vote for it on its merits; not for or against it because the committee bill is over the budget resolution when the amendment comes up.

So I think that given the tough spot we are in, we do have an opportunity here and in the committee to bring it into conformity with the budget resolution, and I offer the amendment and will let the House work its will on the amendment.

Mr. COURTER. Mr. Chairman, will the gentleman yield?

Mr. ASPIN. I yield to the gentleman from New Jersey.

Mr. COURTER. I thank the gentleman for yielding.

Mr. Chairman, the gentleman, I think, explained the amendment very well. The gentleman further said that the authorization bill, and he is correct, has to have funding for outyears of weapons projects, part of that funding being the cost of inflation.

The question is: Does the appropriation bill as well take into consideration outyears for inflation?

Mr. ASPIN. The gentleman is correct.

Mr. COURTER. Both of them will have to do that. I thank the gentleman very much.

Mr. GREEN. Mr. Chairman, will the gentleman yield?

Mr. ASPIN. I yield to the gentleman from New York.

Mr. GREEN. I thank the gentleman for yielding.

Mr. Chairman, for several years I have been sounding an alarm as our national deficit continued to climb to its $200 billion per year that we would one day have to reign in our runaway defense spending. Now that day is here. The fiscal crunch has finally caught up with the Pentagon wish list, and I would like to sound another concern.

In reducing our deficit, we must not sacrifice our defense posture to that which is politically easy. We must resist the temptation, first, to cut into operations and maintenance, with consequent loss in readiness and sustainability; and second, to stretch out weapons procurement instead of scrapping marginal weapons programs. Such stretch-outs could result in a consequent rise in per-unit cost and ultimately yield less bang for the buck, not more.

I, therefore, would like to ask the distinguished chairman of the Committee on Armed Services to comment on these issues, and I defer to the gentleman to respond on the first of these questions.

Does the bill, with his proposed amendment, achieve its savings by compromising on readiness and sustainability?

Mr. ASPIN. Let me answer the gentleman's remarks by saying that the only cuts in the operations and maintenance account in this amendment is $1.6 billion which was recommended by the Secretary of Defense. We are following the recommendations of the Secretary of Defense. Nothing else that we are doing in this bill affects the O&M account.

Mr. GREEN. I thank the gentleman for his response and I now would like to turn to the second issue.

Does the bill, with the gentleman's proposed amendment, achieve its savings simply by stretching out procurements, which we all know will in the end simply buy us less for more, or does it make some hard choices that have to be made if we are going to run our procurement at efficient rates?

Mr. ASPIN. The gentleman is putting his finger on what I think is a very, very important issue. I commend the gentleman for his concerns.

Our amendment does not stretch out any weapons systems at all. Indeed, in the bill that we were dealing with, and the Procurement Subcommittee of the gentleman from New York [Mr. STRATTON] was most involved in this, we tried in as many cases as we could to deal with this issue by terminating weapons systems rather than just stretching out weapons systems.

I think we have further to go on this, but I think the subcommittee of the gentleman from New York has made a great effort at this.

But to answer the gentleman's question, this amendment does not stretch out any weapons systems.

Mr. GREEN. I thank the gentleman for his response.

Mr. MORRISON of Connecticut. Mr. Chairman, will the gentleman yield?

Mr. ASPIN. I would be happy to yield to the gentleman from Connecticut.

Mr. MORRISON of Connecticut. I thank the gentleman for yielding.

Mr. Chairman, I rise to commend the gentleman for his amendment and to thank him for offering it and for seeking a rule which permitted it to be offered at the beginning of the bill.

As the gentleman says, a particular proponent of an amendment might or might not like to have this question decided up front, but I think it is appropriate that the House have the opportunity to go on record conforming this authorization bill to the budget level, to the 1985 spending levels. I think the House has indicated its interest in doing that in each and every authorization bill that has come before the House, and I think it is appropriate that we do it here.

I think the procedure that is being employed is a good one, and I think on the merits of the amendment it is a good one. Obviously, as we go down the road and we come to the end of the bill, other choices may be made by the House and there may be things to be done in conference. But I would hope we would have a vote on this amendment which would make clear, and make clear in the conference, that this is a House position that is not just a bargaining position but is a position that is strongly held, because I think it is a policy that the House has set forth not only in the defense area, but across the board as we have voted on authorizations throughout the process.

Mr. ASPIN. I commend the gentleman for his statement and thank him very much for his comments. I would remark that the gentleman from Connecticut is becoming the watchdog of the budget process, and I commend him for his consistency. What we have in this place, of course, is people who are willing to be tough and freeze some programs and not others, but a person who does it across the board is the only way, as the gentleman knows, that we are going to deal with the budget deficit.

I commend the gentleman for his initiative and for making the effort and leading the effort on this, not only on this bill but on the other domestic programs that we have had authorization bills for so far.

Mr. MORRISON of Connecticut. I thank the gentleman.

Mr. COURTER. Mr. Chairman, will the gentleman yield for one further question?

Mr. ASPIN. I yield to the gentleman from New Jersey.

Mr. COURTER. I thank the gentleman for yielding.

Mr. Chairman, the gentleman indicated that of the $10 billion that the amendment is supposed to save, or take out from the defense authorization bill, approximately $5.6 billion is for that future inflation factor.

The question I have is: Does it eliminate the inflation factor, or reduce it percentage-wise?

Mr. ASPIN. It reduces it. The future inflation factor in the weapons account, over and above what is necessary for 1986, or what we think is necessary for 1986, is $8.2 billion.

Mr. COURTER. It is about 60 percent.

Mr. ASPIN. About 60 percent.

Mr. Chairman, I reserve the balance of my time.

The CHAIRMAN pro tempore (Mr. DURBIN). The gentleman from Wisconsin [Mr. ASPIN] has consumed 18 minutes.

The Chair now recognizes the gentleman from Alabama [Mr. DICKINSON] for 30 minutes in opposition to the amendment.

Mr. DICKINSON. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I rise in opposition to this amendment and the proposed cuts contained therein. I think that our chairman has fairly stated the situation. We had a lot of discussion and were told that in order to bring the bill to the floor that it was at least advisable to make it conform to the House Budget Committee's mark.

At the time that we met and marked up our bill, we did not have that guidance from the Budget Committee. We did not know what figure they would recommend. We knew that the Senate at first had come up with a 3-percent growth plus inflation. It was to that figure that we marked, knowing that we would not go that high in the House budget, but using our best judgment based on prior performance, we marked to a lesser figure.

After we had marked, the Senate came back and marked to zero-growth plus inflation, and that was approximately to what the House had marked, too; zero plus about 4 percent.

After we had done this, the House Budget Committee met and they came up with a zero growth and zero inflation. We were caught between those two figures but that was something we felt we could live with because we realized that until the House and Senate Budget Committees get together and reconcile their differences, there is no final budget figure.

So for this reason, it was my feeling that it was unnecessary for us to delete this additional $10 billion because, after all, we do not have a final budget figure. If we did, it would still just be a target figure, and in addition to that, the budget is supposed to be binding only on the appropriations process and not the authorization process. So we are really not, by the House rules, legally bound by it.

□ 1440

It was my feeling that we should maintain our flexibility. There is no need to delete this additional $10 billion to come to a zero-zero figure, because that gives us some flexibility so that we could go forward with the bill that our committee reported and that we had cut very severely as it was. As a matter of fact, in the administration's request when they came over for the defense authorization bill, they were asking for $322 billion. We were not willing to mark to that figure, and our committee, before the Budget Committee did anything, reduced this figure by $19.6 billion. So we had already cut it almost $20 billion.

Now, with the proposed reduction offered by my chairman, this would mean that it would be $29 billion, almost a $30 billion cut from the administration's request.

I think that is unwise. I think it is unnecessary to cut this deeply into the defense bill. Think what this will do now to the bill if we in fact approve this reduction. If we come along and approve this reduction and have a zero-growth and zero-inflation figure, then, with all of the proposed cuts to follow—and I can assure the Members of the House that there are quite a few amendments to be offered that will reduce this bill; as a matter of fact, there have been over a hundred amendments printed in the RECORD as of this date, proposed amendments to this bill—then this means that those amendments that pass subsequent to this that reduce the bill will take it to a negative growth, take it below zero-zero.

For instance, it is my proposal to limit the MX missile program to 50. We would propose a pause and not build 21 this year if my amendment is adoped. This would reduce the request from 21 down to the 12. This means that this bill will be reduced by $228 million.

If the Mavroules amendment should pass and cap it for those years, it would reduce it over $1 billion. There is a very hotly contested issue that will be debated probably tomorrow on the binary or the chemical weapon. There is $124 million in there. If we take that out, that will be an additional $124 million reduction below the zero-zero figure. This is before we even get to the SDI, the so-called star wars program. There are any number of amendments out there running from $1 billion to something less that would reduce that program.

So the programs of the MX, the binary round, and the SDI have proposed or anticipated cuts running up

to a couple of billion more than the committee has come up with.

I think it is unwise at this time to say that we are going to cut $10 billion out, down to zero-zero, in the face of the threatened cuts that are coming from members of the committee and from members of the Committee of the Whole. These cuts would result in a real negative growth in this year at a time when we know that we are falling behind the Soviets in our level of effort and when we need to be shoring up our efforts.

It is unfortunate that we have a climate developing in the House and through the country coming out of the horror stories of the past of waste, fraud, and abuse, from the $600 toilet seat, and the $600 ashtray, to the $400 clawhammer. All of these horror stories build one on the other to the point where there is a general erosion of confidence in our ability to govern or the ability of the Department of Defense to govern its affairs and spend its money wisely. I regret that this is so.

It was for this reason that I urged the President to impanel a special blue-ribbon panel and to ask some of the msot prestigious people he could who were knowledgeable in the field to study the overall problem. The President has done this. Yesterday, from the Rose Garden and the White House, he announced the appointment of Dave Packard, who chairs this special blue-ribbon panel to deal with the subject of waste, fraud, and abuse of procurement and of accounting. Also I am sure that the charter will be broad enough to look at the culpability of all involved, which includes the Congress, OMB, the administration, the contractors, and the Department of Defense.

I would hope, in the face of the 40-odd amendments that are proposed to correct our procurement process, we will first allow the experts to come up with a solution. We can later put this into law and not try to legislate on the floor in a piecemeal fashion each individual solution to the horror stories that we hear. Unfortunately, though, as I say, this situation has built up in an atmosphere of general erosion of confidence that is reflected and spills over in the bill and amendments thereto. It seems that many people want to be punitive and want to punish those people. That is not what we should do. It is certainly not in the best interests of our country.

The mandate that our committee, the Committee on Armed Services, has is to provide for the general welfare and the defense of this country. That is what we have conscientiously attempted to do, and that is the product that we bring the Members in this bill.

So when we come down to zero growth, real growth, only allowing for inflation, we think this is a reasonable approach. To go further than that, I think, is to take it too far. To say we should have zero growth and not even allow for inflation means that we automatically have a negative growth. If we do that and start making additional cuts for SDI, MX, binary, and all the other weapons systems we have to deal with, then we are not only going down to zero this year. We are going below zero as we subtract the inflation for this year. We are cutting very, very far into our defense capabilities and coming up with a very serious situation that we will be years in correcting if we go down that path. I think that would be shortsighted.

Mr. Chairman, I urge a no vote, and I reserve the balance of my time.

The CHAIRMAN pro tempore. The gentleman from Alabama [Mr. DICKINSON] has consumed 10 minutes.

Mr. ASPIN. Mr. Chairman, I have no further requests for time.

Mr. DICKINSON. Mr. Chairman, I yield 7 minutes to the gentleman from New Jersey [Mr. COURTER].

Mr. COURTER. Mr. Chairman, I thank the gentleman from Alabama for yielding me this time.

I certainly recognize and appreciate the arguments of the chairman of the committee. I think some of those arguments have some merit. I am concerned about the proposal for two reasons.

First of all, the functional result of the proposed amendment, the amendment we will soon be voting on for reduction of $10 billion in the authorization process for fiscal year 1986 in the DOD function, limits, as was explained by the gentleman from Wisconsin, $5.6 billion from inflation in outyears.

There was, I think, a very legitimate public reason why outyears of inflation were to be included in the cost of weapons systems. It was to give the Members of Congress, the Members of both bodies, the public, and the administration disclosure as to the true cost of a weapons system when we authorize it or appropriate it. As we all know, it takes sometimes 7 years, 8 years, or 9 years to build some weapons systems. Aircraft carriers, for example, take a long period of time.

The result of this amendment, by eliminating 60 percent of the anticipated inflation in the future growth of a weapon, means we will not be able to get the true picture as to the cost of an individual weapons system. Therefore, I think this amendment, although certainly it is very well-intentioned and apparently gets us around a difficult problem, basically camouflages and eliminates from the law the ability to give the public, the American people, a real honest look at the true cost of a weapons system before we buy it.

Mr. HILLIS. Mr. Chairman, will the gentleman yield?

Mr. COURTER. I yield to the gentleman from Indiana.

Mr. HILLIS. Mr. Chairman, I thank the gentleman for yielding.

I think the gentleman is making a very important point here. I can recall myself a few years ago reading the cries of "overrun" in the press about certain weapons systems, and when you read the fine lines in the article, you learned that what they were talking about was that we had inflation in the pricing of that weapons system and instead of the airplane costing $5 million, it was now $8 million or $9 million. So in those years the Pentagon, if anything, was purposely understating the inflation factor to make the defense budget look good.

□ 1450

It seems to me what we are talking about, what we are flirting with, is going back to that very same procedure and when we get there, we are not going to like it. I thank the gentleman for making that point.

Mr. COURTER. I thank the gentleman for his contribution.

We, in essence, are doing the precise thing that we criticized the Pentagon for doing during the years 1979, 1980, 1981 and I believe 1982. We kept on getting quite irritated at the Department of Defense for underestimating what the inflation figure, making the weapons systems look small, making them look good, making them look more palatable, making them look more viable, making it look more affordable, to the American people. Therefore, this amendment precisely does what we criticized the Department of Defense for doing a few years ago. In fact, it is worse, because a few years ago the Pentagon at least made a good-faith effort as to what they thought future inflation will be. This is not even that. This is not a good-faith effort. This is an assumption that inflation is going to be one figure and we take 60 percent of that figure and say that is savings. It is bogus savings. There is no real savings here at all.

Granted, I am one here who stands saying that we are underspending for the defense function. But at least I believe we should let the American people know the true cost of weapons systems and not do today what we blamed the Department of Defense for doing a few years ago. That is one unfortunate result of the amendment.

The second was articulated very well by the ranking minority member of the Armed Services Committee [Mr. DICKINSON]. The result here is that if we affirmatively vote this $10 billion of savings for fiscal 1986, then we reduce the authorization by that sum of money, to conform it to 1985.

But what happens then is that we are faced with a series of further amendments. I think there have been 60 in the CONGRESSIONAL RECORD.

There are probably another 60 or 65 amendments that we know of. About 95 percent of the amendments that deal with budget items, that deal with cost factors, are urging reductions and not increases.

No one can persuade me that each one of those amendments are going to be beaten. No one can persuade me that this will take the steam out of the Dellums amendment. Nothing is going to take the steam out of RON DELLUMS' amendment. the gentleman from California is going to talk as articulately as the gentleman possibly can with regard to the need of further reductions in SDI or further reductions of MX. The gentleman is not going to be set off the track. He is not, nor the author of any other amendment is going to say, "Well, now my amendment is not so serious because we finally reached the level of authorizations that I wanted."

The functional result then will be a reduction in authorization of $10 billion for 1986 compounded by further reductions in authorizations, because some of those amendments are going to pass. And what this House then is going to be faced with is not a 1985 plus inflation, not 1985 authorization with zero inflation, but a real reduction from 1985. A real reduction greater than 4 percent.

So we are setting the scene for not only a real reduction in defense spending, but a reduction over 1985 levels, and I want the Members on both sides of the aisle to actually know that that in fact is what is going to happen. That is the functional result of this amendment.

There is another way around our problem. I would have suggested that this amendment be brought at the end of the bill so the amendment could have taken into consideration the real savings of the Dellums amendment, the real savings in other types of amendments. That would have been the proper way to do it. When the bill is completed, have a conforming amendment looking to find out what types of savings we actually made during the process as the days unfold.

I thank the gentleman for yielding to me and I yield back the balance of my fleeting moments.

Mr. DICKINSON. Mr. Chairman, I yield 5 minutes to the gentleman from Ohio [Mr. KASICH].

Mr. KASICH. Mr. Chairman, I thank the gentleman for yielding.

I would like to take a little different twist on this argument, because I can agree essentially with what the chairman is trying to do in light of the fact that we have had the revelations about inflation. I think the debate still exists whether we reprogrammed, did we turn back money that we should have.

I think it is fair to say that there are great questions in that area and I think it is fair to say that in light of those revelations, combined with the fact that we have had about $1.1 trillion in budget authority over the last 4 years, I do not think it is irresponsible for this Congress or this House to freeze defense spending at the fiscal year 1985 level.

Now, I do not think that defense which represents about 26 percent of the budget can continue over the long haul to represent 50 percent of deficit reduction, but I think that for 1 year in light of all these revelations, it would be fair to do that; however, and I think the point has been articulated well by the gentleman from Alabama [Mr. DICKINSON] and the gentleman from New Jersey [Mr. COURTER], if you reduce $10 million off the bat before we even begin to mark up this bill, I can tell you that I think it is fair to project that there is probably about $1.2 billion in reductions that we are going to see on MX, if there is an MX cut, and I think there is a good possibility that will happen.

On SDI, we are talking about an additional $400 million.

There is also an amendment that is going to be offered that will cut 10 percent from the procurement function, which will save about $9 billion, if that amendment would happen to be passed.

Now, in addition to that, let us assume that at the end of this bill somebody stands up and says, "Let's cut 1 percent, 1 measly percent from the defense budget," and that passes, we are talking about an additional $3 billion; so to add up the MX savings and the SDI, we are up to about $1.7 billion. If we add the binary munitions cut, and I think you can argue that some of these things may in fact happen, we add into that the 1 percent across-the-board cut, which I think is likely to be offered, and then we are talking about being $5 or $6 or $7 billion under what the Budget Committee wanted.

Now for those who are interested in having a freeze at the fiscal year 1985 level, I am with you. I would be willing to do that and I approach the gentleman from Wisconsin [Mr. ASPIN] early on to say:

Look, Mr. Chairman, let's have this amendment offered at the end of this bill so that if we are in fact above the budget recommendation, we can move to take into account the inflation savings and a variety of other things and meet the Budget Committee target.

But to do it early on and then to make further cuts is wrong. I say this to my friends on my side of the aisle who are concerned about freezing defense at the fiscal year 1985 level, that an amendment at the end of this bill to move it at the fiscal year 1985 level, we could all support; but to do it right now, $10 billion off the bat, is too much.

Mr. MAVROULES. Mr. Chairman, will the gentleman yield?

Mr. KASICH. I would be glad to yield.

Mr. MAVROULES. Mr. Chairman, just to help out this colloquy, that is all, the gentleman points out very correctly that there could be other cuts in view of some of the amendments that will be offered; but what the gentleman has not stated, and I think we ought to put on record, is that we are going to add money to the bill.

Mr. KASICH. Let me just reclaim my time and tell the gentleman from Massachusetts, I agree with him. All I am arguing is that we ought to try to reconcile ourselves with what the Budget Committee recommended at the end of the bill when we see where we are; but what I fear is that what we are going to do is pass the $10 billion reduction now, which puts us at the fiscal year 1985 freeze, which many of my conservative colleagues support; but then we move from there. We cut SDI.

We move from there. We cut MX.

We move from there. We take a 1-percent reduction across the board.

We move to the 10-percent reduction in procurement, which is $9 billion.

The next thing you know, we are cutting $10 billion or $15 billion beyond what the House Budget Committee has said.

I know the chairman shakes his head, but if we get across-the-board cuts in any of these areas, we are talking big dollars.

So all I would do is ask the chairman to defeat this amendment now.

I ask my colleagues who are concerned about deficit reduction to defeat this amendment and let us reconcile ourselves at the end.

A fiscal year 1986 defense freeze is fine; but let us do it at the end of the bill. Let us not go even deeper than that and let us not forget that in the out years we cannot make deficit reductions occur so easily with defense, which is taking 50 percent of the reductions.

Mr. COURTER. Mr. Chairman, will the gentleman yield?

Mr. KASICH. Yes.

Mr. COURTER. Mr. Chairman, would the gentleman say that the amendment, although brought with good intentions, is basically a subterfuge to reduce defense spending below the 1985 levels?

Mr. KASICH. Would the gentleman repeat that?

Mr. COURTER. Would the gentleman say that the functional result of this amendment is a subterfuge to reduce defense spending below the 1985 levels?

Mr. KASICH. I think what the Chairman is trying to do is he is trying to grab the high ground and he is trying to say that if we cut the $10 bil-

lion, then we take the wind out of the sails of anybody that wants to do any more; but I think there is all likelihood that we are going to see reductions in SDI.

The CHAIRMAN pro tempore. The time of the gentleman from Ohio [Mr. KASICH] has expired.

Mr. DICKINSON. Mr. Chairman, I am pleased to yield 1 additional minute to the gentleman to conclude.

Mr. KASICH. Mr. Chairman, I think what we are going to see is we are going to pass this $10 billion reduction, as the gentleman from New Jersey says; but I think we will also see MX and SDI amendments which will take us below where even the House Budget Committee wanted to go.

□ 1500

Mr. ASPIN. Mr. Chairman, I yield myself such time as I may need.

Let me just respond to a couple of points.

First of all let me say at the outset that I understand there are good arguments for voting against this amendment and I pointed them out. We do not know where the budget resolution is going to come out.

In any case, the budget resolution does not apply to the authorization bill. If you do not want to vote for it, there are good arguments. I can argue it either way. I am going to vote for it and I think that we ought to offer, as a committee, we ought to offer the position to the Congress as to whether they want to have this kind of a change in the thinking going into the consideration of the bill, before they move to the consideration of the bill. And I am offering it.

If the House votes for it, fine; if they vote against it, that is fine with me, too.

But let me just respond to the points raised by the gentleman because I think it is important. First of all, this inflation number is a real problem. We do not know what that inflation number is.

When we project in the out years we do it badly. In the late 1970's we underestimated inflation. In the early 1980's we overestimated inflation. In the late 1970's we put in too little money for defense programs. In the early 1980's we put in too much money for these programs.

What I am suggesting by this amendment is that what we ought to do is fund inflation a year at a time. It seems to me that regardless of how we feel about amendments, that this is an idea that ought to be discussed, and I would like to surface it at the conference with the Senators if we pass this bill.

Let me just finish, however. We all know that springing a new idea on the other body like this is not likely to bring cries of joy over on that side. If this amendment is not accepted exactly the way we have it in the other body, we go back to the level of the bill and argue about the levels in the bill that we have right now. Or with whatever changes that we make between now and the end of the bill when we consider it over the next few days. So we will be negotiating with the other body to certain budget levels that are already in this bill for various weapons systems. That is not going to change.

We may be under some constraint to offer up, eventually bring out a budget resolution that is at least nominally consistent with where the conference is, if there is a budget conference in the meantime before there is a Senate conference. But in the meantime we are arguing the levels in this bill of MX, F-15's, whatever it is, whatever we pass, and that is going to be our going-in position and that is what we are going to argue about with the other body.

A third point, the gentleman is correct that this is not going to affect RON DELLUMS' amendment or the others. But I will tell you that it will affect a couple. That 10 percent across-the-board cut on procurement I think will be affected. I mean people are more likely to vote for a 10 percent across-the-board cut in procurement if the bill we are dealing with is over the budget resolution than if the bill we are dealing with is at the budget resolution. I think it will affect some places.

Finally, the gentleman says we could have brought this up at the end. Let me make a deal. If at the end of the bill we are below last year's level, just last year's level, if the gentleman will offer, I will cosponsor, an amendment to add back whatever inflation we have got to make it consistent with a flat freeze. In other words, let us suppose we end up at $2 billion below. We will put the $2 billion more into the bill for inflation.

Mr. COURTER. Mr. Chairman, will the gentleman yield?

Mr. ASPIN. I yield to the gentleman from New Jersey.

Mr. COURTER. I thank the gentleman. I am not going to stop opposing his amendment because of that offer, but I accept the offer nevertheless, and I am glad to share the cosponsorship of that amendment.

Mr. ASPIN. If that will get me any votes, the deal is on.

Mr. Chairman, I yield back the balance of my time.

Mr. DICKINSON. Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentleman from Wisconsin [Mr. ASPIN].

The question was taken; and the Chairman pro tempore announced that the ayes appeared to have it.

RECORDED VOTE

Mr. DICKINSON. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 301, noes 115, not voting 17, as follows:

[Roll No. 165]

AYES—301

Ackerman	Feighan	Martinez
Akaka	Fish	Matsui
Alexander	Florio	Mavroules
Anderson	Foglietta	Mazzoli
Andrews	Foley	McCloskey
Annunzio	Ford (TN)	McCurdy
Anthony	Fowler	McGrath
Applegate	Frank	McHugh
Aspin	Frenzel	McKernan
Atkins	Frost	McKinney
AuCoin	Fuqua	Meyers
Barnes	Garcia	Mica
Bates	Gaydos	Mikulski
Bedell	Gejdenson	Miller (CA)
Beilenson	Gephardt	Miller (WA)
Bennett	Gibbons	Mineta
Bereuter	Gilman	Moakley
Berman	Glickman	Mollohan
Bevill	Goodling	Monson
Biaggi	Gordon	Moody
Boehlert	Gradison	Moore
Boggs	Gray (IL)	Morrison (CT)
Boland	Gray (PA)	Morrison (WA)
Boner (TN)	Green	Mrazek
Bonior (MI)	Gregg	Murphy
Bonker	Guarini	Murtha
Borski	Gunderson	Natcher
Bosco	Hall (OH)	Neal
Boucher	Hamilton	Nowak
Boxer	Hammerschmidt	Oakar
Breaux	Hansen	Oberstar
Brooks	Hatcher	Obey
Broomfield	Hawkins	Olin
Brown (CA)	Hayes	Ortiz
Brown (CO)	Hefner	Owens
Broyhill	Heftel	Panetta
Bruce	Henry	Parris
Bryant	Hertel	Pease
Burton (CA)	Hopkins	Penny
Bustamante	Horton	Pepper
Carper	Howard	Perkins
Carr	Hoyer	Petri
Chandler	Hubbard	Pickle
Clay	Huckaby	Porter
Clinger	Hughes	Price
Coats	Jacobs	Pursell
Coelho	Jenkins	Rahall
Coleman (TX)	Johnson	Reid
Collins	Jones (NC)	Richardson
Conte	Jones (OK)	Ridge
Conyers	Jones (TN)	Rinaldo
Cooper	Kanjorski	Ritter
Coughlin	Kaptur	Roberts
Coyne	Kastenmeier	Robinson
Craig	Kennelly	Rodino
Crockett	Kildee	Roe
Daschle	Kolbe	Roemer
de la Garza	Kolter	Rogers
DeLay	Kostmayer	Rose
Dellums	Kramer	Rostenkowski
Derrick	LaFalce	Roth
Dicks	Lantos	Roukema
Dingell	Leach (IA)	Rowland (CT)
Dixon	Lehman (CA)	Rowland (GA)
Donnelly	Lehman (FL)	Roybal
Dorgan (ND)	Leland	Russo
Dowdy	Lent	Sabo
Downey	Levin (MI)	Savage
Durbin	Levine (CA)	Schaefer
Dwyer	Lewis (FL)	Scheuer
Dymally	Lightfoot	Schneider
Early	Lipinski	Schroeder
Eckart (OH)	Long	Seiberling
Edgar	Lowry (WA)	Sensenbrenner
Edwards (CA)	Lujan	Sharp
Emerson	Luken	Sikorski
English	Lundine	Skelton
Erdreich	Mack	Slattery
Evans (IA)	MacKay	Smith (FL)
Evans (IL)	Madigan	Smith (IA)
Fascell	Manton	Smith (NE)
Fawell	Markey	Smith (NJ)
Fazio	Martin (IL)	Smith, Denny

Smith, Robert	Tauke	Weiss
Snowe	Tauzin	Wheat
Snyder	Thomas (GA)	Whitley
Solarz	Torricelli	Whittaker
Spratt	Towns	Whitten
St Germain	Traficant	Wirth
Staggers	Traxler	Wise
Stallings	Udall	Wolf
Stangeland	Valentine	Wolpe
Stark	Vander Jagt	Wright
Stenholm	Vento	Wyden
Stokes	Visclosky	Wylie
Stratton	Volkmer	Yates
Studds	Walgren	Yatron
Sundquist	Watkins	Young (AK)
Swift	Waxman	Young (MO)
Synar	Weaver	
Tallon	Weber	

NOES—115

Archer	Fields	Moorhead
Armey	Gallo	Myers
Badham	Gekas	Nelson
Barnard	Gingrich	Nichols
Bartlett	Grotberg	Nielson
Barton	Hall, Ralph	O'Brien
Bateman	Hartnett	Oxley
Bilirakis	Hendon	Packard
Bliley	Hiler	Pashayan
Boulter	Hillis	Quillen
Burton (IN)	Holt	Ray
Byron	Hunter	Regula
Callahan	Hutto	Rudd
Campbell	Hyde	Saxton
Carney	Ireland	Schuette
Chappell	Kasich	Schulze
Chappie	Kemp	Shaw
Cheney	Kindness	Shelby
Cobey	Lagomarsino	Shumway
Coble	Latta	Shuster
Coleman (MO)	Leath (TX)	Siljander
Combest	Lewis (CA)	Sisisky
Courter	Livingston	Skeen
Crane	Lloyd	Slaughter
Daniel	Lott	Smith (NH)
Dannemeyer	Lowery (CA)	Spence
Darden	Lungren	Stump
Daub	Martin (NY)	Sweeney
Davis	McCain	Swindall
DeWine	McCandless	Taylor
Dickinson	McCollum	Thomas (CA)
DioGuardi	McDade	Vucanovich
Dornan (CA)	McEwen	Walker
Dreier	McMillan	Whitehurst
Duncan	Michel	Wortley
Dyson	Miller (OH)	Young (FL)
Eckert (NY)	Mitchell	Zschau
Edwards (OK)	Molinari	
Fiedler	Montgomery	

NOT VOTING—17

Addabbo	Jeffords	Solomon
Bentley	Kleczka	Strang
Flippo	Loeffler	Torres
Ford (MI)	Marlenee	Williams
Franklin	Rangel	Wilson
Gonzalez	Schumer	

□ 1520

The Clerk announced the following pair:

On this vote:

Mr. ADDABBO for, with Mr. FLIPPO against.

Mr. TAYLOR changed his vote from "aye" to "no."

Mr. WEISS and Mr. WHITTAKER changed their votes from "no" to "aye."

So the amendment was agreed to.

The result of the vote was announced as above recorded.

AMENDMENT OFFERED BY MR. DICKINSON

Mr. DICKINSON. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. DICKINSON of Alabama: Page 13, line 15, strike out "$9,039,500,000" and insert in lieu thereof "$8,810,700,000".

At the end of title I (page 22, after line 23) add the following new section:

SEC. 111. MX MISSILE PROGRAM.

(a) SENSE OF CONGRESS.—It is the sense of Congress that—

(1) not more than 50 MX missiles should be deployed in existing minuteman silos;

(2) after procurement of 50 missiles for deployment in those silos, further procurement of MX missiles should, unless a different basing mode is proposed by the President and agreed to by Congress, be limited to those necessary—

(A) for the MX missile reliability testing program; and

(B) as spares within the logistics system supporting the deployment MX missile force; and

(3) during fiscal year 1987, depending upon the most efficient production rate, from 12 to 21 MX missiles should be procured, but those missiles should (as provided in paragraph (2)) be limited only to spare and test missiles unless a different basing mode is proposed by the President and agreed to by Congress.

(b) LIMITATION ON FY 86 AND EARLIER FUNDS.—None of the funds appropriated or otherwise made available in an appropriation law for fiscal year 1986 or any prior fiscal year for procurement of missiles for the Air Force may be used—

(1) to deploy more than 50 MX missiles in existing Minuteman silos;

(2) to modify, or prepare for modification, more than 50 existing Minuteman silos for the deployment of MX missiles;

(3) to acquire basing sites for more than 50 MX deployed missiles; or

(4) to procure long-lead items for the deployment of more than 50 MX missiles.

(c) LIMITATION ON FY 86 MX PROGRAM.—(1) Of the funds appropriated or otherwise made available in an appropriation law for fiscal year 1986 for procurement of missiles for the Air Force, not more than $1,889,000,000 may be used for the MX missile program.

(2) Not more than 12 MX missiles may be procured with funds appropriated or otherwise made available in an appropriation law for fiscal year 1986 for procurement of missiles for the Air Force.

Mr. DICKINSON (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Alabama?

There was no objection.

Mr. DICKINSON. Mr. Chairman, I think without a doubt this amendment and those that will be offered in substitute thereof, are probably the most important if not—one of the most, if not the most important amendment that will be offered to this bill this week.

This has to do with whether or not we will continue production of the MX missile, and if so, to what extent.

If I might have the attention of the ladies and gentleman of the committee, I will try to be as succinct as possible and not prolong the matter, but if you will recall, the initial intent of the administration, going back to Carter, was to build and deploy 200 MX missiles.

This administration changed that, and came forward with a plan to build and deploy 100 MX missiles. It has been on that premise that we have gone forward and 2 years ago approved a production level of 21. Last year, we also approved an additional 21. This year, coming out of our committee, we approved an additional 21, which was considered by the Department of Defense as the most economical production rate.

So we had 21, 21, and then this year the committee recommended the authorization of 21 MX missiles. Since then, there has been a great deal of discussion as to whether or not we are willing to go forward with the full 100 missiles. Since then, the administration, meeting with the other body, has agreed to pause at 50.

My amendment simply conforms to what has been done in the other body and what has been agreed to by the administration. We are saying we are not going to go forward with the full 100 that had been intended; we are going to build 50, we are going to stop. We are going to see what the Soviets will do in Geneva, and if they will negotiate in good faith, perhaps we will not need to build any more. We will go forward with building test missiles only; but this bill, with a sense of the Congress, simply provides money for 12—not 21—12 additional missiles today; 9 operational that will be deployed, the others will be test missiles. We will build nothing but test missiles from now on until authorized specifically by the House.

□ 1530

That will give us 50 operational missiles in silos. After that, we will build no more operational missiles until we see what the Soviets have done in the negotiations in Geneva. If this House, if this Congress, concludes that they will not go forward and negotiate in good faith on arms reduction, then we can authorize affirmatively at that time. I am talking about 2, 3 years from now—then we could go forward with additional production. But if we conclude that there has been a good-faith negotiation, we simply would not authorize any more missiles. This makes sense. It saves $228 million in this budget; it cuts the production plan in one-half; if we do this, we do not have to come back next year and argue this same debate again, as we have for the last 2 or 3 years.

It makes sense in many ways: First, the administration supports it. The Air Force says that these are deployed in squadrons of 50. This will be one full squadron, without mixing them. It saves $228 million. It gives the Soviets an opportunity to show their good

faith. I think that this is a rational approach toward the MX problem.

Now, by way of explanation, so that the Members can understand, by agreement there will be an amendment offered, a substitute to my amendment, by Mr. MAVROULES, and will be cosponsored, to cap the missile at a lesser number of 40. I will expect to speak against that when the time comes. There will be another perfecting amendment offered by the gentleman from Florida [Mr. BENNETT] to that to eliminate all funds.

So the Members will have three choices: You can vote zero funds and eliminate all MX forever; you can cap it at 40, which, in my opinion, makes no sense; or you can complete the building of one squadron and build no more operational missiles after 50. We would simply build test missiles that are not operational and wait 1 year, 2 years, 3 years, until——

The CHAIRMAN. The time of the gentleman from Alabama [Mr. DICKINSON] has expired.

(By unanimous consent, Mr. DICKINSON was allowed to proceed for 5 additional minutes.)

Mr. DICKINSON. So I think we can resolve the question today, and I think it really comes down to this: Do you want to build nine more missiles and stop there? This would give the Soviets an opportunity to display their bona fides in the negotiation process, or do you want to build a lesser number and cap it and say we will build no more? But, really, between the 40 and 50, the Air Force will tell you, it really does not make any sense because they will not have a full squadron, and it is very expensive to mix MX and Minuteman. There are two different training cycles and the computers do not integrate.

I have a letter from Gen. Bennie Davis, Commander in Chief of SAC, saying 40 makes no sense, urging that if we do this we at least complete a squadron of 50. I think we can resolve the question once and for all at this time and not have this debate every year. We can come to a resolution within this House, and can join hands with the other body and the bill they have passed. Then, after 2 or 3 years, if the Soviets do not show their good intent to negotiate seriously and in good faith, at that time we can make a decision to go forward. In the meantime, we have kept our base of production warm so that we are able to do that. If we do less than that, if we do not keep the production base warm, then if we ever decide to rev up again and start building, it will be twice as expensive as if we kept the base warm.

So this is a commonsense approach. It should satisfy most everyone except those who want nothing, and that is not realistic, certainly not in view of the Soviet threat.

So I would hope that the Members of the House would support this commonsense approach. Let us build one squadron, stop, only build test missiles, save $228 million in this bill and give the Soviets an opportunity to display their good faith. If, ultimately, they do not do so, we can make the decision, because we have not penalized ourselves by killing the line, to again reopen the line for operational missiles. It is a reasonable approach, it is acceptable to the White House, it has already been approved by the Senate. I would certainly hope that the Members in this body would approve it and vote affirmatively when the bill comes up—not for 40, which makes no sense, not for zero, but simply build these 12 more, which would allow us to cap out at 50.

Mr. Chairman, I reserve the balance of my time.

The CHAIRMAN. The gentleman from Alabama [Mr. DICKINSON] yields back 3 minutes.

● Mr. HANSEN. Mr. Chairman, I rise in support of the Dickinson amendment providing for the procurement of an additional 12 MX missiles.

Deterrence is once again the root problem that this body must address. The question of how much is enough deterrence goes begging and in the absence of a satisfactory answer, there is the tendency to focus on less fundamental internal concerns. Some see the MX from a cost perspective, others see MX driving a hair trigger national policy, and still others would prefer to rely more heavily on the hope of future weapon systems. When these and other compelling factors are weighed, our decision remains clouded primarily because we have looked at the issue from only one side of the deterrence equation.

On the other hand, the threat side of deterrence is abundantly clear. The Soviets have embarked upon a determined, steady increase in both nuclear and conventional weapons. They now possess the necessary combination of ICBM numbers, reliability, accuracy, and yield to destroy all U.S. silos using a portion of their ICBM force. Even if we were to launch our entire force we could not conflict similar damage. Be assured that the Soviets are not wrestling with a question of deterrence—they are clearly wrestling with a more aggressive perspective. How much of an advantage is required to justify a Soviet first strike?

MX provides us with the potential to significantly erode the Soviet's confidence. Deployment would demonstrate a capability to hold, at risk, hardened military and political targets without constituting a first strike threat. Deployment would also be in concert with the position of the last four U.S. Presidents, six U.S. Congresses, the general populace of our country, and U.S. allies in Europe.

Now is not the time to convey a weak signal. Now is the time to communicate an unqualified signal that we will run shoulder to shoulder with the Soviets if they elect to continue a strategic modernization race.●

AMENDMENT OFFERED BY MR. MAVROULES AS A SUBSTITUTE FOR THE AMENDMENT OFFERED BY MR. DICKINSON

Mr. MAVROULES. Mr. Chairman, I offer an amendment as a substitute for the amendment.

The Clerk read as follows:

Amendment offered by Mr. MAVROULES as a substitute for the amendment offered by Mr. DICKINSON: Page 13, line 15, strike out "$9,039,500,000" and insert in lieu thereof "$7,842,700,000".

At the end of title I (page 22, after line 23) add the following new section:

SEC. 111. MX MISSILE PROGRAM.

(a) LIMITATION ON FY86 PROCUREMENT FUNDS FOR THE MX MISSILE PROGRAM.—Of the funds appropriated or otherwise made available in an appropriation law for fiscal year 1986 for procurement of missiles for the Air Force, not more than $921,000,000 may be used for the MX missile program. Such funds may be used only for—

(1) the acquisition of not more than eight basing sets for the basing of MX missiles;

(2) the acquisition of systems support consistent with the deployment of not more than 40 MX missiles; and

(3) maintenance of the production base for the MX missile program.

(b) LIMITATION ON DEPLOYMENT OF MX MISSILES.—The number of MX missiles deployed at any time may not exceed 40.

(c) POLICY ON FUTURE MX MISSILE PROCUREMENT.—Funds appropriated or otherwise made available for fiscal years after fiscal year 1985 for procurement of missiles for the Air Force may not be used for procurement of MX missiles except for the acquisition of those additional missiles required for the operational test and evaluation program and the aging and surveillance program.

Mr. MAVROULES. Mr. Chairman, I rise to speak on behalf of the substitute offered by Mr. MCCURDY and myself.

Shortly, Mr. BENNETT will offer his amendment and the House will have before it, three varied alternatives on the MX.

What we offer in this amendment is an honest compromise—which limits deployment—of the MX missile.

During the last 4 years, this House has locked itself into dozens of debates on this one system. We have been about as evenly divided on this subject as is humanly possible.

While the controversy on MX may not go away, at least we can put the issue behind us by adopting this language.

Briefly, let me outline our compromise.

First, the amendment legally limits the number of missiles to be deployed at 40. With 21 missiles approved in fiscal 1984, and 21 more in March 1985, the amendment essentially limits MX deployments to those missiles already approved.

Next, the amendment is fully consistent with the deployment of 40 missiles. Basing hardware and support systems is provided.

Third, our amendment authorizes zero new MX missiles for fiscal year 1986. Instead, to maintain a production base, limited funds are included to stretch existing procurements into fiscal 1986.

A total of $921 million is provided for basing, support, and production maintenance.

With the Air Force not planning to deploy the 40th MX until May 1988, and Midgetman due to be deployed in 1992, we are at a logical stopping point for the MX program.

Another consideration must be the defense budget and deficits. We can reduce the MX request, cap the program at 40, and bring down the deficit without jeopardizing our national security.

The amendment reduces the administration's MX budget request by $2.1 billion; cuts $1.2 billion from the committee bill, and saves $968 million more than the Dickinson amendment. These are dollars which can be applied directly toward the deficit, or channeled into other programs which will add muscle to our conventional forces.

Also, I think it important to note the fundamental difference between this amendment and the one of my colleague from Alabama.

The Dickinson amendment, almost identical to what was approved in the other body, states "it is the sense of Congress" that not more than 50 MX missiles should be deployed in existing Minuteman silos.

The amendment we offer is different. It limits by statute, MX deployment to 40 missiles.

Next, there is the question of follow on deployments. The gentleman from Alabama would leave the door open on the question of missile deployments beyond 50. However, the amendment I offer recogizes that if the United States is to deploy a survivable land-based ICBM, that system must be the small, mobile ICBM.

As a matter of fact, Mr. MCCURDY and Mr. GEPHARDT will offer an amendment to preserve the priority status of the small, single warhead missile.

If you support a survivable and stable land based missile system, then it is important to support the move away from the 10-warhead MX, and toward the single warhead, mobile Midgetman.

Finally, there is the question of limiting MX deployment to 40 missiles. Many have asked why 40, and not the 50 in the Dickinson amendment?

In the 1982 MX Development and Deployment Plan the Air Force stated that an initial deployment of "40 MX's in existing silos will be sufficient to hold the most threatening Soviet silos at risk."

Today, you will hear it stated that the Air Force must have 50 missiles; that the 1982 study is no longer valid.

Actually, if you go back to October 1981, when the President made the original decision, the White House recommendation was to deploy 36 MX missiles in Minuteman silos.

Forty is a responsible number.

A 40 MX missile force is not a token. Yet, its capability is not so large as to raise problems of stability.

In broad security terms, it is hard to make a case that there is a significant difference between a 40 or 50 MX force. They both can destroy about half of the Soviet's ICBM warheads.

Deploying 100 missiles, on the other hand, seems premature and dangerous, and provides little incentive for success at Geneva.

The real decision is not between 40 and 50. The choice is between 40 and 100 because without a permanent cap on missile deployments, the administration will be back next year asking for more missiles.

My colleagues, I ask for your support and help. This is a reasonable compromise. It is not perfect.

But it does provide an opportunity for the Congress and the President to put the MX controversy behind us.

We all want our security preserved.

And, every Member wants the Geneva talks to succeed.

We can be consistent with both goals by adopting this amendment.

FACT SHEET

Mavroules-McCurdy Amendment

I: Funding

I: Funding: fiscal year 1986: $921 million.

	Millions
Other Weapon System (8 Basing Kits)	$323
Support consistent with the deployment of 40 missiles	498
Flyaway (Production Base Maintenance for stretching 1985 MX missile procurement into 1986)	100
Total	921

II: Statutory Provision: The number of MX missiles deployed at any time may not exceed 40.

III: Policy on Future MX Missile Procurement: Funds Authorized and Appropriated After Fiscal 1985 for Air Force missiles may not be used for the procurement of MX missiles except for the acquisition of those additional missiles required for the operational test and evaluation program and the aging and surveillance program.

FACT SHEET

Mavroules-McCurdy	HASC	President's budget
Funding: $921 million	2.1 billion	$3.1 billion.
Procurement: Zero, warm production base.	21 missiles	48 missiles.
Total deployed: 40	50	68.

Savings:
$2.179 billion from President's budget.
$1.179 billion from Armed Services Committee Position.
$968 million from the Senate position.

FACT SHEET

Mavroules-McCurdy	Dickinson
$921 million	$1.889 billion.
Authorizes: Zero missiles	12 missiles (9 deployment, 3 OT&E).
Limit MX Deployment, by statute, to 40 missiles.	Nonbinding, sense of Congress, deployment pause at 50.

□ 1540

Mr. HILLIS. Mr. Chairman, I rise in support of the Dickinson amendment and in opposition to the Mavroules-McCurdy amendment.

Mr. Chairman, I rise in support of the MX amendment of the gentleman from Alabama [Mr. DICKINSON] and to speak against the substitute amendment that has just been offered by Mr. MAVROULES. I do this because I believe that the gentleman from Alabama is right in the approach that he takes on this difficult issue. I strongly believe in the need to maintain a modern nuclear force to provide deterrent capacity.

The Soviets have in place over 600 hard-target capable SS-18's and SS-19's that pose a very severe first-strike threat to our land-based deterrent. It has not been this Nation's policy, over the years, to match every system the Soviets have deployed with one of our own. We have even chosen different mixes of weapons in our respective arsenals.

Some would say that on balance our force capacity is equal to the Soviets. However, the highly respected and bipartisan Scowcroft Commission has reported, and I quote:

> The Soviets nevertheless now possess the necessary combination of ICBM numbers, reliability, accuracy, and warhead yields to destroy almost all of the 1,047 U.S. ICBM silos using only a portion of their own ICBM force.

On assessing this imbalance, the Scowcroft Commission strongly urges the maintenance of the triad of nuclear forces. That is our land, sea and air-based nuclear systems. The Commission cites the attack planning problems that an adversary would face if he was contemplating a strike against these three-force elements. If we maintain an effective triad system, the characteristcs of his attacking system could not completely counter the effectiveness of our air, sea, and land-based systems. Thus, he may be and would be deterred from contemplating such an attack.

Now, for this to be effective, it is absolutely essential that all the systems within the triad be modern, up-to-date, effective, and the most modern that we can produce. This has been true. We are producing, finally, a B-1 bomber; we have a Trident system going to sea; and we are in the midst of debating what our policy should be with the modernization program of MX. The missile system that was to supplement and replace the Titan sys-

tems and the early Minutemen that have been relied upon by our country for well over 20 years.

The point is that perhaps some new Soviet threat can be launched against another leg of the triad, and so all must be strong. To begin to unilaterally reduce or cut or cap at a low number, an unrealistically low number, the MX system, I think is the wrong action to take.

The negotiators at Geneva are very much interested in what we do here today. Mr. DICKINSON's amendment supports those negotiators very well, because it does not undercut them. Because the MX missiles will continue to proceed as the talks proceed. Now a cap of 40, and the production line being simply stretched out, and no new missiles being procured is a sign of stepping down the triad. Not maintaining and developing new technology and strengthening our defenses.

If we do this, there will be little incentive for the Soviets to really come forward and to talk seriously about reciprocating in response because they consider this a unilateral action on the part of the United States; all they have to do is sit back and do nothing.

Our triad of nuclear systems has kept the peace in our country for over 40 years. However, as we all know, the land-based leg is aging and approaching, rapidly, obsolescence. To keep this collective force as a viable and credible deterrent, we have to continue to modernize and keep all legs strong, and modernize the land-based leg. That is why I urge each of you, my colleagues, to continue to support this deterrent to keep the force structure that has proven its worth for over three decades. To do that, we need to adopt the Dickinson amendment and not the Mavroules approach.

□ 1550

Mr. McCURDY. Mr. Chairman, I move to strike the last word, and I rise in support of the McCurdy-Mavroules amendment.

Mr. Chairman, the MX program plays an important role in the calculus of national security, nuclear deterrence and arms control. Nevertheless, I have concluded, in the light of developments in our strategic nuclear programs and the impact of budget restrictions, that now is the time to cap the deployment of MX missiles.

In 1982, the Air Force concluded that an initial deployment of 40 MX missiles in existing Minuteman III silos would, in the near term, be sufficient to hold the most threatening Soviet missile silos at risk while the search went on for a more survivable basing mode for the remaining MX's.

I fully realize that the Air Force was, and still is, not advocating stopping MX deployment at 40 missiles. But I have found nothing, in the subsequent Scowcroft Commission report or from any other source, that invalidates the Air Force's logic concerning the initial deployment of the first 40 MX missiles.

Indeed, the success of the MX test program to date reinforces it. The 400—and 2 repeat—the 400 highly accurate warheads on these 40 missiles will put at risk a major portion of superhardened Soviet nuclear facilities now virtually invulnerable to our existing missiles. But the number of warheads will not be sufficient to put at risk all of their land-based nuclear missiles; therefore, the deployment cannot be considered giving the United States a first strike capability. Rather, nuclear deterrence and stability will be strengthened. I would also like to underscore the fact that the MX development and production schedule calls for the deployment of the 40th missile in May of 1988 at the earliest, regardless of the final number of MX's chosen for deployment.

In authorizing 42 MX missiles, the Congress has provided the number of MX's considered necessary for national security in the near term by the Air Force and we have provided the necessary support for our arms control negotiators in Geneva. With the Air Force not planning to deploy the fortieth MX until May 1988, and the Midgetman due to begin deployment not later than 1992, we are at a logical stopping point for MX deployment.

When the Armed Services Committee took up consideration of the fiscal year 1986 defense authorization bill, we found ourselves facing very difficult budget choices. The recommendation of the Scowcroft Commission to deploy 100 MX's was made at a time when defense spending was expected to increase at about 6 percent a year. Such growth, as we all now realize, is totally unrealistic. Instead, very serious priority decisions within the defense budget are necessary in order to meet our goal of reducing the Federal deficit. As a result, budgetary pressures are threatening conventional force improvements and readiness, as well as promising strategic programs such as Midgetman, the advanced technology bomber and the advanced cruise missile.

My distinguished colleague, NICK MAVROULES, in making his own analysis, independent of mine, arrived at the same conclusions. Hence we decided to jointly propose an amendment to limit MX deployment to 40 missiles.

Our amendment provides $921 million in fiscal year 1986 MX funding for the development of the basing facilities and the technical support necessary to deploy 40 MX missiles, as well as to maintain the MX production line during fiscal year 1986. Further, at the appropriate time, whether in conference with the Senate or a future procurement, the amendment is fully consistent with the acquisition of the necessary MX test and evaluation missiles.

My distinguished colleague, Mr. MAVROULES, and I support the concept of a nuclear triad because we believe it enhances deterrence and contributes to the stability necessary to prevent nuclear war. We believe that in order to maintain the viability of the nuclear triad, we need to shift the focus of the triad's land-based leg as soon as practical from MIRV'd missiles based in vulnerable silos, to one modernized with ICBM's of less target appeal and increased survivability.

By capping the MX deployment at 40 missiles we take the first step in this restructuring. Please join with us in making this possible by supporting the McCurdy-Mavroules amendment.

AMENDMENT OFFERED BY MR. BENNETT TO THE AMENDMENT OFFERED BY MR. MAVROULES AS A SUBSTITUTE FOR THE AMENDMENT OFFERED BY MR. DICKINSON

Mr. BENNETT. Mr. Chairman, I offer an amendment to the amendment offered as a substitute for the amendment.

The Clerk read as follows:

Amendment offered by Mr. BENNETT to the amendment offered by Mr. MAVROULES as a substitute for the amendment offered by Mr. DICKINSON: Strike out the dollar amount proposed to be inserted by the amendment at page 13, line 15, and insert in lieu thereof "$6,921,700,000".

In the section proposed to be inserted by the amendment, strike out all after "SEC. 111." and insert in lieu thereof the following:

TERMINATION OF MX MISSILE PROGRAM AND TRANSFERS TO CONVENTIONAL PROGRAMS.

(a) LIMITATION ON FY86 AND LATER FUNDS.—No funds appropriated or otherwise made available for procurement of missiles for the Air Force for fiscal year 1986 or for any later fiscal year may be obligated for the MX missile program.

(b) LIMITATION ON PRIOR-YEAR FUNDS REMAINING AVAILABLE FOR OBLIGATION.—Funds appropriated or otherwise made available for procurement of missiles for the Air Force for a fiscal year before fiscal year 1986 that remain available for obligation may not be obligated for the MX missile program.

(c) AUTHORIZATION OF TRANSFER OF PRIOR-YEAR MX FUNDS INTO CONVENTIONAL PROGRAMS.—Subject to the provisions of appropriations Acts, the Secretary of Defense may transfer to amounts appropriated for fiscal year 1986 for the Department of Defense any amounts appropriated or otherwise made available for procurement for the MX missile program for a fiscal year before fiscal year 1986. Any amount transferred pursuant to the preceding sentence shall be available only for conventional warfare programs.

(d) AUTHORIZATION OF APPROPRIATIONS FOR CONVENTIONAL PROGRAMS.—There is hereby authorized to be appropriated for fiscal year 1986 for procurement for the Armed Forces $2,117,800,000. Amounts appropriated pursuant to such authorization shall be available only for conventional warfare programs. Such authorization is in addition to any other authorization provided in this title.

Mr. BENNETT. Mr. Chairman, some years ago, 2 or 3 or whatever it was, when we started the debate about the MX missile, I remember saying that this particular thing, the triad, was not the trinity, and we still hear talk here on the floor of the House about having three branches. Of course, we have three branches anyway. We have the cruise missile, and we also have low-trajectory submarine operation if you want to have another way of doing it. The cruise missile can be fired from the air or the sea or land.

Mr. Chairman, I oppose the authorization of any funds for the MX missile for three basic reasons: It is a highly vulnerable weapon, the funds for which should be spent for more needed weapons. Second, this weapon is not needed for any talks with the Soviets. We have seen that carried out in recent events. Third, it does not add to our strategic deterrence in any substantial manner. Most people agree on these conclusions.

Mr. Chairman, many Members voted for the MX in March, under the illusion that the missile was a necessary bargaining chip for the Geneva arms talks. Urgent lobbying by our Geneva negotiators and by some of our respected colleagues stressed that a vote against the MX would undercut the U.S. position in the talks. But experts agree that the talks were started not because of the MX but because of star wars, SDI, and the talks from the first focused on possible tradeoffs between our star wars research and Soviet offensive weapons. The MX is not a bargaining chip—and never was. The argument about the MX helping the talks may have been believed by some and accepted as an excuse by others but never had any real foundation in fact.

Nor is there a convincing military rationale for the MX in these silos. At a House Armed Services Committee hearing on February 5, 1985, I asked Secretary Caspar Weinberger why he now supported putting the MX into existing Minuteman silos when at his January 6, 1981, Senate confirmation hearing he had said, and I am now quoting what he said at that time and the year before.

□ 1600

He said—and this is Weinberger speaking:

> I would feel that simply putting the MX into existing silos would not answer two or three concerns that I have, namely, that the location of these are well-known and are not hardened sufficiently—nor could they be—to be of sufficient strategic value to count as a strategic improvement of our forces.

He replied in our hearing this year when I asked him about that statement—and I am quoting from him again:

> I misjudged at that time the ingenuity of American science, because now we do have methods of hardening those silos vastly beyond what we could at that time, and vastly ahead of what are now considered—or have been considered until very recently—ceilings.

Secretary Weinberger left the committee and the Congress with the very definite impression that there were existing plans to harden the Minuteman silos, and thus solve the MX vulnerability problem.

But there were no plans. At a hearing of the Research and Development Subcommittee, of which I am a member, on April 3 of this year, Assistant Secretary of the Air Force Thomas Cooper told the committee, and I quote:

> No decision has been made to put them in hardened silos. And I cannot sit here and assure you that we can build a hardened silo * * * we have yet to build and fully test a full-scale hardened silo.

So there were no plans after all, only research. Further, this research is so unpromising that the defense authorization bill recommended by the full House Armed Services Committee cuts the $172 million the Air Force had requested for hardening silos and deep underground basing research. Our committee report states that, eventually, increases in Soviet accuracy will enable Soviet missiles to knock out a hardened silo, no matter how hard we make it. Therefore, the committee is prividing a small amount of fund only as a hedge against the future vulnerability of the new Midgetman mobile system. The committee has made a sound decision to stop a pointless hardening program which could cost as much as $20 billion to complete, and all for nothing. As General Brent Scowcroft told the committee, "in the race between accuracy and hardening, eventually hardening has to lose."

The last line of defense for the MX supporters is that we need the MX to knock out Soviet silos. This is simply not true. The new Trident II, D-5, missiles will become operational in 1989. Published reports indicate that the Trident II will be just as accurate as the MX, with a CEP of 400 feet or less. Most importantly, this missile will be deployed by our most invulnerable basing mode, the Trident submarine fleet. The Navy plans to deploy 480 Trident II missiles. This is more than enough to put Soviet hardened silos and command centers at risk. We do not need the MX for this mission.

The CHAIRMAN. The time of the gentleman from Florida [Mr. BENNETT] has expired.

(By unanimous consent, Mr. BENNETT was allowed to proceed for 5 additional minutes.)

Mr. BENNETT. Mr. Chairman, finally, let me say that whenever we debate the MX missile very few Members of Congress actually speak in favor of this missile. It is always—or almost always—put in terms of support for arms control talks, or the need to modernize our strategic forces, or how dangerous the Soviet systems are or sustaining the triad. As I have already pointed out we have the cruise missile anyway even without the MX.

But very few Members actually favor this missile, or say they do. The Congress gave half-hearted approval to the MX in March, not because it was convinced of the value of the MX, but because it was put under tremendous pressure not to look weak on defense.

Now we are playing numbers games with the missile. President Reagan originally wanted to deploy 100 missiles and build an additional 123 as spares and for testing. Now the Senate has accepted Senator NUNN's plan to deploy 50 missiles and build an additional 60 to 80 as spares and for tests. Mr. MAVROULES and Mr. MCCURDY want to cap the program at 40 deployed, but allow some others for future testing.

I do not want to play this game. I see no reason to vote for even one more missile.

After all, this is a very faulted missile. It is a missile that can be knocked out, and there are much better places to put our money, even in strategic weaponry.

The MX Program is a failure. It is to defense what the horse collar is to modern industry. It should have been killed a long time ago, but the Congress has always found some excuse to keep it alive, as most of private enterprise and the industrial complex sees to it that we do. This faulted program is obsolete and far too expensive for the mission. It has been kept alive by artificial respiration long enough. It is time to pull the plug.

Mr. Chairman, I urge my colleagues to put an end to the waste of billions of dollars of the taxpayers' money by voting to terminate the MX program and to use the billions of dollars saved toward the purchase of much more needed conventional weapons and materiel that is needed for the European theater.

We have been told by General Rogers that it is only a matter of days before we will have to go to nuclear war in Europe. We should protect ourselves against that and use this money for conventional weaponry instead.

My amendment does exactly that. It saves $2.1 billion in fiscal year 1986 money and applies the money where it should be and where it is most needed, and that is in conventional defense.

It also terminates the MX missile program, which will save as much as $10 billion in the future if we have only a 50-round program. But with the other 50 the President asks for, it would save $20 billion.

So, Mr. Chairman, I urge that this amendment to the substitute offered by the gentleman from Massachusetts

[Mr. MAVROULES] be approved, and that we vote down the MX missile once and for all.

Mr. SEIBERLING. Mr. Chairman, last week, the President made what all of us who are concerned about the arms race and the Geneva negotiations felt was a statesmanlike decision—to continue to comply with the SALT II treaty. Many of us were, therefore, surprised and even shocked when the Soviet Union quickly dismissed his action and accompanied their response with denunciation. What appeared to be an action by the President to go "the extra mile" for arms control was denounced as part of an effort for the destruction of all arms control agreements between the two superpowers.

Some light has been thrown on this puzzle by an article by Dusko Doder in the Washington Post for Sunday, June 16. Because of its relevance to the debate on the various weapons systems dealt with by the defense authorization, I am offering it for printing in the RECORD following my remarks. As we debate these issues, it is extremely important that we understand the impact of our actions on the Soviets and our ability to influence them in the direction of rational arms control and away from further escalation of the arms race.

Writing from Moscow, Mr. Doder reported that:

The Soviets see the United States moving inexorably toward abrogation of the 1972 Anti-Ballistic Missile Treaty, which they regard as the foundation for SALT I, SALT II, and all other existing or contemplated arms agreements.

It appears that the Soviets see the combined effect of the star wars defense project and the development of such weapons systems as MX, Trident II, and Antisatellite missiles as working toward a preemptive first strike capability for the United States from which they also deduce a projected first-strike policy. Their reasoning is well summarized by Doder as follows:

The Soviet leadership has been advised by its top scientists that a defensive shield planned by Washington would not be effective in case of an all-out surprise attack on the United States.

However, if the United States were to launch a first-strike attack on the Soviet Union, the space-based antimissile systems could prove effective to a considerable degree in deflecting a Soviet retaliatory strike.

This has led Soviet strategists to conclude that SDI is a strictly offensive system since its effectiveness depended on a preemptive U.S. attack.

The Soviets have already stated that their response to SDI would focus on both a qualitative and a numerical buildup of their offensive strategic weapons. In this context one can begin to see how the President's willingness to continue compliance with the unratified SALT II Treaty, which he had heretofore described as "fatally flawed," can be seen by the Soviets as an efforts to keep the Soviets under the SALT limits on numbers of missiles and warheads or put them in the position of taking the blame for breaching those limits.

I do not mean to imply that the Soviets' inference are correct, but only that the combined effect of the actions and statements of the admininstration and the Congress may be to stimulate such inferences. That is why it is so important for Congress to act now to create a different atmosphere, in which it may be possible to reduce the suspicions and paranoia, before both countries are locked into a posture which makes negotiations even more difficult or impossible. As Mr. Doder says:

Underlying the Soviet statement is the continued deterioration in bilateral relations, domestic circumstances, anger, pride and—above all—suspicion that have locked the leaders of both countries onto a course whereby neither seems willing to take a major step toward the deescalation of the conflict.

Mr. Chairman, it is customary for us to demand that the President exercise leadership, that he rise above the suspicions and tensions of the moment and take bold new initiatives to break the vicious circle of the nuclear arms race. Isn't it also time that we in Congress do the same? We have an opportunity to do just that in our votes on these terrifying, destabilizing, and costly weapons systems. Let's act now while there is still a chance for productive negotiations for nuclear arms reduction.

The full text of the Dusko Doder article follows these remarks:

[From the Washington Post, June 16, 1985]

DETERIORATING TIES, SUSPICION FUELED MOSCOW'S QUICK REBUFF

(By Dusko Doder)

Moscow, June 15.—It was seen in Washington as a critical battle for Ronald Reagan's mind. And when the president announced Monday that he would not undercut the restraints of the unratified SALT II treaty, he was praised by his critics for an act of statesmanship that could save the arms control process.

Why, then, did the Soviets so quickly and firmly dismiss Reagan's move? Why did they see it as merely a sophisticated public relations gimmick? Why do they continue to believe that the president was not going "the extra mile" for arms control but rather for the "destruction" of all arms agreements between the two superpowers?

Answers to these questions can be found in Soviet public and private statements during the past few months. Underlying them is the continued deterioration in bilateral relations, domestic circumstances, anger, pride and—above all—suspicion that have locked the leaders of both countries onto a course whereby neither seems willing to take a major step toward the deescalation of the conflict.

Looking from Moscow, one can clearly define three areas through which Soviet officials explain their current position.

First is the technical aspect put forward by a number of senior figures, including the defense minister, Marshal Sergei Sokolov, and Marshal Sergei Akhromeyev, the chief of staff.

The Soviets see the United States moving inexorably toward abrogation of the 1972 Antiballistic Missile Treaty, which they regard as the foundation for SALT I, SALT II and all other existing or contemplated arms agreements.

Akhromeyev put this view succinctly when he said that restraints or reductions on offensive nuclear means (such as those provided under SALT II) are "unthinkable" without the ABM treaty. That treaty, in Moscow's view, is now gravely threatened by Reagan's Strategic Defense Initiative, also known as "Star Wars."

While the president was announcing his SALT II decision, his senior advisers were publicly stating that some elements of SDI could become operational during Reagan's presidency.

The Soviets are convinced that the United States is busily testing components of the new space-based missile defense system. As Col. Gen. Nikolai Chervov put it recently, referring to Reagan advisers' statements, "they are not going to make this out of papier-mache."

In the simplies terms, the Soviets, according to their statements, believe the president is contemplating setting up a defensive shield around the United States, while the ABM treaty allows each side to erect only one such shield around a specified area (either the nation's capital or a military installation).

SDI, apart from being a violation of the treaty, would introduce new strategic problems that would make SALT II obsolete, they say.

The Russians have repeatedly asserted that they would not tolerate a change in the strategic parity and that their counterresponse would nullify any possible U.S. advantages. Moreover, they have made it clear that their response would focus on a qualitative and numerical buildup of their offensive strategic means.

Hence, that the president should be willing to continue compliance with the unratified SALT II, which he had described as "fatally flawed," is seen here as sinister or, as one senior analyst put it, even "comical."

The second Soviet concern is political. Reagan's SALT decision was qualified in a way that served to reinforce Moscow's view that his policy toward the Soviet Union is one of "pure intimidation" and continuous search for leverage over domestic Soviet affairs.

The Soviet government statement on this issue had made it clear that the Russians do not intend to play Reagan's perceived game.

Privately, officials here see Reagan's decision as just another "coercive tool" to be used to keep Moscow off balance and "in continuous suspense."

The move to remain in compliance with SALT II is seen as having a double purpose. On the one hand, officials say, it was designed to encourage those elements in the Soviet elite that still believe in the possibility of an arms deal with Reagan.

In pursuing this objective the Americans are operating on the assumption "that we are more interested in the fate of SALT II than they," one said.

On the other hand, according to a senior official, "they decided not to undercut the treaty at this time in order not to frighten us too much." The decision came at a time when the Soviets are drafting their economic plans for the next five-year period and

are presumed to be concerned with the prospect of an economically ruinous arms race.

The Russians are particularly angry at another "coercive tool" the president reintroduced in his decision Monday—namely his allegations about Soviet noncompliance with SALT II provisions and in particular his stated intention to change or modify his decision by using this tool at a time of his choice.

This suggested to Moscow that his decision was tactical. Officials charged here that the wording of the president's announcement was an example of double talk. While denouncing Moscow for continuing an "unparalleled and unwarranted military buildup," he did not make any specific demands for a change in Soviet actions for continued observance of SALT II.

The third, most important Soviet concern is strategic. The Soviets take SALT II as part of Reagan's overall policy toward the Soviet Union, linking "Star Wars" firmly to their assessments of U.S. intentions.

The Soviet leadership has been advised by its top scientists that a defensive shield planned by Washington would not be effective in case of an all-out surprise attack on the United States.

However, if the United States were to launch a first-strike attack on the Soviet Union, the spacebased antimissile systems could prove effective to a considerable degree in deflecting a Soviet retaliatory strike.

This has led Soviet strategists to conclude that SDI is a strictly offensive system since its effectiveness depended on a preemptive U.S. attack.

Consequently, the Russians see this as not only a highly destabilizing factor likely to increase U.S. temptations to attack the Soviet Union but also a program reflecting such intentions at a point where the United States gains strategic superiority over the Soviet Union.

This argument is reinforced by the fact that the United States plans a steady growth of its offensive nuclear means through the rest of this century.

Another broader strategic concern rests on a perception here that the ultimate objective of Reagan's rearmament program, military budgets and policy toward arms control is to suffocate the Soviet Union economically. As Georgi Arbatov, a Kremlin adviser on American affairs, put it recently, all this is designed "to delay socioeconomic development" of this country.

The Soviets see Reagan and his aides as being mesmerized by what they believe to be a great technological advantage enjoyed by the United States. According to this view, the American leadership believes that the sharp escalation of costs in a new arms race will exert intolerable pressures on the Soviet economy and that an economic collapse would lead to a political collapse.

In this context, SALT II and other treaties are seen as being used by Washington as "coercive options" along with western efforts to stimulate internal dissent, spread news about ethnic and religious discontent as part of what Chervov called an "all-out psychological war" against the Soviet Union.

Officials here give the impression that the prospects for the Geneva talks are gloomy and that little headway could be made without an improvement in U.S.-Soviet relations.

Finally, the Russians are convinced that Reagan's statement Monday was not directed at Moscow but at his various domestic constituencies, at Congress and at Western Europe. As such, one Soviet official said, the statement "is a work of a public-relations genius."

The upshot is a delay in making a decision that makes Reagan look conciliatory and statesmanlike. But the United States in the meantime will proceed with a mobile, single-warhead "Midgetman" missile as supplement to the large, 10-war-head MX and continue developing esoteric technologies that threaten what the Soviets see as the most important of all arms agreements, the 1972 ABM treaty.

It is apparent that there is a new mood in Moscow.

After the turmoil of three successive leadership transitions, the ruling elite has regained confidence and the impulse to reshape society. It is unclear how radical these changes will be.

Given the almost complete preoccupation of the new Soviet leader, Mikhail Gorbachev, with domestic matters, one has the impression that the Russians would genuinely try to preserve the arms control process.

Given Reagan's policy, however, there will be temptations here to use the external challenge for domestic purposes in Gorbachev's efforts to mobilize society behind his modernization program.

Mr. ASPIN. Mr. Chairman, I would like to try a unanimous-consent request to see if we can agree to limit time here. I would like to exempt the gentleman from New York [Mr. STRATTON] for his 5 minutes.

Having done that, I would ask unanimous consent that all time on the pending MX amendments, and all amendments thereto, be concluded by 6 p.m., with the time to be divided equally among the gentleman from Alabama [Mr. DICKINSON], the gentleman from Massachusetts [Mr. MAVROULES], and the gentleman from Florida [Mr. BENNETT].

The CHAIRMAN. Is there objection to the request of the gentleman from Wisconsin?

Mr. COURTER. Mr. Chairman, reserving the right to object, under my reservation I am asking a question of the committee chairman.

There is the possibility, if not the probability, that if the Bennett amendment is defeated, there might be an amendment to Mavroules, substituting for that. That would be a perfecting amendment. The question I have is whether that can be proffered under the time limit between now and 6 o'clock.

Mr. ASPIN. Mr. Chairman, if the gentleman will yield, it was my anticipation that what we would have would probably be 2 hours of debate, equally divided, and then vote 1, 2, 3, first on the Bennett amendment, then on the Mavroules amendment, and then——

Mr. COURTER. Mr. Chairman, under my reservation, I would say that I would have no problem with the 2 hours provided I would be given the opportunity to proffer an amendment. Structured that way, having three votes, would just perhaps give that opportunity before 6 o'clock.

Mr. ASPIN. Does the gentleman consider offering the amendment himself, or has he heard about some other Member offering it?

Mr. COURTER. No; I would be offering the amendment myself.

Mr. ASPIN. Would the gentleman like to have debate on the amendment?

Mr. COURTER. I would like to have 5 minutes maximum to describe it and articulate its positions. So, if the unanimous-consent request could protect my amendment and give me 5 minutes, then I would have no objection.

The CHAIRMAN. The Chair would have to make the observation that under the unanimous-consent request of the gentleman from Wisconsin the gentleman would have to get his time from the Members who control the time.

Mr. ASPIN. Well, I am sure we could come to some agreement to yield time to the gentleman.

Mr. COURTER. Mr. Chairman, further reserving the right to object, that is fine as long as I have the good-faith representation that I will be yielded the 5 minutes to explain my amendment. If so, then I would withdraw my reservation of objection.

Mr. ASPIN. Also, then, included in that is the understanding that the Members who control the time will yield at least 5 minutes to the gentleman from New Jersey to explain his amendment. He may or may not offer it after the vote on the Bennett amendment.

The CHAIRMAN. The Chair will make the observation that the Chair has no control over that. If the gentlemen will yield time through some agreement reached with the gentleman from New Jersey, that is perfectly all right with the Chair.

Mr. ASPIN. Mr. Chairman, I renew my unanimous-consent request.

The CHAIRMAN. Is there objection to the request of the gentleman from Wisconsin?

Mr. MAVROULES. Mr. Chairman, reserving the right to object, I have a question.

I just want to ask this question here. I am willing to give the gentleman from New Jersey [Mr. COURTER] some time so he may offer his amendment, but the agreement that the chairman of the committee is seeking here is that we take 2 hours of general debate, 40 minutes on each side or for each Member, and then that we vote on the three proposed amendments. Therefore, the gentleman would not be in line to offer his amendment, and if he is going to amend my substitute, I certainly would want the time and the right to defend my position against his amendment.

Mr. COURTER. Mr. Chairman, if the gentleman will yield, if I were to be given 10 minutes, I would certainly

split that 5 and 5. I am obviously looking for an opportunity to protect my right to offer an amendment, at the same time recognizing everybody's concern about spending more time than is necessary on an issue that we are all quite familiar with.

□ 1610

Mr. MAVROULES. All I am saying, Mr. Chairman, if the gentleman is going to offer an amendment to the Bennett amendment, or whatever, we want it up front so we have an opportunity to discuss it. If the gentleman takes it on the end, the gentleman has the total advantage.

Mr. COURTER. Well my problem, if the gentleman will yield to me under his reservation, under the rules I cannot offer an amendment until one of them is voted down, so I have to wait until close to 6 o'clock to do that; so I am looking for a way that I can be accommodated and the request can be honored as well.

Mr. ASPIN. The gentleman will explain in the debate what the amendment would be and how the gentleman would offer it, what the gentleman's amendment would be should he offer it during the gentleman's discussion, I take it.

Mr. COURTER. Oh, yes, when it is read I would explain what the amendment is.

Mr. MAVROULES. Mr. Chairman, I withdraw my reservation of objection.

Mr. ASPIN. Mr. Chairman, I renew the request.

The CHAIRMAN. Is there objection to the request of the gentleman from Wisconsin [Mr. ASPIN]?

Mr. COURTER. Reserving the right of object, Mr. Chairman, I just would like to hear the unanimous-consent request repeated to know that I am protected to offer an amendment if and when the Bennett amendment is completed.

Mr. ASPIN. Mr. Chairman, if the gentleman will yield, I will explain to the gentleman, it is an understanding by the people on our side, I have not checked with the gentleman from Alabama [Mr. DICKINSON], but the gentleman from Florida [Mr. BENNETT], and the gentleman from Massachusetts [Mr. MAVROULES] have agreed to grant the gentleman from New Jersey [Mr. COURTER] a certain amount of time here to explain his amendment here.

The unanimous-consent request is that debate on these amendments and all amendments thereto finish by 6 o'clock. Of course, other people can offer amendments but there will be no debate and the gentleman from New Jersey, of course, would be able to offer his amendment, but he will have had time in the debate to explain his amendment.

Mr. COURTER. Further reserving the right to object, Mr. Chairman, perhaps it can be done this way.

Can I, under my reservation, make a unanimous-consent request that, after the vote on the Bennett amendment, I be given an opportunity to proffer a substitute amendment and be given 10 minutes to debate, 5 in favor and 5 opposed?

The CHAIRMAN. The Chair would make the suggestion that if this is agreed to by the gentleman from Wisconsin [Mr. ASPIN], let the gentleman from Wisconsin [Mr. ASPIN] include that in his pending unanimous-consent request.

Mr. COURTER. Mr. Chairman, I have no objection to that being included in the unanimous-consent request.

Mr. Chairman, I withdraw my reservation of objection.

Mr. ASPIN. Mr. Chairman, if that is acceptable then the following thing will be proposed.

We would propose that debate on this amendment and all amendments thereto finish by 6 o'clock. At 6 o'clock we will have a vote on the Bennett amendment. After the vote on the Bennett amendment, the gentleman from New Jersey [Mr. COURTER] is in order to offer an amendment, for which there will be 10 minutes of debate, 5 minutes for the gentleman from New Jersey [Mr. COURTER] and 5 minutes in opposition to the gentleman from New Jersey [Mr. COURTER].

We will proceed then, if the gentleman from New Jersey [Mr. COURTER] offers an amendment, to vote on the Courter amendment, to vote on the Mavroules amendment, and to vote on the Dickinson amendment.

The CHAIRMAN. Is there objection to the request of the gentleman from Wisconsin [Mr. ASPIN]?

Mr. STRATTON. Reserving the right to object, Mr. Chairman, I understood the chairman to say that my 5 minutes would not be included before we start.

The CHAIRMAN. The Chair understands that the time of the gentleman from New York [Mr. STRATTON] is excluded from the unanimous-consent request.

Mr. STRATTON. Mr. Chairman, I withdraw my reservation of objection.

The CHAIRMAN. Is there objection to the request of the gentleman from Wisconsin [Mr. ASPIN]?

There was no objection.

The CHAIRMAN. The gentleman from New York [Mr. STRATTON] is recognized for 5 minutes, exclusive of the time allocation at 6 o'clock.

Mr. STRATTON. Mr. Chairman, as one who has spent many months and has shed considerable blood in this Chamber in support of the MX missile system, I frankly am a little bit chagrined to recognize that now this great debate has come down to a question of whether we are going to stop with just 40 missiles in silos, or whether we are going to stop with 50 missiles in silos. But obviously, anybody who is familiar with politics in the Congress of the United States can recognize reality. When the President of the United States, who is the No. 1 proponent of the MX—even over this Member—has agreed to the 50-missile figure and the leadership of the other body has also agreed with that number, obviously the situation is a little bit different. It does present us with some serious problems. But it seems to me, Mr. Chairman, that it makes very little sense for us to have spent the time, and the effort, and the enterprise, and the argumentation on this missile system as we have done over the years, back from the Carter administration into the Reagan administration, and having expended $12 billion in a weapons system with 92 percent of that money already obligated by the end of this month, for us to come down now to what is in my judgment an ignominious end for this very remarkable system.

But the problem that generated the MX has very definitely not gone away. Why was the MX brought into creation? What was the reason? The reason was, even in the Carter administration, it was recognized that the Soviet Union with their offensive missile buildup and with the throw-weight of their ICBM weapons, particularly the enormous, mammoth, destructive SS-18's and 19's, that our entire land-based nuclear deterrent could be wiped out in an afternoon and the Soviets would still have enough weapons to respond to any second strike that we might throw against them.

What seems even more strange is that many of these Members who are proposing that we put the MX in mothballs—and that is basically what it is—under the Mavroules amendment. What is even more surprising, the opponents of MX now want to push for the Midgetman. Would that protect us from the SS-18's and the 19's? Of course not. So why should we spend our money on the Midgetman? Presumably people think that because it is called a Midgetman, it is going to cost much less than the MX.

Well, that is just not the case. It's going to be much more expensive, not only in terms of its technology and its construction, but it is also going to require a very substantial number of soldiers to handle that particular weapon.

On what kind of honeydew have these individuals who want to shut down the MX system been feeding? Have they gotten a new message from the negotiators in Geneva that MX is no longer needed for balance in those negotiations, and that the Soviet Union is responding with great courtesy to the efforts of ourselves to continue to maintain arms control agreement, such as the limitations prescribed by SALT II?

Quite the contrary. The Chairman of the Soviet Communist Party, Mr. Gorbachev, is trashing us at every opportunity. Even when the President of the United States not only agreed with our distinguished chairman of the Armed Services Committee to continue to support the terms of SALT II and went even the second mile by deciding to tear up a submarine, Mr. Gorbachev didn't even say "thanks," he just said that we were the ones who were violating the SALT II.

The CHAIRMAN. The Chair would observe that the allocation of time to the gentleman from Alabama [Mr. DICKINSON], the gentleman from Massachusetts [Mr. MAVROULES], and the gentleman from Florida [Mr. BENNETT] is 30 minutes apiece.

Mr. DICKINSON. Mr. Chairman, I yield 5 minutes to the gentleman from California [Mr. BADHAM].

Mr. BADHAM. Mr. Chairman, I rise in support of the Dickinson amendment and opposed to the other two amendments by the gentleman from Massachusetts [Mr. MAVROULES] and the gentleman from Florida [Mr. BENNETT].

Basically, we have three proposals before us at the present time; first of all, the proposal by the distinguished gentleman from Florida [Mr. BENNETT] which would just wipe out the MX program.

I think we have discussed this earlier this year in March. We discussed it last year. We discussed it the year before that and this Congress, the House of Representatives and the other body, have come to the conclusion time after time again that we need a modern up-to-date triad deterrent missile force, and that has the three legs of air breathing, submarine launch and ground launch.

There has been criticism all along that somehow the MX is a first strike weapon. Now, no one really can with a straight face and any amount of study come up with that conclusion.

□ 1620

Because there are not enough at 100 MX missiles, or 50, or 40, to sustain a first strike capability that would do anywhere near enough damage to the Soviet Union's ICBM force to do any good to prevent a retaliatory attack.

The gentleman from Massachusetts [Mr. MAVROULES] stated from an Air Force study that somehow the MX could be capped at 40 or 36 or something like that. The same report, I would remind the gentleman, the same report says that regardless, whether we cap it at 40, or 36, or whatever, that the existing right now capable Soviet SS-18's and 19's have more than enough capability to wipe out our entire ground-based and a lot of other missile forces that we have anyway.

What some Minuteman and MX do is at least give them cause for pause. So really the Bennett amendment will, I think, be rejected because it has been rejected in the past. It would probably cost more to do away with MX at this point than it would be to complete.

So, really, the question is 50 or 40, and if not 40, why 50, and if not 50, why 40.

The structure of men, spare parts, geography, machines, personnel and all of the rest are structured to an efficient force of squadrons of 50 either MX missiles or Minutemen missiles. This March we put the icing on the cake and decided that we have authorized and appropriated 42, not 40, but 42 MX missiles already.

Cutting this to 40, cutting what we have already done, would require mixing MX-Minutemen in a squadron or fielding an MX squadron that is inefficiently small and, therefore, not workable, or four-fifths workable, 80 percent. Mixing them brings up strange problems. The missiles and their crews cannot talk to each other through the computers. We would have to redo all of the software for Minuteman to get it to be able to talk to MX and back and forth with Minutemen, and that would be another $100 million.

So to reduce the number to 40 is actually going to be very costly and therefore we have a situation of difficulty of communication, of difficulty of crew training, of inefficient manning, so the force does cry out for a squadron of 50.

So the real question before us today is are we going to offer a credible deterrent. I think the Congress has decided that, yes, we will, with MX.

The question: either 40 or 50. Let us be efficient. Let us be proper and let us at least have the squadron, the full squadron of 50 so that we can show that we do have one, the ability to cut back, but also the ability to go forth with arms control and disarmament.

Word has been spoken about the small single warhead missile, and to my colleagues in this body may I say, as the gentleman from New York so aptly put it, if you think MX is expensive, wait until you get the bill for the small single warhead missile, because it is less efficient, it is needed, it is warranted by the Scowcroft Commission, it will be a proper adjunct for a defensive deterrent in addition to MX. But it cannot stand the gaff alone.

Let us not cut one leg off the triad. Let us move ahead with an adequate deployment of 50, because we have already done 42, and efficiency and economy cries out for the full squadron of 50.

I yield back the balance of my time.

Mr. MAVROULES. Mr. Chairman, I yield myself a minute and 30 seconds.

The Midgetman Missile has been mentioned here, and I referred to that in my prepared text before.

It is impossible at this point to even determine what the cost will be on the Midgetman Missile. But for those who argue the point that the Soviet Union for the last couple of years has come out with a mobile system, something that we have been talking about for a long time and have done nothing about, absolutely nothing since Mr. Reagan defeated Mr. Carter on that one issue in that part of the country. The problem is this: We cannot at this point determine what the costs are going to be in the Midgetman Missile.

If we truly want to get an invulnerable system in place we are going to do it with a Midgetman on a mobile system. And as we go into the colloquy and debate of this particular issue we are talking safety in numbers, we are talking a more stabilized system rather than a destabilized system.

Mr. BADHAM. Mr. Chairman, will the gentleman yield?

Mr. MAVROULES. I yield to the gentleman from California.

Mr. BADHAM. I thank the gentleman for yielding this time to me.

I do not think anybody here is attacking the small mobile missile. We are just saying that to have one-tenth of the number, to take all of the fuel and all of the guidance necessary to put 10 warheads into motion, to say that it is going to cost one-tenth to put one is not the fact. So I was just pointing out the fact that it is going to be more expensive than midget dollars. Midgetman will be more than midget dollars.

Mr. MAVROULES. In response to the gentleman I think the speaker before him mentioned the cost, and the truth is I want to get on to a system. I think we ought to want to get a system that is invulnerable to attack rather than having a stationary system. Let us go forth with the mobile system.

Mr. Chairman, I yield 5 minutes to the gentleman from California [Mr. DELLUMS].

Mr. DELLUMS. Mr. Chairman, I thank my colleague for yielding to me.

Mr. Chairman, I rise in support of both the Bennett and the Mavroules-McCurdy amendments that we will vote on in a couple of hours.

Mr. Chairman, this has been a very long journey, numerous hours of debate on this issue over a sustained period of time. But I have a feeling, Mr. Chairman, that today that journey will come to an end, and I think that is wholly appropriate.

In April of 1977, 11 of us stood up on the floor of this Congress in opposition to this weapon system. Today I stand and I repeat, I continue to believe that the MX missile remains a

wasteful, unnecessary, and dangerous weapon system.

A few of my colleagues who preceded me in the well today, Mr. Chairman, pointed out graphically and clearly that most of our colleagues over this lengthy period of time that we have debated with respect to this controversial weapon system have never spoken in favor of the weapon itself, and that is because, I believe, Mr. Chairman, that if we debated it on the merits of this issue most of us know in the deep recesses of our minds that this weapon system probably would never have received 50 votes. But, Mr. Chairman, it was never debated on its merits.

This matter became a symbolic issue and therefore took on a life of its own. Clearly, Mr. Chairman, the so-called symbolic value of this MX weapon system has now been significantly diminished, if not totally removed, and I think my distinguished colleague from Florida [Mr. BENNETT] and my distinguished colleague from Massachusetts [Mr. MAVROULES] spoke very clearly and eloquently and articulately with respect to diminished if not removed nature of the so-called symbolic value of purchasing the MX system as a part of our nuclear inventory. I shall not at this time repeat their arguments.

Mr. Chairman, zeroing out this item, as is proposed by my distinguished colleague from Florida [Mr. BENNETT] or capping these weapons at 40, as presented by my distinguished colleague from Massachusetts [Mr. MAVROULES], both would, therefore, reduce the destablizing nature and, therefore, the dangerous potential for the deployment of this weapon, and I support that.

Finally, Mr. Chairman, approval of either one of these items, zeroing out procurement, stopping it at 42, capping deployment at 40, each will bring us to the end of an incredibly long journey, brings us to an end of a very long, drawn-out MX missile controversy, a controversy that has extended over too long a period in this body, because we tend to lapse into debates around symbolic issues and political conjecture as opposed to debating these issues on their merits.

This weapon system, I repeat, as I began, was always wasteful and unnecessary and dangerous, and it remains that way. I wish we did not have one single, any one of these weapons.

□ 1630

But reality is that my colleagues, the majority of them chose to go forward. Today we have an opportunity to put some brakes on this madness and I join with my colleague, Mr. MAVROULES, and I join with my colleague, Mr. BENNETT, in attempting to do that.

I thank my colleague for yielding to me. I hope that the majority of my colleagues will join us in this endeavor and end this madness.

Mr. Chairman, I yield back the balance of my time.

Mr. BENNETT. Mr. Chairman, I yield 6 minutes to the gentleman from Michigan [Mr. HERTEL].

Mr. HERTEL of Michigan. I thank Chairman BENNETT.

Mr. Chairman, I rise in support of the Bennett amendment. If you want to save money, you want to save taxpayer money in the defense budget, then vote for the Bennett amendment. You will save $2 billion this year in this bill and $20 billion more down the road. That is a savings of $22 billion.

If you want to strengthen defense, vote for the Bennett amendment because the money saved will be spent on strengthening our conventional defense. And that is our greatest deterrent to a nuclear war by showing that our Armed Forces on the ground and in the air are strong enough to deter any attack against our NATO allies or any other place in the world.

So it is a vote for military strength. That is a vote for military common sense. You have already heard in this debate that the MX would have to be a first-strike weapon. Why? Because they want to put it in the very same vulnerable Minuteman holes which were attacked by Secretary Weinberger just 3 years ago.

The MX cannot be defended. Talk about hardening the silos would cost billions more, possibly $20 billion more.

But even with that expensive hardening, they would still be totally vulnerable because we know that that technology is not advanced enough to protect these MX missiles.

You have heard the argument in the past we have to do this for resolve, but the Soviets and others are not afraid of a weapon that is in a vulnerable hole. It does not show any resolve nor common sense to put billions down a rathole, the same Minuteman hole that is vulnerable today.

They talk about resolve but on the other side they have already come down quite a ways. The President originally asked for 230 MX missiles, then 100, now we see Mr. DICKINSON offering 50 MX missiles.

If we do not need 100, we do not need 50. If it is vulnerable with 100, it is vulnerable with 50. I support the Mavroules amendment also because anything reducing the number and expense of the MX is common sense. I would support reducing it to 40. I would support an amendment reducing it to 30 or 20 or 10 or zero as the Bennett amendment does reduce the MX missile.

We have talked about the different basing modes that are ineffective, that have been rejected by this administration and previous administrations. We have talked about the fact that the mobile missile has been slowed down because of all of the money being spent on the B-1 bomber and the MX missile.

If you want to make a strategic decision then, we should talk about spending our money wisely, spending it to strengthen our conventional forces. And if we agree now that we do not need 100 MX missiles, then why pick a number such as 40 or 50?

If the MX is ineffective, if it is vulnerable, if we are going to keep reducing the number of missiles, then why do we not just admit the mistake this House has made, that there is no reason to go ahead with the MX project?

It was stated before that the people that are supporting the MX missile never argue for that missile because the arguments are not there. The MX cannot be defended. It does not add anything to our strategic strength.

We could take this money saved, $2 billion this year and $20 billion in the near future and use a small part of that to guard against terrorism, to prevent terrorism. We could take a small part of that to be spent on the security interests of this country so we can do adequate security checks, so that we have the money, so we can go after spies, so we can stop what happened in the Navy and we can protect our Trident missile program. We could in fact accelerate the Trident missile program. They have the ability to produce faster. While the Trident is still invulnerable, as the most important part of our triad, we could accelerate that program over the next decade with the money that Mr. BENNETT's amendment would save.

So here it is, the Bennett amendment; to save money, a lot of money, $22 billion. Here it is, the Bennett amendment, to strengthen America's defenses, by taking that money out of an MX program that we are now all agreeing by reducing the MX missile below 100, we are all agreeing is not a necessary program, is not a program that has any real strategic value, is a program that is far too expensive, is a program that would be totally vulnerable, is a program that cannot be hardened enough, is a program that we are now admitting is a turkey. It has wasted money. Instead the Bennett amendment, the chairman of the Seapower Committee, gives us an alternative to spend the money wisely for our armed services.

Those Members concerned that we have frozen our defense budget, they should be most in support of the Bennett amendment to be used to strengthen our conventional forces.

We ask for your support. We ask those people who opposed the MX before to continue to oppose the MX. We ask those that are willing to vote for 50 missiles now to admit that it is

not a good program, to vote for zero in the Bennett amendment. We think we can prevail this time because common sense has been opened up in this debate, I think more than any other time. I commend Chairman BENNETT for his leadership in this area and I commend the Member from Massachusetts, Mr. MAVROULES.

Mr. BADHAM. Mr. Chairman, I yield 5 minutes to the gentleman from California [Mr. HUNTER].

Mr. HUNTER. Thank you, Mr. Chairman. Let me say to start out with that I have great respect for those who have offered the several amendments which would tremendously restrict the MX production. Let me answer that first question, one of the questions that has been asked by the proponents of the Mavroules-McCurdy and the Bennett amendments; that is, does the MX in and of itself have any value? It does have value. The triad system does work. It is a fact that a great many of our bombers would not escape an attack right now by Soviet sea-launched ballistic missiles; it is a fact that our MX missiles if they were based in the Minuteman silos and the Minuteman as they now exist would not escape an attack by the 308 SS-18 missiles that the Soviets might launch. On the other hand, if you had a launch by the highly accurate SS-18's that would give approximately 30 minutes for our bombers to escape, for one leg of the triad to escape, and if you had a SLBM attack on our bomber bases because those are not hard-target-kill-capable warheads, then we would have a chance for our ICBM's to escape. So the triad does work. In fact one of the things that happened that the gentleman from Michigan [Mr. HERTEL], brought up a few minutes ago, that is, the fact we have had problems with security with regard to the Navy, we may have compromised some of our SLBM capability, is one reason we should continue to work on all parts of the triad.

But make no mistake about it, the MX has capability. The technical aspects of the MX, its accuracy, its capability as far as destroying hard targets goes, has not been challenged in the debate, either the earlier debate or this debate.

□ 1640

Here, my colleagues, we have a real chance of undoing something very beneficial that we started in the last debate, and that is that we started to change the minds of the Soviet Union about whether or not this country had the capability of building a bipartisan foreign policy.

You know it was stated by Mr. Shevchenko, one of the top foreign affairs officers for the Soviet Union that the Soviets had no respect for unilateral concessions that the United States might make, and I think if we passed either of these killer amendments today, the Mavroules amendment, the Mavroules-McCurdy or Bennett, I think we would send a distinct message to the Soviet Union that we were now doing something that we, for all the right reasons, refused to do several months ago when Mr. Kampelman came back from the Geneva talks he said, "Don't pull the chairs out from under us."

I remember a statement that Mr. Kampelman made at the White House. He basically said these words: "The Soviets appreciate the apple which falls off the tree that they don't have to pay for, and then are then inclined to sit back and wait to see how many more apples they can get for free."

I think it would do a real disservice to our negotiators at this time if we undid this action that we took only several months ago. In fact, I am a little bothered by the Dickinson amendment; I am a little bothered by what happened in the Senate, but I think we can live with that, and I think our negotiators can live with that.

You know it has been pointed out that Congress does not have to follow the President; does not have to work with the President. This is one time when the executive branch and the legislative branch should work together very, very closely.

We have had our SLBM's compromised to some degree; to what extent, we are not exactly sure of right now. Soviet production of missiles continues to be very ominous, and our response is not thoroughly defined at this moment.

So I would suggest to my colleagues on both sides of the aisle that the prudent course for us to follow at this point is to reject these two amendents, to back up our negotiators in Geneva, and to support the executive branch in its efforts right now, to work out an arms negotiation, a satisfactory negotiation with the Soviet Union.

Mr. MAVROULES. Mr. Chairman, I yield 5 minutes to my distinguished colleague, the gentlewoman from Colorado [Mrs. SCHROEDER].

Mrs. SCHROEDER. Mr. Chairman, I think after we look at what has been going on for the last 5 years, the real question we are dealing with here is whether we have had a real defense buildup or some kind of a spending binge. We really need to analyze, just exactly what has happened because of the huge spending increases over the last 5 years. The former Secretary of Defense Melvin Laird, right after this administration took office in November 1980, writing in the Washington Post said:

> The worst thing that could happen is for this Nation to go on a defense spending binge that would create economic havoc at home, confusion abroad, and that could not be dealt with wisely by the Pentagon.

Now, why do I quote Secretary Laird now? Because I think both the Bennett amendment and the Mavroules amendment are on the right track in correcting where we have been the last 5 years.

What have we bought with the increase in dollars in the last 5 years? We know that since 1980 we have increased our spending for strategic forces by 1,400 percent. No, I did not get the figures wrong. One-four-zero-zero percent.

We have increased our spending for conventional weapons 375 percent. Obviously a much, much lower percentage increase than the one for strategic weapons.

Therefore we continue to rely more and more on strategic weapons as a bailout for the conventional weapons gap. Still the figures are fudged, for, because the issue is not how much more did we spend; the question is how much more do we get for what we spent. In the conventional sector we didn't get that much for the additional spending. The shocking thing is to look at the statistics on such things as, say, tactical aircraft; while during the last 3 years of the Carter administration we were getting 227 airplanes per year that were fighter aircraft; we see in the 4 years of the Reagan administration we are getting 172. That is a 24-percent drop.

So we were spending more for conventional weapons and getting fewer conventional weapons out of the other end.

Therefore, you really have to say we were not doing a real buildup; we were building up only the dollars, but as far as the number of weapons systems especially in the conventional segment, we are losing ground. Our spending has been more of a binge; we were spending more per copy and getting fewer copies. This is a very dangerous trend.

Therefore, I think the gentleman from Florida's amendment makes an inordinate amount of sense; we have put too much into strategic weapons and we should start looking more at the conventional gap, and if that amendment fails, then the gentleman from Massachusetts' amendment is the next most sensible of the choices we have.

We must keep looking at the original reason we started the whole MX program to begin with. It was never because the missile was vulnerable; it was because the hole it was based in was vulnerable. So we have watched this whole thing go through more evolutions than I can ever believe; the most amazing thing to me about this debate tonight is how everybody is kind of out of steam; it is very hard to get exercised one more time about the

MX missile; we have been through more basing modes than I am years old; and we never found one that worked.

The solution was, you spend billions and billions and billions of dollars to put a new missile in the same old hole, and it was the hole that was vulnerable from the beginning.

So the fewer of these missiles we buy the more sanity I think that we show. Let's deal with what is really wrong with our forces; we've been lacking in conventional weapons; we're lacking in really having a viable, survivable basing mode for missiles on the land. These amendments allow us to correct these problems.

In fact, it is even worse. Not only were we using the old holes, but we are putting more missiles in fewer holes if the amendments don't pass.

If I were a Russian planner, I would think this was the most marvelous thing the U.S. Congress could do, is to fund these things, because obviously you free up a lot of your missiles, and can shoot at something else. If the United States is going to put more and more and more eggs in the same basket and you already know where the basket is and have figured out how to hit it, a Russian planner would be delighted.

They would say, "Oh, please do not throw me in the briar patch" by putting even more and more eggs in the same basket.

Now let us really talk about the sanity of all of this. I think one of the reasons we have never dealt with the MX as a weapons system per se; as many of the prior gentlemen, who are my friends have discussed before is, because you could not defend it.

One year it was a bargaining chip; the other we were told to vote for it to show resolve; another year we were to vote for the MX to show the Soviets we spend money on anything. Another year, it is modernization; another year it is the triad—well, no one has ever been antitriad, antiresolve, antishowing the Soviets; but on the other hand, let us be sensible.

What do these statistics show us? A 1,400-percent increase in strategic weapons over 5 years versus 375 percent increase in spending for convential weapons shows we have been slacking off in conventional.

Second, then, when you look at the numbers of what we got for that amount, we did not get value. We got fewer weapons for less money. We did not get a weapons buildup but a spending binge.

So I think that the gentleman from Florida's amendment is an excellent idea. If it goes down, I certainly recommend the amendment of the gentleman from Massachusetts.

Mr. BENNETT. Mr. Chairman, I yield 4 minutes to the gentleman from Oregon [Mr. AuCoin].

Mr. AuCOIN. Mr. Chairman, I want to pay tribute to the gentleman from Florida, [Mr. Bennett] who has led this fight along with my dear friend from Massachusetts [Mr. Mavroules].

The integrity of their arguments and their perseverance on this issue is something that every Member of this body who believes in deterrence ought to applaud.

What these two gentlemen have been saying is, the MX does not buy deterrence. If you fund a target, the target does not deter; the target invites attack, it does not deter attack. The gentlemen have been saying that and they have been saying that consistently.

So I want to pay tribute to Mr. Bennett and state that I intend to support his amendment. If it should fail, I certainly support the amendment of the gentleman from Massachusetts, with who I have worked very hard on this issue and many others, and I compliment him for the work that he has done as well.

The gentlewoman from Colorado said it so extremely well: Throughout all of the hours of debate on this weapons system, very few members, with the possible exception of Mr. Stratton of New York and a couple of others, have ever said that they would like this weapons system.

They have said, instead, that we have got to have the bargaining chip, or they have said we have got to have a demonstration to the Russians of national will. Therefore, we must throw some money at a weapons system, and we chose the MX.

Or they said we have got to use this, we have to fund this weapons systems, because we have got to keep the Soviets at the bargaining table in Geneva; and when that did not work, they said, "Well, we have got to fund more money on the MX because we have got to punish them for going away from the bargaining table in Geneva."

□ 1650

Or they have come up with some other argument.

The intrinsic military purposes of the MX have never really been defended by many Members of Congress, and that is for the simple reason that I stated at the outset of the debate.

My friends, the MX is a target. It sits in the self same silos that the Minuteman III's sit in. The Minuteman III's and their silos represented the so-called window of vulnerability that we have heard so much about leading up to the election of 1980. And now, instead of a missile, the Minuteman III, which has fewer warheads than the MX missile, we are seeing the proposal of putting MX missiles in these same silos that carry 10 warheads, with more accuracy, and, therefore, become even a more inviting target for the Soviets.

If MX is not a target, I do not know what is. Targets do not defend the United States of America. Weapons systems that are survivable, and have a survivable retaliatory capability, are what deter the Soviet Union and what will guarantee this Nation's security. So every dollar wasted on the MX, which is a glassjaw missile, if there ever was one, is a dollar that cannot be invested in survivable retaliatory capability, which is what deters and which does not represent a target in strategic doctrine.

Someone said Midgetman weapons are going to be expensive. They may be expensive, but if we can develop any kind of land-based system that represents survivable retaliatory capability, if that should cost more in terms of dollars but buys deterrence value, I would spend more money on it even though the MX dollar amount may be cheaper that will go down the drain and represent no security increase to the United States.

Please support the Bennett amendment, and if that should fail, support the amendment of my dear friend, the gentleman from Massachusetts.

Mr. DICKINSON. Mr. Chairman, I yield 3 minutes to the gentlewoman from Tennessee [Mrs. Lloyd].

Mrs. LLOYD. Mr. Chairman, I rise in strong opposition to this amendment. The unfortunate approach of this amendment inevitably polarizes those who would primarily support conventional force structure against those who are primarily backers of strategic programs. I believe that the original amendment is the best way to go and I hope that both this amendment and the substitute will be defeated. In any event, I will not support this "carte blanche" transfer of $2.1 billion to unspecified conventional programs.

There is some room for savings with the fiscal year 1986 funds for MX, but I believe that a reasonable figure for deployment is roughly 50 missiles, since that is the figure used by the arms control moderates when they talk about an instability threshold for a first-strike capability. I do not generally cater to the worst-case response of the Soviets, but in this situation I believe 50 missiles is a level which can be defended. I trust my colleagues will defeat the Bennett amendment as decisively as it was rejected in full committee. No one with an appreciation for the need to arrive at a balanced force structure for our Armed Services could support this proposal.

I urge my colleagues to maintain the Triad strength and national commitment to it, so that development of the MX successor system, Midgetman, can be accellerated and deployed. Let us not rob strategic programs which are well understood to provide a blank check for conventional programs

which are not even identified. We are already moving thoughtlessly toward a 600-ship Navy which has not yet been subjected to any real scrutiny by the committee or the Congress.

Mr. MAVROULES. Mr. Chairman, I yield 5 minutes to my distinguished colleague and friend, the gentleman from New York [Mr. GREEN].

Mr. GREEN. I thank the gentleman from Massachusetts for yielding time to me, and I want to commend him and the gentleman from Florida on their amendments, because I think that, while there is still time, we ought to do the prudent thing and try to hold down spending on a weapon that simply has failed to accomplish what we set out to accomplish when we first funded it and use our resources more prudently.

Now, we all know the history of this weapon. It is a weapon which, basically, got its start in the Carter administration at a time when that administration rightly decided that the Minuteman III silos were becoming increasingly vulnerable as the Soviets increased the accuracy of their land-based missiles.

So we went through a long series of endeavors to develop some way to position a land-based missile so that we would avoid those vulnerabilities. We all remember densepack and the racetrack and all of the other imaginative schemes that were tried and ultimately failed.

So where are we today? We are putting the expensive MX missile in the very same silo whose vulnerability was the very reason for starting on the MX R&D program. It is just as vulnerable now as the Minuteman III setting in those same silos. We have not solved the problem we set out to solve when we started spending this money. The one thing, it seems to me, we in this House have to learn in the defense budget, as elsewhere, if we are ever going to get our budgets under control and get these deficits down, is that we have to cut our losses when we have tried something and it does not work. And in the MX, we have tried something and it does not work.

For that reason, I think we ought today to bite the bullet. I think that the amendment offered by the gentleman from Florida is the best way to bite that bullet. But, reality being what it is, if that amendment does not pass, then I think the gentleman from Massachusetts has given us a sensible path, so that those who feel that there is some modicum of deterrence gained by the greater accuracy of the MX missile can have some of that greater accuracy, but so that we can stop spending money on a weapon that cannot survive that Soviet first strike.

There is another reason, which has not been as frequently alluded to, which strikes me as establishing the imprudence of spending more money on the MX missile at this time. That is simply the fact that, according to the information that has been made available to me, the MX has gone through fewer than half of the tests it must go through before we will know its full acceptability. And while, from everything that I have heard about those eight tests, they have proceeded satisfactorily, nonetheless there are important elements in the system, like firing it from a silo, that have not yet been tested. And for us to rush ahead with so much of a program at a time when we do not even know, and the tests have not been held to establish, whether this thing really works or not, is not prudent management at a time of budget tightness.

So both because the testing situation is such that it really does not make sense for us to be committing ever more money to this system, and because of the fact that this system has simply failed to perform the function for which we initiated the program, I urge my colleagues to support the Bennett amendment; and if that, perchance, should not get a majority of the votes, then, at least, to put a reasonable cap on it through the limit that the Mavroules amendment would give us.

Mr. DICKINSON. Mr. Chairman, I yield 5 minutes to the gentleman from New Jersey [Mr. COURTER].

Mr. COURTER. I thank the gentleman for yielding.

Mr. Chairman, I think the debate has been informative, but it is important to recognize where we were and where we are today. A few years ago, everybody will recognize and remember that President Jimmy Carter requested the MX missile and asked for 200 of them. Ronald Reagan reduced that request by 50 percent, reducing that request to 100 missiles from 200 missiles. Today the issue is whether we should further reduce that from 100 missiles to either 50 or 40. You can recognize that what we are dealing with here are reductions in the original request and reductions in the subsequent request.

To back up again, earlier this year the administration requested 48 MX missiles for fiscal 1986 in the authorization and appropriations bill. The House Armed Services Committee reduced that 48 to 21, a cut of 27 missiles from what was requested by the Reagan administration.

The Dickinson amendment, which I rise to support, further reduces that by 13, for a reduction of 40 missiles from the administration's request top 50, to only 8 additional missiles for fiscal 1986.

I think it is important to keep this in perspective. It has gone from 200 down to 100, now down to 50. This year's request has gone from 48 down to 21, and now down to 8. So the Dickinson amendment is a substantial reduction for the authorization 1986 from the original request of 48 to a request of only 8 missiles.

□ 1700

Second, the Mavroules amendment does something I think that is very important to recognize. The Congress, this body and the other body, with the help of the administration, authorized the deployment of 42 MX missiles. They have not been deployed yet, but 42 have been authorized. The Mavroules amendment reduces that to 40. So basically the Mavroules amendment undoes what we did last year. It is a cut from what we authorized in prior Congresses. It is a reduction from 42 to an actual 40.

It was mentioned briefly, but I do not think enough emphasis was placed on it, that is really makes no sense to deploy 40 MX missiles because of the way they are configured. Because of the fact that missiles come in squadrons and squadrons require the deployment of 50 missiles. As a matter of fact, it has been determined by the Air Force that it would cost approximately $100 million in research and development to mix MX with Minuteman III's. So the reduction to 40 missiles from the 50 that the Dickinson amendment requested requires additional R&D that buys you nothing; it does not buy you additional security. It buys you nothing at all but the cost of additional R&D to marry two types of systems.

Basically what we are suggesting here is the fact that from a pragmatic, functional standpoint, from a deployed standpoint, it makes no rational sense to reduce from a higher number to 40. Fifty is what we planned on; 50 is necessary in order to get full benefit of the type of command and control that is necessary.

I would also like to mention the fact that what type of a message, and I think this has been mentioned before, what type of a message is this type of an amendment now going to give our negotiators in Geneva. It has been mentioned that Max Kampelman came to the Congress a few weeks ago when we discussed this issue before; he pleaded with this body to show resolve. He pleaded with this body to show that the United States has some strength. He wanted to make sure that we did not remove from the negotiators that which they could negotiate: A further reduction, unilateral, before they are seriously negotiating, gives the absolute wrong signal to the Soviet Union. It makes no sense whatsoever.

I am concerned about perception here, and I am concerned about the type of message that this unilateral action will have on our negotiating team in Geneva. What type of strength will they have in negotiating

with their very strong counterparts if we unilaterally before they get into substantive negotiations, further reduce the deployment of the MX missiles?

Finally, I would like to mention the fact that we have come a long way in negotiating MX. We are almost here; I think basically we are at the very end. Not long ago, in the other body, there was a supreme effort by the administration, who was asking for 100 MX missiles, the Scowcroft Commission that basically said a minimum amount of deployed MX's is 100. We have now negotiated and compromised to 50. That compromise is now within our grasp.

The CHAIRMAN pro tempore (Mr. RUSSO). The time of the gentleman from New Jersey [Mr. COURTER] has expired.

Mr. DICKINSON. Mr. Chairman, I yield 1 additional minute to the gentleman.

Mr. COURTER. I thank the gentleman.

Mr. Chairman, it makes no sense now to further compromise. This should be the last vote on MX. Let us make sure that the request is not reduced from the original 200 to less than 50. Fifty is the minimum that the administration needs. I think we should support the 50 and the Dickinson amendment.

Mr. MAVROULES. Mr. Chairman, will the gentleman yield?

Mr. COURTER. I yield to the gentleman.

Mr. MAVROULES. I thank the gentleman for yielding.

Mr. Chairman, to clarify a couple of points which I think are very important. No. 1, in the gentleman's statement, he says under my amendment, along with Mr. MCCURDY, that we eliminate all. Actually, what we are doing is giving to the Congress and the administration funds for eight deployable missiles, that is correct. In my amendment, which is $929 million, what you do is you deploy an additional eight missiles. Without those funds, you cannot deploy them. So, therefore, you are going from 32 to 40.

I want to clarify that one position. Item No. 2, when you refer to the 200-missile system under Jimmy Carter, is it not also correct to state that under his MX proposal, was that not supposed to be a mobile system?

Mr. COURTER. Yes, it was. I thank the gentleman for bringing it up because it strikes me that many of those people that are in favor of your amendment, and they are saying they are in favor of it because they say that the MX is not secure, that it is vulnerable, are the very ones that said that we should not have a race track. They basically took that position.

The CHAIRMAN pro tempore. The time of the gentleman from New Jersey [Mr. COURTER] has again expired.

Mr. MAVROULES. Mr. Chairman, I yield 1 additional minute to the gentleman.

Mr. COURTER. I thank the gentleman for yielding me the time.

Mr. Chairman, they basically took a position creating a situation prohibiting the mobility of the MX missile then saying that it is vulnerable because it is not mobile. But they created the vulnerability by virtue of their position with regard to mobility.

Finally, I thank the gentleman. I really disagree with the gentleman's interpretation. The Congress has voted for the deployment of 42 missiles. It has not funded sufficient missiles in order to accomplish that fact, but under the vote, we could have deployed 42. Your amendment would reduce that to 40.

Mr. MAVROULES. Mr. Chairman, will the gentleman yield?

Mr. COURTER. I yield to the gentleman.

Mr. MAVROULES. The one point I want to make very clear is that under the Mavroules-McCurdy amendment, there is funding there for an additional eight missiles to be deployed. By the way, that includes spare parts; it includes the entire funding to deploy an additional eight missiles. I want that known as a matter of fact.

Mr. COURTER. Well, the gentleman and I have a different interpretation I thank the gentleman for his yielding me additional time.

PARLIAMENTARY INQUIRY

Mr. DICKINSON. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN pro tempore. The gentleman will state it.

Mr. DICKINSON. Mr. Chairman, could the Chair please advise those of us controlling the time how much time remains?

The CHAIRMAN pro tempore. The gentleman from Alabama [Mr. DICKINSON] has 12 minutes remaining; the gentleman from Massachusetts [Mr. MAVROULES] has 14½ minutes remaining; and the gentleman from Florida [Mr. BENNETT] has 20 minutes remaining.

Mr. DICKINSON. I thank the Chair.

Mr. FAZIO. Mr. Chairman, I rise in strong support of the Mavroules-McCurdy amendment because I believe it is the proper way to bring the long, acrimonious, and devisive debate on the MX to a proper conclusion.

When the first defeat that the MX incurred on basing mode on the dense pack took place, the Air Force took stock of the MX, its current situation in the Congress, its inability to find a home, and concluded that it would be realistic to provide a hiatus at which time 40 missiles could be deployed in existing silos.

Several years later, I think we have wisely concluded that perhaps they were right even then. It is the proper place to stop. Mavroules-McCurdy has a legitimate and realistic approach to this system. It does not attempt to deauthorize it or make it inoperative by limiting the number of missiles that would be used for tests, for spares. It keeps, for a while, a warm assembly line. It does, however, bring to an end a system that has never had a home, and has always been sold to Congress simply as an arms control vehicle.

I think we all understand that we have a constrained budget environment stretching out as many years as most of us are going to serve in Congress. There is no willingness to talk in terms of new revenues. David Stockman has just estimated that we will have a budget deficit in 1988 of $175 billion; not the $100 billion that the President had attempted to bring it to.

We know we are going to be dealing in a very tight, strategic budget in the Armed Services Committee and indeed this Congress is going to have to make choices about where to put its dollars. Not just choices between conventional and theater and strategic weapons. That we have to do as well, but when we look at the future of our strategic systems, we have to opt for those that have passed far more rigorous tests than the MX has passed.

We have a D-5 to be deployed in the Trident. We have a very advantageous Stealth Bomber Program, which hopefully, will immediately follow on the procurement of 100 B-1B's.

□ 1710

We clearly have in the Midgetman, although the difficulty of deploying it has not been fully explored, an option that does make a more compatible and secure land-based system, one that we can utilize in the context of our arms control discussions in Geneva.

We have, therefore, better approaches, better ways to spend our dollars, than simply procuring more MX's because that process is under way; certainly better ways of deploying land-based missiles than in the vulnerable silos of the Minuteman.

This amendment recognizes budget realities, recognizes strategic realities, does not undermine those negotiating for us in Geneva. In fact, I would argue that it actually bolsters their ability to claim that we will have a modernized and stabilized strategic deterrent. It does not go back on decisions we have made in very difficult days in the past, and yet it realistically says, "Enough is enough."

The administration always seems to want a little bit more. I think they will take whatever the Congress will give them. But in this instance, I think it is far more important for us to look at the fact that this is a cap that requires

the reauthorization of this system in the context of competition with other more valid systems. This is not a "sense of the Congress" resolution that simply says, "Let us take a temporary hiatus at this point and take a look in a few months." This says, "We have done about all we can do with this very vulnerable system."

So I urge that the Members of this body put an end to this debate and move on by supporting the very balanced compromise that Mavroules-McCurdy presents.

Mr. BENNETT. Mr. Chairman, I have no further requests for time, and I reserve the balance of my time.

Mr. DICKINSON. Mr. Chairman, at this time I yield 3 minutes to the distinguished gentleman from New York [Mr. STRATTON].

Mr. STRATTON. I thank the gentleman for yielding this time to me.

Mr. Chairman, we have been talking a good deal in this Chamber and in the press in recent weeks about waste, fraud, and abuse. But I cannot think of anything that would be more in keeping with waste, fraud, and abuse than what the Bennett amendment would bring about.

Here we have spent some $12 billion in developing this MX weapons system, and although some speakers say it does not work, the fact of the matter is that it does work. It is accurate; it has the proper weight and the proper explosive capability, and it has in fact deterred the Soviets from attacking us.

But the Bennett amendment would not only strike out the missiles that we voted for a couple of months ago in the 1985 budget, under that strange arrangement of four votes; Mr. BENNETT's amendment would even eliminate the funds for basing mode for these 21 missiles we voted for earlier. This is a little bit like the Air Force. The Air Force decided that they had too much money invested in spare parts, so they got rid of the spare parts; and then later on they had to buy those parts back at about three times the cost!

I do not know how one can peddle an MX missile warhead over to Europe to try to encourage General Rogers in carrying on conventional warfare. I do not know what you do with an unused missile and what you do with an unused basing mode. We are just putting the money down the drain in the Bennett amendment and I think this is a rather shocking kind of thing to do.

I would like to see the 50 missiles. I think the gentleman from Alabama [Mr. DICKINSON] has the right idea. The Mavroules amendment is somewhat along the lines of the Dickinson amendment, but it has one flaw. It does not indicate, as they have indicated in the other body, that they will approve more missiles if a better sheltered type of basing mode can be found, with elements of deception and with more mobility. That is what we ought to be doing here. We are simply "pausing" at 50 missiles in the Dickinson amendment. In the Mavroules amendment we are capping them out. Why should we cap them? Why should we say that this is the absolute end?

Let me further, Mr. Chairman, indicate that we have, I think, been forgetting what has been happening in the Soviet Union since our last vote. Here is the Defense Daily for Tuesday, June 11. The Soviets are accelerating new generation of ICBM's while we are here trying to wipe out our own best missile, the MX.

The CHAIRMAN pro tempore (Mr. RUSSO). The time of the gentleman from New York [Mr. STRATTON] has expired.

Mr. DICKINSON. Mr. Chairman, I yield 2 additional minutes to the gentleman from New York [Mr. STRATTON] in order that he might respond to the gentleman from California [Mr. LAGOMARSINO].

Mr. LAGOMARSINO. Mr. Chairman, will the gentleman yield?

Mr. STRATTON. I am glad to yield to my friend, the gentleman from California.

Mr. LAGOMARSINO. I thank the gentleman for yielding.

Mr. Chairman, I commend the gentleman for his statement and say that I rise in strong support of the Dickinson amendment.

I am struck by the fact that again we are called upon to debate the question of deploying the MX intercontinental ballistic missile. Again we must revisit the arguments as to why the United States must defend itself against the ever-growing Soviet nuclear threat and, again, we must restate certain facts about the U.S. ability to deter nuclear aggression by our avowed enemy, armed with nuclear forces capable of destroying practically all of our land-based retaliatory weapons in a first strike.

Let us review the record for a moment, Mr. Chairman. Under Presidents Nixon, Ford, Carter, and now Reagan, we have sought the perfect land-based nuclear missile. It has yet to be found or deployed. President Carter (a Democrat) proposed 200 MX's. Today, however, we debate 12 missiles instead of 21 missiles, 40 MX's instead of 100, and 100 missiles instead of 200. So much for President Carter's and President Reagan's requests.

Let us review the prime reasons why the United States needs to deploy the full complement of 100 MX's, Mr. Chairman, and at the same time address the key arguments that have been offered in opposition to the MX. First, the U.S. ICBM force is aging and needs replacement, not in the middle of the 1990's but now.

The Titans are being rapidly retired. Why? They are unreliable and hence do not contribute to deterrence. The Minuteman is now over a decade old and is becoming increasingly unable to fulfill its mission. In fact, from Vandenberg Air Force Base in my district in California, the Air Force and SAC take operational missiles from their silos in the Central United States and test-fire them for reliability and performance. Several Minutemen tests have failed recently, due to missile defects. I am certain my good friends on the Armed Services Committee would attest to this. We hate to acknowledge it, but such test failures are a fact nonetheless. These missiles are simply old and not as reliable as they once were. They need to be replaced by the MX.

Second, let us look at Soviet ICBM deployments, Mr. Chairman. The Soviets' SS-18 ICBM force alone has the yield and accuracy to enable it to destroy every hard target here in the United States. Again, they could attack us with only a small portion of the SS-18 force, keeping the rest of their nuclear forces in reserve, and be insured of destroying over 90 percent of our land-based retaliatory missiles.

Since 1979, when SALT 2 was signed, the Soviets have added almost 5,000 strategic nuclear warheads to their already burgeoning inventory. This has been nearly an 80-percent increase in the number of Soviet nuclear warheads aimed at the United States since SALT 2 was signed. Nearly 80 percent. So much for Ambassador Gerard Smith's statements regarding the U.S. "objective of follow-on negotiations * * *" after SALT 1 was signed in 1972. If you recall, Mr. Chairman, Ambassador Smith, on behalf of the U.S. Government, said in "unilateral statement A" that our objectives in continuing to pursue arms control negotiations with the Soviet Union was "to constrain and reduce on a long-term basis threats to the survivability of our * * * strategic retaliatory forces." Has the survivability of our land-based forces been increased, Mr. Chairman? Has the Soviet threat been at all "constrained and reduced"?

It is also often stated or assumed that the quantity of nuclear weapons has steadily increased, and that we now have more nuclear weapons than ever. That is, in fact, the case for the Soviet Union, whose stockpile has grown without interruption ever since the USSR first acquired nuclear weapons in 1949. For the United States, the exact opposite is true: The number of weapons in the U.S. nuclear stockpile is now at its lowest level in 20 years. In fact, the number of nuclear weapons in our total inventory was one-third higher in 1967 than it is today. The current yield total, or explosive power, or our nuclear weapons stockpile is

today only one-quarter of its peak in the late 1950's and early 1960's.

The United States has unilaterally dismantled and destroyed several poseidon submarines, several Titan missiles, and tens of B-52 nuclear capable bombers, due to age and unreliability. The United States and our NATO allies have unilaterally withdrawn over 1,000 nuclear weapons from Europe and will be removing an equal number of warheads from service as the Pershing 2's and GLCM's are deployed, themselves as response to the Soviet's massive deployments of SS-20's. And, as was driven home in the President's recent report to Congress on continued U.S. observance of SALT limits, we remain in complete compliance with all SALT provisions.

Where, Mr. Chairman, is the alleged arms race for which many here in this body seem to blame the United States? If there is an arms race, it is surely one-sided.

If this Congress cuts the MX program, or if we in effect kill it, we will have less than 500 prompt, hard-target warheads for a Soviet target base of well over 5,000 targets, including the deep underground command posts that the Soviet Communist Party political and military leaders would hide in and direct a global war against the United States from, should such a conflict erupt. We cannot even target hundreds of these locations, Mr. Chairman. They have been placed in sanctuary by Congress' refusal to approve funds for 100 MX's. The Congress has become the guarantor of the survivability of Soviet military targets.

We can barely find, much less target, Soviet mobile missiles—those both overtly and covertly deployed—and we can only guess how many ICBM's the Soviets have secretly built and hidden from our reconnaissance satellites. Furthermore, some analysts say the SS-18 ICBM has 10 warheads. Others note that it has been tested with 14 warheads. Still others believe that in time of war they could load up to 30 warheads onto these monster missiles. What would that do to our ability to insure the survivability of our land-based retaliatory capability? But do we even consider providing funds for programs like the MX which can hold a similar percentage of Soviet hard targets at risk—those targets which the Soviets themselves have repeatedly say they value most? No. Today, my colleagues, we discuss funding for just 40 MX missiles.

Mr. Chairman, let us also inspect the argument that some opponents of the MX have used: That is, that we should hold off, not worry about the Soviet threat today, and wait for the Midgetman. It's just like many of our colleagues to stridently oppose those weapons systems like the MX close to actual deployment. These are the same Members who believe our problems would best be solved by the weapon that is not yet ready, just around the corner.

True, the Midgetman will be less vulnerable than MX deployed in Minuteman silos. But this is only the case of the Soviets cease the proliferation of accurate warheads. The Soviets are within just 1 year we are told of deploying both the SS-24 and SS-25. The SS-25 mobile ICBM is especially disturbing because it is highly MIRV'd, accurate and counterforce capable. So the proliferation of accurate warheads, which could be used to barrage the limited deployment area of the Midgetman, in essence ensures that that system, too, will be somewhat vulnerable.

The bipartisan Scowcroft Commission has said we must at once redress the Soviets' expanding lead in prompt, hard-target kill capability—itself a dangerous outgrowth of SALT and the inability of the arms control process to assure the survivability of our retaliatory forces. In order to redress this current destabilizing imbalance, the Scowcroft Commission argued, the Congress will either have to deploy 100 MX's or speed up the Midgetman program and deploy in the near-term about 1,000 of that single-warhead missile. Yet, I here neither option being discussed today, Mr. Chairman. In fact, the cries have already been heard in these hallowed halls saying the Midgetman is too expensive and even too capable.

The Midgetman is only a partial solution to our strategic problems. If those who are now arguing for the Midgetman and against the MX because of its vulnerability were to put their money where their mouth is, they would offer and vote for an amendment providing funding for speeding up the research and for procuring Midgetman. The most dangerous threat we face, my colleagues, is not in the early 1990's, but is instead now.

Again, Mr. Chairman, I hear no substantive responses. We are instead faced with a decision to deploy just 40 MX's, and this is after the Soviets have deployed over 600 MX-type ICBM's since 1979; 600 since 1979.

The Midgetman, which I support, and think ought to be speeded up, will be big bucks; let's all admit that right now. The cost of 40 or 50 or even 100 MX's will pale in comparison to the costs associated with researching, developing, manning, protecting and making mobile the Midgetman.

I sincerely question the intentions of those Members who are now saying that we should forgo the MX for the Midgetman. It will be interesting to see how many of those Members in the future vote the funds needed to build a sufficient number of Midgetmen.

Mr. Chairman, we continue to hear that the MX is flawed because it is vulnerable. Well, both the Carter administration and the Reagan administration have offered numberous plans for deceptively basing the MX or defending it. Take, for example, the racetrack option—an idea which would have cost $46 billion. Where were those who today complain about the MX's vulnerability when this proposal was offered? They were calling it too expensive. The dense pack basing mode would have also protected the MX. It too was shot down by the Congress. Air-based MX's suffered the same fate as did, I am told, hundreds of alternative basing modes to make the MX less vulnerable.

I am afraid, Mr. Chairman, we are witnessing a call for killing the MX and getting nothing in return. Instead of negotiating it away in exchange for SS-18's or SS-24's or SS-25's, the Congress is unilaterally giving the Soviets exactly what they would have otherwise had to bargain for. If opponents of the MX think we shouldn't fund it because it's vulnerable, let's see them put up the money for either defending the MX—which is technically feasible today with existing off-the-shelf technologies—or rapidly deploying the Midgetman in sufficient numbers—which I propose will never happen because of the Congress' concern about the missiles' great costs.

This vulnerability issue will not go away, Mr. Chairman. Political and military strategists from both parties have lamented systems which are vulnerable when deployed, like the MX. We now hear calls from Members of this body to cancel the MX program, to cap its deployment at 40, because it is vulnerable. MX would be acceptable, it is argued, if it were less vulnerable.

Mr. Chairman, everything I have said has been known by this body for several years. The Congress has considered and rejected invulnerable and deceptive basing modes for the MX. And now the House stands ready to slash the SDIO budget in those areas that are most promising for defending the MX, as well as actual MX procurement funds.

I submit that those that are decrying the MX as too vulnerable are avoiding reality, Mr. Chairman. If vulnerability is a problem, let's redress it here and now. Let's defend MX or approve dense pack or racetrack or some other basing mode. Let's cut the rhetoric and get on with the business of providing for the common defense as the Constitution demands.

I will vote for the MX today, Mr. Chairman and my colleagues, because we need it to deter the Soviets; to replace our aging and unreliable ICBM forces; to improve our chances of reaching a decent agreement in Geneva, and to redress the destabiliz-

ing advantage the Soviets hold in hard-target kill capability. Let us remember that, as President Reagan has said, "A nuclear war cannot be won and must never be fought." If we are serious about our constitutional responsibilities of defending this Nation, if we are serious about the MX, if we are serious about deterring Soviet nuclear blackmail and aggression, if we are serious about remaining confident in our ability to deploy sufficient forces and strategic defenses for our own protection, then let us recognize these facts and get on with approving MX procurement money. If we are not serious, we are wasting the taxpayers time and money, Mr. Chairman, and are sending a dangerous and altogether incorrect signal to both our enemies in Moscow and our allies in Europe, Asia, and elsewhere, about our willingness or resolve to defend ourselves and our interests.

I urge my colleagues to support the MX and defeat those amendments which would cancel the much-needed MX Missile Program.

Mr. STRATTON. I thank the gentleman.

This information comes from the National Intelligence Estimate, November 3, 1985. It indicates "a dangerously worsening state of Soviet military supremancy as a result of significantly changed judgments," and here we are going to scrap the MX, which we have already paid $12 billion for. It makes no sense whatsoever.

Mr. MAVROULES. Mr. Chairman, I yield 3 minutes to the gentleman from Oregon [Mr. AuCoin].

Mr. Chairman, will the gentleman yield?

Mr. AuCOIN. I am pleased to yield to my friend, the gentleman from Massachusetts.

Mr. MAVROULES. I thank the gentleman for yielding.

Mr. Chairman, the one thing that I want to say is that while we keep coming out with new reports of the Soviet military power and the Soviet might, one day, probably, we will learn from past experience to come out here just one day and talk about the great powers that we have here in the United States, and then we can make an honest comparison. I do not think those comparisons hold water.

Mr. AuCOIN. Mr. Chairman, in behalf of the Mavroules amendment, should the Bennett amendment be defeated, I think there is another point that we have not yet considered today, and I think we ought to, and that is: How are we going to build the Midgetman and the glass jaw MX at the same time?

It appears that President Reagan, in what is beyond a doubt the wisest dicision of his career is apparently going to continue to observe the SALT II treaty. This treaty permits only one new ICBM. It allows us to build either the glass jaw MX or the Midgetman, but not both.

It is true that there is some concern that the Soviets may have violated this provision with the SS-24 and the SS-25, but while the evidence for the SS-25 being a new missile is somewhat ambiguous, there would be no ambiguity whatsoever about the combination of construction of the glass jaw MX and the Midgetman together on our side. This would be a violation of SALT II beyond doubt.

It is also true that we have declared the glass jaw MX to be our one new missile, and that the treaty provides no way to amend this declaration. If we want the Midgetman, and I think we should move toward it, we are going to have to renegotiate the SALT II treaty. But every glass jaw MX we build, and certainly every glass jaw MX we deploy, is going to weaken our Midgetman negotiating position.

□ 1720

If we want Midgetman, which is a survivable retaliatory missile system, we need the tightest possible cap on the glass jaw MX, vulnerable as it is.

Finally, some glass jaw MX advocates say it is more efficient to deploy 50 glass jaws rather than 40 glass jaws—we heard it just a few minutes ago—because ICBMs are set up in squadrons of 50. I hope the Members will understand that it is true that a squadron of 40 glass jaw MX's and 10 Minuteman missiles would be cost-ineffective. But the solution is fairly clear, it seems to me.

The CHAIRMAN pro tempore (Mr. Russo). The time of the gentleman from Oregon [Mr. AuCoin] has expired.

Mr. MAVROULES. Mr. Chairman, I yield 1 additional minute to the gentleman from Oregon [Mr. AuCoin].

Mr. AuCOIN. Mr. Chairman, it is to deploy 40 glass jaw missiles, not 50, and retire the 10 Minuteman missiles, limiting the deployment of the glass jaws to 40 and retiring 10 Minuteman missiles from that squadron to make room for the 10 Poseidon submarines that you would have to otherwise dismantle in order to stay under the SALT II ceilings. Poseidons are infinitely more survivable than either MX or Minuteman missiles. I think we can all agree that 10 survivable Poseidons are infinitely worth more than 10 nonsurvivable ICBMs, be they Minuteman or be they the glass jaw MX.

The gentleman from New York [Mr. Stratton] said that the approach of both the Bennett and Mavroules amendments is like the Air Force selling off spare parts and then buying them back again. Actually building the glass jaw MX is a lot more like the Navy at Pearl Harbor when it put all its stock on the deployment of nonsurvivable basing for military assets which the enemy force consequently moved in and absolutely blew to smithereens.

So, Mr. Chairman, it seems to me that we ought to support the Mavroules approach and the Bennett approach, and I hope that my colleagues will do that.

The CHAIRMAN pro tempore. The gentleman from Alabama [Mr. Dickinson] has 8 minutes remaining.

Mr. DICKINSON. Mr. Chairman, I yield myself the balance of my time.

Mr. Chairman, in concluding for my amendment, let me say that there has been a great deal of controversy generated over this missile system over a number of years. I would hope that by this vote today and the action of this Congress we can resolve the question and go on to other things, putting that behind us. Let us make it a final, finite decision today so we know where we stand and go on about our business and look at other strategic systems, devoting our time to matters that deserve our attention, because we have rehashed this so many times.

There are Members in this body who do not want the MX at all. Some forthrightly and outrightly say that they do not want it and say they are going to vote against it. That is fine, and that is their right.

There are others who would like to be a little devious about it and kill it a little bit at a time. That is really the effect, not necessarily the intention, of the authors of the amendments, but that is the effect of what we are doing now. If we cannot kill it outright and meet it head-on, then let us just whittle it to death.

So this is what we have done: The Carter administration has come out, and Mr. Brzezinski has said, that we need 200. This administration said, well, 100 would be adequate, so we cut it in half. Now, in the face of political realities and other things, the administration and now the other body have agreed and have settled on cutting that in half to 50. That is what I am offering by my amendment, to make it conform to what the other body has already done in this Congress and what has been agreed to by the Department of Defense and by the President and this administration. We would limit it to 50, and build 1 squadron, a deployable squadron, a workable squadron of 50. At that time we will stop. We will go forward and build test missiles only. We will keep the production line warm and go forward for 1 year or 2 years to give the Soviets an opportunity to come and negotiate in good faith with our negotiators in Geneva.

That is what we are offering here, in addition to the $228 million worth of savings. This is something this country needs. It gives us an opportunity to show our good faith to negotiate perhaps in the future down no nuclear

weapons. But in the meantime we are not throwing away a capability either to build or to deploy. We are deploying one full squadron, and it does not make any sense to deploy 80 percent of a squadron or to mix it with the Minuteman.

So we are being asked and I am asking the Members to just stop at 50, continue the warm line, and let us see if this will bring desirable results in Geneva. To do less really is penny-wise and pound-foolish. Otherwise we are not getting the full value of the money already spent in research and development and the hardening of our deployment sites. This is the rational way to approach it.

The first vote will be on the amendment offered by the gentleman from Massachusetts [Mr. MAVROULES], and he would come in instead and say, "Don't go 50, go 40." But I think there is another thing we need to look at. How vulnerable are the legs of our triad?

Well, we know that in all probability this is the most vulnerable, particularly without hardening of the basing sites. Secondly, we say, "Well, we have the B-1."

Well, we do not have the B-1 yet. We will have it sometime in the future. Well, we do have the air-breathing leg of the triad, and then we have always relied on the security of our Trident and our submarine force.

But I hope the Members of this body will stop and reflect for a moment and wonder, as I do, how much the Walker family spy revelation has hurt the security of our submarines at sea. We do not know. Those of us on the committee and those of us who are privy to inside briefings do not know. We do not know how much it is at risk. So what we should do is certainly enhance our capability there, but let us not diminish our capability with this leg of the triad.

I would like to correct one thing that has been said before about my amendment being a sense-of-the-Congress only, and that it has no legal effect. This is not true. One paragraph says that "It is the sense of Congress," but if you would look on page 2, paragraph (b), where it says, "Limitation on fiscal year 1986 and earlier funds," it says—and this is law—

None of the funds appropriated or otherwise made available in an appropriation law for fiscal year 1986 or any prior fiscal year for procurement of missiles for the Air Force may be used—

(1) to deploy more than 50 MX missiles in existing Minuteman silos;

(2) to modify, or prepare for modification, more than 50 existing Minuteman silos. . .

(3) to acquire basing sets for more than 50 MX deployed missiles. . .

So this goes on and it does in fact legally limit it to 50.

So the bottom line is, will we settle for half of what we wanted, which is a reasonable number, and conforms to what the administration has agreed to and conforms to what the other body has done in passing its defense authorization bill this year?

Mr. Chairman, this is a workable number. It completes one squadron, and it saves $228 million. If we can get this behind us, then we will not have to vote on it next year and the next year, and we will never have to vote on it again until and unless the administration decides that the Soviets will not negotiate in good faith, at which time they will come back to us and say, "Let's go forward. We have kept the line warm. Let's go forward with the building of it." And I hope to God that time never comes.

I would ask the Members to vote no on the Mavroules amendment so we can reach my original amendment and vote for the 50 missiles.

Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN pro tempore. The gentleman from Massachusetts [Mr. MAVROULES] has 6½ minutes remaining, and the gentleman from Florida [Mr. BENNETT] has 20 minutes remaining and has reserved the balance of his time.

The Chair recognizes the gentleman from Massachusetts [Mr. MAVROULES].

Mr. MAVROULES. Mr. Chairman, I yield 3 minutes to the gentleman from Oklahoma [Mr. MCCURDY].

□ 1730

Mr. McCURDY. Mr. Chairman, I appreciate my colleague yielding the time.

Mr. Chairman, I would like to take just a moment at the end of this debate to attempt to clarify the parliamentary procedures under which we are operating and to explain the possible votes, if I can.

The gentleman from Alabama [Mr. DICKINSON] has offered an amendment to provide for 50 deployed MX missiles and to have a pause for fiscal year 1986.

The gentleman from Massachusetts [Mr. MAVROULES] and myself have offered an amendment as a substitute for the amendment of the gentleman from Alabama [Mr. DICKINSON] to place a permanent cap on the MX missiles at 40.

The gentleman from Florida [Mr. BENNETT] has offered an amendment to our amendment which would provide no moneys and zero deployment for this year.

Now, the Bennett amendment would be the first in order for a vote. After the Bennett amendment is either voted on, dispensed with or whatever, then the gentleman from New Jersey [Mr. COURTER] has indicated that perhaps he will offer an amendment to the amendment offered by the gentleman from Massachusetts [Mr. MAVROULES] and myself.

If that is the case, and the gentleman from New Jersey [Mr. COURTER] does offer his amendment, then I intend to offer the same language that we offered earlier as an amendment to the amendment of the gentleman from Alabama [Mr. DICKINSON].

So what that would do in effect is still provide for a vote on the McCurdy-Mavroules amendment first on 40 missiles capped, after which we would have a vote on the Dickinson amendment at 50.

Now, I am sure after that explanation everyone is thoroughly confused, but what I am trying to say is that any way that it is offered, we intend to offer our amendment as such to provide for a vote first on 40, after the vote on the Bennett amendment, and then conclude with a vote at 50.

Mr. MAVROULES. Mr. Chairman, will the gentleman yield?

Mr. McCURDY. I yield to my colleague.

Mr. MAVROULES. Mr. Chairman, the gentleman makes an excellent point and the point that I want to make at this time is that the gentleman from Alabama [Mr. DICKINSON] and I had a gentleman's agreement and we went before the Rules Committee. The gentleman from Alabama [Mr. DICKINSON] had the alternative as to whether to offer it first or take the back end.

I acceded to his wishes, as two gentlemen do. The gentleman decided to go first.

I agreed with the gentleman from Alabama [Mr. DICKINSON] before the Rules Committee; so what we are saying, this was set up through the Rules Committee. People voted on the rule today. If indeed the gentleman from New Jersey [Mr. COURTER] is going to offer, and that was not part of the agreement, I have to be up front here, then we are forced to offer an amendment to the Dickinson amendment and get the first vote.

I think we can save ourselves an awful lot of time here if we stick to the agreement made between the gentleman from Alabama [Mr. DICKINSON] and myself before the Rules Committee.

Mr. BENNETT. Mr. Chairman, I yield 5 minutes to the gentleman from Massachusetts [Mr. MARKEY].

Mr. MARKEY. Mr. Chairman, I rise in support of the Mavroules-McCurdy amendment, and in opposition to the Dickinson amendment.

The real choice before us today is an amendment that closes the door on MX deployments, and an amendment that puts a revolving door on MX deployments; between an amendment that brings an end to the MX battle, and an amendment that assures the fight will continue.

As you know, Congress has now authorized production of a total of 42 MX missiles, with approval of the second 21 coming only after being sub-

jected to a "big max attack"—a massive lobbying effort by the administration and its chief arms control negotiator, Max Kampelman, to convince my moderate colleagues that voting against additional MX missiles would "knock the legs out from under the bargaining table."

While many of us argued that a continued fencing of these funds would actually give the United States more leverage at Geneva, the administration won that battle. It got its 21 MX's.

Well it now looks that the administration may have won the battle of the second 21, but is now in danger of losing the war for the full 100.

There is a growing consensus that the approval of more MX missiles makes little strategic sense, will place an intolerable burden on the taxpayer, and can no longer be justified on the basis of the obviously stalemated Geneva negotiations.

While I would have far preferred to see none to these destabilizing missiles deployed, halting MX deployments at 40 seems a logical stopping point for the program for several reasons.

First, it would keep the MX Program below a level which would seriously threaten a first strike. According to a 1982 Air Force report, "the initial deployment of 40 MX's in existing silos will be sufficient to hold the most threatening Soviet silo sanctuaries at risk." If this is the case, there is absolutely no need for us to build more MX's.

Second, we can no longer afford to continue throwing good money after bad, to the tune of $40 billion. We all know that the MX will be vulnerable to a Soviet attack, and none of the administration's elaborate rationalizations for building the missile has been able to alter that fundamental fact.

Finally, it is now obvious that further production of the MX will have little or no impact on the ongoing Geneva talks. The administration never viewed this missile as a bargaining chip in the negotiations in the first place, and at this late date its status no longer appears central to the negotiations—which are at an impasse over star wars.

Placing a permanent statutory limit on the deployment of MX missiles would make it clear that Congress is no longer willing to support a continued expansion in this program.

It would close the door on the MX debate—once and for all.

The Dickinson amendment, in contrast, would provide continued funding for a further expansion of the MX program. Under this amendment, a meaningless 1-year cap of 50 missiles would be established, and 12 new flight tests missiles would be authorized. The deployment cap would only apply to MX's in Minuteman silos.

Approval of the Dickinson amendment will merely open the way to a renewed MX flight next year. Both Caspar Weinberger and Robert McFarlane have indicated that they view the 50 cap as "50 on the way to 100."

Do you think they are really going to stop at 50?

I say that if we're going to cap MX deployments, let us cap them once and for all.

Let's nail the door shut on further MX deployments, not leave it open.

Let's defeat the Dickinson amendment, and vote for the Mavroules-McCurdy cap of 40 MX missiles.

What are we doing?

Are we spending to build America's defense, or are we engaged in a buildup for buildup's sake? These MX missiles serve no rational purpose, and there is no rational argument for them.

We've heard argumentation ad absurdum to save this god-forsaken, worthless weapon.

The reason first was that we needed the MX because we had a window of vulnerability, but it turns out that the MX is going to be deployed right in the middle of that window of vulnerability. So MX supporters said, presto chango, the window of vulnerability no longer exists.

A year ago, they said we need the MX because we aren't talking to the Soviets.

This year, they said we need the MX because we are talking to the Soviets.

We gave them the MX, and the arms talks are on a fast track to nowhere.

The issue is not do you want to be strong, because the MX will not make us strong.

The issue is do you want a nuclear war, because the MX will make a nuclear war more likely.

We are on the threshold of crossing over that technological barrier that makes it possible for both sides to consider fighting and winning a nuclear war. This is the first step toward closing that option for both sides.

Mr. BENNETT. Mr. Chairman, I yield 1 minute to the gentleman from Massachusetts [Mr. MAVROULES].

Mr. MAVROULES. Mr. Chairman, I yield to the gentleman from Arizona [Mr. RUDD].

Mr. RUDD. Mr. Chairman, I rise in opposition to the Bennett amendment to eliminate funding for additional MX Peacekeeper missiles.

Just 3 months ago, we approved funds for 21 additional MX missiles, recognizing the need to modernize our land-based strategic forces and give our people in Geneva the tools they need to successfully negotiate a meaningful arms reduction treaty.

Since then, the threat to our Nation's security has not diminished. In fact, it has increased substantially.

Unknown damage has been done to the credibility and effectiveness of our sea-based nuclear forces by the Walker spy ring. Sensitive information on how the United States tracks Soviet submarines and what strategy the United States might employ in a crisis may have been compromised.

With the credibility of our sea-based force in question, it would be irresponsible and dangerous to turn back the necessary modernization of our land-based systems and have two legs of the triad at risk. We have not deployed a modernized land-based ICBM since the early 1970's. Out Titan II force is being retired and extensive rehabilitation of our Minuteman force is already required to keep them operational.

A vote for this amendment will signal a lack of U.S. resolve to redress the serious imbalances between United States and Soviet forces. It will allow the Soviets an important victory at the bargaining table in Geneva without ever having to give anything in return.

I urge the defeat of the amendment.

● Mr. ADDABBO. Mr. Chairman, I rise in support of the amendment of the gentleman from Massachusetts [Mr. MAVROULES].

We have been up and down this road too many times. The Congress has already provided funds to procure 42 MX missiles, in addition to the 20 research missiles previously provided. We don't need anymore missiles and the gentleman's amendment acknowledges that fact and provides funds only for the acquisition of basing sites, system support for the deployment of not more than 40 MX missiles, and maintenance of the production base.

Mr. Chairman, I am sure everyone in this distinguished body is in favor of a strong national defense, but I believe there are many different opinions as to what constitutes a strong national defense. The preamble to the Constitution of the United States states that we should "provide for the common defense" and "promote the general welfare." Our forefathers felt it was equally important to maintain a needed defense and to adequately support the people of this great Nation. If our people are not properly educated, our farmers not assisted in producing needed commodities, and our financial matters not properly balanced, we will have no strong national defense. The people and the economy of our Nation provide as much for our national defense as do more tanks, guns, and missiles. I personally believe that spending $25 billion for vulnerable MX missiles does not contribute to our national defense. This money could be better used to further the needs of our youth, farmers, and the American people in general.

Let me point out to my colleagues that 2 years ago, when we were considering the defense appropriations bill for fiscal year 1983 on the floor of this same House of Representatives, we

overwhelmingly rejected funds for the initial procurement of the first five MX missiles.

The administration had requested $1.5 billion for the procurement of nine MX missiles; however, Congress only authorized $988 million for the procurement of five missiles. When the defense appropriations bill was on the floor, I offered an amendment to delete all funds for the procurement of MX missiles, and it was approved by a record vote of 245 yeas to 176 nays. The basic reason for this denial of procurement funds for the MX was that a basing mode had not been approved. The arguments at that time were that placing the MX in Minuteman silos was a nonoption because of their vulnerability. That is the exact situation today—no appropriate basing mode has been selected, and we should again reject the request for procurement of additional missiles overwhelmingly.

Last year, we were told that we had to build MX because the Russians had broken off the talks in Geneva. Now, we are told we must build MX because the Russians have come back to Geneva.

Previously, we were told that we had to build MX because Minuteman silos were vulnerable. Now, we are told we must build MX to put it in Minuteman silos.

Previously, we were told that we had to build MX because there was a "window of vulnerability." Now, we are told we must build MX even though that "window" never existed.

Previously, we were told that we had to build MX because it could be used as a bargaining chip. Now, we are told we must build MX because it is not a bargaining chip.

How does buying more MX missiles and putting them in Minuteman silo solve the old vulnerability problem? The answer is that it doesn't. The reason for starting MX in the first place, the vulnerability of Minuteman silos, remains unaddressed. Buying more MX missiles changes nothing.

How does buying more MX missiles solve the old "attractive target" problem? The answer is that it doesn't.

The President fails to note that a 10-warhead MX in a vulnerable silo is a far more attractive target than a three-warhead minuteman in the same silo. He fails to do so even through General Scowcroft has admitted this in testimony before the Appropriations Committee.

How does buying more MX missiles solve the old problem of making the world safe? The answer is that it doesn't. The President believes that peace will be strengthened by adding 1,000 more nuclear warheads to our stockpile. We already have 9,000 strategic nuclear warheads. Adding to a stockpile already beyond reason makes the world less, not more, safe from the threat of annihilation.

How does buying more MX missiles address the old question of overall balance of forces? The answer is that it doesn't. The President says he wants more MX missiles because "The asymmetry in ICBM's between United States and Soviet strategic forces remains very much in their favor." The President is silent on SLBM's, because the asymmetry there is very much in our favor.The fact remains that there is approximate parity, overall, in strategic nuclear forces.

Mr. Chairman, the basic and overriding concern remains arms control, and the reduction of nuclear weapons. Building more MX missiles takes us in the opposite direction. It keeps us locked in the same old trap of move-countermove, of build-build even more.

It is the same discredited strategy that has brought us to the sorry state we are in today.

The President says that building and deploying 100 MX missiles is consistent with U.S. arms control policy. But what is that policy? How can we say we are controlling arms by building more of them? In this Member's opinion, the way to control arms is to control them, and the first step in reducing nuclear weapons is to stop building more of them.

The President says that we need to build and deploy 100 MX missiles to induce the Soviets to negotiate. There is nothing sacred about the number 100. The Scrowcroft Commission spoke of deploying "on the order of 100 MX missiles," implying thereby that the number was not fixed. In fact, the President seems to be coming around to this point of view by agreeing with the Senate to deploy only 50 MX missiles. I would point out that it was not too long ago that the Pentagon was telling us how vital it was to deploy 200 MX missiles. Mr. Chairman, we have already funded 42 missiles. In other words, we already have 42 bargaining chips—bargaining chips which will not actually be in our inventory starting between 1 and 2 years from now. We need no more. If 42 MX missiles do not induce the Soviets to negotiate, by what logic will additional MX missiles make them do so?

Also, keep in mind that during the last 3 or 4 years, Congress has provided research and development funding which has allowed the procurement of 20 research MX missiles. Seven or eight of these missiles have been expended, but about twelve of those missiles remain which could be used for deployment. In fact, in the conference report accompaning the fiscal year 1983 defense appropriations bill, the following language was included:

The conferees note that the MX research and development program includes the acquisition of missiles. When both the House and the Senate have approved a permanent basing mode, missiles which have been acquired under the research and development program may be deployed in the approved permanent basing mode. The conferees intend by this action to emphasize their firm commitment to modernizaton of our strategic nuclear forces.

There can be no doubt that Congress is committed to the modernization of the strategic forces, and there can be no doubt that sufficient bargaining chips are already funded to convince the Soviet Union that the United States means business.

To further this commitment, the Congress is supporting: MX missile, Midgetman missile, air-launched cruise missile, sea-launched cruise missile, ground-launched cruise missile, Poseidon [C-3] missile, Trident I [C-4] missile, Trident II [D-5] missile, Pershing II missile, B-1 bomber, advanced technology bomber, Trident submarine, warhead and nuclear devices for the various systems, and modernization of the Minuteman missile force.

Congress has supported the President in most of his strategic programs. And the Soviet Union is aware of this increased and continuing support.

The present production schedule for the currently funded MX missiles could be slowed, extending missile deliveries over several years.

This approach would keep the MX production line open until concrete results are obtained from the arms talks in Geneva and it would keep the MX missile line open for future production.

The President says that each Member of Congress should join him in a bipartisan and united effort to approve funds for additional MX missile procurement. This is the same President who says his budget deficits are entirely the fault of the Congress. He is the same President who says that it is up to the Congress to "cut irresponsible spending." He is the same President who demands that the Congress "rein in the budget monster."

Mr. Chairman, we have already spent far too much of our treasure on a vulnerable weapon of questionable military value. Do we have an extra $25 billion lying around to finance this complete missile system when the deficit will exceed $200 billion this current fiscal year, and will continue to mount in years to come? We have already funded enough MX missiles to induce the Soviets to negotiate, if indeed such actions will ever actually provide an inducement. We do not need more MX missiles.

Mr. Chairman, I urge the adoption of the Mavroules amendment.●

● Mr. LEVINE of California. Mr. Chairman, we are once again gathered to discuss the fate of that costly and destabilizing weapon—the MX. Since Congress last approved acquisition of 21 MX missiles in March, the administration has yet to provide convincing evidence of its political and strategic

utility. I continue to oppose MX production and deployment and support the amendments offered by my colleagues today both to delete all fiscal year 1986 funding for the MX Program and to cap future deployment of missiles already produced.

The MX is a misguided missile system that remains as vulnerable today as when it was first conceived. The decision to base the MX in existing silos enables the Soviets to pinpoint the same silos that they have been targeting for more than 20 years. It has been estimated that less than 10 percent of all MX missiles would survive a Soviet attack in 1990, and fewer than 5 percent in 1996. Consequently, the MX is a very vulnerable and destabilizing first-strike weapon. Because the vast majority of MX missiles would be destroyed in a first strike, it also possesses no deterrent capability.

Any attempt to protect the MX missile from a preemptive first-strike attack will prove costly and perhaps futile. The Air Force has acknowledged that superhardening existing missile silos will cost at least $180 million per silo. Moreover, we can never be sure about the effectiveness of our silo hardening program. The Reagan administration should pay heed to MX Commission Chair Brent Scowcroft who testified earlier this year that "in the race between hardening and accuracy, hardening has to lose."

As time passes, the MX continues to provide us with increasingly less bargaining leverage. The administration unconvincingly and unfairly has argued that the MX should be used as a bargaining chip. If this administration had been serious about arms control, it would have pursued that goal outright. Instead, the MX has become the President's bargaining chip with Congress, and not with the Soviets.

The MX Program has had little effect upon the Soviet attitude toward arms control. In 1983, the Soviets walked out of arms control talks despite congressional approval of funds for 21 MX missiles. The Soviets then returned to the bargaining table before Congress approved release of MX funds last year, and not long after Congress delayed funds for the program. Now that our two nations are engaged in arms talks, the United States does not require more MX missiles. Congress has already authorized 42 MX missiles. The rest of our nuclear arsenal is more than enough to compel the Soviets to negotiate in earnest in Geneva. If we continue to deploy the MX, the Soviet Union will be more inclined to engage in arms competition rather than in arms reduction.

Therefore, I support the Bennett amendment to delete all fiscal year 1986 funding for the MX Program as well as unobligated prior year funds, thus halting the program altogether. Should my colleagues not agree to terminate the MX Program, I would at least encourage them to support efforts to place a permanent statutory limit on the number of MX missiles that can be deployed.

The Mavroules-McCurdy amendment would limit MX deployment to 40 missiles, the amount already approved by Congress. In cutting $1.2 billion from the defense authorization bill, the Mavroules-McCurdy amendment would also facilitate the House attempt to enact a defense budget freeze, which the majority of us already support.

I cannot stress enough to my colleagues the wasteful and strategically unsettling consequences of the MX Program. In order to salvage and restore at least some rational order to our defense policy, I support my colleagues efforts to slow down and limit the growth of the MX Program.●

● Mrs. KENNELLY. Mr. Chairman, I rise in support of the Bennett amendment. This amendment would help reduce the risk of nuclear war in two ways: by terminating the MX missile program, and by applying that money to our conventional forces.

Many times in the past, I and other Members of this House have made our opposition to the MX missile clear. We have stated the arguments against it many times. We have passed endless hours in debate.

In 7 years, the basic arguments against the MX have not changed, and I will not repeat them here. Suffice it to say that the MX is still costly. It is still vulnerable. It is still destabilizing. It is still unnecessary.

Meanwhile, our conventional forces are not as combat ready as they should be. They remain in desperate need of spare parts, ammunition, and combat medical facilities.

Mr. Chairman, the Bennett amendment serves two important aims. First, it would rid us—once and for all—of a dangerous, destabilizing weapon. And, second, it would help ensure that, if we must fight, we can fight and win the only war possible or even thinkable in a nuclear age—a conventional war. I urge the House to adopt this amendment.●

● Mr. DICKS. Mr. Chairman, I will be offering an amendment to establish ceilings on some programs that bump up against the ABM Treaty and floors on other programs that are essential to determining whether the Nitze criteria can be met.

SDI PROJECTS THAT BUMP AGAINST THE ABM TREATY

The Dicks amendment includes zero nominal growth—no extra money for inflation—for certain projects that involve tests that either violate the ABM Treaty or undermine our ability to enforce it. The discussion below lays out parts of the ABM Treaty that are relevant and analyzes each of the SDI projects where we think there may be ABM Treaty problems.

RELEVANT PARTS OF THE ABM TREATY

The ABM Treaty prohibits testing of ABM systems or components which are seabased, airbased, spacebased, or mobile landbased. Thus we cannot test anything unless it is a fixed, landbased system. SDI tests of systems and components in space or on aircraft violate the treaty.

One point of contention is what constitutes a component. The Treaty says that an ABM system is one that counters strategic ballistic missiles or their elements, currently consisting of these components: first, ABM interceptor missiles; second, ABM launchers for ABM interceptor missiles; third, ABM radars constructed, deployed, or tested in an ABM mode.

A difficulty arises in this list of components because many of the technologies envisioned for SDI—lasers, optical warhead trackers, rail guns—did not exist when the treaty was drafted and are not specifically mentioned in the treaty as components. Since many of the new technology systems could substitute for the components list in the treaty, testing them in space or on aircraft arguably would be violations of the treaty as well. Even if United States and Soviet tests of these new technologies are not violations, the tests can undermine the intent of the treaty so as to make it meaningless. Indeed, agreed statements supplementing the treaty envisoned such problems from new technologies. One of these statements says that ABM systems and components based on other physical principles would be subject to discussion and agreement.

SDI TESTS THAT THREATEN THE ABM TREATY

First, Airborne optical system—airborne tests in late 1980's. This system mounts an optical device on an aircraft to track incoming warheads. As such, it is a substitute for ABM radars that also track incoming warheads. Because it is airbased, testing it is arguably a violation or is a detriment to the treaty's regime. The SDI advocates argue that, because tests of this system will not pass data to other parts of an ABM system, such tests are not conducted in an ABM mode and are not a problem for the treaty. The counterargument is that the treaty does not specify passing data as a criterion for testing in an ABM mode. Indeed, we would not want to accept this as a criterion for judging Soviet compliance since it is not verifiable.

Second, space-based laser systems—space-based tests in late 1980's or early 1990's. One part of this program is known as the acquisition, tracking, and pointing [ATP] project. It used to be referred to as the "Talon Gold" project. It involves attaching telescopes to a space-based laser to ensure

that the laser is properly aimed at the target. As such, it becomes the functional equivalent of an ABM acquisition and tracking radar which, if it were space-based, would be prohibited by the ABM Treaty. Thus, tests of the ATP project in space are arguably violations of the treaty or do irreparable damage to the treaty's regime.

Third, Space-based hypervelocity gun—space-based tests in early 1990's. This device is popularly known as the rail gun. It uses electromagnets to accelerate guided projectiles at targets—for example, enemy warheads or buses that dispense warheads—in space. As such, it is the functional equivalent of an ABM missile launcher covered in the treaty. Thus, testing it in space either violates the treaty or undermines the treat or undermines its regime. Also, this system fires projectiles at a very high rate—similar to an antimissile Gatling gun. Because of this, the system potentially violates the provision of the ABM Treaty that prohibits rapid reload capability for ABM systems.

Fourth, Kinetic kill vehicle—space-based tests in early 1990's. This system is a space-based rocket that can attack enemy missiles in their boost phase, or enemy warheads and warhead-dispensing buses in space. It's the type of system advocated by the High Frontier organization. The rocket is fired from a satellite and homes in on its target. Since this system fits the definition of a space-based ABM component—that is, an ABM missile—testing it is prohibited by the treaty.

SDI MAKE-OR-BREAK PROJECTS

Below are four SDI projects that we want to boost with funding at the levels requested by the administration. Each is needed to provide early data that will be necessary to make judgments on whether SDI as a whole will be practical. If any one of them yields negative results, then we might as well scrap the whole SDI Program. None of these projects cause problems with respect to the ABM Treaty. Also, the first three give bonus effects in other areas even if we don't go through with SDI.

First, System survivability. This project will investigate whether SDI systems will be able to survive enemy attacks. If it turns out that the Soviets can destroy SDI before we can use it to defend ourselves, then quite obviously the whole system is flawed. Indeed, if we deployed an SDI that was not survivable, the situation could be quite unstable. The Soviets would be tempted to take SDI out in a crisis, perhaps as a precursor to a nuclear first strike. Thus this is a critical area for investigation, so important that Paul Nitze made survivability one of the key criteria to be satisfied before SDI should be deployed.

This project also has a big bonus effect, even if SDI doesn't pan out. A worry for U.S. security now is the vulnerability of our satellites to Soviet ASAT's. Research into SDI survivability—that is largely satellite based—should help the survivability of other U.S. satellites not part of SDI.

Second, Lethality and target hardening. This project looks into how difficult it will be for SDI weapons to destroy attacking missiles, warheads and buses that dispense warheads in space. It's important because, if the Soviets can find easy countermeasures to make their offensive weapons immune to SDI, then developing defensive weapons will be a waste of money.

This project also has a spinoff benefit. One U.S. concern is that the Soviets will break out of the ABM Treaty and protect their ICBM's—and other targets—with ABM's, giving them incentives for a first strike and causing instability. This project, in looking for ways that the Soviets can get through our defenses, should give us some good ideas on how to get through their ABM systems. Thus this project gives us a hedge to protect our security against Soviet ABM breakout.

Third, Battle management/command, control, and communication. This project deals with the problem of coordinating and communicating among all the various SDI elements when faced with a massive enemy attack. This is a formidable challenge. Decisions to use SDI, allocate defenses to targets, assess damage to attacking weapons, et cetera, all have to be made faultlessly and in split seconds. Experts say we need major breakthroughs in computer hardware and software, artifical intelligence, and debugging millions of lines of computer code to make this part of SDI work.

Here again, research in this area can give benefits outside. It can help command control and communications for our conventional forces. The commercial applications of computer developments here also promise great potential.

Fourth, SDI systems architecture. This project lays out an overall plan for SID—how many of what types of systems are needed to make the defense achieve the goal of defending American and allied population. It will be important, first, because it will help us to get a handle on costs. Once we begin to see how much equipment and manpower is needed, we can get some ballpark estimates of the funding needed. With this data, we can judge whether we and our allies will be willing to foot the bill, and what kind of tradeoffs will be necessary among competing priorities—for example, deficit reductions, conventional force improvements.

The project will also be important because it will set goals for how well the various SDI technologies will have to perform for the overall system to work. We can then compare these performance specs with the actual results we get from testing SDI hardware to see if the hardware is good enough for an integrated system giving us the protection we seek.●

Mr. MAVROULES. Mr. Chairman, at this point I think I have about 3 minutes remaining. I am going to yield back the balance of my time so that the gentleman from Florida [Mr. BENNETT] can end the debate.

The CHAIRMAN pro tempore (Mr. RUSSO). The gentleman from Massachusetts [Mr. MAVROULES] has yielded back the balance of his time, and the gentleman from Alabama [Mr. DICKINSON] has yielded back the balance of his time.

The gentleman from Florida [Mr. BENNETT] has 14 minutes remaining.

Mr. BENNETT. Mr. Chairman, I certainly will not use all those 14 minutes, but it does put me at ease, so I can talk just like I would want to.

First of all, I have heard some very interesting things here that have gone before that ought to be pointed out. The fact has been referred to that President Carter asked for 200 of these missiles, but they were to be mobile missiles.

Somebody said that people who are not supporting the missiles at this point were not supporting Mr. Carter at that point, but certainly I was. I was in favor of a mobile missile.

As a matter of fact, a decade ago, or just about when we first started getting the follow-on Minute Man missile, I had rather extensive correspondence with the Department of Defense urging that they go to a mobile missile.

□ 1740

And they came back to me with letters which indicated that they did not know that they could do it or not; but possibly could by some sort of a racetrack method or something like that. And I said to them, well, I believe, if my information is correct, the Russians are in the process of producing at least one kind of mobile missile which is going to go up and down the highways, and another one possibly to go up and down the rails. And that has been borne out because they now have two mobile missiles which can do that.

I felt we ought to continue that type of activity, to get a truly mobile missile, not one tied to a particular piece of geography like Fort Benning or something of that nature.

Mr. DORNAN of California. Mr. Chairman, will the gentleman yield?

Mr. BENNETT. I will have plenty of time at the end of my remarks, and I would rather complete my remarks. But I would like to feel at ease in what I am saying, since I have so much more time than I usually have.

So I think that having a mobile missile in this field would have been a

wonderful thing to have had. But unfortunately we were not able to do it, even though the Russians have done it. And I wanted to address that because somebody said on the floor that there was an inconsistency in those who opposed this missile now and those who opposed the mobile missile then.

Well, I do not know who they are talking about. They are certainly not talking about me because I favored this missile and I would favor it today if it had a good basing mode. But it is designed to be a mobile missile and the Russians now have two, one on rails and one on highways, and it is not just any rails but it can go up and down ordinary rails.

The next point that was made during the debate is that we need a triad. I tried to address that before and I will address it again. A triad simply means we have a sea, air, and land type of delivery system.

Well, we have it even if we did not have the ICBM, which, of course, we still do have, in the Minuteman. At sea we have the Trident missile and the Trident submarine. In the air we have the bomber, and on the land we have the ICBM's, which we already have, the Minuteman and such of the MX's as we have been caught with in the process of trying to get a mobile missile, and not being able to move it.

In addition, to that, we really have whatever the word is for four, because we have a cruise missile and we also have a low trajectory submarine missile, so really we have five different ways of delivery of strategic missiles or any kind of a missile that would be hurtful to the enemy in the field of strategic weaponry.

Then it is still being referred to here in these conversations as if this were some sort of a chip at the bargaining table. Years ago when we first started talking about this particular missile, that matter was addressed by the Russians and they repeated it time after time, what us developing this missile is going to do as to whether they go to a bargaining table or not. They are not interested in it as a chip. You have to look, when you look at a weapon, at what their answer to your weapon is. And their answer is (they stated it, and it is the same answer we have had) they would just produce another good ICBM. It is not a chip they are interested in.

Then the next thing that was mentioned is the question of whether or not these weapons, I do not know, I guess this was done facetiously, but somebody said, well, these weapons are not very helpful to conventional warfare. Well, of course, they are not very helpful to conventional warfare because they have nothing to do with conventional warfare. They are strategic in nature.

Let us refer to what we actually have today in our country. We have been told by Gen. Bernard Rogers, on a number of occasions, running back at least 2 years ago, that we would have to go to a nuclear war within a matter of days, not a matter of weeks, in Europe if the Russians tried to overrun Europe, because we could not stem the tide, and we would have to go to nuclear war. That is what the Scowcroft report said as well. It is being repeated many times.

The point that I would like to make here about this particular matter, is that I would like to knock out all of the MX missiles, not just some of them, but all of them, and that is because of all of this money which is very much needed for conventional weaponry. The Russians, or the Warsaw Pact, have three times the number of tanks in Europe, and they have twice the number of personnel carriers. A lot of people think this is a question of adding a weapon. It is not a question of adding a weapon. It is a question of spending money for a faulted weapon, a very vulnerable weapon. All of that money would be used, if we did not use it for this, would be used for something better. As a matter of fact, my particular amendment requires it go for conventional weaponry. But even if it did not, it would go for the other things that we need like ships, like being able to move our troops across the seas if we actually had a war. It would go for those things that have been turned down in the budget. When you have a budget ceiling as we have today, when you put in the Trident or when you put in the MX missile into that picture, or you subtract it, it has a bearing upon what else you buy.

But even if that were not so, but it is so, but even if it were not so, my amendment specifically gives this to the conventional weaponry.

Now in hearings before the Senate recently General Rogers this year spoke about the widening gap between NATO and the Warsaw Pact, and I am quoting what General Rogers said when he appeared before the Senate Armed Services Committee, he said:

"The continually widening gap between NATO and Warsaw Pact conventional capabilities impacts the credibility of NATO's deterrence because it compels the Alliance to rely excessively on the early first-use of nuclear weapons.

. . . Such heavy reliance on early nuclear first-use does not provide a credible basis—I repeat that for you—

. . . Such heavy reliance on early nuclear first-use does not provide a credible basis for deterring what I believe to be the most likely threat the Alliance faces: Soviet intimidation and coercion of West European nations resulting from the threat of massive conventional military superiority.

Consider the irony: The Nation that prides itself on moral rights and ethics, on freedom and democracy, would perpetrate the greatest of immoralities by starting a nuclear war. We are the only country in the world today which says that we would be the first to use nuclear weapons. Even the President has said it is our policy to resort to nuclear weapons in the face of a conventional attack.

Well, I think we have a duty in 1985, as Members of the U.S. Congress, to try to prevent, for our own time and for our children and our grandchildren, a nuclear war and to ensure that there is an Earth here that will survive; and we ought to try to prevent a nuclear war from occurring. And when your policy is to go to nuclear war within a matter of days after conventional aggressive war starts by the Russians in Europe, I think that is a policy that is very much faulted, since it can be prevented by acquiring more adequate conventional war abilities.

So the thrust of my operation here today is not just to oppose the MX missile, although I do so. I also have other amendments which would take other fundings from other things that we are cutting down in this bill and putting in that conventional field. In fact, perhaps the most important amendment which I have to offer in this debate will be one which will take $4 billion of identified savings, those are mostly from the Navy, mostly because they have underruns in building their ships—I am happy to say that I chair that committee and I think I have had some impact upon the underruns. These are not overruns but underruns. In other words, it has cost us less. It is not just a question of the cost of living or something like that, it is the fact that we have actually provided for savings by the way in which the Secretary of the Navy and the Navy have handled their contracts and the way they have handled their procurement and the way they have handled the carrying out of those ships.

So that money has been saved, about $4 billion. It will be identified, and I have an amendment later on which I will be speaking to which will take all of that $4 billion and put it into conventional weaponry, and buy some of the tanks we need, buy some of the ammunition we need to provide for conventional success in Europe if we had a war there.

So, gentleman it is not my point, it is not just a question of getting rid of a faulted weapon. It is getting rid of spending of billions and billions of dollars which ought to be spent for things which can prevent us having a nuclear war, which can prevent us from having a disaster here on Earth the likes of which mankind has never had.

So I woud like to conclude my remarks by saying I would appreciate it very much if you would support my amendment to the substitute of the

gentleman from Massachusetts [Mr. MAVROULES] to strike all of the MX missiles.

Mr. DORNAN of California. Mr. Chairman, will the gentleman yield?

The CHAIRMAN pro tempore. Does the gentleman from Florida [Mr. BENNETT] yield back the balance of his time?

Mr. BENNETT. Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentleman from Florida [Mr. BENNETT] to the amendment offered by the gentleman from Massachusetts [Mr. MAVROULES] as a substitute for the amendment offered by the gentleman from Alabama [Mr. DICKINSON].

The question was taken; and the Chairman pro tempore announced that the ayes appeared to have it.

RECORDED VOTE

Mr. COURTER. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 185, noes 230, not voting 18, as follows:

[Roll No. 166]

AYES—185

Ackerman	Ford (TN)	Miller (CA)
Alexander	Fowler	Miller (WA)
Annunzio	Frank	Mineta
Anthony	Garcia	Mitchell
Applegate	Gaydos	Moakley
Atkins	Gejdenson	Moody
AuCoin	Gibbons	Morrison (CT)
Barnes	Gonzalez	Mrazek
Bates	Goodling	Natcher
Bedell	Gradison	Nowak
Beilenson	Gray (IL)	Oakar
Bennett	Gray (PA)	Oberstar
Bereuter	Green	Obey
Berman	Guarini	Olin
Boggs	Hall (OH)	Owens
Bonior (MI)	Hamilton	Panetta
Bonker	Hayes	Pease
Borski	Heftel	Penny
Bosco	Hertel	Perkins
Boucher	Howard	Petri
Boxer	Hughes	Rahall
Brooks	Jacobs	Richardson
Bruce	Jenkins	Ridge
Bryant	Johnson	Rodino
Burton (CA)	Jones (NC)	Roe
Carper	Kanjorski	Rose
Carr	Kaptur	Rostenkowski
Clay	Kastenmeier	Roukema
Coelho	Kennelly	Roybal
Collins	Kildee	Russo
Conte	Kleczka	Sabo
Conyers	Kolter	Savage
Coughlin	Kostmayer	Scheuer
Coyne	LaFalce	Schneider
Daschle	Lantos	Schroeder
Dellums	Leach (IA)	Seiberling
Dingell	Lehman (CA)	Sensenbrenner
DioGuardi	Lehman (FL)	Sharp
Dixon	Leland	Sikorski
Donnelly	Levin (MI)	Smith (FL)
Dorgan (ND)	Levine (CA)	Smith (IA)
Downey	Lowry (WA)	Smith (NE)
Durbin	Luken	Smith (NJ)
Dwyer	Lundine	Solarz
Dymally	MacKay	St Germain
Early	Manton	Staggers
Eckart (OH)	Markey	Stark
Edgar	Martinez	Stokes
Edwards (CA)	Matsui	Studds
Evans (IA)	Mavroules	Swift
Evans (IL)	McCloskey	Synar
Feighan	McHugh	Tallon
Florio	McKinney	Tauke
Foglietta	Mica	Torricelli
Ford (MI)	Mikulski	Towns
Traficant	Waxman	Wise
Traxler	Weaver	Wolpe
Udall	Weiss	Wyden
Vento	Wheat	Yates
Visclosky	Whitten	Young (MO)
Volkmer	Williams	Zschau
Walgren	Wirth	

NOES—230

Akaka	Gilman	Nelson
Anderson	Gingrich	Nichols
Andrews	Glickman	Nielson
Archer	Gordon	O'Brien
Armey	Gregg	Ortiz
Aspin	Grotberg	Oxley
Barnard	Gunderson	Packard
Bartlett	Hall, Ralph	Parris
Barton	Hammerschmidt	Pashayan
Bateman	Hansen	Pickle
Bentley	Hartnett	Porter
Bevill	Hatcher	Price
Biaggi	Hefner	Pursell
Bilirakis	Hendon	Quillen
Bliley	Henry	Ray
Boehlert	Hiler	Regula
Boner (TN)	Hillis	Reid
Boulter	Holt	Rinaldo
Breaux	Hopkins	Ritter
Broomfield	Horton	Roberts
Brown (CO)	Hoyer	Robinson
Broyhill	Hubbard	Roemer
Burton (IN)	Huckaby	Rogers
Bustamante	Hunter	Roth
Byron	Hutto	Rowland (CT)
Callahan	Hyde	Rowland (GA)
Campbell	Ireland	Rudd
Carney	Jones (OK)	Saxton
Chandler	Jones (TN)	Schaefer
Chappell	Kasich	Schuette
Cheney	Kemp	Schulze
Clinger	Kindness	Shaw
Coats	Kolbe	Shelby
Cobey	Kramer	Shumway
Coble	Lagomarsino	Shuster
Coleman (MO)	Latta	Siljander
Coleman (TX)	Leath (TX)	Sisisky
Combest	Lent	Skeen
Cooper	Lewis (CA)	Skelton
Courter	Lewis (FL)	Slattery
Craig	Lightfoot	Slaughter
Crane	Lipinski	Smith (NH)
Daniel	Livingston	Smith, Denny
Dannemeyer	Lloyd	Smith, Robert
Darden	Long	Snowe
Daub	Lott	Snyder
Davis	Lowery (CA)	Spence
de la Garza	Lujan	Spratt
DeLay	Lungren	Stallings
Derrick	Mack	Stangeland
DeWine	Madigan	Stenholm
Dickinson	Martin (IL)	Stratton
Dicks	Martin (NY)	Stump
Dornan (CA)	Mazzoli	Sundquist
Dowdy	McCain	Sweeney
Dreier	McCandless	Swindall
Duncan	McCollum	Tauzin
Dyson	McCurdy	Taylor
Eckert (NY)	McDade	Thomas (CA)
Edwards (OK)	McEwen	Thomas (GA)
Emerson	McGrath	Valentine
English	McKernan	Vander Jagt
Erdreich	McMillan	Vucanovich
Fascell	Meyers	Walker
Fawell	Michel	Watkins
Fazio	Miller (OH)	Weber
Fiedler	Molinari	Whitehurst
Fields	Mollohan	Whitley
Fish	Monson	Whittaker
Foley	Montgomery	Wolf
Franklin	Moore	Wortley
Frenzel	Moorhead	Wright
Frost	Morrison (WA)	Wylie
Fuqua	Murphy	Yatron
Gallo	Murtha	Young (AK)
Gekas	Myers	Young (FL)
Gephardt	Neal	

NOT VOTING—18

Addabbo	Flippo	Rangel
Badham	Hawkins	Schumer
Boland	Jeffords	Solomon
Brown (CA)	Loeffler	Strang
Chappie	Marlenee	Torres
Crockett	Pepper	Wilson

□ 1800

The Clerk announced the following pairs:

On this vote:

Mr. Addabbo for, with Mr. Loeffler against.

Mr. Rangel for, with Mr. Solomon against.

Mr. Schumer for, with Mr. Badham against.

Mr. Jeffords for, with Mr. Pepper against.

Messrs. McEWEN, PRICE, PICKLE, and DERRICK changed their votes from "aye" to "no."

Messrs. PETRI, MINETA, and ZSCHAU changed their votes from "no" to "aye."

So the amendment to the amendment offered as a substitute for the amendment was rejected.

The result of the vote was announced as above recorded.

PERFECTING AMENDMENT OFFERED BY MR. COURTER TO THE AMENDMENT OFFERED BY MR. MAVROULES AS A SUBSTITUTE FOR THE AMENDMENT OFFERED BY MR. DICKINSON

Mr. COURTER. Mr. Chairman, I offer a perfecting amendment to the amendment offered as a substitute for the amendment.

The Clerk read as follows:

Perfecting amendment offered by Mr. COURTER to the amendment offered by Mr. MAVROULES as a substitute for the amendment offered by Mr. DICKINSON:

Strike out the dollar amount proposed to be inserted by the amendment at page 13, line 15, and insert in lieu thereof "$8,810,700,000".

In the section proposed to be inserted by the substitute amendment, strike out all after "SEC. 111." and insert in lieu thereof the following:

MX MISSILE PROGRAM.

(a) SENSE OF CONGRESS.—It is the sense of Congress that—

(1) not more than 50 MX missiles should be deployed in existing Minuteman silos;

(2) after procurement of 50 missiles for deployment in those silos, further procurement of MX missiles should, unless a different basing mode is proposed by the President and agreed to by Congress, be limited to those necessary—

(A) for the MX missile reliability testing program; and

(B) as spares within the logistics system supporting the deployed MX missile force; and

(3) during fiscal year 1987, depending upon the most efficient production rate, from 12 to 21 MX missiles should be procured, but those missiles should (as provided in paragraph (2)) be limited only to spare and test missiles unless a different basing mode is proposed by the President and agreed to by Congress.

(b) LIMITATION ON FISCAL YEAR 1986 AND EARLIER FUNDS.—None of the funds appropriated or otherwise made available in an appropriation law for fiscal year 1986 or any prior fiscal year for procurement of missiles for the Air Force may be used—

(1) to deploy more than 50 MX missiles in existing Minuteman silos;

(2) to modify, or prepare for modification, more than 50 existing Minuteman silos for the deployment of MX missiles;

(3) to acquire basing sets for more than 50 MX deployed missiles; or

(4) to procure long-lead items for the deployment of more than 50 MX missiles.

(c) LIMITATION ON FISCAL YEAR 1986 MX PROGRAM.—(1) Of the funds appropriated or otherwise made available in an appropriation law for fiscal year 1986 for procurement of missiles for the Air Force, not more than $1,889,000,000 may be used for the MX missile program.

(2) Not more than 12 MX missiles may be procured with funds appropriated or otherwise made available in an appropriation law for fiscal year 1986 for procurement of missiles for the Air Force.

□ 1810

Mr. COURTER (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. COURTER. Mr. Chairman, the parliamentary situation, I suppose, needs some explanation, and if you would bear with me, I will try to clarify the situation.

The gentleman from Alabama [Mr. DICKINSON] offered an amendment to the bill, and we debated that amendment for a period of time. That amendment, basically, reduced MX missile deployment under the bill to 50 deployable missiles. I would like to back up and say that it is important to keep in mind that the administration originally requested 100 MX missiles, and not long ago there was an agreement that that would be reduced to 50 deployed missiles at the present time. We have debated the Dickinson amendment for a period of time.

There was a substitute to the Dickinson amendment, which reduced MX deployment to 50 missiles, and that was the amendment offered by the gentleman from Massachusetts [Mr. MAVROULES]. I will allow the gentleman from Massachusetts to characterize his amendment, but, basically, it capped deployment to 40 missiles.

The gentleman from Florida [Mr. BENNETT] had an amendment to the amendment offered by the gentleman from Massachusetts [Mr. MAVROULES], which was just defeated. That is the amendment on which the Committee just voted. That would have eliminated all funding for MX in fiscal year 1986.

My amendment is an amendment to Mavroules, which, to make a long story short, really reinstates the language of the Dickinson amendment.

A favorable vote on my amendment reduces MX deployment in fiscal 1986 to 50 missiles.

Pursuant to an agreement and a unanimous consent request, I was given 5 minutes to discuss my amendment, and there is 5 minutes in opposition. The only debate, pursuant to the unanimous-consent request, will be on my amendment pro and con. It is my understanding, however, that the gentleman from Oklahoma [Mr. MCCURDY] may offer an amendment to the amendment offered by the gentleman from Alabama [Mr. DICKINSON] which, if he does, No. 1, will not be debatable, and, No. 2, changes substantially the Mavroules amendment because it changes it from an amendment that deletes funding and puts a cap on MX missiles to 40 to simply a sense of the Congress resolution.

So, therefore, it is important to recognize that if the gentleman from Oklahoma [Mr. MCCURDY] offers an amendment and does not debate it, it is substantially different, nevertheless, than the Mavroules amendment.

I hope that explains the situation. The vote will be coming soon on the Courter-Dickinson amendment, and I would like to talk very, very briefly, in the remaining 2 or 3 minutes, on the substance of that amendment.

I think it is important to keep in mind that this probably—and, thank goodness—will be one of the last if not the last debates on MX. President Carter suggested, in order to have a minimum deterrent for our land-based needs, our land-based missiles, we needed to deploy 200 missiles. That was reduced, unilaterally, without negotiation with the Soviet Union, to a request by the Reagan administration to 100 missiles. That was further reduced, unilaterally, without extracting——

Mr. DICKINSON. Mr. Chairman, will the gentleman yield for a parliamentary inquiry?

Mr. COURTER. I yield to the gentleman from Alabama.

PARLIAMENTARY INQUIRY

Mr. DICKINSON. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN pro tempore. The gentleman will state it.

Mr. DICKINSON. Mr. Chairman, I was wondering, when we are in such tight time constraints and business is stopped to call the House to order, does that time come off of the time of the gentleman in the well?

The CHAIRMAN pro tempore. The time does not come out of the gentleman's time.

Mr. DICKINSON. It is my understanding that, on occasion, it is at the discretion of the Chair. I appreciate the Chair's ruling.

The CHAIRMAN pro tempore. The Chair will use his discretion wisely, as it has always done in the past.

Mr. DICKINSON. So the time does not come off of the gentleman's time when order is being restored.

The CHAIRMAN pro tempore. That is correct.

Mr. DICKINSON. I thank the Chair.

Mr. COURTER. I thank the gentleman from Alabama and I thank the Chair.

Mr. Chairman, as I was saying, it is important to keep in mind that the administration, and through a bipartisan agreement in the other body, the maximum amount of deployed MX missiles, pursuant to this bill 1986, is going to be a cap of 50.

It is important to recognize that the administration's original request for funding in MX missiles for fiscal 1986 was 48 new missiles; that was over and above the 42 that had already been authorized by his body. That sum of missiles, 48, was reduced by the House Armed Services Committee to 21.

It is important to recognize that the Dickinson amendment, which is now the Courter amendment, reduces those 21 to 8. So a favorable vote on the Courter amendment is a further reduction of deployment of MX missiles from the original 100 that was requested, the original 48 that was requested for this year, down to 8 additional missiles.

Let me mention another thing, if I may. It is important to recognize that the amendment of the gentleman from Massachusetts [Mr. MAVROULES] to cap it at 40 is two less than what this body already authorized during the last couple of years. We have already authorized the deployment of 42 MX missiles.

So a vote in favor of Mavroules, if it comes to that, is a vote to delete 2 missiles from what this body otherwise did.

Finally, if we do have a vote on McCurdy, it is important to recognize that the McCurdy undebatable amendment is not Mavroules but simply a sense of the Congress resolution. I urge my colleagues to vote for reducing MX to an additional deployment of 8, vote yes on Courter, vote yes on Dickinson.

Mr. MAVROULES. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I just want to make it very clear that I thought I had an understanding with the ranking minority member of the Armed Services Committee that when we went to the Rules Committee upon his request, the request of the gentleman from Alabama [Mr. DICKINSON], and we asked the Rules Committee to vote on it, that he would go first with his amendment, to be substituted by the gentleman from Massachusetts [Mr. MAVROULES] or the gentleman from Oklahoma [Mr. MCCURDY], and, of course, to allow the amendment of the gentleman from Florida [Mr. BENNETT].

Let us not kid ourselves. Let us know what is going on here this afternoon. This is a back-door approach by my dear friend, the gentleman from New Jersey [Mr. COURTER], to bring up first for a vote the amendment offered by the gentleman from Alabama [Mr. DICKINSON]. The language is the same.

I am going to yield to my dear friend, the gentleman from Oklahoma [Mr. McCURDY]. I want all of the Members to hear very carefully. It is imperative and very important that we vote first for the McCurdy amendment, which will be offered, defeat the Courter perfecting language, and then support the Mavroules substitute—in that order.

I think it is extremely important to understand the order we are voting in.

I now yield to the gentleman from Oklahoma [Mr. McCURDY].

□ 1820

Mr. McCURDY. Mr. Chairman, in order to clarify again exactly where we are, ladies and gentlemen, we will have 3 more votes. I intend to offer an amendment immediately which will be a Sense of the Congress amendment to limit deployment at 40. It is germane to the Dickinson amendment because it is a Sense of the Congress. But it is important that if you support the McCurdy-Mavroules amendment for a cap of 40 MX missiles, that you vote for the McCurdy amendment as a Sense of Congress against the Courter-Dickinson amendment at 50 and again for the McCurdy-Mavroules amendment at 40. There will be 3 votes.

The first vote, a yes-no-yes.

AMENDMENT OFFERED BY MR. MC CURDY TO THE AMENDMENT OFFERED BY MR. DICKINSON

Mr. McCURDY. Mr. Chairman, I offer an amendment to the amendment.

The Clerk read as follows:

Amendment offered by Mr. McCURDY to the amendment offered by Mr. DICKINSON: In lieu of the dollar amount proposed to be inserted by the amendment, insert "$7,842,700,000".

In the section proposed to be inserted by the amendment, strike out all after "SEC. 111." and insert in lieu thereof the following:

MX MISSILE PROGRAM

(a) LIMITATION ON FY86 PROCUREMENT FUNDS FOR THE MX MISSILE PROGRAM.—Of the funds appropriated or otherwise made available in an appropriation law for fiscal year 1986 for procurement of missiles for the Air Force, not more than $921,000,000 may be used for the MX missile program. Such funds may be used only for—

(1) the acquisition of not more than eight basing of MX missiles;

(2) the acquisition of systems support consistent with the deployment of not more than 40 MX missiles; and

(3) maintenance of the production base for the MX missile program.

(b) DEPLOYMENT OF MX MISSILES.—It is the sense of Congress that the number of MX missiles deployed at any time should not exceed 40.

(c) POLICY ON FUTURE MX MISSILE PROCUREMENT.—It is the sense of Congress that funds appropriated or otherwise made available for fiscal years after fiscal year 1985 for procurement of missiles for the Air Force should not be used for procurement of MX missiles except for the acquisition of those additional missiles required for the operational test and evaluation program and the aging and surveillance program.

Mr. McCURDY (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Oklahoma?

Mr. COURTER. Mr. Chairman, reserving the right to object, Mr. Chairman, I reserve the right to object first to determine what the statement was or what the unanimous consent was. I did not hear it with the noise.

The CHAIRMAN pro tempore. The Chair would state that the request was to waive the reading of the amendment.

Mr. COURTER. Mr. Chairman, further reserving the right to object, under my reservation, I ask the gentleman whether this is the Sense of the Congress resolution amendment, or is this the Mavroules amendment?

Mr. McCURDY. Mr. Chairman. If the gentleman would yield, this is the Sense of the Congress amendment which is germane to the Dickinson amendment.

Mr. COURTER. So this is not the Mavroules amendment, but a Sense-of-the-Congress resolution?

Mr. McCURDY. That is correct.

Mr. COURTER. Mr. Chairman, I withdraw my reservation of objection.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentleman from Oklahoma [Mr. McCURDY] to the amendment offered by the gentleman from Alabama [Mr. DICKINSON].

The question was taken; and the Chairman pro tempore announced that the ayes appeared to have it.

RECORDED VOTE

Mr. DICKINSON. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 233, noes 184, not voting 16, as follows:

[Roll No. 167]

AYES—233

Ackerman	Bonior (MI)	Coughlin	English	Lehman (FL)	Roukema
Akaka	Bonker	Coyne	Evans (IA)	Leland	Roybal
Alexander	Borski	Crockett	Evans (IL)	Levin (MI)	Russo
Andrews	Bosco	Daschle	Fascell	Levine (CA)	Sabo
Annunzio	Boucher	de la Garza	Fazio	Lipinski	Savage
Anthony	Boxer	Dellums	Feighan	Long	Scheuer
Applegate	Brooks	Derrick	Florio	Lowry (WA)	Schneider
Aspin	Bruce	Dicks	Foglietta	Luken	Schroeder
Atkins	Bryant	Dingell	Foley	Lundine	Seiberling
AuCoin	Burton (CA)	DioGuardi	Ford (MI)	MacKay	Sensenbrenner
Barnes	Bustamante	Dixon	Ford (TN)	Manton	Sharp
Bates	Carper	Donnelly	Fowler	Markey	Sikorski
Bedell	Carr	Dorgan (ND)	Frank	Martinez	Sisisky
Beilenson	Clay	Downey	Frenzel	Matsui	Slattery
Bennett	Coble	Durbin	Frost	Mavroules	Smith (FL)
Bereuter	Coelho	Dwyer	Garcia	Mazzoli	Smith (IA)
Berman	Coleman (TX)	Dymally	Gaydos	McCloskey	Smith (NE)
Biaggi	Collins	Early	Gejdenson	McCurdy	Smith (NJ)
Boehlert	Conte	Eckart (OH)	Gephardt	McHugh	Snowe
Boggs	Conyers	Edgar	Gibbons	McKernan	Solarz
Boland	Cooper	Edwards (CA)	Glickman	McKinney	Spratt
			Gonzalez	Meyers	St Germain
			Gordon	Mica	Staggers
			Gradison	Mikulski	Stallings
			Gray (IL)	Miller (CA)	Stark
			Gray (PA)	Miller (WA)	Stokes
			Green	Mineta	Studds
			Guarini	Moakley	Swift
			Gunderson	Mollohan	Synar
			Hall (OH)	Moody	Tallon
			Hamilton	Morrison (CT)	Tauke
			Hayes	Mrazek	Torricelli
			Hefner	Natcher	Towns
			Heftel	Neal	Traficant
			Henry	Nowak	Traxler
			Hertel	Oakar	Udall
			Hopkins	Oberstar	Vento
			Howard	Obey	Visclosky
			Hoyer	Olin	Volkmer
			Hughes	Ortiz	Walgren
			Jacobs	Owens	Watkins
			Jenkins	Panetta	Waxman
			Johnson	Pease	Weaver
			Jones (NC)	Penny	Weiss
			Jones (OK)	Perkins	Wheat
			Kanjorski	Petri	Whittaker
			Kaptur	Pickle	Whitten
			Kastenmeier	Price	Williams
			Kennelly	Pursell	Wirth
			Kildee	Rahall	Wise
			Kleczka	Richardson	Wolpe
			Kolter	Ridge	Wright
			Kostmayer	Roberts	Wyden
			LaFalce	Rodino	Yates
			Lantos	Roe	Young (MO)
			Leach (IA)	Rose	Zschau
			Lehman (CA)	Rostenkowski	

NOES—184

Anderson	Dannemeyer	Hillis
Archer	Darden	Holt
Armey	Daub	Horton
Badham	Davis	Hubbard
Barnard	DeLay	Huckaby
Bartlett	DeWine	Hunter
Barton	Dickinson	Hutto
Bateman	Dornan (CA)	Hyde
Bentley	Dowdy	Ireland
Bevill	Dreier	Jones (TN)
Bilirakis	Duncan	Kasich
Bliley	Dyson	Kemp
Boner (TN)	Eckert (NY)	Kindness
Boulter	Edwards (OK)	Kolbe
Breaux	Emerson	Kramer
Broomfield	Erdreich	Lagomarsino
Brown (CO)	Fawell	Latta
Broyhill	Fiedler	Leath (TX)
Burton (IN)	Fields	Lent
Byron	Fish	Lewis (CA)
Callahan	Franklin	Lewis (FL)
Campbell	Fuqua	Lightfoot
Carney	Gallo	Livingston
Chandler	Gekas	Lloyd
Chappell	Gilman	Lott
Chappie	Gingrich	Lowery (CA)
Cheney	Goodling	Lujan
Clinger	Gregg	Lungren
Coats	Grotberg	Mack
Cobey	Hall, Ralph	Madigan
Coleman (MO)	Hammerschmidt	Martin (IL)
Combest	Hansen	Martin (NY)
Courter	Hartnett	McCain
Craig	Hatcher	McCandless
Crane	Hendon	McCollum
Daniel	Hiler	McDade

McEwen	Reid	Spence
McGrath	Rinaldo	Stangeland
McMillan	Ritter	Stenholm
Michel	Robinson	Stratton
Miller (OH)	Roemer	Stump
Molinari	Rogers	Sundquist
Monson	Roth	Sweeney
Montgomery	Rowland (CT)	Swindall
Moore	Rowland (GA)	Tauzin
Moorhead	Rudd	Taylor
Morrison (WA)	Saxton	Thomas (CA)
Murphy	Schaefer	Thomas (GA)
Murtha	Schuette	Valentine
Myers	Schulze	Vander Jagt
Nelson	Shaw	Vucanovich
Nichols	Shelby	Walker
Nielson	Shumway	Whitehurst
O'Brien	Shuster	Whitley
Oxley	Siljander	Wolf
Packard	Skeen	Wortley
Parris	Skelton	Wylie
Pashayan	Slaughter	Yatron
Porter	Smith (NH)	Young (AK)
Quillen	Smith, Denny	Young (FL)
Ray	Smith, Robert	
Regula	Snyder	

NOT VOTING—16

Addabbo	Marlenee	Strang
Brown (CA)	Mitchell	Torres
Flippo	Pepper	Weber
Hawkins	Rangel	Wilson
Jeffords	Schumer	
Loeffler	Solomon	

□ 1830

The Clerk announced the following pairs:

On this vote:

Mr. Addabbo for, with Mr. Loeffler against.

Mr. Mitchell for, with Mr. Solomon against.

Mr. Schumer for, with Mr. Weber against.

Mr. Jeffords for, with Mr. Strang against.

Mr. BONER of Tennessee changed his vote from "aye" to "no."

Mr. McKINNEY changed his vote from "no" to "aye."

So the amendment to the amendment was agreed to.

The result of the vote was announced as above recorded.

□ 1840

PREFERENTIAL MOTION OFFERED BY MR. DICKINSON

Mr. DICKINSON. Mr. Chairman, I offer a preferential motion.

The Clerk read as follows:

Preferential motion offered by Mr. DICKINSON: Mr. Dickinson moves that the Committee do now rise and report the bill back to the House with the recommendation that the enacting clause be stricken out.

The CHAIRMAN pro tempore. For what purpose does the gentleman from Wisconsin [Mr. ASPIN] rise?

Mr. ASPIN. Mr. Chairman, could we have the preferential motion read again?

The CHAIRMAN pro tempore. The Clerk will re-report the preferential motion.

(The Clerk reread the preferential motion.)

The CHAIRMAN pro tempore. The gentleman from Alabama [Mr. DICKINSON] is recognized for 5 minutes in support of his preferential motion.

Mr. DICKINSON. Mr. Chairman, let me say that we have gotten into a parliamentary labyrinth here that I think needs defining, and I wish I were fully capable of being sure I know where we are. However, I will try.

The next vote occurs on the Courter perfecting amendment, which is identical to my original amendment, which, as I understand it, means that the next vote will be on the Courter amendment, which is the original Dickinson amendment which says that there will be 50 missiles, that after we have 50 operational missiles, meaning that there are 9 more to be built, and then we will simply build no more operational missiles, just test missiles, until such time as we decide we are going to terminate that or else the Soviets leave the bargaining table, and then we can make the decision at that time whether or not to go back into production.

So this is to enable the Government to build one squadron, which is half of what we asked, 50 missiles.

Now, that is the Courter amendment which, through the parliamentary process, started out as the Dickinson amendment, and now it is the Courter amendment. So if Members want an up-or-down vote on whether or not we have 50 missiles, this is the time and this is the amendment.

Now, having said that, there are two other branches to the tree that can come later to ultimately get back to the Dickinson amendment again.

Mr. ASPIN. Mr. Chairman, will the gentleman yield?

Mr. DICKINSON. I am glad to yield to my chairman. If I said anything wrong, he can correct me.

Mr. ASPIN. Mr. Chairman, I appreciate the gentleman's yielding.

I think the situation as the gentleman from Alabama stated it. Basically, we are dealing with two amendments. We are dealing with the Dickinson amendment and the Mavroules amendment dealing with two amendments. We are dealing with the Dickinson amendment and the Mavroules amendment, and we are dealing with which amendment comes first and which amendment comes second, what order they are in.

We will vote last on the Mavroules amendment, which is the 40-missile cap. We are now voting on the Dickinson amendment, which is the 50-missile cap, and we may vote on each of these one more time before we are finished working our way down the tree.

Mr. Chairman, the way the gentleman explained it is correct. The vote now is on the Courter amendment, which is no different than the Dickinson amendment.

Mr. DICKINSON. And that is for the 50 missiles, no more. The rest of it will be test missiles. This is the agreed position of the administration, it is what the Senate has passed, and I am asking the House to agree to it. I am asking for an affirmative vote on the amendment.

Mr. ASPIN. Mr. Chairman, I rise in opposition to the preferential motion.

The CHAIRMAN pro tempore. The gentleman from Wisconsin [Mr. ASPIN] is recognized for 5 minutes.

Mr. McCURDY. Mr. Chairman, will the gentleman yield?

Mr. ASPIN. I yield to the gentleman from Oklahoma.

Mr. McCURDY. Mr. Chairman, let me ask whether it is the intention of the gentleman from Alabama [Mr. DICKINSON] to withdraw his preferential motion.

Mr. DICKINSON. Mr. Chairman, if the gentleman will yield, yes, it is. I am not going to ask for a rollcall vote on the preferential motion.

Mr. ASPIN. Mr. Chairman, I yield back the balance of my time.

Mr. DICKINSON. Mr. Chairman, I ask unanimous consent to withdraw my preferential motion.

The CHAIRMAN. Is there objection to the request of the gentleman from Alabama?

There was no objection.

The CHAIRMAN. The question is on the perfecting amendment offered by the gentleman from New Jersey [Mr. COURTER] to the amendment offered by the gentleman from Massachusetts [Mr. MAVROULES] as a substitute for the amendment offered by the gentleman from Alabama [Mr. DICKINSON], as amended.

The question was taken; and the Chairman pro tempore announced that the noes appeared to have it.

RECORDED VOTE

Mr. COURTER. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 182, noes 234, not voting 17, as follows:

[Roll No. 168]

AYES—182

Anderson	Craig	Hansen
Archer	Crane	Hartnett
Armey	Daniel	Hatcher
Badham	Dannemeyer	Hendon
Barnard	Darden	Hiler
Bartlett	Daub	Hillis
Barton	Davis	Holt
Bateman	DeLay	Hubbard
Bentley	DeWine	Huckaby
Bevill	Dickinson	Hunter
Bilirakis	Dornan (CA)	Hutto
Bliley	Dowdy	Hyde
Boner (TN)	Dreier	Ireland
Boulter	Duncan	Jones (TN)
Breaux	Eckert (NY)	Kasich
Broomfield	Edwards (OK)	Kemp
Brown (CO)	Emerson	Kindness
Broyhill	Erdreich	Kolbe
Burton (IN)	Fawell	Kramer
Byron	Fiedler	Lagomarsino
Callahan	Fields	Latta
Campbell	Fish	Leath (TX)
Carney	Franklin	Lent
Chandler	Frenzel	Lewis (CA)
Chappell	Fuqua	Lewis (FL)
Chappie	Gallo	Lightfoot
Cheney	Gekas	Livingston
Clinger	Gilman	Lloyd
Coats	Gingrich	Lott
Cobey	Gregg	Lowery (CA)
Coleman (MO)	Grotberg	Lujan
Combest	Hall, Ralph	Lungren
Courter	Hammerschmidt	Mack

Madigan	Porter	Smith, Robert
Martin (IL)	Quillen	Snyder
Martin (NY)	Ray	Spence
McCain	Regula	Stangeland
McCandless	Reid	Stenholm
McCollum	Rinaldo	Stratton
McDade	Ritter	Stump
McEwen	Robinson	Sundquist
McGrath	Roemer	Sweeney
McMillan	Rogers	Swindall
Michel	Roth	Tauzin
Miller (OH)	Rowland (CT)	Taylor
Molinari	Rowland (GA)	Thomas (CA)
Monson	Rudd	Thomas (GA)
Montgomery	Saxton	Valentine
Moore	Schaefer	Vander Jagt
Moorhead	Schuette	Vucanovich
Morrison (WA)	Schulze	Walker
Murtha	Shaw	Weber
Myers	Shelby	Whitehurst
Nelson	Shumway	Whitley
Nichols	Shuster	Wolf
Nielson	Siljander	Wortley
O'Brien	Skeen	Wylie
Oxley	Skelton	Yatron
Packard	Slaughter	Young (AK)
Parris	Smith (NH)	Young (FL)
Pashayan	Smith, Denny	

NOES—234

Ackerman	Evans (IL)	MacKay
Akaka	Fascell	Manton
Alexander	Fazio	Markey
Andrews	Feighan	Matsui
Annunzio	Florio	Mavroules
Anthony	Foglietta	Mazzoli
Applegate	Foley	McCloskey
Aspin	Ford (MI)	McCurdy
Atkins	Ford (TN)	McHugh
AuCoin	Fowler	McKernan
Barnes	Frank	McKinney
Bates	Frost	Meyers
Bedell	Garcia	Mica
Bellenson	Gaydos	Mikulski
Bennett	Gejdenson	Miller (CA)
Bereuter	Gephardt	Miller (WA)
Berman	Gibbons	Mineta
Biaggi	Glickman	Moakley
Boehlert	Gonzalez	Mollohan
Boggs	Goodling	Moody
Boland	Gordon	Morrison (CT)
Bonior (MI)	Gradison	Mrazek
Bonker	Gray (IL)	Murphy
Borski	Gray (PA)	Natcher
Bosco	Green	Neal
Boucher	Guarini	Nowak
Boxer	Gunderson	Oakar
Brooks	Hall (OH)	Oberstar
Bruce	Hamilton	Obey
Bryant	Hayes	Olin
Burton (CA)	Hefner	Ortiz
Bustamante	Heftel	Owens
Carper	Henry	Panetta
Carr	Hertel	Pease
Clay	Hopkins	Penny
Coble	Horton	Perkins
Coelho	Howard	Petri
Coleman (TX)	Hoyer	Pickle
Collins	Hughes	Price
Conte	Jacobs	Pursell
Conyers	Jenkins	Rahall
Cooper	Johnson	Richardson
Coughlin	Jones (NC)	Ridge
Coyne	Jones (OK)	Roberts
Crockett	Kanjorski	Rodino
Daschle	Kaptur	Roe
de la Garza	Kastenmeier	Rose
Dellums	Kennelly	Rostenkowski
Derrick	Kildee	Roukema
Dicks	Kleczka	Roybal
Dingell	Kolter	Russo
DioGuardi	Kostmayer	Sabo
Dixon	LaFalce	Savage
Donnelly	Lantos	Scheuer
Dorgan (ND)	Leach (IA)	Schneider
Downey	Lehman (CA)	Schroeder
Durbin	Lehman (FL)	Seiberling
Dwyer	Leland	Sensenbrenner
Dymally	Levin (MI)	Sharp
Early	Levine (CA)	Sikorski
Eckart (OH)	Lipinski	Sisisky
Edgar	Long	Slattery
Edwards (CA)	Lowry (WA)	Smith (FL)
English	Luken	Smith (IA)
Evans (IA)	Lundine	Smith (NE)
Smith (NJ)	Tauke	Weiss
Snowe	Torricelli	Wheat
Solarz	Towns	Whittaker
Spratt	Traficant	Whitten
St Germain	Traxler	Williams
Staggers	Udall	Wirth
Stallings	Vento	Wise
Stark	Visclosky	Wolpe
Stokes	Volkmer	Wright
Studds	Walgren	Wyden
Swift	Watkins	Yates
Synar	Waxman	Young (MO)
Tallon	Weaver	Zschau

NOT VOTING—17

Addabbo	Loeffler	Schumer
Brown (CA)	Marlenee	Solomon
Dyson	Martinez	Strang
Flippo	Mitchell	Torres
Hawkins	Pepper	Wilson
Jeffords	Rangel	

□ 1900

The Clerk announced the following pairs:

On this vote:

Mr. LOEFFLER for, with Mr. ADDABBO against.

Mr. MARLENEE for, with Mr. SCHUMER against.

Mr. SOLOMON for, with Mr. MITCHELL against.

Mr. STRANG for, with Mr. JEFFORDS against.

Mr. YATRON changed his vote from "nay" to "yea."

So the perfecting amendment to the amendment offered as a substitute for the amendment, as amended, was rejected.

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentleman from Massachusetts [Mr. MAVROULES] as a substitute for the amendment offered by the gentleman from Alabama [Mr. DICKINSON] as amended.

The amendment offered as a substitute for the amendment, as amended, was agreed to.

The SPEAKER pro tempore. The question is on the amendment offered by the gentleman from Alabama [Mr. DICKINSON] as amended.

The amendment, as amended, was agreed to.

Mr. ASPIN. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker pro tempore [Mr. DYMALLY] having assumed the chair, Mr. RUSSO, Chairman pro tempore of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 1872) to authorize appropriations for fiscal year 1986 for the Armed Forces for procurement, for research, development, test, and evaluation, for operation and maintenance, and for working capital funds, to prescribe personnel strengths for such fiscal year for the Armed Forces, and for other purposes, had come to no resolution thereon.

GENERAL LEAVE

Mr. ASPIN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks, and to include extraneous matter, on the bill, H.R. 1872.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wisconsin?

There was no objection

PERSONAL EXPLANATION

(Mr. KLECZKA asked and was given permission to address the House for 1 minute.)

Mr. KLECZKA. Mr. Speaker, I was unavoidably absent from the House proceedings earlier today due to a death in my family. Had I been present, I would have voted as follows:

"Present" on Rollcall No. 161;

"No" on Rollcall No. 162;

"Yes" on Rollcall No. 163;

"Yes" on Rollcall No. 164; and

"Yes" on Rollcall No. 165.

GENERAL LEAVE

Mr. COBEY. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks, and to include therein extraneous material, on the subject of the special order today by the gentleman from Kentucky [Mr. SNYDER].

The SPEAKER pro tempore. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

PERSONAL EXPLANATION

Mr. BADHAM. Mr. Speaker, on the rollcall in which the Bennett amendment was defeated, I was unavoidably detained outside the Chamber because the rollcall notification system in the Cannon Caucus Room was inoperative, and I missed that rollcall.

Mr. Speaker, had I been present, I would have voted "no."

POPULATION GROWTH—A GLOBAL CRISIS

(Mr. SCHEUER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SCHEUER. Mr. Speaker, we have all been galvanized by the dramatic and horrifying events of the hostage situation and the terrorist takeover of that TWA flight. Instantaneous events of this kind tend to grab us. They dominate the television screens, while sometimes underlying events, inexorable events that are taking place globally, escape our attention.

As we begin to prepare to take on the foreign aid bill this year, Mr. Speaker, I hope we will keep in mind the massive population increase that is taking place around the world and the impact that growth has on global security, on global tension, and on global violence.

A high Government agency recently completed a study of the international security implications of global population growth and it concluded that population growth of explosive characteristics taking place in Asia, Africa, and Latin America, will produce such instability, such violence, and the need for such strong countermeasures from government to maintain peace, that fragile democratic governments will find it increasingly difficult to survive. Furthermore, the study concluded that the harsh dictatorial governments, both of the right and the left, will fill the gap as the democratic governments fail to cope with the desperate population pressures, the instability, the chaos, and the violence.

The report suggested that violence could occur in Mexico and force would be needed to stop massive migration from rural areas into the capital, Mexico City.

Such migration into a city that is already suffering the ill effects of overpopulation could result in a breakdown of services such as police and fire protection, transportation systems, and utilities.

Latin and Central America, already suffering under high unemployment, will see the situation worsen during the next 15 years as the population of the region multiplies. Statistics show that the region must create 4 million new jobs in each remaining year of this century just to maintain its current pitiful rate of employment. It is unlikely that the region can be successful in producing that many new jobs when one considers that the U.S. economy, which is four times larger, even during the halcyon years of the 1970's, never created more than 3.2 million jobs in any given year.

On a global scale, the estimates are more ominous. Between the years 1980 and 2000, 700 million new jobs must be added in the developing nations of the world just to keep the unemployment and underemployment rates of those countries at the pitifully low level of 40 percent.

For the sake of the world and our own Nation, the United States cannot abandon its commitment to efforts to reduce the rate of population growth across the globe.

The developing nations of the world need our assistance in this area and we have a responsibility to provide them with the means to plan their families and to pursue options to better their lives and their societies.

AN UPDATE ON THE HIJACKING OF TWA FLIGHT 847

(Mr. FASCELL asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. FASCELL. Mr. Speaker, yesterday, in response to the terrorist hijacking of TWA flight No. 847, Congressman MICA and I wrote the Secretary of State recommending that he immediately initiate an evaluation of security at international airports and consider issuing travel advisories to warn Americans of potentially dangerous airports.

I am pleased to note that the Department of State today announced the issuance of such a travel advisory with regard to the Athens International Airport were the TWA hijacking originated.

I would also like to take this opportunity to advise Members that they are invited to a closed State Department briefing on the TWA hijacking and hostage situation at 3:30 p.m. today, in room 2172, Rayburn House Office Building.

The text of the letter to the Secretary of State follows:

COMMITTEE ON FOREIGN AFFAIRS,
Washington, DC, June 17, 1985.

Hon. GEORGE P. SHULTZ,
Secretary of State, Department of State, Washington, DC.

DEAR MR. SECRETARY: In the wake of the tragic hijacking of TWA 847 by Shiite terrorists, we would like to take this opportunity to make the following recommendations with respect to the security of international airports and the proliferation of international terrorist incidents:

1. You should call on the International Civil Aviation Organization (ICAO) to conduct an immediate survey of current international airport compliance of existing ICAO security standards. Such a survey should be conducted with the participation of the International Air Traffic and Federation of Airline Pilots Associations (IATA and IFALPA). Based on this survey, ICAO should declare a moratorium on the use of those international airports not in compliance with existing standards.

2. In cooperation with the Federal Aviation Administration, the Department of State's Office of Security should conduct its own survey of international airport security. The purpose of the survey would be to evaluate the level of compliance of international airports with FAA minimum security standards. Those airports failing to comply with these standards should be boycotted by American flag carriers and U.S. airports should refuse landing rights to foreign flag carriers whose countries fail to comply.

3. Those countries whose airports do not meet ICAO and/or FAA minimum safety standards should be encouraged to actively participate in the State Department's Anti-Terrorism Airport Security Program.

4. The United States should seek to renegotiate existing anti-aircraft hijacking treaties to strengthen enforcement procedures including a provision creating an international sky-marshall program.

5. Finally, those countries who do not take the necessary steps to meet minimum security standards should be faced with the prospect of the issuance of travel advisories and/or the withholding of U.S. foreign assistance.

We would welcome your comments on these proposals and stand ready to continue to our cooperation in the field of combatting international terrorism.

With best wishes,

Sincerely yours,

DANTE B. FASCELL,
Chairman, Committee on Foreign Affairs.
DAN MICA,
Chairman, Subcommittee on International Operations.

□ 1910

LEAD BAN AFFECTS AGRICULTURE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois [Mr. MADIGAN] is recognized for 5 minutes.

● Mr. MADIGAN. Mr. Speaker, on March 4, 1985, the Environmental Protection Agency [EPA] issued final regulations to reduce the permissible amount of lead in gasoline by 90 percent by January 1, 1986. The new standard will limit the lead content of gasoline in two stages. The first stage is a reduction to 0.5 grams per leaded gallon required on July 1, 1985. The second stage is a reduction to 0.1 grams/gallon to be accomplished on January 1, 1986. The current lead standard is 1.1 grams/gallon. This new timetable speeds up EPA's efforts to ban lead in gasoline by 7 years. The target date for a total ban on lead in gasoline is now sometime in 1988.

The Environmental Protection Agency cites two reasons for stepping up the lead ban. The first is their evidence that gasoline is a major contributor to lead exposure. The second is their unsuccessful efforts to reduce fuel switching. Unfortunately, they have not taken the needs and concerns of the farm and ranch community into consideration.

The agency asserts that reduced levels of lead in gasoline will not damage engines designed for leaded gasoline. However, most of the studies on which EPA bases this conclusion were done on car engines and were generally not under heavy loads or at high RPM's. No tests have been done on agriculture engines under typical conditions found on the farm. A test conducted by the Society of Auto Engineeers found that the use of lead-free gasoline in engines designed to burn leaded fuel resulted in valve system wear 10 to 20 times greater than did leaded fuel. If this evidence is correct, agriculture producers could be forced to suffer equipment breakdowns during critical harvest and planting, and be faced with millions of dollars of repair and replacement costs

at a time when they can least afford it.

In addition, the agency has underestimated the number of engines still in use on the farm with hardened valve seats that were designed for use with leaded gasoline. These engines need the lubrication that lead provides. Deere and Co. estimates that there are 2 million pre-1970 tractors still in use on the farm. And results of a survey underway by the American Farm Bureau indicate that the average farm has 10 engines still in use that require leaded gasoline. Estimates of the cost to replace this older equipment average over $90,000 per farm. At a time when our Nation's farmers and ranchers are already suffering from low commodity prices, high interest rates, and high production costs, EPA is only adding salt to the wounds of agriculture.

The Environmental Protection Agency must be made aware of the impact a total ban will have on agriculture. I am introducing legislation today, along with a bipartisan group of agriculture committee members, to ensure that the agency takes into account the backbone industry of the Nation before acting further. Our bill does not attempt to reverse the already announced lead phasedown. However, it does include the following provisions:

One, it requires the Environmental Protection Agency to conduct a study, in cooperation with the U.S. Department of Agriculture, to determine the effect of a lead ban on the agriculture industry. Their study must reflect work conditions, including payloads and RPM's, that are typical of those found on the farm.

Two, EPA and USDA are required to publish their findings in the Federal Register not later than January 1, 1987.

Three, EPA must conduct public hearings to gather reaction to their published findings.

Four, they must submit a report to Congress by January 1, 1988, that includes their recommendations on how to help the agriculture industry.

Five, until this report and its recommendations are submitted to EPA is prevented from moving to ban lead from gasoline.

Let me conclude by saying that I believe that the Environmental Protection Agency has some valid concerns regarding lead poisoning. But reputable scientists, including Helen E. Kelly, M.P.H. with the American Council on Science and Health, insist that:

> The real culprit in childhood lead poisoning remains. Old Lead-based paint will continue to cause real harm to the health of children * * *. If the money to be spent complying with the new EPA regulation could instead be directed to a major effort to remove reservoirs of lead paint then the agency could indeed claim a great impact on the public health.

I do not want agriculture's legitimate interests ignored or sacrificed. The potential injury to agriculture is great enough that we must hold EPA accountable. Again, we are not asking that the clock be turned back and lead levels raised. The rule already finalized reduces lead in gasoline from present levels by fully 90 percent. Our effort will be to determine if there is going to be damage to the agriculture economy, and if so, to find a way to mitigate it.●

MORE AND MORE CHILDREN OF AMERICA ARE LIVING IN POVERTY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio [Mr. PEASE] is recognized for 5 minutes.

Mr. PEASE. Mr. Speaker, call me a "bleeding heart" if you must, but I grow more concerned by the day about what is happening to the children of America.

More and more of them live in poverty—with all that means for deteriorating health, hunger, dropping out of school, teenage pregnancy, and so on and on.

One of the latest reports, from the Children's Defense Fund, is especially depressing. According to the group's careful study:

> One out of every five American children under 18 lives in poverty.
>
> It's even worse for the youngest chidren. One out of four lives in poverty.
>
> White households headed by women under the age of 25 have a poverty rate of 72 percent—almost three out of every four.
>
> Black children in single-parent families headed by women have a poverty rate of 85 percent.
>
> Between 1979 and 1983 there was a 63 percent increase in poverty among children in white, two-parent families.
>
> Of the children in poverty, 18 percent live in families where at least one parent has a full-time job.

To me, these are powerfully disturbing statistics. And they come not only from the Children's Defense Fund, but from the Census Bureau, the Congressional Research Service, and several other research groups. The facts are irrefutable.

What is Congress doing in response?

Virtually nothing. That's what is most disturbing of all.

About all Congress does is to commission studies, hold hearings to spotlight the problem, and try to avoid further cuts to the Federal programs originally designed to reduce poverty.

As thousands more children slide into poverty every week, Congress essentailly does nothing.

Why?

For basically three reasons:

First, the Reagan administration's implacable opposition to federally funded solutions. For every Federal program which has operated in the past, is operating now, or might operate in the future, the Reagan administration expresses disdain. Administration officials say that the program can't work or that the private sector should handle the problem or it's a State responsibility or the same results can be achieved with less money or we can't afford the program or that the real key is not programs but opportunity or all of the above.

It's tough—very tough to get a program through Congress over the active opposition of the President.

Second, the perceived indifference of the public to the plight of the poor. I say perceived because it's hard to gauge what's on the minds of millions of citizens. But perceptions are often what Congress operates on. From polls, from newspaper editorials, from letters and conversations, from the results of the 1980 and 1984 Presidential elections, Congressmen have the perception that voters who aren't poor don't want their tax dollars spent on programs for families who are poor.

That perception is a powerful deterrent to effective action in a representative democracy like ours.

Third, the enormous Federal deficits which plague our Nation. With fiscal red ink overflowing to the tune of $200 billion per year, it seems almost irresponsible to advocate increased spending even when that spending would address a severe, acknowledged problem. Failure to curb Federal deficits could trigger another major recession which would plunge additional millions of children and their parents into poverty.

And so, Congress is paralyzed into "benign neglect."

Except that the neglect is not benign. Children suffer in increased numbers. The poverty rate for children, which started out at 27 percent in 1960 and dropped to 14 percent during the war-on-poverty years of the late 1960's, is back up to over 21 percent.

Children are the future of our country. Common sense ought to tell us it's a mistake to consign nearly a fourth of them to a life of poverty.

THE SQUARE DANCE: A GREAT AMERICAN TRADITION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Mr. PANETTA] is recognized for 5 minutes.

● Mr. PANETTA. Mr. Speaker, I am introducing legislation today with Representatives NORMAN MINETA and 64 of our colleagues to designate the square dance as the national folk dance for 1985 and 1986.

Similar legislation to permanently designate the square dance as the national folk dance of the United States

was adopted by the Senate in the last Congress. Unfortunately, the House Post Office and Civil Service Subcommittee on Census and Population did not approve the House measure before the end of the 98th Congress. While our resolution is temporary in nature, I believe it provides important recognition of a great American tradition. Today, there are more than 8,500 square dance clubs throughout the United States with more than 6 million dancers—in addition to the millions of school children who participate in square dancing on a daily basis in their schools. No other folk dance has this broad appeal or represents such an amalgamation of various folk dance traditions.

A similar resolution (Public Law 97-188) was adopted by the 97th Congress designating the square dance as the national folk dance for 1982 and 1983. The square dance continues to thrive across the country and deserves the recognition that this commemorative resolution would provide. I urge my colleagues to join with me and the more than 60 original cosponsors of this resolution in recognizing this great American tradition. The text of the resolution follows:

H.J. RES. —

Joint resolution designating the square dance as the national folk dance of the United States for 1985 and 1986

Whereas square dancing has been a popular tradition in America since early colonial days;

Whereas square dancing has attained a revered status as part of the folklore of this country;

Whereas square dancing is a joyful expression of the vibrant spirit of the people of the United States;

Whereas the people of the United States value the display of etiquette among men and women which is a major element of square dancing;

Whereas square dancing is a traditional form of family recreation which symbolizes a basic strength of this country, namely, the unity of the family;

Whereas square dancing epitomizes democracy because it dissolves arbitrary social distinctions;

Whereas square dancing is the American folk dance which is called, cued, or prompted to the dancers, and includes squares, rounds, contras, clogging, line, and heritage dances; and

Whereas it is fitting that the square dance be added to the array of symbols of our national character and pride: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled. That the square dance is designated as the national folk dance of the United States of America for 1985 and 1986.

LIST OF COSPONSORS

Mr. Mineta, Mr. Whitten, Mr. Brooks, Mr. Flippo, Mr. Montgomery, Mr. O'Brien, Mr. Tallon, Mr. Daniel, Mr. Stenholm, Mr. Shaw, Mr. Gilman, Mrs. Holt, Mr. Erdreich, Mr. Vander Jagt, Mr. Chappell, Mr. Moorhead, Mr. Hutto, Mr. Kostmayer, Mr. Sundquist, Mr. Snyder.

Mr. Campbell, Mr. Daschle, Mr. Dymally, Mr. Gunderson, Mr. Hefner, Mr. Jenkins, Mr. Martin, Mr. Sunia, Mr. Wortley, Mrs. Burton, Mr. Carper, Mr. Robert Young (Mo), Mr. Rodino, Mr. Bevill, Mr. Wolpe, Mr. McDade, Mr. Kastenmeier, Mr. Ed Jones, Mr. Barnes, Mr. Sabo.

Mr. Levin, Mr. Taxler, Mr. Dowdy, Mr. Chappie, Mr. Coelho, Mr. Cooper, Mr. Moakley, Mr. Tauke, Mr. Dyson, Mr. Torricelli, Mr. Lantos, Mr. Taylor, Mr. Wirth, Mr. Russo, Mr. Frank, Mr. Emerson, Mr. Lagomarsino.

Mrs. Boxer, Mr. Larry Craig, Mr. Dwyer, Mr. C.W. Bill Young, Mr. Jeffords, Mr. McEwen, Mr. Fazio, Mr. Nielson.●

ANDREI SAKHAROV AND YELENA BONNER

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Massachusetts [Mr. FRANK] is recognized for 60 minutes.

Mr. FRANK. Mr. Speaker, this is a special order taken out by myself and my colleague from New York [Mr. GILMAN] after consultation of a very discouraging and frightening sort, with the family of Andrei Sakharov and Yelena Bonner.

Andrei Sakharov and Yelena Bonner are among the most prominent victims of Soviet oppression. Sadly, they are not wholly unique in the extent to which they have been oppressed; there are others who suffered even more, but the maltreatment that has been imposed on Andrei Sakharov and Yelena Bonner, coupled with the ill health that has plagued them both, and given the fact that he is a man of enormous distinction makes it a particularly noteworthy case because it shows that the Soviets' tragic disregard for basic human rights really cannot be bounded by ill healths of those who have been victimized, by the eminence or past services to the Soviet Union of men like Sakharov, and we are particularly concerned now because there is very real reason to fear for the health and safety of either or both of these very brave people.

Simply put, there has been no verified communication with either Andrei Sakharov or Yelena Bonner, no verified communication for some months. Mail has been tampered with; the family has been left frightened and very uncertain as to the health and safety of these two very brave people.

The apartment they had been occupying we think may no longer be occupied. Mail, as I said, has been tampered with; a postcard that was sent in early April was altered to make it look like it had been sent much later, and there has not been for several months any legitimate communication.

We worry a great deal, and one of our purposes today is to implore the Soviet Union. For many of us who recognize that there are, between our two countries, areas of agreement that should allow us to coexist, we want to implore the Soviet Union to allow to the family some communication so that they can hopefully learn that Yelena Bonner and Andrei Sakharov are still alive and in good health; but if the terrible facts are that that may not be the case, at least the families would learn that.

At this point, Mr. Speaker, I yield to my good friend from Maryland, such time as he may consume.

Mr. HOYER. Mr. Speaker, I rise to join my colleagues on the floor to speak out against the persecution of Dr. Andrei Sakharov and Yelena Bonner. I would like to associate myself with the eloquent remarks of my distinguished colleagues, Rep. BEN GILMAN and Rep. BARNEY FRANK. I also thank my good friends for taking this time so that other Members could speak out on the human rights policies of the Soviet Union. I commend my colleagues for organizing this special order. Their involvement has been not just today but throughout their careers. It is a tribute to our Nation and to our democracy that so many come on the floor today in a spirit of unity and solidarity to focus upon the desire to help in any way we can to change the plight of so many individuals in the Soviet Union.

Mr. Speaker, in focusing on the present plight of Dr. Andrei Sakharov and Yelena Bonner we hope to impress upon the Soviet Union's leaders, indeed the world community, that we are deeply concerned and that we have an obligation to raise our voices. We must denounce the forced surrender of basic human rights to the arbitrary will of a repressive government. We must intensify our efforts to demand that the Soviet Government account for its behavior.

One ongoing forum which provides us with the opportunity to present our concerns to the Soviets and East European nations is the Helsinki process which was initiated in 1975, when 35 heads of state signed the Helsinki Final Act. The Final Act is a 40,000 word document covering nearly every aspect of East-West relations, including military security, trade and economic cooperation, human rights and cooperation in the humanitarian fields. The Final Act called for periodic conferences of the 35 nations to review Helsinki compliance and to discuss new measures to enhance European cooperation and security. Between the main review conferences, various smaller meetings on specialized topics have been and will be held.

One such meeting is the human rights experts meeting which concluded last night at approximately 8:30 p.m. in Ottawa. The human rights experts meeting was originally proposed by the United States and Canada as a forum to discuss human rights issues

with the goal of improving implementation of the Final Act's human rights provisions. The meeting was also seen as an opportunity to achieve a greater understanding of each State's attitude towards human rights. The 6 week conference was mandated to discuss "questions concerning respect, in their States, for human rights and fundamental freedoms, in all their aspects, as embodied in the Final Act."

On May 15, 1985, Ambassador Schifter, who headed the U.S. delegation, described the dilemma of Dr. Andrei Sakharov and Yelena Bonner before the Ottawa Conference:

In January 1980, following his criticism of the Soviet invasion of Afghanistan, Dr. Sakharov was stripped of his state honors, and without benefit of trial, forcibly banished to internal exile in the closed city of Gorky. On May 2, 1984, he embarked on a hunger strike to protest Soviet refusal to permit his wife, Yelena Bonner, to travel abroad for urgently needed medical care. He was subsequently abducted by Soviet authorities on or about May 7, hospitalized, force-fed and may have been treated with psychotropic drugs. Since his release sometime in September, he and Yelena Bonner have been kept under virtual house arrest. Their telephone is disconnected, they cannot meet with their family and the small trickle of correspondence permitted them is heavily censored and devoid of content.

Clearly Dr. Sakharov and Yelena Bonner have been deprived of their human rights. They have been denied freedom of expression and have been isolated because of their political beliefs. As individuals committed to the human rights cause throughout their lives, Dr. Sakharov and Yelena Bonner deserve our support and, indeed, the support of the global community.

In his book, "Progress, Coexistence and Intellectual Freedom," Dr. Sakharov explains that:

. . . Intellectual freedom is essential to human society—freedom to obtain and distribute information, freedom for open-minded and unfearing debate and freedom from pressure by officialdom and prejudices. Such a trinity of freedom of thought is the only guarantee against the infection of people by mass myths, which, in the hands of treacherous hypocrites and demagogues, can be transformed into bloody dictatorship.

The freedoms Dr. Sakharov extols are those which are guaranteed by the Helsinki Final Act, to which the Soviet Union is a signatory. Article VII of the accords specifically ensures freedom of thought, opinion and expression. Today, the Soviet Union continues to disregard the standards set forth in the Helsinki Final Act and to trample upon the political and civil freedoms of its citizens. Over the past few years, hundreds of prisoners of conscience have been silenced and isolated in the Gulag and elsewhere. Emigration has been effectively brought to a halt. Helsinki monitors are repressed within the Soviet Union and denied fundamental freedoms. In 1984 alone, there were at least 130 arrests of Soviet human rights activists—4 of whom received prison terms of an average of 3 years.

Mr. Speaker, just last Friday, stepchildren of Andrei D. Sakharov held a press conference in Ottawa at which they stated that they believe that their stepfather has disappeared from his apartment in Gorky, the city to which he was arbitrarily exiled in 1984, they fear that he may be dead. Although the conference in Ottawa has come to an end, the efforts of the Helsinki Commission and of my colleagues to bring to the attention of the world the persecution of dissidents, the denial of religious freedom, and the repression of national minorities by the Soviet Government, shall continue. The plight of Dr. Sakharov is not an isolated example. It epitomizes the Soviet Union's disregard for the human freedoms and moral standards which guide relations among the States set forth at Helsinki in 1975.

Again, Mr. Speaker, I thank my learned colleagues for bringing this important issue to the floor today.

□ 1920

Mr. FRANK. I thank the gentleman from Maryland whose work on the Helsinki Commission has been so important.

I am going to yield, in a minute, to my friend, the gentleman from New York, but I just want to lay out the facts that have caused a great chill of fear to descend on those who know and love as relatives and friends Andrei Sakharov and Yelena Bonner and the much wider circle of those of us who respect them and who admire their willingness to endure a terrible martyrdom for their basic ideals.

Fellow academicians and others have courageously visited Sakharov and Bonner. The last visit was in late February. In mid-April, the family, which lives in Massachusetts, received a card which appeared to be authentic. But then a couple of weeks later they received a card which originally appeared to have been sent late in April but, on examination, almost certainly now was sent by Sakharov and Bonner on the 1st of April and was altered to make it appear as it it were sent 3 weeks later. Birthday presents were sent to Gorky, to Sakharov, in time for his May 21 birthday. There were separate gifts, and they were returned in one package, in the handwriting of Yelena Bonner, Andrei Sakharov's wife, unopened.

The fear of the family is that by returning Andrei Sakharov's birthday presents unopened, Yelena Bonner was signaling either that she no longer has access to Andrei Sakharov or that he may be dead or that he may be terribly ill. It is a sad example of the unwillingness of the Soviet Union to give in to the basic demands of humanity that we have been reduced, we are not at this point arguing for Andrei Sakharov and Yelena Bonner's freedom, which ought to be such an easy thing for them to have, at this point we are simply asking the Soviet Union: let there be some method of communication, let this man's family know if he is alive or dead, if he is desperately ill or not. That is the point to which we have been reduced. His family cannot even know and is forced to guess, like this was some arcane puzzle, of the whereabouts and the health and the very continued life of this man. It cannot be in the interests of the Soviet Union to behave in such a fashion.

□ 1930

I yield to the very able gentleman from New York who has such a long record in this, and who I must say has a reputation for support and for defense so that when Alexei Semanov, the son of Yelena Bonner had this fear that the mail had been tampered with, one of the people he most wanted to talk to, because of his reputation in this area, was the gentleman from New York [Mr. GILMAN].

Mr. GILMAN. I thank the gentleman for yielding.

Mr. Speaker, I thank our colleague, the gentleman from Massachusetts, Mr. FRANK, for taking this time for us today to discuss recent events surrounding the serious situation of Soviet scientist Andrei Sakharov, and his wife, Yelena Bonner, and I thank the gentleman from Maryland, Mr. HOYER, for his kind words of support. It is especially timely in light of the recently concluded human rights talks in Ottawa, which I was pleased to have participated in earlier this week. A conference which reviewed the process of human rights under the Helsinki accords.

A member of the prestigious Soviet Academy of Sciences and 1975 Nobel Peace Prize winner, Andrei Sakharov was sentenced to 5 years internal exile in the closed city of Gorky without ever having been tried on any charges. His 5-year term expired earlier this year, yet Soviet authorities have not allowed him his freedom, and indeed, we are uncertain to this day as to his whereabouts and those of his ailing wife, Yelena Bonner.

On several occasions, Andrei Sakharov has undergone hunger strikes in an attempt to focus attention on the need for his wife to undergo medical treatment in the West. Nearly blind, Dr. Bonner's health has deteriorated markedly in recent years, yet during Dr. Sakharov's term in exile she perserved in maintaining lines of communication with family and friends. However, she too was sent into internal exile for 5 years, and since that time communication has decreased. The last known personal contact with Drs.

Sakharov and Bonner came in February, when two Soviet scientists were allowed to visit them. Written correspondence can only be legitimately traced back to mid-April, since recently it has been disclosed by members of the family in this country that postcards sent have been tampered with by the KGB. A master graphologist has concluded that the date on a postcard, as well as other alterations, have been made so as to obscure the Sakharov's daily routine and condition. Reports, however sketchy, imply that they have been moved from their apartment in Gorky; whether they are together or separated we do not know.

As a member of the Post Office and Civil Service Committee, I have been involved for quite some time with an investigation into Soviet disruption of mail sent to the citizens of the Soviet Union. We have identified thousands of exhibits in which letters and parcels were returned for no legitimate reason. We have known for a long time that the KGB has tampered with return receipts, yet this new development gives one pause. Our hopes earlier this year were that a change in leadership in the Kremlin might bring about a softening of attitudes. Yet, despite our hopes, this year we have seen Soviet Jewish emigration continue to decline, with only 51 persons allowed to emigrate from the Soviet Union in May; we have witnessed the arrest and imprisonment of Soviet Jewish Hebrew teachers on fabricated charges; we have learned of increasing oppression of all religious activities, and we have seen proof that the KGB will go to any lengths to isolate human rights activists such as Dr. Sakharov and his wife.

In an attempt to gain support for his wife, Dr. Sakharov tried to resign his position from the Soviet Academy of Sciences. He was refused, to the best of our knowledge, and new attempts at a hunger strike were responded to by hospitalization and forced feedings. As this grave situation continues to deteriorate, it has become clear that Soviet authorities are committed to denying the couple any rights of communication they had in previous months.

It is imperative that Members of this body express their concern and anger over this new series of events. We must continue to correspond with the Sakharovs in a united expression of solidarity for their rights. I expect that in the near future there will be hearings arising from these forgeries in the Post Office and Civil Service Committee, as an adjunct to the hearings I mentioned earlier. We must also make known our strong feelings on this matter to all appropriate Soviet authorities. They must be aware that we will monitor this situation closely, and that our reactions will be based on their actions. We appeal to the Soviet Union to demonstrate their concern for the dignity of the individual by responding to our concern for Dr. Sakharov and his wife, Dr. Bonner. I thank the gentleman for yielding and again commend him for his commitment.

Mr. FRANK. Mr. Speaker, I thank the gentleman from New York for his participation and I now yield to the gentleman from New York [Mr. DIOGUARDI].

Mr. DIOGUARDI. I thank the gentleman for yielding to me.

Mr. Speaker, I am pleased to join with my colleagues today in drawing attention to the fate of Andrei Sakharov and his wife, Yelena Bonner. I would like to commend my distinguished colleagues BEN GILMAN and BARNEY FRANK for organizing this special order so that we may voice our concerns over the Soviet Government's treatment of this brilliant, Nobel Prize-winning physicist.

Never having been convicted of a crime, Andrei Sakharov has been exiled in Gorky for over 5 years now. As a last resort, seeking the individual freedoms that mean so much to us in the United States, Dr. Sakharov has endured the effects of a prolonged hunger strike in order to protest his situation.

It is an outrage that the man whom the Nobel Peace Prize Committee called the conscience of humanity should be a victim of KGB terror. For over 15 years, Dr. Sakharov has spoken out against the ugly anti-Semitic policies of the U.S.S.R. He has decried the cultural genocide against Soviet Jews and has been a staunch defender of the State of Israel. For doing all this, Dr. Sakharov has placed his life in constant danger.

Recent developments indicate that the Soviets have isolated the Sakharovs even further from those of us who are concerned by such violations of the Helsinki accords. There are reports that the Soviets have altered or banned mail from Dr. Sakharov to his family in the United States. Last week, the Washington Post reported that the Sakharovs may have been moved to another apartment in Gorky. These are apparent attempts to suppress any details concerning Dr. Sakharov's welfare from the West.

I doubt that anyone in the West could argue successfully that the Soviets have complied with international agreements containing provisions related to human rights and emigration. The people of the free world have a moral obligation to address the consistent abuses of basic human rights by the Government of the Soviet Union. If the Soviets desire legitimacy in the world community, let them start by according to their citizens the opportunity to live free from such harassment as Dr. Sakharov has experienced.

It is imperative that this body send a signal to the Soviet Government that such actions are not to be tolerated by the international community. The conduct of the Soviet authorities in the Sakharov case, and so many others is reprehensible. It is my hope that our protest here on the floor of the House will be only one among many throughout the world so that the deprivation of civil liberties in the Soviet Union will be ended once and for all. I am grateful to have this opportunity to be heard on such a significant issue of our time.

□ 1940

Mr. FRANK. I thank the gentleman.

Mr. Speaker, I would like at this point to note that we have been joined in this special order, and I will ask soon for consent for many others of our colleagues, but I want to particularly note that the chairman and ranking member of the House Committee on Foreign Affairs, the gentleman from Florida and the gentleman from Michigan have joined with us.

I hope that the people who run the Soviet Union will take note of the wide range of Members who will have been joining in this special order on this very simple plea. At least—at least—let the family of Andrei Sakharov and Yelena Bonner know whether they live or die, what is the state of their health, where they are. At least allow them that most basic of all human rights—communication.

Mr. GAYDOS. Mr. Speaker, will the gentleman yield?

Mr. FRANK. I yield to the gentleman from Pennsylvania.

Mr. GAYDOS. I thank the gentleman for yielding.

Mr. Speaker, I think it is imperative that I state for the record that sitting here and listening to my good friends, the gentleman from Massachusetts [Mr. FRANK] and the gentleman from New York [Mr. GILMAN] and those who preceded them, that the principle involved should and does affect each Member of this House, and although they are not here today, and I use myself as an example, I am here for another purpose, but listening to the argument, the basic fairness of human rights, in such a manner and presented in such a good, unique way, based upon facts, nonemotional. I think it is persuasive to my colleagues. I wish we had more here to listen to this, and I hope that some of them are listening to the TV and the communications system we have in effect, because today it might be Sakharov and Mrs. Bonner; tomorrow it could be somebody else.

The principle is there. It will never change. We can go back in history and find history repeating itself so many times. If you ignore, as an individual or a responsible government official,

the situation that is so basic, it is going to come back to haunt you.

I would just hope that in the next special order, if it is necessary, that the notices go out and maybe some other Members who might not be too active in this area or this arena would be here to help make a salient point so that the world, through this record, would take cognizance of the unjustice that has occurred.

Mr. FRANK. I thank the gentleman from Pennsylvania. His words are very much appreciated.

Mr. Speaker, I just want to reiterate in very simple terms what we have here: Two very distinguished people, Andrei Sakharov in particular, a man who was a Nobel winner for efforts on behalf of the Soviet Union. He did not win the Nobel Prize for helping Nepal or Abu Dhabi. He won it as a Soviet citizen, as a servant of the Soviet state.

For expressing views which would be commonplace in any open and democratic society, Andrei Sakharov and Yelena Bonner find themselves on trial. They are convicted of a sentence which, in itself, violated Soviet law. They are then confined to an exile for longer than Soviet law allows, and now to compound the illegal and unjustified and arbitrary treatment that these two now aging and ailing people have to sit by watch their families receive altered mail, be shut off from any communication, and we have a situation where the families literally cannot know today what the state is of their existence or their health.

Again, we want to express to the Soviet Union the simple point that many of us here would like to see progress in arms reduction. We would like to see a reduction of tensions around the world. We hope the Soviet leadership will understand the relevance of the very simple human pleas that are being made on behalf of these two terribly mistreated, brave people. If the Soviet Union's new leadership is at all interested in fostering good relations, can they not understand what a useful step it would be for them to show a little humanity in the case of Sakharov and Bonner, and many others similarly situated? It will cost them nothing. It will detract not one wit from their economic growth, from their military strength. It will enhance their world political position. No one is asking them to sacrifice. We are simply asking them for a little humanity.

Mr. LEVIN of Michigan. Mr. Speaker, will the gentleman yield?

Mr. FRANK. I yield to the gentleman from Michigan.

Mr. LEVIN of Michigan. I thank the gentleman for yielding?

Mr. Speaker, I would congratulate the gentleman from Massachusetts and the others who have participated, except that I do not think you want congratulations. You are here as a matter of deep conscience.

I had prepared a statement that I was going to insert in the RECORD, but I called my wife and said I would just feel better about it if I said to her I would be home another 15 minutes later, so I could join personally in these expressions, if I could just join with you, pausing for a minute, wondering where Andrei Sakharov and his wife, Yelena Bonner, are at this moment, and wondering what kind of a society it is when people inside and out of it do not even know if someone is alive or not, if somebody is healthy or very ill.

I think we have to ask ourselves, and mainly the Soviet Union should ask itself, why Andrei Sakharov has become to be one of the best known names within the world. Why? I think clearly it is because Andrei Sakharov, both for the nobility of his deeds and the shame of his persecution, has come to embody the tragedy of thousands of Soviet prisoners of conscience.

Sakharov the academician, decorated with the highest honors the Soviet Union can bestow upon its scientists, now he is terrorized by that same government, and it has been going on for years. As a member of the intelligentsia, he sheltered those spokesmen of justice who were less influential members of that society.

What did he write? He wrote of the need for peaceful coexistence and understanding between world powers. Here, today, we have debated again MX. Andrei Sakharov wrote of the need for disarmament. Those were his crime.

□ 1950

And another crime was that he spoke out against his own government's immoral invasion of Afghanistan, a neutral Third World state, and 5 years later it is the scene of one of the bloodiest and most inhumane wars.

It is this call to conscience which led to the silencing of Andrei Sakharov. But I think what the Soviet Union is learning—although maybe it is not—is that they really have not silenced him because his message is now cast more broadly throughout the world than it ever was before.

So this evening we record our continuing concern for the welfare of Andrei Sakharov and his wife. They are people of compassion. They never will be forgotten by us. I think the gentleman from Massachusetts and others have stated it so eloquently: We intend to continue to speak out until we know where he is, until we know how he is, and until he is let free.

Mr. FRANK. Mr. Speaker, I thank the gentleman from Michigan. And I thank the gentleman from New York. I should repeat that his reputation as a champion of human rights and as a thoughful defender of the rights of people led the Sakharov family to ask that he be very directly involved in these efforts.

● Mr. FEIGHAN. Mr. Speaker, I want to thank my colleagues, the gentleman from Massachusetts, Mr. FRANK, and the gentleman from New York, Mr. GILMAN, for calling this very important special order today. The continued persecution of Nobel Prize Winner Andrei Sakharov and his wife, Dr. Yelena Bonner, calls into serious question the desire of the Soviet Union to be included in the community of civilized nations, and clearly raises doubts about their desire to comply with international agreements which they have voluntarily signed.

The internal exile of Andrei Sakharov to Gorky over 5 years ago, violates the Soviet Union's own law and constitution. In addition, the refusal to allow his wife and he to travel abroad for medical attention violates the Helsinki accords, the U.N. Charter, and the U.N. Declaration on the Rights of Man. I suppose these violations should come as no surprise to us, granted that the character of the Soviet regime has been marked by continued repressions and brutalities against their own people and their neighbors. No one should soon forget the Soviet regime's conduct in the streets of Budapest and Prague and in the hills of Afghanistan.

Still, the treatment of Andrei Sakharov, an individual of world-wide renown, has touched the hearts and minds of all who share a concern for world liberty. From the earliest reports of their detention by the KGB, to recent reports on the possible removal of Dr. Sakharov and his wife from their Gorky apartment, Members of this House have raised their voices in protest. I know that I and several of my colleagues have had the opportunity to meet with Soviet officials, both here and overseas, on the Sakharov case. In almost every instance, our conversations have been unproductive in securing the couples release. Still, I believe we have responsibility to speak out, to raise our objections clearly and consistently, and to let the Soviets know that the cause of Andrei Sakharov and Yelena Bonnor is a cause that can never be silenced, and that it is a cause shared by Members of this House and by the American people.●

● Mr. SOLARZ. Mr. Speaker, I find it unfortunate that it is necessary for my colleagues and me to once again rise in an effort to call attention to the continuing plight of Andrei Sakharov and his wife Yelena Bonner.

For over 5 years—the maximum time allowed for a citizen to be exiled according to Soviet law—Dr. Sakharov's tragic isolation has continued. Ignoring continued calls by the United

States and other countries and by numerous human rights organizations, the Soviet Government has refused time and again to allow this beleaguered couple to leave the Soviet Union. More than five times in the last several years Dr. Sakharov has submitted himself to the torture of a hunger strike in an effort to convince the Soviet Government to allow his wife to go abroad and receive medical treatments for the many ailments brought on and aggravated by their continuing incarceration.

The time has come for the Soviets to realize that the persecution of this man can go on no longer. The plight of Sakharov is part of the chasm that has made successful arms control agreements impossible. As Sakharov himself said nearly 10 years ago, human rights is the first step toward achieving mutual understanding between the superpowers. Today, the former national Soviet hero who helped develop nuclear weapons is being denied the very rights that he has shown are needed to control his creation.

Some people say that by pushing for arms control, we are overlooking human rights violations; in fact, we seek arms control and reduction of tensions in part to further human rights in the Soviet Union. Andrei Sakharov proved this and he continues to remind us of each day he is kept imprisoned.

Andrei Sakharov is by profession a physicist. But his greater contribution to the world is the insight he has given to world peace and the need for universal human rights. He has observed that in a closed society where human rights are neither granted nor acknowledged, a society that does not provide for freedom of information, freedom of conscience, freedom of religion and the freedom to travel and live in the country of one's choosing, international trust and foreign understanding are impossible.

Today, the reality of Soviet repression and Communist tyranny represents not a distant memory, but a living nightmare. Andrei Sakharov asks only for a visa so his ailing wife can get the medical treatment she needs. What he gets in response is an in-house arrest where he is held virtually incommunicado so that today neither his nor his wife's family know where he is, or even if he is alive.

In the 98th Congress, this body and the Senate passed 13 independent resolutions calling on the Soviets to allow Sakharov and his wife protection, medical care, and freedom. It is my wish that the Soviets will soon see that by keeping the Sakharovs imprisoned, all they are doing is escalating the problem and the pressure. By freeing the Sakharovs, the Soviets will lose nothing—they have only to gain a sense of humanity.

I have already noted that is is unfortunate that it is necessary for us to have this special order in behalf of Andrei Sakharov today. But until he and wife are freed, it is vitally important for Congress and the American people to honor and remember this extraordinary man, for in so doing we recognize this indomitable human spirit in the face of oppression and we reaffirm our own commitment to human rights.●

● Mr. LANTOS. Mr. Speaker, today I am pleased and honored to join my distinguished colleagues in the House to speak out for Nobel Laureate, Dr. Andrei Sakharov. I wish to commend our distinguished collegues, BARNEY FRANK and BEN GILMAN, for their leadership in calling this special order.

The Soviet Government's continued abuse of Dr. Sakharov and his wife Yelena Bonner is morally indefensible and it cannot and must not go unnoticed. I am appalled over the recent reports that the Sakharovs have once again been forced to move to another apartment in Gorky, further isolating them from friends and family.

Over a year ago we in Congress called upon the Soviet Union to allow Yelena Bonner and Dr. Sakharov to emigrate to the West. Our request fell on deaf ears. I find it incomprehensible that the Soviets continue to deny the Sakharov's—and many others—the fundamental human rights of living where one chooses.

When the Soviet Government signed the Helsinki Accords in 1975, it accepted the solemn international obligation to its own citizens as well as to the rest of the world to respect human rights and fundamental freedoms. Yet the Soviet Government has failed to observe the international human rights obligations it has accepted, but instead it continues to persecute Hebrew teachers, Christian and Jewish believers, and human rights activists, such as Anatoliy Shcharansky and Andrei Sakharov. We must continue to demand that the Soviets honor their obligations.

The Sakharovs—people of great courage, humanity, and dignity—deserve to be able to live where they choose, to think and speak as they choose. Their continued harassment and persecution demonstrates the most heinous side of Soviet insensitivity to human rights.●

● Mr. YATES. Mr. Speaker, Andrei Sakharov and his wife Yelena Bonner are two eminently courageous individuals and they stand today as nothing less than historic figures in the ongoing, universal struggle for basic human rights. The Sakharovs need and deserve every bit of honor and support that we can give them, and I congratulate my colleagues, BARNEY FRANK and BEN GILMAN, for taking this time today.

As the world knows, Andrei Sakharov is a Soviet academician and brilliant physicist. He and his wife were among the elite of Soviet society and were entitled to all the privileges that go with that kind of status in the U.S.S.R. But they chose principle over comfort and status, and began a battle for human rights in the U.S.S.R. that resulted in the award of the Nobel Peace Prize. This struggle also resulted in their being banished by the Soviet authorities to the industrial city of Gorky in 1980. For the past 5 years Sakharov and Bonner have endured a cruel, destructive, and illegal banishment that has damaged their health and caused them to engage in hunger strikes as a means to force the authorities to alter their treatment and isolation.

When we think about this valiant couple, we need to remind ourselves that they are speaking for many thousands of other Soviet citizens who suffer under that government. We honor Sakharov and Bonner and we express our growing concern for their well being and in doing this we also remember the many others in the U.S.S.R. who seek the right to speak, to read, to practice their religion and to emigrate.●

● Mr. MANTON. Mr. Speaker, I am pleased to add my voice to those of my colleagues protesting the Soviet authorities treatment of Nobel Prize Winner Andrei Sakharov and his wife, Yelena Bonner. I would like to commend my colleagues for organizing this special order so that there will be no confusion regarding the House of Representatives' commitment to Andrei Sakharov and other Jews in the Soviet Union who are struggling to regain their freedom. Many of us in the Congress had hoped that with the new leadership in the Kremlin we would see an improvement in the situation in the Soviet Union. Unfortunately, that dream, like the dreams of the Jews in the Soviet Union, has not become a reality.

Mr. Speaker, the special order today has been organized so that members can express their concern about recent events affecting Andrei Sakharov and Yelena Bonner. As many know, Andrei Sakharov is a world renowned mathematician and physicist who has been awarded a Nobel Prize for his work. But Andrei Sakharov is not only a man of the sciences but also a man of the soul.

Before his exile, Andrei Sakharov was an outspoken advocate for human rights. He himself did not seek to emigrate though he sought that basic freedom for others. Andrei Sakharov only sought to be able to travel like any other scientist would, and to share his knowledge and exchange ideas with other scientists. But his voice was another one the Soviet Union sought

to silence. Andrei Sakharov was exiled, without trial, to Gorki, cut off from his colleagues and from the outside world. Andrei Sakharov has been in exile for five years. His wife, Yelena Bonner, has been exiled with him for over a year.

We in the Congress are especially alarmed about the status of the Sakharovs due to recent reports that the Sakharovs have been moved to a different apartment and that their mail from the west is being tampered with. There does not appear to be anyone living in the apartment the Sakharovs had occupied, and the police surveliance that had been present has ceased. My colleagues and I are greatly disturbed by this. No one has heard from the Sakharov's recently and their whereabouts are unknown. It is imperative that we receive assurances that the Sakharovs are alive and well. Mr. Gorbachev, I urge you to share the whereabouts of the Sakharovs with their family and friends.

It is particularly appropriate to voice these concerns at this time as the human rights meeting in Ottawa comes to a close. The provisions of the Helsinki accords, as well as other human rights documents which the Soviet Union has signed, are being blatantly ignored by the Soviet Union. This is true for the Sakharovs' and for many others including, prisoner of conscience. Iosif Berenshtein, with whose case I am particularly concerned.

I urge the leaders in the Soviet Union to reconsider their position and their actions. The cause of peace is not furthered by these gross violations of the Helsinki accords. My colleagues and I will continue in our vigil on behalf of the Jewish people of the Soviet Union. Forty years ago most of the world was silent, that silence will not be repeated today.●

● Mr. BROOMFIELD. Mr. Speaker, I offer my support of this special order which calls attention to the fate of Andrei Sakharov. In violation of Soviet law and human rights, the Sakharovs are being held in almost complete isolation. Now is the time to protest this illegal and senseless abuse of the Sakharov family.

Mr. Sakharov has been exiled in Gorky for over 5 years. He has never, however, been convicted of a crime. His wife, Yelena Bonner, has also been exiled with him for over a year. There is real concern about the health of both of them. Their mail has been tampered with and they may have been moved to another apartment in Gorki. The KGB has denied the Sakharovs a television, telephone, and a typewriter. They even jammed their radio.

In addition to ignoring their own laws, the Soviets routinely violate the Helsinki accords which they signed in 1975. Once again, we see that law and international accords mean little to the Kremlin.

For these reasons, I join my colleagues in protesting the Soviet Union's abuse of the Sakharovs.●

● Mr. ADDABBO. Mr. Speaker, I would like to join my colleagues in expressing the concern of this Congress and the American people for the fate of Andrei Sakharov and his wife, Yelena Bonner.

For more than 5 years now—under four separate leaders—the Soviet Government has illegally held this Nobel Peace Prize winner and his wife in internal exile.

What was their crime? Even the Kremlin has not been able to fabricate a charge that would justify the actions they have taken. The Sakharovs only crime was that they dared to monitor Soviet compliance with the provisions of the Helsinki accords, and spoke out against the regime's flagrant human rights violations. The truth continues to be a threat to Soviet totalitarianism.

Fortunately, we in the West do not have the same fear of the truth. The Kremlin may be able to silence the voices of Andrei Sakharov and Yelena Bonner, but their fate and their message will continue to be heard. Mr. Gorbachev must know that the Congress of the United States is monitoring not only the fate of the Sakharovs, but the state of human rights in the Soviet Union which they have so courageously sought to defend.

Mr. Gorbachev is still new in his job. He represents a new generation of Soviet leadership—one not burdened with the dark traditions of Stalinism. We in this Congress invite Mr. Gorbachev to take an important step in improving relations with the West by releasing the Sakharovs and complying with the Helsinki accords.

We are greatly concerned for the health of the Sakharovs and we urge Soviet authorities to allow Miss Bonner to seek medical attention in the West.

I can assure the Kremlin that continued persecution of the Sakharovs and continued Soviet violations of human rights, will not go unnoticed or unanswered in this country.●

● Mr. FORD of Tennessee. Mr. Speaker, I am pleased to join my colleagues in speaking out against violations of human rights by the Soviet Union. Continuing violations of human rights in the areas of family reunification, right to travel and emigrate, and freedom of religion, thought, and conscience are evident. Such is the case for Andrei Sakharov, who has never been convicted of a crime, yet he has been exiled in Gorky for over 5 years now. His wife, Yelena Bonner, has been exiled with him for over 1 year and there is continuous concern about their health.

As my colleagues are aware, Sakharov, a distinguished physicist, won the Nobel Peace Prize in 1975 for his work. Though isolated and harassed by the authorities, he continues to advocate freedom of emigration, amnesty for all prisoners of conscience, and other rights set forth in the 1975 Helsinki Final Act and other human rights documents.

Recently, another unfortunate twist of events has taken place. Sakharov's mail to his family in the United States has been tampered with, in an attempt to learn the details about a possible hunger strike. It is deplorable that the Soviet Union has attempted to alter or ban the mail of this brilliant Nobel prize-winning academician.

It was 10 years ago that the 35 signatories representing Europe and North America established the Helsinki Final Act thereby pledging to respect human rights and fundamental freedoms, including the freedom of thought, conscience, religion, or belief, for all without distinction as to race, sex, language, or religion. As the human rights experts meeting in Ottawa, Canada, conclude their business of reviewing the provisions of the Helsinki accords it is important that violations of human rights in the Sakharov case and other cases be raised at this time.

As members of a free nation we must speak out against such violations by the Soviet Union. We must seek the enforcement of the Helsinki accords and impress upon the Soviet Union our objection to the denial of basic human rights.●

● Mr. BERMAN. Mr. Speaker, I am honored to participate in this special order on behalf of Dr. Andrei Sakharov, the renowned Soviet scientist and human rights advocate.

Andrei Sakharov was the father of the Soviet H-bomb. He also laid the theoretical foundation of fusion physics and its many promising peaceful applications. Scientists around the world continue to develop and refine the theories of antimatter that Sakharov first developed approximately 10 years ago.

Mr. Sakharov's activities outside the laboratory, however, led to his 1980 arrest and exile. In his unique position as an internationally known scientist he successfully attracted attention to the repression and human rights abuses of the U.S.S.R. Dr. Sakharov sacrificed his career and his freedom when he dared to criticize Soviet totalitarianism and publicly supported political prisoners silenced in the Gulag.

Barred from leaving the country to accept the Nobel Peace Prize, his wife delivered his acceptance speech in which Sakharov stressed that "the defense of human rights guarantees a solid ground for genuine long-term international cooperation." When the

Soviet Union invaded Afghanistan a few years later, human rights and international cooperation were not the slightest consideration. Sakharov's protest of an already internationally unpopular military action was the breaking point; his activities were classified as "subversive." In January 1980, he was abducted on his way to the Academy of Sciences and immediately exiled to Gorky.

The Soviet Union has committed an irreparable crime against humanity by trying to silence an individual whose work would surely have benefited people of all nations. The Soviet regime has denied both Sakharov and his wife necessary medical attention, and prohibited his daughter-in-law from emigrating to join their son in the United States. We seek the release of Dr. Sakharov and political amnesty for others who have dared to protest persecution. The U.S.S.R. can continue to lock up individuals, but they can never destroy the desire for freedom.●

● Mr. FASCELL. Mr. Speaker, it is wholly appropriate that during the concluding days of business for the human rights experts meeting in Ottawa, we voice our concerns for the plight of Dr. Andrei Sakharov and Yelena Bonner.

This is indeed a time-sensitive issue as recent reports filter into Moscow suggesting that Andrei Sakharov and Yelena Bonner may have been further isolated by the mysterious action relocating them to an alternate exile site in Gorky.

Further concern has been warranted by the fact that the Soviet Union has refused to allow independent confirmation of their whereabouts, or health. This is another indication of the Soviet Union's repeated failures to live up to its obligations under the 1975 Helsinki Final Act. Under the Final Act Andrei Sakharov and Yelena Bonner should be allowed their basic human rights: To live in the country of their choice; to receive the medical attention they deem necessary; and to join relatives and friends for whom this separation has been so painful.

Dr. Sakharov, a widely respected and outstanding leader of the human rights movement, was recognized in 1975 for his significant scientific contributions by being accorded a Nobel laureate.

Dr. Sakharov, though isolated, continues to advocate basic individual human rights, in spite of harassment. And his wife, Yelena Bonner, as a member of the now disbanded Moscow Helsinki Group heeded her obligations to report human rights problems while continually defending her husband against unfounded charges.

I call on all Western governments to do all in their power to save the lives of Andrei Sakharov and Yelena Bonner. I ask that people of goodwill everywhere urge the Soviet Union to live up to their Helsinki obligations.●

● Mr. DWYER of New Jersey. Mr. Speaker, I am especially grateful to participate in this timely special order on behalf of Soviet dissident, Andrei Sakharov. Today, we must commemorate all who have demonstrated their persistent struggle for freedom and self-determination in spite of endless oppression.

Soviet academician and dissident, Andrei Sakharov has been exiled in Gorky for over 5 years. Until a year ago, his wife, Yelena Bonner, was permitted to maintain contacts with foreigners and friends. She has since been living in exile with her husband for over a year.

The struggle for human rights is helped immeasurably by the strength and commitment shared by all who are here today in condemnation of Soviet atrocities. These statements are now an essential ingredient in the worldwide effort to aid the oppressed.

Mr. Speaker, as you know, Andrei Sakharov remains a servant of the state with virtually no rights. The inexhaustable determination that he has demonstrated in his struggle for independence is a true indication of his love for the freedom of which he has been so unjustly deprived.

Our power to influence the Soviet state toward humanity is limited, as we have sadly learned. However, as representatives in the free world we can make clear that we know, care, and will never forget their endless plight for liberty and freedom.

The Helsinki accord continues to serve as tremendous encouragement and inspiration. Regretfully, the pleadings of men like Andrei Sakharov have not been met, their appeals for justice will not be silenced. I wish to thank Congressman GILMAN and Congressman FRANK for calling my attention to this special order.●

● Mr. FLORIO. Mr. Speaker, I am pleased to join my colleagues Congressmen BARNEY FRANK and BEN GILMAN in this special order calling attention to the plight of Andrei Sakharov and his wife Yelena Bonner. As a member of the International Parliamentary Group for Human Rights [IPG], I am distressed by the inhumane treatment that Andrei Sakharov and his wife have been subjected to throughout the years for having dared to speak out for the inalienable human rights that no government should be able to deny.

Unfortunately, the Soviet Union has been denying these rights to Andrei Sakharov and Yelena Bonner, as well as numerous citizens who have had the courage to speak out. Andrei Sakharov has been exiled in Gorky for over 5 years now, despite a 5-year limit in Soviet law on exiles for convicted criminals. Andrei Sakharov has never been convicted of a crime; to the contrary, as a physicist who was awarded the Nobel Peace Prize for his human rights activities, he had contributed his dedication to upholding laws of humanity. The Soviet Union has repeatedly denied to Bonner the right to seek medical attention outside the Soviet Union. It has now been reported that Sakharov and Bonner may have been moved to another apartment in Gorky in order to further isolate them from the outside world.

I would like to join my colleagues in expressing my outrage at the deplorable treatment of this couple and to request that their situation be improved, in accordance with the Helsinki accords. Andrei Sakharov and Yelena Bonner are indicative of the many thousands of people in the Soviet Union whose names we do not hear, who are daily subjected to limits on their freedom, on their rights to religion, speech, press, and political belief. We have a moral responsibility to join our voices with theirs and to continue to bring this situation the international attention that it rightfully deserves. Only when we continue to speak out against these violations will we be able to impress upon the Soviet Union that we, as a nation, are committed to seeking an improvement in this situation and that we are not ready to give up this effort.●

● Mr. BROWN of California. Mr. Speaker, I rise today to extend thanks to the distinguished gentlemen from New York and Massachusetts for reserving this special order regarding Soviet dissident and Nobel laureate Andrei Sakharov.

The cruel treatment of Dr. Sakharov, a world-renowned physicist and advocate of human rights in the Soviet Union, must end. Dr. Sakharov's crime is that he chooses to speak out against the oppression and brutality of the Soviet system. This courageous stand, which won him the praise and admiration of millions around the world, also earned him internal exile to Siberia and humiliating rebukes by the Soviet Government. Banished to the closed city of Gorky in 1980, Dr. Sakharov has been the subject of ongoing and intense KGB harassment and surveillance. His mail is continually interfered with, and he is forbidden to have any contact with the outside world. After a recent hunger strike he launched to gain freedom for his wife, Yelena Bonner, who desperately requires advanced medical care, Dr. Sakharov himself became gravely ill. There are reports that he may have been forced fed and given mind-altering drugs. It is now believed that he may have been moved from the apartment he shares with his wife in Gorky. Both he and his wife have suffered greatly from the unrelenting stresses of their forced exile. Presently, neither Dr. Sakharov's family nor his

friends and supporters can ascertain his exact whereabouts and his true physical condition.

The Soviet Government has frequently dismissed its treatment of Sakharov as a purely internal affair and has repeatedly refused to discuss the matter with visiting heads of state. But the Soviet Union is a signatory to at least three international accords which expressly forbid the denial of political and civil rights. This glaring contradiction between Soviet promises and Soviet deeds is tragically illustrated in the forcible silencing of the Sakharovs.

I have long supported Dr. Sakharov and his brave stand against the oppression of successive Soviet regimes. Over the years, I have introduced legislation in Congress urging the Soviet leadership to allow the Sakharovs to leave the country or to stay and live freely, without the threat of abuse or physical harm. Additionally, I have signed on to numerous letters sent to Soviet authorities urging that the Sakharovs exile be ended and that Dr. Sakharov and his wife be allowed to leave the Soviet Union.

The rights of free expression and movement are fundamental human rights that must be protected. I will continue to urge that Dr. Sakharov and all dissidents be allowed to exercise these rights unharassed and unafraid of punishment.●

● Mr. OBERSTAR. Mr. Speaker, tonight's special order has justifiably elicited an outpouring of outrage in this House over the treatment by the Soviet Government of Andrei Sakharov and his wife, Yelena Bonner, a human rights activist. Their isolation for over 5 years in Gorky is in direct violation of the Helsinki accords, which the Soviet Government has signed and repeatedly violated.

Recent reports reaching the West confirm that the Soviet Union is again subjecting the Sakharovs to conditions no one should have to endure. The Soviets continue to refuse to disclose information on the health, legal status, and whereabouts of the Sakharovs.

Dr. Sakharov has a weak heart, yet has repeatedly been refused adequate health care. His wife, Yelena, suffers severe eye and heart ailments requiring immediate attention, but she has been denied a visa to travel to the West for treatment on the spurious grounds of alleged treason.

In response, Dr. Sakharov has undertaken hunger strikes to implore authorities to allow his wife to travel to the West for medical treatment. Recent reports indicate that Sakharov had threatened to resign from the Soviet Academy of Sciences by May 10 if the academy would not help him improve conditions for him and his wife in exile in Gorky. This act would embarrass the Soviets by officially removing one of their most prominent scientists, but would also deprive Dr. Sakharov of his last source of income. We do not know the outcome of his efforts.

Earlier last week the Washington Post reported that the apartment in Gorky where Sakharov and his wife have been isolated since 1980 has been abandoned, indicating that the Soviet authorities have further isolated the Sakharovs, again without any announcement—or information as to his new residence. There is deep concern that Sakharov may in fact be very ill. This uncertainty highlights the need for a statement from Congress, the greatest deliberative body in the world, expressing our extreme disapproval of these blatant human rights violations.

While we do not know the whereabouts of Dr. Sakharov and his wife, we do know that they have become a symbol of the unending struggle for freedom of the people in the Soviet Union. They are asking for no more than the right to live, speak, and think freely. We must not let Andrei Sakharov and Yelena Bonner stand alone. We must let the Soviet Government know that the Congress of the United States, and indeed all the people of the free world, will not let such deprivation of human rights go unanswered.

I join my colleagues, the gentleman from New York [Mr. GILMAN], and the gentleman from Massachusetts [Mr. FRANK], in condeming the deplorable treatment of this brilliant Nobel Prize-winning humanitarian and his courageous wife.●

● Mr. LEACH of Iowa. Mr. Speaker, I rise to join my colleagues in honoring Andrei Sakharov and to express deep concern over continued Soviet mistreatment of this world-renowned physicist and Nobel Peace Prize laureate.

The plight of Andrei Sakharov and his wife, Yelena Bonner, has deeply touched the hearts of the American people. Although little information is available on their whereabouts or welbeing and it appears their mail is being tampered with, we must not permit Soviet authorities to discourage either our interest in or our advocacy on behalf of Dr. Sakharov and his wife. The Soviet state may be able to silence dissent and free expression within its own borders but it cannot prevent the world standing witness to the oppressive acts of a police state.

On this occasion, I join my colleagues in urging Soviet authorities, in a spirit consistent with the human rights accords to which their government is signatory, to provide the U.S. Government and other interested parties full details on the whereabouts and condition of Andrei Sakharov and his wife and to indicate a willingness to free these courageous people from the constraints of internal exile. Such a compassionate act would contribute to a climate of greater confidence between the two superpowers and enhance prospects for improved relations in a variety of areas of mutual interest to our governments. Failure to abide by the rule of law can only have a dampening effect on such prospects and lend credence to those who disparage warmer relations between our countries.

Dr. Sakharov and his wife have earned a place of deep respect among all who cherish the basic freedoms we enshrine in our Constitution. We owe it to them and to our own heritage to defend their cause. Until they are free, we cannot be silent.●

● Mr. LEVINE of California. Mr. Speaker, although I am pleased to join my distinguished colleague from Massachusetts [Mr. FRANK] in this special order to protest against Soviet treatment of Andrei Sakharov, I am deeply saddened that there is still the need for such an occasion. The case of Andrei Sakharov is a microcosm of the Soviet Union's entire policy toward human rights and human dignity.

Mr. Speaker, the story of Andrei Sakharov, a Nobel Peace laureate, is well known. In 1970, he and other Soviet physicists founded the Committee for Human Rights, an organization dedicated to promoting in the Soviet Union the principles expressed in the Universal Declaration of Human Rights. These principles guarantee to all the rights of freedom of thought, religion, and expression.

As a result of Dr. Sakharov's active role in the committee and his courageous stand for freedom, he was arrested and banished to internal exile with his wife, Yelena Bonner. In 1980, they were involuntarily settled under police surveillance in the remote city of Gorky, isolated from friends, colleagues, and all of society. And there they lived for over 5 years, subject to harassment, intimidation, and outright cruelty by Soviet authorities.

Now it appears there is a serious question as to the whereabouts of Dr. Sakharov and Mrs. Bonner. Reports indicate that there is no sign of anyone living in their apartment and there are other signs that things are amiss. Family and friends are concerned about their health and whereabouts.

Members of this institution have on many occasions expressed deep concern about Soviet treatment of these two courageous individuals who have suffered dearly under Soviet rule. There seems no end to the cruelty the Soviets inflict on these human beings; no end to the torture they invent. And now we must ask what further torture these people are being subjected to.

Mr. Speaker, Andrei Sakharov often warned that the Soviet failure to observe basic human freedoms is a grave

threat to peace because it silences voices of dissent within the Soviet Union. Such violations of human rights demand the attention and condemnation of the world.

Andrei Sakharov's life has been hard, yet he has lived it courageously. He has served as an example for all whose lives are oppressed and whose human rights and dignity are violated.

Now we must once again send the message to Soviet authorities that we care deeply about the life of this one man, as we do for all people who are forced to live under repressive rule. I understand a copy of the statements of this special order will be sent to Soviet Ambassador Anatoly Dobrynin. Mr. Ambassador, I join my colleagues in appealing to you to for answers. Where are Dr. Sakharov and Mrs. Bonner? Why does your government torture them unrelentingly? Why won't you stop? Surely they have suffered enough. Surely your government must realize in what a negative light Soviet oppression is viewed.

I appeal to you to provide a waiting world with information on these people, and to release them to enjoy the freedom that is the natural right of all people everywhere.

Thank you.●

● Mr. GREEN. I would like to thank my distinguished colleagues, Representatives GILMAN and FRANK, for organizing this special order on behalf of the Soviet dissident Andrei Sakharov.

Andrei Sakharov, a Nobel Peace Prize-winning physicist, has been exiled to Gorky since 1980 for his human rights activities. He has never been convicted of a crime in the Soviet Union. His wife, Yelena Bonner, has been banished to Gorky with him for almost 1 year in what is clearly an attempt by the Soviet Union to isolate Sakharov and limit his human rights activities.

The Sakharovs are kept under house arrest, may not leave Gorky or communicate with foreigners and friends. Friends are threatened with the possibility of imprisonment if they communicate with the Sakharovs, and it is believed that Sakharvo's mail to his family in the United States has been tampered with.

Recent reports indicate that Sakharov and his wife may have been moved from their apartment in Gorky. This can only contribute to isolating them further from any means of communication with the outside world.

It had been hoped and rumored that the Soviets would improve their human rights record upon Gorbachev's rise to the premiership. However, using Soviet emigration as a barometer, no such improvement has materialized. According to the Coalition to Free Soviet Jews, only 51 out of 400,000 Soviet Jews who applied to emigrate were allowed to leave the U.S.S.R. in May. In all of 1984, emigration statistics show that only 896 Jews received visas to leave the U.S.S.R.

We in the U.S. Congress must continue to protest Soviet violations of human rights. I urge my colleagues to join me in this special order and bring to the world's attention the fate of Andrei Sakharov and other oppressed peoples in the Soviet Union.●

● Mr. McGRATH. Mr. Speaker, I rise to add my voice to the others of concern that have spoken out today against the tragic plight of Dr. Andrei Sakharov and his wife, Yelena Bonner.

Dr. Sakharov has been honored with Nobel Peace Prize for his concern and involvement with the promotion of human rights. In the Soviet Union this heralded activity has rendered him a prisoner of internal exile. What an incredible situation. This renowed physicist of unparalleled achievement and standing in the worldwide community has been banished to the city of Gorky, 250 miles from the center of the Soviet academic and scientific community. His wife over 1 year ago was stripped of her privilege to travel to and from Moscow. They now find themselves in failing health and complete isolation.

And yet this inhuman treatment is not enough for the Soviets. They have denied Sakharov and Bonner desperately needed medical treatment. They permitted Dr. Bonner's daughter-in-law permission to join her husband in the United States only after Dr. Sakharov undertook a hunger strike that garnered worldwide attention. And now, there are very strong indications that the Soviets have tampered with their mail.

Reports from Gorky indicate that Dr. Sakharov had embarked on a hunger strike in an attempt to get medical treatment for his wife. The fragile state of his health concerned family members. But then communication from Dr. Sakharov was received by family in the United States assuring them of his well-being. Everything appeared status quo until it was learned that the Sakharov communication was very likely a forgery. Additional reports from Gorky have now raised concerns that the couple has been moved from their apartment to whereabouts unknown.

Mr. Speaker, one can only surmise the reason for this latest blatant violation of human dignity. However, I am certain my colleagues will agree that the Soviets should clearly understand these actions do not go unnoticed. We in the Congress and scores of citizens across this country are aware of their disregard for the rights of the Sakharovs and thousands of Soviet Jews and dissidents. The eyes of the West are clearly focused on the Soviet Union's treatment of its citizens who wish to emigrate.●

● Mr. LENT. Mr. Speaker, I join my colleagues today in protesting against the Soviet Government's intolerable treatment of the distinguished Noble Prize laureate Andrei Sakharov and his wife, Yelena Bonner.

It is particularly timely to raise this important issue as the international participants at the Ottawa Conference on the Helsinki Review bring their business to a close. The Helsinki accords, an international ageement signed by the United States, the Soviet Union, and numerous other nations, is designed to promote and protect human rights and freedoms. Despite the fact that the Soviet Union is a signatory to the Helsinki accords, the tragic case of Andrei Sakharov and Yelena Bonner clearly demonstrates the Soviet's continued violations of the treaty and abuses of human rights.

A noted physicist and Soviet dissident, Andrei Sakharov was sentenced to 5 years in internal exile in the city of Gorky. Yet he has never been convicted of a crime. Last year, Yelena Bonner was tried, convicted, and sentenced to internal exile in Gorky as well after Soviet authorities said they discovered a plot under which she was to seek asylum in the U.S. Embassy in Moscow. Both Sakharovs suffer ill health and are in need of medical attention. For their crimes, they have been isolated from their family and from communicating with the outside world. There are many disturbing, unanswered questions in this case, and information regarding the couple's health and general whereabouts is infrequent and often unreliable. Even as the Soviet authorities lower a personal Iron Curtain around the Sakharovs, they have undertaken a propaganda campaign to deflect international criticism of their contemptible actions against the Sakharovs.

Several months ago, the Soviets attempted to dupe the Sakharovs' family living in the West with a forged letter. That ill-fated exercise was a dismal failure. That the Soviets would attempt to ban or alter the Sakharov's mail is not only disturbing, but it leads to other more urgent questions about their well-being and safety. Reports reaching the West earlier this month have raised the possibility that the Sakharovs may have been moved to another location in Gorky, as yet undetermined.

Such treatment of Soviet citizens is abominable, and it is vitally important for those of us in the West to loudly protest such intolerable acts and abuses of human rights. The Sakharovs are not an isolated case by any means, and until the rights of Soviet political prisoners and dissidents are fully restored, we will continue to keep the pressure on the Kremlin. We must never relent in the battle to protect human rights and freedoms, and the Soviet authorities should be made

aware that we in Congress will continue to monitor their observance of international agreements, such as the Helsinki accords. We must do this in the hope that someday the Sakharovs and all those who suffer persecution and repression under Soviet rule will one day know the true meaning of freedom.●

GENERAL LEAVE

Mr. FRANK. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks, and to include extraneous matter, on the subject of this particular special order.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

A TRIBUTE TO LEE VERSTANDIG

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Kentucky [Mr. SNYDER] is recognized for 60 minutes.

● Mr. SNYDER. Mr. Speaker, the Department of Housing and Urban Development may soon avail itself of the services of one of this administration's most able and experienced public servants.

Lee L. Verstandig, most recently Assistant to the President for Intergovernmental Affairs, has been nominated by President Reagan to the post of Under Secretary of the Department of Housing and Urban Development. I commend the President on his selection to fill this post and on his continued utilization of Lee Verstandig in positions of importance in his administration.

Few have a track record in Government as enviable as that compiled by Lee. Before taking over as the White House's liaison to local government on June 1, 1983, he served as Assistant Secretary for Governmental Affairs at the Department of Transportation from 1981 to 1983, and as Acting Administrator of the Environmental Protection Agency for a 3-month period in early 1983.

I have had the opportunity to work closely with Lee over the past 5 years, especially during the period in which he served so ably under Transportation Secretary Drew Lewis. The highly successful tenure of Secretary Lewis was due in no small measure to the effectiveness of Lee Verstandig. He knew how to get things done on Capitol Hill, and no task was too difficult for him, and no legislative logjam too formidable.

Over the course of his service with the Department of Transportation, he was an active participant in the development of the landmark Surface Transportation Act of 1982; the 1981 Airport and Airway Development Act; the 1982 Bus Regulatory Reform Act; and the 1982 Shipping Act, better known as the marine regulatory reform bill.

Considering the special abilities of Lee Verstandig and the manner in which he demonstrated those abilities at DOT, it was understandable that the President would look to him for help in reorganizing and stabilizing the troubled Environmental Protection Agency during turbulent periods surrounding the departure of Administrator Anne Burford.

Once again, Lee was equal to the difficult task of getting the Agency back on its feet during the transition period before the arrival of Bill Ruckelshaus as the new Administrator.

During his career of impressive public service, Lee Verstandig has earned the respect of those in the Federal Government, both in the executive and legislative branches, as well as those in various interest groups and in State and local government.

It has been a pleasure to have worked with Lee, and I am supremely confident that as Under Secretary of the Department of Housing and Urban Development, he will continue to be an asset to this administration and an outstanding spokesman for its programs. I hope and believe that the Senate, charged with his confirmation, will feel likewise.●

● Mr. SHUSTER. Mr. Speaker, President Reagan has selected Lee L. Verstandig to be Under Secretary of the Department of Housing and Urban Development. The President could not have made a better choice.

I worked very closely with Lee when he served as Assistant Secretary of Governmental Affairs at the Department of Transportation from January 1981 to the spring of 1983.

In the just over 2 years that Lee held that position, he and I cooperated on crucial national legislation, including the landmark Surface Transportation Assistance Act and the Northeast Rail Services Act.

Naturally, passage of these bills did not occur without a fair amount of controversy and tension, yet Lee ably represented the admininstration with cool and calm demeanor. Moreover, he demonstrated a great respect for the legislative branch of Government which, as my colleagues know, many administration officials of any administration lack.

Certainly, few people envied Lee when he was selected to serve as Acting Administrator of the Environmental Protection Agency following Ann Burford's departure. Yet, Lee succeeded where others would have failed: Shortly after his arrival, EPA disappeared from the front page headlines.

Lee has developed some strong ties to my own State of Pennsylvania. While at the Department of Transportation, he worked under Pennsylvanian Drew Lewis and helped Lewis develop a reputation as one of the best Secretaries of Transportation in recent times. Lee has also developed excellent relationships with my colleagues in the Pennsylvania congressional delegation and with State officials in Harrisburg.

And on a more personal side, Lee went to college at Franklin and Marshall University and married a woman from close to my own hometown near Pittsburgh. Thus, one must also conclude that Lee has good taste in his associates.

Lee's intelligence, personality, and great sense of professionalism will allow him to shine at HUD. I only regret that he will be working on housing issues and not the transportation issues with which I am generally involved. Nonetheless, I wish Lee the very best in his new role of Under Secretary of the Department of Housing and Urban Development.●

● Mr. WORTLEY. Mr. Speaker, I have known Lee Verstandig for only the past few years, but in that short time I have come to be one of his most ardent admirers.

Whenever President Reagan needed a tough job handled he gave it to Lee. Whenever a delicate problem had to be handled he gave it to Lee. Whenever it was time to build a consensus he called on Lee.

Lee has distinguished himself on Capitol Hill as administrative assistant to Senator JOHN CHAFEE, after an outstanding career in academia. He left the Hill to go to work at the Department of Transportation for that outstanding public servant, Secretary Drew Lewis, where he was in charge of Intergovernmental and Legislative Affairs.

Soon after that the President called on Lee to take over the troubled Environmental Protection Agency after the turbulent stewardship of his predecessor. Lee brought a calmness and steadiness there so that the EPA could resume its appointed tasks. He kept a firm hand on the EPA until William Ruckelshaus took over.

Later the President brought him to the White House to handle the oftendelicate task of handling the affairs of State and local officials in their relationship with the Federal Government. He was the President's unofficial ambassador to that group and he handled it with acumen.

Now the President has turned to Mr. Verstandig again in asking him to serve as the Under Secretary at HUD. Secretary Sam Pierce could not have found a better person.

I look forward to working with him on the Banking, Housing and Urban Affairs Committee. He will be an outstanding addition to the HUD management team.●

● Mr. MOLINARI. Mr. Speaker, I take this opportunity to congratulate

the President on his nomination of Lee L. Verstandig to be the new Under Secretary of Housing and Urban Development. He could not have made a better choice.

Lee Verstandig is one of those rare public servants who can move into any arena of Government and make a difference. His track record amply demonstrates that fact. I have no doubt whatsoever that he will make a difference at HUD as well.

I well remember the difficult days that the Environmental Protection Agency faced with public confidence in that shaken Agency and the morale of its workers at a low ebb. It is a little known fact that Mr. Verstandig was requested by President Ronald Reagan personally to assume the role of restructuring the EPA after Anne Burford resigned as Administrator.

In that restructuring process, he consulted many Members of Congress, including myself. The results are rather obvious. Morale at the Agency skyrocketed. Many top level personnel were replaced with individuals that have more credibility. Even the most severe critics have acknowledged that the Agency is doing a much better job now than before that extremely unfortunate episode. It is remarkable that he turned the Agency around so quickly.

Lee had demonstrated the same degree of competence when he served as the Assistant Secretary for Governmental Affairs for the Department of Transportation. He was part of the team headed by then-Secretary Drew Lewis. Again that Department received many plaudits for the way the PATCO strike was addressed and the smooth functioning of the Department, particularly in it's relationship with Congress.

In 1983, the President approached Lee and asked him to take on another important and demanding job, that of Assistant to the President for Intergovernmental Affairs. Again, he effectively showed his ability to communicate with those outside the administration. He worked with local governmental leaders, regardless of political affiliation, and very effectively represented the views of the administration on such important administration priorities as enterprise zone initiatives, line item veto authority, and the balanced budget amendment.

I have heard the same views concerning Lee's qualifications expressed by many of my colleagues. He is a rare public servant who invites a heavy work load by his williingness to respond to congressional concerns. I look forward to continuing to work with Lee Verstandig in his new and challenging role. HUD will benefit immensely by his presence. Reflecting the same ability as he has demonstrated in the past, I truly believe that HUD will be even more responsive and effective with Lee on board.

I know that Lee will serve with dedication and will continue to show that he is one of the most effective members of the administration's team.●

● Mr. HOWARD. Mr. Speaker, the quality of this administration continues to be enhanced by the presence of Lee L. Verstandig, who will shortly add to his long list of accomplishments by being named Under Secretary of the Department of Housing and Urban Development.

I am not surprised that President Reagan continues to avail himself of the services and good counsel of Lee Verstandig. He has demonstrated time and again his knowledge and expertise and his effectiveness as both an administrator and communicator. Throughout his extensive contact with Congress, he enjoyed and continues to enjoy the highest respect of Members in both parties.

I well recall the closeness with which he worked with members of the Committee on Public Works and Transportation during his tenure as Assistant Secretary for Governmental Affairs at the Department of Transportation.

During his 2 years in that post, serving under Secretary Drew Lewis, Lee provided substantial input into the passage of the 1982 Surface Transportation Assistance Act. It was a somewhat chaotic period during the fading hours of a lameduck session, and the efforts of Lee Verstandig had a great deal to do with our success in getting that vitally important legislation through Congress and enacted into law.

He contributed as well to the development of legislation deregulating the intercity bus industry and passage of the 1981 Airport and Airway Development Act.

His contributions to the development of sound transportation policy and to the generally smooth administration of the Department were obviously not lost on the President. Lee was soon temporarily dispatched to the troubled Environmental Protection Agency as Acting Assistant Administrator for Legislation.

With the departure of Administrator Anne M. Burford, Lee moved into the post as Acting EPA Administrator. He soon helped bring badly needed stability to the agency preparatory to the arrival of the Agency's new Administrator, William Ruckelshaus.

His work done there, Lee moved to the White House on June 1, 1983, as Assistant to the President for Intergovernmental Affairs. It was a job well suited for Lee Verstandig, and he quickly put his considerable energies and talents to work fostering among the Federal departments and agencies a greater sensitivity to the needs of those who work in state and local governments. He has once again proven to be an eloquent spokesman for the policies of the Reagan administration.

He also currently serves on the President's Advisory Commission on Intergovernmental Relations, as an ad hoc member of the U.S. Treasury Department's study group on revenue sharing, and on the White House Puerto Rican Task Force.

Now, Lee Verstandig is needed at the Department of Housing and Urban Development, and certainly that agency will be the richer for is assignment there.

If I were to pinpoint the reason for the amazingly successful career of Lee Verstandig, I might, as a former educator myself, conclude that it is traceable to his roots in the academic community where he spent some 17 years before beginning a career in Government service. He was first a professor of history and political science and department chairman at Roger Williams College, and then the associate dean of academic affairs at Brown University in Providence, RI.

Whatever the source of his strength, he has been enormously successful in both academia and public service.

I personally wish Lee every success in his new endeavor at HUD and am confident that he will achieve just that.●

● Mr. MICHEL. Mr. Speaker, there are few areas of our public life as important as housing and urban development. The sense of community and family that is at the heart of President Reagan's philosophy is closely connected with the quality of life in neighborhoods all over America.

I am therefore glad that Lee L. Verstandig has been nominated by President Reagan to be Under Secretary of the Department of Housing and Urban Development. Lee will bring to this task a breadth and depth of Government experience. Equally important, he will get the opportunity to put into practice his philosophy of concern for community, neighborhood and family values.

Most recently, Lee has been Assistant to the President for Intergovrnmental Affairs. Previously he was Assistant Secretary for Governmental Affairs at the Department of Transportation and Acting Administrator of the Environmental Protection Agency in 1983.

Lee not only has practical experience in making Government work for people, but also possesses an enviable record as a scholar and teacher of history and political science. I mention this because he will come to the tasks at HUD with the kind of intellectual as well as on-the-job experience that prepares him to deal with the large concepts as well as the day-to-day specific problems involved in helping Americans to develop, preserve and en-

hance their homes and their communities. I join with all of those who know Lee in congratulating him on his new responsibilities.●

● Mr. ANDERSON. Mr. Speaker, one of the most respected members of the Reagan administration will soon be moving into a new job, that of Under Secretary of the Department of Housing and Urban Development.

Lee L. Verstandig, currently the President's chief adviser on matters concerning State and local government, is expected to assume the HUD post after 2 years of service to the administration as Assistant to the President for Intergovernmental Affairs.

President Reagan's nomination of Lee Verstandig and his expected Senate confirmation will bring to that agency an experienced and highly effective public servant, with a record of legislative and administrative expertise of few equals.

I was particularly impressed with his liaison work with the Congress in the development of Federal transportation policy and important transportation legislation during his tenure as Assistant Secretary for Governmental Affairs at the Department of Transportation.

Because of his outstanding job in representing the administration in that capacity, he earned the respect and praise of Members of the Congress on both sides of the aisle, as well as the many concerned public interest organizations and representatives of State and local governments.

Prior to his service with then-Secretary of Transportation Drew Lewis, Lee had served as Senator JOHN CHAFEE'S administrative assistant, a position he had taken following 17 years as a college professor and associate dean.

His tenure with DOT ended when the President temporarily detailed Lee to the Environmental Protection Agency, which desperately needed what he had to offer. After joining the Agency as Acting Assistant Administrator for Legislation, he quickly assumed the duties as Acting Administrator of the Agency upon Anne Burford's resignation. He soon helped bring order out of chaos at the Agency, paving the way for the arrival of the new Administrator, Bill Ruckelshaus.

Lees Verstandig's record of success in all of the posts he has held speaks for itself. He will be a valuable addition to the administration of Secretary Samuel Pierce at the Department of Housing and Urban Development. I wish him the very best in his important new assignment.●

● Mr. HAMMERSCHMIDT. Mr. Speaker, the appointment of Lee L. Verstandig to the job of Deputy Under Secretary of the Department of Housing and Urban Development will bring to that Agency one of the most effective public officials in this administration.

I know that the many colleagues of mine who have had the opportunity to work with Lee Verstandig share my enthusiasm at President Reagan's selection of Lee for the HUD post.

As a member of the Public Works and Transportation Committee, I am particularly familiar with the tremendous contribution made by Lee to major transportation legislation when he served so ably as Assistant Secretary for Governmental Affairs at the Department of Transportation from January 1981 until his detail to the Environmental Protection Agency in 1983.

The 1983 Surface Transportation Act, an extremely important piece of legislation containing the 5-cent gas tax, was passed under less than ideal circumstances, and Lee Verstandig, representing the administration and Transportation Secretary Drew Lewis, performed yeoman's service in helping all parties concerned reach an accommodation on the bill, thus enabling its passage and enactment into law.

He also provided valuable input into the effective response made by the Department to the national rail and PATCO strikes.

When called to service with the Environmental Protection Agency during the crisis that led to Administrator Anne Burford to resign, Lee again successfully applied his experience and expertise in both legislative and administrative activity and helped provide a calm transition to the new Administrator.

From the Environmental Protection Agency, Lee moved into the job of Assistant to the President for Intergovernmental Affairs. In that position, he has been extremely active in bringing the views of State and local governments to the highest levels in the administration. He has made himself personally available to State elected leaders and those they represent by going into their communities to discuss issues of mutual concern.

The Department of Housing and Urban Development can benefit greatly from an administrator with the breath of experience and proven competence of Lee Verstandig. I congratulate the President on his very perceptive choice in this matter. And I congratulate Lee on his appointment and wish him continued success in his new post.●

● Mr. MINETA. Mr. Speaker, today I have the pleasure of congratulating President Reagan on his superb choice of selecting Lee L. Verstandig to fill the job of Under Secretary of the Department of Housing and Urban Development.

Lee is an excellent choice for the job. He has served the President and the Nation well these past few years in a number of positions, including jobs with the Department of Transportation and the Environmental Protection Agency.

As someone who worked closely with Lee during his assignment as Assistant Secretary for Governmental Affairs at the Department of Transportation, I can say that much of what was accomplished at DOT during that time under the able leadership of Transportation Secretary Drew Lewis was due in part to Lee and his ability to work well with the Congress in getting things done. I enjoyed working with both of these professionals who believed that getting results was what counted.

The President must have had this in mind in February 1983, when he asked Lee to move to the troubled Environmental Protection Agency to act as Acting Assistant Administrator for Legislation, including responsibility for all external communications for the Agency. A month later, Lee was appointed Acting Administrator for the agency when Anne Burford resigned.

As Acting Administrator between the terms of Ms. Burford and William Ruckelshaus, Lee did a superb job of helping to rebuild an agency that had been badly mismanaged and demoralized.

Mr. Speaker, the President made an excellent choice in his selection of Lee for Under Secretary of HUD. I believe that Lee has the potential to make major contributions in Federal housing. His experience in dealing with State and local governments in his role as Assistant to the President for Intergovernmental Affairs will stand him in good stead as he works to improve our Nation's cities and communities.

I hope our congressional colleagues in the other body will recognize the abilities of Lee Verstandig and provide a speedy confirmation of his nomination.●

● Mr. SCHULZE. Mr. Speaker, it is a pleasure for me to bring to my colleagues attention the selection by President Reagan of Lee L. Verstandig to be the new Under Secretary of the Department of Housing and Urban Development.

Lee has been one of the bright stars in this administration for a long time, working effectively in several positions, including heading the Environmental Protection Agency during a critically important transition period.

The respect and admiration for this valuable public servant is bipartisan and widespread in the halls of Congress. In fact, Lee worked on Capitol Hill before going to the executive branch. For 4 years, from 1977 to 1981, he was administrative assistant and legislative director for Senator John Chafee.

Prior to that, he had been a college professor and administrator in Rhode Island for 17 years. I might also add, that Dr. Verstandig received his undergraduate degree from Franklin and Marshall College in my own Commonwealth of Pennsylvania.

In joining the Department of Housing and Urban Development, Lee will be leaving behind an outstanding White House record as Assistant to the President for Intergovernmental Affairs, where he has worked tirelessly and effectively to make the views of State and local elected officials felt in administration decisions on such issues as municipal antitrust legislation, the balanced Federal budget amendment, and others of special concern.

Prior to becoming the President's advisor on State and local governmental matters, Lee served briefly in 1983 at the Environmental Protection Agency both as Acting Assistant Administrator for Legislation and Acting Administrator, filling for 3 months the vacancy left by Administrator Anne Burford.

He had been temporarily detailed to EPA from the Department of Transportation, where he had served Under Secretary Drew Lewis as Assistant Secretary for Governmental Affairs since January 1981.

Throughout his extensive and varied career in Government, Lee Verstandig has left an impressive legacy. The Department of Housing and Uran Development is fortunate indeed that the President has chosen to give it one of his very best.●

● Mr. McCAIN. Mr. Speaker, I am honored to have this opportunity to praise the administration's very excellent selection of Lee L. Verstandig to serve as Under Secretary of the Department of Housing and Urban Development.

I commend the President on this selection, and on his continued reliance on Lee Verstandig for important positions in his administration. Few individuals have a record as enviable as that compiled by Lee. Before taking over as the White House Liaison to Local Government on June 1, 1983, he served as the Assistant Secretary for Governmental Affairs at the Department of Transportation from 1981 to 1983, and as Acting Administrator of the Environmental Protection Agency for a 3-month period in early 1983. I have had the pleasure of working with Lee since 1977, when he served as administrative assistant and legislative director for Senator JOHN CHAFEE.

During his impressive public career, Lee Verstandig has earned the respect of the executive and legislative branches of Government, as well as many interest groups and State and local governments.

It has been an honor and a pleasure to know and work with Lee, and I am very confident that as Under Secretary of the Department of Housing and Urban Development, he will continue to capably serve this country and be an outstanding spokesman for the Department and the administration. I hope and believe that the Senate, charged with his confirmation, will think likewise.●

● Mr. WYLIE. Mr. Speaker, May I congratulate Lee Verstandig on the honor he has received in being selected by President Reagan to head up the position of Under Secretary of the Department of Housing and Urban Development. President Reagan deserves congratulations for selecting a man with Lee Verstandig's credentials. I have been most impressed with Lee's enthusiasm for his new extremely important assignment. He succeeds Phil Abrams whose shoes will be hard to fill. I feel confident in discussions with him that Lee will be equal to the challenge as he has been to the many other important responsibilities he has been asked to undertake.

In my position on the Banking, Finance and Urban Affairs Committee, which has jurisdiction over all Federal housing programs, I feel certain he will provide the kind of leadership and support Secretary Pierce needs in performing his awesome responsibilities.

Lee has certainly earned his reputation for being able to assume difficult positions of responsibilities and doing them well. I look forward to working with Lee on formulative legislation recommendations on the Nation's housing needs.

Again, congratulations, Lee, we have every confidence in your ability to get the job done.●

● Mr. TAYLOR. Mr. Speaker, I commend the President for his selection of Lee L. Verstandig to be Under Secretary of the Department of Housing and Urban Development.

Since leaving the academic life for a career of public service, Lee has established an outstanding record, serving both in the legislative and executive branches.

Prior to his appointment as Assistant to the President for Intergovernmental Affairs, Lee served as Acting Administrator of the Environmental Protection Agency during the interim period between Anne Burford's departure and Bill Ruckelshaus' arrival. It was a critical period and one which required an individual with both the administrative skills and widespread respect enjoyed by Lee Verstandig.

Before he was detailed by President Reagan to EPA, Lee had been an important member of Transportation Secretary Drew Lewis' team. He served as Assistant Secretary for Governmental Affairs from January 1981 until the spring of 1983.

He directed the Department's activities in its relations with Congress, State and local governments, and public interest groups. During that period he was actively involved in the development and passage of the landmark Surface Transportation Assistant Act of 1983 and other important transportation legislation. He also served as a Member of the Board of Directors of Amtrak in 1982.

Lee had earlier worked on Capitol Hill as administrative assistant and legislative director for Senator JOHN CHAFEE of Rhode Island.

He is a native of Memphis, TN, and spent 17 years in the academic community before starting his career in Government. After his tenure as a professor of history and political science and department head at Roger Williams College from 1963 to 1970, Lee moved to Brown University, where he was associate dean of academic affairs from 1970 to 1977.

Today, Lee Verstandig serves not only as the President's chief advisor on State and local governmental matters, he also is a member of the President's Advisory Commission on Intergovernmental Relations, the White House Puerto Rican Task Force, and an ad hoc member of the U.S. Treasury Department's study group on revenue sharing.

This experienced and capable member of the Reagan administration will be a solid addition to the Department of Housing and Urban Development, and his selection reflects very highly on the President.●

● Mr. CLINGER. Mr. Speaker, the nomination of Lee L. Verstandig to be Under Secretary of the Department of Housing and Urban Development is easily one of President Reagan's finest selections.

The outstanding career of Lee Verstandig has taken him from the classrooms of Roger Williams College in Providence, RI, through both the legislative and executive branches of the Federal Government.

At each juncture along the way, he has left his mark in such a distinguished fashion that today, he is one of the most effective and trusted members of this administration.

My association with Lee during his service as Assistant Secretary for Governmental Affairs at the Department of Transportation gave me the opportunity to observe first-hand his grasp of the legislative system, his willingness to bridge any gap between administration and congressional legislative priorities, and his innate ability to master the most difficult tasks. He was able to articulate the message of this administration in the course of strengthening relations with Congress, State and local governments, and affected interest groups.

Lee utilized those qualities effectively at the Department of Transportation, and again when he served as Acting Assistant Administrator for

Legislation at the Environmental Protection Agency and as Acting EPA Administrator during the transition from departing Administrator Anne Burford to Bill Ruckelshaus.

Lee's most recent assignment as Assistant to the President for Intergovernmental Affairs, which he assumed on January 1, 1983, has enabled him to develop interaction between the White House and those in State and local government. He has actually met personally with State elected leaders and their constituents in their home communities.

As a consequence, he has been able to present the views of those State and local officials in the administration's decisionmaking process on a wide range of issues of mutual concern.

I know that Lee was well trained for the outstanding career he has compiled. Although he is a native of Memphis, TN, he was educated at a fine Pennsylvania institution, Franklin and Marshall College in Lancaster, PA. He received his master's degree from the University of Tennessee and a Ph.D. from Brown University.

The Department of Housing and Urban Development is acquiring the services of an outstanding administrator in Lee Verstandig, and I wish him well in his new duties as Under Secretary.●

● Mr. LIVINGSTON. Mr. Speaker, it was with great pleasure and satisfaction that I learned that Lee L. Verstandig, formerly Assistant to the President for Inter-Governmental Affairs, has been nominated by the President to serve as Under Secretary for the Department of Housing and Urban Development. I was delighted to receive this news, for I believe quite strongly that Lee Verstandig possesses the finest talents and skills a man can bring to public service.

A former history and political science professor at Brown University, Mr. Verstandig has served this administration in admirable fashion, first as Assistant Secretary for Governmental Affairs at the Department of Transportation, and most recently as Assistant to the President for Inter-Governmental Affairs. As author, academic, politician, and public servant, Mr. Verstandig has trained and flourished in the fields of history, education, government and public administration, and he has prepared beyond comparison for his new responsibilities.

On a personal note, it has been my privilege to have known Lee and his lovely and multitalented wife, Toni, for the last few years. It is without reservation that I inform my colleagues that Lee Verstandig is as responsive a public servant as any we could find in Government. He is precise and expeditious, and I have no doubt that he will render the Secretary of Housing and Urban Development enormous service. I would hope that his appointment would be rapidly confirmed.●

● Mr. STANGELAND. Mr. Speaker, President Reagan had made an especially wise choice in his nomination of Lee L. Verstandig to be the next Under Secretary of the Department of Housing and Urban Development.

Lee is certainly no stranger to Capitol Hill. Not only did he actually serve here for some 4 years as administrative assistant and legislative director to Senator JOHN CHAFEE, he was constantly in touch with Members during his tenure as Assistant Secretary for Governmental Affairs at the Department of Transportation.

In that capacity, he demonstrated to those of us on the Public Works and Transportation Committee his knowledge of transportation policy and his ability to work with Congress, as well as State and local governments and public interest groups, toward a satisfactory resolution of issues and the development of sound legislation affecting our national transportation system.

During his service at DOT, he provided important input into a number of major pieces of legislation, including the 1982 Surface Transportation Assistance Act, which is having such far-ranging impact on highway and transit programs in this country.

His contributions to the successful administration of Secretary of Transportation Drew Lewis were substantial, and he strengthened the cooperative ties between Congress and the White House during his DOT service.

Recognizing Lee's administrative and legislative talents, President Reagan temporarily detailed Lee to the Environmental Protection Agency to help stabilize that beleaguered Agency. He served first as Acting Administrator for Legislation and soon thereafter, as Acting Administrator following the departure of Anne Burford. Thanks to Lee Verstandig, the transition was made far easier for the new Administrator, William Ruckelshaus.

From the EPA, Lee moved to the position of Assistant to the President for Inter-Governmental Affairs, where he has continued to demonstrate his penchant for hard work and effectively communicating administration policy. He has worked closely with Federal department heads and State and local governments, developing an interaction between both.

The Department of Housing and Urban Development is a huge agency, and one which no doubt offers substantial administrative challenges. In other words, it is tailor-made for the considerable talents of Lee Verstandig.●

● Mr. McDADE. Mr. Speaker, the Department of Housing and Urban Development, with the support of my colleagues in the Senate, will soon receive the services of one of the most able and valuable experienced public servant this administration has to offer. Lee Verstandig, a former history and political science professor at Brown University, and for the past several years public servant for the betterment of our country, has been nominated by President Reagan for the post of Under Secretary of the Department of Housing and Urban Development. I highly commend the President on his wise selection to fill this post; the latest in the President's continuous effort to utilize Lee Verstandig in positions of importance that make the best use of his wide variety of skills.

Lee has worked closely with the senior officials of many of our Federal departments and agencies. In 1983, Lee assumed the position of Assistant to the President for Inter-Governmental Affairs. In this capacity he became President Reagan's chief adviser on matters concerning State and local governments. Lee worked on outreach efforts that enabled him to better represent the views of the administration and the views of State and local elected officials in a mutual decisionmaking process on such issues as municipal antitrust legislation, Federal balanced budget amendment, urban enterprise zone initiatives, line item veto authority and the unitary taxation method.

On February 23, 1983, President Reagan temporarily placed Lee Verstandig in what was perhaps his most difficult challenge. The Environmental Protection Agency was undergoing a tremendous shakeup. The President asked Lee to go to EPA, from the Department of Transportation where he was Assistant Secretary of Government Affairs to become acting Assistant Administrator for Legislation. It was in this capacity that Lee was given the responsibility for all external communications of the Agency. Just 1 month later, on March 25, Lee was appointed Acting Administrator of the Agency upon Anne Burford's resignation. For that 3-month period until the confirmation of William Ruckelshaus as full-time Administrator, Lee began a slow and painful task, that of putting a torn agency back together into a very useful and positive form.

Lee has had an impressive career in public service. He has earned the respect of those in the Federal Government, both in the executive and legislative branches, as well as those in various interest groups and in State and local governments. I am supremely confident in Lee's ability to help move the Department of Housing and Urban Development forward as he has in the other agencies that he has worked for.

In addition to his other responsibilities, Lee is an appointee to the President's Advisory Commission on Intergovernmental Relations, the White

House Puerto Rican Task Force, and is an ad hoc member of the U.S. Treasury Department's study group on revenue sharing. He even previously sat on the Amtrak Board of Directors.

Lee's service did not start just with the administration. His political involvement in national Republican campaigns goes back to the days of Barry Goldwater's candidacy in 1964. Lee, who had always been active in Rhode Island politics, was the administrative assistant and legislative director of my friend Senator JOHN CHAFEE. Before that, he spent 17 years in the education community where he has authored a number of books and articles in the areas of government history, education, and public administration.

It is always a pleasure to work with someone able and competent. It is even a greater pleasure to see such an individual given a position of responsibility where he is an asset to the administration and the cause of good government. I hope and believe that my friends and colleagues in the Senate charged with this confirmation will feel likewise.●

FREE TRADE/FAIR TRADE: MYTHS THAT NEED DEBUNKING

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania [Mr. GAYDOS] is recognized for 30 minutes.

Mr. GAYDOS. Mr. Speaker, for nearly a decade now, the Congressional Steel Caucus and other groups representing industries that have been driven to the wall by an explosion of goods shipped into this country from foreign nations have tried to awaken our colleagues, various administrations, and the American people to the threat to our way of life.

And, today, nearly 10 years later, while we still face the danger of industrial extinction, we find ourselves divided into two camps—the free traders and the fair traders.

Well, Mr. Speaker, I stand here to tell this body that there is no such thing as free trade and that there is little chance that we can ever achieve any semblance of fair trade.

Both are myths. I am sure we have all heard the expression, "there is no free lunch." Well, just as there is no free lunch, neither is there any free trade. If another nation ships goods to the United States that our industries don't manufacture and sell here, that's not a problem. If American capacity isn't adequate to meet domestic needs and that gap is filled by goods from abroad, that, too, is all right.

But when other nations see America as an open door for all of their excess production, whether it be steel, cars, shoes, textiles, coal, electronics, and so on, down the line of threatened and extinct industries, then it does become a problem and that's when free trade isn't free any more.

It costs us dearly. It costs us because we lose the capacity to increase production. It costs us because American workers lose their jobs and then have to depend on public assistance to make ends meet until—if they are especially lucky—they can find another job or get specialized training for jobs in some other field.

It costs us because American cities, towns, boroughs, townships, and counties lose the tax revenues they desperately need to provide the important services needed even more when a company closes its doors.

There is no such thing as free trade. Consumer groups claim that America's open door policy is good because American buyers can obtain goods at lower prices. That's fine, but if Americans are out of work, they don't have the money to buy any goods, whether domestic or imported.

The free traders are telling us that as a "national policy" industries elsewhere around the world, especially in developing nations that need funds to repay big loans, are more important than our own businesses and industries.

The free traders are living in the past, a time when nations supposedly traded that which they could produce more cheaply and more efficiently than any other nation.

That system doesn't exist any more. Yes; it is true that some of the developing nations are more competitive than we are because their plants and mills are newer and more efficient and their workers produce more for less in wages.

Is it a crime for America to say no to accepting their products because our industries are older and our workers have achieved a higher wage and better standard of living? Are we supposed to just junk all of that?

Where do we draw the line? When do we say enough is enough? At what point in time will we recognize that this so-called ideal of free trade really isn't free?

In 1982, 525,000 jobs were created in this country by foreign trade. Not bad, the free traders are likely to say. But, before you jump for joy, here's the other side of the coin. In 1982, just over 1.1 million jobs were destroyed because of foreign trade.

Overall, the net loss for 1982 was 584,000 jobs. More than a half million jobs down the tubes. But that's not all. Those workers also have families so the real number of people affected by those job losses could be considerably higher, as much as double.

What's more, 1982, by comparison to import levels in 1983 and 1984, wasn't even a big year.

Just look at the steel industry. In 1975, 457,000 people were employed. In 1984, that number had been cut to 236,000. In recent weeks, other events have occurred which will reduce those numbers even more. Wheeling-Pittsburgh Steel has filed for bankruptcy under chapter 11. Sharon Steel is in trouble. LTV Steel is regrouping its steel operations into three separate profit centers and laying off 1,300 workers by closing its Aliquippa works.

And just last week, National Steel, which gained some notoriety about a year ago when it was partially acquired by a Japanese partner, Nippon Kokan, announced it would be trimming its work force by as much as 20 percent over the next 3 years as part of a cost-cutting strategy. In simple terms, that means that as many as 2,500 salaried and hourly jobs, of the 12,500 employees, will have disappeared by 1988.

So don't tell me about "free" trade. There is no such thing. And we had better not forget that if we give a piece of the American market, in steel or any other kind of goods or commodities, it will cost us.

Now we come to fair trade. I have been and am a proponent of fair trading practices. But I have also come to the realization that it is a goal that will be difficult, at best, to achieve.

The problem is that we really don't have any club to hang over the head of a nation that is unfairly trading its goods. And, even if we did have the club, it's most unlikely that it would be used.

Let me give an idea of what I mean. And, since I am most familiar with steel, I'll use that as my example.

Every country in the world, or at least it seems so, feels it must have a steel industry in order to be recognized as a nation of substance. It doesn't necessarily mean that country needs a steel plant or steel industry, only that it feels it must have one.

Coupled with that desire is the assistance from organizations such as the World Bank and the Export-Import Bank which then lend the funds to this nation to build the industry. Now that in itself wouldn't be so bad if it wasn't for two facts. First, that most of the money being lent comes from the United States. So, in effect, we are providing funds to some nation to build an industry that in a very short period of time will be competing with our own industry. And, second, the money is lent to a foreign government, not private industry, so we know it is a government-owned or supported steel program.

But, getting back to our original scenario, country "A" develops its steel industry. During the early stages of the development, the country puts severe restrictions on steel imports, arguing that its domestic industry needs time to bloom and that its production will be used solely for its domestic needs.

Right away, there's an impact. An export market is shut off to other steelmakers, including those from the United States. That means that countries producing excess steel strictly for export have to find another market.

And where do they look? Right here at the good old United States of America. Because of our open door policy, the steel comes pouring in.

Now let's return to country "A" which has just started its steel industry. As it builds its level of capacity, it finds it is making more steel and steel products than could ever be used in its own market. The country also realizes that in order to pay off the loans, it has to begin exporting as a means of reducing debt.

So, the country leaders start thinking, we're making more steel than we need, let's export steel. We don't have to make a profit on it, because anything we clear will be to our benefit. Besides, our labor costs are so much cheaper, we can ship our excess steel to the United States and, even with the shipping costs, we can undercut the price of American steel.

Of course, in the meantime, we have to protect our steel industry and other ones as well, because otherwise we'll never reach the standard of living we want. Therefore, we'll continue quotas, tariffs, and the hidden barriers we need to keep the goods from other countries out. Besides, even if some American goods come in, they'll be too expensive for our people and those goods won't be in tune with our cultural traits and patterns.

I know that some of you listening to this scenario think it's a joke, a fantasy. I only wish it were.

Some 59 nations in the world today manufacture steel and a few others take raw steel and fabricate it into other products. In 1983, 24 nations exported steel to the United States. Not too bad. 1983 was a bad year for imports, reaching a market penetration level of 20.5 percent.

Last year, 1984, 66 nations exported steel and/or steel products to the United States and by year's end the import penetration of the U.S. market was 26.4 percent and there were a couple of months when the penetration level surpassed the 30 percent mark.

And that's just steel. Import shares of the textile market are growing rapidly! And in the shoe industry, imports account for nearly 70 percent of the domestic market.

So, my friends, just as there is no free trade, there is no fair trade either. Those nations that export steel to us and close off their markets to American goods genuinely believe that their markets are open to our goods.

And, even if they did open their markets totally, I don't believe it would make a material difference in America's trade imbalance. We're just not going to be able to sell enough beef, citrus, and other farm products to balance out the levels of imports in steel, automobiles, coal, and other goods that carry much bigger values.

So at the same time these countries, such as country "A" that I created, are subsidizing their industrial development, even to the point of national ownership, they are also dumping their products here at below cost prices.

These below cost and subsidized goods are too attractive for American consumers, whether individuals or businesses, to pass up and the end result is that American manufacturers lose another share of these own domestic market, lose the capacity to produce, and lose workers.

This, naturally, opens the door for more imported goods and so on, more capacity shut down and jobs lost and more imports to take up the slack.

Believe me, it's a vicious circle and a never-ending one and, if nothing else, it proves the point that what does around, comes around.

So, if we really want to be honest with ourselves, we'll all admit that there is neither free trade nor fair trade. All we have to do is read the papers, listen, and watch radio, and television news to know that we have a serious problem.

And this problem truly needs our attention. It's just not going to go away by itself. We have to act! We have to determine our own fate.

Thus far, the present administration, like so many others before it, isn't willing to take the drastic, but necessary, steps we should be taking.

You know what I'm talking about—real, hard quotas.

We had an opportunity last year to pass the Fair Trade In Steel Act which would have set a 15 percent quota on steel products. The International Trade Commission found that imported steel was causing severe damage to the steel industry and recommended to the administration that quotas and tariffs were an answer.

Well, we all know what the administration came up with—voluntary restraint agreements. We were going to be nice and ask those countries that have poured steel into ours at increasing rates to sit down and hammer out agreements that would allow them to share a portion of our market.

The share of the American market we are giving away, according to administration hopes, will be about 18½ percent. In reality, it's likely to be somewhat larger, probably closer to 22 or 23 percent. So far, the penetration level has dropped for each month of this year—30.9 percent in January; 27.1 percent in February; 24.5 percent in March; and 23.2 percent in April. But, even with decreasing percentages, for the first 4 months of 1985, steel imports captured 26.5 percent of the American market—a far cry from the administration's projections.

Well, the people at the U.S. Trade Representative's Office are developing those agreements. Right now, 11 agreements have been signed, three more are close to being signed and others are being negotiated.

I'm not overly satisfied with the process. I believe that in the long run, it is not going to work out as successfully as many believe. I hope the agreements work, but I have my doubts.

I still believe quotas are the way to go. Not voluntary agreements, just hard and fast quotas.

I believe the ITC has come up with a novel twist on quotas that could resolve a lot of concerns. In its decision last week to recommend quotas on shoe imports, the ITC suggested that quotas on different kinds of shoes should be set and then sold to the highest bidder.

In other words, the exporting countries would be bidding against each other for a specific share of a guaranteed market in the United States.

The money earned would go a long way toward reducing the trade deficit as well as our budget deficit as it is expected that such a plan would bring in several hundred million dollars a year for the U.S. Treasury.

Those dollars, in addition, could be a big help in providing job retraining for the 13,000 men and women who lost the shoe industry jobs just last year.

Imagine the financial resources if the same were done for steel, automobiles, coal, textiles, electronics, and anything else.

No hard-to-develop formulas, such as trigger price mechanisms, duties, or hidden barriers. No fooling around with long, drawn-out negotiations. And much less of a problem in controlling the flow of imports. If a country violates the import share it won through the bidding process, it forfeits its share for the year and the other successful bidders can rebid to pick up the balance.

It seems to be a simpler approach. For certain, it is a surer approach. And I would advise the President and his advisers to give it considerable thought.

Given this administration's thinking on trade, though, I am afraid this recommendation by the ITC will go the same way as the ITC recommendation on steel last summer.

This administration still believes in free trade, something that no longer exists, if it ever did. We, the American people, especially those whose jobs have been lost forever because of increasing imports, know that there is no free lunch and there is no free trade.

It's time to end the charade, It's time to take charge of our destiny.

In the Book of Five Rings, Mi Ya Moto Musashi, a samurai who lived in the late 1500's and early 1600's, suggests that in a battle or individual combat, it is always best to let your opponent commit himself to a tactic before counterattacking.

Well, we have let our opponents commit themselves. They are committed to winning the lion's share of the American market in as many products as they can.

Up to now, we have not taken action except in rare cases and with tactics that must amuse our opponents.

Now is the time to change that. Accepting that free trade and fair trade are myths, we should be in a better position to decide on our tactics and to implement them successfully on behalf of the American people.

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HIJACKING OF FLIGHT 847

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Connecticut [Mr. McKINNEY] is recognized for 10 minutes.

Mr. McKINNEY. Mr. Speaker, the odyssey of TWA Flight 847 has left this Congressman utterly frustrated and outraged. Who would have thought that a routine flight in Western Europe would turn out to be a first class seat to Beirut's current state of anarchy? The United States, the world's most powerful democracy, should not be vulnerable to such terrorism. Yet airport security shortcomings in Athens, of which our Government was fully aware, have led us to another sensitive situation wherein American lives are jeopardized because of uncontrolled tensions in the Mideast. And in its potential for international conflict, this most recent act of terrorism ranks high.

While we cannot rewrite history, we can work to ensure that terrorists will not board our airplanes with lethal weapons. To do this, we must put into place a travel suspension mechanism to ensure that airports around the world are operated with the utmost attention to passenger safety. Today I am introducing legislation, the Anti-Hijacking Amendments Act of 1985, designed to show other nations we will not tolerate inadequate security measures.

My legislation includes the following provisions:

One, upon the hijacking of an American plane, the Secretary of the Department of Transportation [DOT] would be directed to immediately suspend all U.S. airlines from landing in the nation from which the hijacked plane departed, and direct travel from said nation to U.S. airports would be halted;

Two, if within 48 hours the nation in question has not taken steps to tighten security at the airport where the incident occurred, the DOT Secretary, in consultation with the Secretary of State, would prohibit all foreign commercial airlines, which have stops in said nation, from landing in the United States; and

Three, once the airport where the hijacking occurred is adequately secured against any future hijacking attempts, the DOT Secretary may rescind the above restrictions.

In addition, existing mechanisms within DOT's Office of Civil Aviation Security that review foreign airports and advise foreign authorities of the effectiveness of their security operations would be strengthened as follows:

First, if a foreign nation's airports do not meet our security standards to the satisfaction of the DOT Secretary within 30 days after being warned of security violations, the DOT Secretary would have full power to suspend U.S. carrier travel to and from that nation's airports and to impose restrictions on the operations of the nation's air carriers.

Second, when advised by the Office of Civil Aviation Security of such uncorrected security violations, the DOT Secretary must report within 15 days to the appropriate House and Senate committees all actions taken to remedy the situation.

Some may call this approach draconian. However, war in the Middle East or any other region of the world would be vastly more draconian. Passage of such a measure would be a significant step toward curbing terrorism which exploits lax security, by assuring that nations whose airports are inadequately secured would cease to reap the benefits of American dollars. I urge my colleagues to join me in this much-needed reform of our overly tolerant policies toward nations that allow tragedies such as TWA Flight 847 to occur.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. STRANG (at the request of Mr. MICHEL), for today, after 2 p.m., on account of knee injury.

Mrs. BENTLEY (at the request of Mr. MICHEL), for today, on account of attendance at a funeral.

Mr. KLECZKA (at the request of Mr. WRIGHT), for today, until 5 p.m., on account of a death in the family.

Mr. SOLOMON (at the request of Mr. MICHEL), for today, on account of illness.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. COBEY) to revise and extend their remarks and include extraneous material:)

Mr. SNYDER, for 60 minutes, today.

Mr. MADIGAN, for 5 minutes, today.

Mr. MCKINNEY, for 10 minutes, today.

(The following Members (at the request of Mr. FRANK) to revise and extend their remarks and include extraneous material:)

Mr. GLICKMAN, for 5 minutes, today.

Mr. PEASE, for 5 minutes, today.

Mr. PANETTA, for 5 minutes, today.

Mr. ANNUNZIO, for 5 minutes, today.

Mr. RAY, for 5 minutes, today.

Mr. GONZALEZ, for 60 minutes, today.

Mr. GONZALEZ, for 60 minutes, June 19.

Mr. GONZALEZ, for 60 minutes, June 20.

Mr. BUSTAMANTE, for 10 minutes, June 19.

Mr. PEASE, for 5 minutes, June 19.

Mr. DORGAN of North Dakota, for 60 minutes, June 21.

Mr. FRANK, for 60 minutes, June 20.

Mr. GEPHARDT, for 60 minutes, June 26.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. SEIBERLING, and to include extraneous material, during debate on H.R. 1872, Defense Authorization Act for fiscal year 1986, in the Committee of the Whole, today.

(The following Members (at the request of Mr. COBEY) and to include extraneous matter:)

Mr. COURTER.

Mr. MCCAIN in two instances.

Mr. SENSENBRENNER.

Mr. WORTLEY in five instances.

Mr. YOUNG of Florida.

Mr. DAUB in two instances.

Mr. GOODLING.

Mr. HYDE in two instances.

Mr. KOLBE in three instances.

Mr. RITTER in two instances.

Mr. DAVIS.

Mr. BROOMFIELD.

Mr. KEMP in two instances.

Mr. SHUSTER.

Mr. MOLINARI.

Mr. ROGERS.

Mr. GILMAN in two instances.

Mr. GALLO.

Mr. GUNDERSON.

Mrs. MARTIN of Illinois.

Mr. HAMMERSCHMIDT.

Mr. MCCOLLUM.

Mr. CHENEY.

(The following Members (at the request of Mr. FRANK) and to include extraneous matter:)

Mr. WAXMAN.

Mr. LEHMAN of Florida.

Mr. BEDELL.

Mr. UDALL.

Mr. EDWARDS of California in two instances.
Mr. LEVINE of California.
Mr. YATRON.
Mr. VENTO in two instances.
Mr. LAFALCE.
Mr. FORD of Michigan.
Mr. LELAND.
Ms. MIKULSKI.
Ms. OAKAR.
Mr. HUBBARD.
Mr. BONER of Tennessee in two instances.
Mr. WISE.
Mr. CLAY.
Mr. SMITH of Florida.
Mr. SYNAR.
Mr. LUNDINE.
Mr. FLORIO.
Mr. ROSTENKOWSKI.
Mr. BERMAN.
Mr. SCHUMER.
Mr. SCHEUER.
Mr. HAYES in two instances.
Mr. MINETA.
Mr. MILLER of California.

ENROLLED JOINT RESOLUTION SIGNED

Mr. ANNUNZIO, from the Committee on House Administration, reported that that committee had examined and found truly enrolled a joint resolution of the House of the following title, which was thereupon signed by the Speaker:

H.J. Res. 211. Joint resolution to recognize the pause for the Pledge of Allegiance as part of National Flag Day activities.

ADJOURNMENT

Mr. GAYDOS. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 8 o'clock and 14 minutes p.m.) the House adjourned until tomorrow, Wednesday, June 19, 1985, at 10 a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1525. A letter from the Chairman, Federal Deposit Insurance Corporation, transmitting the annual report of operations, pursuant to the act of September 21, 1950, chapter 967, section 2(17(a)); to the Committee on Banking, Finance and Urban Affairs.

1526. A letter from the Chairman, Council of the District of Columbia, transmitting D.C. Act 6-46, "Closing of a Public Alley in Square 432, S.O. 84-140, Act of 1985," and report, pursuant to Public Law 93-198, section 602(c); to the Committee on the District of Columbia.

1527. A letter from the Secretary of Education, transmitting notice of proposed annual funding priority for innovative programs for severely handicapped children, pursuant to GEPA, section 431(d)(1) (88 Stat. 567; 90 Stat. 2231; 95 Stat. 453); to the Committee on Education and Labor.

1528. A letter from the Secretary of Education, transmitting a report on final regulations in connection with administration of education programs, pursuant to GEPA, section 431(d)(1) (88 Stat. 567; 90 Stat. 2231; 95 Stat. 453); to the Committee on Education and Labor.

1529. A letter from the Secretary of Energy, transmitting a report on retail gas utility rates, pursuant to Public Law 95-617, section 309(b); to the Committee on Energy and Commerce.

1530. A letter from the Secretary of Health and Human Services, transmitting the fourth annual report on activities of the National Institute of Arthritis, Diabetes, and Digestive and Kidney Diseases, pursuant to PHSA, section 434(e) (88 Stat. 2224; 94 Stat. 3185); to the Committee on Energy and Commerce.

1531. A letter from the Chairman, Federal Trade Commission, transmitting a report on current practices and methods of cigarette advertising and promotion, pursuant to 15 U.S.C. 1337(b); to the Committee on Energy and Commerce.

1532. A letter from the Comptroller, Department of State, transmitting a report on the obligation of funds for international narcotics control, pursuant to 22 U.S.C. 2291(b)(1); to the Committee on Foreign Affairs.

1533. A letter from the Assistant Legal Adviser for Treaty Affairs, Department of State, transmitting the International Tropical Timber Agreement, 1983, pursuant to 1 U.S.C. 112b(a); to the Committee on Foreign Affairs.

1534. A letter from the Assistant Secretary of State for Legislative and Intergovernmental Affairs, transmitting a report on human rights in countries receiving security assistance, pursuant to 22 U.S.C. 2304(b); to the Committee on Foreign Affairs.

1535. A letter from the Assistant Secretary of State for Legislative and Intergovernmental Affairs, transmitting a report on political contributions for Richard R. Burt to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Federal Republic of Germany, pursuant to 22 U.S.C. 3944(b)(2); to the Committee on Foreign Affairs.

1536. A letter from the Acting Assistant Secretary of Health, Department of Health and Human Services, transmitting a report on an altered system of records in the St. Elizabeths Hospital financial system, pursuant to 5 U.S.C. 552a(o); to the Committee on Government Operations.

1537. A letter from the Chairman, Navajo Hopi Indian Relocation Commission, transmitting the ninth annual report of the commission, pursuant to Public Law 95-531, section 12(1) (94 Stat. 932); to the Committee on Interior and Insular Affairs.

1538. A letter from the Assistant Administrator for Legislative Affairs, National Aeronautics and Space Administration, transmitting corrections to the executive communication about the use of funds to extend the Easter Island runway (EC1345), pursuant to Public Law 98-361, section 103; to the Committee on Science and Technology.

1539. A letter from the Secretary of the Interior, transmitting a report about consolidating land ownership in the Cook Inlet region, pursuant to Public Law 97-468, section 606(d)(5); jointly, to the Committees on Energy and Commerce and Interior and Insular Affairs.

1540. A letter from the Comptroller General of the United States, transmitting a report entitled: "Effects of the 1980 Multiemployer Pension Plan Amendments Act Plan Participants' Benefits" (GAO/HRD-85-58); jointly, to the Committees on Government Operations, Education and Labor, and Ways and Means.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. MOAKLEY: Committee on Rules. House Resolution 201. Resolution providing for the consideration of H.R. 1383, a bill to direct the Secretary of Agriculture to take certain actions to improve the productivity of American farmers, and for other purposes. (Rept. No. 99-173). Referred to the House Calendar.

Mr. ST GERMAIN: Committee on Banking, Finance and Urban Affairs. H.R. 2707. A bill to authorize certain interstate acquisitions of depository institutions; with an amendment (Rept. No. 99-174). Referred to the Committee of the Whole House on the state of the Union.

Mr. ST GERMAIN: Committee on Banking, Finance and Urban Affairs. H.R. 20. A bill to amend the definition of a bank for purposes of the Bank Holding Company Act of 1956; with amendments (Rept. No. 99-175). Referred to the Committee of the Whole House on the state of the Union.

REPORTED BILLS SEQUENTIALLY REFERRED

Under clause 5 of rule X, bills and reports were delivered to the Clerk for printing, and bills referred as follows:

Mr. DELLUMS: Committee on the District of Columbia. H.R. 2776. A bill to amend the District of Columbia Stadium Act of 1957 to direct the Secretary of the Interior to convey title to the Robert F. Kennedy Memorial Stadium to the District of Columbia; referred to the Committee on Interior and Insular Affairs for a period ending not later than June 19, 1985, for consideration of such provisions of the bill as fall within the jurisdiction of that committee pursuant to clause 1(l), Rule X (Rept. No. 99-176, pt. I). Ordered to be printed.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. FLORIO (for himself, Mr. RICHARDSON, Ms. MIKULSKI, and Mr. SIKORSKI):

H.R. 2780. A bill to amend the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, and for other purposes; divided and referred as follows: Titles I and II, jointly, to the Committee on Energy and Commerce and the Committee on Public Works and Transportation; title III to the Committee on Energy and Commerce; and title IV to the Committee on Ways and Means.

By Mr. ANDERSON (for himself, Mr. ALEXANDER, and Mrs. SCHROEDER):

H.R. 2781. A bill to amend the Federal Aviation Act of 1958, relating to aircraft piracy, to provide a method for combating terrorism, and for other purposes; jointly, to the Committees on Foreign Affairs, the Judiciary, and Public Works and Transportation.

By Mr. GILMAN:

H.R. 2782. A bill to authorize assistance for famine prevention in Africa; to the Committee on Foreign Affairs.

By Mr. DINGELL:

H.R. 2783. A bill to amend the Securities Exchange Act of 1934 to prohibit the trading on certain exchanges and markets of nonvoting shares and shares carrying disproportionate voting rights; to the Committee on Energy and Commerce.

By Mr. KASTENMEIER:

H.R. 2784. A bill to amend title 17, United States Code, to create a Copyright Royalty Court, and for other purposes; to the Committee on the Judiciary.

By Mr. ST GERMAIN (for himself and Mr. WYLIE) (by request):

H.R. 2785. A bill to combat money laundering; jointly, to the Committees on Banking, Finance and Urban Affairs and the Judiciary.

By Mr. ST GERMAIN (for himself, Mr. MCCOLLUM, Mr. WYLIE, Mr. FISH, Mr. LUNGREN, Mr. SHAW, Mr. GEKAS, Mr. WORTLEY, and Mr. MCKINNEY) (by request):

H.R. 2786. A bill to amend title 12, title 18, and title 31 of the United States Code relating to money laundering and for other purposes; jointly, to the Committees on Banking, Finance and Urban Affairs and the Judiciary.

By Mr. ADDABBO (for himself and Mr. MITCHELL):

H.R. 2787. A bill to extend through fiscal year 1988 SBA pilot programs under section 8 of the Small Business Act; to the Committee on Small Business.

By Mr. AKAKA (for himself and Mr. HEFTEL of Hawaii):

H.R. 2788. A bill to amend the Housing and Community Development Act of 1974 to permit the consideration of certain counties in the State of Hawaii for assistance under the Urban Development Action Grant Program; to the Committee on Banking, Finance and Urban Affairs.

By Mrs. BYRON:

H.R. 2789. A bill to provide that the penalty tax under section 4945 of the Internal Revenue Code of 1954 shall not apply to certain organizations solely by reason of the failure to receive advance approval of procedures for making scholarship grants; to the Committee on Ways and Means.

By Mr. CHENEY (for himself, Mr. MARLENEE, Mr. STUMP, Mr. STRANG, Mrs. VUCANOVICH, Mr. LAGOMARSINO, Mr. SKEEN, Mr. ROBERT F. SMITH, Mr. CRAIG, Mr. COELHO, Mr. HANSEN, Mr. YOUNG of Alaska, Mr. MONSON, Mr. NIELSON of Utah, Mr. KOLBE, Mr. LUJAN, Mr. PASHAYAN, Mr. KRAMER, Mr. LOEFFLER, Mr. MCCAIN, Mr. DENNY SMITH, Mr. BROWN of Colorado, Mr. DE LUGO, Mr. ROBERTS, Mr. STANGELAND, and Mr. RUDD):

H.R. 2790. A bill to make permanent the formula for determining fees for the grazing of livestock on public lands; to the Committee on Interior and Insular Affairs.

By Mr. EDWARDS of California (for himself, Mr. MILLER of California, Mr. LEVINE of California, and Mr. COATS):

H.R. 2791. A bill to improve the enforcement of child abuse laws; jointly, to the Committees on Energy and Commerce, the Judiciary, and Education and Labor.

By Mr. KEMP:

H.R. 2792. A bill to amend titles II and XVIII of the Social Security Act to remove the operations of the Social Security trust funds from the unified budget of the United States, and to authorize the appointment of two additional trustees to the boards of trustees of such trust funds; jointly, to the Committees on Ways and Means and Energy and Commerce.

By Mr. LEHMAN of Florida (for himself and Mr. RANGEL):

H.R. 2793. A bill to amend the Internal Revenue Code of 1954 to modify the deduction for adoption expenses, and for other purposes; to the Committee on Ways and Means.

By Mr. MCKINNEY:

H.R. 2794. A bill entitled: "The Anti-Hijacking Amendments Act of 1985"; to the Committee on Public Works and Transportation.

By Mr. MADIGAN (for himself, Mr. DE LA GARZA, Mr. COELHO, Mr. MARLENEE, Mr. SCHUETTE, Mr. ROBERT F. SMITH, Mr. DASCHLE, Mr. MORRISON of Washington, Mr. STALLINGS, Mr. STENHOLM, Mr. VOLKMER, Mr. COMBEST, Mr. CHAPPIE, Mr. EVANS of Iowa, Mr. OLIN, Mr. ROBERTS, Mr. LIGHTFOOT, and Mrs. MARTIN of Illinois):

H.R. 2795. A bill to provide for a study of the use of unleaded fuel in agricultural machinery, and for other purposes; jointly, to the Committees on Agriculture and Energy and Commerce.

By Mr. MINETA (for himself, Mr. HOWARD, Mr. SNYDER, Mr. HAMMERSCHMIDT, Mr. OBERSTAR, and Mr. GINGRICH):

H.R. 2796. A bill to improve security standards for international air transportation; to the Committee on Public Works and Transportation.

By Mr. MOLINARI (for himself and Mr. ROEMER):

H.R. 2797. A bill to amend title 18, United States Code, to create a new Federal criminal offense of treasonous espionage, consisting of the unauthorized disclosure of classified information detrimental to the national security for profit; to the Committee on the Judiciary.

By Mr. MONTGOMERY:

H.R. 2798. A bill to amend title 38, United States Code, to prohibit discrimination in employment because of the status of certain individuals as a member of a Reserve component of the Armed Forces or as a member of the National Guard; to the Committee on Veterans' Affairs.

By Mr. PARRIS.

H.R. 2799. A bill to amend the Federal Aviation Act of 1958 to require the suspension of air service between the United States and any foreign nation that does not implement aviation security measures equal to those in effect at domestic airports; to the Committee on Public Works and Transportation.

By Mr. SCHEUER (for himself, Mr. FUQUA, Mr. LUJAN, Mr. WALKER, Mr. NELSON of Florida, and Mrs. SCHNEIDER):

H.R. 2800. A bill to provide authorization of appropriations for activities under the Land Remote-Sensing Commercialization Act of 1984; to the Committee on Science and Technology.

By Mr. SUNDQUIST:

H.R. 2801. A bill to amend title 38, United States Code, for the purpose of establishing a discounted sales program of homes held by the Veterans' Administration for an extended period; to the Committee on Veterans' Affairs.

By Mr. TORRICELLI (for himself, Mr. FLORIO, Mr. SCHEUER, Mr. FUQUA, Mr. WIRTH, Mr. LUGAN, and Mrs. SCHNEIDER):

H.R. 2802. A bill to amend the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 to authorize a program of research, development and demonstration for innovative or experimental treatment technologies for use in remedial actions; jointly, to the Committees on Energy and Commerce, Public Works and Transportation, and Science and Technology.

By Mr. WATKINS:

H.R. 2803. A bill to transfer the administration of certain conservation programs from the Farmers Home Administration to the Soil Conservation Service, to establish the Rural Development Administration within the Department of Agriculture, to transfer the administration of rural housing programs from the Farmers Home Administration to the Rural Development Administration, to provide that the Farmers Home Administration shall be known as the Farm Administration, and for other purposes; jointly, to the Committees on Agriculture and Banking, Finance and Urban Affairs.

By Mr. YOUNG of Florida:

H.R. 2804. A bill to amend section 700 of title 18, United States Code, relating to desecration of the flag of the United States; to the Committee on the Judiciary.

By Mr. FUQUA:

H.J. Res. 318. Joint resolution to designate July 20, 1985, as "Space Exploration Day"; to the Committee on Post Office and Civil Service.

By Mrs. COLLINS:

H. Res. 202. Resolution to commend the Society of Real Estate Appraisers on the occasion of its golden anniversary; to the Committee on Post Office and Civil Service.

By Mr. GOODLING:

H. Res. 203. Resolution to honor the members of the Airborne Ranger companies who served in the Korean War; to the Committee on Post Office and Civil Service.

By Mr. ST GERMAIN:

H. Res. 204. Resolution expressing the sense of the House of Representatives that hearings should be held to review the implementation of Federal laws designed to ensure that each region of the United States has an adequate reserve of crude oil, residual fuel oil, and refined petroleum products; to the Committee on Energy and Commerce.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

0166. By the SPEAKER: Memorial of the legislature of the State of Nevada, relative to defense; to the Committee on Armed Services.

0167. Also, memorial of the legislature of the State of Colorado, relative to Fair Labor Standards Act; to the Committee on Education and Labor.

0168. Also, memorial of the legislature of the State of California, relative to the school lunch program; to the Committee on Education and Labor.

0169. Also, memorial of the legislature of the State of Maine, relative to seat belts; to the Commitee on Energy and Commerce.

0170. Also, memorial of the legislature of the State of California, relative to famine relief to Ethiopia; to the Committee on Foreign Affairs.

171. Also, memorial of the legislature of the State of Colorado, relative to the deficit; to the Committee on Government Operations.

172. Also, memorial of the legislature of the State of Nevada, relative to public schools; to the Committee on Interior and Insular Affairs.

173. Also, memorial of the legislature of the State of Nevada, relative to Federal lands; to the Committee on Interior and Insular Affairs.

174. Also, memorial of the legislature of the State of Nevada, relative to the line item veto; to the Committee on the Judiciary.

175. Also, memorial of the legislature of the State of Colorado, relative to the Nation's highway-bridge infrastructure; to the Committee on Public Works and Transportation.

176. Also, memorial of the legislature of the State of South Carolina, relative to the construction trades; to the Committee on Ways and Means.

177. Also, memorial of the legislature of the State of South Carolina, relative to textiles; to the Committee on Ways and Means.

178. Also, memorial of the legislature of the State of Nevada, relative to suicide among youth; jointly, to the Committees on Education and Labor and Energy and Commerce.

179. Also, memorial of the legislature of the State of Nevada, relative to wild horses and burros on public lands; jointly, to the Committees on Interior and Insular Affairs and Merchant Marine and Fisheries.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 2: Ms. KAPTUR, Mr. WILLIAMS, Mr. STENHOLM, Mr. OLIN, Mr. FAZIO, Mr. ANDREWS, and Mr. MARLENEE.

H.R. 187: Mr. GINGRICH.

H.R. 704: Mr. BATEMAN, Mr. DELAY, Mr. FROST, Mr. ARCHER, and Mr. MCEWEN.

H.R. 712: Mr. KOLTER, Mr. BURTON of Indiana, and Mr. SILJANDER.

H.R. 796: Mr. GILMAN.

H.R. 885: Mr. SAVAGE.

H.R. 935: Mr. CROCKETT, Mrs. BURTON of California, Mr. BILIRAKIS, and Mr. MCEWEN.

H.R. 963: Mr. ACKERMAN and Mr. HEFTEL of Hawaii.

H.R. 964: Mr. COOPER.

H.R. 965: Mr. ACKERMAN and Mr. HEFTEL of Hawaii.

H.R. 966: Mr. ACKERMAN and Mr. HEFTEL of Hawaii.

H.R. 1002: Mr. STANGELAND.

H.R. 1017: Mr. LOTT.

H.R. 1059: Mrs. HOLT.

H.R. 1090: Mr. WIRTH and Mr. DURBIN.

H.R. 1161: Mr. CONTE and Mr. RIDGE.

H.R. 1188: Mr. SHELBY, Mr. WOLPE, Mr. HUNTER, Mr. RINALDO, Mr. NIELSON of Utah, Mr. WHITEHURST, Mrs. BENTLEY, Mr. BATEMAN, Mrs. BYRON, Mr. FAWELL, Mr. DEWINE, and Mr. LOTT.

H.R. 1345: Mr. BADHAM.

H.R. 1441: Mr. WILSON.

H.R. 1523: Mr. SYNAR, Mr. JACOBS, Mr. CLINGER, Mr. FRANK, Mr. BUSTAMANTE, Mr. PERKINS, Mr. CROCKETT, and Mr. HOYER.

H.R. 1524: Mr. CARPER, Mr. NOWAK, Mr. LELAND, Mr. SLATTERY, Mrs. SCHNEIDER, Mr. RINALDO, Mr. ROYBAL, Mr. ASPIN, Mr. SAXTON, Mr. FAUNTROY, Mr. HOWARD, Ms. MIKULSKI, Mr. WATKINS, Mr. MARKEY, Mr. WEAVER, Mr. RANGEL, Mr. LUNDINE, Mr. STARK, Mr. BEDELL, Mr. KANJORSKI, Mr. HAMILTON, and Mr. PERKINS.

H.R. 1550: Mr. LIVINGSTON, Mr. VOLKMER, and Mr. DAUB.

H.R. 1565: Mr. LIGHTFOOT.

H.R. 1566: Mr. GLICKMAN.

H.R. 1567: Mr. GLICKMAN.

H.R. 1591: Mr. DURBIN, Mr. DENNY SMITH, and Mr. HUBBARD.

H.R. 1616: Mr. ADDABBO, Mr. SOLARZ, Mr. LELAND, Mr. EDWARDS of California, Mr. SCHUMER, Mr. DIXON, Mr. GEJDENSON, Mr. WALGREN, Mr. WEAVER, Mr. MORRISON of Connecticut, and Mr. ROE.

H.R. 1769: Mr. STALLINGS.

H.R. 1811: Mr. STUMP and Mr. ECKERT of New York.

H.R. 1844: Mr. ROE, Mr. STOKES, Mr. DELLUMS, and Mr. GONZALEZ.

H.R. 1893: Mr. COBEY, Mr. QUILLEN, and Mr. FAWELL.

H.R. 1901: Mr. OXLEY, Mr. PENNY, Mr. KOLTER, Mr. COATS, Mr. LOEFFLER, Mr. MOLLOHAN, Ms. MIKULSKI, Mr. CHANDLER, Mr. STAGGERS, Mr. BROWN of California, and Mr. MONSON.

H.R. 1907: Mr. DELAY.

H.R. 1908: Mr. STUMP.

H.R. 1923: Mr. FRANK.

H.R. 2003: Mr. RINALDO and Mr. WIRTH.

H.R. 2015: Mrs. BENTLEY.

H.R. 2034: Mr. MINETA.

H.R. 2071: Mr. DOWDY of Mississippi.

H.R. 2078: Mr. SILJANDER, Mr. MONSON, Mr. BARTON of Texas, and Mr. WILSON.

H.R. 2080: Mr. DONNELLY, Mr. GONZALEZ, Mr. HUBBARD, Mr. PANETTA, Mr. UDALL, and Mr. DASCHLE.

H.R. 2119: Mr. FEIGHAN and Mr. PARRIS.

H.R. 2226: Mr. COUGHLIN.

H.R. 2235: Mr. DELLUMS and Mr. CONYERS.

H.R. 2262: Mr. BORSKI and Mr. TORRICELLI.

H.R. 2337: Mr. PACKARD.

H.R. 2361: Mr. BORSKI, Mr. LUNDINE, Mr. RANGEL, Mr. HAWKINS, and Mr. MITCHELL.

H.R. 2398: Mr. DEWINE, Mr. STALLINGS, and Mr. FRENZEL.

H.R. 2457: Mr. ADDABBO, Mr. FEIGHAN, Mr. NEAL, Mr. WAXMAN, Mr. MATSUI, Mr. FROST, Ms. KAPTUR, Mr. HOYER, Mr. EVANS of Illinois, Mr. RANGEL, Mr. OWENS, Mr. MRAZEK, Mr. CROCKETT, Mr. HEFTEL of Hawaii, Mr. LAFALCE, Mr. GARCIA, Mr. REID, Mr. MARTINEZ, Mr. SAVAGE, Mr. CONYERS, Ms. OAKAR, Mr. COYNE, Mr. FUSTER, Mr. FASCELL, Mr. DYMALLY, Mr. CLAY, Mrs. BURTON of California, Mr. HAWKINS, Mr. LELAND, Mr. HAYES, Mr. ORTIZ, Mr. TALLON, Mr. FRANK, Mr. RAHALL, Mr. SMITH of Florida, Mr. WHEAT, Mr. STOKES, Mr. ROE, Mr. WYDEN, Mr. WOLPE, Mr. WILLIAMS, Mr. BERMAN, Mr. MORRISON of Connecticut, Mr. ANDREWS, Mr. MAZZOLI, Mr. ENGLISH, Mrs. BOXER, Mrs. BOGGS, Mr. FAZIO, Mr. FISH, and Mr. MITCHELL.

H.R. 2554: Mr. TALLON, Mr. KRAMER, Mr. DELLUMS, Mr. NEAL, and Mr. BORSKI.

H.R. 2560: Mr. BONIOR of Michigan.

H.R. 2567: Mr. FAZIO, Mr. ECKART of Ohio, Mr. TOWNS, Mr. DIXON, Mr. KASTENMEIER, Mr. KOSTMAYER, Mr. LANTOS, Mr. MATSUI, Mr. GEJDENSON, Mr. GONZALEZ, and Mr. GARCIA.

H.R. 2584: Mr. KOLTER.

H.R. 2588: Mr. LENT, Mr. MURTHA, Mr. OBERSTAR, Mr. FROST, Mr. BEVILL, Mrs. COLLINS, Mrs. BYRON, Mr. TAYLOR, Mr. VALENTINE, Mr. KOLBE, Mr. AKAKA, Mr. O'BRIEN, Mr. LOWERY of California, Mr. APPLEGATE, Mrs. BENTLEY, Mr. BOEHLERT, Mr. BREAUX, Mr. MATSUI, Mr. MARKEY, Mr. MRAZEK, Mr. ANDREWS, Mr. MCCLOSKEY, Mr. CONTE, Mr. DANIEL, Mr. COELHO, and Mr. PORTER.

H.R. 2597: Mr. RANGEL, Mr. MCGRATH, and Mr. FISH.

H.R. 2602: Mr. WOLF.

H.R. 2620: Mr. CLINGER and Mr. GRAY of Illinois.

H.R. 2653: Mr. AKAKA, Mr. BERMAN, Mrs. BOXER, Mr. CLAY, Mr. DAVIS, Mr. HEFTEL of Hawaii, Mr. HUGHES, Mr. JACOBS, Mrs. KENNELLY, Mr. LEVIN of Michigan, Ms. MIKULSKI, Mr. NOWAK, Mr. Mr. RAHALL, Mr. RODINO, Mr. ROYBAL, Mr. SABO, Mr. SCHUMER, Mr. STUDDS, Mr. TALLON, and Mr. WILSON.

H.R. 2684: Mr. MOORHEAD, Mr. SWINDALL, Mr. SHAW, and Mr. GLICKMAN.

H.R. 2695: Mr. LEHMAN of Florida, Mr. KOLTER, and Mr. MITCHELL.

H.R. 2696: Mr. VENTO, Mr. LEHMAN of Florida, Mr. KOLTER, and Mr. MITCHELL.

H.R. 2712 Mr. MANTON and Mr. LEHMAN of Florida.

H.R. 2723: Mr. ROSTENKOWSKI.

H.J. Res. 3: Mr. KOLTER, Mr. CARPER, Mr. BRUCE, Mr. SHARP, Mr. COELHO, and Mr. HEFTEL of Hawaii.

H.J. Res. 106: Mr. ANDERSON and Mr. MILLER of California.

H.J. Res. 133: Mr. GROTBERG, Mr. HUGHES, Mr. SAXTON, Mr. ENGLISH, and Mr. FLORIO.

H.J. Res. 153: Mr. SHELBY.

H.J. Res. 156: Mr. GRAY of Illinois, Mr. LAFALCE, Mr. BIAGGI, and Mrs. HOLT.

H.J. Res. 197: Mr. FRANK, Mr. VANDER JAGT, Mr. HAMILTON, Mrs. KENNELLY, Mr. MCKINNEY, Mr. HENRY, Mr. SUNIA, Mr. BARTLETT, Mr. MCCOLLUM, Mr. LEWIS of Florida, Mr. MORRISON of Connecticut, Mr. FASCELL, Mr. EVANS of Iowa, Mr. ROGERS, Mr. ACKERMAN, Mr. STOKES, Mr. LAGOMARSINO, Mr. DYMALLY, Mr. BROOMFIELD, Mr. CARNEY, Mr. CARPER, Mr. CARR, Mr. BROWN of California, Mr. COATS, Mr. DONNELLY, Mr. DOWDY of Mississippi, Mr. EMERSON, Mr. ERDREICH, Mr. FLIPPO, Mr. FOGLIETTA, Mr. DE LA GARZA, Mr. DUNCAN, Mr. SOLARZ, Mr. GILMAN, Mr. KOSTMAYER, Mr. LATTA, Mr. MCDADE, Mr. SHAW, Mr. MITCHELL, Mr. PEPPER, Mr. PERKINS, Mr. RINALDO, Mr. DELLUMS, Mr. ROWLAND of Georgia, Mr. KASICH, Mr. GRAY of Pennsylvania, Mr. HUBBARD, Mr. WALGREN, Mr. BIAGGI, Mr. DASCHLE, Mr. MCEWEN, Mr. SHUMWAY, Mr. STARK, Mr. WYDEN, Mr. AKAKA, Mr. RUDD, Mr. KILDEE, Mr. SPENCE, Mr. ANDREWS, Mr. LEVINE of California, Mrs. BURTON of California, Mr. CAMPBELL, Mr. CLAY, Mr. GUNDERSON, Mr. FLORIO, Mr. VOLKMER, Mr. VALENTINE, Mr. FAZIO, Mr. REGULA, Mr. SMITH of Iowa, and Mr. GEJDENSON.

H.J. Res. 205: Mr. PERKINS, Mr. RANGEL, Mr. SUNDQUIST, Mr. HOYER, Mr. MRAZEK, Mr. CRAIG, Mr. KILDEE, Mr. GRAY of Pennsylvania, Mr. SKELTON, Mr. O'BRIEN, Mr. MILLER of Ohio, Mr. HUNTER, Mr. SISISKY, Mr. LEATH of Texas, Mr. GRAY of Illinois, Mr. FISH, Mr. MCEWEN, Mr. BROOMFIELD, Mr. CHAPPIE, Mr. DEWINE, Mr. EDWARDS of California, Mr. ERDREICH, Mr. FLIPPO, Mr. FOGLIETTA, Mr. HUBBARD, Mr. MICA, Mr. NEAL, Mr. SYNAR, Mr. SLAUGHTER, Mr. HAWKINS, Mr. PEPPER, Mr. ANNUNZIO, Mr. STENHOLM, Mr. WYDEN, and Mr. SAVAGE.

H.J. Res. 210: Mr. BEILENSON, Mr. ROE, Mr. ROSE, Mr. SAVAGE, Mr. KOLTER, Mr. MORRISON of Connecticut, Mr. FLORIO, and Mr. FAZIO.

H.J. Res. 218: Mr. DANIEL, Mr. SNYDER, Mr. RANGEL, Mr. BROWN of California, Mr.

WOLPE, Mr. CARR, Mr. BOUCHER, Mr. VANDER JAGT, Mr. FAZIO, Mr. BROOMFIELD, Mr. HUBBARD, Mr. FISH, and Mr. MCEWEN.

H.J. Res. 222: Mr. BATEMAN, Mr. BENNETT, Mr. BEVILL, Mr. BURTON of Indiana, Mr. COOPER, Mr. DARDEN, Mr. ERDREICH, Mr. HAMMERSCHMIDT, Mr. HEFNER, Mr. HUTTO, Mr. JENKINS, Mr. JONES of Tennessee, Mr. JONES of North Carolina, Mr. ORTIZ, Mr. QUILLEN, Mr. STENHOLM, Mr. SUNDQUIST, and Mr. TALLON.

H.J. Res. 250: Mr. DERRICK, Mrs. BENTLEY, Mr. BORSKI, Mr. BROWN of California, and Mr. STOKES.

H.J. Res. 267: Mr. NIELSON of Utah.

H.J. Res. 287: Mr. DARDEN, Mr. DASCHLE, Mr. DANIEL, Mr. DICKINSON, Mr. FOGLIETTA, Mr. FRENZEL, Mr. GRAY of Illinois, Mr. HEFTEL of Hawaii, Mr. HOYER, Mr. HYDE, Mr. JONES of North Carolina, Mr. KILDEE, Mr. KINDNESS, Mr. KOSTMAYER, Mr. LAFALCE, Mr. LAGOMARSINO, Mr. LELAND, Mr. LOTT, Mr. MILLER of California, Mr. PERKINS, Mr. RICHARDSON, Mr. ROWLAND of Georgia, Mr. STANGELAND, Mr. TAUKE, Mr. VENTO, Mr. VOLKMER, Mr. WORTLEY, and Mr. HUTTO.

H.J. Res. 297: Mr. DYSON.

H.J. Res. 306: Mr. FRANK, Mr. KOLTER, Mr. FROST, Mr. WORTLEY, Mr. SMITH of New Jersey, Mr. GRAY of Illinois, and Mr. MITCHELL.

H. Con. Res. 26: Mr. ARCHER and Mr. EDGAR.

H. Con. Res. 69: Mr. MURPHY, Mr. SOLARZ, Mr. FEIGHAN, Mr. SCHUMER, and Mr. WATKINS.

H. Con. Res. 101: Mr. DURBIN, Mr. GREEN, Mr. FLORIO, and Mr. MINETA.

H. Con. Res. 146: Mr. SISISKY, Mr. MRAZEK, Mr. MINETA, Mr. ORTIZ, and Mr. WIRTH.

H. Con. Res. 162: Mr. MITCHELL.

H. Res. 122: Mr. CLINGER, Mr. SCHUSTER, Mr. FAZIO, Mr. FEIGHAN, Mr. DURBIN, Mr. DWYER of New Jersey, and Mr. KILDEE.

H. Res. 194: Mr. LANTOS, Mr. ADDABBO, Mr. RODINO, Mr. SYNAR, Mr. GUARINI, Mr. MOAKLEY, Mr. DIOGUARDI, Mr. KOLTER, Ms. FIEDLER, and Mr. MCGRATH.

DELETIONS OF SPONSORS FROM PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, sponsors were deleted from public bills and resolutions as follows:

H.R. 2124: Mr. HOPKINS.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

144. By the SPEAKER: Petition of Jim Havel, Salem, OR, relative to the legislative process; to the Committee on House Administration.

145. Also, petition of the New Jersey State Federation of Women's Clubs, Short Hills, NJ, relative to the Clean Water Act, to the Committee on Public Works and Transportation.

AMENDMENTS

Under clause 6 of rule XXIII, proposed amendments were submitted as follows:

H.R. 1872

By Mr. ARMEY:

—At the end of title X (page 200, after line 4) insert the following new section:

SEC. 1050. REMOVAL OF RESTRICTIONS ON CONTRACTING OUT AUTHORITY.

Notwithstanding any other provision of law, the Secretary of Defense may contract for the performance of any service or activity by non-Government personnel if the Secretary determines that the performance of such service or activity by non-Government personnel would be cost effective and in the best interest of the national defense.

By Mr. ASPIN:

—Page 166, after line 4, add the following new section (and redesignate section 1001 as section 1002):

SEC. 1001. TRANSFER AUTHORITY.

(a) AUTHORITY OF TRANSFER AUTHORIZATIONS.—(1) Upon determination by the Secretary of Defense that such action is necessary in the national interest, the Secretary may transfer amounts of authorizations made available to the Department of Defense in this Act between any such authorizations (or any subdivisions thereof). Amounts of authorizations so transferred shall be merged with and be available for the same purpose as the authorization to which transferred.

(2) The total amount of authorizations that the Secretary of Defense may transfer under the authority of this section may not exceed $2,000,000,000.

(b) LIMITATIONS.—The authority provided by this section to transfer authorizations—

(1) may only be used to provide authority for items that have a higher priority than the items from which authority is transferred; and

(2) may not be used to provide authority for an item that has been denied authorization by Congress.

(c) NOTICE TO CONGRESS.—The Secretary of Defense shall promptly notify Congress of transfers made under the authority of this section.

By Mr. BARNARD:

—At the end of title X (page 200, after line 4) add the following new section:

SEC. 1050. ARMED FORCES NATIONAL SCIENCE CENTER FOR COMMUNICATIONS AND ELECTRONICS.

(a) FINDINGS.—The Congress makes the following findings:

(1) Scientific and technological developments in communications and electronics are of particular importance to the United States in meeting its national security, industrial, and other needs.

(2) Enhanced training in the technical communications, electronics, and computer disciplines is necessary for a more efficient and effective military force.

(3) The Secretary of the Army, through the Training and Doctrine Command, is responsible for providing training to members of the Army.

(4) The Ninety-seventh Congress, in Senate Concurrent Resolution 130 of that Congress, encouraged the establishment within the United States of a national center dedicated to communications and electronics.

(5) The Secretary of the Army entered into a Memorandum of Understanding with the National Science Center for Communications and Electronics Foundation Incorporated, a nonprofit corporation of the State of Georgia, in which the Army and such foundation agreed to develop a science center for—

(A) the promotion of engineering principles and practices;

(B) the advancement of scientific education for careers in communications and electronics; and

(C) the portrayal of the communications, electronics, and computer arts.

(b) PURPOSE.—It is the purpose of this section—

(1) to recognize the relationship between the Army and the National Science Center for Communications and Electronics Foundation Incorporated (hereinafter in this section referred to as the "Foundation") for the development, construction, and operation of a national science center; and

(2) to authorize the Secretary of the Army (hereinafter in this section referred to as the "Secretary") to make available a suitable site for the construction of such a center, to accept title to the center facilities when constructed, and to provide for the management, operation, and maintenance of such a center after the transfer of title of the center to the Secretary.

(c) ARMED FORCES NATIONAL SCIENCE CENTER.—(1) Subject to paragraph (2), the Secretary may provide a suitable parcel of land at or near Fort Gordon, Georgia, for the construction by the Foundation of an Armed Forces National Science Center to meet the objectives expressed in subsection (a). Upon completion of the construction of the center, the Secretary may accept title to the center and may provide for the management, operation, and maintenance of the center.

(2) As a condition to making a parcel of land available to the Foundation for the construction of an Armed Forces National Science Center, the Secretary shall have the right to approve the design of the center, including all plans, specifications, contracts, sites, and materials to be used in the construction of such center and all rights-of-way, easements, and rights of ingress and egress for the center. The Secretary's approval of the design and plans shall be based on good business practices and accepted engineering principles, taking into consideration safety and other appropriate factors.

(d) GIFTS.—The Secretary may accept conditional or unconditional gifts made for the benefit of, or in connection with, the center.

(e) ADVISORY BOARD.—The Secretary may appoint an advisory board to advise the Secretary regarding the operation of the center in pursuit of the goals of the center described in subsection (a)(5). The Secretary may appoint to the advisory board such members of the Board of Directors of the Foundation as the Secretary considers appropriate. The Federal Advisory Committee Act (5 U.S.C. App.) shall not apply to the advisory board appointed under this subsection.

(f) AVAILABILITY OF CENTER TO FOUNDATION.—Consistent with the mission of the armed forces and the efficient operation of the center, the Secretary may make facilities at the center available to the Foundation—

(1) for its corporate activities; and

(2) for such endeavors in the area of communications and electronics as the Secretary may consider appropriate.

(g) OTHER AUTHORIZED USES.—(1) The Secretary may make the center available to the public and to other departments and agencies of the Government for research and study and for public exhibitions. The Secretary may charge for such uses as he considers necessary and appropriate.

(2) Any money collected for the use of the facilities of the center shall be deposited to

a special fund maintained by the Secretary for the maintenance and operation of the center. The Secretary shall require the Auditor General of the Army to audit the records of such fund at least once every two years and to report the results of the audits to the Secretary.

By Mr. BENNETT:

—At the end of Title II, add the following new section:

Section 207(a). That at the time of submission to the Congress of the requests by the Department of Defense for fiscal year 1987 expenditures for the Strategic Defense Initiative, said Department shall inform Congress as to:

(1) What probable responses can be expected from potential enemies should the Strategic Defense Initiatives be carried out to procurement and deployment, such as what increase may be anticipated in offensive enemy weapons in an enemy's attempt to penetrate the defensive shield by increasing the numbers or qualities of its offensive weapons;

(2) What can be expected from potential enemies in the deployment of weapons not endangered by the Strategic Defense Initiative, such as cruise missiles and low trajectory submarine missiles;

(3) The degree of the dependency of success for the Strategic Defense Initiative upon a potential enemy's not deploying anti-satellite weapons;

(4) Whether it would be in the best security interests of the United States to share our discoveries in the Strategic Defense Initiative studies with potential enemies as a way of discouraging their offensive weapons buildup, as has been suggested by the Administration; and

(5) The cost estimates for the research, development, test and evaluation for the proposed Strategic Defense Initiative; and the cost estimates for procurement and deploy, as early as possible but not later than the submission of the fiscal year 1988 Department of Defense budget request.

(b) Funds required for the conduct of subject studies shall be made available by the Strategic Defense Initiative Office.

H.R. 1872

By Mr. BRYANT:

—Page 172, after line 20, insert the following new section:

SEC. 1016. REPORT ON CIVILIAN DEFENSE PROCUREMENT.

(a) REPORT.—The General Accounting Office shall conduct a study of the methods by which weapon system acquisition could be managed by civilian personnel. Within 180 days after the date of enactment of this Act, such Office shall transmit a report to the Congress containing the findings and conclusions reached as a result of such study.

(b) DEFINITION.—For purposes of subsection (a), "weapon system acquisition" means the development and procurement of weapon systems to be utilized by the Department of Defense, including all initial components, spare or replacement parts, hardware, software, and associated equipment, which function together to give the weapon system the capability to carry out the mission for which it is developed and procured.

(To the amendment offered by Mr. NICHOLS.)

—At the end of section 1016 of the material proposed to be inserted by the Nichols amendment, insert the following new subsection:

(d) APPLICABILITY TO SUBCONTRACTS.—The regulations of the Secretary of Defense required to be issued under subsection (b) shall require, to the maximum extent possible, that the provisions of section 2423 of title 10, United States Code, as added by subsection (a), shall apply to all subcontractors of any covered contract, as that term is defined in such section.

(To the amendment offered by Mr. NICHOLS.)

—In section 1016 of the material proposed to be inserted by the Nichols amendment, insert ", including legal fees" after "Professional and consulting services" in subsection (d)(2)(H) of the section 2324 of title 10, United States Code, which is added by subsection (a) of such section 1016.

(To the amendment offered by Mr. NICHOLS.)

—Strike out the section 1017 of the material proposed to be inserted by the Nichols amendment and insert in lieu thereof the following:

SEC. 1017. SUBPOENAS OF DEFENSE CONTRACTOR RECORDS.

Section 2313 of title 10, United States Code, is amended by adding at the end thereof the following new subsection:

"(d)(1) The Secretary of Defense may require by subpoena the production of any books, documents, papers, or records of a contractor or subcontractor that are needed by the Secretary for the purposes of subsection (a) or the purposes of section 2306(f) of this title.

"(2) Any such subpoena, in the case of contumacy or refusal to obey, shall be enforceable by order of an appropriate United States district court.

"(3) The authority of the Secretary of Defense under this subsection shall be promptly delegated to each of the following:

"(A) An officer of the Department of Defense appointed by the President, by and with the advice and consent of the Senate.

"(B) The director of the defense agency or other element of the Department of Defense that has responsibility for audits of defense contracts.".

—Page 142, strike out line 9 and insert in lieu thereof the following (and redesignate the succeeding section accordingly):

TITLE VIII—PROCUREMENT POLICY REFORM AND OTHER PROCUREMENT MATTERS

SEC. 801. SHORT TITLE.

This title may be cited as the "Defense Procurement Waste and Abuse Prevention Act of 1985".

SEC. 802. PURPOSES.

The purposes of this title are—

(1) to ensure that items of indirect costs included by a contractor or a subcontractor of the Department of Defense in any contract awarded by the Secretary of Defense are monitored by the Secretary to prevent abuse and waste of Federal funds and to ensure that such costs do not include items of expenditures for reimbursement that are not reasonably related to the contract and subcontract; and

(2) to place the burden on the contractor (including the contractor's officers and employees) claiming reimbursement or payment for any indirect costs payable to such contractor under a defense contract or subcontract to show that such costs are reasonable and allowable and to ensure that all such requests are made in accordance with the amendments made by this title and other applicable provisions of law and regulations.

SEC. 803. ALLOWABLE COSTS.

(a) REGULATION OF ALLOWABLE COSTS PAYABLE TO DEFENSE CONTRACTORS.—(1) Chapter 137 of title 10, United States Code, is amended by adding at the end thereof the following new section:

"§ 2324. Allowable costs under defense contracts

"(A)(1) The Secretary of Defense shall require that all covered contracts comply with the requirements of this title and that no contractor receives payment for indirect costs not allowed by or under this title. The Secretary shall also require that if a contractor submits to the Department of Defense a proposal (at the time of final settlement of contract costs or at any other time) covering any indirect cost incurred by the contractor for any period after such costs have been accrued which includes, as determined by the Secretary of Defense, the submission of one or more indirect costs that are specified by statute (other than this paragraph) or regulation as unallowable—

"(A) all costs, including such unallowable indirect costs, covered by that proposal shall be disallowed by the Secretary; and

"(B) the Secretary shall require the contractor to pay to the United States an amount equal to the greater of $10,000 or—

"(i) the amount of the indirect cost unallowable under such statute or regulation, plus interest; or

"(ii) if the cost is of a type that has been finally determined, before the submission of such proposal, to be expressly unallowable to that contractor, an amount equal to twice the amount of such unallowable indirect cost, plus interest.

"(2) An action by the Secretary under a contract provision required by paragraph (1) to disallow a cost and to require payment of a contractor—

"(A) shall be considered a final decision for purposes of section 6 of the Contracts Dispute Act of 1978 (41 U.S.C. 605); and

"(B) shall be appealable in the manner provided in section 7 of such Act (41 U.S.C. 606).

"(3) Interest under paragraph (1) shall be computed—

"(A) from the date on which the cost is submitted to the Secretary; and

"(B) at the applicable rate prescribed by the Secretary of the Treasury under section 6621 of the Internal Revenue Code of 1954.

"(b) The following costs are not allowable indirect costs under a covered contract:

"(1) Costs of entertainment, including amusement, diversion, and social activities and any costs directly associated with such costs (such as tickets to shows or sports events, meals, lodging, rentals, transportation, and gratuities).

"(2) Costs incurred to influence (directly or indirectly)—

"(A) congressional action on any legislation or appropriation matters pending before Congress or a State; or

"(B) executive branch action on any regulatory or contract matter pending before an executive branch agency (other than reasonable and necessary costs incurred in preparing a contract submission or proposal in response to any solicitation).

"(3) Costs incurred in defense of any civil or criminal fraud proceeding or similar proceeding (including filing of any false certification) brought by the United States where the contractor is found liable for fraud or has pleaded nolo contendere to a charge of fraud or similar proceeding (including filing of false certification).

"(4) Payments of fines and penalties resulting from violations of, or failure to comply with, Federal, State, local, or for-

eign laws and regulations, except when incurred as a result of compliance with specific terms and conditions of the contract or specific written instructions from the contracting officer authorizing in advance such payments in accordance with applicable regulations of the Secretary of Defense.

"(5) Costs of membership in any social, dining, or country club or organization.

"(6) Costs of bulk purchases of alcoholic beverages.

"(7) Contributions or donations, regardless of the recipient.

"(8) Costs of advertising designed to promote the contractor or its products.

"(9) Costs of promotional items and memorabilia, including models, gifts, and souvenirs.

"(10) Other cost items identified by regulation which the Secretary of Defense shall prescribe by regulation under this section.

"(11) Except as provided in subsection (c), costs for travel by aircraft to the extent that such costs exceed the amount of the standard commercial fare for travel by air common carrier between the points involved.

"(c)(1) Subsection (b)(11) may be waived by the contracting officer if the officer determines that travel by air common carrier at standard fare—

"(A) would require travel at unreasonable hours;

"(B) would excessively prolong travel;

"(C) would result in overall increased costs that would offset potential savings from travel at standard commercial fare; or

"(D) would not meet physical or medical needs of the person traveling.

"(2) Subsection (b)(11) may be waived by the contracting officer if the officer determines that travel by aircraft other than a common carrier—

"(A) is—

"(i) specifically authorized under the contract; or

"(ii) impractical; and

"(B) is for business purposes and requires the use of such aircraft.

"(3) Costs for air travel in excess of that allowed by subsection (b)(11) may only be allowed by reason of one of the exceptions contained in paragraph (1) or by reason of paragraph (2) if the exception is fully documented and justified, including, in the case of an exception under paragraph (2), full documentation of the use of the aircraft for business purposes. Any waiver by the contracting officer shall be made in writing in advance of the travel or at such other times as the officer considers reasonable.

"(d)(1) The Secretary of Defense shall prescribe regulations, consistent with requirements of subsection (b), to establish criteria for the allowability of indirect contractor costs under Department of Defense contracts. Such regulations shall be prescribed as part of the Department of Defense supplement to the Federal Acquisition Regulation. In developing specific criteria for the allowability of such costs, the Secretary shall consider whether reimbursement of such costs by the United States is in the best interest of the United States and consistent with the requirements of subsection (b). Such regulations—

"(A) shall define and interpret in reasonable detail and specific terms those indirect costs, including the cost requirements of subsection (b), that are unallowable and allowable under contracts entered into by the Department of Defense; and

"(B) shall provide that specific costs unallowable under one cost principle shall not be allowable under any other cost principle.

"(2) The regulations under paragraph (1) shall, at a minimum, clarify the cost principles applicable to a contractor of the following:

"(A) Air shows.

"(B) Advertising.

"(C) Recruitment.

"(D) Employee morale and welfare.

"(E) Community relations.

"(F) Dining facilities.

"(G) Professional and consulting services, including legal fees.

"(H) Compensation.

"(I) Selling and marketing.

"(J) Travel.

"(K) Public relations.

"(L) Hotel and meal and related alcoholic and other beverages expenses.

"(M) Membership in civic, community, and professional organizations.

"(3) Such regulations shall specify the circumstances under which clauses (A) and (B) of subsection (c)(1) shall be applied.

"(4) Such regulations shall require that a contractor be required to provide current, accurate, and complete documentation to support the allowability of an indirect cost at the time a proposal which includes (or may reasonably include) any indirect costs is submitted to the Secretary. If such documentation is not sufficient to support the allowability of the cost, the cost shall be challenged by the Secretary and it shall become expressly unallowable and not subject to negotiation.

"(e)(1) The Secretary of Defense shall require that each indirect cost in the contractor's submission for final overhead settlement applied to covered contracts that is not specifically unallowable under law or regulation and that is challenged by the Secretary as being unallowable shall be considered for resolution separately from the resolution of other challenged costs. If such challenged cost cannot be resolved separately, then the settlement may include an aggregate amount for the settlement of all such challenged costs if—

"(A) the contractor and the contracting officer cannot agree on the allowability of the cost under applicable cost principles;

"(B) the contracting officer documents the reasons why an agreement cannot be reached; and

"(C) the contractor agrees in writing that costs of that type will not be submitted to the Department of Defense for payment as an allowable indirect cost in the future under that contract or any other contract of the contractor with the Secretary.

"(2) The Secretary of Defense shall provide that the defense contract auditor be present at any negotiation or meeting with the contractor regarding a determination of the allowability of indirect costs of the contractor. If, in exceptional circumstances, such auditor cannot reasonably be present, the preceding sentence may be waived by the contracting officer.

"(f)(1) A contractor that submits a proposal for interim or final settlement of indirect costs applicable to a covered contract shall be required to certify that all indirect costs included in the proposal are allowable. Any such certification shall be in the form prescribed in paragraph (2).

"(2) The certification required by paragraph (1) is as follows:

" 'CERTIFICATE OF OVERHEAD COSTS

" 'This is to certify that:

" '1. I have reviewed the claim submitted herewith;

" '2. All costs included in this claim for (overhead costs for rate approval) (final settlement for identify period) are allowable in accordance with the requirements of contracts to which they apply and with the cost principles of the Department of Defense applicable to those contracts;

" '3. This claim does not include any costs which are unallowable under applicable cost principles of the Department of Defense, such as (without limitation): advertising and public relations costs (contributions and donations), entertainment costs, fines and penalties, lobbying costs, defense of fraud proceedings, and goodwill; and

" '4. All costs included in this claim benefit the Department of Defense and are demonstrably related to or necessary for the performance of the Department of Defense contract(s) covered by the claim.

" 'I declare under penalty of perjury that the foregoing is true and correct.'.

"(3) Such certification shall identify the contractor and be signed by the chief financial officer of the contractor.

"(g) The Secretary of Defense shall provide that, in establishing the interim or provisional rates for payment of indirect costs to a contractor for which final settlement will be made at a later time, such rates shall be based upon amounts incurred by such contractor for indirect costs less any amount questioned by the agency with responsibility for audits of contracts and amounts prohibited by this section.

"(h) In this section, 'covered contract' means a contract entered into by the Department of Defense for an amount more than $25,000—

"(1) that is flexibly priced; or

"(2) for which cost or pricing data is required under section 2306(f) of this title.".

(2) The table of sections at the beginning of such chapter is amended by adding at the end thereof the following new item:

"2324. Allowable costs under defense contracts.".

(b) REGULATIONS.—(1) Not later than 180 days after the date of the enactment of this Act, the Secretary of Defense shall publish final regulations required by subsection (d) of section 2324 of title 10, United States Code, as added by subsection (a). Such regulations shall be prescribed in accordance with section 22 of the Office of Federal Procurement Act (41 U.S.C. 418b). The Secretary shall review such regulation at least once every three years and the results of that review, taking into consideration experience, shall be made public.

(2) Not later than 90 days after the date of the enactment of this Act, the Secretary of Defense shall submit to the Committees on Armed Services of the Senate and House of Representatives—

(A) a copy of proposed regulations to be prescribed in accordance with paragraph (1); and

(B) a report identifying—

(i) the nature of the proposed changes that would be made by such proposed regulations to the current cost principles on the allowability of contractor costs; and

(ii) the potential effect of such changes on the allowability of contractor costs.

(3) At the time such proposed regulations and report are submitted to such committees, they shall also be published in the Federal Register for purposes of public comment of not less than 30 days.

(c) EFFECTIVE DATE.—Section 2324 of title 10, United States Code, as added by subsection (4), shall apply to costs incurred under any contract entered into before, on, or after the date of enactment of this Act to

the extent such costs are incurred at any time 60 days after such regulations are promulgated. Such section shall not apply to any contract entered into before the date of the enactment of this Act if the Secretary of Defense determines that the particular terms of the contract existing before promulgation of such regulations are such that the provisions of that section could not be applied to the contract.

(d) APPLICABILITY TO SUBCONTRACTS.—The regulations of the Secretary of Defense required to be issued under subsection (b) shall require to the maximum extent possible that the provisions of section 2423 of title 10, United States Code, as added by subsection (a), shall apply to all subcontractors of any covered contract, as that term is defined in such section.

SEC. 804. SUBPOENAS OF DEFENSE CONTRACTOR RECORDS.

Section 2313 of title 10, United States Code, is amended by adding at the end thereof the following new subsection:

"(d)(1) The Secretary of Defense may require by subpoena the production of any books, documents, papers, or records of a contractor or subcontractor that are needed by the Secretary for the purposes of subsection (a) or the purposes of section 2306(f) of this title.

"(2) Any such subpoena, in the case of contumacy or refusal to obey, shall be enforceable by order of an appropriate United States district court.

"(3) The authority of the Secretary of Defense under this subsection shall be promptly delegated to each of the following:

"(A) An officer of the Department of Defense appointed by the President, by and with the advice and consent of the Senate.

"(B) The director of the defense agency or other element of the Department of Defense that has responsibility for audits of defense contracts.".

SEC. 805. LIMITATION ON ASSIGNMENTS OF PRINCIPAL CONTRACTING OFFICERS.

(a) LIMIT ON TOURS OF DUTY AND REASSIGNMENTS.—The Secretary of Defense shall prescribe regulations—

(1) to limit to five years the maximum tour of duty for which an officer or employee under the jurisdiction of the Secretary may be assigned to represent the Department of Defense with a particular contractor as a principal contracting officer; and

(2) to provide that an officer or employee who has held a position as principal contracting officer with a contractor may not be reassigned to duty with that contractor or any contractor affiliated with that contractor for a period of five years after the end of the previous such assignment.

(b) WAIVER AUTHORITY.—The Secretary of Defense or the Secretary of the military department concerned may, in an exceptional case, waive the limitation in subsection (a) in the case of any officer or employee if the Secretary—

(1) determines that it would not be in the best interests of the United States to apply such limitation in that case; and

(2) states in writing the reasons for that determination, which shall be available to the public.

Any such waiver may not extend such period for more than two years.

(c) DEFINITION.—For purposes of this section, the term "principal contracting officer" means—

(1) a principal corporate administrative contracting officer or deputy principal corporate administrative contracting officer; and

(2) a principal administrative contracting officer or deputy principal administrative contracting officer.

To the amendment offered by Mr. Nichols.

—In section 1016 of the material proposed to be inserted by the Nichols amendment, strike out subsection (f) of the section 2324 of title 10, United States Code, which is added by subsection (a) of such section 1016 and insert the following in lieu thereof:

"(f)(1) A contractor that submits a proposal for interim or final settlement of indirect costs applicable to a covered contract shall be required to certify that all indirect costs included in the proposal are allowable. Any such certification shall be in the form prescribed in paragraph (2).

"(2) The certification required by paragraph (1) is as follows:

" 'CERTIFICATE OF OVERHEAD COSTS

" 'This is to certify that:

" '1. I have reviewed the claim submitted herewith;

" '2. All costs included in this claim for (overhead costs for rate approval) (final settlement for identify period) are allowable in accordance with the requirements of contracts to which they apply and with the cost principles of the Department of Defense applicable to those contracts;

" '3. This claim does not include any costs which are unallowable under applicable cost principles of the Department of Defense, such as (without limitation): advertising and public relations costs (contributions and donations), entertainment costs, fines and penalties, lobbying costs, defense of fraud proceedings, and goodwill; and

" '4. All costs included in this claim benefit the Department of Defense and are demonstrably related to or necessary for the performance of the Department of Defense contract(s) covered by the claim.

" 'I declare under penalty of perjury that the foregoing is true and correct.'.

"(3) Such certification shall identify the contractor and be signed by the chief financial officer of the contractor.

—Page 172, after line 20, add the following new section:

SEC. 1016. CIVILIAN DIRECTOR OF DEFENSE WEAPONS ACQUISITION.

(a) ESTABLISHMENT OF POSITION OF DIRECTOR.—(1) Chapter 4 of title 10, United States Code, is amended by inserting after section 136a the following new section:

§ 136b. Director of Weapon Systems Acquisitions: appointment; powers and duties

"(a) In this section, 'weapon system acquisition program' means a program to develop and procure a weapon system, including all intitial components, spare or replacement parts, hardware, software, and associated equipment, which function together to give the weapon system the capability to carry out the mission for which it is developed and procured.

"(b)(1) There is a Director of Weapon Systems Acquisitions in the Department of Defense, appointed by the President, by and with the advice and consent of the Senate.

"(2) The Director shall report to and be under the direction, control, and authority of the Secretary of Defense and shall not be subject to or report to any other officer or employee of the Department.

"(c)(1) The President shall appoint the Director from among civilians without regard to political affiliation and solely on the basis of fitness to perform the duties of the Director.

"(2) The President may remove the Director of Weapon Systems Acquisitions from office. Upon removing a Director of Weapon Systems Acquisitions from office, the President shall transmit to the Senate and the House of Representatives a written explanation of the reasons for the removal.

"(d) It is the duty and responsibility of the Director—

"(1) to carry out, in a cost-effective and timely manner, all acquisitions of weapon systems for the Department of Defense, including the acquisition of initial components and spare parts, hardware, software, and associated equipment;

"(2) to assure that each weapon system acquired is a reliable, maintainable, and operationally effective weapon system and is designed to successfully carry out the missions identified for the weapon system by each armed force for which the weapon system is acquired;

"(3) to establish and carry out appropriate career training, apprenticeship, incentives, and evaluation programs to assure the establishment and maintenance of a stable, motivated, and experienced work force in the office of the Director of Weapon Systems Acquisitions;

"(4) to require the assignment of personnel to a weapon system acquisition program for a sufficient period of time to assure the direct accountability of personnel for program performance and to assure the effective management of such program or of a specific phase of such program; and

"(5) to respond to requests from the Congress relating to programs within the responsibility of the Director.

"(e) The Secretary of Defense shall delegate to the Director the Secretary's authority to develop and procure weapon systems.

"(f) Chapters 137 and 141 of this title shall apply to the Director in the same manner as such chapters apply to the Secretary of Defense.

"(g) Neither the Secretary of a military department, nor a designee of such Secretary, may carry out a weapon system acquisition program.

"(h) The Secretary of Defense shall assure that the office of the Director of Weapon Systems Acquisition is appropriately staffed with civilian personnel.

"(i) The Secretary of Defense shall furnish the Director of Weapon Systems Acquisitions the appropriate and adequate office space (including field office space), equipment, special facilities, and services necessary to carry out the Director's duties and responsibilites.

"(i) The Secretary of Defense shall transmit to the Congress recommendations for such legislation as the Secretary considers necessary to eliminate any limitations which prevent the establishment of any personnel program referred to in subsection (d)(3).".

(2) The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 136a the following new item:

"136b. Director of Weapon Systems Acquisitions: appointment; powers and duties."

(3) Section 5313 of title 5, United States Code, is amended by adding at the end thereof the following:

"Director of Weapon Systems Acquisitions, Department of Defense.".

(b) TRANSFERS.—(1) The Secretary of Defense shall transfer to the Director of Weapon Systems Acquisitions of the Department of Defense all functions and activities that the Secretary determines are

significantly related to or otherwise important to the successful performance of the duties and responsibilities of the Director set out in section 136b(d) of title 10, United States Code (as added by subsection (a)), and are within the responsibility of—

(A) the Defense Contract Administration Service of the Defense Logistics Agency;

(B) the Army Material Development and Readiness Command (including the Army Missile Command and the Army Tank and Automotive Command);

(C) the Naval Material Command (including the Naval Air Systems Command, the Naval Electronics System Command, the Naval Supply Systems Command, the Naval Sea Systems Command, and the Naval Facilities and Engineering Command);

(D) the Air Force Systems Command;

(E) the Air Force Logistics Command; or

(F) any other subordinate unit of the Department of Defense.

(2) Subject to section 1531 of title 31, United States Code, the Secretary of Defense shall transfer to the office of the Director of Weapon Systems Acquisitions the personnel, assets, liabilities, contracts, property, records, and unexpended balances of appropriations, authorizations, allocations, and other funds employed, held, used, arising from, available or to be made available, in connection with the functions or activities transferred pursuant to paragraph (1).

(c) SAVINGS PROVISIONS.—(1) In this section—

(A) "Director" means the Director of Weapon Systems Acquisitions of the Department of Defense;

(B) "military department" means a department listed in section 101(7) of title 10, United States Code;

(C) "Secretary" means the Secretary of Defense; and

(D) "Secretary concerned" has the meaning given such term in section 101(8) of such title.

(2) All orders, determinations, rules, regulations, permits, contracts, certificates, licenses, and privileges—

(A) which have been issued, made, granted, or allowed to become effective in the exercise of functions, transferred under section 5, or by any court of competent jurisdiction; and

(B) which are in effect on the effective date of this section,

shall continue in effect according to their terms until modified, terminated, superseded, set aside, or repealed by the Secretary of Defense, by any court of competent jurisdiction, or by operation of law.

(3) The provisions of this section shall not affect any proceedings pending at the time this section takes effect before the Department of Defense or a military department, the functions of which are transferred to the Director under subsection (b).

(4) Except as provided in paragraph (6)—

(A) the provisions of this section shall not affect actions commenced prior to the date this section takes effect; and

(B) in all such actions proceedings may continue, appeals may be taken, and judgments may be rendered, in the same manner and effect as if this section had not been enacted.

(5) No action or other proceeding commenced by or against any officer in his official capacity as an officer for the Department of Defense or a military department from whom functions are transferred by this section shall abate by reason of the enactment of this section. No cause of action by or against Department of Defense or a military department, or by or against any officer thereof in his official capacity shall abate by reason of the enactment of this section. Causes of action and actions with respect to a function, activity, or office transferred under section 5, or other proceedings may be asserted by or against the United States, the Secretary, or the Director as may be appropriate and, in an action pending when this section takes effect, the court may at any time, on its own motion or that of any party, enter an order which will give effect to the provisions of this subsection.

(6) If, before the effective date of this section, a military department, or any officer thereof in his official capacity, is a party to an action, and under subsection (b) any function or activity of the military department is transferred to the Director, such action shall be continued with the Secretary or the Director substituted or added as a party, as appropriate.

(7) Orders and actions of the Director in the exercise of the functions transferred under subsection (b) shall be subject to judicial review to the same extent and in the same manner as if such orders had been issued and such actions had been taken by the Secretary or the head of the military department exercising such functions immediately preceding their transfer. Any statutory requirements relating to notice, hearings, actions upon the record, or administrative review that apply to any functions transferred under section 5 shall apply to the exercise of such functions by the Secretary or the Director.

(d) EFFECTIVE DATE AND APPLICATIONS.—(1) This section and the amendments made by this section shall take effect on the first day of the first month beginning 18 months after the date of enactment of this Act.

(2)(A) Notwithstanding section 136b(d) of title 10, United States Code (as added by subsection (a)), during the period beginning on the effective date of this section and ending on the first day of the sixth fiscal year that begins after such date, the Director of Weapon Systems Acquisitions of the Department of Defense shall perform the duties and responsibilities set out in such section 136b(d) only with respect to weapon system acquisition programs that are major defense acquisition programs (as defined in section 139a(a)(1) of title 10, United States Code).

(B) The Secretary of Defense shall take subparagraph (A) into consideration in scheduling the effective dates of transfers to be made under subsection (b).

By Mr. CONYERS:

—Page 29, after line 14, insert the following new section:

SEC. 207. SET-ASIDES FOR SOCIALLY AND ECONOMICALLY DISADVANTAGED BUSINESS CONCERNS WITH RESPECT TO RESEARCH, DEVELOPMENT, TESTING, AND EVALUATION CONTRACTS.

(a) IN GENERAL.—To the maximum extent practicable, the Secretary of Defense shall ensure that not less than 10 percent of the amount appropriated pursuant to the authorizations made by this title shall be expended for contracts with small business concerns owned and controlled by socially and economically disadvantaged individuals (as defined in section 8 of the Small Business Act and regulations issued pursuant to such section), historically Black colleges and universities, and minority institutions (as defined by the Secretary of Education pursuant to the General Education Provisions Act).

(b) ANNUAL REPORTS.—The Secretary shall submit an annual report to the Congress not later than January 1 of each calendar year beginning after the date of the enactment of this Act describing the performance of the Department of Defense in meeting the requirement established under subsection (a).

—Page 22, after line 23, insert the following new section:

SEC. 111. SET-ASIDES FOR SOCIALLY AND ECONOMICALLY DISADVANTAGED SMALL BUSINESS CONCERNS WITH RESPECT TO PROCUREMENT CONTRACTS.

(a) IN GENERAL.—To the maximum extent practicable, the Secretary of Defense shall ensure that not less than 10 percent of the amount appropriated pursuant to the authorizations made by this title shall be expended for contracts with small business concerns owned and controlled by socially and economically disadvantaged individuals, as defined in section 8 of the Small Business Act and regulations issued pursuant to such section.

(b) ANNUAL REPORTS.—The Secretary shall submit an annual report to the Congress not later than January 1 of each calendar year beginning after the date of the enactment of this Act describing the performance of the Department of Defense in meeting the requirement established under subsection (a).

By Mr. COURTER:

—At the end of title II (page 29, after line 14) insert the following new section:

SEC. 207. TESTING OF ANTISATELLITE WARHEADS.

(a) LIMITATION ON MORE THAN THREE TESTS.—None of the funds appropriated or otherwise made available to the Department of Defense may be obligated or expended to conduct more than three tests against an object in space of the minature homing vehicle (MHV) antisatellite warheads launched from an F-15 aircraft unless the President transmits to Congress a certification described in subsection (b).

(b) REQUIRED CERTIFICATION.—A certification under subsection (a)—

(1) may only be transmitted to Congress after the third such test against an object in space; and

(2) shall be the same as a certification described in section 8100 of the Department of Defense Appropriations Act, 1985 (as contained in section 101(h) of Public Law 98-473 (98 Stat. 1941)).

(c) 15-DAY DELAY.—The limitation on the obligation or expenditure of funds described in subsection (a) shall cease to apply 15 calendar days after the date of the receipt by Congress of such certification.

—At the end of title X (page 200, after line 4), insert the following section:

SEC. 1050. SENSE OF CONGRESS WITH RESPECT TO BILATERAL ARMS CONTROL AGREEMENT.

It is the sense of Congress that United States defense efforts shall not be constrained by compliance with any bilateral arms control agreement with the Soviet Union that the Soviet Union is violating.

By Mr. DARDEN:

—Page 23, line 11, strike out "$13,151,210,000" and insert in lieu thereof "$12,697,529,000".

Page 29, after line 14, add the following new section:

SEC. 207. PROHIBITION OF SPENDING FUNDS FOR C-17 AIRCRAFT DEVELOPMENT.

None of the funds appropriated pursuant to authorization of appropriations in this title may be used for development of the C-17 aircraft program.

By Mr. DORGAN of North Dakota:
—At the end of title VIII (page 143, after line 19) insert the following new section:

SEC. 802. REPORT ON SUSPENSION AND DEBARMENT OF DEFENSE CONTRACTORS.

(a) REQUIRED REPORT.—The Secretary of Defense shall submit to Congress a report on the policies prescribed and actions taken by the Secretary to implement the recommendations contained in the report of the Inspector General of the Department of Defense entitled "Review of Suspension and Debarment Activities Within the Department of Defense", dated May 1984.

(b) COOPERATION WITH THE OFFICE OF INSPECTOR GENERAL.—The report required by subsection (a) shall be prepared in cooperation with the Office of the Inspector General of the Department of Defense.

(c) DEADLINE FOR REPORT.—The report required by subsection (a) shall be submitted not later than 90 days after the date of the enactment of this Act.

—At the end of title VIII (page 143, after line 19) insert the following new section:

SEC. 802. PROHIBITION ON DEFENSE CONTRACTORS CONVICTED OF FRAUD OR OTHER CONTRACT-RELATED FELONIES.

A defense contractor that is convicted of fraud or any other felony arising out of a contract with the Department of Defense may not be awarded a contract by the Department of Defense for a period of five years from the date of the conviction.

—At the end of title VIII (page 143, after line 19) insert the following new section:

SEC. 802. COMPLIANCE OFFICERS FOR PROHIBITED FIRMS.

The Inspector General of the Department of Defense shall assign an independent compliance officer to monitor and report on the performance of a defense contractor that is prohibited from (or debarred from) being awarded a contract with the Department of Defense. Expenses of the United States for any such compliance officer shall be charged by the United States to the contractor.

—At the end of title X (page 200, after line 4) insert the following new section:

SEC. 1050. PROHIBITION ON DEFENSE CONTRACTORS CONVICTED OF FRAUD OR OTHER CONTRACT-RELATED FELONIES.

A defense contractor that is convicted of fraud or any other felony arising out of a contract with the Department of Defense may not be awarded a contract by the Department of Defense for a period of five years from the date of the conviction.

—At the end of part C of title X (page 176, after line 8) add the following new section:

SEC. 1024. STUDY OF THE NUMBER AND VALUE OF DEFENSE CONTRACTS ENTERED INTO WITH BUSINESSES LOCATED ON INDIAN RESERVATIONS.

(a) STUDY.—The Secretary of Defense (hereinafter in this section referred to as the "Secretary") shall carry out a study with respect to the number and value of prime contracts entered into by the Department of Defense during fiscal year 1985 with businesses located in whole or part on Indian reservations.

(b) REPORT.—The Secretary shall transmit, by December 31, 1985, a report to the Congress containing the findings and conclusions of the study carried out under subsection (a), including information describing—

(1) the number and value of prime contracts entered into during fiscal year 1985 by the Department of Defense with—

(A) businesses owned in whole or part by Indians; and

(B) businesses owned in whole or part by an Indian tribe, and

located in whole or part on Indian reservations, with a separate number and value provided for each of the types of business described in clauses (A) and (B), and for each Indian reservation; and

(2) the total number and value of prime contracts entered into by such Department during such fiscal year with such businesses located in whole or part on Indian reservations as compared to the total number and value of all prime contracts entered into by such Department during such fiscal year.

—At the end of title VIII (page 143, after line 19) insert the following new section:

SEC. 802. PROHIBITION ON OFFICERS OR EMPLOYEES OF DEFENSE CONTRACTORS INDICTED FOR, OR CONVICTED OF, CONTRACT-RELATED FELONIES

An officer or employee of a defense contractor who is under indictment for fraud or any other felony arising out of a contract with the Department of Defense shall be personally suspended from working on or supervising a defense contract. Such individual, if convicted, shall be prohibited from contracting for, or employment with, the Department of Defense for a period of five years from the date of the conviction.

—At the end of title X (page 200, after line 4) insert the following new section:

SEC. 1050. REPORT ON SUSPENSION AND DEBARMENT OF DEFENSE CONTRACTORS.

(a) REQUIRED REPORT.—The Secretary of Defense shall submit to Congress a report on the policies prescribed and actions taken by the Secretary to implement the recommendations contained in the report of the Inspector General of the Department of Defense entitled "Review of Suspension and Debarment Activities Within the Department of Defense", dated May 1984.

(b) COOPERATION WITH THE OFFICE OF INSPECTOR GENERAL.—The report required by subsection (a) shall be prepared in cooperation with the Office of the Inspector General of the Department of Defense.

(c) DEADLINE FOR REPORT.—The report required by subsection (a) shall be submitted not later than 90 days after the date of the enactment of this Act.

—At the end of title X (page 200, after line 4) insert the following new section:

SEC. 1050. PROHIBITION ON OFFICERS OR EMPLOYEES OF DEFENSE CONTRACTORS INDICTED FOR, OR CONVICTED OF, CONTRACT-RELATED FELONIES.

An officer or employee of a defense contractor who is under indictment for fraud or any other felony arising out of a contract with the Department of Defense shall be personally suspended from working on or supervising a defense contract. Such individual, if convicted, shall be prohibited from contracting for, or employment with, the Department of Defense for a period of five years from the date of the conviction.

—At the end of title X (page 200, after line 4) insert the following new section:

SEC. 1050. COMPLIANCE OFFICERS FOR PROHIBITED FIRMS.

The Inspector General of the Department of Defense shall assign an independent compliance officer to monitor and report on the performance of a defense contractor that is prohibited from (or debarred from) being awarded a contract with the Department of Defense. Expenses of the United States for any such compliance officer shall be charged by the United States to the contractor.

—At the end of part C of title VIII (page 143, after line 8) add the following new section:

SEC. 1024. STUDY OF THE NUMBER AND VALUE OF DEFENSE CONTRACTS ENTERED INTO WITH BUSINESSES LOCATED ON INDIAN RESERVATIONS.

(a) STUDY.—The Secretary of Defense (hereinafter in this section referred to as the "Secretary") shall carry out a study with respect to the number and value of prime contracts entered into by the Department of Defense during fiscal year 1985 with businesses located in whole or part on Indian reservations.

(b) REPORT.—The Secretary shall transmit, by December 31, 1985, a report to the Congress containing the findings and conclusions of the study carried out under subsection (a), including information describing—

(1) the number and value of prime contracts entered into during fiscal year 1985 by the Department of Defense with—

(A) businesses owned in whole or part by Indians; and

(B) businesses owned in whole or part by an Indian tribe, and

located in whole or part on Indian reservations, with a separate number and value provided for each of the types of business described in clauses (A) and (B), and for each Indian reservation; and

(2) the total number and value of prime contracts entered into by such Department during such fiscal year with such businesses located in whole or part on Indian reservations as compared to the total number and value of all prime contracts entered into by such Department during such fiscal year.

By Mr. DURBIN:
—Page 167, after line 10, insert the following new section:

SEC. 1002. QUARTERLY REPORT ON UNOBLIGATED BALANCES.

(a) REQUIRED QUARTERLY REPORTS.—Not later than 30 days after the date of the enactment of this Act and within 30 days after the end of each fiscal-year quarter thereafter, the Secretary of Defense shall submit to the Committees on Armed Services of the Senate and House of Representatives a report containing an estimate of the amount of funds in each appropriation account of the Department of Defense that at the time of the report—

(1) is available for obligation; and

(2) is in excess of the amount needed to carry out the programs for which the funds were appropriated.

(b) MATTERS TO BE INCLUDED.—Each estimate under subsection (a) shall include amounts attributable to—

(1) inflation savings;

(2) foreign currency savings;

(3) excess working capital fund cash; and

(4) all other savings.

(c) UNANTICIPATED INCREASES.—The report shall also identify unanticipated cost increases resulting from adverse economic trends.

By Mr. FOLEY:
—At the end of title III, (page 38, after line 10) add the following new section:

LIMITATION ON INTRODUCTION OF ARMED FORCES INTO NICARAGUA FOR COMBAT

SEC. 308. (a) Funds appropriated to the Department of Defense may not be used for the purpose of introducing the United States Armed Forces into or over Nicaragua for combat.

(b) DEFINITION OF COMBAT.—As used in this section, the term "combat" means the introduction of United States Armed Forces for the purpose of delivering weapons fire upon an enemy.

(c) EXCEPTIONS TO LIMITATION.—This section does not apply with respect to an introduction of United States Armed Forces into or over Nicaragua for combat if—

(1) the Congress has declared war or enacted specific authorization for such introduction; or

(2) such introduction is necessary—

(A) to meet a clear and present danger of hostile attack upon the United States, its territories or possessions; or

(B) to meet a clear and present danger to, and to provide necessary protection for, the United States embassy; or

(C) to meet a clear and present danger to, and to provide necessary protection for and to evacuate, United States Government personnel or United States citizens.

(d) EXISTING REQUIREMENTS PRESERVED.—Nothing in this section shall invalidate any requirement of Public Law 93-148.

—At the end of title X, (page 200, after line 4) add the following new section:

LIMITATION ON INTRODUCTION OF ARMED FORCES INTO NICARAGUA FOR COMBAT

SEC. 1050. (a) Funds appropriated to the Department of Defense may not be used for the purpose of introducing the United States Armed Forces into or over Nicaragua for combat.

(b) DEFINITIONS OF COMBAT.—As used in this section, the term "combat" means the introduction of United States Armed Forces for the purpose of delivering weapons fire upon an enemy.

(c) EXCEPTIONS TO LIMITATION.—This section does not apply with respect to an introduction of United States Armed Forces into or over Nicaragua for combat if—

(1) the Congress has declared war or enacted specific authorization for such introduction; or

(2) such introduction is necessary—

(A) to meet a clear and present danger of hostile attack upon the United States, its territories or possessions; or

(B) to meet a clear and present danger to, and to provide necessary protection for, the United States embassy; or

(C) to meet a clear and present danger to, and to provide necessary protection for and to evacuate, United States Government personnel or United States citizens.

(d) EXISTING REQUIREMENTS PRESERVED.—Nothing in this section shall invalidate any requirement of Public Law 93-148.

By Mr. GONZALEZ:

—At the end of Title VIII (page 143, after line 19), add the following new section:

SEC. 802. WAR PROFITEERING PROHIBITION ACT.

(a) Section 102 of the Renegotiation Act of 1951 (50 U.S.C. App. 1212) is amended by adding at the end thereof the following:

"(f) CERTAIN AMOUNTS RECEIVED AFTER OCTOBER 1, 1985.—Notwithstanding the provisions of subsection (a), the provisions of this title shall not apply to contracts with Departments, or related subcontracts, to the extent of the amounts received or accrued by a contractor or subcontractor during the period beginning on October 1, 1985, and ending on the date of the enactment of this subsection.".

(b) The last sentence of section 102(c)(1) of the Renegotiation Act of 1951 (50 U.S.C. App. 1212(c)(1)) is amended to read as follows: "For purposes of this title, the term 'termination date' means September 30, 1988.".

(c) Section 105(a) of the Renegotiation Act of 1951 (50 U.S.C. App. 1215(a)) is amended by inserting after the sixth sentence thereof the following: "The Board shall renegotiate all contracts and subcontracts by division and by major product line within a division of the contractor or subcontractor.".

(d) Section 105(f) of the Renegotiation Act of 1951 (50 U.S.C. App. 1215(f)) is amended—

(1) in paragraph (1), by inserting ", or $4,000,000 in the case of a fiscal year ending after the date of the enactment of the Renegotiation Act Amendments of 1985" after "June 30, 1956" each place it appears therein;

(2) in the second sentence of paragraph (3), by inserting "the $5,000,000 amount," after "the $1,000,000 amount,"; and

(3) in the last sentence of paragraph (3), by striking out "$1,000,000" each place it appears therein and inserting in lieu thereof "$5,000,000".

(e) The amendments made by this section shall take effect on the date of the enactment of this Act.

By Mr. HERTEL of Michigan:

(To the amendment offered by Mr. Nichols)

—At the end of subsection (a) of section 2324 of title 10, United States Code, as proposed to be added by the amendment, insert the following new paragraph:

"(4)(A) Whoever knowingly submits to the Department of Defense a proposal for settlement of indirect costs for any period after such costs have been accrued that includes a cost that under a contract provision required by paragraph (1) is required to be disallowed and for which the contractor is required to make a payment as described in subparagraph (B)(ii) of that paragraph shall be fined as provided in subparagraph (B) or imprisoned for not more than 10 years, or both.

"(B) A fine under subparagraph (A) shall be not more than—

"(i) $500,000 in the case of an individual; or

"(ii) $1,000,000 in the case of a corporation.

—Page 172, after line 20, insert the following new section:

SEC. 1016. COMMISSION OF DEFENSE PRODUCTION.

(a) ESTABLISHMENT OF COMMISSION.—(1) There is hereby established a commission to be known as the Commission on Defense Production (hereinafter in this section referred to as the "Commission"). The Commission shall review all available evidence, studies, reports, and analyses on defense production and shall recommend to the President and to the Congress ways to improve inefficient rates of defense industrial production and stimulate savings by institutionalizing planning and management practices which incorporate efficient production standards and practices, and determine whether cost and profit margins are appropriate with respect to productivity.

(2) The Commission shall be composed of 12 members as follows:

(A) Six members appointed by the President from among persons who are well qualified to serve as members of the Commission by reason of their education, training, or experience, of whom—

(i) no more than two shall be officers or employees of the Department of Defense or representatives of the defense industry; and

(ii) not less than two shall be economists, management specialists, or cost-benefit analysts in high standing in their profession.

(B) Three members appointed by the President pro tempore of the Senate, two upon the recommendation of the majority leader and one upon the recommendation of the minority leader of the Senate.

(C) Three members appointed by the Speaker of the House of Representatives, two upon the recommendation of the majority leader of the House of Representatives and one upon the recommendation of the minority leader of the House of Representatives.

(D) Each member of the Commission shall be a citizen of the United States.

(3) The President shall designate one member of the Commission appointed under paragraph (2)(A) to serve as Chairman of the Commission.

(4) Eight members of the Commission shall constitute a quorum for the transaction of business, but the Commission may establish a lesser number as a quorum for the purpose of holding hearings, taking testimony, and receiving evidence. The Commission shall meet at the call of the Chairman.

(5) A vacancy in the Commission shall not affect its powers, but shall be filled in the same manner as the manner in which the original appointment was made.

(b) COMMISSION STARTUP.—(1) All members of the Commission shall be appointed not later than 60 days after the date on which funds are first made available for the operation of the Commission.

(2) The Commission shall hold its first meeting not later than 30 days after the date on which the last member is appointed to the Commission.

(c) REPORT.—Not later than one year after the date of the first meeting of the Commission, the Commission shall transmit, at the same time, a report of its findings and recommendations to the President and the Congress. The Commission shall transmit a copy of the report to the Secretary of Defense and the Comptroller General of the United States.

(d) VIEWS OF SECRETARY OF DEFENSE.—The Secretary of Defense shall consider the Commission's findings and recommendations. Not later than 90 days after the date the Commission transmits the report to the President and the Congress under subsection (c), the Secretary shall transmit to the Congress a report on his views and planned actions in response to the report of the Commission.

(e) VIEWS OF COMPTROLLER GENERAL.—The Comptroller General of the United States shall review the Commission's findings and recommendations. Not later than 90 days after the date the Commission transmits the report to the President and the Congress under subsection (c), the Comptroller General shall transmit to the Congress a report on his views and recommendations on the report of the Commission.

(f) EXECUTIVE DIRECTOR AND STAFF.—(1) The Commission may (without regard to section 5311(b) of title 5, United States Code) appoint an executive director, who shall be paid at a rate not to exceed the rate of basic pay payable for level IV of the Executive Schedule.

(2) The Commission may appoint such additional staff as it considers appropriate, subject to the availability of appropriations. No such personnel shall be paid at a rate in excess of the rate of basic pay payable for grade GS-10 of the General Schedule under section 5332 of title 5, United States Code.

(3) The executive director and staff of the Commission may be appointed without regard to the provisions of title 5, United States Code, governing appointments in the executive branch and may be paid without regard to the provisions of chapter 51 and subchapter III of chapter 53 of such title re-

lating to classification and General Schedule pay rates.

(4) The Commission may adopt such rules and regulations as may be necessary to establish its procedures and to govern the manner of its operations, organization, and personnel.

(g) PAY AND ALLOWANCES.—(1) Members of the Commission appointed from private life may each be paid at a rate equal to the daily equivalent of the rate of basic pay payable for level IV of the Executive Schedule for each day (including travel time) during which they are engaged in the actual performance of the business of the Commission. Other members of the Commission shall receive no additional pay by reason of their service on the Commission.

(2) All members of the Commission shall be reimbursed for travel, as authorized by section 5703 of title 5, United States Code, subsistence, and other necessary expenses incurred in the performance of the duties of the Commission.

(b) ADMINISTRATIVE PROVISIONS.—(1) The Commission or by the authorization of the Commission, any subcommittee thereof or any member authorized by the Commission may, for the purpose of carrying out its functions, hold such hearings that may be required for the performance of its functions.

(2) The provisions of section 1821 of title 28, United States Code, shall apply to witnesses summoned to appear at any such hearing. The per diem and mileage allowances of witnesses so summoned under authority conferred by the section shall be paid from funds appropriated to the Commission.

(3) The Commission is authorized to secure directly from any officer, department, agency, establishment, or instrumentality of the Government such information, suggestions, estimates, and statistics as the Commission may require for the purpose of this section, and each such officer, department, agency, establishment, or instrumentality is authorized and directed to furnish, to the extent permitted by law, such information, suggestions, estimates, and statistics directly to the Commission, upon request made by the Chairman.

(4) Upon request of the Commission, the head of any Federal agency is authorized to make any of the facilities and services of such agency available to the Commission or detail any of the personnel of such agency to the Commission on a reimbursable basis, to assist the Commission in carrying out its duties under this section unless the head of such agency determines that urgent, overriding reasons will not permit the agency to make such facilities, services, or personnel available to the Commission and so notifies the Chairman in writing.

(5) No officer or agency of the United States shall require the Commission to submit any report, recommendation, or other matter to any such officer or agency for approval, comment, or review before submitting such report, recommendation, or other matter to the Congress and the President.

(i) TERMINATION OF COMMISSION.—The Commission shall cease to exist fifteen days after the date the reports required by subsections (d) and (e) are transmitted to the Congress.

—At the end of title VIII (page 143, after line 19), add the following new section:

SEC. 802. AUTHORITY OF INSPECTOR GENERAL OF DEPARTMENT OF DEFENSE WITH RESPECT TO CERTAIN CONTRACTS.

(a) IN GENERAL.—Chapter 137 of title 10, United States Code, is amended by inserting after section 2312 the following new section:

"§ 2312a. Inspector General: authority with regard to contract payments.

"(a) In the case of a contract of the Department of Defense with respect to which the Inspector General of the Department of Defense determines—

"(1) based upon audits of the Department of Defense, that there have been excessive charge to the United States by the contractor; and

"(2) that other remedies available to the United States by law and under the contract are insufficient to eliminate promptly waste, fraud, and abuse with respect to the contract,

the Inspector General may immediately suspend payments under the contract, revise the schedule for such payments, or suspend or debar the contractor in order to protect the interests of the United States.

"(b) The Secretary of Defense may, in the interest of national security, overrule any action of the Inspector General under subsection (a). Not later than 30 days after any action by the Secretary under this subsection, the Secretary shall submit to the Committees on Armed Services and Governmental Affairs of the Senate and the Committees on Armed Services and Government Operations of the House of Representatives a report—

"(1) describing the action of the Inspector General that is being overruled;

"(2) the reason for the decision of the Secretary; and

"(3) the actions being undertaken by the Secretary to eliminate waste, fraud, and abuse in connection with the contract concerned.".

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 2312 the following new item:

"2312a. Inspector General: authority with regard to contract payments.".

By Mr. HOYER:

—At the end of title II (page 29, after line 14) add the following new section:

SEC. 207. SATELLITE SURVIVABILITY ENHANCEMENT.

(a) AUTHORIZATION OF APPROPRIATIONS.—In addition to the amount authorized to be appropriated for the Air Force in section 201(a)(3), there is authorized to be appropriated for the Air Force for fiscal year 1986 for research, development, test, and evaluation $20,000,000 to carry out the satellite survivability project of the Air Force Space Survivability Program.

(b) REPORT.—The Secretary of the Air Force shall transmit, not later than February 1, 1986, to the Committees on Armed Services of the Senate and the House of Representatives a report describing the development of long-term survivability criteria and research investment strategies to improve the survivability of satellites of the United States in view of the current and anticipated capability of the Soviet Union with respect to anti-satellite weapons.

By Mr. HUNTER:

—Page 193, after line 3, insert the following new part (and redesignate Part E and the succeeding sections accordingly):

PART E—STRATEGIC DEFENSE INITIATIVE COMMISSION

SEC. 1041. PURPOSE.

The purpose of this part is to establish a commission on the strategic defense initiative which will assist the United States—

(1) to more definitively delineate the President's objectives for the Strategic Defensive Initiative program, as expressed in his March 23, 1983, speech on that program; and

(2) to revalidate the content of the Strategic Defense Initiative program by determining if its research programs are meeting the objectives set forth by the President.

SEC. 1042. ESTABLISHMENT.

Not later than 30 days after the enactment of this Act, the President shall establish a Strategic Defense Initiative Commission (hereafter in this part referred to as the "Commission").

SEC. 1043. DUTIES.

The duties of the Commission shall be—

(1) to identify those elements of the Strategic Defense Initiative program which can demonstrate the Strategic Defense Initiative's technical feasibility, to determine the timetable for the demonstrations occurring, and to project the costs of those demonstrations;

(2) to determine if the creation of an organizational and administrative project office within the Strategic Defense Initiative Organization (SDIO) of the Department of Defense would provide for better program management to enhance the program's efficiency;

(3) to set milestones for the program; and

(4) to develop a transition plan which provides for a stable incorporation of strategic defense systems into our national security posture in the future.

SEC. 1044. MEMBERSHIP.

(a) NUMBER AND APPOINTMENT.—(1) The Commission shall be composed of five members appointed by the President. The members shall be selected from among individuals from Federal, State, and local governments, industry, business, academia, the military, and the general population who, by reason of their background, education, training, or experience, possess expertise in national security, scientific and technological pursuits, or the use and implication of the use of such pursuits.

(2) An individual serving in one of the following positions may not be a member of the Commission:

(A) A position in Schedule C of subpart C of part 213 of title 5, Code of Federal Regulations.

(B) A position filled by noncareer executive assignment under subpart F of part 305 of title 5, Code of Federal Regulations.

(C) A position in the Executive Schedule under subchapter II of chapter 53 of title 5, United States Code, other than a career Executive Schedule position.

(b) VACANCY.—A vacancy in the Commission shall be filled in the manner in which the original appointment was made. Appointments may be made under this section without regard to section 5311(b) of title 5, United States Code.

(c) CONTINUATION OF MEMBERSHIP.—If any member of the Commission begins service in a position described in subsection (a)(2), that member may continue as a member of the Commission for not longer than the seven-day period beginning on the date that member begins such service.

(d) TERMS.—Members shall be appointed for the life of the Commission.

(e) BASIC PAY.—(1) Members of the Commission shall each be paid at a rate not to exceed the daily equivalent of the maximum annual rate of basic pay in effect for grade GS-18 of the General Schedule for each day (including travel time) during which they are engaged in the actual performance of duties vested in the Commission.

(2) Members of the Commission who are full-time employees of the United States shall receive no additional pay, allowances, or benefits by reason of their service on the Commission.

(f) CHAIRMAN.—The Chairman and Vice Chairman of the Commission shall be designated by the President.

(g) MEETINGS.—The Commission shall meet at the call of the Chairman.

SEC. 1045. STAFF OF COMMISSION.

The Commission shall appoint and fix the compensation of such personnel as it deems advisable, except that rates for individuals may not to exceed the daily equivalent of the maximum annual rate of basic pay payable for GS-15 of the General Schedule. The Chairman of the Commission shall be responsible for—

(1) the assignment of duties and responsibilities and the supervision of such personnel; and

(2) the use and expenditure of funds available to the Commission.

SEC. 1046. POWERS OF COMMISSION.

(a) OBTAINING OFFICIAL DATA.—The Commission may secure directly from any department or agency of the United States information necessary to enable it to carry out this part. Upon request of the Chairman of the Commission, the head of such department or agency shall furnish such information to the Commission.

(b) ADMINISTRATIVE SUPPORT SERVICES.—The Administrator of General Services shall provide to the Commission on a reimbursable basis such administrative support services as the Commission may request.

SEC. 1047. REPORT.

Not later than six months after the date of the enactment of this Act, the Commission shall submit, in both a classified and an unclassified manner, to the President and to each House of the Congress a report of its findings. The report shall contain a detailed statement of the findings and conclusions of the Commission, together with its recommendations for such legislation and administrative actions as it considers appropriate.

SEC. 1048. TERMINATION.

The Commission shall cease to exist upon the submission of its final report pursuant to section 1047.

—At the end of part C of title X (page 176, after line 8) insert the following new section:

SEC. 1024. REPORT ON RETENTION OF BASIC POINT DEFENSE MISSILE SYSTEM

(a) REQUIREMENT FOR REPORT BY SECRETARY OF THE NAVY.—The Secretary of the Navy shall submit to the Committees on Armed Services of the Senate and House of Representatives a report on the removal of the Basic Point Defense Missile System for naval amphibious vessels.

(b) REPLACEMENT OF THE BASIC POINT DEFENSE MISSILE SYSTEM.—The report shall consider the current plans to replace the Basic Point Defense Missile System on amphibious vessels with the Close in Weapon System.

(2) The report shall include an assessment of the effectiveness of the anti-air warfare capabilities of amphibious vessels. This assessment shall be used by the Secretary of the Navy in considering augmenting rather than replacing the Basic Point Defense Missile System on amphibious vessels with the Close in Weapon System.

(c) LIMITATIONS ON REMOVAL OF BASIC POINT DEFENSE MISSILE SYSTEM.—The Secretary of the Navy may not remove the Basic Point Defense Missile System from amphibious vessels until the report is submitted.

—At the end of title II (page 29, after line 14) insert the following new section:

SEC. 207. ALLIED COOPERATION UNDER SDI RESEARCH CONTRACTS.

(a) ENCOURAGEMENT OF JOINT VENTURES.—The President should, to the maximum extent feasible, seek the cooperation and participation of United States allies in the research and development of technologies that would assist in the Strategic Defense Initiative, taking into account the mutual security need to preserve the integrity and control of critical technologies. To this end, the Secretary of Defense should encourage joint ventures between United States firms and qualified private sector firms within the North Atlantic Treaty Organization, Japan, and Israel.

(b) SAFEGUARDS FOR CRITICAL TECHNOLOGIES.—The Secretary of Defense shall require that appropriate safeguards (as determined by the Secretary) to protect critical technologies from unauthorized transfer to nonalliance nations be agreed to by any firm participating in such a joint venture. In awarding contracts for research and development connected with the Strategic Defense Initiative, the Secretary shall give preference to ventures in which both parties agree to such safeguards.

(c) IMPLEMENTATION.—(1) The Secretary of Defense shall prescribe regulations to carry out the purposes of this section.

(2) The Secretary shall establish a monitoring committee to ensure that the purposes of this section and the safeguards required by this section are implemented.

(3) Paragraphs (1) and (2) may be carried out only after full consultations with the Secretary of State, the Assistant to the President for National Security Affairs, the President's Science Advisor, and such other officials as the President may designate.

—Page 38, after line 10, insert the following new section:

SEC. 308. LIMITATION ON USE OF FUNDS TO DISMANTLE POSEIDON-CLASS SUBMARINE.

No funds appropriated for fiscal year 1986 under any authorization of appropriations in this title may be used to dismantle any Poseidon-class submarine until—

(1) the President submits to the Congress a report with respect to—

(A) the feasibility of transferring the ownership of any such submarine to the United Kingdom; and

(B) if the transfer referred to in subparagraph (A) is not feasible, the feasibility of converting any such submarine into an SSN-type submarine or SSGN-type submarine; and

(2) the 60-day period beginning on the date of the submission of such report to the Congress expires.

—Page 38, after line 10, insert the following new section:

SEC. 308. LIMITATION ON USE OF FUNDS TO DEACTIVATE CERTAIN STRATEGIC WEAPONS.

No funds appropriated or otherwise made available to the Department of Defense may be obligated or expended for the purpose of deactivating or removing from service any Minuteman intercontinental ballistic missile, Poseidon missile, or Poseidon-class submarine for any reason (including compliance with any provision of the agreement between the United States and the Soviet Union on limitation of strategic offensive arms known as the SALT II agreement and signed in Vienna, Austria, on June 18, 1979) until the President certifies to the Congress that the Soviet Union is in full compliance with such agreement.

By Mr. LEVIN of Michigan:

—At the end of title II (page 29, after line 14) insert the following new section:

SEC. 207. IMPLICATIONS OF 1972 ABM TREATY ON THE STRATEGIC DEFENSE INITIATIVE.

(a) FINDINGS.—The Congress finds—

(1) that the President's Commission on Strategic Forces declared in its report to the President, dated March 21, 1984, that "One of the most successful arms control agreements is the Anti-Ballistic Missile Treaty of 1972"; and

(2) that the Secretary of State has stated that the "ABM Treaty requires consultations, and the President has explicitly recognized that any ABM-related deployment arising from research into ballistic missile defense would be a matter for consultations and negotiation between the Parties".

(b) CONGRESSIONAL POLICY.—The Congress, therefore, declares—

(1) that it fully supports the declared policy of the President that a principal objective of the United States in negotiations with the Soviet Union on nuclear and space arms is to reverse the erosion of the Treaty Between the United States of America and the Union of Soviet Socialist Republics on the Limitation of Anti-Ballistic Missile Systems, signed on May 26, 1972 (commonly referred to as the "ABM Treaty"); and

(2) that action by the Congress in approving funds for research on the Strategic Defense Initiative—

(A) does not express or imply an intention on the part of the Congress that the United States should abrogate, violate, or otherwise erode such treaty; and

(B) does not express or imply any determination or commitment on the part of the Congress that the United States develop, test, or deploy ballistic missile strategic defense weaponry that would contravene such treaty.

By Mr. LEVINE Of California:

—Insert the following new section at the end of title I (page 22, after line 23):

SEC. 111. REQUIREMENTS WITH RESPECT TO THE BRADLEY FIGHTING VEHICLE.

(a) IN GENERAL.—(1) The Secretary of Defense shall submit a report to the Armed Services Committees of the House of Representatives and the Senate, in both a classified and an unclassified version, with respect to the Bradley Fighting vehicle. Such report shall describe the results of the two phase live fire survivability testing program being carried out with respect to such vehicle.

(2) In Phase 1 of the testing program referred to in paragraph (1), at least 10 live fire tests using anti-armor weapons of the Soviet Union shall be conducted against such vehicle in its present configuration. In Phase 2 of such program, similar tests shall be conducted against such vehicle with enhanced survivability features.

(b) CONTENT OF REPORT.—The report required by this section shall contain the following:

(1) A complete analysis of the results of the testing program referred to in subsection (a), including an accounting of all of the test shots which were fired at such vehicle, the distances from which they were fired, and the effects of such shots.

(2) A description and justification for the measures of merit and the pass/fail criterion used in the testing program.

(3) A justification for exempting from the testing program any overmatch or undermatch weapon which would likely be encountered in combat conditions.

(4) Potential problems that were revealed by the tests and a proposed design modification for remedying such problems.

(5) The estimated unit cost of each proposed survivability modification and the overall program cost for the modifications.

(6) A comparison of the estimated unit cost of the Bradley Fighting Vehicle in both the baseline configuration and the modified configurations.

(c) DATE OF SUBMISSION FOR THE REPORT.—The reports required by this section shall be transmitted as follows:

(1) The report regarding the results of Phase 1 shall be transmitted no later than December 1, 1985.

(2) The report regarding the results of Phase 2 shall be transmitted no later than June 1, 1986.

By Mr. LOWERY of California:

—At the end of title V (page 68, after line 6) add the following new section:

SEC. 533. ELIGIBILITY OF CERTAIN ALIENS FOR JUNIOR ROTC.

Section 2031(b)(1) of title 10, United States Code, is amended by striking out "are citizens or nationals of the United States" and inserting in lieu thereof "who are citizens or nationals of the United States, aliens lawfully admitted to the United States for permanent residence, or aliens admitted as minor children of nonimmigrants described in section 101(a)(15)(H) of the Immigration and Nationality Act (8 U.S.C. 1101(a)(15)(H))".

By Mr. MARKEY:

—Add the following new section at the end of title X (page 200, after line 4):

SEC. 1040. RESTRICTION ON FUNDING FOR STANDARD MISSILE-2.

(a) IN GENERAL.—None of the funds authorized to be appropriated in this Act shall be obligated or expended for research, development, testing, evaluation, or procurement associated with a nuclear variant of the Standard Missile-2(N) (SM-2(N)), the W81 warhead for the Standard Missile-2(N), or any other nuclear warhead for the Standard Missile-2(N).

(b) REPORT.—Not later than February 15, 1986, the Secretary of the Navy shall submit a report to Congress, in both classified and unclassified form, which includes the following information:

(1) A description of the circumstances under which the SM-2(N) would be utilized and an assessment of likely enemy response (including countermeasures).

(2) A description of the release procedures and circumstances under which release would be authorized for employment of the SM-2(N).

(3) An analysis of conventional alternatives to the SM-2(N), including any necessary modification to the SM-2 or alternative to the Standard missile or warhead and the associated costs of those alternatives.

(4) A summary of all studies previously conducted analyzing the impact of the use of a nuclear naval surface-to-air missile on United States Navy vessels and their equipment.

(5) A list of all ships of the United States which would receive the SM-2(N) if it were procured.

(6) The number of additional conventional armed missiles which could be carried by ships of the United States Navy if the SM-2(N) were not deployed and the impact on fleet air defense from that reduced conventional load.

(7) Any plans or programs for the development of a nuclear armed surface-to-air or air-to-air missile for fleet defense other than the SM-2(N).

—Page 151, strike out lines 23 and 24 (relating to authorization of funding for Project 86-D-148, special isotope separation plant (design only)).

Page 153, strike out lines 13 through 15 (relating to authorization of funding for Project 84-D-135, process facility modifications, Richland, Washington).

Page 153, strike out lines 16 through 19 (relating to Project 84-D-136, enriched uranium conversion facility modifications, Y-12 Plant, Oak Ridge, Tennessee).

—Page 145, line 15, strike out "$502,445,000" and insert in lieu thereof "$427,645,000".

Page 145, strike out lines 16 and 17, and insert in lieu thereof the following:

(i) no amount may be used for special isotope separation;

Page 145, line 7, strike out "$83,475,000" and insert in lieu thereof "$120,875,000".

Page 145, line 8, insert the following before the period: ", and of which $37,400,000 shall be used to study and improve satellite surveillance capabilities for the purpose of verifying compliance with a negotiated agreement between the Soviet Union and the United States halting the production of plutonium and high-enriched uranium for nuclear weapons".

Page 146, line 7, strike out "$54,325,000" and insert in lieu thereof "$91,725,000".

Page 146, line 8, insert the following before the period: ", and of which $37,400,000 shall be used to augment the activities of the Nuclear Safeguards Technology Laboratory, Los Alamos, New Mexico, for the purpose of improving the International Atomic Energy Agency's safeguards and studying the feasibility of applying them to a negotiated agreement between the Soviet Union and the United States halting the production of plutonium and high-enriched uranium for nuclear weapons."

—Insert the following new section at the end of title X (page 200, after line 4):

SEC. 1050. CEILING ON ANNUAL OUTPUT OF DOE PLUTONIUM PRODUCTION REACTORS.

None of the funds appropriated pursuant to authorizations of appropriations in this or any other Act for national security programs may be obligated or expended for the operation of Department of Energy military plutonium production reactors in a manner which would produce more plutonium in any fiscal year after fiscal year 1985 for Department of Energy national security programs than was produced for such programs in fiscal year 1984.

—Insert the following new section at the end of title IX (page 166, after line 2):

SEC. 936. REPORT ON FUTURE REQUIREMENTS FOR WEAPONS-USEABLE NUCLEAR MATERIALS.

(a) IN GENERAL.—Not later than February 1, 1985, the President shall submit a report to the Congress (in both classified and unclassified form) describing in detail the nature of the military requirement which would justify—

(1) resuming production of highly enriched uranium for weapons purposes; and

(2) diverting plutonium from nonmilitary uses to military uses by enriching it for use in the weapons program.

(b) ADDITIONAL SPECIFIC CONTENTS.—The report should also—

(1) address the feasibility of establishing a reasonable schedule for weapons production by utilizing retirements of the W-31, W-33, B-53, and W-53 nuclear weapons as the primary source of oralloy and plutonium for new weapons;

(2) examine the option of meeting additional military needs for plutonium through blending of fuel-grade with super-grade stocks; and

(3) explore the impact of special isotope separation technology and other weapons-useable material production initiatives on the potential for further nuclear proliferation.

—Insert the following new section at the end of title X (page 200, after line 4):

SEC. 1050. PROHIBITION OF PRODUCTION OF THE 155-MILLIMETER ARTILLERY-FIRED, ATOMIC PROJECTILE.

(a) LIMITATION OF FUNDS AUTHORIZED FOR FISCAL YEAR 1986.—None of the funds appropriated pursuant to the authorizations of appropriations in this or any other Act may be used for the production of the 155-millimeter artillery-fired, atomic projectile (W-82).

(b) REPEAL OF PRIOR AUTHORIZATION.—Section 1635 of the Department of Energy National Security and Military Applications of Nuclear Energy Authorization Act of 1985 (title XVI of Public Law 98-525) is repealed.

(c) LIMITS ON THE PRODUCTION OF 8-INCH ARTILLERY-FIRED ATOMIC PROJECTILES.—The total number of 8-inch artillery-fired atomic projectiles (W-79) produced may not exceed the number allocated for such projectiles in the plan submitted to the Committees on Armed Services of the Senate and House of Representatives on February 4, 1985, by the Secretary of Defense pursuant to the requirement of subsection (c) of section 1635 of the Department of Energy National Security and Military Applications of Nuclear Energy Authorization Act of 1985, as in effect on such date.

(d) CONDITIONS APPLIED TO THE MANUFACTURE OF 8-INCH ARTILLERY-FIRED ATOMIC PROJECTILES.—In the case of the 8-inch artillery-fired projectile (W-79), the following conditions shall be complied with:

(1) No such warhead produced after the date of enactment of this Act may be produced in the enhanced-radiation version.

(2) No activity may be undertaken with respect to research, development, testing, evaluation, or production of a component or module which could be inserted into the W-79 warhead to give it an enhanced radiation capability.

(3) In producing such warheads, special emphasis shall be placed upon improvements in the safety, security, range and survivability of such warheads.

(4) Replacement of obsolete artillery-fired atomic projectiles now in Europe shall be carried out within the nuclear stockpile limits agreed to by NATO Defense Ministers at Montebello, Canada, in October 1983, which required the withdrawal of 1,400 tactical nuclear warheads from the European stockpile in addition to the 1,000 warheads withdrawn in 1980.

—Add the following new section at the end of title X (page 200, after line 4):

SEC. 1050. RESTRICTION ON FUNDING FOR MX MISSILE WARHEAD.

None of the funds appropriated pursuant to an authorization provided in this or any other Act for national security programs may be obligated or expended for the production of more than 425 W87 warheads for the MX missile program.

—Add the following new section at the end of title IX (page 166, after line 2):

SEC. 935. PROHIBITION ON FUNDING FOR SMALL ATOMIC DEMOLITION MUNITION.

None of the funds appropriated pursuant to an authorization provided in this title may be obligated or expended for any activity carried out with respect to the small atomic demolition munition (SADM).

—Add the following new section at the end of title X (page 200, after line 4):

SEC. 1050. RESTRICTION ON FUNDING ON TRIDENT II WARHEAD.

No funds appropriated pursuant to an authorization provided in this or any other Act for national security programs may be obligated or expended for the production or deployment of any warhead/reentry body combination other than the W76/Mark 4 warhead/reentry body combination for the Trident II (D-5) missile program.

By Mr. NICHOLS:

—At the end of title III (page 38, after line 10), insert the following new section:

SEC. 308. SPECIFICATION OF CORE-LOGISTICS FUNCTIONS SUBJECT TO CONTRACTING-OUT LIMITATION.

(a) IN GENERAL.—A function of the Department of Defense described in subsection (b) shall be deemed for the purposes of section 307(b) of the Department of Defense Authorization Act, 1985 (Public Law 98-525; 98 Stat. 2514), to be a logistics activity identified by the Secretary of Defense under section 307(a)(2) of such Act as necessary to maintain the logistics capability of the Department of Defense described in section 307(a)(1) of such Act.

(b) DESCRIPTION OF FUNCTIONS.—The functions to which subsection (a) applies are the following:

(1) Depot level distribution and maintenance of mission-essential materiel at the following activities of the Army:

Anniston Army Depot, Anniston, Alabama.

Corpus Christi Army Depot, Corpus Christi, Texas.

Crane Army Ammunition Plant, Crane, Indiana.

Fort Wingate Army Depot, Gallup, New Mexico.

Letterkenny Army Depot, Letterkenny, Pennsylvania.

Lexington-Blue Grass Army Depot, Lexington, Kentucky.

McAlester Army Ammunition Plan, McAlester, Oklahoma.

New Cumberland Army Depot, Harrisburg, Pennsylvania.

Pueblo Army Depot, Pueblo, Colorado.

Red River Army Depot, Texarkana, Texas.

Rock Island Arsenal, Rock Island, Illinois.

Sacramento Army Depot, Sacramento, California.

Savanna Army Depot, Savanna, Illinois.

Seneca Army Depot, Romulus, New York.

Sharpe Army Depot, Stockton, California.

Sierra Army Depot, Herlong, California.

Tobyhanna Army Depot, Tobyhanna, Pennsylvania.

Tooele Army Depot, Tooele, Utah.

Umatilla Army Depot, Umatilla, Oregon.

Watervliet Arsenal, Watervliet, New York.

(2) Depot-level distribution and maintenance of mission-essential materiel at the following activities of the Navy:

Naval Air Rework Facility, Alameda, California.

Naval Air Rework Facility, Cherry Point, North Carolina.

Naval Air Rework Facility, Jacksonville, Florida.

Naval Air Rework Facility, Norfolk, Virginia.

Naval Air Rework Facility, Pensacola, Florida.

Naval Air Rework Facility, North Island, San Diego, California.

Naval Aviation Supply Office, Philadelphia, Pennsylvania.

Naval Construction Battalion Center, Davisville, Rhode Island.

Naval Construction Battalion Center, Gulfport, Mississippi.

Naval Construction Battalion Center, Port Hueneme, California.

Naval Electronics Systems Engineering Center, San Diego, California.

Naval Ordnance Station, Indian Head, Maryland.

Naval Ordnance Station, Louisville, Kentucky.

Naval Shipyard, Charleston, South Carolina.

Naval Shipyard, Norfolk, Virginia.

Naval Shipyard, Long Beach, California.

Naval Shipyard, Mare Island, California.

Naval Shipyard, Philadelphia, Pennsylvania.

Naval Shipyard, Portsmouth, Kittery, Maine.

Naval Shipyard, Pearl Harbor, Hawaii.

Naval Shipyard, Puget Sound, Bremerton, Washington.

Naval Ship Repair Facility, Guam.

Naval Supply Center, Charleston, South Carolina.

Naval Supply Center, Jacksonville, Florida.

Naval Supply Center, Norfolk, Virginia.

Naval Supply Center, Oakland, California.

Naval Supply Center, Pearl Harbor, Hawaii.

Naval Supply Center, Puget Sound, Bremerton, Washington.

Naval Supply Center, San Diego, California.

Naval Undersea Warfare Engineering Station, Keyport, Washington.

Naval Weapons Station, Charleston, South Carolina.

Naval Weapons Station, Colts Neck, Earle, New Jersey.

Naval Weapons Station, Concord, California.

Naval Weapons Station, Seal Beach, California.

Naval Weapons Station, Yorktown, Virginia.

Naval Weapons Station Center Crane, Indiana.

Navy Ships Parts Control Center, Mechanicsburg, Pennsylvania.

TRIDENT Refit Facility, Bangor, Bremerton, Washington.

(3) Depot-level distribution and maintenance of mission-essential material at the following activities of the Marine Corps:

Marine Corps Logistics Base, Albany, Georgia.

Marine Corps Logistics Base, Barstow, California.

(4) Depot-level distribution and maintenance of mission-essential material at the following activities of the Air Force:

Aerospace Guidance and Meteorology Center, Newark Air Force Station, Ohio.

Ogden Air Logistics Center, Hill Air Force Base, Utah.

Oklahoma City Air Logistics Center, Tinker Air Force Base, Oklahoma.

Sacramento Air Logistics Center, McClellan Air Force Base, California.

San Antonio Air Logistics Center, Kelly Air Force Base, Texas.

Warners Robins Air Logistics Center, Robins Air Force Base, Georgia.

(5) Depot-level distribution and maintenance of mission-essential equipment at the following activities of the Defense Logistics Agency:

Defense Construction Supply Center, Columbus, Ohio.

Defense Depot Mechanicsburg, Mechanicsburg, Pennsylvania.

Defense Depot Memphis, Memphis, Tennessee.

Defense Depot Ogden, Ogden, Utah.

Defense Depot Tracy, Tracy, California.

Defense Electronics Supply Center, Dayton, Ohio.

Defense General Supply Center, Richmond, Virginia.

Defense Industrial Plant Equipment Center, Memphis, Tennessee.

Defense Industrial Supply Center, Philadelphia, Pennsylvania.

Defense Logistics Service Center, Battle Creek, Michigan.

Defense Subsistence Office, Bayonne, New Jersey.

(6) Depot-level distribution and maintenance of mission-essential materiel at the following activities the Defense Mapping Agency:

Aerospace Center, Kansas City Field Office, Kansas City, Missouri.

Aerospace Center, St. Louis AFS, Missouri.

Office of Distribution Services, Brookmont, Maryland.

Office of Distribution Services, Clearfield, Utah.

Office of Distribution Services, Philadelphia, Pennsylvania.

(c) MATTERS INCLUDED WITHIN SPECIFIED FUNCTIONS.—The functions described in subsection (b) include—

(1) the facilities and equipment at the activities listed in that subsection; and

(2) the Government personnel who manage and perform the work at those activities.

(d) EXCLUSION OF CERTAIN FUNCTIONS.—Subsection (b) does not include any function that on the date of the enactment of this Act—

(1) is being performed under contract by non-Government personnel; or

(2) has been announced to Congress for review for conversion to performance by non-Government personnel under Office of Management and Budget Circular A-76.

(e) DEFINITION.—For the purposes of this section, the term "mission-essential materiel" means all materiel which is authorized and available to combat, combat support, combat service support, and combat readiness training forces to accomplish their assigned mission.

(f) TECHNICAL AMENDMENT.—Section 308(b)(4) of the Department of Defense Authorization Act, 1985 (Public Law 98-525; 98 Stat. 2515), is amended by striking out "30-day period" and inserting in lieu thereof "20-day period".

By Mr. PANETTA:

—Insert the following at the end of part C of title X (page 176, after line 8):

SEC. 1024. REPORT ON RETIREMENT BENEFITS OF PHILIPPINE SCOUTS.

(a) IN GENERAL.—The Secretary of the Army (hereinafter in this section referred to

as the "Secretary") shall conduct a study of—

(1) the disparity between the pay received by members of the Philippine Scouts who served during World War II and the pay received by other members of the United States Army during such war who had grades and lengths of service that correspond to the grades and lengths of service of such members of the Philippine Scouts; and

(2) the effect of this disparity on the retirement benefits of such members of the Philippine Scouts and their survivors.

(b) PARTICULAR SUBJECTS OF THE STUDY.—In carrying out such study, the Secretary shall—

(1) compile a list of all persons who served as members of the Philippine Scouts during the period beginning December 7, 1941, and ending December 31, 1946;

(2) compile a list of persons described in paragraph (1) who are alive on the date of enactment of this Act;

(3) determine the amount of basic pay each person described in paragraph (2) received for services rendered as a member of the Philippine Scouts during the period described in such paragraph and compare it to the amount of basic pay each such person would have received as a member of the Philippine Scouts during that period if the rates of basic pay during such period for the Philippine Scouts had been the same as the rates of basic pay for other members of the United States Army with corresponding grades and length of service during such period;

(4) determine the amount of retired pay that each person described in paragraph (2) is entitled to receive as retired pay from the Army as a result of service rendered as a Philippine Scout and compare it to the amount such person would receive with respect to periods beginning after the date of enactment of this Act if the rate of basic pay payable to such person during the period described in paragraph (1) had been the rate of basic pay payable to any other member of the United States Army with the corresponding grade and length of service during such period; and

(5) determine possible options, and the costs of each, for recalculating the retirement pay of persons described in paragraph (2), including survivor benefits, in order to remedy the disparity in pay received by such persons during their service as Philippine Scouts.

(c) REPORT.—(1) The Secretary shall transmit, within one year after the date of enactment of this Act, to the Armed Services Committees of the Senate and House of Representatives a report containing the findings and conclusions of the Secretary with respect to each of the matters described in paragraphs (1) through (5) of subsection (b).

(2) If the Secretary determines that—

(A) the documents necessary to compile the lists and make the determinations under subsection (b) are not attainable through reasonable efforts; or

(B) the cost of compiling such lists and making such determinations is excessive,

the Secretary shall make a report as soon as practicable to such Committees with a justification of such determination.

(3) If a report is made to the Committees under paragraph (2), the report to such Committees under paragraph (1) shall be based on the best information that can be reasonably obtained without excessive costs.

By Mr. PARRIS:

—Add the following section at the end of title X (page 200, after line 4):

SEC. 1050. ESTABLISHMENT OF MINIMUM AGE WITH RESPECT TO THE PURCHASE AND CONSUMPTION OF ALCOHOLIC BEVERAGES ON MILITARY INSTALLATIONS.

(a) IN GENERAL.—Section 2683 of title 10, United States Code, is amended by adding the following new subsection at the end thereof:

"(c)(1) Except as provided in paragraphs (2) and (3), the minimum age, as defined in paragraph (4)(B), established by a State law shall be established and enforced as the minimum age on military installations located in that State.

"(2) In the case of any military installation located—

"(A) in more than one State; or

"(B) in one State but within 40 miles of another State, Mexico, or Canada,

the Secretary concerned may establish and enforce the minimum age established by the State law, Mexican law, or Canadian law, as the case may be, that has the lower minimum age.

"(3)(A) The commanding officer of a military installation may grant temporary exemptions to the requirement of paragraph (1) if such officer determines that such exemption is justified by special circumstances, as defined in regulations by the Secretary of Defense.

"(B) Each commanding officer of each military installation shall submit a report every six months to the Secretary concerned containing a description of the nature, duration, and justification of each exemption made by such office under subparagraph (A) during the six-month period immediately preceding the month in which the report is filed. The first such report shall be submitted no later than 300 days after the date of the enactment of this subsection.

"(C) Each report made pursuant to subparagraph (B) shall be transmitted by the Secretary concerned to the Secretary of Defense within 30 days after the receipt of such report.

"(D) as soon as practicable after receiving the first transmittal of reports from all of the Secretaries concerned under subparagraph (C), the Secretary of Defense shall transmit to the Congress a report containing—

"(i) the first report submitted by each Secretary concerned under subparagraph (C);

"(ii) the military installations affected by paragraph (2); and

"(iii) any information with respect to any administration or other problem resulting from the application of the provisions of this subsection.

"(E) After the transmittal of the report under subparagraph (D), the Secretary of Defense shall transmit reports under this subsection to Congress only when requested by the Chairman and ranking minority member of either the Committee on Armed Services of the Senate or of House of Representatives.

"(4) As used in this subsection:

"(A) 'State' means each of the several States and the District of Columbia; and

"(B) 'minimum age' means the minimum age or ages established for persons who may purchase, possess, or consume alcoholic beverages.".

(b) CONFORMING AMENDMENTS.—(1) Section 2683(b) of such title is amended by striking out "section" in subsection (b) and inserting in lieu thereof "subsection (a)".

(2) Section 6 of the 1951 Amendments to the Universal Military Training and Service Act (50 U.S.C. App. 473) is amended by striking out "The" in the first sentence and inserting in lieu thereof "Subject to section 2683 of title 10, United States Code, the".

"(c) TECHNICAL AMENDMENTS.—(1) The section heading for section 2683(c) of title 10, United States Code, is amended to read as follows:

"§ 2683. Relinquishment of legislative jurisdiction; minimum age for the purchase and consumption of alcoholic beverages."

(2) The item for section 2683 in the table of sections at the beginning of chapter 159 of such title is amended to read as follows:

"§ 2683. Relinquishment of legislative jurisdiction; minimum age for the purchase and consumption of alcoholic beverages."

(d) EFFECTIVE DATE.—The amendments made by this section shall take effect 90 days after the date of the enactment of this Act.

By Mr. RUDD:

—At the end of title X add the following new section:

SEC. 1050. STUDY BY SECRETARY OF DEFENSE.

The Secretary of Defense shall make a study of the desirability of reinstating the death penalty as an alternative penalty for persons convicted of espionage relating to the national defense, and report to the Congress the results of such study, together with any related recommendations for legislation, not later than the thirtieth day beginning after the date of the enactment of this Act.

By Mr. SAVAGE:

—Page 29, after line 14, insert the following new section:

SEC. 207. CONDITION ON RESEARCH, DEVELOPMENT, TESTING, AND EVALUATION.

(a) IN GENERAL.—Except as provided in subsection (b), not less than 5 percent of the amounts appropriated pursuant to authorizations made by this title shall be expended for contracts entered into with small business concerns owned and controlled by socially and economically disadvantaged individuals (as defined by section 8 of the Small Business Act and regulations issued under such section), historically Black colleges and universities, and minority institutions (as defined by the Secretary of Education pursuant to the general Education Provisions Act).

(b) EXCEPTION.—After the Secretary of Defense has set aside the amount referred to in subsection (a) to be used for the purposes described in such subsection, the Secretary may use any of such amounts for authorized research, development, testing, or evaluation contracts other than those described in such subsection if each such contract is justified on a case-by-case basis and a report is submitted to Congress describing such justification no later than 60 days before such contract is entered into.

By Mr. SAVAGE:

—Page 22, after line 23, insert the following new section:

SEC.111. CONDITION ON PROCUREMENT.

(a) IN GENERAL.—Except as provided in subsection (b), not less than 10 percent of the amount appropriated pursuant to the authorizations made by this title shall be expended for contracts with small business concerns owned and controlled by socially and economically disadvantaged individuals,

as defined in section 8 of the Small Business Act and regulations issued pursuant to such section.

(b) EXCEPTION.—After the Secretary of Defense has set aside the amount referred to in subsection (a) to be used for the purposes described in such subsection, the Secretary may use any of such amounts for authorized procurement contracts other than those described in such subsection if each such contract is justified on a case-by-case basis and a report is submitted to Congress describing such justification no later than 60 days before such contract is entered into.

By Mrs. SCHROEDER:

—At the end of part B of title X (page 172, after line 20) insert the following new section:

SEC. 1016. CONTINUED OPERATION BY THE SECRETARY OF DEFENSE OF THE DEFENSE DEPENDENTS' EDUCATION SYSTEM.

(a) AMENDMENTS TO DEPARTMENT OF EDUCATION ORGANIZATION ACT.—(1) Sections 202(e), 208, 302, and 401(f) of the Department of Education Organization Act (20 U.S.C. 3412(e), 3418, 3442, and 3461(f)) are repealed.

(2) Section 419(a) of such Act (20 U.S.C. 3479(a)) is amended—

(A) by striking out "(1)" after "(a)"; and

(B) by striking out paragraph (2).

(3) Section 503(a) of such Act (20 U.S.C. 3503(a)) is amended—

(A) by striking out "(1)" after "(a)"; and

(B) by striking out paragraph (2).

(4) The table of contents at the beginning of such Act is amended by striking out the items relating to sections 208 and 302.

(5) Section 414(b) of such Act (20 U.S.C. 3474(b)) is amended by striking out "302,".

(b) AMENDMENTS TO DEFENSE DEPENDENTS' EDUCATION ACT OF 1978.—(1) Section 1402 of the Defense Dependents' Education Act of 1978 (20 U.S.C. 921) is amended by adding at the end thereof the following new subsection:

"(c) The Secretary of Defense shall consult with the Secretary of Education on the educational programs and practices of the defense dependents' education system.".

(2)(A) Subsection (a)(1) of section 1410 of such Act (20 U.S.C. 928) is amended by adding at the end thereof the following new sentence: "The membership of each such advisory committee shall also include one nonvoting member designated by the organization recognized as the exclusive bargaining representative of the employees working at the school.".

(B) The first sentence of subsection (b) of such section is amended by striking out "Members" and inserting in lieu thereof "Except in the case of a nonvoting member designated under the last sentence of subsection (a)(1), members".

(C) The second sentence of such subsection is amended by striking out "The Secretary of Education, in consultation with the Secretary of Defense," and inserting in lieu thereof "The Secretary of Defense."

(3)(A) Subsection (a) of section 1411 of such Act (20 U.S.C. 929) is amended to read as follows:

"(a)(1) There is established in the Department of Defense an Advisory Council on Dependants' Education (hereinafter in this section referred to as the 'Council'). The Council shall be composed of—

"(A) the Secretary of Defense and the Secretary of Education, or their respective designees;

"(B) 12 individuals appointed jointly by the Secretary of Defense and the Secretary of Education who shall be individuals who have demonstrated an interest in the field of primary or secondary education and who shall include representatives of professional employee organizations, school administrators, and parents of students enrolled in the defense dependents' education system, and one student enrolled in such system; and

"(C) a representative of the Secretary of Defense and of the Secretary of Education.

"(2) Individuals appointed to the Council from professional employee organizations shall be individuals designated by those organizations.

"(3) The Secretary of Defense, or the Secretary's designee, and the Secretary of Education, or the Secretary's designee, shall serve as cochairmen of the Council.

"(4) The Director shall be the Executive Secretary of the council.".

(4) Subsection (b)(1) of such section is amended by inserting "the Secretary of Defense and" before "the Secretary of Education".

(5) Subsection (c) of such section is amended—

(A) by striking out "at least four times each year" and inserting in lieu thereof "at least two times each year";

(B) by striking out paragraph (2);

(C) by redesignating paragraphs (3), (4), and (5) as paragraphs (2), (3), and (4), respectively; and

(D) by striking out "Secretary of Eduction" in paragraph (4) (as redesignated by subparagraph (C) of this paragraph) and inserting in lieu thereof "Secretary of Defense".

(c) CONFORMING AMENDMENT.—Section 5316 of title 5, United States Code, is amended by striking out "Administrator of Education for Overseas Dependents, Department of Education.".

—At the end of the bill add the following new section:

Sec. . FREEZE AT 1985 APPROPRIATION LEVEL.

The total amount appropriated pursuant to the authorizations of appropriations in this Act may not exceed $214,836,235,000.

—Page 43, after line 21, insert the following new section:

SEC. 503. EXERCISE OF CERTAIN AUTHORITIES RELATING TO CIVILIAN EMPLOYEES OF DEPARTMENT OF DEFENSE.

For purposes of civilian employees of the Department of Defense, the Secretary of Defense shall exercise the following authorities:

(1) Authorities assigned to the Director of the Office of Personnel Management under section 5.2(a) of Executive Order Number 10577 (5 U.S.C. 3301 note), relating to investigation of the suitability of applicants.

(2) Authorities assigned to the Office of Personnel Management under Executive Order Number 10450 (5 U.S.C. 7311 note), relating to security requirements for Federal employees.

—Page 166, after line 2, insert the following title (and redesignate the succeeding title and sections accordingly):

TITLE X—MILITARY FAMILY POLICY AND PROGRAMS

SEC. 1001. SHORT TITLE.

This title may be cited as the "Military Family Act".

SEC. 1002. OFFICE OF FAMILY POLICY.

(a) ESTABLISHMENT.—There is hereby established in the Office of the Secretary of Defense an Office of Family Policy (hereinafter in this section referred to as the "Office"). The Office shall be under the Assistant Secretary of Defense designated on May 1, 1985, as the Assistant Secretary of Defense for Manpower, Installations, and Logistics.

(b) DUTIES.—The Office shall coordinate programs and activities of the military departments relating to military families and shall make recommendations to the Secretaries of the military departments with respect to programs, activities, and policies relating to military families.

(c) REPORT.—The Secretary of Defense shall report to Congress, no later than September 30, 1986. The report shall include—

(1) a description of the activities of the Office and the composition of its staff; and

(2) the recommendations of the Office for legislative and administrative action to enhance the well-being of military families.

SEC. 1003. TRANSFER OF MILITARY FAMILY RESOURCE CENTER.

The Military Family Resource Center of the Department of Defense is hereby transferred from the Office of the Assistant Secretary of Defense for Health Affairs to the Office of the Assistant Secretary of Defense designated on May 1, 1985, as the Assistant Secretary of Defense for Manpower, Installations, and Logistics.

SEC. 1004. SURVEYS OF MILITARY FAMILIES.

The Secretary of Defense may conduct surveys, without clearance from any other Federal agency, to determine the effectiveness of existing Federal programs relating to military families and the need for new programs.

SEC. 1005. FAMILY MEMBERS SERVING ON ADVISORY COMMTITEES.

A committee within the Department of Defense which advises or assists the Department in the performance of any function which affects members of military families and which includes members of military families in its membership shall not be considered an advisory committee under section 3(2) of the Federal Advisory Committee Act (5 U.S.C. App.) solely because of such membership.

SEC. 1006. EMPLOYMENT OPPORTUNITIES FOR MILITARY SPOUSES.

The Secretary of Defense shall issue regulations to ensure that—

(1) notice of any vacant position in the Department of Defense is provided in a manner reasonably designed to reach spouses of members of the Armed Forces whose permanent duty stations are in the same geographic area as the area in which the position is located;

(2) the spouse of a member of the Armed Forces who applies for a vacant position in the Department of Defense shall, to the extent practicable, be considered for any such position located in the same geographic area as the permanent duty station of the member;

(3) the qualified spouse of a member of the Armed Forces stationed outside the United States may be appointed to a vacant position in the Department of Defense in the same geographic area as the permanent duty station of the member without regard to the provisions of title 5, United States Code, governing appointments in the competitive service; and

(4) all Department of Defense nonappropriated fund activities give preference in hiring to dependents of members of the Armed Forces stationed in the same geographic area as the nonappropriated fund activity.

SEC. 1007. YOUTH SPONSORSHIP PROGRAM.

The Secretary of Defense shall provide for the establishment at each military installation of a youth sponsorship program

to facilitate the integration of dependent children of members of the Armed Forces into new surroundings when relocation to that military installation is a result of a permanent change of station. Such a program shall provide for involvement of dependent children of members stationed at the military installation.

SEC. 1008. STUDENT TRAVEL WITHIN THE UNITED STATES.

Funds available to the Department of Defense for the travel and transportation of dependent students of military personnel stationed overseas may be obligated for transportation allowances for travel within or between the contiguous United States.

SEC. 1009. RELOCATION AND HOUSING.

(a) RELOCATION ASSISTANCE.—The Secretary of Defense may, subject to available appropriations, enter into contracts with firms which provide assistance to individuals relocating from one geographic area to another to provide such assistance to members of the uniformed services and members of their families.

(b) AMORTIZATON PERIOD FOR PARKING FACILITIES FOR HOUSE TRAILERS AND MOBILE HOMES.—Subsection (k) of section 403 of title 37, United States Code, is amended by striking out "15-year period" and inserting in lieu thereof "25-year period".

(c) COST OF UNACCOMPANIED PERSONNEL HOUSING FOR MEMBERS OF UNIFORMED SERVICE.—Section 5911 of title 5, United States Code, is amended by adding at the end thereof the following new subsection:

"(h) A member of the uniformed service on a permanent change of duty station or temporary duty orders and occupying unaccompanied personnel housing—

"(1) is exempt from the requirement of subsection (c) to pay a rental rate or charge based on the reasonable value of the quarters and facilities provided; and

"(2) shall pay such lesser rate or charge as the Secretary of Defense establishes by regulation.".

SEC. 1010. FOOD PROGRAMS.

(a) FOOD COSTS FOR CERTAIN ENLISTED MEMBERS.—Section 1011 of title 37, United States Code, is amended by adding at the end thereof the following new subsection:

"(c) Enlisted members in pay grades E-1, E-2, E-3, and E-4, and members of their immediate families, may not be charged for meals sold at messes in excess of a level sufficient to cover food costs.".

(b) REIMBURSEMENT FOR FOOD AT CHILD CARE FACILITIES OVERSEAS.—The Secretary of Defense shall provide payments, from appropriated funds, to military child care facilities overseas for reimbursement of the costs of food and food preparation. The amounts of such payments shall be determined in the same manner as payments provided by the Secretary of Agriculture for reimbursement to child care facilities in the United States under section 17 of the National School Lunch Act (42 U.S.C. 1766).

(c) REPORT ON ISSUING FOOD STAMP COUPONS TO OVERSEAS HOUSEHOLDS OF MEMBERS STATIONED OUTSIDE THE UNITED STATES.—The Secretary of Defense shall submit a report to Congress not later than December 31, 1985, on the feasibility of having the Department issue food stamp coupons to overseas households of members stationed outside the United States. The report shall include—

(1) an estimate of the cost of providing the coupons; and

(2) legislative and administrative recommendations for providing for the issuance of the coupons.

SEC. 1011. REPORTING OF CHILD ABUSE.

(a) IN GENERAL.—The Secretary of Defense shall request each State to provide for the reporting to the Secretary of any report the State receives of known or suspected instances of child abuse and neglect in which the person having care of the child is a member of the Armed Forces (or the spouse of the member).

(b) DEFINITION.—For purposes of this section the term "child abuse and neglect" shall have the same meaning as provided in section 3(1) of the Child Abuse Prevention and Treatment Act (42 U.S.C. 5102).

SEC. 1012. MISCELLANEOUS REPORTING REQUIREMENTS.

(a) HOUSING AVAILABILITY.—(1) Not later than one year after the date of the enactment of this Act, the Secretary of Defense shall submit to Congress a report on the availability and affordability of off-base housing for members of the Armed Forces and their families.

(2) The report shall—

(A) examine the availability of affordable housing for each pay grade and for all geographic areas within the United States and for appropriate overseas locations; and

(B) examine the relocation assistance provided by the Department of Defense incident to a permanent change of station by a member of the Armed Forces in locating housing at the member's new duty station and in disposing of housing at the member's old duty station.

(b) NEED FOR ASSISTANCE TO DEPENDENTS ENTERING NEW SECONDARY SCHOOLS.—Not later than one year after the date of the enactment of this Act, the Secretary of Defense shall submit to Congress a report recommending administrative and legislative action to assist families of members of the Armed Forces making a permanent change of station so that a dependent child who transfers between secondary schools with different graduation requirements is not subjected to unnecessary disruptions in education or inequitable, unduly burdensome, or duplicative education requirements.

SEC. 1013. EFFECTIVE DATE.

This title shall take effect on October 1, 1985.

By Mr. DENNY SMITH:

—Insert the following at the end of part B of title X (page 172, after line 20):

SECTION 1016. BASE CLOSURES AND REALIGNMENTS.

(a) IN GENERAL.—Subsection (a) of section 2687 of title 10, United States Code, is amended—

(1) by striking out clauses (1) and (2) and inserting in lieu thereof the following:

"(1) any closure of a military installation or realignment with respect to a military installation if, as determined by the Secretary of Defense, the number of civilians employed on the installation at the time of the Secretary's administrative decision regarding the closure or realignment is equal to or greater than one percent of the number of civilians employed at such time in the region in which the installation is located; or"; and

(2) by redesignating clause (3) as clause (2) and by striking out "or (2)" in such clause both places it appears.

(b) ACTIONS TO BE TAKEN BEFORE CLOSURE OR REALIGNMENT.—Subsection (b) of such section is amended—

(1) in clause (3)—

(A) by striking out "final"; and

(B) by striking out "and a detailed" and all that follows through "realignment" and inserting in lieu thereof ", a concise statement of the Secretary's findings concerning the socioeconomic impact of the proposed closure or realignment, and a succinct justification for the proposed closure or realignment with respect to the cost-effectiveness, strategic, and operational aspects of the closure or realignment;"; and

(2) in clause (4)—

(A) by striking out "60" and inserting in lieu thereof "30";

(B) by inserting "statement and" before "justification"; and

(C) by striking out "has" and inserting in lieu thereof "have".

(c) DEFINITIONS.—Subsection (d) of such section is amended—

(1) by striking out clause (1) and inserting in lieu thereof the following:

"(1) 'Military installation' means a base, camp, post, station, yard, center, or other activity under the jurisdiction of the Secretary of a military department which is located within any of the several States, the District of Columbia, the Commonwealth of Puerto Rico, or Guam."; and

(2) by adding the following before the period at the end of clause (2): ", base operating support personnel, and nonappropriated fund personnel".

(d) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to any closure or realignment of a military installation that is first publicly announced after January 1, 1986.

By Mr. SIKORSKI:

(To the amendment offered by Mr. NICHOLS.)

—Strike out section 1017 of the material proposed to be inserted by the Nichols amendment and insert in lieu thereof the following:

SEC. 1017. SUBPOENAS OF DEFENSE CONTRACTOR RECORDS.

Section 2313 of title 10, United States Code, is amended by adding at the end thereof the following new subsection:

"(d)(1) The Secretary of Defense may require by subpoena the production of any books, documents, papers, or records of a contractor or subcontractor that are needed by the Secretary for the purposes of subsection (a) or the purposes of section 2306(f) of this title.

"(2) Any such subpoena, in the case of contumacy or refusal to obey, shall be enforceable by order of an appropriate United States district court.

"(3) The authority of the Secretary of Defense under this subsection shall be promptly delegated to each of the following:

"(A) An officer of the Department of Defense appointed by the President, by and with the advice and consent of the Senate.

"(B) The director of the defense agency or other element of the Department of Defense that has responsibility for audits of defense contracts.".

—Page 172, after line 20, insert the following new section:

SEC. 1016. REPORT ON CIVILIAN DEFENSE PROCUREMENT.

(a) REPORT.—The General Accounting Office shall conduct a study of the methods by which weapon system acquisition could be managed by civilian personnel. Within 180 days after the date of enactment of this Act, such Office shall transmit a report to the Congress containing the findings and conclusions reached as a result of such study.

(b) DEFINITION.—For purposes of subsection (a), "weapon system acquisition" means the development and procurement of

weapon systems to be utilized by the Department of Defense, including all initial components, spare or replacement parts, hardware, software, and associated equipment, which function together to give the weapon system the capability to carry out the mission for which it is developed and procured.

(To the amendment offered by Mr. NICHOLS.)

—At the end of section 1016 of the material proposed to be inserted by the Nichols amendment, insert the following new subsection:

(d) APPLICABILITY TO SUBCONTRACTS.—The regulations of the Secretary of Defense required to be issued under subsection (b) shall require, to the maximum extent possible, that the provisions of section 2423 of title 10, United States Code, as added by subsection (a), shall apply to all subcontractors of any covered contract, as that term is defined in such section.

(To the amendment offered by Mr. NICHOLS.)

—In section 1016 of the material proposed to be inserted by the Nichols amendment, insert ", including legal fees" after "Professional and consulting services" in subsection (d)(2)(H) of the section 2324 of title 10, United States Code, which is added by subsection (a) of such section 1016.

(Substitute amendment for the amendment offered by Mr. NICHOLS.)

—Page 142, strike out line 9 and insert in lieu thereof the following (and redesignate the succeeding section accordingly):

TITLE VIII—PROCUREMENT POLICY REFORM AND OTHER PROCUREMENT MATTERS

SEC. 801. SHORT TITLE.

This title may be cited as the "Defense Procurement Waste and Abuse Prevention Act of 1985".

SEC. 802. PURPOSES.

The purposes of this title are—

(1) to ensure that items of indirect costs included by a contractor or a subcontractor of the Department of Defense in any contract awarded by the Secretary of Defense are monitored by the Secretary to prevent abuse and waste of Federal funds and to ensure that such costs do not include items of expenditures for reimbursement that are not reasonably related to the contract and subcontract; and

(2) to place the burden on the contractor (including the contractor's officers and employees) claiming reimbursement or payment for any indirect costs payable to such contractor under a defense contract or subcontract to show that such costs are reasonable and allowable and to ensure that all such requests are made in accordance with the amendments made by this title and other applicable provisions of law and regulations.

SEC. 803. ALLOWABLE COSTS.

(a) REGULATION OF ALLOWABLE COSTS PAYABLE TO DEFENSE CONTRACTORS.—(1) Chapter 137 of title 10, United States Code, is amended by adding at the end thereof the following new section:

"§ 2324. Allowable costs under defense contracts

"(a)(1) The Secretary of Defense shall require that all covered contracts comply with the requirements of this title and that no contractor receives payment for indirect costs not allowed by or under this title. The Secretary shall also require that if a contractor submits to the Department of Defense a proposal (at the time of final settlement of contract costs or at any other time) covering any indirect cost incurred by the contractor for any period after such costs have been accrued which includes, as determined by the Secretary of Defense, the submission of one or more indirect costs that are specified by statute (other than this paragraph) or regulation as unallowable—

"(A) all costs, including such unallowable indirect costs, covered by that proposal shall be disallowed by the Secretary; and

"(B) the Secretary shall require the contractor to pay to the United States an amount equal to the greater of $10,000 or—

"(i) the amount of the indirect cost unallowable under such statute or regulation, plus interest; or

"(ii) if the cost is of a type that has been finally determined, before the submission of such proposal, to be expressly unallowable to that contractor, an amount equal to twice the amount of such unallowable indirect cost, plus interest.

"(2) An action by the Secretary under a contract provision required by paragraph (1) to disallow a cost and to require payment of a contractor—

"(A) shall be considered a final decision for purposes of section 6 of the Contracts Dispute Act of 1978 (41 U.S.C. 605); and

"(B) shall be appealable in the manner provided in section 7 of such Act (41 U.S.C. 606).

"(3) Interest under paragraph (1) shall be computed—

"(A) from the date on which the cost is submitted to the Secretary; and

"(B) at the applicable rate prescribed by the Secretary of the Treasury under section 6621 of the Internal Revenue Code of 1954.

"(b) The following costs are not allowable indirect costs under a covered contract:

"(1) Costs of entertainment, including amusement, diversion, and social activities and any costs directly associated with such costs (such as tickets to shows or sports events, meals, lodging, rentals, transportation, and gratuities).

"(2) Costs incurred to influence (directly or indirectly)—

"(A) congressional action on any legislation or appropriations matters pending before Congress or a State; or

"(B) executive branch action on any regulatory or contract matter pending before an executive branch agency (other than reasonable and necessary costs incurred in preparing a contract submission or proposal in response to any solicitation).

"(3) Costs incurred in defense of any civil or criminal fraud proceeding or similar proceeding (including filing of any false certification) brought by the United States where the contractor is found liable for fraud or has pleaded nolo contendere to a charge of fraud or similar proceeding (including filing of false certification).

"(4) Payments of fines and penalties resulting from violations of, or failure to comply with, Federal, State, local, or foreign laws and regulations, except when incurred as a result of compliance with specific terms and conditions of the contract or specific written instructions from the contracting officer authorizing in advance such payments in accordance with applicable regulations of the Secretary of Defense.

"(5) Costs of membership in any social, dining, or country club or organization.

"(6) Costs of bulk purchases of alcoholic beverages.

"(7) Contributions or donations, regardless of the recipient.

"(8) Costs of advertising designed to promote the contractor or its products.

"(9) Costs of promotional items and memorabilia, including models, gifts, and souvenirs.

"(10) Other cost items identified by regulation which the Secretary of Defense shall prescribe by regulation under this section.

"(11) Except as provided in subsection (c), costs for travel by aircraft to the extent that such costs exceed the amount of the standard commercial fare for travel by air common carrier between the points involved.

"(c)(1) Subsection (b)(11) may be waived by the contracting officer if the officer determines that travel by air common carrier at standard fare—

"(A) would require travel at unreasonable hours;

"(B) would excessively prolong travel;

"(C) would result in overall increased costs that would offset potential savings from travel at standard commercial fare; or

"(D) would not meet physical or medical needs of the person traveling.

"(2) Subsection (b)(11) may be waived by the contracting officer if the officer determines that travel by aircraft other than a common carrier—

"(A) is—

"(i) specificially authorized under the contract; or

"(ii) impractical; and

"(B) is for business purposes and requires the use of such aircraft.

"(3) Costs for air travel in excess of that allowed by subsection (b)(11) may only be allowed by reason of one of the exceptions contained in paragraph (1) or by reason of paragraph (2) if the exception is fully documented and justified, including, in the case of an exception under paragraph (2), full documentation of the use of the aircraft for business purposes. Any waiver by the contracting officer shall be made in writing in advance of the travel or at such other times as the officer considers reasonable.

"(d)(1) The Secretary of Defense shall prescribe regulations, consistent with requirements of subsection (b), to establish criteria for the allowability of indirect contractor costs under Department of Defense contracts. Such regulations shall be prescribed as part of the Department of Defense supplement to the Federal Acquisition Regulation. In developing specific criteria for the allowability of such costs, the Secretary shall consider whether reimbursement of such costs by the United States is in the best interest of the United States and consistent with the requirements of subsection (b). Such regulations—

"(A) shall define and interpret in reasonable detail and specific terms those indirect costs, including the cost requirements of subsection (b), that are unallowable and allowable under contracts entered into by the Department of Defense; and

"(B) shall provide that specific costs unallowable under one cost principle shall not be allowable under any other cost principle.

"(2) The regulations under paragraph (1) shall, at a minimum, clarify the cost principles applicable to a contractor of the following:

"(A) Air shows.

"(B) Advertising.

"(C) Recruitment.

"(D) Employee morale and welfare.

"(E) Community relations.

"(F) Dining facilities.

"(G) Professional and consulting services, including legal fees.

"(H) Compensation.

"(I) Selling and marketing.

"(J) Travel.
"(K) Public relations.
"(L) Hotel and meal and related alcoholic and other beverages expenses.
"(M) Membership in civic, community, and professional organizations.
"(3) Such regulations shall specify the circumstances under which clauses (A) and (B) of subsection (c)(1) shall be applied.
"(4) Such regulations shall require that a contractor be required to provide current, accurate, and complete documentation to support the allowability of an indirect cost at the time a proposal which includes (or may reasonably include) any indirect costs is submitted to the Secretary. If such documentation is not sufficient to support the allowability of the cost, the cost shall be challenged by the Secretary and it shall become expressly unallowable and not subject to negotiation.
"(e)(1) The Secretary of Defense shall require that each indirect cost in the contractor's submission for final overhead settlement applied to covered contracts that is not specifically unallowable under law or regulation and that is challenged by the Secretary as being unallowable shall be considered for resolution separately from the resolution of other challenged costs. If such challenged cost cannot be resolved separately, then the settlement may include an aggregate amount for the settlement of all such challenged costs if—
"(A) the contractor and the contracting officer cannot agree on the allowability of the cost under applicable cost principles;
"(B) the contracting officer documents the reasons why an agreement cannot be reached; and
'(C) the contractor agrees in writing that costs of that type will not be submitted to the Department of Defense for payment as an allowable indirect cost in the future under that contract or any other contract of the contractor with the Secretary.
"(2) The Secretary of Defense shall provide that the defense contract auditor be present at any negotiation or meeting with the contractor regarding a determination of the allowability of indirect costs of the contractor. If, in exceptional circumstances, such auditor cannot reasonably be present, the preceding sentence may be waived by the contracting officer.
"(f)(1) A contractor that submits a proposal for interim or final settlement of indirect costs applicable to a covered contract shall be required to certify that all indirect costs included in the proposal are allowable. Any such certification shall be in the form prescribed in paragraph (2).
"(2) The certification required by paragraph (1) is as follows:

" 'CERTIFICATE OF OVERHEAD COSTS

" 'This is to certify that:
" '1. I have reviewed the claim submitted herewith;
" '2. All costs included in this claim for (overhead costs for rate approval) (final settlement for identify period) are allowable in accordance with the requirements of contracts to which they apply and with the cost principles of the Department of Defense applicable to those contracts;
" '3. This claim does not include any costs which are unallowable under applicable cost principles of the Department of Defense, such as (without limitation): advertising and public relations costs (contributions and donations), entertainment costs, fines and penalties, lobbying costs, defense of fraud proceedings, and goodwill; and
" '4. All costs included in this claim benefit the Department of Defense and are demonstrably related to or necessary for the performance of the Department of Defense contract(s) covered by the claim.
" 'I declare under penalty of perjury that the foregoing is true and correct.'.
"(3) Such certification shall identify the contractor and be signed by the chief financial officer of the contractor.
"(g) The Secretary of Defense shall provide that, in establishing the interim or provisional rates for payment of indirect costs to a contractor for which final settlement will be made at a later time, such rates shall be based upon amounts incurred by such contractor for indirect costs less any amount questioned by the agency with responsibility for audits of contracts and amounts prohibited by this section.
"(h) In this section, 'covered contract' means a contract entered into by the Department of Defense for an amount more than $25,000—
"(1) that is flexibly priced; or
"(2) for which cost or pricing data is required under section 2306(f) of this title.".
(2) The table of sections at the beginning of such chapter is amended by adding at the end thereof the following new item:

"2324. Allowable costs under defense contracts.".

(b) REGULATIONS.—(1) Not later than 180 days after the date of the enactment of this Act, the Secretary of Defense shall publish final regulations required by subsection (d) of section 2324 of title 10, United States Code, as added by subsection (a). Such regulations shall be prescribed in accordance with section 22 of the Office of Federal Procurement Act (41 U.S.C. 418b). The Secretary shall review such regulation at least once every three years and the results of that review, taking into consideration experience, shall be made public.
(2) Not later than 90 days after the date of the enactment of this Act, the Secretary of Defense shall submit to the Committees on Armed Services of the Senate and House of Representatives—
(A) a copy of proposed regulations to be prescribed in accordance with paragraph (1); and
(B) a report identifying—
(i) the nature of the proposed changes that would be made by such proposed regulations to the current cost principles on the allowability of contractor costs; and
(ii) the potential effect of such changes on the allowability of contractor costs.
(3) At the time such proposed regulations and report are submitted to such committees, they shall also be published in the Federal Register for purposes of public comment of not less than 30 days.
(c) EFFECTIVE DATE.—Section 2324 of title 10, United States Code, as added by subsection (a), shall apply to costs incurred under any contract entered into before, on, or after the date of enactment of this Act to the extent such costs are incurred at any time 60 days after such regulations are promulgated. Such section shall not apply to any contract entered into before the date of the enactment of this Act if the Secretary of Defense determines that the particular terms of the contract existing before promulgation of such regulations are such that the provisions of that section could not be applied to the contract.
(d) APPLICABILITY TO SUBCONTRACTS.—The regulations of the Secretary of Defense required to be issued under subsection (b) shall require to the maximum extent possible that the provisions of section 2423 of title 10, United States Code, as added by subsection (a), shall apply to all subcontractors of any covered contract, as that term is defined in such section.

SEC. 804. SUBPOENAS OF DEFENSE CONTRACTOR RECORDS.

Section 2313 of title 10, United States Code, is amended by adding at the end thereof the following new subsection:
"(d)(1) The Secretary of Defense may require by subpoena the production of any books, documents, papers, or records of a contractor or subcontractor that are needed by the Secretary for the purposes of subsection (a) or the purposes of section 2306(f) of this title.
"(1) Any such subpoena, in the case of contumacy or refusal to obey, shall be enforceable by order of an appropriate United States district court.
"(3) The authority of the Secretary of Defense under this subsection shall be promptly delegated to each of the following:
"(A) An officer of the Department of Defense appointed by the President, by and with the advice and consent of the Senate.
"(B) The director of the defense agency or other element of the Department of Defense that has responsibility for audits of defense contracts.".

SEC. 805. LIMITATION ON ASSIGNMENTS OF PRINCIPAL CONTRACTING OFFICERS.

(a) LIMIT ON TOURS OF DUTY AND REASSIGNMENTS.—The Secretary of Defense shall prescribe regulations—
(1) to limit to five years the maximum tour of duty for which an officer or employee under the jurisdiction of the Secretary may be assigned to represent the Department of Defense with a particular contractor as a principal contracting officer; and
(2) to provide that an officer or employee who has held a position as principal contracting officer with a contractor may not be reassigned to duty with that contractor or any contractor affiliated with that contractor for a period of five years after the end of the previous such assignment.
(b) WAIVER AUTHORITY.—The Secretary of Defense or the Secretary of the military department concerned may, in an exceptional case, waive the limitation in subsection (a) in the case of any officer or employee if the Secretary—
(1) determines that it would not be in the best interests of the United States to apply such limitation in that case; and
(2) states in writing the reasons for that determination, which shall be available to the public.
Any such waiver may not extend such period for more than two years.
(c) DEFINITION.—For purposes of this section, the term "principal contracting officer" means—
(1) a principal corporate administrative contracting officer or deputy principal corporate administrative contracting officer; and
(2) a principal administrative contracting officer or deputy principal administrative contracting officer.

(To the Amendment Offered by Mr. NICHOLS.)

—In section 1016 of the material proposed to be inserted by the NICHOLS amendment, strike out subsection (f) of the section 2324 of title 10, United States Code, which is added by subsection (a) of such section 1016 and insert the following in lieu thereof:

"(f)(1) A contractor that submits a proposal for interim or final settlement of indirect costs applicable to a covered contract shall be required to certify that all indirect costs

included in the proposal are allowable. Any such certification shall be in the form prescribed in paragraph (2).

"(2) The certification required by paragraph (1) is as follows:

" 'CERTIFICATE OF OVERHEAD COSTS

" 'This is to certify that:

" '1. I have reviewed the claim submitted herewith;

" '2. All costs included in this claim for (overhead costs for rate approval) (final settlement for identify period) are allowable in accordance with the requirements of contracts to which they apply and with the cost principles of the Department of Defense applicable to those contracts;

" '3. This claim does not include any costs which are unallowable under applicable cost principles of the Department of Defense, such as (without limitation): advertising and public relations costs (contributions and donations), entertainment costs, fines and penalties, lobbying costs, defense of fraud proceedings, and goodwill; and

" '4. All costs included in this claim benefit the Department of Defense and are demonstrably related to or necessary for the performance of the Department of Defense contract(s) covered by the claim.

" 'I declare under penalty of perjury that the foregoing is true and correct.'.

"(3) Such certification shall identify the contractor and be signed by the chief financial officer of the contractor.

By Mr. SKELTON:

(Substitute amendment to the amendment offered by Mr. PORTER.)

—Page 22, after line 23, insert the following new section:

SEC. 111. CONDITION ON SPENDING FUNDS FOR BINARY CHEMICAL MUNITIONS.

(a) IN GENERAL.—None of the funds appropriated pursuant to authorizations of appropriations in this title may be used for procurement or assembly of complete binary chemical munitions except in accordance with subsection (b).

(b) CONDITIONS.—The funds referred to in subsection (a) may be used for the procurement or assembly of complete binary chemical munitions after September 30, 1987, if—

(1) a mutually verifiable international agreement concerning binary and other similar chemical munitions has not been entered into by the United States by such date;

(2) the President transmits, after such date, a certification to the Congress that—

(A) the procurement and assembly of such complete weapons is necessitated by national security interests, including the interests of the members of North Atlantic Treaty Organization;

(B) performance specifications established by the Department of Defense and in effect on the date of enactment of this Act with respect to such munitions will be met or exceeded in the handling, storage, and other use of such munitions;

(C) applicable Federal safety requirements will be met or exceeded in the handling, storage, and other use of such munitions; and

(D) the Secretary of Defense's plan (which shall accompany such certification) for destruction of existing chemical stocks is ready to be implemented;

(3) such procurement and assembly is carried out only after the end of the 60-day period beginning on the date such certification is received by the Congress;

(4) the Secretary of Defense's basing mode for such munitions in the United States is to be carried out in a manner which provides that the two components that constitute a binary munition are based in separate States; and

(5) the Secretary of Defense's plan for the transportation of such munitions in the United States is to be carried out in a manner which provides that the two components that constitute a binary munition are transported separately and by different means.

By Mr. SPRATT:

(To the substitute amendment offered by Mr. Skelton.)

—On page 2, line 7, strike out "and",

On page 2, line 10, at the end of the line, insert "and".

On page 2, immediately following line 10, insert the following:

(E) The North Atlantic Council of the North Atlantic Treaty Organization (NATO) has formally agreed that chemical munitions currently stored and deployed in NATO countries need to be modernized in order to serve as an adequate deterrent; that such modernization should be effected by replacement of current chemical munitions with binary chemical munitions; and that the European member nations of NATO where such chemical munitions are to be stored or deployed are willing to accept storage and deployment of binary chemical munitions within their territories.

—On page 27, line 2, strike out "and".

On page 27, line 4, strike out the period and insert in lieu thereof "; and".

On page 27, after line 4, insert the following:

(5) $500,000 is available for use by the Defense Logistics Agency only for the Military Sewn Products Automation Program (MILSPA).

By Mr. WYDEN:

(To the amendment offered by Mr. Nichols.)

In section 1016 of the material proposed to be inserted by the Nichols amendment, strike out subsection (f) of the section 2324 of title 10, United States Code, which is added by subsection (a) of such section 1016 and insert the following in lieu thereof:

"(f)(1) A contractor that submits a proposal for interim or final settlement of indirect costs applicable to a covered contract shall be required to certify that all indirect costs included in the proposal are allowable. Any such certification shall be in the farm prescribed in paragraph (2).

"(2) The certification required by paragraph (1) is as follows:

" 'CERTIFICATE OF OVERHEAD COSTS

" 'This is to certify that:

" '1. I have reviewed the claim submitted herewith;

" '2. All costs included in this claim for (overhead costs for rate approval) (final settlement for identify period) are allowable in accordance with the requirements of contracts to which they apply and with the cost principles of the Department of Defense applicable to those contracts;

" '3. This claim does not include any costs which are unallowable under applicable cost principles of the Department of Defense, such as (without limitation): advertising and public relations costs (contributions and donations), entertainment costs, fines and penalties, lobbying costs, defense of fraud proceedings, and goodwill; and

" '4. All costs included in this claim benefit the Department of Defense and are demonstrably related to or necessary for the performance of the Department of Defense contract(s) covered by the claim.

" 'I declare under penalty of perjury that the foregoing is true and correct.'.

"(3) Such certification shall identify the contractor and be signed by the chief financial officer of the contractor.

(Substitute amendment for the amendment offered by Mr. Nichols.)

—Page 142, strike out line 9 and insert in lieu thereof the following (and redesignate the succeeding section accordingly):

TITLE VIII—PROCUREMENT POLICY REFORM AND OTHER PROCUREMENT MATTERS

SEC. 801. SHORT TITLE.

This title may be cited as the "Defense Procurement Waste and Abuse Prevention Act of 1985".

SEC. 802. PURPOSES.

The purposes of this title are—

(1) to ensure that items of indirect costs included by a contractor or a subcontractor of the Department of Defense in any contract awarded by the Secretary of Defense are monitored by the Secretary to prevent abuse and waste of Federal funds and to ensure that such costs do not include items of expenditures for reimbursement that are not reasonably related to the contract and subcontract; and

(2) to place the burden on the contractor (including the contractor's officers and employees) claiming reimbursement or payment for any indirect costs payable to such contractor under a defense contract or subcontract to show that such costs are reasonable and allowable and to ensure that all such requests are made in accordance with the amendments made by this title and other applicable provisions of law and regulations.

SEC. 803. ALLOWABLE COSTS.

(a) REGULATION OF ALLOWABLE COSTS PAYABLE TO DEFENSE CONTRACTORS.—(1) Chapter 137 of title 10, United States Code, is amended by adding at the end thereof the following new section:

"§ 2324. Allowable costs under defense contracts

"(a)(1) The Secretary of Defense shall require that all covered contracts comply with the requirements of this title and that no contractor receives payment for indirect costs not allowed by or under this title. The Secretary shall also require that if a contractor submits to the Department of Defense a proposal (at the time of final settlement of contract costs or at any other time) covering any indirect cost incurred by the contractor for any period after such costs have been accrued which includes, as determined by the Secretary of Defense, the submission of one or more indirect costs that are specified by statute (other than this paragraph) or regulation as unallowable—

"(A) all costs, including such unallowable indirect costs, covered by that proposal shall be disallowed by the Secretary; and

"(B) the Secretary shall require the contractor to pay to the United States an amount equal to the greater of $10,000 or—

"(i) the amount of the indirect cost unallowable under such statute or regulation, plus interest; or

"(ii) if the cost is of a type that has been finally determined, before the submission of such proposal, to be expressly unallowable to that contractor, an amount equal to twice the amount of such unallowable indirect costs, plus interest.

"(2) An action by the Secretary under a contract provision required by paragraph (1) to disallow a cost and to require payment of a contractor—

"(A) shall be considered a final decision for purposes of section 6 of the Contracts Dispute Act of 1978 (41 U.S.C. 605); and

"(B) shall be appealable in the manner provided in section 7 of such Act (41 U.S.C. 606).

"(3) Interest under paragraph (1) shall be computed—

"(A) from the date on which the cost is submitted to the Secretary; and

"(B) at the applicable rate prescribed by the Secretary of the Treasury under section 6621 of the Internal Revenue Code of 1954.

"(b) The following costs are not allowable indirect costs under a covered contract:

"(1) Costs of entertainment, including amusement, diversion, and social activities and any costs directly associated with such costs (such as tickets to shows or sports events, meals, lodging, rentals, transportation, and gratuities).

"(2) Costs incurred to influence (directly or indirectly)—

"(A) congressional action on any legislation or appropriation matters pending before Congress or a State; or

"(B) executive branch action on any regulatory or contract matter pending before an executive branch agency (other than reasonable and necessary costs incurred in preparing a contract submission or proposal in response to any solicitation).

"(3) Costs incurred in defense of any civil or criminal fraud proceeding or similar proceeding (including filing of any false certification) brought by the United States where the contractor is found liable for fraud or has pleaded nolo contendere to a charge of fraud or similar proceeding (including filing of false certification).

"(4) Payments of fines and penalties resulting from violations of, or failure to comply with, Federal, State, local, or foreign laws and regulations, except when incurred as a result of compliance with specific terms and conditions of the contract or specific written instructions from the contracting officer authorizing in advance such payments in accordance with applicable regulations of the Secretary of Defense.

"(5) Costs of membership in any social, dining, or country club or organization.

"(6) Costs of bulk purchases of alcoholic beverages.

"(7) Contributions or donations, regardless of the recipient.

"(8) Costs of advertising designed to promote the contractor or its products.

"(9) Costs of promotional items and memorabilia, including models, gifts, and souvenirs.

"(10) Other costs items identified by regulation which the Secretary of Defense shall prescribe by regulation under this section.

"(11) Except as provided in subsection (c), costs for travel by aircraft to the extent that such costs exceed the amount of the standard commercial fare for travel by air common carrier between the points involved.

"(c)(1) Subsection (b)(11) may be waived by the contracting officer if the officer determines that travel by air common carrier at standard fare—

"(A) would require travel at unreasonable hours;

"(B) would excessively prolong travel;

"(C) would result in overall increased costs that would offset potential savings from travel at standard commercial fare; or

"(D) would not meet physical or medical needs of the person traveling.

"(2) Subsection (b)(11) may be waived by the contracting officer if the officer determines that travel by aircraft other than a common carrier—

"(A) is—

"(i) specifically authorized under the contract; or

"(ii) impractical; and

"(B) is for business purposes and requires the use of such aircraft.

"(3) Cost for air travel in excess of that allowed by subsection (b)(11) may only be allowed by reason of one of the exceptions contained in paragraph (1) or by reason of paragraph (2) if the exception is fully documented and justified, including, in the case of an exception under paragraph (2), full documentation of the use of the aircraft for business purposes. Any waiver by the contracting officer shall be made in writing in advance of the travel or at such other times as the officer considers reasonable.

"(d)(1) The Secretary of Defense shall prescribe regulations, consistent with requirements of subsection (b), to establish criteria for the allowability of indirect contractor costs under Department of Defense contracts. Such regulations shall be prescribed as part of the Department of Defense supplement to the Federal Acquisition Regulation. In developing specific criteria for the allowability of such costs, the Secretary shall consider whether reimbursement of such costs by the United States is in the best interest of the United States and consistent with the requirements of subsection (b). Such regulations—

"(A) shall define and interpret in reasonable detail and specific terms those indirect costs, including the cost requirement of subsection (b), that are unallowable and allowable under contracts entered into by the Department of Defense; and

"(B) shall provide that specific costs unallowable under one cost principle shall not be allowable under any other cost principle.

"(2) The regulations under paragraph (1) shall, at a minimum, clarify the cost principles applicable to a contractor of the following:

"(A) Air shows.

"(B) Advertising.

"(C) Recruitment.

"(D) Employee morale and welfare.

"(E) Community relations.

"(F) Dining facilities.

"(G) Professional and consulting services, including legal fees.

"(H) Compensation.

"(I) Selling and marketing.

"(J) Travel.

"(K) Public relations.

"(L) Hotel and meal and related alcoholic and other beverages expenses.

"(M) Membership in civic, community, and professional organizations.

"(3) Such regulations shall specify the circumstances under which clauses (A) and (B) of subsection (c)(1) shall be applied.

"(4) Such regulations shall require that a contractor be required to provide current, accurate, and complete documentation to support the allowability of an indirect cost at the time a proposal which includes (or may reasonably include) any indirect costs is submitted to the Secretary. If such documentation is not suficient to support the allowability of the cost, the cost shall be challenged by the Secretary and it shall become expressly unallowable and not subject to negotiation.

"(e)(1) The Secretary of Defense shall require that each indirect cost in the contractor's submission for final overhead settlement applied to covered contracts that is not specifically unallowable under law or regulation and that is challenged by the Secretary as being unallowable shall be considered for resolution separately from the resolution of other challenged costs. If such challenged cost cannot be resolved separately, then the settement may include an aggegate amount of the settlement of all such challenged costs if—

"(A) the contractor and the contracting officer cannot agree on the allowability of the cost under applicable cost principles;

"(B) the contracting officer documents the reasons why an agreement cannot be reached; and

"(C) the contractor agrees in writing that costs of that type will not be submitted to the Department of Defense for payment as an allowable indirect cost in the future under that contract or any other contract of the contractor with the Secretary.

"(2) The Secretary of Defense shall provide that the defense contract auditor be present at any negotiation or meeting with the contractor regarding a determination of the allowability of indirect costs of the contractor. If, in exceptional circumstances, such auditor cannot reasonably be present, the preceding sentence may be waived by the contracting officer.

"(f)(1) A contractor that submits a proposal for interim or final settlement of indirect costs applicable to a covered contract shall be required to certify that all indirect costs included in the proposal are allowable. Any such certification shall be in the form prescribed in paragraph (2).

"(2) The certification required by paragraph (1) is as follows:

" 'CERTIFICATE OF OVERHEAD COSTS

" 'This is to certify that:

" '1. I have reviewed the claim submitted herewith;

" '2. All costs included in this claim for (overhead costs for rate approval) (final settlement for identify period) are allowable in accordance with the requirements of contracts to which they apply and with the cost principles of the Department of Defense applicable to those contracts;

" '3. This claim does not include any costs which are unallowable under applicable cost principles of the Department of Defense, such as (without limitation): advertising and public relations costs (contributions and donations), entertainment costs, fines and penalties, lobbying costs, defense of fraud proceedings, and goodwill; and

" '4. All costs included in this claim benefit the Department of Defense and are demonstrably related to or necessary for the performance of the Department of Defense contract(s) covered by the claim.

" 'I declare under penalty of perjury that the foregoing is true and correct.'.

"(3) Such certification shall identify the contractor and be signed by the chief financial officer of the contractor.

"(g) The Secretary of Defense shall provide that, in establishing the interim or provisional rates for payment of indirect costs to a contractor for which final settlement will be made at a later time, such rates shall be based upon amounts incurred by such contractor for indirect costs less any amount questioned by the agency with responsibility for audits of contracts and amounts prohibited by this section.

"(h) In this section, 'covered contract' means a contract entered into by the Department of Defense for an amount more than $25,000—

"(1) that is flexibly priced; or

"(2) for which cost or pricing data is required under section 2306(f) of this title.".

(2) The table of sections at the beginning of such chapter is amended by adding at the end thereof the following new item:

"2324. Allowable costs under defense contracts.".

(b) REGULATIONS.—(1) Not later than 180 days after the date of the enactment of this Act, the Secretary of Defense shall publish final regulations required by subsection (d) of section 2324 of title 10, United States Code, as added by subsection (a). Such regulations shall be prescribed in accordance with section 22 of the Office of Federal Procurement Act (41 U.S.C. 418b). The Secretary shall review such regulation at least once every three years and the results of that review, taking into consideration experience, shall be made public.

(2) Not later than 90 days after the date of the enactment of this Act, the Secretary of Defense shall submit to the Committees on Armed Services of the Senate and House of Representatives—

(A) a copy of proposed regulations to be prescribed in accordance with paragraph (1); and

(B) a report identifying—

(i) the nature of the proposed changes that would be made by such proposed regulations to the current cost principles on the allowability of contractor costs; and

(ii) the potential effect of such changes on the allowability of contractor costs.

(3) At the time such proposed regulations and report are submitted to such committees, they shall also be published in the Federal Register for purposes of public comment of not less than 30 days.

(c) EFFECTIVE DATE.—Section 2324 of title 10, United States Code, as added by subsection (a), shall apply to costs incurred under any contract entered into before, on, or after the date of enactment of this Act to the extent such costs are incurred at any time 60 days after such regulations are promulgated. Such section shall not apply to any contract entered into before the date of the enactment of this Act if the Secretary of Defense determines that the particular terms of the contract existing before promulgation of such regulations are such that the provisions of that section could not be applied to the contract.

(d) APPLICABILITY TO SUBCONTRACTS.—The regulations of the Secretary of Defense required to be issued under subsection (b) shall require to the maximum extent possible that the provisions of section 2423 of title 10, United States Code, as added by subsection (a), shall apply to all subcontractors of any covered contract, as that term is defined in such section.

SEC. 804. SUBPOENAS OF DEFENSE CONTRACTOR RECORDS.

Section 2313 of title 10, United States Code, is amended by adding at the end thereof the following new subsection:

"(d)(1) The Secretary of Defense may require by subpoena the production of any books, documents, papers, or records of a contractor or subcontractor that are needed by the Secretary for the purposes of subsection (a) or the purposes of section 2306(f) of this title.

"(2) Any such subpoena, in the case of contumacy or refusal to obey, shall be enforceable by order of an appropriate United States district court.

"(3) The authority of the Secretary of Defense under this subsection shall be promptly delegated to each of the following:

"(A) An officer of the Department of Defense appointed by the President, by and with the advice and consent of the Senate.

"(B) The director of the defense agency or other element of the Department of Defense that has responsibility for audits of defense contracts.".

SEC. 805. LIMITATION ON ASSIGNMENTS OF PRINCIPAL CONTRACTING OFFICERS.

(a) LIMIT ON TOURS OF DUTY AND REASSIGNMENTS.—The Secretary of Defense shall prescribe regulations—

(1) to limit to five years the maximum tour of duty for which an officer or employee under the jurisdiction of the Secretary may be assigned to represent the Department of Defense with a particular contractor as a principal contracting officer; and

(2) to provide that an officer or employee who has held a position as principal contracting officer with a contractor may not be reassigned to duty with that contractor or any contractor affiliated with that contractor for a period of five years after the end of the previous such assignment.

(b) WAIVER AUTHORITY.—The Secretary of Defense or the Secretary of the military department concerned may, in an exceptional case, waive the limitation in subsection (a) in the case of any officer or employee if the Secretary—

(1) determines that it would not be in the best interests of the United States to apply such limitation in that case; and

(2) states in writing the reasons for that determination, which shall be available to the public.

Any such waiver may not extend such period for more than two years.

(c) DEFINITION.—For purposes of this section, the term "principal contracting officer" means—

(1) a principal corporate administrative contracting officer or deputy principal corporate administrative contracting officer; and

(2) a principal administrative contracting officer or deputy principal administrative contracting officer.

(To the amendment offered by Mr. Nichols.)

—Strike out the section 1017 of the material proposed to be inserted by the Nichols amendment and insert in lieu thereof the following:

SEC. 1017. SUBPOENAS OF DEFENSE CONTRACTOR RECORDS.

Section 2313 of title 10, United States Code, is amended by adding at the end thereof the following new subsection:

"(d)(1) The Secretary of Defense may require by subpoena the production of any books, documents, papers, or records of a contractor or subcontractor that are needed by the Secretary for the purposes of subsection (a) or the purposes of section 2306(f) of this title.

"(2) Any such subpoena, in the case of contumacy or refusal to obey, shall be enforceable by order of an appropriate United States district court.

"(3) The authority of the Secretary of Defense under this subsection shall be promptly delegated to each of the following:

"(A) An officer of the Department of Defense appointed by the President, by and with the advice and consent of the Senate.

"(B) The director of the defense agency or other element of the Department of Defense that has responsibility for audits of defense contracts.".

—Page 172, after line 20, insert the following new section:

SEC. 1016. REPORT ON CIVILIAN DEFENSE PROCUREMENT.

(a) REPORT.—The General Accounting Office shall conduct a study of the methods by which weapon system acquisition could be managed by civilian personnel. Within 180 days after the date of enactment of this Act, such Office shall transmit a report to the Congress containing the findings and conclusions reached as a result of such study.

(b) DEFINITION.—For purposes of subsection (a), "weapon system acquisition" means the development and procurement of weapon systems to be utilized by the Department of Defense, including all initial components, spare or replacement parts, hardware, software, and associated equipment, which function together to give the weapon system the capability to carry out the mission for which it is developed and procured.

(To the amendment offered by Mr. Nichols.)

—At the end of section 1016 of the material proposed to be inserted by the Nichols amendment, insert the following new subsection:

(d) APPLICABILITY TO SUBCONTRACTS.—The regulations of the Secretary of Defense required to be issued under subsection (b) shall require, to the maximum extent possible, that the provisions of section 2423 of title 10, United States Code, as added by subsection (a), shall apply to all subcontractors of any covered contract, as that term is defined in such section.

(To the amendment offered by Mr. Nichols.)

—In section 1016 of the material proposed to be inserted by the Nichols amendment, insert ", including legal fees" after "Professional and consulting services" in subsection (d)(2)(H) of the section 2324 of title 10, United States Code, which is added by subsection (a) of such section 1016.

—Page 118, after line 4, add the following new section:

SEC. 655. LICENSURE REQUIREMENT FOR DEFENSE HEALTH-CARE PROFESSIONALS.

(a) IN GENERAL.—(1) Chapter 55 of title 10, United States Code, is amended by adding at the end thereof the following new section:

"§ 1094. Licensure requirement for health-care professionals

"(a)(1) No person under the jurisdiction of the Secretary of a military department may provide health care independently as a health-care professional under this chapter unless the person has a current license to provide such care.

"(2) The Secretary of Defense may waive paragraph (1) with respect to any person in unusual circumstances. The Secretary shall prescribe by regulation the circumstances under which such a waiver may be granted.

"(b) The commanding officer of each health care facility of the Department of Defense shall ensure that each person who provides health care independently as a health-care professional at the facility meets the requirement of subsection (a).

"(c)(1) A person who provides health care in violation of subsection (a) is subject to a civil money penalty of not more than $5,000.

"(2) The provisions of subsections (b) and (d) through (g) of section 1128A of the Social Security Act (42 U.S.C. 1320a-7a) shall apply to the imposition of a civil money penalty under paragraph (1) in the same manner as they apply to the imposition of a civil money penalty under that sec-

tion, except that for purposes of this subsection—

"(A) a reference to the Secretary in that section is deemed a reference to the Secretary of Defense; and

"(B) a reference to a claimant in subsection (e) of that section is deemed a reference to the person described in paragraph (1).

"(d) In this section:

"(1) 'License'—

"(A) means a grant of permission by an official agency of a State, the District of Columbia, or a territory or possession of the United States to provide health care independently as a health-care professional; and

"(B) includes, in the case of such care furnished in a foreign country by a person who is not a national of the United States, a grant of permission by an official agency of that foreign country for that person to provide health care independently as a health-care professional.

"(2) 'Health-care professional' means a physician, dentist, clinical psychologist, nurse, and such other person providing direct patient care as may be designated by the Secretary of Defense in regulations.".

(2) The table of sections at the beginning of such chapter is amended by adding at the end thereof the following new item:

"1094. Licensure requirement for health-care professionals.".

(b) TRANSITION.—Section 1094 of title 10, United States Code, as added by subsection (a), does not apply during the three-year period beginning on the date of the enactment of this Act with respect to the provision of health care by any person who on the date of the enactment of this Act is a member of the Armed Forces.

EXTENSIONS OF REMARKS

JUDGE BAZELON RETIRES

HON. DON EDWARDS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 18, 1985

● Mr. EDWARDS of California. Mr. Speaker, David L. Bazelon, judge of the U.S. Court of Appeals for the District of Columbia, has announced his retirement.

Judge Bazelon, who sat on the appeals court here for almost 36 years, 16 as chief judge, will be remembered in legal history as one of the giants in the development of the law. It can be said with accuracy that the decent instincts of our country have been encouraged and strengthened as a result of the work of this celebrated jurist.

Fortunately for America, Judge Bazelon will continue his work in writing, lecturing and scholarship. In addition to the enormous contributions he has made in the past, we can look forward to a dialog from David Bazelon that will "blaze a path for other judges, and grapple with questions that no one has yet considered," to paraphrase the words of his good friend, Supreme Court Justice William J. Brennan, Jr.

Mr. Speaker, I ask that articles from the New York Times and the Washington Post, be included below:

[From the New York Times, June 11, 1985]

SPOKESMAN FOR LIBERALS WATCHES TIDE FLOW OUT

(By Stuart Taylor, Jr.)

WASHINGTON, June 10.—David L. Bazelon sat by a window that looks out on the Capitol Dome, in which praise and scorn for his rulings once echoed, and talked about what has made him tick as a judge.

"I was the youngest of nine kids," he recalled. "My father died when I was 2 and he left us nothing. That's something you live with as you move up."

He paused. The stately office in the United States Courthouse exuded power and prestige; lawbooks line the walls, a 1967 signed portrait of the Supreme Court under the late Chief Justice Earl Warren hangs by the door.

"If I look back and ask, why am I this kind of guy?" he continued. "There was a sensitivity. It wasn't anything planned. You see somebody hurting and you understand what hurt is."

THIRTY YEARS ON CUTTING EDGE

This sensitivity, together with driving ambition, intellectual curiosity and boldness in using judicial power, put Judge Bazelon on the cutting edge of the liberal activism that transformed American law and life between 1950 and 1980.

He was Chief Judge of the United States Court of Appeals for the District of Columbia Circuit from 1962 to 1978, an era when it was breaking new legal ground on broad issues. His court was as influential as any in the land after the Supreme Court, and he was one of the nation's most celebrated and controversial jurists.

Now the tides of history are running against much of what he stands for, and he is stepping down.

The old crusading fire still burns bright, flickering across the expressive face, radiating through the gesturing hands. But Judge Bazelon, who is 75, has not been feeling well, and he wants time to work on a book. He announced his retirement last month.

HE BECAME SENIOR JUDGE

Thus ends a judicial career that began in 1949 and in which he spearheaded the ideologically divided court's liberal majority before becoming a senior judge, with a reduced caseload, 30 years later.

A hero to many liberals, he was assailed by conservatives and some legal scholars as too soft on crime, too quick to read his own policy preferences into the law, too eager to extend judicial power into new areas.

His many admirers reject such criticisms and say he has not been a purveyor of liberal orthodoxy but a pioneer in confronting injustices that fester under conventional legal thinking, in challenging the status quo.

Judge Bazelon once said he sought "to infuse my consideration of legal principles with the passion and pain of life in our society." In doing so, Justice William J. Brennan, Jr., a close friend and regular luncheon companion, once said, he blazed a path for other judges by "grappling with questions that no one has yet considered, searching for answers to problems that do not yield to quick analysis."

His hundreds of judicial opinions helped shape the law on issues including the rights of criminal defendants and mental patients, communications law, the Freedom of Information Act, civil rights, environmental protection and more.

He has also been a prolific speaker, writer and joiner of organizations, with a special interest in bringing scientific insights into the legal process. "I've been into everything," he said in a recent interview.

In his most famous decision, Durham v. United States, in 1954, he sought to broaden and revitalize the insanity defense, to open courtroom doors to psychiatric insights into the roots of crime, and to spare from punishment those whose actions were "the product of mental disease or mental defect."

This new definition of legal insanity was later abandoned by his own court and rejected by Congress. But Judge Bazelon's opinion started a nationwide debate about criminal responsibility and mental illness that has outlived the Durham ruling.

HE DISAGREES ON CRIME'S SOURCE

For him a broader insanity defense represented a step towards recognition that crimes often resulted from poverty, social injustice and mental illness, not free choice to do evil. Throwing offenders into "the savage jungle that is our prison system," he has said, is no solution.

In recent years he has sharply criticized President Reagan's suggestions that poverty does not cause crime. "I don't know how we're going to make this a better world," he said in the interview, "but we ought at least to consider that these people never had a chance, to see the unfairness of it, to look at what's going on."

Such sentiments are out of tune with the current mood in political Washington and in the Supreme Court under Chief Justice Warren E. Burger, who was Judge Bazelon's most bitter ideological adversary on the appeals court.

But in the nation's leading law schools, where many of his 70 law clerks are professionals, Judge Bazelon's influence remains strong. His carefully drafted opinions are a favorite teaching tool, according to Prof. Alan Dershowitz of Harvard Law School, a former Bazelon clerk, because they force students to grapple with hard questions rather than to memorize easy answers.

For Judge Bazelon, characteristically, retirement represents a chance to start a new project. "What I really want to do is to write on what all this is about," he said with a wave around his office. "I think I've got something to say. I'm really excited about it."

SAMPLE BAZELON VIEWS

The right-wrong test, which considers knowledge or reason alone, is an inadequate guide to mental responsibility for criminal behavior. An accused is not criminally responsible if his unlawful act was the product of mental disease or mental defect. Juries will continue to make moral judgments. But they will be guided by wider horizons of knowledge concerning mental life.—*Durham v. United States, 1954*

Day after day I found myself reviewing the convictions of persons who had committed horrible acts of violence. The overwhelming majority of defendants came from the very bottom of our society. I didn't need Rorschach tests and EEG's to explain to me the causes of crime. The jury's consideration of the issue of criminal responsibility is an opportunity for a cross-section of the community to confront the culture of poverty, to see its pernicious efforts, to understand the crushing reality of deprivation, ignorance and despair. We will never resolve the problem of crime without first addressing its roots in poverty and social injustice.—*Speech, November 1983*

For nearly 200 years of this nation's history, few blacks, Hispanics would have thought of taking their claims to court. They knew they would receive no hearing there. If the so-called "litigation crisis" is due in any significant part to the increase in social expectations of the disadvantaged and to society's growing sensitivity to these issues, and I believe it is, then in my opinion the increase in litigation is a healthy one.—*Speech, June 1983*

[From the Washington Post, May 21, 1985]

U.S. COURT OF APPEALS JUDGE BAZELON TO RETIRE

(By Lawrence Feinberg and Saundra Saperstein)

U.S. Court of Appeals Judge David L. Bazelon, who personified liberal activism for more than three decades on a court often called the nation's second most powerful, said yesterday that he will retire from the bench.

● This "bullet" symbol identifies statements or insertions which are not spoken by the Member on the floor.

Outspoken, activist, creative and controversial, Bazelon has sat on the appeals court here for almost 36 years—16 of those as its chief judge.

His career spanned the terms of eight presidents, beginning with Harry Truman. He held sway over the court as it produced rulings that broadened the rights of criminal defendants and the mentally ill and allowed consumers and environmentalists to challenge successfully the powers that be.

"He was and still is a model of what a judge should be . . . someone who is unafraid to look behind a case to the pattern of social relations it represents and say 'This is unjust and intolerable in a decent society,'" said Yale law professor Robert Burt, a clerk to Bazelon in the mid-1960s.

Several lawyers and educators said his retirement is symbolic of "an end of an era"—an era that Columbia Law School Dean Benno C. Schmidt said was one of "very high activism on the court in expanding constitutional rights and imposing judicial versions on public policy and administrative law."

Bazelon, who is 75 and has held semiretired senior status since 1979, said in an interview at a judicial conference in Williamsburg yesterday that he hoped to spend some time writing about law and his half-century career.

"It's time to do something else instead of being tied down to these cases. I'm not going to live forever, and you have to give yourself time [to do some writing]," he said, adding that he is having some problems with his memory and felt it was best to step down.

Bazelon said his legal opinions were "influenced by concern for people who were getting the short end of the stick.

"I also knew that the way to do it isn't just to say 'this isn't good.' You have to have a basis for something [in the law]. There's no question that you don't turn over a judgment for somebody just to be helpful. But the important thing is to let the world know that some things oughtn't to be . . . Sometimes things are so outrageous that any person in his right mind would act."

Bazelon came to the court in 1949 when he was 40—then the youngest judge ever named to the federal bench.

In 1954, he wrote what still stands as his most famous opinion, in which he attempted to change the prevailing legal test for insanity in criminal cases.

The old test held that, in general, a criminal defendant could claim insanity as a defense only if it could be proven that he or she could not distinguish between right and wrong.

Bazelon, establishing what came to be known as the "Durham rule," said that a defendant should not be held criminally responsible—even if he or she knew that an act was wrong—if the crime was a product of a mental disease or defect. In 1972, the appeals court abandoned that standard.

For years, the Bazelon court—considered the most progressive in the nation—enjoyed the backing of Earl Warren's liberal Supreme Court, but after Warren E. Burger became chief justice in 1969, the tide of high court decisions began to turn against Bazelon.

In 1978, his opinion in a case involving a battle between environmentalists and the Nuclear Regulatory Agency was overturned by the Supreme Court in a stinging decision.

Bazelon had ruled that the agency had not adequately considered environmental factors before licensing the Vermont Yankee Nuclear Power Plant, but Justice William Rehnquist, who wrote the opinion, said the appeals decision was an example of "judicial intervention run riot" and excoriated Bazelon for "Monday morning quarterbacking" of administrative agencies.

Yesterday, Bazelon said the alternating swing between liberal and conservative political and legal decisions may not be "altogether a bad thing."

"Maybe the liberals go too far sometimes," he said, "Maybe the others go too far, and there's a way of getting an equilibrium."

Harvard law professor Alan Dershowitz, once a clerk to the judge, said in 1979 when Bazelon moved to senior status that the judges "enduring contribution" to the law "has been that he has pressed more questions on the system than any other judge. He has singled out the function of the Court of Appeals more than any other judge—to raise questions, to open areas for discussion."

Chief U.S. Circuit Court Judge Spottswood W. Robinson III, who formally announced Bazelon's retirement at the conference yesterday, said Bazelon will hear no new cases but will participate in writing opinions on cases that he has already heard.

"He has made his mark on the law and on the history of our circuit [court] which is both indelible and profound," said Robinson.●

KITTY ANDERSON: VOLUNTEER EXTRAORDINARY

HON. BRUCE F. VENTO

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 18, 1985

● Mr. VENTO. Mr. Speaker, the spirit of volunteerism has always been a strong American virtue. During times of natural disaster or economic downturns, millions of Americans have been there with financial and other support to help those in need. These volunteers are not driven by material gain or public attention. Rather, their efforts are because of their deep personal love and commitment to others.

Now, more than ever, there is an urgent need for volunteers. From the starving in Ethiopia to the homeless in St. Paul, people need help and need the support of others.

Mr. Speaker, I have been very fortunate to know a tireless worker, Kitty Anderson, who is committed to helping the less fortunate. Kitty has dedicated a large portion of her life to volunteer activities. She has worked with a variety of public and private groups such as the Stillwater State Prison, the Phalen Area Community Council, and the Loaves and Fishes Program. Her dedication to the needy has served as an example to all those who know her.

While not every volunteer can receive the credit they deserve, Kitty Anderson is worthy of special recognition. That is why I am so pleased that Kitty Anderson was featured in the May issue of the Merrick Community Center newsletter. While this is a fitting tribute to Kitty, an even greater tribute to her life is that through her example her children now have the same commitment and value toward people. At this time I would like to share with my colleagues the article about Kitty Anderson.

KITTY ANDERSON: VOLUNTEER EXTRAORDINARY

If one were to compile a list of all the places where Eastsider Kitty Anderson has volunteered over the last 25 years, it might read like Stephen Speilberg's movie credits.

But to name just a few, Kitty has been a volunteer for such institutions as Ramsey County Welfare, Stillwater State Prison, Phalen Area Community Council's "Kinship" program and Dayton Board and Care Home's "Sunny Tuesday."

Currently, among other volunteer work, she is the Chairperson of the Board for Emergency Food Services/Greater St. Paul Community Food Bank and co-coordinator of the Loaves and Fishes program where she is "chief cook and bottle washer" once a week for hungry street people.

She even manages to work 25 hours a week at the Church Book Store, a business which she and her husband own.

What started Kitty on her volunteer pursuits were her religious beliefs in love and brotherhood and the realization that "there is a great deal of injustice in the world."

Feeling herself "fortunate" because of a happy childhood, a loving family and husband, a house and enough food to eat, Kitty knows there are many who do not have what she has.

She helps others, she says, because "I see value in absolutely every person. Behind every person in trouble there is a reason for it. What we need to do is help people realize their own value."

Kitty believes that people "in trouble"—incest victims, prisoners, those with drug and alcohol problems, for example—are lacking in self-esteem and only through one-to-one contact can they better their situations.

A study at Stillwater Prison found that a majority of the inmates had been beaten as children. Kitty is very affected by that because, as she emphasizes, "At the same time that I was being loved, other kids were being beaten. We all have the same needs to be loved and wanted, and if those needs aren't met, we get in trouble."

Kitty began volunteering in the 1960s, and her efforts passed through three stages. She began with "safe" projects, such as visiting sick patients in hospitals. Next was her "committee" stage: she joined lots of committees "where nothing seemed to get done." Now she is concentrating on one-to-one contacts with others.

Although she is frequently in demand to help, she knows that she "can't do everything" and has narrowed her scope to what she terms as "hunger issues."

Kitty says her rewards as a volunteer are many, including meeting lots of interesting people, making new friends and, on a more practical side, "My life is a lot less boring than just working at the store and having a clean house." The people with whom she comes in contact also benefit, so "it's a two-way street," she notes.

This super Eastside volunteer doesn't plan to stop volunteering and will keep going as long as she can. "The most exciting thing a

volunteer can do is touch another person's life," she says. "I just value people."●

BALTIC FLAG DAY

HON. BARBARA A. MIKULSKI

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 18, 1985

● Ms. MIKULSKI. Mr. Speaker, I join in noting with the Baltic States the 45th anniversary of the U.S. nonrecognition policy toward the illegal and forcible Soviet occupation of Estonia, Latvia, and Lithuania. The Baltic people cherish the principles of religious and political freedom and independence. The Union of Soviet Socialist Republics has imposed upon the captive people of the Baltic republics an oppressive political system which has destroyed every vestige of democracy, civil liberties and religious freedom.

The Baltic people, however, continue to demonstrate tremendous courage when faced with constant Soviet forms of repression and religious persecution, Baltic culture and tradition still thrive. All Baltic people retain a strong desire for freedom, and it is this desire from which they get their strength.

The Baltic people are a symbol to the world of a people determined to maintain their culture, traditions, language, and religion despite Soviet control over their society. Over the years, the Baltic people have succeeded in maintaining their nationalistic spirit. It is this spirit we honor today, Baltic Freedom Day. Let the Baltic people know that we in the United States recognize and respect their right to freedom and self-determination. We honor and encourage their perseverance. Their struggle is not, and will not be forgotten.●

THE ENEMY WITHIN

HON. HENRY J. HYDE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 18, 1985

● Mr. HYDE. Mr. Speaker, as we debate the defense authorization bill this week, it would serve the cause of the defense of freedom to be aware that in our times, wars are often fought through subversion rather than by cross border attacks by armies in uniform.

Just as it appears we are not equipped to deal with Soviet espionage at home—the Walker spy case providing a recent example—so also are we ill-equipped to understand, much less cope with subversion in our own hemisphere.

A prime case study is what is going on in Costa Rica right now. I submit, for my colleagues, study, an article from the June 14 Wall Street Journal by Jaime Daremblum, a lawyer who also teaches political science at the University of Costa Rica.

COSTA RICA RESPONDS TO THE ENEMY WITHIN

SAN JOSE, COSTA RICA.—Nicaragua's military might and its recent incursions into Costa Rica and Honduras have become an important part of the debate in the U.S. Congress over continuing aid to anti-Sandinista rebels. However, to think that the Sandinista commandantes are preparing to send their troops across the border to occupy Costa Rica is folly.

Certainly, Costa Rica's social and democratic achievements are an offensive presence to the totalitarians in Managua. And if push came to shove, Costa Rica—with no army and only a scant police force—would be no match for the gargantuan Soviet-equipped Sandinista army. Nevertheless, this emphasis on Sandinista militarism and adventurism tends to overlook a more serious threat posed by the Sandinista regime to its neighbors.

While the Sandinista comandantes have proved themselves to be very poor disciples of Metternich and Castlereagh, they have an excellent sense of survival and have found subtle and effective means to disrupt the lives of their democratic neighbors. Links with extremists always come in handy, and with the help of Cuba and the Soviet Union, local communists in Costa Rica and other Central American countries have become Nicaragua's proxies on site.

The close bonds between Costa Rican communists and the Sandinistas go back to the 1960s and provide a palpable dimension to the Nicaraguan threat. The full extent of this alliance became evident last year when strikes and widespread invasions of farms by groups of squatters, promoted and directed by a radical wing of the Costa Rican Communist Party, disrupted the economy and jeopardized the political stability of the nation. More recently, evidence has surfaced the Costa Rican communists are being trained near Managua, have been tested in combat operations against anti-Sandinista rebels and are now operating within Costa Rica.

Earlier this year, a different type of criminal activity erupted in Costa Rica. Armed robberies have been committed in a fashion that sharply differs from the traditional modus operandi of local criminals, but which closely resemble robberies and kidnapings carried out by political terrorists in other Latin nations. These activities include infiltration of the target, prior rehearsals, specialized groups for each stage of the operation, the use of machine guns and commando-type escape logistics. Police investigations soon established a Nicaraguan connection with these events.

In February, the arrest of criminals in the northern Costa Rican city of Guanacaste (near the Nicaraguan border) led to the discovery of about 200 members of a faction of the Costa Rican Communist Party. Some of these individuals had been trained in Nicaragua and Cuba, and one was a Costa Rican congressman. Documents captured by the police showed that the group was planning to raise funds for radical movements throughout Central America.

Then, last March, Costa Rican police captured—also in Guanacaste—a Nicaraguan who was fleeing in a car stolen during an assault on the home of a prominent businessman in San Jose. The Nicaraguan was carrying with him plans for a series of criminal activities, as well as other documents that indicated the existence of a terrorist ring of some 50 people; mostly Nicaraguan. According to testimony on record, the group was connected to Nicaraguan government officials and its funding and recruitment were controlled by Managua's Embassy in San Jose.

Nicaragua has also been linked to Costa Rican operations conducted by extraregional groups. As a result of an alert from Spanish police, in September 1983 a terrorist from a Basque separatist organization (the ETA) was arrested with a local accomplice and charged with plotting to assassinate anti-Sandinista leader Eden Pastora. The Basque is currently awaiting an extradition request from Spain.

Nicaragua's diplomatic relations with its neighbors have acquired a quality similar to that of countries that forsake the rule of law while supporting international terrorism. Last Christmas Eve, acting in Iranian style, Sandinista policy forcibly removed from the Costa Rican Embassy in Managua Jose Urbina Lara, a man who had been granted asylum. Nicaragua replied to Costa Rican complaints against such flagrant violations of international law by torturing Mr. Urbina Lara and sentencing him to five years in jail. Only after Costa Rica, El Salvador and Honduras temporarily withdrew in protest from the Contadora discussions did the Nicaraguan government release Mr. Urbina Lara. In fact, his release was exploited as part of Daniel Ortega's March "peace offensive," prior to the U.S. Congress' vote on aid for the anti-Sandinista rebels.

Beyond direct intimidation of their neighbors through their foreign policies, the Sandinistas' misguided domestic policies have had a disastrous effect on what Costa Rican President Luis Alberto Monge described in his May 1 message to Congress as his nation's "migratory bomb." According to President Monge, 200,000 illegal Central American immigrants are now in Costa Rica—a number equivalent to about 10% of the population. Press reports indicate that most of the refugees are Nicaraguan, only a fraction of whom have registered with the United Nations High Commissioner for Refugees or the Red Cross. The Sandinistas' forced resettlement of thousands of peasants to create "fire-free" zones is sure to exacerbate this serious problem.

Reacting to the latest developments, and also to the rising demands of the general public, the Costa Rican government has taken steps to reenforce and modernize its small security apparatus. The recent arrival of two dozen U.S. military advisers to train some 700 members of Costa Rica's Civil Guard—as the main branch of the police is called—has had overwhelming support in the country.

Terrorism, politically motivated criminal activity, and an uncontrollable flood of refugees may strain Costa Rica's institutional muscle. But our country's deeply rooted democratic tradition will prove a formidable barrier to the growing and menacing shadow of Nicaragua.●

THE TEACHER RECRUITMENT AND RETENTION ACT

HON. MARIO BIAGGI
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 18, 1985

● Mr. BIAGGI. Mr. Speaker, a chronic and persistent teacher shortage threatens the future of our educational system and unless Congress acts in a decisive fashion to attack this problem—we will face the need for 1 million new teachers by the year 1990.

I have introduced what I believe to be a responsible and reasonable approach in H.R. 2742, the Teacher Recruitment and Retention Act. This bill provides a two-pronged approach to address both the anticipated shortfall in teachers, as well as the problems associated with keeping current teachers in the system.

The number of teachers entering the work force has decreased in the last decade from 300,000 to 150,000. This is based in large part to low pay—and even lower morale. We continue to hear that teachers have the lowest average starting salaries of any college graduate with a 4-year bachelor's degree. In my own State of New York, the purchasing power of a teacher's salary has actually decreased by 12 percent in the past 10 years. Quality and quantity of teachers in the work force depend upon adequate financial resources as well as inservice professional development opportunities. This bill would provide for both of these needs.

Specifically, H.R. 2742 attempts to encourage more people to enter teaching by deferring repayment of quaranteed and direct student loans for up to 5 years for those who become full-time teachers at the elementary or secondary school level. The debt that is associated with financing a 4-year college degree is especially burdensome for an individual with a lower-than-average starting salary.

By allowing teachers to wait for 5 years before they begin to repay their loans, we would provide up-front financial incentives to attract teachers into the work force. Teacher salaries reach a ceiling sooner—within the first third of one's career—and at a much lower level, than do salaries of other college educators.

It makes sense to allow teachers a small grace period before they enter repayment of their loans in exchange for the promise to enter the field. Inflation has decreased paychecks by 15 percent in the past decade. According to the National Commission for Excellence in Teacher Education, 87 percent of those leaving the profession cited inadequate salaries as a factor. Deferrals on these loans is, admittedly, an indirect and temporary salary subsidy which I believe is certainly not the answer to a permanent salary increase—but at least a first step toward pay equity.

Once we attract more teachers into the field—we must also provide ongoing professional development and training opportunities to keep them there. We have all heard about teacher burnout and understand the professional problems faced by teachers, who in any 1 work day, must play the role of educator, counselor, police officer, field marshal, and diplomat. Little, if any time is spent on learning about how to become a better teacher—or how to teach more effectively. The millions the Federal Government spends on educational research, including learning about effective teaching—will be lost if we cannot provide a mechanism to get that information in the workplace where it belongs.

This bill would provide $25 million over a 5-year period to local communities, on a discretionary basis, for the establishment of professional development centers for inservice teacher training. Special emphasis would be placed upon those teachers in low-income areas and schools serving special populations, where the teacher shortage is most acute. Minorities are especially underrepresented in the teaching force—they comprise less than 12.5 percent of the K-12 work force, despite the fact that 25 percent of the American school population is minority. By 1990, these figures are expected to drop to 5 and 30 percent respectively.

Projects will be awarded through a local governing board which would be composed primarily of teachers working in the area to be served. Findings on the most effective teaching methods, projects, and programs are to be collected and disseminated by the Secretary of Education. Our experience with previous inservice teacher training programs demonstrated that when these programs are run by teachers—for teachers—then they reach the widest possible audience and are effective tools in reducing teacher dissatisfaction with their jobs.

Congress has already taken a first step in addressing the teacher shortage problem by passing emergency legislation in the 98th Congress to correct the special problem in recruitment and retention of math and science teachers. This responded to the fact that 10 percent of math and science teachers left the field since 1982. Of those that have remained—30 percent are not qualified to teach and 40 percent will retire in the next decade. However, the $100 million that we provided this year specifically for the math and science teaching problem is not a cure-all, but a mere band-aid on a much larger, festering sore. According to a 1984 survey of teacher supply and demand, nationwide shortages are found in the areas of math, physics, special education, computer programming, chemistry, bilingual education, earth science, biology, and English. The same survey found that the shortage is increasing at the fastest rate for not only science, but for elementary, Spanish, and French teachers.

Mr. Speaker, Congress must reauthorize the Higher Education Act in this Congress, which provides us a timely opportunity to advance proposals to address the teacher shortage problem. Title IV of the act is the heart of the Federal Government's role in providing educational opportunity, and is an appropriate tool in this battle. Title V has traditionally provided ongoing inservice training opportunities—most of which were eliminated in the 1981 Omnibus Reconciliation Act. This year, I would hope that we could reexamine the Federal role in assisting and nurturing the teaching profession by giving serious consideration to H.R. 2742, the Teacher Recruitment and Retention Act.

For the benefit of my colleagues, I will insert into the RECORD, a copy of H.R. 2742.

H.R. 2742

A bill to amend the Higher Education Act of 1965 to provide, with respect to guaranteed, insured, and direct student loans, deferral of repayment and payment by the Government of the interest during the borrower's service as an elementary or secondary school teacher

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Teacher Recruitment and Retention Act of 1985".

SEC. 2. FINDINGS.

The Congress finds that—

(1) excellence in education requires an adequately trained and staffed supply of elementary and secondary school teachers in the classroom;

(2) the number of new teachers entering the field in the last decade has decreased from 300,000 to 150,000;

(3) the current teacher shortage is expected to escalate so that by 1990, one million new teachers will be needed.

(4) starting salaries for teachers are lower than for any other program requiring a four-year college degree and are a significant factor in recruitment and retention of qualified teachers;

(5) our Nation's 2.4 million teachers must be directly involved in community-based efforts and activities designed to upgrade professional skills of teachers for the workplace; and

(6) the Federal Government has a significant role to play in assuring the local school districts in recruiting and retaining qualified teachers by providing professional development opportunities and adequate salaries for all current and future teachers.

SEC. 3. SUBSIDIES FOR STUDENT LOANS TO BORROWERS WHO TAKE CAREERS IN TEACHING.

(a) INSURED STUDENT LOANS.—Section 427(a)(2)(C) of the Higher Education Act of 1965 is amended—

(1) by redesignating clauses (vi) through (viii) as clauses (vii) through (ix), respectively; and

(2) by inserting after clause (v) the following new clause: "(vi) not in excess of five years during which the borrower is engaged as a full-time teacher in a public or private elementary or secondary school;".

(b) GUARANTEED STUDENT LOANS.—Section 428(b)(1)(M) of the Higher Education Act of 1965 is amended—

(1) by redesignating clauses (vi) through (viii) as clauses (vii) through (ix), respectively; and

(2) by inserting after clause (v) the following new clause: "(vi) not in excess of five years during which the borrower is engaged as a full-time teacher in a public or private elementary or secondary school;".

(c) DIRECT STUDENT LOANS.—Section 464(c)(2)(A) of the Higher Education Act of 1965 is amended—

(1) by redesignating clauses (vi) and (vii) as clauses (vii) and (viii), respectively;

(2) by inserting after clause (v) the following new clause:

"(vi) is engaged as a full-time teacher in a public or private elementary or secondary school;";

(3) striking out "or (vii)" in the second sentence of such section and inserting in lieu thereof "or (viii)";

(4) by inserting before the last sentence of such section the following new sentence: "The period during which repayment may be deferred by reason of clause (vi) shall not exceed five years."; and

(5) by striking out "clause (vi)" in the last sentence of such section and inserting in lieu thereof "clause (vii)".

SEC. 4. PROFESSIONAL DEVELOPMENT CENTERS.

Title V of the Higher Education Act of 1965 is amended by inserting before part B the following new part:

"PART A—PROFESSIONAL DEVELOPMENT CENTERS

"PROGRAM AUTHORIZED

"SEC. 501. From the funds appropriated under section 504, the Secretary shall make grants to local educational agencies, institutions of higher education, and consortia of such agencies and institutions to support programs (1) providing in-service training and professional development for existing teachers of elementary and secondary school, (2) improving teacher preparation for new teachers, (3) enhancing educational leadership, and (4) providing special assistance to those teachers working with and in low-income areas and schools serving special populations. In awarding grants under this section, the Secretary shall give special emphasis to awarding grants to school districts that are in low-income areas and that have a demonstrated shortage of certified and qualified teachers.

"PROJECT ADMINISTRATION

"SEC. 502. Each project to which a grant is made under section 501 shall be administered by a governing board that is primarily composed of teachers from the area served by the project.

"DISSEMINATION OF INFORMATION

"SEC. 503. The Secretary shall collect and disseminate information on projects assisted with funds under this part and shall evaluate the benefits of such projects for the participants therein and disseminate the results of such evaluations.

"AUTHORIZATION OF APPROPRIATIONS

"SEC. 504. There are authorized to be appropriated to carry out this part, $5,000,000 for fiscal year 1986 and each of the four succeeding fiscal years.".●

THE ROBERT REUBEN SCHOLARSHIP RECIPIENTS AT MIRA COSTA HIGH SCHOOL

HON. MEL LEVINE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 18, 1985

● Mr. LEVINE of California. Mr. Speaker, this year is literally loaded with anniversary celebrations and observances related to the welcome ending of World War II, but on the night of June 12, at Mira Costa High School in my district, there is to be a very special remembrance when three outstanding students—Leland Dutcher, Jason Fink, and Chad Conrad—receive Robert Reuben scholarships. Most of the people in Manhattan Beach who do remember him (he died in 1964), think of him as the man who established the Pen & Quill Restaurant (now Barnaby's), and as the president of the Manhattan Beach Chamber of Commerce in 1955–56.

Robert Reuben was far more than that. He is a substantial footnote in the history of journalism—the first man to get a Normandy datelined story out on D-day.

Mira Costa High School invited Col. Barney Oldfield, a retired Air Force officer, to be the speaker for the occasion and make the scholarship awards. He not only knew Reuben well, but was the one who encouraged him to take parachute and glider training so he could accompany the 101st Airborne Division into Normandy. Because what Robert Reuben did was so enterprising, courageous, and the ultimate in risktaking in pursuit of the adventurous profession of a war correspondent, I request unanimous consent to insert Colonel Oldfield's remarks in the RECORD and commend it to the attention of my colleagues:

REMARKS OF COL. BARNEY OLDFIELD, USAF (RET.)[1] ON OCCASION OF THE AWARD OF ROBERT REUBEN SCHOLARSHIPS AT MIRA COSTA HIGH SCHOOL, MANHATTAN BEACH, CA, JUNE 12, 1985

[Robert Reuben Scholarship Winners: Leland Dutcher, who will enter UC, Berkeley; Jason Fink, who will go to UCLA; and Chad Conrad, who will enter Brigham Young University.]

Distinguished guests, students of Mira Costa High School: When Sally Reed asked me to come here today to join you for the presentation of the Robert Reuben Scholarships, you can be forgiven for not knowing what memories and what a sentimental occasion it would be for me.

Long before the three we honor tonight were born—Leland Dutcher, Jason Fink, and Chad Conrad—I was a paratrooper. It was in 1943 and I had been ordered to England to carry cut a most difficult persuading task, probably the toughest sales job ever. There was concern that something the Army had begun, the concept of vertical envelopment, or introducing soldiers into combat by parachute and glider transport, had not been well covered by war correspondents. The Army was staking a great deal on the success of airborne troops, and needed the role better understood.

The job they had given me was one of sidling up to war correspondents in London to make them a great story offer, having them accompany the airborne troops into battle. In that time period, this was about as enticing a prospect as asking someone to stand still while allowing somebody else to knock his teeth out with a ball bat. I must say that I lost more people in mid-conversation that I could count. The trouble with what I was tossing out for their consideration was, if they said yes, they had to agree to go to parachute and glider school, ultimately making five qualifying parachute jumps and as many glider rides and landings.

There was good reason for this as no commander wanted to have somebody freeze in the aircraft door at the last minute and jeopardize the lives of accompanying soldiers who were already hazardously engaged.

Over a period of 4 months, I was able to get 16 to volunteer, go through the training, and announce themselves as ready to go on whatever adventure the planners were arranging for airborne troops. Nobody said the word out loud, but the destination of a major commitment of three airborne divisions, two American and one British, was Normandy.

The date was to live forever in history, just 41 years and 6 days ago.

One of the earliest to volunteer for my opportunity package was a young man born in Omaha, Nebraska, named Robert Reuben. Although he was an American, he landed a job with the British News Agency, Reuters, and it was for them that he was accredited. One of the first to complete the preparatory training, he was also one of the first to be apprehensive about a journalism imperative, once he has his story, and had lived through the landing, how was he going to get it out?

That was a great unknown, a very, very big one as he was going to be in a life-risking situation, and unless he could tell his story, it would have been for nothing. And he might be a dead man as well. Every communications need had to be carried with him by parachute!

At this juncture in our mutual dilemma, an old army sergeant appeared in my door in London. He acted as though he was embarrassed to make such a suggestion, but he said he did have one. Had we ever thought about using carrier pigeons?

He had only half entered the office, as if he expected to have to run for his life for having made such a ludicrous suggestion. I must admit my first reaction was to not consider this too seriously, but when there's nothing else, one is wise not to throw anything away.

Without Reuben knowing anything about it, or any of my other prospects either, we thought we'd give it a trial run during a manuever down near Land's End to the west

[1] Now a consultant with Litton Industries, who not only knew Robert Reuben, but was the one who encouraged him to volunteer for parachute and glider training before Normandy, so he could accompany the D-Day airborne invasion of Western Europe. These remarks will be given exactly 41 years plus 6 days to the very hour after Reuben's plane was approaching the Cherbourg Peninsula in France.

of England. I had one of my colleagues loaded down with wicker cages full of carrier pigeons, who had his very own landing craft from which to launch them. Our research showed us that there are overwater carrier pigeons, and overland varieties; the overwater types being able to navigate even though there's no land in sight.

As the maneuvering flotilla hovered in the darkness, my friend wrote little nonsense messages, put them in the leg capsules on each pigeon, then tossed them in the air. If all worked well, these pigeons, in 6 hours, were to land at the pigeon cote in London. If it worked, then, only then, would we venture to suggest it to the war correspondents who were to go in airborne.

I was then at Field Marshal Montgomery's headquarters in the south of England near Portsmouth. Twenty-four hours went by, and not a pigeon showed in London. Forty-eight hours, and not a sign. Then I had a surprise call from the police chief of the Isle of Wight. That's a small bit of land near the entrance of Portsmouth and Southhampton Harbors. He said apologetically that he felt he had a military security problem and he didn't know how to talk about it on the phone. Everything was super secretive then, so I told him to talk around it. Finally, he said: "Old chap, are you missing any feathered things?" Do you mean pigeons, I asked him. That's right, he said; pigeons, they're all over my bloody jail and messing the place something awful. What should he do? I told him with the food shortage being what it was, to have them for dinner, as they were no good to me.

A few days later, I mentioned it to Bob Reuben. He didn't laugh at the suggestion. And that night of June 5th when the 101st Airborne Division was loading up for the crossing to Normandy. There was a big laugh when one of the war correspondents showed up with a wicker cage with two carrier pigeons inside. That was Robert Reuben. It was to be a night of long chances, and he decided carrier pigeons just might work.

As his plane approached Normandy that night, he wrote on cigarette tissue the words: Have landed Normandy. Reuben. Reuters. He put one of these in each of the leg capsules on the two pigeons. When he jumped out into the darkness about 3 a.m. of June 6th near Carentan at the base of the Cherbourg Peninsula, he had a pigeon clutched in each hand. He had to hold their wings down tight or the blast from the plane's propellor would have ripped them off. When he hit the ground, was actually there in Normandy, he tossed both of them in the air where they disappeared in the blackness of that suspenseful night. Being actually on the ground, he was entitled to the Normandy dateline. If the pigeons did their part, he would be part of history.

All that day, at the Montgomery headquarters, I was being asked for news of this or that correspondent. There were rumors, but there was nothing from the far shore. It was about 9 o'clock that D-Day evening when I had a call from Dover on the English Channel and the caller said a pigeon had just landed at the cote there. He was a tired bird, but when they opened his leg capsule, the message read: Have landed Normandy, Reuben, Reuters.

That was the first story from Normandy on D-Day, brought out in a most primitive way, an accomplishment of a man who reasoned that when you're taking long chances anyway, try anything—and something just might work! In Robert Reuben's case, it did.

And for those of you for whom history is not a dead subject, but a living breathing reminder of what's possible in the lives of us all, consider this: There are such things as enduring values. A century before, a wily German wanted to get the jump on other financial traders in Frankfurt, Germany, and to do that, he had to know what the London markets had done. He set up an elaborate system of horsemen, courier boats, wig-wag signals, and for the link between Verviers, Belgium, and Aachen in Germany, he used carrier pigeons. Because he was always first to know the London market situation, whether to buy or sell, he became a very rich man. His name was Paul Julius Reuter, and that was the beginnings for the news service Robert Reuben worked for. And carrier pigeons, so critical in Reuters' start, figured again in Bob Reuben's first story from Normandy.

I recommend that each of you someday visit Barnaby's Restaurant, for one specific reason. Just inside the doorway is a plaque. Most people go by it without noticing and only a few read what it says. But that was once Bob Reuben's Pen and Quill Restaurant, and he was president of the Manhattan Beach Chamber of Commerce in 1955-56, and it was the chamber of commerce which put the plaque there. It reads:

"IN MEMORY OF ROBERT REUBEN, 1918-1964"

In 1940, Bob began a brilliant career as a war and foreign correspondent for NBC and Reuters. His nose for news took him to the White House, through Europe and the Pacific. D-Day of World War II found him parachuting from the first plane into Normandy, first correspondent to arrive in Paris, first to file a story from German soil, first yank in Tokyo—reported the surrender of Japan—received a Presidential Unit Citation. In 1946, he was in Admiral Byrd's expedition to the South Pole. In 1950, he received a U.S. army citation personally from General Eisenhower!

All of the winners of the Robert Reuben Scholarship are a part of his considerable heritage. He took all the cards life dealt him and played them. He courted individual danger, took wild byways to find and tell the stories he told so well. He lived his life with grace and charm, and everyone who knew him felt better because he did. If you are looking for a role model for preparation for life, for readiness to know it to its fullest, look no further than Robert Reuben, one to whom being first was not just an obsession. Life was more fun for him with that perspective, and it can be for you, too.●

MILES LORD—THE PEOPLE'S JUDGE

HON. BRUCE F. VENTO

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 18, 1985

● Mr. VENTO. Mr. Speaker, the American people lost a friend in our Federal judicial system on May 20, when U.S. District Judge Miles Lord announced his retirement. Judge Lord's announcement marks the end to 35 years of public service including 19 years on the Federal bench.

Born in Crosby, MN in 1919, Judge Lord attended the University of Minnesota Law School. After receiving his law degree, Miles joined the U.S. attorney's Minnesota staff. In 1954, Judge Lord was elected Minnesota attorney general and was reelected twice. He resigned as attorney general in 1960 and was appointed U.S. attorney for Minnesota in 1961. In 1966, Miles Lord was appointed to the Federal bench.

It was as a Federal judge that Miles Lord made his greatest impact on Minnesota and our country as a whole. His issues have touched on virtually all aspects of our society from the environment to health care.

One of the environmental decisions issued by Judge Lord was to upholding the constitutionality of the Boundary Waters Canoe Area Wilderness Act. This decision upheld the national legislation which protects one of our Nation's largest and most popular wilderness areas.

Before the national media focused on overcharges by defense contractors, Judge Lord chastized the Sperry company for overcharging the Government in defense contracts.

In 1980, Judge Lord broke new ground against sexual discrimination when he ruled that the University of Minnesota had not provided women faculty members with an equal opportunity for advancement and was therefore liable for lost wages.

Most recently, Judge Lord gained national prominence for his actions on behalf of those women who had used the Dalkon Shield intrauterine device.

Mr. Speaker, anyone who has taken such an active role in our society will gain admirers and detractors. Many did not agree with all of Judge Lord's decisions but none can deny that Judge Lord's decisions were based on a commitment to the American people whom we serve. All too often big businesses and big government have the advantage of resources and time which put the average American at a disadvantage. Judge Lord returned human understanding to our judicial system and put the process on an even playing field for all Americans. Nowhere is this more evident than in the Dalkon Shield case. Until Judge Lord became involved, the claims had been mired in courts throughout the country. Under Judge Lord, however, these cases moved forward and corporate stonewalling was overcome. Efforts such as this have earned Miles Lord the title of the "People's Judge."

Mr. Speaker, the American people and our system of justice will miss Miles Lord. Because of him, justice has been available for the American people. He has been there when others were not. He has spoken out when others were silent. In surveying his career, Judge Lord said "I like to think I helped women and minorities and the poor and downtrodden and oppressed, whether they be oppressed by governments or industry or just life."

Nothing more could have been expected.●

DESERTIFICATION AND DEFORESTATION

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 18, 1985

● Mr. GILMAN. Mr. Speaker, today I am introducing legislation, H.R. 2782, that will enable our Nation to help prevent famine in Africa by tackling two of its majors causes: Desertification and deforestation. It is a timely initiative; only last week the United Nations issued a report stating that in the Sudan alone the number of victims of the current famine will reach 11.5 million, no more than half of that nation's population by the end of the year. It is clear that the disaster overtaking the Sudan will be even more devastating than Ethiopia's and is due to in large part of deforestation and desertification.

Our Nation has always been a leader in providing direct humanitarian aid to areas in crisis around the world. We have financed many self-help projects that respond to the need for long-term solutions to the poverty that plagues so many countries. In addition, we are doing much to bring to the attention of the leaders of the many countries that are suffering from the current famine, action that they themselves can undertake to help their people. Those actions include dismantling state controlled agricultural programs, adopting market oriented strategies and reducing some of the disincentives that hinder corporate investment in their nations.

However, we are doing far too little in regard to the one major factor in the famine equation that impacts directly on all other efforts undertaken—the current degradation of the resource base itself. Sub-Saharan Africa's productive land is undergoing such a change for the worse, that the deleterious impact on the production of locally grown food, if not checked, will render all our good will and other efforts valueless. We shall only have to look forward to more famines that will make each preceding one seem mild in comparison.

This bill provides specific assistance for building up and sustaining the natural resources of those areas and countries in Africa which are suffering, or on a long-term basis are likely to suffer from exceptional food supply problems and where the natural resource base has suffered deterioration due to deforestation, desertification, and other forms of over-use. It forcuses on small-scale, self-help cost-effective programs which will create sustainable growth in what is now currently turning into waste land.

Mr. Speaker, the time has come to turn back the tide of degradation of Africa's agricultural resource base which should be providing food for that continent's people. The desertification and deforestation which has played a major role in causing the present catastrophe in Africa, need our immediate attention if we are to put an end to the famine cycle.

Accordingly, I urge my colleagues to support H.R. 2782 and at this part in the RECORD I request that the full text of this bill be printed:

H.R. 2782

A bill to authorize assistance for famine prevention in Africa

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That chapter 1 of part I of the Foreign Assistance Act of 1961 is amended by adding at the end thereof the following new section:

"SEC. 129. PREVENTION OF FAMINE IN AFRICA.

"(a) FINDING.—The Congress makes the following findings:

"(1) A major cause of the current, tragic famine in Africa is degradation of the natural resource base due to overgrazing, firewood gathering, overharvesting of trees, and overcropping on fragile soils. These activities have caused soil erosion, flooding, removal of tree cover, loss of water supplies, and desertification.

"(2) This degraded natural resource base cannot provide even the basic needs of human beings, as demonstrated by the current famine. Prompt actions to restore and maintain the resource base are essential to meet the needs of growing populations. If these actions are not taken, continuing massive external food aid will be necessary to relieve continuing famine, and even such massive aid may be insufficient or susceptible to delivery delays.

"(3) There is substantial and growing evidence that the most effective, quickest, and least costly way of maintaining and restoring the resource base is through small-scale, affordable, resource-conserving, low-risk, local projects, using appropriate technologies and methods suited to the local environment and traditional agricultural methods in Africa, and featuring close consultation with and involvement of local people at all stages of project design and implementation. Sustainable increased agricultural production must be responsive to the environmental resource and climatic conditions unique to the various regions of Africa. Appropriate activities include agroforestry, small-scale farms and gardens, and other innovative agricultural methods (including energy and resource-conservation techniques and use of organic or regenerative methods where feasible); construction of check dams and terraces and other erosion-control projects; tree planting for windbreaks, soil stabilization, or firewood; energy conservation and small-scale energy production to reduce consumption of firewood and animal wastes otherwise usable as fertilizer; and local education and training efforts. Often, the best way of actively involving the affected local people is through local government organizations (such as village councils), local nongovernmental organizations, foreign private and voluntary organizations, or Peace Corps volunteers. National and international nongovernmental organizations can be useful intermediaries.

"(4) Efforts are needed at national regional levels to provide technical and other support for projects of the kinds described in paragraph (3) and to strengthen the capacities of African nations to provide effective research and extension services in support of environmentally sustainable increases in food production. These efforts include establishing or strengthening soil conservation and forestry services; providing seeds, seedlings, energy-efficient and resource-conserving devices, and other needed materials; training and educating local people; and creating financial mechanisms to furnish credit to small farmers.

"(5) Increased research is needed with the aim of providing appropriate materials and techniques for projects of the kinds described in paragraph (3). The objective of this research should include development of major food crops which can be grown on an environmentally sound sustainable basis in semi-arid areas of Africa.

"(6) In order to help prevent human suffering and unwanted dependence on foreign aid, promote orderly economic development, and avoid calls for massive and increasing emergency food aid, it is in the national interest of the United States to provide substantial assistance to African nations suffering from or threatened with famine for the purpose of restoring and maintaining the natural resource base.

"(b) AUTHORITY.—The President is authorized to furnish assistance under this part to support projects and efforts in Africa of the kinds described in subsections (a)(3), (4), and (5). In carrying out this section, the President shall place special emphasis on grants to international and African nongovernmental organizations and to United States private and voluntary organizations for projects of the kinds described in subsection (a)(3).

"(c) REVIEW.—The Administrator of the Agency for International Development and the Director of the Peace Corps—

"(1) shall assess the opportunities for their agencies to support projects and efforts in Africa of the kinds described in subsections (a)(3), (4), and (5); and

"(2) place a high priority on providing such support, either from funds authorized to be appropriated by this section or from other sources.

"(d) REQUIREMENTS ON USE OF FUNDS.—Funds made available to carry out this section shall be used as follows:

"(1) Emphasis shall be given in the use of those funds, to maximum extent practicable, for grants for international and African nongovernmental organizations and to United States private and voluntary organizations for projects of the kinds described in subsection (a)(3). Every effort shall be made to disburse these funds quickly (beginning where necessary with modest grants for project identification and design).

"(2) A significant portion of such funds shall be used for national and regional efforts of the kinds described in subsection (a)(4).

"(3) Such funds may be used to support research of the kind described in subsection (a)(5).

"(4) Such funds shall be available only in those areas which are suffering or are likely to suffer from exceptional food supply problems on a long-term basis where the natural resource base has suffered deterioration due to drought, deforestation, desertification, or other forms of overuse.

The Administrator of the Agency for International Development shall make a determination of those nations and areas which meet the conditions described in paragraph (4) and shall include the list of such areas in the reports to the Congress required by subsection (f).

"(e) HOST COUNTRY AND PRIVATE SECTOR CONTRIBUTIONS.—The host country shall be encouraged to contribute its own resources, to the maximum extent possible, in conjunction with the projects and efforts supported under this section. The private sector in the host country, and subsidiaries of United States companies operating in that country, shall also be encouraged to participate, to the maximum extent possible, in those projects and efforts.

"(f) ANNUAL REPORTS.—Each annual report required by section 634(a) of this Act shall include a report on the implementation of this section. The report required by this subsection shall describe—

"(1) the uses of funds pursuant to this section, including a description of each project or program supported with those funds and the amount allocated to it; the identity of each recipient of those funds, and the amount of funds each received; and the amount of those funds used for assistance in each country; and

"(2) the estimated need for actions to maintain or restore the natural resource base in African nations in order to prevent famine, and the projected contribution of the United States for the next three fiscal years to meet an appropriate share of those needs.

"(g) EFFECTIVENESS STUDY.—Within 5 years after the date of enactment of this section, the Administrator of the Agency for International Development shall carry out a cross-sectoral study of a representative sample of the projects funded pursuant to this section to determine their effectiveness in helping to prevent famine, and shall report the result to the Congress.

"(h) AUTHORIZATION OF APPROPRIATIONS.—In addition to the amounts otherwise available for such purposes, there are authorized to be appropriated $75,000,000 for fiscal year 1986 for use in providing assistance under this section. Amounts appropriated under this section are authorized to remain available until expended.".●

DON'T OVERRIDE STATES' RIGHTS

HON. CARROLL HUBBARD, JR.

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 18, 1985

● Mr. HUBBARD. Mr. Speaker, last Wednesday, June 12, the House Committee on Banking, Finance and Urban Affairs (of which I am a member) marked up banking legislation that is of great interest to our Nation's financial institutions.

During the markup, I read in its entirety an excellent June 4, 1985, letter that I had received from William L. Reece, president and chief executive officer of the Farmers National Bank of Scottsville, Kentucky.

Because of the impact of the interstate banking measure, I felt my colleagues on the House Banking Committee would be interested in Mr. Reece's comments in opposition to overriding States' rights as provided by proponents of the interstate banking bill.

I am hopeful that my colleagues in the House of Representatives will take a few moments to read the following letter from William L. Reece:

MAY 20, 1985.

Congressman CARROLL HUBBARD, JR.,
House of Representatives, Washington, DC.

DEAR CONGRESSMAN HUBBARD: As you are aware, you will soon be asked to express your opinion by voting on H.R. 20 and Regional Banking Legislation. We feel this is one of the most important issues to face the banking industry in many years.

It is our opinion that our industry has survived and thrived very well under the provisions of the Douglas Amendment, which is the foundation of our diversified financial system. We believe each state should continue to have the right to determine its own financial structure.

Very simply, we do not wish to see the money center financial giants in our industry come to our local community or state to drain deposits from our local economy only to be invested in questionable, high risk loans with foreign developing countries that may never be able to repay. Also, we do not wish to see our deposits used to promote foreign manufacturing in lieu of the provision of jobs within our local community.

We know you share our concern for the local community, and for states' rights to control their own destiny. We urge you to express that concern by voting "NO" to legislation that would permit federal authority to override states' rights as provided under the Douglas Amendment. We urge you to continue to support legislation that will allow each state to continue to exercise authority over factors that influence the local economy.

Thank you for your support and attention to this most important issue.

Respectfully,

WILLIAM L. REECE,
President, and C.E.O.,
The Farmers National Bank.●

NEW WAY TO CUT DEFENSE COSTS

HON. HENRY J. HYDE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 18, 1985

● Mr. HYDE. Mr. Speaker, as we embark on debating the defense authorization bill, a test looms for all of us to prove our devotion to fiscal restraint. As we proceed to slash defense, the questions arises as to whether certain sections are sacrosanct, or whether every aspect of this bill is open to reduction.

Chicago Tribune Columnist Stephen Chapman has something useful to tell us on this topic, and I hope my budget-cutting colleagues will pay attention to what he says.

[From the Chicago Tribune, June 14, 1985]

A NEW WAY TO CUT DEFENSE COSTS

(By Stephen Chapman)

It's not every day that you find a conservative Republican senator trying to cut the defense budget and a liberal Democratic senator opposing him. But it happened the other day, and the battle tells a lot about the obstacles to reducing the federal budget.

The fight between Phil Gramm of Texas and Edward Kennedy of Massachusetts was over a measure that dilutes the Davis-Bacon Act as it aplies to military construction. Davis-Bacon, a relic of the Depression, forces the federal government to pay inflated wages on construction projects.

The law was supposed to prevent Washington from forcing wages down. It requires contractors getting federal contracts to pay the "prevailing wage." That has generally been taken to mean the highest wage. Besides raising the cost of housing projects and highways, the law protects union contractors against nonunion competition. It is dear to organized labor.

The Congressional Budget Office estimated in 1983 that repeal would save $1.5 billion a year in budget authority. The Reagan administration has made changes in how the law is administered, but their effect isn't known yet. They surely won't be as valuable as simply killing Davis-Bacon.

The amendment offered by Sen. Gramm, Texas A&M's contribution to sound economic policy, doesn't do that. It only reduces the scope of the law on military construction. Right now, it applies to contracts of $2,000 or more; Gramm raises the threshold to $1 million. His proposal relaxes job classification rules, so that contractors won't have to pay an electrician's wage to an electrician's helper. It also codifies some of the administration's regulatory reforms.

The changes exempt about 90 percent of military construction contracts from Davis-Bacon, involving 40 percent of the dollar volume. The Defense Department says they would save $150 million a year.

But Ted Kennedy, that fierce opponent of Pentagon waste, was eager to defend it this time. In the June 4 floor debate, he called Gramm's proposal "an indefensible assault on the wages of construction workers" and warned that lower wages would mean less productive workers and "shoddy work."

Both charges are nonsense. The point of Davis-Bacon is not to prevent wages from being driven down, but to raise them above their competitive level. It is no crime against carpenters to pay them what their labor is worth in the marketplace.

Nor is there any reason to believe that paying workers more ensures higher quality. I have racked my memory in vain to find an occasion when Kennedy argued that paying more to General Dynamics guarantees better fighter planes, or that a $700 toilet seat is 28 times better than a $25 model.

In fact, Kennedy took this opportunity to denounce those high-priced seats, thus exhausting Gramm's always-limited supply of patience. "We are talking about more money here on this one vote,"he retorted, "than we have ever paid for toilet seats and crescent wrenches and cathode ray tubes in the whole history of the Republic."

If firms paying high wages boast higher productivity and better work, they will underbid contractors employing sloppy, low-paid workers. If Kennedy truly believed in the superiority of unionized companies, he would welcome the chance to prove it.

Given Congress' avowed determination to restrain defense spending, you might expect Gramm's measure to sail through. But Kennedy's amendment to delete it, which needed a majority to pass, fell barely short by a 49-49 vote. Among Democrats who

voted for higher defense spending: Gary Hart, Alan Cranston, John Glenn, Howard Metzenbaum, William Proxmire, Paul Simon—a profile in courage, every one. And Gramm still has to get the House to accept the idea.

Unfortunately, a lot of members of Congress who think the Reagan administration is too generous to the Pentagon won't temper their own benevolence toward the AFL-CIO. Liberals who are serious about cutting the defense budget can't exempt their friends from sacrifice.●

INCREASING MINORITY OWNERSHIP OF BROADCAST PROPERTIES

HON. MICKEY LELAND

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 18, 1985

● Mr. LELAND. Mr. Speaker, I would like to take this opportunity to submit for the RECORD an article by Allan Dodds Frank, of Forbes magazine, entitled, "Affirmatively Activated Loophole?", which originally appeared in the July 1, 1985, issue of Forbes.

Minority ownership of telecommunications properties is abysmally low. Minorities presently own less than 2 percent of broadcast licenses and less than 1 percent of television licenses. The article demonstrates that creative mechanisms geared toward increasing minority ownership of broadcast properties can work. The article also underscores the commitment of Capital Cities Communications, Inc., to increase minority ownership of broadcast properties.

I am pleased to present this article, and I urge my colleagues to read it. Thank you, Mr. Speaker.

[From Forbes, July 1, 1985]

AFFIRMATIVELY ACTIVATED LOOPHOLE?

(By Allan Dodds Frank)

Wanted: Minority group investors with broadcasting savvy. Contact T. Murphy, chm., Capital Cities/ABC, NYC.

Tom Murphy has not yet run that ad, but he likes the idea behind it. As head of the newly merged Capital Cities/ABC broadcast empire, Murphy is splendidly positioned to take advantage of a loophole in the Federal Communications Commission regulations governing the ownership of television stations.

When the FCC in April raised the limit on TV and radio station ownership from 7 stations to 12, it chose to prevent undue monopoly power by capping the reach of a group's stations at 25 percent to the nation's television homes. But within the regulations lurks a bit of social engineering: A network can raise its national audience cap to 30 percent—in effect, add 4.25 million homes to its profit base—if two or more of its stations are 51 percent owned and controlled by minority group interests.

With TV stations being among the most profitable of all network-owned media, the chance to own 49 percent of the cash flow from TV stations serving an additional 5 percent of the country could be worth tens of millions of dollars annually. But most broadcasters figured the clause was of no more than academic significance, since few blacks and other minorities have been trained as media managers or are independently wealthy.

The glib dismissal was hasty, to say the least. Think of Forbes Four Hundred member John H. Johnson of Chicago, owner of *Ebony, Jet* and *Ebony Jr.* magazines and three radio stations, and worth $150 million. Or Motown Records owner Berry Gordy Jr., also worth more than $100 million.

In fact, Bill Cosby, the black entertainer whose prime-time sitcom, *The Cosby Show,* is the hottest show on rival NBC, has already spied the opportunity. Cosby owns a majority of Cozzin Communications, which bought Channel 69 in Gainesville, Fla. nine months ago, and is talking with Cap Cities/ABC about acquiring Detroit's WXYZ-TV, one of four stations Cap Cities/ABC is planning to divest to stay within the 25% cap.

Murphy and Cap Cities President Daniel Burke have credibility with minorities. In 1979 they helped a black group, Seaway Communications, become the first minority group to own a VHF station, Channel 12 in Rhinelander, Wis., and in 1982 to add a second, Channel 7 in Bangor, Me.

While Murphy is welcoming all bidders on the properties, there is no denying that a group 51%, owned by Cosby would be attractive. For now, Murphy sounds coy. Says he to FORBES: "That's a terrific idea, and if I could do it in Detroit, I would." Murphy explains that the FCC prohibition against "cross-media ownership" in the same market rules out Detroit. If Cap Cities/ABC retained a 49% interest in WXYZ-TV, he says, it would have to sell off a Detroit AM-FM radio station as well as the *Oakland Press* in Pontiac, together worth $100 million. Says Murphy: "The capital gains we'd have to pay doesn't make it economically sensible."

Okay, so what about a minority deal to get into a new market altogether? Sure, Murphy says enthusiastically. "Miami would be a wonderful market if you could do it. The other ones are Atlanta and Denver and Phoenix. They're the great growth markets."

Right now, Murphy insists a 51%/49% deal is not a top priority. But that may soon change. With the eight stations it plans to retain, Cap Cities/ABC now hits 24.4% of the nation's households, and a minority group deal could boost market share to 30%, leaving CBS with 20.6%, and NBC with only 19.8%, far behind. To close the gap, the other two networks will themselves have to go station shopping and will no doubt be tempted to pay hefty premiums for attractive properties.

CBS might pay handsomely for the 3.25% additional market penetration it could achieve by acquiring its own affiliate stations in Houston, Tulsa and Sacramento, all currently owned by the broadcasting subsidiary of A.H. Belo Corp. Likewise, NBC would doubtless pay a large premium for the 5.26% additional reach that could be gained by owning affiliates in Philadelphia and Boston. And those two deals would still leave the trailing networks slightly short of 25%.

Who knows, before long maybe NBC and CBS will also be looking for some black or Hispanic businessmen with big bucks.●

NEW NERVE-GAS WEAPONS THAT WE DON'T NEED

HON. BERKLEY BEDELL

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 18, 1985

● Mr. BEDELL. Mr. Speaker, this week, we shall once again be faced with the decision whether to approve funding for the production of new binary chemical weapons. While the proponents of the "Bigeye bomb" tell us it is necessary to ensure American deterrence against Soviet use of chemical weapons against the United States and its allies, I remain unconvinced and prepared to support the Fascell-Porter amendment which will delete all funds for the procurement of binary chemical munitions. In this regard, I would urge my colleagues to read the following comments that appeared in both the Washington Post and the Wall Street Journal on this subject.

NEW NERVE-GAS WEAPONS THAT WE DON'T NEED

(Dante B. Fascell and John E. Porter)

Would you support a new Pentagon program that adds billions of dollars to the $200 billion deficit, that has never been field tested because it has failed 80 percent of its controlled laboratory tests, that has been rejected by our closest allies in NATO, that if put into effect would kill civilians in droves while leaving protected enemy soldiers unharmed, and that makes chemical weapons proliferation and terrorist use more likely and arms control less so?

Of course not.

That's why a bipartisan majority in the House has decisively rejected over the past three years the Pentagon's request to produce new binary nerve gas weapons, a proposal supported on this page May 21 ["Chemical Weapons: The Real Issues," by Sens. John Glenn, Barry Goldwater, Sam Nunn and John Warner] We strongly support, however, the administration's request for over $1 billion to improve chemical protection for our troops and to continue chemical research efforts.

The message from Congress has been clear: if the chemical threat from the Soviet Union is as dangerous and real as argued, then the priorities of our chemical program should be the protection of our troops, the maintenance of our current adequate retaliatory stockpile and the pursuit of a verifiable arms control ban on chemical weapons. As Rep. Les Aspin said: "We want more defense, not more production line."

In its technical evaluations of the binary Bigeye bomb, the General Accounting Office found that binary weapons are not as safe, modern or reliable as claimed by the Department of Defense. For example, one binary component is at least as toxic as the chemical that leaked at Bhopal, India. Citing moisture, temperature, purity, fusing and structural deficiences, GAO concluded that "technical problems still plague the Bigeye bomb development."

This conclusion was preceded by the infamous 1982 test in which the Bigeye bomb prematurely exploded and spewed deadly gas at an Army test facility. Just two weeks

ago, the GAO reported that the Bigeye has failed to meet test standards at least eight out of 10 times over the past year.

In an effort to sell the binary program, Pentagon reports have argued that the binary stockpile would be substantially smaller than the current usable unitary chemical stockpile. That hardly seems a credible deterrent to the Soviet chemical threat. Furthermore, a Defense Department blue-ribbon panel has already concluded that the current stockpile is adequate and constitutes a credible retaliatory deterrent into the 1990s. It's hard to understand why the Pentagon would want to replace the current stockpile in Europe, where the greatest threat of chemical warfare exists, with one that is smaller and not acceptable to the Europeans.

It is clear that in order to form a credible deterrent, the new weapons would have to be pre-positioned in Europe. Moving massive amounts of nerve gas munitions in the opening phases of a crisis, as the Pentagon argues, would only worsen the situation and convince the Soviets that we were preparing to strike first.

If pressed, the issue of binary chemical weapons in Europe would become one of the hottest issues facing NATO, placing into jeopardy more important defense and foreign policy objectives—joint research on SDI, theater nuclear deployments, and improvements in conventional defenses. The supreme allied commander in Europe, Gen. Bernard Rogers, aptly described this reality in April: "The issue has become too tough to handle. I find it is put in the too-sensitive/too-tough-to-handle box and it just reposes there." The secretary general of NATO, Lord Carrington, said as much at a recent congressional reception. Our European allies do not hesitate to wonder why we would hand Mikhail Gorbachev such a public relations opportunity in the middle of his peace offensive.

Confronted with decisive bipartisan defeats in the Congress, the Pentagon has tried to rescue the binary program by appointing a commission. A majority of the commission were already pro-binary, and the panel did not include a single opponent despite our recommendation that Ed Bethune, a former Republican colleague and recognized expert, be appointed.

In addition, the commission's executive secretary, the Defense Department's assistant secretary on chemical matters and the Pentagon's chief lobbyist for the binary program are one and the same person. The commission's three-page testimony, hastily produced in just five weeks, predictably endorsed the Pentagon's binary request. The commission even hired a few public relations consultants at $250 a day to spread the word.

Except for adding even more to the federal deficit, nothing has changed on this issue since the House, by a bipartisan majority, overwhelmingly defeated the binary nerve gas program. Already 119 Democrats and Republicans are sponsoring legislation to delete this unwarranted program once again. For sound reasons of defense, foreign policy, arms control and budget, Congress should once again say no.

(Dante B. Fascell is a Democratic representative from Florida and chairman of the House Foreign Affairs Committee. John E. Porter is a Republican representative from Illinois and a member of the House Appropriations Committee.)

NEEDED: A SOLID DEFENSE AGAINST GAS

(By Fortney H. (Pete) Stark)

Joseph Douglass Jr.'s editorial-page piece May 23 on the Defense Department's proposal for a new binary chemical-warfare artillery shell was an interesting blend of alarmism and common sense. While I believe Mr. Douglass exaggerates the danger of Soviet biological weapons activity, he is absolutely right about one thing: American "addition of binary munitions to what is already deployed in Europe is unlikely to have any significant effect on Soviet plans for war in Europe."

The Soviets have the most extensive chemical-warfare capability in the world. Afghanistan makes clear that the Soviets will use their plentiful offensive chemical weapons if they believe it will be militarily advantageous. From this, the Pentagon concludes we should build new binary chemical weapons to deter Soviet use of gas.

The Pentagon overlooks two important points. First, the U.S. currently maintains stockpiles of functional chemical munitions, both in Europe and the U.S., sufficient for 30 days of all-out chemical warfare. The Army admits that the proposed binary program would leave us with fewer weapons than we have today. And our NATO allies will not accept the deployment of new chemical weapons in Europe.

The second point is more telling. In fact, it is a scandal. Much of a nation's chemical-warfare capability is derived from the defensive capability of its troops. Chemical weapons make no sense if used against a well-protected opponent armed with his own chemical weapons.

The U.S. falls on its face in defensive equipment and training. The Soviets have supplied their troops with both in abundance. Excerpts from a recent report by the General Accounting Office illustrate the deficiencies in U.S. defensive posture.

The GAO reports the protective suit recently issued by the Army "does not lower heat stress levels, and does not provide flame resistance for aviators." The Army's gloves "have limited tactility and are highly flammable," while Army overboots "are flammable, non-durable, require 15 minutes to don, and cannot be laced up at night."

Even harder to believe is GAO's finding that the Navy's protective suit "provides 6 hours of protection, but not if wet." This, despite the fact that the Navy intends to decontaminate its vessels with, you guessed it, water.

U.S. defensive capability is criminally deficient in collective protection gear, decontamination equipment, and detection/warning systems as well. We dangerously lag behind in protecting the crews of armored vehicles. No number of new chemical munitions will enhance our deterrent to Soviet use of gas if our defensive capability is not drastically improved.

Someday, our existing chemical munitions will need replacement. But I will not support any funds for new chemical weapons until the Pentagon gets serious about a defensive capability to deter Soviet use of gas on American soldiers. I expect my colleagues in the House to do the same.●

MICHIGAN MEETING THE NEEDS OF VOCATIONAL EDUCATION STUDENTS

HON. WILLIAM D. FORD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 18, 1985

● Mr. FORD of Michigan. Mr. Speaker, at a time when our society appears fixed on higher education as the only acceptable preparation for work of any significance, and particularly when parents and educators alike are pushing for higher academic standards and have greater expectations of children as students, we must continue to be watchful that we do not continue past trends to downgrade the intrinsic value of education that prepares young people for an immediate transition into the world of work. Higher education and indeed life-long continuing education is an important goal, but we cannot assume that the mere demand for more technical academic courses in math and science or preengineering is the best and only acceptable preparation for life. To do so ignores a basic fact of life—the fact that high school students who do not intend to go on to college, and who purposely choose vocational education programs—have needs that must be met by parents and educators. The greatest need among these students is the one that says "don't treat me like a second-class citizen because I am taking vocational education classes."

The State of Michigan is one that has not made the mistake of valuing only the college-bound students within the walls of their public school system. It has not ignored the differences in student interests and abilities. As a matter of fact, Michigan's Department of Vocational-Technical-Adult Education acknowledges that its high school students, college bound or not, still can and do benefit greatly from a mix of academic and vocational courses, with enough elective options to match their interests and their learning styles.

Michigan's educators, in partnership with business and industry, have seen to it that many of their schools, while helping students achieve intellectual, social, and personal goals, are also willing and able to help them achieve vocational education goals as well.

Vocational education in Michigan helps develop individual students in five broad areas: First, personal skills and attitudes; second communication and computational skills; third, employability skills; fourth, broad and specific occupational skills and knowledge; and fifth foundations for career planning and life-long learning.

These purposes are part of the whole secondary school system in Michigan, and are shared with exter-

nal programs, agencies, and extracurricular functions of the schoolwide system of education.

My overriding concern for education at all levels is that it be of good quality and that it take into account the vast differences among the needs of all individuals pursuing an education, so that the education students carry away with them is the education they wanted, the education they worked to obtain, and the education most relevant to their particular lifestyle and goals for their futures. It is a tall order, but even if we can't guarantee the final outcome, we can lay the foundations.

Educators, lawmakers, parents, and students alike are aware that unacceptably high numbers of students are still dropping out of high school, and some are even leaving high school with a diploma when they still cannot read, write, or compute. When students do that, we lose them—and with them goes our ability and opportunity to help them.

It is the critical educational task that we take into account the students who may march to a different drummer, and to find the catalyst that will reawaken their interest, and rekindle a commitment to academic instruction perhaps through vocational education.

With our urgent need to find ways to reduce unemployment, especially among young people, we must have more successful vocational education programs at secondary and postsecondary education levels. Successful programs can, and do, make such youths more employable. Vocational education prepares youths for adult life immediately after high school, and for entry-level jobs in the labor market.

Despite our best intentions and efforts, the fact remains that some students lack marketable skills after graduation from high school. This may occur in part because of the pressure by parents and school counselors and teachers on students to pursue college degrees that are unrelated to their personal values and career goals. Many students refuse to even consider vocational education at the high school level, lest they be relegated to second-class-citizen status, in the eyes of parents, teachers, and peers.

I would not argue against encouraging all students in high school to take more highly structured academic courses, nor would I argue against parents and educators having high expectations for students in a push for excellence through school reforms. I would argue only for an increased emphasis on a balanced approach to attaining that excellence through vocational educational courses designed to complement academic requirements for high school students.

That National Commission on Secondary Vocational Education recently published a report entitled: "The Unfinished Agenda." Reflected in that is the Commission's findings of a need for stronger bridges between vocational and academic instruction in order to maximize learning and career opportunities for all of America's youth.

The National Commission found that recent studies and national reports on the condition of education in this country have not adequately dealt with the role of secondary vocational education in addressing the problems of quality in American education. We must assure that the role of vocational education is included so that secondary school reforms achieve the necessary balance.

Congress has not only continued to recognize the importance of vocational education through its recent reauthorization of the Carl Perkins Vocational Education Act, with an emphasis on training for youths and adults, but it has also provided incentives for more partnerships between schools and business and industry, particularly high-tech programs.

Business and industry has given its vote of confidence to vocational education. In a recent survey, vocational education graduates are rated as "good" to "very good" among 37 percent of those surveyed. In a survey of manufacturers, 85 percent prefer vocational education graduates. Of employers surveyed, 65 percent prefer vocational education programs to retrain workers.

This vote of confidence in vocational education by business, industry, manufacturers, and other employers is true nationally, and I am pleased to state that it is also true in the State of Michigan.

For example, the William D. Ford Vocational-Technical Center in Michigan has received grants from various employers to train and retrain employees for local business and industry. One of its programs for youths and adults gives intensive training to displaced autoworkers in industrial digital electronics. These laid-off auto workers also receive counseling, academic upgrading where needed, and placement assistance upon completion of retraining.

This same Vocational-Technical Center provides other kinds of training for handicapped students and drop-out prone youths who experience greater difficulty succeeding in regular academic and vocational education programs.

The Michigan Department of Vocational-Technical-Adult Education conducts surveys and gathers data 6 months after every vocational education class graduates from its schools. A recent such survey showed that:

Vocational education graduates in Michigan earn $2,000 more annually than general education graduates;

Eighty-nine percent of adult vocational education completers in Michigan enter the labor force;

Vocational education in Michigan schools gives students the skills and self-confidence to find satisfying jobs; and 71.3 percent of Michigan's vocational education graduates obtain a job related to their training, or go on to enter community college for further vocational education.

Under the old Vocational Education Act, it was mandatory for States to include representatives of business, industry, and labor on their vocational education advisory committees, but this mandate was not retained in the new Carl Perkins Vocational Education Act. The State of Michigan, noting their past successes, has continued this representation, and now has more than 2,000 vocational education advisory committees comprised of local business, industry and labor representatives. Continuing this practice not only assures better placement opportunities for graduates of their vocational education programs, it is an important linkage, that should be retained by all States for purposes of providing successful vocational education opportunities.

There is an increasing demand in Michigan for quick start, or customized, training programs for new, as well as for developing, businesses that have a need for a skilled work force for new jobs and for employers who are about to retool or replace obsolete equipment for existing jobs. They want their current employees to be retrained, rather than firing them and hiring already-trained workers. Through the Michigan Department of Vocational-Technical-Adult Education's Economic Development programs, these customized training programs are so frequently requested that the department is expert in designing them. It needs only a 10-day turnaround time between receiving the request and getting an approved program ready to begin classes. Through customized training/retraining programs, more than 6,000 adults and youths, working for 150 different companies, have received training for new or existing jobs using new technologies. The importance of vocational training schools to be able to offer "customized" training quickly and effectively is that 95 percent of completers have jobs waiting for them.

Eighty-two percent of Michigan citizens surveyed believe that high school students should be trained in vocational education, and this support is reflected in the current statewide enrollment of 330,405 students taking vocational education courses in high school.

Michigan, I am pleased to note, is working well against the backdrop of a rapidly changing economy and educa-

tion reforms, to assure that these reforms include a balanced perspective with regard to vocational education. This is crucial in our State, where 75 percent of all jobs require vocational and technical training.●

A CONGRESSIONAL TRIBUTE TO THREE FINE TEACHERS—ALTHEA CLARK, CHARLES DONNELLY, AND STANLEY SORENSEN

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 18, 1985

● Mr. ANDERSON. Mr. Speaker, I rise to pay tribute and offer a special thanks to three teachers who will be retiring after many years of service at the Richard Henry Dana Junior High School in San Pedro, CA. These three teachers have contributed a great deal to the residents of my district and their presence at Richard Henry Dana Junior High School will be sorely missed. The teachers to whom I refer are Althea Clark, Charles Donnelly, and Stanley Sorensen.

ALTHEA CLARK

Born in Panama, Althea Clark moved to the San Pedro area as a small child. She attended the 15th Street Elementary School, Richard Henry Dana Junior High School, and San Pedro High School. She then went on to study at UCLA and Golden State University. During her 33 years at Dana Junior High School, Ms. Clark taught art, civics, and leadership. Her future plans include working in communications and continuing to teach at the adult school level. My wife, Lee, joins me in wishing Althea Clark and her children, David and Karen, continued success and all the best in the years ahead.

CHARLES DONNELLY

Charles Donnelly was born in California and spent his early years as a child actor in the Our Gang comedies. He taught mathematics at Dana Junior High School for 15 years. His future plans include a move to San Diego and work involving the construction industry. My wife, Lee, joins me in wishing Charles Donnelly and his family continued success and all the best in the years ahead.

STANLEY SORENSEN

Born in Minnesota, Stanley Sorensen attended Kansas State University and the University of Minnesota. He taught in Rapid City, SD for 12 years before moving west to San Pedro. Mr. Sorensen taught math and metal shop for 25 years at Dana Junior High School. His future plans include building a home in Oceanside, CA, charity work, and travel. My wife, Lee, joins me in wishing Stanley Sorensen, his wife Joan, and their children, Randy and Kristi, continued success and all the best in the years ahead.

These three teachers have improved the quality of life and the quality of learning in San Pedro. It is with great appreciation for their contribution to our community over these many years that I rise to pay tribute to them. While these three teachers will be retiring, the contributions they have made by providing a quality education for the youth of my district will be with us for many years to come.●

INTRODUCTION OF LEGISLATION PROMOTING SHAREHOLDER DEMOCRACY

HON. JOHN D. DINGELL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 18, 1985

● Mr. DINGELL. Mr. Speaker, I rise to introduce legislation promoting shareholder democracy and responding to bipartisan concern about the continued viability of our system of corporate governance and shareholder democracy.

As takeovers have increased in quantity and competitiveness, corporate raiders have developed creative bidding strategies (front-end loaded, two tier and boot strap) and corporate managements have developed equally aggressive defenses, including the use of separate classes of common stock with unequal voting rights.

Since 1926, the New York Stock Exchange has prohibited the listing of nonvoting or diminished voting common stock. In a January 3, 1985, press release, the NYSE announced that its Subcommittee on Shareholder Participation and Qualitative Listing Standards had issued a report to the Public Policy Committee of the NYSE Board of Directors, urging the Exchange "not to abandon its tradition of upholding shareholder participation in the affairs of corporations," but nonetheless recommending that listed corporations be permitted to create two classes of common with disproportionate voting rights—subject to the approval of shareholders holding two-thirds of the outstanding—whether or not affiliated with management.

With the growth and acceptance of NASDAQ as a national trading market competitive with the Big Board, New York Stock Exchange-listed companies, seeking the protection of two-class common or to further transactions like the recent GM/Hughes deal, are willing to delist if necessary to escape New York's commitment to shareholder democracy. NASDAQ has no such listing requirements nor do most State corporate laws bar the issuance of nonvoting stock.

If two class common is permitted, and becomes widely used, one of the market mechanisms for accountability will be removed and the exchanges may find themselves engaged in a "race for the bottom" as marketplaces compete for listings and trading volume. This point did not elude the New York Stock Exchange's Subcommittee on Shareholder Participation and Qualitative Listing Standards. After suggesting that the SEC may have authority to establish minimum standards for shareholder participation, the subcommittee observed:

> [I]f it appears that differentials in such standards result in a significant movement of issuers from markets with rules directed to shareholder participation in corporate affairs to those with lesser or no such rules, then sound public policy may compel the Commission to intervene to protect the integrity of markets and the investors and shareholders of all publicly held companies.

John C. Whitehead, the recently retired leader of Goldman, Sachs & Co., had this to say in a speech on February 2, 1985:

> If the New York Stock Exchange lowers its standards, I fear what has been called "the race to bottom" will quickly occur, that all companies will move to whatever is the lowest common denominator that the Exchange will permit . . . that corporate democracy, a as we have known it, will disppear.

Arthur Levitt, in May 22 testimony before a House subcommittee, detailed a number of negative effects—other than shareholder disenfranchisement—that will result from nonaction by the SEC and adoption of the NYSE proposed rule change. I believe that his concerns have merit and ought to be considered in any public policy discussion of this issue:

First, if the vote is taken away or watered down, public investors will in time feel that the cards are stacked against them by some inside group that controls the votes. Before long, they will no longer want to invest in stock.

Second, much of our Nation's wealth and resources will end up in the hands of self-perpetuating private bureaucracies. If we allow management to use this ultimate anti-takeover device, our entrepreneurially driven competitive system of product and service delivery would be weakened.

Third, outside shareholders will suffer immediate and large wealth losses. Recent instances of creating two classes of common stock with disproportionate voting rights have demonstrated that this is the case.

Fourth, severing voting power from equity ownership, the two principal indicia of ownership, will totally distort the concept of a common equity security.

Fifth, public shareholders will not receive the benefits of a takeover battle. Rather, they would stand on the sidelines while the voting stock, in

the hands of management or a control group, will receive any premium.

Sixth, proxy battles will be effectively eliminated and the proxy rules of the Securities Exchange Act of 1934, which are designed to protect and foster shareholder democracy and corporate governance, would be rendered void.

I commend the exchanges and the NASD for scheduling a meeting for last Friday, June 14, in order to explore the basis of a common initiative by the self-regulatory organizations (SRO's) on shareholder voting rights. However, as indicated in testimony yesterday before the Oversight and Investigations Subcommittee of the Energy and Commerce Committee, this meeting did not significantly improve the prospects of a voluntary SRO agreement that preserves shareholder democracy.

In the absence of an appropriate solution by the SRO's, and because the SEC remains unwilling or unable to use its authority under section 19(c) of the Securities Exchange Act of 1934 to resolve this problem, the Congress must address this issue directly. Accordingly, today Senator D'AMATO and I are introducing companion bills to effect a uniform policy among the principal trading markets concerning voting rights. I thank the Senator for his commitment to this important issue and look forward to working with my colleagues in the Senate on a solution that will best serve the interests of shareholders and of corporations whose securities are or will be traded on the Nation's securities markets.

The bill prohibits trading on securities exchanges and in the over-the-counter market of nonvoting shares and shares carrying disproportionate voting rights. Section 1 of this legislation adds a new subsection (n) to section 12 of the Securities Exchange Act of 1934, relating to listing on national securities exchanges. Paragraph 1 of subsection (n) provides that nonvoting securities and securities which carry disproportionate voting rights may not be registered on a national securities exchange.

Paragraph (n)(2) grandfathers certain stocks by providing that stocks carrying disproportionate voting rights may continue to be registered on a national exchange if they were listed on that exchange prior to June 18, 1985, remain listed on that exchange, and, within 2 years, meet the listing standards with respect to disproportionate voting rights in effect on June 18, 1985, of the national securities exchange which had the second highest trading volume in 1984.

Section 2 adds a new subsection to section 15A of the Exchange Act, relating to all securities traded on the over-the-counter market.

Paragraph (i)(1) provides that nonvoting securities or securities which carry disproportionate voting rights may not be quoted on an over-the-counter automatic quotation system operated by a registered national securities association.

Paragraph (i)(2) provides a grandfather for those securities carrying disproportionate voting rights which, prior to June 18, 1985, were quoted on an automatic quotation system and which, within 2 years, meet the listing standards with respect to disproportionate voting rights in effect on June 18, 1985, of the national securities exchange which had the second highest trading volume in 1984.●

SOUTH AFRICA: THE ISSUE IS JUSTICE, NOT JOBS

HON. MEL LEVINE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 18, 1985

● Mr. LEVINE of California. Mr. Speaker, this past Saturday, June 15, the Washington Post published a fine piece written by our distinguished colleague from Michigan, Mr. WOLPE, chairman of the House Foreign Affairs Committee on Africa. Under the title "South Africa: The Issue is Justice, Not Jobs," Mr. WOLPE writes eloquently about why the United States voted, "by a better than two-thirds bipartisan majority," to pass the Anti-Apartheid Act of 1985. Writing in response to a previous, objectionable Post editorial on this very subject, Mr. WOLPE writes:

It is simply wrong to focus more American concern on the 70,000 jobs American firms provide black South Africans than on the 26 million South African majority, which not only lacks economic opportunities but is dehumanized daily by a minority government. The struggle in South Africa is not primarily about jobs but more fundamentally about justice, dignity and political freedom.

Our colleague has it exactly right. I commend his article to your attention.

SOUTH AFRICA: THE ISSUE IS JUSTICE, NOT JOBS

The offensive paternalism of The Post's editorial "The South African Sanctions" [June 5] was only outdone by its historical case against sanctions—"that the country's economy is its most effective engine of social transformation."

This old argument, that somehow economic and social change lead inexorably to political liberalization and to democratization is more than just an unproven assumption; it is blatantly false. We only have to look to the experience of Nazi Germany, Stalinist Russia, Fascist Italy, Communist Poland—indeed, to the experience of South Africa itself—to see the fallacy of such a thesis. In all of these instances there has been progressive industrialization, economic and social change—and greater repression.

In making this old argument The Post is, surprisingly, making the same mistakes as those who have a limited knowledge of South Africa's history or current reality: to project onto the South African situation America's own experience with racism and an evolutionary civil rights movement. South Africa is simply not the United States. It is a totalitarian police state that constitutionally denies the most basic of political freedoms to its citizenry. And its majority-minority relationships are reversed: whites are a minority in South Africa, desperate to hold onto their privileged position and power. Unless we understand that this reversal of the majority-minority relationship inevitably creates a different political dynamic, we are going to continue a foreign policy that can only be counterproductive.

The sanctions in Anti-Apartheid Act of 1985, adopted by a better than two-thirds bipartisan majority in the House, are specifically intended to increase external pressure on the regime to dismantle apartheid before it is too late. The legislation is also aimed at placing America unequivocally on the side of the victims of apartheid and at beginning the overdue process of disassociating ourselves from the viciously oppressive South African regime. This legislation is not, as The Post cynically suggests, intended as a partisan rebuke of the Reagan administration.

The editorial suggested that those who are advocating sanctions are really insensitive to the prospective suffering that might be created for South Africa's black population. Nothing could be further from the truth. The tragic reality is that it is the administration's policy of "constructive engagement" that is in fact producing more suffering, more violence and more repression. That is very simply because the message that "constructive engagement" has conveyed to the South African regime is that it now has a much freer hand to do what it will—not only internally, but throughout the region. Because of the current policy, the South African government knows in advance that no matter how much repression there is, and no matter how much aggression it unleashes against the neighboring states in the region, there will be no cost imposed in terms of the American-South African relationship.

It is simply wrong to focus more American concern on the 70,000 jobs American firms provide black South Africans than on the 26 million South African majority, which not only lacks economic opportunities but is dehumanized daily by a minority government. The struggle in South Africa is not primarily about jobs but more fundamentally about justice, dignity and political freedom.

In the final analysis, apartheid will be dismantled as the result of South Africa's internal political struggle. But the United States and the international community can play a significant role in accelerating the process of change and, thereby, in reducing the duration of the struggle and the dimensions of the associated violence and bloodshed.●

GOLDEN ANNIVERSARY OF THE SOCIETY OF REAL ESTATE APPRAISERS

HON. CARDISS COLLINS

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 18, 1985

● Mrs. COLLINS. Mr. Speaker, it gives me great pleasure to rise today and commend the Society of Real

Estate Appraisers on their golden anniversary. The society, which is headquartered in my congressional district is dedicated to the highest level of professional standards and conduct for its profession.

When the society was formed in 1935 it only had 200 members. It has since grown into the largest independent association of professional real estate appraisers in North America. The organization is now 16,000 members strong with 189 chapters in the United States, the Caribbean, and Canada.

The Society of Real Estate Appraisers is dedicated to the pursuit of excellence and committed to meeting new challenges in the real estate marketplace. It also continues to search for improved methods, advanced techniques with which to improve performance and client satisfaction.

In recognition of the society's golden anniversary, I have introduced a resolution commending them on this special occasion. A copy of the resolution follows:

H. RES. 202

Resolution to commend the Society of Real Estate Appraisers on the occasion of its golden anniversary

Whereas the Society of Real Estate Appraisers was founded in 1935, during the Great Depression, in an effort to bring stability to the troubled residential real estate market in the United States;

Whereas, since the founding of the Society, members have been pledged to the highest standards of appraisal performance;

Whereas Society members have dedicated themselves to acquiring the knowledge and skills necessary to adapt to changing markets and technologies;

Whereas the Society is the largest independent professional organization of real estate appraisers and analysts in the United States; and

Whereas in 1985 there occurs the 50th anniverary of the founding of the Society: Now, therefore, be it

Resolved, That the House of Representatives hereby commends the Society of Real Estate Appraisers on the occasion of its golden anniversary.●

SANCTUARY INVESTIGATION CONTROVERSY

HON. MORRIS K. UDALL

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 18, 1985

● Mr. UDALL. Mr. Speaker, I am deeply disturbed by the tactics that Immigration agents used in seeking indictments against a group of church people who allegedly provided asylum to Salvadoran refugees. The following article by Nat Hentoff examines their investigation, known as Operation Sojourner, in light of the first amendment questions that have been raised.

Recently, 16 sanctuary workers were charged with bringing illegal aliens into the United States. In the investigation, FBI agents disguised themselves as church members in order to gather enough evidence to bring charges. Not only were the churches invaded without a warrant, the agents also saw it necessary to use tapes of Bible studies and personal conversations as the key evidence in their case. Using the fourth amendment as a justification, the Government agents saw probable cause to violate the sanctity of the church. But what is legal and permissible under the fourth amendment may violate the first amendment—our right of the free exercise of religion, our right to peacefully assemble, and our freedom of speech. Serious first amendment questions must be raised when people are afraid to assemble, when they are scared to speak, and when their religious services are threatened by warrantless searches.

As James Oines, pastor of the Alzona Lutheran Church, said, "the deepest aspect of their faith and trust was violated"—all because these church members felt the responsibility to provide safety to refugees who face a war in their Salvadoran homeland. I urge my colleagues to read Nat Hentoff's commentary on this important legal controversy.

[From the Washington Post, June 14, 1985]

UNDERCOVER AGENTS GO TO CHURCH

Although the use of undercover agents has become as American as light beer, until now no government agency has admitted to planting them in a church. In trying to make a case against sanctuary workers in Arizona, however, the U.S. government conducted a 10-month undercover investigation, Operation Sojourner, which led to the indictment of 16 people (later reduced to 12). The charges include bringing undocumented aliens illegally into the United States and then concealing them.

The government's case is based on about 100 covert tape recordings, many of them made in church, by two paid government informants, who had disguised themselves as ardently religious supporters of the refugees. Among the tapes are Bible study classes and prayer services.

During recent pretrial hearings in Phoenix, U.S. District Judge Earl Carroll has not appeared particularly impressed with defense arguments based on the state of human rights in Central America or the notion that international law can transcend American immigration rules. Judge Carroll has, however, been disturbed by testimony about the government's creation of a new frontier for undercover agents. Sending "people paid to do it and wired to do it into places of religious activity," the judge said, means "the whole process has been sullied in a sense."

An argument is being made by lawyers for the American Civil Liberties Union and the Center for Constitutional Rights, among other attorneys involved in the case, that all the "sullied" evidence obtained by the false congregants should be thrown out.

The question, they say, is not whether the government can never send an informant into a church. Crimes can be flaunted in holy places, as is richly evident in the histories of England and Russia. But in this country, can covert agents constitutionally be sent into a church without first going before a neutral magistrate—a judge who hears the government's probable cause for planting the informants and then decides whether the government has shown compelling, specific reason to compromise the holy place?

As it is now, no undercover agent, whether he slips into a church or a congressman's office, need a warrant. Responsible for this largest hole in the ever more tattered fabric of the Fourth Amendment is the Supreme Court, which has never understood that a covert informant is far more instrusive than a wiretap or bug.

The constitutional significance of the sanctuary workers' case is that it may finally produce some warrant requirement for undercover operatives, at least in a church setting. At issue and at risk are First Amendment protections for free exercise of religion and, within that context, for freedom of speech and association. The informants, it should be kept in mind, did not tape only meetings in which those "conspiring" to smuggle aliens were present. They picked up the conversations of a lot of other church members. Yet, only the government handlers of the government informants decided what was to be taped and when. No detached magistrate was supervising Operation Sojourner.

The defense maintains that the warrant clause of the Fourth Amendment must be invoked whenever the government intends to use undercover informants in ways that may threaten significant First Amendment values. Like sending them into a church to pick up anything they can.

During the pretrial hearings in Phoenix, Pastor Eugene Lefebvre of the Sunrise Presbyterian Church testified that a woman who took part in a church discussion that was later found to have been surreptitiously taped is now afraid that the FBI has opened a file on her and that she could be targeted when she applies for a teaching position.

And James Oines, pastor of Alzona Lutheran Church, said from the stand that he no longer holds Bible study classes because some members of his congregation are afraid to come to the church. They no longer have faith that the person sitting next to them is revealing his true heart.

Oines added: "The deepest aspect of their faith and trust was violated. It turned out that we were as gentle as doves but not so wise as serpents."

Among the defendants are a Protestant minister, Roman Catholic priests and nuns, a social worker, a college student and a Quaker rancher. The lawyer for one of them, James Brosnahan, told the National Catholic Reporter that "the government has not made a practice of invading church buildings to apprehend people. I would like to think of it as an aberration that will never happen again."

It all depends on what the courts say. This, after all, is an administration convinced that God, being on its side, would not consider an undercover agent to be trespassing in one of His churches under these circumstances.●

MRS. MARTHA ODELL SANDS

HON. JIM COURTER

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 18, 1985

● Mr. COURTER. Mr. Speaker, for over 39 years, Martha Odell Sands has dedicated herself to the education of young people, primarily in the Newark school system. On June 20, 1985, she will be honored at a retirement dinner after having served as a guidance counselor for the past 24 years.

As an educator, Martha Odell Sands has been an asset and an inspiration, not only to young people, but also to her colleagues. Her strong, positive approach to counseling has provided the youths of Newark with an excellent role model in addition to a committed educator concerned with their total development.

A native daughter of North Jersey, Martha Odell Sands attended school in Belleville, NJ; Dunbar High School in Washington, DC; and Barringer high School in Newark, NJ.

She started her undergraduate work at St. Paul's College in Lawrenceville, VA. After 2 years she transferred to North Carolina College, now known as North Carolina Central University, in Durham, NC. She received her B.S. in home economics from this institution. After being invited back to St. Paul's College to teach, Martha remained for 8 years.

With special approval, Martha completed the requirements for her M.A. degree at New York University in only two summers. She has done additional work at New York University; Seton Hall University, NJ; and Rutgers University in New Brunswick, NJ. She holds certificates in student personnel services and director of guidance.

Martha Odell Sands has worked diligently to ensure quality education and counseling through her fine efforts, high standards, and exceptional dedication to young people. We owe this fine educator a great deal. We shall miss her, and, in particular, we shall miss her wisdom and her sound judgement. On the occasion of her retirement, we applaud her commitment and wish her joy and good health.●

A CONGRESSIONAL SALUTE TO ROBERT DAVID GARCIA

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 18, 1985

● Mr. ANDERSON. Mr. Speaker, I wish to take this opportunity to pay tribute to another one of San Pedro's exemplary citizens who has done so much to make the San Pedro Bay area such a fine place to live and work. I refer to Mr. Robert David Garcia, who will be vacating his position as president of the San Pedro Peninsula Chamber of Commerce on the 28th of this month.

Bob's track record as president is a formidable one, which includes: Kicking off the San Pedro Marketing Program, bringing the chamber over the 500-member mark, initiating Anna Fisher Day to honor San Pedro's first lady astronaut, and the San Pedro CARE Program for downtown revitalization. He sponsored decorations and a tourist center during the Olympics, lobbied effectively for the Harbor Freeway busway, and developed a closer working relationship with the Port of Los Angeles. He had served two terms on the chamber board of directors prior to his tenure as president.

Bob is pure southern Californian, having grown up in San Pedro where he attended high school. He has worked with the Bank of San Pedro since its founding in 1975, where he started as a consumer lending officer and has risen steadily through its ranks to the position of regional vice president which he holds today. Prior to this, Bob worked for 3 years as a loan officer with Crocker Bank and for 3½ years for Beneficial Finance as manager of the Redondo Beach office.

In addition to his contributions to the community through the chamber, Bob is chairman of the Los Angeles Harbor Improvement Corp., as well as a member of the San Pedro Lions, and the Conches clubs. He is a former member of the Los Angeles Board of Zoning Appeals, has held the presidencies of the San Pedro Jaycees and the Downtown Merchants, and has chaired the Christmas parade and the chamber membership drive.

Mr. Speaker, Robert Garcia has contributed immeasurably to the quality of life in the harbor area, and while the San Pedro Peninsula Chamber of Commerce will certainly miss his leadership, I have no doubt his selfless good citizenship will continue to grace our community. My wife, Lee, joins me in thanking Bob Garcia for all the good things he has done for our community, and we wish him, his wife, Paulette, and their children Lynn and Robin, all the best in their future endeavors.●

PRESIDENTIAL RESTRAINT

HON. WILLIAM (BILL) CLAY

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 18, 1985

● Mr. CLAY. Mr. Speaker, since terrorists commandeered an American passenger plane last Friday, millions of people throughout the world have observed the unfolding horror. Until last week, American victims of international terrorists almost always held some official capacity with the U.S. Government. The story of contemporary terrorism reached an ominous new high when radical Shiite Muslims took more than 100 American tourists hostage; torturing their captives and murdering at least one American soldier.

Certainly our President intends to do everything within his power to protect Americans still held hostage by the Shiite Muslims in Beruit; and indeed to protect all America from the threat of terrorism. But terrorism has reached new heights. The administration's history of dealing with international terrorism has not stemmed the crisis. If anything, American counterterrorist efforts may have acerbated anti-American terrorist activity. Terrorism is a contemporary incident of war that challenges our Nation's diplomatic skill and foreign policy and ultimately undermines world peace. It is time for all American leaders to offer a more effective response to terrorism; the terrorist problem warrants immediate attention and more creative solutions. I commend the following article, "Presidential Restraint," to my colleagues as we contemplate the fate of the American hostages and the future safety of all our citizens.

[From the Washington Post, June 18, 1985]

PRESIDENTIAL RESTRAINT

(By Mary McGrory)

President Reagan, in the hostage crisis, is trying to show concern but not of the consuming kind. He seems to have before him the memory of President Jimmy Carter, who wrapped himself around the hostage crisis in Iran—and went down with it.

Over the weekend, the television networks went all out with anchormen recounting the hourly horrors aboard TWA Flight 847. The president, who has a deep aversion to negative situations, went off to Camp David, finally returning at midmorning Sunday.

From the first minute of what was to be a 444-day captivity for American hostages in Iran, Carter sought by every means to convey to the country his obsession with their fate. As the weeks turned into months, he forswore to leave the White House, doing penance, it seemed, for the great shadow that had fallen on the country.

Candidate Reagan berated Carter for his "vacillation and weakness" and inveighed against the "rabble" in Tehran. But his campaign staff feared what they called "an October surprise," by which they meant the release of the 52 Americans, and Reagan backed away from his angry rhetoric. Once October had safely passed, he returned to his theme that the hostages' continued captivity was "a humiliation and a disgrace to this country."

When the hostages were released—Ayatollah Ruhollah Khomeini meanly held them until Reagan had been sworn in, with a drained and ashen Carter by his side—Reagan received them at the White House and assured them that a new day was dawning for the likes of their tormentors.

"Let terrorists be aware," he said, "that, when the rules of international behavior are

violated, our policy will be one of swift and effective retaliation."

But now that he is undergoing the "humiliation and disgrace" of Americans being held captive, abused, beaten and, in one instance, killed, he is markedly less militant.

The White House watchword is business as usual. The public is not to be unduly reminded of facts that, in Carter's time, proved intolerable to the country's image of itself as standing tall.

The president is ostentatiously keeping his schedule, to show, as spokesman Larry Speakes said, that he can cope with the crisis and also deal with regular business.

Speakes showed a president talking to senators about a textile bill and meeting with legislators about chemical warfare. He also made a ceremony of receiving members of a bipartisan commission that is to investigate possibilities of "improving internal methods and procedures in the making of defense decisions."

Speakes frowned at a question about progress in the hostage situation, saying stiffly that he wanted to exhaust questions about the new commission before plunging into a downbeat topic.

He suggested that Reagan, up against the realities that faced Carter, may have moderated his views about how to deal with terrorists. Asked how Reagan could justify inaction, Speakes replied that it was not clear that this was "state-sponsored terrorism"—although Reagan had not made that distinction.

The hijackers were from some "shadowy" group, Speakes said, even though a Shiite Muslim leader named Nabih Berri, who has stepped forward to take responsibility for the situation at the Beirut airport, is justice minister in the Lebanese Cabinet.

"He hasn't changed," Speakes said of Reagan. "The world is changing."

What he means is that Reagan, who brought America back to its position of pride and prestige in the world, is in the hands of a Middle Eastern politician who passed for a "moderate" in those demented circles and that the world now looks different to him.

Retaliation, revenge and retribution are blood-stirring words. But they do not help when a powerful leader is impotent and faced with the necessity of saving American lives while not losing face for abandoning a stated principle of never negotiating.

But countermeasures can be more pedestrian and effective than the CIA's recently revealed undertaking: formation of a counterterrorist team that went off on its own and car-bombed innocent people. Today's atrocities are being justified by the Flight 847 gunmen because of that misbegotten lurch toward retaliation.

A return of sky marshals to international flights would do much more and at less expense. And banning Greek flights to the United States until security at Athens airport, where Flight 847 began its nightmare zig-zag through the unfriendly skies, is brought up to standard would stop smuggling of arms and grenades onto planes and might preclude the kind of vigil the country is keeping now.●

SDI MUST BE FULLY FUNDED

HON. JACK F. KEMP

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 18, 1985

● Mr. KEMP. Mr. Speaker, the Washington Times carried an account of Defense Undersecretary Fred Ikle's recent comments before the Republican Study Committee, and I recommend that my colleagues pay careful attention to it.

The article also points out that last week two breakthroughs in laser technology occurred. Technology in all the phases of the strategic defense initiative is advancing rapidly. This is surely not the time for Congress to drastically cut back on research funds for this vital project which holds the promise of creating enforceable arms control for the first time since the dawn of the nuclear age 40 years ago. Cutting these critical funds, as the Armed Services Committee has proposed, amounts to extending the unstable nuclear weapons race for years into the future.

[From the Washington Times, June 10, 1985]

NUCLEAR STABILITY "WASHED AWAY"

(By Walter Andrews)

The world stability that nuclear missiles provided through the threat of mutual retaliation is gone, and its passing has washed away the rationale for arms-control agreements with the Soviet Union, according to a senior defense official.

The "relentless modernizing" of nuclear forces and the nuclear competition between the Soviet Union and the United States have not achieved the hoped-for stability, said Fred Ikle, undersecretary of defense for policy.

"We now find that the intellectual foundation of the [1972 anti-ballistic missile] ABM treaty and of SALT [arms-control agreements] has been washed away by the actual event," Mr. Ikle said in perhaps the strongest condemnation of arms control yet by an administration official.

He made his comments last week before the House Republican Study Committee in testimony supporting the Reagan administration's Strategic Defense Initiative—the research program toward a space-based missile defense system that has been dubbed "star wars."

The House Armed Services Committee has recommended the administration's $3.7 billion 1986 SDI request be cut by a third to $2.5 billion.

Committee chairman Les Aspin, D-Wis., in arguing for the SDI cuts, warned that the ambitious technology tests in the "star wars" program endanger the ABM treaty. Mr. Aspin said the treaty was essential to the current system of nuclear stability.

Said Mr. Ikle: "It is not warranted to criticize SDI for upsetting an existing stability. . . . There is not now stability existing in that [missile] competition or that [U.S.-Soviet] relationship.

"Why should we lock ourselves into a dead-end street?" Mr. Ikle asked. "Why shouldn't we try to find an alternative to continuing this endless competition in offensive arms, which is what we are suggesting."

Mr. Ikle's forceful comments came as President Reagan considered whether to abide by the SALT agreements in the face of Soviet violations.

One Pentagon official said the undersecretary's remarks reflect the position of his boss, Defense Secretary Caspar Weinberger, who reportedly has recommended that the United States only "selectively comply" with the arms accords.

At issue is whether the United States, in order to comply with SALT nuclear warhead limits, will dismantle an old Poseidon missile submarine when a new Trident sub begins sea trials this September.

The president was expected to make a decision over the weekend.

Another administration official, George Keyworth, strongly seconded Mr. Ikle's contention that the period of world stability provided by the nuclear missile has ended. "The handwriting is on the wall now for the ICBM," the presidential science adviser told the Republican Study Committee.

He said the Soviets are making "a most desperate attempt" to frustrate the "star wars" program, both in the arms talks at Geneva and through propaganda. "They've pulled out all the stops."

"Anytime you see a presidential initiative tentatively cut by a factor of a third or more just as it's getting off the ground, there's something seriously wrong," he added.

The science adviser disclosed that within the last week there had been two breakthroughs in the development of lasers—high-power beams that theoretically could be used to destroy Soviet missiles in their most vulnerable phase, as they slowly ascend after launch.

It is believed these two lasers—a free electron laser and an "extremely small [nuclear] reactor-driven" laser—will be capable of generating beams of 100 to 200 megawatts, Mr. Keyworth said.

"These are powers heretofore considered unattainable until the end of the century," the science adviser said. They are also the powers the Fletcher Commission—which studied the technical feasibility of space defense—said would be necessary for a successful system, he said.●

CHILD ABUSE LEGISLATION

HON. DON EDWARDS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 18, 1985

● Mr. EDWARDS of California. Mr. Speaker, today I am joined by my distinguished colleagues from California, Mr. MILLER and Mr. LEVINE, in introducing legislation that will assist State and local law enforcement officials in their efforts to protect our children and our communities from the horrible trauma of child abuse and child molestation.

My bill, the Child Abuse Reporting and Clearinghouse Improvements Act of 1985, is the companion to legislation being introduced today in the Senate by my good friend, the senior Senator from California, ALAN CRANSTON. This legislation is a three-part approach to

strengthening current child abuse laws.

The first section requires Federal drug and alcohol treatment programs to report cases of child abuse to law enforcement authorities; something they are now forbidden to do by Federal law, even though State law might require such reporting. The second provision would require the FBI to include data on child abuse cases in their uniform crime report. The third portion is designed to enhance the activities of the National Center on Child Abuse and Neglect by beefing up its ability to collect and disseminate information on the most successful methods of investigating and prosecuting child molestation cases.

These modest improvements in Federal law and practice will greatly improve the ability of local law enforcement officials to combat the ever increasing incidences of child abuse. I urge my colleagues support of this worthy legislation.●

"SILENT SCREAM" DEFENDED

HON. JOHN J. LaFALCE

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 18, 1985

● Mr. LaFALCE. Mr. Speaker, I am pleased to recommend to my colleagues a very powerful article concerning the issue of abortion. This article, by Mr. Thomas L. Jipping, president of the Pro-Life Coalition at the State University of Buffalo, and Judy A. Bowen, youth chairman of the Buffalo Regional Right to Life Committee, appeared in the Buffalo News on May 30, 1985.

The film, "Silent Scream," has been castigated a good deal in the past 4 months. I think that the following commentary represents the reality of abortion, the killing of the unborn, and calls it what it is: The obliteration of the innocent.

The article follows:

[From the Buffalo News, May 30, 1985]

"SILENT SCREAM" IS DEFENDED BY TWO PRO-LIFE ADVOCATES

(By Thomas L. Jipping)

The film "The Silent Scream" is filled with information on a broad array of topics within the general abortion debate: fetal development, how the abortion procedure called suction aspiration is performed, new technologies like ultrasound imaging, new branches of science like fetology, and the abortion industry itself, to name a few.

The film represents a new way of telling an old story; it is a scientific fact that abortion kills a living human being and such killing is an unacceptable way of dealing with certain social problems.

Some believe that this film, and all it provides about the topic listed above, is illegitimate because the 12-week-old preborn child whose death is depicted in the film "has not yet developed nerve cell pathways in the brain's cortex that would enable it to experience pain."

Assuming for the moment that a human being's ability to feel pain is somehow relevant to whether another human being may kill it for any reason, a few things must be stated.

It is the thalmus, and not the cortex, in the brain that is principally involved in pain sensation. In the preborn child, the thalmus develops prior to the cortex.

Experts do in fact believe that a 12-week-old preborn child can feel some pain. In their 1980 text "The Development of the Brain," Professors Stanislav Reinis and Jerome M. Goldman state: "By 10.5 weeks, the palms of the hands are responsive to light stroking with a hair, and at 11 weeks, the face and all parts of the upper and lower extremities are sensitive to touch. By 13.5 to 14 weeks, the entire body surface, except for the back and top of the head is sensitive to pain."

Dr. Vincent J. Collins, a recognized expert of pain and professor of anesthesiology at Northwestern University, states: "As early as 8 to 10 weeks gestation, and definitely by 13½ weeks, the human fetus experiences organic pain."

The point to be made here, however, is that the ability of an individual to feel pain is totally irrelevant to the expendability of that individual's life, just as any other arbitrary ability or characteristic is. Occasionally a human being is born and throughout his or her life is unable to feel pain. The logic of the pro-abortionists, requiring this ability as a prerequisite for one's right to life, would condemn these persons as well.

Society has learned hard lessons about the arbitrary requirement of certain characteristics or abilities before other inherent human dignity and worth is recognized.

In the 19th century, it was skin color. At other times, it has been physical or mental handicap, gender, or religion. We all know that these things say nothing about the worth of other individuals; rather, they say something about us and our refusal to acknowledge intrinsic human dignity.

Some charge that "The pro-life forces always have focused on the fetus while the pro-choice group concentrated on the mother." Yes, we do look at the preborn child to determine whether abortion is right or wrong. When we do, we see that the individual human being begins life at conception. This is a scientific fact. Dr. Andre E. Hellegers' professor of obstetrics and gynecology at the Georgetown University Hospital and former president of the Perinatal Research Society, states in testimony to a U.S. Senate subcommittee: "I do not believe there is any question when biological human life begins. It is at conception, by which I mean when the sperm fertilizes an ovum. To say that it begins at any other time is biological nonsense."

Dr. Hymie Gordon, professor and chairman of the department of medical genetics at Mayo Clinic, testified: "But now we can say, unequivocally, that the question of life begins is no longer a question for theological or philosophical dispute. Thelogians and philosophers may go on to debate the meaning of life or the purpose of life, but it is an established fact that all life, including human life, begins at the moment of conception." The fact that abortion kills a living human being cannot be disputed. One must look at the preborn child when evaulating abortion.

It is not the pro-abortionists who are truly concerned about the women who want an abortion. The idea that simply because most abortions are "legal" they are automatically "safe" is a hoax. Groups like Women Exploited by Abortion are living testimony to the lies and the ignorance that surround the decision to have an abortion.

Dr. Bernard N. Nathanson, once the most prolific abortionist in the country, states that in perhaps 1 percent of abortions is there the warm and concerned picture of counseling between doctor and patient that the pro-abortionists paint as the norm. An obstetrician-gynecologist in Florida did a 7½ year study and found that at least 20 percent of his patients who had had abortions suffered physical and emotional complications of such severity as to be considered significantly disabling.

In light of all of this, it is the pro-life people who want to get the information out that will help women make a truly informed choice. Counseling centers like the Buffalo Emergency Pregnancy Care Center, the Crisis Pregnancy Center, and Choose Life, and groups like Women Exploited by Abortion seek to provide the information the pro-abortionists refuse to acknowledge.

These centers and support networks provide the counseling, homes, referrals, and material needs. WEBA knows how women are driven to the abortion mill and then left alone, their child removed and their problems supposedly solved. But an abortion is only a down payment on an entirely new set of problems.

The situations involving a pregnancy resulting from rape or incest or one that would threaten the mother's life if carried to term together constitute less than 2 percent of the more than 1.5 million abortions preformed annually in the United States.

Even a leading pro-abortion spokeman like Dr. Irvin Cushner of the University of California at Los Angeles Medical School has stated; "The overwhelming majority of abortions in this country are performed on women who for various reasons do not wish to be pregnant at this time."

United States Public Health statistics show that the annual number of maternal deaths from legal, illegal, and spontaneous (miscarriage) abortions combined dropped steadily from some 300 in the 1950s to 160 by 1967 and to 36 by 1973, when abortion-on-demand was legalized nationwide. This is still a serious matter, but one about which the pro-abortionists are wont to do a little fudging in from time to time.

And remember, the legal abortion picture is not that pretty either. The same Supreme Court that supposedly vindicated a woman's rights to have an abortion also ruled that a state cannot regulate abortion even in the interest of maternal health during the first trimester, when over 90 percent of abortions are performed.

We urge all to see "The Silent Scream." It provides useful information and an important perspective on an important issue. Despite what some would have you believe, the film is authentic. There could be no significant support for this than the sworn affidavit prepared by Dr. Ian Donald, former Regius professor of obstetrics at the University of Glasgow, the inventor of ultrasound, and the world's foremost expert on its use and interpretation. That statement, dated Feb. 23, 1985, reads: "I the undersigned Ian Donald . . . having had experience in the development and exploitation of diagnostic ultrasound from 1955 onwards until 1981, the last four years of which were much taken up with filming fetal activity at various stages of pregnancy . . . have now studied Dr. Nathanson's videotape film not less than four times and affirm that I am of the

opinion that the fetal activities depicted by ultrasound realtime scanning in this film are not faked, nor the result of artifact, intentional or otherwise."

Whether or not you see the film, remember that abortion is a matter of life and death.●

I HAVE FAITH

HON. DEAN A. GALLO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 18, 1985

● Mr. GALLO. Mr. Speaker, I rise today to have inserted in the CONGRESSIONAL RECORD the work of a wonderful man who should serve as an inspiration to us all.

Mr. Edward Sadek, a veteran of the First World War, is 96 years old and resides on Long Island, NY. For more than 30 years he has been completely blind. In spite of his handicap, he is a published poet.

Among his works is the following poem entitled "I Have Faith":

"I HAVE FAITH"

(By Edward Sadek)

The world is full of conflict, hate, confusion, fear and doubt.
For Mars, the bloody god of war, now grimly stalks about.
While petty tyrants ruthlessly by slaughter hack their way,
And murder and corruption are the order of the day.
To all man's killings add the toll which Mother Nature takes,
By fire, flood, volcanos and her devastating quakes.
"Would a just God allow such things?" I hear the skeptics ask.
Convincing them God must exist is now my humble task.
Upon man's shoulders rests the blame for many of his ills,
His greed, injustice to his own, brutality that kills.
His many talents may be used for better or for worse
To build up or just to destroy—it's his to make the choice.
What the Creator's purpose was perhaps we'll never know
In starting life—and after death, where does the spirit go?
What is the special mission of our troubled human race?
What lies beyond the center rim of endless time and space?
A complex clock can't make itself; someone must make it go.
To function well each cog, each wheel must mesh exactly so.
Then who conceived and built and set the endless clock of time?
Whose skillful, patient hands contrived that masterpiece sublime?
Man sends his ships across the sea, his trains across the land.
Who sets the planets on their course? Whose word gave the command
Who is the Being or the Force before whom all must bend?
Who activates an acorn, grows a staunch, majestic oak?
And who can rend that mighty tree with just one lightning stroke?
Who created sea and land? Who ripens corn and rye?
And who parades a trillion stars each night across the sky?
Let all the skeptics argue how these wonders came to be;
A Master mind must guide them all; that much is clear to me.
I stand in awe and marvel at their grandeur and their scope
And this gives rise to stronger faith instead of merely hope.
I have faith that on the morrow once again the sun will rise.
I have faith that the sun is shining though obscured by cloudy skies.
I have faith that after winter there will come another spring.
I have faith the earth will blossom and that birds again will sing.
I have faith that man will probe the vast potential of his mind.
I have faith that he will use it for the good of all mankind.
I have faith that man's compassion for his fellowman will start
When he combines his talents with the goodness of his heart.●

A CONGRESSIONAL SALUTE TO WILLA MAE WILSON, OUTGOING PRESIDENT OF THE WOMEN'S DIVISION OF THE SAN PEDRO PENINSULA CHAMBER OF COMMERCE

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 18, 1985

● Mr. ANDERSON. Mr. Speaker, I take this opportunity to congratulate Willa Mae Wilson, who will end her tenure as president of the Women's Division of the San Pedro Peninsula Chamber of Commerce on June 28.

A native of Fort Worth, TX, Willa Mae resided there until moving to San Pedro, CA, where she currently works for Atchison Realty. Willa Mae previously worked for 2 years as an installment loan officer with the First National Bank, 8 years as a real estate salesperson with Vernon Evans Realtors, 3 years as a multiple listing secretary, and 3 years with the Museum of Western Art.

Willa Mae has a long history of civic involvement. While still in Texas, she was a member of the Women's Division of the Hurst-Euless-Bedford Chamber of Commerce and a member of the Northeast Tarrant County Board of Realtors. She was named Associate-of-the-year by the board in 1968 in recognition of her achievements. Willa Mae is also a charter member and past president of the Women's Council of the National Association of Realtor Boards. In addition to her active participation in the San Pedro Peninsula Chamber of Commerce, Willa Mae is a member of the San Pedro Christmas Parade Committee and the Harbor Police—Community Council.

Mr. Speaker, Willa Mae has worked hard at making San Pedro and the surrounding area a better place to live and work. She has devoted countless hours to the community and you can be sure that her efforts have not gone unnoticed.

My wife, Lee, joins me in thanking Willa Mae for her many contributions to our community. We wish her and her three sons, Lowell, Thomas, and Donald, continued success in the future.●

TRIBUTE TO DR. WEIR L. KING

HON. GUS YATRON

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 18, 1985

● Mr. YATRON. Mr. Speaker, it is with great pleasure that I have an opportunity today, upon the occasion of his retirement from full time medical practice, to recognize Dr. Weir L. King's outstanding contributions to the medical profession and his community.

On June 28, 1985, the members of the Family Medical Practice Group will honor their colleague, Dr. King, with an open house celebration for his 34 years of service in Berk County. Few people have contributed as much to the community as Dr. King over the last several decades. He has worked tirelessly to establish family medicine in the community and indeed was with his colleagues a pioneer in family medicine, establishing the first practice in Berks County. Dr. King has a close relationship with St. Joseph Hospital and all other institutions in the area. He was an innovator of the concept of medical centers over 25 years ago.

Without question, Dr. King's efforts have truly played a major part in medical care in his community. He has worked with the elderly, given unselfishly of himself through charitable work and is well known and respected by the residents of Berks County. I would like my colleagues to join me in saluting his life's work and in wishing him continued future success. I am indeed thankful that I had this chance to bring some of Dr. King's accomplishments to your attention.●

MIRAMAR, FL, 30TH BIRTHDAY CELEBRATION

HON. LAWRENCE J. SMITH

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 18, 1985

● Mr. SMITH of Florida. Mr. Speaker, I want to take this opportunity to commemorate the 30th birthday of a great and growing city, the city of Miramar. FL. In Spanish, Miramar means

"to see the sea," an appropriate name for a city and populace that have set their sights on such an expansive future. The city of Miramar is certainly one of the most outstanding cities of the Sunshine State.

Miramar was incorporated by a special act of the State legislature on May 26, 1955. In January of 1959, Miramar held its first city election, and the Miramar government was born. Since then, the city has maintained a strong municipal form of government whose reputation is reinforced by the present mayor, Frank R. Branca. Elected in 1983, Frank Branca had served for 10 years on the city commission and has proven himself to be an integral force in the development of this wonderful and proud community. Today's city commission also is providing strong leadership for the future of Miramar.

The seal of Miramar bears the inscription "beauty and progress," and Miramar has unquestionably lived up to these two ideals. Successful efforts to improve the quality of life in Miramar have included youth and senior citizens' programs, landscaping projects, and recreational facilities and parks. Plans for orderly and controlled growth have resulted in a projected doubling of the city's present population of 39,000 by the year 2000. A little-known fact about Miramar is that it is one of the largest residential cities in Florida, although only 30 percent of the available land is used. This has given Miramar a reputation as being the "sleeping giant"—a giant that is now awakening.

Future plans include the completion of the federally funded I-75 highway extension, which will link all the major south Florida arteries of transportation and make Miramar the gateway to the North. The new Miami Dolphan football stadium is scheduled for construction in Miramar, and plans for a bullet train route from Orlando to Miramar are also in the works.

Miramar's manner of celebrating its 30th birthday is further testimony to this city's innovative and progressive outlook. On June 22, Miramar has planned a "U.S.A. for Africa" fundraising concert at C.B. Smith Park. The concert hopes to raise $70,000 for this worthy cause. By dedicating their festivities to famine relief, the people of Miramar are reflecting a philanthropical concern for one of the most significant and gravest issues of our time. I am proud to be speaking at this birthday celebration, along with such celebrities as Miami Dolphin receiver Jim Jensen and boxer Alexis Arguello.

It is an honor to represent this growing and beautiful city, and it is with great pleasure that I extend my best wishes to the people of Miramar as they celebrate their city's 30th birthday.●

BALTIC FREEDOM DAY

HON. F. JAMES SENSENBRENNER

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 18, 1985

● Mr. SENSENBRENNER. Mr. Speaker, we passed House Resolution 263 which proclaimed June 14 as Baltic Freedom Day. On this anniversary we recognized that for 45 years the United States has refused to recognize the Soviet takover of Estonia, Latvia, and Lithuania; we remember that 44 years ago the Soviet began deporting several thousand people from their beloved Baltic homeland; and we honor the Baltic people for their struggle to survive and retain their culture under brutal Soviet domination.

Forty-four years ago the Soviet Union invaded Estonia, Latvia, and Lithuania to impose a puppet Communist government. The Soviets held rigged elections where only Soviet officials were elected to Baltic State governments. These two acts violated the Tartar Treaty signed by Soviet Union and Estonia in 1920, and similar treaties with Lithuania and Latvia which recognized the independence of these countries.

Following the Soviet takeover of the Baltic governments, the Soviets began deporting several thousand natives of the Baltics on June 14, 1941. During these mass deportations, Soviet officials arrested 60,000 Estonians, 45,000 Lithuanians, and 30,000 Latvians from all walks of life. After World War II, the Soviets returned in 1944, forcing 63,000 Estonians, 115,000 Latvians, and 20,000 Lithuanians to flee their homelands to escape Soviet domination. Historians estimate that between 1941 and 1949, the Soviets deported approximately 500,000 people.

On June 14, the United States honors these people who endured extreme hardship imposed by the Soviet Union. They continue to fight for their freedom and certain inalienable rights. Today, these people are suffering from "russification."

Today, the Baltic people are withstanding Soviet "russification" in order to save their culture. These people have distinct and independent cultures dating back to the 10th century. Yet, the Soviets are attempting to russify these people. Only Russian is to be spoken in schools, only Russian history and customs are taught, and all loyalty is directed to the Communist state. Furthermore, the Soviets are attempting to destroy the Baltic people's deep roots in the Lutheran and Catholic Churches. The churches may not publish anything and church attendance has dropped to a staggering new low. However Estonians, Latvians, and Lithuanians have been able to remember their history, hold to their religion and preserve their precious customs and culture.

The Baltic people of Estonia, Lativa, and Lithuania stand out as true champions in a struggle for liberty, justice, and freedom. These people serve as inspiration to all people subjected to foreign domination and subversion. Today, by honoring these people with Baltic Freedom Day, we will hopefully entice these admirable people to continue their struggle against Soviet domination in the hope for freedom.●

FURTHER ACTION ON HOSPICE BENEFIT NEEDED

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 18, 1985

● Mr. BIAGGI. Mr. Speaker, timely consideration of H.R. 1742, a bill designed to revise the requirements of the Social Security Act relating to nursing care provided by certain hospice programs, is sorely needed if we are to assure hospice services to those we intended to assist when Congress adopted the Medicare hospice benefit in 1982.

The present requirements, which specify that a hospice must routinely provide substantially all of four specific core services, including nursing, medical social, physician, and counseling services, to qualify for Medicare coverage, rule out many hospices which cannot meet the criteria mandated by law. Such rigid requirements, designed by Congress to prevent abuse of the benefits and to ensure quality care, make it almost impossible for many hospices to serve Medicare patients. By easing the restrictions on hospices in rural areas and in health manpower shortage areas, the new requirements would enable Medicare patients to receive hospice services and still ensure quality care.

Progress was made last year in relaxing the core service requirements. Under provisions of the Deficit Reduction Act, the Secretary of Health and Human Services may now waive the nursing care core service requirements for hospice located in rural areas, provided that the hospice was in operation on or before January 1, 1983, and that it made a good-faith effort to hire its own nurses. Even with these changes, there are still many hospices which cannot meet the rigid requirements for Medicare coverage.

During the development of the hospice organization in New York State, there was concern about the inability to contract out for nursing. There are still difficulties in the need to transfer fund contracts to the nursing staff. This bill would be consistent with New York State legislation which already mandates that hospices be Medicare-

certified except for the provision concerning direct nursing care. H.R. 1742 would provide more latitude to hospices, allowing them to concentrate on providing quality care to the terminally ill.

Hospice is a relatively new concept in health care; it is a special way of dealing with dying patients. The terminally ill differ physically and emotionally from other patients in many ways, primarily in their inability to escape the immediacy of pain and death. The hospice treats the total patient, providing emotional support along with medical services. Hospices also help and work with family members, who suffer along with the patients. Hospice care continues after the patient's death, giving emotional support to the family for up to 1 year after their loss. I believe that this approach is both effective and important, demonstrating one alternative to standard health care services.

I believe this bill will allow hospice services to continue operating effectively, providing quality care to the terminally ill. As an original member of the House Select Committee on Aging, I support this mechanism for improving the Medicare Program, and I encourage other efforts to enhance this Nation's health care services.●

IT'S TIME TO REMOVE SOCIAL SECURITY FROM THE BUDGET PROCESS

HON. JACK F. KEMP

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 18, 1985

● Mr. KEMP. Mr. Speaker, today I am introducing a bill to remove the Social Security Retirement Program from the unified Federal budget. This important reform will help restore the confidence of young workers and retirees in the Social Security System, strengthen the system as a self-financing program with its own trust fund, and thwart the efforts of those who want to tamper with Social Security benefits in an effort to reduce Government deficits.

Taking Social Security off budget also provides a more visible and accurate accounting of the condition of the Social Security trust fund as well as the real deficit in the rest of the Federal budget.

Social Security is a unique program unlike any other that the Federal Government operates. It is not an annual budget outlay like defense or social welfare expenditures. Social Security is best viewed as a long-range compact between the Government and the American people; in return for contributions during working age, Americans build up a fund for a secure retirement. Removing Social Security from the unified budget would strengthen the integrity of the system as a self-financed program and underscore our national commitment to maintain the financial security of the Social Security System.

The recent Senate budget compromise which freezes Social Security cost-of-living adjustments [COLA's] is another compelling reason to take Social Security off budget. I strongly oppose altering COLA's because it imposes a real hardship on thousands of America's elderly, many of whom depend on Social Security as their sole source of income. The Congressional Budget Office estimates that 400,000 Americans, mostly elderly and two-fifths of them single women living alone, would fall below the poverty level if COLA's were frozen 1 year, even if SSI benefits were also increased.

Under the Senate proposal, over 23 million Americans would suffer an average loss of $280 in benefits. And that loss is progressive. By skipping 1 year's COLA benefits, the benefit base will be permanently lower.

Keeping Social Security COLA's also makes it unnecessary for Congress to adjust—and less tempting for Congress to overadjust—benefits from time to time. We should reject the heinous precedent of allowing inflation to silently erode Government benefits.

Unfortunately, proposals to tamper with Social Security benefits come at a time when many young workers are already doubtful whether Social Security will be around when they qualify for benefits. And frankly, many retirees are scared. They have come to depend on Social Security benefits to keep themselves and their families financially secure. They are fearful that Congress will reduce their benefits. The best way to restore public trust in the Social Security System is to depoliticize it by taking Social Security off budget.

The major reason for changing Social Security COLA's is misguided. The Social Security fund does not add to the budget deficit: it is a self-financing program with its own trust fund. The Social Security trust fund isn't available for the Government to spend, it is an inviolable fund to pay off current and future commitments to retirees.

Of course, even though Social Security is not part of the deficit problem, nonetheless, it is true that reducing Social Security benefits currently would show up as a reduction in the Government deficit. Social Security has been on the unified budget since the Johnson administration; all Social Security benefit payments add to Government expenditures and all designated Social Security taxes are counted as general Government revenues. In a catch-all unified budget, therefore, our current Social Security surpluses reduce Government deficits.

In reality, the Social Security surpluses cannot be spent for any other purpose than Social Security. They are invested in Treasury securities, which reduces Treasury's need to borrow in private capital markets. But this hides the fact that the real Federal deficit is not in Social Security, but in other parts of the Federal budget, which don't have their own earmarked revenues. It is time we made this relationship explicit and removed Social Security from the unified budget.

This bill advances a reform already required by the Social Security Amendments of 1983, which will take Social Security off budget in fiscal year 1993. My bill would immediately remove all Social Security trust funds from the unified budget and authorize the appointment of two additional trustees to the boards of these trust funds. This bill is the same legislation as my colleague Representative MARY ROSE OAKAR has recently introduced, showing the bipartisan support for protecting Social Security benefits.

Taking Social Security off budget helps assure that Social Security benefits would be changed only to protect the solvency of the trust fund and not for cosmetic deficit reduction. I urge Congress and the President to support this effort to improve accounting procedures and to reaffirm our national commitment to provide a secure and adequate retirement for all Americans.●

SAFE DRINKING WATER ACT

HON. J.J. PICKLE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 18, 1985

● Mr. PICKLE. Mr. Speaker, I congratulate this body for passing the Safe Drinking Water Act Amendments of 1985. I do so because I feel it is a necessary responsibility of the Federal Government to play a role in the preservation and conservation of this Nation's drinking water supplies.

Our State and local governments have done a commendable job of enacting laws and programs designed for the preservation of water supplies. For many years it looked as though these governmental units could adequately handle the local pollution problems themselves. However, the problem has grown. Pollution from one area spills into an area under a different governmental jurisdiction. One State cannot agree with another on how to resolve the problem. Citizens of one city are unknowingly polluting the drinking water of another city. For these reasons, Congress must act to maintain the quality of drinking water for the Nation. Mr. Speaker, I believe the

measure before us today goes a long way in dealing with this critical issue.

As the Congressman from the 10th District in Texas, where a portion of our drinking water is supplied from an underground source called the Edwards Aquifer, I am particularly concerned with the sections of this measure dealing with the protection of groundwater supplies. This bill takes the initiative in dealing with this important national resource. In my part of the country we are very dependent on the Edwards Aquifer for drinking water. Yet this important supply of water is already being threatened with various forms of contamination and the possibility of total depletion.

Our State and the local governments who use the Edwards Aquifer have made many valuable contributions in protection our groundwater resources. However, the interests of those using the aquifer vary within its overall area. The Edwards Underground Water District has made good progress in bringing the many diverse interests together for the common good of protecting the aquifer. This bill will help the Edwards Underground Water District by providing Federal funds and additional technical expertise to their efforts.

Another section of this measure would require States to develop their own plans to deal with the protection and conservation of groundwater supplies. Under the leadership of our State legislature and Governor, Texas already has a proposal that will come up for a vote by the people of Texas in November. This bill would provide assistance to Texas in maintaining one of its most precious natural resources.

Many of the experts in the area of water supply have predicted that the 1990's could see the same crisis in drinking water shortages that we saw for oil in the 1970's. Where are we going to import safe drinking water from, in the 1990's, if we do not have enough in the United States to go around? What kind of crisis management legislation will Congress enact at a time when it is too late to do otherwise? The answer is to plan ahead. It is for the good of the country.●

BRUCE ROTHROCK, DEALER OF DISTINCTION

HON. DON RITTER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 18, 1985

● Mr. RITTER. Mr. Speaker, I would like to take this opportunity to point out to my House colleagues that Bruce Rothrock, owner of Rothrock Motor Sales in Allentown, PA, has been honored with the 1985 American International Automobile Association—Sports Illustrated "Dealer of Distinction" award.

Bruce Rothrock was selected because of the quality of performance of his dealership, his service to the industry, and his commitment to civic and community service. Mr. Rothrock has been an automobile dealer for the past 22 years.

His recent expansion taking on the Chrysler-Plymouth lines in addition to the Dodge-Nissan dealerships makes for more jobs and more services for Lehigh Valley citizens.

While maintaining an active dealership, Mr. Rothrock found the time to become involved in various civic organizations. He was a member and later director of the Whitehall Chamber of Commerce and he currently is a member of the Allentown-Lehigh Chamber of Commerce. He also sponsors various charities, including the Allentown Good Shepherd Home, the United Way, and the Arthritis Foundation.

He is personally known for his quiet enthusiasm and his skill in dealing with people.

Bruce Rothrock's story resembles one of those proverbial Horatio Alger tales, where hard work and teamwork combined with savvy and intelligence to once again prove that the American Dream is alive and well.

Mr. Rothrock is a great asset to the Lehigh Valley, to Pennsylvania, and to the U.S.A. Please join me in congratulating Mr. Rothrock on winning the "Dealer of Distinction" award for 1985.●

FEDERAL OFFENSE OF TREASONOUS ESPIONAGE

HON. GUY V. MOLINARI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 18, 1985

● Mr. MOLINARI. Mr. Speaker, today I have introduced legislation to create a new Federal criminal offense of treasonous espionage, consisting of the unauthorized disclosure of classified information damaging to our national security for profit. During the past few weeks, we have been shocked to learn of an espionage ring which has apparently been operating for several years. The damage done to our national security may never be fully assessed, but it is suspected that valuable information has been made available to the Soviet Union.

This espionage case is particularly repulsive as the single motivating factor seems to be that of greed. The legislation I have introduced today would separate those who supply information for profit from those who would do so for ideological reasons. In addition, the legislation allows for a penalty of death in the case of treasonous espionage. A person who engages in this type of activity should realize that he or she is risking their own lives. This activity can put the lives of millions at risk and the penalties must be severe.

Although action is now being taken to strengthen our security measures, we need strong legislation such as this to serve as a deterrent to those who would in the future contemplate disclosing for profit sensitive information damaging to our national security. Similar legislation has already been introduced in the other body, and I urge my colleagues to join me in supporting this important legislation.●

BETTY C. STREET, RECEIVES POSTMASTER OF THE YEAR AWARD

HON. WILLIAM HILL BONER

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 18, 1985

● Mr. BONER of Tennessee. Mr. Speaker, I wish to commend an outstanding citizen of the Fifth Congressional District of Tennessee, Betty C. Street, Postmaster of the Year for the Tennessee branch of the National League of Postmasters.

In 1963, the post office in Antioch, TN, centered around a good old potbellied stove. There were two carriers, one 4-hour clerk and a new acting postmaster, Betty C. Street.

Betty Street came to the job with a history of being active in community, civic, and political affairs. She saw the possibilities for growth and took the exam for postmaster. She received that Presidential appointment in 1965.

In the interim, the potbellied stove was replaced by a new post office, and an additional route was added.

The growth in the Antioch area continued and in 1974, a larger post office was needed. Now, the search is on for yet a larger building. Betty Street's responsibilities have grown as well. She now oversees 30 employees, 5 city routes, and 8 rural routes.

Her talents have been recognized as well. She was placed on the Postmaster Selection Board and has served as an assistant deputy director since 1982.

On May 21, 1985, she was presented with the Postmaster of the Year Award at the National League of Postmasters (Tennessee Branch) annual convention banquet.

She has been the recipient of other awards as well. In 1974, she received an Executive Award in Recognition of Outstanding Achievements from the Nashville Chapter of National Women Executives, Inc.

Her life as described in her own words is: "God is first, my family second, my job third, and everything else falls into place. My family is and has been my greatest pride and joy."

I applaud Betty C. Street. Her accomplishments and awards are well deserved and I wish her many more in the future.●

HONORING HEROES WHO SAVED A LIFE

HON. HAROLD ROGERS

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 18, 1985

● Mr. ROGERS. Mr. Speaker, tomorrow here in Washington, five men from McCreary County, KY—in my Fifth Congressional District—will receive a special group honor award from Secretary of Agriculture John Block.

These five men—Brenton Hale, Dave Baugh, Ed Strunk, Ronnie Vaught, and Charlie Cash—played a significant role in helping save a victim of a terrible auto accident 1 year ago.

These men came upon the scene of the accident along U.S. Highway 27 near Whitley City, and immediately began doing what good Samaritans have always done—helping the needy.

They helped direct traffic, called medical and ambulance personnel to the scene, and administered first aid to help stabilize the woman driver, who had suffered a serious head injury with a great loss of blood.

Thanks to their efforts, Eula Garland survived the accident and is now back to work in Williamsburg, KY.

Mr. Speaker, all too often we become cynical about society. We hear stories of those who refuse to help people in need for fear of getting involved. But then there are stories like this one which help reaffirm our trust in the goodness and humanity of Americans everywhere.

These five men, whom Secretary Block will honor with a special heroic action award, deserve our thanks, and our congratulations for a job well done. Their action as employees of the U.S. Forest Service and workers at the Pine Knot Civilian Conservation Center in McCreary County is to be commended.

I ask my colleagues in the House to join me in saluting these men for their heroism and their caring. Without people like these, our world would be a much less desirable place to live.●

HOSTAGE CRISIS IN THE MIDDLE EAST

HON. MARY ROSE OAKAR

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 18, 1985

● Ms. OAKAR. Mr. Speaker, the airplane hijacking and kidnaping of American tourists in the Middle East evokes as much sadness as it does outrage. The perpetrators of this particular act of terrorism cite their grievances and, therefore, feel that their methods are acceptable because they believe their cause is just. The end cannot justify the means. Their acts are reprehensible.

As we sift and analyze events in the Middle East over the last several generations, we find a myriad of groups and nations that justify their particular act of violence by citing recent or ancient grievances. Invariably, many more innocent people suffer than do the guilty. Retaliation is then piled on top of retaliation and the end result is anarchy that shatters the lives even of tourists from Illinois, Massachusetts, and California. In this case, it also took the life of a young sailor from Maryland.

The only way out of this cycle of violence is to change our means of addressing the problem. Instead of insisting that the other side cry "uncle," people have to learn to say "brother and sister."

We must give our support to the President for his efforts to resolve the crisis peacefully, without a further loss of life. I offer my prayers to be heard with the prayers of so many others that the hijackers will release their hostages to permit a proper environment to develop where their grievances can be addressed and resolved. The longer the crisis continues, the more difficult that task becomes.●

THE CENTENNIAL OF THE UNITED CHURCH OF DE-RUYTER'S CHURCH BUILDING BESPEAKS FAITH IN GOD AND COUNTRY

HON. GEORGE C. WORTLEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 18, 1985

● Mr. WORTLEY. Mr. Speaker, since the early years of our Nation, when the first amendment to the Constitution ensuring freedom of religion was ratified, God and Country have been intrinsic with the spirit of America. Under the motto "in God we trust," religious freedom and all basic freedoms have flourished.

Today, the American spirit of God and Country has never been stronger, as epitomized in the village of DeRuyter, NY, in my congressional district.

This past May 7 was the 100th anniversary of the dedication of the beautiful church building of The United Church of DeRuyter. On the same day, an American flag was flown over our Capitol. The same flag was subsequently displayed at the church's centennial celebration and before the congregation at a rededication service on Sunday, May 19. The flag "will soon hang in an honored place in our sanctuary," according to a letter I have received from Pastor John A. Werley.

Mr. Speaker, 100 years ago the members of the Methodist congregation in DeRuyter were filled with spiritual optimism and a desire to express their religious commitment by building and dedicating a new house of worship for their families and their families' progeny. Then, their new church building became a visible and useful means of displaying their faith in God and in the blessings of America.

How inspiring it is to us, 100 years later, that this spirit continues to shine brightly.●

IN CELEBRATION OF FLAG DAY

HON. C.W. (BILL) YOUNG

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 18, 1985

● Mr. YOUNG of Florida. Mr. Speaker, Americans proudly flew the Stars and Stripes Friday in celebration of Flag Day.

Throughout our Nation, and the world, the American flag is the symbol of freedom and democracy. Our allies are secure in seeing the American flag flying over U.S. embassies and military installations in their countries. The flag represents to these people American friendship and support.

Here in the United States, the Stars and Stripes evoke a great feeling of patriotism among the American people who are reminded by the flag of our Nation's traditions, freedoms, and ideals as expressed in the Constitution. Seeing the American flag flying above the U.S. Capitol and homes and businesses in communities throughout our country also is a stirring reminder of those who have devoted their lives to the defense and guidance of our Nation. It is also a sign of welcome to the millions of refugees who have sought shelter here to escape the oppression of their homelands.

During my 15 years as a Member of the House of Representatives, I have enjoyed the privilege of having thousands of flags flown over the Capitol for my friends and neighbors in Pinellas County, FL. It is inspiring to me to see so many flags flying in Pinellas County, not only on Flag Day, but throughout the year.

While most Americans fly the flag to represent a sense of pride in their Nation, there are some people who deliberately desecrate and degrade the flag as an affront to the dignity of our Nation. We can all vividly recall protests and demonstrations where the American flag has been burned, torn, cut, plastered with symbols, or flown asunder. This is a willful and violent act of aggression against the symbol of

American democracy and I believe is a crime for which the offenders should be severely punished.

Legislation I have introduced today would make it a Federal offense to deface the American flag. The penalty for each offender would be a $1,000 fine or a maximum sentence of 1 year in prison.

The American flag is the sacred symbol of our Nation which flies as a constant reminder of the struggles we have endured to preserve our democratic form of government. Those who seek to use our flag for other purposes should be punished accordingly.●

AMERICAN LEGION HOLLYWOOD POST 43 COMMEMORATES THE END OF WORLD WAR II

HON. HENRY A. WAXMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 18, 1985

● Mr. WAXMAN. Mr. Speaker, from this July 4 to 7, Hollywood Post 43 of the American Legion will be sponsoring a celebration of the end of the Second World War in honor of America's veterans who gave so much in that war. I wish to commend them for organizing this event.

Mr. Speaker, the nature of America's adversaries in the Second World War made this war different from all those we had ever fought before, and explains why our gratitude to them is so profound. In the Second World War, America faced an alliance of adversaries wishing not simply to conquer territory or acquire national prestige, but wishing to impose new ideologies on all those it conquered. These were ideologies totally repugnant to our values of freedom and respect for individual choice; they sought not only to prescribe how their citizens would live, but to determine which would have the right to live and which would be forced to die.

It was against this monstrous evil that our Nation mobilized its strength 44 years ago and fought on to victory 40 years ago this summer. It was in containing that evil and then destroying it that so many of our soldiers—the veterans that will be celebrating with us and their comrades who cannot be there—risked or gave their lives.

Mr. Speaker, it is important never to forget that it is only for the sacrifices made by these people that today we can commemorate the defeat of nazism and fascism 40 years ago. I simply would like to add my voice to those who say thank you.●

BIXLER'S JEWELER'S BICENNTENIAL

HON. DON RITTER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 18, 1985

● Mr. RITTER. Mr. Speaker, I would like to take this opportunity to congratulate Bixler's Jewelers of Easton, PA, on their 200th anniversary.

Bixler's Jewelers is the oldest family-owned jewlery business in the United States. It was founded in 1785 by Christian Bixler III, a clockmaker and silversmith. Six generations later, Bixler's is still operated by the Bixler family. Christian's great-great-great-grandchildren, Philip Bixler Mitman and Joyce Mitman Welken, are president and vice president respectively.

For 200 years Bixler's has thrived doing business in the private, free-enterprise system of America. The organization is a shinning example of the American work ethic and the continuing vitality of small businesses in the United States.

Bixler' has a long history of contributing to civic functions as well as aiding the business community in Easton. From 1798 to 1802, Christian Bixler III was a burgess in Easton. In 1980, Philip Bixler Mitman was elected mayor of that city.

It is remarkable that Bixler's Jewelers has been in the same family for 200 years. But then, it is truly remarkable family. Clearly, 1985 is a special year for Bixler's—America's oldest jewelers.●

MICHIGAN CITY'S SIXTH ANNUAL FUDGE FESTIVAL

HON. ROBERT W. DAVIS

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 18, 1985

● Mr. DAVIS. Mr. Speaker, the weekend of June 14-16 I was honored to participate in the Sixth Annual Fudge Festival in Mackinaw City, MI. This historically rich city, located along the scenic Straits of Mackinac, joining Lake Michigan and Lake Huron, is the gateway to the Upper Peninsula and world-famous Mackinac Island. Fudge making is one of the city's leading industries, second only to tourism. In fact, in northern Michigan fudge and tourism is synonymous. Tourists to the area have been affectionately labeled "fudgies" by local residents to uniquely illustrate this association.

This yearly festival originated in 1980 and was adopted in an effort to promote and recognize the importance of fudge to the local economy. Mackinaw City, which lies in the shadow of the famed Mackinac Bridge, boasts a supply of fudge that is well known and in much demand, both locally and in surrounding States. This fact was made very evident as thousands of tourists visited the Sixth Annual Fudge Festival for a taste of the famous fudge and to enjoy the festivities.

In addition to the creation of a 200-foot bar of fudge—the world's largest—the festival boasted a large and colorful parade. Mackinaw City parades are extremely popular with both the local population and tourists. I was honored to participate in this memorable event and invite my colleagues to visit the "Fudge Capital of the World."●

JEWISH FEDERATION COUNCIL OF GREATER LOS ANGELES HONORS MURRAY WOOD

HON. HOWARD L. BERMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 18, 1985

● Mr. BERMAN. Mr. Speaker, I rise today to pay special tribute to an outstanding member of the community and a personal friend, Murray Wood. I ask my colleagues to join me in honoring this great man who is being honored at a roast thrown by the Jewish Community Relations Committee [JCRC] of the Jewish Federation Council of Greater Los Angeles.

Murray Wood's record of service to the Jewish community of Los Angeles has been a long and dedicated one. He has served both as assistant director of the San Francisco Jewish Community Relations Committee and as staff associate in Los Angeles. In addition to his responsibilities at the JCRC, Mr. Wood is a faculty member at the Los Angeles-based Hebrew Union College and the University of Judaism. He teaches classes relating to Jewish community relations and public affairs. Murray also writes a weekly column for the L.A. Jewish Community Bulletin.

It has been my honor and pleasure to know such a fine person and I know the Jewish community of Los Angeles feels appreciation and gratitude for his dedicated service.●

ARMY RANGER'S MOTTO FULFILLED

HON. WILLIAM F. GOODLING

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 18, 1985

● Mr. GOODLING. Mr. Speaker, today I have introduced a resolution which would honor the members of the Airborne Ranger companies who served in the Korean war.

During the Korean war, a total of 18 Ranger companies were formed. Nowhere else in American military history is the volunteer spirit better expressed. Almost all of these men were volunteers for the Army of the Airborne. Seven of the companies fought in Korea, and the mix was generally one Ranger company per infantry division. At a time when U.N. forces numbered over 500,000, less than 700 of these men were spread across the width of the Korean peninsula. They fought to the front of every American Army division; doing scouting, patrolling raids, and spearheads. Their awards include two distinguished unit citations and the Korean Presidential unit citation. Their casualties ranged from 40 to 90 percent.

In these men, the Ranger motto was fulfilled; "Rangers Lead the Way."●

POSTAL SERVICE RIGHT-ON WITH DELIVERY OF "ROSTY" MAIL

HON. DAN ROSTENKOWSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 18, 1985

● Mr. ROSTENKOWSKI. Mr. Speaker, I want to take this opportunity to compliment the U.S. Postal Service on its remarkable performance in handling a challenging situation which it had no reason to expect. I refer to the phenomenal public support for tax reform which has come through the mails.

On May 28, when I had the privilege of delivering the Democratic response to the President's tax reform proposal, I solicited the public's backing for a comprehensive revision of the Tax Code. In doing so, I took the liberty of inviting the listeners to address their comments simply to "Rosty, Washington, DC."

At the time, I thought of it only as a clever way to end my pitch for support; but the next morning, it occurred to me that I had not given the Postal Service advance warning on what I was about to put them through.

I need not have worried. Within hours of the telecast, emergency procedures were employed by Postal Service headquarters alerting all post offices to send the "Rosty" mail to the central post office here in Washington. The very next day, the first letters arrived in my office. A trickle grew quickly to a flood. By now I have received nearly 50,000 letters and cards (along with a few T-shirts, a computer-driven poster, and other imaginative messages). The vast majority have been in support of tax reform.

The items are addressed to "Rosty," "Rusty," even "Rocky." Some who choose not to abbreviate make brave attempts at spelling out my full name. Many of these must present a particular challenge to our postmasters, but they have performed flawlessly. I know of no piece of mail which was addressed to me under any manifestation of my name which was "returned to sender."

The big question for me, now, is how and when to respond. My goal is to be as efficient and effective as the U.S. Postal Service has been in getting the people's comments and support to Capitol Hill.●

FOREIGN AIR TRAVEL SECURITY ACT OF 1985

HON. JOHN P. HAMMERSCHMIDT

OF ARKANSAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 18, 1985

● Mr. HAMMERSCHMIDT. Mr. Speaker, we were all shocked and angered by the recent hijacking of TWA flight 847. Perhaps there is little this body can do now to end this particular tragedy. But there are certainly actions we can take to help prevent these sorts of terrorist acts from happening again in the future. That is why I am introducing the Foreign Air Travel Security Act of 1985.

The primary problem, and the reason that the hijackers were able to seize TWA 847 in the first place, is the lax security in Athens where the flight originated. It appears that many foreign governments do not take the terrorist threat at their airports as seriously as they should. This seems to be particularly true of the Greek Government. The bill I am introducing today will attack that problem. It will require the Secretary of the Department of Transportation [DOT] to assess the security arrangements at foreign airports to ensure they meet internationally approved standards. If the Department finds those arrangements to be lacking, the foreign airport will have 120 days to correct the problem. At the end of that period, if the problem is not corrected, the Secretary will have the authority, with the approval of the Secretary of State, to ban flights of U.S. airlines to or from that airport and to ban the airline of the foreign government involved from flying to the United States.

This bill will have several benefits. It will put pressure on foreign governments to improve security at their airports. If security is not improved, it can be used to ensure that U.S. carriers are not serving airports where there is a good chance that American lives will be placed in danger.

Our bill has a further beneficial feature. For the first time it will require that passengers be informed, when they buy their ticket, of security problems at airports that they plan to use. In addition, the bill would require the Secretary to publish a list of those airports with documented deficiencies in the Federal Register and to prominently post this information at U.S. air carrier airports. This will give passengers an opportunity to change their itinerary if they wish to use a safer airport, thereby putting further pressure on foreign governments to improve their airport security. One of the tragedies of the recent hijacking is that the lax security at the Athens airport was known in the aviation community but not among most of the flying public. This bill will solve that problem. I urge my colleagues to support it and look forward to its early passage.●

THE AIDS EPIDEMIC

HON. HENRY A. WAXMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 18, 1985

● Mr. WAXMAN. Mr. Speaker, today I would like to call my colleagues' attention to a real need for biomedical research—research on treatment and therapy for AIDS. As the numbers that I will submit demonstrate, the need is growing stronger every day.

Over the past 5 weeks I have been reporting the Centers for Disease Control's statistics of the AIDS epidemic. During that time, more than a thousand new cases have been reported. If the epidemic continues to grow at this rate, it can be conservatively estimated that by 1990 there will be over a quarter of a million American cases of the disease.

Although the Secretary of HHS once made public promises that a vaccine against the disease would be ready by next spring, scientists working on the study of the disease—both researchers within the Public Health Service and medical school and university researchers—do not expect a vaccine to be available within the next 10 years. Many of the same scientists estimate that between 1 and 2 million Americans have already been exposed to the virus, and that over the next 2 to 5 years 10 percent of them will contract the disease.

I cannot quarrel with most of the Public Health Service's initial priorities: When funds were severely rationed by the administration, the OMB, and the Department of Health and Human Services, it seemed reasonable to attempt first to understand the workings of the disease and to try to find means of preventing it. While the number of cases escalates geometrically, every year saved by prevention research avoids another doubling of cases in the future.

But when preventive measures are so far away, we cannot continue a

policy that rations funds so severely. We cannot dismiss the loss of 250,000 Americans. As part of the 1986 budget, we must devote significant resources to research on the treatment of the disease, as well as to its ultimate prevention. Perhaps if the administration had paid attention to its own scientists and begun comprehensive research at the beginning of the outbreak, we might now be able to predict preventive measures and we might not need to plan for the sickness and death of a quarter of a million citizens. Since the funding of the AIDS epidemic has been too little too late, we must now pay double and double again, first for prevention research and then for treatment research as well.

Mr. Speaker, I submit the following statistics for the week ending June 16:

ACQUIRED IMMUNE DEFICIENCY SYNDROME [AIDS] WEEKLY SURVEILLANCE REPORT, JUNE 17, 1985, U.S. CASES

	Reported cases	Reported deaths
Adult/adolescent	10,879	5,345
Pediatric (under 13 at diagnosis)	1,312	96
Total	11,010	5,441

Age of AIDS patients

Under 13	131
13 to 19	61
20 to 29	2,310
30 to 39	5,212
40 to 49	2,305
Over 49	991
Total	11,010

Residence:	
New York	4,030
California	2,546
Florida	728
New Jersey	688
Texas	548
Pennsylvania	226
Illinois	219
Massachusetts	201
Georgia	175
District of Columbia	170
Maryland	138
Louisiana	127
Puerto Rico	124
Connecticut	123
Washington	113
Virginia	96
Colorado	88
Michigan	68
Ohio	68
Missouri	53
North Carolina	53
Arizona	48
Hawaii	36
Indiana	34
Oregon	33
Minnesota	26
Kentucky	25
South Carolina	25
Wisconsin	25
Alabama	22
Oklahoma	19
Delaware	14
Nevada	14
Rhode Island	14
Utah	13
Tennessee	12
Other States (12)	68
Total	11,010●

PERSONAL EXPLANATION

HON. ROBERT E. WISE, JR.

OF WEST VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 18, 1985

● Mr. WISE. Mr. Speaker, at the beginning of today's proceedings, I missed a quorum call, rollcall No. 161.

Having just been to the floor, and having been advised that the next vote would be on a motion to suspend the rules and pass H.R. 2369, I returned to my office to attend a previously scheduled meeting. This meeting, with Adm. Tom Davies and Ambassador Jim Leonard, was at my request and concerned the upcoming vote on funding for chemical weapons. I deemed this meeting too important to miss.

Thank you.●

FIRST DISTRICT OF ILLINOIS ARTS COMPETITION WINNER

HON. CHARLES A. HAYES

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 18, 1985

● Mr. HAYES. Mr. Speaker, today I would like to ask my colleagues to join with me in honoring an outstanding student from my district, Mr. John Davis. John is the first place winner of the First Congressional District of Illinois Art Competition with an entry entitled, Ida B. Wells.

John was born in Chicago in 1968 and attended the Robert S. Abbott Elementary School. He is now a junior at Simeon Vocation High School and plans to pursue his studies in commercial art at the Art Institute of Chicago upon graduation next year.

I extend to John my congratulations on his accomplishment and I commend him on his artistic ability. He is truly an inspiration to those young artists who will follow him. I know that all of my colleagues will join me in wishing him the very best in all his future endeavors.●

SHADOWBOXING OVER THE ISSUE OF RECONCILIATION INSTRUCTIONS

HON. LYNN MARTIN

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 18, 1985

● Mrs. MARTIN of Illinois. Mr. Speaker, throughout the House-Senate budget conference, Mr. DOMENICI and Mr. GRAY have been shadowboxing over the issue of reconciliation instructions. This has not received much attention during the budget debate. No one quite understands it and it sounds a bit boring.

Reconciliation gives the individual committees of the House and Senate the maximum power and leverage to implement the savings in spending that the Congress wishes. The final recommendation on every individual program is reserved absolutely to the committees with jurisdiction over the programs. After all, a nice juicy divorce between committees sounds much more exciting than reconciliation.

Mr. DOMENICI wants reconciliation instructions which mandate a certain level of savings. Mr. GRAY says many of the spending reductions—mainly nondefense discretionary programs—can be taken care of through the normal authorization-appropriations process. Mr. Speaker, if we are serious about deficit reduction, we must be willing to make major program reforms and adopt strict reconciliation instructions.

For fiscal year 1986, the House budget reconciles $11 billion out of $56.6 billion in reductions. The Senate budget reconciles $29.4 billion out of $56 billion in reductions. These numbers highlight the significant differences between the House and Senate budgets. The Senate also achieves major reductions in the outyears while the House does not.

The contracting-out provision is another example of illusory savings. The House budget estimates a $3.9 billion savings from reducing contracting-out services. These savings will be achieved by having the Federal workers perform the work that has been done by outside contractors. At the same time, the budget calls for a 2-percent reduction in the Federal workforce. Therefore, fewer workers will be responsible for more work product. This is as unlikely a scenario as the authorizing committee chairman agreeing to the policy in the first place.

Even when the conferees agree on the numbers, the House would rely on the appropriations process to see that the numbers are ultimately achieved. As demonstrated by our annual supplemental appropriations bill, this is rarely the case.

Mr. Speaker, we must insist on strict budget reconciliation, make the tough policy decisions which will give us large spending reductions in the outyears. This is the only way to guarantee to our constituents and the financial markets that we are indeed serious about deficit reduction. It desperately matters whether the House or Senate "wins" the custody battle; real savings depends on the decision on reconciliation.●

BETTER DEFENSE FOR LESS MONEY

HON. STAN LUNDINE

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 18, 1985

● Mr. LUNDINE. Mr. Speaker, on the eve of our consideration of the Defense authorization for fiscal year 1986, I wish to share an article from the New York Times of June 9, 1985. This thoughtful piece by Mr. Paul Warnke, former Director of the Arms Control and Disarmament Agency, underscores my belief that spending more money on defense does not necessarily make us more secure. Insofar as national security requires a healthy economy as well as a strong defense, we must strike a sensible balance in defense spending in these times of budgetary strife.

To quote Mr. Warnke, "cuts in defense spending, properly made, combined with investment in greater conventional clout, can significantly enhance America's long-term military effectiveness." I commend this article to the attention of my colleagues in the hope that it will enrich the debate over the crucial issue.

[From the New York Times, June 9, 1985]

TO CUT MILITARY SPENDING

(By Paul C. Warnke)

WASHINGTON.—The momentum of the Reagan Administration's military buildup finally has been slowed. Congress has made clear that the once sacrosanct defense budget must bear a portion of the deficit-cutting burden. With the overall spending level chosen, the crucial process of deciding what and where to cut begins. How these reductions are made will affect the shape and direction of national security policy for the rest of this century.

Unfortunately, the easiest, least politically painful cuts will not correct the buildup's fundamental problem—buying too many weapons to quickly. Traditionally, Congress has shied away from canceling weapons systems in favor of reducing the funds to man and maintain them. This yields savings more quickly because such funds are spent immediately, whereas weapons production costs are spread over several years.

Yet because the Reagan program concentrates on arms procurement (spending has more than doubled in the last five years) genuine attempts to restrain defense costs cannot succeed unless weapons programs are cut. Otherwise, like a sponge temporarily squeezed dry, the defense budget will grow back to its original size as earlier commitments to purchase hardware come due.

Ironically, debate fails to focus on the real alternative—America could have more capable forces at a substantially lower cost. Investing in improved conventional capability to meet the most realistic threats, and thoroughly weeding out redundant or misdirected weapons programs, would provide better defense and significant savings. To demonstrate this, the Committee for National Security has prepared such an alternative. Using data complied by William Kaufmann of Harvard, a defense budget adviser to Republican and Democratic Administrations since the 1960's, the study offers an alternative five-year defense plan that would save millions of dollars while enhancing military strength.

Beefing up conventional forces requires two important changes from the current program. One is increased funding for the National Guard and all military reserves. Without a return to the draft, they are the only source of manpower in the face of the continuing shortage of 18- to 22-year-olds until the late 1990's. Second, is a shift from buying cargo aircraft to buying fast transport planes. The Administration's programmed investment in airlift prepares America to respond quickly only to a crisis in Europe. Fast sealift could deliver more at a lower cost, and enable America to meet simultaneous contingencies in Europe, the Middle East and Korea.

The committee also recommends restarting production of A-10 aircraft, to give the Army better close air support during a land battle's crucial early stages. Even accepting the Administration's prefervid view of the external threat we face, American forces could be substantially better shaped and prepared.

The savings would result from the concerted effort to restore order to the defense budget. Some ill-conceived or misdirected Administration programs must be scaled back or canceled.

Two examples are the overblown, oversold Strategic Defense Initiative ("Star Wars") and the 600-ship Navy. Holding Star Wars funding to fiscal 1985 levels would insure a necessary research capability but avoid the risk of stimulating an offensive and defensive arms race that would leave us with more nuclear arms and less security than before.

The Navy has failed to make the case for expanding from 12 to 15 aircraft carrier battle groups: 12 provided ample means to protect sea lanes and, when advisable, to project American power in the third world. Over the next five years, injecting realism into these two programs could save $83 billion from the Administration's initial proposals.

Further savings would result from eliminating weapons systems with overlapping missions. Haunted by its vision of awesome Soviet military might, the Administration has concentrated on buying as many weapons as quickly as possible, but has shown only minimal concern for whether these new systems are really necessary. The Administration also appears enamored of the supposed symbolic value of a big defense budget to impress the Russians with our resolve. This apparently carries more weight than curbing the services' penchant for each developing its own weapons for its own purposes, regardless of the resulting duplication. From the numerous systems for North Atlantic Treaty Organization air defenses to the nuclear programs for "hard target kill capabilities," the budget landscape is increasingly littered with redundant weaponry.

Canceling the least effective of the duplicative systems would save billions and, more important, provide the basis for a sound, sustainable program. As the budget battle rages, remember that cuts in defense spending, properly made, combined with investment in greater conventional clout, can significantly enhance America's long-term military effectiveness. Without that perspective, an important opportunity to restore realistic objectives and the programs to fulfill them, will be lost.●

SUPERFUND CLEANUP TECHNOLOGY RESEARCH AND DEMONSTRATION ACT OF 1985

HON. JAMES H. SCHEUER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 18, 1985

● Mr. SCHEUER. Mr. Speaker, I am pleased to be one of the original cosponsors of the Superfund Clean-up Technology Research and Demonstration Act of 1985, introduced today by Mr. TORRICELLI.

Over the last several years, the Subcommittee on Natural Resources, Agriculture Research and Environment of the Committee on Science and Technology, which I chair, has heard testimony about the agonzingly slow pace and poor quality of Superfund cleanups. We asked the Office of Technology Assessment to study whether advanced technologies could help play a role in achieving permanent and cost-effective cleanups of our Nation's abandoned hazardous wastesites.

In May, OTA released the final report on Superfund strategies at a hearing before the subcommittee. OTA found that the Environmental Protection Agency's typical method for cleaning up Superfund site consisted of a combination of removing contaminated materials to new hazardous waste disposal sites and the construction of containment barriers to reduce the migration of wastes from the site. But the OTA report noted major problems with both methods. Many of the disposal sites to which Superfund wastes were being brought were themselves leaking and threatening ground water. Containment barriers could not provide permanent protection. In essence, Superfund cleanups were a sophisticated shell game, in which the risk from hazardous wastes was being shuffled from one community to another and from one generation to another.

At the same time, the OTA report noted the potential of several promising new technologies to cleanup Superfund sites permanently, by rendering the wastes, themselves nonhazardous. The report listed a plethora of physical, chemical, and biological technologies which could be used at Superfund sites to reduce permanently and significantly the hazard of toxic wastes.

Yet, as the OTA report and our hearings have demonstrated, EPA has done little to encourage the development and use of these new technologies. Direct research funds supporting development and demonstration are limited. Further, EPA's programs are biased against new technologies. While EPA requires new technologies to demonstrate their effectiveness before being used in cleanup actions,

EPA has used conventional containment techniques which have not been proven to be effective for hazardous wastes. Further, EPA has given no guidance to developers of new technologies on the proper tests and procedures which they must use in order to prove their effectiveness to EPA's satisfaction. Because of this regulatory attitude and the uncertainty it creates, many technology firms are finding it difficult to raise research funds from the priviate sector.

The bill introduced today is a significant step toward turning this sorry situation around. It harnesses the power of technology to help in the battle to clean up the hazardous byproducts of technology.

The Superfund Clean-up Research and Demonstration Act of 1985 promotes the use of alternative and innovative treatment technologies in the Superfund Program, provides needed funds for research and development of such technologies, and creates other incentives for the development of such technologies. The bill establishes 10 national technology demonstration sites, one in each EPA region, and requires the Administrator to carry out coordinated demonstration projects at those sites. EPA is also required to establish procedures by which new technologies can prove to EPA and the public that they are safe and effective.

This bill requires a small investment in order to ensure that the billions of dollars we will be spending on cleanups of hazardous wastesites will be buying more than an elaborate shell game, a game that represents an intolerable gamble with the public health and environment. By removing the regulatory obstacles, and by providing some modest support for the entrepreneurs and innovators who are developing this technology, we can begin to develop the new technologies that can destroy and detoxify hazardous waste. I urge my colleagues to join us in supporting this important legislation during the Superfund reauthorization.●

CUBAN INDEPENDENCE DAY: A DAY OF PRIDE AND HOPE

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 18, 1985

● Mr. BIAGGI. Mr. Speaker, I would like to note that May 20 was the 83d anniversary of Cuban independence—a day of pride and hope for Cubans worldwide.

It was a day of pride because of the accomplishments that that day represents. Cuba's attainment of independence from Spain marked the end of an older tyrannical order of imperial rule and the advancement of the most just system known to man today, democracy. This historical development was one we in America cherish. Like our forefathers Thomas Jefferson and George Washington, Jose Marti, the leader of the Cuban struggle, valued most highly his people's aspirations of independence and freedom. It is no coincidence that Marti's search for liberty did, in fact, bring him to America, where in New York for 14 years he organized his patriotic quest.

However, despite the valiant efforts of Marti and the successful aid the United States offered Cuba in the Spanish-American War, the Cuban people once again find themselves subjected to the same despotism suffered under the reign of the Spanish empire. Deprived of the freedom to speak and think, to pursue life, liberty, and happiness in accordance with their natural rights, the Cuban people individually and collectively are prevented from achieving their potential by the Soviet Union's and Castro's systematic suppression.

Therefore, the Cubans look to May 20 not only with pride in their past, but with hope for the future. The Cuban people have fought for and attained liberty before and they will do so again. May 20 stands not only for the independence gained by Jose Marti, but for the hope for a new independence, a new winning of freedom and autonomy. We in the United States join the Cuban people in anticipation of this new independence, eagerly awaiting the international benefits a truly free Cuba will offer.●

IMPROVING THE SECURITY AT FOREIGN AIRPORTS

HON. NORMAN Y. MINETA

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 18, 1985

● Mr. MINETA. Mr. Speaker, the recent hijacking by terrorists of TWA flight 847 brings into sharp relief the need for stronger U.S. involvement in improving the security at foreign airports that are served by U.S. carriers and by foreign carriers flying to U.S. points.

There are several things that can be done to help improve the level of security at these foreign airports as well as warning U.S. passengers of airports that should be considered a risk. I am joining with several of my distinguished colleagues of the House Public Works and Transportation Committee to introduce legislation that requires the Secretary of Transportation to conduct assessments of security measures at foreign airports served by U.S. carriers and foreign carriers that serve U.S. points. The security assessment will cover both physical and personnel security measures, including passenger and baggage security on the ground and in the air, the use of detection devices, airport security forces and their training, and the control of access to the airport.

In conducting these assessments, the Secretary of Transportation is to use, as a minimum, the current international standards, recommended practices and procedures adopted by the International Civil Aviation Organization [ICAO] as set forth in annex 17 to the Convention on International Civil Aviation and related documents. Among the groups and agencies which participated in the development of these standards and procedures are the 156 nations that are members of ICAO, the International Criminal Police Organization, the Airport Associations Coordinating Council, the International Air Transport Association, and the International Federation of Air Line Pilots' Associations.

If the airports are found to be deficient from the ICAO standards, this legislation will require the Secretary of Transportation to notify the foreign authorities of the deficiencies and make recommendations to bring them up to international standards. If those standards are not met in 120 days, the Secretary is required to publish the name of that airport in the Federal Register, to post the name of that airport at all U.S. airports having airline service, and to require that the airlines notify all U.S. passengers who wish to travel to these airports.

In addition to such mandatory publication, the Secretary of Transportation is authorized to suspend, revoke, or impose conditions on the authority of any carrier, United States or foreign, operating between that airport and the United States. Such action is to be taken only after consultation with the appropriate foreign authorities and only after approval of the Secretary of State.

Through such action, we can reduce, if not eliminate, the danger to American citizens flying abroad and bring some indirect economic sanctions to bear on any foreign government choosing to ignore these international safety standards.

This recent epidemic of hijackings suggests that we have not seen the last of efforts by terrorists to seize aircraft containing U.S. citizens. We have to stop this sort of crime. We should implement security procedures designed to protect our citizens. That is what this legislation is designed to do.

It has become obvious that the international aviation community—the airlines, FAA, Air Line Pilots Association, and ICAO—and the U.S. State Department have all known for a long time of extreme security problems at Athens Airport. What is less clear is why neither the FAA nor the State Department has acted on this information

under the existing security provisions contained in section 1115 of the Federal Aviation Act.

The fact that it took last Friday's tragic events to focus attention on the lax security at Athens Airport and the apparent inadequacies in existing law to correct the situation to protect the safety of Americans flying abroad is inexcusable. I hope we can now exercise the political will necessary to ensure that adequate protections are adopted so no more Americans will have to experience the terror and horror experienced by the passengers and crew of TWA flight 847.●

TRIBUTE TO JUNE THOMPSON

HON. JAMES J. FLORIO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 18, 1985

● Mr. FLORIO. Mr. Speaker, I would like to call your attention to June Thompson, a gifted teacher from my district who has brought music and song to children for the last 25 years.

I commend June, who is retiring this year, for sharing her talent and dedication to music with the young people of our community. A good education requires not only English, mathematics, and science, but the fine arts as well. June has demonstrated this by enriching the lives of her students with the appreciation of music.

The four elementary schools in Haddon Township, where June taught for the last 16 years, will greatly miss her special contribution. South Jersey is proud and grateful that people like her are involved with the education of their children. I thank June for her many years of service and wish her all the best in her retirement.

I am inserting for the RECORD an article which appeared in the Courier-Post telling of June Thompson's retirement and career.

[From the Courier-Post, June 17, 1985]

HADDON TOWNSHIP MUSIC TEACHER PLANS NEW TUNE

(By Eileen Stilwell)

HADDON TOWNSHIP.—June Thompson, a veteran elementary school music teacher here is a symphony of stories.

"I remember a Christmas concert for the parents, and the kindergarten children were singing carols. Somebody made a mistake and everybody stopped, except one 5-year-old girl who sang the entire rest of the song by herself," said Thompson roaring with laughter at the memory.

But Thompson, who will retire next week after 25 years of bringing music and song to students in grades kindergarten through six, clipped the laugh short to emerge as a critic.

"The little girl had a good voice and she knew it and she had a tremendous amount of poise. The audience loved her," she added.

Then there was the trumpet player, a little boy with a lot of talent, but no encouragement from his parents.

"I could see he was losing interest and his parents didn't care. It was very sad to watch, but very few kids have the self-discipline to continue to practice on thir own."

Thompson, a native of Toms River, has spent the last 16 years teaching general music and directing choral groups at four of Haddon Township's five elementary schools.

Formerly, she taught music in Rumson and Berkeley townships.

At 46, she said she is ready to retire, but does so with mixed emotions. She said she will not miss the strain of trying "to be fun and dynamic" for as many as eight, 30-minute classes a day. Nor will she miss the triple bind of directing, policing and accompanying the choral groups on the piano.

"I've viewed my class as a valve for the students to let off steam from the pressure of their academic classes. Lots of times they won't loosen up until I get in there and act nutty. But once I do, then they know it must be OK for them, too."

On the other hand, she is aware that few parents and school administrators take her classes seriously.

"Basically, the class is perceived as a way to provide prep time for the other teachers and to generate some public relations for the school by holding concerts. I know academics are important, but I think here they are too important and there's not enough emphasis on the arts."

Thompson, who began piano lessons in second grade and also plays the flute, is not an advocate of formal music education for preschoolers. In the primary grades, she said she considers youngsters who can sing on key or dance or beat time to music exceptional.

As for the future, she plans to wed in October and to relocate from a condominium in Maple Shade to a log cabin in Cape May Court House.

"I'll probably give private lessons in piano and organ, but I'm not sure what else I'll do. I've never been married before. I've never owned a single-family home before. And I've been going to school since I was 4. So come Labor Day, I'm looking forward to a lot of changes."●

NATIONAL SIDS AWARENESS WEEK

HON. GEORGE MILLER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 18, 1985

● Mr. MILLER of California. Mr. Speaker, each day between 15 and 20 seemingly healthy infants die of sudden infant death syndrome, commonly known as SIDS. This makes SIDS the leading cause of death among children between 1 week and 1 year old.

Although SIDS—formerly called crib death—is not new, little is known about this frightening phenomenon. Striking unexpectedly during periods when infants are thought to be napping or asleep, SIDS claims the lives of an estimated 6,000 to 7,000 infants each year.

The loss of an infant due to SIDS creates enormous hardship for parents and siblings. In addition to the grief which accompanies the loss of any child, the families of SIDS victims often experience feelings of guilt and confusion.

In the past several years, progress has been made toward understanding SIDS. Yet because funding for SIDS research is very limited, diagnosis and prevention of SIDS remain unattained goals.

The resolution I am introducing today with 83 of my colleagues will designate October 6-12, 1985 as "National SIDS Awareness Week." It is our hope that by calling national attention to SIDS, we can promote a greater understanding of this mysterious and tragic medical phenomenon.

NATIONAL SIDS AWARENESS WEEK

To provide for the designation of the week beginning October 6, 1985, as "National Sudden Infant Death Syndrome Awareness Week."

Resolved by the Senate and the House of Representatives of the United States of America in Congress assembled,

Whereas Sudden Infant Death Syndrome is a recognized disease entity which kills thousands of infants each year in the United States;

Whereas Sudden Infant Death Syndrome is the leading killer of infants between the age of one week and one year;

Whereas Sudden Infant Death Syndrome knows no boundaries of race, ethnic group, region, class or country;

Whereas the victims of Sudden Infant Death Syndrome are babies who appear healthy but who nonetheless die without warning during sleep and nap time;

Whereas the parents and siblings of Sudden Infant Death Syndrome often suffer anguish because many people are unaware of the existence of the pernicious killer;

Whereas research is underway throughout the world to identify the causes and process of the syndrome and to treat infants who can be identified as potential victims; and

Whereas an increase in the national awareness of the problem of Sudden Infant Death Syndrome may ease the burden of the families of victims and may stimulate interest in increased research into the causes and the cure of Sudden Infant Death Syndrome: Now, therefore be it

Resolved by the Senate and the House of Representatives of the United States of America in Congress assembled, That the week beginning October 6, 1985, is designated as "National Sudden Infant Death Syndrome Awareness Week," and the President is authorized and requested to issue a proclamation calling upon the people of the United States to observe this week with appropriate activities.

COSPONSORS OF NATIONAL SIDS AWARENESS WEEK

Mr. Garcia, Ms. Oakar, Mr. Ackerman, Mr. Clay, Mr. Dymally, Mr. Udall, Mr. Waxman, Mr. Yates, Mr. Heftel, Mr. Daschle, Mrs. Burton, Mr. Lehman of Florida, Mr. Murphy, Mrs. Holt, Mr. Owens, Mr. Weiss, Mr. Towns, Mr. Rose, Mr. Skelton, Mr. Dwyer, Mr. Scheuer, Mr. Chappie, Mr. Berman, Mr. Anthony, Mr. Savage, Mr. Lightfoot, Mr. Dellums.

Mr. Stokes, Mr. Rangel, Mr. Rowland, Mr. Bevill, Mr. Smith of Florida, Mr. DeWine, Mr. Conte, Mr. Fazio, Mr. Richardson, Mrs. Boxer, Mr. Burton of Indiana, Mr. Mikulski,

Mr. Robinson, Mr. Hughes, Mr. de la Garza, Mr. Morrison of Connecticut, Mr. Martinez, Mr. Roe, Mr. Levin, Mr. Coelho, Mr. Vento, Mr. Hoyer, Mr. Akaka, Mr. Applegate, Mr. Leach, Mr. Barnes, Mrs. Bentley.

Mr. Traficant, Mr. Boner, Mr. Wolf, Mr. Young of Alaska, Mr. Young of Missouri, Mr. Wortley, Mr. Wolpe, Mr. Addabbo, Mr. Tallon, Mr. McHugh, Mr. Walgren, Mr. Torricelli, Mr. Brown of California, Mr. Coyne, Mr. Conyers, Mr. Darden, Mr. Daub, Mr. Donnelly, Mr. Coats, Mr. Dyson, Mr. Emerson, Mr. Snyder, Mr. Erdreich, Mr. Sabo, Mr. LaFalce, Mr. Valentine, Mr. Foglietta, Ms. Snowe, Mr. Dowdy, Mr. Russo.●

BILL WARE, A MAN OF PRINCIPLE AND VISION

HON. CHARLES A. HAYES

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 18, 1985

● Mr. HAYES. Mr. Speaker, I join with the mayor of Chicago and our former colleague, Harold Washington and staff, his family, friends, and associates in paying tribute to William F. Ware who died on May 23, 1985.

William F. Ware was that rare person who fully integrated high standards of professionalism with action on behalf of important social principles. For Bill, oppression and denial of equal justice under law anywhere were a threat to persons everywhere. With his intellect, meticulous legal mind, and preparation at the best schools, he could have advanced his own personal and professional interests in many ways—as a highly paid lobbyist, private practice attorney, or corporate executive. That he did not is its own testimony to Bill's worth and dedication to public service.

His first Washington, DC job with the Southern Africa Project of the Lawyers Committee for Civil Rights Under Law was an example of his farsightedness and commitment. Today, the aggregious abuses of apartheid are very much a part of the public consciousness. In 1974 and 1975, however, Bill already understood that the barbarous disfranchisement and oppression of the majority black population in South Africa had relevance and reverberations for the struggle for equality in the United States.

As legislative director of the American Civil Liberties Union, Bill won the respect and support of his colleagues in Washington, DC, and around the country, for his work on the Bakke case, affirmative action, privacy, and civil rights.

In 1976, the new Chair of the Equal Employment Opportunity Commission, Eleanor Holmes Norton, recognized Bill's talent and legislative prowess and appointed him Director of Legislative Affairs. During his tenure, Bill's competence proved indispensible. Largely through legislative activity, the EEOC obtained major new authority for equal employment opportunity policy development and enforcement in the Federal sector, coordination responsibility for all Federal equal employment opportunity and affirmative action statutes, and reformed the procedures of complaint resolution. Bill had significant influence in the Agency's strides toward mounting effective systemic title VII litigation. He played a major role as the Agency grappled with the implications of the landmark Weber affirmative action case and sought to interpret title VII mandates in the context of new policy areas such as sexual harassment and employee pensions.

After a return to Capitol Hill as administrative assistant to Representative Harold Washington, who served on the House Judiciary and Education and Labor Committees, Bill provided pivotal leadership in the face of alarming and spiraling attacks on civil rights legislation. Working side by side with his colleagues, Bill played a key role in the successful reauthorization of the Voting Rights Act of 1965, in efforts to pass immigration reform and the equal rights amendment, and in attempting to fight back the Reagan administration's determined efforts to curtail the reach and implementation of civil rights laws.

Through it all, Bill's intellect, analytic ability, commitment, tenacity and vision helped create and preserve laws designed to protect and create genuine equality. His value in these struggles cannot be overstated, but his characteristic modesty often denied him credit from all but his closest friends. Those who worked with him cannot now remain silent about the impact that he had upon us, and upon the most critical issues of his all too brief time among us.

His most recent experience as chief of staff and deputy mayor of the city of Chicago drew upon these strengths and experiences. Bill added a new dimension, as he sought to apply, in practical ways, the principles for which he fought and by which his life was guided. It was no surprise to us that Bill was reform minded in his approach to his role, since much about the city of his birth cried out for reform. It also came as no surprise that the tenacity and diligence that characterized his life would be brought to bear on his new task—not always winning friends and perhaps creating new enemies, but always earning respect. That respect which he consistently compelled from all those with whom he came in contact was the hallmark of his professional and private life.

Mr. Ware received his undergraduate and law degrees from the University of Chicago. He is survived by his parents, Mr. and Mrs. William L. Ware, a brother, Philippe Ware, a sister, Patricia Ware Owens all of Chicago, IL and his fiance, Ethel Brooks of Washington, DC.

While we share their sorrow, we are grateful for the time we had with Bill and the contributions that he made. Each of us can say that Bill Ware was indeed special. He will be missed, and warmly remembered.●

SERVICE CREDITS FOR THE ELDERLY—AN IDEA WHOSE TIME HAS COME

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 18, 1985

● Mr. BIAGGI. Mr. Speaker, as an original member of the House Select Committee on Aging, I wish to call to the attention of my colleagues an article which appeared today in the New York Daily News written by the nationally syndicated columnist William Raspberry.

The article focuses on a new program operating in several States which holds great national promise. It is called service credits. It involves senior citizens receiving credit for special services they might require by doing volunteer work for others. This program is now underway in Florida and Missouri and is under consideration in the District of Columbia.

The idea is a novel one and worthy of further consideration by the individual States and perhaps as a national program. In due course, I would hope to explore this issue as part of a hearing in my Subcommittee on Human Services. In the interim, I urge my colleagues to review this article.

CREDITS WHERE THEY'RE DUE

(By William Raspberry)

WASHINGTON.—Edgar Cahn, who exudes ideas as easily as the rest of us exude sweat, was in town last week trying to sell his latest brainchild to the District of Columbia government. The idea is "service credits," and my advice is: Buy it.

Florida already has. The Legislature there recently passed Cahn's proposal, and as a result, senior citizens in that state are now able to earn the special services they require by doing volunteer work for others. A similar program has been in operation in Missouri since early this year.

Depending on their energy and skill, the seniors earn the service credits by providing tutorial help, day care, technical advice or respite care ("say you're taking care of an older relative and you need to get away for a day or two to take care of personal business or just to preserve your sanity"). The credits thus generated can be used to purchase respite care or up to five days a week of homemaker help, including shopping, meals or companion services. The entire arrangement is computerized, and no money changes hands.

"In theory, private-market mechanisms are supposed to supply what people want," says Cahn, a law professor and research fellow at the Southeast Florida Center on Aging. "But the medium of exchange under

that theory is money and elder citizens often don't have it." So he has created a new currency: service credits.

"I looked around and I said 'This is crazy.' " Cahn says, explaining the genesis of the idea. "We're putting old people on the scrapheap and at the same time, the need for services keeps building up while the money to pay for them is diminishing. Money is supposed to take care of this, but it occurred to me that the real value is not money but service."

He describes his service-credit plan as "a mix between the old blood-bank idea and a state-operated barter system." Like a blood bank, participants can build up credits against future need; like a barter system, it allows them to purchase services without cash.

Under the Florida act, only persons aged 60 or older can earn the credits; either that person or their spouse can draw on the credits.

But that is just the beginning, says Cahn, who is the author of the Neighborhood Legal Services Program, a leader in Indian services reform and, with his wife, Jean Camper Cahn, a co-founder of Washington's Antioch School of Law.

"The Florida law also provides for experimental programs, which means the idea can expand drastically. You could have members of a congregation earning credits for older members so they don't have to go into nursing homes. The Little Havana Nutrition Center in Miami is already committed to a program that would have older people run day-care centers and tutor young people, with the parents paying for the service by driving or providing other services."

Interest in the idea is spreading. Already, the Southeast Community Hospital Foundation here is doing preliminary computer and market studies to launch the program.

Eastern Airlines is working out details of a plan that would use its retirees to provide technical advice for mechanics and other service personnel, with the seniors earning the opportunity for travel packages. Another program would use retired journeymen to teach young people the skills necessary to render homes and apartments barrier-free for the handicapped. The young workers not only learn job skills but also gain the chance to obtain low-interest loans for technical school and community college tuition.

"When a society has vast unmet needs and at the same time large numbers of talented, energetic, potentially productive human beings for whom it has no use, then something is wrong," Cahn says.

He has come up with a brilliant idea for setting it right.●

REGARDING THE MONEY LAUNDERING AND RELATED CRIMES ACT OF 1985

HON. BILL McCOLLUM

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 18, 1985

● Mr. McCOLLUM. Mr. Speaker, I am proud to join several distinguished colleagues in the introduction of the most comprehensive response to the growing phenomenon of money laundering. This important bill is President Reagan's Money Laundering and Related Crimes Act of 1985. This new proposal is the culmination of extensive work and is in response to the growing realization that this activity is the lifeblood of much violent, criminal activity in the United States. As drug trafficking has increased in this Nation, so have the number of seemingly legitimate business persons devoted to moving drug profits through the banking system. The seriousness of this activity has eluded many of us because the typical money launderer has little in common with the sleazy, gun-toting drug dealer he services. For example, a hooded witness told the Subcommittee on Crime last week that one condition precedent to his involvement in the money laundering which ultimately led to his arrest and conviction was that he was a well-dressed business man.

The white collar nature of money laundering does not diminish the wrongfulness of this service industry. Money laundering is no less onerous than the organzed crimes it promotes. Federal law enforcement officials estimate that $50–$75 billion in illegal drug money is earned in the United States each year. Some $5 to $15 billion of it probably moves into international financial channels and virtually all of it is laundered to make it look like it came from legitimate sources.

The Comprehensive Crime Control Act of 1984, Public Law 98–473, contained the first recent response to the dramatic increase in money laundering. A portion of this new law improved our Federal law enforcement capacity to address the illegal exodus of funds from the United States for laundering in other nations. In October 1984, the President's Commission on Organized Crime issued an interim report, "The Cash Convention: Organized Crime, Financial Institutions and Money Laundering." This report provided an excellent and frightening view of the money laundering phenomenon. The Commission formulated a draft legislative proposal in response to its findings, and I introduced this legislation as H.R. 1367 on February 28, 1985. The chairman of the Subcommittee on Crime of the Committee on the Judiciary, Mr. HUGHES, also introduced a money laundering proposal, H.R. 1474, in March of this year.

Extremely beneficial information has been obtained from hearings on the subject called by the distinguished chairman of the Committee on Banking, Finance and Urban Affairs, Mr. ST GERMAIN and the chairman of the Subcommittee on Crime of the Judiciary Committee, Mr. HUGHES. I have the distinct privilege of serving on both committees, which must formulate and pass any comprehensive legislative response to money laundering.

The Money Laundering and Related Crimes Act of 1985, which we are introducing today, addresses both current banking and criminal laws. We must call upon the expertise of members of both committees, the banking community and law enforcement and banking officials in our effort to promote this important legislation. This body is equal to the difficult task before us. The proposal we are introducing today provides us with an excellent vehicle for our goal. It is founded on much research, study, experience, and careful thought.

The House of Representatives is duty bound to protect the banking system and our communities from money laundering. I believe that if we stop money laundering we would eliminate the profit of the underlying crimes because the purpose of money laundering is to make illegal profits appear as legitimate income. If this can be stopped, criminals would be unable to spend their ill-gotten gains without detection.

The administration's proposal would make the laundering of ill-gotten gains a crime for the first time. The Right to Financial Privacy Act would be amended to protect financial institutions who wish to notify the law enforcement community when such banks find themselves the unwitting conduits to money laundering activities, the Federal Rules of Criminal Procedure would be amended to prevent notice to the launderer of specific investigations, and the Currency and Foreign Transactions Reporting Act would be amended to provide more effective investigations through subpoena authority for the Secretary of the Treasury. The penalties for violations of the act would also be increased. Several existing criminal statutes would apply to the money laundering activity. Finally, forfeiture of these ill-gotten gains to the Federal Government would occur under the act.

Mr. Speaker, I am appending the following section-by-section analysis of the Money Laundering and Related Crimes Act to the extension of my remarks.

SECTION BY SECTION ANALYSIS OF THE MONEY LAUNDERING AND RELATED CRIMES ACT OF 1985

Section one of the bill sets out its title, the "Money Laundering and Related Crimes Act of 1985."

Section two sets out a new money laundering offense by adding a new section 1956 to title 18.

The new section 1956 directly proscribes certain types of transactions involving monetary instruments and wire transfers of funds to launder the funds generated by or derived from illegal activity. Section 1956 would cover any money laundering which affects interstate commerce. Criminal liability and civil sanctions under the new section may be imposed if the government can show that the person had actual knowledge or acted with reckless disregard of the fact that the money instruments represent the proceeds of an unlawful activity.

Subsection (a) provides that one who conducts, causes to be conducted, or attempts to conduct a transaction involving either

the wire transfer of funds or involving monetary instruments, which affects interstate or foreign commerce or which is conducted through or by a financial institution which is engaged in or the activities of which affect interstate or foreign commerce, is guilty of an offense provided the government can show either of the following: first that the person acted with the intent to promote, manage, establish, carry on, or facilitate the promotion, management, establishment or carrying on of any unlawful activity or, second, that the person knew or acted in reckless disregard of the fact that the monetary instruments or funds represent the proceeds of, or are derived directly or indirectly from the proceeds of, any unlawful activity. The punishment would extend to imprisonment for up to twenty years and a fine of up to the greater of $250,000 or twice the value of the monetary instruments or wire-transferred funds involved in the transaction. In addition, section nine will allow for either the civil or criminal forfeiture of funds and proceeds derived from the funds involved in a violation of the new section.

Section 3 sets forth several amendments to the Right to Financial Privacy Act of 1978 (Title XI of Public Law 95-630) ("RFPA"). These amendments further define the extent to which financial institutions may cooperate in and contribute to Federal law enforcement efforts without risking civil liability under the RFPA.

Subsection 3(a) amends subsection 1113 of the Right to Financial Privacy Act, 12 U.S.C. § 3413, to add a new exception provision. The new § 3413(l) provides that "nothing in the Act shall apply," when a financial institution provides financial records to an agency which it has reason to believe may be relevant to possible crimes by or against a financial institution or financial institution supervisory agency, possible Bank Secrecy Act violations or violations of the proposed money laundering offense, 18 U.S.C. § 1956, or enumerated drug-related crime provisions.

Subsections 3 (b) and (e) amend subsection 1112(a) of the Right to Financial Privacy Act, 12 U.S.C. § 3412 to eliminate the requirement of certification and notice to the customer when an agency that has received financial records in accordance with the provisions of the RFPA transfers the records to another agency, as long as the transferring agency believes the records may be relevant to a matter within the jurisdiction of the receiving agency.

Subsection 3(c) amends subsection 1103(c) of the Right to Financial Privacy Act, 12 U.S.C. § 3403(c). Currently § 3403(c) provides that nothing in the Act shall preclude a financial institution from notifying a Government authority that the institution has information which may be relevant to a possible violation of any statute or regulation.

Subsection (d) expands upon the current "good-faith" defense that a financial institution may raise under subsection 1117(c) of the Right to Financial Privacy Act, 12 U.S.C. 3417(c) in a civil suit under the RFPA. The amendment adds that the financial institution will also have this good-faith defense if it provides records or information in the good faith belief that it is relevant to a possible violation of law in accordance with § 3413(l) or § 3403(c) discussed above.

Finally, subsection 3(f) deletes a provision in § 1120 of the Right to Financial Privacy Act in 12 U.S.C. § 3420 that provides that financial records obtained about a customer from a financial institution pursuant to a Federal grand jury subpoena must be returned and actually presented to the grand jury.

Subsection 3(g) adds a new section 3423 to Title 12 to make explicit that the Right to Financial Privacy Act preempts any state financial privacy law or judicial interpretation that is more restrictive of disclosure to a Government authority concerning a possible violation of law.

Section four amends Rule 17(c) of the Federal Rules of Criminal Procedure to clarify the authority of the district courts to issue, and set standards for the issuance of, orders commanding a person to whom a subpoena duces tecm is directed, not to advise, for a specified period, any other person of the existence of the subpoena. Rule 17(c) would be amended to allow the attorney for the government to seek, and the court to issue an order not to tell anyone of the existence of the subpoena for a specified length of time if the court determines that there is reason to believe the material that is the object of the subpoena is the object of a legitimate law enforcement proceeding and there is also reason to believe that notification of the existence of the subpoena will result in endangering the safety of any person, flight from prosecution, destruction of evidence, intimidation of potential witnesses, or otherwise seriously impairing the investigation or trial.

Section 5 sets forth several amendments of Title II of Public Law 91-508, "the Currency and Foreign Transactions Reporting Act" codified at 31 U.S.C. § 5311-5322 which together with Title I of Public Law 91-508 is commonly known as the Band Secrecy Act.

Section 5(a) amends 31 U.S.C. § 5318 to give the Secretary new summons authority under the Bank Secrecy Act for both testimonial and documentary evidence.—It is imperative to the effectiveness of the Bank Secrecy Act that the Secretary have the ability to summon witnesses and documents both to investigate violations of the Act and to assess the appropriate level of civil penalties for violations of the Act.

The Secretary may summons a financial institution or an officer or employee of a financial institution or any person having custody or reports and records required under the Bank Secrecy Act to give testimony under oath and bring documents relevant to any reporting or recordkeeping provision of the Act. The purpose of the summons is limited to civil enforcement of the Bank Secrecy Act.

A summons may be issued only by the Secretary or with his approval by "a supervisory level" official of an organization to which the Secretary has delegated Bank Secrecy Act enforcement authority, e.g., the Internal Revenue Service, the Comptroller of the Currency and the Customs Service. An agent or bank examiner in the field could not issue a summons on his or her own authority.

New sections (d) through (f) are added to § 5318 as summons housekeeping provisions relating to service, witness fees, and summons enforcement actions.

Section 5(b) amends section 5319 pertaining to the availability of Bank Secrecy Act reports.

The revised § 5319 would explicitly authorize the Secretary, within his discretion, to provide report information to state or local agencies upon request for purposes consistent with the purposes of the Act. The Secretary also would be authorized to provide report information to other federal agencies without a request if he has reason to believe that the information would be useful to a matter within the jurisdiction of the receiving agency.

The revised § 5319 also would authorize the Secretary to provide report information to other federal agencies for national security purposes with or without a request.

Subsection 5(c) contains several amendments to 31 U.S.C. § 5319, the civil penalty provision of the Bank Secrecy Act. Subsection 5(c) provides for a new penalty of not more than the amount of the transaction up to $1,000,000, or $25,000, whichever is greater, for all reporting violations. For non-reporting violations, the penalty will continue to be up to $10,000. A new paragraph (4) is added to 31 U.S.C. § 5321(a) providing for increased civil penalties for willful violations of 31 U.S.C. § 5314 or a regulation prescribed thereunder relating to records and reports of foreign financial agency accounts and transactions.

A new paragraph (5) is added to provide a penalty for negligent violations of the recordkeeping and reporting requirements of $10,000 per violation in cases in which the facts do not support a finding of willfulness.

A new paragraph (6) is added to § 5321(a) to clarify that criminal penalties under § 5322 and civil penalties under § 5321 are cumulative.

Subsection 5(d) establishes a six-year statute of limitations for actions to enforce civil penalties under the Bank Secrecy Act.

Subsection 5(e) amends 31 U.S.C. § 5321(c) to clarify the Secretary of the Treasury's authority to mitigate in his sole discretion all civil penalties authorized under § 5321(a).

Subsection 5(f) amends the definition of "monetary instrument" in 31 U.S.C. § 5312(a)(3)(B). This amendment, which makes explicit the Secretary's authority under current law, permits the Secretary to designate "similar material whether or not in bearer form."

Subsection 5(g) amends 31 U.S.C. § 5322(b) to state explicitly that illegal activities involving more than $100,000 are not restricted to violations under the Bank Secrecy Act itself, but to any illegal activity involving the requisite amount.

Subsection 5(h) amends the definition of United States in 31 U.S.C. § 5312(a)(5) to list the territories, possessions, and the Trust Territory of the Pacific Islands.

Subsection 6(a) of the bill makes the new money laundering offense in section 18 U.S.C. 1956, and violations of the provisions of the Currency and Foreign Transactions Reporting Act (subchapter II of chapter 53 of title 31) predicate offenses for the Interstate Travel in Aid of Racketeering, or ITAR, statute, 18 U.S.C. 1952.

Subsection 6(b) makes the new money laundering offense in section 1956 a predicate for the RICO Statute, 18 U.S.C. 1961.

Subsection 6(c) makes the money laundering offense in section 1956 an offense for which a Title III wiretap may be employed by adding it to the list of such offenses in 18 U.S.C. 2516(l).

Section seven amends 18 U.S.C. 2 to provide for a criminal facilitation offense. It would not be limited just to money laundering but would be particularly applicable to money launderers.

Section eight of the bill adds a new section 2322 to title 18 to proscribe the receiving of the proceeds of any felony in violation of federal law, or the bringing into the United States of the proceeds of any violation of foreign law concerning narcotics trafficking for which the punishment ex-

tends to imprisonment for more than one year, if the person receiving the proceeds knows or believes that the money or property received has been obtained in violation of law. The punishment for a violation of this new section would extend to ten years' imprisonment and a $250,000 fine.

Section nine sets out a new chapter 202 in title 18 dealing specifically with forfeitures.

Subsection 2600(a) provides for the civil forfeiture of all funds or monetary instruments involved in a violation of the new section 1956 (the new money laundering offense) and any real or personal property which represents the proceeds of or which is traceable to such funds and monetary instruments and any money or other property involved in a violation of the new section 2322 if the violation is of a federal or foreign law pertaining to controlled substances, and any real or personal property which represents the proceeds of or is traceable to such money or property.

The procedures for accomplishing this civil forfeiture are patterned after the civil forfeiture provisions in title 21.

Subsection 2601(a) provides for the criminal forfeiture of the money or other property involved in a violation of section 1956 or section 2322.

Subsection 2601(b) sets out a substitute assets provision which states that in cases where the money or property subject to forfeiture under subsection (a) cannot be located, has been transferred to a third party, has been placed beyond the jurisdiction of the court, has been diminished in value, or has been commingled with other property the person shall forfeit any other property up to the value of that which would be forfeitable under subsection (a).

Subsection 2601(c) provides that the criminal forfeiture provisions are mandatory.

Subsection 2601(d) incorporates by reference all the procedures for criminal forfeitures set out in title 21.●

CONSUMER BANKING ACT OF 1985

HON. CHARLES E. SCHUMER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 18, 1985

● Mr. SCHUMER. Mr. Speaker, on June 4 I introduced H.R. 2661, the Consumer Banking Act of 1985. This legislation addresses a number of issues important to consumers that have been overlooked in the restructuring of the banking industry over the last few years.

One particularly galling practice the legislation seeks to curb is the policy of many banks of holding checks for periods far in excess of the time it actually takes the checks to clear. Consumers continue to be subjected to indefensible delays in gaining access to funds deposited by check. These delayed funds availability policies of banks inconvenience all consumers. For consumers living on limited incomes, being required to wait 1 week or more to cash their checks can be a severe hardship. The extent of the problem is suggested by a recent survey of check-hold policies.

The U.S. Public Interest Research Group [U.S. PIRG], a nonprofit consumer advocacy group, recently released its national survey of check-hold policies of 669 banks and savings and loans. State public interest research groups collected data in 10 States dispersed throughout the country: Connecticut, Florida, Maryland, Missouri, Montana, New Jersey, Ohio, Oregon, Rhode Island, and Texas. The report, "Held Up At The Bank," documents the lengthy delays that banks impose before consumers can get access to money deposited by check.

The survey found that delays were both widespread and extensive. For example: 52 percent of the financial institutions surveyed hold out-of-State checks for 3 to 5 business days; 75 percent of the financial institutions hold out-of-State checks for over 1 week; and 20 percent hold out-of-State checks for over 2 weeks.

Even cashier's checks were found not to be exempt: 33 percent of the financial institutions hold cashier's checks drawn on a local bank for over 3 business days; and 32 percent hold out-of-State checks for over 1 week.

Not all financial institutions surveyed imposed interminable delays. For instance, the report also found that: 28 percent of the financial institutions grant access to funds deposited by local check within 1 or 2 business days; and 10 percent remove their hold on out-of-State checks with 1 or 2 days.

This study clearly documents the need for some type of control over this practice. H.R. 2661 would shorten the maximum time that a financial institution may hold a check to 1 to 3 days, depending upon the category of check, with exceptions for checks that present a high risk of loss to the institution of deposit. I urge my colleagues to support this needed refinement of our banking laws.●

DRUG TRAFFICKING AND THE 25TH MEXICO-UNITED STATES INTERPARLIAMENTARY CONFERENCE

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 18, 1985

● Mr. GILMAN. Mr. Speaker, I want to commend the distinguished gentleman from Texas [Mr. DE LA GARZA], who, along with Senator PHIL GRAMM, of Texas, cochaired our delegation to the 25th Mexico-United States Interparliamentary Conference that was held in Querétaro, Mexico on May 9-13, 1985, and who, as cochairman of the Interparliamentary Conference's Political Affairs Committee helped us obtain a conference resolution on narcotics trafficking and drug abuse. I also commend the distinguished chairman of our Narcotics Select Committee [Mr. RANGEL], with whom I serve as the ranking minority member, for his leadership in helping to iron out the differences between our two delegations regarding the resolution. Working with the gentleman from Texas [Mr. DE LA GARZA], along with our Mexican colleagues, Humberto Lugo Gil, cochairman of the Conference's Political Affairs Committee, and Representative Mariana Pina Olaya and Senator Manuel Ramos Gurrion, we were able to fashion the Querétaro resolution on drug trafficking that hopefully will help our two nations to more effectively combat this deadly menace.

Mr. Speaker, it is no secret that the recent kidnap-murder of our drug enforcement agent Enrique Camarena and Alfredo Zavalar Avelar, the Mexican pilot who flew Camarena on drug trafficking missions, and the mysterious disappearance of some of our citizens have strained the relations between our two nations. Our Mexican colleagues are distressed that the House recently passed the Vento amendment to H.R. 2068, the State Department Authorization Act, that would warn our citizens of the current dangers of traveling in the state of Jalisco. Under the Vento amendment, the travel advisory would remain in effect until those responsible for the abduction or murder of Camarena and other American citizens have been tried and convicted.

The Mexican legislators requested that the U.S. Senate not approve any travel advisory for the state of Jalisco and our delegation committed itself to carry their request to the Senate. Pursuant to the second paragraph of the Querétaro resolution, Senator GRAMM wrote Senator RICHARD LUGAR, chairman of the Senate Foreign Relations Committee, urging the committee to delete section 121 of S. 1003, the Foreign Relations Committee, Authorization Act for fiscal years 1986 and 1987, that would direct the Secretary of State to issue a travel advisory for Mexico. On June 7, 1985, the Senate passed by voice vote the Gramm amendment to the Foreign Relations Act that, among other things, finds encouragement in recent and significant changes made by the Mexican Government regarding the safety of U.S. citizens traveling in Mexico and requires the Secretary of State to transmit a report to the Congress every 90 days on the progress made in the Camarena case, the investigations of the disappearance of U.S. citizens, and the safety of U.S. tourists.

The Querétaro resolution also calls for establishing a consultative mechanism between our two legislative bodies to help improve the coordination and cooperation between our two

nations in the fight against the illicit cultivation, processing and trafficking of drugs, in treating and rehabilitating drug addicts, and in warning our citizens about the dangers of drug abuse. The resolution also calls for the Interparliamentary Conference to meet more frequently.

Mr. Speaker, in order to share with my colleagues the details of the Querétaro drug resolution, I am at this point in the RECORD inserting the complete text of that document, together with statements on narcotics trafficking and drug abuse that Chairman RANGEL and I presented to our Interparliamentary Conference's Political Committee.

XXV MEXICO-UNITED STATES INTERPARLIAMENTARY MEETING, MAY 10-12, QUERÉTARO, QRO.

POLITICAL AND SOCIAL AFFAIRS COMMITTEE

Drug Trafficking

Whereas: Mexican/United States Interparliamentary Conferences have adopted the following resolutions:

(a) The Hermosillo Declaration of 1977 on the fight against drug trafficking on the international level (XVII).

(b) The Santa Barbara Agreement of 1982 on narcotics, which commits both countries to give the highest priority to problems arising from the processing, traffic and improper use of narcotic drugs, urging both countries to draw up a comprehensive and coordinated regional strategy for this purpose.

(c) The XXIV Mexico-United States Interparliamentary Meeting held in Washington, D.C., which passed a resolution to establish a working group to assist in the efforts to combat traffic in drugs and their improper use.

Now therefore it is resolved that:

First—The foregoing resolutions are appropriate in consolidating the efforts of both of our countries in the fight against drug trafficking.

Second—In the course of our deliberations, the legislators from both of our countries have had the opportunity to fully review the tragic events that occurred in the state of Jalisco and will report to our respective legislative bodies that we are informed that the government of Mexico has fully undertaken all of the necessary legal measures to apprehend and detain without bail the perpetrators of this heinous crime. Because of the foregoing, the Mexican legislators request the United States Senate not to approve any travel advisory for the state of Jalisco. The United States delegation commits itself to carry this request to the United States Senate.

Third—We agree to the creation of a mechanism to formally establish between the two legislative bodies, a consultative body for the purpose of implementing the foregoing resolutions and for improving coordination and cooperation in the fight against the cultivation, processing and illicit trafficking of drugs, the treatment and rehabilitation of drug addicts, and for warning our citizens about the dangers of the improper use of drugs and will recommend that a similar body be established by the executives of both of our countries.

Fourth—That the meetings of both Parliaments concerned with this topic be held more frequently, preferably quarterly, to expedite follow-up action on the measures adopted by each country with respect to drug eradication, trafficking and the prevention of narcotic abuse, and to discuss additional mutual efforts to combat illegal narcotics.

Fifth—The delegates of Mexico and the United States reaffirm our joint commitment in our fight against illegal narcotics production and tafficking in this hemisphere and throughout the world. Illegal narcotics constitute a threat to the well being of our societies and to our security. To effectively combat this menace requires a long-term commitment on the part of both governments to mutually supportive programs and efforts. We take this opportunity to reaffirm our commitment to those measures to evaluate, assess and verify the effectiveness of these ongoing anti-narcotics and anti-addiction programs.

Both of our nations are prepared to increase their efforts, reassess and reevaluate the resources available in order to improve upon this program subject to the approval of both governments.

STATEMENT OF HON. BENJAMIN A. GILMAN, BEFORE THE 25TH MEXICO-UNITED STATES INTERPARLIAMENTARY CONFERENCE HELD IN QUERÉTARO, MEXICO, MAY 9-13, 1985

Mr. Chairman, distinguished legislators from Mexico and the United States, I am pleased to once again participate in our annual Mexico-United States Interparliamentary Conference and, as the Ranking Minority Member of the House Select Committee on Narcotics Abuse and Control, I am delighted to associate myself with the distinguished Chairman of our Select Committee, Mr. Rangel, under whose leadership our Select Committee has extensively studied the problems of narcotics trafficking and drug abuse both in the United States and in Mexico and throughout the world.

The year 1985 is truly a year of major historical significance. It represents the 175th anniversary of Mexico's independence from Spain; the 75th anniversary of the Mexican Revolution; and the silver anniversary of our bilateral interparliamentary conference.

For 25 years, legislators from Mexico and from the United States have met annually, and, in a spirit of mutual respect to discuss candidly the problems confronting our two nations. We are politicians. As elected officials, we share similar problems that give us a special bondage and respect for one another, especially when we meet to discuss our problems and to help improve the relationship between our two nations. We are also friends and neighbors sharing the same border and, for many of our citizens, sharing a similar culture, heritage and language.

With respect to narcotics trafficking and drug abuse, we must be candid with each other and find ways to improve our mutual need to combat the drug traffickers who are creating havoc, terror and misery for the citizens of both our nations and whose activities are corrupting our political, economic and social institutions.

The ruthlessness of the drug traffickers and their corruptive influence has been brought to the surface by the tragic kidnapping and murder in Mexico of one of our Federal Drug Law Enforcement agents, Enrique Camarena Salazar, and Alfredo Zavala Avelar, a highly trained and dedicated Mexican pilot who fought alongside Mr. Camarena to help combat the drug traffickers. The tragic murders of Mr. Camarena and Mr. Zavala dramatically illustrate the need for our two nations to intensify our efforts to work together, to cooperate with one another, to share information and to conduct joint narcotic enforcement activities.

Because of the lack of vigor in conducting the investigation into the murders of Camarena and Zavala, including the corrupt police officials who permitted the notorious drug trafficker Rafael Caro Quintero to flee to Costa Rica where he was captured and returned to Mexico for prosecution, our government reacted by restricting the traffic across our borders and by issuing a travelers advisory warning our citizens, many of whom have mysteriously disappeared, to stay out of Mexico until those responsible for Camarena's murder are brought to trail and a verdict obtained.

Mr. Chairman, I raise this issue only to remind my colleagues that Mexico is not alone in suffering from the corruptive influences of the drug traffickers. Earlier this year one of our agents from the Federal Bureau of Investigation, Dan Mitrione, pled guilty to cocaine trafficking and bribery charges. We also are mindful of the dedication, commitment and expertise of Mexican law enforcement officials, many of whom have lost their lives in waging "war" against the drug traffickers.

Mr. Chairman, let us examine at this historic bilateral conference how we, as legislators, can improve upon the historic close ties of friendship and cooperation that exists between our two nations. Mexico has become a leader in aerial surveillance techniques, in developing crop eradication and helicopter training, piloting and maintenance programs, all of which need to be shared with law enforcement agencies throughout the world. In short, nations throughout the world can learn from the expertise of Mexico's drug law enforcement programs.

Drug trafficking and drug abuse have reached epidemic proportions throughout the world. Just in the United States alone, drug trafficking has reached a staggering 110 billion dollars. Nations of the world must realize that only through joint cooperative efforts, will mankind succeed in winning this "war" on drugs—and this is a "war" which the drug traffickers have declared against all mankind. They have terrorized our citizens, bombed our embassies, murdered government officials, including their own citizens who have cooperated with our officials, and they have sent hit squads to murder our law enforcement officials. Make no mistake; as we have seen from the Camarena and Zavala cases, the drug traffickers are ruthless. They have also gunned down Colombia's Minister of Justice, Rodrigo Lara Bonilla, and 21 crop substitution and eradication specialists in the Tingo Maria region of Peru.

To combat the hundreds of billions of dollars of illicit drugs that are marketed worldwide and infecting citizens from every nation of the world with their deadly poison, nations of the international community annually scrape together a paltry $5 million to $10 million to help the United Nations Fund for Drug Abuse Control (UNFDAC) conduct a global "war" on drug trafficking and drug abuse—hardly enough funds to purchase a single high speed coastal patrol boat.

Last year only 17 nations or less than 11 percent of the 159 member nations comprising the United Nations contributed or pledged slightly more than $8 million, of which nearly 91 percent or $7.3 million was contributed by Italy and the United States. Some nations that directly benefit from UNFDAC programs have not contributed a single peso to the U.N Drug Fund.

We commend the Government of Mexico for its contributions to the U.N. Drug Fund and would like to urge your government to take the lead in encouraging other Latin American nations to participate in this vital U.N. effort. According to UNFDAC's 1984 report, only six Latin American and Caribbean nations have contributed or pledged to the U.N. Drug Fund for its 1984 and 1985 programs. Barbados ($250); Chile ($5,000); Equador ($2,000); Jamaica ($235); Mexico ($706) and Panama ($2,000) for a total of only $10,491—not even enough to underwrite the cost of operating a drug treatment facility.

To help promote drug awareness throughout the world, our First Lady, Mrs. Nancy Reagan, recently held a First Ladies' Conference on Drug Abuse in Washington, D.C. and in Atlanta, Georgia, and we are delighted that the First Lady of Mexico, Mrs. Paloma Cordero de la Madrid, was able to participate in this historic conference.

During the past quarter century, delegates attending our bilateral inter-parliamentary conferences have formulated three major resolutions pertaining to narcotics trafficking and drug abuse. In 1977, the parliamentarians adopted the Hermosillo Declaration on Combatting the Traffic in Drugs at the International Level; in 1982; we adopted the Santa Barbara Narcotics Accord committing both nations to elevate to the highest priority the problems eminating from narcotics production, trafficking and abuse and pledging both nations to develop a comprehensive, coordinated regional drug strategy; and last year, at our 24th bilateral interparliamentary conference, we adopted a resolution establishing a working group to assist the Conference in its efforts to combat drug trafficking and drug abuse.

These drug-related resolutions are most helpful in solidifying our commitment to the "war" on drugs. But we must do more than adopt well-intentioned resolutions. The time for action is upon us. We should develop a mechanism between our two legislative bodies and our respective executive branches to help implement these historic resolutions and to help improve the coordination and cooperation that are critical if our two nations are to effectively combat the illicit cultivation, production and trafficking of illicit drugs, to treat and rehabilitate those who are dependent upon drugs and to educate our citizens regarding the dangers of drug abuse.

Mr. Chairman, nations of the international community are reeling under the corruptive influence of the drug traffickers and the tidal wave of marijuana, heroin, cocaine and other deadly drugs that are adversely affecting the health of our citizens. We, as legislators, must intensify our efforts to combat these narco-terrorists. We will win the "war" on drugs, improve the health of our citizens and restore the political and economic viability of our two nations if we pool our resources, funds, personnel, equipment and expertise in a joint, cooperative and coordinated effort. That, Mr. Chairman, is our mission and that, in my view, is what must be done to wage "war" effectively against these ruthless narco-terrorists.

STATEMENT OF HON. CHARLES B. RANGEL, CHAIRMAN, SELECT COMMITTEE ON NARCOTICS ABUSE AND CONTROL BEFORE THE 25TH MEXICO-UNITED STATES INTERPARLIAMENTARY CONFERENCE HELD IN QUERETARO, MEXICO MAY 9-13, 1985

COMMITTEE I—POLITICAL AFFAIRS

4. Cooperation in the Fight against Drug Trafficking

Mr. Chairman and fellow colleagues from Mexico and the United States, it is indeed a pleasure for me to participate in the Twenty-Fifth Mexico-United States Interparliamentary Conference. Our Nations share a long and valued friendship. It is nurtured by our common histories and traditions, and kept vibrant by our diversities.

A principal value which we both share is a strong belief and trust in our democratic institutions to address and resolve our social and political problems. The ability of us, as legislators, to meet and discuss issues of mutual concern is illustrative of our confidence in democratic procedures.

Drug trafficking and drug abuse, however, have begun to seriously erode confidence among both Mexicans and Americans in the integrity and competence of our governments to deal with these two major social problems.

The 1984 Annual Report of the International Narcotics Control Board, a body not known for being critical of its members, painted a particularly bleak picture of drug abuse rapidly expanding worldwide. The report describes the illicit production, trafficking and abuse of narcotic drugs becoming more serious in 1984. "Illegal drug production and trafficking financed by organized crime is so pervasive," the report states, "that the economies of entire countries are disrupted, legal institutions menaced, and the very security of some states threatened."

The tragic events that took place earlier this year, which resulted in the brutal murders of U.S. Drug Enforcement Agent Enrique Camarena and Mexican pilot Alfredo Zavala Avelar and the resulting serious strain in U.S.-Mexican relations, are the clearest examples we have to date of the disruption that can be caused by drug trafficking to, and between, democratic nation-states.

The House Select Committee on Narcotics Abuse and Control, which I chair and on which the distinguished gentleman from New York (Mr. Gilman) serves as Ranking Republican Member, has also reported expanded international production and trafficking of illicit drugs. Mexico, unfortunately, is a nation in which major growth in illicit drug production and smuggling has occurred.

A decade ago, Mexico was the main source of marijuana and heroin consumed in the United States. Commendably, Mexico responded to this state of affairs and with U.S. assistance developed an effective narcotic-crop eradication program—in fact, the world's finest aerial crop eradication program. By 1981, Mexico's share of marijuana shipments to the United States had fallen to 4 percent. Its heroin share was down to 33 percent by 1983.

But now, Mexico's marijuana shipments to the U.S. have rebounded to 15 percent, while heroin shipments have crept back up to 37 percent according to latest estimates.

The quality of Mexican heroin in the way of purity and texture is also reported to have improved. Increases in the quality of Mexican heroin have to be taken as indications of an increase in illicit opium production and heroin manufacture in Mexico. There is also evidence from 1979, opium production in Mexico, has on an annual basis increased gradually as growers moved to widely dispersed small plots.

Moreover, and quite regrettably, serious allegations of official corruption have tainted Mexico's narcotics enforcement efforts. Delays in cooperation in the Camarena investigation, and revelations that a large marijuana plantation flourished for quite some time until it was discovered last November, have raised serious questions in some quarters about Mexico's commitment to effective drug enforcement.

The institutional integrity of our law enforcement agencies is vital to a free society. Their viability, however, is threatened by drug trafficking.

The unfortunate incidents and criticisms of the past few months, however, must not contaminate the ability of the United States and Mexico to work together—effectively and aggressively—to combat drug smuggling. Our nations, as well as all other nations, must recognize drug abuse as a worldwide problem that requires the cooperation of all nations to obtain ultimate victory. Let us insure that the senseless deaths of Agent Camarena and Mr. Zavala were not in vain. Let our two nations, in particular, unite to overcome the viciousness and brutality of the drug trafficker and the scourge of drug abuse.

The Select Committee's study mission to Mexico in August, 1983, and further investigation by the committee on U.S.-Mexican drug control issues, have uncovered a number of areas in which our two nations can join together in a more effective effort.

A vigorous joint narcotics enforcement effort by the Mexican Federal Judicial Police and the Drug Enforcement Administration is needed to develop important arrests and seizures in the heroin, marijuana and cocaine traffic directed toward the United States. Clandestine heroin laboratories should be confiscated on a regular basis.

The events of the past few weeks in which major Mexican marijuana and cocaine traffickers have been arrested, including those involved in the death of Agent Camarena, are illustrative of the kind of investigations and enforcement efforts we must undertake. I laud the Mexican police for these initiatives. We must keep up the pressure to break the hold of the trafficking organizations.

Mexican poppy and marijuana cultivation are becoming increasingly dispersed to plots outside the range of the Mexican Government's aerial patrols to detect and eradicate it.

Our governments must develop the capability to survey the extent of opium and marijuana production in Mexico via high altitude satellite or aircraft. This would be for the purpose of detecting and pinpointing cultivation for eradication, verification of destruction and measuring whether production is increasing or decreasing annually, and how much may actually be produced.

Our governments must determine whether the number if helicopters, particularly the 33 Bell 206 helicopters used for eradication, are sufficient in number to progressively eliminate on an annual basis a greater percentage of the opium poppy crop.

My fellow legislators, by working together there is much we can accomplish; division only assists the traffickers. We must maintain the integrity of our governmental institutions and put into a working "plan of action" the Hermosillo Declaration of Nar-

cotics Trafficking (1977) the Santa Barbara Narcotics Accord (1982), and The Washington Resolution (1984), past statements against drug trafficking by this conference, which commit our nations to waging war on drug abuse at the highest level.●

TEMPE, AZ, "ALL-AMERICA CITY"

HON. JOHN McCAIN

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 18, 1985

● Mr. McCAIN. Mr. Speaker, last night, the city of Tempe, AZ, was honored as an All-America City. This is a revered distinction, worthy of every recognition.

Tempe, AZ, the home of Arizona State University, is a city with a rich cultural heritage. Its ethnic diversity, unique lifestyle, and community pride are just some of the elements that have made the difference.

Tempe City officials have worked hard and diligently in an effort to improve the quality of life for their residents. Their commitment to demand quality from developers, adequate roadways, and sufficient recreational facilities for children has paid off.

Tempe has combined high technology manufacturing, agriculture, and tourism into a viable economic foundation. This economic development has allowed them to preserve their unique urban-rural lifestyle.

All of Arizona is proud of Tempe and of the achievements they have accomplished.●

FAMILY THAT LOST CHILDREN, HOME IN FIRE GETTING HELP

HON. JIM KOLBE

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 18, 1985

● Mr. KOLBE. Mr. Speaker, an early morning kitchen fire, leading to thousands of dollars of damage to a home, and most tragically, the death of two young children. These are sad but common circumstances that we can read about every day in our morning paper. But this particular tragedy in Tucson, carries with it also a story of tremendous human courage and inspiration.

On June 6, 9-year-old Lucinda Webb gave her life trying to rescue her 2-year-old cousin from a fire in her family's mobile home. Lucinda had awakened her family and was among those who had safely escaped the flames when she noticed that her 2-year-old cousin Joshua was still inside. Without thought to her own safety, she rushed back into the burning trailer, and lost her life in the rescue attempt.

Her story has touched the hearts of the people of Tucson, and a fund has been established to help Lucinda's family help put the pieces back together in their lives.

I ask that the news accounts of this tragedy and its aftermath be printed in the RECORD so others can see and read of Lucinda and how her courage and sacrifice has inspired her hometown to reach out to her loved ones.

[From the Arizona Daily Star, Tucson, June 11, 1985]

FAMILY THAT LOST CHILDREN, HOME IN FIRE GETTING HELP

(By Roderick Gary)

Friends and co-workers have raised about $8,000 in four days to aid a Tucson family burned out of their southside mobile home last week by a fire that killed two children.

And the fund raising will continue, as two groups have established accounts for charitable donations for the family.

Food, clothing, furniture and a temporary home have also been provided for Master Sgt. Wayne Webb, his wife, Janice, daughter Nora, nephew Carl Wayne Osborn and niece Janet Lynn Osborn, said Maj. Stephan K. Jacobs, chief of public affairs for the Air National Guard.

Another daughter, Lucinda Webb, 9, and a nephew, Joshua Osborn, 2, died Thursday in the early morning fire at the family's home in the 8500 block of South Craycroft Road.

Funeral services for both children will be held at 10 this morning at South Lawn Mortuary, 5401 S. Park Ave.

Jacobs said friends of Wayne Webb began donating items the day of the fire. Webb has been with the Air National Guard for 20 years, and is a crew chief with the 162nd Tactical Fighter Guard.

One guardsman offered the use of a vacant rental home on Tucson's eastside for the family to live in for 90 days, utilities paid, Jacobs said.

Most of the donations through the weekend were made by guardsmen, Jacobs said, but because of civilian inquiries the group has opened an account at the Davis-Monthan Federal Credit Union.

Anyone interested in making a donation to the Wayne Webb Fund can do so at any D-M credit union branch, he said.

Donations can also be made through a fund begun by teachers at Craycroft Elementary School, where Lucinda Webb was a student.

Marguerite Granberry, a former teacher of Lucinda's, said that she and Pedro Padilla, another teacher at the school, have opened an account at Valley National Bank.

"It's a very tight community, and I figured everyone in the community would want to help if they had a convenient way of doing so," Granberry said.

She said she was aware of the fund begun by the guardsman, but "we opened this one because we figure this bank would be more accessible for many people."

Anyone interested in donating to the fund can do so at any Valley Bank branch. Contributors should give account number 3948-5199, Granberry said.

RESCUE FAILS; DREAM CHILD, COUSIN DIE

(By Roderick Gary)

A 9-year-old "dream child" was killed early yesterday when she went back into her family's burning mobile home in a futile effort to rescue her 2-year-old cousin.

Four people, three of them children escaped the burning southside home without injury, officials said.

The body of Lucinda Webb was discovered by firefighters in the bathroom of the home at 8575 S. Craycroft Road, said Sheriff's Sgt. Doug White.

Firefighters found the body of 2-year-old Joshua Osborn in a bedroom, White said.

A Rural Metro Fire Capt. John Rhads said the fire was reported at 4:30 a.m. by a neighbor. He said a large ball of fire" was visible to firefighters as they pulled out of the station house in the 4800 block of East Benson Highway, about 2½ miles away.

The fire was under control by 5:15 a.m. about seven minutes after firefighters arrived. Damage was estimated at $50,000. Roads said.

A sheriff's arson investigator said the fire apparently started in the kitchen of the double-wide mobile home and was probably accidental.

"It looks to be an accidental thing." White agreed. But he said the exact cause of the fire had not been determined

There were six people in the mobile home when the fire was discovered. White said Lucinda apparently discovered the fire and woke her mother, Janice Webb. They then went outside, he said.

By the time firefighters arrived, Nora Webb, 11. Lucinda's sister and Janet Lynn Osborn 5 Joshua's sister, also had escaped. Janice Webb broke a bedroom window and Joshua's brother, Carl Wayne Osborn, 6, climbed out of the house, White said.

But before firefighers arrived Lucinda went back into the house to find her young cousin, White said.

Jean Spicer, who lives about 300 yards away, said her husband, Dale, was on his way to work when they noticed the fire.

"We were walking out the door at 5 a.m. because that's when he goes to work. There were little dabs of flame" visible above closer homes, Spicer said.

"Have you ever watched one of those trailers burn like that?" she asked. "The outside walls weren't (burned), but it was smoke and flames coming out of every window. We watched the walls and roof collapse in."

Spicer, who said she has known the family for about five years, said neighbors knew Lucinda as simply "Cinda" and that she was very well-liked.

"She was everybody's dream child," Spicer said. "Everybody liked her in the neighborhood."

Sally Fletcher, a neighbor who said she's in her "early 80s," also knew Lucinda.

The Webbs "got along beautifully in the neighborhood, and the girls were liked, especially that blonde (Lucinda)," Fletcher said. "She gave her life going back to get that baby boy."

She called the Webb family "good, good people," and said they "seemed like a happy sort of a bunch."

Lucinda's father, Wayne Webb, was being flown back to Tucson from Ohio, where he was on temporary assignment with the Air National Guard, officials said.

Joshua Osborn's father, Roger Dean Osborn, 32, is serving a 20-year sentence in a state prison for "numerous counts" of burglary and theft, said Department of Corrections spokesman Mike Arra.

He had been scheduled for a three-day furlough beginning today to visit his children. Instead, he was given an emergency furlough yesterday, Arra said.

It was not known where the boy's mother is, officials said.

Rural Metro and Tucson Fire Department officials reported yesterday that nine people have died in fires so far this year. Five fire

deaths were reported in all of 1984, they said.

FUNDS SET UP AT CREDIT UNION, BANK FOR TRAILER FIRE VICTIMS' FAMILY

Two relief funds have been established for the family of two children who died in a fire that destroyed a far Southeast Side mobile home last week.

The Wayne C. Webb Fund was established at the DM Federal Credit Union following an outpouring of financial assistance and offers of other help, said Maj. Stephan K. Jacobs, chief of public affairs at the 162nd Tactical Fighter Group of the Arizona Air National Guard.

Another fund has been established at the Valley National Bank office, 8624 E. Broadway, said Marguerite Granberry, who taught Webb's daughter and one of the victims, 9-year-old Lucinda Webb, at the Craycroft Elementary School.

Wayne Webb, a full-time member of the Guard, is a master sergeant and an A-7 crew chief. He was on assignment in Ohio last Thursday when an early morning fire destroyed his mobile home and killed his daughter and her 2-year-old cousin, Joshua Osborn.

Webb's wife, Janice, the couple's 11-year-old daughter and Joshua's two sisters escaped uninjured from the burning home in a sparsely populated area on South Craycroft Road. Fire investigators said Lucinda also escaped from the fire but evidently went back into the home in a futile attempt to rescue her cousin.

The 1,100 other members of the 162nd Air Guard group already have donated $8,000 in cash—in addition to clothing, food and furniture, Jacobs said. One member also has given the family a house to live in rent-free for two or three months, he said.

But, Jacobs said, "We've been getting so darn many phone calls" from the community that Air Guard officials asked the credit union to serve a collection points for donations.

"We didn't know there would be that kind of community involvement," Jacobs said.

The credit union, which has seven offices in Tucson and several others around Southern Arizona, "was nice enough to help," Jacobs said. Any money brought in to a branch will be posted to the Webb fund, he said.

Granberry said the fund at Valley is being operated by the Craycroft School staff and friends. She said she expects support to come especially from the Webbs' neighbors, who have known them for four years.

She said the neighborhood—the areas of Littletown, Lakewood, and the 3000 block of South Benson Highway—were "very close."

"They will always come together in a crisis and I know they will help out as much as possible," she said.

Any resident may make a donation to that fund at any Valley Bank branch. The account will be open for 30 days, Granberry said, and donations will be immediately channeled to the Webbs.

Officials said the fire, which started in the kitchen, is under investigation but is not believed to be arson-caused.●

CARNEGIE FOUNDATION STATEMENT MERITS CLOSE CONGRESSIONAL REVIEW

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 18, 1985

● Mr. BIAGGI. Mr. Speaker, earlier this month, the trustees of the Carnegie Foundation for the Advancement of Teaching took a historic step in releasing a statement calling for the reaffirmation of the "historic partnership" between the Federal Government and higher education. The statement—the first in the 80-year history of the foundation—is important not only in its tone and message, but also in its timing.

Currently, the House and Senate are locked in a battle over national spending priorities for a host of Federal programs. It is my firm belief that the House budget resolution provides for a fair and balanced approach to funding higher education and should be sustained by the conferees under any condition.

The Carnegie statement, entitled "Sustaining the Vision" contains an important message at a time when those of us who are long-time advocates for Federal higher education programs are being consumed by budget-cutting fever. We once pointed with pride to our efforts to enhance educational opportunity for all citizens, regardless of income, we now find ourselves in a defensive posture that I consider to be counterproductive and contrary to the public interest. While I strongly believe that the Federal Government should aggressively pursue fraud and abuse in these programs—these problems should not provide the sole justification for budget-cutting.

I commend the Carnegie Foundation for its leadership in this area. For the benefit of my colleagues, I want to insert the entire text of "Sustaining the Vision" in the RECORD for their review and information.

The article follows:

[From the Chronicle of Higher Education, June 5, 1985]

"SUSTAINING THE VISION": TEXT OF STATEMENT BY CARNEGIE FOUNDATION

(Following is the text of "Sustaining the Vision," a statement on the federal role in higher education by the board of trustees of the Carnegie Foundation for the Advancement of Teaching.)

I. A TRADITION THREATENED

America began with the conviction that for democracy to work education is essential. Those who charted the future of this nation linked democracy to knowledge.

George Washington said "Knowlege is . . . The surest basis of public happiness." John Jay declared that knowledge is "the soul of the Republic." And in 1778, Thomas Jefferson drew up an education plan to raise "the mass of the people to the high ground of moral responsibility for their own safety and orderly government."

In these convictions, the nation built public schools for universal education. Colleges were established to train leaders and serve America in peace and war. Private and state support increasingly was supplemented by federal assistance, resulting in a higher education system unequaled in the world.

Today the vital federal connection to our colleges and universities is being challenged. After decades of strong bipartisan support, the current debate about budget priorities has been focused almost exclusively on numbers and on the negatives of higher education. The larger perspective has been lost.

We hear how much education costs, not how much it's worth. We are told that students are exploiters, rather than tomorrow's leaders. And we are reminded of the abuses, not the benefits of aid to higher education.

One is constrained to ask: Have we forgotten our history?

In 1652, the Massachusetts General Court donated land and later authorized tax levies to support Harvard College, which had been established when the little colony in New England was only six years old.

In the Ordinance of 1785, public lands in the Northwest Territory were set aside by Congress for the support of education.

During the dark days of the Civil War, President Abraham Lincoln signed into law the Morrill Act. This historic legislation helped build a network of federally supported land-grant colleges that drove our agricultural and industrial revolution.

In the depths of the Depression, Congress approved President Franklin Roosevelt's work-study legislation. Needy college students got monthly federal stipends for helping to build facilities on their campuses. And with this support they were able to complete their education.

During World War II, when democracy was threatened, the nation's universities joined with the federal government to create the most powerful research engine the world had ever known.

After that war, almost eight million former servicemen—many of whom had hardly dreamed of higher education—went to college supported by the federally funded GI Bill. They returned to civilian life with minds enriched and talents sharpened.

In 1947, Secretary of State George C. Marshall proposed what became known as the Marshall Plan to restore the war-scarred continent of Europe. With federal support, university specialists went abroad to help rebuild the devastated nations.

President Harry Truman, in 1949, made "Point Four" a cornerstone of United States foreign policy. Teachers and scholars traveled overseas to work with laborers and technicians, as well as civil servants, in Third World countries.

In 1958, Congress, shocked by Sputnik, again turned to campuses for help. President Dwight Eisenhower's National Defense Education Act linked schools and colleges to the security of the nation.

Responding to American idealism, President John F. Kennedy called for Peace Corps volunteers—mostly college students—to provide service overseas.

In the 1960's, the Higher Education Facilities Act created a five-year program of matching grants and loans to construct new academic buildings at both public and private higher learning institutions.

During this same decade it became an article of faith that no qualified young person should be denied an opportunity for a college education. A landmark federal aid program for needy students was launched.

The Higher Education Amendments of 1972 dramatically extended this commitment. The Educational Opportunity Grants—later named Pell Grants—helped millions of young men and women go to college and helped keep them there once they were enrolled.

Since 1954, the number of college and university students in the United States has increased from 2.4 million to over 12 million today. Black student enrollment has grown to over one million. The number of women in higher education has risen from one-third to more than one-half of the overall enrollment. Now, about half of all full-time college students are receiving some form of federal assistance.

While higher education today still receives only about one-fourth of its total support from Washington, a unique partnership has evolved between the federal government and higher education, a partnership to advance key national objectives: Social justice, economic growth, civic and cultural enrichment, and security for the nation.

The country has profited enormously from this investment. Millions of graduates leave campuses each year to invigorate every vital sector: Government, business, communications, health services, science, and the arts. It is difficult to imagine a strong America without a strong partnership with higher education.

II. THE PRESENT CHALLENGE

For three centuries, education has been at the heart of our national achievements. But the agenda is unfinished. Urgent new priorities have emerged and more, not less, education is required.

The demography of the United States is changing. Within 10 years, the number of 18- to 24-year olds will drop by 21 per cent. Fewer young people will be available to do the nation's work.

At the same time important shifts are occurring in the nation's ethnic and racial composition. Today, slightly more than one-fourth of white Americans are 19 years of age and under, but 40 percent of all Hispanics and over one-third of all blacks are in this age category. Nearly half of all white families have children under 18 years of age. In contrast, 60 percent of all black and almost 70 percent of all Hispanic families have children in this age group.

Black and Hispanic young people are precisely those who have been least well served by the education system. Almost 80 percent of white teenagers graduate from high school, compared with only about 60 percent of black and 50 percent of Hispanic young people. And students from these minority groups are also less likely to complete their college education.

If minority students continue to leave school and college at the current rate, a shockingly large proportion of our youth will find it difficult, if not impossible, to realize their full potential. If America fails these students, the need for skilled participants in our complex society will go unfulfilled.

Shifts in the economy have consequences for American education. Since 1958, the percentage of blue collar and farm workers has declined. And the proportion of professional and technical workers has more than doubled. New jobs are emerging. Our challenge is to educate and reeducate citizens of all ages so they remain creative and productive.

International competition also has increased. The world's 165 independent nations and 60-odd political units are now interlocked. A strong dollar in the United States hurts Common Market countries; bad harvests in the Soviet Union help Canadian farmers; a robotics breakthrough in Tokyo has an impact on Detroit. In the new fields of computing, artificial intelligence, biotechnology and optical fibers, the race for leadership is on.

John Gardner said it well: "Modern societies run on talent." In a world dominated by more competitive markets and more complicated tools, to shift resources away from education would be a grave mistake.

But the global challenge goes far beyond the economic competition. The world has become a more crowded, more volatile, more unstable place. For the first time, a generation has grown up with headlines that describe ecological and nuclear threats to survival. If education cannot help the coming generation see beyond itself and better understand the interdependent nature of our planet, human prospects will be dangerously diminished.

We conclude that 12 years of formal schooling will increasingly be insufficient for our citizens. In the future, almost everyone will need some form of post-high school education if they are to remain personally empowered, economically productive, and civically prepared.

III. A PARTNERSHIP REAFFIRMED

We believe the moment has come for the historic partnership between the federal government and the nation's colleges to be reaffirmed. Educational obligations are increasing and federal support for colleges and universities must increase, too.

We do not deny the need for more private and state support for higher education. Nor do we deny the need to reduce the federal deficit and scrutinize all programs. But for the Washington debate to focus almost exclusively on how much education costs is to neglect the larger question: How much of America's human resources can we afford to waste?

Further, substantial cuts in higher education aid have already been made. Federal aid to students has dropped 17 per cent in just five years, adjusting for inflation.

We believe the Pell Grant program should be strengthened by maintaining current funding levels and indexing future funding to inflation. Equality of opportunity is not just a remembered slogan of the past; it remains an urgent unfinished obligation of the future.

We further believe the current benefits of the Guaranteed Student Loan should be maintained. And eligibility for loans should be determined by the special economic circumstances of each student, not arbitrarily imposed. Without such loans it would be difficult for many low- and middle-income students to attend the college that would serve them best.

A budding scientist from a middle class home should not be denied the opportunity of attending a high-tuition, research university if such an education would be most beneficial to the student.

The young person from a poor, inner-city family should be able to accept an invitation from a nonpublic liberal arts college, if this is where the student's talents could be most effectively developed.

Further, to reduce federal loans substantially would put many private colleges at risk. A two-tiered higher education system would emerge—one for the poor and another for the rich. The remarkable diversity in American higher education would be undermined.

While access to collegiate education must remain a high priority, the need is no less urgent at the level of graduate education. Critics decry the state of American higher education; yet the work of our academic scholars and researchers is the envy of the world. In the last decade alone, Americans have won over two-thirds of the Nobel prizes for science and medicine. They dominate the world's scientific literature, producing over one-third of the influential scholarly science and engineering articles.

Despite these remarkable achievements, federal support for academic science and engineering research is diminishing as a percentage of the total university research budget. While graduate student stipends in those specialized fields have recently increased, scholarship funds for graduate students in social science and humanities have been woefully neglected. University-based research is a tradition that cannot be interrupted without serious, perhaps irreparable damage to the nation. We conclude that federal support for graduate study across the disciplines should be expanded to sustain and enrich scholarship in the nation.

IV. THE NATION'S FUTURE

Because throughout its history America has linked democracy to knowledge, our goal increasingly has been to expand the opportunities for both school and college education. If we sustain this vision, there is no limit to what the energies of our people can produce. But if we distort it, we will surely breed cynicism and despair. And we will be a different people from the one, in our finest moments, we have always believed ourselves to be.

The aim of education in our democracy is not only to prepare the young for work but to enable them to live with dignity and purpose; not only to generate new knowledge, but to channel knowledge to humane ends; not merely to learn about our civic institutions, but to shape a citizenry that can weigh decisions wisely and promote the public good.

This nation's greatest strength is not its weapons but its people. Our greatest hope is not technology but the potential of coming generations. Education is, as it has always been, an investment in the future of the nation.●

EQUITY FOR ADOPTIVE FAMILIES

HON. WILLIAM LEHMAN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 18, 1985

● Mr. LEHMAN of Florida. Mr. Speaker, I am very pleased to introduce today with Congressman CHARLES RANGEL, the distinguished chairman of the Ways and Means Subcommittee on Select Revenue Measures, legislation to encourage family formation through adoption by allowing a tax deduction for reasonable adoption expenses.

H.R. 2793 would amend the Internal Revenue Code of 1954 to modify the

deduction for unreimbursed adoption expenses for the adoption of native- or foreign-born children. This legislation is one important and responsible way to promote adoption as an alternative form of family formation. It would end the inequitable tax treatment of adoptive parents who are unable to deduct reasonable medical, legal, or other costs of adoption and cannot receive reimbursement through insurance, as can parents with maternity benefits.

This bill improves on similar legislation that I introduced in the 98th Congress by allowing employers a business-expense deduction for adoption benefit programs. It would exclude from taxable income any adoption benefits paid by employers to employees adopting children. This provision is also included in similar legislation, S. 856, recently introduced in the Senate by Senators HATCH, DENTON, and SIMON. I am hopeful that this incentive will encourage more companies to join the 35 corporations now offering adoption benefit programs to their employees.

As many of our colleagues know, families are eligible for a tax deduction for the medical expenses relating to the birth of a child. Adoptive parents, however, cannot deduct any part of the expenses of adoption. There is a growing consensus in this country that the public and private sectors must do much more to encourage adoption, not only to address its costs, but also to help in streamlining the often bureaucratic impediments preventing the adoption of so many of our Nation's children. Fair tax treatment for adoptive families will go a long way to make adoption a more viable and affordable alternative for prospective adoptive parents.

If we are to encourage adoptions and to take initiatives aimed at strengthening family life in this country, we must begin to address the costs not only of birth and of childcare but of adoption as well. These costs include adoption agency placement fees which do not usually cover the actual adoption costs, attorney fees, and occasionally medical costs. We have limited these deductions only to adoptions that comply with Federal and State laws, thus ensuring that the costs incurred would be reasonable and not subject to any fraudulent abuses.

To address possible concerns that some may have about this particular allowance and of adoption costs in general, this bill contains three cost-restricting provisions: The first is a cap limiting the deduction for a domestic adoption at $5,000 and for the adoption of a foreign-born child at $7,000. According to various adoption agencies, adoption advocacy groups, and adoptive parents, these caps represent the average cost of an adoption. Reasonable adoption costs often exceed these figures by a few thousand dollars. Maintaining a lower cap would contribute toward keeping adoption costs down.

A second feature designed to address costs is an income limitation on taxpayers who may claim the adoption deduction. Families earning up to $60,000 can take 100 percent of the deduction, while those earning between $60,000 and $70,000 would receive a ratable deduction with a complete phaseout at $70,000. This would help ensure that only those who need this deduction the most—low- and middle-income taxpayers—would be eligible.

A third and important feature of this bill is an exclusion of eligibility for those who, usually stepparents, adopt the children of their spouses. This category accounted for the majority of adoptions in 1975. Stepparents adopting spouses' children constituted 63 percent of all adoptions that year. Since the intention of our legislation is to encourage adoption by removing the monetary barrier that may otherwise prevent a child from a loving home and family, we have excluded from eligibility the expenses of adoptions that would not otherwise prevent children from entering loving homes.

Some would argue that now is the wrong time to seek an additional deduction. I disagree. If our children and families suffer, our society also suffers. What we cannot afford is to ignore the needs of our children, especially at a time when we are seeking to revise our tax laws for the express purpose of making them more equitable. We cannot achieve equity by discriminating against any of our children and by maintaining barriers to the healthy and loving environment they deserve.

Our legislation has received the enthusiastic endorsement of the North American Council on Adoptable Children, Inc.; the National Committee on Adoption; OURS, Inc.; Universal Aid for Children, Inc.; and others.

I urge our colleagues to join us in cosponsoring this legislation and working for its passage.●

FAMILY FARM BANKRUPTCY ACT OF 1985

HON. MIKE SYNAR

OF OKLAHOMA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 18, 1985

● Mr. SYNAR. Mr. Speaker, as original coauthor of the Family Farm Bankruptcy Act of 1985, I would like to share the following letter which is typical of letters I have been receiving from across the country illustrating the need for this legislation:

The letter follows:

GALENA, IL, *May 14, 1985.*

Hon. MIKE SYNAR,
House of Representatives,
Washington, DC.

SIR: I support passage of House Resolution 2211, an amendment to the Chapter 13 bankruptcy law, presently under consideration in the House Subcommittee on Monopolies and Commercial Law. I understand passage of this bill would include the family farmer in the Chapter 13 bankruptcy provision by raising the debt ceiling to $1 million.

My own parents live and farm in southwestern Iowa. Their local bank foreclosed on them this January. My parents filed a Chapter 11 bankruptcy in an attempt to reorganize their debt and continue farming. In court the bank has been uncooperative and unwilling to compromise or accept my parents' plan to reorganize. Other creditors appear willing to accept a plan; however, the bank is owed the majority of the debt. Under the present Chapter 11 laws, the bank must agree to the plan of reorganization.

My parents' attorney feels this Chapter 13 amendment is crucial to the successful reorganization of debt for many financially strapped farm families.

We know passage of this amendment will mean the difference between losing my father's farming operation or allowing him to remain a viable working member of the farm economy.

I urge your committee to bring this amendment to the House floor immediately. Time is running out for many desperate farmers.

Thank you for your time and consideration.

Sincerely,

CINDIA L. BALTZ.●

GRAZING FEE LEGISLATION

HON. DICK CHENEY

OF WYOMING

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 18, 1985

● Mr. CHENEY. Mr. Speaker, I and several of my colleagues have joined together today to introduce a bill which would make permanent the current formula for establishing fees for livestock grazing on lands administered by the Forest Service and the Bureau of Land Management.

The current grazing fee formula is scheduled to expire at the end of the current grazing year, and our bill is something the Congress could do to help livestock producers stay in business during these difficult times for agriculture that doesn't involve any additional Government spending, yet it could mean the difference between making it and going broke for many ranchers who depend on access to public grazing land for their survival.

Annual fees currently are set by a formula in the Public Rangelands Improvement Act of 1978. The formula is pegged to livestock prices, so that in years when prices are down, the fee is adjusted downward, and in years when prices are up, the fees are increased accordingly. This formula was worked

out after long years of debate and negotiations involving agriculture, environmental groups, Congress, and the executive branch. It is fair and equitable to all concerned and has worked well for both Government and agriculture.

The sponsors of this bill to permanently extend the current formula recognize that there may be negotiations in the weeks ahead not only on the question of future grazing fees, but on a variety of other rangelands management issues, as well. Our objective in introducing this legislation today is to make clear our belief that a reasonable future fee schedule is essential to the survival of the livestock industry in the West and to signal our determination to play an active part in the negotiating process in order to insure that livestock producers get a fair shake. We want to make certain that the final result will be a rangelands bill that is equitable to the livestock industry.●

UNPRECEDENTED ACTION BY THE SOCIETY OF AMERICAN TRAVEL WRITERS DEMONSTRATES SUPPORT FOR THE U.S. TRAVEL AND TOURISM ADMINISTRATION

HON. WILLIAM HILL BONER

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 18, 1985

● Mr. BONER of Tennessee. Mr. Speaker, I would like to call the Members' attention to a resolution passed by the Society of American Travel Writers, a 30-year-old professional organization dedicated to gaining wider acceptance of travel as an essential cultural activity. The society in an unprecedented action passed this resolution in order to demonstrate their belief that tourism efforts should be recognized by actions at the Federal level as mandated by the National Tourism Policy Act of 1981 and that Federal funding for the U.S. Travel and Tourism Administration [USTTA] must be maintained. I urge my colleagues to carefully read this resolution highlighting the economic significance of tourism to the United States:

RESOLUTION

Whereas, the National Tourism Policy Act mandated Federal actions recognizing the importance of the travel and tourism industry to the U.S. economy; and

Whereas, the travel and tourism industry is the Nation's third-largest retail or service industry, supporting 6.8 million jobs; and

Whereas, approximately 21 million international travelers visit the U.S. annually, spending more than eleven billion dollars while in the United States; and

Whereas, international travel services ranked as the second largest services export in 1983; and

Whereas, the Society of American Travel Writers has pledged full support of and active participation with the U.S. Travel and Tourism Administration and the Private sector in the observance of National Tourism Week—May 19-25;

Resolved: That proposed funding for the U.S. Travel and Tourism Administration be continued in order to generate increased international tourism in the U.S. to preserve its healthy impact on employment, the small businesses of the travel industry and the U.S. economy. Tourism works for America.

By formal action of the Board of Directors of the Society of American Travel Writers on the eighth day of February, 1985.●

SENATE—*Wednesday, June 19, 1985*

(Legislative day of Monday, June 3, 1985)

The Senate met at 9:30 a.m., on the expiration of the recess, and was called to order by the President pro tempore [Mr. THURMOND].

PRAYER

The Chaplain, the Reverend Richard C. Halverson, D.D., offered the following prayer:

Eternal God, Father of us all, our hearts are heavy with the hearts of the whole world as we contemplate a lonely airplane on a runway in Beirut. Only those who have been released can identify with the feelings of those who are captives inside. We join the millions to pray for the hostages—those inside the plane and those outside, wherever they may be. Thou knowest the agony of the families and friends whose loved ones are being held. Thou knowest the helplessness all feel in responding to this crisis. Gracious God, in our extremity do what only God can do. Be with the President and every responsible person involved in the moment-by-moment resolution of this sensitive hair-trigger dilemma. Grant them wisdom, restraint, and courage in their struggle to secure the freedom of the hostages. We pray for a sense of Thy presence in that plane, for the release of the captives and their safe return home. And, Father, we remember the family of the young man who was slain. May Thy peace and comfort fill their hearts. Thank You, God, for doing what seems to us impossible. In the name of Him whose mission was the release of the captives. Amen.

RECOGNITION OF THE MAJORITY LEADER

The PRESIDENT pro tempore. The distinguished majority leader is recognized.

SCHEDULE

Mr. DOLE. Mr. President, under the standing order, the leaders have 10 minutes each, followed by special orders, not to exceed 15 minutes each, for Senator PROXMIRE, Senator BYRD, Senator CRANSTON, Senator INOUYE, and Senator MOYNIHAN; followed by routine morning business, if time permits, not to extend beyond the hour of 11 a.m., with statements limited therein to 5 minutes each.

At 11 a.m. the Senate will stand in recess until the hour of 12 noon for all Senators to attend a briefing dealing with the hostage-hijacking situation in Beirut. That will be in room S-407.

At 12 noon, it will be the intention of the majority leader to turn to any of the following items: the Small Business Administration bill, S. 408; the McClure-Volkmer gun bill, S. 49; the National Oceanic and Atmospheric Administration bill, S. 990; the supplemental appropriations bill, H.R. 2577, or the so-called coin bill, H.R. 47.

We are working on time agreements on S. 408, the Small Business Administration legislation, and S. 49, the McClure-Volkmer gun bill. If we cannot obtain those time agreements, it is possible we will turn to one of the other items, or probably go to the supplemental appropriations bill starting about noon.

There are still negotiations taking place between White House representatives and members of the Appropriations Committee concerning the water projects. It is my hope that that can be satisfactorily resolved later in the day.

I am also advised by the chairman of the Appropriations Committee that if we can turn to the supplemental appropriations bill by early this afternoon, he believes that with a fairly strong push, maybe fairly late this evening and quite late tomorrow evening, we can finish the supplemental appropriations bill quite early Friday afternoon. I will advise my colleagues there will probably be a number of votes between now and Friday at 3 or 4 o'clock.

Mr. President, I reserve the remainder of my time.

RECOGNITION OF THE MINORITY LEADER

The PRESIDENT pro tempore. The distinguished minority leader is recognized.

ORDER OF PROCEDURE

Mr. BYRD. Mr. President, I thank the distinguished President pro tempore, presently presiding over the Senate.

May I say to the distinguished majority leader that I believe we on our side, unless there has been a change overnight, are prepared to give a time agreement on the Small Business legislation. If the distinguished majority leader feels that he has to go to the supplemental appropriations bill, I do not think it would require the 3-day rule. It can be cured in a number of ways. I think by unanimous consent that can be accomplished. We will cooperate in any way so that the distinguished majority leader can proceed with that legislation.

Mr. DOLE. I thank the distinguished minority leader.

50TH ANNIVERSARY OF SENATE PASSAGE OF THE SOCIAL SECURITY ACT

Mr. BYRD. Mr. President, today marks the 50th anniversary of the Senate's passage of the Social Security Act—the landmark legislation which, perhaps more than any other, has improved the social well-being of America's citizens. Based on a system of taxes levied against both employers and employees, the Social Security Act established old-age pensions, unemployment insurance, and a system of Federal grants to the States to support, on a matching basis, programs of relief to dependent mothers and children, the crippled, and the blind.

The path to that historic day—June 19, 1935—was not easy. Controversial public debate on similar initiatives had raged for years, and on this particular initiative, the debate consumed at least a year. But in 1935, at the height of the depression, the imperative for governmental action was clear.

On April 19, 1935, the House of Representatives overwhelmingly approved its version of the Social Security Act. The measure was laid down in the Senate on June 12, and debate began the next day, June 13. As the Senate began its consideration of the bill, a Washington newspaper, the Washington Daily News, editorialized:

> By order of the American people the Senate today considers the administration's economic-security bill designed to cushion some 27,000,000 families against "the major hazards and vicissitudes of life."
>
> The House speedily passed this important measure, 372 to 33. The Senate would be wise to act with equal dispatch. For none of President Roosevelt's "must" measures is more sorely needed, or more popular • • •. The measure does not guarantee security to every family, but it will soften the blows to economic adversity.
>
> It is the product of a year's sincere and expert effort • • •.
>
> The United States is 20 years or more behind advanced industrial countries in adopting a national Social Security system. Further delay would only add to relief burdens, economic unbalance, and human fears.

During floor debate, the chairman of the Senate Finance Committee, Senator Pat Harrison of Mississippi, served

as floor manager of the bill. He told his colleagues:

The purpose of this legislation is to initiate a permanent program of assistance to our American citizens in meeting some of the major economic hazards of life.

One of the principal sponsors of the Social Security Program, Senator Robert Wagner of New York, offered further explanation of the origins and inspiration of the measure:

Social insecurity in its modern aspects has not been an offshoot of the depression. It has been a persistent problem since the dawn of the factory era, intensified by the increasing urbanization of American life and by the virtual disappearance of free farm lands in the West * * *.

(But) from the emergency (or the depression), we have been rescued by a program combining constructive action with enduring faith in the essential fortitude and strength of the American character. We now seek a new era of well being in which the social inequalities of the past will be driven forever from the scene. We seek a more even tempered and widely diffused economic enjoyment that will provide a bulwark against the resurgence of hard times. The Social Security bill draws its inspiration from both of these objectives. It is a compound in which are blended elements of economic wisdom and of social justice.

When some opponents of the bill argued that the Social Security programs would dangerously enlarge the powers of the Federal Government, future Senate Majority Leader Alben Barkley, Democratic Senator from Kentucky, countered that argument:

We have heard the Federal Government berated and denounced here on the floor as if it were a sort of a monster; * * * I look upon our national government rather as a benevolent organization than as a ruthless organization seeking all those whom it may devour. Certainly in its effort to relieve economic insecurity by providing some universal and uniform way by which we may eliminate the hazards of old age, of unemployment, and of illness, our national government takes on qualities of a benevolent government and not of a despotic or ruthless government.

On June 19, 1935, with the support of a number of other senatorial legends including Senators Huey Long, Richard Russell, Hugo Black, and Matthew Neely, the Senate overwhelmingly approved the Social Security Program by a vote of 77 to 6.

On August 14, President Franklin Roosevelt signed the measure into law claiming it to be the fulfillment of "A hope of many years' standing."

Something over 4 years later, on January 31, 1940, the first Social Security payment was made to a retired clerk from Vermont, in the name of Ida Fuller. Since that first payment, according to the historian of the Social Security Administration, more than 100 million Americans have benefitted from the Social Security Program. And the program now covers nearly 120 million American workers who are paying into it and, therefore, will be eligible to receive its benefits when they retire or become disabled, or whose families are eligible to receive benefits in the case of their death or disability.

Since that historic day in the Senate 50 years ago in June 1935, there have been many improvements to the Social Security Act. One of the most important, of course, was in 1972 when Congress determined that it should be a matter of permanent policy to preserve the purchasing power of Social Security benefits in the face of inflation. The purpose of this cost of living adjustment [COLA] was and is to keep the basic benefit whole, by adjusting its amount so that it does not lose value as a result of inflation.

Today, while we are noting the Senate anniversary of the landmark Social Security Act, millions of America's elderly and disabled citizens are watching us very closely to see what we will do to their benefits this year.

Right now, the Senate and House conferees are meeting on the 1986 budget resolution. Lamentably, there are significant differences in the budgets as passed by the two Houses, particularly in the area of Social Security. The House-passed budget does not cut Social Security benefits—it provides for full COLA's; the Senate-passed budget, regrettably, cuts benefits by freezing the COLA's for 1 year. The House budget does not cut Medicare or Medicaid. The Senate budget requires increased out-of-pocket expenses for those who are recipients of Medicare.

There were strong and concerted efforts in the Senate to change these outcomes, but we were overruled by the majority party, working in conjunction with the President.

So now these issues are at the conference table. I and the majority of my colleagues on this side of the aisle fervently hope that the outcome of the budget conference on this issue will reflect the budget as passed by the House.

Mr. President, in 1935, in the midst of that Great Depression, I was living in a coal miner's home in southern West Virginia. The year before—1934—I had graduated from high school. Following my graduation, I had waited almost a year for a job. Work was very hard to find. I asked my foster father to try to get a job for me at the mines where he worked as a coal loader, a term we applied to those miners who did the loading of the coal. But there was no job for me.

In those days, my foster father wore a cloth cap, used a carbide lamp, and had to work in coal which was about 3 or 3½ feet high. He had to crawl around in the water holes with pads on his knees, digging coal, and shoveling it into what they called bank cars, being paid a few cents per ton of coal loaded.

Work was hard to get. My foster mother kept boarders, and I raised the pigs, going from door to door and gathering the food scraps to feed to the pigs. Every year, my foster father bought 12 or 15 Poland China pigs, and I fed them. I therefore, feel an affinity with the story of the prodigal son in the New Testament.

There was no security for persons in those days who were poor and who became too old to work. They could only stand at the gates of their children, with their hat in their hands, and hope that their children would take them in. In many instances, the children were unable to take them in. Often, the children were just managing to eke out a poor living; and those who worked in mines, as my foster father did, were often overdrafted on payday, meaning that they were in debt to the company when payday rolled around.

I spoke of my foster mother a moment ago. She kept boarders and charged 75 cents a day for board and keep, packed a good dinner bucket, part of which was the pork from the pigs grown to be hogs. She had a simple table, but it would "stick to the ribs." I often remember, that she sometimes could not collect the 75 cents a day that she charged the boarders, who came as hobo's snatching freight trains from Tennessee, South Carolina, North Carolina, Virginia, and Kentucky, looking for work.

So, in those days, when the coal miner became too old to work, he stood at the gates of his children, as I have said. If the children could not take him in, there was only one place left to go, and it was over the hill to the poor house. I remember the old country poor farm at Shady Spring, in Raleigh County. I would pass by that old county poor farm and see the old folks sitting on the porch in their rocking chairs.

Then there came to the helm of this great ship of state a crippled man whose name was Franklin D. Roosevelt. He and a Democratic Congress established this system which has enabled millions to live out their final years with some degree of dignity and independence.

I know the feeling of relief that came to my heart when I heard about the Social Security System. My foster father was cut off from employment when he reached age 65. One wonders how a coal miner working in those conditions, in those days, could work until age 65. Those men seemed to age prematurely, and one can understand why, considering the rigorous conditions under which they labored.

I was working in a gas station at that time, pumping gas, earning $60 a month. The old-fashioned way—I earned it; $60 a month. I married a coal miner's daughter, in the midst of that depression, and I was still making $60 a month—working in a produce

shop. Then I became a meatcutter, and finally I was elevated to the not too comfortable, but better, salary of $100 a month.

To have Social Security come across the political and economic landscape, with its independence and with some dignity, really gave an immense feeling of security to those of us who lived under those conditions, in those hard years and hard times.

My foster father began receiving Social Security, a very small check in those days, but nevertheless enough to help keep body and soul together.

So, Mr. President, we have come a long way since those days, and the elderly people of today, of course, look to this program, which has been helpful not only to them but also to the survivors of the deceased workers and young citizens with elderly parents, who have had a full job on their hands in trying to make ends meet while raising families of their own.

Dr. Wilbur Cohen, former Secretary of Health, Education, and Welfare, has written that:

> It is no exaggeration to say that, in one way or another, the lives of every one of the 200 million citizens in the United States today are affected by the Social Security Program.

Mr. President, the preamble to our Constitution, written nearly 200 years ago, enumerates a set of objectives for the Government of our country. Our Founding Fathers wisely understood that among the more important objectives for this new country, if it were to stand the test of time, would be the promotion of the general welfare of its citizens, so they included in the preamble that mission as one of the fundamental responsibilities of the Government.

They specified the general welfare, not exclusively the welfare of the ruling landed gentry or of the merchant princes, for this was to be a country without titles, or monarchy, or rigid class structure.

I believe history reflects that we have come a long way toward meeting this objective, and the Social Security Act is one of the premier examples of all that we have accomplished toward this end.

There is, indeed, reason for us to pause today to celebrate the 50th anniversary of the Senate passage of this great program which gave so much hope to people who were poor and who earned their bread in the sweat of their brow in those days 50 years ago. But our celebration cannot and does not obscure the fact that hard won gains can be easily overturned and that each Congress and each administration can have profound effects on the millions of Americans who depend upon the Social Security Program. Our job is not done, and we must be ever vigilant to protect this most basic of social programs from those who would weaken it.

I fervently hope, Mr. President, that our efforts to do that will be successful.

Mr. BYRD. Mr. President, I ask unanimous consent that I may reserve the remainder of my time.

The PRESIDENT pro tempore. Without objection, it is so ordered.

RECOGNITION OF SENATOR PROXMIRE

The PRESIDENT pro tempore. Under the previous order, the distinguished Senator from Wisconsin [Mr. PROXMIRE] is recognized for not to exceed 15 minutes.

Mr. PROXMIRE. Mr. President, this is a great anniversary, the 50th anniversary of the Social Security Program, which I think has been the most successful social program this country has adopted, certainly in this century, and perhaps ever.

The great thing about Social Security, Mr. President, is that it is not a handout. It is something that people have earned throughout their life. They are entitled to it. It is not welfare. Too many people confuse it, unfortunately, with some kind of means test or some kind of welfare. There are people who work 20, 30, 40 years or more and they pay a tax, paycheck after paycheck throughout those years. That payment is matched by their employer and it is invested over the years.

Then when they retire and their income would otherwise disappear—and in the past so many went to a poor farm or some other demeaning institution—they have an income which makes them independent. They do not have to rely or be a burden on their children. It is a great, great benefit, I think, and a great solace to Americans to know that they can retire in dignity and have that kind of income so long as they live. It is a program that all of us, whether we are Democrats or Republicans, enthusiastically support. It is a great program and it is a program that this Senator is particularly happy and proud to support.

RECOGNITION OF SENATOR MOYNIHAN

The PRESIDING OFFICER. Under the previous order, the Senator from New York, Mr. MOYNIHAN, is recognized for not to exceed 15 minutes, plus the remaining time of 2 minutes of the Senator from Michigan. The Senator has 17 minutes.

Mr. MOYNIHAN. I thank the Chair, and I thank my distinguished friend from Michigan for his courtesy in these matters.

Mr. President, this is an occasion for special satisfaction to a Senator from New York to note that on this day, 50 years past, the Senate adopted the Economic Security Act which had been introduced 5 months earlier by Robert F. Wagner of New York. He did so at the behest of Franklin D. Roosevelt of New York in response to a Committee on Economic Security, chaired by Frances Perkins of New York. Both President Roosevelt and Frances Perkins had begun their national careers in office as New York Democrats. President Roosevelt had previously served as an Assistant Secretary of the Navy under President Wilson and indeed been a Vice Presidential candidate in 1920.

But there is a special fact of his career, and the careers of Frances Perkins and Senator Wagner—they were all very closely associated with the administration of Alfred E. Smith of New York, who was Governor of that State from 1918 to 1920 and then from 1922 through 1929, when his term expired. They were products of the first generation of American politics that could fairly be said to represent urban America.

It was in 1920 that the census first recorded that the majority of the American people lived in urban areas. It happens that the decade of the 1920's was also in so many ways the era of Al Smith and the beginnings of a progressive State government in the then most populous and wealthiest State of the Nation, New York.

It was an era in which people first began to ask, "What is it like not to live on the farm?"

The life of agricultural America, as the life of agricultural societies anywhere, may be sparing, indeed it may be barren of anything like comfort. But it is rarely lacking in a certain security, especially where there is land tenure, and that is why land tenure has been the cry of more than one revolutionary band in history as peasants have sought to obtain their own freehold.

But in a country such as ours, with the rarest exceptions, land was owned by those who farmed it—not in the South where sharecropping persisted—but in the West, in the North, and the Far West. A farm was a form of security for an extended family which lived and worked in a fixed setting. There were problems associated with old age as there will always be, but they were not those of insecurity and dislocation and dependency. The parents grew old and, under the happiest circumstances and sequences, became grandparents and stayed on the farm.

That was a very different world from urban America and it took urban America quite a bit of learning to think how to deal with it. Such thinking was deeply influenced by a combination of ideas, some of them out of the progressive Northern European tradition that we associate with the University of Wisconsin and with some of the economists who were so important on the original committee. Mr. Edward Witte is a particularly notable example of that general school of social thinking, which carried over

from Germany, from the Scandinavian countries, an ethic of social provision—that sounds rather fancy, but it is a real enough thing—that people look after one another in a community. They did so through the instrumentality of government which was increasingly necessary, as societies became industralized and individuals could not look to the normal patterns of agriculture for their incomes in later life.

There was also another extreme—less recognized, but just as important in my view—which was the tradition of the New York State and especially the New York County Democratic Party. They had a political instinct for looking after constituents who were especially disorganized and disoriented—"just off the boat" was a characteristic description of the immigrant masses that swelled into 19th century Manhattan. And looking out for them was a characteristic response of the political organization.

This was influenced, however, by something more than the normal concerns of what became regarded as machine politics. There was an ethic involved as well and very much partook of the Catholic tradition of social welfare which looked to the provision for families as the first standard of measurement of social arrangements and the highest priority of such arrangements as against a world of "liberal economics," which referred to the Manchester school and the iron law of wages, which said, "A man is worth what his labor is worth in the marketplace." This differing view said, "A laborer should be paid what is required to maintain a family."

It was one thing for the Wisconsin school of economics to write books about this subject, but it was quite another when this view, shared by the New York democracy, took office, both in the city and then in the State in the person of Alfred Smith. And it was there that Frances Perkins, as commissioner, a member of his cabinet, first began the thinking of whether it was possible to provide, on a national scale, the kinds of social insurance that began in Europe and were clearly compatible with the thoughts that Al Smith brought to national life as a national figure. He was almost our candidate for office in 1924. In 1928, he was our candidate for President, nominated by Franklin D. Roosevelt. No one was going to win in our party in 1928; no one could lose in 1932. In 1932, the choice of the nomination went to Franklin D. Roosevelt and he took with him to Washington a plan for economic security. And Robert F. Wagner, a faithful leader of the Democrats in New York, in county Democratic politics, brought this most important piece of social legislation in history to this body and to fruition in very short order.

The administration came into office in 1933. In 1934, the work of the committee was done. At the outset of 1935, the bills were introduced and passed, the moment seized. Two years later, it would have been impossible to do this and we would have lived in a very different country today.

We remember with great pride President Roosevelt's role in all of this. I would like to acknowledge the role of the quiet reformers like Witte, great Governors like Smith, inspired public servants such as Frances Perkins and Wilbur J. Cohen and the like, who brought about the most important transformation of a major society in perhaps the history of the world. It has been accomplished in Europe, but is now accomplished here as well, which is to say we live in the most extraordinary of all societies by any human experience. Ours is likely the first society in which the people least likely to be poor are those 65 years of age and older.

If you ask, Mr. President, what has Social Security yet to do, the answer is simple: It must do for children what it has done for the elderly. Despite the provisions of title IV of the Social Security Act—Aid to Families with Dependent Children—the incidence of poverty among children in our country continues to rise such that in 1983, it reached its highest level in 18 years. Nearly 14 million children live in poverty. Accounting for the market value of inkind benefits today, a child under 6 is nearly six times more likely to be poor than a person over 65. I am not talking about some Scandinavian statistic where there are hundreds more people hungry and six of them happen to be under age 6. I am talking about almost a quarter of that age group—22.2 percent of our children—live in poverty today. This is an inversion that is without precedent in the history of the world, that the youngest of our people are the poorest and the oldest are more economically secure. The fact that the latter is the case is a tribute to the first half century of Social Security.

Mr. President, I hope that the elimination of poverty among children will be something we might commence work on not in the next century, or half century, but surely in the next decade or two.

A commonplace of political rhetoric has it that the quality of a civilization may be measured by how it cares for its aged. Just as surely, the future of a society may be forecast by how it cares for its young.

The PRESIDING OFFICER. Without objection, the Senator from Montana is recognized for not to exceed 5 minutes.

SOCIAL SECURITY ACT OF 1935

Mr. MELCHER. Mr. President, I thank my friend from New York, the truly distinguished leader in our ongoing efforts to make the Social Security Program the very centerpiece of our retirement programs.

Mr. President, 50 years ago when two-thirds of the elderly had no steady retirement income, Social Security was enacted. It is the cornerstone of regular, basic retirement for most senior citizens. It is the basic means of providing them dignity and independence.

Today we celebrate the anniversary of this remarkable law noting that after a half century Social Security touches the lives of nearly every American. Through the years, its benefits have been extended to farmers, small business, government employees, and to survivors and the disabled. It is an important asset to families, giving children and relatives assurance that their elderly members will have some income security.

We should renew our commitment to protecting our senior citizens so they can continue to live their final years with true security, free from fear that the buying power of their monthly checks will not be eroded through COLA reduction of deferrals. The trust funds are solvent.

An elderly woman recently wrote to me, "I contributed in my working days in order to have a comfortable old age. If you cut my Social Security, I will not be able to afford proper food and medicine or even keep warm in these Montana winters. It could even be the cause of death to the elderly. I am a retired registered nurse and feel I have done my share to take care of people in my younger days. I pray for you to have the wisdom to take care of us in our older and weaker years and to have peace of mind, my friend."

"Yes," I say in return to this Montana nurse, my friend, we must keep our commitment, not only in this 50th year of celebration, but for the years to come."

Mr. President, I yield any remaining time I may have to my friend, the distinguished senior Senator from Ohio, Senator GLENN, so he may have additional time on this very noteworthy occasion.

Mr. GLENN. Thank you very much.

The PRESIDING OFFICER. The Senator from Ohio, without objection, is recognized for not to exceed 5 minutes.

Mr. GLENN. Mr. President, 50 years ago today the Senate passed legislation creating the Social Security Act of 1935. Passage of this measure represented America's first step toward providing a system of social insurance for all our citizens—both young and old.

In setting forth the framework for the legislation that would eventually pass the Senate, Franklin Roosevelt said:

If the means and details are in some instances new, the objectives are as permanent as human nature.

Among our objectives I place the security of the men, women, and children of the Nation first.

People want decent homes to live in; they want to locate them where they can engage in productive work; and they want some safeguards against misfortunes which cannot be eliminated in this man-made world.

Fifty years later, these words cannot be improved upon to describe the hopes of Americans today.

When the Senate acted a half-century ago to pass the Social Security Act, this country was in turmoil: Workers had lost their jobs, citizens had lost their life savings, and older Americans were living in poverty without any means of support.

Mr. President, I am old enough to remember some of those days as a boy back in New Concord, OH. I remember that our figures showed some 40 percent of our people were at or below poverty level back in those days. Through Social Security, and a lot of other things in this country, those figures have been reduced so now we are down to about 15 percent.

Enactment of the act gave hope to many generations of people by creating a national program of retirement benefits in old age; an unemployment compensation program for out-of-work Americans; several welfare programs including one for special assistance to fatherless, dependent children; and grant money to the States for maternal and child health and crippled children's services. Five decades ago, the maternal mortality rate in this country was much higher than in nearly all other Western democracies.

When we hear the words "social security," most of us think in terms of America's most popular Government program—Social Security retirement and disability insurance. At present, the program covers nearly 120 million working Americans. It pays benefits to 25 million retired workers, about 4 million disabled workers, and more than 7 million surviving spouses. We all take pride in the success of this program, as well we should: it is our most successful antipoverty program.

During the 1960's, one in three older Americans lived in poverty. By the seventies, this figure declined to one in four. Today, 14 percent of retired Americans are living in poverty. This reduction is largely the result of increased cost-of-living protection for Social Security beneficiaries. The importance of Social Security cost-of-living adjustments [COLA's] becomes very clear when we consider how many beneficiaries are living on meager incomes. For example, more than half have yearly incomes lower than $10,000.

In terms of fighting poverty, recent figures from the U.S. Census Bureau also demonstrate the value of Social Security Act programs. Last year, Social Security benefits led the way in terms of government assistance to America's lowest-income households, accounting for 43 percent of their income. Assistance to needy children, now known as Aid to Families with Dependent Children [AFDC], accounted for 14 percent of this household income. Finally, aid for the needy aged and blind, which has since been incorporated into the Supplemental Security Income [SSI] Program, comprised almost 8 percent.

Mr. President, we could ask today, what is it like to be in poverty and not have any way out? What is it like to be old, to be beyond your normal working years, and not be able to adjust or not have lifetime savings enough to live a decent old age? With regard to the disabled, what is it like to be blind and not have an adequate income? What is it like to be disabled—not able to go out and get a job like you would like to do? Well, the SSI program has been a lifeline for people in those conditions.

Half a century after its passage in the Senate, I think we need to remind ourselves of all the objectives of the original Social Security Act. We have many challenges ahead of us: to continue to provide adequate retirement protection for our growing elderly population and to protect "the security of the men, women, and children of the Nation first," as Roosevelt said.

With enactment of the 1983 Social Security solvency legislation behind us, it is time to begin a constructive debate about the problems of adequacy and equity under the program. Clearly, there are major holes in Social Security's retirement "safety net" for American women. Poverty among the elderly has become a woman's issue, as almost three-fourths of our Nation's elderly poor are women. Mr. President, let me repeat that. Almost three-fourths of our Nation's elderly poor are women.

Social Security's current benefit formula does not take into account today's high labor force participation by women. It does not protect against the frequency and impact of divorce. Moreover, it fails to recognize the changing roles women play in our society as homemakers and wage earners. I believe that we must consider reforming the system to reflect the changes in American lifestyles that have taken place over the last 50 years. If we do not adapt to the present, we may very well find it difficult to maintain the trust of Americans in a program that has earned and deserves our faith.

Social Security has long-range goals and long-range promises. To achieve these goals, it is independently financed. Changes in the program should be based on considerations of the program's needs alone. In each of the past several years, we have seen budget proposals that include cuts in Social Security.

Our Nation has a pact with older Americans to maintain their Social Security benefits. We also have a compact between generations to support and protect our young, old, and disabled when hardships hit. Today, I take great pleasure in recognizing the 50th anniversary of Senate passage of the Social Security Act. It has served us well and as its keepers, we must continue to serve it well.

RECOGNITION OF SENATOR HARKIN

The PRESIDING OFFICER. The Senator from Iowa [Mr. HARKIN] is recognized for not to exceed 15 minutes.

Mr. HARKIN. Mr. President, I yield such time as he may require to the distinguished Senator from Massachusetts [Mr. KENNEDY].

The PRESIDING OFFICER. The Senator from Massachusetts is recognized.

Mr. KENNEDY. Mr. President, on a historic day half a century ago, President Franklin Delano Roosevelt signed Social Security into law.

No program has been more successful in assuring a dignified retirement for our Nation's senior citizens; no program has been more successful in protecting families against accidental disability or death; and no program has done more to eradicate poverty in the United States.

Social Security is a family program. It touches the lives of almost every American. Today, over 116 million workers and 36 million beneficiaries are partners working to continue the success and financial stability of the Social Security system.

Social Security is a compact between the generations and between the U.S. Government and the American people. It is a concept that benefits our parents today, and will benefit all of us tomorrow. For if we are fortunate, we will all be senior citizens some day.

As we celebrate 50 years of Social Security's unqualified success, it is with bitter irony that we must note that there are those in the White House and in the Congress who would break Social Security's sacred compact.

Members of both parties are on the floor lauding Social Security today. But tomorrow, there are those who may be voting to renege on its most basic commitments.

Social Security is sound and secure, thanks to the work of the 1983 National Commission on Social Security Reform. Yet still there are those who seek to freeze the COLA, break the promise, cut the benefits, and plunge hundreds of thousands of helpless elderly into poverty.

Why do these efforts persist? Certainly not because Social Security is in any financial danger. As recently as April of last year, the Reagan administration issued a report saying, "Over

the next 75 years, total income precisely matches expected outlays, so the system is in close actuarial balance." Certainly not because Social Security is contributing to the staggering Federal deficit. The system is not contributing 1 cent to the deficit and, in fact, will reduce the deficit over $500 billion by 1994.

I hope and trust that my colleagues in the Congress will resist these unwise, unfair, and shortsighted efforts to break the compact of Social Security. On this golden anniversary, let us all commit ourselves to assuring that the golden years of our senior citizens will indeed be golden and the promise of Social Security will remain unbroken.

The PRESIDING OFFICER. The Senator from Iowa is recognized.

Mr. HARKIN. Mr. President, Social Security has been among the most successful of governmental programs, and has made contributions to improving the lives of tens of millions of Americans. Clearly, Social Security is the most important factor assuring an adequate standard of living for the aged and has been a major factor contributing to the dramatic decline in the poverty rate among older Americans—which has dropped from 35 percent in 1959 to approximately 14 percent in 1984.

Social Security not only ensures a basic standard of living for retirees, it also protects their families against income loss due to serious disability or to death of a breadwinner. Currently, the program is paying monthly benefits to 36 million people, including the elderly, the disabled and their families, and the widowed and orphaned.

Today, we celebrate the 50th anniversary of the Social Security Act's passage by the Senate. In remembering that historic occasion, I think we should also recall—for history's sake, and just to set the record straight—the records of the respective political parties regarding Social Security.

I would hope that both major political parties in this country would support Social Security. But if the past is prolog, and I believe it is, then I think it is important to understand the historic perspective, how both political parties approached this most vital program for the benefit of the elderly in our society.

Mr. President, the question is, really, Who should be celebrating the anniversary?

As a party, Democratic support for the Social Security Program has been strong and it has been consistent. On the other hand, over the past five decades, a majority of Republicans voted for 19 of 20 proposals to cut or eliminate benefits, for 9 of 11 proposals to reduce benefit increases, against 14 of 17 amendments to increase benefits, and against 11 of 16 proposals to limit benefit reductions. Overall, Republicans have voted wrong on approximately half of the record votes taken over the past half century.

Moreover, while voting against Social Security and its beneficiaries, Republicans talk of their support for the program. It is true that they usually voted for final passage of major Social Security bills once the outcome was a foregone conclusion, but, on major amendments to the bills, they usually voted to gut the program.

Let us look at some comparisons between Republicans and Democrats.

In 1935, the key vote in the Senate on the bill creating Social Security was on a motion to recommit the bill with instructions to delete the Old Age and Survivors Insurance section, the core of Social Security. Sixty-three percent of Senate Republicans voted for the striking of these provisions; 95 percent of the Senate Democrats voted against the motion.

However, then, after OASI was included, 75 percent of the Senate Republicans voted for passage of the Social Security bill of 1935; 99 percent of the Senate Democrats voted for final passage of the Social Security bill of 1935.

In 1939, when the program was expanded and overhauled, 75 percent of the Republicans in the Senate voted to recommit the bill in order to eliminate proposed benefits for dependents and survivors; 100 percent of the Democrats in the Senate voted for the addition of dependents and survivors. However, when voting on passage without elimination of dependents and survivors, 57 percent of the Republicans in the Senate voted for passage; 99 percent of the Democrats in the Senate voted for passage.

In 1950, when an effort was made to establish a Social Security disability insurance program, 89 percent of the Republicans in the Senate voted against this program; 80 percent of the Democrats in the Senate voted for this program. The program was defeated.

In 1956, when a second effort was made to establish a disability insurance program, again, 86 percent of Republicans in the Senate voted against the program; 85 percent of the Democrats voted for. However, when voting on passage, 100 percent of the Senate Republicans voted for with inclusion of the disability insurance program; 100 percent of the Democrats in the Senate also voted for it. That was enough to carry it and, in 1956, disability insurance was made a vital part of the Social Security Program.

In 1977, 58 percent of Republicans in the Senate voted against an amendment to provide semiannual cost of living increases; 85 percent of the Democrats in the Senate voted for.

Sixty-three percent of Senate Republicans voted against an increase in Social Security tax needed to keep the system solvent; 77 percent of the Democrats voted for this increase.

The data I have just mentioned is from two Democratic Study Group Special Reports (October 1982 and September 1984).

Mr. President, this is the history of the two parties. Whenever it came to the issue of whether or not Social Security would be expanded to include disability insurance and, indeed, even in the beginning, in 1935, when we did not even have an Old Age and Survivors Insurance fund, the vast majority of Republicans in the United States Senate voted against it.

To complete the record, we have to look at what the present occupant of the White House, President Reagan, has said about Social Security in the past.

Denunciations of Social Security were one of the staples of Reagan's oratory in the 1960's, when he traveled around the country giving speeches on behalf of General Electric and various other causes.

In his famous 1964 television speech in support of Barry Goldwater's candidacy for President, Reagan argued that the Social Security system should be replaced with a voluntary program.

As recently as 1975, Reagan was continuing to reiterate his attacks on Social Security and his proposals for replacing the system with a voluntary program. In a series of radio broadcasts aired in 1975, he contended that the "fatal flaw" in Social Security was allowing the Federal Government to manage the program, and argued that the Social Security system, as presently constituted, reduced savings and economic growth.

> The biggest losers in the present Social Security scheme are middle and low-income workers and their families * * * What little money they could be putting aside * * * is taken up by Social Security taxes. And all they get * * * is a governmental promise that, if there's any money left in the trust fund when they retire, they might get enough of a handout to scrape by on * * * (DSG Report, Sept. 1984).

Mr. President, I do not mean by this to personally attack Mr. Reagan. I am only trying to set the record straight.

In the first few months of his administration President Reagan announced a package of proposals that would have reduced Social Security outlays by a total of $88.4 billion over the period of fiscal year 1982 through fiscal year 1986. On a long-term actuarial basis, the Reagan package would have cut Social Security benefits by 23 percent.

When public reaction was so negative, the President was forced to back away from this package, and assure Social Security recipients that their benefits would not be cut.

A few weeks later, however, the President was helping Republicans in Congress ram through the repeal of

the minimum benefit, as part of the $22 billion in Social Security and Medicare cuts contained in the Gramm-Latta II substitute to the Budget Reconciliation Act. Gramm-Latta II was passed.

Soon after the enactment of Gramm-Latta II, the President announced a new plan for cutting Social Security by delaying the 1982 cost-of-living adjustment for 3 months. This would have cost the average recipient about $90. Again, public reaction was so swift and negative that the President again went on national television and disavowed this plan.

The Republicans tried once again to slash Social Security during Senate consideration of the fiscal year 1983 budget. In a straight party-line vote, Senate Budget Committee Republicans recommended $40 billion in unspecified savings in Social Security over the next 3 years. However, within 2 weeks of the Senate committee vote, the President backed away, again, and the Senate Republican leadership revised the budget to strike all mention of Social Security savings for fiscal year 1983.

And, the President/Senate Republican compromise for the fiscal year 1986 budget, would reduce the cost-of-living increase for the next 3 years which will cause beneficiaries to lose an average of $1,257 in income over the next 5 years. Moreover, this agreement would push an additional 600,000 elderly people into poverty—CBO estimate.

Once again, in this year's budget debate, the Democratic Party stood for Social Security. On eight votes relating to Social Security or Medicare benefits, a great majority of Republicans voted to cut or voted against restoring those benefits.

So, when it comes to celebrating this 50th anniversary, one party clearly has more reason to do so.

Mr. President, I ask unanimous consent to have printed in the RECORD a table showing the votes taken on the Social Security Program over the last 50 years, comparing the parties' votes in the U.S. Senate on those issued concerning Social Security.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

SOCIAL SECURITY VOTES—1935–82

Category and description vote	Chamber vote No., date, and bill No.	Total vote	Republican vote	Democratic vote
1A Social Security bill of 1935. Treadway motion to recommit to delete OASI	House No. 56, Apr. 19, 1935, H.R. 7260	149–253	95–1; 99 percent for	45–252; 85 percent against.
2A Social Security bill of 1935. Passage	House No. 57, Apr. 19, 1935, H.R. 7260	372–33	77–18; 81 percent for	288–13; 96 percent for.
1A Social Security bill of 1935. Hastings motion to strike OASI	Senate No. —, June 19, 1935, H.R. 7260	15–63	12–7; 63 percent for	3–54; 95 percent against.
2A Social Security bill of 1935. Passage	Senate No. —, June 19, 1935, H.R. 7260	77–6	15–5; 75 percent for	60–1; 99 percent for.
2A Social Security Amendments of 1939. Add dependents and survivors benefits. Passage.	House No. 91, June 10, 1939, H.R. 6635	364–2	142–2; 99 percent for	222–0; 100 percent for.
1A Social Security Amendments of 1939. Downey motion to recommit and thereby kill benefits for dependents and survivors.	Senate No. —, July 13, 1939, H.R. 6635	18–47	12–4; 75 percent for	5–41; 89 percent against.
2A Social Security Amendments of 1939. Add dependents and survivors benefits. Passage.	Senate No. —, July 13, 1939, H.R. 6635	57–8	8–6; 57 percent for	45–2; 96 percent for.
1A Social Security Amendments of 1946. Motion to cut off debate and vote on the rule which prevented consideration of GOP amendments to cut benefits.	House No. 214, Oct. 4, 1949, H.R. 6000	175–154	2–134; 99 percent against	172–20; 90 percent for.
1A Social Security Amendments of 1950. Vote to approve the rule which prevented consideration of GOP amendments to cut benefits.	House No. 215, Oct. 4, 1949, H.R. 6000	189–136	12–123; 85 percent against	176–13; 93 percent for.
1A Social Security Amendments of 1950. Mason motion to recommit with instructions to eliminate disability insurance.	House No. 217, Oct. 5, 1949, H.R. 6000	113–232	112–29; 79 percent for	1–202; 99 percent against.
2A Social Security Amendments of 1950. Increase benefits and add disability insurance. Passage.	House No. 218, Oct. 5, 1949, H.R. 6000	333–14	130–12; 92 percent for	202–2; 99 percent for.
2A Social Security Amendments of 1950. Long amendment to add disability insurance	Senate No. —, June 20, 1949, H.R. 6000	41–42	4–33; 89 percent against	37–9; 80 percent for.
3A Social Security Amendments of 1950. Meyers amendment to increase payroll tax wage base to $4,200.	Senate No. —, June 20, 1950, H.R. 6000	36–45	9–27; 75 percent against	27–18; 60 percent for.
2A Social Security Amendments of 1950. Increase benefits. Passage	Senate No. —, June 20, 1950, H.R. 6000	81–2	35–2; 95 percent for	46–0; 100 percent for.
2A Social Security Amendments of 1950. Increase benefits. Conference report	House No. 242, Aug. 16, 1950, H.R. 6000	374–1	139–1; 99 percent for	234–0; 100 percent for.
2A Social Security Amendments of 1952. Increase benefits. Passage	House No. 79, May 19, 1952, H.R. 7800	151–141	52–99; 66 percent against	98–42; 70 percent for.
2A Social Security Amendments of 1952. Increase benefits. Passage	House No. 106, June 17, 1952, H.R. 7800	361–22	165–20; 89 percent for	195–2; 99 percent for.
2A Social Security Amendments of 1956. Disability insurance. Passage	House No. 119, July 18, 1955, H.R. 7225	372–31	169–23; 88 percent for	203–8; 96 percent for.
2A Social Security Amendments of 1956. George amendment adding House-approved disability insurance and payroll tax increase to finance it.	Senate No. —, July 17, 1956, H.R. 7225	47–45	6–38; 86 percent against	41–7; 85 percent for.
2A Social Security Amendments of 1956. Disability insurance. Passage	Senate No. —, July 17, 1956, H.R. 7225	90–0	45–0; 100 percent for	45–0; 100 percent for.
2A Social Security Amendments of 1958. Increase benefits and taxes. Passage	House No. 149, July 31, 1958, H.R. 13549	374–2	175–2; 99 percent for	199–0; 100 percent for.
2A Social Security Amendments of 1958. Yarborough amendments to increase benefits 10 percent instead of 7 percent.	Senate No. —, Aug. 16, 1958, H.R. 13549	32–53	6–33; 85 percent against	26–20; 57 percent for.
2A Social Security Amendments of 1958. Increase benefits and taxes. Passage	Senate No.—, Aug. 16, 1958, H.R. 13549	79–0	37–0; 100 percent for	42–0; 100 percent for.
2A Social Security Amendments of 1960. Medical care assistance programs for the aged. Passage.	House No. 143, June 23, 1960, H.R. 12580	381–23	137–7; 95 percent for	244–16; 94 percent for.
1B Social Security Amendments of 1960. Javits substitute to Anderson amendment providing choice of specified minimum medical benefits for the aged financed by matching federal grants in states choosing to participate.	Senate No. 305, Aug. 23, 1960, H.R. 12580		28–5; 85 percent for	0–62; 100 percent against.
2A Social Security Amendments of 1960. Anderson amendment providing medical benefits for the aged, financed by increase in payroll tax.	Senate No. 307, Aug. 23, 1960, H.R. 12580		1–32; 97 percent against	43–19; 69 for.
2A Social Security Amendments of 1960. Long amendment to include mental and tubercular patients in medical plan recommended by committee.	Senate No. 308, Aug. 23, 1960, H.R. 12580		8–23; 74 percent against	43–15; 74 percent for.
2A Social Security Amendments of 1960. Medical care assistance programs for the aged. passage.	Senate No. 309, Aug. 23, 1960, H.R. 12580	91–2	31–1; 97 percent for	60–1; 98 percent for.
2A Social Security Amendments of 1960. Conference report	House No. 197, Aug. 26, 1960, H.R. 12580	369–17	132–8; 94 percent for	237–9; 96 percent for.
2A Social Security Amendments of 1960. Conference report	Senate No. 314, Aug. 29, 1960 H.R. 12580	74–11	31–1; 97 percent for	43–10; 81 percent for.
2A Social Security Amendments of 1961. Increase benefits and allow men to receive benefits at 62 instead of 65. Passage.	House No. 40, Apr. 20, 1961, H.R. 6027	400–14	149–4; 97 percent for	251–0; 100 percent for.
4A Social Security Amendments of 1961. Hartke substitute to the Cotton amendment increasing the amount a SS beneficiary could earn without a loss in benefits. The Hartke substitute provided a smaller increase than the Cotton amendment.	Senate No. 83, June 26, 1961, H.R. 6027		3–30; 91 percent against	56–0; 100 percent for.
4A Social Security Amendments of 1961. Cotton amendment, as substituted by Hartke	Senate No. 84, June 26, 1961, H.R. 6027	89–0	33–0; 100 percent for	56–0; 100; percent for.
2A Social Security Amendments of 1961. Increase benefits and allow men to receive benefits at 62 instead of 65. Passage.	Senate No. 85, June 26, 1961, H.R. 6027	90–0	33–0; 100 percent for	57–0; 100 percent for.
1B Social Security Amendments of 1965. Byrnes motion to recommit with instructions to substitute voluntary health insurance program for Medicare.	House No. 70, Apr. 8, 1965, H.R. 6675	191–236	128–10; 93 percent for	63–226; 78 percent against.
2A Social Security Amendments of 1965. Medicare. Passage	House No. 71, Apr. 8, 1965 H.R. 6675	313–115	65–73; 53 percent against	248–42; 86 percent for.
1B Social Security Amendments of 1965. Ribicoff amendment removing limits on length of coverage and other benefits of Medicare.	Senate No. 165, July 7, 1965, H.R. 6675		13–12; 52 percent for	26–31; 54 against.
1B Social Security Amendments of 1965. Miller amendment providing automatic increase in benefits when there is an increase in the cost of living. Democrats argued that continued periodic evaluations be Congress provided larger benefit increases and insured the fiscal integrity of the system.	Senate No. 166, July 8, 1965, H.R. 6675		15–9; 63 percent for	6–55; 90 percent against.
2A Social Security Amendments of 1965. Prouty amendment providing benefit increases ranging from 7 percent to 75 percent.	Senate No. 167, July 8, 1965 H.R. 6675	12–79	10–18; 64 percent against	2–61; 97 percent against.
1B Social Security Amendments of 1965. Curtis amendment providing that the patient pay a deductible under medicare.	Senate No. 168, July 8, 1965, H.R. 6675		25–4; 86 percent for	16–47; 75 percent against.
4C Social Security Amendments of 1965. Motion to table Prouty amendment providing benefits to those over 72 and not then eligible for benefits because they had not contributed to the system.	Senate No. 169, July 9, 1965, H.R. 6675		0–29; 100 percent against	55–7; 89 percent for.
1A Social Security Amendments of 1965. Curtis amendment to delete Medicare	Senate No. 170, July 9, 1965, H.R. 6675		18–11; 62 percent for	8–53; 87 percent against.
4A Social Security Amendments of 1965. Morton amendment to delete extension of coverage to doctors.	Senate No. 171, July 9, 1965, H.R. 6675		23–7; 77 percent for	18–43; 70 percent against.

SOCIAL SECURITY VOTES—1935–82—Continued

Category and description vote	Chamber vote No., date, and bill No.	Total vote	Republican vote	Democratic vote
2A Social Security Amendments of 1965. Motion to table Hartke amendment to broaden benefits to the blind.	Senate No. 172, July 9, 1965, H.R. 6675	16–76	1–28; 97 percent against	15–48; 76 percent against.
2A Social Security Amendments of 1965. Hartke amendment to broaden benefits to the blind.	Senate No. 173, July 9, 1965, H.R. 6675	78–11	28–0; 100 percent for	50–11; 82 percent for.
1B Social Security Amendments of 1965. Curtis amendment requiring patients pay a deductible based on income tax liability.	Senate No. 174, July 9, 1965, H.R. 6675		25–4; 86 percent for	15–48; 76 percent against.
1B Social Security Amendments of 1965. Curtis motion to recommit with instructions to delete medicare and propose plan patterned after Retired Federal employee plan.	Senate No. 175, July 9, 1965, H.R. 6675		18–10; 64 percent for	8–53; 87 percent against.
2A Social Security Amendments of 1965. Medicare. Passage	Senate No. 176, July 9, 1965, H.R. 6675		13–14; 52 percent against	55–7; 89 percent for.
2A Social Security Amendments of 1967. Benefit increase. Passage	House No. 222, Aug. 17, 1967, H.R. 12080	416–3	182–1; 99 percent for	234–2; 99 percent for.
2A Social Security Amendments of 1967. Dirksen motion to table Montoya amendment to provide reimbursement under Medicare for all drug costs of the elderly.	Senate No. 323, Nov. 16, 1967, H.R. 12080		24–4; 86 percent for	13–29; 69 percent against.
2A Social Security Amendments of 1967. Hartke motion to table Dirksen motion to reconsider vote by which Montoya amendment was tabled.	Senate No. 324, Nov. 16, 1967, H.R. 12080		24–4; 86 percent for	10–28; 74 percent against.
3B Social Security Amendments of 1967. Prouty-Cotton amendment to hold payroll taxes at the current level and finance the higher benefits out of general revenues.	Senate No. 327, Nov. 17, 1967, H.R. 12080	6–62	3–23; 88 percent against	3–29; 90 percent against.
2A Social Security Amendments of 1967. Prouty-Cotton amendment providing that the new benefit increases take effect January 1, 1968 rather than March 1, 1968.	Senate No. 328, Nov. 17, 1967, H.R. 12080	12–55	8–18; 69 percent against	4–37; 90 percent against.
2B Social Security Amendments of 1967. Metcalf amendment to eliminate new and stricter definition of disability.	Senate No. 329, Nov. 17, 1967, H.R. 12080		6–16; 73 percent against	28–4; 88 percent for.
3A Social Security Amendments of 1967. Williams amendment to increase payroll tax January 1, 1968 instead of January 1, 1969.	Senate No. 335, Nov. 21, 1967, H.R. 12080	27–49	22–4; 85 percent for	5–45; 90 percent against.
1B Social Security Amendments of 1967. Curtis amendment substituting 12½ percent benefit increase and House-passed financing for 15 percent benefit increase and committee-approved financing.	Senate No. 337, Nov. 21, 1967, H.R. 12080		17–9; 65 percent for	5–49; 91 percent against.
5 Social Security Amendments of 1967. Hartke motion to table Long amendment to limit government reimbursement for drugs to generic, rather than trademark prices.	Senate No. 339, Nov. 21, 1967, H.R. 12080		22–4; 85 percent for	15–37; 71 percent against.
5 Social Security Amendments of 1967. Long amendment (see above)	Senate No. 340, Nov. 21, 1967, H.R. 12080		4–22; 85 percent against	39–15; 72 percent for.
2A Social Security Amendments of 1967. Hartke-Bayh amendment to increase the number of years of low income to be disregarded in the calculation of average income for OASDI purposes.	Senate No. 342, Nov. 21, 1967, H.R. 12080	30–49	5–21; 81 percent against	25–28; 53 percent against.
4A Social Security Amendments of 1967. Miller amendment to increase the amount a Social Security beneficiary could earn without a loss in benefits from $2,000 to $2,700 per year.	Senate No. 346, Nov. 21, 1967, H.R. 12080		23–3; 92 percent for	3–45; 94 percent against.
1B Social Security Amendments of 1967. Miller amendment to increase benefits whenever there is an increase in the cost of living. This would have provided an immediate 7.5 percent increase as opposed to the 12½ percent increase included in the committee bill.	Senate No. 347, Nov. 21, 1967, H.R. 12080		18–6; 75 percent for	6–42; 88 percent against.
4C Social Security Amendments of 1967. Prouty amendment extending date after which those turning 72 who have not contributed to the system will not receive special benefits.	Senate No. 348, Nov. 21, 1967, H.R. 12080	21–52	14–10; 58 percent for	7–42; 86 percent against.
4A Social Security Amendments of 1967. Bayh amendment increasing the amount a SS beneficiary could earn without a loss in benefits from $2,000 to $2,400 per year.	Senate No. 349, Nov. 21, 1967, H.R. 12080	50–23	14–10; 58 percent for	36–13; 73 percent for.
2A Social Security Amendments of 1967. Benefit increase. Passage	Senate No. 350, Nov. 22, 1967	78–6	23–4; 85 percent for	55–2; 96 percent for.
1B Tax Reform Act of 1969. Williams substitute to Long amendment providing 10 percent benefit increase instead of 15 percent.	Senate No. 175, Dec. 5, 1969, H.R. 13270	34–56	33–5; 87 percent for	1–51; 98 percent against
1B Tax Reform Act of 1969. Prouty amendment increasing minimum monthly benefits to $70.	Senate No. 176, Dec. 5, 1969	44–46	33–4; 89 percent for	11–42; 79 percent against.
2A Tax Reform Act of 1969. Byrd-Mansfield amendment increasing minimum monthly benefits to $100 and increasing the payroll tax base to finance it.	Senate No. 177, Dec. 5, 1969, H.R. 13270	48–41	8–28; 78 percent against	40–13; 75 percent for.
2A Tax Reform Act of 1969. Long amendment increasing SS benefits 15 percent	Senate No. 179, Dec. 5, 1969, H.R. 13270	73–14	23–14; 62 percent for	50–0; 100 percent for.
2A Debt Limit/Social Security. Long amendment providing 10 percent benefit increase	Senate No. 20, Mar. 12, 1971	82–0	38–0; 100 percent for	44–0; 100 percent for.
2A Debt Limit/Social Security. Conference report including 10 percent increase in SS benefits.	House No. 20, Mar. 16, 1971, H.R. 4690	360–3	150–3; 98 for	210–0; 100 percent for.
2A Welfare Reform/Social Security. Benefit increase. Passage	House No. 157, June 22, 1971, H.R. 1	288–132	112–64; 64 percent for	176–68; 72 percent for.
1B Debt ceiling. Bennett amendment to limit Social Security benefit increase to 10 percent.	Senate No. 267, June 30, 1972, H.R. 15390	20–66	17–21; 55 percent against	3–45; 94 percent against.
2A Debt ceiling. Church amendment to increase Social Security benefits 20 percent and make automatic cost of living adjustments.	Senate No. 268, June 30, 1972, H.R. 15390	82–4	34–4; 89 percent for	48–0; 100 percent for.
1B Debt ceiling. Byrnes motion to concur with Senate-passed amendment with modification of limiting Social Security increase to 10 percent.	House No. 259, June 30, 1972, H.R. 15390	83–253	63–73; 54 percent against	20–180; 90 percent against.
2A Debt ceiling. Mills motion to concur with 20 percent benefit increase and annual cost-of-living adjustments.	House No. 260, June 30, 1972, H.R. 15390	302–35	108–28; 79 percent for	194–7; 97 percent for.
2A Welfare Reform/Social Security. Byrd amendment allowing persons to receive benefits at 60 instead of 62 (50 for widows).	Senate No. 488, Sept. 30, 1972, H.R. 1	29–25	10–12; 55 percent against	19–13; 59 percent for.
2A Welfare/Social Security. Benefit increase. Passage	Senate No. 536, Oct. 5, 1972, H.R. 1	68–5	33–1; 97 percent for	35–4; 90 percent for.
2A Social Security increase. Benefit and tax increase. Passage	House No. 592, Nov. 15, 1973, H.R. 11333	391–20	168–15; 92 percent for	223–5; 98 percent for.
2A Social Security increase. Benefit and tax increase. Passage	Senate No. 540, Nov. 30, 1973, H.R. 3153	66–8	24–6; 80 percent for	42–2; 95 percent for.
4B Social Security financing. Fisher substitute to committee amendment to delete provisions extending coverage to federal, state, and local government workers and nonprofit organization employees.	House No. 697, Oct. 26, 1977, H.R. 9346	386–38	129–14; 90 percent for	257–24; 91 percent for.
4B Social Security financing. Committee amendment, as substituted by Fisher	House No. 698, Oct. 26, 1977	380–39	124–14; 90 percent for	256–25; 91 percent for.
3B Social Security financing. Jenkins amendment to raise payroll tax rates more quickly and the tax base more slowly than the committee proposal.	House No. 699, Oct. 26, 1977, H.R. 9346	136–281	76–63; 55 percent for	60–218; 78 percent against.
3A Social Security financing. Pickle amendment to delete standby loans to system from the Treasury.	House No. 700, Oct. 26, 1977, H.R. 9346	196–221	122–15; 89 percent for	74–206; 74 percent against.
1A Social Security financing. Corman amendment to eliminate minimum benefit coverage for those making small contributions.	House No. 701, Oct. 26, 1977, H.R. 9346	131–271	68–64; 52 percent for	63–207; 77 percent against.
4A Social Security financing. Ketchum amendment increasing the amount a beneficiary could earn without a loss in benefits from $3000 to $5500 per year in 1981, and to lift the restriction entirely in 1982.	House No. 704, Oct. 27, 1977, H.R. 9346	268–149	139–1; 99 percent for	129–148; 53 percent against.
3B Social Security financing. Conable motion to recommit with instructions to include GOP financing proposals.	House No. 705, Oct. 27, 1977, H.R. 9346	57–363	44–97; 69 percent against	13–266; 95 percent against.
3A Social Security financing. Payroll tax increase. Passage	House No. 706, Oct. 27, 1977, H.R. 9346	275–146	40–100; 71 percent against	235–46; 84 percent for.
3B Social Security financing. Motion to table Eagleton motion to recommit with instructions to authorize appropriations out of general revenues.	Senate No. 608, Nov. 2, 1977, H.R. 9346	74–16	34–1; 97 percent for	40–15; 73 percent for.
3B Social Security financing. Motion to table Curtis amendment to raise payroll tax rate above levels recommended by committee as an alternative to committee plan to raise the wage base.	Senate No. 611, Nov. 3, 1977, H.R. 9346	44–45	3–31; 91 percent for	41–14; 75 percent for.
3B Social Security financing. Curtis amendment (see above)	Senate No. 612, Nov. 3, 1977, H.R. 9346	40–50	27–7; 79 percent for	13–43; 77 percent against.
3B Social Security financing. Byrd motion to table Bellmon motion to recommit with instructions to report it back February 1978.	Senate No. 614, Nov. 3, 1977, H.R. 9346	54–36	11–24; 69 percent against	43–12; 78 percent for.
3B Social Security financing. Nelson motion to table Danforth amendment allowing smaller increase in employer payroll tax wage base for non-profits and municipalities.	Senate No. 616, Nov. 4, 1977, H.R. 9346	34–51	2–31; 94 percent against	32–20; 62 percent for.
3B Social Security financing. Danforth amendment (see above)	Senate No. 617, Nov. 4, 1977, H.R. 9346	57–28	30–3; 91 percent for	27–25; 52 percent for.
4A Social Security financing. Goldwater motion to table Church substitute to Goldwater amendment. The Goldwater amendment decreases the age at which a person could earn unlimited income without a reduction in SS benefits from 72 to 65. The Church substitute limits the decrease to age 70.	Senate No. 620, Nov. 4, 1977, H.R. 9346	33–53	25–7; 78 percent for	8–46; 85 percent against.
4A Social Security financing. Church substitute to Goldwater amendment (see above)	Senate No. 621, Nov. 4, 1977, H.R. 9346	59–28	12–20; 63 percent against	47–8; 85 percent for.
4A Social Security financing. Goldwater amendment, as substituted by Church (see above).	Senate No. 622, Nov. 4, 1977, H.R. 9346	79–4	30–0; 100 percent for	49–4; 92 percent for.
3B Social Security financing. Motion to table Curtis amendment to set payroll tax wage base higher and the tax rate lower than the committee bill.	Senate No. 623, Nov. 4, 1977, H.R. 9346	42–41	2–29; 94 percent against	39–12; 76 percent for.
2A Social Security financing. Church amendment providing automatic semi-annual cost-of-living increases.	Senate No. 627, Nov. 4, 1977, H.R. 9346	50–21	11–15; 58 percent against	39–6; 87 percent for.

SOCIAL SECURITY VOTES—1935–82—Continued

Category and description vote	Chamber vote No., date, and bill No.	Total vote	Republican vote	Democratic vote
3A Social Security financing. Danforth amendment to authorize appropriations from general revenue to finance 10 percent tax decrease for municipalities and non-profits.	Senate No. 628, Nov. 4, 1977,	44–26	18–8; 69 percent for	26–18; 59 percent for.
3B Social Security financing. Nelson motion to table Tower amendement to provide interim solutions and await the proposals of a special commission investigating long-term solutions.	Senate No. 630, Nov. 4, 1977, H.R. 9346	48–21	6–19; 76 percent against	42–2; 95 percent for.
3A Social Security Financing. Payroll tax increase. Passage	Senate No. 631,Nov. 4, 1977, H.R. 9346	42–25	9–15; 63 percent against.	33–10; 77 percent for.
3A Social Security Financing. Payroll tax increase. Conference report	Senate No. 636, Dec. 15, 1977, H.R. 9346	56–21	17–14; 55 percent for.	39–7; 85 percent for.
3A Social Security Financing. Payroll tax increase. Conference report	House No. 782, Dec. 15, 1977, H.R. 9346	189–163	15–109; 88 percent against.	174–54; 76 percent for.
1A Social Security Disability amendments. Limits benefits received by workers and provides incentives for returning to work.	House No. 477, Sept. 6, 1979, H.R. 3236	235–162	108–36; 75 percent for.	127–126; 51 percent for.
2A Social Security Disability insurance. Bayh amendment to eliminate 5 month waiting period for benefits.	Senate No. 19, Jan. 30, 1980, H.R. 3236	70–23	25–12; 68 percent for.	45–11; 80 percent for.
1A Social Security disability amendments. Bellmon substitute to Metzenbaum amendment to limit benefits to no more than 80 percent of disabled workers' wage instead of 100 percent in Metzenbaum amendment and 85 percent in committee bill.	Senate No. 22, Jan. 30, 1980, H.R. 3236	24–70	17–21; 55 percent against.	7–49 88 percent against.
2B Social Security disability amendments. Metzenbaum amendment to limit disability benefits to 100 percent of the workers' wage.	Senate No. 23, Jan. 30, 1980, H.R. 3236	47–47	7–31; 82 percent against.	40–16; 71 percent for.
2A Social Security disability amendments. Javits amendment to allow larger benefits to lower income workers.	Senate No. 24, Jan. 31, 1980, H.R. 3236	34–50	8–26 76 percent against.	26–24; 52 percent for.
3B Social Security disability amendments. Helms amendment deleting provision requiring that employer contributions be subject to SS payroll tax.	Senate No. 25, Jan. 31, 1980, H.R. 3236	42–45	27–7; 79 percent for.	15–38; 72 percent against.
3B Social Security disability amendments. Thurmond amendment to exempt small businesses, municipalities, and nonprofits from the requirement that employer contributions be subject to SS payroll tax.	Senate No. 26, Jan. 31, 1980, H.R. 3236	60–27	30–4; 88 percent for.	30–23; 57 percent for.
1A Social Security disability amendments. Limits benefits received by workers and provides incentives for returning to work. Passage.	Senate No. 27, Jan. 31, 1980, H.R. 3236	87–1	35–0; 00 percent for.	52–1; 98 percent for.
2B Budget reconciliation. Riegle amendment restoring $1.7 Billion in fiscal year 1982 and fiscal year 1983 outlays to maintain current payments for SS minimum benefits and offsetting these outlays by mandating savings in civilian agencies.	Senate No. 50, Mar. 30, 1981, S. Con. Res. 9.	39–55	0–51; 100 percent against.	39–4; 91 percent for.
2B Omnibus Reconciliation of 1981. Riegle amendment limiting the repeal of the SS minimum benefit to new recipients.	Senate No. 160, June 23, 1981, H.R. 3982	45–53	4–48; 92 percent against.	41–5; 89 percent for.
1A Omnibus Reconciliation Act of 1981. Previous question on rule. Defeat thereof made GOP substitute rule in order.	House No. 104, June 25, 1981, H.R. 3982	210–217	1–188; 99 percent; against	209–29; 88 percent for.
1A Omnibus Reconciliation Act of 1981. Previous question on GOP substitute rule. Defeat would have permitted separate votes on elements such as social security cuts.	House No. 105, June 25, 1981, H.R. 3982	219–208	188–0; 100 percent for.	31–208; 87 percent against.
1A Omnibus Reconciliation Act of 1981. Adoption GOP substitute rule which made in order GOP substitute for entire Reconciliation and prevented separate votes on elements thereof.	House No. 106, June 25, 1981, H.R. 3982	216–212	189–0; 100 percent for	27–212; 89 percent against.
1A Omnibus Reconciliation Act of 1981. Adoption of rule as amended by GOP substitute.	House No. 107, June 25, 1981, H.R. 3982	214–208	188–0; 100 percent for.	26–208; 89 percent against.
1A Omnibus Reconciliation Act of 1981. Adoption of GOP substitute (Gramm-Latta II) which made deep cuts in domestic programs including $22 million in Social Security and Medicare cuts.	House No. 111, June 25, 1981, H.R. 3982	217–211	188–2; 99 percent for.	29–209; 89 percent against.
1A Omnibus Reconciliation Act of 1981. Previous Question motion to recommit. Adoption prevented effort to limit cuts in Social Security and Medicare.	House No. 112, June 25, 1981, H.R. 3982	215–212	189–1; 99 percent for.	26–211; 89 percent against.
1A Omnibus Reconciliation Act of 1981. Passage of the bill	House No. 113, June 25, 1981, H.R. 3982	232–193	185–5; 97 percent for	47–188; 80 percent against.
2B Omnibus Reconciliation Act of 1981. Campbell motion to table motion to reconsider previous vote.	House No. 114, June 25, 1981, H.R. 3982	187–150	153–1; 99 percent for	34–149; 81 percent against.
1A Omnibus Reconciliation Act of 1981. Passage of conference report which included $22 billion in Social Security and Medicare cuts.	Senate No. 247, June 31, 1981, H.R. 3982	80–14	49–1; 98 percent for	31–13; 70 percent for.
3A Tax Act of 1981. Baker motion to table Moynihan amendment allowing interfund borrowing.	Senate No. 188, July 16, 1981, H.R. 4242	51–45	51–1; 98 percent for	0–44; 100 percent against.
2B Social Security minimum benefit. Sense of House that minimum benefit not be cut for current recipients.	House No. 145, July 21, 1981, H. Res. 181	405–13	176–10; 95 percent for	229–3; 99 percent for.
2B Tax Act of 1981. Dole motion to table Riegle amendment to restore Social Security minimum benefits to persons enrolled prior to December 1981.	Senate No. 207, July 21, 1981, H.R. 4242	52–46	48–4; 91 percent for	4–42; 91 percent against.
3A Tax Act of 1981. Sasser amendment expressing the sense of the Senate that the committee report a bill to authorize interfund borrowing.	Senate No. 218, July 24, 1981, H.J. Res. 266.	89–4	46–2; 96 percent for	43–2; 96 percent for.
2B Social Security minimum benefits. Motion to prevent consideration of a substitute rule that would have made in order a concurrent resolution to fully restore minimum Social Security benefits.	House No. 187, July 31, 1981, H.R. 4331	271–151	166–21; 89 percent for	105–130; 55 percent against.
2B Social Security minimum benefits. Restore minimum benefits. Amended Omnibus Reconciliation Act to restore minimum benefit.	House No. 189, July 31, 1981, H.R. 4331	404–20	172–17; 91 percent for	232–3; 99 percent for.
2B Continuing Appropriations. Hatfield motion to table Sasser amendment reducing travel budgets of non-defense agencies to finance continued minimum Social Security benefits for current recipients.	Senate No. 284, Sept. 24, 1981, H.J. Res. 325.	46–44	44–4; 92 percent for	2–40; 95 percent against.
2B Social Security minimum benefits. Restore minimum benefits for current recipients. Passage.	Senate No. 315, Oct. 15, 1981, H.R. 4331	95–0	48–0; 100 percent for	47–0; 100 percent for.
2B Social Security minimum benefits. Restore minimum benefits for current recipients. Conference report.	Senate No. 486, Dec. 15, 1981, H.R. 4331	96–0	50–0; 100 percent for	46–10; 100 percent for.
2B Social Security minimum benefits. Restore minimum benefits for current recipients. Conference report.	House No. 365, Dec. 16, 1981, H.R. 4331	214–10	181–7; 96 percent for	231–3; 99 percent for.
2B DOD authorization. Baker motion to table Byrd-Moynihan amendment rejecting Budget Committee call for arbitrary $40 billion cut in Social Security benefits over the next 3 years and declaring Congress shall take no action on Social Security until recommendations by President's Commission.	Senate No. 97, May 11, 1982, S. 2248	51–44	49–3; 94 percent for	2–41; 95 percent against.
2B DOD authorization. Baker motion to table Baucus amendment and Byrd substitute declaring Social Security COLA of 7.4 percent shall be paid on schedule and rejecting Budget Committee arbitrary $40 billion benefit cut.	Senate No. 100, May 12, 1982, S. 2248	53–45	49–4; 92 percent for	4–41; 91 percent against.
5 DOD authorization. Dole amendment and Baker substitute declaring that Social Security COLA of 7.4 percent shall be paid on schedule.	Senate No. 101, May 12, 1982, S. 2248	91–7	51–2; 96 percent for	40–5; 89 percent for.

ADDITIONAL VOTES

Category and description of vote	Chamber vote No., date, and bill No.	Total vote	Republican vote	Democratic vote
4B Social Security Amendments of 1954. Ellsworth motion to close debate on rule precluding amendments excluding farmers from coverage.	House No. 77, June 1, 1954 H.R. 9366	270–76	171–5; 97 percent for	98–71; 60 percent for.
2A Social Security Amendments of 1954. Expand OASI coverage. Passage	House No. 78 June 1, 1954 H.R. 9366	356–8	181–2; 99 percent for	174–6; 97 percent for.
2A Social Security Amendments of 1965. Medicare. Conference report	House No. July 27, 1965 H.R. 6675	307–116	70–68; 51 percent for	237–48; 83 percent for.
2A Tax reform. Included 15 percent Social Security benefit increase. Passage	Senate No. Dec. 11, 1969 S 13270	69–22	18–20; 53 percent against	51–2; 96 percent for.
2A Social Security Amendment. Increase Social Security benefits 15 percent. Passage	House No. Dec. 15, 1969 H.R. 15095	399–0	177–0; 100 percent for	222–0; 100 percent for.
2A Debt Limit/Social Security. Benefit increase. Passage	Senate No. 23 Mar. 12, 1971 H.R. 4690	80–0	37–0; 100 percent for	43–0; 100 percent for.
2A Debt Limit/Social Security. Benefit increase. Conference report	Senate No. 24 Mar. 16, 1971 H.R. 4690	76–0	37–0; 100 percent for	39–0; 100 percent for.
2A Debt Limit. Contained 10 percent Social Security increase. Conference report	House No. 2 Mar. 16, 1971 H.R. 4690	360–3	150–3; 98 percent for	210–0; 100 percent for.
2A Federal Debt Ceiling. Long Motion to table Aiken Substitute to Church amendment raising benefits 30 percent rather than 20 percent.	Senate No. 266 June 29, 1972 H.R. 15390	71–18	31–8; 80 percent for	40–10; 80 percent for.
2A Federal Debt Ceiling. Contained 20 percent Social Security increase. Passage	Senate No. 272 June 30, 1972 H.R. 15390	78–3	36–1; 97 percent for	42–2; 96 percent for.
2A Welfare/Social Security. Benefit increase. Conference report	House No. 455, Oct. 17, 1972, H.R. 1	305–1	129–0; 100 percent for	176–1; 100 percent for.
2A Welfare/Social Security. Benefit increase. Conference report	Senate No. 567 Oct. 17, 1972 H.R. 1	61–0	24–0; 100 percent for	37–0; 100 percent for.
2A Debt limit extension. Committee amendment to put into effect in 1974 a 5.6 percent benefit increase scheduled for 1975.	Senate, June 27, 1973 H.R. 8410	86–7	33–7; 82 percent for	53–0; 100 percent for.

ADDITIONAL VOTES—Continued

Category and description of vote	Chamber vote No., date, and bill No.	Total vote	Republican vote	Democratic vote
2A Debt limit extension. Contained 5.6 Social Security increase. Passage	Senate, June 27, 1973 H.R. 8410	72–19	24–16, 60 percent for	48–3; 94 percent for.
2A Debt limit. Conference report. Motion to agree to Senate amendments including 5.6 percent Social Security increase.	House, June 29, 1973 H.R. 8410	185–190	9–161; 95 percent against	176–29; 86 percent for.
2A Renegotiation Act. Motion to agree to Senate amendments including 5.6 percent Social Security increase.	House, June 30, 1973 H.R. 7445	327–9	141–7; 95 percent for	186–2; 99 percent for.
2A Social Security increase. Annunzio motion to concur in Senate amendments, including 11 percent Social Security increase.	House No. 719 Dec. 21, 1973 H.R. 11333	301–13	123–1; 92 percent for	178–3; 98 percent for.
2A Social Security increase. Conference Report, including 11 percent Social Security benefit increase.	Senate No. 613 Dec. 21, 1973 H.R. 11333	66–0	21–0; 100 percent for	45–0; 100 percent for.
3A Social Security Financing. Payroll Tax Increase. Passage of Rule	House No. 696 Oct. 26, 1977 H.R. 9346	265–153	38–102; 73 percent against	227–51; 82 percent for.
3A Social Security Financing. Conference Report on Payroll Tax Increase. Adoption of the Rule.	House No. 780 December 15, 1977 H.R. 9346.	178–175	3–121; 98 percent against	227–51; 76 percent for.
1A Social Security Disability Amendments. Conference Report	House No. 253 May 22, 1980 H.R. 3236	389–2	147–0; 100 percent for	242–2; 99 percent for.

Note.—The above votes were inadvertently omitted from the preceding chronological listing. Use the chamber/vote No./date/bill No. column to identify where they should be included.

Mr. HARKIN. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. The Senator from Florida is recognized.

Mr. CHILES. I thank the Chair.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CHILES. Mr. President, we are celebrating today the golden anniversary of Social Security. It is a system never intended to be the cure-all answer to retirement needs. Yet, it has become the front line of financial defense for millions of elderly people in the United States.

Though we celebrate 50 years this June, the process was actually set in motion a year earlier. On June 8, 1934, President Roosevelt sent to Congress a special message on the state of the Great Depression. In that message, Roosevelt said, "Among our objectives I place the security of the men, women, and children of the Nation first."

Today, it all sounds so basic, as though it could not be any other way. But 50 years ago, things were considerably different. Some 18 million people of all ages were on relief. For 10 million workers, the only jobs were public service employment. Millions had lost their life savings.

In the depths of the Great Depression, F.D.R.'s commitment to security had something of an unfamiliar ring. The first State old-age pension law in this country had been enacted just 11 years earlier. By the time F.D.R. was elected in 1932, only 14 States had such pension laws. By 1935, 38 States had these laws, but the average monthly payment was just $15.

The bleak days of the depression were very bleak for the elderly. But they were just as dim for the young. It is true that 45 States had made some provision for mothers with dependent children. But the Senate Finance Committee said they were serving less than one-third of those eligible. There was no uniformity. In some States, only a few counties complied with the law. In other States the monthly benefit was less than $8.

It is no wonder that in one of the memorable passages of the Finance Committee report, we find these words:

The heart of any program for social security must be the child. All parts of the Social Security Act are in a very real sense measures for the security of children.

Certainly we understand that today better than ever. The children the Senate spoke of in 1935 are all approaching Social Security retirement age today. The investment their parents made during the darkest financial hour in our country's history has paid off.

Those same children continued to invest to bring security to their own retirements and those that follow.

It has not been easy. For decades, Social Security was the pride and joy of the Nation, a Federal program that worked and worked well. In the last decade, the program has been through some hard times, victimized by economic forces beyond its control.

It is a measure of how highly we value the Social Security contract that we literally bailed the system out and made it safe financially well into the next century.

The Social Security system has been described by its critics in many creative ways. Some think of it as nothing more than an income transfer program.

The truth is, it's much more than that. It is a pledge of faith and honor the Nation has made to itself. It's an ongoing example of the kind of people we are. We cared enough for our children 50 years ago to make sure they had financial protection. That commitment remains in place today.

Fifty years ago, we saw millions of hardworking Americans all but wiped out on the eve of their retirements. The Senate enacted the basic Social Security Program as a commitment to the Nation's elderly so that they would not be relegated to poverty. And, that commitment remains in place today.

Social Security is not charity. It is an example of American vision at its best and I join in saluting it today with a renewed pledge to do all necessary to keep it safe and strong.

Mr. President, I see the distinguished Senator from Louisiana is on the floor. I understand he wants to comment. Our time is going to expire at 11 a.m., so I yield to the distinguished Senator from Louisiana.

The PRESIDING OFFICER. The Senator from Louisiana is recognized for 1 minute.

Mr. LONG. Mr. President, I thank the distinguished Senator from Florida.

Mr. President, I am pleased to join with many of my colleagues in commemorating this 50th anniversary of the Senate's passage of the original Social Security Act on June 19, 1935.

The Social Security Act was adopted at a time of crisis in this country—at a time when some were questioning whether our fundamental institutions were capable of coping with the problems of the 20th century. In shaping the Social Security Act, the Senate and the House of Representatives and the administration of President Franklin Roosevelt worked together to provide a resounding, affirmative answer to those questions. The Social Security Act of 1935 translated the basic good sense of American society into a practical solution to the problems of economic security for those who face the problems of old-age and unemployment and for children in need. Subsequent amendments have added similar protections for those who have become severely disabled.

The central theme of the Social Security Act is the very traditional American concept that, insofar as possible, people should provide for their own economic security. Thus, the largest Social Security Act programs are the social insurance programs which are funded by contributions from workers and their employers with the understanding that those workers acquire benefit rights for themselves and their families against the perils of old-age, disability, and unemployment. These programs are supplemental by public assistance programs to provide for those who are needy but who have been unable to earn sufficient protection under the social insurance programs.

These Social Security Act programs have stood the test of time and continue to form a vital part of the economic security for all Americans.

I am pleased to say, Mr. President, that when my father was in the Senate, he campaigned for a broad program to provide for the needs of

the less fortunate in this country. He was one of those to vote for the Social Security bill at that time.

I yield the floor.

Mr. RIEGLE. Mr. President, I would like to say to my colleague from West Virginia, if I can engage him for just a moment, how much I appreciate his personal reflections about the earlier times in his life and the formative matters that make him what he is today, and for his judgment and his concern about and commitment to Social Security and other similar programs.

I think that only by knowing what life has been like for so many people in our country, and what it is like today for so many people, that we are able to really understand how very important programs like Social Security are for allowing people to have some measure of dignity and decency in their lives and even the ability to live on an adequate income.

I would like to say to the Senator that I and many of us here, greatly appreciate those kinds of personal reflections, because they undergird and give meaning to this whole discussion. I have had members of my family in previous generations end up in the poorhouse, which was a condition across this country not isolated to any one region or State. The pain, the suffering, and the indignity that older persons experience when they are unable to be self-supporting or able to even meet the basic necessities of life are probably maybe the most heartrending circumstances we see in our society.

So I again thank the Senator for sharing with the Senate those observations taken from his own life, and I value what he has said very much.

Mr. BYRD. I thank my distinguished friend.

THE 50TH ANNIVERSARY OF THE SOCIAL SECURITY ACT

Mr. RIEGLE. Mr. President, this is a historic year for it marks the 50th anniversary of the Social Security Act. Today, we note one of the critical dates relating to the enactment of the Social Security Program, the 50th anniversary of the Senate passage of the Social Security bill (H.R. 7260). It was on June 19, 1935, that the U.S. Senate passed by a vote of 77 to 6 the legislation that was later signed into law by President Franklin D. Roosevelt on August 14, 1935.

Many have claimed, with much justification, that the Social Security Act is the greatest piece of domestic legislation ever to have been enacted by Congress. There is no greater measure of the importance of this legislation than to consider the millions of Americans who have received the vital benefits which the Social Security Act has provided over the last five decades. It was 2 years after the enactment of the Social Security Act, in 1937, that benefits first became available to workers in industry and commerce, about 60 percent of all working persons. Over the years, Social Security has been expanded to include almost all working persons, their spouses, and minor children, and the benefits have been expanded from the basic retirement programs to include survivors' and disability benefits in the event of personal or family tragedy.

Mr. President, all of this fails to mention the other critical programs, not usually referred to as "Social Security," but, nonetheless, integral parts of the Social Security Act. Included in this category are the Medicare and Medicaid Programs, the Black Lung Benefits Program, the Supplemental Security Income Program [SSI], the Unemployment Insurance Program, and the numerous public assistance and welfare services including the Aid to Family with Dependent Children Program [AFDC], the Medicaid Program, maternal and child-health services, and the block grant to the States for social services (title XX).

As we commemorate the 50th anniversary of the initial passage of this important legislation, it is important to remember that the basic Social Security Retirement, Survivors, and Disability Program, which is the backbone of the whole act, represents a commitment and solemn compact between both current and future generations and the Federal Government. As the largest program of the Federal Government, it represents the major commitment to the working men and women who have built this country and those who will chart our Nation's course well into the next century. It is our job as the elected representatives of working men and women and their children as well as those in their retirement years to assure that Social Security remains strong and continues to provide the essential benefits on which one out of seven Americans now depend.

Unfortunately, Mr. President, during this important commemorative year, distressing proposals are receiving support within Congress to reduce the critical benefits on which almost 37 million Americans depend. I make reference to the various sharp attacks on Social Security proposed by the administration, and to the proposal contained in the Senate-passed budget resolution calling for a 1-year elimination of the cost-of-living adjustment for Social Security beneficiaries. Contrary to some of the views which have been expressed within this Chamber, this proposal is not a "freeze," but a real cut in current benefit levels which are simply adjusted annually to reflect the erosion in buying power created by inflation in the previous year.

What is perhaps most distressing is that this cut in the form of a 1-year elimination of the inflation adjustment for Social Security would result in hundreds of thousands of new elderly poor. Eliminating the COLA adjustment, which is designed to keep the buying power of the benefit the same in the face of inflation, would cut about $18 a month off of that average benefit of $412 a month—a lot of money for those who rely on Social Security as their sole or primary source of income. When considered together with the average $125 a month in out-of-pocket costs for health care, not to mention the rising cost of gas, electric, and phone bills, it becomes clear how important it is for our seniors to receive the inflation adjustment in their Social Security benefits. The best estimate is that 310,000 seniors—together with 160,000 nonelderly Social Security beneficiaries—would be pushed below the poverty line as a result of a 1-year COLA freeze. In addition, this is a permanent cut that will cost the average beneficiary about $1,200, and the average couple over $2,000 through the year 1990. All of this fails to mention that Social Security benefits have already been drastically cut, over $100 billion during the past 4 years.

So this is a critical time of testing. I hope Congress and particularly the budget conference committee, will stand firm behind Social Security commitments to the needs of the people in the country represented by that program and will maintain the cost-of-living adjustment which provides no increase in benefits but only makes up for the loss that inflation has taken away in previous years.

I asked some of my colleagues who were the drafters of the Social Security COLA cut how they planned to deal with this sizable increase of new elderly poor—an almost 8-percent increase. The answer to that question was "to put them on welfare," even though that is exactly what the Social Security system was originally designed to prevent. And the small increase hidden deep within their budget for the Supplemental Security Income [SSI] Program, the Federal Welfare Program designed to supplement Social Security benefits for extremely low-income beneficiaries, is not nearly enough to offset the COLA cuts, in fact about 70 percent of low-income seniors won't even receive an SSI benefit.

In this important 50th year of the Social Security program, we should be working together to help restore faith in the Program's future and not be considering ways to reduce the deficit on the backs of elderly and disabled Americans who have already more than contributed their fair share. This should be the year that Social Securi-

ty is removed from the unified budget so we no longer have to drag our senior and disabled citizens through the budget process when their program is already building surpluses that will be quite large in only a few years.

I urge all of my colleagues to join in the celebration during this important commemorative year and work on ways to help improve Social Security and Medicare and not cut back on this vital promise for all Americans.

Mr. JOHNSTON. Mr. President, upon signing the Social Security Act into law 50 years ago, Franklin Roosevelt said that this legislation was "a cornerstone in a structure which is being built but is by no means complete, protecting Americans from the hazards and vicissitudes of life." Mr. President, history has proven the truth of this statement. Over the years, the scope of the program and the security it provides has grown immensely. Today, more than 37 million Americans receive some form of Social Security assistance, making it the largest domestic program that is administered by the Federal Government. Over 115 million workers are currently contributing to the system, thereby assuring future assistance for themselves and their dependents.

Mr. President, when the act was originally signed into law 50 years ago it was intended to provide monetary assistance to retired workers. It was an outgrowth of the Depression and reflected the need of our country to transform itself from a largely agrarian society to a highly industrialized, specialized society in which events are often shaped by actions well beyond the economic control of our Nation's workers.

Mr. President, the system was first expanded in 1939, a year before any benefits were actually transferred to the beneficiaries of the original act, to provide that benefits would be paid to the survivors and dependents of workers. The act remained fairly constant until 1956 when disability insurance was added to protect disabled workers. The 1960's saw the act expanded again as the Medicare and Medicaid Programs were added to provide medical insurance for our Nation's elderly, regardless of their economic status, and to the indigent. In the early 1970's the Medicare Program was extended to provide medical insurance to the blind and the disabled, and the Supplemental Security Income [SSI] Program was added to provide the first assurance by the Federal Government that a limited level of benefits would be available to the poor elderly, the blind, and the disabled.

Mr. President, recently, the Social Security Program has come under attack from a number of parties. Many of these criticisms came as a general outgrowth of our Nation's economic condition and its impact on the program. For example, in the 1970's and early 1980's our country's unemployment rate was high and inflation was raging. These combined conditions strained the fiscal health of the system and questioned its ability to provide income security to our Nation's elderly. Congress realized this situation and responded by providing that benefits would be subject to a cost-of-living adjustment, thus protecting recipients from the rages of inflation. In 1983, Congress fine tuned the program to assure its continued fiscal viability well into the 21st century. A recent report of the Social Security Trustees confirms the success of the 1983 amendments. It now appears that the system will remain solvent, and, in fact, will actually run a surplus in the year 2014.

Mr. President, the numbers also clearly demonstrate how this cornerstone has grown during the past 50 years. Today, nearly 37 million Americans receive monthly cash payments from the Social Security system. According to the Census Bureau, if there was no Social Security system, 17 million more Americans would be living below the poverty line today, 9.7 million of which would be age 65 or older. When the Social Security system was developed 50 years ago, more than two-thirds of all elderly Americans had no means of support other than the good graces of family and friends. Today, nearly 85 percent of all elderly Americans have income above the poverty line. Mr. President, in 1980, 7 out of 10 elderly people relied solely on Social Security for at least one-half of their income and, in 1981, one out of five elderly Americans relied on Social Security as their only means of support.

Mr. President, in many respects, the Social Security system reflects what is best about America. It has formed a strong and continuing bond between the old and the young, between employers and employees and between beneficiaries and the Federal Government. It represents a commitment on the part of workers and the Government to the financial security of our elderly citizens. We should be proud of the role this program has played in protecting our senior citizens from poverty and thus allowing them to enjoy their golden years. Consequently, it is with pleasure that I wish happy birthday to the Social Security system.

Mr. MITCHELL. Mr. President, I rise today to recognize the 50th anniversary of the Social Security Program, established in 1935 by President Franklin D. Roosevelt. It is generally acknowledged by historians that Social Security is the most successful and lasting program to have its origin during the New Deal.

The Democratic administration of Franklin Roosevelt was a watershed in our Nation's history. It represented a dramatic change in the philosophy of government in its acceptance of responsibility for the basic needs of the poor and elderly. The Social Security Program was perhaps the most dramatic illustration of the Federal Government's commitment to care for the weakest among us.

Social Security was not created as a welfare program, as were some other programs of the New Deal which have long ago ceased to exist. The program was designed to protect the Nation's workers in their old age with the support of those same workers during their productive years. It is a system which cannot continue to function without the faith and support of both the Federal Government and those who pay into its trust funds.

A great deal has changed in our Nation during the past 50 years. Women have entered the work force in record numbers, costs for housing and health care have increased dramatically, and the population is aging. In 1935, life expectancy was 61.7 years. In 1983 life expectancy had increased to 74.7 years. These changes in our lives have had a significant effect on the Social Security Program.

In recent years, the Congress has addressed the problems facing the Social Security Program. Two years ago, Congress passed the Social Security Amendments of 1983, which will assure the solvency of the program for the next 75 years under all but the most pessimistic of four sets of assumptions on which estimates are made. We must continue to monitor Social Security to make sure that it will function effectively for future generations.

The Federal Government has a 50-year commitment to the Social Security Program. We must continue to maintain our responsibility to those who have had faith in the program and have supported it throughout their working lives. We cannot renege on our promise to the elderly.

In closing, Mr. President, I want to add my name to those who have supported the Social Security Program since its inception in 1935. Those of us who now serve in the 99th Congress have the example of many outstanding Members of the House and Senate who have championed the program during the past 50 years. I will continue to support this important program and commend all who have worked to ensure its future.

A TRIBUTE TO THE SENATE AND THE SOCIAL SECURITY ACT OF 1935

Mr. DIXON. Mr. President, today marks the 50th anniversary of the Senate passage of the Social Security Act of 1935.

Having evolved during the Great Depression to promote greater economic security, the act had as its primary architect a great President, Franklin Delano Roosevelt.

On this day, 50 years ago, the Senate approved the Social Security Act by a vote of 77 to 6. Although coverage has been expanded and other adjustments have been made, only minimal changes have occurred since the program began paying benefits in 1940.

The Social Security Act has proven to be one of the most significant pieces of legislation ever enacted in our Nation. Today, Social Security is the Nation's largest domestic program. It pays monthly cash benefits to some 36 million people and touches the lives of nearly every American. Without Social Security, millions of our retired and disabled workers would fall into poverty.

I am pleased to remind my colleagues of the courageous act taken by the 98th Congress to provide assurance that the Social Security trust funds will be solvent well into the next century.

However, I have been very disappointed with this administration's continuous attempt to dismantle the Social Security Program. Time and time again, the administration's budget proposal has put the Defense Department off limits to any cuts, while simultaneously proposing to cut or eliminate many domestic programs, including Social Security and other programs which aid retired and disabled workers, and their dependents and survivors.

While the administration's budget proposals have been put forth as deficit reduction measures, they have not been fair in deciding how to spend the taxpayer's money nor have they been fair in where to make a dent in our massive Federal budget deficit.

On this 50th anniversary of the Senate passage of the Social Security Act, I urge the Senate to make a commitment to equity as we consider programs to assure the economic security of the United States and its citizens.

Mr. PRYOR. Mr. President, it is my pleasure to join with a number of my colleagues today in celebrating the 50th anniversary of Senate passage of legislation which has proved to be one of the most significant pieces of legislation in the history of the U.S. Congress—the legislation which established the Old Age Insurance Program. Little was it known in 1935 that this retirement program would become what we know as Social Security Indeed, each of us has a stake in the financial health of this most important retirement program. This program has been a phenomenal success.

Although most Americans are familiar with Social Security, and most working citizens are enrolled as contributors in this program, there is a great deal of misunderstanding about the scope of Social Security. In general terms, Social Security usually refers to the Old Age and Survivors Program, the Disability Insurance Program, and part A—or hospital insurance—of Medicare for which the Congress has established very specific eligibility standards. Although the Social Security Act authorizes a number of other important social programs and the Social Security Administration has supervisory responsibility for several of them, Social Security taxes—or FICA taxes—are used to finance only these three programs. All others are paid for with general revenues.

When it was first established, Social Security was designed to replace a portion of the earnings that were lost as the result of a person's retirement. Although over the years its mission has expanded to provide insurance against the loss of income due to disability, death of a spouse or parent, and the prohibitive expenses of old age and disability, the programs are financed in fundamentally the same manner as was specified by the 1935 legislation.

I am pleased to join my colleagues today in commemorating the 50th anniversary of this Chamber's action on Social Security. This program has worked; it has provided millions of our Nation's elderly citizens with a retirement supplement; and is probably the single most important factor in improving the quality of life and the standard of living for all older Americans over the last half century. It should bring great comfort to all Americans to know that the fiscal soundness of the program is assured for decades to come. I yield the floor.

(By request of Mr. BYRD, the following statement was ordered to be printed in the RECORD:)

● Mr. BOREN. Mr. President, the Senate passed legislation 50 years ago today that would eventually affect every American family. That legislation, which in 1985 will provide dignity and financial security to over 36 million retirees, disabled workers, and their dependents and survivors, resulted in passage of the Social Security Act of 1935. Social Security has proven to be a vitally important source of income to families when their earnings stop or are reduced because of retirement, disability, or death.

We owe many thanks to the farsighted leaders who initially introduced this landmark legislation in 1935. The original act has since matured into a complete, secure, and workable program upon which millions of Americans strongly depend. It has been a program important to the stability of American society and continues to be one in which we may all take pride.

"Planning for the future" may most accurately describe Social Security and the benefits it provides. Without Social Security, the elderly and disabled, as well as their survivors, would in many instances find themselves in hopeless financial difficulty. On this anniversary of such an important and valuable program, I join with my colleagues in commemorating the 50th anniversary of Social Security.

THE 50TH ANNIVERSARY OF SOCIAL SECURITY

Mr. DOLE. Mr. President, 50 years ago the Economic Security Act was introduced and on this exact day 50 years ago, on a vote of 77 to 6 the Senate passed the legislation. The House had already voted on April 19, 1935. The legislation was signed into law on August 14, 1935 and the Social Security Program was established.

In proposing the creation of a Social Security Program, President Roosevelt explained that it was not necessary to create new and strange values. But rather to build upon the basic values of self-help, mutual aid, insurance, and the incentives to work and save. These principles still underline our support of this system.

Controversial at its inception, Social Security is now considered one of our most successful social programs. Social Security has literally changed the face of America in the last 50 years. People who would otherwise be among our most economically vulnerable groups—the retired aged, widows and orphans and the totally disabled—have income they can count on month after month. Today, Social Security is the largest single Federal domestic program, dispensing almost $15 billion in benefit payments each month to some 36 million Americans, or 1 out of 7 in the Nation.

Currently over 116 million workers pay Social Security taxes and total expenditures for the program will exceed $200 billion this year.

MORE RECENT LEGISLATIVE ACTIVITIES

Over the years, the program has been expanded to raise payment levels and to include new benefits. Coverage has been enlarged to include survivors and children. Retirement benefits alone were provided by the original Social Security Act of 1935, benefits for dependents and survivors by the 1939 amendments, and benefits for the dependents of disabled workers by the 1958 amendments. The Health Insurance Program, generally known as Medicare, became effective on July 1, 1966.

The most recent major legislative initiative, the Social Security Amendments of 1983, demonstrated the strong bipartisan support that this program now enjoys in the Congress and throughout the Nation. My colleagues will recall the serious financial difficulties which faced the Social Security cash benefit programs in the early 1980's. The system moved closer and closer to insolvency as proposals

to balance outgo with income were subjected to harsh political attack.

The concerns surrounding Social Security at that time were directed at not only the fears that the program would become insolvent, placing a great many individuals at financial risk, but also that the payroll taxes necessary to maintain the program had become so burdensome as to provide a true disincentive to the employment of particularly low wage earners.

As a result, it was our intention to provide for a broad-based approach that provided for adequate financing without placing an undue burden on any single group of beneficiaries or taxpayers.

Because of the complexity and sensitivity of the debate over the future of Social Security, the President established a 15 member Commission to develop proposals for reform. The Commission was ably chaired by Alan Greenspan, chairman and president of Townsend-Greenspan Co. Also included on the Commission were myself, Robert A Beck, chairman of the Prudential Insurance Co. of America, Mary Falvey Fuller, management consultant, Alexander B. Trowbridge, president of the National Association of Manufacturers, Joe D. Waggonner, Jr., consultant, Senator BILL ARMSTONG, Senator JOHN HEINZ, Lane Kirkland, president of the American Federation of Labor-Congress of Industrial Organizations, Senator DANIEL PATRICK MOYNIHAN, Representative WILLIAM ARCHER, Robert M. Ball, visiting scholar of the Center for the Study of Social Policy, former Representative Barber Conable, former Representative Martha E. Keys, director of educational programs of the Association of Former Members of Congress, and Representative CLAUDE D. PEPPER.

As chairman of the Finance Committee, which had the responsibility for the legislation that was the outgrowth of the Commission's recommendations, and as a member of the Commission, I was very heartened by the degree of cooperation and flexibility demonstrated by my colleagues and many of the interest groups with whom we met. We all believe a unified effort to be critical in order to achieve enactment of a responsible Social Security financing bill. Consensus was reached. The bill was originally passed by a vote of 88 to 9 by the Senate and final conference report passed by a vote of 58 to 14. On April 20, 1983 the bill, H.R. 1900, was signed into law.

As a result of the decisions made by the President and Congress in 1983, taxpayers and beneficiaries alike can feel confidence in the short- and long-term viability of the Social Security system.

CONCLUSION

We can all be proud of the role the program has played over the years in helping to assure security to millions of our elderly and disabled citizens. Over the next 50 years the Nation will have to accommodate a very large increase in the proportion of the population that is aged. It is vital that there be greater public understanding of how the system works, in order to encourage broader and more informed discussion of the future policies. This anniversary commemoration will help to focus public attention on the program and its role in our society.

Let us join together to celebrate this important milestone—the 50th year of the Social Security Program.

Mr. PRESSLER. Mr. President, today marks the 50th anniversary of our Social Security System. On June 19 in 1935, the Senate passed the Social Security bill by a vote of 77 to 6, creating the grandest program in our Federal Government's history.

As a member of the Senate Aging Committee, I am very close to the concerns of this Nation's senior citizens. Social Security touches the life of nearly every American. Today, 36 million Americans collect benefits. In my home State of South Dakota, 17 percent of the population currently collects benefits from the retirement trust fund.

Perhaps the importance of this program can better be illustrated through the words of a South Dakota woman. She recently wrote, and I quote: "Our parents are not second-rate citizens. They paid their dues with taxes, holding this great country together during the Great Depression and World War II, and by raising us to be productive, responsible citizens. Are our elderly to deny themselves even the basics of food and health care?" Without Social Security, these basics are not possible for many of the elderly in South Dakota and throughout the entire Nation.

It pleases me to see so many of my colleagues paying tribute to this anniversary. However, a great many people are apprehensive about the future of the Social Security System. The Federal Government has a contract with our senior citizens. We must fight to ensure that this contract is not broken.

So in closing, Mr. President, as we look back on our progress of this past 50 years, let us not forget the future. When 50 years again passes, others should be able to stand in this Chamber and celebrate the 100th anniversary.

Mr. BENTSEN. Mr. President, today we commemorate the golden anniversary of Senate passage of the Social Security Act. Social Security came about in large part because of the vision of Franklin Roosevelt and the hard work and dedication of the Senate Finance Committee. Since its passage, Social Security has come to symbolize much of what Americans consider good and proper about the role of their Government.

America prospered in its earliest days through its faith in individualism and hard work. Disasters might occur, but as long as people lived among closely knit families and with strong personal values, threats to security were minimized. The belief that neighbor should help neighbor carried many generations through times of adversity.

As our country became increasingly industrialized, both the States and the Federal Government began to recognize that the task of caring for the poor and burdened could not always be borne by individuals alone. The importance of a critical role for the Government became painfully obvious during the Depression of the 1930's. The Great Depression proved that existing methods of helping people in financial distress were no longer adequate in the modern world.

Mr. President, the Great Depression dramatized the fact that Americans may be victims of factors well beyond their individual control. The massive problems of the 1930's demanded an aggressive, imaginative solution. The catastrophe of the Depression had wiped out much of the lifetime savings of the aged and had reduced employment opportunities for those wanting and able to work. For many, Government was the last hope. The Social Security Act had a dramatic and immediate impact on the citizens of this country. It not only helped insure their security, it lifted their spirits.

The Social Security Act could not have happened without the vision and leadership of President Roosevelt, but it also is fitting to note the vital contribution of the Senate Finance Committee. President Roosevelt sent the report of the Committee on Economic Security to Congress on January 17, 1935. After several months of hard work, the committee reported the bill to the Senate.

According to the committee's report, the Social Security Act was to provide for the general welfare by establishing a system of old-age benefits, and by enabling the States to make more adequate provisions for aged persons, dependent and crippled children, maternal and child welfare, public health, and the administration of unemployment compensation laws.

The legislation fashioned by the Finance Committee was history making. The resources of most State and local governments were crippled by mounting debts. Funds for private charities were running out as unemployment increased sharply. The President and Congress recognized the mandate and responded with a bold solution.

From the beginning, the Finance Committee and Congress placed great emphasis on the fiscal soundness of

the program. Congress attempted to provide necessary taxes to meet benefit obligations. The creators of Social Security planned and intended to create a program that was both visionary and self-sustaining. This popular, life-saving program has done its good work over the years and it is up to us in Congress to maintain its solvency.

Social Security's 50th birthday is a good time to applaud the many things that are good about the program, and to work to improve its deficiencies. Social Security will always have its critics, but they cannot detract from the help its has given millions of elderly, disabled, and ailing Americans. It has come to represent much of what Americans hope for from their Government.

Social Security was an experiment in bold democratic ideals, and its record of service over the years shows that in almost all respects the experiment has been a resounding success.

Mr. DODD. Mr. President, I rise today to join with my colleagues in commemorating the 50th anniversary of the Social Security Act of 1935. As a cosponsor of Senate Joint Resolution 23, a resolution to proclaim 1985 the "Year of Social Security," I believe this is a fitting time to pay tribute to the system which provides economic stability and security to millions of our fellow citizens.

On August 14, 1935, President Franklin D. Roosevelt signed into law the most vital social insurance program this Nation has ever known. Originally conceived to help ameliorate the hardship and misery caused by the Great Depression, the Social Security System has since come to symbolize America's undying commitment to its elderly, sick, and disabled citizens.

The Social Security Act of 1935 provided benefits for retirees only, but eligibility was soon broadened. In 1939, before the first retirement benefit was paid, dependents and surivors were also accepted as beneficiaries. Thanks to the leadership of President Eisenhower, disabled workers also began receiving Social Security checks in 1956. In 1965, medical insurance for elderly and disadvantaged Americans became part of our basic economic security program.

In the five decades since the program's enactment, the Social Security system has grown to provide some form of economic security—now or in the future—to 120 million Americans. Today, 25 million retired workers, 4 million disabled workers, and more than 7 million surviving spouses are receiving Social Security benefits.

Perhaps the system's most dramatic achievement has been to dramatically reduce the incidence of poverty among older Americans. In 1937, 3 years before the first check was distributed, two-thirds of all Americans 65 or older had no independent means of financial support. Today, thanks to Social Security, more than 85 percent of all elderly Americans have incomes above the poverty line. Without these benefits, the U.S. Census Bureau has estimated that 14 million more Americans would be living below the poverty line today.

Mr. President, the great, late Senator from Minnesota, Hubert H. Humphrey, once remarked: "The moral test of Government is how that Government treats those in the dawn of life—the children; those in the twilight of life—the elderly; and those in the shadows of life—the sick, the needy, and the handicapped." It was this same spirit of compassion which motivated Congress and President Roosevelt to establish our Social Security System 50 years ago.

As we celebrate the principles embodied in the Social Security Act of 1935, let us at the same time reassure all Americans of our commitment to preserve the system in the future. This future promise is secured not only by the original vision and hope of our forefathers, but by 50 years of demonstrated success, and by the system's continued adaptation to the demands of our ever changing society.

Mr. PRESSLER. Mr. President, today marks the 50th anniversary of our Social Security System. On June 19, 1935, the Senate passed the Social Security bill by a vote of 77 to 6, creating the grandest program in our Federal Government's history.

As a member of the Senate Aging Committee, I am very close to the concerns of this Nation's senior citizens. Social Security touches the life of nearly every American. Today, 36 million Americans collect benefits. In my home State of South Dakota, 17 percent of the population currently collects benefits from the retirement trust funds.

Perhaps the importance of this program can better be illustrated through the words of a South Dakota woman. She recently wrote, and I quote:

> Our parents are not second rate citizens. They paid their dues with taxes, holding this great country together during the Great Depression and World War II, and by raising us to be productive, responsible citizens. Are our elderly to deny themselves even the basics of food and health care?

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It pleases me to see so many of my colleagues paying tribute to this anniversary. However, a great many people are apprehensive about the future of the Social Security System. The Federal Government has a contract with our senior citizens. We must fight to ensure that this contract is not broken.

So in closing, Mr. President, as we look back on our progress of this past 50 years, let us not forget the future. When 50 years again pass, others should be able to stand in this chamber and celebrate the 100th anniversary.

SOCIAL SECURITY AFTER FIFTY YEARS

Mr. LAUTENBERG. Mr. President, I am pleased to join with my colleagues in taking note of the 50th anniversary of Senate passage of the Social Security Act of 1935. It is fitting for us to commemorate this anniversary at a time when many of us are fighting to maintain the integrity of Social Security benefits for the senior citizens of our country.

Senior citizens have spent a lifetime working hard for our country. They are the generation that struggled through the Depression and fought hard for the principles of our democratic society during World War II. They made possible the unprecedented growth and boom years in the fifties and sixties. Their energy, spirit, and talent, were, and are invaluable to this country.

Now that many of our senior citizens have retired from the frontline struggle, these days should be times of peace and freedom from care. They believed they had a deal with this Government that they would have security in their old age.

Instead, this year, some in the administration and Congress are trying to freeze or cut the cost-of-living adjustment for Social Security beneficiaries next January. Proposals like that promote social insecurity, rather than security.

Fifty years ago, in 1935, Franklin Roosevelt asked Congress to enact what became known as the Social Security Program. He said that "The establishment of sound means toward a greater future economic security of the American people is dictated * * * in our national life."

I think someone needs to remind Ronald Reagan and his fellow Republicans in the Senate of Roosevelt's dream of security for older Americans.

A freeze in the cost-of-living adjustment for Social Security is contrary to the promise of economic security. It is wrong to ask senior citizens to give up a COLA next year, after they already gave up their COLA for 6 months just 2 years ago.

Social Security is a good program. Recent reports, from the administration itself, show that the financial condition of this program is good. The cuts and sacrifices of recent years have paid off.

Mr. President, Congress should commemorate the 50th anniversary of Social Security by reaffirming the integrity of the program. We should reject any cuts or freezes in benefits. The mark of a successful program is a long and stable history. Social Security meets that test. We should do all

that we can to be sure that it continues to be successful for the next 50 years. So now the time has come to say: Enough!

50TH ANNIVERSARY OF SENATE PASSAGE OF THE SOCIAL SECURITY ACT

Mr. HEINZ. Mr. President, today marks the 50th anniversary of the date the Senate first passed the original Social Security bill, and I think it is a good time for us to underscore the overwhelming success of this legislation. Social Security has proven to be the single most significant domestic program in this century, protecting all segments of American society from the risks of economic hardship and adversity.

One of the remarkable features of the first 50 years of Social Security is the success of the program in accomplishing the objectives that were set out for it in 1935. As chairman of the Senate Aging Committee, I should point out first and foremost that Social Security has certainly achieved the goal of guaranteeing economic security in old-age as a matter of right, and not as public charity. As a social insurance program funded by a special payroll tax, Social Security is not viewed by wage earners or beneficiaries as a welfare program, and affords all who participate in the system a sense of dignity and self-respect.

Social Security has gone a long way in eliminating poverty and dependence among our elderly population. Poor houses, a common dumping ground for the elderly before Social Security, are no longer part of the American landscape. By assuring a floor of income protection, Social Security has made it possible for aging Americans to look forward to a secure, independent, and dignified retirement. Without Social Security, more than half of all elderly Americans would be living in poverty.

Over the past half-century, the role of Social Security has expanded greatly. No longer a limited retirement program for workers, Social Security today provides benefits to the disabled, spouses and children of retired, disabled, and deceased workers, and a number of other vulnerable groups. Presently 36 million Americans receive Social Security benefits, financed by payroll taxes paid by nearly 100 million workers. Social Security touches nearly every American life, and represents the foundation of our Nation's social policy.

In the next half-century Social Security will doubtless remain a central social institution. Social Security is the one mechanism we have with the size, flexibility, and public support to meet the challenge of a graying America. It has proven to be a tremendously successful program in the past 50 years, and I am confident that its success will continue throughout the next half-century.

THE 50TH ANNIVERSARY OF THE SENATE PASSAGE OF THE SOCIAL SECURITY ACT

● Mr. BRADLEY. Mr. President, 50 years ago today the U.S. Senate passed the Social Security Act, one of the most significant achievements of the 20th centry., On the anniversary of this historic event, I think it is appropriate to reflect on the enormous significance of this landmark piece of legislation.

It would not be an exaggeration to say that the Social Security Act brought major changes in the fabric of American life. But the Social Security Act did not change in one stroke the contours of our society. Rather, passage of this legislation represented the expression of a new, emerging and growing consensus—a consensus that we as individuals are not islands—that we have responsibilities for the well-being of our neighbors. As this consensus developed in the 1930's, the first tentative safety net in America developed.

Mr. President, the Social Security Act was passed in the depths of the Great Depression. This economiic calamity taught us many lessons, perhaps the most important being that good people can get hurt thousands of hardworking, thrifty men and women: many older Americans, forced out of jobs, saw their savings for retirement vanish overnight. These people, Mr. President, were not irresponsible. The people standing in breadlines had values just like their more fortunate friends who managed to hang on to their jobs, or who had invested in bonds instead of banks. There was a growing recognition among Americans that it is in part a collective responsibility to help people prepare for retirement.

Social Security is the embodiment of community responsibility—a social compact between the young and the old and between workers who pay into the system and retirees who receive benefits. The social compact works because workers can expect that there will be others supporting them when they reach retirement.

Mr. President, Social Security binds the American community together. Americans enjoy a high standard of living, but with this blessing comes the responsibility of providing for our neighbors. Social Security is one way in which this responsibility is discharged: Those who are able to be productive—the young and employed—provide to those who are not—the elderly and disabled.

Mr. President, as pround as we can be of the principles behind Social Security, we can be equally proud of the actual achievements of the program. As a public policy instrument, it has been spectacularly successful. In 1950, when only one out of four elderly persons received Social Security, over 35 percent of the elderly were living in poverty. By 1978, 9 out of 10 of the elderly were social security beneficiaries—and only 14 percent fell below the poverty line. The program has succeeded in providing economic security for the elderly.

Over the years Social Security has been strengthened to meet the evolving needs of our citizens. The first pillar of Social Security, the retirement benefit, was enacted in 1935. The second pillar, the Survivors Insurance Program, which provides benefits to dependents of deceased workers, was added in 1939. In 1956, the third pillar was enacted, the Disability Insurance Program, which was designed to protect workers and their families from the sudden loss of income due to the onset of a severe disability. And finally, the fourth pillar, Medicare, was enacted in 1965 to ensure adequate health care for the elderly and the disabled. Social Security has grown over the years as our vision of our collective responsibilities has grown over the years.

In sum, Mr. President, Social Security has evolved into our basis family protection plan, a vital part of the fabric of our society. It is the best expression of community that we have—with workers willing to pay into the system because they expect that there will be others supporting them when they reach retirement.

Before concluding my remarks, Mr. President, I would remiss if I did not make mention of the Social Security reform legislation that the Congress enacted in 1983. In 1982, it was becoming increasingly clear the Social Security Trust Fund was in imminent danger of insolvency; corrective measures had to be adopted or the July 1983 Social Security checks would not be in the mail.

To assess the views of New Jesrseyans on this important matter I held a series of Social Security conferences throughout New Jersey for senior citizens—to lay out the facts about the present crisis, to get their reaction to possible suggestions proposals and to involve them in arriving at a solutio9n. The participants in these forums generally agreed that all citizens—the young and the old—must share the burden of keeping the system solvent in years to come. And Mr. President, I believe that the reform legislation that was subsequently adopted in 1983 by the Congress generally met the criteria established by participants in these forums. Everyone was asked to pitch in to save the system because everyone saw the need to pitch in to keep this important life support system going.

And the system is going strong, Mr. President. Fifty years from now, on the 100th anniversary of the passage of Social Security, I fully expect that we will be able to look back at the con-

tinued accomplishment of the program. As long as we all continue to work together, I am confident that Social Security will continue to provide benefits, not only to ourselves and our parents, but also to our children and our children's children.●

(The following statements by Mr. PROXMIRE were delivered earlier during the time provided by his special order and are printed at this point in the RECORD by unanimous consent:)

IF ARMS CONTROL IS DEAD UNTIL 1989, WHAT OPTION IS THERE FOR KEEPING NUCLEAR PEACE?

Mr. PROXMIRE. Mr. President, what are the most politically practical options available to prevent nuclear war? In the short run, that is easy. First, recognize that any decision on arms control is almost exclusively a Presidential decision. Therefore, any option that requires arms control must be an option that President Reagan will support. President Reagan's position on arms control has varied from all-out opposition to every nuclear arms control agreement this country has ever negotiated to a reluctant willingness to seek an agreement with the Soviets that would reduce the number of strategic nuclear missiles on both sides.

Since the President has pushed an antimissile, or star wars, program for the United States at the same time he calls for sharp reductions in offensive missiles by both the United States and the Soviet Union, there is virtually no prospect the missile reduction proposal will make any progress. Meanwhile, the President moves vigorously to nullify the ABM arms control treaty by developing the very antimissile system that treaty prohibits.

He also has expressed only the most tentative and temporary support of a second major arms control treaty: SALT II. Because Mr. Reagan will be President until 1989 and because the President and the President alone dominates every aspect of arms control policy, arms control will not be a practical political option until 1989.

So what options do we have for reducing the threat of nuclear war? First, we have the old reliable: deterrence. Has it worked? For 35 years, deterrence has been the prime force preserving peace between the world's two superpowers.

Europe has experienced one of its longest periods free of a major war. The Soviet Union has not invaded Western Europe. It has not provoked war with the United States for one overwhelming reason: It knows that such a war would mean instant and total ruin for the Soviet Union. It knows that a superpower war would bring utter destruction to every city in Russia. Nuclear weapons would kill more than half of Russia's people. They would totally demolish every Russian city.

It gets worse. Russian scientists and American scientists agree there is "a clear possibility," in the exact words of the American Academy of Science, that a superpower nuclear war would trigger a nuclear winter. That nuclear winter would constitute the worst environmental disaster in 65 million years. The Earth would plunge into almost total darkness for many weeks. Temperatures would sink as much as 45 degrees below normal for as long as a year. Plants would die throughout the world. Animals would die. Starvation would kill far more people than would die from the concussion and fires from nuclear weapons. Mankind might become extinct.

The consequences of nuclear winter represent quite a deterrent. Even the most far-out Communist or American ideologue must recognize that nothing can justify such a terrible catastrophe. So deterrence remains the big option. It is grim. It is terrible. It is also effective.

What else do we have with arms control in cold storage for 3½ years? In a recent book entitled, "Hawks, Doves, and Owls," three distinguished Harvard professors suggest an option that as they say all sides in this country can agree on. These are steps to make our nuclear deterrent more stable and less hairtrigger. The least likely way that nuclear war can come in the next few years is the most widely feared: a bolt from the blue. The deterrent power of both superpowers is so massive and so fully understood on both sides that a preemptive strike by either is very unlikely.

On the other hand, when both sides have such immense power, and when that mammoth power is so widely and diversely deployed, mistakes can happen. Either side could mistake a practice missile firing for a strike. A conventional war begun by third parties could involve both superpowers. It could lead to the use of tactical nuclear weapons. Once started, escalation could be very hard to stop. The Harvard professors call for steps to improve crisis management, steps to warn the other side of any practice firing that could be misconstrued, steps to open communications as fully as possible between top leadership on both sides.

Perhaps these measures may be all we can expect to accomplish in the next 3½ years. But we should not and must not give up on arms control. Our children and grandchildren will have to live out their lives with nuclear weapons for their lifetime in a world that stands on the brink of extinction. Deterrence can help. Safety measures can help. But they are not enough. Somewhere, sometime, someone will, by mistake or by paranoiac design, press the button that could destroy America and the civilized world unless we can negotiate a mutual, verifiable, comprehensive superpower agreement ending the arms race. If we have to wait until 1989 for that negotiation to begin, we must do so with resolve as well as patience.

MYTH OF THE DAY—THAT THE CONGRESSIONAL BUDGET COMMITTEES WILL CUT THE DEFICIT BY $56 BILLION

Mr. PROXMIRE. Mr. President, this is the second in my series designed to expose a myth a day. Today's myth is that the Senate and House will necessarily agree on a budget resolution that will result in a reduction of the 1986 Federal deficit to $56 billion below the deficit of over $200 billion which the country will suffer in 1985, and will bring the deficit down to or below the $100 billion level by 1989. This assertion is based on a whole series of dreamy and starry-eyed assumptions. The most significant is that the U.S. economy will grow at an average rate of 4 percent in 1985 and 1986 and over the next 5 years.

Is that realistic? That is a fat one-third over the average rate of growth of the American economy over the years. In recent years, with a few exceptions, that rate of growth has slowed down. Economic growth almost invariably declines as recoveries mature. The current recovery has already achieved a mature stage. In the first quarter of this year the economy grew at an annual rate of less than 1 percent.

The average consensus of projections of 50 forecasting groups, as reported last week, was that the economy will grow at a rate of about 2.9 percent. If this much more realistic assumption is correct, the deficit reduction declines from $56 billion to only $20 billion. That 4 percent economic growth assumption is only one of a whole series of happy assumptions in these $56 billion estimates. If this Senator were a betting man, I would bet the deficit in 1986 will be just about where it is in 1985—more than $200 billion.

NO MORE ANGELS OF DEATH—RATIFY THE GENOCIDE CONVENTION

Mr. PROXMIRE. Mr. President, as we hear news reports every day of the possible discovery of Josef Mengele's body, hideous recollections of the Holocaust are once again brought home to everyone of us.

Mengele, the Nazi war criminal who was responsible for conducting thousands of heinous genetic experiments at Auschwitz, has become a symbol of

the pain of the Holocaust that remains with all of us.

Indeed, Mr. President, the entire world seems riveted to reports of Mengele's death.

Police are clamoring to find out if the body exhumed in Brazil is his.

Nazi hunters and reporters are scrambling to chronical his life after the war.

And people everywhere are watching this spectacle unfold with rapt and perhaps fearful attention.

Interest in Mengele's story perhaps is even tainted with fear—fear that Mengele is still roaming free and that, after 40 years, Nazi hunters are still no closer to catching him.

But, Mr. President, as the Mengele story continues to unfold and as interest in his whereabout continues to grow, it is clear that memories of his maniacal deed live on.

The fervor with which this investigation in Brazil is being conducted clearly shows that people have not forgotten the Holocaust. They have not put aside memories of Mengele's crimes.

As the frantic hunt for this "Angel of Death" continues, Mr. President, we must do all we can to make sure we never see another "Angel of Death."

Josef Mengele is a criminal whose crime is the most odious one imaginable. It is genocide. His crime will forever be a blot on history.

Today, Mr. President, we must not allow this part of history to repeat itself. We must commit ourselves to ensuring that future generations never face such a genocide.

Our future must be free from men like Josef Mengele.

Whether or not Josef Mengele is dead or still alive, we must do all we can to bury genocide once and for all.

That is why, Mr. President, after the Foreign Relations Committee has reported the Genocide Treaty to the Senate floor for the sixth time in 30 years, and the Senate is the only body that has to act in this matter, we should act on it.

There are those who say it is not the kind of treaty we should have. Fine. Bring it out and let us amend it. But now, with this rare door of opportunity open for a short time, let us act. This Senator has been here watching the Genocide Treaty now for 28 years. We have not ratified it because there is always some alibi.

I notice that alibis are arising unfortunately on both sides of the aisle on this treaty at the present time as to why it should not be brought up. It should be brought up. Unless we bring this treaty up, we are betraying the 6 million people who died in Europe, we are betraying those 2 million Cambodians who have been killed in the genocide there. We shall be betraying our own integrity as human beings.

Mr. President, only the U.S. Senate has to act. The President of the United States has called on us to act. In fact, every President in the last 35 years has called on us to act on this and we should.

Mr. President, I yield the floor.

RECESS UNTIL 12 TODAY

The PRESIDING OFFICER. Under the previous order, the hour of 11 a.m. having arrived, the Senate will now stand in recess until 12 noon.

Thereupon, at 11 a.m., the Senate recessed until 12 noon; whereupon, the Senate reassembled when called to order by the Presiding Officer [Mr. KASTEN].

RECESS UNTIL 12:30 P.M.

The PRESIDING OFFICER. The Senate will stand in recess for 30 minutes.

There being no objection, the Senate, at 12:01 p.m. recessed until 12:30 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer [Mr. KASTEN].

ROUTINE MORNING BUSINESS

The PRESIDING OFFICER. The Senate will now be in a period of routine morning business.

APPOINTMENT BY THE PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The Chair, on behalf of the President pro tempore of the Senate, pursuant to Public Law 98-501, appoints Joseph Michael Giglio, Jr., of New Jersey, as a member of the National Council on Public Works Improvement.

THE TEXTILE INDUSTRY IS EXPERIENCING GOOD, BAD TIMES

Mr. THURMOND. Mr. President, I would like to call to the attention of my colleagues an article printed in the May 15, 1985, issue of the Easley (SC) Progress, entitled "The Textile Industry Is Experiencing Good, Bad Times." It concerns the contributing factors that have improved the outlook for the American textile industry and the offsetting deleterious effects, especially job losses, brought about by the flood of textile imports.

Mr. President, as my colleagues know, I have introduced a bill, S. 680, that will limit textile imports. Passage of this bill will help restore the jobs that have been eliminated because of the flood of imports into our country, and will protect against additional job losses. In South Carolina alone, an estimated 30,000 jobs in the textile industry have been eliminated.

Mr. President, I would urge my colleagues to note that the textile industry has taken responsibility for its own destiny. The industry has reorganized its approach to maketing and management and has modernized its operations. The textile industry is determined to lead the fight against foreign competition and to win. I urge all my colleagues to read this article, and I ask unanimous consent that it be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Easley (SC) Progress, May 15, 1985]

TEXTILE INDUSTRY IS EXPERIENCING GOOD, BAD TIMES

For the American Textile Industry, these are "the best of times, and they are the worst of times," according to the dean of the college of commerce and industry at Clemson University.

"In some sense, it's the best of times in recent times and in some sense it's the worst of times in recent times," said Ryan Amacher, dean of the college of commerce and industry at Clemson University.

Speaking to a dinner meeting of the Easley Lions Club last week, Amacher said there are signs in the national economy which are good for the textile industry.

The first sign, regulation, has improved significantly over the last five years. "Regulation of business in the United States, although still a problem, is much better than it was four years ago. The potential treat of regulation over the next four to ten years is at the state level," said Amacher.

Anti-trust, another factor, has changed significantly, he said, Amacher believes more mergers will take place in the textile industry over the next 10 years.

The energy crisis is gone, which Amacher said is good for the textile industry, environmental concerns are much better than they were four years ago, and the federal tax structure has improved, he said.

"Demand in some segments of the textile industry has been very robust, parts of the textile industry are doing very well, and then, some firms in the textile industry, even in the heavily-impacted areas, are doing well," said Amacher.

He cited Alice Manufacturing Company in Pickens County as one firm in the textile industry that is doing well. "Alice Manufacturing is in probably the area of textiles that's the most heavily import impacted, but they're doing very well," he said. The lesson is that a well-managed, well-marketed, modern plant can even do well in those impacted markets, added Amacher.

The "worst of times" are the imports. During 1980-81 a series of multi-fiber bilateral agreements were passed that stated that imports could grow at the rate of growth in the U.S. market which would be about six percent a year. But the agreements have not been enforced. In 1984 textile products grew between 48-53 percent and they were only supposed to grow by six percent, said Amacher.

Now the textile industry, along with some other industries, has launched a major campaign in Washington to get the Congress to make statute regulations about imports. If the bill is passed, it would roll imports back to the level that they would have been had the law been enforced.

"It would have a profound effect on employment in South Carolina," he said.

In the last six years, 30,000 jobs in the textile industry have been lost in South Carolina, he noted.

At the present time, there are 224 Congressmen and 40 Senators who are co-sponsoring the import bill.

THE SOVIETS MORAL BANKRUPTCY

Mr. THURMOND. Mr. President, I would like to call to the attention of my colleagues an editorial printed in the May 19, 1985, issue of the Charlotte, NC, Observer entitled "The Soviets' Moral Bankruptcy." It is a statement of despair and frustration concerning the people of Afghanistan and the manner in which the Soviet Union is determined to dominate them.

Mr. President, Soviet brutality to the Afghan people is a present day reflection of the Jewish Holocaust of World War II. The Soviets are determined to suppress any resistance by indiscriminately killing the Afghan people. Such obvious brutality cannot be ignored by the rest of the world. To quote from the editorial, "It may be beyond the power of the United States or any other nation to prevent these atrocities, but it is not beyond our capacity to notice and for the world to see the sickness of the Soviet system."

Mr. President, I urge all my colleagues to read this editorial and I ask unanimous consent that a copy be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the Charlotte Observer, May 19, 1985]

THE SOVIETS' MORAL BANKRUPTCY

There is probably little the West can do about the mounting tales of Soviet atrocity in Afghanistan. But in the hope that the Soviets do aspire to some place on the roll call of civilized nations—and thus may feel the sting of international outrage—it is important not to ignore the new reports of wanton killing.

The latest, which was confirmed by Western diplomats in New Delhi, concerns the slaughter of more than 1,000 Afghan civilians in the eastern reaches of the country, who were suspected by the Soviets of harboring Afghan rebels. Nearly 100 people were systematically gunned down in at least a dozen villages in the Lagman Province, and survivors were compelled to watch as their homes were looted.

The Soviet strategy in Afghanistan seems to be—almost literally—to depopulate the country. More than 4 million Afghan refugees have fled to other nations since the Soviet invasion began, and millions more have been killed.

The Soviets may believe their vital interests are served by such brutality. But surely time will prove them wrong. It may be beyond the power of the United States or any other nation to prevent such atrocities, but it is not beyond our capacity to notice—and for the world to see the sickness of the Soviet system.

CONRAIL

Mr. SPECTER. Mr. President, for almost 1 year I have maintained that a public offering is the best way to return Conrail to the private sector.

I strongly oppose the Norfolk Southern bid to purchase Conrail, as I believe it presents the dangers of decreased freight service, abandonment of existing facilities and branch liners, and increased prices for shippers and consumers.

Alternatively, the Morgan Stanley proposal for a public offering guarantees the status quo of Conrail's present management, operations, employee and facility structures. Taxpayers—who have already invested in excess of $7 billion in the modernization of the Conrail system—would receive the opportunity to invest in Conrail's future.

The Morgan Stanley plan offers the Government an immediate $1.2 billion in cash for the Government's 85 percent interest in Conrail. In addition, th Morgan Stanley plan offers the Government stock purchase warrants in Conrail worth a minimum of $24 million over a 10-year term. In the event that the value of Conrail's stock appreciates beyond conservative estimates, the stock warrants to be received by the Government would be of much greater value.

There has been some dispute over another major difference between the Morgan Stanley proposal and the Norfolk Southern bid. The dispute concerns the cost to the Government of the tax losses which would be incurred in the Conrail/Norfolk Southern merger. Morgan Stanley has claimed that $600 million in tax revenues would be lost by virtue of the proposed consolidation with Norfolk Southern; Norfolk Southern admits that the Government would lose tax revenues of approximately $100 million. Under the Morgan Stanley plan, of course, there would be no tax loss at all.

An outside source—one totally uninterested and unaffected by the proposed sale—has now settled this dispute resoundingly in favor of Morgan Stanley's analysis of the consequences. The Congressional Budget Office has completed its review of S. 638—the proposed sale of Conrail to Norfolk Southern—and has concluded that:

• • • the Federal Government would be paid about $1.4 billion in 1986 for the sale of Conrail, would save about $10 million a year in labor protection payments, and *would lose about $.4 billion in tax revenues and $.8 billion in future interest and dividend payments* from Conrail over the 1986-1990 period. (CBO Report, June 6, 1985, p. 1).

Thus, in the course of 5 years, the Government, which received $1.4 billion for the sale of Conrail, would lose $1.2 billion. Astoundingly, the effective purchase price for Conrail under Secretary Dole's proposal would be only $200 million.

This report confirms what I have stated repeatedly throughout the past year—that the sale of Conrail to Norfolk Southern is a giveway, and the purchase price is absurdly low. The report verifies that the revenue losses to the Government principally would result from Norfolk Southern's ability to use Conrail's depreciation deductions to offset taxable income generated by other portions of the merged corporation. Why Norfolk Southern should receive this enormous benefit—to the detriment of American taxpayers who already have contributed so heavily to Conrail's restoration—has never been satisfactorily answered.

The CBO report provides even greater reason for postponing action on the sale of Conrail to Norfolk Southern, so that the transaction can be thoroughly scrutinized, and can be fairly compared with the alternative proposal presented by Morgan Stanley.

Mr. President, I ask unanimous consent the the CBO June 6 report on the sale of Conrail to the Norfolk Southern be printed in the RECORD.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

U.S. CONGRESS,
CONGRESSIONAL BUDGET OFFICE,
Washington, DC, June 6, 1985.

HON. JOHN C. DANFORTH,
Chairman, Committee on Commerce, Science and Transportation, U.S. Senate, Dirksen Senate Office Building, Washington, DC.

DEAR MR. CHAIRMAN: The Congressional Budget Office has reviewed S. 638, the Conrail Sale Amendments of 1985, as ordered reported by the Senate Committee on Commerce, Science and Transportation, April 30, 1985. The bill provides for the transfer of Conrail to the private sector and cancellation of the federal government's interest in Conrail debt and preferred stock, as detailed in the Memorandum of Intent between the United States and Norfolk Southern Corporation. This letter provides an estimate of the budget impacts of S. 638 through fiscal year 1990, as required by Section 403 of the Congressional Budget Act of 1974.

If this bill is enacted, we estimate that the federal government would be paid about $1.4 billion in 1986 for the sale of Conrail, would save about $10 million a year in labor protection payments, and would lose about $0.4 billion in tax revenues and $0.8 billion in future interest and dividend payments from Conrail over the 1986-1990 period. There are, however, a number of uncertainties surrounding this estimate and they are discussed in detail below. Also, this estimate does not adjust future year budget effects to account for the time value of money. Moreover, this estimate does not represent an economic analysis of the proposed sale, which would extend farther into the future and would encompass a number of other factors, including whether or not the government should be in the railroad business. CBO is currently preparing such an analysis, and we will be pleased to share it with you when it is completed later this year.

BUDGET IMPACT

CBO, in conjunction with the Joint Committee on Taxation (JCT), has estimated

the budgetary impact of S. 638 compared to the situation if no legislation is enacted. In the latter case, we have assumed that the United States continues to hold its interest in the common stock of Conrail, labor protection payments continue to be made by the federal government, Conrail does not pay state or federal taxes, and interest on debentures and dividends on preferred stock are paid to the federal government, according to the 1979 financing agreement between Conrail and the United States Railway Association (USRA).

Compared to this base case, the legislation would affect the budget in four ways:

(1) The government would receive payments from Norfolk Southern for the purchase of the Conrail common stock now held by the government;

(2) The government would save future labor protection costs, which would be borne by Norfolk Southern and other railroads acquiring divested properties;

(3) The government would lose future interest on debentures and dividends on preferred stock, which it would be entitled to receive from Conrail under the 1979 financing agreement;

(4) The government would lose tax revenues because of Norfolk Southern's acquisition of Conrail.

We will discuss each of these effects separately in the remainder of this letter.

PURCHASE PRICE

Under the terms of the Memorandum of Intent, the Norfolk Southern Corporation agrees to pay the federal government, on the closing date, a cash purchase price of $1.2 billion plus any cash and temporary investments held by Conrail that exceed $800 million. For the purposes of this estimate, CBO has assumed a closing date of January 1, 1986. At the end of December 1985, we estimate that Conrail will have cash on hand of approximately $1 billion and that the Norfolk Southern Corporation would make a one-time total cash payment to the federal government of about $1.4 billion in fiscal year 1986.

LABOR PROTECTION PAYMENTS

The bill would eliminate labor protection payments currently made by the federal government, except to those individuals who are eligible prior to the sale. Labor protection payments to employees laid off after the sale would be covered by the Norfolk Southern Corporation and other railroads acquiring divested properties. The outlay savings to the government from eliminating the federal labor protection payments would be approximately $2 million in 1986, and $10 million annually from 1987 through 1990.

INTEREST AND DIVIDEND LOSS

The bill would also cancel Conrail's debt and preferred stock now held by the federal government. The federal government, through the USRA, currently owns $851 million of debentures, $2.3 billion of Conrail Series A, and $32 million of Series B preferred stock. Conrail is required to pay interest, dividends, and principal to the government under terms specified in the Amended and Restated Financing Agreement between USRA and Conrail of 1979. Generally, under this agreement, Conrail is required to make payments once its cumulative net income exceeds $500 million; the amount of the annual payments then is either the amount of cumulative net income (excluding payments) over $500 million or one-half of the previous year's net income, whichever is lower. We estimate that if the United States were to retain ownership of Conrail, payments to the federal government would begin in 1988. These payments would be slightly less than $0.3 billion in each year, totaling approximately $0.8 billion from 1988 through 1990. (Such payments would continue after 1990, assuming that Conrail would remain profitable, but the amounts paid might differ.) If S. 638 is enacted, the government would not receive these payments. Offsetting receipts would thus be $0.8 billion lower and net outlays correspondingly higher over the 1988-1990 period. (This same result would occur from any sale of Conrail that involves cancellation of Conrail's debt to the federal government.)

TAX REVENUES

The Joint Committee on Taxation estimates revenue losses to the federal government of approximately $0.1 billion annually from 1987 through 1990, as a result of a sale to Norfolk Southern. (The JCT has indicated that as more information becomes available, revisions may be necessary.) CBO has reviewed and concurs with these revenue estimates. These revenue losses would arise primarily because of Norfolk Southern's ability to use Conrail's depreciation deductions to offset taxable income generated by other portions of the merged corporation. A portion of the revenue losses would also result from the deductibility of Norfolk Southern's proposed payment to Conrail employees for outstanding wage claims. These losses are partially offset by a revenue increase resulting from Conrail's likely shift from leasing to purchasing equipment, if sold to Norfolk Southern. The details of the revenue estimate are discussed below.

KEY ASSUMPTIONS

The budgetary impact of the sale is based on several key assumptions:

(1) Net Income Projections—estimates of Conrail's net income critically affect both the estimate of payments of interest and dividends to the government and the estimate of tax losses;

(2) Revenue Estimating Issues—a series of legal and economic assumptions concerning the tax effects of the sale strongly influence the revenue estimate.

These assumptions are discussed in more detail below.

NET INCOME

CBO's estimate of Conrail's net income in the absence of a sale is based on an analysis provided by USRA on April 1, 1985. That report essentially adjusted projections prepared by Conrail. CBO then made both technical and economic adjustments to the USRA estimates. Two technical adjustments to operating income were necessary. First, USRA assumed that Conrail would make all labor protection payments after 1984; we assume that, in the absence of a sale, the federal government would continue to make labor protection payments and Conrail would not bear such costs. Second, USRA assumed that Conrail would begin to pay state taxes in 1985; we assume that, in the absence of a sale, Conrail would continue to pay no state taxes. These adjustments increase Conrail's net operating income by $40 million annually.

In addition to these technical changes, CBO adjusted USRA's projections for operating income to make them consistent with the macroeconomic assumptions in the Senate-passed 1986 budget resolution. USRA's scenario forecasts a recession for 1986 and 1987, with a 42 percent decrease in net income between 1985 and 1986. The economic assumptions underlying the 1986 budget resolution do not include an explicit recession assumption. In order to adjust operating income to reflect this difference, CBO started with USRA's 1985 net operating income (including technical adjustments) and increased 1986 and 1987 income to reach the adjusted USRA 1988 level. After 1988, the last year in which USRA forecast net income, CBO assumed a 5 percent annual increase in net operating income, approximately the same as used for the previous years.

CBO also adjusted USRA's estimate of non-operating income. USRA assumed no interest income on Conrail's cash over $500 million. CBO estimated that interest income would be earned on all of Conrail's cash on hand, and would be earned at interest rates consistent with those used in the Senate-passed budget resolution. Under these assumptions, Conrail's projected net income would be about $500 million in 1986, rising gradually to about $600 million in 1990.

While estimated net income significantly affects both payments to the government and revenue losses, these effects are partially offsetting. For example, if USRA's recession assumptions were adopted, resulting in lower Conrail net income, the total payments forgone by the government if Conrail is sold would decrease from $0.8 billion to $0.7 billion over the 1986-1990 period. Tax losses from the sale, however, would increase from $0.4 billion to $0.5 billion over the same period.

REVENUE ESTIMATING ISSUES

Estimating the revenue effects of the legislation raises a number of issues that have not been completely resolved. The potential availability of Conrail's approximately $3 billion in future depreciation deductions to offset future Norfolk Southern taxable income is of greatest significance to the estimates. A second issue with large revenue implications is the treatment of Norfolk Southern's proposed $375 million financial settlement with Conrail labor. The third issue is the extent to which aggregate leasing in the economy will change as a result of the sale. Certain assumptions regarding these issues, described below, were required for estimating purposes. A more complete discussion of the revenue issues surrounding the proposed sale can be found in *Description of Revenue Provisions of H.R. 1930 and Background Relating to Proposed Transfer to Norfolk Southern Corporation*, a JCT print.

Conrail's depreciation deductions can be used to offset Norfolk Southern's income if the fair market value of the assets being depreciated is at least equal to 85 percent of their value for tax purposes. Were it instead determined that the fair market value was less than 85 percent of the value of the assets for tax purposes, Norfolk Southern's ability to offset nonConrail income could be limited through the so-called "built-in loss limitation" provisions of the tax code. To our knowledge an appraisal of fair market value does not exist. Additionally, it is not clear how such an appraisal should be prepared. Fair market value determined on an asset-by-asset basis might differ from the value of the railroad as a going concern, subject to various contractual, regulatory, and legal constraints.

The Department of the Treasury has indicated that the difference between the proposed purchase price and the value of the assets for tax purposes suggests that the built-in loss limitation would apply; it has

not concluded this with certainty. On the other hand, Norfolk Southern claims that it will be able to use the full depreciation deductions and has presented some materials to substantiate its claim. While this matter would probably be settled in the audit and judicial process, an assumption is necessary in order to construct revenue estimates. In the absence of any direct evidence that the fair market value of Conrail's assets is some identifiable amount less than 85 percent of their tax value, the JCT assumed that Norfolk Southern would not be limited in its use of Conrail's depreciation deductions. If it were instead assumed, for illustrative purposes, that the fair market value of the assets was equal to only 75 percent of their value for tax purposes, the revenue loss from the sale would be reduced by $0.2 billion over the 1986-1990 period (assuming that Norfolk Southern would lease equipment to allow more rapid access to built-in losses).

A second major set of assumptions concerns Norfolk Southern's agreement to pay $375 million to Conrail employees and beneficiaries of Conrail's Employee Stock Ownership Plan (ESOP). This payment will be made, under terms that are not yet final, in exchange for the ESOP's stock interest in Conrail as well as for the settlement of outstanding wage claims. The ESOP portion of this agreement, however, cannot be implemented without further legislation. Both the termination of the ESOP plan and any distributions from the plan to beneficiaries before 1991 are prohibited by current law, and S. 638 contains no provisions allowing such changes. For this reason, the JCT has estimated no revenue effect from the ESOP portion of the $375 million.

Two issues must be resolved to estimate the revenue effect of the wage claim portion of the labor settlement: what portion of the $375 million is attributable to the wage settlement and whether the payment is deductible by Norfolk Southern. The JCT attributed $212 million of the $375 million settlement to the ESOP, assuming that it would receive the same price as the government for its interest in Conrail—$48 per share. The JCT further assumed that the resulting value of the wage settlement ($163 million) would be fully deductible when paid by Conrail as a subsidiary of Norfolk Southern. Ordinarily, such a payment would be deductible; in the context of this transaction, however, the payment, particularly if made directly by Norfolk Southern, could be construed as part of the purchase price, and hence not deductible. It is reasonable to assume, nevertheless, that Conrail would take the position on its tax return that the wage payment is deductible (whether paid out of Conrail's existing funds or after a constructive contribution of funds by Norfolk Southern).

The net revenue loss from the wage settlement is the difference between the revenues lost by deductibility and those gained by taxing the employees receiving the payments. This cost estimate treats the settlement of $163 million in this fashion. If, instead, the entire $375 million were allocated to the wage payment portion of the settlement, the revenue loss would increase by $0.1 billion over the 1986-1990 period.

Conrail has traditionally financed most of its equipment through leveraged lease transactions—transferring some of the tax benefits associated with ownership to lessors—and is likely to continue to do so if no sale occurs. Conrail, as a Norfolk Southern Subsidiary, is likely to purchase and depreciate future capital additions. If Conrail's current lessors find other lessees to replace business attributable to Conrail, no additional tax revenue is raised by Conrail not leasing. If on the other hand, the total amount of equipment leasing drops and lessors increase investments in currently taxable obligations, there would be a revenue increase. In preparing this estimate, the JCT assumed that the volume of leasing would be reduced and thus revenues increased. If, instead, total equipment leasing in the economy were assumed to remain constant, effectively increasing claimable depreciation deductions, the total revenue loss would be $0.2 billion higher over the 1986-1990 period.

ESTIMATED COST TO STATE AND LOCAL GOVERNMENTS

This bill could increase revenues to state governments by an estimated $25-30 million annually. More than 50 percent of the revenues would be collected by Pennsylvania, New York, Ohio, and New Jersey. In 1981, Conrail was exempted by law from paying state taxes until a sale occurred. In January 1985, however, the corporation voluntarily offered to begin paying taxes to the states, with the condition that they make no attempts in the future to recoup revenues forgone from 1981 through 1984. No state has accepted this offer to date, but Conrail is holding funds in escrow to pay 1985 taxes. Since Conrail is not currently paying these taxes and is not required to pay them in the absence of a sale, our base case analysis assumes that no payments would be made.

If you wish further details on this estimate, we will be pleased to provide them.

With best wishes,

Sincerely,

RUDOLPH G. PENNER,
Director.

DEALING WITH TERRORISM

Mr. DIXON. Mr. President, once again Beirut is in the headlines. Once again, innocent Americans have been taken hostage. Once again, this Nation is outraged by the actions of osme thug terrorists who victimize American citizens to further their own political agenda. Once again, a brave, young American serviceman has lost his life.

Among the passengers on TWA flight 847 were at least 34 Illinoisans. Like many of the other passengers, they were returning from a vacation. Like all of the others, they were and are entitled to safe transportation, free from gun-toting maniacs with hand grenades.

There is absolutely no good reason for the terror and brutality to which they have all been subjected. No cause justifies this kind of action. Lebanon will never have peace so long as it condones and supports this kind of outrageous and immoral behavior.

I am grateful that some of the Illinois hostages have been released. I know, however, that they will not truly feel free until everyone is released. I share their concern, their hopes, and their prayers for those still hostage.

My heart goes out to them and to their families. One of the worst horrors of terrorism is that its ripple effects spread far beyond those who are the direct victims. Their families, and indeed, the entire Nation, are also terribly affected.

We've been here before, Mr. President—the hostage crisis in Iran, the bombing of the Marine barracks, the attack on the American Embassy annex in Beirut, the kidnapping of innocent Americans from the streets of Beirut, including people like Father Jenco who were in Lebanon trying to help the people of that nation—and now, the hijacking of flight 847.

The progression of terrorist incidents continues to grow. To make matters worse, the United States appears unable to end the pernicious cycle.

Mr. President, it is clear that bold new measures must be put into place to stem the growing tide of attacks against innocent Americans abroad, especially in the Mideast. It is time to suggest remedial measures which the United States and our allies might adopt even as the present crisis continues.

In that vein, Mr. President, I have several suggestions to make. First, the United States should work with its allies to upgrade security procedures at airports worldwide. Yesterday, in letters to Secretaries Shultz and Dole, which Senator PAUL SIMON, other members of the Illinois delegation and I sent, we urged specific measures. In those letters, we suggested that the United States ask governments in the Mediterranean region for an immediate reassessment of their security practices and for improvements where warranted. We also urged that our Nation request an accounting by the Government of Greece for security procedures at the Athens airport that have been known to be deficient for several years.

Congressmen DANTE FASCELL and DANIEL MICA have written a similar letter to Secretary Shultz suggesting—

An international boycott to and from Greece for and until such time as they are prepared to abide by minimum international standards for airport security.

The British Airline Pilots Association and the U.S. Airline Pilots Associaton have stated that such a ban would be instituted. I support their efforts. A service boycott may be the ony way to make the point that we will no longer tolerate grossly inadequate airport security.

TWA and other airlines operating out of Athens airport reportedly have installed their own x ray and metal detecting equipment at Athens airport to safeguard their passengers. I applaud this step, Mr. President, but it, obviously, wasn't sufficient to prevent this tragedy. For that reason, I believe that American-flag carriers should strengthen their own, independent security procedures at Athens and all

other airports in that turbulent region.

In this regard, American carriers, the United States, and other governments can learn a great deal about precautionary steps from Israel's El Al Airlines. Israel, after all, is constantly besieged by terrorist attacks, but El Al has never suffered from a successful hijacking attempt. Given the serious pressures El Al confronts, it is clear that we can learn a great deal from their experience.

Additional steps can be taken. We should, for example, go back to the program of placing armed personnel on commercial aircraft. We did that at one time, and it worked well. We should try it again.

Roughly $36 million of the sums appropriated this year for aid to Lebanon has not yet been obligated. Ironically, some of the assistance was meant to benefit regions in which there are substantial numbers of Shi'ites. The United States should consider suspension of that money, at least until the current crisis is over and innocent Americans are returned to their families.

Mr. President, I feel the time has come for us to retaliate against terrorist acts. Obviously, we have to do this on a selective basis, but we simply can't continue to turn the other cheek. We must take decisive and meaningful action to let terrorists know we mean business about dealing with outlaws who don't respect law and order.

I am confident that the State Department is working around the clock to gain the release of our hostages. I fully support the administration in these efforts. As these efforts continue, I would suggest that the State Department make every attempt to keep the families of the hostages informed of important developments. As I stated before, they, no less than the hostages themselves, are also victims of terrorism.

Finally, Mr. President, with respect to Beirut, experts in the intelligence community agree that our information-gathering abilities are woefully inadequate. After all, we still do not know where Father Jenco is. The State Department has expressed uncertainty during the past few days about developments at the Beirut airport and the whereabouts of the hostages. We need to upgrade our intelligence capabilities there, Mr. President, without a doubt.

I intend to follow events in Beirut very carefully, Mr. President. My staff and I are constantly in touch with officials at the State Department and the White House. If it becomes necessary to legislate some of the suggestions I have made today, I will introduce such legislation. We simply cannot allow these tragedies to recur.

In closing, Mr. President, I would like to add my prayers to those of all Americans who hope for the safe, and swift, release of all the hostages in Beirut.

CONGRATULATIONS TO ROBERT McCOLLY

Mr. BAUCUS. Mr. President, today I want to recognize the outstanding work Robert McColly has done for rural electric cooperatives in Montana and the Missouri basin.

Mr. McColly recently received the Distinguished Service Award for 1985 from the Northwest Public Power Association. This award is given to people who have given generously of their time and talents to further public power. During his more than 20 years with public power, Mr. McColly has shown great leadership and dedication to rural electric cooperatives.

The McColly grain and cattle operation headquarters is 15 miles north of Hinsdale, MT, where his father, John McColly, homesteaded in 1911.

Robert McColly has been on the board of directors of Valley Electric for more than 20 years. He is past president of Central Montana Electric Power Co-op that supplies wholesale power to 12 electric systems in Montana. He is also a past president of the Midwest Electric Consumers Association of Evergreen, CO.

In addition to his involvement with energy issues, McColly keeps close tabs on the use of our land. He has served as president of the North Valley Grazing District Board several times, and he is past president of the Montana Association of State Grazing Districts. He has also served on the grazing advisory board for the Bureau of Land Management.

McColly remembers when power came to his rural community in the late 1940's.

He recently said:

> The most beautiful thing that I ever saw, contrary to what some people think nowdays, was when the contractor started building that power line into the ranch. I can't think of anything prettier than that was, and I still think so today because of the advantages we have had with electricity as a hired hand for our farm and ranch operation.

I would like to join the rural electric co-ops in saluting Mr. McColly for his dedicated efforts in bringing electric power to our rural communities.

INTERNATIONAL TERRORISM: THE NUCLEAR DIMENSION

Mr. CRANSTON. Mr. President, as the attention of our Nation and the world remains riveted on the events in Beirut, it is sobering indeed to consider the possibility of the ultimate terrorism—that which puts at risk the lives not merely of dozens or hundreds of hostages—but of whole cities and nations. I am speaking of the threat of nuclear terrorism—a danger that has grown all the more real in recent years.

It is important to consider this danger now because it increases as terrorists win the support of radical states and the significant resources and capabilities that come with such support. This is the ultimate nightmare, one that could trigger a nuclear exchange between the superpowers, and we may drift into it unless meaningful steps are taken promptly to prevent it from happening.

For this reason, I wish to call the attention of the Senate to an international conference that soon will be held in Washington to assess the risk of nuclear terrorism and the actions needed for effective prevention and response.

On June 24 and 25, Nuclear Control Institute in Washington, DC, and the State University of New York [SUNY] Institute for Studies in International Terrorism will cosponsor a conference, "International Terrorism: The Nuclear Dimension," at the Sheraton-Carlton Hotel, Washington, DC.

The conference will assess the threat of state supported and substate nuclear terrorism. Four international panels of experts on terrorism and on civilian and military nuclear programs will provide an interdisciplinary approach to the problem.

The invited audience includes members of the multinational business community, itself a principal target of international terrorism, as well as American and foreign government officials, representatives of law-enforcement and corporate-security agencies, and experts in emergency management and disaster relief.

The conference is pertinent to such policy and program areas as:

Existing laws and regulations governing nuclear security and safeguards, limitations on nuclear liability, and controls over nuclear and other high-technology exports; protection of industrial installations and population centers against acts of mass destruction; emergency management and disaster relief; protection of nuclear facilities against insider and external threats; security of nuclear weapons; and use of nuclear explosive materials in civilian power and research programs.

The conference cosponsors, in explaining the need to explore the potential for nuclear terrorism, cite a statement by President Reagan in a recent interview (Washington Post, April 1, 1985):

> [T]here is increasing evidence that some terrorists in the world are actually emissaries of sovereign governments. . . . There are a number of groups, representing different interests. Sometimes they apparently collaborate and its a new form of warfare.

Mr. President, I commend the efforts behind this conference.

INDIVIDUAL TREBLE DAMAGE RESPONSIBILITY BILL

Mr. DECONCINI. Mr. President, I join Senator THURMOND in supporting enactment of the individual treble damage responsibility bill that he introduced with my cosponsorship on June 13. Senator THURMOND'S consistent and able leadership of the Judiciary Committee has proved invaluable in previous efforts to explore potential solutions to the problem of unfairness in antitrust. It is a tribute to his leadership that the Individual Treble Damage Responsibility Act comes to the Senate with much of the groundwork already established for action on this important reform. I am proud to lend my support to this bipartisan effort.

As Senator THURMOND pointed out in his statement, other approaches have been suggested to solve the problem of fundamental unfairness. Contribution rights, claim reduction requirements, or providing discretion to the U.S. district courts to adjust damage awards have all been suggested. Contribution and claim reduction have well-recognized complexity problems. Discretionary reduction of damage awards might create as many judicial standards as we have judges. None of these approaches can provide the certainty and clarity of the approach contained in this bill. The Individual Treble Damage Responsibility Act would forthrightly establish simple, clear and basic rules by which all could be guided, while maintaining the flexibility to allow individual cases to be decided on their merits.

It is clear that the time is ripe for Senate action. The unfairness of "whipsaw" tactics is a problem that has been identified clearly and studied extensively. The Congress is thoroughly familiar with the problems, the issues, and the potential solutions. The case for action has been made. The approach contained in this bill is preferable to other proposals debated over the years, and will serve to enhance respect for the law while maintaining the purpose of the antitrust law.

I join Senator THURMOND in urging my colleagues to support enactment of the Individual Treble Damage Responsibility Act of 1985.

I ask unanimous consent that a copy of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1300

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Clayton Act (15 U.S.C. 12 et seq.) is amended by inserting after section 4H the following new section:

"SEC. 41. (a) The liability of any person under section 4 or 4C of this Act shall be limited to threefold the actual damages attributable to such person's purchases or sales of goods or services, where—

"(1) liability is based upon such person's participation in a contract, combination, or conspiracy among competitors, and

"(2) damages awarded are based upon the impact on price of such contract, combination, or conspiracy.

"(b) Subsection (a) shall not apply to that portion of damages—

"(1) attributable to any person that is beyond the jurisdiction of the United States District Courts, and

"(2) which a claimant is unable to recover due to the financial incapacity of any person to satisfy a judgment for such damages.".

SEC. 2. The provisions of this Act shall apply to all actions commenced under section 4 or 4C of the Clayton Act after the date of enactment of this Act.

RESPONSE OF GREEK GOVERNMENT

Mr. PRESSLER. Mr. President, as chairman of the Subcommittee on European Affairs of the Foreign Relations Committee, I feel a responsibility to allow the Greek Government to respond to some of the questions raised about airport security. There is some unfair anger directed against Greece. Therefore, it is appropriate to include in the RECORD a statement from the Embassy of Greece.

Mr. President, I ask unanimous consent that the statement issued today by the Greek Embassy be inserted in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

[From the Embassy of Greece, Office of Press and Information, Washington, DC]

REBUTTAL OF ENTIRELY UNFOUNDED ACCUSATIONS OF LAX SECURITY AT ATHENS AIRPORT—GREEK GOVERNMENT ACHIEVED RELEASE OF 68 HOSTAGES, MOSTLY AMERICANS

It is with much regret and concern that we are obliged to rebut TV and press reports alleging a lack of adequate security at Greek airports.

It is a matter for deep resentment on the part of Greece that it should be made the scapegoat for a tragic event such as the hijacking of TWA flight 847, an event which has placed so many human lives in jeopardy.

It is recalled that on August 1, 1984 in Paris, and on March 27 of this year in Munich, aircraft of Air France and Lufthansa were hijacked, despite all the security measures in force at those airports. Nobody thought on those occasions to accuse France or West Germany of failing to take proper security precautions. Nor did anyone urge the International Air Transport Authority to suspend flights to those countries.

The fact is that the security measures in force at Greek airports are in every way similar to those in effect at other European airports and conform with international standards prescribed by the competent civil aviation authorities. And those measures have been and will continue to be strictly enforced.

In the TWA hijack incident, the passengers had gone through the normal double checking process: once by Greek security agents and a second time by TWA itself and its own people responsible for security.

The director of National Airport in Washington D.C. confirmed in a comment today on CBS Morning News on the incident that, despite the strict security operated at National Airport, the hijacking could just as well have taken place in aircraft departing from there. He said that, no international airport in the world, including National airport in the U.S. Capital, could guarantee the prevention of hijacking, no matter how strict the security measures might be, since one has to deal with people determined to achieve their objective.

We equally reject criticism of our decision to release the Lebanese terrorist, Atwa Ali Reda, who had been promptly arrested after he had failed to board the TWA plane with two of his Shi'ite partners.

We stress that the Greek Government negotiated for the freeing not only of seven Greek passengers held on the hijacked plane in Algiers, but for all passengers. The release of 68 passengers, including at least 46 American citizens, was finally achieved.

The effectiveness of the exchange was vividly described in the Washington Post on June 17, 1985 by an Australian headmaster, Bill Henderson, who was freed on Saturday and watched as the exchanged hostages were allowed to go free after the arrival of their "brother" from Athens.

Mr. Henderson said that the Greek Government negotiated over the airplane's radio with the hijackers, which finally agreed to free 68 passengers, mostly Americans, including all women aboard.

We feel these false and totally unfounded accusations are both damaging and insulting to those who are concerned with saving innocent lives, and who have exerted every human possible effort towards that end.

Mr. QUAYLE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. DOLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER OF PROCEDURE

Mr. DOLE. Mr. President, I indicate to my colleagues that we will in the next few minutes call up H.R. 2577, the supplemental appropriations bill, for the fiscal year ending September 30, 1985; and I indicate that we may work into the evening and probably quite late tomorrow night, and hopefully complete action on this bill by 3 o'clock on Friday afternoon. I urge Members who are directly involved to come to the floor. I urge Members who feel compelled or who have amendments, to be prepared to offer those amendments. It is my understanding that the managers of the bill would like to move as quickly as they can, obviously. So I hope we can complete action on that legislation.

I also indicate that between now and the completion of this matter, it is my hope that we can reach a time agree-

ment on the so-called gun bill, S. 49. If not, I can assure Members that will be laid down early on Monday without a time agreement. If we are not able to reach a time agreement today because of objection on this side of the aisle to the small business authorization bill, we still are hopeful that prior to the July 4 recess we can reach an agreement on the SBA bill and complete the coin bill next week, along with any available nominations.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. HATFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. HUMPHREY). Without objection, it is so ordered.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Morning business is closed.

SUPPLEMENTAL APPROPRIATIONS, 1985

Mr. HATFIELD. Mr. President, I ask unanimous consent that the Senate now turn to the consideration of H.R. 2577, the supplemental appropriations bill.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

A bill (H.R. 2577) making supplemental appropriations for the fiscal year ending September 30, 1985, and for other purposes.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Oregon?

There being no objection, the Senate proceeded to consider the bill which had been reported from the Committee on Appropriations, with amendments, as follows:

(The parts of the bill intended to be stricken are shown in boldface brackets, and the parts of the bill intended to be inserted are shown in italics.)

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, to provide supplemental appropriations for the fiscal year ending September 30, 1985, and for other purposes, namely:

TITLE I

CHAPTER I

DEPARTMENT OF AGRICULTURE

OFFICE OF THE SECRETARY

(RESCISSION)

Of available funds under this head, $69,000 are rescinded pursuant to section 2901 of the Deficit Reduction Act of 1984.

DEPARTMENTAL ADMINISTRATION

(RESCISSION)

Of available funds under this head, for budget and program analysis, $21,000; for personnel, finance and management, operations, information resources management, equal opportunity, small and disadvantaged business utilization, and administrative law judges and judicial officer, $128,000; making a total of $149,000, are rescinded pursuant to section 2901 of the Deficit Reduction Act of 1984.

AGRICULTURAL RESEARCH SERVICE

(RESCISSION)

Of available funds under this head, $1,000,000 are rescinded pursuant to section 2901 of the Deficit Reduction Act of 1984.

COOPERATIVE STATE RESEARCH SERVICE

For an additional amount for necessary expenses of "Cooperative State Research Service", $300,000.

[For an additional amount for a grant under the Act of August 4, 1965, as amended (7 U.S.C. 450i) to the New Mexico State University to help relocate the Fort Stanton Experimental Station to another site, thereby making available land needed for a new Ruidoso airport; $1,200,000 to remain available until expended, to be available only upon the legislative transfer of the land from the Bureau of Land Management to the Sierra Blanca Airport Commission or the Village of Ruidoso and upon the enactment of an amendment to the law establishing the airport improvement fund which will permit Airport Trust Funds to help reimburse New Mexico for its investment.]

For an additional amount for a grant to the New Mexico State University to help relocate the Fort Stanton Experimental Station to another site, thereby making available land needed for a new Ruidoso airport, $1,200,000 to remain available until expended: Provided, That payment to the New Mexico State University in the amount of $1,000,000 for its real or personal property interest is hereby determined to be an allowable project cost in accordance with section 513 of the Airport and Airway Improvement Act of 1982 (49 U.S.C. 2212): Provided further, That the Secretary of the Interior is authorized and directed to convey to the Sierra Blanca Airport Commission (hereinafter referred to as the "Commission"), Ruidoso, New Mexico, at a cost of $2.50 per acre (to be used for administrative costs) all right, title, and interest of the United States in and to the public lands aggregating approximately 1,666 acres in Lincoln County, New Mexico, a tract of land located within section 1, 2, 10, 11 and 12, T1OS, R14E, N.M.P.M., and within section 5, 6, and 7, T1OS, R1OE, N.M.P.M., along with adequate right-of-way across Federal lands for suitable access from State and local highways to such tract, to be used for the purpose of a regional public airport. The conveyance required by this Act shall be completed within 120 days of the request for such conveyance by the Commission following enactment of this Act and shall be subject to such reasonable terms, limitations, and conditions as may be specified by the Secretary of Transportation. As soon as practicable after the date of enactment of this Act, the Secretary of the Interior, in cooperation with the Secretary of Transportation, shall submit a map and legal description of the public lands designated above to the Committee on Energy and Natural Resources of the Senate and the Committee on Agriculture and the Committee on Interior and Insular Affairs of the House of Representatives. Such map and legal description shall have the same force and effect as if included in this Act, except that any clerical or typographical error in such map or legal description may be corrected. The Secretary of the Interior and the Secretary of Transportation shall each place such map and legal description on file, and make them available for public inspection, in the Department of the Interior and the Department of Transportation. They are reserved to the United States all minerals that may be found in the lands described above, together with the right of the United States, its permittees, lessees, or grantees, at any time, to prospect for, mine and remove such minerals, provided that the exercise of this right shall not interfere with the development, protection, or operation of any airport located on the land conveyed.

For an additional amount for graduate fellowship grants under section 1417 of Public Law 95-113, as amended (7 U.S.C. 3152), $2,000,000.

For an additional amount for a grant under the Act of August 4, 1965, as amended (7 U.S.C. 450i(c)) to Mississippi State University to conduct a program for and to promote research excellence in the area of warmwater aquaculture, including such lands, buildings, and equipment as may be necessary to carry out the program, $3,500,000 to remain available until expended.

ANIMAL AND PLANT HEALTH INSPECTION SERVICE

(INCLUDING RESCISSION)

For an additional amount for the Federal share of the cooperative boll weevil eradication program, not to exceed $650,000; and for an additional amount [to restore funds borrowed from other programs in order to conduct a grasshopper control program, $10,000,000] *to conduct a grasshopper control program, not to exceed $19,000,000, including such amounts as may be necessary to restore funds borrowed from other programs.*

Of available funds under this head, $400,000 are rescinded pursuant to section 2901 of the Deficit Reduction Act of 1984.

ECONOMIC RESEARCH SERVICE

(INCLUDING RESCISSION)

For an additional amount for the Economic Research Service to determine the losses suffered by United States farm producers of agricultural products during the last decade as a result of embargoes on the sale of United States agricultural products and the failure to offer for sale in world markets commodities surplus to domestic needs at competitive prices for use in determining what part of existing indebtedness of farmers should be suspended as a result of such foreign policy, *or for use in determining what market initiatives would be appropriate for the purpose of regaining sales of United States agricultural products lost as a result of such foreign policy,* $500,000.

Of available funds under this head, $50,000 are rescinded pursuant to section 2901 of the Deficit Reduction Act of 1984.

STATISTICAL REPORTING SERVICE

(INCLUDING RESCISSION)

For an additional amount for "Statistical Reporting Service", $1,560,000, for the Quarterly Farm Labor Survey.

Of available funds under this head, $100,000 are rescinded pursuant to section 2901 of the Deficit Reduction Act of 1984.

AGRICULTURAL MARKETING SERVICE

MARKETING SERVICES

(INCLUDING RESCISSION)

For an additional amount of $850,000 for the egg products inspection program.

Of available funds under this head, $150,000 are rescinded pursuant to section 2901 of the Deficit Reduction Act of 1984.

PACKERS AND STOCKYARDS ADMINISTRATION

(RESCISSION)

Of available funds under this head, $85,000 are rescinded pursuant to section 2901 of the Deficit Reduction Act of 1984.

AGRICULTURAL STABILIZATION AND CONSERVATION SERVICE

[Effective May 1, 1985, none of the funds in this or any other Act shall be available to close or relocate any State or county office of the Agricultural Stabilization and Conservation Service.]

Effective May 1, 1985, none of the funds appropriated to the Agricultural Stabilization and Conservation Service for fiscal year 1985 in this or any other Act shall be available to close or relocate any State or county office of the Agricultural Stabilization and Conservation Service: Provided, That this shall not prevent the Department of Agriculture from conducting a study on improvements in program management, program delivery, and common support activities.

FEDERAL CROP INSURANCE CORPORATION

SUBSCRIPTION TO CAPITAL STOCK

To enable the Secretary of the Treasury to subscribe and pay for capital stock of the Federal Crop Insurance Corporation, as provided in section 504(a) of the Federal Crop Insurance Act of 1980 (7 U.S.C. 1504), $50,000,000.

FEDERAL CROP INSURANCE CORPORATION FUND

For emergency borrowing authority as authorized by section 516(d) of the Federal Crop Insurance Act, as amended (Public Law 96-365), $113,000,000 shall be available to the Federal Crop Insurance Corporation.

COMMODITY CREDIT CORPORATION

REIMBURSEMENT FOR NET REALIZED LOSSES

For an additional amount to reimburse the Commodity Credit Corporation for net realized losses sustained, but not previously reimbursed, pursuant to the Act of August 17, 1961 (15 U.S.C. 713a-11, 713a-12), $3,935,790,000.

[OFFICE OF RURAL DEVELOPMENT POLICY

[Of the funds made available by Public Law 98-473 for the Office of Rural Development Policy, $209,000 shall remain available until September 30, 1986.]

FARMERS HOME ADMINISTRATION

SALARIES AND EXPENSES

For an additional amount for "Salaries and expenses", [$17,000,000, to provide for the review of farm loans held by the Farmers Home Administration to determine, on a case-by-case basis, which borrowers are unable to continue making payments of principal and interest due to circumstances beyond their control and, thereby, qualify for temporary deferral of principal and interest and the foregoing of foreclosure as authorized by law. Upon presentation of substantial evidence to the Secretary that a borrower qualifies, payment of principal and interest shall be suspended and the Secretary shall forego foreclosure of loans owed to the Federal Government, as authorized by law. Other creditors shall be requested to postpone payments due] *$16,866,000.*

LOAN PROGRAMS

Effective November 12, 1983, and thereafter, *upon request of the borrower,* the interest rate charged by the Farmers Home Administration to housing, farm, water and waste disposal, and community facility borrowers shall be the lower of the rates in effect at either the time of loan approval or loan closing and any Farmers Home Administration grant funds associated with such loans shall be set in amount based on the interest rate in effect at the time of loan approval.

RURAL ELECTRIFICATION ADMINISTRATION

(RESCISSION)

Of available funds under this head, $100,000 are rescinded pursuant to section 2901 of the Deficit Reduction Act of 1984.

SOIL CONSERVATION SERVICE

(RESCISSION)

Of available funds under this head, $2,000,000 are rescinded on a pro rata basis pursuant to section 2901 of the Deficit Reduction Act of 1984.

FOOD AND NUTRITION SERVICE

CHILD NUTRITION PROGRAMS

Upon request to the Secretary of Agriculture, any school district receiving all cash or all letters of credit in lieu of commodities under the school lunch program on January 1, 1985, shall continue to receive all cash in lieu of commodities or all letters of credit in lieu of commodities through the school year ending June 30, 1986. Such school districts shall receive bonus commodities in the same manner as such commodities are made available to any other school district participating in the school lunch program.

[FEEDING PROGRAM FOR WOMEN, INFANTS AND CHILDREN (WIC)

[The appropriation for the feeding program for women, infants and children (WIC) contained in the conference agreement on H.R. 5743 (House Report 98-1071), as enacted into law by reference in Public Law 98-473, is hereby amended by striking out ", which shall be available only to the extent an official budget request is transmitted to the Congress".]

FOOD STAMP PROGRAM

(INCLUDING RESCISSION)

For an additional amount for "Food stamp program", $318,856,000*: Provided further, That notwithstanding any other provision of law, the provisions of subsections (f) and (i) of section 3 and section 10 of the Food Stamp Act of 1977, as amended, concerning private, nonprofit drug addiction or alcohol treatment and rehabilitation programs, shall henceforth also be applicable to publicly operated community health centers.*

Of available funds under this head, $5,000,000 are rescinded pursuant to section 2901 of the Deficit Reduction Act of 1984.

TEMPORARY EMERGENCY FOOD ASSISTANCE PROGRAM

For necessary expenses for States and local agencies to carry out the distribution of surplus commodities under the Temporary Emergency Food Assistance Act of 1983 (7 U.S.C. 612c note), [$4,270,000] *$10,000,000 to remain available until expended.*

NATIONAL COMMODITY PROCESSING PROGRAM

Notwithstanding section 212 of the Temporary Emergency Food Assistance Act of 1983 (7 U.S.C. 612c note), section 203 of such Act shall remain in effect through June 30, 1986.

FOREIGN AGRICULTURAL SERVICE

(RESCISSION)

Of available funds under this head, $100,000 are rescinded pursuant to section 2901 of the Deficit Reduction Act of 1984.

CHAPTER II

DEPARTMENT OF COMMERCE

GENERAL ADMINISTRATION

SALARIES AND EXPENSES

(INCLUDING RESCISSION)

For an additional amount for "Salaries and expenses", [$992,000] *$369,000,* to remain available until expended.

Of available funds under this head, $499,000 are rescinded pursuant to section 2901 of the Deficit Reduction Act of 1984.

BUREAU OF THE CENSUS

SALARIES AND EXPENSES

(RESCISSION)

Of available funds under this head, $241,000 are rescinded pursuant to section 2901 of the Deficit Reduction Act of 1984.

PERIODIC CENSUS AND PROGRAMS

(RESCISSION)

Of available funds under this head, $791,000 are rescinded pursuant to section 2901 of the Deficit Reduction Act of 1984.

ECONOMIC AND STATISTICAL ANALYSIS

SALARIES AND EXPENSES

(RESCISSION)

Of available funds under this head, $433,000 are rescinded pursuant to section 2901 of the Deficit Reduction Act of 1984.

ECONOMIC DEVELOPMENT ADMINISTRATION

SALARIES AND EXPENSES

(RESCISSION)

Of available funds under this head, $120,000 are rescinded pursuant to section 2901 of the Deficit Reduction Act of 1984.

INTERNATIONAL TRADE ADMINISTRATION

PARTICIPATION IN UNITED STATES EXPOSITIONS

(RESCISSION)

Of available funds under this head, $6,000 are rescinded pursuant to section 2901 of the Deficit Reduction Act of 1984.

MINORITY BUSINESS DEVELOPMENT AGENCY

MINORITY BUSINESS DEVELOPMENT

(RESCISSION)

Of available funds under this head, $305,000 are rescinded pursuant to section 2901 of the Deficit Reduction Act of 1984.

UNITED STATES TRAVEL AND TOURISM ADMINISTRATION

SALARIES AND EXPENSES

(RESCISSION)

Of available funds under this head, $468,000 are rescinded pursuant to section 2901 of the Deficit Reduction Act of 1984.

NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION

OPERATIONS, RESEARCH, AND FACILITIES

For an additional amount for "Operations, research, and facilities", $126,100,000, to remain available until expended: Provided, That $125,000,000 shall be available for commercialization of the Landsat system pursuant to Public Law 98-365 upon written agreement of the Secretary of Commerce with the Administrator of the National Aeronautics and Space Administration for conversion and launch of two land remote sensing satellites at a total cost to the National Oceanic and Atmospheric Administration of not to exceed $44,900,000.

FISHERMEN'S CONTINGENCY FUND

For an additional amount for "Fishermen's Contingency Fund", $500,000, for carrying out the provisions of title IV of Public Law 95-372, as amended, to be derived from receipts collected pursuant to that Act, to remain available until expended.

FISHERMEN'S GUARANTY FUND

For an additional amount for "Fishermen's Guaranty Fund", $2,500,000.

[FISHERIES LOAN FUND

[(RESCISSION)

[Of available funds under this head, $1,550,000 are rescinded.]

FEDERAL SHIP FINANCING FUND, FISHING VESSELS

For necessary expenses of the "Federal Ship Financing Fund, Fishing vessels", $20,700,000, to remain available until expended together with such sums as may be necessary for the payment of interest, for payment to the Secretary of the Treasury for debt reduction.

PATENT AND TRADEMARK OFFICE

SALARIES AND EXPENSES

(RESCISSION)

Of available funds under this head, $1,472,000 are rescinded pursuant to section 2901 of the Deficit Reduction Act of 1984.

NATIONAL BUREAU OF STANDARDS

SCIENTIFIC AND TECHNICAL RESEARCH AND SERVICES

(RESCISSION)

Of available funds under this head, $1,019,000 are rescinded pursuant to section 2901 of the Deficit Reduction Act of 1984.

NATIONAL TELECOMMUNICATIONS AND INFORMATION ADMINISTRATION

SALARIES AND EXPENSES

(RESCISSION)

Of available funds under this head, $183,000 are rescinded pursuant to section 2901 of the Deficit Reduction Act of 1984.

PUBLIC TELECOMMUNICATIONS FACILITIES, PLANNING, AND CONSTRUCTION

(RESCISSION)

Of the funds made available under this head, $32,000 are rescinded pursuant to section 2901 of the Deficit Reduction Act of 1984.

RELATED AGENCIES

DEPARTMENT OF TRANSPORTATION

MARITIME ADMINISTRATION

OPERATIONS AND TRAINING

[(DISAPPROVAL OF DEFERRAL)]

(RESCISSION AND DISAPPROVAL OF DEFERRAL)

Of available funds under this head, $888,000 are rescinded pursuant to section 2901 of the Deficit Reduction Act of 1984.

The Congress disapproves the proposed deferral D85-54 relating to the Department of Transportation, Maritime Administration, "Operations and Training" as set forth in the message of February 6, 1985, which was transmitted to the Congress by the President.

[GENERAL PROVISION

[None of the funds provided in this or any other Act shall be used for the enforcement of any rule with respect to the repayment of construction differential subsidy for the permanent release of vessels from the restrictions in section 506 of the Merchant Marine Act, 1936, as amended: *Provided*, That such funds may be used to the extent such expenditure relates to a rule which conforms to statutory standards hereafter enacted by Congress.]

FEDERAL COMMUNICATIONS COMMISSION

SALARIES AND EXPENSES

The Federal Communications Commission is authorized to expend such funds as may be required in fiscal years 1986 and 1987 out of appropriations for fiscal years 1986 and 1987 for the Federal Communications Commission, not to exceed $5,000,000, to relocate its Fort Lauderdale, Florida, Monitoring Station within the State of Florida, to include all necessary expenses such as options to purchase land, acquisition of land, leaseback of the present monitoring station pending acquisition and construction of a new monitoring station, architectural and engineering services, construction of a new monitoring station and related facilities, moving expenses, and all other costs associated with the relocation of the monitoring station and personnel.

The Federal Communications Commission shall promptly declare the present monitoring station (including land and structures which will not be relocated) excess to the General Services Administration for disposition. Notwithstanding sections 203 and 204 of the Federal Property and Administrative Services Act of 1949, as amended, the General Services Administration shall sell such property and structures on an expedited basis, including provisions for lease-back as required, and shall compensate the Commission from the proceeds of the sale all costs associated with the relocation of the Fort Lauderdale Monitoring Station to another location, not to exceed $5,000,000.

Any excess funds received by the General Services Administration from the sale of the present property, less any funds reimbursed to the Federal Communications Commission, and less normal and reasonable charges by the General Services Administration for costs associated with the sale of the present property, shall be deposited to the general fund of the Treasury.

The authority under this Act with respect to the relocation of the Fort Lauderdale Monitoring Station shall (1) extend through fiscal year 1987, and (2) be in addition to any limits on expenditures for land and structures specified in the Commission's appropriation for fiscal years 1986 and 1987.

Notwithstanding the provisions of the preceding paragraphs under this head regarding relocation of the Fort Lauderdale, Florida, Monitoring Station, the Federal Communications Commission and the General Services Administration shall not take any action pursuant to such paragraphs committing funds for any purpose or disposing of the Federal lands and facilities for such station until the Chairman of the Commission and the General Administrator of the Administration shall (1) jointly prepare and submit to the Committees on Appropriations, the Committee on Energy and Commerce and the Committee on Government Operations of the House of Representatives and the Committee on Commerce, Science, and Transportation and the Committee on Governmental Affairs of the Senate, a letter or other document setting forth in detail provisions and procedures for such acquisition, construction, and disposition which reasonably carry out the provisions of these paragraphs expeditiously, but will not disrupt or defer any programs or regulatory activities of the Commission or adversely affect any employee of the Commission (other than those at the Monitoring Station who may be required to transfer to another location) through the use of appropriations for the Commission in fiscal years 1986 and 1987, and (2) wait a minimum of 30 calendar days for review by such Committees. Any reimbursed funds received by the Commission from the Administration pursuant to these paragraphs shall remain available until expended.

FEDERAL TRADE COMMISSION

SALARIES AND EXPENSES

For an additional amount for "Salaries and Expenses", $3,811,000, to remain available until September 30, 1986.

SMALL BUSINESS ADMINISTRATION

SALARIES AND EXPENSES

(RESCISSION)

Of available funds under this head, $27,601,000 are rescinded, *of which $3,781,000 are rescinded pursuant to section 2901 of the Deficit Reduction Act of 1984.*

[BUSINESS LOAN AND INVESTMENT FUND

[For additional capital for the "Business Loan and Investment Fund", $27,601,000, to remain available without fiscal year limitation.]

DEPARTMENT OF JUSTICE

GENERAL ADMINISTRATION

SALARIES AND EXPENSES

(RESCISSION)

Of available funds under this head, $166,000 are rescinded pursuant to section 2901 of the Deficit Reduction Act of 1984.

[WORKING CAPITAL FUND

[(RESCISSION)

[All funds made available under this head in Public Law 98-411 are rescinded.

[UNITED STATES PAROLE COMMISSION

[SALARIES AND EXPENSES

[For an additional amount for "Salaries and Expenses", $100,000.]

LEGAL ACTIVITIES

SALARIES AND EXPENSES, GENERAL LEGAL ACTIVITIES

(INCLUDING RESCISSION)

For an additional amount for "Salaries and expenses, general legal activities", [$874,000] *$574,000.*

Of available funds under this head, $470,000 are rescinded pursuant to section 2901 of the Deficit Reduction Act of 1984.

SALARIES AND EXPENSES, ANTITRUST DIVISION

(RESCISSION)

Of available funds under this head, $65,000 are rescinded pursuant to section 2901 of the Deficit Reduction Act of 1984.

SALARIES AND EXPENSES, UNITED STATES ATTORNEYS AND MARSHALS

(INCLUDING TRANSFER OF FUNDS AND RESCISSION)

For an additional amount for "Salaries and expenses, United States attorneys and marshals", $12,103,000, of which $4,165,000 shall remain available until September 30, 1986, and in addition $3,000,000 to be derived by transfer from the "Working Capital Fund".

Of available funds under this head, $889,000 are rescinded pursuant to section 2901 of the Deficit Reduction Act of 1984.

SUPPORT OF UNITED STATES PRISONERS

In Public Law 98-411 delete the appropriation language under the heading "Support of United States Prisoners" and substitute the following:

For support of United States prisoners in non-Federal institutions, $53,240,000; and in addition, $10,000,000 shall be available under the Cooperative Agreement Program for the purposes of renovating, construct-

ing, and equipping State and local correctional facilities: *Provided*, That amounts made available for constructing any local correctional facility shall not exceed the cost of constructing space for the average Federal prisoner population to be housed in the facility, or in other facilities in the same correctional system, as projected by the Attorney General: *Provided further*, That following agreement on or completion of any federally assisted correctional facility construction, the availability of the space acquired for Federal prisoners with these Federal funds shall be assured and the per diem rate charged for housing Federal prisoners in the assured space shall not exceed operating costs for the period of time specified in the cooperative agreement.

FEES AND EXPENSES OF WITNESSES

(INCLUDING TRANSFER OF FUNDS AND RESCISSION)

For an additional amount for "Fees and expenses of witnesses", [$1,300,000] *$800,000*, and in addition, $1,500,000 to be derived by transfer from the Support of United States Prisoners: *Provided*, That of the amount appropriated under the above head for fiscal year 1985, not to exceed $850,000 shall be available for planning, construction, renovation, and repair of buildings for protected witness facilities: *Provided further, That restitution of not to exceed $25,000 shall be paid to the estate of victims killed as a result of crimes committed by persons who have been enrolled in the Federal witness protection program if such crimes were committed within two years after protection was terminated, notwithstanding any limitations contained in part (a) of section 3525 of title 18 of the United States Code.*

Of available funds under this head, $309,000 are rescinded pursuant to section 2901 of the Deficit Reduction Act of 1984.

ASSETS FORFEITURE FUND

For expenses authorized by 28 U.S.C. 524, as amended by the Comprehensive Forfeiture Act of 1984, such sums as may be necessary to be derived from the Department of Justice Assets Forfeiture Fund: *Provided*, That in the aggregate, not to exceed $5,000,000 shall be available for expenses authorized by subsections (c)(1)(B), (c)(1)(E), and (c)(1)(F) of that section.

SALARIES AND EXPENSES, COMMUNITY RELATIONS SERVICE

(RESCISSION)

Of available funds under this head, $43,000 are rescinded pursuant to section 2901 of the Deficit Reduction Act of 1984.

INTERAGENCY LAW ENFORCEMENT

ORGANIZED CRIME DRUG ENFORCEMENT

For an additional amount for "Organized Crime Drug Enforcement", $635,000.

FEDERAL BUREAU OF INVESTIGATION

SALARIES AND EXPENSES

(INCLUDING RESCISSION)

For an additional amount for "Salaries and expenses", $1,500,000: Provided, That $10,000,000 provided in Public Law 98-166 for the relocation of the Washington field office within the District of Columbia shall remain available until expended: Provided further, That of the amounts appropriated under this head for fiscal year 1985, not to exceed an additional $35,000,000 for automated data processing and telecommunications shall remain available until September 30, 1986.

Of available funds under this head, $3,505,000 are rescinded pursuant to section 2901 of the Deficit Reduction Act of 1984.

DRUG ENFORCEMENT ADMINISTRATION

SALARIES AND EXPENSES

(INCLUDING RESCISSION)

For an additional amount for "Salaries and expenses", [$3,300,000] *$20,000,000.*

Of available funds under this head, $876,000 are rescinded pursuant to section 2901 of the Deficit Reduction Act of 1984.

IMMIGRATION AND NATURALIZATION SERVICE

SALARIES AND EXPENSES

(INCLUDING RESCISSION)

The appropriation under the heading "Salaries and expenses" in Public Law 98-411 is amended by inserting the following before ": *Provided*": "and of which not to exceed $6,586,000 for construction shall remain available until [expended] *September 30, 1986*".

Of available funds under this head, $947,000 are rescinded pursuant to section 2901 of the Deficit Reduction Act of 1984.

FEDERAL PRISON SYSTEM

SALARIES AND EXPENSES

(INCLUDING TRANSFER OF FUNDS AND RESCISSION)

For an additional amount for "Salaries and expenses", Federal Prison System, $900,000, and in addition, $2,183,000 to be derived by transfer from "Support of United States Prisoners".

Of available funds under this head, $451,000 are rescinded pursuant to section 2901 of the Deficit Reduction Act of 1984.

NATIONAL INSTITUTE OF CORRECTIONS

(RESCISSION)

Of available funds under this head, $894,000 are rescinded pursuant to section 2901 of the Deficit Reduction Act of 1984.

BUILDINGS AND FACILITIES

(RESCISSION)

Of available funds under this head, $13,000 are rescinded pursuant to section 2901 of the Deficit Reduction Act of 1984.

OFFICE OF JUSTICE PROGRAMS

JUSTICE ASSISTANCE

(INCLUDING RESCISSION)

Of the unobligated funds available under the "Justice assistance" account for the Juvenile Justice and Delinquency Prevention Act, $800,000 shall be made available for Emergency Federal Law Enforcement Assistance authorized by Public Law 98-473, notwithstanding the provisions of sections 222(b), 223(b), and 228(e) of title I of the Juvenile Justice and Delinquency Prevention Act, as amended.

Of available funds under this head, $2,031,000 are rescinded pursuant to section 2901 of the Deficit Reduction Act of 1984.

[LEGAL SERVICES CORPORATION

[PAYMENT TO THE LEGAL SERVICES CORPORATION

[For an additional amount for "Payment to the Legal Services Corporation" for a grant for the establishment of the Gillis W. Long Poverty Law Center at the Loyola University School of Law in New Orleans, $4,000,000, to remain available until expended.]

RELATED AGENCIES

COMMISSION ON THE BICENTENNIAL OF THE UNITED STATES CONSTITUTION

SALARIES AND EXPENSES

For necessary expenses of the Commission on the Bicentennial of the United States Constitution, authorized by Public Law 98-101 (97 Stat. 719-723), $331,000 to remain available until expended: *Provided*, That the Department of Justice shall be reimbursed for all salaries and other expenses incurred by the Department directly related to the establishment of the Commission.

COMMISSION ON CIVIL RIGHTS

SALARIES AND EXPENSES

In the appropriation language under the above head in Public Law 98-411, the amounts earmarked are revised as follows: hearings, legal analysis and legal services are increased to $2,063,000; publications preparation and dissemination is decreased to $747,000; Federal evaluation is decreased to $1,011,000; and, the clearinghouse library is decreased to $397,000.

LEGAL SERVICES CORPORATION

PAYMENT TO THE LEGAL SERVICES CORPORATION

Effective January 1, 1985, the twelfth proviso under this head in Public Law 98-166 relating to compensation of members of the Board of Directors of the Legal Services Corporation is amended by inserting "and for other official purposes" immediately following "to attend Board meetings". In addition, the exception contained in the first proviso under this head in Public Law 98-411 is amended by inserting after "except that" the following: "beginning after December 31, 1984, the proviso relating to the compensation of the Board of Directors of the Legal Services Corporation in Public Law 98-166 is amended by inserting 'and for other official purposes' immediately following 'to attend Board meetings';".

DEPARTMENT OF STATE

ADMINISTRATION OF FOREIGN AFFAIRS

SALARIES AND EXPENSES

(INCLUDING TRANSFER OF FUNDS AND RESCISSION)

For an additional amount for "Salaries and Expenses", $73,342,000, and in addition, [$13,779,000] *$11,781,000* to be derived by transfer from "Contributions to International Organizations", to remain available until September 30, 1986*: Provided, That the Secretary of State shall report to the appropriate committees in Congress on the obligation of security funds every 30 days from the date of enactment of this Act.*

Of available funds under this head, $2,432,000 are rescinded pursuant to section 2901 of the Deficit Reduction Act of 1984.

ACQUISITION, OPERATION, AND MAINTENANCE OF BUILDINGS ABROAD

For an additional amount for "Acquisition, Operation, and Maintenance of Buildings Abroad", [$167,579,000] *$170,579,000*, to remain available until expended.

ACQUISITION, OPERATION, AND MAINTENANCE OF BUILDINGS ABROAD

(SPECIAL FOREIGN CURRENCY PROGRAM)

For an additional amount for "Acquisition, Operation, and Maintenance of Buildings Abroad (Special Foreign Currency Program)", $2,000,000, to remain available until expended.

[EMERGENCIES IN THE DIPLOMATIC AND CONSULAR SERVICE

[For an additional amount for "Emergencies in the Diplomatic and Consular Service", $2,000,000, to remain available until expended, for rewards for information concerning terrorist acts in accordance with section 86, State Department Basic Authorities Act of 1956, as amended (Public Law 98-533).]

PAYMENT TO THE FOREIGN SERVICE RETIREMENT AND DISABILITY FUND

For an additional amount for "Payment to the Foreign Service retirement and disability fund", $5,399,000.

INTERNATIONAL COMMISSIONS

INTERNATIONAL FISHERIES COMMISSIONS

(TRANSFER OF FUNDS)

For an additional amount for "International Fisheries Commissions", $2,000,000, to be derived by transfer from "Contributions to International Organizations".

OTHER

FISHERMEN'S PROTECTIVE FUND

For expenses necessary to carry out provisions of the Fishermen's Protective Act of 1967 as amended, $1,000,000, to remain available until expended.

RELATED AGENCIES

ARMS CONTROL AND DISARMAMENT AGENCY

ARMS CONTROL AND DISARMAMENT ACTIVITIES

For an additional amount for "Arms Control and Disarmament Activities", [$3,946,000] *$4,321,000. Of the amounts appropriated for the Arms Control and Disarmament Agency for fiscal year 1985, not to exceed an additional $10,000 shall be available for official reception and representation expenses.*

BOARD FOR INTERNATIONAL BROADCASTING

GRANTS AND EXPENSES

[For an additional amount for the Board for International Broadcasting, "Grants and Expenses", $13,753,000: *Provided*, That notwithstanding] *Notwithstanding* section 8(b) of the Board for International Broadcasting Act of 1973, as amended, the amounts placed in reserve, or which would be placed in reserve, in fiscal year 1985 pursuant to that section, shall be available to the Board for carrying out that Act [until September 30, 1986], of which (1) $4,900,000 shall be for the purpose of upgrading the pension benefits of pre-1976 Radio Free Europe/Radio Liberty retirees and widows; [and (2)] *(2) $2,275,000 shall be used for upgrading the security of RFE/RL installations, and (3)* the balance shall be applied toward the [Radio Free Europe/Radio Liberty] capital modernization plan.

The appropriation under this head in Public Law 98-411 is amended by striking ": Provided" through "vacant".

COMMISSION ON SECURITY AND COOPERATION IN EUROPE

SALARIES AND EXPENSES

For an additional amount for "Salaries and expenses", $150,000.

UNITED STATES INFORMATION AGENCY

SALARIES AND EXPENSES

(RESCISSION)

Of available funds under this head, [$3,879,000] *$433,000* are rescinded *pursuant to section 2901 of the Deficit Reduction Act of 1984.*

EDUCATIONAL AND CULTURAL EXCHANGE PROGRAMS

Of the funds made available under this head in Public Law 98-411, $3,800,000 for the pilot Central American Undergraduate Scholarship program shall remain available until [September 30, 1986] *January 30, 1986; and for an additional amount under this head for the Central American Scholarship program only, $9,000,000, to remain available until June 30, 1986.*

[ACQUISITION AND CONSTRUCTION OF RADIO FACILITIES

[For an additional amount for "Acquisition and Construction of Radio Facilities", $6,648,000, to remain available until expended.]

THE JUDICIARY

SUPREME COURT OF THE UNITED STATES

CARE OF THE BUILDING AND GROUNDS

Funds appropriated under this head in the Second Supplemental Appropriations Act, 1984 (Public Law 98-396), for the installation of security systems, shall be made available also for the acquisition and installation of additional communications equipment by the Office of the Marshal, Supreme Court of the United States: *Provided further*, That said equipment shall be under the jurisdiction of and maintained by the Office of the Marshal after its installation.

COURTS OF APPEALS, DISTRICT COURTS, AND OTHER JUDICIAL SERVICES

SALARIES OF JUDGES

For an additional amount for "Salaries of judges", $3,098,000, to remain available until September 30, 1986.

SALARIES OF SUPPORTING PERSONNEL

For an additional amount for "Salaries of supporting personnel", $5,548,000, to remain available until September 30, 1986.

DEFENDER SERVICES

For an additional amount for "Defender services", [$21,992,000] *$17,575,000*, to remain available until expended.

FEES OF JURORS AND COMMISSIONERS

For an additional amount for "Fees of jurors and commissioners", $1,700,000, to remain available until expended.

EXPENSES OF OPERATION AND MAINTENANCE OF THE COURTS

(INCLUDING RESCISSION)

For an additional amount for "Expenses of operation and maintenance of the courts", $13,526,000, of which $11,300,000 is to remain available until expended.

Of available funds under this head, $4,417,000 are rescinded.

SPACE AND FACILITIES

For an additional amount for "Space and facilities", $2,384,000, to remain available until September 30, 1986.

COURT SECURITY

For an additional amount for "Court security", $1,492,000, to remain available until September 30, 1986.

ADMINISTRATIVE OFFICE OF THE UNITED STATES COURTS

SALARIES AND EXPENSES

For an additional amount for "Salaries and expenses", $86,000.

FEDERAL JUDICIAL CENTER

SALARIES AND EXPENSES

For an additional amount for "Salaries and expenses", $51,000.

GENERAL PROVISION

Effective on the first day of the first applicable pay period commencing on or after January 1, 1985, each rate of pay subject to adjustment by section 461 of title 28, United States Code, shall be increased by an amount, rounded to the nearest multiple of $100 (or if midway between multiples of $100, to the next higher multiple of $100), equal to the overall percentage of the adjustment taking effect under section 5305 of title 5, United States Code, in the rates of pay under the General Schedule during fiscal year 1985.

RELATED AGENCY

UNITED STATES SENTENCING COMMISSION

SALARIES AND EXPENSES

For the salaries and expenses necessary to carry out the provisions of chapter 58 of title 28, United States Code, $2,350,000, to remain available until expended.

CHAPTER III

DEPARTMENT OF DEFENSE—MILITARY

[OPERATION AND MAINTENANCE

[OPERATION AND MAINTENANCE, NAVY

[From funds previously appropriated and made available under this heading in other Appropriation Acts, the Secretary of the Navy may make payments of not to exceed $1,500,000 for expenses of the Commission on Merchant Marine and Defense as authorized in section 1536 of the Department of Defense Authorization Act, 1985 (Public Law 98-525).]

PROCUREMENT

AIRCRAFT PROCUREMENT, NAVY

[(TRANSFER OF FUNDS)]

Of the amount available to the Department of Defense within the ["Shipbuilding and Conversion, Navy, 1982/1986"] *"Aircraft Procurement Navy, 1985/1987"* appropriation, [$240,000,000] *$38,400,000* shall be [transferred to the "Aircraft Procurement, Navy, 1985/1987" appropriation] *available* for the modification of A-6E aircraft. [Such funds shall be made available for this purpose only after the enactment of appropriate authorizing legislation.]

SHIPBUILDING AND CONVERSION, NAVY

(TRANSFER OF FUNDS)

Of the amounts available to the Department of Defense within "Shipbuilding and Conversion, Navy, 1981/1985", $6,240,000 shall be transferred to the United States Coast Guard, "Acquisition, construction, and improvements", for polar icebreaker repair.

HUMANITARIAN ASSISTANCE FOR NICARAGUAN DEMOCRATIC RESISTANCE

(TRANSFER OF FUNDS)

(a) For humanitarian assistance to the Nicaraguan democratic resistance, $38,000,000, notwithstanding section 405 of the International Security and Development Cooperation Act of 1985 as contained in S. 960 (Ninety-ninth Congress, first session) or any other provision of law, of which $14,000,000 shall be derived by transfer from funds made available in the Department of Defense Appropriations Act, 1985 (Public Law 98-473), to remain available until September 30, 1986: Provided, That these funds may be obligated and expended by the President only for humanitarian assistance: Provided further, That no other materiel assistance may be provided to the Nicaraguan democratic resistance, directly or indirectly, by any agency or instrumentality of the Government of the United States from any funds under its control or otherwise available to it unless an additional request is presented to Congress by the President and then only to the extent it is approved as provided under this heading.

(b)(1) As used herein, the term "humanitarian assistance" means the provision of food, clothing, medicine, other humanitarian assistance, and transportation associated with delivery of such assistance. Such term does not include weapons, weapons systems, ammunition, or any other equipment or materiel which is designed, or has

as its purpose, to inflict serious bodily harm or death.

(2) The President shall direct the National Security Council to monitor the use of funds appropriated under this heading.

(3) Nothing in this heading shall be construed to impair or limit in any way the oversight powers of the Congress.

(4) Nothing under this heading precludes sharing or collection of necessary intelligence information by the United States.

(5) Subsections 8066 (a) and (b) of the Department of Defense Appropriations Act, 1985 (as enacted in Public Law 98-473), and section 801 of the Intelligence Authorization Act for fiscal year 1985 (Public Law 98-618) are hereby repealed.

(c) The President is hereby urged and requested—

(1) to pursue vigorously the use of diplomatic and economic measures to resolve the conflict in Nicaragua, including simultaneous negotiations to—

(A) implement the Contadora Document of Objectives of September 8, 1983, and

(B) develop, in close consultation and cooperation with other nations, trade and economic measures to complement the economic sanctions of the United States imposed by the President on May 1, 1985, and to encourage the Government of Nicaragua to take the necessary steps to resolve the conflict,

(2) to suspend the economic sanctions imposed by the President on May 1, 1985, and the United States military maneuvers in Honduras and off the coast of Nicaragua if the Government of Nicaragua agrees (A) to a cease fire, (B) to open a dialogue with all elements of the opposition, including the Nicaraguan democratic resistance, and (C) to suspend the state of emergency in Nicaragua;

(3) to call upon the Nicaraguan democratic resistance to remove from their ranks any individuals who have engaged in human rights abuses; and

(4) to resume bilateral discussions with the Government of Nicaragua with a view to encouraging—

(A) a church-mediated dialogue between the Government of Nicaragua and all elements of the opposition, including the Nicaraguan democratic resistance, in support of internal reconciliation as called for by the Contadora Document of Objectives; and

(B) a comprehensive, verifiable agreement among the nations of Central America, based on the Contadora Document of Objectives.

(d) The President shall submit a report to the Congress 90 days after the enactment of this Act, and every 90 days thereafter, on any actions taken to carry out the activities for which funds are appropriated under this heading. Each such report shall include (1) a detailed statement of the progress made, if any, in reaching a negotiated settlement referred to in section (d)(1), (2) a detailed accounting of the disbursements made to provide humanitarian assistance with the funds appropriated under this heading, and (3) a statement of the steps taken by the Nicaraguan resistance to comply with the request referred to in section (c)(3).

(e)(1) If the President determines at any time after the date of the enactment of this Act that negotiations based on the Contadora Document of Objectives of September 8, 1983, have failed to produce an agreement, or if other trade and economic measures have failed to resolve the conflict in Central America, the President may ask the Congress for additional assistance for the Nicaraguan democratic resistance in such amount and of such a nature as the President considers appropriate. The President shall include in any such request a detailed statement as to why the negotiations or other measures have failed to resolve the conflict in the region.

(2) A joint resolution which is introduced within 3 calendar days after the day on which the Congress receives a Presidential request described in subsection (1) and which, if enacted, would grant the President the authority to take any or all of the actions described in subsection (1) shall be considered in accordance with procedures contained in paragraphs (3) through (7) of subsection (c) of section 8066 of the Department of Defense Appropriations Act, 1985 (as enacted in Public Law 98-473), except that—

(A) references in such paragraphs to the Committee on Appropriations of the Senate and the House of Representatives shall be deemed to be references to the appropriate committee or committees of the Senate and the House of Representatives, respectively; and

(B) amendments to the joint resolution are in order.

(3) This section is enacted by Congress—

(A) as an exercise of the rulemaking power of the Senate and House of Representatives, respectively, and as such it is deemed a part of the rules of each House, respectively, but applicable only with respect to the procedure to be followed in that House in the case of a resolution described in subsection (2), and it supersedes other rules only to the extent that it is inconsistent with such rules; and

(B) with full recognition of the constitutional right of either House to change the rules (so far as related to the procedure of that House) at any time, in the same manner and to the same extent as in the case of any other rules of the House.

GENERAL PROVISIONS

Funds made available for the Civil Air Patrol pursuant to section 8089 of the Department of Defense Appropriation Act of 1985 (Public Law 98-473) may be used to reimburse the Civil Air Patrol for costs incurred in procuring such major items of equipment as the Secretary of the Air Force considers needed by the Civil Air Patrol to carry out its missions.

Section 8091 of the Department of Defense Appropriations Act, 1985 (as contained in section 101(h) of Public Law 98-473; 98 Stat. 1940) is amended by striking out "On or after June 30, 1985" and inserting in lieu thereof "After September 30, 1985".

In lieu of section 8070 of Public Law 98-473 (98 Stat. 1938), insert the following:

"SEC. 8070. None of the funds available to the Department of Defense during the current fiscal year may be used to enter into any contract with a term of eighteen months or more or to extend or renew any contract for a term of eighteen months or more, for any vessel, aircraft or vehicles, through a lease, charter, or similar agreement without previously having been submitted to Committees on Appropriations of the House of Representatives and the Senate in the budgetary process. Further, any contractual agreement which imposes an estimated termination liability (excluding the estimated value of the leased item at the time of termination) on the Government exceeding 50 per centum of the original purchase value of the vessel, aircraft, or vehicle must have specific authority in an appropriation Act for the obligation of 10 per centum of such termination liability.".

None of the funds available to the Department of the Navy may be used to enter into any contract for the overhaul, repair or maintenance of any naval vessel which includes charges for interport differential as an evaluation factor for award.

CHAPTER IV

DEPARTMENT OF DEFENSE—CIVIL

DEPARTMENT OF THE ARMY

CORPS OF ENGINEERS—CIVIL

[For the prosecution of river and harbor, flood control, shore protection, and related projects authorized by laws; and detailed studies, and plans and specifications, of projects (including those for development with participation or under consideration for participation by State, local governments, or private groups) authorized or made available for selection by law (but such studies shall not constitute a commitment of the Government to construction), to remain available until expended, $50,000,000 of Construction, General funds and $1,000,000 of Flood Control, Mississippi River and Tributaries, Arkansas, Illinois, Kentucky, Louisiana, Mississippi, Missouri, and Tennessee funds.

[Red River Chloride Control, Oklahoma and Texas: *Provided*, That section 201 of the Flood Control Act of 1970, as amended by section 153 of the Water Resources Development Act of 1976, is amended by striking out the last sentence under the heading "Arkansas-Red River Basin" and inserting in lieu thereof the following: "Construction shall not be initiated on any element of such project involving the Arkansas River Basin until such element has been approved by the Secretary of the Army. The chloride control projects for the Red River Basin and the Arkansas River Basin shall be considered to be authorized as separate projects, with separate authority under section 203 of the Flood Control Act of 1966, as amended.]

For an additional amount for the prosecution of river and harbor, flood control, shore protection, and related projects authorized by laws; and detailed studies, and plans and specifications, of projects (including those for development with participation or under consideration for participation by State, local governments, or private groups) authorized or made available for selection by law (but such studies shall not constitute a commitment of the Government to construction), to remain available until expended, $48,000,000 for "Construction, general" and $800,000 for "Flood control, Mississippi River and Tributaries, Arkansas, Illinois, Kentucky, Louisiana, Mississippi, Missouri, and Tennessee; of which $7,800,000 shall be derived from the Inland Waterways Trust Fund; except that the Secretary of the Army acting through the Chief of Engineers is authorized and directed to proceed with planning, design, engineering, and construction of the following projects substantially in accordance with the individual report describing such project as shown in the report accompanying H.R. 2577: Atchafalaya Basin Floodway System, Louisiana; Baltimore Harbor and Channel, Maryland and Virginia; Bassett Creek Minnesota; Bonneville Navigation Lock, Oregon and Washington; Dade County, Florida (north of Haulover Beach Park); Eight Mile Creek, Arkansas; Ellicott Creek, New York; Freeport Harbor, Texas (North Jetty); Gallipolis Locks and Dams, Ohio and West Virginia; Gulfport Harbor, Mississippi; Jonesport Harbor, Maine; Kahoma Stream, Hawaii; Liberty

State Park Levee and Seawall, New Jersey; Little Dell Lake, Utah; Locks and Dam 26, Illinois and Missouri (Second Lock), including environmental management along the Upper Mississippi River Basin; Merced County Streams, California; Mississippi River Ship Channel, Gulf to Baton Rouge, Louisiana; Mobile Harbor, Alabama; Moriches Inlet, New York; Norfolk Harbor, Virginia; Richmond Filtration Plant, Virginia; Sacramento River Deep Water Ship Channel, California: Provided, That none of the funds herein appropriated may be expended to undertake such projects except under terms and conditions acceptable to the Secretary of the Army as shall be set forth in binding agreements with non-Federal entities desiring to participate in project construction. Each such agreement shall include a statement that the non-Federal entities are capable of and willing to participate in project cost-sharing and financing in accordance with terms of the agreement. At such time as the Secretary has executed a formal binding agreement and has determined that the non-Federal entities financing plan demonstrates a reasonable likelihood of the non-Federal entities ability to satisfy the terms and conditions of the agreement, the Secretary shall transmit the agreement to the Congress: Provided further, That the Secretary shall initiate construction at a project in accordance with such agreement unless a Joint Resolution disapproving such agreement becomes law within ninety calendar days of the receipt of the agreement by Congress. The ninety-day period shall not include days on which either the House of Representatives or the Senate is not in session because of adjournment for more than three consecutive calendar days: Provided further, That the initiation of inland waterways projects identified for planning, design, engineering, and construction in this Act may be funded from sums available in the Inland Waterways Trust Fund, established by the Inland Waterways Revenue Act of 1978 (title II of Public Law 95-502) notwithstanding the second sentence of section 204 of such Act.

GENERAL INVESTIGATIONS

For an additional amount for "General Investigations", to remain available until expended, $1,200,000 with which the Secretary of the Army, acting through the Chief of Engineers, is directed to undertake studies of the Buffalo Harbor, New York; St. Petersburg Harbor, Florida; Tangier Island, Virginia; South Kohala water supply, Hawaii; West Onslow Beach and New River Inlet, North Carolina; Meredosia, Willow Creek, and Coon Run Drainage and Levee District, Illinois, (AE&D); and a reconnaissance study of the feasibility of making the Wabash River navigable under the authorized Wabash River Basin Comprehensive Study; and in addition, the Secretary of the Army is directed to proceed with the feasibility phase of the Brunswick Harbor, Georgia, study *and the South Metropolitan Atlanta Region, Georgia Study* at full Federal expense, using funds made available in Public Law 98-360[; and in addition, the Secretary of the Army, acting through the Chief of Engineers, is directed to conduct and complete the feasibility phase of the Red River Basin, Arkansas, Texas, Louisiana, and Oklahoma Comprehensive Study and the Arkansas River and Tributaries, South Central and Southeast Areas of Oklahoma Comprehensive Study in accordance with the directives contained in Public Law 98-63 and the House report accompanying this bill.]

(RESCISSION)

Of available funds under this head, $2,000,000 are rescinded pursuant to section 2901 of the Deficit Reduction Act of 1984.

CONSTRUCTION, GENERAL

For an additional amount for "Construction, General", to remain available until expended, $7,500,000 for the construction, at full Federal expense, of facilities at the Mill Creek recreation area of the Tioga-Hammond Lakes project in Pennsylvania which would typically be cost shared, making a special effort to adapt such authorized facilities to the specific needs of the handicapped, provided that local interests develop specialized facilities to include buildings, lodges, demonstration centers, and non-water oriented equipment, and accept full responsibility for operation and maintenance of the entire recreation area which must be made available to the general public[: *Provided*, That the Secretary of the Army, acting through the Chief of Engineers, is authorized and directed to utilize funds heretofore appropriated for Construction, General to carry out engineering and design and acquisition of land for Gallipolis Locks and Dam, Ohio and West Virginia; Locks and Dam 26, Illinois and Missouri Second Lock; Monongahela River, Grays Landing (Lock No. 7), Pennsylvania; Monongahela River, Point Marion (Lock No. 8), Pennsylvania and West Virginia; William Bacon Oliver Lock and Dam, Alabama; Bonneville Navigation Lock, including necessary relocations, Oregon and Washington; and Winfield Lock and Dam, West Virginia]*; and in addition, $15,000,000 to remain available until expended, for construction of the main dam of the Elk Creek Lake, Rogue River Basin, Oregon project as authorized by the River and Harbor and Flood Control Act of 1962, Public Law 87-874.*

(RESCISSION)

Of available funds under this head, $4,000,000 are rescinded pursuant to section 2901 of the Deficit Reduction Act of 1984.

FLOOD CONTROL AND COASTAL EMERGENCIES

For an additional amount for "Flood Control and Coastal Emergencies", [$25,000,000] *$10,000,000*, to remain available until expended.

FLOOD CONTROL, MISSISSIPPI RIVER AND TRIBUTARIES

ARKANSAS, ILLINOIS, KENTUCKY, LOUISIANA, MISSISSIPPI, MISSOURI, AND TENNESSEE

(RESCISSION)

Of available funds under this head, $1,000,000 are rescinded pursuant to section 2901 of the Deficit Reduction Act of 1984.

OPERATION AND MAINTENANCE, GENERAL

[For an additional amount for "Operation and Maintenance, General", to remain available until expended, $2,600,000 with which the Corps of Engineers is directed to construct recreation facilities at Sepulveda Dam, California.]

Within available funds, the Secretary of the Army is directed to use $400,000 to operate and maintain additional streambank stabilization structures in accordance with Section 707 of Public Law 95-625.

(RESCISSION)

Of available funds under this head, $8,000,000 are rescinded pursuant to section 2901 of the Deficit Reduction Act of 1984.

GENERAL PROVISIONS

The Secretary of the Army is directed to construct recreation facilities at the Ouachita and Black Rivers, Arkansas and Louisiana; New Melones Lake, California; Saylorville Lake, Iowa; Copan Lake, Oklahoma; and Sardis Lake, Oklahoma, projects at full Federal expense, in accordance with Public Law 98-360 (H. Rept. 98-866) using funds heretofore or hereafter provided.

Within available funds, the Secretary of the Army, acting through the Chief of Engineers, is authorized and directed to perform necessary channel and associated work in connection with the Turtle Creek, Pennsylvania, local protection project; and shall take such action as may be necessary to remove accumulated snags and other debris blocking the channel of the Hatchie River and its tributaries in the vicinity of Bridge Creek and the Little Hatchie River in Mississippi; and shall take such action as may be necessary to perform necessary channel and associated work in connection with the Glencoe, Alabama, flood control project.

Notwithstanding any existing agreement, within funds otherwise available for the Yazoo Basin, the Corps of Engineers is directed to operate and maintain the McKinney Bayou Pumping Plant in accordance with the provisions of Public Law 678 of the Seventy-fourth Congress, approved June 15, 1936, as amended by Public Law 526 of the Seventy-ninth Congress, approved July 24, 1946, effective after the date of enactment of this Act.

[Section 105 of Public Law 98-360 is amended by striking the words "at a cost not to exceed $450,000", and inserting in lieu thereof, the words "at an estimated cost of $735,000".

[The Secretary of the Army, acting through the Chief of Engineers, is directed to construct the beach erosion control project for Langdon Park, Wilmette, Illinois, under the authority of Section 103 of the River and Harbor Act of 1962, as amended, and in accordance with the cost-sharing provisions in the Final Detailed Project Report, dated September 1983, at a total estimated cost of $270,000.]

Section 14 of the Act of March 3, 1899 (30 Stat. 1152; 33 U.S.C. 408), is amended by inserting a colon in place of the period at the end of the section and inserting thereafter: "*Provided further*, That the Secretary may, on the recommendation of the Chief of Engineers, grant permission for the alteration or permanent occupation or use of any of the aforementioned public works when in the judgment of the Secretary such occupation or use will not be injurious to the public interest and will not impair the usefulness of such work."

The Secretary of the Army is directed to initiate Continuation of Planning and Engineering studies for the Maumee Bay State Park, Ohio, project at full Federal expense, using funds made available in Public Law 98-360.

The Secretary of the Army, acting through the Chief of Engineers, shall grant, within ninety days of enactment of this Act, to the University of Alabama at Huntsville the funds appropriated to the Secretary of the Army pursuant to title I of Public Law 98-50 for the design and construction of a Corps of Engineers learning facility at Huntsville, Alabama. This grant shall be made to the University of Alabama at Huntsville subject to the conditions that the University will convey the grant funds to the Chief of Engineers to design and construct the learning facility on lands owned by the University of Alabama and the completed facility is to be owned and maintained by the University and be operated by the University and the Corps as a joint use facility, all according to such specifications,

terms, and cost sharing arrangements for operation and maintenance as the University of Alabama at Huntsville and the Secretary of the Army, acting through the Chief of Engineers, may agree. The Secretary of the Army, acting through the Chief of Engineers, shall report to the Committees on Appropriations of the United States House of Representatives and the United States Senate on a monthly basis on the status of the required agreements and the construction of the learning facility until such time as the facility is constructed and operational at the University of Alabama at Huntsville.

[The authorization for the Sardis Lake project, Oklahoma, contained in Section 203 of the Flood Control Act of 1962, as amended by Section 108 of the Energy and Water Development Appropriation Act of 1982 is hereby amended to authorize and direct the Secretary of the Army, acting through the Chief of Engineers, to plan, design, and construct access road improvements to the existing road from the west end of Sardis Lake to Daisy, Oklahoma, at an estimated Federal cost of $10,000,000 and the State or political subdivision shall agree to operate and maintain said facilities at their own expense.

[Notwithstanding any other provision of law, the Secretary of the Army, acting through the Chief of Engineers, is hereby authorized to enter into a purchase contract for the acquisition of new buildings and appurtenant facilities for the United States Army Engineer District, Walla Walla, Washington. Such buildings and facilities shall be constructed on a suitable site in the Walla Walla, Washington area, which the Chief of Engineers is authorized to acquire for that purpose. The contract shall provide for the payment of the purchase price, which shall not exceed $12,000,000, and reasonable interest thereon, by lease or installment payments over a period not to exceed 25 years. The contract shall further provide that the title to the building and facilities shall vest in the United States at or before the expiration of the contract term upon fulfillment of the terms and conditions of the contract.]

Section 44 of the Water Resources Development Act of 1974 (Public Law 93-251; 88 Stat. 12) is amended by—

(1) adding at the end of subsection (a) the following:

"TRACT NUMBER 4

"A tract of land situated in the south half of the southwest quarter of section 29, township 152 north, range 91 west of the fifth principal meridian, Mountrail County, North Dakota, being more particularly described as follows:

"Commencing at the southwest corner of said section 29, thence south 89 degrees 54 minutes 28 seconds east a distance of 1,170 feet, thence north 00 degrees 06 minutes 00 seconds east a distance of 280 feet to a point of beginning, said point being the northwest corner of lot 4, block 5, of Olsons First Addition, thence north 00 degrees 09 minutes 00 seconds east a distance of 480 feet to the northwest corner of lot 4, block, 5, Olsons Second Addition, thence south 89 degrees 57 minutes 00 seconds east a distance of 1,468.9 feet, thence south 00 degrees 09 minutes 00 seconds west, along the east line of Olsons Second Addition a distance of 480 feet, to the north line of said Olsons First Addition, thence north 89 degrees 57 minutes 00 seconds west a distance of 1,468.9 feet to a point of beginning. The area herein described contains 16.19 acres, more or less, and is more commonly referred to as 'Olsons Second Addition'."; and

(2) striking out paragraph (2) of subsection (b) and inserting in lieu thereof the following:

"(2)(A) Subject to the provisions of subparagraph (B), the lands conveyed pursuant to this section shall be used by the Mountrail County Park Commission, Mountrail County, North Dakota, for public park and recreation purposes. If any lands used for public purposes are ever used for any other purpose, title thereto shall revert to, and become the property of, the United States which shall have the right to immediate entry thereof.

"(B) The park commission may designate a portion of the lands conveyed for leasing of cabin sites. The Mountrail County Park Commission shall reimburse the Federal Government for lands so used as the fair market value for such property.".

(b) The Secretary of the Army is authorized to execute and file an amended deed to reflect the amendments made by this Act.

Except as otherwise provided in this Act and notwithstanding any other provision of law, the Secretary of the Army shall transfer, without consideration and without warranty of any kind, all rights, title, and interests of the United States in each of the following described lands (including all improvements on such lands) to the municipal corporation serving the inhabitants of such land as soon as possible after the incorporation of such municipal corporation:

(A) The land referred to as Riverdale, North Dakota, consisting of 892 acres, more or less, as depicted on drawing numbered MGR160-2E1, dated November 10, 1981, on file in the office of the district engineer, United States Army Engineer District, Omaha, Nebraska.

(B) The land referred to as Pickstown, South Dakota, consisting of 393 acres, more or less, as depicted on drawing numbered MR315-2E1, dated November 3, 1981, on file in the office of the district engineer, United States Army Engineer District, Omaha, Nebraska.

(C) The land referred to as Fort Peck, Montana, consisting of 571 acres, more or less, as depicted on drawing numbered MFP118-2E, dated October 15, 1981, on file in the office of the district engineer, United States Army Engineer District, Omaha, Nebraska (other than lands used by the Western Reserve Area Power Administration of the Department of Energy).

(2)(A) The provisions of paragraph (1) shall not require the Secretary of the Army to transfer any rights, title, or interests of the United States in any lands, or any improvements on lands, that the Secretary of the Army determines must be retained by the United States in order to enable the United States Army Corps of Engineers to carry out the duties and responsibilities of the United States Army Corps of Engineers.

(B) Any determination made under subparagraph (A) with respect to any land which (but for subparagraph (A)) would be transferred to a municipal corporation pursuant to the provisions of paragraph (1) shall be made by the date that is 30 days after the later of—

(i) date on which such municipal corporation is incorporated, or

(ii) the date of enactment of this Act.

Such determinations shall be published in the Federal Register.

(b) None of the lands described herein (including improvements on such lands) may be declared to be excess property (within the meaning of section 3(e) of the Federal Property and Administrative Services Act of 1949).

(c) Notwithstanding any other provision of law, no limitations or restrictions (other than those which arise from rights described in subsection (d)) shall apply to the use or disposition of any land (including any improvements on such land) transferred to a municipal corporation pursuant to the provisions of this paragraph.

(d) Nothing herein shall deprive any person (other than the United States) of any right-of-way, mining claim, grazing permit, water right, or other right or interest such person may have in any land transferred pursuant to the provisions of this paragraph.

(e) Upon the request of any municipal corporation described herein the Secretary of the Army shall provide assistance to such municipal corporation—

(1) in appraising the land and improvements transferred to such municipal corporation pursuant to the provisions of this paragraph, and

(2) in completing any subsequent transfers of such lands or improvements by such municipal corporation.

(f) Upon the request of any municipal corporation described herein, the Secretary of the Army shall enter into an agreement with such municipal corporation under which—

(1) the Secretary of the Army will provide maintenance and operational services with respect to the land and improvements transferred to such municipal corporation pursuant to the provisions of this paragraph after the date of such transfer for a period which is not to exceed 3 years, and

(2) such municipal corporation will reimburse the Secretary of the Army for the expenses incurred by the Secretary of the Army after the date of such transfer in providing such services.

The Secretary of the Army, acting through the Chief of Engineers, is authorized to design, construct, operate, and maintain a Federal project for reduction of both flood damage and navigation maintenance on the Toutle, Cowlitz and Columbia Rivers, Washington. Specifically, the Secretary of the Army, acting through the Chief of Engineers is authorized to construct a single stage retention structure near the confluence of the Toutle and Green Rivers with such design features as the Chief of Engineers determines to be advisable, including justified measures to mitigate for adverse environmental impacts associated with the project; except that, based on the results of Continuation of Planning and Engineering studies, the Secretary of the Army may select and implement a staged sediment retention structure at the confluence of the Toutle and Green Rivers or dredging alternative on the Toutle, Cowlitz and Columbia Rivers if he determines that continuing monitoring of sedimentation and further analysis of benefits and costs provide compelling and convincing new evidence to justify selection of a staged retention structure or dredging alternative.

Prior to initiation of measures authorized by this section, non-Federal interests shall agree to:

(1) convey or otherwise provide to the United States, all lands, easements, and rights-of-way which the Chief of Engineers determines to be necessary for project construction and maintenance, including borrow sites for the removal of material needed for retaining works and disposal sites for the disposal of excavated material;

(2) accomplish any alteration or relocation of buildings, roads, bridges, or other structures or utilities which the Chief of Engineers determines to be necessary in connection with implementation of the project;

(3) in the event local interests are unable to comply with requirements (1) or (2) above in a timely manner, provide a cash contribution to the United States, at such times and in such amounts as the Chief of Engineers determines to be necessary to allow acquisition of the property by the United States in accordance with project construction schedules;

(4) hold and save the United States free from damage due to design, construction, operation, and maintenance of the project except damages due to the fault or negligence of the United States or its contractors;

(5) operate and maintain any Federally undertaken mitigation project which the Chief of Engineers determines to be justified; and,

(6) maintain all dredged material disposal sites.

All items of local cooperation shall be provided at the time needed, as determined by the Chief of Engineers, and without cost to the United States; except in the event the Secretary of the Army selects a staged sediment retention structure or dredging alternative rather than the single stage sediment retention structure, any increase this selection causes in the cost of local cooperation requirements, as determined by the Secretary of the Army, will be reimbursed by the Federal Government.

Any goods and services purchased by the United States in connection with the project authorized pursuant to this section shall not be subject to the tax imposed by Chapters 82.04, 82.08, and 82.14 of the Revised Code of Washington and made applicable to contractors of the United States pursuant to Section 82.04.190(6) of the Revised Code of Washington.

The Corps of Engineers is authorized and directed to initiate Continuation of Planning and Engineering for the Virginia Beach, Virginia beach erosion and hurricane protection project, using available funds.

From funds available to the Corps of Engineers such sums as may be required shall be made available to complete the recreation facilities on the northern part of the Tennessee-Tombigbee navigation project as described in Volume 2, appendix D of the Final Supplement to the Environmental Impact Statement provided to the Environmental Protection Agency and the United States District Court but under the same terms and conditions as those initiated prior to fiscal year 1983.

From Construction, General funds heretofore or herein appropriated, the Secretary of the Army, acting through the Chief of Engineers, shall pay the judgment and any associated interest, resulting from the decision of the Engineer Board of Contract Appeals in ENG BCA Docket Number 4815 (April 16, 1985), notwithstanding the limitation on allotment of Section 107 of the River and Harbor Act of 1960 (Public Law No. 86-645), as amended (33 U.S.C. 577). Nothing in this provision affects the obligations of the non-Federal sponsor to the United States of America for the work involved.

The Secretary of the Army, acting through the Chief of Engineers, is directed to construct the Miami Harbor, Bayfront Park, Florida project under the authority of Public Laws 98-50 and 98-360 except that the east-west connector, known as the promenade, which is necessary for park development, shall be at Federal expense.

DEPARTMENT OF THE INTERIOR

BUREAU OF RECLAMATION

CONSTRUCTION PROGRAM

[For an additional amount for the "Construction program", to remain available until expended, $20,850,000; of which $1,550,000 shall be available for transfers to the Upper Colorado River Basin Fund as authorized by section 5 of the Act of April 11, 1956 (43 U.S.C. 620d): *Provided*, That of the total appropriated, the amount for program activities which can be financed by the Reclamation Fund may be derived from that Fund: *Provided further*, That of the total appropriated, $8,300,000 is appropriated pursuant to the Snyder Act (25 U.S.C. 13), to be expended by the Bureau of Reclamation for the purpose of designing and initiating construction of the Headgate Rock Hydroelectric project, Arizona: *Provided further*, That none of the funds made available by this Act may be obligated or expended for construction of the Animas-LaPlata Participating Project, Colorado-New Mexico until: (1) an agreement has been executed between the Secretary of the Interior and non-Federal entities in Colorado and/or New Mexico providing for such non-Federal entities to contribute a reasonable portion of the total project costs; and, (2) such agreement has been submitted to the Congress and 120 calendar days have elapsed. The authority of the Secretary of the Interior to obligate or expend the funds made available for the Animas-LaPlata Project in this Act shall lapse if the agreement required by this paragraph has not been reached by September 30, 1986.]

For an additional amount for the Department of the Interior, Bureau of Reclamation, "Construction program", for the design and construction of the Animas-La Plata Project, Colorado and New Mexico; Buffalo Bill Dam Project, Wyoming; and the Headgate Rock Project, Arizona, to remain available until expended, $14,300,000; of which $1,000,000 shall be available for transfers to the Upper Colorado River Basin Fund as authorized by section 5 of the Act of April 11, 1956 (43 U.S.C. 620d): Provided, That of the total appropriated, the amount for program activities which can be financed by the Reclamation Fund may be derived from that Fund: Provided further, That of the total appropriated, $8,300,000 is appropriated pursuant to the Snyder Act (25 U.S.C. 13), to be expended by the Bureau of Reclamation for the purpose of designing and initiating construction of the Headgate Rock Hydroelectric Project, Arizona: Provided further, That none of the funds herein appropriated may be expended to undertake such projects except under terms and conditions acceptable to the Secretary of the Interior as shall be set forth in binding agreements with those non-Federal entities desiring to participate in project construction. Each such agreement shall include a statement that the non-Federal entities are capable of and willing to participate in project cost-sharing and financing in accordance with terms of the agreement. At such time as the Secretary has executed a formal binding agreement and has determined that the non-Federal entities financing plan demonstrates a reasonable likelihood of the non-Federal interest's ability to satisfy the terms and conditions of the agreement, the Secretary shall transmit the agreement to the Congress: Provided further, That the Secretary shall initiate construction at a project in accordance with such agreement unless a Joint Resolution disapproving such agreement becomes law within ninety calendar days of the receipt of the agreement by Congress. The ninety-day period shall not include days on which either the House of Representatives or the Senate is not in session because of adjournment for more than three consecutive calendar days.

Within available funds, the Secretary of the Interior is directed to use $600,000 to rehabilitate the A Canal of the Klamath Project and associated facilities in accordance with the Federal reclamation laws for the purpose of providing flood control for adjacent lands on a nonreimbursable basis.

The Secretary of the Interior is authorized and directed to treat all costs associated with the enlargement of the portion of the WEB pipeline which will carry water to the North Dakota State line at Emmons County as nonreimbursable and to enter into such contracts, amendments to contracts or other agreements as necessary.

Within available funds, the Secretary of the Interior is directed to make $10,400,000 available to meet the obligations of Public Law 98-530, dated October 19, 1984, to three irrigation districts. These funds will be used for replacement, rehabilitation, and repair of the water delivery system within the Yuma Mesa Irrigation and Drainage District including water pumping facilities; for on-farm and district water conservation and drainage measures of the Yuma Mesa Irrigation and Drainage District, the Yuma Irrigation District, and the North Gila Valley Irrigation District; and for payment to the fund established by the Central Arizona Water Conservation District for voluntary acquisition or conservation of water from sources within the State of Arizona for use in central Arizona in years when water supplies are reduced.

(RESCISSION)

Of available funds under this head, $2,571,000 are rescinded pursuant to section 2901 of the Deficit Reduction Act of 1984.

OPERATION AND MAINTENANCE

(RESCISSION)

Of available funds under this head, $1,540,000 are rescinded pursuant to section 2901 of the Deficit Reduction Act of 1984.

INDEPENDENT AGENCY

TENNESSEE VALLEY AUTHORITY

TENNESSEE VALLEY AUTHORITY FUND

[There is appropriated an additional $5,000,000, to remain available until expended, for the "Tennessee Valley Authority Fund" for the conduct of a demonstration project for the construction of a main water transmission line.]

(RESCISSION)

Of available funds under this head, $1,538,000 are rescinded pursuant to section 2901 of the Deficit Reduction Act of 1984.

DEPARTMENT OF ENERGY

[To the extent the Federal Energy Regulatory Commission has authority or jurisdiction under the Federal Power Act of a Memorandum of Understanding for the California-Oregon Transmission Project, dated December 19, 1984 (50 FR 420, Jan. 3, 1985), as amended and supplemented by the Secretary of Energy prior to enactment of this paragraph, or of any contracts implementing such Memorandum, the Federal Energy Regulatory Commission shall exercise such authority or jurisdiction within 2 years after enactment of this paragraph or

after the filing of any such contract, whichever is later, and the Commission shall adjust its procedures and practices to ensure completion of such exercise of administrative authority or jurisdiction within such 2-year period. Nothing in this paragraph shall be construed by the Commission or any court as affecting, changing or limiting the authority, jurisdiction or procedures of the Commission under the Federal Power Act concerning rates, charges, service, facilities, classification, access or other matters in regard to such project. Consistent with the provisions of Public Law 98-360 which authorized the Secretary of Energy to construct or participate in the construction of such project for the benefit of electric consumers of the Pacific Northwest and California and obtain compensation from non-Federal participants in such project, sufficient capacity shall be reserved, as recognized in such Memorandum, to serve the needs of the Department of Energy Laboratories and wildlife refuges in California. The Secretary of Energy and the Federal Energy Regulatory Commission shall keep the Committee on Energy and Commerce and the Committee on Interior and Insular Affairs of the House of Representatives and the Committee on Energy and Natural Resources of the Senate fully and currently informed concerning the project, any changes in such Memorandum of Understanding (as so amended and supplemented), the implementing contracts, compensation, reserved capacity for such laboratories or refuges, actions under the Federal Power Act, and any related matters. Nothing in this Act or in the Memorandum shall in anyway affect, modify, change, or expand the authorities or policies of the Bonneville Power Administration under existing law regarding wholesale power rates, transmission rates, or transmission access.

[The line constructed pursuant to the Memorandum is hereby named "The Harold T. (Bizz) Johnson California-Pacific Northwest Intertie line".]

The Congress finds that the timely construction, operation, and use of a third 500 kV AC transmission line between the Pacific Northwest and California in accordance with the Memorandum of Understanding for the California-Oregon Transmission Project dated December 19, 1984, as approved and conditioned by the Secretary of Energy's Memorandum of Decision dated February 7, 1985, and by the May 4, 1985 letter from the Acting General Counsel of the Department of Energy (the "Memorandum"), will be of significant benefit to both regions and is in the public interest. However, neither this Act nor the Memorandum shall in any way affect the authorities or policies of the Bonneville Power Administration regarding wholesale power rates, transmission rates, or transmission access.

To the extent that the Federal Energy Regulatory Commission has jurisdiction over the Memorandum or of mutually agreed upon contractual provisions which implement the Memorandum, the Commission shall review and take final action under the Federal Power Act, as amended (40 Stat. 1065), with respect to the Memorandum and such contractual provisions within 180 days from the date of the filing thereof.

ENERGY SUPPLY, RESEARCH AND DEVELOPMENT ACTIVITIES

(RESCISSION)

Of available funds under this head, $2,676,000 are rescinded pursuant to section 2901 of the Deficit Reduction Act of 1984.

ATOMIC ENERGY DEFENSE ACTIVITIES

(RESCISSION)

Of available funds under this head, $8,280,000 are rescinded pursuant to section 2901 of the Deficit Reduction Act of 1984.

DEPARTMENTAL ADMINISTRATION

(RESCISSION)

Of available funds under this head, $2,786,000 are rescinded pursuant to section 2901 of the Deficit Reduction Act of 1984.

CHAPTER V

FOREIGN ASSISTANCE

FUNDS APPROPRIATED TO THE PRESIDENT

MULTILATERAL ECONOMIC ASSISTANCE

INTERNATIONAL FINANCIAL INSTITUTIONS

CONTRIBUTION TO THE INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

For payment to the International Bank for Reconstruction and Development by the Secretary of the Treasury, for the United States share of the paid-in portion of the increased capital stock, as authorized by the International Financial Institutions Act, $30,000,925 for the General Capital Increase, as authorized by section 39 of the Bretton Woods Agreements Act, to remain available until expended.

LIMITATION OF CALLABLE CAPITAL SUBSCRIPTION

The United States Governor of the International Bank for Reconstruction and Development may subscribe without fiscal year limitation to the callable portion of the United States share of increases in capital stock in an amount not to exceed $370,023,735.

CONTRIBUTION TO THE INTER-AMERICAN DEVELOPMENT BANK

For payment to the Inter-American Development Bank by the Secretary of the Treasury for the United States share of the replenishment of the resources of the Fund for Special Operations, $72,500,000 to remain available until expended; $3,000,000 for the United States share of the capital for the Inter-American Investment Corporation to remain available until expended; and $40,001,171 for the United States share of the increase in paid-in capital stock of the bank to remain available until expended.

LIMITATION OF CALLABLE CAPITAL SUBSCRIPTION

The United States Governor of the Inter-American Development Bank may subscribe without fiscal year limitation to the callable capital portion of the United States share of such increase in capital stock in an amount not to exceed $849,000,244.

CONTRIBUTION TO THE ASIAN DEVELOPMENT BANK

For payment to the Asian Development Bank by the Secretary of the Treasury for the United States contribution to the increase in resources of the Asian Development Fund, $91,232,340 to remain available until expended.

DEPARTMENT OF STATE

INTERNATIONAL ORGANIZATIONS AND PROGRAMS

(TRANSFER OF FUNDS)

For an additional amount for "International Organizations and Programs", [$5,686,000 to be derived by transfer from the "Economic Support Fund" for Lebanon as provided in Public Law 98-63: *Provided*, That these funds shall be available only for the International Atomic Energy Agency] *$2,843,000 to be derived by transfer from the "Economic Support Fund" for Lebanon as provided in Public Law 98-63: Provided, That these funds shall be available only for the International Atomic Energy Agency: Provided further, That no funds shall be obligated after the date of enactment of this Act for the International Atomic Energy Agency unless the Secretary of State determines and so reports to the Committees on Appropriations that Israel is not being denied its right to fully participate in the activities of that Agency, including the rights, privileges or benefits that that Agency accords to all of its members.*

BILATERAL ECONOMIC ASSISTANCE

AGENCY FOR INTERNATIONAL DEVELOPMENT

POPULATION, DEVELOPMENT ASSISTANCE

The Foreign Assistance and Related Programs Appropriations Act of 1985, as enacted in Public Law 98-473, is amended by adding at the end of the paragraph entitled "Population, Development Assistance":

None of the funds made available in this bill nor any unobligated balances from prior appropriations may be made available to any organization or program which, *as determined by the President of the United States*, supports or participates in the management of a program of coercive abortion.

PAYMENT TO THE FOREIGN SERVICE RETIREMENT AND DISABILITY FUND

For an additional amount for "Payment to the Foreign Service Retirement and Disability Fund", $1,302,000.

ECONOMIC SUPPORT FUND

For an additional amount for the "Economic Support Fund", $2,008,000,000: *Provided*, That of the funds provided by this paragraph $1,500,000,000 shall be available for Israel; $500,000,000 shall be available for Egypt; and, $8,000,000 shall be available for the Middle East Regional Program: *Provided further*, That [the funds provided by this paragraph shall not exceed the amount contained in an official supplemental budget request transmitted to the Congress] *of the amount provided under this paragraph for Israel, not less than $750,000,000 shall be disbursed not later than thirty days following the date of enactment of this Act: Provided further*, That [none of the funds provided by this paragraph shall be available until they have been authorized] *funds provided by this paragraph shall be made available notwithstanding section 10 of Public Law 91-672: Provided further, That the funds provided by this paragraph for Israel and Egypt shall be made available as grant cash transfers: Provided further, That not less than the Egyptian pound equivalent of $65,000,000 generated from funds made available by this paragraph, or from any other source, shall be deposited into the Trust Funds established by the Trust Account Agreement of 1980 to be used for United States' supported programs in Egypt pursuant to the United States-Egypt Economic, Technical and Related Assistance Agreement of 1978 which provides for local currency requirements for programs of the United States in Egypt to be made available to the United States in the manner requested by the Government: Provided further*, That the funds provided by this paragraph shall be available for obligation until September 30, 1986.

DEPARTMENT OF STATE

MIGRATION AND REFUGEE ASSISTANCE

(TRANSFER OF FUNDS)

For an additional amount for "Migration and refugee assistance", $12,500,000 to be derived by transfer from the "Economic Sup-

port Fund" for Lebanon as provided in Public Law 98-63: Provided, That this amount shall be available only for Soviet, Eastern European and other refugees resettling in Israel.

[HUMANITARIAN ASSISTANCE FOR NICARAGUAN DEMOCRATIC RESISTANCE

[For an additional amount for humanitarian assistance provided to such department or agency of the United States as the President shall designate, except the Central Intelligence Agency or the Department of Defense, to the Nicaraguan democratic resistance, $27,000,000 to remain available for obligation until March 31, 1986. Notwithstanding the Impoundment Control Act of 1974, one-third of the amount appropriated by this paragraph shall be available for obligation upon the enactment of this Act, an additional one-third shall be available for obligation upon submission of the first report required by section 104 of this chapter, and the remaining one-third shall be available for obligation upon submission of the second such report. As used in this paragraph, the term "humanitarian assistance" means the provision of food, clothing, medicine, and other humanitarian assistance, and it does not include the provision of weapons, weapons systems, ammunition, or other equipment, vehicles or material which can be used to inflict serious bodily harm or death.

[ASSISTANCE FOR IMPLEMENTATION OF A CONTADORA AGREEMENT

[For payment by the Secretary of State for the expenses arising from implementation by the Contadora nations (Mexico, Panama, Colombia, and Venezuela) of an agreement among the countries of Central America based on the Contadora Document of Objectives of September 9, 1983, including peacekeeping, verification, and monitoring systems, $2,000,000, to remain available until expended.

[GENERAL PROVISIONS

[SEC. 101. Funds appropriated by this chapter under the headings "HUMANITARIAN ASSISTANCE FOR NICARAGUAN DEMOCRATIC RESISTANCE" and "ASSISTANCE FOR IMPLEMENTATION OF A CONTADORA AGREEMENT" may be obligated and expended notwithstanding section 10 of Public Law 91-672 and section 15 of the State Department Basic Authorities Act of 1956 or any other comparable provisions of law.

[SEC. 102. (a) The prohibitions contained in section 8066(a) of the Department of Defense Appropriations Act, 1985 (as contained in section 101 of Public Law 98-473) and section 801 of the Intelligence Authorization Act for Fiscal Year 1985 (Public Law 98-618) shall, without limitation as to fiscal year, apply with respect to funds appropriated by this chapter under the headings "HUMANITARIAN ASSISTANCE FOR NICARAGUAN DEMOCRATIC RESISTANCE" and "ASSISTANCE FOR IMPLEMENTATION OF A CONTADORA AGREEMENT".

[(b) Nothing in this Act, section 8066(a) of the Department of Defense Appropriations Act, 1985 (as contained in section 101 of Public Law 98-473), or section 801 of the Intelligence Authorization Act for Fiscal Year 1985 (Public Law 98-618) shall be construed to prohibit the United States Government from exchanging information with the Nicaraguan democratic resistance, or the obligation and expenditure, but only for the purposes for which they are expressly made available, of the funds appropriated by this chapter under the headings "HUMANITARIAN ASSISTANCE FOR NICARAGUAN DEMOCRATIC RESISTANCE" and "ASSISTANCE FOR IMPLEMENTATION OF A CONTADORA AGREEMENT".

[SEC. 103. The President is urged—

[(1) to vigorously pursue the use of diplomatic and economic steps to resolve the conflict in Nicaragua, including negotiations to—

[(A) implement the Contadora Document of Objectives of September 9, 1983; and

[(B) at the same time, develop trade and economic measures in close consultation and cooperation with other nations which will encourage the Government of Nicaragua to take the necessary steps to resolve the conflict;

[(2) to suspend military maneuvers in Honduras and off Nicaragua's coast, and to lift the embargo on trade with Nicaragua, if the Government of Nicaragua agrees to a cease-fire, to open a dialog with the Nicaraguan democractic resistance and to suspend the state of emergency; and

[(3) to resume bilateral discussions with the Government of Nicaragua with a view of encouraging—

[(A) a church-mediated dialog between the Government of Nicaragua and the Nicaraguan democratic resistance in support of internal reconciliation, as called for by the Contadora Document of Objectives; and

[(B) a comprehensive, verifiable agreement among the nations of Central America, based on the Contadora Document of Objectives.

[SEC. 104. (a) the President shall submit a report to the Congress every 90 days on the activities carried out in accordance with section 103 and on the assistance provided under the paragraphs of this chapter headed "HUMANITARIAN ASSISTANCE FOR NICARAGUAN DEMOCRATIC RESISTANCE" and "ASSISTANCE FOR IMPLEMENTATION OF A CONTADORA AGREEMENT". Such reports shall describe the willingness of the Nicaraguan democratic resistance and the Government of Nicaragua to negotiate and the progress of efforts to achieve the objectives set out in paragraph (3) of section 103 and shall provide a detailed accounting of the disbursement of any such assistance.

[(b) As part of each of the reports submitted pursuant to subsection (a), the President shall submit to the Permanent Select Committee on Intelligence of the House of Representatives, and to the Select Committee on Intelligence of the Senate, a report on alleged human rights violations by the Nicaraguan democratic resistance and the Government of Nicaragua. With respect to the alleged violations the report shall include information on who is responsible for such human rights violations.

[ADDITIONAL ASSISTANCE FOR THE CENTRAL AMERICA PEACE PROCESS

[SEC. 105. (a) SUBMISSION OF REQUEST.—If the President determines at any time after the enactment of this Act that—

[(1) negotiations based on the Contadora Document of Objectives of September 9, 1983, have produced an agreement, or show promise of producing an agreement, or

[(2) other trade and economic measures will assist in a resolution of the conflict, or to stabilization in the region,

the President may submit to the Congress a request for budget and other authority to provide additional assistance for the furtherance of the Central America peace process.

[(b) STATEMENT TO BE INCLUDED.—The President's request shall include a detailed statement as to progress made to resolve the conflict in the region.

[(c) CONSULTATION WITH THE CONGRESS.—In formulating a request pursuant to subsection (a), the President shall consult with the Congress.

[(d) CONGRESSIONAL ACTION.—(1) The provisions of this subsection apply, during the Ninety-ninth Congress, to the consideration in the House of Representatives of a joint resolution with respect to the request submitted by the President pursuant to subsection (a).

[(2) For purposes of this subsection, the term "joint resolution" means only a joint resolution introduced within 3 legislative days after the Congress receives the request submitted by the President pursuant to subsection (a)—

[(A) the matter after the resolving clause of which is as follows: "That the Congress hereby approves the additional authority and assistance for the Central America peace process that the President requested pursuant to the Supplemental Appropriations Act, 1985, notwithstanding section 10 of Public Law 91-672.";

[(B) which does not have a preamble; and

[(C) the title of which is as follows: "Joint resolution relating to Central America pursuant to the Supplemental Appropriations Act, 1985.".

[(3) A joint resolution shall, upon introduction, be referred to the appropriate committee or committees of the House of Representatives.

[(4) If all the committees of the House to which a joint resolution has been referred have not reported the same joint resolution by the end of 15 legislative days after the first joint resolution was introduced, any committee which has not reported the first joint resolution introduced shall be discharged from further consideration of that joint resolution and that joint resolution shall be placed on the appropriate calendar of the House.

[(5)(A) At any time after the first joint resolution placed on the appropriate calendar has been on that calendar for a period of 5 legislative days, it is in order for any Member of the House (after consultation with the Speaker as to the most appropriate time for the consideration of that joint resolution) to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of that joint resolution. The motion is highly privileged and is in order even though a previous motion to the same effect has been disagreed to. All points of order against the joint resolution under clauses 2 and 6 of rule XXI of the rules of the House are waived. If the motion is agreed to, the resolution shall remain the unfinished business of the House until disposed of. A motion to reconsider the vote by which the motion is disagreed to shall not be in order.

[(B) Debate on the joint resolution shall not exceed 10 hours, which shall be divided equally between a Member favoring and a Member opposing the joint resolution. A motion to limit debate is in order at any time in the House or in the Committee of the Whole and is not debatable.

[(C) An amendment to the joint resolution is not in order.

[(D) At the conclusion of the debate on the joint resolution, the Committee of the Whole shall rise and report the joint resolution back to the House, and the previous question shall be considered as ordered on the joint resolution to final passage without intervening motion.

[(6) As used in this subsection, the term "legislative day" means a day on which the House is in session.

[(7) This subsection is enacted—

[(A) as an exercise of the rulemaking power of the House of Representatives, and as such it is deemed a part of the rules of the House, but applicable only with respect to the procedure to be followed in the House in the case of a joint resolution, and it supersedes other rules only to the extent that it is inconsistent with such rules; and

[(B) with full recognition of the constitutional right of the House to change its rules at any time, in the same manner, and to the same extent as in the case of any other rule of the House, and of the right of the Committee on Rules to report a resolution for the consideration of any measure.

[ADDITIONAL ASSISTANCE FOR NICARAGUAN DEMOCRATIC RESISTANCE

[SEC. 106. (a) SUBMISSION OF REQUEST.—If the President determines at any time after the enactment of this Act that—

[(1) negotiations based on the Contadora Document of Objectives of September 9, 1983, have failed to produce an agreement, or

[(2) other trade and economic measures have failed to resolve the conflict,

the President may submit to the Congress a request for budget and other authority to provide additional assistance for the Nicaraguan democratic resistance.

[(b) STATEMENT TO BE INCLUDED.—The President's request shall include a detailed statement as to why the negotiations or other measures have failed to resolve the conflict in the region.

[(c) CONSULTATION WITH THE CONGRESS.—In formulating a request pursuant to subsection (a), the President shall consult with the Congress.

[(d) CONGRESSIONAL ACTION.—(1) The provisions of this subsection apply, during the Ninety-ninth Congress, to the consideration in the House of Representatives of a joint resolution with respect to the request submitted by the President pursuant to subsection (a).

[(2) For purposes of this subsection, the term "joint resolution" means only a joint resolution introduced within 3 legislative days after the Congress receives the request submitted by the President pursuant to subsection (a)—

[(A) the matter after the resolving clause of which is as follows: "That the Congress hereby approves the additional authority and assistance for the Nicaraguan democratic resistance that the President requested pursuant to the Supplemental Appropriations Act, 1985, notwithstanding section 10 of Public Law 91-672.";

[(B) which does not have a preamble; and

[(C) the title of which is as follows: "Joint resolution relating to Central America pursuant to the Supplemental Appropriations Act, 1985.".

[(3) A joint resolution shall, upon introduction, be referred to the appropriate committee or committees of the House of Representatives.

[(4) If all the committees of the House to which a joint resolution has been referred have not reported the same joint resolution by the end of 15 legislative days after the first joint resolution was introduced, any committee which has not reported the first joint resolution introduced shall be discharged from further consideration of that joint resolution and that joint resolution shall be placed on the appropriate calendar of the House.

[(5)(A) At any time after the first joint resolution placed on the appropriate calendar has been on that calendar for a period of 5 legislative days, it is in order for any Member of the House (after consultation with the Speaker as to the most appropriate time for the consideration of that joint resolution) to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of that joint resolution. The motion is highly privileged and is in order even though a previous motion to the same effect has been disagreed to. All points of order against the joint resolution under clauses 2 and 6 of rule XXI of the rules of the House are waived. If the motion is agreed to, the resolution shall remain the unfinished business of the House until disposed of. A motion to reconsider the vote by which the motion is disagreed to shall not be in order.

[(B) Debate on the joint resolution shall not exceed 10 hours, which shall be divided equally between a Member favoring and a Member opposing the joint resolution. A motion to limit debate is in order at any time in the House or in the Committee of the Whole and is not debatable.

[(C) An amendment to the joint resolution is not in order.

[(D) At the conclusion of the debate on the joint resolution, the Committee of the Whole shall rise and report the joint resolution back to the House, and the previous question shall be considered as ordered on the joint resolution to final passage without intervening motion.

[(6) As used in this subsection, the term "legislative day" means a day on which the House is in session.

[(7) This subsection is enacted—

[(A) as an exercise of the rulemaking power of the House of Representatives, and as such it is deemed a part of the rules of the House, but applicable only with respect to the procedure to be followed in the House in the case of a joint resolution, and it supersedes other rules only to the extent that it is inconsistent with such rules; and

[(B) with full recognition of the constitutional right of the House to change its rules at any time, in the same manner, and to the same extent as in the case of any other rule of the House, and of the right of the Committee on Rules to report a resolution for the consideration of any measure.]

AFRICAN DEVELOPMENT FOUNDATION

(DISAPPROVAL OF DEFERRAL)

The Congress disapproves the proposed deferral D85-40 relating to the African Development Foundation, as set forth in the message of February 6, 1985, which was transmitted to the Congress by the President. The disapproval shall be effective upon enactment into law of this bill and the amount of the proposed deferral disapproved herein shall be made available for obligation.

CHAPTER VI

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

HOUSING PROGRAMS

RENTAL HOUSING ASSISTANCE

(RESCISSION)

The limitation otherwise applicable to the maximum payments that may be required in any fiscal year by all contracts entered into under section 236 of the National Housing Act (12 U.S.C. 1715z-1), is further reduced in fiscal year 1985 by not more than $23,367,000 in uncommitted balances of authorizations provided for this purpose in appropriation Acts.

PAYMENTS FOR OPERATION OF LOW-INCOME HOUSING PROJECTS

[(INCLUDING RESCISSION)

[Of the funds appropriated under this heading in the Department of Housing and Urban Development-Independent Agencies Appropriation Act, 1985 (Public Law 98-371, 98 Stat. 1213, 1216), $75,000,000 are rescinded: *Provided*, That any balances of appropriations made available under such heading in such Act] *Any balances of appropriations under this heading in the Department of Housing and Urban Development-Independent Agencies Appropriation Act, 1985 (Public Law 98-371)* shall, notwithstanding the provisions of section 9(d) of the United States Housing Act of 1937 (42 U.S.C. 1437g), remain available for obligation for the fiscal year ending September 30, 1986, and shall be used by the Secretary for fiscal year 1986 requirements in accordance with section 9(a) of such Act, as amended.

URBAN DEVELOPMENT ACTION GRANTS

Language under this heading in the Department of Housing and Urban Development-Independent Agencies Appropriation Act, 1985 (Public Law 98-371), is amended by striking out the first colon and all that follows and inserting in lieu thereof a period.

MANAGEMENT AND ADMINISTRATION

SALARIES AND EXPENSES

[(INCLUDING TRANSFER OF FUNDS)]

(TRANSFER OF FUNDS)

For an additional amount for "Salaries and expenses", $4,000,000, to be derived by transfer from the various funds of the Federal Housing Administration.

(RESCISSION)

Of available funds under this head, $6,919,000 are rescinded pursuant to section 2901 of the Deficit Reduction Act of 1984.

AMERICAN BATTLE MONUMENTS COMMISSION

SALARIES AND EXPENSES

Notwithstanding section 409 of the Department of Housing and Urban Development—Independent Agencies Appropriation Act, 1985 (Public Law 98-371), the funds appropriated to the American Battle Monuments Commission for salaries and personnel benefits for the fiscal year ending September 30, 1985, shall be available for the other services and equipment object classifications in an amount not to exceed $1,000,000.

CONSUMER PRODUCT SAFETY COMMISSION

SALARIES AND EXPENSES

For an additional amount for "Salaries and expenses", $500,000, to remain available until September 30, 1986: *Provided*, That these funds shall be available only for activities authorized by the Cigarette Safety Act of 1984 (Public Law 98-567).

ENVIRONMENTAL PROTECTION AGENCY

[SALARIES AND EXPENSES

[For an additional amount for "Salaries and expenses", $5,000,000.]

RESEARCH AND DEVELOPMENT

(RESCISSION)

Of available funds under this head, $4,125,000 are rescinded pursuant to section 2901 of the Deficit Reduction Act of 1984.

ABATEMENT, CONTROL, AND COMPLIANCE

For an additional amount for "Abatement, control, and compliance", [$15,000,000] *$25,000,000*, to remain available until September 30, 1986.

BUILDINGS AND FACILITIES

For an additional amount for "Buildings and facilities", $500,000, to remain available until expended.

CONSTRUCTION GRANTS

Language under this heading in Public Law 98-396 is amended by deleting "an operable sewage treatment facility at or adjacent to San Diego, California for the purpose only of intercepting and treating" and inserting in lieu thereof "a treatment works to address".

EXECUTIVE OFFICE OF THE PRESIDENT

OFFICE OF SCIENCE AND TECHNOLOGY POLICY

For an additional amount for "Office of Science and Technology Policy", $120,000.

FEDERAL EMERGENCY MANAGEMENT AGENCY

SALARIES AND EXPENSES

(TRANSFER OF FUNDS)

For an additional amount for "Salaries and expenses", $3,100,000 to be derived by transfer from "Emergency management planning and assistance".

(RESCISSION)

Of available funds under this head, $786,000 are rescinded pursuant to section 2901 of the Deficit Reduction Act of 1984.

EMERGENCY MANAGEMENT PLANNING AND ASSISTANCE

(RESCISSION)

Of available funds under this head, $1,287,000 are rescinded pursuant to section 2901 of the Deficit Reduction Act of 1984.

GENERAL SERVICES ADMINISTRATION

CONSUMER INFORMATION CENTER

(RESCISSION)

Of available funds under this head, $63,000 are rescinded pursuant to section 2901 of the Deficit Reduction Act of 1984.

NATIONAL AERONAUTICS AND SPACE ADMINISTRATION

RESEARCH AND DEVELOPMENT

Language under this heading in the Department of Housing and Urban Development-Independent Agencies Appropriation Act, 1985 (Public Law 98-371), is amended by deleting "including $155,500,000 for a space station, of which $5,500,000 shall be made available from prior year appropriations: *Provided,"* and inserting in lieu thereof "including $150,000,000 for space station, to be combined with $5,500,000 to be made available from prior year appropriations for a total of $155,500,000: *Provided,* That the $5,500,000 so identified shall be in addition to $2,422,600,000 appropriated for Research and Development for fiscal year 1985: *Provided further,".*

For an additional amount for "Research and development", $40,000,000, to remain available until September 30, 1986.

RESEARCH AND PROGRAM MANAGEMENT

(RESCISSION)

Of available funds under this head, $6,000,000 are rescinded, *of which $4,000,000 are rescinded* pursuant to section 2901 of the Deficit Reduction Act of 1984.

NATIONAL SCIENCE FOUNDATION

RESEARCH AND RELATED ACTIVITIES

For an additional amount for "Research and related activities", $100,000, to remain available until September 30, 1986.

(RESCISSION)

Of available funds under this head, $1,000,000 are rescinded pursuant to section 2901 of the Deficit Reduction Act of 1984.

DEPARTMENT OF THE TREASURY

OFFICE OF REVENUE SHARING, SALARIES AND EXPENSES

(RESCISSION)

Of available funds under this head, [$90,000] *$100,000, of which $90,000* are rescinded pursuant to section 2901 of the Deficit Reduction Act of 1984.

VETERANS ADMINISTRATION

COMPENSATION AND PENSIONS

For an additional amount for "Compensation and pensions", $175,000,000, to remain available until expended.

[READJUSTMENT BENEFITS

[For an additional amount for "Readjustment benefits", $44,200,000, to remain available until expended.]

MEDICAL CARE

(RESCISSION)

Of available funds under this head, $3,520,000 are rescinded pursuant to section 2901 of the Deficit Reduction Act of 1984.

[MEDICAL AND PROSTHETIC RESEARCH

[(RESCISSION)

[Of available funds under this head, $150,000 are rescinded pursuant to section 2901 of the Deficit Reduction Act of 1984.]

MEDICAL ADMINISTRATION AND MISCELLANEOUS OPERATING EXPENSES

(RESCISSION)

Of available funds under this head, [$2,109,000] *$1,322,000* are rescinded pursuant to section 2901 of the Deficit Reduction Act of 1984.

[GENERAL OPERATING EXPENSES

[(RESCISSION)

[Of available funds under this head, $2,000,000 are rescinded pursuant to section 2901 of the Deficit Reduction Act of 1984.

[CONSTRUCTION, MINOR PROJECTS

[(RESCISSION)

[Of available funds under this head, $377,000 are rescinded pursuant to section 2901 of the Deficit Reduction Act of 1984.]

CHAPTER VII

DEPARTMENT OF THE INTERIOR

BUREAU OF LAND MANAGEMENT

MANAGEMENT OF LANDS AND RESOURCES

(INCLUDING RESCISSION)

For an additional amount for "Management of lands and resources", [$45,000,000] *$45,500,000.*

Of available funds under this head, $2,900,000 are rescinded pursuant to section 2901 of the Deficit Reduction Act of 1984.

CONSTRUCTION AND ACCESS

For an additional amount for "Construction and access", $825,000, to remain available until expended.

OREGON AND CALIFORNIA GRANT LANDS

(RESCISSION)

Of available funds under this head, $350,000 are rescinded pursuant to section 2901 of the Deficit Reduction Act of 1984.

WORKING CAPITAL FUND

(RESCISSION)

Of available funds under this head, $2,951,000 are rescinded pursuant to section 2901 of the Deficit Reduction Act of 1984.

UNITED STATES FISH AND WILDLIFE SERVICE

RESOURCE MANAGEMENT

(INCLUDING RESCISSION)

For an additional amount for "Resource management", $1,200,000.

Of available funds under this head, $1,900,000 are rescinded pursuant to section 2901 of the Deficit Reduction Act of 1984.

CONSTRUCTION AND ANADROMOUS FISH

(RESCISSION)

Of available funds under this head, $40,000 are rescinded pursuant to section 2901 of the Deficit Reduction Act of 1984.

LAND ACQUISITION

For an additional amount for "Land acquisition", $1,000,000, to remain available until expended.

NATIONAL PARK SERVICE

OPERATION OF THE NATIONAL PARK SYSTEM

(INCLUDING RESCISSION)

For an additional amount for "Operation of the national park system", $9,560,000.

Of available funds under this head, $4,300,000 are rescinded pursuant to section 2901 of the Deficit Reduction Act of 1984.

NATIONAL RECREATION AND PRESERVATION

(RESCISSION)

Of available funds under this head, $94,000 are rescinded pursuant to section 2901 of the Deficit Reduction Act of 1984.

CONSTRUCTION

(RESCISSION)

Of available funds under this head, $397,000 are rescinded pursuant to section 2901 of the Deficit Reduction Act of 1984.

LAND AND WATER CONSERVATION FUND

(RESCISSION)

The contract authority provided for fiscal year 1985 by 16 U.S.C. 460l-10a is rescinded.

LAND ACQUISITION AND STATE ASSISTANCE

(INCLUDING RESCISSION)

For an additional amount for "Land acquisition and state assistance", $22,000,000, to remain available until expended.

Of available funds under this head, $52,000 are rescinded pursuant to section 2901 of the Deficit Reduction Act of 1984.

CONSTRUCTION (TRUST FUND)

(DISAPPROVAL OF DEFERRAL)

The Congress disapproves the proposed deferral D85-45 relating to the Department of the Interior, National Park Service, "Construction (Trust fund)", as set forth in the message of February 6, 1985, as amended, which was transmitted to the Congress by the President. The disapproval shall be effective upon enactment into law of this bill and the amount of the proposed deferral disapproved herein shall be made available for obligation: *Provided, That notwithstanding subsection (b) of section 160 of the Act of August 13, 1973 (Public Law 93-87), funds hereafter appropriated for the Cumberland Gap National Park shall be available for operation and maintenance of the Cumberland Gap tunnel and access roads only as provided for in a memorandum of understanding to be negotiated between the Secretary and the Governors of the States of Kentucky and Tennessee.*

NATIONAL CAPITAL REGION ARTS AND CULTURAL AFFAIRS

Public Law 98-473 at 98 Stat. 1844 under the heading "National Capital Region Arts and Cultural Affairs" is amended as follows:

(1) In the first sentence after the words "National Park Service" insert "and the National Endowment for the Arts".

(2) The third undesignated paragraph is amended to read: "The Chairman of the National Endowment for the Arts shall establish an application and review process and

develop other program guidelines and definitions as required.".

(3) After the fourth undesignated paragraph, insert the following new paragraph:

"After deduction of such contractual amounts, the Director of the National Park Service shall pay, by grant or contract, such amounts as recommended by the Chairman of the National Endowment for the Arts to each eligible organization: Provided, That the following organizations shall receive no less than $350,000 each: Arena Stage, the Capital Children's Museum, the Corcoran Gallery, the Folger Shakespeare Library, the National Building Museum, the National Symphony Orchestra, the Phillips Collection, and the Washington Opera Society.".

GEOLOGICAL SURVEY

SURVEYS, INVESTIGATIONS, AND RESEARCH

(RESCISSION)

Of available funds under this head, $1,269,000 are rescinded pursuant to section 2901 of the Deficit Reduction Act of 1984.

MINERALS MANAGEMENT SERVICE

LEASING AND ROYALTY MANAGEMENT

(RESCISSION)

Of available funds under this head, $1,764,000 are rescinded pursuant to section 2901 of the Deficit Reduction Act of 1984.

PAYMENTS TO STATES FROM RECEIPTS UNDER MINERAL LEASING ACT

Notwithstanding any other provision of law, in fiscal year 1985 moneys received from sales, bonuses, royalties (including interest charges collected under the Federal Oil and Gas Royalty Management Act of 1982), and rentals of the public lands under the provisions of the Mineral Lands Leasing Act of 1920, as amended, and the Geothermal Steam Act of 1970, which are not payable to a State or to the Reclamation Fund, shall be available for the payment of interest [in accordance with] *under section 111 (b) and (d) of the Federal Oil and Gas Royalty Management Act of 1982 (96 Stat. 2455;* 30 U.S.C. 1721 (b) and (d)*)*, prior to the crediting of such funds to miscellaneous receipts of the Treasury.

BUREAU OF MINES

MINES AND MINERALS

(DEFERRAL)

Of the funds appropriated and remaining available until expended under this head in the Act making continuing appropriations for the fiscal year 1985, and for other purposes (Public Law 98-473), $1,355,000 shall not become available for obligation until October 1, 1985.

OFFICE OF SURFACE MINING RECLAMATION AND ENFORCEMENT

REGULATION AND TECHNOLOGY

(INCLUDING RESCISSION)

For an additional amount for "Regulation and technology", $4,800,000.

Of available funds under this head, $546,000 are rescinded pursuant to section 2901 of the Deficit Reduction Act of 1984.

ABANDONED MINE RECLAMATION FUND

(DEFERRAL)

Of the funds appropriated under this head in the Act making continuing appropriations for the fiscal year 1985, and for other purposes (Public Law 98-473), $3,233,000 shall not become available for obligation until October 1, 1985.

BUREAU OF INDIAN AFFAIRS

OPERATION OF INDIAN PROGRAMS

(INCLUDING TRANSFER OF FUNDS AND RESCISSION)

For an additional amount for "Operation of Indian programs", [$19,818,000] *$23,423,000*[*, and $4,900,000 which shall be derived by transfer from National Park Service, "National capital region arts and cultural affairs", such transferred funds to remain available for expenditure until September 30, 1986,*] *and $4,900,000 to be derived by transfer from "Road construction", Bureau of Indian Affairs: Provided, That $8,700,000 shall be used by the Secretary to reduce the amount of unpaid principal on loans to the Navajo Agricultural Products Industry (NAPI) guaranteed under the Indian Financing Act of 1974, as amended (88 Stat. 77; 25 U.S.C. 1401 et seq.): Provided further, That NAPI is discharged from the obligation to pay any unpaid interest accruing before January 1, 1991 on loans by the Secretary to NAPI under that Act.*

Of available funds under this head, $2,800,000 are rescinded pursuant to section 2901 of the Deficit Reduction Act of 1984.

CONSTRUCTION

(DISAPPROVAL OF DEFERRAL)

The Congress disapproves the proposed deferral D85-33 relating to the Department of the Interior, Bureau of Indian Affairs, "Construction", as set forth in the message of November 29, 1984, as amended, which was transmitted to the Congress by the President. The disapproval shall be effective upon enactment into law of this bill and the amount of the proposed deferral disapproved herein shall be made available for obligation.

[(DEFERRAL)

[Of the funds appropriated under this head in Public Law 98-8, $3,000,000 shall not become available for obligation until October 1, 1985.]

UTAH PAIUTE TRUST FUND

For an additional amount for "Utah Paiute trust fund", $50,000.

TERRITORIAL AND INTERNATIONAL AFFAIRS

ADMINISTRATION OF TERRITORIES

(INCLUDING RESCISSION)

For an additional amount for "Administration of territories", $1,994,000, to remain available until expended.

Of available funds under this head, $107,000 are rescinded pursuant to section 2901 of the Deficit Reduction Act of 1984.

RELATED AGENCIES

DEPARTMENT OF AGRICULTURE

FOREST SERVICE

FOREST RESEARCH

(RESCISSION)

Of available funds under this head, $462,000 are rescinded pursuant to section 2901 of the Deficit Reduction Act of 1984.

STATE AND PRIVATE FORESTRY

(RESCISSION)

Of available funds under this head, $232,000 are rescinded pursuant to section 2901 of the Deficit Reduction Act of 1984.

NATIONAL FOREST SYSTEM

(INCLUDING RESCISSION)

For an additional amount for "National forest system", [$61,247,000] *$62,140,000.*

Of available funds under this head, $6,067,000 are rescinded pursuant to section 2901 of the Deficit Reduction Act of 1984.

CONSTRUCTION

(INCLUDING RESCISSION)

For an additional amount for "Construction", [$1,568,000] *$675,000*, to remain available until expended.

Of available funds under this head, $961,000 are rescinded pursuant to section 2901 of the Deficit Reduction Act of 1984.

LAND ACQUISITION

(INCLUDING RESCISSION)

For an additional amount for "Land acquisition", $7,000,000, to remain available until expended.

Of available funds under this head, $68,000 are rescinded pursuant to section 2901 of the Deficit Reduction Act of 1984.

ADMINISTRATIVE PROVISION

To assure that National Forest timber under contract from the Mapleton District of the Siuslaw National Forest prior to enactment of the Federal Timber Contract Payment Modification Act remains available, the Secretary of Agriculture is authorized to resell all timber which is returned under provisions of the Federal Timber Contract Payment Modification Act and permit roads and other associated developments, notwithstanding any other provision of law, and notwithstanding the injunctions issued in National Wildlife Federation et al. v. United States Forest Service et al., 592 F. Supp. 931 (D. ORE. 1984) and in No. 84-4274 (9th Cir., March 6, 1985). Any such timber shall be available for resale from the date of enactment of this Act until dissolution of the aforesaid injunctions. Sales that are reoffered may be modified, including minor additions. Any decision of the Secretary of Agriculture to resell such timber shall not be subject to judicial review.

DEPARTMENT OF ENERGY

FOSSIL ENERGY RESEARCH AND DEVELOPMENT

(DISAPPROVAL OF DEFERRAL)

The Congress disapproves [$38,925,000] *$8,350,000* of the proposed deferral D85-27A relating to the Department of Energy, "Fossil energy research and development", as set forth in the message of February 6, 1985, as amended, which was transmitted to the Congress by the President. The disapproval shall be effective upon enactment into law of this bill and the amount of the proposed deferral disapproved herein shall be made available for obligation.

(RESCISSION)

Of available funds under this head, $1,600,000 are rescinded pursuant to section 2901 of the Deficit Reduction Act of 1984.

FOSSIL ENERGY CONSTRUCTION

(DEFERRAL)

Of the funds available for obligation under this head, $860,000 shall not become available for obligation until October 1, 1985.

NAVAL PETROLEUM AND OIL SHALE RESERVES

(DEFERRAL)

Of the funds appropriated under this head in the Act making continuing appropriations for the fiscal year 1985, and for other purposes (Public Law 98-473), $181,000 shall not become available for obligation until October 1, 1985.

ECONOMIC REGULATION

(RESCISSION)

Of available funds under this head, $102,000 are rescinded pursuant to section 2901 of the Deficit Reduction Act of 1984.

EMERGENCY PREPAREDNESS

(RESCISSION)

Of available funds under this head, $51,000 are rescinded pursuant to section 2901 of the Deficit Reduction Act of 1984.

STRATEGIC PETROLEUM RESERVE

(DISAPPROVAL OF DEFERRAL)

The Congress disapproves the proposed deferral D85-31A relating to the Department of Energy, "Strategic petroleum reserve", as set forth in the message of February 6, 1985, as amended, which was transmitted to the Congress by the President. The disapproval shall be effective upon enactment into law of this bill and the amount of the proposed deferral disapproved herein shall be made available for obligation.

(DEFERRAL)

Of the funds appropriated under this head in the Act making supplemental appropriations for the fiscal year 1984, and for other purposes (Public Law 98-396), $156,000 shall not become available for obligation until October 1, 1985.

[SPR PETROLEUM ACCOUNT

[(DISAPPROVAL OF DEFERRAL)

[The Congress disapproves the proposed deferral D85-42 relating to the Department of Energy, "SPR petroleum account", as set forth in the message of February 6, 1985, which was transmitted to the Congress by the President. The disapproval shall be effective upon enactment into law of this bill and the amount of the proposed deferral disapproved herein shall be made available for obligation.]

ALTERNATIVE FUELS PRODUCTION

(DEFERRAL)

Of the funds available for obligation under this head, $23,000 shall not become available for obligation until October 1, 1985.

DEPARTMENT OF HEALTH AND HUMAN SERVICES

HEALTH SERVICES ADMINISTRATION

INDIAN HEALTH SERVICES

(RESCISSION)

Of available funds under this head, $161,000 are rescinded pursuant to section 2901 of the Deficit Reduction Act of 1984.

SMITHSONIAN INSTITUTION

SALARIES AND EXPENSES

For an additional amount for "Salaries and expenses", $300,000, to remain available until expended.

NATIONAL GALLERY OF ART

SALARIES AND EXPENSES

For an additional amount for "Salaries and expenses", $400,000.

Of the funds provided under this head in Public Law 98-473 for the repair, renovation, and restoration program of the original West Building, not to exceed $700,000 may be spent during the current fiscal year for repair and renovation of the East Building.

[GENERAL PROVISION

[Notwithstanding any other act, none of the funds made available to the Department of the Interior or the United States Forest Service during fiscal year 1985 by this or any other act may be used to implement the proposed jurisdictional interchange program.]

GENERAL PROVISIONS

Notwithstanding any other Act, funds made available to the Department of the Interior or the Forest Service during fiscal year 1985 by this or any other Act may be used to implement the proposed jurisdictional interchange program only to the extent that such activities are approved by the House and Senate Committees on Appropriations through the normal reprogramming procedures.

Section 117 of Public Law 98-151 (97 Stat. 977) is amended as follows:

(1) Delete the date "December 31, 1985" and insert in lieu thereof the following: "until future action by the Congress to the contrary", and

(2) After the words "Orange County" insert the following: ", Rockland County, Ulster County, or Sullivan County".

Public Law 98-63 (97 Stat. 329) is amended as follows:

(1) In subsection (2) delete the numeral "10" and insert in lieu thereof: "7";

(2) In subsection (4) delete the word "State's" and insert in lieu thereof: "States' ";

(3) In subsection (4) after the words "State of New Jersey" insert "and the State of New York"; and

(4) In subsection (4) after the words "in New Jersey" insert "and in New York".

CHAPTER VIII

DEPARTMENT OF LABOR

EMPLOYMENT AND TRAINING ADMINISTRATION

TRAINING AND EMPLOYMENT SERVICES

The amount appropriated by the Department of Labor Appropriation Act, 1985 (title I, Public Law 98-619), in the account captioned "Training and Employment Services", that has been held in reserve by reason of section 101(j) of Public Law 98-473 (98 Stat. 1963) (pertaining to section 515 of H.R. 5798), shall become available for obligation upon the enactment of this Act, and no further amounts shall be withheld from any account contained in such Department of Labor Appropriation Act by reason of such section 101(j).

For an additional amount for migrant and seasonal farmworker programs authorized by section 402 of the Job Training Partnership Act, notwithstanding the provisions of sections 3(a)(3)(A) and 402(f) of the Act, $5,117,000, to be available for obligation for the period July 1, 1985, through June 30, 1986: Provided, That funding provided herein shall be distributed to the States so that each State's total program year 1985 allocation is equal to its total program year 1984 allocation.

STATE UNEMPLOYMENT INSURANCE AND EMPLOYMENT SERVICE OPERATIONS

[For an additional amount for "State unemployment insurance and employment service operations", from the Employment Security Administration Account in the Unemployment Trust Fund, $30,000,000.]

Whenever funds are made available, now or hereafter, in this or any other Act for the administration of unemployment compensation laws to meet increased costs of administration resulting from changes in a State law or increases in the number of unemployment insurance claims filed and claims paid or increased salary costs resulting from changes in State salary compensation plans embracing employees of the State generally over those upon which the State's basic allocation was based, which cannot be provided for by normal budgetary adjustment, amortization payments for States which had independent retirement plans prior to 1980 in their State Employment Security Agencies and States agencies administering the State's unemployment compensation law may be paid from such funds.

DEPARTMENT OF HEALTH AND HUMAN SERVICES

HEALTH RESOURCES AND SERVICES ADMINISTRATION

HEALTH RESOURCES AND SERVICES

Of available funds under this head, $5,000,000 shall remain available for obligation until September 30, 1986, for a Center or Institute for Nursing Research to be established under subsequent statute.

During the fiscal year 1985, new commitments to guarantee loans under subpart I of part C of title VII of the Public Health Service Act may be made only to the extent that the total loan principal, any part of which is to be guaranteed, shall not exceed the sum of $250,000,000: Provided, That the foregoing limitation shall be in addition to any uncommitted balances of loan guarantee authority provided for any prior fiscal year which remain available for fiscal year 1985.

For an additional amount to carry out the provisions of section 1910 of the Public Health Service Act (pertaining to Emergency Medical Services for Children), $2,000,000, to remain available for obligation until September 30, 1986.

For an additional amount to carry out the provisions of section 101 of the National Organ Transplant Act (Public Law 98-507), $1,200,000, to remain available for obligation until September 30, 1986.

The Office of Management and Budget is directed to apportion, from amounts appropriated for "Health Resources and Services Administration, Health Resources and Services" by the Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriation Act, 1985 (Public Law 98-619), such amounts for community and migrant health centers and the National Hansen's Disease Center as the Secretary of Health and Human Services (or her delegate) may (subsequent to June 30, 1985) request. If, in the judgment of the Secretary, any such request may be fulfilled, in whole or in part, by the reapportionment of amounts previously apportioned for activities of the National Health Service Corps, the Secretary may designate the amount of such previous apportionment to be reapportioned in accordance with this paragraph. If an apportionment requested under this paragraph is not made within seven days after the request, the amount requested (if otherwise available under the terms of this paragraph) is deemed apportioned in accordance with the request, and the Treasury shall promptly approve warrants in compliance therewith.

HEALTH MAINTENANCE ORGANIZATION LOAN AND LOAN GUARANTY FUND

For an additional amount for deposit in the fund established under section 1308(e) of the Public Health Service Act, to remain available until expended, $1,720,000.

CENTERS FOR DISEASE CONTROL

DISEASE CONTROL

For an additional amount for "Centers for Disease Control, Disease Control", as authorized by section 1706(e) of the Public Health Service Act, to enable the Secretary of Health and Human Services to establish the three centers required to be established during fiscal year 1985 by section 1706(c)(1) of that Act, $3,000,000.

NATIONAL INSTITUTES OF HEALTH

Of the funds appropriated by Public Law 98-619 for fiscal year 1985 for extramural research grants (including grants to research centers) to be awarded by the National Institutes of Health, and required to be obli-

gated in that fiscal year, not to exceed $3,550,000,000 (including amounts obligated prior to the enactment of this Act) may be applied to the cost of activities conducted by grantees within the twelve months immediately following the month of the awards to those grantees, and not to exceed $100,000,000 may be applied to the cost of activities conducted by grantees within the thirty-six months immediately following the month of the awards to those grantees, as specified in the respective grant awards.

ALCOHOL, DRUG ABUSE, AND MENTAL HEALTH ADMINISTRATION

ALCOHOL, DRUG ABUSE, AND MENTAL HEALTH

For an additional amount under this head for clinical training under section 303 of the Public Health Service Act to carry out section 501(g) of that Act, $1,000,000.

Of the funds appropriated by Public Law 98-619 for fiscal year 1985 for extramural research grants (including grants to research centers) to be awarded by the Alcohol, Drug Abuse, and Mental Health Administration, and required to be obligated in that fiscal year, not to exceed $231,210,000 (including amounts obligated prior to the enactment of this Act) may be applied to the cost of activities conducted by grantees within the twelve months immediately following the month of the awards to those grantees and not to exceed $7,350,000 may be applied to the cost of activities conducted by grantees within the thirty-six months immediately following the month of the awards to those grantees, as specified in the respective grant awards.

SOCIAL SECURITY ADMINISTRATION

PAYMENTS TO SOCIAL SECURITY TRUST FUNDS

For an additional amount for "Payments to Social Security Trust Funds", not to exceed $3,500,000,000 to carry out activities authorized by section 217(g), to remain available until December 31, 1985.

LIMITATION ON ADMINISTRATIVE EXPENSES

For the "Limitation on administrative expenses", $10,000,000 for automatic data processing and telecommunications activities shall be derived from unobligated balances in the construction activity, to remain available until expended.

OFFICE OF HUMAN DEVELOPMENT SERVICES

HUMAN DEVELOPMENT SERVICES

For an additional amount for "Human development services", [$6,000,000, for the Family Violence Prevention and Services Act (Title III of Public Law 98-457.)] *$16,000,000, of which $6,000,000 shall be to carry out the Family Violence Prevention and Services Act (title III of Public Law 98-457), $5,000,000 shall be to carry out chapter 8-D of title VI-A of the Omnibus Budget Reconciliation Act of 1981 (pertaining to grants to States for planning and development of dependent care programs), and $5,000,000 for a child abuse prevention Federal challenge grant program under sections 402 through 409 of Public Law 98-473.*

FAMILY SOCIAL SERVICES

For an additional amount for "Family social services", $79,495,000, for parts A and E of title IV of the Social Security Act.

DEPARTMENT OF EDUCATION

EDUCATION FOR THE HANDICAPPED

The $61,000,000 appropriated in the Department of Education Appropriation Act, 1985, Public Law 98-619, for part D of the Education of the Handicapped Act shall be available for obligation on October 1, 1984, and shall remain available until September 30, 1985[*: Provided,* That].

REHABILITATION SERVICES AND HANDICAPPED RESEARCH

An amount of $500,000 to support the 1985 International Winter Special Olympic Games shall be derived from the $14,635,000 provided for special demonstration programs for the severely disabled, section 311 of the Rehabilitation Act of 1973, in the Department of Education Appropriation Act, 1985, Public Law 98-619, for the Rehabilitation Services and Handicapped Research appropriation account.

For an additional amount for "Rehabilitation services and handicapped research", which shall be made available to the Navajo Tribal Council for activities under section 130 of the Rehabilitation Act of 1973, $715,000.

VOCATIONAL AND ADULT EDUCATION

For an additional amount to carry out the Carl D. Perkins Vocational Education Act, $146,257,000, of which $100,000,000 shall be for basic grants under title II, $45,000,000 shall be to carry out parts A, C, and E, of title III, and $1,257,000 shall be to carry out section 422.

For an additional amount for carrying out section 305 of the Adult Education Act, $1,963,000 to remain available until September 30, 1986: Provided, That the amount appropriated herein shall be used to ensure that there is allocated to each State for school year 1985-1986 an amount equal to its allocation under section 305 of that Act for the immediately preceding school year.

[EMERGENCY IMMIGRANT EDUCATION

[Funds appropriated in Public Law 98-151 for carrying out Emergency Immigrant Education Assistance under title V of H.R. 3520 as passed the House of Representatives on September 13, 1983 (subsequently enacted under Public Law 98-511), shall remain available for obligation until September 30, 1986.]

STUDENT FINANCIAL ASSISTANCE

For an additional amount for "Student financial assistance", $287,000,000, which shall remain available until September 30, 1986, for carrying out subpart 1 of part A of title IV of the Higher Education Act.

GUARANTEED STUDENT LOANS

For an additional amount for "Guaranteed student loans", $720,346,000, to remain available until expended.

HIGHER EDUCATION

Of the funds appropriated in 1985 for title III of the Higher Education Act of 1965, as amended, $15,200,000 for the endowment grant program under section 333 shall remain available until September 30, 1986.

Funds appropriated in fiscal year 1985 for part C of title IX of the Higher Education Act of 1965, relating to the National Graduate Fellows Program, shall remain available until December 31, 1985.

For an additional amount for carrying out part E of title IV of the Higher Education Act of 1965, $2,482,000 to be available only for payment to any State which received in fiscal year 1985 an amount less than the amount received in fiscal year 1984 under such part E to assure that each such State will receive under such part E for fiscal year 1985 an amount at least equal to the amount which that State received under such part E in fiscal year 1984.

LIBRARIES

For an additional amount to carry out title VI of the Library Services and Construction Act, $5,000,000, to remain available until September 30, 1986.

DISAPPROVAL OF DEFERRALS

UNITED STATES INSTITUTE OF PEACE

The Congress disapproves the proposed deferral D85-39, pertaining to the United States Institute of Peace, as set forth in the message of January 4, 1985, which was transmitted to the Congress by the President. This disapproval shall be effective upon enactment into law of this Act and the amount of the proposed deferral disapproved herein shall be made available for obligation.

NEGATIVE SUPPLEMENTALS

The Congress disapproves the proposed deferrals set forth in paragraph (1), (2), (3), and (4), as follows:

(1) D85-34, pertaining to the Employment and Training Administration, as set forth in the message of November 29, 1984, which was transmitted to the Congress by the President and revised by D85-34A, as set forth in the message of March 1, 1985, which was transmitted to the Congress by the President.

(2) D85-57 and D85-58, each pertaining to the Railroad Retirement Board, as set forth in the message of February 6, 1985, which was transmitted to the Congress by the President.

(3) D85-61, D85-62, and D85-63, each pertaining to the Employment and Training Administration, and D85-64, pertaining to the Pension Benefit Guaranty Corporation, as set forth in the message of March 1, 1985, which was transmitted to the Congress by the President.

(4) D85-66, pertaining to the Health Care Financing Administration, and D85-67, pertaining to the Social Security Administration, as set forth in the message of March 22, 1985, which was transmitted to the Congress by the President.

The disapproval shall be effective upon enactment into law of this Act and the amount of the proposed deferrals disapproved herein shall be made available for obligation.

CHAPTER IX

LEGISLATIVE BRANCH

SENATE

EXPENSE ALLOWANCES OF THE VICE PRESIDENT, THE PRESIDENT PRO TEMPORE, MAJORITY AND MINORITY LEADERS, THE MAJORITY AND MINORITY WHIPS, AND THE CHAIRMEN OF THE MAJORITY AND MINORITY CONFERENCE COMMITTEES

For an additional amount for "Expense Allowances of the Vice President, the President pro tempore, Majority and Minority Leaders, the Majority and Minority Whips, and the Chairmen of the Majority and Minority Conference Committees", $6,000: Provided, That, for each fiscal year (commencing with the fiscal year ending September 30, 1985), there is hereby authorized an expense allowance for the Chairmen of the Majority and Minority Conference Committees which shall not exceed $3,000 each fiscal year for each such Chairman; and amounts from such allowance shall be paid to either of such Chairmen only as reimbursement for actual expenses incurred by him and upon certification and documentation of such expenses, and amounts so paid shall not be reported as income and shall not be allowed as a deduction under title 26, United States Code.

SALARIES, OFFICERS AND EMPLOYEES

ADMINISTRATIVE, CLERICAL, AND LEGISLATIVE ASSISTANCE TO SENATORS

For an additional amount for "Administrative, Clerical and Legislative Assistance to Senators", $1,136,000.

CONTINGENT EXPENSES OF THE SENATE

SERGEANT AT ARMS AND DOORKEEPER OF THE SENATE

For an additional amount for "Sergeant at Arms and Doorkeeper of the Senate", $7,258,000, of which $4,800,000 shall remain available until September 30, 1986.

ADMINISTRATIVE PROVISIONS

SEC. 191. Effective October 1, 1984, the allowance for administrative and clerical assistance of each Senator from the State of Missouri is increased to that allowed Senators from States having a population of five million but less than seven million, the population of said State having exceeded five million inhabitants.

SEC. 192. For each fiscal year (commencing with the fiscal year ending September 30, 1985) there is authorized to be appropriated to the account, within the contingent fund of the Senate, for the Sergeant at Arms and Doorkeeper of the Senate, such funds (which shall be in addition to funds authorized to be so appropriated for other purposes) as may be necessary for the purchase, lease, exchange, maintenance, and operation of vehicles as follows: one for the Vice President, one for the President pro tempore of the Senate, one for the Majority Leader of the Senate, one for the Minority Leader of the Senate, one for the Majority Whip of the Senate, one for the Minority Whip of the Senate, and such number as is needed for carrying mails, and for official use of the offices of the Secretary of the Senate, the Sergeant at Arms and Doorkeeper of the Senate, the Secretary for the Majority, and the Secretary for the Minority.

SEC. 193. The second sentence of section 107(a) of the Supplemental Appropriations Act, 1979 (Public Law 96-38; 2 U.S.C. 69a) is amended by striking out "Senators and members of their staffs," and inserting in lieu thereof "Senators, Senate officials, or members of the staffs of Senators or Senate officials".

SEC. 194. Section 3(c)(2) under the heading "Administrative Provisions" in the appropriation for the Senate in the Legislative Branch Appropriation Act, 1975 (2 U.S.C. 59(c)(2)) is amended by striking out "$22,550" and inserting in lieu thereof "$30,000" and by striking out "$550" and inserting in lieu thereof "$734".

SEC. 195. (a) Funds authorized to be expended under section 120 of Public Law 97-51 (2 U.S.C. 61g-6) may be used by the Majority or Minority Conference Committee of the Senate, with the approval of the Committee on Rules and Administration, to procure the temporary services (not in excess of one year) or intermittent services of individual consultants, or organizations thereof, to make studies or advise the committee with respect to any matter within its jurisdiction.

(b) Such services in the case of individuals or organizations may be procured by contract as independent contractors, or in the case of individuals, by employment at daily rates of compensation not in excess of the per diem equivalent of the highest gross rate of compensation which may be paid to a regular employee of such committee. Such contracts shall not be subject to the provisions of section 5 of title 41 or any other provision of law requiring advertising.

(c) Any such consultant or organization shall be selected for the Majority or Minority Conference Committee of the Senate by the chairman thereof.

SEC. 196. The chairman of the Majority or Minority Conference Committee of the Senate may, during the fiscal year ending September 30, 1985, at his election, transfer not more than $65,000 from the appropriation account for salaries for the Conference of the Majority and the Conference of the Minority of the Senate, to the account, within the contingent fund of the Senate, from which expenses are payable under section 120 of Public Law 97-51 (2 U.S.C. 61g-6). Any transfer of funds under authority of the preceding sentence shall be made at such time or times as such chairman shall specify in writing to the Senate Disbursing Office. Any funds so transferred by the chairman of the Majority or Minority Conference Committee shall be available for expenditure by such committee in like manner and for the same purposes as are other moneys which are available for expenditure by such committee from the account, within the contingent fund of the Senate, from which expenses are payable under section 120 of Public Law 97-51 (2 U.S.C. 61g-6).

HOUSE OF REPRESENTATIVES

PAYMENTS TO WIDOWS AND HEIRS OF DECEASED MEMBERS OF CONGRESS

For payment to Catherine S. Long, widow of Gillis W. Long, late a Representative from the State of Louisiana, $75,100.

SALARIES, OFFICERS AND EMPLOYEES

For an additional amount for "Salaries, officers and employees", $130,000.

COMMITTEE EMPLOYEES

For an additional amount for "Committee employees", $2,799,000.

ALLOWANCES AND EXPENSES

For an additional amount for "Allowances and expenses", $5,603,000.

JOINT ITEMS

OFFICIAL MAIL COSTS

For an additional amount for "Official mail costs", $11,853,000.

GENERAL ACCOUNTING OFFICE

For an additional amount for "Salaries and expenses", $5,000,000.

CHAPTER X

DEPARTMENT OF TRANSPORTATION

OFFICE OF THE SECRETARY

SALARIES AND EXPENSES

Of the unobligated balance available within "Salaries and expenses" at the beginning of fiscal year 1985, $600,000 shall be available to carry out the provisions of Public Law 98-443.

WORKING CAPITAL FUND

The "Limitation on working capital fund" is reduced to [$65,470,000] *$64,500,000, of which $30,000 is reduced pursuant to section 2901 of the Deficit Reduction Act of 1984.*

COAST GUARD

OPERATING EXPENSES

For an additional amount for "Operating Expenses", $1,500,000.

ACQUISITION, CONSTRUCTION, AND IMPROVEMENTS

For an additional amount for "Acquisition, construction, and improvements", to remain available until September 30, 1988, $27,700,000.

ALTERATION OF BRIDGES

For an additional amount for "Alteration of bridges", $8,400,000, to remain available until expended: *Provided, That the bridge at mile 6.9 on the Willamette River is an unreasonable obstruction to navigation for the purposes of the Act of June 21, 1940 (33 U.S.C. 511 et seq.).*

FEDERAL AVIATION ADMINISTRATION

OPERATIONS

(INCLUDING TRANSFER OF FUNDS)

For an additional amount for "Operations", $15,000,000, of which $7,200,000 shall be derived by transfer from "Redeemable preference shares", $5,000,000 from "Payments to air carriers", $1,300,000 from "Construction, Metropolitan Washington Airports", and $1,500,000 from "Headquarters administration": Provided, That section 5532(f)(2) of title V, United States Code, is amended by striking "December 31, 1985" and inserting "December 31, 1986" in lieu thereof: Provided further, That section 8344(h) of title V, United States Code, is amended (a) by adding the following phrase at the end of paragraph (1): ": Provided, however, That the amount such an annuitant may receive in pay, excluding premium pay, in any pay period when aggregated with the annuity payable during that same period shall not exceed the rate payable for level V of the Executive Schedule."; and (b) by striking "August 3, 1981" in paragraph (2) and inserting "April 1, 1985" in lieu thereof: Provided further, That in the event that the Federal Aviation Administrator employs annuitants subject to section 8344(h) of title V, United States Code, not to exceed $10,000,000, to be derived from the unobligated balance of any appropriation available for obligation by the Federal Aviation Administration as of the effective date of this Act, shall be available through December 31, 1986 for the purpose of funding such employment: Providing further, That any such funding shall be reported to the Committees on Appropriations of the Senate and the House of Representatives.

Notwithstanding any other provision of law, the Secretary of Transportation shall hereafter, in consultation with appropriate law enforcement and other agencies, reexamine immediately the fitness of any carrier which has violated laws and regulations of the United States pertaining to the illegal importation of controlled substances or has failed to adopt available measures to prevent the illegal importation of controlled substances into the United States aboard its aircraft, and shall, where appropriate, suspend, modify, or revoke the certificate of public convenience and necessity or foreign air carrier permit of such carrier.

The Administrator of the Federal Aviation Administration shall not implement or enforce Federal Aviation Administration Order numbered 6850.26A or any other order establishing national policy for Federal funding of visual glide-slope indicators until such time as the Administrator has published notice in the Federal Register and has provided adequate opportunity for public comment concerning a national policy for Federal funding of such indicators.

FACILITIES AND EQUIPMENT

(AIRPORT AND AIRWAY TRUST FUND)

(RESCISSION)

Of available funds under this head, *$12,000,000 are rescinded, of which* $10,000,000 are rescinded pursuant to section 2901 of the Deficit Reduction Act of 1984.

FEDERAL HIGHWAY ADMINISTRATION

LIMITATION ON GENERAL OPERATING EXPENSES

The limitation on General operating expenses is reduced to $204,452,000.

RAILROAD-HIGHWAY CROSSINGS DEMONSTRATION PROJECTS

For an additional amount for "Railroad-highway crossings demonstration projects", to remain available until expended, [$5,300,000] *$9,340,000,* of which [$3,533,333] *$6,226,978* shall be derived from the Highway Trust Fund.

MOTOR CARRIER SAFETY

(RESCISSION)

Of available funds under this head, $164,000 are rescinded pursuant to section 2901 of the Deficit Reduction Act of 1984.

NATIONAL HIGHWAY TRAFFIC SAFETY ADMINISTRATION

OPERATIONS AND RESEARCH

(RESCISSIONS)

Of available funds under this head, $808,000 are rescinded pursuant to section 2901 of the Deficit Reduction Act of 1984.

Of available funds under this head for the purposes of carrying out a national program to encourage the use of automobile safety belts and passive restraints, [$7,500,000 or so much thereof as may be available on May 2, 1985] *$2,000,000,* is rescinded.

HIGHWAY TRAFFIC SAFETY GRANTS

(RESCISSION)

Of available funds under this head, $250,000 are rescinded pursuant to section 2901 of the Deficit Reduction Act of 1984.

FEDERAL RAILROAD ADMINISTRATION

RAILROAD RESEARCH AND DEVELOPMENT

(RESCISSION)

Of available funds under this head, $170,000 are rescinded pursuant to section 2901 of the Deficit Reduction Act of 1984.

RAIL SERVICE ASSISTANCE

(INCLUDING RESCISSION)

For an additional amount for "Rail service assistance", $60,281,000, to remain available until expended, for payment to the Secretary of Treasury for debt reduction, together with such sums as may be necessary for the payment of interest due to the Secretary of Treasury under the terms and conditions of such debt.

Of available funds under this head, $90,000 are rescinded pursuant to section 2901 of the Deficit Reduction Act of 1984.

SETTLEMENTS OF RAILROAD LITIGATION

For the settlement of promissory notes pursuant to section 210(f) of the Regional Rail Reorganization Act of 1973 (Public Law 93-236) as amended, $4,223,000 to remain available until expended, together with such sums as may be necessary for the payment of interest due to the Secretary of Treasury under the terms and conditions of such notes.

NORTHEAST CORRIDOR IMPROVEMENT PROGRAM

(RESCISSION AND DISAPPROVAL OF DEFERRAL)

Of available funds under this head, $200,000 are rescinded pursuant to section 2901 of the Deficit Reduction Act of 1984.

The Congress disapproves the proposed deferral D85-50 in the amount of $30,000,000 for the Northeast Corridor Improvement Program, as set forth in the message of February 6, 1985, which was transmitted to the Congress by the President. This disapproval shall be effective upon enactment into law of this Act and the amount of the proposed deferral disapproved herein shall be made available for obligation.

[RAILROAD REHABILITATION AND IMPROVEMENT FINANCING FUNDS

[The limitation on total commitments to guarantee new loans pursuant to sections 511 through 513 of the Railroad Revitalization and Regulatory Reform Act of 1976 (Public Law 94-210), as amended, is increased to $6,500,000 of contingent liabilities for loan principal during fiscal year 1985.]

ST. LAWRENCE SEAWAY DEVELOPMENT CORPORATION

LIMITATION ON ADMINISTRATIVE EXPENSES

The limitation on administrative expenses is reduced to $1,792,000.

RESEARCH AND SPECIAL PROGRAMS ADMINISTRATION

RESEARCH AND SPECIAL PROGRAMS

(TRANSFER OF FUNDS)

For an additional amount for "Research and special programs", [$425,000] *$700,000,* to be derived by transfer from "Payments to air carriers, Department of Transportation".

RELATED AGENCIES

INTERSTATE COMMERCE COMMISSION

SALARIES AND EXPENSES

For an additional amount for "Salaries and expenses", [$3,150,000] *$2,000,000: Provided, That none of the funds provided in this Act or in Public Law 98-473 shall be available for more than six full-time equivalent staff years, including Commissioners, in each Commissioner's office, except for the Chairman.*

PANAMA CANAL COMMISSION

CAPITAL OUTLAY

(TRANSFER OF FUNDS)

For an additional amount for "Capital outlay", [$2,220,000] *$1,700,000* to be derived from "Operating expenses" and to remain available until expended.

PAYMENTS TO THE REPUBLIC OF PANAMA

(TRANSFER OF FUNDS)

For payment to the Republic of Panama, pursuant to article XIII, paragraph 4(c) of the Panama Canal Treaty of 1977, [$2,186,000] *$2,705,000* to be derived from "Operating expenses".

CHAPTER XI

DEPARTMENT OF THE TREASURY

OFFICE OF THE SECRETARY

SALARIES AND EXPENSES

(RESCISSION)

Of available funds under this head, $969,000 are rescinded pursuant to section 2901 of the Deficit Reduction Act of 1984.

FEDERAL LAW ENFORCEMENT TRAINING CENTER

SALARIES AND EXPENSES

(RESCISSION)

Of available funds under this head, $75,000 are rescinded pursuant to section 2901 of the Deficit Reduction Act of 1984.

FINANCIAL MANAGEMENT SERVICE

SALARIES AND EXPENSES

(INCLUDING RESCISSION)

For an additional amount for "Salaries and expenses", $10,000,000, *of which $6,000,000 shall remain available until expended.*

Of available funds under this head, $972,000 are rescinded pursuant to section 2901 of the Deficit Reduction Act of 1984.

INTEREST ON UNINVESTED FUNDS

For "Interest on uninvested funds" for a deficiency incurred in 1984, $5,000: *Provided,* That any funds refunded by the American Printing House for the Blind, as a result of an accidental overpayment to the Printing House of $5,000 in 1984, shall be returned to the General Fund.

BUREAU OF ALCOHOL, TOBACCO AND FIREARMS

SALARIES AND EXPENSES

(INCLUDING RESCISSION)

For an additional amount for "Salaries and expenses", $1,900,000.

Of available funds under this head, $397,000 are rescinded pursuant to section 2901 of the Deficit Reduction Act of 1984.

UNITED STATES CUSTOMS SERVICE

SALARIES AND EXPENSES

(INCLUDING RESCISSION)

For an additional amount for "Salaries and expenses", [$2,800,000] *$14,400,000, of which $12,200,000 shall remain available until September 30, 1986* including purchase of thirty motor vehicles for police-type use.

Of available funds under this head, $1,223,000 are rescinded pursuant to section 2901 of the Deficit Reduction Act of 1984.

OPERATIONS AND MAINTENANCE, AIR INTERDICTION PROGRAM

For an additional amount for "Operations and maintenance, air interdiction program", $11,000,000 to remain available until September 30, 1986.

CUSTOMS FORFEITURE FUND

For necessary expenses of the Customs Forfeiture Fund, not to exceed $6,000,000, as authorized by Public Law 98-473 and Public Law 98-573, to be derived from deposits in the Fund.

CUSTOMS SERVICES AT SMALL AIRPORTS

Such sums as may be necessary for expenses of the provision of Customs services at certain small airports designated by the Secretary of the Treasury, including expenditures for the salaries and expenses of individuals employed to provide such services, to be derived from fees collected by the Secretary of the Treasury pursuant to section 236 of Public Law 98-573 for each of these airports, and to remain available until expended.

BUREAU OF THE MINT

SALARIES AND EXPENSES

(RESCISSION)

Of available funds under this head, $87,000 are rescinded pursuant to section 2901 of the Deficit Reduction Act of 1984.

BUREAU OF THE PUBLIC DEBT

ADMINISTERING THE PUBLIC DEBT

(RESCISSION)

Of available funds under this head, $52,000 are rescinded pursuant to section 2901 of the Deficit Reduction Act of 1984.

INTERNAL REVENUE SERVICE

SALARIES AND EXPENSES

(RESCISSION)

Of available funds under this head, $198,000 are rescinded pursuant to section 2901 of the Deficit Reduction Act of 1984.

PROCESSING TAX RETURNS AND EXECUTIVE DIRECTION

(RESCISSION)

Of available funds under this head, $781,000 are rescinded pursuant to section 2901 of the Deficit Reduction Act of 1984.

EXAMINATIONS AND APPEALS

(RESCISSION)

Of available funds under this head, $1,588,000 are rescinded pursuant to section 2901 of the Deficit Reduction Act of 1984.

INVESTIGATION, COLLECTION, AND TAXPAYER SERVICE

(INCLUDING RESCISSION)

For an additional amount for "Investigation, collection and taxpayer service", $2,400,000, including purchase of twenty-five motor vehicles for police-type use.

Of available funds under this head, $1,633,000 are rescinded pursuant to section 2901 of the Deficit Reduction Act of 1984.

FEDERAL TAX LIEN REVOLVING FUND

For additional capital for the "Federal Tax Lien Revolving Fund", $9,000,000.

UNITED STATES SECRET SERVICE

SALARIES AND EXPENSES

(INCLUDING RESCISSION)

For an additional amount for "Salaries and expenses", [$4,400,000] *$5,400,000 of which $4,050,000 is to remain available until expended.*

Of available funds under this head, $1,465,000 are rescinded pursuant to section 2901 of the Deficit Reduction Act of 1984.

UNITED STATES POSTAL SERVICE

PAYMENT TO THE POSTAL SERVICE FUND

For an additional amount for "Payment to the Postal Service Fund", for revenue forgone on free and reduced rate mail pursuant to 39 U.S.C. 2401 as amended, $168,620,000.

[EXECUTIVE OFFICE OF THE PRESIDENT

[NATIONAL CRITICAL MATERIALS COUNCIL

[SALARIES AND EXPENSES

[For necessary expenses for the National Critical Materials Council, including activities as authorized by Public Law 98-373, $200,000.]

INDEPENDENT AGENCIES

GENERAL SERVICES ADMINISTRATION

FEDERAL BUILDINGS FUND

LIMITATIONS ON AVAILABILITY OF REVENUE

(INCLUDING RESCISSION)

In addition to the aggregate amount heretofore made available for real property management and related activities in fiscal year 1985, [$31,033,000] *$7,225,000* shall be made available for such purposes and shall remain available until expended for the construction and acquisition of facilities, as follows:

[New Construction:

[California: Long Beach, Federal Building, $22,617,000.]

Payment of Construction Claims:

Florida: Fort Lauderdale, Federal Building-Courthouse, $405,000.

South Carolina: Columbia, Federal Building-Courthouse, $820,000.

District of Columbia: Washington, Forrestal Building, $3,000,000.

Purchase:

Acquisition of Excess Property, Scotia, New York, Depot, $3,000,000.

[Repairs and Alterations:

[Texas: Lufkin, Federal Building, $1,108,000:]

Provided, That $3,000,000 of the amount previously appropriated for [Real Property Operations] *the construction of a Federal Building at Long Beach, California,* pursuant to Public Law 98-473, under the heading "Federal Buildings Fund, Limitations on Availability of Revenue", shall be made available for purchase of the Scotia, New York, Depot [and the limitation on the amount available for repairs and alterations is increased to $221,809,000 and the limitation on the amount available for design and construction services is increased to $59,596,000 and the limitation on the amount available for real property operations is decreased to $689,899,000]: *Provided further,* That any revenues, collections, and any other sums accruing to this fund during fiscal year 1985 in excess of [$2,284,213,000] *$2,260,405,000,* excluding reimbursements under section 210(f)(6) of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 490(f)(6)), shall remain in the fund and shall not be available for expenditure except as authorized in appropriations Acts.

Of available funds under this head, $3,204,000 are rescinded pursuant to section 2901 of the Deficit Reduction Act of 1984.

PERSONAL PROPERTY ACTIVITIES

PERSONAL PROPERTY, OPERATING EXPENSES

(RESCISSION)

Of available funds under this head, $300,000 are rescinded pursuant to section 2901 of the Deficit Reduction Act of 1984.

GENERAL SUPPLY FUND

(RESCISSION)

Of available funds under this head, $30,848,000 are rescinded pursuant to section 2901 of the Deficit Reduction Act of 1984.

FEDERAL PROPERTY RESOURCES ACTIVITIES

OPERATING EXPENSES, FEDERAL PROPERTY RESOURCES SERVICE

(RESCISSION)

Of available funds under this head, $207,000 are rescinded pursuant to section 2901 of the Deficit Reduction Act of 1984.

EXPENSES, DISPOSAL OF SURPLUS REAL AND RELATED PERSONAL PROPERTY

(RESCISSION)

Of available funds under this head, $1,822,000 are rescinded pursuant to section 2901 of the Deficit Reduction Act of 1984.

GENERAL ACTIVITIES

GENERAL MANAGEMENT AND ADMINISTRATION, SALARIES AND EXPENSES

(RESCISSION)

Of available funds under this head, $403,000 are rescinded pursuant to section 2901 of the Deficit Reduction Act of 1984.

OFFICE OF INFORMATION RESOURCES MANAGEMENT

OPERATING EXPENSES, OFFICE OF INFORMATION RESOURCES MANAGEMENT

(RESCISSION)

Of available funds under this head, $45,000 are rescinded pursuant to section 2901 of the Deficit Reduction Act of 1984.

FEDERAL TELECOMMUNICATIONS FUND

(RESCISSION)

Of available funds under this head, $415,000 are rescinded pursuant to section 2901 of the Deficit Reduction Act of 1984.

AUTOMATIC DATA PROCESSING FUND

(RESCISSION)

Of available funds under this head, $145,000 are rescinded pursuant to section 2901 of the Deficit Reduction Act of 1984.

OFFICE OF INSPECTOR GENERAL

(RESCISSION)

Of available funds under this head, $35,000 are rescinded pursuant to section 2901 of the Deficit Reduction Act of 1984.

ALLOWANCES AND OFFICE STAFF FOR FORMER PRESIDENTS

(RESCISSION)

Of available funds under this head, $19,000 are rescinded pursuant to section 2901 of the Deficit Reduction Act of 1984.

WORKING CAPITAL FUND

(RESCISSION)

Of available funds under this head, $8,000 are rescinded pursuant to section 2901 of the Deficit Reduction Act of 1984.

NATIONAL ARCHIVES AND RECORDS ADMINISTRATION

OPERATING EXPENSES

(RESCISSION)

Of available funds under this head, $166,000 are rescinded pursuant to section 2901 of the Deficit Reduction Act of 1984.

OFFICE OF PERSONNEL MANAGEMENT

SALARIES AND EXPENSES

(INCLUDING RESCISSION)

The limitation on administrative expenses for the retirement and insurance programs to be transferred from the appropriate trust funds of the Office of Personnel Management, contained in H.R. 5798 and incorporated in Public Law 98-473, is hereby reduced to $50,503,000.

Of available funds under this head, $1,161,000 are rescinded pursuant to section 2901 of the Deficit Reduction Act of 1984.

PAYMENT TO CIVIL SERVICE RETIREMENT AND DISABILITY FUND

For an additional amount for "Payment to Civil Service Retirement and Disability Fund", $40,965,000.

GENERAL PROVISIONS

[None of the funds appropriated under this or any other Act shall be obligated or expended prior to October 1, 1985, to implement, promulgate, administer, enforce, or reissue or revise the proposed Office of Personnel Management regulations and the proposed Federal Personnel Manual issuances published in the Federal Register on March 30, 1983, on pages 13341 through 13381, as superseded by proposed regulations and Federal Personnel Manual issuances published in the Federal Register on July 14, 1983, on pages 32275 through 32312, and as further superseded by proposed regulations and Federal Personnel Manual issuances published in the Federal Register on October 25, 1983, on pages 49462 through 49498.

[Notwithstanding any other provision of law, none of the funds made available in this or any other Act may be used to plan, implement, or administer (1) any reduction in the number of regions, districts or entry processing locations of the United States Customs Service; or (2) any consolidation or centralization of duty assessment or appraisement functions of any offices of the United States Customs Service.]

5 U.S.C. 5723 is amended by adding new subsection (f):

"(f) Under regulations prescribed pursuant to the authority contained in subsection (a) any person appointed to a position described in subsection (a)(1)(B) and (c) of this section for whom the Government pays travel and transportation expenses under this section may be allowed relocation expenses to the same extent and with the same limitations prescribed for a transferred employee under sections 5724a, 5724b, and 5724c of this title.".

5 U.S.C. 5724a(a)(4) is amended by adding new subparagraph (c):

"(C) Reimbursement under this paragraph may also be allowed for (i) the expenses of the sale of the residence at the old official station located within the areas listed in subparagraph (A) incident to an employee's transfer to a post of duty located outside those areas to serve an agreed upon tour of duty and the employee's travel and transportation expenses are allowed pursuant to section 5724(d) of this title, and (ii) the expenses of the purchase of a residence at a new official station located within the areas listed in subparagraph (A) when the employee is transferred in the interest of the Government to such official station from a post of duty located outside those areas and residence sale expenses are allowable under clause (i) of this subparagraph. Agencies may pay expenses under clause (i) or (ii) of this subparagraph only after the employee agrees in writing to remain in Government service for 12 months after each of the transfers as described in clauses (i) and (ii) unless separated for reasons beyond his control which are acceptable to the agency concerned. If the employee violates the agreement for either transfer, the money spent by the United States for the expenses incident to that transfer is recoverable from the employee as a debt due the United States. The benefits authorized under this subparagraph shall in no case duplicate benefits or allowances authorized under other statutory provisions for the same basic purposes.".

Notwithstanding any other provision of law, none of the funds appropriated by this or by any other appropriations Act shall be used by the Internal Revenue Service for the purpose of prohibiting cooperatives subject to section 521 or subchapter T of the Internal Revenue Code from netting earnings and losses between and among any of their purchasing and marketing allocation units in determining the amount of patronage dividends to be issued and in determining their taxable income after the deduction for patronage dividends.

CHAPTER XII

DISTRICT OF COLUMBIA

FEDERAL FUNDS

For a Federal contribution to the District of Columbia $14,180,000: Provided, That $8,777,000 shall be made available for capital projects and shall remain available until expended: Provided further, That funds for capital projects may be drawn only to the extent that outstanding obligations become due and payable.

DISTRICT OF COLUMBIA FUNDS

GOVERNMENTAL DIRECTION AND SUPPORT

For an additional amount for "Governmental Direction and Support", $4,295,000.

ECONOMIC DEVELOPMENT AND REGULATION

For an additional amount for "Economic Development and Regulation", $9,849,000.

PUBLIC SAFETY AND JUSTICE

For an additional amount for "Public Safety and Justice", $21,681,000.

PUBLIC EDUCATION SYSTEM

(INCLUDING RESCISSION)

Of the funds appropriated for "Public Education System" for fiscal year 1985 in Public Law 98-473, a net amount of $3,249,000 is rescinded with increases and rescissions as allocated follows: $5,000,000 additional for the Public Schools of the District of Columbia; $100,000 additional for the Public Library; $151,000 additional for the Commission on the Arts and Humanities; and a rescission of $8,500,000 from the amount allocated to the District of Columbia Teachers' Retirement Fund.

HUMAN SUPPORT SERVICES

For an additional amount for "Human Support Services", $7,866,000: Provided further, That $698,000 of revenue sharing trust funds appropriated for fiscal year 1985 in Public Law 98-473, are rescinded.

PUBLIC WORKS

(RESCISSION)

Of the funds appropriated for "Public Works" for fiscal year 1985 in Public Law 98-473, $875,000 are rescinded.

WASHINGTON CONVENTION CENTER FUND

For an additional amount for "Washington Convention Center Fund", $500,000.

REPAYMENT OF LOANS AND INTEREST

(RESCISSION)

Of the funds appropriated for "Repayment of Loans and Interest" for fiscal year 1985, $1,473,000 are rescinded.

SHORT-TERM BORROWINGS

(RESCISSION)

Of the funds appropriated for "Short-Term Borrowings", for fiscal year 1985, $1,250,000 are rescinded.

PERSONAL SERVICES

For one time bonus costs, to be apportioned by the Mayor of the District of Columbia within the various appropriation headings in this Act, from which employees are properly payable, $8,327,000.

ADJUSTMENTS

Reductions within Object Class 30A (energy) under the heading "Adjustments", for fiscal year 1985 in Public Law 98-473 and reductions within authorized appropriations and expenditures for professional and related services under the heading "General Provisions", section 132 for fiscal year 1985 in Public Law 98-473, shall be applied to the appropriation "Repayment of General Fund Deficit".

CAPITAL OUTLAY

For an additional amount for "Capital Outlay", $5,750,000.

WATER AND SEWER ENTERPRISE FUND

For an additional amount for "Water and Sewer Enterprise Fund", $10,801,000.

TITLE II—INCREASED PAY COSTS FOR THE FISCAL YEAR 1985

For additional amounts for appropriations for the fiscal year 1985, for increased pay costs authorized by or pursuant to law as follows:

LEGISLATIVE BRANCH

SENATE

"Salaries, officers and employees", $4,468,000;

"Office of the Legislative Counsel of the Senate", $37,000;

"Senate policy committees", $50,000;

HOUSE OF REPRESENTATIVES

"House leadership offices", $91,000;

"Salaries, officers and employees", $1,176,000;

"Committee employees", $1,012,000;

"Members' clerk hire", $2,636,000;

"Allowances and expenses", $669,000;

JOINT ITEMS

"Joint Economic Committee", $75,000;

"Joint Committee on Printing", $8,000;

"Capitol Guide Service", $10,000;

CONGRESSIONAL BUDGET OFFICE

"Salaries and expenses", $123,000;

ARCHITECT OF THE CAPITOL

Office of the Architect of the Capitol: "Salaries", $75,000;

"Capitol buildings", $100,000;

"Capitol grounds", $100,000;

"House office buildings", $123,000;

"Capitol power plant", $70,000;

Library buildings and grounds: "Structural and mechanical care", $90,000;

LIBRARY OF CONGRESS

"Salaries and expenses", $1,833,000;

Copyright Office: "Salaries and expenses", $199,000;

Congressional Research Service: "Salaries and expenses", $500,000;

BOTANIC GARDEN

"Salaries and expenses", $36,000;

OFFICE OF TECHNOLOGY ASSESSMENT

"Salaries and expenses", $143,000;

THE JUDICIARY

UNITED STATES COURT OF APPEALS FOR THE FEDERAL CIRCUIT

"Salaries and expenses", $87,000;

UNITED STATES COURT OF INTERNATIONAL TRADE

"Salaries and expenses", $98,000 to remain available until September 30, 1986;

COURTS OF APPEALS, DISTRICT COURTS, AND OTHER JUDICIAL SERVICES

"Salaries of judges", [$1,910,000 of which $210,000 shall remain available until September 30, 1986] *$1,700,000*;

"Salaries of supporting personnel", $9,150,000 to remain available until September 30, 1986;

"Defender services", $375,000 to remain available until September 30, 1986;

"Bankruptcy Courts: Salaries and expenses", $2,540,000;

ADMINISTRATIVE OFFICE OF THE UNITED STATES COURTS

"Salaries and expenses", $452,000 to remain available until September 30, 1986;

FEDERAL JUDICIAL CENTER

"Salaries and expenses", $90,000;

EXECUTIVE OFFICE OF THE PRESIDENT

THE WHITE HOUSE OFFICE

"Salaries and expenses", $204,000;

EXECUTIVE RESIDENCE AT THE WHITE HOUSE

"Operating expenses", $57,000;

SPECIAL ASSISTANCE TO THE PRESIDENT

"Salaries and expenses", $13,000;

OFFICE OF ADMINISTRATION

"Salaries and expenses", $68,000;

OFFICE OF MANAGEMENT AND BUDGET

"Salaries and expenses", $352,000;

"Office of Federal Procurement Policy: Salaries and expenses", $15,000;

OFFICE OF SCIENCE AND TECHNOLOGY POLICY

"Salaries and expenses", $20,000;

DEPARTMENT OF AGRICULTURE

(INCLUDING TRANSFERS OF FUNDS)

"Office of the Secretary", [$65,000] *$129,000*;

"Departmental Administration", for budget and program analysis, $45,000; for personnel, finance and management, operations, information resources management, equal opportunity, small and disadvantaged business utilization, and administrative law judges and judicial officer, [$175,000] *$255,000*; making a total of [$220,000] *$300,000*;

"Office of Governmental and Public Affairs", for public affairs, $40,000; and for intergovernmental affairs, $2,000;

"Office of the Inspector General", $431,000 to be derived by transfer from the

appropriation "Food stamp program" and merged with this appropriation;

"Office of the General Counsel", $188,000 to be derived by transfer from the appropriation "Food Stamp Program" and merged with this appropriation;

"Agricultural Research Service", $4,084,000;

"National Agricultural Library", $64,000;

STATISTICAL REPORTING SERVICE

"Salaries and expenses", $538,000;

ECONOMIC RESEARCH SERVICE

"Salaries and expenses", $489,000;

"Agricultural Cooperative Service", $36,000;

"World Agricultural Outlook Board", $34,000;

"Foreign Agricultural Service", $274,000;

"General Sales Manager", not to exceed an additional $54,000 may be transferred from the Commodity Credit Corporation funds to support the General Sales Manager;

FEDERAL CROP INSURANCE CORPORATION

"Administrative and operating expenses", $502,000;

RURAL ELECTRIFICATION ADMINISTRATION

"Salaries and expenses", $324,000;

FARMERS HOME ADMINISTRATION

"Salaries and expenses", $8,046,000;

SOIL CONSERVATION SERVICE

"Conservation operations", $8,196,000;

"River basin surveys and investigations", $252,000;

"Watershed planning", $172,000;

"Watershed and flood prevention operations", $1,543,000;

"Resource conservation and development", $320,000;

"Great Plains conservation program", $216,000;

ANIMAL AND PLANT HEALTH INSPECTION SERVICE

"Salaries and expenses", $2,266,000;

FEDERAL GRAIN INSPECTION SERVICE

"Salaries and expenses", $58,000;

AGRICULTURAL MARKETING SERVICE

"Marketing services", $841,000;

"Increase in limitation on administrative expenses", $753,000;

"Funds for strengthening markets, income and supply (section 32)", (increase of $150,000 in limitation, "marketing agreements and orders");

"Office of Transportation", $27,000;

FOOD SAFETY AND INSPECTION SERVICE

"Salaries and expenses", $11,396,000;

FOOD AND NUTRITION SERVICE

"Food program administration", $1,000,000;

"Human Nutrition Information Service", $37,000;

"Packers and Stockyards Administration", $85,000;

FOREST SERVICE

"Forest research", [$964,000] *$1,164,000*;

"State and private forestry", $209,000;

"National forest system", $10,688,000;

["Construction", $1,777,000, to remain available until expended;

"Land acquisition", $30,000, to remain available until expended;]

DEPARTMENT OF COMMERCE

NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION

(TRANSFER OF FUNDS)

"Operations, research, and facilities", [$2,783,000 to] *$5,860,000, of which $3,077,000 shall be derived by transfer from General Administration, "Salaries and expenses", and $2,783,000 shall* be derived by transfer from International Trade Administration, "Operations and Administration";

DEPARTMENT OF DEFENSE—MILITARY

MILITARY PERSONNEL

(INCLUDING TRANSFER OF FUNDS)

"Military personnel, Army", [$442,249,000] *$417,249,000 and in addition $25,000,000 shall be derived by transfer from "Reserve Personnel, Army, 1985"*;

"Military personnel, Navy", [$224,819,000] *$339,633,000*, [and in addition, to be derived by transfer, $114,814,000,] of which $21,000,000 shall be derived by transfer from "Aircraft Procurement, Navy, 1983/1985", $27,750,000 shall be derived by transfer from "Weapons Procurement, Navy, 1983/1985", [$51,064,000] *$275,883,000* shall be derived by transfer from "Shipbuilding and Conversion, Navy, 1981/1985", and $15,000,000 shall be derived by transfer from "Other Procurement, Navy, 1983/1985";

"Military personnel, Marine Corps", [$116,840,000] *$106,840,000 and in addition, $10,000,000 shall be derived by transfer from "Procurement, Marine Corps, 1983/1985"*;

"Military personnel, Air Force", [$275,312,000] *$224,825,000*, and in addition, [to be derived by transfer, $112,367,000] *$142,854,000*, of which [$72,367,000] *$66,454,000* shall be derived by transfer from "Aircraft Procurement, Air Force, 1983/1985", [$25,000,000] *$33,200,000* shall be derived by transfer from "Missile Procurement, Air Force, 1983/1985", and [$15,000,000] *$43,200,000* shall be derived by transfer from "Other Procurement, Air Force, 1983/1985";

"Reserve personnel, Navy", [$26,619,000] *$4,619,000 and in addition, $22,000,000 shall be derived by transfer from "Aircraft Procurement, Navy, 1983/1985"*;

"Reserve personnel, Marine Corps", $3,078,000;

"Reserve personnel, Air Force", $2,976,000;

"National Guard personnel, Air Force", $17,532,000;

OPERATION AND MAINTENANCE

(INCLUDING TRANSFER OF FUNDS)

"Operation and maintenance, Army", [$14,470,000] *$10,466,000*, and in addition, [to be derived by transfer, $147,000,000] *$119,300,000*, of which [$12,500,000] *$11,300,000* shall be derived by transfer from "Aircraft Procurement, Army, 1983/1985", [$23,500,000 shall be derived by transfer from "Missile Procurement, Army, 1983/1985", $86,000,000] *$83,000,000* shall be derived by transfer from "Procurement of Weapons and Tracked Combat Vehicles, Army, 1983/1985", $10,000,000 shall be derived by transfer from "Procurement of Ammunition, Army, 1983/1985", and $15,000,000 shall be derived by transfer from "Other Procurement, Army, 1983/1985";

"Operation and maintenance, Navy", [$22,952,000] *$7,119,000*, and in addition, [to be derived by transfer, $135,148,000] *$180,829,000*, of which [$83,448,000] *$104,129,000* shall be derived by transfer from "Shipbuilding and Conversion, Navy, 1981/1985", $16,200,000 shall be derived by transfer from "Research, Development, Test, and Evaluation, Navy, 1985/1986", $29,100,000 shall be derived by transfer from "Shipbuilding and Conversion, Navy, 1985/1989", [and] $6,400,000 shall be derived by transfer from "Aircraft Procurement, Navy, 1985/1987", *and $25,000,000 shall be derived by transfer from "Other Procurement, Navy, 1983/1985"*;

"Operation and maintenance, Marine Corps", $8,488,000, to be derived by transfer from "Shipbuilding and Conversion, Navy, 1981/1985";

"Operation and maintenance, Air Force", [$75,133,000] *$90,346,000*, to be derived by transfer from "Aircraft Procurement, Air Force, 1983/1985";

"Operation and maintenance, Defense Agencies", [$89,230,000] *$81,230,000, and in addition, $8,000,000 shall be derived by transfer from "Procurement, Defense Agencies, 1983/1985"*;

"Operation and maintenance, Army Reserve", $7,336,000;

"Operation and maintenance, Navy Reserve", [$600,000] *$1,400,000*;

"Operation and maintenance, Marine Corps Reserve", $150,000;

"Operation and maintenance, Air Force Reserve", $7,300,000;

"Operation and maintenance, Army National Guard", $13,194,000;

"Operation and maintenance, Air National Guard", $15,091,000;

"National Board for the Promotion of Rifle Practice, Army", $12,000;

FAMILY HOUSING

"Family housing, Army", $1,700,000;

DEPARTMENT OF DEFENSE—CIVIL

CEMETERIAL EXPENSES, ARMY

"Salaries and expenses", $53,000;

CORPS OF ENGINEERS—CIVIL

(TRANSFER OF FUNDS)

"General investigations", $2,200,000 to remain available until expended to be derived from "Construction, general";

"General expenses", $3,000,000 to remain available until expended to be derived from "Construction, general";

SOLDIERS' AND AIRMEN'S HOME

"Operation and maintenance", $324,000;

DEPARTMENT OF ENERGY

ENERGY PROGRAMS

"Energy Information Administration", $495,000;

Federal Energy Regulatory Commission: "Salaries and expenses", $1,627,000;

DEPARTMENT OF HEALTH AND HUMAN SERVICES

FOOD AND DRUG ADMINISTRATION

"Salaries and expenses", $3,535,000;

HEALTH SERVICES ADMINISTRATION

"Indian Health Services", [$9,297,000] *$4,650,000*;

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

MANAGEMENT AND ADMINISTRATION

(TRANSFER OF FUNDS)

"Salaries and expenses", $2,712,000, to be derived by transfer from the various funds of the Federal Housing Administration;

DEPARTMENT OF THE INTERIOR

BUREAU OF LAND MANAGEMENT

"Management of lands and resources", [$2,000,000] *$3,000,000*;

UNITED STATES FISH AND WILDLIFE SERVICE

"Resource Management"; [$2,000,000] *$4,000,000*;

NATIONAL PARK SERVICE

"Operation of the national park system", $8,700,000;

OFFICE OF SURFACE MINING RECLAMATION AND ENFORCEMENT

"Regulation and technology", $455,000;

GEOLOGICAL SURVEY

"Surveys, investigations, and research", $4,464,000;

BUREAU OF INDIAN AFFAIRS

"Operation of Indian programs", $5,000,000 *to be derived by transfer from "Construction", Bureau of Indian Affairs*;

OFFICE OF THE SOLICITOR

"Office of the Solicitor", $306,000;

DEPARTMENT OF JUSTICE

GENERAL ADMINISTRATION

"Salaries and expenses", $1,068,000;

UNITED STATES PAROLE COMMISSION

"Salaries and expenses", $160,000;

LEGAL ACTIVITIES

(INCLUDING TRANSFER OF FUNDS)

"Salaries and expenses, General Legal Activities", $3,308,000;

"Salaries and expenses, Antitrust Division", $665,000;

"Salaries and expenses, United States Attorneys and Marshals", [$7,811,000] *$7,787,000* of which $1,636,000 to be derived by transfer from "Support of U.S. Prisoners";

"Salaries and expenses, Community Relations Service", $135,000, of which $17,000 may be made available for expenses necessary under section 501(c) of the Refugee Education Assistance Act of 1980;

INTERAGENCY LAW ENFORCEMENT

"Organized crime drug enforcement", $43,000;

FEDERAL BUREAU OF INVESTIGATION

"Salaries and expenses", $15,270,000;

DRUG ENFORCEMENT ADMINISTRATION

"Salaries and expenses", $4,682,000;

IMMIGRATION AND NATURALIZATION SERVICE

"Salaries and expenses", $9,561,000;

FEDERAL PRISON SYSTEM:

"Salaries and expenses", $7,345,000;

"Limitation on administrative and vocational training expenses, Federal Prison Industries, Incorporated" (increase of $30,000 in the limitation on Administrative expenses, and $74,000 on Vocational Training expenses);

DEPARTMENT OF LABOR

EMPLOYMENT STANDARDS ADMINISTRATION

"Black Lung Disability Trust Fund", $176,000 which shall be available for transfer to Employment Standards Administration, "Salaries and expenses";

DEPARTMENT OF TRANSPORTATION

FEDERAL AVIATION ADMINISTRATION

(TRANSFERS OF FUNDS)

"Operations", $3,112,000, of which $2,025,000 shall be derived from the unobligated balances of "Payments to air carriers"; $682,000 shall be derived from "Headquarters administration"; and $405,000 shall be derived from the unobligated balances of "Construction, Metropolitan Washington airports";

"Operation and maintenance, Metropolitan Washington airports", $505,000 to be derived from the unobligated balances of "Construction, Metropolitan Washington airports";

COAST GUARD

(INCLUDING TRANSFERS OF FUNDS)

"Operating expenses", $15,000,000, to remain available until expended, to be derived from funds available in fiscal year 1985 from the Boat Safety Account; and $3,275,000 to be derived from the unobligated balances of "Payments to air carriers": *Provided*, That not to exceed $785,000,000 shall be available in fiscal year 1985 for compensation and military benefits of military personnel of the Coast Guard;

"Reserve training", $1,025,000, of which $390,000 shall be derived by transfer from the appropriation "Payments to air carriers"; $500,000 shall be derived from the unobligated balances of "Acquisition, construction and improvements"; and $135,000 shall be derived from the unobligated balances of "Research, development, test and evaluation";

MARITIME ADMINISTRATION

(TRANSFER OF FUNDS)

"Operations and training," $552,000 to be derived from the unobligated balances of "Payments to air carriers";

RESEARCH AND SPECIAL PROGRAMS ADMINISTRATION

(TRANSFER OF FUNDS)

"Research and special programs," $300,000 to be derived from the unobligated balances of "Payments to air carriers";

OFFICE OF THE SECRETARY

(INCLUDING TRANSFER OF FUNDS)

"Salaries and expenses", $65,000 to be derived by transfer from "Transportation planning, research and development" together with $435,000 from the unobligated balances available under this head at the beginning of fiscal year 1985;

DEPARTMENT OF THE TREASURY

OFFICE OF THE SECRETARY

"Salaries and expenses", $657,000;

FEDERAL LAW ENFORCEMENT TRAINING CENTER

"Salaries and expenses", $102,000;

FINANCIAL MANAGEMENT SERVICE

"Salaries and expenses", $1,229,000;

BUREAU OF ALCOHOL, TOBACCO AND FIREARMS

"Salaries and expenses", $1,339,000;

UNITED STATES CUSTOMS SERVICE

"Salaries and expenses", $12,492,000;

BUREAU OF THE PUBLIC DEBT

"Administering the public debt", $849,000;

INTERNAL REVENUE SERVICE

"Salaries and expenses", $1,821,000;

"Processing tax returns", $14,384,000;

"Examinations and appeals", $28,539,000;

"Investigation, collection, and taxpayer service", $20,453,000;

Any appropriation made available to the Internal Revenue Service for the current fiscal year by this Act may be transferred to any other Internal Revenue Service appropriation to the extent necessary for increased pay costs authorized by or pursuant to law;

UNITED STATES SECRET SERVICE

"Salaries and expenses", $2,214,000;

ENVIRONMENTAL PROTECTION AGENCY

"Salaries and expenses", $5,423,000;

GENERAL SERVICES ADMINISTRATION

FEDERAL BUILDINGS FUND

LIMITATION OF AVAILABILITY OF REVENUE

[In addition to the aggregate amount heretofore made available for real property management and related activities in fiscal year 1985, $2,099,000 shall be available for such purposes and the limitation on the amount available for design and construction services is increased to $59,513,000 and the limitation on the amount available for real property operations is decreased to $692,899,000 and the limitation on the amount available for program direction and centralized services is increased to $118,509,000: *Provided*, That $2,099,000 of the amount previously appropriated for Real Property Operations pursuant to Public Law 98-473, under the heading "Federal Building Fund, Limitations on Availability of Revenue", shall be made available for increased pay costs: *Provided further*, That any revenues and collections and any other sums accruing to this fund during fiscal year 1985, excluding reimbursements under section 210(f)(6) of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 490(f)(6)), in excess of $2,256,180,000 shall remain in the fund and shall not be available for expenditure except as authorized in appropriations Acts;]

In addition to the aggregate amount heretofore made available for real property management and related activities in fiscal year 1985, $7,781,000 shall be available for such purposes and the limitation on the amount available for real property operations is increased to $700,680,000 and the limitation on the amount available for program direction and centralized services is increased to $118,509,000 and the limitation on the amount available for design and construction services is increased to $59,513,000: Provided, That $7,781,000 of the amount previously appropriated for the construction of a Federal Building at Long Beach, California, pursuant to Public Law 98-473, under the heading "Federal Buildings Fund, Limitations on Availability of Revenue", shall be made available for increased pay costs: Provided further, That any revenues and collections and any other sums accruing to this fund during fiscal year 1985, excluding reimbursements under section 210(f)(6) of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 490(f)(6), in excess of $2,256,180,000 shall remain in the fund and shall not be available for expenditure except as authorized in appropriations Acts;

PERSONAL PROPERTY ACTIVITIES

(TRANSFER OF FUNDS)

"Operating expenses", $2,200,000 of which $200,000 shall be derived by transfer from "Operating expenses, Office of Information Resources Management", $1,500,000 shall be derived by transfer from "Expenses, Presidential transition", and $500,000 shall be derived from unobligated balances available from "Operating expenses, Federal Property Resources Service";

GENERAL MANAGEMENT AND ADMINISTRATION

(TRANSFER OF FUNDS)

"Salaries and expenses", $2,200,000 of which $200,000 shall be derived by transfer from "Operating expenses, Office of Information Resources Management", $1,500,000 shall be derived by transfer from "Expenses, Presidential transition", and $500,000 shall be derived from unobligated balances available from "Operating expenses, Federal Property Resources Service";

NATIONAL AERONAUTICS AND SPACE ADMINISTRATION

"Research and program management", $21,300,000;

OFFICE OF PERSONNEL MANAGEMENT

(INCLUDING TRANSFER OF FUNDS)

"Salaries and expenses", $917,000 in addition to $448,000 for current fiscal year administration expenses for the retirement and insurance programs to be transferred from the appropriate trust funds of the Office of Personnel Management in amounts to be determined by the Office of Personnel Management without regard to other statutes;

VETERANS ADMINISTRATION

"Medical care", [$152,524,000] *$122,524,000*, to remain available until September 30, 1986;

"General operating expenses", [$6,000,000] *$3,500,000*;

"Construction, minor projects", an increase of $371,000 in the limitation on the expenses of the Office of Construction;

OTHER INDEPENDENT AGENCIES

ADMINISTRATIVE CONFERENCE OF THE UNITED STATES

"Salaries and expenses", $12,000;

COMMISSION OF FINE ARTS

"Salaries and expenses", $2,000;

COMMISSION ON CIVIL RIGHTS

"Salaries and expenses", $122,000;

COMMODITY FUTURES TRADING COMMISSION

"Commodity Futures Trading Commission", $272,000;

EQUAL EMPLOYMENT OPPORTUNITY COMMISSION

"Salaries and expenses", $2,900,000;

FEDERAL COMMUNICATIONS COMMISSION

"Salaries and expenses", $1,830,000;

FEDERAL ELECTION COMMISSION

"Salaries and expenses", $116,000;

FEDERAL EMERGENCY MANAGEMENT AGENCY

"Salaries and expenses", $2,472,000, to be derived by transfer from "Emergency management planning and assistance";

FEDERAL HOME LOAN BANK BOARD

"Limitation on administrative and nonadministrative expenses, Federal Home Loan Bank Board" (increase of $1,110,000 in the limitation on administrative expenses);

FEDERAL LABOR RELATIONS AUTHORITY

"Salaries and expenses", $167,000;

FEDERAL MEDIATION AND CONCILIATION SERVICE

"Salaries and expenses", $234,000;

FEDERAL TRADE COMMISSION

"Salaries and expenses", $1,450,000;

INTELLIGENCE COMMUNITY STAFF

"Intelligence Community Staff", $174,000;

INTERGOVERNMENTAL AGENCIES

ADVISORY COMMISSION ON INTERGOVERNMENTAL RELATIONS

"Salaries and expenses", $17,000;

DELAWARE RIVER BASIN COMMISSION

"Salaries and expenses", $2,000;

SUSQUEHANNA RIVER BASIN COMMISSION

"Salaries and expenses", $2,000;

INTERNATIONAL TRADE COMMISSION

"Salaries and expenses", $300,000;

INTERSTATE COMMERCE COMMISSION

"Salaries and expenses", [$500,000] *$1,000,000*;

MERIT SYSTEMS PROTECTION BOARD

"Salaries and expenses", $194,000;

"Office of Special Counsel", $44,000;

NATIONAL CAPITAL PLANNING COMMISSION

"Salaries and expenses", $22,000;

NATIONAL SCIENCE FOUNDATION

"Research and related activities", (increase of $1,670,000 in the limitation on program development and management);

"United States Antarctic program activities", $750,000, to remain available until expended;

NATIONAL TRANSPORTATION SAFETY BOARD

"Salaries and expenses", $199,000;

PENNSYLVANIA AVENUE DEVELOPMENT CORPORATION

"Salaries and expenses", $18,000;

SECURITIES AND EXCHANGE COMMISSION

"Salaries and expenses", [$1,294,000] *$1,045,000*;

SMITHSONIAN INSTITUTION

"Salaries and expenses", $1,906,000;

"Salaries and expenses, National Gallery of Art", $363,000;

"Salaries and expenses, Woodrow Wilson International Center for Scholars", $16,000;

UNITED STATES HOLOCAUST MEMORIAL COUNCIL

"United States Holocaust Memorial Council", $13,000;

UNITED STATES TAX COURT

"Salaries and expenses", $350,000;

TITLE III

GENERAL PROVISIONS

SEC. 301. No part of any appropriation contained in this Act shall remain available for obligation beyond the current fiscal year unless expressly so provided herein.

SEC. 302. Except where specifically increased or decreased elsewhere in this Act, the restrictions contained within appropriations, or provisions affecting appropriations or other funds, available during fiscal year 1985, limiting the amount which may be expended for personal services, or for purposes involving personal services, or amounts which may be transferred between appropriations or authorizations available for or involving such services, are hereby increased to the extent necessary to meet increased pay costs authorized by or pursuant to law.

This Act may be cited as the "Supplemental Appropriations Act, 1985".

UNANIMOUS CONSENT AGREEMENT

Mr. HATFIELD. Mr. President, before I make a few opening remarks, I wish to follow through with the unanimous consent request concerning the handling of the committee amendments which has been cleared on both sides of the aisle. I would like to state the unanimous consent request.

Mr. President, I ask unanimous consent that the committee amendments to H.R. 2577 be considered and agreed to en bloc, with the exception of the amendments appearing on page 110, line 14 through line 20 on page 111—parenthetically or editorially, I will say that this is an amendment dealing with land transfers between the BLM and the Forest Service, and the request is on behalf of Senator DECONCINI of Arizona—provided no points of order are waived thereon, and that the measure, as amended, be considered as original text for the purpose of further amendments; and provided further that the remaining committee amendments be laid temporarily aside by unanimous consent.

The PRESIDING OFFICER. Is there objection?

Mr. BYRD. Reserving the right to object, and I have no objection, it is clear that the laying aside of the amendments, pending amendments, would be done by unanimous consent. I have no objection.

The PRESIDING OFFICER. Without objection, it is so ordered.

The committee amendments, with the exception of the amendments appearing on page 110, line 14 through line 20 on page 111, were agreed to en bloc.

Mr. HATFIELD. Mr. President, H.R. 2577, the fiscal year 1985 general supplemental reported from the Appropriations Committee last Thursday, recommends a total of $13,468,672,536 for pay and program supplementals. This is $416,280,900 less than the request of the President and $53,557,000 more than the amount of the House bill. The committee's recommendations exceed those of the House primarily due to our recommending matters not considered by the House.

The committee's recommendations include a number of major items requested by the President, namely: $3,935,790,000 for reimbursement of net realized losses of the CCC; $3,500 million for payment to the Social Security trust funds; $2,008 million for economic support fund, of which $2 billion is for aid to Egypt and Israel; $720,346,000 for guaranteed student loans; $318,856,000 for food stamps; $287 million for Pell grants; $175 million for veterans' compensations and pensions; $38 million for humanitarian assistance to Nicaragua, of which $14 million is by transfer of funds provided in Public Law 98-473; and $63,100,000 for initiation of construction on 25 water projects by the Corps of Engineers and Bureau of Reclamation.

I ask unanimous consent that a table listing these and other highlights of the bill as reported by the committee be printed in the RECORD at this point.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Major items in the Senate-reported supplemental, H.R. 2577

Program:	*Fiscal year 1985 Budget authority*
CCC reimbursement for net realized losses	3,935,790,000
Payment to the social security trust funds	3,500,000,000
Economic support fund (Egypt/Israel)	2,008,000,000
Guaranteed student loans	720,346,000
Food stamps	318,856,000
Student financial assistance (Pell grants)	287,000,000
International financial institutions	236,734,436

	Fiscal year 1985
VA compensation and pensions	175,000,000
Department of State: Buildings abroad (security)	170,579,000
Payment to the Postal Service	168,620,000
Vocational and adult education	148,220,000
NOAA operations, research, and facilities	126,100,000
Federal Crop Insurance Program (borrowing authority)	113,000,000
HDS: Family social services	79,495,000
Department of State S&E (security)	73,342,000
Corps of Engineers/ Bureau of Reclamation (new starts)	63,100,000
National forest system (fire-fighting)	62,140,000
Federal Crop Insurance Program	50,000,000
Humanitarian Assistance for Nicaragua	24,000,000
by transfer [nonadd]	[14,000,000]
Rental housing (rescission of contract authority)	(528,940,000)
Other rescission proposals	(243,779,000)
All other programs (net).	645,339,100
Total, title I	12,132,942,536
Pay raise costs:	
DOD pay costs	922,291,000
DOD pay costs [by transfer; nonadd]	[946,450,000]
Non-DOD pay costs	413,439,000
Total, title II	1,335,730,000
Total bill	13,468,672,536

NOTE.—Amounts in parenthesis ( ) are negative.

Mr. HATFIELD. Mr. President, I would also like to emphasize, Mr. President, the committee's action on rescissions, deferrals, and reduced supplemental requirements through pay-cost absorption. Section 2901 of the Deficit Reduction Act of 1984 (Public Law 98-369) required the President to take action to achieve certain management savings. The President responded to this directive by transmitting rescissions totaling $371,994,000 with his budget request. Senator DECONCINI introduced impoundment legislation (S. 469) in February to implement the 226 section 2901 rescission proposals. The committee considered and reported that bill to the Senate in March, proposing an amendment to withhold from obligation until July 1 the funds proposed to be rescinded, thus allowing time for careful consideration of the proposals and possible alternatives to achieve savings. That bill has not been acted upon, and the rescissions have expired in accordance with the provisions of the Impoundment Control Act.

Although the rescissions have expired, the committee has made every effort to achieve these savings where possible. In some cases, the committee has taken action in conformance with the President's rescission proposal. In others, the committee has recommended a reduced supplemental in light of the availability of funds previously proposed to be rescinded. Of the total $371,994,000 proposed to be rescinded in compliance with section 2901 of the Deficit Reduction Act, the committee recommends $234,193,000 either in rescissions, deferrals, or supplemental offsetting savings. In addition, the committee is recommending other rescissions totaling $594,956,000 for total savings of $829,159,000.

I ask unanimous consent that a table illustrating the committee's action on the section 2901 rescission proposals be printed in the RECORD at this point.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

SECTION 2901 SAVINGS

[In thousands of dollars]

Subcommittee	President's request	Committee recommendation			
		Rescissions	Deferrals	Supplemental savings	Total
Agriculture, Rural Development and Related Agencies	29,931	9,203			9,203
Commerce, Justice, State, Judiciary	30,685	23,762			23,762
Defense					
District of Columbia					
Energy and water development	47,426	34,391			34,391
Foreign assistance	7,237				
HUD-Independence Agencies	45,952	23,112		4,334	27,446
Interior and Related Agencies	58,803	29,174	5,788		34,962
Labor, Health and Human Services, and Education	54,608			7,515	7,515
Legislative branch					
Military construction					
Transportation [1]	49,124	11,682		37,004	48,686
Treasury, Postal Service, General Government	48,228	48,228			48,228
Grand total	371,994	179,552	5,788	48,853	234,193

[1] Excludes limitations not treated as budget authority, if counted, these additional savings exceed the President's requested rescissions.

Mr. HATFIELD. Now, Mr. President, before yielding to our distinguished ranking minority member, Senator STENNIS, the dean of the Senate, for any opening remarks he may wish to make, I would like to say a few words about the water project issue, which has generated some comment in the press and elsewhere.

First of all, let me say that after all these years I am still amazed when members of the press and other parties leap to criticize the funding of water projects as "pork barrel." Each and every year, the President requests and Congress enacts hundreds of billions of dollars for defense programs, and no matter how much we hear about outrageously expensive toilet seats, or hammers, or coffeepots, or weapons systems that do not work or cost many times over what was first envisioned, we do not hear much about pork. We hear calls for reform, we urge new studies, the appointment of committees and blue-ribbon commissions, but we do not call it pork, we call it national security and we keep on funding the programs despite the outrages.

Periodically, we do the same with the Tax Code. A little ol' provision here, a little ol' provision there, taking care of some factory or enterprise back home, losing revenue, increasing the deficit, but it is not pork. Those loopholes are "incentives for economic growth."

Mr. President, there has not been an omnibus water project construction authorization bill in 15 years. The construction budget of the Corps of Engineers is half what it was only 4 years ago. Some people applaud that. I do not. Nor do the people who look for navigation improvements on the Mississippi, the Ohio, and the Columbia to increase commerce and continue building a strong economy and reduce the trade deficit. Nor do the people of Maryland, of Alabama, of Texas, who await deeper draft harbors to increase trade and correct our dangerous trade imbalance. Nor do the people of New York, Minnesota, Louisiana, Utah, or Hawaii, who need to protect their existing homes and businesses from devastating floods before they can hope to build and expand.

The proposal of the Committee on Appropriations that is before this body in this bill seeks to address these needs. The administration—and let me emphasize just what I mean by the administration, that is 1600 Pennsylvania Avenue—has requested 32 new project starts at an initial cost of $55,800,000. The House bill would provide $71,850,000 for 35 new construction projects. The Senate Appropriations Committee recommendation provides $63,100,000 for 25 new starts, 11 of which are presently not authorized, and 10 of which have been requested by the administration. The committee recommendation provides, however, that not 1 cent of the funds provided could be expended for the initiation of these projects unless and until the Secretary of the Army or the Secretary of the Interior has reached a mutually satisfactory agreement on cost-sharing requirements with local sponsors. The construction funds are, in effect, "fenced" and cannot be used until the administration gets the kind of binding agreement it wants on cost sharing.

We will continue to work on omnibus authorization legislation addressing the matters of cost sharing and user fees. But in the meantime, the committee recommendation would allow certain priority projects to move along, if agreements could be reached, without waiting further for comprehensive legislation. And even if we had comprehensive legislation today, it could not be put on this appropriation bill because it would be subject to a

point of order under the House of Representatives' rules.

This seems to me to be a good compromise that can help break the logjam and move vitally important water projects along to construction. And I am not alone in seeking legislative action to proceed with these projects. Let me quote one of the principal actors in the recent discussions on these matters. The quote is from the Director of the Office of Management and Budget. I quote:

Passage of legislation to maintain and improve our nation's ports enhances our international trade position and translates into jobs in our coalfields and grainfields, railroads, trucking industry, and port communities. A modern port system improves our national security since it enhances America's capacity to assist our allies to meet their energy and food requirements.

That statement came from Mr. David Stockman. I hope my colleagues will agree with Mr. Stockman, in his approach and understanding of the importance of water projects. And I am hopeful that my colleagues will support the committee recommendations, and get this measure enacted into law.

Mr. President, I would like to yield to my good colleague, my dear friend and the ranking member of our committee, the Senator from Mississippi, Senator STENNIS.

Mr. STENNIS. Mr. President, I thank the chairman. I have listened with interest, Mr. President, to his remarks. Let me report to my colleagues in this way: I think the chairman is correct in his analysis of the situation—and also the remedies provided in this bill—and giving his personal attention all the way through. I did not attend the hearings but I was at the markups, and then when the full committee passed on it. It was thoroughly considered by the membership of the subcommittee, then again by that group, and then the other members of the committee. I do not think I have ever seen such an extensive bill.

I do not know of any bill that I have known about that has been more thoroughly considered—and I can add, too, justified in my opinion. So I believe that the membership has passed on it. That is timely, the money for these purposes are needed, and there is no loose money in there. I hope we can have some debate on it, though, because good comes from debate on any matter. I support all the major issues of the bill, and I hope that it can be disposed of in a reasonable time.

I want to thank the Senator from Louisiana for making a special effort to be here. I know he will make a contribution in the consideration of the matter, the Senator from Louisiana, Mr. JOHNSTON. I thank the chairman again.

Mr. JOHNSTON addressed the Chair.

The PRESIDING OFFICER. The Senator from Louisiana.

Mr. JOHNSTON. Mr. President, I thank the distinguished Senator from Mississippi. I want to especially commend the distinguished Senator from Oregon for his excellent remarks with respect to the water projects which I fully and totally endorse. That is the kind of speech that puts the whole thing in proper context. I think if it is read at 1600 Pennsylvania Avenue, it may have the effect of changing some minds. It certainly ought to. I want to guarantee to the Senator from Oregon my full support under his leadership in this area. He has done an excellent job putting this bill together. I look forward to swift passage of the bill.

Mr. HATFIELD. Mr. President, I am grateful for the Senator's remarks, both the Senators from Mississippi and Louisiana. At this time the bill is open for amendment. I hope that Senators who are within the hearing range of the floor will make their way to the floor as soon as possible in order to present their amendments.

Mr. President, I am very hopeful that we can complete this bill in a very expeditious manner. I want to say that we will complete the bill before the weekend. I have had full assurance from the leadership that we will move through this bill and we will complete our work so that we can go to conference with the House at the beginning of the week, have the conference, get the reports back to the respective bodies, and then have the bill down to the White House for the decision of the President before we adjourn for the July recess.

The leader has indicated that if we can finish the bills that he has set on the agenda—this is the pending and primary bill at this time—and the way in which we finish this bill, and the report relating to the bill, will determine the precise time that we can recess for the July holiday of the Fourth of July.

So I want to say to the Senate that I am prepared to go whatever hour is necessary. I am ready to do business on the bill. I am one who will do business at 4 o'clock in the afternoon or 4 o'clock in the morning. But I do want to say that it is much preferable, I think on the part of most of us, much preferred, to do business in the daylight hours, and the few overnight sessions we have had usually have been on appropriation measures.

I have been training for this day for the last 2 weeks physically and otherwise. So I am prepared for the eventuality. But I hope the Senators will come to the floor and offer their amendments in an expeditious manner.

Mr. President, I suggest the absence of a quorum.

FUNDING BUFFALO BILL—THE TIME IS HERE, THE TIME IS NOW

Mr. WALLOP. Mr. President, I rise in support of H.R. 2577, the supplemental appropriations bill. My distinguished colleague from Oregon has done a good job with this bill. It deserves prompt passage by this body without amendments. Funds are only being requested for those projects and programs which are crucially needed. This includes the water development programs which the President has recommended be removed from the bill in order to avert his threatened veto.

I can understand why the Senate conferees on the continuing resolution last October decided to drop the water development projects from the bill to avert a Presidential veto. However, as much as I respect the President, I don't think Congress needs to fold its tent and steal quietly away from controversial issues every time the President threatens to veto a bill. There are times to retreat, and times to fight. H.R. 2577 deserves passage as reported by the committee. As a result of differences between the executive and legislative branches on major cost sharing and financing policy issues, new starts funding has essentially been a standstill for the past 5 years. We have been debating the cost sharing issue for 9 full years without resolution of the policy yet. I think cost sharing has been dealt with in a reasonable way in the bill.

H.R. 2577 solves the problem of what to do about cost sharing until the Congress exercises its legislative will on this subject by allowing construction to begin only after a binding cooperative agreement has been entered into between local entities and the Federal agencies administering the projects. This cooperative agreement approach follows the President's recommendations in his letter on water resources policy of January 24, 1985, and it follows the approach already voluntarily taken by the people of Wyoming on the Buffalo Bill project.

Let's look at what is being asked for in the bill for water development; $55,800,000 is being recommended for 25 new construction starts. Of these, 22 are for U.S. Army Corps of Engineers and 4 are Bureau of Reclamation projects. One of the Bureau projects would start construction to enlarge the reservoir, replace the powerplant with a larger one, and rebuild a damaged visitor center which is presently unsafe at the Buffalo Bill Dam near Cody, WY; $5 million is being requested for Buffalo Bill to initiate construction. When complete, the project's energy production capacity would be increased to 69,700 megawatt hours, the quantity and quality of water in the reservoir would be increased, recreational opportunities would be enhanced, wetlands would be

created where none existed before as a side benefit of reducing a dust problem in the area, and some 300 construction jobs would be created.

Mr. President, Buffalo Bill is not a "pork barrel" project which should be removed from the bill. It's not even a "new start." It is a modification of an existing project. Buffalo Bill is the Nation's first cost and revenue sharing project between the Federal Government and a State. The contract was signed in Cody, WY, on the 29th of March and over 40 percent of the funds for the dam's modification are being contributed by the people of Wyoming. It took 2 long years to negotiate the contract, and the Wyoming Legislature has long since set aside its $47 million cost share of the project for expenditure. Repeated delays by Congress will only result in higher project costs. I, for one, would hate to see this project once again held hostage to a fight over cost sharing when the project itself is already living proof of what can be done by voluntary agreement.

Now let's look at the other water development projects in the bill being recommended for funding. These projects will upgrade inland waterways and ports to accommodate additional commerce, maximize the power potential of our Nation's navigable waterways, provide flood and erosion control for citizen and property safety, and protect our environmental ecosystems. In my view, such projects aren't "pork," or unnecessary. Increased commerce means more jobs, growth and continued national prosperity, and I have yet to be able to put a price tag on human safety. If there is any "oink" in this bill it's only a squeal for long overdue congressional action.

Mr. President, we can't ignore the infrastructure needs of this Nation any more than we can ignore the need for more power or water. Our Nation is a diverse nation, and its needs are many. It may be true that we must reduce Federal spending, but the water development bill H.R. 2577 is needed. We have put off water development funding for 9 years, and it's time we fund the more deserving and urgently needed projects in the bill before us such as Buffalo Bill. The time is here. The time is now. This bill deserves passage as reported.

Mr. GORE. Mr. President, although I think that the committee has done an excellent job, in general, in formulating this fiscal year 1985 supplemental appropriation, I believe that there has been a serious error made in upholding the administration's proposal to defer all remaining fiscal year 1985 funding for magnetohydrodynamics, or MHD.

First of all, if the administration wanted to rescind these funds, they should have sent over a straightforward request for a rescission, and the Congress could have considered it. But instead, the Department of Energy has attempted to use what I believe is a totally inappropriate strategy that is not straightforward at all, but smacks of trying to put something over on us. This strategy of asking for a deferral makes it look as if the Department is trying to slip something by us. And the consequence would be that the MHD Program could be killed without Congress ever having much of a chance to say anything about it.

Fortunately, our distinguished colleagues in the other body have been alert to the administration's tactics, and their version of the supplemental appropriation reflects the commendable desire to overturn this deferral. I am afraid that I have to agree with our colleagues in the House that this kind of strategy is not proper, especially when it deals with important Federal energy research programs that have already been approved by the Congress.

What is even worse, however, is that this move on the administration's part will precipitously destroy the MHD Program, in spite of all the merits and potential for great benefit this technology offers. An MHD steam powerplant is potentially capable of producing up to 50 percent more power from a ton of coal than a conventional plant. Because coal is our most abundant domestic energy resource and the key to our energy self-sufficiency, any technology that allows us to use this energy resource in a much more efficient way is extremely valuable indeed. MHD's high efficiency also results in the production of one-third less carbon dioxide and particulates than a conventional coal-fired plant. This would help greatly in addressing the concerns about the greenhouse effect caused by adding so much carbon dioxide to the atmosphere in the burning of fossil fuels. But the best thing about MHD is that burning coal in this way emits almost no sulfur dioxide and a lot less nitrogen dioxide than the normal burning process does. This means that MHD holds the promise of a possible solution to the acid rain problem, without the burden of costly additions of scrubbers for coal burning. It is therefore just about impossible for me to believe that the administration would just walk away from such a promising technology. At this point, it would represent a tragic waste of money, effort, and skill.

Mr. President, I strongly urge you and my distinguished colleagues to continue to support this technology. I believe that some future generation of Americans will thank us for having the wisdom to look further than the ends of our noses in planning the energy future of this Nation.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. HELMS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 354

Mr. HELMS. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. There is a pending committee amendment.

Mr. JOHNSTON. Mr. President, I ask unanimous consent that the committee amendment, which is found on page 110, line 14, through page 111, line 20, be temporarily laid aside.

The PRESIDING OFFICER (Mr. D'AMATO). Without objection, it is so ordered.

Mr. HELMS. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from North Carolina [Mr. HELMS] proposes an amendment numbered 354.

Mr. HELMS. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

Add at the end of the bill the following new section:

"SEC. . No funds appropriated by this Act may be obligated,".

Mr. HELMS. Mr. President, I ask for the yeas and nays on the amendment No. 354.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

AMENDMENT NO. 355

Mr. HELMS. Mr. President, I send an amendment to the amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The bill clerk read as follows:

The Senator from North Carolina [Mr. HELMS], for himself and Mr. SYMMS, proposes an amendment numbered 355 to Amendment No. 354.

Add at the end of the Helms amendment the following new section:

"SEC. . Or expended to deactivate or remove from operational service any Minuteman ICBM or any Poseidon missile or missile submarine for any purpose including specifically that of complying with any provision of the unratified SALT II Treaty."

The PRESIDING OFFICER. Is the Senator proposing to amend an amendment?

Mr. HELMS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. HELMS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HELMS. Mr. President, I ask for the yeas and nays on amendment No. 355.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. HELMS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. HELMS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HELMS. Mr. President, of course I hope that the Senate will support the pending amendment—actually, there are two of them—which I call the save the Poseidons amendment. The amendments would prohibit funds for dismantling Poseidon submarines to comply with the unratified SALT II Treaty unless the President certifies that the Soviets are in full compliance. Of course, Mr. President, the record is now clear that the Soviet Union is not in full compliance. Mr. President, the fundamental question here—and it is of considerable concern to many Americans—is whether the United States should comply unilaterally with the unratified SALT II Treaty which President Reagan himself has certified to Congress that the Soviets are violating in 11 ways. Senators may be interested in the charts to my right at the rear of the Chamber.

There should be no double standard on compliance with the unratified SALT II Treaty, and in the judgment of this Senator the United States should not be bound by an unratified SALT II Treaty that the Soviets are clearly violating. Let us see what the record says, Mr. President. The distinguished President of the United States, Mr. Reagan, stated recently in Europe—the date was May 10, 1985—and I quote him:

> There's considerable evidence now that (SALT II compliance) has been rather one sided. And if it has been, then there's no need for us to continue (to comply with SALT II).

I strongly agree with that statement by the President, that the United States should no longer continue to comply unilaterally with the unratified SALT II Treaty, especially since the Soviets are so flagrantly violating it. Let us look further at the record, Mr. President. Ronald Reagan as a candidate for President of the United States made the following statements:

> SALT II is illegal, because the law of the land passed by the Congress says we cannot accept a treaty in which we are not equal, and we are not equal in this treaty.

That statement was made October 30, 1980, by Ronald Reagan, candidate for President of the United States.

Candidate Reagan stated further:

> I believe the SALT II treaty should be withdrawn and I especially believe the United States should not abide by its terms prior to ratification. To abide by the terms of the proposed agreement would violate Article 33 of the Arms Control and Disarmament Act of 1961.

May 1980 was the date of that statement.

Candidate Reagan stated further:

> I cannot, however, agree to any treaty, including the SALT II treaty, which in effect legitimizes the continuation of a one-sided arms buildup.

That statement was made by candidate Reagan, August 18, 1980.

Candidate Reagan stated finally:

> I believe the Senate should declare that this treaty, fatally flawed as it is, be shelved.

That statement was made September 17, 1980.

Thus we have very clear evidence that candidate Reagan was very much against the SALT II Treaty. Former President Carter even withdrew the SALT II Treaty from Senate consideration in January of 1980 when it was clear that even when the Senate was controlled by the Democratic Party the treaty could not receive the advice and consent of the Senate for ratification.

The Senate Armed Services Committee determined in December 1979 that the SALT II Treaty is unequal, unbalanced, destabilizing, and "not in the national security interest of the United States."

There are at least eight fatal flaws in the SALT II Treaty. Mr. President, the eight fatal flaws of SALT II are as follows:

First, SALT II codified the Soviet monopoly of heavy ICBM's—SS-18, SS-19, SS-17, SS-24; 820 to 0;

Second, SALT II allowed the Soviets to add over 4,000 more warheads since 1979, mostly with counterforce capability;

Third, SALT II provided no limits on Soviet stockpiled missiles capable of rapid reload and refire;

Fourth, SALT II completely excluded over 250 intercontinental Backfire bombers from its ceilings;

Fifth, SALT II provided no definition of a heavy ICBM, a heavy bomber, or agreed missile capability baseline data;

Sixth, SALT II failed to provide for verifiability of many provisions;

Seventh, SALT II allowed unequal constraints in the Protocol on United States Intermediate Range Nuclear Forces, while excluding Soviet SS-20's; and

Eighth, SALT II constrained U.S. ICBM survivability options.

Mr. President, the Soviets have pledged to comply with the SALT II Treaty, but President Reagan has confirmed to Congress 11 Soviet violations of SALT II, 9 of which are conclusive. Mr. President, here are the 11 Presidentially Confirmed Soviet Violations of the SALT II Treaty:

First, the Soviet buildup to almost 50 bombers and missile launchers above the 2,504 level of strategic nuclear delivery vehicles since June 1979;

Second, Soviet failure to deactivate down to the 2,250 SALT II strategic nuclear delivery vehicle level;

Third, Soviet SS-25 mobile ICBM is a prohibited second new type ICBM;

Fourth, reentry vehicle of SS-25 is less than one-half its total throw weight—convert MIRV'ing;

Fifth, almost total encryption of all new Soviet missile testing telemetry;

Sixth, Soviet SS-NX-23 SLBM is a prohibited new heavy SLBM;

Seventh, production of more than 30 Backfire bombers per year;

Eighth, Arctic basing of Backfire bombers;

Ninth, Soviet deliberate interference with United States national technical means of verification, by a continuously expanding pattern of strategic camouflage, concealment, and deception;

Tenth, probable refueling probe on Backfire bombers; and

Eleventh, probable deployment of banned mobile SS-16 ICBM.

Mr. President, U.S. strategic forces have been constrained to comply with the unratified SALT II Treaty in at least six ways. The United States has constrained its forces to comply with SALT II as follows:

First, the United States has deactivated 292 intercontinental ballistic missiles, submarine launched ballistic missiles, and B-52 bomber aircraft, all of which are counted in the SALT II data exchange;

Second, the United States has canceled deployment, both authorized and appropriated by Congress of up to 100 stockpiled Minuteman II intercontinental ballistic missiles with multiple-independently targetable reentry vehicles, which in conjunction with Trident submarine deployment would have conflicted with the SALT II Treaty ceiling of 1,200 ballistic missile launchers with multiple-independently targetable reentry vehicles;

Third, the United States has designed the first 5 B-1B bombers to carry 10 fewer air-launched cruise missiles than they were capable of carrying, in order to comply with the SALT II Treaty;

Fourth, the United States has modified B-52 bomber aircraft equipped to carry air-launched cruise missiles, in accordance with the SALT II Treaty, with expensive strakelets to assist the

Soviets in identifying and targeting B-52 air-launched cruise missile carriers;

Fifth, the United States is preparing to spend $21 million to dismantle the first of several Poseidon submarines in order to avoid exceeding with Trident submarine construction the SALT II ceiling of 1,200 ballistic missile launchers with multiple-independently targetable reentry vehicles;

Sixth, the United States has significantly reduced the potential payload and throw weight and number of reentry vehicles of the MX intercontinental ballistic missile, reduced its range and delayed its testing, all in order to comply with the SALT II Treaty.

Mr. President, the Soviet Union has built up its strategic forces during the period of the 1979 SALT II Treaty through the year 1985 to a level much higher than the Joint Chiefs of Staff predicted in 1978 that the Soviet Union would have by the end of 1985, even if no SALT II Treaty has been signed, because Soviet Strategic nuclear delivery vehicles have increased by about one-fourth and Soviet strategic nuclear warheads have more than tripled by the end of 1985. In contrast, the United States has strategic forces by the end of 1985 even lower than the Joint Chiefs of Staff predicted in 1978 that the United States would have by the end of 1985, even within SALT II Treaty constraints.

In fact Mr. President, the Soviets now have about 1,000 more intercontinental missiles and bombers than the United States, carrying about 4,000 more warheads than the United States.

So, Mr. President, the pending amendment has been offered to remedy to that extent an unequal, fatally flawed, and unratified SALT II Treaty which President Reagan has certified the Soviet Union is violating in multiple ways.

I say again that there should be no double standard on SALT II compliance. It will be folly to ignore Winston Churchill's warnings against British appeasement of Nazi arms control treaty violation in the 1930's. If the Soviets have violated SALT II, then the United States should not be bound by it. This is an established principle of international law, and 99 Senators supported this principle in a rollcall vote on June 20, 1984. Over one-third of the Senate voted against SALT II on November 4, 1983.

Moreover, this save-the-Poseidons amendment will save the taxpayers about $21 million which otherwise would be spent to dismantle our most survivable and still modern Poseidon submarines. It is the opinion of this Senator, Mr. President, that this saving is critical at a time when we are trying to reduce our massive Federal budget deficits. Keeping our Poseidons is very inexpensive. It would be the least expensive increment of nuclear weapons we ever purchased.

Finally, there are several more reasons to vote to save our Poseidons. First, the recent revelation of a Soviet espionage ring in our Navy's strategic submarine force has potentially and I think probably jeopardized the security and survivability of our strategic submarine force. Second, the Soviets are known to have two space-based systems for detecting our strategic submarines even while they are submerged. Third, the Soviets already have superiority over the United States in number of SLBM submarines and SLBM's, SLBM range, accuracy, and yield. Fourth, the most recent national intelligence estimate which will be briefed to the Senate and released to the public next week, confirms overall Soviet military supremacy over the United States.

Mr. President, let me present a more detailed summary of the Joint Chiefs of Staff 1978 estimate of the effects of SALT II. In 1978, the Joint Chiefs of Staff predicted that by the end of 1985, without a SALT II Treaty, the Soviets would have 3,000 strategic nuclear delivery vehicles, carrying 11,900 warheads.

But, in fact, by the end of 1985, the Soviet will almost certainly have 3,200 strategic nuclear delivery vehicles, carrying 13,200 warheads.

Thus the Soviets are today about 200 strategic nuclear delivery vehicles and 1,300 warheads above what the Joint Chiefs of Staff predicted in 1978 that they would have in 1985, without a SALT II Treaty.

It is a pretty good estimate that the Soviets today have 3,200 strategic nuclear delivery vehicles, carrying 13,200 warheads, which is over 1,000 more strategic nuclear delivery vehicles carrying about 4,000 more warheads than the United States currently has.

Mr. President, as Paul Nitze accurately predicted and the date was October 1, 1979:

> If the SALT II Treaty were to approach expiration in 1985 without replacement and without a survivable and durable U.S. ICBM component, the U.S. could face unprecedented dangers. We would then have to take seriously both the then-existing degree of Soviet nuclear strategic superiority, and the Soviet superiority in break-out potential.

Then Mr. Nitze added:

> A more sober evaluation of the balance, at a time when it is too late to reverse trends, could result in forced accommodation to the Soviet Union leading to a situation of global retreat and Finlandization.

This Senate has recently voted to spend several billion dollars to deploy the MX ICBM in an unsurvivable mode. It seems to me that it would be the height of irresponsibility for this Senate to turn right around and vote to scrap our highly survivable Poseidon submarines, in order to comply with an unratified SALT II Treaty which the Soviets are confirmed to be violating in at least 11 ways.

So I submit, Mr. President, that a vote for the save-the-Poseidons amendment which is now pending is a vote against Soviet military supremacy. It is a vote against Soviet SALT violations. It is a vote for the duties of the Senate, which, according to the Constitution, must give its advice and consent to ratify any treaty.

A vote against the pending amendment, which I call the save-the-Poseidons amendment, would fairly be characterized as a vote for appeasing the Soviets in the face of their very clear SALT violations and I fear, Mr. President, that it would be a vote of acquiescence in the face of Soviet military supremacy.

I thank the Chair, and I yield the floor.

Mr. LUGAR. Mr. President, I deeply respect the distinguished Senator from North Carolina, my colleague on the Foreign Relations Committee and my chairman on the Agriculture Committee. When I heard his voice coming over the speakerphone, I suspected that an issue dealing with the Foreign Relations or the Armed Services Committees might be at hand. And, indeed, this was confirmed by the distinguished chairman of the Appropriations Committee who said a very important amendment was being offered but, at least in the judgment of Senator HATFIELD, it was not strictly an appropriations matter that normally comes on this type bill.

Senator HELMS had mentioned, I believe, to many of us early on that he might wish to debate this issue on this occasion.

Nevertheless, I rise today, as chairman of the Foreign Relations Committee, at least with a deep interest in the subject, and at the request of the distinguished chairman of the Appropriations Committee, to say a word about Senator HELMS' amendment, which I will oppose. Indeed, in the event that my argument seems convincing, I will offer a motion to table the first-degree Helms amendment, thus taking both the first- and second-degree amendments, so that the Senate will have an opportunity to vote on the issue. In the event that tabling motion should prevail, the way would be clear for the Senator from Oregon to proceed with his legislation.

Mr. President, the dilemma that is presented by the Senator from North Carolina is a poignant one which has been before the American public for quite a while. It is apparent that, as we head toward the end of the year, if we were voluntarily to comply with certain of the SALT II requirements something would have to occur with regard to the Poseidon submarine. Indeed, the President of the United States has been confronted with that

dilemma. The Senate heard an active debate less than 2 weeks ago brought on by an amendment, as I recall, by the distinguished Senator from Arkansas [Mr. BUMPERS]; and the distinguished Senator from Idaho [Mr. MCCLURE]. The Senate, by a vote of 90 to 5, offered substantial advice to the President of the United States as to how he ought to proceed with regard to the dilemma that he confronted on the SALT II situation. So this is an active subject.

Let me just say at the outset that during a recent debate the Senate enjoyed on our policies in Nicaragua, in which this Senator was privileged to participate, I charged at that time, in attempting to rebut several amendments, that we were involved in micromanagement of foreign policy. By that I meant that we have a President and Secretary of State, we have persons who are vested with the responsibility for our foreign policy, and the defense of this country. Very clearly the Senate offers advice and consent in many aspects of these and, likewise, so does the House of Representatives, but eventually we look to the President for leadership in this respect. We look to our Secretaries of State and Defense. We look to their advisers to try to give at least some coordinated idea of our defense policy and foreign relations.

In the case of the Poseidon, for the moment the President of the United States has given his best opinion of what we ought to do; namely, we ought to dismantle the Poseidon, we ought to do some things with the Poseidon which make it clear that we are going the extra mile in attempting to retain limits, along with the challenge to the Soviets to clean up each of the violations that the Senator from North Carolina has enumerated, and that many of us agree are real and serious violations.

The President has said in essence there are some violations the Soviet Union has committed that cannot be remedied—the development of additional weapons systems, for example. He has intimidated that we will respond appropriately in those areas where the Soviets cannot turn back. But he has also said the Soviets have committed some violations which they might remedy, or perhaps in an extreme case, they might even explain. In those cases we also reserve the right to do things that are proportionate and logical in response. But our first choice is to get the Soviets to comply, and to put pressure on them. One of the ways we put pressure on them is through the moral persuasion of the policy announcement the President has made.

I ask each Senator for the moment, as opposed to putting ourselves in the role of the President of the United States of countermanding almost instantly what was an agonizing but important decision, to let the President's policy have a chance in this respect. We are engaged in Geneva, Switzerland in very important talks. Senators may have a variety of viewpoints about their feelings on arms control. Some Senators may feel passionately the arms control route offers great possibilities for our national security. Other Senators might feel the possibilities are not so good. But we made a commitment as a nation, and we backed that commitment in the Senate to proceed in Geneva. And the process is a very serious one.

This is why we have a Senate observer group to look over the shoulders of our arms control people. At the very beginning we thought about the importance of knowing pretty clearly where we were headed. The SALT II decision for compliance or noncompliance is properly aimed at pushing the Soviets into compliance with their own signature on a treaty we have not ratified. Our process is a part of that arms control situation. It is an important part.

We are in Geneva attempting to get the Soviets seriously interested in arms control. We have not been successful thus far, but we are persistent. We are dogged about it. The world expects that of us. The U.S. citizens expect that of us, and the President once again needs our support in these respects. The effect of the save-the-Poseidon amendment with regard to the arms control situation in Geneva would be, in my judgment, disastrous. If you come to the conclusion we should not be in Geneva to begin with, or you have reached the conclusion that the arms control treaties are not worth the paper they are written on, or that the whole process should never proceed, then it would not give you great pause to worry about the effect. But this is one Senator who is concerned. I think I speak for a President today who is deeply concerned about the process, and who has made a judgment with regard to the Poseidon with regard to the ongoing talks and our relationship in managing the Soviet situation. That is why this is a deadly serious business.

Let me say, Mr. President, that the President of the United States is mindful that $21 million might be expanded in this fashion. The President, as a matter of fact, has asked this Congress and this body—and we have indeed apparently authorized—for almost $300 billion for defense this year largely because of the threat posed by the Soviet Union. To characterize the save-the-Poseidon amendment as one that is going to act as a show of strength against the Soviets, and to characterize opposition of the amendment as a vote to appease the Soviets, is in my judgment, entirely off base. We are all in this body attempting to think how we can be effective in foreign policy, how we can be effective in defense policy, and a part of that is arms control. And a very large part of our arms control position, I might add, is advocacy of the strategic defense initiative, and the thought that in fact we must have the SDI in order to be effective in the arms control business down the trail. That is certainly part of the picture.

We are arguing ardently with the Soviets right now that they would be safer and we would be safer if we had a competition in defensive in nonnuclear, nonlethal systems. The President is pretty strongly for that too. So are the Secretary of State and the Secretary of Defense.

In brief, Mr. President, the U.S. Government has been involved at its highest levels in our administration, in the persons of the President himself and the distinguished Secretaries of State and Defense, in a debate on the issue that comes before us in the form of the amendment of the Senator from North Carolina. I appreciate the deep concern which he has manifested, which moves him to offer this amendment, to bring it once again before us and feeling that we must settle it. But, Mr. President, it would be in my judgment a bad mistake at this point to undercut a decision of the President of the United States on an issue of this magnitude to try once again to micromanage our foreign policy, to disturb the negotiations in Geneva in a gratuitous way which cannot in any way help them, and is bound to set back even fledgling hopes for any type of coming together of the parties for real debate.

In my judgment, this kind of amendment becomes mischievous with regard to careful and thoughtful foreign policy which should be characterized by the idea of steadiness as other nations take a look at us in the way that we handle our affairs. I am hopeful that the Senate, in backing the tabling motion that I will offer, will dispose of this issue decisively, and will give our President the opportunities which he has asked for to put pressure on the Soviets to comply, to reserve options, and to do those things which need to be done proportionately if they do not comply, but in the meanwhile, to go the extra mile, to indicate moral leadership on the part of the United States of America.

I add that this moral leadership thus far has been substantially rebuffed by the Soviets. They either cannot believe it, are embarrassed by it, or do not know how to respond to it. That is their dilemma. It becomes ours in the sense that in due course we try to get through to them, but we cannot go back and forth week by week and have any clear message to the Soviets or to our allies or even to the American

people. Therefore, Mr. President, I do not wish to terminate the debate prematurely, aside from the thought that the Senator from Oregon has asked me to attempt to manage this section of the debate.

I see the Senator from Tennessee, who has been so active in the arms control, on his feet. I withhold the motion to table in the event that the Senator from Tennessee wishes to make a comment.

I yield the floor.

Mr. GORE addressed the Chair.

The PRESIDING OFFICER (Mr. COHEN). The Senator from Tennessee.

Mr. GORE. I appreciate the courtesy of the Senator from Indiana. I will be brief. I rise to point our some serious technical defects in the amendment and then to address the central problem with the amendment, which is that it undermines arms control, undermines bipartisanship, and hurts our chances to control the nuclear arms race. First, let me turn to what I regard as serious defects in the amendment.

First of all, it would be binding and it would prohibit "any Minuteman ICBM, or any Poseidon missile, or missile submarine" to be removed from operational service "for any purpose."

Let me point out that this would apply to operational Minuteman ICBM's that are scheduled to be removed from their silos to make room for the MX missiles that will be deployed in those silos. It would also include operational Minuteman ICBM's that are periodically removed from their silos, transported to Vandenberg Air Base and launched as part of the reliability flight testing program. This amendment would prohibit reliability flight testing of those missiles that are removed from their silos for that purpose. This amendment would also prohibit the Navy from retiring a Poseidon submarine that had reached the end of its serviceable life and had to be removed from service for reasons that had nothing whatsoever to do with arms control. So clearly the language of the amendment as written would wreak havoc upon the normal operation of the U.S. armed services. Let me now turn to the central problem with the amendment. That is, as I mentioned earlier, it would undermine the arms control talks.

Mr. President, on June 10, President Reagan decided that our country should for a limited period and subject to certain conditions maintain the policy of not undercutting existing SALT agreements. If passed, this binding amendment would terminate that policy announced by the President of the United States.

As one Member of this Senate, I happen to believe that the President made a very wise and courageous decision. We are often warned that if we do not vote money for enough weapons systems we will undercut the arms control talks. From time to time I think that is actually true.

But we don't frequently hear a warning which ought to be expressed, that the arms control talks can be undercut and undermined in other ways as well.

When the President of the United States announces the policy of our country, after a careful examination of all of our options and all of the prevailing circumstances, after consulting with the Members of the U.S. Senate, after receiving the advice of the U.S. Senate in the form of a resolution passed 90 to 5, and then the President publicly announces our policy and says, "This is the way to move the arms control talks forward," to come here and have a binding amendment to completely frustrate and prevent that policy announced by the President undercuts the arms control talks just as much as you would undercut them if you failed to support weapons systems that are essential to the national security.

This is not in any way to condone or excuse Soviet violations. But, to say that Soviet violations of SALT II must automatically precipitate the complete abandonment of that agreement on our part ignores the full range of remedies that are established in international law for responding to a material breach of the treaty. These remedies include, first, seeking corrective action by the Soviets, as the President is doing.

Second, exercising our right to a proportionate response, as the President is doing with the Midgetman.

Abrogating the treaty in toto is usually regarded as a last resort option.

In this case, Mr. President, the central provisions of the treaty on the numerical subceilings and the fractionation limits, those elements which govern the number of launchers and the number of warheads, are being abided by on the part of the Soviet Union. Indeed, they have dismantled over 1,000 launchers in order to make certain they comply with those central portions of the treaty.

The course of action recommended in this amendment was rejected by the Joint Chiefs of Staff, rejected by our military leaders, rejected by an overwhelming majority in both political parties, and rejected by the President of the United States. For us to even seriously consider it at this time would be to undermine the arms control talks.

I oppose this amendment as strongly as I possibly can and I intend to support the motion to table which I understand to be forthcoming.

Mr. WARNER. Mr. President, I rise in opposition to the amendment of the Senator from North Carolina. I will join in the effort to table the amendment.

Throughout the deliberation on the fiscal year 1986 Department of Defense authorization bill, there was a very strong theme which I presume most Senators followed in turning back a series of attempts to delete funds, for example in the SDI Program, to put in certain language with respect to the ASAT Program. I could enumerate a number of amendments in the strategic area which were rejected by the Senate for the central theme that it was an obligation, we felt, on behalf of the Senate, to be supportive of the positions being advocated by our negotiators in Geneva.

As a matter of fact, a group of us just returned from Geneva a week or so ago from a second trip, having had consultations with those negotiators.

Time and time again, while I would not want to directly attribute to them any quotes, we gained the distinct impression that actions by this body have a daily impact on their work.

I feel that this is an example, this particular amendment, that would adversely affect the general goals that they are pursuing. For that reason, I would urge my colleagues to join in the tabling motion and not support the proposal of the distinguished Senator from North Carolina.

Mr. PELL. Mr. President, I wish to express my strong opposition to the amendment under consideration.

I am convinced that it is very important that the United States do everything possible to preserve the existing interim restraint regime pending a successful outcome of the negotiations in Geneva.

I take the President at his word in this resolve to seek strong and comprehensive agreements in Geneva. I believe the Senate would do him grave disservice—a disservice some of the President's own lieutenants advocate—if we were to stand for anything less than the current restraints. We would be very foolish to add further uncertainties to the strategic balance just at the time we profess to be seeking a cap on the arms race and significant reductions.

Some argue we should stop our own restraint simply because we have questions about Soviet compliance. I believe that many who adhere to such a view are simply trying to mask a basic disinterest in the potential benefits of arms control, as well as preference for an arms race in lieu of arms restraint. Many foes of restraint are too quick to ignore the simple fact that the Soviet Union has not yet taken any steps which any serious student of the strategic balance would argue has damaged our national security.

Mr. President, we should remember that, under SALT I and SALT II, there has been significant restraint required of the Soviets. To stay within the ceilings, they have had to retire

old land-based ICBM's and older ballistic missile submarines and launchers. They have been bound to refrain from expanding their land-based missile force and they have been prohibited from increasing their warhead totals above specified limits. The ceiling on their heavy missiles has been in place for 13 years. In addition, they have been required to refrain from interfering with our national technical means of verification. There are of course many other controls, which, taken together, constitute major restraint upon Soviet activities.

Because of SALT I and SALT II we have in place a significant fabric restraining the Soviet Union. It would be capricious and extremely shortsighted of us to take steps now which could lead to an unraveling of that fabric and jeopardize prospects for further control.

Mr. President, I believe it is vitally important that the Senate remain in strong support of continued restraint. We cannot afford to do less.

Mr. DOLE. Mr. President, I rise in opposition to the amendment offered by the Senators from North Carolina and Idaho.

As has been so often and accurately remarked in this Chamber—and I think I have heard both of the sponsors of the bill say this—we have only one President. He is charged with making the hard national security decisions which the United States, as leader of the free world, must confront. Taking full note of all available information and opinion, our President has just made a thoughtful and courageous decision on the matter of continued compliance with the SALT agreement. I support that decision, and I think a majority of the Senate supports it.

Let me reiterate very briefly why I think we must maintain that decision by defeating this amendment.

The President's decision made clear our willingness to undertake all reasonable efforts to gain effective arms control. It made clear that we will go halfway to meet the Soviets, if they are serious about arms control. And it stands as a good test of the Russians true intentions: If Moscow responds positively, we may have a real chance for effective arms control; if the Russians turn their backs on this opportunity for progress, however, we will know—and the world will know—who is really responsible for the arms race.

The President's decision, in sum, serves American security interests and American political interests. Unfortunately, the amendment offered today would cut into those advantages.

In addition, I think it is possible that this amendment—while undoubtedly not so intentioned—could also undermine the President's standing, as leader of our Nation and as our spokesman on international security matters. The President has spoken on this issue, and he has spoken wisely; to now move to reverse the President's decision, in my view, would be a mistake.

I know that this view is totally contrary to what the sponsors intend, but I sincerely fear that might be the real result.

And so I must oppose this amendment, and I must urge all of my colleagues to join me in defeating it.

Mr. GLENN. Mr. President, I rise today in opposition to the amendment which prohibits the use of public funds to dismantle a Poseidon submarine. I oppose the amendment, not because I believe we should dismantle a Poseidon submarine, but because I object to the restraint it puts on the President's flexibility to dismantle the most appropriate weapon system to meet the SALT II ceiling.

Mr. President, I too object to the dismantling of a Poseidon submarine. However, I object to the dismantling on the grounds that we will be weakening the most flexible and survivable leg of our nuclear triad—our submarine-based nuclear forces. Our SSBN's deny the Soviets hard targets and give us the most deterrence for our defense dollar.

In my opinion, Mr. President, the Minuteman missile force is a more suitable candidate for retirement. Quite simply, our Minuteman missiles are sitting ducks waiting to be knocked out by Soviet ICBM's. These missiles have been targeted by the Soviets for years—the Soviets know exactly where to aim. My argument against the deployment of the MX missile—in addition to its unacceptable cost—was the same. The MX missiles, like the Minuteman force, will be highly vulnerable to Soviet missiles.

I've written a letter to President Reagan today to express these concerns and to encourage him to reconsider his decision to dismantle a Poseidon submarine. At this point I ask unanimous consent that the text of that letter be entered into the RECORD.

I believe that our continued compliance with SALT II is in the best interest of the United States. However, I also believe that the decision we make on which weapons we will dismantle must be in the best security interest of the United States. Mr. President, silo-based weapons are our most vulnerable and destabilizing weapons. Therefore I believe it will be in our best interest to comply with the SALT II limits by dismantling the appropriate number of our silo-based Minuteman missiles.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

U.S. SENATE,
Washington, DC, June 19, 1985.

The PRESIDENT,
The White House,
Washington, DC.

DEAR MR. PRESIDENT: Along with millions of other Americans, I support your recent decision to continue the U.S. commitment to the unratified SALT II Treaty. While I am fully cognizant of the shortcomings of the SALT II Treaty, overall I am convinced that continued adherence to the SALT II limits is in the best interest of the United States. Any step which limits the spread of nuclear weapons is a step welcomed by all.

However, while I agree with your decision to extend our compliance with SALT II, I strongly disagree with your order to dismantle a Poseidon submarine rather than some of our silo-based Minuteman missiles in order to comply with SALT II ceilings. I believe that removal of a Poseidon from service will weaken the most flexible and survivable leg of our nuclear triad. Our sea-based nuclear forces deny the Soviets hard targets and provide us with the most deterrence for our defense dollar.

On the other hand, dismantling Minuteman missiles will improve our nuclear security posture by easing the inherent destabilizing effect of silo-based missiles. Our Minuteman force has been targeted by the Soviets for years; these missiles present a tempting first-strike target for Soviet ICBMs.

Therefore, I urge you to reconsider your decision to dismantle a Poseidon submarine. Instead, I encourage you to dismantle some of our most vulnerable and destabilizing force—the silo-based Minuteman missiles—to meet current and future SALT II limits.

I look forward to hearing from you soon on this vital national security matter.

Best regards.

Sincerely,

JOHN GLENN, *U.S. Senator.*

Mr. LUGAR. Mr. President, I move to table the Helms amendment and ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion to lay on the table amendment No. 354. The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. SIMPSON. I announce that the Senator from North Carolina [Mr. EAST] is necessarily absent.

Mr. CRANSTON. I announce that the Senator from Oklahoma [Mr. BOREN] is necessarily absent.

I further announce that the Senator from New York [Mr. MOYNIHAN], is absent because of a death in the family.

I further announce that, if present and voting, the Senator from New York [Mr. MOYNIHAN] would vote "yea."

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 79, nays 17, as follows:

[Rollcall Vote No. 129 Leg.]

YEAS—79

Abdnor	Exon	Metzenbaum
Andrews	Ford	Mitchell
Armstrong	Glenn	Nickles
Baucus	Goldwater	Nunn
Bentsen	Gore	Packwood
Biden	Gorton	Pell
Bingaman	Grassley	Pressler
Boschwitz	Harkin	Proxmire
Bradley	Hart	Pryor
Bumpers	Hatfield	Quayle
Burdick	Heflin	Riegle
Byrd	Heinz	Rockefeller
Chafee	Inouye	Roth
Chiles	Johnston	Rudman
Cochran	Kassebaum	Sarbanes
Cohen	Kennedy	Sasser
Cranston	Kerry	Simon
D'Amato	Lautenberg	Simpson
Danforth	Laxalt	Specter
DeConcini	Leahy	Stafford
Dixon	Levin	Stennis
Dodd	Long	Stevens
Dole	Lugar	Trible
Domenici	Mathias	Warner
Durenberger	Matsunaga	Weicker
Eagleton	McConnell	
Evans	Melcher	

NAYS—17

Garn	Hollings	Symms
Gramm	Humphrey	Thurmond
Hatch	Kasten	Wallop
Hawkins	Mattingly	Wilson
Hecht	McClure	Zorinsky
Helms	Murkowski	

ANSWERED "PRESENT"—1

Denton

NOT VOTING—3

Boren	East	Moynihan

So the motion to lay on the table amendment No. 354 was agreed to.

Mr. WEICKER. Mr. President, I move to reconsider the vote by which the motion was agreed to.

Mr. JOHNSTON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. WEICKER. Mr. President, I realize that we are not moving chapter by chapter insofar as any rule is concerned, but I hope that those Senators who have amendments on the labor-health-human services and education aspect of the appropriations bill might utilize this time to come to the floor to offer their amendments.

I think we have worked everything out, and this would be the time to offer their amendments. I know that Senator HATCH has two amendments and Senator GORE has an amendment.

Maybe de facto we can do what we cannot accomplish de jure, in the sense of trying to stick to one subject matter at a time, rather than jumping from chapter to chapter of the supplemental bill.

Mr. President, I ask unanimous consent that the pending committee amendment be temporarily set aside so that we may move to an amendment by the distinguished Senator from Utah [Mr. HATCH].

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 358

(Purpose: To appropriate funds for at least one cancer screening and research clinic or facility in St. George, Utah)

Mr. HATCH. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The bill clerk read as follows:

The Senator from Utah [Mr. HATCH], for himself and Mr. GARN, proposes an amendment numbered 358.

Mr. HATCH. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 116, between lines 14 and 15, insert the following:

For an additional amount to carry out section 502(b) of Public Law 98-558, $3,000,000, to remain available until September 30, 1987.

Mr. HATCH. Mr. President, last year, during reauthorization of the Head Start Program, the Senate and the House agreed to a provision, which is now in the law, requiring the Secretary of Health and Human Services to establish or support at least one health facility for cancer screening and research in St. George, UT. Funds were authorized for this purpose. St. George, UT, is a site which offers some unique opportunities for significant cancer research, being located in an area where the potential patient population is comprised of individuals who have resided in areas that received the greatest fallout from the above-ground Nevada nuclear tests. Also, the preponderance of the residents in the region of the Great Southwest are Mormons, whose lifestyles may be responsible for remarkably lower risk of some forms of cancer. This location would, therefore, offer an exceptional opportunity to study the effect of lifestyle on cancer incidence as well as to evaluate the relationship between radiation and cancer.

In last year's legislation, both Houses of Congress agreed that in expanding the excellent cancer centers program of the National Institutes of Health, priority should be given to providing centers in demographically unique areas of the country. Utah is such an area. Scientific literature has documented that the Mormon population offers exceptional possibilities for research in the relationships between diet and nutrition and the prevention of cancer. Indeed, the low incidence of many types of cancer among this population appear to be related directly to dietary factors and to abstinence from alcohol and tobacco. Utah is also the site of exposure to low-level radiation which occurred concomitant with above-ground testing of nuclear weapons 30 to 40 years ago. This provides a second special research opportunity for epidemiological research on the consequence of exposure to radiation. Testimony before my Labor and Human Resources Committee just this month, Mr. President, indicated that it is very difficult for scientists who are interested in determining a possible relationship between cancer and radiation exposure to collect the kind of data needed. The population in this area of Utah can provide the essential information.

Cancer screening is a logical extension of such studies, and could be done through the cancer center established at St. George. The center will serve not only the residents of the State of Utah, but also the entire central southwest part of the country.

My amendment would add $6 million to the supplemental appropriations bill for the establishment of this center. Senator WEICKER and I have discussed the amendment, and we agree that funding of this new cancer center is of high priority.

Mr. WEICKER. Mr. President, this matter has been authorized, and I urge acceptance of the amendment.

Mr. JOHNSTON. Mr. President, the amendment is acceptable to the minority.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 358) was agreed to.

Mr. HATCH. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. WEICKER. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 359

(Purpose: To Appropriate Funds for the Establishment and Operation of A Center on the Health Effects of Nuclear Energy and Other Energy Technologies)

Mr. HATCH. Mr. President, I send an amendment to the desk.

The PRESIDING OFFICER. Without objection, the committee amendment will be set aside.

The amendment by the Senator from Utah will be stated.

The bill clerk read as follows:

The Senator from Utah [Mr. HATCH], for himself and Mr. GARN, proposes an amendment numbered 359.

Mr. HATCH. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 115, after line 25, insert the following:

RESEARCH

For an additional amount to carry out section 502(a) of Public Law 98-558, $2,000,000, to remain available until September 30,

1987. For purposes of such section, the Federal share shall be 100 percent.

Mr. HATCH. Mr. President, last year during the reauthorization of the Head Start Program, the Senate and the House agreed to a provision I offered which authorized funds for the establishment of a center for the study of the health effects of new energy technologies, to be located at the University of Utah in Salt Lake City. This center is needed to provide unbiased, accurate data on a wide range of health issues related to radiation and all forms of emerging energy technologies, as well as the health impact on communities which are the site of energy related industries development.

I urge my colleagues to approve the appropriation of these funds, which will benefit all of us.

Mr. WEICKER. Mr. President, the amendment before the Senate is for moneys that have been authorized, and I urge acceptance of the amendment.

Mr. JOHNSTON. Mr. President, the amendment has been cleared by the minority.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 359) was agreed to.

Mr. HATCH. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. WEICKER. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. HATCH. Mr. President, I thank my colleagues for their courtesy in this matter.

Mr. WEICKER. Mr. President, I ask unanimous consent that the pending committee amendment be temporarily set aside so that we might consider an amendment by the distinguished Senator from Tennessee [Mr. GORE].

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 360

(Purpose: To Reallocate a Portion of the Amounts Provided in the Bill for the Task Force on Organ Transplantation to the Establishment of an Organ Procurement and Transplantation Network, and to Limit to Fiscal Year 1985 the Availability of Those Amounts)

Mr. GORE. Mr. President, I send an amendment to the desk.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Tennessee [Mr. GORE] proposes an amendment numbered 360.

Mr. GORE. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 114 line 15, strike out "section 101 of".

On page 114, lines 16 and 17, strike out "to remain available for obligation until September 30, 1986" and insert in lieu thereof "of which $800,000 shall be to carry out title I of that Act, and $400,000 shall be to carry out section 372 of the Public Health Service Act".

Mr. GORE. Mr. President, the purpose of this amendment is to reaffirm the resolve of the Congress to help the thousands of patients around our country waiting for a lifesaving organ transplant. It ensures that the mandate of the Congress, as contained in the National Organ Transplant Act, is carried out as the Congress intended.

The amendment lifts the restrictions placed on the money provided in this bill to support the activities authorized by Public Law 98-507, the National Organ Transplant Act of 1984. My amendment would reallocate the $1,200,000 provided in the bill—$800,000 would go to support the activities required by title I of Public Law 98-507, the task force on organ transplantation—$400,000 would go to establish an organ procurement and transplantation network, mandated by section 201 of Public Law 98-507. The amendment also limits the availability of those amounts to fiscal year 1985.

Last year, following 2 years of exhaustive investigation of the problems faced by thousands of patients in need of an organ transplant and their families, Congress passed and the President signed into law a series of carefully crafted programs to respond to the pleas for help that all of us have heard. These programs, contained in the National Organ Transplant Act, have been strongly endorsed by virtually every major group involved with organ tranplantation, including the American Society of Transplant Surgeons, the North American Transplant Coordinators Organization, the Southeastern Organ Procurement Foundation, and the Association of Independent Organ Procurement Agencies.

Unfortunately, the National Organ Transplant Act was signed into law on October 19, 1984, after action had been completed on the fiscal year 1985 appropriation act. The administration, which opposed this legislation every step of the way, has used the lack of appropriated funds to delay implementing what I believe are the two most important provisions in the Transplant Act, the organ procurement and transplantation network and the organ procurement organization grant program. The experts agree that these two programs are what will most help with the current tragic shortage of transplantable organs.

The National Organ Transplant Act also established a task force on organ transplantation to conduct comprehensive examinations of the medical, legal, ethical, economic, and social issues presented by organ procurement and transplantation, and whose mandated top priority is to make recommendations regarding national policy with respect to immunosuppressive medications used to prevent organ rejection in transplant patients.

My amendment simply insures that the various programs that are contained in the National Organ Transplant Act, the network, the task force, the OPO grant program, the administrative unit, and the scientific registry move forward in the manner the Congress intended, concurrently. It provides $800,000 to support the various activities of the task force for fiscal year 1985 and $400,000 for the establishment and operation in fiscal year 1985 of the organ procurement and transplantation network to match donor organs with recipients. The $400,000 is for activities beyond those currently undertaken by the end stage renal disease program's renal matching system. Payments to a contractor under section 372 of the Public Health Service Act should not be reduced or offset by any payments by the ESRD program for matching donor organs and recipients.

The conference report accompanying the National Organ Transplant Act states: "The conferees do not intend that implementation of the grant program be delayed pending the deliberations of the Task Force * * *" To date the administration has maintained that the grant program, along with the network and a scientific registry of recipients of organ transplants that are also established by Public Law 98-507, cannot go forward until the task force completes its deliberations. Well, this interpretation is just plain wrong.

I hope, Mr. President, that you can agree that this approach is clearly not what the Congress intended and that we should expect to see progress made in implementing all of the provisions of the National Organ Transplant Act including section 371, the grant program, during fiscal year 1985.

In closing, Mr. President, I also want to make clear that although my amendment does not set aside money for section 371, that I believe that provision should still be promptly implemented. After discussions with those responsible for administering section 371, I have regretfully concluded that delays have made it no longer feasible to award any grants before the end of fiscal year 1985. It would be morally unconscionable, however, not to begin developing the framework for implementing section 371 so that when money for the grants is made available in fiscal year 1986 the Department will be ready to award the grants right away. And I would encourage the administration to view my amendment as a statement of my strong continuing commitment to implement the law as it was intended, so that the Congress can honor its promise to the thou-

sands of patients and families anxiously awaiting help in their search for a lifesaving organ. That commitment will include every effort on my part to make certain that funding for the grant program will be included in the fiscal year 1986 appropriation.

I urge support for the amendment.

Mr. WEICKER. Mr. President, I urge acceptance of the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 360) was agreed. to.

Mr. GORE. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. WEICKER. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The Senator from Connecticut.

Mr. WEICKER. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. DURENBERGER). The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. EVANS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HATFIELD. Mr. President, will the Senator yield?

Mr. EVANS. I yield.

Mr. HATFIELD. Mr. President, I ask unanimous consent that the committee amendment be temporarily set aside so that the Senator from Washington [Mr. EVANS] may offer an amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 361

Mr. EVANS. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Washington [Mr. EVANS], for himself and Mr. GORTON, porpose an amendment numbered 361.

Mr. EVANS. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 71, after line 7, add "The Federal Energy Regulatory Commission is hereby prohibited from assessing an annual charge pursuant to section 10(e) (16 U.S.C. 803(e)) of the Federal Power Act (Act of June 10, 1920, 41 Stat. 1063; 16 U.S.C. 791a et seq., and Acts amendatory thereof and supplementary thereto) in those cases where the United States has heretofore entered into a contract with a licensee which provides that the licensee may build and own powerplants utilizing irrigation facilities constructed by the United States and which further provides that all revenues from such powerplants and from the use, sale, or the disposal therefrom shall be and remain the property of the licensee.".

Mr. EVANS. Mr. President, I rise on behalf of myself and my colleague, Senator GORTON, to offer an amendment to the fiscal year 1985 supplemental appropriations bill relating to the imposition of a charge by the Federal Energy Regulatory Commission for benefits derived from Federal dams and other structures by non-Federal entities. The amendment would exempt from the charge entities with a contract guaranteeing they receive all income from power sales at certain Federal irrigation facilities.

The amendment provides that no annual charge be assessed where an entity has a contract with the United States guaranteeing the revenue from power facilities at Federal installations. Those contracts provide that a licensee may build and own powerplants utilizing irrigation facilities constructed by the United States. The contracts further provide that all revenues from such powerplants and from the use, sale, or the disposal of power therefrom shall be and remain the property of the licensee. Where such a contract exists, the bill would provide an exemption from the annual charge levied pursuant to section 10(e) of the Federal Power Act. Only two such contracts, involving the Columbia basin project, Washington, and the Salt River project, Arizona, were identified by the administration during hearings in the 98th Congress on the issue.

Mr. President, this amendment is identical in substance to the provisions of S. 953, a bill recently reported by the Senate Energy and Natural Resources Committee. S. 953 is in turn identical to a provision in S. 1132, a bill passed twice by the Senate during the 98th Congress. S. 1132 would have amended the Federal Power Act to specify annual charges for projects with licenses issued by the FERC for the use of Federal dams and other structures. S. 953 also passed the House of Representatives, but in a different form. Differences on an unrelated issue, however, prevented the bill from becoming law.

Mr. President, this amendment involves a matter which needs to be resolved during this fiscal year. Relief from threatened imposition of the so-called falling water charge by the FERC is needed to allow the Columbia basin irrigation districts to commence operation of the Summer Falls hydroelectric project, and to complete construction of the other two projects to which their contract with the Bureau of Reclamation applies. I ask that the amendment be adopted.

Mr. President, let me add that this is the same as the bill which has been subject to hearings in the Energy and Natural Resources Committee, approved by that committee several weeks ago, and has been cleared on both sides of the aisle.

Mr. HATFIELD. Mr. President, as a member of the Energy and Natural Resources Committee, I affirm the Senator's recollection of how that matter was handled in the committee. We have checked this amendment on our side and it is acceptable.

Mr. President, I yield to the Senator from Louisiana.

Mr. JOHNSTON. Mr. President, this amendment is identical in substance to the provisions of S. 953, a bill recently reported by the Senate Committee on Energy and Natural Resources. It is also identical to a provision in S. 1132, a bill twice passed by the Senate during the 98th Congress. I have received no indication of objection on this side. It is acceptable.

The PRESIDING OFFICER. Is there further debate?

Mr. HATFIELD. I move adoption of the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 361) was agreed to.

Mr. HATFIELD. Mr. President, I ask unanimous consent to temporarily lay aside the committee amendment in order that the Senator from Washington [Mr. GORTON] may offer an amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Washington.

AMENDMENT NO. 356

(Purpose: Provide for the Corps of Engineers to enter into a purchase contract agreement to buy new facilities in Walla Walla, Washington)

Mr. GORTON. Mr. President, I have an amendment at the desk. I ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Washington [Mr. GORTON], for himself and Mr. EVANS, proposes an amendment numbered 356.

Mr. GORTON. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place, insert the following:

WALLA WALLA CORPS BUILDING

Notwithstanding any other provision of law, the Secretary of the Army, acting through the Chief of Engineers, is hereby authorized to enter into a purchase contract for the acquisition of new buildings and appurtenant facilities for the United States Army Engineer District, Walla Walla, Washington. Such buildings and facilities shall be constructed on a suitable site in the Walla

Walla, Washington area, which the Chief of Engineers is authorized to acquire for that purpose. The contract shall provide for the payment of the purchase price, which shall not exceed $12,000,000, and a reasonable interest thereon, by lease or installment payments over a period not to exceed 25 years. The contract shall further provide that the title to the building and facilities shall vest in the United States at or before the expiration of the contract term upon fulfillment of the terms and conditions of the contract.

Mr. GORTON. Mr. President, today I am offering an amendment to add $12,000,000 in authorization to the 1985 supplemental appropriations bill for the Army Corps of Engineers to enter into a purchase contract for the acquisition of new buildings and facilities for the U.S. Army Corps of Engineers District, Walla Walla, WA. The current office complex was constructed in 1942 as World War II temporary hosptial buildings with a design life of about 5 years. The Walla Walla Distirct has occupied the buildings since 1949 as the sole tenant. The complex is under the management of the General Services Administration [GSA] for operation and maintenance, and a recent GSA inspection revealed approximately $4 to $5 million in fire and safety deficiencies. To invest the $4 to $5 million to make the existing structures safe and habitable is not economically feasible due to the age and obsolescence of the facility. This sum represents approximately one-half of the cost for a replacement facility and would not substantially extend the usable life of the structure.

The wisest alternative is for the Corps of Engineers to enter into a lease-purchase agreement with private enterprise. This would require the least initial capital investment by the Government.

We currently have approximately 450 Federal employees working in facilities which have been found to be unsafe. It is imperative that we move decisively to improve their safety and working conditions.

Mr. President, I am offering this amendment with the cosponsorship of my colleague from Washington (Mr. EVANS). It is identical to a provision which is in the House bill.

Mr. HATFIELD. Mr. President, will the Senator yield for a question?

Mr. GORTON. The Senator will, Mr. President.

Mr. HATFIELD. This is permissive legislation as far as the matter of the structure is concerned?

Mr. GORTON. That is correct, Mr. President.

Mr. HATFIELD. In case that authorization is deemed appropriate, it will be all right to move the office to Portland, if we need to?

Mr. GORTON. The Senator from Oregon gets me in the heart with that question.

Mr. HATFIELD. Mr. President, I have no objection to the amendment.

The PRESIDING OFFICER. Is there further debate?

Mr. HATFIELD. Mr. President, the amendment has been cleared on this side.

Mr. JOHNSTON. Mr. President, this amendment has been cleared on this side. This method of acquiring buildings has been used elsewhere in the country, specifically New Orleans. I know of no objection. It is acceptable to this side of the aisle.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 356) was agreed to.

Mr. GORTON. I move to reconsider the vote by which the amendment was agreed to.

Mr. JOHNSTON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. HATFIELD. Mr. President, we are ready for other amendments. If there are none——

Mr. BENTSEN. Mr. President, the Senator from Mississippi (Mr. COCHRAN) and I have an amendment. He is not here at the moment. I understand the Senator from North Dakota (Mr. ANDREWS) wants to participate.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. COCHRAN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 362

(Purpose: Aviation Security)

Mr. COCHRAN. Mr. President, I send to the desk an amendment on behalf of myself, the Senator from Texas [Mr. BENTSEN], and the Senator from North Dakota [Mr. ANDREWS], and I ask for its immediate consideration.

The PRESIDING OFFICER. Without objection, the committee amendment will be temporarily set aside.

The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Mississippi [Mr. COCHRAN], for himself, Mr. BENTSEN, and Mr. ANDREWS, proposes an amendment numbered 362.

Mr. COCHRAN. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

Insert on page 131 after line 8: "In addition to other amounts provided under this head, an additional $2,000,000, to remain available until expended, for the employment of law enforcement personnel performing security functions aboard international aircraft in flight pursuant to sections 315 and 316 of the Federal Aviation Act of 1958 (49 U.S.C. 1356 and 1357)."

Mr. COCHRAN. Mr. President, I yield to the Senator from Texas.

Mr. BENTSEN. I thank my distinguished friend from Mississippi. We have worked together on this piece of legislation along with the Senator from North Dakota.

Mr. President, the hijacking of TWA flight 847 has forced us all to reconsider the adequacy of security for Americans traveling abroad. Whatever the facts in this specific tragedy, no one can deny that our citizens can and must be better protected.

I have some very personal knowledge and some very personal concern about the hostages. Two of my good friends from Laredo, Robert Trautman and Vincent Garza, Jr., are in that perilous situation at the present time, as is another constituent, Allyn B. Conwell of Houston.

It is obvious that tighter security must be imposed on the ground at overseas airports, especially those, like Athens, which have been identified and criticized for their lax procedures.

I agree with the State Department's travel advisory directed to the Athens Airport. American airlines have tried time and time again to get Athens to tighten up on security, and Athens has paid no attention to it. The one thing that will affect them and make them react is when their pocketbooks are affected. I believe American tourists will detour the Athens Airport. This action will certainly bring about some reaction.

Other steps can be taken to improve our intelligence capabilities on terrorist groups and our quick reaction military units which have been specially trained to deal with such incidents.

This supplemental appropriations bill provides another opportunity to enhance air travel security—by expanding our Sky Marshal Program. Tuesday night, President Reagan said in his news conference that he has directed the Secretary of Transportation, in cooperation with the Secretary of State, to explore immediately an expansion of our Armed Sky Marshal Program aboard international flights of U.S. air carriers for better protection of passengers.

I hope that those two Cabinet officers act quickly and make timely recommendations on this matter. Pending their conclusions, I believe the Senate should endorse an expansion of the Sky Marshal Program for international flights by providing at least some additional funds right now. Additional funds are needed, for the FAA budget is inadequate to absorb such extra demands.

The Federal Air Marshal Program is now only a token operation, for the Federal Aviation Administration believes that screening procedures on

the ground before passenger boarding should be sufficient to thwart hijacking. However reasonable that judgment might be for domestic airports and air travel, I believe that placing additional security personnel aboard international flights in areas of high vulnerability could have a significant deterrent effect against aerial hijacking. Just putting a few teams on high-risk flights on an unpredictable basis would leave potential hijackers in doubt and in fear of what they might confront in the air.

Long before the United States began its Sky Marshal Program, the Israelis had instituted one of their own, along with the most stringent ground security measures. Israel's El Al Airline has an unprecedented security record because it recognizes the threat and is willing to devote the necessary resources to meet it—including putting guards aboard every flight.

This amendment would provide $2 million. More certainly will be needed later. I believe that approval of an expanded Sky Marshal Program is an available and appropriate way to make air travel safer for Americans abroad.

Mr. President, I should like to list a number of additional cosponsors:

The Senator from Oklahoma [Mr. BOREN], the Senator from Arkansas [Mr. BUMPERS], the Senator from Florida [Mr. CHILES], the Senator from Arizona [Mr. DECONCINI], the Senator from Kentucky [Mr. FORD], the Senator from Iowa [Mr. HARKIN], the Senator from Florida [Mrs. HAWKINS], the Senator from Nevada [Mr. LAXALT], the Senator from Michigan [Mr. LEVIN], the Senator from Hawaii [Mr. MATSUNAGA], the Senator from Montana [Mr. MELCHER], the Senator from Maine [Mr. MITCHELL], the Senator from New York [Mr. MOYNIHAN], the Senator from Georgia [Mr. NUNN], the Senator from Rhode Island [Mr. PELL], the Senator from Michigan [Mr. RIEGLE], the Senator from Nebraska [Mr. ZORINSKY], the Senator from Maryland [Mr. SARBANES], the Senator from West Virginia [Mr. BYRD], the Senator from Oklahoma [Mr. NICKLES], the Senator from New Jersey [Mr. LAUTENBERG], and the Senator from Delaware [Mr. ROTH].

I thank the distinguished Senator from North Dakota and the distinguished Senator from Mississippi for the fast, coordinated work that was done on this amendment.

Mr. COCHRAN. Mr. President, I thank the distinguished Senator very much for his contribution to the effort to develop this amendment and to present it to the Senate this afternoon in such a timely fashion.

I am convinced that, even though this is a downpayment on the larger effort that must be made to safeguard, in a more effective way, American citizens who are traveling on international air carrier flights, it is an important step.

I am very pleased, too, that the distinguished Senator from North Dakota, as chairman of the subcommittee, has made available his expertise in helping develop this amendment. He has been cooperative and understanding, and I thank him sincerely for his leadership in this effort.

Mr. President, I am happy to yield to the Senator from North Dakota.

Mr. ANDREWS. Mr. President, I am pleased to cosponsor the amendment offered by the distinguished Senator from Texas [Mr. BENTSEN], the distinguished Senator from Mississippi [Mr. COCHRAN], and others to address security onboard aircraft.

The tragic situation in Beirut has refocused our attention on the safety of U.S. citizens. We realize—every thoughtful person in the world has to realize—that there is no simple solution to the threat of hijacking aircraft. Last night, the President outlined the steps he feels can be taken now. He has directed the Secretary of Transportation to explore immediately the armed sky marshal program aboard international flights of U.S. carriers.

This concept is nothing new. As the Senator from Texas pointed out, Israel does this as a matter of course. We all know we have done it in the United States from time to time when the situation became dangerous, and it does indeed and in fact work in many situations.

The amendment today adds $2 million to the supplemental for the Federal Aviation Administration for increased civil aviation security.

Might I point out, Mr. President, that if we do not provide these funds, and as the FAA needs to go ahead, it would be at the cost of cutting back other FAA activities here in the United States and that, of course, might increase problems on domestic flights. No one wants this.

My colleague from Mississippi, the distinguished Senator, who is a member of the Subcommittee on Transportation, is precisely and totally correct in calling this to the attention of the Senate, that we pass this amendment now, on this vehicle, so there is no question of shortchanging domestic aviation safety to increase international aviation safety.

I commend my colleague for his leadership and foresight in calling this to the attention of the Senate.

Let me point out, also, that I will work with the Secretary as she reviews the matter between now and conference on the bill to see whatever refinements, if any, she feels she needs for the program to be most effective. But it is highly necessary that we adopt this amendment at this point in time.

I not only urge the adoption of the amendment, Mr. President, but I am prepared to state that there are no objections from the managers of the bill and there are no objections from the other side of the aisle.

Mr. COCHRAN. Mr. President, I thank the distinguished Senator most sincerely for his agreement to support this amendment, and for helping develop it as he has. I think this action should send a clear message that the U.S. Government is not going to abandon the traveling public on international flights by merely trusting the security devices that may or may not be effective in certain international airports or overseas airports.

I think those who contemplate terrorist activities, as we have witnessed during this past week, need to know that they run a very high risk, a risk of danger to themselves and a certain risk of failure if they try to take over American air carriers during overseas flights. They can only get that message clearly if we support action such as this we are taking today to make available the resources for a fully funded and effective Air Marshals Program which will assure the traveling public of our Government's efforts to protect them during these dangerous times, particularly in the Middle East area.

So, I am very happy to see the enthusiastic support for this funding today on the Senate floor and, again, let me thank the Senator from North Dakota and the Senator from Texas for the efforts that they have made on this amendment.

Mr. BENTSEN. Mr. President, I think it is very important that this be done now. It could not be more timely, as my friend from North Dakota stated. The problem is we have so many nuts that see this take place, so many copy-cat terrorists, that it may trigger all kinds of additional attacks. It is terribly important that we get these armed air marshals onboard and we get them on as quickly as possible especially toward airports where we have high vulnerability on international flights.

So I thank my distinguished friend from North Dakota for his help.

Mr. ANDREWS. Mr. President, we are prepared to accept the amendment.

We urge the adoption of the amendment.

Mr. DIXON. Mr. President, I strongly support the amendment offered by my distinguished colleagues, Senators BENTSEN, COCHRAN, and ANDREWS. I have been saying since the TWA hijacking began that we need to bring the marshals back to protect innocent American airline passengers.

I think it is a good amendment—urgently needed—and I am pleased that the Senate has the opportunity to consider this matter so expeditiously.

Air marshals are certainly not the total solution to the skyjackings and

terrorism, but they will really help. We need to take this kind of action to ensure we will not be victimized like this again.

The Sky Marshal Program was first started in response to a series of aircraft hijackings to Cuba. The marshals helped end that series of hijackings, and they will help end this one.

I congratulate the authors of this amendment for bringing this matter before the Senate, and I urge its prompt enactment.

The PRESIDING OFFICER. If there be no further debate, the question is on agreeing to the amendment of the Senator from Mississippi.

The amendment (No. 362) was agreed to.

Mr. COCHRAN. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. BENTSEN. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. ANDREWS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. DOLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. BOSCHWITZ). Without objection, it is so ordered.

Mr. DOLE. Mr. President, I understand the managers are prepared to do business but there is no one coming forth with amendments. I indicate, as I did earlier, that there is some hope we can complete action on this bill tomorrow, and maybe at a reasonable time tomorrow. But if not, every 10, 20, or 30 minutes that we lose today will have to be made up tomorrow evening. On Friday, we hope to turn to other matters. Also on Friday there is some hope that we might be able to complete work about 3 or 3:30 p.m. So I urge my colleagues who are in their offices—or within committees with other matters—to come to the floor. I guess there must be 20 or 25 amendments that can still be dealt with. Some may require rollcall votes. We hope we do not have to stay in too late this evening. But that again will depend on the cooperation the managers have from Members on both sides who have amendments.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. HATFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HATFIELD. Mr. President, I ask unanimous consent that the committee amendment be temporarily laid aside in order that we may present an amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 364

Mr. HATFIELD. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Oregon [Mr. HATFIELD], proposes an amendment numbered 364.

Mr. HATFIELD. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 47, on line 19 and on page 66 on line 18, strike the period and insert:

: *Provided further,* That the funds appropriated herein shall lapse on June 30, 1986 if the agreement required herein for that project has not been transmitted to Congress.

Mr. HATFIELD. Mr. President, to explain this amendment a bit, there have been discussions going on with the Director of the Office of Management and Budget concerning different sections of this bill, and one very important section—the one dealing with water projects. Through these discussions it has been suggested that possibly this fencing language which the committee adopted indicate that none of these moneys may be expended until agreement has been worked out by the Secretary of the Army or the Secretary of the Interior, whichever the case may be, and that plan then be transmitted to the Congress. It has been suggested that there be some kind of a sunset on that title as far as working up those agreements. Sunset would affect the appropriations only that are made in this bill to carry out such agreements once they have been made. The amendment being offered now would be to put a sunset of June 1986, a year from now, on that provision of those appropriations. In other words, if the Secretary of the Army or the Secretary of the Interior has not worked out a cost-sharing agreement on those 25 projects in the bill, then the authority to work out that cost sharing on those projects will expire; that is, June 30, 1986. The appropriations are thereby no longer available for that purpose. This has been discussed with the manager of the bill, the floor manager of the bill, and I believe it is acceptable.

Mr. JOHNSTON addressed the Chair.

The PRESIDING OFFICER. The Senator from Louisiana.

Mr. JOHNSTON. Mr. President, we understand that this amendment was suggested by the Director of the Office of Management and Budget, and it has been accurately described by Senator HATFIELD.

That is, that the authority to work out the agreements as well as the appropriation will expire on the stated date. But the date is June 30, 1986, which should give sufficient time to work out an agreement if one is going to be worked out.

We also understand that the sunset does relate to the appropriations as well as the authority to work out the agreements, but otherwise does not affect the bill. On that basis, we are willing to accept the amendment.

Mr. STENNIS. Will the Senator yield for a question?

Mr. HATFIELD. Yes.

Mr. STENNIS. This is the matter we had up a few moments ago that relates to the water projects?

Mr. HATFIELD. The Senator is correct. The Senator from Louisiana has stated the purpose of the amendment. I would add one further word of explanation just to make certain that everyone has a clear understanding.

Let us assume a hypothetical situation in which the Corps of Engineers is involved and the Secretary of the Army has worked out a cost-sharing agreement on a project related to the Corps which has been approved or has not been vetoed by the Congress. So that is on track.

The moneys appropriated in this bill still would be available to carry out that agreement on that particular project.

But if the Corps, through the Secretary of the Army, has not been able to work out a cost sharing on another project, then the moneys appropriated in this bill to carry out that project would expire on June 30, 1986, because an agreement had not been worked out.

Every other provision of this section remains intact. It only affects the funds that are fixed in the language of the bill relating to the ability of the Secretaries to work out cost-sharing agreements.

Mr. JOHNSTON. Mr. President, the distinguished floor manager has made this very clear. On that basis, it is acceptable to the minority.

The PRESIDING OFFICER. Is there further debate?

Mr. HATFIELD. Mr. President, I move adoption of the amendment.

The PRESIDING OFFICER. If there is no further debate, the question is on agreeing to the amendment.

Without objection, the amendment is agreed to.

The amendment (No. 364) was agreed to.

Mr. HATFIELD. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. JOHNSTON. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. HATFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. HATFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HATFIELD. Mr. President, I ask unanimous consent that the pending committee amendment be temporarily laid aside in order that we may offer another amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 365

Mr. HATFIELD. Mr. President, I send an amendment to the desk, on behalf of Mr. ABDNOR, and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from Oregon [Mr. HATFIELD], for Mr. ABDNOR, proposes an amendment numbered 365.

Mr. HATFIELD. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 171, line 23 before the semicolon, insert the following:

: *Provided*, That not to exceed $1,000 of the funds appropriated to the Office of Personnel Management for salaries and expenses for the fiscal year ending September 30, 1985, shall be available for official representation expenses in connection with programs to further the employment of handicapped individuals in the Federal service, and for other programs of the office.

Mr. HATFIELD. Mr. President, this is a very simple amendment which is acceptable. It allows the Office of Personnel Management to expend up to $1,000 of already appropriated funds to be used in connection with programs to further employment opportunities in the Federal Government for handicapped individuals. As I noted, this amendment is acceptable to both sides.

Mr. President, I offer this amendment on behalf of Senator ABDNOR of South Dakota.

Mr. JOHNSTON. Mr. President, the amendment has been cleared on the minority side.

Mr. HATFIELD. Mr. President, let me also add that Senator ABDNOR's committee is the committee of jurisdiction on this amendment in the Appropriations Committee.

The PRESIDING OFFICER. Is there further debate? If not, without objection, the amendment is agreed to.

The amendment (No. 365) was agreed to.

Mr. HATFIELD. Mr. President, I ask unanimous consent that the pending committee amendment be temporarily set aside so that the Senator from Georgia may offer an amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 366

(Purpose: To instruct the Secretary of Agriculture To Conduct the Subject Study from Within Available Funds)

Mr. MATTINGLY. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from Georgia [Mr. MATTINGLY] proposes an amendment numbered 366.

Mr. MATTINGLY. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 6, line 11, strike the entire line and insert in lieu thereof the following:

"Within available funds appropriated to the Department for any purpose, the Secretary shall provide for the Economic Research";

And on page 6, line 22, strike the figure "$500,000" and insert in lieu thereof the following: "at a cost not to exceed $500,000".

Mr. MATTINGLY. Mr. President, during the Appropriations Committee markup, there was a request for $500,000 by the Department of Agriculture to do a study in reference to trying to see if past foreign policy had an impact upon the agricultural sector of our country or has been very detrimental to the agricultural sector, which was a very worthwhile idea or concept.

I have been a long-time advocate of reducing the amount of money expended for consultant studies by the Federal Government.

I requested that the chairman of the subcommittee on agriculture appropriations check to see if we could find the money within current funds. I believe, if I am not mistaken, that they can be found within currently appropriated funds within the U.S. Department of Agriculture.

This amendment basically just says that instead of us appropriating the $500,000 that we not appropriate the money but, instead, the money is found within available funds in the Department of Agriculture, and asks that the language in our bill currently be changed to describe it as such.

Mr. COCHRAN. I commend the Senator from Georgia for his careful work in connection with this part of the supplemental appropriations bill. During the markup of the bill in full committee, the Senator from Georgia raised a question as to whether we could provide for the conduct of this study from available funds, or whether it was really necessary to appropriate $500,000 especially for that purpose.

The other body had directed that a study be conducted to determine economic losses to American farm producers resulting from embargoes on the sale of agricultural products which had been imposed as a part of our national foreign policy. We had added language in our subcommittee on agriculture appropriations that would enlarge the scope of the study, so that we could determine the best ways to counteract the abrupt decline we have seen in the export successes of our farm producers and exporters.

As the Senate knows and appreciates, we have seen a very dramatic decline in the sale of agricultural products in overseas markets this year. The study provided for in this bill is an effort to try to determine through the work of the Economic Research Service how we can counteract that decline—not just what is to blame, although that is important, I expect, for some to determine.

Because of the suggestion of the Senator from Georgia, we have reviewed the total appropriations for the Economic Research Service for this fiscal year, and the balance of the commitments and obligations that have been made. We have found that there ought to be a way to conduct this study without the need for an additional $500,000.

The total appropriation for the Economic Research Service for this year is $45.6 million, and after looking at funds obligated and other commitments that are made, we think that because of the supplemental pay costs that are provided for in this bill and the unexpended balance that is anticipated, there should be ample funds, something over $500,000, with which this study can be done.

Let me say, too, that we hope the study can be completed by the end of this fiscal year. This is not an appropriation or a directive that will require work that goes beyond the end of this fiscal year. We hope the work can be done in a timely fashion and the study competed so we will have the benefit of the research.

Mr. President, I am willing to recommend to the Senate that we accept this amendment. I again congratulate and commend the Senator from Georgia for his careful review of this bill. He is a valuable and important member of our subcommittee and I appreciate his bringing this to the attention of the Senate.

The PRESIDING OFFICER. Is there further debate on the amendment? If not, the question is on agreeing to the amendment.

The amendment (No. 366) was agreed to.

Mr. MATTINGLY. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. COCHRAN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. COCHRAN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. HATFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HATFIELD. Mr. President, I ask unanimous consent that the committee amendment be temporarily set aside so that any other amendment may be offered.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

AMENDMENT NOS. 367 AND 368

Mr. BYRD. Mr. President, I ask unanimous consent that it may be in order for me to offer an amendment, that it be made the pending business at the close of the day, and that the two managers may be authorized to set it aside from time to time in order to take up other amendments.

I ask unanimous consent, also, that I may be permitted to offer an amendment in the second degree which is of the same nature, and that both amendments may be set-aside from time to time by unanimous consent or by agreement of the two managers.

The PRESIDING OFFICER. Is there objection to the request of the minority leader? The Chair hears none, and it is so ordered.

Mr. BYRD. Mr. President, this will assure that there will be no rollcall votes on the matter tonight.

I ask unanimous consent that it be in order to ask for the yeas and nays on the amendment in the first degree and the amendment in the second degree with one show of seconds, even prior to the reading by the clerk.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. BYRD. I send the amendments to the desk, and I ask for the yeas and nays, with one show of seconds, on both the first-degree amendment and the second-degree amendment.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays are ordered on both amendments.

The amendments will be stated.

The assistant legislative clerk read as follows:

The Senator from West Virginia [Mr. BYRD], for himself and Mr. JOHNSTON, Mr. EAGLETON, and Mr. LEAHY, proposes an amendment in the first degree numbered 367 and an amendment in the second degree numbered 368.

Mr. BYRD. Mr. President, I ask unanimous consent that reading of the amendments be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendments are as follows:

AMENDMENT No. 367

Insert in the appropriate place the following:

(a) There is hereby established a national commission which may be called for convenience of expression, the National Commission on Espionage and Security, to conduct an investigation and study with respect to the adequacy of counterespionage, counterintelligence and security activities of the United States in the protection of vital secret (1) defense, (2) foreign policy, and (3) intelligence information of the United States against the efforts of hostile foreign powers to obtain such information, as further described in section 3 below.

AMENDMENT No. 368

At the end of the amendment add the following:

(b) The Commission created by this resolution shall consist of eight members, to be appointed as follows:

(1) Four to be appointed by the President of the United States, including one former Secretary of Defense, one former Director of Central Intelligence, and one former Special Assistant to the President for National Security Affairs;

(2) One to be appointed by the President of the Senate from the majority Members of the Senate, upon the recommendation of the majority leader of the Senate;

(3) One to be appointed by the President of the Senate from the minority Members of the Senate upon the recommendation of the minority leader of the Senate;

(4) One to be appointed by the Speaker of the House of Representatives from the majority Members of the House; and

(5) One to be appointed by the Speaker of the House of Representatives from the minority Members of the House upon the recommendation of the minority leader of the House.

(c) The members of the Commission shall select a chairman and a vice chairman. Vacancies in the membership of the Commission shall not affect the authority of the remaining members to execute the functions of the Commission and shall be filled in the same manner as the original appointments to it are made.

(d) A majority of the members of the Commission shall constitute a quorum for the transaction of business, but the Commission may affix a lesser number as a quorum for the purpose of taking testimony or depositions.

(e) To enable the Commission to make the investigation and study authorized and directed by this resolution, the Commission is authorized to employ and fix the compensation of such persons as it deems necessary and appropriate, subject to the provisions of Section 12(c) below.

SEC. 2. The Commission is authorized to hold hearings, take testimony and depositions under oath, and to do everything necessary and appropriate which is authorized by law to make the investigation and study specified in subsection (a) of the first section.

SEC. 3. Without abridging in any way the authority conferred upon the Commission by the preceding section, the Commission is authorized and directed to make a complete investigation and study which will reveal the full facts with respect to:

(a) The nature and extent of recent penetrations of, or efforts to penetrate, the United States Government by hostile foreign powers to obtain the information described in section 1(a);

(b) The extent and adequacy of efforts by the United States to detect and protect against such penetrations;

(c) The adequacy and effectiveness of:

(1) The classification system;

(2) Background investigations conducted for security clearances;

(3) Systems involving the issuance of such clearances;

(4) Security systems;

(5) Counterintelligence investigations;

(6) Counterespionage investigations;

(7) Damage assessments;

(8) Relevant Federal laws, executive orders, directives, and policies;

(9) Investigative, prosecutorial and expulsion policy; and

(10) Treaties and other international agreements to which the United States is a signatory.

(d) Such other related matters as the Commission deems necessary in order to carry out its responsibilities.

SEC. 4. Subject only to other provisions of this resolution, all departments, agencies, and other components, and all officials and other employees, of the United States Government are authorized and directed to:

(a) Extend full and complete cooperation to the Commission;

(b) Render such assistance as the Commission may request;

(c) Provide such information and testimony, whether at hearings or by interview or deposition, as the Commission may request;

(d) Provide access to all records, writings, documents and other materials as the Commission may request.

SEC. 5. (a) The Commission, or any member of the Commission when so authorized by the Commission, shall have the power to issue subpoenas requiring the attendance and testimony of witnesses and the production of information relating to a matter under investigation by the Commission. A subpoena may require the person to whom it is directed to produce such information at any time before such person is to testify. Such attendance of witnesses and the production of such evidence may be required from any place within the jurisdiction of the United States at any designated place of interview or hearing. A person to whom a subpoena issued under this subsection is directed may for cause shown move to enlarge or shorten the time of attendance and testimony, may move to quash, or modify a subpoena for the production of information if it is unreasonable or oppressive. In the case of a subpoena issued for the purpose of taking a deposition upon oral examination, the person to be deposed may make any motion permitted under rule 26(c) of the Federal Rules of Civil Procedure.

(b)(1) In case of contumacy or refusal to obey a subpoena issued to a person under this section, a court of the United States within the jurisdiction of which the person is directed to appear or produce information, or within the jurisdiction of which the person is found, resides or transacts business, may upon application by the Attorney General, issue to such person an order requiring such person to appear before the Commission, or before a member of the

Commission, or a member of the staff of the Commission designated by the Commission for such purpose, there to give testimony or produce information relating to the matter under investigation, as required by the subpoena. Any failure to obey such order of the court may be punished by the court as a contempt thereof.

(2) The Commission is an agency of the United States for the purpose of rule 81(a)(3) of the Federal Rules of Civil Procedure.

(c) Process of a court to which application may be made under this section may be served in a judicial district wherein the person required to be served is found, resides, or transacts business.

SEC. 6. A court of the United States within the jurisdiction in which testimony of a person held in custody is sought by the Commission or within the jurisdiction of which such person is held in custody, may, upon application by the Attorney General, issue a writ of habeas corpus ad testificandum requiring the custodian to produce such person before the Commission, or before a member of the Commission or a member of the staff of the Commission designated by the Commission for such purpose.

SEC. 7. The Commission is an agency of the United States for the purpose of part V of title 18 of the United States Code.

SEC. 8. (a) Process and papers issued pursuant to this resolution may be served in person, by registered or certified mail, by telegraph, or by leaving a copy thereof at the residence or principal office or place of business of the person required to be served. When service is by registered or certified mail, or by telegraph, the return post office receipt or telegraph receipt therefor shall be proof of service. Otherwise, the verified return by the individual making service, setting forth the manner of such service shall be proof of service.

(b) A witness summoned pursuant to this resolution shall be paid the same fees and mileage as are paid witnesses in the courts of the United States, and a witness whose deposition is taken and the person taking the same shall severally be entitled to the same fees as are paid for like services in the courts of the United States.

SEC. 9. (a) The investigative activities of the Commission are civil or criminal law enforcement activities for the purposes of section 552a(b)(7) of title 5, United States Code, except that section 552a(c)(3) shall apply after the termination of the Commission.

(b) The Commission is a Government authority, and an investigation conducted by the Commission is a law enforcement inquiry, for the purposes of the Right to Financial Privacy Act of 1978 (12 U.S.C. 3401 et seq.). Any delay authorized by court order in the notice required under that Act shall not exceed the life of the Commission, including any extension thereof. Notwithstanding a delay authorized by court order, if the Commission elects to publicly disclose the information in hearings or otherwise, it shall give notice required under the Right to Financial Privacy Act a reasonable time in advance of such disclosure.

SEC. 10. Conduct, which if directed against a United States attorney would violate section 111 or 1114 of title 18, United States Code, shall, if directed against a member of the Commission be subject to the same punishments as are provided by such sections for such conduct.

SEC. 11. The functions of the President under section 10(d) of the Federal Advisory Committee Act (5 U.S.C. App. 10(d)), shall be performed by the Chairman of the Commission.

SEC. 12. (a) The Commission shall adopt rules and procedures (1) to govern its proceedings; (2) to provide for the security of records, documents, information, and other materials in its custody and of its proceedings; (3) to prevent unauthorized disclosure of information and materials disclosed to it in the course of its inquiry; (4) to provide the right to counsel to all witnesses examined pursuant to subpoena; and (5) to accord the full protection of all rights secured and guaranteed by the Constitution of the United States.

(b) No information in the possession of the Commission shall be disclosed by any member or employee of the Commission to any person who is not a member or employee of the Commission, except as authorized by the Commission and by law.

(c) The term "employee of the Commission" means a person (1) whose services have been retained by the Commission, (2) who has been specifically designated by the Commission as authorized to have access to information in the possession of the Commission, and (3) who has agreed in writing and under oath to be bound by the rules of the Commission, the provisions of this resolution, and other provisions of law relating to the nondisclosure of information..

SEC. 13. The Commission shall make a final report of the results of the investigation, together with its findings and its recommendations to the President and to the Congress, at the earliest possible date, but no later than March 1, 1987. The Commission may also submit such interim reports as it considers appropriate. After submission of its final report, the Commission shall have three calendar months to close its affairs, and on the expiration of such three calendar months shall cease to exist.

SEC. 14. There are authorized to be appropriated for the fiscal year ending September 30, 1986, such sums as are necessary to carry out the activities of the Commission.

Mr. HATFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. DOLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ROUTINE MORNING BUSINESS

Mr. DOLE. Mr. President, I ask unanimous consent that there now be a period for the transaction of routine morning business not to extend beyond 6:45 p.m. with statements limited therein to 5 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMENDATION OF WORLD RECORD SKIING ATTEMPT BY JIMMIE HEUGA

Mr. DOLE. Mr. President, I send a resolution to the desk on behalf of Senator MURKOWSKI, and ask for its immediate consideration.

The PRESIDING OFFICER. The resolution will be stated by title.

The assistant legislative clerk read as follows:

A resolution, (S. Res. 184), to commend the world record skiing attempt in Alaska to benefit the Jimmie Heuga Center by the Jimmie Heuga Express.

The PRESIDING OFFICER. Is there objection to the present consideration of the resolution?

There being no objection, the Senate proceeded to consider the resolution.

Mr. MURKOWSKI. Mr. President, it is my honor today to join with the distinguished senior Senator from my State, Senator STEVENS, to sponsor the following resolution expressing the sense of the Senate commending and congratulating the members of the Jimmie Heuga express and especially team captain Jimmie Heuga on their world recordbreaking feat on June 1, 1985, on the mountains of the Chugach Range in Alaska.

Their achievement of skiing for over 1 million vertical feet during a 24-hour period is not only a momentous one, but also a more than fitting tribute to the example of Jimmie Heuga.

Jimmie's ability to overcome his physical challenges and, through dedication and hard work, to achieve everything he has done in the last few years was undoubtedly a significant element of the motivation for the Jimmie Heuga express to push itself to the limit—and surpass peaks of achievement never before reached.

In addition, I would note that this resolution takes positive note of the most worthwhile objective of this achievement, namely to raise funds for the Jimmie Heuga Center in Colorado, a nonprofit medical research organization which Jimmie created to help in the reanimation of the physically challenged. I join with my colleagues in the Senate in expressing the hope that it has successfully raised the $1 million in support it was seeking through this world record-breaking skiing achievement.

I would also like to take this opportunity to congratulate the other members of the team: Jean-Claude Killy, Phil Mahre, Billy Kidd, Franz Klammer, Berhard Russi, Jan Helen, Steve Lathrop, Leif Grevle, and Mike Halstead, all of whom set an example of unselfishness and a commitment to both excellence and to helping others which we might all emulate.

In addition, I would note that Senator STEVENS deserves considerable credit since he was the one who invited the Jimmie Heuga express to come to Alaska for this endeavor, and also since he and his able staff have been working with the express for some time to assure the success of this world recordbreaking skiing achievement.

Finally, I would note that this tremendous effort has already received the commendation of President Reagan in a letter he sent to the team on May 30, 1985, the text of which follows:

Congratulations to Jimmie Heuga and his team of world class skiers. Through your spirit of hard work, dedication, and daring, you have set a grand example of what can be accomplished when people reach out to help other people. Nancy and I salute your efforts. Your "can-do" spirit of involvement is making this world a better place. Signed Ronald Reagan.

In conclusion, allow me to say once again that it will be most appropriate for the Senate, through this resolution, to express its admiration and well-deserved congratulations to the Jimmie Heuga express for a job well done. Jimmie Heuga and his team are truly world record holders in every sense of the word.

The PRESIDING OFFICER. The question is on agreeing to the resolution.

The resolution (S. Res. 184) was agreed to.

The preamble was agreed to.

The resolution, with its preamble, reads as follows:

SENATE RESOLUTION 184

Whereas on June 1, 1985, the Jimmie Heuga Express, consisting of nine world class skiers, including Olympic champions Jean-Claude Killy, Billy Kidd, Phil Mahre, Franz Klammer, and Bernard Russi, team organizers Jan Helen, Steve Lathrop, Leif Grevle, and Mike Halstead, and team captain Jimmie Heuga achieved a world record of skiing one million vertical feet in a single twenty-four hour period on the mountains of the Chugach Range in the State of Alaska;

Whereas, team captain Jimmie Heuga, who won the bronze medal in the 1964 Olympic slalom event and competed in the 1968 Olympics despite having contracted multiple sclerosis, has set a sterling example for others through the spirit of hard work and dedication in overcoming physical challenges and keeping physically active;

Whereas the success and ability of Jimmie Heuga to continue to be physically active led to the formation of the Jimmie Heuga Center, which researches the benefits of, and administers, goal-oriented programs based on exercise, nutrition, and self-motivation for the treatment of persons challenged by disease or trauma; and

Whereas through the sponsorship of the world record attempt by the Jimmie Heuga Express, funds were raised for the Jimmie Heuga Center, a nonprofit medical research organization devoted to the reanimation of the physically challenged: Now, therefore, be it

Resolved, That it is the sense of the Senate of the United States to commend the participants in the Jimmie Heuga Express for the world record skiing achievement which resulted in the raising of funds for the Jimmie Heuga Center in order to treat the physically challenged through reanimation.

SEC. 2. The Secretary of the Senate shall transmit a copy of this resolution to the Jimmie Heuga Center.

Mr. DOLE. Mr. President, I move to reconsider the vote by which the resolution was agreed to.

Mr. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION AUTHORIZATION

Mr. DOLE. Mr. President, I ask unanimous consent that the Senate now turn to the consideration of Calendar No. 153, S. 990.

The PRESIDING OFFICER. The bill will be stated by title.

The assistant legislative clerk read as follows:

A bill (S. 990), to consolidate and authorize program support and certain ocean and coastal programs and functions of the National Oceanic and Atmospheric Administration under the Department of Commerce.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment.

The committee amendment was agreed to.

AMENDMENT NO. 369

(Purpose: To provide for reimbursement for costs of creating or publishing charts of the National Oceanic and Atmospheric Administration)

Mr. DOLE. Mr. President, I send an amendment to the desk on behalf of Senator DANFORTH and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Kansas [Mr. DOLE], for Mr. DANFORTH, proposes an amendment numbered 369.

Mr. DOLE. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 7, line 11, insert "(a)" immediately before "There", and insert the following immediately after line 23:

(b)(1) Section 1307 of title 44, United States Code, is amended to read as follows:

"§ 1307. National Oceanic and Atmospheric Administration: charts, sale and distribution

"(a)(1) All aeronautical and nautical charts, tide and tidal current tables, tidal current charts, coast pilots, water level products and associated data bases (nautical and aeronautical products) created or published by the National Oceanic and Atmospheric Administration shall be sold at such prices as the Secretary of Commerce shall establish annually, in accordance with the provisions of this subsection. The Secretary shall publish annually the prices at which nautical and aeronautical products are sold to the public.

"(2)(A) Subject to subparagraph (B) of this paragraph, the prices of nautical and aeronautical products may be increased over a period of not less than three years after the date of enactment of this section so as to recover all costs attributable to data based management, compilation, printing, and distribution of such products. The prices of such products may be maintained to recover all such costs thereafter. At the end of such period and every three years thereafter, the Secretary shall report to the Congress on the effect of imposing or maintaining such increased prices, including any impact on air and marine safety.

"(B) The Secretary shall adjust the prices of nautical or aeronautical products in such manner as is necessary to avoid any adverse impact on air and marine safety attributable to the prices specified in subparagraph (A) of this paragraph.

"(3) This section shall not be construed to require the establishment of any price for a nautical or aeronautical product where, in the judgment of the Secretary, furnishing of that product to a recipient is a reasonable exchange for voluntary contribution of information by the recipient to a program of the National Oceanic and Atmospheric Administration.

"(b) Fees collected from the sale of nautical or aeronautical products under this section and from any licensing of such products which is permitted under any other provision of law shall be deposited in the miscellaneous receipts fund of the United States Treasury.

"(c) The Secretary may distribute nautical and aeronautical products—

"(1) without charge to each foreign government or international organization with which the Secretary or a Federal department or agency has an agreement for exchange of these products without cost; and

"(2) at prices which the Secretary establishes, to the departments and officers of the United States requiring them for official use.

"(d) The fees provided for in this section are for the purpose of reimbursing the United States Government for the costs of creating, publishing or distributing aeronautical and nautical products of the National Oceanic and Atmospheric Administration. The collection of fees authorized by this section shall not alter or expand any duty or liability of the United States under existing law for the performance of functions for which fees are collected, nor shall the collection of fees constitute an express or implied undertaking by the United States to perform any activity in a certain manner.".

(2) The item relating to section 1307 in the analysis of chapter 13 of title 44, United States Code, is amended to read as follows:

"1307. National Oceanic and Atmospheric Administration: charts, sale and distribution.".

Mr. DANFORTH. Mr. President, I am offering today S. 990, a bill to authorize appropriations for the National Oceanic and Atmospheric Administration [NOAA]. The bill authorizes appropriations for 2 years, capping the 1986 authorization level at the 1985 appropriations level and allowing a 4.5-percent increase for fiscal year 1987. These authorization levels are consistent with the budget passed by the Senate and reflect the need to restrain Government spending while still providing essential governmental services.

Title I of the bill provides funds for overall support of NOAA's diversified atmospheric and oceanic programs. It funds NOAA's overall executive management and administration as well as its marine fleet operations, its aircraft services and the activities of the National Advisory Committee on Oceans and Atmosphere.

Title II of S. 990 funds important ocean and coastal programs including those relating to ocean dumping and pollution carried out under the Marine Protection, Research, and Sanctuaries Act and the National Ocean Pollution Planning Act. It also provides funds for programs associated with development of ocean minerals and broad based ocean and climate research activities. Funds are also provided for coordination of interagency research and the prediction and provision of data concerning tides, currents, and other marine variables. Finally, authorization is provided for NOAA'S mapping, charting, and geodesy functions.

I am also offering, Mr. President, two amendments to S. 990, one relating to NOAA's charts and maps and the other relating to the need to accommodate any pay raises within the authorization levels.

The first amendment adds a paragraph to section 206 of S. 990 to authorize NOAA to recover a greater proportion of the actual costs of the charts and maps it sells to the public.

Existing law now limits the Secretary of Commerce to setting prices that recover only the printing and distribution costs of producing the nautical and aeronautical charts and maps NOAA sells. The amendment authorizes the Secretary to increase the price so as to recover the costs of necessary data base management and compilation as well. Under the amendment, it is estimated that the price of a nautical chart will increase from $5.50 to $14. The full costs of data acquisition will continue to be funded from general revenues. Thus, the taxpayers will still be funding approximately 40 percent of the $25 total cost of producing such a chart.

This matter was considered by the Commerce Committee during its markup of S. 990 in response to the administration's request for such legislation. We delayed action on the matter so that we could discuss certain aspects further and develop a consensus. I am pleased to say that this amendment reflects that consensus. It requires that the prices be increased over a period of no less than 3 years so as to provide a gradual phase-in of the increases. In addition, it directs the Secretary of Commerce to adjust the prices to avoid any adverse impact on air and marine safety that is attributable to those increased prices. In short, it is a reasonable and carefully crafted measure designed to recover more of the costs to the taxpayers from those who actually use and benefit from NOAA's charts and maps.

The second amendment, Mr. President, adds a new section 105 to S. 990 relating to salary, pay, and benefits for NOAA employees. It authorizes appropriations of such sums as may be necessary for salary and related expenses to enable NOAA to carry out its programs at the current levels. This is consistent with the overall freeze of current programs. In its recommendations for supplemental appropriations to NOAA, the Appropriations Committee has taken good advantage of deficit reduction measures and other economies in accommodating the recent pay raise. While I would hope that similar economies will be feasible in the future, they may not be and we have therefore provided authorization for such appropriations if they are deemed necessary.

Mr. President, the Commerce Committee unanimously ordered S. 990 reported and the two amendments I have offered reflected a consensus. I urge my colleagues to support this important authorization measure.

The PRESIDING OFFICER. Is there further debate on the amendment? If not, the question is on agreeing to the amendment of the Senator from Missouri [Mr. DANFORTH].

The amendment (No. 369) was agreed to.

Mr. DOLE. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. HENIZ. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 370

(Purpose: Provide authorization of appropriations for salary, pay and other employee benefit authorized by law)

Mr. DOLE. Mr. President, I send an amendment to the desk on behalf of Mr. DANFORTH and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Kansas [Mr. DOLE], for Mr. DANFORTH, proposes an amendment numbered 370.

Mr. DOLE. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The amendment is as follows:

On page 4, insert the following immediately after line 4:

SALARY, PAY AND EMPLOYEE BENEFITS

SEC. 105. There are authorized to be appropriated to the Department of Commerce to enable the National Oceanic and Atmospheric Administration to carry out its programs at current levels such sums as may be necessary to accommodate salary, pay, and other employee benefits authorized by law for fiscal years 1986 and 1987.

The PRESIDING OFFICER. Is there further debate on the amendment? If not, the question is on agreeing to the amendment of the Senator from Missouri [Mr. DANFORTH].

The amendment (No. 370) was agreed to.

Mr. DOLE. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. HEINZ. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

● Mr. GORTON. Mr. President, S. 990 authorizes appropriations for the National Oceanic and Atmospheric Administration [NOAA] located within the Department of Commerce. The bill provides authorizations for Executive Administration and Ocean and Coastal Programs for fiscal years 1986 and 1987. This legislation is consistent with the budgets passed by both the Senate and House of Representatives. I would now like to focus my remarks on a few key programs that are authorized in this legislation.

S. 990 authorizes title II of the Marine Protection, Research and Sanctuaries Act [MPRSA]. Title II assigns NOAA the responsibility to develop and assess scientific techniques to define and quantify the degradation of the marine environment. Important ocean research activities, such as the Puget Sound regional pollution project will continue under this bill. NOAA conducts applied research and assessments of the consequences of contaminants on coastal and estuarine environmental quality. The effect of toxic compounds on fish populations is an example of the work which has been completed in environmentally vulnerable areas such as Puget Sound. Furthermore, the results of the regional pollution research efforts carried out in Puget Sound and in other parts of the United States have provided scientific data to help guide local, State and Federal officials in the water regulatory process.

The bill also authorizes the National Ocean Pollution Planning Act [NOPPA]. NOPPA provides Federal

interagency planning to insure that research, development and monitoring activities related to marine pollution are carried out efficiently and effectively. The National Marine Pollution Program Plan is currently under revision, the recommendations put forth will aid us in addressing the complex and controversial issues associated with marine pollution.

S. 990 provides funds for NOAA-wide executive direction and administration, including satellite and atmospheric, ocean and coastal programs. Specifically, this legislation will continue support of the NOAA facilities located in Seattle as well as other installations in Washington State.

In conclusion, we have attempted to balance the needs of the agency against the fiscal constraints under which we are all operating and I strongly urge my colleagues to support S. 990.

Mr. HOLLINGS. Mr. President, I join with Senators DANFORTH, PACKWOOD, and GORTON in urging the Senate's approval of S. 990, which authorizes a number of the National Oceanic and Atmospheric Administration's [NOAA] ocean and coastal programs as well as general program support for the agency. This bill represents one of a series of bills which together consolidate the authorization of NOAA.

The NOAA programs included in this legislation are vital for the efficient management and development of our ocean and coastal resources. It is unfortunate that our financial commitment cannot be stronger, but it is essential that our Nation's massive deficits be eliminated. This reauthorization bill, which imposes a freeze on spending for these programs, sets the fiscal year 1986 authorization level at the fiscal year 1985 appropriation level and allows a 4.5-percent increase in authorization in 1987. Funding at these levels will enable the agency to continue its essential activities and maintain the standard of professional excellence it has achieved.

A variety of NOAA's marine activities are included in this reauthorization bill. Through the mapping and charting program, NOAA expects to issue 2.4 million copies of the 970 different nautical charts they maintain. These charts cover some 2.5 million square miles of the ocean and provide essential information to recreational, commercial, and national security interests. In addition, by preparing aeronautical charts for the National Airspace System, NOAA services private, commercial, and military pilots, as well as air traffic controllers, and the Federal Aviation Administration.

The National Ocean Pollution Planning Act requires NOAA to coordinate Federal Marine Pollution Research, Development and Monitoring Programs. As a part of this program, a 5-year national plan is prepared by the Marine Pollution Program Office. This plan reviews national needs and priorities, evaluates ongoing Federal activities, and recommends needed action. A new plan is scheduled to be completed and sent to Congress in September of this year.

In the Ocean Research Program, NOAA conducts fundamental marine research which enhances our basic understanding of the ocean environment. As a part of this program, NOAA intends to initiate the Fisheries-Oceanography Coordinated Investigations [FOCI] in fiscal year 1986. This study will improve our ability to understand and predict the effects of environmental variability on commercial fishery resources. This should lead to more efficient management of our major commercial fisheries.

Under the Ocean Services Program, NOAA has been working to unify its approach for providing marine products and services. The goal of this unified approach is to improve the collection of ocean data, the preparation of national and regional ocean products, and the delivery of this information to the public. Several alternatives for information dissemination are currently being explored.

The programs I have discussed are only a few of the important activities that are reauthorized under this legislation. I urge my colleagues to support this legislation.

Mr. PACKWOOD. Mr. President, S. 990 authorizes appropriations for general programs support of the National Oceanic and Atmospheric Administration [NOAA] as well as certain of its Ocean and Coastal Programs for 2 years. By freezing fiscal year 1986 funding levels at the fiscal year 1985 appropriations level and allowing only a modest increase for 1987, the bill achieves a responsible balance between the necessary restraints on Federal spending and the continuation of essential programs that benefit the Nation.

The continuation of NOAA's ocean and coastal programs are especially important to Oregon and other States that depend upon the productivity and integrity of the ocean, lakes, and coastal environments. These programs include mapping and charting, ocean services ranging from technical products for safe navigation to assessments of the impacts of human activities on ocean and coastal environments, and wide-ranging ocean and coastal research.

I strongly urge my colleagues to join with me in supporting S. 990.

The bill, as amended, was ordered to be engrossed for a third reading, was read the third time, and passed, as follows:

S. 990

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "National Oceanic and Atmospheric Administration Program Support Authorization Act".

TITLE I—PROGRAM SUPPORT

EXECUTIVE DIRECTION AND ADMINISTRATION

SEC. 101. There are authorized to be appropriated to the Department of Commerce to enable the National Oceanic and Atmospheric Administration to carry out its executive direction and administrative duties under law, $47,954,000 for fiscal year 1986 and $50,111,930 for fiscal year 1987. Moneys appropriated pursuant to this authorization shall be used to fund those duties relating to executive direction and administration specified by the Act entitled "An Act to clarify the status and benefits of commissioned officers of the National Oceanic and Atmospheric Administration, and for other purposes", approved December 31, 1970 (33 U.S.C. 857-1 et seq.), and any other law involving such duties. Such duties include management, administrative support, retired pay of National Oceanic and Atmospheric Administration commissioned officers, and policy development.

MARINE SERVICES

SEC. 102. There are authorized to be appropriated to the Department of Commerce to enable the National Oceanic and Atmospheric Administration to carry out its marine services duties under law, $64,886,000 for fiscal year 1986 and $67,805,870 for fiscal year 1987. Moneys appropriated pursuant to this authorization shall be used to fund those duties relating to marine services specified by the Act entitled "An Act to define the functions and duties of the Coast and Geodetic Survey, and for other purposes", approved August 6, 1947 (33 U.S.C. 833a et seq.), and any other law involving such duties. Such duties include ship operations, maintenance, and support.

AIRCRAFT SERVICES

SEC. 103. There are authorized to be appropriated to the Department of Commerce to enable the National Oceanic and Atmospheric Administration to carry out its aircraft services duties under law, $12,744,000 for fiscal year 1986 and $13,317,480 for fiscal year 1987. Moneys appropriated pursuant to this authorization shall be used to fund those duties relating to aircraft services specified by the Act entitled "An Act to increase the efficiency and reduce the expenses of the Signal Corps of the Army, and to transfer the Weather Service to the Department of Agriculture", approved October 1, 1890 (15 U.S.C. 311 et seq.), and any other law involving such duties. Such duties include ship operations, maintenance, and support.

NATIONAL ADVISORY COMMITTEE ON OCEANS AND ATMOSPHERE

SEC. 104. For the purpose of enabling the National Oceanic and Atmospheric Administration to carry out its duties under the National Advisory Committee on Oceans and Atmosphere Act of 1977 (33 U.S.C. 857-13 et seq.), there are authorized to be appropriated to the Department of Commerce $630,000 for fiscal year 1986 and $658,350 for fiscal year 1987.

SALARY, PAY, AND EMPLOYEE BENEFITS

SEC. 105. There are authorized to be appropriated to the Department of Commerce to enable the National Oceanic and Atmospheric Administration to carry out its programs at current levels such sums as may be necessary to accommodate salary, pay, and

other employee benefits authorized by law for fiscal years 1986 and 1987.

TITLE II—SELECTED OCEAN AND COASTAL PROGRAMS

OCEAN DUMPING RESEARCH

SEC. 201. For the purpose of enabling the National Oceanic and Atmospheric Administration to carry out its duties under title II of the Marine Protection, Research, and Sanctuaries Act of 1972 (33 U.S.C. 1441 et seq.), there are authorized to be appropriated to the Department of Commerce $10,635,000 for fiscal year 1986 and $11,113,575 for fiscal year 1987.

NATIONAL OCEAN POLLUTION PLANNING ACT OF 1978

SEC. 202. For the purpose of enabling the National Oceanic and Atmospheric Administration to carry out its duties under the National Ocean Pollution Planning Act of 1978 (33 U.S.C. 1701 et seq.), there are authorized to be appropriated to the Department of Commerce $3,571,000 for fiscal year 1986 and $3,731,695 for fiscal year 1987.

NONLIVING MARINE RESOURCES

SEC. 203. (a) There are authorized to be appropriated to the Department of Commerce to enable the National Oceanic and Atmospheric Administration to carry out its nonliving marine resource duties under law, $2,000,000 for fiscal year 1986 and $2,090,000 for fiscal year 1987. Moneys appropriated pursuant to this authorization shall be used to fund those duties relating to nonliving marine resources specified by the Act entitled "An Act to define the functions and duties of the Coast and Geodetic Survey, and for other purposes", approved August 6, 1947 (33 U.S.C. 883a et seq.), and any other law involving such duties. Such duties include research, development, and licensing responsibilities pertaining to ocean thermal energy conversion and the seabed mining of manganese nodules, and polymetallic sulfide analyses and research.

(b) The authorization provided for under subsection (a) shall be in addition to moneys authorized under the Deep Seabed Hard Minerals Resources Act (30 US.C. 1401 et seq.), and the Ocean Thermal Energy Conversion Act of 1980 (42 U.S.C. 9101 et seq.), for the purpose of carrying out such duties relating to nonliving marine resources.

OCEAN RESEARCH

SEC. 204. (a) There are authorized to be appropriated to the Department of Commerce to enable the National Oceanic and Atmospheric Administration to carry out its ocean research duties under law, $28,471,000 for fiscal year 1986 and $29,752,195 for fiscal year 1987. Moneys appropriated pursuant to this authorization shall be used to fund those duties relating to ocean research specified by the Act entitled "An Act to define the functions and duties of the Coast and Geodetic Survey, and for other purposes", approved August 6, 1947 (33 U.S.C. 883a et seq.), and any other law involving such duties. Such duties include undersea marine resources, air-sea interaction, and ocean and Great Lakes environmental research.

(b) The authorization provided for under subsection (a) shall be in addition to ocean research moneys authorized under the National Ocean Pollution Planning Act of 1978 (33 U.S.C. 1701 et seq.) for the purpose of carrying out such duties relating to ocean research.

OCEAN SERVICES

SEC. 205. (a) There are authorized to be appropriated to the Department of Commerce to enable the National Oceanic and Atmospheric Administration to carry out its ocean service duties under law, $20,314,000 for fiscal year 1986 and $21,228,130 for fiscal year 1987. Moneys appropriated pursuant to this authorization shall be used to fund those duties relating to ocean services specified by the Act entitled "An Act to define the functions and duties of the Coast and Geodetic Survey, and for other purposes", approved August 6, 1947 (33 U.S.C. 883a et seq.), and any other law involving such duties. Such duties include coordination of interagency research in ocean dumping and marine pollution, and provision of tide and current data for the safe and efficient use of the oceans and Great Lakes by government, commerce, and the private sector.

(b) The authorization provided for under subsection (a) shall be in addition to moneys authorized under the Marine Protection, Research, and Sanctuaries Act of 1972 (33 U.S.C. 1441 et seq.), the Coastal Zone Management Act of 1972 (16 U.S.C. 1451 et seq.), and the National Ocean Pollution Planning Act of 1978 (33 U.S.C. 1701 et seq.), for the purpose of carrying out such duties relating to ocean services.

MAPPING, CHARTING, AND GEODESY

SEC. 206. (a) There are authorized to be appropriated to the Department of Commerce to enable the National Oceanic and Atmospheric Administration to carry out its mapping, charting, and geodesy duties under law $50,474,000 for fiscal year 1986 and $52,745,330 for fiscal year 1987. Moneys appropriated pursuant to this authorization shall be used to fund those duties relating to mapping, charting, and geodesy specified by the Act entitled "An Act to define the functions and duties of the Coast and Geodetic Survey, and for other purposes", approved August 6, 1947 (33 U.S.C. 883a et seq.), and any other law involving such duties. Such duties include aeronautical and nautical mapping and charting activities, and geodetic data collection and analysis.

(b)(1) Section 1307 of title 44, United States Code, is amended to read as follows:

"§ 1307. National Oceanic and Atmospheric Administration: charts, sale and distribution

"(a)(1) All aeronautical and nautical charts, tide and tidal current tables, tidal current charts, coast pilots, water level products and associated data bases (nautical and aeronautical products) created or published by the National Oceanic and Atmospheric Administration shall be sold at such prices as the Secretary of Commerce shall establish annually, in accordance with the provisions of this subsection. The Secretary shall publish annually the prices at which nautical and aeronautical products are sold to the public.

"(2)(A) Subject to subparagraph (B) of this paragraph, the prices of nautical and aeronautical products may be increased over a period of not less than three years after the date of enactment of this section so as to recover all costs attributable to data base management, compilation, printing, and distribution of such products. The prices of such products may be maintained to recover all such costs thereafter. At the end of such period and every three years thereafter, the Secretary shall report to the Congress on the effect of imposing or maintaining such increased prices, including any impact on air and marine safety.

"(B) The Secretary shall adjust the prices of nautical or aeronautical products in such manner as is necessary to avoid any adverse impact on air and marine safety attributable to the prices specified in subparagraph (A) of this paragraph.

"(3) This section shall not be construed to require the establishment of any price for a nautical or aeronautical product where, in the judgment of the Secretary, furnishing of that product to a recipient is a reasonable exchange for voluntary contribution of information by the recipient to a program of the National Oceanic and Atmospheric Administration.

"(b) Fees collected from the sale of nautical or aeronautical products under this section and from any licensing of such products which is permitted under any other provision of law shall be deposited in the miscellaneous receipts fund of the United States Treasury.

"(c) The Secretary may distribute nautical and aeronautical products—

"(1) without charge to each foreign government or international organization with which the Secretary or a Federal department or agency has an agreement for exchange of these products without cost; and

"(2) at prices which the Secretary establishes, to the departments and officers of the United States requiring them for official use.

"(d) The fees provided for in this section are for the purpose of reimbursing the United States Government for the costs of creating, publishing or distributing aeronautical and nautical products of the National Oceanic and Atmospheric Administration. The collection of fees authorized by this section shall not alter or expand any duty or liability of the United States under existing law for the performance of functions for which fees are collected, nor shall the collection of fees constitute an express or implied undertaking by the United States to perform any activity in a certain manner.".

(2) The item relating to section 1307 in the analysis of chapter 13 of title 44, United States Code, is amended to read as follows:

"1307. National Oceanic and Atmospheric Administration: charts, sale and distribution.".

Mr. DOLE. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. HEINZ. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

EXTENSION OF SECTION 402 DEADLINE OF CONGRESSIONAL BUDGET ACT

Mr. DOLE. Mr. President, I ask unanimous consent that the deadline contained in section 402 of the Congressional Budget Act for reporting legislation authorizing appropriation for fiscal year 1986 be extended until July 8, 1985.

The PRESIDING OFFICER. Is there objection to the request of the majority leader?

Mr. BYRD. There is no objection on this side.

The PRESIDING OFFICER. Without objection, it is so ordered.

EXECUTIVE SESSION

Mr. DOLE. Mr. President, I ask unanimous consent that the Senate go into executive session to consider the

following nominations on the Executive Calendar: Calendar No. 235, Donald E. Shasteen, and Calendar No. 236, Lee L. Verstandig.

Mr. BYRD. Mr. President, there is no objection to the consideration of these nominations at this time.

There being no objection, the Senate proceeded to the consideration of executive business.

DEPARTMENT OF LABOR

The PRESIDING OFFICER. The first nomination will be stated.

The legislative clerk read as follows:

Donald E. Shasteen, of Maryland, to be Assistant Secretary of Labor for Veterans' Employment.

THE NOMINATION OF DONALD E. SHASTEEN TO BE ASSISTANT SECRETARY OF LABOR FOR VETERANS' EMPLOYMENT AND TRAINING

Mr. THURMOND. Mr. President, I rise today in support of President Reagan's nomination of Donald E. Shasteen to be Assistant Secretary of Labor for Veterans' Employment and Training.

It is a great responsibility and challenge to be in the position of directing the Federal programs which address the employment needs of veterans. The qualifications of Mr. Shasteen are impressive, and in view of his work experience and dedication to public service, Mr. Shasteen is an excellent choice for Assistant Secretary of Labor for Veterans' Employment and Training.

Mr. President, Mr. Shasteen is no newcomer to the workings of the executive and legislative branches of the Federal Government. Since January 1983, he has served as Deputy Assistant Secretary of Labor for Veterans' Employment and Training, and this work experience no doubt will serve him well in the position for which President Reagan has nominated him. In performing the duties of the Deputy Assistant Secretary, Mr. Shasteen has displayed a strong commitment to the well-being of the veterans of our Nation.

Prior to his appointment as Deputy Assistant Secretary, Mr. Shasteen served from February 1981 to January 1983 as Deputy Under Secretary of Labor for Legislation and Intergovernmental Relations. A former news reporter and media executive, Mr. Shasteen has considerable Capitol Hill experience, having worked as executive assistant and administrative assistant to Senator Carl T. Curtis of Nebraska from 1966 to 1978, and administrative assistant to Senator Gordon J. Humphrey of New Hampshire in 1979 and 1980.

President Reagan has made a fine choice in selecting such a well-qualified person to occupy the important post of Assistant Secretary of Labor for Veterans' Employment and Training. I support the selection of Mr. Shasteen and commend his nomination to my colleagues.

Mr. MURKOWSKI. Mr. President, I am pleased to rise today to urge my colleagues to join me in voting to confirm Donald E. Shasteen to be Assistant Secretary of Labor for Veterans' Employment and Training. A veteran's readjustment to civilian life is not complete until he or she has a stable long-term job. It is to the Assistant Secretary of Labor for Veterans' Employment, and his staff, that we in the Congress, as well as veterans on the street, look to for the efficient and effective administration of the programs established to help veterans find those jobs.

Donald Shasteen is the right choice for that important role. He has served as Deputy Assistant Secretary of Labor for Veterans' Employment since January 1983. Since the former Assistant Secretary, William Plowden, left in July 1984, Donald Shasteen has assumed the responsibilities of the office of the Assistant Secretary.

The successful administration of programs for veterans' employment for the past year, Mr. Shasteen's endorsement by veterans' organizations, and the fact that the nomination was referred to the Senate by both the Committees on Veterans' Affairs and Labor and Human Resources without dissent, all provide strong evidence that Donald Shasteen should have the support of the Senate for this important responsibility.

I urge my colleagues to join me in voting favorably on this nomination.

The PRESIDING OFFICER. The nomination is confirmed.

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

The PRESIDING OFFICER. The nomination will be stated.

The legislative clerk read as follows:

Lee L. Verstandig, of the District of Columbia, to be Under Secretary of Housing and Urban Development.

Mr. WARNER. Mr. President, I rise in support of the nomination of Dr. Lee Verstandig to become Under Secretary of the Department of Housing and Urban Development.

It has been my pleasure to know Dr. Verstandig for nearly a decade.

As the chief aide to my former Navy boss and colleague, the Senator from Rhode Island [Mr. CHAFEE], I had the pleasure of observing Lee rise from legislative director and administrative assistant to assume various responsibilities in the current administration.

His performance in those various positions—Assistant Secretary for Governmental Affairs at the Department of Transporation, Acting Administrator and Assistant Administrator for Legislation at the Environmental Protection Agency, and Assistant to the President for Intergovernmental Affairs—has earned him great distinction and proven him worthy of the position for which he has been nominated.

I am pleased to speak in behalf of Dr. Verstandig, and know he will be an outstanding Under Secretary and a tremendous asset to the Department.

I urge his confirmation.

Mr. McCONNELL. Mr. President, it is my distinct pleasure to comment on the nomination by President Reagan of Mr. Lee Verstandig to become Under Secretary of the Department of Housing and Urban Development. Mr. Verstandig has had an outstanding career in public administration as well as the academic world.

I have had the good fortune to become acquainted with Lee during his years of service as Assistant to the President for Intergovernmental Affairs at the White House, where he has performed in an exceptional manner. He was always very knowledgeable and extremely helpful on State and local government matters and other issues.

His reputation as one of the most efficient administrators in Washington has been tested under a myriad of circumstances. One such example was as Acting Administrator and Acting Assistant Administrator for Legislation at the Environmental Protection Agency during a particularly volatile period in the history of that Agency. His service at the Department of Transportation as Assistant Secretary for Governmental Affairs was marked by a superior record.

His experience on a Senate staff and his academic background give you an idea of the breadth and expanse of his knowledge of the Congress and the broader community.

I have had the opportunity to work closely with Lee on a number of issues and I know he will perform in the same exemplary manner as HUD Under Secretary as he has throughout his career. It is my hope that my colleagues will act expediently to confirm him.

The PRESIDING OFFICER. The nomination is confirmed.

Mr. DOLE. Mr. President, I move to reconsider the vote by which the nominations were confirmed.

Mr. HEINZ. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. DOLE. Mr. President, I ask unanimous consent that the President be immediately notified that the Senate has given its consent to these nominations, and that the Senate resume legislative session.

The PRESIDING OFFICER. Without objection, it is so ordered.

MESSAGES FROM THE HOUSE

At 5:54 p.m., a message from the House of Representatives, delivered by Mr. Berry, one of its reading clerks, announced that the House has passed the following bill, with an amendment, in which it requests the concurrence of the Senate:

S. 1147. An act to amend the orphan drug provisions of the Federal Food, Drug, and Cosmetic Act and related laws.

The message also announced that the House has passed the following bills, in which it requests the concurrence of the Senate:

H.R. 2409. An act to amend the Public Health Service Act to revise and extend the authorities under that Act relating to the National Institutes of Health and National Research Institutes, and for other purposes; and

H.R. 2417. An act to amend the Public Health Service Act to revise and extend the program of assistance for health maintenance organizations.

MEASURES REFERRED

The following bill was read the first and second times by unanimous consent, and referred as indicated:

H.R. 2417. An act to amend the Public Health Service Act to revise and extend the program of assistance for health maintenance organizations; to the Committee on Labor and Human Resources.

PETITIONS AND MEMORIALS

The following petitions and memorials were laid before the Senate and were referred or ordered to lie on the table as indicated.

POM-271. A joint resolution adopted by the General Assembly of the State of Tennessee; to the Committee on Appropriations.

"SENATE JOINT RESOLUTION No. 96

"Whereas, The future of our nation's forest land depends on the planning and development of long-term programs to enhance the opportunity for resource development; and

"Whereas, The U.S. Forest Service Silvicultural Lab at Sewanee, Tennessee is one facility in the South that uses professional foresters and scientists to stimulate both hardwood and pine research; and

"Whereas, The scientists and staff at Sewanee, with limited financial support design low-cost Silvicultural programs that make forestry management more attractive and evaluate site productivity though an analysis of soil characteristics; and

"Whereas, In 1984 the Silvicultural Lab operated with only two scientists, two technicians and one clerical assistant and the appropriations report submitted by the Reagan Administration for fiscal 1985-86 finds that the facility is still struggling for financial support for the seventh consecutive year; and

"Whereas, It has been recommended in the proposed administration budget that the present level of funding for the U.S. Forest Service Silvicultural Lab at Sewanee be reduced by seventy thousand dollars ($70,000) from its current funding of only three hundred thousand dollars ($300,000); and

"Whereas, This proposed reduction in funding would result in reducing the Sewanee staff to only one scientist and one technician and forcing the early retirement of another scientist to meet the recommended funding cut; and

"Whereas, The research done at Sewanee has been most helpful to forest management efforts on the thirteen million (13,000,000) acre crescent running from southern Kentucky into Alabama with most of the land in the crescent lying within the boundaries of Tennessee; and

"Whereas, Such a reduction in funds by Congress would be devastating to the Silvicultural Lab and in turn to the forests in Tennessee; and

"Whereas, While citizens of the State of Tennessee and of the United States continue to rely on forest resources for economic, social and esthetic value, the state and federal governments must respond to meet such demands; now, therefore,

"Be it resolved by the Senate of the ninety-fourth General Assembly of the State of Tennessee, the House of Representatives concurring, That the members of the Ninety-fourth General Assembly of the State of Tennessee go on record as opposing any unwarranted reduction of funding for the U.S. Forest Service Silvicultural Lab at Sewanee, Tennessee, and urge the members of the United States Congress to take appropriate action to preserve the funding for the U.S. Forest Service Silvicultural Lab at a level which will be sufficient to continue its present programs.

"Be it further resolved, That a copy of this resolution be sent to each member of the Tennessee Congressional delegation, to the Speaker of the United States Senate, to the Speaker of the United States House of Representatives, and to the President of the United States."

POM-272. A resolution adopted by the House of Representatives of the State of Pennsylvania; to the Committee on Armed Services.

"HOUSE RESOLUTION No. 110

"Whereas, Congress finds that there exists a balance in the representation of various faiths among chaplains of the armed forces as compared to the representation of those faiths among members of the armed forces as a whole; and

"Whereas, While recognizing that much of this faith imbalance may be attributable to an overall shortage of clergy in the United States among religious faiths that are unrepresented among military chaplains, Congress finds the Department of Defense has not taken sufficient steps to alleviate the existing faith imbalances; and

"Whereas, H.R. 1875 directs the Secretary of Defense to implement certain actions in order to correct his faith imbalance; and

"Whereas, H.R. 1875 was introduced into the House of Representatives on April 2, 1985, and is to be cited as the Military Chaplains Faith Balance Act of 1985; and

"Whereas, The Commonwealth of Pennsylvania has contributed many lives in service to the cause of world peace, be it on the battlefield or in the barracks. Our proud citizens number among the highest in the armed forces. It is fitting and natural that the House of Representatives has a profound interest in the spiritual well-being and ministry to all members of the armed forces of the United States; therefore be it

"Resolved, That the House of Representatives memorialize the Congress of the United States to support fully H.R. 1875, which provides for greater balance in the proportion of military chaplains of different faiths as compared to the proportion of different faiths represented among the total membership of the armed forces; and be it further

"Resolved, That copies of this resolution be transmitted to the presiding officers of each house of Congress and to each member of Congress from Pennsylvania."

POM-273. A resolution adopted by the Legislature of the Virgin Islands; to the Committee on Commerce, Science, and Transportation.

"RESOLUTION No. 1222

"Whereas the Virgin Islands depends upon ocean shipping for more than ninety percent (90%) of its food and other necessary life-sustaining commodities; and

"Whereas the Interstate Commerce Commission (ICC) and the Federal Maritime Commission (FMC) have concurrent jurisdiction over the rate structure of ocean shipping to the Virgin Islands; and

"Whereas this concurrent jurisdiction often leads to conflicts in rates charged for shipping to the Virgin Islands; and

"Whereas it is in the best interest of the people of the Virgin Islands that the rate structure for shipping be controlled by one governing body; Now, Therefore,

"Be it resolved by the Legislature of the Virgin Islands:

"Section 1. The Legislature of the Virgin Islands respectfully petitions the United States Congress to amend the United States Code to provide that the Federal Maritime Commission have exclusive jurisdiction over ocean shipping to the Virgin Islands and that such agency regulate rates from shipping point to shipping point.

"Section 2. Copies of this Resolution shall, immediately upon its passage, be forwarded to the President of the United States, the President of the Senate Pro Temp, the Speaker of the House of Representatives, and the Virgin Islands Delegate to Congress."

POM-274. A joint resolution adopted by the Legislature of the State of Nevada; to the Committee on Energy and Natural Resources.

"SENATE JOINT RESOLUTION No. 22

"Whereas in 1877 the Congress of the United States enacted the Desert Land Act, 43 U.S.C. §§ 321 et seq., to encourage the development of desert lands by the residents of states containing arid lands; and

"Whereas in 1921 the Congress of the United States amended the Act to except only Nevada from the requirement that persons entering the lands be resident citizens of the state in which the entry was made: and

"Whereas the purpose of the amendment was to encourage persons in other states to develop the desert lands in Nevada because Nevada was too sparsely populated to develop the lands itself; and

"Whereas Nevada's population has grown significantly since 1921; and

"Whereas the resources of the resident citizens of the State of Nevada are more than adequate to develop the desert lands within its boundaries; and

"Whereas the justification for the amendment of the Act in 1921 no longer exists; and

"Whereas the people of the State of Nevada desire to secure for themselves the same benefits under the Act as are afforded

the people of every other state subject to the Act; now, therefore, be it

"Resolved by the Senate and Assembly of the State of Nevada, jointly that the Nevada legislature hereby calls upon the Congress of the United States to remove from the Act the exception which allows persons other than resident citizens of the State of Nevada to enter upon the desert lands of Nevada; and be it further

"Resolved that copies of this resolution be prepared and transmitted forthwith by the legislative counsel to the President of the United States, the Vice President of the United States as presiding officer of the Senate, the Speaker of the House of Representatives and each member of the Nevada congressional delegation; and be it further Resolved that this resolution become effective upon passage and approval."

POM-275. A resolution adopted by the Ngarchelog State Assembly; to the Committee on Energy and Natural Resources.

"RESOLUTION NO. 18

"Whereas the people of the Republic of Palau must very soon decide on what political relationship it must have with the United States and thus far the negotiations on the Compacts of Free Associations have to date resulted in impasses due to language problems in the proposed compact documents or mandates as to the results of referenda being held for the approval of such compact for the future political status of Palau; and

"Whereas the people of Palau look to their elected government for information and counsel to guide them in making the solemn decision as to what their future political status will be and what they can expect to be the future lot of their children and the generation to come; and

"Whereas the latest results of the referendum on the Compact of Free Association by the people of Palau and the reaction received officially and unofficially from the United States Government have only served to create more confusion and further compound an already difficult issue which involves not only legal issues but political and international relationships and comity; and

"Whereas in the interest of stabilizing the Government of Palau under a Constitution of its own choosing and in order to further advance and promote growth and further progress socially, economically, and politically, it is important that the negotiation on the Compact of Free Association between the United States Government and the Republic of Palau be concluded at the earliest possible time and specific steps taken to implement such Compact; now, therefore,

"Be it resolved by the Second Ngarchelog State Assembly, Third Special Session, May, 1985, that by means of this Resolution this Assembly respectfully urge and request the Government of the United States and Government of the Republic of Palau to conclude the negotiation on the Compact of Free Association for the future political status of Palau and that specific steps be taken to implement such Compact; and

"Be it further resolved that certified copies of this Resolution be transmitted to the President of the Republic of Palau, the Senate President and House Speaker of the Palau National Congress, and the President of the United States, the president Pro-Tem of the United States Senate and United States Speaker of the House of Representative, the Governor of Ngarchelog State, and the High Commissioner of the Trust Territory of the Pacific Islands, and United States Secretary of the Department of the Interior."

POM-276. A joint resolution adopted by the Legislature of the State of Nevada; to the Committee on Energy and Natural Resources.

"SENATE JOINT RESOLUTION NO. 19

"Whereas more than 120 years have elapsed since Nevada became a state and the United States government still retains approximately 87 percent of the land in Nevada; and

"Whereas the growth in population within this state and the resulting change in the use of the land has placed a heavy demand on the state and local governments to provide additional facilities for governmental services while abandoning existing facilities which have been rendered ineffective by changes in population; and

"Whereas these vast federally owned areas create a major tax burden on the owners of private property in this state to meet the needs of children for public schooling and other services; and

"Whereas intermingled ownership of land among private persons and federal governmental agencies severely restricts proper practices for the conservation of this state's natural resources and the preservation of recreational, wildlife and environmental areas which are best suited for management by the state and local governments; and

"Whereas the federal ownership of a majority of the land in this state prohibits the orderly expansion of landlocked cities on a planned basis, without an adverse effect on the existing economy of local areas; and

"Whereas an additional grant of 6,205,522 acres of public land from Congress to this state is required to give this state parity with the neighboring states of Arizona, New Mexico and Utah; and

"Whereas this state has established an innovative program to prepare statements of policy and plans relating to the immediate and future use of lands in Nevada which are currently under federal jurisdiction, requiring the cooperation of and consultation with all levels of government and members of the general public; now, therefore, be it

"Resolved by the Senate and Assembly of the State of Nevada, jointly that the Nevada legislature memorializes the Congress of the United States to review the 1970 report of the Nevada state committee on federal land laws and Bulletin No. 83-8 of the select committee on public lands and, pursuant thereto, grant to Nevada an additional 6,205,522 acres of public land for the benefit of the public schools; and be it further

"Resolved that legislature encourages the Congress in making such a grant to reserve any rights of way necessary for public access to any other land which is open to public use; and be it further

"Resolved that copies of this resolution and the publications referred to in this resolution be immediately transmitted by the legislative counsel to the President of the United States, the Vice President as presiding officer of the Senate, the Secretary of the Interior, the Speaker of the House of Representatives and to each member of the Nevada congressional delegation; and be it further

"Resolved that this resolution becomes effective upon passage and approval."

POM-277. A joint resolution adopted by the General Assembly of the State of Nevada; to the Committee on Energy and Natural Resources.

"SENATE JOINT RESOLUTION NO. 20

"Whereas the Wild Free-roaming Horses and Burros Act of 1971, 16 U.S.C. §§ 1331 et seq., protects wild horses and burros from destruction, capture or sale by any person or governmental entity except when authorized by the Secretary of the Interior or the Secretary of Agriculture in connection with public lands administered by the Bureau of Land Management and the Forest Service; and

"Whereas the Wild Free-roaming Horses and Burros Act has been overly successful and has allowed once-threatened populations of wild horses and burros in Nevada to increase to the extent that approximately 29,000 wild horses and 1500 wild burros inhabited the public lands in this state as of September 1984; and

"Whereas the populations of wild horses and burros are increasing at an annual rate between 12 and 18 percent and will, absent stronger measures to control their numbers, double in the next 5 years; and

"Whereas the Wild Free-roaming Horses and Burros Act requires the Secretary of the Interior and the Secretary of Agriculture to manage the wild horse and burro populations in a manner that protects the natural ecological balance of wildlife inhabiting the public lands; and

"Whereas wild horses and burros are already so numerous that they are destroying the habitat used by wildlife; and

"Whereas the removal of wild horses and burros from the range for adoption is currently the only authorized means of disposing of these animals; and

"Whereas as of April 1985, there were 5,900 captured wild horses in Nevada awaiting adoption, the feeding of which costs the American taxpayers $11,800 per day; and

"Whereas the capturing and feeding of wild horses is an unjustifiable expense when other federal programs are being eliminated to reduce the federal deficit and there are potential alternatives to this program which are available; now, therefore, be it

"Resolved by the Senate and Assembly of the State of Nevada, jointly that the legislature of the State of Nevada strongly urges the Congress of the United States to enact legislation which:

"1. Requires the Secretary of the Interior and the Secretary of Agriculture to control strictly the populations of wild horses and burros on public lands;

"2. Authorizes additional or more effective methods for the capture, sale, donation, transfer or other removal of wild horses and burros from public lands in Nevada; and

"3. Requires the conveyance of all unadopted wild horses and burros to appropriate agencies for the protection of animals and, if the demand for adoption falls below the number of available animals, authorizes the sale of excess wild horses and burros at public auction or the destruction of those animals in the most humane and economical manner possible; and be it further

"Resolved that copies of this resolution be prepared and transmitted forthwith by the legislative counsel to the President of the United States, the Vice President of the United States as presiding officer of the Senate, the Speaker of the House of Representatives, the Secretary of the Interior, the Secretary of Agriculture, the Director of the Bureau of Land Management, each chairman and each member of the appropriate congressional committees and each member

of the Nevada congressional delegation; and be it further

"Resolved that this resolution becomes effective upon passage and approval."

POM-278. A joint resolution adopted by the General Assembly of the State of Nevada; to the Committee on Energy and Natural Resources.

"SENATE JOINT RESOLUTION No. 29

"Whereas, The Federal Government controls over 86 percent of all land in Nevada; and

"Whereas, The Federal Government may withdraw such land under its control from public use without compensation to this state; and

"Whereas, The legislature of this state has declared that policies and issues relating to public lands are matters of continuing concern to this state; and

"Whereas, The withdrawal of lands by the Federal Government from public use for multiple purposes so that it may be used for such single purposes as military operations and the training of related personnel, projects relating to nuclear energy, the protection of endangered species of wildlife or the establishment and maintenance of wilderness areas further restricts the sovereignty of this state and the ability of the state to plan for the future and to protect the best interests of its citizens; now, therefore, be it

"Resolved, by the Senate and the Assembly of the State of Nevada, jointly, That the legislature of the State of Nevada hereby urges the Congress of the United States to enact legislation requiring the transfer of federal land to Nevada in the same proportion as federal land in this state is withdrawn from public use for multiple purposes for uses primarily devoted to a single purpose; and be it further

"Resolved, That the Federal Government is hereby urged to cooperate with the State of Nevada in developing a plan for the disposition and management of federal land proposed for transfer to this state; and be it further

"Resolved, That the plan include:

"1. A list of federal land which the state and local government wish to acquire by transfer.

"2. The identification of land in this state which the Federal Government intends to withdraw from public use.

"3. The procedure for the transfer of federal land to Nevada; and be it further

"Resolved, That any land transferred will be used to serve the interests of the people of this state; and be it further

"Resolved, That copies of this resolution be transferred immediately by the legislative counsel to the Vice President of the United States as President of the Senate, to the Speaker of the House of Representatives and to each member of the congressional delegation of the State of Nevada; and be it further

"Resolved. That this resolution become effective upon passage and approval."

POM-279. A concurrent resolution adopted by the Legislature of the State of Texas; to the Committee on Environment and Public Works.

"SENATE CONCURRENT RESOLUTION

"Whereas, Passage of an Interstate Cost Estimate bill by congress is necessary to permit apportionment of federal interstate highway funds for federal fiscal years 1985 and 1986; and

"Whereas, Failure to enact an Interstate Cost Estimate bill has delayed the release of over $7,000,000,000 in federal interstate funds to the states, including $526,046,000 to Texas; and

"Whereas, Failure to enact an Interstate Cost Estimate bill will result in delays of highway improvement projects in Texas; and

"Whereas, Delay of these projects will deprive Texas of badly needed transportation and economic development benefits; now, therefore, be it

"Resolved, That the 69th Legislature of the State of Texas hereby memorialize the United States Congress to take prompt action to enact Interstate Cost legislation; and, be it further

"Resolved, That the Secretary of State of Texas transmit enrolled copies of this resolution to the President of the United States, the President and the Secretary of the United States Senate, the Speaker and the Secretary of the United States House of Representatives, and to Texas Senators and Representatives in Congress."

POM-280. A concurrent resolution adopted by the House of Representatives of the State of South Carolina; to the Committee on Finance.

"CONCURRENT RESOLUTION

"Whereas, the construction trades in the United States have emerged as the economic backbone of this country, eclipsing the steel trades which formerly held this position; and

"Whereas, the construction trades combined with the real estate industry have very significantly contributed to a strong, revitalized, and thriving economy in the United States, which in combination with the economic policy of the present administration, has aided American citizens from all walks of life and American business in all areas of the country; and

"Whereas, while the present administration's proposal to revamp the income tax system is in principle welcome and is in general an excellent idea, it would prove to be highly injurious to the American economy to change the present system of interest deductions for income tax purposes; and

"Whereas, it would be acceptable to the American public, as well as prudent, for Congress to allow every interest deduction for income tax purposes to remain 'as is'. Now, therefore, be it

"Resolved by the House of Representatives, the Senate concurring: That the General Assembly of the State of South Carolina, by this resolution, memorializes Congress to take whatever action may be necessary to preserve intact the present system of interest deductions for income tax purposes. Be it futher

"Resolved that copies of this resolution be forwarded to the President of the United States Senate, the Speaker of the United States House of Representatives, and to each member of the South Carolina Congressional Delegation."

POM-281. A joint resolution adopted by the Legislature of the State of Nevada; to the Committee on the Judiciary.

"SENATE JOINT RESOLUTION No. 24

"Whereas, Federal appropriation measures are often extremely complex, containing many appropriations covering a number of different aspects of a program; and

"Whereas, Under the United States Constitution the President must either approve or veto the complete appropriation measure; and

"Whereas, President Reagan has requested that the President be empowered to act upon federal appropriation measures item by item so that he can allow spending for specific parts of a program without having to accept the whole program; now, therefore, be it

"Resolved by the Senate and Assembly of the State of Nevada, jointly, That the Legislature of the State of Nevada urges the Congress of the United States to support President Reagan in his request that the President be empowered to approve or veto legislative appropriation measures item by item by:

"(1) Approving an amendment to the Constitution of the United States and submitting it to the states for ratification to empower the President to approve or veto appropriation measures item by item; and

"(2) Immediately passing legislation temporarily giving the President this authority until the constitutional amendment is ratified permanently vesting this authority in the President; and be it further

"Resolved, That the legislative counsel shall transmit copies of this resolution to the President of the United States, the Vice President of the United States as presiding officer of the Senate, the Speaker of the House of Representatives and each member of the Nevada congressional delegation; and be it further

"Resolved, That this resolution becomes effective upon passage and approval."

POM-282. A joint resolution adopted by the Legislature of the State of Nevada; to the Committee on Labor and Human Resources.

"ASSEMBLY JOINT RESOLUTION No. 26

"Whereas, Suicide has overtaken homicide as the second most prevalent cause of death among persons who are 15 to 24 years old; and

"Whereas, From 1955 to the present, the rate of reported suicides among youths has increased by more than 300 percent with suicide now claiming more young lives than cancer; and

"Whereas, The actual number of suicides among youth may actually be as much as four times the number reported because of the tendency to classify such deaths as either accidental or a homicide in an effort to spare a family grief and to avoid stigmatizing a community; and

"Whereas, The underlying causes of suicide among youths and the related behavioral difficulties faced by adolescents have not been adequately researched, documented and understood; now, therefore, be it

"Resolved by the Senate and Assembly of the State of Nevada, jointly, That this legislature hereby urges the Congress of the United States to enact appropriate legislation to create a commission on the prevention of suicide among youth to be responsible for:

"1. Amassing and correlating information concerning suicide among youth;

"2. Researching and analysing the underlying causes of suicide among youth in our society;

"3. Formulating recommendations concerning public policy toward and proposed legislation concerning the prevention of suicide among youth for the President of the United States and the Congress; and

"4. Providing guidance to state and local governments and schools in developing programs for the prevention of suicide among youth; and be it further

"Resolved, That the legislative counsel prepare and transmit copies of the resolution to the Vice President of the United States as President of the Senate, the Speaker of the House of Representatives and the members of Nevada's congressional delegation; and be it further

"Resolved, That this resolution becomes effective upon passage and approval."

POM-283. A resolution adopted by the Senate of the Commonwealth of Pennsylvania; to the Committee on Veterans Affairs.

"RESOLUTION

"Whereas, The United States of America, throughout its history, has encouraged the spread of freedom and liberty, rising in defense of these fundamental human rights when called upon to do so; and

"Whereas, Such a noble and honorable defense of liberty took place in Vietnam over a decade ago; and

"Whereas, More than 50,000 Americans died and hundreds of thousands were wounded in defense of that nation against those who ultimately have enslaved its people, made war against its neighbors, and carried out policies of terror and murder; and

"Whereas, Four United States presidents, the Congress of the United States, and the people of America, at great sacrifice, engaged in and fought a war to defend an ally from suppression by communist invasion; and

"Whereas, History has now revealed that America's longest war, longer than the Civil War, World War I, and World War II combined, was waged upon an honorable premise and for a noble purpose; and

"Whereas, The Government of the United States of America has rightfully erected a monument in Washington, D.C., to give honor and pay respect to all the men and women who served their country and defended her honor in Vietnam in the interest of freedom and liberty; and

"Whereas, Certain individuals, in an apparent attempt to defend their anti-Vietnam and anti-Vietnam veteran behavior, which behavior history has shown to be indefensible, have suggested that a memorial be erected to honor the protesters of the Vietnam era; therefore be it

"Resolved, by the Senate of the Commonwealth of Pennsylvania, That those brave Americans who sacrificed so much for the cause of freedom and liberty of others be honored on the occasion of the tenth anniversary of the end of the participation of the United States in the Vietnam War; and be it further

"Resolved, That the Senate memorialize Congress to oppose any efforts by anti-Vietnam protesters to erect any monument in Washington or elsewhere, which would be dedicated to the memory of anti-Vietnam protesters of the Vietnam era; and be it futher

"Resolved, That copies of this resolution be transmitted to the presiding officers of each house of Congress and to each member of Congress from Pennsylvania."

POM-284; A joint resolution adopted by the Legislature of the State of Nevada; to the Committee on Armed Services.

"ASSEMBLY JOINT RESOLUTION No. 6

"Whereas. The people of Nevada are dedicated to the concept of world peace, and the current trend toward mutually assured destruction characterized by the stockpiling of nuclear weapons by the United States and the Soviet Union is a continuing threat to that peace; and

"Whereas. There is a developing technology which may permit the construction of an alternative system of strategic defense against a surprise nuclear attack by the Soviet Union; and

"Whereas. The system would use satellites to intercept and destroy hostile nuclear missiles while preserving the nuclear retaliatory capability of the United States; and

"Whereas. The United States can take the first step in an effort to assure world peace and mutually assured survival while still protecting its people from the threat of nuclear war through the use of this alternative system of strategic defense; now, therefore, be it

"Resolved by the Assembly and Senate of the State of Nevada jointly. That Congress is urged to take the first step toward achieving world peace and mutually assured survival by actively pursuing the concept of the alternative system of strategic defense as an effective method of eliminating the threat to world peace caused by the proliferation of nuclear weapons; and be it further

"Resolved, That Nevada be allowed to participate in the research and development of this system; and be it further

"Resolved, That copies of this resolution be immediately transmitted by the legislative counsel to the President of the United States, the Vice President of the United States as the presiding officer of the Senate, the Speaker of the House of Representatives and each member of Nevada congressional delegation; and be it further

"Resolved, That this resolution becomes effective upon passage and approval."

POM-285; A joint resolution adopted by the Legislature of the State of Nevada; to the Committee on Energy and Natural Resources.

"SENATE JOINT RESOLUTION No. 36

"Whereas, On July 21, 1982, the Federal Government transferred approximately 50 acres of property with the improvements thereon at the former Stewart Indian School in Carson City to the state but retained two parcels comprising approximately 60 acres because of limitations on the amount of land which could be conveyed in the transaction; and

"Whereas, Those parcels have accumulated debris and the improvements located thereon are rapidly deteriorating from lack of care, creating a hazard and a potential source of liability for the Federal Government; and

"Whereas, The state desires to obtain those parcels to expand its activities and facilities at the Steward Indian School site; and

"Whereas, The state has tendered a proposal to remove the accumulated debris from those parcels and to secure the improvements from further deterioration; now, therefore, be it

"Resolved by the Senate and Assembly of the State of Nevada, jointly, That the legislature urges the Congress of the United States to enact promptly appropriate legislation permitting the state to enter those parcels, remove the debris and secure the improvements thereon and authorizing the conveyance of those parcels to the State of Nevada; and be it further

"Resolved, That copies of this resolution be transmitted by the legislative counsel to the Vice President of the United States as President of the Senate, the Speaker of the House of Representatives and each member of Nevada's congressional delegation; and be it further

"Resolved, That this resolution becomes effective upon passage and approval."

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. McCLURE, from the Committee on Energy and Natural Resources, with an amendment:

S. 953: A bill to validate contractural relationships between the United States and various non-federal entities (Rept. No. 99-87).

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. DANFORTH, from the Committee on Commerce, Science, and Transportation:

The following officers of the U.S. Coast Guard for appointment to the grade of rear admiral:

Edwin H. Daniels.
Clyde T. Lusk, Jr.
James C. Irwin.
Bobby F. Hollingsworth.

(The above nominations were reported from the Committee on Commerce, Science, and Transportation with the recommendation that they be confirmed, subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. DIXON:

S. 1321. A bill entitled the "Airport and Air Carriers Security Improvement Act of 1985"; to the Committee on Commerce, Science, and Transportation.

By Mr. HECHT:

S. 1322. A bill to amend the Geothermal Steam Act of 1970; to the Committee on Energy and Natural Resources.

By Mr. ROTH:

S. 1323. A bill to amend the Social Security Act to reorganize and strengthen the provisions intended to deter and sanction fraud and abuse affecting the Medicare and Medicaid programs, and for other purposes; to the Committee on Finance.

By Mr. CRANSTON:

S. 1324. A bill to amend the Small Business Investment Act of 1958 to increase the contract amount that the Small Business Administration may guarantee to any surety; to the Committee on Small Business.

By Mr. HEINZ (for himself, Mr. GLENN and Mr. DODD):

S. 1325. A bill to amend titles XVIII and XIX of the Social Security Act to require second opinions with respect to certain surgical procedures as a condition of payment under the Medicare and Medicaid programs; to the Committee on Finance.

By Mr. MOYNIHAN (for himself, Mr. D'AMATO and Mr. LAUTENBERG):

S. 1326. A bill to provide air passenger security for certain air carrier flights; to the Committee on Commerce, Science, and Transportation.

By Mr. TRIBLE (for himself and Mr. WARNER):

S. 1327. A bill to amend title 5, United States Code, to modify the authority under which higher rates of pay may be established in geographic areas where the Federal Government is experiencing significant recruitment or retention problems, and for other purposes; to the Committee on Governmental Affairs.

By Mr. SIMON (for himself, Mr. INOUYE, Mr. MATSUNAGA, Mr. SASSER, Mr. GORE, Mr. HOLLINGS, Mr. CHILES, Mr. HEFLIN, Mr. DODD, Mr. SARBANES, Mr. ROCKEFELLER, and Mr. KERRY):

S. 1328. A bill to strengthen programs under title III of the Higher Education Act of 1965, relating to institutional aid, and for other purposes; to the Committee on Labor and Human Resources.

By Mr. MOYNIHAN:

S. 1329. A bill to amend part E of title IV of the Social Security Act to make necessary improvements in the foster care and adoption assistance program with the objective of assuring that such program will more realistically and more effectively meet the needs of the children involved, and for other purposes; to the Committee on Finance.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. BINGAMAN (for himself and Mr. DOMENICI):

S. Res. 183. A resolution to express the sense of the Senate regarding maintenance of United States energy independence and national security interests with respect to uranium; to the Committee on Energy and Natural Resources.

By Mr. DOLE (for Mr. MURKOWSKI) (for himself and Mr. STEVENS):

S. Res. 184. A resolution to commend the world record skiing attempt in Alaska to benefit the Jimmie Heuga Center by the Jimmie Heuga Express; considered and agreed to.

By Mr. CHILES:

S. Res. 185. A resolution to promote emigration from Cuba; to the Committee on Foreign Relations.

By Mr. DIXON:

S. Con. Res. 51. A concurrent resolution to congratulate the Society of Real Estate Appraisers on the fiftieth anniversary of its founding; to the Committee on the Judiciary.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. DIXON:

S. 1321. A bill entitled the "Airport and Air Carrier Security Improvement Act of 1985"; to the Committee on Commerce, Science, and Transportation.

AIRPORT AND AIR CARRIER SECURITY IMPROVEMENT ACT

Mr. DIXON. Mr. President, today is the fifth day of our latest hostage crisis. Forty-three innocent victims are currently being subjected to the whims of dangerous armed fanatics in Beirut. Instead of returning to the United States, as many of the passengers on TWA flight 847 had intended, they are now being terrorized and brutalized. They have been beaten, and one American serviceman was viciously murdered.

I am grateful that many of the hostages have been released, and my heart goes out to their families and the families of those who have yet to be released. I know what they must be feeling, and I share their hopes and their prayers for family members still being held in Beirut.

At this time, it is not yet clear how two Shi'ite gunmen armed with a pistol and hand grenades were able to board the TWA B-727 aircraft in Athens without being detected. What is crystal clear, however, is that security at the Athens airport was grossly inadequate. According to some of the press reports, the terrorists were able to pass through two passenger screening devices without being detected. At least one report states that the detectors were triggered three times or more but that they were waived through anyway.

What is worse is that the security breakdown at the Athens Airport was not just bad luck. The security problems there have been widely known for some time. The Greek Government was well aware of the deficiencies but had not moved aggressively to correct them. The result was the tragedy that befell TWA Flight 847.

It will take action on a number of fronts if we are to contain and control the growing terrorist menace exemplified by the current crisis. Unfortunately, this is not an isolated incident. It is one of a long series of other terrorist acts, including an appalling number of previous aircraft hijackings.

Since 1931, there have been more than 750 hijacking incidents. Well over two-thirds of that number have occurred since 1970. there were at least 34 attempted hijackings in 1983—19 of them involving U.S. carriers, and another 28 hijackings in 1984, 7 of which were directed at U.S. airlines.

Aircraft piracy is not going away. It is a growing phenomenon, one that feeds on prior successes. Innocent members of the traveling public are increasingly at risk. Something must be done.

I believe we must find a way to make those responsible for these incidents pay a price. We cannot permit them to literally get away with murder forever.

One of the best ways to handle terrorist hijacking incidents, however, is to take the kind of action that will prevent them from occurring in the first place. Last night, President Reagan announced a series of steps to help achieve that objective. He called for consideration of expanding our Armed Sky Marshal Program, issued a travel advisory warning Americans about security problems at the Athens Airport, urged consideration of a boycott of Athens Airport until the security situation there improves, called for a study on whether to terminate air service to the United States by foreign airlines whose governments refuse to take the steps necessary to improve their airport security, and asked our allies to take the steps necessary to prevent future hijackings.

I support these steps, Mr. President. I think they make sense and will help reduce the risk of further incidents, but more must be done. We must not wait for another hijacking to spotlight airport security problems. We need to take the kind of actions necessary to spotlight and correct security problems before they result in a nightmare for innocent travelers.

There are a number of steps that could be taken. The top of any list, however, should include a series of measures first proposed in 1978 by Senator Ribicoff. He authored a comprehensive antiterrorist bill that year, a bill that was considered and approved by no less than four Senate committees; Governmental Affairs, Foreign Relations, Commerce, Science and Transportation, and Intelligence. My colleagues know how difficult it can be to get legislation approved by one Senate committee; approval by four is a powerful endorsement of the merit of his proposals. Unfortunately, however, S. 2236 was never acted on by the full Senate during the 95th Congress, and in subsequent years, Congress seems to have put coping with terrorism on the back burner.

It is long past time to take terrorism off the back burner and begin to act. S. 2236 was sound in 1978 and the proposals it made remain sound now. I believe the Senate should again consider the well thought out ideas originally put forward in that measure, and so I am today introducing the Airport and Air Carrier Security Improvement Act of 1985, a bill based largely on the 1978 legislation.

My legislation is perhaps not as comprehensive as the original proposal. Its focus is on improving the security of international airports and air carriers.

The bill requires the Secretary of Transportation to conduct periodic assessments of the effectiveness of security measures at foreign airports, and to include in reports to Congress a summary of such assessments. The summary would identify the airports assessed and describe any significant security problems. It would also require the Secretary to describe the efforts the Department of Transportation has taken to try to alleviate any security problems.

If foreign governments failed or refused to improve security at their airports to appropriate and reasonable

standards, the bill would require the Secretary to publish in the Federal Register and prominently post at every major U.S. airport the fact that certain international airports were security risks.

Since at least some of the countries with security problems at their airports have major tourism industries that could be seriously damaged if Americans acted on these warnings and traveled elsewhere, this step alone should have a powerful impetus toward strengthening security. The bill also provides the Secretary with the authority, however, to impose conditions on the authority of any airline, foreign or domestic, to operate international air service from airports with security problems if those problems continue to remain uncorrected.

In addition, the bill authorizes the Department of Transportation to provide technical assistance concerning aviation security to foreign governments, including training of foreign nationals here in the United States. And the bill urges the President to seek international agreements to improve the security of air carriers and airports. Finally, the bill clarifies the jurisdiction of the Federal Aviation Administration over charter airlines in the security area, and requires all existing security measures to be applied to all charter arlines, as they are now to scheduled carriers.

More may need to be done, Mr. President. We may want to require American flag carriers, which, as symbols of the United States, may be particularly at risk, to improve their own security measures at airports. El Al, Israel's national airline, takes stringent security measures in addition to those provided by the airports where it operates. That airline, despite the fact that Israel is a major terrorist target, has never suffered a successful hijacking, demonstrating that security can work to ensure the safety of the traveling public.

We may also want to consider whether the Federal Aviation Administration's authority to link security issues to foreign airline operating authority here in the United States needs to be clarified and expanded. There seems to be some doubt as to what the exact reach of FAA authority is at the moment.

There is no doubt, however, that we cannot wait for the next hijacking to show us where the airport and air carrier security problems are. We need continuous review of security at international airports, and a mechanism to ensure that any security problems uncovered are rapidly corrected and shared with the public so that Americans can travel with the assurance of personal safety that they have every right to expect.

I do not contend that my bill represents the total solution to the terrorists problems, but it is a good first step in the aviation area. It will give us the authority we need to make real improvements in air carrier and airport security.

Its provisions have been extensively considered in the past. They have proven their worth. I urge my colleagues, therefore, to carefully review this measure, and to protect Americans around the world by quickly enacting this vital measure. These provisions should have become law in 1978; we should not wait any longer to put this protection for air travelers into place.

Mr. President, I ask unanimous consent that a copy of the legislation be included at this point in the RECORD. I also ask unanimous consent that a summary of the bill and a section-by-section analysis also be included at this point in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

SUMMARY OF THE AIRPORT AND AIR CARRIER IMPROVEMENT ACT OF 1985

The Secretary of Transportation is required to conduct periodic assessments of the effectiveness of the security measures maintained at international airports overseas.

Reports to Congress now required by law will be expanded to include summary information based on the assessments. The summaries will identify the airports assessed and describe any significant security problems, together with an explanation of the actions DOT has taken to rectify the security deficiencies identified.

If the Secretary finds that an airport does not maintain and administer effective security measures comparable to the levels in effect at American airports, he or she is required to transmit that finding to the appropriate foreign authorities, and to work with them in an attempt to resolve security problems.

If foreign authorities fail to bring security levels back to acceptable standards within 60 days, the Secretary of Transportation is required to publish in the Federal Register and to prominently display at major U.S. airports a list of foreign airports with security problems.

With the approval of the Secretary of State, the Department of Transportation is given the authority to limit the operations of any U.S. or foreign air carrier flying international routes to the U.S. involving security-deficient airports.

The Department of Transportation is given expanded powers and responsibilities in security technical assistance area, so that it can provide more effective assistance to foreign governments in this area.

The President is urged to seek new international agreements to assure more effective international cooperation towards improving the security of air carriers and airports.

The jurisdiction of the Federal Aviation Administration in the security area over charter airlines is clarified. Existing security measures now applied to all scheduled carriers are required to be applied to charter carriers as well.

S. 1321

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. This Act shall be known as the Airport and Air Carrier Security Improvement Act of 1985.

STATEMENT OF FINDINGS AND PURPOSE

SEC. 2. (a) The Congress hereby finds that—

(1) innocent persons have been killed, injured, and victimized, human rights violated, property destroyed and damaged, and international commerce obstructed as a result of air carrier hijackings and other violations of national and international law involving airports and air carriers;

(2) such acts represent an intolerable attack against the fundamental right to life and security of all peoples of the world;

(3) such acts constitute a threat to the orderly and civilized functions of the international community;

(4) certain nations exhibit a pattern of either supporting or condoning air carrier hijackings; and

(5) certain international airports fail to maintain consistently effective security measures.

(b) It is therefore the purpose of the Act to—

(1) enlist the cooperation of all other nations and national and international organizations in initiatives to improve the security of air carriers and airports throughout the world, while safeguarding democratic values;

(2) promote appropriate action by the United States and other governments in order to combat air carrier hijackings and other breaches of national and international laws and regulations related to aviation; and

(3) provide public notice to persons traveling in international air commerce of deficient security programs and facilities at certain foreign airports.

INFORMATION ON FOREIGN AIRPORT SECURITY

SEC. 3. Section 1115 of the Federal Aviation Act of 1958 (49 U.S.C. 1515) relating to security standards in foreign air transportation is amended to read as follows:

"SECURITY STANDARD IN FOREIGN AIR TRANSPORTATION

"SEC. 1115. (a) The Secretary of Transportation shall conduct at such intervals as the Secretary shall deem necessary an assessment of the effectiveness of the security measures maintained at those foreign airports serving United States carriers, those foreign airports from which foreign air carriers serve the United States, and at such other foreign airports as the Secretary may deem appropriate. Such assessments shall be made by the Secretary in consultation with the appropriate aeronautic authorities of the concerned foreign government. The assessment shall determine the extent to which an airport effectively maintains and administers security measures. The criteria utilized by the Secretary in assessing the effectiveness of security at United States airports shall be considered in making such assessments and shall be equal to or above the standards established pursuant to the Convention on International Civil Aviation. The assessment shall include consideration of specific security programs and techniques, including but not limited to, physical and personnel security programs and procedures, passenger security and baggage examination, the use of electronic, mechanical

or other detection devices, airport police and security forces, and control of unauthorized access to the airport aircraft, airport perimeter, passenger boarding, and cargo, storage, and handling areas.

"(b) The report to the Congress required by section 315 of this Act shall contain:

"(1) A summary of those assessments conducted pursuant to subsection (a) of this section. The summary shall identify the airports assessed and describe any significant deficiencies and actions taken or recommended.

"(2) A description of the extent if any to which specific deficiencies previously identified, if any, have been eliminated.

"(c) When the Secretary finds that an airport does not maintain and administer effective security measures at the level of effectiveness specified in subsection (a) of this section, he shall notify the appropriate authorities of such foreign government of his finding, and recommend the steps necessary to bring the security measures in use at that airport to the acceptable level of effectiveness.

"(d)(1) Not later than sixty days after the notification required in subsection (c) of this section and upon a determination by the Secretary that the foreign government has failed to bring the security measures at the identified airport to the level of effectiveness specified in subsection (a) of this section, he—

"(A) shall publish in the Federal Register and cause to be posted and prominently displayed at all United States airports regularly serving scheduled air carrier operations the identification of such airport; and

"(B) after consultation with the appropriate aeronautical authorities of such government and, notwithstanding section 1102 of this Act, may, with the approval of the Secretary of State, withhold, revoke, or impose conditions on the operating authority of any carrier or foreign air carrier to engage in foreign air transportation utilizing that airport.

"(2) The Secretary shall report promptly to the Congress any action taken under this subsection setting forth information concerning the attempts he has made to secure the cooperation of the nation in attaining the acceptable level of effectiveness."

AVIATION SECURITY ASSISTANCE TO FOREIGN GOVERNMENTS

SEC. 4. (a)(1) The Secretary of Transportation is authorized to promote the achievement of international aviation security by providing technical assistance concerning aviation security to foreign governments. Such technical assistance may include the conduct of surveys to analyze the level of aviation security in airports and the provision of training in aviation security to foreign nationals. Such training in aviation security may be conducted either in the United States or in foreign nations. The Secretary may provide for the payment of subsistence and expenses for travel within the United States for foreign nationals receiving such aviation security training in the United States.

(2) The Secretary may require a foreign government to reimburse the United States for all, part, or none of the cost of providing the technical assistance authorized under paragraph (1).

(b) There is authorized to be appropriated to carry out the provisions of this subsection an amount not to exceed $500,000 for each of the fiscal years 1986, 1987, and 1988.

PRIORITIES FOR NEGOTIATION OF INTERNATIONAL AGREEMENTS

SEC. 5. (a) The President is hereby urged to seek international agreements to assure more effective international cooperation towards improving the security of air carriers and airports.

(b) High priority in the negotiation of such agreements should be given to agreements which include, but which need not be limited to the following:

(1) establishment of a permanent international working group, including subgroups on topics as may be appropriate, including but not limited to, law enforcement and crisis management, which would combat international terrorist incidents involving air carriers and airports by—

(A) promoting international cooperation among countries; and

(B) developing new methods, procedures, and standards to combat international terrorism; (2) establishment of means to effect observance of—

(A) the Convention for the Suppression of Unlawful Seizure of Aircraft (The Hague, December 16, 1970);

(B) the Convention for the Suppression of Unlawful Acts Against the Safety of Civil Aviation (Montreal, September 23, 1971); and

(C) the Convention on the Prevention and Punishment of Crimes Against Internationally Protected Persons, Including Diplomatic Agents (New York, December 14, 1973);

(2) establishment of international legal requirements to prohibit and punish the act of taking hostages.

EXTENSION OF EXISTING SECURITY MEASURES

SEC. 6. Section 315(b) of the Federal Aviation Act of 1958 (49 U.S.C. 1356(b)) is amended by adding the words "or charter" immediately after the word "scheduled" where it first appears.

SECTION-BY-SECTION ANALYSIS

SECTION 1—TITLE

Section 1 provides that this act shall be known as the Airport and Air Carrier Security Improvement Act of 1985.

SECTION 2—STATEMENT OF FINDINGS AND PURPOSES

This section provides for congressional findings with respect to airport and air carrier security. The section declares that Congress finds that air carrier hijackings and other violations of national and international law involving air carriers and airports have killed or injured innocent persons, destroyed property and obstructed international commerce; represents an attack on the right to life and security, and poses a threat to the international community. In addition, Congress finds that certain nations have exhibited a pattern of supporting or condoning air carrier hijackings, and that certain international airports do not maintain appropriate security.

The purpose of the bill is to strengthen Federal capability to improve airport and air carrier security, and to promote international cooperation to achieve those objectives. Also, the bill would provide information to travelers about deficient airports.

SECTION 3—INFORMATION ON FOREIGN AIRPORT SECURITY

It is the purpose of this section to require careful and close study of foreign airports to determine that effective security standards are in place, to work closely with the responsible foreign airport authorities to bring security to an acceptable level of effectiveness, and where these efforts fail, to provide a warning and notice to passengers of airports where ineffective or lacking aviation security measures could endanger their lives.

This section amends the Federal Aviation Act of 1958 by adding a new subsection (a) relating to security standards. This new (a) requires the Secretary of Transportation to conduct periodic assessments of the effectiveness of the security measures maintained at major foreign airports, in consultation with the appropriate authority at that airport. The initial objective of the assessment is to determine the extent to which an airport effectively maintains and administers security measures, and in making this determination, the Secretary is required to consider the criteria used in assessing the effectiveness at comparable U.S. airports. Of course, in any case, the criteria used by the Secretary must be equal to or above the standards established pursuant to the Convention on International Civil Aviation. The assessment must include consideration of: specific security programs and procedures, passenger security and baggage examination, the use of electronic, mechanical or other detection devices, airport police and security forces, and control of unauthorized access to the airport, aircraft, passenger boarding, and cargo, shortage, and handling areas.

The new subsection (b) requires that the reports to Congress contain a summary of these assessments conducted, including the identity of airports assessed, significant deficiencies noted, actions taken or recommended, and the extent to which the specific deficiencies previously identified, if any, have been eliminated.

The new subsection (c) requires that when the Secretary determines an airport does not maintain and administer effective security measures, he or she shall notify the appropriate authorities of the foreign government of his or her findings and recommend the steps necessary for bringing the security measures to an acceptable level of effectiveness.

The new subsection (d) requires that within no more than 60 days after notification to a foreign government of deficiencies, and on a determination by the Secretary that the foreign government has failed to bring the security measures to the level of effectiveness, the Secretary is required to publish in the Federal Register and prominently display at major U.S. airports the identification of the airports with security deficiencies. In addition, after consultation with the appropriate authorities of the foreign government, the Secretary may, with the approval of the Secretary of State, withhold, revoke, or impose conditions on the operating authority of any carrier or foreign air carrier to engage in foreign air transportation using that airport. The Secretary is also required to notify Congress of any action taken concerning attempts made to secure the cooperation of the nation in attaining the acceptable level of effectiveness.

SECTION 4—AVIATION SECURITY ASSISTANCE TO FOREIGN COUNTRIES

This section provides direct authority to the Secretary of Transportation for providing technical assistance to foreign governments for training in airport security.

The Federal Aviation Administration has long supported broad multilateral efforts to improve international aviation security such as those advanced by the United Nations, ICAO, IATA, INTERPOL, and ECAC. In ad-

dition, the FAA has pursued a number of bilateral programs involving the provision of technical assistance of foreign governments. The assistance has taken several different forms. FAA teams, consisting of one or more security specialists, have visited numerous countries and conducted indepth airport surveys. Through these surveys, the countries' aviation security needs were identified and guidance provided to achieve needed improvements.

FAA training aids have been made available to many countries, and foreign students have been invited to the FAA developed Aviation Security Training Course presented by the Department of Transportation's Transportation Safety Institute at Oklahoma City. FAA is not currently authorized to train foreign students, except collaterally with the training of FAA employees. Further, it is in the underdeveloped and or lesser developed countries, who cannot afford the cost of travel, per diem, and tuition for their officers, where the most effective security programs are found, and it is these same countries which require the most direct assistance in the form of time-consuming surveys and on-the-job guidance.

SECTION 5—PRIORITIES FOR THE NEGOTIATION OF INTERNATIONAL AGREEMENTS

This section urges the President to seek international agreements to assure more effective international cooperation towards improving the security of air carriers and airports, and suggests high priority should be given to agreements concerning the establishment of permanent international working groups on appropriate topics related to airport and air carrier security, and to establishment of a means to effect observance of the Hague, Montreal and UN conventions.

SECTION 6—EXTENSION OF EXISTING SECURITY MEASURES

This section requires existing security measures be applied to all charter operations conducted by domestic, flag, supplemental, and foreign air carriers.

Under existing Federal Aviation Regulations (FARs), United States domestic and flag air carriers engaging in common carriage between two points entirely within any State with a certain frequency are required to adopt and use a screening system which is designed to prevent the carriage aboard their aircraft of any weapon, explosive or incendiary device on or about the person or in the carry-on baggage of passengers.

At the present time, air carriers engaging in charter operations are not required by statute to comply with the existing FAA regulations, nor are commercial operators engaging in common carriage between two points entirely in one state.

By Mr. HECHT:

S. 1322. A bill to amend the Geothermal Steam Act of 1970; to the Committee on Energy and Natural Resources.

GEOTHERMAL STEAM ACT AMENDMENTS

Mr. HECHT. Mr. President, today I am introducing legislation to resolve some unfinished business from the 97th and 98th Congress: geothermal leasing reform. I know this may seem a rather arcane and unimportant topic to most of my colleagues, but I would like to take a minute to expose a problem which is threatening to unravel the many hard-earned gains we have made over the past 10 years in the development of America's abundant geothermal resources.

Congress passed the Geothermal Steam Act in 1970 to encourage the leasing and development of geothermal resources located on Federal lands. Spurred by the early success in harnessing northern California's dry steam for electricity production, many of us in Congress believed—or hoped—that passage of the Steam Act would ensure rapid development at the many other geothermal fields known to exist in the Western United States.

Fifteen years later, we are still waiting for that development to occur. The combination of large front-end development costs, risky powerplant technology, and uncertainty over future world energy prices has led to the cancellation or delay of many promising geothermal power projects. These problems are now being compounded by certain inflexible provisions of the Steam Act which prohibit the extension of leases where diligent field development has occurred but actual powerplant construction has been delayed by market forces.

Section 319 of last year's continuing resolution gave geothermal leaseholders a temporary respite by allowing for the conditional 2-year extension of original 10-year leases issued under the Steam Act. The bill I am introducing today will provide a permanent mechanism for the granting of up to three successive 5-year extensions if the following conditions are met:

A full report must accompany developer's extension request, explaining why they have not been able to produce geothermal energy in commercial quantities, and either

Drilling to a depth specified by the Secretary of Interior has commenced prior to each successive extension request, or

Substantial investment (in excess of due diligence requirements) has been made in lease or lease unit up to time of extension request.

In addition, my bill would strengthen the Geothermal Steam Act's provisions for secretarial review of unit and cooperative plans, where developers have proposed the integrated development of several individual leases. In past years, the Department of Interior has arguably been too generous in allowing companies to block up leases in large units in order to avoid acreage limitations under the act. As unit plans come up for review—every 5 years under current regulations—my bill will require the Secretary to consider dropping leases which are not reasonably necessary to the economic viability of a unit or cooperative plan.

Finally, I would like to address a related issue that has frustrated our past attempts to amend the Geothermal Steam Act: National parks protection. Many members of this body, including former Senator Jackson and my colleague Senator MELCHER, have sought to provide statutory protection for significant geothermal features in our National Part System. Our best-known example is the Old Faithful Geyser in Yellowstone National Park, which some experts believe may be threatened by geothermal development outside the park boundary. To combat this threat, Congress recently imposed a moratorium on the leasing of certain Federal lands adjacent to Yellowstone.

Now it has also been proposed that Congress authorize the establishment of buffer zones around some 20 other national parks and monuments containing geothermal features, even though there does not appear to be any development interest in these areas. This idea has kindled a raging philosophical debate over the general concept of buffer zones, which in turn has poisoned the chances for congressional passage of earlier geothermal leasing bills.

I have no interest in picking a quarrel on the park protection issue, but it seems to me that we should not let it interfere with the passage of legislation which I believe is essential to the timely development of our Nation's abundant and environmentally benign geothermal resources.

How many times have you heard people first say that they oppose conventional energy projects because of the superiority of alternative, soft path approaches, and then turn around and throw obstacles in the way of these very same alternative technologies? We've recently seen this happen with small hydropower projects, wind power, cogeneration, and a host of other exciting new technologies.

I know this is not their intent, but by delaying legislation, the park protection advocates have dealt a serious blow to the entire geothermal industry because of their opposition to development in a few specific areas of the country.

Let's not let this happen to geothermal; let's get on with this legislation and give geothermal energy a fighting chance to compete in our energy marketplace and contribute to our energy security. If the industry can revive itself and development interest ever materializes around these other national parks—which I seriously doubt—then Congress can take appropriate steps to protect them.

This is a responsible bill which has been shaped by years of hearing testimony and congressional debate on geothermal leasing. I have stripped away all but the most essential elements of earlier, more comprehensive leasing proposals in the hopes of achieving prompt bipartisan support on this

issue. It is absolutely critical that we resolve this issue in the 99th Congress.

Anyone seeking more information or wishing to cosponsor this legislation should contact Dan Freihofer of my staff at extension 4-1582.

Mr. President, I ask unanimous consent that the complete text of my bill, "The Geothermal Steam Act Amendments of 1985," be printed at this point in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1322

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Geothermal Steam Act of 1970 (30 U.S.C. §§ 1001 et seq.) is amended as follows:

SECTION 1. This Act may be cited as the "Geothermal Steam Act Amendments of 1985."

SEC. 2. Sections 6 (a), (c), and (d) of the Geothermal Steam Act of 1970 (30 U.S.C. § 1005) are amended to read as follows:

"(a) Geothermal leases shall be for a primary term of ten years. If geothermal steam is produced or utilized in commercial quantities on a lease or under an approved cooperative or unit plan of development or operation in which a lease is included within this term or any administrative extension thereof under subsection (c), such lease shall continue for so long thereafter as geothermal steam is produced or utilized in commercial quantities, but such continuation shall not exceed an additional forty years."

"(c) Any geothermal lease issued pursuant to the Act and in effect on or after July 27, 1984, shall be extended for successive five year periods, but totalling not more than 15 years, if:

"(1) the lessee has submitted a report to the Secretary detailing bona fide efforts to bring such lease or approved cooperative or unit plan of development into commercial production, given the then current economic conditions; and either

"(2) actual drilling operations, to a depth specified by the Secretary, were commenced prior to the end of its primary term and prior to the end of each successive five year extension period on such lease or on another lease to the benefit of such lease where, at the time application for extension is made, both leases are included in an approved cooperative or unit plan of development; or

"(3) in the opinion of the Secretary, substantial investment has been made during the primary term and during each successive five year extension period on such lease or on another lease to the benefit of such lease where, at the time application for extension is made, both leases are included in an approved cooperative or unit plan of development.

"(d) For purposes of subsection (a) of this section, production or utilization of geothermal steam in commercial quantities shall be deemed to include the completion of wells capable of producing geothermal steam in paying quantities."

SEC. 3. Section 18 of the Geothermal Steam Act of 1970 (30 U.S.C. § 1017) is amended by inserting the following new paragraph after the first full paragraph of that section:

"Five years after approval of any cooperative or unit plan of development or operation, and every five years thereafter, the Secretary shall review each such plan and, after notice and opportunity for comment, eliminate from inclusion in such plan any lease or part of a lease not regarded as reasonably necessary to cooperative or unit operations under the plan. Any lease or part of a lease so eliminated would be eligible for an extension under section 6(c) of this title if it separately meets the requirements for such an extension."

SEC. 4. Every geothermal lease issued pursuant to the Geothermal Steam Act of 1970 and in effect on or after July 27, 1984 is eligible for an administrative extension under section 6(c) of that Act as amended if an application for such an extension is timely submitted either within 180 days of the date of enactment of this Act or 60 days prior to the expiration of the lease's primary term, whichever is later.

By Mr. ROTH:

S. 1323. A bill to amend the Social Security Act to reorganize and strengthen the provisions intended to deter and sanction fraud and abuse affecting the Medicare and Medicaid Programs, and for other purposes; to the Committee on Finance.

HEALTH CARE FINANCING FRAUD AND ABUSE AMENDMENTS OF 1985

● Mr. ROTH. Mr. President, I rise today to introduce the Health Care Financing Fraud and Abuse Amendments of 1985. This bill, submitted by the administration, will take great strides in enabling the administration to protect the fiscal integrity of our Medicare, Medicaid, and other Federal and State health programs and to protect the elderly and poor from unscrupulous and incompetent medical practitioners.

This legislation is quite similar to H.R. 1868, recently passed by the House of Representatives, and to S. 837, submitted by my esteemed colleague Senator HEINZ of Pennsylvania. Because there are slight variations between the three proposals, I think it is important to get all three on the table so we can begin to work out the technical differences and get on with our most important goals—the protection of our health care delivery services.

At a hearing before the Select Committee on Aging in May 1984, GAO gave a startling report. They found loopholes in the HHS Secretary's authority which allow providers barred from practice in one Federal program or in one State to switch to another program or to move to another State and begin a new practice. The GAO identified 328 doctors, dentists, pharmacists, osteopaths, and podiatrists who had had their licenses suspended or revoked for 1 year or more in just three States who continued to practice medicine. The offenses committed by these individuals are unbelievable. Their offenses included sexual abuse of patients, negligence, gross incompetence, unnecessary provision of dangerous medical procedures, mental incompetence, fraudulent billings—the list goes on. Yet, these people not only continue practicing in other States, they continue to be reimbursed for their services through Medicare and Medicaid.

The Senate Aging Committee also heard testimony which estimated that as many as 36 million Americans may receive treatment from unfit doctors each year. The problem is that the administration has insufficient authority to prevent these incompetents from participating in Federal health programs. The question is how long are we going to let this continue?

The bill I introduce would allow the Secretary to bar health care providers from Federal and State health programs if the providers were convicted of such things as criminal offenses related to Federal health programs, fraud, and patient abuse, controlled substances, license revocation or suspension, fraud, bribes, or kickbacks. In addition, the bill gives the Secretary ability to act against health care entities who are owned or operated by individuals who have been barred or who refuse to assist the Department in providing information requested in investigating such abuses.

The bill also makes it easier for the Department to assess civil, monetary penalties for fraudulent claims, and expands the Department's ability to terminate provider agreements under Medicare and Medicaid when those entities are not living up to their contractual obligations. This legislation provides for alternative sanctions against institutions who have compliance problems but only when those problems do not jeopardize the health and safety of patients.

On the whole, this legislation and the other similar bills recodify existing law, strengthen some provisions, and clarify the authorities that the Department already has.

Mr. President, my bill differs in a number of ways from two related measures which also address the integrity of Medicare and Medicaid, H.R. 1868 and S. 837. H.R. 1868 has been passed by the House. It mandates that States exclude sanctioned providers from programs under titles V and XX of the Social Security Act, respectively the maternal and child health and social services block grant. It would also provide for the suspension of the license to dispense narcotics held by entities excluded from Medicare. Unlike my bill, H.R. 1868 does not address individuals who are in default on health profession loans or scholarship obligations. Nor does H.R. 1868 include adding intermediate sanctions to the tools available to combat fraud and abuse in Medicare and Medicaid. S. 837, introduced by Senator HEINZ, contains six categories of mandatory exclusions, as opposed to discretionary exclusions in my bill and the House bill to include convictions for obstruct-

ing an investigation relating to controlled substances, for submitting false claims, and for taking kickbacks as grounds for mandatory exclusion. In its other provisions S. 837 closely tracks the House bill.

I look forward to early action on this important task and will be working closely with my colleagues to present to the Senate one comprehensive piece of legislation.

Mr. President I ask unanimous consent that a copy of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1323

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE; REFERENCES IN ACT

SECTION 1. (a) This Act may be cited as the "Health Care Financing Fraud and Abuse Amendments of 1985".

(b) The amendments in this Act apply to the Social Security Act, unless otherwise specifically stated.

CRIMINAL PENALTIES FOR ACTS INVOLVING THE MEDICARE AND MEDICAID PROGRAMS

SEC. 2. (a) Section 1909 (42 U.S.C. 1396h) is amended in the caption by striking out PENALTIES" and inserting instead "CRIMINAL PENALTIES FOR ACTS INVOLVING THE MEDICARE AND MEDICAID PROGRAMS".

(b) Section 1909(a) (42 U.S.C. 1396h(a)) is amended—

(1) in paragraph (1), by striking out "a State plan approved under this title" and inserting instead "a program under title XVIII or XIX";

(2) in the matter following paragraph (4), by striking out "this title" the first place it occurs and inserting instead "such program"; and

(3) by striking out the last sentence.

(c) Section 1909(b) (42 U.S.C. 1396h(b)) is amended in paragraphs (1)(A), (1)(B), (2)(A), (2)(B), and (3)(A), by striking out "this title" and inserting instead "title XVIII or XIX".

(d) Section 1909(c) (42 U.S.C. 1396h(c)) is amended by striking out "or home health agency (as those terms are employed in this title)" and inserting instead "home health agency, or any other type of provider or entity for purposes of participation in the programs under title XVIII or XIX".

(e) Section 1909(d) (42 U.S.C. 1396h(d)) is amended by striking out "this title" each place it occurs and inserting instead "title XIX".

(f) Section 1909 (42 U.S.C. 1396h), as amended, is relocated in title XI and redesignated as section 1128B.

(g)(1) Section 1877(d) (42 U.S.C. 1395nn) is relocated and redesignated as section 1128B(e).

(2) The remainder of section 1877, including the caption thereof, is repealed.

EXCLUSION FROM MEDICARE AND MEDICAID PROGRAMS

SEC. 3. (a) Section 1128 (42 U.S.C. 1320a-7), including the caption thereof, is amended to read as follows:

"EXCLUSION OF CERTAIN INDIVIDUALS AND ENTITIES FROM THE MEDICARE AND MEDICAID PROGRAMS

"SEC. 1128. (a) MANDATORY EXCLUSION FOR PROGRAM-RELATED CONVICTION.—The Secretary shall exclude from participation in the programs under title XVIII, and shall direct State agencies to exclude from participation in State programs under title XIX, any individual or entity that has been convicted of a criminal offense related to such individual's or entity's participation in the delivery of items or services under title V, XVIII, or XIX.

"(b) DISCRETIONARY EXCLUSIONS.—The Secretary may exclude from participation in the programs under title XVIII, and may direct State agencies to exclude from participation in State programs under title XIX:

"(1) CONVICTION RELATED TO FRAUD OR PATIENT ABUSE.—Any individual or entity that has been convicted, under Federal or State law, in connection with the delivery of health care items or services or with respect to any act or omission in a program operated by or financed in whole or in part by any Federal, State, or local government agency, of—

"(A) fraud, theft, embezzlement, breach of fiduciary responsibility, or other offense related to financial abuse, or

"(B) an offense related to neglect or abuse of patients.

"(2) CONVICTION RELATED TO CONTROLLED SUBSTANCE.—Any individual or entity that has been convicted, under Federal or State law, of unlawful manufacture, distribution, prescribing, or dispensing of a controlled substance, or other criminal offense related to a controlled substance.

"(3) LICENSE REVOCATION OR SUSPENSION.—Any individual or entity whose license to provide health care services has been revoked or suspended by the appropriate licensing authority of any State for reasons bearing on the individual's or entity's professional competence, professional performance, or financial integrity, or has been surrendered while a formal disciplinary proceeding of such licensing authority was pending against the individual or entity.

"(4) EXCLUSION FROM FEDERAL OR STATE HEALTH CARE PROGRAM.—Any individual or entity that has been excluded, for reasons bearing on professional competence, professional performance, or financial integrity, from participation in any Federal or Federally assisted program involving the provision of health care, or in a health care program operated or assisted by a State or political subdivision of a State.

"(5) FRAUD, KICKBACKS, AND OTHER PROHIBITED ACTIVITIES.—Any individual or entity that the Secretary determines (whether in a proceeding under this section or a proceeding combined with a proceeding under section 1128A) has committed an act subject to civil penalties under section 1128A or an act described in section 1128B.

"(6) ENTITIES CONTROLLED BY SANCTIONED INDIVIDUALS.—Any entity, with respect to which the Secretary determines that any person—

"(A)(i) who has an ownership or control interest (as defined in section 1124(a)(3)) in that entity, or

"(ii) who is a director, officer, agent, or managing employee (as defined in section 1126(b)) of that entity

is a person—

"(B)(i) who has been convicted of any offense described in subsection (a), or in paragraph (1) or (2) of this subsection, or

"(ii) against whom a civil monetary penalty has been assessed under section 1128A, or

"(iii) to whom payment has been denied pursuant to section 1862(d) as in effect before October 1, 1985, or

"(iv) who has been excluded from participation in a program under title V, XVIII, or XIX for any reason specified in this section.

"(7) FAILURE TO DISCLOSE REQUIRED INFORMATION.—Any entity that does not fully and accurately make any disclosure required of it by section 1124 or 1126.

"(8) FAILURE TO SUPPLY INFORMATION CONCERNING SUBCONTRACTORS AND SUPPLIERS.—Any individual or entity that fails to supply (within such period as may be specified by the Secretary in regulations) upon request specifically addressed to such individual or entity by the Secretary or by a State agency administering a plan approved under title XIX—

"(i) full and complete information as to the ownership of a subcontractor (as defined by the Secretary in regulations) with whom such individual or entity has had, during the previous twelve months, business transactions in an aggregate amount in excess of $25,000, or

"(ii) full and complete information as to any significant business transactions (as defined by the Secretary in regulations), occurring during the five-year period ending on the date of such request, between such individual or entity and any wholly owned supplier or between such individual or entity and any subcontractor.

"(9) FAILURE TO SUPPLY INFORMATION RELATING TO PAYMENT.—Any individual or entity that furnishes items or services under title XVIII or XIX that fails to provide such information as the Secretary finds necessary to determine whether payments are or were due under such title and the amounts thereof, or has refused to permit such examination of its fiscal and other records by or on behalf of the Secretary as may be necessary to verify such information.

"(10) CLAIMS FOR EXCESSIVE CHARGES OR UNNECESSARY SERVICES.—Any individual or entity that the Secretary determines—

"(A) has submitted or caused to be submitted bills or requests for payment under title XVIII or XIX containing charges (or in applicable cases requests for payment of costs) for items or services furnished substantially in excess of such individual's or entity's customary charges (or, in applicable cases, substantially in excess of such individual's or entity's costs) for such items or services, unless the Secretary finds there is good cause for such bills or requests containing such charges or costs, or

"(B) has furnished items or services to patients (whether or not eligible for benefits under title XVIII or XIX) substantially in excess of the needs of such patients or of a quality which fails to meet professionally recognized standards of health care.

"(11) FAILURE TO GRANT IMMEDIATE ACCESS.—Any individual or entity that fails to grant immediate access, upon reasonable request (as defined by the Secretary in regulations)—

"(A) to the Secretary, or the agency used by the Secretary, for the purpose specified in the first sentence of section 1864(a), or

"(B) to the Secretary or the State agency, or the agency used by the Secretary or the State agency to perform the reviews and surveys required under paragraphs (26), (31), and (33) of section 1902(a), and under section 1903(g), or

"(C) to the Inspector General of the Department of Health and Human Services for the purpose of review of records, documents, and other data necessary to the Inspector General in the performance of his statutory functions.

"(12) FAILURE TO TAKE CORRECTIVE ACTION RECOMMENDED BY A PEER REVIEW ORGANIZATION.—Any hospital that the Secretary determines has failed to take corrective action as required by the Secretary pursuant to section 1886(f)(2)(B).

"(13) DEFAULT ON HEALTH EDUCATION LOAN OR SCHOLARSHIP OBLIGATIONS.—Any individual who the Secretary determines is in default on repayments of scholarship obligations or loans in connection with health professions education made or secured, in whole or in part, by the Secretary, except that (A) the Secretary may not exclude pursuant to this paragraph a physician who is the sole community physician or sole source of essential specialized services in a community, and (B) the Secretary shall take into account, in determining whether to exclude a physician pursuant to this paragraph, access of beneficiaries to physician services for which payment may be made under title XVIII or XIX.

"(c) NOTICE, EFFECTIVE DATE, AND PERIOD OF EXCLUSION.—(1) An exclusion under this section shall be effective at such time and upon such reasonable notice to the public and to the individual or entity excluded as may be specified in regulations.

"(2)(A) Except as provided in subparagraph (B), such an exclusion shall be effective with respect to items or services furnished to an individual on or after the effective date of the exclusion.

"(B) In the case of an individual or entity that prior to such exclusion had participated in a program under title XVIII or XIX, payment may be made under such program for up to thirty days after the effective date of the exclusion for—

"(i) inpatient institutional services furnished to an individual who was admitted to such institution before the effective date of the exclusion, and

"(ii) home health services and hospice care furnished to an individual under a plan of care established before the effective date of the exclusion.

"(3)(A) The notice of the exclusion shall state the inclusive dates of the minimum period of exclusion.

"(B) In the case of an exclusion under subsection (a), the minimum period of exclusion shall be not less than five years, except that the Secretary may waive the exclusion in the case of an individual or entity that is the sole community physician or sole source of essential specialized services in a community, or where the individual or entity demonstrates to the Secretary's satisfaction that the exclusion would adversely affect a program or programs under title XVIII or XIX. The Secretary's decision whether to waive the exclusion shall not be reviewable.

"(d) NOTICE TO STATE PROGRAM AGENCIES; EXCLUSION FROM STATE PROGRAMS; WAIVER AUTHORITY.—The Secretary shall promptly notify each appropriate State agency administering or supervising the administration of a State plan under title XIX of the fact and circumstances of each exclusion under subsection (a) or (b) and (if applicable) of the period for which the State agency shall exclude the individual or entity from participation in the State program (which, in the case of an individual or entity otherwise eligible to participate in program under both title XVIII and title XIX, shall be the same period for both titles). The Secretary may, for good cause, waive the requirement to exclude an individual or entity from participation in a State program under title XIX, upon request from the State agency for such a waiver with respect to that individual or entity.

"(e) NOTICE TO STATE LICENSING AGENCY.—The Secretary shall promptly notify the appropriate State or local agency or authority having responsibility for the licensing or certification of an individual or entity excluded from participation under this section of the fact and circumstances of such exclusion, request that appropriate investigations be made and sanctions invoked in accordance with applicable State law and policy, and request that such State or local agency or authority keep the Secretary and the Inspector General fully and currently informed with respect to any actions taken in response to such request.

"(f) RIGHT TO NOTICE; HEARING; JUDICIAL REVIEW.—(1) Except as provided in paragraph (2), any individual or entity that is excluded from participation in a program under title XVIII or XIX under the preceding provisions of this section shall be entitled to reasonable notice and opportunity for a hearing thereon by the Secretary to the same extent as is provided in section 205(b), and to judicial review of the Secretary's final decision after such hearing as is provided in section 205(g).

"(2) Any individual or entity excluded from participation in programs under the Act and assessed a civil money penalty in a combined proceeding under this section and section 1128A shall be entitled only to the notice and opportunity for hearing and judicial review afforded by section 1128A.

"(g)(1) APPLICATION FOR TERMINATION OF EXCLUSION.—An individual or entity excluded under this section or section 1128A from participation in programs under this Act may apply to the Secretary, in the manner specified by the Secretary in regulations, at the end of the minimum period of exclusion and at such other times as the Secretary may provide, for termination of the exclusion from participation in these programs.

"(2) The Secretary shall terminate the exclusion if the Secretary is satisfied, taking into consideration only conduct of the applicant which occurred after the date of the notice of exclusion or which was unknown to the Secretary at the time of the exclusion, that—

"(A) there is no basis under subsection (a) or (b) for continuation of the exclusion, and

"(B) there are reasonable assurances that the types of actions which formed the basis for the original exclusion have not recurred and will not recur.

"(3) The Secretary shall promptly notify each appropriate State agency administering or supervising the administration of a State plan under title XIX of the fact and circumstances of each termination of an exclusion made under this subsection.

(b)(1) The provisions of section 1128(a) (42 U.S.C. 1320a-7(a)), as amended by this section, shall apply—

(A) in the case of individuals, with respect to convictions related to participation in title XVIII or XIX on or after October 25, 1977,

(B) in the case of entities, with respect to convictions related to participation in title XVIII or XIX on or after July 18, 1984, and

(C) in the case of individuals and entities, with respect to convictions related to participation in title V on or after the date of enactment of this Act.

(2) The requirements of section 1128(c)(2), as amended by this section, that an exclusion based on section 1128(a) be for a minimum of five years, shall not apply in the case of a proceeding commenced before the date of enactment of this Act.

CIVIL MONETARY PENALTIES

SEC. 4. (a)(1) Section 1128(a)(1) (42 U.S.C. 1320a-7a(a)(1)) is amended—

(A) in the matter preceding subparagraph (A), by striking out "determines is for a medical or other item or service—" and inserting instead "determines—";

(B) in subparagraph (A), by inserting "is for a medical or other item or service" before "that the person knows";

(C) in subparagraph (B), by striking out "payment for which" and inserting instead "is for a medical or other item or service for which payment," and by striking out "section 1128" and all that follows and inserting instead "this section or section 1128, 1156, 1160(b) (as in effect on September 2, 1982), 1862(d) (as in effect on September 30, 1985), or 1866(b)(2), or";

(D) by adding after subparagraph paragraph (B) the following new subparagraph:

"(C) the person knows or has reason to know is false or fraudulent.".

(2) Section 1128(a)(1) (42 U.S.C. 1320a-7a(a)(1)) is further amended by adding at the end the following new sentence: "In addition, the Secretary may exclude the person from participation in programs under title XVIII and XIX of this Act, in accordance with the provisions of section 1128.

(3) No civil penalty or assessment may be imposed under section 1128A of the Social Security Act (42 U.S.C. 1320a-7a), in the case of claims filed before August 13, 1981, if liability for the amount of the penalty or assessment could not have been imposed with respect to the claim under section 3729 of title 31, United States Code (relating to false claims).

(b)(1) Section 1128A(b)(1) (42 U.S.C. 1320a-7a(b)(1)) is amended by adding at the end the following new sentence: "The Secretary may initiate an action under this section by personal service of or by mailing by registered or certified mail the notice required by paragraph (2).".

(2) Section 1128A(b) (42 U.S.C. 1320a-7a(b)) is further amended by adding at the end the following new paragraph:

"(3) The Secretary may not initiate an action under this section with respect to any claim later than six years after the date the claim was presented. For the purpose of computing the limitations period, there shall be excluded all periods during which facts material to the right of action are not known and reasonably could not be known by an official or agent of the United States charged with the responsibility to act in the circumstance.".

(c) Section 1128A (42 U.S.C. 1320a-7a) is amended in subsections (b), (c), (f), and (g) by striking out "penalty or assessment" each place it occurs and inserting instead "penalty, assessment, or exclusion".

(d) Section 1128A(e)(1)(A) (42 U.S.C. 1320a-7a(e)(1)(a)) is amended by striking out all that follows "there shall be paid to the State agency" and inserting instead "an amount bearing the same proportion to the total amount recovered as the State's share of the amount paid by the State agency for such claim bears to the total amount paid for such claim.".

(e) Section 1128A(g) (42 U.S.C. 1320a-7a(g)) is further amended by inserting "the appropriate State agency or agencies administering or supervising the administration of the programs under titles V and XIX," after "professional organization,".

(f) Section 1128A (42 U.S.C. 1320a-7a) is amended by adding at the end the following new subsections:

"(i) The provisions of sections 205 (d) and (e) shall apply with respect to this section to the same extent as they are applicable with respect to title II.

"(j) Whenever the Secretary has reason to believe that any person has engaged or is engaging in any activity which makes the person subject to a civil monetary penalty under this section, the Attorney General, at the request of the Secretary, may bring an action in an appropriate district court of the United States (or, if applicable, a United States court of any territory) to enjoin such activity, or to enjoin such person from concealing, removing, encumbering, or otherwise disposing of assets which may be required in order to pay a civil monetary penalty if any such penalty were to be imposed, or to seek other appropriate relief.".

AMENDMENTS TO REQUIREMENTS CONCERNING DISCLOSURE OF FINANCIAL INTEREST

SEC. 5. (a) Section 1124(a)(3)(A)(ii) (42 U.S.C. 1320a-3(a)(3)(A)(ii)) is amended by striking out "$25,000 or".

(b)(1) Section 1126(a) (42 U.S.C. 1320a-5(a)) is amended in the first sentence by striking out "or other institution" and all that follows and inserting instead the following: "or other entity (other than an individual practitioner or group of practitioners) shall be required to disclose to the Secretary or to the appropriate State agency the name of any person who has an ownership or control interest (as defined in section 1124(a)(3)) in such entity, or is a managing employee (as defined in subsection (b)) of such entity, and who is a person described in section 1128(b)(6)(B).".

(2) Section 1126(a) (42 U.S.C. 1320a-5(a)) is amended in the second sentence by striking out "institution, organization, or agency" and inserting instead "entity".

(3) Section 1126(b) (42 U.S.C. 1320a-5(b)) is amended by striking out "institution, organization, or agency" each place it occurs and inserting instead "entity".

STANDARDS FOR MEDICAID PROVIDERS

SEC. 6. (a) Section 1156(a) (42 U.S.C. 1320c-5(a)) is amended—

(1) by inserting "or title XIX" after "title XVIII", and

(2) by striking out "such title" and inserting instead "such titles".

(b) Section 1156(b) (42 U.S.C. 1320c-5(b)) is amended by inserting "or XIX" after "title XVIII" each place it occurs.

DENIAL OF MEDICAL PAYMENTS FOR ITEMS ORDERED BY EXCLUDED PHYSICIAN; MEDICARE CONFORMING AMENDMENTS

SEC. 7. (a) Section 1862(d) is repealed.

(b) Section 1862(e) (42 U.S.C. 1395y(e)) is amended to read as follows:

"(e) No payment may be made under this title with respect to any item or service—

"(1) furnished by an individual or entity during the period when such individual or entity is excluded pursuant to section 1128 or 1128A from participation in the program under this title;

"(2) (other than an emergency item or service) furnished at the direction or on the prescription of a physician during the period when he is excluded pursuant to section 1128 or 1128A from participation in the program under this title;".

(c) Section 1886(f)(3) (42 U.S.C. 1395ww(f)(3)) is repealed.

DENIAL OF MEDICAL PROVIDER AGREEMENT

SEC. 8. (a) Section 1866(a)(3) (42 U.S.C. 1395cc(a)(3)) is repealed.

(b) Section 1866(b) (42 U.S.C. 1395cc(b)) is amended to read as follows:

"(b)(1) A provider of services may terminate an agreement with the Secretary under this section at such time and upon such notice to the Secretary and the public as may be provided in regulations, except that notice of more than 6 months shall not be required.

"(2) The Secretary may refuse to enter into an agreement under this section, and (upon such reasonable notice to the provider and the public as may be specified in regulations) may refuse to renew or may terminate (and, where the Secretary determines that a provider's deficiencies immediately jeopardize the health and safety of its patients, shall refuse to renew or shall terminate) an agreement under this section, after the Secretary has determined—

"(A) that the provider fails to comply substantially with the provisions of such agreement, or with the provisions of this title and regulations thereunder, or

"(B) that the provider fails substantially to meet the applicable provisions of section 1861, or

"(C) pursuant to section 1128 or 1128A that the provider of services should be excluded from participation in the program under this title.

"(3) A termination of an agreement under this subsection shall be effective with respect to items or services furnished on or after the effective date of such termination (which, in the case of a termination based on a determination described in paragraph (2)(C) shall be the effective date of exclusion under section 1128 or 1128A), but payment may be made for items and services furnished after the effective date of the termination as provided in section 1128(c)(2)(B).".

(c)(1) Section 1866(c) (42 U.S.C. 1395cc(c)) is amended in paragraphs (1) and (3)

(A) by inserting "the Secretary has terminated or has refused to renew" after "Where", and

(B) by striking out "has been terminated by the Secretary".

(2) Section 1866(c)(1) (42 U.S.C. 1395cc(c)(1)) is amended by inserting "or refusal to renew" after "termination".

(d)(1) Section 1866 (42 U.S.C. 1395cc) is further amended by adding at the end the following new subsection:

"(g) Any entity dissatisfied with an adverse determination by the Secretary under this section (including a determination that it is not a provider of services) shall be entitled to a hearing thereon by the Secretary (after reasonable notice) to the same extent as is provided in section 205(b), and to judicial review of the Secretary's final decision after such hearing as is provided in section 205(g), except that an entity shall not be entitled to separate notice and opportunity for hearing under both section 1128 and this section with respect to a determination or determinations based on the same underlying facts and issues.".

(2) Section 1869(c) (42 U.S.C. 1395ff) is repealed.

ALTERNATIVE TO TERMINATION OF MEDICARE PROVIDER AGREEMENTS

SEC. 9. (a) Section 1866 (42 U.S.C. 1395cc), as previously amended by section 9 of this Act, is further amended in subsection (b)(3), by striking out "A termination" and inserting instead "Except as provided in subsection (f), a termination".

(b) Section 1866(f) (42 U.S.C. 1395cc(f)) is amended to read as follows:

"(f)(1) Where the Secretary (A) determines that a provider of services no longer complies substantially with the provisions of its agreement under subsection (a)(1), or with the provisions of this title and regulations thereunder, or with the applicable provisions of section 1861, (B) further determines that the provider's of section 1861, (B) further determines that the provider's deficiencies do not immediately jeopardize the health and safety of its patients, and (C) has given the provider a reasonable opportunity to correct its deficiencies and, following this period, has given reasonable notice to the provider and the public, the Secretary may, in lieu of terminating immediately the agreement under this section, notify the provider of the deficiencies that form the basis of the determination to impose the sanction under this subsection, and of the date by which the deficiencies must be corrected, which date may not be later than six months (or in the case of a skilled nursing facility one year) after the date of the notice to the provider.

"(2) During the period established by the notice under paragrpah (1), payment under this title may be made, for items and services furnished by a provider which is the subject of such a notice—

"(A) in the case of inpatient services, only for services provided to an individual admitted to the institution before the date of the notice, and

"(B) in the case of all other services, only for services which were scheduled to be provided (as defined by the Secretary in regulations) before the effective date of the notice.

"(3) The Secretary shall promptly notify each appropriate State agency which administers or supervises the administration of a plan under title XIX of a determination under paragraph (1) with respect to any provider of services, and may require such State agency to make payment under title XIX to the provider only as provided in paragraph (2).

"(4) If the Secretary determines that the deficiencies specified in the notice under paragraph (1) have not been corrected by the deadline stated in the notice, the Secretary shall terminate the agreement under this section, in accordance with subsection (b), effective with respect to all items and services, as of the date by which the deficiencies were required to be corrected.".

CONDITIONAL APPROVAL OF SUPPLIERS

SEC. 10. Title XVIII is amended by adding at the end the following new section:

"CONDITIONAL APPROVAL OF SUPPLIERS

"SEC. 1890. (a) In any case where—

"(1) an individual or entity (other than a provider) must obtain, as a condition of participation in the program under this title or as a condition of coverage under this title of items and services furnished by such individual or entity, certification that it meets the statutory conditions imposed under this title and the additional conditions found necessary by the Secretary, and

"(2) the Secretary (A) finds that such individual or entity is not in substantial compliance with such conditions, (B) also finds that the individual's or entity's deficiencies do not immediately jeopardize the health and safety of patients, and (C) has given the individual or entity a reasonable opportunity to correct its deficiencies and, following that period, has given reasonable notice to the provider and the public.

the Secretary may, in lieu of terminating approval of the individual or entity, notify the individual or entity of the deficiencies

that form the basis of the determination to impose the sanction under this section, and of the date by which the deficiencies must be corrected, which date may not be later than six months after the date of the notice to the individual or entity.

"(b) During the period established by the notice under subsection (a), payment under this title may be made only for services which were scheduled to be provided (as defined by the Secretary in regulations) before the effective date of the notice.

"(c) The Secretary shall promptly notify each appropriate State agency which administers or supervises the administration of a plan under title XIX of a determination under subsection (a) with respect to any individual or entity, and may require such State agency to make payment under title XIX to the individual or entity only as provided in subsection (b).

"(d) If the Secretary determines that the deficiencies specified in the notice under subsection (a) have not been corrected by the deadline stated in the notice, the Secretary shall terminate approval of the individual or entity, effective with respect to all items and services, as of the date by which the deficiencies were required to be corrected, and shall so notify the individual or entity, the public, and appropriate State agencies administering or supervising the administration of a plan under title XIX.".

AMENDMENT RELATING TO FRAUD INVOLVING MEDICARE SUPPLEMENTAL HEALTH INSURANCE

SEC. 11. Section 1882(d)(1) (42 U.S.C. 1395ss(d)(1)) is amended by striking out "knowingly or willfully" and inserting instead "knowingly and willfully".

DENIAL OF MEDICAID PAYMENT FOR ITEMS ORDERED BY EXCLUDED PHYSICIAN; MEDICAID CONFORMING AMENDMENTS

SEC. 12. (a) Section 1902(a)(38) (42 U.S.C. 1396a(a)(38)) is amended by striking out "respectively" and all that follows and inserting instead "the information described in section 1128(b)(9);".

(b) Section 1902(a)(39) (42 U.S.C. 1396(a)(39)) is amended—

(1) by striking out "bar" and inserting instead "exclude",

(2) by striking out "person" each place it occurs and inserting instead "individual or entity", and

(3) by inserting "or 1128A" after "section 1128".

(c) Section 1903(i) (42 U.S.C. 1396b(i)) is amended in paragraphs (1) and (2) to read as follows:

"(1) with respect to any amount expended for items or services furnished under the plan by any individual or entity during the period when such individual or entity is excluded pursuant to section 1128 or 1128A from participation in the program under this title; or

"(2) with respect to any amount paid for an item or service (other than an emergency item or service) furnished at the direction or on the prescription of a physician, during the period when such physician is excluded pursuant to section 1128 or 1128A from participation in the program under this title.".

CLARIFYING AMENDMENT CONCERNING STATES' AUTHORITY TO EXCLUDE INDIVIDUALS AND ENTITIES FROM MEDICAID PROGRAM

Sec. 13. (a) Section 1902 (42 U.S.C. 1396a) is amended by adding after subsection (f) the following new subsection:

"(g) The State agency, for good cause (including any reason for which the Secretary could exclude such individual or entity from participation in the programs under this title or title XVIII pursuant to section 1128, 1128A, or 1866(b)), may refuse to enter into or may terminate any agreement with or otherwise exclude an individual or entity for purposes of participation under the State plan, and may refuse otherwise to approve or may terminate approval of an individual or entity for such purposes.".

(b) Section 1903(n) (42 U.S.C. 1396b(n)) is repealed.

STATES' AUTHORITY TO IMPOSE ALTERNATIVE SANCTIONS ON MEDICAID PROVIDERS

Sec. 14. Section 1902(i) (42 U.S.C. 1396a(i)) is amended to read as follows:

"(i)(1) In addition to any other authority under State law, where a State agency (A) determines that a provider with which it has an agreement under subsection (a) (27) no longer substantially meets the conditions of participation in the program under its plan, (B) further determines that the provider's deficiencies do not immediately jeopardize the health and safety of its patients, and (C) has given the provider a reasonable opportunity to correct its deficiencies and, following that period, has given reasonable notice to the provider and the public, the State agency may, in lieu of terminating immediately its agreement with the provider under subsection (a)(27), notify the provider of the deficiencies that form the basis of the determination to impose the sanction under this subsection, and of the date by which the deficiencies must be corrected, which date may not be later than six months (or, in the case of a skilled nursing facility, intermediate care facility, or institution for mental diseases, one year) after the date of the notice to the provider.

"(2) During the period established by the notice under paragraph (1), the State agency shall provided that payment under the State plan may be made, for items and services furnished by a provider which is the subject of such a notice—

"(A) in the case of inpatient services, only for services provided to an individual admitted to the institution before the date of the notice, and

"(B) in the case of all other services, only for services which were scheduled to be provided (as defined by the Secretary in regulations) before the effective date of the notice.

"(3) The State agency shall promptly notify the Secretary of a determination under paragraph (1) with respect to any provider of services.

"(4) If the State agency determines that the deficiencies specified in the notice under paragraph (1) have not been corrected by the deadline stated in the notice, the State agency shall terminate the agreement with the provider under subsection (a)(27), effective with respect to all items and services, as of the date by which the deficiencies were required to be corrected.".

AMENDMENTS TO UTILIZATION CONTROL REQUIREMENTS

SEC. 15. (a) Section 1903 (g)(1) (42 U.S.C. 1396b(g)(1)) is amended by striking out "(whether or not such days are consecutive), during any fiscal year," and inserting instead "during any fiscal year (whether or not such days are consecutive) or during any consecutive stay (whether or not during the same fiscal year),".

(b) Section 1903(7) (42 U.S.C. 1396b(7)) is redesignated section 1903(g)(7) and relocated immediately after section 1903(g)(6).

DENIAL OF MEDICAID PAYMENT TO STATES WHERE INFORMATION SUPPORTING CLAIMS IS NOT FURNISHED TO SECRETARY

SEC. 16. Section 1903(i) (42 U.S.C. 1396b(i)) is amended—

(1) by striking out the period at the end of paragraph (7) and inserting "; or" instead, and

(2) by adding below paragraph (7) the following new paragraph:

"(8) with respect to any amount paid under the State plan to any individual or entity that has failed to furnish to the Secretary, upon request, information required to be furnished pursuant to this title or title XI or XVIII, unless the Secretary finds that there is good cause for such failure.".

SECRETARY'S "LOOK-BEHIND" AUTHORITY WITH RESPECT TO CERTIFICATION OF MEDICAID LONG TERM CARE FACILITIES

SEC. 17. (a) Section 1910(c)(1) (42 U.S.C. 1396i(c)(1)) is amended in the second sentence by inserting before the period at the end ", which is the case of a facility participating in programs under both title XVIII and this title shall be the same date for both, and shall be effective with respect to services furnished on or after such date, except that payment may be made for up to thirty days for services furnished to an individual admitted to such facility before the effective date.".

(b) Section 1910(c) (42 U.S.C. 1396i(c)) is further amended by redesignating paragraph (2) as paragraph (3) and adding after paragraph (1) the following new paragraph:

"(2)(A) Where the Secretary (i) determines that a skilled nursing facility or intermediate care facility which is certified for participation under this title no longer substantially meets the provisions of section 1861(j) or section 1905(c), respectively, (ii) further determines that the facility's deficiencies do not immediately jeopardize the health and safety of its patients, and (iii) has given the facility a reasonable opportunity to correct its deficiencies and, following that period, has given reasonable notice to the facility and the public, the Secretary may, in lieu of canceling immediately the certification of the facility, notify the facility of the deficiencies that form the basis of the determination to impose the sanction under this paragraph, and of the date by which the deficiencies must be corrected, which date may not be later than one year after the date of the notice to the facility.

"(B) Payment under a State plan under this title, with respect to the period established by the notice under subparagraph (A), may be made to such facility, at the Secretary's option, either (i) only for services provided to an individual admitted to the facility before the date of the notice, or (ii) for services to all eligible individual during such period, but only after the Secretary is satisfied that the deficiencies have been corrected.

"(C) If the Secretary determines that the deficiencies specified in the notice under subparagraph (A) have not been corrected by the deadline stated in the notice, the Secretary shall cancel approval of the facility to participate in programs under this title and title XVIII, in accordance with paragraph (1), as of the date by which the deficiencies were required to be corrected.".

(c) Section 1910(c)(3), as redesignated by subsection (b), is amended—

(1) in the first sentence, by striking out "that it no longer qualifies as a skilled nursing facility or intermediate care facility for

purposes of this title," and inserting instead "under this subsection"; and

(2) by striking out the second sentence.

REPORTING BY STATE LICENSING AUTHORITIES CONCERNING SANCTIONS AGAINST HEALTH CARE PRACTITIONERS

SEC. 18. (a) Title XIX is amended by adding after section 1918 the following new section:

"REPORTING BY STATE LICENSING AUTHORITIES CONCERNING SANCTIONS AGAINST HEALTH CARE PRACTITIONERS

"SEC. 1919. (a) (Information reporting system.) The State plan shall provide that the State will have in effect a system of reporting to the Secretary (or the Secretary's designee)—

"(1) all final adverse actions by any authority of the State (or of a political subdivision thereof) responsible for the licensing of individuals or entities to furnish health care items or services against any such individual or entity, including but not limited to revocation or suspension of a license, probation, and reprimand; and

"(2) any loss of the license of the individual or entity by voluntary surrender while a formal proceeding by the authority described in paragraph (1) was pending against such individual or entity.

Such report shall include the name and address of the individual or entity, the nature of the adverse action, the reasons for such action (or the reasons for and circumstances of other loss of the license), and the inclusive dates of any license suspension or probation.

"(b) (Access to documents.) The State plan shall provide that the State will afford the Secretary, upon reasonable request, an opportunity to inspect papers and records of the authority described in subsection (a) which constitute the record and findings of any formal proceedings by the authority leading to a determination with respect to an individual or entity reported under subsection (a)(1), or during which a license was surrendered as reported under subsection (a)(2), and any other papers and records of that authority directly relating to that proceeding.

"(c) (Use of information.) (1) The information described in subsection (a) shall be provided to the Secretary (or the Secretary's designee), and the information described in subsection (b) shall be made available for inspection by the Secretary, in such a form and manner as the Secretary may prescribe in regulations.

"(2) Information furnished to the Secretary (or the Secretary's designee) pursuant to subsection (a) may be provided by the Secretary (or the Secretary's designee) to Federal agencies administering Federal health care programs, to licensing authorities described in subsection (a), to State agencies administering or supervising the administration of State programs under this title or title V or other State health care programs, and to entities specified in section 1128A(g).

"(3) Information obtained by the Secretary (or the Secretary's designee) and other Federal entities under this section may be shared with the Attorney General of the United States, appropriate Inspectors General, and other Federal law enforcement agents.

"(4) Information obtained by the Secretary (or the Secretary's designee) or furnished by the Secretary (or the Secretary's designee) to any other entity under this section may not be provided to any individual or entity except as provided in this subsection. Where the Secretary's designee is the same entity used by a State as a clearinghouse for information concerning actions by State licensing authorities, nothing in this section shall prevent such entity from furnishing information to any other individual or entity with the approval of the State agency providing the information.

"(d) (Safeguards on use and disclosure.) (1) The Secretary, and State agencies and other entities receiving information under this section, shall provide for safeguards which restrict the use or disclosure of the information to purposes directly connected with the performance of the legal duties and responsibilities of the Secretary or the agency or entity, and such additional safeguards as necessary to assure the confidentiality of the information.

"(2) Notwithstanding the provisions of section 552 of title 5, United States Code (commonly referred to as the Freedom of Information Act), or any other provision of law, such information shall not be available under those provisions to any individual or entity except the individual or entity that is the subject of the report under subsection (a).

"(3) No information obtained by the Secretary or any other agency or entity under this section shall be subject to subpoena or discovery proceedings in a civil action.

(b) Section 1902(a) is amended—

(1) by striking out "and" at the end of paragraph (44);

(2) by striking out the period at the end of paragraph (45) and inserting instead "; and"; and

(3) by adding after paragraph (45) the following new paragraph:

"(46) provide that the State will comply with the requirements of section 1919 concerning information respecting sanctions taken by State licensing authorities against individuals and entities furnishing health care items and services.".

(c)(1) Except as provided in paragraph (2), the amendments made by this section shall become effective October 1, 1985.

(2) In the case of a State plan for medical assistance under title XIX of the Social Security Act which the Secretary of Health and Human Services determines requires State legislation in order for the plan to meet the additional requirements imposed by the amendments made by this section, the State plan shall not be regarded as failing to comply with the requirements of such title solely on the basis of its failure to meet these additional requirements before the first day of the first calendar quarter beginning after the close of the first regular session of the State legislature that begins after the date of the enactment of this Act.

REPEAL OF MORATORIUM ON SANCTIONS FOR DEPARTURES FROM CASH PROGRAM ELIGIBILITY RULES

SEC. 19. (a) Section 2373(c) of the Deficit Reduction Act of 1984 is amended—

(1) by repealing paragraphs (1), (2), and (4), and

(2) by striking out the paragraph designation "(3)".

(b) The amendment made by this section shall be effective on and after July 18, 1984.●

By Mr. CRANSTON:

S. 1324. A bill to amend the Small Business Investment Act of 1958 to increase the contract amount that the Small Business Administration may guarantee to any surety; to the Committee on Small Business.

INCREASE IN SMALL BUSINESS SURETY BOND GUARANTEE AUTHORITY

Mr. CRANSTON. Mr. President, I wish to introduce legislation today to increase the surety bond guarantee authority of the Small Business Administration [SBA] from $1 million to $1.5 million. This increase would allow small and minority companies to bid on larger Federal and State construction projects.

Surety bonds are broken into bid, payment, and performance bonds, and they protect the Government or private business from losses that result when a contractor defaults on a construction contract. The Miller Act requires all contractors that bid on Federal contracts over $25,000 to obtain surety bonds. Many State and local governments and private companies also require surety bonds from bidders on construction projects.

Although most public and private construction contracts require surety bonds; historically, surety companies have refrained from underwriting bonds for small and minority contractors. Surety companies have determined that small, startup companies are riskier than larger companies. To protect against risk, surety companies have implemented strict requirements in the areas of experience, years in business, and net worth that have made it almost impossible for small and minority companies to obtain surety bonds.

Historically it was found that small and minority companies faced almost insurmountable obstacles in their pursuit of surety bonds. In 1970 Congress addressed this problem by passing legislation to establish the Surety Bond Guarantee Program within the SBA. By guaranteeing up to 90 percent of the surety company's loss risk, this program has encouraged surety companies to provide bonds to small businesses, which may have the expertise but lack the capital base necessary to satisfy surety bond requirements.

The Surety Bond Guarantee Program has been successful in assisting small businesses to obtain surety bonds on their own merits. Once small companies have established a track record for completing construction projects and have established lines of credit, they are able to obtain surety bonds in the regular market. According to the SBA Administrator James Sanders, "SBA's assistance through the Surety Bond Guarantee Program has provided a genuine service to small contractors because it allows them to develop their business to a point where bonds can be secured without SBA's guarantees."

Currently, the surety bond guarantee can cover contracts up to $1 million. This ceiling has not been in-

creased since 1974 when it was raised from $500,000 to $1 million due to inflation. At that time, inflation had been increasing on the average of 1.5 times a month and had increased the price of an average contract from $500,000 to $750,000, so the program ceiling was raised to $1 million.

Inflation, once again, justifies an increase in the contract ceiling of the Surety Bond Guarantee Program. According to the Congressional Research Service, inflation has caused the U.S. Department of Commerce's Cost Index to increase by 92.1 percent from 1974 to 1983. In other words, a construction project that cost $1 million in 1974 would have cost $1.9 million in 1984.

Since the current $1 million contract ceiling has not been raised to reflect cost increases due to inflation, the number of contracts available to small and minority contractors to bid on have decreased. For instance, in 1984, $71.6 billion was spent on nonresidential construction projects. Of this amount, $51.7 billion was spent on construction projects that exceeded $1 million in value. The $51.7 billion represented 72 percent of the total amount of money that Federal, State, and local governments and the private sector spent on nonresidential construction contracts. Consequently, small businesses may have been unable to obtain surety bond guarantees for almost three-fourths of last year's nonresidential construction contracts.

I am proposing that the Surety Bond Guarantee Program ceiling be increased from $1 million to $1.5 million. Such an increase would partially offset the effect of inflation on construction costs and would allow small contractors the opportunity to compete for larger contracts.

According to the SBA, small and minority contractors are able to complete construction projects at lower costs. By encouraging small and minority business participation, the Surety Bond Guarantee Program has allowed Federal, State and local governments to save $503.3 million in construction costs. Since the bill would allow small contractors to compete for larger contracts, Federal, State, and local governments would be able to save more money on their projects.

This bill would not add to the budget deficit. According to the Congressional Budget Office, since the Surety Bond Guarantee Program charges fees for use of the program by contractors, an increase in the contract limit would not result in an additional need for appropriations. The SBA would be able to increase the fees of this program to cover additional costs that may result from the bill.

Raising the ceiling would give small companies the ability to compete for a larger share of public works contracts, which includes nonresidential construction projects, and would stimulate growth in this vital industrial sector. This bill would also lead to an increase in employment opportunities for many Americans.

By Mr. HEINZ (for himself, Mr. GLENN, and Mr. DODD):

S. 1325. A bill to amend titles XVIII and XIX of the Social Security Act to require second opinions with respect to certain surgical procedures as a condition of payment under the Medicare and Medicaid Programs; to the Committee on Finance.

MEDICARE AND MEDICAID SECOND OPINION ACT

● Mr. HEINZ. Mr. President, today I am introducing a bill which offers savings to the American people—not only in terms of dollars but in human lives as well. The Medicare and Medicaid Second Opinion Act requires beneficiaries to obtain a second qualified medical opinion before undergoing certain elective surgical procedures as a condition of coverage. It enables beneficiaries to make informed decisions regarding the desirability of surgery and to protect themselves against unnecessary surgery.

Millions of older Americans are subjected unnecessarily to the high risk and expense of the surgeon's scalpel every year—jeopardizing both their lives and the fiscal health of Federal health programs. At a recent hearing of the Special Committee on Aging, we learned that older Americans are being wheeled into operating rooms at astonishing rates—rates which are much higher than those for the under-65 population. Americans over 65 are subjected to 80 percent more surgeries than those under age 65. For the 11 most common elective surgical procedures, there has been a 130-percent increase in the surgery rates for aged patients just since Medicare was enacted. Artery bypass surgery for older men alone has increased faster than any other type of surgery, rising 1,000 percent between 1971 and 1978.

The result of this staggering and unprecedented rise in surgery rates is that nearly half of all Medicare expenditures, or $20 billion, are spent for surgery or surgery-related services. According to unpublished data provided to the Special Committee on Aging, much of this surgery is unnecessary. These data show, for example, that as much as 36 percent of cataract surgery, 31 percent of gall bladder surgery, and 33 percent of pacemaker surgery may be unnecessary.

Unnecessary surgery must be reduced for two critical reasons. First, unnecessary surgery poses a serious health risk for our older population. Surgery is dangerous for anyone, but especially for older Americans, who face a much higher risk of complications, disability and even death from surgery.

Second, reducing or eliminating unnecessary surgery could save billions of dollars for the Medicare and Medicaid Programs—dollars that are desperately needed by those programs in order to provide quality care to the growing elderly population. The inspector general of HHS estimated in 1983 that a mandatory second opinion program could save $60 million a year for Medicaid and $95 million a year for Medicare.

How is it possible that so much unnecessary surgery is performed? The answer is, in part, that medicine is a very subjective profession, which cannot be reduced to "cookbook" certainty. It is now a well-documented fact that the medical services provided for a given health status vary widely from place to place. For example, the probability that a woman will undergo a hysterectomy before she reaches age 75 varies from less than 15 percent to well over 60 percent depending solely on what part of the country she lives in. Similarly, the chances that a man will have prostatectomy by age 75 vary from a low of about 15 percent to well over 50 percent in different hospital market areas. Naturally, some variation in surgery rates is to be expected based, for example, on characteristics of the local population. But the extreme variations that exist and are not tied to such factors reveal a simple fact: For many common medical conditions, there is no reliable consensus among health practitioners as to which treatment is either appropriate or necessary.

As a consequence, the recommendations of individual doctors for the same medical conditions can and often do vary substantially. For example, physicians could not agree on the need for surgery for about 30 percent of all Medicare beneficiaries participating in the HCFA-sponsored New York demonstration project. Clearly, this lack of medical or scientific certainty makes it possible for physicians to recommend surgery based on their own subjective experiences. And worse, this same uncertainty makes it possible for variations in surgical rates to be produced by such factors as physicians' idiosyncrasies, inexperience, or insecurity on the part of physicians, varying interpretations of the need to practice defensive medicine, and unexamined viewpoints about the relative risks and benefits associated with different treatment options. The risks involved in surgery are simply too great to be chanced on the basis of any of these factors.

The best way to protect patients against this situation is to see that they are armed with more complete information in order to make informed choices about surgery and to reduce or eliminate that portion of the variation

in surgical rates which represents truly unnecessary surgery.

Under the Medicare and Medicaid Second Opinion Act, beneficiaries would be required to obtain a second opinion before undergoing certain elective surgical procedures as a condition of coverage. It is important to note that this bill does not interfere with the patient's decision on whether or not to undergo the surgery, nor does it limit coverage to those situations where the second opinion confirms the first. Also, in cases of extreme hardship, such as the absence of another physician within reasonable geographic proximity, the request would be waived. All that is required by this bill is that the patient get a second opinion in order to make an informed decision about surgery and to protect himself or herself against dangerous unnecessary surgery. This second opinion will be made available with no additional out-of-pocket cost imposed on the beneficiary since the bill requires 100-percent reimbursement for the second opinion.

It is important that patients be required to get a second opinion because they are often reluctant to seek second opinions on their own initiative, even when they have doubts about their doctors' recommendations, for fear of offending them. Under this mandatory second opinion program—where the only thing mandated is that the patient get a second opinion—beneficiaries will no longer feel uneasy about requesting a second opinion because it will now be required by law.

Second opinion programs have a proven track record in the private sector where their use has grown dramatically over the past several years, with startling results. Rates for certain targeted surgical procedures have fallen as much as 60 percent. Net savings for the insurers range up to $8 dollars saved for every $1 dollar spent in implementation. Today, about two-thirds of all Blue Cross plans require second opinions prior to elective surgery.

Ten States have also chosen to add mandatory second surgical opinion programs to their Medicaid plans, and several peer review organizations [PRO's] have instituted mandatory second surgical opinion programs for the Medicare beneficiaries they protect.

Mr. President, at this point it is important that I address a very common misunderstanding, that somehow mandatory second surgical opinion programs [MSSOP's] duplicate the medical reviews conducted by peer review organizations. At this time, few PRO's are seriously addressing the question of the value of second opinion programs in terms of improving beneficiary information and equipping them to avoid dangerous, expensive, and unnecessary surgery. Nevertheless, many people are asking whether PRO's don't produce the same effects, thereby eliminating the need for second opinion programs. The answer to that question is a resounding "No."

First, the cost containment objectives contained in the PRO contracts with the Health Care Financing Administration [HCFA] concentrate on determining the appropriate site for care—that is, inpatient versus outpatient—rather than the advisability of surgical versus nonsurgical treatment.

Second, the reviews that PRO's do conduct regarding the medical necessity for surgery are usually reviews of the patient's files, frequently conducted months after the surgery was performed. Review after the fact fails to address the patient's special and unique needs, inform the patient of other available treatment options, or save the patient from being subjected to dangerous, costly and unnecessary surgery. Only a second opinion prior to surgery, based on a physical examination of the patient by physician, can produce the desired results.

Third, the so-called sentinel effect of PRO review is weaker than it would be with a MSSOP because physicians know that PRO's will only look at the physician record and not examine the patients. In addition, PRO's don't review those surgeries which have high nonconfirmation rates among the elderly. A report by the inspector general of HHS, which I am releasing today, shows that, at best, PRO review of certain high volume, high cost surgical procedures covers only 30 percent of the Medicare population—and, at worst, 10 percent.

Furthermore, PRO's do not review a high enough percentage of the few surgeries targeted for review to make a difference. More than 60 percent of the PRO's don't review any of the surgeries which would most likely be required to get a second opinion. Moreover, the sentinel effect which influences doctors to carefully consider the need for surgery because of the likelihood of review by another physician is substantially more in evidence when the review is mandatory and prospective.

The IG report concludes that "PRO's were not designed to provide consumer education to the elderly and their ability to create a major sentinel effect similar to mandatory SSOP's is questionable based on their review of coverage and methodology."

In short, the key distinction between the function of PRO's and second opinion programs is that PRO's, for the most part, respond retrospectively to make sure that Federal programs haven't paid for a limited number of surgeries which they've deemed unnecessary. Second opinion programs, on the other hand, aim to prevent the patient from ever submitting to the surgeon's scalpel without due cause. Under a second opinion program, the patient's choice—not the local physician's preferences—becomes the check on unnecessary surgery.

The Aging Committee has been urged by the American Association of Retired Persons, the inspector general of HHS, and business and industry executives to implement a mandatory second opinion program for Medicare and Medicaid in order to achieve cost savings, improve the quality of care, and create an increasingly informed population of health care consumers. I believe that Federal beneficiaries would receive the same benefits as those on the State level and in the private sector. My confidence in this assertion is confirmed by a 1980 internal memorandum from the HCFA Administrator to the Secretary of HHS which reads as follows:

* * * As a result of improved access to second opinions, many Medicare and Medicaid beneficiaries will *avoid the personal trauma of unnecessary surgery* * * *. As another benefit of improved access to second opinions, participating beneficiaries will be in a position *to make more informed decisions about whether or not to undergo elective surgery* * * *. *Data from the oldest such Medicaid mandatory program indicates that mandatory programs will yield cost savings.*

Mr. President, there will always be disagreement among physicians as to the appropriate treatment for specific conditions. This is to some extent a reflection of the fact that medical judgment is not and cannot be absolute. Medical debate is crucial to the advancements of scientific knowledge. A second opinion program is not intended to interject Government into the debate, but aims to educate patients about their health care options. By arming beneficiaries with the information needed to be discerning health care consumers, we can put an end to the double jeopardy unnecessary surgery holds for older Americans. I urge you to join me in trying to give older Americans this chance.

Mr. President, I ask unanimous consent that a summary of the Medicare and Medicaid Second Opinion Act and the text of the bill printed in the RECORD at this point.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 1325

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SECTION 1. This Act may be cited as the "Medicare and Medicaid Second Opinion Act of 1985".

MEDICARE REQUIREMENTS

SEC. 2. (a) IN GENERAL.—Title XVIII of the Social Security Act is amended by adding at the end thereof the following new section:

"SECOND OPINIONS FOR CERTAIN SURGICAL PROCEDURES

"SEC. 1890. (a) CONDITION OF PAYMENT.—No payment shall be made under part A or part B with respect to items or services furnished in connection with a surgical procedure listed by the Secretary pursuant to this section unless the individual undergoing the procedure (or such individual's representative) obtains a second opinion as to the necessity and appropriateness of such procedure, in accordance with this section. For purposes of determining whether an opinion is the second opinion, the first opinion must be made by a physician who is qualified to perform the surgical procedure, and the second opinion is any subsequent opinion made by a physician of the appropriate speciality, as determined under subsection (b)(3). Such second opinion need not necessarily agree with the first opinion in order for payment to be made.

"(b) SURGICAL PROCEDURES TO WHICH CONDITION APPLIES.—

"(1) SECRETARY TO ESTABLISH LIST.—The Secretary shall establish a list of not less than 10 surgical procedures to which the requirements of this section shall apply. The Secretary shall establish such list based upon the following criteria:

"(A) The procedure is one which generally can be postponed without undue risk to the patient.

"(B) The procedure is a high volume procedure among patients who are covered under the programs established under this title, or is a high cost procedure.

"(C) The procedure has a high rate of nonconfirmation upon requesting a second opinion, based upon data available to the Secretary from any sources.

"(2) LIST VARIATIONS.—The Secretary may vary the list on a State-by-State basis, or within areas of a State, if data available with regard to volume and costs of procedures suggest that to do so would be cost effective and would better serve the purposes of this section.

"(3) LIST TO SPECIFY SPECIALISTS WHO MUST RENDER SECOND OPINION.—The Secretary shall specify, for each procedure on a list established under this subsection, the type or types of board certified or board eligible specialists who must be consulted for the second opinion, based upon the nature of the procedure.

"(C) REFERRAL MECHANISM FOR SECOND OPINIONS.—

"(1) USE OF PRO AS REFERRAL CENTER.—The Secretary shall enter into or modify contracts with utilization and quality control peer review organizations under which such organizations shall serve as referral centers for second opinions required under this section. Each such organization shall, if the patient seeking the second opinion so requests, obtain the relevant medical records from the physician who rendered the first opinion that the procedure was necessary, and provide the relevant information to the physician selected by the patient to render the second opinion in such form so as not to identify the physician who rendered the first opinion.

"(2) REFERRAL OF PATIENT.—If the patient seeking the second opinion so requests, the organization shall refer such patient to a physician of the appropriate specialty for purposes of providing the second opinion. The organization shall only make such referrals to physicians who are participating physicians or who agree to accept assignment for all such referrals.

"(3) FREEDOM OF CHOICE OF PATIENT TO CHOOSE PHYSICIAN.—Subject to paragraph (4), the patient may choose any physician of the proper specialty to provide the second opinion.

"(4) PHYSICIANS PROHIBITED FROM PROVIDING SECOND OPINION.—For purposes of this section, a second opinion may not be provided by a physician who is affiliated with, or has any direct or indirect common financial interest with, the physician who rendered the first opinion that the procedure was necessary.

"(5) USE OF OTHER ENTITIES AS REFERRAL CENTERS.—(A) If no utilization and quality control peer review organization is available to perform the functions described in this subsection, the Secretary may enter into an agreement with a State or local agency or appropriate private entity to perform such functions.

"(B) If a State is utilizing an entity other than a utilization and quality control peer review organization to provide referrals pursuant to section 1919, the Secretary may enter into an agreement under this section with such entity to perform the functions described in this section (rather than with a utilization and quality control peer review organization) if the Secretary determines that such arrangement would be more cost effective and would adequately protect the patients receiving benefits under this title.

"(d) EXCEPTIONS TO REQUIREMENT.—The requirements of this section shall not apply—

"(1) if delay in providing the surgical procedure would be a risk to the patient;

"(2) if no physician is available (within such reasonable limits as the Secretary shall determine by regulation) who is (A) an appropriate specialist, and (B) a participating physician or a physician who has agreed to accept assignment for the second opinion; or

"(3) the surgical procedure is to be performed on a patient who is a member of a health maintenance organization or competitive medical plan having a risk sharing contract with the Secretary under section 1876(g).

"(e) DUTIES OF PHYSICIANS, HOSPITALS, AND AMBULATORY SURGICAL CENTERS TO NOTIFY PATIENTS.—

"(1) NOTICE.—Any physician, hospital, or ambulatory surgical center shall, prior to furnishing services in connection with a surgical procedure which requires a second opinion pursuant to this section, inform the patient of the necessity of obtaining a second opinion, and make available to the patient, or to the entity performing a referral under subsection (c) if so requested by the patient, any medical records necessary in order for the patient to obtain such second opinion.

"(2) SANCTIONS.—(A) In the case of any physician, hospital, or ambulatory surgical center which fails to notify a patient of the need to obtain a second opinion or fails to make available medical records, as required under paragraph (1), the Secretary may—

"(i) impose a civil monetary penalty and assessment, in the same manner as such penalties are authorized under section 1128A(a), or

(ii) in the case of a second or subsequent failure, bar the physician, hospital, or ambulatory surgical center from participation under the program under this title for a period not to exceed 5 years, in accordance with the procedures of paragraphs (2) and (3) of section 1862(d),

or both. No payment may be made under this title with respect to any item or service furnished by a physician, hospital, or ambulatory surgical center during the period when it is barred from participation in the program under this title pursuant to this subsection.

"(B) The Secretary may not bar a physician, hospital, or ambulatory surgical center pursuant to subparagraph (A) if such physician, hospital, or ambulatory surgical center is a sole source of essential services in a community.

"(C) The Secretary shall take into account access of beneficiaries to physicians' services and hospital services for which payment may be made under this title in determining whether to bar a physician, hospital, or ambulatory surgical center from participation pursuant to subparagraph (A).

"(D) In any case where payment under this title is denied by reason of this section, and a physician, hospital, or ambulatory surgical center failed to notify the patient as required by paragraph (1), the Secretary may, out of any civil monetary penalty or assessment collected from such physician, hospital, or ambulatory surgical center pursuant to this subsection, make a payment to the patient in the nature of restitution for amounts paid by such patient to such physician, hospital, or ambulatory surgical center which otherwise would have been paid under this title.

"(f) NOTICE BY SECRETARY.—

"(1) NOTICE TO PHYSICIANS, HOSPITALS, AND AMBULATORY SURGICAL CENTERS.—The Secretary shall notify all participating physicians, all hospitals having agreements under section 1866, all ambulatory surgical centers having an agreement with the Secretary described in section 1832(a)(2)(F), and to the extent feasible all other physicians, either directly or through carriers with whom the Secretary has a contract under section 1842, of the requirements of this section. The notice shall include the applicable list of surgical procedures to which such requirements apply, and a description of the penalties for failure to notify a patient concerning such requirements.

"(2) PUBLIC NOTICE.—The Secretary shall provide for periodic public notice to all beneficiaries under this title of the requirements of this section, including the applicable list of the surgical procedures to which such requirements apply. The Secretary shall make the applicable lists available at district and branch offices of the Social Security Administration, in the offices of carriers, and to senior citizen organizations.".

(b) WAIVER OF DEDUCTIBLE AND COPAYMENTS.—

(1) DEDUCTIBLE.—Section 1833(b) of the Social Security Act is amended by striking out "and" before "(4)", and by inserting before the period at the end of the first sentence the following: ", and (5) such deductible shall not apply with respect to items and services furnished in connection with obtaining a second opinion required under section 1890 (or a third opinion, if such second opinion was in disagreement with the first opinion)".

(2) COPAYMENTS.—(A) Section 1833(a)(1) of such Act is amended by striking out "and" before "(F)", and by inserting before the semicolon at the end thereof the following: ", and (G) with respect to items and services furnished in connection with obtaining a second opinion required under section 1890 (or a third opinion, if such second opinion was in disagreement with the first opinion), the amounts paid shall be 100 percent of the reasonable charges for such items and services".

(B) Section 1833(a)(2)(A) of such Act is amended by inserting ", items and services furnished in connection with obtaining a second opinion required under section 1890 (or a third opinion, if such second opinion was in disagreement with the first opinion)," after "(other than durable medical equipment)".

(C) Section 1833(a)(2)(D) of such Act is amended by striking out "or to a provider having an agreement under section 1866" and inserting in lieu thereof "to a provider having an agreement under section 1866, or for tests furnished in connection with obtaining a second opinion required under section 1890 (or a third opinion, if such second opinion was in disagreement with the first opinion)".

(c) CONFORMING AMENDMENTS.—

(1) EXCLUSIONS FROM COVERAGE.—Section 1862(a) of the Social Security Act is amended—

(A) by striking out "or" at the end of paragraph (13);

(B) by striking out the period at the end of paragraph (14) and inserting in lieu thereof "; or"; and

(C) by adding at the end thereof the following new paragraph:

"(15) furnished in connection with a surgical procedure if a second opinion is required under section 1890 but is not obtained.".

(2) PROVIDER AGREEMENTS.—Section 1866(a)(1) of such Act is amended—

(A) by striking out "and" at the end of subparagraph (G);

(B) by striking out the period at the end of subparagraph (H) and inserting in lieu thereof ", and"; and

(C) by inserting after subparagraph (H) the following new subparagraph:

"(I) to notify beneficiaries under this title for whom surgery is to be performed of the need to obtain a second opinion if such surgery is a procedure listed pursuant to section 1890.".

(3) PARTICIPATING PHYSICIANS.—Section 1842(h)(1) of such Act is amended by inserting before the period at the end of the second sentence the following: ", and that such physician will notify any beneficiary under this title for whom surgery is to be performed of the need to obtain a second opinion if such surgery is a procedure listed pursuant to section 1890".

(4) FUNCTIONS OF PEER REVIEW ORGANIZATIONS.—Section 1154(a) of such Act is amended by adding at the end thereof the following new paragraph:

"(12) The organization shall perform any referral functions for second opinions requested by the Secretary pursuant to section 1890(c).".

MEDICAID REQUIREMENTS

SEC. 3 (a) STATE PLAN REQUIREMENT.—Section 1902(a) of the Social Security Act is amended—

(1) by striking out "and" at the end of paragraph (45);

(2) by striking out the period at the end of paragraph (46) and inserting in lieu thereof "; and"; and

(3) by inserting after paragraph (46) the following new paragraph:

"(47) provide that second opinions shall be required for payment for certain surgical procedures in accordance with section 1919.".

(b) REQUIREMENT OF SECOND OPINION.—Title XIX of the Social Security Act is amended by adding at the end thereof the following new section:

"SECOND OPINIONS FOR CERTAIN SURGICAL PROCEDURES

"SEC. 1919. (a) IN GENERAL.—The State plan must contain requirements that second opinions be obtained before payment will be made under the plan for surgical procedures which are listed by the Secretary for such State (or for an area within the State) under section 1890.

"(b) MEDICARE REQUIREMENTS TO APPLY.—

"(1) IN GENERAL.—Except as otherwise provided in this section, the provisions of section 1890 as they apply to payment made for surgical procedures under title XVIII shall also apply to the requirement imposed by this section.

"(2) STATE MAY MODIFY LIST.—The State may, if approved by the Secretary, modify the list of surgical procedures applicable to such State (or an area within the State) if data indicates that the modification is cost effective, based upon the volume, cost, or rate of nonconfirmation of the procedure to be added or deleted from the list with respect to the population served by the State plan. No procedure may be added to the list unless the procedure is one which generally can be postponed without undue risk to the patent.

"(3) REFERRAL.—The State may enter into an agreement with a utilization and quality control peer review organization, in the same manner as the Secretary does so pursuant to section 1890(c), to provide the referral functions required by such section, or the State may utilize a State or local agency or a private entity to perform such functions.

"(4) NOTIFICATION AND ENFORCEMENT.—The State shall establish a mechanism for notifying physicians, hospitals, and ambulatory surgical centers of their duty to inform patients of the requirements of this section, and shall establish a method of enforcement of such requirement through the use of penalties, each of which is substantially equivalent to the notification and enforcement mechanisms applicable under section 1890.

"(c) COST SHARING NOT TO APPLY.—If the State plan requires any deduction, cost sharing, or similar charge for any individual, such requirement shall not apply to items and services furnished in connection with obtaining a second opinion required under this section (or a third opinion, if such second opinion was in disagreement with the first opinion).".

EFFECTIVE DATES

SEC. 4. (a) MEDICARE AMENDMENTS.—The amendments made by section 2 shall apply to items and services furnished on or after the first day of the first month which begins more than 6 months after the date of the enactment of this Act.

(b) MEDICAID AMENDMENTS.—

(1) IN GENERAL.—Except as provided in paragraph (2), the amendments made by section 3 shall apply to items and services furnished in calendar quarters beginning more than 6 months after the date of the enactment of this Act.

(2) DELAY WHERE STATE LEGISLATION IS REQUIRED.—In the case of a State plan for medical assistance under title XIX of the Social Security Act which the Secretary of Health and Human Services determines requires State legislation in order for the plan to meet the additional requirements imposed by the amendments made by section 3, the State plan shall not be regarded as failing to comply with the requirements of such title solely on the basis of its failure to meet these additional requirements before the first day of the first calendar quarter beginning more than 6 months after the date of the enactment of this Act, and after the close of the first regular session of the State legislature that begins after the date of the enactment of this Act.

(c) REGULATIONS.—The Secretary of Health and Human Services shall promulgate final regulations necessary to implement the amendments made by this Act within 6 months after the date of the enactment of this Act.

(d) INTERIM LIST.—(1) If the Secretary of Health and Human Services has not established a list or lists of surgical procedures requiring second opinions, as required under section 1890 of the Social Security Act, within 6 months after the date of the enactment of this Act, then the following list shall be in effect for purposes of such section:

Coronary artery bypass.
Cardiac pacemaker implantation.
Cataract surgery.
Gall bladder surgery.
Prostate surgery.
Knee surgery.
Hysterectomy.
Back surgery.
Hernia repair.
Hemorrhoidectomy.

(2) The list in paragraph (1) shall remain in effect until such time as the Secretary establishes a new list for the applicable State or area pursuant to section 1890.

STUDY

SEC. 5. The Secretary of Health and Human Services shall conduct a study of the results of the amendments made by this Act. Such study shall include any changes in utilization of surgical procedures, changes in nonconfirmation rates of second opinions, and outcomes in cases where surgery is not done after a second opinion failed to confirm the necessity of the surgical procedure. The Secretary shall report the results of the study to the Congress within 24 months after the date of the enactment of this Act.

THE MEDICARE AND MEDICAID SECOND OPINION ACT OF 1985

This bill amends the Social Security Act to require that beneficiaries obtain a second opinion before undergoing certain elective surgical procedures in order to receive reimbursement from Medicare and Medicaid.

This program conditions Medicare payment (under Part A and Part B) for certain elective surgical procedures on the obtaining of a second opinion. It requires only that a second opinion be obtained. It does not require that the second opinion confirm the recommendation for surgery. In other words, Medicare will pay as long as a second opinion is obtained, even if that opinion disagrees with the first.

What does this cost the beneficiary? Medicare will pay 100% of the reasonable cost of the second opinion, and 100% of the reasonable cost of a third opinion, if the beneficiary desires a third opinion to resolve conflicting first and second opinions.

A second opinion is not required:

If a delay in providing the surgical procedure would be a risk to the patient;

If no physician is available who is both (1) an appropriate specialist, and (2) a participating physician or one who has agreed to accept assignment for the second opinion; or

If the beneficiary is a member of a health maintenance organization or competitive

medical plan having a risk-sharing contract with the Secretary under Section 1876(g).

The Secretary is to establish a list of at least 10 elective surgical procedures for which second opinions are required. The list is to be established based upon the following criteria:

The procedure is one which generally can be postponed without undue risk to the patient;

The procedure is a high volume procedure among patients who are covered under Medicare, or is a high cost procedure; and

The procedure has a high rate of nonconfirmation upon requesting a second opinion.

The Secretary may vary the list on a State-by-State basis, or within areas of a State, if data available with regard to volume and costs of procedures suggest that to do so would be cost effective.

Who is to provide the second opinion? For each procedure on the list, the Secretary will specify the type or types of board certified or board eligible specialists who will be considered qualified to render a second opinion. The patient is then free to choose any physician within that specialty to provide the second opinion. However, a second opinion may not be provided by a physician who is affiliated with, or has any direct or indirect common financial interest with, the physician who rendered the first opinion that the procedure was necessary.

PROs, or another appropriate mechanism, will refer beneficiaries to an appropriate specialist who will accept Medicare's usual and customary charge as payment in full for providing a second opinion. The referral center will, if the beneficiary requests, obtain the relevant medical records from the first opinion physician and provide the relevant information to the second opinion physician selected by the patient in a form that does not identify the first opinion physician.

Notice. The Secretary will notify beneficiaries, physicians, hospitals, and ambulatory surgical centers of the requirements of the second opinion program. In addition, physicians, hospitals, and ambulatory surgical centers will be required to notify patients of the need to obtain a second opinion or else face possible financial penalties.

MEDICAID'S SECOND OPINION PROGRAM

In order to be approved for participation in Medicaid, state plans must include requirements that second opinions be obtained before payment will be made under Medicaid for surgical procedures which are listed by the Secretary for the State (or for an area within the State). Except as otherwise provided, the Medicaid second opinion program is to operate in accordance with the description of the Medicare second opinion program.

The State may, if the Secretary approves, modify the list of surgical procedures applicable to such State (or an area within the State) if data indicates that the modification is cost effective, based on the volume, cost, or rate of nonconfirmation of the procedure to be added or deleted from the list with respect to the population served by the State plan. No procedure may be added to the list unless the procedure is one which generally can be postponed without undue risk to the patient.

The State may enter into agreement with a PRO, as the Secretary will do for Medicare, to provide referral services for the Medicaid second opinion program, or the State may utilize a State or local agency or a private entity to perform such functions.

Notification and enforcement. The State will establish a mechanism for notifying physicians, hospitals, and ambulatory surgical centers of their duty to inform patients of the requirements of this section, and will establish a method of enforcement of such requirement through the use of penalties, substantially equivalent to the notification and enforcement mechanisms to be used by the Secretary for Medicare.

Cost sharing not to apply. If the State plan requires any deduction, cost sharing, or similar charge for any individual, that requirement will not apply to items and services furnished in connection with obtaining a second opinion required under Medicaid, or with obtaining a third opinion if the first and second opinions disagree.

INTERIM LIST FOR MEDICARE AND MEDICAID SECOND OPINION PROGRAM

If the Secretary has not established a list or lists of surgical procedures requiring second opinions within 6 months after enactment of this Act, then the following list will be in effect and remain in effect until the Secretary establishes an appropriate list:

(1) Coronary artery bypass;
(2) Cardiac pacemaker implantation;
(3) Cataract surgery;
(4) Gall bladder;
(5) Prostate surgery;
(6) Knee surgery;
(7) Hysterectomy;
(8) Back surgery;
(9) Hernia repair; and
(10) Hemorrhoidectomy.

STUDY OF RESULTS AND OUTCOMES

The Secretary will conduct a study of the results of this Act, which will include any changes in utilization of surgical procedures, changes in nonconfirmation rates of second opinions, and outcomes in cases where surgery is not done after a second opinion failed to confirm the necessity of the surgical procedure. The Secretary will report the results of this study to Congress within 24 months after enactment.●

By Mr. MOYNIHAN (for himself and Mr. D'AMATO):

S. 1326. A bill to provide air passenger security for certain air carrier flights; to the Committee on Commerce, Science, and Transportation.

AIR PASSENGER SECURITY ACT

● Mr. MOYNIHAN. Mr. President, the current hijacking of and taking hostages from TWA flight 847 has once again brought the issue of international terrorism to the forefront of the American consciousness. Terrorism seeks to destroy the law. It is unlawfulness enshrined as principle. We can never tolerate such, and must instead take positive steps to provide for the security of American citizens flying on U.S. air carriers to foreign countries.

I rise today to introduce legislation, the Air Passenger Security Act of 1985, to take such steps, by requiring that at least one U.S. air marshal be present on regularly scheduled and public charter flights by American airlines departing from foreign airports which the Federal Aviation Administrator has found are not secure.

In response to the hijackings of many domestic flights to Cuba in the late 1960's and early 1970's, President Nixon ordered that sky marshals be placed on domestic flights of U.S. commercial carriers. At its peak, the program employed 2,500 marshals. Their numbers subsequently dropped, after elaborate airport security programs were made mandatory at U.S. airports in 1974.

The dangerous situation in Beirut today demonstrates that such is no longer enough. Just last night, President Reagan called for the provision of armed marshals on international flights of commercial U.S. airlines. Such this legislation would do.

It is clear, from our experiences in the 1970's, that the most effective deterrent to air terrorism is security precautions on the ground. Unfortunately, many foreign airports do not use the sophisticated security procedures necessary to meet U.S. standards. It would be preferable to prevent potential hijackers from boarding or coming near flights; but until we can be certain that all foreign airports are secure, unidentified, armed marshals on flights taking off from unsecured airports is an elementary precaution. It can reduce the likelihood that a hijacking will occur or succeed. The Israelis have understood this for a long time. The presence of marshals will not end this obscene practice, but it is a step we can and should take to reduce the probability.

The proposed legislation would: First, require the Administrator of the Federal Aviation Administration to review the effectiveness of airport security programs operating at foreign airports which serve as points of departure for scheduled or public charter passenger flights of civil aircraft of the United States; second, require the Administrator to publish a list of those foreign airports which the Administrator has determined to have an effective security program; third, require that the Administrator deploy at least one armed and deputized U.S. air marshal to accompany U.S. carrier flights departing from foreign airports which the Administrator has found to be unsecured.

Until the Administrator employs the requisite number of air marshals, the Administrator, with the consent of the affected department or agency of the United States, is authorized to use appropriate personnel as air marshals. In the past, agents from the Federal Bureau of Investigation, the Secret Service, and the Department of the Army have been employed for such service.

This is reasonable and timely legislation, and I urge my colleagues to join in the effort. I ask unanimous consent that a copy of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1326

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SECTION 1. This Act may be cited as the "Air Passenger Security Act of 1985".

FINDINGS

SEC. 2. The Congress finds and declares that—

(1) airport security programs providing a law enforcement presence and capability and requiring the screening or searching of passengers and property are the most effective means of significantly reducing the incidence of aircraft piracy and acts of violence aboard aircraft;

(2) the effectiveness of airport security programs was demonstrated in the sharp reduction of criminal violence and aircraft piracy in the United States following the mandatory institution of airport security programs at United States' airports in 1974;

(3) some, but not all, airports in foreign countries have instituted similarly effective airport security programs;

(4) the knowledge that unidentified armed marshals will be on a flight can deter aircraft piracy and acts of violence and the presence of unidentified armed marshals can prevent such acts should they be attempted;

(5) in the absence of an effective airport security program, the presence of unidentified armed marshals on a flight departing that airport represents the most effective means of reducing aircraft piracy and violence; and

(6) the criminal jurisdiction of the United States extends to aircraft registered in the United States while that aircraft is in flight, which is from the moment when all external doors are closed following embarkation until the moment when one such door is opened for disembarkation, or in the case of a forced landing, until the competent authorities take over the responsibility for the aircraft and for the persons and property aboard.

PURPOSE

SEC. 3. The purpose of this Act is to increase the security of passengers traveling on United States air carriers departing from foreign airports with ineffective airport security programs.

AIR MARSHALS

SEC. 4. Section 316 of the Federal Aviation Act of 1958 (49 U.S.C. 1357) is amended by inserting immediately after subsection (b) the following new subsection, and relettering subsequent subsections accordingly:

"(c)(1) As used in this subsection, the term 'unsecure foreign flight' means a scheduled or public charter passenger flight of a civil aircraft of the United States operated by an air carrier, having a passenger seating configuration of more than 60 seats, departing from a foreign airport not included on the list of secure foreign airports published by the Administrator pursuant to paragraph (3) of this subsection.

"(2) The Administrator shall employ individuals to serve as unidentified armed passengers on unsecure foreign flights. Such individuals shall be deputized as United States Marshals and shall be known as 'United States Air Marshals'. It shall be the duty and responsibility of such Marshals to enforce subsections (i), (j), (k), (l), and (n) of section 902 of the Federal Aviation Act of 1958 (49 U.S.C. 1472).

"(3) At least one United States Air Marshal must be aboard each unsecure foreign flight.

"(4) The Administrator shall, no later than 90 days following the date of the enactment of this subsection, review the effectiveness of airport security programs operating at foreign airports which serve as points of departure for scheduled or public charter passenger flight of a civil aircraft of the United States operated by an air carrier having a passenger seating configuration of more than 60 seats. Within the 30-day period following such review, the Administrator shall publish in the Federal Register a list of those foreign airports which the Administrator has determined have an effective security program. The Administrator shall continually review such foreign airport security programs and revise and update such list not less than every 180 days.

"(5) Until such time as the Administrator employs the requisite number of United States Air Marshals, the Administrator, with the consent of the head of the affected department or agency of the United States, is authorized to utilize appropriate personnel from such department or agency including but not limited to the Department of the Treasury, the Federal Bureau of Investigation, and the Department of Defense.

"(6) In the event any foreign nation refuses to permit, or impedes, United States Air Marshals from fulfilling their functions as unidentified armed passengers, the President shall take action under section 1114 of this Act as if he had determined that such nation was acting in a manner inconsistent with the Convention for the Suppression of Unlawful Seizure of Aircraft.

"(7) Consistent with the requirements of paragraph (3), nothing in this subsection shall be construed to impair the Administrator's existing authority to place United States Air Marshals on such other flights, domestic or foreign, as he or she may lawfully do in response to information that such flight is subject to a particular risk of aircraft piracy or criminal violence.".

AUTHORIZATION

SEC. 5. There are hereby authorized to be appropriated such sums as may be necessary to carry out the provisions of this Act.●

● Mr. D'AMATO. Mr. President, I rise today to introduce the Air Passenger Security Act of 1985 with my distinguished State colleague, Senator MOYNIHAN.

American lives are once again held in jeopardy by foreign terrorists. TWA flight 847 was hijacked last Friday as it left Athens en route for Rome. Forty Americans are still held captive somewhere in Beirut with no signs of their imminent release.

This bill addresses the compelling need to take prompt and decisive action to improve the security of passengers engaged in foreign air travel. It would require that at least one unidentified, armed U.S. air marshal be aboard flights departing from foreign airports deemed not to have adequate ground security by the Administrator of the FAA. These so-called sky marshals will serve as a deterrent to acts of violence or air piracy and will assist in enforcement of the provisions of the Federal Aviation Act.

This bill would apply to U.S. scheduled or charter aircraft having more than 60 seats which depart from a foreign airport not considered to be secure. The FAA Administrator must, within 90 days after passage of this bill, review the security programs of foreign airports which serve as departure points for U.S. aircraft. Within 30 days after completion of this review, the Administrator must publish a list of secure foreign airports in the Federal Register. This list must be updated at least every 180 days.

In order to assure the swift implementation of this bill, the Administrator is authorized to employ appropriate personnel from other Federal agencies pending the hiring of the requisite number of sky marshals. Nations that do not permit sky marshals to board flights at unsecure airports may be denied landing rights in the United States by the President. Such action would be considered a violation of the Convention for the Suppression of Unlawful Seizure of Aircraft.

Under current law, the Administrator does have the authority to place U.S. air marshals on both domestic and foreign flights. This bill will not diminish that authority in any respect; rather, it will strengthen it.

We have learned through bitter experience that hijackings and violence on foreign air travel can place passengers in danger of death or injury, as well as cause the loss or destruction of property. It is our duty to reduce that risk as much as possible. The effectiveness of airport security programs varies from one foreign airport to another. We must take up the duty of methodically and thoroughly reviewing the security of these foreign airports in order to assure the greatest degree of safety for passengers. In addition, passengers will be aware of those airports deemed unsecure and will be able to make informed choices regarding their foreign travel destinations.

The House passed legislation on the subject of airport security today. That legislation also requires the Transportation Department to inspect security measures at foreign airports. It empowers the Secretary of Transportation to suspend the authority of U.S. and foreign airlines to provide service to airports deemed unsecure. It states that air carriers must provide written notices to passengers, included with their tickets, regarding whether airports included in their travel plans are secure. While the House measure reflects the urgent need to address this problem, I do not believe that it goes far enough.

Mr. President, I urge my Senate colleagues to support our proposal. I commend Senator MOYNIHAN for his leadership on this issue and I add my firm support for this measure.●

By Mr. TRIBLE (for himself and Mr. WARNER):

S. 1327. A bill to amend title 5, United States Code, to modify the authority under which higher rates of pay may be established in geographic areas where the Federal Government is experiencing significant recruitment or retention problems, and for other purposes; to the Committee on Governmental Affairs.

FEDERAL EMPLOYEES SPECIAL PAY RATES

Mr. TRIBLE. Mr. President, today I am introducing legislation along with my colleague Senator WARNER, to provide the incentives to attract and retain employees in the Federal Government's Special Rate Program.

The Special Pay Rate Program was established in 1962 to enable the Government to attract and retain employees in hard-to-fill occupations in geographic areas where private sector salaries for such occupations are exceptionally high. The law authorizes the President to increase basic rates of pay for certain positions when private sector pay substantially exceeds statutory pay rates, enabling the Government to compete for and retain qualified personnel.

Unfortunately, even with this Special Rate Program, Federal agencies still experience grave difficulties in recruiting and retaining qualified employees for hard-to-fill positions. Among the specialties hardest to fill are electrical and electronics engineering, mechnical, aerospace and industrial engineering.

The current statutory limit on pay for these positions is often substantially lower than starting salaries in the private sector. Entry-level engineers in the Federal workforce for instance are paid at a rate 47 percent below the pay of their private sector counterparts. In addition, special rates may only be used to deal with pay disparities. Other factors—fringe benefits, working conditions, geographic location or the nature of the work—cannot be considered in determining the need for special rates.

Mr. President, I want to emphasize the severity of the Federal Government's manpower situation. Staffing shortages in key positions jeopardize agency missions and adversely affect our national security needs.

The Norfolk naval shipyard has a 17.07-percent vacancy rate and a 13.45-percent turnover rate for engineers. Figures for all naval shipyards are similar; the shipyards are experiencing a 27.03-percent vacancy rate and a 11.99-percent attrition rate. Higher private sector pay and benefits are most frequently cited as reasons for recruitment difficulties and the exodus of engineers from Government service.

Defense laboratories—preferred assignments for scientists and engineers—are also understaffed. This year alone, the Naval Surface Weapons Center in Dahlgren, VA, has experienced a 16-percent turnover rate for scientists and engineers. NASA's Ames Research Center has a 78-percent turnover rate for scientists and engineers and a 50-percent turnover rate for clerical personnel. Federal workers leaving these facilities for private sector employment receive substantially higher pay and benefits and better working conditions.

The Space Division, Air Force Systems Command in Los Angeles, currently has a 29-percent turnover rate for clerical personnel and a 19.7-percent turnover rate for engineers. The average fill-time required for engineering positions is 128 days.

The Army hospital at the Presidio of San Francisco is operating at a 78-percent staffing level. As much as 237 days are needed to fill a medical technician position and 120 days to hire a computer specialist. Hospital employees must work long shifts to compensate for staff shortages.

In New York, the VA medical center is faced with a serious shortage of technicians and therapists. This problem is attributed to, among other factors, a 7- to 27-percent pay disparity between VA salaries and those available in the private sector. Non-Federal hospitals in the area also offer educational benefits, fully paid life and health insurance, and subsidized housing—none of which are provided by the Federal Government.

The National Cancer Institute in Bethesda, MD, suffers a chronic understaffing of medical technicians. As a result, the Institute has been forced to turn away patients who need therapy. And, millions of dollars' worth of equipment often sits idle because of a shortage of technicians to operate the machines.

Unfortunately Mr. President, these examples are indicative of the staffing problems for hard-to-fill positions governmentwide. Existing special pay rate authority is simply inadequate to correct recruitment and retention problems. Because of the statutory limitations, the Federal Government is unable to compete with private industry for personnel to fill shortage positions; 27 different agencies, including the Department of Defense, Department of Health and Human Services, Federal Trade Commission, Smithsonian Institution, Environmental Protection Agency, Department of Justice and Department of State now have special rates. Without reforms in the Special Rate Program, these shortages will continue and agency missions will be compromised.

The legislation I am offering today will eliminate the inadequacies of the Special Rate Program and provide agencies and the Office of Personnel Management with greater means of dealing with pressing staffing problems. I am pleased that Senator WARNER has joined in this effort. Identical legislation is being introduced in the House of Representatives by my distinguished colleague from Virginia, Representative FRANK WOLF.

In addition to basic pay rates, this bill will permit consideration of other factors, which contribute to recruitment and retention problems. These could include: Pay rates offered by State and local government; overtime pay; health and retirement benefits, working conditions—that is, space limitations, availability of equipment, wage inversion—geographic location—that is, remoteness, climate, cost of living, high crime—nature of work.

The Office of Personnel Management will be required to establish a set of criteria agencies must meet in order to qualify for special pay rate authority. The criteria may include: Area wage rates, vacancies, fill time for positions, number of declinations, area unemployment, economic considerations.

Agencies which meet the minimum requirements established by OPM will automatically receive special rate authority unless OPM rejects this request—with written explanation—within 45 days of receiving the agency's proposal. Agencies will then have the opportunity to resubmit a special rate proposal to OPM for reconsideration.

Starting salaries for these hard-to-fill positions may be established above the current maximum rate. In addition, employees will be able to enter the workforce at a salary above the first step of a pay grade. The only limit on maximum salaries under the Special Rate Program will be that salaries may not exceed the executive level V pay cap.

Within-grade increases will be linked to an individual's performance in a manner similar to the new performance management and recognition system. Employees would not lose any time accrued toward a periodic step increase. However employees will be permitted to waive the time in grade requirements and be eligible for the accelerated within-grade increases based on performance.

My legislation also establishes a bonus program to allow agencies to offer cash payments to employees. These bonuses will be tied to service agreements wherein employees agree to remain in service with an agency for a specified period of time. However, if the employee voluntarily leaves the agency before completing the employment period specified in the service agreement, he must repay the Government any amounts paid to him.

In addition, the bill provides other features to assist agencies in recruiting qualified personnel. Direct hire authority will be established for all posi-

tions authorized special rates of pay. Also, agencies will be granted authority to advance pay at the beginning of an individual's employment to assist the employee in paying for expenses incurred (that is, security deposits) in settling in the area. This advanced pay will be paid back over an established period of time.

Mr. President, the reasoning behind this legislation is straightforward. The only way to get technically competent people and keep them on the job is to compensate them adequately. The Federal Government engages in a host of activities requiring personnel in great demand. Unless we are able to compete effectively for these men and women, Government activities will suffer.

I hope that this special rate legislation can be passed quickly.

By Mr. SIMON (for himself, Mr. INOUYE, Mr. MATSUNAGA, Mr. SASSER, Mr. GORE, Mr. HOLLINGS, Mr. CHILES, Mr. HEFLIN, Mr. DODD, Mr. SARBANES, Mr. ROCKEFELLER, and Mr. KERRY):

S. 1328. A bill to strengthen programs under title III of the Higher Education Act of 1965, relating to institutional aid, and for other purposes; to the Committee on Labor and Human Resources.

INSTITUTIONAL AID ACT

● Mr. SIMON. Mr. President, today I am introducing the Institutional Aid Amendments of 1985. These amendments to title III of the Higher Education Act of 1965 will expand equality of educational opportunity by strengthening postsecondary institutions which provide college opportunities for low-income and minority students. This bill will also improve the quality of these institutions by strengthening their curriculum, libraries, in addition to assisting in endowment development.

In this legislation and in the upcoming reauthorization of the Higher Education Act, we must add quality to the twin goals of access and choice in higher education.

I do not suggest that the emphasis on quality should be adopted because access and choice in higher education have been achieved. Far from it. Despite the job market's present demand and future need for higher skills and increased education, declining proportions of black American and Hispanic youth are going on to college. This is true, despite the fact that black and Hispanic youth are overrepresented among the traditional 18- to 22-year-old college age category. That trend is likely to continue:

Hispanic and black Americans experienced increases in the number of high school graduates from 1975 to 1980, but the percentage of high school graduates enrolling in college for both groups declined.

Blacks experienced proportional enrollment declines at all postsecondary levels, though they have registered slight increases in absolute numbers since 1976.

Hispanic high school graduates increased 38 percent between 1975 to 1981, but the percentage of Hispanics attending college actually dropped 18 percent during that period.

Blacks, Hispanics, and native Americans continue to be underrepresented among enrollees at 4-year institutions, while remaining highly concentrated in 2-year institutions.

Black Americans experienced proportional losses in the share of degrees earned at every level between 1976 and 1981, with black males experiencing the most significant losses in degrees earned at all levels.

Hispanics leveled off in proportional shares of bachelor and doctoral degrees, but declined in master's degrees.

These findings have been echoed by several reports since the beginning of this year. The American Council on Education, the College Board, and the American Association of State Colleges and Universities have all examined enrollment data and cited a disturbing trend—enrollment gains among all minority groups since the mid-1960's have tapered off and in some cases are declining. This is true, despite a growing pool of eligible minority students in the 18- to 22-year-old, high school graduate category.

While precise figures are not available regarding native Hawaiian and other Pacific Basin student enrollment and graduation percentages, the best estimates indicate that less than 25 percent of the traditional college-age population in the territories go to college. In addition, while 16 percent of Hawaii State population hold college degrees, about 5 percent of all native Hawaiians hold such degrees.

While reductions in student aid funding at the Federal level, and information about the availability of that aid, are contributing problems, the kind and quality of those institutions capable of and committed to providing access to a postsecondary education also contribute to the problem. The bill I introduce today will help address that problem. The bill will eliminate confusion about institutional eligibility and provide direct assistance to minority institutions and traditional colleges and universities serving large numbers of low-income, minority students. These modifications to the current law are essential if we are to continue the important roles played in institutions which cater to the special needs of minority students.

The revisions in my bill will:

Modify the eligibility criteria to assure the eligibility of institutions serving large numbers of low-income students.

Combine parts A and B into a single function—part A—while preserving the 30-percent set-aside of part A funds for junior and community colleges.

Establish a new part B that will authorize the first 5 years of a 10-year program of assistance to the Nation's historically black colleges and universities. New uses of the part B funds are tailored specifically to the needs of these colleges, whose physical, academic, and professional needs are not being met under the current title III program.

Continue the Endowment Grant Program authorized under Public Law 98-95, the Challenge Grant Act Amendments of 1983.

Create a combined 30-percent set-aside of part A funds for Hispanic institutions, native American institutions, and Pacific-Basin institutions.

The bill would authorize $175 million in fiscal year 1987 for part A, $110 million in fiscal year 1987 for part B, excluding a "such sums" authorization for five medical and graduate institutions; and $50 million in fiscal year 1987 for part C. These authorization figures are the same as or below the fiscal year 1985 authorizations for title III. The only new authorization is $110 million for part B, the Black College and University Act. No new appropriations would be required to carry out the changes I recommend, however, the fulfillment of the objectives embodied in this bill would necessitate additional funding.

Some of the concepts in this bill are new. Race-specificity and national origin-based set-asides are new to the Higher Education Act, but have been used in Federal legislation before. The concept has been argued before the Supreme Court and approved by the Court. I urge my colleagues to review this bill and the rationale for it. Its basic thrust is supported by the American Council on Education and incorporated in draft legislation submitted to the House Subcommittee on Postsecondary Education on April 30, 1985. A number of major higher education associations have endorsed the bill including the United Negro College Fund, the American Indian Higher Education Consortium, the National Association for Equal Opportunity in Higher Education, the Hispanic Higher Education Coalition, and the American Association of Community and Junior Colleges.

I ask unanimous consent that their letters to me be included in the RECORD.

Several of my colleagues have joined me as original cosponsors of the Institutional Aid Act Amendments of 1985. They include: Senators INOUYE, SASSER, GORE, SARBANES, ROCKEFELLER, DODD, HEFLIN, HOLLINGS, CHILES, and KERRY. I especially want to commend

the junior Senator from Hawaii and his staff for working with me and my staff in developing and refining this bill.

Finally, so that all Senators can better familiarize themselves with this legislation, I have prepared a full statement explaining title III, its history, and the rationale for this legislation, together with the bill itself and a section-by-section analysis—and I ask unanimous consent that all three be printed in the RECORD at this point.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 1328

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Institutional Aid Act of 1985".

SEC. 2. Title III of the Higher Education Act of 1965 is amended to read as follows:

"TITLE III—INSTITUTIONAL AID

"FINDINGS AND PURPOSES

"SEC. 301. (a) FINDINGS.—The Congress finds that—

"(1) many institutions of higher education in this era of declining enrollments and scarce resources face problems which threaten their ability to survive;

"(2) the problems relate to the management and fiscal operations of certain institutions of higher education, as well as to an inability to engage in long-range planning, recruitment activities, and development activities;

"(3) the title III program prior to 1985 did not always meet the specific development needs of historically black colleges and universities and other institutions with large concentrations of minority, low-income students;

"(4) the solution of the problems of these institutions would enable them to become viable, thriving institutions of higher education;

"(5) providing a minimum level of assistance to each category of eligible institutions will assure the continued participation of the institutions in the program established in title III and enhance their role in providing access to low-income and minority students; and

"(6) these institutions play an important role in the American system of higher education, and there is a strong national interest in assisting them in solving their problems and in stabilizing their management and fiscal operations.

"(b) PURPOSE.—It is the purpose of this title to assist such institutions through a program of Federal assistance.

"PART A—STRENGTHENING INSTITUTIONS

"PROGRAM PURPOSE

"SEC. 311. (a) GENERAL AUTHORIZATION.—The Secretary shall carry out a program, in accordance with this part, to improve the academic quality, institutional management, and fiscal stability of eligible institutions, in order to increase their self-sufficiency and strengthen their capacity to make a substantial contribution to the higher education resources of the Nation.

"(b) GRANTS AWARDED; SPECIAL CONSIDERATION.—From the sums available for this part under section 357(a)(1), the Secretary may award grants to any eligible institution with an application approved under section 351 in order to assist such an institution to plan, develop, or implement activities that promise to strengthen the institution. Special consideration shall be given to applications which propose, pursuant to the institution's plan, to engage in—

"(1) faculty development;

"(2) funds and administrative management;

"(3) development and improvement of academic programs;

"(4) acquisition of equipment for use in strengthening funds management and academic programs;

"(5) joint use of facilities such as libraries and laboratories; and

"(6) student services.

"DEFINITIONS

"SEC. 312. For purposes of this part:

"(1) The term 'educational and general expenditures' means the total amount expended by an institution of higher education for instruction, research, public service, academic support (including library expenditures), student services, institutional support, scholarships and fellowships, operation, and maintenance expenditures for the physical plant, and any mandatory transfers which the institution is required to pay by law.

"(2) The term 'eligible institution' means—

"(A) an institution of higher education—

"(i)(I) which, in the case of an institution which awards a bachelor's degree, has an enrollment which includes a substantial percentage of students receiving need-based assistance under title IV of this Act, the average amount of which assistance is high in comparison with the average amount of all assistance provided under such title to students at such institutions, unless this requirement is waived under section 352(a), and (II) which, in the case of junior or community colleges, has an enrollment which includes a substantial percentage of students receiving need-based assistance under title IV, the average amount of which assistance is high in comparison with the average amount of all assistance provided under such title to students at such institutions;

"(ii) except as provided in section 352(b), the average educational and general expenditures of which are low, per full-time equivalent undergraduate student, in comparison with the average educational and general expenditures per full-time equivalent undergraduate student of institutions that offer similar instruction;

"(iii)(I) is legally authorized to provide, and provides within the State, an educational program for which it awards a bachelor's degree, or (II) is a junior or community college;

"(iv) is accredited by a nationally recognized accrediting agency or association determined by the Secretary to be reliable authority as to the quality of training offered or is, according to such an agency or association, making reasonable progress toward accreditation;

"(v) except as provided in section 352(b) has, during the five academic years preceding the academic year for which it seeks assistance under this part--

"(I) met the requirement of either subclause (iii)(I) or (iii)(II), or of both such subclauses (simultaneously or consecutively); and

"(II) met the requirement of subclause (iv); and

"(vi) meets such other requirements as the Secretary may prescribe;

"(B) any branch of any institution of higher education described under clause (A) which by itself satisfies the requirements contained in subclauses (i) and (ii) of such clause;

"(C) any institution of higher education which has an enrollment of which at least 20 percent are Mexican American, Puerto Rican, Cuban, or other Hispanic students, or combination thereof, and which also satisfies the requirements of subclauses (i) and (ii) of such clause;

"(D) any institution of higher education which has an enrollment of at least 60 percent American Indian, Alaska Native or Aleut, or combination thereof, and which also satisfies the requirements of subclauses (i) and (ii) of such clause; and

"(E) any institution of higher education which has an enrollment of which at least 5 percent are Native Hawaiian, American Samoan, Micronesian, Guamian (Chamorro), and Northern Marianian, or any combination thereof, and which also satisfies the requirements of subclauses (i) and (ii) of such clause.

For purposes of the determination of whether an institution is an eligible institution under this paragraph, the factor described under clause (A)(i) shall be given twice the weight of the factor described under clause (A)(ii).

"(3) The term 'full-time equivalent students' means the sum of the number of students enrolled full time at an institution, plus the full-time equivalent of the number of students enrolled part time (determined on the basis of the quotient of the sum of the credit hours of all part-time students divided by 12) at such institution.

"(4) The term 'junior or community college' means an institution of higher education—

"(A) that admits as regular students persons who are beyond the age of compulsory school attendance in the State in which the institution is located and who have the ability to benefit from the training offered by the institution;

"(B) that does not provide an educational program for which it awards a bachelor's degree (or an equivalent degree); and

"(C) that—

"(i) provides an educational program of not less than two years that is acceptable for full credit toward such a degree, or

"(ii) offers a two year program in engineering, mathematics, or the physical or biological sciences, designed to prepare a student to work as a technician or at the semiprofessional level in engineering, scientific, or other technological fields requiring the understanding and application of basic engineering, scientific, or mathematical principles of knowledge.

"DURATION OF GRANT

"SEC. 313. (a) GENERAL RULE.—The Secretary may award a grant to an eligible institution under this part for—

"(1) not to exceed three years, or

"(2) not less than four nor more than seven years, subject for each fiscal year to the availability of appropriations therefor.

The Secretary shall not accept the application of an eligible institution for a grant under both clauses (1) and (2) for a fiscal year.

"(b) LIMITATION.—The Secretary shall not award a grant under this part to an eligible institution that has, for any prior fiscal year, exhausted its seven years of eligibility under subsection (a)(2), except as provided in section 352(c).

"(c) EXCEPTION.—Notwithstanding subsection (a), the Secretary may award a grant to

an eligible institution under this part for a period of one year for the purpose of assisting such institution in the preparation of plans and applications under this part.

"PART B—STRENGTHENING HISTORICALLY BLACK COLLEGES AND UNIVERSITIES

"FINDINGS AND PURPOSES

"SEC. 321. The Congress finds that—

"(1) the historically black colleges and universities have contributed significantly to the effort to attain equal opportunity through postsecondary education for black, low-income, and educationally disadvantaged Americans;

"(2) States and the Federal Government have discriminated in the allocation of land and financial resources to support black public institutions under the Morrill Act of 1862 and its progeny, and against public and private black colleges and universities in the award of Federal grants and contracts, and the distribution of Federal resources under the Higher Education Act of 1965 and other Federal programs which benefit institutions of higher education;

"(3) the current state of black colleges and universities is partly attributable to the discriminatory action of the States and the Federal Government and this discriminatory action requires the remedy of enhancement of black postsecondary institutions to ensure their continuation and participation in fulfilling the Federal mission of equality of educational opportunity; and

"(4) financial assistance to establish or strengthen the physical plants, financial management, academic resources, and endowments of the historically black colleges and universities are appropriate methods to enhance these institutions and facilitate a decrease in reliance on governmental financial support and to encourage reliance on endowments and private sources.

"DEFINITIONS

"SEC. 322. For the purposes of this part:

"(1) The term 'graduate' means an individual who has attended an institution for at least three semesters and fulfilled academic requirements for undergraduate studies in not more than five consecutive school years.

"(2) The term 'part B institution' means any historically black college or university that was established prior to 1964 and whose principal mission was, and is, the education of black Americans.

"(3) The term 'Pell Grant recipient' means a recipient of financial aid under title IV, part A, subpart 1 of the Higher Education Act of 1965.

"(4) The term 'professional and academic areas in which blacks are underrepresented' shall be determined by the Administrator of the National Center for Education Statistics and the Commissioner of the Bureau of Labor Statistics, on the basis of the most recent available satisfactory data, as professional and academic areas in which the percentage of black Americans who have been educated, trained, and employed is less than the percentage of blacks in the general population.

"(5) The term 'school year' means the period of 12 months beginning July 1 of any calendar year and ending June 30 of the following calendar year.

"GRANTS TO INSTITUTIONS

"SEC. 323. (a) GENERAL AUTHORIZATION; USES OF FUNDS.—From amounts available in any fiscal year the Secretary shall make grants (under section 324) to institutions which have applications approved by the Secretary (under section 325) for any of the following uses:

"(1) Purchase, rental, or lease of scientific or laboratory equipment for educational purposes, including instructional and research purposes.

"(2) Construction, maintenance, renovation, and improvement in classroom, library, laboratory, and other instructional facilities.

"(3) Support of faculty exchanges and faculty fellowships to assist in attaining advanced degrees in their field of instruction.

"(4) Academic instruction in disciplines in which black Americans are underrepresented.

"(5) Purchase of library books, periodicals, microfilm, and other educational materials.

"(6) Tutoring, counseling, and student service programs designed to improve academic success.

"(b) LIMITATION.—No grant may be made under this Act for any educational program, activity, or service related to sectarian instruction or religious worship, or provided by a school or department of divinity. For purposes of this subsection, the term 'school or department of divinity' means an institution whose program is specifically for the education of students to prepare them to become ministers of religion or to enter upon some other religious vocation, or to prepare them to teach theological subjects.

"ALLOTMENTS TO INSTITUTIONS

"SEC. 324. (a) ALLOTMENT; PELL GRANT BASIS.—From the amounts appropriated to carry out this part for any fiscal year, the Secretary shall allot to each part B institution a sum which bears the same ratio to one-half that amount as the number of Pell grant recipients in attendance and in good standing at such institution at the end of the school year preceding the beginning of that fiscal year bears to the total number of Pell Grant recipients at all part B institutions.

"(b) ALLOTMENT; GRADUATES BASIS.—From the amounts appropriated to carry out this part for any fiscal year, the Secretary shall allot to each part B institution a sum which bears the same ratio to one-fourth that amount as the number of graduates for such school year at such institution bears to the total number of graduates for such school year at all part B institutions.

"(c) ALLOTMENT; GRADUATE AND PROFESSIONAL STUDENT BASIS.—From the amounts appropriated to carry out this part for any fiscal year, the Secretary shall allot to each part B institution a sum which bears the same ratio to one-fourth that amount as the number of graduates, who are admitted to and in attendance at a graduate or professional school in a degree program in disciplines in which blacks are underrepresented, bears to the number of such graduates for all part B institutions.

"(d) REALLOTMENT.—The amount of any part B institution's allotment under subsections (a), (b), or (c) for any fiscal year which the Secretary determines will not be required for such institution for the period such allotment is available shall be available for reallotment from time to time on such date during such period as the Secretary may determine to other part B institutions in proportion to the original allotment to such other institutions under this section for such fiscal year.

"(e) SPECIAL RULE.—In any fiscal year that the Secretary determines that Howard University or the University of the District of Columbia will receive an allotment under subsections (b) and (c) of this section which is not in excess of amounts received by Howard University under the Act of March 2, 1867 (14 Stat. 438; 20 U.S.C. 123), relating to annual authorization of appropriations for Howard University, or by the University of the District of Columbia under the District of Columbia Self-Government and Governmental Reorganization Act (87 Stat. 774) for such fiscal year, then Howard University and the University of the District of Columbia, as the case may be, shall be ineligible to receive an allotment under this section.

"APPLICATIONS

"SEC. 325. (a) CONTENTS.—No part B institution shall be entitled to its allotment of Federal funds for any grant under section 324 for any period unless that institution submits an application to the Secretary at such time, in such manner, and containing or accompanied by such information, as the Secretary may reasonably require. Each such application shall—

"(1) provide that the payments under this Act will be used for the purposes set forth in section 322; and

"(2) provide for making an annual report to the Secretary and for auditing the books and monitoring expenditures as may be reasonably required to carry out this Act.

"(b) APPROVAL.—The Secretary shall approve any application which meets the requirements of subsection (a) and shall not disapprove any application submitted under this title, or any modification thereof, without first affording such institution reasonable notice and opportunity for a hearing.

"PROFESSIONAL OR GRADUATE INSTITUTIONS

"SEC. 326. (a) GENERAL AUTHORIZATION.—(1) Subject to the availability of funds appropriated to carry out this section, the Secretary shall award program grants to each of the postgraduate institutions listed in subsection (e) that is determined by the Secretary to be making a substantial contribution to the legal, medical, dental, veterinary or other graduate education opportunities for black Americans.

"(2) No grant in excess of $500,000 may be made under this section unless the postgraduate institution provides assurances that 50 per centum of the cost of the purposes for which the grant is made will be paid from non-Federal sources.

"(b) DURATION.—Grants shall be made for a period not to exceed five years. No more than two five-year grants (for a period of not more than ten years) may be made to any one undergraduate or postgraduate institution.

"(c) USES OF FUNDS.—A grant under this section may be used for—

"(1) any of the purposes enumerated under section 323;

"(2) to establish or improve a development office to strengthen and increase contributions from alumni and the private sector; and

"(3) to assist in the establishment or maintenance of an institutional endowment to facilitate financial independence pursuant to section 333 of this title.

"(d) APPLICATION.—Any institution eligible for a grant under this section shall submit an application which—

"(1) provides evidence that funds will be available to the applicant to match funds that the Secretary is requested to make available to the institution as such a grant;

"(2) demonstrates how the grant funds will be used to improve graduate educational opportunities for black and low-income students, and lead to greater financial independence; and

"(3) provides, in the case of applications for grants in excess of $500,000, the assurances required by subsection (a)(2) and specifies the manner in which the eligible institution is going to pay the non-Federal share of the cost of the application.

"(e) ELIGIBLE PROFESSIONAL OR GRADUATE INSTITUTIONS.—Independent professional or graduate institutions eligible for grants under subsection (a) include—

"(1) Morehouse School of Medicine;

"(2) Meharry Medical School;

"(3) Charles R. Drew Postgraduate Medical School;

"(4) Atlanta University; and

"(5) Tuskegee Institute School of Veterinary Medicine.

"REPORTING AND AUDIT REQUIREMENTS

"SEC. 327. (a) RECORDKEEPING.—Each recipient of a grant under this Act shall keep such records as the Secretary shall prescribe, including records which fully disclose—

"(1) the amount and disposition by such recipient of the proceeds of such assistance,

"(2) the cost of the project or undertaking in connection with which such assistance is given or used,

"(3) the amount of that portion of the cost of the project or undertaking supplied by other sources, and

"(4) such other records as will facilitate an effective audit.

"(b) REPAYMENT OF UNEXPENDED FUNDS.—Any funds paid to an institution and not expended or used for the purposes for which paid within ten years following the date of enactment of this Act shall be repaid to the Treasury of the United States.

"PENALTIES

"SEC. 328. Whoever, being an officer, director, agent, or employee of, or connected in any capacity with, any recipient of Federal financial assistance or grant pursuant to this Act embezzles, willfully misapplies, steals, or obtains by fraud any of the funds which are the subject of such grant or assistance, shall be fined not more than $10,000 or imprisoned for not more than two years, or both.

"PART C—CHALLENGE GRANTS FOR INSTITUTIONS ELIGIBLE FOR ASSISTANCE UNDER PART A OR PART B

"ESTABLISHMENT OF CHALLENGE GRANT PROGRAM

"SEC. 331. (a) GENERAL AUTHORIZATION; ELIGIBILITY.—(1) From the sums available under section 357(a)(3) for each fiscal year, the Secretary may award a challenge grant to each institution—

"(A) which is an eligible institution under part A or would be considered to be such an institution if section 312(2)(A)(iii) referred to a postgraduate degree rather than a bachelor's degree; or

"(B) which is an institution under part B or would be considered to be such an institution if section 324 referred to a postgraduate degree rather than a baccalaureate.

"(2) The Secretary may waive the requirements set forth in subparagraphs (A) and (B) of paragraph (1) with respect to a postgraduate degree in the case of any institution otherwise eligible under such paragraph for a challenge grant upon determining that the institution makes a substantial contribution to medical education opportunities for minorities and the economically disadvantaged.

"(b) DURATION OF GRANT.—The Secretary may make a grant under this section for a period of not more than five years, subject to annual appropriations.

"APPLICATIONS FOR CHALLENGE GRANTS

"SEC. 332. (a) CONTENTS.—Any institution eligible for a challenge grant under section 331(a) may apply for such a grant under section 351, except that the application for the purpose of this part shall—

"(1) provide evidence that funds are currently available to the applicant to match funds that the Secretary is requested to make available to the institution as a challenge grant;

"(2) in the case of an application by a public institution, contain the recommendations of an appropriate State agency responsible for higher education in the State, or provide evidence that the institution requested the State agency to comment but the State agency failed to comment; and

"(3) in the case of an application by an institution described under section 331(a)(1)(B), demonstrate how challenge grant funds will be used to achieve financial independence.

"(b) NOTICE OF APPROVAL.—Not later than April 1 of the fiscal year preceding the fiscal year in which any grant is to be made under this part, the Secretary shall determine which institutions will receive challenge grants under this part and notify the institutions of the amount of the grant.

"(c) PREFERENCE.—In approving applications for grants under this part, preference shall be given to institutions which are receiving, or have received, grants under part A or part B.

"CHALLENGE GRANTS

"SEC. 333. (a) PURPOSE; DEFINITIONS.—(1) The purpose of this section is to establish a program to provide matching grants to eligible institutions of higher education in order to establish or increase endowment funds at such institutions, to provide additional incentives to promote fundraising activities by such institutions, and to foster increased independence and self- sufficiency at such institutions.

"(2) For purposes of this section:

"(A) The term 'endowment fund' means a fund established by State law, by an institution of higher education, or by a foundation which is exempt from taxation and is maintained for the purpose of generating income for the support of the institution, but which shall not include real estate.

"(B) The term 'endowment fund corpus' means an amount equal to the grant or grants awarded under this section plus an amount equal to such grant or grants provided by the institution.

"(C) The term 'endowment fund income' means an amount equal to the total value of the endowment fund established under this section minus the endowment fund corpus.

"(b) GRANTS AUTHORIZED.—(1) From sums available for this section under section 357, the Secretary is authorized to award challenge grants to eligible institutions of higher education to establish or increase an endowment fund at such institution. Such grants shall be made only to eligible institutions described in paragraph (4) whose applications have been approved pursuant to subsection (g).

"(2) No institution shall receive a grant under this section, unless such institution has deposited in its endowment fund established under this section an amount equal to the amount of such grant. The source of funds for this institutional match shall not include Federal funds or funds from an existing endowment fund.

"(3) The period of a grant under this section shall be not more than twenty years. During the grant period, an institution may not withdraw or expend any of the endowment fund corpus. After the termination of the grant period, an institution may use the endowment fund corpus plus any endowment fund income for any educational purpose.

"(4)(A) An institution of higher education is eligible to receive a grant under this section if it is an eligible institution as described in section 331(a)(1).

"(B) No institution shall be ineligible for a challenge grant for a fiscal year by reason of the previous receipt of such a grant but no institution shall be eligible to receive such a grant for more than two fiscal years out of any period of five consecutive fiscal years.

"(5) A challenge grant under this section to an eligible institution year shall—

"(A) not be less than $50,000 for any fiscal year; and

"(B) not be more than (i) $250,000 for fiscal year 1987; or (ii) $500,000 for fiscal year 1988 or any succeeding fiscal year.

"(6)(A) An eligible institution may designate a foundation, which was established for the purpose of raising money for the institution, as the recipient of the grant awarded under this section.

"(B) The Secretary shall not award a grant to a foundation on behalf of an institution unless—

"(i) the institution assures the Secretary that the foundation is legally authorized to receive the endowment fund corpus and is legally authorized to administer the fund in accordance with this section and any implementing regulations;

"(ii) the foundation agrees to administer the fund in accordance with the requirements of this section and any implementing regulation; and

"(iii) the institution agrees to be liable for any violation by the foundation of the provisions of this section and any implementing regulations, including any monetary liability that may arise as a result of such violation.

"(c) GRANT AGREEMENT; ENDOWMENT FUND PROVISIONS.—(1) An institution awarded a grant under this section shall enter into an agreement with the Secretary containing satisfactory assurances that it will (A) immediately comply with the matching requirements of subsection (b)(2), (B) establish an endowment fund independent of any other such fund of the institution, (C) invest the endowment fund corpus, and (D) meet the other requirements of this section.

"(2)(A) An institution shall invest the endowment fund corpus and endowment fund income in low-risk securities in which a regulated insurance company may invest under the law of the State in which the institution is located such as a federally insured bank savings account or comparable interest bearing account, certificate of deposit, money market fund, mutual fund, or obligations of the United States.

"(B) The institution, in investing the endowment fund established under this section, shall exercise the judgment and care, under the circumstances then prevailing, which a person of prudence, discretion, and intelligence would exercise in the management of his or her own affairs.

"(3)(A) An institution may withdraw and expend the endowment fund income to defray any expenses necessary to the operation of such college, including expenses of operations and maintenance, administration, academic and support personnel, construction and renovation, community and

student services programs, and technical assistance.

"(B)(i) Except as provided in clause (ii), an institution may not spend more than 50 percent of the total aggregate endowment fund income earned prior to the time of expenditure.

"(ii) The Secretary may permit an institution to spend more than 50 percent of the endowment fund income notwithstanding clause (i) if the institution demonstrates such an expenditure is necessary because of (I) a financial emergency, such as a pending insolvency or temporary liquidity problem; (II) a life-threatening situation occasioned by a natural disaster or arson; or (III) any other unusual occurrence or exigent circumstance.

"(d) REPAYMENT PROVISIONS.—(1) If at any time an institution withdraws part of the endowment fund corpus, the institution shall repay to the Secretary an amount equal to 50 percent of the withdrawn amount, which represents the Federal share, plus income earned thereon. The Secretary may use such repaid funds to make additional challenge grants, or to increase existing endowment grants, to other eligible institutions.

"(2) If an institution expends more of the endowment fund income than is permitted under subsection (c), the institution shall repay the Secretary an amount equal to 50 percent of the amount improperly expended (representing the Federal share thereof). The Secretary may use such repaid funds to make additional challenge grants, or to increase existing challenge grants, to other eligible institutions.

"(e) AUDIT INFORMATION.—An institution receiving a grant under this section shall provide to the Secretary (or a designee thereof) such information (or access thereto) as may be necessary to audit or examine expenditures made from the endowment fund corpus or income in order to determine compliance with this section.

"(f) SELECTION CRITERIA.—In selecting eligible institutions for grants under this section for any fiscal year, the Secretary shall—

"(1) give priority to an applicant which is a recipient of a grant made under part A or B of this title during the academic year in which the applicant is applying for a grant under this section; and

"(2) give priority to an applicant with a greater need for such a grant, based on the current market value of the applicant's existing endowment in relation to the number of full-time equivalent students enrolled at such institution;

"(3) consider—

"(A) the effort made by the applicant to build or maintain its existing endowment fund; and

"(B) the degree to which an applicant proposes to match the grant with nongovernmental funds.

"(g) APPLICATION.—Any institution which is eligible for assistance under this section may submit to the Secretary a grant application at such time, in such form, and containing such information as the Secretary may prescribe. Subject to the availability of appropriations to carry out this section and consistent with the requirement of subsection (f), the Secretary may approve an application for a grant if an institution, in its application, provides adequate assurances that it will comply with the requirements of this section.

"(h) TERMINATION AND RECOVERY PROVISIONS.—(1) After notice and an opportunity for a hearing, the Secretary may terminate and recover a grant awarded under this section if the grantee institution—

"(A) expends portions of the endowment fund corpus or expends more than the permissible amount of the endowment funds income as prescribed in subsection (c)(3);

"(B) fails to invest the endowment fund in accordance with the investment standards set forth in subsection (c)(2); or

"(C) fails to properly account to the Secretary concerning the investment and expenditures of the endowment funds.

"(2) If the Secretary terminates a grant under paragraph (1), the grantee shall return to the Secretary an amount equal to the sum of each original grant under this section plus income earned thereon. The Secretary may use such repaid funds to make additional endowment grants, or to increase existing challenge grants, to other eligible institutions under this part.

"PART D—RESERVATION FOR HISPANIC, NATIVE AMERICAN, AND PACIFIC BASIN INSTITUTIONS

"STATEMENT OF FINDINGS AND PURPOSE

"SEC. 341. (a) FINDINGS.—The Congress finds that—

"(1) Hispanic students in the United States are overwhelmingly concentrated in public postsecondary institutions, especially in two-year community colleges;

"(2) Hispanic and Native American, including Native American Pacific Islander, students rarely transfer to a four-year institution of higher education, after receiving an associate degree, and often do not complete the requirements for a baccalaureate degree even when they enroll in a four-year institution;

"(3) Native American students are the most grossly, underrepresented of all American minorities in higher education, constituting one-half of 1 percent of all students, and 0.3 percent of those receiving degrees; and Hispanics comprise 3 percent of all students in higher education, with less than 3 percent receiving bachelors, masters, and Ph.D degrees;

"(4) Native Hawaiians represent less than 5 percent of the population of Hawaii who hold a college degree; less than 25 percent of the traditional college-age population actually attends college, although in some of the Pacific Basin territories fewer than 20 percent (Northern Mariana Islands) actually complete more than a high school education, a single community college may be the only form of postsecondary education available on the island, and many teachers possess an associate's degree or less; and literacy rates in both English and the native language ranks far-below national averages; and

"(5) the special problems of providing higher education opportunities for Puerto Ricans in the Commonwealth of Puerto Rico require separate attention and different solutions than those which relate to Hispanics in the United States.

"(b) PURPOSE.—It is therefore the purpose of this Act to provide a set-aside to address the special needs of Hispanic, Native American, and Pacific Basin students, when they constitute a significant portion of the institutional student population.

"RESERVATION FROM PART A APPROPRIATION

"SEC. 342. Of the sums appropriated under section 357(a)(1) for any fiscal year for part A, the Secretary shall make available for use for the purpose of such part—

"(1) not less than $15,000,000 or 20 percent of such sums, whichever is greater, for Hispanic institutions, as defined in section 312(2)(C);

"(2) not less than $5,000,000 or 5 percent of such sums, whichever is greater, for Native American, Native Alaskan, or Aleut institutions, as defined in section 312(2)(D); and

"(3) not less than $5,000,000 or 5 percent of such sums, whichever is greater, for institutions serving Native American Pacific Islanders, including Native Hawaiians residing in the Pacific Basin, including the State of Hawaii, as defined in section 312(2)(E).".

"USES OF FUNDS

"SEC. 343. Funds made available under section 342 may be used for—

"(1) faculty development, including fellowship assistance to encourage qualified candidates to pursue masters and terminal degrees and return to the institution;

"(2) the acquisition of equipment and library resources which assist in instruction and research;

"(3) institutional partnerships which assist development and facilitate student transition to baccalaureate study, in the case of two-year institutions;

"(4) student services, with special emphasis on retention and transition in the case of two-year institutions;

"(5) management of institutional funds and funds authorized under title IV of this Act; and

"(6) any other activity, approved by the Secretary, which would assist the institution in carrying out the purposes of this part or assist the institution to achieve the objectives of its five-year plan.

"PART E—GENERAL PROVISIONS

"APPLICATIONS FOR ASSISTANCE

"SEC. 351. (a) APPLICATION REQUIRED; APPROVAL.—Any institution which is eligible for assistance under this title shall submit to the Secretary an application for assistance at such time, in such form, and containing such information, as may be necessary to enable the Secretary to evaluate its need for assistance. Subject to the availability of appropriations to carry out this title, the Secretary may approve an application for a grant under this title if the application meets the requirements of subsection (b) and shows that the applicant is eligible for assistance in accordance with the part of this title under which the assistance is sought.

"(b) CONTENTS.—An institution, in its application for a grant, shall—

"(1) set forth, or describe how it will develop, a comprehensive development plan to strengthen the institution's academic quality and institutional management, and otherwise provide for institutional self-sufficiency and growth (including measurable objectives for the institution and the Secretary to use in monitoring the effectiveness of activities under this title);

"(2) set forth policies and procedures to ensure that Federal funds made available under this title for any fiscal year will be used to supplement and, to the extent practical, increase the funds that would otherwise be made available for the purposes of section 311(b) or 323, and in no case supplant those funds;

"(3) set forth policies and procedures for evaluating the effectiveness in accomplishing the purpose of the activities for which a grant is sought under this title;

"(4) provide for such fiscal control and fund accounting procedures as may be necessary to ensure proper disbursement of and

accounting for funds made available to the applicant under this title;

"(5) provide (A) for making such reports, in such form and containing such information, as the Secretary may require to carry out the functions under this title, including not less than one report annually setting forth the institution's progress toward achieving the objectives for which the funds were awarded, and (B) for keeping such records and affording such access thereto, as the Secretary may find necessary to assure the correctness and verification of such reports;

"(6) provide that the institution will comply with the limitations set forth in section 356;

"(7) describe in a comprehensive manner any proposed project for which funds are sought under the application and include—

"(A) a description of the various components of the proposed project, including the estimated time required to complete each such component;

"(B) in the case of any development project which consists of several components (as described by the applicant pursuant to subparagraph (A)), a statement identifying those components which, if separately funded, would be sound investments of Federal funds and those components which would be sound investments of Federal funds only if funded under this title in conjunction with other parts of the development project (as specified by the applicant);

"(C) an evaluation by the applicant of the priority given any proposed project for which funds are sought in relation to any other projects for which funds are sought by the applicant under this title, and a similar evaluation regarding priorities among the components of any single proposed project (as described by the applicant pursuant to subparagraph (A));

"(D) in the case of a request for an award for a period of more than one year, a statement of reasons explaining why funds are necessary for each year of such period and why a single year award would be inadequate;

"(E) information explaining the manner in which the proposed project will assist the applicant to prepare for the critical financial problems that all institutions of higher education will face during the subsequent decade as a result of declining enrollment, increased energy costs, and other problems;

"(F) a detailed budget showing the manner in which funds for any proposed project would be spent by the applicant; and

"(G) a detailed description of any activity which involves the expenditure of more than $25,000, as identified in the budget referred to in subparagraph (F); and

"(8) include such other information as the Secretary may prescribe.

"(c) PRIORITY CRITERIA PUBLICATION REQUIRED.—The Secretary shall publish in the Federal Register, pursuant to chapter 5 of title 5, United States Code, all policies and procedures required to exercise the authority set forth in subsection (a). No other criteria, policies, or procedures shall apply.

"(d) ELIGIBILITY DATA.—The Secretary shall use the most recent and relevant data concerning the number and percentage of students receiving need-based assistance under title IV of this Act in making eligibility determinations under section 312 and shall advance the base-year forward following each annual grant cycle.

"WAIVER AUTHORITY AND REPORTING REQUIREMENT

"SEC. 352. (a) WAIVER REQUIREMENTS; NEED-BASED ASSISTANCE STUDENTS.—The Secretary shall waive the requirements set forth in section 312(2)(A)(i)(I) in the case of an institution (1) which is extensively subsidized by the State in which it is located and charges low or no tuition; (2) which serves a substantial number of low- and middle-income students as a percentage of its total student population; (3) which is contributing substantially to increasing higher education opportunities for black Americans, Hispanic Americans, Native Americans, Native American Pacific Islanders, including Native Hawaiians, who are low-income individuals; or (4) which is substantially increasing higher educational opportunities for individuals in rural or other isolated areas which are unserved by postsecondary institutions.

"(b) WAIVER DETERMINATIONS; EXPENDITURES.—(1) The Secretary may waive the requirements set forth in section 312(2)(A)(ii) if the Secretary determines, based on persuasive evidence submitted by the institution, that the institution's failure to meet that criterion is due to factors which, when used in the determination of compliance with such criterion, distort such determination, and that the institution's designation as an eligible institution under part A is otherwise consistent with the purposes of such parts.

"(2) The Secretary shall submit to the Congress each year a report concerning the institutions which, although not satisfying the criterion contained in section 312(2)(A)(ii), have been determined to be eligible institutions under part A or Hispanic Native American or Pacific Basin institutions under part D, as the case may be. Such report shall—

"(A) identify the factors referred to in paragraph (1) which were considered by the Secretary as factors that distorted the determination of compliance with sections 312(2)(A)(i) and (ii); and

"(B) contain a list of each institution determined to be an eligible institution under part A including a statement of the reasons for each such determination.

"(c) WAIVER DETERMINATIONS; AUTHORITY AND ACCREDITATION.—The Secretary may waive the requirement set forth in section 312(2)(v) in the case of an institution—

"(1) located on or near an Indian reservation or a substantial population of Indians, if the Secretary determines that the waiver will substantially increase higher education opportunities appropriate to the needs of American Indians;

"(2) wherever located, if the Secretary determines that the waiver will substantially increase higher education opportunities appropriate to the needs of Hispanic Americans or Native American Pacific Islanders, including Native Hawaiians;

"(3) wherever located, if the Secretary determines that the waiver will substantially increase higher education opportunities appropriate to the needs of individuals living in rural areas, whose needs are for the most part unserved by other postsecondary education institutions;

"(4) wherever located, if the Secretary determines that the waiver will substantially increase higher education opportunities appropriate to the needs of low-income individuals; or

"(5) wherever located, if the Secretary determines that the institution has traditionally served substantial numbers of black students.

"APPLICATION REVIEW PROCESS

"SEC. 353. (a) REVIEW PANEL.—(1) All applications submitted under this title by institutions of higher education shall be read by a panel of readers composed of individuals selected by the Secretary. The Secretary shall assure that no individual assigned under this section to review any application has any conflict of interest with regard to the application which might impair the impartiality with which the individual conducts the review under this section.

"(2) The Secretary shall take care to assure that representatives of historically black colleges, Hispanic institutions, Native American institutions, and Native American Pacific Islanders, including Native Hawaiians are included as readers.

"(3) All readers selected by the Secretary shall receive thorough instruction from the Secretary regarding the evaluation process for applications submitted under this title and consistent with the provisions of this title, including—

"(A) explanations and examples of the types of activities referred to in section 311(b) that should receive special consideration for grants awarded under part A and of the types of activities referred to in section 323 that should receive special consideration for grants awarded under part B;

"(B) an enumeration of the factors to be used to determine the quality of applications submitted under this title; and

"(C) an enumeration of the factors to be used to determine whether a grant should be awarded for a project under this title, the amount of any such grant, and the duration of any such grant.

"(b) RECOMMENDATIONS OF PANEL.—In awarding grants under this title, the Secretary shall take into consideration the recommendations of the panel made under subsection (a).

"(c) NOTIFICATION.—Not later than June 30 of each year, the Secretary shall notify each institution of higher education making an application under this title of—

"(1) the scores given the applicant by the panel pursuant to this section,

"(2) the recommendations of the panel with respect to such application, and

"(3) the reasons for the decision of the Secretary in awarding or refusing to award a grant under this title, and any modifications, if any, in the recommendations of the panel made by the Secretary.

"COOPERATIVE ARRANGEMENTS

"SEC. 354. (a) GENERAL AUTHORITY.—The Secretary may make grants to encourage cooperative arrangements—

"(1) with funds available to carry out part A, between institutions eligible for assistance under part A and between such institutions and institutions not receiving assistance under this title; or

"(2) with funds available to carry out part B, between institutions eligible for assistance under part B and institutions not receiving assistance under this title;

for the activities described in section 311(b) or section 323, as the case may be, so that the resources of the cooperating institutions might be combined and shared to achieve the purposes of such parts and avoid costly duplicative efforts and to enhance the development of part A and part B eligible institutions.

"(b) PRIORITY.—The Secretary shall give priority to grants for the purposes described under subsection (a) whenever the Secretary determines that the cooperative arrangement is geographically and economically sound or will benefit the applicant institution.

"(c) DURATION.—Grants to institutions having a cooperative arrangement may be made under this section for a period as determined under section 313.

"ASSISTANCE TO INSTITUTIONS UNDER OTHER PROGRAMS

"SEC. 355. (a) ASSISTANCE ELIGIBILITY.—Each institution which the Secretary determines to be an institution eligible under part A or an institution eligible under part B shall be eligible for waivers in accordance with subsection (b).

"(b) WAIVER APPLICABILITY.—(1) Subject to, and in accordance with, regulations promulgated for the purpose of this section, in the case of any application by an institution referred to in subsection (a) for assistance under any programs specified in paragraph (2), the Secretary is authorized, if such application is otherwise approvable, to waive any requirement for a non-Federal share of the cost of the program or project, or, to the extent not inconsistent with other law, to give, or require to be given, priority consideration of the application in relation to applications from other institutions.

"(2) The provisions of this section shall apply to any program authorized by title II, IV, VII, or VIII of this Act.

"(c) LIMITATION.—The Secretary shall not waive, under subsection (b), the non-Federal share requirement for any program for applications which, if approved, would require the expenditure of more than 10 percent of the appropriations for the program for any fiscal year.

"LIMITATIONS

"SEC. 356. The funds appropriated under section 357 may not be used—

"(1) for a school or department of divinity or any religious worship or sectarian activity;

"(2) for an activity that is inconsistent with a State plan for desegregation of higher education applicable to such institution;

"(3) for an activity that is inconsistent with a State plan of higher education applicable to such institution; or

"(4) for purposes other than the purposes set forth in the approved application under which the funds were made available to the institution.

"AUTHORIZATIONS OF APPROPRIATIONS

"SEC. 357. (a) AUTHORIZATIONS.—(1) There are authorized to be appropriated to carry out part A $150,000,000 for the fiscal year 1987, $175,000,000 for the fiscal year 1988, $200,000,000 for the fiscal year 1989, $225,000,000 for the fiscal year 1990, and $250,000,000 for the fiscal year 1991.

"(2)(A) There are authorized to be appropriated to carry out part B (other than section 326) $110,000,000 for the fiscal year 1987, $120,000,000 for the fiscal year 1988, $130,000,000 for the fiscal year 1989, $140,000,000 for the fiscal year 1990, and $150,000,000 for the fiscal year 1991.

"(B) There are authorized to be appropriated to carry out section 326 such sums as may be necessary for fiscal year 1987 and for each fiscal year ending prior to October 1, 1991.

"(3) There are authorized to be appropriated to carry out part C $50,000,000 for the fiscal year 1987, $60,000,000 for the fiscal year 1988, $70,000,000 for the fiscal year 1989, $80,000,000 for the fiscal year 1990, and $100,000,000 for the fiscal year 1991.

"(b) USE OF MULTIPLE YEAR AWARDS.—In the event of a multiple year award to any institution under this title, the Secretary shall make funds available for such award from funds appropriated for this title for the fiscal year in which such funds are to be used by the recipient.

"(c) RESERVATION OF FUNDS.—Of the sums appropriated under subsection (a)(1) for any fiscal year for part A, the Secretary shall make available to use for the purposes of each such part—

"(1) not less than 30 percent to institutions that are junior or community colleges,

"(2)(A) not less than $15,000,000, or 20 percent, whichever is greater, for Hispanic institutions as defined in section 312(2)(C),

"(B) not less than $5,000,000 or 5 percent whichever is greater, for Native American, Native Alaskan, or Aleut institutions as defined in section 312(2)(D), and

"(C) not less than $5,000,000 or 5 percent, whichever is greater, for Pacific Basin institutions as defined in section 312(2)(E), and

"(3) the remainder to institutions that plan to award a bachelor's degree during that year.".

SECTION-BY-SECTION ANALYSIS OF THE INSTITUTIONAL AID ACT OF 1986 (S. 1328)

A bill to strengthen programs under Title III of the Higher Education Act of 1965, relating to institutional aid, and for other purposes.

SECTION 1

Section 1 states that the short title of the Act is the "Institutional Aid Act of 1986."

SECTION 2

Section 2 would amend Title III of the Higher Education Act of 1965 is amended to read as follows:

TITLE III—INSTITUTIONAL AID

SECTION 101—FINDINGS AND PURPOSES

Section 101(a) sets forth the findings of Congress: (1) due to declining enrollments and scarce resources, at present time, many institutions of higher education face problems which threaten their ability to survive; (2) the problems relate to the management and fiscal operations of certain institutions of higher education, as well as to an inability to engage in long-range planning, recruitment activities, and development activities; (3) the current Title III program did not always meet the specific development needs of historically black colleges and universities and other institutions with a large proportion of minority, low-income students; (4) the solution of the problems would enable these institutions to become viable, thriving institutions of higher education; (5) a minimum level of assistance provided to these institutions is needed in order to assure their continued participation in the program established in Title III and to enhance their role in providing access to low income and minority students; and (6) these institutions play an important role in the American system of higher education, and there is a strong national interest in assisting them in solving their problems and in stabilizing their management and fiscal operations.

Section 101(b) states that the purpose of Title III is to assist such institutions through a program of Federal assistance.

PART A—STRENGTHENING INSTITUTIONS

SECTION 311—PROGRAM PURPOSE

Section 311(a) establishes the general authorization that the Secretary shall carry out a program, in accordance with this part, to improve academic quality, institutional management, and the fiscal stability of eligible institutions. The purpose of this program is to increase institutional self-sufficiency and strengthen their capacity to make a substantial contribution to the higher education resources of the Nation.

Section 311(b) states that from the sums available under Section 357(a)(1) of Part A, the Secretary may award grants to any eligible institution with an application approved under Section 351, in order to assist an eligible institution to plan, develop, or implement activities that promise to strengthen the institution. The Secretary is required to give special consideration to applications which propose, pursuant to the institution's plan, to engage in (1) faculty development; (2) funds and administrative management; (3) development and improvement of academic programs; (4) acquisition of equipment for use in strengthening funds management and academic programs; (5) joint use of facilities such as libraries and laboratories; and (6) student services.

SECTION 312—DEFINITIONS

Section 312 defines certain terms which are used in Part A.

Subsection (1) states that the term "educational and general expenditures" means the amount of money expended by an institution of higher education for instruction, research, public service, academic support, student services, institutional support, scholarships and fellowships, and operation of education.

Subsection (2) states that the term "eligible institution" means (A) an institution with a substantial percentage of poor students who receive need-based assistance under Title IV; its average educational and general expenditures are comparatively low; the institution provides a program leading to a bachelor's degree or is a junior or community college; the institution is accredited or is making reasonable progress toward accreditation; and the institution has met either one or all such requirements during the five academic years before the year it seeks assistance; (B) any branch of an institution which by itself meets the first two of (A); (C) an institution with a certain percentage of minority students, including 30% Hispanic Students, or 60% Native American Students, or 5% Pacific American Students.

Subsection (3) states that the term "full-time equivalent students" means the number of full-time students, plus the full-time equivalent of the number of part-time students.

Subsection (4) states that the term "junior of community college" means an institution of higher education that admits persons who are beyond the age of compulsory school attendance in the state in which the institution is located; does not provide a bachelor program; provides a two years program acceptable for full credit toward a bachelor degree or preparing a student to work in technical or vocational fields of work.

SECTION 313—DURATION OF GRANT

Subsection (a) establishes a general rule that the Secretary may award a grant to an eligible institution under Part A for a period not to exceed three years; or not less than four nor more than seven years, subject to the availability of appropriations.

Subsection (b) establishes a limitation that no grant under this part is available to an institution that has exhausted its seven years of eligibility.

Subsection (c) sets forth the exception that the Secretary may award a grant to an eligible institution for one year for the purpose of assisting the institution in the preparation of plans and its application.

PART B—STRENGTHENING HISTORICALLY BLACK COLLEGES AND UNIVERSITIES

SECTION 321—FINDINGS AND PURPOSES

Section 321 sets forth the findings of Congress; (1) the historically black colleges and universities have contributed significantly to the effort to attain equal opportunity through postsecondary education for black, low-income, and educationally disadvantaged Americans; (2) the states and Federal Government have discriminated in the allocation of financial resources to support black public and private institutions; (3) the current state of black colleges and universities is partly attributable to such discrimination and this discrimination requires the remedy of enhancement of black postsecondary institutions; and (4) financial assistance to historically black institutions is an appropriate method to strengthen and enhance them.

SECTION 322—DEFINITIONS

Section 322 establishes the following definitions: (1) the term "graduate" means an individual who attends an institution for at least three semesters and fulfills the academic requirements for undergraduate studies in not more than five years; (2) the term "part B institution" means any historically black institution established before 1964 and whose principal mission was and is the education of black Americans; (3) the term "Pell Grant recipient" means a recipient of financial aid under Title IV, Part A, Subpart 1 of the Higher Education Act of 1965; (4) the term "professional and academic areas in which blacks are under-represented" shall be determined by the Administrator of the National Center for Education Statistics and the Commissioner of the Bureau of Labor Statistics as professional and academic areas in which the percentage of black Americans is less than that in the general population; and (5) the term "school year" means the period of 12 months from July 1 to June 30.

SECTION 323—GRANTS TO INSTITUTIONS

Subsection A authorizes the Secretary to make grants to the institutions with approved plans for any of the following uses: (1) purchase, rental, or lease of scientific or laboratory equipment for educational purposes; (2) construction, maintenance, renovation and improvement of educational facilities; (3) support of faculty exchanges; (4) academic instruction in disciplines in which black Americans are underrepresented; (5) purchase of library books, periodicals, microfilm, and other educational materials; and (6) tutoring, counseling, and student service programs designed to improve academic success.

Subsection B states a limitation that no grant may be made under this Act for any program related to religious worship or provided to a school of divinity.

SECTION 324—ALLOTMENTS TO INSTITUTIONS

Section 324 delineates the allotment formula under which Part B funds are to be awarded to eligible institutions. That formula would allocate (a) half of the Part B appropriation on the basis of an eligible institution's share of the number of Pell Grant recipients in good standing in all such eligible institutions, (b) one-fourth of the appropriation on the basis of each eligible institution's share of the number of annual graduates from all such institutions; (c) and one-fourth on the basis of each eligible institution's share of the number of graduates admitted and attending a graduate or professional school pursuing a degree in a discipline in which blacks are "underrepresented"; (d) the section provides for reallotment of funds that an eligible institution might not require; (e) describes a "special rule" affecting Howard University and the University of the District of Columbia which prohibits their receipt of funds under Part B as long as each receives a special appropriation, directly or indirectly, from the Federal Government.

SECTION 325—APPLICATIONS

Section 325 describes the applications that each Part B institution must file with the Secretary of Education. Section 325(b) requires the Secretary to approve any application which meets the requirements of subsection (a) and precludes the Secretary from denying funding that is authorized without providing the affected institution an opportunity for a hearing.

SECTION 326—PROFESSIONAL OR GRADUATE INSTITUTIONS

Section 326(a) extends Part B eligibility to institutions offering only graduate and professional degrees in medicine, dentistry, veterinary medicine or other graduate or professional fields, making a "substantial contribution" to the graduate education of blacks; (b) provides that no grant may be over $500,000 unless it is matched by funds from non-federal sources; (c) it limits these grants to two 5-year grants. This limitation would apply to all institutions receiving assistance under Part B. The uses of funds awarded to these institutions are the same as those for other Part B institutions with the addition of establishing or improving a development office, and creating or maintaining an endowment. These institutions are permitted, but not required, to submit an application under this section; and (e) provides a listing of the professional or graduate institutions eligible under this section.

SECTION 327—REPORTING AND AUDIT REQUIREMENTS

Section 327 establishes certain reporting and auditing requirements that are to be met by any recipient of Title III funds.

SECTION 328—PENALTIES

Section 328 establishes certain penalties for embezzlement, misapplication, theft or fraud involving Title III funds.

PART C—CHALLENGE GRANTS FOR INSTITUTIONS ELIGIBLE FOR ASSISTANCE UNDER PART A OR PART B

SECTION 331—ESTABLISHMENT OF CHALLENGE GRANT PROGRAM

Section 33 provides the general authorization for the Challenge Grant program. Existing law refers to this program as "Endowment Grants". The bill changes the name of the program only.

SECTION 332—APPLICATIONS FOR CHALLENGE GRANTS

Section 332 spells out what must be included in a Challenge Grant application.

SECTION 333—CHALLENGE GRANTS

Section 333 authorizes and establishes all parts of the Endowment Grant program. Subsection (a) describes the purpose of the program and sets forth the definitions of terms such as "endowment fund," "endowment fund corpus," "endowment fund income"; (b) states the authorization of the grants; (c) states the Grant Agreement; (d) establishes the selection criteria; (g) states the content of Application and subsection (h) sets forth the termination and recovery provisions.

PART D—RESERVATION FOR HISPANIC, NATIVE AMERICAN, AND PACIFIC BASIN INSTITUTIONS

SECTION 341—STATEMENT OF FINDINGS AND PURPOSE

Subsection (a) sets forth the findings of Congress: (1) Hispanic students are concentrated in public postsecondary institutions, especially in two-year community colleges; (2) Hispanic and Native American students seldom transfer to four-year institutions and often do not complete a bachelor's degree when they do; (3) certain minority groups are underrepresented in higher education and the Native American students are the most grossly underrepresented, constituting one-half of 1 percent of all students, and 0.3 percent of those receiving degrees; (4) Hispanics comprise 3 percent of all students, with less than 3 percent of Hawaiians who hold a degree; (5) among those groups in the Pacific Basin, less than 25 percent of the college-age population attends college, and literacy rates in both English and native languages rank far below national averages; and (6) higher education institutions in Puerto Rico present different problems requiring different solutions to facilitate real access to a quality education opportunity.

Subsection (b) states that the purpose of this Act is to provide a set-aside to address the special needs of these minority students.

SECTION 342—RESERVATION FROM PART A APPROPRIATION

Section 342 provides that, of the funds appropriated for part A, the following amounts are to be set aside:

(1) at least $15,000,000 or 20 percent, which ever is greater for Hispanic institutions;

(2) at least $5,000,000 or 5 percent, which ever is greater, for Native American, Native Alaskan, or Aleut institutions;

(3) at least $5,000,000 or 5 percent, whichever is greater, for Pacific Basin institutions.

SECTION 343—USES OF FUNDS

Section 343 defines the authorized uses of the Part A funds set-aside for the minority-concentration institutions. The funds should be used for faculty development; the acquisition of equipment and library resources; institutional partnerships to help students with the transition from 2-year colleges to 4-year colleges in order to obtain a bachelor degree; student services; management of institutional funds; and any other approved activity which carries out the purposes of Part A.

PART E—GENERAL PROVISIONS

SECTION 351—APPLICATIONS FOR ASSISTANCE

Subsection 351 describes the content of applications for Title III funds. Subsection (a) states that the application should enable the Secretary to evaluate its need for assistance; (b) sets forth what the application should contain; (c) provides that all policies and procedures employed by the Secretary in approving an application are to be published in the Federal Register; and (d) requires the Secretary to use the most recent data on the number of students receiving Federal student assistance in determining Part A eligibility.

SECTION 352—WAIVER AUTHORITY AND REPORTING REQUIREMENT

Section 352 (a) provides for certain waivers of eligibility requirements under Part A. The Secretary is to waive the Federal student aid factor in determining eligibility for Part A for any institution "extensively sub-

sidized" by State funding and which has low or no tuition; any institution serving a "substantial" percentage of low and middle income students; any institution making "substantial" contributions to higher education opportunities for certain minority groups and low-income persons; or any institution "substantially" enhancing the educational opportunities for persons in rural areas unserved by higher education institutions.

Subsection (b) (c) sets forth the expenditures, authority and accreditation of waiver determinations.

SECTION 353—APPLICATION REVIEW PROCESS

Section 353 provides certain requirements for the Title III application review process.

SECTION 354—COOPERATIVE ARRANGEMENTS

Section 354 authorizes cooperative arrangements for Title III institutions. It would allow cooperative arrangements between Title III recipients and institutions not receiving such assistance.

SECTION 355—ASSISTANCE TO INSTITUTIONS UNDER OTHER PROGRAMS

Section 355 provides certain waivers for Title III institutions under other Higher Education Act programs that require matching funds from institutions.

SECTION 356—LIMITATION

Section 356 provides certain limitations on the use of Title III funds.

SECTION 357—AUTHORIZATIONS OF APPROPRIATIONS

Section 357 authorizes appropriations for Title III. For Part A, there would be authorized $150,000,000 for FY 1987, $175,000,000 for FY 1988, $200,000,000 for FY 1989, $225,000,000 for FY 1990, and $250,000,000 for FY 1991. For Part B, there would be authorized $110,000,000 for FY 1987, $120,000,000 for FY 1988, $130,000,000 for FY 1989, $140,000,000 for FY 1990, and $150,000,000 for FY 1991, and "such sums" for the professional and graduate schools under Part B. For Part C, there would be authorized $50,000,000 for FY 1987, $60,000,000 for FY 1988, $70,000,000 for FY 1989, $80,000,000 for FY 1990, and $100,000,000 for FY 1991.

Subsection (b) describes the use of Multiple Year Awards. Subsection (c) provides for certain funding set-asides for Part A that not less than 30 percent for junior or community colleges, and the same set-asides delineated earlier in section 342 for minority-concentration institutions.

STATEMENT OF SENATOR PAUL SIMON ON THE INSTITUTIONAL AID ACT OF 1985 AMENDING TITLE III OF THE HIGHER EDUCATION ACT OF 1965

Mr. President, The Higher Education Act is scheduled to be reauthorized by the 99th Congress and work is already underway in the other body and some hearings have been held by Chairman Stafford here in the Senate. In 1985 and in 1986 we address two major challenges facing the Nation and institutions of higher education across America—improving the quality of higher education and expanding postsecondary educational opportunities for all students, especially minorities, low-income and non-traditional students of all ages. One of the major tools in the Higher Education Act which assists in improving the quality of individual institutions is Title III, Institutional Aid. The bill that I am introducing today will improve the Federal Government's commitment to equality of educational opportunity and strengthen the quality of Title III institutions.

Title III was completely re-written in the Educational Amendments of 1980 (P.L. 96-372). It is the largest discretionary grant program in the Higher Education Act, and the only one which provides direct institutional assistance to eligible colleges and universities. Title III authorizes three separate programs—the Strengthening Institutions program (Part A) and the Special Needs program (Part B) vary on the basis of statutory eligibility criteria and the duration of grants made under each part. The Part C, Endowment Grants program provides matching federal grants to assist in building institutional endowments.

A program of Strengthening Institutions grants is authorized under Part A to improve the academic quality, institutional management, and fiscal stability of eligible institutions in order to increase their self-sufficiency and strengthen their capacity to make a contribution to the Nation's higher education resources.

A program for Aid to Institutions with Special Needs is authorized under Part B for the purpose of strengthening the planning, management, and fiscal capabilities of postsecondary institutions with special needs, which are defined as institutions with low average educational and general expenditures per full-time equivalent (FTE) student, and have a substantial portion of their students receiving Pell Grants and campus-based assistance.

Under Part C, a program of Challenge Grants is authorized. An institution eligible for assistance under either Part A or B of Title III may apply for additional aid if the institution indicates that it will match the requested challenge grant amount. Under the Challenge Grant Act Amendments of 1983 (P.L. 98-95), 20 percent of the Challenge Grant appropriations in FY 1984 was used for matching grants to eligible institutions to assist in endowment building. In FY 1985, a similar percentage of Part C funds will be used for this purpose.

PROBLEMS WITH THE CURRENT PROGRAM

Since enactment of the 1980 Amendments, legislative direction and program administration have improved substantially. Several problems remain, however, with statutory, regulatory and non-regulatory interpretations of the statute in these key areas: (1) The continuing institutional eligibility under Part A (4-7 years) or eligible institutions after exhausting five years of Part B eligibility; (2) the Title III eligibility status of postsecondary institutions whose participation is wholly dependent on language contained in the FY 1983 Continuing Appropriations Act (P.L. 97-377); (3) limitations placed on the use of Title III funds, i.e., "developmental" vs. "nondevelopmental" activities by administrative memorandum, rather than regulation; and (4) clarification of the base-year data requirement to assure that the most recent and relevant Pell Grant and campus-based data is used in determining institutional eligibility.

The most severe problem is the unnecessary duplication of program functions in Parts A and B, and the confusion which results in program eligibility determinations and continuing program participation. Many otherwise eligible postsecondary institutions had difficulty establishing their Title III eligibility due to the substantial state subsidies provided for the institution. Students attending this type of institution, primarily two-year community colleges and technical schools in California, Texas, South Carolina, and North Carolina, received low Pell Grant awards. Since institutional eligibility was partly determined based on "high-average Pell Grant awards", institutions in these states often did not qualify for Title III assistance. The minimal participation of Hispanic and Native American postsecondary institutions is also a problem to be addressed. Difficulties in establishing and maintaining the eligibility of Pacific Basin institutions and the eligibility of the College of the Virgin Islands must also be resolved.

DESCRIPTION OF PROPOSED CHANGES

The Institutional Aid Act of 1985 will improve program operations and eliminate unnecessary confusion and overlap in functions. The bill would:

Create a $15 million set-aside for Hispanic institutions, a $5 million set-aside for Native American institutions, and a $5 million set-aside for Pacific Basin institutions in the New Part A, Strengthening Program (old Title III, Part A);

Establish the Black College and University Act as a new Part B, providing a $110 million authorization for the historically black colleges and universities and a series of authorized activities designed to meet their growth and development needs;

Delete current law Part B of Title II entirely and require use of both Pell Grant and campus-based Title IV assistance to determine institutional eligibility under Part A;

Clarify Part A eligibility to assure continuing eligibility for all planning grant (one year) and 1-3 year grant recipients, while all 4-7 year grantees would be denied further access to the program, except for Challenge Grant purposes, unless granted a waiver, provided for in law, by the Secretary;

Establish a mandatory waiver mechanism for institutional eligibility, and a discretionary waiver for continuing program participation (beyond the seven year graduation date) when certain statutory criteria are met;

Require the Secretary to use the most recent and relevant student assistance data in making eligibility determinations, i.e., advancing the base-year one year forward following each annual grant cycle;

Maintain the 30 percent community and junior college set-aside;

Mandate that all administrative provisions affecting eligibility, uses of funds, program activities, etc., be included in regulations which comply with the Administrative Procedures Act and the Higher Education Act by providing for public comment and legislative review;

Ensure the eligibility and participation of the College of the Virgin Islands as a Part B institution;

Modify the section governing Cooperative Arrangements to include an arrangement between an eligible institution and an institution not eligible for participation in the program; and

Extend the endowment grant provisions of the Challenge Grant Act Amendments of 1983 (P.L. 98-95).

Most of these changes will improve institutional access to available funds, assure that the intent of Congress—as expressed in the 1980 Amendments—is carried out and provide for productive relationships between developed and less well-developed institutions of higher education. The new endowment building program will be continued with several modifications.

Part B will establish the Black College and University Act. The proposed new Part B in the Higher Education Act would authorize a five-year program of capital infusion into each of the historically black colleges to carry out the following activities:

Purchase or lease scientific or laboratory equipment for instructional and research purposes;

Construction, maintenance and improvements in classroom, library or laboratory facilities;

Faculty exchanges and programs which assist faculty members acquire terminal degrees;

Establishment of new academic programs where Black Americans are unrepresented or underrepresented, e.g. engineering and architecture, pre-medicine and predentistry (biological sciences and chemistry), foreign languages, economics, public administration and advocacy;

Purchase of library books, periodicals, microfilm, etc. to upgrade and maintain current library holdings; and

Paying the excess cost of remediating, tutoring and counseling low-income students.

RATIONALE FOR THE BLACK COLLEGE AND UNIVERSITY ACT

The Black College and University Act would build on the existing rationale for the current Part B set-aside in title III. This provision was enacted as part of the 1980 Amendments to the Higher Education Act in order to assure the continued participation of the HBCU's in Title III. Additional changes are required in order to focus available Title III resources on projects and activities that meet the needs of the colleges and that promise, over the long haul to assure the growth and development of these colleges, and the continuation of their vital 'life-line' function for many of the Nation's Black Americans. For reasons of poverty and educational disadvantage at the elementary and secondary grades or simple lack of family finances and community support, many are unable to enter or successfully pursue a postsecondary education at traditional institutions.

These institutions do provide educational access and choice for thousands of black young people of special concern are the forty-three private black institutions which are supported, in part, by the United Negro College Fund (UNCF). In addition to Hampton Institute, Tuskegee Institute and Howard University, there are several two-year private and numerous public institutions—including 17 black land grant colleges or universities. Many of their students would not be admitted to nor succeeded in traditional institutions. Black colleges and universities enroll some high risk students and others who could not succeed academically at any other institution and mold world leaders, high ranking political leaders and work-a-day world Americans. It is critical that the Federal Government do all that it can to assure the survival and development of these institutions. The Black College and University Act will do that.

The College of the Virgin Islands is clearly covered by the definition in Section 322(2). It was established in 1962 to serve the needs of Virgin Islanders and their neighbors in the Caribbean. U.S. Virgin Islanders are citizens of the United States. They are predominantly black, and have generally experienced difficulty matriculating at mainland institutions. I mention this specific institution because its participation in Title III has been questioned in the past, and I want to dispel any doubt that they are to be included in the legislation which I am introducing.

The Higher Education Act of 1965 included the "Developing Institutions" title for black colleges. The "developing institutions" surrogate was used because it was believed that the Congress would not have enacted race specific language. Along with other non-specific verbiage—such as "out of the mainstream" and "struggling for survival"—several vague phrases have created difficulty in establishing eligibility criteria, targeting funding and evaluating institutional progress over the years. Prior to the 1980 reauthorization of the HEA, the Title III program came under attack for program mismanagement—and there was some—and under pressure from non-minority colleges which sought eligibility for the Title III institutional assistance program. The absence of clear criteria for identifying the target schools or intended beneficiaries also made it difficulty, if not impossible, to substantiate the claim that Title III was originally intended for historically black colleges.

This new legislation is also needed in order to assist these colleges and universities help the Federal Government carry out its access mission and to redress in part the record of discriminatory allocation of Morrill Act funds, research grants and contracts, and discretionary grants.

The critical issue is the Federal Government's failure to adequately fund Title III, yet to expect the grantee institutions to develop and graduate from the program. The Title III program and the entire Federal effort to provide funds to black colleges is insufficient when compared with the desired objective.

In FY 1980, less than 5 percent of the funding awarded under Title III went to the historically black colleges and universities. Lengthy deliberations during the 1980 reauthorization process and the enactment of the 1980 Amendments to the Higher Education Act of 1965 indicate just how tenuous Title III assistance is for black postsecondary institutions. In light of current budgetary restraints and likely further funding trends, another mechanism must be found to provide Federal support to these institutions. Notwithstanding the importance of Title III to a wide variety of postsecondary institutions, black colleges and universities have a legitimate claim to a program of institutional assistance designed to enhance these colleges. The Supreme Court of the United States has upheld the constitutionality of race specific or "race conscious" remedies in school desegregation, employment and in voting rights cases. In *Fullilove* v. *Klutznick*, a 1980 case questioning the constitutionality of Section 103 (f)(2) of the Public Works Employment Act of 1977, the Court affirmed the authority of the United States Congress to enact "race conscious" legislation to remedy past discrimination under the general authority of the Civil War amendments to the Constitution.

How well has Title III served historically black institutions of higher education? The following chart reveals a pattern of behavior over the last seven fiscal years:

	Appropriation	Amount to black colleges	Percent
Fiscal year:			
1978	$120,000,000	$56,400,000	47
1979	120,000,000	48,347,480	43
1980	109,994,970	20,899,044	19
1981	120,000,000	47,779,000	40
1982	134,416,000	41,500,219	31
1983	134,416,000	50,803,943	38
1984	134,416,000	45,781,000	34

Note: Prior to the fiscal year 1982 award year, multiyear grant awards were obligated from the appropriation for the fiscal year in which the grant was made. Under the 1980 amendments, multiyear available for obligation until appropriated.

While this is not a complete picture, it does leave the accurate impression that funding under this program has gradually shifted away from black colleges and universities since passage of the Higher Education Act of 1965. Of the total of $1,600,760,970 appropriated for Title III since 1966, about $700,126,886 has been provided to black colleges and universities through FY 1984.

Although Black Americans, in general, until recent years have shown substantial gains in their enrollment and participation in higher education—virtually attaining an overall percentage equal to their percentage of the total population—they remain underrepresented as graduates. As was noted in the Condition of Education, black students lag behind in graduate school enrollment (6 percent), professional school enrollment (4.5 percent), and doctorate degrees awarded (3.5 percent). Blacks continue to be underrepresented in many disciplines including engineering, the physical sciences, mathematics, foreign languages, the biological sciences, natural resources and business/management.

The unique role of black colleges and universities in redressing the current imbalance is critical. Predominantly white institutions have continued, since 1965, to enroll larger numbers of black students, but graduate fewer students than their enrollment would suggest is appropriate, while experiencing high black dropout rates. However, the role of black colleges and universities in reducing the underrepresentation of blacks in the professions and with advanced degree role is not likely to be fulfilled if the Federal Government maintains it presently passive approach in ensuring the maintenance and growth of black colleges and universities.

The historical record is replete with discriminatory allocations of Morrill Act funds and the disproportionately small award of Federal grant and contract funds to the 17 black land-grant institutions, when compared to their white counterparts in the same states.

The discriminatory system of allocating funds was aided, contributed to and exacerbated by the States in their failure to designate black public institutions to receive matching State funds and their differential treatment of black public institutions in the allocation of State appropriated funds.

The discriminatory treatment of black colleges and universities persisted after Congress enacted the Civil Rights Act of 1964. Litigation initiated in 1970 as *Adams* v. *Richardson* continues today as *Adams* v. *Bennett*, challenging the Department of Education's (formally HEW) enforcement of Title VI of the Civil Rights Act of 1964. Higher education systems in several southern and border states have been successfully challenged as being illegally segregated, and consent decrees or voluntary agreements leading to a unitary higher education system have been negotiated. Although not intended to provide funds to remedy the unequal treatment of black public institutions, Part B funds could contribute to the implementation of existing or future consent de-

crees and voluntary state plans accepted by the Department. In the context, it is important to note that the black professional or graduate institutions enumerated in Section 326(e) might increase.

This new Title III legislation would authorize the first five years of a ten-year program of capital infusion into the historically black colleges and universities based on the number of full-time equivalent Pell Grant recipients in attendance at the institution during the school year immediately preceding enactment of the law. The legislation would provide incentives to institutions which retain and graduate students within five years and additional incentives to those institutions whose graduates are admitted to graduate and professional schools in courses of study or academic disciplines in which Black Americans are underrepresented. The legislation would require the existence of an institutional development plan and monitoring and accounting for Federal grant funds. The legislation would also require maintenance of full accreditation and each FTE Pell Grant recipient would be weighted according to the added cost of educating an educationally disadvantaged student at that institution.

RATIONALE FOR THE MINORITY COLLEGE SETASIDE

Part D will establish a new authority for Hispanic institutions, Native American institutions and Pacific Basin institutions funded through a 30 percent setaside of Part A funds. All institutions must establish eligibility under Part A criteria and have at least a specified percent of minority student enrollment in order to participate in the setaside. Each of these postsecondary institutions has a different historical mission and role than the historically black colleges and universities. However, they have similar experiences in gaining access to Federal grants—especially Title III.

The minority college setaside will benefit approximately 51 mainland Hispanic institutions, 37 institutions in Puerto Rico, about 25 Native American institutions (including 18 tribally-controlled colleges) and seven postsecondary institutions in the Pacific Basin, plus certain institutions in Hawaii. This change is desirable because of the practical experience of minority institutions in receiving Title III grants and because of their severe economic conditions. The experience of Hispanic institutions with Title III is illustrative:

	Hispanic institutions	Awards in dollars
Fiscal year:		
1980	14	$2,771,754
1981	27	8,032,287
1982	10	2,159,054
1982 supplemental	13	3,970,473
1983 (NEW)	5	538,516
1983 (NCC)	10	2,458,145

The educational plight of Hispanic and Native American students also requires a remedy. While programs such as the Special Services for Disadvantaged Students (TRIO) program provide some help, only about ten percent of all eligible students are served. Many minority students attend institutions which are not always able to provide the supportive academic services and counseling that are needed to assure success. Improvement in the existing situation is imperative:

Hispanic students continue to be seriously underrepresented in all postsecondary institutions. While Hispanics represented 6.4 percent of the total U.S. population in 1980, they comprised only 3.9 percent of the total fall enrollment in higher education.

The percentage of Hispanic high school graduates enrolling in institutions of higher education declined from 35.4 in 1975 to 29.9 in 1980.

Hispanic enrollment in higher education are highly concentrated in public two-year institutions, 53.3 percent in 1978, compared to 34.5 percent for the total population.

Non-completion rates for Hispanics remain high. Although enrollments of Hispanics in undergraduate studies increased by twelve percent from 1978 to 1980, the rate of degree attainment in that time increased by only eight percent.

Hispanics have not reached parity at any level in degree attainment. In 1980, they received 2.3 percent of bachelor's, 2.1 percent of master's, and 1.4 percent of doctoral degrees, while they represented 6.4 percent of the total U.S. population. These rates have remained constant at a time when the total Hispanic population has increased dramatically.

Hispanics are highly concentrated in the social sciences and education and seriously underrepresented in the physical sciences. Seventeen percent of the bachelor's degrees earned by Hispanics in 1980–81 were in the social sciences and education, while only six percent were in the physical sciences and engineering. The construction becomes greater at the graduate level with 42 percent of master's degrees and 40 percent of doctoral degrees earned in the social sciences and education, and only 4 percent of the master's and 9 percent of the doctoral degrees in the physical sciences and engineering.

Data for American Indians are less available but the existing data reveal that their experience in higher education is similar to that of Hispanics. Fifty-five percent of Indian enrollments in higher education were concentrated in two-year institutions.

American Indian degree attainment has remained stable but at a seriously underrepresented rate. Although they represent 1.1 percent of the total United States population, they received only 0.3 percent of bachelor's, master's, and doctoral degrees in 1980–81. The 0.3 percent of bachelor's degrees represents a decreased from 0.4 percent in 1975–76.

American Indians represent the most highly concentrated group in education and the social sciences: 29 percent of bachelor's degrees, were earned in education. At the master's and doctoral degrees the concentration in education is stunning—44 percent each.

The 1980 amendments authorized a study of "Postsecondary Education In The U.S. Territories," which was completed in May 1982. That study adequately documents the need for additional federal institutional assistance for these institutions. Some of the findings include:

The postsecondary institutions are just developing. All are relatively young and most have existed for ten years or less. They need improvement across the board: administration, instruction, facilities. Moreover, there are no alternatives a few miles away. The alternatives are far away and costly to attend. The territories need on-island postsecondary education, and the territorial colleges still need help to develop.

Almost all postsecondary education costs are higher in the territories because of their remoteness. Compared to the states, it is more costly to send students to mainland colleges and it is more costly to provide postsecondary education on the islands.

The territories have severely limited resources. Their economies are less developed. Their people are poor. Their governments are heavily dependent on federal assistance to meet even their most basic needs.

The school-age population is rising rapidly—not declining as in the states—and is a higher proportion of the total population. Thus, the demand for psotsecondary education is increasing for demographic reasons.

The general education level is much lower than in the states. Thus, basic needs are greater, and postsecondary education must begin with substantial remediation. Also, there is an increasing demand for adult basic education from those who never went to high school.

The economies are just developing. There is a wide range of unmet personal needs, particularly vocational and technical. The territories need basic vocational skills (like carpenters, plumbers, and mechanics) that are taken for granted in the states.

The set-aside would facilitate the development of these institutions by assisting them to offer postsecondary educational programs which meet territorial needs, and to assist them in preparing students who may need to transfer to mainland institutions to complete their training or education. Title III assistance is critical to avoiding special legislation to address these problems and to meet the critical needs of these institutions and their students.

Finally, the minority college setaside would benefit Native American institutions, including those two and four-year institutions which do not participate in the Tribally-Controlled Community College Assistance Act. There are eight such colleges, including Native American Educational Services, Inc. (NAES Colleges), which operates colleges in Illinois, Montana and in New Mexico; Flaming Rainbow University in Oklahoma; Haskell Indian Junior College in Kansas; and the Institute of American Indian Art in New Mexico.

The bill would authorize $175 million in Fiscal Year 1987 for Part A, $110 million in Fiscal Year 1987 for Part B, excluding a "such sums" authorization for five medical and graduate institutions; and $50 million in Fiscal Year 1987 for Part C. The Part D setaside for minority institutions would be deducted from part A funds.

UNITED NEGRO COLLEGE FUND,
New York, NY, June 7, 1985.

Hon. PAUL SIMON,
U.S. Senate, Washington DC.

DEAR SENATOR SIMON: I am writing to give the strong endorsement of the United Negro College Fund and our 43 member colleges and universities for your bill to amend Title III of the Higher Education Act. We are particularly pleased and enthusiastic about your proposal to create a new "Part B" to strengthen Historically Black Colleges and Universities.

I have been pushing for a number of years for federal legislation that would recognize both the unique nature of our nation's black colleges and the government's unique responsibility to strengthen these institutions. They are the soul of the black community in the United States, our historical treasure and our hope for the future.

I commend you and House Education and Labor Committee Chairman Augustus Hawkins for introducing this legislation, which for the first time commits the federal government to the black colleges. I can assure

you or our strenuous efforts to assist you in securing passage and enactment of this bill.

Yours sincerely,

CHRISTOPHER F. EDLEY,
President, Chief Executive Officer.

NATIONAL ASSOCIATION FOR EQUAL OPPORTUNITY IN HIGHER EDUCATION,
Washington, DC, June 11, 1985.

Senator PAUL SIMON,
Dirksen Senate Office Building, Washington, DC.

DEAR SENATOR SIMON: Over the last 15 years, the federal government has paid particular attention to the plight and problems of Historically Black Colleges and Universities. This attention has resulted in numerous federal program and initiatives to foster development of Black colleges. Most of those actions have been sincere in intent, but short on "True development."

The Title III Amendments Act of 1985 is the first comprehensive developmental program concept ever conceived for HBCUs. The Act would create the Black College and University Act, authorizing a funding level at $110 million per year for the following developmental activities:

a. Purchase or leasing of laboratory equipment for use in instruction and/or research.

b. Construction, maintenance or rehabilitation of classrooms, libraries or laboratory facilities.

c. Promotion of faculty exchange.

d. Development and enhancement of program in disciplines where Black Americans are underrepresented.

e. Purchase of library materials—including books, periodicals, microfilm and facilities for sharing these and/or other materials.

These are basic long range developmental activities for Black Colleges. They are the sine qua non for solid, sustained, substantive academic quality.

Considering the critical socio-economic situation of Black college students and Black America as a whole, the only way the historically Black colleges and universities can begin to make those structural changes in program development and/or physical plant that are under consideration in the Black College Act would be to raise tuition and/or cut back on student assistance. If the above options take place (for those reasons), the poorest of the poor would be greatly hurt by being priced out of higher education, and the concept of access and choice would be a thing of the past for many low income minority students.

The National Association for Equal Opportunity in Higher Education, (NAFEO) the membership organization of 114 historically and traditionally Black Colleges and Universities, would like to take this opportunity formally to endorse the Title III Amendments Act of 1985 soon to be introduced by you, and pledge to work for it.

Cordially,

SAMUEL L. MYERS,
President.

AMERICAN ASSOCIATION OF COMMUNITY AND JUNIOR COLLEGES,
Washington, DC, June 11, 1985.

Hon. PAUL SIMON,
U.S. Senate,
Washington, DC.

DEAR SENATOR SIMON: We wholeheartedly encourage early introduction of the bill you have drafted to reauthorize and improve Title III of the Higher Education Act. We are particularly concerned that the ethnic minority students be superbly served in our two-year colleges. It is simply in the federal interest to make this investment.

Through the years, Title III has been of substantial benefit to community, technical, and junior colleges, and its renewal and improvement rank high among our priorities for the reauthorization of the Higher Education Act. Your success in establishing the endowment grant programs as part of Title III has been another leap forward, which promises to open still more doors in the development of struggling community, technical, and junior colleges.

In view of the proposals that our AACJC-ACCT Joint Commission on Federal Relations has made for Title III reform, your bill offers a timely vehicle to help speed the intricate task of reworking this vital and most successful postsecondary program.

Sincerely,

DALE PARNELL,
President.

AMERICAN INDIAN HIGHER EDUCATION CONSORTIUM,
Washington, DC, June 11, 1985.

Hon. PAUL SIMON,
U.S. Senate, Washington, DC.

DEAR SENATOR SIMON: Speaking for the member colleges of the American Indian Higher Education Consortium (AIHEC) as its President, I applaud your efforts amending Title III of the Higher Education Act, to improve American Indian college participation in the Title III program. The Title III amendments which you are introducing, particularly the new provisions contained in Part D, will greatly assist colleges enrolling large numbers of American Indians and Alaskan Native students become a part of the mainstream in American higher education.

Virtually each of the twenty (20) colleges belonging to the AIHEC are located in isolated and rural areas and enroll students coming from areas with high concentrations of poverty. Our colleges have always met the basic criteria for eligibility in the Title III program, however not all of our institutions have participated because of certain quirks in the existing law which ruled them ineligible. Those colleges which have participated in Title III have profited from it immensely and in fact would cite their participation in the program as a major reason why they have either become fully accredited or why they have attained accreditation candidacy.

The language contained in Part D will not only insure our colleges Title III eligibility which they rightfully deserve, but will also insure them a source of competitive grants through the Part D set-a-side.

In addition, the waiver authority mechanism for institution eligibility, and a discretionary waiver for continuing program participation will help insure continued institution participation in certain cases where the Title III program meets a desired and identifiable institutional need. It must be understood by all who represent the interests of the higher education community that colleges operated by and for Indians are new to the higher education community. Like the historically black colleges we are serving a need recognized by our people. A need which will help insure the improvement of our socio-economic status. It may take our institutions longer than others to become fully developed at least to the point where we have the management and technical ability to compete equally with the rest of the higher education community for access to quality programs for our students.

This legislation which you are introducing will greatly insure the institutional development which the Indian colleges so desperately need. We appreciate the input you have allowed us as you have prepared this legislation and we look forward to working with you in the future. Please feel free to contact me at any time if you are in need of data or other information unique to the tribally controlled community college.

Sincerely,

JANINE PEASE WINDY BOY,
President, American Indian Higher Education Consortium.

HISPANIC HIGHER EDUCATION COALITION,
Washington, DC, June 19, 1985.

Hon. PAUL SIMON,
U.S. Senate, Washington, DC.

DEAR SENATOR SIMON: The Hispanic Higher Education Coalition, regarding Title III of the Higher Education Act, recommends a redefinition of the eligibility criteria so that such funds can be targeted to those institutions of higher education that have generally been poorly supported because of many years of disparate funding. The Coalition recommend that the current Part A and B (Strengthening institutions, and Aid to Institutions with Special Needs) be merged, with special consideration being placed on streamlining the delivery of such resources to those institutions that serve students that have been historically underrepresented in post secondary education and that are at the greatest educational risk. Final consideration should be on how proposed Title III program services will ultimately benefit targeted students. Finally, the Coalition recommends that endowment grants be limited only to institutions that are "graduates" of Part A support.

In our view it is preferable to clearly focus Title III resources on the most needy students. However, if Congress elects to continue the use of set-asides as a targeting mechanism, the Coalition supports the need for a similar reservation for Hispanic institutions. The need for such targeting for Hispanic institutions as proposed in the "Institutional Aid Act Amendments of 1985" which you are sponsoring is well established in prior testimony before the Congress. Even those institutions located in areas of high Hispanic concentrations underserve that group relative to the population and potential enrollment. Lowering the threshold to 20% will serve to focus resources on a greater number of needy U.S. Hispanic students. In addition, the need for greater support for Puerto Rican institutions is particularly acute and assistance to them should not be diluted because of aid to newly eligible institutions. The proposed increase to $15 million dollars is essential to begin to address the need.

Sincerely,

RAFAEL MAGALLAN,
Chairman, Board of Directors.●

● Mr. MATSUNAGA. Mr. President, I am pleased to join the distinguished Senator from Illinois [Mr. SIMON] in introducing legislation which would amend title III of the Higher Education Act. This measure would provide direct assistance to colleges and universities serving large numbers of low-income, minority students, it also clarifies how these institutions qualify to be eligible for the funds.

The higher education needs of native Hawaiians and other native

American Pacific islander-students is a subject of profound importance to the people of my State. The legislation being introduced today creates a set-aside for Pacific basin, native American, and Hispanic institutions of 30 percent of part A ("Strengthening Institutions") funds. The bill recognizes that native Hawaiians represent less than 5 percent of the population of Hawaii who hold a college degree. It also recognizes that those attending college represent less than 25 percent of the traditional college-age population among native American Pacific islanders and that a single community college may be the only form of post-secondary education available on their island with many teachers possessing an associate's degree or less in some of the Pacific basin territories. Furthermore, literacy rates in both English and the native languages rank far below national averages. The set-aside is designed to specifically meet the special needs of these groups of students when they constitute a significant portion of the institutional student population.

Funds made available under the Strengthening Institutions Program may be used by eligible institutions for faculty development, including fellowship assistance to encourage qualified candidates to pursue masters and terminal degrees and return to the institution: the acquisition of equipment and library resources which assist in instruction and research; institutional partnerships which assist development and facilitate student transition to baccalaureate study; student services, with special emphasis on retention and transition in the case of 2-year institutions; and other appropriate activities.

Mr. President, I urge my colleagues to give their full support to this important legislation in order to ensure that institutions which serve the special needs of minority students are able to provide greater access to higher education, and to assist these deserving students in successfully matriculating and graduating.●

By Mr. MOYNIHAN:

S. 1329. A bill to amend part E of title IV of the Social Security Act to make necessary improvements in the foster care and adoption assistance program with the objective of assuring that such program will more realistically and more effectively meet the needs of the children involved, and for other purposes; to the Committee on Finance.

FOSTER CARE, ADOPTION ASSISTANCE, AND CHILD WELFARE AMENDMENTS OF 1985

● Mr. MOYNIHAN. Mr. President, I rise today to introduce legislation to address the pressing needs of children in foster care, by reauthorizing and strengthening the Child Welfare and Adoption Assistance Act. A companion measure to this bill is being introduced in the House of Representatives today by Congressman FORTNEY (PETE) STARK of California, Congressman HAROLD FORD of Tennessee, Congressman ROBERT MATSUI of California, and Congresswoman BARBARA KENNELLY of Connecticut.

The Child Welfare and Adoption Assistance Program was enacted into law on July 17, 1980, after nearly 3 years of congressional consideration. It represented a basic and rational reform of the country's child welfare system, and has proved a hugely successful one. It has provided the States fiscal incentives to direct more of their child welfare services to efforts to help families stay together and reunify families already separated.

An important feature of this act has been the program to encourage the adoption of children with special needs—which is to say, children with mental, physical, or emotional handicaps. Under prior law, a family which offered a foster home to a child orphaned, abandoned, or otherwise in need, received a monthly payment. Often a bond would form between a child and the foster parents, who began to consider adoption. But adoption meant forfeiting the foster care payments, and for some such families this was prohibitive.

The 1980 act provided adoption assistance—regular monthly payments—for parents who adopt IV-E eligible children with special needs.

The legislation I introduce today would build on the best features of the 1980 act and further encourage permanent provision for foster children. It also recognizes the special needs of older adolescents in the foster care system and would help them prepare to live independently when they leave foster care. This measure also contains reporting requirements, so we can better assess the needs of foster children.

The first title addresses the special needs of children—older foster care children. Today, there are no provisions at all to require States and localities to help adolescents in the transition, often a difficult one, from foster care to independent living. The need for such cannot be denied. A study of residents in homeless shelters in New York City last year found that as many as 50 percent of the youth seeking shelter had histories of foster placement. All too often, children in foster care leave the system ill-prepared and ill-equipped to live independently. To address this, the legislation would authorize Federal support under title IV-E for States to establish individualized independent living plans for foster children age 16 and older. In fiscal year 1988, States would be required to provide transitional independent living programs for these older adolescents. Through these provisions, youth in foster care would receive the services necessary to help prepare them for independent living—daily living skills, such as how to locate a job and apartment.

The second title of this measure seeks to encourage the adoption of special needs children—an alternative we know to be less costly—emotionally and financially—than continued foster care. First, current law would be amended to allow Medicaid coverage to continue up to the finalization of an adoption. At present, a special needs child who qualifies for an adoption subsidy may not automatically be covered by Medicaid during the interim period between the adoption agreement and the adoption's finalization. Clearly, these special needs children awaiting the final adoption would not be denied Medicaid coverage, but for a technicality in current law.

There is a related problem with respect to interstate adoptions. If a child residing in a foster home in one State is adopted by a family residing in another State, it is unclear which State is responsible for the child's Medicaid coverage. Section 201 of this bill would correct this situation by requiring the receiving State—that State in which the adoption is made—provide the Medicaid coverage.

This legislation would also expand Medicaid coverage to all special needs children who are adopted. Currently, special needs children supported by a State may not be eligible for Medicaid once adopted.

This creates two problems. First, these children lose their eligibility for medical care they might have should they be adopted. Equally troubling, by not providing Medicaid to these special needs children, we discourage their adoption, as families may not be able to adopt these children without some assurance of medical assistance to offset the costs of their special medical care. By extending Medicaid coverage to all children with special needs, we will end this disincentive, making it more feasible for families to adopt children with special needs.

Our commitment to adoption does not end once a child is placed with a new family. We can take steps to increase the likelihood of a successful adoption and integration of the new family. This legislation would do so by requiring States to provide postadoptive counseling services to these new families, at their request.

We also take special steps to ensure that special needs children in foster care are cared for by properly trained persons, knowledgeable of their special needs. These children often suffer from serious emotional problems caused by physical or emotional abuse and neglect. This legislation, then, would require periodic training for foster parents and child-care workers.

The 1980 law included provision for training programs but in 1981, when Congress folded title XX of the Social Security Act into block grant, the provision setting aside funds for the training of child-care workers was eliminated.

The Child Welfare and Adoption Assistance Act of 1980 authorized two provisions for but 4 years—providing Federal funding for children voluntarily placed in foster care; and granting the States the authority to transfer funds allocated for foster care under Title IV-E to child welfare services under title IV-B.

This measure would permanently extend the authorization for Federal funding for children voluntarily placed in foster care. Voluntary placement in foster care, for a limited time, is appropriate in certain circumstances. It is essential that these placements be closely monitored to protect these children from inappropriate or coercive placements in foster care. Therefore, this legislation would require that States continue to report the numbers of children placed in foster care through voluntary placement agreements.

Section 402 would reauthorize for 3 years the provision allowing States to voluntarily cap their foster care costs, and use the difference to provide child welfare services.

I have been dismayed to learn that the Department of Health and Human Services has collected very little of the data mandated by the 1980 act. We have precious little information about the children in foster care and those receiving adoption assistance, save what we know from voluntary reports by the States. This legislation includes a biennial reporting requirement mandating that HHS collect from each State information on the numbers of children in foster care and the duration of their placements, and the numbers of children receiving adoption assistance. These data are elementally necessary to properly evaluate the foster care and child welfare system.

I urge my colleagues to join me in this effort to improve the child welfare system.

I ask unanimous consent that the text of this bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1329

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE AND TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Foster Care, Adoption Assistance, and Child Welfare Amendments of 1985".

(b) TABLE OF CONTENTS.—

SEC. 1. Short title and table of contents.

TITLE I—PROVISIONS RELATING TO OLDER FOSTER CHILDREN

Sec. 101. Eligibility of older children for foster care maintenance payments.

Sec. 102. Transitional independent living programs for older foster children.

TITLE II—ADOPTION PROGRAM IMPROVEMENTS

Sec. 201. Medicaid coverage for all adopted children with special needs, and for children prior to finalization of adoption.

Sec. 202. Post-adoption services.

TITLE III—TRAINING REQUIREMENTS

Sec. 301. Training for foster parents and for staff members in child-care institutions.

TITLE IV—EXTENSION OF VOLUNTARY PLACEMENT AND TRANSFER OF FUNDS PROVISIONS

Sec. 401. Permanent extension of federal funding for voluntarily placed foster care children.

Sec. 402. 3-year extension of foster care ceiling and of authority to transfer foster care funds for child welfare services.

TITLE V—ADMINISTRATIVE AND ELIGIBILITY PROVISIONS

Sec. 501. Periodic redeterminations of eligibility of children in foster care.

Sec. 502. Biennial reporting requirement.

Sec. 503. General effective date.

TITLE I—PROVISIONS RELATING TO OLDER FOSTER CHILDREN

SEC. 101. ELIGIBILITY OF OLDER CHILDREN FOR FOSTER CARE MAINTENANCE PAYMENTS.

Section 472(a) of the Social Security Act is amended by adding at the end thereof (after and below paragraph (4)) of the following new sentence:

"In applying clause (2)(B) of section 406(a) for purposes of determining under this section whether a child would meet the requirements of such section 406(a) but for his removal from the home of a relative, the term 'twenty-one' shall be substituted for the term 'nineteen' in such clause, and everything before 'under' and after 'technical training' in such clause shall be disregarded.".

SEC. 102. TRANSITIONAL INDEPENDENT LIVING PROGRAMS FOR OLDER FOSTER CHILDREN.

(a) IMPOSITION OF PLAN REQUIREMENT.—Section 471(a) of the Social Security Act is amended—

(1) by striking out "and" at the end of paragraph (16);

(2) by striking out the period at the end of paragraph (17) and inserting in lieu thereof "; and"; and

(3) by adding at the end thereof the following new paragraph:

"(18) effective October 1, 1987, provides a transitional independent living program for older foster children in accordance with section 477.".

(b) DESCRIPTION OF PROGRAM.—Part E of title VI of the Social Security Act is further amended by adding at the end thereof the following new section:

"TRANSITIONAL INDEPENDENT LIVING PROGRAMS FOR OLDER FOSTER CHILDREN

"SEC. 477. Each State may establish at any time on or after the effective date of this section (and must establish no later than October 1, 1987) a transitional independent living program for children with respect to whom foster care maintenance payments are being made by the State under this part and who have attained age 16, providing under such program for the establishment for each such child of an individualized transitional independent living plan (which shall be based on an individualized assessment of the child's need, set forth in writing, and incorporated into the child's case plan as described in section 475(1)) with the objective, during at least the last year in which the child is eligible for such payments, of helping the child prepare to live an independent life and of otherwise aiding in the adjustments which may be necessary in the child's transition to independent living.

"(b) The transitional independent living plan established for a child under subsection (a)—

"(1) may include training in daily living skills, budgeting, the location and maintenance of housing, career planning, and such other aspects of independent living as may be of potential difficulty for the child, and may also include appropriate academic and vocational counseling and such additional activities as the State, under regulations of the Secretary, may determine to be appropriate and effective; and

"(2) shall be carried out in such manner, and in accordance with such minimum requirements and specifications, as the Secretary shall prescribe.

"(c) The Secretary shall develop and disseminate to the States and to providers of child welfare services, no later than April 1, 1986, information and recommendations with respect to current and developing transitional independent living programs and plans for older foster children which might provide constructive guidance or serve as models for other States in the establishment of their programs and plans under this section.

"(d) Expenses incurred by a State agency in establishing and conducting transitional independent living plans for older foster children under this section shall be considered, for purposes of section 474(a)(3), to be expenses described in subparagraph (B) of such section which are necessary for the proper and efficient administration of the State plan approved under this part."

TITLE II—ADOPTION PROGRAM IMPROVEMENTS

SEC. 201. MEDICAID COVERAGE FOR ALL ADOPTED CHILDREN WITH SPECIAL NEEDS, AND FOR CHILDREN PRIOR TO FINALIZATION OF ADOPTION.

(a) IN GENERAL.—Section 473(b) of the Social Security Act is amended to read as follows:

"(b) For purposes of titles XIX and XX, any child with respect to whom an adoption assistance agreement is in effect under this section, including any child who has been placed for adoption in accordance with applicable State and local law (whether or not an interlocutory or other judicial decree of adoption has been issued) if—

"(1) the parents with whom the child was placed would be eligible for adoption assistance payments under this section if the adoption had been finalized, or

"(2) the child has been determined by the State, in accordance with subsection (c), to be a child with special needs,

shall be deemed to be a dependent child as defined in section 406 and shall be deemed to be a recipient of aid to families with dependent children under part A of this title in the State where such child resides.".

(b) CONFORMING AMENDMENTS.—(1) Section 473(c)(2) of such Act is amended—

(A) by striking out "without providing adoption assistance" in clause (A) and inserting in lieu thereof "without providing adoption assistance under this section or medical assistance under title XIX";

(B) by inserting "or medical assistance under title XIX" before the final period in clause (B).

(2) Section 475(3) of such Act is amended by striking out "the adoption assistance payments and any additional services and assistance" in clause (A) of the first sentence and inserting in lieu thereof "any adoption assistance payments and any other services and assistance".

SEC. 202. POST-ADOPTION SERVICES.

Section 473 of the Social Security Act is amended by adding at the end thereof the following new subsection:

"(d)(1) Each State shall provide post-adoptive counseling services, if the applicable adoption assistance agreement so specifies or if the adopting parents so request, to children with respect to whom adoption assistance agreements are in effect under this part, with the objective in any case of helping both the adopted child and the adopting parents to adjust to the new family situation and of otherwise assuring the success of the adoption. Such services may be furnished by psychiatrists, psychologists, individuals with graduate degrees in social work, family counselors, group therapy experts meeting State licensing requirements, and other qualified persons, and through such facilities or programs as the State may determine to be appropriate.

"(2) Expenses incurred by a State agency in providing post-adoptive counseling under paragraph (1) shall be considered, for purposes of section 474(a)(3), to be adoption assistance administrative expenses described in subparagraph (B) of such section which are necessary for the proper and efficient administration of the State plan approved under this part.".

TITLE III—TRAINING REQUIREMENTS

SEC. 301. TRAINING FOR FOSTER PARENTS AND FOR STAFF MEMBERS IN CHILD-CARE INSTITUTIONS.

(a) IMPOSITION OF PLAN REQUIREMENT.—Section 471(a) of the Social Security Act (as amended by section 102(a) of this Act) is further amended—

(1) by striking out "and" at the end of paragraph (17);

(2) by striking out the period at the end of paragraph (18) and inserting in lieu thereof "; and";

(3) by adding at the end thereof the following new paragraph:

"(19)(A) provides training and retraining for individuals who are maintaining or preparing to maintain foster family homes and for members of the staffs of child-care institutions, in accordance with section 478, and (B) effective on and after January 1, 1987, requires satisfactory participation in such training and retraining by any individual who is a foster parent or is preparing to qualify as a foster parent and by the members of the staff of any child-care institution who have responsibilities with respect to foster children—

"(i) as a condition of the licensing of such home or institution as described in section 472(c), and

"(ii) as a condition of the eligibility of foster children in such home or institution for foster care maintenance payments under this part.".

(b) DESCRIPTION OF TRAINING PROGRAM.—Part E of title IV of such Act (as amended by section 102(b) of this Act) is further amended by adding at the end thereof the following new section:

"TRAINING FOR FOSTER PARENTS AND FOR STAFF MEMBERS IN CHILD-CARE INSTITUTIONS

"SEC. 478. (a) Each State shall require, as a condition of the licensing of any foster family home or any child-care institution as described in section 472(c) and as a condition of any foster child's eligibility to receive foster care maintenance payments under this part, that such child's foster parents or the members of the staff of the child-care institution where such child is placed who have responsibilities with respect to foster children receive suitable training designed to help them recognize and deal with the special needs and problems of foster children.

"(b)(1) The training and retraining required by subsection (a) shall be offered on a periodic basis no less often than every six months in readily accessible places, beginning no later than January 1, 1986, in order to enable foster parents and the staffs of child-care institutions to be initially trained prior to seeking to obtain or renew a license under the requirements of section 472(c), to provide an opportunity for new members of the staffs of child-care institutions to be trained in accordance with such requirements, and to provide a regular opportunity for foster parents and staff members in child-care institutions to update and reinforce their initial training.

"(2) The training and retraining so required shall—

"(A) be provided through such public or private facilities, and

"(B) include such elements and be provided in such manner,

as the State, in consultation with foster parents and with appropriate child care providers and advocacy groups, may determine to be appropriate and effective.

"(c) Each State shall make available to all foster parents who are required to receive training under this section, through appropriate public or private facilities and without cost to the parents involved, any child care services which may be necessary to enable such parents to receive such training.

"(d) The Secretary shall develop and disseminate to the States and to providers of child welfare services, as soon as possible after the enactment of this section, a detailed description of training programs established under this section along with any related information and recommendations which might provide constructive guidance or serve as models for other States in the establishment of their training programs under this section.

"(e) Expenses incurred by a State agency in providing the training and retraining required by this section and in making child care services available to foster parents under subsection (c) shall be considered, for purposes of section 474(a)(3), to be expenses described in subparagraph (A) of such section which are necessary for the proper and efficient administration of the State plan approved under this part.".

TITLE IV—EXTENSION OF VOLUNTARY PLACEMENT AND TRANSFER OF FUNDS PROVISIONS

SEC. 401. PERMANENT EXTENSION OF FEDERAL FUNDING FOR VOLUNTARILY PLACED FOSTER CARE CHILDREN.

Section 102 of the Adoption Assistance and Child Welfare Act of 1980 is amended—

(1) in subsection (a)(1), in the matter preceding subparagraph (A), by striking out "and before October 1, 1985,";

(2) in subsection (c), by striking out all that follows "September 30, 1979," and inserting in lieu thereof a period; and

(3) in subsection (e), by striking out ", including such recommendations" and all that follows and inserting in lieu thereof a period.

SEC. 402. 3-YEAR EXTENSION OF FOSTER CARE CEILING AND OF AUTHORITY TO TRANSFER FOSTER CARE FUNDS FOR CHILD WELFARE SERVICES.

Section 474 of the Social Security Act is amended—

(1) in paragraphs (1), (2)(B), and (4)(B) of subsection (b), by striking out "through 1985" and inserting in lieu thereof "through 1988";

(2) in paragraph (2)(A) of subsection (b)—

(A) by striking out "and" at the end of clause (iv),

(B) by striking out the period at the end of clause (v) and inserting in lieu thereof "; and", and

(C) by adding after clause (v) the following new clause:

"(vi) with respect to each of the fiscal years 1986, 1987, and 1988, only if the amount appropriated under section 420 for such fiscal year is equal to $266,000,000.";

(3) in paragraph (5)(A) of subsection (b)—

(A) by striking out "October 1, 1985" and inserting in lieu thereof "October 1, 1988", and

(B) by striking out "each of fiscal years 1984 and 1985" and inserting in lieu thereof "each of the fiscal years 1984, 1985, 1986, 1987, and 1988"; and

(4) in paragraphs (1) and (2) of subsection (c), by striking out "through 1985" and inserting in lieu thereof "through 1988".

TITLE V—ADMINISTRATIVE AND ELIGIBILITY PROVISIONS

SEC. 501. PERIODIC REDETERMINATIONS OF ELIGIBILITY OF CHILDREN IN FOSTER CARE.

Section 472 of the Social Security Act is amended by adding at the end thereof the following new subsection:

"(i) Notwithstanding paragraphs (13) and (14) of section 402(a) and any other provision of part A of this title which may require redeterminations of a child's eligibility for aid to be made at stated regular intervals, redeterminations of such eligibility for purposes of foster care maintenance payments with respect to a child under this part shall be made only when (as determined in accordance with criteria prescribed by the State agency) there has been a change affecting such eligibility.".

SEC. 502. BIENNIAL REPORTING REQUIREMENT.

Part E of title IV of the Social Security Act (as amended by the preceding provisions of this Act) is further amended by adding at the end thereof the following new section:

"BIENNIAL REPORTING REQUIREMENT

"SEC. 479. (a) The Secretary shall submit to the Congress not later than 180 days after the close of the fiscal year 1987, and not later than 180 days after the close of every second fiscal year thereafter, a full and complete report on the programs of foster care and adoption assistance operated by the States, including the programs established by this part (and part B), during the 2-year period ending with the close of that fiscal year.

"(b) Each report submitted under subsection (a) shall contain (but need not be limited to) the statistical data described in subsection (c) and the additional descriptive information described in subsection (d), for the 2-year period involved. To the extent feasible such data and information shall be set forth separately for children in each State under the programs established by this part and for other children in each State, utilizing the statewide information systems operated by the States under section 427(a)(2)(A) and such other sources as may be available.

"(c) The statistical data required to be contained in the report submitted under subsection (a) for any 2-year period shall include—

"(1) a description of the children in foster care under the responsibility of the State child welfare agency in each State at the close of such period, specifying by age (as of the close of such period)—

"(A) the number of such children with respect to whom foster care maintenance payments are being made under this part;

"(B) the number of such children who have been in foster care for less than 6 months, the number of those who have been in such care for more than 12 months, the number of those who have been in such care for more than 24 months, and the number of those who have been in such care for more than 48 months;

"(C) the number of such children who reside in foster family homes, the number of those who reside in group homes, the number of those who reside in residential treatment centers, and the number of those who reside in child-care institutions; and

"(D) the number of such children who are in foster care pursuant to voluntary placement agreements, the number of those who are in such care pursuant to court orders, and the number of those who are in such care under oath circumstances;

"(2) a description of the children who left foster care during such period, specifying by age the number of such children who returned to their parents or to the homes of other family members, the number of those who were placed with adoptive families, the number of those who were placed with legal guardians, the number of those who were committed to other child-placing systems, the number of those who were emancipated and commenced independent living, and the number of those who left such care under other circumstances;

"(3) the total number of children in foster care under the responsibility of the State child welfare agency at the close of such period as compared with the total number of such children 12 months earlier; and

"(4) a description of the children with respect to whom adoption assistance agreements are in effect at the close of such period, specifying—

"(A) the number of such children who were adopted in the State during such period;

"(B) the number of such agreements in effect;

"(C) the number of such children whose adoptive families reside in States other than the States where such agreements were made; and

"(D) the number of such children with respect to whom parental rights have been terminated and whose case plans provide for adoption.

"(d) The additional descriptive information required to be contained in the report submitted under subsection (a) for any 2-year period shall include—

"(1) a description of existing systemic barriers to the adoption of children with special needs;

"(2) an assessment of the impact of the availability of Federal adoption assistance payments upon the adoption of children with special needs;

"(3) a description of the number of children and families who received post-adoptive counseling services under section 473(d) during such period, specfying the nature of such services and the length of time for which they were provided;

"(4) a description of the training which is available for foster parents and for staff members of child-care institutions, under section 478 and otherwise, including—

"(A) a discussion of (i) existing State requirements for the training involved and (ii) the curricula used in such training; and

"(B) recommendations for components of core curicula which should be provided for the training of foster parents and staff members in child-care institutions, including training in the care of specialized populations such as adolescents, sexually abused children, and children with serious emotional problems; and

"(5) a description of State programs to assist foster children in the transition to independent living, under section 477 and otherwise, including—

"(A) a statement of (i) the number of foster childen who are 16 years of age or older, and (ii) the number of such children who have transitional independent living plans;

"(B) a discussion of State policies for terminating custody of children in foster care;

"(C) a description of the services and programs developed by States to assist foster children in their transition to independent living; and

"(D) an assessment of the needs of children making the transition from foster care to independent living.

SEC. 503. GENERAL EFFECTIVE DATE.

Except to the extent otherwise specifically indicated, the amendments made by this Act shall become effective October 1, 1985.●

ADDITIONAL COSPONSORS

S. 519

At the request of Mr. EVANS, the name of the Senator from North Dakota [Mr. ANDREWS] was added as a cosponsor of S. 519, a bill to require a study of the compensation and related systems in executive agencies, and for other purposes.

S. 681

At the request of Mr. MATHIAS, the name of the Senator from Montana [Mr. MELCHER] was added as a cosponsor of S. 681, a bill to amend chapter 89 of title 5, United States Code, to authorize the Office of Personnel Management to waive certain eligibility requirements relating to enrollment of annuitants in a Federal employees health benefits plan.

S. 744

At the request of Mr. COCHRAN, the name of the Senator from Alabama [Mr. DENTON] was added as a cosponsor of S. 744, a bill to amend the Agriculture and Food Act of 1981 to provide protection for agricultural purchasers of farm products.

S. 837

At the request of Mr. HEINZ, the name of the Senator from Alaska [Mr. STEVENS] was added as a cosponsor of S. 837, a bill to amend the Social Security Act to protect beneficiaries under the health care programs of that act from unfit health care practitioners, and otherwise to improve the antifraud provisions of that act.

S. 865

At the request of Mr. MATHIAS, the names of the Senator from North Dakota [Mr. ANDREWS], the Senator from Kansas [Mr. DOLE], the Senator from Utah [Mr. HATCH], and the Senator from Tennessee [Mr. SASSER] were added as cosponsors of S. 865, a bill to award special congressional gold medals to Jan Scruggs, Robert Doubek, and Jack Wheeler.

S. 867

At the request of Mr. ROTH, the name of the Senator from New Jersey [Mr. BRADLEY] was added as a cosponsor of S. 867, a bill to amend title XIX of the Social Security Act to provide coverage for hospice care under the Medicaid Program.

S. 990

At the request of Mr. HOLLINGS, his name was added as a cosponsor of S. 990, a bill to consolidate and authorize program support and certain ocean and coastal programs and functions of the National Oceanic and Atmospheric Administration under the Department of Commerce.

S. 1032

At the request of Mr. DANFORTH, the name of the Senator from Wisconsin [Mr. KASTEN] was added as a cosponsor of S. 1032, a bill to establish a commission to study amusement ride safety, and for other purposes.

S. 1084

At the request of Mr. GOLDWATER, the name of the Senator from Nevada [Mr. LAXALT] was added as a cosponsor of S. 1084, a bill to authorize appropriations of funds for activities of the Corporation for Public Broadcasting, and for other purposes.

S. 1181

At the request of Mr. HATCH, the names of the Senator from Maryland [Mr. MATHIAS], the Senator from Utah [Mr. GARN], and the Senator from Montana [Mr. MELCHER] were added as cosponsors of S. 1181, a bill to establish a program for the provision of home and community based services to elderly individuals.

S. 1233

At the request of Mr. DOLE, the names of the Senator from Alaska [Mr. STEVENS], and the Senator from Vermont [Mr. LEAHY] were added as cosponsors of S. 1233, a bill to amend the Animal Welfare Act to ensure the proper treatment of laboratory animals.

S. 1280

At the request of Mr. STEVENS, the names of the Senator from South Dakota [Mr. PRESSLER] and the Senator from Idaho [Mr. SYMMS] were added as cosponsors of S. 1280, a bill to amend title 18, United States Code, to create a new Federal criminal offense of treasonous espionage—the unauthorized disclosure of classified information relating to national defense for profit, and to provide for the penalty of death by firing squad for such offense.

SENATE JOINT RESOLUTION 139

At the request of Mr. HATCH, the names of the Senator from Indiana [Mr. QUAYLE], the Senator from South Carolina [Mr. THURMOND], the Senator from New Hampshire [Mr. HUMPHREY], the Senator from North Carolina [Mr. EAST], the Senator from Maine [Mr. COHEN], and the Senator from Alaska [Mr. STEVENS] were added as cosponsors of Senate Joint Resolution 139, a joint resolution to designate the week of December 1, 1985, through December 7, 1985, as "National Home Care Week."

SENATE JOINT RESOLUTION 147

At the request of Mr. HATCH, the names of the Senator from Massachusetts [Mr. KERRY], the Senator from North Carolina [Mr. EAST], the Senator from Alaska [Mr. STEVENS], and the Senator from Hawaii [Mr. MATSUNAGA] were added as cosponsors of Senate Joint Resolution 147, a joint resolution to designate a calendar week in 1985 as "National Infection Control Week."

SENATE CONCURRENT RESOLUTION 46

At the request of Mr. ANDREWS, the names of the Senator from Virginia [Mr. WARNER], and the Senator from New Jersey [Mr. LAUTENBERG] were added as cosponsors of Senate Concurrent Resolution 46, a concurrent resolution to express the sense of the Congress regarding Americans missing in Southeast Asia.

SENATE RESOLUTION 183—RELATING TO THE URANIUM INDUSTRY

Mr. BINGAMAN submitted the following resolution; which was referred to the Committee on Energy and Natural Resources:

S. RES. 183

Whereas the United States uranium industry has long been recognized as vital to United States energy independence and as essential to United States national security;

Whereas the Department of Energy is obligated under the Atomic Energy Act to assure the maintenance of a viable domestic uranium industry and to monitor the condition of that industry;

Whereas the Nuclear Regulatory Commission is obligated under both the Atomic Energy Act and its own regulations to issue import licenses for source material and special nuclear material only if such imports would not be inimical to the common defense and security or constitute an unreasonable risk to the public health and safety;

Whereas the United States now receives 15 percentum of its electricity from uranium-powered generating stations and this share is growing;

Whereas the Nation's nuclear-powered submarines and other vital defense programs require uranium;

Whereas the United States uranium enrichment plants presently require 40 million pounds of uranium concentrates as feed each year and feed demand is expected to increase to 60 million pounds annually;

Whereas annual United States uranium production has fallen 80 percent since 1980 and is presently below 10 million pounds U_3O_8.—a level capable of supplying less than one-quarter of United States commercial and Defense Department needs;

Whereas United States uranium industry employment has shrunk from over 20,000 people to less than 2,000;

Whereas uranium to be supplied under import contracts with United States utilities has increased over 200 percent over the past three years, while the quantity of uranium to be supplied to utilities by domestic producers has declined nearly 40 percent over the same period;

Whereas major portions of the Canadian uranium industry are owned by the Canadian government or the Province of Saskatchewan, and these governments restrict United States investment in Canadian uranium properties, review and adjust terms and price under uranium exports bound to the United States, and require purchasers of Canadian uranium to further process that uranium in Canada prior to export at a facility owned by the Canadian government;

Whereas domestic producers face changed reclamation requirements requiring large expenditures which—

(1) the industry could not have foreseen during the period of production, and

(2) the domestic industry cannot afford because of its devastated condition and lack of profitable sales;

Whereas the United States Department of Energy, despite its statutory obligation under the Atomic Energy Act to assure the maintenance of a viable domestic uranium industry, continues to deplete the national uranium stockpile and undertake uranium enrichment policies detrimental to the viability of the United States uranium industry; and

Whereas unless immediate action is taken, the United States will soon lose its uranium industry and, with it, energy independence, and compromise national security in commercial and military areas: Now, therefore, be it

Resolved, That it is the sense of the Senate that—

(1) the domestic uranium industry is not viable, and

(2) the Department of Energy, the Nuclear Regulatory Commission, and other agencies of the United States Government should take appropriate actions to—

(A) assure the maintenance of a viable domestic uranium industry as provided in the Atomic Energy Act,

(B) assure the proper disposal and reclamation of uranium mill tailings through a program for the equitable financing of such disposal and reclamation, and

(C) provide for the use of uranium and uranium hexafluoride in such a fashion as to—

(i) assure the viability of the United States uranium industry,

(ii) assure a secure source of uranium feed for the United States Government uranium enrichment complex,

(iii) assure energy independence in the nuclear fuel cycle, and

(iv) guarantee secure future supplies of uranium for United States commercial and military needs.

● Mr. BINGAMAN. Mr. President, today I wish to submit a sense of the Senate resolution addressing the disastrous state of the domestic uranium industry. Our growing dependence on foreign sources of supply and a variety of highly questionable trading practices involving Canadian sales of uranium and hexafloride threaten to destroy the industry as we know it in this country. My resolution calls for the Department of Energy to take appropriate action to alleviate this situation. Since the Secretary of the DOE will be determining the viability of the industry in the next few months, this resolution is crucial.

Mr. President, the U.S. domestic uranium industry is obviously important to our national security and to our energy independence. Without a strong domestic uranium mining and milling industry, we will be dependent upon foreign sources for supply, not only for our electricity, but also for our essential defense requirements.

The U.S. uranium industry is heading toward a virtual shutdown. Employment in the industry has dropped from over 20,000 at the beginning of the decade to only about 2,000 today. In New Mexico, once the preeminent uranium producing State, only one mine is in limited operation and four of the five active uranium mills are shutdown. Another mill was constructed but has never operated. The sole mill still operating is doing so on a curtailed basis and may soon close. This compares to 38 production mines and five mills in my State in 1981. New Mexico has approximately 41 percent of the total domestic uranium resources producible at $50 or less per pound of uranium concentrate U_3O_8. But in 1984, New Mexico produced only 1,380 tons of U_3O_8, compared with 8,539 tons in 1978. Currently, only 150 persons are employed in the uranium industry in New Mexico, compared with 7,500 in 1980.

Neither New Mexico nor Wyoming, the other key uranium producing State, foresee a turnaround under current Government policies. U.S. uranium production is now only a fraction of U.S. uranium requirements. Many mines have already been allowed to flood. More are on the verge. Once these mines are flooded, the reserves still present may be lost forever. In short, our country, once a leading uranium producer, is rapidly losing its uranium industry and will soon lose its uranium capability.

What are the causes of this collapse? On cause is U.S. Government enrich-

ment policies. These policies initially created a glut of uranium. Now, the Department of Energy is trying to work off this glut in a way that does the Federal enrichment business the least harm. In so doing, DOE has drastically reduced demand for U.S. uranium.

The second major cause is uranium imports. Virtually all new commitments by U.S. utilities for uranium involve uranium produced not in this country, but abroad. Roughly 50 to 60 percent of this uranium is mined in Canada. Most of the remainder comes from South Africa.

The flood of Canadian and other uranium imports cannot be adequately explained by unfavorable exchange rates. The root of the problem lies in highly questionable foreign trade practices. For example, the Canadian Government and several of its major provinces, principally Saskatchewan, are heavily subsidizing the Canadian uranium industry, allocating high-cost Canadian uranium to the Canadian domestic market, and using the United States market as a dumping ground for surplus production at bargain basement prices. This poses serious long-term danger for U.S. producers. United States utilities are temporarily enjoying cut-rate Canadian prices, but may soon have to pay heavily for this privilege. Canada, can be expected to maximize its profits as soon as it has the market power and opportunity. That power and opportunity will come when the U.S. industry has been driven from the field. The subsidization and pricing differentials of which I speak have been confirmed by the General Accounting Office. Eldorado Nuclear, which is owned by the Canadian Government, and Saskatchewan Mining Development Corp., which is owned by the Province of Saskatchewan, have received more than $600 million in equity financing and cash advances from their governments in the last few years. The Province of Ontario, through its government-owned nuclear utility, has poured more than $600 million into Rio Algom and Denison. To make matters worse, Ontario Hydro, and preeminent Canadian nuclear utility, is currently paying roughly $60 per pound for Canadian uranium. This is three to four times the price at which Canadian uranium is being offered on the United States market. This price differential is expected to increase next year.

The picture is further complicated by Canada's upgrade-in-Canada policy, which requires purchasers of Canadian uranium to convert their product to uranium hexafloride at the Canadian Government's uranium conversion facility. As United States dependence on Canadian uranium grows, this directly threatens the continued existence of the otherwise highly competitive United States uranium conversion industry.

Additionally, Mr. President, Canada restricts United States ownership in Canadian uranium projects to one-third interest or less, reviews export contracts, bars military sales, and pursues other measures which advantage its industry to the disadvantage of ours. A similar situation applies in our other sources of foreign uranium.

Mr. President, the U.S. Department of Energy has a special obligation under section 161v of the Atomic Energy Act to monitor the domestic uranium industry because of its strategic importance and to take action necessary to assure its viability. It is time to act now, while we still have the uranium capability to preserve. Unfortunately, the Department of Energy has been unwilling to take the required action.

The lead article in the June 12 issue of the Wall Street Journal characterized the situation correctly when it said, in its two opening sentences, that "Not long ago, the U.S. Department of Energy declared that the domestic uranium industry is not dead. If that's so, . . . where's the smell of death coming from."

I do think Secretary Herrington is sensitive to the current depressed condition of the uranium industry. However, the administration is unwilling to take any action that would be interpreted as contrary to the principles of free trade.

Mr. President, I am also committed to maintaining free trade and have resisted outright protectionism. But I do not believe that free trade in uranium exists at the present time. I also suggest that free trade is not meant to be an end in itself, but a means to an end, namely, a strong and secure America. But we are not strong and secure when we are dependent on a handful of countries for our uranium needs. The DOE may be concerned that it may lose enrichment business if section 161v, is implemented. However, I am certain that intermediary measures—such as license limitations—are possible under the Atomic Energy Act to allow implementation without risking DOE's enrichment business.

It is also important to recognize that DOE plans to rapidly liquidate what remains of the national uranium stockpile. According to the 1984 DOE enrichment operating plan, both the DOE and Defense Department stockpile of natural uranium will be eliminated by about 1992. By then DOE either will have to contract to buy additional uranium for our nuclear Navy and weapon needs, or the agency will have to budget large sums to run depleted tails through the enrichment plants in an inefficient effort to extract additional uranium from that source. Presumably, DOE will be forced to purchase uranium to save money. This poses a problem because countries such as Canada do not sell uranium for military purposes. Therefore, we may soon need a domestic uranium supply industry for our defense programs. But unless we act now, we will not have that industry when we need it.

Mr. President, I strongly urge support for this resolution. It has the unanimous support of the Uranium Producers of America, a recently formed organization that includes all the major U.S. uranium producers. We must send a signal to the Secretary that the Senate fully understands the crisis facing the domestic uranium industry.

I also ask unanimous consent that copies of recent letters by the Governors of Wyoming and Utah and by representatives of Consumers Power and the Oil, Chemical, and Atomic Workers Union, two Department of Labor determinations relating to uranium imports, and some material on Canadian uranium prices be inserted in the RECORD. These materials all underscore the problem and the need for urgent action.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

STATE OF WYOMING,
OFFICE OF THE GOVERNOR,
Cheyenne, WY., April 3, 1985.

Hon. MORRIS K. UDALL,
Chairman, Energy and the Environment Subcommittee, Interior and Insular Affairs Committee, Longworth House Office Building, Washington, DC.

DEAR CHAIRMAN UDALL: I understand that you recently held a hearing on the status of the domestic uranium industry. While my schedule would not allow me to attend the hearing, I am very interested in this subject and would like to express my position for the record of the hearing and your consideration.

As you well know, nearly 93 percent of the nation's total uranium reserves are located in the western United States. Wyoming ranks second only to New Mexico in uranium reserves, potential uranium mineral resources, and production of U^{308}. Our uranium industry actually started in the early 1950's, went through some difficult times, and by the 1978–1979 period had become a significant factor in Wyoming's economy, with 19 operations employing over 5,400 workers. They Wyoming uranium industry has plummeted from this peak to the 1984 low of only 4 operations employing 1,200 workers. We project further declines through at least 1988.

Given our reserve and production level, I believe Wyoming's industry is illustrative of the general condition of the domestic uranium industry. The domestic uranium industry, like Wyoming's industry, is in a severely depressed state. Production, employment, exploration and investment are at all time lows. In 1981 I appeared before the U.S. Senate Committee on Energy and Natural Resources and testified that the domestic uranium industry had reached a critical state indicating non-viability:

Reduced development of U.S. nuclear power capacity, low U.S. ore grades, reduced

prices and increased interest by foreign uranium suppliers to capture U.S. uranium demand clearly indicate a non-viable domestic uranium industry. Appropriate federal government actions are needed to maintain a domestic uranium industry capable of meeting U.S. energy needs.

WESTPO governors strongly recommend that the federal government restrict the use of foreign uranium in the United States so that a viable domestic uranium industry will be maintained as required by the Atomic Energy Act of 1954, Section 161(v).

The viability of the domestic uranium industry is in serious jeopardy and immediate DOE action is needed to preclude further deterioration of the U.S. uranium industry.

I must now say that we are past the point of jeopardy and deterioration, and into a full-scale depression. We no longer have indicators of non-viability, we have an industry which, to all observers, is patently nonviable. At a minmum Congress should demand appropriate action from the Department of Energy to implement Section 161(v). While we probably shouldn't expect to resurrect the dead, such action by DOE could help ailing companies survive and develop a renewed capacity to meet domestic uranium requirements. Without any action, we are assured of fulfilling the current predictions of the American Mining Congress, ". . . this country will lose the energy independence once promised by nuclear energy." (Document on uranium update from the Institute for Policy Research enclosed.)

Thank you for your attention and consideration of my comments on the status of the domestic uranium industry. Please feel free to contact me if you should have any questions or concerns.

With warmest personal regards, I am,

Yours sincerely,

ED HERSCHLER.

[From Wyoming Quarterly Update, Winter 1985]

URANIUM AND INDUSTRIAL MINERALS UPDATE

URANIUM

During the fall of 1984, Exxon Minerals Company closed the Highland Uranium Mill in the southern Powder River Basin. Although the Highland Mine was closed two years ago, Exxon had been milling ore which had been stockpiled in the mine. This closure represents the final shutdown of Exxon's operations.

There remain only four active uranium operations in the state. COGME continues to operate the Lucky Mc Mine in the Gas Hills and its Shirley Basin Mine. Getty Oil Company continues to mine uranium at its Shirley Basin Mine, and Bear Creek Uranium continues to mine at Bear Creek in the southern Powder River Basin.

The outlook for uranium mining remains poor. No improvement for this declining industry is seen until the 1990s, and any recovery at that time depends upon the development of more favorable economic conditions, as well as improved public opinion about the safety of nuclear power.

The American Mining Congress (AMC) believes the uranium industry is in its worst shape ever. Eighty percent of the national uranium industry work force has been laid off. AMC also believes that the industry has lost its viability and that there is no chance for growth. AMC closes its prediction by saying, ". . . this country will lose the energy independence once promised by nuclear energy."

BENTONITE

Bentonite production in Wyoming continues to increase at a slow rate. Oil well drilling usually increases toward the end of a calendar year and should increase the demand for bentonite for drilling mud. The price of bentonite, however, remains depressed since all producers are operating well below plant capacity and under very competitive conditions.

Furthermore, new rules on taxable value, which have been proposed by the Wyoming Attorney General's Office, could increase the taxes assessed on bentonite. The new rules may disallow deductions for transportation costs incurred between the mine and the mill. The Wyoming Mining Association notes that some bentonite is hauled as far as 70 miles before milling.

TRONA

Trona is Wyoming's most valuable nonfuel mineral. Currently, the trona industry is slowly recovering from the 1982 depression. Production in 1983 increased 4 percent over 1982 due primarily to increased exports. Although domestic consumption of soda ash (refined trona) has increased in 1984, exports have decreased. As a result, 1984 trona production is close to 1983 levels, and may even be running slightly behind last year.

Domestic consumption is expected to increase, but unless exports increase, the trona industry is expected to show only slight growth.

New rules on taxable value proposed by the Attorney General's Office may substantially increase taxes paid on trona. Traditionally, taxes have been based on the value of trona ore (about $10.00 per ton). The new rules may assess the tax on the soda ash value after processing. Soda ash is currently valued at $69 per ton.

STATE OF UTAH,
OFFICE OF THE GOVERNOR,
Salt Lake City, UT, March 21, 1985.

Hon. MORRIS K. UDALL,
Chairman, House Committee on Interior and Insular Affairs, Subcommittee on Energy and Environment, Cannon House Office Building, Washington, DC.

DEAR MR. CHAIRMAN: On behalf of the State of Utah, I wish to place into the hearing record a statement of our concerns on the viability of the Utah uranium industry. As you may know, Utah is an important uranium mining and milling state currently with four uranium mills.

At the height of the uranium boom in the mid to late 1950's Utah mills produced in the peak year, nearly nine million pounds of U308 (yellowcake) for use by the federal government in defense programs and by the emerging nuclear industry. By the mid 1960's Utah's annual production had dropped to little more than one million pounds. In the 1970's annual Utah production gradually rose and by the early 1980's was over 4 million pounds annually. During this later period two new uranium mills were constructed in Utah. One of these new mills operated for a short time was mothballed and is soon starting up for a short (about 6 months) production run. The other new mill is currently operating, but at much reduced capacity. The two other Utah mills are currently shut down with no prospects for reopening.

Therefore I can only characterize the Utah uranium industry as being in a depressed state. The effects of this condition are felt primarily in the southeastern portion of the state, where unemployment is at an all time high. January's unemployment rate rose to 23.1 percent for Grand County, the hardest hit by the current slump in the mining and milling industry. Prior to this recent slowdown, Utah's uranium industry was the fourth largest in the United States.

The State of Utah supports rational government efforts to alleviate the depressed state of the industry, but realizes that this situation cannot be turned around overnight. I realize that time and market prices are the only sure long term solution. I also realize that market forces alone may require several years to bring this about. However, government policies ought to insure that this type of situation cannot recur in the future.

I question whether the Department of Energy's assessment of industry viability considers that time will also work against the industry. It may be true that the uranium industry is capable of meeting increased demand today. But if the industry is allowed to remain dormant for several more years before demand increases, will it be capable then? I do not think that it is good policy to allow the industry to stagnate to the point where they cannot restart long dormant mines and mills. The Federal Government ought to reexamine policies on foreign import restrictions, enrichment tails assays for enrichment services, and competition between the domestic industry and the Federal Government for domestic sales of uranium.

I trust that the State of Utah's concerns on this matter will be given due consideration in these hearings and I hope that some relief for the uranium industry will be forthcoming.

Sincerely,

NORMAN H. BANGERTER,
Governor.

CONSUMERS POWER CO.,
Jackson, MI, March 15, 1985.

Hon. Morris K. Udall,
Cannon House Office Building,
Washington, DC.

DEAR CHAIRMAN UDALL: This letter is to convey some observations germane to the hearing on uranium supply issues scheduled before your Subcommittee on Energy and Environment on March 21.

Consumers Power strongly supports the maintenance of a strong nuclear fuel industry in the United States which is capable of meeting U.S. requirements. We believe that it is vital for the U.S. economy to avoid the shocks and disruptions due to unexpected embargoes, shortfalls, and pricing actions which result from over-dependence on foreign sources of supply for our energy needs. This is true with respect to all sources of energy, including nuclear fuel. In this regard, it should be recognized that half or more of the uranium reserves in the western world are in politically unstable areas. Moreover, virtually all supplies outside the United States are subject to prices and availability dictated by foreign governments rather than free market conditions.

The Department of Energy has recently taken action to rationalize its uranium enrichment program. We believe that this action was long overdue. However, we remain deeply concerned about the other element of nuclear fuel—namely, uranium. Without a domestic source for uranium, the long-term viability of the DOE's enrichment program is at risk, because foreign governments may insist that uranium purchased abroad be enriched abroad. This clearly jeopardizes DOE's investment. Moreover, without a domestic source of uranium, the

U.S. may find itself faced with embargoes, pricing actions, and the export of jobs and revenues with no corresponding benefit to utility ratepayers or the public in general.

The domestic uranium industry is in a non-viable condition. Only 6 of 24 miles are currently operating. Unemployment is about 90%. In the last few months, my Company has taken a $46 million write-off on its uranium assets. Coupled with write-offs by UNC ($152 million), Western Nuclear ($85 million) and Kerr-McGee ($42 million), this amounts to more than $300,000,000. As mills and mines go down, reclamation requirements apply. The capacity we currently have will soon be lost. In short, unless prompt action is taken, the U.S. will soon find itself without a significant uranium capability.

To summarize, we support both a strong U.S. enrichment industry and a strong U.S. uranium supply industry. Both are integral parts of the nuclear fuel cycle.

Yours very truly,

WALTER R. BORIS.

DEPARTMENT OF LABOR, EMPLOYMENT AND TRAINING ADMINISTRATION (TA-W-15,174)

UNION CARBIDE CORPORATION, METALS DIVISION, DOVE CREEK, CO

Certification regarding eligibility to apply for worker adjustment assistance

In accordance with Section 223 of the Trade Act of 1974 (19 USC 2273) the Department of Labor herein presents the results of an investigation regarding certification of eligibility to apply for worker adjustment assistance.

In order to make an affirmative determination and issue a certification of eligibility to apply for adjustment assistance, each of the group eligibility requirements of Section 222 of the Act must be met. It is determined in this case that all of the requirements have been met.

The investigation was initiated on January 16, 1984 in response to a petition received on January 4, 1984 which was filed on behalf of workers at Union Carbide Corporation, Metals Division, Dove Creek, Colorado. The workers produce uranium.

Imports of uranium increased both absolutely and relative to domestic production in 1982 compared to 1981. The ratio of imports to domestic production more than tripled during this period. Data on 1983 imports are not yet available. However, preliminary estimates indicate that import levels in 1983 were comparable to those in 1982.

The increased availability of imported uranium on the U.S. market for both long term contract and spot market delivery at prices below the average domestic cost of production was an important contributing factor to the decrease in production and employment at the Dove Creek, Colorado facility of Union Carbide Corporation in 1982 and 1983.

CONCLUSION

After careful review of the facts obtained in the investigation, I conclude that increases of imports of articles like or directly competitive with uranium produced at Union Carbide Corporation, Metals Division, Dove Creek, Colorado contributed importantly to the decline in sales or production and to the total or partial separation of workers of that firm. In accordance with the provisions of the Act, I make the following certification:

"All workers of Union Carbide Corporation, Metals Division, Dove Creek, Colorado who became totally or partially separated from employment on or after December 28, 1982 are eligible to apply for adjustment assistance under Section 223 of the Trade Act of 1974."

Signed at Washington, D.C. this 12th day of July 1984.

ROBERT O. DESLONGCHAMPS,
Director, Office of Legislation and Actuarial Services, UIS.

DEPARTMENT OF LABOR, EMPLOYMENT AND TRAINING ADMINISTRATION (TA-W-15,239)

ATLAS MINERALS, MOAB, UT

Certification regarding eligibility to apply for worker adjustment assistance

In accordance with Section 223 of the Trade Act of 1974 (19 U.S.C. 2273) the Department of Labor herein presents the results of an investigation regarding certification of eligibility to apply for worker adjustment assistance.

In order to make an affirmative determination and issue a certification of eligibility to apply for adjustment assistance, each of the group eligibility requirements of Section 22 of the Act must be met. It is determined in this case that all of the requirements have been met.

The investigation was initiated on March 12, 1984 in response to a petition received on March 5, 1984 which was filed on behalf of workers at Atlas Minerals, Moab, Utah. The workers produce uranium oxide and vanadium pentoxide.

Imports of uranium increased both absolutely and relative to domestic production in 1982 compared to 1981. The ratio of imports to domestic production more than tripled during this period. Data on 1983 imports are not yet available. However, preliminary estimates indicate that import levels in 1983 would be higher than those in 1982.

The increased availability of imported uranium on the U.S. market for both long term contract and spot market delivery at prices below the average domestic cost of production was an important contributing factor to the decrease in production and employment at the Moab, Utah facility of Atlas Minerals in 1982 and 1983.

CONCLUSION

After careful review of the facts obtained in the investigation, I conclude that increases of imports of articles like or directly competitive with uranium and vanadium produced at Atlas Minerals, Moab, Utah contributed importantly to the decline in sales or production and to the total or partial separation of workers of that firm. In accordance with the provisions of the Act, I make the following certification:

"All workers of Atlas Minerals, Moab, Utah who became totally or partially separated from employment on or after February 28, 1983 are eligible to apply for adjustment assistance under Section 223 of the Trade Act of 1974.

Signed at Washington, D.C. this 12th day of July 1984.

STEPHEN A. WANDNER,
Deputy Director, Office of Legislation and Actuarial Services, UIS.

1984 URANIUM IMPORTS, DECEMBER 1984

[Quantity (pounds) imported under contracts to date in 1984]

Company	Pounds	Price per pound
Eldorado Resources	650,000	$20.05
Eldorado Resources	[2] 750,000	15.46
SMDC	[2] 200,000	18.00

1984 URANIUM IMPORTS, DECEMBER 1984—Continued

[Quantity (pounds) imported under contracts to date in 1984]

Company	Pounds	Price per pound
SMDC	[1] 1,000,000	unknown
Uranerz	[1] 110,000	24.00
AGIP	[1] 70,000	24.26
AGIP	42,000	15.84
Rio Algom	[1] 1,500,000	unknown
Uranerz	400,000	24.00
AGIP	[2] 700,000	unknown
Uranerz	[2]300,000	18.50
AGIP	[1] 1,600,000	16.00
Uranerz	100,000	22.00
SMDC	[2] 100,000	unknown
Eldorado Resources	[2] 500,000	unknown
Uranerz	250,000	24.00
AGIP	238,000	unknown
SMDC	[1] 400,000	15.68
Uranerz	[2] 60,000	20.00
Total	150,000	21.00
Nufcor	[1] 1,000,000	unknown
AGIP	51,000	unknown
Uranerz	500,000	24.00
Total	12,797,000	

[1] Denotes long-term uranium supply contract.
[2] Signed during 1984.

Source: NUEXCO, December 6, 1984.

Definition:
Eldorado Resources (Canadian Government Corporation).
SMDC—Saskatchewan Mining Development Corporation (Province of Saskatchewan Corporation; Canada).
Uranerz—Uranerz Exploration & Mining, Ltd. (Canada).
AGIP—Italian Government Mining Corporation.
Nufcor—South African Government Marketing Corporation.●

SENATE RESOLUTION 185—TO PROMOTE EMIGRATION FROM CUBA

Mr. CHILES submitted the following resolution; which was referred to the Committee on Foreign Relations.

SENATE RESOLUTION 185

Whereas, the United States intends to suspend normal immigration policy with Cuba in reaction to retaliatory steps by the Cuban government upon commencement of the Radio Marti broadcast;

Whereas, the U.S. government has negotiated for years towards an agreement with the Cuban government which would allow Cubans to enjoy standard immigration privileges with the U.S.;

Whereas, the Cuban government has discontinued these privileges along with entrance allowances into the U.S. for Cuban political prisoners and their families;

Whereas, there are 1,200 immigrant visas approved for Cubans on waiting list for entry into the U.S.;

Whereas, there are 400 political prisoners and family members who have been approved for entry into the U.S. and who were awaiting passage momentarily;

Whereas, the U.S. was just beginning to repatriate the 2,740 Mariel criminals who had been forced on the U.S. during the Mariel boatlift of 1980; and

Whereas, innocent peoples seeking a better life in the U.S. are having this freesom sacrificed due to the Cuban retaliation: Now, therefore, be it

Resolved, That it is the sense of the Senate of the United States that the Cuban government is thwarting the human rights of innocent Cubans and suspending an agreement which benefited both the Cuban government and its people and the United States government and its people by suspending immigration privileges in retaliation for uncensored news to Cuba.

SENATE CONCURRENT RESOLUTION 51—CONGRATULATING THE SOCIETY OF REAL ESTATE APPRAISERS

Mr. DIXON submitted the following concurrent resolution; which was referred to the Committee on the Judiciary.

SENATE CONCURRENT RESOLUTION 51

Whereas the Society of Real Estate Appraisers was founded in 1935 in an effort to bring stability to the troubled residential real estate market in the United States during the Great Depression;

Whereas since its founding Society members have been pledged to the highest standards of appraisal performance;

Whereas to better serve the needs of the American public engaged in real property transactions, society members have dedicated themselves to acquiring necessary knowledge and skills to keep pace with changing markets and technologies; and

Whereas the Society is celebrating its fiftieth anniversary as the largest, independent professional organization concentrating on real estate appraisal and analysis in the Nation: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That the Congress congratulates the Society of Real Estate Appraisers on the occasion of its Golden Anniversary for its service to the public interest with professional expertise.

Mr. DIXON. Mr. President, this year marks the 50th anniversary of the founding of the Society of Real Estate Appraisers. To commemorate this occasion, I am pleased to submit today a concurrent resolution which pays special tribute to the many contributions the society has made since it came into being during the troubled residential real estate period in the Great Depression.

The Society of Real Estate Appraisers was incorporated in Illinois in 1935 to promote and elevate the professional and educational interests and standards of real estate appraisers.

The society's 16,000 members are located in all 50 States, the Caribbean, Far East, Africa, and the United Kingdom. They serve the community-at-large as independent fee appraisers, and are employed by various corporate, lending and financial institutions, as well as Federal, State, and local governments.

The educational program sponsored by the Society of Real Estate Appraisers has approximately 8,000 people attending courses and seminars each year as members and nonmembers alike, preparing for their designations and professional advancements. The educational program is evidence of the society's commitments to the presentation and development of qualified, competent, and knowledgeable real estate appraisers to serve our communities.

Mr. President, I urge my colleagues to join me in congratulating the Society of Real Estate Appraisers on the 50th anniversary of its founding.

AMENDMENTS SUBMITTED

SUPPLEMENTAL APPROPRIATION, 1985

BENTSEN AMENDMENT NO. 353

(Ordered to lie on the table.)

Mr. BENTSEN submitted an amendment intended to be proposed by him to the bill (H.R. 2577) making supplemental appropriations for the fiscal year ending September 30, 1985, and for other purposes; as follows:

On page 17, insert between lines 14 and 15 the following:

FEDERAL AVIATION ADMINISTRATION

(SALARIES AND EXPENSES)

For an additional amount for the employment of law enforcement personnel performing security functions aboard international aircraft in flight pursuant to sections 315 and 316 of the Federal Aviation Act of 1958 (49 U.S.C. 1356 and 1357), $2 million to remain available until expended.

HELMS (AND SYMMS) AMENDMENT NO. 354

Mr. HELMS (for himself and Mr. SYMMS) proposed an amendment to the bill H.R. 2577, supra; as follows:

Add at the end of the bill the following new section:

"SEC. . No funds appropriated by this Act may be obligated.

HELMS (AND SYMMS) AMENDMENT NO. 355

Mr. HELMS (for himself and Mr. SYMMS) proposed an amendment to amendment No. 354 proposed by them to the bill H.R. 2577, supra; as follows:

Add at the end of the Helms amendment the following new section:

"SEC. . Or expended to deactivate or remove from operational service any Minuteman ICBM or any Poseidon missile or missile submarine for any purpose including specifically that of complying with any provision of the unratified SALT II Treaty,"

GORTON (AND EVANS) AMENDMENT NOS. 356 AND 357

(Ordered to lie on the table.)

Mr. GORTON (for himself and Mr. EVANS) submitted two amendments intended to be proposed by them to the bill H.R. 2577, supra; as follows:

AMENDMENT No. 356

At the appropriate place, insert the following:

WALLA WALLA CORPS BUILDING

Notwithstanding any other provision of law, the Secretary of the Army, acting through the Chief of Engineers, is hereby authorized to enter into a purchase contract for the acquisition of new buildings and appurtenant facilities for the United States Army Engineer District, Walla Walla, Washington. Such buildings and facilities shall be constructed on a suitable site in the Walla Walla, Washington area, which the Chief of Engineers is authorized to acquire for that purpose. The contract shall provide for the payment of the purchase price, which shall not exceed $12,000,000, and a reasonable interest thereon, by lease or installment payments over a period not to exceed 25 years. The contract shall further provide that the title to the building and facilities shall vest in the United States at or before the expiration of the contract term upon fulfillment of the terms and conditions of the contract.

AMENDMENT No. 357

On page 137, line 19 strike "$14,400,000" and insert in lieu thereof "$15,000,000".

HATCH (AND GARN) AMENDMENT NO. 358

Mr. HATCH (for himself and Mr. GARN) proposed an amendment to the bill H.R. 2577, supra; as follows:

On page 116, between lines 14 and 15, insert the following:

For an additional amount to carry out section 502(b) of Public Law 98-558, $3,000,000, to remain available until September 30, 1987.

HATCH AMENDMENT NO. 359

Mr. HATCH proposed an amendment to the bill H.R. 2577, supra; as follows:

On page 115, after line 25, insert the following:

RESEARCH

For an additional amount to carry out section 502(a) of Public Law 98-558, $2,000,000, to remain available until September 30, 1987. For purposes of such section, the Federal share shall be 100 percent.

GORE AMENDMENT NO. 360

Mr. GORE proposed an amendment to the bill H.R. 2577, supra; as follows:

On page 114, line 15, strike out "section 101 of".

On page 114, lines 16 and 17, strike out "to remain available for obligation until September 30, 1986" and insert in lieu thereof "of which $800,000 shall be to carry out title I of that Act, and $400,000 shall be to carry out section 372 of the Public Health Service Act".

EVANS (AND GORTON) AMENDMENT NO. 361

Mr. EVANS (for himself and Mr. GORTON) proposed an amendment to the bill H.R. 2577, supra; as follows:

On page 71, after line 7, add "The Federal Energy Regulatory Commission is hereby prohibited from assessing an annual charge pursuant to section 10(e) (16 U.S.C. 803(e)) of the Federal Power Act (Act of June 10, 1920, 41 Stat. 1063; 16 U.S.C. 791a et seq., and Acts amendatory thereof and supplementary thereto) in those cases where the United States has heretofore entered into a contract with a licensee which provides that the licensee may build and own powerplants utilizing irrigation facilities constructed by the United States and which further provides that all revenues from such powerplants and from the use, sale, or the disposal therefrom shall be and remain the property of the licensee.".

COCHRAN (AND OTHERS) AMENDMENT NO. 362

Mr. COCHRAN (for himself, Mr. BENTSEN, Mr. ANDREWS, Mr. BOREN, Mr. BUMPERS, Mr. CHILES, Mr. DECONCINI, Mr. FORD, Mr. HARKIN, Mrs. HAWKINS, Mr. LAXALT, Mr. LEVIN, Mr. MATSUNAGA, Mr. MELCHER, Mr. MITCHELL, Mr. MOYNIHAN, Mr. NUNN, Mr. PELL, Mr. RIEGLE, Mr. ZORINSKY, Mr. SARBANES, Mr. BYRD, Mr. NICKLES, Mr. LAUTENBERG, and Mr. ROTH) proposed an amendment to the bill H.R. 2577, supra; as follows:

Insert on page 131 after line 8: "In addition to other amounts provided under this head, an additional $2,000,000, to remain available until expended, for the employment of law enforcement personnel performing security functions aboard international aircraft in flight pursuant to sections 315 and 316 of the Federal Aviation Act of 1958 (49 U.S.C. 1356 and 1357)."

DIXON (AND OTHERS) AMENDMENT NO. 363

(Ordered to lie on the table.)

Mr. DIXON (for himself, Mr. HEINZ, Mr. SARBANES, Mr. BRADLEY, Mr. MOYNIHAN, Mr. GORTON, Mr. KENNEDY, and Mr. KERRY) submitted an amendment intended to be proposed by them to the bill H.R. 2577, supra; as follows:

On page 92, between lines 14 and 15, insert the following:

EMERGENCY FOOD AND SHELTER PROGRAM

There is hereby appropriated $110,000,000 to the Federal Emergency Management Agency, to remain available until expended, to carry out an emergency food and shelter program. Notwithstanding any other provision of this or any other Act, such amount shall be made available under the terms and conditions of the following paragraphs:

The Director of the Federal Emergency Management Agency shall, as soon as practicable after enactment of this Act, constitute a national board for the purpose of determining how the program funds are to be distributed to individual localities. The national board shall consist of seven members. The United Way of America, the Salvation Army, the National Council of Churches of Christ in the U.S.A., the National Conference of Catholic Charities, the Council of Jewish Federations, Inc., the American Red Cross, and the Federal Emergency Management Agency shall each designate a representative to sit on the national board. The representative of the Federal Emergency Management Agency shall chair the national board.

Each locality designated by the national board to receive funds shall constitute a local board for the purpose of determining how its funds will be distributed. The local board shall consist, to the extent practicable, of representatives of the same organizations as the national board except that the mayor or appropriate head of government will replace the Federal Emergency Management Agency member.

The Director of the Federal Emergency Management Agency shall award a grant for $110,000,000 to the national board within thirty days after enactment of this Act for the purpose of providing emergency food and shelter to needy individuals through private voluntary organizations and through units of local government.

Eligible private voluntary organizations should be nonprofit, have a voluntary board, have an accounting system, and practice nondiscrimination.

Participation in the program should be based upon a private voluntary organization's or unit of local government's ability to deliver emergency food and shelter to needy individuals and such other factors as are determined by the local boards.

Total administrative costs shall not exceed 2 per centum of the total appropriation.

As authorized by the Charter of the Commodity Credit Corporation, the Corporation shall process and distribute surplus food owned or to be purchased by the Corporation under the food distribution and emergency shelter program in cooperation with the Federal Emergency Management Agency.

HATFIELD AMENDMENT NO. 364

Mr. HATFIELD proposed an amendment to the bill H.R. 2577, supra; as follows:

On page 47, on line 19 and on page 66 on line 18, strike the period and insert: : Provided further, That the funds appropriated herein shall lapse on June 30, 1986 if the agreement required herein for that project has not been transmitted to Congress.

ABDNOR AMENDMENT NO. 365

Mr. HATFIELD (for Mr. ABDNOR) proposed an amendment to the bill H.R. 2577, supra; as follows:

On page 171, line 23 before the semicolon, insert the following: : *Provided*, That not to exceed $1,000 of the funds appropriated to the Office of Personnel Management for salaries and expenses for the fiscal year ending September 30, 1985, shall be available for official representation expenses in connection with programs to further the employment of handicapped individuals in the Federal service, and for other programs of the office

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MATTINGLY AMENDMENT NO. 366

Mr. MATTINGLY proposed an amendment to the bill H.R. 2577, supra; as follows:

On page 6, line 11, strike the entire line and insert in lieu thereof the following:

"Within available funds appropriated to the Department for any purpose, the Secretary shall provide for the Economic Research";

And on page 6, line 22, strike the figure "$500,000" and insert in lieu thereof the following: "at a cost not to exceed $500,000.".

BYRD (AND OTHERS) AMENDMENT NO. 367

Mr. BYRD (for himself, Mr. JOHNSTON, Mr. EAGLETON, and Mr. LEAHY) proposed an amendment to the bill H.R. 2577, supra; as follows:

Insert in the appropriate place the following:

(a) There is hereby established a national commission which may be called for convenience of expression, the National Commission on Espionage and Security, to conduct an investigation and study with respect to the adequacy of counterespionage, counterintelligence and security activities of the United States in the protection of vital secret (1) defense, (2) foreign policy, and (3) intelligence information of the United States against the efforts of hostile foreign powers to obtain such information, as further described in section 3 below.

BYRD (AND OTHERS) AMENDMENT NO. 368

Mr. BYRD (for himself, Mr. JOHNSTON, Mr. EAGLETON, and Mr. LEAHY) proposed an amendment to amendment No. 367 proposed by them to the bill H.R. 2577, supra; as follows:

At the end of the amendment add the following:

(b) The Commission created by this resolution shall consist of eight members, to be appointed as follows:

(1) Four to be appointed by the President of the United States, including one former Secretary of Defense, one former Director of Central Intelligence, and one former Special Assistant to the President for National Security Affairs;

(2) One to be appointed by the President of the Senate from the majority Members of the Senate, upon the recommendation of the majority leader of the Senate;

(3) One to be appointed by the President of the Senate from the minority Members of the Senate upon the recommendation of the minority leader of the Senate;

(4) One to be appointed by the Speaker of the House of Representatives from the majority Members of the House; and

(5) One to be appointed by the Speaker of the House of Representatives from the minority Members of the House upon the recommendation of the minority leader of the House.

(c) The members of the Commission shall select a chairman and a vice chairman. Vacancies in the membership of the Commission shall not affect the authority of the remaining members to execute the functions of the Commission and shall be filled in the same manner as the original appointments to it are made.

(d) A majority of the members of the Commission shall constitute a quorum for the transaction of business, but the Commission may affix a lesser number as a quorum for the purpose of taking testimony or depositions.

(e) To enable the Commission to make the investigation and study authorized and directed by this resolution, the Commission is authorized to employ and fix the compensation of such persons as it deems necessary and appropriate, subject to the provisions of section 12(c) below.

SEC. 2. The Commission is authorized to hold hearings, take testimony and depositions under oath, and to do everything necessary and appropriate which is authorized by law to make the investigation and study specified in subsection (a) of the first section.

SEC. 3. Without abridging in any way the authority conferred upon the Commission by the preceding section, the Commission is authorized and directed to make a complete investigation and study which will reveal the full facts with respect to:

(a) The nature and extent of recent penetrations of, or efforts to penetrate, the United States Government by hostile foreign powers to obtain the information described in section 1(a);

(b) The extent and adequacy of efforts by the United States to detect and protect against such penetrations;

(c) The adequacy and effectiveness of:

(1) The classification system;

(2) Background investigations conducted for security clearances;

(3) Systems involving the issuance of such clearances;

(4) Security systems;

(5) Counterintelligence investigations;

(6) Counterespionage investigations;

(7) Damage assessments;

(8) Relevant Federal laws, executive orders, directives, and policies;

(9) Investigative, prosecutorial and expulsion policy; and

(10) Treaties and other international agreements to which the United States is a signatory.

(d) Such other related matters as the Commission deems necessary in order to carry out its responsibilities.

SEC. 4. Subject only to other provisions of this resolution, all departments, agencies, and other components, and all officials and other employees, of the United States Government are authorized and directed to:

(a) Extend full and complete cooperation to the Commission;

(b) Render such assistance as the Commission may request;

(c) Provide such information and testimony, whether at hearings or by interview or deposition, as the Commission may request;

(d) Provide access to all records, writings, documents and other materials as the Commission may request.

SEC. 5. (a) The Commission, or any member of the Commission when so authorized by the Commission, shall have the power to issue subpoenas requiring the attendance and testimony of witnesses and the production of information relating to a matter under investigation by the Commission. A subpoena may require the person to whom it is directed to produce such information at any time before such person is to testify. Such attendance of witnesses and the production of such evidence may be required from any place within the jurisdiction of the United States at any designated place of interview or hearing. A person to whom a subpoena issued under this subsection is directed may for cause shown move to enlarge or shorten the time of attendance and testimony, or may move to quash or modify a subpoena for the production of information if it is unreasonable or oppressive. In the case of a subpoena issued for the purpose of taking a deposition upon oral examination, the person to be deposed may make any motion permitted under rule 26(c) of the Federal Rules of Civil Procedure.

(b)(1) In case of contumacy or refusal to obey a subpoena issued to person under this section, a court of the United States within the jurisdiction of which the person is directed to appear or produce information, or within the jurisdiction of which the person is found, resides or transacts business, may upon application by the Attorney General, issue to such person an order requiring such person to appear before the Commission, or before a member of the Commission, or a member of the staff of the Commission designated by the Commission for such purpose, there to give testimony or produce information relating to the matter under investigation, as required by the subpoena. Any failure to obey such order of the court may be punished by the court of a contempt thereof.

(2) The Commission is an agency of the United States for the purpose of rule 81(a)(3) of the Federal Rules of Civil Procedure.

(c) Process of a court to which application may be made under this section may be served in a judicial district wherein the person required to be served is found, resides, or transacts business.

SEC. 6. A court of the United States within the jurisdiction in which testimony of a person held in custody is sought by the Commission or within the jurisdiction of which such person is held in custody, may, upon application by the Attorney General, issue a writ of *habeas corpus ad testificandum* requiring the custodian to produce such person before the Commission, or before a member of the Commission or a member of the staff of the Commission designated by the Commission for such purpose.

SEC. 7. The Commission is an agency of the United States for the purpose of part V of title 18 of the United States Code.

SEC. 8. (a) Process and papers issued pursuant to this resolution may be served in person, by registered or certified mail, by telegraph, or by leaving a copy thereof at the residence or principal office or place of business of the person required to be served. When service is by registered or certified mail, or by telegraph, the return post office receipt or telegraph receipt therefor shall be proof of service. Otherwise, the verified return by the individual making service, setting forth the manner of such service shall be proof of service.

(b) A witness summoned pursuant to this resolution shall be paid the same fees and mileage as are paid witnesses in the courts of the United States, and a witness whose deposition is taken and the person taking the same shall severally be entitled to the same fees as are paid for like services in the courts of the United States.

SEC. 9. (a) The investigative activities of the Commission are civil or criminal law enforcement activities for the purposes of section 552a(b)(7) of title 5, United States Code, except that section 552a(c)(3) shall apply after the termination of the Commission.

(b) The Commission is a Government authority, and an investigation conducted by the Commission is a law enforcement inquiry, for the purposes of the Right to Financial Privacy Act of 1978 (12 U.S.C. 3401 et seq.). Any delay authorized by court order in the notice required under that Act shall not exceed the life of the Commission, including any extension thereof. Notwithstanding a delay authorized by court order, if the Commission elects to publicly disclose the information in hearings or otherwise, it shall give notice required under the Right to Financial Privacy Act a reasonable time in advance of such disclosure.

SEC. 10. Conduct, which if directed against a United States attorney would violate section 111 or 114 of title 18, United States Code, shall, if directed against a member of the Commission be subject to the same punishments as are provided by such sections for such conduct.

SEC. 11. The functions of the President under section 10(d) of the Federal Advisory Committee Act (5 U.S.C. App. 10(d)), shall be performed by the Chairman of the Commission.

SEC. 12. (a) The Commission shall adopt rules and procedures (1) to govern its proceedings; (2) to provide for the security of records, documents, information, and other materials in its custody and of its proceedings; (3) to prevent unauthorized disclosure of information and materials disclosed to it in the course of its inquiry; (4) to provide the right to counsel to all witnesses examined pursuant to subpoena; and (5) to accord the full protection of all rights secured and guaranteed by the Constitution of the United States.

(b) No information in the possession of the Commission shall be disclosed by any member or employee of the Commission to any person who is not a member or employee of the Commission, except as authorized by the Commission and by law.

(c) The term "employee of the Commission" means a person (1) whose services have been retained by the Commission; (2) who has been specifically designated by the Commission as authorized to have access to information in the possession of the Commission; and (3) who has agreed in writing and under oath to be bound by the rules of the Commission, the provisions of this resolution, and other provisions of law relating to the nondisclosure of information.

SEC. 13. The Commission shall make a final report of the results of the investigation, together with its findings and its recommendations to the President and to the Congress, at the earliest possible date, but no later than March 1, 1987. The Commission may also submit such interim reports as it considers appropriate. After submission of its final report, the Commission shall have three calendar months to close its affairs, and on the expiration of such three calendar months shall cease to exist.

SEC. 14. There are authorized to be appropriated for the fiscal year ending September 30, 1986, such sums as are necessary to carry out the activities of the Commission.

OCEAN AND COASTAL PROGRAMS OF THE NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION

DANFORTH AMENDMENT NOS. 369 AND 370

Mr. DOLE (for Mr. DANFORTH) proposed two amendments to the bill (S. 990) to consolidate and authorize program support and certain ocean and coastal programs and functions of the National Oceanic and Atmospheric Administration under the Department of Commerce; as follows:

AMENDMENT NO. 369

On page 7, line 11, insert "(a)" immediately before "There", and insert the following immediately after line 23:

(b)(1) Section 1307 of title 44, United States Code, is amended to read as follows:

"§ 1307. National Oceanic and Atmospheric Administration: charts, sale and distribution

"(a)(1) All aeronautical and nautical charts, tide and tidal current tables, tidal current charts, coast pilots, water level products and associated data bases (nautical and aeronautical products) created or published by the National Oceanic and Atmospheric Administration shall be sold at such prices as the Secretary of Commerce shall establish annually, in accordance with the provisions of this subsection. The Secretary shall publish annually the prices at which nautical and aeronautical products are sold to the public.

"(2)A) Subject to subparagraph (B) of this paragraph, the prices of nautical and aeronautical products may be increased over a period of not less than three years after the date of enactment of this section so as to recover all costs attributable to data base management, compilation, printing, and distribution of such products. The prices of such products may be maintained to recover all such costs thereafter. At the end of such period and every three years thereafter, the Secretary shall report to the Congress on the effect of imposing or maintaining such increased prices, including any impact on air and marine safety.

"(B) The Secretary shall adjust the prices of nautical or aeronautical products in such manner as is necessary to avoid any adverse impact on air and marine safety attributable to the prices specified in subparagraph (A) of this paragraph.

"(3) This section shall not be construed to require the establishment of any price for a nautical or aeronautical product where, in the judgment of the Secretary, furnishing of that product to a recipient is a reasonable exchange for voluntary contribution of information by the recipient to a program of the National Oceanic and Atmospheric Administration.

"(b) Fees collected from the sale of nautical or aeronautical products under this section and from any licensing of such products which is permitted under any other provision of law shall be deposited in the miscellaneous receipts fund of the United States Treasury.

"(c) The Secretary may distribute nautical and aeronautical products—

"(1) without charge to each foreign government or international organization with which the Secretary or a Federal department or agency has an agreememt for exchange of these products without cost; and

"(2) at prices which the Secretary establishes, to the departments and officers of the United States requiring them for official use.

"(d) The fees provided for in this section are for the purpose of reimbursing the United States Government for the costs of creating, publishing or distributing aeronautical and nautical products of the National Oceanic and Atmospheric Administration. The collection of fees authorized by this section shall not alter or expand any duty or liability of the United States under existing law for the performance of functions for which fees are collected, nor shall the collection of fees constitute an express or implied undertaking by the United States to perform any activity in a certain manner.".

(2) The item relating to section 1307 in the analysis of chapter 13 of title 44, United States Code, is amended to read as follows:

"1307. National Oceanic and Atmospheric Administration: charts, sale and distribution.".

AMENDMENT No. 370

On page 4, insert the following immediately after line 4:

SALARY, PAY AND EMPLOYEE BENEFITS

SEC. 105. There are authorized to be appropriated to the Department of Commerce to enable the National Oceanic and Atmospheric Administration to carry out its programs at current levels such sums as may be necessary to accommodate salary, pay, and other employee benefits authorized by law for fiscal years 1986 and 1987.

NOTICES OF HEARINGS

COMMITTEE ON RULES AND ADMINISTRATION

Mr. MATHIAS. Mr. President, I wish to announce that the Committee on Rules and Administration will meet on Thursday, June 20, 1985, at 2 p.m., in S-128, the Capitol, to deal with executive and legislative business currently pending on its agenda.

The committee will be considering the nomination of Ralph E. Kennickell, Jr., of Virginia, to be Public Printer of the United States. Mr. Kennickell was appointed to the position of Public Printer on December 11, 1984, during the last recess of the 98th Congress, and was nominated by President Reagan on January 3, 1985. A hearing was held on this nomination on June 12, 1985.

The committee also plans to mark up S. 43, relating to the line-item veto. This bill would provide that each item of any general or special appropriation bill and any bill or joint resolution making supplemental, deficiency, or continuing appropriation that is agreed to by both Houses of the Congress in the same form shall be enrolled as a separate bill or joint resolution for presentation to the President. Hearings were held on this measure on May 14 and 20, 1985.

For further information regarding this meeting, please contact Carole Blessington of the Rules Committee staff on 224-0278.

SUBCOMMITTEE ON GOVERNMENTAL EFFICIENCY AND THE DISTRICT OF COLUMBIA

Mr. MATHIAS. Mr. President, I would like to announce that the Subcommittee on Governmental Efficiency and the District of Columbia of the Governmental Affairs Committee will hold a hearing on S. 1017, a bill to provide the transfer of the Metropolitan Washington Airports to an independent airport authority.

The hearing will be held on Wednesday, July 10, 1985, at 9:30 a.m. in room SD-342 of the Dirksen Senate Office Building.

For further information, contact Marion Morris of the subcommittee staff at 224-4161.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON AGRICULTURE, NUTRITION, AND FORESTRY

Mr. DOLE. Mr. President, I ask unanimous consent that the Committee on Agriculture, Nutrition, and Forestry be authorized to meet during the session of the Senate on Wednesday, between 3 p.m. and 4:30 p.m. to continue markup of S. 616, the farm bill, and related issues.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON EDUCATION, ARTS, AND HUMANITIES

Mr. DOLE. Mr. President, I ask unanimous consent that the Subcommittee on Education, Arts, and Humanities be authorized to meet during the session of the Senate on Wednesday, June 19, in order to hold a hearing on the reauthorization of the National Endowment for the Arts.

The PRESIDING OFFICER. Without objection, it is so ordered.

SELECT COMMITTEE ON INTELLIGENCE

Mr. DOLE. Mr. President, I ask unanimous consent that the Select Committee on Intelligence be authorized to meet during the session of the Senate on Wednesday, June 19, 1985, in closed executive session, in order to conduct a hearing on intelligence matters.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON THE JUDICIARY

Mr. DOLE. Mr. President, I ask unanimous consent that the Judiciary Committee be authorized to meet during the session of the Senate on Wednesday, June 19, 1985, in order to receive testimony concerning the following nominations:

Wayne E. Alley, of Oklahoma, to be U.S. district judge for the western district of Oklahoma.

James D. Todd, of Tennessee, to be U.S. district judge for the western district of Tennessee.

Donald E. Walter, of Louisiana, to be U.S. district judge for the western district of Louisiana.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON GOVERNMENTAL AFFAIRS

Mr. DOLE. Mr. President, I ask unanimous consent that the Committee on Governmental Affairs be authorized to meet during the session of the Senate on Wednesday, June 19, 1985, in order to conduct a hearing on the nomination of Terance C. Golden to be Administrator of the General Services Administration.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

THE 1985 CALL TO CONSCIENCE

● Mr. BUMPERS. Mr. President, I am pleased to once again address this body in conjunction with the 1985 Congressional Call to Conscience for Soviet Jews. The call to conscience serves to remind us and the Nation of the difficulties that Jews in the Soviet Union must endure in their attempts to be reunited with their families and to settle in the homeland of their choice. With deep conviction, I participate in this effort to assist Soviet Jews in achieving religious freedom.

The number of Jews allowed to leave the Soviet Union is once again dwindling. Since the beginning of June, only 1 family of 7 has been allowed to leave. This alarmingly low figure leads

one to suspect that the Soviets are tightening emigration quotas once again. Among those who remain, the situation has worsened. Soviet Jews fear that a new wave of arrests and harassment has begun.

On June 11, members of the KGB stormed and searched the homes of three Jewish activists, Roald Zelishenok, Vladimer Liefshids, and Semion Borovinski. All three were taken into custody for questioning. Two were later released, but Zelishenok, a computer scientist and a Hebrew teacher, remains in prison. During the search of his house, the KGB found Jewish literature and letters from friends in the West. Based upon his correspondence with the West, the KGB placed Zelishenok under arrest charging him with slander of the Soviet regime. The incarceration of Zelishenok marks the first case of the arrest of a Hebrew teacher in Leningrad. In the past, the KGB has relied upon other means of harassment to threaten Jewish activists. Zelishenok, a refusenik, was harassed previously for his desire to leave the Soviet Union. The actual arrest could mean the beginning of a new series of imprisonments and official harassment for Jewish citizens. Further, it indicates the willingness of the State to condone and engage in anti-Semitic activity.

Those who are not arrested face such hardships as unemployment, blatant discrimination, and verbal and physical abuse by gangs often linked to the KGB. The refusenik I have adopted, Grigory Geihas, a former electronics student who has twice been refused permission to emigrate, now works as a watch repairman in Leningrad. He remains in poor health as a result of his 2-year internment in a labor camp. He has been invited to study at Brandeis University, yet his chances for leaving diminish as the number of Jewish emigrants diminishes.

Hope for Grigory Geihas, Roald Zelishenok, and other Soviet Jews does exist. Their hope lies with us and in our actions which show our constant concern for their rights. Recently, the United States and Soviet officials met to renew discussion of the human rights principle of the Helsinki accords. Although the conference ended in deadlock without a final statement, the conference did result in a significant achievement. The Soviet delegation recognized for the first time that international concern for human rights does not unduly interfere in their internal affairs. Their willingness to discuss and debate human rights issues breaks with their traditional argument that each country has the right to noninterference in its internal affairs and, therefore, need not respond to other nations' inquiries on behalf of its citizens. The realization that basic human rights transcend the boundaries of nations represents a great stride forward in the ongoing monitoring of the Helsinki Final Act.

However, without a concluding document and any firm resolutions, the fate of the Soviet Jews remains uncertain. I urge Mr. Gorbachev, General Secretary of the Communist Party of the Soviet Union, to commit himself and his Government to protecting and extending basic human rights to all Soviet citizens, Jews and non-Jews alike.

Until the Soviet leaders express concern for Soviet Jews, the KGB, prison guards, and other Soviet citizens will feel free to continue to discriminate against and abuse these troubled people. But without their commitment, severe treatment of the Soviet Jews continues. Yuli Edelshtein, a Jewish activist, was reportedly being beaten brutally in a Soviet prison. The commandant of the prison has been quoted as saying, "The beatings will continue until all those religious ideas are beaten out of you."

We must not let the Soviet Jews be beaten physically or spiritually in their struggle for the freedom to practice their faith. We must continue to implore Soviet leaders to honor their duty to all Soviet citizens by promoting and protecting their basic human rights of freedom of movement and religion. I urge you, my colleagues, to be ever mindful of our obligation to Jews in the Soviet Union and to continue acting on their behalf.●

GOVERNMENT OF NICARAGUA AND GUERRILLA INSURRECTION IN EL SALVADOR

● Mr. ARMSTRONG. Mr. President, on April 18 of this year, the Army of El Salvador captured a regional command post of the Central American Workers Revolutionary Party of El Salvador [PRTC-ES]. The PRTC is one of the five guerrilla components that work together as the Farabundo Marti National Liberation Front [FMLN]. During the fierce battle, the Salvadoran Army captured Nidia Diaz, a senior PRTC military commander, together with a large and valuable cache of guerrilla documents and code books. United States and Salvadoran officials are still sifting through much of this important material and a great deal of it remains to be translated and evaluated.

Already, however, several significant documents have come to light and my purpose today is to share some of these with my colleagues and to draw public attention to them. Several of these documents make very clear what some people—both inside as well as outside of Congress—still doubt: namely, that the Sandinista junta of Nicaragua is actively supporting the guerrillas' destabilization of the democratically elected, pro-U.S. Government of El Salvador.

The Diaz documents are an intelligence coup that is sure to have far-reaching implications. Today, I want to release just four documents from this find, which have been officially translated by the U.S. Department of State:

A letter dated November 9, 1983, to PRTC leader Roberto Roca from "Simon," the nom de guerre of Schafik Jorge Handal, Secretary General of the Salvadoran Communist Party. Roca and Handal are two of the top five leaders of the FMLN military command. Written in the wake of the successful U.S. liberation of Grenada, when the Sandinistas were under pressure to save their revolution by cutting off support for the Salvadoran guerrillas, the letter complains about this possible suspension of Nicaraguan logistical support and proposes a direct appeal to Fidel Castro to intervene and ensure continued support.

A letter dated the following day, November 10, from the entire FMLN command to the National Directorate of the Sandinista government of Nicaragua [FSLN], stressing the importance of continued cooperation, particularly to resist a possible American invasion, a prospect that obsessed both groups: "We appreciate the assistance that we have received from you and we hope that it will continue because it is essential in order to rout any forms of invasion on Central American soil." It reiterates that the Salvadoran FMLN and the Nicaraguan FSLN are "indissolubly united" and will "attack the enemy in any place without regard for the territorial boundaries of our countries." The letter bears a handwritten notation that it was never sent, apparently because the FMLN concern about a possible cutoff of assistance was allayed before the letter was delivered.

That Nicaraguan support continued is made clear by subsequent documents. A letter dated November 24, 1983, from the FMLN leadership to the FSLN Directorate shows plainly that the two groups are working closely together once again: "We place great value on the new measure of our relations and in the search for a higher level of coordination that will multiply the potential of our two peoples in the historical struggle to defeat the imperialist intervention." It also stresses the importance of working together to influence the American electorate during the 1984 Presidential election cycle.

Excerpts from a handwritten report of a meeting held at "FMLN Exterior," meaning the Salvadoran guerrilla movement's headquarters in Managua, also show the extent of cooperation between the two revolutionary organizations. The FSLN representatives re-

iterated the Sandinista position that borders would disappear in the event of a U.S. attack against Nicaragua and assured the Salvadoran guerrillas, "You have always had our help and this will not change."

Mr. President, others of these documents that I have read trace the military training histories of numerous members of the FMLN guerrilla forces to Cuba, Bulgaria, and even Vietnam; still others refer to guerrilla links with Salvadoran refugees camps in Honduras, to infiltration routes from Nicaragua via Honduras and from Guatemala and Mexico. There are documents that plan for FSLN and FMLN forces to be put under a joint command in the event of a U.S. invasion.

There can no longer be any doubt, in my opinion, about the coordination between the Government of Nicaragua and the guerrilla insurrection in El Salvador. Evidence of this joint revolutionary undertaking will continue to pour in during the coming months and I hope to be able to present such pieces of it as will be of general interest. I feel these facts bear directly on legislative decisions before us concerning funding for the freedom fighters in Nicaragua and I urge my colleagues to study these documents carefully. I ask that they be printed in the RECORD.

The documents follow:

NOVEMBER 9, 1983.

C. [i.e. Commandante?] R. Roca: The last messages (from Hugo and Valentín) clearly show that the sandinos [Sandinistas?] have decided to expel us and cut off all logistic support to us. I suspect that this is a concession agreed upon with the imperialists or some intermediary. I think we must forward message to Fidel and ask for a clarification to know where we stand. I propose that we meet at 12 hours (in my house); I will have a draft of that message.

[Revolutionary exhortation]

SIMON.

DEPARTMENT OF STATE—DIVISION OF LANGUAGE SERVICES

[(Translation), LS No. 116433-A, MM/BP, Spanish]

[Handwritten entry: It was not delivered to the National Directorate because you were late in its presentation to the team of FMLN representatives in Managua]

E.S. [EL SALVADOR?],
November 10, 1983.

Distinguished Members of the National Directorate of the FSLN:

Receive our revolutionary greetings:

We have been greatly satisfied to learn that the National Directorate is taking serious political and military steps to defend the Revolution and rout any aggression. We realize that such steps imply major changes in the civic and institutional life of the Nicaraguan people and we also understand that they entail changes in the operation of FMLN structures there. We have counseled our companions on the need to understand these events and their revolutionary significance.

Nonetheless, on November 8 we received from our representatives a report on proposals that DRI members presented in the name of the National Directorate, demanding that they be implemented before the 12th. Inasmuch as they affect us directly and we consider various aspects [not?] to be adequate, we herewith state our position:

1. We repeat that we consider the present situation critically dangerous for the immediate future of the revolution in Central America, particularly in terms of retaining power in Nicaragua and maintaining the possibility of victory in El Salvador. This requires a thoroughly objective evaluation of the situation in order to take the correct steps in El Salvador and in our dealings in other Central American countries.

2. Despite the imminent imperialist aggression, as Central American revolutionaries we must prevent hasty political, military, and diplomatic moves. The situation calls for greater unity, coordination, and planning in each country and throughout the region.

3. We repeat the importance that we attach to showing our peoples and the world that the FSLN and the FMLN are indisolubly united in defending revolutionary conquests and resolved to expand them, even when that means direct confrontation with imperialism. For that reason, before taking steps that may affect us mutually, we wish to discuss matters flexibly and reach agreements of mutual advantage and interest.

4. Consequently, the National Directorate's position as translated by the DRI are of grave concern to us since they entail serious consequences for the work of the FMLN abroad and for coordination of opinions with the FSLN on any ground.

5. We are concerned to find ourselves again facing decisions that affect us directly although we have not been taken into consideration in their formulation. We have sought to believe that coercive tactics used by DRI members are the result of inappropriate management since we would otherwise have to conclude that the National Directorate made an extreme decision to expel our teams and structures and Nicaraguan territory, a decision that would meet with our great dissatisfaction and disapproval.

6. As regards the specific aspects that have been mentioned to us, we have asked our representatives to seek to take steps that are compatible with those that you have indicated. We call upon you as brothers to give due attention to the assessments of our representatives; they have our full support and express the position of this General Headquarters.

7. In the name of revolutionary sincerity, we consider that the tenor of the National Directorate's steps, as they were presented to us, do not correspond to what an invasion would require of the FMLN in Nicaragua. Therefore, we have concluded that they can express the interest of the FSLN in taking steps that fully exhaust the possibility of a political solution or at least delay an invasion. We thought that this could be suggested by third parties. We consider that at times such as the present this type of step could be counterproductive, could confuse our peoples and cause speculation on contradictions between the FMLN and FSLN that discourage solidarity.

8. We consider that in the event of invasion our Fronts must guarantee that lack of logistics does not impede the action of the FMLN, since its action is essential in order to disperse and divert the invasion force. In such circumstances new and audacious forms of assistance are necessary. We appreciate the assistance that we have received from you and we hope that it will continue because it is essential in order to rout any forms of invasion on Central American soil.

9. Finally, we repeat our interest in increasing unity between the FMLN and the FSLN and the decision that, should we be faced with an invasion of Central American lands, based on internationalist principles, we will attack the enemy in any place without regard for the territorial boundaries of our countries.

United in combat! Onward to the final victory!

Revolution or death! Victory will be ours!

GENERAL HEADQUARTERS OF THE FMLN,
Comandante SCHAFIK JORGE HANDAL,
Comandante JOAQUIN VILLALOBOS,
Comandante ROBERTO ROCA,
Comandante LEONEL GONZALES,
Comandante FERMAN CIENFUEGOS.

EL SALVADOR,
November 24, 1983.

Comrades of the National Directorate of the FSLN:

Fraternal and revolutionary greetings!

We have recently received from the FSLN Commission on Foreign Affairs a report on new diplomatic demarches you are carrying out.

Our evaluation is as follows:

1. We are in agreement in that the electoral period in the United States is the appropriate moment to influence the American electorate. The Sandinista Popular Revolution and the Salvadorean Revolutionary Movement are the most sensitive points in Central America and they could bog down the present Reagan Administration.

That is why we support the current diplomatic initiatives of the FSLN to gain time, to help Reagan's opposition in the United States, and to internationally isolate his aggressive plan towards Nicaragua and El Salvador.

2. We consider that the joint efforts of the Socialist Camp, the National Liberation Movements, and all the Progressive Forces constitute the guaranty of the defeat of the warmongering and aggressive policy of Reagan.

3. It is also necessary to establish as a principle that the determining factor for our liberation process, as well as for the defense of Nicaragua, is the internal consolidation of the Sandinista Popular Revolution. That is why all the measures you are taking to incorporate all the people to the task of defense and the strengthening of the EPS are crucially important. The reasoning you are applying which affirms that the defeat of the imperialistic aggression is only possible through a true people's war is correct.

At this time, the highest priority for the FSLN is to continue and aggravate the wearing away of the enemy forces which in turn will allow us to enter that situation with our political and military forces better developed and consolidated, and with a larger capacity to bog down the aggression if it were to happen.

4. In view of the above, we consider that coordination and cooperation between us is of the highest priority, although this does not imply that measures taken have to be identical in both situations, but rather that they should be combined dialectically to permit us to move forward.

In our own case at this time, given the non-negotiating position of the imperialists and the dominant national classes, the dialogue does not play an important role in our diplomatic battles, but rather the efforts to muster international pressure to stop CONDECA's and the U.S. intervention and to build a large movement of solidarity towards our struggle.

5. We also consider that, given the level of our confrontation with imperialism and the puppet forces, our process requires a much higher level of logistic assistance. We believe that present circumstances are favorable to take daring steps in this direction.

Finally, we place great value on the new measure of our relations and in the search for a higher level of coordination that will multiply the potential of our two peoples in the historical struggle to defeat the imperialist intervention.

Comrades of the National Directorate, we are sure of the success of your work in defense of the Revolution.

United to Fight Revolution or Death:

Until the final victory!!! We shall win!!!

FMLN GENERAL HEADQUARTERS,
CMDR. SHAFIK JORGE HANDAL,
CMDR. JOAQUIN VILLALOBOS,
CMDR. ROBERTO ROCA,
CMDR. LEONEL GONZALES.

EXCERPTS FROM HANDWRITTEN REPORT FROM FMLN

(Exterior) [Note: "Exterior" means from the FMLN headquarters in Managua.]

If aggression begins against Nicaragua, borders will disappear. You have always had our help and this will not change. Danger that U.S. today has the most aggressive and interventionist tendencies of any recent administrations. The high point of this was directed at Grenada and Central America.

The main U.S. objectives (after our defeat in Grenada) are El Salvador, Nicaragua, and Cuba.

Any action against El Salvador would be accompanied by a paralyzing action against Nicaragua.●

PRIVATE SECTOR AIDS IN EFFORTS TO LOCATE MISSING CHILDREN

● Mr. ABDNOR. Mr. President, as a member of the Senate children's caucus, and a proponent of missing children's legislation, I wish to commend the Montana-Dakota Utilities [MDU] Resources Group, Inc., for its participation in the American Gas Association's National Child Watch Campaign.

I ask to have printed in the RECORD the June 14, 1985, letter I received from Mr. Warren Dotseth, MDU's vice president for public affairs.

The letter follows:

MDU RESOURCES GROUP, INC.,
Bismarck, ND, June 14, 1985.

Hon. JAMES ABDNOR,
U.S. Senate, Hart Building, Washington, DC.

DEAR JIM: We have noted your keen interest in the efforts to locate missing children. We share that deep concern and want you to know of the efforts being taken by MDU Resources Group, Inc. through our distribution division, Montana-Dakota Utilities Co.

As a member of the American Gas Association task force that first studied the proposal to participate in a missing children campaign, MDU Resources was an early supporter of the gas industry's National Childwatch Campaign.

We are working on our third month of providing pictures and vital information concerning missing children as a part of our monthly mailings to gas and electric customers.

We have attached a copy of "FYI," our monthly publication which we believe has always had high readership and will very likely have even higher readership as this campaign progresses.

The company mails over 200,000 bills per month to customers in our service area in 248 communities.

In addition to the bill enclosure, a large quantity of posters showing the same information are distributed to hundreds of private bulletin boards in our area.

We are very pleased with the coverage we have been able to achieve in such a short time. Our greatest satisfaction will come, however, when one of our customers through our program and their sense of awareness is able to assist in the recovery of a missing youngster.

We consider this program to be an important community relations function in which a major business can become directly involved.

Sincerely,

WARREN DOTSETH,
Vice President, Public Affairs.

Mr. ABDNOR. Mr. President, the National Child Watch Campaign demonstrates the valuable role the private sector can play in our search for missing children. It is my hope that this program will also serve to alert parents to the potential for child exploitation and abduction, so they might take appropriate precautions.●

HELSINKI ACCORDS NEED ACTIVE SUPPORT OF UNITED STATES AND SOVIET LAWYERS TO WORK

● Mr. DECONCINI. Mr. President, I would like to call to the attention of my colleagues an excellent Op. Ed. piece that appeared in the June 18 edition of the Wall Street Journal. The article was titled "Lawyer's Detente: Sweeping Soviet Human Rights Aside," and was authored by an attorney from Santa Monica, CA, William Pearl. The point of the article is that America's legal community, in the interest of achieving superficial goodwill with their Soviet counterparts, has overstepped the bounds of decency by signing certain agreements with the Soviets which make a mockery of the principles of rule of law, decency, and justice. As an attorney, as a member of the Helsinki Commission and, as a Senator who has visited the Soviet Union twice, it incenses me that the American Bar Association can be duped so badly and be so callous to the actual state of affairs within the Soviet Union.

What incensed Mr. Pearl was the treatment accorded a Soviet delegation of lawyers which included a Prof. Samuel Zivs who also happens to be the first vice chairman of the "Anti-Zionist Committee of the Soviet Public." The delegation met with the leaders of the American Bar Association, and even the Chief Justice of the United States, prior to signing an agreement "to encourage cooperation in areas of mutual professional interest" and "guided by mutual respect." Mr. Pearl gives numerous examples of Zivs' thinking including such thoughts as: "psychiatric hospitals are not used to punish political and religious prisoners"; "reports of starvation in the Gulag Archipelago arose because Amnesty International was seeking to distort the true state of affairs"; and "Every prisoner of conscience in the Soviet Union is a liar." A wonderful person to respect!

I would hope that the ABA would reconsider the attitude it takes toward Soviet lawyers—at least toward delegations that include the likes of Prof. Zivs. As Pearl comments, "Zivs and his colleagues are the mechanics for the Politburo's counterfeit justice system. Consorting with such people does not enhance the stature of the U.S. legal profession or advance the cause of peace."

What the Soviet Union understands is action. I would hope that the ABA would terminate its "mutually respectful agreement" until such time as their Soviet counterparts begin to evidence some respect for the rule of law. One example of action the Association of Soviet Lawyers could take would be for them to call upon their government to end its breaches of the Helsinki accords. Until they begin to take such actions, the existence of agreements such as I've mentioned merely legitimizes lawlessness camouflaged as law.

The ABA fancies itself as a bastion for the promulgation for justice. They will soon be holding their annual convention in Washington, DC, and I hope that at some time during the week they are here they will reconsider collusion with representatives of Soviet Justice like Prof. Zivs. Rather than meaningless resolutions, I challenge them to act boldly and to terminate their agreements with the Soviets until such time as actions on their part justify respect in mutual dealings.

I ask that Mr. Pearl's article be included in the CONGRESSIONAL RECORD.

The article follows:

LAWYER'S DETENTE: SWEEPING SOVIET HUMAN RIGHTS ASIDE

(By Bill Pearl)

Not long ago a prominent Soviet lawyer wrote a book denouncing supporters of human rights in the Soviet Union. He explained that Andrei Sakharov, the only Russian ever to win the Nobel Peace Prize, was "a calumniator and instigator" who assists "the opponents of peace" and whose "actions display a dangerous intention to trample" the Helsinki human-rights accords. The fact that Mr. Sakharov was given a criminal

sentence without a trial showed "leniency" and was "in full conformity with the prerogatives of the supreme government body and the legal norms."

Thus wrote Prof. Samuel Zivs, vice president of the Association of Soviet Lawyers. Recently, Mr. Zivs was received in the U.S. by officials of the American Bar Association. As part of a six-man Soviet delegation, he met the ABA's president and board of governors. Someone even arranged a meeting with Chief Justice Warren Burger at the Supreme Court. That same day, the ABA signed an agreement with Prof. Zivs's organization to encourage cooperation in "areas of mutual professional interest," an agreement "guided by mutual respect."

Treating Prof. Zivs and his colleagues with "respect" speaks volumes about one's own respect for justice. Consider Prof. Zivs's book, which explains various aspects of Soviet law:

Psychiatric hospitals are not used to punish political and religious prisoners; it's just that "similar behavior may be assessed differently in different socio-cultural conditions." This is analogous to "the case of cannibalism. What we perceive as an anomaly is known to be regarded as normal in other cultural contexts. . . ." Those who sign appeals against punitive medicine in the Soviet Union are "soft-hearted philistines."

Reports of starvation in the Gulag Archipelago arose because "Amnesty International, seeking to distort the true state of affairs, compares the adulterated 'data' on the calorie intake . . . to the criteria established by the World Health Organization. . . ." Prisoners actually "obtain additional calories from supplementary sources such as the food they buy with their own money in food stores or stalls in the corrective labor instituation. . . ."

Every prisoner of conscience in the Soviet Union is a liar. Anatoly Shcharansky, Yuri Orlov, Anatoly Koryagin, all of them. Each one got exactly what he deserved. And as for Mr. Sakharov, the "measures exerted on him were gracious."

Prof. Zivs and his colleagues are the mechanics for the Poliburo's counterfeit justice system. Consorting with such people does not enhance the stature of the U.S. legal profession or advance the cause of peace.

ABA President John Shepherd says lawyers have a duty to help achieve world peace by advancement of the rule of law. He's right, but that doesn't mean legitimizing lawlessness camouflaged as law.

If this were 1938, would the ABA sign a mutually respectful agreement with lawyers from Nazi Germany, who applauded the Nuremberg Laws and the Gestapo? Would this contribute to world peace? (For the record, Prof. Zivs also serves as first vice chairman of the "Anti-Zionist Committee of the Soviet Public.")

How many ABA members would want their organization to help improve relations with the South African government? Is the Soviet government less repressive? More representative?

Fortunately, there's a better approach. In 1975, the Soviet Union signed the Helsinki Accords, promising to "respect human rights and fundamental freeedoms, including the freedom of thought"; to "promote and encourage the effective exercise of civil [and] political" rights; and to conform to promises of the right to "seek, receive and impart information and ideas through any media and regardless of frontiers." If these promises were observed they would be one of history's greatest conflict-resolution mechanisms. And, of course, they would make the ABA's agreement superfluous.

Some people in the Soviet Union are trying to hold their government to its promises; others are part of the legal apparatus that breaks those promises. The former promote trust and peace; the latter justify state-imposed barriers and the status quo. With whom should American lawyers align themselves?

The ABA has adopted policies and resolutions on the rule of law, but the Politburo knows when actions put the lie to words. To demonstrate a real commitment to the rule of law, and thus to peace, the ABA should terminate its mutually respectful agreement until the Association of Soviet Lawyers calls on its government to end its breaches of the Helsinki Accords.

It's also time for the Reagan administration to invoke the Helsinki proviso, a law that empowers the secretary of state to deny Communist Party apparatchiks automatic clearance to visit the U.S. while the Soviets violate the Helsinki Accords. The State Department should make it clear that on that basis, no member of the Soviet party apparatus will receive a visa until the Sakharovs arrive in the West.

Andrei Sakharov helped invent the Soviet hydrogen bomb. He warned us to treat compliance with the Helsinki Accords as a matter of our security. Sending peace activists to "psychiatric hospitals" makes all of us less safe; in the nuclear age, silencing voices of moderation is not an "internal affair." Mr. Sakharov, a non-lawyer, risked his life to defend the rule of law; instead of legitimizing the traveling salesmen for his tormentors, U.S. laywers should embrace his understanding of the rule of law and peace:

"As long as a country has no civil liberty . . . there exists no effective body of public opinion to control the conduct of government and its functionaries. Such a situation is not just a misfortune for citizens unprotected against tyranny and lawlessness; it is a menace to international security. . . . [T]he words of Martin Luther King Jr. ['Injustice anywhere is a threat to justice everywhere'] best express my thesis. . . . The fate of each of us and all of us is at stake."

No credible source has seen the Sakharovs alive since February. The State Department has never invoked the Helsinki proviso. The ABA is entitled to terminate its mutually respectful agreement on three months' notice.●

REALIZING PRODUCTIVE POTENTIAL—II

● Mr. HEINZ. Mr. President, today I would like to continue addressing the problem of revitalizing American industry. As I noted yesterday, the United States is trading in a rapidly changing world. Innovative technology and fluctuating exchange rates have created a different trading environment. Unfair trade practices such as government subsidies, dumping, and nontariff trade barriers have served to undermine the American economic position. This, combined with the lack of an aggressive, comprehensive trade policy, has led to the deindustrialization of America.

Yesterday I also began to examine one step toward remedying our trade and investment problems: The introduction of more efficient, more productive technologies into the American industrial machine. This solution, however, is not without its weaknesses. Technology, in the sense that it transfers productive functions, may tend to displace workers. While this may be inevitable, it poses nonetheless another problem that must be addressed. To this end, I would like to draw my colleague's attention to an article written by Malcolm R. Lovell, Jr., a guest scholar at the Brookings Institution and a former U.S. Under Secretary of Labor.

Industry has tended to react to the loss of jobs by protecting the market—an action which by itself does not improve productivity and can distort the market. While import restraining actions are often justified, particularly in cases of unfair trade practices by our competitors, we must also face the fact that change is an inevitable component of any healthy economy. Over time some industries will lost their competitive advantage and will have to adjust. Such adjustment can mean taking steps—such as those I discussed yesterday—that improve productivity. It can also mean reducing the size and scope of the industry and acknowledging, however painful that might be, that comparative advantage has shifted elsewhere. Mr. Lovell's article, entitled "An Antidote for Protectionism," discusses microeconomic manpower polices as an alternative to raising trade barriers, although this proposal clearly could be part of an overall adjustment plan for a sector that includes import restraints as well. In the past, such policies have received little attention for three reasons. First, manpower programs have been held back by skepticism. Second, such policies have traditionally been in the hands of the private sector, and the tendency has been for legislators to avoid a commitment of public funds. Third, worker retraining is expected to be expensive, straining an already limited budget.

In addition, Mr. Lovell notes that to date, no comprehensive bill which deals with the needs of displaced workers has been introduced. He goes on to describe a complete program, including eligibility criteria, program content, and costs. Yet what strikes me as most promising about Mr. Lovells' approach is his idea of manpower retraining as an alternative to protectionism. Today, the United States faces the very real problem of deindustrialization and the transformation of the American economy. The failure of the Government to act aggressively to address these problems has given industry no place to go but the Congress and little to ask for but protection. On the other hand, microeconomic manpower policies are constructive, enhancing the skills of displaced workers

and increasing their marketability. For this reason, I feel that Mr. Lovell's article deserves some thought and scrutiny. I therefore ask that the text of this article be printed in the RECORD.

The article follows:

AN ANTIDOTE FOR PROTECTIONISM

(By Malcolm R. Lovell, Jr.)

The United States is facing the most fiercely competitive international business climate in the postwar period. While no nation has greater potential to thrive in this environment, in industry after industry we appear to be succumbing to the sirens of protectionism. This is a mistake not only in economic terms, but in human terms. The safeguarding of some jobs costs us others—including those that could have been created in the absence of protectionism. Even the ostensibly protected positions remain in jeopardy, because their continuation requires that the public be willing to incur higher prices and to suffer job losses elsewhere in the economy.

Microeconomic manpower policies, designed to reduce the burdens of transition for workers adversely affected by changing market forces, would be substantially more cost-effective, more positive in their impact on employment, and arguably more humane than the protected protection of uncompetitive industries. Yet, for reasons to be explored below, this alternative has by and large been shunned.

The United States has taken only the most tentative steps toward creating an effective displaced worker program. While we have accepted the costs of $5 to $8 billion a year associated with Japan's "voluntary" auto quotas, we have allocated only $200 million to Title III of the Job Training Partnership Act, the nation's chief manpower policy response in recent years to worker displacement. We need to have a comprehensive public and private effort in place to address the training job search, and income support needs of people dislocated by the vicissitudes of competition. Until we do, it will be increasingly difficult to argue that the nation can abjure protectionism and still be responsive to the human concerns of displaced workers.

The administration and Congress should work together now to establish a full-fledged displaced worker program. Such a program would further our commitment to being at once a competitive and a compassionate society, one that recognizes the need for both higher productivity and the socialization of the burdens of change. This paper will propose, for review and debate, a set of initiatives designed to serve these ends.

SKEPTICISM

One of the most significant obstacles to the building of an effective program to aid displaced workers has been an abiding skepticism about the effectiveness of targeted manpower policies. We have been persuaded not only that past efforts were unsuccessful, but that future efforts are doomed in failure as well. In fact, many of the programs typically cited—the Comprehensive Employment and Training Act, for example—were aimed at the disadvantaged, not the displaced; we should not draw from the perceived track records of these initiatives conclusions so broad that they block initiatives aimed at a different population.

To be sure, there have been over the years some programs targeted at displaced workers. The Trade Adjustment Assistance (TAA) Act, for example, was designed to mitigate the impact of trade decisions on employment; labor supported the reduction of trade barriers in exchange for this legislation. TAA has since been judged by many to be inadequate to the task set for it, partly because of its focus on income support rather than the facilitation of job transitions. The Act is a reminder in any case of the willingness of organized labor to support pro-competition measures when questions of employment security are also addressed.

The U.S. Employment Service is often cited as an example of ineffectual manpower programs. The organization has received inadequate support and attention from the federal government and the states—and it has suffered from the neglect. Moreover, the missions it has been given by Congress are internally inconsistent. The performance of the Service can be given only passing grades—at a time when a superior labor exchange effort is badly needed.

Title III of the Job Training Partnership Act (JTPA) is a source of some encouragement, in that it reflects a recognition of the problems of displaced workers. Unfortunately, it is more an acknowledgement of these difficulties than a remedy of them. Since it is part of the same legislation as the replacement for CETA—Title II of the Act—there is at least some risk that it will draw funding away from activities intended to serve the disadvantaged.

Perhaps the most important public assistance to displaced workers comes from and through the unemployment insurance system, which has made benefits available to most such workers for periods ranging up to 52 weeks in recessionary periods. There is evidence that in some instances this program is counterproductive, discouraging acceptance of new employment until benefits are exhausted. It is also the case that most states still refuse to provide benefits to unemployed people engaged in training that has not been "approved," a policy that is hardly conducive to the upgrading of skills.

Some of the skepticism about manpower policies is grounded in studies made of the manpower training programs of the 1960s and of the CETA experience in the 1970s—studies that cast some doubt on the impact of training on employment. Even if these studies are taken as gospel—and, for methodological reasons, they should not be—we should remember that they pertain to certain types of training for certain categories of workers; it is neither sensible nor responsible to reason from their findings to a conclusion about the efficacy of training in general. And we should recall that our entire educational system is testimony to our faith in the value—financial as well as intellectual—in the acquisition of knowledge and the development of skills.

THE ROLE OF THE PRIVATE SECTOR

Another impediment to the emergence of an effective program for displaced workers is the belief held by many that training is and ought to be the province of the private sector. No one can seriously question the proposition that the efforts of business have been of central importance in the education and development of the American work force. The American Society for Training and Development estimates that corporations spend $20 billion a year on in-house training, and it is clear that more and more firms are recognizing that it is not in their long-term interest to treat direct labor as a short-term variable cost.

However, even if every company were to adopt hiring, training, and relocation policies designed to maximize the employment security of its workers, these initiatives would not be sufficient to deal with the changes in the nature and supply of labor that are being generated by the ever-shifting patterns of domestic and international competition. For example, it is clear that even with the best of intentions, the apparel industry is not going to be able to meet foreign competition without protection and at the same time maintain its work force at present levels. Major public efforts are needed to supplement private-sector programs, and to socialize the costs of change, when the rigors of competition make it impossible for an individual industry—such as apparel or autos or steel—to provide jobs for as many workers in the future as it has in the past.

The Business Roundtable made just this point in its recent statement on U.S. competitiveness and economic policy. "Both the public and private sectors," the Roundtable said, "share the responsibility for alleviating the severe social and economic costs of worker displacement." The Roundtable's report recommended a strong private-sector effort and a complementary new government program. This commitment from the business community comes at a time when important segments of the labor movement, concerned about employment security for their members, have moved sharply in the direction of protectionism; it is clear that absent an effective program of aid to displaced workers, our ability to be competitive in world markets, and thereby to create new jobs, will continue to be constrained by the desire to safeguard the economic well-being of current workers.

BUDGETARY CONSTRAINTS

Not only skepticism about our experience with manpower programs and a preference for private-sector initiatives, but also budgetary concerns, stand in the way of comprehensive help for displaced workers. While the launching of a new manpower program for displaced workers—at a cost of $3 to $4 billion—is cheaper in the long run the continuation and expansion of tariffs and quotas with much higher price tags, there is understandably a great reluctance in both the administration and the Congress to add to federal spending, and the federal deficit, at this time. And, it should be acknowledged, a new manpower program would not automatically eliminate existing trade barriers, but would only provide a rationale for future adjustments.

However, the creation of such a program need not aggravate the budgetary imbalance. The Business Roundtable, which has been at the forefront of those urging that the federal deficit be reduced, suggests consideration of a new payroll tax to provide funds for the displaced worker initiatives it recommends. The concept of a new tax to pay for a new manpower program is consistent with both its fiscal and human resources recommendations.

LESSONS LEARNED

The administration, while expressing some confidence in the potential utility of Title III of the JTPA, has also recommended the provision of financial incentives to employers to hire displaced workers and an expanded conception of unemployment insurance that would encompass purposes in addition to the payment of benefits. The House Wednesday Group is supporting proposed legislation that would permit dis-

placed workers to used Individual Retirement Accounts (IRAs) to finance retraining and that would give tax breaks to employers who enlarge their in-house training programs. However, the fact remains that nobody in either house of Congress has introduced a comprehensive bill to deal with the needs of displaced workers in the years and decades to come. In my judgment, we now know enough to develop such a bill—and we should proceed to do so without further delay.

We know, for example, that experienced workers frequently lack the labor market information and job search skills vital to finding new jobs; that retaining and counseling need to be based on a careful and individual, assessment of each worker's capabilities and interests; and that close linkages with employers and an understanding of their needs are critical to the effectiveness of placement efforts.

We know how to train people in the skills needed for today's jobs and those of the future. Our vocational schools and community colleges have grown exponentially in the past several decades and are currently serving millions of students seeking to improve their competitiveness in the labor market. These institutions work closely with local industries and are responsive to shifting patterns of demand for labor. We know that providing income support without requiring recipients to enroll in training or accept new work can often lead to greater dependency and discouragement. We know that the provision of assistance soon after a worker is unemployed can shorten the time he or she is out of work. We know from our experience under the GI Bill of Rights that if we let individuals select their own courses of training (after having been given adequate information about their options), their choices can be sensitive to the labor market's needs as well their own—and can increase their motivation to succeed. We also know that some people can find work without outside help, but that others, will experience prolonged unemployment without support and encouragement.

We know that training and job search assistance are of little value if there are no jobs available. And we know that increases in the number of jobs in United States have been the envy of the western world—and that, if we follow macroeconomic and free trade policies conducive to a high-growth economy, we can expect these increases to continue. We have conducted manpower programs at the Federal, state, and local levels since the 1960s and have learned that educating and training people, like building automobiles or missiles, can be done competently or poorly, and that quality control, through effective oversight, is crucial. Finally, we have learned—the hard way—that simply throwing money at a problem, without knowing specifically what we wish to achieve, is as apt to exacerbate the problem as to alleviate it.

The following proposal incorporates what we have learned and what needs to be done. The program would be triggered early in a spell of unemployment; it would address the need for labor market information and job search assistance; it would provide education and training options, but would not attempt to impose particular courses on enrollees; and it would extend unemployment insurance benefits up to a year when necessary, but for each recipient would condition that extension on a vigorous job search and retraining effort. Finally, it would assign management responsibility to the states, with Federal monitoring to assure compliance.

ELIGIBILITY CRITERIA

Although displaced workers can be defined in terms of how much difficulty they experience in finding new employment, a more useful and less subjective definition is one that distinguishes between these workers and the three other major categories of those seeking work: the disadvantaged, new entrants, and the cyclically unemployed. For purposes of this proposal, therefore, a displaced worker would be defined as a laid-off employee with four years of covered employment—covered, that is, by a state unemployment insurance system—who is certified by his or her former employer as being unlikely to return to work for that company within a six-month period. A worker who had spent at least four years in covered employment would be unlikely to fit in the disadvantaged category and clearly would not be a new entrant. Certification by an employer that the worker was unlikely to return within the next six months would set him or her apart from the majority of the cyclically unemployed.

Thus, the definition set out above, by differentiating among the various groups of unemployed people, would make it possible to concentrate resources on initiatives designed to help the members of a clearly demarcated target group. It would also permit prompt identification of those entering that group by requiring certification of those laid-off workers unlikely to return to their jobs. Efforts to facilitate reemployment could then be initiated early in a term of unemployment. Rather than waiting for a recall that is unlikely to occur, workers would know just where they stood and would be able to begin their job searches before unemployment insurance benefits were exhausted.

It should be noted that the proferred definition does not deal with either the nature of the industry in which an individual worked or with the reasons why he or she was laid off (save only that the departure from a job be other than voluntary or for just cause). Identification of an industry as "declining" is not only perjorative, but frequently inaccurate. Our experience with the trade adjustment assistance program is ample evidence of the inequities of limiting eligibility for aid to those workers whose redundancy was occasioned by some specific cause. Identification of the workers who qualified for assistance under that program frequently took several years—a delay that prolonged unemployment rather than encouraging reemployment.

THE WORKER'S DECISION

Once a laid-off worker had received the required certification from his or her employer, the worker would be offered a choice between joining the new program or proceeding independently to find another job. If the individual decided not to opt into the program, he or she would continue to be eligible for unemployment insurance benefits and for aid and opportunities provided under other statutes or by private plans.

The individual would have four weeks to decide whether or not to participate in the displaced worker plan; if the worker chose not to take part, the assistance afforded by the program would be foreclosed. This provision would encourage early efforts to find new work—and would discourage the postponement of vigorous job search efforts until after the depletion of unemployment insurance benefits.

PROGRAM CONTENT

After enrolling, a worker would be required to participate, as a condition of remaining in the program, in a 40 hour a week schedule of job search and training. He or she would also be expected to accept a job offer if it was judged to be suitable, taking into account the experience and skills of the individual and the state of the labor market.

The initial emphasis of the program would be on providing information and counseling to each participant regarding the range of jobs available in his or her SMSA (Standard Metropolitan Statistical Area) and the techniques that have proved to be useful in seeking new employment. In the "Down River" project conducted in Detroit, job search assistance—including the assessment of each enrollee's skills and interests in relation to job openings—proved to be quite valuable.

In the proposed program, a participant would also attend counseling sessions on the psychological and practical problems commonly encountered by displaced people. In addition, he or she would be exposed to labor market information from other parts of the state and, indeed, from other states. During this orientation process, the individual would from time to time be apprised of job openings in his or her fields of interest and experience.

If, after several months of counseling and job search assistance, the participant had not been relocated, he or she would be given information about educational and training opportunities and would be permitted to choose from the available programs the one most suited to his or her aptitudes and interests. A voucher would be provided to cover the full cost of relatively short retraining efforts and a percentage of the cost of longer term programs. The importance of individual choice in this program cannot be overemphasized. Someone embarking on a new career should not be at the mercy of a counselor who is trying to fill up a course. Nor should a displaced worker be compelled to undertake study in an area in which he or she has little interest just because "welders are in demand." While outside help in appraising alternatives can be important, worker's tend to apply themselves most conscientiously in courses of training that they select.

After completion of training, a participant in the comprehensive plan would be eligible to resume a structured job search until suitable employment was obtained. A key element of this program is the identification of a group of people, experienced in the labor market and self-selected to participate in an active and vigorous job search and training endeavor, who are immediately available for employment. Employers seeking new workers should look first to this group for people with established work habits and a demonstrated interest in pursuing a new career path.

This program would draw on the resources and course offering of existing educational and training institutions; generally it would not fund the establishment of new institutions or curricula. Counseling and job search assistance would be provided under separate contracts, by the State Employment Service and other qualified government agencies.

In most cases, job search and training opportunties would be focused on local labor market areas. It is recognized, however, that in some cases people would wish to move—or would be required to do so in order to

achieve their job objectives. Generous mobility allowances should not be part of this program; people who are planning to move anyway should not be encouraged to enroll only to be eligible for relocation expenses. In those cases in which a move would be essential to a worker's reemployment, some public support might be appropriate. One option would be to provide low-cost loans or loan guarantees when jobs in other locations are offered and accepted.

The sequence of steps outlined above might for many workers require more time to complete successfully than the six to twelve month period for which unemployment insurance and supplemental benefits are currently provided. Displaced workers engaged in job search activities or training programs under the aegis of this program could be extended some income support after exhaustion of their regular benefits. These additional benefits would not be charged against the account of their former employers, but would be paid from a trust fund, as described below.

PROGRAM COSTS

A program of this scope would cost in the neighborhood of $3 billion a year. This figure is based on an annual participation of one million workers and an average cost of $3,000 per participant (including an average of three months' income support after the exhaustion of unemployment insurance benefits and an average investment of $1,500 per participant in training and job search assistance). In theory, the total cost could be considerably lower or higher, depending on how many workers actually enrolled, the nature of the services they required, and the length of time they remained in the program. In practice, however, expenditures would be constrained by fixed ceilings.

It is recommended that the set of initiatives outlined above be financed not from general revenue, but from the proceeds of a special "displaced worker insurance tax." A levy of one cent per hour on both employers and employees would raise close to the target amount. The moneys so collected would be placed in state trust funds that, unlike their unemployment insurance counterparts would not be eligible to borrow from the federal government if the demand for services was greater than the special tax revenues could finance. Thus, all eligible people would be entitled to sign up for the program, but the magnitude of assistance provided to them would be limited by the funds available.

The program would be administered by the states so that appropriate links could be established with existing employment security and other employment and training programs. If the proposal were enacted, Title III of the JTPA cold be folded into it.

CONCLUSION

The need for new microeconomic manpower programs serving the displaced worker has been recognized by responsible members of the business, labor, governmental, and academic communities. It is now time for the administration and Congress to take action. The interests of workers and of our economy as a whole require the substitution—and the sooner the better—of targeted manpower programs for counterproductive tariffs, quotas, and other restraints on market forces.●

PRESERVING OUR PARKS

● Mr. JOHNSTON. Mr. President, on Saturday, June 8, William Mott, the new Director of the National Park Service, addressed the Greater Yellowstone Coalition at Yellowstone National Park.

This speech marked Mr. Mott's first major public statement on the issues facing the National Park System and the National Park Service since he became Director on May 29.

Mr. President, I commend Mr. Mott for his statement and am impressed with his strong commitment to preserve park resources. I generally share his view that when balancing competing interests within national parks, "we must err on the side of preservation." Certainly, all of us have a duty and a responsibility to ensure that high quality park experiences are there for future generations to enjoy. I am pleased to see that Mr. Mott takes that responsibility very seriously.

Mr. President, I ask that the text of Mr. Mott's speech appear in the RECORD.

The speech follows:

REMARKS BY WILLIAM PENN MOTT, DIRECTOR OF THE NATIONAL PARK SERVICE, BEFORE THE GREATER YELLOWSTONE COALITION

It is with great pleasure and honor that I am here today to address such a distinguished and important gathering of people. You represent people who are concerned about and committed to one of the most important undertakings of humankind—the preservation of the natural world—a rapidly diminishing and finite resource.

Through the centuries before our time, civilizations with growing numbers of people and with ever advancing technologies have moved across the face of the earth, leaving in their wake an increasingly transformed landscape. Sometimes good, sometimes bad. We have perhaps all too slowly, but certainly more surely, come to recognize the finite limits of the earth. If there is any question, views from outer space have confirmed this fact. We have come to appreciate the importance of retaining some portion of our world in its natural state, not only for its sheer esthetic, spiritual, and emotional appeal, but more importantly to preserve for the future the opportunity to discover relationships and benefits to mankind, animals, and plants.

We all know that the geography on which we meet today represents the victory of an idea whose time had come. One hundred and thirteen years ago marked the legal recognition of an important idea by the establishment of Yellowstone National Park—the first of its type in the nation—and perhaps even more importantly, the first of its type in the world. You all know the story of the proliferation of the idea—to the point where now there are about 2,618 national parks and equivalent reserves in 137 nations of the world. "One of the greatest ideas we ever had," as I believe Wallace Stegner once put it. Certainly, it is one of the greatest and noblest causes to evolve in the history of humankind. And you—we—are a part of its continuation.

But we must not rest on our laurels. No sooner than the first national park was born, and as others came forth to flesh out a budding system, problems and threats to their ideals—to their integrity and welfare, became apparent. Clearly, the new laws alone did not solely safeguard the budding system and its guiding ideal, nor will the old laws or the new laws of the future provide complete safeguards. There will and must always be eternal vigilance springing from those guardians who care, and that is what is represented by those assembled here today. Caring.

I want to talk more about the Yellowstone situation later. But first I want to step back and share some thoughts on the bigger picture—the National Park Service as an organization designed to protect the natural scene and to provide a means to accommodate the human enjoyment of it.

". . . To conserve the scenery and the natural and historic objects and the wildlife therein and to provide for the enjoyment of the same in such manner and by such means as will leave them unimpaired for the enjoyment of future generations."

That's what the 1916 Organic Act, which established the National Park Service and the national park system, mandated as a purpose. The Act is known well to most of you. Some of you know it by heart.

That act has been interpreted, disected, written about, argued over, and given about every conceivable scrutiny one could imagine. I think that most who have been through those gyrations and exercises have generally agreed that the Act boils down quite simply to some point of balance between preservation and public enjoyment. But that still doesn't totally solve the problem. What is the proper balance?

Let me suggest that there is an important part of that phrase which hasn't seemed, heretofore, to capture enough attention, and that is the last phrase which says, ". . . as will leave them unimpaired for the enjoyment of future generations." This phrase needs to be given much more weight in the equation, and by so doing, I want to say that I believe it means exactly what it says—unimpaired for future generations! Which I translate simply to mean as stewards we must not and should not use up the resource or diminish its inherent natural and historic values. When in any doubt, we must err on the side or preservation. Should we subsequently find ourselves wrong, we can always provide for more use. But overuse now or in the future will not let us easily restore a loss of resource value or character which, once gone, is irretrievable. Research can provide the data to establish the carrying capacity of a park limiting its use to protect its natural and cultural values.

This is not to say that we cannot and should not provide for public enjoyment of the park. It is my heartfelt commitment to see the NPS provide for the greatest amount of high quality public enjoyment of the resource that can be supplied. But we must be absolutely assured that we are operating, with no significant, and particularly no irretrievable, loss of resource quality.

There still remains a great challenge in the application of that magic "purpose" phrase of our Organic Act. We must identify the appropriate use capacities of the parks. But the tilt, if any, must be to the preservation side, if there is any doubt, until we are sure otherwise. I believe the National Park Service has a great and central challenge ahead in assuring that we manage our natural and historic resources in such a careful manner as to assure that we "leave them unimpaired for the enjoyment of future generations", and I want to provide

major emphasis in this area. There is another subject that I want to share with you that relates to the historic beginnings of the NPS which has to do with the phrase "Crown Jewells" (describe and complete story).

With these thoughts in mind, I would like to turn to our local environment—Yellowstone. The Greater Yellowstone, Coalition has often made reference to the Yellowstone ecosystem as representing "the largest essentially intact ecosystem remaining in the temperate zones of the earth." This is a critically important statement! Be that the case, it should tell us something. The area's special natural attributes, coupled with the threats to its integrity due to humankind's proliferating activities, demands national attention. We recognize our controversies. The management of the park's elk and bison has been volatile for over 80 years. We have gas, oil, and geothermal leases abuting the park boundary. We have more recently become aware of the dire straits of the grizzly bear—one of the last remaining great symbols of the wild beauty of our nation. We absolutely cannot stand idly by and permit the loss of this magnificent animal from the confines of our lower 48 states. The saving of the grizzly must be elevated to the level of a national campaign! It is a campaign we must win! Or we may not be able to save ourselves.

Now I would appear to be totally naive and unfair to say all of the foregoing and not recognize that there are some very serious competing concerns to the contrary in all of this. The presence of man is now very much a part of the greater Yellowstone scene, and that is not likely to change. There are a lot of interests at stake in any final resolution of securing a healthy, relatively natural functioning sustainable ecosystem amid man's development and use of that same general environment. There are private and governmental entities with major interests at stake and roles to play.

Therefore, a prompt development and adoption of a regional plan for the management of the Greater Yellowstone Ecosystem is critical. The preparation must be accomplished by the concerted effort of all major affected entities, keeping in mind that maintaining a wild natural environment must be the foremost objective. This idea has been talked about for decades. It is not my idea. A fair amount has been accomplished through the years to work towards this, but in all too narrowed and fragmented ways. We now have a great deal more scientific information. The time has come to take positive, creative and forceful steps to set an example of how even with human pressures a total ecosystem can be preserved and managed. If we don't start it now, it will never be done—the time is right. Let's forget our petty diferences and all work to solve the big picture.

This type of planning needs to be instigated for many park system units. Yellowstone can be an ideal prototype.

Now lest some feel that I am stressing preservation, let me reveal to you the commitment I have to public use and enjoyment of the superlative natural and historic resource represented in our great national park system.

Of course, providing for public enjoyment is an essential part of the 1916 Act's mandate. I endorse public use of the parks, and I want to promote as much public enjoyment as possible without irreplacable loss of the natural and cultural value—but I want that public use to be a quality experience. I am convinced that the American public desires a high quality experience from their part visits—not a mediocre one. If the public demand is greater than the park supply, I feel confident that the public would rather visit a little less often but know that when their turn comes they will be assured a high quality, uncrowded experience, rather than be able freely without restriction to visit as often as they like and find mediocrity. The National Park Service must get on with the research to determine carry capacity for its units so that we can with facts support maximum use numbers. With the help and advice of groups like yours and the American public, I hope that we can work toward the more rapid acheivement of identifying that optimum part capacity so that we can assure future generations a high quality visitor experience.

I feel that the parks offer a splendid opportunity for all of us to become reunited and related with our natural environment, as well as with our historical past. I'm not sure who gets the credit for having said it first, but our parks represent a splendid "university without walls". The opportunities afforded by the parks as a displayer and teacher of how to be better citizens in our environment—are unmatched by other institutions. I beleive that the public education and interpretive programs of the National Park Service need to be made a very important element in the operation and budget of every one of the 343 units of the system. It is my intention to support and work with intensity in this area.

There are a lot of ideas in my mind which I would like to further share with you, but my time and your patience is running out. But I leave you with this thought.

Aside from my own ideas and observations which I bring to this job, based upon over 50 years of working professionally in the parks and recreation field, I have come to recognize the importance of process. There are a lot of people—both outside and inside of the National Park Service who care, and care deeply, about the parks. And that's just wonderful! We must capitalize on that care, and put it to work. I really want to engender a team effort in our setting forth the precepts of our stewardship of the parks. The 10 Regional Directors will act as a Board of Directors in helping and developing our goals and objectives.

Some of you may have heard that in my discussions with Secretary Hodel before being selected for the position of Director of the NPS. I identified twelve key points which I would hope to pursue. Mr. Hodel has endorsed these ideas. But they really don't yet represent specific final policy or decisions. Rather, they represent key concepts and processes and a few general objectives. None of them are unalterable. All of them need fleshing out, adding to and subtracting from.

I have shared these twelve points with key members of the National Park Service team, and they in turn are, or will be, sharing them with all of our National Park Service employees. I deeply believe in a team approach to management objective identification and problem solving. An involved employee is more often than not a strongly committed employee. That tends to be just plain human nature. And so I believe it applies equally outside the Service. As we move along, I want to solicit your ideas by some process yet to be put into place. I will look forward to your input.

I deeply believe that there is a widespread sentiment across the nation which favors the strong protection of our parks, and also one which thrills at the experiences and the inspirations they offer. We want to capture that nationwide commitment and put it to work for us. We look to all of you here for playing a major rule in that process.

Together, we can accomplish a great deal and further assure the prospect of being able to pass the units of the system on ". . . in such manner and by such means as will leave them unimpaired for the enjoyment of future generations."

Thank you.●

HIS OWN DRUMMER

● Mr. DANFORTH. Mr. President, it is not often that the communications industry singles out one of its many attorneys for special recognition and praise. For this reason, it was particularly noteworthy that Broadcasting magazine, a leading industry publication, chose to feature John Lane in the June 3, 1985, issue.

I know John Lane as a neighbor and a friend. Among his colleagues, John is known as a dedicated attorney of deep conviction. Broadcasting magazine says it all in the words of one of John's clients: "He's a public spirited lawyer with a social conscience. He has my deepest personal and professional respect."

Mr. President, I ask that the Broadcasting magazine "Fifth Estater" article of June 3, 1985, be printed in the RECORD at this point.

The article follows:

HIS OWN DRUMMER

John Dennis Lane, partner in the Washington law firm of Wilkes, Artis, Hedrick & Lane, has been a moving force in communications law for almost 30 years. William Baker, president of Westinghouse Broadcasting's television group and chairman of Group W Satellite Communications, a group Lane has represented for most of those years, calls Lane "the dean of Washington communications attorneys. He's a public spirited lawyer with a social conscience. He has my deepest personal and professional respect."

Lane may have competition for the title of "dean," but there is no doubt of his prominence in the communications bar or his closeness to Westinghouse Policy. "He is more than a lawyer; he's part of the family," commented Wallace Dunlap, senior vice president for Group W.

The admiration is mutual. "I've really been lucky," said Lane. "The kinds of people that I've represented allowed me to do the kinds of things I wanted to do.

"I credit Westinghouse Electric, the leadership of that company over the years, for being farsighted," Lane reflected. "They allowed people like Don McGannon [the late president and chairman, Westinghouse Broadcasting] to have fairly sizable allocations of resources to buy stations, to build them, to run them the way he thought they should be run. And to follow the kinds of longer-term policies, like serving the local community. They felt the public interest should have meaning. They could still make money and serve the public at the same time. When you have clients that believe in these things, it makes your job not only more interesting but a lot of fun."

The 63-year-old Lane grew up in Norwalk, Conn., and graduated from Georgetown University's foreign service school in 1943. He had enlisted in the Marines in 1941, but his service didn't begin until after he graduated. By the end of World War II—he served in the Pacific—Lane had "all the foreign service I wanted" and decided to go to law school. He graduated from Georgetown law school in 1948 and joined the office of the chief counsel of the Bureau of Internal Revenue.

Realizing that tax law was not for him, Lane moved to Capitol Hill, serving as administrative assistant to the late Senator Brien McMahon (D-Conn.).

McMahon "was one of my idols," said Lane. "I used to read about him as a youngster; he was always in the front pages. He was a very exciting individual."

As an aide to McMahon, Lane became involved in congressional debates on communications policy. He sat in on discussions of spectrum allocations and the establishment of a color television standard. It was a speciality Lane found fascinating, but he was not to put it into practice for a while. Lane's tenure on Capitol Hill was cut short in 1952 by McMahon's death, which Lane took as a personal loss. A photograph of McMahon is prominently displayed in his office today.

In 1953 he moved his family to Norwalk where he opened his own practice, with an office in Washington. The tilt was to the latter city, and in 1956 he moved back. (He still runs a law office in Norwalk.) Within a year, Lane formed a partnership with F. Cleveland Hedrick Jr., a tax lawyer. (In 1982 the firm merged with Wilkes & Artis.)

Lane's association with Westinghouse began in 1958, when McGannon asked him to represent the company before a congressional committee investigating several Group W radio stations for alleged payola. As the hearings developed, there was no case against Group W, said Lane. But it was the start of a relationship that would span more than 25 years.

As one of Group W's chief strategists, Lane played a significant role in the formulation of numerous communication policy decisions on the Hill and at the FCC. His ability as a "shrewd negotiator," said one Washington attorney, was particularly evident during the debate over the proposed prime time access rule of which Westinghouse was a prominent advocate. He argued the case before the FCC and later helped defend it in the courts. The result was the FCC's access rule that prevents affiliates from airing nonnews network programing between 7 and 8 p.m. and the financial interest and syndications rules, which exclude networks from domestic program syndication and from ownership in independently produced programing.

Indeed, Lane devoted so much time to the issue that his family began to call him "Joe Prime Time." In his hindsight, it was worth it. "We have three strong networks, and a whole new programing industry has come into being."

He's made his living fighting the networks. When the FCC proposed to repeal its financial interest and syndication rules two years ago, Lane was active once again in the resistance effort that finally succeeded. During those battles he has earned the "grudging respect" of his adversaries, said one Washington observer. Lane is "tenacious and very hard to budge," said NBC's Howard Monderer, vice president, law. "He's tough minded and very able."

Although Lane's work for Group W may overshadow some of his other accomplishments, he is also recognized for his representation of Motorola, which he represented before Group W came along.

Over the years Lane has earned a reputation as something of a maverick. He "marches to his own drummer," said Andrew Schwartzman, executive director of the Media Access Project, who has been both an ally and a foe. Lane's representation of a local group competing for TV channel 9 in Orlando, Fla., for example, later became the leading case in establishing minority rights in comparative hearings. The FCC's Review Board, in a decision affirmed by the commission, said no advantage could be given to blacks and that the "Communications Act was color blind," Lane said. In the Washington appellate court, Lane won a reversal of the decision. The court said the FCC could give a comparative merit to an applicant containing blacks. The Supreme Court refused to hear the FCC's appeal.

Lane and Group W have shared other unconventional views. Unlike the majority of broadcasters, Group W is a staunch supporter of the fairness doctrine. It also opposes the use of exit polls for election projections.

But Lane also has ties to the broadcasting establishment. He provided office space for the creation of the Television Operators Caucus, a new association formed to act as a special presence of television station groups in Washington apart from the National Association of Broadcasters.

Lane's friends describe him as a "workaholic," and he says he regrets not having spent more time with his wife of 36 years, Elizabeth, and with his five children. "That's one of the sacrifices you make in pursuing a career like this, but I've been very fortunate to have an understanding wife. I wouldn't have done it any differently."●

FEDERAL COMMUNICATIONS COMMISSION NETWORK ACQUISITION APPRAISAL APPROVAL ACT OF 1985

● Mr. PRESSLER. Mr. President, yesterday I introduced legislation cosponsored by Senators EAGLETON, INOUYE, EXON, and DURENBERGER which would ensure that the Federal Communications Commission thoroughly examine the public interest implications of proposed hostile takeovers of major national television networks.

I ask that the full text of that bill, S. 1312, the Network Acquisition Approval Act of 1985, be printed in the RECORD.

The text of the bill follows:

S. 1312

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Federal Communications Commission Network Acquisition Approval Act of 1985".

HEARING ON ACQUISITION OF TELEVISION NETWORKS

SEC. 2. Title III of the Communications Act of 1934 (47 U.S.C. 301 et seq.) is amended by inserting at the end thereof the following new section:

"HEARING ON ACQUISITION OF TELEVISION NETWORKS

"SEC. 333. (a) As used in this section the term 'television network' means—

"(1) any person, entity or corporation that—

"(A) is licensed to operate five or more television broadcast stations; and

"(B) offers an interconnected program service on a regular basis for fifteen or more hours per week to at least twenty-five affiliated television licensees in ten or more States; or

"(2) any person, entity, or corporation controlling, controlled by, or under common control with a person, entity or corporation defined in paragraph (1).

"(b) Prior to the grant of any application involving a proposed acquisition of ownership or control of a television network whose Board of Directors has not approved the proposed acquisition, the Commission shall—

"(1) require the applicant to file—

"(A) the identities of all persons involved in the proposed acquisition;

"(B) the sources of all funds to be used in the proposed acquisition;

"(C) the details of all financial arrangements, including all documents involved in the proposed acquisition;

"(D) detailed projections concerning the ability of the applicant to meet its long-term financial obligations and to maintain existing levels of network service;

"(E) the managerial expertise and financial resources available to all persons involved in the proposed acquisition;

"(F) detailed information concerning any intention, proposal or plan to liquidate or in any other manner dispose of the assets of the proposed acquisition;

"G) any discontinuance, reduction or impairment of service to a community or part of a community that would result from the proposed acquisition;

"(H) the reasons that the proposed acquisition would benefit the public interest, convenience and necessity; and

"(I) any other information the Commission may reasonably require;

"(2) issue a public notice indicating that the information referred to in paragraph (1) has been filed and is available for public inspection;

"(3) afford any interested party a period of thirty days from the issuance of the public notice described in paragraph (2) to file a petition to deny pursuant to section 309(d)(1) of this Act or a supplemental petition to deny if one has already been filed; and

"(4) conduct a full evidentiary hearing pursuant to section 309(e) of this Act in which the Commission and any interested party may subpoena documents and witnesses and take testimony under oath on—

"(A) the matters referred to in paragraph (1);

"(B) any substantial and material questions of fact presented; and

"(C) any other issue pertinent to whether the proposed acquisition would serve the public interest."●

ADVANCE NOTIFICATION PROPOSED ARMS SALES

● Mr. LUGAR. Mr. President, section 36(b) of the Arms Export Control Act requires that Congress receive advance notification of proposed arms sales

under that act in excess of $50 million or, in the case of major defense equipment as defined in the act, those in excess of $14 million. Upon receipt of such notification, the Congress has 30 calendar days during which the sale may be reviewed. The provision stipulates that, in the Senate, the notification of proposed sales shall be sent to the chairman of the Committee on Foreign Relations.

Pursuant to an informal understanding, the Department of Defense has agreed to provide the committee with a preliminary notification 20 days before transmittal of the official notification. The official notification will be printed in the RECORD in accordance with previous practice.

I wish to inform Members of the Senate that such notification has been received.

Interested Senators may inquire as to the details of this advance notification at the office of the Committee on Foreign Relations, room SD 423.

I ask that the notification be printed in the RECORD.

The material follows:

DEFENSE SECURITY ASSISTANCE AGENCY,
Washington, DC, June 17, 1985.

Dr. M. GRAEME BANNERMAN,
Deputy Staff Director, Committee on Foreign Relations, U.S. Senate, Washington, DC.

DEAR DR. BANNERMAN: By letter dated 18 February 1976, the Director, Defense Security Assistance Agency, indicated that you would be advised of possible transmittals to Congress of information as required by Section 36(b) of the Arms Export Control Act. At the instruction of the Department of State, I wish to provide the following advance notification.

The Department of State is considering an amendment to the Singapore F-16/79 Letters of Offer estimated to cost $50 million or more.

Sincerely,

PHILIP C. GAST,
Director.

Attachments.

POLICY JUSTIFICATION

(U) The prime contractor for the F-16A/B program will continue to be the General Dynamics Corporation of Fort Worth, Texas. The F100 engine covered in this amendment will be purchased by the U.S. Government from Pratt and Whitney and will be provided as government furnished equipment to General Dynamics Corporation.

(U) There will be no adverse impact on U.S. defense readiness as a result of this sale.●

OPENING THE JAPANESE MARKET

● Mr. PACKWOOD. Mr. President, this spring, both Houses of Congress, following the Finance Committee's lead, expressed their frustration with Japan's failure to open its markets to foreign products and services. The Finance Committee has approved a bill which will require the President to retaliate against Japan unless and until U.S. exporters obtain meaningful access to the markets of Japan.

The Japanese Government has responded with promises of meaningful market opening measures, to be announced in July. Yet, with the date of that announcement barely a month away, there is little evidence that new policies are emerging from Tokyo. A case in point is that of trade in semiconductors.

There can be no doubt about the competitiveness of the U.S. semiconductor industry. The U.S. industry has captured 55 percent of the world market for semiconductors, whereas the Japanese have only been able to capture about 11 percent of that market. Yet in Japan, the U.S. share of the semiconductor market has remained at about 10 percent in spite of numerous efforts over a decade by the U.S. industry and the U.S. Government to obtain a liberalization of that market. But none of these liberalization efforts has changed the oligopolistic situation of the Japanese semiconductor industry. A small number of Japanese electronics companies both produce and consume Japan's semiconductors.

These same firms dominate most semiconductor end-product markets; procure the bulk of their semiconductors from each other; are linked by a large number of horizontal ties with respect to research, development and, in some cases, production and sales; are characterized by a strong "buy national" bias; and have a long history of collusive activity, intended in part to exclude foreign products.

This anticompetitive situation could be ended by enforcement of Japan's antitrust laws. But, as in the case of other industries, the Government is apparently reluctant to break up arrangements which it helped create in the post-war period. Over the years, the Japanese Government has protected the semiconductor industry and semiconductor end-product industries, has restricted entry into the semiconductor industry to large electronics producers, has encouraged division of product markets, and promoted cooperation in research, development, production and sales of semiconductors. In short, the oligopoly that now dominates Japanese semiconductors and makes foreign penetration so difficult, was nurtured and promoted by the Japanese Government.

While it should not surprise us that the Japanese Government has been reluctant to enforce its antitrust laws against an oligopoly of its own creation, we must conclude that failure to reverse this policy renders any other market opening measures affecting semiconductors meaningless. We shall await the July announcements from Tokyo with interest, but unless the Japanese Government addresses the structural problems illustrated by the semiconductors case in a forthright manner, there can be no prospect of any meaningful opening of the Japanese market.●

NEW HAMPSHIRE ACTS ON ACID RAIN

● Mr. HUMPHREY. Mr. President, last week the distinguished Governor of the State of New Hampshire, John Sununu, signed into law the Acid Rain Control Act. In doing so, New Hampshire moved to the forefront among the States in making tough acid rain controls the law.

At 197 town meetings 2 years ago, the people of my State spoke loudly and clearly on the issue of acid rain. In resolutions adopted at each of these town meetings, citizens of New Hampshire called for a 50-percent reduction of sulfur dioxide emissions. By the end of 1983, the councils of the 13 cities of my State adopted similar resolutions. Well before these resolutions were adopted, however, our Governor had already been hard at work at both the regional and national level on the acid rain problem. As chairman of the National Governors' Association [NGA] force on acid rain, Governor Sununu has instrumental in forging the consensus necessary to adopt and NGA acid rain control policy more than a year ago.

The principles reflected in the Governors' agreement became the basis for S. 503, the Acid Deposition and Sulfur Loading Control Act which was introduced earlier this session by myself and the distinguished Senator from Wisconsin, Senator PROXMIRE. The Proxmire/Humphrey bill calls for a 10-million-ton reduction of sulfur dioxide to be achieved over two phases. Two weeks ago, a version of our legislation was introduced in the House of Representatives by Congressmen Mo UDALL and DICK CHENEY.

New Hampshire's new acid rain control bill builds upon the concepts in S. 503. The New Hampshire bill mandates a two-phased program with a goal of a 50-percent reduction in the State's sulfur emissions by 1995. The first phase of the program requires a 25-percent reduction by 1990; the additional 25 percent contained in the second phase is contingent upon the enactment of a National Acid Rain Program. The bill also establishes a special study committee to review available options for achieving the required reductions and to provide advice as to the environmental and economic impacts of the various options. Also mandated is an organized public participation program.

The adoption of acid rain control legislation in New Hampshire is the result of a long process of consultation between industry, individuals, and government officials. It is important to

note that the State's largest utility—the Public Service Co. of New Hampshire—endorsed the legislation, along with one of the State's largest manufacturers—the James River Corp. Other prominent organizations which endorsed the bill include the Business and Industry Association of New Hampshire, the New Hampshire Audubon Society, and the New Hampshire Citizen's Task Force on Acid Rain.

As important as the New Hampshire bill is, it is clear that the threats which are posed by acid deposition and air pollution in general must be addressed at the national level. The unwillingness of this administration to take a responsible position and endorse meaningful acid rain controls continues to frustrate and disappoint me. Too much is at risk because of the pollution which causes acid rain to tolerate further dealy in enacting the kind of acid rain controls that are desperately needed.

Mr. President, the State of New Hampshire has a fine tradition of leadership in this Nation—a tradition in which granite staters take great pride. The enactment of the State's acid rain control bill should serve as an example for those of us in the Congress as well as people across the Nation. Based on sound principles and widespread consensus, the bill assures meaningful reductions in acid rain causing pollution.

I ask that a copy of the New Hampshire acid rain control bill—H.B. 519—along with testimony delivered by Governor John Sununu in support of the bill be printed in the RECORD.

The material follows:

H.B. 519—STATE OF NEW HAMPSHIRE

In the year of Our Lord one thousand nine hundred and eighty-five an act establishing an acid rain control act.

Be it Enacted by the Senate and House of Representatives in General Court convened:

1 New Chapter. Amend RSA by inserting after RSA 125-C the following new chapter.

CHAPTER 125-D—ACID RAIN CONTROL ACT

125-D:1 Purpose.

I. The general court hereby finds that acid deposition of sulfur and nitrogen containing compounds, commonly referred to as "acid rain," is occurring in the state of New Hampshire. The general court further finds that acid rain poses a significant adverse threat to the state's public health and welfare and to the natural environment by degrading natural ecosystems, including fish and wildlife. In addition, increasing evidence suggests that acid rain affects the New Hampshire economy by reducing the growth rate and productivity of the state's forest resources.

II. The general court also finds that although the major emission sources of acid rain precursors are located in the midwestern United States, sources within the state of New Hampshire also contribute to acid deposition in New Hampshire and in our neighboring states of Maine and Massachusetts. Therefore, it is incumbent upon the people of New Hampshire to take the initiative to reduce their share of the deposition to reasonable levels.

III. The general court acknowledges that the New England governors in May of 1984 endorsed as an interim measure the implementation of a sulfur dioxide emission cap in each New England state for both the industrial and utility sectors of the economy.

IV. The general court hereby declares that in the absence of a national or regional acid deposition control program, the state of New Hampshire shall establish a program to control acid deposition originating from within the state until Congress passes a national or regional program.

V. In the event that the Congress of the United States passes legislation to control sulphur dioxide emissions, the state of New Hampshire shall make this program consistent with the federal law.

125-D:2 Definitions.

I. "Acid deposition" means that wet or dry deposition from the atmosphere of chemical compounds, usually in the form of rain or snow, having the potential to form an aqueous compound with a pH level lower than the level considered normal under natural conditions.

II. "Agency" means the air resources agency established pursuant to RSA 125-C.

III. "Baseline emissions" means the total sulfur dioxide emissions averaged over the period 1979-1982 from all major sources.

IV. "Governor" means the governor of the state of New Hampshire.

V. "Major source" means a facility or plant which emits 100 tons or more per year of a pollutant.

125-D:3 Acid Rain Control Program.

I. The agency shall develop a 2 phased acid rain control program which shall achieve a 25 percent reduction of sulfur dioxide from the baseline emissions in Phase I by December 31, 1990, as a first step toward a goal of 50 percent reduction of sulfur dioxide by December 31, 1995, in Phase II. The program shall do the following:

(a) Establish an emission inventory for major sources of sulfur dioxide for the period 1979-1982.

(b) Develop reduction strategies for Phase I and II which will identify sources to be controlled, levels of control to be applied, and control options.

(c) Evaluate, after consultation with the group established in paragraph II, strategies with regard to environmental and economic impacts of Phase I and II. An evaluation shall be made of the emission reductions, source impacts on local air quality and sensitive areas and other environmental impacts. Cost effectiveness for each control option shall be estimated as well as impacts on utility rates.

(d) Steps toward the implementation of Phase II shall proceed only at such time as federal acid deposition control requirements are enacted by the Congress of the United States.

(e) Adopt rules, pursuant to RSA 541-A, which give credit for reductions during and since the baseline period and which establish a compliance schedule for the implementation of a viable acid deposition control program to accomplish a reduction of sulfur dioxide emissions of 25 percent. Implementation of Phase I of the program shall commence on or before January 1, 1987.

II. The governor shall designate a group of persons representing a broad spectrum of interests to evaluate the control options and make recommendations for emission reductions.

2 Effective Date. This act shall take effect upon its passage.

TESTIMONY GIVEN BY JOHN H. SUNUNU, GOVERNOR

Madame Chairman, ladies and gentlemen of the committee, I would like to thank you for the opportunity to testify before you today on HB 519.

As you know, the effects of acid rain are a key concern for the Eastern States in general and to New Hampshire in particular. This concern stems from the strong implication of a connection between sulfur and nitrogen emissions (and air pollution in general) and subtle but increasing health effects and damage to our lakes and forests.

As legislators, you have consistently passed resolutions which have endorsed the actions needed to solve the acid rain problem. Within State government, we have a well organized acid rain coordinating committee which serves to develop the date we need to continue to argue for national solutions to the problem. We also have, in the citizens' task force on acid rain, one of the most responsible and effective citizens' advocacy coalitions to be found on any issue, anywhere.

As your Governor, I have worked on the national and regional scene for the past three years searching for reasonable national solutions to the acid rain problem because we can't do it all by ourselves.

I chaired the National Governors' Association Acid Rain Task Force, have presented testimony before the U.S. Senate and House of Representatives on this issue and have recently, along with Governor Anthony Earl of Wisconsin, asked Senators Humphrey and Proxmire to introduce an acid rain control bill in the Senate which is consistent with the acid rain policy which has been passed by the National Governors' Assocation.

You may have read that there's still some disagreement with some of the Midwestern States as to whether or not acid rain control measures are required. Our latest debate on that issue took place at the recent National Governors' Association meeting in Washington. I am convinced, however, that not only is acid rain legislation essential, we will see acid rain legislation on the books and, properly constructed, such legislation can benefit not only the ecologically sensitive regions of the country but the coal regions as well.

We can't, however, simply demand that the Midwest reduce its emissions without understanding that our own emissions have a small but measurable effect on acid deposition in New Hampshire. Nor can we forget that in terms of rate of emissions, New Hampshire's coal fired electrical generation ranks 7th in the Nation, although we rank 30th in the Nation in terms of actual emissions. Moreover, the New England Governors' Conference, which I now chair, last year passed a resolution declaring that it is the goal of the New England States to cap sulfur emissions, and to the greatest extent possible, reduce them. We also established a U.S./Canadian Forest Damage Task Force which Paul Boffinger, one of our most respected foresters, chairs.

To turn these policy directives into results, I asked our air resources agency to draft legislation which would help us meet our own responsibility to reduce our own emissions of substances which cause acid rain and which will serve to help make our air even cleaner and healthier than it is now. The elements of the bill include establishing a very accurate inventory of emissions, identifying and implementing a plan

for a 25% reduction to be achieved by December 1990, identifying scenarios and options to implement reductions according to the most stringent national legislation thus far proposed, and conducting a rigorous economic and environmental review. The bill also calls for establishing an advisory group which will review the scenarios presented in order to make recommendations for the most effective emissions reductions. Generally stated, it is an example of the way the Humphrey/Proxmire bill would be implemented at the State level.

One important feature of this bill and one important advantage of acting at this time is that we will be able to develop careful and rigorous analyses of the environmental and economic impacts of various reduction scenarios and their impacts on our own sensitive areas. By starting now, we can make sure that our decisions are the right decisions and we will have a clear understanding of the implications of all the options.

To add some additional frosting to the cake, we have been able to arrange for a grant from the Environmental Protection Agency in the amount of $53,000 which will help fund the studies which will be required by this bill.

Therefore, ladies and gentlemen, it is with pleasure that I urge you to support this opportunity to show that we are willing to do what must be done here in New Hampshire to solve our share of the problem. I assure you that I will continue my efforts on the National scene. This action will help this effort. This action, and similar bills in other States, will send a strong signal to the Federal establishment, and to the Midwest, that we are willing to do our part to deal with this problem and its now subtle but, in the long term, I'm convinced, significant environmental health, ecological and economic effects.

Ladies and gentlemen I will be glad to answer any questions you may have.●

VETERAN'S HEALTH CARE AWARENESS WEEK

● Mr. D'AMATO. Mr. President, I rise today in honor of Veteran's Health Care Awareness Week. This week is of great significance for the debt of gratitude we owe our veterans. They have protected freedom and human dignity during some of Western democracy's most precarious moments in history: World Wars I and II, the Korean conflict, and the Vietnam war. We must never forget this. We are privileged to now have the opportunity to do something in return for these brave men and women by providing comprehensive, reliable, and good health care.

During this week we honor both these veterans and our commitment to providing them with necessary and proper health care. It is imperative that the Federal Government make every attempt possible to safeguard the health of our veterans, thereby reducing unnecessary illnesses and expensive hospital stays down the road. Why is this so significant now?

As our Nation ages, so does our veterans population. There are currently 4 million veterans age 65 or older who are potential users of Veterans' Administration hospital and nursing home care. This number will increase to 7.2 million in 1990 and to about 9 million by the year 2000. Between the years 2000 and 2015 the percentage of all veterans who will be 65 and over will fluctuate between 40 to 50 percent, and after the year 2000 there may be over a quarter of all veterans who are 75 and older.

What do these figures represent to future health needs of our veterans? Currently, the VA provides most of its care in 172 hospital centers. It also operates outpatient clinics and 101 nursing home units with total medical care outlays of $8.3 billion in 1983—up from $2.7 billion in 1973.

If present hospital stays continue under current trends, by 1990 the VA would serve 26 percent more patients daily than in 1982 and would need to increase the number of hospital beds by 18 percent. The demand for nursing home care would increase about 40 percent by 1990. This demand would be met by a 3,400-bed increase by the VA and 6,500-bed increase by non-VA nursing homes under contract.

These are some of the reasons why Veteran's Health Care Awareness Week is so important. But what is truly astonishing is how much these demands can be reduced through increased awareness efforts such as this and through more aggressive preventive medicine techniques on the part of the VA. A Congressional Budget Office study maintains that through a more aggressive preventive policy the VA could shorten hospital stays by 1990. This could result in fewer visits per day and a 14-percent less demand in hospital beds. The number of nursing home beds needed would be reduced to a total of 6,000 with only 2,400 of them being supplied by the VA.

I have been very involved during my Senate tenure on a number of issues affecting our veterans, for example, I have cosponsored S. 657, which will elevate the Veterans' Administration to a Cabinet-level department. Given the fact that there are now 28 million veterans in this country and 54 million dependents and survivors of veterans—totaling 82 million actual or potential beneficiaries—the VA carries massive responsibilities. Adding this agency to the Cabinet list will solidify our commitment to the needs we must meet as we enter the 21st century. Legislation such as this conveys the true order of our priorities. I have introduced a three-bill package, S. 964, S. 965, S. 966, which will make a number of important improvements in the GI bill of rights.

There is considerable evidence that programs such as these, which serve to increase our awareness, understanding, and prioritization of our health needs, can help reduce those needs. It is my hope that we do everything possible under present financial constraints to provide the best services available for those men and women who served this country when it needed them most.●

COMPARABLE WORTH

● Mr. DURENBERGER. Mr. President, I recently received two letters, each signed by several dozen women prominent in Minnesota's Republican Party, concerning my sponsorship of the Economic Equity Act of 1985. One of the letters protested my introduction of the EEA because of a provision to study the issue of pay equity, or comparable worth, among employees of Federal agencies. The other letter praised the Economic Equity Act and urged my continued efforts toward ending economic discrimination toward women. I believe this is known as a "no-win situation."

This controversy within my own party reflects a considerable amount of confusion over the comparable worth issue in general, and its presence in the EEA in particular. It also strengthens my belief that this Congress must address the pay equity issue head on.

The provision in question is one of more than 20 separate parts of the Economic Equity Act of 1985 (S. 1169), an omnibus package designed to eliminate economic discrimination against women in areas such as credit, IRA's, Social Security, insurance, and wages. My distinguished colleague, Mr. EVANS, former Governor of the State of Washington, requested that his legislation concerning a study of pay equity be included in the EEA.

The pay equity legislation calls for a commission to undertake a study of wage practices in Federal executive agencies, and then to offer recommendations to correct any discriminatory practices. We also added to the provision the recommendations of a recent General Accounting Office report on the best methods for conducting such a Federal study.

I should note that the provision would not, in itself, implement any comparable worth plan or strategy. For that, further legislation would be necessary. I should also add that the study would embrace only Federal pay classification systems, and would not reach into pay practices of the private sector.

Mr. President, at issue here is the wide gap between wages paid for female-dominated jobs and male-dominated jobs. The existence of that gap is not opinion, it is fact. According to the GAO report, federally employed women make less than two-thirds the wages earned by federally employed men. Women are heavily concentrated in the lower paying job classifications. Though women make up nearly half the Federal labor force, only 12 per-

cent are in the mid-to-upper level (GS 9–15) jobs; more than two-thirds are in the lower eight grade levels.

Female workers at the State and local levels fare slightly better, earning about 71 percent of what men earn. In total, women in this Nation earn only about 63 cents for every man's dollar.

While we know the gap exists, however, the reasons for it are less clear. Some chalk it up to market forces, or to women choosing to enter certain low-paying jobs that allow them to handle traditional family duties while they work outside the home.

But others argue that women simply do not receive comparable worth for their jobs. That they often do not get a salary commensurate with the value of their work. That many low-paying jobs are low-paying precisely because they are dominated by women. That the job market takes advantage of women, assuming that they do not need or deserve the salary earned by a man working at a job of equivalent value.

And what is the value of one job, relative to another? There's the rub. Is a sanitation worker worth more than a secretary? A nurse worth more than an automobile assembly worker? For that matter, are autoworkers really worth higher salaries than meatpackers when comparing responsibilities and qualifications? These are vast and difficult questions, but they are questions being asked more and more across the Nation.

Several States, including Minnesota, already have implemented plans to eliminate sex discrimination in their government pay systems. In all, 35 States have taken some action toward accomplishing that goal. It is an effort that crosses boundaries of sex and political affiliation.

It is also important to note that the particular concept known as pay equity is only part of the large issue of economic equity for women. I think I am safe in saying that nobody had much heard the phrase economic equity before MARK HATFIELD, BOB PACKWOOD, and I introduced the first Economic Equity Act back in 1981. Of that first EEA, and the second EEA introduced in the 98th Congress, some eight separate provisions became law. We added equity to laws covering estate taxes, IRA's, daycare, pensions, child support enforcement, and farm credit, just to pick a few.

These were solid legislative improvements in the economic treatment of women both in and outside the home. They would not have succeeded without the support of Members on both sides of the aisle. The same may be said of the new EEA, which includes the study provision on pay equity. The bipartisan sponsorship of the EEA reflects a feeling that the Congress must address a wide range of women's equity issues, one of which is comparable worth.

Certainly this bipartisan spirit is present at the State level. In Minnesota, the bill to implement comparable worth—not to study, but implement—passed the house of representatives 100–13 and the State senate 63–0. Legislation to accomplish the same at the local government level passed by similarly large margins.

Some of my Minnesota Republican friends call this action misinformed. In my 7 years in Congress I have never seen margins like that out of ignorance of an issue. If I accept the view of these Republican friends, there apparently is not 1 Republican leader serving in Minnesota's 69-member Republican house majority or in the State senate.

The States are not the only ones acting on this issue. The administration has indicated its lack of support for pay equity, most recently in the decision this week by the Equal Employment Opportunity Commission to reject cases based on comparable worth.

The courts, too, have brought into pay equity, with past or pending cases in Washington State, Illinois, New York, and elsewhere. The number of cases is bound to grow steadily. In fact, one of the best arguments for a thoughtful legislative analysis of the problem and its possible solutions is the reality that if legislators fail to act, the courts are certain to. If our intent is not to leave this nationally significant issue to the courts—and I hope that is not our intent—we cannot wait much longer before putting the Congress on the record with respect to comparable worth.

What should the statement of this Congress be on comparable worth? Mr. President, I don't know. Not yet. I would bet that many of my colleagues are at the same point.

I know I cannot condone discrimination against women in employment and wage scales. I know that such discrimination exists, in both the public and private sectors. I know that all people are equal before God and should be equal before the law. I know that our society will not work, cannot work, without the promise of equal opportunity for all Americans.

But I do not know how we, as a government employer and as a society, can best solve the pay equity problem. Opponents of comparable worth systems say they are too costly, and lead to a loss of jobs because of the financial burden on employers. But how much is too much to pay for economic equity?

And why must we focus on the most costly approach, achieving equity only by raising salaries? A recent article on comparable worth in the Washington Post, which focused on the opposition by organized labor, quoted a lobbyist as saying, "I don't want the cure for my lame leg to be an amputation of my head." In other words, there is a great deal of teeth-gnashing over the prospect of reducing some topheavy salaries to add equity to salaries at the bottom. Yet, I would like to think it is possible, through a cooperative effort, to achieve equity by raising some levels and lowering others—granted, a politically difficult approach, but a logical one.

Mr. President, like many other longtime advocates of women's rights, I find myself in a difficult position. As we achieve more of the legislative steps needed to ensure economic equity, we find that the remaining issues are more complex, less clear-cut. Divisions occur within parties and women's organizations themselves. The right answer does not appear as a bolt out of the blue.

But one thing we have learned over the years is that these issues will not go away. And while they may not be solved immediately, it is certain that they will never be solved without open and comprehensive discussion. We in the Congress are committed to protecting the right of all points of view to be expressed. We have begun that process through congressional hearings on comparable worth, and I hope we will further it through passage of Mr. EVANS' study legislation. In the meantime, I hope that persons with all views on the issue will join us in facilitating, rather than attempting to stifle, this vital debate.

I ask that materials concerning the comparable worth debate be printed in the RECORD at this point. These include the letters to me from the Minnesota Republican women and related newspaper articles, as well as excellent statements by my distinguished colleagues NANCY KASSEBAUM and DAN EVANS expressing opposing views on comparable worth.

The material follows:

MINNESOTA WOMENS
POLITICAL CAUCUS,
St. Paul, MN, June 6, 1985.

Senator DAVE DURENBERGER,
1020 Plymouth Building, Minneapolis, MN.

DEAR DAVE: The June 4, 1985 St. Paul Pioneer Press story about your letter from some IR women and their opposition to the Economic Equity Act had an interesting effect in other IR women in Minnesota.

They said enough. The IR women in Minnesota are many and varied; a few do not speak for the many. Enclosed is a list of names of IR women who agree with your position on Economic Equity. As you can see from the list many are women with significant positions in the IR party and the community.

For your information the list was compiled in less than 24 hours by five women. We proved something to ourselves, and the correctness of a remark by Helen Hayes seeking volunteer help "from the busiest person on the street. You're the only one or-

ganized enough to fit one more thing into your schedule."

Sincerely,

MARY TAMBORNINO,
Chair, MWPC.

DURENBERGER SUPPORT LETTER COSIGNERS

Deb Frenzel, Judy Melanson, Mabeth Christianson, Cristy M. Holden, Sally Olson, Martha Atwater, Heidi Stennes, Mary Tambomino, Enid Griffin, Emmy Lou Hanson, Mary Ryland, Clair Farris, Cari DeWall, Mary Lou Rooney, Bernice J. Schwartau, Evonne Offenstein.

Mary Martenis, Betty Parsons, Loney Morrill, Kay Anderson, Susan Gregor, Marjory Luce, Carrolyn Anderson, Mary Lynn Manna, Lynn Skinner, Paula Rock, Elaine Prom, Shirlie Lundgren, Adrienne Brainer, Pat Surratte, Carol Thorsen, Lavonne Samstad.

Sally Howard, Nancy Alfton, Iris Saunderson, Dede Wolfson, Kim Carlson, Maxine Wallin, Connie Waterous, Dottie Rietow, Carmen Bell, Parker Trostel, Anne Carol Aspoas, Sidney Pauly, Marilyn Bryant, Mary Smith, Jackie Erhardt, Maureen Chandler.

Susan Covnick, Ali Peterson, Carolyn Davies, Mary Peterson, Martha Head, Maria Malooly, Laverne Orwaal, Scheri Krall, Cathy Nass, Anne Worthington, Lois McDougall, Elizabeth Norton, Kathy Trauger, Karen Brand, Jane Johnson, Annette Bruder.

Kathleesn Ridder, Lucy Hahn, Mary Doty, Ann O'Loughlin, Sally Pillsbury, Kay Erickson, Judy Schwartau, Midge Dean, Dorothy Zidel, Barbara Miller, Caroline Bye, Kay Taylor, Doris Cook, Jackie Parsiner, Charlotte Burns, Barbara McGlathery.

Ruth Johnson, Jane Stenson, Evon Gorecki, Teresa Stein, Diane Storm, Virginia Forbes, Marcia Marcoux, Sheila Broughton, Suzanne Greenleaf, Carolyn Piepho, Jane Tambornino, Sue Rickells, Corrinne Mulir, Jeanne Egan, Kitie Johnson.

Senator DURENBERGER,
375 Russell Office Building,
Washington, DC.

DEAR SENATOR DURENBERGER: We women of the Independent Republican Party of Minnesota are writing to express our opposition to your intended sponsorship of comparable worth legislation in the U.S. Senate (Economic Equity Act of 1985). We stand firmly behind President Reagan and the U.S. Civil Rights Commission on this issue. Comparable worth, misnamed "pay equity", will be a disaster for working women, an enormous tax burden for all wage earners and families, and a destructive blow to the free market economy upon which our nation is built.

We are deeply disappointed that you would co-sponsor such legislation with Gary Hart. While more government regulation may be typical of Senator Hart and his Democratic colleagues, we recognize that the freedom and vitality of the individual is dependent upon a free enterprise economy. It is clear to us, as it should be clear to you, that comparable worth will not enhance the economic status of women.

Women want equal opportunity. Women want a free and vital economy, for themselves, their husbands and their children. A planned, socialistic economy in which government officials and judges determine wages according to an arbitrary point system is antithetical to our system in which the free marketplace and the laws of supply and demand operate to set wages.

Comparable worth is being sold to the public as a "fairness" issue for women, usually confused with "equal pay for equal work", something it is not. It is being promoted by a vocal minority as a "women's" issue, yet the overwhelming number of women who will endure this legislation know literally nothing of its purpose, intent, or consequences, and they say so without hesitation. Minnesota's Pay Equity Act was enacted with many legislators acknowledging they did not know what it truly was and were unfamiliar with its implications.

The Federal "study" you are proposing in this bill, however, is not an investigation of the social and economic impact of comparable worth on the marketplace, the budget, the courts, or as a precedent for future legislation. Rather, your "study" is the actual assessment of the relative worth of different jobs. To mandate a job evaluation study of this kind is to accept the validity of the comparable worth scheme. In effect the study is a technique for its implementation.

The Minnesota Independent Republican Platform of 1984 states: "We are opposed to government controlled pay scales, and therefore we oppose comparable worth legislation because it is contrary to Republican philosophy."

The Republican National Convention platform states: "We are creating an environment in which individual talents and creativity can be tapped to the fullest, while assuring that women have equal opportunity, security, and real choices for the promising future. For all Americans, we demand equal pay for equal work. With equal emphasis, we oppose the concept of "comparable worth". We believe that the free market system can determine the value of jobs better than any government authority."

We believe in those principles and are unalterably opposed to your legislation on our behalf. We urge you to seriously reconsider your intentions to sponsor and promote this bill.

Julie Morse, Senate District 62 Chairwoman.

Anita Hansen, Fifth Congressional District Vice-Chairwoman.

Margaret Scheibel, Senate District 57 Chairwoman.

Annette Ruch, Senate District 41 Chairwoman.

Shirley Borgerding, Seventh Congressional District Vice-Chairwoman.

Judy Walker, Senate District 61 Chairwoman.

Sharon Blayney, Fifth Congressional District Chairwoman.

Marsie Leier, MN Reagan-Bush Chair, 1984.

Margaret Littrell, Third Congressional District Chairwoman.

Carol Schmidt, Third Congressional District Vice-Chairwoman.

Jean Bracken, Senate District 45 Chairwoman.

Donna Graves, Wife of National Committeeman, Frank Graves.

Ruth Powers, 4th Congressional District Chairwoman.

Nana Gill, Senate District 37 Chairwoman.

Donna Boggett, Senate District 41 Vice-Chairwoman.

Kelly Hendrickson, Third Congressional District Vice-Chairwoman.

Jane Engel, Senate District 37 Vice-Chairwoman.

Thelma Knauke, Senate District 57 Vice-Chairwoman.

Bev Fedje, National Convention alternate, Eighth Congressional District.

Viola Maehren, House District 67B Chairwoman.

Constance Joppa, Senate District 46 Vice-Chairwoman.

Marlene Reid, National Convention delegate, Fourth Congressional District.

Susan Andrea, Senate District 37 Vice-Chairwoman.

Joyce Bagne, Keith Spicer for Congress Chair.

Mary Anderson, Senate District 62 Vice-Chairwoman.

Valerie Holfield, Senate District 37 Chairwoman.

Sandra Reger, Senate District 36 Vice-Chairwoman.

Catherine Bristol, First District Reagan-Bush Chair.

Charlotte Hector, Coon Rapids Vice-Chairwoman.

Charlotte Wilcox, Chicago County Chairwoman.

Barb Halbrakken, Senate District 45 Secretary.

Sherry Pugh, Senate District 44 Vice-Chairwoman.

Joan Garvey, National Convention Alternate, Sixth Congressional District.

Pat Pariseau, National Convention Delegate, Third Congressional District.

Alice Seagren, Senate District 41 Vice-Chairwoman.

Cheryl Regan, Chairwoman Congressman Vin Weber.

Marjorie Halcin, Senate District 43 Chairwoman.

Joyce Rogers, Senate District 56 Vice-Chairwoman.

Evie Axdahl, National Convention Delegate, Fourth Congressional District.

Carol Wolfe, Senate District 56 Chairwoman.

Lora Schwartz, past First Congressional District Chairwoman.

Sarah Tjornhom, Senate District 40 Chairwoman.

Bonnie Bakke, Senate District 40 Vice-Chairwoman.

Lisa Roehl, Senate District 40 Vice-Chairwoman.

Jo Ann Sherwood, Cass County Chairwoman.

Lilah Crowe, Itasca County Chairwoman.

Elaine Niehoff, House District 15A Chairwoman.

Mary Ann Douvier, Senate District 16 Vice-Chairwoman.

Mary Mellgren, Chisago County Vice-Chairwoman.

Amy Cable, Eighth Congressional District Vice-Chairwoman.

Jo Ann Growe, House District 53A Chairwoman.

Sandy Singer, House District 67A Secretary.

Ellen Malenke, House District 46A Vice-Chairwoman.

Barbara Bowman, Senate District 41 Vice-Chairwoman.

Joan Patalanis, House District 67B Vice-Chairwoman.

Ellen Stedtfeld, House District 67B Vice-Chairwoman.

Kathy Gelao, House District 66B Chairwoman.

Annette Mistelske, Senate District 36 Vice-Chairwoman.

Joan Appel, Senate District 36 Secretary.

Donna Kunz Hensel, State Party Secretary.

Louise Gervais, Murray County Vice-Chairwoman.

Dorothy Babcock, Fifth Congressional District Reagan Coordinator.

Angela Erhard, National Convention Delegate, Third Congressional District.

Barb Sykora, Sixth Congressional District Chairwoman.

Ruby Kubista, National Convention Delegate, Third Congressional District.

Ann Bodensteiner, Senate District 57 Vice-Chairwoman.

Bonnie Johnson, Third Congressional District Vice-Chairwoman.

Moonyeen Bongoords, Senate District 38 Chairwoman.

Sharon Mueller, National Convention Alternate, Congressional District.

Barbara Surprenant, Senate District 28 Chairwoman.

Jo Ann Muller, Republican National Convention Platform Committee.

Linda Emanuelson, House District 38B Chairwoman.

Irene Dezial, Third Congressional District Vice-Chairwoman.

Jo Ann Rajala, National Convention alternate, Eighth Congressional District.

Pam Kausel, House District 38A Chairwoman.

Pat McClean, Senate District 59 Chairwoman.

Mary Myers, National Convention alternate, First Congressional District.

Eileen Fiori, National Convention Delegate, Sixth Congressional District.

Marge Ryks, Senate District 44 Chairwoman.

Esther Williams, Third Congressional District Secretary.

Gayle Belkengren, Fifth Congressional District Vice-Chairwoman.

[From the St. Paul Pioneer Press Dispatch, June 4, 1985]

EIGHTY IR WOMEN CHIDE DURENBERGER

(By Dane Smith)

WASHINGTON.—Sen. Dave Durenberger received a letter Monday from about 80 Independent-Republican women protecting his sponsorship of "comparable worth" legislation in the U.S. Senate.

Although the Economic Equity Act is advertised as a study of possible discrimination against women in federal government, the letter warns that the comparable worth section could lead to a "planned socialistic economy in which government officials and judges determine wages according to an arbitrary weight system."

The bill would be "a disaster for working women" and "an enormous tax burden for all wage-earners," the letter said.

Many signers were local district chairwomen and tended to be from the conservative wing of the party. Marsie Leier, a longtime supporter of President Reagan and state co-chairperson of the president's 1984 campaign, is the best-known name on the list.

Asked to elaborate on the opposition, South Minneapolis party leader Julie Morse, another signer, said comparable worth regulations are "not equal pay for equal work."

Comparable worth studies are aimed at determining whether predominantly female jobs, such as secretary or clerk, are unfairly paid less than predominantly male jobs, such as tree-trimmer or sewer worker. Advocates of equalizing the pay scales argue that wages often have no relation to educational achievement, skills or market demand. By tradition alone, some male jobs are paid more than female jobs, they contend.

Opponents fear the federal study will lead to much higher pay for federal workers, and thus higher taxes. Eventually, the rules would be imposed on the private sector, and women's jobs would be eliminated, some critics say.

"I think it would be very costly and harmful to small business," said JoAnn Rajala, a signer of the letter and a delegate to last summer's Republican National Convention in Dallas. "It opens the door to broadening the areas."

Another signatory, Annette Ruch of Bloomington, said "nothing like that ever stays in the stage that it's intended for." The proposal may be for a study, "but so was the race track (horse racing in Minnesota) and now it's a fact," Ruch said.

The women's protest carries an undercurrent of dissatisfaction with Durenberger, who is perceived by the increasingly conservative Minnesota party as more liberal than the state's other senator, Republican Rudy Boschwitz.

Boschwitz happens to be one of at least five other Republican cosponsors of the Economic Equity Act. He did not receive a similar letter, although one signer said he has been sent a copy of the one addressed to Durenberger.

"At the time the letter was initiated, we didn't know that," said Morse, chairwoman of the Senate District 62 organization in South Minneapolis.

Morse said Durenberger was featured in newspapers as an advocate of comparable worth studies. Boschwitz, on the other hand, has emphasized one provision that would give homemakers full rights to Individual Retirement Accounts and another that would establish a commission to help women in small business.

"What really got us is that (Durenberger) mentioned Minnesota (which recently passed a comparable worth program for state and local workers) as a model success story for the rest of the country," Morse said.

The protesters insisted the letter was not an ideological rebuke of Durenberger, but one of them acknowledged privately that Durenberger was "too liberal, trying to please everybody," and not listening to the party's mainstream.

Criticism from such a sizable faction in his own party could be troublesome for Durenberger, although he is not up for re-election until 1988.

"Of course we are concerned (about the letter)," said Durenberger press secretary Karen Doyne. "But we still feel that the controversial nature of this is not enough to pull away from discussing it on a national level."

[From the Minneapolis Star and Tribune, June 6, 1985]

EIGHTY-FIVE IR CENTRIST WOMEN RALLY TO SUPPORT DURENBERGER ON "COMPARABLE WORTH"

(By Betty Wilson)

About 85 Independent-Republican women who say they are "party centrists" have rallied to support Sen. David Durenberger's "comparable worth" legislation in the U.S. Senate.

Advocates of the concept maintain that the pay should be the same for predominantly female jobs and for different jobs of comparable worth predominantly held by males.

Mary Tambornino, chairwoman of the Minnesota Women's Political Caucus, said Wednesday the group has sent a telegram to Durenberger to counter an earlier letter from 80 IR women protesting Durenberger's sponsorship of the bill.

Those opponents of the pay equity bill included Marsie Leier, co-chairwoman of President Reagan's 1984 presidential campaign in Minnesota. Leier could not be reached for comment yesterday.

Tambornino and others said those protesters are a vocal minority from the party's far right.

"We appreciate your support and efforts to make pay equity a goal for all working persons," said their telegram.

"We know the Economic Equity Act will especially benefit women. For that we are grateful," it said.

(The bill is aimed at possible discrimination against women in federal government, but both sides say that it would have an effect on the private sector.)

Tambornino said, "We want to dispel the perception that Republicans are anti-pay-equity, and that they are all from the far right.

"There are many women in our party who don't feel this way."

While those who make up the centrist body of the party don't necessarily agree with Durenberger on every issue, she said, "they seem to be more cognizant of how the world really does work."

She said that supporters of the bill include state Rep. Sidney Pauly, Eden Prairie, Dottie Rietow, a member of the Metropolitan Council; Sally Howard, a former Minneapolis council member; Kathleen Ridder, a former member of the Metropolitan Council; Sally Pillsbury, a longtime party activist and moderate; Martha Head, wife of former IR gubernatorial candidate Douglas Head; Virginia Forbes, former Fifth District chairwoman; Mary Doty, a member of the Minneapolis Library Board, and Debbie Frenzel, daughter of Third District Rep. Bill Frenzel.

Opponents of the bill said it would be a disaster for working women and an enormous tax burden for all wage-earners.

Marilyn Bryant, vice president of Adjustable Joist Co., Minnetonka, one of the supporters of pay equity who sent the latest telegram to Durenberger, said the IR women opposing the bill are out of step with working women. Their arguments are smokescreens, she said.

"I think they feel their husbands are somehow threatened by this. Perhaps they are feeling their husbands' jobs might be lessened if the women start to get equalized," said said.

Bryant said the legislation is needed to protest many women whose wages are set low without regard to education, skills and market demand.

[From the Minneapolis Star & Tribune, June 10, 1985]

JOB RECLASSIFICATION MEANT WOMAN MISSED COMPARABLE WORTH RAISE

In April 1982, Carol Tembreull got her job in the St. Cloud State University business office reclassified. Her duties didn't change, but her pay increased a bit.

A year later the state implemented its pay-equity raises, designed to end wage discrimination against female-dominated job classes. Tembreull figures she would have earned $1,800 more if she'd stayed put.

Her old job title, senior account technician, was one of more than 150 female-dominated classifications that received comparable-worth pay increases in 1983. Her new job classification, accounting officer, is not female-dominated and received no special raises.

So, even though an accounting officer is a step above senior account technician on the state's accounting career ladder, accounting officers earn less in most experience categories.

"I complained to everybody—the governor, state legislators, the Department of Employee Relations," Tembreull said. "They all said, 'Too bad, That's the way the contract reads.'"

Nina Rothchild, state employee relations commissioner, said she knew of no other instances of reverse promotion resulting from the state's pay equity program. She said most state career ladders have the same sexual makeup from the top to bottom and therefore are not distorted by pay equity.

The step down in the accounting ladder probably will be corrected in the current round of collective bargaining, she added.

Tembreull said she made up for some of the lost money by earning $750 merit pay in both years she was an accounting officer. Last January she was promoted again, to accounting supervisor, a male-dominated job classification. This time she got a nice raise.

"I'm all for comparable worth," she said. "I understand that lots of women have been discriminated against, but the state should look at the whole picture."

[From the Minneapolis Star and Tribune, June 10, 1985]

CONSULTANTS' BUSINESS BOOMS AS DEADLINE NEARS ON PAY EQUITY STUDIES

(By Conrad deFiebre)

Starting in mid-1987, Minnesota's 1,600 local governments and school districts face the prospect of spending tens of millions of dollars to raise salaries for jobs that traditionally have been held by women.

But because of a 1984 law, local governments are spending more than $5 million just to study the "comparable worth" situation this year.

"Some people are calling it the consultants' full employment law," said Bonnie Watkins, the state's pay equity coordinator, laughing.

In Albert Lee, for instance, Arthur Young & Co. of Minneapolis will be paid $10,080 plus expenses to help the school district make detailed reports about what employees do and how much they are paid.

The vote to hire the firm was unanimous, but not enthusiastic.

"We all thought 'no' and said 'yes,'" board member Stephen Schwartz admitted.

It is too early to tell what pay scales may have to be changed by local governments, which pay annual salaries totaling more than $2 billion.

But a 1981 study by Hay & Associates, a major comparable worth consulting firm, showed that female-dominated job categories in state government paid less than equally rated male categories without exception.

For example, Hay rated land surveyors, a male-dominated class, and registered nurses, a female-dominated class, at 275 points. But in 1981 the nurses were paid $241 a month less at each classification's top scale. The 1984 law was drafted on the assumption that similar disparities are the rule in local government, too.

Rating the comparable worth of jobs and then plotting pay inequities is a complex, time-consuming and emotional task for local units to handle with their own staff. So consultants are doing big business as local officials face an Oct. 1 deadline for reporting to the state. Some examples:

Control Data Corp. Business Advisors has contracted with a group of more than 100 Minnesota cities for more than $500,000. Each city, including most Twin Cities suburbs and several dozen medium-sized outstate towns, will pay $3,000 plus $35 per employee for the job study.

Arthur Young & Co. received a $193,300 contract from Hennepin County last month for its comparable worth study. In addition, the county will pay DCA-Stanton, a personnel consulting firm, $69,680 for a market evaluation of its pay schedules.

Mercer-Meidinger, Inc., is being paid $108,100 for a classification and compensation study of Minneapolis's 5,000 city, park and library workers.

Even the city of Princeton, Minn., considered a pay equity pioneer because it gave comparable worth raises to its four female employees two years ago, is cashing in. It is selling sister cities copies of its personnel manual at $95 a crack. There have been 33 buyers so far, city administrator Gregory Withers said.

Minnesota's cities, about 600 of them required to submit reports covering an estimated 30,000 employees, will pay comparable worth consultants more than $2 million, said Joel Jamnik of the League of Minnesota Cities. The state's 87 counties, which employ about 25,000 workers, will spend another $2 million, Lynn Boland of the Association of Minnesota Counties said.

The state's 435 school districts, with 90,000 to 100,000 workers, may get by more cheaply because many will do the studies themselves. Staff members of more than 400 districts have attended two-day training programs conducted by the Minnesota School Boards Association that cost $350, director Willard Baker said.

"Some bigger districts will use consulting help to review the work and assist with the technical stuff," he said. "But the real cost is involved in local staff time. It takes a lot of time to do the job right."

Arthur Young, a nationwide accounting and consulting firm, has comparable worth contracts totaling $800,000 to $1.2 million with 50 to 60 school districts and 22 counties in Minnesota, said James Fox, principal in charge of human resource consulting in the firm's Minneapolis office. Nationwide, he said, comparable worth has provided about 10 percent of the firm's management consulting work over the last year.

"Usually outsiders are more experienced in these things," Fox said. "They're able to do it quicker, with less backtracking. They're more objective, too, because they're not inside the organization."

The state Department of Employee Relations has conducted half-day seminars for nearly 400 city officials to teach them how to fill out the state's three-page comparable worth form. The sessions cost $10. Watkins said many small cities may limit their expenses to that.

There can be pitfalls in going it alone, however. Take Princeton, which did its first comparable worth study in 1961, long before it became so widespread that 43 of the 50 states are now studying or moving toward pay equity for public employees.

"One of the factors in our rating system was whether a person worked under close supervision," said Withers, who devised the Princeton system. "Well, secretaries and bookkeepers work within 10 feet of their supervisors, but public works people might work at one end of town while the boss is at the other end of town.

"The committee that made the original evaluations interpreted close supervision as being based on distance. That wasn't what I had in mind. We had some different people reevaluate the four female jobs at the end of 1983 and they got away from some of the male stereotypes."

State officials estimate that it will cost 1 to 4 percent of most payroll budgets for local governments to achieve pay equity between female-dominated and male-dominated jobs.

That estimate is based on the state government's pay equity program for its own 35,000 workers. It began in 1983 with raises averaging $1,600 a year for 8,225 employees in 161 female-dominated job classes, including about 800 men. More than $35 million has been budgeted for these increases over four years.

Not all local units will be equally affected, either. Watkins said women fill 60 percent of school jobs and 50 percent of county jobs but only 20 percent of city jobs.

And not all women work in female-dominated job classes, which are defined as having 70 percent or more women. Those were the only job classes granted pay equity raises by the state, even through more than 350 balanced and male-dominated classes also were shown to be underpaid.

State law does not require local jurisdictions to implement pay equity raises for anyone at any time. But further legislation is expected to be introduced after the Department of Employee Relations reports the findings of the local studies on Jan. 1, Commissioner Nina Rothchild said.

The current law also prohibits lawsuits against local jurisdictions based on their comparable worth finding until Aug. 1, 1987.

"That means the local jurisdictions had better be in a position by then to defend themselves if somebody sues them," Waikins said.

And some people who have heard the complaints of heavily male public employee unions say there will be many lawsuits once the moratorium expires.

"Then it becomes it lawyers' full employment law," Boland said.

[From the Washington Post, June 11, 1985]

COMPARABLE WORTH MEETING RESISTANCE

(By Milton Coleman)

MADISON, WIS.—"Pearl the Plumber" led a short but ominous life. For two weeks, she starred in a one-minute advertisement that lobbyists broadcast on radio stations in the hometowns of key state senators from central Wisconsin.

"It used to be we had men's work and women's work. But now, women like me are doing all kinds of jobs, and doing them well, too," Pearl announced above the din of pipe-pounding. "But you know what gets my goat? A bunch of these highfalutin' Madison bureaucrats want to take us back to the idea of 'women's work' again.

"They call their plan 'comparable worth,' but Old Pearl here says it's a joke . . . a slap in the face to women like me who've worked hard to break down the old barriers."

Pearl's short run signaled the onslaught of pitched battle for supporters of Gov. Anthony S. Earl's comparable-worth plan. It would raise base salaries of about 15,000 women holding female-dominated jobs in the 43,000-worker state bureaucracy to put their pay on par with that of male-dominated positions that require "comparable" skills. Some would receive pay increases of as much as $6,000 a year.

The ads were part of an intensive, costly and apparently effective effort, led by the State's business community, to defeat a plan

whose implementation seemed inevitable here and in many other states just a few months ago.

With the political clout of feminists and organized labor severely challenged by President Reagan's reelection, comparable worth—a cause celebre of both groups—is facing invigorated resistance.

"We got a free ride in 1984, with the business community not being geared up to fight us," said Diana Rock, national director of women's rights and community action for the American Federation of State, County and Municipal Employes. "I think this is going to be the year when we lose a few."

"As a general proposition, items that may be called part of the progressive social agenda are tougher to push now than they were before the 1984 presidential election," Earl said, "because people perceive, rightly or wrongly, that the electorate is moving right."

But opponents counter that, under close scrutiny, comparable worth is unworthy. "It's a concept that hasn't been thougth out well. It's been pushed through. When it does stand on its own merit, they find that it's a very unstable concept," said Madison lawyer Frederick H. Miller, who is lobbying against the plan.

"They believe it, but they can't prove it," Miller said of the proponents' assertion that wage disparities between men and women are based primarily on sex discrimination and should be ended through base-pay increases. "I don't want the cure for my lame leg to be an amputation of my head."

Comparable worth goes to the floor of the Wisconsin State Assembly this week. Both sides expect it to be rejected in the House but approved by the Senate, most likely leaving its fate to a conference committee from both chambers.

The uncertainty is ironic. Wisconsin has a liberal tradition, and the state's ideological sister, Minnesota, is implementing, with little controversy, a comparable-worth plan approved for its state bureaucracy in 1982. Earl is a liberal Democrat, and his party controls both legislative chambers. Wisconsin also is a strong union state.

In a compromise aimed at easing passage, Earl halved his original $17 million request to finance firstphase implementation. Supporters have changed the plan's title to a proposal for "Correcting Pay Inequities Based on Gender and Race." The words "comparable worth" had become "buzz words," some said.

Such retreats were hardly imagnable a year ago. In December 1983, U.S. District Court Judge Jack E. Tanner ordered the state of Washington to raise salaries for workers in jobs dominated by women to correct "pervasive" discrimination among state employees.

Under that impetus, which is under appeal, many states launched studies of the problem, set aside money for pay increases and broadened existing comparable worth statutes.

Half a dozen states have adopted plans and approved money to raise the wages of female employees in their bureaucracies. They include Idaho, which paid out $12.5 million in 1976 to adjust base salaries, with hardly a mention of "comparable worth."

"The word was not even used in the discussion at the time," said state personnel director Richard J. Hutchison. "I feel pretty good. I feel like we're about eight or nine years ahead of everybody else."

More than two dozen states, including Maryland and Virginia, have completed or started comparable-worth studies. Legislation calling for such a study is before the D.C. City Council. Los Angeles last month became one of the latest municipalities to approve a comparable-worth plan.

A 1984 study by the Rand Corp. found that, on average, women in the national work force are paid about 64 cents for every $1 paid to men. The report said the gap has been shrinking, especially between 1981 and 1984, and estimated that it could narrow to 74 cents per dollar by the year 2000.

Comparable-worth advocates urge closing the gap by evaluating jobs for such factors as education requirements, stress and working conditions.

When jobs are found to have comparable scores but different pay and the major difference is that one job is held mainly by men and the other by women, efforts are made to determine how much of the disparity is based on sex discrimination. Pay adjustments are made accordingly.

Comparable worth, sometimes called pay equity, often is confused with the less controversial concept of "equal pay for equal work," which contends that men and women holding the same jobs should be paid equally.

Opponents, who often label comparable worth "equal pay for different work," generally argue that all such job comparisons are subjective, and that the free market, not paid consultants, should be the primary determinant of wages. Conparable worth, they add, will not eliminate job discrimination.

"It simply throws money after the issue," said Jane Cahill-Tryon, whose firm, Cahill, Sweeney and Associates, is lobbying against passage of Earl's comparable-worth plan, claiming that it could cost twice as much as Earl has estimated.

Earl's proposal applies only to state workers, but private industry has become its major opponent. Business lobbyists in Wisconsin say they fear that comparable worth could spread to the private sector or simply drive up state taxes and further sour the business climate in a state that has lost 7 percent of its economic base since 1980.

Comparable-worth advocates pledge a narrow application.

"It really ought to be the law of the land, but I just don't think it's enforceable," said University of Wisconsin professor Dennis L. Dresang, chairman of the state task force on comparable worth. "We can [only] do it [beyond the bureaucracy] by example."

Earl's proposal, launched in the face of a possible employee lawsuit, is part of the bill for the state's biennial budget, making it more difficult for opponents to isolate the issue. Reclassification of jobs and pay scales would be done outside the regular collective bargaining process.

Contending that the comparable-worth argument is largely a smoke screen for a large union pay raise, its foes have proposed including all comparable-worth adjustments in the regular collective bargaining process—with no separate funds set aside for comparable-worth pay raises.

"The union for the first time would have to decide which jobs it seriously believes are undercompensated," said Paul E. Hassett, president of the Wisconsin Association of Commerce and Manufacturers. "At the present time, whatever the study comes up with, it's a free ride."

Howard L. Fuller, head of the Wisconsin Department of Employment Relations, said such an alternative would shift responsibility to the unions for problems they did not create. "At this point . . . it is the state's responsibility to redress past wrongs," Fuller said.

Marty Beil, executive director of the Wisconsin State Employees Union, the major organization of state workers, said the alternative could pit male-dominated unions against female-dominated ones in a scramble for pay-raise funds.

"There's a real potential for some real divisiveness," Beil said.

In neighboring Minnesota, comparable worth at the state level has not fazed businessmen.

The Minnesota Association of Commerce and Industry, which said little about the 1982 statute and a 1984 act mandating comparable worth in municipal bureaucracies, has taken the precaution of opposing its spread to the private sector.

"I think it's peaked. I don't think comparable worth is going to spread like wildfire," said Francis Fitzgerald, the organization's director of labor-management relations.

The major new controversy over comparable worth in Minnesota has centered on police and firefighters, who want to be excluded from local comparable-worth plans. State law forbids both groups from striking and binds wage-setting procedures closely to arbitration.

In the past, local governments generally have accorded both groups better-than-average contracts because of their working conditions. The comparable-worth proposal would give less value to working conditions than to other factors.

Police and fightfighters say that could result in lower pay increases—and none at all if governments empty their pay-raise pots on comparable-worth adjustments.

"If a local government is allowed to plead poverty and not allow our raises, and our raises from the top jobs are given to the bottom, that's just skimming from the top to protect the bottom. That's intolerable for us," said Jerry Bridgeman, secretary of the 700-member Minneapolis Police Federation.

Risk Scott, state director of political action for AFSCME, said of the police and firefighters, "They're doing well under the old system, and they don't like change. They're freightened of it."

STATEMENT OF DANIEL J. EVANS ON COMPARABLE WORTH

Comparable Worth is an issue which is not unique, it is not something that came out of the cosmos like Haley's Comet. Comparable Worth is merely one step in an continuum which began centuries ago. In modern times, it began with the debate over equal pay for equal work. I might add, a hotly debated issue which first came to Congress in 1948, one which was before Congress most of the succeeding years until 1963. Almost ¼ of a century later when it finally passed.

Next in line was the Civil Rights Act of 1964. It gave further flesh to this skeleton of wages and the interrelationship of people in the market place. And now we are talking about equal pay for equivalent work—not a dramatically changed or new issue, but as I have said one step in a continuum that has moved dramatically during the course of the last half century. I guess I would like to spend most of my time today destroying some shibboleth. Some shibboleths which are used by those who oppose the concept of comparable worth, and I suspect that maybe Mr. Pendelton and I will find that we are on the same side of many more issues than we are on the opposite side.

First, is the fundamental opposition based on the concept that the market place will decide. That we somehow operate in a marvelously perfect marketplace where the employers seek to get from the labor market people to work for wages as small as possible while those in the labor market seek out employment for wages as high as possible. And, of course, attached to that especially from some of the economists and academicians who strongly oppose comparable worth, is the concept involving out of what they call "Human Capital" viewpoint. The human capital viewpoint, and listen to this, because it is an interesting and fundamental thesis of theirs, that people with less expected time in the labor force, will train less, and will enter those occupations in which less training is required. Now, of course, when you talk about people with less expected time in the labor force, you are talking about women, or you are talking about women as the situation existed for the last hundred years or more. And of course the idea then that under human capital investment they will train less and enter those occupations in which less training is required. And, of course, we see that all over the place: we see women entering the nursing profession instead of being truck drivers. Women ending up as child care specialists instead of zoo keepers—now when in each case they could get much more money with apparently exactly the job they should seek. One in which was less training was required because they had less attachment to the labor force. Well, lets face it, the market is an imperfect mechanism, made imperfect by lack of mobility of most workers, lack even of knowledge of opportunity which exists across the nation.

Made less perfect, I am not saying whether it is right or wrong, made less perfect as a market by union agreements, made less perfect by the long tradition of apprenticeship programs which for many, many years had a sign up saying "Men Only Apply." Made less perfect by government at all levels whose legislative bodies frequently apply wage freezes or distort what otherwise might happen in the market place simply because of budgetary impact. You know, if the market was perfect, if the market really was where we solely went for the answer to our wage considerations then of course those who suggest that would obviously be opposed to child labor laws, be opposed to Fair Labor Standards Act, be opposed to wage and hour acts, be opposed to minimum wage, be opposed to the Wagner Act, be opposed to the Taft-Hartly Act, and unquestionably be opposed even to equal pay for equal work. All of these impact in one way or another at the market place. And the antecedents of those who now oppose comparable worth also opposed equal pay for equal work in strikingly similar words. I always hesitate to quote some one who is sitting right next to me, but he will tell me if the quotes are not totally accurate. Mr. Pendleton said, "this is probably the luniest idea since looney tunes came on the screen. I think you cannot begin to do things to the market place that has served this country so well." In March 1963, Representative Edith Green of Oregon asked the question, "you say that in your plant the starting salary for women were $50 to $100 below the mens' salaries?" William Miller representing the U.S. Chamber of Commerce said, "I said that is what the market place has placed as the value of the difference between men and women." Pendleton says, "if a truck driver makes more than a secretary, she should be able to apply for a job as a truck driver." In 1963, question again to Mr. Miller by Mrs. Green, "and no women has the chance of being a leader in your plant?" Mr. Miller, "I have yet to see a women in a manufacturing establishment who has been able to rise to the top in a manufacturing job. It is because men in general liked to be supervised by men rather than women." Or third, by Mr. Pendleton, "if by forcing salaries higher in some jobs that usually go to women comparable worth could backfire. If employers of cafeterias and other kinds of services exchange that for coffee machines and other kinds of vending machines." And in Mr. Miller's response in March 1963, he said "the passage of this type of legislation," now remember this is equal pay for equal work, "would discriminate against women and reduce their job opportunities, particularly in the field mostly dominated by men because employers in order to reduce competitive costs and potential problems under the new laws would hire only men." Well, disaster didn't strike, the market didn't crash, new opportunities did open up at better wages for women. And today, if you went to Congress with a proposal to repeal the equal pay for equal work statute you not only wouldn't get one vote in Congress, you couldn't get anybody to even introduce the proposition.

The second shibboleth, there would be a requirement for a massive bureaucracy. Well, I think here is where we probably agree more than disagree. I don't believe that we ought to institute any kind of bureaucracy. I think this is a proposal which ought to be utilized independently and internally by governments and by corporations. Internal alignment may change some things internally and then the external market can work as a free market should. If in the change internally, some people or some classifications find their wages go up, they presumably will attract more and better people and those on the outside will either respond or lose their chance to hire those people. The same fear again that was expressed in 1963. That there would be a massive bureaucracy and I have quotes again almost similar to those being used today in opposition to comparable worth.

Third shibboleth, there is a huge cost to implementation. Let's talk about what comparable worth is and what it isn't. Comparable worth is merely a method, one among many, of aligning job classifications within a work force. Once you align them, you make choices then as to where you set salaries, and there is not necessarily any huge cost at all. I know that when we did this survey many years ago in Washington State we even found that some people appeared to be overpaid, strikingly enough in Government, but our proposal then was modest in cost if it had been implemented and implemented promptly.

The fourth shibboleth, this is a brand new and untried concept. Well, it is hardly that. It has been used for years by corporations. The whole method of job evaluation now helps set the salaries of millions of workers in America. 24 states are now studying implementation of comparable worth within their states. Many companies have already adopted the concept of comparable worth and find it easily done. I am very proud that Thurston County, in my home state of Washington has just concluded a cooperative venture with the union and nonunion employees of Thurston County and have implemented with strinkingly little problem and not very much cost a comparable worth concept. It is a coming force and it is as irresistible as equal pay for equal work was in 1963. I have introduced a bill but the bill does not intend to unilaterally implement any concept relating to comparable worth. It merely says let's for the first comprehensive time since the federal civil service came into existence in 1923, lets do a comprehensive study. Lets seek facts and lets do it under the best and fairest conditions we can find, with a broadly based advisory commission under whose control this study would begin, with a requirement that they hire a contractor from a list put together by GAO, the best possible professionals and report on their findings to Congress whether or not there is a problem, the extent to which if in fact there is any discrimination any only then recommendations for elimination. And why not? The federal government is virtually unique among all of the employers in this nation. Just as I suspect in many case, county government is virtually unique among the companies and other governments of the communities you represent. The federal government has about twice as many job classifications as the biggest corporation in the U.S. And I suspect that you will find pretty much the same thing in county government. Many broader, more disparate kinds of job classifications than in most companies or most enterprises devoted to a much narrower concept. And why not then examine through study this very complex governmental unit? Why not establish internal alignment? And most of all, why not if done, let the market place respond externally?

In conclusion, let me just repeat what I said at the start. It is a continuum and a long journey toward equal opportunity. Many opposed the concept of equal pay for equal work in 1948, and did so successfully. They opposed it continuously until 1963 when finally, equal pay for equal work was instituted without dramatic negative consequences and some considerable positive ones. And now in 1985, many oppose the next step in this continum. And I think the federal government has a chance to initiate, a chance to lead. Either we will or we will leave the field to states, local communities, and companies who are already beginning the task, who will be the initiators and who will be the innovators. We may be left to react. Or more distressingly and more potentially, we fail to respond and leave the decisions to the courts of the United States, and when we do that we have simply given up our executive and legislative responsibilities leaving decisions to the judges where there are no economic or practical limitations to their actions.

Thank you.

The Merits and Demerits of a Comparable Worth System

For fans of high drama in the public policy arena, the current debate over comparable worth is moving center stage. A "cast of thousands" have become involved. These include attorneys, economists, job evaluators, judges, businessmen, union members, politicans, social scientists, and women's rights activists. Each play a role in a battle which is being waged on several fronts.

It is fair to say that this debate will continue for some time in our courts and legislative bodies. With this in mind, I want to outline some of the concerns I have about comparable worth and concens as well about the shape this debate is taking.

Wendell Willkie once observed that "A good catchword can obscure analysis for fifty years." "Comparable worth" or "pay equity"—as some now prefer—is taking on the trappings of just such a catchword. As I follow the debate, I find all too often that it degenerates into a name-calling exercise. Some characterize it as a "looney" idea leading us on the path to communist. Others respond in kind with the assertion that female labor is "exploited" through a gigantic business conspiracy to hold down wages.

Obviously, more thoughtful treatments of the issue abound. I only point to these examples to say that I see the makings of a polarized debate which will serve none of us well. I would hate to see comparable worth become a litmus test for an individual's commitment to improving the economic status of women. If such a line is drawn in the sand, productive discussion will indeed cease and stalement will result. I sincerely hope it will be possible to reframe this debate in a way which allows us to achieve mutual goals.

The comparable worth concept has received a great deal of popular media attention in the past few years. The idea has been around much longer, but recent interest was spurred by a court order in Washington State. The state was instructed to award pay raises—including back pay—to women holding jobs determined to be "comparable" in value to higher-paying jobs held by men. Comparability was determined on the basis of a job evaluation conducted by the state in the early 1970s.

In spite of all this attention, the comparable worth concept is poorly understood by many. It is often confused with "equal pay for equal work," a right which has been guaranteed for two decades. In discussing "equal pay for equal work, " one is referring to equal pay rates for substantially the same job—whether it is held by a man or by a woman.

There is now greater understanding that comparable worth refers to something beyond "equal pay for equal work." Describing that "something" is quite another matter. Proponents and opponents accuse one another of a lack of precision in defining "comparable worth." I think much of the difficulty is sorting out the problem from the remedy.

As a goal, comparable worth is relatively simple. The goal is to assure that sex discrimination does not lead to a woman's being paid less than the real value of her work to an employer. Looking at two accountants—one male and one female—performing exactly the same tasks, everyone would agree they should be paid the same. To do otherwise would be discrimination as we have generally understood it.

The discrimination discussed by comparable worth advocates is much more subtle. They contend that discrimination exists if two different, but equally valuable, jobs are paid differently. Take, for example, dental assistants—mostly women—and stockroom attendants—mostly men. One could attempt to establish the relative importance of these two jobs to an employer by comparing various job characteristics. In fact, this was done in Washington State, and a value of 120 points was assigned to each position. Yet, dental assistants are paid $608 a month, while stockroom attendants receive a monthly pay of $816.

Comparable worth advocates argue that this is due to discrimination. They explain this type of discrimination is not necessarily based on an employer's conscious decision that women are worth less than men and, therefore, should not be paid as well. Rather, it is more likely that the difference is explained by historical factors. The basic hierarchy of wages, they argue, was set at a time when it was considered fair to pay a man more than a woman—even if they were doing the same job—because the man "needed" the money to provide for his family. That thinking led to a situation where jobs held mostly by women were paid less than those held mostly by men. These relative pay scales have been carried on to the present day, even though the thinking behind them has long since been rejected. The goal of comparable worth is to eliminate this type of discrimination from pay scales.

I would be the last to say this goal is unworthy. In fact, it is fairly easy to understand the appeal which the concept holds. Any woman who has never held a job can probably talk about discrimination based on personal experience. At a broader level, any person who has ever worked has undoubtedly felt his or her job is worth more than it pays. The idea that a not-so-invisible hand might be able to make life more fair has a certain attraction.

The real disagreement—and confusion—lies with the comparable worth remedy. In brief, the system envisioned by proponents is one in which government and employers coverd under Title VII of the Civil Rights Act would undertake job evaluations. Each job would be assigned a numerical rating based on objective criteria. Such criteria would include factors such as the education and skills required for the job, working conditions, and responsibility. Pay would be set on the basis of these ratings.

For a number of reasons, I have serious concerns about such a system. It has implications far beyond the strict intent of its proponents. It is based on faulty assumptions. And it is regulatory overkill for addressing only a small part of a much more complex situation.

As a philosophy, comparable worth clearly has implications beyond remedying discrimination. It is a system of thought as to how labor ought to be compensated, akin to medieval efforts to determine a "just price." If, in fact, work itself has inherent value which can be accurately measured, why not apply it across-the-board?

Proponents inevitably bristle at the suggestion that a comparable worth system would entail the establishment of a centralized bureaucracy to set wage rates nationwide. They indicate there is no legal basis for such a system. Title VII, upon which comparable worth court cases are being based, deals only with discrimination. So applications of comparable worth would be limited only to instances where pay for jobs held mostly by women is held down due to discrimination. Thus, it would not be necessary to have uniform pay rates. Rather, the pay rates of each individual employer would have to be set in a way which does not undervalue so-called "women's" jobs. Pay rates for particular jobs might well vary from employer to employer. The point is that each individual employer must have pay scales which are bias-free.

I happen to believe that it is not really possible in the long term to limit the comparable worth concept to comparisons of male- and female-dominated jobs. if the concept itself gains general acceptance, current legal boundaries will be irrelevant. Political pressures would build to devise new laws which extend the concept to all jobs as a matter of basic social equity.

This is an important point, and I would like to explain it a little further. Male-dominated positions will be evaluated to be compared with female-dominated jobs. So, all jobs in these categories will receive numerical ratings. What if plumbers and carpenters—both male jobs—are judged to be equally valuable, but are not paid the same. I think it is only natural that the lower-paid worker would demand a raise. He will *not* be impressed that the law only covers pay disparities in male and female jobs, not in two male jobs. He will be told the pay difference for his work is due to "something" else. Lower pay for an equally "valuable" woman's job, however, would be seen as discrimination. He will figure, with some logic, that either his job is worth as much as the other guy's under comparable worth theory or the job evaluation is wrong.

But, assume that I am wrong and that application of the concept would be limited in the way proponents intend. Whether it is applied to the economy as a whole or on an employer-by-employer basis, it still results in setting wages on something other than the forces of supply and demand. Thus, some type of outside control—in all likelihood, government—is implied. Even if a national board is not setting wages, somebody somewhere must pass judgment on the acceptability of individual job evaluation plans.

The role of market forces is also important to my point that comparable worth is based in faulty assumptions. To make a comparable worth system work, one has to believe that there is inherent value in a job and that it is possible to fully and objectively measure that value. I do not believe either of these assumptions is true.

I realize that comparable worth proponents indicate their intent is to perfect, not reject, the market. Their remedy, however, is totally incompatible with the workings of the market. The price of labor in a market system is guided not by the value of that labor, but rather by the forces of supply and demand. The salary of a particular job is able to command depends upon the need for that job and the number of individuals able and willing to perform it. If the value of a job were fixed, we would not see situations in which pay rates for a particular type of work fluctuate. Petroleum engineers, for example, were able to command higher salaries after the Arab oil embargo because the demand for their services increased. As salaries and job opportunities increase, greater numbers are attracted to a field and the market adjusts.

Salary adjustments are made downward as well as upward, as many have learned the hard way. Upon graduation, many students are disappointed to find that shortages which existed in an occupation when they began school are now surpluses. Students in classes ahead of them filled the market need, and entry level pay is not as high as it had been in the past. In both cases, the components of the jobs themselves did not change, but the market demand—and salary levels—did. A job has no more inherent value than material goods. That value changes with circumstances.

Even if one were to accept the notion that there is inherent value in work, accurately measuring it is another matter. As I noted, the idea is that formal job evaluations would address this problem. Job characteristics and requirements are set out an assigned points on a scale. Working conditions, for example, are generally considered. It might be determined that work outdoors

is less pleasant than an inside desk job and should, therefore, be better paid. On the other hand, one might conclude that the stresses involved in some office jobs outweigh uncomfortable weather conditions. Recent studies regarding the stress and eye strain potentially caused by daily exposure to computer screens come to mind. Which should get higher points: Driving a truck and facing hazards on the road or doing clerical work in a trucking firm office with constant exposure to computerized word processing units? Or, which requires more stamina: Dealing with customer complaints as a telephone company service representative or working with outside lines as a phone company repairman?

Turning to responsibility as a factor, who should be rated higher: A nurse who monitors patients in an intensive care ward or an accountant who monitors the financial status of each of the hospital's cost centers? These are but a few examples of the literally thousands of judgments which have to be reduced to numbers to do a proper job evaluation. Even at that, job evaluations are not able to capture all the factors required to determine the full value of a job. There is no universally accepted job evaluation methodology. Slightly different factors are considered in each. Just as importantly, the weighting of those factors vary. For example, is education more or less important than working conditions to a job—and by how much?

To put it succinctly, job evaluations—despite their scientific trappings—are highly subjective. The personal values of the evaluator come into play in designing the system, and those values are expressed in the outcome of the evaluation.

If Title VII were interpreted to require comparable worth, a flood of litigation over the objectivity of various job evaluation plans would result. Whether the final outcome is some type of court-imposed national job evaluation standards or simply more litigation, serious economic disruption would occur.

At the risk of sound repetitious, it all really comes back to the market. It is certainly true that employers make use of job evaluations now. These evaluations are, however, tied to the "going rate" in the market. In making their case, comparable worth proponents point out that two-thirds of our nation's labor force hold jobs in companies which use evaluations. At the same time, they reject these evaluation methods on the basis they parrot discrimination which exists in the market itself.

I cannot argue that the market operates perfectly. It does not. It does, however, work better than any other system yet devised. If employers are bound to job evaluation pay levels, there will undoubtedly be economic dislocation. There will be lengthy lines of applicants for some positions while other jobs will go begging. It is possible that some type of "premium" pay would be permitted in cases where positions could not otherwise be filled. This approach is used in San Jose, California, which instituted comparable worth in 1981. Under that system, the jobs of librarian and electrician are considered comparable in value. On paper, pay for these two positions is the same. In practice, the electricians are being paid substantially above that amount so that they will stay with the city. Given this example, one has to wonder if we would not end up where we started.

In addition, there would be incentives to substitute capital for labor—increasing unemployment. The greatest impact would fall on those with the lowest skill levels, who have the fewest options in seeking new jobs. There is some evidence to suggest, for example, that a comparable worth case involving AT&T encouraged more rapid displacement of female workers with machines.

Moreover, most comparable worth proposals have prohibited pay cuts as a means for removing disparities. Rather, pay rates are increased to the level of higher-paying "comparable" jobs. Such an approach is clearly inflationary in the short term and impossible to sustain in the long term.

Considering the very serious problems which I believe comparable worth could create, I find it even more disturbing that it addresses only a small part of the problem. Discussions of comparable worth inevitably involve an examination of the so-called "wage gap." This is a shorthand term to describe the situation where women as a whole make 60 to 65 percent of what men as a whole make. There are many explanations for this disparity. The type of discrimination which comparable worth seeks to eliminate is but one of them. It is not the most significant factor, nor has it ever been directly measured.

Factors which can be measured include things such as education and years of work. In general, women have not invested as much in education as men have. Many women now in the work force never really planned for a career. One study, begun in 1968, asked women between the ages of 14 and 24, "What do you want to do when you're 35?" Do you expect to be predominantly a homemaker or do you expect to have some kind of career?" Fewer than half planned on a career. Yet, a follow-up found that nearly 70 percent of these women were working when they reached age 35.

Family responsibilities affect both the choice of occupation and the time spent working. Many women do place higher priority on family than on work—often leaving the workforce for a time to be with their families. There is nothing wrong with this, but it does make it difficult to build up salaries. These types of factors have been used to explain from 40 to 65 percent of the wage gap. Many reach the conclusion that the remainder is explained by discrimination. Undoubtedly, some of it is.

One positive aspect of the comparable worth debate is the attention it has drawn to the economic concerns of women. Whether they agree or disagree with the concept, people are taking a much closer look at occupational segregation and discrimination.

I think we all have to realize that occupational segregation is a big part of the problem. Many women in workforce entered at a time when their options were limited. Woman were shunted into a small range of low-paying positions and were actively discouraged from pursuing other careers. Once in the workforce, women were denied the additional training and information assistance required for advancement. They were rarely considered for promotion.

The effect of this past discrimination is still reflected in the work place, but comparable worth can't correct that. Nor can it correct situations in which employers choose to ignore the anti-discrimination laws we have on the books. Effective and aggressive enforcement of these laws will bring far more progress.

I think also that comparable worth advocates overlook the changes that are being made. Granted, this change is slow, but it is occurring.

The Rand Corporation, for example, recently issued a report showing that women's pay has increased from 60 to 64 percent of men's pay during the past three years. The study noted this as "the largest and swiftest gain of the century" and predicted this figure would rise to 74 percent by the year 2000. These gains are attributed to "women's solidly improving market skills—particularly those that are influenced by education and work experience."

Evidence of change is also provided by studies which indicate that women between the ages of 20 and 24 make about 89 percent of what men do. In 1979, that same figure was 81 percent.

It seems to me that rather than fighting the market, we should be taking steps to promote positive market adjustments.

There are several ways we can do that. Current developments in the teaching profession offer one example. There is growing concern that the most qualified students are not choosing teaching as a career. Interestingly enough, one reason often given is that bright young women have more options open to them and are choosing those options. Now, we see a great deal of interest in increasing teachers' salaries. This is something which is long overdue.

At the same time, there is great deal of support for restructuring the teaching profession. Right now, there is no real career ladder in teaching. The only way to advance is to go into administration. Proposals along the lines of "master teach" programs hold great promise for enhancing the professionalism—and pay—of teachers.

This idea could be considered in other areas as well. Secretaries and bank tellers are two positions often cited in comparable worth debates as having lost in pay and status when they become "women's" jobs. I don't think anyone can deny that negative attitudes about women workers caused that to happen. But too little attention has focused on the fact that the jobs themselves changed when they were no longer the first step of a career. I don't know that the answer is to raise pay for these jobs as they now stand so much as it is to work toward once again making these jobs building blocks, not dead-ends.

In addition, through our educational system, we should assure that young women are fully aware of the wide range of options open to them.

We should also recognize that unionization and collective bargaining are tools which men have used very effectively in the past. Women, particularly those in traditional jobs, have generally not organized. This too is changing. A Washington Post editorial about the Yale University strike put this thought very well in noting:

The "comparable worth" idea is viewed with understandable dismay by economists and businessmen . . . whatever the equities, the idea is totally impractical in an economy as large and dynamic as this one.

That doesn't mean that workers in female-dominated occupations should not do exactly what the Yale workers have done—organize, bargain collectively and, if they think it will do their cause more good than harm, go on strike and appeal to the sense of the larger community. The situation isn't pleasant for the university, the students or the strikers. But it's the time-honored way for workers in this country to try to better their lot.

Obviously, any of these adjustments will take time. By the same token, I cannot imagine anyone believing that comparable

worth is something which could be smoothly implemented overnight.

In short, comparable work is not the only solution—nor is it a particularly good one. The emotional appeal and energy it has generated would be better directed toward efforts with a greater chance of success.

Moreover, I would hope this debate would stimulate some thinking among employers about how opportunities for women might be expanded. I would hate to see a backlash to comparable worth fuel negative attitudes toward women and their work.

It is possible to share goals without sharing the belief that particular routes lead to those goals. The path to true equality is not a single hewed-out trail through a narrow mountain gap. Rather, it is many roads and thoroughfares converging from all directions to a common destination. Each of us, in our own way, must make the journey.●

FOUNDATION FOR AN AMERICAN RENEWAL

● Mr. DODD. Mr. President, nearly every day, Members of this body are called upon to make important decisions that affect the future of this country and in recent years, those decisions have come more and more rapidly. As the pace of technology has accelerated, so has the complexity of our economy, the need for improved education, and the difficulty of maintaining national security. As we have been forced to respond to these rapid changes, deliberation has become an increasingly scarce commodity for Members of this body.

Yet the need for careful consideration of these issues has increased just as the time available for such consideration has grown scarce. That is why I commend to my colleagues a recent speech by the distinguished Senator from Colorado [Mr. HART].

GARY HART has long distinguished himself as a thoughtful Senator with a clear sense of the future. Those qualities are exemplified by his remarks entitled "Foundation for an American Renewal," in which he shares many well-reasoned proposals for change in education, in military policy, in foreign affairs, and in the economy. He challenges us to experiment with new policies and meet the future head on, instead of satisfying ourselves with the status quo. While not every Member of this body will agree with his proposals, I am sure every Member will find them worthy of careful study.

I commend Senator HART for his thoughtful remarks, and I ask that they be printed in the RECORD at this point.

The remarks follow:

"FOUNDATION FOR AN AMERICAN RENEWAL"

(Remarks of Senator Gary Hart)

This spring we celebrate the fifty-second anniversary of the Democratic Party's emergence as the Party of Change. Five decades ago, America was locked in depression, and the policies of the day could not break its icy grip. But in just 100 days, Franklin Roosevelt chose bold, new, experimental courses, and launched America toward a rendezous with destiny.

Fifty-two years later, the imperative of change is upon us once again. The choice, as before, is whether we will go forward or stand still. In 1933, standing still meant immediate decline and disaster. Today our choice is more difficult. For now, standing still leaves us in a comfortable present—but adrift on dangerous seas, with no guiding vision for the future.

To set our own rendezvous with destiny, we must be willing to experiment again—to dare in the cause of moving forward. Only then will we be able to steer toward a future where change is not a threat but a challenge—a challenge to our highest ideals, and our grandest dreams.

America is a pathfinding nation—mapped by explorers, settled by pioneers—a population of dreamers, inventors, and leaders. Our very political system was an innovation. Washington and Jefferson called it an "experiment" in self-government. And they encouraged those who followed to adjust to changing times so that our nation could conquer new frontiers while preserving old values.

But, today, dramatic changes threaten to outrun all we value; our schools, our skills, our factories, our stature abroad, and our security at home. Like an earthquake, change is rearranging the landscape of our lives. Our store of scientific knowledge—acquired over millennia—will double before the end of the century. Over the next two decades, some 10 percent of our workers—in both manufacturing and services—will be displaced. The number of nations possessing nuclear weapons may climb from six to nearly 30 by the year 2000.

The issue is not whether we will cope with these changes. We have no choice. The only question is whether we will be the masters of change—or its servants.

We will not master change by binding ourselves to rigid orthodoxies—as too many political leaders now propose. The Administration in power today pursues an old, hidden agenda. Irresponsible tax policies and indiscrimate weapons purchases create monstrous deficits, which then become the excuse to reverse 50 years of social progress. They seek to cripple legitimate government action and shatter a bi-partisan consensus on social justice—to drown in red ink what they could never kill with votes.

At the same time, the Party of Progress, the Democratic Party, has come to worship the status quo. After 50 years of governance, we too often protect old programs rather than old ideals; focus more on the quantity of legislation than the quality of life; and attend more to factional views than national values. We have occasionally forgotten that some solutions do not flow from legislation, but from our commitment to such principles as excellence, justice, community, and courage.

Now the times demand a new course. But it is not enough simply to call for change. Progress demands that we explain what those changes are, and write a new agenda, committed to our oldest values and suited to a revolutionary time—a foundation for an American renewal. That foundation must support the two central aspects of our vision for tomorrow: an investment strategy in long-term economic growth and opportunity; and a new definition of national security.

First, investment in growth and opportunity. In this period of profound change, too many leaders have become wedded to traditional economic policies instead of creatively pursuing our economic values and goals. Let's recall those goals: to provide jobs that offer material rewards and personal fulfillment for all Americans able to work; to ensure that hard work yields a fair income not eroded by inflation; and to liberate the energy of our entrepreneurs.

Those goals are the key to more than individual prosperity—they are the key to a just society. Social justice is inseparable from economic growth. No proposal to help the poor, to assist workers, to modernize industries, or to rebuild cities will finally succeed if our economy cannot generate the resources to fulfill a humane public agenda.

We will not achieve growth and opportunity merely by relying on the market, as this Republican Administration advocates. Markets can drive our economy, but they cannot calculate the national interest. By themselves, markets do not invest in the minds of our children or the roads of our communities. They do not care for the elderly confined to their beds. Markets do not rehire the steelworkers who have lost their jobs forever, nor do they protect our national security. Blind reliance on the market is merely a prejudice masquerading as an economic policy.

As the Republican economic motto is laissez-faire—to let happen, so the Democratic motto should be aidez-faire—to help make happen. Government cannot legislate intelligence, or inventions, or expanding markets. But it can release and encourage the productive energy of our people.

In an era of transition, we will be either the agents of change—or its victims. To lead, to shape and fashion change, we must invest in our future—investment in productivity and competiveness; investment in our nation's circulatory system—our roads, bridges, and ports; investment in basic industries; investment in innovation; investment, most of all, in our most vital asset—the human mind.

Investment in the human mind means education. A Chinese proverb tells us, "the schools of a nation are its future in miniature." But our future is at risk when our students study only one-third to one-half the math and science of their Japanese and Russian contemporaries. When we neglect the education of our young people—like those here today—we endanger your future contributions to our nation's prosperity—the boldness of your innovations, the quality of your work, and, most of all, your appreciation of life itself.

Investments in educational excellence will create new curricula to give America's children the skills of tomorrow—skills to operate sophisticated machine tools; to invent the next generation of computers; and to speak foreign languages in overseas markets.[1] And these investments will create the kind of partnerships among schools, industries, and government that have produced such new technology centers as Silicon Valley, Route 128, and Research Triangle Park.[2]

We must continually train America's workers. Eighty percent of our workers in the year 2000 are already in the workforce, so tomorrow's productivity depends on investment in training today. Firms should be encouraged to invest in workers' skills as well as in equipment. Workers must be encouraged to invest in their own retraining as well as their retirement.[3] And we should turn the unemployment compensation safety net into a springboard that helps the unemployed learn new skills or start their own businesses.[4]

We must invest in innovation. One of the great engines of innovation is the creative energy of new and small businesses. Small businesses produce 24 times as many innovations per research dollar as large businesses. And 60 percent of the innovative products of the past 15 years have been produced by firms with fewer than 100 employees.

We have a choice. We can watch giant firms devour smaller firms in a corporate feeding frenzy. Or we can encourage the broad business ownership that has produced such innovative products as the electronic calculator and the personal computer. We need public policies which help new businesses obtain capital for research and start-up costs, and which help direct some of the trillion dollars of pension funds into new ventures, so that enterprising Americans can turn their ideas into products, profits, and jobs.[5]

We must modernize our basic industries. Industrial modernization does not require a choice between traditional manufacturing and new technology industries; rather it requires a partnership. Every high-tech job creates some five to fifteen jobs in manufacturing and services. And basic manufacturing is the biggest single consumer of high-technology products.

America needs a national strategy to inspire the integration of these sectors and our transition into the post-industrial age. A progressive government can encourage and broker this process—not with new bureaucracies—but with leadership that brings labor, management, and capital together to create industrial modernization agreements or compacts. Under such compacts, labor would condition wage demands on profitability or productivity and would, in exchange, receive long-term job guarantees. Management would agreee to those job guarantees in exchange for labor peace and a stable workforce. Management would also commit to direct investment in plant and equipment modernization and worker retraining in exchange for long-term lines of private credit. If necessary, the national government could guarantee that private credit, but only on the condition that it be productively invested. With leadership, but limited government involvement, we can make America stronger, more secure, and more competitive in the global market.

America must invest in our national circulatory system—our public infrastructure. The best-trained workers will not attract industries to a city if the port is closed. And the most innovative products will never reach their markets if bridges collapse.

As a nation we have systematically underinvested in these public facilities for a generation. The bad news is that it will cost billions of dollars to rebuild our public systems. The good news is this investment could create millions of jobs. The best news is that by uniting federal, state, and local governments, we can revitalize our economic circulatory system once again.[6]

Finally, we must invest in our ability to compete in international markets by increasing productivity and competitiveness. We must reduce the Reagan deficits that overvalue the dollar and keep our products from selling abroad. We should expand existing trade rules to include new technologies and services. And we must resist the fools-gold promise of protectionism, steering instead toward promotion, and a trade policy of "national treatment" that insists other nations treat American products as if they were produced in that nation.

A Democratic government must be a catalyst government that sparks the fires of change. We stand for trained minds, not idle workers; innovative products, not golden parachutes; tax fairness, not tax shelters; modern industries, not take-overs and bailouts; the national interest; not the special interest. The Democratic Party must reclaim its historic inheritance as the Party of economic change, growth, and opportunity for all. Aidez-faire not laissez-faire—to make change happen for the benefit of all, not to let things happen for the benefit of the few.

The second element of a foundation for American renewal in this age of change is a new definition of national security. The Administration in power today seeks to base our security on two outdated notions: spending unlimited sums on military hardware, and attempting to regain nuclear superiority. Both are pure folly. In her recent book, the historian Barbara Tuchman writes that folly throughout the ages has had three elements: knowing a course to be foolish; having a more plausible alternative; and refusing to accept that alternative. History will judge the current Republican security policy as folly—but only if the Democratic Party offers the nation a more plausible alternative.

As with our economic agenda, the strength of our security policy must flow from our values. Because we value freedom, we must protect our allies from Soviet expansionism. Because we value democracy, we must not side with dictators against those who seek to cast off the yoke of tyranny. Because we value justice, we must resist the dark forces of terrorism, repression, and want. Because we value hope, we must lead the world to a halt in the nuclear arms race. Above all, we must understand that America's strongest weapon will always be—not missiles, tanks, or ships—but our moral force: our respect for human dignity, open societies, and genuine alliances. This weapon alone will always be invincible to our foes, and irresistible to our friends.

The Democratic Party has historically been dedicated to our national security. Two world wars, fought under Democratic Presidents, established America as the leader of the free world. Failed policies in Vietnam and elsewhere taught us we must exercise that leadership wisely. And the ominous threat of nuclear annihilation has impelled us to lead the world away from conflict, or there may be no world to lead.

Today, new forces confront our security, from the rise of nationalism, to radical religious fundamentalism, to the spread of nuclear weapons, to the accumulation of an explosive third-world debt. Unfortunately, the current Republican Administration views today's diverse world through an East-West ideological prism that obscures these historic changes. The Democratic Party—the Party of Change—must now create a new definition for national security in this era of global transformations.

The greatest challenge of all time is to prevent the use of nuclear weapons. Today, our global community lives with 50,000 nuclear warheads that threaten to plunge us into a nuclear winter where no human life could survive. Face to face with extinction, the true measure of security and patriotism is not how many more nuclear weapons we can acquire. Indeed, our security is betrayed by tired leaders who cling to this anachronistic view.

True security demands a tough, bold, and comprehensive agenda for preventing nuclear war. But it will not be enough to oppose nuclear weapons. A credible program for national security must be more sophisticated than slogans, and more constructive than protest rallies. It is our obligation to propose realistic and positive steps to create a safer world.

The first step must be to strengthen our conventional forces through military reform. These forces are the West's most important protection against nuclear war. The more capable these forces, the less likely we will ever have to resort to nuclear weapons.

Let's not be naive: we have responsibilities, and we have enemies. These realities require that our military forces be strong enough to re-enforce our friends and allies, to deter aggression, and to promote stability.

But today our military priorities are so distorted, we could well suffer a major defeat if challenged.

We have too few operational reserve divisions on NATO's central front to stop a major Warsaw Pact attack or launch a successful counter-thrust.

Our forces are poorly deployed—by placing most of our troops along a forward line in Europe, we have successfully imitated the disastrous Maginot Line of 1939.

We have a military top-heavy with brass—the ratio of senior officers to enlisted personnel has tripled since World War II.

We have a Navy based on a few carriers which are increasingly vulnerable targets for superior numbers of Soviet submarines.

We have too few planes to sustain prolonged air-to-air combat; too many soldiers who have never worked together as a unit; and too many lieutenants who have never studied military history.

These short-comings will not disappear simply by increasing the Pentagon's budget—as too many Republicans want to do—or by cutting it—as too many Democrats want to do. Spending more, or less, on a military that doesn't work only produces a bigger, or smaller, military that doesn't work.

The answer is military reform. [7] This is an historic challenge. No modern nation has comprehensively reformed its military institutions in the absence of a military defeat. All who are serious about preventing nuclear war should be serious about military reform. All who acknowledge there are legitimate and necessary uses for American military force should seek to make that force as effective as possible.

The first and most important reform is with people. People win wars; weapons don't. Enlisted personnel must develop unit cohesion by remaining with their units instead of being constantly rotated—because people who know each other fight better together. We need to train officers as battlefield commanders, through study of military history and tactics, and promote them for their leadership qualities, not business management and bureaucratic skills. We need to train troops in "free play" exercises, not rigidly scripted war games that more adquate pay and benefits to retain the increasingly skilled career military personnel who sacrifice for our country in both wartime and peacetime.

The second reform relates to our doctrine and strategy. We prevailed in two world wars by overwhelming our opponents with superior numbers of manpower and equipment. The practice of wearing one's opponent down is called firepower and attrition. That will not work with the Soviet Union. The alternative in dealing with a possible opponent of that size is to outsmart and out-think him. That is called maneuver war-

fare. By training our forces in tactics of sudden change and unpredictable quickness, we can break the will and cohesiveness of our opponents, and save the lives of our troops.

The third reform is in hardware. We are currently the victims of technology. The cost of sophisticated technology is driving down the numbers of tanks, planes, and ships that even today's free-spending Pentagon can afford. But in combat, it is crucial to have effective weapons in large numbers. We must use our qualitative advantage in technology to produce larger numbers of less sophisticated weapons that work in the dust, heat, and confusion of combat—not just in the well-lit calm of the laboratory, or the slick photo layouts of defense contractors.

The Party that pioneered innovations in our social institutions must now pioneer reforms that will bring excellence to our military institutions. Military reform should be our alternative to the current folly of mindless build-up. It offers true security for our national interests. It can save us from massive budget deficits and bankruptcy. And it strengthens our conventional deterrent, so that we may reduce our dependence on nuclear weapons.

At the same time we reform our conventional forces, we must dramatically alter the focus of arms-reduction efforts. We should focus national policy on three areas: moratoria, verification, and non-proliferation.

Mutual moratoria are imperative to give negotiators what they need most—time: time to fashion deep and balanced arms reductions, and to prevent diplomacy from being outrun by technology. Moratoria can work. In 1963, President Kennedy, speaking at this University, broke a dangerous deadlock by challenging the Soviets to join in a temporary halt to atmospheric nuclear tests. They did, and within weeks we signed the Limited Nuclear Test Ban Treaty.

I want to see America recapture the hope and imagination President Kennedy brought to our world 22 years ago. Today, the United States should regain world leadership by challenging the Soviets again. In dramatic fashion, we should demonstrate our willingness to stop a mindless nuclear arms race by proposing moratoria on testing, on deployment of destabilizing land-based missiles, on anti-satellite weapons, and on offensive weapons in space.[8] Only by breaking the technology-driven cycle of testing, production, deployment—then negotiation—will we ever achieve true stability and security.

But no agreement can go beyond our ability to verify it. We should also challenge the Soviets to join us in a Manhattan Project for Verification.[9] Like the pioneering effort that produced the first atom bomb, this Project can join the two largest scientific communities on earth to devise new ways to guarantee treaty compliance and prevent nuclear treachery. Scientific breakthroughs could broaden the horizon for arms reductions, and eliminate an easy objection of those who oppose all arms control.

In addition to this Project, we should also increase stability by establishing a joint crisis control center, staffed by senior military and diplomatic personnel from both nations. This center would allow cooperative analysis of threatening conduct on either side, to prevent nuclear catastrophe by mistake.

Finally, to prevent the use of nuclear weapons, we must stop the proliferation of nuclear materials and weapons technology to other nations. We should propose and lead an international freeze on the production of plutonium, to stop the trafficking in the key element most likely to be used by renegade nations or terrorist groups in building a nuclear device. The time to act and lead is now, for on the day a Khomeini or Qaddaffi unlocks the nuclear warchest, it will be far too late.[10]

In this, as in all aspects of our security policy, much more is at stake than our own security. We live in a world that has diminished in size as missiles have increased in speed, and as nations have increased in interdependence. The words spoken by President Kennedy at this University a generation ago still speak to us today: "in the final analysis, our most basic common link is that we all inhabit this small planet. We all breathe the same air. We all cherish our children's future. And we are all mortal."

I have advocated this new economic and security foundation not because it is easy, but because it is essential. It is essential if the Democratic Party is to reassert itself as a majority, and as the Party of Change. And it is essential to making our nation master of its own destiny in an unpredictable age.

In each American generation, our destiny has been steered by the courageous few who looked to the future in order to serve and strengthen our country: Thomas Jefferson, when he spoke of a free and strong America down to "the thousandth generation"; Franklin Roosevelt, when he rallied a nation against its own immobilizing fear; Martin Luther King, when he branded his dream upon the conscience of our nation; and John F. Kennedy, when he came to American University to announce his Strategy for Peace, and his vision of hope.

Let us rediscover today their passion for progress. Let us rededicate ourselves to a true patriotism, founded on our highest values, equal to the challenge of change, thankful for the opportunities of a great nation, and determined to renew America's dreams.

APPENDIX: POLICIES FOR AN AMERICAN RENEWAL

Education

[1] Senator Hart is the principal Senate sponsor of the American Defense Education Act, a bill to provide incentives for elementary and secondary schools to improve instruction and student achievement in mathematics, science, communications skills, foreign languages and technology. ADEA is a grant program for schools which agree to improve student achievement and professional instruction in these core areas.

The bill was developed to deal with six critically important and related challenges facing our society: lower achievement test scores by students; the diminishing numbers of students attracted to the hard sciences; the decline in the number of teachers being certified in math and science; the need for our society to invest in the education of tomorrow's workers, who will have to master the technology of the 1980s and 1990s; the relationship between the training they need to receive and our ability to stay competitive in foreign markets; and the increasing technology complexity of military equipment.

[2] Senator Hart has also introduced the High Technology Morrill Act, a bill to promote joint initiatives among private industry, educational institutions, and state government to strengthen science, engineering and technical education.

The Act establishes a Technology Trust Fund, financed by revenues from the sale and rental of energy and mineral resources, to provide matching grants to educational institutions participating in the joint initiatives. According to the Bureau of Labor Statistics, the demand for technically trained individuals is outstripping the numbers of scientists, engineers and technicians graduating from post-secondary institutions. By promoting partnerships among state government, educational institutions and industry, the High Technology Morrill Act builds upon the successes of Research Triangle Park, Silicon Valley and Route 128.

Worker Retraining

The Department of Labor projects a shortage of 2.5 million skilled workers by 1990. As the shortage of skilled labor becomes more acute, the numbers of dislocated workers are increasing rapidly. A November 1984 Department of Labor study shows that 5.1 million long-term workers were displaced from their jobs between 1979-1984—because of plant closings or relocation, slack work, the elimination of positions or shifts. To respond to the related problems of skilled workers shortages and displaced workers, Senator Hart is working on a series of proposals.

[3] Senator Hart is the author of the National Individual Training Account Act of 1985. The Act is based on the G.I. Bill, a successful retraining program, and a savings and equity-based financing system analagous to the Individual Retirement Account. The legislation authorizes employers and employees to make annual, tax-deductible contributions to an interest-bearing savings account. Upon involuntary retirement, the participating workers is entitled to withdraw the funds, in the form of a tax-free voucher, to attend a certified worker retraining program of the worker's choice.

The legislation has been endorsed by the Northeast-Midwest coalition, and several leading economists.

[4] Along with Congressman Ron Wyden, Senator Hart has developed the Self-Employment Opportunity Act of 1985. This legislation, which reforms the current unemployment compensation system, gives displaced workers a new option of using unemployment insurance benefits to defray the start-up costs of a small business.

Senator Hart has been joined by Senate Finance Committee Chairman Robert Packwood and Senator Lloyd Bentsen in requesting a Department of Labor study of additional unemployment compensation reforms including the use of such payments for education, retraining, or relocating unemployed workers.

Investing in Innovation

[5] Senator Hart has introduced legislation, the National Entrepreneurship Act, which is designed to make risk and long-term capital available to new, young and small businesses. The bill removes impediments these firms face in securing funds from the capital markets by proposing four essential reforms.

The bill provides matching grants to States which establish pension fund clearinghouses to collect and disseminate information on new investment options to the managers of the funds. It calls for the creation of State Venture Capital Corporations to provide instruments such as royalty financing for growing businesses. The bill also establishes a secondary market in industrial mortgages, similar to the role which Fannie May plays in the housing market.

Finally, to encourage new loans for growing businesses, the legislation creates a National Loan Loss Reserve Program.

Senator Hart, a Member of the Senate Budget Committee, has introduced this legislation with Congressmman Charles Schumer, a member of the House Banking and Budget Committees.

Infrastructure

A study conducted for the Congressional Joint Economic Committee has found that, on a national basis, there will be a shortfall of investment in the nation's infrastructure amounting to $450 billion by the year 2000. Budgetary constraints, for the forseeable future, will make expenditures of that magnitude extremely difficult.

[6] Senator Hart has introduced the National Infrastructure Act, legislation designed to increase Federal outlays for investments in highways, bridges, transit systems, sewers, and water treatment facilities. The National Infrastructure Fund established by the bill would be financed at a rate of $3 billion a year for ten years. It would make 20-year, no-interest loans available to the States, which are to be rapid. The States in turn, would set up infrastructure banks or revolving funds which will lend money to finance infrastructure construction and repair. Through this mechanism, the original $30 billion in loans will leverage $76 billion in new infrastructure spending over thirty year life of the program.

Military Reform

[7] Senator Hart introduced the term "military reform" into the contemporary American defense debate in 1981 in a column in the Wall St. Journal. Later this year, he joined Cong. G. William Whitehurst of Virginia in founding the Congressional Military Reform Caucus, in which he continues to take an active part. In 1982, Senator Hart discussed in military reform terms his analysis of our defense problems in an article in the New York Times Sunday Magazine. He is currently co-authoring a book on military reform with William S. Lind, a well-known writer on military topics.

Moratoria Resolution

[8] Senator Hart, along with Senator John Kerry, has introduced legislation (S. Res. 131) calling upon the President to propose to the Soviet Union a number of mutual and verifiable moratoria on the development and deployment of nuclear weapons. The moratoria proposals include a temporary halt on the flight testing of ballistic missiles and anti-satellite weapons, and an interim ban on underground testing of nuclear warheads. These initiatives are intended to serve as a catalyst to the on-going arms control negotiations in Geneva.

Verification

[9] There are three elements in Senator Hart's proposed joint U.S.-Soviet verification project.

First, creation of a joint U.S.-Soviet scientific effort to overcome technological constraints on verification; second, the pursuit of diplomatic efforts with the explicit purpose of generating a series of confidence-building measures to improve prospects for verification and crisis control and monitoring center to help prevent accidental or unintentional nuclear war.

Non-proliferation

[10] Senator Hart will reintroduce this year two bills designed to address the issue of nuclear non-proliferation.

The Plutonium Freeze Resolution calls for a mutual verifiable freeze with the Soviet Union on the production of separated plutonium, and on the export of associated technologies. A freeze on plutonium would make a tangible contribution to preventing the spread of nuclear weapons to other nations or sub-national groups.

The Nuclear Explosives Control Act is a far ranging proposal aimed at strengthening the nuclear export policies of the United States. It will place strict controls on the transfer and reprocessing of all weapons-usable nuclear materials of U.S. origin, as well as on the export of sensitive nuclear technology.

Senator Hart has served on the Armed Services Committee since 1975. He is the ranking member of the Strategic Subcommittee.●

NATIONAL ICE CREAM MONTH/ DAY

● Mr. WILSON. Mr. President, I rise today in recognition of the ice cream industry which, for obvious reasons, enjoys widespread consumer popularity. I speak from personal experience—as an easily induced consumer of this delicious dessert.

Beginning this Thursday, June 20, with the International Association of Ice Cream Manufacturers kickoff party for Members of Congress, their families, and staff, and culminating with National Ice Cream Month in July and National Ice Cream Day, July 14, the ice cream industry takes center stage with promotional campaigns and sponsorship of various charity activities.

I take great pride in representing the State of California—first in dairy production and, according to the International Association of Ice Cream Manufacturers, first and foremost in the production of ice cream products.

While other industries have had their ups and downs in recent years, the ice cream industry has been blessed with a seemingly insatiable demand for its products. New, more flavorful and better ice creams regularly make it to our grocery store shelves and in neighborhood ice cream shops.

What is the secret of the ice cream industry's success? I am not an expert in this area, but I imagine it has something to do with providing the consumer with a tasty and enjoyable product, be it burnt almond fudge, chocolate chip, or good old plain vanilla. So I hope my colleagues and the rest of America will take note of the contributions the ice cream industry has made to our way of life and epicurean delight and join with me and the ice cream industry in the celebration of National Ice Cream Month and National Ice Cream Day.●

SENATE BUDGET OFFER

Mr. DOLE. Mr. President, I ask unanimous consent to insert into the RECORD at this point the action taken by the Senate conferees on the budget in the proposals submitted to the House conferees this afternoon. I think it is an outstanding effort. I would indicate that it even has more total savings over a 3-year period than the Senate-passed budget resolution. That, itself, I think is significant.

The total debt reduction is $302 billion. I know it has been presented to the House conferees. They will be back in session tomorrow at 10 o'clock.

Mr. President, I believe that all my colleagues, whether or not conferees, would very much appreciate the opportunity to study the proposals submitted late this afternoon. I commend the Senate conferees.

Mr. President, I ask unanimous consent that the Senate budget offer be printed in the RECORD at this point.

There being no objection, the budget offer was ordered to be printed in the RECORD, as follows:

SENATE BUDGET OFFER

Defense.—Goes one-half of the way toward the outlay levels passed by the House and accepts the budget authority levels passed by the Senate.

COLA's.—Accepts a one-year freeze on COLA's except for means-tested programs. This includes social security. This is generally the Senate mark except that a full COLA is provided for veterans' pensions which the Senate froze for one year.

Poverty programs.—Of the 26 programs identified by the House Budget Committee as "low-income and other high priority programs," the Senate accepts increases up to the level of the current policy baseline in 17 cases, recommends increases above the baseline in three cases, and is already at the baseline in four cases. The Senate offers a position below the baseline in only two cases: in low-income housing, where the Senate assumes a major reform in the financing of pubic housing and other reductions; and in medicaid, where the Senate-passed savings are reduced by one-fourth, leaving $900 million in reductions below the baseline in fiscal year 1986-88.

This proposal also includes the Senate-passed increase of $1.3 billion to permanently increase SSI benefits, and a new proposal for $2.1 billion to offset the effects of the COLA freeze on low income social security beneficiaries.

Nonpoverty programs.—Generally accepts the deeper cuts proposed in most cases by the Senate or in some cases by the House (e.g., general revenue sharing). Accepts tentative Conference compromises in functions 250 and 750, and the Senate proposal in function 300. In addition, assumes that community development block grants will be terminated.

Other spending.—Does not accept unrealistic House "contracting out" savings. Accepts House proposal for OCS receipts and inclusion of outlay effects from 1985 Israel-Egypt supplemental. Makes general technical corrections as necessary.

Revenues.—Includes only those revenue increases that are related to the proposed spending plans. Includes additional customs receipts as per tentative Conference decision.

IMPORTANT FEATURES

Deficit reduction in fiscal year 1986: $60 billion (House: $56 billion, Senate: $56 billion).

Total deficit reduction in fiscal year 1986–88: $302 billion (House: $259 billion, Senate: $295 billion).

Remaining deficit in fiscal year 1988: $101 billion (House: $124 billion, Senate: $104 billion).

SENATE BUDGET OFFER

[In billions of dollars]

Outlays	Fiscal years— 1986	1987	1988
050: National defense	270.1	288.7	308.4
150: International affairs	19.1	17.0	16.5
250: General science, space, and technology	8.9	8.9	9.0
270: Energy	5.3	4.7	4.3
300: Natural resources and environment	12.6	12.2	12.2
350: Agriculture	14.5	15.8	12.9
370: Commerce and housing credit	3.9	2.3	4.5
400: Transportation	26.1	27.7	27.4
450: Community and regional development	7.8	5.8	3.8
500: Education, training, employment, and social services	30.8	31.4	32.2
550: Health	35.4	38.1	40.7
570: Medical insurance	68.3	74.8	82.7
600: Income security	117.8	122.0	127.3
650: Social Security	195.6	206.6	220.7
700: Veterans benefits and services	26.2	26.4	26.8
750: Administration of Justice	6.8	7.0	7.2
800: General government	5.2	5.2	5.5
850: General purpose fiscal assistance	5.6	2.9	2.1
900: Net interest	142.7	152.1	154.2
920: Allowances	−1.6	−1.6	−0.5
950: Undistributed offsetting receipts	−39.8	−36.6	−39.8
Total outlays	961.3	1,011.4	1,058.1
Revenues	793.7	866.7	956.7
Deficit	167.6	144.7	101.4
Total deficit reduction	−59.8	−100.0	−142.2

COMPONENTS OF SENATE BUDGET OFFER

[In billions of dollars]

	Fiscal years— 1986	1987	1988	Total 1986–88
SBC baseline deficit	227.4	244.7	243.6	715.7
Revenue increases	−1.0	−2.4	−4.2	−7.6
Outlay reductions:				
Policy changes	−56.4	−87.7	−118.6	−262.7
Debt service savings	−2.4	−9.9	−19.4	−31.7
Total deficit reductions	−59.8	−100.0	−142.2	−302.0
Deficit in Senate budget offer	167.6	144.7	101.4	413.7

ORDERS FOR THURSDAY

ORDER FOR RECESS UNTIL 9:30 A.M.

Mr. DOLE. Mr. President, I ask unanimous consent that when the Senate completes its business today it stand in recess until the hour of 9:30 a.m. on Thursday, June 20.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR ROUTINE MORNING BUSINESS

Mr. DOLE. Mr. President, I ask unanimous consent that, following the recognition of the two leaders under the standing order, there be a period for the transaction of routine morning business not to extend beyond the hour of 10 a.m. with statements therein limited to 5 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. DOLE. Mr. President, following routine morning business, the Senate will resume consideration of H.R. 2577, the supplemental appropriations bill. Votes can be expected throughout the day and into the evening in the hopes that the Senate can complete action on the supplemental appropriations bill tomorrow evening.

Pending is the Byrd espionage commission proposal. The yeas and nays have been ordered on the first- and second-degree amendments. But I understand that the distinguished minority leader is willing to have that set aside on the agreement of the managers, and taken up at some later time.

RECESS UNTIL THURSDAY, AT 9:30 A.M.

Mr. DOLE. Mr. President, there being no further business to come before the Senate, I move, in accordance with the order previously entered, that the Senate stand in recess until the hour of 9:30 a.m., Thursday, June 20, 1985.

The motion was agreed to; and the Senate, at 6:39 p.m., recessed until Thursday, June 20, 1985, at 9:30 a.m.

CONFIRMATIONS

Executive nominations confirmed by the Senate June 19, 1985:

DEPARTMENT OF LABOR

Donald E. Shasteen, of Maryland, to be Assistant Secretary of Labor for Veterans' Employment.

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

Lee L. Verstandig, of the District of Columbia, to be Under Secretary of Housing and Urban Development.

The above nominations were approved subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.

HOUSE OF REPRESENTATIVES—*Wednesday, June 19, 1985*

The House met at 10 a.m. and was called to order by the Speaker pro tempore [Mr. GEPHARDT].

DESIGNATION OF SPEAKER PRO TEMPORE

The SPEAKER pro tempore laid before the House the following communication from the Speaker:

WASHINGTON, DC,
June 18, 1985.

I hereby designate the Honorable Richard A. Gephardt to act as Speaker pro tempore on Wednesday, June 19, 1985.

THOMAS P. O'NEILL, Jr.,
Speaker of the House of Representatives.

PRAYER

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

Out of the depth of our hearts, O God, we pray for the people of our land and throughout Your created kingdom. Encourage those who seek to work for understanding and support those who labor for peace. May Your word of justice give perspective to our dealings with each other and color our actions with grace. Bless us this day and every day. Amen.

THE JOURNAL

The SPEAKER pro tempore. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Sparrow, one of its clerks, announced that the Senate has passed without amendment a bill of the House of the following title:

H.R. 14. An act to designate the Federal Building and U.S. Courthouse in Ashland, KY, as the "Carl D. Perkins Federal Building and U.S. Courthouse".

NEXRAD WARNING SYSTEM FOR TORNADOES

(Mr. KOLTER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. KOLTER. Mr. Speaker, on May 31, my district was hit by a tornado, which caused a great deal of destruction and loss of life. Ever since I surveyed the damage, I have been struck by the fact, that, we do not have a better warning system for such storms.

I have learned now that the Department of Commerce is working with the Federal Aviation Administration, and the Defense Department, to develop just such a system, known as Nexrad. If all goes according to schedule, procurement of this system, will begin, next year. Nexrad would enable us to predict the location and occurrence of tornadoes, very accurately, and 20 minutes beforehand. Quite simply, this system, will save lives.

Unfortunately, scheduled development of Nexrad, is now being delayed, by the Office of Management and Budget. I wish to draw attention to this fact, and to ask the administration not to risk the future loss of life that would result from not producing Nexrad as planned.

Nexrad should be a top priority.

To delay the system even 1 day would be a serious disservice to those we serve.

OUTRAGE, ANGER, AND FRUSTRATION OVER AMERICAN HOSTAGES

(Mr. RUDD asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. RUDD. Mr. Speaker, all Americans, and particularly President Reagan and his advisers, are outraged, angry, and frustrated over the taking of American hostages in that hijacked TWA airplane.

The President tells reporters we are doing everything we can do to secure the release of the hostages.

We say we will not make any deals because this would mean a victory for the terrorists.

The Israelis, who are are holding some 700 Shiite Muslims prisoner, say it is not their problem and the situation is a stalemate.

Lax security or carelessness at the Athens airport allowed the hijackers to get on board the airplane. According to press reports, the Athens police identified and apprehended a companion of the hijackers who somehow missed the airplane. The Greek Government promptly sent this young man to Beirut in return for the release of eight Greeks held with the Americans.

We cannot deal directly with the Government of Lebanon because there is no single government, but the Shiites who control the airport are obviously cooperating with and supporting the hijackers.

The Israelis will release their prisoners "if we ask them to." Obviously they are willing to exploit the situation for their own benefit. And, despite all of the aid we have given Israel, they still say that we should make a formal request which could be construed as putting us under some obligation to Israel.

The problem confronting all of the participants is how to end the situation without anymore killing and, at the same time, save face.

It seems to me the Israelis, who have said they were going to release the Shiites eventually anyway, could act now, with the understanding that before their prisoners are released all of the hostages in Beirut and elsewhere will be returned to a neutral country or to American soil.

Under this scenario, bloodshed would be averted, the hostages would be returned, and the Shiites would achieve the release of those 700 prisoners who were captured by Israel under questionable circumstances.

Our first effort should be to bring the hostages home. When that is done, it would be time to consider other action. We could stop all air traffic in and out of Beirut by destroying the airport. We could ban all traffic in and out of Athens until the Greeks beef up their security.

When the Barbary pirates were the scourge of the Mediterranean, an American was kidnaped. Our President then said, "Our man alive or your man dead," and it worked. Perhaps we should say to the Shiite terrorists, "If you or any of you ever kidnap another American again, we will destroy the Ayatollah Khomeini and we will bomb the palace of any ruler who gives any hijacker aid and comfort."

LAX SECURITY AT ATHENS AIRPORT

(Mr. LEVINE of California asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LEVINE of California. Mr. Speaker, in the midst of the extremely difficult and agonizing hostage situation, I do not think it is useful to be second-guessing the decisions of our administration, which is obviously doing all it can to insure the safety of the hostages and act properly and wisely.

There is one party, however, that does bear a very serious responsibility in this matter and to whom I hope we

will address some serious concern, and that is the Government of Greece.

Mr. Speaker, I was recently in the Middle East. When I was in the Arab world in the Middle East, I was urged not to fly through Athens because it is common knowledge in the Middle East that the government of Mr. Papandreou has been extremely lax in dealing with security. Several leaders in the Arab world concluded that he has been lax to curry favor with Mr. Qadhafi and with other terrorists in the region.

Mr. Speaker, whatever happens in this difficult situation, the Greek Government has a very heavy burden and a very serious responsibility. I think it is important that we do what we can to keep our carriers out of Athens until security becomes adequate. The inadequate security in Athens has clearly contributed to tragedy which has jeopardized over 90 American lives.

The world must recognize Mr. Papandreou's responsibility in contributing to this crisis and must join us in not only boycotting the Athens airport but in taking every other appropriate action to force Mr. Papandreou to fulfill an international responsibility.

ENDURE TERRORISM OR COMBAT IT?

(Mr. COURTER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. COURTER. Mr. Speaker, relative to the recent hostage situation, most Americans are united now. Moral indignation can be a cohesive force no doubt, but we must look ahead.

What if the present situation is unresolvable and the hostages already dispersed from Beirut cannot be recaptured? Will we be as united then as we are now? Will we support a bombing of known Shiite strongholds in Lebanon, Syria, or Iran, or will we, by then, be complacent, complacent and resettled into that vague and senseless opinion that counterterrorism is itself the moral equivalent of terrorism?

The present crisis may prove less a test of the administration than a test of the American people. If the choice is to use force, and if Americans refuse to accept the use of force, then this country will be required to continue enduring terrorism rather than combatting it.

□ 1010

FOREIGN AIR TRAVEL SECURITY ACT OF 1985

Mr. HOWARD. Mr. Speaker, I ask unanimous consent that the Committee on Public Works and Transportation be discharged from further consideration of the bill (H.R. 2796) to improve security standards for international air transportation, and ask for its immediate consideration in the House.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Jersey?

Mr. HAMMERSCHMIDT. Mr. Speaker, reserving the right to object, I do not plan to object, but I yield to our distinguished chairman of the Committee on Public Works and Transportation to explain the bill.

Mr. HOWARD. Mr. Speaker, I thank the gentleman for yielding.

GENERAL LEAVE

Mr. HOWARD. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the legislation presently under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. HOWARD. Mr. Speaker, the need for this legislation is long standing, but the events of the past week involving the hijacked TWA 847 truly bring to the forefront why this legislation should be enacted. Because of the freedom to travel that U.S. citizens enjoy, our Government's responsibilities for their protection do not stop at our borders.

We need to ensure that the security at foreign airports is adequate and up to international standards. The responsibility for adequate standards falls to individual governments, but if they fail to carry out their responsibilities, our Government needs to have the authority to ensure that the U.S. traveling public is aware of which airports place them at risk.

The bill provides that the Department of Transportation shall make an assessment of foreign airports' security, and make public a list of which airports refuse to correct deficiencies. If the airport does not correct the problems, the Secretary of Transportation, with concurrence of the Secretary of State, can amend the operating certificates of the airlines serving the United States from that airport to halt that service until the airport's security is brought up to standards.

I urge my colleagues to join me in support of this measure.

Mr. Speaker, if the gentleman would yield further to the chief sponsor of the bill, the gentleman from California [Mr. MINETA], who is chairman of our Subcommittee on Aviation, he will be able to explain further the details of this legislation.

Mr. HAMMERSCHMIDT. Mr. Speaker, further reserving the right to object, I yield to the chairman of the Subcommittee on Aviation, the chief sponsor of this legislation. And I might say that I was glad to join him in that cosponsorship, along with the gentleman from New Jersey [Mr. HOWARD] and our distinguished ranking member of the full committee, the gentleman from Kentucky [Mr. SNYDER]. I now yield to the gentleman from California.

Mr. MINETA. Mr. Speaker, I thank the very distinguished gentleman from Arkansas, who has been very, very helpful as the ranking Republican member of the Subcommittee on Aviation on this issue.

Mr. Speaker, yesterday we submitted this legislation, H.R. 2796, cosponsored by the gentleman from New Jersey [Mr. HOWARD] and the gentleman from Kentucky [Mr. SNYDER], the ranking Republican on the Public Works and Transportation Committee, as well as the gentleman from Arkansas [Mr. HAMMERSCHMIDT], the gentleman from Minnesota [Mr. OBERSTAR], and the gentleman from Georgia [Mr. GINGRICH], who is the ranking Republican on the Subcommittee on Investigations and Oversight of the Committee on Public Works and Transportation.

What this legislation will do is to essentially do what the President talked about last night at his press conference, and I think, given his statement, he would probably be very much in favor of speedy passage of this bill into law.

The Secretary of Transportation is required to make an assessment of all foreign airports which have service to U.S. airports. The Secretary of Transportation will measure those airports by the standards that are incorporated in the ICAO standards, as well as Annex 17 to the Convention on International Civil Aviation. Once the Secretary of Transportation has made this survey of all of these foreign airports, the Secretary of Transportation will then notify those foreign authorities of the deficiencies at those airports and make recommendations on what has to be done to correct those deficiencies. If those governments do not bring those airports up to those standards in 120 days, then the Secretary of Transportation is required to publish in the Federal Register and post notices at all airports in this country of these airports that do not meet the minimum standards under ICAO. If they still do not comply, the Secretary of Transportation can go further and either suspend, revoke or impose conditions on any of the international route certificates of domestic and foreign airlines.

This latter action can only be taken upon consultation with the foreign government as well as with the approval of the Secretary of State.

Mr. Speaker, that is the sum and substance of the legislation. I thank the gentleman from Arkansas [Mr. HAMMERSCHMIDT], the gentleman from Kentucky [Mr. SNYDER], and the gen-

tleman from Georgia [Mr. GINGRICH] for their help, as well as the gentleman from New Jersey [Mr. HOWARD] and the gentleman from Minnesota [Mr. OBERSTAR], in getting this legislation put together.

Mr. HAMMERSCHMIDT. Mr. Speaker, I thank the gentleman from California for his explanation.

Further reserving the right to object, Mr. Speaker, I yield to our very able ranking member of the full committee, the gentleman from Kentucky [Mr. SNYDER].

Mr. SNYDER. Mr. Speaker, I rise in support of H.R. 2796, the Foreign Air Travel Security Act of 1985, and urge my colleagues to do the same.

All law-abiding citizens everywhere condemn the actions of the terrorist hijackers of TWA 847 and hope that the President is successful in his efforts to free the hostages as soon as possible. Although there is little we in the Congress can do to hasten their return, we must do everything in our power to minimize the likelihood that an incident of this kind will happen again. Therefore, the leadership of the Public Works Committee introduced legislation earlier this week to address the problems associated with inadequate security procedures at certain foreign airports.

This legislation would broaden the Federal Government's power to deter future hijackings by requiring the Secretary of Transportation to conduct a security assessment at foreign air carrier airports. The purpose of this assessment would be to determine whether security measures at these airports were adequate to meet internationally approved standards. If the Secretary determined that security was deficient, the foreign government would be so advised and provided with an opportunity to remedy the problem. If the deficiencies were not corrected within 120 days, the Secretary would be required to publish in the Federal Register and post at all U.S. air carrier airports notice to the public indicating the name of the airport involved in addition, the Secretary could, with the approval of the Secretary of State, revoke or otherwise impose conditions on the operating rights of any U.S. airline or foreign airline to provide service between those points and U.S. cities. In addition, U.S. operating rights of an air carrier from the offending nation could also be curtailed, thereby precluding it from serving the United States as well.

Although the President and the Secretary of Transportation do have some authority to revoke operating rights of carriers under certain circumstances, H.R. 2796 will expand this power. In addition, the bill makes sure that the general public is made aware of the airports at which security problems exist—something which I hope would pressure these foreign governments into taking corrective action. At the very least, it will make sure that the American people are aware of the problem and can act accordingly.

The newspapers and television have been filled with reports of the lax security procedures at the Athens Airport, notwithstanding the fact that TWA did its own screening in addition to that provided by airport personnel. Although I do not know exactly how the weapons got by security personnel, I do think that we should put these foreign governments on notice that their failure to adhere to approved security procedures could have an adverse effect on tourism and international travel to their country

For the foregoing reasons, I urge my colleague to support H.R. 2796.

Mr. HAMMERSCHMIDT. Mr. Speaker, I rise in support of H.R. 2796, the Foreign Air Travel Security Act of 1985.

We were all shocked and angered by the recent hijacking of TWA flight 847. Perhaps there is little this body can do now to end this particular tragedy. But there are certainly actions we can take to help prevent these sorts of terrorist acts from happening again in the future.

The primary problem, and the reason that the hijackers were able to seize TWA 847 in the first place, is the lax security in Athens where the flight originated. It appears that many foreign governments do not take the terrorist threat at their airports as seriously as they should. This seems to be particularly true of the Greek Government. H.R. 2796 will attack that problem. It will require the Secretary of the Department of Transportation [DOT] to assess the security arrangements at foreign airports to ensure they meet internationally approved standards. If the Department finds those arrangements to be lacking, the foreign airport will have 120 days to correct the problem. At the end of that period, if the problem is not corrected, the Secretary will have the authority, with the approval of the Secretary of State, to ban flights of airlines to or from that airport and to ban the airline of the foreign government involved from flying to the United States.

This bill will have several benefits. It will put pressure on foreign governments to improve security at their airports. If security is not improved, it can be used to ensure that U.S. carriers are not serving airports where there is a good chance that American lives will be placed in danger.

H.R. 2796 has a further beneficial feature. For the first time it will require that passengers be informed, when they buy their ticket, of security problems at airports that they plan to use. In addition, the bill would require the Secretary to publish a list of those airports with documented deficiencies in the Federal Register and to prominently post this information at U.S. air carrier airports. This will give passengers an opportunity to change their itinerary if they wish to use a safer airport, thereby putting further pressure on foreign governments to improve their airport security. One of the tragedies of the recent hijacking is that the lax security at the Athens Airport was known in the aviation community but not among most of the flying public. This bill will solve that problem. I urge my colleagues to support it.

Mr. HAMMERSCHMIDT. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

The Clerk read the bill, as follows:

H.R. 2796

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. This Act may be cited as the "Foreign Air Travel Security Act of 1985."

SEC. 2. (a)(1) Section 1115 of the Federal Aviation Act of 1958 (49 U.S.C. 1515) is amended to read as follows:

"SECURITY STANDARDS IN FOREIGN AIR TRANSPORTATION

"ASSESSMENT OF SECURITY MEASURES

"SEC. 1115. (a) The Secretary of Transportation shall conduct at such intervals as the Secretary shall deem necessary an assessment of the effectiveness of the security measures maintained at those foreign airports being served by air carriers, those foreign airports from which foreign air carriers serve the United States, and at such other foreign airports as the Secretary may deem appropriate. Each such assessment shall be made by the Secretary in consultation with the appropriate aeronautic authorities of the concerned foreign government and each air carrier serving the foreign airport at which the Secretary is conducting such assessment. The assessment shall determine the extent to which an airport effectively maintains and administers security measures. In making an assessment of any airport under this subsection, the Secretary shall use a standard which will result in an analysis of the security measures at such airport based upon, at a minimum, the standards and recommendations contained in Annex 17 to the Convention on International Civil Aviation, as such standards and recommendations are the effect on the date of such assessment.

"REPORT OF SUCH ASSESSMENTS

"(b) Each report to the Congress required by section 315 of this Act shall contain:

"(1) A summary of those assessments conducted pursuant to subsection (a) of this section.

"(2) A description of the extent to which identified security deficiencies have been eliminated.

"NOTIFICATION OF FINDINGS

"(c) Whenever, after an assessment in accordance with subsection (a) of this section, the Secretary of Transportation finds that an airport does not maintain and administer

effective security measures, the Secretary shall notify the appropriate authorities of such foreign government of such finding, and recommend the steps necessary to bring the security measures in use at that airport up to the standard used by the Secretary in making such assessment.

"IDENTIFICATION OF AIRPORTS

"(d)(1) Not later than one hundred and twenty days after the notification required in subsection (c) of this section and upon a determination by the Secretary of Transportation that the foreign government has failed to bring the security measures at the identified airport up to the standard used by the Secretary in making an assessment of such airport under subsection (a) of this section, the Secretary—

"(A) shall publish in the Federal Register and cause to be posted and prominently displayed at all United States airports regularly being served by scheduled air carrier operations the identification of such airport; and

"(B) after consultation with the appropriate aeronautical authorities of such government and each air carrier serving such airport, and, notwithstanding section 1102 of this Act, may, with the approval of the Secretary of State, withhold, revoke, or impose conditions on the operating authority of any carrier or foreign air carrier to engage in foreign air transportation utilizing that identified airport.

"(2) The Secretary of Transportation shall promptly report to the Congress any action taken under this subsection setting forth information concerning the attempts he has made to secure the cooperation of the foreign government in meeting the standard used by the Secretary in making the assessment of such airport under subsection (a) of this section.".

"NOTICE TO AIRLINE PASSENGERS

"(e) In any case in which the Secretary of Transportation has determined, pursuant to subsection (d) of this section, that a foreign government has failed to bring security measures at an identified airport up to the specified standard, each air carrier and foreign air carrier providing service between the United States and such identified airport shall provide notice of such determination by the Secretary to any passenger purchasing a ticket for transportation between the United States and such identified airport. Such notice shall be by written material included on or with such ticket."

(2) That portion of the table of contents contained in the first section of the Federal Aviation Act of 1958 which appears under the center heading

"TITLE XI—MISCELLANEOUS"

is amended by striking out

"SEC. 1115. Security standards in foreign air transportation."

and inserting in lieu thereof

"SEC. 1115. Security standards in foreign air transportation.

"(a) Assessment of security measures.

"(b) Report on assessment.

"(c) Notification of findings.

"(d) Identification of airports.

"(e) Notice to airline passengers.".

(b) Section 315(a) of the Federal Aviation Act of 1958 (49 U.S.C. 1356(a)) is amended by adding at the end thereof the following new sentence: "Each semiannual report submitted by the Administrator pursuant to the preceding sentence shall include the information described in section 1115(b) of this Act.".

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

RESIGNATION AS MEMBER OF A STANDING COMMITTEE

The SPEAKER pro tempore laid before the House the following resignation as a member of the Committee on Government Operations:

WASHINGTON, DC,
June 18, 1985.

Hon. THOMAS P. O'NEILL, Jr.,
Speaker, House of Representatives, Washington, DC.

DEAR MR. SPEAKER: I hereby resign my seat on the Government Operations Committee effective this date.

Thank you for your consideration in this matter.

Most sincerely,

DAVID S. MONSON,
Member of Congress.

The SPEAKER pro tempore. Without objection, the resignation is accepted.

There was no objection.

ELECTION OF MEMBER TO A STANDING COMMITTEE

Mr. MICHEL. Mr. Speaker, I offer a privileged resolution (H. Res. 205) and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 205

Resolved, That Representative David S. Monson of Utah be and is hereby elected to the Committee on Public Works and Transportation.

The resolution was agreed to.

A motion to reconsider was laid on the table.

PERMISSION FOR SUBCOMMITTEE ON HOUSING AND COMMUNITY DEVELOPMENT OF COMMITTEE ON BANKING, FINANCE AND URBAN AFFAIRS TO SIT TODAY DURING THE 5-MINUTE RULE

Mr. GONZALEZ. I ask unanimous consent that the Subcommittee on Housing and Community Development of the Committee on Banking, Finance and Urban Affairs have permission to sit during the 5-minute rule today, so that the subcommittee may continue its markup.

This request has been cleared with the ranking minority member of the full and subcommittee.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

DEPARTMENT OF DEFENSE AUTHORIZATION ACT, 1986

The SPEAKER pro tempore. Pursuant to House Resolution 169 and rule XXIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the further consideration of the bill, H.R. 1872.

□ 1017

IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H.R. 1872) to authorize appropriations for fiscal year 1986 for the Armed Forces for procurement, for research, development, test, and evaluation, for operation and maintenance, and for working capital funds, to prescribe personnel strengths for such fiscal year for the Armed Forces, and for other purposes; with Mr. ROSTENKOWSKI in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. When the Committee of the Whole rose on Tuesday, June 18, 1985, all amendments made in order pursuant to House Resolution 200 had been considered.

The Clerk will designate section 1.

The text of section 1 is as follows:

SECTION 1. SHORT TITLE.

This Act may be cited as the "Department of Defense Authorization Act, 1986".

The CHAIRMAN. Are there any amendments to section 1?

If there are no amendments to section 1, the Clerk will designate title I.

The text of title I is as follows:

TITLE I—PROCUREMENT

SEC. 101. ARMY.

(a) AUTHORIZATION OF APPROPRIATIONS.—Funds are hereby authorized to be appropriated for fiscal year 1986 for procurement for the Army as follows:

(1) For aircraft, $3,676,100,000.

(2) For missiles, $3,368,700,000.

(3) For weapons and tracked combat vehicles, $5,369,900,000.

(4) For ammunition, $2,357,600,000.

(5) For other procurement, $5,573,500,000, of which—

(A) $939,500,000 is for tactical and support vehicles;

(B) $3,087,500,000 is for communications and electronics equipment;

(C) $1,377,200,000 is for other support equipment; and

(D) $169,300,000 is for non-centrally managed items.

(b) AUTHORIZATION OF TRANSFERS OF PRIOR-YEAR FUNDS.—There are hereby authorized to be transferred to, and merged with, amounts appropriated for procurement for the Army for fiscal year 1986 pursuant to the authorization of appropriations in subsection (a), to the extent provided in appropriation Acts, the following amounts:

(1) $101,800,000 for procurement of aircraft, to be derived from amounts appropriated for fiscal year 1985 for procurement of aircraft for the Army remaining available for obligation.

(2) $146,000,000 for procurement of weapons and tracked combat vehicles, of which—

(A) $52,600,000 shall be derived from amounts appropriated for fiscal year 1984 for procurement of weapons and tracked

combat vehicles for the Army remaining available for obligation;

(B) $40,000,000 shall be derived from amounts appropriated for fiscal year 1985 for procurement of weapons and tracked combat vehicles for the Army remaining available for obligation;

(C) $25,300,000 shall be derived from amounts available for fiscal year 1984 for procurement of weapons and tracked combat vehicles for the Army remaining available for obligation resulting from the sale of M48A5 tanks under a letter of offer issued pursuant to section 21(a)(1) of the Arms Export Control Act that would otherwise be deposited in the Special Defense Acquisition Fund; and

(D) $28,100,000 shall be derived from amounts appropriated for fiscal year 1985 for procurement of ammunition for the Army remaining available for obligation.

(3) $12,400,000 for other procurement, to be derived from amounts appropriated for fiscal year 1985 for other procurement for the Army remaining available for obligation.

(c) AUTHORIZED MULTIYEAR CONTRACTS.—(1) Subject to paragraph (2), the Secretary of the Army may enter into multiyear contracts in accordance with section 2306(h) of title 10, United States Code, for procurement of the following:

T-700 series engines.

Chassis for the M1A1 tank.

AGT 1500 turbine engine for the M1 tank.

Laser range finder and thermal integrated sight fire control components for the M1 tank.

Electronic unit and control panel components for the ballistic computer for the M1 tank.

Transmission system for the Bradley Fighting Vehicle.

(2) A multiyear contract authorized by paragraph (1) may not be entered into unless the anticipated cost over the period of the contract is no more than 90 percent of the anticipated cost of carrying out the same program through annual contracts.

(d) REMOVAL OF LIMITATION ON CONTRACTORS FOR 120-MILLIMETER MORTAR.—The Secretary of the Army may select a contractor for the supply of 120-millimeter mortars for the Army as if section 101(e) of the Department of Defense Authorization Act, 1985 (Public Law 98-525; 98 Stat. 2499), had not been enacted.

(e) MULTIYEAR CONTRACT FOR 1985 MLRS PROGRAM PROCUREMENT.—Notwithstanding section 1502(a) of title 31, United States Code, or any other Act, funds appropriated for the multiple-launch rocket system (MLRS) program of the Army for fiscal year 1985 may be used to enter into contracts for purchases in economic-order quantities of materials and components for use with end items under the program proposed for procurement during fiscal year 1989.

(f) COPPERHEAD PROJECTILE PROGRAM.—Of the amount authorized in subsection (a) for procurement of ammunition, $235,000,000 is authorized for the Copperhead projectile. Not more than $200,000,000 may be obligated or expended for that projectile from funds appropriated or otherwise made available for the Army, after the date of the enactment of this Act, for fiscal year 1986 until the Secretary of Defense submits to Congress a written plan to establish a second production source for the Copperhead projectile.

SEC. 102. NAVY AND MARINE CORPS.

(a) AIRCRAFT.—(1) Funds are hereby authorized to be appropriated for fiscal year 1986 for procurement of aircraft for the Navy in the amount of $10,774,300,000.

(2) There is hereby authorized to be transferred to, and merged with, amounts appropriated for procurement of aircraft for the Navy pursuant to the authorization of appropriations in paragraph (1), to the extent provided in appropriation Acts, $26,900,000. Such amount shall be derived from amounts appropriated for fiscal year 1985 for procurement of aircraft for the Navy remaining available for obligation.

(b) WEAPONS.—Funds are hereby authorized to be appropriated for fiscal year 1986 in the total amount of $5,577,400,000 for procurement of weapons (including missiles and torpedoes) for the Navy as follows:

(1) For missile programs, $4,365,300,000.

(2) For torpedo programs:

For the MK-48 torpedo program, $417,400,000.

For the MK-46 torpedo program, $129,100,000.

For the MK-30 mobile target program, $20,600,000.

For the MK-38 minimobile target program, $3,500,000.

For the antisubmarine rocket (ASROC) program, $15,600,000.

For the modification of torpedoes and related equipment, $141,200,000.

For the torpedo support equipment program, $47,400,000.

For the antisubmarine warfare range support program, $23,200,000.

(3) For other weapons:

For the MK-15 close-in weapon system program, $150,100,000.

For the MK-75 76-millimeter gun mount program, $20,000,000.

For other weapons programs, $77,300,000.

(4) For spares and repair parts, $166,600,000.

(c) SHIPBUILDING AND CONVERSION.—(1)(A) Funds are hereby authorized to be appropriated for fiscal year 1986 for shipbuilding and conversion for the Navy in the total amount of $10,739,200,000.

(B) Funds appropriated for fiscal years before fiscal year 1986 and remaining available for obligation are hereby authorized to be transferred to, and merged with, amounts appropriated pursuant to the authorization of appropriations in subparagraph (A), to the extent provided in appropriation Acts, in the total amount of $437,600,000. Such amount shall be derived in accordance with paragraph (3).

(2) Funds appropriated or otherwise made available for shipbuilding and conversion for fiscal year 1986 pursuant to the authorizations in paragraph (1) are available as follows:

For the Trident submarine program, $1,531,800,000.

For the SSN-688 nuclear attack submarine program, $2,708,400,000.

For the aircraft carrier service life extension program (SLEP), $133,400,000.

For the CG-47 Aegis cruiser program, $2,766,200,000.

For the DDG-51 guided missile destroyer program, $164,300,000.

For the LSD-41 landing ship dock program, $414,400,000.

For the LHD-1 amphibious assault ship program, $1,314,200,000.

For the MCM-1 mine countermeasures ship program, $334,100,000.

For the MSH-1 coastal mine hunter ship program, $184,500,000.

For the TAO-187 fleet oiler program, $328,500,000.

For the TAGOS ocean surveillance ship program, $115,100,000.

For the acoustic research vessel program, $68,900,000.

For the strategic sealift ready reserve program, $203,400,000.

For the TACS auxiliary crane ship program, $82,500,000.

For the TAVB aviation logistics support ship program, $26,900,000.

For the LCAC landing craft air cushion program, $307,000,000.

For the battleship reactivation program, $53,500,000.

For service craft and landing craft, $72,100,000.

For the moored training ship program, $26,500,000.

For outfitting and post delivery, $341,100,000.

(3) Amounts transferred pursuant to paragraph (1)(B) to amounts appropriated for shipbuilding and conversion pursuant to the authorization of appropriations in paragraph (1)(A) shall be derived from amounts appropriated for shipbuilding and conversion for the Navy for fiscal years before fiscal year 1986 as follows:

(A) $357,500,000 shall be derived from amounts appropriated for fiscal years before fiscal year 1983.

(B) $24,000,000 shall be derived from amounts appropriated for fiscal year 1983.

(C) $56,100,000 shall be derived from amounts appropriated for fiscal year 1984.

(4)(A) The Secretary of the Navy is hereby authorized, subject to provisions of appropriation Acts, to transfer to and merge with amounts appropriated pursuant to the authorizations of appropriations in paragraph (1) amounts described in subparagraph (B).

(B) Amounts that may be transferred under subparagraph (A) are amounts appropriated for fiscal year 1985 for shipbuilding and conversion for the Navy and remaining available for obligation as a result of cost savings in carrying out the fiscal year 1985 shipbuilding program. Any such transfer is in addition to the transfers described in paragraph (3).

(5)(A) The Secretary of the Navy may transfer to amounts available for the battleship reactivation program for fiscal year 1986 such amounts as may be available as a result of cost savings in carrying out the fiscal year 1985 and fiscal year 1986 shipbuilding programs. Any such transfer is in addition to the transfers described in paragraphs (3) and (4).

(B) Any transfer under this paragraph of fiscal year 1985 funds may be made only to the extent provided in appropriation Acts.

(C) Any transfer under this paragraph of fiscal year 1986 funds is not subject to section 1001 of this Act.

(d) OTHER PROCUREMENT, NAVY.—Funds are hereby authorized to be appropriated for fiscal year 1986 for other procurement for the Navy in the amount of $6,591,800,000, of which—

(1) $893,000,000 is available only for the ship support equipment program;

(2) $2,085,800,000 is available only for the communications and electronics equipment program;

(3) $1,139,700,000, is available only for aviation support equipment;

(4) $1,326,500,000 is available only for the ordnance support equipment program;

(5) a total of $660,700,000, is available only for programs for civil engineering support equipment, supply support equipment, and personnel/command support equipment;

(6) $269,800,000 is available only for spares and repair parts; and

(7) $216,300,000 is available only for non-centrally managed items.

(e) PROCUREMENT, MARINE CORPS.—Funds are hereby authorized to be appropriated for fiscal year 1986 for procurement for the Marine Corps (including missiles, tracked combat vehicles, and other weapons) in the amount of $1,742,300,000.

(f) LIMITATIONS ON NAVY AIRCRAFT PROCUREMENT.—Funds appropriated for fiscal year 1986 for aircraft for the Navy—

(1) may not be obligated for procurement of A6E aircraft until the Secretary of the Navy certifies to the Committees on Armed Services of the Senate and House of Representatives that the wing for the A6E aircraft to be procured is warranted for at least a 4,000-hour test-equivalent fatigue life; and

(2) may be obligated for procurement of F14 aircraft only for aircraft that are configured so as to incorporate the F110 engine.

(g) AUTHORIZED MULTIYEAR CONTRACTS.—The Secretary of the Navy may enter into multiyear contracts in accordance with section 2306(h) of title 10, United States Code, for procurement of the following:

LHD-1 class amphibious assault ships.

MK-46 torpedoes and modification kits.

SEC. 103. AIR FORCE.

(a) AUTHORIZATION OF APPROPRIATIONS.—Funds are hereby authorized to be appropriated for fiscal year 1986 for procurement for the Air Force as follows:

(1) For aircraft, $24,043,700,000.

(2) For missiles, $9,039,500,000.

(3) For other procurement, $9,043,900,000, of which—

(A) $1,389,200,000 is for munitions and associated support equipment;

(B) $328,400,000 is for vehicular equipment;

(C) $2,587,700,000 is for electronics and telecommunications equipment;

(D) $4,650,700,000 is for other base maintenance and support equipment; and

(E) $87,900,000 is available only for noncentrally managed items.

(b) AUTHORIZATION OF TRANSFERS OF PRIOR-YEAR FUNDS FOR MISSILE PROCUREMENT.—(1) There is hereby authorized to be transferred to, and merged with, amounts appropriated for procurement of missiles for the Air Force pursuant to the authorization of appropriations in subsection (a), to the extent provided in appropriation Acts, $11,800,000.

(2) Amounts for the transfer authorized by paragraph (1) shall be derived from amounts appropriated for fiscal years before fiscal year 1986 for procurement of missiles for the Air Force and remaining available for obligation as follows:

(A) $4,000,000 shall be derived from amounts appropriated for fiscal year 1985.

(B) $7,800,000 shall be derived from amounts appropriated for fiscal years before fiscal year 1985.

(c) COMPETITION FOR FIGHTER AIRCRAFT PROCUREMENT.—(1) In the procurement of tactical fighter aircraft for fiscal year 1986, the Secretary of the Air Force shall establish an ongoing, annual competition for procurement of aircraft to meet the requirements of the Air Force above the minimum number of F16 and F20 aircraft that the Secretary determines necessary to procure for meeting the requirements of the active and reserve components. Such competition shall be among all suitable aircraft, including the F16 and F20 aircraft.

(2) Procurement of tactical fighter aircraft for the Air Force for fiscal year 1986 shall be carried out in accordance with all applicable provisions of law, including section 136a (relating to the Director of Operational Test and Evaluation), section 139c (relating to independent cost estimates), and chapter 137 (relating to competition in contracting), of title 10, United States Code.

SEC. 104. DEFENSE AGENCIES.

Funds are hereby authorized to be appropriated for fiscal year 1986 for the Defense Agencies in the amount of $1,366,000,000.

SEC. 105. NATO COOPERATIVE PROGRAMS.

(a) AUTHORIZATION OF APPROPRIATIONS FOR COOPERATIVE DEFENSE PROGRAMS.—There is hereby authorized to be appropriated to the Secretary of Defense for fiscal year 1986 the amount of $125,000,000 for North Atlantic Treaty Organization cooperative defense programs as follows:

For acquisition of point air defense of United States airbases in the Federal Republic of Germany, $50,000,000.

For acquisition of point air defense of United States airbases and other critical United States military facilities in Italy, $25,000,000.

For acquisition of point air defense and port defense for facilities in Belgium, $25,000,000.

For acquisition of point air defense of United States airbases in Turkey, $25,000,000.

(2) None of the amounts appropriated pursuant to the authorizations in paragraph (1) may be obligated—

(A) for implementation of a cooperative program until the Secretary of Defense submits to the Committees on Armed Services of the Senate and House of Representatives a copy of each government-to-government agreement relating to that program; or

(B) for acquisitions in connection with a NATO cooperative defense program in which the financial obligations of the United States exceed the collective financial obligations of European countries in connection with such program.

(b) EXTENSION OF AUTHORITY PROVIDED SECRETARY OF DEFENSE IN CONNECTION WITH THE NATO AWACS PROGRAM.—Effective on October 1, 1985, section 103(a) of the Department of Defense Authorization Act, 1982 (Public Law 97-86; 95 Stat. 1100), is amended by striking out "fiscal year 1985" both places it appears and inserting in lieu thereof "fiscal year 1986".

SEC. 106. LIMITATION ON PROCUREMENT OF SERGEANT YORK AIR DEFENSE GUN.

(a) LIMITATION ON FURTHER PROCUREMENT.—The Secretary of the Army may not obligate funds to enter into a new contract for production and assembly of the Sergeant York Air Defense Gun system until—

(1) the initial production testing and the follow-on evaluation I are completed and the results of the testing and evaluation demonstrate that the Sergeant York System meets or exceeds the pass/fail criteria of the tests established jointly by the Secretary of the Army and the Secretary of Defense;

(2) the Director of Operational Test and Evaluation of the Department of Defense submits to the Secretary of Defense and the Committees on Armed Services of the Senate and House of Representatives a report giving the Director's evaluation of the results of such testing and evaluation;

(3) the Secretary of Defense reports to those committees on the results of such testing and evaluation and certifies that such testing reliably demonstrates that the operational capabilities of the Sergeant York system fulfill the performance specifications of the contract;

(4) the Secretary of the Army submits to those committees a report describing a contractor guarantee of the performance of the system described in subsection (b)(1); and

(5) 30 days have elapsed after the report under paragraph (4) is received by those committees.

(b) PERFORMANCE GUARANTEE.—(1) The guarantee of the contractor under subsection (a)(4) shall provide that each fire unit of the system shall operate in accordance with the performance specifications of the contract for the system for the maximum feasible duration and in any event for not less than one year.

(2) The terms of a guarantee under this subsection shall be in addition to terms of any previous guarantee or warranty of the system by the contractor required under section 2403 of title 10, United States Code, or any predecessor provision.

(3) A guarantee under this subsection shall apply to contracts for fiscal years after fiscal year 1985.

SEC. 107. RESTRICTIONS ON PURCHASE BY THE ARMY OF 5-TON TRUCKS.

(a) TESTING OF COMPETING ENGINES BEFORE CONTRACT AWARD.—(1) Except as provided in subsection (b), the Secretary of the Army may not enter into a new contract for the procurement of 5-ton trucks for the Army until the Secretary certifies to the Committees on Armed Services of the Senate and House of Representatives that each truck engine described in paragraph (2) has been tested as provided in paragraph (3).

(2) The truck engines referred to in paragraph (1) are engines that—

(A) meet the specifications of the Army for engines for 5-ton trucks; and

(B) are commercially available from sources competing for the award of a contract for the supply of engines to the Army for the 5-ton trucks that are to be procured under a multiyear contract that is to succeed the multiyear contract referred to in subsection (b).

(3) The testing referred to in paragraph (1) shall be carried out in 5-ton trucks configured in the M939A2 technical data package of the Army and shall include tests to determine—

(A) whether the engine is durable after testing in a mission profile for at least 20,000 miles; and

(B) whether the performance reliability of the engine for high ambient temperature cooling, cold starting, deep water fording, grade climbing, and noise is acceptable.

(b) AUTHORITY FOR EXTENSION OF EXISTING MULTIYEAR CONTRACT.—(1) The Secretary of the Army may extend for a period not to exceed 18 months the multiyear contract for the procurement of 5-ton trucks that is in effect on the date of the enactment of this Act.

(2) Funds available to the Army for the procurement of 5-ton trucks during fiscal year 1985 and funds appropriated for the procurement of 5-ton trucks for the Army for fiscal year 1986 may be used for the procurement of 5-ton trucks under an extension of the contract referred to in paragraph (1).

(c) NEW MULTIYEAR CONTRACT.—(1) Subject to paragraph (2), the Secretary of the Army shall take such action as is appropriate, consistent with the limitation set out in subsection (a), to award a multiyear contract for the procurement of 5-ton trucks not later than May 1, 1986. Such a contract shall be for a period of five fiscal years.

(2) A contract under paragraph (1) may not be entered into unless the anticipated cost over the period of the contract is no more than 90 percent of the anticipated cost of carrying out the same program through annual contracts.

(3) Not later than February 1, 1986, the Secretary shall determine whether it is impracticable to award a contract under paragraph (1) on or before May 1, 1986. If the Secretary determines that such action is impracticable, he shall notify the Committees on Armed Services of the Senate and the House of Representatives of the determination on or before February 1, 1986.

SEC. 108. SALE OF L119 HOWITZERS OVERSEAS.

Howitzers designated as L119 howitzers that are produced by a United States arsenal may be sold to a friendly foreign government without regard to any law, regulation, or international agreement specifying a minimum percentage of the content of such howitzers that must be of foreign origin.

SEC. 109. WAIVER OF LIMITATION ON FOREIGN MILITARY SALES PROGRAM.

The Arms Export Control Act shall be administered as if section 8036 of the Department of Defense Appropriations Act, 1985 (as contained in section 101(h) of Public Law 98-473; 98 Stat. 1930), had not been enacted into law.

SEC. 110. ENCOURAGEMENT OF CONSTRUCTION IN UNITED STATES SHIPYARDS OF DIESEL SUBMARINES FOR UNITED STATES ALLIES.

(a) IN GENERAL.—The Secretary of the Navy shall take such steps as necessary—

(1) to ensure that no effort is made by any element of the Department of the Navy to inhibit, delay, or halt the provision by United States shipyards of approved diesel submarine combat systems to nations allied with the United States; and

(2) to encourage United States shipyards that are not engaged in construction of nuclear submarines to construct diesel-electric submarines for nations allied with the United States.

(b) LIMITATIONS ON FUNDING.—(1) None of the funds appropriated pursuant to authorizations of appropriations in this title for submarine programs may be obligated or expended until the Secretary of the Navy reports to Congress that no element of the Department of the Navy is taking any action to inhibit, delay, or halt the provision of approved combat systems for, or the construction of, diesel submarines in the United States for nations allied with the United States, particularly for the Republic of South Korea and Israel (the two nations that have previously requested approval to build submarines in the United States).

(2) None of the funds appropriated pursuant to authorizations of appropriations in this title may be used to upgrade or modernize a foreign shipyard in order to provide such shipyard a capability to construct diesel submarines until the Secretary of the Navy reports to Congress that such construction could not be done in the United States without causing a negative impact on United States nuclear submarine programs.

AMENDMENT OFFERED BY MR. BENNETT

Mr. BENNETT. Mr. Chairman, I offer an amendment to title I. The amendment is on conventional warfare, and it is the one that was printed on page H 3613 of the RECORD of May 22, 1985.

The Clerk read as follows:

Amendment offered by Mr. BENNETT: At the end of title I, add the following new section:

SEC. III. AUTHORIZATION FOR TRANSFER OF FUNDS FOR CONVENTIONAL FORCES.

From funds appropriated in years prior to 1986 for defense purposes but not now required for the specific purposes originally designated, there is hereby authorized to be transferred to and merged with funds appropriated for fiscal year 1986 $4,000,000,000 to be used for the acquisition of defense articles for the conventional forces of the Army, Navy, and Air Force. The funds transferred shall be equally divided between the Army, Navy, and Air Force. Funds transferred pursuant to this provision may be used for the acquisition of conventional weapons, including but not limited to the following items: ammunition, ships, tanks, vehicles, and planes.

□ 1020

Mr. BENNETT. Mr. Chairman, we have been repeatedly advised by Gen. Bernard Rogers, who is the Supreme Allied Commander of NATO, not only this year but in previous years, that we cannot prevent the Soviets from overrunning Western Europe in a conventional attack.

In his own words, it would only be a matter of days, not weeks, before we would be forced to use nuclear weapons to stop such a Soviet attack. We must assume that the Soviets would respond to our first use of their devastating nuclear arsenal with the use of nuclear weapons themselves. Such a nuclear exchange poses an ominous threat to all mankind. A policy of defending Europe by quickly escalating to nuclear war is insane. The NATO countries are in no way inferior to the Warsaw Pact countries and we in NATO should be able to defend against a conventional attack by conventional weapons, not just nuclear weapons.

No one can win a nuclear war. The fact that everyone knows that fact limits the credibility of our threat of the use of nuclear war.

General Rogers addressed this part of the question this year in speaking before the Senate Armed Services Committee, when he said, and I am quoting now what General Rogers said about the question of credibility:

The continually widening gap between NATO and Warsaw Pact conventional capabilities impacts the credibility of NATO's deterrence because it compels the Alliance to rely excessively on the early first-use of nuclear weapons.

. . . Such heavy reliance on early nuclear first-use does not provide a credible basis for deterring what I believe to be the most likely threat the Alliance faces: Soviet intimidation and coercion of West European nations resulting from the threat of massive conventional military superiority.

It is imperative that we increase our ability to fight a conventional war in Europe. A recent study showed that the NATO Defense Ministers are clearly in accord on this. There are critical deficiencies in ammunition, stockpiles of equipment and availability of forces that can be mobilized for combat, according to that study.

Today the Warsaw Pact outnumbers NATO forces in almost all major weapons. They have more than three times the number of tanks, more than twice the number of armored personnel carriers, the same with regard to artillery and I might go on, substantial deficiencies in fighters, bombers, and antiaircraft missiles.

The West is also at a disadvantage in bringing in reinforcements and keeping them supplied. Our air and sealift capabilities are inadequate to our needs and we have not allocated enough resources for the prepositioning of supplies in Europe.

In the first 10 days of war, according to General Rogers, we need to have 10 divisions ready to go into Europe, but if a war started now we probably would have less than 5 divisions ready at this time.

We must put ourselves in a position to win a conventional war in Europe or at least be able to greatly extend the time before we are confronted with the deadly decision to go to nuclear weapons. Our own security and the security of the West depends on meeting this challenge. We must get on with it.

Now, Mr. Chairman, when it was announced by Secretary Weinberger that we have $4 billion which had been arrived at mostly by overestimation of inflation and underruns in the purchasing—not overruns, but underruns—thus saving of money, I immediately introduced this amendment. Nobody else had any attack upon that particular use of the money; but that is what I did. I was the first to do it. I think the most appropriate place to put this money is to put ourselves in a position where we do not have to have a nuclear war in Europe; or at least put ourselves in a position where we would be able to deter or delay the decision to go to a nuclear war.

We have to keep our deterrence up with nuclear weapons, but we must see to it that we are able to win a conventional war. Otherwise, we will be bringing on the world unnecessarily, and inconsistent with what our real responsibilities are, nuclear war; because we should be able to win a conventional war. That is something we must be able to do.

Mr. Chairman, this amendment will do it. I would appreciate it very much if the Congress would vote for it.

I want to add as I conclude that even though there was a general balancing of mirrors and the blowing of puff smoke and so forth about funding in the early part of this bill, this amendment does not affect that. This money will only be made available if the money is actually there. If it is not there, it will not be used this does not undo what the gentleman from Wisconsin [Mr. ASPIN] did, although I would have appreciated it if he had not done it as far as the $4 billion are concerned, but he did do it. this is not affected by this amendment, because the way this amendment is drafted it would just pick up any such money

that happens to be there. Maybe no money will be there, but it will not hurt the overall amendment of the gentleman from Wisconsin [Mr. ASPIN], as I understand it, and as counsel has advised me.

Mr. STRATTON. Mr. Chairman, I rise in opposition to the Bennett amendment.

Mr. Chairman, I rise in strong opposition to the amendment offered by the distinguished gentleman from Florida just a moment ago that would authorize the transfer of $4 billion in prior year funds for conventional weapons.

There is no question that this amendment is rather appealing and attractive. Many of us have discussed the need to upgrade our conventional capabilities, but unfortunately this amendment comes at the wrong time and is headed in the wrong direction.

Why do I say this? Well, first, the $4 billion that the gentleman wants to use should be coupled with the cuts that the committee is already recommending in order to further reduce the cost of the defense bill and to conform more closely with the defense level set in the House-passed budget resolution. The $4 billion contained in this amendment is the result of some last-minute savings that the Department of Defense suddenly discovered were available.

As a matter of fact, the gentleman from Wisconsin, the distinguished chairman of our committee, has already utilized those funds to bring the bill into conformity with the House budget resolution. If these are indeed savings that happened to materialize through some magical stroke of fiscal acuity, let us apply them then to cost reductions. Otherwise, this really represents a grab bag for the Department of Defense. If they have $4 billion of extra money of the gentleman from Florida [Mr. BENNETT] to play around with, who is going to restrain them? What are the rules going to be? What are going to be the arrangements? What role will the House have?

Mr. BENNETT. Mr. Chairman, will the gentleman yield?

Mr. STRATTON. No, I cannot yield. I have only 5 minutes.

It is going to be somewhat difficult to persuade the Pentagon that they should not dip into this grab bag. We are going to be encouraging the Department of Defense to wait until the last minute and then throw some money on the table and hope that we will avoid making pragmatic and programmatic reductions.

If we accept the Bennett approach, the Congress is obviously abdicating its defense responsibilities in the policy process.

Are we going to allow the Secretary of Defense to decide how much of this $4 billion will be utilized for this, that, or the other system?

The normal process, I would think the gentleman from Florida would recognize, is for this kind of thing to be handled through the House Committee on Armed Services. That is exactly the way it should be.

We are presented with a request from the Department of Defense. We hold hearings and we either approve it or we disapprove it or enhance it; but this is certainly not the way to go. In fact, if the gentleman's amendment is actually enacted, which I certainly hope it will not be—or otherwise we have lost our senses in this body—we will eliminate the whole process of reprogramming, because there will be no money in the defense budget for any kind of reprogramming.

There is no congressional involvement in the gentleman's amendment. There is no setting of priorities. The services could simply start on commitments that the Congress may not want to support, and if we are going to put in additional funds in the conventional programs, let us specify the programs involved so that we know precisely what we are doing.

In the name of orderly procedure in the House of Representatives, I urge an overwhelming vote against the gentleman's amendment.

Mr. DICKINSON. Mr. Chairman, I move to strike the last word and I rise in opposition to the amendment.

Mr. Chairman, I think that the intent behind this amendment is good. I think it is well intended.

□ 1030

But I think it works a great deal of mischief if it should be passed. Everybody agrees that our probable potential, largest potential threat is in the conventional field. There is no doubt about that, but it is for that reason that we approach this in an orderly manner.

The Department of Defense submits this list of requirements, they prioritize them as best they can in conjunction with the Office of Management and Budget, and then we have a series of hearings. And we do this every year and we try, through hours and hours of hearings, to come up with what we think is a prioritized list of what is affordable, what is needed. We have witnesses and they come over to testify on the requirements of the Army, Navy, Air Force, and Marines.

So what we have is a reasoned approach toward procurement.

I assume that the $4 billion figure comes out of what was taken out of the bill yesterday when Mr. Weinberger said that there were $4.4 billion of unobligated funds in last year's bill that he just happened to find after we had marked up.

But the point is that money is no longer there. We took it out yesterday.

This amendment would require us to dump other unobligated funds conventional weapons, and Congress has no say so, the committee has no say so, as to whether it is apportioned to buy tanks, planes, and so forth. That is not the way to conduct the affairs of this country and to provide for the best security.

In addition, as the gentleman from New York [Mr. STRATTON], has said, we have a reprogramming action. That means that as we get into a new budget cycle, when programs do not work out, when they miss their production dates, and so forth, then there are funds available. The service then comes back in and asks us if they can take that money that has been approved and reprogram it for something else that is feasible. So the Congress has the approval authority there, and we will approve it or not.

Now, what this amendment would do is if there are any funds that are not used for the purpose for which they are authorized and appropriated, this amendment would soak up these funds and would prevent any other reprogrammings. I think it is ill advised and ill conceived, even though well intended, and I would certainly hope that we would reject this just out of hand.

Mr. ASPIN. Mr. Chairman, will the gentleman yield?

Mr. DICKINSON. I will be very pleased to yield to the gentleman from Wisconsin.

Mr. ASPIN. Mr. Chairman, I would like to commend the gentleman from Alabama [Mr. DICKINSON] and the gentleman from New York [Mr. STRATTON]. I think the arguments that they have made against this amendment are very cogent and I, too, would urge a no vote on this amendment.

Mr. DICKINSON. I thank the gentleman and I yield back the balance of my time.

Mr. WEISS. Mr. Chairman, I move to strike the requisite number of words.

Mr. BENNETT. Mr. Chairman, will the gentleman yield?

Mr. WEISS. I am pleased to yield to the distinguished gentleman from Florida.

Mr. BENNETT. I thank the gentleman very much. I had to get this time because of misstatements that have been made, I am sure innocently. But it is not true this takes this out of the hands of Congress. This is just an authorization, and they would still have to come before Congress and get a line-by-line, item-by-item, truck-by-truck approval or whatever it is they would do, so it is not true that the Congress loses control of this at all. This is a very carefully worded amendment and it would come before Congress again.

Now, this money really was not all that "discovered." This money was mostly saved out of my own committee, the Seapower Subcommittee. It

was mostly saved by underruns in the building of ships. So it is money which came to my attention very promptly, 2 or 3 years ago, not recently. In fact, we used some of this money last year in the budget process, as we have used some of this money this year in the budget process. This is no great surprise to me. It is just that Mr. Weinberger announced it, and I realized that if I did not capture it for something that was needed very much in the national defense that it probably would not occur.

The thing that is most greatly needed in the national defense of our country today is to be able to win a conventional war. It is as simple as that.

Now, there are many, many items which have already been submitted, much more than this $4 billion, which will be approved by the Department of Defense and are before Congress now. But we will get them, and get to them, but it will come again on a line item basis before the Appropriations Committee to get that kind of action on it.

So, Mr. Chairman, in concluding my remarks I certainly hope that Congress will pass this amendment. It does not interfere with the previous amendment offered by the gentleman from Wisconsin [Mr. ASPIN]. He captured a lot of the funds that I would like to have captured, but he himself says that there is somewhere between $18 and $50 billion floating around there. So he captured some of that $18 to $50 billion which he refers to. It does not necessarily have to come out of the $4 billion he has referred to specifically.

So, Mr. Chairman, I would appreciate very much if we could get an affirmative vote on this issue.

The CHAIRMAN pro tempore. [Mr. RUSSO]. The question is on the amendment offered by the gentleman from Florida [Mr. BENNETT].

The question was taken; and the Chairman announced that the noes appeared to have it.

Mr. BENNETT. Mr. Chairman, I demand a recorded vote, and pending that, I make the point of order that a quorum is not present.

The CHAIRMAN pro tempore. Evidently a quorum is not present. Pursuant to the provisions of clause 2 of rule XXIII, the Chair announces that he will reduce to a minimum of 5 minutes the period of time within which a vote by electronic device, if ordered, will be taken on the pending question following the quorum call. Members will record their presence by electronic device.

The call was taken by electronic device.

The following Members responded to their names:

[Roll No. 169]

ANSWERED "PRESENT"—411

Ackerman	Donnelly	Kanjorski
Addabbo	Dorgan (ND)	Kaptur
Akaka	Dornan (CA)	Kasich
Alexander	Dowdy	Kastenmeier
Anderson	Downey	Kemp
Andrews	Dreier	Kennelly
Annunzio	Duncan	Kildee
Anthony	Durbin	Kindness
Applegate	Dwyer	Kleczka
Armey	Dymally	Kolbe
Aspin	Dyson	Kolter
Atkins	Early	Kostmayer
AuCoin	Eckart (OH)	Kramer
Barnard	Eckert (NY)	LaFalce
Barnes	Edgar	Lagomarsino
Bartlett	Edwards (CA)	Lantos
Barton	Edwards (OK)	Leach (IA)
Bateman	Emerson	Leath (TX)
Bates	English	Lehman (CA)
Bedell	Erdreich	Lehman (FL)
Beilenson	Evans (IA)	Leland
Bennett	Evans (IL)	Lent
Bentley	Fascell	Levin (MI)
Bereuter	Fawell	Levine (CA)
Bevill	Fazio	Lewis (CA)
Biaggi	Feighan	Lewis (FL)
Billrakis	Fiedler	Lightfoot
Bliley	Fields	Lipinski
Boehlert	Fish	Livingston
Boggs	Flippo	Lloyd
Boland	Florio	Long
Boner (TN)	Foglietta	Lott
Bonior (MI)	Foley	Lowery (CA)
Bonker	Ford (MI)	Lowry (WA)
Borski	Ford (TN)	Lujan
Bosco	Fowler	Luken
Boucher	Frank	Lundine
Boulter	Franklin	Lungren
Boxer	Frenzel	Mack
Breaux	Frost	MacKay
Brooks	Fuqua	Madigan
Broomfield	Gallo	Manton
Brown (CA)	Garcia	Markey
Brown (CO)	Gaydos	Martin (IL)
Broyhill	Gejdenson	Martin (NY)
Bruce	Gekas	Martinez
Bryant	Gephardt	Matsui
Burton (CA)	Gibbons	Mavroules
Burton (IN)	Gilman	Mazzoli
Bustamante	Gingrich	McCain
Byron	Glickman	McCandless
Callahan	Gonzalez	McCloskey
Campbell	Gordon	McCollum
Carney	Gradison	McCurdy
Carper	Gray (IL)	McEwen
Carr	Gray (PA)	McGrath
Chandler	Green	McHugh
Chappell	Gregg	McKernan
Chappie	Grotberg	McKinney
Cheney	Guarini	McMillan
Clay	Gunderson	Meyers
Coats	Hall (OH)	Mica
Cobey	Hall, Ralph	Michel
Coble	Hamilton	Mikulski
Coelho	Hammerschmidt	Miller (CA)
Coleman (MO)	Hansen	Miller (OH)
Coleman (TX)	Hartnett	Miller (WA)
Collins	Hatcher	Mineta
Combest	Hawkins	Mitchell
Conte	Hayes	Moakley
Conyers	Hefner	Molinari
Cooper	Hendon	Mollohan
Coughlin	Henry	Monson
Courter	Hertel	Montgomery
Coyne	Hiler	Moody
Craig	Hillis	Moore
Crane	Holt	Moorhead
Crockett	Hopkins	Morrison (CT)
Daniel	Howard	Morrison (WA)
Dannemeyer	Hoyer	Mrazek
Darden	Hubbard	Murphy
Daschle	Huckaby	Murtha
Daub	Hughes	Myers
Davis	Hunter	Natcher
de la Garza	Hutto	Neal
DeLay	Hyde	Nelson
Dellums	Ireland	Nichols
Derrick	Jacobs	Nielson
DeWine	Jenkins	Nowak
Dickinson	Johnson	Oakar
Dicks	Jones (NC)	Oberstar
Dingell	Jones (OK)	Obey
DioGuardi	Jones (TN)	Olin
Ortiz	Schneider	Swindall
Owens	Schroeder	Synar
Oxley	Schuette	Tallon
Packard	Schulze	Tauke
Panetta	Seiberling	Tauzin
Parris	Sensenbrenner	Taylor
Pashayan	Sharp	Thomas (CA)
Pease	Shaw	Thomas (GA)
Penny	Shelby	Torres
Perkins	Shumway	Torricelli
Petri	Shuster	Traficant
Pickle	Sikorski	Valentine
Porter	Siljander	Vander Jagt
Price	Sisisky	Vento
Pursell	Skeen	Visclosky
Quillen	Skelton	Volkmer
Rahall	Slattery	Vucanovich
Rangel	Slaughter	Walgren
Ray	Smith (FL)	Walker
Regula	Smith (IA)	Watkins
Reid	Smith (NE)	Waxman
Richardson	Smith (NH)	Weaver
Ridge	Smith (NJ)	Weber
Rinaldo	Smith, Denny	Weiss
Ritter	Smith, Robert	Wheat
Roberts	Snowe	Whitehurst
Robinson	Snyder	Whitley
Rodino	Solarz	Whittaker
Roe	Solomon	Whitten
Roemer	Spence	Williams
Rogers	Spratt	Wirth
Rose	St Germain	Wise
Rostenkowski	Staggers	Wolf
Roth	Stallings	Wolpe
Roukema	Stangeland	Wortley
Rowland (CT)	Stark	Wright
Rowland (GA)	Stenholm	Wyden
Roybal	Stokes	Wylie
Rudd	Stratton	Yates
Russo	Studds	Yatron
Sabo	Stump	Young (AK)
Savage	Sundquist	Young (FL)
Saxton	Sweeney	Young (MO)
Schaefer	Swift	Zschau

□ 1050

The CHAIRMAN pro tempore. Four hundred eleven Members have answered to their names, a quorum is present, and the Committee will resume its business.

RECORDED VOTE

The CHAIRMAN pro tempore. The pending business is the demand of the gentleman from Florida [Mr. BENNETT] for a recorded vote.

The Chair announces that 5 minutes will be allowed for this vote.

PARLIAMENTARY INQUIRY

Mr. STRATTON. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN pro tempore. The gentleman will state his parliamentary inquiry.

Mr. STRATTON. Mr. Chairman, is the next vote the one that would occur on the amendment that would give the Pentagon $4 billion without any guidelines?

The CHAIRMAN pro tempore. The Chair advises the gentleman from New York that that is not a proper parliamentary inquiry.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 36, noes 376, answered "present" 1, not voting 20, as follows:

[Roll No. 170]

AYES—36

Ackerman	Brown (CA)	Dymally
Addabbo	Daschle	Early
Bates	de la Garza	Fascell
Bennett	Dorgan (ND)	Foglietta

Garcia	Lundine	Schroeder
Gibbons	MacKay	Smith (IA)
Hertel	Neal	Staggers
Hughes	Oberstar	Swift
Jones (NC)	Obey	Walgren
Kastenmeier	Penny	Weiss
Leach (IA)	Rahall	Wise
Lehman (FL)	Roybal	Wolpe

NOES—376

Akaka	Donnelly	Kanjorski
Alexander	Dornan (CA)	Kaptur
Anderson	Dowdy	Kasich
Andrews	Downey	Kemp
Annunzio	Dreier	Kennelly
Anthony	Duncan	Kildee
Applegate	Durbin	Kindness
Archer	Dwyer	Kleczka
Armey	Dyson	Kolbe
Aspin	Eckart (OH)	Kolter
Atkins	Eckert (NY)	Kostmayer
AuCoin	Edgar	Kramer
Barnard	Edwards (CA)	LaFalce
Barnes	Edwards (OK)	Lagomarsino
Bartlett	Emerson	Lantos
Barton	English	Leath (TX)
Bateman	Erdreich	Lehman (CA)
Bedell	Evans (IA)	Leland
Bellenson	Evans (IL)	Lent
Bentley	Fawell	Levin (MI)
Bereuter	Fazio	Levine (CA)
Bevill	Feighan	Lewis (CA)
Biaggi	Fiedler	Lewis (FL)
Billirakis	Fields	Lightfoot
Bliley	Fish	Lipinski
Boehlert	Flippo	Livingston
Boggs	Florio	Lloyd
Boland	Foley	Long
Bonior (MI)	Ford (MI)	Lott
Bonker	Ford (TN)	Lowery (CA)
Borski	Fowler	Lowry (WA)
Bosco	Frank	Lujan
Boucher	Franklin	Luken
Boulter	Frenzel	Lungren
Boxer	Frost	Mack
Breaux	Fuqua	Madigan
Brooks	Gallo	Manton
Broomfield	Gaydos	Markey
Brown (CO)	Gejdenson	Martin (IL)
Broyhill	Gekas	Martin (NY)
Bruce	Gephardt	Martinez
Bryant	Gilman	Matsui
Burton (CA)	Gingrich	Mavroules
Burton (IN)	Glickman	Mazzoli
Bustamante	Gonzalez	McCain
Byron	Goodling	McCandless
Callahan	Gordon	McCloskey
Campbell	Gradison	McCollum
Carney	Gray (IL)	McCurdy
Carper	Gray (PA)	McEwen
Carr	Green	McGrath
Chandler	Gregg	McHugh
Chappell	Grotberg	McKernan
Chappie	Guarini	McKinney
Cheney	Gunderson	McMillan
Clay	Hall (OH)	Meyers
Coats	Hall, Ralph	Mica
Cobey	Hamilton	Michel
Coble	Hammerschmidt	Mikulski
Coelho	Hansen	Miller (OH)
Coleman (MO)	Hartnett	Miller (WA)
Coleman (TX)	Hatcher	Mineta
Collins	Hawkins	Mitchell
Combest	Hayes	Moakley
Conte	Hefner	Molinari
Conyers	Hendon	Mollohan
Cooper	Henry	Monson
Coughlin	Hiler	Montgomery
Courter	Hillis	Moody
Coyne	Holt	Moore
Craig	Hopkins	Moorhead
Crane	Horton	Morrison (CT)
Crockett	Howard	Morrison (WA)
Daniel	Hoyer	Mrazek
Dannemeyer	Hubbard	Murphy
Darden	Huckaby	Murtha
Daub	Hunter	Myers
Davis	Hutto	Natcher
DeLay	Hyde	Nelson
Dellums	Ireland	Nichols
DeWine	Jacobs	Nielson
Dickinson	Jenkins	Nowak
Dicks	Johnson	Oakar
DioGuardi	Jones (OK)	Olin
Dixon	Jones (TN)	Ortiz
Owens	Schneider	Synar
Oxley	Schuette	Tallon
Packard	Schulze	Tauke
Panetta	Seiberling	Tauzin
Parris	Sensenbrenner	Taylor
Pashayan	Sharp	Thomas (CA)
Pease	Shaw	Thomas (GA)
Perkins	Shelby	Torres
Petri	Shumway	Torricelli
Pickle	Shuster	Traficant
Porter	Sikorski	Valentine
Price	Siljander	Vander Jagt
Pursell	Sisisky	Vento
Quillen	Skeen	Visclosky
Rangel	Skelton	Volkmer
Ray	Slattery	Vucanovich
Regula	Slaughter	Walker
Reid	Smith (FL)	Watkins
Richardson	Smith (NE)	Waxman
Ridge	Smith (NH)	Weaver
Rinaldo	Smith (NJ)	Weber
Ritter	Smith, Denny	Wheat
Roberts	Smith, Robert	Whitehurst
Robinson	Snowe	Whitley
Rodino	Snyder	Whittaker
Roe	Solarz	Whitten
Roemer	Solomon	Williams
Rogers	Spence	Wirth
Rose	Spratt	Wolf
Rostenkowski	St Germain	Wortley
Roth	Stallings	Wright
Roukema	Stangeland	Wyden
Rowland (CT)	Stark	Wylie
Rowland (GA)	Stenholm	Yates
Rudd	Stokes	Yatron
Russo	Stratton	Young (AK)
Sabo	Studds	Young (FL)
Savage	Stump	Young (MO)
Saxton	Sundquist	Zschau
Schaefer	Sweeney	
Scheuer	Swindall	

ANSWERED "PRESENT"—1

Boner (TN)

NOT VOTING—20

Badham	Latta	Schumer
Berman	Loeffler	Strang
Clinger	Marlenee	Towns
Derrick	McDade	Traxler
Dingell	Miller (CA)	Udall
Heftel	O'Brien	Wilson
Jeffords	Pepper	

□ 1100

The Clerk announced the following pair:

On this vote

Mr. Jeffords for, with Mr. Badham against.

Mr. WISE and Mr. STUDDS changed their votes from "aye" to "no."

Messrs. WISE, KASTENMEIER and DASCHLE changed their votes from "no" to "aye."

So the amendment was rejected.

The result of the vote was announced as above recorded.

AMENDMENT OFFERED BY MR. DICKINSON

Mr. DICKINSON. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. DICKINSON: Page 6, after line 9, insert the following new subsection:

(g) SAFETY MODIFICATIONS FOR PERSHING II MISSILE PROGRAM.—(1) In carrying out the Pershing II missile program for fiscal year 1986, the Secretary of the Army may purchase safety modifications (including 36 inert missile motors for the Pershing II missile) using funds made available for such program for such fiscal year.

(2) The Secretary may not obligate any funds for the safety modifications authorized by paragraph (1) until the Secretary submits to the Committees on Armed Services of the Senate and House of Representatives a report providing a detailed plan for the purchase of such safety modifications.

Mr. DICKINSON (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Alabama?

There was no objection.

Mr. DICKINSON. Mr. Chairman, recently, in the past year, there was a vehicular accident in Germany involving the Pershing missile. The Army has determined there are certain safety precautions that need to be affixed and modifications made to the vehicle and its missile. They have asked us to approve the money, which is just a transfer within the money already appropriated for the Pershing missile. There is no increase in money. We are acceding to safety precautions recommended by the Army. I know of no objection to it, and I would hope that the Committee would accept it.

Mr. NICHOLS. Mr. Chairman, will the gentleman yield?

Mr. DICKINSON. I yield to the gentleman from Alabama.

Mr. NICHOLS. Mr. Chairman, I rise in support of the amendment offered by Mr. DICKINSON.

Over the last 2 years my Subcommittee on Investigations of the Armed Services Committee has held several hearings to examine the safety and security of our nuclear weapons. During this time we have seen many positive improvements in both areas. As you are aware, in January this year an accident involving the rocket motor of one of our Pershing II missiles in Germany took the lives of three U.S. servicemen and injured nine others. After an extensive investigation the Army has determined that a static electricity discharge caused the accidental burning of the rocket motor. Earlier this month I had the opportunity to visit this Pershing site to examine first hand, safety and security arrangements, and to talk with some of the people who were directly involved in the fatal accident.

The Army has moved quickly and while modifications are being introduced into the Pershing II production line to prevent a recurrence of future accidents, our troops are unable to train because of safety measures imposed after the accident. The soldiers that I talked with stressed the need to train with the missile to keep their performance at a high state of readiness.

Mr. Chairman, this amendment addresses both safety and training concerns. It provides funding for inert rocket motors which will allow our troops to train in a realistic environ-

ment while alleviating the concern for an accident similar to the one which occurred in January. It also provides some limited security protection for the missiles. This amendment also does not add money to our defense budget; it requires the Army to take the funding out of the existing Pershing II procurement line.

I believe, Mr. Chairman, it is vitally important that our troops be allowed to train with the Pershing II in a completely safe and secure environment. This amendment will assist in accomplishment of that objective. For these reasons, I commend this amendment to my fellow colleagues and urge your support.

Mr. STRATTON. Mr. Chairman, I want to join with the gentleman from Alabama [Mr. DICKINSON] and the gentleman from Alabama [Mr. NICHOLS] in support of the amendment offered by Mr. DICKINSON. The amendment enables the Army to purchase the needed safety modifications for the Pershing II missile within the authorization amounts provided for the program in H.R. 1872 and does not require any additional funds.

In view of the urgency of the matter, I urge my colleagues to support the amendment.

Mr. ASPIN. Mr. Chairman, I move to strike the requisite number of words, and I would like to report, on behalf of the committee, the committee members and staff have looked over the amendment, and we would accept the amendment offered by the gentleman from Alabama.

The CHAIRMAN pro tempore (Mr. RUSSO). The question is on the amendment offered by the gentleman from Alabama [Mr. DICKINSON].

The amendment was agreed to.

AMENDMENTS OFFERED BY MR. STRATTON

Mr. STRATTON. Mr. Chairman, I offer 3 amendments, and I ask unanimous consent that they be considered en bloc.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

The CHAIRMAN pro tempore. The Clerk will report the amendments.

The Clerk read as follows:

Amendments offered by Mr. STRATTON: Page 6, after line 9, insert the following new subsection:

(g) AH-64 APACHE HELICOPTERS.—The Secretary of the Army may not obligate funds appropriated or otherwise made available for a fiscal year after fiscal year 1985 for procurement of AH-64 Apache attack helicopters until the Director of the Defense Contract Audit Agency reports to the Secretary that the contractor for such helicopters has demonstrated to the satisfaction of the Director—

(1) that the contractor has implemented an effective and reliable system of internal accounting controls; and

(2) that the contractor has accumulated documentation (including journals, vouchers, invoices, and expense data) to support the contractor's final submission for settlement of indirect expenses for calendar years 1979 through 1983 and that such documentation is available to the Director.

Page 15, line 14, strike out "$1,366,000,000" and insert in lieu thereof "$1,382,000,000".

At the end of title I (page 22, after line 23) insert the following new section:

SEC. 111. A6 AIRCRAFT REWING PROGRAM.

(a) AUTHORIZED PROGRAM.—The Secretary of the Navy is authorized to carry out a program to replace the wings of the A6 aircraft. The amount obligated to carry out such program during fiscal year 1985 may not exceed $240,000,000.

(b) REQUIRED WARRANTY.—Funds may be obligated for the program authorized by subsection (a) only under a firm fixed-price contract which includes a warranty guaranteeing a wing fatigue life of at least 8,800 hours.

(c) AUTHORIZATION FOR TRANSFER OF FUNDS.—There are hereby authorized to be transferred to, and merged with, amounts appropriated for procurement for aircraft for the Navy for fiscal year 1985, to the extent provided in appropriation Acts, $240,000,000 for the program authorized by subsection (a). Such amount shall be derived from amounts appropriated for procurement of aircraft for the Navy for fiscal years before fiscal year 1986 as follows:

(1) $103,000,000 shall be derived from amounts appropriated for fiscal years before fiscal year 1985 remaining available for obligation.

(2) $137,000,000 shall be derived from amounts appropriated for fiscal year 1985 remaining available for obligation.

Mr. DICKINSON (during the reading). Mr. Chairman, I ask unanimous consent that the amendments be considered as read and printed in the RECORD.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Alabama?

There was no objection.

□ 1110

Mr. STRATTON. Thank you, Mr. Chairman.

These are three technical amendments which have been considered carefully by the committee, not only in the Armed Services Committee, but also in the Defense Appropriations Subcommittee. One of them deals with the specific problem that the A-6 aircraft is currently facing with the failure of the wing. This amendment will authorize funds for a program that will be carried out to rewing these aircraft. Funds appropriated from other accounts have been approved by the Defense Appropriations Subcommittee, and this amendment will authorize these funds and, will provide safe usage for the heart of the Navy's first-line attack carrier aircraft.

The second amendment of a technical nature has to do with the AH-64 Apache helicopter, which would prevent the Secretary of the Army from obligating funds appropriated or otherwise available for the AH-64 Apache helicopter until such time as the Hughes Helicopter Co., which has been taken over by McDonnell-Douglas gets the accounting system under which Hughes Helicopter has been operating into proper conformity with accounting rules.

The committee staff discovered that the Hughes accounting system of internal controls is plagued with missing and incomplete journal vouchers and ledgers. Clearly we ought not pay money to that company until they get an adequate accounting system.

The third amendment would correct a typographical error in the bill as originally approved for funds authorized for the defense agencies by striking out $1,366 million and inserting in place thereof $1,382 million.

Mr. Chairman, I ask that the amendments be approved en bloc.

Mr. DICKINSON. Mr. Chairman, we have examined the amendments and have had a discussion within the committee with many Members, and speaking for this side of the aisle, we are very pleased to accept the amendments and we think they are necessary.

Mr. ASPIN. Mr. Chairman, I move to strike the requisite number of words. We have looked over the amendments and believe that they are very good amendments and we support them on our side.

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentleman from New York [Mr. STRATTON].

The amendments were agreed to.

AMENDMENT OFFERED BY MR. HILLIS

Mr. HILLIS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. HILLIS: Page 2, line 16, strike out "$5,573,500,000" and insert in lieu thereof "$5,623,500,000".

Page 2, line 18, strike out "$939,500,000" and insert in lieu thereof "$989,500,000".

Mr. HILLIS (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Indiana?

There was no objection.

(Mr. HILLIS asked and was given permission to revise and extend his remarks.)

Mr. HILLIS. Mr. Chairman, I rise to offer an amendment restoring $50 million to a program that comprises the backbone of our tactical wheeled vehicle fleet. I am referring to the production of the M-939 5-ton truck—that unobtrusive but reliable workhorse of the U.S. Army.

This vehicle, which is also utilized by the Marine Corps and Air Force, is vital to our combat and combat support roles. In addition to hauling general cargo, ammunition, supplies, tactical bridging, and communications

equipment, the 5-ton truck supports new weapons systems such as the Patriot, Pershing II, Sergeant York gun, Tacfire, and Firefinder.

The $50 million reduction in this program which my amendment would restore represents a 22-percent cut from the original $225 million request for fiscal year 1986.

It is, in my opinion, a shortsighted savings because it means approximately 500 trucks would not be built at the very time there is a 13,000-vehicle shortfall in the field.

In addition, the average age of our 5-ton fleet is 12 years meaning new vehicles are needed now as replacements for the large number of aging trucks.

At a time when we are becoming more aware of the importance of our conventional deterrent, it makes no sense to drop the 5-ton truck lower on the defense priority list.

When Brig. Gen. John Greenway testified before our committee's readiness panel, he emphasized the tremendous impact the 5-ton truck has on troop readiness.

Without an adequate fleet of these essential vehicles, our ability to respond to a military threat would be severely hampered by a lack of mobility.

Even if this amendment is adopted and the 5-ton program is restored to full funding, we would have, at the end of the fiscal year 1986 funded delivery period, only 77 percent of the number of trucks necessary to meet the Army's current total requirement of 63,896 vehicles.

My second concern is the impact a cutback would have on competition. We all are striving to secure more defense for the dollar but I fear that a cut of this magnitude in this first year of the multiyear rebuy would send a signal of unreliability to potential bidders, making the contract much less attractive.

Mr. Chairman, the 5-ton truck program is absolutely essential to the upgrading of our conventional forces particularly in Europe.

In trimming the fat from the Defense budget, let us not let our men and women in uniform down by failing to provide them with the equipment they need to do their jobs.

Mr. STRATTON. Mr. Chairman, let me say that the subcommittee has had an opportunity to examine the gentleman's amendment, and we accept the amendment.

Mr. HILLIS. I appreciate the statement of the gentleman from New York.

Mr. DICKINSON. Mr. Chairman, will the gentleman yield?

Mr. HILLIS. I yield to the gentleman.

Mr. DICKINSON. Mr. Chairman, it was my understanding that while it makes sense, and we recognize that there is a problem, I was hopeful that the gentleman would allow the committee to deal with this in a way other than the amendment, and that perhaps we could work it out between now and conference in some other way, rather than by accepting the gentleman's amendment. As I said, I have no doubt it has merit, but we think it is a better way to work.

Mr. HILLIS. I certainly appreciate the gentleman's statement. It is my understanding that the other body, in their version of the bill, have provided full funding for the measure so that this matter can come up when the bill goes to conference.

Mr. DICKINSON. If the gentleman would yield further, if the gentleman would not insist upon his amendment, I think we could probably work out a solution that would be satisfactory to the gentleman, and would probably be best all around, if the gentleman could see fit to do that.

Mr. STRATTON. Mr. Chairman, will the gentleman yield?

Mr. HILLIS. I yield to the gentleman.

(Mr. STRATTON asked and was given permission to revise and extend his remarks.)

Mr. STRATTON. I thank the gentleman for yielding.

Mr. Chairman, I want to apologize to the gentleman. I was reading the wrong paper. Actually, the committee is constrained to rise in opposition to the gentleman's amendment. The opposition is based solely on meeting the budgetary objectives established by the committee when we marked up H.R. 1872.

The committee fully recognizes the critical importance of a 5-ton truck program to the Army, and has been a strong supporter, but the committee had to make, as the gentleman well knows, many reductions in the Army's procurement accounts, and the 5-ton truck was among the items that was reduced.

□ 1120

As has already been mentioned in the colloquy, the Senate defense authorization bill does provide authorization for the full amount requested for the 5-ton trucks, and I respectfully request that the gentleman from Indiana withdraw his amendment in the hope that we can resolve this issue in the conference.

Mr. HILLIS. I appreciate the gentleman's statement, and with his assurance, both in his statement and in that of the ranking minority member that this matter will be seriously and carefully considered in the conference, I would be willing to accept his suggestion and would ask that the amendment be withdrawn at this time.

Mr. Chairman, I ask unanimous consent that I be permitted to withdraw my amendment at this time.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Indiana?

There was no objection.

AMENDMENT OFFERED BY MR. HILLIS

Mr. HILLIS. Mr. Chairman, I offer an amendment, which is in the nature of a technical amendment.

The Clerk read as follows:

Amendment offered by Mr. HILLIS: Page 19, line 17, strike out "M939A2 technical data package" and insert in lieu thereof "M939 validated technical data package".

Page 20, at the end of line 17, add the following new sentence:

A contract under this paragraph may only be entered into in accordance with section 2306(h) of title 10, United States Code.

Mr. HILLIS (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. HILLIS. I will be very brief, Mr. Chairman.

I have an amendment at the desk that would make technical adjustments to section 107 of H.R. 1872, regarding 5-ton trucks.

This technical amendment proposes two changes. First, it amends section 107 in order to conform with existing statutes in title X, United States Code regarding multiyear authority.

This provison is essential because H.R. 1872, as it is drafted presently, is in violation of section 401(a) of the Budget Act. Indeed, the committee received a waiver from the Rules Committee on the condition that this amendment be offered.

Second, it amends section 107 in order to conform H.R. 1872 to the current technical data package owned and validated by the U.S. Government. Without this change, the provision in this bill will force the Government to initiate a competition based on a technical data package that is owned by a contractor—not the Government.

Thus, this provision is also essential because the intent of the committee was to support a competition based on a technical data package currently owned and validated by the Government.

Mr. Chairman, I urge the support of my colleagues in adopting this technical amendment.

Mr. ASPIN. Mr. Chairman, if the gentleman will yield, the committee has examined the amendment and we wish to accept the amendment.

● Mr. HILER. Mr. Chairman, I support the efforts of my colleague from Indiana, Mr. HILLIS, to restore $50 million in funding for the M939 5-ton truck, a vehicle that does a yeoman's job for our Armed Forces.

My colleague has spoken very well to the impact this kind of cut will have on the readiness of our troops in the field. The 5-ton truck is not sleek, it is not exotic. It is an olive behemoth

that moves troops, gear, weapons, and maybe Heaven and Earth if necessary, to support the conventional capabilities of our Armed Forces. And we need 13,000 of these unpretentious, reliable vehicles right now.

Is it prudent then to slash 22 percent—500 trucks—from the requested funding for fiscal year 1986? I don't think so. There is no question the American people want us to trim the fat from the defense budget, but Mr. Speaker, we're picking at the bone on this one.

This is especially so when you consider that the administration's total request of $225 million for 1986 already represents a program pared to bare minimum. Funding for this program in 1985 is $347 million, and the request for 1987 is $436 million, so the 1986 request already represents a dip in funding.

It also concerns me that this $50 million cut for the first year of a multiyear contract sends the same kind of capricious signals to potential competitors that our Federal Reserve often sends to the marketplace. It we are truly concerned about containing costs, and I think we are, then we must take care to invite competition, not discourage it. Forcing production levels below economic quantities is not the way to even keep current competitors, much less lure new ones.

In addition to troop readiness and cost containment, Mr. Speaker, I have a third worry and that is American jobs.

This $50 million cut from this truck program represents a potential job loss ranging in the hundreds for major unemployment areas in the United States, especially the Midwest. The job loss at South Bend, IN, where the truck is manufactured would be 100—50 direct hourly employees and 50 salaried support employees—due to this reduction. Applying the common 5-to-1 multiplier effect to determine "ripple" impact on suppliers, we are talking about 500 jobs which would be affected in many States including Ohio, Indiana, Michigan, Pennsylvania, Illinois, Iowa, and Wisconsin.

Mr. Chairman, if we need a reminder of what an unsure world this is the tragic hostage situation still unfolding in Beirut will serve that purpose. We would all hope never to find it necessary to do combat. But if it should happen, we must not find ourselves with an aging, undersupplied truck fleet—incapable even of delivering our conventional forces to the battlefield.

The cut of $50 million from the 5-ton program is unwise and I urge its restoration.●

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentleman from Indiana [Mr. HILLIS].

The amendment was agreed to.

AMENDMENT OFFERED BY MR. LEVINE OF CALIFORNIA

Mr. LEVINE of California. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. LEVINE of California: Insert the following new section at the end of title I (page 22, after line 23):

SEC. 111. REQUIREMENTS WITH RESPECT TO THE BRADLEY FIGHTING VEHICLE.

(a) IN GENERAL.—(1) The Secretary of Defense shall submit a report to the Armed Services Committees of the House of Representatives and the Senate, in both a classified and an unclassified version, with respect to the Bradley Fighting Vehicle. Such report shall describe the results of the two phase live fire survivability testing program being carried out with respect to such vehicle.

(2) In Phase 1 of the testing program referred to in paragraph (1), at least 10 live fire tests using anti-armor weapons of the Soviet Union shall be conducted against such vehicle in its present configuration. In Phase 2 of such program, similar tests shall be conducted against such vehicle with enhanced survivability features.

(b) CONTENT OF REPORT.—The report required by this section shall contain the following:

(1) A complete analysis of the results of the testing program referred to in subsection (a), including an accounting of all of the test shots which were fired at such vehicle, the distances from which they were fired, and the effect of such shots.

(2) A description and justification for the measures of merit and the pass/fail criterion used in the testing program.

(3) A justification for exempting from the testing program any overmatch or undermatch weapon which would likely be encountered in combat conditions.

(4) Potential problems that were revealed by the tests and a proposed design modification for remedying such problems.

(5) The estimated unit cost of each proposed survivability modification and the overall program cost for the modifications.

(6) A comparison of the estimated unit cost of the Bradley Fighting Vehicle in both the baseline configuration and the modified configurations.

(c) DATE OF SUBMISSION FOR THE REPORT.—The reports required by this section shall be transmitted as follows:

(1) The report regarding the results of Phase 1 shall be transmitted no later than December 1, 1985.

(2) The report regarding the results of Phase 2 shall be transmitted no later than June 1, 1986.

Mr. LEVINE of California (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. LEVINE of California. Mr. Chairman, I rise on behalf of myself and the gentleman from Oregon, Mr. DENNY SMITH. The two of us are offering the amendment, which I will explain in one moment.

Before I explain the amendment, first I would like to thank both the leadership and the staff of the House Committee on Armed Services for their invaluable assistance in the preparation of this amendment. I greatly appreciate the time which the committee staff has spent with my staff, and their extremely helpful advice in drafting and revising the language of this amendment.

Mr. Chairman, this amendment is both simple and straightforward. The Army is currently conducting much needed and long-delayed tests of Soviet weapons against unmodified M-2 and M-3 Bradley fighting vehicles.

As some of my colleagues will remember, I came before this body 2 years ago and offered an amendment which would have fenced funds for the Bradley until these tests were completed. Although that amendment failed on the House floor at that time, I received a promise from the Army at that time that tests similar to those that I advocated on the House floor would be conducted later that year, in 1983.

Although tests were conducted, they were flawed and the results were inconclusive. However, thanks in large measure to the dedicated efforts of Col. Jim Burton, the Army is now conducting the kind of realistic tests many of us sought and that I asked for 2 years ago. These tests consists of firing Soviet RPG-7 antitank rounds against a fully combat-loaded Bradley infantry fighting vehicle. In other tests, the Army will fire American TOW missiles and other Soviet weapons at Bradley vehicles.

Our amendment requires that the results of phase 1 of these tests be provided to Congress by December 1, 1985. My staff has contacted Colonel Burton, who is supervising these tests, and has been advised that he expects no difficulty complying with this December 1 deadline.

Phase 2 of these tests would be similar to phase 1, but would be conducted against a Bradley which has been equipped with survivability enhancements. The results of these tests must be sent to Congress by June 1, 1986.

Our amendment does not make further funding of the Bradley contingent on the outcome of these tests, although it is our expectation that the committee will see that the integrity of these tests is preserved. The kind of testing which the Army is now conducting on the Bradley, while long overdue, Mr. Chairman, does deserve high praise.

Our amendment would simply ensure that the results of these tests are provided to Congress in a timely and in an expeditious manner.

I urge my colleagues to support this amendment.

Mr. DENNY SMITH. Mr. Chairman, I rise in strong support of the amendment offered by the gentleman from California [Mr. LEVINE].

Mr. Chairman, I want to congratulate the gentleman from California for the long hours and fine work he has put in to bring this subject to the attention of the House.

A reading of the amendment by my colleagues will reveal that the purpose of the amendment Mr. LEVINE is offering is simple: The amendment requires that the Army complete the joint live-fire tests currently being conducted on the Bradley fighting vehicle by certain specified dates and that reports on the results of those tests be forwarded to Congress.

I know of no single conceivable objection that any of my colleagues on either side of the aisle could have to such an amendment. In fact, I think it is important to point out that Mr. LEVINE and I have kept our offices in constant touch with the Procurement Subcommittee staff on the nature of this amendment and it is my understanding that the leadership of that committee has no objections to the amendment. In fact, at this point, I would like to extend my many thanks to my colleagues Mr. STRATTON, Mrs. HOLT, their fellow members on the Procurement Subcommittee, and to the subcommittee staff for their time and effort in assisting in the drafting of this very important amendment.

Mr. Chairman, I believe this amendment is important for a number of reasons. As a long-time proponent of rigorous, realistic developmental and operational testing, I have always felt that the Bradley fighting vehicle (M-2) was a real problem child.

We are now 5 years into production of the Army M-2 vehicle and we are just now beginning to perform essential survivability tests on the vehicle, That's correct. After contracting for almost 3,000 of these vehicles for more than $1 million per copy, the Army is just now getting around to performing realistic tests of Soviet style weapons against a combat configured M-2—including fuel, ammunition, hydraulics, et cetera—to determine its survivability on the battle field.

The Army, no doubt, will insist that they have done the computer modeling and preliminary testing to indicate that there was no initial need to perform the joint live-fire test program now underway with haste.

I think Mr. LEVINE will agree with me that simulations and models be damned—there are no tests like real tests, especially when the lives of 70,000 of our young soldiers are at stake. It is my very strong belief, in fact, that when the joint live-fire tests [JLFT] are completed, we will find that the Army's own survivability modeling for the Bradley fighting vehicle [BFV] is significantly flawed.

At this point, I think we should state some facts for the record. This amendment does not call for new tests to be conducted. It simply statutorily requires that the Army conduct phase I and phase II of the JLFT as are now planned and have been promised by Secretary Will Taft in correspondence to Mr. LEVINE and myself.

Why the statutory requirement as opposed to counting on the Army to conduct these tests on its word and at its leisure? I would like to include in the RECORD at this point an internal memorandum from the Department of Defense on the subject of how the JLFT program came to being. Even a cursory reading of these memorandum will explain in full just how difficult the OSD official, Col. Jim Burton, found it to bring the JLFT program on the Bradley to fruition.

OFFICE OF THE UNDER
SECRETARY OF DEFENSE,
Washington, DC, September 19, 1984.

MEMORANDUM FOR RECORD

On September 10, I was informed by my superior, Brig Gen Hall, that my position on the OSD staff had been eliminated as part of the current OSD 5 percent reduction in force exercise. Gen Hall indicated that the decision had nothing to do with me personally or my performance over the past two years. He also informed me that he and Mr. Charles Watt, Acting Director Defense Test and Evaluation, had approached Lt Gen Leaf, Air Force Assistant Vice Chief of Staff and requested that I be allowed to remain on the job until next spring when the normal Air Force reassignment cycle begins. Gen Leaf agreed and asked that I meet with him, which I did on 11 Sep 84.

Gen Leaf was very cordial and went out of his way to assure me that the decision to eliminate my position had nothing to do with me personally; it was merely the "luck of the draw" in a 5 percent cut exercise. However, during the conversation he did indicate that my presence on the OSD staff was a "controversy that sometimes causes some problems." He would not elaborate on that point. In early August I had been informed by the Air Staff that Gen Leaf had instructed my Air Staff sponsors to pay closer attention to me and my actions and to pull in my reins because I was "running too freely." Gen Leaf confirmed that I would be allowed to remain until spring and that he had instructed the Colonel's Assignment Group to give me an assignment at that time out of the Washington area. He explained to me several times that I would then have the option of moving away from Washington or retiring from the Air Force, or as he put it, "I could move out or punch out."

During this same time I had two meetings with Dr. Wade, Sep 10 and 12, to discuss a proposed letter to the Army directing them to conduct rigorous live fire vulnerability tests on M2 Bradley vehicles realistically loaded with fuel, ammunition and hydraulic fluid. The tests were to be completed within the next year. The Army had been vigorously and successfully resisting this direction for the past six months, despite several meetings with and correspondence between senior OSD and Army leadership. I informed Dr. Wade that my position on his staff had been eliminated and as a result I would not be able to see the Bradley tests through to the end. I expressed concern that the Army would be able to successfully delay the tests until after I was gone, and then manage to have them cancelled altogether. He appeared surprised at the RIF action and we discussed the possibility that my persistence on the Bradley issue was related. Over the past several months, I had been informed of several statements made by Army personnel that I would not be around much longer, even though I had two years remaining on this assignment. As recently as Sep 6, while visiting Wright Patterson AFB, I was informed by Air Force personnel of telephone conversations that day with Mr. John Bloomquist of Aberdeen in which he openly made those statements.

On Sep 12, I informed Dr. Wade of the substance of my meeting with Gen Leaf. Dr. Wade made no promises, but indicated that we had plenty of time to work the problem of restoring my position so that I could finish the remaining two years on this assignment and see the Bradley issue through. In the meantime he had decided not to sign the letter directing the Army to test the Bradley, but had discussed it with Dr. Sculley by telephone. Dr. Wade instructed me to deliver a copy of the unsigned letter, and backup materials, to Dr. Sculley and schedule yet another meeting with Dr. Sculley et al on the same subject.

In 1983, the Senate passed by a vote of 91-5, and the House by unanimous voice vote, legislation which established the Office of the Director of Operational Test and Evaluation as an independent testing office reporting directly to Secretary Weinberger. The legislation was vigorously opposed by the Department of Defense in general and Dr. DeLauer in particular. Congress mandated that a Director be appointed and the office established by 1 Nov 83. By the spring of 1984, no candidate Director had been nominated to the Senate for confirmation. The Department of Defense, reacting to pressures from Congress to get on with the nomination process, claimed that they were having trouble finding a suitable candidate who was willing to take the job. Secretary Weinberger asked the sponsors of the legislation to nominate their own candidate. In response to this request, Senator Kassebaum, Chairman of the Reform Caucus, whom I had never met before, nominated me to Secretary Weinberger. I had agreed to allow my name to be submitted on the condition that there would be no retribution against me personally if I were not selected, and that I would be allowed to complete the remaining two years on my current assignment. Senator Kassebaum discussed that precondition with Secretary Weinberger by telephone in late April. As a result, I interviewed with Dr. DeLauer on May 2, and Secretary Weinberger and Mr. Taft on May 4. Secretary Weinberger subsequently selected another individual and submitted his name to the White House, where I understand a problem developed and the selection and nomination process has now started all over again.

In an attempt to determine who made the decision to eliminate my position, and on what basis that decision was made, I met with Mr. Charles Watt on 17 Sep 84. In response to direct questions, he stated that the decision had been his and that there was no outside pressure from the Air Force or the Army. He had been working the problem of a 5 percent cut since July and Dr. DeLauer would give him no relief. After consultation with Dr. DeLauer, he decided to eliminate my position, ask the Air Force to permit me to remain for awhile with no slot and then he would attempt to reinstate the slot next fiscal year. Meanwhile I would probably be reassigned.

At the time the cut list was made up by Mr. Watt, there were two other slots in my division available; a Navy slot which had remained vacant over the summer and was not filled until last August and a vacant secretary position—either of which would have sufficed.

I reminded Mr. Watt that his decision left the tactical testing office of Dr. DeLauer with three Army representatives, one Navy, one Marine, no Air Force, one secretary and one vacant secretary position—an imbalance which is difficult to understand. Mr. Watt could offer no compelling reason for his decision.

JAMES G. BURTON,
Colonel, USAF, Military Staff Assistant for Tactical Air and Land Warfare Systems.

OFFICE OF THE UNDER SECRETARY OF DEFENSE,
Washington, DC, August 24, 1984.

MEMORANDUM FOR JOINT LOGISTICS COMMANDERS—SUBJECT: JOINT LIVE FIRE TEST PROGRAM

Last fall OSD proposed, and the Services unanimously agreed to the Joint Live Fire Test Program. The stated purpose of the program was to test the lethality of U.S. weapons against combat configured Soviet vehicles and to determine (and correct where possible) the vulnerabilities of combat configured U.S. vehicles to Soviet weapons. The program was concerned with two areas, aircraft and armor systems. The need for this program was recognized by all, since no current front line U.S. system (armor or aircraft except A-10) has ever been tested (through a formal test program) in a combat configuration for vulnerabilities to live Soviet weapons. For the past twenty years, lethality/vulnerability assessments have been almost entirely based upon computer analysis with little or no full scale combat configured vehicle test results to support the assessments.

Rather than form a Joint Test Force, OSD agreed, at the request of the Services, to work with the Joint Technical Coordinating Group (JTCG), an existing element of the Joint Logistics Commanders, for the planning and execution of this program. In November 1983, the JTCG was asked to prepare program plans for the aircraft and armor phases. The aircraft plan was submitted in March 1984, approved and funded. It was responsive to the objectives of the program.

The aircraft plan calls for extensive initial testing of replicas and major components (i.e., wings, fuselages, etc.), building up to full scale article tests. The replicas and major components always contain the essential ingredients found in combat configured vehicles; fuel, ammunition and hydraulic fluids—the primary contributors to fire and explosion. Sufficient full scale article tests are planned to validate component and replica results. This approach will generate a large data base with regards to the most prominent, but least understood effects, fire and explosion. The vast majority of the data will be gathered on front line U.S. aircraft.

The armor community of the JTCG, on the other hand, has been unwilling to prepare a plan consistent with the objectives of the Joint Live Fire Test Program. They have recently submitted a proposal which calls for spending $16.7M conducting literally thousands of preliminary tests on inert, (no fuel, no ammo, no hydraulic fluid) targets to "characterize" warheads, armors, collect behind armor debris, etc., for fielded weapons and vehicles in order to perform final vulnerability assessments by computer modeling. Relatively few full-up combat configured tests are planned, and none on U.S. equipment until the end of 1986. This approach is not consistent with the purpose of the JLF, which is to determine the lethalities/vulnerabilities of combat configured equipment by actual test, not by modeling.

The cost of the armor program as proposed appears to be greatly underestimated. This, coupled with unnecessary preliminary inert tests, some questionable weapon/target matchups (e.g., Maverick and Skipper missiles against lightly armored personnel carriers) which generate more unnecessary tests, results in a program that may not be affordable.

For inventory vehicles such as the M-2/3 Bradley, M1, M-60, M-113 and soon the M1E1, sufficient preliminary testing has already been accomplished (see for example attached Bradley list). While it is always possible to construct additional interesting and useful preliminary tests, we believe that the unambiguous vulnerability and lethality assessments that will result from full-up testing is urgently needed. We further believe that priority should be placed on the testing of combat configured U.S. vehicles in order that worthwhile vulnerability improvements tht may be identified during those tests can be accommodated efficiently and expeditiously. Sufficient FY 84/85 funds are available to support such a course of action.

JAMES P. WADE, Jr.,
Principal Deputy Under Secretary of Defense for Research and Engineering.
Attachment.

OFFICE OF THE UNDER SECRETARY OF DEFENSE,
Washington, DC, June 14, 1984.

MEMORANDUM FOR DR. WADE—SUBJECT: JOINT LIVE FIRE TEST PROGRAM

Over the past year we have sponsored a test program managed by Ballistic Research Laboratory (BRL) to determine whether or not there are any significant differences in the behind armor effects between aluminum and steel armors, differences which might result in more casualties to U.S. infantrymen when their aluminum armored vehicle were attacked by shaped charge weapons. An article published in California Magazine and repeated in the Reader's Digest during 1983 quoted British tests that aluminum armors (as used in the Army's M-2/3 Bradley and M-113 APC) react more violently than comparable steel when hit by shaped charges and thereby wound or kill more of the soldiers riding in the vehicle.

To determine the validity of those claims, a three phase test program was reviewed, amended and approved by DDT&E. Phase I involved testing various sized shaped charges against a large enclosed box which represented the crew compartment of a personnel carrier. The sides of the box were constructed so that M-2 aluminum armor, M-113 aluminum armor and their two steel equivalents was set up inside the box to measure peak overpressure, luminosity, air temperature, heat flux, toxic gasses (NO_x) and high speed photography. Additionally, the difference in behind armor spall patterns was to be measured separately under BRL direction at Soccorro, NM.

Phase II involved testing an actual Bradley vehicle with the same shaped charge warheads and the same instrumentation, plus the addition of animals in some of the crew positions and dummies in the other positions. The vehicle was to be configured as in combat in terms of stowage. Phase III involved a similar test of the M-113 vehicle. Phase I began in December 1983 and ended in April 1984. Phase II ran from May thru June and Phase III will be from June thru July 1984.

Over the course of the past 6-8 months, BRL has made decisions and taken actions in the conduct of this program which, when viewed as a whole, have resulted in less realism than we requested as a condition of funding the test, less realism than was easily achievable under the circumstance, and less realism than is needed if any meaningful conclusions are to be drawn with respect to aluminum vaporifics, infantry casualties, and the overall combat vulnerabilities of the M-2/3 and M-113 vehicles. In many cases BRL's decisions and actions selectively reduced the severity of the behind armor effects noticed. As a result, BRL analyses and inferences on the meaning of the test results (meaning in terms of combat vulnerabilities) will necessarily be suspect because of the actions taken and inconclusive since the final "proof of the pudding" tests—that is, tests of fully combat configured vehicles—were deliberately avoided. This is truly unfortuante for at stake are the lives of some 50-70,000 U.S. infantrymen who may have to ride into combat in M-2/3 vehicles and two to three times as many in M-113's. Without completing the tests for the real vunerability of combat loaded vehicles, insights on how to improve the survivability of these vehicles will be denied.

All of this brings me to the primary subject at hand, the Joint Live Fire Test Program that DDT&E initiated. The issue is whether or not the Department of Defense and the Services (in particular the Army) *are serious about realistic lethality/vulnerability testing of first line ground combat equipment.* I raise this question because the management team selected by the Joint Logistics Commanders to test first line ground equipment, and approved by the Services in lieu of a formal Joint Test Force, is the same BRL management team that has conducted the aluminum vaporifics tests described above. I am concerned about BRL's (and the rest of the armor vulnerability community) willingness to seriously test first line U.S. ground systems under the Joint Live Fire Test. I believe we should make the M-2/3 a test case for seriousness since more lives are at stake in APCs than any other piece of ground equipment. If we are serious, we need to move directly into that test this summer (not mid-1986 as BRL proposes). Further, the test needs to include survivability enhancements for the M-2. I have enough funds available in FY84 ($250K) and FY 85 ($500K) to do this as well as begin some lethality tests against T-72 surrogates. If you feel the issues are important enough, I request your support in the form of:

a. directing that M-2 tests be done this summer

b. freeing up the M-2 vehicle now at BRL and the Ballistic Hull and Turret vehicle currently at the contractor's plant

c. supporting my effort to install a new management team, one that will conduct tests to save infantrymen's lives, not tests that defend the current configuration of front line equipment.

If we are not serious about testing our current major ground systems (as well as testing feasible survivability enhancements), then we should so inform Israel and

go look for other things to do. I am prepared to discuss this with you at your convenience

JAMES G. BURTON,
Colonel, USAF, Military Staff Assistant for Tactical Air and Land Warfare Systems.

Mr. Chairman, at this point, I also include for the RECORD, a list of the preliminary tests already performed to date on components of the BFV since 1982. I include this list to point out that we have been tinkering around for far too long with developmental component testing on the system, while all the while the actual production model was being sent to the field for our soldiers to rely on.

M-2 PRELIMINARY TESTS ALREADY COMPLETED

1. Vehicle ballistically tested to spec requirements (empty vehicle, water filled fuel tanks).

Small arms: 14.5mm, 50 cal., 7.62mm.

Land mines: 155 air burst artillary frags (simulating Soviet 152)

Test report No. APG-MT-5636, March 1982

2. BRL spent—$1M over last 6-8 months characterizing the 2 aluminum armors (solid and with steel laminate) used on the Bradley.

In terms of: spall patterns (mass & velocity of fragments) pressure, temp, light, toxic gases.

Tested with: 3.2" dia lab shaped charge, RPG-7M (73 mm dia), RPG-7G (85mm), SAGGAR (4.5 inch dia), TOW (5 inch dia), 105mm 456 HEAT round. Over 100 shots at aluminum armor (inert M-2, M113 vehicles, and Box with armor plate).

3. Aberdeen Proving Ground Tests of 14.5mm and 3.2" shaped charge fired through M-2 laminated armor panels into 25mm HEI ammo containers loaded with ammo. Forty-two tests conducted.

Test report No. APG-MT-5665, April 1982

4. 3.2" shaped charge fired into M-2 fuel tank with fuel present—fire extinguisher worked (actual vehicle).

Test Report No. APG-MT-5636, March 1982

5. 14.5mm fired into M-2 TOW missile launcher loaded with a TOW.

Test report No. APG-MT-5636, March 1982

6. 3.2" dia and 5" dia shaped charges against M-113's with and without spall suppression liners—M-113 armor same alloy as portions of M-2. Test conducted from April 78 to May of 81.

Test Report dated 14 March 1984.

Mr. Chairman, last summer, the Army drew up a test plan implying that they would finally be conducting realistic live-fire tests against combat configured Bradleys. Yet when the tests were stopped, it was discovered that not only did the Army not perform the realistic tests expected, but those in charge of the testing at the time took direct actions to skew the results of the tests so as to lessen the reported impact of Soviet style weapons employed against M-2 replicas far from configured as they would be in combat.

APPENDIX A

Actions	More after armor effect	Less after armor effect
1. Original test plan called for only 2 size shaped charges (81 and 125mm, one of which was a laboratory device, not a real warhead), statically detonated. The evidence is quite clear that dynamic impacts of real weapons produce significantly more destructive results		X
2. RPG-7M vs RPG-7G. The Soviet RPG-7 has an 85mm warhead and is used all around the world. We insisted BRL use RPG-7's vice their own 3.2" laboratory device. After this they substituted a Rumanian PG-7M which has a 73mm warhead instead of the regular RPG-7. The decision to use the small warhead in lieu of the regular warhead was never shared with us beforehand. When we discovered the use of the -7M warheads, we stopped the tests and obtained RPG-7G's for BRL from the Grenada cache. Unfortunately this was not until after Phase I was complete. In the meantime, static RPG-7G data was collected because the -7G's available at Aberdeen were too old to function dynamically		X
3. Original test plan called for examination of behind armor effects on fuel fire initiation—never tested. We can only speculate that the higher pressures and temperatures and fire ball associated with aluminum armor will or will not initiate fuel fires more readily than steel armor		X
4. Spall pattern tests at Soccorro, NM. RPG-7G's, TOW's and M456 tank fired HEAT round all attempted dynamically (4 of 7 TOW shots missed, hence 4 more TOW warheads were statically detonated—these provided further evidence of significant differences between static and dynamic tests)		X
5. Written test plan for Phase II (Bradley tests), which was approved by DDT&E, called for RPG-7G's, TOW's and M456 HEAT rounds fired at 0° and 45° obliquity with 2 repetitions each. RPG-7's and 456's were definitely to be dynamic and verbal promises of dynamic TOW shots were given. BRL, in consultation with Surgeon General staff, changed shot plan such that no obliquity shots would occur, only 3 TOW shots (vice 4 planned) and only 1 tank fired HEAT round (vice 4) would occur. TOW shots would be static. This decreased the data gathered for the larger warheads and eliminated the 45° obliquity shots. Both of these actions reduced the severity of the damage. We objected and insisted on at least one obliquity shot		X
6. Shot line for Bradley tests. The written test plan which we approved called for 6 shots at 0° obliquity and 6 shots at 45° obliquity, all entering left side of vehicle and passing through the stowed TOW missile cannisters. BRL changed entry point, without consultation, to the only possible entry point where the shaped charge would not penetrate stowed ammunition containers. (There is one small square area between TOW missile cannisters and boxes of 25mm HEI where a 0° obliquity shot could pass through without hitting ammo.) We insisted upon at least one obliquity shot, which BRL obliged. A 25° shot occurred and the results were devastating. Pressures and temperatures were double whad had been seen at 0°. All hatches blew off including the rear ramp		X
7. Uniform Fires. When the first RPG-7 shot against the Bradley caused a uniform fire on one of the dummies, the uniform was removed from that dummy and another which would be close to the jet shot line. All dummies had their uniforms removed for the 25° obliquity TOW shot. Reason given: to prevent fires inside		X
8. Watered down uniforms. Prior to the first TOW shot at the Bradley, all dummies which still had uniforms, and all sleeping bags were watered down with a hose to prevent any fires		X
9. No dynamic TOW shots. All Phase I box TOW data was from static detonation and all Bradley TOW shots were also static. In early April, BRL representatives visited Israel where they were shown a simple compressed air launcher for dynamically testing TOW warheads. We asked that this be incorporated in the Bradley tests. No attempts have been made to incorporate a device like this, even though we have constantly requested it and even though BRL has learned that Eglin also uses such a device		X
10. Toxic gas measurements. During the RPG-7 tests against Bradley, lethal doses of NO_2 were measured. After we commented on the high concentration, BRL and MTD stopped measuring NO_2, claiming that previous readings were in error and that the equipment was malfunctioning. No significant amounts of NO_2 have been reported, contradicting the British results in similar tests		X

APPENDIX A—Continued

Actions	More after armor effect	Less after armor effect
11. Down Loaded 105mm M456 Round. Propellant was removed from the 456 tank fired HEAT round to reduce the impact velocity on the Bradley from 1100 m/s to 800 m/s. This was done to simulate the impact velocity at 1700 meters range (a questionable range for combat with the M456 round). The effect was to reduce the kinetic energy of the impact by one half, significantly reducing the effects		X
12. Steel Armor Mask for Bradley. A steel armor protective shield was constructed in front of the Bradley vehicle for the M456 HEAT round test. A small hole in the steel armor would allow the 456 round to pass through and impact only the desired point where it would penetrate the Bradley and not pass through any of the ammunition cannisters inside the vehicle. All external blast and fragment damage was shielded from the vehicle		X
13. Full up Bradley test with fuel and ammo present. In our approval of the test plan for the Bradley phase, we insisted that the last 2 holes be RPG-7G's against the Bradley loaded with fuel and ammo as it would be in combat. TOW's, DRAGON's, LAW's, Claymore mines, AP mines, anti-tank mines, smoke and incendary grenades, 25mm HEI, 7.62 and 5.56mm are called for in the official stowage manuals. It is important to determine whether or not the behind armor effects would light off any or all of the above. BRL has resisted and refused to commit to such a test. On 16 May 84, the day of the first inert Bradley test, Mr. Vitali, Chief of the Vulnerability/Lethality Division, BRL and Dr. Schmidt, instrumentation engineer for the Bradley test series visited the Pentagon and briefed Mr. Walt Hollis, Army Deputy Under Secretary, on the status and plans of the program. Mr. Hollis claims (tele con with Chuck Bernard 22 May) he directed BRL to shoot the last two shots of this series full up as we had requested. In 25 May tele con with Vitali, he denied such direction, however, pledged verbally to test the fully loaded Bradley for vulnerabilities as we had requested. On 1 Jun BRL gave us a proposed plan for the Joint Live Fire program which called for first testing the Bradley in the spring of 1986, 2 years after the completion of the current vaporifics tests		X
14. Refused to mount pressure gages where the people in an APC are		X
15. Animals were not checked for flash blindness nor were they kept alive long enough to allow typical "blast lung" edema to develop. This minimized apparent damage to overpressure. No observers were allowed at any of the animal autopsy work		X
16. Did not line entire target box with aluminum—just back. Thus, many fragments hit the steel roof, floor, and sides		X
17. RPG-7 fired at 60' which gave an impact velocity of less than 1/4th of the maximum velocity of RPG-7		X
18. No Claymores, no LAW's, no Bouncing Betties		X

Mr. Chairman, after reading just how preposterous these actions taken by the Army testers were, and after viewing the sheer misery an honest officer like Colonel Burton has had to go through just to get these needed tests underway, is it no wonder that we feel the time has come for the Congress to step in for our young fighting men and make sure the needed testing is done right and without further delay? I think not.

The tests called for in this amendment are long overdue. The reports called for in this amendment are long overdue. Common sense, realistic testing on Army combat vehicles like the Bradley are long overdue. And it's my belief, Mr. Chairman, that we ought to get on with the job by passing this amendment.

Mr. ASPIN. Mr. Chairman, I move to strike the last word.

Mr. Chairman, the committee and the staff of the Committee on Armed Services has examined this amendment, and we think it is a very worth-

while amendment. We urge the adoption of the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California [Mr. LEVINE].

The amendment was agreed to.

AMENDMENT OFFERED BY MR. DENNY SMITH

Mr. DENNY SMITH. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. DENNY SMITH: Insert the following at the end of title I (page 22, after line 23):

SEC. 111. CONDITION ON PROCUREMENT OF CERTAIN COMBAT VEHICLES.

(a) IN GENERAL.—Chapter 141 of title 10, United States Code, is amended by adding the following new section at the end thereof:

"§ 2406. Condition on procurement of certain wheeled or tracked armored vehicles

"(a) The Secretary of Defense shall provide that no contract is entered into by the Department of Defense for the procurement of—

"(1) any newly developed combat wheeled or tracked armored vehicle; or

"(2) any combat wheeled or tracked armored vehicle with significant newly developed survivability modifications,

unless the testing carried out in the development of such vehicles meets the requirements of subsection (b).

"(b)(1) The testing of any combat wheeled or tracked armored vehicle referred to in subsection (a) shall include a series of test shots to be made by each type of weapon (or appropriate substitute, if required) that is likely to be a combat threat to the vehicle. Such tests shall be carried out in a manner modeled after the Bradley Fighting Vehicle Joint Live-Fire Test Program and shall at least include test shots fired under the same conditions at both the test vehicle and the vehicle it is to replace, if any, with each vehicle being equipped with all of the elements that the vehicle would be equipped with in combat.

"(2) In making a determination under paragraph (1) concerning the weapons that are likely to be a combat threat to the vehicle, the Secretary may exclude such weapons that are obviously overmatched or undermatched threats to the vehicle.

"(c) The Secretary of Defense shall make a classified report and an unclassified report to the Committees on Appropriations and the Committees on Armed Services of the Senate and House of Representatives with respect to the testing of each vehicle for which testing is required under this section. The reports shall be transmitted along with the first request for authorizations for procurement of the vehicle or for modifications to an existing vehicle and shall include at least—

"(1) a complete description of the firing parameters used and an analysis of the effect on the vehicle of each test shot made;

"(2) a description and justification of the merit and pass/fail criterion used in carrying out the test;

"(3) the criterion used for excluding certain weapons as obvious overmatch or undermatch weapons under subsection (b)(2);

"(4) potential shortcomings of the vehicle that were revealed by the testing and the proposed plan incorporating changes considered cost effective that are necessary to overcome such shortcomings;

"(5) a comparison of the estimated unit cost of each newly developed vehicle or of the unit cost of the newly developed survivability modifications being made and the unit cost of the vehicle that is to be replaced, if any, by the test vehicle.

"(d) The Secretary of Defense shall include in the Test and Evaluation Master Plan established for any combat wheeled or tracked armored vehicle to which this section applies an estimated cost and schedule of the testing to be carried out with respect to such vehicle."

(b) Technical Amendment.—The table of sections at the beginning of such chapter is amended by adding the following at the end thereof:

"2406. Condition on procurement of certain wheeled or tracked armored vehicles.".

Mr. DENNY SMITH (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Oregon?

There was no objection.

□ 1130

Mr. DENNY SMITH. Mr. Chairman, I offer this amendment today in the hope that its passage will do much in the future toward saving the lives of our combat soldiers and saving the American taxpayers a tremendous amount of money. This amendment, though simple in nature, could bring about very positive, revolutionary change in the manner in which we procure some of our most important Army weapons and I am honored to have worked with the Armed Services Committee in helping to bring it about.

In particular, I would like to thank Mr. LEVINE of California for his work in this area. Without the groundwork he has laid in the area of testing the Army's Bradley fighting vehicle, I'm certain this amendment would have never come to the floor today. I would also like to express my many thanks to my colleagues, Mr. STRATTON and Mrs. HOLT, the ranking members on the Procurement Subcommittee, their colleagues, and the committee staff for their assistance and constructive work in bringing this amendment to life.

Mr. Chairman, the language of this amendment is simple, but the far-reaching beneficial effects its passage could have on the Army procurement process is enormous. The amendment would simply require that in the future there could be no procurement of any new or significantly modified armored combat vehicles prior to the conducting and completion of combat relevant testing to determine the survivability of such vehicles.

The low-cost, combat-relevant testing called for in this amendment would be conducted in the same manner as the current Joint Live-Fire Testing Program now underway on the Bradley fighting vehicle (M-2) in which Soviet style antiarmor weapons are fired against the Bradley as configured as they will be in combat with fuel, ammunition, hydraulics, and so forth.

In order to point our the necessity for such a mandate, let me briefly explain the present methodology by which we evaluate the adequacy of our combat vehicles.

All present armored vehicles are based on a computer analysis. This requres an extremely complex input of weapons characteristics as to size, type, impact velocities, obliquity angles, warhead charge, pyrophorics, and so forth. The second relevant input affecting the model characterizes the armor of the vehicle as to thickness, layers, angles, hardness, structural members, placement of personnel, fuel, engine and drive components, ammunition, missiles, etc.

Based on the above, a shot line anaylsis which characterizes the warhead effects down a predicted path to include the spray pattern of fragments and armored spall is then made. This results in a detailed prediction of the exact damage inflicted on the personnel and vehicle.

The final step in the present process is to verify the accuracy of the predictions produced by the model by conducting full-up testing using real weapons against a combat-configured vehicle. The computer is then reprogrammed as necessary to achieve accuracy in its projections.

Past performance: The computer analysis relys on data input from a huge battery of specialized segmented tests where each damage phenomenon is isolated. These inputs take years or decades to accomplish.

So far as can be determined, there has never been a full-up firing against a combat-configured vehicle to verify the computer accuracy.

For example, over 30 years ago, the Army chose aluminum armor for many of its vehicles. To date the characterization of aluminum spall has not been finished. Yet this is one of the first and most basic inputs required in the computer analysis.

The present computer analysis for the large number of weapons and vehicles has only been checked vicariously by a few post combat analyses and by some independent partial tests conducted for other reasons. These cross checks have shown that the computer projections for armored vehicle survivability have no predictive value and should not be used.

To summarize, the present method is enormously costly and time consuming. It is not accurate, but most telling, this system for vulnerability determination is totally useless because it is never timely. It is often not completed until long after the production of all the armored vehicles is finished.

Case in point: We have produced over 80,000 M-113 vehicles and 3,000

Bradley fighting vehicles (M-2) and to this date there has never been a single realistic test firing of a Soviet style antiarmor weapon against a combat-loaded vehicle.

The test process required by this amendment: All new armored wheeled and tracked vehicles will undergo survivability testing modeled after the present Bradley fighting vehicle joint live-fire tests.

Operational enemy weapons that are most likely to be encountered on a battlefield will be fired under normal combat conditions of range, velocity, obliquity angle, and so forth at the new or modified armored vehicle configured as in combat with fuel, ammunity, and so forth.

Simultaneously, and under identical test conditions, the same weapons will be fired at the present armored vehicle that is to be replaced, to provide baseline data for a comparision.

Present experience indicates that a test-vehicle can be used 10 to 15 times by installing a massive fire extinguishing system that is manually activated after the shot, if necessary. This can prevent the vehicle from going into a self-destruct meltdown. Often it is not necessary to construct a complete vehicle. A rather inexpensive ballistic hull with the installation of salvaged components of a similar size and type can be used. Accurate placement of fuel, munitions, and dummies representative of personnel is easy to accomplish.

Under this straightforward test method, the combat projections are not dependent on a large series of judgmental assumptions. The vehicle merely assesses itself, and passes on the information in a clear and direct manner.

A primary requirement of this amendment is that the testing must be completed prior to or simultaneously with the first request for production funds.

Expected payoff of realistic, combat relevant testing: The process required by this amendment will result in the early generation of reliable data that can accurately determine survivability of the proposed new or modified vehicle.

It will eliminate or reduce the technical surprise factor that is now present regarding armored survivability. It is an accurate method to uncover weak areas and to provide a mapping of the armored vehicle's strengths.

The process will provide the much needed basic information so that modifications can be incorporated to correct survivability weaknesses.

This process will also uncover armored vehicles that are based on a fatally flawed concept that can be corrected prior to large procurements. These large expenditures often develop a constituency of their own, with overwhelming inertia.

Our fighting men will receive a much higher quality of protection in its armored vehicles, on a timely basis. The taxpayer will receive a good return on his test dollars and a great reduction in costly modifications. Fatally flawed concepts will be fixed or will not be funded.

This amendment merely takes the present required combat relevant testing used for verification of the computer and puts it first instead of last, where it ought to be. I ask my colleagues for their support of this amendment.

Mr. DICKINSON. Mr. Chairman, will the gentleman yield?

Mr. DENNY SMITH. I am happy to yield to the gentleman from Alabama.

Mr. DICKINSON. Mr. Chairman, I would like to commend the gentleman from Oregon [Mr. DENNY SMITH] for his interest, which is very substantial, in the defense of this country and in the bill before us today. He spent a lot of time on this and did a lot of study. He has talked to me and other members of the committee on a number of occasions on matters that are of interest to him.

As a matter of fact, the gentleman has submitted a series of questions to the Department of Defense which, I think, are fair, reasonable questions, asking for answers to some pretty tough problems. I understand the Department of Defense, even though they have had the request for almost a month, has failed to answer the questions as of yet, which is inexplicable as far as this Member is concerned. I am sure that the gentleman who is the author of the questions is performing a valuable service here.

Mr. Chairman, I support the amendment. Certainly there can be nothing wrong in requiring an actual, realistic testing of these vehicles, which make up a billion-dollar program, before we get into full-scale production. I would certainly support the gentleman's amendment.

Mr. DENNY SMITH. Mr. Chairman, I thank the gentleman from Alabama.

Mr. ASPIN. Mr. Chairman, I move to strike the last word.

Mr. LEVINE of California. Mr. Chairman, will the gentleman yield?

Mr. ASPIN. I yield to the gentleman from California.

Mr. LEVINE of California. Mr. Chairman, I thank the gentleman for yielding.

I am pleased to join with my colleague, the gentleman from Oregon [Mr. DENNY SMITH] in sponsoring this amendment. Frankly, Mr. Chairman, I was quite surprised when I learned that not only was this type of testing not already standard practice but that no Army vehicle had yet undergone this type of testing.

When tens of thousands of men's lives are on the line and when billions of dollars of defense funds are spent on extremely complex weapons, it is vital that we do as the gentleman from Oregon has suggested and conduct realistic tests so that we know how these weapons will perform in combat, so that we can determine weaknesses in our new weapons so they can be fixed, and so that we can make more informed decisions about whether or not to fund procurement of the weapon.

Mr. Chairman, I commend the gentleman from Oregon for offering this important amendment. I am pleased to join with him in offering it, and I urge its adoption.

Mr. ASPIN. Mr. Chairman, I wish to associate myself with the remarks of all three gentleman who have spoken in support of this amendment, and on behalf of the Committee on Armed Services, we urge an aye vote on this amendment.

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentleman from Oregon (Mr. DENNY SMITH).

The amendment was agreed to.

AMENDMENT OFFERED BY MR. DENNY SMITH

Mr. DENNY SMITH. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. DENNY SMITH: Page 6, after line 13, insert the following:

(2) Of the amount appropriated pursuant to the authorization of appropriations in paragraph (1), $11,000,000 is available only for the procurement of gun pods for Marine Corps Reserve aircraft with a demonstrated anti-armor lethality equivalent to the GAU-8 30 millimeter gun pods.

(3) The Secretary of the Navy shall, within 120 days after the date of enactment of this Act, transmit to the Armed Services Committees of the Senate and House of Representatives the final plan for carrying out the procurement required by paragraph (2).

Page 6, line 14, strike out "(2)" and insert in lieu thereof "(4)".

Mr. DENNY SMITH (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Oregon?

There was no objection.

Mr. DENNY SMITH. Mr. Chairman, the purpose of this amendment is to provide the Marine Corps Air Reserves an effective close air support weapon with a proven kill potential against heavy armor. This capability will utilize the huge 30 mm ammunition air reserve that is in place, and, as such, can be implemented in the very near term.

BACKGROUND

Our Marine infantry is lightly equipped both as to armor and firepower. It traditionally depends on its

air arm to provide heavy firepower under close air support conditions.

Present Marine Air Reserve units depend almost solely on MK-82 free fall bombs and rockeye cluster munitions for their antiarmor weapons.

Both these weapons are large and have a minuscule probability of kill against armor. As a result, their tactics are ones of dropping these weapons in clusters of six, which is a full A-4 aircraft load. The resulting probability of kill for the cluster of MK-82 bombs is still very small, and with the rockeyes, only incrementally better. However, using these munitions, the precious and expensive fighter aircraft sortie has at most the potential for a single kill against heavy or light armor.

Our marines, after making a forceable entry over the beach, will usually prepare a rudimentary landing strip. This is often supplied by heavy-lift helicopters from supply vessels offshore. Each helicopter supply sortie can only manage about three passes worth of munitions per trip with either the MK-82 or rockeye. Under combat surge conditions, useful sorties and resupply capability at the airstrips will often be totally saturated.

Both the MK-82 and rockeye weapons have large miss distances which preclude their use under conditions where the Marine infantry are in close contact with the enemy. The possibility of hitting our own fighting men is so high that these weapons are prohibited from use right when they are needed the most.

Also of great concern with these weapons is the collateral damage that will occur to the civilian infrastructure and the civilian population. Neither weapon has a pinpoint aim capability and both essentially need an extremely unlikely direct hit to achieve a kill against armor.

Both weapons are employed by dive attacks. For this reason, they can only be employed under moderate to high weather ceilings with moderate to excellent visibility.

A visual search from moderate altitude is not very rewarding when looking for even poorly camouflaged armor. A visual search from low altitude with the idea of a pop-up to achieve a dive attack will essentially require a low altitude dry pass by the pilot which unfortunately provides gentlemanly warning to the enemy followed by a dive attack one or more minutes later.

Last, the marine pilot may do his search safely at low altitude which generally eliminates the enemies ground-to-air missile capability. However, he must climb right into the center of the ground-to-air missiles' effectiveness envelope and then fly a very long straight predictable dive path for weapons release. As a former fighter/bomber pilot, I would find it difficult to imagine that the enemy could devise a more vulnerable tactic for us to use than that.

To summarize, the marine infantry is utterly dependent on its air arm for its close air support heavy fire power and its ability to effectively carry out this mission is near nonexistent.

This glaring combat shortcoming was recognized at least 7 years ago. The 30-mm pod was considered at that time to be by far the best short term solution for the Marine Corps. However, the 25 mm was also considered. We in Congress directed a comparative shoot off of these pods 5 years ago. The results clearly showed that the 25 mm had essentially no potential against heavy armor. It did not kill a single tank in 20 passes. On the other hand, the 30 mm killed 67 percent of the tanks it fired upon.

The data supporting a decision to move forward with procurement of the 30-mm gun pod was clear. Yet no procurement has occurred during these past 5-years. In fact, further tests have only reconfirmed the dominance of the 30 mm over the 25 mm alternative.

It seems particulary cavalier to me that considerations independent of combat logic should delay our decisions when the very lives and success of our fighting men are dependent on these decisions.

The amendment does not require procurement of a particular gun or gun pod. Presently, there are four guns which fire the proven 30-mm armored piercing round, which is available in huge quantities within our war reserves. Two pods exist for two of the guns. Gun pods could be easily made for the others.

The main thrust of this amendment is to use the proven 30-mm round which has a huge inventory in place.

EXPECTED PAYOFFS

Procurement of the gun pods for the Marine Air Reserves will quickly achieve a viable and effective close air support weapon against heavy armor. The cost for this program is minor compared to any alternative including the current use of MK-82 free fall bombs or rockeyes. The expendables for each pass is one-tenth to one-twentieth on a comparative basis between the two. In fact, the $11 million called for in this amendment is already budgeted for in this bill. This program will still require about $24 million more in the outyears to provide a full complement of pods for the reserves.

The gun pod approach provides a weapon with surgical percision specifically designed to kill heavy armor. In the Grenada action, the two air commanders continuously applauded the capability of their 20-mm cannons. The ability to use the weapons in close proximity to their own infantry was essential. They totally relied upon the gun as the only weapon that could be employed under these conditions.

We were amazingly lucky that no armor existed in this scenario, as the 20 mm would have been useless. Mr. Speaker, at this point, I would like to insert sections of the after action report on the Grenada action for the RECORD:

U.S. ATLANTIC FLEET,
NAVAL AIR FORCE,
November 17, 1983.

From: Commanding Officer, Attack Squadron Eighty Seven, Commanding Officer, Attack Squadron Fifteen.

To: Commander, Light Attack Wing ONE, NAS Cecil Field, FL 32215.

Subject: Lessons Learned: Urgent Fury.

1. Light Attack participation in Operation Urgent Fury provided a shot in the arm for the entire community. While there did occur limited A-6 ordnance delivery and important daily F-14 coverage, it was primarily an A-7 show from the Naval aviation side. The ability to react quickly and precisely in support of the ground forces ashore appeared to be greatly appreciated by those in combat on the ground. As one can imagine, the quick reaction scenario combined with a joint operation involving all of the services produced some rough spots. The enclosed "Lessons Learned" are provided in the hopes that what we learned from this operation can be included in the Light Attack corporate memory for future use. If one needs convincing that the platitudes normally heard at change of command ceremonies concerning combat readiness should be taken seriously, Urgent Fury should provide it. Six days after leaving for the Mediterranean, we found ourselves in combat over an island in the Caribbean. We are proud to share this information with our sister squadron at Cecil, realizing that anyone of them would have carried the Light Attack banner as well.

B. L. DUFF.
M. F. O'BRIEN.

3. The first and foremost lesson learned is that the A-7E is, by far, the superior aircraft to support ground assault forces in this scenario. Where the FERA is well defined and there is sizable opposition, the A-6E would be a necessary asset. In this case the A-7E with its M-61 gun was the primary weapon. Both airborne and ground FACs commented that "When the A-7s were in, their (enemy) heads went down."

The biggest factor in deterring enemy forces was the M-21 gun. Its unsurpassed accuracy allowed all pilots to thread the needle without threatening our own troops.

The pinpoint accuracy of a gun also was of substantial merit to minimize or eliminate collateral damage to the civilian population and to our own infantry.

The gun mission is almost always flown at low altitude which denies the effectiveness of enemy ground-to-air missiles. It is complementary to the low altitude visual search requirement for such a mission. A gun can usually be employed on the first pass with no need for a pop up into a missile effective envelope. These attributes allow operation under a very low ceiling with low to moderate visibility conditions. This will greatly expand gun pod employment opportunities in many scenarios compared to weapons dependent on dive deliveries.

A precious fighter sortie utilizing a gun pod will have 10 potential tank kills per sortie versus one as now configured. The probability of kill for each individual pass as determined over hundreds of test passes under simulated combat conditions is several times higher than present weapons. A heavy lift helicopter sortie could carry 130 passes per resupply mission versus three as presently envisioned with weapons currently employed. Consider the following comparison:

COMPARISON CAS SORTIE GUN POD VERSUS MK 82 OR ROCKEYE

	30 mm	MK 82 or Rockeye
Number A–4 aircraft	20	20
Sorties/day/aircraft	4	4
Combat surge days	5	5
Total sorties available	400	400
Cost of expendables/pass	$800	$2,000/$24,000
Logistic helicopter resupply sorties	28	135
Combat payoff		
Potential vehicle kills of all types assumes MK 100 percent	4000	400

The point to be gathered from the previous comparison is that 4,000 potential kills exist compared to only 400 using the same sorties over a 5-day period. The cost per sortie for the 30 mm is significantly smaller. The cost per pass is dramatically less.

However, if heavy-lift helicopters were used for resupply, the A–4 could not even perform the 400 passes. There just wouldn't be 130 heavy lift helicopter sorties available for each squadron. There might be 28 sorties for the 30-mm resupply.

Mr. Chairman, in conclusion, our Marine Corps Reserves are in dire need of a heavy fire power weapon for close air support. The 30-mm gun pod, with its excellent logistics train and huge war reserve stock, is the ideal weapon. I ask for my colleagues, support for this amendment.

Mr. ASPIN. Mr. Chairman, I move to strike the last word.

Mr. LEVINE of California. Mr. Chairman, will the gentleman yield?

Mr. ASPIN. I yield to the gentleman from California.

Mr. LEVINE of California. Mr. Chairman, I thank the gentleman for yielding.

Again on this amendment, Mr. Chairman, I am also pleased to join with my colleague, the gentleman from Oregon [Mr. DENNY SMITH], in offering this amendment.

This is an important amendment. Its adoption would simply help ensure that the Marine Reserves have effective antitank weapons, something which they do not now have. It would not require any additional funds but would earmark already authorized funds for this purpose.

Again, Mr. Chairman, I would like to commend my colleague, the gentleman from Oregon, for his leadership on this issue, and I urge the adoption of this amendment.

Mr. ASPIN. Mr. Chairman, on behalf of the committee on Armed Services, let me say that we have examined this amendment. We believe it is a very good amendment, and we urge its adoption.

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentleman from Oregon [Mr. DENNY SMITH].

The amendment was agreed to.

AMENDMENT OFFERED BY MR. WEISS

Mr. WEISS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. WEISS: Page 6, line 25, strike out "$4,365,300,000" and insert in lieu thereof "$3,783,300,000".

Page 13, after line 9, insert the following:

(h) PROHIBITION ON EXPENDITURES FOR THE TRIDENT II MISSILE.—None of the funds appropriated pursuant to the authorizations of appropriations in this section may be obligated or expended for the Trident II missile program.

Mr. WEISS. Mr. Chairman, my amendment would delete all funds for procurement of the D–5 or Trident II missile. Let me underscore that it is the missile that the amendment seeks to strike authorization for, not the submarine. The submarine is the Trident submarine. We do not in any way in this amendment affect the submarine.

The $582 million contained in this year's defense authorization bill is merely the downpayment on a fabulously expensive system that we do need, should not want, and cannot afford. We do not need the D–5 because it will do nothing to enhance our nuclear deterrence. We should not want the D–5 because it will undermine stability and increase the likelihood of accidental nuclear war, and we cannot afford the D–5 because this unnecessary and destabilizing weapons system carries a price tag of $40 billion.

Mr. Chairman, I understand that there is a tendency in this body to feel that if we have voted to curtail or limit one awful destablizing weapons system, as we did yesterday with the MX, that is our contribution to arms control for this year, and that we should take no further steps even if the missile that we are considering now is worse by far, if one can imagine that, than the MX.

There is a fear that our constituents may think that we are soft on defense.

We should have more confidence in their understanding, intelligence and commonsense.

□ 1140

Sometimes in the course of debate on this floor or indeed in the course of discussing the nuclear arms race generally we tend to forget that what we are talking about is the future of humanity itself. Our discussions and debates ought to be focused on whether a particular weapon or weapons system helps to prevent that ultimate day of destruction for humanity or whether it brings us closer to that day of destruction.

Now, let me talk to you about the missiles that are at issue in this debate. Right now the Trident submarine carries a very powerful missile. It is the Trident I, otherwise known as the C–4. Each of the Trident submarines carries 24 of these C–4 missiles. Each of those missiles is armed with eight warheads, so that each of our Trident submarines can now attack 192 separate targets; one submarine.

Each C–4 warhead has an explosive force twice as great as that of the Pershing missile. In the terms of art that is used, each warhead has an explosive power of 100 kilotons.

Do you know what that means? Each warhead has the equivalent power to 100,000 tons of dynamite. And there are 192 such warheads on each submarine. That is more explosive power on one single submarine than has been expended in the entire history of humanity. The current missile and its warhead can destroy airfields, submarine ports, industrial facilities, governmental centers and cities. If what we want from our seabased missile is a secure retaliatory deterrent, the C–4, the present missile, does the job.

Now, let me tell you about the D–5, the one we are seeking to strike authorization for. The D–5 missile, which is not even ready, it is still undergoing engineering research, will take another $6 billion worth of research before it is ready for actual utilization. What we are talking about is advance procurement.

The D–5 missile would have an explosive power of 475 kilotons; that is, each warhead has the equivalent of 475,000 tons of dynamite for each of these 192 warheads on each submarine. That is almost five times the explosive power of the current C–4 missile. The explosive power of the D–5, the missile that we are seeking to eliminate, has roughly the explosive power of the MX.

What do we need D–5 missile for? There is only one thing that the D–5 missile can do that the C–4 missile cannot do. It can dig Russian missiles out of silos.

The CHAIRMAN pro tempore. (Mr. RUSSO). The time of the gentleman from New York [Mr. WEISS] has expired.

(By unanimous consent, Mr. WEISS was allowed to proceed for 3 additional minutes.)

Mr. WEISS. The only thing that the D–5 missile can do that the C–4, the current missile, cannot do, I repeat, Mr. Chairman, is to dig out of their silos the Russian land-based missiles.

It is truly a first-strike weapon and the Russians will see it as a first-strike weapon. If they get a sense that a launch is about to be undertaken by our D-5 missiles, they will conclude that they have little choice except to launch on warning.

Now, that is a very serious problem under any circumstances, but it is an especially serious problem when you recognize that because we are talking about submarines and not land-based missiles which are based in the United States, the arrival time of missiles launched from those submarines can be cut from the half hour which it takes to get a land-based missile from the United States to the Soviet Union, to 15 minutes. Think of that, 15 minutes for the most awesome, the most powerful nuclear missiles and warheads ever created to reach its target.

That means that if there is a glitch, if there is a speck of dust, if there is a mistake of some kind on the computers which gauge for the Russians whether in fact there is a missile launch on the way or not, there is practically no time at all for a human correction to take place.

We ought to shrink back from the utilization of this kind of missile and this kind of warhead, especially when there is no purpose for it, when our current missiles do everything by way of deterrence and destruction that we want them to do, except to bring us even closer to the razor edge of confrontation, conflict, and the destruction of humanity.

I know that it takes some thinking about this issue, because the D-5 has not received the kind of publicity that the MX has; but if anything, this is a much more dangerous weapons system that we are talking about than the MX.

I urge my colleagues, especially since it will not be until something like 1989 at the earliest before these missiles will be deployed, that now is the time to think about it, to take the money out for procurement purposes to rethink this situation, to stick with the C-4, which is awesome enough as it is and will give us all the destructive power that we could possibly want.

Mr. GEJDENSON. Mr. Chairman, I move to strike the last word.

Mr. Chairman, as we look at the defense budget in this Chamber, there are a number of considerations that we have to make. One is clearly what role and mission we seek to accomplish. Does this expenditure of defense dollars actually enhance the defense of this Nation, or do we by the choices that we make here in some way endanger the citizens of this country and actually weaken our defense?

I submit to my colleagues that a decision to go forward with the D-5 is a decision that undermines the defense of this Nation, and additionally, depletes our resources to the tune of $30 billion.

I think if you examine the decisions made by the Reagan administration in presenting their defense budget of this year, it understood the need to scale back an incredibly aggressive attempt to speed up the arms buildup of this country.

The difference between the existing missile system, the C-4 missile, and the D-5, will mean that the American taxpayers will have to dig into their pockets for an additional $30 billion. There are a number of things that can mean. It might mean that the deficit is simply another $30 billion larger. At times it seems that this Chamber does not pay attention to that issue; but it also may mean that we will have to make some hard choices on defense. Will we end up building fewer Trident submarines because we have wasted our money on the D-5 missile? Will we not have the conventional weaponry available that is necessary for the defense of this Nation because we have wasted our dollars on the D-5 missile?

The chart here says it very clearly. The difference in cost for a yet untested and yet unknown missile system will be an additional $30 billion, by conservative estimates. It may mean as much as $40 billion more than going forward with the present C-4 missile.

What we gain by spending an additional $30 billion is not a safer or stronger America. It is a less stable world.

We often get caught in the terminology, the terminology gets tossed around the floor, we talk about destabilizing weapons systems and the time it takes for a system to reach the other country.

□ 1150

Let us understand what we are doing here. If we switch from the present missile system there is one signal that we send; not that we will rain more destructive power down on the Soviet Union if a war begins, not that we will obliterate more of their cities or industries but that we may have the capability to launch a preemptive strike, to catch the Soviets while they are asleep and not just destroy their cities but destroy their missile systems as well.

Mr. STRATTON. Mr. Chairman, will the gentleman yield?

Mr. GEJDENSON. I will be happy to yield to my friend from New York.

Mr. STRATTON. Mr. Chairman, the gentleman is a very eloquent and enthusiastic Member of this body. I have enjoyed my friendship with the gentleman. But I think as he carries on his argument I cannot help recognizing that the gentleman comes from the State of Connecticut and in fact represents the area where the Electric Boat Co. is located, which is the builder of the Trident submarine. And in fact the gentleman, I am sure, knows that after the eighth Trident submarine the follow-on Trident submarines will not be capable of using the C-4 missile. Therefore the gentleman is arguing that the people in Connecticut who live on——

Mr. GEJDENSON. To the contrary. If I can reclaim my time——

Mr. STRATTON. The people that work in Electric Boat in building these submarines are going to be put out of business, and I cannot understand why the gentleman would take that position.

Mr. GEJDENSON. Let me say to my colleague, that I understand what he is trying to do. He is trying to strike fear into the hearts of the working people of eastern Connecticut, which I think is a somewhat frightening engagement for Members of this body to get into. To the contrary. The ships can be adapted to continue to keep the C-4 missile for far less money than it will take to put the D-5 missile on those ships. And if anything will endanger the necessary defense buildup, the necessary defense systems that we are engaged in now, it is the kind of extravagance that this new missile system entails.

The CHAIRMAN pro tempore. (Mr. TRAXLER). The time of the gentleman from Connecticut [Mr. GEJDENSON] has expired.

(On request of Mr. SEIBERLING and by unanimous consent Mr. GEJDENSON was allowed to proceed for 5 additional minutes.)

Mr. SEIBERLING. Mr. Chairman, will the gentleman yield to me?

Mr. GEJDENSON. I will be happy to yield to my friend from Ohio.

Mr. SEIBERLING. Mr. Chairman, I have consistently supported the concept of making the submarine leg of our triad the keystone of our deterrence policy. And I agree completely with what the gentleman has said about the D-5 missile, and I am supporting his amendment.

I would call attention of my colleagues to an article that appeared in the Washington Post on last Sunday by Dusko Doder, their correspondent in Moscow, explaining why the Soviets reacted so negatively against President Reagan's decision to observe the SALT II limits. The Soviets look at SDI and the D-5 missile and MX and the antisatellite weapon, and they see that we are building a first strike capability. From that they infer that we are going to adopt a first strike policy.

There is a very important signal that Congress can send to try to get back into an atmosphere where negotiations can be conducted without the fear and suspicions that are prevalent on both sides. I think this is a very constructive amendment that would contribute to that goal, in addition to the other strong arguments for supporting it.

In case Members are interested, yesterday in the RECORD at page H4382, I inserted the full text of the Dusko Doder article. I think those who have not read it would find it very illuminating.

I commend the gentleman in the well and the gentleman from New York, Mr. WEISS, for their initiative on this amendment.

Mr. GEJDENSON. Before I yield to my colleague from New York I would like to say that I think that it is clear, and everybody understands it, that there would be no difficulty in seeing that the follow-on Trident submarines would be capable of receiving the C-4 missile and not forced to take the D-5 missile. The $30 billion we would spend on the D-5 will leave us in an incredibly difficult position with a destabilizing weapon.

Mr. WEISS. Mr. Chairman, will the gentleman yield?

Mr. GEJDENSON. I am happy to yield to my friend from New York City.

Mr. WEISS. I thank my colleague for yielding and I again want to underscore the point that he made, that this amendment in no way affects the submarines or the construction of additional or new submarines. And it is really unlike my distinguished colleague and dean from New York to use an argument which he has to be aware really does not square with the reality of the situation. Indeed, if the C-4 is maintained, that is the current missile, fewer submarines will have to be refitted. If the D-5 deployment were to proceed as scheduled, the eight completed Trident submarines that now carry C-4's will have to be retrofitted so that they can carry the D-5's.

If the C-4's, the current missiles, continue to be deployed, only the three submarines now under construction will have to be modified, so there is in fact a savings of money, a significant amount, by continuing with the C-4. And it in no way at all impacts on the continued production of the Trident submarine.

Mr. GEJDENSON. Lastly, in closing, I would say that anybody examining the strategies of the two superpowers know that it is clear that both the Soviet Union and the United States, would first use their land based systems. You would not hold in reserve your land based systems. You would fire them initially and then use your air launched or sea launched systems as followups.

To spend $30 billion additional on a system that is designed to take out empty silos is foolishness, and jeopardizes the defense of this Nation.

I yield back the balance of my time.

Mr. DICKINSON. Mr. Chairman, I move to strike the requisite number of words and I rise to speak in opposition to the amendment.

Mr. Chairman, I am sure no one doubts the sincerity with which the amendments have been offered by the proponents, but I think it would be beneficial at this time to review very briefly where we stand insofar as our Trident submarine fleet is concerned.

As everyone knows, this is one of the three legs of our triad, and it is presumed to be the safest. Several years ago we made the decision in this Chamber to go forward with a new type of submarine. That was the Trident submarine. We are going to build 13, 13 have been approved, and the 13 are all in some stage of development at the present time. We have just recently launched the *Alaska*, which is No. 7 of the 13.

The first seven can only fire and are only equipped to fire the C-4 missile. Those subsequent to that, 8 through 13, will fire the D-5 missile.

We have closed the line on the C-4 missile. We cannot go back. We are already in the process of building the last 5 of the 13. They were only built to accommodate the D-5 missile. We would waste billions of dollars and build in an inhibition or lack of capacity that is unthinkable, in my opinion. We have already made the decision, and appropriated the money, authorized it, and we are building all 13, the last 5 of which will not be able to fire the C-4. We could not build more C-4 missiles even if they wanted to because we have disassembled the line.

So it would be certainly counterproductive and wasteful in the extreme. I think while this might be a well intentioned amendment, it does more mischief than we could ever undo, and I would certainly hope we would reject it out of hand.

Mr. WEISS. Mr. Chairman, will my distinguished colleague yield to me?

Mr. DICKINSON. I yield to the gentleman from New York.

Mr. WEISS. Mr. Chairman, I thank my friend for yielding. Let me just see if we can get some factual agreement as to what the situation currently is. It is my understanding that on five Trident submarines the C-4 is the missile that has been installed and would be utilized; is that not correct?

Mr. DICKINSON. It will be on the first seven.

Mr. WEISS. The first seven, right.

Mr. DICKINSON. I beg your pardon, the first eight. The last five will be for the D-5 missile only.

Mr. WEISS. So that if in fact we were to go ahead with the production of the D-5's, you would have to take those Trident submarines which are now fitted for the C-4 and retrofit them to make them qualify?

Mr. DICKINSON. There is no plan to retrofit at all. They will go forward with the missiles that they presently have, which is the C-4. There is no retrofit anticipated. Only the last five Tridents will use the D-5 missile.

□ 1200

So there is no retrofit. Those already built will go into the line. The line has been discontinued. We cannot go back and reopen, without a great deal of expense. What the gentleman is asking to do is not to build a new series so the new submarines can use them, but we cannot go back and get the old missiles because they do not make them anymore; so really while his amendment might be very well intentioned it just does not work. It is more expensive. It is counterproductive.

Mr. WEISS. Mr. Chairman, will the gentleman yield further?

Mr. DICKINSON. Yes, I yield to the gentleman from New York.

Mr. WEISS. I thank the gentleman for yielding.

Mr. Chairman, is it not also a fact that the D-5 is not operationally ready, that it still requires something like $6 billion in engineering research before it is ready for deployment; is that correct?

Mr. DICKINSON. Well, I will answer the gentleman this way: The first one will be operational in 1989.

Mr. WEISS. Right, but it still requires $6 billion worth of research to make it operational.

Mr. DICKINSON. I do not know what the dollar figure is between here and there. We are in the process of building them. They will not be operational until 1989. There is still a great deal of production to be done and engineering, too.

Mr. WEISS. And engineering.

Mr. DICKINSON. But what the gentleman is trying to say is to take a missile that we do not make and mandate that all the rest of the subs have to use the ones we are not even making. It just makes no sense at all.

Mr. WEISS. Well, there is no problem with restarting that assembly line, is there? But you are going to start a new assembly line.

Mr. DICKINSON. Well, what would the gentleman accomplish by going back to the older generation of missiles? You advocate spending more money to do it when we have an ongoing missile line that is more capable. It would cost more to go back to the old one that we are not making than to continue with the one we are making!

Mr. WEISS. One final question.

The CHAIRMAN pro tempore. The time of the gentleman from Alabama [Mr. DICKINSON] has expired.

(By unanimous consent Mr. DICKINSON was allowed to proceed for 2 additional minutes.)

Mr. WEISS. Mr. Chairman, will the gentleman yield to me?

Mr. DICKINSON. I yield to the gentleman from New York.

Mr. WEISS. I thank the gentleman for yielding.

Mr. Chairman, would the gentleman, Mr. DICKINSON, tell us in his words as to what the D-5 will do that the C-4 cannot do?

Mr. DICKINSON. The main advantage of building the new generation D-5 is twofold. One, it carries the payload a greater distance which means that as the antisubmarine warfare capability of the Soviets expands we can get further from the land mass, stay further away from our potential enemy, have more ocean for cover, and become more secure. The further you can stay from your target and have greater accuracy, the more secure our submarines are. It was for this reason that we built in the additional range. It gives us hundreds of square miles more of ocean in which to hide than we presently have with the C-4. That is first.

Second, the accuracy, the improved accuracy of the D-5 is greatly enhanced over the C-4. So we have greater range and payload capability plus greater accuracy. That gives the Trident submarine much more capability. This submarine is the most secure leg of the triad, we hope. We do not know what the Walkers have done to us with the recent spy ring, but we believe that this is so.

So by going to the D-5 we improve the security of the submarines by giving them greater range, greater accuracy, more lethality. This equates to more deterrence. I think it makes sense to do this. We cannot go back the way the gentleman has proposed. It would be wasteful in the extreme.

Mrs. BYRON. Mr. Chairman, will the gentleman yield?

Mr. DICKINSON. I will be glad to yield to the gentlewoman from Maryland.

Mrs. BYRON. I thank the gentleman.

Mr. Chairman, let me ask a couple of questions of the gentleman. The Trident II Program really is not a new program, is it?

Mr. DICKINSON. No, it has been going on quite some time. I think we approved it some 4 years ago.

The CHAIRMAN pro tempore. The time of the gentleman from Alabama [Mr. DICKINSON] has again expired.

Mrs. BYRON. Mr. Chairman, I move to strike the requisite number of words.

Let me pursue that a bit and then I would be glad to yield to my colleague from North Dakota [Mr. DORGAN].

President Carter and, I think, Paul Warnke reported to this Congress on March 13, 1978, that all Trident submarines after Trident VIII would be armed with the new missile. I think the general plan has not changed, at all since 1978 except that the timetable originally conceived has been stretched out. The submarines have not been built according to the 1978 schedule.

I think the purpose of the Trident II missile is the same, however, as it was in 1978, to provide a more secure deterrent force, to partially match the Soviet hard target capabilities and I think the overall assessment of President Carter and Mr. Warnke in 1978 was that the Trident II would have a positive effect on arms control and I think that assessment on arms control, which is of vital interest right now, has not changed at all at this current time.

Mr. DORGAN of North Dakota. Mr. Chairman, will the gentlewoman yield?

Mrs. BYRON. I yield to the gentleman from North Dakota.

Mr. DORGAN of North Dakota. I thank the gentlewoman for yielding.

Mr. Chairman, I do not know how I am going to vote on this amendment at this point but I am interested in a couple of things. The gentleman on the other side, Mr. DICKINSON, talked about the increased component of accuracy. My question is: Is the increased component of accuracy a type of accuracy that moves you from being able to inflict substantial damage in an area where you want to inflict substantial damage with the C-4 to a position where you actually hold at risk specific Soviet sites including silos with the D-5? If that is the case, that gives the missile a different kind of dimension.

But, you know, we are not going to prevent increased accuracy and should not perhaps prevent increased accuracy in American missiles. The only question is are we developing a strategy that worries about components of accuracy that actually target silos? Because if that is the case, that does change the nature of this weapon.

Mrs. BYRON. Let me say that the fact that we have the distance factor, which in my estimation is the safety factor for our individuals who have chosen to go into the submarine service, a protective factor for their lives; I think that is a very important issue. I think any time we can stand off and have a greater distance, we have better protection for those individuals.

At the same time, with that distance standoff, we have increased the accuracy which gives us the availability to stand off from a distance.

Mr. DORGAN of North Dakota. If I may ask one more question, if the gentlewoman will continue to yield.

Mrs. BYRON. I yield to the gentleman from North Dakota.

Mr. DORGAN of North Dakota. If you discard the notion of a first strike to knock out someone else's missile silos and then analyze what you might want to do to a potential adversary with a missile, can the C-4 do what the D-5 is contemplated doing?

Mrs. BYRON. No.

Mr. DORGAN of North Dakota. That is the question that I think is relevant.

Mrs. BYRON. No.

Mr. AUCOIN. Mr. Chairman, will the gentlewoman yield to me on the point she just raised?

Mrs. BYRON. Yes, I yield to the gentleman from Oregon.

Mr. AUCOIN. I thank the gentlewoman for yielding.

Mr. Chairman, I understood the gentlewoman to say or to suggest to the gentleman in the well, Mr. DORGAN of North Dakota, that the range of the D-5 missile is greater than the range of the C-4 missile.

Mrs. BYRON. That is true.

Mr. AUCOIN. I would have to ask a question of the gentlewoman: Is it not true, and I want the gentlewoman to listen carefully, is it not true that the full-payload range, the full-payload range of the D-5 missile and C-4 missile are not exactly the same—the range, the full payload range?

Mrs. BYRON. No.

Mr. AUCOIN. The gentlewoman is wrong on that.

Mrs. BYRON. With the same payload.

Mr. AUCOIN. They are exactly the same range at full payload.

Mrs. BYRON. With the same payload and weight they are not the same.

Mr. AUCOIN. Well, the full-payload range is exactly the same on the C-4 missile and D-5 missile, the gentlewoman should know that.

Mrs. BYRON. That is wrong.

Mr. AUCOIN. Well, I will have to beg to differ with the gentlewoman and advise my colleagues that the gentlewoman is absolutely wrong in what she just said.

Mr. WALKER. Mr. Chairman, will the gentleman yield?

Mrs. BYRON. Mr. Chairman, has my time expired?

□ 1210

The CHAIRMAN pro tempore. The gentlewoman has 30 seconds remaining.

(On request of Mr. WALKER and by unanimous consent, Mrs. BYRON was allowed to proceed for 1 additional minute.)

Mrs. BYRON. I yield to the gentleman from Pennsylvania.

Mr. WALKER. I thank the gentlewoman for yielding to me.

Mr. Chairman, the problem is I think that what you are dealing with here are two different terms.

As I understood the argument here, there is no real argument. The gentleman from Oregon is simply saying that with a full payload, that the range is different, but the point is that the new missile is able to carry a much greater payload, and so therefore it

has the same range with a much greater payload.

The gentlewoman from Maryland is saying that if you give them both the same payload weight, that the range of the new missile is much greater. So in both cases, the capability is greater; the capability to carry more of a payload is greater; the capability for range with the same payload as the present missile is greater.

So that you are buying more missile is the whole point here; I think that that is the reason why we ought to proceed.

Mrs. BYRON. The D-5 can throw the same C-4 full payload 50 percent further.

(On request of Mr. LAGOMARSINO and by unanimous consent, Mrs. BYRON was allowed to proceed for 1 additional minute.)

Mr. LAGOMARSINO. Will the gentlewoman yield?

Mrs. BYRON. I yield to the gentleman.

Mr. LAGOMARSINO. The gentlewoman makes a good point; not only does D-5 have additional range, but in getting that additional range, you do have to have more accuracy if you are going to get anywhere near the targets you would have had with the first missile.

Mr. Chairman, I think something that needs to be pointed out here is that the range is very important not only because that gives more capability, obviously, but because it does provide an additional hedge against the kind of thing that we are reading about all the time, the Walker case for example, where the Soviets are doing everything they can, naturally enough, to come up with a better ASW capability.

We cannot assume that because we have greater ASW capability than they have at this point, apparently, that it will always be so. So we do have to continue to improve these systems. I think also, that the gentlewoman makes a very good point, that having that additional range does provide greater safety to the crews of those submarines.

Mrs. BYRON. Mr. Chairman, we talk a great deal on this floor about accuracy and about weapons systems, but we also have to remember the personnel involved.

Mrs. BOXER. Mr. Chairman, I rise in support of the amendment.

I rise today to speak on behalf of the amendment offered by Mr. WEISS to cut all procurement funding for the D-5, or Trident II missile. This missile is a dangerous, costly, and an unnecessary addition to our nuclear arsenal. Any slim hope for controlling the arms race raised by the President's recent decision to honor the SALT II treaty are seriously dampened by the prospect of this destabilizing weapon.

It is another tragic example, in my opinion, of a mistake which moves us ever closer to the nuclear abyss. My colleague, the gentleman from New York [Mr. WEISS] fought long and hard last year to kill funding for this weapons program. I applaud his courage, his conviction in continuing this important fight.

The rationale proposed by the Administration for the Trident II is a sham. Once again, as with the MX missile, we are to believe the submarine-launched missile is to deter Soviet attack. The President maintains that he believes that the United States should not develop a first strike capability, but the Trident II has far more explosive power than the Trident I it is supposed to replace. It is more accurate, and it takes 15 instead of 30 minutes to reach its destination.

Fifteen minutes, my friends, to reach its destination. Think about the position in which that places our adversary.

I know, Mr. Chairman, that some of our colleagues do not like to hear these arguments, because we really cut through to the heart of what we are doing to the stability of the world in this nuclear arms race, but I think it is important that we pay attention to this important issue, just the same bit of attention that we gave the MX missile, and we finally capped the MX missile, because we understood that we were wrong.

I think we are wrong in moving forward with the D-5. Think about the position in which it places our adversary. In time of crisis or accidental miscommunication, it will force the Soviets to contemplate placing their ICBM's in a high state of readiness for use in a "launch-on-warning" or "use-it-or-lose-it" mode. Rather than making the nuclear balance more secure, Mr. Chairman, the Trident II will be highly destabilizing.

If that were not enough, the price tag for putting another nuclear gun to our heads is a whopping $30 billion. This is unconscionable at a time when we are wrestling with the staggering deficit when we are being asked by some to cut the Social Security cost of living adjustment, to degrade the quality of our children's education, and accept a growing number of those children living in poverty, and Mr. Chairman, one in four children in the United States of America today is living in poverty, and here we are talking about a $30 billion destabilizing first strike weapon.

There is a sane solution to this madness. We can continue to produce the Trident I, which is an excellent deterrent. It packs formidable destructive power but cannot be perceived as a first strike weapon. It will also save billions and billions of dollars.

The Trident I, at $15 million each, is less than half the cost of Trident II. About half the number of Trident is as Trident II's would have to be procured to meet the Navy's quota for its 17 submarines. We would also save billions by not having to retrofit the submarines that carry and launch these weapons.

So in conclusion, Mr. Chairman, I plead for wisdom and common sense in this body. The Trident II is another budget buster. The Trident II pushes us closer, not farther, from the risk of nuclear annihilation. The Trident II only intensifies the fear and paranoia each side feels for the other. We need a sound and basic defense for this country—that is what I support—not a destabilizing offense.

So please vote for the Weiss amendment. It is a wise and a good amendment.

I yield to my friend from Oregon.

(On request of Mr. AUCOIN and by unanimous consent, Mrs. BOXER was allowed to proceed for 1½ minutes.)

Mr. AUCOIN. Will the gentlewoman now yield to me?

Mrs. BOXER. Yes; I yield to the gentleman.

Mr. AUCOIN. I appreciate the statement of the gentlewoman, and I appreciate her yielding to me.

Mr. Chairman, in her remarks she stated one of the most lethal truths about the D-5 missile, and that is that it does have the potential capability of arriving at its target within 15-minutes.

Now, I hope the Members of the House will be able to analyze this, for the dangers that represents to us, not to the Soviet, but to us.

I think the point the gentlewoman is making is that 15 minutes does not allow our would-be adversary time to launch under attack. In other words, the attack cannot take place and allow them to respond while that attack is being carried out.

If, then, the Soviets understand this—which they surely will—what then will be their response? I think the gentlewoman knows full well, and that is the point she is trying to make to her colleagues.

It is: If you think you are going to be jumped, jump first, instead, then, of deterrence, what we have is provocation. Instead of deterring attack, we incite attack by being so provocative by aiming these missiles in this way at the Soviet Union, that their only defense is to jump us before they think—not before they know, but before they think we are going to jump them.

That is not security. That is not security for the United States; it is not soft on the Russians to abandon this kind of weapons technology. It is smart for the United States and for the security interests of the United States. That is the point the gentlewoman is making; she has made it extremely well, and I hope the Members

of the House will pay attention to the remarks the gentlewoman has made, and disregard some of the mistaken comments we have had about range differences, which are points I intend to speak about in my remarks.

Mr. HILLIS. Mr. Chairman, I rise to speak against the amendment.

Mr. Chairman, I would like to begin my remarks by discussing the myth of reduced warning time, which we have been discussing here on the floor.

Now, the opponents of the Trident II and the proponents of the amendment claim that this D-5 will simply have a greatly reduced warning time for the Soviet Union. That is simply not true, and ignores the basic law of physics as they apply to ballistic missiles.

If you look back at the beginning of the program of using submarine missiles, the Polaris A-1 and A-2 and A-3, which were deployed over 20 years ago. In fact, 1960, 1962, and 1964, respectively; they were all ballistic missiles.

The Polaris A-1 had a range of 1,200 miles and it required 10 minutes to arrive at its target.

□ 1220

The Polaris A-3 had a range of 2,500 nautical miles and it took just a little longer to get to its target.

Because they were ballistic missiles and they followed ballistic trajectories, the Poseidon, the Trident I and the Trident II require about the same time, 15½ to 16 minutes to reach their targets.

So the warning time is going up, not down. If anything, there is more stability because of that factor, not less.

The Trident II has a greatly increased range over Trident I. I am talking about D-5 versus C-4. The warning time is up because of that range. Also, that range gives protection to American service personnel who are called upon to get out and protect his country from our seas. We do not know, as has previously been mentioned on the floor here, the exact damage of the so-called Walker spy case in this area, and we ought to be doing everything that we can to increase survivability and protection of our people, not staying with a system such as the C-4 that we do not even build anymore, that will cost probably more than $30 billion to get back into production, the savings are not there, the survivability is not there, and the safety is not there.

For that reason, the amendment should not be there either.

Mr. STRATTON. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, this has been an interesting debate. It seems to me a little surprising that we should be critical of this system. We have just succeeded on yesterday in eliminating the MX missile which is supposed to provide some kind of deterrent to our major adversary, and we have, as has been mentioned previously in the debate, just suffered the most extreme and serious espionage crisis in the U.S. Navy's history, still without any clear recognition, at least at the present time, as to just how far our submarine operations have been compromised in the Atlantic, in the Pacific, and wherever else they operate.

Yet here we are, trashing a submarine system that is designed to provide the greatest deterrent of all from the submarine-launched missiles, which those who have earlier faulted the MX, have said is the best way to go. Yet when now we come up with the ultimate in that particular submarine technology, we are told that this is a terrible weapon that we ought not even to countenance. Yet once again this kind of argument is presented in the House of Representatives at the very time when some 30 or 40 of our American citizens are being held hostage by terrorists in indescribable circumstances in the Middle East.

It looks as though some people are interested in eliminating any kind of military capability on the part of the United States, regardless of what the circumstances are.

The idea that the Trident D-5 is a radically new destabilizing first-strike weapon is simply not the case. The D-5 is not radically new. It is an SLBM that we have had for 25 years. The only difference is that it is harder for the Soviets to destroy it because the submarine has more ocean in which to hide. It is not a destabilizing first-strike weapon; it is a launched missile. The United States has no means and seeks no means to launch all of these missiles as a bolt out of the blue.

There are 24 missiles on a Trident submarine, and some minutes are required between the launching of each of those missiles; so the idea of a first-strike would take the better part of an hour to execute.

The D-5 poses no more of a threat to the Soviet ICBM force than does the SS-17, the SS-19, the SS-24, the SS-25, the SSN-20, and the SSN-23 pose to our ICBM's. But, somehow, we do not seem to consider that. We are making these assertions in a vacuum. I think it is unworthy of this body to try to suggest that we are building these weapons with nothing to concern us on the other side.

In fact, the D-5 does not threaten any new Soviet targets. Before the Soviets undertook their massive program to shelter and disperse their national military leadership, which we have refused to do here in the United States, largely by those who are opposing this weapon, as well as the MX, we were able to keep these targets at risk with the Polaris system and the Poseidon system. But the Soviets moved out from under the Polaris and the Poseidon, and it was their refusal to put at rest that made it necessary for us to go to the D-5.

I urge the defeat of this amendment.

The CHAIRMAN pro tempore. The time of the gentleman from New York [Mr. STRATTON] has expired.

(On request of Mr. HUNTER and by unanimous consent, Mr. STRATTON was allowed to proceed for 30 additional seconds.)

Mr. HUNTER. Mr. Chairman, will the gentleman yield?

Mr. STRATTON. I yield to my distinguished friend, the gentleman from California, who is very knowledgable on this subject.

Mr. HUNTER. I thank the gentleman for yielding.

I think the real irony in this debate is that we heard the argument against the MX missiles to the effect that it was too ineffective, and now the argument against the D-5 is that it is too effective.

Mr. STRATTON. Absolutely.

Mr. WALKER. Mr. Chairman, will the gentleman yield?

Mr. STRATTON. I yield to the gentleman from Pennsylvania.

Mr. WALKER. I think there was one point that the gentleman made that I just want to clarify. Do I understand the gentleman correctly that the one way we have of assuring the espionage case with which we are all familiar and about which the American people are very worried at the present time, the only way we have to make certain that there is no irreparable harm to our overall submarine program is to go with this particular missile system? Is that what the gentleman indicated?

The CHAIRMAN pro tempore. The time of the gentleman from New York [Mr. STRATTON] has again expired.

(On request of Mr. WALKER and by unanimous consent, Mr. STRATTON was allowed to proceed for 1 additional minute.)

Mr. STRATTON. The point of the Trident submarine, which is the one we are now building, is that it would cover much more of the ocean and therefore it will make it more difficult for the Soviets to determine exactly where our submarines are. But the D-5 missile is not involved, so far as I know, in the espionage crisis.

Certainly the D-5 missile is the one that will place the Soviet major targets at risk. When we wiped out the 50 missiles that the gentleman from Alabama [Mr. DICKINSON] fought for yesterday, we eliminated the capability to target every single one of the key targets in the Soviet Union. A 40 number MX arrangement will not cover every single target. And this D-5 is going to have to replace those targets that the House indicated to the Soviet Union that they would not have to worry about.

Mr. AuCOIN. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in support of the Weiss amendment because I think it is a rational step that seeks to prevent both sides from racing toward a first-strike posture. The worst of all possible worlds is for both the United States and the Soviet Union to develop a complete first-strike posture, because that is the equivalent of having the gentleman from Pennsylvania, my dear friend, Mr. WALKER, and me standing here on the floor of the House of Representatives aiming a revolver at each other, hammers cocked, weapons loaded, pointblank range, unable to miss if we should fire, neither knowing what the other's intentions are, and in such a situation, there is only one defense and that defense is to shoot before you think you are going to be shot.

□ 1230

That is what a first-strike posture on the part of both superpowers really involves: the only defense is to shoot before you are shot.

That, I would tell the gentleman from Pennsylvania, and the gentleman from New York, and to all others who support first-strike, counterforce capability, is a very, very dangerous thing. Because it spells the defeat, the demise, the death of deterrence. That does not deter; it invites one side or the other to go first out of a mistaken fear of being struck.

I would wish that the gentleman would understand that. Now, I did mention the gentleman's name and I will be happy to yield to him.

Mr. WALKER. I thank the gentleman for yielding. When the police forces around the country are faced with that same sort of situation, a number of them have found that putting on a bullet-proof vest helps. Is the gentleman then making the argument for the SDI?

Mr. AuCOIN. No. Because I understand, and I am amazed that the gentleman from Pennsylvania does not understand, that what is being proposed in star wars is infinitely more difficult than a policeman's flak jacket. I understand that the gentleman has a tendency to see things in very clear and simple terms, and that is probably why he supports star wars. He sees this as a policeman's vest in the sky. Unfortunately, that is not the way the real world works in strategic nuclear warfare.

Mr. WALKER. If the gentleman would yield, I realize that the gentleman likes to paint things that way. The gentleman fully recognizes the complicated nature of star wars, but the gentleman, I do not think, can have it all ways. The gentleman continuously talks about the fact that the Trident submarine program is our invulnerable system, so therefore, we do not need land-based programs. Now, he turns around and says that we should not upgrade the Trident program, and then says that the problem, though, when we upgrade the Trident program is that it has increased accuracy and so it is like a pointblank gun range.

The gentleman made the simple analogy here, and then turns around and says, well, you ought not have a protective cover from that kind of a condition as well. The gentleman is the one that has reduced all of this to very simple terms, and all of those simple terms come down to the fact that he wants no defense at all.

Mr. AuCOIN. That is wrong. I say to the gentleman that it is possible to argue against the glassjaw MX missile because it is based on land in vulnerable silos, and also make the argument against the D-5 missile on submarines, though the submarine is infinitely more survivable as a basing mode, but make the argument there that the 15 minutes you allow as a reaction time on the part of the Soviet Union invites the Soviet Union to launch against us when they think, not when they know, but when they think that we may be preparing to strike against them.

Now, I am amazed that the gentleman from Pennsylvania does not seem to be alarmed at that kind of an equation. I think every Member of this body ought to be alarmed because if we allow the arms race to escalate to the point where first-strike weaponry gives both sides the theoretical capability to go first, one side or the other is going to launch and try to jump the other before that side thinks he himself is going to be jumped by his adversary.

The CHAIRMAN pro tempore. The time of the gentleman from Oregon [Mr. AuCOIN] has expired.

(On request of Mr. WEISS and by unanimous consent, Mr. AuCOIN was allowed to proceed for 3 additional minutes.)

Mr. AuCOIN. Mr. Chairman, I sit here and listen to these debates on defense strategy questions with some degree of amazement when I hear some of the statements that have been made. One of the arguments made today in behalf of the D-5 missile is that its increased range is going to spell more safety for the U.S. crews on the submarines that contain those missiles. The gentlewoman from Maryland made that argument.

Unfortunately, the gentlewoman and her supporters ignore the fact that the full payload range of the D-5 missile, which is a first-strike missile, is the same as the full payload range of the C-4 missile—same range as the full payload range of the C-4 missile.

So the question of range and standoff capability and, therefore, safety of U.S. crews in the submarines is a moot point, a red herring, and something to divert attention from the real issue here. The real issue is whether or not we want to move to a first-strike kill capability on the part of our submarine warfighting weapons systems which gives only a 15-minute response time, which I have already indicated is destabilizing and threatening not so much to the Soviet Union as it is to the security interests of the United States.

Why certain Members of Congress fail to comprehend this is absolutely beyond me. I would say to the gentlewoman from Maryland who made that argument, and then later said that the range of the D-5 missile with a C-4 payload is greater than the C-4, that if she believes that, and what she said there is true. If she believes that, and is willing to restrict the payload of the D-5 missile to the payload of the C-4, if she wants to write that into law, then you are going to move away from hard-target kill capability to what the Trident II, D-5 missile was originally designed to be: Namely, an ultra long-range, medium payload, medium-accuracy, retaliatory weapon. But that is not what the gentlewoman wants. She knows that; she wants that hard-target kill capability. It is not enough for the gentlewoman and for her allies on the floor to launch enough warheads to blow the Soviet industrial base to smithereens. She appears to want additional hard-target capability.

The CHAIRMAN pro tempore. The time of the gentleman from Oregon [Mr. AuCOIN] has expired.

(On request of Mr. COATS and by unanimous consent, Mr. AuCOIN was allowed to proceed for 2 additional minutes.)

Mr. AuCOIN. She wants additional hard-target kill capability, so on top of all the rubble that is created by the damage that will be inflicted by our current C-4 missiles, that the Navy says are absolutely adequate for destruction of the industrial base of the Soviet Union, she wants a hard-target kill capability, so that in the words of one military planner in the United States, we can launch additional weapons and warheads and shake the rubble over on the other side and hit silos on the other side.

Mrs. BYRON. Mr. Chairman, will the gentleman yield?

Mr. AuCOIN. I promised that I would yield here, and I did mention the gentlewoman's name.

Mrs. BYRON. I think my name has been mentioned more than just once.

Mr. AuCOIN. I will yield to my colleague, Mr. COATS, and then I will yield to the gentlewoman.

Mr. COATS. I thank the gentleman for yielding.

Mr. Chairman, I am a little confused as to what kind of strategic defense the gentleman thinks that this coun-

try ought to employ. He appears to be against all three legs of the Triad. The gentleman is against the sea-based leg, the MX, and you are against the B-1. What kind of strategic defense does he think we ought to have?

Mr. AuCOIN. Trident I, Trident ship, ALCM, ACM, possibly S16 BM, and ATB. I am not going to let you make a statement like that; I am just not going to let you make a statement like that.

I support, as do my allies on this side of the aisle who are large in number, we support a survivable retaliatory capability that aims at the only target that means anything in the Soviet Union, and what is that target? That target is the mind of the Soviet leader. If we can reach the mind of the Soviet leader with a message that is unmistakable, will the gentleman listen to me?

Mr. COATS. I am listening to every word; I am hanging on every word and I am still trying to get the answer to the question.

Mr. AuCOIN. If we could reach that mind with a message that is unmistakable, and that is that we have survivable retaliatory capability, so that if he should ever dare strike the United States of America we have survivable weapons and retaliatory weapons that will come back at him and destroy his country as he knows it and then we have succeeded in deterring him from launching that first strike.

The CHAIRMAN pro tempore. The time of the gentleman from Oregon [Mr. AuCoin] has again expired.

(On request of Mr. Coats and by unanimous consent, Mr. AuCoin was allowed to proceed for 2 additional minutes.)

Mr. AuCOIN. I continue to yield to the gentleman.

Mr. COATS. My question is: What are those strategic elements that the gentleman considers survivable?

□ 1240

Mr. AuCOIN. Let us take sea-based first, the Trident I submarine and the C-4 missile. If you listen to the Navy, and I trust the gentleman has, they have testified that for countervalue purposes, which means the ability to counter all that the Soviets hold of value in terms of their industrial base, their economic base, everything that makes it a civilization, that the C-4 missile, which we already have on our Trident submarines, is fully capable of reducing that to rubble.

I support that as the sea base of our triad. Our land-based leg of our triad is in trouble. The MX does not help it. I do not know why the gentleman wants to throw money at the MX, because it is based in vulnerable silos. His own President complained about those vulnerable silos when he ran for President in 1980. They had Minuteman III missiles in them and they were vulnerable. Why we should put 10-warhead, accurate MX missiles in those vulnerable holes is beyond me.

What I want instead on land is a mobile, single-warhead missile that is mobile and survivable, and I support that concept, and it is going to be difficult.

But I would say to the gentleman that it is not necessary for me to stand here and to try to state for you that I have as much patriotism as you in terms of defending the security interests of this country.

Mr. COATS. The gentleman never questioned your patriotism; never raised the question. I simply asked you what was your proposal to provide for a strategic defense.

Mr. AuCOIN. And I have just given it to you.

Mr. COATS. Well, do not, then, bring in the question of patriotism.

Mr. AuCOIN. I would say to the gentleman what we do not need, what we do not need in our security interests, is the move forward first-strike, counterforce weapons.

What would you do if you were a Soviet planner, a military planner? You are watching the United States of America run up $200 billion deficits, virtually going bankrupt, now becoming a debtor nation, and here we see the investment on top of the ability to annihilate the industrial base of the Soviet Union and the complete economic structure of the Soviet Union, and their civilization as they might know it, hundreds of billions of dollars in new missiles that have only one purpose, and that is to bounce the rubble on the other side after the other weapons land, and to be able to hit silos on top of factories and plants and everything else that sustains its civilization.

What would you think? If you were a Soviet planner, what you would think is that the United States is planning a first strike.

The CHAIRMAN pro tempore. The time of the gentleman from Oregon [Mr. AuCoin] has expired.

(On request of Mrs. Byron and by unanimous consent, Mr. AuCoin was allowed to proceed for 1 additional minute.)

Mrs. BYRON. I heard my name mentioned. Mr. Chairman, will the gentleman yield?

Mr. AuCOIN. Mr. Chairman, before yielding to the gentlewoman, I would say if you have the conclusion in the Soviet Union that the United States is about to launch a first strike, it is like two gunmen in the alley with pistols aimed at each other at pointblank range, hammers cocked, fully loaded, both distrustful of each other, and knowing full well that the only way you defend yourself is to shoot before you are shot. That is not deterrence. You can call it deterrence, but that is not deterrence. It is an invitation, the very thing that you say you want to avoid.

Mrs. BYRON. Mr. Chairman, will the gentleman yield?

Mr. AuCOIN. Now I yield to the gentlewoman from Maryland.

Mrs. BYRON. I believe the gentleman quoted a few statements in regard to the gentlewoman from Maryland, and I assume, since I am the only gentlewoman from Maryland on the floor at the moment, he must have been referring to me.

Mr. AuCOIN. The gentlewoman is right. I was referring to the gentlewoman.

Mrs. BYRON. I believe, if I am not mistaken, you said that I did not know what I wanted. I think I know very well what I want.

Mr. AuCOIN. I said I know what you want. You want counterforce capability.

Mrs. BYRON. I want to be very sure that those individuals that we have in our service are protected to the best of our ability.

The CHAIRMAN pro tempore. The time of the gentleman from Oregon [Mr. AuCoin] has again expired.

(On request of Mr. Coats and by unanimous consent, Mr. AuCoin was allowed to proceed for 1 additional minute.)

Mrs. BYRON. I think this Nation's first concern——

Mr. AuCOIN. I have not yielded yet.

Mrs. BYRON. Would the gentleman yield?

Mr. AuCOIN. I would say to the gentlewoman that I certainly want our crews to be safe. I would just simply make the point to her that the argument about range on D-5 missiles versus our current C-4 missiles, which lack hard-target kill capability, is a spurious argument.

I now yield to the gentlewoman.

Mrs. BYRON. I think there is no question that the long range of the D-5 is formidable when compared to the C-4. When I talked about range, I do not think I was talking about the warheads. I think if we had wanted a short range, we would have stayed with the Poseidon submarine fleet, and I can quote, which I really do not like to do, but the Navy fact file states that the Trident II fully loaded range will be comparable to or much greater than the Trident I, with the options to configure for greater range with fewer reentry vehicles.

The CHAIRMAN pro tempore. The time of the gentleman from Oregon [Mr. AuCoin] has again expired.

Mr. WEISS. Mr. Chairman, I ask unanimous consent that the gentleman have 2 additional minutes.

Mr. DICKINSON. Mr. Chairman, reserving the right to object, I was wondering if we could get some sort of agreement here. I do not want to limit anyone's time, but it seems we have

gotten into a harangue and are just baiting each other.

Could we get some agreement on how much longer we need to discuss the gentleman's amendment? Are there some other speakers here?

Mr. WEISS. Mr. Chairman, reserving the right to object——

Mr. DICKINSON. I am reserving the right to object. I am willing to yield if the gentleman asks me to.

Mr. WEISS. Will the gentleman yield?

Mr. DICKINSON. I will be glad to yield to the gentleman under my reservation.

Mr. WEISS. I thank the gentleman for yielding to me.

What we are engaged in, I think, as the Chair had indicated, is an extremely serious debate and discussion, and I would hope that, given the fact that there are people on both sides of the aisle who apparently want to participate in this debate, that we would not, after roughly an hour of discussion, seek to terminate the debate. I hope the gentleman would not ask that at this stage.

Mr. DICKINSON. I am certainly not seeking to terminate debate. I am trying to channel it in profitable or productive channels, rather than just reiterating the same thing. I was hoping that we could come to some conclusion here. I am not trying to cut off the gentleman's debate, but as we go on, people wander in who have not even been on the floor and decide they want to ask a question, so they jump in, too. Those who have been here all the time have heard most of what is to be covered and I would hope we could curtail and try to restrain ourselves from interminably asking for extension of time.

Mr. Chairman, I withdraw my reservation of objection.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from New York [Mr. WEISS]?

There was no objection.

The CHAIRMAN pro tempore. The gentleman from Oregon [Mr. AUCOIN] is recognized for 2 additional minutes.

Mr. AUCOIN. I appreciate the gentleman getting me this additional time.

The gentleman has performed a real service in insisting that a block of time be set aside in this debate on this bill to discuss the important consequences between moving toward a first-strike counterforce capability and a survivable retaliatory capability. It is a survivable retaliatory capability which is deterrence, which gives us anything remotely close to deterrence.

The point I am trying to make, and I think it is the point behind the gentleman's amendment: If we move to hard-target, silo-busting missiles on our submarines, they can be located so close to the Soviet shore as to allow only 15 minutes or so in terms of their delivery, we do not allow the Soviets to launch under attack, and because of that, they would then have to make a series of hunches in a crisis situation and they might arrive at a hunch that we are attacking when we are not, and that means that we will be jumped when they think we are attacking them. It spells provocation. It does not spell deterrence by any stretch of the imagination.

Mr. WEISS. Mr. Chairman, will the gentleman yield?

Mr. AUCOIN. I yield to the gentleman from New York.

Mr. WEISS. I thank the gentleman for yielding.

Mr. Chairman, I want to thank the gentleman for his very eloquent and precise argument, and I just want to take note—I do not know where the gentlewoman from Maryland is at the moment—but I am going to speak about a statement that she just read which supposedly refuted the argument of the gentleman from Oregon as to the range of the D–5 vis-a-vis the C–4.

I think that if people will read the excerpt that she quoted, they will note that, in fact, it is exactly what the gentleman from Oregon said. It says that the range is "comparable or greater" if you reduce the number of reentry vehicles. Well, of course. If you reduce the number of warheads, the missile will travel further; but that applies to both the C–4 and the D–5.

Mr. AUCOIN. I state again to all of my colleagues: The range is the same, at full payload.

□ 1250

Mr. HUNTER. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

Mr. Chairman, I could not let the last speaker, my good friend, the gentleman from Oregon [Mr. AUCOIN], go by without commenting on what I perceive to be some of his mistaken conclusions used to back up his argument in favor of the gentleman from New York.

Let me start with this: We are talking about deterrence. The gentleman from Oregon said we have got to have deterrence and we have got to be able to tell the Soviet Union that we will retaliate. But the question he did not answer was: Retaliate to what? Not necessarily with what, but to what?

There has not been, to my knowledge, a single Secretary of Defense for the last decade and a half who has not advocated having a hard-target-kill-capability missile. I do not think the gentleman can point one out. I do not think there has been a single arms negotiator for the United States of America who has advocated not having a hard-target-kill-capability missile. The reason for that is simply this: It is not so that we can shoot at empty silos, as I think the gentleman from California asserted, it is because another one of those hard targets we are talking about is, in fact, Soviet leadership.

What the gentleman from Oregon was really saying is that our response would really be to Soviet cities and to Soviet civilians, and that is the capability our submarines have right now—basically, to destroy people, to destroy women, children, old men, and cities.

The requirement that we have is to put the Soviet leadership at risk, not the people. I think if you look at the Soviet leadership's concern for their population, especially through the Stalin era—and including today, since the Politburo today is still made up mostly of old Stalin-era types—we do not see a great concern for the civilian population.

So I would assert that the gentleman's proposition is extremely inhumane, and that he is basically a lone ranger with regard to his position. American negotiators and American Secretaries of Defense do not agree with him. Very few arms negotiators—in fact, no arms negotiators that I have talked to or heard of—agree that we should not have hard-target-kill-capability weapons.

Mr. STRATTON. Mr. Chairman, will the gentleman yield to me?

Mr. HUNTER. I am happy to yield to my friend, the gentleman from New York.

Mr. STRATTON. Mr. Chairman, I think that the argument that the gentleman from Oregon was carrying on would be adequately answered if he would take a look at page 13 in the committee report. The language there is as follows:

> By hardening and dispersing, the Soviets have effectively moved some targets out from under our existing strategic forces. Minuteman, Poseidon and the bombers are technically incapable of putting at risk the hardened time-sensitive targets needed to enforce deterrence. We therefore need to provide some new capability to threaten this class of targets. At the same time, we need to avoid moving too far. If the Soviets thought we had enough capability to launch a disarming first strike, they might be inclined to launch a first strike; this instability must be avoided. In addition, we need to deploy forces that can survive Soviet attacks, which will act to discourage preemptive strikes.

Mr. Chairman, that is on page 13 of the report, near the bottom of the page.

Mr. HUNTER. Mr. Chairman, I thank the gentleman from New York.

Mr. ARMEY. Mr. Chairman, will the gentleman yield?

Mr. HUNTER. I yield to my friend, the gentleman from Texas.

Mr. ARMEY. Mr. Chairman, I thank the gentleman for yielding.

I have listened to this debate with a great deal of interest and particularly

wanted to congratulate the gentleman from Oregon on his eloquence. He certainly made a very eloquent argument, but he very slyly managed to depict two conflicting perceptions of this weapon at one time. And he is absolutely right. If deterrence is going to work, it is going to depend on the perception of they systems by the opponents.

The gentleman has characterized this system as having a killing, first-strike capability that will do nothing but shake the rubble. We cannot have it both ways. The fact of the matter is that since it is submarine-based, the Russians will perceive it as a retaliatory weapon that has a killing capacity, but it will not be perceived by the Russians as a first-strike weapon because of the manner in which it is based.

I think that should be made very clear, and I think it was rather sly the way the gentleman from Oregon managed to have the Russians perceiving it both ways. I am sure their planners would not plan on its being both things at one time.

Mr. HUNTER. Mr. Chairman, I thank the gentleman for his very perceptive statement.

Mr. Chairman, let me just lay out for the gentleman from Oregon and my colleagues the arms race as it stands since 1972. The Soviet Union since 1972 has constructed over 800 SS-17, SS-18, and SS-19 missiles; we have constructed nothing in the way of a counterpart.

The have constructed over 200 strategic-capable Backfire bombers; we have constructed and rolled out only a couple of B-1's.

They have constructed and launched over 38 ballistic missile submarines; we have now a total of 6 Tridents. They have, I believe, 31 submarines under construction.

To move now to constrain our only really effective system at this point, in light of the problems we have had with our ICBM's and our bomber forces, would not be a very prudent measure.

Mr. DOWNEY of New York. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the amendment.

First of all, I want to congratulate my colleague, the gentleman from New York [Mr. WEISS], for offering this amendment and carrying on the task I undertook several years ago. He has very ably carried forward the argument.

I frankly do not know what deters the Soviets. Fortunately for us, over the years we seem to have done a pretty good job of deterring them. During the "decade of neglect," which we always hear mentioned, during the period of the seventies, while allegedly we idly twiddled our thumbs and the Soviets went pell-mell into building weapons, we managed to treble the number of warheads in our own arsenal. That is hardly what I would call a period of neglect.

I think that this debate underlines a very fundamental difference between some of my friends in the Republican Party and the authors of the amendment, myself in particular, and that is: What type of force do we want to have? What we want is a nonaggressive retaliatory force.

Let me state the reason we want it to be nonaggressive. I know it is very difficult for some of my colleagues to accept this, because, after all, is it not very good to threaten the evil, sinister Russians? Is it not best for us to hold a heavy club over their heads and say, "We don't like what you do, and let me tell you, any moment we could end life in your country if we so choose"?

Unfortunately, both sides are capable of ending life in both countries. So this whole question of whether we threaten them or they threaten us is immaterial for the question of our mutual survivability.

One of the things that we need to understand is what sort of arsenal is best for U.S. security, regardless of what the Soviets do, because it is conceivable at some point that we may not have an arms control agreement, and we may not be able to determine through arms control what the Soviet force structure will look like. And given that reality—and let us assume for a moment, given this administration's track record, that we do not have arms control—we will have to proceed with building the very best and most secure arsenal for our country that we can have.

Now, what I propose and what I believe is, in fact, a secure deterrent is a system of land-based missiles, possibly the Midgetman and the Minuteman that we currently have, and a bomber force that will be comprised of B-1's and, hopefully, next-generation bombers. Also the sea-based leg of our triad, which is its most survivable leg. And what is best about the sea leg of the triad is that it is not perceived by the Soviets or by anybody else at this point as a first-strike system. It is a survivable second-strike system.

Now, this is the point that is made: Why should we not have a lot of hard-target weapons in our arsenal? After all, does the Soviet Union not consider its own survivability above all things?

Now, it is possible, and as evil and as sinister as I believe the Soviet Union to be from time to time, that they cherish their CBM survival, but at the same time that they cherish their own individual survival, I suspect as well, that they value the survivial of their people and believe that they would like to see the Communist system continue not only in the Soviet Union, but also for the rest of the world. And they cannot have that if world war III breaks out.

What the gentleman from New York [Mr. WEISS] has suggested to us today is a way of saving money by not building the Trident II missile, by keeping our retaliatory non-first-strike, nonaggressive system in place, and we can do whatever we want with this additional money. We could, if we so choose, build more Trident submarines faster with C-4 missiles. I would be happy to support such an effort. That would further enhance our retaliatory capacity.

This is the sort of effort that I believe makes eminent sense. It would put us in a position of strength. It would put us in a position before the whole world community of suggesting that the United States is serious when it suggests that it is interested in peace and the United States is serious in the interest of pursuing its own security.

□ 1330

Mr. AUCOIN. Mr. Chairman, will the gentleman yield?

Mr. DOWNEY of New York. I would be happy to yield to the gentleman.

Mr. AUCOIN. Mr. Chairman, I appreciate the gentleman yielding. I think he is making an exceptionally good point on this amendment.

I would ask the gentleman if he in his understanding or belief thinks that fast, hard-target-kill weapons are needed for a retaliatory response?

The CHAIRMAN pro tempore (Mr. TRAXLER). The time of the gentleman from New York [Mr. DOWNEY] has expired.

(At the request of Mr. AUCOIN, and by unanimous consent, Mr. DOWNEY of New York was allowed to proceed for 2 additional minutes.)

Mr. DOWNEY of New York. I take the view that it is important to have some hard-target capability. We have that capability on our Minuteman III's. We certainly have it on the cruise missiles that we have, so we can go after Soviet command posts that are underground or hardened, with the existing capabilities we have.

I might add, the gentleman raises another point. It is not simply just a question of indiscriminate slaughter of Soviet citizens, versus hard targets that we can kill. You can destroy remotely situated industrial targets, their oil capacities, their rail-switching stations, their hydroelectric capacity. There are a whole variety of limited response options that you can have with the existing C-4 missile that does not indiscriminately kill Soviet citizens.

Mr. AUCOIN. Mr. Chairman, will the gentleman yield further?

Mr. DOWNEY of New York. I would be happy to yield to the gentleman.

Mr. AUCOIN. Mr. Chairman, I appreciate the gentleman yielding again.

The point I am getting at, is it not true, in the gentleman's judgment, that counterforce, first strike, hard target, kill capability weapons, play to the advantage of the aggressor, not the victim who would want to invest in retaliatory weapons, not to the country which has forsaken on moral grounds the doctrine of first strike? Is that not true?

Mr. DOWNEY of New York. That is exactly true. If we are to be believed, and it is clear, a number of my Republican colleagues make the valid point that the Soviets really are not credible if they claim their force is a retaliatory one, because it is not structured as a retaliatory force. They put all their nuclear eggs in the land-based basket. Therefore, we can correctly assume that their arsenal is a first-strike arsenal.

How do you respond to the fact that they have decided to have a first-strike arsenal? By mindlessly aping them and having your own first-strike arsenal that is nonsurvivable? That would be silly.

What you do is say to them, "Fine. You go first. We go second and we can guarantee that your going first will cost you more than you will gain."

Mr. DORNAN of California. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, there are two really weird lines on the House floor today. One we have just heard from the preceding Member, words I will never forget. "What America needs is a nonthreatening defense."

Is that not the most peculiar thing you have heard in your life?

But the thing that really brings me to the well this morning is the remarks of the gentlewoman from the bay area of San Francisco.

Mr. HYDE. Mr. Chairman, will the gentleman yield?

Mr. DORNAN of California. I am glad to yeld to the gentleman from Illinois.

Mr. HYDE. Mr. Chairman, I have been thinking about a nonthreatening defense to the Soviet Union and it occurred to me, just a suggestion——

Mr. DORNAN of California. Give me an example, I would like a suggestion.

Mr. HYDE. A huge boxcar of resolutions and a giant fan and at the moment of truth, we throw the switch and we cover the Soviet Union, we blanket the Soviet Union with resolutions from this body. How is that for a nonthreatening response?

Mr. DORNAN of California. It is not only imaginative and along the lines of the disarmament lobby in this House, whose numbers temporarily grow until 1986, but if I may have an adaptation on that, why do we not send a ship with a carton on top, with a load of resolutions and a fan that blows it over Beirut tomorrow and tells them to stop being mean and beating and torturing to death a young American petty officer?

Now, here is the worst statement on the floor today, the absolute worst, from the gentlewoman from the bay area, Babylon by the Bay in California.

The gentlewoman says, and I am going to check the RECORD tomorrow in fairness to make sure I get the words correct, the gentlewoman from California [Mrs. BOXER] said that the missile, the Trident II D-5 missile, is—and here are the verbatim words: "An example of what we are doing wrong to the world."

Oh, my God, what we, the United States of America, the leader of the free world, the major supplier of NATO arms, what we, the white hats, the good guys, are doing to the world.

Come on, Dick. Come on, gentleman from Oregon. Come on, gentleman from Massachusetts.

I want us on this side to counter every idiotic statement that comes out of the other side. There are 400,000 people, 100,000 go up on the cable system across the country that watches this House when we debate defense.

Let the Democratic Party and the Republican Party in the other body stay in a darkened chamber where they do not blow out the gallery walls so that all of America can watch this debate.

Let this country learn, starting today, that there is a group of disarmament people in the majority party, pacifistically minded, that have never voted for any defense system, including the gentleman from Oregon—nothing.

You can sit up here with unnecessary sarcasm, personally insulting the gentleman from Pennsylvania [Mr. WALKER]. It does no good. You are disarmament people. You are for absolutely nothing.

We are going to turn out in about 2 weeks at fault somehow in Beirut. Those are the arguments you are going to come up with. Those of you who have no military record are the most offensive ones of all.

Mr. AUCOIN. Mr. Chairman, I demand the gentleman's words be taken down.

Mr. DORNAN of California. Let us get some time here. I want to know what words the gentleman wants taken down.

The gentleman voted for nothing in his life in defense.

The CHAIRMAN pro tempore. Which words does the gentleman want taken down?

Mr. DORNAN of California. The only thing the gentleman voted for from Massachusetts is the A-10 nonsupersonic aircraft.

The CHAIRMAN pro tempore. The gentleman will suspend until the point of order is resolved.

Mr. DORNAN of California. Yes, Mr. Chairman, I will suspend.

The CHAIRMAN pro tempore. Will the gentleman from Oregon [Mr. AUCOIN] advise the Chair as to which words he is objecting to?

Mr. AUCOIN. Mr. Chairman, the gentleman characterized my debate and used adjectives that I think were personally insulting, wrong, inaccurate, and unbecoming a Member of the House of Representatives.

The CHAIRMAN pro tempore. The Clerk will attempt to report the words that the gentleman is complaining about.

Mr. DORNAN of California. I want them repeated on television.

□ 1310

Mr. WEISS. Mr. Chairman?

The CHAIRMAN pro tempore. The Chair would advise the gentleman that the committee is proceeding in regular order and the Chair is awaiting the Clerk's reporting of the words. There is a technical problem in transcribing. They will be available in a moment. We are proceeding under regular order.

The Chair would counsel all Members to remain calm.

Mr. AUCOIN. Mr. Chairman, would the Chair counsel all Members to watch their ties at the current moment?

The CHAIRMAN pro tempore. The Chair would note that during these proceedings there is no business or debate before the committee other than the reading of the words.

Mr. DORNAN of California. Mr. Chairman?

The CHAIRMAN pro tempore. For what purpose does the gentleman from California [Mr. DORNAN] seek recognition?

Mr. DORNAN of California. Mr. Chairman, I would like to ask unanimous consent to withdraw the words "dripping bile and venom from his lips," and replace it with "unnecessary sarcasm," if I could have unanimous consent for that?

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from California? The Chair hears no objections, and blessed are the peacemakers.

The gentleman from California [Mr. DORNAN] has 1 minute remaining.

The Chair would ask the distinguished gentleman from Oregon [Mr. AUCOIN] if he withdraws his request that the words be taken down?

Mr. AUCOIN. Mr. Chairman, if the gentleman will apologize for the words that he actually did use I will be happy to withdraw my request.

The CHAIRMAN pro tempore. The gentleman from California [Mr. DORNAN] has modified the words by unanimous consent.

Mr. DORNAN of California. Mr. Chairman, if the gentleman will accept the characterization of "unnecessarily or unduly sarcastic" then I am willing to withdraw the overly harsh remarks of "bile and spleen dripping from his lips" as I did not physically see that.

Mr. AuCOIN. Mr. Chairman, my words were not overly sarcastic, so I will not accept that. But if the gentleman will apologize for the words he actually did use then I will withdraw my point of order.

Mr. DORNAN of California. Mr. Chairman, I will be glad to apologize for the words.

Mr. AuCOIN. Mr. Chairman, then I withdraw my point of order.

The CHAIRMAN pro tempore. Then the gentleman from California [Mr. DORNAN] has 1 minute remaining, and the gentleman will proceed in order.

Mr. DORNAN of California. Now, picking up on the wise counsel of the Chair, blessed are the peacemakers, let me suggest that in all debates, particularly defense debates, we should refrain from using unnecessary sarcasm or suggesting that Members who believe in a strategic defense are somehow or other simpleminded because they draw an analogy between a policeman's vest, bulletproof vest, and the shield of NATO, or a shield to stop the further militarization of space, which took place the day the first ICBM went on station at Vandenberg since it has to transit through space.

Our submarine deterrent we thought was powerful in this country until a young lady called the Christian Broadcasting Network and said that they had lost her small son to, and this is alleged, to her husband because he threatened to turn in her father, her uncle, and her brother as spies, betraying some of the most delicate secrets of the U.S. Navy and submarine deterrent.

We are living, and obviously both sides of the aisle agree with this, in the most dangerous period in the history of this fragile Republic, the oldest in the world, but still young in historical terms at just over 208 years, almost 209 years. I would suggest that when people on either side of the aisle, I have not heard it ever happen over here, suggest that we, the United States of America, are what is wrong with the world, that they document their case a little more thoroughly.

I have just returned from Ethiopia, and this Nation leads the world there, as it does with an earthquake in Yugoslavia, or China, or a famine anywhere in the world, in giving of our treasure and the blood of our young men like PO2c. Robert Stethem.

I yield back the balance of my time.

Mr. MARKEY. Mr. Chairman, I move to strike the requisite number of words. I rise in support of the Weiss amendment.

We do not need the Trident II D-5 missile.

The D-5 is a first-strike weapon.

And we should not be in the business of building first strike weapons.

The D-5 is designed to destroy Soviet missile silos.

And since there is no point in destroying empty Soviet silos, this capability is useful only to strike first, in a surprise attack.

And it is against U.S. policy to strike first.

While the Trident I C-4 missile is said to have an accuracy of 1,500 feet, the New D-5 reportedly will be able to come within 400 feet of its intended targets.

This high degree of accuracy, combined with the yield of the W88 warhead now being developed for the D-5 will make the D-5 a silobuster.

Administration spokesmen are quick to point out that the United States has never had any intention of launching a first strike.

I suggest that the Soviets look at U.S. capabilities, not U.S. declarations.

They know what the D-5 can do.

But they can never know what U.S. leaders might do—that is the nature of deterrence.

Now I ask you. Just what do you think the Russians are going to do when we deploy a high yield, highly accurate D-5 missile?

When we have submarine launched ballistic missile that could take out their land-based missiles within 10 minutes of launch?

Are they going to sit there and do nothing?

Of course not.

They're going to respond.

It seems to me that there are two likely Soviet responses to deployment of this missile.

First, the Soviets can adopt a launch-on-warning policy, where they fire their ICBM's as soon as they detect an attack.

Second, they can develop first-strike SLBM's of their own.

Neither is good for America.

Encouraging the Soviets to put their strategic forces on a hair-trigger will increase the risk of nuclear war.

When both sides fear a sudden, disarming attack, they have incentives to launch their own forces in a crisis.

In such a world, a mistake or miscalculation could spark a thermonuclear war.

And encouraging the Soviets to develop powerful, highly accurate SLBM's makes U.S. strategic forces more vulnerable.

Right now, Soviet SLBM's are far less accurate than ours. They have very long ranges, and are usually kept in Arctic waters—away from our sophisticated antisubmarine warfare forces.

Should we encourage them to develop powerful highly accurate SLBM's, that could be deployed closer to the United States?

Missiles that could knock out our land-based missiles with virtually no warning?

I say no.

We would be far better off if we did not start a new round in the arms race by deploying a first-strike D-5 missile.

We would be far better off if we did not put both sides forces on a nuclear hair trigger.

We would be far better off if we adopted the Weiss amendment, and halted production of the D-5.

The choice today is between the C-4, which you use to deter a first-strike, and the D-5, which you use to launch a first strike.

Between a war stopper and a war starter.

Between deterrence and war fighting.

We've got a missile that can strike back. We don't need a missile that can strike first.

We've got a deterrent. We don't need a silobuster.

□ 1320

Mr. HYDE. Mr. Chairman, will the gentleman yield?

Mr. MARKEY. I will be glad to.

Mr. HYDE. On this matter of first strike, I understand the point the gentleman is making, the more accurate our missiles become, the more dangerous they are, because their purpose as he says is only to hit a silo and we would only want to do that before they launched, hence it would be a first-strike weapon.

But I see another dimension to this problem.

The CHAIRMAN pro tempore. The time of the gentleman has expired.

(On the request of Mr. HYDE and by unanimous consent, Mr. MARKEY was allowed to proceed for 2 additional minutes.)

Mr. HYDE. Will the gentleman continue to yield?

Mr. MARKEY. I yield to the gentleman.

Mr. HYDE. It seems to me in the counterforce-countervalue argument that the more accurate our missiles can be as a second-strike weapon the more human life can be saved. We have been taught recently, I do not know how successfully, that targeting populations is immoral and we may not do it. But if we have highly accurate weapons to hit their military installations, not a silo, to hit command and control, that very fact might be very humanitarian if anything can be humanitarian in terms of a nuclear exchange. But the more accurate the weapon, the less collateral damage, the less loss of innocent life, and it seems to me we could look at this type of weapon with that perspective as

well as the other perspective which says it is only a first-strike weapon.

Mr. MARKEY. The gentleman has been successful over the past couple of years in having this House appropriate the money for 40 MX missiles with 400 warheads on them, with that first-strike capacity if you would so choose to use it. The Minuteman missile also has that kind of capacity to be able to provide that weaponry to our country if we should ever decide to use it in a retaliatory capacity. But with regard to the decision to build a massive fleet which would in fact give us the capacity of knocking out that 75 percent of the Soviet missile force which is on hand and putting this world closer to a hair trigger because they would not be fearful of the fact they would have a retaliatory capacity after the United States launches a first strike, in fact makes us much more dependent upon computers than human beings. That is the problem here, once you cross the threshold into a massive development of D-5 you have gone beyond the point we are using this nuclear bullet to provide that counterforce ability and go into the area where you can totally wipe out not selectively but massively their entire capacity to retaliate.

Mr. WEISS. Mr. Chairman, will the gentleman yield?

Mr. MARKEY. I would be glad to yield.

Mr. WEISS. I thank the gentleman for yielding. I want to commend him on his statement.

Mr. Chairman, I think we are just about ready to conclude the debate on this issue and I want to make one or two brief points.

The CHAIRMAN pro tempore. The time of the gentleman has expired.

(On request of Mr. WEISS, and by unanimous consent, Mr. MARKEY was allowed to proceed for 2 additional minutes.)

Mr. WEISS. Will the gentleman continue to yield?

Mr. MARKEY. I yield.

Mr. WEISS. In addition to all the arguments that have been made, I think quite validly, that you do not need a missile with warheads that have the explosive power of 475,000 tons of dynamite, nor do you need anything that comes within 400 feet rather than 1,500 feet of targets when the 100 kiloton of a C-4 will do as much damage as anybody would possibly want to industrial capacity, command capacity, you name it, it seems to me that we ought to also focus now, again, on great budgetary concerns that this Nation faces.

By going forward with the D-5, this House is going to be asking the American taxpayer to pay 30 additional billion dollars for no good and valid purpose. The Navy has said that it will have to retrofit its eight Trident subs, which are currently designed for the C-4 in order to be able to use the new D-5 missile. So both for the sake of humanity as well as for the sake of our budgetary situation it seems to me that the better part of wisdom is to adopt this amendment and stick with the very effective and explosive C-4 missile that is currently in use.

Mr. WEAVER. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the amendment.

Mr. Chairman, I rise simply to ask a question of the ranking minority member if he would be willing to answer.

Mr. DICKINSON. I will be glad to try if the gentleman will yield.

Mr. WEAVER. Why should we vote $30 billion for a weapon that gives us simply more accuracy when we can already obliterate with the C-4 about anything we want to obliterate? What is the value—why $30 billion for more accuracy?

Mr. DICKINSON. I am not sure that the gentleman was on the floor earlier when I covered this point. So I will be glad to try to state it again. I am sure if debate goes on long enough some more will wander in.

The advantage of increased accuracy and increased range is to first improve the security, safety of our men at sea, to give more ability to hide, so that they do not have to come as close to the mainland or their targets. Second——

Mr. WEAVER. Excuse me.

Mr. DICKINSON. You asked and I was trying to answer.

Mr. WEAVER. Go ahead.

Mr. DICKINSON. Two advantages that are gained by the D-5 missile are greater range, greater accuracy.

Mr. WEAVER. My question is on the accuracy. What value is the accuracy? Why should we pay $30 billion for this accuracy? What value is the accuracy?

Mr. COURTER. Would the gentleman yield to me?

Mr. WEAVER. I would appreciate very much the gentleman from Alabama.

Mr. DICKINSON. I will be glad to respond and then if you would.

Mr. COURTER. Would the gentleman yield to me to answer that question?

Mr. DICKINSON. My answer to the gentleman is that what we are really doing is recapturing the ground that we have lost by the Soviets hardening of their silos. They have entered a hardening program which really degrades our capabilities of taking out the silos as they exist.

Mr. WEAVER. Excuse me. What you are saying is we are going for the accuracy so we can hit their silos; is that it?

Mr. DICKINSON. That is part of it.

Mr. WEAVER. Is that not a first-strike weapon then?

□ 1330

Mr. DICKINSON. I understood the arguments, I think, that have been put forth by the people in the well that have preceded you, many of whom really would like to see us denuded; to have no military capability.

Mr. WEAVER. No, excuse me, if the gentleman would answer my question, is it a first-strike weapon?

Mr. DICKINSON. I am trying to say to the gentleman that the purpose—and you ask why we do not want to spend this money——

Mr. WEAVER. On the accuracy. I am asking about the accuracy.

Mr. DICKINSON. I think I have answered that. The Soviets have hardened their silos. They have made it necessary for us to increase our accuracy.

Mr. WEAVER. How is it a deterrent, I ask my friend from Alabama, to destroy their silos?

That is a first-strike weapon, is it not?

Mr. DICKINSON. Not necessarily, not necessarily.

Mr. WEAVER. The gentleman did say it had a first-strike potential.

Mr. DICKINSON. No; I did not say that. You characterized that and said is this not so. I said it could be perceived so, as I understood the arguments in the well.

Do not put words in my mouth; I did not say that. I will be glad to discuss it with you, but do not convolute or twist——

Mr. WEAVER. All right, I am asking you, what is the accuracy, additional accuracy for?

I would like to ask the gentleman from Alabama, what is the additional——

Mr. DICKINSON. Will the gentleman yield?

Mr. WEAVER. I will be glad to yield to the gentleman from Alabama to answer the question, what are we getting for $30 billion in the additional accuracy? What is the purpose and value of the additional accuracy?

The gentleman has said it could hit the Russian silos.

Mr. DICKINSON. I said that the principal reason was for the security and for the increased accuracy. You say, why should we need the increased accuracy?

Mr. WEAVER. Right.

Mr. DICKINSON. I say to overcome the hardening the Soviets have put on their silos. Also, to——

Mr. WEAVER. So it is for hitting these silos?

Mr. DICKINSON. Also to be able to pick other targets with some degree of selection, whether it be command and control bunkers and other targets that we might choose to pick, whether it be communications, transportation, or whatever, and not necessarily just the silos.

But as you increase your range, you must necessarily increase your accuracy, else the value of the weapon depreciates.

Mr. WEAVER. But the gentleman has said that it is because the Russians have hardened their silos that this additional accuracy could aid us in hitting the silos. That, to my mind, is a first-strike weapon, and the gentleman——

Mr. DICKINSON. Would the gentleman—well, I cannot help what is in the gentleman's mind.

The CHAIRMAN pro tempore. The gentleman's time has expired.

Mr. COURTER. Mr. Chairman, I rise to strike the requisite number of words.

I thank the gentleman. The gentleman in the well asked a question, and I was trying to have the gentleman yield to me so I could answer. I would like to do that, and I would be very happy to yield back time to the gentleman to respond.

First of all, the gentleman made the statement that the D-5 warhead is a first-strike weapon. The answer to the question is that it is a counterforce weapon but not a first-strike weapon.

In order to have a first-strike weapon by the United States, you would have to have sufficient hard target kill weapons in order to destroy all or most Soviet military targets; you are dealing with probably 10,000 targets.

So, indeed, it does have hard target kill capability, but is not and cannot be perceived by the Soviet Union as a type of weapon that can denude the Soviet Union of retaliatory capability. That is No. 1.

No. 2, it is important to have a hard target kill weapon in our submarines, or an MX, in order to give credibility to the deterrent that we have today. The problem has been growing during the past 10 years.

I think it can be conceded by this body that our retaliatory capabilities, our air leg of our triad, our land-based leg, and possibly, particularly with the Walker case and Soviet advancement in antisubmarine capabilities, our sea leg deterrent is vulnerable to a Soviet first strike.

At the present time, we cannot render unto them that which they can do to us. Our retaliatory force is not credible. If they did attack us, our only response would be a response against soft targets in the Soviet Union, killing tens of millions of Soviet citizens and would be responded by Soviets attacking our cities, which would guarantee the sure annihilation of America as a civilization.

Thus, our military response to a potential first strike by the Soviet Union would be incredible, because it would result in the annihilation of the American experiment.

Because of that lack of credibility, we have to deploy weapons that have hard target kill capability.

Also, and finally, your position needless to say is that it is OK for the Soviet Union to have weapons that put our retaliatory forces in jeopardy, but it is somehow not OK for the United States to have equal capabilities; I think that is wrong; there should be parity.

Mr. WEAVER. Would the gentleman yield?

I have only asked a question, and I continue to ask the question: How on earth is a first-strike weapon or a weapon that can hit their silos in any way a deterrence? They have shot their missiles up and I can assure you, if they do the first strike and have shot their missiles up, what is the sense of our hitting empty silos?

Mr. COURTER. Reclaiming my time, that is not the way the Soviet Union would react. What they would do, if a war planner was asked in the Soviet Union whether they could be successful in a first strike against the United States, is use just part of their arsenal for that first strike; maintaining a large reserve that would be secure for further retaliation.

We then would not be able to eliminate the balance of their forces with the weapons we have now. If we did build weapons that have counterforce capability, the Soviet Union would be deterred from a launch in the first place, because they know our responsive strike would jeopardize their further retaliatory capabilities and their leadership, command and control, radars, and other military soft target.

Deterrence, credible deterrence, is what we are talking about in this debate. In order to have parity, in order to have credible deterrence, we have to go forward with this weapon.

Mr. WEAVER. Would the gentleman yield?

Mr. COURTER. At this time, I would like to yield to the gentleman from Washington, if he is seeking time.

Is the gentleman seeking time?

Mr. DICKS. I want to seek my own time.

Mr. COURTER. I yield to the gentleman in the well.

Mr. WEAVER. I thank my friend from New Jersey.

My dear friend, if the Russians were mad enough to do a first strike on us and leave some of their weapons in their silos and we shot the D-5 to hit those silos—the Russians have already shot their weapons up, the first round, certainly then they would shoot the second round up on warning, and we would never hit them.

So what kind of——

Mr. COURTER. Reclaiming my time, the scenario is not the one that would be played out.

The importance here is what the Soviets perceive to be a logical reaction by the President of the United States. If the only reaction by the President of the United States is an attack against Soviet soft targets, that is, civilians, they know that the President of the United States is going to be counseled not to do it.

(By unanimous consent, Mr. COURTER was allowed to proceed for 1 additional minute.)

Mr. COURTER. The President of the United States would be counseled by all his advisors if the Soviet Union initiated a surgical first strike against our retaliatory system, and the only response that the President had would be against Soviet civilian population centers, the President of the United States would be counseled to do nothing but to surrender.

That would be your counsel and that would be my counsel. The counsel would not be that way if he had weapons that could respond in kind. Therefore, the President's threat would be credible and deterrence would prevail.

Mr. CARNEY. Mr. Chairman, I rise to strike the requisite number of words.

I think it is important that we all recognize that the D-5 gives us additional range, and when we talk about accuracies and we talk about first-strike capabilities because of the increased accuracies, we must recognize one thing: Accuracy is a function of range; the closer you are, indeed the more accurate the weapon can be, but as you increase range, you diminish your accuracy.

What we are attempting to do with the D-5 is to increase the range of the missile. That capability, if you can increase it 50 percent, will increase the amount of ocean you can hide a submarine in much, more more than 50 percent.

In fact, the 50-percent increase in range can yield perhaps five times as much ocean to hide in. So when you are moving back from your targets, you are losing the type of accuracy we are speaking about. The accuracy necessary for prompt hard-target kill capability.

If we use that extra ocean, then the D-5 missile will have the limited accuracy of today's C-4 missile.

□ 1340

So you begin to diminish that hard-target capability.

What we are, in essence, trying to accomplish is to get more ocean for the submarine, the launch vehicle, to hide in, and thus make it more difficult for an aggressor to track that launch platform, adding to that launch platform's survivability. That is the deterrence we are trying to accomplish. I would hope my colleagues would vote against the amendment.

Mr. WEISS. Mr. Chairman, will the gentleman yield on that point?

Mr. CARNEY. I yield to my colleague, the gentleman from New York.

Mr. WEISS. Just so that we have some equivalent base for understanding this increase of range issue, the gentleman agrees, does he not, that if the D-5 and the C-4 each have their full payloads, the range of those missiles is, roughly, the same, roughly, 4,000 miles? Does the gentleman agree with that?

Mr. CARNEY. I agree with the gentleman from New York.

Mr. WEISS. OK.

Mr. CARNEY. But if I may take back my time, I will say to the gentleman from New York that we are talking about a fully loaded missile, with the full load of warheads.

Mr. WEISS. OK.

Mr. CARNEY. Our planners do not necessarily load a missile with its entire capacity of warheads. You would be tipping your hand by doing that. We mix them. Some have few, some have full loads. We do that so we can gain more ocean.

Mr. WEISS. Right.

Mr. CARNEY. There is no doubt that if you have a fully loaded missile, you would have the same range. We are not going to fully load each missile. We are trying to find more survivability, more ocean. So we down-load the number of reentry vehicles.

Mr. WEISS. Will the gentleman yield for another question?

Mr. CARNEY. I yield to the gentleman from New York.

Mr. WEISS. Would the gentleman agree that if we down-load the C-4 that we also get the equivalent increase in range and we have more——

Mr. CARNEY. No.

Mr. WEISS. Well, of course it is true.

Mr. CARNEY. I would disagree with the gentleman.

Mr. WEISS. It is absolutely true.

Mr. CARNEY. We do not get the same range.

Mr. WEISS. Absolutely true.

Mr. CARNEY. That is not the case.

Mr. DELLUMS. Mr. Chairman, I move to strike the requisite number of words.

Mr. DICKINSON. Mr. Chairman, will the gentleman yield?

Mr. DELLUMS. I yield to my colleague, the gentleman from Alabama.

Mr. DICKINSON. Mr. Chairman, I was hoping that perhaps we could conclude the debate on this. I do not know how many other Members wish to speak. I see the gentleman from Washington standing. The gentleman from California has been recognized. Would the gentleman from New York think we could probably conclude the debate on this amendment and all amendments thereto in 20 minutes?

Mr. DELLUMS. I yield to the gentleman from New York [Mr. WEISS] for a response.

Mr. WEISS. I would agree with the gentleman from Alabama. Twenty minutes, I think, would suffice.

Mr. DICKINSON. Mr. Chairman, that being the case, I ask unanimous consent that debate on this amendment and all amendments thereto be concluded in 20 minutes.

Mr. WEISS. Mr. Chairman, would the gentleman agree that the time be divided between the two sides?

Mr. DICKINSON. The gentleman can have it all.

Mr. WEISS. I thank the gentleman. I appreciate that.

The CHAIRMAN pro tempore. The Chair will state the request.

The request is that all debate on this amendment and amendments thereto end in 20 minutes.

Is there objection to the request of the gentleman from Alabama?

There was no objection.

The CHAIRMAN pro tempore. The gentleman from California [Mr. DELLUMS] is recognized for 5 minutes.

Mr. DELLUMS. Mr. Chairman and members of the committee, we are now in the waning moments of this very important and significant debate, and I choose not to repeat the numerous arguments in support of the amendment offered by my distinguished colleague, the gentleman from New York [Mr. WEISS]. But I would simply like to go back to just a few moments ago when we were discussing nuclear war scenarios.

Mr. Chairman and members of the committee, there is something frightening and dangerous and surreal about my colleagues debating on the floor of the Congress about nuclear missile exchanges.

We are in Geneva at this very moment, Mr. Chairman and members of the committee, ostensibly about the business of backing away from the brink of nuclear disaster. Yet on the floor of Congress we are discussing scenarios of nuclear exchanges. And some of my colleagues, in great humility, even possess the enormous capacity to understand how this insane scenario would go forward. It will not happen quite like this or quite like that. How does any Member of this body know that, Mr. Chairman?

It only points up the insanity and the absurdity of attempting to pursue world peace through the development of thermonuclear technology, Mr. Chairman.

If we are going to preserve the integrity of life on this planet, I will argue passionately with my colleagues that we desperately need to internalize the notion that war is not an option. I repeat, for the purpose of emphasis, Mr. Chairman, that war is not an option in a nuclear age. Peace is not the alternative; it is the imperative.

If my colleagues could ever internalize the notion that in the nuclear age we render the whole notion of war obsolete and insane, we would back away from these absurd, almost surreal debates. We would back away from arms escalation that will only challenge our economy and challenge the future for our children and their children's children. We would then begin to embrace other forms of democratic and human institutional processes to allow us to handle the differences that exist between and among us as people and as nations.

I was thinking, as I listened to some of this debate, how would I look at this body if I were sitting in the gallery looking down. Mr. Chairman, I would be frightened. Mr. Chairman, what we are trying to say here is that pursuing this kind of technology is to pursue insanity. And I would like to hope that many of my colleagues can rise above political considerations and understand that we are doing nothing for ourselves and for generations into the future voting for this kind of an alternative.

We are indeed moving beyond deterrence to the development of a war-fighting capability, and we all know that. Why develop nuclear weapons with greater range, greater accuracy, and greater capacity to destroy unless we are contemplating fighting nuclear war?

As I have said on a number of occasions, I am a trained psychiatric social worker. And I would invoke that training at this moment, because I believe that anyone who thinks we can fight and survive and win a nuclear war is certifiably mentally disturbed. And for us to pursue a debate on the floor of this Congress based upon the assumption that we can intelligently and rationally pursue a strategy of nuclear war is a mind set that I cannot comprehend.

So we stand here talking about C-4's and D-3's and D-5's. These are all heinous weapons. Why do we need weapons to strike a silo if we have decided that our strategy is to strike second, never to strike first?

Why do we need weapons with greater range if our strategy is to strike second, not strike first?

These are indeed war-fighting strategies that we are pursuing. I repeat: War is not an option in a nuclear age. I would be willing to challenge any Member on this floor to an open debate, any Member who believes——

The CHAIRMAN pro tempore. The time of the gentleman from California [DELLUMS] has expired.

Mr. DELLUMS. Mr. Chairman, I ask if the gentleman from New York [Mr. WEISS] will provide me 2 additional minutes.

Mr. WEISS. Yes.

The CHAIRMAN pro tempore. The Chair is allocating time among the Members. Four Members were standing at the time the unanimous-consent

request was agreed to, the gentleman from California, the gentleman from Washington, the gentleman from New York, and the gentleman from Alabama.

Does the gentleman from New York [Mr. WEISS] yield 2 minutes of his time?

Mr. DICKS. Mr. Chairman, the gentleman from Alabama said he did not request any time.

The CHAIRMAN pro tempore. Under the unanimous-consent request for 20 minutes, the Chair counted who was standing.

Mr. DICKS. I understand that, Mr. Chairman, but the gentleman from Alabama said he did not want any time.

The CHAIRMAN pro tempore. If the gentleman from Alabama [Mr. DICKINSON] wants to yield his time, he can yield to the gentleman from New York [Mr. WEISS]. But the gentleman was standing at the time the request was made.

Mr. DICKS. Mr. Chairman, I yield 1 minute of my time of the gentleman from California [Mr. DELLUMS].

Mr. WEISS. Mr. Chairman, I yield 1 minute of my time to the gentleman from California [Mr. DELLUMS].

Mr. DELLUMS. I thank both of my colleagues for yielding.

Mr. Chairman, I would be willing to debate any Member on this floor who could, with a straight face, assert that war is really an option, once we have developed this heinous capacity to destroy life. I would challenge any Member to articulately and eloquently stand here and assert that war is really an option once we develop this capacity to annihilate and level this planet beyond our comprehension.

And if no Member is willing to rise and debate on that question, then why are we pursuing this strategy of greater accuracy, greater range, greater capacity to destroy? Why are we spending $30 billion while we are threatening our senior citizens, threatening our children, creating greater unemployment, greater poverty, and increasing the index of human misery in this country to an astronomical level, threatening farmers in rural America, cutting back on programs that we desperately need while we develop a $30 billion program whose only objective is to threaten life on this planet?

If we are indeed in Geneva seriously, why then are we standing on this floor talking about war-fighting scenarios and greater capacity to destroy? We cannot have it both ways.

□ 1350

One day we argue we need this or that missile to go to Geneva; we are now at Geneva, what is the argument about pursuing this greater level of technology? We have to move beyond an arms escalation strategy. If we are at the negotiating table, let us develop a negotiating strategy. But it is not spending $30 billion pursuing the technology of annihilation. That is all this gentleman wanted to say.

I am just saying this debate becomes very surreal when we begin to talk about thermonuclear exchanges and war strategies.

Mr. CARNEY. Mr. Chairman, will the gentleman yield?

Mr. DELLUMS. I yield to the gentleman.

Mr. CARNEY. I thank the gentleman for yielding.

Mr. Chairman, I think the gentleman might misunderstand my emphasis. My emphasis is the prevention of war.

The CHAIRMAN pro tempore. The Chair now recognizes the gentleman from Washington [Mr. DICKS].

Mr. CARNEY. Mr. Chairman, will the gentleman yield for 10 seconds so that I could finish my remarks?

Mr. DICKS. Yes; I yield to the gentleman from New York for 10 seconds.

Mr. CARNEY. I thank the gentleman.

As I was saying, the best way that we can prevent war is to be prepared and to ensure the survivability of our submarine leg of the triad.

Mr. DICKS. Mr. Chairman, I take the floor at this point to comment on the fact that in March of 1983, President Reagan wrote a letter to several Members of Congress in which he pledged not to develop a first-strike capability on the part of the United States, and reiterated that our policy is a policy of only responding to a Soviet first strike.

Now, I hope and pray that that is our strategy and believe that it should be. I also want to point out that last year on the defense authorization bill there was a requirement for the administration to come up with a report by April 15 that would explain how they would avoid developing a first-strike capability when you looked at the MX Program, you looked at the D-5 Program and you looked at the Midgetman Program. All three systems which have hard target capability. The report has not been submitted and it should be.

Now, as it focuses down on this amendment, yesterday we limited the MX Program to 40 MX's or 400 warheads. That will give us 400 weapons with prompt, hard target capability. I would point out to my colleagues that there is a distinction, a very important distinction, between the promptness of a submarine. It certainly does not have the same kind of prompt quality that a land-based missile does because of the difference in communication with the submarine. So it is not as prompt, and in my own view, should be viewed as a second strike, or as a retaliatory weapon.

I believe that the real debate will come later on the D-5. I think we need to look at a sub-ceiling in terms of the number of Trident submarines D-5 missiles that we have, and how many of those submarines we should equip with the D-5, and how many we should equip with the existing technology.

My own view is just as Congress has limited the MX at 40 or 50, which will be resolved by the conference, I think we also should consider sub-ceilings on D-5 for the Trident Program. But I would resist this amendment at this point because I do believe we need to have some improvement in the capability of our submarine-based missiles.

I would hope, particularly in light of what was done yesterday, that the House, and this committee, would reject the Weiss amendment but continue to study just how much of the D-5 program we actually want. I can see a situation down the road when we may want to have a limit on the number of D-5's, just as we have a limit on the number of MX's.

The CHAIRMAN pro tempore (Mr. DURBIN). The Chair recognizes the gentleman from New York [Mr. WEISS].

Mr. WEISS. I thank the Chair.

Mr. Chairman, following up on the statement of the gentleman from California [Mr. DELLUMS] it is my belief that no Member of this body, indeed, no American, no human being on this planet except those who are truly out of their minds want a nuclear war or think that a nuclear war can be fought and won or survived.

I think that the people in this body, on all sides, genuinely want to do those things which in their judgment would help to slow down the march toward the annihilation of humanity. The question really is of examining the various weapons systems and proposals that come before us and to judge with clear-eyed objectivity as to whether in fact the specific weapons proposal, weapons system, helps to slow down the march to extinction or whether in fact it accelerates it.

The D-5 in fact is a destabilizing weapons system which will take us much more quickly to a nuclear confrontation and the extinction of humanity. What we are talking about are 20 Trident submarines, which will be built in any event by the late 1990's. They will be equipped, each of them, with 24 D-5 missiles, each of which will have 8 warheads; 192 warheads on each of those submarines. A total of 3,840 warheads, each of which has the explosive power of 475,000 tons of dynamite. It is awesome power and it does not make any sense.

If my amendment is adopted there will be the same number of submarine missiles and warheads. The only difference will be that the missile will be the C-4 instead of the D-5. The C-4 does everything that the D-5 can do

except to bust the silos. That capacity makes the D-5 a first-strike weapon. It invites the Soviet Union, even if it has a mistaken impression, that we are about to launch an attack, to launch its weapons first so that they are not destroyed in their silos and we, meaning humanity, are off to destruction and annihilation.

We have a chance at this point to draw back from that fateful march off the cliff. Let us do it now while we have the time. We in no way endanger the defensive capacity or the offensive capacity of the United States of America. The C-4 is a fantastically powerful explosive weapon. It gives you all the range that the D-5 does; it still allows the Trident submarine, which is the newest submarine we have got, to range the seas. What it does is to take us away from the explosive power of this sea-launched ballistic missile whose only purpose can be to start a nuclear war.

Let us look at it objectively; let us say that because we voted to limit the MX's yesterday does not mean that we have done all that needs to be done for arms control and limitation. Indeed, if we do not adopt this amendment we may have undone whatever good we achieved by the limitation we put on the MX yesterday.

I urge my colleagues to vote "yes" on this amendment.

Mrs. HOLT. Mr. Chairman, I ask unanimous consent to be granted the 5 minutes previously granted to the gentleman from Alabama [Mr. DICKINSON].

The CHAIRMAN pro tempore. Is there objection to the request of the gentlewoman from Maryland?

There was no objection.

The CHAIRMAN pro tempore. The gentlewoman from Maryland [Mrs. HOLT] is recognized for 5 minutes.

Mrs. HOLT. Mr. Chairman, certainly we have debated this issue long and gone into it in great detail. I do not think there is anybody in this House that feels that anybody can win a nuclear war. There is nobody in this House that even wants to think about beginning that kind of thing.

I also feel very strongly that there is nobody here that does not recognize that that nuclear umbrella, the deterrent that we have had, has kept the peace over the last 30 years. I think that this is important; we are trying today to modernize our weapons systems so that we do protect our young people who are willing to stand up for this country to protect us.

I think that it is absolutely essential that we continue this kind of development to make certain that we do have that nuclear technology that has provided the deterrent that has kept the peace. I urge defeat of this amendment.

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentleman from New York [Mr. WEISS].

The question was taken, and the Chairman pro tempore announced that the noes appeared to have it.

RECORDED VOTE

Mr. WEISS. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 79, noes 342, not voting 12, as follows:

[Roll No. 171]

AYES—79

Ackerman	Gray (PA)	Rangel
Atkins	Hawkins	Rodino
AuCoin	Hayes	Roybal
Bates	Kastenmeier	Russo
Bedell	Kennelly	Sabo
Beilenson	Kildee	Savage
Berman	Kostmayer	Scheuer
Bonior (MI)	LaFalce	Schumer
Boxer	Lehman (FL)	Seiberling
Bruce	Leland	Solarz
Burton (CA)	Levin (MI)	St Germain
Clay	Levine (CA)	Stark
Collins	Lowry (WA)	Stokes
Coyne	Markey	Studds
Crockett	Matsui	Towns
Dellums	Mavroules	Traficant
Dixon	McHugh	Traxler
Dorgan (ND)	Miller (CA)	Walgren
Downey	Mitchell	Waxman
Dymally	Moakley	Weaver
Early	Morrison (CT)	Weiss
Edgar	Mrazek	Wheat
Edwards (CA)	Oberstar	Williams
Evans (IL)	Obey	Wolpe
Frank	Owens	Yates
Garcia	Panetta	
Gejdenson	Penny	

NOES—342

Addabbo	Chandler	Fazio
Akaka	Chappell	Feighan
Alexander	Chappie	Fiedler
Anderson	Cheney	Fields
Andrews	Clinger	Fish
Annunzio	Coats	Flippo
Anthony	Cobey	Florio
Applegate	Coble	Foglietta
Archer	Coelho	Foley
Armey	Coleman (MO)	Ford (MI)
Aspin	Coleman (TX)	Ford (TN)
Barnard	Combest	Fowler
Barnes	Conte	Franklin
Bartlett	Cooper	Frenzel
Barton	Coughlin	Frost
Bateman	Courter	Fuqua
Bennett	Craig	Gallo
Bentley	Crane	Gaydos
Bereuter	Daniel	Gekas
Bevill	Darden	Gephardt
Biaggi	Daschle	Gibbons
Bilirakis	Daub	Gilman
Bliley	Davis	Gingrich
Boehlert	de la Garza	Glickman
Boggs	DeLay	Gonzalez
Boland	Derrick	Goodling
Boner (TN)	DeWine	Gordon
Bonker	Dickinson	Gradison
Borski	Dicks	Gray (IL)
Bosco	Dingell	Green
Boucher	DioGuardi	Gregg
Boulter	Donnelly	Grotberg
Breaux	Dowdy	Guarini
Brooks	Dreier	Gunderson
Broomfield	Duncan	Hall (OH)
Brown (CA)	Durbin	Hamilton
Brown (CO)	Dwyer	Hammerschmidt
Broyhill	Dyson	Hansen
Bryant	Eckart (OH)	Hartnett
Burton (IN)	Eckert (NY)	Hatcher
Bustamante	Edwards (OK)	Hefner
Byron	Emerson	Heftel
Callahan	English	Hendon
Campbell	Erdreich	Henry
Carney	Evans (IA)	Hertel
Carper	Fascell	Hiler
Carr	Fawell	Hillis
Holt	McMillan	Shaw
Hopkins	Meyers	Shelby
Horton	Mica	Shumway
Howard	Michel	Shuster
Hoyer	Mikulski	Sikorski
Hubbard	Miller (OH)	Siljander
Huckaby	Miller (WA)	Sisisky
Hughes	Mineta	Skeen
Hunter	Molinari	Skelton
Hutto	Mollohan	Slattery
Hyde	Monson	Slaughter
Ireland	Montgomery	Smith (FL)
Jacobs	Moody	Smith (IA)
Jenkins	Moore	Smith (NE)
Johnson	Moorhead	Smith (NH)
Jones (NC)	Morrison (WA)	Smith (NJ)
Jones (OK)	Murphy	Smith, Denny
Jones (TN)	Murtha	Smith, Robert
Kanjorski	Natcher	Snowe
Kaptur	Neal	Snyder
Kasich	Nelson	Solomon
Kemp	Nichols	Spence
Kindness	Nielson	Spratt
Kleczka	Nowak	Staggers
Kolbe	Oakar	Stallings
Kolter	Olin	Stangeland
Kramer	Ortiz	Stenholm
Lagomarsino	Oxley	Stratton
Lantos	Packard	Stump
Latta	Parris	Sundquist
Leach (IA)	Pashayan	Sweeney
Leath (TX)	Pease	Swift
Lehman (CA)	Perkins	Swindall
Lent	Petri	Synar
Lewis (CA)	Pickle	Tallon
Lewis (FL)	Porter	Tauke
Lightfoot	Price	Tauzin
Lipinski	Pursell	Taylor
Livingston	Quillen	Thomas (CA)
Lloyd	Rahall	Thomas (GA)
Loeffler	Ray	Torres
Long	Regula	Torricelli
Lott	Reid	Valentine
Lowery (CA)	Richardson	Vander Jagt
Lujan	Ridge	Vento
Luken	Rinaldo	Visclosky
Lundine	Ritter	Volkmer
Lungren	Roberts	Vucanovich
Mack	Robinson	Walker
MacKay	Roe	Watkins
Madigan	Roemer	Weber
Manton	Rogers	Whitehurst
Marlenee	Rose	Whitley
Martin (IL)	Rostenkowski	Whittaker
Martin (NY)	Roth	Whitten
Martinez	Roukema	Wirth
Mazzoli	Rowland (CT)	Wise
McCain	Rowland (GA)	Wolf
McCandless	Rudd	Wortley
McCloskey	Saxton	Wright
McCollum	Schaefer	Wyden
McCurdy	Schneider	Wylie
McDade	Schroeder	Yatron
McEwen	Schuette	Young (AK)
McGrath	Schulze	Young (FL)
McKernan	Sensenbrenner	Young (MO)
McKinney	Sharp	Zschau

NOT VOTING—12

Badham	Hall, Ralph	Pepper
Conyers	Jeffords	Strang
Dannemeyer	Myers	Udall
Dornan (CA)	O'Brien	Wilson

□ 1410

The Clerk announced the following pairs:

On this vote:

Mr. Conyers for, with Mr. Strang against.

Messrs. BOLAND, FOGLIETTA, and CONTE changed their votes from "aye" to "no."

So the amendment was rejected.

The result of the vote was announced as above recorded.

AMENDMENT OFFERED BY MR. SYNAR

Mr. SYNAR. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. SYNAR: At the end of title I (page 22, after line 23) insert the following new section:

SEC. 111. ADVANCED TECHNOLOGY BOMBER.

(a) REPORT ON TOTAL PROGRAM COST.—Not later than February 1, 1986, the Secretary of Defense shall transmit to Congress a report setting forth the total program cost for the advanced technology bomber program. The Secretary shall include in the report the Secretary's evaluation of the reliability of the cost estimates for the program.

(b) LIMITATION ON EXPENDITURE OF PROCUREMENT FUNDS.—No funds appropriated pursuant to the authorizations of appropriations in this title may be obligated or expended for the advanced technology bomber program until the report required by subsection (a) is transmited to Congress.

□ 1420

Mr. SYNAR (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. SYNAR. Mr. Chairman, the amendment I am offering is very simple. It says that the Defense Department must report to Congress on how much it plans to spend on the Stealth bomber program, and it says that no funds can be spent on procurement until the report is submitted to Congress.

Aviation Week, the authoritative aerospace journal, recently reported that the Pentagon may be funding production start-up money for the Northrop advanced technology bomber—Stealth.

Covert full-scale production of Stealth could be a disaster, both from the standpoint of the precedent such a step would represent and because it would be a needless risk that could boomerang and damage our national security. Deep secrecy surrounding the cost of Stealth obviously deprives the Soviets of some technical details. But the secrecy of the program cost also prevents Congress from exercising its oversight responsibility.

For us to commit to buying Stealth without first flying it could only be justified on three grounds: one, minimal technical risk; two, a significant weakness in American capabilities; or three, an equally significant increase in the threat to American security. None of these conditions exists. There is no reason for us to buy an airplane which hasn't flown and whose cost and performance are unknown.

We have seen rampant cost overruns even when Pentagon programs are subject to full price disclosure. One can easily imagine what might happen to a program that is insulated from congressional oversight.

Indeed, we may already be paying the price for the secrecy of Stealth costs. The Washington Post recently reported that "the Stealth is running far above cost estimates, according to Air Force sources, making it a candidate for stretchout."

Stealth represents only a small portion of the growth in DOD "black" programs. Defense Week reported last year that the amount of money spent each year on the Pentagon's highly classified and restricted "black" projects has soared by at least 777 percent over the past 5 years, according to estimates derived from public Pentagon documents. These are programs that are shielded from public scrutiny and congressional oversight and insulated from any incentive to keep costs within schedule.

Less than 4 years ago, a parade of expert witnesses before congressional committees described the uncertainties surrounding Stealth. The Air Force chief of staff cautioned against acceleration of Stealth because of the "quantum leap in technologies and consequent uncertainties involved."

Richard DeLauer, then Undersecretary of Defense, warned Congress to "stop betting on advanced technology before you prove it. Do some testing and some configuration development before you enter production. Once you enter production, for goodness sakes, have some competition throughout the program so no one gets in a sole source position." His words have been lost in the rush to get Stealth underway before Congress can examine its true worth.

Congress is in the process of an unprecedented abdication of its oversight responsibilities. The result could be a serious threat to our national security and the possibility of billions in squandered defense dollars. At the very least, Congress should be told what the ATB will cost and make a decision from that information about whether to begin procuring the ATB.

Mr. STRATTON. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, the committee has had an opportunity to examine the gentleman's amendment. It is a good amendment which the gentleman proposes. With the understanding that the report that the Secretary is required to submit under the gentleman's amendment would be either classified or unclassified, as the Secretary himself determines, we would accept the amendment.

Mr. SYNAR. Mr. Chairman, if the gentleman would yield, I thank the gentleman from New York.

I might point out that would be the Secretary's discretion.

Mr. HOPKINS. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I would like to enter into a brief colloquy with the gentleman from Oklahoma, if he would.

Does the gentleman's amendment in any way endanger the high technology of Stealth as it relates to classified information?

Mr. SYNAR. In no way does it do that, because the Secretary of Defense could classify all the information that is provided for Congress, not only the cost. All we are asking for in this report is the cost and it in no way affects the technology.

Mr. HOPKINS. Does the gentleman's amendment in any way put at risk any of the programs that come under the black box technology?

Mr. SYNAR. No, it does not. In fact, it probably protects them more by not in the amendment designating this as classified, therefore raising the spectrum about the other reports under the black box.

Mr. HOPKINS. So as I understand the amendment, all the gentleman is really asking for basically is what we in the Congress have a right to know before we enter into a procurement mode; that is, how much does it cost.

Mr. SYNAR. The gentleman is absolutely correct. I think at a minimum we in the Congress ought to have that number before we make the decision that could cost billions of dollars.

Mr. HOPKINS. I thank the gentleman from Oklahoma.

Mr. Chairman, I think this is a reasonable amendment and certainly one that I support.

Mr. DICKS. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I am going to support the Synar amendment, but I just want to make a few comments.

First of all, I have had a chance to visit and to be briefed extensively on the Advanced Technology Bomber Program as a member of the Defense Appropriations Subcommittee. I happen to believe this is a very good program and that it is in excellent shape.

As most Members know, the existing Bomber Program is to build 100 B-1 bombers and then transition to the advanced technology bomber. I think the B-1 is an excellent program, I think the contractor and the Air Force have done an outstanding job, not only of holding down the cost, but keeping the $20.5 billion commitment.

As one of those who fought for multiyear procurement of the B-1, I think we proved two things; one, that multiyear procurement does lead to cost stability, and second, that it produces substantial savings. We are going to come in below $20.5 billion on the B-1 Program.

Now, having said that, I believe that making the transition from the B-1 Program to the advanced technology bomber is vital to the national security of this country.

I think the new technology offers us a great deal that we are going to need to meet the Soviets air defense threat in the 1990's and beyond.

So I hope that this amendment is one that will provide necessary information, but I just want to caution my colleagues that I believe that the program that we are on should be strongly supported.

The Air Force has made it very clear that is supports 100 B-1's, but then it wants to make the transition to ATB, and based on my own assessment I see nothing that should change the scenario.

So let us support the Synar amendment, but let us also remember that the Air Force and the Defense Department, and this Congress will continue to support strongly the Bomber Program as currently structured.

□ 1430

Mr. McCURDY. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I just want to rise in support of the Synar amendment and commend my colleague from Oklahoma for a very thoughtful amendment.

I, like the gentleman from Washington, am very concerned about the development of the ATB, and believe there are some very vital technologies involved. However, the gentleman from Oklahoma has raised a very important point and that is the number of programs that have become classified to the extent that their cost is continually hidden and buried and they are mounting. I think it is important that we in the Congress look at the costs and that this is not going to threaten the technologies, nor the security of the program itself by examining the research and development costs and procurement costs.

Again I appreciate the chairman of the Procurement Subcommittee and the chairman of the full committee for accepting this amendment and the gentleman from Oklahoma for offering the amendment.

I yield back the balance of my time.

Mr. DICKINSON. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, in regard to the Synar amendment, we have looked at it and discussed it. Let me say for the benefit of the Membership it was the intent and purpose of the Department of Defense, the Air Force and this body that we were going to buy 100 B-1 bombers. At that time the line would be phased out and we would produce the advanced technology bomber. We are reaching the point where such a decision must be made.

In order to reach that decision we have to have certain technical information or even cost information as to where we stand as to the ATB or advanced technology bomber. I think the information requested in this amendment certainly would be necessary for us to make an informed decision, so I would certainly accept it.

But while I still have the time I wonder if I might have the attention of the chairman in order to have a small colloquy as to where we go from here. If the chairman would respond, a number of the Members are interested in what time would be allotted on the floor today, also tomorrow and the rest of the week. Will we be working late tonight or tomorrow or Friday?

In a private conversation with the chairman I was given to understand that perhaps a decision had been made with the leadership. I think it would be helpful if you could inform us as to what we might reasonably expect in terms of working today, tomorrow, and Friday.

Mr. ASPIN. Mr. Chairman, will the gentleman yiield?

Mr. DICKINSON. I am happy to yield to the gentleman from Wisconsin.

Mr. ASPIN. I thank the gentleman for yielding. Let me say at this point that the next thing we are going to get into is the binary issue which is a very contentious issue and one which a lot of people feel very strongly about. There are two or three amendments.

We would like to finish by a reasonable hour today. By reasonable hour I would say 6:30 or 7 o'clock. So I would hope we would be able to do the binary this afternoon.

That would complete title I. That would leave us to start title II tomorrow.

It is the intention of the chairman of the committee to run tomorrow again to a rather reasonable hour tomorrow night. The leadership was consulted, the leadership on the Democratic side and they thought that going beyond about 6 or 7 again tomorrow night would not be a good idea since we will start at 10 a.m.

It is, however, our intention to have a session on Friday to start at 10 o'clock and to finish by 3 on Friday.

I would have to tell the members of the committee here that it is not very likely that we are going to be able to finish the bill on Friday. But we are up against some constraints about how much time we are going to have available next week, to do the DOD bill. We are going to have a supplemental coming back from conference and other things that have to be done before the Fourth of July recess and it is just imperative that we get that 5 hours in on Friday. It is not a pleasant situation, but it is better than running on Friday, a week from the day after tomorrow, which would be bumping up against the Fourth of July recess.

So to answer the gentleman's question, it is the intention of the committee here to go until a reasonable hour tonight, start at 10 o'clock, go to a reasonable hour tomorrow night, and start at 10 o'clock on Friday and go until 3 p.m.

Let me just finish up by saying that there is no way that we will have a session on Monday. So if it goes over, it goes over until noon on Tuesday.

Mr. DICKINSON. That was the question that I wanted to clarify. We would not have a session on Monday so far as this bill is concerned, and it is the gentleman's understanding that we really would just have a pro forma session?

Mr. ASPIN. The leadership should really address that issue. But in talking to them they said there were other conflicts and they could not schedule a session on Monday and we would be back in session at noon on Tuesday. And if we had not finished the DOD bill we would be back on the DOD bill at noon on Tuesday.

Mr. DICKINSON. And it is your intention, at least, that the next item of business would be the chemical warfare amendment by the gentleman from Florida [Mr. FASCELL] and the gentleman from Illinois [Mr. PORTER]? That would be the next order of business?

Mr. ASPIN. The gentleman is correct. We have a couple of amendments to that and it is going to be a hot issue and I hope we can settle that this afternoon.

Mr. FASCELL. Mr. Chairman, will the gentleman yield?

Mr. DICKINSON. I will be very pleased to yield.

Mr. FASCELL. I just wanted to ask the chairman, since he seems to have gotten some information from the leadership with regard to the schedule, he says the supplemental is coming back next week.

Mr. ASPIN. It may. It may.

Mr. FASCELL. I am just curious, in your discussions with the leadership did they happen to mention what has happened to the foreign aid bill that is supposed to be on the schedule for next week?

Mr. ASPIN. I will report to the gentleman that I forgot to ask, and I am sorry. The next time I see one of the leadership I will ask them, if I remember.

Mr. FASCELL. I just thank the gentleman. He is very kind and I hope he will find out something before I do.

Mr. DICKINSON. I yield back the balance of my time.

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentleman from Oklahoma [Mr. SYNAR].

The amendment was agreed to.

AMENDMENT OFFERED BY MR. PORTER

Mr. PORTER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. PORTER: Page 2, line 15, strike out "$2,357,600,000" and insert in lieu thereof "$2,276,700,000."

Page 11, line 17, strike out "$6,591,800,000" and insert in lieu thereof "$6,570,300,000."

Page 11, line 23, strike out "$1,139,700,000" and insert in lieu thereof "$1,118,200,000."

Page 13, line 16, strike out "$9,043,900,000" and insert in lieu thereof "$9,021,800,000."

Page 13, line 18, strike out "$1,389,200,000" and insert in lieu thereof "$1,367,100,000."

Page 22, after line 23, insert the following new section:

PROHIBITION OF SPENDING FUNDS FOR BINARY CHEMICAL MUNITIONS

SEC. 111. None of the funds appropriated pursuant to authorizations of appropriations in this title may be used for procurement of binary chemical munitions, including advanced procurement of long-lead components or for the establishment of a production base for such munitions.

Mr. PORTER (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

(By unanimous consent, Mr. PORTER was allowed to proceed for 10 additional minutes.)

The CHAIRMAN pro tempore. The gentleman from Illinois [Mr. PORTER] is recognized for 15 minutes.

Mr. PORTER. Mr. Chairman, what this amendment does is to delete from the Defense authorization $124.5 million for chemical weapons production; $21.7 million of that is in 155 millimeter projectiles, $59.2 million of that is in Bigeye facilities, and $43.6 million of it is in Bigeye production.

It also does not allow reprogramming of funds from other sources for chemical weapons production.

What the amendment does not do is affect R&D which remains at $33 million and which I favor. It does not affect chemical defensive measures which total $936 million and which I also favor, and very strongly favor. Nor does it affect the account for demilitarization of $132 million.

Mr. Chairman, Congress has rejected chemical weapons funding for 3 straight years and nothing in my opinion has changed regarding chemical weapons. We still have an adequate chemical deterrent. NATO still will not take any new binary chemical weapons even if we produce them, and the Bigeye bomb is still not ready for production.

Mr. Chairman, one thing has changed over the last 3 years and that is that our deficits are larger than ever, our national debt now approaches $2 trillion, and it seems to me under those circumstances that the burden is upon those who ask the Congress for any new spending programs, particularly one that is going to cost $2.6 billion over the next 5 years, to show what compelling evidence they might have that we must spend this money and we must go further into debt.

□ 1440

In my judgment, there is no such evidence. We should not undertake such a new spending program, and the case certainly has not been made for it.

Mr. Chairman, I have been a strong supporter of this Nation's defense ever since I was elected to Congress 5 years ago. I have supported the MX missile. I have supported the President's policy in Central America and, from my perspective, this is not a question of hawks versus doves, this is a question of whether we should waste America's resources in the face of a huge deficit by buying what we do not need.

In my judgment, we do not need it, we cannot afford it, we cannot deploy it, and even if we could do all those things, it is not ready to be done.

Last year I undertook a number of trips and briefings to learn more about chemical defense and chemical weapons production. I went out to the China Lake Weapons Center, where the Bigeye bomb was developed and tested.

I visited the Marquardt Corp. in Van Nuys, CA, where the Bigeye would be built.

I inspected a large portion of our nerve gas supplies, our artillery shells, which are kept at our base at Tooele Army Depot in Utah.

I might say I was the first Congressman ever to stay overnight at the Dougway Proving Ground, a remote area in Utah where chemical defensive equipment is tested, and I have a plaque on my office wall to prove it.

I have had a number of briefings by the Department of Defense, by industry officials, by the CIA. I invited Members to come recently to a briefing by the CIA on this issue, and European government officials, all on the subject of whether, after 16 years from the moratorium declared by President Nixon in 1969, this country should resume chemical weapons production.

Mr. Chairman, my conclusions are, after extensive study, that our country in fact does need a chemical deterrent, and I stress that, does need a chemical deterrent, but in fact we have a sufficient chemical deterrent, not perfect to be sure, but adequate to meet our defensive needs; that we cannot afford a new spending program of $2.6 billion; that NATO will not take any new chemical weapons that we produce; and that the Bigeye bomb after 20 years is not, still not ready for production.

I would like to discuss each of those conclusions in some detail, if I may.

Mr. Chairman, Secretary Weinberger says we have a sufficient stockpile of artillery shells, and I would like to quote from his testimony before a congressional committee.

Mr. WEINBERGER. The United States possesses a stockpile of chemical nerve agent artillery shells similar to the proposed M-687 binary rounds that are compatible with modern 155 millimeter and 8-inch artillery pieces. The quantity is in the range of sufficiency, at least for United States forces and actually is higher than the planned acquisition quantity for the binary projectile.

The significant questions regarding chemical artillery shells are how long will existing shells remain usable and are they now and will they remain safe to fire?

His conclusions were that they are.

Second, and I would like to ask unanimous consent, if I may, Mr. Chairman, to exhibit to the House an estimate of the size of our stockpile prepared by a British scientist, Julian Percy Robinson.

The CHAIRMAN pro tempore. The gentleman requests permission to display extraneous matter in the debate.

The gentleman will have to receive permission for extraneous matter to be inserted in the RECORD in the House, not in the Committee of the Whole. But the gentleman may use the display during debate at the sufferance of the Committee of the Whole.

The gentleman may proceed.

Mr. PORTER. Mr. Chairman, the chart will indicate that we have a stockpile that exceeds, according to Mr. Robinson's estimates, 2 million projectiles, which is a quantity that is, I might say, far in excess of what we may need.

The United States has one chemical weapons depot in West Germany, with 4,000 tons of ordnance. And to give you an idea of what that means, it means that with our stockpile alone, that amount would be able to cover 9,000 square miles with chemical nerve agent; which is sufficient to kill every human being on this planet 5,000 times over, and if we were to fire one chemical round for every 20 artillery rounds from that stockpile, we would be able to fire continuously for 8 months.

Mr. STRATTON. Would the gentleman yield to me on that one factual point?

Mr. PORTER. I will be happy to yield to the gentleman at the end of my remarks.

Mr. STRATTON. I just wanted to find out exactly when Mr. Weinberger made the statement which the gentleman attributes to him? Was that this year before the Armed Services Committee?

Mr. PORTER. That was testimony in 1983.

Mr. STRATTON. 1983? That is the same old stuff that we have heard year after year.

Mr. PORTER. If I may reclaim my time, if we were to fire one chemical round for every five stockpiled in Europe alone, it would still last over 2 months. Tom Welch, Assistant to the Secretary of Defense in charge of chemical weapons for the Pentagon, said we can fire every one of these shells, we have the existing pieces to do so. And I might say also to the Members that often it is judged somehow that the size of the Soviet chemical stockpile is relative; it is not. I do not know of any responsible military planner who ever considers the Soviet buildup is relevant to what we need. You do not fire chemical shells at one another. The purpose is first to deter chemical first use, and that is the first question you should ask about a stockpile; is it sufficient to deter chemical first use? And the second question is, will it cause the enemy to put on protective gear, and meet these strategic and planning needs of our own military objectives? The answer to those questions is yes, and they are "yes" even by Mr. Weinberger.

Some people have raised questions of safety. There is no question of safety regarding the stockpile. Parts of it at least have been in existence for 40 years. All of it has been there at least since 1969. During that time, there has been no incident involving any injury as a result of the existence of the stockpile.

Senator GARN has been quoted before in this Chamber about his opinion on that subject. It is very clear that nerve gas, although it has been stored in the United States for many, many years, is not a safety problem. So the whole issue of binaries to solve a safety problem really does not exist.

Two years ago there was a blue ribbon panel appointed by the Department of Defense to look into this question of leakers. Among other conclusions, they said the fraction of leakers is small, less than 6 per 10,000 artillery projectiles. That is way, way, way under 1 percent. They said also in general the components of the emissions appeared to be in good shape except for rare instances of imperfections in the brazed joints mentioned earlier. These appear to be related to manufacture rather than to aging.

They also said, and I confirmed this myself by being there and seeing it onsite, the surveillance procedures currently in use for developing leakers in storage are well instrumental and well monitored. We have an extremely capable, conscientious program of maintaining the safety of these shells in storage.

□ 1450

I might also say that the commission that was appointed earlier this year looked into this entire question and recently—and that is just within the last week or so; I think the report is dated June 7—have said:

The commission has found that:

Rumors of the stored munitions being dangerous or leaking appeared to be exaggerated or inaccurate. The number of artillery rounds in which leakage has been found is infinitesimal; amounting to 6 per 10,000 artillery rounds.

Panels of scientists from the National Research Council that conducted tests in 1983, concluded that:

Metal parts of most kinds of artillery rounds and bombs were sound. All the weapons in Europe are serviceable. Only two types of munitions: the obsolete M-55 battlefield rocket and some bombs filled with a non-lethal incapacitant present any immediate safety problems.

And those, of course, are being taken care of.

They also said the 1983 tests, however, found only a "small diminution in potency, some of which may reflect original manufacturing impurities." So what they said is, the unitary projectiles that we have on hand, which are huge in number, are in good shape; there is no safety problem; they are suitable for firing; they are available for firing, and they provide an adequate deterrence.

Mr. FASCELL. Mr. Chairman, will the gentleman yield?

Mr. PORTER. I yield to the gentleman from Florida.

Mr. FASCELL. I thank the gentleman for yielding. I simply want to say that I strongly support the gentleman's amendment for policy reasons, for security reasons, for technical reasons, for economic reasons, and just because it is good common sense. I do not think we ought to be stockpiling the money for something we do not need and cannot use.

For the fourth straight year, we are facing this DOD request for binary nerve gas weapons. Members must ask themselves whether they would want to fund binary nerve gas weapons that:

Add hundreds of millions and eventually billions of dollars to our $200 billion deficit;

Have never been field tested and continually fail laboratory tests;

Have been rejected by our closest NATO allies;

Kill civilians in droves while leaving protected enemy soldiers unharmed; and

Make chemical weapons proliferation and terrorist use more likely while making arms control less likely.

We do not need a new chemical weapons capability now. Our national security does not need it, and our national defense and foreign policy would suffer as a result of approving such a program. That's why a bipartisan majority in the House has decisively rejected the DOD request for new nerve gas weapons for the past 3 years. This is a cut in defense spending on which many Democrats and Republicans have agreed and should agree on again.

The arguments for these new nerve gas weapons are dubious and weak.

We are told that the weapons, the Bigeye bomb and the 155mm artillery shell are modern, safe, and, this year, a "success story." In fact, the Bigeye bomb is an old bomb, 20 years in research and development, and still plagued with operational problems and test failures.

The binary artillery shells are called safe and harmless. Yet they contain the chemical DF which is as toxic (maybe not letal) as the chemical which leaked at Bhopal, killing 2,000 people.

The past history of the Bigeye bomb is full of claims about its readiness. But in 1982, the Bigeye prematurely exploded and spewed deadly gas at an Army facility. New flaws and failures keep happening. The fact is that the Bigeye bomb is just not ready for production this year. Again, this year, we have uncovered, with the expert assistance of the General Accounting Office continued failures of the Bigeye bomb involving pressure, heat, purity, moisture, structural, and fusing problems. Just last week, the GAO reported that in even the most recent tests, the Bigeye bomb has yet to meet chemical purity and biotoxicity standards set by the Department of Defense. The differences that exist don't offer much support for DOD's claim that success has been achieved. It appears as if someone in DOD has simply decided to declare success-victory this year and make an all-out fight for support of the program regardless.

We are told that our current stockpile is old, inadequate, and needs to be replaced by these new binary nerve gas weapons in order to present a more credible deterrent to the growing Soviet chemical threat. The bottom line, however, on that replacement would mean that the stockpile would be significantly smaller and it would be based here in the United States and not in Europe where it is needed as a deterrent to the Soviet threat.

So, again, let's get to the facts. Our current stockpile is adequate and it does present a credible deterrent to the Soviets because it is based on Europe. We have over 1 million unitary nerve agent artillery shells in our current stockpile and thousands of 500- and 750-pound. nerve agent bombs. The DOD itself states that the unitary munitions we currently have and deploy in Europe are good in quantity and quality into the 1990's. The American Chemical Association estimates that we have enough chemical weapons to kill everyone in the world 5,000 times over.

A decision to produce binary nerve gas weapons would actually reduce our

stockpile, eliminate deployment in Europe, and create a logistical nightmare in time of war or any military crisis in Europe. Just consider how those factors would undermine the credibility of the deterrent value of our current stockpile.

It makes no sense to produce new weapons that cannot be based where they are needed. NATO governments have not agreed to accept these new nerve gas weapons to be pre-positioned on their soil. NATO Defense Ministers, at a meeting last month in Brussels, were so opposed to these weapons that the United States was forced to withdraw a proposal to have our allies formally endorse modernization of our chemical deterrent in Europe with these new binary nerve gas weapons. And we all know, if those weapons can't be based in Europe, not only is their deterrent value close to zero but then our troops in Europe have no real chemical retaliatory capability in Europe.

We are also told that our best deterrent is new chemical weapons. Congress has taken a position for the last several years that the most important first step in assuring a credible deterrent is to protect our troops. U.S. troops need to be protected against chemical attack and Congress has provided adequate funds for several years to improve our defensive Chemical Warfare Program. Unfortunately, a recent GAO report has uncovered continuing deficiencies in this program. Production of new nerve gas weapons will not improve our deterrent in the face of these serious deficiencies in chemical defense. Masks that leak, protective suits that leak when wet, gloves and boots that are flammable do not protect our troops. An improved defensive chemical capability, along with our current retaliatory arsenals, is ultimately the best deterrent against chemical use.

The bitter irony of the administration's prochemical weapons production policy is that it gives the Soviets another propaganda advantage in the world community.

Our refusal to embark on a binary chemical weapons production program distinguishes the United States from reprehensible Soviet chemical warfare activities. Let us preserve, not blur, that distinction.

In a comprehensive study on the proliferation impact of the U.S. binary production program, a CRS report for my subcommittee demonstrates that binary production makes the proliferation of chemical weapons more, not less, likely.

The report points out that binary components are technically easier to produce than unitaries and that the raw materials needed for production are readily available in commercial markets worldwide.

That same report also concludes that the potential use of chemical weapons by terrorists would be encouraged by a U.S. decision to produce binary chemical weapons. The report succinctly concludes: "From the terrorist prospective, there are technical advantages to binary chemical weapons."

Another one of our concerns should be arms control. The multilateral negotiations on chemical weapons in Geneva are working to resolve over 100 differences which exist between the United States and Soviet initiatives presented there. That is good. But there are no bilateral negotiations with the Soviet Union on chemical weapons. It is doubtful that without bilateral negotiations we will be able to reach an agreement with the Soviets. Bilateral negotiations—not binary production—must be resumed if we are serious about reaching a ban on chemical weapons.

International pressure is definitely on the Soviet Union. Producing new chemical weapons will take that pressure off the Soviet, cause NATO alliance problems, undermine U.S. credibility, and increase the danger of chemical weapons proliferation.

Binary nerve gas weapons are costly and technically and operationally unproven. They cannot be based in Europe and they pose severe proliferation risks. Stopping this DOD request will save $124.5 million now and billions of dollars in the future, while maintaining a strong defense and an enlightened foreign policy.

Mr. PORTER. I appreciate the gentleman's statement.

Mr. Chairman, let me say that we are talking about a great deal of money when we are talking about binary weapons. We are talking not just about the $124.5 million in this year's authorization; we are talking about an authorization of $2.6 billion for these weapons, and even the Commission that the President appointed said that this was not a realistic estimate.

Let me read from page 35 of their report:

The Commission found the figures on what quantities the military requires to be soft and uncertain. The further analysis which is necessary would not change initial production amounts, but could affect procurement figures for the later years.

Other have said that these weapons would cost between $6 and $15 billion, and I might say that is only the cost, Mr. Chairman, of buying new binary weapons. Destroying the old stockpile has been estimated to cost at least $2 billion, but again the Commission said this figure was unrealistic; and let me read from page 60 of the report. They say:

The cost to destroy the entire stockpile is estimated at $1.9 billion in addition to the $624 million already spent. The Commission expects that the actual cost of destruction would far exceed that estimate.

And I might say when we went out to Dugway Proving Grounds to discuss this subject with the people there, they said that the cost they thought would be between $15 and $20 billion, and it would take us 20 years to destroy the stockpile.

Beyond that, the costs would continue, because for every pound of nerve gas that was destroyed, you would create pounds of toxic waste—about 2½ pounds—where would we put that and who would pay for that?

So, Mr. Chairman, I might say that beyond the fact that we have an adequate stockpile in existence, we are going to have to pay a great deal of money, probably a sum approaching $20 billion for the entire program, and I do not think it is justified.

Third, even if we were to build these weapons, no one really knows what we can do with binary chemical weapons. I have letters from European governments stating they do not want to have anything to do with a new deployment of chemical weapons in Europe.

Last month, at the NATO ministers' meeting, they rejected any discussion of chemical weapons and Lord Carrington stated at that time that new weapons "do not fit into the conventional force framework at the alliance."

I had West German officials in my office not too long ago, and when I raised the question of a new deployment of chemical weapons on their soil, they said, "We really don't want to discuss that; that is not possible."

The CHAIRMAN pro tempore. The time of the gentleman has expired.

Mr. PORTER. Mr. Chairman, I ask unanimous consent I may have 5 additional minutes.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Illinois?

Mr. HUNTER. Reserving the right to object, Mr. Chairman, I will not object if he would consent to engage this gentleman after he is finished with his statement.

Mr. Chairman, I withdraw my reservation of objection.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. PORTER. The people in Western Europe, our allies in NATO, just went through, as you know, a great crisis in the deployment of cruise and Pershing II missiles on their soil; and it seems to them that if the United States were to insist upon a new deployment of binary chemical weapons, the alliance would surely be split and many of those governments might in fact be in great trouble.

Five of our Western allies, part of the NATO alliance, have rejected chemical weapons' uses entirely for their forces. Those include Denmark, West Germany, the Netherlands, Belgium, and Greece.

Walter Stoessel, the chairman of the President's commission, himself said that the subject of new nerve gas weapons evoked great sensitivities in the European political leaders.

The central political reality is in fact that our NATO allies will not take these weapons, and that if we insist upon it, we will have great trouble.

General Kroesen, one who is very much in favor of them, himself says that binaries will not do us any good if they are not stored in Europe; and many people have said:

"Well, all right, we don't need to store them in Europe; we'll simply build them and stockpile them in the United States, and if there is a Soviet attack, we will rush these weapons to Western Europe by a massive airlift, and this will provide a deterrent that we don't have today.

Let me tell you that if I were the Soviets looking at a massive airlift of American chemical weapons to Europe, I would have to assume that the United States intended to make use of those weapons, and I would probably make use of my own chemical weapons first, and so the very idea of deterrence it seems to me would be turned on its head and we would lose that deterrence by having them there.

One other thing that ought to be considered. Binaries take up four times as much space, aircraft space or space on ships, as unitary weapons, and they weigh more.

So if we were going to massively airlift any chemical weapons to Europe, it should not be binary weapons. It is estimated that if we needed to airlift binaries to Europe we would need our entire C-141 airlift capacity for from 4 to 6 weeks. Can you imagine, in an attack on Europe, when we need medical supplies; we may need food; we may need certainly conventional armaments that we are going to use a very, a relatively ineffectual weapon like a chemical weapon, and bring it forward in massive supplies, taking all our airlift capacity?

I cannot buy that; I do not think that will work, and I do not think that to be part of our military planning.

Others have said, well, we will deploy these things on our Navy ships. Well, I have not seen the Navy rushing to say that they will take these on our ships; in fact, it seems to me that if you put binaries on our ships you are going to create a real serious problem; because part of the GB nerve gas agent is called DF, and DF happens to be as toxic as methyl isocyanate—that is the chemical that killed over 2,000 people at Bhopal; the DF, itself, alone, is just as toxic as that chemical, and I can tell you right now that there are many ports in the world that will not allow Navy ships into them carrying that kind of nerve gas component.

I might say also that General Rogers, our Supreme Allied Commander in Europe, stated recently:

The chemical weapons issue has become too tough to handle; I find it is in the "too-sensitive" or "too-tough-to-handle" box, and it just reposes there.

He cannot make any progress in Western Europe on this subject, either.

Finally, let me turn my attention—almost finally, to the Bigeye bomb. This is a bomb that was designed in the 1950's and it has undergone development for the last 20 years. Mr. Chairman, it is a "bomb." It has been under development for 20 years. It still has technical problems. Ed Bethune was very, very concerned about it when he went out to California to look at it; it had blown up prematurely in 1982. He brought those issues before the House very forcefully, and I might say that when I went out to California, we were led to believe that all those technical problems were solved; and in fact I probably can be found to be on the public record somewhere saying that I thought that they were solved.

Mr. Chairman, let me say that I have received a report of the General Accounting Office just recently——

The CHAIRMAN pro tempore. The time of the gentleman has expired.

Mr. PORTER. Mr. Chairman, I ask unanimous consent that I may proceed for 10 additional minutes.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Illinois?

Mr. SKELTON. Reserving the right to object, Mr. Chairman, as I count correctly, we have already listened for 20 minutes, and there is at least one additional amendment to this.

Mr. PORTER. Let me take just 5 additional minutes.

Mr. SKELTON. I will not object to 5 minutes.

(By unanimous consent, Mr. PORTER was allowed to proceed for 5 additional minutes.)

□ 1620

Mr. PORTER. You have to realize that Members who are not on the committee sometimes build up all this time that they need.

Mr. HUNTER. Mr. Chairman, will the gentleman yield so that I might ask one question?

Mr. PORTER. I yield to the gentleman from California.

Mr. HUNTER. I thank the gentleman for yielding.

Mr. Chairman, the gentleman mentioned that our European allies have a problem with chemical weapons and that they have stated that in conversations with him. I do not know if the gentleman is aware, but the Department of the Army has done something this year that we have been working with them to do for the last several years, and they have finally come forth and said they can do it, and that is store these binary systems, these binary chemicals, which separately do not comprise nerve gas but, when put together, like epoxy glue, then become very effective and comprise nerve gas. The Department of the Army has said they can in fact store them in separate states, which would mean that the gentleman who represents a town in Arkansas would not have nerve gas in his district any longer, but he would have in fact common sulfur, and a gentleman who represents a town in Utah would no longer have nerve gas but he would have in fact a species of pesticide which is no more toxic than the pesticide that thousands of farmers use every day.

So my question is: If this new method of basing that the Department of the Army has come out with, which has the support of those who are interested in safety, if our German friends knew that they could replace deadly lethal nerve gas that is stationed in certain places in Germany, let us say, hypothetically, that you have nerve gas stationed in Remagen, Germany, and they are told that they can replace that nerve gas, destroy it, and instead replace it with common sulfur, and at another site put the other binary component, does not the gentleman agree that they might be much more amenable to then accepting these two relatively harmless elements, which much of German industry already manufactures and produces? In fact, anybody who has common matches in his pocket has sulfur in his pocket. They might be much more amenable, then, to accepting those elements on their land.

Mr. PORTER. Well, all I can tell the gentleman is that I raised the question. The Germans are well aware of what binary chemical weapons are as opposed to unitary chemical weapons, and their reaction was: We don't even want to talk about it.

Mr. HUNTER. But are they aware of the separate basing possibility that now exists?

Mr. PORTER. It will create a political problem that may well split the alliance, "Don't even raise the question with us," and that was their response, and it was a very, very forceful one.

Let me finish my statement, if I may, and I will yield at the end to any Member who would like to engage in a colloquy.

Let me say that on the Bigeye bomb, as I was saying, we were led to believe that all the technical problems were solved, that the Bigeye bomb was ready for production, and just on June 7, last week, we received this report from the General Accounting Office.

It is a secret report, and I, of course, will not quote it here on the floor, but there was also with it a letter accompanying it, and it indicated that many of the problems that we thought were solved have not been solved, that in fact the Bigeye bomb, when it is carried at low altitudes, as it must be carried under an aircraft, will heat up, will burst prematurely, will cause danger to the pilot and to the aircraft that is carrying it, and that that problem that Ed Bethune found 2 years ago and found again last year has not at all been solved, that the tests have not been properly made, and that the problem very much continues.

I want to quote from the letter accompanying the report. It says:

On October 7, 1982, at test resulted in a bomb blowout, the forcible ejection of the internal bomb components. Another test in 1982 also resulted in a blowout because of pressure buildup. Since October 7, 1982, all lab tests have been performed with a pressure relief valve to permit venting of the bomb if the pressure exceeds a specified level. In almost all the tests, it has exceeded that specified level. Pressure buildup after release of the Bigeye bomb could cause a blowout and render the bomb ineffectual. This problem has not been solved. The purity of the component has not been tested or solved. It still remains a problem.

So it seems to me that the Bigeye bomb, even if you can justify chemical weapons, even if you can say we need these weapons, this is certainly one weapon that is not ready to be produced. In addition, it has not undergone its operational tests, it has never been tested with a live agent. It seems to me that we are way, way premature in even talking about building a Bigeye bomb.

Finally, let me address for just a moment, if I may, the commission that the President appointed. I think many Members had great hopes that the commission might be a balanced commission that would have a chance to look in a fair way at the needs of this country in this area. The commission was appointed on March 11. It gave a preliminary report just 45 days later and a final report on June 11, from which I have quoted.

The CHAIRMAN pro tempore. The time of the gentleman from Illinois [Mr. PORTER] has expired.

AMENDMENT OFFERED BY MR. SKELTON TO THE AMENDMENT OFFERED BY MR. PORTER

Mr. SKELTON. Mr. Chairman, I offer an amendment to the amendment.

The Clerk read as follows:

Amendment offered by Mr. SKELTON to the amendment offered by Mr. PORTER: In lieu of the amount proposed to be inserted by the amendment to page 2, line 15, insert "$2,348,600,000".

Strike out the amendments proposed to be made to page 11, line 17; page 11, line 23; page 13, line 16; and page 13, line 18.

Strike out the section proposed to be added by the amendment and insert in lieu thereof the following:

SEC. 111. CONDITION ON SPENDING FUNDS FOR BINARY CHEMICAL MUNITIONS.

(a) IN GENERAL.—Except in accordance with subsection (b), none of the funds appropriated pursuant to authorizations of appropriations in this title may be used—

(1) for procurement or assembly of binary chemical munitions (or subcomponents of such munitions); or

(2) for establishment of production facilities necessary for procurement or assembly of binary chemical munitions (or subcomponents of such munitions).

(b) CONDITIONS.—The funds referred to in subsection (a) may be used for the procurement or assembly of complete binary chemical munitions after September 30, 1987, if—

(1) a mutually verifiable international agreement concerning binary and other similar chemical munitions has not been entered into by the United States by such date;

(2) the President transmits, after such date, a certification to the Congress that—

(A) the procurement and assembly of such complete weapons is necessitated by national security interests, including the interests of the members of North Atlantic Treaty Organization;

(B) performance specifications established by the Department of Defense and in effect on the date of enactment of this Act with respect to such munitions will be met or exceeded in the handling, storage, and other use of such munitions;

(C) applicable Federal safety requirement will be met or exceeded in the handling, storage, and other use of such munitions;

(D) the Secretary of Defense's plan (which shall accompany such certification) for destruction of existing chemical stocks is ready to be implemented; and

(E) the North Atlantic Council of the North Atlantic Treaty Organization (NATO) has formally agreed—

(i) that chemical munitions currently stored and deployed in NATO countries need to be modernized in order to serve as an adequate deterrent;

(ii) that such modernization should be effected by replacement of current chemical munitions with binary chemical munitions; and

(iii) that the European member nations of NATO where such chemical munitions are to be stored or deployed are willing to accept storage and deployment of binary chemical munitions within their territories;

(3) such procurement and assembly is carried out only after the end of the 60-day period beginning on the date such certification is received by the Congress;

(4) the Secretary of Defense's basing mode for such munitions in the United States is to be carried out in a manner which provides that the two components that constitute a binary munition are based in separate States; and

(5) the Secretary of Defense's plan for the transportation of such munitions in the United States is to be carried out in a manner which provides that the two components that constitute a binary munition are transported separately and by different means.

Mr. SKELTON (during the reading). Mr. Chairman, I ask unanimous consent that the amendment to the amendment be considered as read and printed in the RECORD.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Missouri?

There was no objection.

(By unanimous consent, Mr. SKELTON was allowed to proceed for 10 additional minutes.)

The CHAIRMAN pro tempore. The gentleman from Missouri [Mr. SKELTON] is recognized for 15 minutes.

Mr. SKELTON. Mr. Chairman, this amendment that has just been offered, that has just been read, is an amendment or a perfecting amendment to the Porter amendment. It is one that is bipartisan in nature, one that is cosponsored by the gentleman from California, Mr. DUNCAN HUNTER, and also is cosponsored by the gentleman from South Carolina, Mr. JOHN SPRATT. I thank them immensely for the work and the interest and the leadership which they have shown. Also I would be remiss if I did not also commend the gentleman who has been very active in putting this work together, the gentleman from Arkansas, Mr. TOMMY ROBINSON.

I would like to discuss this for a moment, but I first should say that I agree with the gentleman from Illinois that we do need a chemical deterrent. The issue is whether the chemical deterrent that is there is adequate. The answer is obviously no.

This amendment before us, the Skelton-Hunter-Spratt substitute, creates safeguards and conditions under which a strong deterrent can be and will be established. In doing this, Mr. Chairman, we remember the advice of Gen. George Washington, who once said that in order to have peace you must have an army that is ready to fight. At the present time, we find our Army is at a distinct disadvantage regarding chemical weaponry.

This amendment is a responsible and a reasonable one, one that corrects the imbalance that presently exists.

First, let us look at a bit of history regarding this issue. Chemical warfare was used extensively by both sides during World War I. In World War II, because of the capability of the United States, neither Imperial Japan nor Nazi Germany used chemical weaponry. To do so they knew that they would have swift retaliation of chemical warfare from this country, which they wished to avoid. However, Mr. Chairman, recent history has not been good regarding the use of chemicals in wartime. The frequency appears to be increasing, and during the past 5 years the world has seen the first instance of lethal chemical use in war by a major power, the Soviet Union, and that of course is one thing that can be documented.

Chemical weapons have been used in recent years as follows: By the Egyptians in Yemen in 1963 through 1967; by the Vietnamese in Laos and Cambodia in the late 1970's, including biological toxins, perhaps supplied by the Soviet Union; by the Soviet Union in

Afghanistan beginning in the early 1980's. Intelligence information supports the conclusion that not only well known lethal chemical agents but also new experimental agents and also biological toxins have been used by the Soviets in Afghanistan repeatedly and systematically. In the Iran-Iraq war, by Iraq, continuing to the present date.

The U.N. investigating panel of scientists from neutral countries reported that mustard agent clearly has been used. Recent reports are that, in addition, Iraq now is using nerve gas and perhaps also new lethal substances.

□ 1510

Mr. STRATTON. Mr. Chairman, will the gentleman yield?

Mr. SKELTON. I yield to the gentleman.

Mr. STRATTON. I thank the gentleman for yielding.

The gentleman from Illinois [Mr. PORTER] said that Mr. Weinberger, back in 1983, said that our stockpiles were adequate. I have in my hand a letter addressed to the chairman of the committee, Mr. ASPIN, dated on the 19th of June 1985, saying:

I am writing to request your assistance in setting the record straight with respect to the adequacy of our chemical retaliatory stockpile. The current stockpile does not represent a credible retaliatory capability. There are serious qualitative and quantitative deficiencies. We have absolutely no effective capability to place targets at risk beyond artillery range, and we have an insufficient number of old, untested, and decomposing artillery shells.

We have been misquoted and quoted out of context with respect to the adequacy of our artillery stockpile. While it is true that we plan on having a smaller, safer, and effective binary stockpile, we do not mean to imply that the old munitions are adequate. Just the opposite is the case. In fact, we have less than one-third of the nonpersistent nerve agent artillery munitions required for deterrence, and even that inadequate quantity is seriously flawed in safety, logistical, and employment characteristics.

The production of binary chemical munitions is essential to the national interest. I ask your full assistance in ensuring that the facts involved are not distorted. As demonstrated by the independent, bipartisan Chemical Warfare Review Commission, reasonable and open-minded individuals, who have access to the facts and options available, support the necessity of modernizing our chemical retaliatory capability.

I think Mr. PORTER ought to recognize the facts as Secretary Weinberger has so eloquently laid them out. I appreciate the gentleman giving me the time to read that letter.

Mr. SKELTON. It is very good of the gentleman from New York to bring this out because we want a decision today based upon the facts. We would like to have a decision based upon what is true and correct. The gentleman quoting from the Secretary of Defense's letter sets forth the issue correctly and succinctly, and I do appreciate his doing that.

Mr. Chairman, Congress further requested in the 1985 DOD authorization bill that a commission be established to examine the U.S. policies and actions to prevent chemical warfare. The Commission has produced an excellent report. It is a thorough, balanced, and dispassionate one and it stripped away the emotion and looked at the facts.

Congress listed four questions in that authorization bill for the Commission to consider, and the members of the Commission came to the following conclusions:

One, efforts to negotiate a verifiable, multilateral treaty barring chemical weapons would be enhanced rather than impeded by modernization with binary munitions.

Second, though the present stockpile does provide a deterrent, the stockpile's utility and reliability are declining. Existing munitions are flawed and incomplete in their ability to deter. Short-range artillery munitions are filled with a persistent agent, which is a long-lasting agent, when current military doctrine calls for use of nonpersistent, that is, non-long-lasting agent, in the front-line areas.

Even more importantly, there is no usable munition on hand for use against rear-area military targets that contain persistent-type agents that is necessary for the missions described.

Three, the proposed binary chemical modernization program does provide a credible deterrent.

Last, defensive measures alone are simply not an effective response to the Soviet chemical threat. Protective clothing at best is a temporary defense. I refer, Mr. Chairman, to the chart that is here. Very simply, if the Soviet Union or the Warsaw Pact has the chemical ability which we do not have, they have the choice to use it in any one sector of any part of the front. This would require all of the NATO Alliance to be prepared and in the very cumbersome chemical defensive gear, and consequently cause the NATO forces to have much less ability to defend itself.

This chart is self-explanatory. Before us is the Skelton-Hunter-Spratt amendment. It is one that helps prevent the early use of nuclear weapons, thus, it does not lower the nuclear threshold. It also gives a true safety set of measures and in regard to this, it establishes the storing of the binary materials and the transporting of binary materials in a very safe manner.

The Chemical Warfare Review Commission that we have talked about, recommended an accelerated program to destroy in an environmentally safe way the existing stockpile of obsolete chemical weapons, especially those few that are prone to leak. The gentlemen from California and South Carolina and I believe that the amendment that we offer is an amendment that will provide Congress the opportunity to provide these safeguards.

Our amendment worked out with the administration officials would authorize funds for the procurement or assembly of complete binary chemical munitions to begin after September 30, 1987. That is, of course, more than a year from now. Our effort here is to give international negotiations a chance by calling for a mutually verifiable agreement with the Soviet Union and other such nations.

Should an agreement not be in hand by September 30, 1987, the President could seek release of the funds that would be authorized by this bill. Such funds could not be spent unless a certain number of conditions are met.

One, performance specifications with respect to such munitions be met.

Two, the Secretary of Defense's plan for the destruction of existing chemical stockpiles is ready to be implemented.

Three, the basing mode of new binary munitions is to be carried out in such a way which provides that the two components, the alcohol-base component and the sulfur-based component that constitute these binary munitions be based in separate States.

Fourth, any plan for transporting such munitions would be carried out in such a way so that the two components that constitute this binary munition are transported separately.

Fifth, and a very important one that is offered by the gentleman from South Carolina, that this money should be fenced so that NATO would have the opportunity to make formal agreements and requests therefore.

Mr. Chairman, our primary concern in this effort is safety. While the arguments, pro and con, concerning the chemical weapon modernization are many, the great majority of those on both sides want to see the current stockpile destroyed. Our amendment would build the base for this to be done.

Any new weapons that would be procured would be done so in a safe manner. Not only would the two components be stored separately, but in any separate situation where they would be transported, they would be transported separately also.

Storage and transportation would be done in a safe manner. We have worked with the administration; we have worked with other Members of Congress. This is a workable and reasonable manner in which to approach this issue.

Mr. HUNTER. Mr. Chairman, will the gentleman yield?

Mr. SKELTON. I yield to the gentleman.

Mr. HUNTER. I thank the gentleman for yielding.

Mr. Chairman, I think this is a very, very critical point for the Members of this House to examine. The point that the gentleman just raised. Binary chemical weapons means that you have two components and separately those components do not form nerve gas. It is like epoxy glue; if you put the two elements together, then they are effective.

What the gentleman from Missouri has just stated is that under this bill, under his amendment, the Skelton-Hunter-Spratt amendment, those two separate elements will be stored in separate States. Now, I would ask the gentleman if this is not an accurate description of what our amendment says. That means that the mayor of Pine Bluff, AK, under this amendment, would no longer have nerve gas, deadly nerve gas in his district. It means that he would now have sulfur in his district. The mayor of a town in Utah would no longer have nerve gas in his district. He would have a pesticide species which has no more toxicity than a number of pesticides that thousands of farmers across America use every day.

Is this what the gentleman is saying about safety?

Mr. SKELTON. That is what we are saying about it, and furthermore, that is what the amendment says. I might point out that this amendment creates a situation that is far better than what we have today where we have the possibility of some of the munitions leaking, a dangerous situation which no one wishes to continue. We wish to have a safe environment and yet a deterrent.

□ 1520

As you know, the Soviet Union and the Warsaw Pact has the ability to have warfare. We need one that is a deterrent. That is how we were able to keep it from occurring in World War II, because we had the deterrent capability. But in the process, we wish to have a safety measure, and the measure that you have suggested and that is part of this that places this in two separate States could be none better.

Mrs. HOLT. Mr. Chairman, will the gentleman yield?

Mr. SKELTON. I would be pleased to yield to the gentlewoman from Maryland.

Mrs. HOLT. I thank the gentleman for yielding.

Mr. Chairman, I want to commend the gentleman for offering this amendment. I think it is a good compromise, but I, too, want to set the record straight.

We heard a quote from Ambassador Stoessel indicating that we were in pretty good condition.

Mr. SKELTON. Just to reclaim my time, the gentlewoman might tell the folks who Ambassador Stoessel was.

Mrs. HOLT. Ambassador Stoessel was the chairman of the Chemical Warfare Review Commission, and his report was dated June 1985, and I quote from that report:

In brief, we found that modernization of U.S. chemical weapons stockpiled would not impede and would more likely encourage negotiations for a multilateral, verifiable ban on chemical weapons; that only a small fraction of the current stockpile has deterrent value, while the bulk of it is militarily useless and should be destroyed; that the proposed binary program will provide an adequate capability to meet our present needs and is necessary, and that any expectation that protective measures alone can offset the advantages to the Soviets from a chemical attack is not realistic.

I would like to add that Ambassador Stoessel is in the building now and is willing to meet with anyone who would like to have further confirmation of his views on this issue.

The CHAIRMAN pro tempore. The time of the gentleman from Missouri [Mr. SKELTON] has expired.

(By unanimous consent, Mr. SKELTON was allowed to proceed for 5 additional minutes.)

Mr. HANSEN. Mr. Chairman, will the gentleman yield?

Mr. SKELTON. I yield to the gentleman from Utah.

Mr. HANSEN. I appreciate the gentleman yielding.

Mr. Chairman, I happen to be the Congressman who represents the area of Tooele that detoxifies this.

Mr. SKELTON. In the State of Utah; is that correct?

Mr. HANSEN. That is in the State of Utah in the First District. I also happen to be the Congressman who represents the one referred to by the gentleman from Illinois called Dugway, where most of these things are tested constantly.

Let me just say, coming from that district, and as we compare unitary to binary, I cannot really say that this safety angle can be played down. I commend the gentleman for coming up with this area. I have to say, as I have heard earlier, and I say this very respectfully, that no problems could occur from this. You find yourself lobbing a shell into one of those bunkers at one time, and all of that stuff would make India look like nothing. Salt Lake City is only a few miles from that. I am in that area about once a month. I have been to Dugway many times and I can tell you that I honestly feel that people in this House who truly understand the difference between binary and unitary could see we have a real problem.

Let us say we have a ship, and into the magazine goes a shell. You have the modern-day version of the Flying Dutchman right there. Let us say you have a bunker in Tooele or those areas. I think when we get on this floor and we talk about drunk driving, we talk about safety and we talk about all these other angles, never in my mind have I seen a thing of safety that has been brought up like this one.

As you look at our troops in Germany and other places who will eventually handle these weapons and work with these weapons. I cannot see, when we have this old, dilapidated unitary system, why this body can in any way, shape or form think that they would want to continue using the unitary system.

If I may say one other thing, I cannot see that we are not going to have to have this chemical warfare around for a long time. None of us in this body like to talk about nuclear war. It is a thing we do not like, but it is real. None of us like to talk about chemicals. It is a thing we do not like, but it is real. Now we have a real situation, and here is an excellent chance to change it. I commend the gentleman for his excellent amendment.

Mr. SKELTON. I thank the gentleman very much.

Mr. HILLIS. Mr. Chairman, will the gentleman yield?

Mr. SKELTON. I yield to the gentleman from Indiana.

Mr. HILLIS. I thank the gentleman for yielding.

Mr. Chairman, I would like to talk about a little different feature that is very, very important.

A year ago in April I was in Germany with Operation Quick Look and had an opportunity to visit the training area known as Grafenwohr where the light tank firing is done. On that particular occasion, the crew that I was observing was not doing very well at all on hitting the target downrange at 1,000 or 1,500 meters. When I inquired, I found out they were in protective gear and I was told it takes away 50 percent of the offensive capacity to the personnel while they utilize this equipment—gas masks, hoods, special gear, suits, boots, and what have you.

So it takes away about half your troop strength. Just a short time ago I was in Turkey and we were talking there about this same thing when we were going through an artillery unit. They pulled out their gear and were showing it to us there, and during the hot climate you will not believe how quickly human beings will dehydrate wearing chemical protective equipment. So you are not very effective while you wear it, and if the climate is hot, you do not last very long in the field while you are wearing it, either.

So without this deterrent capacity, the fact that saved us in World War II, without knowing that it is there, if we have to force our people to go into protective gear, we put them at a severe disadvantage physically and we limit the time that they can serve in any capacity whatsoever.

Mr. SKELTON. I might mention also that in discussing this situation with one of the American military leaders in Germany, he was very insistent that this capability be given to the Americans, and to the NATO Alliance, because to do so puts us at such a distinct disadvantage, as the gentleman has so aptly mentioned. He said it is criminal negligence for the NATO Alliance not to have this deterrent capability that would be given by the binary munitions that we wish to authorize here.

Mr. HILLIS. If the gentleman will yield further, I just encourage every Member of this House to talk to somebody in the military who has experienced this thing and find out first hand how great a disadvantage they were put to.

The CHAIRMAN pro tempore. The time of the gentleman from Missouri [Mr. SKELTON] has again expired.

Mr. ANTHONY. Mr. Chairman, I ask unanimous consent that the gentleman from Missouri be allowed to proceed for 5 additional minutes.

Mrs. ROUKEMA. Mr. Chairman, reserving the right to object, I will not object but I would ask that under this unanimous-consent request if we could have agreement from the gentleman in the well that there might be a colloquy at some point, or at least a point of discussion. As things have been going on right now, the members of the committee have totally co-opted the discussion and no time is being given for questioning.

So I would hope that as we progress that there will be the courtesy of yielding.

Mr. Chairman, I withdraw my reservation of objection.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

The CHAIRMAN pro tempore. The gentleman from Missouri [Mr. SKELTON] is recognized for 5 additional minutes.

Mr. ANTHONY. Mr. Chairman, will the gentleman yield?

Mr. SKELTON. I yield to the gentleman from Arkansas.

Mr. ANTHONY. I thank the gentleman for yielding, and I thank the gentleman from New Jersey for not objecting. Mr. PORTER is not on the committee. We let him have not as much time as he wanted or needed, but more time than most people get. I am also not on the committee, but I happen to represent Pine Bluff, AR.

The gentleman from California [Mr. HUNTER] mentioned Pine Bluff, AR. He mentioned the mayor, and the fact that the area there would be much safer with binary than it would be with the unitary, both persistent, and nonpersistent. I would just like to say that he is 100 percent correct about that.

I invited Mr. PORTER to come to Pine Bluff so that he could see where a part of the production would take place, should the House see fit to go into production. Whether or not the Members know it, we do have a facility that has already been authorized, appropriated, contracted out, and has been built. The facility is in place. The facility is in place to build only one of the components that would be safe, but at the same time we are asking for destruction of something that we think is not safe.

Mr. SPRATT. Mr. Chairman, will the gentleman yield?

Mr. SKELTON. I yield to the gentleman from South Carolina.

Mr. SPRATT. Mr. Chairman, I rise in support of the Skelton amendment.

Mr. Chairman, the sponsor of this amendment, the gentleman from Missouri [Mr. SKELTON], has revised his original draft which he had proposed to this bill and has incorporated two additions to it which I proposed and which I regard as highly significant. Without these additions, I would have to oppose the amendment offered by the gentleman from Missouri [Mr. SKELTON]. With them, I support it.

First, as the amendment was originally drafted, this amendment would have prohibited final assembly only of binary munitions for 2 years, but it would have authorized in fiscal year 1986 some $115 million and in the years thereafter for purchasing subassemblies and chemical components.

The gentleman from Missouri has accepted an amendment which I proposed which is now incorporated into his amendment. Because of these changes, the Skelton amendment as now drafted fully fences all funds authorized for 2 years. At that time, these funds are released only if five basic conditions are met, and one of these conditions is subsection (E) in the proposed amendment, and with your indulgence I would like to read it because I regard it as critically important.

□ 1530

It reads that these funds shall not be released for procurement of chemical binary munitions until:

(E) the North Atlantic Council of the North Atlantic Treaty Organization (NATO) has formally agreed—

(i) that chemical munitions currently stored and deployed in NATO countries need to be modernized in order to serve as an adequate deterrent;

(ii) that such modernization should be effected by replacement of current chemical munitions with binary chemical munitions; and

(iii) that the European member nations of NATO where such chemical munitions are to be stored or deployed are willing to accept storage and deployment of binary chemical munitions within their territories;

Now, this particular amendment says simply this in practical, prudent language: Before we spend millions of dollars on new chemical munitions in NATO primarily, let us make sure, indeed, let us require, that NATO or the North Atlantic Council concurs in our decision.

Second, if these new munitions are intended to replace degraded stocks, as claimed, then let us make sure we can swap our new munitions, our binary chemical weapons, for the unitary weapons now stored in Europe. And if these munitions are primarily for deterrence, as is claimed, before we buy them, let us make sure they can be deployed in the European theater where they can serve this deterrent role.

Without these conditions, as I said, I could not support the Skelton amendment. With them, I think the amendment is a major improvement to the defense authorization bill and ought to be adopted. If the Skelton amendment is adopted, no funds can be spent on procurement of binary weapons for 2 years, which allows further time and some incentive for entry into a treaty with the Soviet Union, and, second, at the end of that period, still no funds can be spent unless NATO concurs and agrees to accept these weapons for storage and deployment on their soil.

Mr. Chairman, I commend the gentleman for his amendment.

Mr. NICHOLS. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the Porter amendment and in support of the Skelton amendment.

First, let me say the Armed Services Committee has been following the status of the Army's efforts to demilitarize the chemical weapons stockpile for some time. My Subcommittee on Investigations held a hearing in March of this year and plans future hearings on this subject.

We found that in 1969 the United States decided to unilaterally deemphasize chemical warfare. As a consequence, our stockpile consists of a mixture of old chemical weapons, manufactured some 20 to 40 years ago. Some of them still offer a deterrent value, but much of the stockpile is either obsolete or in bulk containers. As a matter of fact, testimony before my subcommittee revealed 61 percent of the current stockpile is not in usable form and 11 percent is of no use at all. Thus, 72 percent of the entire stockpile presents no retaliatory capability. In addition, even considering the 10 percent which is categorized as useful, we still have no deep-strike capability and the utility of these weapons because of their age is questionable.

Further, my subcommittee discovered that the experts do not know how stable the stockpile is at present. The Army currently is studying the effects of age on the stockpile so we won't know for a while yet the answer to this most important question. We do

know, however, that over 900 M-55 rockets have been found within the last couple of years to be leading chemical agent. It is costly and may be potentially dangerous to continue to store these rockets which number in excess of 470,000. "The Chemical Warfare Review Commission," which was established by Congress, concluded this month "That only a small fraction of the current stockpile has deterrent value, while the bulk of it is militarily useless and should be destroyed."

I don't want to be an alarmist. The point I wish to make is that we have a very old chemical stockpile, much of which may not be safe, and which presents a questionable retaliatory capability at best. For these reasons I urge your support in defeating the Porter amendment and support for production of binary chemical weapons.

The CHAIRMAN pro tempore. For what purpose does the gentleman from Wisconsin [Mr. ASPIN] rise?

Mr. ASPIN. Mr. Chairman, I would like to try to see if we can get an agreement about a time limit, if I may have the attention of the authors of this amendment.

I would propose that we limit time on these two amendments until 5:30, with the time to be divided equally between the gentleman from Illinois [Mr. PORTER] and the gentleman from Florida [Mr. FASCELL], who would have half of the time, and the gentleman from Missouri [Mr. SKELTON] and the gentlewoman from Maryland [Mrs. BYRON], who would have half of the time, and that if additional amendments are offered after that, we have an equal division of time after the amendments are offered, and that there be 10 minutes on that side for the amendment and 10 minutes in opposition to the amendment.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Wisconsin?

Mr. PORTER. Mr. Chairman, reserving the right to object, I might suggest to the chairman of the committee that we simply make it an hour on each side rather than try to divide it up in any other way.

Mr. ASPIN. In other words, an hour on each side.

The CHAIRMAN pro tempore. The unanimous-consent request, then, is that there be 1 hour of debate on each side of the two pending amendments, followed by 20 minutes, equally divided, on any other amendment offered to the Porter amendment or to a substitute therefor.

Mr. ASPIN. On the pending amendments, Mr. Chairman, with the gentleman from Illinois [Mr. PORTER] and the gentleman from Florida [Mr. FASCELL] controlling 1 hour and the gentleman from Missouri [Mr. SKELTON] and the gentlewoman from Maryland [Mrs. BYRON] controlling 1 hour. At that point we will proceed to vote on those amendments. If at that point other amendments are offered, Members will have 10 minutes on that side to debate those amendments at the time.

The CHAIRMAN pro tempore. Is the gentleman proposing that there be 10 minutes allowed for each side for each other amendment to the Porter amendment or to a substitute amendment therefor?

Mr. ASPIN. Yes, Mr. Chairman.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Wisconsin?

Hearing none, it is so ordered.

Mr. HARTNETT. Reserving the right to object, Mr. Chairman——

The CHAIRMAN pro tempore. The gentleman was not on his feet seeking recognition when the Chair asked for any objection to the request.

Mr. HARTNETT. There are only two microphones, Mr. Chariman, and we cannot have them all. I was on my feet——

The CHAIRMAN pro tempore. Even if the gentleman was not at the microphone, if he had been standing on his feet at that time, the Chair would have recognized him, the Chair will say to the gentleman from South Carolina. The Chair was looking in his direction and saw the gentleman sitting in his chair.

Mr. HARTNETT. You saw me objecting. I was getting to my feet.

PARLIAMENTARY INQUIRY

Mr. HARTNETT. Mr. Chairman, if I might make a parliamentary inquiry——

Mr. PEASE. Regular order, Mr. Chairman.

Mr. HARTNETT. I thought the rules of the House were, Mr. Chairman, if I may make my parliamentary inquiry——

The CHAIRMAN pro tempore. The gentleman may make his parliamentary inquiry. The gentleman will continue with his parliamentary inquiry.

Mr. HARTNETT. Mr. Chairman, it is my understanding that when a gentleman or gentlewoman wishes to be recognized, they must rise from their seat. I was in my seat, and I was rising to be heard. I do not think you have to be standing at all times in order to be recognized. I was in my seat, I asked to be recognized, and I rose to a point of recognition.

The Chair can rule however it wants to, I am sure, and there will be no appeal of the Chair's ruling.

Mr. ASPIN. Mr. Chairman, could I ask the Chair to ask the gentleman from South Carolina if he would tell us what his concern is with the unanimous-consent request?

Mr. HARTNETT. I did not understand it, Mr. Chairman. That is what I wanted to ask.

Mr. ASPIN. Mr. Chairman, if I could, I would like to try to answer the gentleman's question.

The CHAIRMAN pro tempore. For the purpose of clarification of what the unanimous-consent agreement was, the Chair will then ask the gentleman from Wisconsin to restate what his request was.

Mr. ASPIN. Mr. Chairman, the request is that we have two amendments pending before the committee having to do with binary weapons; one is the one offered by the gentleman from Illinois [Mr. PORTER] and the gentleman from Florida [Mr. FASCELL] and the other is an amendment thereto offered by the gentleman from Missouri [Mr. SKELTON]. What I was proposing is that on these two amendments we have an hour of debate for each side, that the gentleman from Illinois [Mr. PORTER] and the gentleman from Florida [Mr. FASCELL] control an hour of time, that the gentleman from Missouri [Mr. SKELTON] and the gentlewoman from Maryland [Mrs. BYRON] control an hour of time, at which point we would start to vote on these amendments, and that if at that point, or during the voting on those amendments, if other amendments are offered—they may be wanting to offer the same amendments in a slightly different form—there would be 10 minutes on a side to debate those amendments, to explain the amendment at that point in the proceedings.

Mr. HARTNETT. Mr. Chairman, I would apologize to the Chair. The only thing this Member heard was the 10-minute part, and that had caused me some concern, although I was confident that Mr. PORTER and Mr. FASCELL would do better than that.

The CHAIRMAN pro tempore. The Chair in his discretion has given the gentleman the opportunity to hear the explanation.

Mr. HARTNETT. I appreciate the Chair's indulgence.

□ 1540

Mr. PORTER. Mr. Chairman, reserving the right to object, after the votes are taken on Skelton and Fascell-Porter, there would then be the 10-minute period?

Mr. ASPIN. No, no. If there are other amendments offered at any point during that process, other amendments offered, let us say there is a vote on Skelton. It passes or it does not pass, and other people want to offer an amendment, the gentlewoman from New Jersey [Mrs. ROUKEMA] may want to offer an amendment at that point, under this unanimous consent she would be allowed to offer her amendment and would be allowed 10 minutes to explain her amendment and then 10 minutes on this side for people who want to oppose the amendment.

The CHAIRMAN pro tempore. Just for the clarification of the members of the Committee, the unanimous-consent request was already agreed to. The gentleman from Wisconsin was clarifying the unanimous-consent request for the benefit of the gentleman from South Carolina.

PARLIAMENTARY INQUIRY

Mr. FASCELL. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN pro tempore. The gentleman from Florida will state his parliamentary inquiry.

Mr. FASCELL. Mr. Chairman, I heard the Chair say that the unanimous-consent request has been agreed to.

The CHAIRMAN pro tempore. That is correct.

Mr. FASCELL. Now what I am asking is, what is it that we agreed to, Mr. Chairman, with respect to the time permitted for the debate of the amendments after 5:30?

The CHAIRMAN pro tempore. The Chair will state that the unanimous-consent request that has been agreed to is as follows: that there would be 1 hour allocated to the gentleman from Illinois [Mr. PORTER] or to the gentleman from Florida [Mr. FASCELL], to debate the amendment offered by the gentleman from Illinois.

There would be 1 hour allocated to the gentleman from Missouri [Mr. SKELTON] or to the gentlewoman from Maryland [Mrs. BYRON], to debate the amendment to the Porter amendment offered by the gentleman from Missouri.

Should there be other amendments that are offered to the Porter amendment, or to substitutes therefor, before or after the vote on the Skelton amendment, those amendments would receive a 20-minute time limitation each, to be equally divided between proponents and opponents.

Mr. FASCELL. Mr. Chairman, if I may have a further parliamentary inquiry, that is not the question I asked about the unanimous-consent request. I am not asking about the time within the time limit.

I just want to be certain that the Chair states the proposition that if an amendment is offered after 5:30, that there would be 10 minutes per side to debate the amendment.

Mr. ASPIN. Mr. Chairman, if the gentleman will yield, that is exactly what the request said.

The CHAIRMAN pro tempore. The Chair is going to clarify something for the gentleman from Florida.

There is no time certain set by the unanimous-consent request; 5:30 was not a part of the request.

The Chair has already stated the request and thought fairly clearly, so if the gentleman needs any more inquiry or clarification, I suggest that he discuss it with the gentleman from Wisconsin.

The Chair recognizes the gentleman from Illinois [Mr. PORTER].

Mr. PORTER. Mr. Chairman, I think we understand now that after the 2 hours run out, if there is an amendment to be offered after the vote, each amendment would have 10 minutes on each side.

Mr. ASPIN. Mr. Chairman, just to clarify the situation, the 10 minutes on a side comes after the 2 hours.

Mr. PORTER. Right.

Mr. ASPIN. The 2 hours are just for the two amendments that are before us now.

Mr. FASCELL. That is all I was trying to find out.

I thank the Chair.

The CHAIRMAN pro tempore. Under the unanimous-consent request, the gentleman from Illinois [Mr. PORTER] is recognized for 1 hour.

Mr. PORTER. Mr. Chairman, I yield 7 minutes to the gentlewoman from New Jersey [Mrs. ROUKEMA].

(Mrs. ROUKEMA asked and was given permission to revise and extend her remarks.)

Mrs. ROUKEMA. Mr. Chairman, I want to thank my colleague, the gentleman from Illinois [Mr. PORTER], for his exposition of this problem. It was a most excellent and erudite one.

Mr. Chairman, the issues we are debating today are precisely the same ones we debated last year and the year before that and the year before that. For 3 consecutive years, Congress and the administration have gone head-to-head and toe-to-toe on this question: Should we abandon the moratorium initiated by President Nixon in 1969 and produce new, lethal chemical weapons? For 3 consecutive years, the debate has been joined and for 3 years, Congress has voted down money to produce senseless weapons.

Yet the debate has not changed at all. In fact, I would invite my colleagues to read the debates of previous years. They are like reruns of old TV series in which you can anticipate the dialog. Today's debate will be little different. This is the point, the facts have not changed, and still the Defense Department persists. Each year, we hear the same claims about the need for new chemical weapons. In each debate, we have been presented with a list of conflicting facts and figures from experts within the scientific and military communities which have done little to help us reach a consensus. Consequently, last year Congress mandated the creation of a Presidential Chemical Warfare Review Commission to study the issues surrounding the production of binary chemical weapons and to produce an authoritative examination of the technical and political issues in question; a report which, at a minimum, would provide the basis for more informed debate in Congress. Unfortunately, the Commission report is not helpful. Issued only last Friday, the report does not clarify nor does it justify the need for new chemical weapons.

Everyone agrees that deterrence is necessary, and indeed, the Commission report agrees with our assertion that our current chemical stockpile provides a deterrent (p. xv), albeit an imperfect one by their standards. Nevertheless, in its chapter concerning the condition of the current U.S. stockpile, the Commission wrote (p. 19) in response to claims by the Defense Department that our current stockpile is seriously deteriorating, the Commission "believes that they (the claims) are unduly pessimistic." "At the same time, the Commission has found that rumors of the stored munitions being dangerous or leaking appear to be exaggerated and inaccurate. The number of artillery rounds in which leakage has been found is infinitesimal, amounting to 6 per 10,000 artillery rounds." In addition, "the Commission was unable to discover empirical data that show significant loss of potency of the existing nerve agent, either bulk or in munitions." So you see, the Review Commission now agrees with similar assertions made by:

First, Dr. Thomas J. Welch, Deputy Assistant to the Secretary of Defense for Atomic Energy and Chemical Matters, in a February 28, 1985, Senate Armed Services Committee hearing; second, the Secretary of Defense, Caspar Weinberger, in a February 1983 letter to the Senate Armed Services Committee, and third, the 1983 "blue ribbon" chemical weapons panel established by the Pentagon.

Without a doubt, the Commission report has reiterated the deterrent conundrum—they have not added to our understanding of the conflicting data.

Mr. Chairman, I've said the arguments on deterrence of our stockpiles remain unchanged. But there is one basic distinction to be drawn between past debates and this debate today. And that is that this year, we have a mandate to reduce the budget deficit.

Oh, we've talked about the budget constraints in past year, but this year both the House and the other body have agreed that we need to reduce the budget deficit by $56 billion this year and by approximately $259 billion over the next 3 years. Central to achieving that goal on which both Houses and the administration agree, has been an agreement that Defense spending must be curtailed.

Does it make sense under these circumstances to approve yet another costly weapons system? A weapons system that by reliable estimates will cost anywhere from $3 billion to $6 billion or more. Remember, my friends, today we are not talking $124.5 million for chemical weapons production in 1986. We're talking about the creation of a new entitlement weapons system.

Now, I would certainly be the first to agree that if the national security needs were clearly defined, the cost of this system would be no object. But where is the clear national security problem here? We have heard from the report of the Chemical Warfare Review Commission and from numerous other references that our existing stockpile has deterrent capability.

Let us look at the damage this program would do to American credibility in the world community. We cannot ignore the fact that the United States has signed two treaties concerning chemical and biological weapons: The Geneva Protocol of 1925, which bans first use of chemical weapons, and the Biological Weapons Convention of 1972, which calls for a complete ban of the development, production, stockpiling, or use of biological weapons. The United States has produced no biological or lethal weapons since the moratorium that President Nixon proclaimed in 1969.

We've heard already in this debate about the serious foreign policy problems that renewed production would provoke with our NATO allies. Our allies in Western Europe have expressed their categorical opposition to the deployment of new chemical weapons on their soil. The NATO alliance has already been strained by the deployment of Pershing II and ground-launched cruise missiles. Any attempt to deploy these chemical weapons would be a political and diplomatic disaster. The administration does not deny this fact. What is their answer? "There are no plans for peacetime deployment."

But to be of any value as a deterrent, the proposed binary stockpile must be deployed where it is to be used, that is, in Europe. To transport these weapons to the European Theater during a crisis would put a substantial burden on our air and sealift capabilities, a burden that would force delays and competition with the delivery of other, more crucial materials. And we cannot ignore the fact the chemical weapons are much less efficient to use than conventional weapons. They are of dubious military value—primarily offensive weapons which would kill more innocent civilians than Soviet soldiers. Again I ask, where is the clear national security purpose served?

Another factor that must be taken into consideration in this debate is the U.S. commitment to a multilateral verifiable ban in the production and stockpiling of chemical weapons. Through the Geneva Convention on Disarmament, the United States has undertaken a major initiative to stop the spread of chemical weapons to nations around the world. Production of new chemical weapons on our part would undercut these efforts and weaken our condemnation of chemical weapons and their use around the world. The Congressional Research Service [CRS] last year found that binary production makes the proliferation of chemical weapons more, not less, likely. There is, the study says, "A growing perception that changes in (chemical and biological warfare) technology have increased the military utility of such weapons for certain defense needs of the Third World nations." Against that background, U.S. production of new binary chemical weapons "could well promote proliferation" of such munitions. Unfriendly nations and terrorists groups who do not have access to nuclear weapons could easily turn to lethal chemical weapons which are relatively easy to manufacture—and require little technological capability.

The Congressional Research Study goes on to illustrate that there are many misperceptions regarding binary weapons. Opponents of this amendment argue that binaries are safer than unitaries. But this has not proven to be so. First, it is not accurate to assume that components of binaries are harmless. The study points out the fact that the binary component "DF" has a chemical structure similar to that of many phosphorus-based insecticides and is as toxic as the gas that killed thousands in Bhopal. Second, the argument that binaries are just as efficient as the unitary weapons, if not more so, is not accurate. Their reaction conditions and length of time that a binary munitions or bomb is in flight can effect its overall military efficiency. In addition, a binary system has to carry a higher volume of chemicals than its unitary components to delivery the same amount of nerve gas. This needs to be taken into consideration in light of the plans to transport the binaries to the European Theater only in times of crisis. Four unitary bombs could be transported for every one Bigeye bomb.

Furthermore, it must be taken into account that the Bigeye bomb that has been repeatedly requested by the administration still has some serious technical problems today, more than 20 years after its inception, and has not been successfully tested. Just this past year, eight out of nine chamber tests have clearly failed. Is it really logical to propose that we destroy perfectly good unitary weapons in order to replace them with unneeded and unproven binary weapons? Besides the Bigeye, the administration has also once again requested production of 155-millimeter binary artillery shells. How can this request be justified when our stockpile already contains 200,000 155-millimeter and 8-inch artillery shells loaded with the nerve agent GB; 300,000 155-millimeter, and 8-inch artillery shells loaded with the nerve agent VX and 250,000 155-millimeter and 8-inch shells loaded with mustard gas?

Even DOD concedes that our Defense capacity needs more resources in the conventional weapons, spare parts, and manpower that an effective military power needs. These necessities are in short supply and instead of addressing these needs, we're going to expand resources on this wasteful new entitlement program.

The production of new chemical weapons is a perfect example of the procurement explosion, which, if left unchecked, could hurt our defense readiness. I have time and again tried to press this point on my colleagues. If the Pentagon must spend billions of dollars to secure our national safety, it would be wiser to focus more sharply on the real heart of our military deterrence—conventional operations and their support systems, and importantly, protective equipment to defend against chemical attack. Defensive measures are funded at $936 million in this bill.

Mr. Chairman, we must defend this Nation, but we simply cannot afford the bills for every new weapon requested by the Pentagon, particularly a weapon that is technically, politically, and morally flawed. It is a weapon the use of which we have absolutely renounced for 16 years. On our scale of defense priorities, production of new binary nerve gas should be at the bottom. We cannot afford it; we cannot use it; we cannot justify it; and there are far better places in the Defense budget where the money could be put to use.

My colleagues, no compelling case has been made for the production of these weapons. I urge my colleagues to again be firm and wisely reject this ill-conceived, unjustified Penatgon request—support the Porter-Fascell amendment.

□ 1550

Mrs. BYRON. Mr. Chairman, I yield 7 minutes to the gentleman from California [Mr. HUNTER].

Mr. RUDD. Mr. Chairman, will the gentleman yield?

Mr. HUNTER. I yield to the gentleman from Arizona.

Mr. RUDD. Mr. Chairman, I urge the defeat of the Porter amendment to cut funding for the necessary modernization of our Nation's chemical warfare deterrent.

In 1984, the Reagan administration proposed a treaty for a worldwide ban on chemical weapons. If adopted, the treaty would prove to be one of the most comprehensive and verifiable arms control agreements to date.

But until such a ban can be put in force, our responsibility must be to ensure an effective and credible deterrent to the use of chemical weapons against our people and our allies. We

cannot rely on any good faith efforts from the Soviets.

From 1977 to 1980, the United States engaged in at least 12 rounds of intensive bilateral negotiations with the Soviet Union to eliminate these weapons, but each time our efforts were stymied by Soviet intransigence on the critical issues of verification and compliance. The Soviets have only shown any real interest in progress when it appeared that Congress might approve chemical weapons funding. It's obvious that the Soviets will not negotiate seriously if we continue to demonstrate unilateral restraint, nor would they have any reason to do so.

The average age of our existing chemical munitions stockpile is now about 26 years, and none of the munitions has been test fired since 1969. The stockpile is obsolete for use on the battlefield. We have no effective capability to hit any targets beyond artillery range.

By contrast, in the 16 years since we began observing a unilateral moratorium on the production of chemical weapons, the Soviets have carried on a massive and advanced chemical weapons program. We have estimates that as many as 16 nations throughout the world now have chemical warfare capability. In the last 3 years alone, we have received frequent reports of chemical weapons use in Southeast Asia, Afghanistan, and the Middle East.

The legislation reported by the Armed Services Committee calls for funding of binary munitions, the safest and most expedient way to address the imbalance in chemical warfare capabilities and prod the Soviets into meaningful negotiations. They are safer to produce, transport, and store, since the binary chemical components will never come into contact with each other until the munition is in flight. The 155mm delivery projectile has a greater range, can disseminate the agent better, and can put more agent on the target.

A modern chemical munitions deterrent is necessary for progress in negotiations with the Soviets as well as for deterring the use of chemical weapons by the Soviets and others. I urge the defeat of the amendment.

Mr. HUNTER. Mr. Chairman, there is something very, very new in the debate this year. It is new and the gentlewoman who just spoke was wrong when she said same issue, same old debate.

What is new this year is that the Department of Defense has consented to do something they have never consented to before, which makes a very compelling argument for voting for the safety amendment, that is the Skelton-Hunter-Spratt safety amendment. It is the environmental vote this year, and I want to explain to you why. I think some of the gentlemen who represent districts where nerve gas is presently located have already attested to that point. But let me explain to you why.

These are nerve gas locations in the United States on this chart. Some of the gentlemen, like the gentleman from Utah [Mr. HANSEN], have already spoken about the fact that yes, they have nerve agents, deadly nerve agents in their congressional districts.

Now, the point is this is a binary system in which you have two elements, and those two elements separately do not comprise nerve gas. One of the elements, in fact, is regular old alcohol. In fact, I have some right here. Some of the people from Pine Bluff are already acquainted with this. Some of the people from Utah, very few from Utah, are acquainted with this.

The other element is a species pesticide. It is a species of pesticide no different from that pesticide that thousands of farmers in America handle every day. It is not great to drink but it sure is not nerve gas.

Let us speak just for a second about nerve gas. A pinhead sized drop of nerve gas will kill a human being. That is pretty dramatic and that is the type of solution and agent that these people who are speaking to you on the House floor today have in their congressional districts.

Let me say to my friends who are the proponents of keeping the existing deadly nerve agent in these congressional districts, because that is what they say to do. The Skelton safety amendment says no, let us replace it with binary, and it is there that the dramatic change was offered by the Department of Defense which was that they have agreed that they will base the two separate elements that make up nerve gas in separate States.

Now, what does that mean to BERYL ANTHONY, and I would ask the gentleman from Arkansas [Mr. ANTHONY] to come down and maybe give us an idea. He is a gentleman who has nerve gas in his district and he can tell us whether or not he would rather have, for example, rubbing alcohol or the equivalent thereto in his district in those munition bunkers instead of nerve gas.

Mr. ANTHONY. Mr. Chairman, will the gentleman yield?

Mr. HUNTER. I yield to the gentleman from Arkansas.

Mr. ANTHONY. I thank my colleague for yielding, and the obvious answer to the question is yes. I have been in the bunkers, I have had to go through the tests, I have had to put on the gas masks. I have, like Mr. PORTER, studied this issue, and I have gone in there.

There is no question in my mind that anybody who has sat down and thoughtfully thought through it will say this is many times more safe and would rather have this and destroy the old obsolete stockpile.

Mr. HUNTER. I thank the gentleman and I ask the gentleman from Kentucky [Mr. HOPKINS], who also has nerve gas in his district.

Mr. HOPKINS. Will the gentleman yield?

Mr. HUNTER. I am happy to yield to the gentleman from Kentucky.

Mr. HOPKINS. I appreciate the gentleman yielding. I expect to expand on this in just a few minutes. But they talk as though accidents do not happen. They do happen.

Two weeks ago we had an igloo explode in my district. We have 900 igloos. Less than 50 of them have chemical weapons, and this particular igloo did not have chemical weapons, thank the Lord.

But what if it did? Accidents do happen.

We have an opportunity to rid ourselves of something that another generation created for us. I think we ought to take the opportunity here today to rid ourselves of those old unitary weapons.

I would like to expand on that a little bit later, and I appreciate my colleague yielding.

Mr. MONSON. Mr. Chairman, will the gentleman yield?

Mr. HUNTER. I thank the gentleman for his comments and I yield to my friend from Utah. Could he tell us about his State and whether or not he wanted, rather have one harmless binary element in his State or nerve gas?

Mr. MONSON. I thank the gentleman for yielding.

As the gentleman pointed out, located just a few miles from my district are these unitary agents.

It was not too many years ago that we had an accident in Utah, and fortunately the wind was blowing the right way. Unfortunately for a few sheep, 6,400 sheep died as a result of that accident. But if it had been blowing the other way, east, as it usually does, toward Salt Lake City, we would have had a problem.

I just want to point out that it could have been 6,400 people or 64,000 people or more if the wind had been blowing the other way.

We need to correct that. We need to do what we can to ensure the safety of these people, and this amendment does that, and I commend the gentleman for his work on this amendment.

Mr. HUNTER. I thank the gentleman.

Let me simply say this is an environmental safety substitute, and I want you to remember that. If you hate nerve gas you should vote for this amendment, for the Skelton-Hunter-Spratt amendment. If you hate nerve gas you should vote for it because it

calls for the elimination of nerve agents from the United States.

I yield back the balance of my time.

Mr. PORTER. Mr. Chairman, I yield 5 minutes to the distinguished chairman of the Committee on Foreign Affairs, the gentleman from Florida [Mr. FASCELL].

Mr. FASCELL. Mr. Chairman, I rise in opposition to the amendment to the amendment known as the Skelton amendment to the Porter-Fascell amendment. I rise in opposition for a variety of reasons.

But let us take the last argument. I would rather not have any nerve gas at all, but you cannot have it both ways. So if we are going to be in the chemical offensive business, you are not voting for security because the amendment that is pending now, the Skelton amendment, says we are not going to do anything until 1987, but put the money in the bill.

The Skelton amendment admits that something is wrong with the Bigeye bomb; otherwise you would not make a fight now to get that nerve gas out of your States and put something else in there, whether it is alcohol or soap.

Mr. SKELTON. Mr. Chairman, will the gentleman yield at that point?

Mr. FASCELL. Not right now. I will not yield now. The gentleman can correct me.

Mr. SKELTON. Give me an opportunity to correct that.

Mr. FASCELL. Not right now.

Certain conditions he lays down in his amendment we have to consider, which is that the President has to certify that NATO will take it, that it is safe, and a whole host of other things. But the gut of the Skelton amendment is that it puts the money in and fence it around certain conditions until 1987.

The Porter amendment says look, it is not ready yet for production; why put the money in there now at all. Why do what Skelton wants to do—which is put the money in the bill and then fence it under certain conditions?

Why not admit that there is a major dispute going on with respect to whether or not this Bigeye bug is ready yet and wait until it is ready. Then start the production line and the money that is necessary.

The research is going on. Nobody is stopping that.

Now, the only other argument I have heard is that we need this binary program to force the Soviets to come to the table. I do not really believe that and you do not either.

□ 1600

If the bomb is not ready to be produced and cannot be deployed where it is needed it cannot be a credible deterrent. Our people have got the best that we have got right now. I happen to think we need to have an international agreement and a bilateral agreement with respect to the use of chemical weapons. I do not think we ought to even be thinking about producing something that is unrelated and unproven. But to think that as a matter of policy we are going to frighten the Soviets into the bargaining table because we are building a new chemical bomb, the purpose of which is to destroy humanity, when we have already got the capability already, imperfect as it may be according to some people, to destroy everybody in the world 5,000 times over, and it is good until at least 1990, why do you want to put the money in the bill? The answer is that somebody has finally declared that the time has come to declare victory with respect to the development of a bomb which is not ready to be produced and to get the money and go ahead anyway. That is what has happened. So you have the money in the bill, you have a determined effort on the part of the administration to do it and then you have an amendment that comes back, recognizes the vulnerability of the dispute both in terms of policy, technical requirements and says "OK, we admit there is a problem but leave the money in the bill and fence it until a later time."

The Porter amendment says, "Let's not fool around with that." We have already voted three times against binary production in the past. Let us leave the money out until such time as the research clearly and positively demonstrates that the bomb works and is ready for production. As of today, it is clearly not.

In the meantime we still have a major policy argument going on in this country with respect to chemical warfare and we are not going to solve it simply by putting money in a bill today and fencing it around certain conditions that do not come into effect until sometime in the future.

Let us be honest about it. Just adopt the Porter amendment which says let us take the money out until such time as we are ready to consider a weapon that has been fully and satisfactorily tested and that enhances our country's national security interests. Until then we should say no to binary chemical weapons production.

Mrs. BYRON. Mr. Chairman, I yield 5 minutes to the gentleman from Arkansas [Mr. ROBINSON].

Mr. ROBINSON. Mr. Chairman, I rise in opposition to the Porter amendment and in support of the Skelton amendment.

I wish I could come to the floor today and change the name of this today to something like Tylenol Three or something like it that might be more acceptable. But the truth of the matter is that it is nerve gas.

My predecessor, Mr. Ed Bethune, who strongly opposed binary munitions, Mr. Bethune was a member of the Banking Committee, Mr. PORTER is a member of the Foreign Affairs Committee and so are some of the other opponents to this. I bring that up because I would like to make a point today. I am a member of the Committee on Armed Services. In my opinion today it is one of the better committees in the House of Representatives. It is our responsibility to develop a rationale for or against binary munitions.

Mr. PORTER. Mr. Chairman, will the gentleman yield?

Mr. ROBINSON. I will yield at the end of my time.

Mr. PORTER. I am not a member of the Foreign Affairs Committee. I am a member of the Appropriations Committee.

Mr. ROBINSON. I am sorry about that.

Mr. PORTER. We have the responsibility of passing on whether it is a worthy item to spend on.

Mr. ROBINSON. I am sorry. I was told you were a member of the Foreign Affairs Committee. You sounded a little bit like you were. So I apologize.

It is the responsibility of our committee to develop a rational policy for this. We took into consideration several critical issues or factors including safety considerations, current U.S. capabilities and arms control and budgetary factors.

First to address the safety issue: The current unitary system is aging and unsafe. It poses significant logistic problems and environmental risks. In contrast, the binary system allows for nonlethal components, essentially industrial type chemicals to be produced, stored, handled, transported, and employed without safety risk.

Let me share with you for a few moments our current inventory and our capability. Current U.S. stockpile averages 26 years in age, only 10 percent militarily useful. Another 18 percent is of limited military value. The United States has not produced chemical munitions since 1969. We have no current capability to hit deep targets with persistent chemical agents.

I would like to move quickly on because I know my time is limited, to what our real purpose is, as far as our responsibility as members of the Armed Services Committee.

We have two responsibilities. No. 1, we must provide to our troops the weapons they need to do their jobs, including deterrent weapons. If we do not do that we are not doing our jobs. But most importantly we have a responsibility and a big responsibility to do all we can as far as arms control in this country. Our ultimate goal in our committee, under the able leadership of our chairman, Mr. ASPIN, is abandon all chemical weapons. We have tried before when the United States unilaterally halted production of

chemical munitions. What did the Soviets do? They have continued to modernize their capability. They have 14 production facilities today. Also we are seeing Third World countries producing chemical weapons. I do not necessarily like chemical weapons but I think they are a necessary part of our munitions variable in this House of Representatives, especially in the Armed Services Committee.

I would like to close by saying that I know that you were influenced in the House of Representatives by my predecessor, Ed Bethune, who is a very fine man. I like Mr. Bethune. But in my opinion he was wrong in his opposition to the production of binary nerve production.

I want to close by saying that: I wish you would look at the facts and not get involved in all the emotional arguments because we need binary nerve gas.

Mr. PORTER. Mr. Chairman, I yield 5 minutes to the gentleman from Iowa [Mr. LEACH].

Mr. LEACH of Iowa. Mr. Chairman, I rise in support of the amendment precluding development of a new generation of chemical weapons and would stress above all the proliferation issue.

First, however, it must be acknowledged that the case for binaries is not inconsequential. In theory they provide somewhat safer handling and thus broader possibilities for storage on ships and in air. In this regard, though, it must be stressed that the "bugs" so to speak, haven't been worked out of the Bigeye bomb and that theory and reality have yet to meet. Safety problems, on the other hand, of current chemical weapons have not been overly problematic.

From a storage and handling point of view, the status quo does not represent either a position of weakness or one in which we can be said to lack a credible chemical weapon deterrent. In fact, in terms of volume we have enough agents stockpiled in Western Europe to kill the majority of the population of Eastern Europe, although admittedly we lack the capacity to distribute these agents with discriminating scope and accuracy.

In terms of this debate the issue of discrimination cannot be overlooked. In an era of increasingly precise weapons, chemical weapons represent the reverse trend. Rather than maximizing damage to opposing armies, chemical weapons threaten unprotected civilian populations more than military forces. I stress this fact because in a European context we are asked to develop a greater capacity to kill the very population base most likely to be most sympathetic to U.S. national interests—the peoples of Berlin and Warsaw as contrasted with their governments and Soviet occupying troops.

As the other body's resident theologian, Mr. DANFORTH, has noted, theories of just war extending back to Thomas Aquinas have emphasized the principle of noncombatant immunity. This does not mean that noncombatants are going to be totally immune from the effects of war. But it does mean that the main rationale of a just war is to target force in such a way that its primary thrust is against combatants rather than civilians.

But because East bloc armies are equipped with masks and other gear and populations are not, the vagaries of wind and weather ensure disproportionate civilian as opposed to combatant casualties with the outbreak of a war employing chemical weapons. In an ethical sense, the Bigeye is a misnomer. Chemical weapons have no eyes. When unleashed, they can't distinguish between civilians and combatants, between men and women, children and adults. They are instruments not of war, but of mass destruction.

Second, it must be acknowledged that lacking a chemical weapons deterrent capacity, the threshold of reliance on nuclear weapons could be lowered. Here, whatever position one holds on binaries, participants in this debate must admit that the quantity of our pre-positioned stockpiles is impressive. We are not talking unilateral disarmament. We are talking about responsible restraint. More problemsome than the tie between chemical and nuclear weapons decisionmaking is the tie between chemical and biological agents. While binaries provide somewhat greater storage and potential delivery flexibility, they also increase the likelihood of usage of their first cousin—biological weapons, living organisms like plagues for which there may be no known antidote. This danger is far more germane than the nuclear threshold dilemma.

But the main argument against a new generation of chemical weapons has more to do with North-South conflicts than East-West. The number of nuclear powers has now reached seven, but, as consequentially, the number of countries actively using biochemical weapons of war, as contrasted with simply stockpiling, has now reached three—the Soviet Union, Vietnam, and Iraq.

Proliferation, not subtle improvements in our weapons capacity, is the real issue. Embarking upon a new program of chemical weapons production raises the possibility that another enormously expensive and awesomely dangerous arms race may be in the making, this time in a field where the superpowers may have even less control over proliferation than they have with regard to nuclear weapons.

If legitimatized through new production and stockpiling, chemical weapons could all too easily become the poor man's weapon of mass destruction. Nuclear arms are beyond the financial and technical capabilities of most nations. However, countries which are unable or unwilling to produce nuclear weapons can easily produce some types of deadly chemical weapons. Let's not head in the direction of legitimatizing these weapons for countries like Cuba, Syria, and Libya.

Here, perspective must be applied. We are not talking about modestly different weapons systems. To study the effects of chemical warfare is to shudder at what science has wrought. Last year, for instance, a U.N. experts panel submitted a report relating to Iraqi use of chemical weapons. A reading of the medical reports of Iranian victims is enough to awaken anxiety in anyone. Below is capsule of victims' symptoms:

The skin of the entire back separated; exhibits respiratory distress, intense tracheal irritation and congestion; coal-black necrosis of the skin of the scrotum and penis; facial sphacelus; genitals are black; diarrhea with rectal bleeding; crusted lesions on the nose; separation and detachment of parts of the skin surface over a very wide area; severe conjunctivitis; intense melanodermic lesions on the scrotum and penis; wine-coloured erythema on the face, armpits, chest, and abdomen; extensive purple erythema on the trunk, armpits, and face; ulcers on the eyelids; wine coloured erythema on the interior surface of the thighs, scrotum, and penis; great pain if touched or moved; multiple blisters and cutaneous detachment over the entire surface of the skin; skin completely removed from the testicles; bloodly expectoration with pieces of mucosa; nausea, vomiting, colic pains, sweating, miosis; tremor in the lips and extremities; vomiting, intestinal colic pains.

Public officials have a profound responsibility to do everything in their power to prevent the day that when faced with what they perceive to be a compelling interest, governments can freely deploy and use weapons of mass destruction. While it is clear that the Pandora's box containing these weapons has been opened once again, the United States has an obligation to take the lead in putting the lid back on the box. What then can we do?

First, we can take the lead in restraining rather than advancing the deployment of new chemical weapons.

Second, the administration should insist a conference of parties to the Geneva Protocol be convened to assess the implications of renewed chemical and toxic weapons usage in the world, with the aim of establishing more stringent safeguards against the further proliferation and use of such weapons.

Third, we must work to see that access to the components of these

weapons is adequately controlled, even if it means tightening up our own controls and embarrassing some of our allies, and calling to task again the Soviet Union.

Fourth, we must condemn with the most insistent voice every use of chemical weapons, as humankind cannot allow such travesties to gain increased legitimacy.

Fifth, we must recommit ourselves to the obligation we undertook in the 1972 Biological and Toxic Weapons Convention to seek early agreement on an international treaty which would complement the Geneva Protocol's ban of the use of chemical and related weapons by prohibiting their development, production and stockpiling.

What we need most of all is an understanding of the big picture, not a commitment to build the Bigeye. Arms control is the issue of our age. We do not need more chemical weapons. We do need more effective arms control.

□ 1610

Mr. Chairman, I yield to the gentleman from Indiana [Mr. BURTON].

Mr. BURTON of Indiana. In response to your conclusions drawn on the proliferation issue, is the gentleman aware that the Soviets now have at least 80,000 people working day and night in at least 10 locations producing chemical warfare weapons?

Mr. LEACH of Iowa. There is no doubt that the Soviets have a substantial chemical weapons capacity and that they have experimented with those weapons in Afghanistan as well as through their surrogates in Laos.

Mr. BURTON of Indiana. A follow-up question is then, why should we remain impotent with the weapons systems that we have that are 40 years old while they continue to build new and more sophisticated ones?

Mr. LEACH of Iowa. I think very interestingly your question implies a difference of judgment. We do not remain impotent. We have the capacity in the CW area that is very profound, and not inconceivably we have more weapons stockpiled than does the Soviet Union?

Mr. BURTON of Indiana. Well, the Department of Defense does not concur with that conclusion.

Mrs. BYRON. Mr. Chairman, I yield 2½ minutes to the gentleman from Arkansas [Mr. ALEXANDER].

Mr. ALEXANDER. Mr. Chairman, about 10 years ago I was appointed to attend a conference on disarmament of chemical-biological weapons in Geneva. I learned a great deal about this issue at that time.

I learned, as it has been stated today, that the Soviets were increasing their supplies of chemical-biological weapons while we in the United States by Executive order had been decreasing our supply. We simply were not producing sufficient biological weapons to maintain parity with the Soviets.

It was coincidental that on the same trip I visited one of my friends who was then the commanding general, U.S. Air Force, at the Ramschstein Air Base, one of our forward bases. I saw all of our tactical weapons systems there; our sophisticated fighters, our headquarters command post, all of which cost billions of dollars to put in place, but every one of which was vulnerable to surprise attack by chemical-biological warfare.

We were simply not prepared to defend our own military personnel in the event of chemical-biological warfare. I was convinced at that time as I am today that the only way to deter the Soviet threat from chemical-biological weapons is to be prepared to use them ourselves.

Now we in Arkansas support the idea of storing these weapons at Pine Bluff, and our people there are patriotic, and support this arsenal for that purpose. However, we in Congress have an obligation to them of providing weapons which are safe.

It is therefore essential to construct a binary nerve gas system to provide for the Soviet threat, to defend against that threat and at the same time provide safety for the people around who live where those weapons are deployed.

I urge my colleagues to support the Skelton amendment and I rise in support thereof myself.

Mr. PORTER. Mr. Chairman, I yield 5 minutes to the gentleman from California [Mr. STARK].

Mr. STARK. Mr. Chairman, ostensibly, the question before us is whether we should start doing something that we have not done for the last 16 years: Start building chemical weapons again. If for no other reason, we should demand there be a very good reason for doing so because it will cost over 2-billion-tax dollars.

I don't think there is a good reason to start churning out new nerve gas weapons. And there is a very good reason not to do so today.

The real question we face is how to deter the use of chemical weapons against the Armed Forces of the United States and our allies.

Building new chemical weapons will do little to deter Soviet or Third World use of chemicals against us if we continue to lag dangerously behind in giving our troops the means to protect themselves against gas warfare.

Stop and think about it. The Soviets have the best chemical warfare capability in the world. Why? Their capability is derived from the combination of their offensive chemical arsenal and their defensive equipment and training. Deterrence of chemical warfare is based on both an offensive and a defensive capability.

We have an offensive arsenal that is large and operational. The Chemical Warfare Review Commission admitted as much when it reported:

> In terms of quantity required, it has not been demonstrated to the commission that the number of artillery shells on hand is inadequate.

Yes, our offensive arsenal will eventually need modernization. But all honest assessments say our arsenal will be effective into the 1990's.

Meanwhile, our chemical defensive capability is criminally ineffective now.

The President's Commission seems to think it will stay that way no matter what Congress intends or does:

> The commission has concluded, however, that in spite of the approximately $4 billion that Congress has appropriated since 1978 for defense against chemical warfare, that defense, measured either for purposes of deterrence or for war-fighting utility, is not adequate today and is not likely to become so.

My question is, Why not?

Just what do we have to do to get the uniformed services serious about providing our men with adequate chemical protective gear and training? We've tried giving them lots of money, and obviously that hasn't worked.

Four billion dollars later the Navy has protective suits that don't work when they get wet, and the Army has protective overboots that take 15 minutes to put on, and can't be laced up at night.

Virtually every Soviet armored vehicle has equipment to protect the crew and passengers from chemical weapons. Neither our M-1 tank nor our Bradley fighting vehicle have such protective equipment.

Does it make sense to leave such relatively inexpensive equipment off vehicles that cost up to $2 million a piece? Why would new binary weapons deter the Soviets from using gas against American forces who have to wear cumbersome protective clothing inside their tanks, while Soviet tank gunners aim and fire in their shirt sleeves? How serious is the Army about conducting chemical warfare?

Virtually every modern Soviet Navy surface vessel has equipment which allows naval operations in a chemical environment. Our ships have no such equipment.

What are the U.S Navy's plans for such operations? I'll quote from the Commission report again:

> In the event of a chemical attack, U.S. naval units would plan to leave the area • • •

Leave out gobbledygook—turn tail and run.

Does that make sense in the context of our Navy's mission to maintain control over the seas? How would buying the questionable Bigeye bomb for the Navy deter Soviet use of gas at sea if we plan to leave the area, while they

stay put in control of the sea lanes? How serious is the Navy about chemical warfare?

The reason for voting against building new chemical weapons today is to force the services to get serious about defenses.

Does anyone in this Chamber think the Pentagon will redress our deficient defensive posture if we give them the shiny new bombs and shells they want? Chemical weapons protective gear, warning devices, and collective protection equipment is pretty dull stuff compared to covering 600 square miles of someone else's country with lethal concentrations of nerve gas.

Sending our men into combat in deficient chemical protective gear will not deter either Soviet or Third World use of chemicals, regardless of the nature of our offensive arsenal.

In the case of the Soviets, they now know they can fight better in a chemical environment than we can. In the case of Third World states, if using gas against otherwise overwhelming American conventional forces either kills us or makes us go away, you can bet they will do it.

Please don't vote for new offensive chemical weapons until the Pentagon addresses the pitiful state of our defensive posture.

□ 1620

My staff suggested that I ask you to hold up the binaries for the sake of our servicemen. I am going to suggest to you, ladies and gentlemen, that when you have got them by the binaries, don't let go to get a better grip because there is not one.

So I urge you, vote for the Porter amendment and vote down the Skelton amendment.

Mr. BATEMAN. Mr. Chairman, will the gentleman yield?

Mr. STARK. I yield to my distinguished friend, the gentleman from Virginia.

Mr. BATEMAN. I thank the gentleman for yielding.

Is the gentleman in the well aware that the Department of Defense requested and the bill that is on the floor from the House Armed Services Committee includes $900 million-plus in chemical defensive measures?

Mr. STARK. I am aware of that. I am aware that they have had $4 billion to spend since 1978, and it still takes 15 minutes to lace up protective combat boots for infantry and they cannot do it at night.

Mrs. BYRON. Mr. Chairman, I yield 5 minutes to the gentleman from Arkansas [Mr. ANTHONY].

(Mr. ANTHONY asked and was given permission to revise and extend his remarks.)

Mr. CHAPPELL. Mr. Chairman, will the gentleman yield?

Mr. ANTHONY. I yield to the gentleman from Florida.

Mr. CHAPPELL. Mr. Chairman, there has been a unilateral U.S. moratorium on chemical weapons production since 1969. One of the paradoxes of a decision to forego a weapons program, even when the Soviet Union has not such intention, is that our interest in what the Soviets are doing in the field seems to drop. With the U.S. moratorium on production, intelligence priorities and interest in what the other side is doing were also reduced. But even with a lower intelligence priority, we cannot help but notice the Soviets' growing capabilities and their willingness to use chemical weapons as they have, for example, in Afghanistan. We know that, in opposition to our obsolete, deteriorating and potentially dangerous stocks, the Soviet Armed Forces possess a versatile array of agents and delivery means for attacking our soldiers and civilian's nervous systems, blood and respiratory systems.

We know that the threat is serious, that the potential for use is likely and that its use will be "militarily significant" in the most disturbing sense of that dry, analytical term.

A number of our military commanders have concluded that there is no question that the use of chemicals would be devastating, that a target would be rendered ineffective almost instantaneously. An attacking enemy would encounter little organized resistance. Even if our troops were fully prepared for such use, their capabilities would be severely degraded. An offensive force using chemical weapons can create a battlefield asymmetry that almost guarantees success. And chemical weapons [CW] will accelerate the offensive to a degree that forecloses effective countermeasures.

The threat of retaliation, which subjects the offensive force to the same degradations as that inflicted on the defensive force, is the only realistic threat that can lessen the military attractiveness of CW to a nation that has already demonstrated its will to use such means. NATO's limited amounts of obsolescent munitions are no real deterrent to CW use by the Warsaw Pact. And a gas mask is no deterrent either.

In the event of a Warsaw Pact chemical attack, the NATO alliance would be faced with a decision: To surrender or to retaliate with nuclear weapons. The latter choice means a drastic lowering of the nuclear threshold on a chemical battlefield. But the use of battlefield nuclear weapons may be precluded by the rapid advance under a chemical offensive. This means that the decision to go nuclear would have to be contemplated sooner and the danger of escalation to strategic systems would quickly have to be taken into account.

Are we prepared to consider such a scenario a credible defense? Our purpose should be to lessen the threat of nuclear war, not to increase that threat. The primary tool needed to avoid such an apocalyptic choice is a simple, useful, credible chemical retaliatory capability. Our interest is not in using CW, but in making the option of offensive use by the Soviet Union less attractive than it undeniably is now.

Mr. Chairman, I urge the adoption of the Skelton amendment.

Mr. ANTHONY. Mr. Chairman, I rise in opposition to the Porter amendment and in support of the Skelton amendment, and I would like to thank my colleague, the gentleman from California [Mr. STARK], for basically making the real argument for why we need a chemical deterrent. He has just taken this floor and has admitted that no matter how much money you pump into a defensive mode for equipment, our people are still nailed down. We can spend as much money as we want to, modernize all across the country, our enemy can come in and dirty our field and our men are tied down.

The gentleman from Illinois [Mr. PORTER] has quoted from the report. I challenge the Members to read the report, and I would like to quote some pages to call to your attention.

On the Bigeye bomb, Mr. FASCELL says:

> All Mr. SKELTON is asking you to do is to ask for the money and then fence it in because there are problems with the Bigeye bomb.

Let us look first to who served on this commission. Barber B. Conable, one of the most respected former Members of the House of Representatives who served on this side of the aisle; John N. Erlenborn, a former Member of the House of Representatives, served on this commission. If that is not good enough for you, Alexander M. Haig, former Secretary of State, from this side of the aisle. Take a look at what he put his name on, what they collectively put their names on. Look on page 17, where they said the problems with the Bigeye bomb have been solved.

Mr. PORTER. Mr. Chairman, will the gentleman yield?

Mr. ANTHONY. I yield to the gentleman from Illinois.

Mr. PORTER. I wonder if the gentleman can name the members of the commission who opposed chemical weapons who were appointed by the President to that commission. None.

Mr. ANTHONY. I cannot answer that question. I have got the report. The report is here for you to read, for America to read and to make up their own minds.

Look on page 17: The problem has been corrected, production has been requested.

Look on page 33, ladies and gentlemen: It tells you exactly why the money could not be spent until 1987.

It is because we do not have a production facility in place to build the Bigeye bomb. It will take the contractors a small amount of time to build this facility if we give them the money to build it.

That is not building a fence around the Bigeye bomb. That is building a fence around the contractors who will have to build the facility to deliver the Bigeye bomb, to deliver it to our troops in the field.

Do not deny the troops in the field the safety factor for the Bigeye bomb. If you say that the Bigeye bomb has problems, you are attacking the credibility of all the members of this commission who have studied the witnesses on both sides and have come forward with their study.

Now, then, let us take a look at the studies over on the left about the munitions. And I must tell you that I told the Pentagon from the very beginning that I thought that this was one of the serious problems that we had to overcome. I ask the Members to look on pages 19, 20, 21, 22, 23, and 46 of this report. I want to tell you what it tells you. It is something very interesting. You can put the numbers of how many weapons we have, but it does not tell you whether those weapons are filled with persistent on nonpersistent agents. We need the persistent agent in order to tie down our enemy, not the nonpersistent agent. The nonpersistent agent disappears. The persistent agent is not contained in a majority of these weapons systems; so, therefore, you can take off the ones that only are filled with the nonpersistent because they are not an effective deterrent.

Now, there is something else that is very interesting when you read this report, and there is no one who can refute this as being correct. We do not have the military artillery capability to utilize the majority of these weapons. Look at the report. Look at what is in our arsenal.

Mr. BURTON of Indiana. Mr. Chairman, will the gentleman yield?

Mr. ANTHONY. I yield to my friend, the gentleman from Indiana.

Mr. BURTON of Indiana. I would just like to follow up on that point by saying that the weapons that we currently have stockpiled are outdated. For us to use those in combat, our troops would have to get 40 percent closer than they had to 20 years ago, and because of that you would have to either add 40 percent more fire power to those weapons, which would endanger the security of our men because it might cause an explosion right at the line of defense and kill a lot of our troops, or else you would have to move the front line 40 percent closer, thus endangering our troops.

So I think the gentleman makes a very valid argument. We have to do something to upgrade these weapons, and the best way to do that is to come up with a new binary chemical system.

Mr. ANTHONY. I could not agree more with the gentleman's analysis.

Mr. PORTER. Mr. Chairman, I yield 5 minutes to the gentleman from New York [Mr. MRAZEK].

Mr. MRAZEK. Mr. Chairman, in this debate we have had a chance to hear about exploding igloos—and I am not about to yield any time to hear more about them at this point—we have heard that just about any enterprising kid can go down to the hardware store and mix up a little rubbing alcohol and DDT and kill just about everybody in his community with nerve gas. We have heard about the agonizing death of 6,400 sheep, whether intentionally or not, by the Army. And we have heard that we need chemical weapons because the Soviets might use them to kill American soldiers.

Well, I would like to remind my colleagues about the last country to use chemical agents to kill thousands of American soldiers in wartime. It was the U.S. Government in South Vietnam.

I remember a young man named Paul Reuterschan, who had the misfortune to have fought with an engineer battalion which helped to defoliate the jungles around the perimeters of wherever his unit chose to bivouac in Vietnam.

Paul Reuterschan returned from Vietnam under the assumption that he was one of the lucky ones to survive. But when he was dying at the age of 28 from cancer and he was fighting each day to survive for one more day, he said, "I was killed in Vietnam, but I never knew it."

Well, Paul Reuterschan and thousands of other American soldiers, as well as millions of Vietnamese, were exposed in Vietnam to a chemical agent called agent orange. No one told the American soldiers, much less the Vietnamese, that this chemical contained dioxin, one of the most toxic agents known to us today.

We literally sowed that country with agent orange. God only knows how many South Vietnamese are carrying that poison today as a result of that tragic mistake.

And now we are talking about stockpiling a whole new generation of chemical weapons in Western Europe. Except for one thing: Our allies in Western Europe do not want them. They have rejected the deployment of binary nerve gas shells in their countries, and very rightly so; just as every town, every community in the United States of America would fight against having binary nerve gas shells deployed with military units in their community.

In fact, the overwhelming majority of Americans find the whole concept of nerve gas weapons repugnant, and the American people are right. We know that if the Soviets were ever to use chemical weapons against our soldiers, then that would be it. That would be the demarcation point of no return. As far as I am concerned, we ought to declare to the Soviet Union that we are going to treat nerve gas weapons just as we would treat their utilizing tactical nuclear weapons.

I think it is important to remember that not even Adolf Hitler used chemical weapons, even in the declining days of Nazi Germany.

The bottom line is that we should declare to the Soviet Union that if they were to use chemical weapons in Western Europe against our soldiers, then we will respond as if they were to utilize tactical nuclear weapons against our soldiers.

And, in fact, we should do away with all nerve gas weapons in this country because we have a host of other remedial techniques that we can use to respond to the Soviet Union if they were ever to do something as heinous as use those weapons against American soldiers.

□ 1630

Mrs. BYRON. Mr. Chairman, I yield 4 minutes to the gentleman from Virginia [Mr. DANIEL].

Mr. DANIEL. Mr. Chairman, I ask unanimous consent that the remarks that I made about Mr. BETHUNE be stricken from the RECORD.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Virginia?

There was no objection.

Mr. DANIEL. Mr. Chairman, I rise in support of the Skelton amendment. What is needed—and needed desperately—at this time is a long-range capability.

Today, we are providing our Armed Forces with a very short-range capability, insufficient to attack such vital targets as depots and airfields.

Our target area is restricted to the reach of short-range 155 artillery rounds.

Safe from threat are the enemy's airfields, logistics concentrations, and command centers—the very areas we must reach, if chemical warfare weapons are to pose any deterrence whatsoever to a potential enemy.

Currently, we have only one effective weapons system with chemical warfare capability, and half are ineffectively equipped.

The agent mix now available is persistent—it will linger in the area beyond a useful period, whereas a more effective agent would disperse rapidly.

General Rogers has testified before our committee that his present resources are inadequate to the job, and I am told that half the assets available

to him are equipped with the wrong agent mix.

General Rogers has stated that his single greatest concern is his inability to place an enemy at the same risk he must accept.

Unless we acquire an adequate long-range binary capability, the nuclear threshold will be considerably lowered.

Our lack of a deep strike chemical retaliatory capability allows an enemy to pick and choose the time and place, the nature of the agent, and the extent of employment without having to place his own personnel into protective gear and equipment.

No matter how good our protective posture becomes, any enemy will have a significant advantage.

Even a selective or very limited chemical attack will have a debilitating effect on forces far removed from the area of actual contamination.

Higher states of protective posture and increased physical and psychological burdens would be forced on personnel.

These are burdens that any potential enemy force would be, for the most part, free from today.

An effective defensive posture alone is therefore not sufficient to ensure our ability to operate at maximum efficiency in a chemical environment.

The chemical weapons stockpile is designed to discourage an aggressor's first use of such weapons.

The objective of the U.S. chemical warfare posture is, has been, and will remain deterrence.

I believe that binary munitions are the most sensible way to establish a realistic deterrent because of their obvious advantages over the current unitary weapons.

Procurement of Bigeye for the Navy and the Air Force will partially redress our lack of retaliatory chemcial weapons.

Bigeye is the only chemical warfare bomb being developed for either Air Force or Navy use.

It will fill the existing void and will do so with vastly improved safety in deployment and employment.

With Bigeye, chemical weapons can be safely carried and employed by sea-based units for the first time.

Modernization of the national chemical warfare stockpile with binary weapons would provide the sorely needed deterrence by providing a flexibility and speed of response never available, should any enemy initiate chemical warfare.

Additionally, any stockpile of binary weapons that must be destroyed due to arms control agreements or aging, will never pose the storage and disposable problems we face with our current obsolete unitary weapons.

Bigeye is a success story.

It is a working and workable weapons system that will be ready to go into production in fiscal year 1986.

Bigeye just completed an extensive series of research and development tests as part of its overall technical evaluation.

These tests were extensive and conducted under as realistic conditions as such a weapon will allow.

Bigeye has been tested in the air for aerodynamics, dissemination, function and safety.

On the ground, it has been tested for function, safety, logistic and operational suitability.

In an environmentally controlled toxic chamber Bigeye bombs have performed successfully.

Extensive testing has been successfully conducted by the Air Force and the Navy.

These tests convince me that all Bigeye problems are in hand and that Bigeye works.

In summary, we now have only a limited capability to deter an enemy's use of chemical weapons.

Our chemical defensive capability is improving but alone it will never deter the use of chemical weapons against us.

We lack the safe, modern munitions such as Bigeye to present a credible retaliatory capability necessary to deter enemy first use of chemical weapons.

I urge you to join me in supporting the chemical warfare modernization program and its goals of providing both the defensive and offensive capability needed to deter hostile first use of chemical weapons.

The production of the Bigeye weapon is a necessary step toward this goal.

Mr. Chairman, I yield to the gentleman from New York [Mr. STRATTON].

Mr. STRATTON. I thank the gentleman for yielding to me.

Mr. Chairman, there are three reasons why we need to support the Skelton amendment. The first reason is that without a credible retaliatory chemical warfare capability, we are putting our sailors, our soldiers, our marines, our troops in the field in danger. It does not do very much good to give them protective covering as we have already heard. That protective covering reduces their capability to move in the field by some 50 percent.

The second reason is that unless we have a credible deterrent capability, the only way that we can react against a gas attack is nuclear weapons, and that means that we reduce the nuclear threshold which we do not, certainly do not want to do.

Third, this House has spoken out very eloquently and very frequently in times past about how much we support arms control. But the only way to get a chemical warfare treaty with the Soviet Union is for us to have a chemical capability once again, an effective retaliatory capability. It takes two to tango in negotiations, and unless we provide that capability, we will never get an arms control agreement on chemical weapons in the City of Geneva.

So the Skelton amendment is the right way to go.

Mr. PORTER. Mr. Chairman, I yield 5 minutes to the gentleman from Ohio [Mr. PEASE].

Mr. PEASE. I thank the gentleman for yielding me this time.

Mr. Chairman, I rise to oppose the Skelton amendment and to support the Porter amendment. I would like to begin by talking about the basing mode for these binary chemical weapons.

The gentleman from California has told us that the Army has said that it will now start storing the two separate ingredients of binary weapons in different States to allay the fears of the people in those States about the toxicity of those binary weapons. As a matter of fact, the Skelton amendment formalizes that by requiring that the components would be stored in separate States.

Mr. HUNTER, earlier in the debate, suggested that we might employ the same policy to allay the concerns of our European allies. As I read that, it means that we might store one active agent in Germany, another active agent in France or Belgium or the Netherlands, then I suppose when the need arises, when the Russian armies come streaming across the German border and it looks like we really need it, we could send the Germans over to France or the French over to Germany to get the components and put them together to support our armed forces.

Mr. HUNTER. Will the gentleman yield so I can assure him that is not what I meant? I said at different locations in Germany or different bunkers in Germany.

Mr. PEASE. I will be happy to yield at a later time.

Mr. Chairman, this sounds to me, whether we are storing it in different States in the United States or different countries in Europe, like the sort of "Alice in Wonderland" basing scheme which the Pentagon came up with several years ago for the MX missile. You recall the MX missile basing mode changed from year to year and the Pentagon came up with one improbable basing mode after another, until finally, even the proponents of the MX missile realize that we have no suitable basing mode, and we just yesterday capped the MX at 40 missiles.

Let us not go to our allies in Europe with a basing mode which simply does not pass the test of common sense. I would like to mention one other thing about the Skelton amendment. It provides that no money can be spent before 1987 under any circumstances. I ask you the question, then, if that is

the case. Why vote now? Why not wait until 1986 to make that decision?

The Skelton amendment also says that no money can be spent even in 1987 unless NATO formally agrees that binary weapons are needed, formally agrees that these weapons will be placed on the soil of our European allies. If that is the case, if it cannot be done before a formal vote of NATO, why vote now? Why not wait until NATO actually votes its approval? Why stir up our European allies who are already very sensitive politically on this issue. Why stir them up needlessly? If they come to that conclusion on their own, certainly proponents in Congress will have no difficulty coming up with a majority of votes to proceed with binary weapons.

It seems to me that the bottom line is that a vote today to authorize funds, even if they could not be spent before 1987, takes the U.S. Congress across the Rubicon. We are taking a fateful step going back to chemical weapons production for the first time in 16 years. That has enormous symbolic implications for us, for our allies, and for the rest of the world. I think it is a mistake.

Mr. SKELTON. Mr. Chairman, will the gentleman yield?

Mr. PEASE. I yield to the gentleman.

Mr. SKELTON. I thank the gentleman for yielding.

Mr. Chairman, it might be interesting to point out that for a period of years we have not produced chemical weaponry, but all during that time the Soviet Union has to a great extent. It puts our boys, our dependents in Europe at a great disadvantage.

Mr. PEASE. Well, it does not put our soldiers in Europe at a disadvantage, and I would hope that we do not take the position we have to do everything the Soviet Union does. We in the United States try to uphold a different and a higher and a better standard than the Soviet Union.

Mr. Chairman, let me add a few additional thoughts.

The Defense Department has asked us to end a 16-year moratorium on production of chemical weapons in the United States. The binary weapons proposal they are offering us is a misguided and inherently flawed program.

Binary weapons have been touted as the safer alternative to our current stockpile of unitary weapons. They may offer the illusion of greater safety, but in truth they are dangerously unreliable and inefficient. The binary bomb—Bigeye—has failed its tests at least 8 out of 10 times. The logistics of binary chemical mixing complicate usage. Because of their unreliability, use of binaries in wartime might seriously threaten civilian lives in ways unitary weapons do not. Merely on the basis of its technical failings, the binary weapons proposal is utterly unacceptable.

Production of binary weapons would be even more disastrous politically. The Defense Department argues that binary chemical weapons will provide crucial forward defense. If these weapons remain in the continental United States, they add little to our defense at all. Yet our closest European allies are adamantly opposed to this binary weapons proposal and refuse to allow the deployment of such weaponry on their soil. At the NATO defense minister meeting on May 22, NATO Secretary Peter Carrington insisted that chemical weapons do not fit into the NATO conventional defense framework.

He proposed that the West should push for a total ban on chemical weaponry. Our present European stockpile of unitary chemical weapons already suffers from a precarious legal status in certain countries; pressuring our allies to accept new weapons might jeopardize the status of existing weapons. In the tense climate of countries already deeply divided over ongoing deployment of Pershing II and cruise missiles, pressure from the United States to store new chemical weapons in the allied nations would be politically foolish.

The supreme allied commander in Europe, Gen. Bernard Rogers, admits that the binary chemical weapons issue is too tough to handle. Yet the Defense Department is asking us to support this chemical program, a program which threatens relations with our NATO allies and undermines our more important foreign policy objectives.

The Binary Weapons Program would add billions of dollars to the Federal deficit and provoke an international political confrontation without making America any safer or more secure in defensive capability.

I strongly support the Porter-Fascell amendment to withhold funding for this dubious and costly program.

Mr. HUNTER. Mr. Chairman, will the gentleman yield?

Mr. PEASE. I yield to the gentleman.

Mr. HUNTER. I appreciate my friend yielding, and I would simply ask the gentleman if he is telling Mr. HANSEN in Utah that he has to keep nerve gas in his district; that he cannot take a harmless element, because splitting up the two binaries would not be acceptable to the gentleman who is speaking.

Mr. PEASE. I would be happy to tell him, but my time has expired.

□ 1640

Mrs. BYRON. Mr. Chairman, I yield 4 minutes to the gentleman from Mississippi [Mr. MONTGOMERY].

Mr. NIELSON of Utah. Mr. Chairman, will the gentleman yield?

Mr. MONTGOMERY. I am glad to yield to the gentleman from Utah.

Mr. NIELSON of Utah. I thank the gentleman for yielding.

Mr. Chairman, I would like to offer my support for authorization of funds in the Defense Department authorization bill to modernize our stockpile of chemical weapons. I am very aware of the problems associated with storing unitary chemcial weapons. In fact I worked at Dugway Proving Grounds in Utah as a statistician for C-E-I-R, Inc. During that time I studied the leakage problems with our current stockpile of weapons and the mysterious death of 6,400 sheep that died in the Dugway region. That study gave me an opportunity to examine first hand some of the serious problems that are associated with our current chemical stockpiles.

I am convinced that we have a great need to modernize our chemical weapons program and that we should move with a strong resolve toward replacing our aging stockpiles with binary weapons. Binary chemical weapons would be easier to store, easier to transport, and would be much safer overall. This is true because the chemical agents are not lethal until after the weapon is fired. The chemical components could be stored or transported separately. The chemical weapons could be stockpiled in the United States until deployment was necessary, thus alleviating the concerns of our European allies. They are much less expensive to maintain throughout their life cycle and they are much easier to dispose of than unitary chemical weapons.

We need to modernize our chemical weapons stockpile because we have an aging stockpile that is unable to meet the demands of the modern battlefield and one that poses a serious potential environmental hazard. The average age of our current U.S. stockpile is 26 years. A strong defense and an effective retaliatory capability are the most effective means of ensuring that the Soviet Union will never be tempted to unleash their advantageous offensive and defensive chemical weapon capability which they have unilaterally achieved over the past 15 years.

Mr. MONTGOMERY. I thank the gentlewoman for yielding this time to me.

Mr. Chairman, I rise in opposition to the Fascell-Porter amendment and in support of the Skelton-Hunter-Pratt amendment.

In the President's letter to Members of Congress on June 13, he points out that in Geneva we have put forward a draft treaty that will ban chemical weapons, and that the Soviets have not responded constructively. If I were in their position, I would not want a treaty either.

Mr. Chairman, the Soviets have us where they want us on chemical weap-

ons. They are in a position of strength, and we in the United States are dealing from a position of weakness, and they are not going to negotiate with us as long as we in the United States deal from a position of weakness.

In the 30-odd years I have been connected with the military, I have seen less improvement in chemical warfare than any other arm of our defense. In the last several weeks, I have tried further to check on our chemical weapons and equipment. I believe our old chemical weapons should be destroyed and that we should replace them with binary weapons.

The present protective gear for our troops and personnel on ships and aircraft just do not do the job. The heat build-up in this protective clothing is unbearable. It leads to impaired vision for those flying aircraft and driving tanks. They have to take off the mask to see where they are going and what they are doing, and it interferes with their breathing. In short, one just cannot perform normal functions while wearing the protective gear.

I am afraid the Soviet weapons advantage and the ineffectiveness of that protective gear might move our commanders in the field closer to the use of nuclear forces. A weakness in chemical warfare pushes us closer to the use of nuclear weapons on the battlefield.

Mr. Chairman, this vote on chemical weapons is the most important vote you will make on this bill, in my opinion. Yes, we have done a good job in building up our tanks, guns and planes, but we have done virtually nothing in the area of chemical weapons.

Certainly, I agree that chemical warfare is horrible, but all war is horrible, and if we are going to provide the proper deterrent to avert the use of chemical weapons, I believe we must now move to strengthen our chemical weapons systems, so I ask my colleagues to vote against the Porter amendment and for the Skelton-Hunter-Spratt amendment.

Mr. PORTER. Mr. Chairman, I yield 5 minutes to the gentleman from Pennsylvania [Mr. EDGAR].

Mr. EDGAR. I thank the gentleman for yielding this time to me.

Mr. Chairman, I deliberately asked to speak late in this debate because I wanted to listen to the arguments on both sides.

I think that my colleagues supporting nerve gas production have worked very hard to try to make their case, but I have to say that some of their arguments are very weak. Therefore, I rise in opposition to the Skelton amendment and in very strong support of the Porter amendment to delete the $124.5 million for nerve gas. I would like to state why I oppose the resumption of chemical weapons production.

First of all, I think if you look carefully at the facts, the United States has effective offensive chemical warfare capability at the present time.

Second, if you look at the cost of production, startup costs to produce additional, new chemical weapons for the first time in 16 years, at a time of fiscal restraint and tight budgets, you realize that we may be making a $6-billion to $15 billion commitment in 1982 dollars. Instead, we ought to put those precious defense dollars into other, more appropriate, perhaps conventional items, but also direct it to protective gear for our soldiers who may, in fact, be in a field of conflict where chemical weapons might be used.

Third, there is a problem of just simply the technical question of whether the weapons work at all. A recent General Accounting Office report on the Bigeye chemical bomb indicates that the Bigeye has failed to meet standards in at least 8 of 10 tests over the last year. There is the problem of these weapons creating a foreign policy dilemma for us because our European allies simply do not want them. There is the problem of chemical weapons proliferation and the likelihood that these weapons would undermine our chemical arms control negotiations at Geneva.

But if you put all of these arguments on the table, pro and con, I think there is one overriding argument that has not been discussed very much today that I would like to focus on. Let me take the opportunity to make an additional point on the effectiveness of nerve gas.

Chemical weapons are more likely to kill civilians than soldiers. While conventional high explosives of some nuclear weapons can be directed at military targets, chemical weapons are indiscriminate. While our troops and those of the Warsaw Pact would have access to protective clothing and antidotes to toxic agents, civilians will have no such insurance.

In the commonly described scenario of chemical war in Europe, densely populated civilian areas downwind from the chemical attack would be devastated by airborne chemical agents. As Dr. Matthew Meselson made clear in remarks quoted in the New York Times in 1982, "With chemicals, you might end up killing 20 civilians for every soldier."

I recently received horrifying update of these comments. A member of my staff reported that during a briefing he attended at the Philadelphia Navy Yard this spring, Navy officials admitted that studies show that up to 12 million civilians would be killed in only 24 hours of a chemical war. Military casualties would be negligible in comparison.

Mrs. ROUKEMA. Mr. Chairman, will the gentleman yield?

Mr. EDGAR. I will not yield at this time. I am limited in my time and I would like to yield if I could, but with the limitations, I am not able to.

I think that this is a terrifying yet insightful comment on the reality of chemical war. Chemical weapons are inherently anticivilian weapons. Military personnel can be and are protected against a chemical weapons attack. The United States and the Soviet Union have spent large sums to provide that protection, though I know some of my colleagues have also reviewed today the need for our Armed Forces to make greater efforts to improve chemical weapons protective gear before requesting chemical weapons production funding. I fully support our expenditures for clothing and equipment to protect against a chemical weapons attack. Well-equipped troops—which we hopefully will have—are virtually invulnerable to chemical warfare. Civilians will not be protected.

Supporters of chemical weapons production have admitted their dubious battlefield utility in saying that we need chemical weapons as a deterrent. They know that chemical warfare against a well-equipped adversary is primarily useful as a means of slowing the enemy down, not of eliminating the enemy. The irony is that we already have a credible chemical weapons deterrent in our stockpile, including 155-millimeter artillery shells, 8-inch artillery shells, bombs, spray tanks, land mines, M-55 rockets, 4.2-inch mortar shells, and 105-millimeter artillery shells. This is enough for at least 30 days of war in Europe.

Furthermore, our allies in Europe are not particularly enthralled by the prospect of accepting the new binary nerve gas on their soil. In fact, on May 22, 1985, the NATO defense ministers met and agreed to improve their nonnuclear defenses but specifically refused to consider an American proposal for the production of chemical weapons. Britain's Lord Carrington, the Secretary-General of NATO, was described in news reports as believing that chemical weapons do not fit into the conventional defense framework and that the West should press for a total ban on chemical arms.

One of my colleagues stood in this well and said, "Do not get emotional about this issue." Well, I think we can get emotional about issues relating to our national security and national defense. Both sides do. I fall on the side of those who get emotional about this Nation and its interest in providing world leadership toward an international treaty to stop the production and use of chemical weapons all over the planet. I do not think we set a good example by moving, for the first time in 16 years, to the production of chemical weapons.

I get emotional when I think about my children, three sons, and their children, living in a world that is stockpiling nuclear weapons to the point that our arsenal alone can destroy this planet and its civilians many times over.

I get emotional when I think of the possible use of these chemical weapons, which lead to warfare that will end up more tragic than anyone can imagine. And as I have pointed out, that emotional reaction is backed up by the facts.

Mr. Chairman, I urge my colleagues to support the Porter amendment and to reject the Skelton amendment and not to resume production of chemical weapons.

□ 1650

Mrs. BYRON. Mr. Chairman, I yield 3 minutes to the gentleman from Virginia [Mr. BATEMAN].

Mr. BATEMAN. Mr. Chairman, given the time and concern that I have put into this issue, I would like very much to have more time than can reasonably be allotted to me. I hope, for the good and the security of our country, that I can use that limited time effectively. Let me try to address some of the misconceptions and some of the facts not dealt with in proper context or soundly interpreted that seem to have permeated so much of the discussion today in defense of the Porter amendment and in opposition to the Skelton amendment.

We are told that the Navy would not like to have these binary weapons deployed on their ships. That is poppycock. Otherwise the Chief of Naval Operations and our Supreme Allied Commander, Atlantic, who command our naval forces would not have been urging this Congress to rectify its errors of the past 3 years and to this year at last authorize production of binary weapons.

We are told on the one hand that the real issue here is whether or not we have an adequate chemical deterrence, and my friend and colleague, the gentleman from Illinois, for whom I have the greatest respect, says—and I know he means it sincerely—that we do have such an adequate chemical deterrence.

On the other hand, some of his supporters tell us that we must not do this because we lower the threshold of production and use of bacteriological weapons. We are even told that we have an adequate deterrence if we would just declare a policy that says, "If you use gas against us, we will immediately proceed to the use of nuclear weapons."

That, I say to the Members of the House, is not an adequate and proper deterrence for the United States of America and for its forces in the field.

If the Members would but read this report, the Stossil commission report it is readly apparent from the appendix that the official doctrine of the French is that from chemical weapons we go to tactical nuclear immediately. That is the doctrine of NATO because it is the only thing they have now. That is what is pointed out in the Commission report as our only meaningful deterrent. And they called that deterrent into question for the very logical reason that if chemical weapons are used at various points on the battlefield and there are breakthroughs and there is intermingling of our troops and their troops and civilians, how are you going to contain the threat by the use of a nuclear weapon?

The way to contain the threat and to prevent our forces being at risk—and they will be at risk if we do not have a chemical deterrent—is to authorize the production after 16 years of America's first modern, usable chemical response.

These supplies of ancient stocks averaging 26 years of age and by the 1990's becoming increasingly useless. While the stocks are vast, they represent virtually a nuisance value of constant and expensive inspection and decontamination. They are not the type of gas needed, and we do not have the type of projectiles to deliver them where a war we must fight, if it comes to a war and the use of chemical would be required, would take place.

Let us leave it to General Rogers. Leave it to the Joint Chiefs of Staff. Leave it even to the commander of that tank that I visited in West Germany as to whether or not our present chemical stocks are what we need to have an adequate and meaningful chemical deterrence. If we do not say that, then we are saying we are willing to rely on a nuclear deterrence, and that we would reduce the nuclear threshold. That certainly is not responsible national security policy for this Nation. That is not responsible to the troops that we put into the field.

Mr. Chairman, I urge my colleagues to support the Skelton amendment and to oppose the Porter amendment.

Mrs. BYRON. Mr. Chairman, I yield 2 minutes to the gentleman from Georgia [Mr. RAY].

Mr. RAY. Mr. Chairman, I rise in support of modernizing our chemical warfare deterrent capability. In support of the Skelton-Hunter-Spratt amendment.

Let me make several points:

By signing the Geneva Protocol of 1925, the United States agreed not to use chemical weapons except in retaliation to their prior use. We have lived up to this agreement and will continue to do so.

In recent years, we have observed that when some countries are at war, many do not consider the morality, or the principles of the Geneva Convention. Iraq is the most recent example, and, as we all know, there is proof that the Soviets have used chemical weapons in Afghanistan.

This country has not manufactured chemical weapons since 1969, and the present stocks could not be used to our advantage in modern warfare. In fact, these stocks must be destroyed because they are largely out of date and deteriorating.

I appreciate the provision of the DOD bill that has $936 million to purchase protection clothing and equipment, but there is no textile company located in the United States that has the ability to manufacture such clothing. It must be purchased from foreign sources, which affects the balance of trade. So, we indeed do have a serious total deficiency in our ability to protect ourselves.

We are all afraid that during a military conflict, in NATO, for instance, that if chemical weapons should be used, creating a situation where loss of life would be substantial and defeat imminent, that the only deterrent would be a nuclear response.

Mr. Chairman, our military forces should not be kept in this deplorable posture by the Congress of the United States.

Our military forces should not be intimidated by the Soviet Union because we are refusing to give them a deterrent, which could probably prevent the Soviets or any other country from using chemical weapons against our armed services.

Therefore, this body, in my judgment, would be acting in a responsible manner to give the defenders of America, our military people, the weapons necessary to defend and protect us all.

Ladies and gentleman, I urge our careful review and your support of this amendment.

Mr. PORTER. Mr. Chairman, may I make an inquiry of the Chair as to how much time is remaining on each side?

The CHAIRMAN pro tempore [Mr. PANETTA]. The gentleman from Illinois [Mr. PORTER] has 25 minutes remaining, and the gentlewoman from Maryland [Mrs. BYRON] has 26½ minutes remaining.

Mr. PORTER. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I have listened to the debate with great patience, I think, although maybe some Members may think I have been impatient. But I would like to address myself to a number of issues that have been raised, and I want to start out by saying once again that I favor a chemical deterrent for our country. I think we need it. There is not any doubt of it in my mind.

I have heard that we have to be concerned about what the Soviets are doing. And of course we do, but we do not need to match the Soviets weapon for weapon. We do not exchange

chemical weapons. Chemical weapons are used for particular purposes in battle, and what we need for our purposes is, first, a sufficient amount to deter Soviet first use, and, second, to carry out our own battle plan in case there is an outbreak of hostilities between our countries.

I think we have a sufficient chemical deterrent to meet either of those criterion. The mix may not be perfect, but let me remind the Members that this is not a perfect world. We cannot have everything we want all the time. It seems to me that I have never seen a general who did not want a new weapons system, the very latest one, but it is up to the Congress to make some judgments and not to give them necessarily anything they may want.

We have to decide priorities for America. We have to realize that this is a country that has limited resources, that we have huge deficits, and that this is a new weapons system that is going to cost billions and billions of dollars once the foot is in the door, as this amendment offered by the gentleman from Missouri attempts to put it in the door.

□ 1700

Are we ready to make that commitment this year?

Mr. Chairman, this country has $2 trillion worth of debt. We have run up $1 trillion in the last 5 years. When are we going to call a halt to spending on new programs and say no? We cannot do it this year.

Let us send a message back to the Department of Defense and say yes, this is an important thing to be done sometime, but not this year. We are burdening our children in America with a debt that is going to destroy their economic future. There is not going to be anything left to defend in America.

It seems to me it is time to say no, we cannot do it this year.

Yes, of course, we would love for things to be perfect, but this is not possible right now.

It seems to me that if we look at what we have as far as the deterrent is concerned, we have millions and millions of shells available. We can blanket the front for months.

It is interesting to me that the gentleman proposes funds to build a replacement stockpile that is one-fifth the size of our present stockpile and that is going to be an adequate deterrent, we are told.

The fact is that we have one that is safe. It is effective. The shells are in perfect condition. There has been no problem. The GAO, the Department of Defense itself with its blue ribbon committee said so. The Secretary of Defense said so.

Now, the issue is raised of safety. Let me tell you, that is a phony issue. The sheep that were killed were killed 20 years ago and that were not killed as a result of an accident. They were killed as a result of a test of live agents that drifted away from the point where it was going to land. We do not test live agents anymore.

There has never been one incident in 40 years that has killed or hurt anyone. It is safe.

The leakers are six-thousands of 1 percent, according to the Department of Defense itself.

They say, well, who would want it in their district? Well, it is easy to say, I would not want anything in my district. I would not want high explosives in my district at Great Lakes, but I have to have them and certainly to defend this country we are willing to do so.

Binaries have never been tested, I repeat never, ever tested. It seems to me that when you say binaries to be put on our ships, let me tell you, in time of peace those ships are not going to be allowed in the ports around this world, because DF is just as toxic as methyl iso-cyinate that killed the people at Bhopal, 2,000 of them. Do you think those are going to be allowed into the ports of our allies? I do not think it is going to happen.

Then again we are told, well, the problem will be solved, we will only keep these weapons at home because we know darn well that our NATO allies will not take them. Well, they will not take them. They will not even talk about taking them and the reason is very clear. What you create when you ask them to take them is a huge political problem in each of the countries. It will not happen. We will build them and have to put them away.

Mrs. ROUKEMA. Mr. Chairman, will the gentleman yield on that point?

Mr. PORTER. Yes; I will yield to the gentlewoman.

Mrs. ROUKEMA. Mr. Chairman, I thank the gentleman.

This subject of deploying the binaries on European soil and the problem in NATO has come up several times in this debate. This is the first opportunity I have had to bring us back to that subject.

The suggestion was made that if somehow we took these so-called safe binaries and separated them in some kind of a logical nightmare in Europe, that would make it all right with NATO.

I think the point that the gentleman from Illinois has just made has to be stressed. That is not the problem of the NATO allies. The problem of the NATO allies is that the binary weapons, nerve gas weapons, are a civilian weapon. They know that once deployed, Europe is going to be the battleground and that millions of civilians are going to die. There is no way that you can sanitize chemical warfare in Europe.

Mr. PORTER. I thank the gentlewoman.

Mr. BURTON of Indiana. Mr. Chairman, will the gentleman yield?

Mr. PORTER. I yield to the gentleman.

Mr. BURTON of Indiana. Mr. Chairman, I have two quick questions and I appreciate the gentleman yielding.

First of all, the gentleman indicated that he would not support it this year because of the deficit and the financial problems facing America. Next year would the gentleman, or the following year, or at what point would the gentleman support a new system?

The second question is, and I will let the gentleman answer both of them, the gentleman said that it is six one-thousandths of 1 percent that they found leaking that endangered the population or whoever is around them. What is the percentage of the new binary chemicals that would leak and cause a danger?

Mr. PORTER. Let me say again to the gentleman, in a perfect world certainly we might want to have binaries. This is not a perfect world. We cannot have everything we want. we cannot have it now.

When would I support this? When our deterrence is no longer sufficient and we have the funds to build a new one. We simply do not have the money. Let us face it. We cannot have it. We cannot have it this year because we cannot afford it.

Mr. BURTON of Indiana. Then the argument is not the funding; it is the system itself?

Mr. PORTER. The argument I am making is that we have a sufficient chemical deterrent. Even if we build new weapons, NATO will not take them and we do not have the funds to build them.

Mr. BURTON of Indiana. What about the second question? The gentleman said there is a 6000th of 1 percent of danger right now. With the binary chemicals, what would that percentage be?

Mr. PORTER. I answered the gentleman on that. I started out my answer by saying that in a perfect world one would like to have binaries because they might be slightly safer; but remember, it is a phony issue. They are safe.

Mr. BURTON of Indiana. They are safe?

Mr. PORTER. Yes. Unitaries are safe.

I might say in one respect the Bigeye has been raised and ventilated quite thoroughly; but let me say one thing. The commission report has been quoted extensively as saying the binary is ready to go. The Bigeye is ready to go. The Bigeye is not ready to go.

The GAO report shows, and it is brand new, it has been out just about

a week, the GAO report, and this is an independent agency, not a commission all of whose members were appointed by the President who favors it and most of whose members, the majority of whom were publicly on record in favor of binaries before we even began; but the GAO, an independent body, their report just issued says that the Bigeye bomb failed almost all the crucial tests that are important. It is simply not ready to be built.

Now, let me say in respect to the Skelton amendment: It is smoke. The Skelton amendment itself is smoke. What it does is authorize a $2.6 bilion expenditure for new chemical weapons.

In addition, it is going to cost about $15 billion before we would be all through to terminate our unitary program. We are talking about an expenditure that approaches $20 billion and you have to be ready if you are going to vote for Skelton to be committed to $20 billion of new spending in the face of $200 billion deficits out as far as the eye can see.

All the conditions that are stated in the Skelton amendment have been met or simply will be changed or put in the hands of our conferees and be lost.

I think the NATO part that has been added is simply something that we see added as a bit more smoke and when we sit down and go to conference; it will simply not be in the conference report when it comes back; but the spending will be in the conference report, and that will be a problem for the taxpayers.

Mr. STRATTON. Mr. Chairman, I demand that the gentleman's words be taken down. He said the gentleman's amendment was smoke. I think that is an insulting term to use to another Member of the body.

The CHAIRMAN pro tempore. (Mr. PANETTA). The Clerk will report the words.

□ 1710

Mr. PORTER. Would the gentleman from New York accept smoke and mirrors?

The CHAIRMAN pro tempore. The gentleman may not proceed until the Clerk has reported the words.

Mr. STRATTON. Mr. Chairman, I will accept the gentleman's revision.

The CHAIRMAN pro tempore. Does the gentleman from New York [Mr. STRATTON] withdraw his request?

Mr. STRATTON. Mr. Chairman, in view of what the gentleman from Illinois [Mr. PORTER] has said, I will withdraw the request.

The CHAIRMAN pro tempore. The request is withdrawn.

Mr. EDGAR. Mr. Chairman, will the gentleman yield?

Mr. PORTER I yield to the gentleman from Pennsylvania.

Mr. EDGAR. Mr. Chairman, I would like to congratulate the gentleman in the well for his leadership on this particular amendment. The gentleman was speaking of a number of critical points which help everyone to focus in on just the arguments and how weak those arguments are, and I appreciate the gentleman's emphasis with the word that he used.

I think the gentleman would agree that one of the documents that has been used on this floor—namely, the blue ribbon commission report—has been used to defend why these weapons in fact should be put back into production.

I would just like to point out to the gentleman that on October 1, 1984, in the magazine Defense Week it was stated clearly, and I quote:

Pentagon officials expect a panel to be convened—

The so-called blue ribbon panel—

Sometime in the coming months to achieve for this controversial program—

Namely the chemical weapons—

What the Scowcroft Commission of Strategic Forces did in the realm of nuclear arms: a national bipartisan consensus on the direction of chemical weapons.

Then it goes on to say that—

Such a study would seek to defuse the persistent congressional opposition to any funds for the production of chemical weapons which has repeatedly derailed the binary weapons programs, setting most of them back by at least a few years.

What that says to me, and I think the gentleman would agree, was that before this commission was ever set up, with nine members, all of whom supported the issue of chemical weapons, it was put together quickly, started on March 11, finished on May 1, with their executive summary to mandate the Pentagon position and not necessarily to weigh the arguments and the merits of the provision.

So I commend the gentleman in the well for his leadership in articulating those arguments so that we in the House can make [illegible] based on [illegible] a consented vote argumen the merits of the gentleman's

Mr. PC ts.

man for t RTER. I thank the gentle-

Mr. BUR hat statement.

man, will t TON of Indiana. Mr. Chair-

Mr. POR he gentleman yield?

man from I TER. I yield to the gentle-

Mr. BURT ndiana briefly.

man, it is in ON of Indiana. Mr. Chair- the people pugning the integrity of making that on that Commission by that is impr statement and I think very high-calit per. Those people are been leaders in er individuals who have and to impug this country for years, making that k n their integrity by think is improp ind of a statement I

Mr. PORTER. r.

time, let me say If I can reclaim my has nine very hi that the Commission bers, all of whom, ghly respected mem- jority of whom, ar or at least the ma- as being in favor o e already on record f chemical weapons production. They chose as the executive director the man in the Pentagon in charge of selling the Congress on chemical weapons, and they hired as their staff people from the Pentagon who were in the Chemical Weapons Procurement Division. So it seems to me that it lacks a great deal of credibility.

Mr. FASCELL. Mr. Chairman, will the gentleman yield?

Mr. PORTER. I yield to the gentleman from Florida [Mr. FASCELL].

Mr. FASCELL. Mr. Chairman, I want to commend the gentleman for his amendment and also the discussion that he has made with respect to the pending amendment to the amendment.

I simply wanted to emphasize a point which the gentleman referred to:

The funds referred to in subsection (a) may be used for the procurement or assembly of complete binary chemical munitions after September 29, 1987, if—

And then it has a whole group of conditions, like a mutual verifiable treaty and a declaration by the President, and one of them says:

Performance specifications established by the Department of Defense and in effect on the date of enactment of this Act with respect to such munitions will be met or exceeded in the handling, storage, and other use of such munitions.

I am reading now from the Skelton amendment to the Porter amendment.

The question is, if this Bigeye bug is ready to go, why are we putting the money in the bill and then saying that you cannot use it until after Septe ber 29, 1987? It makes a lot m re sense to do what the gentleman here is talking about in his a endment. He is saying look, let us admit we are not ready yet a d cut the money out of the bill.

Mr. CONYERS. Mr. Chairman, will the gentleman yield?

Mr. PORTER. I yield to the gentleman from Michigan.

Mr. CONYERS. I want to comme the gentleman in the well. I have heard him as articulate as this o other subject, and I am very de to join with him in the accol are going around the floor. takes this as a sincere comp

Mr. Chairman, I rise i the Fascell-Porter ame will delete the $12 binary chemical wea the Department of tion for fiscal yea

National defe of concern to also confron pose of na vide a ch who se to go

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While the Pentagon claims that its latest binary chemical weapons are safer, and are needed in order to replace obsolete nerve gas stockpiles. The facts, including the Pentagon's own studies, are contrary to these claims.

I also find it incredible that while there have been tremendous technical problems regarding the safety of these weapons to those using them, the administration nonetheless wants to produce them. Despite years of extensive testing by the Pentagon, a recent GAO report has indicated that the chemical bombs are still technically flawed.

This program has failed 80 percent of its laboratory tests and our friends in NATO have rejected it because they are concerned that large numbers of civilians would be killed if chemical weapons were to be used in Europe.

Their concerns are real. I need not remind my colleagues of the long termed impact that the chemical, agent orange, had on civilians in South Vietnam, and on our own troops. We left South Vietnam a decade ago, and our veterans are still dealing the nightmares of agent orange.

It would seem to me that we ought to be developing methods to protect our own troops from chemical weapons, including those which we use.

Despite its past defeats on this issue, the administration formed a commission stacked with proponents of chemical weapons who quickly produced a report within 5 weeks endorsing the Pentagon's request for funds to produce binary nerve gas weapons.

I should also note that the $124.5 million being requested in the fiscal year 1986 authorization is only the first part of a program which will cost some $3 billion.

To provide funding to produce nerve gas weapons would be to break the moratorium this country has observed since 1969 on production of these weapons.

I urge my colleagues to defeat this ridiculous request again by voting for the Fascell-Jones amendment. Maybe time, while supporting reasonable posals to strengthen our Nation's e, it will not support the produc- expensive, unnecessary, unpro- dangerous toys such as e gas weapons.

ask him about this Com- appropriate to describe that the administra- e stacked with propo- weapons who quick- within 5 weeks on's request to weapons? And I might the chair- committee urging gress-

man Ed Bethune, and that was rejected. And I think very strong, frankly, comments here made on the floor were very, very much out of order.

Mr. CONYERS. I thank the gentleman.

Now could I just further determine is it true that this is a $3 billion program in addition or including the $124.5 million that is in this request?

Mr. PORTER. This would be a commitment of $2.6 billion for production, and ultimately up to $15 billion for demilitarizing unitaries.

Mr. CONYERS. I thank the gentleman very much.

Mr. PORTER. I want to take my remaining time, if I may, to discuss one other thing that I discovered in the course of our discussions about an investigation into this issue.

We were reading some GAO reports not long ago, and it may be of interest to the House, if not directly relevant to this, but an indication of what our money is going for, we discovered in the course of looking at the GAO reports that we had just ordered, the Department of the Army had just ordered a new gas mask for helicopter pilots to replace the existing masks built here in the United States by a domestic supplier at a cost of $258 per mask. The cost of the new mask is $6,500 each for a gas mask for helicopter pilots. Now that is quite a gas mask. And, by the way, I might say that it is a British firm and not an American producer.

So it seems to me if you look into what our money is being spent for and you hear over and over again about the $400 hammers and the $7,000 coffee pots, and now the $6,500 gas mask, and I cannot imagine in any way how a gas mask could cost $6,500. That is not the Cadillac of gas masks; that is the Rolls Royce of gas masks.

Mrs. BYRON. Mr. Chairman, will the gentleman yield?

Mr. PORTER. I will yield if I have time left at the end.

It seems to me that we have to start being very, very careful about how the funds of our country are spent and we have to look very, very hard at binaries.

The burden is not upon us, it seems to me, to say why they should be built. The burden is very heavily upon the proponents to say why they should be. With huge deficits that are going to burden our children down for generations to come, and deny them the economic opportunities that we have had, our own parents and our grandparents have had, it seems to me it is time to say no to the Pentagon.

So all I can say, in conclusion, is that while we need a chemical deterrent, we have one. If we build binary weapons, nobody is going to take them. NATO will not have anything to do with them.

The Bigeye is not ready for production and we simply cannot afford a new program that begins at $2.6 billion and goes up. We cannot waste the taxpayers' money on a weapons system that we do not need.

It is insane to build weapons systems that we cannot deploy, and it is foolish to build them when they are not ready to be built.

Mr. HOPKINS. Mr. Chairman, will the gentleman yield?

Mr. PORTER. I yield to the gentleman from Kentucky.

Mr. HOPKINS. I thank my colleagues for yielding, and I must take a second and comment on his comment about them being safe, and I would say to my friend from Indiana that nothing could be further from the truth. If they are so safe, why do we monitor the air every day that the people who live around there must breathe? Why do we guard them every day? And if they are safe, how safe would they be when they are 25 years old during the time of mobilization when we start having to move these weapons around?

The are not safe, I would say to my colleague from Indiana, and I must take exception to that statement.

Mr. PORTER. The gentleman will take exception to the GAO and the Department of Defense.

Mrs. ROUKEMA. Mr. Chairman, will the gentleman yield?

Mr. PORTER. I yield to the gentlewoman from New Jersey.

Mrs. ROUKEMA. I thank the gentleman for yielding.

I would like to commend him also for the fine work that he has done. I have heard him as eloquent before, and I am glad to hear him as eloquent again.

I think during this long discussion, your recent statement has brought us back to some rather fundamental things. And maybe we could sum it up in this way: Literally we cannot use these weapons that we are talking about. Where are we going to use them and how? That is point one.

We cannot afford them and the gentleman has made an excellent point that it is not only the $2 billion, $4 billion, $6 billion, or $12 billion that it is going to cost for binaries, but it is going to be extra and cost extra billions to neutralize the existing stockpiles. So it is billions that we are talking about here, not $124 million.

We cannot use them. NATO refuses them, and for good reason. And there is no point to giving that approval now in the hope that 2 years from now NATO is going to discuss them. It may actually shoot our negotiations with NATO in the foot in the eventuality that we ever do want to have an agreement with NATO.

Then I guess finally we have to say that the gentleman has made the ex-

cellent case that we really cannot justify them. They are technically flawed. They are politically flawed. They are morally flawed. And they surely undermine the credibility of the United States throughout the world.

I thank the gentleman for his contribution here and for his leadership on this amendment.

Mr. PORTER. I thank the gentlewoman for her leadership and her very fine statement, an eloquent statement.

Mr. BATEMAN. Mr. Chairman, will the gentleman yield?

Mr. PORTER. I yield to the gentleman from Virginia.

Mr. BATEMAN. I thank the gentleman for yielding. You have made reference on several occasions to a GAO report and the forwarding of it with a letter of June 7, 1985.

Would it not be well for the Members of the House to know that the letter by which this report, if it be that, because the letter describes it as a briefing paper, would it not be well for the Members of the House to know that the letter of transmittal says "they," meaning my staff, have not met with the Bigeye program manager or laboratory and testing personnel?

□ 1720

And that it goes on to say that there necessarily are limited and a great number of technical and operational issues remaining to be addressed. Should the House not know that this relates to a time that is old as the original GAO report talked about in the last session of Congress?

Mr. PORTER. I think the gentleman made the point very well. The GAO has not been given the information that it needs to make a judgment, and therefore they obviously have to say they are reserving judgment on things that ought to be resolved if we are going to build that weapons system.

Mr. BATEMAN. The gentleman characterized it as they have not been given access to it. They say they have not met with the program managers to test.

Mr. PORTER. They have been in touch with the program managers for 3 or 4 years on an almost continuous basis.

I might say to the gentleman that when we were out in California we were not given all the information that we needed to make a judgment on this. We only finally got the information when the GAO got it and provided it to us. They were not candid with us.

Mr. BATEMAN. I certainly have not found that to be my experience.

Mr. PORTER. I found it to be mine.

Mr. BATEMAN. May I also ask the gentleman if it would not be well to point out to the House that among those iniquitous people who served on this commission and issued this report there were people, certainly not Republicans, certainly people whose position if known to you seemed to be unknown to anyone else at the time that they were appointed and that in fact this report was written not by the staff director, not by anyone with the Department of Defense, but by a lawyer who is a Democrat and a member of this commission.

Mr. PORTER. Let me say to the gentleman, and I will say this in conclusion, that five of the nine people were on public record as already being in favor of chemical weapons; that is the majority, and it seems to me that the commission had no balance, no real opportunity for really investigating and making an independent judgment, and I think that is wrong.

Mr. BATEMAN. I would say to the gentleman that the five must have been very convincing, and the facts along with it, for all nine to have concurred in this report.

Mr. PORTER. Well, it must have been in order to get out a report in 45 days. We call that the "45-day wonder." I think it lacks credibility in the extreme.

Mr. EDGAR. Mr. Chairman, will the gentleman yield for 30 seconds?

Mr. PORTER. I yield to the gentleman from Pennsylvania.

Mr. EDGAR. I thank the gentleman for yielding.

Mr. Chairman, I might point out in further comment on the issue that was raised about the commission that our colleague from the other body, SAM NUNN, who has not been known as being a peacenik on these issues, looked in fact at the commission and made this statement on the first of May 1985: "It is a mistake not to have put some responsible opponents on the commission," he goes on to say, "since I believe they would have been converted and it would have strengthened this report."

I think it would have strengthened the report if our colleague from the other body's point of view would have been followed by the President in appointing a blue ribbon commission that represented both sides on this important issue.

Mr. PORTER. I certainly agree with the gentleman. The point is well taken, I think.

In conclusion let me say simply it is a waste of the taxpayers' money; we cannot afford it; it is a weapons system we do not need now, and I urge the Members to defeat the Skelton amendment and to support the Fascell-Porter amendment.

Mrs. BYRON. Mr. Chairman, may I get an estimate of how much time remains on both sides?

The CHAIRMAN. The gentlewoman from Maryland [Mrs. BYRON] has 26½ minutes remaining, the gentleman from Illinois [Mr. PORTER] has no time remaining.

Mrs. BYRON. Mr. Chairman, I yield such time as he may consume to the gentleman from Georgia [Mr. RAY.]

Mr. RAY. Mr. Chairman, I rise in support of the Skelton-Hunter-Spratt amendment.

Mr. Chairman, I strongly support modernization of our chemical warfare deterrent capability.

Failure to modernize our offensive chemical warfare capability amounts to unilateral disarmement. The U.S. 16-year moratorium on the production of chemical weapons has not lead to a negotiated ban on these weapons. Nor has the moratorium kept the Soviets from forging ahead with efforts to improve and expand their chemical warfare capability. Since our aging inventory of unitary chemical munitions are rapidly losing their usefulness, continuation of the moratorium can only lead to and even greater advantage for the Soviet Union.

We must not be naive about the Soviet intentions. Our military leaders have strong evidence that the Soviets not only have extensive chemical warfare capability but also follow military doctrine which calls for the use of these weapons.

I applaud efforts to substantially improve defenses against chemical weapons; but defensive measures alone, will not deter chemical warfare. The only historically proven deterrent has been the ability to retaliate. Since World War I, when warring nations have each possessed chemical weapons—World War II, Korea, Vietnam—they have not used them. However, in cases where only the Soviets or their allies possessed chemical weapons—Afghanistan, Southeast Asia—there is strong evidence that they have been used.

The absence of an effective chemical warfare deterrent also significantly lowers the nuclear threshold. Military experts say quick success is a key aspect of Soviet planning for a convential war in Europe. If chemical weapons are not used at the outset of a Soviet attack, they will surely be used if the Soviet attack bogs down.

The use, or serious threat of use, of chemical weapons will cause U.S. and allied forces to resort to chemical defenses. However, use of cumbersome chemical protective suits and other defensive actions are estimated to degrade military performance by 30 to 60 percent. This could tip the balance in favor of the Soviets. Therefore, in order to save Western Europe the United States might be forced into an early use of nuclear weapons.

As terrible as chemical warfare is, nuclear war is far worse. It would be truly unfortunate if the United States allowed an insufficient chemical retaliatory capability to become the trigger for nuclear war.

Therefore, I encourage you to support production of binary chemical munitions as an effective means of strengthening deterrence of chemical warfare and raising the nuclear threshold.

Mrs. BYRON. Mr. Chairman, I yield 1½ minutes to the gentlewoman from California [Ms. FIEDLER].

Ms. FIEDLER. Mr. Chairman, I wish I were as sure as those people who have been speaking today about the fact that we would not need these weapons, as they are about the fact that we do not need them. I hope that we do not find ourselves in a situation where we faced an extremely dangerous scenario and do not have the ability to respond.

But I think the reality of the situation is such that with an increasing supply of chemical weapons being used throughout the world in half a dozen different theaters within modern times that it is incumbent upon us to make certain that we have the necessary resources to deter their use against our own country.

Now, it is very easy to say that we do not need them. But you have to ask yourselves the question: Why would the Military Establishment of this country be recommending these weapons be built when there are so many other critical resources that are needed?

That is because it is essential that we have these resources today to be able to deter any kind of an attack on the part of the Soviet Union. They are committing vast resources to not only the development of chemical weapons, but also the training of many tens of thousands of troops compared to a very tiny effort on our side.

I would urge my colleagues to support the Skelton amendment.

Mrs. BYRON. Mr. Chairman, I yield 2 minutes to the gentleman from Louisiana [Mr. LIVINGSTON].

Mr. LAGOMARSINO. Mr. Chairman, will the gentleman from Louisiana yield to me?

Mr. LIVINGSTON. I yield to the gentleman from California.

Mr. LAGOMARSINO. Mr. Chairman, I rise in support of the Skelton-Hunter amendment.

Mr. Chairman, I agree with the comments of previous speakers regarding the ugly nature of chemical weapons. Their would be horrible and undoubtedly create havoc and cause substantial loss of life. Were the Soviets to initiate chemical warfare against NATO or in Asia, or in fact anywhere, we would be hard-pressed to counter it effectively. I think we can all agree that the prime focus of our policy vis-a-vis chemical weapons is how best we can deter their use, and, not incidentally raise the nuclear weapon use threshold.

Let me comment on just a few of the issues being raised by opponents of modernizing our chemical deterrent. First, the issue is not whether the U.S. should possess these immoral weapons. We already possess them as do the Soviets. It is unfortunate but a fact nonetheless that we will be required to maintain a credible chemical capability until the Soviets' agree with us to ban them from existence. As we know, the President—through Vice President Bush—recently tabled a draft treaty on banning these heinous weapons. I cannot agree with those who effectively advocate unilaterally disarming the United States in this area, and at the same time claim that the United States will be more likely to elicit from the Soviets an agreement for a complete and verifiable ban on these weapons. Such arguments, Mr. Chairman, defy logic. As the Soviets have told me "we don't believe in unilateral disarmament."

Next, let us look at what we are really talking about. We are not discussing the creation of a vastly more potent and dangerous new chemical weapon, or stockpile. We are advocating modernizing the unreliable and indeed dangerous chemical arsenal we now possess. Instead of relying on an aging and only 10 percent effective force, I believe it would serve U.S. interests to develop a binary system, where the toxic elements are stored separately and are safe until combined, as Senators GLENN, GOLDWATER, NUNN, and WARNER recently commented: "The issue * * * is whether to keep our chemical deterrent in the old and increasingly dangerous unitary canisters or whether to put it in the new safer binary shells."

But does this changeover denote an actual increase in our chemical stockpile? Absolutely not. In fact, the proposal the Senate recently passed—by a substantial majority I might add—says that for every binary weapon added to our inventory, the equivalent of four unitary weapons will be destroyed. What is at stake here is not only getting a safer chemical deterrent, but also a lessened stockpile.

Mr. Chairman, the House faces a serious decision today. We have an opportunity to send a strong signal to our allies and to the Soviets that we are willing to bite the bullet and take steps which will help to deter a Soviet chemical attack on Western Europe. The Senate has taken the first step. The House has got to muster the political will to approve this measure, to provide a safer deterrent and a reduced number of chemical weapons.

Mr. Chairman, the President sent Vice President Bush to Geneva recently to table a draft treaty to ban chemical weapons, completely and verifiably, once and for all. I think all Americans can and should support that draft treaty. The Soviets, however, must be convinced that the U.S. is willing and able to provide for a modernized chemical deterrent if they are to decide it is in their interest to negotiate with us in good faith for a ban on these weapons.

Let's give the President's treaty proposal a chance. Let's make our chemical arsenal smaller and more safe. Let's not force our servicemen and women to handle the aging and dangerous unitary shells. Mr. Chairman, my colleagues, let's join the Senate in their responsible action and give diplomacy a chance.

Mr. LIVINGSTON. Mr. Chairman, I rise against the amendment of Mr. PORTER to delete funds for production of chemical weapons, but in support of the Hunter/Skelton amendment to divide the sites for production of elements of the binary weapons.

Mr. Chairman, it's vital that we show more resolve to convince the Soviets to sit down and negotiate in Geneva on this issue, one that they have ignored for years.

The only way we're going to do that is to modernize and revitalize our woefully inadequate deterrent chemical weapon capability.

There can be no doubt that this is a morally repugnant issue, but it is one which, without adequate deterrence, poses a very real and awful threat to the security of our Armed Forces.

Mr. Chairman, the parts are there:

The Soviets have continued their buildup of chemical weapons since our unilateral abandonment of production in 1969.

They train in both offensive and defensive uses of chemical weapons, and have up to 90,000 ground troops prepared for chemical missions.

Since 1976, the Soviet doctrine on employment of chemical weapons has expanded beyond the immediate battlefield to an intermediate and deep strike capability on our key rear airfields and our critical command and logistic centers located far from the front.

And, we in Congress actually believe the Soviets will use their chemical weapons, because we have spent over $4 billion since 1978 just for defensive measures—like providing for protective clothing for our troops.

It's cruel reality that the only time chemical weapons have ever been used in the history of mankind is when one side has them and the other doesn't.

The gentleman from New York said Hitler did not use them. That was because we had a deterrent.

So, they have them; they can use them both at short and long range; evidence indicates they have already used them in Afghanistan; and we have every reason to believe that they will use them again in the future.

Yet other than spending money for defensive measures, we have done nothing to deter the Soviets from using the weapons at their disposal

since 1969, and we have no effective deterrent.

Common sense tells us that our troops, even if they are all protected, cannot effectively wage combat, or service our airfields, covered from head to toe in several layers of protective clothing, even under the best of circumstances.

Common sense tells us that unless our boys are fighting in freezing weather all the time, they cannot last under normal attrition rates longer than 6 to 8 hours clothed in layers of protective garb, without ultimate collapse from exhaustion.

So common sense should also tell us we should have a safe, effective deterrent, which would tell the Soviets unambiguously, clearly, without equivocation, that if you use yours on us, we'll use ours on you; so don't use them.

But, we cannot depend on a present chemical stockpile that averages 26 years in age; we cannot sit back for another 16 years, as we have since 1969, and not produce new, safer chemical weapons.

We cannot continue to spend over $60 million annually just to store and maintain a stockpile, of which only 27 percent is considered usable, and the rest of which is unstable, even in its current place of rest.

And we certainly should not continue to expose citizens in Utah, Arkansas, Kentucky, Maryland, Colorado, Oregon, Alabama, and Indiana to the threat of a chemical spill from weapons that are lethal in their present form.

So common sense should tell us that we should replace our existing lethal, but limited, stockpile with a much safer binary alternative in which toxic elements are kept separate until the projectile is actually fired or dropped.

Our present stockpiles—which in a national emergency, we would be forced to quickly transport through every State in the Union—consist of weapons already mixed and lethal and so dangerous that our own Navy ships, our Air Force, and our Army won't even transport them in peacetime, thus rendering those stockpiles useless at best, and potentially disasterous at worst.

In effect, we have no deterrent at present. Our current stockpiles are virtually of no benefit to us.

So, doesn't common sense dictate that we go to much safer, transportable, and effective binary weapons now? That we address this serious problem realistically and take some action now, before we are forced to the realization that we have been woefully deficient for not storing a safe, effective deterrent?

Mr. Chairman, we can act today. We can finally approve production of new and safer chemical weapons, and then we can support an amendment to destroy four existing chemical weapons for every new one that is produced.

This is a tough political decision for every Member here, but it is the right position for our soldiers in the field.

It is the right decision for the safety of our citizens who live around current stockpiles.

And, it is the right decision for the defense of freedom worldwide, for it will be the best move we can make to be absolutely sure that chemical weapons are not used against our forces in the future.

I hope the House will defeat the Porter amendment and support the Hunter-Skelton safety amendment.

□ 1730

Mrs. BYRON. Mr. Chairman, I yield 2 minutes to the gentleman from Illinois [Mr. MICHEL].

Mr. MICHEL. Mr. Chairman, listening to the debate of so many experts is a disconcerting experience. Especially when they reach different conclusions about the binary weapons.

Earlier today SAM STRATTON read a letter from the Secretary of Defense asking us to modernize our chemical capability. Jack Marsh, our former colleague and now Secretary of the Army also asked our support.

Jack is closer to the men and women in the field than any of us. He knows what they need.

A bipartisan commission with our good friends and former colleagues Barber Conable and John Erlenborn says we need binary.

Equally important, colleagues in whose districts these weapons will be stockpiled are in favor of binary because their constituents feel safer.

I support the binary program because I want to see chemical warfare someday eradicated from the face of this Earth. Only if we have a credible deterrent can that wonderful day come.

That is our goal—modernization leading to negotiation leading to elimination of chemical weapons. Binary can get us there.

For the information of my colleagues, I include Secretary Shultz's letter:

THE SECRETARY OF STATE,
Washington, June 18, 1985.

Hon. ROBERT H. MICHEL,
House of Representatives.

DEAR ROBERT: You have the opportunity to promote progress toward the long-standing U.S. goal of concluding a comprehensive, effective and verifiable global ban on chemical weapons. The House vote to authorize funds for modernization of the U.S. chemical retaliatory stockpile is very important for achieving both our foreign policy and defense objectives.

As you know, this Administration and previous ones have long sought the complete and verified elimination of CW from the arsenals of all nations. When the U.S. tabled its draft CW treaty last year, at the Conference on Disarmament in Geneva, it was our hope that it would stimulate real progress and expedite agreement on a ban. Agreement has not been reached, however, because the Soviets and their client states refuse to engage in constructive discussions on ways to verify compliance with a ban.

I strongly believe House approval of the Administration's CW program can change this and stimulate the Soviets to move forward toward agreement. We need to make clear to the Soviets that they cannot use the fact of a long on-going negotiating process to prevent the U.S. from maintaining an effective CW deterrent capability against attack and as a counter to the massive Soviet threat in this area. We also need to make clear that the U.S.S.R. cannot achieve the benefits of a ban, without accepting reciprocal obligations.

With your help, and a positive vote on the Administration's CW modernization program, I am convinced that we will be able to increase significantly the prospects of achieving this critically important security objective.

Sincerely yours,

GEORGE P. SHULTZ.

Mrs. BYRON. Mr. Chairman, I yield 3 minutes to the gentleman from Virginia [Mr. WHITEHURST].

Mr. WHITEHURST. Mr. Chairman, on a November day in 1918, a German Army chaplain trudged into a military hospital at Pasewalk. He walked into a ward and he told the soldiers who were lying on the cots there that the fatherland had lost the war.

Among those wounded was a soldier from a Bavarian regiment. His eyes were bandaged; he was in the hospital temporarily blinded as the result of a gas attack. His name was Adolf Hitler.

I suppose of the millions of casualties that occurred in that war, the one that was lament that was not fatal was in his case. What would the world have been like had Adolf Hitler passed away from his wounds?

If there is a lesson to be learned, however, from this it is the one that Hitler himself learned, and that was in the great war that occurred a generation later for which he was responsible. Never once did the German Army use chemical weapons.

I think that not only because of the balance that existed, the fact that the Allies had great chemical stocks of their own, it was the very painful personal experience that Adolf Hitler himself had had in the 1918 war that obliged him to stay his hand.

There is no question about the fact that Soviet chemcial weapons today are the major nonnuclear threat in Western Europe. Ask any field commander, or those of us who have been there. Ask any air base commander; ask the Supreme Allied Commander, Europe, and he will tell you "My No. 1 fear is a Soviet chemical attack in a first strike."

Only a retaliatory capability will stay the hand of our adversaries from resorting to this terrible weapon that is in their arsenal. No one can say that a military challenge is imminent, but should that dreadful day come, those

who have killed the American Binary Program will hold their breath in fear that our enemy will employ his ample stocks of nerve gas.

Be assured at this moment that he will, and when he does, our soldiers and our airmen will curse those with their dying breath who left them naked in the face of this peril.

Mrs. BYRON. Mr. Chairman, I yield 2 minutes to the gentlewoman from Connecticut [Mrs. JOHNSON].

Mrs. JOHNSON. Mr. Chairman, I rise as a Member who has opposed chemical weapons in the past to express my strong support for the Skelton/Hunter amendment which places conditions on the proposed chemical modernization program to make us to develop a safer, much smaller deterrent, and possibly a catalyst for a treaty banning all production.

We all abhor the thought of chemical weapons ever being used, and I have supported continuing our unilateral moratorium on production with the hope that we could achieve a total ban in Geneva.

Agreement continues to allude us and while perhaps the Vice President's proposal was too inflexible on verification inspections, it was a good initial negotiating position, and we have yet to receive a Soviet counterproposal.

It is a tough decision to break out of our self-imposed moratorium of more than a decade in hopes of encouraging Soviet seriousness at the bargaining table.

Combined perhaps with the resumption of bilateral talks and more flexibility in our position on challenge inspections, however, modernization may provide the best chance to accomplish our goals.

But what really led me to reevaluate this issue was the realization that modernization means a safer deterrent and a smaller quantity of deterrent to achieve current capability.

Our current chemical deterrent of unitary munitions stored in eight sites in the United States contains extremely lethal active agents that are as much as 400 times more toxic than the methyl iso cyanate which killed over 2,000 people in Bhopal, India, last year in the Union Carbide plant accident.

The prospect of binary munitions means having two far less toxic components which are stored separately and only become deadly when they are mixed on the way to their target.

Binary weapons are safer to store and handle, improving safety for our communities and for our soldiers.

But not only will modernization enhance the safety of our deterrent, it will also reduce the number of weapons in our stockpile by as much as 80 percent. That is a 5 to 1 build-down in chemical weapons, which, remember, will be safer to maintain.

I ask my colleagues who have opposed chemical weapons, as I have, to take a look at the Skelton language which imposes conditions on a modernization program.

The Skelton substitute ensures a full 2 more years for efforts to ban all chemical weapons before we finally produce binaries.

It requires that binary modernization be necessary for NATO security, that the binary weapons fully meet both performance and safety specifications, and that a plan for total destruction of our current stockpile is ready to be implemented.

Under Skelton, procurement can only occur after 60 days following certification that these conditions are met, giving Congress time to act should it disagree.

Finally, the Skelton substitute requires that the two binary components must be stored in separate States, and that they must be transported separately and by different means to ensure maximum safety.

I am solidly against chemical warfare and opposed as well to the threats that chemical weapons currently pose to the civilian population. That's why I believe support for the Skelton substitute is the responsible vote for maintaining a safer deterrent, reducing our stockpiles, and providing the catalyst for successful arms control.

Mrs. BYRON. Mr. Chairman, I yield 2 minutes to the gentleman from South Carolina [Mr. HARTNETT].

Mr. HARTNETT. Mr. Chairman, I thank the gentlewoman from Maryland for yielding.

We have spoken in this debate today as if our only potential adversary in a binary conflict might be the Soviet Union. Today, 15 other nations in this world possess chemical capability, and who is to say where our next potential adversary may be? It may be a Libya, it may be a Lebanon, it may be a Nicaragua.

We must be able to provide that deterrent. If not, one of those other 15 nations may very well—I hate to use the phrase—hold hostage our troops who may be trying to protect our vital interests in and around that region.

If any of you have ever worn or seen the protective gear that our soldiers and airmen must wear in the event of a chemical attack, or even the threat of a chemical attack, you know that their productivity is cut dramatically.

Speaking of dramatically, I think one of the most dramatic things said here on the floor this afternoon was when my colleague from Alabama [Mr. NICHOLS] spoke of his young soldier in World War II wearing a gas mask hanging from his neck around his side, the fact that they never had to use that gas mask in my opinion was because we did possess at that time a very creditable deterrent which prevented it from being used.

It was also mentioned here this afternoon that a $6,000 gas mask is a Rolls-Royce of gas masks. That is exactly what I want the U.S. fighting forces to have to wear, the Rolls-Royce of protection in the event some potential adversary were to unleash that lethal weapon called chemical warfare against our young troops.

My friends, we have also heard from the author of one of these amendments this afternoon that there will be nothing in America worth defending if we keep spending all of our money.

Let me tell you this: America as a bankrupt Nation, in debt up to her eyeballs, to my way of thinking would still be worth defending and would still be, in my opinion, the finest Nation in the world, and if it takes a few bucks to keep us that way, and if it takes a few dollars invested in binary weapons to see that we can keep that deterrent, then I say, let us spend it.

Mrs. BYRON. Mr. Chairman, I yield myself 3½ minutes.

Mr. Chairman, we, as Americans, have always had a difficult time coming to grips with the horrors of chemical warfare, and this is quite understandable. We do not want to use these weapons, just as we do not want to use nuclear weapons.

However, we, in this Chamber, have a very difficult task in front of us, because it is time for us to come to grips with the issue once and for all.

Without question, the Soviet Union is the best equipped and trained force in the world for conducting substantial chemical warfare. It is quite clear from their published doctrine that the Soviets consider chemical weapons to be a powerful means of influencing the outcome of battle.

The plan to employ chemicals throughout the battle area against maneuvering forces, nuclear delivery systems, sea and aerial ports, and major logistical storage sites is very evident by their plans.

Our intelligence shows that this view of chemical warfare is backed up by the superior Soviet chemical arsenal, with weapons systems that can be delivered, chemical warheads throughout the battlefield, both close up and deep—rockets, missiles, mortar shells, and aerial bombs.

□ 1740

The current Soviet stockpile is known to be extensive and deployed in forward regions in Europe and Asia, thereby making chemical weapons immediately available to their commanders at all levels. As new delivery systems are brought into the inventory and old delivery systems are retired, the Soviets have continued to update their chemical arsenals. They have used it in Asia and in Afghanistan. They have a potential for a 2 to 1 or greater advantage in wartime.

The Soviet delivery system allows them to hit targets throughout the depth and breadth of the theater, while currently, we, on the other hand, can only effectively engage their front-line troops out to about 17 kilometers. Even that capability is limited. Against such odds, it is nonsense to believe that we can prevent or deter the Soviets from using chemicals unless we develop a capability that could eliminate the significant advantages they would gain from using them. Did we learn nothing from the use of mustard gas in World War I, or have we forgotten?

After years of setting aside the difficult issue—stockpile modernization—it is past the time that we come to grips with this production decision. We can no longer stand by and watch while we continue to unilaterally disarm. We have to act now to restore our capability to enhance national policy of deterrence and reduce the potential of a chemical war. The consequences of not doing so would be the period of rapidly rising risk, diminished flexibility of response, and lowering the threshold for first use of nuclear weapons. We have acted in good faith for 16 years. How much good faith should we have?

I am reminded of General Pershing's words in 1919:

> Whether or not gas will be employed in future years is a matter of conjecture, but the effect is so deadly to the unprepared that we can never afford to neglect the question.

Unfortunately, we have neglected his advice while the Soviets have continued to develop a variety of modern agents, delivery systems, and tactical doctrine necessary for large-scale use of chemicals.

There should be no doubt that the Soviets have the munitions and the delivery means on hand, the necessary systems to protect their troops, the force structure, the training, the doctrine and, needless to say, the intent to use chemical weapons, as they have shown in Afghanistan and Asia.

In my view, we have a clear picture of a Soviet capability which aims directly at a corresponding U.S. vulnerability. I believe, therefore, that our obligations are clear.

Mr. SKELTON. Mr. Chairman, I yield one minute to the gentleman from Kansas [Mr. GLICKMAN].

Mr. GLICKMAN. Mr. Chairman, I have not voted for chemical weapons before, but I think the Skelton amendment is a fair compromise. It allows us to fence the dollars on chemical weapons, to preserve the deterrent, to try to obtain a chemical weapons control agreement with the Soviets, and I worry that without this we are lowering the nuclear threshold in Western Europe, which may cause us a greater likelihood of proclivity to use nuclear weapons in the event of a confrontation, which I do not want to see, and, for that reason, not terribly aggressively but somewhat reluctantly, but still I think because the authors of the amendment have done a good job, I intend to support the Skelton amendment.

Mrs. BYRON. Mr. Chairman, I yield 4½ minutes to the gentleman from Kentucky [Mr. HOPKINS].

Mr. HOPKINS. Mr. Chairman, I have never voted for binary chemical weapons. I am, however, going to vote for binaries today, and I would like to share my views with you on this issue.

I look at chemical weapons from a very unique perspective, transparent to some degree, but one shared by only seven other Members of this House. We are the eight Members who have chemical munitions stored in our districts. For me, this issue is not just some philosophical war game to be waged on foreign soil, but rather a reality that we live with every day in central Kentucky.

Mr. Chairman, my objection to binary munitions has always been that we should not embark on production of a new generation of chemical weapons—until we make the commitment to clean up the old generation of chemical weapons. Accordingly, my colleague from Arkansas [Mr. ANTHONY], and I intend to offer an amendment in title X of this bill requiring the destruction of the unitary chemical stockpile. In title X, I will discuss this issue in more depth.

First, let's understand exactly the decision that is before us. We are not trying to decide whether the United States should have chemical weapons, we already have them. No matter what we do today, the United States is going to have a sizable chemical stockpile.

The issue we have to decide today is whether that stockpile is going to be safe, efficient, easy to transport, easy to store as binary munitions are—or will we continue to have the aging, decaying 90 percent totally useless unitary munitions that threaten our environment, our communities and our own soldiers.

This leads to my second point, which is safety. We have not produced chemical weapons since 1969. Our newest stocks are therefore 16 years old, and the oldest are 40 years old and the majority date to the 1950's and the 1960's.

Let me outline our unitary chemical stockpile in another way: 61 percent is stored in bulk form, for which there is no means of delivery; 11 percent is unrepairable and/or obsolete; 25 percent is serviceable, but of limited military value; and only 3 percent is currently militarily useful.

In short, our current stockpile of chemical weapons is an accident waiting to happen. It poses more of a threat to our own troops and civilian population among whom it is stored than to our potential adversaries.

Binary munitions dramatically reduce the threat to public safety and environment presented by our current unitary weapons.

If you have any doubt as to the elaborate steps that are taken to protect and secure unitary chemical munitions, I invite you to come to central Kentucky or any of the other storage sites. You just don't walk into a chemical storage compound; you just don't open an ammunition igloo and find chemical weapons inside. You can't go into the chemical compound without having your blood tested; we have 24 hour-a-day monitoring of the atmosphere surrounding the chemical area; special security precautions are taken. We work hard to assure the safety of our chemical munitions, but accidents can happen.

I want to tell my colleagues that last week, June 13, an ammunition igloo exploded at the Army depot in my district where we store these chemical weapons. Fortunately, the storage igloo that blew up was not one of the chemical storage igloos and no one was hurt. My point is simple. It does not take much imagination to figure out what would happen if that explosion had occurred in a chemical storage igloo. I'm asking you to help me prevent that horrible possibility from ever becoming a reality. Let's vote in title I for a retaliatory weapon that is virtually harmless until its substances are mixed during the flight of an artillery shell. And let us complete our obligation by voting in title X to destroy the entire unitary chemical stockpile.

My third point centers around cost. We spend $63 million annually just to maintain and secure our unitary chemical stockpile. Chemical munitions are not just another type of ammunition we have to store. We have to take a lot of special precautions—for example I just mentioned we have to monitor the atmosphere for signs of nerve agent escaping around the chemical storage areas. Since binary weapons do not pose that threat, a substantial savings should be possible.

My fourth point focuses on the concept of deterrence. Our senior military commanders and civilian policymakers are emphatic that our current chemical stockpile, both in the kinds of weapons we have and in their age, is no longer a credible deterrent.

This means if we are unable to contain a chemical attack on our forces, the only viable option our commanders have is to ask the President to release tactical nuclear weapons. That is, in my opinion, no choice at all.

Today we can raise the nuclear threshold; we can give our commanders something besides nuclear weapons with which to answer a chemical attack. We can do both by voting for binary munitions.

Like many of you, I have come to this decision reluctantly.

I have explored other options.

I have given our adversaries an opportuntiy to move toward demilitarization.

I have conditioned support for binary production on a specific commitment to get rid of our dangerous stockpile of old chemical weapons.

Now the time and conditions are right.

With the demilitarization amendment that will be addressed in title X, we have a sound, thoughtful, comprehensive proposal before us.

We have an historic opportunity today to achieve several goals:

First, we can replace America's dangerous and obsolete chemical stockpile with the safest, most effective munitions modern technology has yet devised.

Second, we can reduce by 80 percent the size of our chemical arsenal by switching from unitary to binary systems.

Third, we can reduce the temptation for potential adversaries to launch a chemical attack.

Fourth, we can step back from the nuclear brink to which such an attack would push us.

Consider these four points and support the passage of title I.

Mrs. BYRON. Mr. Chairman, I yield 5 minutes to the gentleman from Texas [Mr. LEATH].

Mr. LEATH of Texas. Mr. Chairman, for 3 years now, I have been deeply involved in this issue—and it gets more perplexing every year—more difficult to understand where the opposition is coming from. The reasons get more and more remote from the real issue every year.

In spite of the overwhelming evidence, from every authoritative source as to the sound logic of what we are attempting to do, the critics still come forth expanding the abhorence of chemical warfare, forcing the issue to be decided on emotion alone rather than sound, sensible, defense doctrine. Surely, we all agree that chemical weapons are terrible. But that is not the issue.

Lord knows, I don't question anyone's motives, but I sincerely must question their logic and their wisdom. Their failure to even consider the facts.

Isn't it passing strange that hardly anyone ever questions the need for chemical weapons in the modern force structure? After all, when every source of any knowledge at all affirms this fact you surely can't base an argument against such overwhelming evidence, so the debate then begins to center on the equally flimsy argument that, "Oh, we have enough already." We don't need any more! And now, we can't afford it.

Well, again, that is gross error. What we have, we would indeed be better off without, because it is a danger only to us, only to those people who live close to it or to the troops that would have to handle it. It should be destroyed and as quickly as possible.

If for no other reason, the development of bianary weapons is essential from the standpoint of safety alone.

I remember in 1982-83, the entire thrust of the argument from the opponents was—"Let's not give up the moral high ground. We're about to reach an agreement with the Soviets." Well, here we are, 3 years later we've tabled a treaty, we've met at least six more times, and the results were predictable—continued, categorical rejection from the Sovets. Just as they have done for 16 years now.

If that surprises you, then you are indeed naive. So long as they have incredible superiority and we have acquiesced to unilateral disarmament—the Soviets will never sign a treaty. Why should they? If they ever go to war, they intend to win, and believe me, if those who have chosen this road of fantasy have their way, they will indeed win.

If you don't believe me, or the committee, or the President, or the Joint Chiefs, or General Rogers, or any other authority on the subject, why don't you go ask the troops? If you refuse all logic from the top of the chain, why don't you ask the soldiers and sailors and airmen who will be the victims of a chemical attack, as I have done all over the world?

Do you know what they all say, to the man, when you ask them their greatest fear?

A chemical attack, is the answer.

When is Congress going to give us a chance, they will ask you.

Well, my colleagues, I pose their question to you today. When are you going to stop this damaging effort? When will you ever realize or admit that every possible logical argument is against what you are doing—that we have no viable conventional forces void of a modern chemical weapons arsenal. If your logic were valid, we would possess nothing that kills.

I realize that many of you, for whatever the motivation, feel as strongly against this issue as I do for it—there is no way anyone can sway you otherwise, that is obvious.

But to those who have been using this issue as your throw away on defense, to prove that you don't do everything the Pentagon wants—to those who really know, deep down, that this is more vital than the MX or B-1 or F-16 or F-20's, yet you have taken the easy way out; let me appeal to you, and to your logic, and your common sense.

This is a good amendment. It gives us the ability to proceed, with every hope to effect a treaty if at all possible. By passing this amendment, we can begin to correct our greatest military vulnerability, a lack of chemical deterrence.

We can proceed to destroy these terrible unitary toxins.

We can challenge the Soviets to join us in a true bilateral ban.

And we can lower the nuclear threshold while giving our own conventional forces a chance. I urge your help.

● Mr. FRENZEL. Mr. Chairman, as often as I can recall that the question of poison gas has come up, I have voted against production of new weapons.

But, the problems of maintaining current stockpiles have become worse. It is time to try for a better solution than inaction.

The newest of our existing weapons are 16 years old. Some of them are obsolete. On a regular basis, leaky weapons must be removed, resealed, stored in other areas, and the mess cleaned up. I am told that the bombs must be placed in separate containers, which process simply creates a new environment for continued deterioration. In addition, the maintenance and cleanup are expensive and unsafe.

The old weapons need to be replaced and disposed of. Disposal requires a separate incinerator at each storage location. The incinerators must be built to EPA specifications. They are expensive.

The sooner we begin destroying the old weapons, the cheaper the task will be. More elapsed time can only cause higher costs.

The Skelton amendment provides the best vehicle on which to proceed. It gives the environmental assurances that have been lacking in the past. No weapon will be armed until it reaches a forward area. Separated, the ingredients cannot form a poison gas.

In addition, the amendment provides that ingredients will be transported separately. Other conditions, safety approvals, NATO approval and so forth, are also helpful.

Nobody likes weapons as nasty as poison gas. The good news is, however, that poison gas has not been used since World War I, except perhaps in isolated areas where the users were sure the victims had no similar weapons to use in retaliation. A modest stockpile of modern, separated weapons should be adequate to ensure that such weapons won't be used against us.

A final observation on the old, deteriorating weapons: The unknown and unknowable liability which could be assigned to the U.S. Government in case of accident, serious deterioration, or acts of terrorism is enormous. That potential liability dwarfs the costs of destruction by incineration.

My conclusion is that the House has one splendid opportunity to begin a safe, environmentally sound process to

destroy its old, unsafe, expensive-to-maintain stocks of chemical weapons, and to replace them with safer, modern, cheaper-to-maintain weapons.

My judgment is that the Skelton amendment is good for the taxpayers, the men and women who defend our country and, the environment.

For all these reasons, I shall abandon my traditional stance in opposition to production of chemical weapons, and instead vote for a safer, sounder, cheaper system.●

● Mr. KASTENMEIER. Mr. Chairman, I strongly support the Porter-Fascell amendment to delete $124.5 million from the Department of Defense authorization bill for the production of lethal binary chemical weapons.

Approval of funding for this deadly nerve gas would be a very dangerous move on the part of the United States. At a time when we should be devoting our energies to making progress in negotiations on chemical arms control, we have this proposal from the Department of Defense to begin what will certainly and ultimately be a massive reconstruction of our chemical weapons stockpile. The $163 million which the Pentagon seeks is but a downpayment for a multibillion dollar binary chemical weapons program. The Congress, for the past 3 years, has had the good sense to turn down administration requests for funding to produce binary chemical weapons, and this year should be no exception.

We, again, should question if the risks which accompany the binary chemical weapons program, in terms of a dangerous escalation of a chemical weapons race, have been fully evaluated by the Department of Defense. There is good evidence to suggest that the production of nerve gases, after a 16-year halt, will unleash a chemical weapons proliferation by encouraging other nations to pursue new chemical weapons technology. The last thing we need is to get into a chemical weapons race. Our efforts should be directed against initiating any new program that will certainly prevent the possibility of stopping the proliferation of nerve gases.

We have been told by the Department of Defense that the United States must improve its retaliatory capabilities in order to deter chemical warfare. But, our current stockpile of chemical weapons is sufficient many times over. The current stockpile provides a credible retaliatory deterrent into the 1990's. Two years ago, Secretary Weinberger stated that:

> The United States possesses a stockpile of chemical nerve agent artillery shells, similar to the proposed M-687 binary round, that are compatible with modern 155mm and 8-inch artillery pieces. The quantity is in the range of sufficiency—at least for U.S. forces—and is higher than the planned acquisition quantity for the binary projectile.

The Department of Defense, however, continues to choose to ignore the status of our stockpile and, instead, keeps telling us that we must produce the binary weapons in order to guard against deterioration of the current stockpile. The Blue Ribbon Panel on Chemical Stockpile Status in 1983, on the other hand, concluded that "in general, the components of the munitions appear to be in good shape." The "leakers" in the existing stockpile are "isolated" and "the fraction of 'leakers' is small—less than 6 per 10,000 artillery projectiles." The blue ribbon panel determined, "In general the components of the munitions appear to be in good shape, except for rare instances of imperfections in the brazed joints * * * these appear to be related to manufacture, rather than to aging."

The Department of Defense, while persistent in its gloomy reporting on the status of our stockpile, keeps touting the development of the Bigeye bomb which will be used to deliver the binary chemicals in warfare. What the Pentagon fails to tell us, however, is that despite almost 20 years of research and development, the Bigeye binary nerve gas bomb doesn't work. We now find out that after 7 years of testing, the Bigeye has failed in eight of its last nine tests by the Army.

The Pentagon also overlooks the position of our NATO allies on our deploying chemical weapons in Western Europe. Every major ally in the NATO alliance has made it perfectly clear that it will not store or deploy our chemical weapons. At the recent May meeting of NATO defense ministers, a U.S. effort to have our NATO allies formally recognize the need for a modern chemical deterrent was dropped before the sessions began. NATO Secretary General Peter Carrington said it was felt chemical weapons did not fit into the conventional defense framework and that the western nations should press for a total ban on such arms.

Mr. Chairman, we are not now producing chemical weapons. We have not done so since 1969 when President Nixon unilaterally decided to place a moratorium on chemical weapons production. To resume the production of poison gases would be a serious mistake. Chemical weaponry is a dirty business and there is absolutely no military justification for new binary chemical weapons and the breaking of the 1969 moratorium.

Chemical weapons are one of mankind's most repulsive inventions. They are horror weapons. Lethal nerve gases kill in a particularly ghastly way and civilians are not spared when they are released. World outrage has been expressed against Iraq for using chemical weapons in the war with Iran.

To begin production of nerve gases is unworthy of our Nation. The Binary Chemical Weapons Program should be brought to a complete halt, and, as we have done for the past 3 years, we should soundly reject the Penagon's request for funding binary chemical weapons.●

● Mr. GEJDENSON. Mr. Chairman, in order for binary chemical weapons to have any military utility whatsoever, stocks must be forward deployed in the European theater.

Our European allies have, however, expressed grave reservations about accepting new stocks of nerve gas on their soil—seven of the NATO governments, Denmark, Great Britain, the Netherlands, Belgium, Greece, Italy, and West Germany, have, in fact, rejected new nerve gas stockpiling, citing the 1925 Geneva protocol which bars the use of chemical weapons in wartime.

I fear that a U.S. decision to resume production of binary chemical weapons would provoke a severely negative reaction in Europe that would seriously jeopardize U.S. interests in Europe with respect to both the conventional and the nuclear defense of the continent.

Without assurances from our NATO allies that we would be allowed to preposition these new chemical weapons, renewed production would be a futile effort. We would do better to concentrate our resources and energies on what is feasible.

To spend American taxpayers dollars on a militarily useless weapon that will only serve to anger and alienate important allies in Europe seems to me to be a foolish exercise that we should be willing to forgo.

I urge my colleagues to support the Porter-Fascell amendment to delete $125 million in procurement funds for binary chemical weapons.●

● Mr. LOWERY of California. Mr. Chairman, today I rise in opposition to the amendment offered by my colleagues, Mr. PORTER and Mr. FASCELL, which would delete the funding for binary chemical weapons included in the Department of Defense authorization bill for fiscal year 1986, H.R. 1872.

The distinguished members of the Armed Services Committee deserve commendation for their efforts in promptly reporting H.R. 1872. In preparing H.R. 1872, my colleagues on the committee recognized the urgent need to modernize our chemical warfare deterrent capability. In response to this need, the bill includes $124.5 million for procurement of binary chemical weapons in 1986, in addition to $936 million authorized for protective measures and $132 million for demilitarization of the stockpile of unitary chemical weapons. I would like to make three distinct points in defense of the committee's position.

First, Mr. Chairman, our current stockpile of chemical munitions is so

outmoded if fails to serve as an adequate deterrent. These so-called unitary chemical munitions are outdated and are costing the Federal Government $50 million annually to safeguard and maintain. The U.S. store of chemical munitions is an accumulation mainly of artillery shells and relatively few bombs, many dating back to the 1940's.

In addition, most of the nonpersistent chemical agents in the current arsenal are not suitable for modern military use. For example, the United States has no chemical ordance that could effectively lay a persistent nerve agent on an enemy airbase launching sorties against Western Europe. The Defense Department reports that only 28 percent of the total tonnage of chemical agent on hand could be put to any military use at all. And only 7 percent of the agent that has already been manufactured into munitions meets current Department of Defense requirements. In fact, today, we have no air-deliverable chemical weapons that constitute a credible threat.

Second, the current U.S. stockpile poses considerable environmental risks to those who must handle them. The present chemical munitions—unitary weapons which contain toxic agents in lethal amounts from the inside of artillery shells or bombs—are inherently dangerous, and difficult and costly to store, particularly in confined areas that might come under enemy fire, such as the magazine of a ship.

Whether the United States acquires chemical weapons in delivery systems that are easily and safely transportable and that could retaliate effectively on the battlefield is the central question. Clearly, our current stockpile not only doesn't qualify as a deterrent to our aggressors, but the potential for a disaster is very grave.

What binaries offer is an advance in safety of production, storage, and handling, as well as in ease of future disposal when required. The binary is composed of two separate chemicals which are basically harmless apart from each other. They only become lethal when they are combined on their way to a target. The technology of the binary munitions, therefore, removes the problem of the possibility of accident that is involved in the transport and storage of today's unitary munitions.

Third, the Soviets have achieved a dramatic superiority in this area—a superiority so great as to allow them to threaten us with a chemical attack without any fear of retaliation from us. The Soviets have also rejected our every attempt to negotiate this matter for the 16 years since President Nixon initiated a unilateral moratorium on the production of chemical weapons. But while we wait and debate, the Soviets continue to increase their superiority. Right now 14 separate facilities in the Soviet Union are producing chemical weapons.

Mr. Chairman, I am gravely concerned that the current U.S. inability to deter Soviet use of chemical weaponry will require us to respond with nuclear weapons. A 1983 white paper prepared by the West German Ministry of Defense reports that the "Soviet Union has consistently been improving both the chemical agents and means of warfare" and that "the Soviet Union has consistently been improving both the chemical defensive capability and offensive capability of her forces." The white paper concludes: "To deter the Warsaw Pact from using chemical weapons, NATO relies mainly upon its conventional and nuclear forces." I doubt that I need remind my colleagues of the grave escalation possibilities which this requires.

President Reagan has reaffirmed the NATO policy of no-first-use of chemical weapons. I cannot emphasize enough that we need these binary munitions as a deterrent, not because we are implementing some kind of warfighting strategy involving the use of chemical weapons. But my hope is that we can place ourselves in a strong enough position to deter the Soviets from using these horrible weapons and that we will be able to negotiate ultimately ridding the threat of chemical warfare from the world as a whole.

In conclusion, Mr. Chairman, I would urge my colleagues to reject the amendment offered by our distinguished colleagues Messrs. FASCELL and PORTER. Binaries are simply a desirable move toward safety, transportability, and lessened environmental danger. Procurement at this time will modernize our deterrent, lessening the possibility that the Soviets will utilize their current overwhelming superiority in this area.●

● Mr. McGRATH. Mr. Chairman, I approach today's votes on chemical weapons with a great deal of frustration.

For 4 years, I have supported various amendments to ban the production of nerve gas and related substances. Over that same period and for over a decade before, we have produced no additional chemical weapons. Our negotiators have sought a chemical weapons agreement with the Soviets with full vigor and good faith. Vice President BUSH personally attended sessions in Geneva to spur the talks forward and indicate the gravity of our Nation's concern over the proliferation of chemical weapons.

In spite of these efforts, we do not even have a draft agreement, and the Soviet negotiators continue to stonewall. Again and again we as a nation have stood back with a feeling of indignation and helplessness when we have tried to pursue a morally correct high road approach to foreign and military policy. At this very moment, we are experiencing precisely that feeling over the hostage situation in Beirut.

Today we are on the high road alone, and at a time of crisis, it could suddenly be washed out beneath us. Our 300,000 plus troops in Europe, could easily be the first victims of the modern chemical weapons stockpiled by the Soviets and prepared for deployment by specialized military units.

Our military forces have faced a similar threat in this century during World War I. Veterans hospitals in our lifetime were filled with soldiers who would never again take an effortless breath because of mustard gas and similar weapons. I will not subject our men and women in uniform or our civilian population to that risk without taking an additional step to minimize it. Nor will I do anything to force our Nation's leaders to resort to nuclear weapons because they face defeat stemming from a large-scale chemical attack.

I believe we can stay on the high road by demonstrating that we are capable of preparing the weapons necessary to retaliate without actually going forward with production. The amendment put forward by my colleagues from Missouri and California strikes just such a balance, and I support their responsible attempt to deal with the dilemma in which we find ourselves. I sincerely hope that the 2-year period included in the amendment to provide time for a negotiated ban on all chemical weapons will be sufficient to move the ongoing talks forward to successful completion.

It is with great disappointment that I feel compelled to support this course of action. I will not view passage of the Skelton/Hunter substitute as a victory for conservatives over liberals or in other similar terms. I see it as our only remaining practical means of achieving what we all desire—an unqualified agreement banning chemical weapons production and use.●

□ 1750

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentleman from Missouri [Mr. SKELTON] to the amendment offered by the gentleman from Illinois [Mr. PORTER].

The question was taken; and the Chairman pro tempore announced that the noes appeared to have it.

RECORDED VOTE

Mrs. BYRON. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 229, noes 196, not voting 8, as follows:

[Roll No. 172]

AYES—229

Akaka	Anderson	Anthony
Alexander	Andrews	Archer

Aspin	Gilman	Neal
Badham	Gingrich	Nelson
Barnard	Glickman	Nichols
Bartlett	Goodling	Nielson
Barton	Gray (IL)	Ortiz
Bateman	Grotberg	Oxley
Bates	Hall, Ralph	Packard
Bennett	Hamilton	Parris
Bentley	Hammerschmidt	Pashayan
Bereuter	Hansen	Petri
Bevill	Hartnett	Price
Biaggi	Hatcher	Pursell
Bilirakis	Hefner	Quillen
Bliley	Heftel	Ray
Boehlert	Hendon	Ridge
Boner (TN)	Hiler	Ritter
Bosco	Hillis	Roberts
Boucher	Holt	Robinson
Boulter	Hopkins	Roemer
Breaux	Hoyer	Rogers
Brooks	Hubbard	Rose
Broomfield	Hughes	Rowland (CT)
Broyhill	Hunter	Rowland (GA)
Bryant	Hutto	Rudd
Burton (IN)	Hyde	Saxton
Bustamante	Ireland	Schuette
Byron	Jenkins	Schulze
Callahan	Johnson	Shaw
Campbell	Jones (OK)	Shelby
Carney	Jones (TN)	Shumway
Chandler	Kasich	Shuster
Chappell	Kemp	Siljander
Chappie	Kindness	Sisisky
Cheney	Kolbe	Skeen
Cobey	Kramer	Skelton
Coble	Lagomarsino	Slattery
Coleman (MO)	Latta	Slaughter
Coleman (TX)	Leath (TX)	Smith (NE)
Combest	Lent	Smith (NH)
Courter	Lewis (CA)	Smith, Denny
Craig	Lightfoot	Snyder
Crane	Lipinski	Solomon
Daniel	Livingston	Spence
Dannemeyer	Lloyd	Spratt
Darden	Loeffler	Stangeland
Daub	Lott	Stenholm
Davis	Lowery (CA)	Stratton
de la Garza	Lujan	Stump
DeLay	Lungren	Sundquist
DeWine	Mack	Sweeney
Dickinson	Madigan	Swindall
Dicks	Marlenee	Tallon
Dingell	Martin (NY)	Tauzin
DioGuardi	McCain	Taylor
Dornan (CA)	McCandless	Thomas (CA)
Dowdy	McCollum	Thomas (GA)
Dreier	McCurdy	Valentine
Duncan	McDade	Vander Jagt
Dyson	McEwen	Volkmer
Eckert (NY)	McGrath	Vucanovich
Edwards (OK)	McMillan	Walgren
English	Meyers	Whitehurst
Evans (IA)	Mica	Whitley
Fawell	Michel	Whittaker
Fazio	Miller (OH)	Williams
Fiedler	Miller (WA)	Wilson
Fields	Mollohan	Wolf
Flippo	Monson	Wright
Frenzel	Montgomery	Wylie
Frost	Moore	Young (AK)
Fuqua	Moorhead	Young (FL)
Gallo	Morrison (WA)	Young (MO)
Gekas	Murphy	Zschau
Gephardt	Murtha	
Gibbons	Myers	

NOES—196

Ackerman	Brown (CO)	Derrick
Addabbo	Bruce	Donnelly
Annunzio	Burton (CA)	Dorgan (ND)
Applegate	Carper	Downey
Armey	Carr	Durbin
Atkins	Clay	Dwyer
AuCoin	Clinger	Dymally
Barnes	Coats	Early
Bedell	Coelho	Eckart (OH)
Beilenson	Collins	Edgar
Berman	Conte	Edwards (CA)
Boggs	Conyers	Erdreich
Boland	Cooper	Evans (IL)
Bonior (MI)	Coughlin	Fascell
Bonker	Coyne	Feighan
Borski	Crockett	Fish
Boxer	Daschle	Florio
Brown (CA)	Dellums	Foglietta
Foley	MacKay	Savage
Ford (MI)	Manton	Scheuer
Ford (TN)	Markey	Schneider
Fowler	Martin (IL)	Schroeder
Frank	Martinez	Schumer
Franklin	Matsui	Seiberling
Garcia	Mavroules	Sensenbrenner
Gaydos	Mazzoli	Sharp
Gejdenson	McCloskey	Sikorski
Gonzalez	McHugh	Smith (FL)
Gordon	McKernan	Smith (IA)
Gradison	McKinney	Smith (NJ)
Gray (PA)	Mikulski	Smith, Robert
Green	Miller (CA)	Snowe
Gregg	Mineta	Solarz
Guarini	Mitchell	St Germain
Gunderson	Moakley	Staggers
Hall (OH)	Molinari	Stallings
Hawkins	Moody	Stark
Hayes	Morrison (CT)	Stokes
Henry	Mrazek	Studds
Hertel	Natcher	Swift
Horton	Nowak	Synar
Howard	Oakar	Tauke
Huckaby	Oberstar	Torres
Jacobs	Obey	Torricelli
Jones (NC)	Olin	Towns
Kanjorski	Owens	Traficant
Kaptur	Panetta	Traxler
Kastenmeier	Pease	Vento
Kennelly	Penny	Visclosky
Kildee	Perkins	Walker
Kleczka	Pickle	Watkins
Kolter	Porter	Waxman
Kostmayer	Rahall	Weaver
LaFalce	Rangel	Weber
Lantos	Regula	Weiss
Leach (IA)	Reid	Wheat
Lehman (CA)	Richardson	Whitten
Lehman (FL)	Rinaldo	Wirth
Leland	Rodino	Wise
Levin (MI)	Roe	Wolpe
Levine (CA)	Rostenkowski	Wortley
Lewis (FL)	Roth	Wyden
Long	Roukema	Yates
Lowry (WA)	Roybal	Yatron
Luken	Russo	
Lundine	Sabo	

NOT VOTING—8

Dixon	O'Brien	Strang
Emerson	Pepper	Udall
Jeffords	Schaefer	

□ 1810

The Clerk announced the following pair:

On this vote:

Mr. Pepper of Florida for, with Mr. Dixon of California against.

Messrs. GRAY of Pennsylvania, MARTINEZ, and ST GERMAIN changed their votes from "aye" to "no."

Messrs. DAVIS, GRAY of Illinois, and HUGHES changed their votes from "no" to "aye."

So the amendment to the amendment was agreed to.

The result of the vote was announced as above recorded.

AMENDMENT OFFERED BY MR. FASCELL AS A SUBSTITUTE FOR THE AMENDMENT OFFERED BY MR. PORTER, AS AMENDED

Mr. FASCELL. Mr. Chairman, I offer an amendment as a substitute for the amendment, as amended.

The Clerk read as follows:

Amendment offered by Mr. FASCELL as a substitute for the amendment offered by Mr. PORTER, as amended: Page 2, line 15, strike out "$2,357,600,000" and insert in lieu thereof "$2,276,700,000."

Page 11, line 17, strike out "$6,591,800,000." and insert in lieu thereof "$6,570,300,000."

Page 11, line 23, strike out "$1,139,700,000." and insert in lieu thereof "$1,118,200,000."

Page 13, line 16, strike out "$9,043,900,000." and insert in lieu thereof "$9,021,800,000."

Page 13, line 18, strike out "$1,389,200,000." and insert in lieu thereof "$1,367,100,000."

Page 22, after line 23, insert the following new section:

SEC. 111. CONDITION ON SPENDING FUNDS FOR BINARY CHEMICAL MUNITIONS.

(a) IN GENERAL.—Except in accordance with subsection (b), none of the funds appropriated pursuant to authorizations of appropriations in this title may be used—

(1) for procurement or assembly of binary chemical munitions (or subcomponents of such munitions); or

(2) for establishment of production facilities necessary for procurement or assembly of binary chemical munitions (or subcomponents of such munitions).

(b) CONDITIONS.—The funds referred to in subsection (a) may be used for the procurement or assembly of complete binary chemical munitions after September 30, 1987, if—

(1) a mutually verifiable international agreement concerning binary and other similar chemical munitions has not been entered into by the United States by such date;

(2) the President transmits, after such date, a certification to the Congress that—

(A) the procurement and assembly of such complete weapons is necessitated by national security interests, including the interests of the members of North Atlantic Treaty Organization;

(B) performance specifications established by the Department of Defense and in effect on the date of enactment of this Act with respect to such munitions will be met or exceeded in the handling, storage, and other use of such munitions;

(C) applicable Federal safety requirements will be met or exceeded in the handling, storage, and other use of such munitions;

(D) the Secretary of Defense's plan (which shall accompany such certification) for destruction of existing chemical stocks is ready to be implemented; and

(E) the North Atlantic Council of the North Atlantic Treaty Organization (NATO) has formally agreed—

(i) that chemical munitions currently stored and deployed in NATO countries need to be modernized in order to serve as an adequate deterrent;

(ii) that such modernization should be effected by replacement of current chemical munitions with binary chemical munitions; and

(iii) that the European member nations of NATO where such chemical munitions are to be stored or deployed are willing to accept storage and deployment of binary chemical munitions within their territories;

(3) such procurement and assembly is carried out only after the end of the 60-day period beginning on the date such certification is received by the Congress;

(4) the Secretary of Defense's basing mode for such munitions in the United States is to be carried out in a manner which provides that the two components that constitute a binary munition are based in separate States; and

(5) the Secretary of Defense's plan for the transportation of such munitions in the United States is to be carried out in a

manner which provides that the two components that constitute a binary munition are transported separately and by different means.

Mr. FASCELL (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN pro tempore (Mr. RUSSO). Is there objection to the request of the gentleman from Florida?

Mr. DICKINSON. Mr. Chairman, reserving the right to object, under my reservation I would like to inquire of the offeror of the amendment if there are written copies that are available. The reason I ask is that yesterday in the heat of battle, so to speak, an amendment was offered and we were told it was one thing, and inadvertently it was misrepresented, but it was not as represented and we had no printed copies.

Is there a written copy of what the gentleman proposes to offer?

Mr. FASCELL. Mr. Chairman, if the gentleman will yield, there is. I will say to the gentleman from Alabama there are written copies. But also he can get one off the machine here.

Mr. DICKINSON. I do not have time to go to the machine. I just wondered if the gentleman had one here.

Mr. Chairman, I have this copy. Does the gentleman need this?

Mr. FASCELL. No, I am sure I can certainly explain it.

Mr. DICKINSON. Mr. Chairman, I withdraw my reservation of objection.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Florida?

There was no objection.

□ 1820

Mr. SKELTON. Mr. Chairman, I reserve a point of order against the amendment.

The CHAIRMAN pro tempore. The gentleman from Missouri [Mr. SKELTON] reserves a point of order.

The gentleman from Florida [Mr. FASCELL] is recognized for 10 minutes.

Mr. FASCELL. Mr. Chairman, under the unanimous-consent request, as you know, we have 10 minutes to a side, but I can explain this amendment very quickly.

This amendment is on behalf of the gentlewoman from New Jersey and myself. It is a very simple amendment.

The House has just adopted the Skelton amendment, which in effect puts all the money back into the binary, but it has certain conditions in it. It says that the money cannot be used until September 30, 1987, until certain conditions are met. The President must certify, NATO must agree, and standards of testing must be met as laid down by DOD and some other things.

We think those are very important conditions and we agree that what is inherent in this amendment that has just been adopted, that we are really not ready to produce the bomb.

What our amendment does, therefore, is very simple. It preserves all of the conditions that were laid out by the Skelton amendment, but it says that it just takes the money out. It says that you cannot spend the money anyway until September 30, 1987. So why stockpile the money?

Research is unimpeded. The conditions have to be met. We all agree on that. The House has decided on that.

So why stockpile $124½ million for no good reason?

You are going to take 1986 money and not spend it until after 1987. It does not make sense to me.

So I would ask now that it is totally consistent, support this amendment, strike out the money, retain the conditions and everybody is happy.

Mrs. ROUKEMA. Mr. Chairman, will the gentleman yield?

Mr. FASCELL. I yield to my coauthor, the gentlewoman from New Jersey.

Mrs. ROUKEMA. Mr. Chairman, I thank the distinguished chairman of the Foreign Affairs Committee.

I think this is an extremely intelligent approach to our problem here. We have now adopted the Skelton amendment. It requires certain things to be done in 1987. The House has concurred with that, but it is 1987 in which this money is needed. It is not now.

You do not before the fact write out the check.

It makes all kinds of good sense. It is completely consistent with the intention as well as the spirit of the Skelton amendment and I just commend the gentleman for his leadership.

Mr. FASCELL. Mr. Chairman, I thank the gentlewoman very much for that observation.

Mr. ROEMER. Mr. Chairman, will the gentleman yield?

Mr. FASCELL. I yield to the gentleman from Louisiana.

Mr. ROEMER. Mr. Chairman, would I misstate the case if I would compare the two amendments, in comparing the gentleman's substitute for the Skelton amendment already adopted by the House, the difference as I understand is as follows: Under Skelton, if the conditions are met, the money is spent at a date certain.

Under the gentleman's substitute, if the conditions are met, Congress would have to vote again before the money could be spent. Is that the only difference?

Mr. FASCELL. No. The Congress would have to act on the normal appropriation bill.

Mr. ROEMER. Which means another vote?

Mr. FASCELL. Oh, yes, in that sense the gentleman is correct, absolutely. It just means you do not take 1986 money and make it available and hold it until 1987 or whenever the conditions are met. You wait until the proper appropriation bill comes forward, that is all.

Mr. ROEMER. Mr. Chairman, if the gentleman will yield further, I am not prepared to support the gentleman. I would like to understand exactly where the gentleman is. As I understand it, the only difference between the gentleman's amendment and that of the gentleman from Missouri (Mr. SKELTON) is that the gentleman requires another vote on the part of Congress before money could be spent, regardless of the conditions in the amendment.

Mr. FASCELL. What the amendment does, despite the gentleman's best efforts to turn it around a little bit, is that it just says, "Don't stockpile 1986 money because you can't spend it."

Mr. ROEMER. Mr. Chairman, I thank the gentleman.

Mr. BONIOR of Michigan. Mr. Chairman, will the gentleman yield?

Mr. FASCELL. I would be glad to yield to the gentleman from Michigan.

Mr. BONIOR of Michigan. Mr. Chairman, I would like to commend my colleague, the gentleman from Florida.

Over the last 2 years we have given the Pentagon $51 billion, which they have not been able to spend, so if you are interested in piling on some more money onto that $51 billion, you should vote no. If you are interested in saving some, vote for the Fascell amendment.

Mr. Chairman, once again, the House finds itself addressing the issue of chemical warfare, in spite of the fact that we have voted repeatedly and by overwhelming margins to reject funding for the production of new generation of binary chemical weapons.

For over 16 years, through both Democratic and Republican administrations, the United States has upheld a moratorium on chemical weapons production. There continues to be a bipartisan consensus across the country and in Congress that opposes the production of new chemical weapons.

In spite of this, the administration has nearly doubled its request to $174 million for binary weapons and related construction for the coming fiscal year. And over the next 5 years, the administration wants to spend $2.3 billion with cost overruns, the total price tag could run as high as $12 billion.

Throughout this century, the world has recoiled in horror at the prospects of chemical warfare. The indiscriminate civilian deaths and lingering effects of the poisonous gases used in World War I led to the Geneva Protocol of 1925, and a commitment by war-ravaged nations to renounce the use of chemical weapons. So strong was that

commitment that neither side resorted to their use in World War II.

Today we face new challenges, and the need to control the use of chemical weapons is all the more imperative.

Chemical weapons have been called the poor man's nuclear bomb. Like nuclear weapons, their effects on the civilian population are unpredictable and devastating. But they are far easier to produce than nuclear weapons—their basic ingredients are similar to those found in fertilizers. In recent years, the Defense Department estimates that as many as 16 countries have acquired some form of chemical weapons.

At a time when the world is facing increasing dangers from the proliferation of chemical weapons, the United States must not abandon its clear claim to leadership in the effort to halt their spread. But if we vote today to resume chemical weapons production, we will be doing just that. We will remove the important moral leverage we have in persuading the Third World not to deploy chemical weapons. And we will undermine the prospects for a worldwide ban on their use.

There are no new arguments in favor of the production of binary chemical weapons. Indeed, the arguments that led us to vote against production in the past have been only strengthened today.

Our existing stockpile is adequate, even Secretary of Defense Weinberger has acknowledged as much.

Production of binary weapons will jeopardize our relationship with our NATO allies, who have rejected deployment of new chemical weapons.

Binary weapons are less reliable than existing weapons. They have not been adequately tested. Indeed, the GAO recently reported that the Bigeye bomb has failed to meet test standards in at least 8 out of 10 times in the past year.

There are no new arguments in favor of chemical weapons production. Yet, each year proponents come up with some new packaging scheme to sell a product that they know Congress will reject on the merits.

In years past, we were told that funds for Bigeye bomb bodies, Bigeye equipment and parts, and artillary components were not really production funds. But a majority of this House saw through that scheme, and voted to delete production funds.

This year, we are told that a hastily prepared report by Presidential Commission composed primarily of individuals already firmly committed to chemical weapons production, and staffed by Pentagon and Army Chemical Corps personnel who were equally committed, provides us with the justification for new chemical weapons.

I hope the House will see through this elaborate public relations scheme as well, and will support the efforts of Mr. FASCELL and Mr. PORTER to delete funds for the production of chemical weapons.

Mr. FASCELL. Mr. Chairman, I thank the gentleman for that observation.

We have so much unexpended appropriations now that we cannot keep track of them.

Mr. Chairman, I reserve the balance of my time.

The CHAIRMAN pro tempore. Does the gentleman from Missouri [Mr. SKELTON] insist on his point of order?

Mr. SKELTON. No; I do not, Mr. Chairman, I withdraw my point of order.

AMENDMENT OFFERED BY MR. SKELTON TO THE AMENDMENT OFFERED BY MR. FASCELL AS A SUBSTITUTE FOR THE AMENDMENT OFFERED BY MR. PORTER, AS AMENDED

Mr. SKELTON. Mr. Chairman, I offer an amendment to the amendment offered as a substitute for the amendment, as amended.

The Clerk read as follows:

Amendment offered by Mr. SKELTON to the amendment offered by Mr. FASCELL as a substitute for the amendment offered by Mr. PORTER, as amended: In lieu of the amount proposed to be inserted by the amendment to page 2, line 15, insert "$2,348,600,000".

Strike out the amendments proposed to be made to page 11, line 17; page 11, line 23; page 13, line 16; and page 13, line 18.

Strike out the section proposed to be added by the amendment and insert in lieu thereof the following:

SEC. 111. CONDITION ON SPENDING FUNDS FOR BINARY CHEMICAL MUNITIONS.

(a) IN GENERAL.—Except in accordance with subsection (b), none of the funds appropriated pursuant to authorizations of appropriations in this title may be used—

(1) for procurement or assembly of binary chemical munitions (or subcomponents of such munitions); or

(2) for establishment of production facilities necessary for procurement or assembly of binary chemical munitions (or subcomponents of such munitions).

(b) CONDITIONS.—The funds referred to in subsection (a) may be used for the procurement or assembly of complete binary chemical munitions after September 30, 1987, if—

(1) a mutually verifiable international agreement concerning binary and other similar chemical munitions has not been entered into by the United States by such date;

(2) The President transmits, after such date, a certification to the Congress that—

(A) the procurement and assembly of such complete weapons is necessitated by national security interests, including the interests of the members of North Atlantic Treaty Organizations;

(B) performance specifications established by the Department of Defense and in effect on the date of enactment of this Act with respect to such munitions will be met or exceeded in the handling, storage, and other use of such munitions;

(C) applicable Federal safety requirements will be met or exceeded in the handling, storage, and other use of such munitions;

(D) the Secretary of Defense's plan (which shall accompany such certification) for destruction of existing chemical stocks is ready to be implemented; and

(E) the North Atlantic Council of the North Atlantic Treaty Organization (NATO) has formally agreed—

(i) that chemical munitions currently stored and deployed in NATO countries need to be modernized in order to serve as an adequate deterrent;

(ii) that such modernization should be effected by replacement of current chemical munitions with binary chemical munitions; and

(iii) that the European member nations of NATO where such chemical munitions are to be stored or deployed are willing to accept storage and deployment of binary chemical munitions within their territories;

(3) such procurement and assembly is carried out only after the end of the 60-day period beginning on the date such certification is received by the Congress;

(4) the Secretary of Defense's basing mode for such munitions in the United States is to be carried out in a manner which provides that the two components that constitute a binary munition are based in separate States; and

(5) the Secretary of Defense's plan for the transportation of such munitions in the United States is to be carried out in a manner which provides that the two components that constitute a binary munition are transported separately and by different means.

Mr. SKELTON (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Missouri?

There was no objection.

The CHAIRMAN pro tempore. The gentleman from Missouri [Mr. SKELTON] is recognized for 10 minutes.

Mr. SKELTON. Mr. Chairman, very plainly, this amendment of mine to the gentleman's substitute puts us exactly back where we were in the last vote. If you voted for it before, I would think you would want to vote for my amendment to the gentleman's substitute again.

What the gentleman does is take out the money, the authorization, and leaves the conditional language, which in essence means nothing whatsoever. You have to have the authorization.

This is not an appropriation bill. I do not want to be misleading on that. It is an authorization bill. That is all that this means. We are authorizing this amount of money. We are authorizing $124 million for the binary weaponry.

Mr. Chairman, there has been an awful lot of emotion on this floor today. There has been more emotion than reason at times. We have heard matters discussed that are really not at issue here. We have heard the cost of gas masks, agent orange, incorrect figures, $17 million stated as being the wrong amount.

The CHAIRMAN pro tempore. The gentleman from Missouri will suspend.

The Chair would like to state the parliamentary situation. There is 10 minutes of debate for the Skelton amendment. There also may be 10 minutes to oppose the Skelton amendment and there is also 10 minutes to oppose the Fascell substitute.

The Chair recognizes the gentleman from Missouri [Mr. SKELETON].

Mr. SKELTON. Mr. Chairman, I would hope we could do this much more quickly than that, but let me point out just a point or two.

You know, an octopus is a rather interesting animal. When it is in trouble, it emits an inky fluid to confuse its enemy and get away in the confusion.

I think the amendment offered earlier to which I have offered my amendment is one to confuse the issue.

Very plainly stated, a vote on my amendment to the Fascell amendment is exactly what we had before. The issue is not what the gentleman is talking about. The issue is deterrence, time for arms control and safety, particularly having the binary parts in two different States.

We are talking about everything that is not before us today. I hope that we can vote for the issue that we have already decided.

Mr. HUNTER. Mr. Chairman, will the gentleman yield?

Mr. SKELTON. I yield to my friend, the gentleman from California.

Mr. HUNTER. Mr. Chairman, I thank the gentleman for yielding.

I would make the point to my colleagues that there is a little carrot here for the Soviet Union to come to the bargaining table and if the Congress has already made it a fait accompli, that we will move ahead as we did under ABM when we said we will appropriate for ABM unless there is a treaty, if we have made it a fait accompli there is going to be much greater incentive for the Soviet Union to enter into real negotiations.

I commend my friend and I urge a yes vote on the Skelton amendment.

Mr. DICKINSON. Mr. Chairman, will the gentleman yield?

Mr. SKELTON. I yield to the gentleman from Alabama.

Mr. DICKINSON. Mr. Chairman, I want to rise in support of the gentleman's amendment and simply point out that what the Fascell amendment would do is say, well, here is the package, but you open it up and there is nothing in it. What we are doing is we are keeping the money in, but there is an appropriation process that will have to appropriate the money even after this.

□ 1830

So you have another opportunity to vote if you want to withhold the money or not. So let us go on and reaffirm the vote that was just taken and let us get this behind us so that we can go on with it.

I would ask an affirmative vote on the Skelton amendment.

Mr. SKELTON. Mr. Chairman, I yield such time as he may consume to the gentleman from South Carolina [Mr. SPRATT.]

Mr. SPRATT. Mr. Chairman, I simply reiterate what the gentleman from Alabama just said. This is the way to have our cake and eat it, too. We have an amendment, the Skelton amendment, which is in good form now. We can leave it with the money authorized so that we give the administration what they say they need to negotiate; namely, some leverage with the Soviets, but at the appropriations stage we can defend whether we will fund it now and we can then make that decision. We do not have to make a decision right now on this Fascell amendment. That is the proper stage to address the funding of the bill, the current funding of the bill.

Mr. SKELTON. Mr. Chairman, I yield back the balance of my time.

Mr. PORTER. Mr. Chairman, I rise in opposition to the Skelton amendment.

The CHAIRMAN pro tempore. The gentleman from Illinois [Mr. PORTER] is recognized for 10 minutes.

Mr. PORTER. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, it seems to me that what we are looking at here is a very clear distinction between whether we are going to go ahead with the new Binary Nerve Gas Program or whether we are not. But the issue is joined very perfectly.

What it will mean is if you are voting for Skelton that will make a commitment to spend $2.6 billion to build new nerve gas weapons and in addition you want to spend whatever it takes to take care of our unitary stockpile. The cost will be, for dismantling the unitary weapons, something in the neighborhood of $50 million. So what you are voting for is about $17 billion of new spending in the face of a $200 billion deficit as far out as the eye can see.

I think you will find that, when this comes back, there will not be any provision about whether NATO will take them or not. Those will be stripped away in conference. All that will be left is the naked commitment to building these weapons systems.

As I have said many times, I favor this country having a viable deterrent. I believe we have one. I believe that this is the time to say "no" to new spending in any program, not only the Department of Defense programs but all new spending programs. We should not be voting for one of them. It seems to me at this time the responsible thing is to vote "no."

It seems to me, Mr. Chairman, we are really at a point of making a decision whether it is more important to build these weapons in this year than it is to address the problem of our Nation's deficit. Nothing has changed since the last vote, nothing has changed. Our chemical stockpile is equally sufficient to deter a Soviet first use as it was a year ago.

The NATO nations, our allies, will not take these weapons. They will not have anything to do with them. They will not even discuss them. That is the same as it was.

The Bigeye bomb that would be authorized by this amendment is not ready to be produced. It will not be ready to be produced. It has not been ready for 2 years to be produced. None of those things have changed.

The question is simply: Do you want to spend about $17 billion on new nerve gas weapons in the face of our deficits?

Yes, when we have Beirut looking us in the face it is a feeling that all of us have that we want to stand up for our country, but I ask you, I beg you to give a great deal of thought to committing this kind of money to this weapons system that really is not needed and will not be needed for some time when our children face the kinds of burdens that we are laying upon them by huge deficits.

Mr. EDGAR. Mr. Chairman, will the gentleman yield?

Mr. PORTER. I yield to the gentleman from Pennsylvania.

Mr. EDGAR. I thank the gentleman for yielding. I think the issue is really very simple. There are those in this House who support the production of binary nerve gas and they will vote for the Skelton amendment. There are those who oppose the production of binary nerve gas and they will support the Fascell amendment.

I think the gentleman from Illinois would like to address his comments, as would the gentleman from Pennsylvania, to those of our colleagues on both sides of the aisle who changed their vote from their position of the last 3 years to their position today in support of the original Skelton amendment. What the Fascell amendment does is provide all of the conditions that you wanted in presenting yourselves a way to shift and put pressure on the Soviets. But the Fascell amendment takes out the dollar amounts. We will have to come back both in appropriations and in authorizations in the future anyway.

I would urge my colleagues who were those votes that shifted from opposition to support to look carefully at the Fascell amendment and to reconsider their support by voting for the Fascell amendment, which simply provides you with the conditions you wanted, but eliminates the funds that are not going to be necessary until October 1 of next year. It gives us that opportunity to meet your changing needs.

Those of us who voted against chemical weapons will do so again. Those who voted for chemical weapons will do so again. It is that group of you who shifted your votes that the Fascell amendment is addressed to.

I urge my colleagues to reject the second Skelton amendment, to support the Fascell amendment, and give us an opportunity over the next year to really look very carefully at this issue.

I thank the gentleman for yielding.

Mr. PORTER. I might say that I thank the gentleman for his statement and the point that the distinguished chairman of the House Foreign Affairs Committee makes is the point. Let us not stockpile the money. There is no point to doing it. And let us leave the decisions in the hands of the Congress as to whether the spending should take place.

PARLIAMENTARY INQUIRY

Mr. DICKINSON. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN pro tempore. The gentleman will state his parliamentary inquiry.

Mr. DICKINSON. Mr. Chairman, would it be appropriate at this point to rise in opposition to the Fascell substitute?

The CHAIRMAN pro tempore. It would be appropriate, as soon as the gentleman from Illinois [Mr. PORTER] has finished his remarks.

Mr. PORTER. Mr. Chairman, I reserve the balance of my time.

Mr. DICKINSON. Mr. Chairman, I rise in opposition to the Fascell substitute.

The CHAIRMAN pro tempore. The gentleman from Alabama [Mr. DICKINSON] is recognized for 10 minutes.

Mr. DICKINSON. Mr. Chairman, I yield myself such time as I may consume.

As has been said, we have a simple question here, a simple point, a simple decision to be made. Do we want to undo exactly what we have done by saying well, we did it, but we do not really mean it, we are going to take out the money?

If it is to have any credibility, if we are to get the Soviets to the bargaining table, we must have the money in there, even though it is not spent, and it is subject to appropriation.

I reserve the balance of my time.

Mr. FASCELL. Mr. Chairman, I still have some time, which I yield myself, just to say if you vote for this amendment it is a vote for binary. If you vote against it you are going to save $124.5 million in authorization temporarily. The conditions are still preserved, so I would ask you to vote "no" on this amendment, vote "yes" on the one after that, and then you have it.

I yield back the balance of my time.

Mr. PORTER. Mr. Chairman, I yield back the balance of my time.

Mr. DICKINSON. Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentleman from Missouri [Mr. SKELTON] to the amendment offered by the gentleman from Florida [Mr. FASCELL] as a substitute for the amendment offered by the gentleman from Illinois [Mr. PORTER] as amended.

The question was taken; and the Chairman pro tempore announced that the ayes appeared to have it.

RECORDED VOTE

Mr. PORTER. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 223, noes 196, not voting 14, as follows:

[Roll No. 173]

AYES—223

Akaka	Evans (IA)	McCain
Alexander	Fawell	McCandless
Andrews	Fazio	McCollum
Anthony	Fiedler	McCurdy
Archer	Fields	McEwen
Armey	Flippo	McGrath
Aspin	Franklin	McMillan
Badham	Frenzel	Meyers
Barnard	Frost	Mica
Bartlett	Fuqua	Michel
Barton	Gallo	Miller (OH)
Bateman	Gekas	Miller (WA)
Bennett	Gephardt	Mollohan
Bentley	Gilman	Monson
Bereuter	Gingrich	Montgomery
Bevill	Glickman	Moore
Biaggi	Goodling	Moorhead
Billirakis	Grotberg	Morrison (WA)
Bliley	Guarini	Murphy
Boehlert	Hall, Ralph	Murtha
Boner (TN)	Hamilton	Myers
Bosco	Hammerschmidt	Neal
Boucher	Hansen	Nelson
Boulter	Hartnett	Nichols
Breaux	Hatcher	Nielson
Brooks	Hefner	O'Brien
Broomfield	Heftel	Ortiz
Broyhill	Hendon	Oxley
Bryant	Hiler	Packard
Burton (IN)	Hillis	Parris
Bustamante	Holt	Pashayan
Byron	Hopkins	Petri
Callahan	Hoyer	Price
Campbell	Hubbard	Pursell
Carney	Hunter	Quillen
Chandler	Hutto	Ray
Chappell	Hyde	Ridge
Chappie	Ireland	Ritter
Cheney	Jenkins	Roberts
Cobey	Johnson	Robinson
Coleman (MO)	Jones (OK)	Roemer
Coleman (TX)	Jones (TN)	Rogers
Combest	Kasich	Rose
Courter	Kemp	Rowland (CT)
Craig	Kindness	Rowland (GA)
Crane	Kolbe	Rudd
Daniel	Kramer	Saxton
Dannemeyer	Lagomarsino	Schuette
Darden	Latta	Schulze
Daub	Leath (TX)	Shaw
Davis	Lent	Shelby
de la Garza	Lewis (CA)	Shumway
DeLay	Lightfoot	Shuster
DeWine	Lipinski	Siljander
Dickinson	Livingston	Sisisky
Dicks	Lloyd	Skeen
Dingell	Loeffler	Skelton
DioGuardi	Lott	Slattery
Dowdy	Lowery (CA)	Slaughter
Dreier	Lujan	Smith (NE)
Duncan	Lungren	Smith (NH)
Dyson	Mack	Smith, Denny
Eckert (NY)	Madigan	Snyder
Edwards (OK)	Marlenee	Solomon
English	Martin (NY)	Spence
Spratt	Taylor	Wilson
Stangeland	Thomas (CA)	Wolf
Stenholm	Thomas (GA)	Wright
Stratton	Valentine	Wylie
Stump	Vander Jagt	Young (AK)
Sundquist	Volkmer	Young (FL)
Sweeney	Vucanovich	Young (MO)
Swindall	Whitehurst	Zschau
Tallon	Whitley	
Tauzin	Whittaker	

NOES—196

Ackerman	Gray (PA)	Penny
Addabbo	Green	Perkins
Anderson	Gregg	Pickle
Annunzio	Gunderson	Porter
Applegate	Hall (OH)	Rahall
Atkins	Hawkins	Rangel
AuCoin	Hayes	Regula
Barnes	Henry	Reid
Bates	Hertel	Richardson
Bedell	Horton	Rinaldo
Beilenson	Howard	Rodino
Berman	Huckaby	Roe
Boggs	Hughes	Rostenkowski
Boland	Jacobs	Roth
Bonior (MI)	Jones (NC)	Roukema
Bonker	Kanjorski	Roybal
Borski	Kaptur	Russo
Boxer	Kastenmeier	Sabo
Brown (CA)	Kennelly	Savage
Brown (CO)	Kildee	Scheuer
Bruce	Kleczka	Schneider
Carper	Kolter	Schroeder
Carr	Kostmayer	Seiberling
Clay	LaFalce	Sensenbrenner
Clinger	Lantos	Sharp
Coats	Leach (IA)	Sikorski
Coble	Lehman (CA)	Smith (FL)
Coelho	Lehman (FL)	Smith (IA)
Collins	Leland	Smith (NJ)
Cooper	Levin (MI)	Smith, Robert
Coughlin	Levine (CA)	Snowe
Coyne	Lewis (FL)	Solarz
Crockett	Long	St Germain
Daschle	Lowry (WA)	Staggers
Dellums	Luken	Stallings
Derrick	Lundine	Stark
Donnelly	MacKay	Stokes
Dorgan (ND)	Manton	Studds
Downey	Markey	Swift
Durbin	Martin (IL)	Synar
Dwyer	Martinez	Tauke
Dymally	Matsui	Torres
Early	Mavroules	Torricelli
Eckart (OH)	Mazzoli	Towns
Edgar	McCloskey	Traficant
Edwards (CA)	McHugh	Traxler
Erdreich	McKernan	Vento
Evans (IL)	McKinney	Visclosky
Fascell	Mikulski	Walgren
Feighan	Miller (CA)	Walker
Fish	Mineta	Watkins
Florio	Mitchell	Waxman
Foglietta	Moakley	Weaver
Foley	Molinari	Weber
Ford (MI)	Moody	Weiss
Ford (TN)	Morrison (CT)	Wheat
Fowler	Mrazek	Whitten
Frank	Natcher	Wirth
Garcia	Nowak	Wise
Gaydos	Oakar	Wolpe
Gejdenson	Oberstar	Wortley
Gibbons	Obey	Wyden
Gonzalez	Olin	Yates
Gordon	Owens	Yatron
Gradison	Panetta	
Gray (IL)	Pease	

NOT VOTING—14

Burton (CA)	Emerson	Schumer
Conte	Jeffords	Strang
Conyers	McDade	Udall
Dixon	Pepper	Williams
Dornan (CA)	Schaefer	

□ 1850

The Clerk announced the following pairs:

On this vote:

Mr. Pepper for, with Mr. Dixon against.

Mr. Emerson for, with Mr. Conte against.

Mr. DELLUMS changed his vote from "aye" to "no."

So the amendment to the amendment offered as a substitute for the amendment, as amended, was agreed to.

The result of the vote was announced as above recorded.

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentleman from Florida [Mr. FASCELL], as amended, as a substitute for the amendment offered by the gentleman from Illinois [Mr. PORTER], as amended.

The amendment, as amended, offered as a substitute for the amendment, as amended, was agreed to.

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentleman from Illinois [Mr. PORTER], as amended.

The amendment, as amended, was agreed to.

The CHAIRMAN pro tempore. Are there other amendments to title I?

If not, the Clerk will designate title II.

The text of title II is as follows:

TITLE II—RESEARCH, DEVELOPMENT, TEST, AND EVALUATION

SEC. 201 AUTHORIZATION OF APPROPRIATIONS.

(a) IN GENERAL.—Funds are hereby authorized to be appropriated for fiscal year 1986 for the use of the Armed Forces for research, development, test, and evaluation in amounts as follows:

(1) For the the Army, $4,882,675,000.

(2) For the Navy (including the Marine Corps), $9,833,206,000.

(3) For the Air Force, $13,151,210,000

(4) For the Defense Agencies, $6,305,732,000 of which $93,500,000 is authorized for the activities of the Director of Test and Evaluation, Defense.

(b) GENERAL AUTHORIZATION FOR CIVILIAN PAY CONTINGENCIES.—There are authorized to be appropriated for fiscal year 1986, in addition to the amounts authorized to be appropriated in subsection (a), such sums as may be necessary for unbudgeted amounts for salary, pay, retirement, and other employee benefits authorized by law for civilian employees of the Department of Defense whose compensation is provided for by funds authorized to be appropriated in subsection (a).

SEC. 202. LIMITATION ON FUNDS FOR THE ARMY.

Of the amount authorized in section 201 for the Army—

(1) $52,836,000 is available only for the Missile/Rocket Components program, of which $10,000,000 is available only for the development of the Fiber Optics Guided Missile and $10,000,000 is available only for development of the Hypervelocity Missile;

(2) $23,583,000 is available only for the Stinger missile program.

(3) $18,898,000 is available for the M1 E1 Development program, of which $15,000,000 is available only for a fuel efficient modification for the AGT-1500 tank Engine;

(4) $20,000,000 is available only for the development, test integration, and evaluation of the Hellfire Missile for the Blackhawk helicopter; and

(5) $40,000,000 is available only for the Remotely Piloted Vehicle programs, of which $20,000,000 is available only for the Pave Tiger system and $20,000,000 is available only for a classified system.

SEC. 203. LIMITATION ON FUNDS FOR THE NAVY (INCLUDING THE MARINE CORPS).

Of the amount authorized in section 201 for the Navy (including the Marine Corps)—

(1) $25,000,000 is available only for the Low-Cost Anti-Radiation Seeker program;

(2) $6,964,000 is available for the Advanced Mine Development program;

(3) $60,000,000 is available only for Standard Missile Improvements, of which $12,815,000 is available only for the development of Standard Missile III for the Navy's outer air battle mission;

(4) $190,000,000 is available only for the SSN-21 Combat System Advanced and Engineering programs;

(5) $12,000,000 is available only for Battlegroup Quick Reaction Surveillance System program;

(6) $10,000,000 is available only for unique Wallops Island Test Range activity;

(7) $10,000,000 is available only for Skipper/Practice Bomb program;

(8) $1,500,000 is available only for classified sensor development program; and

(9) $2,500,000 is available only to establish a second source for the competitive procurement of the Navy Five-Inch and Army 155-Millimeter Guided Projectile systems.

SEC. 204. LIMITATION ON FUNDS FOR THE AIR FORCE.

Of the amount authorized in section 201 for the Air Force—

(1) $60,000,000 is available only for research, development, test, and evaluation for the Integrated Electronic Warfare/Communications (INEWS) and Navigation Identifications Avionics (ICNIA) systems;

(2) $30,000,000 is available only for the research, development, test, and evaluation to modify the F-4 aircraft to satisfy the Air Force defense mission;

(3) $19,570,000 is available only for a classified reconnaissance system; and

(4) $223,776,000 is available only for the Very High Speed Integrated Circuits (VHSIC) program.

SEC. 205. LIMITATION ON FUNDS FOR THE DEFENSE AGENCIES.

Of the amount authorized in section 201 for the Defense Agencies—

(1) $2,472,962,000 is available for the Strategic Defense Initiatives, of which $12,500,000 is available only for the medical application of Free-Electron Lasers and associated material and physical science research;

(2) $150,000,000 is available only for the Common Joint Tactical Information Distribution System program;

(3) $200,000,000 is available only for the Joint Advanced Systems program; and

(4) $181,250,000 is available only for the University Research Initiative program.

SEC. 206. HARM MISSILE PROGRAM.

(a) LIMITATION ON NAVY FUNDING.—Of the amount appropriated pursuant to the authorization in section 201 for the Navy (including the Marine Corps), $300,000,000 may not be obligated or expended until the Secretary of the Navy submits to Congress a certification described in subsection (c) or a report described in subsection (d).

(b) LIMITATION ON AIR FORCE FUNDING.—Of the amount appropriated pursuant to the authorization in section 201 for the Air Force, $150,000,000 may not be obligated or expended until the Secretary of the Air Force submits to Congress a certification described in subsection (c) or a report described in subsection (d).

(c) CERTIFICATION.—A certification under subsection (a) or (b) shall be in writing and shall include the Secretary concerned's certification of the following:

(1) That the test and evaluation of the High-Speed Anti-Radiation Missile (HARM) shows conclusively that the missile system meets all performance specifications and objectives delineated in the HARM weapon system specification—AS 3400 Revision A, dated August 6, 1982.

(2) That a current production missile has been disassembled and that there is complete correlation with such missile and the current technical-data package (including the engineering drawings are being constructed to these drawings.

(3) That the HARM missile system is capable of engaging the intended threat as approved by the Director of Central Intelligence.

(4) That the program to develop the HARM low-cost seeker is structured to meet an intended Initial Operational Capability (IOC) date of December 31, 1989.

(d) REPORT ON DEFICIENCIES.—(1) If the Secretary of the Navy cannot make a certification under subsection (c) because of deficiencies in the HARM system, then the Secretary may obligate and expend funds without regard to the limitation in subsection (a) after submitting to Congress a written report described in paragraph (3).

(2) If the Secretary of the Air Force cannot make a certification under subsection (c) because of deficiencies in the HARM system, then the Secretary may obligate and expend funds without regard to the limitation in subsection (b) after submitting to Congress a written report described in paragraph (3).

(3) A report under paragraph (1) or (2) shall provide—

(A) a detailed list of the deficiencies in the HARM system; and

(B) a plan to correct such deficiences, including milestones and required levels of funding and a request to Congress to reprogram funds for this purpose.

(e) PROHIBITION ON EXPENDITURES TO CORRECT SPECIFIED DEFICIENCIES.—The Secretary of the Navy and the Secretary of the Air Force may not obligate or expend any funds to correct deficiencies in the HARM system in order to meet the weapons system performance specifications described in subsection (c)(1).

Mr. ASPIN. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly, the Committee rose and the Speaker pro tempore [Mr. ALEXANDER] having assumed the Chair, Mr. RUSSO, Chairman pro tempore of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 1872) to authorize appropriations for fiscal year 1986 for the Armed Forces for procurement, for research, development, test, and evaluation, for operation and maintenance, and for working capital funds, to prescribe personnel strengths for such fiscal year for the Armed Forces, and for other purposes, had come to no resolution thereon.

PERSONAL EXPLANATION

(Mr. TORRES asked and was given permission to address the House for 1 minute.)

Mr. TORRES. Mr. Speaker, I was not present for recorded votes on Tuesday, June 18 due to official business. Had I been present on the House floor, I would have cast my votes in the following manner:

Roll No. 162, passage of H.R. 2369, Family Planning Programs extension; "yea."

Roll No. 163, passage of H.R. 2417, Health Maintenance Organization Amendments; "yea."

Roll No. 164, passage of H.R. 2290, Orphan Drug Amendments; "yea."

Roll No. 165, Aspin amendment to DOD bill reducing fiscal year 1986 defense spending by $10 billion; "aye."

Roll No. 166, Bennett amendment to DOD bill to eliminate fiscal year 1986 MX missile procurement funding and all unobligated prior-year MX appropriations; "aye."

Roll No. 167, McCurdy amendment to DOD bill expressing the sense of Congress that deployment of MX missiles should be limited to not more than 40; "aye."

Roll No. 168, Courter amendment to DOD bill to limit deployment to 50 MX missiles in existing silos; "no."

Mr. Speaker, I ask unanimous consent that these votes be recorded in the permanent RECORD and appear according to each vote taken.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Sparrow, one of its clerks, announced that the Senate had passed without amendment a bill of the House of the following title:

H.R. 14. An act to designate the Federal Building and U.S. Courthouse in Ashland, KY, as the "Carl D. Perkins Federal Building and United States Courthouse".

The message also announced that the Senate had passed with an amendment in which the concurrence of the House is requested, a bill of the House of the following title:

H.R. 1699. An act to extend title I and part B of title II of the Energy Policy and Conservation Act, and for other purposes.

The message also announced that the Senate had passed a bill and joint resolutions of the following titles, in which the concurrence of the House is requested:

S. 1103. An act to authorize certain atmospheric and satellite programs and functions of the National Oceanic and Atmospheric Administration, and for other purposes;

S.J. Res. 24. Joint resolution to designate the month of October 1985 as "National Make-A-Wish Month"; and

S.J. Res. 136. Joint resolution to authorize and request the President to issue a proclamation designating the calendar week beginning with Sunday, April 13, 1986, as "National Garden Week".

□ 1900

NATIONAL VETERANS' HEALTH CARE AWARENESS WEEK

Mr. GARCIA. Mr. Speaker, I ask unanimous consent that the Committee on Post Office and Civil Service be discharged from further consideration of the joint resolution (H.J. Res. 216) authorizing the President to designate the third week of June 1985 as "National Veterans' Health Care Awareness Week," and ask for its immediate consideration.

The Clerk read the title of the joint resolution.

The SPEAKER pro tempore (Mr. BRUCE). Is there objection to the request of the gentleman from New York?

Mr. HANSEN. Mr. Speaker, reserving the right to object, I do not object but simply would like to inform the House that the minority has no objection to the legislation now being considered.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

The Clerk read the joint resolution, as follows:

H.J. RES. 216

Whereas veterans have played a vital role in the history of the United States;

Whereas the number of veterans over the age of 65 will double and reach 9 million by the year 2000;

Whereas by such year, over one-third of the veteran population in the United States will be over the age of 65 and approximately two out of every three elderly males in the United States will be eligible for Veterans' Administration medical care;

Whereas one hundred and seventy-two Veterans' Administration hospitals in the United States provide essential health care services to those who served in our Nation's armed forces;

Whereas the health care needs of our Nation's veterans will increase dramatically by the year 2000 and existing veterans' hospitals and nursing homes will be inadequate to meet those needs; and

Whereas given the dramatic increase in the number of persons who will be eligible for Veterans' Administration health care by the year 2000, the increased health care needs of such persons, and the inability of existing veterans' health care facilities to meet those needs, the Nation should begin to focus on ways to meet such needs: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the President is authorized and requested to issue a proclamation designating the third week of June 1985 as "National Veterans' Health Care Awareness Week" and calling upon the people of the United States to observe such week with appropriate ceremonies and activities.

AMENDMENT OFFERED BY MR. GARCIA

Mr. GARCIA. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. GARCIA: Page 2, line 4, strike out "the third week of June 1985" and insert "the fourth week of June 1985".

The SPEAKER pro tempore. The question is on the amendment offered by the gentleman from New York [Mr. GARCIA].

The amendment was agreed to.

The joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed.

TITLE AMENDMENT OFFERED BY MR. GARCIA

Mr. GARCIA. Mr. Speaker, I offer an amendment to the title.

The Clerk read as follows:

Title amendment offered by Mr. GARCIA: Amend title so as to read "Joint Resolution Authorizing the President To Designate the Fourth Week of June 1985 as 'National Veterans' Health Care Awareness Week'."

The title amendment was agreed to.

A motion to reconsider was laid on the table.

HELEN KELLER DEAF-BLIND AWARENESS WEEK

Mr. GARCIA. Mr. Speaker, I ask unanimous consent that the Committee on Post Office and Civil Service be discharged from further consideration of the Senate joint resolution (S.J. Res. 125) designating the week of June 23, 1985, through June 29, 1985, as "Helen Keller Deaf-Blind Awareness Week," and ask for its immediate consideration.

The Clerk read the title of the Senate joint resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

Mr. HANSEN. Mr. Speaker, reserving the right to object, I do not object, except I would like to inform the House that the minority has no objection to the legislation now being considered.

Mr. Speaker, under my reservation of objection, I yield to the gentleman from Michigan [Mr. BONIOR], who is the chief sponsor of House Joint Resolution 227.

Mr. BONIOR of Michigan. I thank the gentleman for yielding, and I commend him and my distinguished colleague, the gentleman from New York [Mr. GARCIA] for their leadership in this matter.

Mr. Speaker, today, with passage of House Joint Resolution 227, designating the last week of June as "Helen Keller Deaf-Blind Awareness Week," we are reaffirming our commitment to the American ideal that "all men are created equal" and that every man, woman, and child should have the right to contribute to this society. The blind and deaf cannot and should not be excepted, in spite of the many obstacles they face.

Many of the obstacles confronting blind and deaf Americans go unnoticed

by most Americans. It is, therefore, imperative that action be taken to increase public awareness. Congressional support of "Helen Keller Deaf-Blind Awareness Week" is certainly a first step toward heightening public awareness, and thus eliminating many of the obstacles facing deaf and blind Americans.

Helen Keller is but one example of what one can do, given the opportunity. This great lady has inspired us all. Her accomplishments stand as a beacon of courage for people the world over. By proclaiming the last week of June as "Helen Keller Deaf-Blind Awareness Week," we not only honor this remarkable lady on the 105th anniversary of her birth, we also pay tribute to all those valiant men, women, and children, who carry on her legacy of hope and achievement.

Mr. GILMAN. Mr. Speaker, will the gentleman yield?

Mr. HANSEN. Mr. Speaker, under my reservation of objection, I yield to the gentleman from New York [Mr. GILMAN].

Mr. GILMAN. I thank the gentleman for yielding.

Mr. Speaker, I rise in strong support of Senate Joint Resolution 125, legislation which focuses our attention upon the courage and accomplishments of deaf-blind people by proclaiming the last week of June as "Helen Keller Deaf-Blind Awareness Week." I would also like to thank the gentleman from Michigan [Mr. BONIOR] for introducing the House companion measure to this bill, House Joint Resolution 227.

I was honored last year, along with my colleague, the gentleman from New York [Mr. MRAZEK] to introduce legislation which established the first "Helen Keller Deaf-Blind Awareness Week." This year, I became an original cosponsor of House Joint Resolution 227 in order to build upon the momentum created by the activities and worthy programs inspired by the first awareness week for deaf-blind individuals.

Ever since Helen Keller defied her doctors' predictions and indeed even her own parents' expectations that she would never be able to communicate, her story of achievement has become a hallmark of encouragement for other deaf-blind persons and their families. Helen Keller not only learned to communicate, but she also demonstrated that her blindness and deafness did not limit her in any way. Through her courage and determination in a time when her disabilities were even less understood than they are now, she brought to the world an inspiration and a new perspective.

Although Helen Keller's personal story will always be remembered through her writing, the everyday struggles and accomplishments of other deaf-blind individuals are often overlooked by many of us who can see and hear. As a result, deaf-blind persons' potential contributions to our society are also often overlooked. Unfortunately, this situation causes a loss to society in valuable human resources and also serves to further the gap between the deaf-blind individual and the society he has fought so hard to learn to function in.

Senate Joint Resolution 125 attempts to resolve this unfortunate situation by reemphasizing not only the accomplishments of Helen Keller, but also by paying tribute to the many other individuals who have carried on in her fine tradition, refusing to handicap themselves by their disabilities.

I have come to know about the obstacles that deaf-blind persons frequently confront through Martin Adler, a resident of my congressional district and director of the Helen Keller National Center for Deaf-Blind Youth and Adults in Sands Point, NY. Congress established this center in 1969 in order to prepare deaf-blind people to realize their place in society. Martin Adler has shared with me the many triumphs experienced by students at the center, as well as the disappointments the students often face when society is afraid to acknowledge and let them demonstrate the worthy contribution they can make.

This is why a "Helen Keller Deaf-Blind Awareness Week" is so important. These special people are doing their part toward assuming their rightful place in society. Let us do ours by recognizing their potential and promoting it to others who do not yet understand their special abilities. The increased awareness which will result from passage of this bill will go far in expanding educational and employment opportunities to deaf-blind individuals.

Accordingly, I urge my colleagues to join me in support of this measure to honor Helen Keller on the 105th anniversary of her birth and the many men, women, and children who have demonstrated her same courage, in order to ensure that their struggles have not been in vain.

Mr. HANSEN. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

The Clerk read the Senate joint resolution, as follows:

S.J. RES. 125

Whereas Helen Keller is the most accomplished, respected, and renowned deaf-blind American in history;

Whereas the anniversary of the birth of Helen Keller occurs on June 27;

Whereas deaf-blindness is a severe disability that results in the loss of two primary senses;

Whereas forty thousand Americans, including approximately six thousand children, suffer from deaf-blindness as the result of the rubella epidemic of the late 1960's and other causes;

Whereas the nature of deaf-blindness causes the cost of education, training, and rehabilitation for deaf-blind individuals to be higher than the cost of such aid to individuals with other disabilities;

Whereas the high level of such costs cause many service agencies to be reluctant to serve deaf-blind individuals, further preventing such individuals from becoming independent and frequently resulting in their placement in custodial institutions;

Whereas national and regional deaf-blind centers serve only a portion of the deaf-blind population, leaving the remainder to receive inadequate education, training, and rehabilitation services, an inadequacy which leads to a terrible waste of human lives and resources and imposes high costs on our Nation;

Whereas it is in the national interest to prevent this waste of human resources by fostering the independence of, creating employment opportunities for, and maximizing the opportunities for achievement among, deaf-blind individuals;

Whereas these objectives can be accomplished only through increased public awareness of, and attention to, the needs, abilities, and potential contributions to society of deaf-blind individuals; and

Whereas it is highly appropriate to publicize the needs, abilities, and potential of deaf-blind individuals, and to recognize Helen Keller not only as a guiding example of courage and hope for our Nation, but also as an illustration of what deaf-blind individuals can achieve when given a chance: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the week of June 23, 1985, through June 29, 1985, is designated as "Helen Keller Deaf-Blind Awareness Week", and the President is authorized and requested to issue a proclamation calling upon the people of the United States to observe such week with appropriate ceremonies and activities.

The Senate joint resolution was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

NATIONAL P.O.W./M.I.A. RECOGNITION DAY

Mr. GARCIA. Mr. Speaker, I ask unanimous consent that the Committee on Post Office and Civil Service be discharged from further consideration of the Senate joint resolution (S.J. Res. 87) to provide for the designation of July 19, 1985, as "National P.O.W./M.I.A. Recognition Day," and ask for its immediate consideration.

The Clerk read the title of the Senate joint resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

Mr. HANSEN. Mr. Speaker, reserving the right to object, I do not object, but I would simply like to inform the House that the minority has no objection to the legislation now being considered.

Mr. Speaker, under my reservation, I yield to the gentleman from New York [Mr. SOLARZ], who is the chief sponsor of the House resolution, House Joint Resolution 205.

Mr. SOLARZ. I thank the gentleman for yielding.

Mr. Speaker, I just came in from a rather heated discussion in the cloakroom. Let me just tell you what it was all about, because I have been the victim of the most monstrous misrepresentation in the press. We have all been victimized in the press from time to time, but let me tell you that this one takes the cake.

I was on the "Nightwatch" program on CBS two nights ago, with a very good friend, Congressman ROBINSON from Arkansas, talking about the hostage crisis. Congressman ROBINSON said that we ought to bomb the airport in Beirut in retaliation for what the hijackers had done in taking the plane to the airport there. I responded by saying that I thought this was a ridiculous suggestion, that the very same logic that would lead us to bomb the airport in Beirut would also lead us to bomb the airport in Athens, where the hijacking originated, and then the airport in Tripoli, in Libya, where other hijackers have gone, and then Aden in South Yemen, where other hijackers have gone, and then Algiers in Algeria, where still other hijackers have gone, and so on and so forth. I ended up by saying if we did this we would be involved in wars with half the countries of the region.

I find out today that there are articles in the Greek press claiming that I have advocated the bombing of the airport in Athens, and I have been trying to correct this unfortunate impression.

I want to make it clear if anybody is listening—I do not see anybody up there—that I consider Greece a friend and ally of the United States, part of NATO. I think anybody, let alone a Member of the Congress of the United States, who would suggest that we bomb the airport in Athens, is acting in an unthinkable and unconscionable fashion. I never suggested it. I am unequivocally opposed to it. I said just the opposite.

My reference to Athens was designed not to call for American bombing there, but rather to ridicule the suggestion that we bomb the airport in Beirut or anywhere else.

I gather that we are here today not to exculpate the gentleman from New York but rather to call up this resolution establishing National P.O.W./M.I.A. Recognition Day. And I want to pay tribute to both gentlemen from New York [Mr. SOLOMON], now the chairman of the Task Force on P.O.W./M.I.A.'s and Mr. GILMAN, his very distinguished predecessor in that position, and also the gentleman from California [Mr. LAGOMARSINO], who has been providing real leadership on this question.

The point that I want to make is that so long as the almost 2,500 American servicemen whose fate is still unaccounted and remain missing in Vietnam, the final chapter in our tragic involvement in Indo-China cannot be written. I think this resolution will serve notice on the American people and on the leadership in Hanoi and Vientiane that this remains a high priority for the United States. It has been and remains a high priority for the Reagan administration. I pay tribute to the President and his people for the efforts they have made to determine the fate of those brave Americans who risked their lives and gave their lives on behalf of our country in Vietnam.

The resolution of the P.O.W./M.I.A. issue has also been a very high priority of the Congress. At a time when a number of people, acting, in my view, with utter irresponsibility, are suggesting that there is some kind of coverup or at worst, indifference, at best, on the part of the Congress, this resolution will make it unmistakably clear that we remain concerned with this issue, and that we will continue to be concerned about this issue, we will leave no stone unturned in our effort to determine what has happened to our men.

I say that if there is anybody here or abroad who has information that could help in the search for these men and they bring it to us, we will do everything we can to follow up on it. But it is not very helpful when people, who claim that they have information refuse to disclose it, refuse to cooperate with our committees, refuse to come before us, refuse to go before the Defense Intelligence Agency, which has the primary responsibility here, refuse to take polygraph tests so that we can get some indication of their integrity and their veracity; those things are not helpful at all to resolving the fate of these brave Americans.

□ 1910

But I urge strong support of this resolution and I commend my friends on the other side of the aisle for their leadership role on behalf of it.

I also thank my dear friend from New York for his willingness to facilitate the consideration of this resolution today. He has been strongly supportive and sympathetic as well, and I am deeply grateful to him.

Mr. HANSEN. Mr. Speaker, I yield to the gentleman from New York [Mr. SOLOMON] one of the chief cosponsors.

Mr. SOLOMON. I thank the gentleman for yielding to me.

Mr. Speaker, more than 1 million Americans have laid down their lives in order to preserve the way of life we enjoy today as free men and women. Nearly 1½ million more Americans have been wounded in battle. Every year on Memorial Day and on Veterans Day, we unite as a Nation to remember the courage, devotion, and sacrifice of these brave Americans on whose shoulders we stand.

In recent years, our attention has been drawn to another group of brave Americans, a group that may be relatively small in number but whose sacrifice and suffering on our behalf is all out of proportion to their small numbers. I am speaking of those Americans who have served as prisoners of war and those who remain as yet unaccounted for—missing in action. This resolution would set aside July 19, 1985, as "National POW/MIA Recognition Day" in honor of these people. The resolution further calls upon the President to issue a public proclamation calling on the American people to observe July 19 with appropriate activities.

Mr. Speaker, this resolution is part of what has become an ongoing, bipartisan effort to honor American prisoners of war and to call public attention to those still missing. I am grateful for the cooperation of Chairman GARCIA in expediting this resolution to the floor. And I appreciate the interest and leadership demonstrated by my colleague from New York, Mr. SOLARZ. And, of course, I am very gratified by the tremendous number of cosponsors, Members from both sides of the aisle and from all points on the political spectrum.

Because, in the final analysis, this is not a political issue—this is an American issue. And I am hopeful that by passing this resolution today we will be paying tribute to those who have borne so much as well as declaring in a firm voice that we have not forgotten those who may still be held captive—Americans being held in defiance of all international law and canons of human decency.

I cannot escape the observation that we are considering this resolution at a time when public opinion in our country has been greatly aroused. The phenomenal box-office success of recent motion pictures dealing with the rescue of American MIA's in Southeast Asia is indicative of the intense feelings and interest that the American people have on this subject. President Reagan has declared the release of American MIA's to be a matter of "the highest national priority."

I believe this resolution today represents a step we can take, as the representatives of the American people, to keep the faith with them. And let us renew our commitment to seek a full accounting of those Americans who are still missing.

And so I urge an overwhelming vote in favor of this resolution, of which I was pleased to be the first cosponsor.

Mr. HANSEN. Mr. Speaker, I yield to the gentleman from New York [Mr. GILMAN].

Mr. GILMAN. I thank the gentleman for yielding to me.

Mr. Speaker, I rise in support of the legislation, House Joint Resolution 205, which has already been approved by the other body, and which will designate July 19, 1985, as "National POW/MIA Recognition Day."

As vice chairman of our House Task Force on Our Missing in Action, I especially would like to thank our colleague from New York, the chairman of the Asian and Pacific Affairs Subcommittee [Mr. SOLARZ], and our other colleague from New York, our distinguished task force chairman [Mr. SOLOMON], for their leadership in steering this legislation to the House floor. We also thank the junior Senator from Alaska [Mr. MURKOWSKI] for his sterling sponsorship of this legislation in that body.

For the past several years, I have been honored to introduce or to cosponsor legislation which designates National POW/MIA Recognition Day. It is imperative that our Nation never forget that 2,400 of our brave Americans have not returned from Southeast Asia and remain unaccounted for and that we rededicate ourselves to a full accounting.

In this year of 1985, it is even more important that National POW/MIA Recognition Day be observed. In previous years, our enemy was apathy—the apathy of Americans who have forgotten our missing. As each year passes by, there are new generations with no awareness of our MIA issue.

This year, we are faced with a new enemy—the enemy of oversimplification. Some Americans, who are undoubtedly well-meaning and patriotic, do not understand the complexity of the issue. Fanned by sensational creations of Hollywood, they are convinced that our missing Americans are still being held captive against their will, and all that is necessary to rescue them is one or two individuals with adequate firepower.

If it were just that simple, many of us in the Congress would take to this floor, urging that it be done immediately. Unfortunately, the reality of the situation is far removed from Hollywood fantasy.

In reality, while we have received many reports of sightings of Caucasian prisoners, we have never been afforded any conclusive, unrefutable evidence that there are indeed Americans still alive and being held as prisoners in Southeast Asia. I believe I speak for a majority of our colleagues when I state that we do not intend to give up the quest until we receive conclusive proof that there are not any Americans alive, but we obviously cannot condone mercenary or nonsanctioned paramilitary action as long as the evidence remains inconclusive.

We have made more significant strides in the past year toward a resolution of the POW/MIA issue. In February, for the first time, an American team was allowed to excavate a crash site in Laos. As a result of that excavation, 15 sets of remains of American MIA's were repatriated and identified. For the first time, the Government of Vietnam has agreed to meet with Americans to discuss the problem on a technical basis, and returned several remains at that time. For the first time, the Government of Kampuchea has agreed to cooperate with the United States on the issue of missing Americans.

Thus, again this year, we are calling upon Congress to declare a National POW/MIA Recognition Day. In conjunction with this celebration we are urging our veterans' organizations, our schools, our youth groups and service organizations, and our news media throughout the Nation to remind all Americans that we must not rest until all of our missing servicemen are accounted for and returned.

This year, however, we must also educate our citizens to realize that Hollywood fantasies are just that—nothing more than fantasies—that obtaining a full accounting is a complex and heartbreaking process which cannot be accomplished in the timeframe of a 2-hour motion picture, but it is one that we are seeking to be accomplished nonetheless.

Mr. Speaker, I urge our colleagues to support and approve this measure, to let the American people know that we remain wholly committed and fully united behind our President on this most vital issue.

Mr. HANSEN. Mr. Speaker, I yield to the gentleman from California [Mr. LAGOMARSINO].

Mr. LAGOMARSINO. I thank the gentleman for yielding to me.

Mr. Speaker, I want to commend Chairman GARCIA, Chairman SOLARZ and member of the task force. The past chairman, Congressman GILMAN, and the present chairman of the task force, GERALD SOLOMON, and a member of the task force and someone who knows from firsthand experience what the issue really is here: JOHN MCCAIN of Arizona.

I really want to say how much I appreciate the comments of the chairman of the Asia and Pacific task force, Mr. SOLARZ, regarding the attention and devotion and singleminded effort, if you will, to bring this to a conclusion on the part of the President of the United States. I think this is one of the best examples of bipartisan cooperation on a committee where we do not have that many cases of bipartisan cooperation. Hopefully, this will be a pattern for reaching agreement in a bipartisan way on other matters of great importance as well.

Mr. SOLARZ. Mr. Speaker, will the gentleman yield?

Mr. LAGOMARSINO. I yield to the gentleman.

Mr. SOLARZ. It seems as if we have been able to achieve bipartisan cooperation on MIA's and Micronesia. Now, if we can extend that to Moscow and Managua, we will have broadened the base of bipartisanship in the House and then we can move on to the other letters of the alphabet as well.

I agree with the gentleman and I want to thank him very much for his comments.

□ 1920

I think particularly on this issue, all of us who have been involved on both sides of the aisle have joined hands in putting the interest of those brave Americans who fought on behalf of our country in Vietnam ahead of everything else, and there has been no consideration from the beginning on either side of any notions of partisan advantage. The one thing that has motivated all of us is to do the best we possibly can to find out what happened to these men, and if any of them should be alive, to make it possible to bring them back to our country so they can continue to lead their lives in freedom rather than in slavery.

Mr. LAGOMARSINO. I want to thank the gentleman for the statement he just made, another eloquent expression of concern about this issue.

On perhaps tommorrow, or perhaps the next time we take up the defense bill, I will be offering an amendment to give a medal to prisoners of war. I think that is something else we can do to show our concern and devotion and interest in this subject.

I think it is very important that we keep attention on this issue, but in the right way, so that no longer will the governing authorities in Vietnam be able to say, as they told Congressman GILMAN and I several years ago, "We did not know you cared," when we brought this issue up. "We did not know you cared." Well, they know now we care and I think the American people know that we care, and we are going to keep working until absolutely there is no question as to what is the fate of those some 2,500 people who are still missing in action.

So I want to again thank the two chairmen for bringing this up and the members of the task force for their great devotion and interest in this issue.

Mr. McCAIN. Mr. Speaker, will the gentleman yield?

Mr. HANSEN. I yield to the gentleman from Arizona.

Mr. McCAIN. I thank the gentleman for yielding.

Mr. Speaker, I would like to also express my deep appreciation to Chairman GARCIA, Chairman SOLARZ, Congressman GILMAN, Congressman SOLOMON, in particular for their dedication and hard work on this effort.

I would also like to associate my remarks with those of Chairman SOLARZ concerning the difficulty and the volatility of this issue because of a number of reasons, a reawakening of interest in the Vietnam veteran because of the 10-year anniversary of the Vietnam war, and movies that have recently been made, the latest being Rambo II, displaying the heroics of various movie actors as they rescue men who are still being kept captive. In fact, I think it would be safe to say that the visibility of this issue is higher than it has ever been probably since the end of the Vietnam war.

Unfortunately, there will always be individuals who will take advantage of this situation to prey on the emotions, sometimes for financial gain, sometimes for publicity reasons, on the families, and friends and concerned Americans who are deeply involved in this issue.

I share the frustration of Chairman SOLARZ and Chairman GILMAN, who recently was the subject of, I thought, an entirely unwarranted attack in what was an entirely good-faith effort on his part to help our task force get important information. There has been no one, and I think Chairman SOLARZ would agree with me, no one more dedicated to this effort than Congressman GILMAN, and yet he was subject to a couple of letters and attacks which were carried in the media which were totally unwarranted.

I also, Mr. Speaker, went back to Hanoi with Walter Cronkite in February, and the main reason I went back was to tell the Vietnamese Government officials that I met with that the American people will not let this issue rest until they fully cooperate with us in achieving a resolution. We need, of course, to account for those men who are missing, and in the belief of most of us, the Vietnamese Government has a long way to go before we feel that they are cooperating in this effort.

The question that recurs, however, in the mail and the television and the movies that we hear about from time to time is, "Is there anyone still left alive?" I think that is the major question, and one which our task force is doing everything within its power to address. I do not know, Mr. Speaker, if there is anyone left alive in Vietnam. I know there are statistics concerning those men who were shot down in Laos which indicate that there is a dramatic difference in the numbers who were captured versus planes shot down in Laos versus planes shot down and men captured flying over North Vietnam at that time.

I know there is reason to wonder about this, and I am convinced that if we can ever establish hard evidence that there are men alive and where they are, the members of this task force will be the first ones to go and lead the attempt, at risk of their own lives because of their deep involvement in this issue, in order to see that they are rescued.

So I think it is important that Chairman GARCIA has done. I think it is important that we keep this issue alive. What Chairman GARCIA has orchestrated here will be very important in letting the American people know that this Congress and this administration has not forgotten this issue. But in addition to this, we must do everything in our power to reassure the American people that if we can get hard evidence of someone alive, the administration and Congress and every man and woman in this country will make every effort to orchestrate their rescue, and since the words of retaliation continue to be sounded around this country over the hostage crisis. I think we would even retaliate against the Vietnamese for such barbarism of keeping men prisoner for all these years.

I would like to address one more issue, if I could, to my colleagues.

There has been a proposal of a Perot Commission by one of our colleagues, who has recommended a well known, I guess you would call him, entrepreneur. Ross Perot has been recommended by one of our colleagues to head a commission to ascertain again this issue of MIA-POW's. I think that before we take such a step that we would have to establish very strict guidelines. There would have to be a very clear charter. There would have to be agreement of many of us here, as well as the organizations who are involved in this effort before this is agreed upon.

I do, however, think that if there is a possibility that a so-called Perot Commission could do some good, something that we have not been able to accomplish, we ought to consider it, but at the same time I would remind my colleagues that we have had two previous commissions, and the findings of neither one have satisfied the concerns of many Americans.

Mr. SOLARZ. Mr. Speaker, will the gentleman yield?

Mr. HANSEN. I yield to the gentleman from New York.

Mr. SOLARZ. I thank the gentleman for yielding.

Mr. Speaker, I think we have an obligation to consider any suggestion and every proposal which is made in connection with this effort to determine the fate of our servicemen who are still missing in Indochina. I can only tell the gentleman that we are having another hearing next week which will be conducted under the auspices of the Subcommittee on Asian and Pacific Affairs on the issue of our POW's and MIA's. Former Gen. Eugene Tighe, who was the Director of the Defense Intelligence Agency, and who has recently had some very interesting and potentially important statements to make on national television concerning the possibility that American servicemen are still being held against their will in Indochina, will be testifying. We will have a full panoply of witnesses from the administration and we will, of course, ask them for their views on this recommendation.

But I would be remiss if I did not say at the present time that I am far from persuaded of the need for such a commission, let alone its desirability. As the gentleman pointed out, there have been a number of previous commissions.

In addition to that, I think the Subcommittee on Asian and Pacific Affairs and the task force on POW's and MIA's have been faithfully and fully carrying out their mandate in this regard. Over the last several years, we have had quite a few hearings, both in public session and in executive session. We have vigorously pursued in private any and all leads that have been presented to us. I must say that while there will always be people who claim that not enough is being done, that as someone who has looked very diligently into this over the last several years, my continuing impression is that the administration and the Congress are, in fact, doing everything that can reasonably be expected.

If somebody can come tomorrow and present persuasive evidence to us that not enough is being done, that there is some kind of a coverup, then of course I can only tell you that I would be in the forefront of those, as I think, everybody else on this floor would be, exposing the coverup and insisting that more be done, because that is the obligation we owe to our people.

□ 1930

But we also owe a responsibility to the truth. We have a responsibility to the families of the men involved, and simply because somebody comes in with wild accusations, as the gentleman says, perhaps for the purpose of profiteering from the misery of the families or perhaps because they like publicity, I think we have an obligation not to capitulate in these recommendation just so we can say to others that we are doing whatever we are asked to do.

We have to act responsibly, and I think that requires us to do everything we can to find out the truth, but to reject frivolous and counterproductive suggestions for dealing with the problem, which are not likely to advance the cause, but which are likely to set it back.

We now, for example, have the spectacle of someone who betrayed his nation, somebody who worked for the enemy, somebody who deserted the institution which he was pledged to support, coming before us and making all sorts of allegations which may be true, and because they may be true, we are in fact pursuing them. But here is this person who has been convicted of aiding the enemy, he refuses to take polygraph tests, he refuses to cooperate with the Defense Intelligence Agency, he only came forward with this alleged information years after he returned to the United States when, for all he knew, the men whom he now cliams he saw when he was over there had been tortured or executed or God knows what, and suddenly he surfaces with the information. Now, I have got to say that under such circumstances, this gentleman's credibility is not very high.

Nevertheless, by virtue of the fact that the allegations were made, we are going to pursue it because, I think, we owe that to the families, and if what he is saying is true, we certainly owe it to the men. But it does not obligate us to accept every suggestion that is made because, unfortunately, not every suggestion is productive; some are counterproductive.

I am proud of what we have done. I am proud of what the gentleman from New York [Mr. GILMAN] has done. I am proud of what the gentleman from New York [Mr. SOLOMON] is doing right now as chairman of the task force. They are devoting enormous amounts of effort and energy to run down every hint, suggestion, and every allegation which is made, even when they strongly suspect there is no merit to it, because they have an obligation to their consciences, they have an obligation to the families, and they have an obligation to the men involved to leave no stone unturned. And when that kind of faithful devotion, that kind of a sense of national responsibility, is treated with contempt and met with criticism because they did not agree with each and every suggestion that was made, I frankly think it is utterly unacceptable.

So, Mr. Speaker, I stand with those Members on both sides of the aisle who have been working on this issue and will continue to work on this issue because of their commitment to the cause, and I categorically reject these baseless and irresponsible accusations.

Insofar as this particular suggestion is concerned, I can assure the Members that we will give it thoughtful consideration. We will ask the views of those who are most intimately involved in the administration and in the League of Families, which represents, I believe, the best interests of those who are immediately involved, and then together we will reach a common judgment. And I suspect when that judgment is made, it will not be made on the basis of a divided vote; I am convinced it will be unanimous because if establishing such a commission is in the interest of our men and their memory and their families, then all of us will be for it. And if it is counterproductive, I do not think there is a single Member who would be willing to curry favor or gain publicity by advocating something which is not in the best interest of the cause which we are all here to serve.

Mr. McCAIN. Mr. Speaker, if the gentleman will yield further, I would like to express my support of the gentleman's remarks as strongly as possible. I would also like to add just a bit concerning the individual the gentleman described who came before our task force and, as the gentleman mentioned, refused to take a polygraph test. And the thing that exacerbates and exaggerates our problem is that he received almost a credible acceptance or was certainly given a great deal of credence in a story in the Wall Street Journal which, when read by very intelligent colleagues of ours, made people come up to us and say, "Hey, there must be something to this." It is very unfortunate, and it complicates our work.

Before relinquishing the floor, I would like to express my sincere appreciation to the subcommittee chairman, the gentleman from New York [Mr. GARCIA]. I believe by this observance we are not only reinforcing the commitment that we all have to those who are still missing in action, but we are also at the same time providing a useful opportunity to make the American people again aware that there are dedicated men and women in this Congress, such as the subcommittee chairman, the gentleman from New York [Mr. SOLARZ], and in this administration who have devoted untold hours in trying to get to the bottom of this issue. There is no coverup, and I would be more than happy to spend time with anyone who alleges that there is so that I can prove them wrong.

Mr. SOLARZ. Mr. Speaker, will the gentleman yield further?

Mr. HANSEN. I yield to the gentleman from New York.

Mr. SOLARZ. Mr. Speaker, I thank the gentleman for yielding.

I just want to state an important point for the purposes of the RECORD, because this now obviously will be read by a lot of people and I can see how some individuals might have some questions about this. With respect to the request we made of the individual who came to us with these allegations about the existence of American POW's that he claims are still being held captive in Vietnam, when we suggested a polygraph test, we also indicated that we were fully prepared to work with his attorneys in developing the questions in order to limit the questions purely to what he saw and to avoid questions which could conceivably create additional legal liabilities, or culpabilities, or responsibilities for the gentleman who would have been testifying. In other words, we were not trying to entrap the fellow into saying something that could get him involved with additional accusations by the Government. We were simply trying to determine the veracity of his allegations concerning these POW's, and I must say that under such circumstances, given our offer, his refusal to take the polygraph test does not enhance his credibility with the members of our committee.

Mr. McCAIN. And, Mr. Speaker, I would like to point out that following that meeting which I attended, one of the most decent Member of this body, the gentleman from New York [Mr. GILMAN], was attacked and accused of being involved in some way in obstructing this information from getting to the American people. So it was not only a case where we had great difficulty finding out any accurate information but, on top of that, we had an attack made on one of our dearest friends.

I am sorry and I want to apologize to the subcommittee chairman for taking so much time, and again I want to thank him. I want to say in closing that indeed the American people can know with surety and with confidence that every effort is being made by the Members of this body and the administration, and I appreciate what the subcommittee chairman, the gentleman from New York [Mr. GARCIA], is going to make sure the people know that.

Mr. GARCIA. Mr. Speaker, will the gentleman yield?

Mr. HANSEN. I yield to the gentleman from New York.

Mr. GARCIA. Mr. Speaker, we always at this time say that the hour is late and the House is going to finish its business, but in the 7 or 8 years that I have chaired this subcommittee I must say that I am extremely proud of the fact that this has probably been one of the healthiest discussions we have ever had on a commemorative resolution. I think that is a credit to all the participants.

But let me say to my colleague, the gentleman from Utah, that references were made to me, thanking me, and I just want to make it very clear that this subcommittee does not function unless both parts function together. My colleague, the gentleman from Utah [Mr. HANSEN], has always been very much a part of this subcommittee, and I just want to make it clear to everybody that whatever we have done we have done in a truly bipartisan nature. We have acted here as we have done in most resolutions.

So based on that, I just wanted to get that in the RECORD and get back to the gentleman so he can say that he no longer reserves his right to object. This is probably one of the longest reservations of objections I have ever had since I have been in Congress.

Mr. HANSEN. Mr. Speaker, I appreciate the kind remarks of the gentleman from New York [Mr. GARCIA].

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

The Clerk read the Senate joint resolution, as follows:

S.J. RES. 87

Whereas the United States has fought in many wars;

Whereas thousands of American prisoners of war were subjected to brutal and inhuman treatment by their enemy captors in violation of international codes and customs for the treatment of prisoners of war and many such prisoners of war died from such treatment;

Whereas many Americans missing in action remain unaccounted for and the uncertainty surrounding their fate has caused their families to suffer acute hardship; and

Whereas the sacrifices of American prisoners of war and Americans missing in action and their families are deserving of national recognition: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the nineteenth day of July 1985 shall be designated as "National P.O.W./M.I.A. Recognition Day" and the President of the United States is authorized and requested to issue a proclamation calling upon the people of the United States to commemorate such day with appropriate activities.

The Senate joint resolution was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. GARCIA. Mr. Speaker, in view of the fact that this has been such an important issue, I ask unanimous consent that on Senate Joint Resolution 87, as well as on the other joint resolutions passed today, all Members may have 5 legislative days in which to revise and extend their remarks.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

LEAVE UNFPA TO DO ITS JOB

(Mr. SCHEUER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SCHEUER. Mr. Speaker, as we approach the day when we will take up the foreign aid programs, with the highly important provisions for family planning aid to developing world nations, I think we ought to take note of the ongoing controversy in the Washington Post between our colleague, JACK KEMP, and the editorial board of the Post.

Our colleague advocates that we cut funding from UNFPA if they continue to assist the China Family Planning Program with its reported element of coercive abortion. Mr. Speaker, I suggest that we are straining at a gnat. We are going mouse hunting with an elephant rifle.

The UNFPA, in addition to giving a paltry $10 million a year to Communist China, less than 1 percent of China's $1 billion-plus Family Planning Program, aids 115 other nations around the world. The agency aids those countries in sub-Saharan Africa whose infants and children we have seen dying on the television screen because they have not yet achieved anything like equilibrium between people and food.

Would it not be better, Mr. Speaker, if we applied our ingenuity and our influence with the Chinese directly. Would it not be better if our President communicated with Deng Xiaoping, China's Chief of State. Wouldn't it be better if our State Department communicated with the Chinese Foreign Office to induce them to ameliorate the truly offensive practices, the brutality, and the undue coerciveness of their programs, which reportedly does result on occasion in forced sterilization and infanticide.

The United States-Sino scientific exchange is the largest scientific exchange program in the world, involving tens of millions of dollars. This is where we have leverage with the Chinese. We should leave UNFPA to do its job and the United States should deal directly with the Chinese.

I urge JACK KEMP, one of our most distinguished and honored Members, to use his prestige and influence with this administration in urging the President to communicate with the Chinese Government to discuss the reports of offensive activities by the Chinese in their family planning programs.

The U.S. contribution to UNFPA amounts to 30 percent of the agency's budget. The elimination of this crucial funding would jeopardize UNFPA family planning programs in countries across the globe where misery and suffering already are all too familiar.

U.S. funds for UNFPA are segregated from any of the agency's funding for Chinese family planning programs. In addition, a good part of UNFPA's minimal funding for China over the next 5 years is allocated to help the Chinese build a modern facility to manufacture quality contraceptives.

It is estimated that the UNFPA Family Planning Program will prevent some 100,000 abortions a year in China when the new contraceptives are available. Currently, 30 percent of the abortions in China take place after unwanted pregnancies result from contraceptive failures.

Mr. Speaker, neither I nor any other Member of this House advocate coerced abortion or infanticide. Indeed, we are horrified and appalled by the existence of these utterly unwanted byproducts of China's Family Planning Program. But the elimination of U.S. funding for UNFPA will sentence millions of people living in other developing countries to lives of poverty, starvation, and death.

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The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio [Mr. PEASE] is recognized for 5 minutes.

[Mr. PEASE addressed the House. His remarks will appear hereafter in the Extensions of Remarks.]

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Washington [Mr. FOLEY] is recognized for 5 minutes.

[Mr. FOLEY addressed the House. His remarks will appear hereafter in the Extensions of Remarks.]

1985 FARM ACT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas [Mr. DE LA GARZA] is recognized for 5 minutes.

● Mr. DE LA GARZA. Mr. Speaker, as all our colleagues know, the Committee on Agriculture is currently working on a new farm bill which we intend to bring to the House floor later this summer. The issues we are considering in committee, and which the House will have to deal with later on the floor, are difficult and complex. To put the situation briefly, we are faced with the need to deal with an agricultural industry which is in an economic crisis—and we must deal with this problem at a time when the budget deficit puts tight limits on the resources we can use to assist farmers.

In this situation, I think it would be valuable for Members of the House—especially those who do not represent agricultural areas—to review a background paper which was prepared by economists and other specialists at the University of Missouri in Columbia, MO. The material I am providing at this time is not a proposal for specific new farm programs. It is, instead, an attempt to describe the kinds of problems we face and the nature of the issues we must discuss.

The material which follows is taken from the publication titled "Policy Issues in Missouri Agriculture, 1985—Brief Statements Designed to Provide Background and Encourage Discus-

sion." It was prepared by the Department of Agricultural Economics and the Department of Rural Sociology of the University of Missouri-Columbia in May of this year.

I should emphasize that I do not personally agree with every part of the analysis of issues included in this document. For example, the document states that "voluntary acreage controls are not very effective and are very expensive" but does not tell us that it may be possible to improve the efficiency and reduce the cost of control programs. But as the title of the paper emphasizes, these materials are intended to provide the basis for discussion. It is on that basis that I offer the following excerpt for my colleagues' study.

1985 FARM ACT

SITUATION

1985 is the year for new farm legislation. The last major legislation was in 1981. The new legislation could be for something other than the common four years. Some people believe a three or five year term would be preferable because it would mean that the next round after 1985 would not take place in the first year of a presidential term. The argument is that a new administration needs more time and experience to prepare a legislative proposal.

The preparation for legislation has been unusual in that many groups once thought peripheral in their concern for agricultural price and income policy are now in the thick of debate and lobbying. Their interests have widened the issues about which farm policy is now concerned. Food policy, especially food stamps, and conservation policy have gained in importance vis-a-vis farm commodity price and farm income policy.

The debate takes place in a time of unprecedented federal budget deficits thus making the competition for any needed funds even more spirited.

The debate takes place for an agriculture no longer geared primarily for provision of domestic consumption. Agriculture has developed a productive capacity far beyond what can be accommodated by domestic use alone. That means that general economic conditions and institutional arrangements both here and abroad, items hardly at the center of traditional farm policy concerns, are of great importance to agriculture.

Not since the 1930s has farm legislation been developed for an agriculture so precariously structured financially. If nothing else this should remind us that any new legislation should be broad enough and flexible enough to allow it to be used in widely divergent agricultural situations. We cannot depend on the boom years of the mid and late 1970s being normal. Nor can we even depend on the future as a straight line projection of 1985.

ISSUES

Role of Government—What is the responsibility of government? This will be debated especially about how or whether to help in the present farm financial situation. The answer will be influenced by how we respond to this query: How much of our present crisis is due to governments' anti-inflation policies? Then in more general terms will be debated how government farm policies can best facilitate export of agricultural output. Considerable of this debate will center on how the price and income supports can best be integrated with efforts to expand exports.

Distribution of Benefits—Still unsettled is who should get the benefits and the extent to which some programs should be targeted on particular types of farmers. Should program benefits be targeted more to the small to modrate family farms? This question especially applies to direct payments made as supplements to income. To be effective, payments for production control must go to major producers and some of these may be very large.

Production Controls—Methods of reducing the size of our agricultural output will be debated. Voluntary controls are not very effective and are very expensive. Mandatory contols are not popular but they are less expensive to government. The issue of whether to go to sales quotas as opposed acreage allotments will be debated. Which should be the approach? How much should production be cut? How should we respond to the reality that production controls here help our competitors as much as they help us while we bear all the costs.

Conservation Cross Compliance—What should be the linkage between acreage control-price support programs and soil conservation? Proposals for cross compliance will be offered. Under such an approach program benefits would be withheld if some specified soil conservation standards were not upheld. One way this may emerge is in a "sod buster" provision by which some or all program benefits would be held hostage to not converting fragile lands from grass to grain. The issues will center on how tough to be.

Economic Setting—Perhaps the most important issues will not be in the 1985 bill. They relate to how agriculture is to facilitate its being able to operate in a setting in which it can sell its output under advantageous terms. How do we get at these issues when they center not in USDA, but Commerce, State and Defense and even beyond the power of our government? How does agriculture learn to operate in a world in which many of the important decisions are beyond our domestic, let alone USDA, control? We will be struggling for answers but we will discover them hard to find. Less than ever before agricultural issues will not be settled "in house" and no government policy can make this not so.●

PERSONAL EXPLANATION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Massachusetts [Mr. BOLAND] is recognized for 5 minutes.

● Mr. BOLAND. Mr. Speaker, yesterday during the vote on rollcall No. 166 I was unavoidably detained in another part of the Capitol. Had I been present, I would have voted "yes."●

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois [Mr. ANNUNZIO] is recognized for 5 minutes.

[Mr. ANNUNZIO addressed the House. His remarks will appear hereafter in the Extensions of Remarks.]

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Connecticut [Mrs. KENNELLY] is recognized for 5 minutes.

[Mrs. KENNELLY addressed the House. Her remarks will appear hereafter in the Extensions of Remarks.]

PERSONAL EXPLANATION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York [Mr. RANGEL] is recognized for 5 minutes.

● Mr. RANGEL. Mr. Speaker, I was absent from House votes on June 18, 1985 due to minor surgery.

Had I been present, I would have voted "yea" on rollcall No. 165, to reduce Defense spending by $10 billion; "yea" on rollcall No. 166, to delete fiscal year 1986 funding for the MX; "yea" on rollcall No. 167, to limit MX deployment to a total of 40; and "nay" on rollcall No. 168, to permit 50 MX missiles.●

NATIONAL HOME CARE WEEK

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Mr. PANETTA] is recognized for 5 minutes.

● Mr. PANETTA. Mr. Speaker, I am today introducing a resolution to designate the week beginning December 1, 1985, as National Home Care Week. I am pleased that Representatives CLAUDE PEPPER and MATTHEW RINALDO have joined me in sponsoring this resolution. Congress has approved similar resolutions in the past to recognize the services of home care programs and personnel, and I look forward to congressional passage once again.

As you all know, the operation and services provided by the thousands of home care agencies are an integral part of our Nation's health care delivery system. The concept of care made available through these operations recognize the individual needs of each patient and provides a valuable and respected alternative to institutionalization. For many patients in need of health care treatment, institutional care may be warranted. However, for that segment of the patient population which can be properly cared for outside the hospital or nursing home setting, effective alternatives must be offered. Home care agencies have proven very helpful and effective in responding to this need.

Mr. Speaker, one of the most critical issues which face our Nation today centers around our health care system. The growth in the size of the elderly population is placing greater demands on the current system and encourages the development of a long-term system to care for the elderly. In an effort to ensure adequate care for the elderly population, which is expected to total more than 30 million by the year 2000, home care agencies have helped many of the elderly to remain at home and in their communi-

ties. This offers a greater sense of independence for the patient and can be just as benefical as any medical treatment. For this, home care agencies and the persons employed in this industry are to be commended.

The resolution I am introducing today is a very appropriate way to recognize the benefits of home care and bring greater attention to the value of this type of care. I urge my colleagues to join with me in support of this resolution. Following is the text of this resolution and a copy of a letter I received from the National Association of Home Care endorsing this resolution:

H.J. RES. 320

Joint resolution to designate the week beginning on December 1, 1985, as "National Home Health Care Week"

Whereas organized home health care service to the elderly and disabled have existed in this country since the last quarter of the eighteenth century;

Whereas home health care is recognized as an effective and economical alternative to unnecessary institutionalization;

Whereas caring for the ill and disabled in their homes places emphasis on the dignity and independence of the individual receiving these services;

Whereas since the enactment of the medicare program including skilled nursing services, physical therapy, speech therapy, social services, occupational therapy, and home health aide services, the number of home health agencies providing these services has increased from less than five hundred to more than three thousand; and

Whereas many private and charitable organizations provide these and similar services to millions of patients each year preventing, postponing, and limiting the need for institutionalization: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the week beginning on December 1, 1985, hereby is designated as "national Home Health Care Week", and the President is authorized and requested to issue a proclamation calling upon the people of the United States to observe such week with appropriate ceremonies and activities.

JUNE 7, 1985.

Hon. LEON PANETTA,
Washington, DC.

DEAR CONGRESSMAN PANETTA: On behalf of the 3,000 members of the National Association for Home Care, I would like to express my sincere gratitude for your continued support for home health care. Once again you have demonstrated your interest in making home care a more viable health care option by introducing a resolution to designate the week after Thanksgiving as National Home Care Week.

Clearly the elderly of this nation prefer to remain in their own homes whenever possible. National Home Care Week has been extremely helpful in raising public awareness of the availability and appropriate use of home care services.

This will be the fifth year that a week has been devoted to home care and we warmly endorse this effort. Please know we stand ready to assist you in any way possible, and look forward to the passage of this resolution.

With warm personal regards, I remain
Sincerely,

VAL J. HALAMANDARIS,
President.●

AMERICA'S LIBRARIES IN CRISIS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Michigan [Mr. FORD] is recognized for 5 minutes.

● Mr. FORD of Michigan. Mr. Speaker, on April 18, 1985, I introduced legislation calling for a White House Conference on Library and Information Services (H.J. Res. 244). Because events of the last few months have demonstrated that the need for such a conference is urgent, I would like to take this opportunity to state the case for this legislation. In brief, library service, as we have come to know it in America, is gravely endangered. The ominous cloud above the library is not a spectacular one causing massive public outcry; instead, it is barely visible, gathering momentum almost undetected by the public at large. If not soon recognized, understood, and remedied, the problems besetting the Nation's libraries will cause irreparable harm before many people realize what has happened.

This administration's repeated efforts to eliminate Federal funding for library programs have been widely reported in the media and understood by the general public. We have all heard from our constituents that Federal support for library programs is in the public interest, and we have continued to authorize and appropriate funds for elementary and secondary school libraries, academic, and public libraries. (Although Federal funds for school libraries have been consolidated in a block grant, I, for one, intend to monitor the effects of the block grant approach on school library service.)

The threat of curtailed Federal funding for school, academic, and public library programs is not the only danger confronting libraries; indeed, if it were, a White House Conference would not be so urgent. The White House Conference is needed to enable the American public to examine the impact on libraries of many Government policies including some which are seemingly tangential to libraries but which in fact may jeopardize American libraries to the core.

For example, as chairman of the House Post Office and Civil Service Committee, I have had an opportunity to learn firsthand how postal policies can affect library service. The mailing of newspapers, magazines, books, and classroom publications has been subsidized for many years through the setting of postal rates. The primary purpose of the subsidy has been to promote the dissemination of information throughout the Nation by means of the postal system—a tradition that dates back to the 18th century. Since 1904, postal policy has allowed the mailing of library materials to the blind and physically handicapped at no cost, again using the postal system to promote the dissemination of information to those without access. Historically, the Federal Government, from general tax revenues, has helped certain people pay their postal bills, not as a special favor to them, but in futherance of the national good. Low rates for small newspapers facilitate the flow of necessary information to all parts of the country, especially rural areas. Subsidized rates for schools, libraries, and suppliers of classroom materials help advance the education of our young people. And low rates for mailings by charitable organizations may make some small contribution toward helping the truly needy.

This year, however, the President proposed that no money be appropriated to continue such traditionally preferred postal rates. While libraries are not the chief beneficiary of postal subsidies, library service to the public is severely impacted by the proposed termination, because library postage bills would increase dramatically. Neither the libraries themselves, usually on fixed annual or 2-year budgets, nor their users, especially the elderly, the handicapped, and those in rural or isolated locations who depend on library books-by-mail services, can absorb the massive postal increases. It is a truism that every extra dollar libraries must spend on postage is a dollar less for purchase of library resources and provision of services. Equally obvious is the fact that if libraries are forced to pass on increased costs to their users, libraries will begin to serve only those who can afford to pay for the service.

Thus the relationship between postal policy and library service is of crucial importance. In fact, the setting of postal policy can alter drastically the role of the library in our society. The library of today—a publicly supported institution providing a public service to all—could become an institution charging fees for its services, thus limiting its clientele to the affluent.

Another example of Federal policy promulgation with serious impact on libraries is embodied in the recent Office of Management and Budget draft circular purporting to provide a general policy framework for management of Federal information resources. (Management of Federal Information Resources, Draft OMB Circular, 50 FR 10734 (March 15, 1985).) The guidelines set forth in this circular, if implemented, would sharply reduce the Government's collection of information and its dissemination to the public, while escalating the so-called privatization of Government information. I have reviewed a statement on this subject by Francis J.

Buckley, Jr., of the Detroit Public Library, who cites several instances of the relationship between such privatization and curtailed public access to Government information.

For example, the Merit Systems Protection Board (MSPB) announced in the March 4, 1985, Federal Register that it will no longer publish the full text of its decisions in bound volumes, referring users to four private sector sources instead. The volumes in the past have been provided at no charge to 472 depository libraries across the country, including 37 Federal libraries. In addition, copies were available for purchase through the Government Printing Office at a cost of approximately $55 per year. The private publishers cited offer the decisions in various formats (bound volumes, loose-leaf services, and microfiche), not all of which include complete texts, at prices ranging from $250 to $498 per year. Few depository libraries or citizens will be able to subscribe to the MSPB decisions at these prices. Thus, discontinuation of Government publication removes the item from the Depository Library Program, the Government Printing Office sales program, and inhibits public access to the information involved.

The president of the American Library Association, E.J. Josey, of the New York State Library, has stated the issue succinctly:

> Nobody would deny the utility of many of these services provided by the private sector, but [they] are not available to all of the American people; their purpose is to yield a profit, and they are designed only for those who can pay for them. Nor do they have any obligation to provide access to all or any information; only that information which suppliers deem profitable or potentially so. Only the preservation of public services, publicly supported, can assure that each individual has equal and ready access to information, whether provision of that information to that individual is economic (i.e., profitable in private sector terms) or not.

The purpose of House Joint Resolution 244 calling for a White House Conference on Library and Information Services in 1989 is simple: To build public awareness of the precarious state of American library service today and to facilitate informed, grassroots, policymaking concerning the future of all types of libraries. Postal policies, Federal information guidelines, Federal funding for libraries, the future of the library as a publicly funded institution providing public service to all—these are vitally important issues affecting all Americans.

And there are other issues affecting libraries that I could mention—the contracting out of Federal libraries as commercial activities, and the increase in library telecommunications costs as a result of access and divestiture related tariffs, for instance. They are not isolated subjects but interrelated issues. Grassroots involvement of the American public, made possible through the White House Conference format, is urgently needed to examine, to protect, and to nurture the many types of libraries throughout the Nation, which together in all their diversity comprise the impressive collections and array of services that make American libraries a national treasure, a storehouse of information freely accessible to all, and the envy of freedom-loving peoples throughout the world.

For this reason, I have sponsored House Joint Resolution 244 calling for a White House Conference on Library and Information Services, and I invite my colleagues to join me in cosponsoring this legislation.●

STRATEGIC DEFENSE INITIATIVES—STAR WARS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New Jersey [Mr. COURTER] is recognized for 60 minutes.

Mr. COURTER. Mr. Speaker, I have asked for this special order because probably sometime tomorrow or the next day on Friday, but hopefully tomorrow, we will be getting into that section of the Department of Defense authorization bill that deals with the areas of research and development and there are going to be a number of amendments that will be offered and proffered on strategic defense initiatives; that is what is commonly known as either star shield or star wars, depending I suppose on your point of view. Knowing how those debates go, I will be given probably 5 mintues to articulate my amendment and perhaps additional time will be given to me by unanimous consent; but nevertheless, there will be a great deal of activity on the floor and I do not think that I will be given the opportunity to go through the logic and the reasons why I feel as a Member of Congress that moving toward defensive systems is so very important for this country; so therefore I have taken out this special order in order to have a period of time to go through the material in such a way that people will understand the whole complex issue.

First of all, I think it is important to remember and recognize that today in the United States and certainly during the past 30 years in the United States and in the Soviet Union, the two major powers that have offensive strategic arsenals, we have lived with an idea, a concept, a philosophy, a doctrine that is called mutually assured destruction and that has been the driving force behind modernization of the offensive weapons of the Soviet Union and the offensive weapons of the United States.

The doctrine of mutually assured destruction, I would say aptly named MAD by many people, is very simple to understand, but very complex in the way it is worked out. Basically what the doctrine of mutually assured destruction is, is that if both the Soviet Union and the United States civilian populations are vulnerable, unprotected, undefended by a strike by the other side, an offensive strike by the other side, and if the United States, for example, was thinking about sending offensive missiles toward the Soviet Union, we would be deterred from doing so, because the Soviet response would annihilate America and the Soviet Union would be deterred from starting world war III because they do not have defensive weapons that that would be greeted by a response by the United States against the Soviet Union which would end the Soviet Union's experiment as a civilization. Both sides would have strategic offensive weapons that were not vulnerable, that were secure and populations and cities and soft tragets, if you will, that were vulnerable. If both sides knew that an offensive attack by one side would be greeted by a retaliatory blow, that would be all out of proportion to the first attack, then both sides would be deterred from starting any type of a nuclear war. This basically is the doctrine of mutually assured destruction.

I find fault with the doctrine of mutually assured destruction for a number of reasons that I would like to spend just a couple minutes going over.

First of all, I frankly have moral problems with the threat of annihilating civilians as a way to keep the peace. The President of the United States indicated in fact about 2 years ago, he raised the question and the question was, "Wouldn't it be better if we could defend people, rather than threatening human life? Wouldn't it be better if we had a system that protected human life, rather than threatening human life?"

I know that the bishops in their pastoral letter, I believe it was, were trying to morally justify the doctrine of mutually assured destruction, a doctrine whereby we would threaten to annihilate and kill Soviet civilians if they attempted a war on us, and they somehow came out with a bare moral justification, but it has a very large caveat, and the caveat was, "It's OK to threaten it, but it should never be fulfilled."

Well, very frankly, the threat of mu-

tually assured destruction will only work if the threat is credible and believable and both countries actually intend to carry out that threat.

I have problems with the concept of mutually assured destruction. I think there is a better way.

Also, this doctrine of mutually assured destruction is based on a type of twisted logic, as far as I am concerned. Basically, boiled down to very simple terms, it says that there is safety in vulnerability and that it is dangerous to protect yourself. I do not think it is necessarily dangerous to protect yourself.

This doctrine is based on a number of assumptions that are critical assumptions. I say critical because they are assumptions that have to be fulfilled. They cannot fail.

The first assumption is the fact that nations under the doctrine of mutually assured destruction must act rationally.

□ 1950

A doctrine of mutually assured destruction is based on rational actions by nations. But I would suggest that a reading of history would reveal that not all nations act rationally under all circumstances. And if your deterrent, if your concept and thesis to keep war away is based on an assumption that now and forever all nations will act rationally, I challenge it. I challenge it as an assumption that may not be fulfilled because I look at history.

You can look at the Gulag, you can look at World War II, you can look at the Holocaust, you can look at the downing of the Korean Flight 007, you can look at the irrational acts of some states like Libya, some individuals like Muammar Qadhafi, some states like Syria, some events like the very recent hostage situation in Lebanon with the TWA airline.

What I am suggesting is the fact that sometimes nations, sometimes groups do not act rationally. And if they do not, under the doctrine of mutually assured destruction, they in fact will not be deterred.

Second, it assumes that from now into the next 1,000 years the only significant countries that will have massive amounts of nuclear weapons are the Soviet Union and the United States. Hopefully the Soviet Union will indeed act rationally, they will be deterred. They know that an offensive attack against the United States could be greeted by an attack on the Soviet homeland, and they would be deterred.

But will all nations be deterred in future years? If a terrorist organization took over a nation and they had the capability of launching one or two or three intercontinental ballistic missiles at the United States, and if they were not motivated by rational acts but irrational ones, might they not do so? Would they necessarily be deterred by the destruction of themselves?

I would suggest not because there are plenty of people in this world, regrettably, who will actually perform an act of terrorism knowing that in the process they will be destroyed.

It also assumes, the doctrine that we have today of mutually assured destruction, that there will be no mistakes, no mistakes will ever occur. There will never be a launching of an ICBM someplace deep in the Atlantic or the Pacific Ocean by mistake. There is never going to be a computer failure that would lead a leader to believe that he is under attack, no mistake would ever occur.

The doctrine of threatening to retaliate assumes that mistakes simply will not happen, assumes that a warhead cannot be detonated and an ICBM launched by technical or programmatic error or assumes computer programs will work perfectly from now for the next 1,000 years. I suggest that is a big leap of faith and I would suggest it probably is not going to happen.

Finally, the doctrine that we have embraced, which really has embraced the United States and the Soviet Union assumes that it will never fail because if it breaks down by irrational act, by miscalculation, misunderstanding, mistake, or the activity of an irrational group of people who cannot possibly be deterred by their destruction of themselves because they are willing to die for whatever cause they seek, then result is the destruction of much of the world. Therefore, the doctrine assumes that it is perfect.

The imperfectability or the imperfect man creating the perfect doctrine.

I would suggest that it may fail and the result obviously is too horrible even to suggest.

That leaves me not only to bring up the issue of the flaws in the nuclear doctrine today but to ask the question: Is there another way? I suggest that there is another way. At least we should do the research to determine whether there is another way.

Can we extract ourselves from the policy that we have adopted that assumes that no irrational acts will ever take place, no mistakes will ever occur, no terrorist activity will take place with intercontinental ballistic missiles, and that it will never fail?

Before I talk about the response, the alternative, a positive suggestion as to what we may do to extract ourselves from this situation, I would like to talk for a moment about the Antiballistic Missile Treaty commonly called the ABM Treaty. The idea, I know that the ABM Treaty, when passed in the Senate I believe in 1972, perhaps negotiated in 1972 and passed in 1973, I am not sure of the date, passed overwhelmingly. I think there was one dissenting vote in the U.S. Senate, perhaps two.

The ABM Treaty was logical. What it assumed was that with the technology of that day there was no way of intercepting an intercontinental ballistic missile because they came too fast. Both the Soviet Union and the United States perhaps could defend themselves against the air threat, against slow-moving bombers. They could have surface-to-air missiles, extensive radars, massive numbers of interceptor aircraft. But there was nothing you could do to defend yourself against an offensive attack by utilizing very fast-moving missiles.

So the negotiators in the Senate concluded that the best thing we can do is to make sure that the homelands of both countries remain vulnerable, because we really cannot do anything about it anyway, and if our homelands are vulnerable to an attack by the other side, both sides would recognize there is no point in building up any more offensive weapons, that fewer numbers and less destructive power of the offensive weapons held in the hands of the Soviet Union and the United States would certainly be adequate. There would be no defenses against them.

So therefore the ABM Treaty was negotiated and it was ratified. It was done so because at that particular time there was no realistic belief that we could defend ourselves from an ICBM threat, No. 1, and No. 2, that if we purposefully, if it was the policy of the United States and the Soviet Union to keep our homelands vulnerable to an attack by the other side, that would be a great incentive for both sides to reduce their offensive weapons.

As a matter of fact, what I would like to do is to read a statement by one of our negotiators, Ambassador Smith, concerning the ABM Treaty. He indicated on May 9, 1972, the following: "The United States delegation believes an objective of follow-on negotiations should be to constrain and reduce on a long-term basis threats to the survivability of our respective strategic retaliatory forces. The Soviet Union delegation has also indicated that the objectives of SALT, the Strategic Arms Limitation Treaty, would remain unfulfilled," that is the objectives of SALT would remain unfulfilled, "without the achievement of an agreement providing for more complete limitations on strategic offensive arms."

Both sides recognize, he went on to say, that "The initial agreements would be steps toward the achievement of more complete limitations in offensive strategic weapons. If an agreement providing for more complete strategic offensive arms limitations were not achieved within 5 years the U.S. supreme interests could be jeopardized. Should that occur it would constitute a basis for withdrawal from the ABM treaty."

So those words clearly underline the fact that the reason we ratified the ABM treaty was to purposefully not defend ourselves, was to purposefully make sure that the Soviet Union would not defend itself, thus creating a climate to negotiate further and seek reductions in offensive arms.

As Ambassador Smith said, if that did not occur, a further reduction in offensive arms did not result, then we would have to pause and look and reconsider the Antiballistic Missile Treaty of 1972.

What has happened since 1972 is the fact that unfortunately the Soviet Union has done two things. No. 1, massively, dramatically and frighteningly increased the yield and the number of offensive weapons. No. 2, and I will get into this in a few minutes, it moved toward doing massive research and development in defensive weapons themselves. In fact, according to the very best Government estimates, the Soviet Union is spending in defensive measures and have done so for the past 15 years, as much as they have spent in offensive weapons.

□ 2000

Let me move now to the concept, to the question: Is there an alternative to the predicament that we find ourselves in? Is there an alternative to the mad doctrine where both sides are vulnerable to revenge? I think there could be. I do not know for sure that there is, but we have an opportunity to find out in the next few years. I would suggest that there is.

There is an effort that this administration has requested, supported bipartisanly by people who are Republicans and Democrats, called the strategic defense initiative, star shield, some call it star wars.

Let us look about the reasons that it is logical to move toward deterrence by the threat of killing human life and deterrence by the threat of intercepting offensive missiles designed to kill human life. I would argue that it increases deterrence dramatically. The reason that it increases deterrence dramatically is the following: If you look at the position of an attacker, a potential attacker in a nuclear scenario, you look at the following: If the Soviet Union ever considered attacking the United States by surprise, using their nuclear weapons, they would want to make sure, they would want to have a high degree of certainty that they eliminated our retaliatory capability. It is becoming quite obvious, as a matter of fact this body concedes that a land-based leg of our triad is now vulnerable, our air-based leg of our triad is now vulnerable and with the unfortunate incidences called the Walker spy case and with increased and more improved Soviet antisubmarine capabilities, very possibly the sea-based leg of our triad is now vulnerable.

But looking at the situation from the eye of a Soviet war planner who is asked the question by their civilian leadership, "What are the chances of our being successful in attacking the United States in a first strike? What type of confidence can you give me that we will succeed, that we will have a surgical strike?" Surgical in one sense is not appropriate, because millions of Americans nevertheless would be killed. But a surgical strike at their offensive weapons only: "What type of degree of certainty, Mr. Military Leader, can you give me as to whether that military operation would be successful?" Well, unfortunately we are moving toward a period of time that that military planner and advisor in the Soviet Union would be able to report back and say, "I have a high degree of confidence, a 95- or 100-percent degree of confidence that we can obliterate the U.S. retaliatory forces in a first strike." Normally, when war planners ask that question, they look at the fact that it takes approximately two ICBM warheads to make sure that an offensive missile on the other side is eliminated, that there is no chance for it to be ever used.

The Soviet Union now can count up their intercontinental ballistic missile warheads, about 10,000, look at the number of strategic targets in the United States and draw the conclusion that possibly, quite possibly, they could do the job. But let us say we deployed defensive systems, a three-layered defensive system, each one of those defensive systems not being 100 percent effective but being 80 percent effective. If the Soviet Union launched 300, not 2, which they now have in their arsenal, 2 intercontinental ballistic missile warheads at 1 target, but 300 at 1 target, what type of confidence would they have that they would obliterate the target? If we had defensive systems and three of them in three tiers, and they started an attack against the United States, almost none of those missiles would get through. They would have no confidence that two warheads per target would possibly do the job. They would have to report back to their leaders that almost no warheads would get through. In order for them to have the same degree of confidence that they can obliterate the U.S. arsenals, they would have to launch not 2 but 300 independently targeted ballistic missile warheads at each U.S. target. And the reason, at 300, with 80 percent accuracy is the following: If the first level of an ABM system, the first layer was 80 percent offective it would have therefore, by mathematics, eliminate all but 60 of the first 300 independently targeted warheads.

At the second level he used the same 80 percent. That would reduce it to 12 missiles aimed at that particular target. The third layer being again about 80 percent protected would mean that about 2 to 2.5 missiles would come through of the 300.

Now, the Soviet Union cannot possibly build 300. That is about 150 times the number of offensive warheads than they have today. They can spend a lot of money on defense. They can spend more money on offensive and defensive weapons than we do, but they cannot nearly spend that sum of money.

Therefore, with many less than 300 independently targeted warheads going toward a particular military target in the United States, the Soviet Union military planner would report back and say, "I have no confidence that we would succeed. I would have no confidence that our attack would succeed." Not only that, not only so few of the 10,000 that they had would possibly get through, but he would not know which would get through. He would not know which targets were killed and which were not. He would report back that it is unsuccessful.

Therefore, the purpose, and my major point now, the purpose of nuclear first strike by the Soviet Union would be totally eliminated. The rationale for a first strike, if we defended ourselves having three layers, each being 80 percent effective, would deter the Soviet Union from trying, because the military result would be no result at all.

Also, and second, it is important to deploy defenses, because if you look at what Soviet doctrine is when it comes to the use of their nuclear weapons, it is simply to make sure that we cannot retaliate.

Now, their nuclear weapon use is to destroy the retaliatory capability of the United States so they can save their homeland. That is why in a particularly tense situation they would first strike. But if they knew they could achieve that military goal of the defense of the homeland by their deploying defensive systems, then they could be assured that they would not have to strike in the first instance.

Third, I would like to mention the following point: Nuclear weapons are becoming smaller. Intercontinental ballistic missiles are becoming more accurate. Some people say that is good, some people say that is bad. It depends on your point of view.

Few people recognize that because nuclear warheads are smaller, the reason they are smaller is because the intercontinental ballistic missile is more accurate, that the total amount of destructive force that we have in our arsenal is about one-quarter, one-fourth what it was in the 1950's and the early 1960's. Not many people recognize that fact that we have one-fourth the megatonnage or kill capability in our nuclear arsenals today than we did 25 years ago.

□ 2010

That was achieved not because of treaties or negotiation or even because the United States had good will. It was achieved because unclear weapons, like all weapons, are supposed to have military capabilities, and the military capability of a nuclear weapon is to destroy a nuclear weapon on the other side.

If that can be achieved by a low-yield nuclear weapon that is more accurate, then the same military objective can be achieved by reducing the package. That is basically what has happened during the past 25 years.

We recognized that, and therefore we did not need large, 1-megaton nuclear warheads, or even warheads that are larger than that, because they were not militarily useful. They were sloppy; they killed lots of civilians, the same military objective could be achieved by having small warheads and the small warhead would do because you could get it nearer the target.

We are moving inexorably toward smallness and toward greater accuracy. The accuracy leads and is driving the smallness.

Some people say that is good, because if you have small nuclear weapons, First, there is not as much devastation, not as much fallout; fewer civilian casualties; and second, if you have a small ICBM, you can make it more secure; it is less vulnerable.

Why is a small ICBM less vulnerable? It is simply because a small intercontinental ballistic missile can be placed—is much lighter, perhaps 10 times much lighter, and can be mobile. Therefore you can move it around; the Soviet Union does not know where it is, and therefore it is secure.

The argument in this Chamber, and we debated it today; we debated it yesterday; we have debated it many, many times; and there is some point to it: Why go ahead with the MX missile even if we need to modernize our land-based leg. Why go ahead with it because it is vulnerable to a first strike by the Soviet Union? It would encourage the Soviet Union to first strike against it because it too big to move around; we do not have active defenses; you cannot harden the missile silos sufficient to stop a nuclear blast at the level of the Soviet Union's ICBM, and therefore why build the missile?

But if we move toward smaller missiles; that is, something called Midgetman, it would make our land-based leg of the triad more secure, less vulnerable. When we have less vulnerable military targets, and the Soviet Union has less vulnerable military targets, the likelihood of a first strike, it becomes much more remote.

So some people say moving toward small weapons is good because it allows mobility which creates a situation where your deterrent is secure.

However, I would argue that just as likely if nuclear weapons can be very small, not only can they be mobile, but their military usefulness increases. One of the deterrent forces in ever using a nuclear weapon today, or 10 years ago, or 25 years ago, was the fact that it was not a good military weapon; it killed thousands, millions, perhaps tens of millions of civilians, and often not the military target.

So I would argue that if we move toward mobile systems that have very small nuclear yields, that they become more militarily useful. But what happens when they become more militarily useful? They become more attractive for military people to use them.

So I would argue that the move toward smallness, the move toward mobility, the move toward a small nuclear yield increases the possibility that the weapon will be used because it has more military usefulness.

Therefore, once again, if we move toward that situation, we will be moving toward a situation where nuclear war is more likely and not less likely, creating a problem.

In order to make nuclear war less likely, once again, you have to deploy defenses because no matter how light the missile, no matter how small the warhead, if it can be interrupted, the same dynamics occur; a power would be deterred because they know that they would not be able to achieve their military goals.

Also, I would argue, that we should do the necessary research and development to determine whether we can move toward a saner world of defensive weapons because of the moral argument. I think it is simply morally superior to have a defense that defends, not a defense that threatens to annihilate civilians on the other side.

I think there is a moral dimension to the debate, to the star wars debate, to the debate on MX, the debate of offensive weapons, and I would argue that if we can achieve, if scientists can achieve the ability to intercept an incoming warhead, if we can achieve the ability for a bullet to hit a bullet, nonnuclear, threatening nobody, that is obviously a more moral course to take.

Also, if you believe that if deterrence fails under the doctrine of mutually assured destruction, a global climactic change could occur, annihilating all life on the face of the Earth, certainly you want to prevent nuclear warheads from going off.

The only way to do it is to interrupt them in flight; the only way to do it is with defensive systems. So if you are one of a large number of people that say if there is a nuclear exchange, God forbid, between two major powers today, or 1,000 years from today, that could result in climactic changes; increase of temperature, clouds in the atmosphere, blotting out sunlight, reducing Earth temperatures, resulting in the destruction of all human life for—perhaps forever.

If you are concerned about that as I am, you would think again about the possibility of moving toward defensive systems because they would interrupt the ICBM; they would make sure that the nuclear weapon would not go off.

I would also argue that if you have deployed defensive systems, then and only then can you have deep reductions in offensive weapons. Right now, if both the Soviet Union and the United States somehow broke through in Geneva and we hope they do, if the ultimate goal is the elimination of offensive weapons or reducing them to a small amount, then marginal cheating by one side could massively alter the nuclear balance.

Right now, the Soviet Union has 10,000 ICBM warheads; we have 10,000, approximately, ICBM warheads; and there is marginal cheating on the other side because verification is difficult; we know that the Soviet Union has indeed violated negotiated arms control agreements; but if that means the Soviet Union will have an additional 1,000 ICBM' s, I suppose deterrence, mutually assured destruction deterrence, MAD deterrence, still prevails.

Because the marginal cheating is not that important, but if we can and hopefully we can reduce offensive nuclear weapons to just a dozen or a handful, or 100 of them on both sides, then if one side cheats; if the Soviet Union does what it is doing today, then marginal cheating by adding 500 warheads which we could not detect, or 1,000 that we could not detect, massively changes the balance of power between the two sides, which would lead to an unstable situation and the lack of deterrence.

I would suggest the only way you can negotiate for steep, real reductions in offensive weapons is to be able to deploy defensive weapons, because if you have defensive weapons, marginal cheating on the other side is not important because you can defend against that marginal cheating.

Finally, Mr. Speaker, I would like to go into, for a couple of moments, what the Soviet Union is doing with regard to defenses.

Some people think that this debate is a debate as to whether the United States should move toward the deployment of defensive systems; should we lead the way. Are we going to face a world one day in the future where the United States can defend itself and the Soviet Union cannot; an unstable and perhaps dangerous situation.

I would argue conversely, I would argue that the issue before the Congress is whether Americans want to live in a world where the Soviet Union has not only massive offensive nuclear weapons, but deployed defensive weapons, and we have no defensive weapons.

The issue is, do Americans want to live in a world with the Soviet Union having defenses while we have none.

Much of what the Soviet Union has been doing with regard to their research and development and deploying defensive systems is classified. A lot of it is not, however, and much of it is being declassified. There is no argument with the fact that the Soviet Union is at the present time, and has deployed massive air defenses. We know it; the whole world knows it.

□ 2020

We, the United States, a number of years ago had massive defensive weapons against the bomber threat. In fact, in the early 1960's, we had thousands of radar, thousands of air-interceptor planes, hundreds of surface-to-air missiles that could be utilized against the bomber threat. Logically, we decided to take them out of the arsenal. We decided not to spend billions of dollars on air defense, because why would you want to spend billions of dollars on air defenses when the Soviet Union could use intercontinental ballistic missiles to get through? If you cannot stop missiles, why bother stopping airplanes? It made a great deal of sense. And, therefore, our policy was to eliminate our air defenses; no sense in spending tens of millions of dollars, hundreds of millions of dollars on the infrastructure, the radars, the planes, the command and control centers, the sophisticated radars, the maintenance, the man-hours that is necessary to defend yourself against a bomber threat, when you cannot defend yourself against an ICBM threat. So we did the logical thing. We eliminated our air defenses—a handful of radars, no surface-to-air missiles, and 300 interceptor aircraft, whereas before we had 10,000. Basically, no air defense. Logical, absolutely the correct decision to make, if the Soviet Union did the same thing. If it is logical for the United States not to build air defenses, because why stop airplanes when you cannot stop the missile, that same logic must exist in the Soviet Union. They are not dumb. They are necessarily illogical. What would be the reason that they are spending billions of dollars in civil defense, billions of dollars in air defense, if they knew we could always fly our missiles over there? They do not know that because they do not accept it. They know that they want to go toward defending missiles, as well, because it makes no logic, on the face of the Earth, why they would spend billions of dollars on civil defense, billions of dollars on air defense, if they were not going to spend billions of dollars on strategic defense as well, so logic dictates that the Soviet Union must be doing it. And are they? What does the intelligence show as to what the Soviet effort is in this area?

The nonclassified statements that I can quote—it will take me just a few minutes to read them—are as follows:

Over the last 2 decades, the Soviet Union has spent roughly as much on defense as it has on its massive offensive forces.

What is that saying? The best intelligence that we have indicates that the Soviet Union, for the past 2 decades, for the past 20 years, is spending as much money, as many rubles, as many resources on defense as they are on offense.

The Soviet Union has the world's only operational ballistic missile defense system (at Moscow) . . .

We eliminated ours. Under the ABM Treaty, you are allowed to have one site for an active ground-based ABM system. They have theirs deployed.

. . . and it has had, for over a decade, an operational anti-satellite (ASAT) system . . . .

Further quoting:

Also, they are deploying a surface-to-air missile system, the SA-X-12, which has the potential to intercept some types of U.S. ballistic missiles.

Laser weapons. The Soviet laser weapons program began in the 1960's. Many Soviet organizations and personnel, both civilian and military, are involved. Key institutes and design bureaus are located in and around Moscow and Leningrad, and the Saryshagan proving ground—

That is their test area for these systems—

is the traditional site for most of the Soviet Union's ballistic missile defense testing since the 1950's.

The Soviet laser weapon effort is guided and supported by some of the best scientists and engineers in the Soviet Union. Yevgeniy Velikhov, the rising Vice President of the Soviet Academy of Sciences, made his early mark in direct-energy related research; Nobel Laureate Basov and Prokhorov are believed to be driving forces behind the Soviet effort for over 20 years.

Now, they do not sound like incompetent scientists to me. These are Nobel Laureates, who received their credentials in lasers, who are the ones who are doing the Soviet research and development in laser technology used for ABM, antiballistic missile capabilities.

Further quoting:

Some have estimated that the Soviet effort is some 3 to 5 times greater than that of the United States. We believe that it is not possible to make an estimate of this ratio but that it seems clear, based on the observed scale and scope of the Soviet effort, that the Soviet program is larger than that of the U.S.

I go on and I quote:

The Soviets have built over half a dozen major R&D facilities and test ranges.

The Soviets have an estimated 10,000 scientists and engineers associated with the development of lasers for weapons.

Ten thousand scientists are devoted to the research and development necessary to make lasers into antiballistic missile systems.

The Soviets are aware of the visible and very short-wave-length lasers and their potential for military applications. The Soviets are investigating the Excimer and free-electron lasers. For over a decade, researchers at Novosibirsk have been developing argonion lasers; the Soviets continue to dominate in literature published on metal-vapor lasers.

We believe the Soviets are generally capable of supplying the requisite prime power, energy storage, and auxiliary components for most laser (and other directed-energy) weapons.

The Soviet magneto-hydrodynamic (MHD) power source development is the largest in the world; they have developed a rocket-driven MHD generator which produces over 15 megawatts of electrical power. This device has no Western counterpart.

The Soviets may have the capability to develop the necessary optical systems for laser weapons.

They already have a ground-based laser that could be used to interfere with U.S. satellites.

They have a test antisatellite laser weapon land based in the Soviet Union today.

In the late 1980's, the Soviets could have prototypes of ground- and space-based laser weapons for use against satellites and ballistic missiles. They may deploy operational space-based laser systems for anti-satellite purposes in the 1990's if their technology development proves successful. And they can be expected to pursue development of space-based laser weapons for ballistic missile defense for possible deployment after the year 2000.

And I have almost concluded:

Soviet research and development of these technologies that could support a particle beam weapon have been impressive. Work on ion sources has been spectacular."

The Soviets are believed to have had research projects since the early 1970's to explore the feasibility of a space-based particle beam weapon.

I am talking now about microwave weapons:

We believe there are no technological obstacles to Soviet development of a radio frequency or microwave weapon for strategic applications. The Soviets have conducted research for decades on sources of high-power microwave (megnetrons, gyrocons, gyrotrons) and the antennas which would be required to direct and focus the beams on distant targets. Soviet capabilities to develop microwave weapons are on a par, if not superior, to those of the U.S.

I conclude with the following one-paragraph quotation.

Their statements on the SDI—

That is our proposed basic research program in defensive weapons—

must be tempered by the knowledge that well before the President's speech on March 23d, 1983, the Soviets were themselves pursuing most of the techologies that are to be investigated in the U.S. SDI and were heavily involved in applied research toward testing the feasibility of advanced weapons for ballistic missile defense.

Within a month of the President's announcement, a letter signed by a large group of senior Soviet scientists was published in the New York Times, denouncing the U.S. initiative. But it is significant to note that of the more than 200 signatories of the letter, a number of them have been instrumental in the development of both conventional and exotic ballistic missile defense systems: Gruskin, Semenikhin, Bunkin, Velikhov, Prokhorov, and Basov.

□ 2030

I think that amply points out the fact that the real issue is not only the inherent flaws in the doctrine that we have today based on the assumption that all countries from now into the future will behave rationally. Based on the assumption that mistakes will never occur. Based on the assumption that it will never fail. The debate that we have tomorrow will be concerned about moral grounds and I think the need toward moving defenses because it is morally superior. We will be talking about the fact that today political opinion polls show that 60 percent of the American people to 80 percent, 60 to 80 percent of the American people believe now that they are defended. They do not believe that it is the policy of this Government, of the Government of the United States to keep them vulnerable to a nuclear attack by the Soviet Union, by a Third World terrorist or anybody else.

Finally, and I suggest the following: The debate also should focus on Soviet activity in strategic defense. As I mentioned before, it makes no sense for the Soviets to spend millions of dollars on civil defense, hundreds of millions of dollars on air defense if they do not intend to stop the missiles. The reason that they are spending the money on civil and air defense is because a logical component thereof is defending against offensive nuclear strategic weapons.

So the issue facing the Congress tomorrow as well as all the others, the moral issues, the logic of where we are today is a very important one: Is the United States going to move into the late 1980's, move into the 1990's with U.S. citizens still unprotected, even when a majority of them think that they are, while the Soviet Union has offensive weapons and are defending themselves?

SOCIAL SECURITY WEEK AND SOCIAL SECURITY DAY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas [Mr. BUSTAMANTE], is recognized for 10 minutes.

Mr. BUSTAMANTE. Mr. Speaker, last week I introduced House Joint Resolution 300 which commemorates an important occasion in American history. On August 14, 1935, President Franklin D. Roosevelt signed into law legislation that changed the lives of all Americans—the Social Security Act. House Joint Resolution 300 recognizes the golden anniversary of Social Security by declaring the week of August 11 through 17 "Social Security Week" and by proclaiming August 14, 1985, "Social Security Day."

The New Deal of President Roosevelt changed the relationship between the National Government and its citizens. Who, in 1933, would have thought President Roosevelt could have undertaken anything bolder than closing our national banking system? Those who saw the events of his first 100 days unfold never foresaw the Social Security Act of 1935. The bank holiday was the first step in restoring the Nation's financial health. Social Security became the cornerstone in building individual economic protection.

Social Security is a product of the depression. It proves that Government can ease the burdens of life and time, accident and illness. These difficult life situations transcend any particular period or ERA. We are as much in need of Social Security now, in times of relative economic prosperity, as we were during the Depression. Today many are calling for less Government. But while we ask ourselves how large our Government should be, we must also ask how responsible our Government should be. Through Social Security, we can ensure universal income security for our citizens.

Social Security is so much a part of our lives that we do not remember when we were without it. Yet, the United States was slow in accepting the concept of public assistance. In fact, we were the last major industrialized country to adopt a national program for the aged and needy.

Prior to the 1930's, Americans thought public assistance rewarded the lazy and depressed individual initiative. It took the Great Depression to jolt America out of that attitude. The majority of the people realized for the first time that individual initiative alone cannot guarantee control over one's destiny. Soup kitchens, private charities, and public works projects gave help and hope, but they were only stop-gap measures. The problems created by the Depression needed a national, permanent response.

In 1934, the issues of unemployment insurance and aid to the aged dominated Congress. The Townsend movement gained momentum across the country, and Senator Huey Long campaigned on a platform to "share the wealth" and "make every man a king". That summer, President Roosevelt signed Executive Order No. 6757, creating the Committee on Economic Security. In only 14 months, the committee had completed its work and Congress had adopted the new Social Security law.

It was on August 14, 1935, that President Roosevelt affixed his signature to his most enduring, far-reaching legislative accomplishment, Social Security. The law established a State and Federal unemployment insurance system and a joint program for the aged, the blind and dependent children. But the most popular—and by far the most visible—feature under Social Security remains the Old Age Insurance Program.

Since its revolutionary beginning, Social Security has changed with the times. The law has expanded to broaden coverage. The revolutionary process continues today. There are over 400 measures pending in the House and Senate which would affect Social Security.

Human misfortune ignores neither the young nor the old. Social Security is the shield which gives our citizens a minimum of protection against what President Roosevelt called the hazards of life.

The golden anniversary of Social Security is an occasion worth celebrating. The Social Security Administration is planning a number of ceremonies and activities to honor Social Security for its vital contribution to our Nation. House Joint Resolution 300 recognizes that contribution. I urge my colleagues to join me in commemorating this historical event. I appreciate the bipartisan support that this resolution has already received.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas [Mr. GONZALEZ] is recognized for 60 minutes.

[Mr. GONZALEZ addressed the House. His remarks will appear hereafter in the Extensions of Remarks.]

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. COBLE) to revise and extend their remarks and include extraneous material:)

Mr. COURTER, for 60 minutes, today.

Mr CONTE, for 60 minutes, June 27.

(The following Members (at the request of Mr. BUSTAMANTE) to revise

and extend their remarks and include extraneous material:)

Mr. FOLEY, for 5 minutes, today.
Mrs. KENNELLY, for 5 minutes, today.
Mr. DE LA GARZA, for 5 minutes, today.
Mr. BOLAND, for 5 minutes, today.
Mr. ANNUNZIO, for 5 minutes, today.
Mr. RANGEL, for 5 minutes, today.
Mr. PANETTA, for 5 minutes, today.
Mr. FORD of Michigan, for 5 minutes, today.
Mr. NATCHER, for 30 minutes, June 20.
Mr. PEPPER, for 60 minutes, June 25.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. PANETTA, and to include extraneous matter notwithstanding the fact that it exceeds 2¼ pages of the CONGRESSIONAL RECORD and is estimated by the Public Printer to cost $1,802.50.

(The following Members (at the request of Mr. COBLE) and to include extraneous matter:)

Mr. CONTE.
Mr. SWINDALL.
Mr. GEKAS in two instances.
Mr. SHAW.
Mr. PARRIS.
Mr. CHAPPIE.
Mr. BROYHILL.
Mr. FIELDS.
Mr. WHITEHURST.
Mr. KEMP.
Mr. DAUB in two instances.
Mr. LIVINGSTON.
Mrs. JOHNSON.
Mr. EVANS of Iowa.
Mr. SOLOMON.
Mr. MCGRATH.

(The following Members (at the request of Mr. BUSTAMANTE) and to include extraneous matter:)

Mr. MOAKLEY.
Mr. LANTOS.
Mr. ADDABBO.
Mr. BONIOR of Michigan.
Mr. EDGAR.
Mr. HAYES.
Mr. RAHALL.
Mr. ERDREICH.
Mr. HUBBARD.
Mr. MURTHA.
Mr. DYSON.
Mr. COELHO in two instances.
Mr. STARK.
Mr. ROSE in three instances.
Mr. SOLARZ.
Mr. MORRISON of Connecticut.
Mr. HAMILTON.
Mrs. BURTON of California.
Mr. HOWARD.
Mr. PEPPER.
Mr. TORRICELLI.
Mr. TRAFICANT.
Mr. ROE.
Mr. FRANK.
Mrs. COLLINS.
Mr. HAWKINS.
Mr. RANGEL in three instances.
Mr. MINETA.
Mr. JENKINS.
Mr. MILLER of California.
Mr. WILLIAMS in two instances.
Ms. OAKAR.
Mrs. BOGGS.
Mr. MATSUI.

SENATE JOINT RESOLUTIONS REFERRED

Joint resolutions of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S.J. Res. 24. Joint resolution to designate the month of October 1985 as "National Make-A-Wish Month"; to the Committee on Post Office and Civil Service.

S.J. Res. 136. Joint resolution to authorize and request the President to issue a proclamation designating the calendar week beginning with Sunday, April 13, 1986, as "National Garden Week"; to the Committee on Post Office and Civil Service.

JOINT RESOLUTIONS PRESENTED TO THE PRESIDENT

Mr. ANNUNZIO, from the Committee on House Administration, reported that that committee did on this day present to the President, for his approval, a joint resolution of the House of the following title:

H.J. Res. 211. Joint resolution to recognize the pause for the Pledge of Allegiance as part of National Flag Day activities.

ADJOURNMENT

Mr. BUSTAMANTE. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 8 o'clock and 39 minutes p.m.) the House adjourned until tomorrow, Thursday, June 20, 1985, at 10 o'clock a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1541. A letter from the Acting Deputy Assistant Secretary of the Air Force for Logistics and Communication, transmitting notice of decision to convert to commercial contract from an in-house operating T-33 aircraft maintenance at Griffiss, Minot, and Langley Air Force bases, pursuant to 10 U.S.C. 2304 nt (Pub. L. 96-342, sec. 502(b) (96 Stat. 747)); to the Committee on Armed Services.

1542. A letter from the Acting Deputy Assistant Secretary of the Air Force for Logistics and Communication, transmitting notice of decision to convert to commercial contract from an in-house operation the T-33 aircraft maintenance function at Tyndall and McChord Air Force bases, pursuant to 10 U.S.C. 2304 nt (Pub. L. 96-342, Sec. 502(b) (96 Stat. 747)); to the Committee on Armed Services.

1543. A letter from the Director, Defense Security Assistance Agency, transmitting a report concerning the Department of the Navy's proposed Letter of Offer to the United Kingdom for defense articles and services estimated to cost $46 million, pursuant to 22 U.S.C. 2776(b); to the Committee on Foreign Affairs.

1544. A letter from the Director of Civilian Personnel, Uniformed Services University of the Health Sciences, transmitting the annual pension plan report, pursuant to 31 U.S.C. 9503(a)(1)(B); to the Committee on Government Operations.

1545. A letter from the Executive Director, Committee for Purchase From the Blind and Other Severely Handicapped, transmitting the 1984 annual report, pursuant to the Act of June 25, 1938, chapter 697, section 1(i) (85 Stat. 77); to the Committee on Government Operations.

1546. A letter from the Librarian of Congress, transmitting a report for the 1984 fiscal year as to the affairs of the Library including the copyright business and a detailed statement of all receipts and expenditures, pursuant to 2 U.S.C. 139; to the Committee on House Administration.

1547. A letter from the National Council on Radiation Protection and Measurements, transmitting the 1984 annual report, pursuant to Public Law 88-376, section 14(b); to the Committee on the Judiciary.

1548. A letter from the Administrator, Panama Canal Commission, transmitting a claim exceeding $120,000 for damages resulting from a vessel in the Canal, pursuant to Public Law 96-70, section 1415(b); to the Committee on Merchant Marine and Fisheries.

1549. A letter from the Assistant Secretary of the Army (Civil Works), Department of the Army, transmitting a report on water resource projects recommended for deauthorization, pursuant to Public Law 93-251, section 12 (H. Doc. No. 99-79); to the Committee on Public Works and Transportation and ordered to be printed.

1550. A letter from the Secretary of Health and Human Services, transmitting the annual report on the administration of the functions of the Secretary under the Social Security Act, pursuant to SSA, section 704 (49 Stat. 636); to the Committee on Ways and Means.

1551. A letter from the General Counsel, Department of Defense, transmitting a draft of proposed legislation to amend the Arms Export Control Act and title 10, United States Code, concerning agreements with other member nations of the North Atlantic Treaty Organization for certain cooperative projects; jointly, to the Committees on Armed Services and Foreign Affairs.

SUBSEQUENT ACTION ON A REPORTED BILL

Under clause 5 of rule X the following action was taken by the Speaker:

The Committee on Interior and Insular Affairs discharged from further consideration of H.R. 2776; H.R. 2776 referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. CHANDLER (for himself, Mr. GOODLING, Mr. HENRY, Mr. JEFFORDS, and Mr. TAUKE):

H.R. 2805. A bill to amend the Higher Education Act of 1965 to create a program supporting midcareer teacher training programs for individuals with expertise in mathematics and science, and for other purposes; to the Committee on Education and Labor.

By Mr. DORNAN of California:

H.R. 2806. A bill to amend the Federal Aviation Act of 1958 to require security personnel to be aboard international flights of U.S. air carriers, unless the Secretary of Transportation determines for any particular flight or route that it is not necessary for the safety of passengers; to the Committee on Public Works and Transportation.

By Mrs. KENNELLY:

H.R. 2807. A bill to amend titles XVIII and XIX of the Social Security Act to require second opinions with respect to certain surgical procedures as a condition of payment under the Medicare and Medicaid programs; jointly, to the Committees on Ways and Means, and Energy and Commerce.

By Mr. MONTGOMERY (by request):

H.R. 2808. A bill to amend title 38, United States Code, to extend protection to Veterans' Administration health care personnel from suits alleging the commission of certain torts during the furnishing of medical care or treatment; to the Committee on Veterans' Affairs.

By Mr. MURTHA (for himself, Mr. GAYDOS, Mr. SCHULZE, and Mr. SPRATT):

H.R. 2809. A bill to provide comprehensive reform of the trade laws, and for other purposes; to the Committee on Ways and Means.

By Mr. STARK (for himself, Mr. FORD of Tennessee, Mr. MATSUI, and Mrs. KENNELLY):

H.R. 2810. A bill to amend part E of title IV of the Social Security Act to make necessary improvements in the foster care and adoption assistance program with the objective of assuring that such program will more realistically and more effectively meet the needs of the children involved, and for other purposes; to the Committee on Ways and Means.

By Mr. PANETTA (for himself, Mr. PEPPER, and Mr. RINALDO):

H.J. Res. 319. Joint resolution to designate the week beginning on December 1, 1985, as "National Home Care Week"; to the Committee on Post Office and Civil Service.

By Mr. SMITH of New Jersey (for himself, Mr. COATS, Mr. FISH, Mr. BURTON of Indiana, Mr. SMITH of New Hampshire, Mr. LEHMAN of Florida, Mrs. BOXER, Mr. ROWLAND of Georgia, Mr. HYDE, Mr. MOLLOHAN, Mr. WEBER, Mr. SILJANDER, Mr. DORNAN of California, Mr. TOWNS, and Mr. DIOGUARDI):

H.J. Res. 320. Joint resolution to designate the week beginning November 24, 1985, as "National Adoption Week"; to the Committee on Post Office and Civil Service.

By Mr. MICHEL:

H. Res. 205. Resolution electing Representative Monson of Utah to the Committee on Public Works and Transportation; considered and agreed to.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

180. By the SPEAKER: Memorial of the legislature of the State of Tennessee, relative to the Silvicultural Lab at Sewanee, TN; to the Committee on Agriculture.

181. Also, memorial of the state assembly of the Republic of Palau, relative to Compact of Free Association; to the Committee on Interior and Insular Affairs.

182. Also, memorial of the Congress of the Federated States of Micronesia, relative to self-determination; jointly, to the Committees on Foreign Affairs and Interior and Insular Affairs.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 5: Mr. HUGHES, Mr. CHAPPELL, and Mr. HOYER.

H.R. 43: Mr. TORRICELLI.

H.R. 44: Mr. COURTER, Mr. SOLOMON, and Mr. MCKINNEY.

H.R. 73: Mr. BADHAM.

H.R. 83: Mr. GINGRICH and Mr. SHAW.

H.R. 156: Mr. BARNES, Mr. DYSON, Mr. BROWN of California, Mr. SOLARZ, and Mr. CARR.

H.R. 445: Mr. MARTINEZ.

H.R. 479: Mr. O'BRIEN and Mr. SOLOMON.

H.R. 511: Mr. HENRY.

H.R. 580: Mr. WISE and Mr. EMERSON.

H.R. 587: Mr. EVANS of Iowa, Mr. ENGLISH, Mr. GRADISON, Mr. LEVINE of California, Mr. LIGHTFOOT, Mr. MCCAIN, Mr. MINETA, Mr. MONSON, Mr. RAHALL, Mr. ROYBAL, Mr. SABO, Mr. SCHAEFER, Mr. SMITH of New Jersey, Mr. DENNY SMITH, and Mr. WISE.

H.R. 691: Mrs. SCHROEDER, Mr. LEHMAN of Florida, Mr. WISE, Mr. GARCIA, Mr. EVANS of Illinois, Mr. FAWELL, Mr. MCEWEN, and Mr. WILSON.

H.R. 753: Mr. TORRES.

H.R. 880: Mr. TRAFICANT.

H.R. 933: Mr. DAUB, Mr. SHAW, and Mr. TOWNS.

H.R. 1267: Mr. NELSON of Florida.

H.R. 1268: Mr. WEISS, and Mr. SCHUMER.

H.R. 1401: Mrs. BOXER, Mr. ACKERMAN, and Mr. MARTINEZ.

H.R. 1402: Mr. ACKERMAN.

H.R. 1403: Mr. ACKERMAN.

H.R. 1550: Ms. MIKULSKI.

H.R. 1553: Mr. WEAVER.

H.R. 1579: Mr. BARNES, Mr. MINETA, Ms. SNOWE, and Mr. MARTINEZ.

H.R. 1616: Mr. MRAZEK and Mr. SMITH of New Jersey.

H.R. 1652: Mr. THOMAS of Georgia, Mr. MORRISON of Washington, and Mr. DERRICK.

H.R. 1715: Mr. HUTTO.

H.R. 1719: Mr. COMBEST, Mr. EMERSON, Mr. EDWARDS of Oklahoma, Mr. SILJANDER, and Mr. STENHOLM.

H.R. 1802: Mr. CLAY, Mr. FISH, Mr. KANJORSKI, Mr. DENNY SMITH, Mr. JEFFORDS, and Mr. SIKORSKI.

H.R. 1824: Mr. FEIGHAN and Mr. DELAY.

H.R. 1825: Mr. BRYANT, Mr. GLICKMAN, Mr. CARPER, Mr. FEIGHAN, and Mr. DELAY.

H.R. 1826: Mr. FEIGHAN, Mr. DELAY, and Mr. CARPER.

H.R. 1827: Mr. FEIGHAN, Mr. DELAY, and Mr. CARPER.

H.R. 1828: Mr. FEIGHAN, Mr. DELAY, Mr. BRYANT, and Mr. CARPER.

H.R. 1973: Mr. ANTHONY and Mr. HAMMERSCHMIDT.

H.R. 1985: Mr. KOLTER and Mr. GEJDENSON.

H.R. 2032: Mr. TOWNS.

H.R. 2070: Mr. LUJAN, Mr. NEAL, and Mr. CONTE.

H.R. 2182: Mr. SENSENBRENNER.

H.R. 2211: Mr. MOODY.

H.R. 2254: Mr. APPLEGATE, Mr. ANDREWS, Mr. MITCHELL, Mr. DORNAN of California, and Mr. SENSENBRENNER.

H.R. 2255: Mrs. SCHNEIDER, Mr. VENTO, Mr. CONYERS, Mr. WOLPE, and Mr. LAFALCE.

H.R. 2280: Mr. DELLUMS, Mr. SKELTON, Mr. CLAY, Mr. REID, Mr. DIXON, Mr. LELAND, Mr. WYDEN, Mr. RANGEL, Mr. SYNAR, Mr. MARKEY, Mrs. BOXER, Mr. GEJDENSON, and Mr. MARTINEZ.

H.R. 2284: Mr. TRAFICANT, Mr. KOLTER, and Mr. MARTINEZ.

H.R. 2326: Mr. BUSTAMANTE.

H.R. 2383: Mr. CLAY and Mr. RANGEL.

H.R. 2401: Mr. GARCIA, Mr. DYMALLY, Mr. OBERSTAR, Mr. BUSTAMANTE, Mr. GEJDENSON, and Mr. EDWARDS of California.

H.R. 2422: Mr. RANGEL, Mrs. BOXER, Mr. HAYES, Mr. LEVINE of California, Mr. CROCKETT, Mr. MARTINEZ, Mr. ROYBAL, Mr. DICKS, Mr. KASTENMEIER, Mr. VENTO, Mr. DAVIS, Mr. FAZIO, and Mr. GEJDENSON.

H.R. 2443: Mr. CROCKETT, Mr. BRYANT, Mr. TORRES, Mr. COELHO, Mr. WALGREN, Mr. HEFTEL of Hawaii, Mr. MAZZOLI, Mr. DARDEN, Mr. FORD of Michigan, Mr. EDWARDS of California, Mr. YATES, Mr. BOLAND, Mr. SABO, Mr. HUGHES, Mr. BOSCO, Mr. WEAVER, Mr. WIRTH, Mr. STOKES, Mr. ADDABBO, Mr. ECKART of Ohio, Mr. DWYER of New Jersey, Mr. EVANS of Illinois, Mr. YOUNG of Alaska, Mr. BIAGGI, Mr. HAYES, Mr. GRAY of Illinois, Mr. NIELSON of Utah, Mr. SAVAGE, Mr. WHITEHURST, Mr. BERMAN, Mr. MRAZEK, Mr. CONYERS, Mr. BLAZ, Mr. SILJANDER, Mr. DELLUMS, Mr. BUSTAMANTE, Mr. MURPHY, and Mr. PANETTA.

H.R. 2525: Mr. BERMAN, Mr. STOKES, Mr. WEISS, Mr. GARCIA, Mr. GUNDERSON, Mr. SAVAGE, Mr. RANGEL, Mr. CROCKETT, Mr. MRAZEK, Mr. CONYERS, and Mr. DELLUMS.

H.R. 2567: Mr. LEVINE of California, Mr. TRAFICANT, Mr. MOODY, Mr. BATES, Mr. STARK, Mr. STOKES, Mrs. SCHROEDER, Ms. MIKULSKI, and Mr. LEVIN of Michigan.

H.R. 2588: Mr. MOODY, Mr. REID, Mr. KLECZKA, Mr. DIOGUARDI, Mr. PACKARD, Mr. PETRI, Mr. MANTON, Mr. WILSON, Mr. CHAPPIE, Mr. LEACH of Iowa, Mr. DYSON, Mr. PRICE, Mr. DONNELLY, Mr. MCKERNAN, Mr. LIGHTFOOT, Mr. EVANS of Illinois, and Mrs. SCHROEDER.

H.R. 2597: Mr. ADDABBO.

H.R. 2609: Mr. TAUKE and Mr. LIGHTFOOT.

H.R. 2781: Mr. ADDABBO, Mr. CARNEY, Mr. MADIGAN, and Mr. YOUNG of Missouri.

H.R. 2796: Mr. YOUNG of Missouri.

H. J. Res. 3: Mr. ROSE, Mr. JONES of Tennessee, and Mr. EARLY.

H.J. Res. 24: Mr. PETRI.

H.J. Res. 106: Mr. WILSON, Mr. HAMILTON, and Mr. CRANE.

H.J. Res. 135: Mr. BURTON of Indiana, Mr. CHANDLER, Mr. HENRY, Mr. COBLE, Mrs. HOLT, Mr. HORTON, Mr. LEHMAN of California, Mr. MARTIN of New York, Mr. MAZZOLI, Mr. PEPPER, Mr. TALLON, Mr. THOMAS of Georgia, Mr. TORRICELLI, Mr. LELAND, Mr. HAMILTON, Mr. BORSKI, Mr. CONTE, Mr. SLAUGHTER, Mr. VALENTINE, Mr. MATSUI, Mr. PERKINS, Mr. MCCLOSKEY, Mr. RAHALL, Ms. MOORE, Ms. SNOWE, and Mr. BOLAND.

H.J. Res. 164: Mr. BURTON of Indiana, Mr. CARNEY, Mr. CARR, Mr. CHANDLER, Mr. DICKS, Mr. DWYER of New Jersey, Mr. FOWLER, Mr. HOYER, Mr. LEHMAN of California, Mr. LELAND, Mr. LEWIS of Florida, Mr. LOWRY of Washington, Mr. MCCLOSKEY, Ms. OAKAR, Mr. PERKINS, Mr. PRICE, Mr. RUDD, Mr. SOLOMON, Mr. STRATTON, Mr. SYNAR, Mr. TRAFICANT, and Mr. YATES.

H.J. Res. 167: Mr. SPRATT, Mr. CHAPPELL, Mr. BADHAM, Mr. CAMPBELL, Mr. SKELTON, Ms. KAPTUR, Mr. LIGHTFOOT, Mr. DANIEL, Mr. DASCHLE, Mr. DOWDY of Mississippi, Mr. ANDERSON, and Mr. ADDABBO.

H.J. Res. 175: Mr. WOLF, Mr. BONIOR of Michigan, Mr. DINGELL, Mr. LEVIN of Michigan, Mr. LELAND, Mr. SMITH of Florida, Mr. TORRICELLI, Mr. TRAXLER, Mr. MILLER of Washington, Mr. CHAPPELL, Mr. BARNES, Mr. BEDELL, Mr. BURTON of Indiana, Mr. STRATTON, Mr. MILLER of Ohio, Mr. LAGOMARSINO, Mr. O'BRIEN, Mr. STOKES, Mr. WALKER, Mr. ROBERTS, Mr. DWYER of New Jersey, Mr. TAYLOR, and Mrs. BURTON of California.

H.J. Res. 227: Mr. ALEXANDER, Mr. ANDERSON, Mr. ANTHONY, Mr. APPLEGATE, Mr. BARTLETT, Mr. BATES, Mr. BLAZ, Mr. BOLAND, Mr. BOSCO, Mr. BOUCHER, Mr. CARR, Mr. CONYERS, Mr. DAVIS, Mr. DELAY, Mr. DELLUMS, Mr. DE LUGO, Mr. DICKS, Mr. DINGELL, Mr. ENGLISH, Mr. EVANS of Illinois, Mr. FOWLER, Mr. GUNDERSON, Mr. HALL of Ohio, Mr. HENDON, Mr. HOWARD, Mr. HUBBARD, Mr. HYDE, Mr. JONES of Tennessee, Mr. KRAMER, Mr. LEACH of Iowa, Mr. LENT, Mr. LEVINE of California, Mr. LIVINGSTON, Mr. LOWRY of Washington, Mr. MCEWEN, Mr. MCHUGH, Mr. MACKAY, Mr. MANTON, Mr. MARLENEE, Mr. MILLER of California, Mr. MINETA, Mr. MITCHELL, Mr. MOLLOHAN, Mr. MONSON, Mr. MORRISON of Connecticut, Mr. BRUCE, Mr. OBERSTAR, Mr. O'BRIEN, Mr. ORTIZ, Mr. PANETTA, Mr. PEPPER, Mr. PRICE, Mr. PURSELL, Mr. RAHALL, Mr. RICHARDSON, Mr. ROGERS, Mr. RUDD, Mr. SHELBY, Mr. SKELTON, Mr. SOLOMON, Mr. STAGGERS, Mr. STRATTON, Mr. STUMP, Mr. SYNAR, Mr. TALLON, Mr. TAUKE, Mr. TAUZIN, Mr. TRAFICANT, Mr. TRAXLER, Mrs. VUCANOVICH, Mr. WHEAT, Mr. WISE, Mr. WYDEN, Mr. WYLIE, and Mr. YOUNG of Missouri.

H.J. Res. 284: Mr. KINDNESS, Mr. LAGOMARSINO, Mr. BILIRAKIS, Mr. HYDE, Mr. MONSON, and Mr. KANJORSKI.

H. Con. Res. 69: Mr. LOTT.

H. Con. Res. 70: Mr. STOKES, Mrs. COLLINS, Mr. WORTLEY, Mr. SMITH of New Jersey, Mr. LIGHTFOOT, Mr. MONSON, Mr. MITCHELL, Mr. FEIGHAN, and Mr. SAXTON.

H. Con. Res. 129: Mr. BORSKI, Mr. TORRES, and Mr. ANDREWS.

H. Con. Res. 156: Mr. CONTE, Mr. BARTON of Texas, Mr. BARTLETT, Mrs. MARTIN of Illinois, Mr. FRENZEL, Mr. DYMALLY, Mr. DREIER of California, Mr. CHANDLER, Mr. GALLO, Mr. LIPINSKI, Mr. ACKERMAN, Mr. JEFFORDS, Ms. MIKULSKI, Mr. SAXTON, Mr. MILLER of Washington, Mr. LIGHTFOOT, Mr. PACKARD, Mrs. BENTLEY, Mr. BATEMAN, Mrs. HOLT, and Mr. VOLKMER.

H. Res. 74: Mr. LAGOMARSINO, Mr. BATEMAN, Mr. KRAMER, Mr. CARNEY, Mr. MANTON, Mr. BURTON of Indiana, Mr. MRAZEK, Mr. FAUNTROY, Mr. BOUCHER, Mr. FROST, and Mr. MATSUI.

H. Res. 167: Mr. DICKINSON, Mr. BARTON of Texas, Mr. YOUNG of Florida, Mr. WHITTAKER, Mr. BATEMAN, Mr. PACKARD, Mr. SILJANDER, Mr. LEWIS of Florida, Mr. LOTT, Mr. BILIRAKIS, and Mr. YOUNG of Alaska.

H. Res. 194: Mr. DORGAN of North Dakota, Mr. HALL of Ohio, Mr. EDWARDS of California, Mr. WIRTH, Mr. WHEAT, Mr. KOSTMAYER, Mr. GARCIA, Mr. MOLLOHAN, and Mr. YOUNG of Missouri.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

146. By the SPEAKER: Petition of the Shiawassee County Board of Supervisors, Corunna, MI, relative to increasing farming income; to the Committee on Agriculture.

147. Also, petition of the New Jersey State Federation of Women's Clubs, relative to Superfund expansion and renewal; to the Committee on Energy and Commerce.

148. Also, petition of the city of Bellflower, CA, relative to the establishment of crisis control centers in common with the Soviet Union; to the Committee on Foreign Affairs.

149. Also, petition of certain residents of the Commonwealth of Puerto Rico, relative to statehood; to the Committee on Interior and Insular Affairs.

AMENDMENTS

Under clause 6 of rule XXIII, proposed amendments were submitted as follows:

H.R. 1872

By Mr. ASPIN:

—At the end of title X (page 200, after line 4) insert the following new section:

SEC. 1050. CONFLICT-OF-INTEREST IN DEFENSE PROCUREMENT.

(a) LIMITATIONS ON ACCEPTANCE OF COMPENSATION.—(1) An individual who is a former officer or employee of the Department of Defense or a former or retired member of the Armed Forces who during the two-year period preceding the individual's separation from service in the Department of Defense had significant responsibilities for a procurement function with respect to a Government contractor while serving in a position identified by the Secretary of Defense under subsection (g)(1) may not accept compensation from that contractor for a period of two years following the individual's separation from service in the Department of Defense if that contractor is included in the notice provided that individual under subsection (d).

(2) Whoever knowingly violates paragraph (1) shall be fined not more than $10,000 or imprisoned for not more than one year, or both.

(3) An individual who knowingly offers or provides any compensation to an individual the acceptance of which is or would be in violation of paragraph (1) shall be fined not more than $10,000 or imprisoned for not more than one year, or both.

(b) LIMITATIONS ON CONTRACTORS.—(1) Each contract for procurement of goods or services entered into by the Department of Defense shall include a provision under which the contractor agrees not to provide compensation to an individual if the acceptance of such compensation by such individual would violate subsection (a)(1).

(2) Such a contract shall also provide that if the contractor knowingly violates a contract provision required by paragraph (1) the contractor shall pay to the United States, as liquidated damages under the contract, an amount equal to the greater of—

(A) $100,000; or

(B) three times the compensation paid by the contractor to the individual in violation of such contract provision.

(c) REPORTING OF EMPLOYMENT CONTACTS.—(1) If an officer or employee having responsibilities for a procurement function with respect to a Government contractor contacts, or is contacted by, the contractor regarding future compensation of the officer or employee by the contractor, the officer or employee shall—

(A) promptly report the contact to the officer or employee's supervisor and to the designated ethics official of the agency in which the officer or employee is serving;

(B) promptly report (as part of the report under subparagraph (A) or as a separate report) when contacts with the contractor concerning such compensation have been terminated without agreement or commitment to future compensation of the officer or employee by the contractor; and

(C) disqualify himself from all participation in the performance of procurement functions relating to contracts with that contractor until a report described in subparagraph (B) is made with respect to such contacts.

(2) If an officer or employee serving in a position with respect to which an exemption is in effect under subsection (g)(2) fails to disqualify himself as required by paragraph (1)(C) with respect to procurement functions relating to contracts of a contractor, subsections (a) and (b) apply to acceptance of compensation by that officer or employee from that contractor.

(d) NOTICE TO OFFICERS AND EMPLOYEES LEAVING DOD SERVICE.—(1) The Secretary of Defense shall give the notice described in paragraph (2) to each officer and employee of the Department of Defense and each member of the Armed Forces—

(A) who after the effective date of this section is separated from service in the Department of Defense; and

(B) who during the two-year period before that separation served in a position in the Department that included significant responsibility for a procurement function and that was identified by the Secretary of Defense under subsection (g)(1).

(2) A notice required by paragraph (1) shall provide the individual receiving the notice—

(A) a written explanation of the provisions of this section; and

(B) the name of each contractor from whom such individual is prohibited from accepting compensation under this section during the two-year period following such separation from service in the Department of Defense.

(e) CONTRACTOR REPORTS.—(1)(A) Each contractor subject to a contract term described in subsection (b) shall submit to the Secretary of Defense not later than April 1 of each year a report covering the previous calendar year. Each such report shall list the name of each individual (together with other information adequate for the Government to identify the individual) who is a former Department of Defense officer or employee, or a former or retired member of the Armed Forces, who—

(i) was provided compensation by that contractor during the preceding calendar year, if such compensation was provided within two years after such officer or employee left service in the Department of Defense; and

(ii) had significant responsibilities for a procurement function during the individual's last two years of service in the Department of Defense.

(B) Each such listing shall—

(i) show each agency in which the individual was employed or served on active duty during the last two years of such individual's service in the Government;

(ii) show the individual's job titles during the last two years of such individual's service in the Government;

(iii) contain a full and complete description of the duties of the individual during the last two years of such service; and

(iv) contain a description of the duties (if any) that the individual is performing on behalf of the contractor.

(C) The first such report shall be submitted not later than April 1, 1987.

(2) The Secretary of Defense shall review each report under paragraph (1) to assess the report for accuracy and completeness and for the purpose of identifying possible violations of subsection (a) or (b) or paragraph (1). The Secretary shall report any such possible violation to the Attorney General.

(3) Whoever fails to file a report required by paragraph (1) shall be fined not more than $10,000.

(f) REVIEW BY DIRECTOR OF OFFICE OF GOVERNMENT ETHICS.—The Director of the Office of Government Ethics shall have access to the reports submitted under subsection (e) (1) and shall conduct an annual random review of the reports for violations of subsections (a), (b), and (e)(1). The Director shall submit a report to Congress not later than October 1 of each year on the operation of this section, including the findings of the Director based on the examination of reports for the preceding calendar year.

(g) COVERED POSITIONS.—(1) Not later than 180 days after the date of the enactment of this Act, the Secretary of Defense shall prescribe and publish in the Federal Register regulations identifying those positions within the Department of Defense that have as their primary duty the management, direction, oversight, or justification, with respect to a particular product or service, of—

(A) development;

(B) production;

(C) funding;

(D) operational and developmental testing;

(E) auditing; or

(F) acquisition.

(2) Positions identified under paragraph (1) shall include as a minimum each position with respect to a contract or program—

(A) as the program manager or deputy program manager;

(B) as a program monitor;

(C) as a member of a source-selection evaluation board or of the technical and cost teams advising the board or as the official responsible for approval of a sole-source contract;

(D) as the head of the system's program office;

(E) as the source selection authority for the system; and

(F) in which an individual is assigned on a permanent basis in the government plant representative office.

(3) Regulations under paragraph (1) shall be revised not less often than once each year. Any revision of such regulations shall be published in the Federal Register.

(4)(A) When a vacancy occurs in a position identified under paragraph (1) and the Secretary of Defense determines that the duties inherent in that position involve significant responsibilities for procurement functions with so many contractors that implementation of subsections (a) and (b) with respect to individuals serving in that position would seriously hamper the ability of the Department of Defense to obtain the services of a highly qualified individual to fill that vacancy, the Secretary, with the concurrence of the Director of the Office of Government Ethics, may exempt the individual appointed to fill that vacancy from the provisions of such subsections by reason of service in such position.

(B) Whenever the Secretary grants an exemption under this paragraph, the Secretary shall promptly submit to the Committees on Armed Services of the Senate and House of Representatives a report describing the exemption and setting forth the specific reasons for the exemption.

(h) EXCLUSION.—This section does not apply—

(1) to a contract for an amount less than $100,000; or

(2) to compensation of an individual by an entity that did not have a Department of Defense contract in excess of $100,000 at the time the individual had significant responsibilities for a procurement function with respect to a contract with that entity.

(i) ADVISORY OPINIONS FROM OFFICE OF GOVERNMENT ETHICS.—(1) An individual who is considering the propriety of accepting compensation that might place the individual in violation of subsection (a) may, before acceptance of such compensation, apply to the Director of the Office of Government Ethics for advice on the applicability of this section to the acceptance of such compensation.

(2) An application under paragraph (1) shall contain such information as the Director requires.

(j) WAIVER OF OTHERWISE APPLICABLE FINES UNDER TITLE 18.—The provisions of section 3623 of title 18, United States Code, shall not apply to maximum fines applicable under subsections (a)(2), (a)(3), and (e)(3).

(k) DEFINITIONS.—For purposes of this section:

(1) The term "compensation" includes any payment, gift, benefit, reward, favor, gratuity, or employment valued in excess of $100 at prevailing market price, provided directly, indirectly, or through a third party.

(2) The term "contractor" means any person, partnership, corporation, or agency (other than the Federal Government or the independent agencies thereof) that contracts to supply the Department of Defense with goods or services. Such term includes any parent, subsidiary, or affiliate thereof.

(3) The term "procurement function", with respect to a contract, means any acquisition action relating to the contract, including negotiating, awarding, administering, approving contract changes, costs analysis, quality assurance, operational and developmental testing, technical advice or recommendation, approval of payment, contractor selection, budgeting, auditing under the contract, or management of the procurement program.

(4) The term "Armed Forces" means the Army, Navy, Air Force, and Marine Corps and includes the Coast Guard when the Coast Guard is operating as a service in the Navy.

(l) SEPARATION OF MEMBERS OF ARMED FORCES.—For the purposes of this section, a member or former member of the Armed Forces shall be considered to have been separated from service in the Department of Defense upon such member's discharge or release from active duty.

(m) TRANSITION.—(1) This section—

(A) does not preclude the continuation of employment that began before the effective date of this section or the acceptance of compensation for such employment; and

(B) does not, except as provided in paragraph (2), apply to a individual whose service with the Department of Defense terminates before April 1, 1986.

(2) Paragraph (1)(B) does not preclude the application of this section to an individual with respect to service in the Department of Defense by such individual on or after April 1, 1986.

(n) EFFECTIVE DATE.—This section shall take effect on January 1, 1986.

—At the end of title VIII (page 143, after line 19) insert the following new section:

SEC. 802. CONFLICT-OF-INTEREST IN DEFENSE PROCUREMENT.

(a) LIMITATIONS ON ACCEPTANCE OF COMPENSATION.—(1) An individual who is a former officer or employee of the Department of Defense or a former or retired member of the Armed Forces who during the two-year period preceding the individual's separation from service in the Department of Defense had significant responsibilities for a procurement function with respect to a Government contractor while serving in a position identified by the Secretary of Defense under subsection (g)(1) may not accept compensation from that contractor for a period of two years following the individual's separation from service in the Department of Defense if that contractor is included in the notice provided that individual under subsection (d).

(2) Whoever knowingly violates paragraph (1) shall be fined not more than $10,000 or imprisoned for not more than one year, or both.

(3) An individual who knowingly offers or provides any compensation to an individual the acceptance of which is or would be in violation of paragraph (1) shall be fined not more than $10,000 or imprisoned for not more than one year, or both.

(b) LIMITATIONS ON CONTRACTORS.—(1) Each contract for procurement of goods or services entered into by the Department of Defense shall include a provision under which the contractor agrees not to provide compensation to an individual if the acceptance of such compensation by such individual would violate subsection (a)(1).

(2) Such a contract shall also provide that if the contractor knowingly violates a contract provision required by paragraph (1) the contractor shall pay to the United States, as liquidated damages under the contract, an amount equal to the greater of—

(A) $100,000; or

(B) three times the compensation paid by the contractor to the individual in violation of such contract provision.

(c) REPORTING OF EMPLOYMENT CONTACTS.—(1) If an officer or employee having responsibilities for a procurement function with respect to a Government contractor contacts, or is contacted by, the contractor regarding future compensation of the officer or employee by the contractor, the officer or employee shall—

(A) promptly report the contract to the officer or employee's supervisor and to the designated ethics official of the agency in which the officer or employee is serving;

(B) promptly report (as part of the report under subparagraph (A) or as a separate report) when contacts with the contractor concerning such compensation have been terminated without agreement or commitment to future compensation of the officer or employee by the contractor; and

(C) disqualify himself from all participation in the performance of procurement functions relating to contracts with that contractor until a report described in subparagraph (B) is made with respect to such contracts.

(2) If an officer or employee serving in a position with respect to which an exemption is in effect under subsection (g)(2) fails to disqualify himself as required by paragraph

(1)(C) with respect to procurement functions relating to contracts of a contractor, subsections (a) and (b) apply to acceptance of compensation by that officer or employee from that contractor.

(d) NOTICE TO OFFICERS AND EMPLOYEES LEAVING DOD SERVICE.—(1) The Secretary of Defense shall give the notice described in paragraph (2) to each officer and employee of the Department of Defense and each member of the Armed Forces—

(A) who after the effective date of this section is separated from service in the Department of Defense; and

(B) who during the two-year period before that separation served in a position in the Department that included significant responsibility for a procurement function and that was identified by the Secretary of Defense under subsection (g)(1).

(2) A notice required by paragraph (1) shall provide the individual receiving the notice—

(A) a written explanation of the provisions of this section; and

(B) the name of each contractor from whom such individual is prohibited from accepting compensation under this section during the two-year period following such separation from service in the Department of Defense.

(e) CONTRACTOR REPORTS.—(1)(A) Each contractor subject to a contract term described in subsection (b) shall submit to the Secretary of Defense not later than April 1 of each year a report covering the previous calendar year. Each such report shall list the name of each individual (together with other information adequate for the Government to identify the individual) who is a former Department of Defense officer or employee, or a former or retired member of the Armed Forces, who—

(i) was provided compensation by that contractor during the preceding calendar year, if such compensation was provided within two years after such officer or employee left service in the Department of Defense; and

(ii) had significant responsibilities for a procurement function during the individual's last two years of service in the Department of Defense.

(B) Each such listing shall—

(i) show each agency in which the individual was employed or served on active duty during the last two years of such individual's service in the Government;

(ii) show the individual's job titles during the last two years of such individual's service in the Government;

(iii) contain a full and complete description of the duties of the individual during the last two years of such service; and

(iv) contain a description of the duties (if any) that the individual is performing on behalf of the contractor.

(C) The first such report shall be submitted not later than April 1, 1987.

(2) The Secretary of Defense shall review each report under paragraph (1) to assess the report for accuracy and completeness and for the purpose of identifying possible violations of subsection (a) or (b) or paragraph (1). The Secretary shall report any such possible violation to the Attorney General.

(3) Whoever fails to file a report required by paragraph (1) shall be fined not more than $10,000.

(f) REVIEW BY DIRECTOR OF OFFICE OF GOVERNMENT ETHICS.—The Director of the Office of Government Ethics shall have access to the reports submitted under subsection (e)(1) and shall conduct an annual random review of the reports for violations of subsections (a), (b), and (e)(1). The Director shall submit a report to Congress not later than October 1 of each year on the operation of this section, including the findings of the Director based on the examination of reports for the preceding calendar year.

(g) COVERED POSITIONS.—(1) Not later than 180 days after the date of enactment of this Act, the Secretary of Defense shall prescribe and publish in the Federal Register regulations identifying those positions within the Department of Defense that have as their primary duty the management, direction, oversight, or justification, with respect to a particular product or service, of—

(A) development;

(B) production;

(C) funding;

(D) operational and developmental testing;

(E) auditing; or

(F) acquisition.

(2) Positions identified under paragraph (1) shall include as a minimum each position with respect to a contract or program—

(A) as the program manager or deputy program manager;

(B) as a program monitor;

(C) as a member of a source-selection evaluation board or of the technical and cost teams advising the board or as the official responsible for approval of a sole-source contract;

(D) as the head of the system's program office;

(E) as the source selection authority for the system; and

(F) in which an individual is assigned on a permanent basis in the government plant representative office.

(3) Regulations under paragraph (1) shall be revised not less often than once each year. Any revision of such regulations shall be published in the Federal Register.

(4)(A) When a vacancy occurs in a position identified under paragraph (1) and the Secretary of Defense determines that the duties inherent in that position involve significant responsibilities for procurement functions with so many contractors that implementation of subsections (a) and (b) with respect to individuals serving in that position would seriously hamper the ability of the Department of Defense to obtain the services of a highly qualified individual to fill that vacancy, the Secretary, with the concurrence of the Director of the Office of Government Ethics, may exempt the individual appointed to fill that vacancy from the provisions of such subsections by reason of service in such position.

(B) Whenever the Secretary grants an exemption under this paragraph, the Secretary shall promptly submit to the Committees on Armed Services of the Senate and House of Representatives a report describing the exemption and setting forth the specific reasons for the exemption.

(h) EXCLUSION.—This section does not apply—

(1) to a contract for an amount less than $100,000; or

(2) to compensation of an individual by an entity that did not have a Department of Defense contract in excess of $100,000 at the time the individual had significant responsibilities for a procurement function with respect to a contract with that entity.

(i) ADVISORY OPINIONS FROM OFFICE OF GOVERNMENT ETHICS.—(1) An individual who is considering the propriety of accepting compensation that might place the individual in violation of subsection (a) may, before acceptance of such compensation, apply to the Director of the Office of Government Ethics for advice on the applicability of this section to the acceptance of such compensation.

(2) An application under paragraph (1) shall contain such information as the Director requires.

(j) WAIVER OF OTHERWISE APPLICABLE FINES UNDER TITLE 18.—The provisions of section 3623 of title 18, United States Code, shall not apply to maximum fines applicable under subsections (a)(2), (a)(3), and (e)(3).

(k) DEFINITIONS.—For purposes of this section:

(1) The term "compensation" includes any payment, gift, benefit, reward, favor, gratuity, or employment valued in excess of $100 at prevailing market price, provided directly, indirectly, or through a third party.

(2) The term "contractor" means any person, partnership, corporation, or agency (other than the Federal Government or the independent agencies thereof) that contracts to supply the Department of Defense with goods or services. Such term includes any parent, subsidiary, or affiliate thereof.

(3) The term "procurement function", with respect to a contract, means any acquisition action relating to the contract, including negotiating, awarding, administering, approving contract changes, costs analysis, quality assurance, operational and developmental testing, technical advice or recommendation, approval of payment, contractor selection, budgeting, auditing under the contract, or management of the procurement program.

(4) The term "Armed Forces" means the Army, Navy, Air Force, and Marine Corps and includes the Coast Guard when the Coast Guard is operating as a service in the Navy.

(l) SEPARATION OF MEMBERS OF ARMED FORCES.—For the purposes of this section, a member or former member of the Armed Forces shall be considered to have been separated from service in the Department of Defense upon such member's discharge or release from active duty.

(m) TRANSITION.—(1) This section—

(A) does not preclude the continuation of employment that began before the effective date of this section or the acceptance of compensation for such employment; and

(B) does not, except as provided in paragraph (2), apply to an individual whose service with the Department of Defense terminates before April 1, 1986.

(2) Paragraph (1)(B) does not preclude the application of this section to an individual with respect to service in the Department of Defense by such individual on or after April 1, 1986.

(n) EFFECTIVE DATE.—This section shall take effect on January 1, 1986.

By Mr. BARNES:

—Insert the following new section at the end of part C of title X (page 176, after line 8):

SEC. 1024. REPORT CONCERNING THE TESTING OF CHEMICAL WARFARE AGENTS.

The Secretary of Defense shall, within 90 days after the date of enactment of this Act, transmit a report to the Armed Services Committees of the Senate and House of Representatives describing the following matters concerning the testing of diluted or undiluted chemical warfare agents:

(1) the criteria and process used for selecting sites for such testing;

(2) the nature and extent of any consultation carried out with State and local officials before the site for such testing is selected;

(3) the consideration that is given to the proximity of residential dwelling units, schools, child care centers, nursing homes, hospitals, or other health care facilities to the testing site;

(4) whether an environmental impact statement should be required prior to the approval of a contract for such testing;

(5) any costs that may have to be incurred by the Federal Government to assist companies that carry out such testing to relocate to more isolated areas;

(6) the degree to which the Secretary estimates that such testing will increase or decrease;

(7) any recurring problems associated with such testing or the site selection process for such testing; and

(8) any changes in site selection process that are to be implemented by the Secretary or for which legislative action is necessary.

By Mr. BRYANT:

—Page 172, after line 20, add the following new section:

SEC. 1016. LIMITATIONS ON PAYMENTS.

(a) PROGRESS PAYMENTS.—The Secretary of Defense (hereinafter referred to in this section as the "Secretary") shall require that progress payments under a defense contract that provides for such payments be made only after the work for which payment is made is completed and in accordance with a schedule of payments commensurate with the initially estimated cost of completed work of acceptable quality.

(b) PROHIBITION.—No progress payments may be made on work for which the contractural terms, specifications, and price have not been made definite.

(c) REQUIREMENT OF AUDIT.—(1) The Secretary shall, in the case of any contract described in subsection (a), require that an audit of the work carried out in accordance with such contract be completed before the final payment is made with respect to such contract.

(2) The Secretary shall, within 180 days after the date of enactment of this Act, transmit a report to the Congress concerning the methods by which the requirement of paragraph (1) will be carried out.

(d) ACCESS TO CONTRACTOR RECORDS.—The Secretary shall require that each defense contract that provides for progress payments shall include a provision that the Secretary may suspend such payments upon any refusal of the contractor to provide to a defense auditor or any person designated by the Secretary of a military department any information required by the auditor.

(e) WAIVER OF SMALL PURCHASES.—This section does not apply to contracts for amounts less than the threshold for small purchases applicable under section 2304(g)(2) of title 10, United States Code.

(f) EFFECTIVE DATE.—This section shall apply only to contracts entered into, extended, or substantially altered after the end of the 180-day period beginning on the date of the enactment of this Act.

By Mr. COLEMAN of Texas:

—Page 147, insert the following after line 25:

Project 85-D-105, combined device assembly facility, Nevada Test Site, Nevada, $19,200,000, for a total project authorization of $26,800,000.

By Mr. ERDREICH:

—Page 176, after line 8, insert the following new section:

SEC. 1024. REPORT CONCERNING ABILITY OF UNITED STATES INDUSTRIES TO SERVE UNITED STATES DEFENSE NEEDS.

(a) IN GENERAL.—The Secretary of Defense shall submit to the Congress a report with respect to—

(1) the effect on industries of the United States—

(A) of the record trade deficits experienced by the United States in recent years, and the record trade deficit projected for the United States in 1985; and

(B) of the present status of the United States as a net debtor nation;

(2) the ability of such industries to meet the production needs of the Department of Defense; and

(3) the ability of the United States to provide for the defense of itself and its allies.

(b) SPECIFIC REQUIREMENT.—The report required by subsection (a) shall include recommendations for actions to ensure that the industries of the United States are capable of meeting the production needs of the Department of Defense in any time of national emergency.

(c) SUBMISSION OF REPORT.—The report required by subsection (a) shall be submitted on or before November 1, 1985.

By Mr. FOGLIETTA:

—Page 27, line 2, strike out "and".

Page 27, line 4, strike out the period and insert in lieu thereof "; and".

Page 27, after line 4, insert the following:

(5) $1,000,000 is available for use by the Defense Logistics Agency to conduct a demonstration of advance clothing manufacturing technology and to procure and field test military clothing produced using advanced manufacturing techniques.

By Ms. KAPTUR:

—Insert the following new section at the end of title V (page 68, after line 6):

SEC. 533. PROHIBITION ON CERTAIN RECRUITING PRACTICES.

The Secretary of Defense shall prohibit the use of any gift to induce any individual to become involved in communications with the Department of Defense or any military department concerning the recruitment of such individual for the armed forces.

By Mr. LAGOMARSINO:

—At the end of title V (page 68, after line 61) add the following new section:

SEC. 533. PRISONER OF WAR MEDAL.

(a) AUTHORITY TO AWARD PRISONER OF WAR MEDAL.—Chapter 57 of title 10, United States Code, is amended by adding at the end thereof the following new section:

"§ 1128. Prisoner of war medal: award

"(a) The Secretary of Defense, or the Secretary of Transportation with respect to the Coast Guard when it is not operating as service in the Navy, may award, and present in the name of Congress, a service medal of appropriate design, with ribbons and appurtenances, to any person who, while serving in any capacity with the armed forces has been taken prisoner and held captive, on or after April 6, 1917—

"(1) while engaged in an action against an enemy of the United States;

"(2) while engaged in military operations involving conflict with an opposing foreign force; or

"(3) while serving with friendly forces engaged in an armed conflict against an opposing armed force in which the United States is not a belligerent party.

"(b) In prescribing regulations establishing the order of precedence of awards and decorations authorized to be displayed on the uniforms of members of the armed forces, the Secretary of Defense, and the Secretary of Transportation with respect to the Coast Guard when it is not operating as a service in the Navy, shall accord the prisoner of war medal authorized by subsection (a) a position of precedence, in relation to other awards and decorations authorized to be displayed, immediately following decorations awarded for individual heroism, meritorious achievement, or meritorious service, but before any other service medal, campaign medal, or service ribbon awarded the member.

"(c) Not more than one prisoner of war medal may be awarded to a person. However, for each succeeding service that would otherwise justify the award of such a medal, the Secretary of Defense, or the Secretary of Transportation with respect to the Coast Guard when it is not operating as a service in the Navy, may award a suitable device to be worn as the Secretary determines.

"(d) If a person dies before the award of a prisoner of war medal to which he is entitled, the award may be made and the medal presented to his representative, as designated by the Secretary of Defense or Secretary of Transportation with respect to the Coast Guard when it is not operating as a service in the Navy.

"(e) For a person to be eligible for award of a prisoner of war medal, the person's conduct must have been honorable for the period of captivity which serves as the basis for the award.

"(f) Under regulations to be prescribed by the Secretary of Defense and the Secretary of Transportation with respect to the Coast Guard when it is not operating as a service in the Navy, a prisoner of war medal that has been lost, destroyed, or rendered unfit for use without fault or neglect on the part of the person to whom it was awarded may be replaced upon application without charge.".

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by adding at the end thereof the following new item:

"1128. Prisoner of war medal: award.".

By Mr. LEVINE of California:

—At the end of title VIII (page 143, after line 19), add the following new section:

SEC. 802. MULTIPLE SOURCES FOR MAJOR DEFENSE ACQUISITION PROGRAMS.

(a) IN GENERAL.—(1) Chapter 137 of title 10, United States Code, is amended by inserting after section 2305 the following new section:

"§ 2305a. Major programs: development of multiple sources

"(a)(1) The Secretary of Defense may not begin fullscale engineering development under a major program until—

"(A) the Secretary prepares a plan for competition under the program; and

"(B) the Secretary submits to the Committees on Armed Services of the Senate and House of Representatives a report describing that plan.

"(2) Each contract for the development and acquisition of the system under the program (and of each major subsystem under the program) shall be awarded in accordance with the plan prepared under paragraph (1).

"(3) The report required by paragraph (1)(B) shall be submitted not later than the submission of the budget materials the Secretary submits to Congress for the fiscal year for which the initial request is made

for appropriations for full-scale engineering development of the program.

"(4) If the Secretary proposes to revise a competition plan prepared under paragraph (1) after the report on the plan is submitted under that paragraph, the Secretary shall submit to the committees a report describing the proposed revision. Such a revision may not be implemented until 60 days after the report on the revision is received by those committees.

"(b)(1) The Secretary shall include in the competition plan for a major program an estimate of whether market conditions for such system (and each such subsystem) exist such that the Secretary has a reasonable expectation that there will be competitive alternative sources of supply for the system (and each such subsystem) throughout the period from the beginning of full-scale engineering development through the end of production under the program.

"(2) If the Secretary's estimate under paragraph (1) that competitive alternative sources of supply will exist later proves incorrect in that fewer than two responsive proposals are received in reply to a request for proposals, the Secretary shall revise the competition plan in accordance with subsection (c)(1).

"(3) Each contract (including a following-on contract) for full-scale engineering development or production under a major program shall be entered into using competitive procedures.

"(c)(1) In preparing the portions of a plan that are required by subsection (b)—

"(A) if the Secretary determines that competitive alternative sources of supply with respect to the system (or a major subsystem of the system) would not otherwise be available throughout the full-scale engineering development of the system (or major subsystem), the Secretary shall provide in the plan for the award of contracts under the program so as to provide and maintain at least two sources of supply for full-scale engineering development; and

"(B) if the Secretary determines that alternative sources of supply with respect to the system (or a major subsystem of the system) would not otherwise be available throughout the production of the system (or major subsystem), the Secretary shall provide in the plan for the award of contracts under the program so as to provide and maintain at least two sources of supply for production.

"(2) If a competition plan includes a provision required by paragraph (1)(B), the plan shall also provide that of the total dollar amount of contracts awarded for a fiscal year for production of the system (or major subsystem)—

"(A) the amount awarded to the contractor whose proposal was most advantageous to the United States shall be greater than the amount awarded any other contractor; and

"(B) the amount awarded any other contractor shall be sufficient to enable that contractor to compete effectively for the plurality of the next production contract for the system (or major subsystem).

"(3) The Secretary shall determine which proposal is most advantageous to the United States by considering price and other factors included in the solicitation for proposals for the contract.

"(4) The Secretary may waive provisions of a plan required by paragraph (1) if the Secretary determines that the proposal of the contractor submitting the proposal that is the second most advantageous to the United States is not within a comparative range (as determined by the Secretary) of the proposal that is the most advantageous to the United States.

"(5) In carrying out this subsection, the Secretary may provide that the requirements of a competition plan are satisfied even though the contractors do not develop or produce identical systems if the systems developed or produced serve similar functions and compete effectively with each other.

"(d)(1) In preparing a competition plan for a major program, the Secretary (subject to paragraph (4)) may waive the requirements of subsections (b) and (c) with respect to that program if the Secretary determines that the application of those subsections to that program—

"(A) would materially increase the total cost of the program; or

"(B) would unreasonably delay the completion of the total program.

"(2) If the Secretary grants a waiver under paragraph (1), the report submitted under subsection (a)(1) with respect to that program—

"(A) shall include notice that such waiver has been made; and

"(B) shall set forth the reasons for the waiver, together with supporting documentation of comparative cost and schedule estimates.

"(3) The exercise of the authority provided under paragraph (1) shall be made separately with respect to the application of subsections (b) and (c)—

"(A) to full-scale engineering development of the program; and

"(B) to production of the program.

"(4) The Secretary may not grant a waiver under paragraph (1) if the waiver would cause the total cost of either the major development programs or the major production programs for which all such waivers have been granted to exceed 50 percent of the total cost of all the major development programs or the major production programs, respectively, that enter full-scale engineering development after fiscal year 1986.

"(f) In this section:

"(1) 'Major program' means a major defense acquisition program, as such term is defined in section 139a(a) of this title.

"(2) 'Major subsystem', with respect to a major program, means a subsystem of the system developed under the program for which—

"(A) the amount for research, development, test, and evaluation is 10 percent or more of the amount specified in section 139a(a)(1)(B) of this title as the research, development, test, and evaluation funding criterion for identification of a major defense acquisition program; or

"(B) the amount for production is 10 percent or more of the amount specified in section 139a(a)(1)(B) of this title as the production funding criterion for identification of a major defense acquisition program.".

(2) The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 2305 the following new item:

"2305a. Major programs: development of multiple sources.".

(b) EFFECTIVE DATE.—Section 2305a of title 10, United States Code, as added by subsection (a), shall apply with respect to major defense acquisition programs for which funds for full-scale engineering development are first provided for a fiscal year after fiscal year 1986.

By Ms. MIKULSKI:

—At the end of the bill add the following new section:

SEC. . No merchant vessel which is committed to the foreign trade of the United States and the plans and specifications of which have been approved by the Secretary of the Navy as suitable for economical and speedy conversion into a naval or military auxiliary, or otherwise suitable for use by the United States Government in time of war or national emergency, shall be released from any commitments entered into with the United States Government unless the Secretary of the Navy determines that such release shall not reduce the number of militarily useful liquid bulk carriers readily available to the United States in time of war or national emergency.

By Mr. MOAKLEY:

—Insert the following at the end of part D of title VI (page 118, after line 4):

SEC. 655. ADVISORY PANEL.

(a) ESTABLISHMENT.—The Secretary of Defense shall establish and appoint, within 180 days after the date of enactment of this Act (but not before October 1, 1985), an Advisory Panel on Medical Aspects of Casualty Resolution (hereafter in this section referred to as the "advisory panel"). The advisory panel shall study the procedures used by the military departments for medical casualty investigations relating to members of an armed force who die or are seriously injured while on active duty.

(b) MEMBERS.—The advisory panel shall be composed of eight members, as follows:

(1) three practitioners of medicine who are recognized experts in the investigation of causes of deaths and are not otherwise employed by the Federal Government;

(2) the Director of the Armed Forces Institute of Pathology;

(3) two individuals, not otherwise employed by the Federal Government, qualified to represent the interests and concerns of families of members of the armed forces; and

(4) two individuals who are civilian or military employees of the Department of Defense, or of an armed force, whose principal duties as employees are related to the investigation of military casualties or liaison with families of such casualties.

(c) CHAIRMAN.—The Secretary shall designate one of the members of the advisory panel as Chairman.

(d) DUTIES.—The advisory panel shall study and investigate, and make recommendations to the Secretary of Defense with respect to, the following:

(1) The need, and appropriate standards, for uniform policies of the military departments with respect to autopsies of members of the armed forces who die while on active duty, taking into account religious sensibilities of members and their families.

(2) The need, and appropriate standards, for a policy of the Department of Defense with respect to independent review of autopsies, and other aspects of medical casualty investigations, conducted by the armed forces, including the appropriate role of the Armed Forces Institute of Pathology.

(3) Appropriate policies and procedures for retaining, in safekeeping, all medical investigative materials (including photographs, specimens, slide and other records of any autopsy), and, to the extent not inconsistent with national security, making such materials available to survivors of members of the armed forces who die while on active duty.

(4) The desirability of establishing an independent board of medical examination in the Department of Defense which consists of 5 or more practitioners of medicine who are recognized experts in the investigation of causes of death and the primary function of which would be to advise the Secretary of Defense on the operation of the Armed Forces Institute of Pathology and on the reliability and independence of the Institute's investigations of military casualties.

(e) EXPENSES.—Expenses incurred by the advisory panel may be paid out of funds appropriated to the Department of Defense for operation and maintenance for any fiscal year after fiscal year 1985, including per diem and reimbursement for travel expenses of members of the advisory panel who are not otherwise employed by the Federal government to attend meetings.

(f) REPORT.—(1) The advisory panel shall submit a report to the Secretary of Defense within one year after the appointment of its members.

(2) Within 180 days thereafter, the Secretary shall forward the report to the Congress accompanied by—

(A) the Secretary's evaluation of the advisory panel's report;

(B) an analysis and description of all actions taken by the Department of Defense and the military departments to implement any recommendation of such panel; and

(C) the Secretary's recommendations with respect to any legislation needed to implement any such recommendation.

By Mr. MONSON:

—At the end of title X (page 200, after line 4) add the following new section:

SEC. 1050. SALE OF CERTAIN RECORDINGS OF UNITED STATES AIR FORCE BAND.

(a) AUTHORIZED SALE.—Notwithstanding any other provision of law, the Secretary of the Air Force may produce recordings of the concert of the United States Air Force Band in Salt Lake City, Utah, on April 18 and 19, 1985, for commercial sale.

(b) AUTHORIZED CONTRACT.—The Secretary may enter into an appropriate contract, under such terms as the Secretary determines to be in the best interest of the Government, for the production and sale authorized by subsection (a).

By Mr. RAY:

—At the end of title X (page 200, after line 4) insert the following new section:

SEC. 1050. DEFENSE INDUSTRIAL BASE FOR TEXTILE AND APPAREL PRODUCTS.

(a) CAPABILITY OF DOMESTIC TEXTILE AND APPAREL INDUSTRIAL BASE.—The Secretary of Defense shall monitor the capability of the domestic textile and apparel industrial base to support defense mobilization requirements.

(b) ANNUAL REPORT.—The Secretary shall submit to Congress not later than April 1 of each of the five years beginning with 1986 a report on the status of such industrial base. Each such report shall include—

(1) an identification of textile and apparel mobilization requirements of the Department of Defense that cannot be satisfied on a timely basis by the domestic industries;

(2) an assessment of the effect any inadequacy in the textile and apparel industrial base would have on a defense mobilization; and

(3) recommendations for ways to alleviate any inadequacy in such industrial base that the Secretary considers critical to defense mobilization requirements.

By Mrs. SCHROEDER:

—Strike out part F of title VI (page 122, line 13 through page 137, line 16) and insert in lieu thereof the following (and redesignate the sections of part G accordingly):

PART F—SURVIVOR BENEFIT PLAN IMPROVEMENTS

SEC. 670. SHORT TITLE.

This part may be cited as the "Survivor Benefit Plan Amendments of 1985".

Subpart 1—General Program Changes

SEC. 671. ESTABLISHMENT OF TWO-TIER BENEFIT SYSTEM AND ELIMINATION OF SOCIAL SECURITY OFFSET.

(a) REVISION IN SBP ANNUITY COMPUTATION.—Section 1451 of title 10, United States Code, is amended to read as follows:

"§ 1451. Amount of annuity

"(a)(1) In the case of a standard annuity provided to a beneficiary under section 1450(a) of this title (other than under section 1450(a)(4)), the monthly annuity payable to the beneficiary shall be determined as follows:

"(A) If the beneficiary is under 62 years of age when becoming entitled to the annuity, the monthly annuity shall be the amount equal to 55 percent of the base amount (as the base amount is adjusted from time to time under subsection 1401a of this title).

"(B) If the beneficiary is 62 years of age or older when becoming entitled to the annuity, the monthly annuity shall be the amount equal to 35 percent of the base amount (as the base amount is adjusted from time to time under section 1401a of this title). However, if the beneficiary is eligible to have the annuity computed under that subsection (e) and if an annuity computed under that subsection is more favorable to the beneficiary, the annuity shall be computed under that subsection.

"(2) In the case of a reserve-component annuity provided to a beneficiary under section 1450(a) of this title (other than under section 1450(a)(4)), the monthly annuity payable to the beneficiary shall be determined as follows:

"(A) If the beneficiary is under 62 years of age when becoming entitled to the annuity, the monthly annuity shall be the amount equal to a percentage of the base amount (as the base amount is adjusted from time to time under section 1401a of this title) that—

"(i) is less than 55 percent; and

"(ii) is determined under subsection (f).

"(B) If the beneficiary is 62 years of age or older when becoming entitled to the annuity, the monthly annuity shall be the amount equal to a percentage of the base amount (as the base amount is adjusted from time to time under section 1401a of this title) that—

"(i) is less than 35 percent; and

"(ii) is determined under subsection (f).

However, if the beneficiary is eligible to have the annuity computed under subsection (e) and if an annuity computed under that subsection would be more favorable to the beneficiary, the annuity shall be computed under that subsection.

"(b)(1) In the case of a standard annuity provided to a beneficiary under section 1450(a)(4) of this title, the monthly annuity payable to the beneficiary shall be the amount equal to 55 percent of the retired pay of the person who elected to provide the annuity after the reduction in that pay in accordance with section 1452(c) of this title.

"(2) In the case of a reserve-component annuity provided to a beneficiary under section 1450(a)(4) of this title, the monthly annuity payable to the beneficiary shall be the amount equal to a percentage of the retired pay of the person who elected to provide the annuity after the reduction in such pay in accordance with section 1452(c) of this title that—

"(A) is less than 55 percent; and

"(B) is determined under subsection (f).

"(3) For the purposes of paragraph (2), a person—

"(A) who provides an annuity that is determined in accordance with that paragraph;

"(B) who dies before becoming 60 years of age; and

"(C) who at the time of death is otherwise entitled to retired pay,

shall be considered to have been entitled to retired pay at the time of death. The retired pay of such person for the purposes of such paragraph shall be computed on the basis of the rates of basic pay in effect on the date on which the annuity provided by such person is to become effective in accordance with the designation of such person under section 1448(e) of this title.

"(c)(1) In the case of an annuity provided under section 1448(d) or 1448(f) of this title to the surviving spouse or child of a member or former member, the amount of the annuity shall be determined as follows:

"(A) If the person receiving the annuity is under 62 years of age when the member or former member dies, the monthly annuity shall be the amount equal to 55 percent of the retired pay to which the member or former member would have been entitled if the member or former member had been entitled to that pay based upon his years of active service when he died.

"(B) If the person receiving the annuity is 62 years of age or older when the member or former member dies, the monthly annuity shall be the amount equal to 35 percent of the retired pay to which the member or former member would have been entitled if the member or former member had been entitled to that pay based upon his years of active service when he died. However, if the beneficiary is eligible to have the annuity computed under subsection (e) and if an annuity computed under that subsection is more favorable to the beneficiary, the annuity shall be computed under that subsection.

"(2) In the case of an annuity provided under section 1448(d) or 1448(f) of this title to a former spouse of the person providing the annuity, the amount of the monthly annuity shall be the amount equal to 55 percent of the retired pay to which the member or former member would have been entitled if the member or former member had been entitled to that pay based upon the years of active service of the member when the member died.

"(3) An annuity computed under paragraph (1) that is paid to a surviving spouse shall be reduced by the amount of dependency and indemnity compensation to which the surviving spouse is entitled under section 411(a) of title 38. Any such reduction shall be effective on the date of the commencement of the period of payment of such compensation under title 38.

"(4) In the case of an annuity provided by a member described in section 1448(d)(1)(C) of this title, the retired pay to which the member would have been entitled when he died shall be determined based upon the rate of basic pay in effect at the time of death for the highest grade other than a commissioned officer grade in which the member served on active duty satisfactorily, as determined by the Secretary concerned.

"(5) In the case of an annuity paid under section 1448(f) of this title, the retired pay of the person providing the annuity shall for the purposes of paragraphs (1) and (2) be computed on the basis of the rates of basic pay in effect on the effective date of the annuity.

"(d) The annuity of a person whose annuity is computed under clause (A) of subsection (a)(1), (a)(2), or (c)(1) shall be reduced on the first day of the month after the month in which the person becomes 62 years of age. The revised amount of the annuity shall be the amount of the annuity that the person would be receiving on that date if the annuity of the person had initially been computed under clause (b) of that subsection.

"(e)(1) The following persons are eligible to have an annuity under the Plan computed under this subsection:

"(A) A beneficiary receiving an annuity under the Plan on October 1, 1985, as the widow or widower of the person providing the annuity.

"(B) A spouse beneficiary of a person who on October 1, 1985, is a participant in the Plan.

"(2) Subject to paragraph (3), an annuity computed under this subsection shall be determined as follows:

"(A) In the case of a beneficiary of a standard annuity under section 1450(a) of this title, the annuity shall be the amount equal to 55 percent of the base amount (as the base amount is adjusted from time to time under section 1401a of this title).

"(B) In the case of a beneficiary of a reserve-component annuity under section 1450(a) of this title, the annuity shall be the percentage of the base amount (as the base amount is adjusted from time to time under section 1401a of this title) that—

"(i) is less than 55 percent; and

"(ii) is determined under subsection (f).

"(C) In the case of a beneficiary of an annuity under section 1448(d) or 1448(f) of this title, the annuity shall be the amount equal to 55 percent of the retired pay of the person providing the annuity (as that pay is determined under subsection (c)).

"(3) An annuity computed under this subsection shall be reduced by the lesser of—

"(A) the amount of the survivor benefit, if any, to which the widow or widower would be entitled under title II of the Social Security Act (42 U.S.C. 401 et seq.) based solely upon service by the person concerned as described in section 210(1)(1) of such Act (42 U.S.C. 410(1)(1)) and calculated assuming that the person concerned lives to age 65; or

"(B) 40 percent of the amount of the monthly annuity as determined under paragraph (2).

"(4)(A) For the purpose of paragraph (3), a widow or widower shall not be considered as entitled to a benefit under title II of the Social Security Act (42 U.S.C. 401 et seq.) to the extent that such benefit has been offset by deductions under section 203 of such Act (42 U.S.C. 403) on account of work.

"(B) In the computation of any reduction made under paragraph (3), there shall be excluded any period of service described in section 210(1)(1) of the Social Security Act (42 U.S.C. 410(1)(1))—

"(i) which was performed after December 1, 1980; and

"(ii) which involved periods of service of less than 30 continuous days for which the person concerned is entitled to receive a refund under section 6413(c) of the Internal Revenue Code of 1954 of the social security tax which the person had paid.

"(f) The percentage to be applied in determining the amount of an annuity computed under subsection (a)(2), (b)(2), or (e)(2)(B) shall be determined under regulations prescribed by the Secretary of Defense. Such regulations shall be prescribed taking into consideration—

"(1) the age of the person electing to provide the annuity at the time of such election;

"(2) the difference in age between such person and the beneficiary of the annuity;

"(3) whether such person provided for the annuity to become effective (in the event he died before becoming 60 years of age) on the day after his death or on the 60th anniversary of his birth;

"(4) appropriate group annuity tables; and

"(5) such other factors as the Secretary considers relevant.

"(g)(1) Whenever retired pay is increased under section 1401a of this title (or any other provision of law), each annuity that is payable under the Plan shall be increased at the same time by the same total percent. The amount of the increase shall be based on the monthly annuity payable before any reduction under section 1450(c) of this title or under subsection (c)(2).

"(2) The monthly amount of an annuity payable under this subchapter, if not a multiple of $1, shall be rounded to the next lower multiple of $1.".

(b) CONFORMING AMENDMENT.—Section 641 of the Department of Defense Authorization Act, 1985 (Public Law 98-525; 98 Stat. 2545), is repealed, effective as of September 1, 1985.

SEC. 672. SBP COVERAGE FOR MEMBERS WHO DIE AFTER 20 YEARS OF SERVICE.

(a) IN GENERAL.—Section 1448(d) of title 10, United States Code, is amended to read as follows:

"(d)(1) The Secretary concerned shall pay an annuity under this subchapter to the surviving spouse of a member who dies on active duty after—

"(A) becoming eligible to receive retired pay;

"(B) qualifying for retired pay except that he has not applied for or been granted that pay; or

"(C) completing 20 years of active service but before he is eligible to retire as a commissioned officer because he has not completed 10 years of active commissioned service.

"(2) The Secretary concerned shall pay an annuity under this subchapter to the dependent child of a member described in paragraph (1) if the member and the member's spouse die as a result of a common accident.

"(3) If a member described in paragraph (1) is required under a court order or spousal agreement to provide an annuity to a former spouse upon becoming eligible to be a participant in the Plan or has made an election under subsection (b) to provide an annuity to a former spouse, the Secretary—

"(A) may not pay an annuity under paragraph (1) or (2); but

"(B) shall pay an annuity to that former spouse as if the member had been a participant in the Plan and had made an election under subsection (b) to provide an annuity to the former spouse, or in accordance with that election, as the case may be, if the Secretary receives a written request from the former spouse concerned that the election be deemed to have been made in the same manner as provided in section 1450(f)(3) of this title.

"(4) An annuity that may be provided under this subsection shall be provided in preference to an annuity that may be provided under any other provision of this subchapter on account of service of the same member.

"(5) The amount of an annuity under this subsection is computed under section 1451(c) of this title.".

(b) PERSONS COVERED.—(1) Section 1448(d) of title 10, United States Code, as amended by subsection (a), applies to the surviving spouse and dependent children of a person who dies on active duty after September 20, 1972, and the former spouse of a person who dies after September 7, 1982.

(2) In the case of the surviving spouse and dependents of a person who dies during the period beginning on September 21, 1972, and ending on October 1, 1985, the Secretary concerned shall take appropriate steps to locate persons eligible for an annuity under section 1448(d) of title 10, United States Code, as amended by subsection (a). Any such person must submit an application to the Secretary for such an annuity before October 1, 1988, to be eligible to receive such annuity. Any such annuity shall be effective only for months after the month in which the Secretary receives such application.

SEC. 673. ANNUITY FOR SURVIVORS OF CERTAIN RETIREMENT ELIGIBLE RESERVISTS.

(a) ELIGIBILITY.—Section 1448 of title 10, United States Code, is amended by adding at the end thereof the following new subsection:

"(f)(1) The Secretary concerned shall pay an annuity under this subchapter to the surviving spouse of a person who is eligible to provide a reserve-component annuity and who dies—

"(A) before being notified under section 1331(d) of this title that he has completed the years of service required for eligibility for retired pay under chapter 67 of this title; or

"(B) during the 90-day period beginning on the date he receives notification under section 1331(d) of this title that he has completed the years of service required for eligibility for retired pay under chapter 67 of this title if he had not made an election under subsection (a)(2)(B) to participate in the Plan.

"(2) The Secretary concerned shall pay an annuity under this subchapter to the dependent child of a person described in paragraph (1) if the person and the person's spouse die as a result of a common accident.

"(3) If a person described in paragraph (1) is required under a court order or spousal agreement to provide an annuity to a former spouse upon becoming eligible to be a participant in the plan or has made an election under subsection (b) to provide an annuity to a former spouse, the Secretary—

"(A) may not pay an annuity under paragraph (1) or (2); but

"(B) shall pay an annuity to that former spouse as if the person had been a participant in the Plan and had made an election under subsection (b) to provide an annuity to the former spouse, or in accordance with that election, as the case may be, if the Secretary receives a written request from the former spouse concerned that the election be deemed to have been made in the same manner as provided in section 1450(f)(3) of this title.

"(4) The amount of an annuity under this subsection is computed under section 1451(c) of this title.".

(b) EFFECTIVE DATE OF ANNUITY.—Section 1450(j) of such title is amended by adding at

the end thereof the following new sentence: "An annuity payable under section 1448(f) of this title shall be effective on the day after the date of the death of the person upon whose service the right to the annuity is based.".

(c) PERSONS COVERED.—(1) Section 1448(f) of title 10, United States Code, as added by subsection (a), shall apply to the surviving spouse and dependent children of any person who dies after September 30, 1978, and the former spouse of a person who dies after September 7, 1982.

(2) In the case of the surviving spouse and dependents of a person who dies during the period beginning on September 30, 1978, and ending on October 1, 1985, the Secretary concerned shall take appropriate steps to locate persons eligible for an annuity under section 1448(f) of title 10, United States Code, as added by subsection (a). Any such person must submit an application to the Secretary for such an annuity before October 1, 1988, to be eligible to receive such annuity. Any such annuity shall be effective only for months after the month in which the Secretary receives such application.

SEC. 674. INDEXING OF THRESHOLD AMOUNT FOR CALCULATION OF REDUCTION OF RETIRED PAY.

Section 1452(a) of title 10, United States Code, is amended—

(1) by inserting "(1)" after "(a)";

(2) in the first sentence—

(A) by redesignating clauses (1) and (2) as clauses (A) and (B), respectively;

(B) in clause (A) (as so redesignated)—

(i) by inserting "(as adjusted from time to time under paragraph (4))" after "$300"; and

(ii) by striking out "an annuity by virtue of eligibility under section 1448(a)(1)(A) of this title" and inserting in lieu thereof "a standard service annuity"; and

(C) in clause (B) (as so redesignated), by striking out "an annuity by virtue of eligibility under section 1448(a)(1)(A)" and inserting in lieu thereof "a reserve-component annuity";

(3) by designating the second sentence as paragraph (2) and striking out "As long as" and all that follows through "that amount" and inserting in lieu thereof "If there is a dependent child as well as a spouse, the amount prescribed under paragraph (1)";

(4) by designating the third sentence as paragraph (3) and in such sentence by striking out "the first sentence of this subsection" and inserting in lieu thereof "paragraph (1)"; and

(5) by adding at the end thereof the following new paragraph:

"(4) Whenever there is an increase in the rates of basic pay of members of the armed forces, the amount under paragraph (1)(A) with respect to which the percentage factor of 2½ is applied shall be increased by the overall percentage of such increase in rates of basic pay. Any such increase shall apply with respect to persons who initially become participants in the Plan on or after the effective date of such increase.".

SEC. 675. SBP COVERAGE UPON REMARRIAGE.

(a) OPTION NOT TO RESUME COVERAGE UPON REMARRIAGE.—Section 1448(a) of title 10, United States Code, is amended by adding at the end thereof the following new paragraph:

"(6)(A) A person—

"(i) who is a participant in the Plan and is providing coverage for a spouse or a spouse and child;

"(ii) who does not have an eligible spouse beneficiary under the Plan; and

"(iii) who remarries,

may elect, with the concurrence of the person's spouse, not to provide coverage under the Plan for the person's spouse.

"(B) If such an election is made, no reduction in the retired pay of such person under section 1452 of this title may be made. An election under this paragraph—

"(i) is irrevocable;

"(ii) shall be made within one year after the person's marriage; and

"(iii) shall be made in such form and manner as may be prescribed in regulations under section 1455 of this title.

"(C) This paragraph does not affect any right or obligation to elect to provide an annuity to a former spouse under subsection (b).".

(b) OPTION TO PROVIDE HIGHER COVERAGE UPON PAYMENT OF AMOUNTS NOT PREVIOUSLY WITHHELD.—Section 1448 of such title is amended by adding after subsection (f), as added by the amendment made by section 673(a), the following new subsection:

"(g)(1) A person—

"(A) who is a participant in the Plan and is providing coverage under subsection (a) for a spouse or a spouse and child, but at less than the maximum level; and

"(B) who remarries,

may elect, within one year of such remarriage, to increase the level of coverage provided under the Plan to a level not in excess of the current retired pay of that person.

"(2) Such an election shall be contingent on the person paying to the United States the amount determined under paragraph (3) plus interest on such amount at a rate determined under regulations prescribed by the Secretary of Defense.

"(3) The amount referred to in paragraph (2) is the amount equal to the difference between—

"(A) the amount that would have been withheld from such person's retired pay under section 1452 of this title if the higher level of coverage had been in effect from the time the person became a participant in the Plan; and

"(B) the amount of such person's retired pay actually withheld.

"(4) An election under paragraph (1) shall be made in such manner as the Secretary shall prescribe and shall become effective upon receipt of the payment required by paragraph (2).

"(5) Any payment received under this subsection by the Secretary of Defense shall be deposited into the Department of Defense Military Retirement Fund. Any other payment received under this subsection shall be deposited in the Treasury as miscellaneous receipts.".

SEC. 676. OPTION TO COVER BOTH A FORMER SPOUSE AND DEPENDENT CHILDREN OF A MEMBER.

(a) OPTION TO PROVIDE COVERAGE.—Section 1448(b) of title 10, United States Code, is amended—

(1) by inserting "(other than a child who is a beneficiary under an election under paragraph (4))" in the second sentence of paragraph (2) after "that spouse or child";

(2) by redesignating paragraph (4) as paragraph (5); and

(3) by inserting after paragraph (3) the following new paragraph (4):

"(4) A person who elects to provide an annuity for a former spouse under paragraph (2) or (3) may, at the time of the election, elect to provide coverage under that annuity for both the former spouse and a dependent child, if the child resulted from the person's marriage to that former spouse.".

(b) REVISION FOR FORMER SPOUSE COVERAGE ALREADY IN EFFECT.—A person who before the date of the enactment of this Act made an election under section 1448(b) of title 10, United States Code, to provide an annuity for a former spouse may elect, within the one-year period beginning on that date of enactment, to change that election so as to provide an annuity for the former spouse and the dependent children of the person, as authorized by paragraph (4) of that section added by subsection (a). Such an election may be made even though the former spouse for who the annuity was provided has died.

SEC. 677. AUTHORITY TO REPAY REFUNDED SBP DEDUCTIONS IN INSTALLMENTS.

Section 1450(k) of title 10, United States Code, is amended—

(1) by inserting "(1)" after "(k)";

(2) by striking out "had never been made," and all that follows and inserting in lieu thereof "had never been made."; and

(3) by adding at the end thereof the following new paragraph:

"(2) A widow or widower whose annuity is readjusted under paragraph (1) shall repay any amount refunded under subsection (e) by reason of the adjustment under subsection (c). If the repayment is not made in a lump sum, the widow or widower shall pay interest on the amount to be repaid commencing on the date on which the first such payment is due and applied over the period during which any part of the repayment remains to be paid. The manner in which such repayment shall be made, and the rate of any such interest, shall be prescribed in regulations under section 1455 of this title. Any amount repaid under this paragraph (including any such interest) received by the Secretary of Defense shall be deposited into the Department of Defense Military Retirement Fund. Any other amount repaid under this paragraph shall be deposited into the Treasury as miscellaneous receipts.".

SEC. 678. EFFECTIVE DATE OF DIC OFFSET.

Section 1450(c) of title 10, United States Code, is amended by adding at the end thereof the following new sentence: "Any reduction in an annuity under this section required by the preceding sentence shall be effective on the date of the commencement of the period of payment of such compensation under title 38.".

SEC. 679. TECHNICAL AMENDMENTS TO SBP STATUTE.

Subchapter II of chapter 73 of title 10, United States Code, is amended as follows:

(1) Section 1447 is amended by adding at the end thereof the following new paragraphs:

"(11) 'Retired pay' includes retainer pay.

"(12) 'Standard annuity' means an annuity provided by virtue of eligibility under section 1448(a)(1)(A) of this title.

"(13) 'Reserve-component annuity' means an annuity provided by virtue of eligibility under section 1448(a)(1)(B) of this title.".

(2) Section 1447(2)(C) is amended—

(A) by striking out "an annuity by virtue of eligibility under section 1448(a)(1)(A) of this title" in subclause (i) and inserting in lieu thereof "a standard annuity"; and

(B) by striking out "an annuity by virtue of eligibility under section 1448(a)(1)(B) of this title" in subclause (ii) and inserting in lieu thereof "a reserve-component annuity".

(3) Paragraphs (1) and (2) of section 1448(b) are each amended by striking out "an annuity under this paragraph by virtue of eligibility under subsection (a)(1)(B)" and

inserting in lieu thereof "a reserve-component annuity".

(4) Section 1450(b) is amended by striking out "under this section" and inserting in lieu thereof "under the Plan".

(5) Section 1450(j) is amended by striking out "any person providing an annuity by virtue of eligibility under section 1448(a)(1)(B) of this title" and inserting in lieu thereof "a person providing a reserve-component annuity".

(6) Section 1450(1) is amended—

(A) by striking out "the plan" both places it appears in the first sentence of paragraph (1) and inserting in lieu thereof "the Plan"; and

(B) by striking out "the provision of" in paragraph (2).

(7) Section 1452(c) is amended—

(A) by striking out "the annuity by virtue of eligibility under section 1448(a)(1)(A) of this title" and inserting in lieu thereof "a standard annuity"; and

(B) by striking out "the annuity by virtue of eligibility under section 1448(a)(1)(B) of this title" and inserting in lieu thereof "a reserve-component annuity";

(8)(A) The following sections are each amended by striking out "or retainer" each place it appears: 1448(a)(1)(A), 1448(a)(2)(A), 1448(b)(3)(B), 1450(d), 1450(e), 1450(l)(1), 1450(l)(3)(A)(i), 1452.

(B) The heading for section 1452, and the item relating to that section in the table of sections at the beginning of such subchapter, are each amended by striking out the penultimate and antepenultimate words.

Subpart 2—Provisions Relating to Rights for Spouses and Former Spouses

SEC. 681. SPOUSAL CONCURRENCE FOR ELECTIONS.

(a) CONCURRENCE FOR SBP COVERAGE.—Section 1448(a) of title 10, United States Code, is amended—

(1) by inserting "(with his spouse's concurrence, if required under paragraph (3))" in paragraph (2)(A) after "unless he elects"; and

(2) by striking out paragraph (3) and inserting in lieu thereof the following:

"(3)(A) A married person who is eligible to provide a standard annuity may not without the concurrence of the person's spouse elect—

"(i) not to participate in the Plan;

"(ii) to provide an annuity for the person's spouse at less than the maximum level; or

"(iii) to provide an annuity for a dependent child but not for the person's spouse.

"(B) A married person who elects to provide a reserve-component annuity may not without the concurrence of the person's spouse elect—

"(i) to provide an annuity for the person's spouse at less than the maximum level; or

"(ii) to provide an annuity for a dependent child but not for the person's spouse.

"(C) A person may make an election described in subparagraph (A) or (B) without the concurrence of the person's spouse if the person establishes to the satisfaction of the Secretary concerned—

"(i) that the spouse's whereabouts cannot be determined; or

"(ii) that, due to exceptional circumstances, requiring the person to seek the spouse's consent would otherwise be inappropriate.

"(D) This paragraph does not affect any right or obligation to elect to provide an annuity for a former spouse (or for a former spouse and dependent child) under subsection (b)(2).

"(E) If a married person who is eligible to provide a standard annuity elects to provide an annuity for a former spouse (or for a former spouse and dependent child) under subsection (b)(2), that person's spouse shall be notified of that election.".

(b) CONCURRENCE FOR ELECTION OF COVERAGE AT LESS THAN MAXIMUM AMOUNT.—Section 1447(2)(C) of such title is amended by inserting "(with the concurrence of the person's spouse, if required under section 1448(a)(3) of this title)" after "designated by the person".

SEC. 682. CLARIFICATION OF STATUS OF SPOUSAL AGREEMENTS.

Section 1450(f)(3) of title 10, United States Code, is amended—

(1) in subparagraph (A)—

(A) by inserting "or has been filed with the court of appropriate jurisdiction in accordance with applicable State law" after "by a court order"; and

(B) by inserting "or receives a statement from the clerk of the court (or other appropriate official) that such agreement has been filed with the court in accordance with applicable State law" before the period; and

(2) in subparagraphs (B) and (C), by inserting "or filing" after "court order".

SEC. 683. NOTICE OF ELECTIONS AVAILABLE.

Section 1455 of title 10, United States Code, is amended by striking out paragraphs (1) and (2) and inserting in lieu thereof the following:

"(1) provide that before the date the member becomes entitled to retired pay—

"(A) if the member is married, the member and the member's spouse shall be informed of the elections available under section 1448(a) of this title and the effects of such elections; and

"(B) if the notification referred to in section 1448(a)(3)(E) of this title is required, any former spouse of the member shall be informed of the elections available and the effects of such elections; and

"(2) establish procedures for depositing the amounts referred to in sections 1448(g), 1450(k)(2), and 1452(d) of this title.".

Subpart 3—Effective Date

SEC. 690. EFFECTIVE DATE.

(a) EFFECTIVE DATE.—Except as otherwise provided in this part, the amendments made by this part shall take effect on the later of—

(1) October 1, 1985; and

(2) the first day of the first month beginning more than 90 days after the date of the enactment of this Act.

(b) PROSPECTIVE BENEFITS ONLY.—No benefits shall accrue to any person by virtue of the enactment of this part for any period before the effective date under subsection (a).

—Page 166, after line 2, insert the following title (and redesignate the succeeding title and sections accordingly):

TITLE X—MILITARY FAMILY POLICY AND PROGRAMS

SEC. 1001. SHORT TITLE.

This title may be cited as the "Military Family Act".

SEC. 1002. OFFICE OF FAMILY POLICY.

(a) ESTABLISHMENT.—There is herey established in the Office of the Secretary of Defense and Office of Family Policy (hereinafter in this section referred to as the "Office"). The Office shall be under the Assistant Secretary of Defense designated on May 1, 1985, as the Assistance Secretary of Defense for Manpower, Installations, and Logistics.

(b) DUTIES.—The Office shall coordinate programs and activities of the military departments relating to military families and shall make recommendations to the Secretaries of the military departments with respect to programs, activities, and policies relating to military families.

(c) REPORT.—The Secretary of Defense shall report to Congress, no later than September 30, 1986. The report shall include—

(1) a description of the activities of the Office and the composition of its staff; and

(2) the recommendations of the Office for legislative and administrative action to enhance the well-being of military families.

SEC. 1003. TRANSFER OF MILITARY FAMILY RESOURCE CENTER.

The Military Family Resource Center of the Department of Defense is hereby transferred from the Office of the Assistant Secretary of Defense for Health Affairs to the Office of the Assistant Secretary of Defense designated on May 1, 1985, as the Assistant Secretary of Defense for Manpower, Installations, and Logistics.

SEC. 1004. SURVEYS OF MILITARY FAMILIES.

The Secretary of Defense may conduct surveys, without clearance from any other Federal agency, to determine the effectiveness of existing Federal programs relating to military families and the need for new programs.

SEC. 1005. FAMILY MEMBERS SERVING ON ADVISORY COMMITTEES.

A committee within the Department of Defense which advises or assists the Department in the performance of any function which affects members of military families and which includes members of military families in its membership shall not be considered an advisory committee under section 3(2) of the Federal Advisory Committee Act (5 U.S.C. App.) solely because of such membership.

SEC. 1006. EMPLOYMENT OPPORTUNITIES FOR MILITARY SPOUSES.

(a) AUTHORITY.—The President may, pursuant to the authority of section 3302 of title 5, United States Code, except from the competitive service positions in the Department of Defense located outside the United States to provide employment opportunities for qualified spouses of members of the Armed Forces stationed outside the United States.

(b) REGULATIONS.—The Secretary of Defense shall issue regulations to ensure that—

(1) notice of any vacant position in the Department of Defense is provided in a manner reasonably designed to reach spouses of members of the Armed Forces whose permanent duty stations are in the same geographic area as the area in which the position is located;

(2) the spouse of a member of the Armed Forces who applies for a vacant position in the Department of Defense shall, to the extent practicable, be considered for any such position located in the same geographic area as the permanent duty station of the member;

(3) the qualified spouse of a member of the Armed Forces stationed outside the United States may be appointed to a position excepted from the competitive service under subsection (a) in the Department of Defense in the same geographic area as the permanent duty station of the member; and

(4) all Department of Defense nonappropriated fund activities give preference in hiring to qualified dependents of members of the Armed Forces stationed in the same geographic area as the nonappropriated fund activity for positions in wage grade

UA-8 and below and equivalent positions, and positions paid at hourly rates.

SEC. 1007. YOUTH SPONSORSHIP PROGRAM.

The Secretary of Defense shall provide for the establishment at each military installation of a youth sponsorship program to facilitate the integration of dependent children of members of the Armed Forces into new surroundings when relocation to that military installation is a result of a permanent change of station. Such a program shall provide for involvement of dependent children of members stationed at the military installation.

SEC. 1008. STUDENT TRAVEL WITHIN THE UNITED STATES.

Funds available to the Department of Defense for the travel and transportation of dependent students of military personnel stationed overseas may be obligated for transportation allowances for travel within or between the contiguous United States.

SEC. 1009. RELOCATION AND HOUSING.

(a) RELOCATION ASSISTANCE.—The Secretary of Defense may, subject to available appropriations, enter into contracts with firms which provide assistance to individuals relocating from one geographic area to another to provide such assistance to members of the uniformed services and members of their families.

(b) AMORTIZATION PERIOD FOR PARKING FACILITIES FOR HOUSE TRAILERS AND MOBILE HOMES.—Subsection (k) of section 403 of title 37, United States Code, is amended by striking out "15-year period" and inserting in lieu thereof "25-year period".

(c) COST OF UNACCOMPANIED PERSONNEL HOUSING FOR MEMBERS OF UNIFORMED SERVICE.—Section 5911 of title 5, United States Code, is amended by adding at the end thereof the following new subsection:

"(h) A member of the uniformed service on a permanent change of duty station or temporary duty orders and occupying unaccompanied personnel housing—

"(1) is exempt from the requirement of subsection (c) to pay a rental rate or charge based on the reasonable value of the quarters and facilities provided; and

"(2) shall pay such lesser rate or charge as the Secretary of Defense establishes by regulation.".

SEC. 1010. FOOD PROGRAMS.

(a) FOOD COSTS FOR CERTAIN ENLISTED MEMBERS.—Section 1011 of title 37, United States Code, is amended by adding at the end thereof the following new subsection:

"(c) Enlisted members in pay grades E-1, E-2, E-3, and E-4, and members of their immediate families, may not be charged for meals sold at messes in excess of a level sufficient to cover food costs.".

(b) REIMBURSEMENT FOR FOOD AT CHILD CARE FACILITIES OVERSEAS.—The Secretary of Defense shall provide payments, from appropriated funds, to military child care facilities overseas for reimbursement of the costs of food and food preparation. The amounts of such payments shall be determined in the same manner as payments provided by the Secretary of Agriculture for reimbursement to child care facilities in the United States under section 17 of the National School Lunch Act (42 U.S.C. 1766).

(c) REPORT ON ISSUING FOOD STAMPS COUPONS TO OVERSEAS HOUSEHOLDS OF MEMBERS STATIONED OUTSIDE THE UNITED STATES.—The Secretary of Defense shall submit a report to Congress not later than December 31, 1985, on the feasibility of having the Department issue food stamp coupons to overseas households of members stationed outside the United States. The report shall include—

(1) an estimate of the cost of providing the coupons; and

(2) legislative and administrative recommendations for providing for the issuance of the coupons.

SEC. 1011. REPORTING OF CHILD ABUSE.

(a) IN GENERAL.—The Secretary of Defense shall request each State to provide for the reporting to the Secretary of any report the State receives of known or suspected instances of child abuse and neglect in which the person having care of the child is a member of the Armed Forces (or the spouse of the member).

(b) DEFINITION.—For purposes of this section the term "child abuse and neglect" shall have the same meaning as provided in section 3(1) of the Child Abuse Prevention and Treatment Act (42 U.S.C. 5102).

SEC. 1012. MISCELLANEOUS REPORTING REQUIREMENTS.

(a) HOUSING AVAILABILITY.—(1) Not later than one year after the date of the enactment of this Act, the Secretary of Defense shall submit to Congress a report on the availability and affordability of off-base housing for members of the Armed Forces and their families.

(2) The report shall—

(A) examine the availability of affordable housing for each pay grade and for all geographic areas within the United States and for appropriate overseas locations; and

(B) examine the relocation assistance provided by the Department of Defense incident to a permanent change of station by a member of the Armed Froces in locating housing at the member's new duty station and in disposing of housing at the member's old duty station.

(b) NEED FOR ASSISTANCE TO DEPENDENTS ENTERING NEW SECONDARY SCHOOLS.—Not later than one year after the date of the enactment of this Act, the Secretary of Defense shall submit to Congress a report recommending administrative and legislative action to assist families of members of the Armed Forces making a permanent change of station so that a dependent child who transfers between secondary schools with different graduation requirements is not subjected to unnecessary disruptions in education or inequitable, unduly burdensome, or duplicative education requirements.

SEC. 1013. EFFECTIVE DATE.

This title shall take effect on October 1, 1985.

By Mr. SIKORSKI:

—Page 172, after line 20, add the following new section:

SEC. 1016. LIMITATIONS ON PAYMENTS.

(a) PROGRESS PAYMENTS.—The Secretary of Defense (hereinafter referred to in this section as the "Secretary" shall require that progress payments under a defense contract that provides for such payments be made only after the work for which payment is made is completed and in accordance with a schedule of payments commensurate with the initially estimated cost of completed work of acceptable quality.

(b) PROHIBITION.—No progress payments may be made on work for which the contractural terms, specifications, and price have not been made definite.

(c) REQUIREMENT OF AUDIT.—The Secretary shall, in the case of any contract described in subsection (a), require that an audit of the work carried out in accordance with such contract be completed before the final payment is made with respect to such contract.

(2) The Secretary shall, within 180 days after the date of enactment of this Act, transmit a report to the Congress concerning the methods by which the requirement of paragraph (1) will be carried out.

(d) ACCESS TO CONTRACTOR RECORDS.—The Secretary shall require that each defense contract that provides for progress payments shall include a provision that the Secretary may suspend such payments upon any refusal of the contractor to provide to a defense auditor or any person designated by the Secretary of a military department any information required by the auditor.

(e) WAIVER OF SMALL PURCHASES.—This section does not apply to contracts for amounts less than the threshold for small purchases applicable under section 2304(g)(2) of title 10, United States Code.

(f) EFFECTIVE DATE.—This section shall apply only to contracts entered into, extended, or substantially altered after the end of the 180-day period beginning on the date of the enactment of this Act.

By Mr. ROBERT F. SMITH:

—At the end of part C of title X (page 176, after line 8) add the following new section:

SEC. 1024. REPORT AND DEMONSTRATION PROJECT CONCERNING THE SALE OF CERTAIN UNITED STATES MEAT IN MILITARY COMMISSARIES OVERSEAS.

(a) FEASIBILITY STUDY AND DEMONSTRATION PROJECT.—The Secretary of Defense shall study the feasibility, in light of recent technological developments, of selling beef and pork and lamb that are produced in the United States in military commissaries overseas. Such study—

(1) shall be carried out in consultation with the Secretary of Agriculture; and

(2) shall include a demonstration project in which beef and pork and lamb that are produced in the United States shall be sold for a six-month period in three commissaries located on Air Force bases in Europe and in three commissaries located on Army bases in Europe.

(b) REPORT.—Not later than one year after the date of the enactment of this Act, the Secretary of Defense shall submit to Congress a report on the results of such study and the findings and conclusions of the Secretary under such study. Such report shall include any views provided by the Secretary of Agriculture.

By Mr. SPRATT:

—Page 167, after line 10, insert the following new section:

SEC. 1002. REVISIONS TO FIVE-YEAR DEFENSE PLAN.

(a) REVISED PLANS.—The Secretary of Defense shall submit to Congress a report containing—

(1) an adjusted five-year defense plan for fiscal year 1986 through fiscal year 1990 in which the total amount of new budget authority proposed for the Department of Defense for each fiscal year is not more than three percent over the amount of new budget authority proposed for that Department for the previous fiscal year, adjusted for the official inflation projection for that year; and

(2) a second five-year defense plan for those years in which the total amount of new budget authority proposed for the Department of Defense for each fiscal year is not more than the amount of new budget authority proposed for that Department for the previous fiscal year, adjusted for the official inflation projection for that year.

(b) MATTERS TO BE INCLUDED.—The plans included in the report under subsection (a) shall include the following:

(1) A single amount for the amount of new budget authority proposed for each appropriation account of the Department of Defense, except that for the procurement appropriation accounts, the amount of such new budget authority shall be shown at the budget-activity level.

(2) The annual procurement plan for each of the five years for each major defense acquisition program, as defined in section 139a(a) of title 10, United States Code.

(c) DEADLINE FOR SUBMISSION.—The report required by subsection (a) shall be submitted not later than 90 days after the date of the enactment of this Act.

By Mr. STRATTON:

—Page 172, after line 20, add the following section:

SEC. 1016. REVISION AND EXTENSION OF PROCUREMENT TECHNICAL ASSISTANCE COOPERATIVE AGREEMENT PROGRAM.

(a) IN GENERAL.—Chapter 142 of title 10, United States Code, is amended to read as follows:

"CHAPTER 142—PROCUREMENT TECHNICAL ASSISTANCE COOPERATIVE AGREEMENT PROGRAM

"Sec.
"2411. Definitions.
"2412. Purposes.
"2413. Cooperative agreements.
"2414. Limitation.
"2415. Geographic distribution of assistance.
"2416. Amount of assistance.
"2417. Regulations.

"§ 2411. Definitions

"In this chapter:

"(1) 'Eligible entity' means—

"(A) a State (as defined in section 6302(5) of title 31);

"(B) a local government (as defined in section 6302(2) of title 31); and

"(C) a private, nonprofit organization.

"(2) 'Distressed entity' means an eligible entity (within the meaning of paragraph (1)(B)) that—

"(A) has a per capita income of 80 percent or less of the State average; or

"(B) has an unemployment rate one percent greater than the national average for the most recent 24-month period for which statistics are available.

"(3) 'Secretary' means the Secretary of Defense acting through the Director of the Defense Logistics Agency.

"§ 2412. Purposes

"The purposes of the program authorized by this chapter are—

"(1) to increase assistance by the Department of Defense to eligible entities furnishing procurement technical assistance to business entities; and

"(2) to assist eligible entities in the payment of the costs of establishing and carrying out new procurement technical assistance programs and maintaining existing procurement technical assistance programs.

"§ 2413. Cooperative agreements

"(a) The Secretary, in accordance with the provisions of this chapter, may enter into cooperative agreements with eligible entities to carry out the purposes of this chapter.

"(b) Under any such cooperative agreement, the eligible entity shall agree to furnish procurement technical assistance to business entities and the Secretary shall agree to defray not more than one-half of the eligible entity's cost of furnishing such assistance, except that in the case of an eligible entity that is a distressed entity, the Secretary may agree to furnish more than one-half, but not more than three-fourths, of such cost.

"(c) In entering into cooperative agreements under subsection (a), the Secretary shall assure that at least one procurement technical assistance program is carried out in each Department of Defense contract administration services region during each fiscal year.

"§ 2414. Limitation

"The value of the assistance furnished by the Secretary to any eligible entity to carry out a procurement technical assistance program under a cooperative agreement under this chapter during any fiscal year may not exceed $150,000.

"§ 2415. Geographic distribution of assistance

"During each fiscal year, the Secretary shall initially allocate funds available for assistance under this chapter equally to each defense contract administration services region. If in any fiscal year there is an insufficient number of satisfactory proposals in a region for cooperative agreements to allow effective use of the funds allocated to that region, the funds remaining with respect to that region shall be reallocated among the remaining regions.

"§ 2416. Amount of assistance

"During each of fiscal years 1986 and 1987, assistance under this chapter may not exceed $7,500,000.

"§ 2417. Regulations

"The Secretary of Defense shall prescribe regulations to carry out this chapter.".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect on October 1, 1985.

By Mr. WYDEN:

—Page 172, after line 20, add the following new section:

SEC. 1016. LIMITATIONS ON PAYMENTS.

(a) PROGRESS PAYMENTS.—The Secretary of Defense (hereinafter referred to in this section as the "Secretary") shall require that progress payments under a defense contract that provides for such payments be made only after the work for which payment is made is completed and in accordance with a schedule of payments commensurate with the initially estimated cost of completed work of acceptable quality.

(b) PROHIBITION.—No progress payments may be made on work for which the contractual terms, specifications, and price have not been made definite.

(c) REQUIREMENT OF AUDIT.—(1) The Secretary shall, in the case of any contract described in subsection (a), require that an audit of the work carried out in accordance with such contract be completed before the final payment is made with respect to such contract.

(2) The Secretary shall, within 180 days after the date of enactment of this Act, transmit a report to the Congress concerning the methods by which the requirement of paragraph (1) will be carried out.

(d) ACCESS TO CONTRACTOR RECORDS.—The Secretary shall require that each defense contract that provides for progress payments shall include a provision that the Secretary may suspend such payments upon any refusal of the contractor to provide to a defense auditor or any person designated by the Secretary of a military department any information required by the auditor.

(e) WAIVER OF SMALL PURCHASES.—This section does not apply to contracts for amounts less than the threshold for small purchases applicable under section 2304(g)(2) of title 10, United States Code.

(f) EFFECTIVE DATE.—This section shall apply only to contracts entered into, extended, or substantially altered after the end of the 180-day period beginning on the date of the enactment of this Act.

EXTENSIONS OF REMARKS

CABLE MAKERS FACE GRIM FUTURE

HON. GEORGE W. GEKAS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 19, 1985

● Mr. GEKAS. Mr. Speaker, the steel industry in the United States is going through a very rough time. But one portion of that industry, wire rope—also known as cable—is having the worst of it.

A recent article in the Sunday, June 9, New York Times casts an especially grim light on this industry which has more than a few plants in my congressional district.

I offer this article for printing in the CONGRESSIONAL RECORD so that Members may read and become more acquainted with this serious issue.

[From the New York Times June 9, 1985]

THE CABLE MAKERS' LOSING BATTLE

IMPORTS AND A FEDERAL INQUIRY BESIEGE THE WIRE ROPE INDUSTRY

(By Philip S. Gutis)

The soaring arches of the Brooklyn Bridge represent Frederick A. Paulson's brightest hopes for the future. But they also serve as painful reminders of how far his industry has slipped since its robust past.

Many of the bridge's cables are to be replaced soon, a job that will eat up 184,000 feet—almost 35 miles—of the product that Mr. Paulson and his industrial colleagues produce: wire rope, or, as it is more commonly known, cable.

Under a "Buy American" provision of New York State law, only domestically made products can be used. "I want that job," and Mr. Paulson, the 73-year-old chairman of the Paulson Wire Rope Company, as he glanced down at the bridge from his luncheon table at the Windows on the World restaurant on the 107th floor of the World Trade Center.

He has a good chance of getting it—if he can keep his 60-year-old family business afloat until the contract is given in the fall. Paulson Wire Rope, at one point a moderately profitable company, has operated at a loss every month since June 1982. And it is still one of the industry's luckier members.

Fifteen years ago, about 25 companies, employing 20,000 people, would have qualified as bidders on the Brooklyn Bridge job. This year, only eight of those companies remain in the wire rope business, and they employ a mere 4,500 people.

Those remaining companies are being besieged from all sides. Although many states have Buy American policies, private-sector companies—the main customers for wire rope—do not. The domestic industry thus had been decimated by a decade of imports, mainly from South Korea. Although the Government last month finally capped those imports, the industry says it will not help much.

The wire rope companies are now in for a bout of domestic pressure, as well. In May, the Federal Trade Commission served subpoenas on each of them. Although the commission would not confirm its investigation, a copy of the subpoena shows that the commission is requesting documents that refer to "prices, pricing plans, price competition, and price cutting." That seems to indicate an investigation into price fixing.

This new development, combined with intense pressure from imports and from balance sheets overwhelmed by red ink, may force several of the surviving wire rope companies to close as well.

For the small producers, many of which are family-owned, the last two decades have produced a depressing casualty list. Keystone Consolidated Industries, Leschen Wire Rope and Pacific Wire Rope died. The American Chain and Cable Company and Jones & Laughlin Wire Rope were purchased by a British company, the Bridon Corporation, which closed their plants. The Wickwire Rope Company folded, as did E. H. Edwards.

Even earlier, one of the most famous wire rope companies disappeared : The John A. Roebling Sons Company, the first United States producer of wire rope.

"Many of the small businesses have closed because they could not operate on the narrow profit margins or because they merged with another wire rope firm," said the industry's unofficial historian, Donald Sayenga, the director of Bethlehem's Wire Rope Division, who resigned as of July 1.

The industry-wide blood bath continues. The 106-year-old Broderick & Bascomb Rope Company sold its assets in February 1984. One month later the United States Steel Corporation closed the last of its three wire rope plants.

The fate of the wire rope divisions of two other major steel producers, the Bethlehem Steel Corporation and Armco Inc., is uncertain. "If we were not part of a larger organization, I'm not sure we'd still be in business," said Ronald G. Dull, manager of engineering services at Armco's wire rope division, Union Wire Rope. "We've lost money since 1981." Both steel companies have put former controllers in charge of their wire rope groups—executives who are unfamiliar with the product, but who know how to liquidate assets.

The F.T.C. investigation, meanwhile, has cast a pall over the industry. Executives claim that they will be proved innocent of any wrongdoing, but they worry that the sheer burden of the investigation could send their companies under. Providing the information mandated by the subpoena would require "a small truckload of documents," Mr. Paulson said. "I don't know how I can comply with that subpoeona. It involves endless work—and you don't make money that way."

This is not the industry's first run-in with the F.T.C. In 1943, the commission issued a cease-and-desist order against 16 wire rope companies, charging them with participating in an "agreement to fix and maintain uniform prices," said Daniel P. Ducore, the deputy assistant director for compliance in the commission's Bureau of Competition. He concedes that the F.T.C. often re-examines industries it once targeted. "Orders don't terminate—they are as current as if they were issued last year," he said.

Over all, a cloud of gloom has settled on the wire rope makers. The future? "There's no other way to describe it," said Mr. Sayenga. "It's just bleak."

The current nadir in fortunes is a sharp contrast to the industry's formerly bright prospects. Wire rope technology spawned the Brooklyn Bridge, the Otis Elevator Company and the oil boom in the Southwest in the early 1900's. The product, a highly engineered mass of wire, twisted into tight strands and then lubricated and bound together to form ropes of varying widths, supports enormous amounts of tension and pressure. The industry calls wire rope the "cheapest, strongest product that will go around a corner to connect two points."

In its finished form, wire rope is used in equipment that activates elevators, mines for coal, drills for oil, operates ocean vessels and airplanes. It is used on submarines, on construction sites and even in the brakes of the family car. It is, quite literally, everywhere.

But the problem for the American industry is that these days it seems to be made everywhere, too. Imports have risen phenomenally. They accounted in 1984 for almost 75,000 tons, 52.6 percent of domestic consumption, from just under 40,000 tons, or 18 percent, in 1976. That situation is unlikely to change because the domestic companies, much like the rest of the steel industry, continue to wrestle with a strong dollar, obsolete factories, high labor costs, and the high cost of wire rod, a raw material for rope that is itself under various import restrictions.

Profitability is a mere memory. In 1983, net losses came to 16.1 percent of net sales, according to an industry study. From 1975 to 1981, net profits averaged 5.1 percent of sales.

Although many heavy users of wire rope, including the construction and automotive industries, have rebounded from the recession, the domestic wire rope producers have not. While domestic use was up almost 19 percent in 1984, United States producers registered only a meager 5 percent jump in sales. The probable reason: Domestic wire rope sells for about $1,600 a ton, while Korean rope can be purchased and delivered for half that. Even the Department of Defense, a significant user of wire rope, buys mostly imported rope.

Domestic producers have spent more than a decade and millions of dollars filing petitions to have limits and tariffs placed on imports. In 1973, the Treasury Department found Japanese manufacturers of wire rope guilty of dumping—selling their product for less in the United States than in their own country to increase market share. Japanese exports were to be slapped with an 11 percent to 13 percent duty, but American producers say the order was not enforced until 1981.

In recently completed trade negotiations, Japan again agreed to abide by the 1973 order. Brazil's exports were also limited to 1,000 tons a year, while Spain signed off on a limit of 1,662 tons. Those countries in 1984

● This "bullet" symbol identifies statements or insertions which are not spoken by the Member on the floor.

exported 2,633 tons and 1,736 tons to the United States, respectively.

But the domestic industry remains particularly worried about its main nemesis, South Korea. It has twice filed petitions charging that country with dumping and other illegal trade practices. Both were unsuccessful. The industry has also filed two other actions, one of which it withdrew. The second led to the recent negotiations.

"The Korean wire rope producers have been under a microscope since 1977-1978," said N. David Palmeter, an attorney with the Washington firm of Mudge, Rose, Guthrie, Alexander & Ferdon, which represents several Korean industries. "The U.S. hasn't been able to pin anything on them."

In the recently completed negotiations, the United States trade representative finalized an agreement that will, for five years, hold wire rope imports from South Korea to 50,000 tons a year, only slightly less than the 53,000 tons Korea sent to this country in 1984. That quantity repesented nearly a third of total domestic shipments of wire cable and about 70 percent of all imports.

Before the agreements had been initialed, industry spokesmen were lobbying frantically for greater restrictions. "If the agreement as currently negotiated goes through, the industry could be wiped out," Herbert E. Harris 2d, the Washington attorney who is counsel to a committee of representatives of all the domestic producers, said at the time.

After it was signed, however, Mr. Harris spoke in a softer tone: "I know that people in the industry feel the level should have been much lower than 50,000 tons. But the negotiators felt that getting the cap was the important accomplishment." Now, he said, the committee is "trying to set up a procedure to make sure the agreement is not circumvented."

The Koreans claim it will not be. "The tonnage is specified in the agreement—and that's it," Mr. Palmeter said. "The Koreans certainly aren't happy. Most of the other steel products in the agreement have a percentage of consumption, not a flat cap."

The line-item treatment, Mr. Harris said, was a coup. In fact, he said, "The negotiations centered on the big-ticket items of basic steel, and giving consideration at all to wire rope was a major breakthrough."

If more severe import restrictions on the Koreans had been won, the wire rope industry says it could have taken a deep breath and started to rebuild. In a brief filed with the United States trade representative, the members of the domestic committee listed several steps they would take "to firmly reestablish their competitive position." They included:

Purchasing new equipment to improve productivity and lower costs.

Expanding product lines by offering larger-diameter rope and ropes of new designs, especially in oceanographic, marine and mining areas.

Conducting research into such areas as improved lubricating methods and materials, higher grades of wire and use of synthetic materials.

But as negotiated, the agreement "will not provide any substantial relief for the industry," Mr. Harris said. And a spokesman for Senator John C. Danforth, Republican of Missouri who has several wire rope plants in his state, said, "They got their quota and they got a line item. But the bottom line remains to be seen."

Industry executives say the bottom line is unfortunately quite clear.

"The industry feels it has been sacrificed," said Charles W. Salanski, executive vice president of the Wire Rope Corporation of America. "Our only hope is that we can survive until the trade laws are renegotiated."

Mr. Sayenga of Bethlehem Steel says the low-cost producers—generally independents whose entire business is wire rope and who have the most modern plants—will probably be able to compete for the next five years. "After that, they are in just as difficult a situation as the high-cost manufacturers," he said.

The low-cost producers fear the problems will hit sooner. "My only hope," Mr. Paulson said, "is that what is left in sales volume will be divided among fewer people."●

COMMEMORATE BICENTENNIAL OF ROWE, MA

HON. SILVIO O. CONTE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 19, 1985

● Mr. CONTE. Mr. Speaker, I rise to commemorate the bicentennial of the town of Rowe, MA. What started with the sale of 10,000 acres of hill country in western Massachusetts by the Great and General Court of the Commonwealth to the Rev. Cornelius Jones in 1762, has, today, become a rich and vibrant community as independently disposed as it was in colonial days.

The history of Rowe actually can be dated to 1745, with the establishment of Fort Pelham as a wilderness stronghold during the French and Indian War. Reverend Jones' purchase represented the first permanent settlement of the land. In Rowe's bicentennial year, it is interesting to note that Reverend Jones made his historic real estate deal with a down payment of 10 pounds sterling and a bond for an additional 370 pounds.

Students of American history, those who know the stories of Ethan Allen and the Green Mountain Boys, will well understand and appreciate the people, past and present, of Rowe. In the town, the Soldiers of All Wars Memorial stands as a legacy to the sons of Rowe who answered their Nation's call—from the 60 who fought in the Revolutionary War to the 12 who served in Vietnam.

To properly understand the town of Rowe, one must first realize that, contrary to a popular view, it is not a farming community that owes its existence and livelihood to the gentleness of the rolling Berkshires and their spacious meadows. The Rowe countryside, rugged and mountainous, is more an extension of its majestic neighbors to the north: Vermont's Green Mountains. Early in the 19th century, this agricultural unsuitability was offset by the development of light manufacturing. And, later in the century, the town turned to mining. Pelham Brook allowed for the development of saw and grist mills in Rowe, as well as a carding machine and fulling wheel, a wheelwright shop, tannery, and a factory that produced wood planes and bench tools. An abundance of iron and sulpher containing pyrites, as well as talc and soap stones, allowed the area's freight station to handle the greatest tonnage on their section of the Boston and Maine Railroad.

The modern history of Rowe is centered on a bold and historic "first" for New England—the Yankee Atomic Power plant, which has been generating electricity for the region since 1960. New England's fuel need, due to the diversity of its climate, is great the year round. Yankee Atomic in Rowe has helped to alleviate this problem. Over the past quarter century, Yankee Atomic has generated over 22 billion kilowatt hours of electricity at a savings of over 35 million barrels of oil.

Yankee Atomic has been good to Rowe in many ways, the most important of which being that the plant has allowed the town to become one of the top education-spending communities in Massachusetts. In fact, Rowe Elementary is the community's pride and joy; the sixth graders visit with me in Washington practically every year. Overall, the townspeople strive for the well-rounded education of their children, and they are not hesitant in using revenues gained from Atomic Yankee to meet that goal.

Mr. Speaker, I am proud to represent the people of Rowe in the Congress of the United States. Through their hopes and hard work, they have built a remarkable town. As they celebrate their town's bicentennial, I salute them on the contributions they have made to Massachusetts, New England, and America. Thank you, Mr. Speaker.●

ANDREI SAKHAROV AND YELENA BONNER

SPEECH OF

HON. JOHN EDWARD PORTER

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 18, 1985

● Mr. PORTER. Mr. Speaker, it is with great sorrow that I participate in today's special order to call attention to the plight of Andrei Sakharov and his wife Yelena Bonner.

Like many of my colleagues, I have been waiting with great anticipation for the day when I could stand on the floor of the House and announce that the Soviet Government had finally permitted Yelena Bonner to go abroad and receive the medical help she desperately needs, and that the Soviet Government had ceased harassing Andrei Sakharov.

Unfortunately, today is not that day. In fact, the outlook for Sakharov and Bonner has never been more bleak.

As my colleagues are aware, Andrei Sakharov and Yelena Bonner are regarded as symbols of the struggle for basic human rights around the world.

Despite their standing in the international community, they both have suffered greatly in the U.S.S.R. The past year has been particularly difficult for Sakharov and Bonner. On May 2, 1984, Sakharov began a hunger strike to gather sympathy for his wife's desperate need to travel to the West to receive medical help. He pledged to "fast to the end if they do not let her go abroad for medical treatment." And now, over a year later, Bonner still has not been allowed to receive this medical treatment. We can only second guess what happened to Sakharov during his hunger strike—that he was taken to a hospital and force fed.

Most recently I have become increasingly concerned by the lack of information Yelena Bonner's family has been receiving from Gorki. Since last May, relatives of Sakharov and Bonner have received very few letters from Gorki. The letters they receive appear to have been deliberately altered by Soviet authorities to misrepresent the facts of their situation. According to Bonner's daughter Tatiana Yankelevich, the date of the most recent letter she received from her mother was altered. This raises serious concerns about Bonner's current health situation, and her whereabouts.

According to recent reports, Sakharov is no longer living at his apartment in Gorki. Since 1980, Sakharov has been banished to Gorki by Soviet authorities for his activities in support of human rights. During the past 5 years his wife has been able to maintain residence in Moscow, and often traveled between the two cities carrying messages from her husband to foreigners. However, it now appears that Yelena Bonner has also been banished to Gorki.

I feel a great sense of frustration as I chronicle the suffering of these two modern day heroes. I have participated in numerous congressional efforts to call attention to the plight of Sakharov and Bonner and have also initiated several appeals to the Soviet Government urging a change in their official policy of harassing these two people. Unfortunately, I know all too well that my efforts have fallen on deaf ears.

As cochairman of the congressional human rights caucus, I pledge the support of the caucus in calling attention to this situation. I urge my colleagues to join me in voicing their outrage at this example of the Soviet Government's official policy of subjecting its citizens to ongoing harassment and persecution.●

U.S. SYNTHETIC FUELS CORPORATION MAKES THREE RECESS APPOINTMENTS

HON. PAT SWINDALL

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 19, 1985

● Mr. SWINDALL. Mr. Speaker, last fall, President Reagan reconstituted the Board of Directors of the U.S. Synthetic Fuels Corporation by making three recess appointments: An eminent energy expert, Eric Reichl; the former ranking minority member of the House Subcommittee on Fossil and Synthetic Fuels, Tom Corcoran; and a former member of President Ford's Council of Economic Advisors and now dean of the graduate school of management at the University of Rochester, Paul W. MacAvoy.

Mr. Speaker, Dr. MacAvoy is a free market economist, but he has done his calculations on the value to the Nation of synthetic fuels development and concluded that it is both needed and cost effective.

Dr. MacAvoy points out that:

At the present time, government outlays are necessary to establish a working inventory of knowledge of synfuels technology to be used decades later in private industry investment decisions.

His analysis shows that in the 1990's or 2000's "prospects are substantial for synfuel technologies to be economic. . . "

The gains that Dr. MacAvoy sees from a properly structured synfuels program, given reasonable price projections, will probably be realized in the first decade of the next century with more immediate gains in the event of an embargo or warfare-derived distruptions in crude supply.

Dr. MacAvoy says:

The present value of the total of these gains justifies undertaking a synfuels development program of the magnitude found in the SFC Business Plan.

He goes on to say that the gains make up an amount ". . . substantially in excess of the prospective Synfuels Corp. outlays for construction and price supports in the business plan."

Mr. Speaker, Dr. MacAvoy presented this important analysis during his confirmation hearings before the Senate Energy Committee. A condensation of his remarks appeared in the Oil Daily of May 29, and I ask unanimous consent that they be included in the RECORD at this point.●

INTERNATIONAL AIR PASSENGER PROTECTION AND AIRPORT SAFETY ACT OF 1985

HON. STAN PARRIS

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 19, 1985

● Mr. PARRIS. Mr. Speaker, I introduced legislation yesterday which would provide us a tool with which we may help fight the forces of terrorism now rampant in the world's airways.

It is a travesty that innocent individuals, Americans or not, cannot be insured safe transport from point A to point B. Why can't their safety be insured? Well, I'll tell you Mr. Speaker: For years now, The Air Line Pilots Association and other such groups, have been fighting to get Athens and many other airports worldwide to upgrade their gate security facilities. But to no avail.

The APA knew this would happen someday—we all could have guessed that. And if it hadn't happened in Athens, it would have happened at another, similarly security-lax airport in the world. In light of the current world political situation, we knew this could happen, as it had only days before the present crisis began. It shouldn't have happened. This fact is something we have all considered in recent days.

Mr. Speaker, as a pilot and someone who has long worked for airport safety, I am determined that the ordeal that is presently holding our entire Nation hostage in Lebanon, and the terror that is being levied on the American citizens being held hostage, will not be repeated because of lax and inadequate security at foreign airports. My purpose in introducing this legislation is to take what we have learned in the past, and apply it to the future. Specifically, this bill seeks to modify one existing section of the Federal Aviation Act.

The existing section, section 1114, would be amended to say that the Secretary of Transportation will certify that individual airports in foreign nations shall comply with security measures required in domestic airports under section 315 of the Federal Aviation Act. Should such airport fail to comply within a given period of time, the Secretary of Transportation, in consultation with the Secretary of State, shall suspend that nation's certificate permitting it to operate in the United States.

In addition, the Secretary of Transportation shall prohibit our domestic carriers from servicing airports in foreign nations that fail to comply with safety regulations under section 315 of the Federal Aviation Act—again, until such time as that airport complies with the regulations.

There is absolutely no reason why Americans traveling abroad cannot be assured that, in so doing, they are as safe traveling outside of the borders of the United States as they are within our borders.

Mr. Chairman, we have the power to provide this peace of mind to our citizens—and we are bound by our respective oaths to provide it to them. I, therefore, urge my colleagues to support this legislation as the tool which would aid us in this important endeavor.

Thank you.●

NOBEL LAUREATE ANDREI SAKHAROV

SPEECH OF

HON. SILVIO O. CONTE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 18, 1985

● Mr. CONTE. Mr. Speaker, in just over a month, on August 1, 1985, the world will observe an important anniversary. That date will mark the 10th anniversary of the signing of the Helsinki Final Act, an accord which calls for universal adherence to a widely accepted code of fundamental human rights. As we approach this anniversary, it is sadly ironic that one of the act's major signatories, the Soviet Union, has numbered itself among the world's most consistent violators of the very human rights which the act was intended to protect.

In compiling its dismal record on human rights, the Soviet Union has committed a long list of deplorable offenses; but today we focus our attention on the plight of Nobel laureate Andrei Sakharov and his wife Yelena Bonner. It was more than 5½ years ago that the Soviet Government condemned Sakharov to internal exile in the city of Gorky in an attempt to silence his criticisms of its inhumane policies. Since that time, concerned individuals and groups throughout the world have expressed their collective outrage over this injustice. Further, they have implored the Soviet Government to both allow Sakharov to speak freely and permit Bonner to travel to the West for an urgently needed medical operation.

Yet as of this date, these protests and requests have gone largely unheeded. In fact, according to that information which has slipped through official Soviet filters, the Government has sought to neutralize Sakharov's influence by treating him with mind-altering drugs. And in another disturbing development, Sakharov and Bonner have recently been moved from their Gorky apartment to another, and thus far unknown, location.

Now is the time for all responsible people to raise their voices against the blatant disregard for human rights of which the Soviet's shameful mistreatment of Sakharov and Bonner is a poignant example. The need for such abuses to come to an immediate end should not be underestimated. In this age of superpower rivalry, when the world is haunted by the nuclear menace, any impediment to increased mutual understanding must be eliminated. The Soviet Union must cease its incessant trampling of human rights if a more stable peace is to be established. Such a peace is in the interest of us all, and a Soviet decision to respect the human rights of Andrei Sakharov and Yelena Bonner would constitute a significant step in its direction.●

HOUSE JOINT RESOLUTION 227, "HELEN KELLER DEAF-BLIND AWARENESS WEEK"

HON. DAVID E. BONIOR

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 19, 1985

● Mr. BONIOR of Michigan. Mr. Speaker, today with passage of House Joint Resolution 227, designating the last week of June as "Helen Keller Deaf-Blind Awareness Week," we are reaffirming our commitment to the American ideal that "all men are created equal" and that every man, woman and child should have the right to contribute to this society. The blind and deaf cannot and should not be excepted, in spite of the many obstacles they face.

Many of the obstacles confronting blind and deaf Americans go unnoticed by most Americans. It is, therefore, imperative that action be taken to increase public awareness. Congressional support of "Helen Keller Deaf-Blind Awareness Week" is certainly a first step toward heightening public awareness, and thus eliminating many of the obstacles facing deaf and blind Americans.

Helen Keller is but one example of what one can do, given the opportunity. This great lady has inspired us all. Her accomplishments stand as a beacon of courage for people the world over. By proclaiming the last week of June as "Helen Keller Deaf-Blind Awareness Week" we not only honor this remarkable lady on the 105th anniversary of her birth, we also pay tribute to all those valiant men, women, and children, who carry on her legacy of hope and achievement.

H.J. RES. 227

Joint resolution designating the week of June 23, 1985, through June 29, 1985, as "Helen Keller Deaf-Blind Awareness Week"

Whereas Helen Keller is the most accomplished, respected, and renowned deaf-blind American in history;

Whereas the anniversary of the birth of Helen Keller occurs on June 27;

Whereas deaf-blindness is a severe disability that results in the loss of 2 primary senses;

Whereas 40,000 Americans, including approximately 6,000 children, suffer from deaf-blindness as the result of the rubella epidemic of the 1960's and other causes;

Whereas the nature of deaf-blindness causes the cost of education, training, and rehabilitation for deaf-blind individuals to be higher than the cost of such aid to individuals with other disabilities;

Whereas the high level of such costs cause many service agencies to be reluctant to serve deaf-blind individuals, further preventing such individuals from becoming independent and frequently resulting in their placement in custodial instititions;

Whereas national and regional deaf-blind centers serve only a portion of the deaf-blind population, leaving the remainder to receive inadequate education, training, and rehabilitation services, an inadequacy which leads to a terrible waste of human lives and resources and imposes high costs on our Nation;

Whereas it is in the national interest to prevent this waste of human resources by fostering the independence of, creating employment opportunties for, and maximizing the opportunities for achievement among, deaf-blind individuals;

Whereas these objectives can be accomplished only through increased public awareness of, and attention to, the needs, abilities, and potential contributions to society of deaf-blind individuals; and

Whereas it is highly appropriate to publicize the needs, abilities, and potential of deaf-blind individuals, and to recognize Helen Keller not only as a guiding example of courage and hope for our Nation, but also as an illustration of what deaf-blind individuals can achieve when given a chance: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the week of June 23, 1985, through June 29, 1985, is designated as "Helen Keller Deaf-Blind Awareness Week", and the President is authorized and requested to issue a proclamation calling upon the people of the United States to observe such week with appropriate ceremonies and activities.●

TRIBUTE TO FRED PAULSEN

HON. GEORGE W. GEKAS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 19, 1985

● Mr. GEKAS. Mr. Speaker, I would like to express to the Members of Congress a few thoughts about Mr. Fred Paulsen, head of the last family-owned wire-rope business in the United States, a business located in Sunbury, PA, in my congressional district.

Fred Paulsen has spent a lifetime promoting the American wire-rope industry, which has played an important role in the defense and economic development of the United States.

The company that Paulsen heads, Paulsen Wire Rope Co., has created jobs in States all across the country,

particularly in Pennsylvania, where the main wire-rope factory is located, and in New York, the site of a large marketing outlet.

As a former member of the board of trustees of the United Industrial Workers Union Pension and Welfare Plans, Paulsen has had a chance to forge stronger ties between management and labor. He believes that such cooperation is in everybody's interest, because the problems facing the American economy can only be resolved through a cooperative national effort.

Fred knows first hand the problems affecting the American economy. The large budget deficits and the the unrealistic value of the American dollar have made it impossible for American wire-rope companies to export their products abroad, or even to keep a hold on the domestic market.

Over the past few years, the number of domestic wire-rope companies has declined from 22 to 8. Foreign companies, spurred by subsidies and undervalued currencies, have captured a large percentage of the American market. Korean products alone have garnered 35 percent of all American sales.

Fred Paulsen has spoken eloquently about these developments. Earlier this year, he and the other seven remaining domestic producers of wire-rope tried to obtain some action to stem the wave of foreign imports. Unfortunately, this attempt failed, a failure especially frustrating to people like Fred Paulsen because of his belief that the hurt is due to events largely out of their control. Wire-rope has been suffering, along with other steel industries, with the automatic price disadvantage of nearly 40 percent due to the American dollar and the extremely low costs of foreign labor.

During World War II, the Paulsen Wire Rope Co. manufactured thousands of wire-mesh nets which were hung alongside vessels in convoy. Often, these nets prevented enemy torpedoes from penetrating the hulls of American vessels.

Wire rope continues to be an important defense-related product. Two years ago, the Department of Defense gave the company a special Contractor Assessment Program Award because it had never received a complaint about a Paulsen-made product.

Wire rope is used everywhere, not just in defense products. Indeed, the most beautiful sight in the world is the New York skyline at night. Yet, most of the buildings you see are operable because wire-rope products have been used in their construction.

In New York City alone, Paulsen wire and rope products have been used in the elevators of the Citicorp Building, the Waldorf-Astoria, and the World Trade Center. Parisians know about Paulsen wire rope—it was used in the elevators of the Eiffel Tower.

Fishermen and sailors also know about wire-rope products. Paulsen wire and rope got its start at the turn of the century when Fred Paulsen's father would meet Scandinavian vessels on the west side docks in New York and sell the captains onboard wire-rope nets.

Paulsen continued that tradition. He broke his teeth in the business by going down to the South Street seaport and talking to the fishermen there. They liked him and his product. The rest is history.

Fred Paulsen is, through his hard work and efforts, a respected member of his community, State, and country. He serves as a model of productive citizenship of which we can all proudly emulate.

Thank you, Fred, and good luck.●

HUNGER IN AMERICA

HON. LEON E. PANETTA

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 19, 1985

● Mr. PANETTA. Mr. Speaker, on June 16, 1985, the New York Times Sunday Magazine featured an article entitled, "Hunger in America: The Safety Net Has Shrunk But It's Still in Place." Few authors have exposed the hidden faces of hunger as realistically as Joseph Lelyveld has in this revealing article.

Last week, the Subcommittee on Nutrition, which I chair, forwarded H.R. 2422, the 1985 Hunger Relief Act to the full Agriculture Committee. This legislation reauthorizes and improves the effectiveness of the Food Stamp and Emergency Food Assistance Programs which are the lifeline for millions of American families.

As Joseph Lelyveld has so ably depicted in his feature article, the investment in food and nutrition programs must be continued to prevent both human and budget costs. It is not by cold indifference that the Federal Government will reach the poor and undernourished of America, it is by our courage and compassion.

Mr. Speaker, I submit Mr. Lelyveld's article, "Hunger in America," in the RECORD and call it to the attention of all of our congressional colleagues:

[From the New York Times Magazine, June 14, 1985]

HUNGER IN AMERICA: THE SAFETY NET HAS SHRUNK BUT IT'S STILL IN PLACE

(By Joseph Lelyveld)

It is hard even to think the word hunger while sitting in a typical American kitchen with a freezer and other appliances gleaming as they do in the pages of a Sears catalogue, but in just such a kitchen, in Peoria, Ill., the wife of a laid-off worker at the slumping Caterpillar Corporation described how she sometimes takes only a little food on her plate at dinner, then plays with it as if she isn't really interested in eating. The point of the stratagem, Sally Sawatzki explained, was to get her children to eat more without letting them guess she was denying herself for their sake. And what, I asked, did she do after they left the table?

"You eat a lot of popcorn," Mrs. Sawatzki replied. "I can get by with popcorn for a night. It's tacky but true."

Having said that much, she flushed and looked away in embarrassment. At the urging of the minister of the Baptist church she attends, she had agreed to speak to me so that people in need would understand that they must not be too proud to accept help in the form of food stamps or charity food, and so people not in need would know that not all those on food stamps were cheats. But finding words for her predicament was visibly painful. "Gosh, I can't believe I'm saying these things," she said.

Losing their home because they couldn't meet their mortgage payments was certainly hard. Applying for food stamps may have been harder, but the worst moment for Don and Sally Sawatzki was probably when the youngest of their two sons, Brock, now 9 years old, had to be told the reason there wasn't any milk in the refrigerator. "He went digging in his drawer and found 32 cents, which was all he had, and told me I could use it to buy food," Mrs. Sawatzki said. "And that just done me in."

The Sawatzkis are one of many families I visited that had recently experienced food emergencies. My aim was to see, after five years of the "Reagan revolution," what remained of the social safety net that was supposed to save Americans from hunger, and that now, so the President's critics constantly charge, is full of gaping holes.

The number of poor people in America has increased by about 10 million since 1978, according to Census figures, and the poor are generally further below the poverty line—now calculated by the Census Bureau to be $10,610 for a family of four—than they were then. It follows that, like the Sawatzkis, they are probably eating less well. Yet those who try to be heard on behalf of the poor as a moral obligation or political cause are often met with skepticism when they draw this deduction. When they go a step further, to contend that hunger is a central experience in the lives of millions of Americans—many of them children—they are met with downright disbelief. Nevertheless, when the country is not supposed to be in a recession, there are more soup kitchens serving more meals to more people than at any time since the Great Depression. There has been a steep annual rise in the 1980's in the tonnage of outdated, unsalable or surplus food that is channeled by food companies to the needy through private "food banks" serving thousands of "food pantries" in churches and charitable agencies. But Congress has generally held the line against proposed cuts in food and nutrition programs since bowing in 1981 to Ronald Reagan's original mandate at the polls, by tightening up on access to the Federal larder. About a million Americans were cut off food stamps then, but 20 million still get them. Federal outlays on food and child nutrition are significantly lower than they would have been had the basic laws not been changed, but $18.5 billion—in absolute numbers, if not in real terms, the highest amount ever appropriated for these programs—still buys a lot of food.

Such figures, however, are as remote from the lives of the poor as a satellite weather photo, and the debate over the subject of hunger is as amorphous as a bank of clouds.

To some, the emergence of food banks is something to celebrate, a healthy private-sector initiative that redresses overdependence on public welfare programs and preserves a reasonably comprehensive social safety net. To others, budget cuts and the ever-growing demand for charity food signify a "growing hunger crisis" (to quote the New York City Coalition Against Hunger, one of the many public-interest lobbying groups that have sprung into being on the issue). Latter-day social Darwinists, while not exactly denying the possibility of hunger in America, imply that those who fail to eat adequately are themselves to blame for their own ignorance or indifference to the nutritional needs of their families. The counterargument—bristling with statistics on the shrinkage in the real value of welfare payments and the paltry disposable incomes of the underclass—is that it has become virtually impossible to sustain an adequate diet if you are poor.

The debate has its unseemly side, for inevitably it involves the well-fed seeking to determine what degree of nutritional deprivation is unavoidable for the poor in existing economic and political circumstances. It is a hard political fact, if not exactly a moral axiom, that they cannot be seen to eat better than those who are nearly poor, who are expected to get by without direct food aid. Throughout, the word "hunger" is used in different senses by those who deny its existence as a widespread and worsening phenomenon in America and those who insist it is there, "silent" and "invisible"—a far cry, obviously, from Ethiopia, but spreading insidiously, nonetheless, in a bountiful land that habitually discards about one-fifth of its food.

Even in inner-city emergency rooms and soup kitchens, it is far from an everyday experience to see a child or adult who is visibly malnourished. A pediatrician at Boston City Hospital, Dr. Deborah A. Frank, said she had seen three cases in three years of kwashiorkor the protein-deficiency disease, and a handful of cases of marasmus, the disease that gives Ethiopian children their spectral look. "But you can come here any day and there will be something like this," she said, holding up a sweet infant who appeared normal, except that at the age of 1 she weighed only 15 pounds and could barely sit up. "She looks like a brilliant 6-month-old," she sad, adding that social workers had found no evidence of neglect, only poverty, in the home from which that baby came.

Sometimes what is called "hunger" in America means "going hungry," in the sense of frequently missing meals. More often it means being chronically anxious about food because you are eating less than you believe you should and, episodically, perhaps every few weeks, don't know where your next meal is coming from. Malnutrition is a clinical state, readily gauged by physicians. Hunger is described by health experts as "subclinical"—that is, subjective, necessarily gauged in the first instance by the hungry.

When do hungry Americans acknowledge to themselves and others, "I am hungry"? Far less often, I found in the course of visits in six states to families that had recently experienced food emergencies, than one would expect from talking to those who attempt to be heard on their behalf. Least of all, however spare the diets of their families, were they ready, by calling their children hungry, to acknowledge that they had failed in the basic duty of a parent to nurture and provide.

Instead of quibbling over the word "hunger," it often seemed better to say that they had severe food problems. What that means, in everyday terms, can be seen in the following verbal snapshots of families I visited across the country:

"Oh, I've missed a lot of meals," said Gerelene Gibbs, who had taken refuge with two grandchildren in a shelter for homeless mothers and children on Chicago's South Side after having been cut off food stamps for failing to find her way through recertification formalities. Before she came to the shelter, the children sometimes got only oatmeal for dinner. As for herself, "You drink a lot of water," she said. "Water or black tea. It's not a meal, but it's better than nothing."

Farther down the shore of Lake Michigan, in a neighborhood called South Chicago that has been hard hit by steel-mill closings, Ricardo and Hilda Escotto told me how the youngest of their nine children, 2-year-old Veronica, kicks the refrigerator and cries when she can't find any bologna inside. The Escotto children mainly subsist on rice and beans at home and free school lunches.

Also in Chicago, in a devastated inner-city slum called Garfield Park, I encountered a grandmother named Ruthar May Hines at a Catholic settlement house to which she had turned for a bag of emergency groceries. She had eaten only bananas and a chicken sandwich the day before. So she said, I believed the part about the bananas. I wasn't so sure about the sandwich. It seemed to be mentioned as an afterthought, an embellishment, to make her plight sound a little less grim. She had a grown daughter living nearby, she said, but couldn't turn to her, because "She's unable to feed her own kids." That must be hard, I commented, not knowing what else to say.

"It brings tears to the mother and to the grandmother, too," said Mrs. Hines, with great dignity. Ruth Ann Hamm lives with her husband and three children in a dilapidated bungalow in the small Mississippi River town of Caruthersville, in the southeast corner of Missouri known as the boot heel. I asked her how often she served her family meat. "Maybe twice a month," she said. Typical meals were "beans and taters" or pancakes and gravy made from water, flour and grease. "That's about it," Mrs. Hamm said.

"They get full off rice and butter and sugar," a welfare mother in Houston named Joyce Wiltz replied when I asked her how she kept her children from going hungry after she has used up her monthly allotment of food stamps. The staples she was mentioning, I realized, come in the distribution of commodities from surplus Federal food stocks. Her friend Ernestine Coleman was appealing a ruling of the local branch of the Texas Department of Human Resources, which had terminated her food stamps, forcing her to use the rent money for her apartment in a row of dingy so-called "efficiencies" to buy food. Mrs. Coleman allowed me to peer into the fetid interior of her refrigerator, which hadn't worked since the power company turned off the electricity several days earlier. There I found a package of grits, the remains of a box of powdered mashed potatoes, three onions, a half-used container of Parmesan cheese, some milk that had long since turned sour and a little Coffee-Mate.

If I had arrived in Albuquerque, N.M., on a Thursday, I might have found even less in the refrigerator of Bobby and Julie Stembridge, a young couple of 22, and 21, respectively, who had headed west from Amarillo, Tex., with four small sons and wound up destitute on the doorstep of the Salvation Army. Instead, I visited them on a Saturday, the day after they had collected their monthly allotment of food stamps, and there wasn't room for another frozen tuna casserole, chicken pie or packet of hamburger meat in their refrigerator. The cupboard was crowded with canned green beans, 40 jars of baby food, Mr. T cereal, instant strawberry-and-cream oatmeal, a large cylinder of regular oatmeal and 20 boxes of America's favorite low-budget, dollar-stretching staple, macaroni and cheese. The Stembridges' idea, being tested for the first time, was that if they spent all their food stamps at once, they would be able to budget their provisions for the month.

Twice in recent months the Stembridges had gone to an Albuquerque food pantry for a box of emergency groceries. The boxes are designed to last a family in need for at least a few days. The Stembridges said they made them last seven. Their children had missed meals, but never for a whole day, Bobby said. But 15-month-old Joseph, called Jo-Jo, weighed only 18 pounds, just 4 pounds more than cherubic Christopher, who is 10 months his junior. Plainly, Jo-Jo was what pediatricians call a "failure to thrive" infant.

Back in New York, I met Celia Rosado, who lives with her two sons, ages 8 and 4, in an East Harlem tenement. Her last welfare check had been stolen from her mailbox and she was still three days from getting her next allotment of food stamps. Celia said she took her older boy, José, to Public School 72 every morning and returned there for his lunch period, to watch over him in the cafeteria, just to be sure he finished his subsidized lunch. José was a picky eater, she explained. She had no money, but her mother, who was also on food stamps, had managed to feed her and the boys the night before. St. Cecilia's Parish Services on East 105th Street had given her enough food to tide her over the coming weekend and, being a responsible mother, she had already made arrangements to be driven to the Bronx when her stamps finally came through to buy a large economy packet of meat at a cut-rate market called Tops.

She had negotiated with the corner grocer for a little more credit, with the landlord for an extension on the rent, with the welfare system for a new check. It was an arduous business, taking days, but she could now feel that her crisis management in the case of the burgled mailbox had been effective—except for the small detail that she herself had skipped breakfast and lunch that day and had tasted only coffee. If somebody said that her family was suffering from hunger, I asked, what would she reply?

"It's not true," Celia Rosado said proudly.

I dwell on the particulars in order to make the point that what is called "hunger" in America is not everywhere the same. And yet everywhere there are families for whom food is an abiding problem. I visited many more of them, for I was trying to view that problem through the opposite end of the telescope from the one that is usually used by Congressmen and budget-makers, to understand the dietary strategies and choices people are forced to improvise when they are hardpressed. But, of course, I could only skim the surface. Each of these stories was a saga, with its own distinct causes and context and possible outcomes. You could choose your stereotype in order to score a political point by blaming either the needy

or the system. They were all there—families that grew up on welfare, families that were trapped into it by sudden economic reversals or bureaucratic Catch-22's that seemed to penalize them for going to work or observing the rules, and families that were nonetheless fighting their way out. All of them seemed to know what it was to run out of food as a regular, recurring experience in their lives.

It was clearly possible to know hunger on public assistance, at least episodically. Advocates on behalf of the poor regularly stress the constant shrinkage in the value of welfare checks, which vary hugely from state to state. Often their calculations neglect the value of food stamps, which are supposed to rise with the cost of living. Yet even when the food stamps are counted, there is no question that the poor are poorer than they were only a few years ago. For those who got them without interruption, the combined value of food stamps and welfare payments declined by 8 to 9.7 percent in real terms in the four years starting in 1980, according to a study done last year for the House Ways and Means Committee; in 18 states, for families with no other income, their value is now only two-thirds of the poverty threshold—or less.

On the other hand, it is also true that emergency food assistance is more available than ever before, so that in most urban centers it is possible to repeat the boast made by the Rev. Jud Wagg, an Episcopal priest in Albuquerque who runs a food pantry: "Hunger is not a problem in this community. Food is there for those who are willing to go to the missions and follow procedures." A group sponsored by the Harvard School of Public Health, called the Physician Task Force on Hunger in America, whose path across America I was more or less retracing, visited Albuquerque last year and concluded that hunger there had reached epidemic proportions. In the country as a whole, the task force estimated, there was an "epidemic" of undernutrition affecting 20 million hungry people. Plainly, the health experts dispatched by Harvard and Mr. Wagg were using the word "hunger" in different senses. If people faced a threat of hunger and sought emergency help, the task force reasoned that they were hungry; it further reasoned that undernutrition had health consequences in their lives. If they found help in some measure, the minister was saying, they were not hungry; and if they failed to find it, it was probably their own fault.

Those who debunk the existence of a hunger crisis tend to assume that private food and feeding schemes are mainly for the incompetent, persons unable to clear the many procedural hurdles established for public aid. "A far-gone alcoholic or a borderline schizophrenic may not be able, and certainly isn't often inclined, to go through that sort of hassle if he knows of a church-supported soup kitchen nearby that will feed him without asking any questions whatever," William A. Rusher, the conservative commentator, observed last year.

That is true as far as it goes, but it doesn't explain the growing number of soup kitchens that find themselves feeding families with children, or the proliferation of food pantries. The St. Martin de Porres House of Hope, a shelter for homeless mothers and children in the Woodlawn section of Chicago, reports that it had to turn away 14,192 mothers and children for lack of space and funds in its first 20 months of operation. A recently published survey by the East Harlem Interfaith Welfare Committee of 1,506 households with children that sought emergency food assistance from pantries in New York last year found that 88.3 percent were involved with the welfare system. Most were receiving benefits; others had just been cut off and were trying to get back; still others had pending applications.

Far from matching the stereotype of social deadbeats and down-and-outers, more than two-thirds of the recipients of private food aid in the New York survey were children, which is not altogether surprising, considering the point underscored by Senator Daniel Patrick Moynihan in his Godkin Lectures at Harvard that children account for an increasing proportion—39 percent as of 1983—of all Americans living in poverty.

That was 22.2 percent of all American children then and 46.7 percent of all black children. The younger the child, the more likely he was to be living in poverty, according to those figures. Whether all children in poverty should be counted as "hungry" seems debatable, but it is hardly debatable that most of them periodically are at "nutritional risk," to use a more carefully hedged bit of public-health jargon.

Inevitably, most food-stamp families live on a nutritional cycle that starts off reasonably well, then deteriorates as the month wears on, becoming marginal if not desperate in the final week or 10 days, depending on how frugal they were earlier. "The first part of the month I always cook us a good meal," said Patricia Roberts, who is raising three children in Houston on a Social Security widow's pension and food stamps. "Something we don't get and something we like. Fish usually." There are ample portions and fresh vegetables and all the milk the children can drink, and Mrs. Roberts tries for one night not to worry about her unpaid bills. "I just say at that point, 'I don't care what happens,'" she said. "'I'm going to take care of myself.'"

The splurge is over almost as soon as it begins. By the end of the month, the Roberts family is sometimes reduced to eating potatoes as a staple and Mrs. Roberts has to borrow from relatives. She is the head of a single-parent household and black, so she conforms to another kind of sterotype. But she was laid off two and a half years ago from a job as a machinist at the Hughes Tool Company, where she had earned $13.62 an hour. Since then she has taken any work she could get, for as little as $3.35 an hour. The idea that she is not classed with women who have never found their way into the job market incenses her. "There seems to be a mix-up as to who's who," she said.

The food problems of the so-called "new poor—industrial workers like Mrs. Roberts who have fallen into dependence on public assistance—shed light on the nutritional problems of the old poor, undercutting the easy, middle-class assumption that the impoverished diets of the poor are traceable to ignorance and a dependence on junk food, rather than lack of money.

The cyclical nature of undernutrition in America—the monthly slide to a meager diet of starches that will stave off the sensation of hunger—cannot be good for the health of the poor, but experts on nutrition find it hard to be precise about how bad it is. Not all essential nutrients have to be consumed every day. Some, like iron or vitamin A, are stored in the body and used up gradually; others, such as soluble vitamins like B and C, have a shorter cycle. The consequences depend on various factors: how good the diet was before it started to deteriorate and what sort of deficiencies become chronic. Especially in small children, where there is the greatest danger of permanent damage, the quality of the environment and nurturing has a great deal to do with the rate of recovery from a period of nutritional deprivation.

Those who man the barricades when Federal food and nutrition programs come under attack in the annual budget squeeze are reduced to having to advance arguments that might seem self-evident: that well-nourished women produce healthier babies; that infants deprived of proper nutrition may fail to realize their full growth, physically or mentally; that children who come to school hungry tend not to learn as well—in short, that eating properly is good for humans. What they can't easily prove is an incontrovertible relationship between a specific legislative action and the health of children. "But then we never have to prove a clear and present danger to throw money at defense," remarked Dr. Irwin H. Rosenberg, a professor of medicine and an expert on nutrition at the University of Chicago.

There is some evidence that deteriorating diets may be taking a greater toll on the health of poor Americans than they were five or six years ago, but the data are spotty and open to conflicting interpretations. Various local studies have pointed to a rise in the number of low-birth-weight babies, of "failure to thrive" infants and young children whose growth seems to be stunted, or who are suffering from infections that could be related to undernutrition. The level of infant mortality, although shocking by comparison to that of other developed nations, is now actually lower than it has ever been in the country's history, but the rate of decline has been tapering off and poor nutrition is often blamed.

Yet in all these instances there are complicating factors that cannot easily be laid at the door of the Reagan Administration or Congress. The large number of babies born to young teen-agers is one; the use of drugs, alcohol and cigarettes is another. Still another factor is the resistance of the overwhelming majority of mothers in poverty to breast-feeding. This is costly in terms of the health of their children as well as in terms of Federal funds that go to supplemental feeding programs, but it is not subject to legislative correction. Technological strides in neonatal care—that is, the care of infants in the first month of life—are not unrelated to the number of low-birth-weight infants or even, where further advances are now becoming difficult because limits have been reached, for slower progress on infant mortality.

In other words, nutrition is a crucial factor, but it is not the only factor. Nutrition, nurturing and poverty are all subtly interrelated, as a public health nurse in Missouri suggested when she asked: "How much love and affection can a 20-year-old give her fourth child when there's not enough food?"

Often when I left the homes of people who had experienced food emergencies, I found myself reflecting that hunger was not really their central problem. It was the whole poverty cycle—the demeaning encounters with the welfare system, squalid housing, lack of preparation for changing job market and the high level of stress, anger or self-doubt that come with all these burdens and are nightly reinforced by a cascade of television commercials showing the kinds of cars Americans are supposed to drive, the kinds of kitchens they're sup-

posed to have, the kinds of meals they are supposed to serve their families, and the kinds of planes they are supposed to fly in to far-off lands.

It seems a sign of the times that hunger was singled out as an issue by advocates for the poor as if they recognized that poverty and even homelessness were issues that had been classed by many as unmanageable. Hunger is still not supposed to happen in America. It is the social issue of last resort. "I acknowledge that and don't feel badly about it," said Dr. Larry Brown, a nutritionist at Harvard School of Public Health who chaired the Physician Task Force, when I remarked that hunger might be more emotive as an issue than the larger question of poverty. "There is nothing wrong from a medical standpoint with addressing the symptoms rather than the cause."

The puzzle is why, if there are more hungry people living below the poverty line, there are not now more people receiving food stamps. Robert Greenstein, who ran the Food and Nutrition Service in the Carter years and now heads the Center on Budget and Policy Priorities, a research group in Washington, calculates on the basis of current poverty estimates that the number of foodstamp recipients should be 2 million higher than it was in 1980, even after taking into account the 1981 tightening of eligibility requirements that knocked a million working poor out of the program. Instead, there are 300,000 fewer recipients. The reason, he speculated, must have something to do with difficulty of access to the system, its nightmarish qualities as experienced by the poor. It might even, he theorized, have something to do with a deeper sense of social disapproval.

It isn't just whites new to food stamps who feel or express that judgment. I met Barbara Davis in a public housing project in Peoria called Harrison Homes that is overwhelmingly tenanted by black families on public assistance. A welfare mother of 5 who became a mother at 16 and a grandmother at 32 and now has 2 daughters and 5 grandchildren who are on welfare themselves, Mrs. Davis was as unsparing in her judgment of what was happening to her community as any suburbanite.

"My daddy worked every day," she said. "He was a meat cutter at the Armour packing house. My daughters are doing pretty good, they all right, but I didn't want them to wind up like this. They don't care. They figure the more babies they have, the more money they get from A.F.D.C. [Aid to Families With Dependent Children, as the main welfare program is formally known]."

Social scientists who have studied the subject contend that there is little evidence that the prospect of welfare benefits has anything to do with the pregnancy rate among teenagers. But as Mrs. Davis's judgment showed, popular attitudes on what the system is doing to those it is supposed to benefit are not necessarily determined by which side of the poverty line a person stands on.

The sense of judgment is even stronger inside the welfare centers, where case workers are under constant and increasing pressure to uncover fraud and repel cheats. Under an "error rate reduction system" implemented by the Reagan Administration, a state that can be shown to have an error rate of more than 5 percent on food-stamp cases loses out on a portion of the funds it would otherwise have received from Washington. Underpayment to an eligible recipient, or the failure to serve an eligible person altogether, doesn't count as an error for the purpose of that calculation. Only overpayment is penalized.

The pressure is logical from the standpoint of legal draftsmen trying to freeze social "entitlement" programs as part of a crusade against budget deficits. It may even be necessary as a political fact to save food and nutrition programs from more drastic cutbacks. But the level of suspicion a genuinely needy person meets as a consequence on venturing into a government office to apply for help is suggested by two findings in the report of the East Harlem Interfaith Welfare Committee: in the cases of 585 families turning to welfare centers in food emergencies, only five—fewer than 1 percent—reported receiving any kind of tangible assistance.

Is it possible that significant numbers of poor people are turning away from the welfare system to private charity because they find the hours of waiting, the cold indifference and occasional rudeness more than they can take? It's possible, but I didn't happen to meet any in talking to families across the country that had recently suffered food emergencies. Instead, I kept running into people who had tumbled out of the system because they had failed to comprehend or comply promptly with one of its many demands for documentation; or had moved and discovered it could take weeks, even months, for them to reestablish their bona fides; or were now waiting for their cases to be reviewed.

The efforts of philanthropic and religious groups to mend and extend the social safety net as it unravels and frays at the edges are undertaken for a variety of moral and ideological motives. Feeding the poor can be as worthwhile an activity for conservatives who believe government has done all it can and more as for the left-liberal set, which is given to comparing the cost of school lunches to the cost of MX missiles (or, in some subsets, the rights of the born to the rights of the unborn). There could be little doubt that, as a byproduct, the specter of hunger has awakened something fine in America, permitting cooperation across ideological boundaries. But it was impossible not to notice that this common effort was sometimes oddly selective in the ways it benefited the poor.

However the poor spend their food money—nutrition surveys indicate they are no less prudent or more foolish than everyone else—it is hard to imagine families that would be quite as erratic in their choices as food pantries are forced to be in what they distribute as a result of the unplanned, helter-skelter pattern of the donations that flow in from food companies. One day they are rolling in doughnuts, the next they are drowning in pink lemonade. In Peoria, at the Central Illinois Food Bank, I saw crates and crates of cast-off marketing ideas that had gathered dust on supermarket shelves—peaches-and-cream instant oatmeal, cherry Pop-Tarts, apple-cinnamon cream cheese, caramel candy bars, fruit sticks and Dijon mustard. Most of these items would come in handy somewhere, but they were hardly building blocks of a sensible diet.

Then there is the problem of getting the poor—especially poor children—to the food. On a Saturday afternoon in Albuquerque, a Jewish congregation, Nahalat Shalom, had taken responsibility for serving meals to the needy at the Salvation Army. These were not "almost fresh" groceries saved from supermarket dumpsters or the pallid institutional fare that is the best most soup kitchens can manage. There was roast chicken done to a turn, enough for seconds, even thirds, fresh vegetables, salad, cake, fruit, brownies and ice cream—a feast, by any standard.

That day, I had been in homes of needy families whose children had seldom, if ever, seen a meal as succulent. But they were miles away on the north side of town, while the missions were in a downtown area that looked semideserted and a little on the rough side on a Saturday afternoon. A single mother with three or four children would think twice before taking them there, unless she was desperate.

Had they known about the roast chicken dinner, Dale and Kathy Robertson would also have thought twice about taking their four children, in part because they are worried about the gas-guzzling Plymouth Trail Duster in which they drove to Albuquerque from Elk City, Okla., last year. They were in search of a new start—after Dale had been incapacitated for work in the oil fields by two accidents (the first of which, an explosion, took the top joints off five of his fingers). The vehicle has 110,000 miles on it, its tires are bald and there is no money for repairs or new tires. Keeping it running comes second in the family's priorities to eating—and ahead of eating well—because Dale needs it to get to a vocational course that is supposed to retrain him for work as a computer repairman.

There came a time last fall when the Robertsons had nothing but a dollar to buy gas so they could drive to the Salvation Army with their children. Then they were caught by the safety net. At first they took all their meals at the missions—breakfast with the Salvation Army, lunch with the Baptists and dinner at the Good Shepherd shelter coordinated with the St. Vincent de Paul Society—and then they were discovered, housed and fed by a single Catholic family who adopted them as a private philanthropy until they could qualify for food stamps.

Yes, the system could be said to have worked, for the Robertsons now had a place to live and they were not starving. They were also not eating very well. "You can get a craving for a good old lettuce and tomato salad, but you know you'll end up paying for it at the end of the month," said Dale, who regarded steak as a staple when oil was booming and he was making $29,000 a year.

Along the way they had learned some painful and sometimes contradictory lessons. One was that it was not a disgrace to ask, even beg, for food to feed your children. Another was that, though they sometimes still depended on the generosity of others, they themselves could not afford to share what they have. Not yet, anyhow. There was a minor domestic scene on this theme the afternoon I visited their apartment. Lunch was Japanese noodles, the kind that come dried, in the shape of small bricks, and are cheaper even than marcaroni and cheese. Seven-year-old Latisha showed up with her friend Erica from downstairs and Dale hit the roof. "I can't feed all the kids in the neighborhood," he protested.

"It's weird," said Kathy. "We're teaching our kids not to share." She then pointed out to Dale that Erica's mother had given Latisha a piece of pie. By this time Erica had vanished.

Shamed, Dale stepped outside to the head of the stairs. "Erica, you come up here, girlie," he shouted. "You can have a little." Moments later, the Japanese noodles were gone and 2-year-old Christopher was squalling. "If we hadn't given that kid noodles,"

Dale now grumbled, "there'd be enough for Christopher."

"Life's a bummer sometimes," said Kathy Robertson.

But if you had asked her that afternoon, she would have had to say that her children weren't hungry.●

OPEN LETTER TO PRESIDENT RONALD REAGAN

HON. ED JENKINS

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 19, 1985

● Mr. JENKINS. Mr. Speaker, the conference on the budget is now considering the fate of the Appalachian Regional Commission. The Senate has proposed eliminating this important program, while the House has proposed a 10-percent cut in funding below a budget freeze level.

I would like to place in the RECORD excerpts of a recent speech made by Michael R. Wenger, the ARC States, Washington representative. His speech is an open letter to the President regarding the fate of the ARC.

OPEN LETTER TO PRESIDENT RONALD REAGAN FROM MICHAEL R. WENGER, ARC STATES WASHINGTON REPRESENTATIVE, DELIVERED AT ANNUAL CONFERENCE OF DEVELOPMENT DISTRICT ASSOCIATION OF APPALACHIA, FEBRUARY 21, 1985

Today, as ARC's 20th anniversary approaches and we remain locked in a grim struggle for survival, I'd like to speak to the one person with the power to make a difference. I'd like to speak to Ronald Reagan, through you, in the form of an open letter to the President of the United States.

DEAR MR. PRESIDENT: I am writing to share with you our feeling about the Appalachian region and about the importance of the Appalachian Regional Commission to the people of the region.

Appalachia is rich—rich in natural resources, rich in its wondrous beauty, rich in the spirit and strength of its people.

But Mr. President, it is a region which during the century following the Civil War, suffered the rape of its natural resources, the ravaging of its wondrous beauty, the exploitation of its generous people, and perhaps most sadly, it suffered neglect by a Nation to which it had contributed so much.

Twenty years ago in some parts of Appalachia babies died at a rate comparable to infant mortality rates in many Third World countries.

Twenty years ago in Appalachia medical care was often either nonexistent or nor accessible.

Twenty years ago in Appalachia youngsters graduating from high school were frequently the exception rather than the rule.

Twenty years ago in Appalachia those youngsters who did graduate from high school were on the next bus to Cincinnati, or Dayton, or Columbus, or Detroit, Chicago, Cleveland or Pittsburgh—anyplace where they might find better opportunities.

Twenty years ago in Appalachia, if you stayed, you either worked in the mines or you didn't work.

Twenty years ago in Appalachia, getting in or out on our mountain roads was an adventure at best, life-threatening at worst.

Twenty years ago in Appalachia, Mr. President, we were a region apart, and seemingly destined to stay that way.

But then something happened. Community leaders began organizing, and public officials began to speak out about the needs of their communities. Governors got together to plan cooperative efforts and to speak to the Nation about their region and its suffering, and John F. Kennedy, campaigning for President, heard their voices and promised to do something about it.

Appalachian people were used to promises. But this was more than a promise. John Kennedy was serious, and with the leadership provided by our Governors—Bert Combs, Ned Breathitt, Terry Sanford, Bill Scranton, Hulett Smith, Millard Tawes—he created the President's Appalachian Regional Commission. Franklin D. Roosevelt, Jr. chaired that Commission, John Whisman was executive secretary, and John Sweeney was executive director. They brought forth a report—the PARC Report—with recommendations designed to strike at the heart of the Appalachia's problems.

Sadly, tragically, President Kennedy was dead by the time that report was issued. But President Johnson picked up the promise. With the help of the people of Appalachia and such stalwarts as Jennings Randolph, John Sherman Cooper, and Bob Jones, he steered that legislation through Congress.

On March 9, 1965, President Johnson signed the bill that created one of the most unique experiments in the history of American Government—a federally assisted regional development program governed jointly by the Federal Government and the States, and with a mandate to reach out to local officials and community leaders to spearhead that effort.

Twenty years later, Mr. President, we are proud. We are proud that a baby now born in Appalachia has as much opportunity to live as a baby born anywhere else in the United States.

We are proud that in Appalachia doctors now see opportunity rather than isolation and that primary medical care is now within 30 minutes of most Appalachians.

We are proud that in Appalachia youngsters now graduate from high schools with the skills necessary to take advantage of job opportunities that now exist.

We are proud that in Appalachia the buses which once took our children from the region have been bringing them back in record numbers.

We are proud that in Appalachia those buses now travel over modern four-lane highways cut through some of the most difficult terrain in the country.

And we are proud of something else, Mr. President. We've done the job in a way that would bring a smile to your face—in a way that demonstrates how effective your philosophy of turning power back to the people can be.

We've done it by using the talent and skill in our city halls, in our county courthouses, and in our statehouses.

We've done it by unleashing the spirit, the strength, and the creativity of the people of Appalachia.

We've done it by providing a hand-up rather than an hand-out. We've done it as partners.

Yes, Mr. President, we've worked together—the Federal Government, State governments, local governments, community leaders, the private sector—to bring to reality things about which we could only dream 20 years ago.

And now we are close, Mr. President. We are building the bridge to opportunity, the bridge that will let us leave behind forever that time when we were truly a region apart. The structure is in place. We just need to lay the pavement.

We'll lay the pavement ourselves. But we need the tools.

We need the tools to deal with an unemployment rate that remains almost 1½ times the national average.

We need the tools to provide the basic services—water and sewer systems, decent housing—that are still missing in some counties.

We need the tools to complete the critical gaps in the road system.

But, Mr. President, just when we are on the threshold of a new beginning, just when we are about to be able to cross that bridge, we are losing our tools. In the past 4 years we've lost many of our tools. Now, we are in danger of losing them all—ARC, EDA, Revenue Sharing, CDBG, Housing Assistance, Job Training, FmHA, TVA, Water and Sewer Programs and transit subsidies. The tool box would be left, but it would be empty.

We know, Mr. President, that resources are scarce, we know that there are competing priorities, and we know that the budget deficit must be reduced. But all we ask for is fairness, for the promise that was made 20 years ago, for the tools to help ourselves—to pave that bridge.

We've taken more than our fair share of cuts. ARC's annual appropriation is less than half of what it was 5 years ago.

We know it will take longer to pave the bridge, and we know we will have to provide more of the tools ourselves.

But, Mr. President, if the tool box, is empty, the bridge may never be paved. The bright, new gleaming structure would slowly decay from lack of use and lack of maintenance. Before too long, Appalachia would be as it was 20 years ago.

It doesn't have to be, Mr. President, and I'm convinced it wouldn't be if only you knew the whole story.

David Stockman has portrayed our region as just like the rest of the country, with problems no worse than anywhere else.

Our hopes, our dreams, our aspirations are the same—and our spirit is stronger. But, Mr. Stockman has not been to Appalachia. Perhaps he is unaware of the century of isolation, neglect and exploitation which we have been attempting to redress.

But don't take our word for it, Mr. President. Ask our friends in the House, not only JAMIE WHITTEN and TOM BEVILL, but BILL CLINGER and HAL ROGERS. And ask our friends in the Senate, not only JOHN STENNIS and BOB BYRD, but JOHN WARNER and STROM THURMOND. Ask our Governors, not only Joe Frank Harris and Martha Layne Collins, but Lamar Alexander and Arch Moore.

These public officials—Democrats and Republicans—buoyed by unprecedented grassroots support, have sustained us through these past 4 years. And they show no sign of weakening, because they know what's at stake.

It's the baby in Logan, WV whose mother can now receive prenatal care, and thus, dramatically increase the chances for a normal birth.

It's the young child in Asheville, NC who can now go to day care while mommy works, and thus, receive the kind of preschool instruction necessary to succeed in public school.

It's the teenager in Tupelo, MS who wants a decent education so he can get a decent job.

It's the mother in Hazard, KY who wants her children to have the opportunity to make a decent life in the region they love.

It's the father in Johnstown, PA who wants the self-respect that comes from a decent job and the ability to support his family.

Last week, Mr. President, I attended a public hearing in Tupelo, MS. I wish you had been there to see and hear the people. People who had voted for you but who asked plaintively why anyone would want to take away their tools and their self-respect.

They voted for you, Mr. President, because you said you would protect them. You said you would be fair. You said you could reduce the budget deficit without taking away their tools.

And they don't blame you, Mr. President. They understand your dilemma. But they still want to know. They want to know why.

If you could come to Appalachia, Mr. President, talk to the people, see the pride in their accomplishments, see how close we are to achieving our goals, see what it would mean to pave the bridge, I believe you would understand what I've been trying to say, and what the people were saying in Tupelo last week.

Come to Appalachia, Mr. President.

Let us show you corridor G in southern West Virginia—how that beautiful new four-lane suddenly turns into a two-lane mountain adventure, because the job's not done.

Let us show you the new water system in Williamson, WV—but the sewerage still in many creeks, because the job's not done.

Let us show you the thriving industrial park in Duffield, VA—and the unemployment rate in Letcher County, KY, because the job's not done.

Let us show you the incubator projects in Girard, PA—and the silent steel mills in Johnstown, PA, because the job's not done.

We'd welcome you, Mr. President, just as we did last year when you visited Greenville Tech in Greenville, SC, and when you met with the Tennessee Technology Foundation in Tennessee.

Perhaps you weren't aware that this was ARC country. Perhaps you didn't know these were ARC-supported efforts. Perhaps, you didn't know we were there. But you know what you saw. And you liked what you saw. And what you saw was ARC in action—quietly, with no frills, with local people in charge—but there, and in many ways—indispensable.

That's our story, Mr. President, about a land we love. About a people whose spirit and strength have enabled them to endure the hardest of times. And about a promise made 20 years ago—a promise to build a bridge—and to pave it.

We're almost there, Mr. President.●

CONGRESSIONAL SALUTE TO THE HONORABLE IRVING JACOBUS GRIEVES OF NEW JERSEY 1985 "PAUL HARRIS FELLOW," ROTARY CLUB OF WAYNE

HON. ROBERT A. ROE

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 19, 1985

● Mr. ROE. Mr. Speaker, on Wednesday, June 26 the residents of the township of Wayne, my congressional district and State of New Jersey will join together without fellow Rotarians in testimony to an outstanding community leader, distinguished citizen, and good friend, the Honorable Irving Jacobus Grieves of Wayne, NJ, whose standards of excellence throughout his lifetime have earned him the most highly coveted honor of being chosen 1985 Paul Harris Fellow of the Rotary Club of Wayne—the highest award that Rotary can bestow upon any of its members. I know you and our colleagues here in the Congress will want to join with me in extending our heartiest congratulations to Irving Grieves and share the great pride of his children, Arnold Grieves and Joan Grieves Grimm; his grandchildren, Arnold, Jr., Donna Grieves Kroegman, Glenn and Thomas Grieves, Carol, Peter, and Diane Grimm; and great grandchild, Fred Kroegman in applauding this milestone of achievement in their family endeavors.

The Rotary Club of Wayne is one of our Nation's most prestigious affiliates of Rotary International whose motto: "We make a living by what we get—we make a life by what we give"—"service above self"—and their good deeds in helping others, young and adults alike, have served to inspire all of us. Irving has by his example and lifetime of dedication to these same true American ideals personified exemplary leadership in his outstanding responsible service to our people.

Mr. Speaker, the pleasure of great personal dedication and always working to the peak of one's ability with sincerity of purpose and determination to fulfill a life's dream—that is the success of the opportunity of America—and the mark of distinction in our society of the self-made man. The aspirations and success of Irving Grieves in the mainstream of our business community does, indeed, portray a great American success story.

Irving Grieves was born in my hometown of Wayne, NJ, on March 4, 1908, and points with pride to 12 generations of the Jacobus family who have made their home and pursued life's fulfillment in the Wayne area of New Jersey. He was educated in local schools—Mountain View School, Montclair High School and evening classes of Montclair Vocational School.

As a young man during his after-school hours and vacation time, he was vigorously engaged in farm and dairy work, sold vegetables, and trapped. He also was busily employed at Campbells Hardware Store. After coming home from high school and on weekends, he worked at the Union Newsstand which was located at the Mountain View Erie Railroad Station. Subsequently he became assistant agent of the Erie Railroad. In those days the agents handled tickets, freight, baggage, American Express and Western Union facilities for the railroad. For two decades he was an employee of the firm of Bogart and Hanson in the electrical and appliance business. During the same period, he was a partner in the operation of a gift shop in Art Philips Ice Cream Parlor. He also operated a radio sales and service facility at Dixon's Drug Store selling radios manufactured by Atwater Kent, Philco, Majestic, and RCA. He was also a highly respected entrepreneur of several business ventures. He operated a retail sales outlet for electrical fixtures, lamps, fireplaces, and other sundry equipment on Jacobus Avenue in Wayne, NJ. He was most successful and well regarded for his business acumen in the operation of a gift and confectionery shop in Packanack Lake, Wayne, NJ, during his years of employment with Bogart and Hanson.

During the war years he served our country in the production line of the experimental department of the electrical division of Curtiss-Wright Corp., one of our Nation's major defense contractors. Following World War II, he opened his own sales outlet in electrical equipment which flourished under his ownership and management. He served as full-time proprietor until 1963 but continues as semiretired in a most prestigious commercial establishment now known as Mountain View Electric Co.

Mr. Speaker, Irving's personal commitment to the economic, social, and cultural enhancement of our community has been a way of life for him. His business acumen and expertise has enabled him to achieve success in his career pursuits in the business world. His sincerity of purpose and compassion in responding to the needs of our people are applauded by all of us who have the good fortune to know him. He has attained the greatest respect and deepest appreciation from a grateful community for his dedication and untiring efforts in service to his fellow man.

Among his many achievements we particularly commend him for his outstanding public service with the Mountain View Community Fire Co. in Wayne, NJ. He is a member and past president and one of the founders of the Wayne County Fair which raised funds to build the community fire company's recreation building. He has been actively involved in the Shrine for 35 years and has been a member of the Wayne Rotary Club for 19 years with 100 percent attendance. He was a member of the Mountain View Businessmen's Association and a charter member of its successor organization, the Wayne Chamber of Commerce.

Some of his additional affiliations with nationally recognized fraternal and civic organizations include mem-

bership in the following organizations: Mountain View Masonic Lodge No. 154, Scottish Rite, Royal Order of Jesters Court No. 37, Lake Shrine Club, Gold Coast Billiken Club, Gold Coast Shrine Club, Kachina Klub, and Salaam Temple.

Mr. Speaker, as we reflect upon the history of our great country and the good deeds of our people who have made our representative democracy second to none among all nations throughout the world, I appreciate the opportunity to call your attention to this distinguished gentleman and seek this national recognition of all of his good deeds. I know you will want to join with the Rotary Club of Wayne, NJ, in honoring our good friend Irving as an outstanding citizen and great American. We do indeed salute the Wayne Rotary Club's "Paul Harris Fellow"—the Honorable Irving Jacobus Grieves of New Jersey.

THE HOMES AND HEALTH OF AMERICAN INDIANS

HON. PAT WILLIAMS

OF MONTANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 19, 1985

● Mr. WILLIAMS. Mr. Speaker, much of the improvement in Indian health care during the past 25 years is the direct result of the Indian Health Service Sanitation Facilities Program, which provides water supply, sewage disposal, and solid waste disposal for Indian homes and communities. Although American Indian and Alaskan Native families have the highest mortality and morbidity rates in the Nation, for the past 5 years, this administration has requested nothing for the continued improvement of sanitation facilities in Indian country. However, the administration's own budget justifications state that:

> The scarcity of safe water supplies and the lack of adequate facilities for the disposal of human and household wastes still prevail in Indian country. The lack of these facilities contributes to the spread of microorganisms responsible for diarrhea and dysentery, to insect and rodent infestations in both Indian homes and communities, and to the contamination of food and water supplies.

Thus, on March 26 when the Indian Health Service testified before the House Interior Appropriations Subcommittee, officials were unable to justify their lack of commitment to providing the essential services that the rest of the Nation enjoys. The tragedy, of course, is to the half million residents of rural Indian reservations and remote Alaskan villages.

Considerable attention has been drawn to articles about this matter in the Washington Post, CONGRESSIONAL RECORD, and Washington Times, and within the two agencies most notably involved in Indian affairs. I would like to set the record straight in terms of responsibility, cost, and need.

In 1959, the Congress passed legislation directing the Surgeon General:

> To construct, improve, extend or otherwise provide and maintain * * * essential sanitation facilities including domestic and community water supplies and facilities, drainage facilities, and sewage- and waste-disposal facilities, together with necessary appurtenances and fixtures, for Indian homes, communities, and lands.

In the early 1960's, both the Departments of Housing—now the Department of Housing and Urban Development—and Interior—via the Bureau of Indian Affairs—were given the responsibility of providing housing assistance to Indian communities. This assistance was provided some 25 years after the rest of the Nation had been provided with Federal assistance for decent homes and indoor plumbing. Now, HUD provides new construction of homes through the Indian Housing Program, and the BIA primarily provides rehabilitation for existing homes under the Housing Improvement Program, although a few new homes can be built under certain circumstances with BIA funds. For HUD homes, Indian Health Service, until fiscal year 1982, was the primary agency to provide offsite water and sewer facilities—that is, up to the project or lot line. Onsite facilities were provided out of the HUD budget. Further, in the 1970's a triagency agreement was established to define responsibilities for HUD housing construction activities, the provision of adequate water and sewer facilities, IHS, and the provision of road construction and real estate services, BIA.

Because homes funded under HUD for Indian communities take about 2 years to be completed—a conservative estimate—water and sewer and housing budget appropriations do not always match and occasionally some HUD homes have been completed before the water and sewer were in because IHS had the flexibility of meeting other needs while waiting for HUD to complete homes. Testimony in congressional hearings has often cited the numbers and locations of government-constructed homes in this condition, and congressional response has usually been prompt in remedying this scheduling and coordination problem. Currently, it is estimated that about 400—385 quoted in hearing—HUD homes are in this situation.

In addition to new homes being built, HUD, and existing homes being rehabilitated, BIA, there is presently an unmet need in Indian country of approximately 22,000 existing homes, not government built, that lack basic plumbing facilities. Another 60,000 homes need their water supplies and community facilities upgraded and approximately 30,000 homes in 300 communities need upgraded sewer facilities such as a septic tank and drain field.

Since fiscal year 1982, the administration has proposed zeroing out the IHS Sanitation Facilities Program. In response, Congress continued funding anyway, but required the administration to provide HUD funds for sanitation facilities for HUD homes. HUD and IHS then developed a memorandum of agreement, at the direction of the Office of Management and Budget, that allows HUD to transfer funds in order for the IHS to continue construction of the offsite facilities for HUD homes.

A major problem that currently exists is the slowness of HUD to transfer money to IHS. This makes it extremely difficult for IHS to build the offsite facilities in a timely manner. And, this is why there are approximately 400 HUD homes being built without sanitation facilities construction underway. The Bureau of Indian Affairs is not the agency where the problems have occurred in getting water and sewer to match housing construction completion. In fact, no new homes are being proposed under the current budget request for the BIA; however, the administration is proposing rehabilitation of homes without upgrading the water and sanitary sewage facilities.

The cost of providing all of the current offsite water and sewer needs plus improvement or the establishment of solid waste collection and disposal systems or setting up the operation and maintenance organizations is presently estimated at $520 million. The per-unit cost is currently estimated at $8,000 to $8,500, including the high cost areas of interior and northern Alaska. This figure does not include HUD homes, but does include BIA and other construction, 22,000 existing homes and the 60,000 homes in need of water improvement, and some 30,000 needing adequate sewage and solid waste disposal. This is approximately $1,000 per person needed in Indian country to provide water and other sanitation facilities to the standard that most other U.S. citizens take for granted. The savings that would be provided because of this preventive health care measure would be in the billions. To American Indians and Alaska Natives, it is a much-needed safety net.

How can this be accomplished? Under consideration by both Houses of Congress is legislation that would begin to remedy these deplorable conditions. The Indian Health Care Amendments of 1985 would reestablish Indian Health Service as the primary agency responsible for all sanitation facilities in Indian country and would provide for a 10-year implementation plan to provide the necessary services. The alternative which the Administra-

tion proposes, is by far the higher price to pay.●

SALT-D UNDERSCORES FATAL FLAW IN THE TAX REFORM MEASURE

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 19, 1985

● Mr. BIAGGI. Mr. Speaker, the President's proposed elimination of deductibility of State and local taxes will spell the death knell for the current slate of educational reform measures now before a number of State legislatures.

A national effort, entitled "SALT-D," is being formed to fight the effort to delete State and local taxes from Federal income tax forms. In the administration's first term—we witnessed the wholesale gutting of major national programs which provided educational opportunity to special and disadvantaged populations. What we now see in the second term—is a reign of terror not of an overt nature—but of a backdoor nature. If the provisions for State and local taxes are adopted by Congress as part of its tax reform effort—State and local governments could lose $39 billion in revenues in 1987. In my opinion, this $39 billion loss is a frontal attack on the very system that provides the backbone of local support to education in this Nation.

We continue to hear that education must remain a local issue. However, with this tax reform proposal—we are virtually assuring the inability of education to provide the fiscal resources that make it a local issue.

Under present law, taxpayers now take $16 billion in deductions for education-related purposes, $14 billion which come from State and local deductions. The tax reform proposal would slash this amount to $1.5 billion in taxes earmarked for education.

The impact of this proposal upon States varies greatly, but will have an especially significant impact upon my own State of New York—which would lose $6.5 billion—second in the Nation only to the State of California. The loss is greatest in those States which have higher levels of public services, more progressive income tax structures, high income levels and a greater financial commitment to public schools, according to the American Federation of Teachers. In short, we are penalizing the very same States that have made a determined effort to provide an array of services for the public good—with their own resources.

How can we expect to enact serious educational reform—including efforts to increase teacher salaries—if we allow this provision to be adopted? Even former Secretary of Education Terrel H. Bell, in commenting on this proposal during the SALT-D meeting last week, stated that teacher salaries need to be competitive. Local communities cannot expect to compete for well-trained teachers if they cannot afford to pay them salaries that are at least comparable to private sector wages. Our Nation faces a drastic teacher shortage that threatens to escalate to 1 million by the year 1990. We fail in our efforts to be future-oriented if we adopt backward and regressive proposals such as this one.

The tax reform proposal also takes a hard hit at charitable contributions and the use of tax-exempt bonds to finance higher education. At the SALT-D meeting last week, it was revealed that deductions for charitable contributions now account for $910 million nationwide. This would be reduced to $905 million. According to independent sector, four out of five taxpayers would lose their deduction for charitable contributions because of the combined effect of repeal of the nonitemizers deduction and tax changes such as the reduction in marginal rates.

The impact upon private colleges and universities would be especially significant. Under current law, 18 percent of the revenues of independent colleges and universities come from gifts from nonitemizers. Under the proposed changes, scholarship income, which is now tax exempt and accounts for $645 million in exclusions set aside for education, would be cut to $545 million.

Mr. Speaker, I believe that SALT-D is an important coalition that will help to bring the fundamental flaws of the administration's tax reform proposal to light. I believe that tax reform should be high on the congressional agenda for this session of Congress. However—tax reforms should not mean a rubberstamp approval of a proposal that does not reflect a fair set of economic priorities. Our priority in this instance should be rejection of the deduction for State and local taxes so that the educational reform movement—begun over the last 2 years—can reach fruition without being unfairly and unnecessarily sidetracked by special interests.●

INTERNATIONAL COMMUNISM AND NICARAGUA

HON. JACK FIELDS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 19, 1985

● Mr. FIELDS. Mr. Speaker, on June 6, 1985, an excellent article appeared in the Christian Science Monitor concerning the Sovietization of Nicaragua.

Written by John Lenczowski, Director of European and Soviet Affairs at the National Security Council, the article describes the international Communist tyranny that has descended on Nicaragua and the importance of the President's request to support the Freedom Fighters in their struggle to remain free.

The article follows. I urge my colleagues to read it.

INTERNATIONAL COMMUNISM AND NICARAGUA—AN ADMINISTRATION VIEW

(By John Lenczowski)

It is often unpleasant to resurrect what many think are the unpleasant ghosts of the past. Unfortunately, that is what we do when we talk frankly about the forces of "international communism" at work in our hemisphere. It has long been politically the safe thing to do to ridicule any mention of this alleged phenomenon. Professors and pundits have assured us for years that "international communism" as such no longer really exists—which is why it is ridiculed as a "phantom," the object of irrational phobias of extremists, know-nothings, or people living in the past. It has been explained to us that we can no longer clinically and accurately use this loaded expression because of the Sino-Soviet split, the Yugoslav-Soviet split, the Albanian-Soviet split, and other manifestations of polycentrism.

Perhaps communism is no longer a monolithic force subsuming all Marxist-Leninist states under the Soviet banner. Nevertheless, how can one label the presence today in Nicaragua of Cubans, Bulgarians, Libyans, Czechs, North Koreans, East Germans, Vietnamese, Soviets and communist elements of the Palestine Liberation Organization? If this is not some facsimile of international communism, then we are at a loss at how to explain the common thread that binds these forces together. If we must pay our dues to the gods of polycentrism, then perhaps we might refine our terminology by calling this phenomenon "Soviet international communism," since neither Maoist, Titoist, or Albanian brands of communism are at work.

Since we so rarely discuss the facts about international communism, here are a few that should be remembered in the context of the debate on Nicaragua:

The people do not want communism. Never in history has a majority of a free electorate democratically chosen a communist form of government. (There is only one exception: the minuscule state of San Marino.)

Communists have always come to power through violent takeovers. These takeovers have always involved the seizure of power by a well-organized and externally assisted minority over an unorganized and unwitting majority. Such takeovers consistently entail the use of a "popular front" of communist and noncommunist elements; the establishment of a communist party that uses an ideological party line to enforce internal conformity and identify and eliminate deviationists; the use of camouflage to disguise the party's true intentions and full political program; the use of propaganda and disinformation to manipulate the international news media; the use of violent and ruthless methods to eliminate all organized opposition; and finally, the use of gradualism in the process of eliminating opposition and applying internal security—so that the people do not realize what is happening to them until it is too late.

No communist regime that has consolidated its power has ever been overthrown and replaced by a noncommunist order. (The only exception is Grenada.) Every other form of government offers people the chance to retain a system of trial and error. It is easy to overthrow a Shah or a Somoza after trial has been granted and error perceived. But once communism is firmly in place, the possibility of trial and error is no more. A vote against aid to the "freedom fighters" is a vote to consign Nicaragua to an indefinite period of no freedom of choice.

The human cost of communism exceeds most Americans' expectations. The number of people murdered by communist regimes is estimated at between 60 million and 150 million with the higher figure probably more accurate in light of recent scholarship. The greatest tide of refugees in world history flows from communist states to noncommunist ones: Today it comes from Ethiopia, Afghanistan, Indochina, East Europe, and Nicaragua. (During the entire Vietnam war there was nary a refugee fleeing from Indochina. It was not until communism triumphed that life became so unbearable that people who could withstand decades of war fled to the seas.) Communism invented the concentration camp. Millions have been imprisoned and executed, have worked and starved to death, in these camps. Communist regimes will not permit enterprising Western reporters near these camps, so you don't hear about them on the news. Communist regimes recognize no restraint on their absolute power. From this they establish ideological falsehoods as the standards of right and wrong and the standards by which deviationism is measured; from this stems the systematic denial of all individual human rights. The quality of life always deteriorates under communism: the militarization of society; the destruction of the consumer economy; the rationing of food; the deterioration of housing and insufficient new construction to meet population growth; the destruction of medical care through lack of medicine and medical supplies; the destruction of religion; the destruction and political control of education and culture; the rewriting of history and destruction of monuments to the national heritage; and the assault on family life and parental jurisdiction over children.

Soviet-style communism invariably means the export of terrorism, violence, and revolution. Soviet proxy states participate in an efficient division of labor: Cubans as troops, Bulgarians and Vietnamese as arms suppliers, East Germans as secret-police trainers and military advisers. Since the Soviet proxies are present on our continent today, it is no accident that the communist Sandinista regime is an active collaborator in this division of labor.

The Sandinistas are communists. Nicaraguan President Daniel Ortega has said: "Marxism-Leninism is the scientific doctrine that guides our revolution . . . [Without Sandinismo we cannot be Marxist-Leninist, and Sandinismo without Marxism-Leninism cannot be revolutionary." The identical pattern of communist takeover methods, internal policies, and external behavior is repeating itself in Nicaragua. There can be no doubt, given the vast evidence we have accumulated, that Nicaragua is becoming another Cuba.

Communist regimes, including the Nicaraguan regime, spend vast resources on disinformation—to deceive the international news media and foreign political decisionmakers. A principal goal is to disseminate false information about the nature of their own system: The principal disinformation theme of all communist regimes is to convince others that they are not really communist. This is done in many ways by the Sandinistas, but most prominently by the "guided tour." Countless American visitors are taken on this guided tour and see nice things and talk to "average citizens" who tell them what the regime wants them to hear. Nobody wants to believe that he has been fooled. But if Congress is to believe the testimony of constituents and reporters who base their information on the "guided tour," Congress may as well believe everything it is told on identical guided tours in Moscow, Havana, East Germany, and North Korea.

Congress must decide whether it will resist international communism on our continent or let it prosper. Isolationist in Congress may base their opposition to the administration on the principle that other countries should be allowed self-determination. Unfortunately, in Nicaragua today there can be no self-determination, because of the reality of "foreign-force determination." The foreign force is the USSR and its proxies, otherwise known as the forces of international communism. Will the Nicaraguans be given enough assistance so that they will be able to determine their future on the basis of a balance of foreign forces, or will Congress permit an imbalance, an imbalance against democracy, against any system of trial and error? If Congress chooses to deny the Nicaraguan friends of democracy a chance for self-determination, it will be voting in favor of the first victory of the Soviet strategic offensive on our own continent.●

STEEL IMPORT QUOTAS: TRY NOW, PAY LATER

HON. JAMES A. TRAFICANT, JR.

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 19, 1985

● Mr. TRAFICANT. Mr. Speaker, many arguments have been heard from both sides of the issue concerning the President's program last year to provide import relief to the U.S. steel industry. This industry continues to suffer through difficult times while recognizing limited improvement as a result of the President's program.

An article appeared in the June 17, Wall Street Journal which discusses the President's relief efforts and the overall prognosis of the U.S. industry for the future as a international competitor. I submit this article for the RECORD.

[From the Washington Post, June 17, 1985]

STEEL IMPORT QUOTAS: TRY NOW, PAY LATER

(By Art Pine)

WASHINGTON.—When President Reagan announced his new import relief program for the steel industry just before last November's election the details were so murky that analysis weren't sure whether it would prove protectionist or merely a ploy. Much depended on how tough the administration planned to be in seeking export-limitation agreements from other steel-producing countries. One outside analyst predicted then that if the president really were to reach his goal of limiting overall imports to 20.2% of the U.S. market, the plan would be "very protectionist." Otherwise, he asserted, "it will be a sham."

Technically, the White House has fallen short on its promise to the industry. The 11 accords it has negotiated so far would hold imports only to between 21% and 23% of the U.S. market, not the 20.2% that the president cited. Similar compacts with the two or three small producers yet to sign—East Germany, Poland and the like—won't trim that total much.

Yet the administration has put in place a set of restrictions so stringent that they rival the Multi-Fiber Arrangement on textile and apparel imports, often cited as the nation's most egregious protectionist measure. Gary Horlick, a former Commerce Department trade official, contends the current steel quota system is more comprehensive than the textile accord. It covers producers from Europe, not just from Japan and developing countries; it sets an overall ceiling for world-wide imports, where the MFA does not; it precludes allowing imports to grow more rapidly than the domestic market; it applies even to the smallest steel-producing countries; and finally, unlike the case of the MFA, the steel industry may dismantle this whole system anytime it wants, merely by filing unfair trade-practice cases. This effectively gives the industry a veto against any liberalization moves. "This is the most protectionist thing we have going," Mr. Horlick asserts.

William Walker, a former Ford administration trade official, notes that foreigners began last September deluging the U.S. market to get their goods in before the negotiations were completed. Now some already have used up—or even exceeded—their quotas. Mr. Walker predicts a crunch, beginning in late summer when the next quota year approaches. Supplies will dry up and there'll be intense pressure from importers to relax the restraints, he says, adding. "It's going to have a real impact in the marketplace."

Robert Crandall, a Brookings Institution steel analyst, points out that such shortages frequently spawn schemes to circumvent the import limits—often at the expense of other domestic industries. If a Nissan plant in California can't buy enough foreign steel to stamp out doors for its cars, it can instead buy already-stamped doors from abroad and not be affected by the steel quotas. As a result, steel fabricators all over the U.S. may soon begin to feel the heat, Mr. Crandall says. "None of these things works well for very long," he adds. "There was a lot of cheating that went on to get around the old trigger-price mechanism import limitations in the late 1970s. It's no wonder that Caterpillar (Tractor Co.) lobbied against the current quotas."

Indeed, some analysts believe the new limitations are so detailed they may create their own problems very soon. Steel experts contend that a special limitation on importing silicon steel armatures already has distorted the market here and eventually may force domestic producers to go offshore. And there are indications that some American steelmakers already are pondering a request to relax restrictions on countries from which they themselves want to import.

Nor is the skirmishing over. The U.S. is preparing for another confrontation with European steel producers in July that could well jeopardize a broader U.S.-Common Market steel pact. If that collapses, the entire array of export-limitation pacts that the U.S. has negotiated could come crashing

down. And there may be trouble ahead with Canadian producers. Although the administration hasn't been able to show that the Canadians are subsidizing their steel industry heavily, President Reagan personally told American steelmakers late last month he thought imports from Canada still "are well above traditional levels"—a reference that both U.S. and Canadian producers took as a warning that Washington might push its steel fight northward.

Industry analysts are split over what to do to help the U.S. industry. Many believe the government could serve American steel companies best over the long run simply by removing all quotas and forcing the industry to pare costs further and modernize its plant and equipment. Portions of the industry already are prospering. The mini-mills that have bought new equipment and discarded restrictive work rules are competing nicely. Many of the older "integrated" mills are largely outmoded, and few in the industry have the money—or the will—to update them. For these mills, the quota are little more than a placebo, outside analysts say. "The quotas may help reduce the pressure somewhat, but if the economy turns down, they'll be filing Chapter 11 bankruptcies anyway," says Harald B. Malmgren, a Washington-based trade consultant.

Whatever the final fate of major steel producers, it's becoming apparent that protection—to whatever extent it works—is a messy business that is fraught with pitfalls for the industry and the government as well.●

THE SUPERFUND

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 19, 1985,

● Mr. HAMILTON. Mr. Speaker, I would like to insert my Washington Report for Wednesday, June 19, 1985 into the CONGRESSIONAL RECORD:

THE SUPERFUND

Improper disposal of hazardous wastes is America's chief environmental problem. Many Hoosiers have experienced first-hand the frustrations of trying to rid their communities of toxics. Five years after launching the Superfund program, we have found that stopping toxic contamination is far more difficult, costly and time-consuming than expected. While there is broad support to renew Superfund before it expires this year, several key issues remain.

EPA cleanup efforts have been disappointing. After spending more than $1 billion to clean up mountains of waste, the nation can point to little progress and a nearly depleted Superfund. Some 800 of the worst sites have been proposed for EPA's national priority list, but only 15 have been fully restored. With an astounding 270 million tons of poisonous waste produced each year, the dangers continue to grow. The Superfund is doing far less than a super job of cleanup.

Everyone agrees that the Superfund must be expanded well beyond the initial five year funding level of $1.6 billion, but one issue is how much more money is needed. The Administration wants to spend $5.3 billion over five years, two Senate Committees propose $7.5 billion, and others in Congress favor $10 billion. Setting a figure is hard because the extent of the problem is unclear. Studies of the eventual number of Superfund sites range from 2,000 to 10,000. To make matters worse, data about what types and quantities of waste were dumped at these sites are sketchy, and cleanup methods will require much analysis.

The Adminstration contends that its suggested funding level is all that EPA can effectively manage over five years. Supporters of higher funding argue that the severity of the problem demands greater resources to support aggressive cleanup efforts, research on safe, cost-effective disposal technology, studies on the health risks of chemicals, and investigations to find leaking dumps before they become Superfund sites. My feeling is that, even with the budget constraints, we cannot afford not to clean up. If we delay we only increase costs. We could, as the saving goes, "save ourselves broke." So I will support a strengthened Superfund program.

How to finance Superfund is another key issue. Getting firms to pay for cleaning up waste they have dumped is difficult. So far, only $6.1 million has been recovered from responsible parties. Superfund is now financed by a tax on petroleum and chemical feedstocks (87.5%) and with general revenues (12.5%). This tax was chosen because these feedstocks are toxic or become toxic during manufacturing. The petroleum and chemical industries say that expanding this tax is unfair because it inhibits their competitiveness and does not penalize other toxic-producing industries. These concerns, which make sense to me, have prompted consideration of alternate funding plans.

The Senate plan keeps the feedstock tax, but adds an excise tax (.08%) on all manufacturers with annual receipts over $5 million. There are several benefits to this approach. It requires no general revenues, and the tax would be suspended when sufficient revenues had been raised. The tax is small and spread among many firms, so ample revenue can be raised easily without overburdening any industry. Critics of this excise tax, including the Administration, believe the tax is so small and so easily passed to consumers that it gives firms little incentive to stop generating toxics. Also, the tax would require a complicated reporting and collection procedure at a time when tax simplification is an important goal.

Other funding plans would keep the feedstock tax and general revenue contribution, and add a waste-end tax. A carefully structured waste-end tax, imposed when waste is delivered to a disposal facility, meets several goals. It makes waste producers share the cleanup burden, and it is easier to administer than a broad excise tax. It also gives firms important economic incentives to lower waste production and reduce their reliance on land dumping. Land dumping is the cheapest and most common form of waste disposal, but it can contaminate ground water and might lead to higher future cleanup costs. Other disposal strategies—recycling, chemical neutralization, incineration—have greater potential for safe disposal of waste, but they are also more expensive. By raising the cost of land dumping, the waste-end tax can make other disposal techniques more competitive.

A waste-end tax has disadvantages. Most estimates show that this tax will raise less than $300 million a year. Too heavy a tax would unfairly burden current waste disposers and might encourage illegal dumping. Also, if the waste-end tax works as planned, the revenue generated would decline as firms modify their waste production. My guess is that the Congress will finally decide on some combination of these tax measures.

Other key issues must be resolved. EPA now has authority to prescribe cleanups case-by-case, considering factors like the extent of damage, the threat to the community, available cleanup methods, and cost. Frustrated by the scope of the problem and the cleanup pace, support is growing for Congress to set mandatory cleanup standards and schedules. Congress must also consider: compensation for victims of toxic exposure; state and municipal financial responsibility; and appropriate cleanup liability standards.

Industry efforts to reduce the use of toxic chemicals are promising. Safety records are impressive, but improvements can be made. Plants must be built and maintained with safety. Both inspections and training programs to educate workers on safety procedures must be rigorous. Transportation containers must be strong enough to avoid breaks and leaks. An intensive national effort to gather data, set responsibilities and pursue aggressive cleanups is urgently needed. The only way to ensure permanent protection from hazardous wastes is to not generate them at all. At present, that goal is beyond our reach. As the number of waste sites grows, and the potential health and environmental risks increase, cleanup efforts will be slow, expensive, and tough to complete. But the effort must be made.●

MORE REASONS TO PROVIDE CHILD CARE

HON. SALA BURTON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 19, 1985

● Mrs. BURTON of California. Mr. Speaker, from time to time I have been sharing with our colleagues articles and surveys on the state of this Nation's ability to provide decent and affordable child care. I would like to submit a recent article by Sylvia Porter whose point should be very clear to those of us seeking the proverbial "bottom line." In this case, the message is "While day care is expensive, it makes good business sense to provide it because employers actually save more than they spend." I highly recommend the following article:

WHY CHILD-CARE BENEFITS MAKE GOOD BUSINESS SENSE

As an employer, would you like to see a major increase in productivity among your employees as well as a decline in absenteeism and a shrinkage in turnover of your workforce?

Sure? Then provide some form of child-care assistance in the benefit package you put together to attract the most qualified employees and to remain competitive with other businesses in your field. There is simply no disputing that this is a clear, unmistakable lesson to be learned from the enlightened employers who are now providing this benefit.

Day care has long since passed out of the experimental stage. In fact, an estimated 2,800 companies to 3,400 companies with more than 100 employees already sponsor some form of child-care program—ranging from on-site day-care facilities to information and referral services.

"The companies that invest the most in child-care programs derive the greatest benefits in reduced turnover and absenteeism, and boosted employee morale," says Sandra Burud, a consultant and author of "Employer-Supported Child Care: Investing in Human Resources" (Auburn House, 1984).

These findings have enormous implications. Nearly half of all infants born this year will be placed in some kind of child-care program during their young lives. But will there be enough quality facilities to accommodate them?

Despite all the platitudes we toss around about our children being our most precious natural resource, we do little to provide for their care. But the need will not diminish. A full 60 percent of working women currently have children under age 18, reports the Bureau of Labor Statistics. And the BLS anticipates the percentage will rise.

It's not ony a working mother who worries about child care. In increasing numbers, fathers share child-rearing responsibilities, and many fathers now get custody of children following a divorce.

Against this background of soaring demand, Burud reports the lack of good day care is even worse than is generally believed.

"Quality day care is expensive," she stresses. "Consumers can't afford to pay, so there is no incentive for new programs."

Meanwhile, employers lose more than it costs to provide some form of assistance, child-care professionals argue. They lose cold case through high absenteeism and rapid turnover—which in turn leads to high training costs for new employees.

The bottom line: While day care is expensive, it makes good business sense to provide it because employers actually save more than they spend.

Assistance comes in many different packages. Very few employers provide on-site day-care facilities. In a new twist, several companies band together and form one center. Film studios in Burbank (Los Angeles County), for instance, have started a program in concert with the public school system—an unusual public-private partnership.

Other employers make contributions to existing centers where employees already have children enrolled. Some provide vouchers that employees can use as partial payment for day care, thus defraying their costs.

Most flexible benefit programs include a day-care benefit. And at a number of companies, employees can participate in a salary-reduction plan in which they take a cut in take-home pay and use the remainder of their pretax salary to pay for day care.

The sheer variety of programs suggests that employers can find a practical arrangement to assist employees who are desperate for help in providing day care.

A provocative footnote: Many employers are concerned that employees who don't need this benefit will resent the efforts and money expended for those who do, Burud says. Not so, she adds.

Employees regardless of their own family situation, appreciate working for a company that demonstrates understanding of its employees' needs and backs up its understanding with sympathetic action.●

ANDREI SAKHAROV—THE MAN AND HIS THOUGHT

HON. JACK F. KEMP

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 19, 1985

● Mr. KEMP. Mr. Speaker, I thank my distinguished colleagues, Representative BEN GILMAN and Representative BARNEY FRANK, for giving Members the opportunity to speak out on behalf of Soviet Jews and particularly Dr. Andrei Sakharov.

Many of my colleagues have spoken of recent events which have struck fear in the hearts of the Sakharov-Bonner children, and are of grave concern to us all; returned and forged mail, undelivered cables, indications that Dr. Sakharov has suffered a stroke.

I would like to take this opportunity to express my concern for the plight of Dr. Sakharov and Dr. Bonner, and also to talk about Dr. Sakharov's background. My good friend and esteemed colleague, Dr. Ernest Gordon of CREED—Christian Rescue Effort for the Emancipation of Dissidents—brought to my attention an essay on Dr. Sakharov by Nikita Moravsky. Mr. Moravsky is presently lecturing in Soviet studies at the George Washington University. He was cultural attaché at the U.S. Embassy in Moscow and Deputy Chief of the U.S.S.R. Division of the Voice of America. I think this is an ideal time to read some excerpts from Mr. Moravsky's article.

ANDREI SAKHAROV—THE MAN AND HIS THOUGHT

(By Nikita Moravsky)

In order to trace Sakharov's evolution from a brilliant and privileged scientist to a human rights advocate and social critic, one must begin with his career as a physicist. Born in 1921, Sakharov was graduated from Moscow University's Physics Department in 1942. After graduating he was eager to join the country's armed forces. The government, however, assigned him as an engineer to a war plant because of his impressive academic record. From 1945 to 1947 Sakharov did graduate work under the direction of physicist Igor Tamm, a future Nobel laureate, and received his Candidate of Science degree in 1948. He then joined Tamm's nuclear physics team to work on the USSR's hydrogen bomb, which was built in 1950. At the time, Sakharov had no misgivings about creating this superweapon for the Soviet Union because he felt that it was essential to his country's security and the world balance of power. However, Sakharov and Tamm did not confine themselves to weapons development alone; in the early 1950s they also pioneered a project for the peaceful utilization of nuclear power.

For his contributions to Soviet defense and science, Sakharov was awarded the Stalin Prize as well as three Orders of the Hero of Socialist Labor. Other privileges and prequisites conferred upon him included a salary of two thousand rubles a month, special housing, a chauffeur-driven automobile, access to restricted consumer goods, and a 24-hour-a-day bodyguard. In 1953, at the age of 32, he was elected to full membership in the Soviet Academy of Sciences.

Although well placed in the Soviet establishment, Sakharov was not a Communist Party member and thus was not bound by its ideological discipline. Standing apart from those in control, he became deeply concerned about the prospect of a nuclear war and the fate of mankind. Through introspection and the influence of such men as Albert Schweitzer and Linus Pauling. Sakharov came to regard himself morally responsible for the nuclear contamination from atomic testing and began to speak out against such tests.

Until 1968 Sakharov's thoughts and actions were known to just a handful of people and were confined to specific issues and cases. Only with the appearance of his essay, "Progress, Coexistence and Intellectual Freedom", first in samizdat and then in book form in the West, did his views on a broad range of subjects become widely known. The writing of the book coincided with the height of the "Prague spring" of 1968, which gave some Soviet intellectuals hope for liberalization in all of Eastern Europe. The general tenor of the essay reflects the notion that the time was ripe for an open and honest debate on the crucial issues of the times. The book deals with the issues of war and peace, dictatorship, Stalinist terror, freedom of thought, demographic and ecological problems, and the convergence of socialist and capitalist systems.

The most emotional chapter in "Progress, Coexistence and Intellectual Freedom" deals with what Sakharov called "police dictatorships." Here the horrors of Nazism and the excesses of Maoism are reviewed, but the focus is Stalinism.

Cataloguing Stalin's crimes, Sakharov wrote: At least ten to fifteen million people perished in the torture chambers of the NKVD from torture or execution, in camps for exiled Kulaks and so-called semi-Kulaks and members of their families, and in camps "without the right of correspondence" . . . People perished in the mines of Norilsk and Vorkuta from freezing, starvation, and exhausting labor, at countless construction projects, in timber-cutting, building of canals, or simply transportation in prison trains, in the overcrowded holds of "death ships" in the Sea of Okhotsk, and during the resettlement of entire people, the Crimean Tatars, the Volga Germans, the Kalmyks, and other Caucasus people . . .

Stalin's ruthless policies, Sakharov continued, were especially harmful to the countryside where they resulted in "unlimited exploitation and predatory forced deliveries at 'symbolic' prices, in almost serflike enslavement of the peasantry, depriving the peasants of the simplest means of mechanization, and the appointment of collective-farm chairmen on the basis of their cunning and obsequiousness." Sakharov also accused Stalin of mistreating Soviet soldiers who as prisoners of war survived Nazi camps only to be imprisoned on their return. He charge Stalin with promulgating anti-worker decrees, on the one hand, and with instituting draconic laws protecting "socialist property," on the other. Finally, he indicted Stalin for his anti-Semitism and Ukrainophobia.

In the fall of 1970, Sakharov, Valery Chalidze and Andrei Tverdokhlebov founded the Human Rights Committee. At about the same time Sakharov attended the trial of mathematician Revolt Pimenov and puppet-show actor Boris Vail, both charged with distributing samizdat material. Thanks to

his academician's status, Sakharov sat in a courtroom packed with KGB trainees, while the friends of the defendants were forced to remain in a hallway throughout the proceedings. Subsequently, Sakharov, too, was denied entrance to the courtroom. And at the 1971 trial of astrophysicist Kronid Lubarsky on identical charges, the practice of barring the defendants' friends from the courtroom went even farther. "When the session began," wroter Sakharov, "the 'unknown persons in civilian clothes' used force to push us out of the vestibule of the court into the street. Then a big padlock was hung on the door leading into the people's court." As appalled as Sakharov was by the disregard for even a semblance of "open court" hearings, he was stunned all the more by the harsh sentences meted out to the defendants: five years of exile each for Pimenov and Vail, five years of imprisonment for Lubarsky.

The impact of dissident trials became increasingly evident in Sakharov's writings. In his "Memorandum," dated March 1971, he places a much stronger emphasis on human rights declaring that "the basic aim of the state is the protection and safe-guarding of the basic rights of its citizens. The defense of human rights is the loftiest of all aims." He appealed to the Supreme Soviet, first in September 1971, for free emigration from the USSR and unobstructed return, and then in April 1972 for amnesty for political prisoners and the abolition of capital punishment. In the "Postscript to the Memorandum" of June 1972, Sakharov repeated his call for a halt to all political persecution in yet stronger terms.

The most essential condition for the cure of our society is the abandonment of political persecution in its judicial and psychiatric forms or in any other form of which our bureaucratic and bigoted system, with its totalitarian interference by the state in the lives of the citizens, is capable, such as dismissal from work, expulsion from college, refusal of residence permits, limitation of promotion at work, etc.

Since the days of Stalin, he contends, "the basic class, social and ideological features of the regime did not undergo essential change" despite "a period of largely illusory liberalism" that followed Stalin's death. "Restrictions on ideological freedom, efforts to suppress information not controlled by the state, fresh persecution for political and ideological reasons, and a deliberate aggravation of nationalities problems" continue to be the order of the day.

In July 1975 Sakharov finished his essay, "My Country and the World," timing its appearance for the August opening of the Helsinki Conference on Security and Cooperation in Europe. The issues raised in the essay bear directly on the subject matter of the conference: human and political rights, free emigration, disarmament and security. Unlike "Progress, Coexistence and Intellectual Freedom," "My County and the World" is addressed primarily to the West. Sakharov dwells at length on the negative aspects of Soviet society, hoping that his analysis will help the West understand the real situation in the Soviet Union, since it so strongly influences the international relations of the USSR. Large-scale Soviet military expenditures and huge sums spent for overt and covert operations around the globe are made possible, he explains, by the monopoly of power in the USSR, by policy decision-making behind closed doors, by the absence of democratic processes and freedoms, and by the low standard of living. In periods of crisis, such a system engenders rule by terror, in quieter periods, the dominance of a bungling bureaucracy and the permanent militarization of the economy. Genuine détente, he repeats, is inextricably bound to human freedoms.

In the wake of "My Country and the World" came the announcement that Sakharov had been awarded the 1975 Nobel Peace Prize. As a year before, the Soviet media rushed to attack him. Again a group of Soviet academicians—this time seventy-two of them—issued a statement of condemnation: "Soviet scientists believe that the award of the Nobel Prize to Academician Sakharov is unworthy and provocative and a blasphemy against the noble ideas—dear to us all—of humanism, peace, justice and friendship among the peoples of all countries." Sakharov's visa application to travel to Oslo for the award ceremonies was turned down, as explained by an official, "for reasons of security, because A. Sakharov is the possessor of exceptionally important state and military secrets." This denial provoked an uproar in the West and drew official protests from, among others, the French and Swedish Communist Parties, the EEC, the European Parliament, 180 Christian Democratic deputes to the Italian Parliament, and thirty-seven U.S. Senators. At home, thirty-seven dissident intellectuals gave foreign newsmen a statement congratulating Sakharov and criticizing the government's refusal to let him go abroad to accept the award.

Sakharov's Nobel lecture delivered by his wife Elena Bonner, who was undergoing eye treatment in Italy at the time and went to Oslo in his stead. Entitled "Peace, Progress and Human Right," the lecture stresses that these three themes are "indissolubly linked" and that "it is impossible to achieve one of them if the others are ignored." As in his previous writings, Sakharov says that international cooperation is vital to peace, but that it can only work if "based on mutual trust between open societies" and emphasizes anew that "international confidence, mutual understanding, disarmament and international security are inconceivable without an open society with freedom of information, freedom of conscience, the right to publish, to travel and to choose the country in which one wishes to reside." He underlines the decisive significance of civil and political rights in molding the destiny of mankind. Reaffirming his belief in the virtue of scientific and technological progress, Sakharov warns that "any attempt to reduce the tempo of scientific and technical progress, to reverse the process of urbanization, to call for isolationism, patriarchal ways of life, and a renaissance based on ancient national traditions, would lead to the decline and fall of our civilization." But progress is possible and beneficial only when conducted openly, subject to the control of reason and to an uninhibited public debate. Unfortunately, he notes, these conditions are in short supply in socialist countries, leaving ample room for the abuse of technological capabilities. For this reason, he cautions, if internal democratic reforms do not take place in Communist countries, the danger of military confrontation and nuclear disaster in the world will increase.

While praising the Final Act of the Helsinki Conference because it "contains far-reaching declarations of the relationship between international security and preservation of human rights, freedom of information, and freedom of movement," Sakharov remarks that since the signing of the accords "there has been no real improvement" in the Soviet Union regarding these rights and freedoms. "In fact," he asserts, "there have been attempts on the part of Soviet hardliners to 'give the screw another turn,'" and he describes the inhuman conditions for the many "prisoners of conscience" in the USSR who shiver from cold, damp and exhaustion in ill-lit dungeons, where they are forced to wage a ceaseless struggle for their human dignity and to maintain their convictions against the "indoctrination machine," in fact against the destruction of their souls. Worst of all is the hell that exists in the special psychiatric clinics in Dnepropetrovsk, Sytchevka, Blagoveshchensk, Kazan, Chernyakhovsk, Orel, Leningrad, Tashkent . . .

He mentions by name over a hundred prisoners whom he knows personally and says that they, with all those unknown to him, share with him "the honor of the Nobel Prize."

For Sakharov and other Soviet dissidents, the year 1976 marked the beginning of what could be called the "Helsinki period." All signatories to the Helsinki Accords formally acknowledged that human rights were a matter of international concern and protection, and it was in this context that human rights activists in the USSR formed the Helsinki Watch Groups (the first was established in Moscow in May 1976) to monitor Soviet compliance with the human rights provisions of the Accords. Sakharov himself did not join, although his wife did, but he strongly encouraged and supported the formation of the groups. He also expressed solidarity with Charter 77 in Czechoslovakia and the Workers' Defense Committee in Poland, both of which sprang up in the wake of Helsinki.

The wave of arrests of Soviet Helsinki monitors began in February 1977, and with it came a string of appeals from Sakharov on their behalf. His "Appeal to the Parliaments of All Helsinki Signatory States" sums up Sakharov's views on the Helsinki process: that the historical significance of the Helsinki Final Act "was the proclamation of an inseparable bond between international security and an open society—that is, freedom of conscience." He then asks: "Is the West prepared to defend these noble and vitally important principles? Or will it gradually, in silence, acquiesce in the interpretation of the principles of Helsinki, and of détente as a whole, that the leaders of the Soviet Union and of Eastern Europe are trying to impose?" The West, Sakharov says, should have foreseen a confrontation with the Soviet bloc on Helsinki's humanitarian provisions. Meaningful discussion had always been cut off on the pretext of non-interference in the internal affairs of sovereign nations—a posture which, Sakharov points out, contradicts the United Nations Charter, the Covenant on Civil and Political Rights, the Universal Declaration on Human Rights, and the Helsinki Accord.

The arrests and trials of Soviet Helsinki monitors, he contends, "are not simply routine violations of the right of freedom of conscience, but a defiant act by the Soviet authorities—a test of the West's resolve to insist on the fulfillment of the principles of Helsinki." He warns that "to ignore this challenge would be a faint-hearted capitulation to "blackmail" and "would probably have further negative consequences in all aspects of East-West relations without exception, including the fundamental issues of international security."

Sakharov's conflict with the authorities came to a head in the wake of the Soviet invasion of Afghanistan in December 1979. On January 2, 1980, he made a statement condemning Soviet actions and calling for the pull-out of Soviet troops. On January 22, 1980, he was arrested on the street, notified of a decree passed by the Presidium of the Supreme Soviet twelve days earlier that stripped him of his awards, and told that he was being banished to Gorky, located some 250 miles east of Moscow and closed to foreigners. That same day he and his wife were put on a special flight to that city, and upon their arrival, the local deputy procurator informed Sakharov that he would be under constant surveillance and restricted to the city limits, prohibited from meeting foreigners and "criminal elements," and even denied the right to correspond or have telephone conversations of any kind with foreigners or with his stepchildren now living in the United States.

Sakharov's banishment to Gorky early in 1980 and the almost total isolation imposed on him there have made it virtually impossible for him to communicate his thoughts, views or ideas to anyone on the outside. The situation is further aggravated by the fact that Sakharov's wife, Elena Bonner, who until recently had been his only link with the outside world, at the time of this writing is sharing a similar fate. Thus, for all intents and purposes, Sakharov's exile to Gorky and the ever-growing pressures to which he is being subjected there have effectively interrupted, at least for the present, the powerful flow of his social, political and economic thought. One cannot say whether hope exists that at any time in the future he might be allowed to pick up again where he left off—or whether he would ever be in any physical or mental condition to do so.

Although neither a politician nor an ideologue in the conventional sense, and certainly not an organizer, Sakharov has managed to acquire a moral authority that has enabled him to withstand the assaults of the all-powerful state and that has won him and his cause world-wide recognition and admiration. Among his fellow dissidents in the Soviet Union and in exile—even those who may not necessarily subscribe to his views—Sakharov has emerged as a unifying and highly respected figure. His impact on Western public opinion has been dramatic; individuals, groups, public and government leaders have spoken forcefully on his behalf.

Known primarily as a champion of human rights and a man of integrity and courage, Sakharov is no less important as a thinker. His ideas and beliefs have rekindled the Russian pre-revolutionary liberal tradition. Like a liberal member of the pre-revolutionary Russian intelligentsia, Sakharov advocates a free and democratic society and manifests an emotional and intellectual affinity with the West. Although not uncritical of Western society, he views it as the best model for true democracy and believes in the ultimate triumph of democratic ideas and institutions around the globe.

Sakharov is not a brilliant stylist. His prose is often dry and cumbersome. In terms of literary merit, he cannot be compared to Solzhenitsyn or others of that caliber. Nevertheless, his writing is forceful and convincing because of its integrity and candor. He takes pains to be specific in his facts. He is not afraid to show the evolution of his views. He readily admits his mistakes. He is compassionate and warm. He loves and respects his fellow human beings. The scientist Andrei Sakharov is indeed a humanist in the best sense of that word.

IMPROVING THE LIVES OF FOSTER CARE AND ADOPTED CHILDREN

HON. FORTNEY H. (PETE) STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 19, 1985

● Mr. STARK. Mr. Speaker, on behalf of Congressman FORD of Tennessee, Congressman MATSUI, Congresswoman KENNELLY and myself, I am today introducing the "Foster Care, Adoption Assistance, and Child Welfare Amendments of 1985."

Recognizing the need to address the problems of foster children, 5 years ago this week, the Congress, with strong bipartisan support, passed the Adoption Assistance and Child Welfare Act of 1980. I am happy to report that the 1980 act, which I helped write, has significantly improved the lives of the millions of children in foster care. No longer are these children lost in the limbo of foster care.

Instead, the Adoption Assistance and Child Welfare Act, known as Public Law 96-272, has increased the likelihood that children who enter foster care will receive individualized plans to ensure that they are provided with the necessary care and services; its goal is to move the children toward a return to their families or adoption. Services are also provided to help some children stay at home, or be quickly reunited with their families. Incentives to adopt handicapped and other special needs children were also authorized for the first time under this act.

The Department of Health and Human Services reported to us a year ago that the number of children in foster care has been reduced to under 300,000, that the duration of placement in foster care was decreased from almost 4 years to 3, that there had been a 50-percent decline in the number available for adoption, and that close to 5,000 children a month were benefiting from the Federal adoption assistance program.

Yet significant gaps still remain in the system. After holding hearings in California and Connecticut last year, Members of the Subcommittee on Public Assistance and Unemployment Compensation, of which I am ranking member, determined that the law did not, one, adequately assist older foster children in making the transition to independent living, two, provide for the training of foster parents or institutional workers, and three, provide enough incentives to increase the adoption of special needs children.

A major goal of this legislation is to ensure that foster children ultimately become productive citizens. Unfortunately this too frequently is not the case. I have been extremely concerned to hear that children are leaving the foster care system only to become a part of the growing number of homeless youth wandering around our major cities.

In one study of emergency shelter users in New York City, 50 percent of the youth seeking shelter had been in foster care. Without the education, job training and other supports necessary to help them live independently, they are likely to move from one public program to another. We must invest in them today or see them in the adult mental health or criminal justice systems. In California alone, 33 percent of children at the California Youth Authority have been in foster care while 69 percent of the inmates in the prison system were foster children.

Our bill seeks to prepare foster children for independent living in two ways. First, it attempts to ensure that foster children have at least a high school diploma before leaving foster care by requiring that States provide foster care maintenance payments to foster care children to the age of 21 if they are full-time high school students or in an equivalent training program. Under present Aid to Families with Dependent Children [AFDC] law, which also applies to federally funded foster care, children can remain in foster care only until age 18 or 19 at the option of the State. Yet foster children on average are 2 years behind in school.

What this means is that thousands—in 1982 approximately 16,000 adolescents age 17 and 18 faced discharge from substitute care—of foster children must leave the foster care system without an adequate education. As we all know, without a high school diploma we are condemning these children to at best low-paying jobs or worse, the world of crime. It seems to me that it makes more sense to allow these children to remain in foster care until they have a diploma.

Having accepted the responsibility for the custody of abused, abandoned, neglected and handicapped children we cannot simply send them into the world because they have aged out of the system. To better prepare these children for independent living, the bill also requires that as of October 1, 1987, States must establish transitional independent living programs for children who have attained age 16. Each child will have an individualized plan, based on the needs of the child, to help the child prepare to live an independent life. The independent living plan may include training in daily living skills, budgeting, the location and maintenance of housing, and career planning, and may also include appropriate academic and vocational counseling.

The 1985 amendments, which we are proposing today, also are designed to help facilitate the adoption of handicapped children and others with special needs who are often in need of extensive medical care. The 1980 act made a significant step forward when it extended Medicaid to children receiving federally reimbursed adoption assistance payments. Prior to that time foster children often lost their Medicaid eligibility when they became adopted, even if they remained with the same family. Yet families could not cover the children under their private health insurance plans because the children's handicaps were considered preexisting disabilities which made them ineligible for coverage.

Adoptive parents also find it difficult to continue Medicaid coverage for their adopted special needs children when they move to another State. I have heard tragic cases of children being denied medical care because their Medicaid card was from another State. Needless to say, the absence or difficulty in obtaining Medicaid for these special needs children has prevented too many of them from knowing the stability only an adoption can provide.

To solve these problems, our bill will establish eligibility for Medicaid in the State where the adopted child resides. It will also require Medicaid eligibility for all special needs children who are adopted regardless of whether adoption assistance payments are being made. This will mean that the Federal Government will no longer need to make a token $1 adoption subsidy payment to ensure that the child receives Medicaid. It also means that there will be an incentive to adopt all State and Federal foster care special needs children. The proposal also provides Medicaid coverage for children deemed eligible for adoption assistance prior to the finalization of adoption.

Another serious problem we have heard about is the growing number of failed adoptions. Because the children in foster care have often been physically, mentally and emotionally abused, they frequently have difficulty in adjusting to being adopted. To help ensure that the adoption is successful, this legislation requires States to provide post-adoptive counseling services if the adopting parents so request.

The bill also offers help for the first time to the unsung heroes in the foster care system, namely foster parents. These dedicated people frequently are asked to care for troubled children with every special needs without the training or adequate supports necessary to provide the care they need. Any one who is a parent knows how tough it is to raise a normal child. To ask foster parents, without proper training, to successfully raise children with so many problems is truly to ask the impossible. As a result, the proposal includes a requirement that the States provide, as a condition of licensing, training and retraining for individuals maintaining or preparing to maintain a foster family home and for members of the staffs of child-care institutions.

Our legislation also extends two provisions of the Adoption Assistance and Child Welfare Act scheduled to expire this year. We are recommending permanently extending Federal funding for voluntarily placed children. We have deliberately left in place the protections included in the act originally to prevent abuses of such placements.

This proposal also recommends extending the provision in Public Law 96-272 which provides that a cap will be imposed on out-of-home care costs only if States have had the opportunity to establish alternative services to foster care. I have heard repeatedly from across the country that the ability of child welfare agencies to develop preventive and reunification service programs as alternatives to foster care have been limited by reductions in the title IV B Child Welfare Services Program, Title XX Social Services Block Grant, and State programs as well.

When we enacted the Adoption Assistance and Child Welfare Act in 1980, for example, we anticipated that States would have received 30 percent more funding under the title IV B program than they have in fact received, and we did not count on the fact that title XX funding would still be at a level below that at which it was funded in 1981. I am troubled by proposals that close the door on foster care without first making sure that appropriate alternative services are in place. With this in mind, we are recommending a 3-year extension of the provision to allow States to transfer title IV E funds not needed for foster care to title IV B child welfare services.

Last, we included several biennial reporting requirements whereby the Department of Health and Human Services will keep Congress advised on the progress being made on behalf of foster care and adopted children. Advances have been made over the last 5 years in establishing laws, policies, and procedures to protect children, but the bottom line for children is results. And to assess results we need data. One of the most frustrating parts of putting this legislation together has been the difficulty in obtaining information about these children. The data we seek for the most part is already in the States information systems.

At this point I would like to include a summary of the provisions.

SUMMARY OF PROVISIONS, FOSTER CARE/ADOPTION ASSISTANCE LEGISLATION

TITLE I—PROVISIONS RELATED TO OLDER FOSTER CHILDREN

Section 101—Eligibility of older children for foster care

Mandates that States provide foster care maintenance payments to foster care children to the age of 21 if they are full time high school students or in an equivalent training program.

Section 102—Transitional independent living programs for older foster children

Provides that each state may establish individualized independent living plans for foster children, age 16 and over, where it is appropriate, with the objective of helping these children prepare to live an independent life.

TITLE II—ADOPTION PROGRAM IMPROVEMENTS

Section 201—Medicaid coverage for all adopted children with special needs, and for children prior to the finalization of adoption

Requires medicaid eligibility for all special needs children who are adopted regardless of whether adoption assistance payments are being made. Specifies that adoption assistance children are eligible for medicaid from the state where they reside, regardless of whether that is the state which was party to the adoption assistance agreement.

Requires medicaid coverage for children deemed eligible for adoption assistance prior to the finalization of adoption.

Section 202—Post-adoptive services

Requires states to provide post-adoptive counseling services if the adopting parents so request, to children with adoption assistance agreements, with the objective of assuring the success of the adoption.

TITLE III—TRAINING REQUIREMENTS

Section 301—Training for foster parents and staff members in child care institutions

Requires states to provide, as a condition of licensing, training and retraining for individuals maintaining or preparing to maintain a foster family home and for members of the staffs of child-care institutions. The training and retraining shall be offered on a periodic basis no less often than every six months in readily accessible places. Requires reimbursement for child care services for foster parents while in training.

TITLE IV—EXTENSION OF VOLUNTARY PLACEMENT AND TRANSFER OF FUNDS PROVISIONS

Section 401—Permanent extension of federal funding for voluntarily placed foster care children

Authorizes states to claim Federal funds for eligible children who are placed in foster care under a voluntary placement agreement.

Section 402—Three year extension of foster care ceiling and of authority to transfer foster care funds for child welfare services

Extends for three years the provision to allow states to transfer Title IV E funds not needed for foster care to Title IV B child welfare services.

TITLE V—ADMINISTRATIVE AND ELIGIBILITY PROVISIONS

Section 501—Periodic redetermination of eligibility of children in foster care

Permits states to redetermine a child's eligibility for foster care maintenance payments when there is a change in this child's

circumstances, rather than every six months.

Section 502—Biennial Reporting Requirement

Directs the Secretary of Health and Human Services to conduct, on a biennial basis, a study of the programs of foster care and adoption assistance operated by the states.

Mr. Speaker, we must invest in our children. They are our future. Social scientists have long theorized that if, for one generation of children, we could break the cycle of abuse and neglect and substitute a nurturing environment, we would be well on our way toward solving some of the world's biggest problems. We have this opportunity for at least the 300,000 children in foster care●

CARTOONIST TRUDEAU INSULTS ITALIAN AMERICANS

HON. GENE CHAPPIE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 19, 1985

● Mr. CHAPPIE. Mr. Speaker, I come before the House today to speak of a very dangerous and grave action taken by cartoonist Gary Trudeau. I am, of course, referring to his recent comic strip in which Frank Sinatra was his subject.

I have nothing against Mr. Trudeau, in fact, I had not heard of the man except through reference to "that cartoonist who is the husband of Jane Pauley." As far as I knew, his name was Gary Pauley. I had heard that sometimes the comic strip Doonesbury, which I later found out Mr. Trudeau wrote, insulted many people. I never considered this to be much of a problem until recently. This time, however, he had gone too far by insulting one of America's great ethnic groups.

Although Mr. Sinatra has always been one of my favorite singers, I am not concerned with the blatant attempt to hurt his reputation. Mr. Speaker, as I am sure you are well aware, the real danger lies in having insulted those of Italian heritage. As Mr. Trudeau went to great lengths to point out, by using a picture taken of Mr. Sinatra with alleged Italian Mafia members, the wrath of an angry Italian can be severe. I happen to know this from personal experience because, as my surname implies, I, too, am of that bloodline. Mr. Speaker, my fear arises out of the danger to this country and to Mr. Trudeau should this comic strip boil the already hot blood of the many Italians who are citizens of this great Nation.

The United States has turned the corner on putting an end to discriminatory practices based on race. We have finally begun to demonstrate our desire to judge people by their actions and not by their ethnic origin. Mr. Trudeau, through the medium of his comic strip, has implied that we should once again measure a person by the ethnic group of which he or she is a member. This comic strip series helps to perpetuate the gangster stereotype which Italian Americans have had to fight for years.

I believe that we should continue with our goal of achieving racial equality. It seems clear to me, that Mr. Trudeau has given up on his fervor to point out places where discrimination still exists. In one of his earlier strips, Michael Doonesbury had this conversation with another character, Mark:

Whatcha staring at Mike?

The black table. Why do they always sit by themselves?

Because they want to, Mark answers.

I don't think so Mark. I think it's because no one's made any effort! Until now, that is.

Mr. Trudeau, we miss your enthusiasm for equal rights. Why have you chosen to be a turncoat and now evoke discrimination based on ethnic background?

To Mr. Trudeau I would offer the following advice: In the future you may wish to pick on those less capable of defending themselves—say for instance those of French-Canadian descent.●

MEDICARE AND MEDICAID SECOND OPINION ACT OF 1985

HON. BARBARA B. KENNELLY

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 19, 1985

● Mrs. KENNELLY. Mr. Speaker, I am introducing today the Medicare and Medicaid Second Opinion Act of 1985. This bill serves two important purposes. First, it will save money for Medicare, as the inspector general of the Department of Health and Human Services indicated when he endorsed the bill. Second and more important, this bill, by requiring a second surgical opinion, should help consumers of health care make informed decisions and could potentially reduce unnecessary surgery for our Nation's senior citizens.

For many common medical conditions, there is no consensus among health practitioners as to which treatment is either appropriate or necessary. Elective surgery can be recommended for a variety of good reasons—scientific consensus or the relative risks and benefits of treatment—or bad ones—an individual physician's idiosyncrasies, insecurity, or inexperience; professional or patient convenience; or the perceived need to practice defensive medicine. As a result, medical services for a given condition vary widely from place to place. For example, the probability that a woman will undergo a hysterectomy before she reaches age 75 varies from less than 15 percent to well over 60 percent depending on her place of residence.

Clearly, there is unnecessary surgery performed in the United States. To reduce it, and to reduce the risks associated with unneeded surgery—this bill will require Medicare and Medicaid beneficiaries to obtain a second opinion before undergoing certain elective surgical procedures, such as coronary bypass, pacemaker implants, cataracts, gall bladders, prostate surgery, knee surgery, hysterectomy, back surgery, hernia repair, and hemorrhoidectomy.

The bill does not require the second opinion to confirm the first in order for the beneficiary or provider to receive reimbursement. It only requires the beneficiary to get the second opinion. In certain cases, such as a situation where a delay in providing the surgical procedure would be a risk to the patient, beneficiaries will be eligible for waivers relieving them from the requirement of obtaining a second opinion. The idea is that informed patients will be better prepared to avoid surgery that is not only unnecessary and costly, but also associated with high health risks.

The Medicare beneficiary who is advised to undergo one of the listed surgeries will be advised by his or her physician of the need for a second opinion. The patient is then free to choose any physician in an appropriate specialty to provide the second opinion. However, a second opinion may not be provided by a physician who is affiliated with the physician who rendered the first opinion that the procedure was necessary.

Medicare will pay 10 percent of the reasonable cost of the second opinion and 100 percent of the reasonable cost of a third opinion, if the patient should desire a third opinion to resolve conflicting first and second opinions. If necessary, peer review organizations will be able to refer beneficiaries to an appropriate specialist who will accept Medicare's charge as payment in full for providing a second opinion. The referral center will then obtain the relevant medical records from the first physician and provide the necessary information to the second physician in a form that does not identify the first physician.

In order to be approved for participation in Medicaid, State plans must include requirements that second opinions be obtained before payment will be made under Medicaid. In general, the Medicaid second opinion program will operate much like the Medicare second opinion program. No requirement for a copayment or any other form of cost sharing shall apply in the case of obtaining a second or third opinion.

Use of mandatory second surgical opinion programs has grown dramatically in the private sector over the past several years, with rates for certain elective surgical procedures falling as much as 60 percent. Net savings for the insurers range up to $8 saved for ever $1 spent in implementation. About two-thirds of all Blue Cross plans require second opinions prior to elective surgery, and 10 States have added mandatory second opinion programs to their Medicaid plans.

This bill and its mandatory second surgical opinion program have been endorsed by the inspector general of Health and Human Services, the American Association of Retired Persons, and the Washington Business Group on Health. In addition, a recent hearing of the Senate Special Committee on Aging demonstrated a broad range of support for the program. My bill is identical to one being introduced today in the Senate by Senators JOHN HEINZ and JOHN GLENN.

A second surgical opinion program is designed, among other purposes, to save the Government money. The inspector general of HHS cites a 1982-83 study showing an estimated savings of $60 million per year for Medicaid and $95 million for Medicare. The Grace Commission estimated savings of $474 million over 3 years, and the Senate Aging Committee found potential savings of $1.2 billion annually on Medicare payments.

I believe that this is a good bill, one that should save money for the Medicare and Medicaid Programs. Equally important is the fact that this bill may reduce the amount of unnecessary surgery for Medicare and Medicaid beneficiaries and thus remove them from any risks that may accompany such surgery. I urge my colleagues to give careful consideration to this legislation.●

"SMALLEST CHURCH IN THE WORLD" MARKS 100 YEARS

HON. COOPER EVANS

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 19, 1985

● Mr. EVANS of Iowa. Mr. Speaker, I would like to bring to the attention of the House of Representatives the 100th anniversary that was observed last week of an Iowa landmark. Located outside of Festina, IA, the St. Anthony's Chapel follows one family's heritage back to the days of Napoleon. It has been considered the smallest church in the world with its seating capacity of only eight. Even so, the chapel brings hundreds of family members together annually as a tribute and celebration of Iowa's early settlers and those characteristics that are still present in families today.

I congratulate the Festina community and St. Anthony's Chapel on its 100th anniversary. I also would like to share with my colleagues a brief history of the chapel.

"SMALLEST CHURCH IN THE WORLD" TO MARK 100 YEARS

On Sunday, June 16, 1985, an Iowa landmark, St. Anthony's Chapel, widely known as "The Smallest Church in the World," will observe its 100th Anniversary. The tiny chapel (four pews, seating capacity: 8), is situated in rolling farm country on the banks of the Turkey River in Winneshiek County outside Festina, Iowa.

The place of worship has had a continuous history since its founding a century ago and is not merely a musty relic of times past. Rather, it is a living facet of Iowa history and a vital link in one family's religious heritage. As noted in stone just inside the front door, it was 1885 when Johann Gaertner, who had served with the French under Napoleon, carried out a promise made by his mother to build a chapel in thanksgiving should her son return safely from the Russian campaign. Gaertner and his son-in-law, Frank Huber, now safely settled in America, worked with nearby landowners in the Festina area to quarry stone to construct the chapel on the original site of the first Catholic mission north of Dubuque.

Over the past century the chapel has been maintained by descendants of the Gaertner-Huber families. Today a granddaughter of the founders, Vera Huber Schneberger, now 91, has followed in her parents' footsteps and oversees the chapel and its grounds and provides visitors with a running commentary and colorful highlights of the history of the chapel. (A guest book lists visitors from all over the U.S., as well as ones from Germany, Poland, Scandinavia, Iceland, India and Thailand.)

Each year in mid-June, on the Sunday closest to June 13, the traditional feast of St. Anthony of Padua, a Mass of Thanksgiving is celebrated at the chapel and descendants of the Gaertner-Huber families travel from all over the United States to the site 100 miles north of Dubuque to renew family ties, feast together, and pass on to the younger generations the tradition of faith which the chapel symbolizes. This year relatives will gather several hundred strong at the chapel to participate in an 11 a.m. Mass marking the special occasion. While only a few will be able to be seated or stand inside, others will spill out the door and onto the surrounding lawn to answer the responses and join in the hymns while reflecting on the meaning of this chapel in the lives of their predecessors.

No formal invitations are issued for this annual event since aunts and uncles and cousins and great-great relatives of every degree mark their calendars from one year to the next. Those living in Iowa towns nearby open their hearts and their homes and look forward to the yearly pilgrimage of their less-rural relations. Photographs from the late 1920s show automobiles of that era crowding an adjacent field while their owners gather inside and around the chapel's stone edifice and its wood bell tower amidst a peaceful pastoral setting.

During the intervening months between the annual celebrations of St. Anthony's Day, family weddings and other special religious observances are scheduled in the chapel. There is a small cemetery with graves of the early settlers and a few places are left for some of those still living.

Today this historic chapel remains a tribute to the ideals, faith and perseverance of Iowa's early settlers, qualities espoused by the Founders of our country and still evident in Iowa families in 1985.●

H.R. 1460

HON. THOMAS F. HARTNETT

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 19, 1985

● Mr. HARTNETT. Mr. Speaker, recently this House voted 295 to 127 to approve H.R. 1460, the Anti-Apartheid Act of 1985. I was among those who cast a "nay" vote. I would hope that such a vote would not be construed as a pro-apartheid position, for it is not. Apartheid is morally wrong and fundamentally unjust. I am, however, concerned about the consequences of our actions as we prepare to invoke sanctions against the South African Government. By one means or another, South Africa's racial policy will be changed. Black South Africans will gain fuller participation in all aspects of South African society. My concern is not whether there will be change, but how that goal of racial equality will be reached.

Apartheid is a social and legal institution which has been imbedded in South Africa for decades. Despite the immoral nature of apartheid, it is deeply ingrained in their culture, society, politics, and essentially their way of thinking. It is my contention that uprooting this institution is a time-consuming endeavor; that we will experience numerous setbacks; and that eventually significant positive change will be our reward. To state my position simply: evolution is preferable to revolution in the instance of South Africa, because that nation has been a friend, an ally, and an important trading partner for the United States. Is it better to achieve our goal of ending apartheid by means which retard violence, or by means which serve to polarize South African society even more than is currently experienced? Is it worth the extra time and effort to work for peaceful change in order to ensure that South Africa retains a democratic form of government? These are important questions which need to be considered against the background of racial inequality that the United States has experienced. America became an independent democracy in 1776, permitted a system of slavery for 100 years, and maintained virtually complete segregation until the 1960's. It simply is not realistic to expect the South African Government to change in a short period of time.

The advocates for H.R. 1460 would have us punish the South African Government with sanctions and withdraw our progressive influence. Some-

how this will magically cause apartheid to go away. I reject that approach. It is an abdication of responsibility cloaked in righteous indignation. To quote Chester A. Crocker, Assistant Secretary for African Affairs, "That is not foreign policy; it is 'ostrich' policy."

The administration's policy of constructive engagement has not abolished apartheid, nor are we on the verge of some diplomatic breakthrough. But, it has not been a failure either. Changes are taking place, though to Americans it may seem to be at a glacial pace. Somewhere between the administration's constructive engagement and the sanctions of H.R. 1460 lies an effective approach which should be acceptable to both the Congress and the President. Perhaps progressive engagement, whereby certain mid-course objectives could be achieved via gradually increasing pressure from the United States, would serve as a more workable solution. Pressure should be applied in degrees, not waves. We must realize that there is no simple solution to this problem, and that H.R. 1460 is a simple approach to a complex situation.●

CAL STATE COMMENCEMENT ADDRESS OF AUGUSTUS HAWKINS

HON. CHARLES A. HAYES

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 19, 1985

● Mr. HAYES. Mr. Speaker, recently, our distinguished colleague, AUGUSTUS HAWKINS, was awarded an honorary doctor of laws degree from California State University at Los Angeles.

While I am certain many of the Members of this Chamber know GUS for his tireless efforts in education and employment opportunities, I think all of us would benefit from the remarks he made during the commencement exercises at Cal State. Whether here on the floor of the U.S. House of Representatives or around the country, GUS has always carried a positive vision of the future—a future that can be shaped with positive actions, cooperative undertakings and confidence in ones' own abilities to conquer waiting frontiers.

I am glad to have the opportunity to share with you the following remarks:

SHAPING OUR FUTURE—CALIFORNIA STATE UNIVERSITY AT LOS ANGELES, JUNE 15, 1985

It is a great honor for me to be here with you today to receive your honorary Doctor of Laws Degree and to have the distinctive pleasure of addressing you at your graduation exercises.

Unlike Trudeau's comic strip character 'Doonesbury" at a recent graduation exercise in which he lulled the students into slumber with his discourse on "unspent youth", I will try my best not to unduly delay your shining hour of glory.

When Robert Frost, the great American poet, was called upon to dedicate a magnificent new building in New York City, he asked what he should talk about. His sponsors told him, "Just talk about the future." Dismayingly, Frost replied, "I will, but I don't advocate it."

Despite the inequities and injustice, and the voluminous problems those of my generation have bequeathed to you, I have great confidence in our ability not merely to be a spectator of the future . . . but to be active in shaping it, in converting our faith and our dreams and aspirations into cooperative and constructive action.

I do, however, have a genuine sense of concern about what needs to be done to attack the problems facing this great country of ours. In our over two hundred year history, Americans have challenged obstacles with a creative, pioneering spirit; we have used our innate sense of discontent and restiveness to create and conquer new frontiers in every imaginable endeavor and discipline. We have always seemed capable of calling up from within ourselves a deep belief, or faith if you will, in ourselves and in our future.

Recently, however, our leaders seem to have lost this truly American idealism. Despite some improvements in the overall standard of living, we live in a society where some of us enjoy the finest things life has to offer, and money can buy, while millions of others suffer from the indignities and debilitating effects of what I consider to be the four great cancers of our otherwise healthy economic and social being . . . the alarming increase in poverty, illiteracy, unemployment and discrimination.

Despite an abundance of natural resources and inexhaustible human enthusiasm, over 35 million of our fellow citizens languish in poverty, unable to secure decent housing, essential medical care, or adequate nutrition. While those of you graduating today are celebrating the crowning achievement of mastering a wide variety of academic specialties, 23 million Americans can't even read or write and are officially classified as functionally illiterate, while another 40 million are estimated to be borderline illiterates.

While hopefully many if not all of you will be able to use the foundations you have acquired here at Cal State to secure productive and useful jobs at fair rates of compensation, over 13 million people are involuntarily jobless and millions of others are working for wages below their maximum potential.

And finally, despite the many achievements of the civil rights struggles of the last 30 years, the repulsive specter of racism continues to permeate the economic and social fabric of our nation, preventing some Americans from sharing equally in the opportunities our country has to offer.

I think the National Commission on Excellence in Education stated it alarmingly when it recently concluded "we are a nation at risk". They found that our once unchallenged preeminence in commerce, industry, science, and technological innovation is being overtaken throughout the world. While there are many reasons for this loss of international preeminence, one can not help but make the connection between this problem and those I have just enumerated to you.

What has become of our historic unwillingness to be complacent in view of these conditions, our restless creativity to use our great resources to remove these stigma, our spirit of national pride to strive to better ourselves as a people?

A large part of the problem lies in the attitudes of the so-called "makers and shakers" of our government and business establishments. The policies they advocate encourage elitism, concentration of wealth in a few and a desire to assist only those who they deem "worthy". We seem to be living in the past with discredited economic and social policies that are more reminiscent of the 1920's than appropriate for the 1980's.

This is not the first time this has happened over the last sixty years. Time and again, we find people who revert back to the old ways of doing things, only they just package their views in contemporary rhetoric.

For instance, in 1948, then President Harry S. Truman said of those who were proponents of restrictive policies and afraid to try new ideas:

". . . Those men who live in the past remind me of a toy I'm sure all of you have seen. The toy is a small wooden bird called the "Floogie Bird." Around the Floogie Bird's neck is a label reading: "I fly backwards. I don't care where I'm going. I just want to see where I've been."

These backward-looking men refuse to see where courageous leadership can take this Nation in the years that lie ahead. These men of small vision and faint hearts have set up their familiar cry, "Of course it's fine, but it can't be done."

Today there are many in government who favor policies that result in stifled growth, limited opportunities and therefore increased tensions among the various groups that struggle for a fair share of the rewards and riches that make up our unique pluralistic society. They ignore our great unused capabilities, undeveloped human resources, our tremendous needs in the areas of education, health, housing and economic development.

Past experience indicates that the U.S. economy must grow between 4 and 4½ percent in its Gross National Production just to keep up in terms of employment creation for those entering the labor force, such as yourselves. However, in approximately the last twenty years real growth has averaged only 3 percent, and currently is running even less than that. In addition, we have experienced several recessions in the time period, including the recent recession of 1981-1982, which created the highest levels of unemployment and business bankruptcies since the Great Depression of the 1930's.

This low growth with all of its economic and social consequences is not some mysterious force beyond our control. It is not normal, uncontrollable or conscionable. It is the direct result of deliberate policies of restricting production, employment opportunities, and social gains out of fear that inflation may erode the value of the dollar.

As it has turned out, however, despite following these mistaken policies, we still see that inflation is rising, the Federal debt grows, and misguided budget cuts deprive us of vital goods and services, and allow human needs to go unmet. The resulting consistent high levels of unemployment is depriving us of the revenues we need to balance the budget, support social services and our national defense.

I am afraid that many of the policy makers of my generation are leaving to your generation the unenviable task of overcoming the problems which we have failed to eradicate. However, it is up to you to look at these problems not as insurmountable bar-

riers, but as challenging opportunities in which we can live up to our collective capabilities as a nation.

You have the opportunity to regain our historic goals, to rekindle the spirit that made this country great. Don't let the enormity of some of these difficulties sway your commitment.

In the past, we have succeeded at tackling some of these very problems in responsible and positive ways. In the past, we have succeeded at bringing unemployment down to what can truly be called full employment levels. In the field of education, we have demonstrated the effectiveness of compensatory education programs, and government financial aid assistance. From 1959 to 1969 we reduced poverty by 40 percent (15 million persons). In the last twenty years, we legally knocked down barriers for equal access to public accommodations, employment opportunities, and the right to vote.

These accomplishments are genuine, but they were not and still are not sufficient given the severity of the problems facing us. But it does give credence to the belief that when we have had the will to do so, we have been able to pull together, set moral, social and economic goals, and have succeeded at collectively working together to accomplish many laudable and desirable objectives.

I call upon those of you graduating today, who represent our future ability to do the same, to have faith in yourselves that you have what it takes to accomplish even more.

Faith really means confidence, and you can only prove its force by actually doing something. As Basil King, a noted minister and novelist once said:

"Faith covers all the ground to Trust, but it covers more. It is not content to rest in confidence. To do, to aspire to scale heights are the motives of its being. It begins its mission where that of Trust leaves off. Trust is satisfied. Faith is moved by divine discontent. It seems; it asks; it strives. . . . To exist at all Faith must prove its force by doing."

Those of you receiving your degrees today have labored long and hard to prepare for the world you are about to enter. While it is extremely important to be able to secure a satisfying, challenging job for your own sense of well-being and worth, I dare you to step beyond the personal and reach out to your fellow citizens and your country who are in need of your help.

You must begin by having faith in your own abilities. Add to this, confidence and trust in those with whom you seek cooperative undertakings. But do not be deceived into believing that these two ingredients will give you the entire arsenal necessary to change the world. You must take that next step, frightening and intimidating as it might be, in which you use your discontent with the status-quo, with the existence of inequity, insecurity, and inequality, to take action to determine your own future and that of those around you.

Remember, that faith must prove its force by doing. You have the ability to determine your own future and our country's future. You have the golden opportunity to rekindle the American creative and pioneering spirit and to conquer the waiting frontiers of justice and equality. I will leave you with just these words which sum up what I have been trying to communicate to you today.

The quality of our daily lives must match or exceed our tallest skyscrapers, our technological advances into space, our industrial capacity and our defense weapons. We must not be content with less when our potential to do more is so great.●

COMPREHENSIVE TRADE LAW REFORM ACT OF 1985

HON. JOHN P. MURTHA

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 19, 1985

● Mr. MURTHA. Mr. Speaker, today the Comprehensive Trade Law Reform Act of 1985 was introduced by Messrs. GAYDOS, SCHULZE, SPRATT, and myself. This legislation is the result of bipartisan efforts to provide thorough and comprehensive reforms for current U.S. trade laws. These proposals have received a broad range of support throughout American industry and labor including such sectors as chemicals, color televisions, fiber and apparel, footwear, leather goods, metalworking, nonferrous metals, and steel.

By introducing this legislation today, we genuinely hope to encourage and contribute to further debate, discussion, and deliberation on trade issues.

This bill seeks changes in four major areas of U.S. laws: first, our antidumping/countervailing duty statutes; second, our escape clause which is section 201; third, our unfair trade remedy tool, which is section 301; and fourth, the Revenue Act of 1916, which allows for court cases to be brought against dumped imports.

These reforms are intended to make U.S. trade laws less complex, less expensive, less arbitrary, more certain, more expeditious, more fair and more effective for all petitioners. The following summary provides a basic overview of the legislation's major provisions:

THE COMPREHENSIVE TRADE LAW REFORM ACT OF 1985

TITLE I—IMPROVEMENTS IN ANTIDUMPING AND COUNTERVAILING DUTY LAWS

This title does the following:

It makes actionable under Antidumping law, in certain circumstances, the foreign unfair trade practice of "diversionary dumping" (similar to the "upstream dumping" amendment passed by both houses of Congress last year). The provision would only apply where an existing Antidumping order or other arrangement is in effect. This would allow the Commerce Department to pursue investigations where, for example, Japanese structurals were sold to a Korean drill rig manufacturer at a dumped price, and the Korean rigs containing this dumped steel were then exported to the U.S. market.

It expands the coverage of "upstream subsidies" under the 1984 Trade Act to subsidies provided or authorized by a customs union and strengthens the law where the input is subject to an existing CVD order or other arrangement. This would allow the Commerce Department to pursue investigations where, for example, the "upstream" subsidy on the input was authorized by the EEC but paid by the member country.

It allows companies and workers who make major components (which are irrevocably destined for incorporation into final products) to file and participate in Antidumping and Countervailing Duty proceedings. This would enable domestic color picture tube companies, for example, to file and participate in Antidumping and Countervailing Duty cases on color televisions.

It amends the definition of subsidy to make countervailable the provision of goods or services which are on terms inconsistent with commercial considerations, as well as loans, loan guarantees and equity infusions which are on preferential terms. This would permit the Commerce Department, for example, to countervail against the Canadian government's "stumpage" payments to Canada's softwood lumber industry if such payments were inconsistent with commercial considerations.

It specifies the kinds of commitments to eliminate subsidies that foreign governments would need to make in order to qualify for (and continue to get) the injury test under Countervailing Duty law. This would require, for example, that Mexico and other advanced developing countries phase-down and eliminate export subsidies promptly; that the President review compliance on an annual basis; and that the injury test benefit be withdrawn in the event of non-compliance.

It eliminates the Commerce Department's authority to suspend Countervailing Duty cases on the basis of foreign government export taxes. This would have precluded the Commerce Department, for example, from suspending past CVD cases on Brazilian steel in this manner.

It waives preliminary ITC injury determinations in Antidumping and Countervailing Duty cases involving products for which there have been recent findings of injury. This would allow domestic companies, for example, to save the time and expense of a preliminary injury determination in "revolving door" cases involving multiple supplers of the same product.

It provides for a number of important procedural changes, including: (1) more rational procedures for the disclosure of confidential information under administrative protective order; (2) various limitations on the Commerce Department's authority to conduct "quick and dirty" 90-day reviews of Antidumping orders; and (3) elimination of the ITC role in determining whether "critical circumstances" exist to trigger the retroactive application of duties.

TITLE II—IMPROVEMENTS IN SECTION 201 (THE "ESCAPE CLAUSE")

This Title does the following:

It eliminates the current role of the President and makes the USTR the "administrating authority". This would help depoliticize Section 201 cases.

It replaces the requirement that imports be the "substantial cause" of serious injury with the requirement that they merely be the "cause" of serious injury. Has this been law in 1980, it is probable that the Ford-UAW petition would have produced an affirmative injury vote.

It makes relief more effective and certain by strengthening the "threat of injury" concept; precluding adjustment assistance as the sole form of relief; allowing for provisional relief measures in the early stages of investigations if import surges occur; requiring USTR to consult with foreign governments that have contributed to serious injury by targeting export markets or restricting imports of the product; allowing major parts and component producers to file and participate in proceedings; requiring USTR, if dumping or subsidization is uncovered, to consult with affected U.S. compa-

nies and workers about taking appropriate action under the Antidumping and Countervailing Duty laws; and permitting petitioners to reapply for relief in less two years if good cause is shown.

It establishes an optional alternative procedure designed to provide greater assurance that the relief provided is consistent with the requirements of enhanced competitiveness or adjustment to new methods of competition facing the industry. This involves the voluntary establishment of a tripartite advisory group to assess current problems and recommend a strategy to enhance competitiveness.

TITLE III—IMPROVEMENTS IN SECTION 301 ("ENFORCEMENT OF U.S. RIGHTS")

This Title does the following:

It eliminates the current role of the President and the interagency Section 301 Committee, and makes the USTR the "administering authority". In addition, it provides for strict investigatory and decision-making time lines; written questionnaires to foreign governments; verification of information submitted by foreign governments; and disclosure of confidential information under administrative protection order. These changes would help depoliticize Section 301 and make its procedures more like those in Antidumping and Countervailing Duty cases.

It defines the term "targeting" and requires the USTR to take corrective action on behalf of domestic companies and workers injured by foreign industrial targeting.

TITLE IV—NEGOTIATING OBJECTIVES

This Title does the following:

It clarifies that all U.S. products and services, not just high technology products, should be accorded maximum access to foreign markets.

It authorizes USTR to enter into negotiations aimed at strengthening GATT rules governing conduct by state-owned or controlled enterprises that engage in international trade. Such talks would seek to establish objective standards for determining when state-owned or controlled enterprises are operated on terms inconsistent with commercial considerations.●

THE DAIRY DIVERSION PROGRAM WAS A FAILURE

HON. BARNEY FRANK

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 19, 1985

● Mr. FRANK. Mr. Speaker, the Department of Agriculture has released information on the dairy diversion plan, which expired this past April, that demonstrates clearly both the ineffectiveness of this program and its basic unfairness. Billed as a program to restore equilibrium of supply and demand to milk production at no cost to the Government, it has achieved only half of the promised reduction in milk production and cost the Federal Government $80 million over and above the assessment designed to finance it. And, had it succeeded in reducing production by the targeted amount, the assessment would have covered only half the costs of the diversion payments leaving the Federal Government to cover the balance.

Now, I regret to note, serious consideration is being given to returning to the diversion program. There remains, unfortunately, an adamant refusal by some to confront the fundamental problem with the Federal Government's role in the production of dairy products. The support price has historically been considerably above the market clearing level resulting in a supply far in excess of demand. Rather than stabilize this industry, the Federal Government has granted it massive subsidies, which have made it profitable for highly capitalized individuals and corporations to dramatically expand production. These large operations also have a greater flexibility to adjust production downward when it is in their interest, unlike the smaller producers who must maintain full production in order to keep an adequate cash flow. Thus, while less than 8 percent of the participants in the program were exceeded $50,000 in payments received, they claimed 37 percent of the total expenditures. One operation in California was paid $3 million for not producing milk.

Defenders of the diversion program have credited it with a savings of $1 billion in the price support program in fiscal year 1984. The USDA data disproves this claim. In the first place, actual purchases by the Commodity Credit Corporation dropped by 6.2 billion pounds in 1984 for a savings of $733 million. Of this 6.2 billion, fully 3.2 billion pounds are due to increased commercial use, which occurred as a result of the economy, the drops in the support price and, possibly, the promotion program. Thus, more than half the reduced purchases were due to increased consumption, not reduced production. In addition, in fiscal year 1984, the program benefited from net receipts of $340 million accruing to the Government as a result of the $1 per hundredweight assessment collected in October, November, and December of 1983 from a program that preceded the diversion plan. Last, of the production drops that occurred attendant to the diversion program, the USDA estimates that 30 percent were decreases that would have occurred with or without the program, payments toward which are, in the parlance, buying air. Thus, the diversion program had little impact on the long-term problem of excess productive capacity in the dairy industry and not much more impact on the short-term problem of massive surpluses.

Mr. Speaker, the diversion program did not succeed. And even if it had succeeded in reducing production as promised, assessment collections would have dropped and diversion payments would have increased, driving up the net costs dramatically. The significance of this result is that any future diversion plan will require either higher assessments or a substantial subsidy from the taxpayers. Moreover, in addition to costing significantly more money, a successful diversion program does nothing to address the fundamental problems in the dairy sector. The Federal Government has paid billions upon billions of dollars buying up dairy products that nobody wants. We have encouraged a productive capacity whose only purpose is to produce milk for Government warehouses. Now, it is proposed that we make permanent a program that encourages people to not produce milk for the Government. It is time that we faced the reality that the only sure way to reduce production in the long term is to reduce the incentive that a high support price provides. Thus, we should drop the support price and drop any consideration of reinstituting the failed diversion program.●

TRIBUTE TO W. AVERELL HARRIMAN

HON. STEPHEN J. SOLARZ

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 19, 1985

● Mr. SOLARZ. Mr. Speaker, several weeks ago a remarkable event took place in Washington when Ambassador Anatoly F. Dobrynin of the Soviet Union, on behalf of his country, awarded "the Order of the Patriotic War First Degree" to the Honorable W. Averell Harriman. This marked only the second time that this award has been given to someone who is not a Soviet citizen. Its presentation was indeed a tribute to Governor Harriman, but also gave a hint that relations with the U.S.S.R. might be improved.

Mr. Speaker, it is my pleasure to offer for inclusion in the RECORD remarks made by Ambassador Dobrynin upon the occasion of conferring the award. As you know, Governor Harriman is a great American, a renowned statesman, and a diplomat of proven repute. As President Roosevelt's Special Representative and Ambassador to the Soviet Union from 1941 to 1946, he made a profound contribution to winning the Second World War, to waging the struggle for peace in Europe, and to the establishment of a diplomatic modus vivendi with the Soviet Union. These achievements have been long known to Americans as was Governor Harriman's subsequent distinguished service to the Nation in various capacities under eight Presidents. Two of the notable accomplishments in which he had a hand were the 1963 Limited Test Ban Treaty and the Paris Peace Talks on Vietnam. Nonetheless, it is particularly fitting that Governor Harriman's service for the betterment of United States-Soviet relations be

appropriately recognized by the Soviet Union. It is indeed a great distinction for Governor Harriman to be accorded this honor.

Mr. Speaker, I want to take this opportunity to commend Ambassador Dobrynin for his tribute to Governor Harriman. At this time in history when our bilateral relations with the Soviet Union are going through a difficult and contentious period, the mere fact that an award such as this one could be given—not just given, but conferred in such a warm and generous manner—leads us to hope that it may indeed be possible to forge better relations with the Soviet Union. Certainly, we all can hope for a return to the spirit of mutual cooperation that characterized our ties during the dark days of World War II.

Mr. Speaker, such a spirit was ably embodied in the work of Governor Harriman. I join Governor Harriman's many friends and admirers in congratulating him on receiving this prestigious award.

REMARKS OF AMBASSADOR A.F. DOBRYNIN

Today we are honoring a great man, a distinguished American, a truly great statesman, and wise diplomat, my very good friend Governor and Ambassador Averell Harriman.

On behalf of my government it gives me great pleasure to award Averell "the Order of Patriotic War". Following is a quotation from the Decree of the Presidium:

"The Presidium of the Supreme Soviet of the U.S.S.R. awards Averell Harriman, prominent American politician and public figure, and former Ambassador to the U.S.S.R., with the Order of the Patriotic War First-Degree. The Order is conferred upon him for his profound personal contribution to the establishment and consolidation of Soviet-American cooperation in the years of the Great Patriotic War and on the occasion of the 40th Anniversary of the Victory."

Of course, Averell, who has served under no less than 8 American presidents and personally knew and knows many Soviet leaders, needs no introduction, at least from me. But allow me to mention some facts about his award.

The Order of the Patriotic War, established on May 20, 1942, was the first truly wartime order established by the Soviet Union during World War II. It was awarded only to those people who distinguished themselves in the struggle against the fascist aggressors.

Very few foreign citizens are given this order. Among them is our friend Averell, another is the President of Italy.

The Soviet people know and honor Governor Harriman as one of the most prominent creators of the historic alliance between our two countries during World War II. He spared no effort to lay a firm foundation for Soviet-American political, economic, and military cooperation. And we are forever grateful to him for that.

In September 1941, before the United States entered the war, Averell was sent to the Soviet Union as "special representative" from President Roosevelt. He went to the U.S.S.R. so quickly that his letter of introduction from the President to the Soviet Government never caught up with him. But my government took his word that he had such a letter—at least somewhere. Averell has never cared very much about the formalities of protocol; that is what made him such an outstanding diplomat. I always tried during my career to follow his example in this regard.

Recently, I looked through the collection of letters which Roosevelt, Stalin, and Churchill exchanged during the war years of 1941-1945. My impression is that next to those three great names, Averell's name was the most often mentioned in this correspondence.

Once President Roosevelt wrote to the Soviet Premier: "Please discuss with Ambassador Harriman all the questions you have; he will explain to you our position in detail." And he did. I consider this as not only to be a mark of great confidence in his Ambassador by the U.S. President, but also as recognition of his authority and competence by the Soviet Government as well.

The name of Ambassador Harriman is specially tied to the period of the war. He saw both bad and good days of my country and not only from the windows of his residence at Spaso House on a quiet Moscow Street. In 1945 he watched the Victory Day military parade in Red Square from the reviewing stand of Lenin's Mausoleum. General Eisenhower and Averell Harriman were the only Americans so honored by my country.

So it was only natural that 10 years ago, in 1975, it was Averell who led the American World War II veterans to Moscow to commemorate the 30th Anniversary of VE Day.

As U.S. Ambassador to Moscow, Averell was instrumental in having many Americans decorated by the Soviet Union for their contribution to our common war effort. Incidentally, he, himself, did not get his Soviet decoration only because with characteristic modesty he crossed out his name from the list of Americans approved by Washington for the awards.

Now 40 years later my government has decided that Averell's modesty could be overruled, and that he should be given the honor which he deserves. So this order, like a rare and expensive spirit, I hope you will permit me to use the expression, is 40 years proof.

By the way, when Averell left Moscow in 1946 he received as a departure gift a stallion named "Fact" which was the mount of the Chief of Staff of the Soviet Army and a rug made of a huge Russian bear. He is probably the only one in the West who can say that he had met face to face with a notorious Russian bear and got away with his skin.

His role in the betterment of Soviet-American relations during the post-war period continued to be significant. The Nuclear Test Ban Treaty of 1963 and the Hotline are in some fashion his accomplishments. I wish we had comparable achievements today.

Ladies and gentlemen, Averell Harriman occupies a special place in the public life of the United States, as well as in the history of Soviet-American relations. Once again it is my great pleasure and honor to present to you, dear Averell, the Order of the Patriotic War First-Degree; and to take this opportunity to say what a great loving friend and companion Pamela is to you.

Our love to both of you.

Congratulations.●

TRIBUTE TO OUR FLAG BY BOY SCOUT TROOP NO. 395

HON. LINDY (MRS. HALE) BOGGS

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 19, 1985

● Mrs. BOGGS. Mr. Speaker, I would like to insert in the RECORD a lovely tribute to our flag that was made by Boy Scout Troop No. 395 earlier this year.

A flag that had been flown over the U.S. Capitol had been flown by this troop for many years, and was retired with dignity in Marrero, LA.

Here is the scoutmaster's letter about Old Glory.

MARRERO, LA, *February 9, 1985.*

Hon. RONALD WILSON REAGAN,
President, U.S.A.,
The White House Office,
Washington, DC.

DEAR MR. PRESIDENT: We are the Boy Scouts of America, Troop #395, of Marrero, Louisiana. Our Scout Troop was given a very tattered, United States Flag, which we were told, had flown over our Nation's Capitol, in Washington, DC.

This flag, #D-80228, had been given to Colt Industries by our Congresswoman, Mrs. Lindy Boggs. We received the flag from an employee of Colt Industries. I am enclosing the end piece of flap from the box which the flag was stored in.

This morning, we flew this flag for its very last time. She flew from a tall limb of a beautiful pine tree in our camping area at the Avondale Scout Reservation in Clinton, Louisiana.

Mr. President, as tired and tattered as she was, Old Glory never looked more beautiful, flying from the limb atop Woodbadge Hill, all day long, today. She reminded us of a tired old soldier who was coming home from battle for the last time.

She had served our forefathers and her country well. She held her head high and proud for all to see. She, alone, had been the symbol of hope and freedom for many, and the ray of sunshine that had shone so brightly through our Country's darkest hours. She stood tall, as a symbol of the blood which was shed by our forefathers, and for the precious freedom that we all know. Tonight, we laid her to rest, forever.

For the ceremony, our Boy Scouts built a fine bonfire. We called the Troop to attention and our Scoutmaster read an article, titled, "I Am Old Glory," from page #22 of a pamphlet titled, "How To Respect And Display Our Flag," a U.S. Marine Corps publication.

We lowered the Flag as the flames of our bonfire danced in the northerly breeze which was blowing. We all stood at attention and gave the Boy Scout salute, when at 9:20 O'Clock P.M., our Scouts unfolded Old Glory and placed her on top of the fire.

We didn't have a bugle, so I whistled the bars of "Taps" as best as I could remember them from having been a U.S. Marine, some twenty-two years ago. I believe that we are stood a little taller, and certainly much richer, from having the privilege of participating in this sacred ceremony.

Long live Old Glory. This is attested to by the undersigned who were all present and did participate in this service.

Sincerely yours,

Emory L. Lewis, Assistant Scoutmaster, Robert C. Ladousier, Sr., Scoutmaster, Sterling M. Guidry, Unit-Commissioner, David Bergeron, Larry Lewis, Bobby Bergeron, Jr., Joey Vasquez, Jason Ford, Paul Schexnaydre, Robert Ladousier, Jr., Weldon Lewis, and Joel Crossland, Members, BSA Troop No. 395.

ZELMA GEORGE

HON. MARY ROSE OAKAR

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 19, 1985

● Ms. OAKAR. Mr. Speaker, in light of the recent bestowal of the James Dodman Nobel Award in Human Relations to Zelma Watson George, I rise to congratulate this great woman.

Ms. George is a fine example of perseverance and excellence in furthering the cause of minorities, her city, and those less privileged. She has been a trailblazer in many diverse situations.

The following is an article from the Plain Dealer, which I would like to call to all Members' attention, which acknowledges her great contributions.

ZELMA GEORGE: THE POWER OF ONE

(By Tracey L. Robinson)

Zelma Watson George, opera singer and retired director of the Job Corps here, said that her life-long commitment to public service was a result of her belief in the power of one person to create social change.

George was honored yesterday before hundreds of educators and community leaders at Stouffer Inn on the Square, where she became the third recipient of the James Dodman Nobel Award in Human Relations from the Council on Human Relations.

"Zelma is to Cleveland as Eleanor Roosevelt was to the nation," said Dagmar Celeste, wife of the governor.

The 81-year-old George told of the many experiences that had influenced her personal and career decisions. She spoke of how the discouraging words of a high school counselor fueled her to attend the University of Chicago during the 1920s. "I was told that I couldn't make it there," she said, "and it made me more determined to go."

Once accepted at the university George was denied dormitory space because she was a "Negro." Undaunted, her family moved from Topeka, Kan., to Chicago so she could live at home and attend the prestigious university.

She was instrumental in integrating the university's "whites only" choir and swimming pool, she said.

She is concerned with the current state of minorities, particularly the black family. "Only recently has literature included the strength of the black family," she said. She said that the school systems could be improved by including more materials that influenced and related to black children.

George's diverse career includes work as a sociologist, educator, musicologist, diplomat, lecturer and champion of human rights.

George earned her doctorate in sociology from New York University in 1954. In 1959, she was selected by President Dwight D. Eisenhower for a six-month, worldwide lecture tour.

She was a member of the U.S. delegation to the 15th General Assembly of the United Nations in 1960. She was named director of the Cleveland Job Corps Center in 1966 and held the position until her retirement in 1974.

"Those were the greatest experiences in life for me," she said. "They presented me with obstacles and made me come up with a philosophy of action in order to keep my sanity," George said.●

ANDREI SAKHAROV

SPEECH OF

HON. BRUCE A. MORRISON

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 18, 1985

● Mr. MORRISON of Connecticut. Mr. Speaker, I am pleased to add my voice to those of my colleagues protesting the Soviet authorities' treatment of the renowned Soviet scientist, Nobel Peace Laureate, and human rights activist, Andrei Sakharov.

As we stand here today, Andrei Sakharov's whereabouts are unknown. According to recent reports Sakharov and his ailing wife, Dr. Yelena Bonner, have been moved out of their home in Gorki to a more isolated area. The curtains on the windows of the Sakharovs' apartment have been closed for more than a month and their car is no longer parked outside the apartment building. We have learned that Sakharov's mail to his family in the United States was tampered with, so that the Soviets could learn the details about Sakharov's intention to engage in a hunger strike.

I hope that my colleagues in the House will join me in expressing their outrage at the mistreatment of the Sakharovs, which demonstrates to the rest of the world the Soviets' blatant disregard for human rights. We must impress upon the new Soviet leadership that the Sakharovs' plight, and the plight of others who are also denied their rights to speech, religion, and freedom, will not be forgotten by Members of this body or the American public.●

JEFFERSON PARISH STUDENTS SHINE ACADEMICALLY

HON. BOB LIVINGSTON

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 19, 1985

● Mr. LIVINGSTON. Mr. Speaker, our kids are great. We sometimes lose sight of that fact in the face of the media's overwhelming attention to the bad news about America's youngsters. But there is a lot of good news to tell.

To accentuate the positive, I call my colleagues' attention to the outstanding academic achievements of students from John Clancy Elementary School of Kenner, LA, and Harold Keller Elementary School of Metairie, LA. At the recent 1985 National Academic Games Olympics in Eatonton, GA, these students won three national championships in individual games and 13 national awards—more national trophy positions than any other school system in the Nation. In the three previous competitions, Louisiana students won sweepstakes championships as the most outstanding overall academic team in the country.

I am proud of these students and all of the other students across Louisiana and throughout the Nation who participated in the games, as well as those who are working hard in school and aiming to make the team in the future. Their quest for knowledge and their joy in learning should be emulated by all of us.

Mr. Speaker, I know you join me in saluting Mr. Don M. Shannon and his Clancy Wff'ers team, as well as all the Academic Olympics participants:

Academic Games Coordinator: Mr. Don M. Shannon, Clancy Elementary.

John Clancy Elementary School: Scotty Scott, Lesa Aymami, Philip Grego, Foster Wimberly, Erik V. Winter, Ron Davis, Christian Trosclair, Clay Nix, Chris Hawkins, Rickly Perkins, Danny Edwards, Drew Sperandeo, Vanessa Marquez, Traci Rodney, and Staci Rodney.

Harold Keller Elementary School: Dyann Chao, Tam Nguyen, John Barron, and Karen Shell.

Louisiana Teams: Jefferson Starship, Jefferson All Stars, Clancy Wff'ers, New Orleans Osborne Knights, New Orleans Little Woods "A" Team, 2nd-Jefferson All Stars, and 3rd-Jefferson Starship.

Tournament Director: Mr. Robert W. Allen.

Thank you, Mr. Speaker.●

SUPERFUND CLEANUP TECHNOLOGY RESEARCH AND DEMONSTRATION ACT OF 1985

HON. ROBERT G. TORRICELLI

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 19, 1985

● Mr. TORRICELLI. Mr. Speaker, I rise today to address an issue of particular concern to me coming from a State with the highest number of toxic waste sites on the national priority list—the Federal Superfund Program.

Since 1980, many of us, including myself, have looked to the Federal Superfund Program for progress in the fight against toxic waste. The original legislation, born of a national commitment to rid our country of toxic hazards, was a bold and innovative beginning. Today, 5 years and $1.6 billion later, we must acknowledge a simple truth: We are not cleaning up toxic

waste, we are merely moving it. We are not destroying hazardous waste, we are merely dumping the problem, and the danger, onto other communities and yet another generation of Americans.

News brought to us by a recent Office of Technology Assessment report on Superfund cleanup technologies contains reasons for hope as well as reasons for continued concern. We are concerned because the goal of cleaning up this Nation's hazardous waste sites appears to be a task far larger and more difficult than originally thought. We are concerned, too, because the Superfund Program's strategy to clean up sites through a combination of containment and removal will not protect our ground water from contamination or our citizens from risk. A congressional committee review of operating waste facilities nationwide indicated that about three-quarters of these facilities are presently, or in danger, of leakage, and that 87 percent of those receiving Superfund waste are currently, or have the potential, for leaking toxic substances in the future.

The message of hope is that new technologies are available and being developed which may be able to destroy or detoxify those wastes on the Superfund site, and reduce the present production of toxic wastes which might result in future Superfund sites. These new technologies reflect the great engineering genius of America drawing on a wide variety of disciplines, from biotechnology, to advanced physics, to sophisticated chemistry.

Tragically, the development of these and other emerging waste treatment technologies in this country have been hampered. The problem is not a lack of innovation or ideas, nor a lack of enthusiasm, but rather a failure of our Government to provide the incentives, financial assistance, and encouragement for private companies to test and develop these new forms of technology.

To help our Nation meet this challenge, I have introduced H.R. 2802, the Superfund Cleanup Technology Research and Demonstration Act of 1985. The legislation would establish within the Environmental Protection Agency an administrative structure specifically created to develop, evaluate, and disseminate information related to the use of new and alternative forms of cleanup technology. This agency will compliment the existing Superfund process in promoting and identifying new and reliable forms of technology for use in waste removal projects.

Under the program, the EPA Administrator would be required to conduct research and demonstration projects for new technologies, including a grants program for promising new technologies. The program would also establish a central depository for information relating to the new technologies, make the information available to the public, and provide assistance for testing and evaluation of new technologies. To facilitate such research, the Administrator will make available samples of hazardous waste from national priority sites to researchers, and arrange for access to Superfund sites for demonstrations and research. The bill establishes 10 national technology demonstration sites, 1 in each EPA region and requires the Administrator to carry out coordinated demonstration projects at these sites.

It is time we realize the extent of our Nation's hazardous waste problem, and our potential for solving it. The dangers posed by toxic waste did not appear overnight, nor will they be eliminated overnight. However, it is our generation's responsibility to ensure that we keep pace with the development of modern technology. The legislation I have introduced will do just that. It will allow the technology we possess to be fully developed and implemented in order to once again make our towns and communities safe for our generation and those to come. I urge my colleagues support in this venture.●

A NEW FACE ON CORPORATE CRIME—PENSION FUNDS TERMINATED AS CORPORATIONS TURN THEM INTO REVOLVING BANK ACCOUNTS

HON. TOM LANTOS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 19, 1985

● Mr. LANTOS. Mr. Speaker, more than 10 years ago Congress enacted the Employee Retirement Income Security Act [ERISA] to protect pension rights of American workers. Without question, that act has been successful in bringing important improvements to pension systems.

These improvements, however, are being deliberately sabotaged today as one major company after another terminates its pension plan. Nearly 700,000 workers have seen their pension benefits affected by these terminations as more than 700 companies have seized their employees' pension assets since 1980.

United Airlines is the latest corporation to join this group, announcing last week it plans to terminate its pension plan. This was the largest pension plan reversion in history—resulting in the removal of $962 million from the United Airlines pension plan. United's assurance that it will initiate a new pension plan, after using the retrieved funds to purchase new airplanes, is no comfort to current and retired employees whose benefits will be substantially reduced.

Other firms, rushing to turn their employee pension plans into revolving corporate bank accounts, include American Express, Texaco, Mobil Oil, Dr. Pepper, Humana, Reynolds Metals, U.S. Sugar, and many others. More are in the offing.

While the pension plan terminations may be a financial bonanza for major corporations, they are truly a disaster for the working women and men of this country. According to a study by the Department of Labor, the cost of termination to workers runs as high as 45 cents on every promised pension dollar! These terminations deprive retirees of any hope of receiving future cost-of-living increases.

Pension plan terminations hurt many segments of our population—the elderly, older workers—who are least able to protect themselves. These are hard working men and women who have played by the rules and who look forward to retirement with what they rightfully thought was a federally protected retirement income, only to discover that they are the victims of hollow promises.

The time has come for action to protect the integrity of our Nation's pension systems. I have joined like-minded colleagues in an effort to prevent such blatant abuses. I am cosponsoring H.R. 2701—the Plan Termination and Reversion Control Act of 1985—to stop this appalling practice of terminating over-funded pension plans and to prohibit the further deception of so-called spin off terminations and termination reestablishment.

Mr. Speaker, I urge my colleagues to join in stopping this new face on corporate crime. Pension funds are not revolving bank accounts to be raided and used at will by big corporations. We must take action now to prevent the further erosion of the pension rights of working men and women.●

SNEAK ATTACK ON PUBLIC CAMPAIGN FINANCING NOT WORTHY OF PRESIDENT

HON. GEORGE E. BROWN, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 19, 1985

● Mr. BROWN of California. Mr. Speaker, President Reagan courageously opened the debate on tax simplification last month with his reform proposals. Our tax structure is complicated and inequitable; as the President noted, it is a "source of confusion and resentment." I commend the President for setting the framework for the debate that will occur here in Congress as we aspire to create a just and equitable tax structure.

But the President's proposal also contains a provision that would eliminate a system accepted by candidates, Congress and the American public. This is the checkoff for public financing of Presidential campaigns. This is the system that the New York Times reports contributed $90 million to the President's own campaigns.

In 1972, Congress adopted the Federal Election Campaign Act which established public financing for Presidential candidates in the general election. The act was amended in 1974 and 1976 to establish public financing of primary elections, limits on campaign contributions and an independent body to oversee the campaign finance law. The income tax checkoff provided a vehicle for taxpayer participation in Presidential campaign financing.

The checkoff permits taxpayers to authorize that $1 of their annual tax payments go into a fund for Presidential campaigns. About one-third of those who pay taxes contribute to this fund. This amounts to about $35 million a year. The taxpayer's bill remains the same whether the $1 is checked off or not. The revenue the Government receives is the same, too; the only difference is that the amount checked off is put into the fund for financing Presidential campaigns.

The Reagan tax plan would abolish the checkoff fund, and also repeal another measure, enacted in 1971 to stimulate public participation: A tax credit of up to $50 for campaign contributions. Only 6 percent of taxpayers claim this credit, and it probably does little to encourage contributions. But the checkoff system does further the goal of public campaign financing. It reduces the need for private financing, and gives nominees enough money to share their messages with the American people. It equalizes access to the public for both heavily and poorly financed candidates.

One of the most significant of the campaign financing reforms of the 1970's was the creation of the public financing system for Presidential elections. The country learned an important lesson from the Watergate-era improprieties, and acted to take the American Presidency out of the hands of special interest groups, fat cats, and other contributors shrouded in secrecy. And the system works. In 1976, for example, the average individual Presidential primary campaign contribution was approximately $27. The general election campaign committees of the nominees of the two major parties in 1976, 1980, and 1984 were financed entirely by Federal funds, accumulated from millions of $1 contributions from the voluntary income tax checkoff. The checkoff system has removed the suspicion that wealthy donors or groups are able to use campaign contributions to purchase special influence in the White House.

Alexander Heard, in a 1960 study titled "The Costs of Democracy," outlined three requirements for a campaign finance system for American elections. These requirements were that such a system make sufficient money available to allow the principal candidates adequate opportunities to communicate with the electorate; provided that those funds be obtained in a manner that does not give special political opportunities for inordinate influence in the processes of government; and command the confidence of the electorate. Mr. Speaker, the income tax checkoff has provided just such a system, and the President's proposal to eliminate the checkoff represents a sneak attack on the public financing of Presidential campaigns.

Tax reform is a laudable goal. The campaign checkoff system was enacted to reduce the potential for political corruption. This, too, is a laudable goal. We can maintain the campaign financing checkoff while still providing a fair and simple tax structure. Mr. Speaker, I caution my colleagues about falling into the either/or trap on this issue. Public participation in Presidential campaigns must be maintained. The proposed elimination of the income tax checkoff is an unworthy attempt to confuse public financing of political campaigns with tax reform. Americans want both; I encourage my colleagues to safeguard public campaign financing while providing true tax reform.●

THE FRUITS OF CONSTRUCTIVE ENGAGEMENT

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 19, 1985

● Mr. RANGEL. Mr. Speaker, I rise in response to President Reagan's weak explanation of why the United States continues to pursue its policy of constructive engagement.

Mr. Reagan's press statements have often been notoriously vague in the past. In his most recent briefing, he completely circumvented the issue of South African aggression, and commented that the African National Congress is responsible for violence in that region. The implication is clear from the administration's perspective: It is the ANC which is to blame, not South Africa's bellicose refusal to end apartheid.

Let us not mince words, Mr. Speaker. Apartheid is at the root of violence in South Africa. Pretoria has resolved to use any means to preserve the status quo. Why? Because it perceives constructive engagement as tacit acceptance of our lucrative trade with that country.

Constructive engagement has not encouraged a negotiated peace. It has instead created a climate of distrust, violence, and acrimony. Constructive engagement must end, and it must end now. We are merely encouraging state-sponsored terrorism.

I would like to submit the following article for inclusion in the CONGRESSIONAL RECORD.

[From the Washington Post, June 19, 1985]

FROM SOUTH AFRICA, CONTEMPT

The South African government intensifies its campaign of force and threat against its neighbors. Just in the last few days, its armed forces, claiming to be attacking guerrilla bases, invaded neighboring Botswana's capital and coldly killed some 14 persons, including three women and a 5-year-old child. Then Pretoria proceeded with its long-rumored plan to set up a pliant puppet regime, its alternative to internationally acceptable independence, in its longtime colony of Namibia.

The attack on Botswana makes plain why the existence of apartheid in South Africa is itself a source of danger to the region. South Africa has made no showing that African National Congress guerrillas were operating out of Botswana. It simply stormed in, strewing about death, intending presumably to add one more mark of intimidation to all the others that have made life miserable for its neighbors over the years. The imperial arrogance of South Africa, its determination to flaunt its uncontested power, was on full view. But what it really demonstrates is the lack of self-confidence, the insecurity, that lie not far under the readiness to go to the gun.

South Africa has spent decades failing to deliver on its promise to grant independence to Namibia, also a neighbor. In the Carter period, it went the puppet regime route, which led nowhere, and now it is trying again. There is always a fancy excuse; this time it is that Cuban troops remain in Angola, to Namibia's north. But what South Africa does not say is that Cuban troops remain there to protect the Angolan government precisely against South Africa. Last month its commandoes were caught about to sabotage the American-owned oil facility that is Angola's most valuable economic asset. Meanwhile, Pretoria continues to sponsor the Angolan insurgency led by Jonas Savimbi. The same lack of self-confidence is evident: a fear of the fact and example of self-rule by blacks not beholden to South Africa.

The United States responded to the raid into Botswana by calling the ambassador home. It boycotted the installation of the new setup in Namibia, which it had already denounced as null and void. The question is not whether these protests are right and sufficient, however. The question is why South Africa proceeds with policies—its repression at home as well as acts outside its borders—that trash the expressed opinions and urgings of the government whose favor is most important to it. It proceeds with them, moreover, as Congress contemplates sanctions.

The evident answer is that South Africa has taken the U.S. policy of "constructive engagement" as a big wink. The policy was supposed to earn President Reagan a South Africa hearing for his counsel to reform but, regrettably, what it has actually brought seems much closer to contempt. What a pity that the president, in his unconvincing de-

fense of administration policy last night, could not recognize that fact.●

THE PRIVATE SECTOR COUNCIL

HON. TONY COELHO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 19, 1985

● Mr. COELHO. Mr. Speaker, I recently had the opportunity to discuss the work of the Private Sector Council with Mr. Frank Carlucci, the chairman of Sears World Trade, Inc., and a member of the national advisory board of the council. The Private Sector Council is a nonpartisan organization of business, industry, and financial leaders founded in 1983 to assist the Federal Government in its financial management systems, with an ultimate goal of reducing the Federal deficit.

The Private Sector Council has already produced savings and increased efficiency in its projects in cooperation with both the executive and legislative branches of the Government. The council has worked successfully with the Treasury, Agriculture, Defense, and Education Departments to save the Federal Government an estimated $16 billion. The council has provided the Treasury Department with expertise in the fields of systems analysis, conceptual design, and integration of cash management systems. The research center of the council has improved the Defense Department's cash management system. The council has worked very closely with the Agriculture Department, improving the efficiency of the Farmers Home Administration, the Federal Crop Insurance Corporation, and other agencies within the Department. The Department of Housing and Urban Development has recently requested assistance from the council in streamlining its accounting system.

The council was asked by the Senate Budget Committee to review the major Federal credit programs in order to recommend methods of streamlining the Government's financial operations and contribute to the reduction of the Federal deficit. The council's research center has completed a final report highlighting major methods of increasing efficiency in the Federal credit programs.

The leaders of the business community who are involved with the council are performing a great service to our country—by sharing their expertise in financial matters with the Government, they are contributing significantly in the effort to control the rising costs of the Federal Government, and to increase overall Government efficiency. Almost everyone today criticizes the waste and inefficiency in Government, but few do more than complain. The members of the Private Sector Council are getting personally involved in the fight for a more efficient Government—and we all owe them a large amount of gratitude for their successful efforts to this end. I commend the concerned leaders of business, industry, and finance who are involved in this effort, and I extend my best wishes for continued success in their campaign of efficiency and deficit reduction through the Private Sector Council.●

SOVIET VIOLATIONS OF HUMAN RIGHTS

HON. WILLIAM D. FORD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 19, 1985

● Mr. FORD of Michigan. Mr. Speaker, I am pleased to join my colleagues in speaking out against violations of human rights by the Soviet Union. Continuing violations of human rights in the areas of family reunification, right to travel and emigrate, and freedom of religion, thought, and conscience are evident. Such is the case for Andrei Sakharov, who has never been convicted of a crime, yet he has been exiled in Gorki for over 5 years now. His wife, Yelena Bonner, has been exiled with him for over a year and there is continuous concern about their health.

As my colleagues are aware, Sakharov, a distinguished physicist, won the Nobel Peace Prize in 1975 for his work. Though isolated and harassed by the authorities, he continues to advocate freedom of emigration, amnesty for all prisoners of conscience, and other rights set forth in the 1975 Helsinki Final Act and other human rights documents.

Recently, another unfortunate twist of events has taken place. Sakharov's mail to his family in the United States has been tampered with, in an attempt to learn the details about a possible hunger strike. It is deplorable that the Soviet Union has attempted to alter or ban the mail of this brilliant Nobel prize-winning academician.

It was 10 years ago that the 35 signatories representing Europe and North America established the Helsinki Final Act thereby pledging to respect human rights and fundamental freedoms, including the freedom of thought, conscience, religion or belief, for all without distinction as to race, sex, language or religion. As the human rights experts meeting in Ottawa, Canada, conclude their business of reviewing the provisions of the Helsinki accords it is important that violations of human rights in the Sakharov case and other cases be raised at this time.

As members of a free nation we must speak out against such violations by the Soviet Union. We must seek the enforcement of the Helsinki accords and impress upon the Soviet Union our objection to the denial of basic human rights.●

IT IS TIME TO STOP THE FLOOD OF TEXTILE IMPORTS

HON. JAMES T. BROYHILL

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 19, 1985

● Mr. BROYHILL. Mr. Speaker, I have appeared before this body many times to comment on the importance of the textile, fiber, and apparel industries to North Carolina and the Nation. North Carolina, the largest textile manufacturing State in the Nation, lost over 18,000 jobs last year as a result of uncontrolled import growth.

The problems, however, are not limited to North Carolina. We have a national disaster on our hands. The U.S. textile and apparel industry has lost almost 300,000 jobs in recent years due to unfair imports, and record job losses are expected to continue throughout 1985.

The industry employs over 2 million citizens across the Nation. These individuals work in 7,200 plants.

The domestic industry has spent $1 billion a year for the past two decades to become the most productive in the world. The resulting productivity increases have been significantly greater than the rate of productivity growth for all U.S. manufacturing. Despite those achievements, the U.S. manufacturers continue to lose a share of the market.

I feel strongly that we must continue our efforts to restore fairness to this country's trading policies and to preserve this Nation's traditional industries. At a time when so many doors overseas are closed to U.S. manufacturers, we must strive to support domestic production. The "Crafted With Pride in U.S.A." campaign encourages American consumers to look for the "Crafted With Pride" star and "Made in U.S.A." labels. Launched in 1983, the campaign is designed to promote American-made products.

Today I had the opportunity to meet with representatives of the Cherryville, NC, Chamber of Commerce to discuss that community's support for the "Crafted With Pride" program. I am personally proud of the role which the citizens of Cherryville have taken in this fight.

Five thousand citizens currently reside in Cherryville—1,000 of those residents depend on the textile industry for their livelihood. The textile industry is vital to this town and its citizens—plants pay 26 percent of the

town's taxes and buy 63 percent of the electricity and water.

The chamber's delegation came to Washington to offer the Members of this body the opportunity to join them in the "Crafted With Pride" campaign by displaying red, white, and blue license tags. You should receive your tag in the office this afternoon. When it is received, I ask you to note the back of each tag—each Member is urged to "Keep America Great and Working."

I firmly believe that a majority in this body supports that position, and I commend the Cherryville, NC, Chamber of Commerce for its commitment to this worthwhile endeavor.●

REVIEW OF THE CAREER OF LEE VERSTANDIG, NOMINEE FOR HUD UNDER SECRETARY

SPEECH OF

HON. GERALD B.H. SOLOMON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 18, 1985

● Mr. SOLOMON. Mr. Speaker, I wish to say a few words on behalf of President Reagan's nominee to the post of Under Secretary of the Department of Housing and Urban Development, Lee L. Verstandig.

I have known Lee personally and professionally for some years now, and I can safely say that he epitomizes public service. Able and experienced as both an academic and an administrator, Lee would make an outstanding addition to the top-level management team at HUD.

Allow me to briefly sketch the highlights of Lee's career.

A former professor of history and political science at Brown University, Lee served as Assistant Secretary of Transportation from 1981 to 1983. He thus worked under Transportation Secretary Drew Lewis at the same time I served on the House Public Works and Transportation Committee. There is no doubt in my mind that Drew Lewis' successful tenure was due in no small measure to his choice of outstanding deputies, very definitely including Lee Verstandig.

Lee has always known how to get things done on Capitol Hill, and there is no legislative logjam too formidable for him to tackle. Lee was an active participant in the development of the Landmark Surface Transportation Act of 1982; the 1981 Airport and Airway Development Act; the 1982 Bus Regulatory Reform Act; and the 1982 Shipping Act, better known as the marine regulatory reform bill.

In light of these accomplishments, it surprised no one when the President tapped this talented individual for other high level Government tasks. He appointed Lee Acting Administrator of the troubled Environmental Protection Agency for a 3-month period in early 1983. Then on June 1, 1983, he was brought to the White House to serve as Assistant to the President for Intergovernmental Affairs.

Whatever the branch or level of Government, you will find no shortage of spokesmen willing to testify to the abilities and accomplishments of this talented public servant. It has been my pleasure to work with Lee, and I am confident that he will continue to be an asset to this administration as Under Secretary of the Department of Housing and Urban Development. I trust the Senate, charged with his confirmation, will feel likewise.●

FUNDING FOR HIGHER EDUCATION

HON. PAT WILLIAMS

OF MONTANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 19, 1985

● Mr. WILLIAMS. Mr. Speaker, as we proceed with the reauthorization process for the Higher Education Act, I would like to place in the RECORD the following letter sent by students from Montana to the President. This letter well illustrates how disasterous some of the administration's proposals on financial aid would be for students across this country.

STUDENTS WITH A PURPOSE,
EASTERN MONTANA COLLEGE,
Billings, MT.

Hon. RONALD REAGAN,
Washington, DC.

DEAR PRESIDENT REAGAN: We would like to solicit our support in our opposition to the proposed higher education cutbacks. We have already lodged a protest with the Montana delegation and we have their support.

The majority of the students that will be affected by the proposed federal Higher Education Act are single; one-parent families; non-minority; and minority students. Resources that some of these students have found to supplement their education are being threatended by the cutbacks.

On the Eastern Montana campus, approximately 64 percent of the independent students are under the poverty level (less than $8,000 annually); dependent students under the criteria of poverty are under $24,000 annual income, with a percentage of 67. Your cutbacks will affect this campus when the independent students no longer have resources.

The cutbacks that are major concern and affect our attempts of completing our education are the Guaranteed Student Loans; campus FAFE; TRIO project funds; Pell Grants; National Direct Student Loans; supplementary educational opportunity grants; welfare day-care services; and others.

We ask your cooperation in remedying these proposed cutbacks. Sir, if these are allowed to be voted on in the House and Senate, or accepted as they presently are proposed, you will see a new generation of illiterates prevail throughout this great nation.

Further, if these federal cutbacks in education are allowed to pass, the American taxpayers of this country will feel the affects in their future contributions.

We respectfully need your reconsideration of the educational appropriations bill as it presently is proposed.

Sincerely,

SHIRLEY ZAHNO,
Students Needing Their Education For Their Nation's Future.●

REAGAN'S UNTRUTHS ABOUT MANAGUA

HON. GEORGE MILLER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 19, 1985

● Mr. MILLER of California. Mr. Speaker, last week the House voted to send $27 million in so-called humanitarian aid to the Contras fighting to overthrow the Government of Nicaragua.

I was particularly struck by a comment made by the distinguished gentleman from Massachusetts [Mr. BOLAND] to the effect that never in his 32 years in the Congress had he heard such frenetic rhetoric from an administration as on the issue of aid to the Contras.

The hyperbolic misrepresentation used by this administration to describe the Nicaraguan Government and critics of his policy does us a grave disservice. Can the Congress accurately debate, or the American public comprehend, a policy and the nature of U.S. interests when reality is so obscured by the thick cloud of rhetoric?

Calling the Contras "freedom fighters" and the moral equivalent of our Founding Fathers detracts attention from the real question: Is this administration spending millions of dollars on a policy which is likely to lead us to military intervention in Nicaragua?

I commend to the attention of the House the following article by Abraham Brumberg in the New York Times of June 18. Mr. Brumberg accurately portrays the nature of the current debate and the dangers inherent in policymaking by bombast:

[From the New York Times, June 18, 1985]

REAGAN'S UNTRUTHS ABOUT MANAGUA

(By Abraham Brumberg)

MUNICH, WEST GERMANY.—President Reagan has won another round in the battle over United States policy in Central America: After yet another major debate about whether to fund the "contras," Congress changed its mind and voted last week to support aid to the anti-Sandinista guerrillas. How are we to account for this capitulation? History offers an unsettling clue.

Thirty-five years ago, an obscure politican from Wisconsin sprung into prominence by charging that the United States Government was infested by "Communist agents." Joseph R. McCarthy had little evidence except pernicious innuendoes and outright fabrications, but many Americans were either mesmerized by the sheer audacity of his onslaught or fearful that a refusal to

take him seriously might expose them to the dread suspicion of being "soft on Communism." It took four years for Congress to curb his power, and by that time, the damage to our moral and political sanity—not to mention to the livelihoods and reputations of thousands of innocent men and women—had already been done.

Comparisons are proverbially odius, but it is hard not to detect similarities between Senator McCarthy's methods and those used today by President Reagan in his relentless crusade against "totalitarian" Nicaragua. Mr. Reagan has not called his domestic critics "dupes" or "Communist agents"—although he came close to it earlier this month when he claimed that those who oppose his Nicaraguan policy suffer from "illusions about Communist regimes." But what is strikingly reminiscent of Senator McCarthy's tactics is the flood of distortions, exaggerations and plain unvarnished lies about the Sandinistas that issues forth almost daily from the administration.

Consider what the President said recently to a group in Birmingham, Alabama. There is "incontrovertible evidence," he asserted, of "religious persecution of Catholics, Jews and Fundamentalists in Nicaragua." The Sandinistas, he went on, are conducting "a campaign of virtual genocide against the Miskito Indians." Furthermore "thanks to the Sandinista, Communists, the P.L.O., Libya and the followers of the Ayatollah Khomeini have now a foothold in Central America, just two hours from our southern border."

If any of these charges were even partially true, we should indeed consider taking measures against the Sandinistas. But none is. There is no evidence of persecution of Fundamentalists, most of whom—rightly or wrongly—are in fact rather sympathetic to the Sandinistas. The claim that the Sandinistas are persecuting the 20 or so Jewish families in Nicaragua is pure humbug: that, anyway was the conclusion of a special report issued in 1983 by Rabbi Marc H. Tanenbaum of the American Jewish Committee.

True, the Sandinistas are engaged in a struggle with a good part of the Roman Catholic hierarchy. But this is a political struggle, not a religious one, and both sides are seeking to resolve it. Several "oppositionist" priests have been shabbily treated. During his trip to Nicaragua in 1983, Pope John Paul II, who sided with the church hierarchy, was subjected to offensive jeering and hooting by Sandinista mobs. But to see this as a concerted attempt to "eradicate" the religion of 95 percent of the Nicaraguan people is to take leave of reality.

So is the claim that the Sandinistas have provided international terrorist organizations with a base from which to launch attacks against the United States. Certainly, if there is any evidence to support such a charge (let alone of an "incontrovertible" sort) the White House has yet to produce it.

But nothing is more shocking than the ease with which Mr. Reagan and his associates bandy about the term "genocide," mentioning the Miskito Indians in the same breath with the Holocaust. What in fact has happened to the Miskitos since the Nicaraguan revolution? According to the human rights organization Americas Watch, about 70 Miskitos (out of a total of about 70,000) lost their lives in skirmishes with Sandinista troops some three years ago. Managua has repeatedly come into conflict with the Indians over the question of who controls the Atlantic coast region of the country. (The Miskitos want "sovereignty" in what they see as their historical homeland.) The killings were odious and deserving of condemnation. So may be the Sandinistas' apparent inflexibility toward the Miskitos' demands. But how could anyone with any sense of history or moral distinctions compare this with the systematic slaughter of six million Jews and millions of others during the Second World War?

Whether the President knows it or not, his tactics are borrowed from the totalitarian arsenal. He is determined to portray those he wishes to destroy in the most lurid and reprehensible colors. Convinced, apparently, that the end justifies the means, he is prepared to use even the most unscrupulous tools—including untruths, quarter truths and travesties of history—to topple the Sandinistas. And then, to top it off, he has the gall to claim that he "remains committed to a peaceful solution in Central America."

Joseph McCarthy fomented and thrived on a climate of hysteria in which dissent came perilously close to being identified with treason and rational discussion of Communism was virtually impossible. The net effect of Ronald Reagan's anti-Sandinista crusade is likely to be exactly the same. In an atmosphere of extravagent mendacity and pressure to "fall into line," it becomes increasingly difficult to arrive at an objective assessment of what is happening in Nicaragua or to discuss what the United States should do about it.

The blame for this baleful state of affairs lies not only with the President, but also with those—whether Republicans or Democrats, conservatives or liberals—who now so fear being branded "soft" or "naive" about Communism. It is they, after all, who permit his contempt for truth to go unchallenged, they who are allowing us to drift ever further from a realistic foreign policy. The four destructive and insane years of McCarthyism provide a lesson that no one truly interested in "a peaceful solution in Central America" can afford to ignore.●

TAX REFORM IS GOOD FOR NEW YORK'S WORKING PEOPLE

HON. JACK F. KEMP
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 19, 1985

● Mr. KEMP. Mr. Speaker, Columnist Warren Brookes recently unmasked the argument that the loss of the State and local tax deduction would cost the average family that itemizes $927—a falacious and deceiving "disinformation" campaign that most recently has been spread by Representative DAVID OBEY, supposedly based on a Joint Economic Committee [JEC] study.

The $927 figure is erroneous; it does not consider the tax benefits taxpayers would receive from lower tax rates and the doubling of the personal exemption, which is like playing football without allowing touchdowns—it misses the entire point of the exercise.

The same study which Representative OBEY used to attack tax reform shows its "typical" taxpayer, the $50,000 income earner, receiving tax cuts under the President's tax plan. The $50,000 New York income earner, for example, receives between a $750 and $400 tax cut, depending on the cost of his or her home.

Brookes also shows that the State and local tax deduction is regressive and primarily helps upper income Americans. Due to this deduction, upper income taxpayers who itemize now pay State and local taxes at a rate one-third less than average workers who do not itemize. Is that fair?

I don't believe that the President's plan is the perfect plan; but I do commend his courage for introducing a bill which sharply cuts marginal tax rates on capital and labor, while improving the position of families and the poor. In my own State of New York, however, two-earner homeowners seem to be getting the least benefit from the Reagan plan. We should explore options to strengthen the President's plan, such as lowering rates further, restoring the property tax deduction, or allowing the two-income earner deduction.

These changes strengthen the bill; insisting on retaining the entire State tax deduction would derail reform by losing about $40 billion in tax revenue. And it encourages higher State taxes.

My New York constituents want lower Federal and State taxes; the President's tax reform efforts promise that for my State. Let's quit the carping and get on with a bipartisan campaign to strengthen and then pass the President's tax simplification bill—this year.

STATE AND LOCAL TAXES ARE REGRESSIVE

(By Warren T. Brookes)

It was perfectly predictable but no less outrageous that on May 26, two days before President Reagan's speech, liberal Rep. David Obey, from very-high-tax Wisconsin, should abuse his position as chairman of the Joint Economic Committee to deliberately "disinform" the public that a Congressional Research Service study showed that the loss of the state and local tax deduction would cost the average family that itemizes $927—while failing to point out that the CRS study did *not* consider the *savings* these families would get from tax-reform's lower rates.

When questioned about it, CRS researchers directly disowned Mr. Obey's release as "deceptive." A week later, Mr. Obey released a study by Arthur Andersen which confirmed that even with the loss of the deduction, taxpayers in *every* state would pay *less* total tax, because of the lower federal tax rates. Even the liberal Brookings Institution argues for the elimination of that deduction as the most "progressive" feature in President Reagan's tax reform plan a litmus test for liberals.

Why? Think it over. Most state and local taxes are "flat rate"—they apply a single rate to sales, to property, and to income—so they are inherently "regressive" to begin with.

Then, remember that only 35 percent of all taxpayers "itemize" deductions; the other 65 percent do not. So only the top 35 percent of all taxpayers now get their state and local taxes "reduced" by the federal tax deduction.

The average top federal marginal tax rate of that 35-percent group last year was about 34 percent. This means that this upper-income group effectively paid state and local taxes at 7.6 percent, a third *less* than the 11.5 percent rate paid by average workers.

And, for all those $70,000-100,000 a year "limousine liberals" like Mr. Obey who are yelling, their effective state and local tax rates are now exactly *half* the rates paid by average citizens.

Figure it out yourself: a $25,000-a-year homeowner in a typical urban state pays about $1,000 in property taxes, $700 in sales taxes, and $1,000 in state income taxes—a total of $2,700 in state and local taxes. If he or she does not itemize (as more than 60 percent of this income bracket do not), the effective state and local tax burden is 10.8 percent of gross income.

Even if he or she does itemize, he or she is now paying federal taxes at about a 24 percent marginal rate—so can only reduce that effective state and local tax burden to 8.2 percent.

Now think about the $100,000-a-year homeowner. His $5,000 annual property tax bill gets cut 50 percent, to $2,500. His $2,800 sales tax bill gets cut to $1,400, and his $5,000 state income tax gets cut to $2,500, for a net tax bill of $6,400, or 6.4 percent, some 42 percent *less* than his non-itemizing median-income counterpart, and 23 percent *less* than the median-income itemizer.

This is why, although the national average state and local tax burden is about 11.5 percent of personal income, for the top 35 percent that direct burden is only about 7.6 percent.

This is the dirty little secret of all state and local politicians: they know that the toughest and most vocal resistance to higher taxes always comes from upper income groups—and these groups have always been mollified by the fact that they will pay only half or so of any state and local tax rate increase.

This is why the high-tax, high-spend governors are so afraid of losing this deduction—and why ordinary taxpayers should welcome it.

This is also why the Proposition 13 and Proposition 2½ tax revolts in California and Massachusetts, respectively, were led, not by the rich (most of whom either opposed them, or sat on their hands) but by the middle class, who pay the full brunt of state and local taxes.

Remember, too, it only takes a 10-point reduction in the federal marginal rates to more than compensate for this deduction. Since all three tax reform proposals reduce marginal rates by at least 10 points, at least 80 percent of taxpayers will not be hurt.

Again, figure it out yourself, think of the state and local taxes as an add-on to your top federal marginal rate. If you are in the 50 percent bracket, your state and local tax "add-on" will, on average, be about 6.5 percent (after deductions), for a total marginal rate of 56.5 percent.

Under the Treasury bill, your marginal rate drops to 35 percent, but your state and local tax burden jumps to about 12 percent, a combined rate of 47 percent—or 9 points lower.

If you are a $25,000/year itemizer, your combined marginal rate will fall from 33 percent to 26 percent, 6 point lower.

The plain truth is, the only people who are "hurt" by killing this deduction are the very rich and the big-spending politicians in states like New York, Michigan, and Wisconsin who have used this regressive loophole to insulate themselves from rich critics. Liberal Democrats like Mr. Obey who fight this "progressive" change are in big trouble—and should be.

REAGAN TAX REFORM

[Net combined tax savings that would result for those with $50,000 in taxable income, after elimination of State and local tax deduction and adoption of proposed new rates]

	$97,000 home	$140,000 home
High-tax States:		
Wisconsin	$550	$200
Michigan	900	450
New york	750	400
District of Columbia	1,000	900
Medium-tax States:		
Maryland	1,300	1,100
Virginia	1,500	1,350
Ohio	1,550	1,300
Pennsylvania	1,650	1,350
California	1,600	1,500
Low-tax States:		
Texas	2,650	2,500
Florida	2,500	2,300
Washington	2,550	2,400
Connecticut	2,150	1,850
Louisiana	2,250	2,100

Source Analysis for JEC by Arthur Anderson.●

OLD STOUGHTON MUSICAL SOCIETY CELEBRATES 200TH ANNIVERSARY

HON. JOE MOAKLEY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 19, 1985

● Mr. MOAKLEY. Mr. Speaker, I rise today to pay tribute to the Old Stoughton Musical Society of Stoughton, MA, which, from November 1985 to November 1986, is celebrating its 200th anniversary.

The Old Stoughton Musical Society was established on November 7, 1786, and originally consisted of a group of 25 men who shared a common love of fine music, and a common desire to see music celebrated and preserved in its many forms. Today, the society numbers some 250 members, who continue its long tradition of focusing on local musical activities and encouraging their support, of maintaining a library of early American music, and of performing local concerts featuring musicians from area towns and from Stoughton.

The Old Stoughton Musical Society's roots lie in the singing school taught by Boston tunesmith William Billings in 1774. Five men from this school, which also included Jacob French, later a prominent teacher and composer himself, founded the society in 1786. The society quickly rose to a position of musical excellence, winning, in 1790, what is believed to be the first organized singing contest held in America when its 20 member male chorus defeated the chorus from the First Parish Chuch in Dorchester, MA.

Other society accomplishments include its being chosen as the only musical society representing early American music to perform at the 1893 World's Columbian Exposition in Chicago, as well as its special concerts and exhibits focusing on New England Music of the 18th, 19th, and early 20th centuries—especially music by such composers as Supply Belcher (1751-1836), Edward French (1761-1895) and Edward Arthur Jones (1853-1911)—the most accomplished composer in 19th century Stoughton.

It is all too easy in today's world of war and famine, suffering and hardship, haste and indifference, to ignore or forget the beauty that is great music. Many of us rob ourselves by not taking a moment out of our busy schedules to appreciate the art of music. Perhaps H.A. Overstreet put it best when he said, "I have my own particular sorrows, loves, delights; and you have yours. But sorrow, gladness, yearning, hope, love, belong to all of us, in all times and in all places. Music is the only means whereby we feel those emotions in their universality."

If music can bring men together, rather than divide them; if music can help us appreciate life and love and beauty, and cherish rather than deprecate them; if music can bring joy to even 1 day in a person's life—and I believe it can do all of these things—then the efforts and activities of the Old Stoughton Musical Society have taken on a more special and deeper meaning.

By preserving early American music, and encouraging support for its performance, the Society has made an invaluable contribution to the preservation of the great history of the United States. It is not without organizations such as the Old Stoughton Musical Society that the beauty of the art of music can best spread its joy and carry its message to all whom it may touch.

I congratulate the Old Stoughton Musical Society on its 200th anniversary, and wish it continued good luck and success in its future activities.●

PORTUGUESE AMERICAN DAY

HON. TONY COELHO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 19, 1985

● Mr. COELHO. Mr. Speaker, on June 10 the people of Portugal and of the Portuguese communities overseas celebrate their national day.

Portugal is perhaps unique among the countries of the world for taking as its national day the anniversary of a poet, Luis de Camoes, author of "The Lusiads," Portugal's national epic poem. This work relates the history of the nation from its founding—850 years ago—through the epoch of the discoveries when Portuguese navigators discovered two-thirds of the world known today. The Portuguese

were fishing off the east coast of the United States in the 15th century. The first European to reach California was Portuguese.

In contrast to the United States, a country whose universality derives from the fact that it has welcomed immigrants from all races, nationalities and religions, and whose culture has been influenced by the diverse origins of its people, Portugal is a country whose people, language, and culture have spread to all parts of the world. The Portuguese left behind, scattered throughout the world, the symbols of their presence which can still be seen in fortifications, churches, monuments, geographic names, vocabulary, art, religion, and customs in all five continents. Portuguese ranks fifth among the world's languages and is the official language of seven countries in Europe, South America, and Africa, in addition to being spoken in several regions of Asia and the Pacific.

Portugal's universality is also revealed in the presence of Portuguese communities in various countries of the world. Here in the United States the major concentrations are found in New England, New Jersey, and California. Newer communities have been founded in Pennsylvania and Florida. Traces of early Portuguese contact are particularly visible in Hawaii.

Immigrants from Portugal and Portuguese Americans are proud to be living and working in the United States, but they are also proud of the traditions brought from their homeland. Several States and cities having large Portuguese communities designate June 10 as "Portuguese American Day" and plan major events to celebrate the Portuguese heritage.

As a Portuguese American, I am naturally extremely proud of my heritage, and proud of the contributions of so many of our fellow citizens of Portuguese ancestry to this great Nation.●

THE "JUSTICE" DEPARTMENT

HON. CARROLL HUBBARD, JR.

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 19, 1985

● Mr. HUBBARD. Mr. Speaker, more and more Americans are becoming aware that the U.S. Justice Department is the most politically conscious, politically active agency in our Federal Government.

For years the Federal Bureau of Investigation has targeted and investigated certain public officials for political reasons.

Nothing in the news nowadays about the political activities of the FBI shocks anyone familiar with the workings of our U.S. Justice Department.

Last Sunday, in a nationally distributed Associated Press news article, Americans learned that the FBI and the National Conference of Bar Examiners secretly exchanged information about bar applicants for 40 years, including, of course, reports about their political beliefs.

The news article by the Associated Press which appeared in hundreds of June 16, 1985, newspapers is as follows:

FBI, BAR-GROUP LINK REVEALED IN PAPERS

NEW YORK.—The FBI and a prominent lawyers' group secretly exchanged information about bar applicants for 40 years, including reports on their political beliefs and whether they took civil rights cases, according to newly disclosed FBI documents.

The FBI demanded that its arrangement with the National Conference of Bar Examiners be "treated as strictly confidential," the documents say, according to an article to be published Monday by the National Law Journal.

The FBI provided the data because the conference had been "extremely cooperative" with it, according to a 1945 memo, the Journal reported. It said the documents were obtained by the National Lawyers Guild through a suit against the federal government.

In Washington, D.C., FBI Special Agent Jeffrey Maynard said yesterday that he was not aware of the article, and had no comment.

The conference, a private group, helps state and local bar associations investigate the character of bar applicants. The conference in 1976 said it no longer would make "routine" requests for FBI information, according to the documents.

However, an FBI memo dated the next day said: "Liaison channels between the Bureau and NCBE remain open concerning matters of mutual interest."

The arrangement, which began in 1936, "is certainly news to me," Sumner T. Bernstein, chairman of the Chicago-based conference and a lawyer in Portland, Maine, told the Journal. "I'm sure it's not happening now."

Information the FBI gave to the conference included whether bar applicants criticized U.S. Supreme Court decisions, supported labor unions, took on civil rights cases or attended Lawyers Guild meetings.

The guild, formed by lawyers who split from the American Bar Association, was accused in the 1940s and 1950s of sympathizing with communists. It charged the federal government with harassment in a suit filed eight years ago, which still is pending in a federal court in Manhattan.

The documents say the FBI's arrangement with the NCBE was established by the late J. Edgar Hoover, then FBI director. In exchange for access to NCBE files, the FBI also agreed to conduct security checks on conference employees, without their knowledge, the Journal reported.

In a 1961 memo, Hoover wrote: "One of the considerations in our making this exceptional service available is the fact that on a reciprocal basis we will, of course, have access to (NCBE) files for our official need."

The documents say Hoover had the attorney general's office authorize each release of information to the NCBE until 1954, when then-Attorney General Herber Brownell formerly approved the arrangement.

That was "one of the things I don't remember, but it sounds reasonable to me," Brownell, 81, told the Journal.

The documents say the FBI also shared information with local bar character committees in Manhattan and in Washington, D.C.●

CHILDREN IN POVERTY

HON. CARDISS COLLINS

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 19, 1985

● Mrs. COLLINS. Mr. Speaker, last month, the Committee on Ways and Means released a study on the topic of "Children in Poverty." The conclusions drawn in the report confirm what many of us have known all along—that the "have nots" in our society are the most vulnerable, and, in general, they are resigned to a life of abject poverty and must languish in the depths of our Nation's economic structure.

The real tragedy, however, is that the targets of poverty are children. Nearly one-fourth of American children are victims, with black and Hispanic children disproportionately affected. The incidence of poverty has climbed sharply in the period of 1973 to 1983, translating into almost 14 million children who are poor.

These alarming statistics can, at least in part, be ascribed to soaring divorce rates, the growing problem of teenage pregnancy, and the rising delinquency rates in child support payments by fathers who have abandoned their families. Each of these contributes to the problem of poverty because they force children to grow up in single parent homes with limited opportunity and income potential.

To add insult to injury, we've seen an unfortunate downward trend in the funding of social programs, a trend accelerated by this administration.

The day after the report was issued, the House Health Subcommittee and the Select Committee on Hunger held a joint hearing to examine the health impact of hunger on pregnant women and children. At the hearing, Dr. Jean Mayer, the distinguished president of Tufts University and an internationally renowned nutritionist, attributed the growing hunger problem in the United States to—as he put it—the "savage cuts" by the Reagan administration in programs such as WIC, school lunches, and AFDC. And he pointed out that the human suffering caused by these cuts is due to an OMB budget-cutting machine that operates in a vacuum and fails to assess the health and economic consequences of its actions.

And the evidence keeps coming in. On Monday, the Children's Defense Fund made public a study entitled, "Black and White Children in America: Key Facts." This latest report further documents the pervasiveness of

poverty in contemporary America and underscores the worsening plight of children in black families.

These reports add to the growing body of evidence which clearly shows the President's policies to be unjust, misguided, and out of step with the human needs of this country. They bear out what so many people, including myself, have been saying—that this administration is more concerned with financing military weaponry and less interested in ensuring that food and other assistance programs, which are so vital to the homeless and the poor, are made available. And they reveal the fallacy of President Reagan's so-called safety net, which to me and millions of Americans is as imaginary as the emperor's new clothes.

How much more proof does the White House need?●

THE BIRMINGHAM NEWS' PROJECT HELP RECOGNIZED FOR OUTSTANDING VOLUNTEERISM

HON. BEN ERDREICH

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 19, 1985

● Mr. ERDREICH. Mr. Speaker, it is imperative, with necessary program restraint to reduce the Federal deficit, that citizens volunteer their time, energy and resources to help those less fortunate than themselves. The spirit of volunteerism and compassion for others is an important part of our national character, particularly among the people of Jefferson County, AL, whom I am privileged to represent in the House.

This year, the White House launched a Citation Program for private sector initiatives to recognize businesses, trade associations, and community-based organizations for their outstanding private sector contributions toward solving community problems. I am particularly proud that a major newspaper in my district that I nominated for the Private Sector Initiatives Program, the Birmingham News, is being honored for its Project Help Program that offers aid to families hard hit by unemployment or illness.

Project Help was developed by the News in December 1982 in response to the hardships caused by record-high unemployment in Alabama and Jefferson County. The News publishes the names and needs of families referred by local social agencies, and encourages readers to donate financial aid either to Project Help's general fund or to the referring agency. While Project Help encourages other sources to help shoulder costs, it will pay as much as is needed to solve the problem if it is the only source of help.

As part of the Citation Program for Private Sector Initiatives, a series of "C-flags," the symbol of "we can and we care," are awarded to organizations that are recognized. On Monday, June 24, 1985, I will present a "C-flag" to Jim Jacobsen, editor of the Birmingham News, and Victor Hanson, publisher of the News, to be flown atop their company's building.

Effective private sector initiatives use all of our society's resources by relying on the expertise of businesses and nonprofit organizations and by forming partnerships between the private and public sectors.

The News has proven that by combining the skills, talents, and resources of every sector of society, we can successfully help solve a variety of community, economic, and social problems. I am proud to have nominated the News to receive this special recognition for initiating Project Help. It is to be congratulated for the contribution its efforts have made to our community. This valuable private sector initiative has not only made our community aware of the hardships faced by fellow citizens, but also has provided a way for those who are more fortunate to help those who are in need.●

TRIBUTE TO DR. JAMES MAYS

HON. AUGUSTUS F. HAWKINS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 19, 1985

● Mr. HAWKINS. Mr. Speaker, I would like to take this opportunity to commend Dr. James Mays of Los Angeles, the 1984 national recipient of the George Washington Honor Medal for Individual Achievement. This award was bestowed upon Dr. Mays by the Freedoms Foundation at Valley Forge for his founding of the "Adopt-a-Family Endowment", which is dedicated to helping the plight of poor black families by placing them under the "adoption" of black professionals in the Los Angeles area. These black professionals lend their services and guidance to their respective adopted families. Although the "Adopt-a-Family Endowment" program is only in its second year, there are many success stories. Approximately 125 Los Angeles-area professionals have adopted 25 families.

I would like to cite one success story for the RECORD. A family with two teenage pregnant daughters, who both dropped out of school, was "adopted" as a result of the "Adopt-a-Family Endowment" program. One daughter has currently completed her first year at Long Beach City College in the electrical engineering program and the other daughter plans to enter nursing school in the fall.

The adopt-a-family concept gives black youngsters professional black role models. Parents are able to interact with an adult who is a positive and inspiring force to their children.

Over the years, Dr. Mays has been active in community affairs. He served as the Los Angeles chapter president of Operation PUSH; cofounder of Los Angeles County High Blood Pressure Foundation and medical director of Compton Hypertension Foundation.

I thank Dr. Mays for his untiring efforts to assist the less fortunate in my community, especially after recent statistics showing the overall percentage climb of black children living in poverty. Dr. Mays deserves this special recognition for his unselfish efforts in helping to combat the problem of poverty in the black community.●

ESTHER KRATZER EVERETT: A PROFILE IN COURAGE

HON. JACK F. KEMP

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 19, 1985

● Mr. KEMP. Mr. Speaker, it is my privilege to know Esther Kratzer Everett and call her my friend. She is an individual of vision and commitment, who has overcome a handicap that would leave many without hope. Only 6 months after undergoing surgery to remove her larynx and natural voice, Esther embarked on a speaking tour, and delivered, with the help of an electronic microphone, speeches around the country in her capacity as president of the New York State Federation of Republican Women.

Esther was honored last week by the National Council on Communicative Disorders, as the communicatively impaired individual who, by overcoming her handicap, serves as a model for other impaired individuals. I am sorry that I was not able to join her at the award presentation due to the heavy schedule of legislation on the floor of the House, but I want to bring Esther's accomplishments to the attention of my colleagues, and praise Esther as a model for all of us. As an individual of dedication, insight, and commitment, Esther continues to make a lasting contribution to her country and community, a contribution from which we all benefit.●

ARE OUR VETERANS RECEIVING ADEQUATE MEDICAL CARE?

HON. NICK JOE RAHALL II

OF WEST VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 19, 1985

● Mr. RAHALL. Mr. Speaker, recently my distinguished colleague from West Virginia, Senator JAY ROCKEFELLER, sent a letter to Veterans' Administra-

tion officials demanding a study which was requested by Congress 1 year ago on staffing levels at the VA hospital affiliated with the Marshall University School of Medicine.

The Senate Appropriations Committee instructed the VA in June 1984 to report by January 1, 1985, "what constitutes adequate levels of personnel resources" at five VA medical centers affiliated with medical schools. At that time, West Virginia Senator ROBERT BYRD included the Huntington VA Medical Center after constituents complained that the center was understaffed.

On this point, I would like to bring a recent ruling by Administrative Law Judge James Chambers, of the Department of Employment Security Board of Review in West Virginia to the attention of my colleagues. I believe this ruling has far-reaching implications and could set a precedent that may affect VA medical facilities across the Nation.

One of my constituents, a resident of Barboursville, WV, was employed as a licensed practical nurse at the VA Medical Center in Huntington from November 18, 1979 to February 26, 1985. My constituent was assigned to a ward that had older patients, most of whom required constant care. The patient load averaged 40, and the staff assigned to this ward totaled 4. On several occasions my constituent complained to the employer that the lack of personnel was adversely affecting the care given to these elderly and disabled patients, however there was no apparent attempt on the part of the Medical Center to rectify this abhorrent situation.

Subsequently, my constituent voluntarily left her position at the Medical Center and sought unemployment compensation. The Deputy at Huntington, WV, made the following decision on April 25, 1985: "Claimant eligible. Claimant not disqualified; left work voluntarily with good cause involving fault on the part of the employer." The VA Medical Center as the employer appealed this decision. The case then went before the West Virginia Board of Review. I believe that my colleagues will find the conclusions of the administrative law judge in this case to be most enlightening if not downright disturbing. The following is the conclusion of the judge.

The claimant is a licensed practical nurse, this is a profession devoted to the care of the sick. These professionals have not only a right, but a duty to maintain a high degree of care and reputation to protect their professionalism.

The claimant was not satisfied that the Veterans' Administration was providing the staff necessary to insure that disabled and sick veterans were receiving the care that they are entitled to. The claimant complained several times, however, her concern went unanswered.

The Veterans' Administration owes a duty to the veterans of this country to provide at least adequate medical care. The employer has not met this requirement.

The administrative law judge will take judicial notice that in June, 1984 the United States Senate instructed the Veterans' Administration in Huntington to report on what constitutes adequate levels of personnel resources by January 1, 1985. To date the Veterans' Administration has not complied.

At this unemployment compensation hearing the employer introduced some abstract meaningless figures that prove nothing. It is also noted that of the five hospitals that are being investigated, the Huntington VA Medical Center has the lowest staffing. This is on the authority of the Associate Director of the VA Medical Center.

For whatever reason that the Veterans' Administration can live with, they are not providing adequate staffing for the proper care of sick and disabled veterans. This is a national disgrace.

Since the claimant's reputation was on the line, she was justified in quitting this job.

I find this decision and the failure of the VA to submit the report on staffing levels which was requested by Congress in 1984 to be very disquieting. While it is my understanding that the report has been completed, to my knowledge it has not been submitted by the VA. I fail to understand the VA's extended delay in submitting the report. If there are problems—and there seems to be every indication that staffing deficiencies do exist—delaying the report will only further exacerbate them.

This entire situation reveals the growing tendency of Federal institutions and agencies to provide less than adequate service to the Americans which are entrusted to their care. While cost-cutting to reduce the Federal deficit is desirable, we must also insure that it is manageable. The officials of the VA Medical Center in Huntington must believe that the reduced number of personnel is necessary in light of the Federal economy. However I implore the Veterans' Administration to review staffing levels in order to provide both adequate and quality care to our veterans. Our debt to these Americans is a great one. I urge my colleagues to join me in this effort.●

TAX REFORM

HON. BOB EDGAR

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 19, 1985

● Mr. EDGAR. Mr. Speaker, now that the dust is settling on the tax reform issue, I think that it is time to take a good, hard look at the proposals advanced in the President's Treasury II plan. I know that tax reform has become an increasingly hot political issue in the last 6 months since the Regan proposal was unveiled in December and there is talk of a measure being reported out of Ways and Means by the end of the year.

While I am a strong supporter of tax reform, I think that it is important to remember that relative to other comprehensive legislative proposals, we have thus far spent little time studying in full all the possible results and side effects of the different plans before us. When the Tax Code was overhauled the last time in the early 1950's, it took more than 3 years to accomplish. Timely consideration is imperative, but hasty decisions that we will regret later are not in the best interest of reform.

I think that this is especially true of the provision in Treasury II to tax the so-called "inside buildup" of permanent life insurance policies. What this means is that the policyowner will have to declare as interest income each year the annual increase in his or her policy's cash surrender value. This would occur even though the policyowner cannot obtain those increased values without forfeiting the guaranteed insurance protection provided by the policy.

The tax law governing life insurance was rewritten last year with the passage of Stark-Moore and it is my opinion that the subject should not be reopened now. Stark-Moore was the product of compromise by all sides, the kind of compromise we will need to enact tax reform. Unraveling this delicate package will further complicate the task ahead.

Second, with sufficient consideration of tax reform, the American people and Congress will discover that this proposal marks a radical departure from current tax policy under which gains are taxed only when they are realized. If enacted, the provision of Treasury II would be just as unfair as taxing unrealized income gains such as the increases in the value of a house.

When the present administration took office, their appeal to the American people was that the Federal Government could no longer afford to "take care" of its citizens and that they had to begin "taking care" of themselves. Life insurance has historically been the American public's way of providing for their own financial security in the event of premature death or retirement.

Moreover, this threatened tax on the very instrument used by most people to provide for their financial security represents a breach of faith of major proportions. In addition, because many older Americans hold more mature life insurance contracts, the incidence of this tax would disproportionately penalize older Americans.

After examining all of the tax reform proposals, I make a sharp distinction between those employee benefits that protect wage earners from the hardships of illness, old age, and

layoffs, and those that are used primarily to shelter income. By enacting this proposal, this Nation would be the only one in the world to ignore the importance of life insurance to society by taxing the inside buildup of permanent life insurance. I am opposed to the Treasury Department's proposal to tax cash values and urge my colleagues to join me in standing up for fairness on this issue.●

CYRUS AND SARA PETTIS—GREAT AMERICAN FAMILY

HON. E. CLAY SHAW, JR.

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 19, 1985

● Mr. SHAW. Mr. Speaker, I would like to take this opportunity to recognize the accomplishments of Cyrus and Sara Pettis of Fort Lauderdale and their children, who are being honored today as a "Great American Family."

Mr. and Mrs. Pettis have raised 7 children during their 44 years of marriage. Thanks to their parents' hard work and example, all seven of the children are college educated. As part of the family's teamwork, when the older children completed college they contributed to the family's finances so their younger brothers and sisters could be educated.

Mr. Pettis, a U.S. postal worker, took over baby sitting chores when his wife decided to return to school herself. Today, Mrs. Pettis is a teacher's assistant in the Broward County School system. In addition to their family duties, Mr. and Mrs. Pettis are also active in their community in Fort Lauderdale. Mrs. Pettis has served on the P.T.A. of her childrens' elementary and high schools, raised money for the YMCA and served as a charter member of the Northwest Federated Women's Club. The family has also worked for such worthy causes as the United Fund, the YWCA and local school band and scholarship programs.

Mr. and Mrs. Pettis have much to be proud of when they consider the accomplishments of their offspring. Gwendolyn Joyce Pettis Rogers is a customer service representative with Pan American Mortgage Corp. in Miami. Cyrella Pettis Peeler is a reservation agent with Piedmont Airlines in Springfield, VA. Dr. Cyrus R. Pettis is a dentist in Pompano Beach. Mila Sara Pettis Manners is a Kentucky personnel counselor. Lydia Pettis Patton is director of recreation in Petersburg, VA. Toba Pettis Leverett is a saleswoman for United Airlines in Los Angeles and Eugene Pettis earned his law degree this year at the University of Florida.

Mr. Speaker, the Pettises and their children greatly deserve the honor bestowed upon them today. Their strength and determination are a demonstration to us all of what the word "family" means. I ask you and all of my colleagues in the U.S. House of Representatives to join me in my congratulations to this great American family.●

HELP FOR THE MILITARY HOMEOWNER

HON. G. WILLIAM WHITEHURST

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 19, 1985

● Mr. WHITEHURST. Mr. Speaker, in their ruling 83-3, the Internal Revenue Service proposed to eliminate the itemized deduction for interest and real estate taxes up to the level of tax-exempt military housing allowances paid to military personnel. This action placed in jeopardy the longstanding tradition shared by both the Department of Defense and the Department of the Treasury that service members should be entitled to deduct the expenses of homeownership. while the department of the Treasury has now indicated that the ruling will not be put into effect before 1987 at the earliest, the threat remains.

In order to try to resolve this for military families, I introduced H.R. 4572 in the 98th Congress and have reintroduced it as H.R. 481 in the 99th. Rather than attempting simply to nullify the IRS ruling, the bill would specifically exempt the variable housing allowance from the provisions of paragraph (1) of section 265 of the Internal Revenue Code of 1954 by adding a new sentence: "The preceding sentence shall not apply to income described in section 403 of title 37, United States Code, Basic allowance for quarters; variable housing allowance."

This does not effect a new tax deduction; it simply continues an existing benefit which has long been accepted by both Congress and the administration. Military personnel are paid directly from Federal funds, using tax dollars, and if the existing deductions were to be terminated, it could well lead to the need for a pay raise for service members, particularly where housing is involved. There is rarely sufficient base housing in an area, and military families should most certainly be afforded the opportunity to live in adequate civilian housing within reasonable commuting distance of their duty station.

Were we not to raise military pay to alleviate the impact of the tax-deduction loss, the alternative would be to construct additional military housing, and at a time when we are seeking ways to reduce the deficit and limit Federal expenditures, it is highly unlikely that this would be fiscally possible. Certainly the cost of such alternatives would be far greater than continuing the present deduction.

H.R. 481 represents a simple, direct approach to the problem, and I would urge my colleagues to give it favorable consideration when the issue of tax reform arises. In the case of military families, we are talking about tax dollars, whether for deductions, pay raises, allowances, or construction of housing, and we need to decide, in effect, which pocket the money is to come from.

Please join me in ensuring that IRS ruling 83-3 will not result in further erosion of military benefits.●

A TRIBUTE TO THE GOSPEL AWARDS PROGRAM OF ZION UNITED METHODIST CHURCH

HON. ROY DYSON

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 19, 1985

● Mr. DYSON. Mr. Speaker, I rise today to commend the actions of the Committee for Gospel Music of the Zion United Methodist Church, in Lexington Park, MD, as they hold their Second Annual Gospel Awards Program on June 22, 1985.

Catherine Butler, Mary Barnes, Mary Smith, and Idolia Shubrooks, realized the need for recognition of dedicated persons who have shared their gift of vocal talents for the listening pleasure of all. Forming a committee, they worked with great determination to organize a program that would express the appreciation of the community for gospel music. Knowing the important role that gospel music played in our country's early years as people gathered in homes to worship God through the blending of their voices in praise, the committee formed a Gospel Awards Program in their desire to preserve the gospel music's rich legacy for future generations.

I am proud to present the names of the following persons recognized for their outstanding contributions in the area of gospel music: Zion United Methodist Men's Choir, Zion U.M. Choir, True Holiness Male Chorus, Zion Choralaires, St. Peter's Gospel Choir, St. Mary's Community Choir, Sheri Waters, Hoppy Adams, Janine Jones, Tonia Johnson, Feleshia Slaughter, Donna Blackwell, Layressia Dickerson, Phyllis Grough, Idolia Shubrooks, Sunlight Gospel Singers, Ida Briscoe, James Ball Singers, Mary Smith, Reverend Carl Hickerson, Yvonne Kelly, Mary Barnes, Marsha Curtis, Earl Young, De Anna Shubrooks, Elvera Gaskins, Catherine Butler, James Diggs, Perry Rothwell, Vincent Curtis, True Gospel Singers, and John P. Jones.

Gospel music has served as an inspiration and source of spiritual fulfillment in the history of our Nation. It provides the expression of the love of God and man in a melodious blend of voices that will continue to enrich our lives. For this reason, I am pleased to be able to share this occasion with my colleagues.●

REV. NORMAN F. MARTIN, S.J.

HON. NORMAN Y. MINETA

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 19, 1985

● Mr. MINETA. Mr. Speaker, today I would like to ask that my colleagues join with me in honoring Father Norman Martin on the occasion of his 50th anniversary of his entry into the Society of Jesus.

Father Martin has been an active member of the Santa Clara community including his contributions to our fine University of Santa Clara. A native Californian, Father Martin attended the University of Santa Clara before he entered the Society of Jesus. The university's loss of a student was the society's gain of a priest, scholar, community activist, and teacher.

In his 50 years as a Jesuit, Father Martin has served the society, the community and the university well. He is a accomplished historian specializing in Latin America where he has worked and studied. His scholarship includes service as a Guggenheim Fellow and grant work under the National Endowment for the Humanities.

In addition to publishing a number of works on Latin America, Father Martin has shared his knowledge with students at the University of Santa Clara where he taught Latin American history, Spanish history, and the course on western civilization.

And while making his contributions to scholarship and teaching, Father Martin has been active in the community. When individuals in the community have asked for Father Martin's help, he has not refused them. He was instrumental in helping others by his personal efforts in helping on a neighborhood issue regarding the rerouting of the local road.

Mr. Speaker, for 50 years Norman F. Martin has dedicated his life to God through his vocation, study of history, teaching, and community service. On the occasion of his 50th anniversary of his entry into the Society of Jesus, I ask you and our colleagues in the U.S. House of Representatives to join with me in congratulating Rev. Norman F. Martin of the Society of Jesus.●

DAVID ERIC KRUM

HON. NANCY L. JOHNSON

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 19, 1985

● Mrs. JOHNSON. Mr. Speaker, I would like to take this opportunity to recognize Mr. David Eric Krum, an outstanding educator from Simsbury, CT. Mr. Krum is the supervisor of the social studies department at the Henry James Junior High School and the director of continuing education for the Simsbury public school system.

Today, as in years past, Mr. Krum is visiting our Nation's Capital. An avid historian and enthusiastic teacher, Mr. Krum has led over 1,300 students through our capital city as though he were a 200-year native. The appreciation he imparts to his students of our Nation's extraordinary history is unparalled. He knows every bit of history involved in virtually every attraction Washington has to offer, and this trip is the annual culmination of a comprehensive U.S. history course. Over 1,000 students have benefited, not only from his stimulating classroom teaching, but also from his inspiring and exciting trip to our Nation's Capital.

In this age of increased focus on excellence in our education system, it is thrilling to see David Krum's selfless dedication to educating our future leaders. David Krum's students are not only excited about our Government and their own participation, but proud of their distinguished heritage as well. He has been teaching the youth of Simsbury for 25 years with his own personal style filled with enthusiasm and humor. David Krum is loved and respected by the generations of students, parents and colleagues he has touched during the course of his distinguished career.

I salute Mr. David Eric Krum and am proud to have him educating our youth. He is truly an inspiration to all.●

STAND FAST FOR THE 40 MISSILE CAP ON MX

HON. ROBERT T. MATSUI

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 19, 1985

● Mr. MATSUI. Mr. Speaker, yesterday this Chamber debated numerous MX missile amendments as a part of its deliberations over the 1986 Defense authorization bill.

I strongly supported the Bennett amendment, which would have deleted all funding for the MX Program in fiscal year 1986 and money not yet obligated for fiscal year 1985. At this time of tremendous budget deficits we should not be pouring money into an expensive weapons system, which arguably adds to our national security.

Although I would have preferred passage of the Bennett amendment, I was pleased that in the alternative the Mavroules amendment was adopted. While the Mavroules amendment funnels further funding toward the development of the MX, it also caps deployment at 40 missiles. Our colleagues in the Senate earlier this month approved a 50 missile cap.

I would like to most strongly urge the Members appointed to the conference committee to stand fast for the 40 missile cap. Our Nation will enjoy greater security if we hold MX deployment to 40, rather than acceding to the Senate's 50 missile cap. Fewer MX missiles in our defence program will mean less reliance upon a destabilizing, vulnerable weapon. The money saved, by adopting the lower deployment figure, would be better spent on more efficient and proven weapons or the strenthening of our conventional fighting forces. Let's stand fast for 40.●

JOHN ADAMS HIGH SCHOOL BASEBALL TEAM SALUTED

HON. JOSEPH P. ADDABBO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 19, 1985

● Mr. ADDABBO. Mr. Speaker, John Adams High School in Queens recently won the New York metropolitan area baseball championship. In recognition of that achievement, they will be receiving awards from the New York City Public School Athletic League and the metropolitan public school athletic league Catholic high school athletic association on June 26.

High school athletics are an important part of the development of young people. They compete not for millions of dollars, but simply for the thrill of the competition. Along the way, the young men of the John Adams High School baseball team have learned lessons in sportsmanship, hard work, and perseverence that will serve them well whether they go on to star for the New York Yankees or make their marks in other professions.

To be recognized as the best—in any field or at any level of competition—requires not only natural ability but strength of character. In saluting the John Adams baseball team for its championship season, we can all feel confident that they will carry this strength of character with them through life and become constructive members of our society.

But it is not only the players who are to be congratulated for their accomplishments. The supporting cast, school officials, the manager, and the coaches all deserve their share of rec-

ognition. Their leadership and guidance was as important to this championship as good hitting, pitching, and fielding.●

GLADYS DICKEY FAMILY HONORED

HON. HAL DAUB

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 19, 1985

● Mr. DAUB. Mr. Speaker, today is the third annual Great American Family Awards Program, sponsored by the American Family Society [AFS]. The AFS is a nonprofit membership organization dedicated to honor and improve the quality of American family life. First Lady Nancy Reagan, honorary chairperson, will present awards to nine families honored for their exemplary performance under three criteria: how well families nurture individuals growth, how well they build teamwork in the home; and the influence of a family's unselfish service to others in the community.

I am deeply privileged to congratulate the Gladys Dickey family of Omaha, NE, on being named a 1985 receipient of the Great American Family Award.

Gladys Dickey and her four boys—James, 13; Steve, 9; David, 5; and Tommy, 4—have been through some difficult times in the past, but this family has survived and grown, working together to make life better, both for themselves and for others.

After her divorce in 1980, Gladys began to seek guidance and counseling to help structure a better quality of life for her family and a better outlook for herself. With the help of her mother, Julia Suva, Gladys began to adjust to her new lifestyle—all done for the good of the family.

Necessity for constructive activities after school brought Gladys, James, and Steve to the South Omaha Boys' Club. Her concern for the boys took the form of volunteer work, and the boys soon followed. Gladys and the boys have cooked meals and baked goods, supervised carpools and trips, and assisted in various labors and odd-job projects.

Gladys insists that her formula for raising children to be responsible, contributing citizens works, and I agree. One unique component to their family life is a daily "one-on-one" session between each boy and Mrs. Dickey. This is a time for listening, encouragement, and compliments to start the day off right. Her only expectation is that they do their best when it counts, and she sincerely believes that each boy can be a success in his way and in his own time. Given the records of school and community service, I believe that James, Steve, David, and Tommy are already successes.

Gladys' advice to other parents? Know your children well—from their favorite colors to understanding the thinking of their algebra teacher. When your inquiry involves love and bonding, your memory is enhanced. Your children appreciate your knowledge for its genuine love and concern, rather than as a threat to their privacy.

Mr. Speaker, I appreciate the privilege to recognize the Gladys Dickey family and congratulate them on receiving this prestigious award. Their growth, teamwork, and service to others are examples for us all to follow.●

SENATE COMMITTEE MEETINGS

Title IV of Senate Resolution 4, agreed to by the Senate on February 4, 1977, calls for establishment of a system for a computerized schedule of all meetings and hearings of Senate committees, subcommittees, joint committees, and committees of conference. This title requires all such committees to notify the Office of the Senate Daily Digest—designated by the Rules Committee—of the time, place, and purpose of the meetings, when scheduled, and any cancellations or changes in the meetings as they occur.

As an additional procedure along with the computerization of this information, the Office of the Senate Daily Digest will prepare this information for printing in the Extensions of Remarks section of the CONGRESSIONAL RECORD on Monday and Wednesday of each week.

Any changes in committee scheduling will be indicated by placement of an asterisk to the left of the name of the unit conducting such meetings.

Meetings scheduled for Thursday, June 20, 1985, may be found in the Daily Digest of today's RECORD.

MEETINGS SCHEDULED

JUNE 21

9:15 a.m.
Finance
Energy and Agricultural Taxation Subcommittee
To hold hearings on the tax impact on national energy policy.
SD-215

10:00 a.m.
Judiciary
To hold hearings on S. 397, to modify the application of the Sherman and Clayton Acts to international commerce.
SD-226

Joint Economic
To resume hearings on the impact of the international debt crisis on the U.S. economy.
2359 Rayburn Building

JUNE 24

9:30 a.m.
Finance
Taxation and Debt Management Subcommittee
To hold hearings on S. 203, to provide a one-time amnesty from criminal and civil tax penalties, as well as 50% of any interest penalty, for taxpayers who pay previous Federal tax underpayments during the amnesty period, and S. 205, to create a mechanism for taxpayers to designate $1 of any Federal tax overpayment for payment to the National Organ Transplant Trust Fund.
SD-215

Judiciary
Immigration and Refugee Policy Subcommittee
To resume hearings on S. 1200, to control unauthorized immigration into the United States.
SD-226

10:00 a.m.
Joint Economic
To resume hearings on the impact of the international debt crisis on the U.S. economy.
2218 Rayburn Building

2:00 p.m.
Finance
Social Security and Income Maintenance Programs Subcommittee
To hold oversight hearings on the implementation of the Adoption Assistance and Child Welfare Act (Public Law 96-272), and on proposals to modify the foster care and adoption assistance program.
SD-215

Joint Economic
Trade, Productivity, and Economic Growth Subcommittee
To hold hearings on the legacy of the Japanese voluntary export restraints.
2168 Rayburn Building

JUNE 25

9:00 a.m.
Energy and Natural Resources
Energy Research and Development Subcommittee
To hold hearings on S. 1225, to compensate the public for injuries or damages suffered in the event of an accident involving nuclear activities undertaken by the Nuclear Regulatory Commission licensees or Department of Energy contractors.
SD-366

9:30 a.m.
Commerce, Science, and Transportation
Consumer Subcommittee
To resume hearings on proposed amendments to S. 100, the Product Liability Act, to reform product liability law and provide an alternative to a traditional lawsuit for recovery of out-of-pocket expenses that result from product-related injuries.
SR-253

Finance
To resume hearings on the President's tax reform proposal.
SD-215

Governmental Affairs
Oversight of Government Management Subcommittee
To hold oversight hearings on the Department of Labor's enforcement of

the Employee Retirement Income Security Act (ERISA).
SD-342

Labor and Human Resources
To hold oversight hearings to examine certain barriers to adoption.
SD-430

Joint Economic
Economic Goals and Intergovernmental Policy Subcommittee
To hold hearings on the impact of the U.S. Supreme Court's decision (Garcia v. San Antonio Metropolitan Transit Authority) on states and their political subdivisions.
SD-106

10:00 a.m.
Appropriations
Defense Subcommittee
To resume hearings on proposed budget estimates for fiscal year 1986 for the Department of Defense.
SD-192

Environment and Public Works
Business meeting, to consider pending calendar business.
SD-406

Foreign Relations
Business meeting, to consider pending calendar business.
SD-419

2:00 p.m.
Finance
International Trade Subcommittee
To hold hearings to examine the enforcement of U.S. prohibitions on the importation of goods produced by convict labor.
SD-215

Judiciary
Administrative Practice and Procedure Subcommittee
To hold hearings on S. 1145, Rulemaking Procedures Reform Act of 1985.
SD-226

JUNE 26

9:30 a.m.
Commerce, Science, and Transportation
Aviation Subcommittee
To hold hearings on S. 1017, to provide for the transfer of the Metropolitan Washington Airports to an independent airport authority, and S. 1110, to provide for the award of grants to the Washington Metropolitan Airports for certain capital expenditures.
SR-253

Finance
To continue hearings on the President's tax reform proposal.
SD-215

Governmental Affairs
Oversight of Government Management Subcommittee
To continue hearings on the Department of Labor's enforcement of the Employee Retirement Income Security Act (ERISA).
SD-342

10:00 a.m.
Environment and Public Works
Nuclear Regulation Subcommittee
To hold hearings on S. 836, to revise licensing procedures for production and utilization facilities for nuclear material, and S. 16, to establish a National Academy for Nuclear Power Safety to provide training to civilian nuclear power plant personnel.
SD-406

Select on Indian Affairs
To hold hearings on S. 902, to establish federal standards for gaming activities on Indian lands.
SD-628

1:00 p.m.
Governmental Affairs
Intergovernmental Relations Subcommittee
To hold hearings on proposed legislation to modify deductions for certain tax payments to State and local governments.
SD-342

2:00 p.m.
Judiciary
To hold hearings on pending nominations.
SD-226

JUNE 27

9:00 a.m.
Armed Services
Closed business meeting, to consider S. 1271, authorizing funds for fiscal year 1986 for intelligence activities of the United States Government, and routine military nominations.
SR-222

Special on Aging
To hold hearings on the problems of the medically uninsured.
SD-628

9:30 a.m.
Banking, Housing, and Urban Affairs
To hold hearings on S. 1151, the Farm Credit Relief Act of 1985.
SD-538

Finance
To continue hearings on the President's tax reform proposal.
SD-215

10:00 a.m.
Commerce, Science, and Transportation
To hold hearings in conjunction with the National Ocean Policy Study on S. 1245, the Fishery Conservation and Management Act Amendments of 1985.
SR-253

Energy and Natural Resources
Public Lands, Reserved Water and Resource Conservation Subcommittee
To hold oversight hearings on recreation fees as authorized in the Land and Water Conservation Fund Act of 1965.
SD-366

Environment and Public Works
Nuclear Regulation Subcommittee
To continue hearings on S. 836, to revise licensing procedures for production and utilization facilities for nuclear material, and S. 16, to establish a National Academy for Nuclear Power Safety to provide training to civilian nuclear power plant personnel.
SD-406

Labor and Human Resources
Children, Family, Drugs, and Alcoholism Subcommittee
To hold hearings to examine the problem of drugs in the military.
SD-430

Joint Economic
Monetary and Fiscal Policy Subcommittee
To hold hearings on the budget status of the Federal Reserve System.
2257 Rayburn Building

4:00 p.m.
Select on Intelligence
Closed briefing on intelligence matters.
SH-219

JUNE 28

10:00 a.m.
Joint Economic
Economic Resources, Competitiveness, and Security Economics Subcommittee
To hold hearings on Navy shipbuilding at General Dynamics.
SD-628

JULY 9

9:30 a.m.
Energy and Natural Resources
Natural Resources Development and Production Subcommittee
To hold oversight hearings on the impact on the coal industry of the Office of Surface Mining's proposed rulemaking to collect permit application fees.
SD-366

JULY 10

9:30 a.m.
Commerce, Science, and Transportation
To hold hearings on S. 1310, to improve the effectiveness of political broadcasting laws.
SR-253

Labor and Human Resources
To resume oversight hearings to examine certain barriers to adoption.
SD-430

10:00 a.m.
Environment and Public Works
Transportation Subcommittee
To hold hearings on proposed legislation authorizing funds for the Federal Aid Highway Program.
SD-406

JULY 11

10:00 a.m.
Environment and Public Works
Transportation Subcommittee
To continue hearings on proposed legislation authorizing funds for the Federal Aid Highway Program.
SD-406

JULY 12

9:30 a.m.
Energy and Natural Resources
Public Lands, Reserved Water and Resource Conservation Subcommittee
To hold hearings on S. 720, to establish a permanent boundary for the Acadia National Park in the State of Maine.
SD-366

10:00 a.m.
Environment and Public Works
To hold oversight hearings on the implementation of the Asbestos School Hazard Abatement Act (Title V of P.L. 98-377).
SD-406

JULY 15

9:30 a.m.
Finance
International Trade Subcommittee
To hold hearings on S. 680, to limit imports of textiles and textile products into the United States to a one percent growth rate for exporting countries.
SD-215

10:00 a.m.
Environment and Public Works
Environmental Pollution Subcommittee
To resume oversight hearings on the implementation of section 404 of the

Clean Water Act, relating to the wetlands dredge and fill permit program.
SD-406

2:00 p.m.
Environment and Public Works
Regional and Community Development Subcommittee
To hold hearings to review the programs and policies of the Tennessee Valley Authority.
SD-406

JULY 16

9:30 a.m.
Labor and Human Resources
To hold oversight hearings to examine U.S. relations with the International Labor Organization (I.L.O.).
SD-430

10:00 a.m.
Environment and Public Works
Regional and Community Development Subcommittee
To continue hearings to review the programs and policies of the Tennessee Valley Authority.
SD-406

JULY 17

9:00 a.m.
Labor and Human Resources
Business meeting, to consider pending calendar business.
SD-430

9:30 a.m.
Labor and Human Resources
To hold hearings on civil rights issues.
SD-430

10:00 a.m.
Environment and Public Works
Environmental Pollution Subcommittee
To resume oversight hearings to review Environmental Protection Agency regulations concerning ocean incineration of hazardous waste.
SD-406

JULY 18

10:00 a.m.
Environment and Public Works
Transportation Subcommittee
To resume hearings on proposed legislation authorizing funds for the Federal Aid Highway Program.
SD-406

JULY 22

2:00 p.m.
Environment and Public Works
Regional and Community Development Subcommittee
To resume hearings to review the programs and policies of the Tennessee Valley Authority.
SD-406

JULY 23

10:00 a.m.
Environment and Public Works
Nuclear Regulation Subcommittee
To hold hearings on S. 445, to revise certain provisions regarding liability for nuclear incidents, and S. 1225, to compensate the public for injuries or damages suffered in the event of an accident involving nuclear activities undertaken by Nuclear Regulatory Commission licensees or Department of Energy contractors.
SD-406

JULY 24

9:30 a.m.
Commerce, Science, and Transportation
To resume hearings on S. 1310, to improve the effectiveness of the political broadcasting laws.
SR-253

JULY 25

9:30 a.m.
Labor and Human Resources
Labor Subcommittee
To hold oversight hearings on the impact of the Supreme Court's ruling in Garcia vs. San Antonio Metropolitan Transit Authority on the coverage of state and local government employees under the Fair Labor Standards Act.
SD-430

10:00 a.m.
Environment and Public Works
Nuclear Regulation Subcommittee
To resume hearings on S. 445, to revise certain provisions regarding liability for nuclear incidents, and S. 1225, to compensate the public for injuries or damages suffered in the event of an accident involving nuclear activities undertaken by Nuclear Regulatory Commission licensees of Department of Energy contractors.
SD-406

JULY 31

9:30 a.m.
Labor and Human Resources
To hold hearings to examine certain barriers to health care.
SD-430

10:00 a.m.
Environment and Public Works
Transportation Subcommittee
To resume hearings on proposed legislation authorizing funds for the Federal Aid Highway Program.
SD-406

OCTOBER 1

11:00 a.m.
Veterans' Affairs
To hold hearings to review the legislative priorities of the American Legion.
SD-106

CANCELLATIONS

JUNE 25

9:30 a.m.
Veterans' Affairs
Business meeting, to meet, to consider, proposed reconciliation legislation on the budget.
SR-418

HOUSE OF REPRESENTATIVES—*Thursday, June 20, 1985*

The House met at 10 a.m.

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

Your will for us, O God, is to do justice, love, mercy, and walk humbly with You, and so we ask for Your forgiveness when we fail and for Your comfort when we admit our faults. Guide us to be people who find fulfillment in doing good, who find joy in promoting unity, who find satisfaction as agents of peace. In Your name we pray. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

Mr. McKERNAN. Mr. Speaker, pursuant to clause 1, rule I, I demand a vote on agreeing to the Speaker's approval of the Journal.

The SPEAKER. The question is on the Chair's approval of the Journal.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. McKERNAN. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 261, nays 129, answered "present" 6, not voting 37, as follows:

[Roll No. 174]

YEAS—261

Ackerman	Boxer	Davis
Addabbo	Breaux	de la Garza
Akaka	Brooks	Dellums
Anderson	Broomfield	Derrick
Andrews	Brown (CA)	Dicks
Annunzio	Broyhill	Donnelly
Anthony	Bruce	Dorgan (ND)
Archer	Bryant	Dowdy
Aspin	Burton (CA)	Downey
AuCoin	Bustamante	Duncan
Barnes	Callahan	Dwyer
Bateman	Carper	Dyson
Bedell	Carr	Early
Beilenson	Chappell	Eckart (OH)
Berman	Coats	Edwards (CA)
Bevill	Coelho	English
Biaggi	Coleman (TX)	Erdreich
Boggs	Collins	Evans (IL)
Boner (TN)	Conyers	Fascell
Bonior (MI)	Cooper	Fazio
Bonker	Coyne	Feighan
Borski	Crockett	Fish
Bosco	Daniel	Flippo
Boucher	Darden	Florio
Foglietta	Lundine	Roybal
Foley	MacKay	Rudd
Ford (TN)	Manton	Russo
Fowler	Markey	Sabo
Frank	Martinez	Savage
Franklin	Matsui	Saxton
Frenzel	Mavroules	Scheuer
Frost	Mazzoli	Schneider
Fuqua	McCain	Seiberling
Gaydos	McCollum	Sharp
Gejdenson	McCurdy	Shelby
Gephardt	McHugh	Sisisky
Gibbons	McKinney	Slattery
Glickman	McMillan	Smith (FL)
Gonzalez	Meyers	Smith (IA)
Gordon	Mica	Smith (NE)
Gradison	Michel	Smith (NJ)
Gray (PA)	Mikulski	Smith, Denny
Green	Miller (CA)	Snowe
Gregg	Mineta	Snyder
Guarini	Moakley	Solarz
Hall, Ralph	Mollohan	Spence
Hamilton	Montgomery	Spratt
Hammerschmidt	Moody	St Germain
Hansen	Moore	Staggers
Hatcher	Morrison (CT)	Stark
Hefner	Mrazek	Stokes
Heftel	Murphy	Stratton
Hertel	Murtha	Studds
Holt	Myers	Sweeney
Hopkins	Natcher	Swift
Horton	Neal	Synar
Howard	Nelson	Tallon
Hoyer	Nichols	Tauzin
Hubbard	Nielson	Thomas (GA)
Huckaby	Nowak	Torres
Hughes	O'Brien	Torricelli
Jenkins	Oakar	Traficant
Johnson	Oberstar	Traxler
Jones (OK)	Obey	Valentine
Jones (TN)	Olin	Vander Jagt
Kanjorski	Ortiz	Vento
Kaptur	Owens	Visclosky
Kastenmeier	Panetta	Volkmer
Kemp	Pease	Walgren
Kennelly	Perkins	Waxman
Kildee	Petri	Weaver
Kleczka	Pickle	Weiss
Kolter	Price	Wheat
Kostmayer	Quillen	Whitley
LaFalce	Rahall	Whitten
Lantos	Rangel	Williams
Leath (TX)	Ray	Wilson
Lehman (CA)	Reid	Wirth
Lehman (FL)	Richardson	Wise
Leland	Rinaldo	Wolpe
Levin (MI)	Robinson	Wortley
Levine (CA)	Rodino	Wright
Lipinski	Roe	Wyden
Long	Rose	Wylie
Lowry (WA)	Roukema	Yates
Lujan	Rowland (CT)	Yatron
Luken	Rowland (GA)	Young (MO)

NAYS—129

Armey	Coleman (MO)	Fawell
Badham	Combest	Fiedler
Bartlett	Conte	Fields
Barton	Coughlin	Gallo
Bennett	Courter	Gekas
Bentley	Craig	Gilman
Bereuter	Crane	Gingrich
Bilirakis	Dannemeyer	Goodling
Bliley	Daub	Grotberg
Boehlert	DeLay	Gunderson
Brown (CO)	DeWine	Hartnett
Burton (IN)	Dickinson	Hayes
Carney	DioGuardi	Hendon
Chandler	Dornan (CA)	Henry
Chappie	Dreier	Hiler
Cheney	Durbin	Hillis
Clay	Eckert (NY)	Hunter
Clinger	Edgar	Hyde
Cobey	Edwards (OK)	Jacobs
Coble	Evans (IA)	Kasich
Kindness	Mitchell	Shuster
Kolbe	Molinari	Sikorski
Kramer	Monson	Siljander
Lagomarsino	Moorhead	Skeen
Latta	Morrison (WA)	Slaughter
Lent	Oxley	Smith (NH)
Lewis (CA)	Packard	Smith, Robert
Lightfoot	Pashayan	Solomon
Livingston	Penny	Stangeland
Lloyd	Porter	Stenholm
Loeffler	Pursell	Stump
Lowery (CA)	Regula	Swindall
Lungren	Ridge	Tauke
Mack	Ritter	Taylor
Madigan	Roberts	Thomas (CA)
Marlenee	Roemer	Vucanovich
Martin (IL)	Rogers	Walker
McCandless	Roth	Weber
McEwen	Schroeder	Whitehurst
McGrath	Schuette	Whittaker
McKernan	Sensenbrenner	Young (AK)
Miller (OH)	Shaw	Young (FL)
Miller (WA)	Shumway	Zschau

ANSWERED "PRESENT"—6

Alexander	Dymally	Sundquist
Byron	Hutto	Watkins

NOT VOTING—37

Applegate	Gray (IL)	Pepper
Atkins	Hall (OH)	Rostenkowski
Barnard	Hawkins	Schaefer
Bates	Ireland	Schulze
Boland	Jeffords	Schumer
Boulter	Jones (NC)	Skelton
Campbell	Leach (IA)	Stallings
Daschle	Lewis (FL)	Strang
Dingell	Lott	Towns
Dixon	Martin (NY)	Udall
Emerson	McCloskey	Wolf
Ford (MI)	McDade	
Garcia	Parris	

□ 1020

So the Journal was approved.

The result of the vote was announced as above recorded.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Saunders, one of his secretaries, who also informed the House that on the following dates the President approved and signed bills of the House of the following titles:

On April 19, 1985:

H.J. Res. 236. Joint resolution commemorating the 24th anniversary of the Bay of Pigs invasion to liberate Cuba from Communist tyranny.

On April 30, 1985:

H.J. Res. 33. Joint resolution designating the month of May 1985, as "National Child Safety Awareness Month."

On May 14, 1985:

H.J. Res. 195. Joint resolution designating May 1985 as "Older Americans Month."

H.J. Res. 258. Joint resolution to designate May 6, 1985, as "Dr. Jonas E. Salk Day."

On May 24, 1985:

H.R. 1869. An act to amend the Internal Revenue Code of 1954 to repeal the contemporaneous recordkeeping requirements

added by the Tax Reform Act of 1984, and for other purposes.

On June 11, 1985:

H.R. 2268. An act to approve and implement the free trade area agreement between the United States and Israel.

On June 14, 1985:

H.J. Res. 25. Joint resolution to designate the week beginning June 2, 1985, as "National Theatre Week."

H.J. Res. 64. Joint resolution designating Mother's Day, May 12, 1985, to Father's Day, June 16, 1985, as "Family Reunion Month."

On June 17, 1985:

H.R. 873. An act to amend title 5, United States Code, to provide that employee organizations which are not eligible to participate in the Federal employees health benefits program solely because of the requirement that applications for approval be filed before January 1, 1980, may apply to become so eligible, and for other purposes.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Sparrow, one of its clerks, announced that the Senate had passed a joint resolution of the following title, in which the concurrence of the House is requested:

S.J. Res. 124. Joint resolution to designate "National Day of Peace."

PERMISSION FOR SUBCOMMITTEE ON HOUSING AND COMMUNITY DEVELOPMENT OF THE COMMITTEE ON BANKING, FINANCE AND URBAN AFFAIRS TO SIT DURING 5-MINUTE RULE TODAY

Mr. GONZALEZ. Mr. Speaker, I ask unanimous consent that the Subcommittee on Housing and Community Development of the Committee on Banking, Finance and Urban Affairs be allowed to sit during the 5-minute rule for the remainder of today.

This has been cleared with the minority on the committee and at the subcommittee level.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

AMENDMENT TO BRING NEEDED COMPETITION TO PENTAGON

(Mr. LEVINE of California asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LEVINE of California. Mr. Speaker, I intend to offer an amendment to the DOD authorization bill which will bring a healthy injection of much needed competition to the Pentagon.

My bill would require all future weapons contracts to be awarded competitively. It would also require the Secretary of Defense to establish a second source of production, dual sourcing, where no competition now exists.

This amendment which I am offering with the gentleman from Oregon [Mr. SMITH] will cut weapons costs, improve the quality of weapons, expand our industrial base and inject some good old-fashioned capitalism into the defense industry.

It is critical, Mr. Speaker, that Congress act decisively to put an end to the kind of system which allows massive cost overruns, outrageously high prices for spare parts and weapons of inferior quality.

The Washington Post has called this amendment the most important procurement reform before the House. I urge my colleagues to study it and to support it when it comes to the floor.

IMPLEMENTATION OF REVISED MEDICARE AREA WAGE INDEX

(Mr. DAUB asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DAUB. Mr. Speaker, today I am introducing legislation to address one of the glitches in the Medicare prospective payment system.

My bill will require the implementation of a revised Medicare area wage index. The current index is faulty and has been recognized as such since the beginning of the program.

On March 29, HCFA issued a report which included two revised indexes based on hospital specific survey data.

On June 10, in the proposed Medicare regulations, HCFA asserts that, of the two indexes, the one based on hospitals' gross wages is most accurate. HCFA also expresses concern that the current law provision, requiring the survey-based wage index be applied retroactively, is inconsistent with the prospective nature of the system—that is, the hospitals know in advance of each discharge what Medicare will pay.

Mr. Speaker, the legislation I am introducing requires the implementation of the survey-based gross area wage index for all hospital discharges occurring on or after October 1, 1985, and removes the retroactive requirement.

The implementation of the revised wage index is a matter of fairness and equity. If hospitals and providers are expected to keep faith in the prospective payment system, Congress must demonstrate a willingness to be responsive to change and correct obvious inequities. Here is our chance.

I encourage my colleagues to join me in supporting the implementation of a revised Medicare area wage index.

BLACK LUNG PROGRAM ABUSES

(Mr. WISE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WISE. Mr. Speaker, last year this House dealt with the abuses of Social Security disability where thousands of people who were receiving benefits were being improperly cut off; but now, Mr. Speaker, we are finding another program where people who are entitled to benefits cannot even get a hearing. It is the Black Lung Program, Mr. Speaker, and the victims are the Nation's coal miners who work in the most hazardous industry in the country.

When a coal miner asks me how long will it take to show his qualifications for benefits, I have to tell him 4 to 7 years.

Presently the black lung judges have a 9- to 12-year backlog of cases.

On Monday, Mr. Speaker, the Employment and Manpower Subcommittee of the Government Operations Committee will hold a hearing in Charleston at the University of Charleston to hear firsthand the experience of West Virginia miners. It is an important hearing, Mr. Speaker, featuring officials of the Department of Labor, the GAO, the United Mine Workers of America, claimants and West Virginia's two Senators.

The problem is so severe, Mr. Speaker, that some miners literally die before their cases actually come up for a hearing.

Coal miners look forward to the subcommittee coming to West Virginia on Monday, Mr. Speaker, and hope that it helps make Congress aware of the changes needed in the Black Lung Program.

CIRCUMVENTING THE WILL OF THE HOUSE ON THE SUSPENSION CALENDAR

(Mr. PURSELL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PURSELL. Mr. Speaker, the House and the Senate are close to working out a conference budget agreement. I urge that they continue professionally to achieve that major goal, which is certainly the single greatest problem domestically, the deficit.

One caution I would like to urge the House to be careful of and that is obviously there is some attempt to circumvent the budget process by putting bills on the Suspension Calendar that are over 1985 budget levels. I would hope that that does not become a practice here in the House.

We should let those bills have the full debate of this House, to be amended appropriately, to be voted up or down; so I caution the House not to use the suspension process to violate our basic budget principles of full and open debate and I encourage the conference committee to finish their conference and have a real deficit saving of at least $50 billion or $55 billon.

PERMISSION FOR COMMITTEE ON SCIENCE AND TECHNOLOGY TO SIT THIS AFTERNOON DURING THE 5-MINUTE RULE

Mr. SCHEUER. I ask unanimous consent that the Committee on Science and Technology be permitted to sit this afternoon at 1:30 p.m. for the purposes of marking up the bill, H.R. 2800, the Land Remote-Sensing Commercialization Act of 1984.

The SPEAKER pro tempore (Mr. BENNETT). Is there objection to the request of the gentleman from New York?

There was no objection.

TOTALITARIAN REGIME IN NICARAGUA

(Mr. LAGOMARSINO asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. LAGOMARSINO. Mr. Speaker, as if further proof were needed of the Sandinistas campaign to crush opposition to its regime, we now read about the Nicaraguan Government seizure of property belonging to one of its most outspoken critics, Enrique Bolanos.

Many of us who have traveled to Nicaragua have had the opportunity to meet with Mr. Bolanos. When Congressman MIKE DEWINE and I were in Managua in March, we met with Enrique in his office. He had the radio going and the air conditioner on high because he was certain the Sandinistas had his office bugged. Enrique told us it was imperative for the United States to support the Contras because, in his words, he and those other groups who were in opposition to the Government had been public enemy No. 1, until the Contras came along; now they're public enemy No. 2. But, if the Contras disappear they would, once again, be public enemy No. 1.

This recent action of the Sandinista regime in confiscating Enrique's property happened, according to him, "in reprisal for his political activities." According to news reports, Agrarian reform Minister Jaime Wheelock said the decision had been made because the Bolanos family had refused to negotiate with the government over land tenure arrangements. But, Enrique Bolanos said that he had never been invited to any such negotiations.

Elimination of private property and intimidation of its critics are integral elements of the Sandinista efforts to establish a completely totalitarian regime in Nicaragua.

SANDINISTAS SEIZE LAND OF A CRITIC

GOVERNMENT ASSERTS PROPERTY IS NEEDED FOR PEASANTS—REPRISAL, OWNER SAYS

(By Stephen Kinzer)

MANAGUA, NICARAGUA, June 17.—The Nicaraguan Government has confiscated properties belonging to one of its most outspoken critics. Enrique Bolanos Geyer, president of the country's principal business federation.

The Government said the land was needed to distribute to peasants. But today Mr. Bolanos characterized the confiscation as a reprisal for his political activities.

"All Nicaraguans who have something here and have not lost it yet will lose it," Mr. Bolanos predicted, "because that is the system, the ideology, the doctrine of the ones who are running the country."

The confiscation came after several demonstrations by peasants in the province of Masaya, where Mr. Bolanos and two of his brothers are joint owners of a cotton plantation called Saimsa. The demonstrators carried signs saying they were peasants demanding land from the Government. Mr. Bolanos, who heads the Superior Council of Private Enterprise, charged that the marchers were organized by Sandinista agents.

NO WRITTEN DECREE

No written decree has been issued against Mr. Bolanos or the Saimsa Corporation, and Mr. Bolanos said he had received no official notification that his land was being expropriated. He said he did not know how much of the 3,000-acre plantation had been taken from him, or whether the plantation equipment was included in the confiscation.

In a speech Friday in Masaya, Jaime Wheelock Román, Minister of Agrarian Reform and a member of the nineman Sandinista National Directorate, said, said the decision had been made because the Bolanos family had refused to negotiate with the Government over land tenure arrangements. Mr. Bolanos said today he had never been invited to such negotiations.

Mr. Wheelock was not available for comment.

RENOUNCING VIOLENCE IN EL SALVADOR

(Mr. EDGAR asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. EDGAR. Mr. Speaker, we all woke up this morning to news of further violence in El Salvador. Four U.S. marines in civilian clothing, and two other Americans and others were killed in a violent attack by urban terrorists.

Responsibility for the killings has not yet been established but these tragic deaths bring even more urgency to the settlement of the continuing civil war in El Salvador.

Our prayers go out to the families of those killed and injured. I call upon both sides, both the right and the left, to renounce the violence used against the civilians and to renounce acts of urban terrorism. I call on the Government and the guerrilla leaders to work for further progress toward peace.

The way to peace in El Salvador is not through killing, it is through negotiations and through addressing the problems of poverty and injustice that plague all of Central America.

PROTECTION OF INTERNATIONAL TRAVELERS

(Mr. CRAIG asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. CRAIG. Mr. Speaker, "The Lord is with us." That is what TWA flight engineer Christian Zimmerman told ABC News, the American people and his family last evening from the cockpit of our hijacked TWA at Beirut Airport.

Christian and his family are my constituents from Cascade, ID. This hijack situation did not occur because the Lord was not with us. The Lord helps those who help themselves, and we have not helped ourselves as we should.

We should help ourselves by disallowing U.S. flagship international flights into Athens and encouraging other international carriers to do the same until the Greek Government provides international travelers with the kind of protection they have come to expect.

Hit the Greeks where it hurts, in their pocketbook. Even Socialists understand that kind of problem.

TERRORISM IN EL SALVADOR

(Mr. SKELTON asked and was given permission to address the House for 1 minute and revise and extend his remarks.)

Mr. SKELTON. Mr. Speaker, yesterday evening in San Salvador, a group of terrorists brutally killed four marines and two other Americans. Their despicable act reflects the fact that the war in El Salvador is going badly for the Communist insurgency in that small country. The tender roots of democracy are beginning to take hold in El Salvador and this act must be seen as an attempt to try to undermine our efforts to support President Duarte in his fight for democracy.

Let us express our sympathy to the Marine Corps and the families of these victims of terrorism. Theirs is a loss that is a tragedy for both them and our country. However, let us resolve to remain true to the course that we have set for ourselves in that small, poor country. Terrorism will not win out.

UNCOMMON VALOR IN THE FACE OF UNCOMMON TERROR

(Mrs. ROUKEMA asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. ROUKEMA. Mr. Speaker, it is now evening in Lebanon where 40 American are closing out their first week as captives of terrorists.

While we wait for their safe and timely return, our prayers are with them and their families and our thoughts are with our President who is working to resolve this crisis.

This morning, as we give thanks for the safe release of Genenieve and Martha Doris of Sparta, NJ, we also pay tribute to the senior flight attendant aboard TWA Flight 847: Uli Derickson of Newton, NJ.

It was Uli Derickson's calm mediation between the tense terrorists and the terrified passengers aboard the hijacked jet that prevented this dangerous confrontation from escalating further in its early hours. She used her fluent German to act as an intermediary between the skyjackers and the plane's cockpit crew. She used her English to keep the passengers informed and calm. Lives were saved because of her valor.

Today I ask my colleagues to join in an expression of gratitude to Uli Derickson, and in thoughtful prayer for the safe return of the remainder of the Beirut hostages.

THE TEACHER RETENTION AND RECRUITMENT ACT

(Mr. BIAGGI asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BIAGGI. Mr. Speaker, the United States will need 1 million new teachers by the year 1990 unless immediate action is taken to address this problem of epidemic proportions.

In response—I have authored a bill—H.R. 2742—the Teacher Recruitment and Retention Act. It is a two-part solution to the teacher shortage equation. It will not only put more teachers in the classroom—it will also help qualified and dedicated teachers remain in the system.

This bill will address the recruitment side by deferring repayment of student loans for 5 years for those who enter teaching for 5 years. Given the problem of low starting salaries—deferral of student loans would be one way to help increase starting salaries until teachers were firmly in the workforce with higher pay.

The retention side of this bill will provide $125 million over 5 years for in-service training of teachers—in line with the needs of local communities. These programs will target upgrading of job skills and dissemination of programs designed to improve teaching effectiveness.

Within the last decade—the number of teachers entering the workforce was cut in half—from 300,000 to 150,000. Low pay—and even lower morale—has accelerated this decline. It is a national disgrace that of all college graduates with a BA degree—those entering teaching have the lowest average starting salaries.

We can no longer afford to pay lip service to the teaching profession. Teachers deserve our support for better pay and improved working conditions. H.R. 2742 offers a start in this direction which should be the first word in educational reform—not the last.

TRAGIC HOSTAGE SITUATION IN BEIRUT

(Mr. GROTBERG asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GROTBERG. Mr. Speaker, America is at a crossroads as we enter the seventh day of this terrible and tragic hijacking and hostage crisis in the Middle East. We feel frustrated, angry, and deeply concerned about what has happened to the American citizens who were aboard TWA flight 847. It has hit home with a lot of us. Thirty-five of my area residents were seized by the ruthless Shi'ite terrorists last Friday morning. Seven of them are still held somewhere in that black hole we formerly knew as the thriving city of Beirut, Lebanon.

What can be done, Mr. Speaker?

We are between the proverbial rock and a hard place. Until the safety of the remaining hostages is secured, there is little that can be done, but I do have some specific suggestions: That the President and the State Department should immediately review all international terrorism-related accords toward the goal of working with other nations in the ultimate apprehension and elimination of all known terrorists throughout the civilized world. In addition, I also call upon the President to order the Department of Defense to provide militarily trained sky marshals on all international flights by U.S. air carriers. Finally, I urge the President and the State Department to warn all U.S. travelers abroad that they are at terrible risk on all overseas flights. If the United States cannot protect American citizens traveling abroad, they should at least be warned that they are traveling at their own risk.

Mr. Speaker, when the House considers the foreign aid bill next week many of us will use that vehicle to attach language which will once and for all establish to the world our blunt attitude toward international terrorism. Any country which has, is, or will in the future harbor these despicable terrorist cutthroats should be cut off immediately from any assistance from our Nation.

Unlike past hostage situations, this one will never be forgotten nor more importantly forgiven by our citizens.

□ 1240

THE BEIRUT HOSTAGE CRISIS

(Mr. MANTON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MANTON. Mr. Speaker, more than 40 Americans continue to be held hostage by radical Shi'ite terrorists in Beirut. An American sailor was murdered after being so brutally beaten that his body was virtually unidentifiable. Jewish hostages are being held separately from the others. The United States is again being held hostage by international terrorists.

Mr. Speaker, the safety of the remaining hostages is paramount. But President Reagan must take action to prevent a situation like this from occurring again. Terrorists must be given notice that their crimes will not yield the results they desire.

If our citizens are not released, unharmed and without delay, the U.S. Government must take decisive, retaliatory action against the terrorists and any sovereign nation that shares responsibility for this international crime. To do less would be to condemn other Americans abroad to the same fate as the current hostages.

Terrorism is an act of warfare and must be met with an appropriate response. Back in history, when the pirates of Tripoli terrorized the high seas, they were punished for their crimes and deterred from further acts. President Reagan must do everything in his power to identify those who played a role in the air piracy of TWA flight 847 and they must pay for their crime.

WE MUST SUPPORT THE DEMOCRATIC GOVERNMENT OF EL SALVADOR AGAINST TERRORISTS

(Mr. McCOLLUM asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. McCOLLUM. Mr. Speaker, today our prayers go out to the families of the four Americans and civilians who were brutally murdered yesterday in San Salvador by revolutionary terrorists.

I think there is no question that this drives home the point that the nature of the revolutionaries in El Salvador is one of brutality, of ruthlessness, and being pure cutthroats. But it does something else as well; it tells us the irony of the fact that because of the weakness today of the revolutionary forces in El Salvador and the strength of the democracy, the war movement of the revolutionaries has moved from the countryside, where battles were fought, into the urban areas where only terrorism is effective.

Terrorism as we have seen so much in the Middle East is terribly important in terms of world politics today. Unfortunately those in El Salvador are going to be using this more and more and we must resolve with every might we have to support the demo-

cratic government in El Salvador against this kind of terrorism and this kind of tragedy.

I thank the Speaker.

QUIET COURAGE IS ALWAYS THE ANSWER

(Mr. JACOBS asked and was given permission to address the House for 1 minute.)

Mr. JACOBS. Mr. Speaker, I am sure that all thoughful Members of Congress will join me in saluting and expressing gratitude to former President Jimmy Carter for having the strength of character never, never to have caved in either directly or indirectly through the International Red Cross to the demands of the terrorists in Iran. Mr. Carter never sent the Shah back to Iran; did not make much noise about it, but he had quiet courage, which my mother called "fear that has said its prayers."

My mother, Joyce, also said that "The steam that blows the whistle never turns the wheel." Quiet courage is always the answer.

CONGRESS SHOULD SUPPORT LEGISLATION TO BRING IT AND THE JUDICIARY UNDER FEDERAL EQUAL EMPLOYMENT OPPORTUNITY LAWS

(Mr. CLINGER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. CLINGER. Mr. Speaker, I am pleased to have joined Representative LYNN MARTIN, along with 78 of our colleagues, in sponsoring legislation to bring Congress and the judiciary under Federal equal employment opportunity laws. This is a very important piece of legislation, and this is something that should have been done a long time ago.

It should be noted that Congress has shown great skill over the past 20 years in passing laws barring discrimination. Unfortunately, the Congress has shown greater skill in avoiding these same laws.

For too long, the Congress and the judiciary have been exempt from the laws we impose on other employers. With the House soon to consider legislation on the Grove City decision, it seems hypocritical that we continue to ignore the basic tenets embodied in this and other civil rights legislation.

As the Washington Post argued in a recent editorial:

> Now that the House committees have reported the Grove City bill, they should turn their attention to this problem of justice for those who are close to home.

Adoption of H.R. 691 will represent a substantial step toward holding the entire Government accountable for the law of the land. At the same time, it represents the continued commitment of the Congress to eradicate discrimination in all forms.

Fellow colleagues, I urge you to support Representative MARTIN's bill. Let us show that Congress, once deemed the "protector of American liberties," acknowledges equal opportunity in its own practices.

WELFARE QUEENS AND WHISTLE BLOWERS

(Mrs. SCHROEDER asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. SCHROEDER. Mr. Speaker, on Monday I talked to the Congress about what has become this administration's group of "welfare queens," their defense contractors.

This morning we wake up to find out that 9 out of the top 10 defense contractors are under criminal investigation and that 45 out of the top 100 are under criminal investigation.

This question is what happens to these cases after they have been investigated. They go to the Justice Department.

We are not seeing any action there. Where are the convictions?

The other question is how in the world are we going to find out about more of these waste & fraud cases, because I just finished hearings on what happens to whistle blowers.

The GAO tells us that over 11,000 whistle blowers went for protection to the agency we in this Congress created to protect them, and that agency only prosecuted 29 cases. Have you got that? Eleven thousand whistle blowers and the so called protectors moved on only 29 cases.

Many of those 29 whose cases were taken, testified that there would have been no movement at all had it not been for the Congress and the Senate and the press working so hard to push the agency to protect them.

So it is very clear that there is no movement by either the Department of Justice or the agency that is supposed to help us with whistle blowing to find about waste. Nevertheless, the Inspector General has been doing a terrific job. I think it is incumbent upon us to act, when we get to that part of the defense bill, and make sure the agencies that are supposed to police waste start doing it.

THE FAMILY OF ELLEAU JOHNSON—A GREAT AMERICAN FAMILY

(Mrs. BENTLEY asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. BENTLEY. Mr. Speaker, yesterday, I had the pleasure of honoring one of the nine families in the Great American Family Awards Program. In a world of deteriorating social values, I found it extremely refreshing to have an opportunity to highlight the values and accomplishments of the Elleau Johnson family of Baltimore, MD.

In the past 24 years, the Johnson family has opened their home for the foster care of 35 children. Presently they have three of their own daughters and six foster daughters. As a team, the family formed a singing group which has performed at many community fundraisers as well as at many homes for the elderly.

The family has deep religious roots, exemplified by Mr. Johnson's role as a minister of music at his church. Mrs. Johnson forfeited her career in order to spend more time with the children and soon, Mr. Johnson will bring to a close his successful career of 30 years to be able to devote more time to his church, singing, and most of all—his family.

I salute all of the families chosen—but especially the Johnson family of Baltimore, MD.

THE COZY RELATIONSHIP BETWEEN THE PENTAGON AND DEFENSE CONTRACTORS

(Mr. DURBIN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DURBIN. Mr. Speaker, the House will soon decide whether the party is over. The party which I refer to is the cozy relationship between the Pentagon and defense contractors.

Over the last four decades, despite the efforts of scores of elected officials, Congress has only taken mincing steps toward ending the profiteering in Pentagon contracts.

□ 1050

At this moment in time, the resolve of Congress to end waste in the Pentagon has been joined by the most powerful ally in our democracy: A consensus of the American people.

During the course of our debate, there will undoubtedly be many who will rise in the name of national security to the defense of the contractors, but their rhetoric rings hollow against the reality of waste and criminal conduct by the giant industries which supply our military needs.

Our national security is not served by profiteering, collusion, fraud or inefficiency.

I urge my colleagues to listen closely to the rolling thunder of frustration among our constituents and support the House Democratic task force amendments to end the gross waste of our national resources in the Pentagon.

THE SANDINISTAS PULLED THE TRIGGER

(Mr. MICHEL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MICHEL. Mr. Speaker, the cold-blooded murder of four U.S. Marines, other Americans, and many citizens of El Salvador reminds us of the situation we face in Central America.

The weapons used to perform those murders were held by Communist terrorists who have been trying to break the will of the people of El Salvador for 5 years.

But the trigger was pulled by the Sandinista leadership in Managua.

They supply the El Salvador guerrillas. They provide them with logistical support safe-houses, communications and aid.

This was no act of random violence. It was not the act of individuals acting on their own, breaking their own laws of warfare. It was not an isolated instance of atrocity.

No, this was deliberate. It is the inevitable terror that Communists have resorted to since Lenin said terror could and often must be part of the Communist strategy.

In the Middle East, in Central America, in Frankfurt—the terrorists never kidnap or kill Soviet officials. Why don't we wake up to the fact international terrorism is not merely isolated acts, but part of a conspiracy to destroy the will of the West. And guess who gains from that.

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 1190

Mr. YATRON. Mr. Speaker, I ask unanimous consent that my name be removed as a cosponsor of the bill, H.R. 1190.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

FUNCTIONAL ILLITERACY OF 40 PERCENT AMONG MINORITY YOUTH MUST BE CORRECTED

(Mr. ARMEY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ARMEY. Mr. Speaker, when the Commission on Excellence in Education released their report entitled "A Nation at Risk," there was a lot of controversy over some of the statistics cited. One statistic that was particularly alarming was the functional illiteracy rate among minority youth—40 percent.

That figure means that 40 percent of our minority youth can't even read a driver's manual or fill out a job application. This problem, if not corrected soon, will certainly lead to greater welfare dependency and will insure that these disadvantaged youths are locked into a permanent underclass.

I recently introduced a bill that would establish a program of education vouchers to help these youths gain a quality education.

The Voucher Program is a market-based approach which would allow parents to decide what type of educational opportunity is best for their children. Parents of educationally deprived children would be provided with vouchers which they could use to enroll their children as a full time student in a private elementary or secondary school, or at a public school located outside of the school district in which the child resides.

Participation in the Voucher Program would be strictly voluntary. State and local education agencies would be in charge of deciding how to run their own voucher programs.

When parents have a choice in education decisions, we will see both public and private schools respond to the force of competition, thereby improving education for all, and particularly for those less fortunate students.

Mr. Speaker, those children are our children; we are their parents; we do love them; we must recognize that and give the choices over their destiny to the parents and then ultimately to the children themselves.

A SETBACK FOR SALMON AND STEELHEAD FISHERY IN THE KLAMATH RIVER

(Mr. BOSCO asked and was given permission to address the House for 1 minute, and to revise and extend his remarks.)

Mr. BOSCO. Mr. Speaker, yesterday U.S. District Judge Eugene Lynch issued a ruling that will have a devastating effect on the Klamath River salmon and steelhead runs, and on all the attempts that we are making to restore that river to its historic potential.

The judge ruled that the Bureau of Indian Affairs did not have authority to prevent commercial sale of salmon and steelhead by local Indians, even though that fish run has declined by 80 percent and last year half of the fish that did return to the Klamath River to spawn were caught in gill nets.

Mr. Speaker, we live in a time when the courts seem intent on assuring individual rights over the rights of society to protect our valuable natural resources. Unless Congress acts soon to protect the Klamath and other rivers, there will be no fish left for the Indians or anyone else to go to court over.

COMMUNISM IS THE TRUE SPONSOR OF WORLDWIDE TERRORISM

(Mr. DORNAN of California asked and was given permission to address the House for 1 minute, and to revise and extend his remarks.)

Mr. DORNAN of California. Mr. Speaker and my colleagues, words like genocide, concentration camps, and poison gas should only recall to mind the most painful memories of World War II. But today we still read about genocide in Afghanistan and Laos, poison gas has been used in Laos and in Afghanistan and on the border battlefields by Iraq against Iran; and we read about 14 concentration camps in Vietnam; all of them enslaving for over 10 years our former allies in arms who believed in us—over 10,000 of them still in those 14 brutal so-called reeducation camps.

We do not know how many people Communist terrorism killed in Afghanistan yesterday or how many will be killed by Soviet "Hind" helicopters. We went to bed last night with the horrible television images of a dead mangled small child and woman and baby being carried out of the rubble and carnage of another terrorist bombing at Frankfort airport in Germany. Last evening on the news we also saw a terrorist waving a .45 pistol in front of the face of the exhausted TWA airline crew members still held hostage in Beirut. Then, we wake up this morning to hear of the machine-gun slaughter of 13 people in an outdoor cafe in San Salvador including four young marines, who several Members of this House have probably shaken hands with in El Salvador during our visits down there this year.

In one of my nine trips to El Salvador, I was shown around for 2 days over five eastern provinces by Lt. Comdr. Al Schoffelberger, who was assigned to our Embassy. A few months later in May 1983, Communist terrorists shot him in the face five times, as he was parking his automobile at Central American University in San Salvador.

The slaughter yesterday in San Salvador and Commander Schoffelberger's assassination were planned in Managua. Those Members who go down to Managua to give public relations advice to Danny Ortega and his Communist commandantes, take heed and remember that the headquarters, the operational headquarters of the Farabundo Marti Communist guerrillas who are terrorizing El Salvador is in Managua. It is in Managua where they lay out the plans to kill U.S. Embassy personnel. It was in Managua that the order was given to assassinate our marines and nine other innocent people, including two U.S. businessmen, who just happened to be in or near the murder site. It is about time

you woke up to the fact that communism spawns and sponsors 95 percent of the terrorism tearing apart our world.

ATTACK ON FAMILY PLANNING MEANS MORE ABORTIONS

(Mr. KOSTMAYER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. KOSTMAYER. Mr. Speaker, the Prime Minister of India, Rajiv Gandhi, in his visit to the United States last week, said the No. 1 problem in his nation is unrestrained population growth. Every month, 2 million people are added to the Indian population, which is now nearing 800 million.

Next week, when we consider the foreign assistance authorization, efforts will be made to end all U.S. funding for two of the world's largest and most effective family planning organizations—the International Planned Parenthood Federation and the United Nations Fund for Population Activities.

The calamity that will ensue will be tragic. Because we would be denying a substantial portion of the financial resources used in the world today for family planning—more unplanned and unwanted pregnancies will occur, resulting in an additional 100,880 abortions next year and a stunning increase in the number of botched abortions, resulting in the deaths of many more women in the Third World. Back-alley abortions are already the No. 1 killer of women in Latin America between the ages of 15 and 39.

Supporters of these antivoluntary family planning measures understand this and yet claim their legislation is not aimed at dismantling a 20-year bipartisan U.S. commitment to worldwide voluntary family planning. But they know full well that the result of their efforts will be exactly that.

Mr. Speaker, the true "Pro-life" position on this issue is rejection of gutting amendments to the Foreign Affairs Committee provisions of the foreign aid bill.

WE MUST SHOW OUR RESOLVE AS AMERICANS

(Mr. LUNGREN asked and was given permission to address the House for 1 minute, and to revise and extend his remarks.)

Mr. LUNGREN. Mr. Speaker, I do not know what it is; perhaps we have gotten cynical; perhaps we have become coarsened to the events of the world, but I just do not see or hear the outrage that one would expect for the murder of four marines in El Salvador yesterday.

There is a tough world out there that a lot of us like to close our eyes to. There is a tough world that, unfortunately, the Communists seem to understand and seem to make even worse. I would hope that at this point in time we not always train our artillery barrages in this House on our Defense Department, on our marines, on our State Department, on our President, on how we have done things to make this a worse world.

There is a tough world out there. Four marines were gunned down yesterday. I hope the "blame-America-firsters" would understand that we may disagree from time to time on tactics, but we have to show our resolve as Americans. There is what is known as a Communist conspiracy out there. There may be many sects of it; there may be many different areas of control of it, but they seem to be dedicated to one thing: And that is to shape the world in their manner and their fashion.

We have to understand that, and we have to work against that, and we have to show some resolve in this House.

A MAJORITY OF THE AMERICAN PEOPLE WANT TO CUT DEFENSE SPENDING

(Mrs. BOXER asked and was given permission to address the House for 1 minute, and to revise and extend her remarks.)

Mrs. BOXER. Mr. Speaker, there are reasons why a strong majority of the American people want to freeze or cut defense spending. First they use their common sense, and they wonder why both Russia and America continue a massive nuclear arms overkill buildup, when the American people understand that each side can destroy any potenital enemy many times over.

□ 1100

Second, our people question the many billions of dollars budgeted, well over a 100-percent increase in 4 years, while they are asked to carry the burden of Social Security cutbacks and other serious cuts.

Third and perhaps key to the public sentiment is the amazing amount of waste, fraud, and abuse in military contracting.

Next week a Democratic task force will offer a series of amendments to clean up the Pentagon's act. Already cries of foul are being heard from the Pentagon. I hope this body will rise above the din and give the American people what they deserve—a basic, sound defense, a clear, reliable deterrent, and a system free of defense contractor ripoffs done in the name of patriotism.

THREE NEW DEFERRALS OF BUDGET AUTHORITY AND TWO REVISED DEFERRALS—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 80)

The SPEAKER pro tempore laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, without objection, referred to the Committee on Appropriations and ordered to be printed:

(For message, see proceedings of the Senate of today, Thursday, June 20, 1985.)

DEPARTMENT OF DEFENSE AUTHORIZATION ACT, 1986

The SPEAKER pro tempore. Pursuant to House Resolution 169 and rule XXIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the further consideration of the bill, H.R. 1872.

□ 1103

IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H.R. 1872) to authorize appropriations for fiscal year 1986 for the Armed Forces for procurement, for research, development, test, and evaluation, for operation and maintenance, and for working capital funds, to prescribe personnel strengths for such fiscal year for the Armed Forces, and for other purposes, with Mr. RUSSO (Chairman pro tempore) in the chair.

The Clerk read the title of the bill.

The CHAIRMAN pro tempore. When the Committee of the Whole rose on Wednesday, June 19, 1985, title II was open for amendment at any point.

Are there any amendments to title II?

AMENDMENT OFFERED BY MR. BENNETT

Mr. BENNETT. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. BENNETT: At the end of Title II, add the following new section:

SEC. 207. (a) The Congress hereby finds—

(1) that for more than a decade the member nations of the North Atlantic Treaty Organization (NATO) have provided in the aggregate significantly larger resources for defense purposes than have the member nations of the Warsaw Treaty Organization;

(2) that despite this fact, the Warsaw Treaty Organization member nations have produced and deployed many more major combat items such as tanks, armored personnel carriers, artillery pieces and rocket launchers, armed helicopters, and tactical

combat aircraft than have the member nations of NATO; and

(3) that a major reason for this discouraging performance by NATO is inadequate cooperation among NATO nations in research, development, and production of military end-items of equipment and munitions.

(b) The Congress, therefore, urges and requests the President, the Secretary of Defense, and the United States Representative to the North Atlantic Treaty Organization to pursue diligently opportunities for member nations of NATO to cooperate in research and development on defense equipment and munitions and in the production of defense equipment, including coproduction of conventional defense equipment by the United States and other member nations of NATO and production by United States contractors of conventional defense equipment designed and developed by other member nations of NATO.

(c)(1) Of the funds appropriated pursuant to the authorization in section 201(a) for research, development, test, and evaluation, the sum of $200,000,000 shall be available, in equal amounts, to the Army, Navy, Air Force, and Defense Agencies only for NATO cooperative research and development projects as provided in this section.

(2) As used in this section, the term "cooperative research and development project" means a project involving joint participation by the United States and one or more other member nations of NATO under a memorandum of understanding or other formal agreement to carry out a joint research and development program on conventional defense equipment and munitions, or to modify existing military equipment to meet United States military requirements.

(d) A memorandum of understanding or other formal agreement to conduct a cooperative research and development project may not be entered into unless the Secretary of Defense determines that the proposed project enhances the ongoing multinational effort to improve NATO's conventional defense capabilities through the application of emerging technology. The Secretary of Defense may not delegate the authority to make such determination except to the Deputy Secretary of Defense or the Director of Defense Research and Engineering.

(e) In order to assure substantial participation on the part of other member nations of NATO in approved cooperative research and development projects, funds made available under subsection (c) for such projects may not be used to procure equipment or services from any foreign government, foreign research organization, or any other foreign entity.

(f) The Secretary of Defense shall encourage other member nations of NATO to establish programs to the one provided for in this section.

(g)(1) In order to ensure that opportunities to conduct cooperative research and development projects are considered during the early decision points in the Department of Defense's formal development review process in connection with any planned project of the Department of Defense, the Director of Defense Research and Engineering shall prepare a formal arms cooperation opportunities document for review by the Defense Systems Acquisition Review Council at its formal meetings. The Director shall also prepare an arms cooperation opportunities document for reviews of new projects for which a Justification of Major Systems New Start document is prepared.

(2) The formal arms cooperation opportunities document referred to in paragraph (1) shall include the following:

(A) A statement indicating whether or not a project similar to the one under consideration by the Department of Defense is in development or production by one or more of the other NATO member nations.

(B) If a project similar to the one under consideration by the Department of Defense is in development by one or more other member nations of NATO, an assessment of the Director of Defense Research and Engineering as to whether that project could satisfy, or could be modified in scope so as to satisfy, the military requirements of the United States project under consideration by the Department of Defense.

(C) An assessment of the advantages and disadvantages with regard to program timing, developmental and life cycle costs, technology sharing, and Rationalization, Standardization, and Interoperability (RSI) of seeking to structure a cooperative development program with one or more other NATO member nations.

(D) The recommendation of the Director of Defense Research and Engineering as to whether the Department of Defense should explore the feasibility and desirability of a cooperative development program with one or more other member nations of NATO.

(h)(1) It is the sense of the Congress that the Department of Defense should perform more side-by-side testing of conventional defense equipment manufactured by the United States and other member nations of NATO and that such testing should be conducted at the late stage in the development process when there is usually only a single United States prime contractor.

(2) In addition to any funds appropriated for activities of the Director of Defense Test and Evaluation pursuant to section 201(a), $50,000,000 shall be available to the Director, from any other funds appropriated pursuant to an authorization in this division, to acquire items of the type specified in paragraph (2) manufactured by other member nations of NATO for side-by-side comparison testing with comparable items of United States manufacture.

(3) Items that may be acquired under paragraph (1) by the Director of Defense Test and Evaluation include, but are not limited to the following.

(A) Submunitions and dispensers.

(B) Anti-tank and anti-armor guided missiles.

(C) Mines, for both land and naval warfare.

(D) Runway-cratering devices.

(E) Torpedoes.

(F) Mortar systems.

(G) Light armored vehicles and major subsystems thereof.

(H) Utility vehicles.

(I) High-velocity anti-tank guns.

(J) Short-Range Air Defense Systems (SHORADS).

(K) Mobile air defense systems and components.

(4) The Director of Defense Test and Evaluation shall notify the Committees on Armed Services and on Appropriations of the Senate and the House of Representatives of his intent to obligate funds under this subsection not less than 30 days before such funds are obligated.

(5) Not later than February 1, 1986, and annually thereafter, the Director of Defense Test and Evaluation shall provide to the Committees on Armed Services and on Appropriations of the Senate and the House of Representatives a report on the systems, subsystems, and munitions produced by other member nations of NATO that were evaluated during the previous fiscal year by the Director and on the obligation of any funds under this subsection during the preceding fiscal year.

Mr. BENNETT (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. BENNETT. Mr. Chairman, I do not travel extensively but when visiting groups arrive here from NATO and I talk with them, they always stress a need for more cooperation and standardization in the procurement of weapons they are concerned about. They are particulary concerned about conventional war deficiencies. I am offering an amendment which will facilitate better cooperation in conventional warfare among the NATO nations in research, development, and production of military equipment and munitions. The very inefficient past efforts in NATO to coordinate equipment development has been a factor in preventing NATO defense spending from actually buying the weapons we must have to deter a Soviet conventional attack or to win a war there if NATO is attacked.

Years of neglect for pressing NATO needs while we pursued redundant, wasteful strategic weapons programs, like the MX, has been coupled with a very inefficient conventional weapons development program. The amendment I submit now addresses particularly the conventional defense needs of NATO. Every Warsaw Pact nation produces tanks to a standard Soviet design, while NATO has at least four different battle tanks. Several different antiaircraft systems have been designed and deployed by NATO forces. This costly duplication of development and production weakens NATO in a number of ways. Weapons are produced in smaller quantities and priced higher when each NATO member produces its own design of a weapon. The ability of NATO forces to operate together and share equipment and munitions is reduced. Each army feels obligated to use equipment from their own country, often with disregard for whether or not it is the best equipment available.

This amendment, already approved in the other body, provides that from the R&D funds appropriated already in the bill $200 million shall be available in equal amounts for the Army, Navy, and Air Force for NATO cooperative research and development in con-

ventional weapons in cases where foreign NATO countries also agree to participate. Another $50 million is provided for actual procurement of items from other NATO nations as prescribed in the statute.

Nothing is lost by testing U.S. equipment against European equipment. Perhaps a European built Divad would be the way to go, as opposed to our own trouble-plagued system. Comparisons of American weapons with European designs can be beneficial to the United States in many ways.

The NATO allies have a common military strategy. It is time for a greater degree of common military resource strategy as well. We must strengthen the NATO conventional deterrence and move away from our policy of escalating to nuclear weapons to stop a Soviet conventional attack. This amendment is a step in the right direction, and I urge your support.

Mr. Chairman, I yield to the gentleman from Wisconsin [Mr. ASPIN].

Mr. ASPIN. Mr. Chairman, the committee has looked at this amendment. We think it has a great deal of merit. We commend the gentleman in the well, and we would urge acceptance of the amendment.

Mr. DICKINSON. Mr. Chairman, will the gentleman yield?

Mr. BENNETT. I yield to the gentleman from Alabama.

Mr. DICKINSON. Mr. Chairman, as we understand it, and staff tells me that this is right, we are doing this, at least this much. It does no harm to the bill. It simply makes sure that at least this much is spent. There is no harm to it. We certainly accept the amendment on this side.

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentleman from Florida [Mr. BENNETT].

The amendment was agreed to.

AMENDMENT OFFERED BY MR. BENNETT

Mr. BENNETT. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. BENNETT: At the end of title II, add the following new section:

Section 207(a). That at the time of submission to the Congress of the requests by the Department of Defense for fiscal year 1987 expenditures for the Strategic Defense Initiative, said Department shall inform Congress as to:

(1) What probable responses can be expected from potential enemies should the Strategic Defense Initiatives be carried out to procurement and deployment, such as what increase may be anticipated in offensive enemy weapons in an enemy's attempt to penetrate the defensive shield by increasing the numbers or qualities of its offensive weapons;

(2) What can be expected from potential enemies in the deployment of weapons not endangered by the Strategic Defense Initiative, such as cruise missiles and low trajectory submarine missiles;

(3) The degree of the dependency of success for the Strategic Defense Initiative upon a potential enemy's not deploying anti-satellite weapons;

(4) Whether it would be in the best security interests of the United States to share our discoveries in the Strategic Defense Initiative studies with potential enemies as a way of discouraging their offensive weapons buildup, as has been suggested by the Administration; and

(5) The cost estimates for the research, development, test and evaluation for the proposed Strategic Defense Initiative; and the cost estimates for procurement and deployment, as early as possible but not later than the submission of the fiscal year 1988 Department of Defense budget request.

(b) Funds required for the conduct of subject studies shall be made available by the Strategic Defense Initiative Office.

Mr. BENNETT. Mr. Chairman, I rise to speak in favor of an amendment, offered on behalf of myself and my good friend, Mr. FOGLIETTA. Our simple amendment requires the Secretary of Defense to report to Congress, at the time of next year's budget request, on the probable Soviet responses to the full deployment of star wars weapons.

Congress should know when we consider continuing or increasing funding for the President's program, what we can anticipate down the road. My amendment requires the Secretary to answer for Congress five basic, but essential questions:

First, will the Soviets try to overwhelm any defense systems we deploy by increasing the numbers or qualities of their offensive weapons?

Second, will the Soviets be able to avoid the star wars defenses by launching cruise missiles or low-trajectory submarine-launched missiles that would fly under the defenses?

Third, how vulnerable is the star wars system to Soviet antisatellite weapons?

Fourth, is it really in the best security interests of the United States to share our discoveries with the Soviets, as the President has suggested?

Fifth, finally, how much will this system cost? That is, what is our best estimate for the final cost of not only the research, but the procurement and deployment of these new, sophisticated weapons?

Congress must have reliable answers to these questions if we are to debate and vote on the most ambitious military program ever undertaken by mankind. It is a program that promises a wonderful world free of nuclear weapons, but also a program that raises grave concerns of an escalating arms race.

Three former architects of military policy told the Armed Services Committee in February that the Soviet Union would probably increase its arsenal of weapons if we built a huge space-based defense. They supported research on the strategic defense initiative, as I do, but they also had serious questions about the program. Gen. Brent Scowcroft told us such a defensive system could become an inducement to surprise attack. James Schlesinger, warned that the Russians would probably place a large number of submarines armed with low-flying cruise missiles off the American coast. Harold Brown said that a defensive system that intercepted 50 percent of Soviet missiles might be possible, but it would be much more expensive than an arms control agreement that would reduce their missiles by 50 percent.

The report our amendment requires will help Congress scientifically evaluate the benefits and drawbacks of the strategic defense initiative. Funds for the study will come from funds already allocated for the strategic defense initiative office.

I ask your support for this simple, sound, and much needed amendment.

□ 1110

At this point I would like to say that later on Mr. FOGLIETTA will submit a more embracing amendment to title X. It has to do with a nonpartisan commission. I support this. However, at this point in the bill, we are addressing only the need to have the Department of Defense report to Congress on the questions mentioned in the amendment. That is an absolute minimum requirement it seems to me.

Actually, the law probably already requires the Department of Defense to submit this sort of a statement, but I think the American public has a right to feel that Congress is seriously and thoughtfully approaching this matter.

Mr. DICKS. Mr. Chairman, will the gentleman yield?

Mr. BENNETT. I yield to the gentleman.

Mr. DICKS. I thank the gentleman for yielding.

Mr. Chairman, I want to compliment the gentleman from Florida for this amendment. I think, having reviewed it, that it would give the Congress substantial information that is necessary in order to make a real judgment about the merits of the strategic defense initiative. I would hope that as part of this the administration might clarify just what it is that the strategic defense initiative is really supposed to achieve for us. I think there are grave questions about what the mission really is.

I would say to the gentleman that last year a number of us offered an amendment for a similar report, not on this, but on trying to prevent the United States from developing a first-strike capability. As you know, the President made that pledge. For 2 months now, that report has been due, and the administration has not submitted it.

So I would hope that the gentleman, who is a very powerful member of this committee and chairman of the Seapower Subcommittee would work with all of us to make sure that once this

amendment is adopted, and I am confident that it will be, that the administration does come forward with this information. Because they tend to be very slow in submitting these reports.

I want to compliment the gentleman from Florida for his amendment; I think it is a very good one.

Mr. McCURDY. Mr. Chairman, will the gentleman yield?

Mr. BENNETT. I yield to the gentleman.

Mr. McCURDY. I thank the gentleman.

Mr. Chairman, we have looked at the amendment on this side of the aisle, and we believe that the amendment has merit. In discussions with the committee chairman, we are prepard to accept the amendment of the gentleman from Florida.

Mr. DICKINSON. Mr. Chairman, will the gentleman yield?

Mr. BENNETT. I yield to the gentleman.

Mr. DICKINSON. I thank the gentleman.

Mr. Chairman, if I understand if from the author of the amendment, it would be up to the Department of Defense as to what form the report would be?

Mr. BENNETT. It could be classified.

Mr. DICKINSON. It could be classified; it could not. You are simply asking for the information on which to base future decisions. I think that is a sensible approach to it. We would certainly accept the amendment over here.

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentleman from Florida [Mr. BENNETT].

The amendment was agreed to.

Mr. MONTGOMERY. Mr. Chairman, I move to strike the last word.

Mr. Chairman, may I engage in a colloquy with the distinguished chairman of the Research and Development Subcommittee?

Mr. PRICE. Mr. Chairman, will the gentleman yield?

Mr. MONTGOMERY. I am happy to yield to the gentleman from Illinois.

Mr. PRICE. Mr. Chairman, I would be pleased to engage in a colloquy with the gentleman.

Mr. MONTGOMERY. It is my understanding that the Subcommittee on Research and Development gave a great deal of consideration to the French and German developed MILAN missile.

Mr. PRICE. That is correct.

Mr. MONTGOMERY. It is my understanding that the committee believes that the Army can save a large sum of money by procuring the MILAN missile.

Mr. PRICE. That is correct.

Mr. MONTGOMERY. May I ask why a recommendation was not included in the committee report?

Mr. PRICE. Specifically because the Vice Chief of Staff of the Army and other Army representatives have made a commitment to the Army to give the MILAN a complete and objective evaluation.

Mr. MONTGOMERY. Mr. Chairman, you are suggesting that the Army has a strong interest in the MILAN missile and will be responsive to the committee's desire to have this system tested especially since we can save a great deal of money by not having to conduct a research and development program.

Mr. PRICE. We have conveyed the committee's interest in the MILAN missile in the strongest terms and I can assure the gentleman from Mississippi that we will closely monitor the Army's test program to ensure that the MILAN II gets a complete and thorough evaluation. The gentleman is absolutely correct in that the procurement of this system—which to date has demonstrated a 98-percent success rate will save a great deal of money and meet the Army's near term requirements for an effective antitank missile.

AMENDMENT OFFERED BY MR. FOGLIETTA

Mr. FOGLIETTA. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. FOGLIETTA: Page 27, line 2, strike out "and".

Page 27, line 4, strike out the period and insert in lieu thereof "; and".

Page 27, after line 4, insert the following:

"(5) $1,000,000 is available for use by the Defense Logistics Agency to conduct a demonstration of advance clothing manufacturing technology and to procure and field test military clothing produced using advanced manufacturing techniques.".

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentleman from Pennsylvania [Mr. FOGLIETTA].

The amendment was agreed to.

□ 1120

AMENDMENT OFFERED BY MR. KRAMER

Mr. KRAMER. Mr. Chairman, I offer an amendment, and I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Colorado?

There was no objection.

The text of the amendment is as follows:

Amendment offered by Mr. KRAMER: Page 23, line 11, strike out "$13,151,210,000 " and insert in lieu thereof "$12,526,710,000".

Page 23, line 12, strike out "$6,305,732,000" and insert in lieu thereof "$6,830,232,000".

Page 26, line 2, insert "(a) PROGRAM LIMITATIONS.—" before "Of the amount".

Page 26, after line 14, insert the following:

(b) CANCELLATION OF MIDGETMAN SMALL ICBM PROGRAM.—None of the funds appropriated pursuant to authorizations of appropriations in this title may be obligated or expended for research, development, test, or evaluation relating to a landbased small, single-warhead, mobile intercontinental ballistic missile.

Page 26, line 18, strike out "$2,472,962,000" and insert in lieu thereof "$2,997,462,000".

Page 26, line 22, strike out the semicolon and insert in lieu thereof "and $524,500,000 is available for such programs under the Strategic Defense Initiatives as the Secretary of Defense considers appropriate;".

Mr. KRAMER. Mr. Chairman, I rise to offer an amendment to the fiscal year 1986 Defense authorization that addresses what is perhaps the central world security issue of our time: Banishing the threat of nuclear holocaust from the planet forever.

Arms control as we have known it is a dismal failure. Consider that since the SALT I agreements were signed 13 years ago, the Soviets have deployed 30 new or significantly modified strategic weapons systems: 12 ICBMs and IRBMs, 6 missile-launching submarine types, 1 air-launched cruise missile, and 2 intercontinental bombers. And they have at least 11 more systems either poised for deployment or under development.

And SALT I was sold as a strategic nuclear arms freeze.

Unless we act now to make a dramatic shift in our arms and arms control policies—substituting nonnuclear strategic defenses for offensive nuclear weapons—we risk plunging over the brink into a dangerous age of growing strategic instability.

Now is the time to choose: We can continue down the road we have been on since the 1970's depending upon more and more sophisticated weapons of mass destruction to deter war, or we can choose the high road of mutual assured survival with all nations and peoples protected from nuclear war by a "star shield" of purely defensive weapons.

We can make the current generation of strategic offensive nuclear weapons—MX, Trident D-5, B-1B—the last of its kind. We can take funding now earmarked for the follow-on generation of strategic offensive systems—of which the so-called Midgetman ICBM is the vanguard—and redirect that funding into the Strategic Defense Initiative Research Program.

SDI is the one "new" weapons effort that gives promise of a genuinely safe world, and the ultimate promise of a world freed of the specter of nuclear war. The alternatives suggested by SDI's detractors—a nuclear weapons freeze, development and deployment of ever more sophisticated and elusive nuclear strategic weapons systems, unilateral cuts in U.S. strategic attack forces with no offsetting deployment

of defensive systems—depend upon a continued region of either nuclear terror or a naive trust of the Soviets. And none offers the prospect of rendering nuclear weapons of mass destruction impotent and obsolete.

The administration requested $3.72 billion for SDI research in fiscal year 1986; our committee has recommended $2.47 billion, a 34-percent reduction. This draconian cut would emasculate the program. Leaving the SDI organization with barely enough funding to cover current commitments for fiscal year 1986, and no funds for new research contracts. Moreover, the committee recommendation is at least $400 million under Carter administration projections of fiscal year 1986 authorizations for SDI-type research!

We should be increasing SDI funding, not cutting it! And we should do so in a way that sends the world this clear message: The United States is firmly committed to a transition from offensive nuclear arms to true strategic defenses.

My amendment would do just that, deleting the $624.5 million recommended by our committee for the Midgetman small-mobile ICBM and adding $524.5 million to the SDI account, with the $100 million differential a contribution to deficit reduction.

Fellow members, the time has come to end the offensive arms race and begin a peace race to a world of peace and security for all. Please join me on the high road in a race in which everyone will be a winner.

Mr. McCURDY. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from Colorado.

Mr. Chairman, I will not take the full 5 minutes, but I wanted to state and restate the committee position as to the small mobile ICBM which is funded in this bill and rise in opposition to the gentleman's amendment.

Under the gentleman's amendment, he would strike all funds for the Midgetman and transfer those to SDI. Later this morning we will have a complete, thorough, and exhausting debate on SDI and, quite frankly, I believe that the gentleman's amendment would completely eliminate a capability which is necessary, which is a modernization which has been supported throughout the Defense Establishment, by the Committee on Armed Services, and I think by a number of strategic thinkers.

As many Members will recall, Henry Kissinger was one of the leading proponents of moving away from a MIRV'd capability to a single warhead missile, which is far more stable and less destablizing than having a lot of MIRV'd or a MIRV'd rocket with a lot of warheads sitting in a vulnerable position. After the action of the House this week to cap the MX funding, in the procurement and deployment of the MX, I think it is necessary to move forward on the small mobile missile.

Accordingly, I rise on behalf of those on the Research and Development Subcommittee in opposition to the gentleman's amendment.

Mr. HILLIS. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I rise to oppose the amendment offered by the gentleman from Colorado. I will not use the full 5 minutes, but I want to begin by saying I certainly respect my colleague, the gentleman from Colorado, and I strongly support the SDI system, but not in this manner.

First of all, this amendment would delete the entire authorization of $624½ million for the small mobile intercontinental ballistic missile known as the Midgetman program. The amendment would transfer $524.5 million of this reduction to the SDI Program. If adopted, it would have the effect of halting the development of the Midgetman, a system that also was strongly recommended by the President's Commission on Strategic Forces and identified as a key element of future arms control negotiations.

The best way at this point in time to curtail growth in the nuclear arsenal, in my opinion, of both the United States and the Soviet Union, is to develop and deploy a lower-value mobile ICBM system. The Soviets, we all know, have developed and are testing mobile ICBM's. I think we need to proceed on both tracks. We need to proceed on the defense of strategic defense initiatives as a shield, which is still a considerable time in the future, and at the same time we have to modernize the forces that we rely on to deter and maintain the peace until we reach that point.

□ 1130

So, as I say, it is with reluctance that I oppose this amendment. I plan to support other amendments for the adequate funding of SDI, but I think we need to develop the Midgetman as we go forward until we reach the era that my colleague proposes for a strategic defense initiative that not only has passed R and D but is ready for deployment in the field.

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentleman from Colorado [Mr. KRAMER].

The amendment was rejected.

AMENDMENT OFFERED BY MR. MC CURDY

Mr. McCURDY. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. McCURDY: Page 23, line 11, strike out "$13,151,210,000" and insert in lieu thereof "$13,301,210,000".

Page 26, line 12, strike out "and".

Page 26, line 14, strike out the period and insert in lieu thereof "; and ".

Page 26, after line 14, insert the following:

(5) $774,500,000 is available only for research, development, test, and evaluation carried out with respect to the small mobile intercontinental ballistic missile system.

Page 29, after line 14, insert the following new section:

SEC. 207. MAINTENANCE OF PRIORITY FOR SMALL MOBILE INTERCONTINENTAL BALLISTIC MISSILE PROGRAM.

The Secretary of Defense shall continue to carry out the program to develop a small mobile intercontinental ballistic missile, and to provide for the allocation of defense industrial resources for that program, in accordance with the priority for that program (known as "Brick-Bat") in effect on June 1, 1985, under the system provided by existing laws and regulations for determining relative program precedence for assignment of production resources.

Mr. McCURDY (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. McCURDY. Mr. Chairman, after capping MX deployment, the next step in the process of developing a more survivable land-based leg for our nuclear triad is to deploy single warhead mobile ICBM's that will, by their nature, enhance nuclear deterrence and stability.

With this in mind, I am, along with my distinguished colleague from Missouri, Congressman DICK GEPHARDT, and my distinguished colleague from Massachusetts, Congressman NICK MAVROULES, introducing an amendment to increase the funding for the development of the small single warhead mobile missile known as the Midgetman by $150 million to a total of $774,500,000. This additional authorization will come from moneys saved with the cap on the MX program. It will furnish the funds necessary to conduct further required testing of the hardened mobile launcher, to speed up work on the guidance and control systems as well as to fund additional long-lead manufacturing items. The amendment also directs the Secretary of Defense to place the highest priority on the development, production and deployment of the Midgetman.

With this amendment we are not accelerating the development of the Midgetman missile—now scheduled for deployment in 1992. Rather we wish to prevent any development difficulties that would delay deployment. This "risk-reduction" approach will insure that a fully capable Midgetman will be deployed on schedule.

We believe that with the passage of the amendment capping the deployment of MX, a yes vote on this Midgetman amendment will directly result, in a modernized, more effective land-based leg for our nuclear triad, and

which will enhance deterrence and increase nuclear stability between the superpowers.

Please join us in this most important amendment to insure an effective modernization of our land-based nuclear deterrent.

Mr. HILLIS. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, in this particular area I am not one who thinks that we should not at this time be adding a lot more money to the bill, and I think that probably the majority of my colleagues would agree. However, as the gentleman from Oklahoma just pointed out, we did cut over $1 billion in the MX program 2 days ago, and there would be adequate room within the bill to proceed with the gentleman's amendment of $150 million to accelerate the Midgetman Program.

I think we are all familiar with the program and know the need for it. It was recommended by the President's Commission on Strategic Forces chaired by General Scowcroft.

I might mention that at Eastertime I was in Geneva and had the opportunity to visit with Ambassador Max Kampelman on generally how things were going in the early rounds of the talks on disarmament. Ambassador Kampelman personally told me that he thought it was very important that we have a program underway, at least that we should be able to show, as we go forward into the negotiations, that we were not unilaterally stepping down and were not giving up this system or that system. He proposed at the time something that would at least replace the Titans that were being stood down—and 40 or 50 MX missiles would do that—and then that we accelerate the Midgetman Program so the Russians understand our determinedness to defend this country with modern strategic systems.

Mr. Chairman, I think that the gentleman's amendment falls into the pattern that Ambassador Kampelman was talking about. That is one reason I am happy to stand and speak in its behalf today. I think it is a good move.

Mr. MAVROULES. Mr. Chairman, I move to strike the last word, and I rise in support of the amendment.

Mr. Chairman, I am not going to take very much time, but I just want to make three points in support of the amendment put forth by the gentleman from Oklahoma [Mr. MCCURDY].

No. 1, it is mobile and, therefore, survivable. It is not a use-it-or-lose-it system, and it is, therefore, a disincentive for any Soviet first strike.

It permits stability because it has only one warhead. If we are truly serious about arms control—and I think we are—then we have no alternative but to move away from systems like the 10-warhead MX and toward the single-warhead systems like Midgetman.

Midgetman pushes both sides toward arms control and in fact only makes sense with some type of limitation on the number of missiles.

Mr. Chairman, if Members are truly serious about systems that promote arms control agreements, that are survivable, and that promote stability and deterrence, then they should support this amendment. I strongly urge all of my colleagues to support the amendment put forth.

Mr. KRAMER. Mr. Chairman, I rise in opposition to the amendment.

Let me briefly, if I may, articulate the points as to why I oppose the amendment. No. 1, whether we want to face up to this reality or not, what we are doing here is in effect continuing the offensive arms race for another decade. I would hope that the decade of the eighties, that those systems which will be first deployed in the eighties, will be the last decade in which we deploy offensive arms. But by moving forward on an expedited basis for the Midgetman, we ensure that in the decade of the nineties we also will rely on retaliatory weapons of massive, catastrophic, and destructive capability as the linchpin in our deterrent strategy.

Second, I would like to point out to my colleagues who advocate for Midgetman, that deployment of the Midgetman would be in violation of the SALT II agreement, the very basis on which they argue that we need to move ahead for arms control purposes to develop this weapons system. Under SALT II, which President Reagan has agreed to adhere to in the future, we were allowed only one new weapons system, and that was the MX or the Peacekeeper. So this weapons system, the Midgetman, would constitute a second system and could not be deployed under the SALT II agreement. Yet we are going to proceed and add more money to the funding of this program.

Third, the deployment is absolutely impractical, first because under the SALT counting requirements we count not warheads but launchers, and there is no way you can deploy a single-warhead missile against a gigantic SS-18. In other words, to make this weapons system practical, the Soviet Union is going to in effect have to play ball and agree to it.

Are they playing ball? Heck no, they are not playing ball.

They are developing their own mobile capabilities. In fact, they are years ahead of us in this development, but their system is not a single-warhead, stabilizing warhead system, which Members who are advocating the adoption of this amendment say we desperately need, but they are deploying a mobile capability that is MIRV'd.

□ 1140

The SS-24, which is just several years away from the IOC operational date for the beginning of total deployment, has 10 warheads on it. Now how in the world are we going to match Midgetman against a system like that?

We are not dealing in this system with the world of reality, not the world as it really is; we are developing this system under the concept of the world as we wish it were.

Lastly let me point out this is an extraordinarily expensive system that we are buying into. Many experts predict that we are looking at cost as high as $80 billion for a system that is totally impractical, the deployment of which would be in violation of the SALT II agreement and would continue the offensive arms race, the one that we languished over for so many hours and days here on the floor hoping that the world was different than it really is with respect to nuclear weapons. And we do not do anything to better that situation; we just ensure its perpetuation.

For all these reasons, plus the fact that we have some very significant deficits which face this Nation, $150 million add-on at this point is certainly just not justified and I would hope that we would reject this amendment.

Mr. HILLIS. Mr. Chairman, will the gentleman yield?

Mr. KRAMER. I would be happy to yield to my friend and colleague from Indiana.

Mr. HILLIS. Mr. Chairman, I thank the gentleman for yielding and I appreciate what the gentleman is saying.

I might just point out that the Soviet Union in their development that is known and has appeared in the public press probably also violated the SALT II agreement. There is this system that the gentleman has just spoken to, the SS-24. They are also, as I understand it developing an SS-23, which is very similar to the Midgetman and is well ahead of us in its development and employment, and that the next area in nuclear weapons is missiles out of silos and into the field in mobile form, whether it be the rail form as the Soviets are talking about or some other mobile form. And for us to stand back and let them move ahead of us is I think the exact wrong signal to send.

Now we have not in the past matched them system for system, and we are not going to do it now, but we will certainly have a system that is modern, up to date and will be mobile.

The CHAIRMAN pro tempore. The time of the gentleman from Colorado has expired.

(By unanimous consent, Mr. KRAMER was allowed to proceed for 5 additional minutes.)

Mr. KRAMER. Let me just respond briefly. I would agree with the gentle-

man that we ought not to allow the Soviet Union to forge ahead of us, and I would agree with the gentleman totally that the Soviet Union has basically done everything in their power to run around every arms control agreement that we have entered into with them, including the SALT agreements. But the brutal fact of the matter is that if we are arguing for an offensive weapons systems—far fulfilling our retaliatory capability, which I do not prefer, what we are doing is forging ahead with an $80 billion weapons system that is archaic, even before it is deployed in the 1990's whereas the Soviets will deploy a system that is MIRV'd and offensive and mobile in the decade of the eighties.

So if we really want to regress on an offensive basis, we have got to have a MIRV'd capability that is mobile. A single warhead mobile missile simply is not going to stand up against a mobile missile that the Soviets will deploy 5 years ahead of the scheduled deployment for this system and that has 10 warheads on it.

So I would agree that if we are going to keep up, first we must move ahead defensively to stop this offensive arms race. But second, for those who believe that somehow offensive retaliation is the way to keep us out of nuclear war, let us not proceed with a system that is already archaic in development, whereas the Soviets are in effect fielding or will field in the next couple of years a system that is already far superior and far more advanced.

Mr. McCURDY. Mr. Chairman, will the gentleman yield?

Mr. KRAMER. I am happy to yield to the gentleman from Oklahoma.

Mr. McCURDY. Mr. Chairman, I thank the gentleman for yielding.

I have a great deal of respect for the gentleman from Colorado, but I want to take exception to a couple of points and just point out that—I understand the gentleman's strong support for SDI—as a matter of fact, the amendment the gentleman had just a few minutes ago that was defeated would have put more money into SDI and eliminated some of our land-leg capability.

But the gentleman made the point that this is an archaic system. This system can basically use the same guidance system as the MX, which is certainly one of the most accurate missiles in the systems that we have today.

Furthermore, when the gentleman talks about what the Soviets are doing, the Soviets have also gone to the SS-25, they have gone to the SS-24. We are not talking about violating the SALT II accord. We are talking about a system that when deployed in 1992 is far more survivable. We are not matching missile for missile here. I submit we are trying to avoid that. What we are talking about is having a stable, survivable nuclear deterrent, and that when you look at the synergistic relationship between the land-based, and sea-based and our air wing, then we have a viable deterrent and that is the point in disagreement.

I would just caution the gentleman also that even though this Member has worked to secure funding for research and development of SDI, the system that the gentleman is referring to is a long way down the pike and, yes, it may be the most futuristic system, but we have yet to even have an architectural design that is going to tell us how we would deploy such a system if we even develop one.

So I think in the near term, the gentleman would agree that in order to ensure the survivability and stability of our current deterrent posture, we need to move forward in this area.

I appreciate the gentleman yielding, as always.

Mr. KRAMER. It is my pleasure to yield to the gentleman, who always makes lucid points that really ought to be heard and have an airing; but if I might briefly respond, the simple fact of the matter is that we under SALT II cannot deploy this system. The MX is our system, the one new system, and we cannot deploy this system legally under SALT II unless we have an new arms control agreement that would allow us.

It is not archaic in the sense that it is inaccurate or that it is not mobile, but it is archaic in the sense that it is absolutely a figment of our imagination and desire that this system can even be deployed in the face of Soviet SS-24s and SS-25s which will be deployed at least 5 years earlier than this system and have a MIRV'd mobile capacity. In other words, this system is a generation behind the Soviet system which will be deployed 5 years earlier than this system will ever be deployed.

Mr. KASICH. Mr. Chairman, I move to strike the requisite number of words. I rise in support of the amendments.

Mr. Chairman, first of all, I want to commend the authors of the amendments.

I do want to say, however, to my colleague, the gentleman from Oklahoma [Mr. McCURDY], that as I follow what the gentleman is doing, it is a clever way to get around the fact that we have cut and limited the number of MX's, but I want to support the amendment for several reasons.

I think we have missed in the argument on MX what Scowcroft said. I think the Scowscroft report was a very well-thought-out effort by the people who served on that Commission. Essentially what they said was that we do not have a missile that holds hardened Soviet targets at risk. So therefore, we need to come forward with a system in the immediate term that deals with that problem; therefore, MX working in a synergistic fashion, as my friend, the gentleman from Washington, is so fond of saying, triad is effective and can work.

That is why Scowcroft said, "Let's go forward with 100 of these MX missiles."

However, the MX missile has always been linked to the development of the Midgetman and it was linked to the development of the Midgetman for one basic reason, to reinforce the idea of greater stability. The simple reason is that you put fewer warheads on each individual platform, so you have many platforms and it does not make sense for the Soviet military planners to think that just hitting a few platforms will take out our land-based leg.

If you single-warhead it, you are again moving away from the problem of instability in the long run, because you have got the single warhead and you have got many platforms that have the capability of providing a deterrent.

Let me just complete my statement and I will be glad to yield to my colleague.

The bottom line here is that I support this because it is a reaffirmation of our support for a system that is more stable, a system that the Scowcroft Commission and the President support. It is moving in the direction of modernizing, but at the same time I have got to say to my colleagues on this side of the aisle that I wish we had stuck to our agreement on MX, as Max Kampelman had called for at the White House, giving us that firm tool at the bargaining table, which also would have given us the modern system that we wanted.

Frankly, when we limit MX like that, I start worrying about eliminating that leg of the triad; but I guess when I see that the gentleman is offering an amendment to reaffirm our support of Midgetman, I say to the gentleman from Oklahoma [Mr. McCURDY] that the gentleman is right, if he does, in fact, support a triad approach for our nuclear deterrent policy. Hopefully, we can follow that on with a good strategic defense.

□ 1150

Mr. DICKS. Mr. Chairman, will the gentleman yield?

Mr. KASICH. I yield to my colleague from Washington [Mr. DICKS].

Mr. DICKS. I thank the gentleman for yielding and would just like to make a couple of points.

One, I commend the gentleman for his complete understanding of the Scowcroft recommendations. And yes, I happen to believe that 400 MX warheads do give us significant leverage against those Soviet hardened silos to get them to move to mobile systems.

But to correct the record, our building a Midgetman will not violate SALT II because the testing, flight testing, came after the expiration date.

Now if you do not like those kinds of legalistic distinctions and if we are going to have proportionality to our responses to what the Soviets have done, in my view, an MX and Midgetman are proportional responses to the SS-24 and SS-25, the 24 being a MIRV'd MX system which is mobile, and the 25 is a single warhead system.

I am kind of surprised that my friend from Colorado would suggest that the Soviets are not developing this kind of a system because they are developing a single warhead mobile system, the SS-25, and they have deployed it.

So I just do not quite understand what that point was all about.

Mr. KASICH. If I can just reclaim my time for a second, I would just throw in a caveat here. When we discuss the concept of mobile systems, then some people argue we are stable. If, in fact, we are able to develop a significant defensive system, one of the problems we have with that defensive system is being able to target where those particular warheads are, where those particular missiles are, and in a mobile world, it becomes more difficult.

So I guess there is a caveat that when we talk about mobile systems, I would like to see Midgetman, because it reduces the importance on each platform. But mobility in the long run, coupled with SDI, is something that has to be carefully examined.

Mr. DICKS. Will the gentleman yield again?

Mr. KASICH. I yield to the gentleman from Washington.

Mr. DICKS. What you have emphasized are two important points, stability, because it is not multiheaded weapons systems which would lead to a preemption, and survivability.

Mr. GEPHARDT. Mr. Chairman, I move to strike the requisite number of words, and I rise in favor of the amendment.

Mr. Chairman, I will make my statement very brief. But I think that the important point to remember here is that we are trying to shift the emphasis from the MX and our commitment to the MX at whatever amount it comes out to a very different kind of system that is more consistent with arms control.

I have been interested in the debate here about the MX and the gentleman from Colorado suggested that the Soviets were going to come up with a mobile 10-warhead missile. That is what we thought the MX was going to be when we started out. We wanted to have a multiwarhead missile that we could move about.

The problem we had was both political, and I guess, technical. On the one hand, nobody wanted the railroad tracks in their State, nobody wanted the system, and, as I remember, we went through tens and twenties of systems to try to move it about and we could not figure out how to do it. We wound up with it back in the old holes and that really was the main reason that Members became concerned about whether they wanted to spend that much money for that system.

So we began to look for a better way to do it and that is why we came up with Midgetman. And the importance of this amendment is not perhaps that it is going to make it come faster. I do not think we are really going to develop it any faster than present schedules.

But this is a program to allow us to be able to make sure we meet the schedule on time. And it is a recommitment to the mobile Midgetman missile. By voting for it, I think Members are making a statement that we think it is consistent with arms control, we think it enhances stability, we think it enhances deterrence, and I guess we are really saying that perhaps we should have done it when we were starting to talk about the MX. Having made that decision of capping at 40, let us move as quickly as we can to develop the Midgetman in the most effective manner.

I yield back the balance of my time.

Mr. STRATTON. Mr. Chairman, I move to strike the requisite number of words.

I hope to wind up the debate on this particular item. Actually both the proponents and the opponents have said things with which I agree. I certainly think the Midgetman is no MX, but what happened a couple of days ago was that—contrary to my views—the House of Representatives decided to terminate the MX, so the only thing we had left is the Midgetman.

It is expensive. It does not have the capability of the MX, but it is the only new missile that we have available.

As far as the question of abiding by SALT II is concerned, if we are accused of violating SALT II by proposing the Midgetman, the Soviets are doubly in jeopardy with their violations. They have more than two weapons in their inventory in spite of the provisions of SALT II.

I had hoped and strongly supported the MX, and had hoped that it would survive. It did not survive and as a result this is all we are left with.

So reluctantly I support the amendment of the gentleman from Oklahoma, Mr. MCCURDY and hope that the Midgetman, as proposed by the gentleman from Oklahoma, would be approved.

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentleman from Oklahoma [Mr. MCCURDY].

The amendment was agreed to.

AMENDMENT OFFERED BY MR. SPRATT

Mr. SPRATT. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. SPRATT: On page 27, line 2, strike out 'and'.

On page 27, line 4, strike out the period and insert in lieu thereof; 'and'.

On page 27, after line 4, insert the following: (5) $500,000 is available for use by the Defense Logistics Agency only for the Military Sewn Products Automation Program (MILSPA).

Mr. SPRATT. Mr. Chairman, the amendment which I am offering today is short and simple. Last year, the Defense Logistics Agency initiated a project designed to develop new manufacturing technology needed to reduce by 50 percent the man-hours it takes to make a combat uniform. DLA estimates that this project could result in savings of $9.8 million per year for the normal peacetime buy of uniforms. If successful, this project will pay for itself.

Equally important, Mr. Chairman, is the surge capability this project will provide. Should a national emergency ever occur, the apparel industry will have to produce millions of combat uniforms in a very short time. Unfortunately, because of competition from imports, the apparel industry is now handicapped in its production capacity. Successful completion of this project would help to ensure that our soldiers, sailors, and airmen have the uniforms they need when they go into combat.

Mr. Chairman, this bill already includes $200 million for manufacturing technology, including $200,000 for this project. This is the same amount of money which was included for this project last year. This is not a new start; nor is it an extra or unexpected vamp up. As originally planned, the project was to be funded at a $500,000 level this year. Also, my amendment does not add any money to the authorization levels in this bill. It simply directs that $500,000 of the money already included in the bill for defense agency research and development be used only for this project; as originally planned.

I urge acceptance of this amendment. At the end of World War II, the quartermaster-general stated that the textile industry was second only to the steel industry in its importance to the American war effort. An army may travel on its stomach, and it may fight with its guns and tanks and planes, but it lives in its clothes. This amendment will make sure that the apparel industry can mobilize a little more capacity in a period of emergency and provide the uniforms our Armed Forces will need.

□ 1200

This amendment will make sure that the apparel industry will have some-

what more, a little more capacity to respond and mobilize in a period of emergency to provide the uniforms our armed services need. I know it is not as glamorous as high-performance weapons, but it does direct some attention to a part of our mobilization base, our defense industrial base which has been neglected for far too long a period of time. I urge acceptance of the amendment.

Mr. HILLIS. Mr. Chairman, will the gentleman yield?

Mr. SPRATT. I yield to the gentleman from Indiana.

Mr. HILLIS. I thank the gentleman for yielding.

Mr. Chairman, our side of the committee has reviewed the amendment. I want to say to the gentleman we think it is a very good amendment. We congratulate the gentleman on offering it. We understand that it does not increase the overall authorization of the bill and we are most happy to recommend that it be accepted by the committee.

Mr. SPRATT. I thank the gentleman.

Mr. ASPIN. Mr. Chairman, will the gentleman yield?

Mr. SPRATT. I yield to the gentleman from Wisconsin.

Mr. ASPIN. I thank the gentleman for yielding.

Mr. Chairman, I would like to also say that on this side of the aisle we have looked at the amendment and we believe it is a valid amendment and we urge the adoption of the amendment.

Mr. SPRATT. Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentleman from South Carolina [Mr. SPRATT].

The amendment was agreed to.

AMENDMENT OFFERED BY MR. HUNTER

Mr. HUNTER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. HUNTER: At the end of title II (page 29, after line 14) insert the following new section:

SEC. 207. ALLIED COOPERATION UNDER SDI RESEARCH CONTRACTS.

(a) ENCOURAGEMENT OF JOINT VENTURES.—The President should, to the maximum extent feasible, seek the cooperation and participation of United States' allies in the research and development of technologies that would assist in the Strategic Defense Initiative, taking into account the mutual security need to preserve the integrity and control of critical technologies. To this end, the Secretary of Defense should encourage joint ventures between United States' firms and qualified private sector firms within the North Atlantic Treaty Organization, Japan, and Israel.

(b) SAFEGUARDS FOR CRITICAL TECHNOLOGIES.—The Secretary of Defense shall require that appropriate safeguards (as determined by the Secretary) to protect critical technologies from unauthorized transfer to nonalliance nations be agreed to by any firm participating in such a joint venture. In awarding contracts for research and development connected with the Strategic Defense Initiative, the Secretary shall give preference to ventures in which both parties agree to such safeguards.

(c) IMPLEMENTATION.—(1) The Secretary of Defense shall prescribe regulations to carry out the purpose of this section.

(2) The Secretary shall establish a monitoring committee to ensure that the purposes of this section and the safeguards required by this section are implemented.

(3) Paragraphs (1) and (2) may be carried out only after full consultations with the Secretary of State, the Assistant to the President for National Security Affairs, the President's Science Advisor, and such other officials as the President may designate.

Mr. HUNTER (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. HUNTER. Mr. Chairman, I offer this amendment on behalf of myself and Mr. KEMP of New York. Since World War II, the United States has built up a network of alliances and cooperative defense agreements to preserve the peace. Our NATO alliance has been the cornerstone of American foreign policy and defense policy for over 40 years. Our NATO partners have accepted, indeed desired, American military presence on their soil all these years and additionally have agreed to deploy strategic nuclear weapons as a defense against the increasingly ominous conventional and strategic threats from the East. The Soviet deployment of SS-20's and even more accurate medium range missiles targeted at European cities has not intimidated the Europeans. Instead, they have bravely, and for the most part in a united way, agreed to deploy Pershing and cruise missiles as defenses against the SS-20's.

I think most of my colleagues will remember when the Soviet Union attempted to drive a wedge between our allies and ourselves with regard to the Euromissile crisis. I think we can easily predict that the Soviet Union leadership at this time is attempting to drive a wedge between our European allies and the United States with regard to SDI.

Let me just say, Mr. Chairman, that we have had a number of statements by some of our very expert people to the effect that it is time to get on with the cooperation between the United States and our allies and to start working with them on SDI. We have been working together to some degree but somewhat clumsily in the past. This resolution simply urges allied cooperation on SDI research endeavors. It has a condition for safeguards of the very critical technologies that we cannot allow to slip into the Eastern bloc. It will provide us with a mechanism for moving forward with cooperation with our European allies. It will get them on board. It includes Israel and Japan also.

Mr. STRATTON. Mr. Chairman, will the gentleman yield?

Mr. HUNTER. I yield to the gentleman from New York.

Mr. STRATTON. I thank the gentleman for yielding.

I support the purpose of the gentleman's amendment. But in the last couple of months I have been at a couple of international gatherings. But the tone of those discussions was clearly that our allies did not support SDI. It was like the old joke "Cavanagh say he don't want to carry the ball." The Germans criticize it strongly. The French have also been critical of SDI. Certainly I feel that we should encourage them, but it seems to me that the temperature among our allies is not warm enough.

Mr. HUNTER. I thank the gentleman for his comments. I think this particular amendment addresses those concerns because it urges that we move forward in cooperative ventures with their aerospace components. I think that as we work with their aerospace industry on SDI, that we will build a consensus from the ground up, if you will, that will have an effect on that leadership attitude at the top.

Mr. STRATTON. I hope the gentleman is correct.

Mr. HUNTER. I thank the gentleman.

Mr. HILLIS. Mr. Chairman, will the gentleman yield?

Mr. HUNTER. I yield to the gentleman from Indiana.

Mr. HILLIS. I thank the gentleman for yielding.

Mr. Chairman, we have examined the amendment and I think it is an excellent amendment, on our side of the aisle, it is just exactly the type of thing that needs to be done, in that it encourages the continuation of the initiative started by the President to bring our allies into the research area of SDI. I think as that goes forward we will find much of the opposition that our good friend from New York talks about melt away. This is a course we should be starting. I salute the gentleman for the amendment.

Mr. ASPIN. Mr. Chairman, will the gentleman yield?

Mr. HUNTER. I yield to the gentleman from Wisconsin.

Mr. ASPIN. I thank the gentleman.

Mr. Chairman, we have looked at the amendment. We think it has a lot of merit. We urge acceptance of the amendment.

Mr. HUNTER. I thank the gentleman; I thank my colleague, Mr. KEMP, for his work on putting this amendment together.

The CHAIRMAN pro tempore. The question is on the amendment offered

by the gentleman from California [Mr. HUNTER].

The amendment was agreed to.

Mr. AUCOIN. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I take this time to engage in a brief colloquy with the chairman of the committee, if I may.

Mr. ASPIN. If the gentleman will yield, I will be pleased to do so.

Mr. AUCOIN. Mr. Chairman, the bill recommends authorization of $20 million to RDT&E funds to equip Army Blackhawk helicopters with Hellfire missiles. Is it the intent of the committee that some of these funds be used for procurement? I yield to the chairman of the committee.

Mr. ASPIN. Yes, as was stated in the committee's report.

Mr. AUCOIN. So the purpose of the language in the RDT&E section of the bill was not to preclude procurement, but rather to ensure that the authorized funds would be earmarked solely for this program?

Mr. ASPIN. The gentleman is correct. We intend that initial production will begin, using the RDT&E funds authorized in this bill.

Mr. AUCOIN. I thank the gentleman.

Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN pro tempore. Are there other amendments to title II?

Mr. DICKINSON. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN pro tempore. Evidently a quorum is not present.

The Chair announces that pursuant to clause 2, rule XXIII, he will vacate proceedings under the call when a quorum of the committee appears.

Members will record their presence by electronic device.

The call was taken by electronic device.

□ 1210

The CHAIRMAN pro tempore. A quorum of the Committee of the Whole has not appeared.

The Chair announces that a regular quorum call will now commence.

Members who have not already responded under the noticed quorum call will have a minimum of 15 minutes to record their presence. The call will be taken by electronic divice.

The call was taken by electronic device.

The following Members responded to their names:

[Roll No. 175]

Ackerman	Aspin	Bates
Addabbo	Atkins	Bedell
Akaka	AuCoin	Beilenson
Alexander	Badham	Bennett
Anderson	Barnard	Bentley
Andrews	Barnes	Bereuter
Annunzio	Bartlett	Berman
Anthony	Barton	Bevill
Armey	Bateman	Biaggi
Bilirakis	Fowler	Lundine
Bliley	Frank	Lungren
Boehlert	Franklin	Mack
Boggs	Frenzel	MacKay
Boland	Frost	Madigan
Boner (TN)	Fuqua	Manton
Bonior (MI)	Gallo	Markey
Bonker	Gaydos	Marlenee
Borski	Gejdenson	Martin (IL)
Bosco	Gekas	Martin (NY)
Boucher	Gephardt	Martinez
Boulter	Gibbons	Matsui
Boxer	Gilman	Mazzoli
Breaux	Gingrich	McCain
Brooks	Glickman	McCandless
Broomfield	Gonzalez	McCloskey
Brown (CA)	Goodling	McCollum
Brown (CO)	Gordon	McCurdy
Broyhill	Gradison	McEwen
Bruce	Gray (IL)	McGrath
Bryant	Gray (PA)	McHugh
Burton (CA)	Green	McKernan
Burton (IN)	Gregg	McKinney
Bustamante	Grotberg	McMillan
Byron	Guarini	Meyers
Callahan	Gunderson	Mica
Carney	Hall (OH)	Michel
Carper	Hall, Ralph	Mikulski
Carr	Hamilton	Miller (CA)
Chandler	Hammerschmidt	Miller (OH)
Chappell	Hansen	Miller (WA)
Chappie	Hartnett	Mineta
Cheney	Hatcher	Moakley
Clinger	Hawkins	Molinari
Coats	Hayes	Mollohan
Cobey	Hefner	Monson
Coble	Heftel	Montgomery
Coelho	Hendon	Moody
Coleman (MO)	Henry	Moore
Coleman (TX)	Hertel	Moorhead
Collins	Hiler	Morrison (CT)
Combest	Hillis	Morrison (WA)
Conte	Holt	Mrazek
Conyers	Hopkins	Murphy
Cooper	Horton	Murtha
Coughlin	Howard	Myers
Courter	Hoyer	Natcher
Coyne	Hubbard	Neal
Craig	Huckaby	Nichols
Crane	Hughes	Nielson
Daniel	Hunter	Nowak
Dannemeyer	Hutto	O'Brien
Darden	Hyde	Oberstar
Daub	Ireland	Obey
Davis	Jacobs	Olin
de la Garza	Jenkins	Ortiz
DeLay	Johnson	Owens
Dellums	Jones (NC)	Oxley
Derrick	Jones (OK)	Packard
DeWine	Jones (TN)	Panetta
Dickinson	Kanjorski	Parris
Dicks	Kaptur	Pashayan
DioGuardi	Kasich	Pease
Donnelly	Kastenmeier	Penny
Dorgan (ND)	Kemp	Perkins
Dornan (CA)	Kennelly	Petri
Dowdy	Kildee	Pickle
Downey	Kindness	Porter
Dreier	Kleczka	Price
Duncan	Kolbe	Pursell
Durbin	Kolter	Quillen
Dwyer	Kostmayer	Rahall
Dymally	Kramer	Rangel
Dyson	Lagomarsino	Ray
Early	Lantos	Regula
Eckert (NY)	Latta	Reid
Edgar	Leach (IA)	Richardson
Edwards (CA)	Leath (TX)	Ridge
Edwards (OK)	Lehman (CA)	Rinaldo
Emerson	Leland	Ritter
English	Lent	Roberts
Erdreich	Levin (MI)	Robinson
Evans (IL)	Levine (CA)	Rodino
Fascell	Lewis (CA)	Roe
Fawell	Lewis (FL)	Roemer
Fazio	Lightfoot	Rogers
Feighan	Lipinski	Rose
Fiedler	Livingston	Roth
Fields	Lloyd	Roukema
Fish	Loeffler	Rowland (CT)
Flippo	Long	Rowland (GA)
Florio	Lott	Roybal
Foglietta	Lowery (CA)	Rudd
Foley	Lowry (WA)	Russo
Ford (MI)	Lujan	Sabo
Ford (TN)	Luken	Savage
Saxton	Solomon	Vento
Schneider	Spence	Visclosky
Schroeder	Spratt	Volkmer
Schuette	St Germain	Vucanovich
Schulze	Staggers	Walgren
Seiberling	Stallings	Watkins
Sensenbrenner	Stangeland	Weaver
Sharp	Stark	Weber
Shaw	Stenholm	Weiss
Shelby	Stokes	Wheat
Shumway	Stratton	Whitehurst
Sikorski	Studds	Whitley
Siljander	Stump	Whittaker
Sisisky	Sweeney	Wilson
Skeen	Swift	Wirth
Skelton	Swindall	Wolf
Slattery	Synar	Wolpe
Slaughter	Tallon	Wortley
Smith (FL)	Tauke	Wright
Smith (IA)	Tauzin	Wyden
Smith (NE)	Taylor	Wylie
Smith (NH)	Thomas (CA)	Yates
Smith (NJ)	Thomas (GA)	Yatron
Smith, Denny	Torres	Young (AK)
Smith, Robert	Torricelli	Young (FL)
Snowe	Traficant	Young (MO)
Snyder	Traxler	Zschau
Solarz	Valentine	

□ 1230

The CHAIRMAN pro tempore. Three hundred ninety-eight Members have answered to their names, a quorum is present, and the Committee will resume its business.

Mr. PRICE. Mr. Chairman, I ask unanimous consent that my amendment at the desk be in order even though it is not printed in the RECORD.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

AMENDMENT OFFERED BY MR. PRICE

Mr. PRICE. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. PRICE: Page 23, line 12, strike out "$6,305,732,000" and insert in lieu thereof "$6,332,770,000."

Page 26, line 18, strike out "$2,472,962,000" and insert in lieu thereof "$2,500,000,000".

Mr. PRICE. Mr. Chairman, my amendment reflects a minor technical change in the committee's position on the Strategic Defense Initiative Program. This will allow consideration of my amendment at this time, which is essentially identical to the committee's position.

AMENDMENT OFFERED BY MRS. HOLT AS A SUBSTITUTE FOR THE AMENDMENT OFFERED BY MR. PRICE

Mrs. HOLT. Mr. Chairman, I offer an amendment as a substitute for the amendment.

The Clerk read as follows:

Amendment offerd by Mrs. HOLT as a substitute for the amendment offered by Mr. PRICE:

Page 23, line 12, strike out "$6,305,732,000" and insert in lieu thereof "$6,795,732,000".

Page 26, line 18, strike out "$2,472,962,000" and insert in lieu thereof "$2,962,962,000".

Page 29, after line 14, add the following new section:

SEC. 297. DISTRIBUTION OF REDUCTIONS IN STRATEGIC DEFENSE INITIATIVE FUNDING.

The Secretary of Defense may obligate funds appropriated or otherwise made available for fiscal year 1986 for Strategic Initiative programs in such manner as the Secretary considers to be in the national interest, except that the Secretary may not obligate funds for any of the five major categories of such programs in an amount greater than the amount proposed for that category in the budget submitted by the President for fiscal year 1986.

Mrs. HOLT (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN pro tempore. Is there objection to the request of the gentlewoman from Maryland?

There was no objection.

Mrs. HOLT. Mr. Chairman, this amendment will set the figure in the bill for the strategic defense initiative at $2.9 billion. This program is designed to provide for an intensive and comprehensive long-term research program with the ultimate goal of eliminating the threat posed by nuclear ballistic missiles.

I think that it is extremely important that we continue enough funding to carry out the, rather to determine the scientific and engineering questions that must be addressed before the promise of these new technologies can be fully assessed. It is extremely important that we continue the research program in order to provide to a future President and a future Congress the technical knowledge necessary to support a decision in the early 1990's on whether to develop and deploy such an advanced system.

Mr. Chairman, spending $2.9 billion to continue this research would address the needs that we have, the programs that we have started, efforts that have been begun. One of the major concerns of the Congress, that we have heard in the past, is that it would not comply with the Anti-Ballistic Missile Treaty of 1972. We feel that under our bill this will be in full compliance. The current budget figures show that the Defense Department had obligated 62 percent of its total funds for the year at the end of April. Second, if they only pursue the contracts that were begun last year, it will require $2.5 billion just to continue those projects in fiscal year 1986.

The authorization of $2.9 billion would be an increase over fiscal year 1985, and provides for a very significant program, one that will fully support the United States negotiating position at Geneva. I urge the Members to vote when the time comes on the substitute that I have offered.

Mr. HILLIS. Mr. Chairman, will the gentlewomen yield?

Mrs. HOLT. I yield to the gentleman.

Mr. HILLIS. I thank the gentlewoman for yielding.

Mr. Chairman, I just wanted to rise in strong support of the substitute which the gentlewoman has offered. I think it is a very reasonable way to proceed on the floor at this time in this manner, because we want to see that we do enough. I know we are very conscious about the need of holding down expenditures and keeping the bill amount as low as we can.

We had debate here earlier on the floor about Midgetman and the next generation of missiles and the arms race, and I think if we are going to see the end of this problem we have to be ready with an SDI defense so that we do not escalate into another round of missile developments. It is very important that the seed money and that the early funds here in the R&D be adequate to lay the groundwork so that we can proceed out into the next decade and really develop this system.

Mrs. HOLT. I thank the gentleman for his remarks.

AMENDMENT OFFERED BY MR. DELLUMS TO THE AMENDMENT OFFERED BY MR. PRICE

Mr. DELLUMS. Mr. Chairman, I offer an amendment to the amendment.

The Clerk read as follows:

Amendment offered by Mr. DELLUMS to the amendment offered by Mr. PRICE: In lieu of the amount proposed to be inserted by the amendment to page 23, line 12, insert "$4,787,670,000".

Strike out the amendment proposed to be made to page 26, line 18, and insert in lieu thereof the following:

Page 26, strike out lines 18-22 (and redesignate the succeeding paragraph accordingly).

At the end of title II (page 29, after line 14) add the following new section:

SEC. . STRATEGIC DEFENSE INITIATIVE FUNDING LIMITATIONS.

(a) SDI ACTIVITIES TO BE CONSISTENT WITH 1972 ABM TREATY.—None of the funds appropriated or otherwise made available for research, development, test, and evaluation for fiscal year 1986 shall be available for activities of the Strategic Defense Initiative Organization of the Department of Defense (hereinafter in this section referred to as the "SDIO") for any activity that is not fully consistent with the 1972 Treaty on the Limitation of Anti-Ballistic Missile Systems between the Soviet Union and United States (the "ABM Treaty").

(b) LIMITATION ON DEMONSTRATION PROJECTS.—None of the funds appropriated or otherwise made available for fiscal year 1986 for the SDIO may be used for—

(1) any technology demonstration project;

(2) any "major experiment"; or

(3) any activity that involves engineering development aimed at the construction of experimental hardware for operational testing.

(c) LIMITATION OF FY86 FUNDS FOR THE SDIO.—Of the funds appropriated or otherwise made available for the Department of Defense for fiscal year 1986 for research, development, test, and evaluation, not more than $954,900,000 shall be available for the SDIO. Such funds shall be available only as follows:

(1) $348,000,000 for surveillance, acquisition, track, and kill assessment.

(2) $249,000,000 for directed energy weapons.

(3) $149,900,000 for kinetic energy weapons.

(4) $99,000,000 for systems concepts and battle management.

(5) $109,000,000 for survivability, lethality, and key support technology.

(6) $8,000,000 for for SDIO management headquarters.

Mr. DELLUMS (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

(Mr. DELLUMS asked and was given permission to revise and extend his remarks.)

(By unanimous consent, Mr. DELLUMS was allowed to proceed for 10 additional minutes.)

The CHAIRMAN pro tempore. The gentleman from California [Mr. DELLUMS] is recognized for 15 minutes.

Mr. DELLUMS. Mr. Chairman, today we embark upon what I consider to be a significant and extraordinarily important debate. The President of the United States a few months ago gave a speech to the American people that started us down the road toward the development of a program that some of us have euphemistically come to refer as the star wars program. More specifically referred to as the strategic defense initiative.

Today, I offer an amendment to limit the funding for the fiscal year 1986 strategic defense initiative. In so doing, Mr. Chairman, I would begin by pointing out my unequivocal opposition to the strategic defense initiative.

□ 1240

I oppose this program for a number of reasons, Mr. Chairman and members of the committee.

No. 1, it is a program without a mission. On the one hand, the President of the United States says that we need to develop an astrodome concept that would defend all Americans. Most scientists now agree that there is an absurd concept that can never be attained. Some people in the administration are now saying we need a point defense concept. Some say that we should go beyond the immorality of the mutual assured destruction concept and some say that this program will add to our nuclear deterrent. It is a program without a mission.

No. 2, a less than perfect defense, coupled with the MX missile, the Trident missile, the Pershing missile, the cruise missile, does indeed give us a first-strike capability, Mr. Chairman, that I perceive to be extremely dangerous, placing us not in a deterrent posture, but in a war-fighting posture.

No. 3, Mr. Chairman and members of the committee, the SDI threatens our Antiballistic Missile Defense Treaty. It threatens ABM not only in its specific experiments, but its whole logic is in opposition to the logic of the ABM treaty that the development of defensive systems leads to a massive buildup of offensive systems.

For example, the United States and the Soviet Union are presently in Geneva negotiating a limitation hopefully on offensive weapons. It is clear that this system can be defeated with significant numbers of offensive weapons.

Query: How can we develop incentives for the Soviet Union to negotiate at Geneva to limit offensive weapons when we are going forward with the development of a so-called defensive system that can be defeated with greater numbers of offensive weapons?

No. 4, the strategic defense initiative, as I have pointed out earlier, would lead to a massive arms buildup.

Finally, the cost would be astronomical, Mr. Chairman. More money will be spent each year on SDI than all the National Science Foundation programs and research put together.

Mr. Chairman, in the time I have remaining, I wish to engage in 3 tasks: First, to explain what my amendment does and does not do; second, to explain the logic of the amendment and how we got to the funding level included in the amendment; and finally, to explain what we perceive to be wrong with the SDI program and why it is imperative that we limit the funding for this misguided system.

First, with respect to the amendment itself, I choose to make a few general comments. Mr. Chairman, the SDI consists of three general categories of research projects. First, the technology based projects, or what we refer to as basic research; second, the technology demonstration projects and major experiments. Here is where we are bending metal, putting together models that actually test the development and potential deployment of a strategic defense system in outer space. And finally, nuclear projects.

My amendment is based upon the distinctions between the technical-based research projects, basic research, which my amendment fully funds with the exception of 2 programs that I will allude to momentarily, and the demonstration and experiments and nuclear projects which my amendment does not fund.

With respect to the amendment itself, what we chose to do, based upon the position developed on the floor of this Congress that we would freeze funding at 1985 levels, we chose to freeze the basic research for the strategic defense initiative at 1985 levels, with the exclusion of two programs. So we fully fund basic research, 1985 levels, but we exclude basic research in two areas, one area that would lead to the development of a nuclear weapon in space. We perceive this to be dangerous and unnecessary.

We would exclude basic research, Mr. Chairman, that would lead us to an orbiting nuclear powerplant in space. There are many of us who understand the danger of nuclear powerplants on this planet. Why, then, do we magnify that danger by pursuing basic research for the development of energy conversion in outer space?

Mr. Chairman, the amendment would eliminate funding for all demonstration projects, experiments, which is another name for demonstrations, and nuclear projects now proposed in the program. What we are doing here is to say that we choose to not fund any programs that would end up resulting in the immediate or near future violation of the ABM Treaty, the Outer Space Treaty, and the Limited Test Ban Treaty.

Mr. Chairman, my amendment would allow the basic research to go forward, with the exception of the two items that I enunciated earlier, allowing us to understand what the Soviet Union is doing with respect to defense initiatives, and that we would prevent any Soviet breakout of the treaty by at least understanding the basic technology.

At the same time, my amendment prevents the funding that would violate important treaties. Now, how did we arrive at the number, Mr. Chairman, $954.9 million? As a point of digression for just a moment, as I stated on a number of occasions on the floor, oftentimes we allow ourselves to be reduced, Mr. Chairman and members of the committee, to auctioneers, where we try to find what sounds like the liberal number or the moderate number or the conservative number. What is your dollar figure?

We rarely go beyond these dollars to begin to debate significant concepts and ideas, and what we are trying to say here is that we do not need this star wars program; it is dangerous. But we often say, "Well, your numbers are a little too low. If you had it at $2.5 billion we could support it. Or if it were at $3.7 billion we could support it." We came to $954.9 million in a very specific way. We would like to lay that out.

We started with the premise that the strategic defense initiative was fundamentally in conflict with the ABM Treaty of 1972. As I stated in my opening remarks, it is fundamentally in conflict because the objective of SDI is to develop the form of nationwide defense which the ABM Treaty specifically prohibits.

I would quote from the ABM Treaty, article I, Mr. Chairman.

> Each party undertakes not to deploy ABM systems for the defense of the territory of its country.

This point must be well understood by my colleagues. Apart from whether or not a particular experiment does or does not violate the ABM Treaty, whether this year or next year or in early 1990, and I am sure much will be made today of these items, the idea, of a territorial defense system, whether sea-based, air-based, space-based or mobile land-based, and whether for the defense of the territory of its country or for defense of an individual region is specifically prohibited in the ABM Treaty, article V of that treaty.

Mr. Chairman, we also began, in arriving at our figure of $954.9 million, with the premise that as the ABM and, in fact, the very logic which led to the ABM Treaty, the easiest way to defeat a defensive system is to overwhelm it with offensive weaponry.

□ 1250

As such, the logical Soviet response would be twofold. First, they would move to a further buildup of offensive weaponry needed to penetrate and overwhelm a star wars defense system, and, second, they would beef up their own SDI-like research.

One need only recall, Mr. Chairman, that the United States responded to the Soviet defense around Moscow by deploying MIRV missiles to penetrate that defense. The United States responded to the Soviet Union's antiaircraft system with B-1, with Stealth, and with cruise missiles.

The pattern here, Mr. Chairman, is extremely obvious. Defensive deployment stimulates offensive action designed to overwhelm the defenses. So we are at the table in Geneva negotiating a reduction of offensive weapons and we are going forward with a system that perpetuates an enhancement of offensive weapons. In this gentleman's humble opinion, that is an incredible contradiction.

Mr. Chairman, as General Scowcroft observed—and I quote—"It would be very difficult to induce the Soviets to reduce their offensive forces if they are faced with the prospect of a strategic defense for which they might need those offensive forces to penetrate." The statement stands on its own integrity.

As such, the massive funding for the SDI threatens to undermine the possibility, Mr. Chairman, of ever controlling offensive nuclear weapons. Thus, rather than leading the world to a safer place from the threat of nuclear weapons, we would lead the world into an increased number of offensive weapons and a further arms race in space.

So, Mr. Chairman, armed with these two premises, we went to the various scientific communities involved in SDI and asked them what in the proposed program makes sense and what parts of the program should cause us all

great concern. These scientific groups, Mr. Chairman, while not in absolute agreement on a number of items, were certainly in agreement on two items: First, that we ought to go forward with basic research so that we can continue to understand what the Soviets may or may not do in this area and defend against Soviet breakout in this particular area, but, second, not to fund demonstration programs and major experiments which are projects that involve engineering development aimed at the construction of experimental hardware for operational testing. They argue that these areas of SDI threaten to violate the agreements and should be terminated.

We then moved from the premise of the Budget Committee approach to freeze programs at 1985 levels as being something that we should be consistent with. Thus we are providing funding for the technical basic research programs at 1985 levels, and we eliminated funding for all demonstrations, as I said earlier, that violate the ABM, Outer Space, and Limited Test Ban Treaties. We had no prior idea or preconception about how much should or should not be funded. We simply did the arithmetic based upon the principles I have already enunciated and the freeze concept adopted on the floor of this Congress, and that yielded us the $954.9 million figure in our amendment.

It is interesting that even with all the principles of my amendment, if I had decided not to freeze at the 1985 level but take the President's level, this amendment would be $2.5 billion, and I am sure that would be acceptable to a number of my colleagues. But I challenge the Members to consider why it would be acceptable. If the concepts are the same but the funding level is different, are we dancing around numbers, or are we engaging in an important and relevant discussion of the policy issues at hand?

So this figure is not some diabolical, off-the-wall figure. This figure was arrived at, in my estimation, in a very intelligent and comprehensive fashion.

The CHAIRMAN pro tempore. The time of the gentleman from California [Mr. DELLUMS] has expired.

(By unanimous consent, Mr. DELLUMS was allowed to proceed for 5 additional minutes.)

Mr. DELLUMS. Mr. Chairman, to summarize what my amendment does and does not do, the Dellums amendment removes, in our estimation, all of the most objectionable parts of the SDI, including the demonstration projects which would violate the very treaties I have enunciated earlier. It also eliminates funding for the nuclear systems, such as orbiting nuclear powerplants and the nuclear pump x-ray laser, a nuclear weapon in space which threatens to violate the three arms control treaties that I have talked about earlier. It funds the rest at 1985 levels, thus continuing a robust research program in ballistic missiles defense, and, finally, the Dellums amendment would return the program to the pre-star wars level in both funding and supporting justification. We go back to the days prior to the President's so-called star wars speech.

Now, Mr. Chairman, let me expand upon some of these points. No. 1, the question of eliminating the demonstration projects that would probably violate ABM, the Limited Test Ban, and the Outer Space Treaty. These treaties represent, Mr. Chairman, the best we have done as far as arms negotiations are concerned. Any discussion by this institution regarding this program must take into consequences the prohibition of these treaties. These are important items that we have negotiated that have carried us to this moment. Any movement that takes us beyond these treaties ought to be dealt with very seriously and in a very sober fashion.

If the House allows funding of the SDI in ways that violate the treaty process, I would suggest then that the entire arms control environment comes unraveled, and once the world is outside the bounds of an arms control environment, it frightens this gentleman to consider what the potential could be.

Mr. Chairman, we should not meet possible violations of these treaties by the Soviets with calculated violations of our own. The logic that led to the adoption of the ABM Treaty accepted the premise that any defense that could be implemented would ultimately be incapable of meeting a much less expensive effort at offensive warheads. This remains true today. Thus the irony of the SDI Program rests on the fact that it will fuel a new spiral of offensive missile development rather than eliminate these missiles from the globe.

I might point out one other thing. It is very interesting that at this very moment we are debating going forward with a multibillion-dollar research program in the strategic defense initiative, and we are also funding programs to help us develop decoys defense suppression systems, penetration aids and other avenues that would allow us to penetrate anybody else's defense system. Now, if we are intelligent enough to develop research programs that could render a defense initiative system null and void, are we so arrogant as to believe that the Soviet Union could not engage in the same research?

So at the very same time we are talking strategic defense initiative, we are developing decoys, chaff, smart bombs, and a whole range of alternatives that would handicap a defense system. The Soviet Union has demonstrated that it has the intellectual capability, the scientific wherewithal, the political will, and the military will to develop whatever they think they need to develop in response to us. So they will go forward with this. Here we go down the road toward a $1 trillion program that they will develop the capacity to defeat, and even defeat it more cheaply than we put it up. I think this is a level of absurdity that defies understanding.

Mr. Chairman, the administration's contention that many of the systems demonstration experiments are subcomponents or adjuncts and not components is really doublespeak. A component is a component. We talk about a comprehensive system, and then we have got to put it all together. So to use these terms, "Well, this is not really a demonstration, this is not really a test," these are absurdities. Let us speak truthfully here. Whether a component is a small component or a large component, it is a component put together making a comprehensive system, and we ought to be very honest about that with the American people. The administration's contention that major experiments and demonstrations are not potential treaty violations is just misleading.

Mr. Chairman, my time has almost expired, and I will ask unanimous consent to proceed for 5 additional minutes. This will be my last request for an extension. I realize I am taking much time, but this is a very significant issue, and I think it is important to at least lay the case before the people.

The CHAIRMAN pro tempore. The time of the gentleman from California [Mr. DELLUMS] has now expired.

(By unanimous consent, Mr. DELLUMS was alowed to proceed for 5 additional minutes.)

□ 1300

Mr. DELLUMS. Perhaps later in the debate other Members will point up specific ways that we violate the treaty.

Mr. Chairman, the House should not approve any funds that would wastefully be spent on weapon systems that would never be deployed, and I believe that spending $25 billion over the next 5 years to develop research in this area is an incredible waste. But as Carl Sagan said this morning, "You wave a trillion dollars at the aerospace community and people are going to come out of the woodwork to spend that trillion dollars," at a time when the misery index in this country among farmers and rural and surburban Americans is moving up steadily and rapidly.

Mr. Chairman, let us not develop any systems that can contribute to a first strike capability or crisis destabilization. That makes no sense whatsoever.

It is increasingly accepted that SDI will be incapable of providing a leakproof system. For example, the President told the American people that we could build a great astrodome over them so that they would never have to worry about nuclear weapons at all.

A cruise missile flies low to the ground. Tell me how you can shoot a cruise missile flying low to the ground from outer space, or a weapon carried in by terrorists or a manned bomber that can fly underneath, how can you defend against that from outer space without killing millions of American human beings? This is a flight into fantasy, Mr. Chairman. We should not spend this kind of money that creates such a dangerous environment. We can go into that perhaps later in the debate.

In conclusion, Mr. Chairman, by pushing for the expansion of the arms race into a new technological area, we risk losing what may be one of our final opportunities to negotiate our way out from beneath the threat of nuclear annihilation.

Like the failure to halt the MIRV's in the 1970's which led us directly to this moment, because we perceived our temporary advantage, we must not make the mistake of thinking we can remain ahead of the Soviets forever in this field. History shows this is not true.

Let us seize the opportunity to negotiate away this threat by making the appropriate and necessary cuts in the SDI budget.

As Carl Sagan summarized this morning, other than the fact that the SDI system can be underflown, overwhelmed, outfoxed, cannot be run by humans but only by computers, would breach a number of arms control treaties and could trigger a thermal nuclear war, other than that, Mr. Chairman, and the possible destruction of the world through thermal nuclear annihilation, it is not a bad system.

Mr. Chairman, I urge adoption of this amendment. It is an imperfect system that will not protect the American people, a less than perfect system that supports a first-strike capability. It is a program in search of a mission. It threatens peace treaties. It will cost us astronomical amounts of money and the outcome will lead to an incredible escalation in the arms race and an escalated race into space. For all these reasons, I ask my colleagues to join me in defeating this amendment.

Mr. CONYERS. Mr. Chairman, will the gentleman yield?

Mr. DELLUMS. I yield to my distinguished colleague, the gentleman from Michigan.

Mr. CONYERS. Mr. Chairman, I want to say this today, that the gentleman from California has made one of the clearest expositions on the reason that this whole space initiative should be turned back that I have ever heard. I think there are many Members not on the floor who would identify completely with the gentleman's remarks.

I wonder if the gentleman would respond to this one question that I have. Am I correct in assuming that there has already been a beginning move on the space initiative, and this is a repackaging of programs that are already out of control?

Mr. DELLUMS. Yes, the gentleman is perfectly correct. We were engaging in strategic defense basic research prior to the time that the President gave the speech in order to make sure that we understood what the Soviets were doing and that we had enough knowledge that we could prevent a Soviet breakout in this area; but when the President went on television and attempted to assure America that we could build some kind of nuclear astrodome over them, then we moved beyond basic research to talk about $25 billion that also included research for weapon development, energy conversion in space and also demonstrations that could lead to the putting together of a system in space that is wasteful and dangerous and that will only lead to escalation.

The CHAIRMAN pro tempore. The time of the gentleman from California [Mr. DELLUMS] has again expired.

(At the request of Mr. CONYERS, and by unanimous consent, Mr. DELLUMS was allowed to proceed for 2 additional minutes.)

Mr. CONYERS. Mr. Chairman, will the gentleman yield further?

Mr. DELLUMS. I yield to my colleague.

Mr. CONYERS. Mr. Chairman, this is a very educational part of every Member's life, because we determine these military considerations.

Now, yesterday was very important for me, too, sir, because I learned that binary gas, the development and continuation of that program, was "more important than the nuclear development capability in the United States."

Now, does the gentleman suppose that there are going to be Members who will argue that today that this is going to be more important than binary gas, which is more important than nuclear?

Mr. DELLUMS. Each time we develop a weapons system, the priorities get higher and I am sure the gentleman is absolutely correct.

Mr. CONYERS. I mean, where in God's name do we begin to speak as the leaders and formulators of national military policy and stop pretending that each program that comes down the pike is the one that we have got to have or the "commies" will wipe us out?

Mr. DELLUMS. I will let the eloquence of my colleague stand on its own.

Mr. CONYERS. Mr. Chairman, I thank the gentleman.

Mr. Chairman, I rise in support of the amendment offered by our colleague from California [Mr. DELLUMS] which seeks to prohibit the use of funds for the technology demonstration and major experiment components of President Reagan's star wars program. These components involve activities that would violate the Anti-Ballistic Missile [ABM] Treaty. I believe that this treaty represents one of the most important arms control agreements of our time. Instead of taking steps to erode it, we should be aggressively working toward strengthening it.

The strategic defense initiative [SDI] clearly involves the testing of prototype defensive systems such as orbiting laser battle stations and nuclear-pumped x-ray laser devices. The ABM Treaty strictly prohibits this. By breaching this agreement, we will ignite an arms race in space, the result of which will not be a safer America, but rather a more dangerous world.

The truth is that we cannot protect all of our citizens from nuclear attack. Cities cannot be encased in reinforced concrete. They will always remain vulnerable to low-flying cruise missiles or nuclear weapons delivered by aircraft.

The Dellums amendment continues funding basic research in the area of ballistic missile defenses, which is permitted by the treaty. I support this aspect of the SDI Program because I believe that it serves our national interest for American scientists to fully understand Soviet research and experiments, and to maintain our present 10-year research lead over them in this area.

I have long been a supporter of a nuclear freeze and of aggressive arms control initiatives because I believe that they hold the most promise for guaranteeing our national security. At present in Geneva, our arms control negotiators are engaged in comprehensive discussions designed to prevent the continued growth of offensive nuclear weapons. The action we take in the House this week is being monitored closely by the Soviets as well as our allies. All of them are looking for a sign that our Government is seriously interested in achieving major weapons reductions.

The Strategic Defense Initiative [SDI] Program has now become the primary focal point of the Geneva talks. Some view it as an important bargaining chip which can be offered up in exchange for some Soviet concession. Others view the SDI as a nonnegotiable item which can be kept off the table while the Soviets are induced to negotiate for reductions of other weapons systems. I view the SDI much differently. I see it as a destabilizing system that will continue to be an ob-

stacle to progress in Geneva unless we act now to restrict its development.

Two months ago, the Arms Control and Disarmament Agency and the Pentagon submitted reports to the Congress assessing the impact of the SDI and what was then the pending expiration of SALT II. The Arms Control and Disarmament Agency stated that the current negotiations in Geneva may have been made more complex because of the uncertainties surrounding the SDI. The Pentagon stated that the Soviets could attempt to combat the SDI by improving its missile force with warhead deployment techniques and missile basing schemes that would make them less detectable. Clearly, the SDI is not a weapons system that is going to make this Nation more secure.

President Reagan's decision on June 11 to continue abiding by the SALT II agreement was one of the few he has taken that I have been able to applaud. The immediate effect of this action was to buy some additional time for serious arms control negotiations. But something happened yesterday which casts that grand gesture in a somewhat cloudy light. A star wars experiment was conducted with the orbiting space shuttle *Discovery*. The Air Force attempted to strike it with a laser beam which was to be reflected back to an installation in the Hawaiian Islands. While this experiment failed, it still served to signal the beginning of the testing process which will ultimately lead to violations of the ABM Treaty. These two events, taken together, appear to reflect a major contradiction in our policy.

Mr. Chairman, the funding of demonstration projects under the SDI Program must be stopped now because they only serve to increase tensions and provide the incentive for a further arms buildup. Research funding, however, should be continued because it will enable us to maintain our technological edge.

I urge my colleagues to join me in supporting this amendment as it will prevent us from spending billions of dollars on the development of a new, dangerous, and ineffective weapon.

AMENDMENT OFFERED BY MR. COURTER TO THE AMENDMENT OFFERED BY MRS. HOLT AS A SUBSTITUTE FOR THE AMENDMENT OFFERED BY MR. PRICE

Mr. COURTER. Mr. Chairman, I offer an amendment to the amendment offered as a substitute for the amendment.

The Clerk read as follows:

Amendment offered by Mr. COURTER to the amendment offered by Mrs. HOLT as a substitute for the amendment offered by Mr. PRICE: In lieu of the amount proposed to be inserted by the substitute amendment to page 23, line 12, insert "$7,545,732,000".

In lieu of the amount proposed to be inserted by the substitute amendment to page 26, line 18, insert "$3,712,962,000".

Mr. ASPIN. Mr. Chairman, will the gentleman yield?

Mr. COURTER. I yield to the gentleman from Wisconsin.

Mr. ASPIN. Mr. Chairman, I was wondering if I could enter into a colloquy here with the gentleman from Alabama here. The gentleman and I have been working together with some of the other Members on both sides of the aisle to try to work out a little bit of a timetable here on this amendment and all these amendments.

Let me suggest the following:

Mr. Chairman, I ask unanimous consent that debate on the Price amendment and all amendments thereto conclude at 5 p.m., to be equally divided and controlled by myself and the gentleman from Alabama, except that after the expiration of such time it shall be in order to debate each amendment or any amendments to such amendment or an amendment thereto for 20 minutes, to be equally divided and controlled by the proponent of the amendment and a Member opposed thereto, before the vote is taken.

If I could explain this for a few minutes, I would like to say that what we were trying to do is divide the time, talk generally about each of the amendments that we have got here, and we have got two other amendments that are not currently offered, but will be offered.

I would like to make sure we have general debate on it and make sure that it is fairly divided. The gentleman from Alabama would have half the time and I would have half the time.

Let me also make it clear that the time of the gentleman in the well is not taken out of this. It is a 50-50 division after the gentleman in the well finishes, because each of the people can attempt to offer their amendments.

After that, we will proceed to vote on the amendments, that there will be 10 minutes on a side to explain the amendment and talk about it at the time.

Mr. COURTER. Mr. Chairman, I have a question, if I may, and I will yield to the chairman of the committee.

Does that limitation of 20 minutes apply also to those amendments that will not have been introduced after my amendment has been introduced?

Mr. ASPIN. That is correct.

Mr. COURTER. So that if there is a future amendment that is introduced, it will apply to that as well?

Mr. ASPIN. Well, we will have to rely on the people to talk about their amendments, even though they have not been formally offered between now and 5 o'clock this afternoon.

Mr. DICKINSON. Mr. Chairman, will the gentleman yield?

Mr. COURTER. I yield to the gentleman from Alabama.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Wisconsin [Mr. ASPIN]?

Mr. DICKINSON. Reserving the right to object, Mr. Chairman, under my reservation let me make sure that the gentleman and I are of one accord and we all understand the situation.

We have a potential here of I think six votes. We are in the process now of building the legislative ladder of three as to what amendment goes where.

It is the general consensus and understanding here that we will have six votes, one about each figure that will be debated or has been debated; the low being the one offered by the gentleman from California who has just spoken of $0.9 billion.

It is anticipated that Mr. MAVROULES of Massachusetts will offer an amendment making it $1.4 billion in order.

The gentleman from Washington [Mr. DICKS] is anticipated to offer an amendment with language making $2.1 billion in order.

The committee position offered by my chairman, the gentleman from Illinois [Mr. PRICE] is $2.5 billion.

The gentleman in the well now is offering the full funding that was requested by the administration of $3.7 billion. Mrs. HOLT, which he is amending, had a figure of $2.9.

□ 1310

So all of these amendments will be discussed in the time from now until 5 o'clock as Members are recognized, the gentleman controlling half and I controlling half. At the end, all of these will have been discussed because they are all a part of the same and then at 5 o'clock, if I understand correctly, we will begin to vote. And if anyone asks for a vote there will be 10 minutes for and 10 minutes against on each amendment for which a vote is demanded. And as the gentleman from New Jersey has pointed out, if there are other amendments in the meantime to these they would be included in that.

So with that understanding, and I think we are of one accord, I certainly have no objection. I think it is an orderly way to proceed. In anything as complicated as this we have to have some roadmap or guideline and I think we have reached the best accord or accommodation we can.

So, Mr. Chairman, I withdraw my reservation of objection.

The CHAIRMAN pro tempore. Is there objection to the unanimous consent request of the gentleman from Wisconsin [Mr. ASPIN]?

Mr. ASPIN. Mr. Chairman, one point of clarification. The gentleman in the well's time to speak in behalf of his amendment is not included in this time.

The CHAIRMAN pro tempore. The Chair will allocate time subsequent to the gentleman from New Jersey's amendment being explained in the time that he uses.

At that time the Chair will inform both the gentleman from Wisconsin [Mr. ASPIN] and the gentleman from Alabama [Mr. DICKINSON] how much time each will have.

Mr. DICKINSON. I thank the Chair.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman of Wisconsin?

There was no objection.

The CHAIRMAN pro tempore. The time of the gentleman from New Jersey [Mr. COURTER] has expired.

(By unanimous consent Mr. COURTER was allowed to proceed for 10 additional minutes.)

Mr. COURTER. As was indicated in that dialog, I think it is an informative dialog, the amendment that was just introduced by me, I would like to say first of all, is basically an amendment offered as well by the gentleman from New York [Mr. KEMP], the gentleman from California [Mr. DORNAN], the gentleman from Florida [Mr. CHAPPELL], and a number of other Members. It calls for full funding for the strategic defense initiative of $3.7 billion.

But I would first like to attempt to describe what is wrong with the strategic doctrine that we have today. I think it is aptly named mutually assured destruction, and I think everybody generally knows what it is.

Basically what it says is that both the United States and the Soviet Union would be deterred from launching a first strike because each side knows that first strike would be responded to by a devastating blow to their homeland. It is the threat of retaliation, a threat of revenge, that sure knowledge of the revenge and of the threat of retaliation against the homeland is the doctrine called mutually assured destruction.

I think there is some twisted logic to the doctrine that we have today. This is what has been the guiding force of our arms control, the guiding force of the strategic missile modernization program, but there are problems with it. It is based on the paradoxical assumption that it is somehow safe to be vulnerable, not to defend yourself, and that it is somehow dangerous to defend yourself.

I do not think it is dangerous to defend yourself. I think it is safe to defend yourself. I think it is dangerous not to defend yourself.

Also there are some critical assumptions to the doctrine of mutually assured destruction. The first critical assumption is the fact that it assumes that from now on into the future all nations in the world, all individuals in the world that have the means of gaining access to an intercontinental ballistic missile with thermonuclear warheads will act rationally.

If the doctrine is based on the assumption that one will not strike because they know they will be killed it assumes that nations will be deterred, it assumes that nations today and for the next 500 years will act rationally.

But I think that any reading of history will lead to the conclusion that, unfortunately, sometimes nations do not act rationally. We had World War II, the Holocaust, the shooting down of the Korean airplane 007. There are times when nations do not act rationally and if they do not the doctrine based on the threat is no good.

There is a second assumption which assumes that nuclear weapons will never be in the hands of a Mu'ammar Qadhafi or of a band of terrorists similar to the ones that just took over the TWA aircraft.

If they are willing to die for whatever cause they preach, how can we possibly deter their activities by threatening to kill them if they are willing to die for their cause in the first place? Today if a terrorist organization called up the President of the United States and said "In 10 minutes we are going to launch the one ICBM we have against Washington, DC, New York, Los Angeles, or Chicago," there is nothing we could do. We could just simply watch it come. I think that is a horrible prospect.

Also, there is another flaw in the doctrine of MAD [mutually assured destruction], and that assumes that no mistakes will ever occur, that there could not be a computer error that would launch an ICBM missile from a land-based silo, that a submarine commander could have improper equipment that would launch an ICBM, or a sea-launched ballistic missile, or that our early warning radars will work perfectly so that we cannot ever make a mistake, we can always discriminate between real attack and a mistake.

I think perhaps you know as well as I do that computer mistakes happen, errors happen, human errors happen, mechanical errors happen. The doctrine of mutually assured destruction that we have today assumes that mistakes will never happen.

Another critical assumption that I do not think we can rely on for the next 100 years, also it assumes that it will never fail, that it will always deter because what do you have if, God forbid, deterrence based on the threat of mutual annihilation fails? You have the elimination of people on the face of the Earth, the elimination of the United States, the Soviet Union, tens of millions, perhaps hundreds of millions of people would die.

Right now what is keeping us out of war, according to our doctrine, is an assumption, is a doctrine based on an assumption that it will never fail, that no mistakes will ever occur, and as well that always and forever states and individuals will act rationally.

Also I would like to mention the fact that I personally have moral problems with the threat of mutual annihilation, the threat of revenge. And then the question is: Is there another way to go, is there an alternative from this flawed doctrine of mutually assured destruction?

I am suggesting that the research and development that we are asking for may lead us to a safer world, may lead us to an alternate course of action, may lead us away from the doctrine of mutually assured destruction. And that alternative is doing the robust research that is necessary in the strategic defense initiative to determine whether we can deploy defenses—star shield, not star wars—defend ourselves through nonnuclear, nonthreatening devices that would not be used unless and until a warhead was aimed and coming toward our homeland, would not be activated until that case.

I think our strategic defense makes a great deal of sense and I think we should support it strongly.

One of the reasons there is a positive argument for strategic defense is the following: it increases deterrence because it reduces the confidence of the Soviet war planner as to the military mission that he would do. I have a chart to my left that explains that.

Right now a Soviet war planner has probably 10,000 independently targeted reentry ballistic missiles. We have maybe 5,000 critical military targets in the United States. A Soviet planner looking at the United States knows that we have no defenses, we cannot protect ourselves. We do a little hardening, but with increased Soviet yield on their warheads and increased accuracy on their warheads, there is nothing we can do about it.

Mr. KEMP. Mr. Chairman, will the gentleman yield?

Mr. COURTER. I will be nappy to yield to the gentleman from New York.

Mr. KEMP. I think that really is a critical distinction that the gentleman from New Jersey is making at this point in his argument, and I am proud to be a cosponsor of the Courter amendment. The essential—incredible—fact at issue here is that we have no defense against nuclear attack, because we signed a treaty giving up our right to deploy such defenses. It is a treaty that the Soviets are violating to be sure, but a treaty we have scrupulously honored.

□ 1320

And yet some of our friends on the other side of this argument make the point that our spending for research and development for the strategic de-

fense initiative is somehow provocative. In other words, that by making ourselves less vulnerable to a nuclear strike, we are provoking our adversaries. That is the moral equivalent of telling a policeman or a fireman that if he or she were to put on a bullet-proof vest that somehow it would be provocative to the criminal or to the pyromaniac.

It seems to me it is unambiguously clear that our defense is in the moral interest of this country, that it is not indeed provocative. I believe that the gentleman's argument is compelling, that if both sides had effective strategic defenses, it would be stabilizing as opposed to destabilizing, contrary to the arguments made by the critics of the Courter amendment.

The gentleman's point is unambiguously clear. Mutual assured destruction is inherently unstable. The gentleman's amendment would help bring the assurance that we would have a more stable international environment, and thus a more secure peace.

It seems to me that this is the high moral ground. So thanks to the gentleman from New Jersey [Mr. COURTER] for his eloquence on this particular matter.

Mr. COURTER. I thank the gentleman from New York [Mr. KEMP].

As is so often the case, the gentleman from New York said it better than the gentleman from New Jersey. He is absolutely correct. It increases stability, it is the moral way to go.

Now, Mr. Chairman and colleagues, I would like to explain this chart.

Mr. HYDE. Mr. Chairman, will the gentleman yield?

Mr. COURTER. I yield to the gentleman from Illinois.

Mr. HYDE. I thank the gentleman for yielding.

Mr. Chairman, I hate to detract from the gentleman's time, because it is so short and there is so much to say, but we were talking about morality yesterday, and I heard a very passionate plea for morality in war, that a nuclear exchange is unthinkable. It seems to me if you take to heart the fact that you morally cannot deliberately target innocent people with destruction, then you have to look to some other means to defend yourself. In the deterrent method, which means "we have got these bombs and we will use them if you use them," you are targeting whole populations for annihilation. Where is the morality in that? So the morality is in searching for a way to defend yourself. This approach holds great promise.

So I salute the gentleman for his amendment.

The CHAIRMAN pro tempore. The time of the gentleman from New Jersey [Mr. COURTER] has expired.

(By unanimous consent, Mr. COURTER was allowed to proceed for 5 additional minutes.)

Mr. COURTER. I thank the gentleman.

My colleagues, once again I go back to the chart. This chart really is the reason the Soviet Union right now is back in Geneva, and I will explain why. They are concerned about their investment in offensive arms if we deploy offensive systems. The reason is as follows: A military planner in the Soviet Union knows that he can annihilate just about all of our deterrent forces by having his 10,000 missiles aimed at our silos, aimed at our military targets.

In order to have extreme 90 percent confidence in the success of his military operation, or mission, he would target perhaps two warheads for every individual target. We have no defenses. If he targets two warheads, some may go astray, some may not go up, some may be duds, but he knows that the military targets will be destroyed.

If we deploy three layers—and this is what this chart shows—of defensive systems, each one of those defensive systems being 80-percent effective, allowing leakage of 20 percent, or 20 missiles leaking for each 100 launched, this is what the offensive planner in the Soviet Union must look at. He looks at the fact that in order to achieve the same thing he can do today with 10,000 missiles against our deterrent force, he would need—and actually the chart does not show this, he would probably need 1,500,000 warheads—but the chart shows that in order to achieve the same goals with the 2 to 3 missiles with no defenses, he would need to have approximately 280, almost 300 independently targeted warheads. You know the Soviet Union cannot overwhelm that type of defense. It is impossible for the Soviet Union to so increase the number of RV's. Repeating, the number of RV's by a factor of 150 is impossible for the Soviet Union to build enough warheads to target 300 warheads at every target. So the Soviet military planner is going to go back to his leadership and say, "I have absolutely nc confidence in my ability to disarm the United States. Not only do I recognize the fact that with the 10,000 warheads that I have now it is insufficient, I need 1,500,000." He also does not know which warheads will get through, to which targets. So he can never report back that he has any type of confidence whatsoever in the ability to disarm the United States by the utilization of a first strike.

This totally eliminates the threat and the fear of a Soviet first strike against the United States.

Second, there are those who are concerned about climatic catastrophe, or the so-called nuclear winter, if there is a nuclear exchange between the Soviet Union and the United States. I am as well. If you are concerned about the fact that climatic changes, heat, dust, could cool the Earth so everybody would die, the one thing you do want is to be able to deploy defensive systems so that the warheads do not go off.

Another reason that strategic defense is important is the following, and that is an arms control reason: Right now it is very difficult for the Soviet Union and the United States to agree to reduce offensive weapons. We have tried since the signing of SALT I, SALT II, and we are negotiating today. If both sides have defensive weapons, then certainly deep reductions in offensive weapons are possible. The reason is the following, and it has to do with verification: Right now we have 10,000 warheads, they have 10,000 warheads, and we can verify their capability to a certain degree of confidence, but we know that they are cheating on the margin and they possibly will deploy 1,000 to 2,000 more warheads than is permitted under the treaty. That margin is not that significant. The balance remains the same.

But as both sides start negotiating deep reductions in offensive weapons, to reduce those to 1,000, to 500, to 250, then cheating by the other side that would increase their arsenal by 1,000 to 2,000 would be incredibly significant. Cheating at the margin would be significant under that situation.

So that is one of the reasons why we cannot, without defenses, negotiate deep reductions in offensive weapons. If we had defenses, their marginal cheating would not matter, we could defend ourselves. It would allow our negotiators, and those of the Soviet Union, confidently to negotiate deep reductions in the arsenals that both sides have. In this sense defenses can act as an insurance policy against Soviet cheating on an arms reduction agreement.

Also, I think SDI is important, and I think it was mentioned by another gentleman, the American people want a Defense Department that defends; not a Defense Department that is really a War Department, a department of offense, a department of retaliatory strikes against civilians, a department that threatens human life. That is all we have today. Polls show that 60 percent of the American people believe that we now can defend ourselves. They should know that not only do we have no capability of defending ourselves against Soviet ICBM's or SLBM's that we, pursuant to our treaties, have guaranteed through international law that we will not deploy systems to protect human life in the United States.

□ 1330

(By unanimous consent, Mr. COURTER was allowed to proceed for 4 additional minutes.)

Mr. COURTER. Some people are going to say that it is wrong for the United States to deploy or do the research and development toward moving to a safer world or defensive systems, because this will just start another race.

I suggest that the question before the American people and the question of our colleagues, is: "Do you want to live in the world where the United States is undefended and the Soviet Union is?" The Soviet Union at the present time is spending massive amounts of money in defensive research and development.

According to the best estimates of our Government, they are spending as much on strategic defenses as they are on strategic offensive weapons. According to our best intelligence estimates, they have 10,000 scientists, 2 of which are Nobel laureates, that are involved in only laser technology, for the purposes of using laser technology to defend themselves against intercontinental ballistic missiles.

The Soviet Union and the chart—I will not describe it; you can come later and see it—the Soviet Union at the present time has deployed 10,000 surface-to-air missiles inside the Soviet Union against the air threat. Arguments obviously are being made that some of those missiles have ABM capabilities, and that they are being tested in violation of the ABM Treaty in an ABM mode.

We, the United States; how many surface-to-air missiles do we have? Zero. The Soviet Union has over 1,200 interceptors; we have 300. The Soviet Union has 8,000 radars for the purposes of defending their homeland; we have 116. The Soviet Union has 100 antiballistic missile launchers around Moscow; more spares. What do we have as far as ABM? We do not have any at all.

There is a very interesting argument that was made around 1970 to 1971. The argument is as follows: Why should the United States spend billions of dollars on air defense when you cannot stop Soviet ICBM? It is logical. Years ago, we did not have the technology; we did not know that the technology would be in our hands, and we could not do it.

So therefore the United States made the logical conclusion to dismantle our air defenses; because air defenses only make sense if as well you can defend yourself against an ICBM. Why spend billions of dollars to stop a plane when you cannot stop a missile? So therefore we decided not to stop a plane and we lived with the doctrine of mutually assured destruction.

Did the Soviet Union do that? No. They have robust deployments of air defense. Why would they spend billions of dollars to defend against a threat of air attack if they did not know one day they would reach the time that they would deploy systems to defend themselves against an ICBM threat?

That logic is unmistakable. It is clear we in the United States did the proper thing, but the Soviet Union did not; that proves the fact that they are moving—besides their research, besides the money they are putting into it, besides the radars and everything—they are moving in the direction to defend themselves against the ICBM threat, because otherwise there is no logic in spending billions of dollars to defend against the air threat.

I yield to the gentleman from New York.

Mr. KEMP. Mr. Chairman, I want to say once again that I heartily agree with the gentleman from New Jersey, and support full funding for this vital research program.

Having said that, the gentleman makes the point that the Soviet Union has accelerated its defense capability, not just with the phased array radar system that they have built up, but BMD [ballistic missile defense]; they are also spending more than a billion dollars a year in laser technology alone.

Mr. COURTER. $2 billion.

Mr. KEMP. Yes; while the precise figure is uncertain, that sums a realistic range of estimates.

I ask unanimous consent, Mr. Chairman, that the gentleman from New Jersey have 2 additional minutes.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from New York?

PARLIAMENTARY INQUIRY

Mr. DICKINSON. Mr. Chairman, I reserve the right to object, and pose a parliamentary inquiry, if I might, at this point.

Is it correct, in interpreting what has been agreed to here by unanimous consent, that at the conclusion of the gentleman's remarks, who is presently in the well, at the conclusion of his time, we will then go under controlled time; half by the gentleman from Wisconsin and half by this gentleman at the conclusion of his time?

The CHAIRMAN pro tempore. The Chair will state for the information of the members of the committee, that the gentleman from California consumed 26 minutes on his time, and the gentleman from New Jersey has already consumed 24 minutes on his amendment.

As soon as the gentleman from New Jersey is finished with his statement, then we will allocate time pursuant to the limitation.

Mr. DICKINSON. I thank the Chair.

Mr. Chairman, I withdraw my reservation of objection.

(On request of Mr. KEMP and by unanimous consent, Mr. COURTER was allowed to proceed for 2 additional minutes.)

Mr. COURTER. I yield to the gentleman from New York.

Mr. KEMP. Mr. Chairman, I wanted to bring back the issue that was raised by the gentleman from Illinois [Mr. HYDE] with whom I strongly concur, as I know Mr. COURTER does, which is that in effect what we did in the early 1970's was to sign an agreement that allows the Soviet Union to target every point of major military and industrial significance in the United States of America, with the guarantee that their warheads would not confront any defense.

Our whole strategic deterrent is targeted by the Soviet Union including perhaps even population centers with absolutely no defense allowed by treaty.

At the time we signed the ABM Treaty, we believed that prompt follow-on arguments would limit strategic offensive forces; and that in any case the Soviet Union would not build a nuclear arsenal in excess of what was needed for deterrence and parity. The unprecedented Soviet nuclear buildup since SALT I, and the resulting reversal in the strategic balance, prove we were wrong. It seems to me that, given this record, it is essential that we authorize the $3.7 billion that the gentleman is proposing for research and development for strategic defenses for the reasons given by the gentleman from Illinois as well as the gentleman from New Jersey.

I thank the gentleman for his leadership.

Mr. COURTER. I yield to the gentleman from New York.

Mr. STRATTON. I compliment the gentleman from New Jersey for his very clear explanation, and I wanted to add the point that Mr. John Gardner, who briefed the members of the Committee on Armed Services indicated that the Soviet Union has already spent between $10 and $15 billion on its own SDI program, so that it is even more serious than the gentleman from New York [Mr. KEMP] suggests.

Mr. COURTER. Mr. Chairman, I yield to the gentleman from Ohio.

Mr. KASICH. I thank the gentleman for yielding.

Mr. Chairman, the gentleman should not skip quickly over the defense capability of the Soviets when he talks about air defense. Let me just touch briefly on strategic defense.

Everyone should know that the Soviets have deployed satellites with early detection capability; three over-the-horizon radars, which have the capability of detecting anything that would come from our direction. They have 11 hen house radars, which are large phased-array radars. In addition to that, there are six Krasnoyarsk-type radars; one of them violates the ABM Treaty; they are battle-management

capable; they can track missiles, they can send messages to other systems.

Then they have a system around Moscow including the upgraded Pushkino radar, which is even more advanced than the other systems they have in Moscow.

They have spent a ton of money to develop a very sophisticated strategic defense program, in addition to the sophisticated air defense program; and that does not even discuss the deployment of their interceptor missiles; the Galosh; the high accelerators, the SA-10's, the SA-12's, and maybe even a mobile system that they are currently deploying, and I appreciate the gentleman yielding me his valuable time.

(On request of Mr. DELLUMS and by unanimous consent, Mr. COURTER was allowed to proceed for 1 additional minute.)

Mr. DELLUMS. I thank my colleague for yielding.

Mr. Chairman, one of the problems that I perceive, and I perceive that particularly in the comments from my friend and my distinguished colleague from New York.

Here is the problem: I think that many of us have great difficulty understanding the basic principle of ABM, that the best nuclear defense is no nuclear defense. The best nuclear defense is constructive negotiations. That is what the whole thing is about.

Once you begin to develop so-called defensive capability, you change the perspective. Now, one of the arguments is—I do not want to take up much time, but let me just make that assertion. Maybe later in the day we can debate the matter—but the point is that in nuclear weapons capability, no nuclear defense is the best nuclear defense; not building defense.

We are exploiting people's ignorance when we project that notion.

Mr. COURTER. Mr. Chairman, I ask unanimous consent for 2 additional minutes to respond to the gentleman.

Mr. KEMP. Mr. Chairman, since my name was mentioned, I also ask unanimous consent that the gentleman have 2 additional minutes.

Mr. DELLUMS. I will ask unanimous consent for you to get 1 minute, too.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. COURTER. I yield quickly to the gentleman from New York.

Mr. KEMP. Mr. Chairman, I want to reiterate a point I made earlier in the debate. Again, it is not in any hostile sense that I say this to my friend from California, but it seems to me that the reasoning advanced by the gentleman from California is the equivalent of saying that the best defense is no defense that is the moral equivalent of telling our police and fire department that not being defended against an arsonist or against a mugger or against someone who would shoot a policeman in the line of peacekeeping is provocative.

It is not provocative for the police to have a gun and a bulletproof vest; yet you are suggesting that by having defense we are provoking the criminal into taking aggressive acts. I am suggesting that it is not the best defense to have no defense; the best defense is to have a strong defense.

Mr. KEMP. This debate involves far more than deciding on an appropriate level of funding for a group of research programs. What is at stake here are fundamental questions about the desirability of strategic defenses and about the evolution of our national strategy. Even more fundamentally, this debate necessarily involves critical questions of morality.

I will return to the strategic arguments at a later time. But it is this moral dimension of strategic defenses that I would like to address first, because in many ways it is the most important.

As President Reagan has said, the SDI is intended "to save lives, rather than to avenge them." What this means is that, with sufficient investment now, in the not too distant future we can expect to have the ability to protect millions—perhaps tens of millions—of Americans lives and the lives of our allies, and take no Russian lives in the process. Does our Government have any higher responsibility than to protect the American people and those of the free world?

Second, I have heard impassioned speeches on the floor of this House in favor of arms control and mutual disarmament, and against something called the arms race. But the single greatest obstacle to effective arms control is the unstable strategic environment that exists today, an environment created by a Soviet military buildup that is unprecedented in history. How are we to move from this destabilizing situation to a regime that permits real arms control of real arms reduction.

In Geneva today, our negotiators are making a bold and farsighted arms reduction proposal: Let us move to a condition in which nations have effective strategic defenses, defenses that render offensive nuclear forces ineffectual or obsolete as Prof. Robert Jastrow of Dartmouth writes about in his outstanding book of the same name, and, therefore, provide the best possible guarantee that they will never be used. With such defenses in place, of what use is a further offensive buildup? With such defenses in place, bilateral nuclear disarmament becomes politically and strategically possible for the first time.

Third, strategic defenses offer a way out of what the American Catholic bishops have called the moral dilemma of the nuclear age. In order to protect our country and our values, we must be able to threaten destruction and loss of life on a massive scale. But the promise of a technologically mature and capable strategic defense system is that our homeland and our allies can one day be protected without this dark cloud of destruction weighing on our hearts and minds and particularly those of our young people.

Finally, the dominant moral argument behind developing the SDI is that it can make a real and near-term contribution to reducing the risks of war. Effective defenses for America and our allies means that our adversaries will be far more reluctant to begin any war, whether here or in Europe, whether nuclear or conventional. As Mr. HYDE pointed out, that is the high moral ground.

I believe that the strategic and technological arguments in favor of SDI research and deployment are equally compelling. But it seems clear that the American public has an intuitive grasp of the moral dimension of SDI, that is, that protection for our country, our citizens, and our allies, is inherently good.

This is reflected starkly in the latest public opinion polls on the President's strategic defense initiative. An overwhelming majority of Americans—82 percent—consider President Reagan's strategic defense initiative very important to our national defense. Eighty-five percent favor developing a missile defense even if it cannot protect everyone, and 69 percent even if it means withdrawing from our existing arms control agreements with the Soviet Union. Nearly three quarters believe that strategic defenses would make the United States more secure. [Poll conducted by Sindlinger & Co. for the Heritage Foundation, May 7 to 27, 1985.]

Mr. Chairman, I agree with the good sense of the American people and I believe that we should fund this program with the urgency and priority it deserves not just for today but for our future and that of our precious children and grandchildren.

Mr. DELLUMS. Will the gentleman yield briefly to me?

Mr. COURTER. I will be happy to yield.

Mr. DELLUMS. The only response I would make to my colleague at this point is, it is extremely difficult to argue by analogy; we all understand the weaknesses of arguing by analogy.

What we are talking about here is nuclear war, and if you want to debate, let us talk about what we are talking about. We are not talking about firemen and police.

Mr. KEMP. I was talking about the role of defense in national strategy.

Mr. DELLUMS. Arguing by analogy has its own built-in intellectual limitations to it. What I am suggesting here

is, let us talk about what we are talking about; the potential of thermonuclear annihilation and this is a strategy that this administration perceives is an appropriate strategy to defend the American people. I am saying the best defense in a nuclear war is no nuclear defense, so that both sides know that going down that road is insane.

Mr. COURTER. I understand the gentleman's position. We come at this from entirely different sides. The gentleman is standing there, I guess, defending——

Mr. DELLUMS. I think that our two amendments are the appropriate amendments.

The CHAIRMAN pro tempore. The gentleman from New Jersey has the time.

Mr. COURTER. Defending the doctrine that we have today, the threat of annihilation, the threat of retaliation, the threat of killing human beings. I do not think we should do that.

□ 1220

Also, that particular doctrine does not take into consideration that one of these things could go off by mistake or by an irrational act by a country.

Under the thesis of the gentleman, you want us to stand undefended from that type of an event, that type of a mistake, that type of an irrational act.

I do not want to have the United States undefended in those circumstances. I do not think the future is always going to be the United States——

The CHAIRMAN pro tempore (Mr. HOYER). The time of the gentleman from New Jersey [Mr. COURTER] has expired.

Mr. DORNAN of California. Mr. Chairman, I ask unanimous consent that the gentleman from New Jersey be allowed to proceed for 2 additional minutes.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from California?

Mrs. SCHROEDER. Mr. Chairman, reserving the right to object, I would like to state a parliamentary inquiry.

I assume that the 5 o'clock hour is still the limit that we are bouncing up again.

The CHAIRMAN pro tempore. That is correct.

Mrs. SCHROEDER. I assume that each of these additional add-ons come out of that time for other Members who are wishing to speak on this.

The CHAIRMAN pro tempore. That is correct.

Mrs. SCHROEDER. Mr. Chairman, I will not object at this time.

The CHAIRMAN pro tempore. The Chair intends to allocate the balance of the time that is left, after the gentleman from New Jersey [Mr. COURTER] has completed, between the gentleman from Wisconsin and the gentleman from Alabama.

Mrs. SCHROEDER. Mr. Chairman, further reserving the right to object, I yield to the gentleman from Alabama [Mr. DICKINSON].

Mr. DICKINSON. Mr. Chairman, I would just like to observe that we will have time for the general debate, and I think it is unfair to usurp a larger portion of that time than we have already because these same Members could talk later, and it will not be allocated to the few. So I will not object. I will object to the next unanimous-consent request.

Mr. COURTER. Mr. Chairman, I would like to have 1 additional minute to complete my statement.

The CHAIRMAN pro tempore. The gentleman will suspend.

The gentlewoman from Colorado [Mrs. SCHROEDER] does not object?

Mrs. SCHROEDER. Not at this time, Mr. Chairman.

The CHAIRMAN pro tempore. The gentleman from California [Mr. DORNAN] asked unanimous consent that the gentleman from New Jersey [Mr. COURTER] may proceed for 2 additional minutes.

Is there objection to the request of the gentleman from California?

There was no objection.

Mr. COURTER. I thank the gentleman.

Mr. Chairman, in my 2 minutes, I would like to make my last statement, which has not been made, and it is a very important one: There are a lot of people who believe that this is a brand new program, that all of these technologies are brand new, that, in essence, 3 years ago, before the President's statement on March 23, 1983, we were spending nothing in these technologies, in technologies related to sensors, related to kinetic kill weapons, related to other types of sophisticated weaponry we may have in the future.

That is a very flawed analysis. This chart shows that in these technologies that are necessary, even if we never go toward defenses, that are necessary even if we live with the threat of mutual annihilation, even if we adopt MAD forever, the technologies and the research that we have been doing in the year 1986 would be $2.5 billion, and I have another outside government source that says $2.8 billion.

So the point to keep in mind here is that if the President never spoke, if we never had an Office of Strategic Defense, we would be spending in 1986 between $2.5 billion and $2.8 billion. So a $3.7 billion amendment is a 30-percent increase, a 30-percent call to the President's request. Anything below 2.8 or 2.5 is a negative response to the President's request.

Mr. Chairman, I yield my remaining time to the gentleman from California [Mr. DORNAN].

Mr. DORNAN of California. Mr. Chairman, would the gentleman comment or allow me to comment on some of the recent polling data I have seen which shows that 60 percent of our population, one of the most literate people in all of history, 60 percent believe our Nation is defended against a hostile missile attack?

I have seen many polls that come up much higher and with a more frightening figure than that.

If the American people, who write to us as much on defense as anything, knew that our country was utterly defended and, as the gentleman just pointed out, this 2.5 figure was in there going back to President Carter's defense budget, they would not tolerate chopping this the way we are chopping it. There is not 1 penny of waste in the $3.7 billion figure.

Mr. COURTER. I thank the gentleman for his contribution.

ANNOUNCEMENT BY THE CHAIRMAN PRO TEMPORE

The CHAIRMAN pro tempore. The Chair announces that there has been a limitation on debate.

The gentleman from Wisconsin [Mr. ASPIN] has 1 hour and 30 minutes on the Price amendment and all amendments thereto, and the gentleman from Alabama [Mr. DICKINSON] has 1 hour and 30 minutes on the Price amendment and all amendments thereto.

The Chair recognizes the gentlewoman from Colorado [Mrs. SCHROEDER].

Mrs. SCHROEDER. Mr. Chairman, I yield 5 minutes to the gentlewoman from California [Mrs. BOXER].

Mrs. BOXER. I thank the gentlewoman from Colorado.

Mr. Chairman, I rise in support of the Dellums amendment to spend $955 million on research funding for the strategic defense initiative. That level of funding will allow us to continue the research into the technology associated with SDI but would eliminate research that would result in the building of actual hardware.

I want to point out to my colleagues that the Dellums amendment is not an elimination of the SDI Program but spending of almost $1 billion.

First, I would like to address the technical promise versus the technical reality of the administration's star wars concept.

In March 1983, President Reagan tried to sell Congress and the American people on star wars. He called it the strategic defense initiative. But it became known as star wars, and that is an apt nickname, Mr. Chairman. If we are to believe the vast body of scientific opinion, it is as much a fantasy as the movie after which it was named.

The President then painted a picture of a world free from threat of nuclear war, a vision we all share. But he made it appear as if any day now the scientific community could "give us

the means of rendering these nuclear weapons impotent and obsolete."

Now, over the past 2 years, Mr. Chairman, there has been a dramatic examination of that pie-in-the-sky goal of a defensive shield that would protect populations from nuclear catastrophy. There is not one expert, Mr. Chairman who subscribes to the notion of a foolproof nuclear safety net.

Former Secretary of Defense Harold Brown calls SDI an impossible dream.

Even General Abrahamson, head of the program, told Congress last year that the goal of SDI was never to come up with a "leak-proof system."

The most optimistic estimates now say that the system which would not be operational for decades could only be 90 percent effective.

Now, at first blush, 90 percent sounds very good. If your child comes home with a 90-percent score on a math test, that is an A grade, that is terrific. But in terms of star wars, SDI, 90 percent is an F grade, and I will explain why.

It is because even at today's level of nuclear stockpiling, the 10 percent of Soviet ICBM's that could slip through would be enough to totally destroy us. That does not even take into account the weapons carried aboard aircraft, low-flying nuclear-tipped cruise missiles and submarine-launched ballistic missiles for which star wars is totally useless. And I think my friend from California made that point very well.

Now, I had an opportunity to meet with Secretary Weinberger, since I am on the Budget Committee and I am concerned about defense spending, and I said, "Mr. Secretary, I would like you to respond to criticism that star wars cannot defend against these low-flying missiles." And the Secretary looked at me, and he said, "Congresswoman, with a negative attitude like that, we will never get anywhere."

Well, I think that is an insulting answer to anyone who wants to think through the star wars issue, especially to a Member of Congress who is asked to choose between important priorities.

Unfortunately, it is the kind of response we often get from the Pentagon when we have doubts and when we have questions.

But we have not been deterred. We have questioned the experts over and over, and we know—not think, but know—that even if everything goes perfectly, the Soviets could still destroy us.

As a matter of fact, development of star wars, a so-called defensive shield, will push the Soviets toward even more new offensive weapons to break through that very vulnerable shield. It will be cheaper for them to do that than for us to pursue SDI. It will be cheaper and more sure fire for them, because offensive weapons are a known technology. If we do much more than the Dellums amendment, America will risk violating several arms control treaties.

Mr. Chairman, I believe strongly that the only effective means to reduce the kind of tension that leads to nuclear confrontation is through negotiation and dialog, through adherence to our treaty commitments and monitoring of Soviet compliance.

Of course we need a deterrent, and I have always supported that. But technology and fear have gotten us into this predicament; technology and sheer bravado will not get us out. It will only dig us in deeper.

Mr. Chairman, I ask my colleagues to support the Dellums amendment—a sensible approach to the strategic defensive initiative.

Star wars is an illusion. At a time of superpower suspicion and tension, the introduction of this illusory scheme will only spur us to new heights of nuclear competition. We cannot indulge in this extravagant lust for new technologies that will only invite catastrophe. We should proceed cautiously with our research. Let us realistically build a sound defense. Let us not move forward with a star war dream that could easily turn into a financial, technological, and destabilizing nightmare.

□ 1350

Mr. DICKINSON. Mr. Chairman, I yield 5 minutes to the gentleman from Virginia [Mr. BLILEY].

Mr. BLILEY. I thank the gentleman for yielding me this time.

Mr. Chairman, I rise in strong support for full funding of the strategic defense initiative program, and I particularly want to commend the gentleman from New Jersey [Mr. COURTER] and I would like to associate myself with his very fine remarks.

Mr. Chairman, last week, as chairman of the Republican Study Committee, I was privileged to chair a hearing on this subject. At that hearing we had many excellent witnesses including Secretary Weinberger, General Abrahamson, Dr. Robert Jastrow, and Dr. Edward Teller. Two outstanding scientists who urge full funding for this program.

There have been many questions about it. One of the things that makes me more convinced than ever that we should push ahead is the almost total paranoia on the part of the Soviets. I do not believe that the Soviets are against us pursuing this program because they want to conserve American dollars or want to help us with our budget. They must, obviously, think that it is very feasible indeed.

Dr. Teller testified at this hearing that the Soviets have 10,000 scientists working on this subject alone. I would hate to imagine that they would achieve a breakthrough in this area, and have a defense and we would have none. But that is something that we should contemplate as we decided how we are going to vote on this very important issue.

The argument was brought up or the question was brought up about whether it would work, and I noticed the gentlewoman from California said that 90 percent was not good enough. There has never been a general in the world who ever launched an attack in which he felt that 90 percent of his troops were going to be wiped out in the first wave. I do not believe that the Soviets would do that either, even though 10 percent might get through, but then they would still have to face our retaliatory power.

Dr. Teller said this argument was also very interesting to him because years ago, when discussions were going on about whether they should pursue the idea of developing the H-bomb, many people in the scientific community said, "That would not work either." Others said, "We should not go forward with that because if we do not, maybe the Soviets will not."

Well, Dr. Teller's view prevailed that we should go ahead. They went ahead, and we all know that within a year, after our testing, the Soviets successfully tested an H-bomb.

We do not know that they are not on the verge of a breakthrough here, so we must go ahead. But I think the most compelling argument of all is I am assuming that we will go ahead and that it will be successful. At some point in time there is the colonel who always accompanies the President, receives a call to say that there has been a missile launched from somewhere in the Pacific and is headed our way. What should the President do? You have 15 minutes, Mr. President, to make up your mind. Does he assume that it is Russian and order immediate annihilation of civilization as we know it? Would it not be much better if he had a system where he could turn to the colonel and say, "Knock it down, and let us find out whose it was and we go from there."

Ladies and gentlemen, this is an important decision, one of the more important decisions that we will make on this defense authorization bill. I hope it will be the privilege of the Members to support full funding for this vital program.

Mrs. SCHROEDER. Mr. Chairman, I yield myself such time as I may consume.

Mrs. SCHROEDER. Mr. Chairman, it is very important to focus what we are discussing here with the different amendments that we have on the

table. Basically, it boils down to how much of an increase can the Department of Defense reasonably spend in 1 year. That is precisely what we are talking about.

Last year, what did we authorize and appropriate for SDI? It was about $1.4 billion for the entire thing. Now, I realize that there are all sorts of statistics and this one may not be totally correct, but if you look at the May 10 volume of the Democratic Study Group research on this, they state that only 3 percent of that fiscal year 1985 money had already been spent at that point. So we have not spent near what we appropriated last year. Keep going back to that figure: $1.4 billion.

I think everybody is in agreement that you cannot throw money out there no matter how good the idea is and expect anything efficient to happen. At a time when we are running these horrible deficits and we have become a debtor nation, every single dime becomes terribly important. The proposal for full funding, is more than doubling the program at this year's level. It is outrageous to think that there is any real, reasonable game plan to be able to spend that much more efficiently.

We have all read the stories about how they are literally running through schools like MIT trying to find anybody and any project that they can possibly fund so that they can spend the money so they do not get caught next year with a bunch of it in the pipeline so that they can ask for even more.

We also know that many of the programs that they are talking about funding are programs that we cut before in this Congress because we found they were not going well and the White House found that they were not going well. But because, again, we are in frantic search of ways to spend money under this new golden goose called SDI that is laying golden eggs, everybody is trying to find something that they can stick in under that category to get rid of the money.

The other thing that you hear in the debate here is the word "it." My question is what is "it," when we talk about SDI? Normally we talk about the strategic defense initiative. The gentleman from California started out by talking about his amendment and pointing out very clearly what scientists such as Carl Sagan have said over and over and over again, that as a defense intitiative, the SDI is not a scary program to anybody. Why? Because the Soviet Union in particular already knows what to do to defeat it as a defensive system. First, they know how to overwhelm it by building more and more and more offensive missiles; it is cheap to do that; they know how to do that; the technology is there; and they have been doing that. Therefore, today they know how to overwhelm any defense an SDI program might develop years later.

Second, they know how to underfly any system we might develop eventually. You can bring in submarines under the Brooklyn Bridge; you can bring airplanes, bombers that are very low; you can have terrorists bring in minibombs in all sorts of places and there are other ways to underfly such a defensive system. Third, they also know how to outfox the system; the technology is there today for that also. Outfoxing is done by creating all sorts of drones and things such as that.

They are not worried about the defense part of SDI, they are worrying about SDI turning into an SOI; a strategic offense initiative. I think they are very concerned because they do not know what this whole range of programs are that we are going to fund under this category and that we are dumping billions and billions into. Actually, we do not know either; to be perfectly honest, I do not think there is a person here who can stand up and say, "If you vote for $3.5 billion, we will fund the following programs: A, B, C, D, E. If you vote for $1.2 billion, we fund this." We do not. We are just having a big macho argument over who can shove the most money in the program, and the one who can shove the most money in there is clearly the one for a strongest America. We are beating our chests and not engaging in the kind of debate that I think is really necessary to justify the increases we are talking about. What will the additional dollars fund? That's the question.

□ 1400

I think the Soviets are worried about what kind of offensive weapons could come out of this program, not the defensive ones. That is why there are concerns about treaties being violated. That is why the concerns about some of the research that requires exploding of nuclear weapons in space in violation of both the antiexplosion and storing of nuclear weapons in space treaty that we signed. The Soviets can defeat to any defensive system that might be developed someday if our research goes well.

I think all of this is what we should be looking at. We haven't spent this year's money. We cannot spend the amount of money that is being asked for full funding efficiently next year either. This is not an agency that has a good record on spending anyway. We have been talking about how 9 out of the top 10 defense contractors are under criminal investigation. Actually 45 out of the top 100 defense contractor are under investigation.

So being efficient and knowing how to spend your money well is not one of the things the Pentagon does well. Doubling the amount they get next year, when they can't spend all we gave them this year, is insane.

Mr. COURTER. Mr. Chairman, will the gentlewoman yield?

Mrs. SCHROEDER. I would be happy to yield to the gentleman from New Jersey.

Mr. COURTER. I thank the gentlewoman for yielding.

Mr. Chairman, I would like to just refer back to a moment ago when the gentlewoman was discussing the fact that the Soviet Union could easily overwhelm a defense, and I am just wondering whether the gentlewoman saw the chart, the graph, that I had which clearly shows that if the United States had a 3-layer defensive system, and each one of those layers being only 80 percent effective, they would have to increase the number of reentry vehicles per target from the present 2 to accomplish their goals to 300 per target, a factor of 150. The Soviet Union would have to have 1,500,000 warheads. It cost them $300 billion to $500 billion to build the number of warheads that they have now.

Mrs. SCHROEDER. Mr. Chairman, if I may reclaim my time, let me explain why I think that kind of reasoning does not get one anywhere. Again, the "it" is not there. We don't have one dome, much less three. We cannot say that at the end of this year, if we fund this program, we are going to have 3 layers, 10 layers, or 1 layer, and everybody who has spoken on this and who is a scientist has said there is some question about whether we will ever get there no matter what we spend. It has been sold as a dome. It is merely a research program. Maybe there will not be a dome, or maybe there will be some other kind of thing, but it is way, way, way in the future.

Mr. COURTER. Will the gentlewoman yield on that point?

Mrs. SCHROEDER. Let me finish, if you do not mind.

Then there is no one who will ever say that if we do get one dome, it is going to be 100 percent efficient. People are saying we will be lucky if it is 50, some say 70, some say 80 percent efficient. No matter what, enough weapons can get in to more than destroy life as we know it when you look at our new knowledge of nuclear winter or any of the other new projections.

Finally, I did not just say "overwhelm." I also talked about underflying and out-foxing. It is a 3-point initiative that can defeat the defensive dome system, and that technology is here now, whereas, the defensive dome system that the gentleman is talking about is still all hypothetical. It is still a long way down the road, and we do not know if we will ever get there or not, so that is the big difference.

Mr. COURTER. If the gentlewoman would yield further, the purpose of the research and development project is to answer definitively some of those questions that the gentlewoman asked.

Mrs. SCHROEDER. Then I go back to my original question of why did we not spend all the money we allocated last year. If we do not have the answers to that now, why are we throwing so much more money at research, doubling it, when we could not spend this year's money.

Mr. COURTER. We do. If the gentlewoman would yield further on that point, the SDIO office, the SDI program, is ahead as far as expenditures and obligations of Defense Advanced Research Projects Agency, DARPA. It is ahead of the line in Air Force strategic programs. So it is spending money at the same rate or at a faster rate than the same types of technology research programs in other agencies.

Mrs. SCHROEDER. Exactly, but everybody in the world has said we cannot increase the amount for research much more than 25 percent in any one year and have it absorbed efficiently, and I think that is what we are talking about. The gentleman is talking about going way beyond the $1.4 billion and I do not think there is any way to do that efficiently. I was also pointing out that a lot of the money we already have put in the pipeline still has not been spent, as has happened in many other programs. Maybe they have spent a higher percentage than other DOD programs have in their pipeline, but the Pentagon game here for 4 years is to see who can get more shoved in the pipeline than the other one, and that is how we have proved to each other that we are not wimps.

Let us get back to the issue, not of who is a wimp but how much more money can we spend efficiently and what will it be spend on and where do we want to go?

But that is the point I want to make today. I think that is very important. I have used more time than I planned to allocate, and I have many more people.

So at this point, Mr. Chairman, I reserve the balance of my time.

Mr. DICKINSON. Mr. Chairman, I yield 5 minutes to the gentleman from New York [Mr. KEMP].

Mr. KEMP. I thank the gentleman for yielding this time to me.

Mr. Chairman, I am glad to see this debate taking place on the floor of the House. I wish there were more men and women present, because this is a historic opportunity to talk about something that is critical to the future of our Nation and to the Western world; indeed, to the world.

I would like to reiterate a brief point at the outset that I made earlier, and that is, let us not forget that the funding to be authorized by this amendment is for research only. It may be accelerated research, but it still research. Nothing authorized by this amendment would put us in violation of the ABM treaty. I think we need to raise some questions about the future of the ABM treaty in light of Soviet violations as well as adverse changes in the strategic balance. But nothing in the current SDI program will violate the ABM Treaty, in spirit nor by the letter.

The statement has been made on the floor that no scientists, or very few, have a high degree of confidence that SDI technologies will actually work. I want to point out that one of the most distinguished scientists in the country, Dr. James Fletcher, who headed up NASA, a physicist with extensive experience in the development of missiles and one of the most authoritative voices in our Nation, on this subject, respected by supporters, and even by opponents of SDI alike, who headed a panel of the country's leading missile defense experts that spent 36,000 hours on a study of SDI programs wrote in the National Academy of Sciences Journal that "The panel's intensive studies indicate that the basic 2-layer"—not a 3-layer that has been discussed in part, but a 2-layer—"defense which could be operational in the early 1990's could protect 90 to 99 percent of the Nation's population from massive nuclear attack."

Now, irrespective of whether it is 90, 80, or 70 percent effective, there are many of us who support the Courter amendment who believe that such a defense would have a two-fold impact. First, it would have an impact upon the well-being of the American people and our children and our grandchildren as well as our allies in the Western world by providing an effective defense and a strong deterrent to war. And second, it would also have an impact upon the Soviet Union's continuing offensive buildup. For the last dozen years since the signing of the ABM Treaty and SALT I, the Soviet Union has invested enormous resources in the greatest offensive military buildup that has ever been known at any time in the history of the world. This buildup has been most pronounced in the area of strategic nuclear forces. Now the Soviets are faced with the prospect of losing their strategic offensive advantage. And that is a good thing for peace.

I believe that one must assume that the prospects for war are affected by calculations of relative military advantage. That is, the Soviet decision to initiate a war—whether conventional or nuclear—is affected by their assessment of whether they can achieve their military objective. I think it would be obvious to the Soviet planners that, if the United States had deployed effective defenses, a strategic nuclear strike would be futile. They would never order an attack under the circumstances in which 90 percent of our population, or 90 percent of our deterrent, could be protected.

So I disagree with my friend, the gentleman from California. I do not think that the U.S. SDI is immoral. I do not think that it is surreal. I do not think that is promoting war in space. Indeed, the very purpose of SDI is to prevent war not only in space but especially here on earth. The SDI is a preventative to war. It seems to me that it is absurd to suggest that the best defense is to have no defense. I say conscientiously, and as sincerely as the gentleman makes his point, that to defend this country in both moral and utilitarian. And this defensive program has a very pragmatic objective.

Can the Soviets overwhelm our defense? The Soviets threaten to do so. Many in the United States suggest that by Cruise missiles or subs sneaking into the Brooklyn harbor, or drones in space the Soviets could overwhelm us. Theoretically it is always possible to overcome a new defense system. But countermeasures aren't built of theory. They're built of hardware. And hardware costs money. The gentleman from New Jersey [Mr. COURTER], made an outstanding argument when he said earlier that exchange ratio calculations show that for every one dollar spent on strategic defense systems in the United States, it would take $3 spending in the Soviet Union to counter it. They would have to spend trillions of dollars to overcome us.

Having said that, I do not think the Soviet Union is capable of doing that. Their economy is already skewed toward military production, on nearly a war-time footing. There is a limit to how much even the Soviet people can be squeezed to fund their military buildup.

□ 1410

The Soviets have a basket case for an economy. They have had 65 straight years of crop failures. The "breadbasket of the world" is no longer even the breadbasket of the Soviet Union, and that is a shame for the starving people of the Ukraine, much less the starving people of Ethiopia who need more food, but from the Soviet Union can get nothing but arms.

Having said that, I would like to go on to this question: Is it a bad idea to put a defensive capability in space? Remember, these are nonnuclear-capable anti-weapon weapons.

The CHAIRMAN pro tempore. The time of the gentleman from New York [Mr. KEMP] has expired.

Mr. KEMP. Mr. Chairman, I will ask my colleague if he will give me 3 more minutes. Would that disrupt his planning? I know that he has some prob-

lems in this debate, but I think that $3.7 billion is a critical amendment.

Mr. DICKINSON. Mr. Chairman, I am happy to yield 3 additional minutes to the gentleman from New York [Mr. KEMP].

Mr. KEMP. Mr. Chairman, I appreciate that very much, and I will not ask for more time.

Mr. DICKINSON. Since he is the principal sponsor of this.

Mr. KEMP. I appreciate that. I was just about to point that out.

Mr. Chairman, I was going to make the point that just about a year ago, from an island in the South Pacific, a nonnuclear smart bullet was launched which intercepted a ballistic missile launched from Vandenberg 100 miles in the air and vaporized it. This stunningly successful first test shows that the technology is there. And there is much more to come.

The question is, Should we advance this technology? Should we accelerate it? Is it possible that we could vaporize a Soviet intercontinential ballistic missile with a smart bullet?

Hopefully, the answer is yes. Even if it is, no, is it worthwhile finding out? I think clearly the moral answer to that question is yes.

I would ask the Members to please remind their folks back home that we are not talking about nuclear star wars, we are talking about defending this Earth from ever having a nuclear war.

Would it bring the world closer to nuclear war for the United States to have a defense and the Soviet Union to feel threatened? I believe the opposite is true. The Soviet Union is spending billions on strategic defense with their nationwide phased array radar system, BMD—and they are violating the ABM Treaty, but that is another issue—extension air defenses and they are also spending billions on laser and particle beam technology. And it is safe to assume that they have numerous other programs that we do not even know about.

But why would the Soviets feel threatened by a purely defensive U.S. capability? I know the gentleman from California did not like my analogy about criminals confronting police wearing bulletproof vests, but I think it is a fair metaphor. In effect, if we could protect population and our deterrent, we really would enhance stability by making a successful offensive strike far more difficult.

If we can stabilize the strategic balance in this way then we will have the best possible prospects to achieve effective arms control agreements to reduce offensive nuclear weapons. For what intensive will the Soviets have—or will we have—to maintain large stockpiles of offensive nuclear weapons if those weapons have been rendered ineffectual by strategic defense?

This is true arms control. With due respect for the forensic skills of the gentleman from California, I think he comes to an illogical answer. But, of course, that is the purpose of the debate.

Mr. Chairman, does the gentleman want me to yield to him? I have a little time.

Mr. DELLUMS. Yes; I would appreciate it if the gentleman would yield.

Mr. KEMP. I am pleased to yield to the gentleman from California.

Mr. DELLUMS, Mr. Chairman, let me make this point. No. 1, I think the gentleman misspeaks the situation when he talks about nonnuclear. There is very specific basic research for the development of a nuclear weapon in space and for the development of nuclear conversion in space. That is No. 1.

No. 2, the gentleman mischaracterized this gentleman's position when he made his suggestion. When I am talking about no defense, I am talking about no nuclear defense; I am not talking about no national defense.

Finally, on yesterday, when the error took place, what it points out is we are relying on computers that made an error yesterday. What if we are talking about millions of lives and we get that kind of a computer error? That is the frightening aspect of it.

Mr. KEMP. Mr. Chairman, that is a good point, and I think again that is the reason why we need research and why we need the full funding to find out if the answers are as the gentleman suggests. I think he would find out the opposite is true.

The CHAIRMAN pro tempore. The time of the gentleman from New York [Mr. KEMP] has expired.

Mrs. SCHROEDER. Mr. Chairman, I yield 6 minutes to the gentleman from Massachusetts [Mr. MAVROULES].

Mr. MAVROULES. Mr. Chairman, I rise to speak on behalf of an amendment I will be offering with my colleague from Michigan [Mr. HERTEL].

Our amendment freezes spending on the Strategic Defense Initiative at last year's level of $1.4 billion. It would ensure that all research is conducted in a manner consistent with the 1972 Anti-Ballistic Missile Treaty. And, it would prohibit fiscal year 1986 spending on demonstration projects or nonlaboratory testing.

In March 1983, the President announced his Strategic Defense Initiative. He called upon the scientific community to come up with a way to render nuclear weapons impotent and obsolete.

The elimination of the threat of nuclear weapons—that is a goal we all share. In many minds, SDI has become the symbol of a safer world.

Indeed, this is a fine ideal. But, we must not confuse the ideal with the possible.

We are, after all, talking about very sophisticated systems, some powered by nuclear reactors. Each and every one of us need to understand all the implications of space defense.

And, to put it simply, we need a policy for star wars, before we decide whether to build star wars.

In his eagerness to get quick answers to complex questions, the President asked Congress this year for $3.7 billion for SDI, a 165-percent increase over last year. And, the administration plans to fund technology prototypes for testing as early as 1988.

Even the committee's recommendation of $2.5 billion is nearly 80 percent more than last year. And that leaves untouched some considerations we simply cannot run away from.

In particular, what is our policy on demonstration projects.

This year, it is especially critical that we work together in laying the groundwork for one of the most revolutionary initiatives in strategic policy.

Our groundwork should be based on broad and vigorous research as the President stated in March. But before we move away from the doctrine of deterrence, we must define what we expect to accomplish with SDI and any weapons in space. This amendment makes that clear.

Briefly, let me explain the concern over the so called demonstrations, the nonlaboratory prototype testing.

Many of these demonstrations bump up against the 1972 Anti-Ballistic Missile Treaty. If we are to renounce the ABM agreement, or move toward strategic defense rather than strategic deterrence, that decision must be deliberate and intentional. It should not simply be based on the fact that prototypes are built, tested.—and, here's the danger, deployed.

This amendment is not a vote of disapproval. Rather, it is an attempt to pace and monitor a research program that may cost nearly a trillion dollars before any policy decision is made.

Finally, I once again state that our amendment is a simple dollar freeze at last year's level. More important, unlike others that reprioritize the President's plan, we do not eliminate or tamper with any of the programs he has proposed. We simply put off any spending on demonstration projects at this early stage of the research.

Strategic Defense requires more consideration than the short time we have today. But, let me leave you with one final comment.

With a strategic defense—an arms limitation agreement—and a move away from MIRV'd missiles—are imperative.

The Soviets have already indicated their intention of countering any defense with more offense.

With an SDI and no arms limitation agreement—instead of security, we will have a battlefield in the sky. The arms race will become the outer space arms race.

Join me in freezing the SDI budget.

□ 1420

Mr. DICKINSON. Mr. Chairman, I yield 5 minutes to the very distinguished gentlewoman from Tennessee [Mrs. LLOYD].

Mrs. LLOYD asked and was given permission to revise and extend her remarks.)

Mrs. LLOYD. Mr. Chairman, I rise in support of the Holt amendment to fund the SDI Program at the $2.9 billion level. It is very prudent.

I think a brief history of what has happened to the strategic defense initiative [SDI] since the President's announcement over 2 years ago is in order. The proposal has been marked by controversy from the very beginning, not unlike a number of excellent programs which the Republic ultimately decided were worth doing. It has come under attack because some critics say it is too technologically ambitious, while others warn us that there are certain defensive technologies which are just "too dangerous to develop." The recommended funding levels for SDI are now respectively $700 million under the President's request in the Senate and $1.2 billion below his request in this bill.

Before I list the major reasons why I support this extraordinary R&D program, I believe it is worth commenting on just where the amendment takes us. It has strong implications for the defense policy relationship between the Congress and any President. I reluctantly supported the $1.2 billion cut in the SDI by the House Armed Services Committee because of the great need to reduce the Federal deficit, but the need for more funding is clear. In the general debate on this bill, however, I noted my displeasure with the "Micromanagement" aspects of that committee reduction and my concern that key program activities had been cut in such a way that it would be difficult to demonstrate real progress. Today we are confronted with an amendment which reduces the funding even further to a level which barely allows for measurable growth over fiscal year 1985 and clearly confines R&D to the research phase. This amendment cannot be read by the Soviets as anything other than a "gutting" of the President's bold initiative, regardless of any attempt to rationalize it otherwise.

Ultimately, we may not achieve the President's ambitious goal of an entirely "leak-proof" defense, but SDI is, nevertheless, worth doing because the strategic stakes are enormous.

I have several reasons for supporting the strategic defense initiative as a more rational approach to arms control, which at the same time promises to focus U.S. defensive technology efforts in a way that will be most beneficial to the Nation.

SDI R&D offers the evolutionary arms control advantage of developing strategic defense systems, which could be incrementally added to our offensive forces and, at the same time, improve our ability to manage crises. SDI combined with a gradual "build-down" of offensive missiles offers the possibility of a transition from mutually assured destruction [MAD] to a situation where a defensive capability provides a significant element of deterrence and resulting stability. Without dwelling on the specifics, the possibility that incremental defensive deployment could produce a "ratcheting down" of the arms race cannot be ignored.

This approach offers the opportunity to change the entire moral climate of the superpowers' strategic relationship so that arms control could once again become an end rather than a means in itself. My belief is that the strategic transition from the doctrine of mutually assured destruction [MAD] to carefully assured defense [CAD] can only be obtained through such an innovative hybrid strategy, which ultimately could become defense dominated. Indeed, the dissatisfaction with the bizarre promises of MAD spurred the investigation of defensive technologies.

SDI will add a new dimension to the technological relationship between the United States and its NATO partners. Despite a variety of obvious concerns about the ultimate strategic implications of SDI in Western Europe, there is strong evidence that most of the NATO members and the Japanese are greatly interested in participation because of the tremendous technological stakes involved. I believe it is entirely appropriate to consider ways of involving our OECD partners which go beyond simply performing diffuse research tasks. For instance, the Western European concerns about short-range nuclear missile threats provide a strong incentive for NATO involvement in boost-phase defense against offensive missiles under relatively short defensive response times. Also, such steps can be taken immediately for DOD to contract with foreign companies without waiting for tedious intergovernmental arrangements to be negotiated.

One cannot discuss SDI without recognizing some of the inconsistencies and rhetorical extremes of the scientific debate. The Union of Concerned Scientists has retained its pseudonym as "the union of confused scientists" in view of its questionable track record on SDI. After retreating on their misestimates of satellites required for SDI, the UCS has contented itself with being technologically pessimistic about SDI.

As Paul Nitze told the National Academy of Science, "Soviet rhetoric aside, I do not believe it is necessary to convince them that defense can be good. They have never considered defense per se to be bad, only U.S. defense." He notes further, "we must recognize that this (Soviet) propaganda is part of an overall strategy * * * what we must do (is) * * * demonstrate the political will and ability to maintain the necessary military capabilities effectively to deter them."

I find Dr. Hans Bethe, an old friend, who is chairman of Americans for Energy Independence, to be a charming gentleman, but I am, nevertheless, uncomfortable when he tells us SDI is dangerous because of what the Russians will do in response. I appreciate the thoughtful suggestions of Dr. Richard Garwin, when he talks about smart weapons tradeoffs versus the costs of weapons platforms, yet I am unconvinced when he insists that the funds for SDI can be better spent on conventional weapons or should not be spent at all. I am incensed by the contention of Bethe, Garwin, et al., that "anything short of an impermeable system tends to undermine, not improve, U.S. national security." As Colin Gray and others had noted in the revived ABM debate, this type of reasoning is not acceptable. Even Dr. Schlesinger stated that, "cities will be protected by * * * or through effective deterrence." I still choose the middle-ground with Dr. Brzezinski who has focused on the real promise of SDI, that is, to protect U.S. national command authority and key strategic nuclear missile launchers "and, thus, ultimately enhance deterrence" and Professor Carter of MIT—unfortunately, mistakenly labeled an opponent of SDI—who notes, "(recognizing) (t)he dim prospect for leak-proof nuclear defense * * * does not end. But just begins, a serious discussion of other missions for missile defense."

Regarding the Soviet response, according to Nitze, "while the Soviets now protest SDI, they themselves have long engaged in research into advanced ballistic missile defense technologies. Moreover, they are realistic. If it appears that reliable, survivable and cost-effective defenses against ballistic missiles are feasible, we believe they would see the advantages in establishing agreed ground rules for phasing in defensive systems in an orderly, predictable and stabilizing manner."

Again, I trust my colleagues will give us a strong hand and not shrink in fear from the technology development and demonstration aspects of SDI, while we are still in the "R" stage of research. I am appalled by the degree to which the Congress has already

sought to dilute this initiative. It appears to me that our next logical step beyond this amendment would be to restrict the nature of even the most basic research in defensive technologies. That is the appalling limit which we seem to be approaching let us turn away and defeat this amendment.

Now, my view of the strategic defense initiative is that it can be a most effective tool for achieving real arms control, whether or not we can ever technically develop or fully deploy a "leak proof" system.

I believe, for example, that a two-tiered system geared to boost-phase intercept of Soviet missiles and near-silo missile defense of our U.S. ICBM's is a major deterrent quality. In other words, I think the Soviets will think twice about a first-strike capability under circumstances where we can intercept 60 to 70 percent of their ICBM's.

I have been stunned, Mr. Chairman, by the fact that we have had discussions of SDI that have actually implied that we should bargain away the R&D phase of such a vital technology program. As Mrs. Thatcher told us in a joint session of Congress last February, as regards Western resolve, "Our strength and not their good will has brought the Russians to the bargaining table."

I think it is very important to the Soviets that they succeed in their program to stop us from developing this. Why is it important to the Soviets? Because it throws off the Soviet national plan, the national plan that includes the requirement to be able at all times and under all conditions to cause a certain level of damage to important targets in the United States.

The Soviets have been trying to implement this national plan for 25 years. As they have tried to implement the plan, they did not build the many thousands of missiles to cover many thousands of targets with high confidence. No; they did not do that. To maintain a force of 10,000 missiles or something of that size takes an enormous investment, both in hardware as well as in people to operate it. It would sap the Soviet economy even more than their current program does.

The SDI offers an unprecedented science and technology focus for our conventional weapons systems, as well as a unique promise for spin-offs to civilian technology. For example, its requirements for computer hardware and software systems and optical and other detection systems elements are orders of magnitude greater than our state-of-the-art systems. Neither can we ignore the tremendous potential for technology transfer in materials science, space nuclear power generation and storage, and a variety of discrimination and imaging techniques using tools from gamma rays to new types of CAT scanners. For example, technical air defense technologies would clearly benefit from SDI programs on a variety of these aforementioned fronts.

Finally, some critics have also warned us that we have limited scientific and technological resources and that SDI will draw away too many of the best people from civilian R&D programs. Well, to this I would say go to our national laboratories, go to our NASA labs and other aerospace industrial facilities and you will see the overwhelming evidence that we do have the scientific and the technological muscle to do an SDI Program of the $25 billion level for 5 to 6 years. At the end of this period, we will know where we are in terms of what we can further do and where we should go and ultimately should be deployed.

Mr. Chairman, I urge support for the Holt amendment. It is a prudent level and I urge support for this as well as the SDI Program.

Mrs. SCHROEDER. Mr. Chairman, I yield 5 minutes to the gentleman from Massachusetts [Mr. STUDDS].

Mr. STUDDS. Mr. Chairman, I would like to commend both the gentleman from California [Mr. DELLUMS] and the gentleman from Massachusetts [Mr. MAVROULES] for the leadership and eloquence they have shown in this battle. In fact, I rise in support of both amendments, inasmuch as they are the lowest of the five or six numbers upon which we will be asked to vote today.

The Mavroules amendment would limit research funding for the Strategic Defense Initiative [SDI] Program to $1.4 billion, equal to the level approved by Congress in 1985, and $2.3 billion below the amount requested by Secretary of Defense Weinberger for 1986.

When President Reagan announced his plan for the SDI, or star wars program, he expressed the hope that it would "give us the means of rendering nuclear weapons impotent and obsolete." If that were indeed the intent and the probable effect of this program, I would be supporting the President's budget request 10 times over.

But can any SDI really defend us against nuclear attack? Is the President's promise a product of careful analysis, or is it just a wish that we all share? And if it is just a product of wishful thinking, what will the consequences be for the United States if Congress accepts that wish as serious policy? And if we commit our money and our hopes for a secure future to the fulfillment of a fantasy, to a Hollywood happy ending that bears little relation to the realities of a nuclear world?

The day after the President's star wars speech, his advisers began for the first time to argue that the doctrine of mutually assured destruction [MAD] is in reality a balance of terror. Although they concede that the offensive standoff has preserved the peace for three decades, they insist that MAD is an umpleasant doctrine; it is, they say, immoral; it carries with it no guarantees of security; it should be changed. Well, of course, it should be changed. That is what a nuclear freeze, a ban on nuclear tests, and a ban on antisatellite weapons—all of which many Members of Congress support and the President opposes—would help us to achieve.

But in place of slow and steady steps toward nuclear restraint, we have star wars. I would like to believe that star wars are the key to future peace, but this is not the case. The SDI, I am sad to conclude, is the Edsel of the 1980's, but with $1 trillion sticker price. It is overpriced, it is overdesigned, and it has been oversold; it will not perform as advertised.

The SDI will not make nuclear weapons impotent or obsolete; it won't protect the American people from nuclear war; and unless the President is willing to sacrifice the entire program in negotiations with the Soviet Union, it will destroy the prospects for meaningful arms control.

The SDI's potential effect on arms control provides the clearest illustration since we sent Marines to Lebanon in 1983 of a fundamental fact of modern life; that is, that even with the best of intentions, it is possible to make a very bad situation very much worse.

Assuming the Dellums amendment is unsuccessful, I will vote for the Mavroules amendment for a number of reasons, the first of which is cost. The Mavroules amendment would cut $2.3 billion from the President's budget request, and $1.1 billion from the bill brought to the House floor by the Committee on Armed Services. The $1.4 billion that would be retained is still a lot of money, especially when you consider that the administration has only been able thus far to spend 5 percent of the $1.4 billion Congress approved this year for SDI.

If one really wants to understand the reason why SDI is taken as seriously as it is, the answer is money. It constitutes the purest demonstration we have ever witnessed in this country of the military-industrial complex at work. Already, major SDI contracts have been awarded to Boeing, LTV, McDonnell-Douglas, Teledyne, AVCO, Aerojet, General Electric, Honeywell, Hughes Aircraft, Rockwell, TRW, Grumman, ITEK, Martin-Marietta, RCA, and Westinghouse. And the real spending has barely begun.

The SDI is well on its way to becoming America's first truly invulnerable weapons system, that is, a weapons system being worked on by defense

contractors in every single congressional district in the United States.

The fact is that even the strongest proponents of SDI cannot justify the enormous increase in research funds being proposed by the President. They have utterly failed to make the case that this money can be spent in a coherent and efficient fashion. The level of funding proposed by Congressman MAVROULES would more than keep pace with Russian research in similar technologies. The higher levels proposed by the administration would produce a waste of Federal dollars that we should not tolerate, and that we cannot afford. It would mean that we would have fewer dollars for education, health care, Social Security, the environment, and transportation; fewer dollars for conventional weapons and military training; a bigger budget deficit; ultimately higher taxes; and it would make no tangible contribution to the national security of the United States.

But considerations of money aside, the fundamental reason I support these amendments is that—old fashioned as it may be—I still believe in nuclear arms control.

Major elements of the President's SDI Program would violate the 1972 United States-Russian agreement to limit the deployment of antiballistic missile [ABM] systems. That agreement bans "the development, testing, and deployment of ABM systems that are space-based, air-based, sea-based, or mobile land-based." Pure research, which would be allowed under the Mavroules amendment, is not prohibited.

There is no evidence that Americans will benefit from scrapping the ABM Treaty. The Reagan administration has recently—and properly—made much of an alleged Soviet plan to violate the treaty by constructing a large radar with ABM characteristics in central Siberia. The Soviets do not concede that this radar will violate the treaty, but we should insist that they provide conclusive proof that this is the case. But our ability to demand compliance with the ABM Treaty will be undercut if the Soviets know—and the whole world knows—that America intends to violate the treaty, itself, no matter what the Russians do.

The SDI also demolishes the fundamental goal of our arms control strategy, which is to encourage the Soviet Union to reduce its offensive nuclear weapons capability. The construction of a U.S. system intended to shoot down incoming missiles will create a strong incentive for the Russians to do precisely what we would like them not to do—build more missiles, with more warheads. The Russians have said that is what they will do if the United States persists in its program. And experts agree that it will be far less expensive and far less technologically challenging for the Russians to build more offensive weapons than it will be for us to build constantly expanding and flexible defensive systems to counter their new capabilities.

What's more, SDI will encourage both sides to build the worst kind of nuclear weapons—large, powerful missiles, carrying large numbers of warheads, capable of confusing and overwhelming any defensive system. This trend would directly contradict a major new element in U.S. weapons strategy, which is to build a relatively small single-warhead missile—the so-called Midgetman. Smaller missiles are intended to maintain an effective deterrent to military attack, while not increasing the potential to launch a preemptive first strike. This approach has become our strategy; it is a relatively sensible approach; we would like the Soviets to move in the same direction; there are indications they can be persuaded to do so; but SDI threatens to eliminate the possibility that either side will abandon the large multiwarhead missiles that are the greatest cause of nuclear uncertainty, fear, and mistrust.

We have lived with the bomb for 40 years. Today, both the United States and the Soviet Union have the ability to destroy the Earth many times over. Since the early 1960's, both Republican and Democratic administrations have sought agreements with the Soviet Union to limit offensive and defensive arms. Those efforts have met with only modest success. President Reagan has criticized those past agreements, and he has accused the Soviet Union of violating them. He has repeatedly expressed strong doubts about the willingness of the Russians ever to enter, in good faith, into a mutually beneficial arms limitation agreement. His own administration has thus far failed to make any progress toward meaningful arms control with the Soviet Union.

And yet, under President Reagan, the SDI has become the foundation for a new nuclear arms strategy, a strategy based on deterrence through offsetting defensive rather than offensive capabilities. But to succeed, SDI will be dependent—utterly and completely—on the successful negotiation of an arms control agreement with the Soviet Union that would require levels of mutual understanding, trust, verification, and technical difficulty completely unprecedented in the history of United States-Soviet relations.

This is so because it will be many, many times more difficult to reach an agreement regulating the development and deployment of defensive systems than it has been to limit the number of offensive weapons each side may possess. And if there is no agreement to regulate defensive systems, neither side will feel secure enough to limit the missiles and bombers it may ultimately need to overwhelm whatever defense the other side may develop.

The result will be chaos, a rapid expansion of offensive weaponry, and growing uncertainty about the peaceful intentions of either side.

President Reagan argues that the SDI is solely a defensive system, that is, it will only be used to shield the United States from a nuclear first strike. But the Russians know, and President Reagan ought to know, that a leak-proof nuclear shield is not obtainable. We can't be adequately protected against an all-out Soviet first strike. So what is the purpose of SDI, the Russians ask. One possible answer is that SDI is intended to shield the United States not from a Russian first strike, but instead from a second strike following an all-out U.S. nuclear attack on the Soviet Union. A sufficiently ambitious defensive system, the theory goes, might be able to limit U.S. casualties caused by a relatively weak retaliatory strike from a bombed-out Soviet Union. Farfetched? Yes. Paranoid? Perhaps. But this is the way superpowers think about nuclear war. These are the suspicions that create the instabilities that cause the fears that someday may kill us all.

President Reagan and his advisers urge Americans to place their faith in technology. Scientists, we are told, can do wonderful things. Enough money, enough research, enough good old American know-how and presto! No nukes.

But a single technological breakthrough will not produce a reliable nuclear shield. The question, after all, is not whether an individual missile can be targeted and destroyed. The question is whether hundreds of missiles, carrying thousands of warheads, designed to confuse defenders, can be detected, targeted, and successfully destroyed—all with a few minutes notice, or less.

And the answer to that question is don't bet your future on it—and don't bet the lives of your children.

I am not arguing that no research on nuclear defensive systems should be done. There are, as proponents of the SDI have pointed out, advantages to this research that have little to do with the President's own goals.

First of all, the Soviets may be persuaded to reduce the size of their nuclear arsenal in return for a mutual agreement to adhere permanently to the current, or to a revised version, of the ABM Treaty. I would applaud such an agreement. But this would require the President to abandon his vision of a leak-proof nuclear shield, and he has insisted this is something he will not do.

Second, a limited ABM capability might help the U.S. defend against an accidental nuclear launch, or against

an attack from a country possessing only a small nuclear arsenal.

Third, we should never allow ourselves to become vulnerable to a possible Soviet technological breakthrough that would put us at a strategic disadvantage.

The Mavroules and Dellums amendments will preserve the potential benefits of a limited defensive capability; they will do so at a relatively reasonable cost; they will do so in a manner consistent with existing treaty obligations; and they will do so without undermining the prospects for future—and hopefully more meaningful—arms control agreements with the Soviet Union.

□ 1430

Mr. DICKINSON. Mr. Chairman, I yield 3 minutes to the gentleman from Pennsylvania [Mr. GEKAS].

(Mr. GEKAS asked and was given permission to revise and extend his remarks.)

Mr. GEKAS. Mr. Chairman, in my judgment the amendments offered or to be offered by the gentleman from California and the gentleman from Massachusetts will torpedo the SDI initiative. And given the fact, as I stated over and over again to the American people, that the strategic defense initiative is the last, best hope of the goal to achieve nuclear disarmament in its ultimate, we must erect a dam of a no vote against these amendments offered by or to be offered by the gentleman from California [Mr. DELLUMS] and the gentleman from Massachusetts [Mr. MAVROULES].

Is there anyone in this Chamber who believes that whatever success may be gained at the nuclear disarmament talks currently awaiting their second phase in Geneva that the final result of that process will yield anything more than a reduction of nuclear warheads, if that? No matter what final result they achieve, we will still have thousands and thousands of nuclear warheads extant and we will applaud and say that Geneva has produced the reductions of armaments.

There will never be an elimination of nuclear armaments out of Geneva. The only thing, and it was alluded to by the gentleman from Massachusetts, that would assure the success of disarmament would be to make nuclear weapons obsolete. That is the phrase the gentleman from Massachusetts utilized.

In making them obsolete, the only way that we can render nuclear warheads obsolete is to allow to become fruitful the strategic defense initiative.

Mr. MAVROULES. Mr. Chairman, will the gentleman yield?

Mr. GEKAS. I yield to the gentleman from Massachusetts.

Mr. MAVROULES. I thank the gentleman very much for yielding.

I think the gentleman is absolutely incorrect when he makes the statement that my amendment will torpedo the SDI Program. In no way does it torpedo the SDI.

Let me clarify. The gentleman made the statement and all I am trying to do is clarify. You know, you are talking about deficits that are out of control. We have no control over deficits as far as the eye can see, and you have referred to that in many of your talks on this floor. I am trying to level it at last year's level to keep in compliance with the President's initiative.

Now, is the gentleman going to take me on on that? And please clarify.

Mr. GEKAS. Yes; the point is that to slow it up, to slow up the strategic defense initiative is to torpedo it.

Mr. MAVROULES. May I respond?

Mr. GEKAS. I suggest that at this very juncture in the history of this project, and in the history of the danger that we face in this world that we need the fastest possible concentration on this effort ever amassed by mankind. In my judgment, a no vote would erect what I said was a dam to stem the tide of these torpedos.

Dam the torpedos; full speed ahead on SDI.

Mrs. SCHROEDER. Mr. Chairman, I yield 3 minutes to the gentleman from Texas [Mr. GONZALEZ].

Mr. GONZALEZ. Mr. Chairman, I rise in support of the Dellums amendment. It is very difficult when either individuals or collectivities are in a state of mind. The reasoning processes of the mind get blocked out.

When I was in the State Senate in my first semester we had the big issue of the segregation issue, and the massive kit of resistance laws that came through the Confederate States. And I found myself debating and taking the floor for about 30 hours and discovered that when you try to reason against a state of mind it is impossible to break through that blockage of the mind.

But today I rise in support of the Dellums amendment because it seems to me that he comes the closest to offering a plea of sanity in the consideration of this weaponry that every time we develop, instead of more secure we become more insecure.

Also I discovered that when our colleagues in the Senate were in this state of mind, brilliant minds in every other field of jurisprudence, yet when you mentioned the particular minority under issue they got in a state of mind and you could not reason. It is the same thing here with the Russians, and it has been since the so-called advent of the cold war, the original cold war.

I think we have a greater obligation that the gentleman from California has asked of us: to transcend these limitations of ideology, and prefixed notions, and kind of rise to the occasion of looking at these things from the objective standpoint of reason. Our priorities are perverted.

The administration that is asking for the $25 billion for this venture into something that may never develop at all is the same administration that is asking us to cut out all of the housing assistance programs for the poor and moderate income and cut drastically the community development bloc grant programs for our own domestic needs. Just about half of this amount would take care of all of the assisted housing programs and the community development bloc grant programs that are the minimal needs of this country at this time.

I hope the amendment offered by the gentleman from California [Mr. DELLUMS] is considered very seriously. He and I are Don Quixotes, I know. We are, in Jack Anderson's words, Don Quixotes that is the gentleman from California and I are sort of the Don Quixotes: tilting at windmills.

I urge the adoption of the Dellums amendment.

□ 1440

Mr. Chairman, I thank the gentlewoman for yielding.

Mr. DICKINSON. Mr. Chairman, I yield 3 minutes to the very distinguished gentleman from Texas [Mr. ARMEY].

Mr. ARMEY. I thank the gentleman for yielding.

Mr. Chairman, I rise in opposition to this amendment. I would like to associate my remarks with so many of those people who have spoken before me who tried to make it clear what we are dealing with here. I would like to start off by responding to a comment made by the gentleman from California in support of the amendment where he made the point, and I think it is a good point, that I do not want a nuclear defense. I could not agree more.

I think one common thread that runs throughout this debate for all of us in this debate is the horror that we see in the possibility of a nuclear annihilation. It is something that is horrible. I have five children. I want my children safe. But the fact is today we have, and for years we have had, a nuclear defense, mutual assured destruction in the form of deterrence. The only way we could do was to try to match warhead for warhead to keep that up. And now all of a sudden we find that wonderful technology, that technology which, yes, can be in the hands of, and developed by, American business enterprise that will give us the first great hope for mankind since we developed this kind of weapon. That is embodied in SDI.

Now let me just remind the House that is the technology that took an astronaut to the Moon where he launched a golf ball. When he

launched that golf ball, nobody was concerned; that was not perceived as a nuclear weapon in space; it was a golf ball.

This is the kind of technology we are talking about. It does not take much to prevent the reentry of that nuclear warhead traveling through space as they do. We want to keep them out of space. But more importantly, we want to keep them from reentering.

The question really becomes, I think, for those who have said an alternative is the freeze of discussions or the SALT discussions: "Do you put your faith in the future as embodied in American technology, the science and the genius that we worked so hard to see our young people develop?" or "Do you put your faith is the Soviets to negotiate and to comply with agreements?"

Well, I can tell you that it is clear; for years we have tried to negotiate with the Soviets. We have been talking and hoping; they have been talking and building. They have defense systems.

Why do they want to stop SDI? Because it takes away from their defense advantage. Now I will ask the same question I asked on the campaign because this is not a new debate, it has been going on for a long time: "Do you want this kind of technology which does give us the possibility of making the nuclear weapons obsolete? Do you want that in the hands of the Soviets without our having it or would you prefer to have it in the hands of the Americans without their having it?" That to me is our best choice. Let us get it first and let us keep America safe.

Mrs. SCHROEDER. Mr. Chairman, I yield 3 minutes to the gentleman from Ohio [Mr. SEIBERLING].

Mr. SEIBERLING. Mr. Chairman, one of the things that really gets to me about this whole SDI Program is that it is discussed as though the resources of the United States were as unlimited as outer space. Yet this very week, the United States, for the first time since 1914, became a net debtor nation. A strong case can be made that this administration's defense program, and in particular the SDI Program, will result in less, rather than more, military strength.

Recently, Mr. J. Richard Munro, president and chief executive of Time, Inc., made a speech in Richmond, VA, advancing precisely that argument. I would like to read a couple of excerpts from it. He said, among other things:

> Defense spending in constant dollars now is as high as it was at the height of the Korean War and Vietnam War. By 1990 it will be a third more than it was in either war. In short, under current leadership we have the equivalent of a wartime spending policy. Our economy is being increasingly militarized.

Now it is one thing to spend money on research for SDI and it is another thing to spend money in an effort to deploy this system, assuming it is possible to deploy it. The difference in money that would be spent for a research program and the money for a deployment program is on the order of the difference between Mr. DELLUMS' proposed amendment and what the administration wants, that is, the difference between $950 million and $3.7 billion for fiscal year 1986.

Let me read just a bit more of what Mr. Munro said:

> The defense buildup is taking place as if it were in a vacuum and had nothing to do with the rest of our economic and social needs. Yet it can and will cause severe economic dislocations affecting every industry in America. The shift toward more military spending in the 1980's will change our economy as deeply as the oil price explosion changed us in the 1970's. We have severely cut education and human services programs and State governments are following suit. In effect, we are disinvesting in people, disinvesting in our future work force.

No one here is arguing against a strong defense, but a good defense is more than hardware. A good defense must be based on a sound economy and a healthy society. If we go on with this insane drive to spend as though there were no limitations on the power of the United States to raise money, then we are surely going to weaken our defense.

I suggest that the SDI Program, if the administration has its way, will be the biggest boondoggle in history. It amounts to a case of spending money purely for the sake of spending it. It is based on speculation that it is going to produce something from a defense standpoint when, in fact, the President himself has admitted that we really don't know if it is possible. A research program is justified. The all-out program for "star wars" is not.

Mr. DICKINSON. Mr. Chairman, I yield 6 minutes to the distinguished minority leader, the gentleman from Illinois [Mr. MICHEL].

Mr. MICHEL. Mr. Chairman, like most of you, I'm not a scientist. I'm a layman who is often asked to make difficult decisions about technical questions involving complex areas of knowledge.

And that is one of the reasons why I favor this SDI research program—it helps us ask the right questions. It seeks workable answers.

SDI cannot change the laws of physics. If the critics of SDI concepts are right, it will be the SDI Program itself that will provide the proof.

SDI does not involve a militarization of space. Indeed, it could be the first chance we have had since the creation of the ICBM to demilitarize space.

SDI does not involve the use of nuclear explosives in order to stop incoming missiles. In fact, its very purpose is to make a potential aggressor so uncertain of success that he will not even consider sending ICBM's through space. Not only space, but the Earth itself can become free of nuclear warfare if SDI research gives us reason to go forward.

How can we fail to adequately fund such a research program? It seeks to discover if it is possible to increase deterrence, stability, and security, for ourselves and our allies. It doesn't add one nuclear weapon to the stockpile. It doesn't threaten anyone on Earth.

We all know the controversial history of the strategic doctrine of mutual assured destruction. While the MAD doctrine has been useful in the past, it raises moral and geopolitical questions today. That is why SDI is so important. It could take us away from the MAD balance of terror in which your family and mine are held hostages in the nuclear standoff.

To quote President Reagan:

> The human spirit must be capable of rising above dealing with other nations by threatening their existence.

Seen in this way, SDI is something more than a technological research program—it is an affirmation of the human spirit. It is a manifestation of the human desire to turn away from weapons of destruction as such, it reflects all that is best in the American character.

But now I ask you to ignore, for a moment, the technology involved. I ask you to concentrate on one human being—Mikhail Gorbachev.

When I went to the Soviet Union in April with a bipartisan delegation led by the Speaker, we met for hours and hours with members of the Supreme Soviet. We spent over 2 hours with Foreign Minister Gromyko and over 3½ hours with General Secretary Gorbachev.

And I can tell you the Soviet leaders are obsessed with SDI. Gromyko was adamant in condemning it. It took Mr. Gorbachev an hour to get around to the subject but then spent 45 minutes talking about SDI. There's no doubt in my mind the Soviet hierarchy is convinced SDI can work. It's the bone in their throat. They're not so much concerned about MX's as they are SDI.

As I sat across the table from Mr. Gorbachev, I got the chance to take the measure of the man.

He is smooth and self-confident. He is intelligent and tough-minded. And he is a firm and dedicated Communist, a protege of party ideologist Suslov and Yuri Andropov.

That is not exactly the type you associate with deliberate misreadings of strategic realities.

And I thought to myself: Suppose you were sitting in his chair; suppose you knew that the lead the United States has in computer technologies and its capacity for production might give it a shield against Soviet nuclear arms.

What would you do if you also knew your own country, the Soviet Union, is burdened with an economic and industrial system that can't compete successfully in this area—if the United States decided to really get to work?

If I were in Gorbachev's shoes, I'd keep my scientists busy—as they have been for a decade—seeing what they can do about a Soviet SDI.

And at the same time I'd threaten to overwhelm an American SDI system with missiles. I'd issue dire warnings. I'd threaten to leave the arms talks. I'd do almost anything to convince Americans it isn't worthwhile pursuing SDI. I'd tell America's allies that SDI means their abandonment. I'd get my disinformation machines working overtime.

Is that what was going through Mr. Gorbachev's mind as we sat there, eyeball to eyeball?

I think that is exactly what he was thinking. Because those are the things he says and does.

In the short term SDI is an absolute prerequisite for arms control progress in Geneva. In the long term, SDI can bring about a fundamental change in the way the world looks at the entire question of nuclear arms. It moves us from a reliance on attack to a reliance on defense.

For over 40 years the two superpowers have faced each other holding nuclear swords, ready to do battle. President Reagan's historic strategic defense initiative asks if it is possible to replace the sword with a shield.

Surely it is our duty to give him adequate funding to discover if such a shield can be developed. We've already adopted amendments cutting back the number of MX missiles. I don't like that but I would surely make a plea here for restoration of funding for SDI research.

That will in my judgement do more to get the Soviets attention than anything else in this bill.

□ 1450

Mrs. SCHROEDER. Mr. Chairman, I yield 1 minute to the gentleman from California [Mr. DELLUMS].

Mr. DELLUMS. Would the distinguished minority leader stay in the well for just a moment? I asked the gentlewoman to yield 1 minute of time.

I simply want to say, first of all, why do you think the Soviet Union is concerned about SDI? My distinguished colleague, the gentlewoman from Colorado, made an eloquent presentation earlier today to point out that it is not the defense intitiative that has the Soviet Union shook up; it is the offensive potential of a first strike capability that, this system coupled with greater capacity to destroy that has them shook up. It is not the defensive capability; they do not know how to overwhelm it.

I want to yield to my colleague to let him respond.

Mr. MICHEL. I yield to the gentleman from New Jersey.

Mr. COURTER. I would like to respond, if I may, to the gentleman from California.

Mr. Chairman, the reason the Soviet Union is concerned about strategic defense in the United States is because they know that if we move toward the deployment of defensive systems, it will remove the effectiveness of their offensive arsenal. They have spent between $300 and $500 billion in building up these offensive, threatening weapons.

The effect, the military effect of those weapons will be removed if we can defend against them. That is the reason the Soviet Union is concerned.

The CHAIRMAN pro tempore. The 1 minute allotted to the gentleman from California has expired.

Mr. DELLUMS. I would appreciate it if my colleague would respond.

Mr. MICHEL. Well, I would certainly emulate exactly what the gentleman said; you get the same impression when you are talking to the Soviets.

Mrs. SCHROEDER. Mr. Chairman, I now yield 10 minutes at this time to a very distinguishd member of the committee and the Subcommittee on Research and Development, the gentleman from Michigan [Mr. HERTEL].

Mr. HERTEL of Michigan. Mr. Chairman, I rise in support of the Mavroules-Hertel amendment, which would cause a freeze in funding for the SDI system. Why? Because of the debate we have just heard here.

We are hearing about beginning a new arms race. We are hearing from the minority leader and from Mr. COURTER, the gentleman from New Jersey, about us seizing the major advantage through SDI so that they could not have an advantage with their nuclear arsenal today.

But we also hear through the debate that that would mean the Soviet Union would also try to have an SDI. We would have a new arms race. We are talking about fundamental issues, and we are talking about the future of the world.

As awful as the current system is, with weapons escalating on both sides, thank goodness we have not had a disaster, thank goodness we have not had a nuclear war, thank goodness we have not had miscalculation.

With the talk of an SDI system that can never be perfect, we bring new dangers. We hear arguments on both sides, but the fact is the people that are in support of the SDI cannot and will not be able to tell us how long, what kind of system, how much will it cost, or if it will ever work. They cannot tell us that today, they will never be able to tell us that.

We have a $200-billion deficit. We spend $300 billion on defense. We have doubled the defense budget in 4 years through the administration's efforts, and we have no more security.

Now they tell us about a new program; they are talking about over $100 billion to spend on an SDI Program; maybe a thousand billion dollars to try to perfect an SDI Program. They cannot tell us what it will be; they cannot tell us when it will be in effect; they cannot tell us how much it will cost, and they cannot tell us nor ever prove to us if it will ever work.

The Mavroules-Hertel amendment would simply freeze the SDI budget at $1.4 billion, the 1985 level. The parts of the SDI supporting basic research can continue. None of the funds may be used on a technology demonstration, the testing projects, which threaten to violate the ABM treaty.

There are tremendous uncertainties about the purpose, cost and implications of the President's SDI Program. Until more is known, until they can answer these questions that I and others ask, we cannot throw money away.

We are addressing, in our amendment, one of the most rapidly growing portions of the Pentagon budget, and we want to keep it consistent with the House defense budget freeze.

There have been so many amendments from this side of the aisle to freeze programs, freeze programs that work; freeze programs that service people, that have helped people, that lead to better education, better opportunities, yet those programs have been frozen, and those amendments have been made by the minority side of the aisle constantly.

All we are saying is, we take a great unknown; the most unknown quantity in this entire authorization, that we freeze that, too, until we can learn more about it.

The Senate-approved SDI level of $3 billion represents a 110-percent increase in the program, far larger than can possibly effectively be absorbed. Throwing money at problems will not solve them, and although the President's original goal of developing an Astrodome defense for the Nation had powerful appeal, essentially nobody is talking about that objective any longer.

□ 1500

Everyone acknowledges that a perfect defense cannot be built. Less than perfect defenses such as will be used to protect missile silos will not be as appealing or as desirable or as useful or as defensive or as strategic.

Four former Secretaries of Defense have voiced strong criticism of the President's SDI Program.

Robert McNamara said:

What is certainly and fundamentally wrong with the President's objective is that it cannot be achieved.

Robert McNamara said:

Star Wars offers not the promise of greater safety but the certainty of a large-scale expansion of both offensive and defensive systems on both sides,

Which I talked about before.

Robert McNamara said:

Star Wars, in sum, is a prescription not for ending or limiting the threat of nuclear weapons but for a competition unlimited in expense, duration and danger.

Clark Clifford, former Secretary of Defense, has said:

Presently there is no such technology and no reason to predict that one can be found in the foreseeable future.

Clark Clifford went on to say:

If we make it clear that we plan to develop and deploy the kind of defensive system that is now conceivable, this will effectively and perhaps permanently prevent control and reduction of Soviet offensive missile systems. Their reaction inescapably will be to match us in a defensive systems arms race, to increase their nuclear missiles and nuclear warheads, and to develop decoys and other techniques to make sure they can overwhelm any U.S. defense.

Our minority leader said exactly that he believed that was in Gorbachev's mind, just what Clark Clifford said would happen, a greater arms race, danger, more nuclear weapons and escalation, greater cost.

Harold Brown, another former Secretary of Defense, is quoted as saying:

Technology does not offer even a reasonable prospect of a successful population defense.

Harold Brown went on to say:

I have seen nothing that convinces me that the technology exists or is in sight that would allow us strategy abandoning the threat of retaliation as a way of deterring nuclear attack. While it is understandable to hold our dreams and hopes of such an objective, policy needs to be based on what is realistic.

James Schlesinger, former Secretary of Defense:

There is no hope, no realistic hope, that we will be able ever again to protect American cities. There is no leak-proof defense.

James Schlesinger also said:

I have seen few research programs that can be profitably expanded at a rate in excess of 30 to 35 percent.

And in the Senate bill they talk about 110 percent.

This House is going to have to decide. You have many choices. We would freeze it. We would continue funding for reasearch. This House has frozen many problems. This House has frozen the overall defense authorization budget. I call upon you to use good sense. They cannot absorb such a great increase, they cannot absorb a 110-percent increase. They cannot absorb a higher increase. We found out by what is happening in the last 4 years in doubling the Pentagon's budget, throwing money at problems does not bring us security, it does not solve problems.

We ask you, then, to freeze this unknown quantity, with the same considerations of freezing other areas. In fact, since it is unknown, it has less of an argument for an increase than practically any other thing in this budget.

Let us let them answer those questions. How much? How long will it take? How effective? What kind of system? When will it work? Will it ever work?

I have one final quote from Clark Clifford:

It would be budgetary and strategic folly to spend hundreds of billions of dollars or even tens of billions in the vain hope of a miraculous solution. The technological problems are compounded, moreover, by the fact that all the complex gadgetry that could be assembled could never really be tested.

And Clark Clifford went on to say:

A true test would only come in the event of an all-out nuclear war.

This is a test that we and the rest of the world cannot afford. I ask you not to start a new arms race at a greater pace. I ask you to vote for the Mavroules-Hertel amendment to freeze the SDI.

Mr. HUNTER. Mr. Chairman, will the gentleman yield?

Mr. HERTEL of Michigan. I yield to the gentleman from California.

Mr. HUNTER. I thank the gentleman.

If the gentleman is so sure that the answer is going to come back, essentially, that you cannot have a leak-proof defense, that you cannot defend the population against missiles——

Mr. HERTEL of Michigan. That is what the former Secretary of Defense said.

Mr. HUNTER. If he is so positive that that is going to be our answer, what is wrong with then asking the question, which, essentially, is what the star wars program does?

Mr. HERTEL of Michigan. I will take back my time to say that is why we are not zeroing it out or ending the program. That is why we continue a freeze—to do research, but not to throw money at things when you have none of the answers that I just asked for in my presentation today.

Mr. KRAMER. Mr. Chairman, will the gentleman yield?

Mr. HERTEL of Michigan. I yield to the gentleman from Colorado.

Mr. KRAMER. I appreciate the gentleman's perspective and his point of view, but I am a little confused.

The gentleman's arguments I think have really, if I understand what he is saying, basically made the decision that what we are dealing with here, in terms of SDI, is an impossible dream. It seems to me that if that is really the gentleman's argument, and I think that it is, the gentleman should be offering an amendment to zero out this program in toto. What the gentleman has done in his amendment, as I see it, is that he has provided a funding level which will keep the program alive but never allow the very questions which the gentleman poses on the House floor to be conclusively answered.

Mr. HERTEL of Michigan. I do not think that is true at all. We are talking about spending a great deal of money, $1.4 billion again. That is a good deal of money on research. That is plenty of money on research. We have had no testimony that that is not really enough because they have——

The CHAIRMAN pro tempore. The time of the gentleman from Michigan [Mr. HERTEL] has expired.

Mrs. SCHROEDER. Mr. Chairman, I yield the gentleman 30 additional seconds.

Mr. HERTEL of Michigan. $1.4 billion is enough money for research, but until, with these vast amounts of money, you can answer the basic questions—how much? When will it work? How long will it take?—then there is no possible way this House can increase 110 percent, 200 percent for that type of a program after they have frozen and cut so many other programs and after we have such a tremendous, horrendous deficit of $200 billion.

Mr. DICKINSON. Mr. Chairman, it is my distinct pleasure to yield 5 minutes to the distinguished and persuasive gentleman from Ohio [Mr. KASICH].

Mr. KASICH. I thank the gentleman for yielding.

Mr. Chairman, let me say, initially, I have a very difficult time understanding how people can be opposed to this system. I have talked to my friends on the left, including the gentleman from California [Mr. DELLUMS], and others, and asked them how they could be opposed to a safety net for the country.

Mr. DELLUMS. Mr. Chairman, will the gentleman yield?

Mr. KASICH. When I complete my remarks I will be glad to.

Mr. DELLUMS. I am in the Democratic Party. Refer to me as a member of the other party, get away from that ideological stress we place on each other.

Mr. KASICH. I did not mean to do that to the gentleman.

Let me go on to say that those who tend to be opposed to many offensive systems, if not all offensive systems, and really opposed to this defensive system. I have a very difficult time understanding that. Why is it? I think the gentleman from New Jersey [Mr. COURTER] said it earlier when he talked about the policy of shifting the emphasis away from mutual assured destruction to mutual safety, mutual assured survival.

The people in this country absolutely support this because 60 percent of the people believe that we ought to,

instead of building more nuclear weapons, taking the chance of proliferation or taking the chance of a terrorist getting his or her hands on one of these weapons and trying to launch it at this country, we ought to have the opportunity to protect ourselves, we ought to have the opportunity to have a safety net.

Now, let me say this: We have been talking about layered defense. Let us talk for a second about what we mean about layered defense or about what we mean about a safety net.

Everybody here I think understands, even the younger people who are here or in the gallery today, that when we watch our own missiles take off for space exploration, or when we witness tests of our Minuteman missiles, for example we know there are various stages that the rocket has to travel. The first stage is called the boost phase. It is the phase when the rocket first lifts off the ground. Now, in that phase, that is absolutely the best opportunity for us in the strategic defense mode to take out the maximum number of lethal warheads. Why? Because in the boost phase the missile has not yet deployed its reentry vehicles carrying their deadly load. If we can take a missile out in the boost phase, then we are actually taking out 10 actual destructive weapons in the very beginning, in the boost phase. That missile then travels into the post boost phase, which is farther off the ground. At that point it begins to deploy its payload. We have got to try to get at it before it actually starts to deploy its payload. But at the post boost phase it still is not that far off the ground. And then that missile will journey into the midcourse phase, which is the phase when it is in space. And there is another opportunity for us to try to take out these weapons of destruction. And then finally it enters the terminal phase, which is the phase which is the most dangerous, when it starts to reenter the atmosphere and actually comes down to the ground.

Now, the Soviets have seen fit to deploy a system that speaks to that final phase, the terminal phase, and let us talk about that, just briefly for a second.

They have, as I think everybody knows, surveillance satellites to give the ability to find out if we would in fact ever launch any of our missiles. They have the surveillance satellites. They also have what is called over-the-horizon radar. Over-the-horizon radar gives them the ability to track our missiles if it would ever in fact come above their horizon. We do not have this kind of sophisticated over-the-horizon radars. They have three of them.

They also have 11 hen-house radars. Now, what are hen-house radars? They are the ability, and they surround the periphery of the Soviet Union, to actually track these missiles as they would come from this country.

□ 1510

In addition to the hen house radars, they have now deployed six of what are called Krasnoyarsk radars, which have battle management capability. They can sight the system coming; they can send signals to an interceptor, and they can perform the full function of trying to intercept and kill a missle. They have the Krasnoyarsk radar; we have nothing of that type. In fact, they have built one in the middle of their country. They are not supposed to do that, that violates the ABM treaty, there is not anybody who disagrees with that, including the gentlemen who negotiated the ABM Treaty. Even the negotiators say it is a violation.

So they have these Krasnoyarsk-type radars, and then, of course, they have a system that surrounds Moscow. With the development of the new Pushkino radars which also have battle management capability, they have something we do not have, along with smaller radars. Combine that with a number of interceptors like the Galosh missile, and, in addition to that, the high-acceleration interceptor in the Moscow area. This gives them a two-layered defense in Moscow right now. As soon as they deploy the high-acceleration interceptor, they are going to have a two-layered defense in Moscow. They are developing, many think, a mobile-capable interceptor antiballistic missile system.

The CHAIRMAN pro tempore. The time of the gentleman from Ohio [Mr. KASICH] has expired.

Mr. SPENCE. Mr. Chairman, I yield 1 minute to the gentleman.

Mr. KASICH. To make the story short here, the simple fact of the matter is the Soviets are deploying a safety net around their country. What we seek to do is to deploy the same kind of safety net that will work in the boost phase, in the post-boost phase. In the phase as the missile is in space, and in the phase when that missile starts to reenter the atmosphere. We need to develop this in order to give us a safety net to prevent these missiles from actually hitting this country.

Can we do it? Well, you talk to the people who were born in the twenties and the thirties and you ask them about the Moon landing. they said when they read "Buck Rogers" in the comic strip that it could not be done. Of course, it was done. Then it was just several months ago when we actually saw an astronaut in space catch a satellite.

Now, is it not worth our while, ladies and gentlemen, to spend some time and spend some money developing a system that will give us protection and cut the need to develop any more offensive weapons. That is what this system offers. We need Republicans and Democrats and liberals and conservatives to support it for the good of mankind.

Mrs. SCHROEDER. Mr. Chairman, I yield 4½ minutes to the gentleman from Massachusetts [Mr. FRANK].

Mr. FRANK. I thank the gentlewoman for yielding me this time.

Mr. Chairman, much as I value the good counsel of our friend from Ohio, I am inclined to believe that the good of mankind will survive a decision not to give an additional $1½ billion for this latest proposal.

I admire the care that went into the drafting of the amendment of the gentleman from California. What he has said is that we can have $900 million of research. You know, in any other context but the Defense budget, $900 million is a lot of money. But when we are talking defense, $900 million becomes an insult. A billion four, my friend from Massachusetts, is a mere trifle. Two point one, the gentleman from Washington, that is meza-meza. Two point five is inadequate. That only happens here.

We fight here about freezing and cutting and paring and scrimping over small fractions of this amount and we are derided as budget busters. But when it comes to this, hundreds of millions of dollars go out the window. The gentleman before said, "Why do you not want to ask the question," one of the gentlemen asked my colleagues. I do not mind asking the questions, just do not take $1½ billion out of the taxpayers' pockets to pay for it. Ask all the questions you want. Play Trivial Pursuit for the next month, but do not take $1½ billion from the taxpayers.

We are told, wait a minute, is this not an important enough thing? Lives may be at stake. This is an administration, which, with some support from the other side, has said to the National Institutes of Health, "You know those 6,500 grants we had given you to save lives, to do research on the deadliest killers of mankind of heart and kidney and cancer? We are cutting you to 5,000 a year."

You want to talk about saving lives? We are not being speculative here. This administration, this President, this OMB has said research underway for these killers must be cut back because we are in a budget crunch. Now where did we come to on this.

The question is where did this come from. We are now hearing from people on the other side, and some on our side, how inherently unstable the deterrent is. I thought for a minute Helen Caudecott had popped up over there as a Member of the other party, because in my first years here, in 1981 and 1982, some of us said we should have a nuclear freeze, we should reduce weapons, we should have arms

reduction, because, after all, there is some instability in deterrence. We were told that was not true. We are told that it worked for 40 years. I am included to think that there is some stability with deterrence, but we have seen a total flip. Now we have people on the other side belittling the whole idea of deterrence. The structure for which they want to spend $300 billion and more, these are people who have told us arms reduction is not necessary; deterrence is OK. Now, they have suddenly become the Chicken Littles themselves. I think that is unpersuasive.

Let us understand what happened here. We were going along with no one on that side or in the administration finding deterrence unstable. Somewhere, somehow, President Reagan decided that things were not going well enough in the arms reduction field for him. He was going to have his own arms reduction thing; he could not get one. As a matter of fact, he has now had a hook onto one which he told us was no good when it was signed, SALT II, and he tells us the Russians are cheating on it, but he is going to sign onto it. I will say one thing for Ronald Reagan: His reality is a lot better than his rhetoric. No matter what he talks, he can adjust. So he has adjusted to that reality.

But he wanted to put his stamp on something, so he came up with this notion which he has sold in his rhetoric as a kind of a leak-proof Astrodome over all of us. Now, he was not sure when Walter Mondale said, "It is going to be up in the sky," the President said, "Well, how do you know it is going to be up above?" I think it is a reasonable inference that if we are going to be protected from missiles, we would not like it to be waist-high. We do not want a system whereby we all lay down when it is going to come.

So we have this idea by the President, not previously supported by any strategic concept, which he came forward with in 1983 as kind of a political thing. We are now saying, OK, there are some reasonable questions to be dealt with in this area, let us spend $900 million, my friend from California says. He is probably going to have to go back to California and defend himself against his people who are going to say we have got no housing and we have got inadequate food, and we have got poor children, black children, and white children hurting, and you are spending $900 million on these games. But the gentleman in a reasoned way has said, OK, there are some questions to be answered. But that is not enough. We have got to spend, the President wants, $4 billion on this idea, which had no previous strategic support, for which there is no great clamor, which meet no current, pressing need.

So I say to the gentleman, you want to speculate, you want to ask questions, that is fine, but please do not come to us and tell us that we are going to cut life-saving research at NIH, and basic economic support for desperately poor people, but to answer these idle questions that you have got, money does not count.

I think the $900 million proposal of the gentleman from California is thoughtful and meets whatever reasonable need exists.

Mrs. HOLT. Mr. Chairman, I yield 5 minutes to the gentleman from California [Mr. HUNTER].

PARLIAMENTARY INQUIRY

Mrs. SCHROEDER. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN pro tempore. The gentlewoman will state her parliamentary inquiry.

Mrs. SCHROEDER. Mr. Chairman, how much time is left on both sides at the moment?

The CHAIRMAN pro tempore. The gentlewoman from Colorado [Mrs. SCHROEDER] has 41 minutes remaining and the gentleman from Alabama [Mr. DICKINSON] has 55 minutes remaining.

Mr. HUNTER. Mr. Chairman, to really frame this debate for our colleagues and for the American people, I think it is important to lay out all the facts for the people and for Members of Congress.

Several polls were mentioned at the beginning of this debate which noted how little most Americans know about our legal relationship with the Soviet Union, manifest in the ABM Treaty and in the SALT Treaty, describing what we are constrained not to do under that treaty. I would ask my colleagues to look at these words, and I quote:

"Each party undertakes not to deploy ABM systems for the defense of their territory."

□ 1520

I would venture to say, Mr. Chairman, that probably 95 percent of the American people do not realize that it is against the law for the United States to defend itself against a missile attack. I think the indication was earlier that polls show that some 60 percent of Americans think they are defended; they think that it is not only legal but that, in fact, it is being done. I have heard a number of Members from the other side talk as if this is the status quo; that it is completely consistent with history; that we should have an agreement whereby it is illegal to defend ourselves against attack.

The real effort that we are involved in today, Mr. Chairman and my colleagues, is the asking of a question. The question is: Can we defend the United States against ballistic missile attack? If we cannot do that, if we cannot defend all the people, can we make our deterrent stronger by perhaps restoring that invulnerability that, previous to the Soviets building their 308 SS-18 missiles, our Minuteman fields had, at the time when they had the capability to escape and to fly out from under a Soviet attack?

There is going to be a lot of talk later on in this debate about the United States "bumping up against the ABM Treaty." Let me just say to my colleages, it is not our job to act as advocates for Soviet lawyers or to take the legal points that they might be expected to take under the ABM Treaty. It is quite clear that the ABM Treaty constrains us from testing the actual systems or prototypes of those systems, or components of those systems. It does not constrain us from testing concepts. If it constrained us from testing concepts, then when we had the homing overlay missile experiment, in which we basically shot a missile down with a missile, that would be violative of ABM because that test, the concept of whether or not you can in fact defend a country against an incoming missile, is relevant to missile defense.

We have a defense system. It is called the defense support system, that allows the United States to know if we are under a nuclear attack. It tells us when Soviet missiles have lifted off. We have been in the business of building a boost surveillance and tracking system, a follow-on to this, for a long time before the President's March 1983 speech about the so-called star wars system.

If it is illegal for us to bump up against any concepts that have some reliance to defense against missiles, then in fact our defense support program violates the ABM Treaty because it is based on our capability to locate and be aware of Soviet missiles when they take off on a course for the United States.

So we very much have a right to ask the question, and it is a question of our generation: Can we defend the United States against a nuclear attack? A lot is said about legislative history in this body when we are talking about laws, and I want to go to the ABM Treaty and I want to quote something by Paul Nitze, who was one of the authors of the ABM Treaty. He says this with regard to SDI, and I quote:

> In the first place, as I have said, SDI is a research program. The ABM treaty contains restraints governing the development, testing and deployment of ABM systems, but research is not constrained in any way. The lack of constraints on research result from 2 factors. First, both the U.S. and the Soviet Union recognize that it would be impossible to devise effective or verifiable limits or bans on research.

In fact, it was the Soviet side which, during SALT I, insisted that research could not be limited, so I would say to

my friends since the Soviet Union insisted that research not be limited under the ABM Treaty, and it is not in our interest to maintain the position that their attorneys would take with regard to the experiments that we are going to conduct.

Mr. KASICH. Mr. Chairman, will the gentleman yield?

Mr. HUNTER. I yield to my friend, the gentleman from Ohio.

Mr. KASICH. I thank the gentleman for yielding.

Mr. Chairman, it is important that we answer one point, and I am glad the gentleman referred to Mr. Nitze because Mr. Nitze said in order to have an effective system, an SDI system, it should, No. 1, be effective from the standpoint of being able to survive, and No. 2, it ought to be cost effective at the margin; that it means that in order for the Soviets to do any more in order to offset what we have done, it will cost them 10 times as much.

That is the premise under which our SDI Program is being formulated and these programs and tests that our friends want to cut enable us to determine which of these programs are the most cost effective. That is why we need them.

Mr. HUNTER. I thank the gentleman.

Mr. Chairman, let me just make one last statement to my colleagues.

The question we are going to answer today is: Do we want to go ahead and ask the question, which is what the research program is? It is the asking of the question: Can we defend America against ballistic missile attack?

The speed with which that question is answered is going to be dependent upon the level of funding that we give this program. That is why I would advise my colleagues to go with the high level, because it is in our interest not only to have an answer, but to have an early answer.

Mrs. SCHROEDER. Mr. Chairman, at this time I yield 5 minutes to the gentleman from Florida [Mr. NELSON].

Mr. NELSON of Florida. I thank the gentlewoman for yielding this time to me.

Mr. Chairman, I rise in support of full funding for the strategic defense initiative requested by the administration.

A key fact ignored by many critics of SDI is that SDI is a research program. The question of whether to proceed to deployment of an actual ballistic missile defense system would arise in the years to come when the SDI research generates options for effective defenses that are achievable and affordable. SDI is not a program to deploy weapons—SDI is a program of research and technology to provide the information from which to make an informed decision.

Another key fact is the very large extensive effort which has been underway in the Soviet Union for many years on advanced technologies for BMD, including lasers and other directed-energy weapons.

In the past 20 years, the United States has essentially abandoned all efforts or any kinds of strategic defensive systems. In the meantime the Soviet Union has continued to pursue strategic advantage through the development and improvement of active defenses. These active defenses provide the Soviet Union a steadily increasing capability to counter U.S. retaliation forces and those of our allies. For example, the Soviet Union possesses the world's only currently deployed ABM system. The Soviet Union also has an extensive air defense network.

Mr. Chairman, we must correct our past imbalance in planning for strategic deterrence. We must increase our efforts on defensive technologies to assure we are in a position to counter the advances of the Soviet Union in defensive systems.

I urge you to support the SDI Program with a level of funding that will permit this vital research effort to continue at a rate that will achieve results. The SDI Research Program is only in its second full year. Already we have seen promising developments and much progress has been made toward realizing the program's overall goals. This is not the time to make cuts in the SDI Program. It would not be wise to slow the pace of this very promising program which has the potential to so significantly enhance our national security.

The SDI Program is very broad and is considering a wide range of new defense technologies. It is critically important to remember that we are, now, involved in a massive study of the ballistic missile defense issue. We do not yet know what will be the best way for us to proceed, or even if developing a BMD system will be the best course of action for us to follow. We believe that it will be, but answering that question is what the strategic defense initiative is all about.

There will be new technologies that will result from SDI research for nondefense purposes. Let me give you an example of a practical application of SDI research. A future fiber-optic undersea cable from the United States to Europe will increase our cost-efficiency of telecommuncations. From SDI research it is likely we will perfect the use of galium arsenide. It could be used on the repeaters on the fiber optic line and extend the lifetime of the repeaters so that the cable will not have to be hauled up for repair nearly so frequently. Thus the cost of telecommunications will go down.

The full budget request for fiscal year 1986 is $3.7 billion. In fact, it is a significant increase over the budget request for fiscal year 1985. But I think we must consider the extraordinary progress that has been made in this program in just 1 year. The SDI is not an ordinary defense study/development project. This is a completely new and very innovative combined military and scientific research program. I want to support the goal of rendering nuclear missiles obsolete but I also want to be certain that our program will develop and progress in the most prudent and cost-effective manner possible.

□ 1530

Mrs. HOLT. Mr. Chairman, I yield 10 minutes to the gentleman from Colorado [Mr. KRAMER].

Mr. KRAMER. Mr. Chairman, I rise in support of full funding for SDI, and I would like to direct my remarks to those who are skeptical, dubious, or against this project, and speak to them, if I might, for a few moments on why I hope they will reexamine their positions or at least think about reexamining their positions.

I do not think there is any Member in this House who does not believe in arms control or at least the concept of doing something to stem an arms race. But if we look at the reality of arms control, not as it is in a world that we wish existed but as it really and truly has been, reasonable people would have to conclude that arms control as we have known it today has been a dismal flop. Sad but true, it has been a dismal flop.

Before we had the SALT I agreement, between the years 1956 and 1972, roughly 16 years, the Soviet Union deployed 17 new systems, about 1 a year. In 1972 we ratified the first SALT agreement, and it was promoted and advertised and marketed as in effect being a freeze on the arms race. Yet in the 13 years since we ratified SALT I, the Soviets have deployed 30 new systems and have 11 more either under development or actually poised for deployment, for a total of 41 in 13 years.

I think this chart more dramatically or graphically than any words illustrates at a glance the reality and truth of the statement that I made, that arms control as we have known it is a dismal flop. Perhaps for more than any other reason, as long as we rely on offensive nuclear weapons of massive destruction as our deterrent capability, arms control is always going to be nothing but a mirage.

The simple fact of the matter is that we either have significant enough amounts of nuclear weaponry to carry out a retaliatory capability, if that is our deterrent strategy, or we do not. If we have it, we cannot have arms con-

trol, not in a meaningful sense, toward making the world safer. And if we do not have those nuclear weapons, we have no deterrent capability.

Despite much of the conversation, the rhetoric, and the discussion coming out of Moscow, the reality is that the Soviets all too well recognize the potential of defensive weapons. In fact, they spend more on defensive weaponry today and strategic defenses than they do on offenses. They have a very ambitious military space program. In fact, it is significantly more ambitious than ours by a margin of at least 50 percent, and probably more.

They are the only country in the world that has space weapons today, and they have at least two types. They have an operational co-orbital ASAT that actually flies into space and intercepts with another satellite and blows it up, and they also have weaponized lasers. They are the first country in the history of this planet to do so. They spend in that Laser Weaponization Program about three to five times more on research than we do, and they have been doing it for a decade. So in effect their strategic defense initiative is literally miles ahead of our own.

They have a radar for ABM battle management. They are the only country that has an ABM system. And they have a strategic air system, the so-called SAM system that is potentially, if not already, capable of ballistic missile intercept.

If we are truly to have arms control, we must move away from the reliance we have had in the past on nuclear weapons, and I think the strategic defense initiative and what it implies will allow that the way nothing else can or ever will allow. It will allow us to escape the travesty, the potential catastrophe, or the potential elimination of civilization on this planet as we know it. And that can perhaps no better be illustrated than by this arms race we have seen since the 1972 SALT Treaty was first signed.

What the strategic defense initiative allows us is the opportunity over a period of time in a systematic way to substitute nonnuclear defensive capability for these terrible weapons of massive destructive capability that we have built up over the last quarter of a century. It can get the world thinking in terms of defense, not offense but defense. I believe the strategic defense initiative will have a tremendous effect if we negotiate properly in Geneva in moving both the United States and the Soviet Union toward reliance of defensive rather than offensive systems as the basis for a deterrence strategy

We have at least one commonality of purpose with the Soviet Union, and that is to prevent these terrible weapons that are now in the hands of just a few countries on this planet from being multiplied all over this globe so that the Libyas and Syrias and Irans of the world are not able to threaten us and hold us hostage by accumulating nuclear weapons. I believe that both the United States and the Soviet Union have that mutual objective, that mutual purpose.

For that reason, if for no other reason alone, to keep these weapons from being accumulated in the hands of irresponsible parties to the detriment and potential threatened destruction of civilization on this planet as we know it, we should get together at Geneva and agree to begin to deploy these nonnuclear strategic systems that are capable of defense but do not have inherent in them the possibility of mass destruction.

Many have argued that this will not be cheap. The price of peace has never been cheap. Peace has never been bought cheaply, and those who do not understand that have usually paid a very sad price indeed.

□ 1540

Some, such as the Fletcher Commission, suggest $100 billion. Some of the detractors, the people opposed to this program, give us numbers like $1 trillion.

But do you realize that we alone, our country alone in the past 25 years, has spent at least $1 trillion and possibly $2 trillion on nuclear weapons and weapons of mass destruction. If you compare that cost to the central cost of implementing SDI and recognize also that whether we do SDI or not very well may determine the future of civilization on this planet, I submit that the cost, whether it be $100 billion or $1 trillion is a cost we simply cannot afford not to pay.

With star shield defenses can come real arms control and we are able with SDI and its follow-on to transform this strategic arms race into a peace race.

Mr. HUNTER. Mr. Chairman, will the gentleman yield?

Mr. KRAMER. I am happy to yield to the gentleman from California.

Mr. HUNTER. Mr. Chairman, I want to commend the gentleman for one of the best statements for supporting SDI that has been made on the House floor during this debate.

To those Members who have come down here and said, "We listened to this expert and that expert and they say it can't be done," I am reminded of the fact that in 1926 when Dr. Robert Goddard, who was the father of American rocketry, started to develop rocket systems and predicted that a rocket could go to the Moon, the New York Times wrote an editorial in which they said that Dr. Goddard could not possibly be correct, that he could not grasp the basic principles that any high school child knows and, after all, "you cannot push against a vacuum." That was a quote that came from the New York Times at the time.

I would suggest to my friends that when the father of the hydrogen bomb, Dr Edward Teller, tells us that it is possible to make the hydrogen bomb obsolete, we should at least listen and we should ask the question.

I commend my friend for framing this debate in such an effective way and for persuading many people, I think, to ask that question.

Mr. KRAMER. Mr. Chairman, I thank the gentleman for those comments. I agree with the gentleman. Not only can this be done, it must be done.

Mr. COURTER. Mr. Chairman, will the gentleman yield?

Mr. KRAMER. I yield to the gentleman from New Jersey.

Mr. COURTER. Mr. Chairman, I, too would like to congratulate the gentleman for one the best arguments I have heard here.

The CHAIRMAN pro tempore. The time of the gentleman from Colorado [Mr. KRAMER] has expired.

Mrs. HOLT. Mr. Chairman, I yield 30 additional seconds to the gentleman.

Mr. COURTER. Mr. Chairman, may I continue?

Mr. KRAMER. Certainly.

Mr. COURTER. Mr. Chairman, what I was going to add was similar to the statement made by the gentleman from California, Mr. DUNCAN HUNTER.

Albert Einstein many years ago, one of the greatest physicists and scientists this country has ever seen living in the United States, said, "We can forget about the idea that we can ever split the atom." Albert Einstein said it could not be done. Our scientists often underestimate their own capability.

I congratulate the gentleman for the statement he has made.

Mrs. SCHROEDER. Mr. Chairman, I yield 4 minutes to the gentleman from Montana [Mr. WILLIAMS].

Mr. WILLIAMS. I thank the gentlewoman for yielding.

Mr. Chairman, I support the continued research money for strategic defense initiatives. I support that appropriation which can be spent in a prudent manner consistent with research and management ability within this country.

For 40 years now the idea that has driven the arms race is called mutually assured destruction. Two years ago President Reagan announced his support for a notion that he said might make nuclear weapons obsolete, a space-based shield, a computer-operated astrodome defense, a leak-proof umbrella.

We know one thing about Americans. They are supportive of new ideas. They understand the success of this country has been in innovation. We know that our Nation must seek

and try and experiment, that we must set sail and not lie at anchor; so the President's proposals have hit a responsive chord with the people of this Nation. We have also learned during the past five decades that not every new expensive idea and promise that comes from Washington, DC, is workable.

So we have some legitimate questions about star wars and perhaps in this time of budget deficits we should ask the important question first. What is it going to cost? About $4 billion if we go along with the President for the coming year and in the end it may cost about a trillion dollars.

The taxpayers of this country need to think about that and so does this Congress, because a trillion dollars is what we now spend for all Federal spending. Are we really going to spend that on just one system?

The second question before us is will the system be leak-proof or will the Soviets simply swamp it with cheap decoys and cruise missile and quick-burn rockets? Will it be nothing but a space-age Maginot Line?

The third question is, does this Nation or any nation really have the management ability to assemble the tens of thousands of pieces of speculative research at labs and universities all across this country into a workable system? That is a management problem and a significant one.

On the fourth question, let us get our minds into those of the Soviets, as the CIA and the Defense Department try to do. Let us consider this question as the Soviets may. Will this system be perceived as a first-strike system? Is that what we would think if they were doing it? If they had an umbrella, would we think that once it was on place they were going to strike and then turn that umbrella on so that we could not strike back? If so, it becomes a first-strike system.

Finally, should we really take man or woman out of the loop in deciding when and if we go to war?

Do we want to turn that decision over to 50-cent microchips from Taiwan? Because that is what in the final analysis this system might do.

Those are questions which face every Member of this House. There is not a chance that this Congress is going to refuse to commit any money to Star Wars. The only question is how much and where shall it be applied.

I am going to vote for continued funding for missile defense technologies that are permitted by our treaties, but I am not going to vote for any money that bumps up against those treaties or any money that encourages the Soviets to bump up against those treaties.

The ABM Treaty of the early 1970's prohibited the development and testing of space-, ground-, and sea-based antiballistic missile systems. Where star wars starts to bump up against that prohibition, this Nation above all others should keep its word and say, no, no. We signed on the dotted line. We said we would not do that. We did it on a bright day in the early 1970's and we should not do it and many of us will not vote to do it now.

Mrs. HOLT. Mr. Chairman, I yield 5 minutes to the gentleman from Florida [Mr. CHAPPELL].

Mr. CHAPPELL. Mr. Chairman, we hear a lot today about how this program will not work and we do it at a time we do not even know what it is going to look like. We are not talking about a deployable system. We are talking about a research program, purely research.

The SDI has been structured as a research program geared to provide a future President and Congress the technical knowledge required to support a decision on whether to develop—and I emphasize whether to develop—and whether later to deploy advanced defense systems, a research program.

The driving force behind the SDI concept is to render nuclear ballistic missiles impotent and obsolete, a vital step toward freeing the world from the fear of nuclear conflict.

Now, the result of such a study, of such a research program, could be a better basis for deterring agression, for strengthening stability and increasing the security of the United States and our allies.

We hear a lot about the cost of the program today and why the program ought to be cut, based upon many instances why it will not work.

First of all, the program that is before us is one that has been really around a long time. We do not have very many new parts. We simply are trying to put all those parts into one place so they can be better managed and more effectively managed.

Now, the President has asked for $3.7 billion as full funding, and I support that position because I think that is the effective way to go.

□ 1550

I hope we will not depart too far from that because, in my view, when we do we are going to start weakening the development of the various links in the chain that are necessary to make that chain effective.

If we do not bring the development of the research on each of these links along at the same speed and with the same strength, we are going to put in place a chain that has absolutely no effectiveness at all. That is the reason we are calling it the strategic defense initiative, is to bring this effort all into one place, under good management and in an effective way.

For example, when we talk about the cuts down below $3.7 billion down to $2.9 billion or $2.5 billion, let me simply remind you that we already have in place contracts that will require more than $2.5 billion to sustain just the contracts we have ongoing at this time.

We have heard those who say we are putting too much money into this program too fast. The truth of the matter is if we look at any other programs, the Apollo Program, the Manhattan Program, or any of the rest, all of those programs have been moved along and accelerated in a much greater fashion than is this program. So we have a manageable program here.

I would hope that as we hear the debate that starts to specify money for some projects, while limiting funds to others, that we will remember that that is one of the worst ways to try to control and manage this program in an effective way. If we start saying that you have to spend too much money on a particular program but you cannot spend more than so much on another, we begin to say to the management of this program that you have to spend money even though we do not need it in that particular one while you cannot spend it in one where it is needed.

So I think that is a very improper way to proceed, and when we start putting limitations on, we come out with the same kind of situation.

In my view this program is the most important since the development of the atomic bomb. Important because if we can develop the capability of intercepting and shooting down intercontinental ballistic missiles as they break out of the atmosphere and into space, and destroy them with a nonnuclear weapon, and without a nuclear explosion, we have solved the problem and we have rendered impotent the very systems that we are concerned about in today's world.

So I urge the full funding of the program and I urge you, if in your own practical thinking you cannot go all the way for full funding, let us at least keep it above the $2.9 billion level. I think to do less is going to waste a lot of money for our country.

I urge full funding.

Mrs. SCHROEDER. Mr. Chairman, I yield 3 minutes to the gentleman from New York [Mr. WEISS].

Mr. WEISS. Mr. Chairman, I want to commend our distinguished colleague from California [Mr. DELLUMS] for offering his important amendment which would prevent the star wars program from violating the 1982 Antiballistic Missile Treaty. That agreement is a landmark in arms control. For more than a decade it has permitted the United States and the Soviet Union to avoid a costly and dangerous competition between defensive and offensive weapons.

Now, the strategic defense initiative threatens to overturn that achievement, and if it does it will unleash an unrestrained arms race in the heavens and on Earth.

Mr. Chairman, we run a great risk in that in all good faith we will accept the labels which have been placed on the SDI proposal as if those systems will in fact do what the labels claim for them. We will blow up ourselves and the rest of humanity, and/or freeze humanity out of existence in a nuclear winter, all the while claiming that we have created a great, all-protective shield against nuclear attack.

As I listen to the arguments of the proponents of SDI I am reminded with a great sense of apprehension of Albert Einstein's statement at the dawn of the nuclear age, that with the first atomic bomb everything changed except our way of thinking.

Mr. Chairman, we as Members of the House of Representatives are among the relatively few people on Earth who are in a position to decide whether humanity survives or not. Based on our performance so far it is difficult to be optimistic about the future.

Of course the administration has repeatedly assured us that the SDI is merely a program of research which is not affected by the ABM Treaty. However, the facts speak otherwise. Several of the demonstration projects and major experiments included in the star wars program are actually tests which would violate the ABM Treaty prohibitions against the development and testing of space based anti-ballistic-missile systems.

What the Dellums amendment does is to preserve the basic scientific research that is contained in the SDI while it eliminates those aspects of the program that are inconsistent with the treaty. It also prohibits work on projects like the x-ray laser which would be powered by a nuclear explosion.

I believe that this amendment recognizes both the value of scientific research on defensive technology and the importance of continued adherence to the ABM Treaty. It would restrict the President's star wars program to a genuine program of nonnuclear research, and I urge its adoption.

Mrs. HOLT. Mr. Chairman, I yield 2 minutes to the gentleman from Mississippi [Mr. MONTGOMERY].

Mr. MONTGOMERY. Mr. Chairman, I want to thank the gentlewoman from Maryland [Mrs. HOLT] for yielding me this time and I do rise in strong support of her substitute amendment of $2.9 billion.

Mr. Chairman, if the $2.9 billion does not survive then I would support the $2.5 billion which is in the bill that we present here today.

Mr. Chairman, I was talking to a friend of mine who is also a friend of John Tower, and John Tower is one of our negotiators in Geneva. I was told this only last night. Senator Tower told him that several years ago when we were talking about the SDI, even last year that Senator Tower was lukewarm to the SDI proposition. But since he had been one of our negotiators and had gone to Geneva and had been negotiating with the Soviets he found out how important the concept of star wars and SDI was, that the Soviets only wanted to talk about this operation, the SDI, and they did not want to talk about anything else. Senator Tower said that made him see how important, if we are going to get the Soviets to negotiate, it was to be strong on the SDI.

So I think it makes a lot of sense to support the $2.9 billion which I think we certainly should do, or the $2.5 billion. Anything less than that really does weaken us in Geneva.

Mrs. SCHROEDER. Mr. Chairman, I yield 5 minutes to the gentleman from New York [Mr. MRAZEK].

Mr. MRAZEK. Mr. Chairman, I thank the gentlewoman from Colorado [Mrs. SCHROEDER] for yielding me time to speak on this very important issue.

Some people seem to believe that decisions on the question of nuclear war are made in a vacuum. Of course, they are not. I view the nuclear arms race in the form of two old men at a chess table, each of whom makes a move that they are convinced is absolutely extraordinary, and yet, invariably there is a counter to that move because both sides are pretty good chess players.

I think it is important for those of my colleagues who are still undecided on this issue to consider this point: The absolute optimum that we can reap from SDI is technological uncertainty. I would challenge any Member in this body to tell me how the confidence gap that we have today on the issue of mutually assured destruction is going to be any different in the future, since we never will truly know whether this system works or not before we ever have to use it. And if it does not work damn well then we have got a real problem.

It is important to recognize how we would react if the Soviet Union announced that they were going to deploy 100 battle platforms over U.S. territory designed to make our nuclear strike force obsolete and impotent. Would we allow the Soviet Union to deploy such a system 300 miles above our territory so that they could monitor and destroy every silo, each and every weapon that could be launched from the U.S. arsenal?

□ 1600

Of course not. We would not let them do it any more than they are going to let us deploy a system 300 miles above their territory designed to render their nuclear forces obsolete and impotent. To me the answer is to recognize that the true problem, the true challenge we face is with new nuclear delivery systems. They can continue to build more bombs in secret. But they cannot deploy a star wars system, any more than we can, without our knowing about it. And we are going to go ahead with the research end in any event. They cannot deploy an ASAT system without our knowing about it, and if we could agree on negotiations for a moratorium on these new weapons systems, it would go a long way toward helping to make this a more peaceful world.

Mr. Chairman, finally, I offer some thought on military tactics to those who may be confused about the strategic essence of that which we debate today. When Gen. George S. Patton was leading the 3d Army on its extraordinary end run around the German flank in 1944, Gen. Omar Bradley informed Patton that he was temporarily cutting off gasoline supplies needed by Patton's tanks. Patton protested vigorously.

"Right now," he said, "the weak spot is here . . . Today I have precisely the right instrument at precisely the right moment in exactly the right place. With a few miserable gallons of gasoline, we could be in Berlin in 10 days."

Bradley replied, "What about the German fortifications at Metz and Verdun?"

Patton then pounced: "Fixed fortifications," he said, "are monuments to the stupidity of man. When mountain ranges and oceans could be overcome, anything built by man can be overcome."

Ladies and gentleman, I would suggest to you that we have always believed, with our best generals, in the flexibility of tactics. To put that system into space, is to construct fixed fortifications in space, and it would be circumvented just as easily as the fortifications at Metz and Verdun.

Mr. KASICH. Mr. Chairman, will the gentleman yield?

Mr. MRAZEK. I yield to the gentleman from Ohio.

Mr. KASICH. I thank the gentleman for yielding.

Mr. Chairman, I have two points. One, I hope the gentleman is aware of the fact that the Soviets have deployed an ASAT system, we have none. They in fact have called for a moratorium on ASAT testing primarily because we do not have one and they do. But I was really——

Mr. MRAZEK. Mr. Chairman, I take back my time just to respond by saying that our system deployed off of an F-15 is probably a much more accurate and effective system than any ASAT that they have developed.

I will yield further.

Mr. KASICH. I appreciate the gentleman yielding further. Except that we do not have ours deployed, we cannot; and they have. Second, on the issue of the early warning and over-the-horizon satellite detection, radar detection, they are farther ahead than we are. In fact, we are not even in the ball game on this. They are also nearing the deployment of a nationwide ABM system. They have a two layered system right in Moscow. I wonder if the gentleman would comment on that.

Mr. MRAZEK. I would submit to you that there is a great deal of discrepancy in thought as to whether in fact they have a nationwide ABM system.

Mrs. HOLT. Mr. Chairman, I yield 6 minutes to the gentleman from California [Mr. LAGOMARSINO].

Mr. LAGOMARSINO. Mr. Chairman, I rise in support of the Courter amendment—full funding of SDI. Should that not succeed, then I would of course, support the Hart amendment.

As we discuss and debate amendments concerning research into the feasibility of strategic defenses, we must remember that this debate does not take place in a vacuum; we have got to be concerned about Soviet activities in this area and view United States defensive efforts in light of ongoing and massive Soviet ballistic missile defensive programs—those both overtly deployed and covertly being tested and perhaps readied for deployment. We must also, Mr. Chairman, take a very careful look at what exactly is being proposed by the administration with respect to the SDI, its previous budgets, and where we might wind up if any one of these amendments passes.

The President has reported to the Congress twice now that the Soviets have violated existing arms control treaties and agreements, including the 1972 ABM Treaty. They have built a huge radar in Siberia, which the U.S. Government has concluded: "Constitutes a violation of the Soviets' legal obligations under the ABM Treaty of 1972, in that its associated siting, orientation, and capability, is prohibited by the treaty." There are now at least six of these new, large phased-array radars, which are the core elements for any large-scale ABM defensive network. I say "at least" six of these radars because, even though they are the size of a football stadium and take years to build, our intelligence satellites have had a pretty rough time finding them.

The United States also has concern about other Soviet activities which may violate the ABM Treaty. As the Scowcroft Commission noted in its report, "at least one new Soviet defensive system is designed to have capability against short-range ballistic missiles; it could perhaps be upgraded for use against reentry vehicles of some submarine-launched ballistic missiles and even ICBM's." Two new Soviet surface-to-air missiles [SAM's] now being deployed and mass produced, the SA-10 and SA-12, could have ABM potential if provided data from large phased array radars, such as the Krasnoyarsk radar—which, again, is a violation. The U.S. Government has determined that, "The number of incidents of concurrent operation of SAM and ABM components indicate the U.S.S.R. probably has violated the prohibition on testing SAM components in an ABM mode. In several cases this may be highly probable."

The Soviets are also engaged in expansive research and development on a rapidly deployable ABM system that raises concerns about their potential ability to breakout or covertly creepout of the ABM Treaty. (A creepout is in all likelihood more probable, given the negative fallout that would result from a blatant, overt massive violation of the ABM Treaty's limits.) The President has now determined that this system and its components "which are apparently designed to be deployable at sites requiring relatively little or no preparation, represent a potential violation of—the Soviet Union's—legal obligations under the ABM Treaty."

Mr. Chairman, we have heard a lot of rhetoric—much of it patently inaccurate and intended to mislead uninformed Members—about the extent and nature of the U.S. SDI research program. Little discussion today has focused on why the President decided to promote a U.S. Strategic Defense Program, or what the Soviets long-term goals are vis-a-vis violating the ABM Treaty and developing and deploying significant ABM defenses. I think the best statement yet on Soviet intentions regarding strategic defenses comes from a report the Congress required the President to submit on Soviet arms control noncompliance. That simply, yet vitally important, passage reads: "The U.S. Government judges that the aggregate of the Soviet Union's ABM and ABM-related actions suggest that the Soviet Union may be preparing an ABM defense of its national territory."

Mr. Chairman, "An ABM defense of—the Soviets—national territory." Such a defense shatters the ABM Treaty, shatters the illusions of those who have hailed the ABM Treaty as the crown jewel of arms control, and shatters the notion that the Soviets believe in that bankrupt theory of deterrence, mutual assured destruction, or MAD. SDI is not only a prudent hedge, Mr. Chairman, it is in my opinion a vital necessity if we are serious about our responsibility to deter Soviet nuclear aggression.

I am unable to see how cutting funds from the SDI would prevent or prohibit the Soviets from continuing their ABM Treaty violations; how they would stop the Soviets from researching and developing ABM territorial defenses and laser beam and other research; how they would in any way, shape or form, alter the Soviets growing capabilities to defend their most valued assets—their leaders and their nuclear weapons. The fact is, Mr. Chairman, that these cuts would do none of these things. Let us make it perfectly clear; if passed, these amendments would restrict this country's ability to perform much-needed research into technologies and systems which could very well reduce the vulnerability of this Nation to Soviet nuclear blackmail and attacks. The amendments would not, however, pose similar restraints on Soviet programs.

What is the SDI, Mr. Chairman? The SDI is purely a research program designed to provide insight into the feasibility of putting in place effective ballistic missile defenses. It is wholly consistent with the ABM Treaty. It should be noted, the United States has scrupulously lived up to its commitments under that treaty's regime. The Soviets, we have learned, have not.

The SDI is in part an outgrowth of the failure of arms control. Bilateral United States-Soviet nuclear arms control was designed, said Ambassador Gerard Smith, "To constrain and reduce on a long-term basis threats to the survivability of our—strategic retaliatory forces." That was from unilateral statement A which the United States issued following the conclusion of negotiations in SALT I. It is a simple fact that our strategic retaliatory forces have become dramatically more vulnerable since 1972. In fact, just since 1979 when SALT II was signed, the number of Soviet strategic warheads targeted against U.S. forces has increased almost 80 percent.

In this country, we dread the thought of the destruction that would be wrought by even a limited nuclear exchange—and rightly so. Certainly, the damage would be immense. But the Soviets apparently do not share these views. Contrary to the fallacious claims of some, they never have believed in MAD. They have built up their forces around a warfighting strategy, not a deterrence strategy. For example, in "the philosophical heritage of V.I. Lenin and problems of contemporary war," Soviet commenta-

tors wrote, "there is profound error and harm in the disorienting claims of the bourgeois ideologues that there will be no victor in thermonuclear world war." Mr. Chairman, I raise these points only to show that to the Soviets strategic defenses are not bad—they are indispensable to achieving their military objectives should global war erupt.

The SDI is a research program designed to give future leaders and future Congresses a better opportunity to negate the Soviets' advances and ability to achieve nuclear superiority. The United States has time and time agan stated that we do not seek superiority. We have not built up our forces in such a manner that would lend itself to such ideas. But the Soviets have built up their forces, far beyond what can rationally be seen as defensive deployments.

Mr. Chairman, polls repeatedly show that most Americans cannot believe that the United States has no protection from a nuclear missile attack, be it by the Soviets or a crazy such as Qadhafi or Khomeini. No protection. Absolutely none. But some argue, against all logic I might add, that such total vulnerability creates total security. Nonsense. The Soviets don't buy it—witness the fact that they possess the world's only operation ABM system and are spending huge sums to upgrade its effectiveness as well as research on their own SDI; the American people don't buy it—and why should they, and this Congress shouldn't buy it.

Mr. Chairman, the SDI Program that the President has requested is prudent and necessary. Prior to the President's speech in March 1983. $2.38 billion in spending was planned for the exact same technologies and research. Some of the amendments we are now confronted with would reduce funding to even a lesser amount than that. At a minimum, $2.6 billion is needed to keep previously existing programs sufficiently funded. For new contracts, an additional $1.28 billion is required. I, for one, believe such a request should be granted. I don't need to remind my colleagues that the Senate has wisely approved $2.9 billion in 1986 and will allow General Abrahamson to decide where the cuts should come from.

Mr. Chairman, the issue before us is clear. We can approve the President's request and give our scientists and engineers a chance to come up with imaginative, new ideas for destroying nuclear weapons before they explode on American soil and the soil of our allies, or we can approve amendments which in effect insure that any decision regarding the effectiveness and deployment of such antimissile defenses is prolonged and strung out. In the former case, we can expect a decision within the next decade or two. In the latter case, who knows when—or even if—we will be able to find out whether such a defensive system will work.

Congressional micromanaging has seen new heights today, Mr. Chairman. Bankers, lawyers, businessmen, and teachers are now claiming they know best just how much money it will take to determine the feasibility of erecting an effective counter to the Soviet's massive and growing offensive nuclear arsenal. They proclaim that they know better than the scientists or General Abrahamson where any funding cuts should come from. They claim they know best how the Soviets will respond. I don't buy it, Mr. Chairman. As the Wall Street Journal recently wrote:

> Many Democrats believe that defending against nuclear attack isn't worth even a try. They should vote with Mr. Aspin [and the other members who are offering cut-SDI amendments]. But those who want a fair test should hold no illusions. They will not be voting to trim a little fat. They will be voting to kill a defense against nuclear weapons.

Mr. Chairman, you can't have it both ways. Either it is a program that has promise or not. I suggest the Soviets think it does or they would not be protesting SDI so much nor would they be spending so much on their own SDI research.

If it is such a waste of money, as many on the other side charge, wouldn't the Soviets be cheering us on. You bet they would.

□ 1610

Mrs. SCHROEDER. Mr. Chairman, I yield 5 minutes to the gentleman from California [Mr. DELLUMS].

[Mr. DELLUMS addressed the Committee. His remarks will appear hereafter in the Extensions of Remarks.]

Mr. DICKINSON. Mr. Chairman, I yield 4 minutes to the gentleman from Texas [Mr. PICKLE].

Mr. PICKLE. Mr. Chairman, there has been a great deal of discussion of the proposed strategic defense initiative [SDI] technology since the President's March 1983 speech.

Whereas some might have originally been inclined to shrug off the possibility of a space-based defense program, it appears now that there is growing interest—on both sides of the Atlantic—in just what technologies might be utilized, what possible spinoffs might arise from research in this field, and what the development of this technology might mean for U.S. strategic policy.

The President's National Security Decision Directive 119, signed in January of this year, authorized extensive research into the feasibility of intercepting ballistic missiles. The goal of this program—which we are debating here today—is to determine through demonstration of key technologies by the early 1990's—whether or not to proceed with a comprehensive ballistic missile defense system for the 21st century.

Now, this is not the first year Congress has funded research into these technologies. Even before the President's 1983 speech we were engaged in projects such as improved survivability of our early warning satellites. Now, these research funds are no longer scattered throughout the budget but are grouped together under SDI research.

In fiscal year 1984 the United States spent $1.7 billion in research into these technologies. In fiscal year 1985 we appropriated $1.4 billion. A significant amount of the research we're talking about is beyond the infant stage, and I believe the research is viable and requires continued funding.

The committee recommended funding level of $2.5 billion would allow research to continue at a measurable rate in fiscal year 1986. While the figure represents a reduction in the President's request for $3.7 billion, it nevertheless provides for a $1.1 billion increase over the fiscal year 1985 funding level.

I think the committee has arrived at an appropriate level of funding and I support the committee's recommendation.

We cannot ignore this area of research forever. At some point, we have to determine whether it is feasible and it only makes sense to do it now instead of later.

We do not have to decide the issue of deployment of a space-based defense today. That is an issue which can be decided and negotiated when we know what kind of system is feasible. At this time, though, we should move ahead with a reasonable level of basic research and I believe the committee figure of $2.5 billion is the right amount.

Mrs. SCHROEDER. Mr. Chairman, I yield 5 minutes to the gentleman from Washington [Mr. DICKS].

(Mr. DICKS asked and was given permission to revise and extend his remarks.)

Mr. DICKS. I appreciate the gentlewoman from Colorado yielding to me.

Mr. Chairman, I want to talk today about an amendment that I plan to offer, if it should be appropriate, to the Price amendment.

What my amendment would do is the following: It would lower the committee level of funding from $2.5 billion to $2.1 billion, but most importantly it has some very important limitations on the money that can be spent so that we stay in compliance with the ABM agreement.

It is the stated policy of this administration that we will not erode the

ABM agreement. But there are many people who are worried that there are several demonstration projects that are being funded under SDI that will bump us up against the ABM agreement before we know in fact whether this system can actually work.

□ 1620

As we all know, Ambassador Nitze has laid out some very ambitious criteria, saying that the system, first, must be survivable and, second, must be cost effective at the margin.

Now, under my amendment, the four areas of funding that will help us test out the Nitze criteria would be funded at the full level requested by the administration.

Now, let us go back and review what the AMB Treaty says. Article V of the ABM Treaty says:

> Each party undertakes not to develop, test or deploy ABM systems or components which are sea-based, air-based, space-based or mobile land-based.

Now, if you do that, either systems or components, you are in violation of the ABM agreement.

There are four projects on which my amendment would limit the amount of money that would be spent. First would be on the airborne optical system. This project would conduct a test in 1988, using funds requested in this bill. This test appears to be inconsistent with provisions of the ABM Treaty prohibiting the development, testing or deployment of airbased ABM components.

This does not cut out the money; it holds it at last year's level, on each of these items, which is a substantial amount of money. The second project is the space-based hypervelocity launcher. This project would conduct a test in space after 1990, using hypervelocity miniature kill vehicle projectiles for space-based boost phase and midcourse defense. The administration argues that this test will be against an antisatellite device. But it would have the same characteristics as a missile warhead, something the United States has stated in prior years would be a treaty violation.

The third demonstration restricted at last year's level of funding would be the space-based kinetic kill vehicle. This project would demonstrate after 1990 a space-based rocket-propelled miniature kill vehicle interception system. It faces the same ABM Treaty problems as the hypervelocity launcher.

And, finally, the space-based laser. One of the major tasks under this project is the acquisition, tracking, and pointing task. It is the successor to Talon Gold which was substantially cut and restructured last year by the administration. Its demonstration would violate the ABM agreement on space-based ABM components.

The other areas that we would demand that there be full funding of would be system survivability, lethality and target hardening, battle management, command, control and communications, and SDI systems architecture. Plus under my amendment we would add $75 million to look at the very important question of if we go ahead with SDI—and I think we should not prejudge that at this point—what do we do against bombers and cruise missiles, a very important threat. This amendment would add $75 million.

We have had the testimony from many former Secretaries of Defense in which they have said categorically that if you increase an R&D program by over 35 percent a year, you are just going to squander resources. My amendment is at the upper range of what they wanted. They suggested about a $1.9 billion figure for this year. I go a little bit higher than that because I know there is genuine support in many parts of the House for at least doing the research on the SDI Program.

Now, as someone who is an observer over in the arms controls talks, I can tell you that SDI does have, in my own view, some credence in those negotiations.

The CHAIRMAN pro tempore. The time of the gentleman from Washington [Mr. DICKS] has expired.

Mr. DICKINSON. Mr. Chairman, I yield 3 minutes to the sauve and sophisticated gentleman from South Carolina [Mr. SPENCE].

Mr. SPENCE. Mr. Chairman, I would like to approach this subject from a little bit different perspective. I have been here now about 15 years, and I have been involved in a good many debates about various weapon systems: the B-1 bomber, battleships, cruise missiles, enhanced radiation device (neutron bomb), the MX, new battle tank, AWAC—you name it.

Over the years, during all of these debates, the players have been about the same on both sides. The philosophy has been different. For the most part, you hear the same arguments every time. The merits or demerits of a system might be debated as a cover, mainly, but still, when it gets right down to it, the opposition usually has a different philosophy. They are just plain against defense for this country. They use other arguments, too, sometimes. Listen to them, and see if you have not heard them before: Destabilizing, whatever that means; provocative whatever that means; a warfighting capability.

We spend millions of dollars to ensure that a weapon system has a capability, but then they say it is not supposed to have a warfighting capability. In other words, if it upsets the other side, our adversaries, do away with it. The only defense some people are in favor of is a noneffective defense. Like on defense in football, it is all right to stand back there in place; just do not knock down the ball that comes that way.

We, in essence, end up here in Congress trying to disarm ourselves unilaterally. We engage in what I call preemptive concessions. We do not wait around for the other side to propose our giving up something; we go ahead and do it ahead of time for them. We negotiate with ourselves instead of our adversaries. Our adversaries fare a lot better leaving their case in our hands. I saw a cartoon one time not long ago, and it is apropos right here, referring to the MX missile. The cartoon showed someone over in Russia pointing to a big MX missile, and he said, "Comrades, the best defense against an MX missile is the U.S. Congress."

For all of those people who are against nuclear war—and I have heard them expound time and time again on the horrows of nuclear war—if you are really against nuclear warfare, this is the answer: The strategic defense initiative.

Mr. DICKINSON. Mr. Chairman, I yield 4 minutes to the distinguished gentleman from Texas [Mr. COMBEST].

Mr. COMBEST. Mr. Chairman, I believe that much of the debate on the strategic defense initiative revolves around how those of us in this body view the future. Do we look ahead and see only danger and peril so that we are afraid to make any departure from the past and advocate only freezing, hoping that everything will turn out all right? Or, do we do more than just hope, but act, looking ahead more optimistically, and while recognizing the risks, also see the opportunity to make things better.

The tendency of some, certainly, is to freeze; don't do anything that could even remotely be considered provocative. That may be the way to handle rattlesnakes, but not an enemy that is threatening us with massive weapons of destruction and is working vigorously on a system of defenses against our retaliatory forces. The temptation to freeze not only stiffens the muscles, it also paralyzes the mind.

The SDI Program will, at the very least, permit us to make an informed judgment about what the future should be. It will permit us to explore the options, see if an efficient, economical defense against ballistic missiles is possible, and determine which technologies are best suited for the purpose. In short, it gives us the information we need to make strategic decisions, and it gives us a broader range of options from which to choose.

When you cut the request, when you limit what we can find out, you equal-

ly cut back and limit our options for the future. The difference in $2 billion and $3.7 billion in research may well mean the difference in success and failure. But it almost certainly means the difference in when we find out what is possible and, given the Soviet effort, I don't believe that we can afford that kind of delay.

The committee level of funding for SDI would be more defensible if it were a pool of money which could be applied to the various areas of research as warranted by the research itself. But cutting back funding in specific areas while not knowing exactly what the needs will be just doesn't make sense.

I do not believe that anyone can reasonably argue against the goals of SDI. A program that could save millions of lives, could improve deterrence by increasing uncertainly about the success of any attack, and could increase stability by reducing the value of nuclear weapons, must be completely explored. But by not providing full funding:

We limit the possibilities of success in each area of research.

We prevent ourselves from knowing the full spectrum of possibilities, both technically and strategically.

We prevent scientists and engineers from following leads as they develop in a scientific manner.

And, we yet again unilaterally restrain ourselves while the Soviets go marching ahead in their research, unchecked and unmatched.

Our actions today are magnified tomorrow. We are laying the building blocks for years of research to come and we must lay a firm and thorough foundation.

It is true, as others have said, that SDI brought the Soviets back to the bargaining table in Geneva. It is also true that we should have full funding just to prevent the Soviets from increasing their advantages in many areas. But even more critical, in my view, is the importance of not shortchanging ourselves on positive steps that we can take to protect ourselves without relying on any nation's good will or on its fulfilling its commitments to a treaty. In the end, we are responsible for our own defense, and the responsibility for our future begins here and now in this Chamber.

□ 1630

Mrs. SCHROEDER. Mr. Chairman, I yield 5 minutes to the gentleman from Oregon [Mr. AuCoin].

Mr. WHEAT. Mr. Chairman, will the gentleman yield?

Mr. AuCOIN. I yield to the gentleman from Missouri.

Mr. WHEAT. I thank the gentleman for yielding to me.

Mr. Chairman, I rise in support of the Dellums amendment.

I want to compliment my friend from California for offering this amendment and for his efforts to bring about an important debate on the strategic defense initiative. The decisions we make this week about the nature of this program and the funding level for it will certainly influence our nuclear strategy for decades.

Because this debate is much more than just quibbling over a line item in the Defense Department authorization bill. Although we are voting on funding levels, this is an argument about making a fundamental change in our nuclear policy.

For almost 40 years, the world has escaped a nuclear holocaust. The only real use of nuclear weapons has been, and should continue to be, the prevention of their use.

As hated as it is the concept of deterrence has not failed us.

During the last 30 years, the two nuclear powers have agreed on the theory of deterrence. Part of that agreement held that antiballistic missile systems endangered deterrence, and because of that conclusion the United States and Soviet Union signed the Anti-Ballistic Missile Treaty in 1972. This is the ABM Treaty we hold as vital when we suspect the Soviets of violating it with their radar station at Krasnoyarsk. We rightfully accuse the Soviets of endangering the world's security by weakening the ABM Treaty. We ought not make the same mistake ourselves.

Many of the large items included in the $2.5 billion for SDI are major experiments and demonstration projects which are clearly inconsistent with the ABM treaty which requires each party and I quote "not to develop, test, or deploy ABM systems or components which are sea based, air based, space based, or mobile land based."

The Dellums amendment seeks solely to correctly prohibit these demonstrations and limit funding to pure research projects.

Neither the United States or the Soviet Union makes an important policy move that does not affect the other country. We are essentially partners in the business of preventing nuclear war. It is vital that we consider the implications of the star wars program on the Soviets, and their potential response to such a change in our nuclear strategy. Every change we make in nuclear strategy should help to diminish the fear, on both sides, of a first-strike capability.

But their first reaction will be fear; why, because they know that SDI will not be, cannot be a perfect system. Therefore it is not suitable to protect the United States from an all-out first strike from the Soviets. It might be suitable however to protect the United States from a more limited Soviet attack that would result from firing the remains of the Soviet forces after having survived a United States strike. Now we recognize that it is not our intention to ever indulge in a preemptive strike, but every analyst tells us the Soviets truly fear the United States as a result.

The second Soviet response will be to try to overwhelm our defensive systems. They will accelerate their production of offensive nuclear weapons, hoping to have more missiles than we can shoot down. While we try to convince the Russians to reduce arms at the talks in Geneva, we build a system that gives them the incentive to produce more missiles.

There are those who claim SDI will actually provide an incentive for the Soviets to reduce offensive weapons by reducing their effectiveness but, Lt. Gen. Brent Scowcroft, chairman of the commission President Reagan named to evaluate U.S. strategic capabilities, scoffed at the contention that a strategic defense system would facilitate arms reduction. "That is unlikely to be true," he said, because "the most reasonable reaction is quite the opposite. And that, in a sense is what happened in the late 1960's and early 1970's when the Soviets moved toward building an ABM system. We increased our offensive forces and went to MIRV's in order to maintain the ability to penetrate a defense."

The Soviets will also have the incentive to develop weapons and strategies to knock out our defensive systems. It is obvious that we would have the same response, as we have already begun to try to devise ways to beat our own defensive systems. And, of course, the Soviets will undoubtedly develop their own star wars program, which we must attempt to circumvent. This will only lead to a new and deadly competition in outer space.

How many billions of dollars will it take to discover that star wars will be the largest white elephant in the history of civilization? President Reagan has asked for more than $30 billion in the next 5 years, and it is estimated that the star wars program might cost between $500 billion and $1 trillion before we're through.

SDI is not an effective use of our financial resources. We will debate and pass several amendments to eliminate waste, fraud, and abuse in Defense Department spending. Undoubtedly, these amendments will help. But part of the waste in defense problem is that in the last 4 years, the Department of Defense has just had more money that it has known what to do with.

The SDI Program has clearly not been able to spend its money in a timely and effective manner and certainly will be unable to absorb such

huge increases. In the first half of this fiscal year, SDI has been able to spend only a small percentage of its funding. We have an opportunity to apply the lessons we have learned in a program that is just getting off the ground. That lesson is to appropriate the proper amount of money, and not throw huge amounts of money at poorly planned programs.

The amendments offered will allow research to go forward, at a reasonable rate, without fear of upsetting a delicate nuclear balance by violating provisions of the 1972 ABM Treaty.

Supporters of the star wars program have also argued that this effort will revitalize American technology. I believe strongly that the technological innovation that might result from this program could be extremely valuable to the United States, and it is for this reason that I support some continued funding. We should continue funding for technology base projects which expand our knowledge in various technology areas. But we do not need to discover military applications in order to realize technological innovation.

In addition, military research and development has increased at the expense of civilian R&D under the Reagan administration. In 1979, we spent $14.5 billion on civilian R&D programs, and $13.6 billion on military R&D. In 1986, spending on military R&D will be twice that of civilian research programs. Reagan's 1986 star wars request would equal 23 percent of all Federal civilian research expenditures. If Mr. Reagan got his way, we would be spending more on star wars research than all of the NASA budget, and two and a half times the budget of the National Science Foundation.

I am wholeheartedly in favor of helping America discover new technologies, but I don't want to waste billions of dollars on these programs for military applications that may be useless. Instead, let's spend this money where it will actually do some good for America.

During Harry Truman's tenure in the other body, one of his greatest achievements came from his investigation of the National Defense Program. The Truman committee was charged with ensuring that tax dollars were not wasted, that the American people got a dollar's value for a dollar spent. During his work on that committee, Harry Truman said, "Somebody was always against spending a nickel that would help poor people and give jobs to the men that didn't have any. But the minute we started spending all that defense money, the sky was the limit and no questions asked. The 'economy boys' never opened their mouths about that." Mr. Truman might have had something very interesting to say about this Defense bill and the strategic defense initiative.

Mr. DICKINSON. Mr. Chairman, will the gentleman yield?

Mr. AUCOIN. I yield to the gentleman from Alabama.

Mr. DICKINSON. I thank the gentleman for yielding.

Mr. Chairman, could the Chair give us the time remaining for both sides, please.

The CHAIRMAN pro tempore. The gentleman from Alabama [Mr. DICKINSON] has 15½ minutes remaining and the gentlewoman from Colorado [Mrs. SCHROEDER] has 14 minutes remaining.

Mr. DICKINSON. I thank the Chair.

Mrs. SCHROEDER. Mr. Chairman, I yield 5 minutes to the gentleman from Oregon [Mr. AUCOIN].

Mr. AUCOIN. Mr. Chairman, I rise in support of the Mavroules amendment and compliment the gentleman from Washington whose amendment I will support if Mavroules should fail for some reason. In many respects, this debate is similar to that which occurred here 15 years ago on multiple warhead technology—MIRV.

Then, as now, there were those who were right when they said, "This is a first-strike destabilizing technology. If we get it, then the Russians will get it, and it will advantage the potential Soviet aggressor. We should ban this. If we build it, we will regret it."

Then, as now, there were those who wrongly ridiculed the arms controllers. There were those who said that to question this new weapon technology, or any new weapons technology, was a sign of weak thinking, and of deficient patriotism and probably deficient virility as well.

As usual, the weapons advocates won and the arms controllers lost. The United States made no serious attempt to ban MIRV'd missiles when we could have done it. The result is that the Soviets today have the ability to destroy the majority of America's ICBM's in their silos. Even the most hawkish among us now agrees we would be better off if there were no MIRV's in the world. We now sit here and wonder how we could have been so stupid.

Henry Kissinger was the architect of the MIRV mistake. The same Mr. Kissinger, in later years, would tell a Senate committee, "I wish I'd never heard of MIRV."

Well, so do we all. Failure to ban MIRV was one of the most serious military blunders we have ever made.

Now we're about to do another one, but with a slightly different flavor.

I am not—repeat, not—advocating letting the Soviets get a space defense while we don't. My view is that we'll be better off if we ban star wars and nobody gets it, than if both sides get it.

Debates on star wars inevitably begin as philosophial discussions, and this debate is no exception. Star wars advocates inevitably stress the philosophical point that defense is better than retaliation.

I say to my friends who make that point: You're right. Your philosophy is 100-percent correct.

Nobody likes nuclear deterrence as it exists today. Nobody likes the idea of threatening the Soviets with destruction after we ourselves have been destroyed. Nobody likes mutual assured destruction, or MAD, as it is sometimes called. As a matter of philosophy, I would much rather stop a Soviet attack than retaliate after it. So would Mr. DELLUMS and Mr. MAVROULES and Mr. DICKS and all of us who are here seeking moderation in space defense programs. We have always felt this way, long before the idea of space defense every occurred to Ronald Reagan. There is no disagreement among any of us here on the philosophical virtue of star wars.

But, my friends, the bill here before us is not to authorize a department of philosophy. It is to authorize the Department of Defense.

If we were dealing with a department of philosophy, we could confine ourselves to considering what we would like to do. But we're not here to do philosophy; we're here to do defense in the real world. This means we have to ask not, "what would we like to do?" We need to ask, "what can we do?"

At this point, the proponents of star wars will claim that science progresses so swiftly that today's science fiction is tomorrow's everyday reality. They will claim that if we can put a man on the Moon, we can do anything.

But this dogmatic view of science is popular only among nonscientists, who view science as some nebulous miracle off there in the clouds. Real-life scientists have a very different attitude; if you talk to them, you will find most of them are quite emphatic about the difference between what science can do now, what it will probably be able to do in the distant future, and what it is not clear that science will ever be able to do.

In real life, as we stand here to plan our defense program for the next year, those who advocate this massive increase in star wars funding have a number of questions they need to answer. They need to tell us what they intend to do; they need to tell us how they intend to do it; they need to tell us how they reconcile their position on incompatible weapons, and they need to tell us what they will do if the Russians get this capability too.

First, they need to tell us what their objectives are. Are they seeking peace on Earth, or are they seeking to dominate the Earth?

President Reagan has offered us a vision of star wars as a nonthreatening

defense, freeing the world from the fear of nuclear Armageddon. This vision is responsible for whatever popularity star wars now enjoys in the country. Most of those here who support it have today argued for it on that basis.

But what were star wars advocates saying yesterday, here on the floor of the House?

Yesterday, a Member on my side talked about how we need a nonthreatening defense—that is, a force that can't strike first. In response, my friends on the other side of the aisle ridiculed that. They said nothing could be so ridiculous as a nonthreatening defense.

But here they are back today saying the exact opposite. Star wars spending advocates are obligated to explain it before they commit the country to doubling the national debt in order to pay for their pet project.

Second, the star wars superspenders need to tell us which program they're for.

Many of them talk as if High Frontier, Edward Teller, Gen. George Keegan, and President Reagan's strategic defense initiative are all more or less the same thing, and they endorse all of them. I recently received a resolution from the Senate of a great midwestern State, blithely endorsing High Frontier and SDI at the same time. In fact, these various programs are diametrically opposed and incompatible.

Let's just take a few examples.

General Keegan opposes High Frontier because he says the costs are radically understated.

Dr. Teller disagrees with the fundamental principle of High Frontier because it requires orbiting satellites which he says are vulnerable. He wants to use a pop-up system instead.

And the SDI managers disagree with High Frontier because it understates the technical requirements by 10 to 100 times.

Then there are those in SDI who disagree with Dr. Teller's pop-up system because it can't respond quickly enough.

Ronald Reagan himself disagrees with the Teller system, because that uses nuclear explosions and Mr. Reagan wants a nonnuclear system.

And so forth.

The combinations and permutations of disagreement among star wars advocates would take an hour to lay out. If each of the negative judgments one faction makes about the defects of each other are summed together, they add up to a finding, by star wars advocates themselves, that none of this is going to work.

So to my friends who advocate star wars superspending, I have a simple request: when you make your case, be specific. Tell us which scheme you favor, and tell us why you believe your fellow star wars advocates are wrong when they say your plan won't work.

Third, star wars advocates, including those in the White House, need to tell us why they also advocate the means of their own destruction—that is, antisatellite weapons.

If the Soviets eventually deploy an effective antisatellite system, star wars won't work. Except for terminal defense of nuclear weapons, every star wars mission requires something to be up in space, where it's potentialy vulnerable to a Soviet ASAT.

The Soviets don't have an effective ASAT today, of course. But in time they could very well get one.

If you want space defense to work, you have to be in favor of controlling ASAT's. We're controlling them right now; we have de facto arms control between Congress and the Russians on ASAT testing. We're going to have the Brown-Coughlin amendment to continue that de facto arms control. Anyone who is serious about space defense should be the most dedicated out-front supporter of the ASAT amendment.

But now something is happening that, in all sincerity, I must say I don't understand. The precise people who are the most dedicated advocates of star wars, who should be the most dedicated advocates of the ASAT amendment, are instead the most dedicated opponents of the ASAT amendment.

How can this be? Mr. Chairman, I don't accuse anybody of promiscuously supporting weapons for weapons' sake. But I do say anyone who supports the strategic defense initiative while opposing the ASAT test ban has an immense apparent inconsistency in his position. If anyone can explain that inconsistency, they are obligated to do so today.

Fourth and finally, they need to tell us what will happen if both sides get space defenses. This is what General Abrahamson calls the shootout at the OK Corral.

At this point, the weight of the evidence says that if America gets star wars, and the Russians get star wars, the Russians win.

The Russians win because they may go first and we won't. They win because, however effective star wars may or may not be as a defense, it will work better as part of a Soviet first-strike offense.

I don't for a moment question the sincerity of those who advocate star wars as a defense. But you have no way of making sure the Russians will use it in the benevolent manner you'd like them to.

There is a terrifying probability that the Soviets will be able to use star wars to zap our defenses at the same instant they launch their ICBM's and SLBM's.

This is an immensely serious problem, which my friends here who support star wars spending have not addressed.

General Abrahamson and the SDI project people are addressing the Soviet first-strike aspects of space defense. They're doing it in a capable and professional manner, and I support giving them the funds they need to continue this examination. But I am concerned that neither Ronald Reagan nor Caspar Weinberger nor any star wars advocate in this body has even indicated awareness of the problem.

Maybe they have good answers for the questions I've raised. Maybe they can tell us why they like a nonthreatening defense today when they derided it yesterday. Maybe they can tell us why all their pro-star wars colleagues are wrong when each says the other guy's system won't work. Maybe they can tell us how you can be for star wars and ASAT at the same time. And maybe they can tell us how to neutralize a Soviet star wars first strike system.

I, for one, await their answers with bated breath.

Mr. DICKINSON. Mr. Chairman, I yield 5 minutes to the gentleman from California [Mr. DORNAN].

(Mr. DORNAN of California asked and was given permission to revise and extend his remarks.)

Mr. DORNAN of California. I thank the gentleman for yielding me this time.

Mr. Chairman, I rise in support of the Dornan-Courter-Kemp-Chappell amendment and would like to point out to my colleagues and those Americans who are following this debate that this is certainly the most important bill we will consider in this 99th Congress. There is now available excellent material on SDI for Americans to educate themselves, including the fact that they are totally undefended against an enemy missile attack. This body of superbly written material was not available in the last Congress. I believe that is in violation of our Constitution and its preamble not to support SDI. The only reason for the existence of this House's Committee on Armed Services is to "provide for the common defense." In our preamble, that phrase comes before the phrase to "promote the general welfare." To defend our borders and our skies is the paramount duty of Members of Congress.

There is an article, ironically, in today's Washington Post, by one of the liberal gentlemen in this House whom I hold in high esteem: Mr. STEPHEN SOLARZ.

He says, in writing open advice to his own party:

For much of the last decade, the Democratic Party has spoken with a multitude of conflicting voices in foreign policy.

I believe also in defense matters.

Mr. SOLARZ writes:

Unable to reconcile the differences between the left and the right wings of our own party, we have created the impression that we are too divided to govern.

He goes on to say that:

The Democrats should be more tough-minded; there should be a consensus on foreign policy.

And I believe on defense also.

He goes on to recognize:

"* * * the inherent immorality of the Soviet Union.

As in an empire that's evil? And he says that all of you on the Democratic side believe that communism is so obviously repugnant that you never have to state it. Oh, that's why it's never stated. I wondered about that.

Mr. SOLARZ goes down book, line, and verse on the horrors in Afghanistan, Southeast Asia, Soviet gulags but almost screaming by its absence, is Communist terror Central America, where 13 people lay in a morgue tonight, including two American businessmen who were trying to build the capital base of that torn country, plus four young U.S. marines sent down there to defend our diplomatic personnel.

Mr. SOLARZ says:

Democrats need to recognize that Soviet repression and Communist tyranny are not a distant memory, but currently a living nightmare.

Right on STEVE, and part of that involves cheating and constant deception on the arms control treaties that so many liberal Members put their faith in.

□ 1640

"It means, for a start," Mr. SOLARZ says, "being just as vigorous in advocating legitimate defense spending as we are in denouncing Pentagon waste," and then he goes on to delineate some programs that he seems to feel all of you should support, Stealth, the Midgetman missile, and he says to go on with your opposition to the B-1 and the MX. Incidentally, I will be at Dyess Air Force Base on the 29th of this month to welcome the arrival of the first B-1 "Excaliber. Thank God, you liberals failed to kill that magnificent defense system.

Well, Mr. Chairman, I am going to include this Post article in our RECORD for all Members to read and study.

I will also include in the RECORD my own prepared remarks plus an article that I wrote for the Washington Times on SDI called "The Madcap Menace," plus seven solid articles related to SDI, particularly an article by a liberal of fine standing, Mr. Charles Krauthammer, the editor of the New Republic magazine.

One of the articles that I am including in the RECORD is "The War Against Star Wars," by Mr. Robert Jastro. In my 6 prior years in the House, and during the 2 years that I lobbied on this Hill for the strategic defense initiative and Project: High Frontier on Space Based Defense, I do not think that I ever came across a more clearly stated thesis on how to make nuclear weapons obsolete than the book by Dr. Robert Jastro, "How to Make Nuclear Weapons Obsolete." Dr. Jastro has been sitting in a room off the Capitol floor, following our SDI debate during most of the morning. He is not impressed by the majority arguments. He has flown back to Dartmouth by now. I thank him for his invaluable service to our country.

The CHAIRMAN. The time of the gentleman from California [Mr. DORNAN] has expired.

Mr. DICKINSON. Mr. Chairman, I yield 1 additional minute to the gentleman from California.

Mr. DORNAN of California. I thank the gentleman.

Robert Jastro does not have at this point in his life, as he has in prior periods, access to top-secret information, and he really does not need it to make a compelling and clear case to the American people for SDI based on logic. However, those of us who do have access to top-secret information should avail ourselves of not just the material that Secretary Weinberger releases to the public in general, but use that privilege to study the top-secret information available to us, particularly the analysis of Soviet planning. The DIA, the CIA, and every intelligence capability available to us in the free world combines to analyze the growth of Soviet power and what they intend to achieve militarily into the 1990's. A careful study of what we're up against cries out for support of the full level of funding at $3.7 billion. Our vote may effect the survival of the free world as we know it.

I have just gotten off the phone with Secretary Weinberger and the Under Secretary Fred Ikle. They have told me to convey to my colleagues that there is not one dollar of padding in this $3.7 billion budget. It is solid research. If you feel research and development is important in our struggle to keep the peace, then let us not shortchange and cripple those who have the responsibility to defend us by denying or delaying the systems of peace as prior Congresses cost the free world the protection of the B-1 for 5½ years.

The United States does not have a first strike strategy; more to the point, it does not have the capability. Nor will the United States have such a capability under any modernization program, singly or in combination, envisioned in any military planning. This includes the Peacekeeper, the D-5 Trident II and the strategic defense initiative. In fact, the United States, under every President since John F. Kennedy, has rejected any policy, and all deployment of weapons, whose aggregate total could even be perceived as presenting a disarming first strike against an adversary.

This is well understood by the liberal arms control establishment, the most virulent opponents of any strategic modernization both most virulent against the President's strategic defense initiative [SDI]. As I noted in a recent Washington Times article these "MADcapped fear merchants believe peace is best served by keeping mankind in a constant state of parlytic terror." This is the basic assumption behind the theory of mutually assured destruction—or as it is appropriately called, MAD. It matters little to these MADcappers that the Soviet Union has never accepted their theory, not to mention the fact that the Soviet Union has already deployed weapon systems that make it obvious that such a theory is now moot.

Because the theory of MAD requires an undefended homeland vulnerable to nuclear annihilation, the MADcappers will do anything to prevent the deployment of any U.S. defensive system. They play on the normal fears that all Americans feel. The greatest fear is death. By framing the U.S. strategic modernization debate in terms of a "warfighting," first strike policy, they paint the United States as the bad guys hell bent on leading the world into cataclysmic destruction.

These MADcappers purposely distort the facts to fit their convoluted sense of morality. SDI now stands at the top of their list. To claim that the SDI will enable the United States to achieve first strike superiority is complete folly and shows disregard for the stated goals of the President of the United States and a total lack of understanding of the threat.

A first strike is defined as the ability to launch a disarming blow against the offensive weapons of the other side. In order to accomplish this an attacker needs not only highly accurate weapons but enough weapons to do the job.

The Soviet Union has been deploying missiles that not only have the capability to attack hardened targets but are deployed in sufficient numbers to constitute a dynamic first strike.

The Peacekeeper and the Trident II missile (when built) will be extremely accurate. But, they will not be deployed in sufficient numbers to pose a credible first strike against the Soviet Union. Likewise, SDI will not abet such a strategy. Yet, these MADcapped doomsayers, who devise scenarios of destruction, continually exaggerate U.S. capabilities, project their own worst fears and underestimate the Soviet threat, then use these figures to "prove" their contention that the United States is moving toward first strike. These liberal arms control advocates projecting into the future de-

scribe a perfect 21st century strategic defense against an imperfect 1980 Soviet threat. They can't have it both ways.

Even if the United States were to deploy the Peacekeeper and Trident II in numbers sufficient to constitute a threat to the current land-based forces of the Soviet Union, it would be a moot point by the late 1980's and early 1990's. The Soviet Union is already moving away from reliance on silo-based missiles and toward the highly survivable, mobile SS-25 and SS-26 missiles. These systems, and the follow-on systems that will be deployed before the end of the century, will be more accurate than the silo-based systems that face us today. Because they are highly mobile (with no restrictions on where they can operate within the Soviet Union) totally safe from any potential first strike that could be envisioned by the MADcappers, SDI offers the only protection.

SDI will be able to detect these mobile missiles no matter where they are launched within the Soviet Union. They will be able to effectively target and destroy, if even the most conservative estimate is used, 85 percent of all missiles. I am convinced, as are the scientists who are most closely associated with the technologies involved, that the SDI will reach 99 percent effectiveness. Most importantly, deterrence will be served, nuclear tipped missiles will become obsolete and the era of MADcapped terror will come to an end. We will finally be able to achieve control over nuclear proliferation and secure a stable peace for ourselves and our children.

The point has been raised in the press and on this floor that the Soviets will naturally respond to the SDI by overwhelming it with more missiles or by attacking SDI satellites in space or by relying on cruise missiles or bombers or any of a number of technical responses. I think it needs to be said here on this floor that there is another response that the Soviets can make and are making to the strategic defense initiative. I say to you that the Soviets do not plan to beat the SDI by building more missiles, by building an anti-satellite capability, by building cruise missiles or bombers. The Soviets plan to beat the SDI by stopping us from building it.

We see ample evidence, world wide, of this intense campaign on the part of the Soviets, diplomatically and in the press, to stop this national program of the United States and they may well succeed. I ask you to remember the Soviet campaign against the enhanced radiation weapon, the so-called neutron bomb.

It is very important to the Soviets that they succeed in this program to stop us from developing SDI. Why is it important? Because SDI throws off the Soviet national plan. That Soviet national plan includes the requirement to be able at all times and in all conditions to cause a certain level of damage to important targets in the United States. The Soviets have been trying to implement this national plan for 25 years. As they have tried to implement the plan, they did not build many thousands of missiles to cover many thousands of targets with high confidence. No, they could not do that. To maintain a force of 10,000 missiles or something of that size takes such an enormous investment, both in hardware and in people to operate it that it would sap the Soviet economy even more than their current programs do. The Soviets know well their economic limitations and that is why they relied on the free ride that MIRV systems gave them, to put many warheads on a few missiles.

Well that free ride is about to end, and the Soviets will not be able to cover that list of targets without building many more missiles if we have a strategic defense in place. Fundamentally, that is the proper misery that strategic defense will cause the Soviets. Their national plan to devastate targets in the United States will be impossible to carry out if a United States strategic defense plan becomes operational.

For the sake of our posterity vote for the Dornan-Courter-Kemp amendment to fund SDI at President Reagan's $3.7 billion R&D funding level.

[From the New York Times, June 20, 1985]

IT'S TIME FOR THE DEMOCRATS TO BE TOUGH-MINDED

(By Stephen J. Solarz)

(Stephen J. Solarz, Democrat of New York, is a member of the House Foreign Relations Committee)

WASHINGTON.—For much of the last decade, the Democratic Party has spoken with a multitude of conflicting voices on foreign policy. Unable to reconcile the differences between the left and right wings of our own party, we have created the impression that we are too divided to govern. If Democrats are going to regain the confidence of the American people and recapture the White House, we will have to develop a new—and more tough-minded—consensus on foreign policy.

The beginning of wisdom here would be for Democrats to recognize that it is the Soviet Union that poses the most serious threat to our values and interests. Combined with a reaffirmation of historic commitment to human rights in non-Communist countries, this can provide the foundation for a credible and responsible foreign policy.

Despite our long and honorable tradition of anti-Communism, Democrats have tended in recent years to refrain from forthrightly expressing our view of the inherent immorality of the Soviet system. Perhaps because we thought that Communism was so obviously repugnant. we felt there was little reason to engage in detailed denunciations of Soviet oppression. Perhaps because we feared undermining the prospects for future arms control agreements, we refrained from criticizing Moscow for violating existing accords.

Whatever the reasons for our reticence, we have enabled our opponents to contend that our proposals to reduce East-West tensions are based on illusions about the Soviet Union. By appearing to yield the moral high ground, we have lost political ground as well.

Democrats need to recognize that Soviet repression and Communist tyranny are not a distant memory but a living nightmare. It is a nightmare in the valleys of Afghanistan, for the peasants who have seen their loved ones murdered and land destroyed; in the jungles of Southeast Asia, to the villagers killed or crippled by yellow rain; in the prisons and labor camps of the Soviet Union, for the dissidents and refusniks yearning for freedom; in the streets of Poland, to the supporters of Solidarity, whose dreams of democracy were crushed by martial law.

But a resolute anti-Communist policy for the Democrats requires more than simply denouncing Communist tyranny. It means, for a start, being just as vigorous in advocating legitimate defense spending as we are in denouncing Pentagon waste.

It means making clear which weapons systems, such as the Stealth bomber and Midgetman missile, we support, as well as which systems, such as the MX missile and the B-1 bomber, we oppose. It means telling Soviet leaders that if they do not abide by existing arms control agreements, the American people will correctly refuse to support new accords.

It means pointing out to the Kremlin that a prohibition on research into strategic defense systems—a ban that the Russians are insisting upon as a condition for an arms control agreement—is neither feasible nor verifiable.

It means resisting Communist expansionism in the third world by providing arms and aid to non-Communist forces, such as those in Afghanistan and Cambodia, resisting Communist invasion and occupation of their countries.

Of course, the Soviet Union and its surrogates are not the only threat we face. They may be the major threat, but if single-minded anti-Communist were to become the totality of our party's foreign policy, we would have done little more than substitute the simplicities of the far right for the illusions of the extreme left.

Our party need not, and should not, be an echo chamber for President Reagan's foreign policy. Even with a stronger stance against internal repression and external aggression by Communist states, profound differences would still separate us from the Republicans on foreign policy.

On arms control, we must proceed from the premise that the pursuit of agreements is a moral and political imperative. Recognizing that President Reagan's refusal to accept any limitations on his "Star Wars" initiative will doom the arms control talks in Geneva, Democrats should call for significant restrictions on development, testing and deployment of strategic defense systems in exchange for a Soviet willingness to accept meaningful and mutual reductions in offensive nuclear weapons.

In the third world, we must distinguish between wars of national liberation—as in Afghanistan and Cambodia, where it is appropriate for us to aid indigenous resistance forces—and civil wars—as in Nicaragua, where it is inappropriate for us to engage in efforts to overthrow internationally recognized governments.

We should firmly reject the Administration's policy toward Nicaragua, which is leading ineluctably toward the militarily dangerous and politically disastrous introduction of American combat forces into that country. But we must also make clear that opposing aid to the "contras" in no way signals sympathy for the Sandinistas. Our differences with Nicaragua must be resolved not on the battlefield but at the bargaining table; not through unilateral American action but through the multilateral diplomacy of the Contadora peace process.

The Democrats also differ from the Administration on human rights: We must make clear our opposition to tyranny on the left but also continue to oppose repression on the right. Democrats should reject the values of an Administration that stands up for pluralism and democracy in Central America but stands still for racism and repression in southern Africa; that denounced martial law in Poland but stays silent about martial law in Taiwan; that condemns the elections in Nicaragua but praises the even more fraudulent elections in the Philippines. We need to oppose both Soviet tyranny in Afghanistan and the tyranny of apartheid.

Indeed, in many third world countries, such as the Philippines and South Africa, it is the existence of repression that creates the greatest opportunities for Soviet expansionism. In repressive regimes, the best way for us to contain Communism is not to embrace authoritarianism but to promote democracy.

What the Democrats must understand is that our traditional human rights concerns are by no means incompatible with a realistic and resolute approach to Communism. A new Democratic foreign policy that combined the two would serve our country's interests by facilitating a bipartisan consensus to resist Soviet expansionism and Communist tyranny. It would also shift the foreign policy debate from a discussion of which party was more anti-Communist to which party could best promote peace through arms control and promote freedom by advancing human rights.

With the debate framed in this fashion, the Democrats would be positioned not only to regain the support of the American people but to effectively promote the interests and ideals of our nation.

[From the Washington Times, June 5, 1985]

THE MADCAP MENACE—WEAKENING OUR DEFENSES?

(By Robert K. Dornan)

There is a debate raging in Congress on how best to balance the delicate relationship between defense, domestic programs, and the deficit. There is a general consensus that one way to accomplish this balancing act is to cut selected defense programs.

There is no doubt that there are some defense programs that need better resource management or can be curtailed or delayed with no harm to our national security. However, the Strategic Defense Initiative is not one of these. As Dr. Fred Ikle, undersecretary of defense for policy, said recently. "[SDI] is not some optional experiment to be continued or curtailed depending on short-term budgetary or arms control considerations. It is a vital long-term effort to strengthen our ability to prevent nuclear war." If we slow down the research now, and fail to fund the program at levels that will allow it to develop in a timely manner, we will not have the answers we need to chart a long-term strategy and sustain a credible arms-reduction policy.

Still, the U.S. Air Force and the Strategic Defense initiative Office have delayed, curtailed, and even cut SDI research and development programs in order to present a scaled-down budget to Congress. The president's Fiscal Year 1986 SDI program was a "bare bones program." While basic research continues, the Defense Department has postponed testing of selected components by at least two years.

Instead of supporting the efforts of the Air Force and SDIO, the Senate and House Armed Services committees chose to pare this "barebones program" even further. Not only is the president's program cut by more than one-third (from $3.7 billion to $2.4 billion), the House Armed Services Committee refuses to allow the SDIO to decide how best to spend what money is left!

The budget cuts are directed primarily at the heart of the SDI research program—the surveillance, acquisition, tracking and kill assessment program, and the kinetic energy weapons program. These two programs are vital. It is the basic research of these two programs that will ultimately prove the possibility of strategic defense and set the direction for future programs.

This is well understood by the liberal arms control establishment. These MAD-capped fear merchants believe peace is best served by keeping mankind in a constant state of paralytic terror. This is the basic assumption behind the theory of Mutually Assured Destruction or, as it is appropriately called, MAD. These MADcappers still insist that the immoral ideal of "American held hostage" is the best defense for the United States and the allies.

Because the theory of MAD requires an undefended homeland vulnerable to nuclear annihilation, the MADcappers will do anything to prevent the United States from deploying any U.S. defensive system. They play on the normal fears that all Americans feel. And, these fear merchants have succeeded, in far too many instances, in blocking or delaying every program needed to improve our defensive posture and modernize our strategic deferrent. But, with the SDI program, the president has such strong grassroots support, the MADcappers have been largely ineffective.

This has prompted the liberal arms control lobby to take a different tack. They know the importance of the research and development phase of a brand-new program. Obviously, it is the early R&D stage that determines whether or not a system will eventually be deployed. With improper funding, a research and development program will certainly flounder.

The MADcappers are now attempting to gut the president's Strategic Defense Initiative by approaching it as a "cost-cutting" opportunity, when the real purpose of most of these "budgeteers" is to eliminate the program entirely. They claim they are not against "research"—of course not, just so long as it doesn't lead to positive results.

The recent recommendations of the Senate and House Armed Services committees have backed up the MAD theorists and the liberal arms control establishment and significantly strengthened their hand down the road.

Without demonstrable research progress, the MADcappers will justifiably claim that the SDI program (as funded) is leading nowhere.

If the SDI program is funded below the level defense experts say is absolutely necessary to show progress, it will never survive when the Reagan administration ends in January 1989. We will have foreclosed on the greatest opportunity to achieve control over nuclear proliferation and to secure a stable peace for ourselves and our children.

SOVIET MILITARY POWER—1985 ANALYSIS

[Chapter III]

STRATEGIC DEFENSE AND SPACE PROGRAMS

Strategic defenses are vital to the overall Soviet strategy for nuclear war. The operations of Soviet defensive and attack forces, as noted in Chapter II, are closely coupled; attack strategies are geared in large part to the reduction of the defensive burden. In the Soviet concept of a layered defense, effectiveness is achieved through multiple types of defensive capabilities compensating for shortcomings in individual systems and for the likelihood that neither offensive strikes nor any one layer of defense will stop all attacking weapons. The Soviets are making major improvements in their deployed strategic defenses and are investing heavily in ABM-related developments.

Soviet Military Power 1983 and *1984* outlined the continuing expansion into space of the Soviet drive for military superiority. In the past year, some 80 percent of Soviet space launches have been purely military in nature, with much of the remainder serving both military and civil functions. This is an increase from 70 percent in previous years. The Soviet military space program dominates the USSR's overall space effort. Soviet military doctrine establishes requirements for the military space program.

LASER/ENERGY WEAPONS SYSTEMS

Soviet directed-energy development programs involve future Ballistic Missile Defense (BMD) as well as antisatellite and air-defense weapons concepts.

By the late 1980s, the Soviets could have prototypes for ground-based lasers for ballistic missile defense. Testing of the components for a large-scale deployment system could begin in early 1990s. The many difficulties in fielding an operational system will require much development time, and initial operational deployment is not likely in this century. However, with high priority and some significant risk of failure, the Soviets could skip some testing steps and be ready to deploy a ground-based laser BMD by the early-to-mid-1990s.

Ground- and space-based particle beam weapons for ballistic missile defense will be more difficult to develop than lasers. Nevertheless, the Soviets have a vigorous program underway for particle beam development and could have a prototype space-based system ready for testing in the late 1990s.

The Soviets have begun to develop at least three types of high-energy laser weapons for air defense. These include lasers intended for defense of high-value strategic targets in the USSR, for point defense of ships at sea, and for air defense of theater forces. Following past practice, they are likely to deploy air defense lasers to complement, rather than replace, interceptors and surface-to-air missiles (SAMs). The strategic defense laser is probably in at least the prototype stage of development and could be operational by the late 1980s. It most likely will be deployed in conjunction with SAMs in a point defense role. Since the SAM and laser systems would have somewhat different attributes and vulnerabilities, they would provide mutual support. The ship-borne lasers probably will not be operation-

al until after the end of the decade. The theater force lasers may be operational sometime sooner and are likely to be capable of structurally damaging aircraft at close ranges and producing electro-optical and eye damage at greater distances.

The Soviets are also developing an airborne laser. Assuming a successful development effort, limited initial deployment could begin in the early 1990s. Such a laser platform could have missions including antisatellite operations, protection of high-value airborne assets, and cruise missile defense.

The Soviets are working on technologies or have specific weapons-related programs underway for more advanced antisatellite systems. These include space-based kinetic energy, ground- and space-based laser, particle beam, and radiofrequency weapons. The Soviets apparently believe that these techniques offer greater promise for future antisatellite application than continued development of ground-based orbital interceptors equipped with conventional warheads. The Soviets also believe that military applications of directed-energy technologies hold promise of overcoming weaknesses in their conventional air and missile defenses.

The USSR's high-energy laser program, which dates from the mid-1960s, is much larger than the US effort. They have built over a half-dozen major R&D facilities and test ranges, and they have over 10,000 scientists and engineers associated with laser development. They are developing chemical lasers and have continued to work on other high-energy lasers having potential weapons applications—the gas dynamic laser and the electric discharge laser. They are also pursuing related laser weapon technologies, such as efficient electrical power sources, and are pursuing capabilities to produce high-quality optical components. They have developed a rocket-driven magnetohydrodynamic (MHD) generator which produces 15 megawatts of short-term electric power—a device that has no counterpart in the West. The scope of the USSR's military capabilities would depend on its success in developing advanced weapons, including laser weapons for ballistic missile defense.

The Soviets have now progressed beyond technology research, in some cases to the development of prototype laser weapons. They already have ground-based lasers that could be used to interfere with US satellites. In the late 1980s, they could have prototype spacebased laser weapons for use against satellites. In addition, ongoing Soviet programs have progressed to the point where they could include construction of ground-based laser antisatellite (ASAT) facilities at operational sites. These could be available by the end of the 1980s and would greatly increase the Soviets' laser ASAT capability beyond that currently at their test site at Sary Shagan. They may deploy operational systems of space-based lasers for antisatellite purposes in the 1990s, if their technology developments prove successful, and they can be expected to pursue development of space-based laser systems for ballistic missile defense for possible deployment after the year 2000.

Since the early 1970s, the Soviets have had a research program to explore the technical feasibility of a particle beam weapon in space. A prototype space-based particle beam weapon intended only to disrupt satellite electronic equipment could be tested in the early 1990s. One designed to destroy satellites could be tested in space in the mid-1990s.

The Soviets have conducted research in the use of strong radiofrequency (RF) signals that have the potential to interfere with or destroy components of missiles, satellites, and reentry vehicles. In the 1990s, the Soviets could test a ground-based RF weapon capable of damaging satellites.

Soviet programs for the development and application of directed-energy technologies to strategic defense have been very vigorous in the past and will continue to be so in the future, irrespective of what the US does about new strategic defense initiatives.

In the area of kinetic energy weapons, using the high-speed collision of a small mass with the target as the kill mechanism, the Soviets have a variety of research programs underway. These programs could result in a near-term, short-range, space-based system useful for satellite or space station defense or for close-in attack by a maneuvering satellite. Longer range, space-based systems probably could not be developed until the mid-1990s or even later.

EARLY WARNING

The Soviets maintain the world's most extensive early warning system for both ballistic missile and air defense. Their operational ballistic missile early warning system includes a launch-detection satellite network, over-the-horizon radar, and a series of large phased-array radars located primarily on the periphery of the USSR. Their early warning air surveillance system is composed of an extensive network of ground-based radars linked operationally with those of their Warsaw Pact allies.

The current Soviet launch-detection satellite network is capable of providing about 30 minutes warning of any US ICBM launch and of determining the general area from which it originated. The two over-the-horizon radars the Soviets have directed at the US ICBM fields also could provide them with 30 minutes warning of an ICBM strike launched from the United States, but with somewhat less precision than the satellite network. Working together, these two early warning systems can provide more reliable warning than either working alone.

The next layer of operational ballistic missile early warning consists of 11 large HEN HOUSE detection and tracking radars at six locations on the periphery of the USSR. These radars can distinguish the size of an attack, confirm the warning from the satellite and over-the-horizon radar systems, and provide target-tracking data in support of antiballistic missile (ABM) deployments.

Current Soviet air surveillance radar deployments include more than 7,000 radars of various types located at about 1,200 sites. These deployments provide virtually complete coverage at medium-to-high altitudes over the USSR and in some areas extend hundreds of kilometers beyond the borders. Moreover, the over-the-horizon radars provide additional warning of the approach of high-flying aircraft. Limited coverage against low-altitude targets is concentrated in the Western USSR and in high-priority areas elsewhere. Since 1983, the Soviets have begun to deploy two new types of air surveillance radars. These radars assist in the early warning of cruise missile and bomber attacks and enhance air defense electronic warfare capabilities.

The new large phased-array radar for ballistic missile early warning and target-tracking discovered in 1983 in Siberia is still under construction. This new radar closes the final gap in the combined HEN HOUSE and new large phased-array radar early warning and tracking network. Together, this radar and the five others like it form an arc of coverage from the Kola Peninsula in the northwest, around Siberia, to the Caucasus in the southwest. The new radar violates the 1972 ABM Treaty in that is not located on the periphery of the Soviet Union, nor is it pointed outward as required by the Treaty. Its orientation and function indicate it is for ballistic missile detection and tracking—not space object tracking as claimed by the Soviets. The complete network of these radars, which could provide target-tracking data for ABM deployments beyond Moscow, probably will be operational by the late 1980s.

The Soviets may establish a network of satellites in geostationary orbit designed to provide timely indications of ballistic missiles, including submarine-launched ballistic missile (SLBM) launches. Such a network could be operational by the end of the decade.

The USSR has a strong research and development program to produce new early warning and other air surveillance radars as well as to improve existing systems. More than 15 types of these radars are currently in development. In addition, the Soviets are continuing to deploy improved air surveillance data systems that can rapidly pass data from outlying radars through the air surveillance network to ground-controlled intercept sites and SAM command posts. These systems will continue to be deployed until all areas are equipped with them.

BALLISTIC MISSILE DEFENSE

The Soviets are continuing a major upgrading of their ballistic missile defense capabilities. The Moscow missile defenses are being enlarged and equipped with a new generation of radars and interceptor missiles. Developments aimed at providing the foundation for widespread ABM deployments beyond Moscow are underway.

The new SA-X-12 surface-to-air missile, which incorporates ballistic missile defense capabilities, is nearing operational status, while research on directed-energy BMD technology continues apace.

The Soviets maintain around Moscow the world's only operational ABM system. This system is intended to afford a layer of defense for Soviet civil and military command authorities in the Moscow area during a nuclear war rather than blanket protection for the city itself. Since 1980, the Soviets have been upgrading and expanding this system around Moscow within the limits of the 1972 ABM Treaty.

The original single-layer Moscow ABM system included 64 reloadable above-ground launchers at four complexes for the GALOSH ABM-1B, six TRY ADD guidance and engagement radars at each complex, and the DOG HOUSE and CAT HOUSE target-tracking radars south of Moscow. The Soviets are upgrading this system to the 100 accountable launchers permitted under the ABM Treaty. When completed, the new system will be a two-layer defense composed of silo-based, long-range, modified GALOSH interceptors designed to engage targets outside the atmosphere; silo-based high-acceleration interceptors designed to engage targets within the atmosphere; associated engagement and guidance radars; and a new large radar at Pushkino designed to control ABM engagements. The silo-based launchers may be reloadable. The first new launchers are likely to be operational this year, and the new defense could be fully operational by 1987.

The Soviets are developing a rapidly deployable ABM system to protect important target areas in the USSR. They have been

testing all the types of ABM missiles and radars needed for widespread ABM defenses beyond the 100 launcher limit of the 1972 ABM Treaty. Within the next 10 years, the Soviets could deploy such a system at sites that could be built in months instead of years. A typical site would consist of engagement radars, guidance radars, above-ground launchers, and the high-acceleration interceptor. The new, large phased-array radars under construction in the USSR, along with the HEN HOUSE, DOG HOUSE, CAT HOUSE, and possibly the Pushkino radar, appear to be designed to provide support for such a widespread ABM defense system. The aggregate of the USSR's ABM and ABM-related activities suggests that the USSR may be preparing an ABM defense of its national territory.

In addition, the Soviets are deploying one surface-to-air missile system, the SA-10, and are flight testing another, the mobile SA-X-12. The SA-X-12 is both a tactical SAM and antitactical ballistic missile. It may have the capability to engage the LANCE and both the PERSHING I and PERSHING II ballistic missiles. The SA-10 and SA-X-12 may have the potential to intercept some types of US strategic ballistic missiles as well. These systems could, if properly supported, add significant point-target coverage to a widespread ABM deployment.

AIR DEFENSE

The Soviets have deployed numerous strategic and tactical air defense assets that have excellent capabilities against aircraft flying at medium and high altitudes. Although their capability to intercept low-flying penetrators is marginal, they are in the midst of a major overhaul geared toward fielding an integrated air defense system much more capable of low-altitude operations. This overhaul includes partial integration of strategic and tactical air defenses; the upgrading of early warning and surveillance capabilities; the deployment of more efficient data transmission systems; and the development and initial deployment of new aircraft, associated air-to-air missiles, surface-to-air missiles, and airborne warning and control system (AWACS) aircraft.

Over the years, the Soviets have invested enormous resources in their air defense systems. This sustained effort has produced an array of weapons systems designed for a variety of air defense applications. For example, they have fielded 13 different surface-to-air missile systems, each designed to cover a specific threat regime.

The Soviets have made significant shifts in the subordination of their air and air defense assets. The reorganization has resulted in a streamlined organization that merged strategic and tactical air and air defense assets in most land border areas of the USSR. The air defense (APVO) Interceptors became part of a new structure, the Air Forces of the Military District (MD), which also includes most of the assets of the former tactical air armies. The Air Forces of an MD include all air assets in their geographic area (excluding Strategic Aviation and transport assets). These assets can be used either offensively or defensively as the situation requires. The new structure improves defensive capabilities, but its most significant impact is on the capability to conduct massed offensive air operations. Technological advances in weapons systems and in command, control, and communications have made its implementation possible.

In terms of numbers alone, Soviet strategic and tactical air defense forces are impressive. Moreover, with the continuing deployment of new systems like the SA-10 SAM and impending deployment of the SA-X-12, these numbers are increasing along with capability. Currently, the Soviets have nearly 10,000 SAM launchers at over 1,200 sites for strategic defense, along with more than 4,000 launch vehicles for tactical SAMs, subordinated to nearly 445 launch units. More than 1,200 interceptors are dedicated to strategic defense, while an additional 2,800 Soviet Air Forces (SAF) interceptors could also be used. Further, the Soviets are continuing the MAINSTAY AWACS aircraft program and test and evaluation is underway. The MAINSTAY will substantially improve Soviet capabilities for early warning and air combat command and control, especially against low-flying aircraft. The MAINSTAY will also provide Soviet air defenses with overland and overwater capabilities to detect aircraft and cruise missile targets flying at low altitudes. Additionally, the MAINSTAY could be used to help direct fighter operations over European and Asian battlefields and to enhance air surveillance and defense of the USSR. MAINSTAY production could be about five aircraft per year.

The 1,200 all-weather interceptors assigned to strategic defense are primarily based in central air defense regions of the Soviet Union, in addition to fighter/interceptors subordinate to the military districts that are generally located on the periphery of the Soviet Union. The interceptor force is composed of a wide variety of aircraft with varying capabilities.

The deployment of the supersonic MiG-31/FOXHOUND interceptor, the first Soviet aircraft with a true look-down/shoot-down and multiple-target engagement capability, continued during 1984. The FOXHOUND, comparable in size to the US F-14 TOMCAT, is deployed at several locations from the Arkhangelsk area to the Far East Military District. More than 70 of these aircraft are operational.

The MiG-25/FOXBAT A/E is a high-altitude, high-speed interceptor that comprises approximately one-quarter of the strategic interceptor force. The upgrade program of the FOXBAT A to the newer FOXBAT E configuration provides a limited look-down radar capability. The remaining FOXBAT A aircraft are expected to be modified to the FOXBAT E configuration during 1985.

The MiG-23/FLOGGER B/G fighter comprises approximately one-third of the total strategic interceptor forces. This variable-geometry-wing fighter is equipped with a limited look-down radar. The remaining aircraft employed as interceptors (the older FLAGON, FIDDLER, and FIREBAR) comprises less than one-third of the force.

Two new fighter-interceptors, the Su-27/FLANKER and the MiG-29/FULCRUM, have true look-down/shoot-down capabilities. The FULCRUM is a single-seat, twin-engine fighter similar in size to the US F-16. First deployments of the FULCRUM to the Soviet Air Force military districts have begun, and more than 30 are now operational. The FLANKER is a larger, single-seat, twin-engine fighter similar in size to the US F-15. Both aircraft have been designed to be highly maneuverable in air-to-air combat.

The three latest Soviet fighter-interceptor aircraft are equipped with two new air-to-air missiles, the AA-9 designed for the FOXHOUND and the AA-10 designed for the FULCRUM and the FLANKER. The AA-9 is a long-range missile that can be used against low-flying targets; the AA-10 is a medium-range missile with similar capabilities.

The FLANKER and the FULCRUM, as well as the FOXHOUND, are likely to operate under certain circumstances with the new MAINSTAY AWACS aircraft.

Soviet strategic SAMs form barrier, area, and terminal defenses. They afford broad coverage for medium- and high-altitude defenses under all weather conditions. Five systems are operational—the SA-1, SA-2, SA-3, SA-5, and SA-10. Of these, only the SA-10 is capable of defending against targets with a small radar-cross-section such as cruise missiles.

The first SA-10 site reached operational status in 1980. Nearly 60 sites are now operational and work is underway on at least another 30. More than half of these sites are located near Moscow. This emphasis on Moscow and the patterns noted for the other SA-10 sites suggest a first priority on terminal defense of wartime command and control, military, and key industrial complexes. Over the years, the Soviets have continued to deploy the long-range SA-5 and have modified the system repeatedly. Further deployment and upgrading of the SA-5 to enhance its capability to work in conjunction with low-altitude systems like the SA-10 are likely in the future.

In keeping with their drive toward mobility as a means of weapons survival, the Soviets are developing a mobile version of the SA-10 SAM. This mobile version could be used as to support Soviet theater forces but, perhaps more importantly, if deployed with the territorial defense forces, it would allow the Soviets to change the location of SA-10 sites in the USSR. The mobile SA-10 could be operational sometime this year.

The 1980 air defense reorganization permits efficient integration of strategic and tactical SAM systems. Most tactical SAMs are not as range-capable as strategic SAMs, but many have better low-altitude capabilities.

A mixed and integrated system of aircraft, SAMs and antiaircraft artillery (AAA) provides the Soviet Union with the most comprehensive air defense system in the world. Over 4,600 SAM launcher vehicles and 11,500 AAA pieces are deployed at regimental through front level. In addition, as many as 25,000 shoulder-fired SAM launchers are found at battalion and company level and with non-divisional units. The standard air defense for a tank or motorized rifle regiment is a battery of SA-9/13 SAMs and ZSU-23/4 self-propelled AAA pieces. The SA-9 system, mounted on a wheeled transporter-erector-launcher (TEL), is being replaced by the SA-13 on a tracked TEL. A follow-on to the ZSU-23/4 is expected shortly. The standard SAM at division level is the SA-6 or SA-8, although some divisions still have an AAA-equipped air defense regiment. A new division-level SAM, the SA-11 is beginning to enter the inventory. It features an onboard radar that increases mobility and target-handling capability. The standard weapon at army and front levels is the SA-4, soon to be replaced by the SA-X-12. The SA-X-12 has good low-altitude air defense capabilities as well as the ballistic missile defense capabilities noted above. Soviet tactical SAM development is both broad-based and active. New tactical SAMs and improvements to older ones are now under development.

The largest concentration of SAM launchers and AAA pieces—over 8,100—is found opposite European NATO; over 4,200 are opposite the Sino-Soviet border and in the Far

East; there are nearly 700 opposite southwest Asia and eastern Turkey; over 1,300 are in the Strategic Reserve military districts.

PASSIVE DEFENSE

Soviet passive defense preparations have been underway in earnest for some 30 years and have, over time, expanded from the protection of such vital entities as the national Party and government leadership and Armed Forces to embrace the territorial leadership, national economy, and general population. The Soviets regard passive defense as an essential ingredient of their overall military posture and war planning. In conjunction with active forces, the Soviets plan for a passive defense program to ensure the survival and wartime continuity of:

Soviet leadership;

military command and control entities;

war-supporting industrial production and services;

the essential work force; and

as much of the general population as possible.

As this program has expanded, elements of it have been designated by the Soviets as "civil defense." Use of this term in its normal Western context does not convey the full scope of Soviet Civil Defense.

Extensive planning for the transition of the entire State and economy to a wartime posture has been fundamental to Soviet passive defense preparations. The Soviet General Staff and Civil Defense officials have supervised the development of special organizations and procedures to implement a rapid transition to war and have emphasized the mobilization and protection of all national resources essential to the successful prosecution of war and recovery.

The senior Soviet military establishment has also supervised the 30-year program to construct hardened command posts and survivable communications for key military commanders and civilian managers at all levels of the Party and government. Likewise, protective hardening, dispersal, and wartime production plans for Soviet industry have all been coordinated with the wartime requirements of the military and supervised by Civil Defense personnel. The protection of the general population through evacuation procedures and extensive sheltering in or near urban areas is the most visible aspect of the passive defense program.

The passive defense program reflects the Soviets' belief of their wartime need. The wartime management system would be the militarized system of national administration in which peacetime government bodies become Civil Defense components under direct military subordination. This would extend to Soviet territorial administration at all levels and to specialized functional components such as industrial, transport, power, and communications ministries. Soviet authorities at all levels would serve as uniformed chiefs of Civil Defense and command their respective organizations in a military capacity. Soviet Civil Defense thus serves both as a vehicle to administer peacetime preparations and training and as the infrastructure that would keep together civil and military bodies in the unified wartime management systems.

Soviet commanders and managers at all levels of the Party and government are provided hardened alternate command posts located well away from urban centers. This comprehensive and redundant system, composed of more than 1,500 hardened facilities with special communications, is patterned after similar capabilities afforded the Armed Forces. More than 175,000 key personnel throughout the system are believed to be equipped with such alternate facilities in addition to the many deep bunkers and blast shelters in Soviet cities.

Soviet passive defense efforts include measures to maintain essential production and services even during a nuclear war. Elaborate plans have been set for the full mobilization of the national economy in support of the war effort and the conversion to wartime production. Reserves of vital materials are maintained, many in hardened underground structures. Redundant industrial facilities have been built and are in active production. Industrial and other economic facilities have been equipped with blast shelters for the work force, and detailed procedures have been developed for the relocation of selected plants and equipment. By ensuring the survival of essential workers, the Soviets intend to reconstitute vital production programs using those industrial components that can be redirected or salvaged after an attack.

The annual military and civilian cost of four elements of the program—pay and allowances for full-time Civil Defense personnel; operation of specialized military Civil Defense units; construction and maintenance of facilities for these units; and shelter construction—is less than 1 percent of the estimated Soviet defense budget. If duplicated in the United States, these four elements would cost roughly $3 billion annually. The cost of construction and equipment for leadership relocation sites over the past 25 years is between 8 and 16 billion rubles, or $28–56 billion if acquired in the United States.

NORTH AMERICAN DEFENSE FORCES

United States and Canadian interceptor forces assigned to the North American Aerospace Defense Command (NORAD) maintain continuous ground alert at sites around the periphery of the United States and Canada. Alert aircraft intercept and identify unknown intruders. At present, there are no SAMs for US continental air defense. In a crisis, the Air Force, Navy, and Marine Corps could provide additional interceptors. Supported by AWACS aircraft, these forces could provide a limited defense against bomber attacks.

To meet the increasing Soviet bomber and air-launched cruise missile (ALCM) threats, US interceptor squadrons assigned to NORAD are being equipped with newer, more advanced F-15 and F-16 aircraft. These modern fighters will provide a look-down/shoot-down capability to detect and engage enemy bombers penetrating at low altitudes. The Canadians are upgrading their air defense forces with the CF-18. Joint United States and Canadian improvements to long-range surveillance include modern microwave radars for the Distant Early Warning line and over-the-horizon back-scatter radars looking east, west, and south.

Soviet space-oriented military systems pose a threat to the land sea, and air forces of the United States. Some Soviet satellites are designed to support targeting of Soviet antiship cruise missiles launched against US surface ships. The US ASAT program, centering on the Air-Launched Miniature Vehicle, is part of the response to this and similar threats.

Finally, the United States has called for a research program to explore the possibility of strengthening deterrence by taking advantage of recent advances in technology that could, in the long term, provide an effective defense against ballistic missiles. This Strategic Defense Initiative (SDI) is discussed in the concluding chapter.

THE SOVIET SPACE PROGRAM

The Soviets believe in the combined arms concept of warfare in which all types of forces are integrated into military operations to achieve the desired goals. Space assets play a major role in this equation in the areas of antisatellite warfare; intelligence collection; command, control, and communications; meteorological support; navigational support; and targeting. The military support systems are linked to ground, naval, and air forces through earth terminals. Thus, Soviet forces can receive orders and information via satellite from command headquarters thousands of miles away. Their reliance on these systems is growing. Space weapons also play an important role in their strategic operations.

The late Marshal V. D. Sokolovskiy included space in a statement defining the modern concept of a theater of military operations. The Soviet drive to use space for military purposes is an integral part of Soviet military planning. The Soviet coorbital ASAT system, while launched from the ground, is a space weapon system. The Soviets also have two ground-based lasers that are capable of attacking satellites in various orbits. These systems suggest that the Soviets are willing to use space for military purposes that are more ominous than those for which it has been used thus far.

The Soviets are currently developing a version of the U.S. space shuttle, a heavy-lift booster system, a space plane, and directed-energy weapons and have engaged in military-related experiments aboard the SALYUT-7 space station. The Soviets continue to pursue their manned space programs, maintaining in orbit the SALYUT space station, which is manned during most of the year. This gives the Soviets the capability to perform a variety of functions from space, including military R&D and using man to augment their reconnaissance and surveillance efforts. In addition, there are other developments indicating Soviet research on space-based ballistic missile defense.

Antisatellite Systems. Since 1971, the Soviets have had the capability to attack satellites in near-earth orbit with a ground-based orbital interceptor. Using a radar sensor and a pellet-type warhead, the interceptor can attack a target in various orbits during the interceptor's first two revolutions. An intercept during the first orbit would minimize the time available for a target satellite to take evasive action. The interceptor can reach targets orbiting at more than 5,000 kilometers, but it probably is intended for high-priority satellites at lower altitudes. The antisatellite interceptor is launched from Tyuratam, where launch pads and storage space for interceptors and launch vehicles are available. Several interceptors could be launched each day. In addition to the orbital interceptor, the Soviets have two ground-based high-energy lasers with antisatellite capabilities. The Soviets also have the technological capability to conduct electronic warfare against space systems and could use their ABM interceptors in a direct-ascent attack on low-orbiting satellites.

Space Boosters. The Soviets currently maintain eight space launch systems that are used to place objects in orbits ranging from low-earth to geosynchronous and

beyond. They are developing two more systems—a TITAN-Class medium-lift launch vechicle and a SATURN V-Class heavy-lift vehicle. Also, they are developing their version of the US shuttle orbiter, which seems almost identical to its US counterpart, except for the absence of main engines. It is estimated that the new heavy-lift vehicle will be used to launch their orbiter as well as other large payloads. This vehicle should be able to lift as much as 150,000 kilograms to low-earth orbit, giving the USSR a tremendous capability to orbit heavy objects, such as the components for a large, manned space complex. The estimate for the medium-lift vehicle is a payload capacity of approximately 15,000 kilograms. This system may be used to launch their space plane, discussed below.

Manned Space Program. The Soviets have emphasized man in space since the beginning of their space program. In 1961 they placed the first man into orbit. Their SALYUT space stations have accommodated cosmonauts for extended periods, setting several records in the process. In 1984, three cosmonauts set a new record, spending 237 days aboard SALYUT 7. In 1982, two Soviet cosmonauts spent 211 days aboard the space station. At the end of 1984, Soviet cosmonauts had accumulated 3,691 man-days in space, compared to the US astronaut total of 1,289. In the spring of 1984, Soviet cosmonauts demonstrated their capability to perform on-orbit maintenance and repair by conducting extra-vehicular activity (EVA) five times, gaining valuable experience in on-orbit repairs. During one EVA, the cosmonauts added new solar panels to SALYUT 7. During another EVA, the Soviets accomplished another space first—a space walk by a female cosmonaut, Svetlana Savitskaya.

The Soviets have made known their plans to replace SALYUT 7 with large space complexes, supporting 20 or more cosmonauts on a permanent basis. Such a complex will enhance their space-based military support and warfighting capabilities. Missions could include military R&D, on-orbit repair of satellites, reconnaissance, imagery interpretation, ASAT support operations, and ballistic missile defense support operations. Their shuttle orbiter will likely be used to ferry cosmonauts to this station as well as to place satellites in orbit.

The Soviets apparently have already found some military utility in their manned space program. They have stated that "earth surface surveys" were conducted during past manned missions, but none of the photographs has ever been published. The continuation of photographic and other missions aboard SALYUT 7 indicates the Soviets are aware of the potential value of manned space stations in an actual wartime situation.

The Soviets have been experimenting with a test vehicle that is apparently a scale model of a larger, manned space plane. This vehicle has been orbited unmanned on four occasions, landing in water each time. Similar in appearance to the earlier US Dyna Soar craft, this plane's possible missions include reconnaissance, crew transport, satellite repair and maintenance, and ASAT operations. It could also be used as a manned space station defender. A clue to its purpose is found in a 1965 Soviet definition of antispace defense: "A component part of air defense. The main purpose of antispace defense is to destroy space systems used by the enemy for military purposes, in their orbits. The principal means of antispace defense are special spacecraft and vehicles (e.g., satellite interceptors), which may be controlled either from the ground or by special crews."

The Soviets have openly discussed their plans for ambitious planetary exploration in spite of their apparent decision not to match US lunar expeditions. In 1992, the condition for a launch to Mars will be favorable, and the Soviets are considering a manned expedition to that planet at that time. They have stated that the recent manning of the SALYUT space station for increasingly longer periods of time is to simulate the time it would take to conduct a Mars mission. This timeframe also coincides with the 75th anniversary of the Bolshevik Revolution and with the 500th anniversary of Columbus' discovery of the New World. Such an expedition would add great prestige to the Soviet Union and would further demonstrate the capability of its space technology.

Military Space Systems. Soviet space systems dedicated to military missions include satellites that perform reconnaissance, missile-launch detection and attack warning, command and control, and ASAT operations. Dual-purpose satellites that perform some civilian functions are used for communications, navigational support, and weather prediction and monitoring. The US has no counterpart to Soviet ocean reconnaissance satellites, the Electronic Intelligence Ocean Reconnaissance Satellite (EORSAT), or the nuclear-powered Radar Ocean Reconnaissance Satellite (RORSAT). Their mission is to detect, locate, and target US and Allied naval forces for destruction by antiship weapons launched from Soviet platforms. These systems track naval and merchant shipping. Four such satellites were launched in 1984, two of which were of the same type (RORSAT) that crashed in 1978, one spreading radioactive debris across northern Canada.

The Soviets have recently employed a new radar-carrying satellite system. Designed for mapping ice formations in polar regions, these satellites will greatly enhance the ability of the Soviet Navy to operate in ice-bound areas. The system can be used to aid in the navigation of northern sea routes to assist in moving naval ships from construction yards in the western USSR to new ports in the Pacific.

The launch rate of satellites to geostationary orbits has risen in recent years. In the period 1974–78, one to two launches per year were conducted. In 1979, the rate increased to five per year, and eight launches occurred in 1984. These satellites are presumed to be for communications, although not all may have been for that purpose. The Soviets have filed their intent with international organizations to place almost 40 satellites in 21 different positions in the geostationary belt. Many of these satellites are years overdue, but the Soviets are apparently determined to fill the announced slots. The Soviets are also in the early stages of developing a satellite system called GLONASS, which, when fully developed, should provide the Soviets with accurate positioning data worldwide.

For the most part, Soviet satellites do not have lifetimes as long as those of their US counterparts. This is especially true of their reconnaissance platforms, necessitating frequent launches of replacements. However, the Soviets have shown great flexibility in maintaining these systems in orbit, augmenting them with extra satellites as warranted by changing situations. They have demonstrated a launch surge capability that could be a distinct advantage in time of hostilities. In 1984, the Soviets orbited a reconnaissance satellite that stayed in orbit far longer than previous ones. This could indicate a new system or an advanced modification of an old one, demonstrating their increasing sophistication and capabilities.

In late 1984, a new Soviet auxiliary ship was seen arrayed with extensive radomes and antennae. The ship, named after the first commander of the Strategic Rocket Forces, Marshal M.I. Nedelin, appears to be a new space and missile support ship capable of a variety of missions, including support to strategic forces worldwide. On its maiden voyage the NEDELIN transited directly from the Baltic to the port of Vladivostok, the headquarters of the Pacific Ocean Fleet. This ship will signficantly upgrade the Soviet capability to test new generations of missiles as well as support the expanding Soviet space program. The NEDELIN joins a growing fleet of Soviet space support ships that provide assistance to manned and unmanned missions. An additional ship of the NEDELIN-Class is under construction.

The War Against Star Wars

(By Robert Fastrow)

President Reagan offered a new strategic vision to the American people in his "Star Wars" speech of March 23, 1983. The policy he had inherited from his predecessors relied on the threat of incinerating millions of Soviet civilians as the main deterrent to a Soviet nuclear attack on our country. The President was troubled by the moral dimensions of this policy. He said: "The human spirit must be capable of rising above dealing with other nations and human beings by threatening their existence." And he called on our scientists to find a way of defending the United States against a Soviet nuclear attack by intercepting the Soviet missiles before they reached our soil.

When I first heard the President's speech, I thought he had a great idea. I wrote an article commenting favorably on the proposal [1] and then, a little later, I traveled to Washington to hear a talk by Dr. George Keyworth, the President's Science Adviser, on the strategic and technical implications of the President's plan.

Since Dr. Keyworth was rumored to have made a major contribution to the thinking behind the "Star Wars" speech, I felt that I would be getting an insider's view of the technical prospects for success in this difficult undertaking. That was particularly interesting to me, because several of my fellow physicists had expressed the gravest reservations about the technical feasibility of the proposal. In fact, Dr. Hans Bethe, a distinguished Nobel laureate in physics, had said bluntly, "I don't think it can be done."

Dr. Keyworth started by describing the circumstances that had led to the President's speech. Then he got into the technical areas I had come to hear about. "For more than five months," he told us, "some fifty of our nation's better technical minds [have] devoted their efforts almost exclusively to one problem—the defense against ballistic missiles." This group of specialists, which included some of the most qualified defense scientists in the country, had concluded that the President's goal was realistic—that it "probably could be done."

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[1] Commentary, January 1984.

"The basis for their optimism," Dr. Keyworth went on, "is our tremendously broad technical progress over the past decade." He pointed specifically to the advances in computers and "new laser techniques." He also mentioned the promising new developments that might enable us to protect the vitally important satellites carrying all this laser weaponry and computing equipment, and prevent the Soviets from knocking these critical satellites out as a preliminary to a nuclear attack on the United States. "These and other recent technical advances," Dr. Keyworth concluded, "offer the possibility of a workable strategic [missile] defense system."

That was pretty clear language, Defense experts had given the President's proposal a green light on its technical merits. I went back to New York with a feeling that the President's vision of the future—a future in which nuclear weapons would be "impotent and obsolete"—was going to become a reality.

The following month a panel of university scientists came out with a report that flatly contradicted Dr. Keyworth's assessment. According to the panel, an effective defense of the United States against Soviet missiles was "unattainable." The report, prepared under the sponsorship of the Union of Concerned Scientists (UCS),[2] leveled numerous criticisms at the "Star Wars" proposal. It pointed out, *Inter alia*, that thousands of satellites would be needed to provide a defensive screen; that one of the "Star Wars" devices under consideration would require placing in orbit a satellite weighing 40,000 tons; that the power needed for the lasers and other devices proposed would equal as much as 60 percent of the total power output of the United States; and that, in any case, the Soviets would be able to foil our defenses with a large bag of relatively inexpensive tricks, such as spinning the missile to prevent the laser from burning a hole in it, or putting a shine on it to reflect the laser light.

The signers of the report included physicists of world renown and great distinction. The impact of their criticisms seemed absolutely devastating.

Around the same time, another study of the feasibility of the "Star Wars" defense came out with more or less the same conclusion. According to that report, which had been prepared for the Office of Technology Assessment (OTA)[3] of the Congress, the chance of protecting the American people from a Soviet missile attack is "so remote that it should not serve as the basis for public expectations or national policy."

These scientific studies, documented with charts and tables, apparently sounded the death knell of missile defense. Scientists had judged the President's proposal, and found it wanting. According to *Nature*, the most prestigious science journal in the world:

"The scientific community knows that [the President's proposal] will not work. The President's advisers, including his science adviser, Dr. George Keyworth, know it too, but are afraid to say so.

"Dr. Keyworth is employed to keep the President informed on these technical matters, but sadly, there is no evidence that he is willing to give Mr. Reagan the bad news."

A few weeks later, I received unclassified summaries of the blue-ribbon panels appointed by the Defense Department to look into the feasibility of a United States defense against Soviet missiles.[4] These were the documents on which Dr. Keyworth had relied in part for his optimistic appraisal. The reports by the government-appointed consultants were as different from the reports by the university scientists as day is from night. One group of distinguished experts said no fundamental obstacles stood in the way of success; the other group, equally distinguished, said it would not work. Who was right? According to the UCS report, "any inquisitive citizen" could understand the technical issues. I decided to look into the matter. This is what I found.

Missiles usually consist of two or three separate rockets or "stages," also called boosters. On top of the uppermost stage sits the "bus" carrying the warheads. One by one, the stages ignite, burn out, and fall away. After the last stage has burned out and departed, the bus continues upward and onward through space. At this point it begins to release its separate warheads. Each warhead is pushed off the bus in a different direction with a different velocity, so as to reach a different target. The missiles with this capability are said to be MIRVed (MIRV stands for multiple independently targetable reentry vehicle).

Most of the discussion of the "Star Wars" defense assumes a many-layered defense with three or four distinct layers. The idea behind having several layers is that the total defense can be made nearly perfect in this way, even if the individual layers are less than perfect. For example, if each layer has, say, an 80-percent effectiveness—which means that one in five missiles or warheads will get through—a combination of three such layers will have an overall effectiveness better than 99 percent, which means that no more than one warhead in 100 will reach its target.[5]

The first layer, called the boost-phase defense, goes into effect as the Soviet missile rises above the atmosphere at the beginning of its trajectory. In the second layer, or mid-course defense, the booster has burned out and fallen away, and we concentrate on trying to destroy or disable the "bus" carrying the nuclear warheads, or the individual warheads themselves, as they are up and over through space on their way to the United States. In the third layer, or terminal defense, we try to intercept each warhead in the final stages of its flight.

The boost-phase defense offers the greatest pay-off to the defender because at this stage the missile has not yet sent any of its warheads on their separate paths. Since the largest Soviet missiles carry ten warheads each, if our defense can destroy one of these missiles at the beginning of its flight, it will eliminate ten warheads at a time. The defense catches the Soviet missiles when they have all their eggs in one basket, so to speak.

But the boost-phase defense is also the most difficult technically, and has drawn the most fire from critics. How can we destroy a Soviet missile thousands of miles away, within seconds or minutes after it has left its silo?

At the present time, one of the most promising technologies for doing that is the laser, which shoots a bolt of light at the missile as it rises. Missiles move fast, but light moves faster. A laser beam travels a thousand miles in less than a hundredth of a second. Focused in a bright spot on the missile's skin, the laser beam either burns a hole through the thin metal of the skin, which is only about a tenth of an inch thick, or it softens the metal sufficiently so that it ruptures and the missile disintegrates.

Another very promising technology for the boost-phase defense is the Neutral Particle Beam, which shoots a stream of fast-moving hydrogen atoms at the missile. The atoms travel at a speed of about 60,000 miles a second, which is less than the speed of light but still fast enough to catch up to the missile in a fraction of a second. The beam of fast-moving atoms is very penetrating, and goes through the metal skin of the missile and into the electronic brain that guides it on its course. There the atoms create spurious pulses of electricity that can cause the brain to hallucinate, driving the missile off its course so that it begins to tumble and destroys itself. If the beam is intense enough, it can flip the bits inside the brain's memory so that it remembers the wrong thing; or it can cause the brain to lose its memory altogether. Any one of these effects will be deadly to the Soviet missile's execution of its task.

The Neutral Particle Beam can also play havoc with the circuits in the electronic brain that guide the bus sitting on top of the missile. The mischief created here may prevent the bus from releasing its warheads; or it may cause the bus to send the warheads in the wrong directions, so that they miss their targets; or it may damage the electronic circuits in the warheads themselves, after they have been pushed off the bus, that when they reach their targets they fail to explode.[6] The Neutral Particle Beam can be lethal to the attacker in the boost phase, the mid-course phase, and the terminal phase. All in all, it is a most useful device.

Now for an important point: to be effective, the laser or the Neutral Particle Beam must have unobstructed views of all the Soviet missile fields. One of the best ways of achieving that is to put the device that produces these beams on a satellite and send it into orbit.

So this, then, is the essence of the plan for a boost-phase defense against Soviet missiles: a fleet of satellites, containing equipment that generates laser beams or Neutral Particle Beams, circles the earth, with enough satellites in the fleet so that several satellites are over the Soviet missile fields at all times—a sufficient number to shoot down, in the worst case, all 1,400 Soviet missiles if they are launched against us simultaneously.

The plan looks good on paper. Yet according to the UCS report, it has absolutely no practical value. This study shows that because of the realities of satellite orbits, the

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[2] *A Space-Based Missile Defense*, March 1984; *The Fallacy of Star Wars*, based on studies conducted by the Union of Concerned Scientists, edited by John Tirman, Vintage, 293 pp.

[3] *Directed Energy Missile Defense in Space:* A Background Paper, April 1984.

[4] *Ballistic Missile Defense and U.S. National Security:* A Summary Report, Prepared for the Future Security Strategy Study, October 1983; *The Strategic Defense Initiative:* Statement by Dr. James C. Fletcher Before the House Committee on Armed Services, March 1984.

[5] The explanation is that 20 percent get through the first layer; 20 percent of that fraction, or a net of 4 percent, get through the second layer; finally, 20 percent of that 4 percent, or 0.8 percent, get through the third layer. The overall effectiveness of the three layers is 99.2 percent.

[6] Nuclear explosives, unlike ordinary explosives, do not detonate if you drop them or hit them with a hammer. A series of precisely timed steps, controlled by electronic circuits in the warhead, has to occur before the explosion can happen. If the circuits are damaged, and the steps do not occur, or their timing is off, the warhead will not explode.

satellites needed to protect the United States against Soviet attack would "number in the thousands." The report's detailed calculations put the precise number at 2,400 satellites.

Now, everyone acknowledges that these satellites are going to be extremely expensive. Each one will cost a billion dollars or more—as much as an aircraft carrier. Satellites are the big-ticket items in the plan for a space-based defense. If thousands are needed, the cost of implementing the plan will be many trillions of dollars. A defense with a price tag like that is indeed a "turkey," as a spokesman for the UCS called it.

If the numbers put out by the UCS were right, there would be no point in looking into the plan further. But after the UCS report hit the papers, I began to hear rumors from professionals in the field that the numbers were not right. Since the whole "Star Wars" plan rested on this one point, I thought I would just check out the calculations myself. So I got hold of a polar-projection map of the northern hemisphere and a piece of celluloid. I marked the positions of the North Pole and the Soviet missile fields on the celluloid, stuck a pin through the North Pole, and rotated the celluloid around the Pole to imitate the rotation of the earth carrying the missile fields with it. Then I played with the map, the moving celluloid, and different kinds of satellite orbits for a day or two, to get a feel for the problem.

It was soon clear that about 50 evenly spaced satellite orbits, with four satellites in each orbit, would guarantee adequate coverage of the missile fields. In other words, 200 satellites would do the job, and "thousands" were certainly not needed. I could also see that it might be possible to get down to fewer than 100 satellites, but I could not prove that with my celluloid "computer."

I talked again with my friends in the defense community and they told me that my answers were in the right ballpark. The experts had been looking at this problem for more than ten years, and the accurate results were well known. As I had suspected, a hundred or so satellites were adequate. According to careful computer studies done at the Livermore laboratory, 90 satellites could suffice, and if the satellites were put into low-altitude orbits, we might get by with as few as 45 satellites.[7]

So the bottom line is that 90 satellites—and perhaps somewhat fewer—are needed to counter a Soviet attack. That cuts the cost down from many trillions of dollars to a level that could be absorbed into the amount already earmarked by the government for spending on our strategic forces during the next ten or fifteen years. It removes the aura of costliness and impracticality which had been cast over the President's proposal by the Union of Concerned Scientists' report.

The scientists who did these calculations for the UCS had exaggerated the number of satellites by a factor of about twenty-five. How did they make a mistake like that? A modicum of thought should have indicated that "thousands" of satellites could not be the right answer. Apparently the members of the panel did begin to think more carefully about the matter later on—but only after they had issued their report—because in testimony before a congressional committee a UCS spokesman lowered his organization's estimate from 2,400 satellites to 800 satellites.[8] In their most recent publication on the matter, the members of the panel lowered their estimate again, to 300 satellites.[9] That was getting closer. Another factor of three down and they would be home.

But the Union of Concerned Scientists never said to the press or the Congress: "We have found important mistakes in our calculations, and when these mistakes are corrected the impact is to cut the cost of the missile defense drastically. In fact, correcting these errors of ours has the effect of making the President's idea much more practical than we thought it was when we issued our report." Months after the publication of the report, *Science 84*, published by the American Association for the Advancement of Science, was still referring to the need for "2,400 orbiting laser stations."

The work by the Union of Concerned Scientists on the question of the satellite fleet is the poorest that has appeared in print, to my knowledge. The report prepared for the Office of Technology Assessment, which does a better job on this particular question, says that 160 satellites are needed for our defense. That is only about double the accurate result that came out of the computer studies at Livermore.

But the report to the OTA has a different failing. Because of an error in reasoning—an extremely inefficient placement of the satellites in their orbits—it concludes that if the Soviets were to build more missiles in an effort to overwhelm our defense, the United States would have to increase the number of its satellites in orbit in direct proportion to the increase in the number of Soviet missiles.[10]

This seems like a technical detail, but it has a cosmic impact. It means that if the Soviets build twice as many missiles, we have to build twice as many satellites. If they build four times as many missiles, we have to build four times as many satellites. Since our satellites are going to be expensive, that can be a costly trade-off. In fact, it could enable the Soviets to overwhelm our defense simply by building more missiles. As the New Republic said: "They could just roll out more SS-18's" (the SS-18 is the biggest and most powerful missile in the Soviet arsenal).

But some fine work by the theoretical physicists at Los Alamos has shown that the report to the OTA is seriously in error. The Los Alamos Calculations, which have been confirmed by computations at Livermore, show that the number of satellites needed to counter a Soviet attack does not go up in direct proportion to the number of Soviet missiles. It turns out instead that the number of satellites goes up approximately in proportion to the square root of the number of missiles.

That also seems like a fine point—almost a quibble—but consider its significance. The square root means that if the Soviets build four times as many missiles, we only have to build twice as many satellites to match them. Suppose the United States built a defensive screen of 100 satellites that could shoot down—as a very conservative estimate—80 percent, or four-fifths, of the Soviet missiles. And suppose the Soviets decided they wanted to build enough missiles so that the number of missiles getting through our defensive screen would be the same as the number that would have reached the United States if we had no defense. That is what "overwhelming the defense" means. To do that, the Soviets would have to build more than 5,000 additional missiles and silos.[11] The Los Alamos "square-root" rule tell us that if the Soviets went to the trouble and expense, the United States could counter those thousands of new missiles with only 100 additional satellites.

With numbers like that, the cost trade-offs are bound to favor the defense over the offense. If the Soviets tried to overwhelm our defense, they would be bankrupted before we were.

The report to the OTA has other defects. One is a peculiar passage in which the author exaggerates by a factor of roughly 50 the requirements for a terminal defense, i.e., a defense that tries to destroy the Soviet warheads toward the end of their passage, when they are already over the United States. Current planning assumes that as the warheads descend, they will be intercepted by smart mini-missiles with computer brains and radar or infrared "eyes," which maneuver into the path of the warhead and destroy it on impact. A smart missile of this kind destroyed an oncoming enemy warhead at an altitude of 100 miles on June 10, 1984, in a successful test of the technology by the Army.

The question is: how many smart missiles are required? Professionals sizing up the problem have concluded that at most 5,000 intercepting missiles will be needed. The answer according to the report to the OTA: 280,000 smart missiles. Though these smart missiles will not cost as much as aircraft carriers, they are not exactly throwaways. Thus the effect of this calculation, as with the studies by the Union of Concerned Scientists on the size of our fleet of laser-equipped satellites, is to create the impression that a defense against Soviet missiles will be so costly as to be impractical.

How did the report to the Office of Technology Assessment arrive at 280,000 missiles? First, the report assumed that about 1,000 sites in the United States—missile

[7] These numbers depend on the power of the laser beams and the sizes of the mirror used to focus them. All the studies described here make the same assumptions—a 20- or 25-million-watt laser and a 30-foot mirror.

[8] The scientist explained that his panel had forgotten that Soviet missile fields are spread out across a 5,000-mile arc in the USSR, and had put all the missiles in one spot. This made it harder for the satellite lasers to reach all the missiles, and meant more satellites were needed.

[9] *The Fallacy of Star Wars*, Chapter 5. The explanation offered by the UCS for this correction is that its experts belatedly realized some satellites are closer to their missile quarry than others, and can polish the missile off in a shorter time. That means each satellite can kill more missiles, and, therefore, fewer satellites are needed to do the whole job.

[10] The report assumed the American satellites would move through space in tight bunches, instead of being spread out around their orbits. By bunching them together this way, it kept the satellites from being used effectively, and overestimated the number of satellites we would have to put up to counter an increased Soviet deployment of missiles. The theorists at Livermore and Los Alamos assumed the satellites were spread out evenly in their orbits when they did their calculations. I did also, when I took a look at the problem. Anyone trying to figure out how to build the best defense for the United States at the lowest cost to the taxpayer would do the same.

[11] The Soviets have 1,400 missile silos and missiles. To get five times this number and make up for the losses suffered in penetrating our defense, they would have to build another 5,600 missiles and silos.

silos, command posts, and so on—need to be defended. That is reasonable.

Second, the report assumed the Soviets might choose to concentrate their whole attack on any one of these 1,000 sites. This means that every single site would have to have enough intercepting missiles to counter the Soviet attack, if the entire attack were aimed at this one location.

That is not reasonable. Why would the Soviets launch thousands of warheads—their entire nuclear arsenal—against one American missile silo? This is known in the trade as a GIGO calculation (garbage in, garbage out). The theorist makes an absurd assumption, does some impeccable mathematics, and arrives at an absurd answer.

When theoretical physicists joust over ideas, a factor of two hardly counts; a factor of three matters a bit; factors of ten begin to be important; factors of 100 can win or lose an argument; and factors of 1,000 begin to be embarrassing. In a study of the practicality of the Neutral Particle Beam—that most promising destroyer of Soviet missiles and warheads—the panel of the Union of Concerned Scientists made a mistake by a cool factor of 1,600. As in the case of the panel's estimate of the size of our satellite fleet, the direction of its error was such as to make this promising "Star Wars" technology seem hopelessly impractical.

According to the scientists who wrote the UCS report, the device—called a linear accelerator—needed to generate the Neutral Particle Beam would weigh 40,000 tons. To be effective, this enormous weight would have to be placed in a satellite. Of course, the idea of loading 40,000 tons onto an orbiting satellite is absurd. By comparison, the NASA space station will weigh about 40 tons. This finding by the Union of Concerned Scientists makes it clear that the plan to use the Neutral Particle Beam is ridiculous.

But the UCS's study panel made a mistake. The correct result of the weight of the linear accelerator is 25 tons, and not 40,000 tons. Now, 25 tons is quite a practical weight to put into an orbiting satellite. It is, in fact, about the same as the payload carried in a single flight of the NASA shuttle.[12]

A UCS spokesman admitted his organization's rather large error in congressional testimony some months ago.[13] But when he made the admission he did not say: "We have made a mistake by a factor of more than a thousand, and the correct weight of the accelerator for this Neutral Particle Beam is not 40,000 tons, but closer to 25 tons." He said: "We proposed to increase the area of the beam and accelerator, noting that would make the accelerator unacceptably massive for orbital deployment. Our colleagues have pointed out that the area could be increased after the beam leaves the small accelerator."

That was all he said about the mistake in his testimony.

Now, this cryptic remark does not convey to a Senator attending the hearing that the scientist has just confessed to a mistake which changes a 40,000-ton satellite into a 25-ton satellite. There is nothing in his remark to indicate that the UCS's distinguished panel of scientists had reached a false conclusion on one of the best "Star Wars" defenses because the panel had made a whopping error in its calculations.

The report prepared for the OTA also makes a mistake on the Neutral Particle Beam, but this mistake is only by a factor of fifteen. According to the report, the Soviet Union can protect its missiles and warheads from the Neutral Particle Beam with a lead shield about one-tenth of an inch thick. The shield, the report states, would not weigh too much and therefore could be "an attractive countermeasure" for the Soviets.

But scientists at Los Alamos have pointed out that a layer of lead one-tenth of an inch thick will not stop the fast-moving atoms of the Neutral Particle Beam; they will go right through it. In fact, a table printed in the OTA report itself shows that the lead shield must be 15 times thicker—at least 1½ inches thick—to stop these fast-moving particles.

A layer of lead as thick as that, wrapped around the electronics in the missile and its warheads, would weigh many tons—considerably more than the total weight of all the warheads on the missile. If the Soviets were unwise enough to follow the advice offered them in the report to the Office of Technology Assessment, their missile would be so loaded down with lead that it would be unable to get off the ground.

That would be a great plus for American security, and a nice response from our defense scientists to the President's call for ways of making the Soviet missiles "impotent and obsolete."

Other suggestions for the Soviets can be found in the report by the Union of Concerned Scientists. They include shining up the Soviet missiles, spinning them, attaching "band-aids" and "window shades," as the UCS report calls them, and launching "balloons" as fake warheads. I am not an expert in this dark area of "countermeasures," but I have talked with the experts enough to understand why the professionals in the defense community regard many of these proposals as bordering on inanity.

Putting a shine on the missile sounds like a good idea, because it reflects a part of the laser beam and weakens the beam's effect. However, it would be a poor idea for the Soviets in practice. One reason is that the Soviets could not count on keeping their missiles shiny; during the launch the missile gets dirty, partly because of its own exhaust gases, and its luster is quickly dulled. But the main reason is that no shine is perfect; some laser energy is bound to get through, and will heat the surface. The heating tends to dull the shine, so more heat gets through, and dulls the shine some more, and still more heat gets through . . . and very soon the shine is gone.

Spinning the missile spreads the energy of the laser beam over its whole circumference, and is a better idea than putting a shine on it. However, it only gains the Soviets a factor of pi, or roughly three, at most. And it does not gain them anything at all if the laser energy is transmitted in sharp pulses that catch the missile in one point of its spin, so to speak. The experts say there is no problem in building a laser that sends out its energy in sharp pulses.

Now to the other proposals by the scientists on the UCS panel. The "band-aid" is a metal skirt which slides up and down the outside of the missile, automatically picking out the spot that is receiving the full heat of the laser beam, and protecting the metal skin underneath. The "window shade" is a flexible, metallized sheet which is rolled up and fastened to the outside of the missile when it is launched, and then unrolled at altitudes above fifty miles. It is supposed to protect the missile against the X-ray laser, which is another exotic but promising defense technology.

The trouble with these suggestions is that they do not fit the realities of missile construction very well. A missile is a very fragile object, the ratio of its weight empty to its weight loaded being 10 or 15 to 1—nearly the same as an eggshell. Any attempt to fasten band-aids and window shades on the outside of the missile, even if their contours are smoothed to minimize drag, would put stresses on the flimsy structure that would require a major renovation of the rocket and a new series of test flights. If the Soviets tried to carry out all the suggestions made by the UCS's scientists—putting on band-aids and window shades, spinning their missiles and shining them up—their missile program would be tied up in knots. That would be another fine response from our scientists to the President's call for a way of rendering the Soviet weapons useless.

The "balloon" is still another trick to foil our defenses. The thought here is that after the boost phase is over, and the booster rocket has fallen away, the bus that normally pushes out the Soviet warheads will instead kick out a large number of "balloons"—light, metallized hollow spheres. Some balloons will have warheads inside them, and some will not. Since the empty balloons weigh very little, the Soviets can put out a great many of these. Not knowing which among this great multitude of balloons contain warheads, we will waste our mid-course defenses on killing every balloon in sight, empty or not.

A friend who works on these matters all the time explained to me what was wrong with this idea. He said that a modest amount of thought reveals that it is possible to tell very easily which balloons have warheads, and which do not. All the defense has to do is tap one, in effect, by directing a sharp pulse of laser light at it, and then observing how it recoils. An empty balloon will recoil more rapidly than a loaded one. Once the loaded balloons—the ones with the warheads—are picked out, we can go after them with our Neutral Particle Beams, or other warhead-killers.

This list of proposed countermeasures is not complete, but it is representative. The ideas put forward by the UCS—the band-aid, the window shade, the shining and spinning rockets, and the balloon—remind one of nothing so much as a group of bright students from the Bronx High School of Science getting together to play a game in which they pretend to be Soviet scientists figuring out how to defeat American missile defenses. The ideas they come up with are pretty good for a group of high-school students, but not good enough to stand up to more than a thirty-minute scrutiny by the defense professionals who earn their living in thinking about these matters.

Of course, there is no harm in these proposals. The harm comes in offering shoddy work—superficial analyses, marred by errors of fact, reasoning, and simple carelessness—as a sound scientific study bearing on a decision of vital importance to the American people. The work seems sound enough on casual examination, with its numbers, graphs, and theoretical arguments. Certainly the New York *Times* was impressed when it described the UCS report as "exhaustive and highly technical." It is only when you penetrate more deeply, and begin to talk with knowledgeable people who have

[12] The shuttle's payload is 33 tons in the orbits currently in use. It would be about 20 tons in the orbits needed for the defensive screen against Soviet missiles.

[13] Hearings Before the Senate Committee on Armed Services, April 24, 1984.

thought long and hard about these problems, that you realize something is wrong here.

How did published work by competent scientists come to have so many major errors? A theorist reviewing these reports on the feasibility of the President's proposal cannot help noticing that all the errors and rough spots the calculations seem to push the results in one direction—toward a bigger and more costly defense, and a negative verdict on the soundness of a "Star Wars" defense against Soviet missiles. If the calculations had been done without bias, conscious or otherwise, you would expect some errors to push the result one way, and other errors to push it the other way.

But all the errors and omissions go in one direction only—toward making the President's plan seem impractical, costly, and ineffective.

This is not to say that the errors were made in a deliberate, conscious effort to deceive. I do not think that for a moment. What happens is quite different, and every theorist will recognize the phenomenon. When you finish a calculation, you check your result against your intuitive feeling as to what the situation should be. You ask yourself: "Does this result make sense, or not?" If the result does not make sense, you know either that you have made a great discovery which will propel you to Stockholm, or you have made a mistake. Usually you assume the latter, and you proceed to check your calculations very carefully. But if the result seems to be in good agreement with everything you expected about the behavior of the system you are investigating, you say to yourself, "Well, that looks all right," and you go on to the next step.

Of course, a careful theorist always checks his calculations anyway, whether the answer seems sensible or not. But he is apt to check them just a mite less carefully if the results agree with what he expected than if they do not.

I think this is what must have happened to the theorists who wrote the report for the Union of Concerned Scientists. Clearly they had a strong bias against the President's proposal from the beginning, because they believed that a defense against Soviet missiles would, in their own words, "have a profoundly destabilizing effect on the nuclear balance, increasing the risk of nuclear war," and that such a defense against missiles "could well produce higher numbers of fatalities" than no defense at all.

So, when the calculations by the panel yielded the result that thousands of laser-equipped satellites would be needed to counter a Soviet attack—which meant that for this reason alone the whole plan was hopelessly impractical—the members of the panel were not surprised. Their technical studies had simply confirmed what they already knew to be true for other reasons, namely, that the President's idea was terrible.

Now, I would like to wager that if the theorists studying the matter for the UCS had found that only 10 satellites could protect the United States from a massive Soviet attack—if they had gotten a result that indicated the President's proposal was simple, effective, and inexpensive to carry out—then they would have scrutinized their calculations very, very carefully.

What is one to make of all this? When I was a graduate student in theoretical physics, we revered some of the men who have lent their names to the report by the Union of Concerned Scientists. They are among the giants of 20th-century physics—the golden era in our profession. Yet these scientists have given their endorsement to badly flawed calculations that create a misleading impression in the minds of Congress and the public on the technical feasibility of a proposal aimed at protecting the United States from destruction.

Lowell Wood, a theorist at Livermore and one of the most brilliant of the younger generation of defense scientists, made a comment recently to the New York Times about what he also saw as a contradiction between the research talents of Dr. Hans Bethe—the most prominent physicist associated with the Union of Concerned Scientists—and the negative views of that great theorist on the technical merits of the proposal to defend the United States against Soviet missiles. Dr. Wood said:

"Is Hans Bethe a good physicist? Yes, he's one of the best alive. Is he a rocket engineer? No. Is he a military-systems engineer? No. Is he a general? No. Everybody around here respects Hans Bethe enormously as a physicist. But weapons are my profession. He dabbles as a military-systems analyst."

It seems to me that Dr. Wood has part of the answer. I think the remainder of the answer is that scientists belong to the human race. As with the rest of us, in matters on which they have strong feelings, their rational judgments can be clouded by their ideological preconceptions.

[From the Washington Post, Dec. 28, 1984]

STAR WARS IS GOOD FOR ARMS CONTROL

(By Charles Krauthammer)

The middle of a Soviet peace offensive is traditionally the season of silliness about the Russians. London is only now recovering from its swoon over the Gucci comrades, those adorable Gorbachevs.

In America the nonsense is more esoteric. It has to do with a current Gorbachevian preoccupation: President Reagan's Star Wars proposal for nuclear defense.

Gorbachev does not like it. He argues loudly that it makes arms control impossible. At home, that idea is given wide currency by the Gang of Four ex-strategists (George Kennan, McGeorge Bundy, Robert McNamara and Gerard Smith) in an influential Foreign Affairs article entitled "Star Wars or Arms Control." The president must choose, they warn; he can have one but not both.

The trickle-down effect has begun. CBS News' "Face the Nation" led off its program this week thus: "Arms control talks with the Soviets could be in trouble because of Reagan's support for Star Wars."

This idea, soon to achieve the status of conventional wisdom, is exactly wrong. In fact, arms control talks with the Soviets are in *existence* because of Reagan's support for Star Wars.

The Soviets, who walked out of two sets of missile talks a year ago, have returned to the table. Why? Their ultimatum to the United States—to remove its missiles from Europe—has not been met. Internally, nothing has changed. Soviet leadership is at least as much in transition today as it was a year ago. Yet one thing is new. Reagan has turned Star Wars from an idea into a $26 billion program. The Soviets are desperate to stop it.

The puzzle of the day is: Why? Study after study shows that the president's dream of a defense that renders nuclear weapons "impotent and obsolete" is a fantasy. Why are the Soviets afraid? So afraid, in fact, that they have reversed field, swallowed their pride and conditions, and returned to Geneva.

What do they know that we don't?

They know that for a nuclear defense to "work" can mean two things. Many of the president's critics (and supporters) have been so mesmerized by his vision of a nuclear-free world that they have overlooked one of those meanings.

In his March 1983 speech, Reagan sold Star Wars as a cure for deterrence: He still sells it the same way. Only last week he said again that any defense that rests on the threat to kill millions of people (i.e., deterrence) is immoral. He wants an American defense to rest instead on a technological shield.

It is a fraudulent sale. Politically brilliant, perhaps—Reagan gets to dish the freezeniks by coopting their horror of deterrence—but a fraud nonetheless.

No defensive system imaginable can protect populations. That is the conclusion not just of congenitally anti-nuclear (and anti-Reagan) groups such as the Union of Concerned Scientists. One of the first Pentagon-commissioned studies, the Hoffman report of October 1983, makes the same point, albeit obliquely. It concludes that in the "intermediate" term—a delicate way of saying "your lifetime and mine," without offending the president—we must think of something other than population defense.

The reasons are simple. Such a defense must be unimaginably perfect. (A system 99 percent effective allows 100 bombs through, and 100 bombs can mean the end of the United States.) Offensive countermeasures are easy and cheap. And—the clincher—the most perfect Star Wars defense does absolutely nothing to stop bombs delivered by cruise missile or bomber. QED.

A defense meant to protect populations won't work. But Star Wars can work in a second way, a way that holds little appeal for American citizens (hence Reagan's silence on the subject), but great interest for Soviet strategists: It could protect weapons. A Star Wars system only partially effective could protect America's retaliatory (second-strike) capacity, because to retaliate effectively only a fraction of one's missiles need survive.

The Soviets are frantic about this prospect because they have invested hundreds of billions of dollars in a huge first-strike force of SS17s, 18s and 19s. An imperfect Star Wars designed to defend weapons, in effect and unilaterally, thins this force. It closes what Ronald Reagan once called the window of vulnerability. It is arms control by (American) *diktat.*

Faced with a challenge to the most important and most threatening element of their nuclear arsenal, the Soviets have two choices. One is to compete. Now, adapting an offense to defeat a city defense is easy. You have only to find a way to get, say, 10 percent of your warheads through. But to defeat a defense of missile fields, you have to get a very high percentage of your warheads through. An independent (and critical) study commissioned by Congress' Office of Technology Assessment estimates that overwhelming such a defense could require 100 times the effort needed to overwhelm a city defense. Maintaining a potential for a disarming first strike thus becomes an exceedingly difficult and impossibly expensive proposition.

The other Soviet alternative is to negotiate. Hence Geneva.

Far from being a threat to arms control, Star Wars, by offering a unilateral Ameri-

can alternative, is an inducement. It has already coaxed Gromyko to Geneva and Gorbachev to declare that his side is willing to negotiate radical reductions in offensive arms—once Star Wars is dealt with, of course.

Which suggests an American agenda for the New Year. The Gang of Four, which wants Congress to kill Star Wars, takes a vacation from advice-giving. Congress leaves Star Wars to the president. The president renounces his fantasy of repealing deterrence and accepts the reality of an imperfect (deterrence-enhancing) Star Wars. Secretary Shultz carries this version to Geneva, and deals.

[From the New York Times Magazine, Jan. 27, 1985]

DEFENSE IN SPACE IS NOT "STAR WARS"

(By Zbigniew Brzezinski, Robert Jastrow, Max M. Kampelman)

Faith moves mountains. When it is in eternal religious values, faith is an indispensable strength of the human spirit. When it is directed toward political choices, it is often an excuse for an analytic paralysis.

Regrettably, our national debate over President Reagan's suggestion that the country develop a strategic defense against a Soviet nuclear attack is taking on a theological dimension that has no place in a realistic search for a path out of the world's dilemma. The idea of basing our security on the ability to defend ourselves deserves serious consideration. Certainly, the role of strategic defense was a major issue in the recent dialogue in Geneva between United States Secretary of State George P. Shultz and Soviet Foreign Minister Andrei A. Gromyko on new arms-control negotiations.

For many years, our search for security has been restricted to designing offensive weapons to deter aggression through fear of reprisals. We must not abandon nuclear deterrence until we are convinced that a better means is at hand. But we cannot deny that, for both the Soviet Union and the United States, the costs, insecurities and tensions surrounding this search for newer, more effective and more accurate nuclear missiles produce a profound unease that in itself undermines stability.

The conventional view is that stability in the nuclear age is based on two contradictory pursuits: the acquisition of increasingly efficient nuclear weapons and the negotiation of limits and reductions in such weapons. The United States is diligently pursuing both objectives, but the complexity of arriving at effectual arms-control agreements is becoming apparent as more precise and mobile weapons, with multiple warheads, appear on both sides. Unlike ours, moreover, many Soviet missile silos are reloadable, and thus the number of silos does not indicate the number of missiles, further complicating verification.

We must never ignore the reality that the overwhelming majority of the Soviet strategic forces is composed of primarily first-strike weaponry. And given the large numbers of first-strike Soviet SS-17,-18 and-19 land-based missiles, no responsible American leader can make decisions about security needs without acknowledging that a Soviet first strike can become a practical option.

The Russians could strike us first by firing the reloadable portion of their nuclear arsenal at our missiles, the Strategic Air Command and nuclear submarine bases, and if the surviving American forces (essentially nuclear submarines) were to respond, the Russians could immediately counter by attacking our cities with missiles from nonreloadable silos and, a few hours later, with whatever of their first-strike reloadable weapons had survived our counterattack. They are set up for launching three salvos to our one.

To us, this catastrophic exchange is unthinkable. But, with the strong probability that the American response would be badly crippled at the outset by a Soviet strike, some Russian leader could someday well consider such a potential cost bearable in the light of the resulting "victory." Furthermore, such an analysis might well anticipate that an American President, knowing that a strike against our cities would inevitably follow our response to a Soviet first strike, might choose to avoid such a catastrophe by making important political concessions. No responsible American President can permit this country to have to live under such a threat, not to speak of the hypothetical danger of having to choose either annihilation or submission to nuclear blackmail. Hence the understandable and continual drive for more effective offensive missiles to provide greater deterrence.

The result is that weapons technology is shaping an increasingly precarious American-Soviet strategic relationship. For this reason, we urge serious consideration be given to whether some form of Strategic Defense Initiative (S.D.I.) might not be stabilizing, enhancing to deterrence and even helpful to arms control. To that end, we address the major issues in strategic defense from three points of view:

(1) The technical: Is a defense against missiles technically and budgetarily feasible?

(2) The strategic: Is a defense against missiles strategically desirable? Does it enhance or diminish stability? Does it enhance or diminish the prospects for arms control and a nuclear-weapons build-down?

(3) The political: What are the political implications of strategic defense for our own country and for our relations with our allies? What are the implications for the larger dimensions of our relationship with the Soviet Union? How do we seek the needed domestic consensus on a viable strategy?

A great deal has been written about the state of missile-defense technology. Some experts say the technology sought is unattainable, others that it is merely unattainable in this generation. Yet the promise of the Strategic Defense Initiative is real. Some of the technologies are mature and unexotic. Their deployment around the end of this decade would involve mainly engineering development. Technically, these vital defenses could be in place at this moment were it not for the constraints accepted by the United States in its adherence to the antiballistic missile treaty of 1972.

With development and some additional research, we can now construct and deploy a two-layer or double-screen defense, which can be in place by the early 1990's at a cost we estimate to be somewhere in the neighborhood of $60 billion. A conservative estimate of the effectiveness of each layer would be 70 percent. The combined effectiveness of the two layers would be over 90 percent: Less than one Soviet warhead in 10 would reach its target—more than sufficient to discourage Soviet leaders from any thought of achieving a successful first strike.

The first layer in the two-layer defense system—the "boost-phase" defense—would go into effect as a Soviet first-strike missile, or "booster," carrying multiple warheads rises above the atmosphere at the beginning of its trajectory. This boost-phase defense—based on interception and destruction by nonnuclear projectiles—would depend on satellites for the surveillance of the Soviet missile field and the tracking of missiles as they rise from their silos. These operations could only be carried out from space platforms orbiting over the Soviet Union. Because they are weightless in orbit, such platforms could be protected against attack by heavy armor, onboard weapons and maneuverability.

After the booster has burned out and fallen away, the warheads arc through space on their way to the United States. The second layer of the defense—the terminal defense—comes into play as the warheads descend. Interception would be at considerable altitude, above the atmosphere if possible. This second phase requires further engineering, already under way, because interception above the atmosphere makes it difficult to discriminate between real warheads and decoys. In the interim, interception can take place in the atmosphere, where differences in air drag separate warheads from decoys. In either event, destruction of the warheads would take place at sufficiently high altitudes, above 100,000 feet, so that there would be no ground damage from warheads designed to explode when approached by an intercepting missile.

Of the two layers in the defense, the boost phase is by far the most important. It would prevent the Russians from concentrating their warheads on such high-priority targets as the national-command authority (the chain of command, beginning with the President, for ordering a nuclear strike), key intercontinental-ballistic missile silos or the Trident submarine pens, because they could not predict which booster and which warheads would escape destruction and get through.

This fact is important. Simply a so-called "point defense" of our missile silos, it has been suggested, would be sufficient to restore much of the credibility of our land-based deterrent, now compromised by 6,000 Soviet ICBM warheads. It is particularly necessary to protect the 550 silos containing our Minuteman III ICBM's, of which 300 have the highly precise Mark 12A warheads. These are the only missiles in the possession of the United States with the combination of yield and accuracy required to destroy hardened Soviet military sites and the 1,500 hardened bunkers that would shelter the Soviet leadership. But their very importance to us illustrates the difficulty of a point defense, because the value of the silos to us means they will be among the highest-priority targets in any Soviet first strike. The Russians can overwhelm any point defense we place around those silos, if they wish to do so, by allocating large numbers of warheads to these critical targets. But if we include a boost-phase defense to destroy their warheads at the time of firing, their objective becomes enormously more difficult to accomplish.

The boost-phase defense has still another advantage. It could effectively contend with the menace of the Soviet SS-18's, monster missiles twice the size of the 97.5-ton MX. Each SS-18 carries 10 warheads, but probably could be loaded with up to 30. The Russians could thus add thousands of ICBM warheads to their arsenal at relatively modest cost. With numbers like that, the costs favor the Russians. But a boost-phase

defense can eliminate all a missile's warheads at one time—an effective response to the SS-18 problem.

The likely technology for an early use of the boost-phase defense would use "smart" nonnuclear projectiles that home in on the target, using radar or heat waves, and destroy it on impact. The technology is close at hand and need not wait for the availability of the more devastating but less mature technologies of the laser, the neutral particle beam or the electromagnetic rail gun. The interceptor rocket for this early boost-phase defense could be derived from air-defense interceptors that will soon be available, or the technology of antisatellite missiles (ASAT) launched from F-15 aircraft. These rockets could weigh about 500 pounds, the nonnuclear supersonic projectiles about 10 pounds.

Interceptor rockets would be stored in pods on satellites and fired from space. The tracking information needed to aim the rockets would also be acquired from satellites orbiting over the Soviet missile fields. The so-called "space weapons" of strategic defense are indispensable for the crucial boost-phase defense. To eliminate them would destroy the usefulness of the defense.

We estimate that the cost of establishing such a boost-phase defense by the early 1990's would be roughly $45 billion. That price tag includes 100 satellites, each holding 150 interceptors—sufficient to counter a mass Soviet attack from all their 1,400 silos; plus four geosynchronous satellites and 10 low-altitude satellites dedicated to surveillance and tracking; plus the cost of facilities for ground-control communications and battle management.

The technology used for the terminal defense could be a small, nonnuclear homing interceptor with a heat-seeking sensor, which would be launched by a rocket weighing one to two tons and costing a few million dollars each. Interception would take place above the atmosphere, if possible, to give wider "area" protection to the terrain below. These heat-seeking interceptors can be available for deployment in about five years if a decision is reached to follow that course. One concept for this technology was tested successfully last June by the Defense Department, when an intercepting missile zeroed in on an oncoming warhead at an altitude of 100 miles and destroyed it.

The technology for a terminal defense within the atmosphere would be somewhat different, but would probably also depend on heat-seeking missiles. The cost of this terminal layer of defense would be about $15 billion and include $10 billion for 5,000 interceptors, plus $5 billion for 10 aircraft carrying instruments for tracking of the Soviet warheads.

The estimated $60 billion for this two-layer defense is a ball-park figure, of course. However, even with its uncertainties, it is surely an affordable outlay for protecting our country from a nuclear first strike.

To be sure, the above is not an attractive option to those who place all their eggs in the arms-control basket and underestimate the immense difficulty of attaining an effective and truly verifiable pact. It is also not appealing to those wedded to the idea that it is best to assure survival by simply maintaining the perilous balance of terror between the United States and the Soviet Union. We favor energetically pursuing arms-control negotiations and seeking to achieve credible deterrence, but these options by themselves are unfortunately not as likely to provide a more secure future as the alternative strategy of mutual security combining defense against missiles with retaliatory offense.

The simplest and most appealing option, quite naturally, is comprehensive arms control. Large reductions in both launchers and warheads, as well as effective restrictions on surreptitious deployment or qualitative improvements, would enhance nuclear stability and produce greater mutual confidence. It would, if properly negotiated and effectively monitored, enhance mutual survival.

How likely is such a future? Some progress in arms control is probably possible, but genuinely effective arms control would require that: (1) there be a restraint imposed on qualitative weapons enhancement; (2) mobile systems, relatively easy to deploy secretly, be subject to some form of direct verification; (3) a method be devised for distinguishing nuclear-armed and nonnuclear cruise missiles, and (4) monitoring arrangements be devised for preventing surreptitious development, testing and deployment of new systems. So far, the Soviet record of compliance with the SALT I and SALT II accords is sufficiently troubling to warrant skepticism regarding the likelihood of implementing any such complex and far-reaching agreement.

Moreover, such an agreement would have to recognize that it is no longer possible to limit space-based systems without imposing a simultaneous limit, along the above lines, on terrestrially deployed systems, which present the greater threat to survival. After all, the space-based defenses include no weapons of mass destruction and no nuclear weapons. And it should be some cause for concern to note the Soviet insistence on prohibiting space-based *defensive systems*, the only method now available to inhibit the first-strike use of land-based Soviet offensive systems.

Finally, a comprehensive and genuinely verifiable agreement, limiting both qualitatively and quantitively the respective strategic forces, on earth and in space, will require a much more felicitous political climate than currently exists. Negotiations may lead to such improvement, but in the setting of intense and profound geopolitical rivalry, how realistic is it to expect in the near future accommodation sufficient to generate the political will essential for a genuine breakthrough in arms-control negotiations? The mere mentions of Afghanistan, Nicaragua, Sakharov and Soviet violations of the humanitarian provisions of the Helsinki Final Act dramatize the depths of the problem. There may be no direct negotiating linkage between these acts of Soviet misconduct and arms control, but their political interaction is evident.

This is why there is currently such an emphasis on maintaining peace via the doctrine of deterrence based on mutual assured destruction, called MAD. But what does this mean in an age when weapons are becoming incredibly precise, mobile and difficult to count? In the absence of a miraculous breakthrough in arms control, the only possible protection within the framework of the deterrence approach is to stockpile more offensive systems. This is in part what we are doing. But how many of such systems will be needed in the likely conditions of the next decade? If Soviet strategic forces continue to grow both quantitatively and qualitatively, our country will have to deploy, at enormous cost, probably no fewer than 1,500 to 2,000 mobile Midgetmen to preserve deterrence. How will they be deployed? Where? And at what cost? And will the Soviet Union and the United States be more or less secure with the deployment of such precise weaponry capable of effective preemption? The Soviet answer is clear: The Russians are busy enhancing the survivability of their leadership and of their key facilities by hardening, dispersal and deception.

This second traditional alternative, mutual assured destruction, cannot be an acceptable, long-run option, although it is a necessary policy in the absence of an alternative, given the dynamics of weapons technology. Thus, a new third option, the Strategy of Mutual Security, must be explored as preferable. The combination of defense against space missiles with retaliatory offense in reserve enhances deterrence.

And it does not compromise stability, even if only the United States were initially to have such a strategic defense. The deployment of the systems described above would not give us absolute protection from Soviet retaliation against a possible first strike by us, a reasonable though misplaced Soviet concern. Furthermore, the Russians know we are not deploying first-strike counterforce systems in sufficient numbers to make a first strike by us feasible. In any case, one can be quite certain that the Russians will also be moving to acquire an enhanced strategic defense, even if they do not accept President Reagan's offer to share ours. Indeed, they are doing so now and have been for some time.

As our strategic space-defense initiative expands incrementally, it should be realistically possible to scale down our offensive forces. Such a transition, first of the United States and eventually of the Soviet Union, into a genuinely defensive posture, with neither side posing a first-strike threat to the other, would not only be stabilizing but it would also be most helpful to the pursuit of more far-reaching arms-control agreements. Strategic defense would compensate for the inevitable difficulties of verification and for the absence of genuine trust by permitting some risk-taking in such agreements. This is another reason why strategic defense should not be traded in the forthcoming negotiations in return for promises that can be broken at any time.

No significant public policy can be carried out in a democracy without being fully discussed and accepted by the broad policy. Nor can an interested public be expected to resolve disputes among experts as to questions of technical feasibility. The current debate over President Reagan's initiative for a strategic defense program suffers from that conflict among scientists. It is important to clarify this issue.

We can begin a two-tiered strategic defense that would protect command structure as well as our missiles and silos and thus discourage any thoughts by the Soviet military that a first-strike effort would be effective. Some within the scientific community minimize the importance of this technical feasibility and emphasize instead the view that it is scientifically impossible today to provide a strategic defense that will protect our cities. Such as broad defense of populations is today not feasible, but it is prudent for our society to keep in mind the rising tide of technical and scientific advances so rapidly overwhelming the 20th century.

The "impossible" is a concept we should use with great hesitation. It is foolhardy to predict the timing of innovations. We are persuaded that the laws of physics do not in any way prevent the technical requirements

of a defensive shield that would protect populations as well as weapons. A total shield should remain our ultimate objective, but there is every reason for us to explore transitional defenses, particularly because the one we have discussed would serve to deter the dangers of a first strike. Defenses against ballistic missiles can be effective without being "perfect," and the technology for this is nearly in hand.

Society must also not forget that ever since the beginning of the scientific age, the organized scientific community has not had a particularly good record of predicting developments that were not part of the common wisdom of the day. In 1926, for example, A.W. Bickerton, a British scientist, said it was scientifically impossible to send a rocket to the moon. In the weapons field, United States Adm. William D. Leahy told President Harry S. Truman in 1945: "That [atomic] bomb will never go off, and I speak as an expert in explosive." And Dr. Vannevar Bush, who directed the Government's World War II science effort, said after the war that he rejected the talk "about a 3,000-mile rocket shot from one continent to the other carrying an atomic bomb . . . and we can leave that out of our thinking." In the strategic area, as late as 1965, the capable Secretary of Defense Robert S. McNamara wrote: "There is no indication that the Soviets are seeking to develop a strategic force as large as our own."

Our debate and our discussion, furthermore, must not ignore what the Russians, who have always understood the need for defenses, are doing in space. They have spent more on strategic defensive forces since the antiballistic missile (ABM) treaty was signed in 1972 than on strategic offensive forces. Their antisatellite program began nearly two decades ago. The Soviet military is now working aggressively on a nationwide missile-defense system; and it now appears ready to deploy a system capable of defending the country not only against aircraft, but also many types of ballistic missiles. Clearly, the Soviet work in strategic defense has taken place in spite of ABM treaty provisions. The large radar installation in central Siberia expressly violates that treaty with us. Yet the planning for it must have begun many years ago.

The recent Geneva meeting must be considered a major productive result of President Reagan's March 1983 speech announcing that we would begin developing a strategic defense initiative. We are reminded that in 1967 President Lyndon B. Johnson proposed to Prime Minister Aleksei N. Kosygin a ban on ABM's, which was flatly rejected. In 1969, President Nixon proposed to the Congress that our country begin such an ABM program, because the Russians showed little desire to join us in prohibiting such weapons. Shortly after Congress approved that program, the Russians embraced the idea of an ABM treaty. Had our Government not announced its S.D.I. program, we might still be in the cold storage of the Soviet freeze precipitated by their walking out of the Geneva negotiations.

Arms control has been said to be at a dead end, and the stalemate has reflected an impasse in thought and in conception. Our present policy requires both us and the Soviet Union to rely on a theory of mutual annihilation based on a strategic balance of offensive weapons. The American approach has been to depend on deterrence alone and not on defending ourselves from Soviet offensive weapons, while the Russians have made it clear by their actions that they intend to defend themselves against our missiles. In any event, what is clear is that mankind must find ways of lifting itself out of this balance of terror. Mutual assured destruction must be replaced by mutual assured survival. Our safety cannot depend on our having no defense against missiles. The proper role of government is to protect the country from aggression, not merely avenge it. It is astounding that a President should be faulted for seeking a formula and an approach that will protect us from the continual threats and terrors coming from the volatile vagaries of adventurism and miscalculation.

Even if a perfect defense of our population should be impossible to achieve—and none of us can be certain of that—the leaders of our Government have a responsibility to seek defense alternatives designed to complicate and frustrate aggression by our adversaries. The very injection of doubt into their calculations strengthens the prospect of hesitation and deterrence. It may not be possible to destroy the world's ballistic missiles, but if we can return them to the status of a retaliatory deterrent rather than a preemptive strike we will have reduced the need for the existing large arsenal and thereby the threat of war.

The argument has been made that the S.D.I. is politically harmful because our North Atlantic Treaty Organization allies have not received the initiative with any enthusiasm. Their skepticism is an understandable initial reaction. First of all, our allies were taken by surprise by the President's March proposal of a Strategic Defense Inititive. At times, secret discussions are necessary, but doubtless allied cooperation will be forthcoming in direct proportion to timely and honest consultation. Furthermore, European political leaders feel under great pressure from an activist peace movement that emphasizes traditional arms-control negotiations as a major objective. A new approach, which the Russians criticize as hostile, is, therefore, looked upon as troubling, regardless of its merit.

As to the substance of the initiative, coupling our national security interest with that of our allies is a foundation of NATO defense. Any tendency toward decoupling produces great concern on their part. Western European leaders look upon all security proposals with that criterion in mind. Should America technically succeed in providing a shield against missiles, Europeans wonder whether they would then not be left in an exposed position, facing a superior Soviet conventional military force.

The concerns may be understandable, but will diminish with time and discussion. First of all, President Reagan's call for strategic defense brought the Russians back to the Geneva negotiating table. More important, however, it will become increasingly evident to our friends, as some of the confusion about the technology dissipates, that the ability of the United States to protect its missiles immeasurably strengthens our power to deter and thereby serves to protect our allies. Indeed, such a system is expected to be at least as effective against the SS-20's aimed at western Europe as it is against ICBM's. Finally, a development pulling the world away from the precipice of nuclear terror goes far to help create an encouraging atmosphere for dialogue and agreement, a vital prerequisite for peace.

In light of the above, we reach two basic conclusions:

(1) Developing a stabilizing, limited two-tier strategic defense capability is desirable and called for by the likely strategic conditions immediately ahead. Such a deployment would be helpful both in the military and in the political dimensions. It is a proper response to the challenge posed by political uncertainties and the dynamics of weapons develoment. The two-layered defense described here can be deployed by the early 1990's. Americans will rest easier when that limited defense is in place, for it will mean that the prospect of a Soviet first strike is almost nil.

(2) A three- or four-layer defense, using such advanced technologies as the laser now under investigation in the research phase of the Strategic Defense Initiative, may become a reality by the end of the century. If this research shows an advanced system to be practical, its deployment may well boost the efficiency of our defense to a level so close to perfection as to signal a final end to the era of nuclear ballistic missiles. A research program offering such enormous potential gains in our security must be pursued, in spite of the fact that a successful outcome cannot be assured at this juncture.

The current debate is necessary. There are many questions, technical and political, ahead of us. For the debate to be constructive, however, we must overcome the tendency to politicize it on a partisan basis. Our objectives should be to find a way out of the current maze of world terror. The President's initiative toward that end is a major contribution to arms control and stability. The aim of making nuclear weapons impotent and obsolete should be encouraged and not savaged.

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STRATEGIC DEFENSE INITIATIVE: THE POLITICS AND SCIENCE OF WEAPONS IN SPACE

(By Gerold Yonas)

Where there is no vision, the people perish.—Proverbs XXIX, 18.

On 23 March 1983, President Reagan announced on national television that he was "launching an effort which holds the promise of changing the course of human history"—a scientific research program to determine whether a defense against ballistic missiles could be feasible. The President characterized the program, now known as the Strategic Defense Initiative, as a "formidable technical task" that might not be attainable before the end of this century. "Would it not be better to save lives than to avenge them?" he asked that night. "What if free people could live secure in the knowledge that their security did not rest upon the threat of instant retaliation to deter a Soviet attack, that we could intercept and destroy strategic ballistic missiles before they reach our soil or that of our allies?" At the end of his talk, he called on the scientific community that invented nuclear weapons "to turn their great talents now to the cause of mankind and world peace, to give us the means" to devise ways of "rendering nuclear weapons impotent and obsolete."

The President' proposal took many people by surprise. It isn't every day that a president chllenges the prevailing wisdom within the political and defense establishments about nuclear strategy. His ultimate goal, often expressed, is that science and technology will enable the US and its allies to protect themselves against ballistic missiles and thereby liberate the world from the specter of nuclear war. President Reagan has speculated that the research effort for SDI "could pave the way for arms control measures to eliminate the weapons themselves."

Indeed, he recently stated "We seek to render obsolete the balance of terror or mutual assured destruction, as it is called, and replace it with a system incapable of initiating armed conflict or causing mass destruction, and yet effective in preventing war."

* * * * *

It also became increasingly obvious that the Soviet Union is creating ground-based defensive systems to augment its long-range offensive weapons. It is continuing tests of an operational antisatellite system, improving a ballistic-missile defense capability around Moscow and completing a large phased-array radar facility at Krasnoyarsk in Siberia, far from its borders and facing inward, as if to direct ABM weapons. It is this radar that President Reagan has criticized as a violation of the ABM Treaty. The Soviet Union also is making large investments in advanced long-term R&D for ballistic-missile defense, such as ground-based lasers. In addition, the USSR is developing an antitactical ballistic missile that may have capabilities against strategic missiles as well. Taken together, the Soviet ABM and AMB-related activities indicate the USSR may be preparing a nationwide defense.

By contrast to the Soviet activities, it appeared to many of us in weapons research, the US was pursuing an inadequately supported program in ballistic-missile defense. Worse, the program seemed to lack definition, strategy and goals. It could be characterized, we said among ourselves, by fitful starts and stops, changes in direction, disputes over funding and turf battles between government departments and military services. Despite rather significant expenditures, the full potential of research on ballistic-missile defense was not being realized. We were aware that research and development had advanced considerably in the previous 10 years, but the nation was not acquiring the maximum returns on its investment in ballistic missile defenses.

RESEARCH ON THE BACK BURNER

Such research and technology has been largely a back/burner issue in the US since the 1972 ABM Treaty, though interest was revived briefly during the MX debate over a "survivable" basing scheme for that 10-warhead missile. During the Carter administration, the Defense Department considered plans to develop the Army's low-altitude defense system, which was intended to protect MX shelters. Such a system, designed to be used with mobile launchers and radar facilities, could not be developed or deployed without amending the treaty.

A variety of directed-energy research has been carried out by the Defense Advanced Research Projects Agency. Among these was the DARPA triad that consisted of the "Alpha" program to build a hydrogen-fluoride chemical laser, the "Lamp" program to demonstrate that a large, light-weight mirror for space applications can be used to direct a laser at a target, and the "Talon Gold" program that was expected to use the space shuttle to demonstrate an acquisition, tracking and precision pointing capability against objects in space. Other programs involved excimer lasers and free-electron lasers, as well as charged and neutral-particle beams. The Air Force, for its part, has explored the use of an airborne laser against conventional weaponry such as air-to-air missiles.

In the midst of these advanced technology efforts, the Army ballistic-missile division at Huntsville, Alabama, made a startling advance. Just one year ago this month, the Army showed that an ICBM can be stopped by a new device operating in space. In a test called the Homing Overlay Experiment, a ballistic missile with a simulated Soviet warhead was launched from Vandenberg Air Force Base on the California coast in a ballistic trajectory over the Pacific toward Kwajalein Island. Radars detected the missile, and computers calculated its course, so that 20 minutes after the launching, a Minuteman I first stage—fitted with a homing interceptor—was fired from Meck Island, near Kwajalein, to destroy the dummy warhead. Using a longwave infrared sensor while closing in on the target at 7.5 km/sec, the homing overlay vehicle tracked the approaching missile across hundreds of miles and relayed maneuvering instructions to an onboard computer. The homing vehicle positioned itself for a head-on collision with the warhead and unfurled a steel-ribbed umbrella-like device that hit the dummy, destroying it.

Though this test was a brilliant success, it does not prove that a full ballistic missile defense system is possible. What if there had been many warheads, accompanied by decoys? The test exemplifies the state of today's technology. It is an example of what scientists and technical people have been able to achieve when challenged by what appears to be impossible tasks. The homing device is clearly a sweet technology to its inventors and builders, though it will scarcely meet the requirements of a complete and reliable missile defense system.

Even though we have every reason to be optimistic about the potential of such nonnuclear interceptors, we should not be complacent. The Soviet Union has spent as much on strategic defense as on strategic offense over the past 12 years, and, in consequence, its defense capability is awesome. It includes 7,000 air-surveillance radars, some 10,000 surface-to-air missile launchers, 12,000 interceptor aircraft and about 100 ground-level launchers located around Moscow in the world's only operational ABM system. Moreover, the DOD's latest edition of *Soviet Military Power* indicates that the Soviet strategic defense capability consists of a multilayered system, "compensating for shortcomings in individual systems and for the likelihood that neither offensive strikes nor any one layer of defense will stop all attacking weapons." The DOD report states that since the 1960s the Soviet Union has performed research on ground-based and space-based particle beams, chemical and gas-dynamic lasers and radiofrequency signals that could damage or destroy components of missiles, satellites and reentry vehicles. At a proving ground near Sary Shagan, the DOD report asserts, a laser is undergoing tests for antisatellite defense in the 1990s.

Our own SDI program, as directed by the President, will be conducted in ways that are fully consistent with all US treaty obligations, including the 1972 ABM Treaty. The purpose of the program is to explore a range of different concepts and technologies that hold potential for ballistic missile defense. The program is designed to answer many fundamental scientific and engineering questions before the promise of a BMD system can be fully evaluated.

DECISION IN THE EARLY 1990S

No single concept or technology has been identified as best or most appropriate. The SDI research program was initiated by President Reagan with the knowledge that his term in the White House would be over before a "go or no-go" decision is made, most likely in the early 1990s, on developing and deploying a full ballistic-missile defense.

Accordingly, in April 1983, when the President signed National Security Study Directive 6-83 calling for studies on policy implications and on science and technology, he was well aware that SDI would mark a departure from the nation's approach to nuclear defense. A policy study team, headed by Fred S. Hoffman of Pan Heuristics, a California think tank, concluded[3] first of all that "US national security requires vigorous development of technical opportunities for advanced ballistic missile defense." Technologies for BMD are advancing rapidly, "together with those for precise, effective and discriminate nuclear and nonnuclear offensive systems," says the Hoffman report. The common assumption that the US alone is capable of putting up a realistic ballistic-missile defense, the report continues, "is completely unjustified. The Soviets give every appearance of preparing for such a deployment whenever they believe they will derive strategic advantage by doing so." The policy panel also anticipated some of the criticism of SDI. Unless the world is made aware of Soviet actions in ballistic-missile defense, the panel states, "the US will probably be blamed for initiating another round in the arms * * *.

Critics assert that any ballistic-missile defense system would have to be perfect. They say this knowing that no technological system of such scope and complexity could operate with quartz-clock precision. Simple logic argues that some percentage of warheads, although potentially a small number, would get through.

A reliable and effective missile defense is certain to prevent plans for a first strike by drastically increasing both the uncertainty of success and the ultimate cost of such an operation. In addition, other delivery systems do not present the same unstable characteristics of fast-reaction, high-precision ballistic missiles. Effective ballistic-missile defense, says the Hoffman panel, would "cast doubt on the feasibility of the entire attack plan and so contribute to deterrence, . . ." as well as to provide opportunities for offensive arms control.

The defensive technology study team, led by James C. Fletcher, a former administrator of NASA, produced its still-classified report[4] from a wide variety of views that were almost certain to come from 50 experts drawn from industry, government, universities and national laboratories. Because the team consisted of people still engaged or with previous experience in ballistic-missile defenses, it was not surprising they held strong convictions, including a great deal of skepticism, on the subject. A myriad of countermeasures were suggested to defeat any defense system. The toughest issue was the cost-exchange ratio: weighing the cost of a ballistic-missile defense system against the cost of producing ballistic missiles and delivering them on targets or the cost of countermeasures to penetrate the defense.

President Reagan's call for a new national effort to develop ballistic missile defense did not suggest any single approach to technology. Nor did the Fletcher panel. As a member of this panel, I know we agreed at the start that there was no perfect defense against a determined adversary, and it is not likely there ever will be. Nor did the President direct us to design a crash program, as some critics claim. Our understanding was,

rather that we were to evaluate the existing research programs, recommend speeding up or slowing down the present efforts and propose innovative options that might yield entirely new and effective technologies for ballistic-missile defenses.

The Fletcher panel was reasonably clear about the problem. Every missile defense system begins with a scenario of a nuclear attack: It takes roughly 30 minutes flight time from a silo or launch pad in Siberia to an explosion above a Minuteman silo in North Dakota, say, or any other potential target. During this period, a Soviet warhead will go through four stages: boost, postboost, midcourse and terminal (or reentry). A defense system would try to destroy these missiles at any of these stages. A resolute opponent, of course, would attempt to defeat a defense system with countermeasures, which might range from attacking the defense system itself to massive proliferation of existing weapons.

EXPLORING TECHNOLOGICAL LIMITS

The approach the Fletcher panel adopted emphasized high-payoff, longrange capabilities rather than systems that might be more easily attained but might be, in turn, more easily countered. We developed a five-year research program that would thoroughly explore the limits of technology for both offensive and defensive systems to winnow out the least promising defense options. Only in this way could sufficient knowledge be acquired for an informed decision in the early 1990s on whether to proceed with engineered prototypes and full-scale development.

An effective defense against a massive missile attack would require multiple tiers of defense, countering the offense at each phase so that the system would allow only a small fraction of the warheads to strike. Boost phase is the ideal time to hit a missile. Here the advantage to the defense is that the bright flame from the booster motors can be easily detected by infrared sensors. The flame provides a reference point for aiming defensive weapons at a booster, so that the independently targeted warheads and decoys can be destroyed before they are released. The challenge is that boost phase lasts about 150-300 seconds for today's ICBMs and 150-200 seconds for submarine-launched ballistic missiles. The defense must be able to see the blastoff and fire quickly from afar. In addition, the offense may expand its missile force to overwhelm the defense or redesign or rebuild its force with radically different features to reduce the duration of the boost phase or harden the missiles against damage.

During the post-boost phase, lasting some 10-300 seconds, the defense still has an advantage if it can intercept the vehicle or "bus" before it releases all of the warheads and decoys. The challenge is that the bus's maneuvering engines, being relatively small, are more difficult to detect than the plume of the huge booster. Furthermore, an aggressor could shorten the maneuvering stage of the bus, or shroud the deployment of warheads and decoys.

In midcourse, the advantage to the defense is the relatively long period of roughly 10-15 minutes for ICBMs and 7-10 minutes for SLBMs when the warheads and decoys can be located and destroyed by space-based and ground-based interceptors far away from such targets as cities or industrial sites. The challenge is that warheads and effective decoys would look more or less alike to sensors. The sheer numbers of warheads and decoys—in the worst case, tens of thousands of warheads and hundreds of thousands of decoys—could swamp the sensors and interceptors. The offense can try to complicate the job of the defense by deploying not only clever decoys but warheads inside of decoys and so on. The defense must either discriminate warheads from decoys or make interceptions so cheap and easy that it can attack practically all of them.

On reentry, the decoys would be separated from the heavier reentry vehicles or burn up, thereby solving the discrimination problem. However, there is scarcely time, possibly only 30-40 seconds, to carry out the interception of any warheads the ballistic-missile defense system has missed in the previous phases before they damage or destroy their targets. Moreover, warheads can be "salvage fuzed" to detonate if struck in the upper atmosphere, stressing the already difficult job of the terminal sensors.

The criteria for a reliable ballistic-missile defense are survivability, lethality and cost effectiveness. The defensive system must be able to knock down offensive weapons but avoid being knocked out itself. The system has to be flexible and responsive enough to deal with the probability of a changing threat. The Soviet Union could expand and improve its missile force to meet our ballistic-missile defense system. To provide an incentive for the Soviets to reduce their offensive weapons, we must show that our defensive technologies enjoy a clear advantage in a cost-exchange analysis. Put more clearly, we have to impose an unacceptably high cost on the Soviets to respond to our missile defense system with greater investments in their own ballistic missiles and countermeasures.

Short-range tactical ballistic missiles, which pose a threat to our allies, as well as missiles launched from submarines off our coast, present similar challenges of boost and reentry. Such missiles have a much shorter midcourse phase, though, making midcourse interception more difficult, but also making it harder for the aggressor to deploy decoys and, concomitantly, making it easier for the defender to discriminate the decoys from the warheads.

DECISIVE ISSUES OF COST

A ballistic-missile defense would require substantial expenditures, of course, and so would a Soviet offensive force to deal with that US defensive system. So the issues of cost effectiveness and marginal-cost exchange are extremely important, but it is at this time admittedly difficult to come to grips with such matters because no single system construct, architecture or set of specific technologies has been determined. The relevant technologies for ballistic-missile defense are in various stages of maturity. Some concepts are in basic research, while others are close to engineering validation. We see, for instance, that kinetic-energy interceptors, as evidenced by the homing experiment, are more mature than directed-energy systems. Still, directed energy, even in a relatively early period, could be used in an interactive mode to assist in midcourse discrimination. Finally, as the various technologies evolve, we envision the perfection of very bright beam weapons that would be able to respond to even the most advanced ballistic missiles.

The SDI program is now grouped into four major elements:

Surveillance, acquisition, tracking and kill assessment.
Interception and destruction
Battle management
Survivability, lethality and key technologies

Surveillance, acquisition, tracking and kill assessment. Acquisition and discrimination during boost phase will be greatly aided by the hot flame from the booster's engines; detecting colder warheads and decoys against the background of space and discriminating between them during post-boost and mid-course phases may be possible by using a variety of sensors (optical, infrared and radar) in different locations (based in space, in the atmosphere and on the ground) and integrating the data picked up by the sensors. Perhaps we may be able to distinguish decoys from warheads, if we can observe decoys at their "birth," the instant they are deployed, and afterwards keep track of the objects that are warheads to be intercepted and those that are debris or decoys to be ignored—the socalled "birth-to-death" tracking. All this will depend on advances in sensor technology and the computer software to process the data generated, as well as on studies of the characteristic signatures of warheads and decoys. This element includes some of the most as well as least mature technologies in the program and accounts for 40% of the current SDI budget—or $546 million in the fiscal 1985 appropriation. The Defense Department seeks $1.5 billion for this part of SDI in fiscal 1986.

Interception and destruction. The ability of any defense to respond effectively to a ballistic-missile attack is largely dependent on the feasibility and reliability of boost-phase and post-boost interception. Two types of concepts are being considered: directed-energy, or speed-of-light weapons, and kinetic-energy weapons. Directed-energy weapons could include space-based and ground-based lasers, space-based particle beams and x-ray lasers powered by nuclear explosives. The current goal is to construct laboratory-scale beam generators by the late 1980s or early 1990s and to demonstrate the feasibility of scaling them up to weapons-level performance by the early 1990s.

The critical parameter for beam weapons is beam brightness. It determines the weapon's range and how long the beam needs to dwell on each target. The necessary beam brightness (measured in watts per steradian) is simply the target's lethal irradiance times the square of the distance to the target. Brightness, therefore, determines the number of weapons needed in orbit to cover Soviet missile launching sites. Beams of intense brightness may become available from such short-wave-length lasers as the electrically powered excimer and free-electron lasers, but both are in relatively early stages of development. The free-electron laser may be extremely efficient and therefore a candidate for eventual deployment in space. A much simpler technological approach involves more mature chemical lasers, utilizing the reaction of gases such as hydrogen and fluorine, and the possible invention of entirely new short-wavelength lasers, based on different chemical reactions and pumping mechanisms.

It is useful to consider a specific example to understand the nature of the problem with lasers. For instance, let's say we want to deliver a burst of energy of 10,000 joules/cm^2 to burn through a missile skin in 1 sec at a distance of 3000 km. That's a reasonable level of lethality and an acceptable range in terms of the size of the constellation of platforms to deal with a massive attack. The parameters demand a bright-

ness of 10^{21} W/sr. Now, the brightness of B of a laser system is a function of the wavelength λ, the aperture of the output mirror of beam director D, along with optics precision and the actual jitter of the pointing system. Thus:

$$B<PD^2/\lambda^2$$

where P is the laser power. So with a 5-MW infrared laser using output optics 4 m in diameter, brigthness would be less than 10^{19} W/sr. This would not be lethal to a hard target requiring 10,000 joules/cm^2 in 1 sec. The solution to this problem is to shorten the wavelength, going from 3 microns to, say, a fraction of a micron, because brightness increases as the inverse of the square of the wavelength. But shifting to a shorter wavelength is not enough without also providing precision optics as well as the requisite pointing and tracking. In addition, if the size of the threat and the rate of booster launchings demand even faster target destruction, the brightness would have to be increased further, using phased arrays of small optical elements.

High-power excimer lasers that operate at short wavelengths and in a pulsed mode could destroy a missile by focusing on it for a fraction of a second, but their efficiency is so low and generating apparatus so bulky (even though the optics could be a reasonable size) it is unlikely that they and their fuel supply could be lifted into space in cost-effective ways. The laser stations would have to be at ground level, perhaps at high elevations above the densest layers of the atmosphere. There would need to be enough ground stations to allow for cloud cover and, in addition, the laser optics would need to correct for atmospheric perturbations. At an altitude of about 10 km the atmosphere is so turbulent that the beam of an excimer laser would be diffracted, for the same reason that the light from stars appears to twinkle. A beam propagated from the ground straight through the atmosphere would have little intensity at a distance of several hundred kilometers. Scientists are investigating ways to correct for this by determining the deformation of the wave front and using deformable optics to make the correction. We are in the initial stages of investigating such phenomena at low power.

Because the free-electron laser could operate potentially at short wave-lengths with high efficiency, it could be based in space (as well as on the ground, of course). In the past year, development of such a laser has been encouraging.

At the High Energy Laser Test Facility at White Sands in New Mexico, a 1.5-m-diameter beam director is operating alongside the 3.8-micron MIRACL infrared laser. We are beginning to study the issues of generating high-quality beams and transporting the energy through large optical systems. We are also investigating laser effectiveness against various techniques for hardening targets. Such lethality tests are crucial to our evaluation of possible Soviet countermeasures that could conceivably make certain laser approaches impractical.

Neutral-particle beams would draw on the well-established technology of high-energy physics accelerators. The approach being followed is to accelerate negative ions and then strip off the extra electron after the beam is accelerated and magnetically aimed in the desired direction. Such beam weapons would have the advantage of being difficult to shield against because of the penetrating power of atoms accelerated to nearly the speed of light. The sophisticated electronics of a missile or warhead might be damaged or disrupted by even low beam currents, and high currents could melt the warhead structure or detonate its high explosive. We are also considering the use of such beams for discriminating warheads from decoys. The critical issue, in fact, may not be whether or not the necessary brightness can be reached. Instead, the problems that dominate this approach are likely to involve accelerating the particles with compact accelerators and understanding the potential adverse effects of different countermeasures.

Once the beam has developed a large transverse velocity, it is impossible to control precisely over long distances. So it is important to devise methods of maintaining low beam divergence in the initial part of the accelerator and the electron stripping section. Beams of electrically neutral particles, given low enough transverse velocity, could propagate over thousands of kilometers and destroy ICBMs or their warheads. Incidentally, significant advances in developing neutral-beam accelerators come from Soviet innovations—the radiofrequency quadrupole (PHYSICS TODAY, August 1983, page 17) and the negative-ion source. These enable physicists to produce a beam of high quality and low divergence with compact accelerators. Even so, neutral-particle beams face potential problems. The problems include providing the necessary power, making sure of kills and avoiding possible countermeasures. Neutral-particle beams, it so happens, are rapidly ionized and then deflected by the Earth's magnetic field once they enter the thin upper layers of the atmosphere at 100 km. So the development of fast-burning boosters would defy any boost-phase neutral-particle beam intercepts below that altitude, but would still allow the bus to be attacked while deploying decoys or reentry vehicles.

Directed-energy weapons powered by nuclear explosive are being studied. Such concepts as the x-ray laser are being examined at DOE laboratories to determine their feasiblity. At the same time, we need to answer the cirtical questions of how and where such weapons could be based, as well as the implications of such weapons if the Soviet Union were to use them to attack US strategic defenses.

The entire DOD directed-energy program accounts for about 20% of SDI, or $376 million, this fiscal year. The Defense budget for this element next year calls for $966 million, while the Energy Department seeks $280 million for 1986.

Kinetic-energy weapons are the other devices under examination for interception in all phases of a ballistic missile trajectory. Such weapons include electromagnetic launchers, also known as hypervelocity guns, as well as more conventional chemical-fueled rockets, both of which would propel homing projectiles toward attacking boosters at speeds up to 10 km/sec. Electromagnetic launchers are potentially capable of producing much greater velocities. When based on orbiting platforms, such devices could serve in boost-phase and mid-course interceptions, and in defending spacebased equipment from direct attack. The goal would be to design weapons that were not only effective but also cheap, so that the defense could afford to engage all warheads and many of the decoys if sensor technologies could not discriminate among them reliably.

There is little question of the lethality of an 8-kg projectile, say, hitting a target at 10 km/sec (the approximate force of 100 kg of high explosive). But the development of a low-mass guidance and control system for such a homing projectile, capable of surviving initial acceleration, and of low-cost chemical rockets or a space-based power supply to delivery hundreds of megawatts of electricity for electromagnetic guns may be among the most difficult jobs before the SDI research program. In this year's budget, kinetic-energy weapons received $256 million from Congress; for fiscal 1986, the program requests $860 million.

Battle management. Integrating multiple layers of defensive weapons into a highly reliable and fault-tolerant system will require high-performance computers, sophisticated software and adaptable communications networks far beyond existing capabilities. The system will need to track tens of thousands of objects from launch to destruction, and allocate defense weapons most efficiently. The defense system will require a network of space-based computers capable of performing millions of operations per second, surviving virtually maintenance-free for years in space and adapting to flaws and failures within the network. Equally exacting will be the requirements for software. Programs must be written and tested exhaustively to make sure they are free of errors. In fact, the job of producing the necessary software may have to be done by advanced computers, which would mean developing computer-controlled programming and debugging. Battle management now takes $99 million of the SDI budget; for fiscal 1986, we have proposed $243 million.

Survivability, lethality and key technologies. The strength of any defense system rests squarely on its ability to withstand a direct assault and continue to function effectively even if damaged or degraded. Components of any ballistic-missile defense may face many threats, including direct-ascent antisatellite weapons, lasers in space or on land, space mines, particle-beam weapons and the effects of nuclear explosions. The tactics of survivability are familiar—hardening, active self-defense, concealment, proliferation and maneuvering out of harm's way. Applying those tactics, however, especially in cost-effective ways, poses a difficult challenge and may be pivotal to the outcome of the entire ballistic-missile defense endeavor.

By no means does this short list of critical challenges exhaust the range of issues that must be dealt with in the SDI research and technology program. The program will need to pursue a whole set of support projects, including finding generic means for hardening boosters and investigating the lethal effects of weapons against those means (especially because we are not likely to get specific engineering design data on Soviet boosters); developing multimegawatt electric-power supplies (both nuclear and nonnuclear) for operating weapons, sensors, computers and other BMD components in space; providing launchers capable of lifting 100 tons or more into orbit (the space shuttle's current capability is no more than 30 tons); as well as other unforeseeable needs of a ballistic-missile defense. The survivability, lethality and key technologies program of SDI operates on a budget of $112 million in the fiscal 1985 appropriation; the request for this element in fiscal 1986 is $258 million.

FOUR PHASES OF SDI

The first phase of SDI, from now until the early 1990s, will be devoted to research. After this period, informed decisions could be made on whether or not to begin engi-

neering development of specific weapons and components. The second phase would center on systems development, when prototypes of actual defense components could be designed, built and tested, assuming the political and strategic decisions are made to proceed with ballistic-missile defense. The third phase is known as the transition, when presumably both the US and USSR would begin to deploy their defenses in sequential, incremental ways. In the transition phase, the scenario runs, both superpowers would make significant reductions in offensive missile forces. The final phase would be reached when ballistic-missile defenses are fully in place and offensive missiles are at a negotiated low point.

By now it is quite clear that we have a long way to go before achieving a thoroughly reliable defense against ballistic missiles. As the research evolves, however, new discoveries are likely to be made that may radically change the emphasis of the defense program. It is therefore vital to stimulate, encourage and investigate fully any innovative approaches as early as possible in the program. Good ideas are just as likely to come from younger as well as older members of the scientific and technical communities, from established as well as unexpected places, from laboratories and classrooms where the challenges have not yet been contemplated. To stimulate the wildest involvement of technical talent within government, industry and universities, the departments of Defense and Energy will provide specially earmarked funds to encourage the investigation of wholly new and different concepts that suggest better defense capabilities. And because such discoveries might help in developing offensive capabilities as well, some of the approaches we now think about for defense may be discarded or modified along the way. We need to eliminate all impractical or unfeasible defensive approaches as quickly as possible to focus our talent and resources on those worth doing. It is essential to approach the entire SDI program with a healthy skepticism, as well as with the sense of discovery and excitement we associate with venturing into a new frontier.

Many of the underlying issues and technologies discussed here are far from being fully resolved. They are being examined and debated vigorously every day. SDI has prompted widespread attention to the dilemma of survival in a nuclear age, and some members of our scientific and technical communities are already mobilizing. The SDI effort will take time and patience. Most important, if it is to succeed, it must receive wide support among the American people. The hope of a more secure and stable future motivates many of us to strive to solve the problems of ballistic missile defense.

Strategic Defense Can Work

The main point about President Reagan's Strategic Defense Initiative (SDI) is that it can work, despite the objections of the naysayers. There also is a good chance it can be cost effective. Most important is that it may change the future; it may make it possible for our children to live without fear of nuclear holocaust. These are good reasons to continue research in the new technologies that hold so much promise for the future. Yet opposition persists. In some quarters it is deeply entrenched.

The opponents make the following arguments:

It won't work.

It will cost too much.

It will lead to the militarization of space.

It will generate a Soviet pre-emptive attack.

Moscow will overwhelm any defense by building hundreds of additional missiles and thousands of warheads.

They will add penetration aids to get through the defenses, and devices to protect their missiles.

Mutual Assured Destruction has worked for the past forty years.

These points deserve careful attention. But first, the President's main reasons for initiating SDI must be considered. One is moral and the other practical. The moral imperative is to find a way to defend America and its allies without holding 270 million Russians and 235 million Americans as nuclear hostages. The practical imperative is to eliminate the nuclear-armed ballistic missile as a threat to American survival. In pursuit of these goals, President Reagan has begun a fundamental shift in national security policy and strategy, a shift away from deterrence based on mutual terror. Nuclear weapons cannot be disinvented, but if their value can be diminished it should eventually be possible to achieve genuine reductions in nuclear forces.

What is new are the advances in science and technology that are making feasible things that were considered impossible just a few years ago. Dr. James Fletcher, the former Administrator of NASA who directed the 1983 Defensive Technologies Study Team that laid the groundwork for the SDI, has written that his team concluded, after 100,000 man hours of study and consultation with hundreds of technical experts, that the emergence of "powerful new technologies" now justify a major effort to develop a strategic defense. Dr. Fletcher predicted that significant demonstrations of ballistic missile defenses will prove possible, leading eventually to an in-depth defensive system.

More recently, the President's Science Adviser, Dr. George A. Keyworth II, said the feasibility of intercepting an ICBM in the highly vulnerable "boost" phase has become conceivable for the first time. The rapid development of new technologies is making the impossible possible. Most significant have been the advances in computers and new laser techniques.

The Opposition

When President Reagan announced the Strategic Defense Initiative in March 1983, most of the "experts" were surprised and reacted the way experts often do to new approaches—they said it wouldn't work. Then they went to their blackboards to try to prove it. The opposition to SDI has been formidable. The arms control establishment has opposed it because it would reverse what they have been supporting for decades, the policy of mutual assured destruction.

SDI undercuts the long-term efforts of many former government officials to maintain an uneasy strategic stability based on the threat of mutual annihilation. The professional arms controllers, who see SDI as a threat to the Anti-Ballistic Missile Treaty, rolled out their scientific talent to challenge its feasibility. The Arms Control Association, the Federation of American Scientists, the Union of Concerned Scientists and other pacifist groups were as one in their opposition to the SDI concept, calling it infeasible, too expensive and destabilizing.

In a book loaded with scientific "facts," the Union of Concerned Scientists tried to prove that strategic defense was impossible, while arguing that if it wasn't the USSR could easily foil it with countermeasures. Another report, prepared for the Congressional Office of Technology Assessment, concluded that the possibility of developing a near-perfect strategic defense against ballistic missile attack was so remote that it should not serve as the basis for national policy. Thus, an erroneous assumption, that anything less than a near-perfect defense is not worth pursuing, led to a flawed conclusion.

A Research Program

The opponents of SDI are working under a serious handicap. They are arguing that strategic defenses either won't work or must work perfectly. Yet at this stage, the program is only research, to determine that will work. Thus, the opponents are opposing something that doesn't exist, saying that whatever it turns out to be, it won't work. The Fletcher Study recommended a research and technology program to develop the information that will be needed by future presidents and congress to determine whether or not strategic defenses should actually be built and deployed.

SDI is exploring a wide range of technologies, such as space-based sensors, high speed computers, communications systems and new weapons, including kinetic energy weapons (homing missiles or clouds of pellets), various kinds of lasers, and particle beams. The goal is to be able to engage and destroy ballistic missiles and warheads along their entire trajectory, from blast-off to final impact. Such a system of defenses would protect both military and civilian targets, including population centers. Thus, the argument about whether a strategic defense will protect people or missiles is irrelevant; if it works it will protect both.

Since it is not yet known which of the various technologies will prove most promising, it is premature to contend that they won't work. Americans have seen too many "impossible" things accomplished by science and technology in the past fifty years, from television to space travel, to believe that.

Costs Are Falling

The contention that it will cost too much is also premature. The initial program was budgeted at $26 billion over a five year period. That averages slightly over $5 billion per year, or less than two percent of the defense budget. Since it is not yet known which technologies will be selected for further research and development after the initial five years, the long-term costs cannot be anticipated. At one point it was suggested that a comprehensive, multi-layer defense developed and deployed over a period of two or three decades could run to one trillion dollars. That was a high figure, used with no knowledge of the future direction of the program, but opponents have called SDI a trillion dollar program ever since.

The pro-SDI study group known as High Frontier has concluded that the U.S. now has the technology to build a non-nuclear strategic defense based on kinetic energy weapons at a cost of about $30 billion. Recent cost estimates for a two-layer defense including both boost-phase and terminal intercepts have ranged from $60 to $100 billion. This is far short of the trillion dollars the critics are fond of mentioning.

For years it has been an article of faith that countermeasures cost less than defenses, that the offense always can overcome the defense, and that the cost-exchange ratio always will favor the offense. These old assumptions are based on the of-

fensive breakthroughs of Hiroshima and ICBMs, and do not consider the incredible cost reductions in computers, sensors, communications and other modern technology that have been achieved in just the past few years. Recent evidence suggests that the cost of strategic defenses will decline dramatically in the years ahead, changing the old cost-exchange ratios and making deployment of such defenses economically feasible. But cost is not a real issue, because no system will go forward to development and deployment unless it can be clearly demonstrated that it is cost effective for the defense.

OTHER ARGUMENTS

One of the less rational arguments against SDI is the Soviet complaint that it will lead to the "militarization" of space. But space already is militarized and is bound to become more so. Ballistic missiles travel through space on their way to the target. There are satellites with military applications, space stations, anti-satellite weapons and other space devices, the majority of which belong to the Soviet Union. The Soviet effort to make space off limits for weapons designed to attack their ICBMs is merely a way of giving their nuclear missiles a defense-free zone in which to travel on their way to the target. Yet the "militarization" of space can be expected to continue as a major Soviet public relations campaign.

Another contention heard frequently from Moscow is that the Soviet Union will quickly counter an American strategic defense by adding hundreds of new missiles and thousands of warheads to overwhelm the defense. Moscow always makes such threats, but this would be an exceptionally expensive and non-productive use of Russian resources. The Soviets know that *any* level of defense adds greatly to the complications faced by the offense. A defense doesn't have to be 100 percent perfect or anywhere near that level to serve its principal purposes of protecting much of the population and deterring attack. Even a partially successful defense would change the strategic equation to make a first strike much less attractive.

No matter how many warheads are added, the enemy could never fully restore the effectiveness his offensive forces now enjoy against undefended targets, and he could never be sure how many of his warheads would penetrate the defenses of his most important targets. Thus, any Soviet expenditure of scarce resources for further increments of offensive power would be for a constantly diminishing return.

The argument that SDI will generate a Soviet pre-emptive attack is based on the assumption that the cautious leaders in the Kremlin would launch Armageddon in order to prevent some uncertain future strategic disadvantage. After all, despite its deficiencies, the U.S. deterrent can still deter a nuclear attack. Recent increases in Trident submarines, the deployment of air-launched cruise missiles, and the forthcoming deployment of MX missiles and B-1 bombers all improve that deterrent. In any event, the actual deployment of strategic defenses would take a number of years, during which the Soviets would deploy additional defenses of their own. According to Dr. Fletcher, they are, in fact, already developing these technologies as fast as they can. One of the purposes of SDI is to get both sides developing non-nuclear defenses rather than nuclear offenses. The result will be a safer world.

Soviet statements that they will just add penetration aids and defensive devices to protect their missiles is rather like whistling as one walks past the graveyard. On countermeasures, Dr. Fletcher recently wrote "We believe that the technologies we are working on will lead to a multi-tiered system which is extremely difficult to countermeasure." The issue of countermeasures is addressed in greater detail on page five by Dr. Robert Jastrow of Dartmouth University, who discusses how countermeasures can be overcome and reveals some of the complications the other side would encounter in trying to develop countermeasures against a layered defense.

The argument that nuclear deterrence has worked for the past forty years is hardly a good reason to live with the fear of nuclear destruction forever. SDI would not immediately eliminate the nuclear threat, but it would greatly reduce it and over time would lead to a reduction of offensive nuclear forces. This transfer from an offense-dominant strategy to defense-dominance will take a number of years. In the meantime, the U.S. deterrent force that has kept the peace cannot be disbanded. It must be maintained until the Soviet threat no longer exists. The Western alliance must be protected with a credible and effective deterrent as long as necessary.

In addition to the threat Moscow's nuclear missiles pose to strategic stability, the Kremlin uses them to try to intimidate its opponents and to influence public opinion, especially in Europe and America. By reducing the intimidation effect of Soviet ICBMs, and the similar effect of Soviet intermediate range missiles in Europe, SDI will serve another important purpose. It will reduce the Soviet ability to use its strategic power to achieve political ends.

CONCLUSION

The evidence is accumulating that some of the new technologies can work. Directed energy weapons (lasers) and hypervelocity kinetic energy weapons (the so-called "smart rocks") are both showing promise for boost-phase intercept. Precision sensors are being developed that will make it possible to detect warheads and distinguish them from decoys. Quantum leaps in electronics now are making it feasible to manage tens of thousands of engagements simultaneously. When coupled with precision sensors, the new computer will be able to direct the destruction of incoming warheads without using nuclear weapons.

Remarkable progress has been reported in laser technology. Technical advances with the excimer laser, a very short wavelength laser that is transparent to the atmosphere, show promise that it may prove to be a realistic anti-missile weapon. One of the major obstacles to the use of lasers as long-range weapons is the normal dispersion of light beams by the atmosphere. But advances in adaptive optics are making it possible to propagate the laser pulse through the atmosphere. Dr. Keyworth describes this as the process astronomers now use to "take the twinkle out of the stars."

Theoretically, the laser could beam from the ground up through the atmosphere, where its beam could then be redirected by satellite-based mirrors in space back to earth to strike an ascending missile. This is just one example of one technology. Others may eventually prove more promising or more practical. But an intensive level of research is needed to demonstrate which is best and most cost effective.

Considering the scientific progress that is occurring and the maximum Soviet effort in such technologies that is already under way, the President and the Congress are correct in according SDI a high priority. The President has asked for $3.7 billion of SDI research in fiscal year 1986. Congress should provide at least $3.3 billion of that request.

HOW MUCH DO YOU KNOW ABOUT STRATEGIC DEFENSES?

Dr. Gerold Yonas, Chief Scientist of the Pentagon's Strategic Defense Program, visited The Heritage Foundation recently to discuss scientific developments. As part of an effort to correct misconceptions about nuclear weapons and U.S. defenses against them, he distributed a questionnaire, part of which follows:

1. Twenty years ago the U.S. had a 10 to 1 advantage over the USSR in nuclear weapons. Since then we have:
   a. Increased our yield by 75%;
   b. Stayed about the same;
   c. Reduced our yield by 75%.

2. During the same period the Soviets have:
   a. Increased their nuclear yield to parity with the U.S.;
   b. Stayed about the same;
   c. Increased their yield to twice the present U.S. level.

3. In the 13 years since we signed the Anti-Ballistic Missile Treaty, we have invested in defenses against nuclear attack:
   a. Practically nothing compared to our offense;
   b. About the same as our defense;
   c. More than our offense.

4. In the 13 years since the Soviets signed the ABM Treaty, they have invested in defenses against nuclear attack:
   a. Practically nothing compared to their offense;
   b. About the same as their offense;
   c. More than their offense.

5. The ABM Treaty was signed with the expectation that each side would limit its offensive weapons. Since then, Moscow has increased its number of warheads capable of destroying a hardened target by:
   a. 3%
   b. 30%
   c. 300%

6. If the Soviets launched 10,000 nuclear warheads on 1,000 missiles at the United States, about how many warheads would penetrate our defenses today:
   a. 1,000
   b. 5,000
   c. 10,000

7. If a one megaton thermonuclear explosion occurred 500 miles up over the U.S., the damage would be:
   a. Extensive;
   b. Minimal;
   c. None.

8. The percentage of the U.S. defense budget actually spent on defense as opposed to offense is about:
   a. 50%
   b. 5%
   c. 25%

Answers: 1. c., 2. c., 3. a., 4. b., 5. c., 6. c., 7. c., and 8. b.

SOME THOUGHTS ON "STAR WARS" COUNTERMEASURES

(By Robert Jastrow)

The report of the Union of Concerned Scientists (UCS) issued in the spring of 1984 leveled numerous criticisms at President

Reagan's "Star Wars" proposal, including the contention that the Soviets would be able to foil our defenses with a large bag of relatively inexpensive tricks. Some suggestions for the Soviets can be found in the UCS report. They include putting a shine on Soviet missiles, spinning them, attaching "band-aids" or "window shades," and launching "balloons" as fake warheads. I am not an expert in this dark area of "countermeasures," but I have talked with the experts enough to understand why the professionals in the defense community regard many of these proposals as bordering on insanity.

Putting a shine on a missile sounds like a good idea, because it reflects part of the laser beam and weakens the beam's effect. However, it could be a poor idea for the Soviets in practice. They could not count on keeping their missiles shiny, because they get dirty during launch, partly due to the missile's own exhaust gas and smoke, and the luster is quickly dulled. No one can count on the effectiveness of a shine. Some laser energy is bound to get through, heating the surface. This tends to dull the shine so more heat gets through, and so on until the shine is gone.

Spinning the missile spreads the energy of the laser beam. But it only gains a factor of pi, or roughly three, at most. And it gains nothing at all if the laser energy is transmitted in sharp pulses that catch the missile in one point of its spin. The experts say there is no problem in building a laser that sends out its energy in sharp pulses.

The "band-aid" is a metal skirt that slides up and down the outside of the missile, automatically stopping to protect the spot that is receiving a laser beam. The "window shade" is a flexible, metalized sheet that is rolled up and fastened to the outside of the missile, and then unrolled at altitudes above fifty miles. It is supposed to protect against the X-ray laser, another exotic weapons possibility.

The trouble with these ideas is that they do not fit the realities of missile construction very well. The ratio of a missile's weight empty to its weight loaded is nearly the same as an eggshell. Attempts to put band-aids, window shades or similar protective devices on the outside of the smooth surface of a missile would put stresses on the flimsy structure that would require major renovations and a whole new series of test flights. If the Soviets tried to carry out all the suggestions made by the UCS scientists to protect against a range of possible attacks, their missile program would be tied up in knots.

The "balloon" is still another trick to foil our defenses. After the boost phase is over the missile would disgorge a large number of "balloons," light, metallized hollow spheres. Some would have warheads inside and some would not. Not knowing which contain warheads, we would waste our midcourse defenses on destroying every balloon, empty or not. A friend who works on these matters explained what was wrong with this idea. All the defense has to do is tap the balloons with a sharp pulse of laser light. An empty balloon will recoil more rapidly than a loaded one. Once those with warheads are picked out, they could easily be attacked with neutral particle beams or other warhead killers.

Another example is the calculation of the number of satellites required to defend the United States against a massive Soviet attack. Many groups have studied this matter, basing their work on a common set of assumptions. The estimates given by spokesmen for the Union of Concerned Scientists have dropped from 2,400 satellites—submitted in testimony to a Congressional committee in March 1984—to 162 in the most recent report distributed by a UCS member. Professionals working intensively on this problem have known the correct answer for some time. It is about 100 satellites. This is incredibly smaller than the original UCS estimate of 2,400 satellites.

These laser satellites are the big-ticket item in SDI. They cost about one billion dollars each. With that in mind, the difference between the original UCS estimate and the accepted result is the difference between a bill to the taxpayer of $2.4 trillion and $100 billion. The first number makes the plan a "turkey," as the UCS called it. The second number makes SDI a practical research program well worth pursuing.

Spokesmen for the UCS say these satellite numbers do not matter; that their work on countermeasures is what counts. But when the UCS report on missile defense came out a year ago, the reference to the need for "thousands" of satellites was given a very prominent place in the report, on page 2, while counter-measures came later. Only after public attention was drawn to these large errors in the estimates of satellite numbers, did the UCS decide that the number of satellites was unimportant, and that countermeasures were what really mattered.

It is difficult to see how the calculations by these scientists on the efficacy of Soviet countermeasures can be accepted, when their result on the number of satellites required for our defense have dropped by a factor of 15 over a nine-month period. How did published work by competent scientists come to have errors like that? One cannot help noticing that all the errors and rough spots in the calculation seem to push the results in one direction—toward a negative verdict on the effectiveness of a "Star Wars" defense against Soviet missiles. What is one to make of this?

I think part of the answer is that scientists belong to the human race. As with the rest of us, in matters on which they have strong feelings, their professionalism can be influenced by their ideological preconceptions. Another part of the answer relates to the fact that this work is technically demanding and time-consuming. It may be difficult for a scientist who spends only a part of his time on these complex matters—taking time off from teaching, research and administration—to do as sound a job on the technical analysis as the individuals who are spending full time on the problem, have full computational support, and are backed by hundreds or thousands of colleagues.

In their zeal to get into the record a dissenting opinion—based, I believe, on the deep conviction that a defense against missiles is profoundly destabilizing—these highly competent scientists have not checked their work with adequate care and have not spent the time on it that the importance of the matter warrants. Thus, in considering conflicting views on these issues, it is wise to place more weight on the technical statements by the professionals in the defense science community, who work full time on them.

The Case for Strategic Defense

(By Lewis E. Lehrman)

Today our nation can be destroyed in hours if not minutes by Soviet nuclear weapons. Our only defense is to deter the Soviet Union through counterforce strategy and the threat of massive, brutal retaliation against Soviet cities and civilians. Mutual Assured Destruction (MAD), as this strategic nuclear doctrine is known, provides the United States with no defense should deterrence by nuclear terror fail.

If military intelligence notified the President today that several Soviet ICBMs had penetrated our airspace, he would have but two options. First, anticipating a larger Soviet strike, the President could launch a massive nuclear retaliation against Soviet cities and military targets. Second, believing the Soviet launch to be an accident, he could accept the deaths of millions of American citizens, and, to avoid escalation, do nothing. The absence of any defense against a nuclear strike is such a profound flaw in our military strategy that no one should wonder any longer at the strength of the nuclear freeze movement.

There is a clear and present remedy for the defects of this vulnerable strategy. On March 23, 1983, President Reagan proposed a major research program for space- and land-based ballistic missile defense systems. The Reagan plan promises to bring about a revolution in our national security policy in the next generation.

At present a number of technological obstacles impede the development of effective anti-ballistic missile (ABM) systems. But many of our most exacting scientists and weapons experts now believe that these impediments can be removed in the next 10 to 15 years—no more time than it took to put a man on the moon. The Pentagon's Strategic Technologies Study Team, headed by James C. Fletcher, former head of NASA, concluded that advanced strategic self-defense systems are feasible.

There is also solid supporting evidence from the private sector. In 1981, the Heritage Foundation brought together more than 50 scientists, engineers, and cost experts to study the feasibility of medium-term options for strategic defense. This study group, known as "High Frontier," concluded that the United States could, within a decade, deploy a defense capable of filtering out 95 to 98 percent of a Soviet first strike at a cost of less than $20 billion—provided the system was funded as a high-priority, Manhattan-style project. Independent studies by Boeing Corporation and United Technologies have reached similar conclusions.

I. A Revolution in Military Strategy

The projected costs of a comprehensive strategic self-defense—including ballistic missile defense, air defense, and civil defense—are not high. Indeed, compared with the likely costs of defenseless nuclear war, they are cheap. Much of the ballistic missile defense cost can be absorbed by reducing funding of offensive nuclear programs. Certainly, a nation with a Gross National Product of $4 trillion (by 1986) can afford to invest $20 billion each year, if necessary, to reduce sharply the threat of nuclear annihilation.

Critics argue that a "perfect" strategic defense can never be devised, and that even if it could, it would threaten the "stability" of the balance of terror. They worry that the promise of free world self-defense would prompt the Soviets to launch a pre-emptive nuclear attack, out of fear that we, with our new nuclear shield, might be tempted to attack a less well-defended Soviet Union.

To assume that the Soviets will launch a suicidal nuclear attack is to assume that

their leadership is both stupid and irrational. If the Soviets are in fact deterred from striking now, why will they be less deterred when America has a space-based defense? Of course, the Soviet leadership may be irrational. They might launch a first strike against America for any number of reasons—even today. But that argument is one of the best reasons for making a determined effort right now to defend ourselves. It is because the Soviet oligarchy may at some point become paranoid and irrational that we ought not to base our survival strategy on mutual terror and the premise that Soviet leaders think the way we do.

In truth, self-defense would have a stabilizing effect over time. Recent breakthroughs in offensive technologies now threaten the stability that total reliance on nuclear offense was supposed to provide. The MIRVing of pin-point accurate missiles, for example, makes it quite plausible that, someday, both the United States and the Soviet Union could possess a comprehensive first strike capability, with neither side having a second strike capability. It is possible to envision a scenario in which both Americans and Soviets would have arsenals of 1,000 missiles, each armed with ten super-accurate warheads. In such a situation, either side could destroy the other's missile force by using only about a fifth of its total. By contrast, if each side had only several missile fields protected by effective strategic defense, each increment of accurate MIRVing would produce a diminishing return of power. Should the Soviets build another missile, we would simply add another, cheaper, intercept vehicle to our ABM field. Strategic defense thus provides a hedge against a sudden tip in the balance on the offensive side. And strategic defense cannot be threatening, because it develops very gradually, as it protects step by step only increments of people and deterrent power.

Two safeguards could persuade the Soviets, and the world, of our good intentions as we deploy a strategic defense system. First, the technology of self-defense might eventually be passed on to our allies and to the Soviets—as the President has already suggested. Second, as our defensive deployments add to the survivability of our offensive forces, we could unilaterally dismantle offensive systems superfluous to a second strike deterrent. We have no interest in destroying innocent Russians, or even their not so innocent leaders. Therefore, once we can defend ourselves, we have little interest in denying the same capability to the Soviets.

Strategic defense would permit us to abide by a just war doctrine, which requires us to discriminate between innocent civilians and military targets. This Judeo-Christian moral foundation of Western military strategy must once again be restored. The non-combatant populations must no longer be held hostage. Nor need they be.

II. STRATEGIC SELF-DEFENSE VIEWED HISTORICALLY

Persuaded by the MAD strategy inherited from President Johnson and Secretary of Defense Robert McNamara, the Nixon Administration signed an ABM Treaty with the Soviet Union in 1972. This agreement limited ABM deployment to 100 interceptors at two sites (later reduced to one), thereby depriving the United States of the option of effective strategic self-defense. SALT I included the ABM Treaty and also an Interim Agreement on Offensive Nuclear Weapons, which set unequal ceilings on deployment of ICBM and SLBM launchers. Many supporters of SALT I contended that the Soviets had accepted the American view on mutual security. SALT I was positive proof, they said, that the Soviets agreed with the MAD emphasis on mutual vulnerability of civilian populations. Thus a survivable second strike offensive force, designed for assured total destruction, became the overriding goal of each superpower.

The Soviets' present strategic doctrine, and their unparalleled offensive nuclear weapons deployments since 1972, have falsified the arguments undergirding the ABM Treaty of 1972 and the myopic military strategy from which it emanated. Soviet leaders are contemptuous of MAD. As early as 1974 the Soviet leadership deployed a new generation of multiple warhead ICBMs whose yield and accuracy could destroy United States ICBMs in their hardened silos. Such weapons directly repudiate the MAD principle that neither power should deploy weapons that threaten the other's means of retaliation. Contrary to the assumptions of MAD, the Soviets expanded their ICBM arsenal from 1,400 warheads in 1972 to 5,578 in 1982. Total Soviet ICBM megatonnage has increased threefold. Today, the Soviet Union can destroy up to 95 percent of American ICBMs in a first strike, using only a very small portion of its own ICBM force. The Soviet Union has upgraded its submarine nuclear forces as well, deploying long-range multiple warhead SLBMs on four new classes of submarines. Over 250 Backfire bombers have been fielded and at least 240 SS-20 ballistic missiles are now targeted on Europe.

Soviet agreement to the ABM Treaty was not based on an acceptance of American strategic notions of mutual population vulnerability. Intead the Soviet Union was profoundly concerned about the United States lead in ABM technology. The Soviets simply wanted to prevent the United States from deploying an ABM system to protect American civilians, as well as strategic forces, from the threat of a Soviet first strike.

Soviet strategy at that time was not a total secret. As early as 1967, Soviet Premier Alexei Kosygin explained publicly the Soviet view of strategic defense, when he told reporters in London that "anti-missile system is not a weapon of aggression, of attack; it is a defensive system." Soviet military literature after 1972 has continued to stress the importance of defense against nuclear attack. The USSR continues to spend over $2 billion a year on civil defense, while the United States Congress appropriated only $148 million for civil defense in fiscal 1983. Soviet air defenses are being upgraded with new interceptors and surface-to-air missiles to shoot down low-flying American bombers and cruise missiles.

Unlike the United States, the Soviet Union has organized a vigorous research and development of ABM technology. The Soviets currently deploy new ABM missiles and radars at their ABM site encircling Moscow. Reportedly, they have constructed facilities for mass production of ABM components that would enable them to field a nationwide ABM system quickly. Much of what the Soviets do to improve their ABM defense violates the provisions of the ABM Treaty of 1972. For example, the Soviets have tested surface-to-air missiles in an ABM mode; they have tested rapid reload launchers, developed mobile radars and ABM interceptors, and deployed extensive battle management radars for nationwide ABM defense. All are prohibited by the 1972 ABM Treaty.

These developments in Soviet ABM capability make the June 1982 soviet nuclear war exercise an especially ominous threat. The military exercise began with a simulated attack on United States early warning satellites in conjunction with multiple firing of ICBMs (to simulate a Soviet first strike against an United States nuclear forces). The Soviets then test-fired their ABM weapons against targets (simulating Soviet defense against an American second strike), and launched two SLBMs (simulating a Soviet third strike).

In short, the United States faces an aggressive adversary that has rejected the idea of a mutual strategic balance based on secure second strike forces. Moreover, the Soviets do plan their nuclear strategy with offensive intent. But the United States does not—and should not. Thus, the necessity of effective American self-defense.

III. STRATEGIC SELF-DEFENSE, AND THE GOALS OF ARMS CONTROL

How can United States leaders ensure national security when our adversary is determined to gain nuclear superiority? In the short term, the United States can improve the survivability of our strategic deterrent forces, in particular our ICBMs and the strategic command and control systems. The present vulnerability of these two elements of defense is the most serious potential failing of our strategic forces, and seriousl undermines deterrence.

In the next five years over $18 billion will be spent to provide reliable command and control over American nuclear forces in wartime conditions; more should be invested if necessary. The United States must also protect its vulnerable ICBM deterrent force, and we must upgrade the yield and accuracy of its ICBM and SLBM warheads so as to match the Soviet capability to destroy hardened military targets. As the Scowcroft Commission and military strategists in both parties have recognized, deterrence now consists in the ability to reply in kind across the full range of Soviet attacks.

These minimal measures are necessary but not sufficient. Only advanced strategic defense systems can solve the ultimate problems of nuclear security.

Certainly no strategic defense system can be perfect; leakage may be inevitable. But even a less than perfect defense would change—and change radically in the direction of peace—the present strategic equations. A defense system 90 to 95 percent effective against massive attack would be closer to 100 percent effective against accidents, acts of terror, or limited attacks. This protection alone would represent an enormous improvement upon our present vulnerability. Indeed, such a strategic defense would largely banish the fears of a nuclear war occasioned by other than a deliberate all-out attack. By comparison, an effective nuclear freeze would merely leave the Soviets, Americans, and others still in possession of all the weapons of mutual destruction.

To be sure, there would remain the dread contingency of a massive attack. Some utopian critics assume that in this case there is little to be said on behalf of an imperfect system. But a 90 to 95 percent effective defense would dramatically reduce American casualties and leave open prospects of national survival and recovery. This is still a horrible outcome to contemplate, yet it is morally and practically superior to the consequences of no defense at all. Pessimists also neglect the altered calculations an aggressor must make before striking. In the

changed strategic environment of self-defense systems, a pre-emptive aggressor will not be able to hold back a substantial part of his forces when striking. In order to reach his goal the aggressor will have to let go with all that he has, since in any event at least 90 percent of his forces will be wasted with the attack. But if he lets go with all that he has, he will then be utterly disarmed, completely vulnerable against an adversary that still possesses immense means of retaliation.

The emergence of a new balance, based on strategic defense, would signal the greatest practical triumph to date of arms control. If both sides possessed defensive systems that were 90 to 95 percent effective, then 90 to 95 percent of offensive strategic arms would be useless. No current arms control proposals—even the most optimistic—envisage such a dramatic reduction of offensive weapons. Moreover, the beauty of this particular form of arms control is that it does not depend upon bilateral agreement and unattainable trust. It cannot be upset by dishonest measures taken by one side. Strategic self-defense is the ideal form of arms control. Indeed, strategic defense is the practical equivalent, and much more, of a nuclear freeze.

Critics insist that American deployment of strategic defenses will intensify the arms race between the United States and the Soviet Union, thereby heightening tensions between both countries. This is always possible—with or without strategic defense. Still, as past Soviet-American relations show, if there is to be an intensified arms race, better that it be a race for peace and for the means of self-defense and survival of the free world.

The Soviet Union will continue to improve both its offensive and defensive capability, no matter that the United States does. But whether Soviet leaders will concentrate more on offense than on defense will depend to some extent on American strategy. The prospects are good that the Soviets would try to equal the new American strategic defense effort. If so, a new and more stable balance would emerge—based on self-defense.

Strategic defense will not make the United States and its allies secure against conventional attack. But, in this respect, we could not be more insecure today. In 1965, NATO decided not to match the Warsaw Pact in conventional force capability but instead to deter a conventional invasion on the cheap by a threat of massive American nuclear retaliation—"first use"—against Soviet cities. But the global reach of Soviet nuclear forces today has made the American pledge of "first use" an extremely risky policy for NATO. For in the absence of strategic defense, the first use pledge of the United States may now be correctly considered suicidal for America. An American strategic defense program, if unmatched by the Soviets, would certainly bolster the present American policy of "extended deterrence." But if, as is more likely, the Soviets were to match American strategic defense deployments, the American "first use" threat to use nuclear weapons against the Soviets in defense of Europe would lose much of its effectiveness. Such an outcome might be very desirable, creating for both superpowers the incentive to provide a similar shield of self-defense for their allies. It would also require our European allies to do what they should be doing already: to deploy conventional forces to match the Warsaw Pact's, hopefully at lower levels for both.

Since "first use" is now a doubtful pledge, and thus without a substantial deterrent effect, there is already a compelling incentive for the gradual development of an independent European Defense Community over the next decade. America may now reasonably insist on it; because 39 years after the end of World War II, Western Europe is richer and more populous than either the United States or the Soviet Union.

In fact, the Europeans have responded quickly and favorably to the self-defense option. In July 1983, the European ministers of NATO voted, with only one dissenting ballot, to "support urgent development and deployment" efforts to carry out a strategy of Western self-defense.

IV. STRATEGIC DEFENSE NOW

Strategic defense is not a quick fix solution to the problem of current American strategic nuclear inferiority. Much must now be done in the short term to improve the capability of the United States to defend itself against Soviet nuclear attack. Civil defense, for example, is not a high technology program. The United States could significantly enhance deterrence by implementing President Reagan's seven-year, $4.2 billion civil defense program. An effective defense against Soviet bombers and cruise missiles could be deployed quickly, using defense systems already in production, such as E-3 AWACs aircraft, F-15 Fighters, and Patriot surface-to-air missiles. Even a ground-based ABM system could be deployed quickly over the next five years to protect vital military targets, such as ICBM fields and command and control centers.

In the end, a comprehensive strategic defense capability will require advanced technology systems to shoot down Soviet missiles on launch, in space, and upon atmospheric reentry. A near leakproof defense probably cannot be deployed in sufficent numbers until the 1990s. However, to a great extent, an effective program could start immediately by using existing technology. An immediate program of feasible steps toward civil defense, air defense, and ABM defense could at least fulfill the oath and duty of the President of the United States to take all measures to defend and to protect the territory and safety of the United States and its citizens. Through a start-up program of strategic self-defense, we can then assess the desirability and the time needed to carry out the full program and its ultimate capabilities.

If we never take the first steps to defend America again, a perfect, technically stunning answer will forever elude us.

Mrs. SCHROEDER. Mr. Chairman, I yield 1 minute to the gentleman from Wisconsin [Mr. MOODY].

Mr. MOODY. I thank the gentlewoman for yielding this time to me.

Mr. Chairman, I do not know exactly the correct amount of money for SDI, and I'm not sure any of us do. But there are several basic principles that we should keep in mind to make an intelligent choice.

The first of those, of course, is to protect the ABM Treaty, which is probably the single most stabilizing instrument in United States-Soviet nuclear relations, and one that is mostly observed—precisely because it is in our mutual interests.

Certain parts of the administration proposal on SDI would, indeed, threaten to violate the ABM Treaty, certainly in spirit, and possibly in letter as well. The Dellums, the Mavroules and the Dicks amendments all would protect the ABM Treaty. The Dicks amendment specifically freezes four of the tests which bump up against the ABM Treaty.

The second principle is that neither side can prevent research by the other, and it would be dangerous for us to attempt to do so since we might then be confronted with a Soviet "breakout" of ABM at a future time.

The third principle is that we need to concentrate research on the two questions Ambassador Nitze posed as a criteria for SDI: One, survivable and two, cost-beneficial at the margin, outlined by Congressman DICKS.

In light of these three principles we need an SDI amendment which one, expressly protects the ABM Treaty, and two, accelerates research on answering the Nitze questions.

Each of the amendments below the $2.5 level does this.

I believe that the Dicks amendment is the best of these, and encourage its adoption.

Mr. DICKINSON. Mr. Chairman, I yield 5 minutes to the genial gentleman from Illinois, Mr. HYDE.

(Mr. HYDE asked and was given permission to revise and extend his remarks.)

Mr. HYDE. I thank the gentleman for yielding this time to me.

Mr. Chairman, we heard a phrase yesterday coined by one of the more knowledgeable Members in the field of defense, the gentleman from New York, and he suggested that what is needed is a nonthreatening defense, and I hope that that phrase becomes a part of the defense vocabulary. But if you are looking for a nonthreatening defense, it would seem to me this is it, because it will only be used when the Soviets launch a nuclear weapon.

When the Soviet Union, or Mr. Qadhafi, or the Ayatollah, or whomsoever decides to launch an intercontinental ballistic missile, then and only then, will the strategic defense initiative be used.

I really have listened carefully to this discussion, to this debate and I have not heard any of the defenders of mutual assured destruction defend the morality of holding whole population hostage. That is a sensitive word to Americans today, hostage, but just think what MAD does, mutual assured destruction. It holds millions of people on either side of the oceans hostage to annihilation as a way to keep the peace, the balance of terror.

What is wrong with mutual assured defense? Will it work? We all use borrowed expertise. We all have our experts who are pedigreed and credentialed, some who say it will never work, some who say it will work. That

is called the resort to authority. I would like to indulge myself in that resort to authority.

How about Dr. Edward Teller? Dr. Teller has a very successful track record in nuclear development. He says this will work. By the way, parenthetically, there are spinoffs from this research that have nothing to do with defense, such as developing the x-ray laser which permits the taking of a photograph of any cell in the body in remarkable resolution, three dimensional, that will go miles in helping us diagnose such things as cancer. I just mention that parenthetically.

How about Dr. Robert Jastrow, an astrophysicist of great repute? He supports this program enthusiastically.

How about Dr. James Fletcher, who was former head of NASA and wrote an article in the National Academy of Sciences magazine that said a two-layered system can be developed which will protect population, not just our launching pads and our command and control, but population from 90 to 99 percent of the incoming missiles and their warheads.

So I suggest to you the technical questions can be answered if you have vision and are not dominated by cynicism. I think the real question is: Can we afford not to subsidize and to fund this research?

Mr. AuCOIN. Mr. Chairman, will the gentleman yield?

Mr. HYDE. When the time comes, if you will get me the time from your side.

The Antiballistic Missile Treaty, so many people put their faith in paper treaties rather than technology. Well, and ABM Treaty was supposed to halt the arms race. It was supposed to reach a point when we have enough bombs to blow them up 20 times, they have enough bombs to blow us up 20 times and so both sides would halt acquiring any more weapons.

Why do they continue to go on and on, now into their fifth generation of intercontinential ballistic missiles? I thought when we could both destroy each other, there would be a halt to this. Ask yourself that question: Why do they proceed and proceed and proceed to continue to multiply, like mushrooms after a rain, new generations of deadly missiles? We halted our arms race. Our ICBM's, except for the piddling few MX's you let us have, are geriatric, as is our B-52, but the Soviets are on their fifth generation of ICBM's.

Speaking of negotiating rather than relying on military strength, the United Nations, I suggest to you, is an object lesson. That is the Rose Bowl of negotiations, and since the charter was signed in 1945, there have been 41 wars and 15 million people have died in those wars. Clearly, negotiations alone, unsupported by military strength are tragically and historically unequal to the task of keeping the peace.

□ 1650

I suggest the SDI should be called the strategic defense response because the Soviet Union has been moving ahead with this research at full speed. Now, can we imagine what our freedom will be worth if they get there first?

Do you remember sputnik? Our answer was a man on the Moon. I suggest that will be like Trivial Pursuit if they get there first, if they develop and deploy a strategic defense system of their own.

We now have a chance in our time to play the role that Ferdinand and Isabella played. We can display vision for the future, not to help discover a continent but to keep our continent and the continents of our allies safe and free.

I suggest that our constitutional obligation is to provide for the common defense, and it seems to me this is an opportunity to put aside politics, put aside partisanship, and move forward on a broad range of research that can pay dividends for ourselves and our children and children's children. It is dangerously foolish not to support full funding for the SDI.

Mrs. SCHROEDER. Mr. Chairman, I yield 7 minutes to the gentleman from New York [Mr. STRATTON].

Mr. STRATTON. Mr. Chairman, I am convinced that SDI is a very valuable concept, and I believe that much of the opposition to the SDI is either based on a misunderstanding or is, as perhaps we have already seen in the previous speeches that have been made, a deliberate effort to derail the program for political purposes.

It has become increasingly clear, as has been said earlier this aftenoon, that arms negotiations dealing with limits on nuclear weapons are unlikely to put any real limit on the arms race by achieving some kind of balance that could provide stability. For many years we in the United States have not had any air defense, simply because we recognized that since we had no defense against ballistic missiles, it would be foolish for us to try to defend from aircraft, which, of course, is a much less difficult task.

What the SDI really is, it is a concerted scientific effort, generated by highly qualified and well-respected members of the Fletcher committee, to see if in fact we could with our new U.S. high technology defend against a ballistic missile. This is clearly a research problem, and the research is already under way. Yet there are many who have said, rather automatically, that this won't work,

How do they know? Back in 1927, for example, people thought that Lindbergh was nuts when he said you could fly from New York to Paris in what was essentially a puddle-jumper airplane. "Lindy" was right, and the rest of us were wrong.

And as the gentleman from Texas [Mr. PICKLE] pointed out a moment ago a lot of people thought that John Kennedy was out of his mind when he said we could land a man on the Moon. How could that possibly work? They asked. Well, it did work, and it put us ahead of the Soviets in the conquest of space.

What we are facing in connection with the SDI is that we have now developed in the United States a very high technology. And we are in the process of trying to determine exactly whether, with that technology we can bring down those enormous Soviet rockets that are already targeted against us rather than just sitting idly by and watching them fly over.

I believe that we have to try to prevent the nuclear winter that so many people have been talking about, and see if we can also eliminate the nuclear weapons that so many people say they want to eliminate. In fact, with the research that is under way today on a rather modest scale, we would be criminally negligent, as custodians of our Nation's future were we not to do our best to see whether this encouraging concept could in fact be put into operation.

The big basic question this afternoon, however, which we will soon come to be dealing with is, how much is the House allocating in fiscal year 1986 for the SDI program? The committee figure was $2.5 billion. The gentleman from Washington [Mr. DICKS] proposes to cut the figure to $2.1 billion. But Mr. John Gardner, the very capable administrator in the Department of Defense for the SDI program, said that a $2.1 billion funding would wipe out many of the research projects that are already under way. In fact, the gentleman from Washington [Mr. DICKS] himself listed the projects that he wanted to wipe out with his funding.

Mr. DICKS. Mr. Chairman, will the gentleman yield at that point?

Mr. STRATTON. And many of those are important projects. In fact, many that he included were the so-called demonstration projects which determine whether we are going to have the building blocks of capabilities of one kind or another that would put together an effective and a responsible SDI.

Mr. DICKS. Mr. Chairman, will the gentleman yield at that point?

Mr. STRATTON. I cannot yield. I have just very limited time.

Let me say, however, that we have——

Mr. DICKS. Mr. Chairman, the gentleman used my name, and I want the record to reflect accurate information.

I would ask him to yield so I can correct the record.

Mr. STRATTON. I am sorry. I cannot yield.

The final issue on which we will soon be voting is the money for SDI.

Mr. Chairman, the figure that the Senate approved is $2.9 billion, Mr. Gardner indicated that that figure would make it possible for us to carry on the program as planned rather than eliminating some of the important research grants that have already been made to universities, and to think tanks and institutions of that kind. The figure of $2.9 billion would also make it possible for us to agree with the Senate in conference, just as we are likely to be doing in conference on the MX.

Mr. Chairman, there is one other point I think should be stressed, and that is that the SDI program, in spite of what some people have said earlier is fully treaty-compliant.

The CHAIRMAN pro tempore. The time of the gentleman from New York [Mr. STRATTON] has expired.

Mr. DICKINSON. Mr. Chairman, I yield such time as he may consume to the gentleman from New York [Mr. BOEHLERT].

(Mr. BOEHLERT asked and was given permission to revise and extend his remarks.)

Mr. BOEHLERT. Mr. Chairman, I rise in support of our search for the ultimate defensive system.

Mr. Chairman, I wish to go on record in support of the basic research and development effort for the strategic defense initiative.

The President, with the SDI, has given us the opportunity to move toward a safer, more stable world. Since his speech in 1983, we have seen many interpretations of what his vision entailed and what the SDI was expected to accomplish. In spite of what would appear to be many conflicting reports to the contrary, his goal has not changed and has remained consistent. The driving force behind his concept is to render nuclear ballistic missiles impotent and obsolete, a vital step toward freeing the world from the fear of nuclear conflict. What better investment for our future? What better investment for mankind? One would be hard pressed indeed to suggest a more worthy endeavor to which to allocate a share of our admittedly scarce resources.

The strategic defense initiative is a program of vigorous research focused on advanced defensive technologies with the aim of finding ways to provide a better basis for deterring aggression, strengthening stability, and increasing the security of our allies. It will provide a future President and Congress the technical knowledge required to support a decision on whether to develop and later deploy advanced defensive systems. Such defensive systems could support greatly enhanced deterrence, giving us increased security and stability.

The primary responsibility of a nation is to provide for the peace and security of its peoples. Deterrence remains the cornerstone of this policy. We maintain nuclear deterrence almost exclusively through offensive forces with the capability to ensure that an aggressor realizes that whatever he might hope to gain by an initial attack would certainly be lost by inevitable retaliation to that attack. Unfortunately, trends in the growth of both Soviet offensive and defensive capabilities, if left unanswered, will seriously undermine the credibility of this method of deterring conflict. SDI holds the promise of moving away from this increasingly unstable situation, to a world in which lives would be saved rather than avenged.

For those who advocate a nuclear freeze or meaningful reductions in the world's stockpile of nuclear weapons, as I do, the SDI is particularly appealing. Not only is it consistent with all U.S. treaty obligations, but it also complements the U.S. aim of achieving equitable, verifiable reductions in offensive forces. It is nonnuclear and that's most important to remember. Not only would it address the ever-growing Soviet offensive and defensive capabilities, but it would significantly reduce the utility of these offensive nuclear forces leading to an attenuation of what has become an increasingly unstable situation.

Along these lines, it's apparent to even the casual observer that the Soviets returned to the bargaining table in Geneva in large measure because of the strategic defense initiative. It is of the utmost importance that we unite in our support of this vital initiative to capitalize on the momentum that has been generated in the arms control arena.

Finally, there are those who speak in terms of support for the program, who support the goals of the SDI with particular interest in achieving at the earliest possible date meaningful nuclear offensive arms reduction, who are convinced that the SDI is a key to keeping the Soviets negotiating in good faith at Geneva, and who do not desire to undercut the administration's efforts in these negotiations. Yet these same individuals would have us cut funding for the program almost in half. We mustn't allow arguments of false economy cause us to loose sight of the pervasive and powerful tenets that underpin the philosophy that is SDI. The potential and promise of this program to give us a safer more stable world, free from the threat of nuclear conflict, would make any argument against full and total support, specious at best. The small percentage, less than 2 percent of our defense budget that would be devoted to this vital program, is assuredly a small price to pay in light of the potential rewards.

I long for a day when we will have the ultimate defensive system to render obsolete all those offensive weapons which threaten the peace and security of the world.

The strategic defense initiative warrants our support.

PARLIAMENTARY INQUIRY

Mr. DICKINSON. If I might, Mr. Chairman, I have a parliamentary inquiry.

Am I correct in understanding from our consultations that the other side has consumed all of its time and that I have 4 minutes remaining?

The CHAIRMAN pro tempore. The other side has 1 minute remaining, and the gentleman from Alabama [Mr. DICKINSON] has 4 minutes remaining.

Mr. DICKINSON. Mr. Chairman, I yield myself the balance of my time.

Mr. Chairman, as we approach the end of the debate on this very historic occasion, there are three points I would like to make and that the Members should keep in mind. The first is that while this is a unique procedure that we have fashioned here, we have set it up so that each Member will have an opportunity to vote for the funding level of his choice.

If you want to vote no against everything, that is, zero, you have a right to do that. Then you have, as I pointed out before, the levels of spending of $0.9 billion by Mr. DELLUMS, $1.4 by Mr. MAVROULES, $2.1 by Mr. DICKS, and the committee position which I support and which came out of our Research and Development Subcommittee, which is $2.5 billion. We felt that this was reasonable. We felt it could be justified. We are funding at last year's level.

Then there will be and is now pending an amendment for $2.9 billion offered by Mrs. HOLT, and there is the full-funding amendment offered by Mr. COURTER of $3.7 billion.

□ 1700

So we run the whole range here. People can decide for themselves what is reasonable.

It was the feeling of our committee and our professional staff that a reasonable amount is really midway between these figures, $2.5 billion. I still feel that is reasonable.

We would have funded more, except we were under fiscal constraints. We had to find areas to cut across the entire R&D budget, which we did. This is one of the areas that felt the ax and received the cuts. If we had not had these constraints, no doubt we would have funded at a higher level than just last year's level of effort. However, that is our level and we support it.

I would like to point out, though, that there is some mischief in the amendments pending that contain the figures I am talking about. It is very important not to ban demonstration projects and demonstration experiments, because that is the purpose for which we are appropriating the money and that is what the R&D is for, research and development. This will fund the demonstrations to prove the feasibility of the various projects.

So I would hope that those amendments that contain language prohibiting demonstration projects would be rejected.

I would hope that one of the amendments, if not more than one, has a proviso that the administrator or director of the SDI initiatives would not have the flexibility to exceed the total amount approved. However, within the categories, and there are five categories, I would hope that he would have the flexibility and the discretion as one proves more profitable or proves more promising, to divert funds away from one of the other projects of the five as the promise builds and feasibility is proven.

So, Mr. Chairman, I would hope that when we take our vote that we will keep those factors in mind, because there is more than money involved.

Mrs. SCHROEDER. Mr. Chairman, I yield our final minute to the gentleman from Washington [Mr. DICKS] to correct the record.

Mr. DICKS. Mr. Chairman, I thank the gentlewoman. I appreciate the yielding of that 1 minute.

One correction I would like to make is that my good friend, the gentleman from New York [Mr. STRATTON] suggested that my amendment would wipe out all funding for four important demonstration projects. I want to correct that.

For the airborne optical system, I provide $117 million.

For space-based laser system, $162.7 million.

For the hypervelocity launcher development, $3.5 million.

Kinetic-kill vehicle, $30 million.

Those are the levels of funding that were provided by Congress last year for those four important programs.

The key is that we want to slow down these demonstrations that will get us into trouble with the ABM agreement. My amendment is a proarms control amendment. It will slow down those things that will get us in trouble with the ABM Treaty, while insisting that we have the funding requested by the administration for four areas that will test out the Nitze agreement.

I believe the decision today by the House is one of the most important there is in national defense in the history of this country.

● Mr. KASTENMEIER. Mr. Chairman, I rise in support of the Mavroules amendment to freeze SDI funding at this year's fiscal level. This amendment should be supported because the President's star wars program is futile, destabilizing and costly.

Even though there have been some technological advances in recent years, star wars is futile because we still do not know how to build an effective nationwide strategic defense against attacking ballistic missiles. This is true whether the goal is to transcend deterrence with a nearly leakproof defense or to enhance it with an effective but partial defense. We cannot build an effective defense against the current Soviet threat and, regardless of what the proponents of star wars have to say, there is no prospect of achieving such a defense against an unlimited offensive threat that can overwhelm, evade or directly attack the defense. Two years ago, the President's Commission on Strategic Forces reported that "at this time . . . no ABM technologies appear to combine practicality, survivability, low cost and technical effectiveness sufficiently to justify proceeding beyond the stage of technology development." Many years, if not decades, of research are required before we can begin to proceed from present day imaginative concepts, crude ideas and estimates of educated guesses. In fact, with an unconstrained development of ballistic missiles, no defensive system will work.

If the star wars program is to meet the President's stated goal of rendering nuclear weapons "impotent and obsolete," not only must it work to almost 100 percent perfection, managing an enormous task of battle management in very short times, but it must do this the very first time that it is used. No realistic shakedown tests are conceivable, especially in the nuclear environment the system will encounter in a real engagement. Although Secretary of Defense Weinberger apparently holds to the fantasy that a 100 percent effective defensive shield is feasible, one that is "thoroughly reliable and total," he is almost alone in holding to such a position. General James Abrahamson, who is in charge of the strategic defense initiative, has said that "a perfect defense is not a realistic thing." There is no way that any enemy force will not be able to overwhelm a defense if it wants to do so badly enough. Even if only 5 percent of the strategic warheads in the Soviet's nuclear arsenal successfully penetrated a star wars system, the United States would be destroyed. We should question whether the supporters of SDI understand that the star wars program will result in the United States building a Maginot Line in space that the Soviets could outflank.

Star wars is destabilizing because any prospect of a significantly improved American defense is absolutely certain to stimulate the most energetic Soviet efforts to ensure the continued ability of Soviet warheads to get through a defensive system. It is fanciful to believe that the prospect of any new U.S. deployment of an antiballistic missile system which would undermine the effectiveness of Soviet missile forces will not be met by a most determined and sustained response by Moscow. Last month, one of the Soviet Union's highest ranking generals, Col. Gen. Nikolai Cherov said that the Soviet Union will not attempt to match the Reagan administration's costly space weapons program but will concentrate instead on building cheaper offensive nuclear missiles that could overwhelm an American space shield.

We have now learned that the Department of Defense, according to officials, is in the process of devising a nuclear war plan and command structure that would integrate offensive nuclear forces with the projected star wars antimissile shield. Reports on this DOD plan state that the vast array of new nuclear weapons, including the B-1 bomber, Trident submarines armed with ballistic missiles, the Pershing II medium range ballistic missile and the cruise missile, along with other weapons still being developed, will be coordinated with the shield of weapons on land and in space that star wars proposes with the aim of destroying long-range missiles and their warheads before they strike the United States. Such plans will serve to further increase the fear by the Soviet Union of the purpose of star wars, especially against a weakened retaliatory strike. In a crisis these fears could bring mounting pressures for launching a first strike against our Nation. It should be obvious that, to the Soviets, star wars, integrated with offensive nuclear forces, is going to look like the prelude to an offensive strategy threatening the Soviet deterrent.

Star wars also is too costly. Its price could be as high as $1 trillion, because both antiballistic missile development and deployment and the buildup, modernization and diversification of offsetting offensive forces must be added into the cost of this program. When we think of the cost of this star wars scheme, we should keep in mind that the offensive countermeasures to star wars appear to be not only capable of overwhelming the defense but also easier and less costly to build.

Mr. Chairman, Paul Nitze, the administration's senior arms control adviser, outlined a set of stringent conditions earlier this year that he said should be met before the deployment of new defensive weapons in space. The technology "must produce defensive systems that are survivable," which means that such systems must be able to withstand a preemptive nuclear attack. Otherwise, Nitze said, "the defense would themselves be

tempting targets for a first strike" and this would "decrease, rather than enhance, stability." Nitze also stated that the new defense systems must be "cost effective at the margin, that is they must be cheap enough to add additional defensive capability so that the other side has no incentive to add additional offensive capability to overcome the defense." If it was more economical to produce new offensive systems to offset the defensive shield, Nitze said that would "encourage a proliferation of countermeasures and additional offensive weapons to overcome deployed defenses, instead of a redirection of effort from offense to defense." The Soviets apparently believe it is more economical to produce countermeasures to overwhelm star wars.

Mr. Chairman, star wars will not promote a more peaceful, stable world. On the contrary, star wars promises to accelerate the arms competition between the United States and the Soviet Union. It threatens the very existence of the 1972 ABM Treaty which outlaws any star wars defense and which stands at the very center of the effort to limit the strategic arms race by international agreements. The Scowcroft Commission found that "the strategic implications of the ballistic missile defense and the criticality of the ABM Treaty to further arms control agreements dictate extreme caution in proceeding to engineering development in this sensitive area." The ABM treaty is a safeguard less against defense as such than against unbridled competition between the two superpowers. The continuing and excessive competition that still exists in offensive weapons would have been even worse without the ABM Treaty which removed from the calculations of both sides any fear of an early and destabilizing defensive deployment. Since 1972 and before the coming of star wars, neither side has attempted a defensive deployment that predictably would have given much more fear to the adversary than comfort to the possessor. The ABM Treaty reflected a common understanding of exactly the kinds of danger with which star wars now confronts the world. To lose this treaty in pursuit of an antiballistic missile defense dream would be a foolish act.

Mr. Chairman, instead of encouraging the administration to move forward with star wars by giving congressional approval to the spending of billions of dollars on unattainable objectives, we should be urging the President to abandon his position that star wars is a nonnegotiable item at the Geneva talks and, instead, to work for a treaty which will ban all weapons in space.●

● Mr. BROWN of California. Mr. Chairman, research on ballistic missile defense technologies has been conducted over the last several decades. In fact, the United States has spent approximately $40 billion on missile defense research since 1954. Through an expenditure of $500 million to $1 billion annually, the United States has remained more than a decade ahead of the Soviets in missile defense technology. No one disputes the need to continue this prudent level of research.

The United States must maintain a hedge against Soviet breakout from the 1972 Anti-Ballistic Missile [ABM] Treaty and keep abreast of new developments and options for ballistic missile defense. The Dicks, Mavroules, and Dellums amendments would all allow the United States to fund BMD research at levels which would allow continued and persistent analysis of missile defense technologies across the board. These amendments would also allow the United States to maintain a research base of ample size to develop penetration capabilities or missile defense options should the Soviets begin moving toward extensive BMD deployment. However, these amendments would curtail funding for testing and demonstration projects which would jeopardize the ABM Treaty.

The President's SDI program is based on different objectives. In seeking to quadruple the historical level of funding for BMD research, the President has indicated his commitment to testing, developing, and even deploying a BMD system before the results of the research program are conclusive. This dangerous situation will lead to the deterioration of the ABM Treaty, perhaps the most valuable arms control treaty between the United States and the Soviet Union. Rather than create a climate conducive to nuclear arms reduction, which the President claims to seek, SDI would lead to a proliferation of these nuclear weapons and launch the superpowers into an even greater arms competition in defensive weapons.

Mr. Chairman, I recognize that the SDI program is purported to be a comprehensive research and development [R&D] program aimed at providing a basis for deployment decisions in 5 years or more. However, the very existence of the SDI office, and the emphasis placed on activities threatening to the ABM Treaty, are tantamount to a challenge to the Soviet Union to develop and deploy a comprehensive BMD system of their own, or, in the alternative, to step up their deployment of existing nuclear missiles.

My own preference would be to dismantle the SDI office and focus on a broadly conceived space R&D program—including research on ballistic missile defense—emphasizing areas relevant to both civilian and military needs in space. This would include most of the command, communications, and intelligence efforts included in the SDI program. It would also include laser research, research on power generation in space, on new materials on high speed data processing, and on artificial intelligence, to name only a few areas related to the SDI program, but applicable to other military and civilian uses. Such a program would avoid the politically fraught and threatening aspects of the SDI program while allowing research to continue.

Mr. Chairman, the administration's massive funding plans for the SDI threaten to undermine the possibility of ever controlling the offensive nuclear arms race. Nevertheless, the United States must maintain a prudent research program to protect against Soviet breakout and allow analysis of the potential for ballistic missile defense. Therefore, I urge my colleagues to preserve the historic levels of funding for ballistic missile defense research, and to reject amendments which exceed these levels.●

● Mr. DURBIN. Mr. Chairman, in the past, I have consistently opposed deployment of the MX because it is a weapon of questionable strategic value and has not proved effective as a bargaining chip.

When Congress was asked to consider deployment of an additional 21 missiles in March of this year, one of the stated reasons in favor of the MX was the need for it as a bargaining chip in arms control talks with the Soviets. Historically, however, the MX has not appeared to be a major factor inforcing the Soviets back to the bargaining table. A much greater impetus to resume negotiations appears to be the Soviets desire to curtail our research into the President's star wars program.

We have heard several times that failure to deploy additional missiles would demonstrate a dangerous lack of resolve. Since the MX cannot be sold on its own merits, it must be sold as a symbol. In these times of a runaway Federal budget deficit, I continue to find it difficult to justify spending billions of dollars on a symbol.

Aside from the MX's problems as a bargaining chip, the missile also is of dubious strategic value. I care very deeply about the security of this Nation. The MX, though, does nothing to enhance this security. In fact, its own vulnerability to attack makes it an unstable, first-strike weapon that could actually increase the threat of a nuclear war.

Three administrations, including the present one, have failed to develop a viable basing mode for the MX that would solve its vulnerability problems. According to defense experts, by the late 1980's the Soviets will be able to knock out 95 percent of our missile silos regardless of our attempts to harden them. This is hardly indicative of strategic superiority, which was one of the original goals of the MX.

I support the Mavroules-McCurdy amendment to the 1986 Defense Department authorization as a sensible approach that will prevent the deployment of any further MX missiles. The amendment sets a cap of 40 on the number of MX to be deployed. Since funding for 42 missiles has already been approved, the amendment, in effect, addresses the goal that I have been striving to achieve—shifting the focus of our nuclear policies away from weapons of little strategic value and toward reducing the size of our nuclear arsenal.●

● Mr. MATSUI. Mr. Chairman, I rise to oppose the strategic defense initiative. I do so for two broad reasons. The first is that, while the objective of SDI is laudable, and one which I devoutly hope we can one day achieve, the means will only generate counter measures which are much more hazardous than our current arsenals of ICBM's. My second, and perhaps more important concern, and one which appears to be getting no consideration, is that we are deciding whether or not to draw a line at taking no weapons into space, the main decision for which the 20th century will be remembered 20 centuries from now.

It has been the hope of every responsible person as long as we have had a nuclear arsenal, that we could someday be able to dismantle it. The idea that we could remove the threat and rest easy by constructing an impenetrable defense against missiles is a very seductive one. But it is that same sort of siren song offered for 40 years before World War I by the Krupp industries which would showcase at alternating trade shows new impenetrable armor and new irresistible shells; the only ones who ever came out ahead in that deal were the Krupp family.

Numerous technical weaknesses are already being suggested by the scientists about the impenetrability of SDI. But even if all the doubters are wrong, and we could indeed cut down every Russian land-based missile early in its flight, the countermeasures are all too obvious, even to a layman.

Make no mistake; if one side has a perfect missile defense in place, the other side does not have to match it. In June 1982, I addressed a breakfast at the Port of Sacramento. In port that morning was only one vessel—a Soviet bulker. Our customs officials may well look over what goes on and off such a ship, 90 miles inland, but no one knows what else it could be carrying. Soviet oceangoing vessels call at almost every port in this country, which means all but a few cities and all but a few sites of our naval bases. Even if we prohibited Soviet or other Eastern block flagships from our waters, nothing is more loosely regulated or watched than the world's maritime industry. A ship with any flag could be carrying immobile nuclear devices, IRBM's cruise missiles, or enough backpack nukes to outfit every Soviet agent in the United States.

Also, the other side can reestablish mutual assured destruction [MAD] on the cheap and in short order. And they need not even do it with nuclear weapons. If one side feels itself sufficiently backed to the wall, it would feel compelled to create a biolgical weapon. Within a period of a few years, a hypercontageous, hyperlethal, hyperresistant bacteria could be manufactured capable of making the human species extinct within a matter of weeks. If the purpose were to retaliate after a nuclear attack, the manufacturing country might not even worry about immunizing its own population. Considering the dismal record of maintaining archival strains of the smallpox virus, the creation and storage of such a microbe weapon involves risks which only a desperate nation would contemplate. We ought to think very hard before we make any country that desperate.

To champion mutual assured destruction is not appealing. But compared to some possible alternatives the MAD policy does have enough points that we should not abandon it cavalierly until we are fairly certain what will replace it. While we have been under MAD, Europe, which spawned two world wars in this century, has now lived under the closest thing to peace it has enjoyed since the days of the Roman legions. The experience of using two atomic bombs in anger has created a conscious reluctance by anyone to use them again which has lasted 40 years. Nuclear strategies centered on global missiles may be scary, but the delivery times are still in a human scale, just barely so, but enough that humans are still in the decision loop. Moving the center of our nuclear strategy to a system which functions in 5 minutes or less, rather than a half hour, takes the weapons out of the President's hands while it increases the tension on the trigger. We and the Russians know, or we think we know, how each others systems work, how reliably they will work, what results they will produce; to replace that situation with one in which we cannot even know how our own system will work elevates uncertainty to the most prominent characteristic of our strategy.

My second concern is for the future of our species beyond this planet. At no time in our biological, social, and cultural evolution have we had such an opportunity to change our own destiny as we do now. From the history of war and the record of personal crimes, it is clear that we possess some measure of biological imperative which has us do death to each other. The record is also filled with attempts, the laws within societies and among nations, to mitigate and suppress that imperative. I believe those attempts are the highlights of the ascent of man. At no time before has there been such a clear line, the awareness of the line and the ability to say "Beyond this line, we will not take our weapons of war."

Mr. Speaker, this is an opportunity so great that it is worth our taking risks which might be unthinkable in other areas of national security. I believe there may be no more worthy goal in our lifetimes than to ensure that war becomes a historical anachronism on the planet Earth. That is not a goal achieved by arms races, by threats, or by negotiating at gunpoint. It is not a goal we can ever achieve if this Nation measures its highest national priority by the resources we would devote to the creation of an unprecedented weapons system in space.●

● Mr. FAUNTROY. Mr. Chairman, I rise in support of the substitute offered by my distinguished colleague, Congressman RONALD V. DELLUMS.

Unfortunately, debate on defense authorization in recent years has focused on the total amount of military spending and the rate of real growth in defense spending. The substitute offered by Congressman DELLUMS is based on a different and correct strategic standard. That standard is that our defense expenditures must be in accord with foreign and military objectives that provide a defense for our Nation, but not for world domination.

The Dellums substitute imposes a "freeze minus" concept in our defense authorizations. Under this substitute the authorization for fiscal year 1986 would be frozen at the fiscal year 1985 level. In fiscal years 1987 and 1988 the fiscal year 1986 level would be maintained in real terms.

The objectives of this substitute are worthy, reasonable, and compatible with the national security:

First, to lessen the threat of nuclear war through support of a nuclear freeze and other arms control initiatives leading to major weapons reductions.

The Dellums substitute would eliminate destabilizing weapons systems which threaten rather than enhance our national security. Dangerous weapons such as the MX; the Trident II, Pershing II, and cruise missiles; and the expensive B-1 bomber would be eliminated.

Second, a noninterventionist conventional nonnuclear national security policy.

The Dellums substitute incorporates the principle that the purpose of U.S. defense policy is to defend U.S. security interests, and not to intervene militarily in, and against, Third World countries. It therefore would freeze and then gradually reduce the number of aircraft carrier battle groups from

the present 13 to 10. This substitute also rejects the build up of the Rapid Deployment Force, eliminating all funding for this program.

Third, a reduced U.S. military role in Europe and Asia.

Given the unlikely possibility of a prolonged land war in Europe and Asia, the standing Army is reduced from 16 divisions to 13 divisions by fiscal year 1988.

Fourth, a redirection of procurement policies to reduce waste, fraud, abuse, and massive cost overruns.

This substitute call for cuts in weapons systems which are redundant, ordered in larger than necessary quantities, have serious cost overruns, or are simply too expensive for their military purpose.

If you want a defense authorization that pulls us back from the edge of the abyss of nuclear war, vote for this substitute, it is protective of our planet.

If you want a defense authorization that pulls our Nation away from interventionist policies that fuel violence around the world and hamper our ability to meet the acute human needs which are the underlying causes of instability, then vote for this substitute.

If you are worried by our huge budget deficit and the neglect of human needs here at home, then vote this substitute. It will affect $286 billion in budget authorization savings over the next 3 years.

If you want to address the fraud, waste, and the public welfare that major corporations have been involved with in our military budget, then vote for the Dellums substitute.

The substitute offered by Congressman DELLUMS provides the necessary funding for a strategically and economically sound defense policy.

I urge my colleagues to vote for the Dellums substitute.●

● Mr. LOWERY of California. Mr. Chairman, today I rise to express my support for a fully funded strategic defense initiative.

President Reagan has asked our Nation to undertake a vigorous research program, the strategic defense initiative. SDI aims to follow up on recent advances in defense technology to pursue a better basis for deterring aggression, a basis that does not rely on the fear of mutual assured destruction. Catalyzed by frontier computer and laser technologies, SDI is a careful response to the build-up of Soviet defense systems, the possibility of a Soviet breakout in this area, and to well-documented Soviet violations of the ABM Treaty.

As my colleagues are well aware, the distinguished members of the House Armed Services Committee have recommended $2.47 billion in funding for the strategic defense initiative. This represents a one-third cut in the initial outlay of $3.7 billion requested by the President.

Mr. Chairman, although I commend the members of the Armed Services Committee for their overall endorsement of the President's initiative, they have cut too much. Moreover, the committee has chosen to cut the wrong programs. Cutting $350 million from the $860 million budget requested for kinetic energy weapons is simply inefficiency. If the committee supports SDI at all, why cut funds for the kinetic energy weapons project, the research project that promises the earliest and most definite results? Such cuts will certainly delay any possible near-term deployment of SDI.

Contrary to what some would claim, the aims of SDI do not represent drastic changes in either the funding or the direction of our national defense. It is crucial here to distinguish between a short-term deployment project and a long-term research effort like SDI. Very simply put, we don't yet know enough about what the SDI technologies can do. Accordingly, it is reasonable to investigate all new technological options, options which promise a new kind of security, based not on a balance of fear, but on making obsolete those weapons which now threaten us so seriously.

Today, the United States has no defense against ballistic missile attack. In the event of a Soviet attack, the President's options are severely limited. In effect, he has only one button to push. In contrast, the U.S.S.R. has pursued active nuclear defense strategies for as long as it has deployed an offensive arsenal.

Spending an estimated 40 percent of their armed services budget specifically on defensive projects like ABM systems, the Soviets are on their way to kicking out from under us all three legs of the U.S. strategic triad. Recent CIA estimates assert that, despite the ABM Treaty, the Soviets have deployed a network of 4,000 interceptor aircraft and 10,000 surface-to-air missile launchers—a formidable array aimed against one leg of the triad, our strategic bombers.

Threatening the second leg of the U.S. strategic triad, our land-based missiles, the Soviets have for many years deployed the world's only ABM system outside Moscow. Additionally, in flagrant violation of the ABM Treaty, the Soviets have constructed a phased-array missile tracking radar in central Siberia. Furthermore, they have deployed a ground-based antimissile laser, and, the CIA reports, 10,000 Soviet scientists are currently working on advanced laser research. Is there any doubt the Soviets are forging ahead with their own SDI?

Jeopardizing even the strongest leg of the strategic triad, our submarine-based missiles, the recent Walker spy case combined with research advances in detecting submerged submarines show that we can no longer rely on the strength of our offensive forces to deter aggression.

In developing its own defenses, the Soviet Union has not limited itself to air, land, and sea. they have deployed the world's only antisatellite [ASAT] defense system, as well as a system of orbiting nuclear warheads, the fractional orbiting bombardment system. Consequently, the Earth's atmosphere is at present a highly militarized zone, populated by hundreds of satellites, of which the U.S.S.R. has two for every one of ours. In response to claims that the President's initiative would militarize space, I can only ask, "what space is left that the Soviets have not already militarized?"

Pursuing our own SDI, then, allows our negotiators to channel longstanding Soviet defense activities toward more stabilizing and mutually beneficial ends. SDI is not, as some have argued, a threat or destabilizing factor in our relations with the U.S.S.R. To the contrary, it is the leverage that recently brought the Soviets back to the negotiating table in Geneva. By devaluing offensive weapons, SDI will act as a disincentive, rather than a spur, in the arms race. Given the Soviet stance, the debate on SDI is not a question of destabilization, as some have argued, but of restabilizing a situation already off balance.

Of course, SDI planners must ensure that the defensive systems are both survivable and cost effective. In other words, the system should neither encourage its own attack, nor act as an incentive to the Soviets to build up offensive weapons. However, to effectively overwhelm the defense systems of SDI, it has been estimated that the Soviets would have to spend $5 trillion over the next 5 or 10 years.

In addition to dispelling the misconception that SDI would constitute a militarization of space, I would like to debunk the notion that SDI would violate the ABM Treaty. Gerard Smith, chief U.S. negotiator of the treaty, reported in 1972 that the treaty would permit research and development of technologies based on different, possibly nonnuclear, physical principles. In other words, the United States would not be violating the ABM Treaty if we continue with SDI. Those who argue to the contrary seem to miss the point that SDI encompasses totally new technologies.

One final point: Before President Reagan gave his star wars speech, the research funds target for SDI-type projects in fiscal year 1986 totaled $2.8 billion in 1986 dollars—well above the $2.47 billion recommended by the Armed Services Committee. In essence, the President's initiative simply packages several ongoing defense research projects.

In conclusion, Mr. Chairman, I would like to point out the favorable effect of SDI on overall arms control efforts. Because SDI could eventually do away with the balance of fear, this country's only existing deterrent to the use of offensive nuclear weapons, arms control by reduction becomes possible. By balancing offensive capabilities against real strategic defense instead of the question mark of retaliation, SDI may lead to more effective arms control. In light of Soviet arms escalations, it is preferable to deny them their gains, rather than to try to outweigh them. SDI offers a unique opportunity to do so. Let's not be caught inside when there's a favorable technological forecast, like the strategic defense initiative.●

● Mr. WIRTH. Mr. Chairman, I rise in opposition to the McCurdy amendment. I believe the Midgetman program does not deserve accelerated research funding or a brickbat designation. At a time when many of our conventional weaponry needs remain unmet, it would be unwise to disproportionately concentrate the attention of our scientific community and defense industries on yet another strategic nuclear weapon.

I support continued research on Midgetman. It is important that we hedge against any technological breakthrough by the Soviet Union on small ICBM's.

Nevertheless, I see no need to place the development of Midgetman at the head of our priorities list. It is far from clear that the solution to our strategic nuclear dilemma lies with the land-based leg of our triad, especially with a small, mobile missile.

For example, Midgetman would most likely be subject to the same geographic restrictions as the MX was under the Carter administration racetrack plan. The missile's probable deployment zone would be limited areas of the Western plains which, although expansive, are still restrictive enough to permit a Soviet barrage attack on exposed mobile missiles and their launchers. At present, the pounds per square inch which Midgetman launchers could conceivably withstand is too low to survive a Soviet barrage attack. As with the MX in fixed Minuteman silos, Midgetman may be nothing more than a vulnerable ICBM.

This technical hurdle and others like it are not necessarily insurmountable. We should continue to address them with vigorous research and development efforts. But those efforts do not require the boost of a brickbat designation. The need of Midgetman is simply not that urgent. Right now, our air-based and sea-based legs of the triad make up the foundation of a formidable nuclear deterrent. And they are supplemented by a substantial land-based retaliatory deterrent.

With this deterrent force, there is no need to accelerate Midgetman's development, and certainly not its deployment. More importantly, we must focus the energy of our Defense Establishment on the production of the conventional armaments that comprise the real source of a strong defense. A brickbat designation for Midgetman diverts the Pentagon's and industry's attention away from the development of vital conventional weaponry.

Shifting our attention from conventional force improvements makes no sense when 1 trillion dollars' worth of defense budgets over the last 5 years has emphasized the rapid development of strategic nuclear weapons at the expense of our conventional forces. It makes no sense when we recognize that the way to avert the use of nuclear weapons is by improving the capabilities of our conventional forces to face the most likely threats from our adversaries. In meeting the conventional threat of the Soviet Union in Europe and other regional theaters, we lessen our reliance on nuclear weapons for the purpose of combating conventional assaults and thereby raise the nuclear threshold. We provide ourselves with far more flexibility in responding to any serious threat or crisis without resorting to nuclear weapons. A brickbat designation for Midgetman ignores these defense realities, and maintains the illusory assumption that strategic nuclear weapons development is more important for defense than the training and equipping of our troops with adequate conventional weaponry.

Mr. Chairman, I have one other concern about the brickbat designation—it implies the imminent deployment of Midgetman, which would be a direct violation of SALT II. Last week, many of us applauded the President's decision to adhere to the SALT II Treaty. It would be a tragic mistake for the House to take actions that place the SALT II arms control regime in jeopardy. We can continue to research and develop small ICBM technologies as a hedge against comparable Soviet development. But to restrain the arms race, we should not pursue the accelerated development of Midgetman.

Current Midgetman research and development is adequate to develop this small ICBM and hedge against a Soviet breakthrough in this area. We gain nothing by accelerating Midgetman's development, and may lose in other defense areas. I urge my colleagues to vote against the McCurdy-Gephardt amendment.●

● Mr. PRICE. Mr. Chairman, this amendment is a very simple, very straightforward attempt to help get the U.S. clothing industry off the floor. It is no secret to anyone that U.S. clothing manufacturing is in serious trouble, suffering from antiquated facilities and devastated by foreign competition.

This amendment sets aside $1 million from the budget of the Defense Logistics Agency to be used as seed money to develop a series of advanced textitle manufacturing demonstration facilities. These facilities will use the most modern technologies, bring down cost, and show how the U.S. textile industry can become competitive in the world market.

It will take 3 years to complete this project, and the total sum expected to be spent is around $9 million.

This amendment has the support of the Defense Logistics Agency, the various clothing and textile unions, and the textile caucus of the House.

I believe it is noncontroversial. It adds no new money to the bill, and promises to provide great benefit over the long run to almost every part of the Nation, particularly the North, East, and the South.

I hope the committee will accept this amendment.●

The CHAIRMAN pro tempore. All time has expired.

Pursuant to the limitation previously agreed to, each amendment is debatable for 20 minutes, equally divided and controlled by the proponent of the amendment and a Member opposed thereto.

The gentleman from California [Mr. DELLUMS] is recognized for 10 minutes.

Mr. DELLUMS. Mr. Chairman, I thank the Chair for yielding.

Mr. Chairman, we are now moving into the waning hour or so of this very significant and important debate. What I would like to do in the time that I have, and I will try not to take the 10 minutes, is to first explain what my amendment does and does not do, to try to explain the logic of the amendment and finally to explain what I perceive to be wrong with the SDI Program itself.

First, Mr. Chairman, the amendment before us is an amendment that would reduce the $2.5 billion committee recommendation with respect to the strategic defense initiative to the figure of $959.9 million.

Now, how we arrived at that figure, Mr. Chairman, was to decide to freeze at 1985 levels the basic research allocation for the strategic defense initiative, a concept or a principle that was established on the floor of this body when we debated the full budget a few weeks ago.

The strategic defense initiative is divided into three areas: Basic research, demonstrations and major experiments, and finally nuclear projects. What my amendment does is to fully fund the basic research in missile defense at 1985 levels, with two important and glaring exceptions. We do not allow research to go forward that

would allow us to develop a nuclear weapon in space.

No. 2, we would not allow basic research to go forward that would allow us to engage in energy conversion projects in space; in other words, an orbiting nuclear powerplant.

The essence of our amendment is to take us back to the SDI research that was going on over the last several years prior to the time that the President of the United States gave his now so-called star wars speech where he attempted to promise the American people an astrodome concept defending against nuclear weaponry.

Now, Mr. Chairman, what we are saying here is that basic research ought to go forward. We need to understand the potential breakout of the Soviet Union, the technology that they may engage in.

Finally, out of this research we may develop greater ways of finding new mechanisms for verification that would help us in negotiating and treaty construction; but we do not allow any money to go forward that would have us engage in the business of violating our ABM Treaty. We think this is extraordinarily important.

As a matter of fact, there are certain research projects that would not go forward; nuclear weapons in space and an orbiting nuclear powerplant that we believe not only violates the ABM Treaty, but the Outer Space Treaty and the Limited Test Ban Treaty.

Now, Mr. Chairman, why do we oppose SDI? A perfect defense population protection cannot be developed. All scientists have said this without equivocation; so this notion that was projected to the American people that in some way we can naively return to the days when there were no nuclear weapons, building some astrodome concept, is a flight into fantasy. A less than perfect defense supports first strike. If met with offensive capability, defensive systems give us a war fighting capacity, moving us beyond the concept of nuclear deterrents to the development of nuclear war fighting capability.

No. 3, the SDI is a program in search of a mission, Mr. Chairman. None of the missions so far make any sense to the rational mind and until a mission is clearly defined, escalating the program is wasteful and in my estimation incredibly dangerous.

I said that SDI threatens our ABM Treaty, our Outer Space Treaty and our Limited Test Ban Treaty. That in and of itself ought to be a reason why we pull back.

Without defense limits, there is no incentive for offensive limitation.

Next, Mr. Chairman, the cost of this program would be astronomical. Some people believe that we would be spending somewhere in the neighborhood of $1.5 trillion on this program. The strategic defense initiative would cost us a minimum of $70 billion before any full-scale development on deployment would even take place.

Now, we have deployment programs that have not cost us $70 billion. We would not even get the program off the research drawing board for anything less than $70 billion. Full-scale development could go into the hundreds of billions of dollars. The outcome would lead to an arms race in space.

Finally, Mr. Chairman, it would cause the Soviets to engage in the following, in my opinion, logical reaction to deployment of a strategic defense initiative.

No. 1. They would escalate rapidly their offensive missile capability.

No. 2. They would beef up their research in the strategic initiative defense area.

Now, in conclusion, Mr. Chairman, by pushing for the expansion of the arms race into a new technical area, we risk losing what may be one of our final opportunities to negotiate our way out from underneath the threat of nuclear annihilation. Like the failure to halt the MIRV which has brought us to this moment, let us not dilute ourselves into believing that this temporary advance that we have will remain for a long time.

Let us seize the opportunity to negotiate back from the threat of nuclear war, making appropriate and necessary cuts in this program. The best nuclear defense, Mr. Chairman, is no defense, but beyond that, a constructive dialog and negotiations with the Soviet Union, backing away from the brink of this kind of annihilation.

As Carl Sagan summarized eloquently and poetically and sharply this morning, other than the fact that the SDI system can be underflown with bombers, cruise missiles, et cetera, overwhelmed with massive numbers of offensive weapons, outfoxed with decoys and other smart bombs, cannot be run by human beings. Yesterday our experiment failed because of a computer malfunction. What about computer malfunctions when tens of millions of lives are at stake?

□ 1710

It would breach a number of arms control agreements that I have alluded to earlier. It could by itself trigger a nuclear war. Other than destruction of, potential destruction of the world, there is nothing wrong with this system. And having said that, Mr. Chairman, I urge support of my amendment and I yield back such time as I may have not consumed.

Mr. DICKINSON. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from California [Mr. DELLUMS].

The CHAIRMAN pro tempore. The gentleman from Alabama [Mr. DICKINSON] is recognized for 10 minutes.

Mr. DICKINSON. Mr. Chairman, I think to quote the words of the illustrious gentleman who has just spoken, and these are his words, "The best nuclear defense is no defense." I think that is exactly what he is offering in his amendment.

By reducing to $0.9 billion he is reducing by about half a billion the amount that was spent even last year. The amendment is unrealistic. As I say, it is less than last year by over 50 percent.

It gives no credible research and development program. It buys nothing and is thus wasteful. As a matter of fact, it is worse than nothing because we are wasting money if we go this way. And it seems to me it is no more than a ploy designed to kill the entire program, which gets back to the gentleman's original premise that the best nuclear defense is no defense at all, which is what this offers.

I ask that we vote the amendment down.

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentleman from California [Mr. DELLUMS] to the amendment offered by the gentleman from Illinois [Mr. PRICE].

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. DELLUMS. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 102, noes 320, not voting 11, as follows:

[Roll No. 176]

AYES—102

Ackerman	Ford (TN)	Oakar
Addabbo	Frank	Oberstar
Akaka	Garcia	Obey
Atkins	Gejdenson	Owens
AuCoin	Gonzalez	Pease
Bates	Gray (PA)	Penny
Bedell	Hall (OH)	Perkins
Bellenson	Hawkins	Rahall
Berman	Hayes	Rangel
Bonior (MI)	Hertel	Rodino
Bonker	Howard	Roybal
Boxer	Jacobs	Russo
Brown (CA)	Jones (NC)	Sabo
Bruce	Kastenmeier	Savage
Burton (CA)	Kildee	Scheuer
Carr	Kolter	Schneider
Clay	Kostmayer	Schroeder
Coelho	Leach (IA)	Seiberling
Collins	Lehman (CA)	Sikorski
Conyers	Lehman (FL)	Stark
Coyne	Leland	Stokes
Crockett	Levine (CA)	Studds
de la Garza	Lowry (WA)	Traficant
Dellums	Lundine	Traxler
Dingell	Markey	Vento
Downey	Matsui	Walgren
Durbin	Mavroules	Waxman
Dymally	McKinney	Weaver
Eckart (OH)	Miller (CA)	Weiss
Edgar	Mitchell	Wheat
Edwards (CA)	Moakley	Williams
Evans (IL)	Morrison (CT)	Wolpe
Foglietta	Mrazek	Yates
Ford (MI)	Nowak	Young (MO)

NOES—320

Alexander	Florio	McGrath
Anderson	Foley	McHugh
Andrews	Fowler	McKernan
Annunzio	Franklin	McMillan
Anthony	Frenzel	Meyers
Applegate	Frost	Mica
Archer	Fuqua	Michel
Armey	Gallo	Mikulski
Aspin	Gekas	Miller (OH)
Badham	Gephardt	Miller (WA)
Barnard	Gibbons	Mineta
Barnes	Gilman	Molinari
Bartlett	Gingrich	Mollohan
Barton	Glickman	Monson
Bateman	Goodling	Montgomery
Bennett	Gordon	Moody
Bentley	Gradison	Moore
Bereuter	Gray (IL)	Moorhead
Bevill	Green	Morrison (WA)
Biaggi	Gregg	Murphy
Bilirakis	Grotberg	Murtha
Bliley	Guarini	Myers
Boehlert	Gunderson	Natcher
Boggs	Hall, Ralph	Neal
Boland	Hamilton	Nelson
Boner (TN)	Hammerschmidt	Nichols
Borski	Hansen	Nielson
Bosco	Hartnett	O'Brien
Boucher	Hatcher	Olin
Boulter	Hefner	Ortiz
Breaux	Heftel	Oxley
Brooks	Hendon	Packard
Broomfield	Henry	Panetta
Brown (CO)	Hiler	Parris
Broyhill	Hillis	Pashayan
Bryant	Holt	Petri
Burton (IN)	Hopkins	Pickle
Bustamante	Horton	Porter
Byron	Hoyer	Price
Callahan	Hubbard	Pursell
Campbell	Huckaby	Quillen
Carney	Hughes	Ray
Carper	Hunter	Regula
Chandler	Hutto	Reid
Chappell	Hyde	Richardson
Chappie	Ireland	Ridge
Cheney	Jenkins	Rinaldo
Clinger	Johnson	Ritter
Coats	Jones (OK)	Roberts
Cobey	Jones (TN)	Robinson
Coble	Kanjorski	Roe
Coleman (MO)	Kaptur	Roemer
Coleman (TX)	Kasich	Rogers
Combest	Kemp	Rose
Conte	Kennelly	Roth
Cooper	Kindness	Roukema
Coughlin	Kleczka	Rowland (CT)
Courter	Kolbe	Rowland (GA)
Craig	Kramer	Rudd
Crane	LaFalce	Saxton
Daniel	Lagomarsino	Schaefer
Dannemeyer	Lantos	Schuette
Darden	Latta	Schulze
Daub	Leath (TX)	Schumer
Davis	Lent	Sensenbrenner
DeLay	Levin (MI)	Sharp
Derrick	Lewis (CA)	Shaw
DeWine	Lewis (FL)	Shelby
Dickinson	Lightfoot	Shumway
Dicks	Lipinski	Shuster
DioGuardi	Livingston	Siljander
Donnelly	Lloyd	Sisisky
Dorgan (ND)	Loeffler	Skeen
Dornan (CA)	Long	Skelton
Dowdy	Lott	Slattery
Dreier	Lowery (CA)	Slaughter
Duncan	Lujan	Smith (FL)
Dwyer	Lungren	Smith (IA)
Dyson	Mack	Smith (NE)
Early	MacKay	Smith (NH)
Eckert (NY)	Madigan	Smith (NJ)
Edwards (OK)	Manton	Smith, Denny
Emerson	Marlenee	Smith, Robert
English	Martin (IL)	Snowe
Erdreich	Martin (NY)	Snyder
Evans (IA)	Martinez	Solarz
Fascell	Mazzoli	Solomon
Fawell	McCain	Spence
Fazio	McCandless	Spratt
Feighan	McCloskey	St Germain
Fiedler	McCollum	Staggers
Fields	McCurdy	Stallings
Fish	McDade	Stangeland
Flippo	McEwen	Stenholm
Stratton	Torricelli	Wilson
Stump	Valentine	Wirth
Sweeney	Vander Jagt	Wise
Swift	Visclosky	Wolf
Swindall	Volkmer	Wortley
Synar	Vucanovich	Wright
Tallon	Walker	Wyden
Tauke	Watkins	Wylie
Tauzin	Weber	Yatron
Taylor	Whitehurst	Young (AK)
Thomas (CA)	Whitley	Young (FL)
Thomas (GA)	Whittaker	Zschau
Torres	Whitten	

NOT VOTING—11

Daschle	Luken	Sundquist
Dixon	Pepper	Towns
Gaydos	Rostenkowski	Udall
Jeffords	Strang	

□ 1730

The Clerk announced the following pair:

On this vote:

Mr. Dixon for, with Mr. Pepper against.

Mr. BOULTER changed his vote from "aye" to "no."

Messrs. DYMALLY, VENTO, COELHO, MAVROULES, LEHMAN of California, and HERTEL of Michigan changed their votes from "no" to "aye."

So the amendment to the amendment was rejected.

The result of the vote was announced as above recorded.

AMENDMENT OFFERED BY MR. MAVROULES TO THE AMENDMENT OFFERED BY MR. PRICE

Mr. MAVROULES. Mr. Chairman, I offer an amendment to the amendment.

The Clerk read as follows:

Amendment offered by Mr. MAVROULES to the amendment offered by Mr. PRICE: In lieu of the amount proposed to be inserted by the amendment to page 23, line 12, insert "$5,230,069,000".

Strike out the amendment proposed to be made to page 26, line 18, and insert in lieu thereof the following:

Page 26, strike out lines 18 through 22 (and redesignate the succeeding paragraphs accordingly).

At the end of title II (page 29, after line 14), add the following new section:

SEC. 207. STRATEGIC DEFENSE INITIATIVE.

(a) LIMITATION OF FY86 FUNDS FOR SDI TO FY85 LEVELS.—Of the funds appropriated or otherwise made available for the Department of Defense for fiscal year 1986 for research, development, test, and evaluation, not more than $1,397,299,000 shall be available for activities of the Strategic Defense Initiative Organization of the Department of Defense. Such funds shall be available only as follows:

(1) $376,399,000 for directed energy weapons.

(2) $255,950,000 for kinetic energy weapons.

(3) $99,000,000 for systems concepts and battle management.

(4) $112,000,000 for survivability, lethality, and key support technology.

(5) $545,950,000 for surveillance acquisition tracking.

(6) $8,000,000 for management headquarters functions.

(b) ACTIVITIES TO BE CONSISTENT WITH 1972 ABM TREATY.—The Secretary of Defense may not obligate funds appropriated or otherwise available for fiscal year 1986 for activities of the Strategic Defense Initiative Organization in any manner that is inconsistent with the 1972 Treaty on the Limitation of Anti-Ballistic Missile Systems between the Soviet Union and United States (the "ABM Treaty").

(c) LIMITATION ON SDI DEMONSTRATION PROJECTS.—Consistent with the announced objective of the President for the Strategic Defense Initiative as being "a broad research program", funds appropriated or otherwise made available for fiscal year 1986 for activities of the Strategic Defense Initiative Organization may not be used for any demonstration project under a Strategic Defense Initiative program.

Mr. MAVROULES (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The CHAIRMAN pro tempore. The gentleman from Massachusetts [Mr. MAVROULES] is recognized for 10 minutes.

Mr. MAVROULES. Mr. Chairman, the amendment that I offer here is an amendment to the amendment offered by the gentleman from Illinois [Mr. PRICE].

The CHAIRMAN pro tempore. The Chair would like to advise the Members that we have several amendments pending. Under the unanimous-consent request, each amendment receives 10 minutes for the proponents and 10 minutes for the opponents.

Mr. MAVROULES. Mr. Chairman, I am not going to go through the entire amendment because I had opportunity before, during the debate period, to articulate my position.

I do want to point out some highlights of the amendment, which I feel are very critical to the debate given here this afternoon.

Under my amendment, my fellow colleagues, there is a limitation of fiscal year 1986 funds for SDI to the 1985 levels. Of the funds appropriated or otherwise made available for the Department of Defense, for fiscal year 1986 for research, development, test, and evaluation, not more than $1 billion.

This is what my amendment, in essence, does. The funds shall be available only as follows: $376,399,000 for directed energy weapons; $255,950,000 for kinetic energy weapons; $99 million for systems concepts, and battle management; $112 million for survivability, lethality, and key support technology; and $545,950,000 for surveillance acquisition tracking; and $8 million for management headquarters functions.

The language in the amendment I believe is poignant to the argument put forth for the last 4 hours. There is a limitation on SDI demonstration projects consistent with the an-

nounced objective of the President of the United States for the strategic defense initiative as being a broad research program.

Mr. Chairman, the funds appropriated or otherwise made available for fiscal year 1986 for activities of the Strategic Defense Initiative Organization may not be used, and I want to repeat that, because that is the entire guts of the amendment—may not be used for any demonstration project under a Strategic Defense Initiative program.

Mr. Chairman, my amendment freezes SDI spending at last year's levels; nearly $1.4 billion; an enormous sum of money. It is a straight across-the-board freeze. It does not intend to micromanage, as I have listened to all afternoon, the SDI Program.

Rather, my purpose is to keep SDI consistent with the stated objectives of the President that SDI is a broad research program.

Mr. Chairman, I am going to deviate for a moment, and I am going to recognize some of my colleagues.

□ 1740

I think it is vitally important, Mr. Chairman and Members of the House, that we review what the report of the Congress on the strategic defense initiative of 1985 actually is. And on page 10, I ask you to review it. It states:

The research program begun by the President in his 1983 initiative would run into the early 1990's when decisions could be made by a future President and Congress on whether or not to enter into systems development. This research activity will be conducted within the constraints of our current treaty commitments.

And that is all that this amendment does at $1.4 billion.

I yield to the gentleman from Michigan [Mr. HERTEL].

Mr. HERTEL of Michigan. I thank the gentleman for yielding, and I thank the gentleman for his leadership and courage in this area.

Let me just add that the gentleman has pointed out that it is a freeze. This House has a lot of experience with freezes, especially the Members from the other side of the aisle. We have an amendment for a freeze for practically every program, and the gentleman has shown, especially in this area, why we should have a freeze, because throughout the long debate today, they cannot, they will not be able to tell us how long it will take, how much it will cost, what kind of a system it will be or if it will in fact ever work.

So I ask my colleagues to follow the gentleman from Massachusetts, as they did just 2 days ago, when we successfully limited the MX to 40 missiles. Follow his leadership and advice again.

Mr. MAVROULES. I thank the gentleman for his remarks.

Mr. VOLKMER. Mr. Chairman, will the gentleman yield?

Mr. MAVROULES. I yield to the gentleman from Missouri.

Mr. VOLKMER. I just wish to commend the gentleman for his leadership and for this amendment, and I rise in support of the amendment. It provides all of the funds that are actually necessary for research, and I commend the gentleman for his amendment.

Mr. MAVROULES. I thank the gentleman for his remarks.

Mr. DOWNEY of New York. Mr. Chairman, will the gentleman yield?

Mr. MAVROULES. I yield to the gentleman from New York.

(Mr. DOWNEY of New York asked and was given permission to revise and extend his remarks.)

Mr. DOWNEY of New York. Mr. Chairman, I, too, commend the gentleman. The sad history of the arms race has been that since the invention of the A-bomb there are those who believe that the next generation of weapons will provide us with more security, and we see that being played out here once again, that there is a technological fix to the faults of the superpowers, that somehow we can erect an impenetrable barrier or a point defense that will provide us ultimate security from the Soviet Union. It is a monstrous illusion. It is as flawed as the thinking that went into the development of the H-bomb and the other 50,000 nuclear weapons that dot our planet.

I urge that the gentleman's amendment be supported and that we get on with this.

Mr. MAVROULES. I thank the gentleman from New York.

Mr. BERMAN. Mr. Chairman, will the gentleman yield?

Mr. MAVROULES. I yield to the gentleman from California.

Mr. BERMAN. I thank the gentleman for yielding.

Mr. Chairman, for the sake of arms control and for the sake of national security, Congress should reject the administration's huge increases in spending on the strategic defense initiative. This initiative serves a useful purpose only if it remains at the level of basic research.

There might be some merit in a larger program if the administration would use it as a bargaining chip in Geneva. Our negotiators could use star wars as leverage to obtain Soviet agreements to strengthen the Anti-Ballistic Missile Treaty and significantly reduce offensive missiles. But nothing in the administration's statements or in its actions over the last 5 years indicate the flexibility to negotiate limits to a new weapons system.

We cannot run the risk of funding this program in the hope the administration will see the light and negotiate limits before it has gone too far. The consequences for arms control would be too devastating if the bargaining chip were never used and the program proceeded.

As General Scowcroft has argued, star wars will hopelessly complicate arms control. Unfettered development of space-based weapons will eliminate the likelihood that the U.S.S.R. will assent to any limitations on offensive forces.

Our negotiators and representatives from the Soviet Union are talking again in Geneva. But our side's present unwillingness to negotiate responsible limits on star wars testing and deployment threatens the slim chances those talks have. The threat this initiative represents for the Soviets makes them unlikely to want to negotiate limits on their offensive weapons systems in the absence of talks on star wars.

There is no evidence that a space-based defense could survive a Soviet attempt to overwhelm it through the building of more multiple, independently targeted offensive weapons. In that sense, this initiative will not make Soviet weapons obsolete. It will just encourage the Soviets to build more of them.

The President's proposal poses a clear and present danger to the Anti-Ballistic Missile Treaty. Under the terms of the treaty, both this country and the Soviet Union agreed to strictly limit the development and deployment of antiballistic missile defenses. Such development and deployment is the ultimate purpose of the proposal to dramatically increase spending on this research program. A significant portion of the increase is slated for engineering demonstration projects.

The Anti-Ballistic Missile Treaty was the first agreement reached between this country and the Soviets for the elimination of a class of nuclear weapons. When we signed the treaty in 1972, it meant that both sides had agreed to refrain from building full-scale defensive weapons systems.

The continued sanctity of the Anti-Ballistic Missile Treaty affords the United States a strong precedent of successful arms control to serve as a foundation from which to seek further agreements with the Soviets. The arms control process has had few victories; we should not toss this victory away in the chase after a mirage.

The rationale for the Anti-Ballistic Missile Treaty still applies. Neither side profits from a two-front arms race, a bankrupting exercise in building weapons, then building weapons that defend weapons and weapons that foil weapons defenses, and so on through to the poor house. Carrying that competition into space sends the cost of the race into the stratosphere.

If the United States sets off a race in space-based weapons, the ultimate price will be our own security. Even the administration's experts do not be-

lieve this program can produce a perfect shield against nuclear attack. But a parallel Soviet system could greatly blunt United States retaliation to a surprise first strike. If the Soviets adopt star wars, American deterrence will suffer. This creates a dangerous incentive for a Soviet first strike.

The President presented this initiative as a unilateral path to elimination of the nuclear threat, but it is no more responsible and no more likely to succeed than unilateral disarmament.

Finally, this initiative is disastrous management policy. Six months into the present fiscal year, the strategic defense initiative organization has spent less than 9 percent of its budget. Authorization at this increased level is an open invitation to match the wasteful spending record that the Pentagon has set under the Reagan administration.

For all these reasons, I support the Mavroules amendment to ensure that spending on space research continues at responsible, lower levels.

Mr. DELLUMS. Mr. Chairman, will the gentleman yield?

Mr. MAVROULES. I yield to the gentleman from California.

Mr. DELLUMS. I thank the gentleman for yielding.

Mr. Chairman, I simply would first like to congratulate my colleague and commend him on his leadership and his involvement in the terribly important issue that faces the body and the Nation and the world.

Second, Mr. Chairman, I would like to thank all of the Members who supported the Dellums amendment and urge each one of the Members who voted in support of that amendment to support the Mavroules amendment.

The difference between my amendment and the amendment offered by the gentleman from Massachusetts [Mr. MAVROULES] is simply that he attempted to restrict ABM violations to statutory language. We took out the money. The gentleman and I are trying to go down the same road and deserve support, and I hope all of the Members will support the gentleman's amendment.

Mr. MAVROULES. I thank the gentleman from California for his kind remarks.

Mr. Chairman, I am once again going to ask all of the Members to dig real deep on this one. It is a good amendment. I think the Members understand that, I think they know that.

Mr. DICKINSON. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, being as brief as I can, let me say that, while the proponents and the gentleman offering the amendment say that this was not an attempt at micromanaging, I think that just a cursory review of the amendment shows that it is. The gentleman delineates and spells out how the money is to be spent. It is just as clear as it could be. He says so much shall be spent for directed energy, so much for kinetic energy, so much for systems concepts and battle management, so much for survivability, lethality and key support technology, and for headquarters functions, et cetera.

We are getting into the management itself of the program here in the Congress.

In another amendment that will be offered we will give flexibility to the program director that as promise is shown in the various areas of research and development they can go where promise is shown and stop spending money where they are not getting the results that are anticipated.

We are faced in this amendment with worse than no growth. What we would do would be to abrogate existing contracts, we would have not only no growth but the effect of this would be to wreck the entire program.

So 1.4 is entirely unrealistic. Our committee, the Research and Development Subcommittee, came up with what we thought was a reasoned approach, reasonable, that the Members of this body will be able to vote on in just a moment, which is $2.5 billion, which is a reasonable approach that would allow them at last year's level to proceed on this year with no new starts. That is what we are asking for. Not this amount, nothing less than $2.5 billion. I would urge a no vote on this.

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentleman from Massachusetts [Mr. MAVROULES] to the amendment offered by the gentleman from Illinois [Mr. PRICE].

The question was taken; and the Chairman pro tempore announced that the ayes appeared to have it.

RECORDED VOTE

Mr. COURTER. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 155, noes 268, not voting 10, as follows:

[Roll No. 177]

AYES—155

Ackerman	Carr	Feighan
Addabbo	Clay	Florio
Akaka	Coelho	Foglietta
Anderson	Collins	Foley
Annunzio	Conte	Ford (MI)
Anthony	Conyers	Ford (TN)
Applegate	Cooper	Frank
Atkins	Coyne	Garcia
AuCoin	Crockett	Gejdenson
Barnes	de la Garza	Gibbons
Bates	Dellums	Glickman
Bedell	Dingell	Gonzalez
Beilenson	Dorgan (ND)	Gray (PA)
Berman	Downey	Guarini
Bonior (MI)	Durbin	Hall (OH)
Bonker	Dwyer	Hawkins
Borski	Dymally	Hayes
Boucher	Early	Hertel
Boxer	Eckart (OH)	Howard
Brooks	Edgar	Jacobs
Brown (CA)	Edwards (CA)	Jones (NC)
Bruce	Evans (IL)	Kaptur
Burton (CA)	Fazio	Kastenmeier
Kennelly	Moakley	St Germain
Kildee	Moody	Staggers
Kleczka	Morrison (CT)	Stark
Kolter	Mrazek	Stokes
Kostmayer	Murphy	Studds
LaFalce	Nowak	Swift
Lantos	Oakar	Synar
Leach (IA)	Oberstar	Torres
Lehman (CA)	Obey	Torricelli
Lehman (FL)	Owens	Traficant
Leland	Panetta	Traxler
Levin (MI)	Pease	Udall
Levine (CA)	Penny	Vento
Lowry (WA)	Perkins	Volkmer
Lundine	Rahall	Walgren
MacKay	Rangel	Watkins
Manton	Rodino	Waxman
Markey	Rose	Weaver
Martinez	Roybal	Weiss
Matsui	Russo	Wheat
Mavroules	Sabo	Williams
McCloskey	Savage	Wirth
McHugh	Scheuer	Wise
McKinney	Schneider	Wolpe
Mica	Schroeder	Wyden
Mikulski	Schumer	Yates
Miller (CA)	Seiberling	Yatron
Mineta	Sikorski	Young (MO)
Mitchell	Solarz	

NOES—268

Alexander	Dreier	Kolbe
Andrews	Duncan	Kramer
Archer	Dyson	Lagomarsino
Armey	Eckert (NY)	Latta
Aspin	Edwards (OK)	Leath (TX)
Badham	Emerson	Lent
Barnard	English	Lewis (CA)
Bartlett	Erdreich	Lewis (FL)
Barton	Evans (IA)	Lightfoot
Bateman	Fascell	Lipinski
Bennett	Fawell	Livingston
Bentley	Fiedler	Lloyd
Bereuter	Fields	Loeffler
Bevill	Fish	Long
Biaggi	Flippo	Lott
Bilirakis	Fowler	Lowery (CA)
Bliley	Franklin	Lujan
Boehlert	Frenzel	Lungren
Boggs	Frost	Mack
Boland	Fuqua	Madigan
Boner (TN)	Gallo	Marlenee
Bosco	Gekas	Martin (IL)
Boulter	Gephardt	Martin (NY)
Breaux	Gilman	Mazzoli
Broomfield	Gingrich	McCain
Brown (CO)	Goodling	McCandless
Broyhill	Gordon	McCollum
Bryant	Gradison	McCurdy
Burton (IN)	Gray (IL)	McDade
Bustamante	Green	McEwen
Byron	Gregg	McGrath
Callahan	Grotberg	McKernan
Campbell	Gunderson	McMillan
Carney	Hall, Ralph	Meyers
Carper	Hamilton	Michel
Chandler	Hammerschmidt	Miller (OH)
Chappell	Hansen	Miller (WA)
Chappie	Hartnett	Molinari
Cheney	Hatcher	Mollohan
Clinger	Hefner	Monson
Coats	Heftel	Montgomery
Cobey	Hendon	Moore
Coble	Henry	Moorhead
Coleman (MO)	Hiler	Morrison (WA)
Coleman (TX)	Hillis	Murtha
Combest	Holt	Myers
Coughlin	Hopkins	Natcher
Courter	Horton	Neal
Craig	Hoyer	Nelson
Crane	Hubbard	Nichols
Daniel	Huckaby	Nielson
Dannemeyer	Hughes	O'Brien
Darden	Hunter	Olin
Daub	Hutto	Ortiz
Davis	Hyde	Oxley
DeLay	Ireland	Packard
Derrick	Jenkins	Parris
DeWine	Johnson	Pashayan
Dickinson	Jones (OK)	Petri
Dicks	Jones (TN)	Pickle
DioGuardi	Kanjorski	Porter
Donnelly	Kasich	Price
Dornan (CA)	Kemp	Pursell
Dowdy	Kindness	Quillen

Ray	Shuster	Tallon
Regula	Siljander	Tauke
Reid	Sisisky	Tauzin
Richardson	Skeen	Taylor
Ridge	Skelton	Thomas (CA)
Rinaldo	Slattery	Thomas (GA)
Ritter	Slaughter	Valentine
Roberts	Smith (IA)	Vander Jagt
Robinson	Smith (NE)	Visclosky
Roe	Smith (NH)	Vucanovich
Roemer	Smith (NJ)	Walker
Rogers	Smith, Denny	Weber
Roth	Smith, Robert	Whitehurst
Roukema	Snowe	Whitley
Rowland (CT)	Snyder	Whittaker
Rowland (GA)	Solomon	Whitten
Rudd	Spence	Wilson
Saxton	Spratt	Wolf
Schaefer	Stallings	Wortley
Schuette	Stangeland	Wright
Schulze	Stenholm	Wylie
Sensenbrenner	Stratton	Young (AK)
Sharp	Stump	Young (FL)
Shaw	Sundquist	Zschau
Shelby	Sweeney	
Shumway	Swindall	

NOT VOTING—10

Daschle	Luken	Strang
Dixon	Pepper	Towns
Gaydos	Rostenkowski	
Jeffords	Smith (FL)	

□ 1800

The Clerk announced the following pairs:

On this vote:

Mr. Dixon for, with Mr. Pepper against.

Mr. Smith of Florida for, with Mr. Strang against.

Mrs. ROUKEMA and Mr. DICKINSON changed their votes from "aye" to "no."

Mr. KLECZKA changed his vote from "no" to "aye."

So the amendment to the amendment was rejected.

The result of the vote was announced as above recorded.

The CHAIRMAN. The Chair recognizes the gentleman from New Jersey [Mr. COURTER] for 10 minutes in support of his amendment.

Mr. COURTER. Mr. Chairman, my amendment calls for a research and development effort of $3.7 billion for strategic defense, and I think we can get through this without taking the full amount of time on both sides. I know that I want to accommodate everybody here.

It was said, very interestingly, by the gentleman from California [Mr. DELLUMS], and his was one thing that I agreed wholeheartedly with the gentleman from California on, that very probably there would be a computer error one day and millions of lives would be lost. I agree with that.

I would suggest that states do not always act rationally. Unless we have adequate research and development, the dream of defending ourselves from a nuclear holocaust by mistake if not design, by accident if not on purpose, will be totally eliminated.

There are a number of people here who feel that $3.7 billion is a large sum of money in comparison to what we were spending in 1983 before the President's speech in these technology areas. They assume that we were spending no money before March 23, 1983, in this effort.

The truth of the matter is that we were spending a substantial sum of money in the technology that has dual uses, that has importance for early warning so we can know precisely, if indeed there is a Soviet attack, spending a great deal of money in the ability to defend our satellites against a Soviet antisatellite weapon. The total sum of the technologies, if you put them together and that we would be spending today, would be approximately $2.5 to $2.8 billion. Otherwise said, if there was no response to the President's statement of March 23, 1983, then today, in 1986, we would be spending in these technology areas approximately $2.8 billion.

So any type of cut or any type of vote that goes less than that $2.8 billion is a negative response to the President's request. It is lessening the sum of money.

I have a graph to my left and it shows what was requested by the Fletcher Commission in 1982-83 as what was minimally necessary for doing a robust research and development effort so we can know in 1989 as to whether these systems are deployable, whether the technology is achievable, whether the individual systems are survivable, and whether also they cannot be overwhelmed, that is on the margin defenses versus offensive.

□ 1810

They concluded that we had to spend money on that green line, that scale, in order to make a decision in 1989. If we spend less money than was recommended by the Fletcher Commission panel, a bipartisan group of individuals that had not politics in mind but only the safety of the American people, then what we are going to do is not have the answer in 1989. We will not know in 1989. We will guarantee that this will be a research effort that will go on and on and on with no result.

If we underfund this effort today and 1989 comes and we do not have the answers, as we surely will not, then those opponents of moving toward defensive weapons, away from the MAD doctrine of mutual retaliation and threat, will say, "You didn't have the answer in 1989. You promised us we would have the answer in 1989, and we don't. So all the money is wasted."

Let me say to the Members that we have got to fully fund this thing so this body will have the tools and the knowledge to make the most fundamental decision that this country has ever made. Will we one day move toward defensive systems? We want to know in 1989; we do not want to wait until 1994, 1996, or 1998 to find out.

Mr. KEMP. Mr. Chairman, will the gentleman yield?

Mr. COURTER. I yield to the gentleman from New York.

Mr. KEMP. Mr. Chairman, I appreciate the gentleman's yielding. Strongly support this effort to fully fund the Presidents' strategic defense initiative.

I want to make one other point, along with the oustanding rationale that the gentleman from New Jersey has provided, in support of the fully funded SDI for 1986.

The other point is this: We have seen, since the ABM Treaty and SALT I and indeed the unratified SALT II, a massive buildup by the Soviet Union in so-called peacetime to develop a strategic first-strike capability, the likes of which is really unprecedented. As the President has reported to Congress, they have violated the ABM Treaty, and are on the verge of a breakout potential. They have violated SALT I and SALT II, through the development of two new ICBM's—which the treaty only permits one—the deployment of the SS-16, encryption of telemetry, and in numerous other respects.

It seems to me imperative that we fully support the one program that will not only force the Soviets to the table—and I think many Members on both sides of the aisle agree with that statement—but indeed make them begin to respond with some degree to seriousness to the President's desire to reduce arms. It seems to me fully funding SDI is the quickest, most efficient, and most effective thing this Congress can do to convey our determination to reverse the adverse strategic trends and to negotiate from a position of strength. That will give us an opportunity to truly reach that point at which we can really begin to see nuclear weapons and nuclear wars become obsolete weapons and things of the past.

Mr. Chairman, I have been a cosponsor and a major sponsor of this effort, and I appreciate the leadership that the gentleman from New Jersey has given us on this issue. I hope that our colleagues will reconsider the effort that the gentleman from New Jersey is making to fully fund this program and advance this research program that is so important to the safety and security of ourselves and our allies.

Mr. BARTON of Texas. Mr. Chairman, will the gentleman yield?

Mr. COURTER. I yield to the gentleman from Texas.

(Mr. BARTON of Texas asked and was given permission to revise and extend his remarks.)

Mr. BARTON of Texas. Mr. Chairman, I rise in support of the Courter amendment to the Department of Defense authorization. The security of this Nation and the world depends on the development of the Strategic Defense Initiative. We must proceed with full funding of this vital effort.

Criticisms of the SDI Program seem to center on two areas. The first criticism is that the SDI is technologically unfeasible. Proponents of this viewpoint frequently site the Union of Concerned Scientists report that SDI is "unattainable." The UCS pointed out many logistical and fiscal reasons why the Star Wars Program was unworkable. If the allegations of the UCS are correct then there is truly no point in pursuing SDI any further. Unfortunately for those who base their arguments on the UCS report—the conclusions of the report are dead wrong.

Allow me to give several examples of the type of errors that exist in the UCS report. The final barrier against Soviet ICBM's are the interceptor missiles which will be placed around our missile bases to shoot down incoming missiles. According to defense planners, we would need 5,000 of these "smart missiles" to adequately defend our missile silos and command posts. The UCS report concluded that we would need 240,000 interceptor missiles. How did this huge discrepancy arise? The UCS in its calculations assumed that each of the protected sites would have to have enough missiles in place to defend the site if the Soviets launched their entire missile fleet at that one site. Now we may accuse the Soviets of many things, but no one accuses them of being completely irrational. It would be military suicide for the Soviets to launch their entire missile fleet against one silo.

Other examples of faulty reasoning abound. The UCS solemnly announced that the SDI Program would require 2,400 satellites in space to insure a reasonable level effectiveness. At about a billion dollars per satellite that would tend to rule out the SDI Program because of the huge expense. Unfortunately for the concerned scientists, the real number of satellites required according to the defense experts is about 90. The UCS has since lowered its estimate to 300 satellites. This correction, unfortunately did not receive the same amount of publicity as the original findings.

These examples are taken from an excellent article by Robert Jastrow. Dr. Jastrow is the founder of the Goddard Space Institute for Space Studies which does research for NASA. His article is written in layman's language and explains in a simple and concise manner the theory and technology of the SDI. I understand the article has been submitted for the record and I highly recommend it to anyone who is interested in the true facts about this fascinating new technology.

The second major criticism of SDI is that it will lead to an acceleration of the arms race and the militarization of space. The proponents of this point of view certainly deserve the wishful thinking award to make this point. The fact is that the Soviets are not holding back from their own strategic defense research for fear of accelerating the arms race. Their own arms increases are the very reason we must have the SDI to protect ourselves. The Soviets currently spend 40 percent of their defense budget on strategic defense. They currently have 10,000 surface-to-air missiles in place. The infamous Krasnoyarsk radar, a clear violation of the Salt II accord, is a huge antiballistic installation in central Russia.

The Soviets have increased their number of ICBM missiles by 3,000 since Salt II was agreed upon. They can increase the ICBM's by 3,000 more and still be within the limits of Salt II. If this is arms control, perhaps we would be better off without it. Arms control treaties have not halted the arms race. We have already tried unilaterally halting our missile development and our chemical weapons development. The Soviets accelerated their arms buildup in response.

The record is clear. The Soviets cannot be relied upon to live up to their word. We cannot trust them to live up to arms control agreements. We must pursue a defense that will insure peace and mutual security for ourselves and our allies. I urge adoption of the Courter amendment.

Mr. HUNTER. Mr. Chairman, will the gentleman yield?

Mr. COURTER. I yield to the gentleman from California.

Mr. HUNTER. Mr. Chairman, I thank my colleague for yielding, and I also commend him for his excellent rationale in support of full funding for SDI. I commend also the other cosponsors, the gentleman from New York [Mr. KEMP] and the gentleman from California [Mr. DORNAN].

Let me simply say to my colleagues who say that this is going to bump the ABM Treaty that Paul Nitze put together the ABM Treaty and he says it does not. There is nothing in the ABM Treaty that constrains us from at least testing the idea of whether we can defend the United States or not. If it does, then our own early warning system that we have right now in fact violates ABM, and the homing overlay experiment violates ABM.

There is nothing violative of ABM in full funding for SDI in the program that the gentleman has laid out, and I urge all my colleagues to vote for full funding.

Mr. COURTER. Mr. Chairman, I thank the gentleman for his comments.

Mr. Chairman, if I may finish now, the point I want to make now is that when the Strategic Defense Office was put together, various programs that were preexisting were scraped up and put under one roof. The irony of what is happening today is that in fact we have an attractive target in SDI.

In order to fund these programs with a modest 30 percent in addition, in order to have some response to the President's plea, we need full funding, $3.7 billion, so we can have answers in 1989. Let us not make sure that we guarantee a research program that lasts forever. Let us make sure that we have an answer in 1989 so we can make an informed decision as to whether we want to deploy defensive systems.

The CHAIRMAN pro tempore. The time of the gentleman from New Jersey [Mr. COURTER] has expired.

The Chair recognizes the gentleman from Wisconsin [Mr. ASPIN].

Mr. ASPIN. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I rise in opposition to the amendment, and I yield to the gentlewoman from Maryland [Mrs. BYRON].

Mrs. BYRON. Mr. Chairman, I thank the gentleman for yielding.

Let me say, first of all, that I am a strong supporter of the concept of SDI. I do not think there is any Member in this Chamber who does not believe we need to go forward with research and development. Yet at this time, when we have debated day in and day out a freeze and debated day in and day out the budget deficits, I find it very difficult to support a $3.7 billion funding for SDI. It is not a good idea.

I think the funding includes every thing. It includes ideas and concepts that even the White House staff has recommended against. For example, over $100 million in this budget for mid-infrared advanced chemical laser. Congress killed this program over 2 years ago. The President's own scientific advisers have said of this technology, "We would be better off spending the money building nature trails in the national parks." I have six national parks in my district.

Let me say that we have a responsibility within this body to meet our budget priorities. We have responsibilities as members of the Committee on Armed Services to come up with what we figure is a rational plan. This committee has come out with a $2.5 billion projection for SDI. To increase it on the floor of this House, after the long debate that we have had, is, I think, the wrong move and sends the wrong signal.

Mr. Chairman, I oppose the Courter amendment.

Mr. PEASE. Mr. Chairman, will the gentleman yield?

Mr. ASPIN. I yield to the gentleman from Ohio.

Mr. PEASE. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, because I am skeptical about the feasibility of SDI from a scientific and technological point of view, I am voting today for all amend-

ments to trim SDI funding down to the amount needed for continuation of basic research. There are simply too many unanswerable questions to justify plunging ahead with major funding.

Amidst all of the claims and counterclaims being made on the floor about SDI, it would be instructive for more Members to carefully read the following brief commentary that Flora Lewis wrote about the current state of what is known and not known about SDI and its potential ramifications:

OFFENSE AND DEFENSE—SORTING OUT THE "STAR WARS" ISSUES

PARIS.—The "Star Wars" argument is burgeoning. It is being conducted on so many levels, inherently contradictory, that the heat obscures light. They need to be sorted out and judged separately.

The issue of offense and defense regarding strategic missiles is certainly a valid subject for debate. It is not new. In the past, proposals for defense were generally dismissed because they didn't seem viable. Strategists felt obliged to rely on the threat of retaliation to prevent war.

Now, technological advance revives the debate in new terms. Offensive missiles are enormously more accurate, increasing the danger that a first, pre-emptive strike can overwhelm the ability to retaliate. That is the so-called "window of vulnerability," which either never existed or still is open. It has not been closed by weaponry, only by rhetoric.

On the level of strategic analysis, the proponents of defense now argue that the "window" can be closed with new weapons in space and on land to destroy attacking missiles. They do not claim, as President Reagan has said, that this would remove the nuclear menace. They only claim that it would make the threat of retaliation with offensive missiles, deterrence, more credible.

Opponents argue that it would accelerate the arms race, on earth as well as in space, and increase the danger of pre-emptive war. They say attempted defense, which could protect only some missiles and not cities, would stimulate additions to already absurd offensive arsenals. No reductions would be likely. And defense is enormously more costly.

On the level of technology, proponents admit the defensive ideas are far out. But they say let's start, we can protect at least some missiles, and you never know what scientists can do if you give them enough money. Opponents admit that it is prudent to continue modest research, but they say the prospects aren't good enough to risk a crash effort, which could provoke war in the meantime. The scientific debate is useful, but it is misleading to mix it up with strategy, diplomacy, politics and emotion.

On the level of diplomacy, proponents say Mr. Reagan's Strategic Defense Initiative is what brought Moscow to negotiate, so it's already proved its value. Opponents say this isn't necessarily so. We don't really know Moscow's reasons. Soviet no-talk, war-scare policy was counter-productive, and there's been a change of leadership. Besides, Star Wars is merely a bargaining chip to be negotiated away, or a real asset to pursue. It can't be both.

The Sunday New York Times Magazine article by Zbigniew Brzezinski, Robert Jastrow and Max Kampelman urging strategic defense claims that is both. Presumably that's a compromise among the authors, another example of the contradictory mix in the arguments.

On the level of politics, which comes closer to the heart of the current debate, proponents argue that arms control is too difficult and too unreliable not to seek an active defense. They seldom explain their underlying reasons, too ugly to publicize. One school holds that war is inevitable, and the United States must prepare to "prevail." Norman Podhoretz, for example, veils this reasoning with analogies to the 1930's appeasement of Nazi Germany and Japan.

Another school holds that the United States can prevail without war by outspending and out-inventing the Russians. Another lap in the arms race, in this view, will leave Moscow pleadings for relief.

Opponents argue that we have to live with the Russians, without liking them, and it is better to seek agreements. Intensifying the arms race heightens the danger of conflict, and the cost will undermine the sturdiness of American society.

Finally, there is the level of sheer emotion and wish-dream. Mr. Reagan says his program will make nuclear weapons "impotent and obsolete," removing the "immoral" reliance on threats to deter war. Nobody else informed says that. It would be lovely if future generations could achieve it, providing their attempt didn't encourage other forms of mass destructive war.

But if there's any real possibility, it's too far away to include in contemporary grounds for judgment.

There is too much at stake to muddle the public with deliberately confused argument. The scientists have a long way to go before they can settle the question of feasibility. Meanwhile, the rest of us have every reason to be cautious and dubious. Defense is appealing, but for now it's an illusion that could block the search for peace.

Mr. DICKS. Mr. Chairman, will the gentleman yield?

Mr. ASPIN. I yield to the gentleman from Washington.

Mr. DICKS. Mr. Chairman, I rise in opposition to funding the strategic defense initiative at $3.7 billion.

That would be nearly a 300-percent increase in this funding. I think that would lead inevitably to vast amounts of wasted resources.

Last year and during this year in the testimony we heard from a number of witnesses, including four or five Secretaries of Defense, who suggested that on R&D programs a 35-percent increase is about as much as they can rationally spend, and that when you go above that, all you do is wind up wasting money.

So let us find out if SDI works, but let us do it in a more rational, patient way and not see the kind of squandering of resources that we have witnessed from defense contractors all over this country, where we have seen these overhead charges and small-parts scandals. We are going to open ourselves up to that same kind of problem if we increase this from $1.4 billion all the way up to $3.7 billion.

I also believe that we will get ourselves in trouble with the ABM agreement because there will be full funding for various demonstrations, and that is going to get us in trouble with ABM. Even though the administration says it will not violate the ABM agreement, I think that this amendment does not carry with it the language that is in the Holt amendment and in the Dicks amendment that says we will not violate the ABM agreement.

Mr. BOULTER. Mr. Chairman, will the gentleman yield?

Mr. ASPIN. I yield to the gentleman from Texas.

Mr. BOULTER. Mr. Chairman, I rise in strong support of the amendment offered by our colleague, JIM COURTER.

Since the President introduced his strategic defense initiative proposal to the public over 2 years ago, we have endured a whole litany of reasons why we should not pursue this essential defensive system. The arguments have ranged from contentions that "it won't work," to more esoteric ones suggesting that the viability of our sacred cow, the ABM Treaty, will be jeopardized if we move forward with SDI.

First off, the technology is not some "pie in the sky," Buck Rogers ray gun. In fact, much of the technology already exists. The appropriate level of funding, as requested by the administration, will enhance what we already know and allow us to solve the engineering challenges that remain. With regard to the ABM Treaty, it should be made perfectly clear that this research funding does not in any way violate the treaty. Furthermore, it should be noted that the Soviets have flagrantly violated the ABM Treaty and have already developed several defensive systems. For the United States not to develop its own system is an act of irresponsibility that endangers our national security.

Our present doctine of deterrence is based on the notion that our destruction and that of the Soviet's is mutually assured. Frankly, I would have to admit that I have never been comfortable with or assured that this doctrine has any lasting value. The architects of MAD, as it is called, wrongly assumed that the Soviets would stop building nuclear missiles once they achieved parity with the United States. Needless to say, this has not occurred, just as the ABM Treaty has not stopped them from pursuing defensive superiority. It's time we abandoned the mindset that advocates we abide by treaties even when the Soviet Union is in flagrant violation of them. Perhaps had the Soviets adhered to the ABM Treaty we would not be faced with the imminent need for a defensive system at this time.

Above and beyond that, however, I must say that I find the whole doctrine of MAD to be conceptually flawed and obsolete in the present context. And the present value of an agreement, of course, is how we must judge the merit of our treaties. Are they viable today? Do they serve our

needs, or do they lock the United States into an inferior position vis-a-vis the Soviets? These are fundamental questions we must ask ourselves, for treaties are not immutable laws of nature.

What I find truly maddening about the doctrine of MAD is the fact that it provides the United States with no defense against a preemptive or accidental nuclear strike against us. Imagine, if you will, that Soviet ICBM's are confirmed by radar to be headed over the Arctic Circle toward the United States. We do not know whether or not they have been launched accidentally or intentionally. It doesn't really matter. At this point, the President is faced with deciding whether or not to retaliate. This question becomes somewhat academic. Either way millions of Americans will die, because there is no way of stopping the missiles once they have been launched.

Now, I hope my colleagues will give this scenario some long and hard thought and ask yourselves this question: Should we remain in the precarious position of not being able to stop even one stray nuclear missile, which could kill millions of innocent people, or should we develop a system that may be able to thwart such a nightmare?

I think the answer is obvious to anyone who truly desires peace and security. Yes, we must go ahead with the SDI, and yes, it is imperative that the United States develop the SDI to its fullest extent, and as soon as possible. The Soviets have never accepted the MAD doctrine. And while we have left ourselves vulnerable, the Soviets have embarked on a massive campaign to buildup their defenses. Since the signing of the ABM Treaty in 1972, the Soviets have spent as much or more on defensive weapons research than on offensive weapons. The Soviets, in clear violation of the ABM Treaty, have constructed the Krasnoyarsk radar in Siberia. This is supplemented by four other ABM radars and the expansion of Moscow's radar and missile defense system. The United States, having abided by the ABM Treaty, is far behind the Soviet Union, and it is now time that the United States act.

We have lived under the threat of nuclear war for the last three decades. Finally our technology appears to be on the verge of offering us a system that protects lives, rather than one that endangers them. I have great hope that the SDI will reduce the threat of nuclear war and, eventually, make nuclear weapons obsolete. I strongly urge my colleagues to support the Courter amendment.

Mr. AuCOIN. Mr. Chairman, will the gentleman yield?

Mr. ASPIN. I yield to the gentleman from Oregon.

Mr. AuCOIN. Mr. Chairman, I appreciate the gentleman's yielding.

Mr. Chairman, I hope that my colleagues understand that SDI funded at the committee's funding level represents the largest R&D project in the 1986 defense bill; and that is at the committee's funded level.

□ 1820

On the contrary, the amendment of the gentleman from New Jersey I would characterize as being the open checkbook theory to defense procurement. You got an idea, we got the checkbook and we will write out the check. Clearly, we ought to have more sense than that.

Mr. DICKS. Mr. Chairman, will the gentleman yield?

Mr. AuCOIN. I yield to the gentleman from Washington.

Mr. DICKS. Mr. Chairman, even in the other body which is dominated by the other party, they only went at $2.9 billion; so I would completely concur with the gentleman. This would be an absolute throwing of money at the problem. It is the kind of mistake we have made in other areas in past administrations.

Mr. ASPIN. Mr. Chairman, I yield to the gentleman from Oregon [Mr. AuCOIN].

Mr. AuCOIN. Mr. Chairman, if we are serious about budget deficits, if we are serious about not being budget-busters, this is an amendment that richly deserves to be defeated.

Mr. ASPIN. Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentleman from New Jersey [Mr. COURTER] to the amendment offered by the gentlewoman from Maryland [Mrs. HOLT] as a substitute for the amendment offered by the gentleman from Illinois [Mr. PRICE].

The question was taken; and the Chairman pro tempore announced that the noes appeared to have it.

RECORDED VOTE

Mr. DICKS. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 104, noes 351, not voting 14, as follows:

[Roll No. 178]

AYES—104

Archer	Crane	Hansen
Armey	Dannemeyer	Hartnett
Badham	DeLay	Hiler
Bartlett	DeWine	Hillis
Barton	Dornan (CA)	Holt
Bentley	Dreier	Hunter
Bliley	Eckert (NY)	Hutto
Boehlert	Edwards (OK)	Hyde
Boulter	Fawell	Ireland
Burton (IN)	Fiedler	Kasich
Callahan	Fields	Kemp
Carney	Franklin	Kindness
Chappell	Gallo	Kramer
Cheney	Gekas	Lagomarsino
Coats	Gingrich	Latta
Cobey	Gradison	Lewis (CA)
Combest	Gregg	Lewis (FL)
Courter	Hall, Ralph	Livingston
Craig	Hammerschmidt	Loeffler
Lott	Nelson	Smith, Denny
Lowery (CA)	Packard	Snyder
Lungren	Pashayan	Solomon
Mack	Quillen	Spence
Marlenee	Ritter	Stangeland
Martin (IL)	Robinson	Stump
McCain	Rogers	Sundquist
McCandless	Rudd	Sweeney
McCollum	Shelby	Swindall
McEwen	Shumway	Thomas (CA)
Michel	Shuster	Vucanovich
Miller (OH)	Siljander	Walker
Monson	Skeen	Weber
Moore	Slaughter	Wilson
Moorhead	Smith (NH)	Wortley
Morrison (WA)	Smith (NJ)	

NOES—351

Ackerman	Duncan	Leath (TX)
Addabbo	Durbin	Lehman (CA)
Akaka	Dwyer	Lehman (FL)
Alexander	Dymally	Leland
Anderson	Dyson	Lent
Andrews	Early	Levin (MI)
Annunzio	Eckart (OH)	Levine (CA)
Anthony	Edgar	Lightfoot
Applegate	Edwards (CA)	Lipinski
Aspin	Emerson	Lloyd
Atkins	English	Long
AuCoin	Erdreich	Lujan
Barnard	Evans (IA)	Lundine
Barnes	Evans (IL)	MacKay
Bateman	Fascell	Madigan
Bates	Fazio	Manton
Bedell	Feighan	Markey
Beilenson	Fish	Martin (NY)
Bennett	Flippo	Martinez
Bereuter	Florio	Matsui
Berman	Foglietta	Mavroules
Bevill	Foley	Mazzoli
Biaggi	Ford (MI)	McCloskey
Bilirakis	Fowler	McCurdy
Boggs	Frank	McDade
Boland	Frenzel	McGrath
Boner (TN)	Frost	McHugh
Bonior (MI)	Fuqua	McKernan
Bonker	Gejdenson	McKinney
Borski	Gephardt	McMillan
Bosco	Gibbons	Meyers
Boucher	Gilman	Mica
Boxer	Glickman	Mikulski
Breaux	Gonzalez	Miller (CA)
Brooks	Goodling	Miller (WA)
Broomfield	Gordon	Mineta
Brown (CA)	Gray (IL)	Mitchell
Brown (CO)	Gray (PA)	Moakley
Broyhill	Green	Molinari
Bruce	Grotberg	Mollohan
Bryant	Guarini	Montgomery
Burton (CA)	Gunderson	Moody
Bustamante	Hall (OH)	Morrison (CT)
Byron	Hamilton	Mrazek
Campbell	Hatcher	Murphy
Carper	Hawkins	Murtha
Carr	Hayes	Myers
Chandler	Hefner	Natcher
Chappie	Heftel	Neal
Clay	Hendon	Nichols
Clinger	Henry	Nielson
Coble	Hertel	Nowak
Coelho	Hopkins	O'Brien
Coleman (MO)	Horton	Oakar
Coleman (TX)	Howard	Oberstar
Collins	Hoyer	Obey
Conte	Hubbard	Olin
Conyers	Huckaby	Ortiz
Cooper	Hughes	Owens
Coughlin	Jacobs	Oxley
Coyne	Jenkins	Panetta
Crockett	Johnson	Parris
Daniel	Jones (NC)	Pease
Darden	Jones (OK)	Penny
Daub	Jones (TN)	Perkins
Davis	Kanjorski	Petri
de la Garza	Kaptur	Pickle
Dellums	Kastenmeier	Porter
Derrick	Kennelly	Price
Dickinson	Kildee	Pursell
Dicks	Kleczka	Rahall
Dingell	Kolbe	Rangel
DioGuardi	Kolter	Ray
Donnelly	Kostmayer	Regula
Dorgan (ND)	LaFalce	Reid
Dowdy	Lantos	Richardson
Downey	Leach (IA)	Ridge

Rinaldo	Slattery	Vander Jagt
Roberts	Smith (IA)	Vento
Rodino	Smith (NE)	Visclosky
Roe	Smith, Robert	Volkmer
Roemer	Snowe	Walgren
Rose	Solarz	Watkins
Roth	Spratt	Waxman
Roukema	St Germain	Weaver
Rowland (CT)	Staggers	Weiss
Rowland (GA)	Stallings	Wheat
Roybal	Stark	Whitehurst
Russo	Stenholm	Whitley
Sabo	Stokes	Whittaker
Saxton	Stratton	Whitten
Schaefer	Studds	Williams
Scheuer	Swift	Wirth
Schneider	Synar	Wise
Schroeder	Tallon	Wolf
Schuette	Tauke	Wolpe
Schulze	Tauzin	Wright
Schumer	Taylor	Wyden
Seiberling	Thomas (GA)	Wylie
Sensenbrenner	Torres	Yates
Sharp	Torricelli	Yatron
Shaw	Traficant	Young (AK)
Sikorski	Traxler	Young (FL)
Sisisky	Udall	Young (MO)
Skelton	Valentine	Zschau

NOT VOTING—14

Daschle	Jeffords	Savage
Dixon	Lowry (WA)	Smith (FL)
Ford (TN)	Luken	Strang
Garcia	Pepper	Towns
Gaydos	Rostenkowski	

□ 1830

So the amendment to the amendment offered as a substitute for the amendment was rejected.

The result of the vote was announced as above recorded.

AMENDMENT OFFERED BY MR. DICKS TO THE AMENDMENT OFFERED BY MR. PRICE

Mr. DICKS. Mr. Chairman, I offer an amendment to the amendment.

PARLIAMENTARY INQUIRY

Mr. HOPKINS. Mr. Chairman, I have a parliamentary inquiry

The CHAIRMAN pro tempore. The gentleman will state his parliamentary inquiry.

Mr. HOPKINS. Mr. Chairman, as I understand where we are now, there have been five or there are five amendments that would be pending to this bill. Three have been defeated, leaving two, one that will be the Dicks amendment to the Price amendment, followed by the Holt substitute. Neither one of those, however, reflect the figure that came from the committee of $2.5 billion.

My question is, If we only have two amendments left, how do those who wish to support or defeat the committee figure reflect that?

The CHAIRMAN pro tempore. The Chair will state that the remaining two amendments could be the amendment of the gentleman from Washington [Mr. DICKS] which is to reduce the level to $2.1 billion, followed potentially by a vote on the substitute by the gentlewoman from Maryland [Mrs. HOLT] which is $2.9 billion. That is a substitute for the Price amendment which is roughly $2.5 billion, which is close to the committee bill.

Mr. ASPIN. Mr. Chairman, if I can help explain to the gentleman, if the amendment offered by the gentleman in the well [Mr. DICKS] is defeated, and the amendment offered by the gentlewoman from Maryland [Mrs. HOLT] is defeated, we end up with the committee bill at $2.5 billion.

Mr. HOPKINS. Will there be a vote on the committee bill?

Mr. ASPIN. Then there is an amendment or will be offered an amendment to put the Price amendment back into the bill. Usually at that point that is a voice vote.

Mr. HOPKINS. I thank the Chair.

The CHAIRMAN pro tempore. For what purpose does the gentleman from Alabama [Mr. DICKINSON] rise?

Mr. DICKINSON. Mr. Chairman, I was on my feet seeking recognition to offer an amendment which had been agreed to, I thought, by all concerned. It is a perfecting amendment and I was wondering if the gentleman would agree for me to be recognized for the purpose of offering the amendment, and then let the gentleman in the well be recognized.

The CHAIRMAN pro tempore. The Chair will state to the gentleman that the Chair was unaware of the fact that there was an agreed upon amendment to be offered by the gentleman from Alabama [Mr. DICKINSON]. It was the Chair's understanding that subsequent to the vote on the Courter amendment the Chair would recognize the gentleman from Washington [Mr. DICKS] and had recognized the gentleman for that purpose.

□ 1840

Mr. DICKS. I would suggest to the gentleman that after my amendment is disposed of, he could offer the amendment, then, to Mrs. HOLT's amendment, and I would certainly support it as part of the agreement which was reached between the parties.

Mr. DICKINSON. I thank the Chairman.

The CHAIRMAN pro tempore. The Clerk will report the amendment.

The Clerk read as follows:

Amendment offered by Mr. DICKS to the amendment offered by Mr. PRICE: In lieu of the amount proposed to be inserted by the amendment to page 23, line 12, insert "$5,932,770,000".

Strike out the amendment proposed to be made to page 26, line 18, and insert in lieu thereof the following:

Page 26, strike out lines 18 through 22 (and redesignate the succeeding paragraphs accordingly).

At the end of title II (page 29, after line 14), add the following new section:

SEC. 207. STRATEGIC DEFENSE INITIATIVE.

(a) LIMITATION OF FY86 FUNDS FOR SDI.—Of the amount authorized in section 201 to be appropriated for fiscal year 1986 for research, development, test, and evaluation for the Defense Agencies, not more than $2,100,000,000 may be appropriated for activities of the Strategic Defense Initiative Organization of the Department of Defense.

(b) PROJECTS REQUIRED TO BE CARRIED OUT AT SPECIFIED LEVELS.—Of the amount appropriated or otherwise made available for fiscal year 1986 for research, development, test, and evaluation for activities of the Strategic Defense Initiative—

(1) not less than $12,500,000 shall be obligated or expended for the medical application of free-electron lasers and associated material and physical science research project;

(2) not less than $145,060,000 shall be obligated or expended for the battle management and command, control and communications project;

(3) not less than $98,240,000 shall be obligated or expended for the systems architecture project;

(4) not less than $72,150,000 shall be obligated or expended for the Strategic Defense Initiative system survivability project;

(5) not less than $103,500,000 shall be obligated or expended for the lethality and target-hardening project; and

(6) not less than $75,000,000 shall be obligated or expended for a new project directed toward defense against manned aircraft and cruise missiles.

(c) PROJECTS LIMITED TO A SPECIFIED MAXIMUM.—Of the amount appropriated or otherwise made available for fiscal year 1986 for research, development, test, and evaluation for activities of the Strategic Defense Initiative—

(1) not more than $117,000,000 may be obligated or expended for the optical surveillance experiment;

(2) not more than $162,700,000 may be obligated or expended for the space-based laser concepts project;

(3) not more than $3,500,000 may be obligated or expended for the hypervelocity launcher development project; and

(4) not more than $30,000,000 may be obligated or expended for the kinetic kill vehicle project.

(d) ACTIVITIES TO BE CONSISTENT WITH 1972 ABM TREATY.—The Secretary of Defense may not obligate funds appropriated or otherwise available for fiscal year 1986 for activities of the Strategic Defense Initiative Organization in any manner that is inconsistent with the 1972 Treaty on the limitation of Anti-Ballistic Missile Systems between the Soviet Union and United States (the "ABM Treaty").

(e) AMENDMENTS TO ANNUAL SDI REPORT.—Section 1102 of the Department of Defense Authorization Act, 1985 (Public Law 98-525; 98 Stat. 2580), is amended—

(1) by inserting "(a)" after "SEC. 1102.";

(2) by inserting ", including planned tests" in paragraph (1) after "ballistic missiles";

(3) by redesignating paragraphs (4), (5), (6), and (7) as paragraphs (5), (6), (7), and (8), respectively;

(4) by inserting after paragraph (3) the following new paragraph (4):

"(4) details of all developments in each Strategic Defense Initiative program and project during the previous calendar year;"; and

(5) by adding at the end thereof the following new subsection:

"(b) Each report under this section shall be submitted in two versions, one containing classified information requiring protection from unauthorized disclosure and the other containing no such classified information.".

Mr. DICKS [during the reading]. Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Washington?

There was no objection.

Mr. DICKS. Mr. Chairman, I will summarize my amendment briefly because I did have a chance to present it to the committee just a few minutes ago.

My amendment does, reduces from $2.5 billion to $2.1 billion the amount of funding for the strategic defense initiative. I point out that that is an increase of $700 million above the funding level last year. It represents a 50-percent increase in this important program.

My amendment has 4 limitations on last year's funding level. I repeat that; demonstrations are not zeroed but are funded at last year's level.

These four demonstrations could lead to early problems with the ABM agreement. Because of that we want to keep those four demonstrations at last year's level of funding.

They are the optical surveillance experiment, the space based laser, the hypervelocity launcher and the kinetic kill vehicle.

Now, on the other hand, we have four other projects that are vitally important to test out the so-called Nitze criteria.

Now you must remember that Paul Nitze and this administration have set up very difficult criteria for the SDI to meet.

First, the system must be survivable; second, the system must be cost effective at the margin, which means that it is less expensive to add defense than it will be to add additional offense to overwhelm the defensive system.

What we have done is insist on full levels of funding for those four projects which are: Battle management, system architecture, system survivability, lethality, and target hardening. On top of that, we add $5 million for defense against the air breathing threat. I believe this amendment is a moderate and responsible approach. We had testimony this year from four Secretaries of Defense who said, based on their experience, that if you increase an R&D Program beyond 35 percent—and mine is a little above that—that you run the risk of major waste in resources.

So what my amendment does is give them about a $700 million increase, but I think it avoids wasting money.

Now, beyond that, I have included into my amendment the so-called Levin language which says that you cannot violate the ABM agreement, and I am proud to accept that language as part of my amendment.

Now I believe what this amendment has attempted to do is to give the Strategic Defense Initiative a fair opportunity without wasting money. I think it is a responsible option, and I would urge this Committee to approve it.

Mr. MAVROULES. Mr. Chairman, will the gentleman yield?

Mr. DICKS. I yield to my friend from Massachusetts, the gentleman from Massachusetts [Mr. MAVROULES].

Mr. MAVROULES. I thank the gentleman for yielding.

Mr. Chairman, in review, we have gone from 0.9 to 1.4 to 3.7 and now the amendment before us at $2.1 billion with the proper language in place, which is very responsible. And it goes in and agrees with the President's initiative, and I congratulate the gentleman for that. It is very reasonable. It will do the job and very effectively. I stand in support of the gentleman's amendment.

Mr. AUCOIN. Mr. Chairman, will the gentleman yield?

Mr. DICKS. I next yield to the gentleman from Oregon [Mr. AUCOIN].

Mr. AUCOIN. I thank the gentleman for yielding.

Mr. Chairman, if we vote for the Dicks amendment, we use a fine razor-sharp scalpel in terms of dealing with this program; we fund SDI at a generous level but, at the same time, by making sure we do not fund aspects of it that bump against arms control agreements violations, we preserve the arms control. DICKS gives a 40 percent growth rate over the rate of inflation, it full funds key areas. This is an important point. It full funds key areas of satellite survivability and responses to the Soviet countermeasures.

In fact, it is more generous in funding in those key areas than the committee's own proposal.

Those things have to be decided if we will know whether SDI is going to work.

So the gentleman does that, he protests the ABM Treaty, as he indicated. His amendment deserves my support.

Mr. DICKS. I thank the gentleman, and I appreciate his support.

Mr. FAZIO. Mr. Chairman, will the gentleman yield?

Mr. DICKS. I next yield to the gentleman from California.

(Mr. FAZIO asked and was given permission to revise and extend his remarks.)

Mr. FAZIO. I thank the gentleman for yielding.

I want to congratulate the gentleman for conceiving of an amendment that is fiscally prudent in the sense that it does hold back on the waste that is likely to occur with the too rapid expansion of a very new and innovative program, for putting together a proposal that does protect us—it is the only amendment that we are looking at that does that—from violations of the ABM Treaty, something that none of us wants to occur. At the same time it does keep the Soviet Union's focue in Geneva on the very real progress that we are making in this area. I think we all want to be as helpful as we can to that arms control process. So I commend the gentleman.

Mr. Chairman, thoughts of a world in which nuclear weapons are obsolete is most appealing. Indeed, one could become mesmerized by such visions.

Fortunately, we here today are resisting the temptation to get caught up in the rhetoric of what might be. Rather, we are engaging, really for the first time, in a full-blown debate on the practical aspects of the President's proposed strategic defense initiative [SDI].

This proposal represents a profound shift in the philosophy of nuclear force and deterrence—a philosophy that, however imperfect, has kept the peace for over 40 years. The President says that SDI will shield our Nation from an attack by Soviet ballistic missiles. But getting from here to there—if in fact it is possible—will require an enormous commitment of time, human and financial resources, and will entail many risks, not the least of which is the threat to stability as we move from an offensive force to a defensive one.

I for one do not object to research in this area. Only through a serious program will we be able to determine the technological feasibility of SDI, let alone applications of this technology that may add to our deterrence.

I do not, however, believe that we can throw caution to the wind and launch headlong into this program, while ignoring the ramifications of such action.

There are a great many questions to be answered and many which have yet to be asked. Some are technical in nature; others are more practical; and some are philosophical. How, for instance, does SDI factor into this administration's goal to reach an arms control agreement; if it's not on the table for discussion.

Will we be able to get any limitation on offensive forces if we have no limit on defensive ones? Further, without limits on defensive weapons, is it possible to have enough defense?

The President very recently agreed to continue to comply with the SALT II Treaty. I had urged him to do so and I applaud his decision. Would he now have us support an SDI that will, if prototypes are developed and demonstrated, breech the ratified ABM Treaty?

Neither SALT II nor ABM are perfect. They do, however, provide for restraint. It would be most unfortunate to abandon them when we need not do so. Further, by proceeding too quickly with SDI, we put at risk our current talks at Geneva.

I urge my colleagues to support the reduction in funding that is being proposed by the gentleman from Washington. At a $2.1-billion level, the re-

search will be able to move ahead at a reasonable and responsible pace, for it represents a 40-percent increase over fiscal year 1985 funding.

The President's budget request of $3.7 billion represented a 160-percent increase in funding over the fiscal year 1985 levels. Considering that we do not yet know what we are potentially getting into, and given the delicate state of our negotiations in Geneva, we would be well advised to proceed with caution.

Mr. DICKS' amendment as amended by Mr. LEVIN prohibits a violation of the ABM Treaty. Further, this amendment significantly reduces the funding levels for four major demonstration programs—the airborne optical system, the space-based hypervelocity launcher, the space-based kinetic kill vehicle, and the space-based aquisition tracking and pointing—which, if demonstrated, would either violate SALT II or undermine its limits. By offering the dollar figure in this manner, and adding policy guidelines, we will be able to give the scientists and the negotiators a chance.

Further, it ensures that those projects that are most critical to the viability of a strategic defense system are funded at the administrations request for system survivability; study of possible Soviet countermeasures that could make their weapons immune to SDI; battle management/command and control; and, systems architecture. These are the real make or break projects for SDI.

Mr. DICKS. I appreciate the comments of the gentleman from California.

Mr. FOLEY. Mr. Chairman, will the gentleman yield?

Mr. DICKS. I yield to the gentleman from Washington.

Mr. FOLEY. I thank the gentleman for yielding.

Mr. Chairman, I want to join in complimenting the gentleman on his amendment. It protects the arms control process, it also protects a very, very strong research program in this area, and I urge my colleagues on both sides of the aisle to support it.

Mr. MOODY. Mr. Chairman, will the gentleman yield?

Mr. DICKS. I yield to my friend from Wisconsin, a fellow observer at the arms control talks.

Mr. MOODY. I thank the gentleman for yielding.

Mr. Chairman, I want to commend my colleagues on that oversight arms control oversight team in Geneva in the quality of the amendment. It expressly does protect the crucial ABM Treaty by freezing those four parts which threaten to bump up against it. More importantly, it answers the key questions posed by Ambassador Nitze as to whether in fact the system is cost beneficial at the margin and is survivable.

Mr. LEVIN of Michigan. Mr. Chairman, will the gentleman yield?

Mr. DICKS. I yield to my friend, the gentleman from Michigan [Mr. LEVIN].

Mr. LEVIN of Michigan. I thank the gentleman for yielding.

Mr. Chairman, I want to compliment the gentleman for his amendment. There has been reference to the word "prudence" in the terms of his amendment. You know, listening to the arguments earlier today, those in favor of a very green light for SDI, we heard analogies to Lindbergh, analogies to Columbus. But every new venture is not necessarily wise. There was the Hindenburg disaster as well as Lindbergh, and there was Ponce de Leon and his fountain of youth as well as Columbus. This is not the first time this administration has engaged in overstatement and overpromise.

□ 1850

This is not the first time this administration has engaged in overstatement and overpromise, and it is dangerous enough to have overstatement and overpromise when the Nation's budget is involved or the Nation's social safety net is involved, but it is even more dangerous when what is involved is the Nation's security.

This is an amendment of prudence, and it also provides moneys that cannot be spent in ways inconsistent with the 1972 ABM Treaty.

I urge all of us to join in supporting this amendment regardless of our votes on previous amendments.

Mr. DICKS. I yield my last minute to my friend from Massachusetts [Mr. MARKEY].

Mr. MARKEY. I thank you very much. There are many of us here who clearly oppose this entire concept and believe that it ought not to be a part of the technologies that either country developed.

If we are forced to vote for an amendment which is going to pass tonight, I think that the gentleman from Washington has constructed an amendment which pares to the bone, to the absolute minimum, the amount of money which this Congress ought to appropriate, and I praise you for trying to bridge that gap that exists between those of us who totally oppose it and want to give the tentative yellow light to it.

Mr. DICKS. This is a $2.1 billion amendment that I think protects us on the arms control side, but gives them enough money to see if the system will work.

I urge support for the Dicks amendment.

PARLIAMENTARY INQUIRY

Mr. DICKINSON. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN pro tempore. The gentleman will state his parliamentary inquiry.

Mr. DICKINSON. Would it be in order at this point to offer the amendment to Mrs. HOLT's amendment?

The CHAIRMAN pro tempore. The gentleman is correct; it would be in order.

AMENDMENT OFFERED BY MR. DICKINSON TO THE AMENDMENT OFFERED BY MRS. HOLT AS A SUBSTITUTE FOR THE AMENDMENT OFFERED BY MR. PRICE

Mr. DICKINSON. Mr. Chairman, I offer an amendment to the amendment offered as a substitute for the amendment.

The Clerk read as follows:

Amendment offered by Mr. DICKINSON to the amendment offered by Mrs. HOLT as a substitute for the amendment offered by Mr. PRICE: At the end of the section proposed to be added by the substitute amendment add the following:

(b) ACTIVITIES TO BE CONSISTENT WITH 1972 ABM TREATY.—The Secretary of Defense may not obligate funds appropriated or otherwise available for fiscal year 1986 for activities of the Strategic Defense Initiative Organization in any manner that is inconsistent with the 1972 Treaty on the Limitation of Anti-Ballistic Missile Systems between the Soviet Union and United States (the "ABM Treaty").

Mr. DICKINSON (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Alabama?

There was no objection.

Mr. DICKINSON. Mr. Chairman, this is simply a conforming amendment to include the agreement that was in the language in the Dicks amendment, the same as in the Holt amendment now, saying that there will be no violation of the ABM Treaty, and this was done by agreement before.

Mr. ASPIN. Mr. Chairman, will the gentleman yield?

Mr. DICKINSON. Yes; I yield to the gentleman from Wisconsin.

Mr. ASPIN. Mr. Chairman, I just want to say that the amendment has been cleared with this side of the aisle. That was part of the arrangement, and I hope that the amendment is agreed to. It is a perfecting amendment to Mrs. HOLT's amendment.

Mr. DICKINSON. I thank the gentleman.

The CHAIRMAN pro tempore. Technically, the Dicks amendment would proceed first, but if there is no objection, the question is on the amendment offered by the gentleman from Alabama [Mr. DICKINSON] to the amendment offered by the gentlewoman from Maryland [Mrs. HOLT] as a substitute for the amendment offered by the gentleman from Illinois [Mr. PRICE].

The amendment to the amendment offered as a substitute for the amendment was agreed to.

Mr. DICKINSON. Mr. Chairman, I rise in opposition to the Dicks amendment.

The CHAIRMAN pro tempore. The gentleman from Alabama [Mr. DICKINSON] is recognized for 10 minutes.

Mr. DICKINSON. Mr. Chairman, we have come down to the moment of truth, so to speak, this is the point where you make the decision as to what the funding shall be.

The committee amendment provides for $2.5 billion. Against this amendment, my colleague, Mr. DICKS has offered an amendment to reduce it to 2.1. So your vote right now is, if you support the amendment now pending, you reduce the committee amendment to the figure of 2.1; if you vote against it, then you sustain the committee position; you put it at 2.5.

If that happens, Mrs. HOLT still has an opportunity to offer her amendment to raise it, at which time you can still hold it at 2.5, or go above it.

So that is where we are in the parliamentary situation.

Mr. Chairman, in the Research and Development Subcommittee for which this figure came, we tried as conscientiously as we could to come out with a right figure. We studied it, we took testimony, we went into it in great detail.

The administration asked for 3.7; we cut it down to 2.5. we got a lot of criticism from the administration; that is all right. We felt that this was the amount of money that could be useful, that would not be wasteful; that could go forward in an orderly process.

We took testimony to this effect. Mr. John Gardner came before our committee, who is the Director of Systems of SDI. We asked him, if it were reduced below this minimum number, what would be the effect? He said: Below this, we would have to restructure the entire program. There would be no decision until about 1995 because of a stretchout as to whether or not it was a feasible system—1995 if we stretch it out.

It would no longer be the President's program. So if you want to wreck the program, good; this is the way to do it. Those of you who are not for anything, vote for it. Those of you who want to kill the program, vote for this amendment.

If you want to support the President's program, go forward in an orderly process, a well-structured program that is defensible, that our testimony showed is reasonable, vote "no" on this and let us on the committee at least have the satisfaction of saying we did a job well.

I yield to the gentleman from Texas.

Mr. PICKLE. I thank the gentleman for yielding. I am persuaded that the committee's version is the proper approach. I think it is a measured and balanced amount of money to move forward in this program.

If we do not, if we had a vote on the committee amendment, that would be one thing; but we will not have that change if you were to support the amendment that is pending now.

Mr. DICKINSON. That is correct.

Mr. PICKLE. So we must vote against that in order to maintain the committee's position.

Mr. DICKINSON. The gentleman has stated it correctly.

Mr. PICKLE. I think the amount that the committee has come up with is reasoned, measured, and is fair and it gives us a chance to move forward in an orderly manner in this research program. So I would support the committee version.

Mr. DICKINSON. The gentleman with his usual wisdom has put his finger right on the nub of it; you are exactly right, and I appreciate your comments.

I yield to the gentleman from New Jersey.

Mr. COURTER. I thank the gentleman. I would like to take just a minute to go into another aspect of the Dicks amendment. It is a dangerous amendment.

It is a dangerous amendment because of what it does besides reducing the level of funding for something less than we vitally need. It adds money—and listen to this carefully—it adds money for medical research in the application of lasers.

What is that program, on the medical use of lasers, doing in a Strategic Defense Initiative Research Program? I do not know.

It adds money for the research and development of stopping bombers. What is that doing in a Strategic Defense Program which was designed to stop missiles; I do not know.

The gentleman, in offering his amendment, says that it stops very important demonstration projects because they are in violation of the ABM Treaty. He cites title V of the ABM Treaty which prohibits the development, the testing, and the deployment of antiballistic missile components and systems that are sea based, air based, mobile land based, and space based.

The problem is, what is the definition of development? The chief negotiator for the ABM Treaty said the definition in the treaty of the word "development" is as follows: The prohibitions on development contained in the ABM Treaty would start at that part of the development process where field testing is initiated on either a prototype or breadboard model.

He goes on, saying: The Soviet Union agrees with that definition of development.

So these demonstration projects in fact are not a violation of article 5 of the ABM Treaty, and therefore must go forward.

Mr. DICKINSON. Let me yield to the gentleman from Ohio.

Mr. KASICH. I appreciate the gentleman yielding. Let me say very quickly, in addition to the argument that Mr. COURTER raises in terms of what money it adds, it is important to note that the money that it takes away, the stretchout that it gives us in some vital programs.

Let me mention just two: Optical surveillance is a very critical part of early technology. The people who are intimately involved in this program believe this is a vital part of the program in early development, including the kinetic interceptor, which is critical when determining early technology affecting the boost phase, the boost phase being the most important phase, because that is when we are able to hit missiles before they can launch those RV's. This stretches out the time it will take; it cuts back the amount of money that will go to two vital areas of this program which we cannot afford to do; and finally i would agree with the gentleman from New Jersey, this is simply no violation of the ABM Treaty, the ABM Treaty permits testing in the laboratory; and these programs have done that.

Mr. DICKINSON. The bottom line is, if you want a viable program that the President will support, vote "no" on this. If you want to kill the program, stretch it out so it is not workable, then vote "aye" on this.

□ 1900

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentleman from Washington [Mr. DICKS] to the amendment offered by the gentleman from Illinois [Mr. PRICE].

The question was taken; and the Chairman pro tempore announced that the noes appeared to have it.

RECORDED VOTE

Mr. DICKS. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 195, noes 221, not voting 17, as follows:

[Roll No. 179]

AYES—195

Ackerman	Bonior (MI)	Collins
Addabbo	Bonker	Conyers
Akaka	Borski	Cooper
Anderson	Bosco	Coughlin
Andrews	Boucher	Coyne
Anthony	Boxer	Dellums
Applegate	Brooks	Derrick
Aspin	Brown (CA)	Dicks
Atkins	Bruce	Dingell
AuCoin	Bryant	Donnelly
Barnes	Burton (CA)	Dorgan (ND)
Bates	Bustamante	Dowdy
Bedell	Byron	Downey
Beilenson	Carper	Durbin
Berman	Carr	Dwyer
Boggs	Clay	Dymally
Boland	Coelho	Early
Boner (TN)	Coleman (TX)	Eckart (OH)

Edgar	Lehman (CA)	Rose
Edwards (CA)	Lehman (FL)	Roukema
Evans (IL)	Leland	Roybal
Fascell	Levin (MI)	Russo
Fazio	Levine (CA)	Sabo
Feighan	Long	Schneider
Fish	Lowry (WA)	Schroeder
Florio	Lundine	Schumer
Foglietta	MacKay	Seiberling
Foley	Markey	Sharp
Ford (MI)	Martinez	Sikorski
Ford (TN)	Matsui	Skelton
Frank	Mavroules	Slattery
Frenzel	Mazzoli	Smith (IA)
Frost	McCloskey	Solarz
Gejdenson	McHugh	Spratt
Gephardt	McKinney	St Germain
Gibbons	Mica	Staggers
Glickman	Mikulski	Stallings
Gonzalez	Miller (CA)	Stokes
Gordon	Mineta	Studds
Gray (PA)	Mitchell	Swift
Green	Moakley	Synar
Guarini	Moody	Tauke
Hall (OH)	Morrison (CT)	Torres
Hamilton	Mrazek	Torricelli
Hawkins	Murphy	Traficant
Hayes	Natcher	Traxler
Heftel	Neal	Udall
Hertel	Nowak	Vento
Howard	Oakar	Visclosky
Hoyer	Oberstar	Volkmer
Hughes	Obey	Walgren
Jacobs	Ortiz	Watkins
Jones (NC)	Panetta	Waxman
Jones (OK)	Pease	Weaver
Kanjorski	Penny	Weiss
Kaptur	Perkins	Wheat
Kastenmeier	Porter	Whitten
Kennelly	Price	Williams
Kildee	Pursell	Wirth
Kleczka	Rahall	Wise
Kolter	Rangel	Wolpe
Kostmayer	Richardson	Wright
LaFalce	Ridge	Wyden
Lantos	Rodino	Yates
Leach (IA)	Roe	Yatron

NOES—221

Alexander	de la Garza	Huckaby
Annunzio	DeLay	Hunter
Archer	DeWine	Hutto
Armey	Dickinson	Hyde
Badham	DioGuardi	Ireland
Barnard	Dornan (CA)	Jenkins
Bartlett	Dreier	Johnson
Barton	Duncan	Jones (TN)
Bateman	Dyson	Kasich
Bennett	Eckert (NY)	Kemp
Bentley	Edwards (OK)	Kindness
Bereuter	Emerson	Kolbe
Bevill	English	Kramer
Biaggi	Erdreich	Lagomarsino
Bilirakis	Evans (IA)	Latta
Blilley	Fawell	Leath (TX)
Boehlert	Fiedler	Lent
Boulter	Fields	Lewis (CA)
Breaux	Flippo	Lewis (FL)
Broomfield	Fowler	Lightfoot
Brown (CO)	Franklin	Livingston
Broyhill	Fuqua	Lloyd
Burton (IN)	Gallo	Loeffler
Callahan	Gekas	Lott
Campbell	Gilman	Lowery (CA)
Carney	Gingrich	Lujan
Chandler	Goodling	Lungren
Chappell	Gradison	Mack
Chappie	Gray (IL)	Madigan
Cheney	Gregg	Marlenee
Clinger	Grotberg	Martin (IL)
Coats	Gunderson	Martin (NY)
Cobey	Hall, Ralph	McCain
Coble	Hammerschmidt	McCandless
Coleman (MO)	Hansen	McCollum
Combest	Hartnett	McCurdy
Conte	Hatcher	McDade
Courter	Hefner	McEwen
Craig	Hendon	McGrath
Crane	Henry	McKernan
Crockett	Hiler	McMillan
Daniel	Hillis	Meyers
Dannemeyer	Holt	Michel
Darden	Hopkins	Miller (OH)
Daub	Horton	Miller (WA)
Davis	Hubbard	Molinari
Mollohan	Rogers	Stenholm
Monson	Roth	Stratton
Montgomery	Rowland (CT)	Stump
Moore	Rowland (GA)	Sundquist
Moorhead	Rudd	Sweeney
Morrison (WA)	Saxton	Swindall
Murtha	Schaefer	Tallon
Myers	Schuette	Tauzin
Nelson	Schulze	Taylor
Nichols	Sensenbrenner	Thomas (CA)
Nielson	Shaw	Thomas (GA)
Olin	Shelby	Valentine
Owens	Shumway	Vander Jagt
Oxley	Shuster	Vucanovich
Packard	Siljander	Walker
Parris	Sisisky	Weber
Pashayan	Skeen	Whitehurst
Petri	Slaughter	Whitley
Pickle	Smith (NE)	Whittaker
Quillen	Smith (NH)	Wilson
Ray	Smith (NJ)	Wolf
Regula	Smith, Denny	Wortley
Reid	Smith, Robert	Wylie
Rinaldo	Snowe	Young (AK)
Ritter	Snyder	Young (FL)
Roberts	Solomon	Young (MO)
Robinson	Spence	Zschau
Roemer	Stangeland	

NOT VOTING—17

Daschle	Luken	Scheuer
Dixon	Manton	Smith (FL)
Garcia	O'Brien	Stark
Gaydos	Pepper	Strang
Jeffords	Rostenkowski	Towns
Lipinski	Savage	

□ 1910

The Clerk announced the following pairs:

On this vote:

Mr. Smith of Florida for, with Mr. Strang against.

Mr. Pepper for, with Mr. O'Brien against.

Messrs. KINDNESS, OWENS, CROCKETT, and OLIN changed their votes from "aye" to "no."

Messrs. PRICE, DORGAN of North Dakota, and FLORIO changed their votes from "no" to "aye."

So the amendment to the amendment was rejected.

The result of the vote was announced as above recorded.

The CHAIRMAN pro tempore. The Chair recognizes the gentlewoman from Maryland [Mrs. HOLT] for 10-minutes in support of her amendment.

Mrs. HOLT. I thank the Chair.

Mr. Chairman, I am going to try to do something a little differently on this amendment. I am going to try to limit it to a very few minutes. I think we have debated this issue to a great extent, so I am going to keep my comments short and hope that we can expedite the vote.

The gentlewoman from Tennessee [Mrs. LLOYD] and I have introduced this amendment to authorize $2.9 billion for the Strategic Defense Initiative Program. This figure would put the program back on the track that the President outlined in his March 1983 speech. I think we have demonstrated today that everybody recognizes that this is an important program. Even the strongest opponents have felt that we should spend a billion dollars on it.

I think it is really foolish to significantly slow the pace of this very, very promising program which has the potential to so significantly enhance our national security.

Mr. Chairman, at this time I would like to yield to the gentlewoman from Tennessee [Mrs. LLOYD] who has joined me in this amendment.

Mrs. LLOYD. I thank the gentlewoman for yielding.

Mr. Chairman, I certainly support this level of funding. This is a prudent level of funding that does allow for the timely and necessary research and evaluation of SDI. It allows us to move to the option of carefully assured defense. I do not think it is generally wise for us to consider this alternative. I think that we have a responsibility, Mr. Chairman, to seek such an alternative.

□ 1920

Development of the SDI is, at best, a long time away. We are not out of the laboratory, Mr. Chairman. There are a lot of questions, technical and political, ahead of us. To deny adequate funding at this stage of research and development, I think, would be a tragedy.

I hope we can overcome the tendency to criticize SDI on a partisan basis. Our objective should be to find a way out of the current maze of world terror, and this initiative toward that end is a major contribution to arms control and stability. Our aim of making nuclear weapons obsolete should not be set back or stifled.

I commend the gentlewoman.

Mrs. HOLT. I thank the gentlewoman for her comments.

Mr. BADHAM. Mr. Chairman, will the gentlewoman yield?

Mrs. HOLT. I yield to the gentleman from California.

Mr. BADHAM. I thank the gentlewoman for yielding.

Mr. Chairman, I, too, rise in strong support of this. This is a modest increase to what the committee cut to bare bones to stay within the budget requirements, but that has been since changed, and if we are going to be bold or progressive, this is the program into which we ought to put additional funding.

I commend the gentlewoman for her amendment and I very strongly support it.

Mrs. HOLT. I thank the gentleman for his comments.

Mr. Chairman, I yield back the balance of my time.

Mr. ASPIN. Mr. Chairman, I rise in opposition to the amendment.

Mr. McCURDY. Mr. Chairman, will the gentleman yield?

Mr. ASPIN. I yield to the gentleman from Oklahoma.

Mr. McCURDY. I thank the gentleman for yielding.

Mr. Chairman and my colleagues, I rise in strong opposition to the amend-

ment offered by the gentlewoman from Maryland.

A "no" vote on the Holt amendment will be a "yes" vote for the committee position of 2.5 percent. The 2.5 percent is a very healthy and substantial increase over the position of the administration of last year. We are talking about nearly an 80-percent increase. If you vote for the $2.9 billion, you are talking about an increase of in excess of 100 percent without a clearly defined architectural design, and I believe that the committee and the community is unable to absorb such a large increase.

Furthermore, the committee position of $2.5 billion includes a reduction that was determined in the Intelligence Committee in the Satka area, in the surveillance acquisition target kill assessment area. By accepting their position, we are taking it out of the Intelligence Committee and making a further increase.

So again, I would urge my colleagues to vote "no" on the Holt amendment.

Mr. ASPIN. Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentlewoman from Maryland [Mrs. HOLT] as a substitute, as amended, for the amendment.

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mrs. HOLT. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 169, noes 242, not voting 22, as follows:

[Roll No. 180]

AYES—169

Archer	DeWine	Hunter
Armey	DioGuardi	Hutto
Badham	Dornan (CA)	Hyde
Barnard	Dreier	Ireland
Bartlett	Duncan	Kasich
Barton	Dyson	Kemp
Bateman	Eckert (NY)	Kindness
Bentley	Edwards (OK)	Kolbe
Bevill	Emerson	Kramer
Bilirakis	Erdreich	Lagomarsino
Bliley	Evans (IA)	Latta
Boehlert	Fawell	Leath (TX)
Boulter	Fiedler	Lent
Breaux	Fields	Lewis (CA)
Broomfield	Flippo	Lewis (FL)
Burton (IN)	Franklin	Lightfoot
Callahan	Gallo	Livingston
Campbell	Gekas	Lloyd
Carney	Gilman	Loeffler
Chandler	Gingrich	Lott
Chappell	Goodling	Lowery (CA)
Chappie	Gradison	Lungren
Cheney	Gray (IL)	Mack
Clinger	Gregg	Madigan
Coats	Grotberg	Marlenee
Cobey	Hall, Ralph	Martin (IL)
Coleman (MO)	Hammerschmidt	Martin (NY)
Combest	Hansen	McCain
Courter	Hartnett	McCandless
Craig	Hendon	McCollum
Crane	Hiler	McDade
Daniel	Hillis	McEwen
Dannemeyer	Holt	McGrath
Daub	Hopkins	McMillan
DeLay	Horton	Michel
Miller (OH)	Rogers	Stratton
Miller (WA)	Rowland (CT)	Stump
Molinari	Rudd	Sundquist
Monson	Saxton	Sweeney
Montgomery	Schaefer	Swindall
Moore	Schuette	Tauzin
Moorhead	Schulze	Taylor
Morrison (WA)	Sensenbrenner	Thomas (CA)
Myers	Shaw	Vander Jagt
Nelson	Shelby	Vucanovich
Nichols	Shumway	Walker
Nielson	Shuster	Weber
Oxley	Siljander	Whitehurst
Packard	Skeen	Whittaker
Parris	Slaughter	Wilson
Pashayan	Smith (NH)	Wolf
Price	Smith (NJ)	Wortley
Quillen	Smith, Denny	Wylie
Reid	Solomon	Young (AK)
Rinaldo	Spence	Young (FL)
Ritter	Stangeland	
Robinson	Stenholm	

NOES—242

Ackerman	Fascell	McHugh
Addabbo	Fazio	McKernan
Akaka	Feighan	McKinney
Alexander	Fish	Meyers
Anderson	Florio	Mica
Andrews	Foglietta	Mikulski
Annunzio	Foley	Miller (CA)
Anthony	Ford (MI)	Mineta
Aspin	Ford (TN)	Mitchell
Atkins	Fowler	Moakley
AuCoin	Frank	Mollohan
Barnes	Frenzel	Moody
Bates	Frost	Morrison (CT)
Bedell	Fuqua	Mrazek
Beilenson	Gejdenson	Murphy
Bennett	Gephardt	Murtha
Bereuter	Gibbons	Natcher
Berman	Glickman	Neal
Biaggi	Gonzalez	Nowak
Boggs	Gordon	Oakar
Boland	Gray (PA)	Oberstar
Boner (TN)	Green	Obey
Bonior (MI)	Guarini	Olin
Bonker	Gunderson	Ortiz
Borski	Hall (OH)	Owens
Bosco	Hamilton	Panetta
Boucher	Hatcher	Pease
Boxer	Hawkins	Penny
Brooks	Hayes	Perkins
Brown (CA)	Hefner	Petri
Brown (CO)	Heftel	Pickle
Broyhill	Henry	Porter
Bruce	Hertel	Pursell
Bryant	Howard	Rahall
Burton (CA)	Hoyer	Rangel
Bustamante	Hubbard	Ray
Byron	Huckaby	Regula
Carper	Hughes	Richardson
Carr	Jacobs	Ridge
Clay	Jenkins	Roberts
Coble	Johnson	Rodino
Coelho	Jones (NC)	Roe
Coleman (TX)	Jones (OK)	Roemer
Collins	Jones (TN)	Rose
Conte	Kanjorski	Roth
Conyers	Kastenmeier	Roukema
Cooper	Kennelly	Rowland (GA)
Coughlin	Kildee	Roybal
Coyne	Kleczka	Russo
Crockett	Kolter	Sabo
Darden	Kostmayer	Scheuer
Davis	LaFalce	Schneider
de la Garza	Lantos	Schroeder
Dellums	Leach (IA)	Seiberling
Derrick	Lehman (CA)	Sharp
Dickinson	Lehman (FL)	Sikorski
Dicks	Leland	Sisisky
Dingell	Levin (MI)	Skelton
Donnelly	Levine (CA)	Slattery
Dorgan (ND)	Long	Smith (IA)
Dowdy	Lowry (WA)	Smith (NE)
Downey	Lujan	Smith, Robert
Durbin	Lundine	Snowe
Dwyer	MacKay	Solarz
Dymally	Markey	Spratt
Early	Martinez	St Germain
Eckart (OH)	Matsui	Staggers
Edgar	Mavroules	Stallings
Edwards (CA)	Mazzoli	Stokes
English	McCloskey	Studds
Evans (IL)	McCurdy	Swift
Synar	Visclosky	Williams
Tallon	Volkmer	Wirth
Tauke	Walgren	Wise
Thomas (GA)	Watkins	Wolpe
Torricelli	Waxman	Wright
Traficant	Weaver	Wyden
Traxler	Weiss	Yates
Udall	Wheat	Young (MO)
Valentine	Whitley	Zschau
Vento	Whitten	

NOT VOTING—22

Applegate	Luken	Snyder
Daschle	Manton	Stark
Dixon	O'Brien	Strang
Garcia	Pepper	Torres
Gaydos	Rostenkowski	Towns
Jeffords	Savage	Yatron
Kaptur	Schumer	
Lipinski	Smith (FL)	

□ 1940

The Clerk announced the following pairs:

On this vote:

Mr. O'Brien for, with Mr. Pepper against.

Mr. Snyder for, with Mr. Smith of Florida against.

Mr. Strang for, with Mr. Dixon against.

Mr. ROEMER and Mr. FRENZEL changed their votes from "aye" to "no."

Mr. GOODLING and Mr. LIGHTFOOT changed their votes from "no" to "aye."

So the amendment offered as a substitute as amended for the amendment, was rejected.

The result of the vote was announced as above recorded.

The CHAIRMAN pro tempore. The pending business is the amendment offered by the gentleman from Illinois [Mr. PRICE]. The gentleman from Illinois will be recognized for 10 minutes in support of his amendment.

If there are no requests for time, the question is on the amendment offered by the gentleman from Illinois [Mr. PRICE].

The question was taken; and the Chairman pro tempore announced that the ayes appeared to have it.

RECORDED VOTE

Mr. DICKINSON. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 256, noes 150, not voting 27, as follows:

[Roll No. 181]

AYES—256

Alexander	Boulter	Coleman (MO)
Andrews	Breaux	Coleman (TX)
Annunzio	Broomfield	Combest
Archer	Brown (CO)	Courter
Armey	Broyhill	Craig
Aspin	Bryant	Daniel
Badham	Burton (IN)	Dannemeyer
Barnard	Bustamante	Darden
Bartlett	Byron	Daub
Barton	Callahan	Davis
Bateman	Campbell	DeLay
Bennett	Carney	Derrick
Bentley	Carper	DeWine
Bereuter	Chandler	Dickinson
Bevill	Chappell	DioGuardi
Biaggi	Chappie	Dornan (CA)
Bilirakis	Cheney	Dowdy
Bliley	Clinger	Dreier
Boehlert	Coats	Duncan
Boggs	Cobey	Dyson
Boner (TN)	Coble	Eckert (NY)

Edwards (OK)	Lightfoot	Rogers
Emerson	Livingston	Roth
English	Lloyd	Roukema
Erdreich	Loeffler	Rowland (CT)
Fascell	Long	Rowland (GA)
Fawell	Lott	Rudd
Fields	Lowery (CA)	Saxton
Fish	Lujan	Schaefer
Flippo	Lundine	Schuette
Fowler	Lungren	Schulze
Franklin	Mack	Sensenbrenner
Frenzel	Madigan	Sharp
Frost	Marlenee	Shaw
Fuqua	Martin (IL)	Shelby
Gallo	Martin (NY)	Shumway
Gekas	Martinez	Shuster
Gephardt	Mazzoli	Siljander
Gibbons	McCain	Sisisky
Gilman	McCandless	Skeen
Gingrich	McCloskey	Skelton
Goodling	McCollum	Slaughter
Gradison	McCurdy	Smith (NE)
Gray (IL)	McDade	Smith (NH)
Gregg	McEwen	Smith (NJ)
Grotberg	McGrath	Smith, Denny
Gunderson	McKernan	Smith, Robert
Hall, Ralph	McMillan	Snowe
Hamilton	Meyers	Solomon
Hammerschmidt	Mica	Spence
Hansen	Michel	Spratt
Hefner	Miller (OH)	Staggers
Heftel	Miller (WA)	Stallings
Hendon	Molinari	Stangeland
Henry	Mollohan	Stenholm
Hiler	Monson	Stratton
Hillis	Montgomery	Stump
Holt	Moore	Sundquist
Hopkins	Moorhead	Sweeney
Horton	Morrison (WA)	Swindall
Hubbard	Murtha	Tallon
Huckaby	Myers	Tauzin
Hughes	Natcher	Taylor
Hunter	Neal	Thomas (CA)
Hutto	Nichols	Thomas (GA)
Hyde	Nielson	Udall
Ireland	Olin	Valentine
Jenkins	Ortiz	Vander Jagt
Johnson	Oxley	Vucanovich
Jones (NC)	Packard	Walker
Jones (OK)	Parris	Watkins
Jones (TN)	Pashayan	Weber
Kanjorski	Petri	Whitehurst
Kasich	Pickle	Whitley
Kemp	Porter	Whittaker
Kindness	Price	Whitten
Kleczka	Quillen	Wilson
Kolbe	Ray	Wolf
Kramer	Regula	Wortley
Lagomarsino	Reid	Wylie
Lantos	Richardson	Yatron
Latta	Rinaldo	Young (AK)
Leath (TX)	Ritter	Young (FL)
Lent	Roberts	Zschau
Lewis (CA)	Robinson	
Lewis (FL)	Roemer	

NOES—150

Ackerman	Cooper	Frank
Addabbo	Coughlin	Gejdenson
Akaka	Coyne	Glickman
Anderson	Crane	Gonzalez
Atkins	Crockett	Gordon
AuCoin	de la Garza	Gray (PA)
Barnes	Dellums	Green
Bates	Dicks	Guarini
Bedell	Dingell	Hall (OH)
Beilenson	Donnelly	Hawkins
Berman	Dorgan (ND)	Hayes
Boland	Downey	Hertel
Bonior (MI)	Durbin	Howard
Bonker	Dwyer	Hoyer
Borski	Dymally	Jacobs
Bosco	Early	Kaptur
Boucher	Eckart (OH)	Kastenmeier
Boxer	Edgar	Kennelly
Brooks	Edwards (CA)	Kildee
Brown (CA)	Evans (IA)	Kolter
Bruce	Evans (IL)	Kostmayer
Burton (CA)	Fazio	LaFalce
Carr	Feighan	Leach (IA)
Clay	Florio	Lehman (CA)
Coelho	Foglietta	Lehman (FL)
Collins	Foley	Leland
Conte	Ford (MI)	Levin (MI)
Conyers	Ford (TN)	Levine (CA)
Lowry (WA)	Pease	Studds
MacKay	Penny	Swift
Markey	Perkins	Synar
Matsui	Pursell	Tauke
Mavroules	Rahall	Torricelli
McHugh	Rangel	Traficant
McKinney	Ridge	Traxler
Mikulski	Rodino	Vento
Miller (CA)	Roe	Visclosky
Mineta	Rose	Volkmer
Mitchell	Roybal	Walgren
Moakley	Russo	Waxman
Moody	Sabo	Weaver
Morrison (CT)	Scheuer	Weiss
Mrazek	Schneider	Wheat
Murphy	Schroeder	Williams
Nowak	Seiberling	Wirth
Oakar	Sikorski	Wise
Oberstar	Slattery	Wolpe
Obey	Solarz	Wyden
Owens	St Germain	Yates
Panetta	Stokes	Young (MO)

NOT VOTING—27

Anthony	Jeffords	Schumer
Applegate	Lipinski	Smith (FL)
Daschle	Luken	Smith (IA)
Dixon	Manton	Snyder
Fiedler	Nelson	Stark
Garcia	O'Brien	Strang
Gaydos	Pepper	Torres
Hartnett	Rostenkowski	Towns
Hatcher	Savage	Wright

□ 1950

The Clerk announced the following pairs:

On this vote:

Mr. Nelson of Florida, for, with Mr. Dixon against.

Mr. Pepper, for with Mr. Garcia against.

Mrs. KENNELLY changed her vote from "aye" to "no."

So the amendment was agreed to.

The result of the vote was announced as above recorded.

Mr. ASPIN. Mr. Chairman, I ask unanimous consent that amendments to title II already printed in the RECORD by, and if offered by, the gentleman fron New Jersey [Mr. COURTER] the gentleman from California [Mr. BROWN], the gentleman from Maryland [Mr. HOYER], the gentleman from Pennsylvania [Mr. FOGLIETTA], the gentleman from Georgia [Mr. DARDEN], the gentleman from Michigan [Mr. CONYERS], the gentleman from Illinois [Mr. SAVAGE], and the gentleman from Michigan [Mr. LEVIN], be in order notwithstanding the fact that title II has already been passed.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

The CHAIRMAN pro tempore. The Clerk will designate title III.

The text of title III is as follows:

TITLE III—OPERATION AND MAINTENANCE

SEC. 302. OPERATION AND MAINTENANCE FUNDING.

(a) AUTHORIZATION OF APPROPRIATIONS.—Funds are hereby authorized to be appropriated for fiscal year 1986 for the use of the Armed Forces of the United States and other activities and agencies of the Department of Defense for expenses, not otherwise provided for, for operation and maintenance in amounts as follows:

For the Army, $19,455,530,000

For the Navy, $25,056,000,000

For the Marine Corps, $1,641,400,000

For the Air Force, $20,300,900,000

For the Defense Agencies, $7,825,500,000

For the Army Reserve, $799,200,000

For the Naval Reserve, $942,100,000

For the Marine Corps Reserve, $61,500,000

For the Air Force Reserve, $918,900,000

For the Army National Guard, $1,654,100,000

For the Air National Guard, $1,822,700,000

For the National Board for the Promotion of Rifle Practice, $920,000

For Defense Claims, $148,300,000

For the Court of Military Appeals, $3,200,000

(b) GENERAL AUTHORIZATION FOR CONTINGENCIES.—There are authorized to be appropriated for fiscal year 1986, in addition to the amounts authorized to be appropriated in subsection (a), such sums as may be necessary—

(1) for unbudgeted increases in fuel costs;

(2) for unbudgeted increases as a result of inflation in the cost of activities authorized by subsection (a); and

(3) for unbudgeted amounts for salary, pay, retirement, and other employee benefits authorized by law for civilian employees of the Department of Defense whose compensation is provided for by funds authorized to be appropriated in subsection (a).

SEC. 302. WORKING CAPITAL FUNDS.

Funds are hereby authorized to be appropriated for fiscal year 1986 for the use of the Armed Forces of the United States and other activities and agencies of the Department of Defense for providing capital for working capital funds in amounts as follows:

For the Army Stock Fund, $412,000,000.

For the Navy Stock Fund, $681,500,000.

For the Marine Corps Stock Fund, $42,700,000.

For the Air Force Stock Fund, $439,900,000.

For the Defense Stock Fund, $183,500,000.

SEC. 303. LIMITATION ON THE USE OF O&M FUNDS TO PURCHASE EXPENSE ITEMS.

Funds appropriated for fiscal year 1986 for operation and maintenance of the Department of Defense pursuant to the authorizations of appropriations in section 301 may not be used to purchase any item that is considered by the Department to be an expense item of equipment if the price of the item is $3,000 or more.

SEC. 304. ASSISTANCE FOR THE TENTH INTERNATIONAL PAN AMERICAN GAMES.

(a) AUTHORITY TO PROVIDE SUPPORT SERVICES.—The Secretary of Defense may—

(1) provide logistical support and personnel services to the Tenth Pan Am Games;

(2) lend and provide equipment in support of the Tenth Pan Am Games; and

(3) provide such other services in support of the Tenth Pan Am Games as the Secretary considers advisable.

(b) AUTHORIZATION OF APPROPRIATIONS; LIMITATION.—(1) There is authorized to be appropriated to the Secretary of Defense for fiscal 1986 an amount not to exceed $10,000,000 for the purpose of carrying out subsection (a).

(2) Except as provided in paragraph (3), funds may not be obligated for the purpose of carrying out subsection (a) unless specifically appropriated for such purpose.

(3) Paragraph (2) does not apply to funds used for pay and non-travel-related allowances for members of the Armed Forces (other than pay and allowances of members of the reserve components called or ordered

to active duty to provide support for the Tenth Pan Am Games).

(4) The costs for pay and non-travel-related allowances of members of the Armed Forces (other than members of the reserve components called or ordered to active duty to provide support for the Tenth Pan Am Games) may not be charged to appropriations made pursuant to the authorization in paragraph (1).

(c) JUSTIFICATION FOR ASSISTANCE.—(1) Funds appropriated pursuant to the authorization in subsection (b) may not be obligated until—

(A) an entity is established to coordinate law enforcement activities at the Tenth Pan Am Games;

(B) that entity submits to the President a justification for the assistance described in subsection (a); and

(C) the President approves the justification.

(2) The justification under paragraph (1)(B) shall include—

(A) an explanation of the necessity for the requested support for security and medical services and for related equipment or other support; and

(B) a description of the operational responsibilities and financial limitations of each governmental agency represented on the coordinating entity.

(3) The justification shall be presented in such detail as the Secretary of Defense considers necessary.

(d) SUBMITTAL OF JUSTIFICATION OF CONGRESSIONAL COMMITTEES.—Upon approval by the President of the justification referred to in subsection (c), the Secretary of Defense shall submit a copy of such justification to the Committees on Armed Services and on Appropriations of the Senate and House of Representatives.

(e) DEFINITION.—For the purposes of this section, the term "Tenth Pan Am Games" means the Tenth International Pan American Games, to be held at Indianapolis, Indiana, during the period beginning on August 7, 1987, and ending on August 23, 1987.

SEC. 305. CLARIFICATION OF DOD SUPPORT FOR CIVILIAN DRUG INTERDICTION.

(a) AVAILABILITY OF FUNDS FOR ELEMENTS ASSISTING CIVILIAN DRUG INTERDICTION.—From amounts appropriated for fiscal year 1986 pursuant to authorizations in section 301—

(1) such sums as necessary from amounts appropriated for the Air Force Reserve may be used for the establishment, operation, and maintenance of a Special Operations Wing of the Air Force Reserve from existing elements of the Air Force Reserve; and

(2) such sums as necessary are available for the operation of the Directorate of the Department of Defense Task Force on Drug Law Enforcement.

(b) REPORT ON PLANS TO ENHANCE COOPERATION WITH CIVILIAN DRUG ENFORCEMENT AGENCIES.—(1) The Secretary of Defense shall transmit to the Committees on Armed Services of the Senate and the House of Representatives a report on the manner in which the Department of Defense plans to obligate funds for the purposes described in subsection (a). The report shall include a description of—

(A) actions or proposed actions to consolidate, in a Special Operations Wing of the Air Force Reserve, command and control of Air Force Special Operations aircraft (including such aircraft which were assigned to the Special Operations Wing of the regular Air Force on or before March 1, 1985) and in the case of any such aircraft which are not to be assigned to a Special Operation Wing of the Air Force Reserve, the disposition (or planned disposition) of those aircraft;

(B) actions and proposed actions to use rotary-wing and fixed-wing aircraft of the Department of Defense to furnish (commensurate with military readiness and the provisions of chapter 18 of title 10, United States Code) optimal support to civilian law enforcement agencies for the purpose of carrying out drug interdiction missions and other operational activities of such agencies relating to the enforcement of drug laws; and

(C) actions and proposed actions to promote dual use of Department of Defense aircraft and other Department of Defense resources available or to be made available to civilian law enforcement agencies (under the provisions of chapter 18 of title 10, United States Code) by providing for the use of such aircraft and resources by both a Special Operations Wing of the Air Force Reserve and such civilian agencies.

(2) The report under paragraph (1) shall be submitted not later than September 30, 1985, or the end of the 30-day period beginning on the date of the enactment of this Act, whichever is later.

SEC. 306. DONATIONS BY COMMISSARY STORES OF CERTAIN UNMARKETABLE FOOD.

(a) IN GENERAL.—Chapter 147 of title 10, United States Code, is amended by adding at the end thereof the following new section:

"§ 2485. Commissary stores: donation of unmarketable food

"(a) The Secretary of a military department may donate commissary store food described in subsection (b) to authorized charitable nonprofit food banks.

"(b) Food that may be donated under this section is food of a commissary store—

"(1) that is—

"(A) unmarketable;

"(B) unsaleable; and

"(C) certified as edible by appropriate food inspection technicians; and

"(2) that would otherwise be destroyed as unusable.

"(c) A donation under this section shall take place at the site of the commissary that is donating the food.

"(d) A donation under this section may only be made to an entity that is authorized by the Secretary of Defense or the Secretary of Health and Human Services to receive donations under this section.

"(e) This section does not authorize any service (including transportation) to be provided in connection with a donation under this section.".

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by adding at the end thereof the following new item:

"2485. Commissary stores: donation of unmarketable food.".

SEC. 307. COMMISSARY AND EXCHANGE PRIVILEGES FOR SURVIVORS OF CERTAIN RESERVISTS.

(a) BENEFITS FOR CERTAIN DEPENDENTS.—The Secretary of Defense shall prescribe regulations to allow dependents of members of the uniformed services described in subsection (b) to use commissary and exchange stores on the same basis as dependents of members of the uniformed services who die while on active duty for a period of more than 30 days.

(b) COVERED DEPENDENTS.—A dependent referred to in subsection (a) is a dependent of a member of a uniformed service who died—

(1) while on active duty, active duty for training, or inactive duty training (regardless of the period of such duty); or

(B) while traveling to or from the place at which the member is to perform, or has performed, active duty, active duty for training, or inactive duty training (regardless of the period of such duty).

(c) DEFINITION.—For the purposes of this section, the term "uniformed services" has the meaning given such terms in section 101 of title 37, United States Code.

Mr. ASPIN. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker pro tempore (Mr. MOAKLEY) having assumed the Chair, Mr. RUSSO, Chairman pro tempore of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 1872) to authorize appropriations for fiscal year 1986 for the Armed Forces for procurement, for research, development, test, and evaluation, for operation and maintenance, and for working capital funds, to prescribe personnel strengths for such fiscal year for the Armed Forces, and for other purposes, had come to no resolution thereon.

APPOINTMENT OF CONFEREES ON S. 883, EXPORT ADMINISTRATION AMENDMENTS ACT OF 1985

Mr. FASCELL. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the Senate bill (S. 883) to extend the Export Administration Act of 1979, with the House amendment thereto, insist on the House amendment, and agree to the conference requested by the Senate.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

Mr. McKERNAN. Mr. Speaker, reserving the right to object, I would just like to ask the gentleman from Florida if this has been cleared by the ranking minority member?

Mr. FASCELL. If the gentleman will yield, Mr. Speaker, it has.

Mr. McKERNAN. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida? The Chair hears none, and, without objection, appoints the following conferees: Messrs. FASCELL, BONKER, MICA, BERMAN, ROTH, and BEREUTER; as additional conferees from the Committee on the Judiciary solely for consideration of sections 113(a)(5) and 114 of the House amendment, and for modifications committed to conference, Messrs. RODINO, HUGHES, and MCCOLLUM; and from the Committee on Energy and Commerce, solely for consideration of section 126 and title II of the House

amendments, and for modifications committed to conference, Messrs. DINGELL, SWIFT, and BROYHILL.

There was no objection.

PERSONAL EXPLANATION

Mr. WHITTAKER. Mr. Speaker, on June 18, 1985, on rollcall No. 162, I am recorded as voting nay. I had intended to vote yea and later found the CONGRESSIONAL RECORD to show that my vote was recorded as nay. I ask unanimous consent that this statement appear in the permanent RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Kansas?

There was no objection.

□ 2000

APPOINTMENT OF CONFEREES ON H.R. 1699, ENERGY POLICY AND CONSERVATION ACT EXTENSION

Mr. SHARP. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 1699) to extend title I and part B of title II of the Energy Policy and Conservation Act, and for other purposes, with a Senate amendment thereto, disagree to the Senate amendment, and request a conference with the Senate thereon.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Indiana?

Mr. McKERNAN. Mr. Speaker, reserving the right to object, I do so to pose a question to the gentleman, whether this has been cleared with this side of the aisle.

Mr. SHARP. Mr. Speaker, will the gentleman yield to me?

Mr. McKERNAN. I yield to the gentleman from Indiana.

Mr. SHARP. It is my understanding that Chairman DINGELL cleared that with the gentleman from North Carolina [Mr. BROYHILL] the ranking Republican member who will be on the conference committee.

Mr. McKERNAN. Mr. Speaker, I withdraw my reservation of objection

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Indiana?

The Chair hears none, and without objection, appoints the following conferees: Messrs. DINGELL, SHARP, WALGREN, BROYHILL, and DANNEMEYER.

There was no objection.

GENERAL LEAVE

Mr. McKERNAN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise an extend their remarks and to include therein extraneous material on the subject of the special order today by the gentleman from New York [Mr. LENT].

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Maine?

There was no objection.

SUFFOCATION OF THIS PLANET THROUGH VAST POPULATION EXPLOSION

(Mr. SCHEUER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SCHEUER. Mr. Speaker, in the coming weeks we will be considering not only the serious threat of nuclear incineration, which we are dealing with today, but also the other great threat facing this planet; namely, suffocation of this planet through a vast population explosion in the developing world.

There are going to be efforts here in the House to cut our foreign assistance program for family planning because of the reported problem of forced abortions and infanticides in China. All of us are shocked by even the concept of forced abortions and infanticide, but the agencies that are suffering, the UNFPA and IPPF have been given a clean bill of health. They have been operating for years under our Government structures against abortion. For example, in March of this year the U.S. Agency for International Development found that "UNFPA does not support abortion or coercion and its programs are substantially in compliance with U.S. law and policy on population assistance."

UNFPA and IPPF play a crucial role in the important task of reducing the massive population growth rate in the developing nations. In turn, the United States provides the leadership and critical funding to insure that the people of the developing world receive the education, health services, and the incentive to practice family planning and take control of their lives.

When family planning services are not available, the rate of abortion increases. In essence, abortion takes the place of contraception when family planning services are absent. Family planning is the antidote to abortion.

Mr. Speaker, illegal abortion is the No. 1 killer of women of child-bearing age in Latin America, and it is a leading cause of death among young women in Asia and Africa.

In December, the administration cut off $17 million in U.S. funding to the IPPF, including $5 million earmarked for contraceptives. That contraceptive funding would have averted nearly 800,000 unwanted pregnancies in Latin America, Asia, and Africa. It is estimated that 13 percent of those unwanted pregnancies were or will be terminated by abortions.

Far from discouraging abortion, the withholding of the IPPF funds virtually guarantees that 100,000 abortions would take place. The tragedy of this scenario is that many of these abortions will result in complications or even death.

Meanwhile, 625,000 unwanted children will be born into families whose resources are already stretched thin. More than 40,000 children will die of malnutrition and some 400 million kids across the globe will go to sleep hungry tonight.

We as Americans are shocked when we hear about children abandoned on our streets, such as the case of a 2-week-old infant who was found last week on a Washington street corner.

But in Brazil alone, 11 million abandoned children are living in the streets, and another 14 million are growing up in extreme poverty.

By withholding population aid we are condemning more children to such conditions of suffering and misery.

We have supported these family planning programs for 20 years and we have seen concrete success. We cannot abandon these programs now. The people of the developing world need our support, our compassion and our assistance.

In the name of humanity, let us not cut off family planning assistance to these countries that so desperately need it to avoid the tragedy, the heartache and the deep emotional and moral hurt of abortion.

ORDER OF BUSINESS

Mr. FRANK. Mr. Speaker, I ask unanimous consent that the gentleman from Texas [Mr. GONZALEZ] and myself be allowed to switch positions on the special order list.

Mr. Speaker, I cleared this with the Member on the other side who was in second place, the gentleman from Georgia [Mr. GINGRICH].

Mr. Speaker, I believe there is no objection from those who would be affected.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

TRIBUTE TO JOHN MONAHAN

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Massachusetts [Mr. FRANK] is recognized for 60 minutes.

Mr. FRANK. I thank the Speaker.

Mr. Speaker, on behalf of the entire Massachusetts delegation and many others who are here today, including the gentleman from Kentucky permanently among them, I have asked for this special order so that we can say "goodbye" and "thank you" to a very old friend of ours, Johnny Monahan, who has been sitting over at the computer guiding us through rollcalls with

a great deal of diligence and wisdom and compassion, for some time.

I know that many of those who have been privileged to get the benefit of John's services and, even more importantly, his friendship want to join in. So I do not want to prolong this.

I do want to say to my colleagues, I hope they will remember that in speaking about our good friend John they are not under oath, but his family is with us today. So we hope the appropriate spirit will accompany their remarks.

But in fact, in this situation the Members I know are speaking from a degree of great friendship.

John Monahan has been a very strong and important friend to the Members on our side of the aisle and I think to many Members on the other side of the aisle. There are a number of Members who can thank him for not having missed a vote, for having voted correctly when they might have voted incorrectly inadvertently, and also for getting a good deal of wisdom and experience which he has accumulated over the years.

John came through the auspices of John McCormack, one of the great Speakers of the House. He stayed on to become a very important member.

He is about to retire, today being his last day. We sent him off with a bang, we had 19 rollcalls so that we can end up where the committee started out with in the first place, just to keep him working on his last day. But we all wish him very well as he moves on to the cape. We are glad he will still be in Massachusetts.

I now yield to my friend from Michigan.

Mr. HERTEL of Michigan. Well, Mr. Speaker, I am not from Massachusetts but I can say that it is Massachusetts' gain to have the Monahan family returned to them, to the Commonwealth. It is a gain for Falmouth, it is a gain for Cape Cod and a gain for Massachusetts.

Mr. Speaker, I have already put a statement in the RECORD about John Monahan who I have come to think very highly of and feel so close to. But I want to make some personal remarks and I do appreciate the gentleman from Massachusetts having such a special order this evening.

We all, I think, appreciate his great friendship, his advice, his experience on so many different matters, but most of all the way he cares about people. I think he has given part of himself to all of us and his lovely wife Jeannie and four wonderful children, Johnny, Molly, Kelly and Joey.

It is a wonderful family, one that we could all admire, one that is active in the community, in the church, one that sets an example I think for all of us, one that will be very much missed here in Washington.

They have seen a lot of history together over the many years here in Washington and they have made a lot of history over these many years in Washington. They have taught a lot of Members a lot of very good points and I can only say that it is our loss that he is retiring. But he is smart enough to retire when he is so vigorous and young. I honestly do not think he will ever retire. He has too much experience, too much knowledge, too much caring for the people to ever retire. I think it is just a change of careers for John Monahan and I am proud to be here tonight.

Mr. FRANK. I thank the gentleman. Let me now yield to the Chief Deputy Whip, the gentleman from Arkansas [Mr. ALEXANDER].

Mr. ALEXANDER. I thank the gentleman for yielding.

Mr. Speaker, I too take the floor this evening to congratulate our friend John Monahan on his great service to this institution and to its Members. I will just take a minute or two. The first time I met John I was in the company of the former and dear departed Speaker John McCormack. John was then the chief associate staff aide to the former Speaker. I never will forget what John McCormack said to me when I was introduced in John Monahan's presence. He said in Boston brogue, he said, "You know, son, I am from the South as well and I understand how we southerners are." I was looking a little puzzled at him and he said, "South Boston, yes." That was the first time I met John Monahan.

Since I have been here John has served in several jobs, one of which he has been attending duties of the Members on the floor; reminding me when I voted "present" and I should have voted "nay" or "yea" or voted "nay" or "yea" when I should have voted "present."

□ 2010

One thing that many people do not know about John is that he is an athlete, and he is a runner, and I will miss him for many reasons; not just his dedicated service to Members and his helpfulness in helping me vote, correct my vote, but because he provided me with up-to-date information on all of the foot races here in the Washington area. When there was a 10k or 5k or a marathon that was announced over the weekend, when I was traveling and did not have that information, John would always provide it for me, and I do not know what I am going to do now that you are leaving. I will be at a loss. Maybe in the mail or by telephone you can provide me that the information that I need in order to keep up my running in the Washington area.

Seriously, you will be missed, John, and your wonderful family will likewise be missed, but you know where we are, and keep in touch, and you someday might even set a new record in road running, from the Cape all the way to Washington.

Mr. FRANK. I thank the chief deputy whip, and now that he has not got special scheduling information, he will have to get it from the whip's office just like the rest of us.

I would like to now yield to the dean of the Massachusetts delegation, who has actually been here long enough to remember when Mr. Monahan first came.

Mr. BOLAND. Parenthetically, I think perhaps I can remember when he was first born, at this age.

Mr. Speaker, first of all, I want to congratulate the distinguished Member from Massachusetts [Mr. FRANK] for taking this time to honor a very respected employee of this great legislative body.

I am delighted to join the rest of my colleagues from Massachusetts and many colleagues throughout the Nation in paying tribute to John Leo Monahan, on this occasion of his retirement.

Many of the Members here well remember John's dedicated and invaluable service as legislative and administrative assistant to our late beloved Speaker of the House the Honorable John W. McCormack, from 1959 through 1970.

His desk in the Speaker's rooms was a beehive of activity. He handled his duties with a cool and collected calm and ease fielding calls from the White House, Cabinet officers, Governors, Members of the House and Senate, the press, and John McCormack's constituents from the 9th Massachusetts District.

John joined Speaker McCormack as a staff assistant in the majority leader's office in 1959, shortly after his graduation from Boston College. He had already served 2 years as an Army sergeant in Germany. For the past several years we have seen him daily as House floor assistant for communications. He and his lovely wife, Jean, have four children, Johnny, Molly, Kelly, and Joey. They will be leaving Washington to take up residence in their new home in Falmouth, on Cape Cod.

Mr. Speaker, I want to commend John for his long, loyal and dedicated service to the U.S. House of Representatives and the Massachusetts congressional delegation and wish him many happy and pleasant years in retirement.

Mr. FRANK. I thank the dean of our delegation for his kind remarks and for letting some of the Members of this delegation know exactly what Mr. Monahan's job title was. I think some of us just learned it. We knew he did his job very well; we just were not sure what it was.

I would be delighted now to recognize the gentleman from Kentucky.

Mr. NATCHER. Mr. Speaker, our friend John L. Monahan, within a few days, will retire as an employee of the House of Representatives. He will be missed, not only by the other employees of the House, but by all of us in the House of Representatives who have worked with him and respected him down though the years.

In the year 1960, our former Speaker, John W. McCormack, gave John Monahan his first assignment following his graduation from Boston College. He served at that time in the office of Mr. McCormack who was our majority leader. The Speaker at that time was Sam Rayburn of Texas.

John Monahan has served with us in the House of Representatives during one of the most fascinating periods in the history of our country. In his 25 years of service, he has witnessed many changes, not only in the operation of the House of Representatives and in our country, but in the world. He served during the time of the assassinations of John F. Kennedy, Martin Luther King, and Robert Kennedy. He, along with the rest of us, has witnessed the changeover from the industrial age to the space age. In this 25 years, our country was engaged in the most controversial war in our history, lasting for over 12 years. As a result of the action of the House of Representatives in the year 1958 when our space committee and our space agency were placed into operation, we started our exploration of outer space. In his campaign and in his inaugural speech, John F. Kennedy said he wanted us to go to the Moon and in the 25 years John Monahan has served with us in the House, we have placed 12 men on the Moon and our space shuttles have established many records. John Monahan served at the time of our 200th birthday.

John Monahan has had the honor and distinction of serving with six Presidents of the United States. In addition, he has served with a number of outstanding men and women who during the past 25 years were Members of the House. Men such as Sam Rayburn, Tad Walters, Brent Spence, Carl Vinson, Martin Dies, Emanuel Cellar, Dick Richards, Richard Russell, George Aiken, and John W. McCormack.

Everyone who has associated with and been a friend of John Monahan knows that he is a man of independent views and a man of strong convictions. He will leave behind him a record as one of the employees of our House that will long be remembered. He is as well acquainted with the operation of the House of Representatives as anyone that I know. At all times his concept of public trust has been without parallel and his service in all of his assignments has been marked by a high sense of conscience and duty.

Mr. Speaker, John Monahan can talk with you about all of the major legislation that has been enacted during his 25 years of service in the House. As one of the employees of our House who knows how the records of the House are kept, he knows that in the year 1834, by proper resolution, Joseph Gale, Sr. was employed to compile and publish from authentic materials, the debates and proceedings in the Congress of the United States, with an appendix. Using only handwritten ledgers and many abbreviations, this was almost an impossible task to perform. John Monahan knows that in order to compile the records of the Congress, the diary of John Adams and many other authentic materials were used by Joseph Gale, Sr. in order to compile any type of an authentic set of books for recording the history of the Congress. John Monahan, Mr. Speaker, knows that before the CONGRESSIONAL RECORD started, we had the Annals of Congress. This set of books contains 42 volumes and includes the debates and proceedings beginning with March 4, 1789 and continuing on to the year 1824. He knows that next we had the Congressional Debates consisting of 29 volumes and following this, we had the Congressional Globe. Further, Mr. Speaker, he knows that the Congressional Globe, beginning with the 25th Congress and extending through the 46th Congress, a period from 1837 to 1874, resulted in the printing and publishing of 108 volumes. Next, my friend, John Monahan, can tell you that the CONGRESSIONAL RECORD as we know it today started in the year 1874 and has continued to the present day.

I can cite many other examples which provide the fact that John Monahan not only has learned how our House of Representatives operates, but also I can cite you many examples of his love and respect for the House of Representatives.

If my friend John W. McCormack were present today, he would tell you that John Monahan was his friend and that he was one of the most loyal men he associated with during his long career as a public servant.

Throughout my entire service as a Member of Congress, I have kept a journal. Today, I have 45 bound volumes and am working on volume 46. In a number of instances in this journal, I have talked about my friend, John Monahan. Within the last few days while serving as Speaker pro tempore on the adoption of the rule on the Department of Defense authorization legislation, I was advised, just before I had announced that all time had expired on one of the votes, that I had not voted. This is one of the many near escapes I have had in my record of never having missed a day or a vote since I have been a Member of Congress. My friend, John Monahan, was the one who ran up to the Speaker's chair and advised me that I had better vote.

John Monahan, and his lovely wife, Jean, have four children; Molly, Kelly, John, and Joseph. Mr. Speaker, John Monahan has a right to be proud of his family and they have a right to be proud of him.

I have served with a great many employees in the House of Representatives and with approximately 2,000 Members in the House and the Senate—none better friends to me than my friend John Monahan and none that I will miss any more than I will miss him when he leaves us and returns to his new home in the Commonwealth of Massachusetts.

Mr. Speaker, I want to wish John Monahan and the members of his family the best of everything in the future and I hope on many occasions before I end my service in the House, that he will come back and visit with us.

Mr. FRANK. I thank the gentleman from Kentucky, and I hope he will remember my kindness to him when he gets to me in the journal.

I now recognize the gentleman from Massachusetts, my friend and colleague who succeeded, with some delay, John McCormack in the Congress of the United States.

Mr. MOAKLEY. Mr. Speaker, I also thank the gentleman from Massachusetts [Mr. FRANK] for taking out a special order on our dear friend, John Monahan.

I rise today to pay tribute, and offer special thanks to a very fine gentleman and a very good friend. John Monahan, who will be retiring after many years of service in the U.S. House of Representatives.

John finishes a very distinguished career that started back in the 1950's when he worked for then-majority leader John McCormack, as legislative agent. Eventually, John became one of the top administrative assistants to John McCormack when he became Speaker of the House.

John Monahan's family roots go back to my home town of South Boston, where his father was a very prominent and well-respected lawyer.

John spent 2 years in the U.S. Army, stationed in Germany through 1955 to 1957, where he was discharged with the rank of sergeant.

John then graduated from Boston College in 1959, where he was a distinguished member of the Gold Key Society.

□ 2020

Now, to those of us who knew John Monahan, John was a master of the put-down. As BILL ALEXANDER said, John Monahan loved to jog. Well, it

seems that John Monahan's good friend and my good friend, Harry McDonough, happened to get his hands on a Harvard sweatsuit which fit John Monahan, so John put the suit on and was running along Rock Creek Parkway one day when this big Mercedes limousine pulled up beside him, and he said, "Sir, I see you are wearing a Harvard sweatsuit." He said, "What class?"

John said, "Oh, I didn't go." He said, "I bought it at a yard sale for 15 cents yesterday."

Of course, the fellow just rolled the window up and, I am sure, drove away very sad.

But during many years in the House John has provided a wide range of services in assisting the Democratic Party, starting with Speaker McCormack, to his present job as the Floor Assistant for Communications. John's dedication to job performance over the years is a good example of hard-working loyalty. John would always go that extra mile when it came to assisting Democratic Members or their staffs during votes or other procedural matters. John's expertise of the communications system was a valuable asset to Members during votes on many, many critical issues.

Personally, I will miss John. His stories of Speaker McCormack always brought a smile to my face and brought back some very fond memories. I congratulate John for his past work with his lovely wife, Jean, and his four children, John, Molly, Kelly and Joey. John, I am sure, is guaranteed to have a future filled with prosperity and friendship and family.

I wish John well in his future endeavors, and I offer my most sincere gratitude and appreciation for his many, many years of hard work here in the House of Representatives.

Mr. FRANK. I thank the gentleman for his remarks.

Mr. Speaker, I yield now to the gentleman from Texas [Mr. GONZALEZ], who was gracious enough to allow us to go ahead.

Mr. GONZALEZ. Mr. Speaker, of course I appreciate this opportunity the gentleman gives us to bid farewell to a very good friend and one of the most valued employees that some of us have gotten to know here during our term of office and service in the House of Representatives.

I am particularly happy, not to see him leave, but happy with the assurances I have received from him that when he moves to Cape Cod the first thing he is doing is installing cable so he can watch the special orders from the floor of the House. He has given me that solemn promise. He has got a commitment, and that is the only reason I have acceded to his decision to quit the House.

Of course, everyone who has ever gotten to know John Monahan knows that he is a fellow who has wit and fire and humor and is all Irish, and I also know that I have bequeathed to him his vocabulary in Spanish. He could not reciprocate because he could not tell me anything equivalent in Gaelic. But he can quote at great length all of the Irish poets, and it is a real, real treat to listen to John Monahan quote poetry.

I certainly join my colleagues in wishing John and all of his family well and continued happiness when he goes back to Massachusetts. As I said, and I repeat, I will be speaking to him in the future as I take these special orders that he has assured he has looked forward to listening on every occasion. He said he has missed very few.

I thank the gentleman from Massachusetts again.

Mr. FRANK. I thank the gentleman from Texas. He may, of course, just be watching reruns of this one, so you may have trouble getting through.

I yield now to the gentleman from Massachusetts, Mr. STUDDS, who is about to have the man-who-is-about-to-leave-us, Mr. Monahan, as a new constituent.

Mr. STUDDS. I thank the gentleman for yielding.

Mr. Speaker, at this point in the special order, especially one conducted by our intensely emotional delegation, one normally has to announce that the subject has not passed away. This is not a memorial service. Not only that, John is not only alive and well, he is a heck of a lot smarter than most of us. As a matter of fact, he is triply wise. First of all, he is leaving the district of the gentleman in the well; second, he is moving to Cape Cod; and, third, he is leaving Washington. Now, when you put those three things together, you have a piece of wisdom that is not often reflected, I think, in this body.

May I also say that he is addressing a distinct shortage on Cape Code at the same time, that is, a shortage of Democrats. And we are delighted he has chosen to come at a time when it is relatively safe, a visa is no longer required, at least not in the town of Falmouth. There are some towns on the cape where that is the case and where there are people alive who can remember when one would not admit that one was a Democrat there.

I must say to my friend, the gentleman from Texas though, with all due respect to his own eloquence and the length of his eloquence, that when one arrives on Cape Cod the odds of being attracted to watching the proceedings of this House on cable television diminish considerably season by season and day by day, and John will at long last be liberated from this silly outfit that we wear here. One of the first things they will ask him when he arrives on Cape Cod, if indeed he forgets to change clothes, is, "What is that around your neck?" He will explain that that is a necktie, that is a piece of clothing that is worn on occasion by people who work here, but I think you will find that as the necktie and the jacket and the formal attire are replaced by distinctly saltier wear, that the attraction of television in general—I will not speculate about this particular programming in particular—will diminish as he flourishes I hope in a very special place. We are very proud and very happy to have him, and we hope he will live and vote there for a very long time to come.

Mr. FRANK. I thank the gentleman for his remarks.

Mr. Speaker, I am about to yield to my friend from Worcester, but before I do that I notice the gentleman from Georgia is back and I want to expressly thank him for allowing us to go ahead of him in the order, to make this possible for Mr. Monahan and his loverly family who if they were present here we could not acknowledge it because it would be against the rules.

Mr. Speaker, I yield to the gentleman from Worcester, Mr. [EARLY].

Mr. EARLY. I thank the gentleman for this special order, and I am happy to participate in it.

When I got elected in 1974, Speaker John McCormack, whose name is being used quite often here, who was a very good friend of mine, who was one of the finest men I ever met in my life, told me about several Members. He gave me a little insight and a little advice about several Members. He spoke of one employee, just one, and that was John Monahan. He told me John Monahan was reliable, trustworthy, a real family man, who always available if you need any advice.

John, I found all of those things to be true.

I really want to address my remarks to Jean and your two sons and your two daughters. Your father has been a tribute to the Federal Government, he has been a tribute to the U.S. Congress, and he has been everything that John McCormack said he was, a fine, fine man.

I often heard our present Speaker, Speaker TOM O'NEILL say that John Monahan was a beautiful, beautiful person.

So, John, I am happy to participate in this special order. I want to wish you and your whole family good health, a long retirement, and you have been very nice to an awful lot of us.

Mr. FRANK. I want to thank the gentleman from Worcester.

As our friend, John, knows, cheerful remarks from our friend from Worcester are not exactly fluent around here, so John has now got something that will be a volume all by itself in the

journal of the gentleman from Kentucky.

Now, Mr. Speaker, I am glad to yield to our very distinguished friend, the gentleman from Florida [Mr. BENNETT].

Mr. BENNETT. Mr. Speaker, it is sad and it is also beautiful. It is sad because we are not going to see him as often as we have in the past, but it is beautiful because it gives us an opportunity to say things that are on our hearts and have been on our hearts for a very long time. I, like the gentleman from Kentucky [Mr. NATCHER], have tried to keep up a good voting record, and Mr. Monahan—John—has made that possible on a number of occasions. I am very deeply grateful to him for that. But I have other reasons for being grateful to him, because I have found his wisdom to be very outstanding. He is a very thoughtful man, a very able man. I oftentimes conversed with him about legislation, and I am impressed with the quality of his mind. He has a good mind. And anybody who knows him knows that he is a man of physical development because you cannot be with him very long without his talking about the next race he is in or something like that. So that is inspiring, at least to us men folk in the House of Representatives, to see that he is keeping alive and vital in that way.

And then he is a tremendous person from the standpoint of social manners, friendship. Sometimes I think that is the greatest thing in life anyway, friendship. He develops in that way. He helps people. He is friendly to everyone. But I must say that the most inspiring thing to me about John is his dedication to his Lord. He is a religious man. I think it is wonderful to talk to a man who has a sense of God being among us, and he is a man who does, in that he has closely tied his love and affection for his family, because, again, what greater gift does God give than one's family? So he is an inspiring person. We hope he will come back here many, many times. We are so happy he has been with us in the years he has been here.

Mr. FRANK. I want to thank the gentleman from Florida, who speaks to us from a very rich and long perspective as a Member of the House, and I know his words mean a great deal to John. The gentleman alluded to John's physical concerns, and I, like the gentleman from Texas, intend to keep in touch with him. If either one of us gets the urge to eat too much, we will be in touch with each other, since we have at least promised we will keep each other from getting fat again.

Now I am delighted to yield to the very distinguished gentlewoman from Louisiana [Mrs. BOGGS].

□ 2030

Mrs. BOGGS. I thank the gentleman for yielding. I also thank the gentleman for taking this special order, because I too, Mr. Speaker, remember when John first came to the House. I have admired his service through several House administrations and through the administrations of six Presidents.

We, of course, are going to miss John very much, especially because in the mold of his original sponsor, the late Speaker McCormack. John is a person of the highest personal integrity. In addition to that, with Mr. McCormack, he believes that the House of Representatives is a fundamental democratic institution of American Government, and he has had a profound respect and affection for its Members.

Another great servant of this House, D.B. Hardiman, once quoted Stephen K. Bailey about the House of Representatives, and he said that:

> The House is a supremely humanizing agency of our government. Critic, educator, stubborn in sister, that technology be discussed in terms of its human effects.

Surely John has made certain that the Democratic Members have thusly expressed themselves in their best interests and the best interests of their districts and in the best interests of our Nation.

He not only has had a respect and a love for the Members, but he has enjoyed great compatibility with the other workers and the other Members in the House establishment. I have been so pleased to hear the word "beautiful" used in several of the tributes because today I went to the only person I could think of who had had a longer service in the House to ask what I should say about John. I went to Raymond Roebuck, and I said, "What should I say about John Monahan?" And he said, "Anything you say that is beautiful will be appropriate, because John Monahan is a beautiful man."

So, John, we leave you with that. We know you will be sorely missed. We thank you for all your years of service, and we have to admit that we rejoice with Jeanie and Johnny and Molly and Kelly and Joey because we know that they are going to have more of your attention and more of your time and be able to spend a lovely, lovely future together.

So, au revoir, God bless you, and thank you for all you have done.

Mr. FRANK. I thank the gentlewomen. Mr. Monahan's plan to help me keep my weight under control is already working; he has got so many friends, I am missing dinner. I will stick it through.

Mr. Speaker, I yield to the gentleman from Michigan [Mr. KILDEE].

Mr. KILDEE. I thank the gentleman for yielding to me.

Mr. Speaker, when I first came to Congress over 8 years ago, one of the first persons I met was John Monahan.

I soon discovered that he is truly a man in whom there is no guile.

Almost every legislative day in these 8½ years I have had the opportunity, indeed, the good fortune of having a conversation with John Monahan.

We discussed almost everything possible; but mostly our conversations were about life, relationships, and values.

John has his likes and dislikes and is not hesitant to express them. Among his great likes and loves are his family—his wife Jeannie, his children—Johnny, Molly, Kelly, and Joey.

His family is his priceless responsibility. I am a better father and a better husband because of my friendship with John Monahan.

He carries to this day a tender devotion to his Speaker John McCormack. No Speaker could ask for a more devoted and loyal assistant than John Monahan was to John McCormack.

John Monahan loves this institution and wants it to be respected and revered by those who serve here as Members or staff.

I am a better Member of Congress because of John Monahan.

John, we will miss you here.

We will miss your wit, your clearly expressed opinions, and your love of poetry.

But above all, I will miss the presence of a very decent human being.

Mr. FRANK. I thank the gentleman.

Mr. Speaker, I yield to the gentleman from Pennsylvania [Mr. KOSTMAYER].

Mr. KOSTMAYER. I thank the gentleman for yielding to me.

Mr. Speaker, I want to thank the gentleman from Massachusetts [Mr. DONNELLY], for allowing me to proceed him, and also our colleague [Mr. FRANK], for taking this special order.

Mr. Speaker, when I first came to the Congress of the United States in 1976, I befriended two individuals, one was at that time the U.S. Representative from the Second District of Nebraska, John J. Cavanaugh. The other was the gentleman from Massachusetts, Mr. Monahan. During my first two terms before my service was involuntarily interrupted in this institution, the gentleman from Massachusetts, Mr. Monahan would talk to me when almost no one else here would. He would watch me as I began to perform my many misdeeds, that I did during those first two terms before I became a changed person, and he would look at me and say, "Mr. KOSTMAYER, I do not think you want to offer that amendment denying Members of the House the right to mail out calendars," and I would go cavalierly on my way, foolish in not listening and

heeding and learning from the gentleman from Massachusetts, Mr. Monahan, who knew so much more than I.

He is surely as much a Member of this institution as any of us. All of us admire so greatly his loyalty and his devotion. These are truly the two qualities about him which I admire the most. His loyalty and his devotion to his family, to his faith, to his country, to this institution, and to the Democratic Party.

All of us appreciate his friendship and I think, Mr. Speaker, that I can truly say that having listened to him, having learned from him, I am truly a better Member of this body today.

Mr. FRANK. I want to thank the gentleman from Pennsylvania. It is particularly gracious of him to be so kind at a time he acknowledges that he will have no friends left in the House whatsoever.

Mr. Speaker, I yield to the gentleman from Massachusetts [Mr. DONNELLY].

Mr. DONNELLY. I thank the gentleman for yielding to me.

Mr. Speaker, I would like to take this opportunity to ask my friend a question: Is this the same John Monahan that was working here on the floor over the course of the last few years that everybody is talking about?

Mr. FRANK. Well, I would say that there is someone in the gallery that bears a distinct resemblance, but the people that have been working on Mengele have not been available, so we have not established a positive identification.

Mr. DONNELLY. Well, if it is the same individual, I certainly have a few things to say.

The SPEAKER pro tempore. [Mr. BEDELL]. The Chair would ask the gentleman not to refer to the people in the gallery.

Mr. DONNELLY. The gentleman clearly will not violate the rules of the House.

Mr. FRANK. I apologize to the Chair for that.

I would just say to my friend that Mr. Monahan is gone 10 minutes and already we are violating the rules without him. See what kind of trouble we are in?

Mr. DONNELLY. We do not have much time, but we could go on with this little dog and pony show for the next 45 minutes.

Mr. Speaker, John, without a doubt, has a special relationship with all the Members on this side of the House and many of our good friends on the Republican side.

One of the things that really struck me about the esteem and the respect that John Monahan is held by, not only the Members, but especially by his colleagues and peers, was over the course of the last few days individuals who work in this institution, when they heard that we were having a special order for John, asked that if in the course of that special order we could convey to John and his wife Jeanie and his family just their respect and their friendship and their admiration for John and the work that he has provided for this institution and the friendship that he has provided the people that are here at 20 minutes of 9.

The other significant thing that is happening this evening at 20 minutes of 9, this could be very well the first time in 25 years of service to this institution that John Monahan has ever been here for a special order. I think it is significant that John is with it, and my colleagues from Massachusetts have spoken so eloquently about John's and his relationship with former Speaker McCormack, and for those of us that come from the city of Boston and for somebody like myself who grew up always having one Congressman, and his name was John McCormack, and having been so honored to, in 1978, be elected to this institution, I went to see John McCormack to ask for his advice and his counsel about what my service in the House of Representatives would be like, what types of people I ought to look toward in Washington for help and advice for a freshman Member. John McCormack was just so gracious in terms of giving me his experience of great service to the United States and to this institution. But the one thing that he said to me, he said that you could never go wrong if you went to a fellow named John Monahan and asked for his advice. That has just been so true in my over 6 years of service here in the House of Representatives.

I think that during the course of 1-day session, a minimum of a quorum of Members walked through that little office on the side to say hello to John, to ask what the program was, to ask when the session would be ending to get an update on exactly what amendments would be filed and what amendments would be voted on. The institution worked better and the relationships between the Members and the staff were better because of John's dedicated, deligent, and cheerful service.

Unsolicited advice from time to time, but you expect that from somebody who is Irish and who is from Boston.

□ 2040

For those of you who do not have those cultural advantages, I would say that that special little bit of Irish advice becomes very helpful to those of us who were new to this institution, and for many veteran Members of this institution.

John now has to have some bittersweet feelings about the new phase of life that he is entering, bitter because he is leaving an institution that he loved, and he is leaving people that John clearly loves; sweet because he is doing something that he has wanted to do for a very long time, returning to the scene of his crimes in Falmouth, MA.

For those of us who know John and know his friends Mo Moffett and Bill Crowley and the rest of the cast of characters, but great people that John grew up with and has spent his summers with over the course of the last 25 years in Washington, I can say that they look forward to having John return to Cape Cod, and those of us in Massachusetts are grateful that he is coming back home.

The gentleman from Texas [Mr. GONZALEZ], stated that John will be soliciting C-Span and cable so that he can watch what is going on here. I am sure that he will be a prodigious letter writer and telephone caller to those of us from Massachusetts when he finds out that we might not be voting the way, from time to time, that John would like to see the delegation vote.

But we certainly and clearly will miss him here in Washington. The advantage that we have is that back in Massachusetts we will have an opportunity to see him. The advantage that the Democratic Members of this institution have is that John will, from time to time, be calling, and when he comes back to Washington visiting the people that he has befriended and who will be friends of John's, even though he is 400 miles away, will be friends of his for the rest of his life.

So in conclusion, let me just say to Jeanne and to the kids, we welcome you home. We thank you for allowing your husband to spend so much of his time and effort on behalf of this institution and the Members of this House. We wish you well in your years ahead.

Mr. FRANK. I thank the gentleman from Massachusetts.

And now I yield to the gentleman whose district will be contiguous by water to Mr. Monahan's new home, the gentleman from New Jersey [Mr. HUGHES].

Mr. HUGHES. I thank the gentleman for yielding, and congratulate him for taking out this special order.

Mr. Speaker, I rise as one of the culturally disadvantaged that our colleague from Massachusetts was talking about. I can think of a lot of reasons why I owe a debt of gratitude to John Monahan, and I found other reasons out tonight. I did not realize it was John Monahan, our colleague here on the floor, that in fact stymied the Kostmayer amendments on calendars and so forth, and to him we owe a great debt of gratitude for just that.

To know John Monahan is to love John Monahan. I think that my colleague, the gentleman from Kentucky, said it well when he talked about his some 46 volumes, his journals, and the

place that John will play in his volumes. I have only been here 10 years, Mr. Speaker, but I can say that when I write my volumes that John is also going to play a very important part in my memoirs. He is a man of great intellect, with a tremendous sense of humor. He is a storyteller. He always has something interesting to talk about. He is one of the most positive people that you will meet anywhere, and it just will not seem right to walk into the Chamber for debate or for votes and not see John Monahan and his smiling face, busily at work trying to save Members from themselves as they get engaged in conversation and not remember to vote.

He has a beautiful family. His wife, Jeanne, and Johnny, Molly, Joey, and Kelly are absolutely beautiful people. I know that when they retire to the Cape they will, I say to my colleague from Massachusetts [Mr. DONNELLY], write to us because he is going to become a little more conservative than you are, Mr. DONNELLY. He is going to be writing to us about the deduction for local and State taxes, I can assure you, and other issues that are going to be important to him.

We are going to miss John. He has been a real asset to the House of Representatives. I am proud to call John Monahan a friend, and wish he and his lovely family many, many years of happiness and success and health at their home on the Cape. Come back and visit with us.

Mr. FRANK. I thank the gentleman.

Let me now yield to my good friend, the gentleman from Georgia. Let me apologize. Monahan had a couple more friends than I had anticipated and this is taking longer than I had anticipated, and I am very grateful to the gentleman from Georgia for taking part.

Mr. GINGRICH. I thank the gentleman for yielding.

Mr. Speaker, I want to say first of all that I am delighted to have had an opportunity to yield earlier and to have a chance to participate. I think it is a tribute to John that as various friends saw in their offices what was being discussed, that more Members have come over to pay tribute to his years of service than on many topics that we would think of as being far weightier.

But I also want to say that I could not let this pass purely as a Democratic tribute; that I wanted to say just for a moment to your family and to everybody who listens to and pays attention to the proceedings of the House that on a bipartisan basis the real comity of this House starts with the staff, and the willingness to work long hours, to advise all of us. In fact, I was just sitting in the back being assured by our floor staff that John has given great bipartisan advice on running, and that in many ways, as a personal friend, talking to friends in what is a human institution, he has played a key role.

I also wanted to take just one moment to say to your family that I can imagine how many long nights there were. I can imagine how much time was taken up. I just want to say to you that if it were not for people like your dad and your husband, willing to come here, to spend these hours to put up with us, it would be impossible for this great democracy to function or this great room to function.

So I think for every Republican, I say that we will miss you, that we hope that you do have a great time up on the Cape, that we hope that you do find happiness up there, but that we cherish the memory, the experience, the wisdom that you left here, and we thank you for the years you have given to make this process possible.

Mr. FRANK. I thank the gentleman from sentiments that express the feelings of a lot of us.

Mr. Speaker, I yield now to the gentleman from Michigan [Mr. TRAXLER].

Mr. TRAXLER. I thank the gentleman for yielding, and I express my appreciation to the gentleman from Massachusetts for taking this time so that we might all honor that great public servant and great American, John Monahan.

There is a time to plant and a time to sow, a time to live and a time to die, a time to come and a time to go. Unfortunately, in our work oftentimes we do not appreciate being admonished to go. John, in his wisdom, has elected to depart from this body and from this area of the United States and go back, in a sense, to his native State of Massachusetts and to Cape Cod. I always think of Cape Cod as sort of a separate 51st State. It is a gorgeous and beautiful peninsula, a cape second only to that of Michigan.

Mr. Speaker, I have known John as a dedicated employee of this House, dedicated to the Nation and to this body, to the Democratic Caucus, and indeed to all of the Members, as my predecessor a few moments ago observed. It is with a certain amount of personal sadness that I see him go. He and I share certain blessings that have united us in a comradeship that has been a great pleasure and a joy to me. and enriched my life very much.

So with that touch of sadness, I am at the same time very delighted that he elected to do this thing which he had wanted to do for so long and to take the many years remaining to him and his lovely wife Jeanne and to his family and to do those things which they have sought to do during this past period which they can look forward to in the future. We salute him. He has been an outstanding staff person, and as a representative of the staff, in a sense, of the House of Representatives which so ably serves this Nation. The membership here, and each and every one of us. It would be impossible for us to do our jobs without dedicated personnel such as John to assist us in those responsibilities.

□ 1930

So as he takes leave of us, I extend to him and to his loved ones my very best personal wishes and my congratulations. You are going to have a very wonderful life, and, never fear, we are going to find you on Cape Cod, wherever you are. We know you will have a spare bedroom, and we look forward to joining with you at that time.

Mr. WEISS. Mr. Speaker, will the gentleman yield?

Mr. FRANK. I yield to the gentleman from New York.

Mr. WEISS. Mr. Speaker, I thank my distinguished friend for yielding to me to speak on this special order.

Mr. Speaker, I also want to express my appreciation to the Massachusetts delegation for letting those of us who are not privileged to be Members of that great delegation participate in this special order.

John Monahan is a special human being and has been a great and wonderful public servant. He is and has been a person who has made it a joy for me personally to participate in the work of this House. There are occasions when, coming to this floor, it is sort of a grim experience and you do not really look forward to it. One thing that often made it bearable was the fact that you knew that John would be here and he would be participating in his usual energetic and efficient way, that he would be keeping tabs on what was happening on the floor, and that he would be advising you as to the good and insane and insane things that were happening and generally keeping the tradition and the respect for the country and for the institutions of this Nation alive.

I think that it is no accident that the praise that John receives is a bipartisan praise, because I think he has always conducted himself in such a fashion that he is a servant not of any one party but of the Nation and of the institution.

I am delighted to join with all of his friends in this tribute. This really has been a demonstration that, in addition to this being the House of Representatives, it has been the John Monahan Fan Club.

We share our love of John with his wife and his family. We wish him and them well, and we congratulate him on the service that he has rendered to the country, to the House, and to all of us. We know that he is going to enjoy his time away from us.

Mr. FRANK. Mr. Speaker, I thank the gentleman. And let me say that in future years, when the new edition of Trivial Pursuit comes out and the

question is, "When was the last time the gentleman from New York [Mr. WEISS] and the gentleman from Georgia [Mr. GINGRICH] both joined among a few Members of the House to speak on the same side of an issue?" the answer will be "Johnny Monahan."

Mr. HUBBARD. Mr. Speaker, will the gentleman yield?

Mr. FRANK. I yield to the gentleman from Kentucky.

Mr. HUBBARD. Mr. Speaker, I appreciate the gentleman from Massachusetts yielding, and I congratulate him for taking this special order to honor our good friend, John Monahan.

Indeed I have been here 10½ years, and my colleague, the gentleman from Kentucky, the Honorable WILLIAM L. NATCHER, whose district adjoins mine, has been here 31 years. John Monahan has been here 25½ years and has served as our House floor communications director. One reason my esteemed colleague, the gentleman from Kentucky [Mr. NATCHER], after 31 years still has a perfect voting record is because John Monahan was here for 25½ of those years on the House floor to make sure BILL NATCHER did not miss any votes. I know for a fact that many times my dear colleague and friend, WILLIAM NATCHER, would vote, and then toward the end of the vote, when the Speaker was about to finalize the vote, John Monahan would make eye contact with WILLIAM NATCHER and remind the distinguished Kentuckian that he had in fact voted.

We appreciate John Monahan for many other reasons than for helping us as Members. He has been very helpful to me on many occasions. His family has been complimented here several times. I know John looks forward to retirement and going back to Massachusetts where he can spend more time with his wife Jeanne and his children Johnny, Mollie, Joey, and Kelly.

The one daughter I mentioned, Mollie Monahan, attends Langley High School and is in the same class with my own daughter, Kelly Lynn Hubbard, and quite often I would greet John Monahan on the House floor with "How is Mollie Monahan?" And quite often I would see him come in and John Monahan would ask me how Kelly Lynn Hubbard is.

I will miss him because he is a friend. I will miss him because he has been very efficient in his duties helping us here on the House floor to know which Democrats have voted this way and which Republicans have voted another way, letting us on the Kentucky delegation know how our colleagues have voted, and from time to time reminding us toward the end of a vote that we have not even voted at that point.

Yes, after 25½ years, we thank you, John Monahan, for contributing so much to the House of Representatives. We will miss you. We wish you Godspeed, and we look forward to seeing you off.

Mr. FRANK. Mr. Speaker, I thank the gentleman from Kentucky.

Sometimes things work out well. I am running out of time and Monahan is running out of friends at approximately the same rate.

Mr. Speaker, I now yield to the gentleman from Minnesota [Mr. OBERSTAR].

Mr. OBERSTAR. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, I am delighted to have this opportunity to pay a special tribute to a very special friend. I have known John Monahan in a different way than my colleagues who have preceded me. We both served as staff members in this body, I as administrative assistant to my predecessor, John Blatnik, at the same time John was serving in a very lofty position as assistant to then Speaker McCormack. We developed a very good friendship and a working relationship during those years, and although our paths went in a little different direction, I serving as a Member, John was certainly the first, after my election and returning to Washington, to come and greet and rejoice with me in that election.

In the time, though, that he moved from the Speaker's office to his present position, I can say this: that John did not change. He is still the same person. He is an individual. He had overcome some very great personal problems and achieved a great personal triumph in that time. He made a long journey with himself. I watched that journey, and I watched him take hold of himself and transform himself into the truly admired and revered and respected person that has been evident in the discussion tonight.

I think there are three things that characterize John Monahan: faith, family, and fellowship. His faith has guided him and inspired him, and it is the deep reservoir into which he has reached to deal with himself, with his family, and with his colleagues in this body.

His family has been his primary goal. He talks about each one of his children and his wife and other members of his family with a very deep feeling, a very deep sense of devotion and love, and it is because of that family and his desire to be close to them that he is making his decision at a time when he can enjoy them in good health for years to come.

His fellowship in this body extends beyond the Members to the history of this House and to the love that he has for the House of Representatives as the great institution that it is. That, I think, is one of the very great qualities about John Monahan, and it is one that I think marks him as a very special person. He has spent so many years in this body, and yet each day he approaches this House with respect for the tradition and for the significance of what occurs in this great deliberative body. That indeed for me sets him apart as a very, very special kind of person.

Mr. Speaker, he has been one of those unsung heroes who are the members of the staffs of this great institution, and it is fitting that tonight this first and final song will be his sweetest.

Mr. FRANK. Mr. Speaker, I thank the gentleman, and I am glad he closed on that note with a reference to the staffs because this is in part not only a tribute to John Monahan and an expression of the gratitude we all feel for his friendship, but it is also a rare chance for many of us in the House in a public way to express our gratitude and appreciation to all those who work in the House. There is a lot of hard work and a lot of inconvenience involved, and some of us who are out front get more of the glorious sides of it. But I think this has been a chance, and I know a number of Members on both sides have said this is a chance, for us to express our gratitude to the staff, and I think it is appropriate that we are able to do this now.

Let me just read, as I draw to a close, Mr. Speaker, this certificate, because those of us on the Massachusetts delegation think that a flag that flew over the Capitol will fly with great significance over the Monahan house on Cape Cod, and we are going to present it to him:

"This is to certify that the flag presented with this certificate was flown over the Capitol of the United States especially for presentation to John Leo Monahan in recognition of his 28 years of loyal and dedicated service to the United States House of Representatives and as legislative and administrative assistant to Speaker John W. McCormack."

I know, Mr. Speaker, that it would be against the rules for me to refer to any person who happened to be in the gallery, so after the session we will just try to get rid of that flag in an appropriate way.

Mr. Speaker, let me just in closing say that I think I speak for every Member of the House when I say, "Johnny, goodbye and thank you."

● Mr. HERTEL of Michigan. Mr. Speaker, I rise to pay tribute to a loyal and dedicated public servant and a personal friend, Mr. John Monahan. John Monahan has served the House of Representatives in several capacities since 1961. After graduating from Boston College in 1959, John went to work as a legislative assistant to then-majority leader, John W. McCormack. As Mr. McCormack became Speaker of the House of Representatives, John

assumed the position of administrative assistant. He later became floor assistant for communication, a position he served with patience, conviction, professionalism, and a refreshing element of Irish humor and wit.

John Monahan will leave behind an impressive list of accomplishments and contributions to the legislative process. His honesty and integrity and his willingness to assist others set him apart from other public servants. Mr. Monahan's giving nature extends to his private life, where he is a loving husband and father and is highly active in church and community activities.

As John Monahan prepares to leave his distinguished career, I would like to commend him for having given so much to this institution. I am sure his outstanding achievements will be appreciated for years to come. I would also like to express my deepest gratitude for his friendship and guidance during my tenure in the House. To his wife, Jean, and to his children, John, Molly, Kelly, and Joey, I offer my best wishes.

Again, I congratulate John Monahan upon his retirement. I am certain he will continue to inspire those around him.●

● Mr. SCHEUER. Mr. Speaker, I would like to join my colleagues in honoring a staff member of this body who has devoted more than a quarter century of public service to the American people.

John Leo Monahan, the assistant for floor communications here in the House, predates most of the Members who are in Congress now.

His tenure here dates back to the time when he served on the staff of then-House Speaker John W. McCormack of Massachusetts.

John Monahan has seen many of us come and go during his years on Capitol Hill and I am sure he has more anecdotes about past and current Members than anyone can imagine.

For more than 5 years, John Monahan has held his latest position, a task he has performed with utmost efficiency.

But even beyond his technical expertise and skills, John has been a true friend to every Member in this Chamber and he has shown exceptional thoughtfulness and kindness in the 1,001 ways he has helped us perform our duties.

In the tumult and bustle that often overtakes this body, he often has made sure we don't miss votes. He has kept us in line, and more importantly, has provided us with the last minute information that we sometimes need to cast votes on the many and varied issues the House handles.

Mr. Speaker, I for one will miss the presence of John Monahan in this Chamber. I wish him the best of luck and many future years of health and happiness.●

GENERAL LEAVE

Mr. FRANK. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks, and include extraneous matter, on the subject of this special order.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

□ 2100

SOVIET WAR AGAINST AMERICA AND WESTERN CIVILIZATION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Georgia [Mr. GINGRICH] is recognized for 60 minutes.

Mr. GINGRICH. Mr. Speaker, this is another Thursday evening report on the Soviet war against America and against Western civilization and is a continuation of an experiment on trying to bring together and make sense of the activities of the week, both in terms of geography, how do things relate from Nicaragua to Afghanistan to Lebanon, and also in terms of the background of the Soviet system and what does Leninism teach us about what is happening and what have we learned from history. What can we expect from the past.

The general focus of these special orders is on the Soviet Union and its actions against the West. Those actions have to be seen in a number of specific places and a number of specific contexts.

The fact is that we live in a world of violence, of ruthless dictatorships united against the West, of a savage alliance against freedom and against America.

We Americans seldom appreciate how good our life has been and how God has blessed us with safety and freedom.

In a currently popular film, "Rambo," there is a scene in which an American talks with a Vietnamese girl who is an American agent and he asks her why she is doing what she is doing and she says of Vietnam, "This has become a place of death. There is too much death here," and she says that her dream is to go to America, "the quiet land."

I think we Americans seldom realize how much in much of the world we are seen as the quiet land, not just the rich land, not just the prosperous land, but the quiet land, the land of safety.

I spoke the other evening in Atlanta with an Iranian whose life was threatened when Khomeini took over, who was about to be killed, who fled through the mountains to Turkey and who said to me the other night, with tears in his eyes, that what kept him alive was the faith that if only he could survive crossing the mountains, if only he could survive the long walk through the wilderness, that he would reach America and that in America he would be safe.

There is a great novel called "America, America" about an immigrant who walked in the 1920's for mile after mile after mile seeking that refuge, that land of hope and opportunity.

The concept that we are, as the young lady said in the movie, "Rambo," "the quiet land" is real if you live on the level of violence that is all too common. We seldom realize that to be able to live in a neighborhood without fear, to be able to go to your church or synagogue without terror, to send your children to school without artillery shells going off, that that is a rare and a magic thing. That is not everyday history. That is not life for much of the world.

Just on television last night there was a scene of sunbathers in Lebanon suddenly interrupted as artillery rounds began to go off a block away.

There is an article on page 1 of today's Washington Post entitled "There Were Buckets of Blood."

I read a description by a woman talking about a refugee camp from which she escaped. She said, "For every bucket of water, there were two buckets of blood."

Think about that, to live in a place where for over a month there has been fighting, where every time people went to get water there were snipers firing at them, as she said, talking now about women who went out to get canisters of water: "They always got one or two. It's a miracle I am still alive," Makieh sighed and burst into tears.

According to official figures, about 650 persons have been killed and 2,500 wounded in the fighting in this one camp alone in the last month or so, and yet we have to recognize that that level of violence is only a small part of the world. Tonight while we live in a quiet land, while we are safe, there is vicious violence in Lebanon, a Soviet war in Afghanistan, Communist genocide in Cambodia, famine in Communist Ethiopia, oppression in Communist Bulgaria against ethnic Turks, oppression in Communist Rumania against ethnic Hungarians, oppression in Communist Poland against every Pole who desires freedom.

In our own Western Hemisphere we see a Communist Cuba so badly governed that hundreds of thousands of Cubans flee to the United States, a Communist Cuba that maintains an army of occupation in Angola and Cuban troops in Mozambique and Ethiopia as well as Nicaragua.

On our own continent we see a Communist dictatorship consolidating power in Nicaragua, building up its army and waging guerrilla war against its neighbors in El Salvador, Guatemala, and Honduras.

Behind all this violence and all the oppression in the Communist empire looms the Soviet Union itself. It is only the existence of the Soviet Union as a massive armed power which threatens the survival of America and freedom.

We could observe the tragedies of small countries with compassion and concern, but without fear for our own existence. It is the power, determination and toughness of the Soviet Union which threatens our very survival.

In recent weeks we have learned again of the systematic war the Soviets are waging against the survival of the West. We have learned of Soviet efforts to cheat on the SALT talks about nuclear weapons.

We have learned that the Soviets are systematically bribing Americans to spy against their own Government.

We are watching a trial in Italy in which there is a serious allegation that the Bulgarian Communists, and behind them the Soviets, were involved in the effort to assassinate the Pope, and yet we Americans, I think, could watch all of that, could be concerned, except that now we are directly involved.

Today on page 1 of the Washington Post, two-thirds of the page is devoted to stories that involve Americans. "U.S. Stands Firm Against Demands of Hijackers," a situation all of us have seen on television in which there are still 40 American passengers and crew members being held hostage in Beirut.

Four marines slain in El Salvador, nine others killed as terrorists fire into an outdoor cafe.

Americans indeed are at risk. I have had my own constituents from Carrollton, GA, from Jonesboro, from elsewhere in Georgia, call me and say, "My brother is about to leave and go to Europe. Should he go?"

"I have friends who are somewhere outside the United States. Should I call and beg them to come home? How much danger are we in?"

We have also had a report in the last 48 hours that there is a serious and systematic Islamic extremist movement in the United States which may have as many as 600 people prepared to commit terrorism in the United States, that even if all of us came home, even if there were no American airplanes, no American travelers, no potential hostages overseas, we would face the danger of terrorism here in America, and for those who doubt that that danger is real, let me remind them that simply to walk over to the U.S. Capitol from our offices, we now walk past large concrete pillars put in the middle of the highway, not in order to have new flower pots, but precisely to stop a terrorist from driving a truck or a car bomb into the Capitol.

So the answer cannot be to withdraw, because there is already evidence that were we to bring everyone home, terror would simply follow to our own land.

Mr. WALKER. Mr. Speaker, will the gentleman yield?

Mr. GINGRICH. I am glad to yield to my friend, the gentleman from Pennsylvania.

Mr. WALKER. Mr. Speaker, I thank the gentleman for yielding.

I think it is important to emphasize the point that the gentleman is making, and that is the fact that we now are able to see fairly clearly in this week all too tragically, it has come home very clearly, that across this globe there is terrorism that today threatens American citizens abroad, and as the gentleman points out, may well in the future, hopefully not, but perhaps even in the near future threaten Americans right here. It is not an idle threat any longer. It is a very real threat, that virtually every decision we make here within the Government as a whole, as a people, affects whether or not terrorists are going to continue to prey upon the American Nation and the American people.

If a decision is made at some point to capitulate to the demands of terrorists, that is almost certain to create more terrorism. If in fact we are not vigilant in our Government policies about how we approach terrorism, that is certainly going to encourage terrorism.

We had an action on the House floor within the past week and a half where the money was stricken out of a supplemental appropriation bill on a point of order by a Member of this body that took out all the antiterrorism money for the FBI.

□ 2110

In the face of what we are seeing in the world, we had an action on this floor to strike out the money that was in the bill for antiterrorism actions by the FBI. All of the money was stricken.

Mr. GINGRICH. Could the gentleman expand on that for just a moment? As I understand the situation, and I was not on the floor at the time it occurred, but as I understand it the supplemental appropriation that came up had additional money to enable the FBI to increase the amount of resources and the number of people, the things that it was doing to try to stop terrorism?

Mr. WALKER. The gentleman is correct. And the reason why the money was in there was precisely for the reasons the gentleman has pointed out, that we do face the threat of increased terrorism within our own borders. And the FBI is seen as being the major counterintelligence body or the intelligence-gathering body to help us prevent that terrorism in the first place, or to act against that terrorism should it take place. And one of the things we are hearing over and over again from people who are observing the problem in Lebanon is that what we need is better intelligence there. We need to be able to find out where the hostages are being held. We should have had the intelligence in the first place that told us what was going to happen and it was in large part, we see, an intelligence failure.

It is precisely that kind of intelligence that we are trying to gather on the domestic front that the money was in the bill to give the FBI the ability to do.

Mr. GINGRICH. Is it not correct, as I understand it, I think a story in today's paper was that the Director of the FBI, in fact, has testified that considering the number, for example, of Iranians who are coming into the United States that there clearly are not enough FBI agents to be screening their background for the number of Iranian students or supposed students, some of whom may well be infiltrated terrorists who are coming into this country? I believe that testimony was in today's paper.

Mr. WALKER. I think the gentleman is right, and you put that together with the fact that what we know is that the Soviet Union is involved directly in espionage within this country and that one of the reasons why they are able to conduct their espionage within this country is because we do not have sufficient FBI capacity to follow all of the Soviet diplomats that are assigned around the country, most of whom are involved in some way or another in espionage, in their consulates, in their Embassy here in town, in the Embassy in New York for the United Nations. You have a large number of Soviet diplomats involved in espionage and we simply do not have the strength in the FBI to keep track of all of that.

That also lends itself, the espionage and terrorism are tied in to an attack upon this country, be it a kind of underground attack, but nevertheless a very, very real attack that the FBI is supposed to manage. And the FBI is one of the main links we have to assuring the American public of the safety to which the gentleman referred earlier. And now we see that in the midst of all of that you have a bill brought to this floor to try to give the FBI the additional money that is needed in order to be responsive to the threat, and we had that money stricken on this House floor, not part of the

money stricken, all of the money stricken.

You know, it would strike me that in light of precisely what we have seen take place in Lebanon in the last few days, and the threat that could be posed to this country, it would seem to me there would have to be an awful lot of explaining done to the American people about that particular action by this House.

Mr. GINGRICH. If I am not correct, it was a relatively senior Democrat, who has a fairly influential position, who made the move to kill all of that additional funding?

Mr. WALKER. The gentleman is correct. I think, as a matter of fact, he is the person with jurisdiction in his subcommittee for FBI activities.

Mr. GINGRICH. He is the chairman of that committee.

Mr. WALKER. That is right.

Mr. GINGRICH. I might also point out again, as an example of the gap between what seems to be the liberal Democrat perception of reality and the way the world is tragically working, particularly in the hostage case, that if the Boland amendment, as suggested for Central America, were in effect in Lebanon, the United States would be unable to share intelligence information with anyone.

Mr. WALKER. The gentleman is absolutely correct. And we would be severely limited in our ability to react and respond to the crisis that American citizens find themselves in in Lebanon.

Mr. GINGRICH. And I think it is also interesting that in I think it is, it has now been 3 days of dealing with the defense bill on this House floor that in the middle of tremendous pressure in Central America and in the middle of terrorist bombings in Germany, and in the middle of the hijacking crisis in the Middle East, the overwhelming pressure of the bulk of the Democratic Party has been to consistently weaken the defense bill.

Mr. WALKER. I would say to the gentleman, think about the situation that we now find ourselves in with regard to just the Soviet Union, and think of the things that we have learned over a period of several months about the Soviet Union.

If you go back to the time that they shot down the Korean airliner and come all the way up through and including the shooting of Major Nicholson, including the revelations, as the gentleman pointed out, coming out of the trial in Rome today about the implications that the Soviet Union was involved in the assassination attempt upon the Pope, and also revelations within that trial that they may have also had an assassination plot against Lech Walesa, you know a number of things that tell us very important things about the Soviet Union. And in the light of that we still have people coming to the House floor in the midst of the defense debate suggesting that there are humanitarian ways of dealing with the Soviet Union. In fact, we had one statement on the floor yesterday about what liberal Democratic foreign policy is all about, or what their defense policy is all about, and that was that what we ought to have is a nonthreatening defense. And I, for the life of me, was trying to figure out what that meant in terms of dealing with people whose intentions in the world are fairly obvious, not by what we think they are all about, but by what they have done, by what we know on the record they are all about. And then you put that together with just the act yesterday of the shooting of the American marines in El Salvador, knowing that the weaponry that was used to shoot those marines came through Nicaragua, came through Cuba, and ultimately can be laid at the doorstep of the Soviet Union. I mean this is not something that we are ignorant about what is happening in the world. We simply have people in this body who despite that kind of evidence are still willing to say that the United States ought to adopt as its policy a nonthreatening defense. It defies credibility.

Mr. ROTH. Mr. Speaker, will the gentleman yield?

Mr. GINGRICH. I am glad to yield to the gentleman from Wisconsin.

Mr. ROTH. I appreciate the gentleman from Georgia yielding. I was somewhat reluctant to interrupt the gentleman from Pennsylvania because I think he certainly is on the right track.

What amazes me many times, and I am sure many other Americans, is that we always seem to be amazed by what the Soviets do. And yet if you can trust anyone, you can trust Communists to be Communists. After all, the totalitarian powers always tell us what they are going to do.

Remember when they asked Khrushchev whether they would change their philosophy or whether they were still living by the dictates of Lenin, and Khrushchev said that "We will change our philosophy when a shrimp learns to whistle."

We seem to forget those things. But that is part of their philosophy and they are sticking to their philosophy and to their goals.

I think Alexander Haig used the best analogy I ever heard when he was Secretary of State here. He mentioned the Soviets are like a burglar who is in the hotel and he tries every room. If the door is unlocked he will enter. And then we seem to be amazed by what the Soviets do.

For example, in Southeast Asia, the gentleman from Georgia talked about the quiet land, talked about the United States. Well, in Southeast Asia we have chemical warfare. We have yellow rain. And what do our liberal colleagues tell us to do? They say no, that is not yellow rain, it is not chemical warfare, despite all of the sickness and the disease and the illness and the deaths. They say that it is bee pollen. Now can you believe that?

There is a holocaust taking place in Kampuchea. That is a country of about 6 million people. That country is about the size of, a little bit bigger, but about the size and population of Austria. Pol Pot killed 2 million, exterminated 2 million Cambodians.

Where was the outcry from the civilized world? Where was the revulsion at these murders? Where was the repudiation of this regime? Where was the denunciation of this regime?

We listen with thirsty ears but we hear nothing.

With these countless examples of man's inhumanity to man, perpetrated by the other side, it is even more amazing when it comes to the issue of the double standard.

□ 2120

I am also reminded, I remember I think it was last January when a couple of our colleagues, people whom we like, a couple of Congressmen visited El Supremon in Cuba. For 2 hours he was engaged in a tirade against their native land and they sat by silently. Well, the Congressmen were repentant. They came back to the Congress and to our country and they said, "We should be open minded. By not embracing Castro we are really denying ourselves, we are hurting ourselves." And even the national press chimed in. All we were to do was to forget the Cuban occupation troops in Africa, we were to forget about the betrayed revolution, and we were to be open minded.

Now, you take two Congressmen, let us say they are members of the COS, the Conservative Opportunity Society, and they go to Central America and they talk to a military government. Now this military government has lifted sanctions, they had a plebiscite, they are marching to democracy and will have a democracy by 1989. Now these two same Congressmen come back to the floor and they say, "Let's be open minded, let's lift our sanctions against this country." Well, can you imagine the outcry? Can you imagine what would be said? And the reason for that is because we do have a double standard.

Now, we are in an era of history where I believe ideas are important and ideas will remain and reign supreme. An idea, after all, is divine, it lives long after we have fulfilled our duty here on Earth. I think we must keep freedom alive for it we allow these acts to go without us raising our voices then certainly a long night of

darkness will descend on our Earth and on our planet.

The gentleman from Georgia says this is "the quiet land." But, you know, we cannot live in isolation today. We are part of the world and what affects people throughout the world is ultimately going to affect us.

When we forget a Major Nicholson, when we forget the 269 murdered people, those innocent victims on 007, when we forget about the violations of, for example, fishing rights and other coastal problems that we have had in the Bering Strait along Alaska, when we forget about the Soviets and the pressure they are putting on Greece, when we forget, yes, not only the hostages in Iran but all of the hostages in Eastern Europe. After all, how many countries, how many people in Eastern Europe would stay under the thumb of the Soviets if they had the power to be free? Yes, if they forget those hostages, if we forget the example of Grenada, then certainly a long night of darkness will descend on the world.

What Abraham Lincoln said over 120 years ago is even more true today than when he said it, when he said this is the last best hope of Earth. I say to the gentleman from Georgia that I think if this is the quiet land, then I think we have an obligation, do we not, to the people throughout the world to raise our voices because if we do not raise our voices, where will the voice be raised around the world in opposition to these heinous crimes?

Mr. GINGRICH. I want to make one point before I yield further because I think it is important for the Members of this House to recognize where, factually, we discover ourselves; that when I talk, for example, as the title of this continuing series of special orders, about the Soviet war against freedom and the Soviet war against America, that is not just strong language. James Kilpatrick in a column today said, and I quote:

> Make no mistake, we find ourselves in a virtual state of war.

George Will, in another column today, talking about the Army's base for special forces at Fort Bragg said:

> This base is a reminder of the constant war against America that Americans only intermittently acknowledge.

The point I wish to make just for a second is that from the standpoint of anti-American terrorists in the Middle East, from the standpoint of Nicaraguan Communists, from the standpoint of the KGB specialists in spying in Moscow, from the standpoint of the people who applaud the effort to kill the Pope, there is a systematic war against freedom, there is a systematic war in which just a few days ago a young American boy who served in the Navy was killed by a terrorist as an act of war; just yesterday four American marines were killed as an act of war. They know they are at war with us. We use the language "war." Fidel Castro said, and it is in the Museum of the Revolution in Havana, once he had succeeded in taking Cuba he said, "Now I am ready for my real role in life, the war against the Yankee."

He thinks he is at war, he uses the word "war." We Americans, because we have a deep desire to believe the best of all of our fellow men, find it hard to accept the reality even when on television we see the young man's body being brought home, even when on television we see the young marines being flown home and even when on television we see in front of the White House and in front of the Capitol the antiterrorist devices designed to protect the centers of our political power at a time when even America may presently become a target for terrorism.

I yield to the gentleman from Pennsylvania.

Mr. WALKER. I thank the gentleman for yielding because I thought the gentleman from Wisconsin made an important point that maybe the gentleman from Georgia, being an historian, would reflect on for a moment.

The gentleman from Wisconsin made the point early in his remarks that the Communists tell us precisely what they are all about, the totalitarian societies tend to do that. The problem is that free people often do not believe the totalitarians. Isn't it very similar to Great Britain of the 1930's when they could not believe that Hitler really meant what he wrote about in Mein Kampf. He told precisely what he was going to do. He carried out actions that were precisely what he said he was going to do and yet the British sat on their island and said:

> Well, you know, that can't be real, that isn't factual, he does not mean what he says.

In many ways we in America today find ourselves in that same position, where the Communists are telling us over and over again what they are all about. Their actions move directly with what it is they say they are doing, and yet we come to the floor of this House in some instances, Members of this body come to the floor of this House and refuse to believe that which the Soviets are saying and that which they are doing and say that there must be something that we are dong wrong because, obviously, the world has become a dangerous place and we must be partially at fault or in some cases hear people talking that we are totally at fault.

I think that the point is well made that totalitarian societies often do tell us very much what they are about, but we simply, as free people and as people of good will, as the gentleman from Georgia points out, do not want to believe.

Mr. GINGRICH. Let me pick up from the gentleman's point. The reality is that a free society finds it hard to believe horror stories that are not fiction. "Mein Kampf" by Adolf Hitler was so different from the way we Americans live, the way the British lived, the way the French lived, that nobody could believe it except Winston Churchill who kept saying, "Read the book and you will see what is happening."

Similarly we see in El Salvador that a democratic, pro-American government is beginning to establish enough security that the guerrillas are reverting to urban terrorism. Now that is not a new thing. The classic work on urban terrorism was written in the 1960's by a Brazilian Communist. It has been printed all over the world. We know exactly what it means. It is there for anyone to study. It is probably in most of the major city libraries in this country.

□ 2130

It is a work you can look at and say "Oh, now that means they're going to start machinegunning cafes."

Similarly, we know about hostages, and we know about aircraft hijackings. I was sort of sobered over the weekend to be reading a novel called "Rat Catcher" by Craig Thomas, the man who wrote the novel "Firefox" which became a movie, and "Rat Catcher" was his first novel. It was written in 1976 about a hijacking effort by American and Palestinian terrorists against an American-British airline and crew, landing at Heathrow Airport in Britain, in order to try to release a prisoner who was a Palestinian terrorist.

I was reading this for fun and just to relax when all of a sudden, in the middle of the day, there is a hijacking. Now that book is almost 10 years old, and it is a novel, and it is based on the fact that we have had almost 15 years of systematic hijackings by Palestinian terrorists against the West, and yet we still have not developed a pattern and an understanding at a political and cultural level of the dangers of terrorism and how to deal with them.

I would be glad to yield to my friend from Texas.

Mr. BARTON of Texas. I thank the gentleman from Georgia for yielding.

I was over in my office doing some paperwork, and when you began the special order—there is an editorial that appeared in today's Dallas Morning News that I thought was very appropriate to this discussion.

It is entitled "Hijacking: Enough's Enough" and I would like to insert that editorial:

> HIJACKING: ENOUGH'S ENOUGH
>
> Nabih Berri, the Lebanese Shiite, is holding the hostages. Suddenly Terrorism has a recognizable face. There is someone now to deal with.

President Reagan, at his press conference, understandably didn't want to discuss what the United States is saying to Berri. What it ought to be saying, for this country's long-term good, and that of all U.S. citizens, is something on this order:

Enough's enough. We want our people back unharmed; we want them back now. And, by the way, what's your opinion of breathing? Do you think your associates should keep doing it, because, unless you give back the hostages, a lot of Shiite gunmen—one of whom has coldbloodedly murdered one American already—will have to reckon with the United States of America.

We should be saying this, too: Look, the United States is fed up. Vietnam, Iran—what does conciliation appear to buy except further outrages? Do you know what movie Americans are cheering this summer, Mr. Berri? *Rambo, First Blood, Part II*—wherein Sylvester Stallone goes rat-a-tat-tat through a gang of Communists holding—get this—American prisoners.

Do you doubt that plenty of Americans would like to send Rambo to Beirut, Mr. Berri? Give back the hostages, Mr. Berri. Now.

So much for diplomatic byplay. Here is the broad point. The terrorist's fanatical willingness to die for his cause is too much celebrated. Every terrorist act involves a rational calculation—that benefits will outweigh costs.

The only way to deter the terrorist is to show him that taking on the United States will hurt more than help him. The way to show him is to hold responsible, and punish appropriately, those identifiable as terrorists—including, if he fails to come through with the hostages, Mr. Nabih Berri.

If all this has a familiar ring, it is no wonder. Among the enduring lessons of history is that a great nation sticks up for its people, or else finds those people exposed down the line to more and greater outrages.

An English historian of the early 20th century wrote proudly: "No Englishman is too poor, or too isolated, to walk a blameless path without the support of fleets and armies." Such support rarely had to be invoked. Englishmen of that era didn't often get kidnapped and murdered. Guess why.

The point of this editorial is that at some point in time we have to resort to the one thing that we never have resorted to; and that is retaliation.

I doubt that there is any Member of this body that is any more concerned about the continued safety of the hostages that are currently in Beirut than I am or the other people in the Chamber this evening, but we have 237 million Americans that we have to be concerned about; and unless we are prepared every other week or every other month to see the same spectacle on our television screens, then we do need to consider the possibility of retaliation.

I think that if we were to give Mr. Nabih Berri a certain date, say 1 week, 2 weeks, to free the hostages under his control, and if that were not to occur, to very specifically state what we would do in retaliation, I think there is a very, very good chance that we would get the hostages free.

If we just continue to wring our hands and hope and pray that the terrorists will do the right thing, I doubt that they will do that; I think that they will just go on continuing to kidnap us and bomb us.

I believe I am correct in stating that over the last 2 to 3 years, 40 percent of terrorist acts around the world have been directed toward Americans, and we are supposedly——

Mr. GINGRICH. Is the figure 40 percent of all the terrorist acts around the world are directed against Americans?

Mr. BARTON of Texas. I believe that is correct.

Mr. GINGRICH. Does the gentleman have any idea if there have been any terrorist acts, anywhere in the world against the Soviet Union?

Mr. BARTON of Texas. I am not aware of any.

Mr. GINGRICH. My impression; I try to watch this fairly carefully, my impression is that there are no terrorist actions anywhere in the world against the Soviet Union, to the best of my knowledge.

Mr. BARTON of Texas. Well, I think my distinguished colleague from Georgia raises an excellent point, reinforces the point that I was attempting to make; that we need to be prepared to act militarily.

Our Secretary of State, our President, our Secretary of Defense, our National Security Adviser in the past, in a general sense have stated that we would, we now have that opportunity to at least threaten that option, and so far we have failed to do so.

Mr. GINGRICH. I would like, if I might, to put in the RECORD, because it reinforces so strongly the point the gentleman from Texas makes, the column by James Kilpatrick today, because it creates the historical environment that the gentleman from Pennsylvania was referring to.

He says, and I quote:

Back in the summer of 1904, kidnappers in Tangier seized an elderly American citizen, Ion Perdicaris. The responsible party was well known: a brigand chieftain named Ahmed ben Mohammend Raisuli, an enemy of the sultan of Morocco.

At that very moment the Republican National Convention was meeting in Chicago, Theodore Roosevelt was nominated by acclamation. He dispatched an ultimatum to be delivered in Morocco and read to the convention: "Perdicaris alive, or Raisuli dead!" Perdicaris was freed.

As I write this column, the terrifying ordeal of TWA's Flight 847 remains to be resolved; the outcome of this particular incident is uncertain. But we may be absolutely certain of one thing: if there is any perception of caving in on the part of the United States, this will not be the last such hijacking. We will have issued an invitation to extortion.

There is but one way to deal with such terrorists. It is to apply the ancient law spelled out in Exodus 21:23. Let us match "life for life, eye for eye, tooth for tooth, hand for hand, foot for foot, burning for burning, wound for wound, stripe for stripe."

Suppose, to be supposing, that when the terrorists killed their first victim, and tossed his body from the plane, the Israelis had chosen one Shiite Moslem at random from the 700 they held as prisoners. Suppose, then, that this randomly chosen prisoner had been put to death at once by firing squad, and that proof of the execution, in the form of a TV tape, were shown to the hijackers. And suppose this act of summary retribution were accompanied by a threat: For every American passenger you kill thereafter, we will kill 10 of your brothers.

Such a cold-blooded policy would set off cries of protest in every humanitarian quarter. The U.S. Constitution does not apply in Israel, but we would hear that the proposed executions would violate due process of law; they would be cruel and unusual; they would amount to ex post facto punishment. We would be "lowering ourselves to the level of the terrorists." We would be "murderers." All of that.

But if such a policy were adopted and enforced, and the pool of Moslem or Palestinian prisoners held out, it just might put an end to the kind of savagery we witnessed with the hijacking.

Make no mistake: we find ourselves in a virtual state of war. War is inherently cruel. War is inescapably unjust. During World War II, the Germans indiscriminately bombed targets in England; the allies retaliated with the saturation bombing of German cities. Innocent and unoffending human beings—as innocent and unoffending as American passengers on a jet plane—died in those raids of 40 years ago.

The policy I am advocating could not be based upon bluff. There are ruses in war, to be sure, and it might be possible for a few actors and a special effects crew to fake a movie of a multiple execution. Such a hoax might work once. Only trading a real life for a life and an eye for an eye would have meaning for terrorists the next time.

Other measures ought to be taken also. The United States could refuse sovereign protection to U.S. citizens who fly on airlines with inadequate security systems. In the matter of the TWA affair we have to suspect bribery of security screeners who let the weapons through, but bribery can be detected and punished. It would not be impossible, it would merely be a nuisance, at such airports as Athens for every passenger to be strip-searched and every bag opened and repacked under a guard's watchful eye.

The situation cannot be permitted to drift along. Terrorism in Beirut, terrorism in Athens, terrorism in Rome—it has become a way of death. "Perdicaris alive, or Raisuli dead!" Teddy Roosevelt had the right idea 80 years ago.

□ 2140

That is from James J. Kilpatrick.

And let me cite a more concise version from George Will:

• • • there are three aspects of anti-terrorism: prevention, rescue, retaliation. When prevention has failed, decisions must be taken quickly, and generally by other governments, to make rescue even remotely possible. If the tires of TWA's jet had been shot flat when it first landed in Algiers, before the two terrorists acquired armed helpers and flew on to a safe haven in Beirut, there might have been a moment in which the Delta force from Fort Bragg could have been used.

As for retaliation, we have the necessary military assets. We have the requisite infor-

mation regarding appropriate targets—Syrian—belonging to a nation that is culpable, in this sense; it could stop much of the Lebanon-based terrorism if it wanted to. We lack—at least we have lacked—only the political will to act. It is not the military's fault that when terrorists throw down gauntlets to the United States, U.S. policy has been to hope that they run out of gauntlets.

I would be glad to yield to the gentleman from Pennsylvania.

Mr. WALKER. I thank the gentleman for yielding because I think the material that he has just given us is important. But I think that the question, then, that needs to be asked is: Why does not political will not exist? And I think, once again, you have to come back to this body and begin to understand that the political will that we fail to muster in the face of warfare starts here, because we have people who literally apologize on this floor for the acts of terrorism that the Communists have been responsible for, that try to find ways of blaming this country for the problems that we face around the world, that look at a situation like Central America and blame it more on past American actions than the actions of the terrorists operating there today, who find time and time again ways of distorting the situation so that the political will to act cannot be mustered.

And I think that it is clear that until we can unite with a single purpose within our own Government on a bipartisan basis to at the very least stand for the protection of American citizens around the world, to stand for the protection of the American nation around the world, that it is going to be very difficult for any President or for any group of politicans to have the political will necessary to take some of the severe actions which may be necessary in order to win the war. Otherwise we will continue to lose the war piece by piece by piece, in Lebanon, in Germany, wherever the terrorists decide to strike.

Mr. GINGRICH. I would say to the gentleman, first of all, that I think that this House has some of the burden of the failure of America to respond to the war against freedom, but only some of it. I think that we face a cultural crisis that I think goes back to almost a 40-year cycle of an ostrich mentality that failed to recognize reality and kept trying to hide from the nature of evil and the dangers to freedom. And I think that ostrichism is not just in the Democratic Party. There are some ostrich Republicans. It is not just in the Congress. There are ostriches in the news media, there are ostriches in the State Department, there are ostriches, for that matter, in the Defense Department.

But I would list seven major failures in our system to deal with reality: The failure, first, in our culture to understand the war we are trying to survive; a failure, second, in the news media to understand how easily they are manipulated; a failure, third, in the State Department, to recognize that the goal of foreign policy is to achieve our values, not just to negotiate; a failure in the Defense Department to establish the correct kinds of systems to allow us to respond overpoweringly and with massive effectiveness; a failure in the intelligence agencies to have the level of human intelligence and the capability for covert reaction; a failure in the White House to have the kind system that would calmly and quietly and methodically handle this kind of terrorism; and, finally, a failure here in the Congress to provide any sense of understanding of the dangers we face.

It is all seven of these failures, frankly, covered, I think, in the case of the news media, with remarkable skill today in an essay by Joseph Kraft, who really takes, I think, the most candid and serious look at the failure of the American news media, as one of those seven, as a reflection of the dangers of ostrichism in the whole society.

I have talked at length on several occasions on this floor about the lessons of the Grenada documents where, when we liberated the Island of Grenada, we captured Communist documents, and the volume which the State Department has published, entitled, "Selected Grenada Documents," and the four page letter from the Cuban Ambassador's wife, the handwritten letter, in which she wrote to the head of the Communist government in Grenada, telling him how to manipulate the American news media, and I have suggested that there is a severe problem with the American news media's naivete in its failure to recognize how it is manipulated by the enemies of freedom.

I think that Joseph Kraft covered this very, very thoroughly today, and I would like to share this with my colleagues, and I quote:

Journalism, almost as much as government, experiences anguishing difficulties in coping with terrorism. For the professional impulse is to draw close to the event the better to extract its human interest. But yielding to that instinct helps the terrorists, for whom publicity is oxygen.

So here is an inventory of mistakes to which those of us in the news business are unwittingly prone when covering terrorist actions. It is culled from the coverage of the hijacked TWA plane, as a guide for the next such event.

Hype represents probably the most common error in the treatment of terrorist actions by the media. Hostages are taken precisely in order to capture public opinion in ways that coerce governments. But to be successful, what is merely an episode has to be escalated to crisis proportions.

Jimmy Carter himself inflated the seizure of hostages in Iran. By personally involving himself, he stressed the responsibilities of his office in ways that undermined the challenge then being posed in the Democratic primaries by Sen. Edward Kennedy. It was hard, in those conditions, for the news media not to follow where Carter led. But rough justice was done. When the "crisis" dragged on and on, Carter became its victim—"the 53rd hostage."

That process was reversed in the affair of TWA 847. The laid-back style of President Reagan offers obvious advantages when it comes to dealing with terrorists. The president can stay out of the negotiations and thus build pressure on the terrorists to prove there is a crisis. In fact, the burden of proof did lie on the troublemakers during the first hour after the hijacking; hence the panicky scurrying back and forth between Beirut and Algiers.

But the hijacking presented those of us in the media with a rare opportunity to examine Reagan's tough-guy bombast. The networks initiated "special reports" to keep abreast of the hijacking. The reports found that Reagan was taking his ease at Camp David while nothing much was doing at the White House.

Fear of looking like a do-nothing president made Reagan return to Washington. Once back in town, he had to talk to the news media. There followed a brace of comments that mixed pledges to hang tough with expressions of humanitarian concern. There developed a sense of White House infirmity in the midst of crisis.

Mixing in delicate negotiations presents a second pitfall. American officials have long been in touch with Nabih Berri, the Shiite leader in Lebanon who hijacked the hijacking to advance his local political standing. Berri and Ambassador Reginald Bartholomew are particularly close, and no purpose is served by affording Berri another forum for negotiations.

But the press and television vied for independent access to Berri. Those who got it were "used" by the Shiite leader to put additional pressure for concessions on the American government. In effect the American media lent themselves to a campaign that weakened the hand of the U.S. government.

Use of "expert" commentators from past administrations represents another disservice done by the news media. Those who go on the air—even the most sensible—are obliged to protect themselves against charges of weakness and indecision. So they stand tall in the saddle and warn the president that to yield an inch is to capitulate entirely. They thus put the administration on trial at home.

In fact, as former officials should understand, no good choices are available to responsible leaders in the midst of a hijacking. Public suggestions that narrow the options even further do positive harm. Indeed, former officials sensitive to that point usually decide not to air their views. So to use "expert" advisers is to misrepresent the range of choice.

Finally comes the misrepresentation—not to mention the abuse of good taste—inescapably bound up with sticking mikes in the faces of hijack victims and their sisters, brothers, cousins and aunts. The questioning of victims and their kin now knows no bounds. The other day, indeed, one of the networks interviewed a woman whose husband was mistakenly confused with the Navy diver who was beaten and killed.

Such encounters are the stuff of soap opera. They yield only the vicarious titillation of watching other people feel grief or exultation. But in large, the interviews falsify what is going on. They reduce political acts to tears. They sentimentalize events

and make it that much more difficult for American authorities to deal with the terrorists, and their intermediaries, on the merits.

Refraining from such actions would, to be sure, restrict the freedom of news organizations. But the value of scoops in terrorist affairs is distinctly limited anyhow. It is not as though, by brilliant journalistic enterprise, new and important facts are disclosed. On the contrary, the terrorists exercise their own censorship. It is notable that they smuggled the TWA 847 hostages off the plane without anybody's knowing it at the time.

In sum, little is gained and much is lost when journalists deal with terrorism as if they were doing business as usual. There is an overwhelming case for the exercise of special journalistic self-discipline.

□ 2150

Let me suggest that the news media at every level, the television, the broadcast folks, the radio folks, the newspaper people, the news magazines, would be very, very well advised as professionals to begin to establish as an annual event at every one of their national conventions, a special panel on Soviet disinformation and on the lessons of press manipulation.

It would be very, very appropriate for an important institution such as the Columbia Journalism Review to begin in every publication, every quarter or every month, to have at least one article assessing the ways in which part of the price of a free media is weakening America, is crippling ourselves, is opening ourselves up so that we are manipulated and used by the terrorists and by the Communists who hope to destroy precisely the free press which offers them an arena.

I yield to the gentleman from Texas.

Mr. BARTON of Texas. I thank the gentleman from Georgia.

As I listened to your previous comments about ostriches, I thought to myself what is our national symbol. And if I am not mistaken, it is not an ostrich, but it is an eagle. Eagles fly high and they fly free, and as they do their daily existence, every now and then they strike.

Now, an ostrich, as you know and I know, sticks its head in the sand and hopes that things are going to get better. But eagles do not do that. Eagles do not strike indiscriminately; they do not strike anything that moves; they do not strike to prove that they can, but they pick a target and they very carefully strike that target. I would hope in this Chamber this evening we have Representatives from the South, from Georgia, from the Southwest, from Texas, from the Midwest, Wisconsin, from the Northeast, Pennsylvania. Between us, we represent a little over 2 million Americans. I think that we are in agreement that something needs to be done about this situation, both in a preventive sense for the future, and in an immediate sense, today, and I personally feel that the thing to do is to emulate our national symbol and pick a target, set a deadline and strike it if our hostages are not released.

Mr. GINGRICH. I yield to the gentleman from Wisconsin.

Mr. ROTH. I thank the gentleman from yielding.

I have some empathy for the President. I know the President is in a tough position. You quoted some columns in the paper today. One of the columnists said that when the plane landed in Algiers they probably should have shot the tires or found some way to keep the airplane on the runway. But suppose they would have shot the tires or done something to the plane, and the hijackers would have killed many of the passengers. What do you think this columnist would have said today in this paper?

So I think it is important that we take a look at the different theories and different thoughts, but I think the President has to weigh all of these. I think in some respects we are working with the setup we have in our Government today, it is difficult when you have the technology that we have today and communication and transportation.

When Teddy Roosevelt in 1904 gave his ultimatum it took some time for the news to travel. He had some time to deal, and he had some leeway. Whatever this President does is going to be in tomorrow morning's headlines if he does it this afternoon.

So I think that the times are different; the times have changed because of technology and so on.

Mr. GINGRICH. Let me just say I think the gentleman from Wisconsin has put his finger on exactly what I was trying to say earlier and said it better than I did, about the cultural crisis of a free society. If we cannot learn to be mature, if we as a free people cannot learn to take the time, you know, if this Nation had said the day of the hijacking, you know, we are not going to panic; we are not going to put it on page 1; we are not going to spend television specials on it; you terrorists now have a problem, because you have all those Americans and you now have this entire country mad at you and you have a difficulty. How are you going to make us happy enough that we do not systematically hunt down and make sure that you are killed over the next year?

Then, if the country had calmly and quietly prayed for the release of those hostages, but promised in our hearts their revenge if they were hurt, then I think suddenly potential terrorists all over the world would have had a totally different attitude. It was the Western overreaction, that fact that they scared us; they got to us, they got us emotionally upset. They got us watching them. That then said to the German terrorists, well, let us bomb an airport in Germany; it is working. That then said to the El Salvadoran terrorists, let us go kill a few American Marines; it is working.

But if instead we were calm, and resolute, and determined, and implacable, if the word got out across this planet that once you harm an American you are in trouble. That if one of your neighbors or relatives of members of your faction harm an American, your whole neighborhood is in trouble. That if you want to live in peace, you better make sure the Americans are living in peace.

If suddenly we regained our potential, I think then you would see very few Americans being hurt. Unlike, as the gentleman from Texas reported, 40 percent of all the terrorism on the whole planet being directed at Americans, suddenly you would see us being respected; you would see people saying to their cousins who are potential terrorists: "Are you stupid? Do you want the Americans to be here to punish us? Let them alone; we do not want to mess with the Americans."

I yield to the gentleman from Wisconsin.

Mr. ROTH. I think the gentleman has expressed his thoughts very eloquently. You see, I think that President Reagan thinks exactly as you do. I feel the President is showing concern but the President certainly has not panicked. I think it may be to his everlasting credit that he has done that. I think generally, I think the President does have the confidence of the American people. The President is respected around the world. We have got to give him some time. We cannot be like tomorrow morning's headline and say, "If Reagan does not free the hostages tomorrow morning, we are going to take it out of his hide." Reagan is not responsible for what has happened; the terrorist are.

There is where we should focus our anger and give the President some chance to work out of this problem. I think that we are going to be able to do that.

Mr. GINGRICH. Once again, the gentleman from Wisconsin has put his finger on something. There is a tendency, particularly among the ostriches, to never face the real enemy. If it is the Soviet Union, we hide from it. If it is the enemy in Nicaragua, Communists, we hide from it.

We have a case again. There are highjackers who are terrorists who are our enemies, yet, we heard on this floor in the last few days: "Oh, the problem is in the Athens Airport, or the problem is with TWA, or the problem is with the American State Department." Nonsense. That argument is like arguing that if you got mugged walking home because you were wearing a suit, it was your fault because you offended the mugger by being dressed too well.

We should not get made at the victims; we should get mad at the people who are our enemies. We should then calmly and methodically and systematically deal with those enemies.

I agree with the gentleman. I think that President Reagan is trying frankly in the middle of tremendous difficulties, dealing with the news media that is very unsophisticated; dealing with a culture that does not understand how much trouble we are in: dealing with a Congress that is chaotic; dealing with a State Department that is, I think, very unsophisticated about terrorism, and dealing with a Defense Department that is not prepared for the kind of actions we need, and finally dealing with an Intelligence Agency which the very liberal ostriches gutted in the 1970's.

It was, after all, President Carter's head of the Intelligence Agency who fired a large number of the human intelligence specialists who are precisely the people you need for this kind of effort.

□ 2200

So it is going to take us a while. My only point this evening in this special order on the secret war against freedom in America was to make the case that, first of all, we Americans have living proof tonight, as did not a week ago, that it is a war, that there are Americans being killed, that our way of life is in danger; second, to suggest that most of the challenges are not personality challenges. It is not a question of Jimmy Carter or Ronald Reagan or the next President. It is not a question of how tough you are or of whether we could elect Sylvester Stallone to the White House.

The underlying strength of America is our ability to learn from change, our ability to look at reality, and adapt to it. The central question tonight, and I say this with sadness, the central question cannot be how do we get the hostages back, as much as every one of us hopes and prays that they come home safely. The central question must be how should America behave so there are no more hostages? What steps should we take so that the next hijacking does not occur?

SUPERFUND REAUTHORIZATION LEGISLATION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York [Mr. LENT] is recognized for 5 minutes.

● Mr. LENT. Mr. Speaker, today I am joining my colleagues in cosponsoring tough, new Superfund reauthorization legislation. I am proud of the bipartisan document we have put together. It provides the solid foundation we need to move forward with reauthorization before the September 30 deadline. It provides $10 billion for cleanup over the next 5 years. It provides tougher cleanup standards that will protect public health and the environment at every site with existing environment laws serving as our guideline. It provides for an achievable mandatory cleanup schedule against which EPA's progress can be measured. And—this is very important—it makes much needed structural reforms in a program that has been more like a full employment act for lawyers than an environmental cleanup program. It is in every way a tougher, expanded, and more workable Superfund program. In no way does it signal a retreat on this most critical of environmental problems.

I am especially proud of a key, groundbreaking structural reform that will encourage responsible parties to come forward and take responsibility for cleaning up the toxic waste sites they helped create. In this bill, we have provided the EPA Administrator with additional authority to expedite settlements—to create "a settlement window" if you will—so that responsible parties will no longer "hide in the weeds" and avoid their responsibility to safeguard the public health and safety.

Our bill also provides for a quick and effective response to remedy leaking gasoline and petroleum tanks by creating an adequate pool of money to respond to petroleum tank leaks without encumbering such responses with an unmanageable and untimely Superfund scheme of authorities. It also provides that EPA can then recover costs against responsible parties—owners and operators—and makes sure that gasoline station dealers will be able to get the petroleum tank leak insurance they must have to stay in business.

Finally, on community right to know, a provision of importance to my Long Island constituents, we have provided for the provision of vital information to States and localities—local fire and police—so they can better respond to potential dangers in the community. Under our bill, they will have the extensive information they need about the risks imposed by certain chemicals without confusing the public or unduly burdening small business.

We have a bill that will take the toxic waste cleanup effort out of the courtrooms of America and to the abandoned waste sites where it belongs. I look forward to quick action by the subcommittee next week and the full Energy and Commerce Committee shortly after the July 4 recess. Superfund reauthorization cannot wait. We must have a new, tougher law on the books before September 30 so we can begin the huge cleanup task before us. I am ready and eager to work with my colleagues in this important endeavor.●

● Mr. BROYHILL. Mr. Speaker, I am pleased to join with my colleagues from the Committee on Energy and Commerce in introducing the Superfund Amendments of 1985. This bill will expand and strengthen our Nation's program to clean up dangerous hazardous waste dump sites. Most importantly, it will redirect the Superfund Program out of the courtroom and back to the wastesites.

This bill represents a compromise reached by the cosponsors after several weeks of work. As a compromise, every provision is not going to be exactly to every member's liking. Overall, however, we have developed a package which should garner strong bipartisan support.

I would like to briefly highlight some of the key components of this bill. It contains a strict but reasonable schedule for the cleanup of sites on the national priority list. It prescribes reasoned, flexible standards to guide EPA in determining the degree of cleanup necessary to protect public health and the environment. The bill will address the problem of wastes at federal facilities and also protects cleanup contractors from undue liability. The legislation requires the Federal Government to perform health assessments at Superfund sites, and establishes a comprehensive, Federal community right to know and emergency response program. Most importantly, this bill will encourage responsible parties to come forward and reach settlements with EPA so that cleanup can commence. This program has become completely bogged down in lawsuits as companies deny their li-

ability for fear of being forced to pay for the entire cleanup.

Mr. Speaker, as I mentioned earlier, the bill in not perfect. I am quite concerned that the $10 million authorization over 5 years represents more money than EPA can effectively use. I feel the evidence indicates that a $5 to $7 million fund would be adequate. I am pleased, however, that the bill contains a provision that I advanced which would stop the collection of Superfund taxes beyond levels needed to effectively and efficiently cleanup hazardous waste sites.

Overall, Mr. Speaker, this is a sound bill which deserves the immediate attention of the Congress since authority for the vital Superfund Program will expire on September 30 of this year.●

● Mr. RITTER. Mr. Speaker, I am pleased to join today with my colleagues as part of this bipartisan effort to reauthorize Superfund, which expires at the end of September. I am glad that we have finally come to this point in the process of reauthorization of the Superfund Program and have introduced what I believe is a fine bipartisan effort. Having worked with many of my colleagues in last year's efforts to come up with a responsible, bipartisan bill, I commend my fellow Members for moving forward once again on the reauthorization of this important program in a bipartisan manner.

The cleanup of our Nation's hazardous waste sites is of clear public concern, and I believe that this new, bipartisan bill will facilitate a strong cleanup program. It is for that reason that I am lending my name as an original cosponsor of this legislation. The major strength of this legislation is that it presents a realistic and practical approach to the toxic waste problem that is plaguing our Nation. The bill includes aggressive yet ultimately manageable cleanup standards and schedules and encourages settlements so that cleanup will be expedited.

I believe one of the most important features of this bill is that it provides the Administrator of EPA with the authority to order or take corrective action in the event of a release from a leaking underground storage tank. By establishing a separate fund for the cleanup of contamination resulting from leaking underground storage tanks, we are completing a process begun last year when a regulatory program was established for underground storage tanks under the Resource Conservation and Recovery Act [RCRA]. In my district in Pennsylvania's Lehigh Valley, we have experienced first hand the problems caused by leaking tanks, and I believe this bill will provide the most effective response to address this national problem.

The bill also contains extensive provisions that will ensure the assessment of public health risks at all Superfund sites. Key to the bill are liability and settlement provisions that will encourage private party cleanup and reduce needless litigation that actually inhibits cleanup.

Although I believe the bill still has room for improvement, it represents a significant step in enacting needed legislation to address the serious problem of toxic waste dumps. I look forward to working with my colleagues in improving this legislation, and I look forward to its expeditious consideration in the Subcommittee on Commerce, Transportation, and Tourism.●

● Mr. COATS. Mr. Speaker, earlier today, a bipartisan coalition of Members agreed to a consensus package as the markup vehicle for reauthorizing the soon-to-expire Superfund Program.

The coalition of Members and staff are to be commended for their diligent efforts to come to the table with a measure that has such widespread support. While the proposal is not a perfect measure, it goes a long way toward achieving our goal of cleaning up hazardous waste sites in this country.

We have a serious problem. We all recognize that there has not been enough action taken to address the cleanup of hazardous waste in the past. But the consensus proposal we now have before us will not only reauthorize the current program but will considerably expand and accentuate the program. We don't have all the answers and cannot eliminate all of the hazardous waste problems in the short term, but we can and should move ahead as fast as is reasonably possible.

It is most important that the private sector and the States are encouraged to participate in the cleanup program. It is also important that the bill we report has an achievable scope, maintains a workable cleanup schedule, and retains flexibility in the administration of the program. While there are sections of the consensus package that give me some concern, I recognize the importance of attempting to achieve that delicate balance necessary for enactment of this important legislation.

In the past we have found ourselves in a politically divisive process that results in no real progress in addressing this critical national problem. The consensus building that has gone into the measure we introduced today provides a compromise for reauthorizing Superfund. It is incumbent upon each and every Member to work together to assure that we report a bill that will actually bring about meaningful, effective and efficient cleanup of our Nation's abandoned hazardous waste sites. For that reason, I trust the Congress will renew the Superfund Program in an expeditious manner.●

● Mr. FIELDS. Mr. Speaker, I recently joined a bipartisan group of my Energy and Commerce Committee colleagues in cosponsoring legislation to reauthorize the Superfund hazardous waste site cleanup program. The legislation was introduced in the House today by Mr. ECKART and Mr. LENT.

Earlier in the day, those of us serving on the Commerce, Transportation and Tourism Subcommittee selected the same legislation as our markup vehicle for the Superfund Program by a 13 to 5 vote.

I have some reservations about the Eckart-Lent version of the bill, including the provision in the bill calling for a $10 billion funding level—which is more than the EPA has said it can effectively spend: including the bill's failure to go far enough in encouraging private parties to settle with EPA on cleanup plans and avoid litigation; and including the bill's overly broad scope.

But overall, Mr. Speaker, this bill represents a reasonable compromise. It is a compromise which a majority of the members of the subcommittee, full committee and full House can—and should—enthusiastically support.

While the Eckart-Lent bill is more all-encompassing then I believe is desirable, it nonetheless properly emphasizes the cleanup of abandoned hazardous waste sites as the primary goal of the Supefund Program. Other versions of Superfund legislation are so expansive that EPA would have been forced to divert its attention from the cleanup of hazardous waste sites to other less serious problems.

The Eckert-Lent bill takes some major steps toward increasing voluntary settlement among responsible parties—rather than time-consuming and expensive litigation. It does so by providing the EPA with discretionary authority to provide final releases from liability if the cleanup meets certain criteria and by codifying settlement procedures which gives responsible parties the assurance that set guidelines will be followed in the settlement procedure.

Mr. Speaker, my own strong support for the Superfund Program stems from the fact that my Eighth Congressional District of Texas contains three abandoned hazardous waste dump sites on the EPA's Superfund national priority cleanup list.

Any new Superfund legislation must expand the types of industries paying Superfund cleanup taxes. And this bill does.

My State of Texas pays almost 60 percent of the current petrochemical feedstock tax. My district alone pays 9 percent of the total feedstocks tax. I want to ensure that our petrochemical industries—which employ 74,000 persons in my district directly and indirectly—are not taxed out of competi-

tion with foreign petrochemical importers.

We need a clean environment and I am committed to that goal. But I'm also committed to protect the jobs of Houston-area workers.

While the Eckart-Lent bill mandates the same general level of cleanup required in other Federal environmental laws, it does not limit the EPA's flexibility in selecting remedies which are appropriate for widely divergent sites with widely divergent problems.

The legislation I've cosponsored requires the EPA to begin remedial investigation/feasibility studies under an established schedule and puts the heat on the EPA to accelerate cleanups. But the legislation recognizes that some Superfund sites are more complex than average and might not be able to meet rigid cleanup schedules. Also, this bill ensures that citizens and local health and safety officials will have access to vital health information from nearby companies which produce or utilize potentially hazardous chemicals—but does so in a way which is reasonable and not overly burdensome for the companies.

Mr. Speaker, the Eckart-Lent bill is a good one. It will bring about the cleaner environment we all support. And it will achieve that goal without costing hundreds of thousands of Americans their jobs nationwide. I urge my colleagues to support this worthy legislation.

Thank you Mr. Speaker.●

● Mr. SCHAEFER. Mr. Speaker, earlier today I joined a majority of members on the Commerce, Transportation and Tourism Subcommittee in introducing a Comprehensive Environmental Response, Compensation and Liability Act—Superfund—measure which provides a fair and equitable balance between the environmental and economic concerns that must be considered.

Like most measures of this magnitude, there was a certain amount of give and take that was necessary to pull together a majority of subcommittee members to support this bill. Although there are a number of provisions in the bill that I would prefer to see changed, this measure has many important provisions that I do support, and more importantly, it's a bill that can get through the House and ensure that come September 30, we are not left without effective Superfund legislation.

Mr. Speaker, a few years ago, it was the rare individual who could tell you what the word Superfund meant. Today, it can be defined by a large segment of our population. What has happened over the last few years that has turned it into a household word?

Basically, it's that the general public and Congress has concluded that there are hazardous waste sites in our country that have to be cleaned up, by the Government if need be, in order to protect the public health and the environment. That's what was responsible for the original Superfund bill becoming law just a few years after the issue was originally raised. And it will also be responsible, I'm certain, for the reauthorization of new Superfund legislation before the program expires on September 30.

Superfund legislation is very important to the people of my home State of Colorado. Currently there are nine sites listed on the national priorities list [NPL], including the Lowry landfill, which need to be cleaned up in a timely and efficient manner. There are a number of additional sites that will probably be added to that list in the coming months.

This bill establishes a mandatory cleanup schedule and provides incentives for accelerated private party cleanup through avoidance of wasteful and costly litigation that has slowed the cleanup effort. It strengthens the program's health related authorities as well as establishing requirements for listing Federal facilities on the NPL. The inclusion of Federal facilities will allow sites like the Rocky Mountain Arsenal to be included on the NPL which should further ensure a prompt and effective cleanup. These are just a few of the many other important improvements made to existing law.

As I previously indicated, there are some negatives to this proposal. Perhaps the most glaring to me is the funding level of $10 billion. The very able Administrator of the EPA, Mr. Thomas, does not beleive that the EPA can spend much more than $5 billion over the next 5 years to clean up the hazardous sites. Although the Administrator's numbers are disputed by some very reputable sources, I still believe that Mr. Thomas has the best idea of exactly what EPA is capable of doing over the next 5 years. Since I believe that we will see more and more technically qualified people and scientific developments expediting site cleanup in the coming years which will in turn require some additional funds, I believe that an increase above the Administrator's request is in order. However, I am not inclined to believe that we need to double the Administrator's request.

A scaled down funding level should also allow the Ways and Means Committee, which has jurisdiction over the taxing measures, to consider smaller and fewer taxing mechanisms than called for in this bill.

Even with these concerns, I believe that after taking a close look at this measure, many will come to the conclusion I did, that this is a fair and equitable measure deserving of your support.●

A FOREIGN POLICY "FRAMEWORK FOR THE FUTURE"—A THOUGHTFUL ANALYSIS BY STEPHEN J. SOLARZ

(Mr. FASCELL asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. FASCELL. Mr. Speaker, earlier this month our colleague, the gentleman from New York [Mr. SOLARZ], delivered a highly significant foreign policy address to Americans for Democratic Action [ADA], entitled "The Democratic Party and Foreign Policy: A New Framework for the Future."

The reason this speech is significant, in my judgment, is that it contains some ideas and perspectives which are worthy of consideration by each Member of this body, not just by the ADA membership.

I particularly commend the gentleman because I know he could have opted for an easier course: He could, with his customary eloquence, have told the ADA exactly what that audience would like to hear. Instead, he chose to challenge his listeners to "find new ways of addressing the critical foreign and domestic problems confronting our country rather than simply celebrating our virtue and confirming our vision."

Two other quotes from Mr. SOLARZ' address are especially noteworthy, as they provide the underlying theme of his thoughtful analysis:

1. As Democrats and liberals, we have historically recognized the propensity of Communist countries not only for external aggression, but for internal repression.

Yet we have sometimes refrained from expressing in a forthright fashion our view of the inherent immorality of the Soviet system * * *

2. At the same time, we must understand that denouncing Soviet tyranny is not a substitute for a realistic strategy and, almost 70 years after the Bolshevik Revolution, we must recognize that the Soviet Union is likely neither to vanish into the dustbin of history, nor evolve into a Western-style democracy. Our policy must be geared to the reality of a protracted political, ideological, and strategic competition with the Soviet Union.

The gentleman from New York then proceeds to outline a "framework for the future," as he sees it.

I believe the ideas expressed in this speech deserve full and serious consideration, not only by the ADA or by liberals or even conservative Members of this body, but also by the American people who must make some important choices in the months and years ahead about the policies they are willing to support.

Once again, I commend the gentleman from New York for his contribution to this continuing foreign policy debate. His thoughtful remarks follow:

THE DEMOCRATIC PARTY AND FOREIGN POLICY: A NEW FRAMEWORK FOR THE FUTURE

I am delighted to join you at this ADA conference and to work with you as we explore and examine new approaches to serve our country, our principles, and our party in the months and years ahead. It is a pleasure to come before ADA, which has, over the years, made an outstanding contribution to American foreign policy and which has long been an important forum for the discussion of issues.

As the Democratic Party seeks to regain the confidence of the American people and recapture the White House, our efforts will necessarily focus on shaping a new domestic agenda. But even as we establish a creative and credible domestic program, we must set forth a realistic and responsible foreign policy as well.

In building a new foreign policy, we should adopt a dual posture of patriotic support and principled opposition—backing the Administration where it is right and opposing it where it is wrong. Our country is most effective abroad when we are united at home behind a bipartisan foreign policy. We benefit from a broad consensus in support of such fundamental American objectives as strengthening NATO, assuring the survival and security of Israel, supporting other democracies around the world, and maintaining a strong American presence in the Pacific to preserve the peace and promote prosperity in Asia.

The debate over a new Democratic approach to international affairs will necessarily involve dozens of issues—from ANZUS to Zimbabwe. Today, I want to concentrate primarily on two subjects—Soviet-American relations and human rights—that go to the heart of American foreign policy and to some of the fundamental differences between Democrats and Republicans over how best to pursue and promote our national values and international interests.

I will be speaking to you, as a member of the ADA family, about the foreign policy values and goals we share. But I want to speak as well about some new directions and new approaches that challenge the conventional liberal wisdom and call for a new progressive framework for American foreign policy.

I do not believe we as liberals must rethink our values. But I am convinced we must reconsider some of our approaches.

It would be easy for me to deliver an address on foreign policy in which almost everyone here would agree with virtually everything I had to say. But such a speech would be a disservice to you and to the purpose of this conference. What we need to do this weekend is challenge ourselves to find new ways of addressing the critical foreign and domestic problems confronting our country rather than simply celebrating our virtue and confirming our vision.

Any responsible foreign policy must begin with a clear recognition of the Soviet threat and the need to contain Soviet expansionism. But if that is the totality of our approach, we will have done little more than substitute the invariable simplicities of the far right for the naive illusions of the extreme left.

We need a foreign policy which, while protecting our national interest, also advances our sense of national purpose. We must stand not only against Communism, but in favor of freedom. We must speak up for those who suffer from repression, whether it is the victims of Soviet policy in Afghanistan or the victims of apartheid in South Africa.

We must recognize that while our strategic interests and human rights concerns sometimes collide, more often they will complement each other. By advancing the prospects for democracy, we can enhance the stability and security of our friends and allies.

We must understand that however profound the differences that divide us from the Soviet Union, our two nations must strive for the kind of controlled competition and creative cooperation which will reduce the threat of nuclear war. In the atomic age, the pursuit of peace is a moral and political imperative.

There can be little doubt that the major foreign policy problem we confront is how to deal with the Soviet Union. For the first time in our history, the United States confronts a country that is not only strategically and ideologically hostile to us, but also has the military capacity to destroy our entire society.

In the half century since the beginning of World War II, the Soviet Union has extended and enforced its dominance over more than 100 million people, from the Baltic Republics in the north to Balkan nations in the south. During this period of time, we have also seen the terrible toll of Communist tyranny in the Gulag Archipelago of the Soviet Union, in the cultural revolution of China, in the autogenocide of Cambodia, in the reeducation camps and boat people of Vietnam.

Today, the reality of Soviet repression and Communist tyranny represents not a distant memory, but a living nightmare.

It is a nightmare in the distant valleys of Afghanistan, for the peasants who have seen their loved ones murdered and their land destroyed. It is a nightmare in the remote jungles of Southeast Asia, for the villagers who have been killed or crippled by yellow rain. It is a nightmare in the infamous prisons and labor camps of the Soviet Union, for the dissidents and refuseniks who are yearning to breathe free. It is a nightmare in the bleak streets of Poland, for the supporters of Solidarnosc whose dreams of freedom have been crushed by martial law.

As Democrats and liberals, we have historically recognized the propensity of Communist countries not only for external aggression, but for internal repression.

Yet we have sometimes refrained from expressing in a forthright fashion our view of the inherent immorality of the Soviet system. Perhaps because we understood all too well the nature of the Soviet system, we felt there was little reason to engage in detailed denunciations of Soviet oppression. Perhaps because of our understandable aversion to the red-baiting of the 1950's, we were reluctant to engage in what might incorrectly have been perceived as a form of international McCarthyism. Perhaps because we feared we might undermine the prospects for future arms control agreements, we refrained from criticizing the Soviet Union for violating existing arms control agreements.

Whatever the reasons for our reticence, we have enabled our opponents to contend that our proposals to reduce East-West tensions are based on illusions about the Soviet Union. By appearing to yield the moral high ground, we have lost political ground as well.

It is worth recalling that American liberals have a long and honorable tradition of anti-Communism. The heroes and heroines of this organization, from Eleanor Roosevelt to Allard Lowenstein, would never hesitate to contrast our own values and vision with Communist assaults on the human spirit.

The ADA, which fought off a furious attack from the far left in the late 1940's as it stood up first for the Truman Doctrine, and then for the Marshall Plan, has defined itself—and distinguished itself—not only by its defense of democracy, but by its outspoken opposition to Communism.

Let us honor that heritage today. Let us continue to raise our voices for Scharansky and Sakharov, and for the lesser known victims of repression in the Soviet Union. But let us also speak up for the anonymous victims of repression in Afghanistan and Cambodia.

At the same time, we must understand that denouncing Soviet tyranny is not a substitute for a realistic strategy for dealing with it. Forty years after the end of World War II, and almost 70 years after the Bolshevik Revolution, we must recognize that the Soviet Union is likely neither to vanish into the dustbin of history, nor evolve into a Western-style democracy. Our policy must be geared to the reality of a protracted political, ideological, and strategic competition with the Soviet Union.

Despite the vast differences between our two systems, we clearly have a common interest in avoiding war.

The preservation of peace will depend primarily on our ability to manage our global differences and regional disputes with the Soviet Union. We must be under no illusions that solutions to the problems in Afghanistan, Cambodia, Eastern Europe, and Central America will be easily achieved. But given the very real possibility that a regional crisis could easily escalate into a superpower confrontation, we have no alternative but to pursue the peaceful resolution of these dangerous disputes.

In the absence of a satisfactory resolution of these regional problems, the major focus and barometer of U.S.-Soviet relations remains the arms control process.

Here, more than anywhere else, we have an obligation and an opportunity to achieve a breakthrough in our relations with the Soviet Union that could substantially reduce the threat of war, enable us to divert resources from defense to pressing needs at home, and create the kind of atmosphere that can make it easier to solve seemingly intractable political problems.

Remembering that Ronald Reagan helped build his national political career by condemning literally every arms control agreement negotiated by Democratic and Republican Administrations alike, we can take satisfaction from the fact that the President has agreed to a renewal of the arms control negotiations now underway in Geneva.

But it is one thing to negotiate and another to negotiate successfully. On arms control, the President seems intent on imitating not John Kennedy, but John Wayne. In Geneva, as in Managua, his brand of diplomacy is based not on the desire for mutual accommodation, but on the demand for unconditional surrender.

The sad truth is that the Reagan Administration's position at Geneva is more a formula for failure than a prescription for progress in these vital discussions. Unless our position in these negotiations is made more realistic and hence more negotiable, we will not only be unable to reach an agreement resulting in a substantial reduction of nuclear weapons, but we will have set the stage for a massive escalation of the arms race and for an increased risk of war.

If we are to succeed in the effort to hammer out new arms control agreements, we will have to negotiate a treaty that is in our mutual interests. Just as we will not make one-sided concessions to them, neither will the Soviets make one-sided concessions to us.

We cannot, for example, expect the Soviets to give up their first-strike capacity against our land-based missiles unless we are willing to relinquish our emerging first-strike capacity against their land-based missiles. This means that if we want them to reduce their heavy SS-17, 18, and 19 missiles, we must be willing to reduce our planned deployments of the MX and Trident II missiles.

Similarly, we cannot expect the Soviet Union to agree to a substantial reduction in offensive nuclear weapons unless we are willing to agree to significant restrictions on the development, testing, and deployment of strategic defensive systems known as "Star Wars."

It would be unfair, however, to suggest that it is the United States alone that has advanced unrealistic and unacceptable positions at Geneva. The Soviet Union also bears a significant measure of responsibility for the current deadlock in the negotiations.

It is simply not realistic for the Soviet Union to insist on prohibitions on research into strategic defensive systems as a condition for an agreement on offensive nuclear weapons. Not only have the Soviets long been engaged in a significant Star Wars research program of their own, but they are well aware there is no way such a ban could be verified.

Restrictions on development, testing, and deployment of defensive systems are both possible and desirable and should be sufficient to satisfy the expressed Soviet concerns—which we should share—in preventing the development of defensive systems that could be destabilizing. But if the Soviet Union continues to demand a prohibition on research into Star Wars defensive systems, knowing that such a ban is neither verifiable nor feasible, it will be clear that it has no interest in pursuing a meaningful arms control agreement.

As we look for ways to achieve new arms control agreements, we must not overlook violations of past agreements. Precisely because of our commitment to arms control, we must insist that previous agreements are respected. If the Soviet Union is allowed to violate existing treaties with impunity, the American people will correctly refuse to support new agreements.

It was precisely for this reason that, together with 22 other Democratic Congressmen who are among the most prominent arms control advocates in the House, I sent a letter earlier this year to Soviet leader Mikhail Gorbachev warning him that if the Soviets insist on violating the ABM treaty, it would seriously erode support for future arms control agreements.

Our letter referred to the Soviet construction of a radar near Krasnoyarsk. Although the ABM treaty requires that radars of this type be located on the periphery of the Soviet Union or the United States and oriented outward, the Krasnoyarsk facility in Central Siberia is oriented over a vast expanse of Soviet territory toward the Bering Straits, 2,500 miles away. Experts from Democratic and Republican Administrations alike have concluded, therefore, that the Krasnoyarsk radar violates the ABM treaty.

We raised this issue with the Soviet Union not to sabotage the arms control process, but to save it. We thought it was essential for the Soviet leadership to know that even the most committed supporters of arms control in the Congress believe that the substantive and political justification for future accords would be destroyed if this problem is not satisfactorily resolved.

At the same time that we attempt to reduce the threat of nuclear war by reaching mutually advantageous and verifiable arms control agreements with the Soviet Union, we should reaffirm our support for the essential effort to reestablish a more acceptable balance of conventional power between our two countries. Precisely because of the equilibrium of nuclear forces, in which each side is clearly capable of destroying the other, the credibility of the nuclear deterrent has been diminished, and the severe imbalance in conventional forces has once again become a critical concern for the West.

This danger is most obvious in Europe. Today, most expert observers of NATO and the Warsaw Pact debate not whether we could, by conventional arms alone, contain a Soviet attack in Europe, but rather how long it would take before we faced the dreadful choice of acquiescing in the Soviet conquest of Europe or using nuclear weapons to prevent it.

The best way to avoid the nuclear option and still protect NATO is to stengthen substantially our conventional forces. NATO must modernize its tactics and weapons, improve sustainability, and increase readiness. The United States must expand its airlift and sealift capacity so that we can move troops and equipment to the European theater as quickly as possible.

The issue of American support for Western Europe points up a prime responsibility for American liberals, but one that we have often neglected in recent years. That responsibility is to be just as vigorous in advocating legitimate defense spending as we are in denouncing Pentagon waste.

It is not enough to tell the American people which weapons systems—such as the B-1 and the MX—we are against. We must also let them know which weapons systems—such as Stealth and Midgetman—we support.

We should insist that the Administration muster as much outrage against the defense contractors bilking the Pentagon as the President does against the welfare recipients he claims are bilking the taxpayers.

Yet just as we know that even with the most effective management, additional resources will be required to meet our unfulfilled domestic agenda, we must also realize that even with the best Pentagon management, additional resources will be needed to rectify underlying conventional imbalances.

If a strong America is, in itself, no guarantee of peace, a weak America can be an invitation to war. Military strength alone never was, and never will be, sufficient to prevent political differences from being transformed into military conflicts. But military weakness can render diplomacy impotent and greatly increase the prospects for war.

Our ability to effectively address the Soviet threat requires more than efforts to achieve meaningful arms control agreements and a well-managed, adequately funded defense budget. It will also require an effort to confront Communist expansionism in the Third World.

In the 1960s, a major issue confronting our country, as we attempted to deal with the threat of Soviet expansion, was whether we should oppose wars of national liberation and, if so, which ones.

Now the wheel of history has turned. In the 1980s, as we consider how to cope with the Soviet threat, we face the question of whether we should support wars of national liberation, and, if so, which ones.

The United States must learn the lessons of Vietnam, but we should not be paralyzed by them. We have learned that America cannot police the entire world, but neither can we stand by while independent nations are invaded or subverted by the Soviet Union and its surrogates.

We must recognize that there are cases in which American involvement is not only appropriate, but necessary. If we should not commit combat forces to remote regions of the Third World where our national security is not at stake, we should provide material as well as moral support to indigenous resistence forces struggling to overcome a Communist invasion and occupation of their country.

Two situations where such assistance would be appropriate are Afghanistan and Cambodia. In Afghanistan, 110,000 Soviet troops are occupying the country and the Soviet Union is carpet-bombing the countryside. Four million Afghans—more than one-fifth of the entire population—have been driven into exile and hundreds of thousands of Afghans have been killed. Unquestionably, the United States should support the mujahideen, the heroic Afghan resistance forces fighting to liberate their country.

By raising the costs of the Soviet occupation, we can increase the prospects for a political settlement and make it less likely that the Soviets will invade and subjugate other sovereign countries in the future.

Cambodia offers another compelling case where American values and interests would be served by providing meaningful assistance to indigenous non-Communist freedom fighters.

The United States has two overriding interests in Cambodia. One is to secure the withdrawal of the 170,000 Vietnamese forces occupying that country, thereby enabling the Cambodian people to determine their own destiny. The other is to prevent the return of Pol Pot to power in Phnom Penh, thereby preventing a restoration of the murderous rule of the Khmer Rouge.

These are worthly objectives. But if we are serious about achieving them, we must be prepared to strengthen the courageous democratic resistance forces as a necessary if not sufficient condition for inducing the withdrawal of Vietnam and preventing the return of the Khmer Rouge.

The presence of 50,000 Vietnamese troops in Laos, 10 years after the end of the war in Indochina, despite the absence of any significant insurgency in that country, clearly suggest that the Vietnamese will only leave Cambodia if and when they decide that the price of remaining there is too high. It would be a dangerous illusion to believe that the Vietnamese, who have long sought to dominate all of Indochina, will ever agree to withdraw from Cambodia on the basis of appeals to conscience and compassion alone.

A far different situation exists in Nicaragua, where the Administration has involved our country in what is essentially a civil war, in an effort to overthrow an internationally recognized regime. In sharp contrast to Cambodia and Afghanistan, where we are being asked by our friends in the region to help indigenous resistance forces oppose a foreign occupation of their country, many of our friends in Latin America have assailed our efforts to being down the Government of Nicaragua.

President Reagan has sought to portray those who oppose aiding the contras as supporters of the Sandinistas. His argument calls to mind the proposition advanced by the German philosopher, Hegel, who said, if theory and fact disagree, so much the worse for the facts.

If he would only tune in to C-Span, the President would find Democrat after Democrat in the House of Representatives making it clear that our party holds no brief for the Nicaraguan Government. We have said repeatedly that we believe the Sandinistas have interfered in the affairs of their neighbors by providing arms and ammunition to the revolutionary forces in El Salvador. We have made it clear that we believe the Sandinistas have betrayed the democratic promises of their revolution.

Our profound disagreement with the Administration concerning Nicaragua is not over that we think of the Sandinistas, but how to deal with them.

We do not disagree that there are situations where the use of American force is appropriate. But we believe that in the case of Nicaragua it is inappropriate and that a negotiated settlement is both possible and preferable.

While the Administration has offered a series of rotating rationales for our Nicaraguan policy, there can be little doubt that its central aim is removing the Sandinistas from power.

Yet the United States cannot set out to overthrow other governments simply because we disapprove of them. To set so flimsy a standard for armed American intervention would be to set up a formula for perpetual American military involvements. Yes, the Sandinistas flunk the democracy test, but so do the Governments of Haiti, Chile, Poland, South Africa, and dozens of other countries around the world. Not even a military budget large anough to make Secretary Weinberger's day would enable us to police the world in this fashion.

President Reagan's policy toward Nicaragua has been counterproductive. No respected analyst believes the contras can prevail without direct United States military involvement, but our support for the contras has given the Sandinistas a convenient excuse for increased repression.

The President has also alienated our friends in the region and other American allies by acting first and consulting later—or not at all. His embargo against Nicaragua stands as a textbook case of the dangers of unilateralism. Instead of economically isolating the Sandinistas, it has diplomatically isolated the United States.

Many of us in the Democratic Party have argued that the President's policy was leading ineluctably toward a far more ominous unilateral action—the introduction of American combat forces into Nicaragua.

Secretary of State Shultz recently confirmed that pessimistic prognosis. Sounding as though he had walked off the pages of a sequel to Barbar Tuchman's book "The March of Folly," the Secretary warned that by refusing to arm the contras, Congress has presented the Administration with the "agonizing choice" of whether or not to send American troops.

Yet inasmuch as the contras will never be able to topple the Ortega Government, the choice is not between overthrowing the Sandinistas directly or by proxy. The choice is between working with our friends in the region to negotiate a political settlement of our differences with the Sandinistas or sending in the Marines to overthrow them.

The American people do not want any more Cubas in our hemisphere, but neither do they want any more Vietnams.

Sending our troops into Nicaragua would lead to American combat involvement in a guerrilla war. It would cause bitter division in the United States. It would lead to an eruption of anti-Americanism throughout the Hemisphere, shake the Western Alliance to its foundations, and provide an extraordinary propaganda bonanza for the Soviet Union.

Our differences with Nicaragua must be resolved not on the battlefield, but at the bargaining table; not through unilateral American action with the contras or the marines, but through the multilateral diplomacy of the Contadora peace process.

The Reagan Administration's policy toward Nicaragua is in part a product of its fixation on the distinction between totalitarian and authoritarian regimes. That distinction may excite the editors of *Commentary* and the other high priests and acolytes of neo-conservatism, but what meaning can it have in a Chilean cell or a Pakistani prison or a South African squatters' camp?

The whip, the rack, and the electric prod are equally painful whether administered by torturers in the service of an authoritarian or a totalitarian regime.

Having embraced the false notion that there is a fundamental moral difference between authoritarian and totalitarian regimes, the Administration has now put forward another astounding proposition to the effect that liberal Democrats believe there is no moral difference between the United States and the Soviet Union.

What concerns me is not the nonexistant sympathy among Democrats for the notion of "moral equivalence" between America and the Soviet Union, but the President's view that the contras are the moral equivalent of the founding fathers, as if Enrique Bermudez, the former Somocista who is Commander-in-Chief of the contras, could possibly be compared to George Washington.

What concerns me is not the specious suggestion that Democrats are incapable of distinguishing the Bill of Rights from the Communist Manifesto, but the President's horrifying comparison of the victims of Nazi genocide with the villains who perpetrated it, as if there could be any comparison whatsoever between Anne Frank and Joseph Mengele.

The truth is we do need a doctrine of moral equivalence in our foreign policy, but a very different one than the imaginary version the Administration has denounced or the inconceivably ahistorical version it has developed.

We need a doctrine of moral equivalence based on the fundamental proposition that tyrannies of the right are just as objectionable as tyrannies of the left.

Last month, at the Bitburg Air Base in West Germany, President Reagan said, "Today, freedom-loving people around the world must say: I am a Berliner. I am a Jew in a world still threatened by anti-Semitism. I am an Afghan, and I am a prisoner of the Gulag. I am a refugee in a crowded boat foundering off the coast of Vietnam. I am a Laotian, a Cambodian, a Cuban, a Miskito Indian in Nicaragua. I, too, am a potential victim of totalitarianism."

It was an eloquent statement. But how much more powerful and persuasive a statement of American commitment and concern it would have been if the President had made a universal, and not an ideological, declaration of human rights, if he had added, "I am also a black South African shot in the back by police. I am Benigno Aquino gunned down at the airport in Manila. I am Kim Dae Jung and I seek democracy for the Korean people. I am Bishop Desmond Tutu. To the world, I am a Nobel Peace Prize winner. To the Government of South Africa, I am less than a citizen and less than a man."

There is something wrong with the values of an Administration that stands up for pluralism and democracy in Central America, but stands still for racism and repression in Southern Africa.

There is something wrong with the values of an Administration that condemns the elections in Nicaragua, but praises the even more fraudulent elections in the Philippines.

There is something wrong with the values of an Administration that denounces martial law in Poland, but stays silent about martial law on Taiwan.

Nowhere do our differences with President Reagan come into sharper focus than in our opposition to the President's policy toward South Africa.

The Administration's policy of constructive engagement is a flawed and failed approach, a monument to moral myopia and wishful thinking.

Constructive engagement has done nothing to facilitate the repudiation of legally enshrined racism in South Africa or the termination of South Africa's illegal occupation of Namibia.

What it has done is make the United States appear as an apologist for apartheid. It has placed our country on the wrong side of one of the fundamental moral questions of the twentieth century.

And it has alienated other nations in Africa, as well as the black majority of South Africa, who will one day be in a position to determine the destiny of their country.

In South Africa—but not only in South Africa—our place as a nation is not with the oppressors, but with the oppressed; not with the victimizers, but with the victims.

The Administration has said it is not our task to choose between black and white in South Africa. But that is not the choice we face. There are, after all, many whites in South Africa who are strongly opposed to the apartheid system. The choice that confronts us in South Africa is not a choice betwen black and white, but between right and wrong, between decency and indecency, between justice and injustice.

Advocates of constructive engagement are fond of reciting their ritualistic, rehetorical opposition to apartheid. But what if the situation in South Africa were reversed? What if a black minority brutally ruled a white majority and whites were denied their political rights, stripped of their citizenship, and confined to remote and barren homelands?

Does anyone seriously believe that, under those circumstances, the Administration would say it is not our task to choose between black and white? Does anyone believe that, under those conditions, President Reagan would explain and excuse police killings of innocent, unarmed demonstrators by noting that some of the country's policemen were the same race as the people who were killed?

Supporters of the Administration's policy have contended that sanctions against South Africa cannot be justified as there are many other regimes around the world guilty of serious human rights abuses

against which we have not imposed sanctions. Yet the United States has adopted a wide range of sanctions against other governments that violate human rights, ranging from total embargo we have placed on commerce with Cambodia, Vietnam, and now Nicaragua, to the more modest restrictions we have enacted against Libya and Iran. In view of this record, the United States would be more vulnerable to a charge of inconsistency and selected indignation if we failed to adopt sanctions against South Africa than if we finally manifested our opposition to apartheid by deed as well as by word.

Clearly, sanctions imposed by the United States will not lead to the instantaneous dismantling of apartheid. The future of South Africa will be determined primarily by the people of South Africa themselves. But it will take a combination of increasing internal and external pressure to bring about fundamental change in that country. And the United States can play a critical role in helping to generate substantial external pressure against the apartheid regime.

Human rights must be not just a slogan, but a strategy. In determining how best to promote the enduring ideals of liberty and freedom, we need to consider not just the moral imperatives, but the strategic realities of the world in which we live.

As we were reminded in 1956 in Hungary, in 1968 in Czechoslovakia, and in 1981 in Poland, when the Soviet Union cracks down on the countries of Eastern Europe, there are very real constraints on what the United States can do to advance the cause of human rights and political independence in these nations.

Just as our capacity to help the forces of freedom in these nations is shaped by prevailing geopolitical realities, our ability to advance the cause of human rights in nations friendly to the United States can be limited by our strategic interests as well.

In the Philippines, for example, where a corrupt and brutal government is being challenged by a growing communist-dominated insurgency, the United States has a significant interest in retaining access to Clark Field and Subic Bay, which help us to preserve the peace and maintain the balanace of power in Asia.

Clearly it would be a mistake for the United States to terminate all aid to the Philippines, thereby violating our base agreement and potentially forfeiting our access to these important military facilities.

Yet even if it would be unwise to cut completely our ties to the government of the Philippines, we still have a vital interest in promoting the cause of human rights in that country.

The truth is that in the Philippines the main alternative to Communism is not a continuation of authoritarianism but the restoration of democracy.

Indeed, our ability to maintain our long-term access to Clark and Subic will depend on the willingness of the Filipino people to have us there—and that requires us to make it clear to the people of the Philippines that our aid is aimed at helping then rather than propping up the Marcos regime.

It also requires us to make it clear to the Philippine Government that our willingness to give them additional aid, above and beyond what is required by the base agreement, will depend on their willingness to make essential reforms.

If our strategic interests in the Philippines make it unwise to terminate our aid, it hardly follows that we should do nothing, or that there is nothing we can do, to advance human rights in that country.

America, to be sure, may not be in a position to oppose tyranny with equal vigor everywhere. But that hardly means we should oppose it nowhere.

There are those who would contend that the lesson of Anastasio Somoza, Fulgencio Batista, Chiang Kai-Shek, and Nguyen Van Thieu is that America must support the dictator of the moment, out of fear that any successor will be even more repressive.

But surely that cannot be the proper lesson to draw from the downfall of these leaders. What we should have learned in Nicaragua, in Cuba, in China, and in South Vietnam, is that in the absence of democracy, the most likely alternative to repression is Communism. Instead of supporting dictators to the bitter end, and watching helplessly as they take American prestige and power down with them, we should be energetically encouraging the establishment of genuinely democratic institutions.

Let me conclude this excursion into a new democratic foreign policy by returning to a brief description of some of the guidelines I have suggested:

We must recognize that the Soviet Union represents the most serious threat we face, but that it is by no means the only threat we face.

We must stand up to the Soviet Union where necessary, but resolve our differences with them where possible.

We must insist that the Soviet Union respect existing arms control agreements, but simultaneously be willing to negotiate new arms control agreements.

We must be willing to accept restrictions on the development, testing, and deployment of defensive strategic weapons if we are going to achieve a substantial reduction of offensive nuclear weapons.

We must recognize that precisely because of the existence of an acceptable balance of nuclear power, we need to establish a more acceptable balance of conventional power.

We must support indigenous freedom fighters in Afghanistan and Cambodia who are seeking to liberate their country from foreign occupation, but refuse to involve ourselves in civil wars, as in Nicaragua, for the purpose of overthrowing internationally recognized regimes.

We must oppose repression and aggression on the left, as well as on the right, whether it be Soviet tyranny in Afghanistan or the tyranny of apartheid in South Africa.

We must actively promote the cause of human rights where possible, while simultaneously taking account of strategic realities where necessary.

With these principles as a guideline for our party and our country, we can build: A strong America, capable of protecting its interests and its allies. A peaceful America, working to reduce the threat of war through meaningful arms control agreements. A moral America, determined to promote its humanitarian values and democratic ideals. A realistic America, striking a balance between our commitment to human rights and our recognition of strategic realities. An effective America, which in concert with its allies can protect freedom and defend democracy.

Such a foreign policy would serve the political interests of the Democratic Party. More importantly, it would serve the interests of our country and of the friends of freedom around the world.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. STRANG (at the request of Mr. MICHEL), for June 19, and the balance of the week, on account of official business.

Mr. LUKEN (at the request of Mr. WRIGHT), after 4 p.m. today, on account of illness.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. MCKERNAN) to revise and extend their remarks and include extraneous material:)

Mr. CLINGER, for 60 minutes, on July 9.

Mrs. BENTLEY, for 5 minutes on June 25.

Mr. BURTON of Indiana, for 60 minutes, today.

Mr. LENT, for 60 minutes, today.

(The following Members (at the request of Mr. FRANK) to revise and extend their remarks and include extraneous material:)

Mr. ANNUNZIO, for 5 minutes, today.

Mr. CLAY, for 60 minutes, on June 25.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. KEMP, following the remarks of the gentleman from New Jersey [Mr. COURTER], in the Committee of the Whole today.

Mr. FASCELL, and to include extraneous material notwithstanding the fact that it exceeds two pages of the RECORD and is estimated by the Public Printer to cost $2,060.

Mr. DORNAN of California, to include extraneous matter in debate on the strategic defense initiative on H.R. 1872 in the Committee of the Whole today.

Mr. MOAKLEY, during consideration of the Frank amendment, tomorrow, in the Committee of the Whole.

(The following Members (at the request of Mr. MCKERNAN) and to include extraneous matter:)

Mr. WHITEHURST.
Mr. FIELDS.
Mr. RITTER.
Mr. BEREUTER in two instances.
Mr. GEKAS in two instances.
Mr. MICHEL.
Mrs. ROUKEMA.
Mr. SCHULZE.
Mr. COURTER.
Mr. GRADISON.
Mr. HUNTER.
Mr. WYLIE.

Mr. WOLF.
Mr. CAMPBELL.
Mr. HARTNETT.
Mr. CLINGER.
Mr. LIVINGSTON in three instances.

(The following Members (at the request of Mr. FRANK) and to include extraneous matter:)

Mr. SKELTON in two instances.
Mr. FAUNTROY.
Ms. KAPTUR.
Mr. DOWNEY of New York.
Mr. STARK.
Mr. KOLTER.
Mr. HUBBARD.
Mr. RANGEL.
Mr. OWENS.
Mr. ROE.
Mr. KANJORSKI.
Mr. PEPPER in three instances.
Mr. EDGAR in two instances.
Mr. CONYERS.
Mr. WALGREN.
Mr. ACKERMAN.
Mr. DYSON.
Mr. SCHEUER.

SENATE JOINT RESOLUTION REFERRED

A joint resolution of the Senate of the following title was taken from the Speaker's table and, under the rule, referred as follows:

S.J. Res. 124. Joint resolution to designate "National Day of Peace"; to the Committee on Post Office and Civil Service.

ENROLLED BILL SIGNED

Mr. ANNUNZIO, from the Committee on House Administration, reported that that committee had examined and found truly enrolled a bill of the House of the following title, which was thereupon signed by the Speaker:

H.R. 14. An act to designate the Federal Building and U.S. Courthouse in Ashland, KY, as the "Carl D. Perkins Federal Building and United States Courthouse".

ADJOURNMENT

Mr. WALKER. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 10 o'clock and 2 minutes p.m.), the House adjourned until tomorrow, Friday, June 21, 1985, at 10 a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1552. A communication from the President of the United States, transmitting a report of three new deferrals and two revised deferrals, pursuant to 2 U.S.C. 684(a) (H. Doc. No. 99-80); to the Committee on Appropriations and ordered to be printed.

1553. A letter from the Secretary of Energy, transmitting the eleventh semiannual report on alternative fuels production, pursuant to Public Law 96-126, title II (93 Stat. 971); to the Committee on Appropriations.

1554. A letter from the Chairman, Council of the District of Columbia, transmitting D.C. Act 6-48, "Cigarette Tax Amendment Act of 1985," and report, pursuant to Public Law 93-198, section 602(c); to the Committee on the District of Columbia.

1555. A letter from the Chairman, Council of the District of Columbia, transmitting D.C. Act 6-49, "District of Columbia Trust, Loan, Mortgage, Safe Deposit and Title Corporations Act Amendment Temporary Act of 1985," pursuant to Public Law 93-198, section 602(c); to the Committee on the District of Columbia.

1556. A letter from the Chairman, Council of the District of Columbia, transmitting D.C. Act 6-50, "District of Columbia Public Assistance Act of 1982 Amendments Act of 1985," and report, pursuant to Public Law 93-198, section 602(c); to the Committee on the District of Columbia.

1557. A letter from the Acting Assistant Attorney General, Antitrust Division, transmitting a report on the International Energy Program, pursuant to section 252(i) of the Energy Policy and Conservation Act; to the Committee on Energy and Commerce.

1558. A letter from the Director, Defense Security Assistance Agency, transmitting Letters of Offer accepted during February 1985 for major defense equipment valued at $1,000,000 or more as of March 31, 1985, pursuant to AECA, section 36(a) (90 Stat. 740; 94 Stat. 3134) and section 26(b) (92 Stat. 740) (E.O. 11958); to the Committee on Foreign Affairs.

1559. A letter from the Comptroller General, General Accounting Office, transmitting reports issued or released in May 1985, pursuant to 31 U.S.C. 719(h); to the Committee on Government Operations.

1560. A letter from the Executive Secretary, Harry S. Truman Scholarship Foundation, transmitting an evaluation of compliance with the laws relating to open meetings of agencies of the Government, pursuant to 5 U.S.C. 552b(j); to the Committee on Government Operations.

1561. A letter from the Executive Director, the President's Commission on Executive Exchange, The White House, transmitting a draft of proposed legislation to provide for the establishment of an experimental program relating to the acceptance of voluntary services from participants in an executive exchange program of the Government; to the Committee on Post Office and Civil Service.

1562. A letter from the Secretary of Transportation, transmitting a draft of proposed legislation to improve safety and security for people who travel in international aviation; jointly, to the Committees on Public Works and Transportation, Foreign Affairs and the Judiciary.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. FUQUA. Committee on Science and Technology. H.R. 2800. A bill to provide authorization of appropriations for activities under the Land Remote-Sensing Commercialization Act of 1984 (Rept. No. 99-177). Referred to the Committee of the Whole House on the State of the Union.

Mr. RODINO. Committee on the Judiciary. H.R. 2211. A bill to amend title 11 of the United States Code with respect to bankruptcy proceedings invovling debtors who are family farmers, and for other purposes; with an amendment (Rept. No. 99-178). Referred to the Committee of the Whole House on the State of the Union.

[Omitted from the Record of June 3, 1985]

SUBSEQUENT ACTION ON A REPORTED BILL

Under clause 5 of rule X the following action was taken by the Speaker:

Referral of H.R. 1544 to the Committee on Agriculture extended for a period ending not later than June 20, 1985.

[Submitted June 20, 1985]

Under clause 5 of rule X the following action was taken by the Speaker:

The Committee on Agriculture discharged from further consideration of H.R. 1544; H.R. 1544 referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. CLAY (for himself, and Mrs. ROUKEMA):

H.R. 2811. A bill to amend the Employee Retirement Income Security Act of 1974 and the Internal Revenue Code of 1954 to improve the single-employer pension plan termination insurance program, and for other purposes; jointly, to the Committees on Education and Labor, and Ways and Means.

H.R. 2812. A bill to amend the Employee Retirement Income Security Act of 1974 to provide for an increase in the premium rates payable to the Pension Benefit Guaranty Corporation and to revise the procedures for establishing such premium rates; jointly, to the Committees on Education and Labor, and Ways and Means.

H.R. 2813. A bill to amend the Employee Retirement Income Security Act of 1974 to improve the single-employer pension plan termination insurance program, and for other purposes; to the Committee on Education and Labor.

By Mr. KRAMER:

H.R. 2814. A bill to provide the penalty of death for certain crimes relating to aircraft, and for other purposes; to the Committee on the Judiciary.

By Mr. ARMEY (for himself, Mr. JEFFORDS, Mr. MCKERNAN, Mr. HENRY, Mr. FAWELL, Mr. TAUKE, Mr. GUNDERSON, Mr. BARTLETT, Ms. SNOWE, Mr. STENHOLM, and Mr. DELAY):

H.R. 2815. A bill to amend the Fair Labor Standards Act of 1938 to facilitate industrial homework, including sewing, knitting, and craftmaking; to the Committee on Education and Labor.

By Mr. BIAGGI (for himself, Mr. JONES of North Carolina, and Mr. SNYDER):

H.R. 2816. A bill to protect the interest of the United States as a secured creditor under the Federal Ship Financing Program under title XI of the Merchant Marine Act,

1936, and for other purposes; to the Committee on the Judiciary.

By Mr. ECKART of Ohio (for himself, Mr. LENT, Mr. TAUZIN, Mr. RITTER, Mr. RALPH M. HALL, Mr. COATS, Mr. DOWDY of Mississippi, Mr. FIELDS, Mr. SLATTERY, Mr. SCHAEFER, Mr. DINGELL, and Mr. BROYHILL):

H.R. 2817. A bill to amend the Comprehensive Environmental Response, Compensation and Liability Act of 1980, and for other purposes; divided and referred as follows: Titles I and II, except for section 206, to the Committees on Energy and Commerce and Public Works and Transportation; secton 206 and Title III to the Committee on Energy and Commerce; and Title IV to the Committee on Ways and Means.

By Mr. CLINGER:

H.R. 2818. A bill to amend the Public Works and Economic Development Act of 1965 to establish a National Public Works Corporation for purposes of providing financial assistance to States and local governments for the construction, rehabilitation, and repair of certain public facilities, and for other purposes; to the Committee on Public Works and Transportation.

By Mr. DAUB (for himself, Mr. GREGG, Mr. TAUKE, Mrs. SMITH of Nebraska, Mr. BEREUTER, Mr. BEDELL, and Mr. LIGHTFOOT):

H.R. 2819. A bill to amend section 2316 of the Deficit Reduction Act of 1984 to make the application of the revised wage index developed under that section prospective and to provide for periodic updating of that index; to the Committee on Ways and Means.

By Mr. ERDREICH:

H.R. 2820. A bill to amend title II of the Social Security Act so as to remove the limitation upon the amount of outside income which an individual may earn while receiving benefits thereunder; to the Committee on Ways and Means.

By Mr. EVANS of Iowa (for himself, Mr. ROBERT F. SMITH, Mr. PENNY, Mr. BEDELL, Mr. DASCHLE, Mr. EMERSON, Mr. EVANS of Illinois, Mr. FRANKLIN, Mr. GLICKMAN, Mr. LIGHTFOOT, Mr. MADIGAN, Mr. MARLENEE, Mr. ROBERTS, Mr. SCHUETTE, Mr. STANGELAND, and Mr. VOLKMER):

H.R. 2821. A bill to authorize the Secretary of Agriculture to utilize various means to reduce the costs to the Government of commodity programs; to the Committee on Agriculture.

By Mr. FASCELL (for himself, Mr. BROOMFIELD, Mr. HAMILTON, Mr. YATRON, Mr. SOLARZ, Mr. BONKER, Mr. STUDDS, Mr. MICA, Mr. WOLPE, Mr. GEJDENSON, Mr. DYMALLY, Mr. LANTOS, Mr. KOSTMAYER, Mr. TORRICELLI, Mr. SMITH of Florida, Mr. BERMAN, Mr. REID, Mr. LEVINE of California, Mr. FEIGHAN, Mr. WEISS, Mr. ACKERMAN, Mr. MACKAY, Mr. UDALL, Mr. GILMAN, Mr. LAGOMARSINO, Mr. LEACH of Iowa, Mr. ROTH, Ms. SNOWE, Mr. HYDE, Mr. SOLOMON, Mr. BEREUTER, Mr. SILJANDER, Mr. ZSCHAU, Mr. DORNAN of California, Mr. SMITH of New Jersey, Mr. MACK, Mr. DEWINE, and Mr. ANDREWS):

H.R. 2822. A bill to direct the Secretary of State to take certain measures to improve security at foreign international airports, and for other purposes; jointly, to the Committees on Foreign Affairs, and Public Works and Transportation.

By Mr. FUQUA:

H.R. 2823. A bill to assist in revitalizing the Nation's academic research programs by requiring specified Federal agencies to reserve a portion of their research and development funds for the replacement or modernization of laboratories and other research facilities at universities and colleges; jointly, to the Committees on Science and Technology, Energy and Commerce, Armed Services, and Agriculture.

By Mr. GROTBERG (for himself, and Mr. MADIGAN) (by request):

H.R. 2824. A bill to amend the Farm Credit Act of 1971 with respect to obligations of Federal intermediate credit banks, Federal land banks, and Federal land bank associations; to the Committee on Agriculture.

By Mr. HEFTEL of Hawaii:

H.R. 2825. A bill to amend the Internal Revenue Code of 1954 to provide that certain State and local taxes may be deducted by individuals only to the extent they exceed 1 percent of adjusted gross income; to the Committee on Ways and Means.

By Mr. HENDON:

H.R. 2826. A bill to amend the Wild and Scenic Rivers Act by designating a segment of the Horsepasture River in the State of North Carolina as a component of the National Wild and Scenic Rivers System; to the Committee on Interior and Insular Affairs.

By Mr. HOWARD (for himself, Mr. SNYDER, Mr. MINETA, and Mr. HAMMERSCHMIDT) (by request):

H.R. 2827. A bill to improve safety and security for people who travel in international aviation; jointly, to the Committees on Public Works and Transportation, and Foreign Affairs.

By Mr. OWENS:

H.R. 2828. A bill to amend title 18, United States Code, to eliminate the effect of the parental exception to the kidnaping prohibition in cases of kidnapings in violation of valid custody orders; to the Committee on the Judiciary.

By Mr. PEPPER:

H.R. 2829. A bill to amend title XIX of the Social Security Act to increase activities of State medicaid fraud and abuse units in eliminating patient abuse and neglect; to the Committee on Energy and Commerce.

H.R. 2830. A bill to amend the Internal Revenue Code of 1954 to allow a deduction for amounts contributed to an individual medical care account which is exempt from tax; to the Committee on Ways and Means.

H.R. 2831. A bill to amend title XVIII of the Social Security Act with respect to requiring institutions to have residency training and fellowship programs in geriatric medicine as a condition for payment of direct medical education costs under the Medicare Program; jointly, to the Committees on Ways and Means, and Energy and Commerce.

H.R. 2832. A bill to amend title XVIII of the Social Security Act to assure security of patients' funds maintained by skilled nursing facilities and intermediate care facilities under the Medicare and Medicaid Programs and to assure the security of personal funds held by the United States Soldiers and Airmen's Home and by the Naval Home; jointly, to the Committees on Ways and Means, Energy and Commerce, and Armed Services.

By Mr. STAGGERS:

H.R. 2833. A bill to require the Department of Labor to reduce the backlog of cases under the Black Lung Benefits Act; to the Committee on Education and Labor.

By Mr. THOMAS of California:

H.R. 2834. A bill to amend the Trade Act of 1974 regarding the provision of interim relief from injury to certain perishable commodities caused by import competition; to the Committee on Ways and Means.

By Mr. WAXMAN (for himself and Mr. DINGELL):

H.R. 2835. A bill to amend the Federal Cigarette Labeling and Advertising Act to make technical changes and for other purposes; to the Committee on Energy and Commerce.

By Mr. WOLF (for himself and Mr. PARRIS):

H.R. 2836. A bill to amend title 5, United States Code, to modify the authority under which higher rates of pay may be established in geographic areas where the Federal Government is experiencing significant recruitment or retention problems, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. BRYANT:

H.R. 2837. A bill to amend title 18 of the United States Code to establish rational criteria for the imposition of the sentence of death in cases of espionage and treason, and for other purposes; to the Committee on the Judiciary.

By Mr. DIOGUARDI:

H.J. Res. 321. Joint resolution to designate April 5, 1986, as "International Worker Solidarity Day"; to the Committee on Post Office and Civil Service.

By Mr. MILLER of California (for himself, Mr. GARCIA, Ms. OAKAR, Mr. ACKERMAN, Mr. CLAY, Mr. DYMALLY, Mr. UDALL, Mr. WAXMAN, Mr. YATES, Mr. HEFTEL of Hawaii, Mr. DASCHLE, Mrs. BURTON of California, Mr. LEHMAN of Florida, Mr. MURPHY, Mrs. HOLT, Mr. OWENS, Mr. WEISS, Mr. TOWNS, Mr. ROSE, Mr. SKELTON, Mr. DWYER of New Jersey, Mr. SCHEUER, Mr. CHAPPIE, Mr. BERMAN, Mr. ANTHONY, Mr. SAVAGE, Mr. LIGHTFOOT, Mr. DELLUMS, Mr. STOKES, Mr. RANGEL, Mr. ROWLAND of Georgia, Mr. BEVILL, Mr. SMITH of Florida, Mr. DEWINE, Mr. CONTE, Mr. FAZIO, Mr. RICHARDSON, Mrs. BOXER, Mr. BURTON of Indiana, Ms. MIKULSKI, Mr. ROBINSON, Mr. HUGHES, Mr. DE LA GARZA, Mr. MORRISON of Connecticut, Mr. MARTINEZ, Mr. ROE, Mr. LEVIN of Michigan, Mr. COELHO, Mr. VENTO, Mr. HOYER, Mr. AKAKA, Mr. APPLEGATE, Mr. LEACH of Iowa, Mr. BARNES, Mrs. BENTLEY, Mr. TRAFICANT, Mr. BONER of Tennessee, Mr. WOLF, Mr. YOUNG of Alaska, Mr. YOUNG of Missouri, Mr. WORTLEY, Mr. WOLPE, Mr. ADDABBO, Mr. TALLON, Mr. MCHUGH, Mr. WALGREN, Mr. TORRICELLI, Mr. BROWN of California, Mr. COYNE, Mr. CONYERS, Mr. DARDEN, Mr. DAUB, Mr. DONNELLY, Mr. COATS, Mr. DYSON, Mr. EMERSON, Mr. SNYDER, Mr. ERDREICH, Mr. SABO, Mr. LAFALCE, Mr. VALENTINE, Mr. FOGLIETTA, Ms. SNOWE, Mr. DOWDY of Mississippi, Mr. RUSSO, Mr. BUSTAMANTE, Mr. MCKERNAN, Mr. MOLLOHAN, and Mr. WILSON):

H.J. Res. 322. Joint resolution to provide for the designation of the week beginning October 6, 1985, as "National Sudden Infant Death Syndrome Awareness Week"; to the Committee on Post Office and Civil Service.

By Mr. GONZALEZ:

H. Con. Res. 168. Concurrent resolution expressing the sense of Congress on the Lebanon terrorism crises; to the Committee on Foreign Affairs.

By Mr. JACOBS:

H. Res. 206. Resolution permitting printing of political cartoons in the extensions of remarks section of the CONGRESSIONAL RECORD; to the Committee on House Administration.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

183. By the SPEAKER: A memorial of the Legislature of the State of Nevada, relative to drinking water; to the Committee on Energy and Commerce.

184. Also, memorial of the Legislature of the State of Pennsylvania, relative to postage; to the Committee on Post Office and Civil Service.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII,

Mr. HARTNETT introduced a bill (H.R. 2838) for the relief of Siu Kee Tong and Yuan Kiang Chou; to the Committee on the Judiciary.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 44: Mr. GREEN, Mr. FEIGHAN, and Mr. BORSKI.

H.R. 237. Mr. BOEHLERT, Mr. BROWN of Colorado, Mr. CAMPBELL, Mr. CROCKETT, Mr. DASCHLE, Mr. ENGLISH, Mr. FAWELL, Mr. GLICKMAN, Mr. HUBBARD, Mr. JACOBS, Mr. LOWERY of California, Mr. MCCURDY, Mr. VANDER JAGT, Mr. VOLKMER, Mr. WHITTAKER, and Mr. WILSON.

H.R. 343: Mr. ROGERS.

H.R. 370: Mr. CONYERS.

H.R. 479: Mr. GRADISON.

H.R. 587: Mr. EDGAR.

H.R. 704: Mr. ROBERTS, Mr. SPENCE, Mr. HANSEN, Mr. KASICH, and Mr. MADIGAN.

H.R. 747: Mr. HALL of Ohio, Mr. BORSKI, Mr. FEIGHAN, Mr. BATES, Mr. OBERSTAR, Mr. KOSTMAYER, and Mr. MRAZEK.

H.R. 825: Mr. JONES of North Carolina and Mr. DYSON.

H.R. 831: Mr. MORRISON of Washington, Mr. GRAY of Illinois, and Mr. SENSENBRENNER.

H.R. 930: Mr. TORRICELLI.

H.R. 984: Mr. DELAY.

H.R. 1004: Mr. WISE.

H.R. 1021: Mr. YOUNG of Missouri, Mr. RITTER and Mr. MORRISON of Washington.

H.R. 1123: Mr. FIELDS and Mr. BARTON of Texas.

H.R. 1132: Mr. SENSENBRENNER.

H.R. 1223: Mr. BEDELL, Mr. BOEHLERT, Mr. BORSKI, Mr. CONYERS, Mr. CROCKETT, Mr. DWYER of New Jersey, Mr. FAZIO, Mr. FISH, Mr. HUGHES, Ms. KAPTUR, Mr. KOLTER, Mr. LAFALCE, Mrs. LLOYD, Mr. MARTINEZ, Ms. MIKULSKI, Mr. MITCHELL, Mr. MRAZEK, Mr. OWENS, Mr. RAHALL, Mr. RINALDO, Mr. ROE, Mr. ROSE, Mr. SHAW, Mr. SKELTON, Mr. SMITH of Florida, Mr. SOLARZ, Mr. STENHOLM, Mr. STUDDS, Mr. TOWNS, Mr. WEAVER, Mr. WEISS, and Mr. GEJDENSON.

H.R. 1272: Mr. RICHARDSON, Mr. DREIER of California, Mr. ADDABBO, Mr. TORRES, Mr. MURPHY, Mr. MARTIN of New York, and Mrs. BENTLEY.

H.R. 1446: Mr. DIOGUARDI.

H.R. 1519: Mr. SWIFT, Mr. BEILENSON, Mr. LUKEN, and Mr. COOPER.

H.R. 1556: Mr. LAFALCE.

H.R. 1615: Mr. APPLEGATE, Mr. STENHOLM, and Mr. KANJORSKI.

H.R. 1630: Mrs. BENTLEY, Mr. FROST, and Mr. DEWINE.

H.R. 1769: Mr. SKEEN.

H.R. 1809: Mr. QUILLEN, Mr. MANTON, and Mr. STUDDS.

H.R. 1884: Mrs. LLOYD, Mr. RICHARDSON, Mr. EMERSON, Mr. FORD of Tennessee, Mr. MONTGOMERY, Mr. ROWLAND of Georgia, Mr. SPRATT, Mr. ROSE, Mr. OBEY, Mr. BEDELL, Mr. SMITH of Iowa, Mr. MADIGAN, Mr. VANDER JAGT, Mr. EVANS of Illinois, Mr. GRAY of Illinois, Mr. WOLPE, and Mr. DYSON.

H.R. 1906: Mr. BOEHLERT.

H.R. 1907: Mr. SENSENBRENNER.

H.R. 1918: Mr. MANTON.

H.R. 1926: Mr. WOLPE.

H.R. 1950: Mr. DELLUMS, Mr. DYSON, Mr. ROSE, Ms. SNOWE, Mr. ADDABBO, Mr. ERDREICH, Mr. MURTHA, Ms. MIKULSKI, Mr. MARTINEZ, Mr. ACKERMAN, Mr. UDALL, Mr. KOLTER, Mr. RODINO, Mr. ROE, Mr. MITCHELL, Mr. HAYES, Mrs. COLLINS, and Mr. SPRATT.

H.R. 2114: Mr. LAGOMARSINO, Mr. DELLUMS, Mr. PACKARD, Mr. PORTER, Mr. ROE, Mrs. COLLINS, Ms. KAPTUR, Mr. SAXTON, Mr. MONSON, and Mr. COATS.

H.R. 2136: Mr. CRAIG.

H.R. 2205: Mr. FEIGHAN, Mr. REID, Mr. SISISKY, Mr. ST GERMAIN, and Mr. WIRTH.

H.R. 2216: Mr. MINETA, Mr. SENSENBRENNER, and Mr. MONSON.

H.R. 2277: Mr. MCEWEN and Mr. BEREUTER.

H.R. 2282: Mr. SOLARZ, Mr. HEFNER, and Mr. BRUCE.

H.R. 2287: Mr. PETRI.

H.R. 2295: Mrs. JOHNSON.

H.R. 2337: Mr. WHITEHURST.

H.R. 2342: Mr. DELLUMS, Mr. ROBERTS, Mr. FAZIO, Mr. LUKEN, Mr. STANGELAND, Mr. GARCIA, Mr. RITTER, Mr. FAUNTROY, Mr. FISH, Mr. TAUZIN, Mr. SABO, Mr. MARLENEE, Mr. PENNY, Mr. WILSON, and Mr. DWYER of New Jersey.

H.R. 2364: Mr. BIAGGI.

H.R. 2383: Mr. HUBBARD.

H.R. 2401: Mr. FOGLIETTA, Mr. MURPHY, Mr. MATSUI, Mr. YATRON, Mr. MILLER of Washington, Mr. GEPHARDT, Mr. HAWKINS, and Mr. STRATTON.

H.R. 2406: Mr. WALGREN, Mr. HALL of Ohio, and Mr. WILSON.

H.R. 2567: Mr. EVANS of Illinois, Mr. RAHALL, Mr. LUNDINE, and Mr. CROCKETT.

H.R. 2597: Mr. ROE.

H.R. 2602: Mr. MATSUI.

H.R. 2617: Mr. FISH.

H.R. 2711: Mr. OWENS.

H.R. 2781: Mr. BEREUTER, Mr. KLECZKA, Mr. LEHMAN of California, Mr. LIPINSKI, and Mr. ROE.

H.R. 2786: Mr. LAFALCE.

H.R. 2800: Mr. MCCURDY.

H.J. Res. 3: Mr. ST GERMAIN, Mr. JONES of North Carolina, Mrs. BOGGS, Mr. COOPER, and Mrs. LONG.

H.J. Res. 20: Mr. BURTON of Indiana, Mr. KOLTER, Mr. LEVINE of California, Mr. VALENTINE, Mr. SYNAR, Mr. EDGAR, and Mr. MCCLOSKEY.

H.J. Res. 79: Mr. SHUMWAY, Mr. LANTOS, Mr. LELAND, Mr. STALLINGS, and Mr. IRELAND.

H.J. Res. 87: Mr. PETRI.

H.J. Res. 140: Mr. PETRI.

H.J. Res. 205: Mr. MOLLOHAN and Mr. RINALDO.

H.J. Res. 222: Mr. DE LUGO, Mr. GONZALEZ, and Mr. ROWLAND of Georgia.

H.J. Res. 289: Mr. BUSTAMANTE.

H.J. Res. 299: Mrs. BURTON of California, Mr. FUSTER, Mrs. HOLT, Mr. OWENS, Mr. FAUNTROY, Mr. HEFTEL of Hawaii, Mr. BATEMAN, Mr. BERMAN, Mr. ANDREWS, Mr. FROST, Mr. COYNE, Mr. DE LA GARZA, Mr. MARTINEZ, Mr. RICHARDSON, Mr. DASCHLE, Mr. WEISS, Mrs. BOXER, Mr. WOLPE, and Mr. WILSON.

H.J. Res. 300: Mr. CONYERS, Mr. HOWARD, Mr. ROE, Mr. CONTE, Mr. LELAND, Mr. DE LUGO, Mr. TOWNS, Mr. BEVILL, Mr. WYDEN, Mr. MRAZEK, Mr. ADDABBO, Mrs. MEYERS of Kansas, Mr. DE LA GARZA, Mr. KOSTMAYER, Mr. SCHEUER, Mr. LIGHTFOOT, Mr. WHEAT, Mr. KILDEE, Mr. YOUNG of Florida, Mr. SMITH of Florida, Mr. OBERSTAR, Ms. MIKULSKI, Mr. BATES, Mr. SCHUMER, Ms. SNOWE, Mr. KOLTER, Mrs. COLLINS, Mr. BURTON of Indiana, Mr. FROST, Mr. SAXTON, Mr. KANJORSKI, Mr. SABO, Mr. FAZIO, Mr. LAFALCE, Mr. PERKINS, Mr. WEISS, Mr. STRANG, Mr. HORTON, Mr. ENGLISH, Mr. TRAXLER, Mr. DIOGUARDI, Mr. LEVIN of Michigan, Mr. BARNES, Mr. MARTINEZ, Mr. SMITH of New Jersey, Mr. YOUNG of Missouri, Mr. EVANS of Illinois, Mr. TRAFICANT, Mr. ORTIZ, Mrs. BOXER, Mr. BRYANT, Mr. ASPIN, and Mr. COLEMAN of Texas.

H. Con. Res. 90: Mr. COELHO, Mr. EDWARDS of Oklahoma, and Mr. QUILLEN.

H. Con. Res. 131: Mr. RANGEL.

H. Con. Res. 158: Mr. GILMAN, Mr. FAUNTROY, Mr. REID, Mr. UDALL, Mr. FRANK, Mr. FLORIO, Mr. STUDDS, Mr. MITCHELL, Mr. WILLIAMS, Mr. LEVINE of California, and Mr. WILSON.

H. Res. 122: Mr. WILLIAMS and Mr. RUSSO.

H. Res. 193: Mr. PASHAYAN, Mr. BLILEY, and Mr. LIPINSKI.

H. Res. 194: Ms. MIKULSKI and Mr. DURBIN.

DELETIONS OF SPONSORS FROM PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, sponsors were deleted from public bills and resolutions as follows:

H.R. 1190: Mr. YATRON.

AMENDMENTS

Under clause 6 of rule XXIII, proposed amendments were submitted as follows:

H.R. 1872

By Mr. BENNETT:

—Page 197, after line 8, insert the following new subsection:

(c) No reductions may be made before October 1, 1986, by the President in stockpile goals below those goals in effect on October 1, 1984, as established under authority provided by the Strategic and Critical Materials Stock Piling Act.

By Mr. BROWN of Colorado:

—Page 137, after line 11, insert the following section (and redesignate succeeding sections accordingly):

BENEFITS FOR WIDOWS OF CERTAIN RETIRED RESERVISTS

SEC. 680. (a) The Secretary concerned shall pay an annuity to any individual who is the surviving spouse or a dependent child of a member or former member of the uniformed services who—

(1) died during the period beginning on September 21, 1972, and ending on September 30, 1978; and

(2) at the time of his death would have been eligible for retired pay under chapter 67 of title 10, United States Code, but for the fact that he was under 60 years of age.

(b) An annuity under subsection (a) shall be paid under the provisions of subchapter II of chapter 73 of title 10, United States Code, in the same manner as if the member or former member had died after September 30, 1980, and had elected under section 1448(a)(2)(B) of such title to participate in the Survivor Benefit Plan established by such subchapter and had made a designation under section 1448(e) of such title to provide an annuity to become effective on the first day after his death.

(c) If an individual entitled to an annuity under this section is also entitled to an annuity under subchapter II of chapter 73 of title 10, United States Code, based upon a subsequent marriage, the individual may not receive both annuities but must elect which to receive.

(d) As used in this section:

(1) The term "uniformed services" means the Armed Forces and the commissioned corps of the Public Health Service and of the National Oceanic and Atmospheric Administration.

(2) The term "surviving spouse" has the meaning given the terms "widow" and "widower" in section 1447 of title 10, United States Code.

(3) The term "dependent child" has the meaning given such term in section 1447 of title 10, United States Code.

(4) The term "Secretary concerned" has the meaning given such term in section 101(8) of title 10, United States Code, and includes the Secretary of Commerce, with respect to matters concerning the National Oceanic and Atmospheric Administration, and the Secretary of Health and Human Services, with respect to matters concerning the Public Health Service.

(e) This section shall apply to annuity payments payable for months beginning after August 30, 1986. No benefit shall accrue to any person by virtue of the enactment of this section for any period before September 1, 1986.

By Mr. BRYANT:

—Page 172, after line 20, insert the following new part (and redesignate the succeeding parts and sections accordingly):

PART C—PROCUREMENT REFORM

SEC. 1021. SHORT TITLE.

This part may be cited as the "Defense Procurement Waste and Abuse Prevention Act of 1985".

SEC. 1022. PURPOSES.

The purposes of this part are—

(1) to ensure that items of indirect costs included by a contractor or a subcontractor of the Department of Defense in any contract awarded by the Secretary of Defense are monitored by the Secretary to prevent abuse and waste of Federal funds and to ensure that such costs do not include items of expenditures for reimbursement that are not reasonably related to the contract and subcontract; and

(2) to place the burden on the contractor (including the contractor's officers and employees) claiming reimbursement or payment for any indirect costs payable to such contractor under a defense contract or subcontract to show that such costs are reasonable and allowable and to ensure that all such requests are made in accordance with the amendments made by this title and other applicable provisions of law and regulations.

SEC. 1023. ALLOWABLE COSTS.

(a) REGULATION OF ALLOWABLE COSTS PAYABLE TO DEFENSE CONTRACTORS.—(1) Chapter 137 of title 10, United States Code, is amended by adding at the end thereof the following new section:

"§ 2324. Allowable costs under defense contracts

"(a)(1) The Secretary of Defense shall require that all covered contracts comply with the requirements of this title and that no contractor receives payment for indirect costs not allowed by or under this title. The Secretary shall also require that if a contractor submits to the Department of Defense a proposal (at the time of final settlement of contract costs or at any other time) covering any indirect cost incurred by the contractor for any period after such costs have been accrued which includes, as determined by the Secretary of Defense, the submission of one or more indirect costs that are specified by statute (other than this paragraph) or regulation as unallowable—

"(A) all costs, including such unallowable indirect costs, covered by that proposal shall be disallowed by the Secretary; and

"(B) the Secretary shall require the contractor to pay to the United States an amount equal to the greater of $10,000 or—

"(i) the amount of the indirect cost unallowable under such statute or regulation, plus interest; or

"(ii) if the cost is of a type that has been finally determined, before the submission of such proposal, to be expressly unallowable to that contractor, an amount equal to twice the amount of such unallowable indirect cost, plus interest.

"(2) An action by the Secretary under a contract provision required by paragraph (1) to disallow a cost and to require payment of a contractor—

"(A) shall be considered a final decision for purposes of section 6 of the Contracts Dispute Act of 1978 (41 U.S.C. 605); and

"(B) shall be appealable in the manner provided in section 7 of such Act (41 U.S.C. 606).

"(3) Interest under paragraph (1) shall be computed—

"(A) from the date on which the cost is submitted to the Secretary; and

"(B) at the applicable rate prescribed by the Secretary of the Treasury under section 6621 of the Internal Revenue Code of 1954.

"(b) The following costs are not allowable indirect costs under a covered contract:

"(1) Costs of entertainment, including amusement, diversion, and social activities and any costs directly associated with such costs (such as tickets to shows or sports events, meals, lodging, rentals, transportation, and gratuities).

"(2) Costs incurred to influence (directly or indirectly)—

"(A) congressional action on any legislation or appropriation matters pending before Congress or a State; or

"(B) executive branch action on any regulatory or contract matter pending before an executive branch agency (other than reasonable and necessary costs incurred in preparing a contract submission or proposal in response to any solicitation).

"(3) Costs incurred in defense of any civil or criminal fraud proceeding or similar proceeding (including filing of any false certification) brought by the United States where the contractor is found liable for fraud or has pleaded nolo contendere to a charge of fraud or similar proceeding (including filing of false certification).

"(4) Payments of fines and penalties resulting from violations of, or failure to comply with, Federal, State, local, or foreign laws and regulations, except when incurred as a result of compliance with specific terms and conditions of the contract or specific written instructions from the contracting officer authorizing in advance such payments in accordance with applicable regulations of the Secretary of Defense.

"(5) Costs of membership in any social, dining, or country club or organization.

"(6) Costs of bulk purchases of alcoholic beverages.

"(7) Contributions or donations, regardless of the recipient.

"(8) Costs of advertising designed to promote the contractor or its products.

"(9) Costs of promotional items and memorabilia, including models, gifts, and souvenirs.

"(10) Other cost items identified by regulation which the Secretary of Defense shall prescribe by regulation under this section.

"(11) Except as provided in subsection (c), costs for travel by aircraft to the extent that such costs exceed the amount of the standard commercial fare for travel by air common carrier between the points involved.

"(c)(1) Subsection (b)(11) may be waived by the contracting officer if the officer determines that travel by air common carrier at standard fare—

"(A) would require travel at unreasonable hours;

"(B) would excessively prolong travel;

"(C) would result in overall increased costs that would offset potential savings from travel at standard commercial fare; or

"(D) would not meet physical or medical needs of the person traveling.

"(2) Subsection (b)(11) may be waived by the contracting officer if the officer determines that travel by aircraft other than an air common carrier—

"(A) is—

"(i) specifically authorized under the contract; and

"(ii) reasonable because travel by air common carrier or other means impractical; and

"(B) is for business purposes and requires the use of such aircraft.

"(3) Costs for air travel in excess of that allowed by subsection (b)(11) may only be allowed by reason of one of the exceptions contained in paragraph (1) or by reason of paragraph (2) if the exception is fully documented and justified, including, in the case of an exception under paragraph (2), full documentation of the use of the aircraft for business purposes. Any waiver by the contracting officer shall be made in writing in advance of the travel or at such other times as the officer considers reasonable.

"(d)(1) The Secretary of Defense shall prescribe regulations, consistent with requirements of subsection (b), to establish criteria for the allowability of indirect contractor costs under Department of Defense contracts. Such regulations shall be prescribed as part of the Department of Defense supplement to the Federal Acquisition Regulation. In developing specific criteria for the allowability of such costs, the Secretary shall consider whether reimbursement of such costs by the United States is in the best interest of the United States and consistent with the requirements of subsection (b). Such regulations-

"(A) shall define and interpret in reasonable detail and specific terms those indirect costs, including the cost requirements of subsection (b), that are unallowable and al-

lowable under contracts entered into by the Department of Defense; and

"(B) shall provide that specific costs unallowable under one cost principle shall not be allowable under any other cost principle.

"(2) The regulations under paragrph (1) shall, at a minimum, clarify the cost principles applicable to a contractor of the following:

"(A) Air shows.
"(B) Advertising.
"(C) Recruitment.
"(D) Employee morale and welfare.
"(E) Community relations.
"(F) Dining facilities.
"(G) Professional and consulting services, including legal fees.
"(H) Compensation.
"(I) Selling and marketing.
"(J) Travel.
"(K) Public relations.
"(L) Hotel and meal and related beverages expenses.
"(M) Membership in civic, community, and professional organizations.

"(3) Such regulations shall specify the circumstances under which clauses (A) and (B) of subsection (c)(1) shall be applied.

"(4) Such regulations shall require that a contractor be required to provide current, accurate, and complete documentation to support the allowability of an indirect cost at the time a proposal which includes (or may reasonably include) any indirect costs is submitted to the Secretary. If such documentation is not sufficient to support the allowability of the cost, the cost shall be challenged by the Secretary and it shall become expressly unallowable and not subject to negotiation.

"(e)(1) The Secretary of Defense shall require that each indirect cost in the contractor's submission for final overhead settlement applied to covered contracts that is not specifically unallowable under law or regulation and that is challenged by the Secretary as being unallowable shall be considered for resolution separately from the resolution of other challenged costs. If such challenged cost cannot be resolved separately, then the settlement may include an aggregate amount for the settlement of all such challenged costs if—

"(A) the contractor and the contracting officer cannot agree on the allowability of the cost under applicable cost principles;

"(B) the contracting officer documents the reasons why an agreement cannot be reached; and

"(C) the contractor agrees in writing that costs of that type will not be submitted to the Department of Defense for payment as an allowable indirect cost in the future under that contract or any other contract of the contractor with the Secretary.

"(2) The Secretary of Defense shall provide that the defense contract auditor be present at any negotiation or meeting with the contractor regarding a determination of the allowability of indirect costs of the contractor. If, in exceptional circumstances, such auditor cannot reasonably be present, the preceding sentence may be waived by the contracting officer.

"(f)(1) A contractor that submits a proposal for interim or final settlement of indirect costs applicable to a covered contract shall be required to certify that all indirect costs included in the proposal are allowable. Any such certification shall be in the form prescribed in paragraph (2).

"(2) The certification required by paragraph (1) is as follows:

" 'CERTIFICATE OF OVERHEAD COSTS

" 'This is to certify that:

" '1. I have reviewed the claim submitted herewith;

" '2. All costs included in this claim for (overhead costs for rate approval) (final settlement for identify period) are allowable in accordance with the requirements of contracts to which they apply and with the cost principles of the Department of Defense applicable to those contracts;

" '3. This claim does not include any costs which are unallowable under applicable cost principles of the Department of Defense, such as (without limitation): advertising and public relations costs (contributions and donations), entertainment costs, fines and penalties, lobbying costs, defense of fraud proceedings, and goodwill; and

" '4. All costs included in this claim benefit the Department of Defense and are demonstrably related to or necessary for the performance of the Department of Defense contract(s) covered by the claim.

" 'I declare under penalty of perjury that the foregoing is true and correct.'.

"(3) Such certification shall identify the contractor and be signed by the chief financial officer of the contractor.

"(g) The Secretary of Defense shall provide that, in establishing the interim or provisional rates for payment of indirect costs to a contractor for which final settlement will be made at a later time, such rates shall be based upon amounts incurred by such contractor for indirect costs less any amount questioned by the agency with responsibility for audits of contracts and amounts prohibited by this section.

"(h) In this section, 'covered contract' means a contract entered into by the Department of Defense for an amount more than $25,000—

"(1) that is flexibly priced; or

"(2) for which costs or pricing data is required under section 2306(f) of this title.".

(2) The table of sections at the beginning of such chapter is amended by adding at the end thereof the following new item:

"2324. Allowable costs under defense contracts.".

(b) REGULATIONS.—(1) Not later than 180 days after the date of the enactment of this Act, the Secretary of Defense shall publish final regulations required by subsection (d) of section 2324 of title 10, United States Code, as added by subsection (a). Such regulations shall be prescribed in accordance with section 22 of the Office of Federal Procurement Act (41 U.S.C. 418b). The Secretary shall review such regulation at least once every three years and the results of that review, taking into consideration experience, shall be made public.

(2) At the time such proposed regulations and report are submitted to such committees, they shall also be published in the Federal Register for purposes of public comment of not less than 30 days and for consideration of those comments by the Secretary before final publication.

(c) EFFECTIVE DATE.—Section 2324 of title 10, United States Code, as added by subsection (a), shall apply to costs incurred under any contract entered into before, on, or after the date of enactment of this Act to the extent such costs are incurred at any time 60 days after such regulations are promulgated. Such section shall not apply to any contract entered in to before the date of the enactment of this Act if the Secretary of Defense determines that the particular terms of the contract existing before promulgation of such regulations are such that the provisions of that section could not be applied to the contract.

(d) APPLICABILITY TO SUBCONTRACTS.—The regulations of the Secretary of Defense required to be issued under subsection (b) shall require to the maximum extent possible that the provisions of section 2423 of title 10, United States Code, as added by subsection (a), shall apply to all subcontractors of any covered contract, as that term is defined in such section.

SEC. 1024. SUBPOENAS OF DEFENSE CONTRACTOR RECORDS.

Section 2313 of title 10, United States Code, is amended by adding at the end thereof the following new subsection:

"(d)(1) The Secretary of Defense may require by subpoena the production of any books, documents, papers, or records of a contractor or subcontractor that are needed by the Secretary for the purposes of subsection (a) or the purposes of section 2306(f) of this title.

"(2) Any such subpoena, in the case of contumacy or refusal to obey, shall be enforceable by order of an appropriate United States district court.

"(3) The authority of the Secretary of Defense under this subsection shall be promptly delegated to each of the following:

"(A) An officer of the Department of Defense appointed by the President, by and with the advice and consent of the Senate.

"(B) The director of the defense agency or other element of the Department of Defense that has responsibility for audits of defense contracts.".

SEC. 1025. LIMITATION ON ASSIGNMENTS OF PRINCIPAL CONTRACTING OFFICERS.

(a) LIMIT ON TOURS OF DUTY AND REASSIGNMENTS.—The Secretary of Defense shall prescribe regulations—

(1) to limit to five years the maximum tour of duty for which an officer or employee under the jurisdiction of the Secretary may be assigned to represent the Department of Defense with a particular contractor as a principal contracting officer; and

(2) to provide that an officer or employee who has held a position as principal contracting officer with a contractor may not be reassigned to duty with that contractor or any contractor affiliated with that contractor for a period of five years after the end of the previous such assignment.

(b) WAIVER AUTHORITY.—The Secretary of Defense or the Secretary of the military department concerned may, in an exceptional case, waive the limitation in subsection (a) in the case of any officer or employee if the Secretary—

(1) determines that it would not be in the best interests of the United States to apply such limitation in that case; and

(2) states in writing the reasons for that determination, which shall be available to the public.

Any such waiver may not extend such period for more than two years.

(c) DEFINITION.—For purposes of this section, the term "principal contracting officer" means—

(1) a principal corporate administrative contracting officer or deputy principal corporate administrative contracting officer; and

(2) a principal administrative contracting officer or deputy principal administrative contracting officer.

By Mrs. BYRON:

—At the end of subpart 1 of part C, title VI (page 98, after line 2), insert the following new section:

SEC. 637. EXTENSION OF AVIATION OFFICER CONTINUATION PAY.

Effective on October 1, 1985, section 301b of title 37, United States Code, is amended by striking out "September 30, 1985" in subsections (e)(2), (e)(3), and (f) and inserting in lieu thereof "September 30, 1988".

By Mr. CONYERS:

—Page 200, after line 4, insert the following new section:

SEC. 1050. SET-ASIDES FOR SOCIALLY AND ECONOMICALLY DISADVANTAGED SMALL BUSINESS CONCERNS.

(a) IN GENERAL.—To the maximum extent practicable, the Secretary of Defense shall ensure that—

(1) not less than 10 percent of the amount appropriated pursuant to the authorizations made by title I shall be expended for contracts with small business concerns owned and controlled by socially and economically disadvantaged individuals, as defined in section 8 of the Small Business Act and regulations issued pursuant to such section; and

(2) not less than 10 percent of the amount appropriated pursuant to the authorizations made by title II shall be expended for contracts with small business concerns owned and controlled by socially and economically disadvantaged individuals (as defined in section 8 of the Small Business Act and regulations issued pursuant to such section), historically Black colleges and universities, and minority institutions (as defined by the Secretary of Education pursuant to the General Education Provisions Act).

(b) ANNUAL REPORTS.—The Secretary shall submit an annual report to the Congress not later than January 1 of each calendar year beginning after the date of the enactment of this Act describing the performance of the Department of Defense in meeting the requirements established under subsection (a).

By Mr. COUGHLIN:

—At the end of title II (page 29, after line 14) add the following new section:

SEC. 207. LIMITATION ON TESTING OF ANTI-SATELLITE WEAPONS

The Secretary of Defense may not carry out a test of the Space Defense System (anti-satellite weapon) against an object in space until the President certifies to Congress that the Soviet Union has conducted, after the date of the enactement of this Act, a test against an object in space of a dedicated anti-satellite weapon. The prohibition in this section expires on October 1, 1986.

By Mr. DELAY:

—Add the following section to the end of title X (page 200, after line 4):

SEC. 1050. CONDITIONS ON THE PROCUREMENT OF ALCOHOLIC BEVERAGES ON MILITARY INSTALLATIONS.

(a) IN GENERAL.—Section 2683 of title 10, United States Code, is amended—

(1) by striking out "section" in subsection (b) and inserting in lieu thereof "subsection (a)"; and

(2) by adding the following new subsection at the end thereof:

"(c)(1) The Secretary of Defense shall provide that alcoholic beverages procured by the Department of Defense (including its nonappropriated fund instrumentalities) with appropriated or nonappropriated funds for resale on a military installation located in any State shall be procured in the State in which the installation is located.

"(2) Not later than one year after the date of enactment of this subsection, the Secretary shall transmit a report to the Congress concerning the implementation of this subsection.

"(3) As used in this subsection, 'State' means each of the several States and the District of Columbia."

(b) CONFORMING AMENDMENT.—Section 6 of the 1951 Amendments to the Universal Military Training and Service Act (50 U.S.C. App. 473) is amended by striking out "The" in the first sentence and inserting in lieu thereof "Subject to section 2683 of title 10, United States Code, the".

(c) TECHNICAL AMENDMENTS.—(1) The section heading for section 2683(c) of title 10, United States Code, is amended to read as follows:

"§ 2683. Relinquishment of legislative jurisdiction; conditions on procurement of alcoholic beverages."

(2) The item for section 2683 in the table of sections at the beginning of chapter 159 of such title is amended to read as follows:

"2683. Reliquishment of legislative jurisdiction; conditions on procurement of alcoholic beverages."

By Mr. DICKINSON:

—At the end of title X (page 200, after line 4) insert the following new section:

SEC. 1050. PROVISION OF GREEN SALT TO CONTRACTORS FOR PRODUCTION OF CONVENTIONAL AMMUNITION.

(a) IN GENERAL.—Chapter 433 of title 10, United States Code, is amended by adding at the end thereof the following new section:

"§ 4542. Conventional ammunition: loan of uranium tetrafluoride for production

"(a) Subject to subsection (b), the Secretary of the Army may provide uranium tetrafluoride (green salt) to a contractor for the production of conventional ammunition for the Army. Such uranium tetrafluoride shall be provided from stockpile materials available to the Secretary.

"(b) Any uranium tetrafluoride provided to a contractor under this section shall be provided as a loan subject to the contractor's agreement to repay to the United States an equivalent amount of uranium tetrafluoride at no cost to the United States.".

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by adding at the end thereof the following new item:

"4542. Conventional ammunition: loan of uranium tetrafluoride for production.".

By Mr. EDGAR:

—Insert the following new section at the end of title X (page 200, after line 4):

SEC. 1050. ENCOURAGEMENT OF TECHNOLOGY TRANSFER.

(a) IN GENERAL.—Chapter 139 of title 10, United States Code, is amended by adding the following new section at the end thereof:

"§ 2362. Encouragement of technology transfer

"(a) The Secretary of Defense shall encourage, to the extent consistent with national security objectives, the transfer of technology between laboratories and research centers of the Department of Defense and other Federal agencies, State and local governments, colleges and universities, and private persons in cases that are likely to result in the maximum domestic use of such technology.

"(b) The Secretary shall examine and implement methods, in addition to the encouragement referred to in subsection (a), that are consistent with national security objectives and will enable Department of Defense personnel top promote technology transfer in cases referred to in subsection (a)."

(b) REPORT.—(1) The Secretary of Defense shall, not later than April 1, 1986, transmit a report to the Congress concerning the implementation of the amendment made by subsection (a).

(2) Such report shall contain—

(A) an analysis of the funding in the Department of Defense budget request for fiscal year 1987 that is allocated to domestic technology transfers by laboratories and research centers within the Department of Defense;

(B) an assessment of the safeguards necessary to protect national security objectives in any domestic technology transfer by the Department of Defense;

(C) guidelines to ensure that such transfer of technology results in benefits primarily to persons in the United States rather than competitors in other countries or competitors controlled by entities in other countries; and

(D) any legal or other problems concerning such technology transfer that would require legislation to resolve.

(c) TECHNICAL AMENDMENTS.—The table of sections for such chapter is amended by adding the following new item at the end thereof:

"2362. Encouragement of technology transfer.".

By Mr. FASCELL:

—At the end of part D of title VI (p. 118, after line 4) insert the following new section:

SEC. 655. CHAMPUS COVERAGE OF ORGAN TRANSPLANTS.

Chapter 55 of title 10, United States Code, is amended—

(1) by adding at the end of section 1079 the following new subsection:

"(l) A plan covered by this section may include provision of other organ transplants (including the cost of acquisition and transportation of the donated organ) in accordance with this subsection. Such an organ transplant may be provided if—

"(1) the transplant is for a dependent considered appropriate for that procedure by the Secretary of Defense in consultation with the other administering Secretaries and such other entities as the Secretary considers appropriate;

"(2) the transplant is to be carried out at a health-care facility that has been approved for that purpose by the Secretary of Defense after consultation with the other administering Secretaries and such other entities as the Secretary considers appropriate; and

"(3) the transplant procedure is not considered experimental under regulations prescribed by the Secretary of Defense after consultation with other administering Secretaries and such other entities as the Secretary considers appropriate."; and

(2) by adding at the end of section 1086(a) the following new sentence:

"Organ transplants authorized by section 1079(l) may not be provided under such plans for persons covered by subsection (c) unless such transplants were covered under regulations prescribed by the Secretary of Defense prior to October 1, 1985.".

By Mr. FOGLIETTA:

—Page 27, line 2, strike out "and".

Page 27, line 4, strike out the period and insert in lieu thereof "; and".

Page 27, after line 4, insert the following:

(5) $1,000,000 is available for use by the Defense Logistics Agency to conduct a demonstration of advance clothing manufacturing technology and to procure and field test

military clothing produced using advanced manufacturing techniques.

By Mr. FRANK:

—Insert the following at the end of part D of title VI (page 118, after line 4);

SEC. 655. ADVISORY PANEL.

(a) ESTABLISHMENT.—The Secretary of Defense shall establish and appoint, within 180 days after the date of enactment of this Act (but not before October 1, 1985), and Advisory Panel on Medical Aspects of Casualty Resolution (hereafter in this section referred to as the "advisory panel"). The advisory panel shall study the procedures used by the military departments for medical casualty investigations relating to members of an armed force who die or are seriously injured while on active duty.

(b) MEMBERS.—The advisory panel shall be composed of eight members, as follows:

(1) three practitioners of medicine who are recognized experts in the investigation of causes of deaths and are not otherwise employed by the Federal Government;

(2) the Director of the Armed Forces Institute of Pathology;

(3) two individuals, not otherwise employed by the Federal Government, qualified to represent the interests and concerns of families of members of the armed forces; and

(4) two individuals who are civilian or military employees of the Department of Defense, or of an armed force, whose principal duties as employees are related to the investigation of military casualties or liaison with families of such casualties.

(c) CHAIRMAN.—The Secretary shall designate one of the members of the advisory panel as Chairman.

(d) DUTIES.—The advisory panel shall study and investigate, and make recommendations to the Secretary of Defense with respect to, the following:

(1) The need, and appropriate standards, for uniform policies of the military departments with respect to autopsies of members of the armed forces who die while on active duty, taking into account religious sensibilities of members and their families.

(2) The need, and appropriate standards, for a policy of the Department of Defense with respect to independent review of autopsies, and other aspects of medical casualty investigations, conducted by the armed forces, including the appropriate role of the Armed Forces Institute of Pathology.

(3) Appropriate policies and procedures for retaining, in safekeeping, all medical investigative materials (including photographs, specimens, slide and other records of any autopsy), and, to the extent not inconsistent with national security, making such materials available to survivors of members of the armed forces who die while on active duty.

(4) The desirability of establishing an independent board of medical examination in the Department of Defense which consists of 5 or more practitioners of medicine who are recognized experts in the investigation of causes of death and the primary function of which would be to advise the Secretary of Defense on the operations of the Armed Forces Institute of Pathology and on the reliability and independence of the Institute's investigations of military casualties.

(e) EXPENSES.—Expenses incurred by the advisory panel may be paid out of funds appropriated to the Department of Defense for operation and maintenance for any fiscal year after fiscal year 1985, including per diem and reimbursement for travel expenses of members of the advisory panel who are not otherwise employed by the Federal Government to attend meetings.

(f) REPORT.—(1) The advisory panel shall submit a report to the Secretary of Defense within one year after the appointment of its members.

(2) Within 180 days thereafter, the Secretary shall forward the report to the Congress accompanied by—

(A) the Secretary's evaluation of the advisory panel's report;

(B) an analysis and description of all actions taken by the Department of Defense and the military departments to implement any recommendation of such panel; and

(C) the Secretary's recommendations with respect to any legislation needed to implement any such recommendation.

—Insert the following at the end of title X (page 200, after line 4);

SEC. 1050. ADVISORY PANEL.

(a) ESTABLISHMENT.—The Secretary of Defense shall establish and appoint, within 180 days after the date of enactment of this Act (but not before October 1, 1985), an Advisory Panel on Medical Aspects of Casualty Resolution (hereafter in this section referred to as the "advisory panel"). The advisory panel shall study the procedures used by the military departments for medical casualty investigations relating to members of an armed force who die or are seriously injured while on active duty.

(b) MEMBERS.—The advisory panel shall be composed of eight members, as follows:

(1) three practitioners of medicine who are recognized experts in the investigation of causes of deaths and are not otherwise employed by the Federal Government;

(2) the Director of the Armed Forces Institute of Pathology;

(3) two individuals, not otherwise employed by the Federal Government, qualified to represent the interests and concerns of families of members of the armed forces; and

(4) two individuals who are civilian or military employees of the Department of Defense, or of an armed force, whose principal duties as employees are related to the investigation of military casualties or liaison with families of such casualties.

(c) CHAIRMAN.—The Secretary shall designate one of the members of the advisory panel as Chairman.

(d) DUTIES.—The advisory panel shall study and investigate, and make recommendations to the Secretary of Defense with respect to, the following:

(1) The need, and appropriate standards, for uniform policies of the military departments with respect to autopsies of members of the armed forces who die while on active duty, taking into account religious sensibilities of members and their families.

(2) The need, and appropriate standards, for a policy of the Department of Defense with respect to independent review of autopsies, and other aspects of medical casualty investigations, conducted by the armed forces, including the appropriate role of the Armed Forces Institute of Pathology.

(3) Appropriate policies and procedures for retaining, in safekeeping, all medical investigative materials (including photographs, specimens, slide and other records of any autopsy), and, to the extent not inconsistent with national security, making such materials available to survivors of members of the armed forces who die while on active duty.

(4) The desirability of establishing an independent board of medical examination in the Department of Defense which consists of 5 or more practitioners of medicine who are recognized experts in the investigation of causes of death and the primary function of which would be to advise the Secretary of Defense on the operation of the Armed Forces Institute of Pathology and on the reliability and independence of the Institute's investigations of military casualties.

(e) EXPENSES.—Expenses incurred by the advisory panel may be paid out of funds appropriated to the Department of Defense for operation and maintenance for any fiscal year after fiscal year 1985, including per diem and reimbursement for travel expenses of members of the advisory panel who are not otherwise employed by the Federal government to attend meetings.

(f) REPORT.—The advisory panel shall submit a report to the Secretary of Defense within one year after the appointment of its members.

(2) Within 180 days thereafter, the Secretary shall forward the report to the Congress accompanied by—

(A) the Secretary's evaluation of the advisory panel's report;

(B) an analysis and description of all actions taken by the Department of Defense and the military departments to implement any recommendation of such panel; and

(C) the Secretary's recommendations with respect to any legislation needed to implement any such recommendation.

By Mr. HERTEL of Michigan:

—At the end of title VIII (page 143, after line 19) insert the following new section:

SEC. 802. GAO STUDY OF FEASIBILITY OF CIVILIAN DEFENSE ACQUISITION AGENCY.

(a) STUDY.—The Comptroller General shall carry out a study to review all available evidence, studies, reports, and analyses concerning the organizational structure for defense procurement.

(b) REPORT.—(1) After conducting such study, the Comptroller General shall submit to Congress a report containing the recommendations of the Comptroller General concerning the feasibility of the creation of an agency outside the Department of Defense with the mission to coordinate, supervise, direct, and perform all procurement functions for the Department of Defense. The recommendations of the Comptroller General shall include recommendations for the most efficient method to accomplish the transition of the performance of defense procurement functions from existing military procurement agencies to such an agency.

(2) The report required by paragraph (1) shall be submitted not later than one year after the date of the enactment of this Act.

(To the amendment offered by Mr. Nichols of Alabama.)

—In section 2324 of title 10, United States Code, as proposed to be added by the amendment offered by Mr. Nichols, insert the following new paragraph at the end of subsection (a):

"(4)(A) Whoever, having entered into a contract with the Department of Defense that includes terms for settlement of indirect costs, submits to the Department a proposal for settlement of such costs for any period after such costs have been accrued that includes a cost that is expressly specified by statute or regulation as being unallowable, knowing that such cost is unallowable, shall be imprisoned not more than 5 years, or fined not more than $250,000 in the case of an individual or $500,000 in case of a corporation."

By Mr. HUNTER:
—At the end of title X (page 200, after line 4) add the following new section:

SEC. 1050. STUDY ON THE USE OF THE E-2 AIRCRAFT FOR DRUG INTERDICTION PURPOSES.

(a) STUDY BY SECRETARY OF THE NAVY.—The Secretary of the Navy shall conduct a test of the use of E-2 aircraft of the Naval Reserve to determine the effectiveness of that aircraft in drug interdiction. The study shall be conducted along the border between the United States and Mexico and shall be carried out over a period of six months.

(b) COLLECTION OF DATA.—As part of the test, the Secretary shall collect data on the contribution on the use of the E-2 aircraft to the apprehension of drug smugglers. This data shall include the number of intercepts which resulted in apprehensions.

(c) REPORT.—Not later than September 30, 1986, the Secretary shall submit to Congress a report on the results of the study.

By Mr. McCOLLUM:
—At the end of title III (page 38, after line 10) insert the following new section:

SEC. 308. NONLETHAL ASSISTANCE TO CERTAIN REFUGEES AND DISPLACED PERSONS.

(a) AUTHORITY TO PROVIDE ASSISTANCE.—The Secretary of Defense may provide nonlethal assistance in accordance with this section to persons displaced or becoming refugees because of the invasion of Afghanistan by the Soviet Union. The Secretary may use any excess supplies of the Department of Defense and any supplies donated to the Department for such purpose, to the extent that provision of those supplies would constitute nonlethal assistance.

(b) TRANSPORTATION.—(1) The Secretary may provide transportation for supplies provided as nonlethal assistance under this section. Any such transportation shall be by the most economical commercial or military means available, including reserve aircraft and personnel.

(c) PRIORITY OF ASSISTANCE.—The Secretary of Defense shall expedite the handling of assistance under this section. Upon identification of any excess supplies of the Department as being suitable for such assistance, such supplies shall immediately be made available for the purposes of this section.

(d) ADMINISTRATION WITHIN THE UNITED STATES.—The Secretary of Defense shall have sole responsibility for the administration of nonlethal assistance under this section within the United States and may not delegate any part of that authority to any agency outside the Department of Defense.

(e) DISTRIBUTION OF ASSISTANCE.—Assistance provided under this section shall be distributed to the recipients of the assistance by private volunteer organizations designated by the Agency for International Development. If no suitable private volunteer organization is available, such assistance shall be distributed by the Agency for International Development.

(f) EFFECTIVE DATE.—This section shall take effect on October 1, 1985.

—At the end of title X (page 200, after line 4) insert the following new section:

SEC. 1050. NONLETHAL ASSISTANCE TO CERTAIN REFUGEES AND DISPLACED PERSONS.

(a) AUTHORITY TO PROVIDE ASSISTANCE.—The Secretary of Defense may provide nonlethal assistance in accordance with this section to persons displaced or becoming refugees because of the invasion of Afghanistan by the Soviet Union. The Secretary may use any excess supplies of the Department of Defense and any supplies donated to the Department for such purpose, to the extent that provision of those supplies would constitute nonlethal assistance.

(b) TRANSPORTATION.—(1) The Secretary may provide, transportation for supplies provided as nonlethal assistance under this section. Any such transportation shall be by the most economical commercial or military means available including use of reserve aircraft and personnel.

(c) PRIORITY OF ASSISTANCE.—The Secretary of Defense shall expedite the handling of assistance under this section. Upon identification of any excess supplies of the Department as being suitable for such assistance, such supplies shall immediately be made available for the purposes of this section.

(d) ADMINISTRATION WITHIN THE UNITED STATES.—The Secretary of Defense shall have sole responsibility for the administration of nonlethal assistance under this section within the United States and may not delegate any part of that authority to any agency outside the Department of Defense.

(e) DISTRIBUTION OF ASSISTANCE.—Assistance provided under this section shall be distributed to the recipients of the assistance by private volunteer organizations designated by the Agency for International Development. If no suitable private volunteer organization is available, such assistance shall be distributed by the Agency for International Development.

(f) EFFECTIVE DATE.—This section shall take effect on October 1, 1985.

—At the end of title III (page 38, after line 10) insert the following new section:

SEC. 308. NONLETHAL ASSISTANCE TO RESISTANCE FORCES IN AFGHANISTAN.

(a) AUTHORITY TO PROVIDE ASSISTANCE.—The Secretary of Defense may provide to the resistance forces in Afghanistan nonlethal assistance in accordance with this section. The Secretary may use any excess supplies of the Department of Defense and any supplies donated to the Department for such purpose, to the extent that provision of those supplies would constitute nonlethal assistance.

(b) TRANSPORTATION.—(1) The Secretary may provide transportation for supplies provided as nonlethal assistance under this section. Any such transportation shall be by the most economical means, including (if economical and otherwise appropriate) use of Reserve aircraft and of crews performing required Reserve training missions.

(2) There is authorized to be appropriated $10,000,000 to the Secretary of Defense for fiscal year 1986 for the purposes of paragraph (1).

(c) PRIORITY OF ASSISTANCE.—The Secretary of Defense shall expedite the handling of assistance under this section. Upon identification of any excess supplies of the Department as being suitable for such assistance, such supplies shall immediately be made available for the purposes of this section.

(d) ADMINISTRATION WITHIN THE UNITED STATES.—The Secretary of Defense shall have sole responsibility for the administration of nonlethal assistance under this section within the United States and may not delegate any part of that authority to any agency outside the Department of Defense.

—At the end of title X (page 200; after line 4) insert the following new section:

SEC. . HUMANITARIAN ASSISTANCE TO RESISTANCE FORCES IN AFGHANISTAN.

(a) AUTHORITY TO PROVIDE ASSISTANCE.—The Secretary of Defense may provide to the resistance forces in Afghanistan nonlethal assistance in accordance with this section. The Secretary may use any excess supplies of the Department of Defense and any supplies donated to the Department for such purpose, to the extent that provision of those supplies would constitute nonlethal assistance.

(b) TRANSPORTATION.—(1) The Secretary may provide transportation for supplies provided as nonlethal assistance under this section. Any such transportation shall be by the most economical means, including (if economical and otherwise appropriate) use of Reserve aircraft and of crews performing required Reserve training missions.

(2) There is authorized to be appropriated $10,000,000 to the Secretary of Defense for fiscal year 1986 for the purposes of paragraph (1).

(c) PRIORITY OF ASSISTANCE.—The Secretary of Defense shall expedite the handling of assistance under this section. Upon identification of any excess supplies of the Department as being suitable for such assistance, such supplies shall immediately be made available for the purposes of this section.

(d) ADMINISTRATION WITHIN THE UNITED STATES.—The Secretary of Defense shall have sole responsibility for the administration of nonlethal assistance under this section within the United States and may not delegate any part of that authority to any agency outside the Department of Defense.

—On page 68 after line 6 insert:

SEC. 533. Title 10 of the United States Code is amended after Section 906 by inserting the following new section:

"906A. Art. 106A. Espionage.

"(a) Any person subject to this chapter who, with intent or reason to believe that it is to be used to the injury of the United States or to the advantage of a foreign nation, communicates, delivers, or transmits, or attempts to communicate, deliver or transmit, to any foreign government, or to any faction or party or military or naval force within a foreign country, whether recognized or unrecognized by the United States, or to any representative, officer, agent, employee, subject, or citizen thereof, either directly or indirectly, any document, writing, code book, signal book, sketch, photograph, photographic negative, blueprint, plan, map, model, note, instrument, appliance, or information relating to the national defense, shall be punished by death or other such punishment as a court-martial may direct, "except that the sentence of death shall not be imposed unless the members further find that the offense directly concerned nuclear weaponry, military spacecraft or satellites, early warning systems, or other means of defense or retaliation against large-scale attack; war plans; communications intelligence or cryptographic information; or any other major weapons system or major element of defense strategy.".

"(b) Any person subject to this chapter who, in time of war, with intent that the same shall be communicated to the enemy, collects, records, publishes, or communicates, or attempts to elicit any information with respect to the movement, numbers, description, condition, or disposition of any of the Armed Forces, ships, aircraft, or war materials of the United States, or with respect to the plans or conduct, or supposed plans or conduct of any naval or military operations, or with respect to any works or measures undertaken for or connected with,

or intended for the fortification or defense of any place, or any other information relating to the public defense, which might be useful to the enemy, shall be punished by death or other such punishment as a court-martial may direct.

"(c) The death penalty shall be imposed under this section only after the members consider the presence or lack thereof of mitigating or aggravating factors contained in subsections (d) and (e).

"(d) MITIGATING FACTORS.—In determining whether a sentence of death is to be imposed on a defendant, the following mitigating factors shall be considered but are not exclusive:

"(1) the defendant was less than eighteen years of age at the time of the crime;

"(2) the defendant's capacity to appreciate the wrongfulness of his conduct or to conform his conduct to the requirements of law was significantly impaired, but not so impaired as to constitute a defense to the charge;

"(3) the defendant was under unusual and substantial duress, although not such duress as constitutes a defense to the charge;

"(4) the defendant is punishable as a principal (as defined in section 2(a) of this title) in the offense, which was committed by another, but his participation was relatively minor, although not so minor as to constitute a defense to the charge; or

"(5) Any other factors the President may set forth in the Manual for Courts-Martial.

"(e) AGGRAVATING FACTORS.—If the defendant is found guilty of or pleads guilty to an offense under this section the following aggravating factors shall be considered but are not exclusive:

"(1) the defendant has been convicted of another offense involving espionage or treason for which either a sentence of life imprisonment or death was authorized by statute;

"(2) in the commission of the offense the defendant knowingly created a grave risk of substantial danger to the national security; or

"(3) in the commission of the offense the defendant knowingly created a grave risk of death to another person; or

"(4) any other factors the President may set forth in the Manual for Courts-Martial."

By Mr. MCKERNAN:

—Page 200, after line 4, add the following new sections:

SEC. 1050. JUDICIAL REVIEW OF MERIT BOARD DECISIONS AFFECTING CIVILIAN EMPLOYEES OF THE DEPARTMENT OF DEFENSE.

(a) IN GENERAL.—Notwithstanding section 1206(i) of title 5, United States Code, the Special Counsel of the Merit Systems Protection Board may obtain judicial review of a final order or decision rendered by the Board in any action brought pursuant to a written complaint filed by the Counsel under section 1206(h) of such title against—

(1) any civilian employee of the Department of Defense; or

(2) any agency of the Department, if such complaint alleges a pattern of prohibited personnel practices affecting any civilian employee of the Department.

(b) PROCEDURAL PROVISIONS.—(1) Any employee referred to in subsection (a)(2) may file a petition to intervene as a matter of right and will be considered a party to the proceeding.

(2) With respect to any appeal of a decision of the Merit Systems Protection Board, the named respondent shall be the agency or employee named in the complaint filed by the Special Counsel of the Board.

(3) Any appeal under this section shall be filed in a district court of the United States and the rights of trial de novo and appellate review shall be preserved.

(4) The Special Counsel may file a petition for enforcement of any subpoena or protective order with such district court pursuant to investigative and prosecutorial authority granted to the Special Counsel.

—Page 200, after line 4, add the following new section:

SEC. 1050. AWARDS FOR COST SAVINGS DISCLOSURES.

(a) AWARDS TO CIVILIAN EMPLOYEES OF THE DEPARTMENT OF DEFENSE.—(a) The Inspector General of the Department of Defense may pay a cash award to any civilian employee of the Department whose disclosure of fraud, waste, or mismanagement to such Inspector General has resulted in cost savings for the Department. The amount of any award under this paragraph may not exceed whichever of the following amounts is less:

(A) $25,000.

(B) An amount that such Inspector General determines to be equal to one percent of the cost savings of the Department attributable to such disclosure, including cost savings projected for fiscal years following the fiscal year in which such disclosure was made.

(2)(A) Paragraph (1) shall apply only to disclosures made after September 30, 1985.

(B) No award may be paid under paragraph (1) after September 30, 1988.

(b) AWARDS TO MEMBERS OF THE ARMED FORCES.—(1) Section 1124 of title 10, United States Code, is amended in subsections (a), (b), (c), and (f) by inserting "disclosure," before "suggestion".

(2) The amendment made by paragraph (1) shall apply only to disclosures made after September 30, 1985.

(c) CONFORMING AMENDMENTS.—(1) The heading of section 1124 of title 10, United States Code, is amended to read as follows:

"§1124. Cash awards for disclosures, suggestions, inventions or scientific achievements".

(2) The item relating to such section in the table of sections at the beginning of chapter 57 of such title is amended to read as follows:

"1124. Cash awards for disclosures, suggestions, inventions, or scientific achievements.".

By Mr. MCCURDY:

—Page 182, line 24, strike out "5924(4)(B) of title 5" and insert in lieu thereof "5924(4) of title 5".

Page 184, line 2, strike out "5924(4)(B) of title 5" and insert in lieu thereof "5924(4) of title 5".

By Mr. MARKEY:

—Insert the following new section at the end of title X (page 200, after line 4):

SEC. 1050. PROHIBITION ON THE USE OF CIVIL PLUTONIUM FOR ATOMIC ENERGY DEFENSE ACTIVITIES.

None of the funds appropriated pursuant to the authorization of appropriations in this or any other Act for national security programs may be obligated or expended to transfer, reprocess, enrich, or otherwise use for atomic energy defense activities, plutonium used or produced in, or obtained from, any civilian energy research, development, demonstration or test facility of the Department of Energy (or of any predecessor Federal agency).

—Page 149, strike out lines 20 through 22 (relating to project 84-D-112, Trident II W88 warhead production facilities).

Add the following new section at the end of title IX (page 166, after line 2):

SEC. 936. ONE-YEAR RESTRICTION ON FUNDING FOR CERTAIN TRIDENT II WARHEAD AND PRODUCTION FACILITIES.

No funds appropriated pursuant to an authorization of appropriations provided in this title may be obligated or expended for—

(1) the production or deployment of any warhead/reentry body combination other than the W76/Mark 4 warhead/reentry body combination for the Trident II (D-5) missile program; or

(2) Trident II W88 warhead production facilities.

—Insert the following new section at the end to title X (page 200, after line 4):

SEC. 1051. LIMITATION ON FUNDING FOR CERTAIN PLANT AND CAPITAL EQUIPMENT.

None of the funds appropriated pursuant to the authorization of appropriations in this Act may be used with respect to the following projects:

(1) project 86-D-148, special isotope separation plant;

(2) project 84-D-135, process facility modifications, Richland, Washington; and

(3) project 84-D-136, enriched uranium conversion facility modifications, Y-12 Plant, Oak Ridge, Tennessee.

SEC. 1051. LIMITATION ON FUNDING FOR CERTAIN OPERATING EXPENSES.

(a) LIMITATION.—Of the amount of funds appropriated pursuant to authorizations of appropriations in this Act, not more than $482,445,000 may be used for processing of defense nuclear materials of which not more than $54,800,000 may be used for special isotope separation.

(b) AUTHORIZATION.—The amount of $20,000,000 is hereby authorized to be appropriated, in addition to any other authorizations made by this Act, to the Department of Energy for fiscal year 1986 for operating expenses incurred in carrying out national security programs as follows:

(1) $10,000,000 for verification and control technology which shall be used to study and improve satellite surveillance capabilities for the purpose of verifying compliance with a negotiated agreement between the Soviet Union and the United States halting the production of plutonium and high-enriched uranium for nuclear weapons.

(2) $10,000,000 to augment the activities of the Nuclear Safeguards Technology Laboratory, Los Alamos, New Mexico, for the purpose of improving the International Atomic Energy Agency's safeguards and studying the feasibility of applying them to a negotiated agreement between the Soviet Union and the United States halting the production of plutonium and high-enriched uranium for nuclear weapons.

SEC. 1052. CEILING ON ANNUAL OUTPUT OF DOE PLUTONIUM PRODUCTION REACTORS.

None of the funds appropriated pursuant to authorizations of appropriations in this or any other Act for national security programs may be obligated or expended for the operation of Department of Energy military plutonium production reactors in a manner which would produce more plutonium in any fiscal year after fiscal year 1985 for Department of Energy national security programs than was produced for such programs in fiscal year 1984.

By Mr. NICHOLS:

—At the end of title VIII (page 143, after line 19) add the following new sections:

SEC. 802. TECHNICAL CORRECTIONS TO FEDERAL PROCUREMENT LAW.

(a) SIMPLIFICATION OF PROCEDURES FOR CERTAIN NONCOMPETITIVE PURCHASES.—(1) The second sentence of section 2304(f)(2) of

title 10, United States Code, is amended to read as follows: "The justification and approval required by paragraph (1) is not required—

"(A) when a statute expressly requires that the procurement be made from a specified source;

"(B) when the agency's need is for a brand-name commercial item for authorized resale;

"(C) in the case of a procurement permitted by subsection (c)(7); or

"(D) in the case of a procurement conducted under (i) the Act of June 25, 1938 (41 U.S.C. 46 et seq.), popularly referred to as the Wagner-O'Day Act, or (ii) section 8(a) of the Small Business Act (15 U.S.C. 637(a)).".

(2) The second sentence of section 303(f)(2) of the Federal Property and Administrative Services Act of 1949 (41 U.S.C. 253(f)(2)) is amended to read as follows: "The justification and approval required by paragraph (1) is not required—

"(A) when a statute expressly requires that the procurement be made from a specified source;

"(B) when the agencies need is for a brand-name commercial item for authorized resale;

"(C) in the case of a procurement permitted by subsection (c)(7); or

"(D) in the case of a procurement conducted under (i) the Act of June 25, 1938 (41 U.S.C. 46 et seq.), popularly referred to as the Wagner-O'Day Act, or (ii) section 8(a) of the Small Business Act (15 U.S.C. 637(a)).".

(b) NATO MUTUAL SUPPORT PROCUREMENT.—Section 2323(b) of chapter 138 of title 10, United States Code, is amended by striking out "section 2304(g)" and inserting in lieu thereof "section 2304(a)".

(c) ADP PROCUREMENT.—Section 111 of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 759) is amended by adding at the end thereof the following new subsection:

"(i) The justifications and approvals required by section 303(f)(1) of this Act shall apply in the case of any procurement under this section for which the minimum needs are so restrictive that only one manufacturer is capable of satisfying such needs. Such procurement includes either a sole source procurement or a procurement by specific make and model. Such justification and approval shall be required notwithstanding that more than one bid or offer is made or that the procurement obtains price competition and such procurement shall be treated as a procurement using procedures other than competitive procedures for purposes of section 19(b) of the Office of Federal Procurement Policy Act (41 U.S.C. 417(b)).".

(d) CLARIFICATION OF REGULATIONS CONCERNING TECHNICAL DATA.—(1) Section 2320(a)(1) of title 10, United States Code is amended by striking out "the technical data" and inserting in lieu thereof "the item or process to which the technical data pertains".

(2) Section 21(c)(1) of the Office of Federal Procurement Policy Act (41 U.S.C. 418a(c)(1)) is amended by striking out "the technical data" and inserting in lieu thereof "the item or process to which the technical data pertains".

(3) The second sentence of section 301(c) of the Office of Federal Procurement Policy Act (41 U.S.C. 418a note) is amended by striking out "July 1, 1985" and inserting in lieu thereof "October 19, 1985".

(e) EFFECTIVE DATE.—The amendments made by subsections (a), (b), and (c) shall take effect as if included in the enactment of the Competition in Contracting Act of 1984 (title VII of division B of Public Law 98-369).

SEC. 803. CLERICAL AMENDMENTS TO FEDERAL PROCUREMENT LAW.

(a) DEFENSE PROCUREMENT LAW.—Chapter 138 of title 10, United States Code, is amended as follows:

(1) Sections 2321, 2322, 2323 (as amended by section 802), 2324, 2325, 2426, 2327, and 2328 are redesignated as sections 2341 through 2348, respectively.

(2) Section 2329 is repealed.

(3) Sections 2330 and 2331 are redesignated as sections 2349 and 2350, respectively.

(4) Sections 2341 and 2342 (as so redesignated) are amended by striking out "section 2323" and inserting in lieu thereof "section 2343".

(5) Section 2323 (as so redesignated) is amended—

(A) by striking out "section 2321" both places it appears and inserting in lieu thereof "section 2341"; and

(B) by striking out "section 2322" both places it appears and inserting in lieu thereof "section 2342".

(6) The table of sections at the beginning of such chapter is amended—

(A) by striking out the item relating to section 2329; and

(B) by redesignating the remaining items in the table to reflect the redesignations made by paragraphs (1) and (3).

(b) CONFORMING AMENDMENT.—Section 2213(e)(2) of such title is amended by striking out "section 2331" and inserting in lieu thereof "section 2350".

(c) CIVILIAN AGENCY PROCUREMENT.—The Federal Property and Administrative Services Act of 1949 is amended as follows:

(1) Section 111(h)(3)(A) (40 U.S.C. 759(h)(3)(A)) is amended by striking out "Board" and inserting in lieu thereof "board".

(2) Section 303(f)(1)(C) (41 U.S.C. 253(f)(1)(C)) is amended by striking out "Any" and inserting in lieu thereof "any".

(3) Section 303(g)(1) (41 U.S.C. 253(g)(1) is amended by inserting a comma after "1984".

(4)(A) Sections 303D, 303E, 303F, 303G, and 303H (as added by title II of the Small Business and Federal Procurement Competition Enhancement Act of 1984 (Public Law 98-577)) are redesignated as sections 303C, 303D, 303E, 303F, and 303G, respectively.

(B) The items relating to those sections in the table of contents for such Act are redesignated to reflect the redesignations by subparagraph (A).

(d) MILITARY AND CIVILIAN PROCUREMENT.—Section 3551(1) of title 31, United States Code, is amended by striking out "executive agency" and inserting in lieu thereof "Federal agency".

SEC. 804. CHARGES FOR SOLICITATION PACKAGES.

(a) TEST PROGRAM.—Not later than 120 days after the date of the enactment of this Act, the Secretary of Defense shall establish a test program in each military department and in the Defense Logistics Agency under which persons requesting a solicitation package shall be required to pay a fee for a copy of such package. Any such fee may not exceed the actual cost to the Government of duplicating the package.

(b) REPORT.—Before the test program required by subsection (a) is implemented, the Secretary shall report to Congress on how the program will be carried out.

—At the end of title X (page 200, after line 4) add the following new sections:

SEC. 1050. TECHNICAL CORRECTIONS TO FEDERAL PROCUREMENT LAW.

(a) SIMPLIFICATION OF PROCEDURES FOR CERTAIN NONCOMPETITIVE PURCHASES.—(1) The second sentence of section 2304(f)(2) of title 10, United States Code, is amended to read as follows: "The justification and approval required by paragraph (1) is not required—

"(A) when a statute expressly requires that the procurement be made from a specified source;

"(B) when the agency's need is for a brand-name commercial item for authorized resale;

"(C) in the case of a procurement permitted by subsection (c)(7); or

"(D) in the case of a procurement conducted under (i) the Act of June 25, 1938 (41 U.S.C. 46 et seq.), popularly referred to as the Wagner-O'Day Act, or (ii) section 8(a) of the Small Business Act (15 U.S.C. 637(a).".

(2) The second sentence of section 303(f)(2) of the Federal Property and Administrative Services Act of 1949 (41 U.S.C. 253(f)(2)) is amended to read as follows: "The justification and approval required by paragraph (1) is not required—

"(A) when a statute expressly requires that the procurement be made from a specified source;

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"(C) in the case of a procurement permitted by subsection (c)(7); or

"(D) in the case of a procurement conducted under (i) the Act of June 25, 1938 (41 U.S.C. 46 et seq.), popularly referred to as the Wagner-O'Day Act, or (ii) section 8(a) of the Small Business Act (15 U.S.C. 637(a).".

(b) NATO MUTUAL SUPPORT PROCUREMENT.—Section 2323(b) of chapter 138 of title 10, United States Code, is amended by striking out "section 2304(g)" and inserting in lieu thereof "section 2304(a)".

(c) ADP PROCUREMENT.—Section 111 of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 759) is amended by adding at the end thereof the following new subsection:

"(i) The justifications and approvals required by section 303(f)(1) of this Act shall apply in the case of any procurement under this section for which the minimum needs are so restrictive that only one manufacturer is capable of satisfying such needs. Such procurement includes either a sole source procurement or a procurement by specific make and model. Such justification and approval shall be required notwithstanding that more than one bid or offer is made or that the procurement obtains price competition and such procurement shall be treated as a procurement using procedures other than competitive procedures for purposes of section 19(b) of the Office of Federal Procurement Policy Act (41 U.S.C. 417(b)).".

(d) CLARIFICATION OF REGULATIONS CONCERNING TECHNICAL DATA.—(1) Section 2320(a)(1) of title 10, United States Code is amended by striking out "the technical data" and inserting in lieu thereof "the item or process to which the technical data pertains".

(2) Section 21(c)(1) of the Office of Federal Procurement Policy Act (41 U.S.C. 418a(c)(1)) is amended by striking out "the technical data" and inserting in lieu thereof "the item or process to which the technical data pertains".

(3) The second sentence of section 301(c) of the Office of Federal Procurement Policy Act (41 U.S.C. 418a note) is amended by

striking out "July 1, 1985" and inserting in lieu thereof "October 19, 1985".

(e) EFFECTIVE DATE.—The amendments made by subsections (a), (b), and (c) shall take effect as if included in the enactment of the Competition in Contracting Act of 1984 (title VII of division B of Public Law 98-369).

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(1) Sections 2321, 2322, 2323 (as amended by section 802), 2324, 2325, 2426, 2327, and 2328 are redesignated as sections 2341 through 2348, respectively.

(2) Section 2329 is repealed.

(3) Sections 2330 and 2331 are redesignated as sections 2349 and 2350, respectively.

(4) Sections 2341 and 2342 (as so redesignated) are amended by striking out "section 2323" and inserting in lieu thereof "section 2343".

(5) Section 2323 (as so redesignated) is amended—

(A) by striking out "section 2321" both places it appears and inserting in lieu thereof "section 2341"; and

(B) by striking out "section 2322" both places it appears and inserting in lieu thereof "section 2342".

(6) The table of sections at the beginning of such chapter is amended—

(A) by striking out the item relating to section 2329; and

(B) by redesignating the remaining items in the table to reflect the redesignations made by paragraphs (1) and (3).

(b) CONFORMING AMENDMENT.—Section 2213(3)(2) of such title is amended by striking out "section 2331" and inserting in lieu thereof "section 2350".

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(1) Section 111(h)(3)(A) (40 U.S.C. 759(h)(3)(A)) is amended by striking out "Board" and inserting in lieu thereof "board".

(2) Section 303(f)(1)(C) (41 U.S.C. 253(f)(1)(C)) is amended by striking out "Any" and inserting in lieu thereof "any".

(3) Section 303(g)(1) (41 U.S.C. 253(g)(1) is amended by inserting a comma after "1984".

(4)(A) Sections 303D, 303E, 303F, 303G, and 303H (as added by title II of the Small Business and Federal Procurement Competition Enhancement Act of 1984 (Public Law 98-577)) are redesignated as sections 303C, 303D, 303E, 303F, and 303G, respectively.

(B) The items relating to those sections in the table of contents for such Act are redesignated to reflect the redesignations by subparagraph (A).

(d) MILITARY AND CIVILIAN PROCUREMENT.—Section 3551(1) of title 31, United States Code, is amended by striking out "executive agency" and inserting in lieu thereof "Federal agency".

SEC. 804. CHARGES FOR SOLICITATION PACKAGES.

(a) TEST PROGRAM.—Not later than 120 days after the date of the enactment of this Act, the Secretary of Defense shall establish a test program in each military department and in the Defense Logistics Agency under which persons requesting a solicitation package shall be required to pay a fee for a copy of such package. Any such fee may not exceed the actual cost to the Government of duplicating the package.

(b) REPORT.—Before the test program required by subsection (a) is implemented, the Secretary shall report to Congress on how the program will be carried out.

By Mr. OBEY:

—At the end of title X (page 200, after line 4) add the following new section:

SEC. 1050. LIMITATION ON SELECTIVE SERVICE REGISTRATION.

Section 3 of the Military Selective Service Act (50 U.S.C. App. 43) is amended by adding at the end thereof the following new subsection:

"(c) No person under the age of 21 may be required to register under the provisions of this Act.".

By Mr. SAVAGE:

—Insert the following new section at the end of Title X, (page 200, after line 4):

SEC. 1050. CONTRACTING REQUIREMENTS

(a) Except where compelling national security considerations require otherwise, not less than 10 percent of the amounts appropriated pursuant to authorizations made by titles I, II, and IX shall be expended for contracts entered into with small business concerns owned and controlled by socially and economically disadvantaged individuals (as defined by section 8 of the Small Business Act and regulations issued under such section), historically Black colleges and universities, and minority institutions (as defined by the Secretary of Education pursuant to the General Education Provisions Act), provided, however, that whenever the Secretary of Defense or the Secretary of Energy proposes to waive the preceding requirements, the Congress must first be notified in writing including the justification therefor.

(b) The Secretary of Defense and the Secretary of Energy shall submit semiannual reports to the Congress on their compliance with the requirements in subsection (a) with a full explanation for any failure to comply with the requirements and a plan to remedy such failure. The first such reports shall be submitted to the Congress no later than May 1, 1986.

By Mrs. SCHROEDER:

—Page 200, after line 4, add the following new section:

SEC. 1050. EXERCISE OF CERTAIN AUTHORITIES RELATING TO CIVILIAN EMPLOYEES OF DEPARTMENT OF DEFENSE.

For purposes of civilian employees of the Department of Defense, the Secretary of Defense shall exercise the following authorities:

(1) Authorities assigned to the Director of the Office of Personnel Management under section 5.2(a) of Executive Order Number 10577 (5 U.S.C. 3301 note), relating to investigation of the suitability of applicants.

(2) Authorities assigned to the Office of Personnel Management under Executive Order Number 10450 (5 U.S.C. 7311 note), relating to security requirements for Federal employees.

By Mr. ROBERT F. SMITH:

—At the end of part C of title X (page 176, after line 8) add the following new section:

SEC. 1024. REPORT AND DEMONSTRATION PROJECT CONCERNING THE SALE OF CERTAIN UNITED STATES MEAT IN MILITARY COMMISSARIES OVERSEAS.

(a) FEASIBILITY STUDY AND DEMONSTRATION PROJECT.—The Secretary of Defense shall study the feasibility of providing beef, pork and lamb produced in the United States for sale in American Military Forces' commissaries located overseas in volumes equivalent to beef, pork and lamb secured for sale from non-United States producers.

Such study—

(1) shall be carried out in consultation with the Secretary of Agriculture; and

(2) shall include a demonstration project in which beef, pork and lamb produced in the United States shall be stocked in three commissaries on Air Force bases in Europe and in three commissaries located on Army bases in Europe for a six month period in volumes equivalent to beef, pork and lamb secured for sale from non-United States producers; such U.S.-produced products shall, to the best of the Secretary's ability, be made available at consumer prices which are competitive when compared with non-United States' produced red meat products offered for sale in the commissary system.

(b) REPORT.—Not later than one year after the date of the enactment of this Act, the Secretary of Defense shall submit to Congress a report on the results of such study and the findings and conclusions of the Secretary under such study. Such report shall include any views provided by the Secretary of Agriculture.

By Mr. SPRATT:

—Page 167, strike out line 13.

Page 168, lines 6 and 7, strike out "in the same format and".

Page 168, line 14 strike out "report that" and all that follows through line 17 and insert in lieu thereof "report that—

"(i) is in the full-scale engineering development stage or has completed that stage; and

"(ii) was first included in a Selected Acquisition Report for a quarter after the first quarter of fiscal year 1985;".

Page 168, line 20 strike out the period and insert in lieu thereof "; and".

Page 168, after line 20, insert the following:

"(C) production information for each major defense acquisition program included in the report, including (with respect to each such program)—

"(i) specification of the baseline production rate for each year of production of the program, defined as the production rate for each fiscal year through completion of procurement assumed in the decision to proceed with production (commonly referred to as the 'Milestone III' decision);

"(ii) specification of the production rate for each fiscal year through completion of procurement assumed in the cost-effectiveness analysis prepared in conjunction with the decision to proceed with full-scale engineering development (commonly referred to as the 'Milestone II' decision);

"(iii) specification of the maximum production rate for each year of program under the program, defined as the production rate for each fiscal year through completion of procurement attainable with the facilities and tooling currently programmed to be available for procurement under the program or otherwise provided by Government funds;

"(iv) specification of the current production rate for each year of production, defined as the production rate for the fiscal year during which the report is submitted and the annual production rate currently programmed for each subsequent fiscal year through completion of procurement, based on the President's Budget for the following fiscal year;

"(v) estimation of any cost variance—

"(I) between the program acquisition unit cost at the current production rate specified under clause (iv) and the program acquisition unit cost at the baseline production rate specified under clause (i); and

"(II) between the total program cost at the current production rate specified under clause (iv) and the total program cost at the baseline production rate specified under clause (i);

"(vi) estimation of any cost variance—

"(I) between the program acquisition unit cost at the current production rate specified under clause (iv) and the program acquisition unit cost at the maximum production rate specified under clause (iii); and

"(II) between the total program cost at the current production rate specified under clause (iv) and the total program cost at the maximum production rate specified under clause (iii); and

"(vii) estimation of any schedule or delivery variance—

"(I) between total quantities assumed in the baseline production rate specified under clause (i) and the current production rate specified under clause (iv); and

"(II) total quantities assumed in the maximum production rate specified under clause (iii) and the current production rate specified under clause (iv).

Page 168, strike out line 24 and all that follows through line 8 on page 169.

By Mr. STARK:

—At the end of title X (page 200, after line 4) insert the following new section:

SEC. 1050. STUDY OF MEASURES TO ENHANCE CRISIS STABILITY AND CONTROL.

(a) The Secretary of Defense shall conduct a detailed and complete study and evaluation of additional measures which both enhance the security of the United States and reduce the likelihood of nuclear weapons use by contributing to crisis stability and/or crisis control capabilities, including specific consideration of the following measures:

(1) Increased redundancy of direct communications link circuits, including the creation of new survivable circuits and terminals, located outside the national capitals which have access to the command and control system of the country in which they are located.

(2) Establishment of redundant, survivable direct communications links between and among all nuclear-armed states.

(3) Conclusion of an agreement creating "non-target" sancturaries only for certain direct communications link circuits to enhance survivability of communications.

(4) Creation in advance of standard operating procedures for communicating, and possibly cooperating, with the Soviet Union and other states in the event of nuclear attacks by third parties on either the United States or Soviet Union.

(5) Addition to the Incidents At Sea agreement of a prohibition on the "locking on" of fire control radars on ships and planes of the other side, an agreement on the separation of naval forces during specified periods of crisis, and other such measures relevant to the Incidents At Sea agreement.

(6) Placement by the United States and the Soviet Union of unmanned launch sensors in the land-based missile fields of both countries.

(7) Establishment of anti-submarine operations free zones designed to enhance the security of ballistic missile submarines.

(8) Installation of permissive action links aboard the ballistic missile submarines of the United States, which might possibly be activated or deactivated at various levels of alert, and encouragement of the Soviet Union to do the same.

(9) Establishment of training programs for National Command Authority officials to familiarize them with alert procedures, communications capabilities, nuclear weapons release authority procedures, and the crisis control and stability implications thereof.

(10) Include in standard operating procedure the relocation in a crisis of a National Command Authority official outside Washington, D.C. to a secure location with access to the strategic command and control system, and announce the institution of this procedure to relevant foreign governments.

(b) The Secretary of Defense shall submit a report of the study and evaluation under subsection (a) to the Committees on Armed Services and Foreign Relations of the Senate and the Committee on Armed Services and Foreign Affairs of the House of Representatives by January 1, 1986. Such report should be available in both a classified, if necessary, and unclassified format.

By Mr. WYDEN:

—Page 172, after line 20, insert the following new part (and redesignate the succeeding parts and sections accordingly):

PART C—PROCUREMENT REFORM

SEC. 1021. SHORT TITLE.

This part may be cited as the "Defense Procurement Waste and Abuse Prevention Act of 1985".

SEC. 1022. PURPOSES.

The purposes of this part are—

(1) to ensure that items of indirect costs included by a contractor or a subcontractor of the Department of Defense in any contract awarded by the Secretary of Defense are monitored by the Secretary to prevent abuse and waste of Federal funds and to ensure that such costs do not include items of expenditures for reimbursement that are not reasonably related to the contract and subcontract; and

(2) to place the burden on the contractor (including the contractor's officers and employees) claiming reimbursement or payment for any indirect costs payable to such contractor under a defense contract or subcontract to show that such costs are reasonable and allowable and to ensure that all such requests are made in accordance with the amendments made by this title and other applicable provisions of law and regulations.

SEC. 1023. ALLOWABLE COSTS.

(a) REGULATION OF ALLOWABLE COSTS PAYABLE TO DEFENSE CONTRACTORS.—(1) Chapter 137 of title 10, United States Code, is amended by adding at the end thereof the following new section:

"§ 2324. Allowable costs under defense contracts

"(a)(1) The Secretary of Defense shall require that all covered contracts comply with the requirements of this title and that no contractor receives payment for indirect costs not allowed by or under this title. The Secretary shall also require that if a contractor submits to the Department of Defense a proposal (at the time of final settlement of contract costs or at any other time) covering any indirect cost incurred by the contractor for any period after such costs have been accrued which includes, as determined by the Secretary of Defense, the submission of one or more indirect costs that are specified by statute (other than this paragraph) or regulation as unallowable—

"(A) all costs, including such allowable indirect costs, covered by that proposal shall be disallowed by the Secretary; and

"(B) the Secretary shall require the contractor to pay to the United States an amount equal to the greater of $10,000 or—

"(i) the amount of the indirect cost unallowable under such statute or regulation, plus interest; or

"(ii) if the cost is of a type that has been finally determined, before the submission of such proposal, to be expressly unallowable to that contractor, an amount equal to twice the amount of such unallowable indirect cost, plus interest.

"(2) An action by the Secretary under a contract provision required by paragraph (1) to disallow a cost and to require payment of a contractor—

"(A) shall be considered a final decision for purposes of section 6 of the Contracts Dispute Act of 1978 (41 U.S.C. 605); and

"(B) shall be appealable in the manner provided in section 7 of such Act (41 U.S.C. 606).

"(3) Interest under paragraph (1) shall be computed—

"(A) from the date on which the cost is submitted to the Secretary; and

"(B) at the applicable rate prescribed by the Secretary of the Treasury under section 6621 of the Internal Revenue Code of 1954.

"(b) The following costs are not allowable indirect costs under a covered contract:

"(1) Costs of entertainment, including amusement, diversion, and social activities and any costs directly associated with such costs (such as tickets to shows or sports events, meals, lodging, rentals, transportation, and gratuities).

"(2) Costs incurred to influence (directly or indirectly)—

"(A) congressional action on any legislation or appropriation matters pending before Congress or a State; or

"(B) executive branch action on any regulatory or contract matter pending before an executive branch agency (other than reasonable and necessary costs incurred in preparing a contract submission or proposal in response to any solicitation).

"(3) Costs incurred in defense of any civil or criminal fraud proceeding or similar proceeding (including filing of any false certification) brought by the United States where the contractor is found liable for fraud or has pleaded nolo contendere to a charge of fraud or similar proceeding (including filing of false certification).

"(4) Payments of fines and penalties resulting from violations of, or failure to comply with, Federal, State, local, or foreign laws and regulations, except when incurred as a result of compliance with specific terms and conditions of the contract or specific written instructions from the contracting officer authorizing in advance such payments in accordance with applicable regulations of the Secretary of Defense.

"(5) Costs of membership in any social, dining, or country club or organization.

"(6) Costs of bulk purchases of alcoholic beverages.

"(7) Contributions or donations, regardless of the recipient.

"(8) Costs of advertising designed to promote the contractor or its products.

"(9) Costs of promotional items and memorabilia, including models, gifts, and souvenirs.

"(10) Other cost items identified by regulation which the Secretary of Defense shall prescribe by regulation under this section.

"(11) Except as provided in subsection (c), costs for travel by aircraft to the extent that such costs exceed the amount of the standard commercial fare for travel by air common carrier between the points involved.

"(c)(1) Subsection (b)(11) may be waived by the contracting officer if the officer determines that travel by air common carrier at standard fare—

"(A) would require travel at unreasonable hours;

"(B) would excessively prolong travel;

"(C) would result in overall increased costs that would offset potential savings from travel at standard commercial fare; or

"(D) would not meet physical or medical needs of the person traveling.

"(2) Subsection (b)(11) may be waived by the contracting officer if the officer determines that travel by aircraft other than an air common carrier—

"(A) is—

"(i) specifically authorized under the contract; and

"(ii) reasonable because travel by air common carrier or other means impractical; and

"(B) is for business purposes and requires the use of such aircraft.

"(3) Costs for air travel in excess of that allowed by subsection (b)(11) may only be allowed by reason of one of the exceptions contained in paragraph (1) or by reason of paragraph (2) if the exception is fully documented and justified, including, in the case of an exception under paragraph (2), full documentation of the use of the aircraft for business purposes. Any waiver by the contracting officer shall be made in writing in advance of the travel or at such other times as the officer considers reasonable.

"(d)(1) The Secretary of Defense shall prescribe regulations, consistent with requirements of subsection (b), to establish criteria for the allowability of indirect contractor costs under Department of Defense contracts. Such regulations shall be prescribed as part of the Department of Defense supplement to the Federal Acquisition Regulation. In developing specific criteria for the allowability of such costs, the Secretary shall consider whether reimbursement of such costs by the United States is in the best interest of the United States and consistent with the requirements of subsection (b). Such regulations—

"(A) shall define and intepret in reasonable detail and specific terms those indirect costs, including the cost requirements of subsection (b), that are unallowable and allowable under contracts entered into by the Department of Defense; and

"(B) shall provide that specific costs unallowable under one cost principle shall not be allowable under any other cost principle.

"(2) The regulations under paragraph (1) shall, at a minimum, clarify the cost principles applicable to a contractor of the following:

"(A) Air shows.

"(B) Advertising.

"(C) Recruitment.

"(D) Employee morale and welfare.

"(E) Community relations.

"(F) Dining facilities.

"(G) Professional and consulting services, including legal fees.

"(H) Compensation.

"(I) Selling and marketing.

"(J) Travel.

"(K) Public relations.

"(L) Hotel and meal and related beverages expenses.

"(M) Membership in civic, community, and professional organizations.

"(3) Such regulations shall specify the circumstances under which clauses (A) and (B) of subsection (c)(1) shall be applied.

"(4) Such regulations shall require that a contractor be required to provide current, accurate, and complete documentation to support the allowability of an indirect cost at the time a proposal which includes (or may reasonably include) any indirect costs is submitted to the Secretary. If such documentation is not sufficient to support the allowability of the cost, the cost shall be challenged by the Secretary and it shall become expressly unallowable and not subject to negotiation.

"(e)(1) The Secretary of Defense shall require that each indirect cost in the contractor's submission for final overhead settlement applied to covered contracts that is not specifically unallowable under law or regulation and that is challenged by the Secretary as being unallowable shall be considered for resolution separately from the resolution of other challenged costs. If such challenged cost cannot be resolved separately, then the settlement may include an aggregate amount for the settlement of all such challenged costs if—

"(A) the contractor and the contracting officer cannot agree on the allowability of the cost under applicable cost principles;

"(B) the contracting officer documents the reasons why an agreement cannot be reached; and

"(C) the contractor agrees in writing that costs of that type will not be submitted to the Department of Defense for payment as an allowable indirect cost in the future under that contract or any other contract of the contractor with the Secretary.

"(2) The Secretary of Defense shall provide that the defense contract auditor be present at any negotiation or meeting with the contractor regarding a determination of the allowability of indirect costs of the contractor. If, in exceptional circumstances, such auditor cannot reasonably be present, the preceding sentence may be waived by the contracting officer.

"(f)(1) A contractor that submits a proposal for interim or final settlement of indirect costs applicable to a covered contract shall be required to certify that all indirect costs included in the proposal are allowable. Any such certification shall be in the form prescribed in paragraph (2).

"(2) The certification required by paragraph (1) is as follows:

"'CERTIFICATE OF OVERHEAD COSTS

"'This is to certify that:

"'1. I have reviewed the claim submitted herewith;

"'2. All costs included in this claim for (overhead costs for rate approval) (final settlement for identify period) are allowable in accordance with the requirements of contracts to which they apply and with the cost principles of the Department of Defense applicable to those contracts;

"'3. This claim does not include any costs which are unallowable under applicable cost principles of the Department of Defense, such as (without limitation): advertising and public relations costs (contributions and donations), entertainment costs, fines and penalties, lobbying costs, defense of fraud proceedings, and goodwill; and

"'4. All costs included in this claim benefit the Department of Defense and are demonstrably related to or necessary for the performance of the Department of Defense contract(s) covered by the claim.

"'I declare under penalty of perjury that the foregoing is true and correct.'.

"(3) Such certification shall identify the contractor and be signed by the chief financial officer of the contractor.

"(g) The Secretary of Defense shall provide that, in establishing the interim or provisional rates for payment of indirect costs to a contractor for which final settlement will be made at a later time, such rates shall be based upon amounts incurred by such contractor for indirect costs less any amount questioned by the agency with responsibility for audits of contracts and amounts prohibited by this section.

"(h) In this section, 'covered contract' means a contract entered into by the Department of Defense for an amount more than $25,000—

"(1) that is flexibly priced; or

"(2) for which cost or pricing data is required under section 2306(f) of this title.".

(2) The table of sections at the beginning of such chapter is amended by adding at the end thereof the following new item:

"2324. Allowable costs under defense contracts.".

(b) REGULATIONS.—(1) Not later than 180 days after the date of the enactment of this Act, the Secretary of Defense shall publish final regulations required by subsection (d) of section 2324 of title 10, United States Code, as added by subsection (a). Such regulations shall be prescribed in accordance with section 22 of the Office of Federal Procurement Act (41 (U.S.C. 418b). The Secretary shall review such regulation at least once every three years and the results of that review, taking into consideration experience, shall be made public.

(2) At the time such proposed regulations and report are submitted to such committees, they shall also be published in the Federal Register for purposes of public comment of not less than 30 days and for consideration of those comments by the Secretary before final publication.

(c) EFFECTIVE DATE.—Section 2324 of title 10, United States Code, as added by subsection (a), shall apply to costs incurred under any contract entered into before, on, or after the date of enactment of this Act to the extent such costs are incurred at any time 60 days after such regulations are promulgated. Such section shall not apply to any contract entered into before the date of the enactment of this Act if the Secretary of Defense determines that the particular terms of the contract existing before promulgation of such regulations are such that the provisions of that section could not be applied to the contract.

(d) APPLICABILITY TO SUBCONTRACTS.—The regulations of the Secretary of Defense required to be issued under subsection (b) shall require to the maximum extent possible that the provisions of section 2423 of title 10, United States Code, as added by subsection (a), shall apply to all subcontractors of any covered contract, as that term is defined in such section.

SEC. 1024. SUBPOENAS OF DEFENSE CONTRACTOR RECORDS.

Section 2313 of title 10, United States Code, is amended by adding at the end thereof the following new subsection:

"(d)(1) The Secretary of Defense may require by subpoena the production of any books, documents, papers, or records of a contractor or subcontractor that are needed by the Secretary for the purposes of subsection (a) or the purposes of section 2306(f) of this title.

"(2) Any such subpoena, in the case of contumacy or refusal to obey, shall be enforceable by order of any appropriate United States district court.

"(3) The authority of the Secretary of Defense under this subsection shall be promptly delegated to each of the following:

"(A) An officer of the Department of Defense appointed by the President, by and with the advice and consent of the Senate.

"(B) The director of the defense agency or other element of the Department of De-

fense that has responsibility for audits of defense contracts.".

SEC. 1025. LIMITATION ON ASSIGNMENTS OF PRINCIPAL CONTRACTING OFFICERS.

(a) LIMIT ON TOURS OF DUTY AND REASSIGNMENTS.—The Secretary of Defense shall prescribe regulations—

(1) to limit to five years the maximum tour of duty for which an officer or employee under the jurisdiction of the Secretary may be assigned to represent the Department of Defense with a particular contractor as a principal contracting officer; and

(2) to provide that an officer or employee who has held a position as principal contracting officer with a contractor may not be reassigned to duty with that contractor or any contractor affiliated with that contractor for a period of five years after the end of the previous such assignment.

(b) WAIVER AUTHORITY.—The Secretary of Defense or the Secretary of the military department concerned may, in an exceptional case, waive the limitation in subsection (a) in the case of any officer or employee if the Secretary—

(1) determines that it would not be in the best interests of the United States to apply such limitation in that case; and

(2) states in writing the reasons for that determination, which shall be available to the public.

Any such waiver may not extend such period for more than two years.

(c) DEFINITION.—For purposes of this section, the term "principal contracting officer" means—(1) a principal corporate administrative contracting officer or deputy principal corporate administrative contracting officer; and

(2) a principal administrative contracting officer or deputy principal administrative contracting officer.

—Page 118, after line 4, add the following new section:

SEC. 655. LICENSURE REQUIREMENT FOR DEFENSE HEALTH-CARE PROFESSIONALS.

(a) IN GENERAL.—(1) Chapter 55 of title 10, United States Code, is amended by adding at the end thereof the following new section:

"§ 1094. Licensure requirement for health-care professionals

"(a)(1) No person under the jurisdiction of the Secretary of a military department may provide health care independently as a health-care professional under this chapter unless the person has a current license to provide such care.

"(2) The Secretary of Defense may waive paragraph (1) with respect to any person in unusual circumstances. The Secretary shall prescribe by regulation the circumstances under which such a waiver may be granted.

"(b) The commanding officer of each health care facility of the Department of Defense shall ensure that each person who provides health care independently as a health-care professional at the facility meets the requirement of subsection (a).

"(c)(1) A person who provides health care in violation of subsection (a) is subject to a civil money penalty of not more than $5,000.

"(2) The provisions of subsections (b) and (d) through (g) of section 1128A of the Social Security Act (42 U.S.C. 1320a-7a) shall apply to the imposition of a civil money penalty under paragraph (1) in the same manner as they apply to the imposition of a civil money penalty under that section, except that for purposes of this subsection—

"(A) a reference to the Secretary in that section is deemed a reference to the Secretary of Defense; and

"(B) a reference to a claimant in subsection (e) of that section is deemed a reference to the person described in paragraph (1).

"(d) In this section:

"(1) 'License'—

"(A) means a grant of permission by an official agency of a State, the District of Columbia, or a Commonwealth, territory, or possession of the United States to provide health care independently as a health-care professional; and

"(B) includes, in the case of such care furnished in a foreign country by any person who is not a national of the United States, a grant of permission by an official agency of that foreign country for that person to provide health care independently as a health-care professional.

"(2) 'Health-care professional' means a physician, dentist, clinical psychologist, nurse, and such other person providing direct patient care as may be designated by the Secretary of Defense in regulations.".

(2) The table of sections at the beginning of such chapter is amended by adding at the end thereof the following new item:

"1094. Licensure requirement for health-care professionals.".

(b) TRANSITION.—Section 1094 of title 10, United States Code, as added by subsection (a), does not apply during the three-year period beginning on the date of the enactment of this Act with respect to the provision of health care by any person who on the date of the enactment of this Act is a member of the Armed Forces.

By Mr. YOUNG of Florida:

—On page 200, after line 4, insert the following new section:

SEC. 1050. LIMITED COUNTERINTELLIGENCE POLYGRAPH PROGRAM.

(a) The Secretary of Defense is authorized and directed to institute a program of counterintelligence polygraph examinations for military, civilian and contractor personnel of the Department of Defense, military departments, and the armed forces whose duties involve access to classified information.

(b) In the case of such individuals whose duties involve access to classified information within special access programs established pursuant to section 4.2(a) of Executive Order 12356, a counterintelligence polygraph examination shall be required prior to granting access to such information and periodically thereafter at random while such individuals have access to such information.

(c) In the case of individuals whose duties involve access to classified information other than that information covered in subsection (b) of this section, a counterintelligence polygraph examination may be required prior to granting access to such information and periodically thereafter at random while such individuals have access to such information.

(d) A counterintelligence polygraph examination conducted pursuant to this section shall be limited to technical questions necessary to the polygraph technique and questions directly related to espionage, sabotage, terrorism and unauthorized disclosures of classified information.

(e) The authority of the Secretary of Defense under this section to provide for the use of polygraph examinations shall be in addition to any other authority the Secretary possesses on the date of enactment of this act to provide for such examinations under applicable laws and regulations.

SENATE—*Thursday, June 20, 1985*

(Legislative day of Monday, June 3, 1985)

The Senate met at 9:30 a.m., on the expiration of the recess, and was called to order by the President pro tempore [Mr. THURMOND].

PRAYER

The Chaplain, the Reverend Richard C. Halverson, D.D., offered the following prayer:

Let us pray.

Eternal God, our Gracious Father in Heaven, last night, some of us enjoyed a very special evening together as we honored the Senate pages who leave us this week. With hearts ambivalent, both happy and sorry, we gladly expressed our appreciation for their faithful, capable service to the Senate, and sadly bade them farewell. Thank Thee, Father, for these beautiful young people who graced this Chamber. Bless them as they leave us; may they know our love and gratitude follow them. Thank Thee for their parents, who loaned them to us for a season. Thank Thee for our leaders, who arranged the Senate schedule so that Members could participate. Thank Thee for the Senators who came to dinner and honored the pages by their presence and their eloquence. Thank Thee for the officers and cloakroom staffs who brought special meaning by their attendance. Praise Thee Lord for our pages. In His Name Who loved with everlasting love. Amen.

RECOGNITION OF THE MAJORITY LEADER

The PRESIDENT pro tempore. The majority leader is recognized.

SCHEDULE

Mr. DOLE. Mr. President, the leaders have, under the standing order, 10 minutes each. Routine morning business will follow that unless the time is reserved by either leader, not to extend beyond the hour of 10 a.m., with statements therein limited to 5 minutes each.

We will resume consideration of H.R. 2577, the supplemental appropriations bill. Votes can be expected throughout the day, probably starting this morning and into the evening, in the hope that we can complete action on the supplemental sometime today.

Mr. President, it seems to me that that should be quite possible unless there is some amendment out there that I am not aware of. Obviously, if the line item veto is offered, that would take more time than this evening. But if the Rules Committee would report out the line item veto today—they do meet today—that would avoid that amendment being offered or possibly being offered to this legislation.

It is my hope we can complete action on the bill today. Pending is the amendment of the distinguished minority leader No. 368 to amendment No. 367. There could be rollcall votes before noon.

When we complete action, if we complete action, on the supplemental today, I hope to announce by noon what we may do on tomorrow. If we can clear the coin bill, we could do that tomorrow. If we cannot get an agreement on the so-called gun bill, S. 49, by the time we complete action on this, the gun bill will be laid down, S. 49.

RECOGNITION OF THE MINORITY LEADER

The PRESIDING OFFICER (Mr. ANDREWS). Under the previous order, the Democratic leader is recognized.

Mr. BYRD. Mr. President, I thank the Chair.

I join with the distinguished majority leader in expressing the hope that the Senate will complete action on the supplemental today or if not today, certainly early tomorrow.

Mr. President, let me ask the Chair to call it to my attention when I have only 5 minutes remaining.

WEST VIRGINIA'S 122D BIRTHDAY

Mr. BYRD. Mr. President, on this day—June 20th—in 1863, West Virginia became the 35th State in the Union. As part of the Old Dominion—the Mother State of Virginia—the people of West Virginia had for generations played central roles in building our country. Trans-Allegheny Virginia has been the original frontier—a land in which men and women of strong fiber and tenacity endured the hardships of an unfriendly nature and the attacks of hostile aborigines to anchor their claims in the wilderness.

As America matured and the frontier moved on, the eastern and western sections of Virginia took on increasingly distinctive characteristics. Out of Pennsylvania, New York, and New England came new settlers with values and outlooks on life that were often at odds with those of the State government across the mountains in Richmond. In time, a unique culture developed in Virginia's western counties—a populist, patriotic, practical, and independent way of life deeply attached to the Union and little sympathetic toward or patient with the South's "peculiar institution," slavery.

Understandably, the call to secession from the Confederacy, and the call to arms from the Federal Government in Washington, triggered an internal crisis in Virginia unlike that in other States. While Gov. John Letcher was taking eastern Virginia out of the Union and into the Confederacy, Waitman T. Willey and other western Virginians set about splitting West Virginia from the Old Dominion, and keeping her in the Union.

The U.S. Senate heatedly debated West Virginia's admission into the Union as a new State. The constitutional issues involved were murky and conflicting, and some Senators were reluctant to set a precedent on such shaky grounds as those cited by prostatehood advocates.

But in the end, President Abraham Lincoln recognized that the loyalty of the people of West Virginia to their flag and country was the important issue, and he threw his support to the cause of West Virginia statehood. Perhaps more than anyone else, President Lincoln can be called West Virginia's patron, a distinction acknowledged gratefully by the statue of that great man standing today on the grounds of the West Virginia State Capitol in Charleston.

Today, in pride, the people of West Virginia celebrate 122 years of statehood. As President John F. Kennedy said on another West Virginia Day 22 years ago, "The Sun does not always shine in West Virginia, but the people always do." Among their hills and valleys on this day, West Virginians follow a way of life and preserve a culture rooted in the values on which our country was founded. Friendly, hospitable, and hardworking, most West Virginians possess a fierce sense of responsibility toward their families, home, and country—a quality that has seen West Virginians, far out of proportion to the numbers, fighting and sacrificing their lives in our country's defense. The State's motto—"Mountaineers Are Always Free," is an apt assessment of West Virginians' attitudes toward tyranny and unjustified encroachments on their rights and prerogatives.

● This "bullet" symbol identifies statements or insertions which are not spoken by the Member on the floor.

Today, therefore, I salute West Virginia on this, her birthday, and I wish for her and for all of her people continued strength and progress in the centuries ahead.

AFGHAN TALKS: A CHANCE FOR CHANGE?

Mr. BYRD. Mr. President, the time has come for serious discussions about ending the brutal occupation of Afghanistan. After 5 years of this obscenity the Soviet Army is caught in a hopeless stalemate. World opinion—and tangible support from many countries—supports the courage and determination of the Afghan people.

Some measure of the continuing loss of Soviet influence can be found in the words of Prime Minister Gandhi. In his address to a joint session of Congress on June 13, he said, "We stand for a political settlement in Afghanistan that ensures sovereignty, integrity, independence, and nonaligned status, and enables the refugees to return to their homes in safety and honor." His remarks were encouraging, especially given India's past lack of involvement on this vital matter of subcontinent security.

At present, working-level talks between the U.S. Government and the Soviet Union are taking place. These talks are being held for the first time since 1982, when hopes for a political settlement were dashed by Soviet intransigence and a shortsighted policy that now counts its failure in Soviet—and Afghan—dead.

I have written to the Secretary of State, Mr. Shultz, encouraging him to make plain to the Soviet participants that any progress on commercial issues or other matters of interest to the Soviet Union will depend upon some genuine progress on a Soviet withdrawal from the wartorn nation of Afghanistan.

I have met with leaders of the Afghan resistance. There is no doubt that these heroic people are prepared to fight to the bitter end to regain their homeland. But such sacrifice should not become necessary. The new Soviet regime has an opportunity to take a bold new direction in Afghanistan. I hope that it has the wisdom to seize upon this opportunity, rather than digging the Soviet military deeper into this poor country.

Reports this week that Afghan freedom fighters destroyed 20 Soviet fighter planes in a daring raid on an airbase demonstrate that the Afghan resistance is prepared to carry the fight to the Soviets and their proxy. Is this what the Soviets want to see, and for how many more years?

Mr. President, I ask unanimous consent that my letter to Secretary Shultz of June 4, 1985, be included in the RECORD at the close of my remarks. In addition, I ask that an excellent editorial from the Economist of June 15, 1985, appear in the RECORD.

There being no objection, the letter and editorial were ordered to be printed in the RECORD, as follows:

U.S. SENATE,
OFFICE OF THE DEMOCRATIC LEADER,
Washington, DC, June 4, 1985.

Hon. GEORGE P. SHULTZ,
Secretary of State, Department of State, Washington, DC.

DEAR MR. SECRETARY: I understand that the United States and the Soviet Union will discuss Afghanistan in talks scheduled for later this month. In that connection, I urge you to convey to the Soviet participants that any progress in improving our bilateral economic relationship is contingent upon a clear showing of Soviet interest in a negotiated settlement to the Afghan problem.

After more than five years, the Soviet Union continues to occupy Afghanistan and engage in a ruthless campaign of unparalleled brutality. The Soviet military has vented its frustration over five years of stalemate by intensifying efforts to depopulate the countryside which it cannot control. Most recently, Soviet forces have carried out assaults on civilian targets along the border with Pakistan, and Soviet aircraft have bombed villages inside that country.

The Soviet leadership must be convinced that the problems in Afghanistan are not susceptible to a military solution and that there is a necessary connection between progress on a negotiated solution and progress on improved U.S./Soviet trade. I encourage you to make this point in discussions with Soviet officials. I am sure you appreciate that you have strong bipartisan support for this position.

Sincerely,

ROBERT C. BYRD.

[From the Economist, June 15, 1985]

PEACE IN AFGHANISTAN: NEEDS RUSSIAN FLEXIBILITY

Imagine if the United States were to invade Nicaragua with 125,000 soldiers and stay for more than five years, trying to impose one-party rule upon an overwhelmingly hostile people. Imagine if the reports of brutality-as-usual last spring included machine-gunning about 70 civilians who showed up at a village meeting, and pouring paraffin on others and setting them alight.

If the Americans did such things, the world would very soon know about them; and if atrocity followed atrocity public opinion in America, and elsewhere, would explode. The Russians are getting away with them in Afghanistan because Soviet public opinion counts for little and the international conscience, furnished with few accounts of the Afghan atrocities, has rolled over and gone back to sleep. Instead, there are earnest hopes of finding a "diplomatic solution" to the continuing violation of Afghanistan. American and Russian diplomats are to meet to discuss the matter, nearly three years after the last chat fizzled out. Mr. Diego Cordovez, a United Nations would-be peacemaker, who shuttled between Kabul and Islamabad recently, has claimed that hopes of a deal are "alive and well". Arm's-length conversations between Pakistan and Afghanistan may be resumed on June 20th.

What have the placement of an invading power to say to the country that has had to act as reluctant host to the world's biggest refugee population, displaced by that invasion? It can be argued that Pakistan's President Zia might be tempted to wash his hands of Afghanistan by expelling Afghan refugees and policing the border to keep arms from reaching the guerrillas. In practice, he can probably do neither: expelling some 3m people against their wishes is likely to be no easier than fighting a tribal war to stop the gun-running in Pakistan's North West Frontier province. General Zia, with the ring of confidence that some $3 billion in American aid gives him, shows no sign of wavering.

THE MOUNTAIN MUST MOVE TO MOHAMMED

It is Russia that must move for there to be any chance of an agreement. A barebones deal drawn up by Mr. Cordovez in 1983 called for the Russians to withdraw from Afghanistan in stages, in parallel with a repatriation of the refugees. The Russians scuppered it by saying they would pull out only if the refugees returned first and if an "acceptable" government were left in Kabul. For Pakistan, it was nothing doing. Some Russian foreign policy experts are now suggesting the Finlandisation of Afghanistan might be an answer.

Provided a government was installed that had some claim to be representative of Afghanistan's patchwork of tribes, and was not host to Russian bases on the rim of the Gulf, the west could live with the Finland option. It would be a setback for Russia, because it would entail a return to the time when Afghanistan showed a healthy, but independent, respect for its massive neighbour. For Mr. Gorbachev, swallowing Russian pride might be preferable to pouring in the five times as many soldiers he would probably need to subdue the country utterly. While arms talks simmer in Geneva, Afghanistan may turn out to be the first test of Mr. Gorbachev's flexibility—or toughness.

Mr. BYRD. Mr. President, I yield the remainder of my time to the Senator from Wisconsin [Mr. PROXMIRE].

The PRESIDING OFFICER. The Senator from Wisconsin is recognized.

Mr. PROXMIRE. Mr. President, I thank the distinguished Senator from West Virginia.

MYTH OF THE DAY: THAT STAR WARS CAN PREVENT A SUCCESSFUL NUCLEAR ATTACK ON THE UNITED STATES

Mr. PROXMIRE. Mr. President, this is the third in my series of myths of the day. The purpose of this series of brief speeches is to put a statement on record correcting a widespread misunderstanding by the American public often but not always based on a statement by the President or some other member of the administration that is in error.

Today's myth is in its infancy. It is certainly not accepted as yet by the majority of the American people. But with a strong and persistent series of statements by the President and his Secretary of Defense, an increasing proportion of Americans are beginning to believe it.

The myth is that this country can build a kind of astrodome defense against Russian nuclear weapons that

will make Americans safe from a preemptive nuclear strike. As a "small starter" to achieve this dream, the U.S. Senate has authorized about $3 billion for next year. This is a more than 100-percent increase in funding for the star wars missile defense research which the administration has said can accomplish this miracle. It is a relatively small down payment on a project that may reach a trillion dollars in cost. Most informed observers believe this program may succeed in the event of a Russian preemptive nuclear strike in intercepting some of the incoming Russian missiles. Virtually no informed person thinks it can ever fully protect the American airspace from Soviet nuclear attack. And most experts believe that technological improvements in offensive missiles will at least parallel the improvements in defensive missiles and leave America as vulnerable in the future to a preemptive nuclear attack as it is today, star wars or no star wars. The myth that for a trillion dollars or so we can ever build a perfect astrodome defense against nuclear attack for our country is just that: a myth.

WHY STAR WARS WILL NOT WORK

Mr. PROXMIRE. Mr. President, in its June 17 issue, Newsweek magazine provided two excellent articles in its cover story on the Reagan administration's proposed star wars defense. The first question I find people ask about star wars is: "Will it work?" Could it possibly prevent the Russians from penetrating our air space with nuclear warheads? Could it stop Russian warheads that would otherwise demolish our cities and kill much of our population? Will it work? The overwhelming weight of informed opinion is that it might work partially. It could possibly prevent much, maybe most of the intercontinental ballistic missiles launched from land-based silos in Russia on a 20- to 30-minute journey of several thousand miles over the North Pole. It could not ever stop such nuclear weapons as submarine-based cruise missiles, that hug the ground, and carry a map in their brain so they can avoid obstacles, and have a 1,500 mile range and deliver a punch equivalent to 200,000 tons of TNT.

Of course, American science has accomplished impossible marvels in the past. Maybe—given enough time and enough hundreds of billions or trillions of dollars and enough attention by tens of thousands of our most gifted scientists and engineers—it can banish this terrible nightmare of a U.S. nuclear holocaust from our dreams and fears. How about that? Can it succeed? There is one prime reason why it cannot. What is my authority? Well, there is authority in abundance. We have the authority of Hans Bethe, the Nobel price winning physicist who is known as the father of the hydrogen bomb. Bethe calls the Reagan star wars proposal: "absolute nonsense." But I do not base my conclusion on Dr. Bethe. There is the assertion by former Secretary of Defense Harold Brown. Brown is a physicist by training. He is as competent an expert on nuclear weapons as this country has produced. What does he call star wars? He calls it, and I quote: "an impossible dream."

Then there is the expert who served as Secretary of Defense for 7 years and under two Presidents, Robert McNamara. This country has never had a secretary of defense more deeply respected for his knowledge of weapons or a secretary who brought into the Defense Department a greater array of the best and brightest than Secretary McNamara. What does Secretary McNamara say of star wars? He thinks it is wasteful, extravagant, and useless.

There is Clark Clifford, another Secretary of Defense who has called for a sharp reduction in funding for the star wars research and challenged its impracticality.

That isn't all, Mr. President. There is James Schlesinger, who served as Secretary of Defense in a Republican administration. Schlesinger flatly declares that star wars cannot protect our airspace.

Still another Republican Secretary of Defense, Elliot Richardson, has called for a sharp reduction in star wars funding.

This is very impressive testimony from five former Secretaries of Defense, representing both political parties—tremendously impressive expertise and solid opposition to star wars. But I don't rely on any of these expert opinions for my conclusion that star wars will become the trillion dollar turkey of the century.

I rely on one single sentence from the cover article in Newsweek on June 17 on star wars. This is what the sentence declares: "The most significant recent advance in space-based-missile-defense research is the x-ray laser—and it may turn out to be more effective on offense than defense." Why is that sentence so decisive in destroying the case for star wars? It is decisive because star wars would create a defensive project over the next 20 or 25 years, that is, by the year 2010, that would stop the Russian offensive ICBM arsenal of 1985. But by 2010 both the Russians and the United States would have an offensive arsenal capable of penetrating any new star wars defense. The x-ray laser could be part of the star wars defense. As Newsweek reports, it could be an even more effective part of the new nuclear offense. In the long history of warfare, defense—from the great wall of China, to castle moats, to the Maginot line in World War II—has only briefly and never successfully challenged the dynamism of offenses. The fallacy of star wars is based on the pathetic fallacy that someone can win an arms race permanently. In the nuclear age, both sides lose in any arms race. Certainly the side which would pour its resources into defense in space on the assumption that a nuclear offense could not overcome it will be a sure and certain loser.

Mr. President, I ask unanimous consent that the article to which I have referred in the June 17 Newsweek entitled "Realistic Defense or Leap of Faith?" be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

REALISTIC DEFENSE OR LEAP OF FAITH?

At 6:18 a.m. a year ago June 11, radar operators at a U.S. military station on the Kwajalein atoll in the South Pacific identified a target rising above the horizon: an American intercontinental ballistic missile fired from Vandenberg Air Force Base in southern California, more than 4,800 miles away. Army officers immediately unleashed a killer rocket of their own, an old Minuteman missile equipped with a sophisticated heat-seeking sensor system. The interceptor streaked up over the Pacific, its sensors scanning the cold background of outer space. Within 10 minutes it found the missile and closed in. At an altitude of more than 100 miles, the retooled Minuteman deployed a 15-foot-diameter metal net designed to snare the target. Moments later the killer rocket smashed into the invader, destroying it and its dummy warhead. "It hit right square on the nose," says Lt. Gen. James Abrahamson, director of the Pentagon's Strategic Defense Initiative Organization (SDIO). Following three failures, the test was one small step for Star Wars—leading to one giant leap of faith that the program may someday lead to the promised results.

When President Reagan announced the SDI push two years ago, he offered a vision of a space-based shield against strategic ballistic missiles that would render nuclear weapons "impotent and obsolete." Instead of the doctrine of mutual assured destruction (MAD) that has kept the superpowers at bay for nearly 40 years, he evoked an image of an America returned to the golden age of innocence before scientists set free the nuclear genie: "What if free people could live secure in the knowledge that their security did not rest upon the threat of instant U.S. retaliation to deter a Soviet attack, that we could intercept and destroy strategic ballistic missile before they reached our own soil or that of our allies?"

What if, indeed. At this point the Star Wars defense does not even exist on paper. There is no blueprint, no "project"—only a continuous brainstorming. What must ultimately be an interlocking system of weapons, spacelift capability, command-and-control computation and industrial support is now no more than a diverse collection of very costly, highly speculative pieces of research at laboratories all over the country. The technical challenge is immense, reaching into exotic regions of high-energy physics, the most distant frontiers of computer science and the remotest realms of sensing and communications.

THE ASTRODOME DEFENSE

Despite the Kwajalein success, there is a vast chasm between a preplanned test using a single rocket and a surprise attack by thousands of missiles and hundreds of thousands of decoys. Privately, even scientists involved in SDI research say that the 1983 Reagan speech misled the American public by suggesting that a leakproof antimissile umbrella—sometimes known as the "astrodome defense"—can ever be built. And with tens of thousands of warheads raining down on the United States, even a small leak would lead to destruction of the "soft targets"—that is, human beings.

Even if a leakproof defense is impossible, however, many pro-Star Wars researchers believe that a modest defense may work: a system that spooks the Soviets, fostering uncertainty that a nuclear strike would do sufficient damage and therefore deter such an attack. The idea is to build a multilayered defense using a variety of weapons to knock out Soviet missiles in each phase of their flight: after launch, in midcourse in outer space and as the missiles re-entered the atmosphere. According to this theory, a system that knocked out only 25 percent of incoming missiles would still be a deterrent, because an attacker could never predict which 24 percent would be hit—the ones aimed at cities or the ones targeted for American ICBM fields.

With their targeting strategy a shambles, the Soviets would be unwilling to gamble on a first strike, Abrahamson argues: "These are confidence levels, probabilities. . . . How many rolls does it take to assure myself that I get a seven? That's the way the guy on the other side has to look at his problem. He has to say, 'Can I assure my military boss that I can destroy enough of my targets?' " However, says physicist and arms-control expert Sidney Drell of Stanford University, that means that Reagan's strategic-defense system would remain anchored in a MAD world: "The president had a vision that would get rid of these weapons and scrap deterrence; the Defense Department is giving us a program that would *enhance* deterrence."

Either way, the Star Wars program is pushing the United States into a treacherous new era in the arms race. For example: the most significant recent advance in space-based-missile-defense research is the X-ray laser—and it may turn out to be more effective on offense than defense. Powered by a nuclear explosion, the X-ray laser would emit a lethal blast of X-ray beams in the milliseconds before the device destroyed itself. In the Star Wars defense scenario envisioned by physicist Edward Teller, the father of the hydrogen bomb, a phalanx of X-ray lasers born aloft by rockets would "pop up" at the first warning of a nuclear attack to shoot down enemy missiles while they are still in the few short minutes of their initial burn, or "boost" phase. But in fact, the X-ray laser might be even more effective *against* the Star Wars satellites and spacebased battle stations, with their known and well-plotted positions, than against incoming missiles. "The X-ray laser happens to be one of the most credible threats," says Louis Marquet, SDIO's director for beam weapons. But it is a threat that works both ways: "[We] assume the Soviets can do everything we can do," says Marquet bluntly. "A Soviet pop-up X-ray laser would be very lethal if it were used against our satellites."

Moreover, any Star Wars system would involve another dangerous new element: computers in place of people. To destroy missiles in the boost phase, the defense would have to detect the launch, find the missiles, aim the weapons at every missile and fire—within five minutes. And if the Soviets try to defeat the system by developing fast-burn rocket boosters, the margin will be 50 seconds—no time to convene a national-security meeting. Thus one of the biggest dilemmas facing the Star Warriors is whether a system could be built that would allow humans "in the loop"—or whether the war against missiles would necessarily have to be fought by computers alone. "It is hard to conceive of a boost-phase intercept without a heavy reliance on computers," says James Fletcher, the former NASA chief who headed a presidential commission on feasibility of a strategic defense, "so it would have to be primarily automatic."

ELECTROMAGNETIC STORM

Whether or not humans play any role at all, the demands on the vast interconnected computer system needed to control a Star Wars defense far exceed the capabilities of today's most advanced machines. "The computer would require 10 million lines of error-free code," says defense expert Richard Garwin, a top IBM scientist. "I dont know anyone who knows that that is possible." The common practice in rigging up today's computers is to "debug" the software to correct the inevitable errors and to test the system under field conditions. Highly intricate computer programs *never* work right the first time. Because no software designer can anticpate every contingency, the only way to debug the Star Wars computers would be to test the entire system under the actual conditions it would encounter—that is, a war. Since that is not possible, the computers would simply be trusted to function during the electromagnetic storm of nuclear explosions.

The Star Wars computers could even prove destabilizing by themselves. The hardware might seem to work flawlessly while crippling software errors lurked undetected in the system, perhaps to mistake a Soviet gas-pipeline fire for an ICBM attack (as nearly happened in 1975). "No one who knows about missile-defense systems would put the survivability of such systems in the hands of computers," says Garwin. "It's like a whole bunch of sparking switches in a gasoline-filed room. The least error in that computer system would launch a nuclear war." Star Wars proponents disagree, saying that at worst a mistake would cause snaps, crackles and pops in outer space.

Beyond the danger of a computer-generated holocaust, the Star Warriors face what may be another insurmountable sofeware problem. In a space-based defense system, the complex of communications gear, sensors and weapons must somehow be made to work together. but there is a profound difference between offensive and defensive weapons. It is the difference between building a machine gun and building a computer-controlled defensive-weapons system that would protect soldiers by locating, tracking and destroying enemy machine-gun bullets in the chaos of an all-out battle. Offense is easier: when the scientists succeeded in building the atomic bomb, they had their victory, because the technology for delivery already existed in the form of the B-29 bomber. Similarly, when rocket scientists build intercontinental ballistic missiles that worked on the test range, military planners could be confident that enough ICBM's would work in time of war. But for the Star Warriors, successful testing of individual weapons will not be sufficient. What will make the defense succeed or fail in battle is how well the various components work together. This cannot be known in advance.

BATTLE STATIONS IN SPACE

To Star Warriors like Edward Teller, it almost doesn't matter whether the technology performs exactly as advertised. Because the Soviets would have to respond, he argues, Star Wars would have a devastating impact on the Soviet economy and defense establishment. "Forcing them to reduce the burn phase will obsolete all their weapons and force them into very costly expenditures," he says. But in the hall of mirrors that is the arms race, the United States might find itself in the same predicament. Moreover, just as an aircraft carrier today is protected by a huge and costly task force of destroyers, cruisers and reconnaissance and figher aircraft, so the Star Wars satellites and space battle stations would be prime targets to be defended at great cost.

There is little doubt that a full-fledged Star Wars shield would by itself dwarf the current federal budget of $1.8 trillion, but the crucial question is: will the countermeasures be cheaper for the other side? If it turns out that countermeasures cost less, the sytem will be doomed. "Unfortunately it is far easier to break a fine watch than to make one," says Garwin. "A high-performance system will be countered. And it is a lot easier and cheaper to destroy it than it is to build it."

Beyond the issue of cost, the Star Wars defense may foster a dangerous illusion, in effect creating a space-age Maginot line. Just as Hitler's Panzers swept around the French flanks in 1940, a Star Wars shield could be outflanked by swarms of air-breathing, low-flying cruise missiles or by conventional bombers. But some of the devices now being worked on, the Star Warriors say, might also prove useful in defending against those threats.

No matter what advances in defensive technology the Star Wars research brings, it will not bring back the age of innocence. It has been nearly 40 years now since a lone American B-29 dropped an atomic bomb on Nagasaki, Japan. So far, the spider web of arms-control agreements and the ever-shifting balance of terror have kept nuclear war at bay. "We will have varying degrees of defense, and one side or the other may be slightly ahead," says weapons expert Herbert York, former director of Lawrence Livermore Laboratory. "But we will never have a world in which one side is safe and the other isn't."

RATIFICATION OF THE GENOCIDE TREATY

Mr. PROXMIRE. Mr. President, what would a former leader in the Hitler youth movement and a survivor of the dreaded concentration camp Auschwitz have in common?

Not much, most people would say.

But indeed today, 40 years after the Holocaust, these two people—one a Hitler youth leader, the other a death camp survivor—do have something in common.

They have a common story to tell—a story of horror and brutality and fanaticisms.

And they are telling this story together on the lecture circuit.

The former Hitler youth leader is Alfons Heck, a 59-year-old American citizen now living in San Diego who rose through the ranks of the Hitler youth movement in the 1930's and 1940's, but who now scorns Hitler and his band of Nazi thugs.

The Auschwitz survivor is Helen Waterford, who also lives in San Diego.

During the 1970's Alfons Heck had written extensively about his experiences in Nazi Germany. He had described candidly the shame and the guilt he later felt over being a zealous member of the Hitler youth.

Several years ago, Helen Waterford approached Alfons Heck and proposed that they team up to tell of their experiences in Nazi Germany from opposite ends of the spectrum.

Today, Mr. President, the two have appeared in joint lectures on television, radio and college campuses all over the country.

The Boston Globe in a March 29 article dubbed them the "odd couple" after they appeared at Dean Junior College in Franklin, MA.

Alfons Heck's story is one of a child's willing submission to the leadership of the Nazi regime.

Heck, who claims to be the highest ranking Hitler youth leader living in the United States today, stands before his audiences maintaining that even when he nonchalantly ordered a school teacher to be shot if he did not permit Hitler youths to sleep in his schoolhouse, he still felt like a "decent, honorable, young German, blessed with a glorious future."

Helen Waterford's story is one of her unwilling childhood submission to the same terror.

She tells her listeners that the daily abuses she was subjected to precluded any chance of her having or even dreaming of a future.

Their motivations for speaking out are as different as their pasts. But their stories serve a crucial purpose.

Alfons Heck says he wants all Americans to know that what happened to him and to the Jews could happen in the United States.

Helen Waterford wants Americans to never forget the horrors that Jews suffered in the past.

Alfons Heck's memories of abusive power should serve as a cautious warning to us all that we should remain forever vigilant of this type of terror—this genocide.

Mr. President, just as these two people have realized that the past cannot be forgotten, so must we.

We must resolve ourselves to send a message to the entire world that the United States has not forgotten and will never forget the senseless destruction of the Holocaust.

We must resolve ourselves to make sure that the courage of Helen Waterford lives on.

We must resolve ourselves to make sure that the fanaticism that Alfons Heck warns of never results in another Holocaust.

In other words, Mr. President, we must ratify the Genocide Treaty.

Ninety-six other nations have demonstrated this wisdom and courage.

The time has long passed for the United States to do the same.

Mr. President, once again I thank my good friend, the Democratic leader, for so graciously and generously yielding me time during his reserved time.

Mr. President, I yield the floor.

Mr. BYRD. The distinguished Senator is welcome.

ROUTINE MORNING BUSINESS

The PRESIDING OFFICER. Under the previous order, there will now be a period for the transaction of routine morning business not to extend beyond 10 a.m. with statements therein limited to 5 minutes each.

ROBERT GRAHAM AND JANE HENNEY—NEW HORIZONS IN AMERICAN MEDICINE

Mr. KENNEDY. Mr. President, I want to take this opportunity to commend one of the most impressive husband-and-wife teams in American medicine—Dr. Robert Graham and Dr. Jane Henney—and wish them success as they begin a new phase of their careers.

Dr. Graham, who will become the executive vice president of the American Academy of Family Physicians, is currently Assistant Surgeon General and Administrator of the Health Resources and Services Administration in the Department of Health and Human Services, and he is widely regarded as one of the ablest officials in the U.S. Public Health Service.

Jane Henney, who is the Deputy Director of the National Cancer Institute, has been appointed associate vice chancellor at the University of Kansas Medical Center.

Both of these talented physicians have had remarkable careers in public health. Many of us came to know Bob Graham personally in 1979 and 1980, when he took a leave of absence from the executive branch to serve on the staff of the Senate Health Subcommittee in the 96th Congress. Bob's work for the subcommittee and for the Senate was marked by a consistently high degree of excellence, and reflected his tireless commitment to improving all aspects of health services for the American people. The United States leads the world in Nobel Prizes for medicine, but we are not winning any Nobel Prizes for translating the miracles of the laboratory into advances at the bedside of the patient. In his new role at the American Academy of Family Physicians, Dr. Graham will be on the front line of the essential struggle to close the gap and to improve the delivery of health care to our citizens.

Jane Henney has had a highly successful career at the National Cancer Institute over the past decade, rising from the position of senior investigator in the Cancer Therapy Evaluation Program to become Deputy Director of the Institute in 1982. Her unusual abilities in both research and administration have been a key factor in some of the Institute's most impressive victories in the war against cancer in recent years, especially in areas such as advances in cancer treatment, development of computerized programs to link practitioners to the best possible therapy in their communities, and new initiatives on cancer prevention among minorities. To many of us, Dr. Henney is best known for her oversight of the Institute's landmark study on the ineffectiveness of laetrile in cancer treatment, and her national leadership in protecting patients and their families against those who prey on them with quacky remedies.

I congratulate these two talented physicians for their achievements in public health, and I wish them success in their new responsibilities. I am confident that for Bob Graham, Jane Henney, and American medicine, the best is yet to come.

RUSSELL SENATE BUILDING COURTYARD ICE CREAM PARTY

Mr. THURMOND. Mr. President, today, we are celebrating what has become an annual observance here on Capitol Hill: The ice cream party in the Russell Senate Office Building courtyard. I am pleased to join my colleagues, Majority Leader ROBERT DOLE; Speaker of the House TIP O'NEILL; chairman of the Senate Committee on Agriculture, Nutrition, and Forestry JESSE HELMS; and chairman of the House Committee on Agriculture "KIKA" DE LA GARZA, who are the honorary chairmen of the event this year, in recognizing the ice cream industry.

The ice cream industry has brought more good will and fun times to the public than any other of which I am aware. Everyone grew up with ice cream, and most memories of ice cream are associated with pleasant, positive associations, such as going with parents or grandparents to the store for an ice cream cone; birthdays and other parties; the ice cream wagon pulling up, bells ringing, and everyone rushing out for a treat. Ice cream has become a tradition in America.

Ice cream is enjoyed by persons of all ages and incomes in our country. The great American love affair with ice cream has produced an $8 billion retail industry. Keeping pace with consumption of this all-American dessert

required the manufacturing of 1.29 billion gallons of ice cream, according to the most recent figures available from the International Association of Ice Cream Manufacturers.

In addition to being delicious—having a good taste, having a creamy, smooth texture, and being a cold refreshment—ice cream is full of nutrition. It provides essential vitamins, minerals, and protein. Just to name a few of them, ice cream contains vitamin A, vitamin B12, niacin, riboflavin, thiamin, potassium, magnesium, and all-important calcium for strong bones.

I take great pride in joining my children—Nancy Moore, Strom II, Julie, and Paul—as persons who like ice cream, and I try to do my share of ice cream eating. I invite my colleagues to join me this afternoon in the Russell courtyard for the kickoff event celebrating July as "National Ice Cream Month" and July 14 as "National Ice Cream Day" and to join me in paying tribute to the most enjoyable food and the industry which produces it.

COMPREHENSIVE PUBLIC EDUCATION PLAN REGARDING AIDS

Mr. CRANSTON. Mr. President, I am very pleased that the Appropriations Committee agreed to my request to include in its report on the pending measure, on page 161, language directing the centers for disease control to provide detailed information on a comprehensive public education program regarding AIDS and the HTLV-III infection—HTLV-III being a virus that is the probable causative agent of AIDS. The report language directs the CDC to submit to the committee information on such a program prior to final committee action on the regular fiscal year 1986 Labor-HHS-Education Appropriation Act.

I want to express my deep appreciation to the distinguished ranking minority member of the Appropriations Subcommittee on Labor-HHS-Education, the Senator from Wisconsin [Mr. PROXMIRE], for his courtesy and cooperation in moving in committee on my behalf that this language be included.

Mr. President, I believe that it is essential that the Federal Government formulate a national strategy for public health activities to restrain the spread of the AIDS epidemic. Although research on the disease is progressing rapidly, a cure and vaccine are still years away. Education about AIDS—for both high-risk groups and the general population—is our only means of prevention at this time.

In fiscal year 1985, a total of $4.1 million is being allocated for AIDS public education efforts. Of that amount, only half—$2.05 million—is being used directly for the dissemination to the general public of information about AIDS. The remainder of the funding is being used for education efforts regarding the HTLV-III antibody test—the blood-screening test used to detect antibodies to the HTLV-III virus in order to keep blood which might be carrying the virus out of the Nation's blood supply—and for the education and training of health care personnel about AIDS. While these steps represent a reasonable beginning, the development of an overall assessment of public education needs on AIDS—including consideration of appropriate assistance to and coordination with community based risk reduction programs—and a national strategy for a comprehensive program to meet these needs are essential to combat AIDS and HTLV-III infection.

Mr. President, last November, Dr. James Curran, head of the AIDS task force at the CDC in Atlanta, said preliminary studies suggested that 300,000 people may have already been infected by the AIDS virus. Estimates today range from 500,000 to 1 million. In San Francisco, the prevalence of HTLV-III antibodies—indicators that an individual has been exposed to the virus—among gay men attending a clinic for treatment of sexually transmitted diseases rose from 1 percent in 1978 to 25 percent in 1980 to a staggering 65 percent in 1984. Other cities are experiencing similar increases. Intravenous drug users have comparable rates of positive HTLV-III antibody test results, while nearly all hemophiliacs who have been tested carry the antibody. Although it still remains to be determined how many nonhigh-risk individuals are carrying the antibody, all population groups are potentially at risk since the infection is transmitted through both heterosexual and male homosexual contact, through blood, and from mothers to infants.

It is not known how many or who of those infected will actually develop AIDS. There are numerous studies ongoing to find answers to these questions. Preliminary results from six different studies of gay men indicate that the proportion of persons with the HTLV-III antibody who subsequently developed AIDS ranged from 4 to 19 percent. An additional 25 percent of those exposed showed only early signs of AIDS, a condition called AIDS related complex, but not the fully developed symptomatology of AIDS.

Doctors do not know what potential cofactors may exist that would put a person at increased risk or why one individual develops AIDS and another doesn't. Thus, information about one risk group may not necessarily translate to other risk groups or to individuals not belonging to any risk group. Moreover, it is becoming increasingly clear from transfusion studies that even if an individual shows no symptoms of AIDS or AIDS related complex, he or she can still remain a carrier of the virus for a very long period of time.

Thus, unless we take strong decisive action as soon as possible to launch major, nationwide, risk reduction and education programs, the spread of the virus to the uninfected population—resulting in thousands of new AIDS cases—will continue at its current, everincreasing rate.

That is why I am so strongly interested in the CDC developing such a national program. I look forward to CDC's response and to working with my colleagues on the Appropriations Committee to ensure that adequate funding for these education activities—as well as adequate funding for AIDS research and other related public health activities—is provided for in the fiscal year 1986 appropriations measure. I certainly intend to strongly pursue such funding.

Mr. President, I want again to express my deep gratitude to the Senator from Wisconsin [Mr. PROXMIRE] for making the motion, as I requested, to include this important language and to the distinguished chairman of the subcommittee, Mr. WEICKER, the very able chairman, Mr. HATFIELD, and the ranking minority member, Mr. STENNIS, of the full committee for agreeing to that motion, as well as for their ongoing support for the fight against the AIDS epidemic.

A TRIBUTE TO BILLY LASTER FISH

Mr. WEICKER. Mr. President, I rise today to pay tribute to a truly remarkable woman: Billy Laster Fish. A rare individual who combined charm with courage, dignity with a delightful sense of humor, Billy Fish was an inspiration to those of us who were privileged to know her.

I knew Billy Fish not only as a good friend, but also as an articulate champion of civil and individual rights. She always took time to speak out for the underprivileged and worked diligently to uphold the principals of equality and justice. A tribute to Billy's compassion is evidenced in one of her last wishes: that in her memory, friends support the United Negro College Fund.

Mr. President, Billy Fish was also a strong advocate for world peace. Active in the movement to end the nuclear arms race, Billie devoted herself to educating Americans about the horrors of nuclear war.

My heart and my deepest sympathy go out to my dear friend and colleague, HAMILTON FISH, to his family and to the people of New York's 21st Congressional District. We will all miss Billy Laster Fish. She was a great and gracious lady.

NATIONAL DRUNK AND DRUGGED DRIVING AWARENESS WEEK

Mrs. HAWKINS. Mr. President, I am proud to become a cosponsor to a Senate joint resolution to designate a week before the Christmas and New Year's Eve holidays as "National Drunk and Drugged Driving Awareness Week."

This week will be the one beginning December 18, 1985, and will certainly help in raising public awareness to the risks of driving while impaired from drugs or alcohol.

Mr. President, when traffic accidents result in more violent deaths each year than from any other cause, almost 44,000 deaths in 1984, steps like this legislation must be taken to educate the public that they cannot drink and drive. According to the National Highway Traffic Safety Administration, 45 percent of all drivers killed in 1984 were legally drunk and this figure increases to 60 percent for single vehicle crashes. The cost to society of drunk driving has been estimated to be over $24 billion annually, which does not even include the needless pain and suffering resulting from the deadly combinations of drinking and driving.

Mr. President, many strides have been made in the national campaign against drunk driving. Much momentum has been gained in the past few years against drunk driving, and we must not let it slip away. I applaud my esteemed colleague from New Hampshire, Senator GORDON HUMPHREY, in his efforts to ensure that this vital issue continues to receive the national attention it deserves. With this Senate Joint Resolution, the National Drunk and Drugged Driving Awareness Week will be marked by radio and TV programs, articles in the print media, and local initiatives such as dial-a-ride, candlelight vigils, and roadblocks, all aimed at increasing the public awareness of the risks of drunk and drugged driving. Enactment of this week of public awareness will provide an annual opportunity to focus attention on the problem, assess the progress we have made, and address the question of further measures needed. It will, indeed, make sure that we do not forget the enormous costs in human suffering and dollars caused by the combination of alcohol, drugs and driving.

I will work toward speedy enactment of this joint resolution, and hope that my colleagues will join me and the sponsor of this proposal, Senator HUMPHREY, in this effort. The problems caused by drunk and drugged driving affect every citizen of every State in our Nation, and we must all join the effort to eradicate this most serious of national problems.

PAUL ADAMS NOMINATION

Mr. ROTH. Mr. President, the nomination of Paul A. Adams to be inspector general of the Department of Housing and Urban Development was referred to the Committee on Banking, Housing, and Urban Affairs on April 2, 1985 and was favorably reported by that committee on May 8, 1985. On May 8, it was referred to the Committee on Governmental Affairs, of which I am chairman, for a period not to exceed 20 calendar days.

The Committee on Governmental Affairs reviewed biographical and financial information supplied to the committee by Mr. Adams and conducted a preliminary inquiry as to his experience, qualifications, suitability, and integrity to serve in the position for which he has been nominated.

Mr. Adams has been involved in investigatory work for the Government for more than 20 years. He has been with the office of the inspector general of HUD since 1969, where he began serving as deputy inspector general in 1980.

The preliminary review conducted by the committee revealed nothing which would appear to preclude confirmation of Mr. Adams. That fact, coupled with Mr. Adams long time experience at HUD and the favorable recommendation of the Banking Committee, led committee members, both Republicans and Democrats, to determine that, in this particular instance, it was not necessary for the committee to complete a full review of the nomination, to conduct a hearing or take formal action on the matter.

This determination, however, does not in any way indicate the committee's intention not to fully consider or vote on other nominations of inspector general in various Government departments and agencies which are sequentially referred to the Committee on Governmental Affairs.

SECRETARY BROCK AT THE ILO CONFERENCE

Mr. HATCH. Mr. President, I would like to commend to my colleagues the remarks of Secretary of Labor William E. Brock at the 71st Session of the International Labor Organization conference in Geneva, Switzerland. Secretary Brock discussed several of the pressing issues which confront most, if not all, of the ILO's member nations.

I ask unanimous consent that the text of Secretary Brock's speech, delivered on June 19, 1985, be printed in the RECORD.

There being no objection, the speech was ordered to be printed in the RECORD, as follows:

SPEECH OF SECRETARY OF LABOR WILLIAM E. BROCK

Thank you, Mr. President.

Before commenting on the Report of the Director General, I would like to congratulate you on your election as President of this year's Conference. I hope and trust that under your leadership this Conference will produce more than just fine words—that we will see something of tangible benefit to workers around the world result from our mutual efforts.

I believe we have that opportunity this year because of the vital importance of the topic the Director General has chosen for his report—industrial relations and tripartism.

This report is an outstanding example of the high quality and objective work we have come to expert from the Director General and the fine ILO staff.

Mr. President, I would like to concentrate this morning on three critical issues raised in the Director General's Report: first, the role of government in industrial relations; second, the legitimate political interests of trade unions; and finally, the unique opportunities presented by effective labor/management cooperation.

In many ways the question of the role of government is the central issue. The members of this Organization represent a broad range of experiences in this area. In some countries, such as my own, government plays virtually no role in private sector industrial relations. In other countries the government plays a very important role.

Sometimes the government's role may be such that neither trade unions nor collective bargaining exist in any real sense. That is true, I think, when governments or political parties play a "leading role" over trade unions.

In my view, an excessively strong government role in industrial relations poses a number of problems.

First, it raises questions with respect to fundamental principles laid down in the ILO's Constitution and in its standards on freedom of association and collective bargaining.

And secondly, to the extent that government intervention acts to restrict worker freedoms and restrain wages and working conditions, it could affect international trade.

Those who gathered in Versailles sixty-six years ago to establish this Organization were clearly worried about that. In the preamble to the ILO Constitution they warned that "the failure of any nation to adopt humane conditions of labor is an obstacle in the way of other nations which desire to improve the conditions in their own countries."

In a world so dependent on international trade, that is as true today as it was then.

What it comes down to is this: When workers who are not free to pursue—independently—their economic, social and political interests they are being denied the opportunity to improve their working conditions—to make them "humane."

For that reason, perhaps one of the most important conclusions in the Director-General's Report is that a trend may be developing in many parts of the world—even among some centrally planned economies—toward a less dominant and interventionist role for governments.

In the United States we have chosen a path that allows for even greater freedoms for our workers and firms than ever before. And the results, I think, speak for themselves.

In the last four and one-half years we have sparked an entrepreneurial spirit that is creating some 50,000 new businesses every month. We have added 300,000 new jobs a

month for 29 straight months—345,000 last month, to be precise—half of which are in firms less than four years old.

And while many of these new jobs are in the services sector, they are by no means limited to unskilled, low wage jobs as some suggest. In the last ten years we have added almost a million new hospital jobs and nearly 400,000 new computer and data processing jobs—industries with high hourly earnings.

Why has this happened? A lot of it is because, by reducing taxes and unnecessary government regulation, we have demonstrated our faith that individuals, in pursuing their own best interests, serve the collective good as well. That's not just economic theory, it's common sense as well.

What about the political role of trade unions?

I know of no truly democratic country in which trade unions do not play a significant political role. Certainly they do in the United States. And the AFL-CIO this past February indicated that it intends to continue and even expand its political efforts.

The ILO has clearly recognized that trade unions have the right to pursue their economic and social goals through political action. And as members, we are obligated to respect that right.

I am troubled, therefore, that some governments deny the right of political action to independent trade unions, and sometimes enforce that denial through the most extreme measures—measures which violate fundamental ILO principles of freedom of association.

These are universal principles. They don't apply to just one group of countries, and not another.

Last year this Organization reaffirmed the universal nature of these principles as well as the machinery for supervising their implementation. Today the ILO's system of standards and supervision remains intact. That in itself is heartening.

But it will wither away if it is not used, or is used in a discriminatory fashion, just as surely as if it had been formally altered. We do no believe the majority of ILO members want this to happen. And we join those who are committed to resisting either the formal or de facto dismantling of this vital system.

Without strong and independent trade unions we would not be seeing the growing trend toward cooperative labor/management relations. Even before I became Secretary of Labor I was struck by the tremendous potential of such cooperative relationships.

The Director General's Report correctly notes that in the United States the impetus for labor/management cooperation often is economic adversity. Certainly recessions as well as intense competition brought on by deregulation or increasing imports has been a significant incentive for more cooperative efforts.

But those factors do not provide a complete explanation. If they did, the spirit of cooperation would fade as economic growth and prosperity relieved the competitive pressures.

And I don't think that's going to happen.

Why? Because something more fundamental is taking place. In the United States and many other countries the labor force itself is changing—more women, more young workers, better education. These workers often see themselves as more than simply interchangeable parts on an assembly line. They see themselves as individuals—and they demand to be treated as such.

The nature of the work is also changing. New technologies often demand a more flexible approach to the organization of work—one guided by greater interaction, understanding, and cooperation between labor and management.

In the United States we are witnessing dramatic results from such cooperative efforts. In the automobile industry labor and management are working together to ease hardships which may result from the introduction of new technology and other dislocations. One of these agreements includes a $1 billion fund for retraining and reassigning such dislocated workers.

In the Department of Labor in Washington we have established a new labor/management cooperation staff to follow developments of this type. It will, I hope, soon become a resource that unions and management can use to search for successful solutions to specific problems.

That same sort of service could be provided by the ILO on an international basis by collecting and disseminating information on successful cooperative labor/management approaches to solving difficult problems.

Because we attach so much importance to promoting such cooperation, the United States Department of Labor is prepared to provide a special financial grant to the ILO to develop a small pilot project in this area.

Specifically, I would like to suggest that the Director General consider, in conjunction with the Turin Center, holding a tripartite meeting to consider successful experiences of labor/management cooperation in developing effective training and retraining programs in advance of the introduction of new technology.

We all know that the pace of new technology is accelerating. It affects industrialized, newly industrialized, and developing countries alike. Just look at airline reservation offices in virtually any major city in the world to see how far and how fast video display equipment has spread, for example.

All too often, however, the training and retraining needs associated with new technology are only considered late in the game—sometimes too late.

The answer in many cases may be early and close labor/management cooperation to define the training needs and establish an effective joint approach to filling those needs.

What we envision under the proposed pilot project is to have the ILO develop a number of case histories documenting examples of labor/management cooperation in training for new technology. Those case histories, in turn, might serve as the basis for a small tripartite meeting using the Turin Center's vast experience in this field.

The end result might be a report which could be made available to governments, workers, and employers in ILO member countries.

I and my staff are prepared to discuss such a grant with the Director General. This offer reflects, again, the high regard we have for the ILO Secretariat, and for the priority we place on the Organization's technical objectives and activities.

Mr. President, let me conclude by emphasizing something the Director General says in his own concluding remarks: "Where industrial relations are not yet well developed and dialogue is very limited or non-existent, the aim should be to build this unique institution of dialogue."

I can think of no more important role for the ILO than to help promote such institutions of dialogue—whether it be through traditional collective bargaining or through new forms of labor-management relations. It's a difficult task, but one worthy of this Organization.

Thank you.

THE 49TH ANNIVERSARY OF RANDOLPH-SHEPPARD ACT

Mr. WEICKER. Mr. President, today, June 20, 1985, marks the 49th anniversary of the enactment of the Randolph-Sheppard Act, a landmark law for the tens of thousands of blind and visually impaired persons who have benefited from the act.

As this nationwide system providing blind persons the opportunity to operate service stands in Federal and State office buildings enters its 50th year of success, it behooves us to reflect on the tremendous benefits this program has gained for its participants. Lives that could have been lost to the misconception that disability means no ability have instead been fulfilled. Self-worth and realization have replaced dependency. Our Nation as a whole has benefited as much as the Randolph-Sheppard vendors themselves.

No celebration of the Randolph-Sheppard Act would be complete if it did not recognize the tremendous contributions to disabled persons that remain the legacy of the act's sponsor, our former colleague Jennings Randolph of West Virginia. And as we reflect on the act bearing his name, we indeed honor the man who has done so much to improve the lives of so many of our fellow citizens with disabilities.

INTERMENT SERVICES FOR PO2C. ROBERT DEAN STETHEM

Mr. WARNER. Mr. President, it was my privilege, together with the Senator from Maryland [Mr. SARBANES], the honorable Harry Hughes, Governor of Maryland, Congresspersons BENTLEY, BYRON, DYSON, and MIKULSKI to have joined the family and friends of PO2c. Robert D. Stethem, who this afternoon was buried in Arlington National Cemetery, Arlington, VA.

To share with our other colleagues and Americans across our land the very moving services for this courageous young sailor, participated in by an equally courageous naval family, I ask unanimous consent that the words delivered by the Reverend D. Wendel Cover and the statement made by Robert Stethem's father, Mr. Richard Stethem, be printed in the RECORD.

There being no objection the material was ordered to be printed in the RECORD, as follows:

INTERMENT SERVICES FOR ROBERT D. STETHEM

(By Rev. D. Wendel Cover, Pastor, Word of Life Assembly of God Church, Springfield, VA)

Today we stand on this hallowed ground that has been set aside for the burial of those who have served our country in defense of the liberties and justice that we believe God has ordained. We are here to pay our final respect and honor to Robert Dean Stethem. The memory of his life will live on with us, and continue to inspire us to uphold and pursue the cause for which he lived and paid the supreme sacrifice, the giving of his life at the age of 23.

Our faith is in God who sustained and received the spirit of our beloved brother. God has given us the promise to be with us to the end. We live with beautiful memories and strong faith and courage to be true to our call in service to our God, our fellow man, God. Our country, the United States of America, the greatest country in the world.

Not far, perhaps less then 50 miles from where Robert Stetham gave his life for our country, more than 1900 years ago, there lived a man, He was more than a man, prophet and teacher. He is the eternal Son of God sent into our world to point us to the way of Eternal Life, Peace and happiness. His message has been rejected by many and scorned by others. However, we believe He is the answer to the problems of our world of greed, hatred and terrorism He is the christ that Robbie believe in and served,

One writer described this incomparable Christ in the following words * * *

More than 1900 years ago there was a man born contrary to the laws of life. This man lived in poverty and was raised in obscurity * * *

Only once did He cross the boundry of the country in which He lived: That was during his exile in childhood. In infancy he startled a king: In childhood He puzzled the doctors: In manhood he ruled the course of nature, walked upon the billows as if on pavement, and hushed the sea to sleep.

He never wrote a book, and yet all the libraries of the country could not hold the books that have been written about him.

He never wrote a song, and yet He has furnished the theme for more songs than all the song writer's combined. He never founded a college, but all the schools put together cannot boast of having as many students.

The names of the past proved statesman of Greece and Rome have come and gone. The names of the past scientists, philosophers and theologians have come and gone: But the name of this man abounds more and more.

Though time has spread 1985 years between the people of this generation and the scene of His crucifixion, yet He still lives. Herod could not destroy Him, and the grave could not hold Him.

He stands forth upon the highest pinnacle of heavenly glory, proclaimed by God, acknowledged by angels, adored by saints, and feared by devils, as the living personal Christ, our Lord, or Savior, and our God.

Jesus left no book, no tract or written page behind Him. He bequeathed no system, no philosophy, no theology, no legislation. He raised no armies, organized no institutions, held no office, sought no influence. He was no scholar, and yet He is more quoted than any other writer in all of history. His sayings at times are on almost every tongue, and His words have literally gone out into all the world. No man ever laid down his life in Asia or in Africa to translate Plato or Aristotle, Kant or Hegel, Shakespeare or Milton, but hundreds have died to carry Jesus' priceless words to the ends of the Earth. Several hundred languages have been reduced to writing in order to transmit His life giving message. Savage tribes have been uplifted, cannibals civilized, head hunters converted, schools and colleges founded, and the character and culture of individuals and of peoples have been changed as the result of the influence of His words which are creative spirit and life.

Christ gave us the key to happiness and world peace in the Sermon on the Mount in Matthew, Chapter 5.

Blessed are the poor in the spirit: For theirs is the Kingdom of Heaven.

Blessed are they that mourn: For they shall be comforted.

Blessed are the meek: For they shall inherit the Earth.

Blessed are they which do hunger and thirst after righteousness: For they shall be filled.

Blessed are the merciful: For they shall obtain mercy.

Blessed are the pure in heart: For they shall see God.

Blessed are the peacemakers: For they shall be called the children of God.

Blessed are they which are persecuted for righteousness' sake: For theirs is the Kingdom of Heaven.

Blessed are ye, when men persecute you, and shall say all manner of evil against you falsely, for My sake.

Rejoice, and be exceeding glad: For great is your reward in Heaven: For so persecuted they the prophets which were before you.

Our prayer is that soon the Prince of Peace shall return. Then the scripture of Isaiah 2:2-4 shall be a reality.

And it shall come to pass in the last days that the mountains of the Lord's house shall be established in the top of the mountains and shall be exalted above the hills and all nations shall flow into it. And many people shall go and say, Come ye, let us go up to the mountain of the Lord to the house of the God of Jacob and he will teach us his ways and we will walk in His paths for out of Zion shall go forth the law. And the word of the Lord from Jerusalem. And He shall judge among the nations and shall rebuke many people:

And they shall beat their swords into plowshares and their spears into pruning hooks, nation shall not lift up sword against nation, neither shall they learn war anymore * * *.

And as the Apostle John in Revelations puts it:

The Kingdoms of this world shall become the kingdoms of our God and He shall reign forever.

For as much as it hath pleased our Heavenly Father to take unto Himself our beloved Robert Dean Stethem, we here commit His body to the ground. We will always cherish the memory of this outstanding young American who in bravery gave his life while in the service of his country. May the seed that is planted reap great results both now and for eternity. May it be the means of stopping the violence, terrorism, and suffering of innocent victims of terrorism throughout the world. In faith we look forward to the time we shall be reunited with him.

For the Lord Himself shall descend from Heaven with a shout, with the Voice of the archangel, and with the trump of God: And the dead in Christ shall rise first: Then we which are alive and remain shall be caught up together with them in the clouds, to meet the Lord in the air: And so shall we ever be with the Lord. (I Thessalonians 1:16-17).

STATEMENT BY MR. RICHARD L. STETHEM, FATHER OF ROBERT D. STETHEM, INTERMENT SERVICES FOR HIS SON

We wish to express our gratitude to all who have been praying with us.

We thank all who have come to us, giving us strength and support.

Let us continue to pray for the families of the hostages and pray for their safe return home.

Robert's spirit and love for life will live with all of us forever.

ALOIS MERTES

Mr. MATHIAS. Mr. President, several weeks ago, in the wake of the Bitburg controversy, Alois Mertes, my neighbor at a conference (we were seated alphabetically) passed me a note, which said, in effect:

The Senate resolution on Bitburg should not have ignored German soldiers who were not Nazis—Germans such as Richard von Weizsaecker, Helmut Schmidt, Franz Josef Strauss, Walter Scheel, Alois Mertes.

It was typical of Alois Mertes that he was committed to a better understanding between Germany and the United States even when he felt personally hurt and aggrieved. His constituency, including Bitburg, had steadfastly opposed Hitler and Nazism at the polls, so he felt it was less than justice to have it branded as a den of Nazis. But instead of cursing, his method was to inform, convince, and persuade. He did so at more than one forum, including a notable address to the 79th Annual Meeting to the American Jewish Congress in New York City on May 2, 1985.

I cite this incident, not because it was the last that I know about Alois Mertes, but because it was typical of him. He felt deeply about principles such as justice and freedom and they were threatened he spoke out. Another notable instance was his response, as a Catholic layman, to the pastoral letter of the Roman Catholic bishops in the United States on the subject of nuclear armament. Only a deeply committed individual would have attempted it and only a broadly educated and thoughtful one could have achieved it.

And now Alois Mertes is dead, struck down by a heart attack at the age of 63 while he was serving as Minister of State in the Foreign Office of the Federal Republic of Germany. The German people have lost more than a public official, they have a wise and compassionate citizen who was a faithful servant in the finest tradition.

America has lost a friend who cared enough about friendship to set the record straight when he thought it

needed correction, and one who would fight for us when he was convinced that we were right. He was a historian and made his judgments in the long sweep of history. But Alois Mertes was a man of feeling and a man of compassion whose deep humanity will be missed at the highest levels of world affairs.

WEST VIRGINIA'S BIRTHDAY!

Mr. ROCKEFELLER. Mr. President, today is West Virginia's official birthday. It was on this day in 1863 that West Virginia took her place as the 35th State in the Union.

Many historians claim that West Virginia's birth came as a response to slavery, but West Virginia's history began long before the Civil War. Impelled by a sense of curiosity and adventure, Virginians began to probe the unknown West. In 1670, John Lederer climbed the Blue Ridge Mountains to gaze down upon the Shenandoah Valley. In 1731, Morgan Morgan settled in today's Berkely County. And prior to and after the American Revolution, George Washington took a great interest in the Kanawha Valley.

Washington developed great respect for the character and resourcefulness of those early pioneers who chose to settle in northwestern Virginia. In the midst of the Revolutionary War, he once declared that if all else fails he was prepared to "repair with a single standard to West Augusta (as northwestern Virginia was denominated), and there to rally a band of patriots who would meet the enemy at the Blue Ridge, and there establish the boundary of a free empire in the West."

Washington filed claims to nearly 34,000 acres of present-day West Virginia. Along with other claims was a Kanawha Valley plantation site of about 11,000 acres just downstream from today's Charleston, the present capital. It was there on the banks of the Kanawha River that Washington launched a small but thriving settlement. Washington saw that northwestern Virginia's mountain wilderness encompassed a vast and promising potential.

Northwestern Virginia began to grow in many ways often at odds with its eastern neighbors. Since the Alleghenies were so forbidding, east-west travel was difficult. As a result, northwestern Virginia was settled mainly by New Englanders, New Yorkers, and Pennsylvanians who emigrated into Virginia via the Ohio River. Budding coal, iron, and chemical industries likewise set northwestern Virginia apart from its predominately agrarian compatriot.

In spite of such differences, however, northwestern Virginians played an active role in Virginia's antebellum political life. Allied with like-minded reformers from Virginia, they brought together the "Reform Convention" to equalize representation in the Virginia General Assembly for the counties beyond the Blue Ridge Mountains.

Even though some concessions were made to the west, there still remained many sources of friction between the eastern and western parts of the State. The breaking point came in April 1861, when Virginia, responding to the firing upon Fort Sumter, passed an ordinance of secession and cast her lot with the Confederacy. This caused the West Virginia delegates to leave Richmond and return home to promote Unionist sentiment.

Conventions were held, and constitutions were formed, and a bill providing for the statehood of West Virginia was sent to Washington. After careful reflection and consultation with his Cabinet, President Abraham Lincoln signed the bill whereby West Virginia was to be added to the Union as a new State.

On April 20, 1863, President Lincoln issued a proclamation stating that 60 days from that date West Virginia should enter the Union.

Thus on June 20, 1863, West Virginia became the 35th State of the Union.

Mr. President, I am proud of West Virginia and her heritage, and even prouder to represent her people. West Virginians are a sturdy people, living and working in one of our country's most beautiful regions. A State famous for its high mountains, rushing streams, and vast forests, West Virginia is truly "Wild and Wonderful."

I wish a very happy birthday to West Virginia and for all West Virginians a future that will fulfill and surpass George Washington's dream for that wilderness empire in the West.

NATIONAL SAFETY IN THE WORKPLACE WEEK

Mr. DOLE. Mr. President, the week of June 16 to June 22 marks "National Safety in the Workplace Week." The designation of this week and the activities that have been planned give us an important opportunity to reflect on this country's progress in upholding necessary health and safety guidelines in the workplace.

Necessity being the mother of invention, we should remember that our most basic protections against on-the-job accidents come from experience. For instances, it has been many years since the tragedy at the Triangle Shirtwaist Co., but in recalling the horrors of that day, we can, perhaps, gain a fresh perspective on the need to maintain a careful awareness of health and safety practices in the workplace. On March 25, 1911, at the Triangle Shirtwaist Co., a fire started in a rag bin. One hundred forty-six workers died in that tragic fire because fire hazards were consistently ignored, exit doors were locked from the outside, and fire ladders could not reach to the upper floors of the building.

Mr. President, we are rightly shocked at the thought of such an event taking place in these times, and we are fortunate to be confident that it would not. The Triangle fire, and a frighteningly high rate of other similar occurrences, prompted significant reforms in safety standards and an awareness of the dangers of inadequate prevention practices. We have made tremendous strides in improving health and safety protections, but an awareness week serves to highlight the need for ongoing efforts to improve prevention programs, as well as to showcase our achievements.

The American Society of Safety Engineers, in particular, deserves special mention for their work in protecting against on-the-job accidents and injuries. Their motto is "Safety Through Education," and they have joined with Government agencies, business, and industry, to promote in-house education and training and an increased awareness of employee and employer responsibilities for a safe working environment.

We can hope that these and other efforts to make good use of this week will be successful in leading to ever lower incidents of injuries on the job.

A SPECIFIC PLAN TO COMBAT WORLDWIDE TERRORISM

Mr. PRESSLER. Mr. President, as chairman of the Subcommittee on European Affairs of the Senate Foreign Relations Committee I feel compelled to address the hostage situation. Mr. President, the hostage crisis in Lebanon has aroused justified anger throughout this country. Innocent people are being threatened by a fanatical group of terrorists who put their own political and social views above any regard for human life. This contradicts every principle our country is based on. We cannot understand it.

There have been many speeches anguishing the fact our citizens are being held hostage. America represents a hope that peace and reason can overcome passion and fanaticism. An attack like this one is an attack against the ideals our Nation stands for. It is an attack against the soul of our Nation.

Although many have eloquently expressed our anger over the situation, there have been few concrete proposals recommending specific solutions to the problem of terrorism. On Monday I was the first to publicly call for a review of airport security at Athens International Airport. But this is a minor matter in terms of the terrorist

problem. Today I would like to express my ideas of what actions could be taken to solve the overall terrorism problem. These suggestions are included in a letter to President Reagan that I am sending today. We can talk about the problem all we want. We can express anger all we want. But the problem can only be solved by taking effective actions to combat the growing terrorist threat.

Secretary of State Shultz recently suggested that we develop a special Intelligence and Paramilitary Organization with broad authority. Although this idea was criticized by the media and many Members of Congress, this crisis demonstrates that there is a definite need for such a force. This force should be given the authority to track down and kill organizers of terrorist activity. The force could make pre-emptive strikes under some limited circumstance. This may sound severe. I certainly do not believe that this authority should be used unless it is very clear who the organizers are. Nonetheless, terrorists who threaten, take hostage and kill innocent people, deserve no special treatment. Some may argue that such action would violate their rights. But their actions are designed to destroy the system of government that acknowledges these rights. They have no regard for the rights of others. Their attacks are in essence an act of war against our Nation and our ideals. This is not a matter of enforcing civil laws. This is a matter of repealing an attack against our Nation and our ideals.

Second, I would urge the news media to reach an informal agreement with the President not to report the movements of our military forces during a terrorist crisis. These reports give the terrorists knowledge of every move we make. It makes it easy for them to plan ways to avoid or resist rescue attempts. I understand that the media has shown restraint during this crisis upon request by the Department of Defense. Such restraint—and perhaps a bit more—is needed to give the President more leeway to work toward a solution to a crisis. An agreement along these lines before a crisis begins would be clearer and more effective than the restraint on request methods now utilized.

Third, it is necessary that the Western countries apply strict and severe sanctions against any country that cooperates with or harbors terrorists. Again, an agreement beforehand with our allies would better ensure the workability of such sanctions. It must be clear that we will not tolerate any country aiding or assisting international thugs. We must design sanctions that hurt. These sanctions should include, but not be limited to, sanctions on trade, a moratorium on bank loans, and a freezing of overseas assets.

Fourth, we must rally all the civilized nations of the world together to condemn and pledge to combat terrorism. This is important. Terrorism is an act of war against the civilized world and all its institutions. Together, with the other civilized nations of the world, we can work together to eliminate this terrorist threat. This could take place in the form of an International Organization on Terrorism. The specific actions of this international effort should include:

First, an inventory of the substantial strengths and resources of the civilized world to combat terrorism;

Second, a coordination of intelligence activities between countries to combat international terrorism;

Third, an agreement to deal with captured and convicted terrorists in such a way as to ensure that they will never engage in terrorist activities again;

Fourth, a coordinated effort to apply diplomatic and economic pressure on any governments aiding or fostering terrorism; and

Fifth, publicizing in all appropriate ways to the willingness of the civilized world to do whatever is necessary to combat terrorism.

Many will argue that such a multilateral effort is impossible given the divergent economic and political interests of the nations that would need to be involved for the effort to be successful. I disagree. The tide of terrorism is sweeping the world. Terrorism is engaged in by a ruthless, tyrannical, and fanatical few. The civilized nations of the world are not helpless. We can respond to the threat. We have the resources. If we combine these resources with courage, will, and conviction to act, terrorism can be defeated. The civilized nations of the world, confronted with this growing threat, will recognize the need to act together. The United States, through strong unilateral actions against terrorism, can provide the impetus to get such a multilateral program started. I would urge the President to begin consultations with our allies about such a program as soon as possible. Together, the civilized world can pool its resources to combat the forces of terror and anarchy.

Finally, it is imperative that the United States, as a matter of principle, refuse to give in to any terrorist demands. Without exception. We should not negotiate; we must never give in. The terrorists must know that they have no hope of having their demands met. We must take away their incentive to act.

These ideas are, of course, not entirely applicable to the present crisis. The President is handling this crisis well. Actions must be taken, however, to combat future terrorism. This is a long-term proposal. I would hope that the President seriously considers implementing these suggestions even before this crisis is resolved.

I have no illusion that these actions would be a fool-proof system against future terrorist crises. But the very existence of such a system would likely preclude most terrorist actions.

The time to act is now. We must take every action possible to combat the growing terrorist threat. We need a concrete program. We need to make sure that terrorists know that the United States and the civilized world will act. I believe that the proposals outlined here would be a good starting point for such a program. At least we would have a systematic program—at present we have no comprehensive program.

AN UNOFFICIAL AND PROVOCATIVE ASSESSMENT OF THE CURRENT SOVIET LEADERSHIP

Mr. PELL. Mr. President, with the steady deterioration in superpower relations having produced a sharp reduction in United States-Soviet contacts, we are now operating with only the most minimal firsthand knowledge of the new Soviet leadership. Indeed, at this juncture we stand heavily dependent upon Soviet public statements and unofficial contacts for insight into current Kremlin policy. One such unofficial contact occurred recently with a visit to Moscow by Arnold Saltzman, chairman of Vista Resources, for a series of discussions with top Soviet officials. A former Ambassador in the Kennedy and Johnson administrations, and a man well versed in the intricacies of diplomacy and East-West relations, Mr. Saltzman brought an experienced perspective to this exposure to current Soviet thinking.

Upon return, Mr. Saltzman summarized his views in a report which I wish to share with my colleagues and other readers of the RECORD. Mr. Saltzman's analysis points to a serious prospect that the Reagan administration's strategic defense initiative—and the Soviet response to it—may be carrying us inexorably into an ever more dangerous era of strategic competition. Accordingly, I ask unanimous consent that the text of Mr. Saltzman's provocative report be printed in the RECORD.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

REPORT BY ARNOLD SALTZMAN

Pursuant to an invitation from Soviet government officials, I have just returned from 5 days of discussions about political, military and economic issues that affect bilateral relations between the United States and the U.S.S.R. I met with officials of the Institute of U.S. and Canada, the Foreign Ministry, the Chamber of Commerce and Industry, the United Nations Association, the State Planning Committee (Gosplan), the Institute of World Economy and International Relations and the Central Committee

of the Communist Party—sometimes alone and on occasions accompanied by several members of the Business Council for the United Nations. The conversations were lengthy, open, direct and largely free of polemics—no doubt aided by the fact that I am at present not an official of our government. While all of the conversations differed in content, the armaments race was central in every case.

Because of the recent change of leadership in the Soviet Union there is great current temptation to dwell on Chairman Gorbachev and the top players in the Polit Bureau and/or the Central Committee. While, indeed, these changes should be analyzed as to how this will effect the Soviet Union internally and also relationships between the U.S.S.R. and the U.S.A., it is essential to stress the basic tenets which are at the foundation of the Soviet Union's policies, which circumscribe Gorbachev's actions and preclude the likelihood of dramatic change soon.

First and foremost there is the dedication of both the government and its people to the preservation of the safety and integrity of Mother Russia. That deep feeling has been true under the Czars and is equally true under communist authority. It is intensified by the various wars fought on Russian soil and the memory of their dead.

Second is the desire of the government to spread its ideology. The party in the U.S.S.R. considers itself the "keeper of the flame", looks askance at the "goulash communism" of Hungary or the semi-capitalistic adventures underway in China and is determined to keep their socialism pure.

The third major concern is the preservation of zones of control separating the U.S.S.R. from opponents or potential adversaries. Thus, the Warsaw Pact countries are in part allies and in part buffers. Poland and East Germany serve that dual purpose particularly well as a bulwark against West Germany. There are also spheres of opportunity such as Afghanistan which brings the Soviet Union closer to the Near East and also, under Soviet domination, helps allay the Soviet concern about the large Moslem population in the U.S.S.R.

The fourth time honored desire of the Russians has been to be a major player in the Near East, in its oil and in the Persian Gulf's strategic waters. It is part of the old Russian "drang nach Osten." Their influence has waned somewhat over the last dozen years while the U.S. influence has increased. But the Russians still have clients in that area and will continue to try to extend their influence.

These bedrocks of Soviet political philosophy are fixed, not subject to substantial change no matter who the leadership may be.

There has been considerable confusion and misunderstanding in the U.S., both because of excessive pessimism or over-optimism in regard to relations between the U.S.S.R. and the U.S.A. We have, at times, assumed some change because of the way in which the Soviet Union pursues these four bedrock policies—but actually they are intractible. The Soviet Union's incursion into Afghanistan did not really mark any substantial change in the Soviet Union's policy, although it may have been so perceived by many in the U.S. It does not suggest any change on the part of the Soviet Union's attitudes towards Central America, Latin America, or any other area that did not already exist during "friendlier" periods.

Part of the alternating optimism and pessimism within the U.S. vis-a-vis the U.S.S.R. is not only how we perceive the actions of the Soviet Union, but also is a product of how the U.S. varies its own perception of its role in the world, and the steps we take to counter Soviet ideology. We are in a more active period of the "the containment of communism" than was true under President Ford, President Nixon or even under President Carter. Thus, the breakdown of detente is obviously a two-way street; in part the U.S. reacts to actions by the Soviet Union and in part the Soviet Union reacts to "we will see communism on the ashheap of history" or acts we take. But it is easier for the Soviet Union to maintain a consistent and largely inflexible policy in regard to its bedrock principles referred to above than is true of the U.S.—since our purposes are not as clearly defined.

All of this background needed to be stated before we could try to understand what are the actions we can look to from the Soviet leaders. Gorbachev did not become chairman of the party because of a basic shift in Soviet philosophy.

Listed below is a checklist of what the Soviets are thinking and planning. It is a summary of what they told me.

In regard to U.S./U.S.S.R. relations, all the tensions are the fault of the U.S.

I. In the military area—

(a) The U.S. does not wish an accommodation at Geneva. Star Wars is offensive and destabilizing. Regarding SDI, the Russians are prepared to agree to large mutual nuclear reductions if we abandon Star Wars in space. In fact, they intend to make that proposal in concrete terms at Geneva. If the U.S. persists with SDI, as I assured them we would, they will not wait for a change in policy, but will move with massive steps of their own—offensive in nature—to interdict Star Wars. They say it will be quicker and cheaper. They add such space adventuring is madness because once begun it has a self-generating momentum that cannot be contained (as is now possible with the existing weapons).

(b) The U.S. will not agree to a no first strike pledge which the U.S.S.R. has made—further proof of untrustworthiness and intransigence by the U.S.

(c) They claim parity exists between NATO and the Warsaw Pact in troop strength and weaponry and offer substantial force reductions which the U.S. rejects.

(d) They concentrate over and over on Star Wars as the key repeatedly explaining why it is destabilizing. They add that Weinberger considers it offensive—"that if the U.S.S.R. had it too it would be disastrous to the U.S." They add that even putting the Pershing Missile in Germany—8 minutes from Moscow—was equated by their putting nuclear submarines close to U.S. shores—thus again mutual deterrence. But our Star Wars and their counter-effort would forever change the balance.

(e) They will make their points at Geneva, to the world press and to the Peace Movement—they think the U.S. will be shown as the impediment to peaceful coexistence. (Their own Peace Movement is government sponsored. In addition, there is a small, frowned upon, spontaneous peace effort.)

II. In the area of trade and normal relations—

(a) They propose normal trade relations which the U.S. rejects or impedes. The U.S. does not grant MFN or I.M.F. accommodations.

(b) The U.S. bans technological export—which they understand and accept—but they say the U.S. calls almost anything strategic, most of which is not—just to put sand on the tracks.

(c) The U.S. cuts across existing contracts—validly made and approved—thus making normal trade arrangements a farce.

(d) The U.S. periodically restricts trade for political purposes.

(e) The U.S. limits or prevents exchanges of all kinds.

(f) The U.S. still bans Aeroflot from landing in the U.S.

III. In the area of general attitudes, the U.S. is warlike, war mongering and insulting—

(a) They point to public statements by President Reagan, Weinberger and Bush, all of which have been recorded in the press, including "the U.S.S.R. is an evil empire" and "communism will be found on the ashheap of history" and Weinberger talking of limited nuclear strikes.

(b) At several levels they referred to the Truman/Stimson exchange of 1950 which, the Soviets say, called for an atomic attack against them in 1957. (It is difficult to accept this as their true belief or whether they were scoring points.)

(c) They claim they have a greater desire to understand the U.S. than we them, adding they have more teachers teaching English than we have people learning Russian.

Thus, the bottom line for them is that the U.S. promotes confrontation, wants to perpetuate the arms race, and will not even allow trade and normal exchanges to act as a partial bridge to accommodation. They were not belligerent or threatening in tone with me—just very sad—but firm in their resolve to meet whatever came. They are absolutely "spooked" by Star Wars.

Before turning to the U.S.S.R.'s internal situation, there is a matter to which I attach great importance. At a private meeting with the Central Committee, Zagladyn offered the following. "The armaments situation which threatens to explode makes no sense. Nowhere do our vital interests threaten each other—neither how we relate to Afghanistan or you to Central America. We understand that unlike us you and your allies need the Middle Eastern oil—that you need to be secure about that and also as to the routes that get you there. We are prepared to affirm those legitimate needs on your part." There was no quid pro quo mentioned other than a better climate.

In the 2½ hour meeting much of the time was spent on armaments since they feel that unless that is put to bed no modus vivendi is possible. I told them that President Reagan was resolute in his intention to proceed with SDI and most Americans accepted his concept that it was defensive in nature. He said if so too bad because it is offensive. If left unmatched it would leave the U.S.S.R. naked to nuclear attack and the U.S.S.R. was not waiting for a new administration to possibly back off. They would respond "not with a mirror image but with something quicker, cheaper and possibly more destructive." However, they intended to make concrete proposals at Geneva for massive reductions in nuclear armaments and would see what might occur.

In regard to the Soviet's internal situation, I learned the following:

(a) As I expected, there are no revolutionary changes on the horizon.

(b) Specifically, they will not move towards the Hungarian or Chinese economic approaches—which they consider to be anathema to true Socialism. They will not

broaden the opportunity for private property or individual profits.

(c) The reforms they speak of are system reforms designed to increase productivity, improve quality, get better performance by workers, managers and administrators.

(d) Much of this they hope to accomplish by "putting into practice what Andropov had already put on paper." They are going to use more carrots than sticks since they have just announced a 20% increase in pay for lower wage-earners, 25% for teachers and very high bonuses for engineers, scientists, etc. who invent improvements. But they will also maintain low prices on basic foods which are subsidized, keep housing at 5% of salary, and in fact aim at lowering the prices of autos.

(e) The new 5 year plan in work at Gosplan will have, as a high priority, raising living standards with emphasis on improving quality in addition to quantity.

(f) Special emphasis will be placed on:

1. Improving the railroad system, especially in Siberia.

2. Increasing production of basic chemicals.

3. Increased atomic energy capacity even though they claim to have plenty of oil, gas and coal.

4. Developing more oil from Siberia.

5. Increasing agricultural production and particularly moving harvests more speedily and efficiently from farm to market.

(g) Managers of individual enterprises will be encouraged to talk to other managers and to use more initiative with greater pay for better performance of workers and managers. But all strategic decisions must be "central" and managers need to solve problems in such a way as to benefit the economy as a whole. At the same time, enterprises, while more efficient and more productive, need to be self-financing.

(h) Another example of using persuasion to get results rather than Draconian measures is the way the Politburo just decided how to handle the drinking problem. Instead of raising the price of vodka, which last week was widely rumored, there will be slogans, advertising, regulations limiting drinking for those under 21, pressure through shop committees as well as less production of vodka.

(i) They especially want to acquire industrial technology and admit that technologically and industrially they lag behind the West. But their military plants are better than the rest since they get first crack at engineers, modern machinery, materials, etc.

ADDITIONAL GENERAL OBSERVATIONS

(a) The Soviet economy is not in trouble and while not meeting the plan is growing—possibly at about 2%.

(b) Unlike Poland, which I visited last year (by invitation), the people do not seem down. Food, clothing and even appliances are available, although by Western standards the variety is limited. Apartments are small but cheap, basic foods are cheap, public transportation is excellent and cheap. We will not bring them down by economic pressure. They may elect to change as they see the examples of Hungary, China, etc., but at this moment there are no signs of that—and I searched for them.

(c) Gorbachev has moved and is moving rapidly to put his economic team in place but not stepping on Gromyko's toes in foreign policy. For the time being, we should expect nothing different there except in style. Gorbachev is young, vital, is good with the media and a match for Western politicians. Also, unlike our President, he has the advantage of no "backbiting" at home.

At this point, he is moving about rapidly (we left for Leningrad at the same time). He is operating like the head of a giant conglomerate—calling on his lieutenants, personally exhorting and instructing, showing the flag, and knocking the rust off the administrative machinery that accumulated during the old and sick leadership. He is concentrating on the economy and on administrative reform with a high priority of improving the standard of living in the U.S.S.R.

(d) Their political strategy is in place and relates primarily to the armaments race. They will not permit SDI to go forward without making their own response. They will make concessions if we abandon "Star Wars". They will recommend major mutual arms reductions at Geneva and seek to embarrass us if we seem to drag our feet. The no first strike pledge and the moratorium on testing, to which we have not affirmatively responded for strategic reasons, will be grist for their propaganda mills in Europe particularly, and the U.S. as well. Star Wars will be played the same way. Star Wars is the key to disarmament talks at Geneva—the key to whether there can be improved relations

ARCH MACDONALD, A TV PIONEER

Mr. PELL. Mr. President, I was saddened earlier this month to learn of the passing of Arch Macdonald, 73, a television pioneer who helped to set high standards for news programs in New England.

Mr. Macdonald began his career in radio before World War II and in experimental television in the 1940's. He gave WBZ-TV's first newscast in 1948 and earned his place as one of New England's most respected newsmen.

One of the first television interviews I gave was with Mr. Macdonald before my election to the Senate in 1960. I will always remember that cold, winter morning when I was very nervous and he put me at ease.

He interviewed four Presidents, including President John F. Kennedy, who made his television debut with Mr. Macdonald. And the celebrities he has interviewed include Arthur Fiedler, Ethel Barrymore, and Eleanor Roosevelt.

I would be remiss if I did not note that Mr. Macdonald grew up on Warwick, RI and graduated from Providence College in 1938.

President Reagan described him in a 1984 letter as "a Boston institution—like Old North Church, the Pops and the Red Sox." Mr. Macdonald was much more.

Mr. Macdonald was a New England institution and his legacy as a gentleman and a first-rate news reporter is one that we all will remember and cherish.

Mr. President, I ask unanimous consent that an article from the Boston Sunday Globe, June 2, 1985, entitled "Arch Macdonald, 73: A Pioneer in New England Television News" be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

ARCH MACDONALD, 73; A PIONEER IN NEW ENGLAND TELEVISION NEWS

(By William P. Coughlin)

Arch Joseph Macdonald of Needham, the first person to broadcast a television news program in New England and a man who went on to become a dean of radio and television broadcasters in the area, has died at 73.

His wife of 43 years, the former Ethelda (Jerry) Stoddard, said he died Friday in Glover Memorial Hospital in Needham.

She said Mr. Macdonald was stricken after his 98-year-old mother, Mary (Chisholm) Macdonald, died in his arms on Mother's Day.

Mr. Macdonald suffered a massive heart attack on May 16, the day after her funeral, and had been in worsening condition since.

From June 9, 1948, when he sat on a nail keg with propped-up pine boards for a desk and gave WBZ-TV's first newscast on Channel 4, Mr. Macdonald held his place as one of New England's most respected newsmen.

Seen as a survivor, colleagues said, in an industry attuned to youth and new flashy personalities, he began his career in radio before World War II and in expermental television in the 1940s, when the studio lights were so hot he lost 15 pounds.

After 21 years with Channel 4, he became anchorman and public affairs director for Channel 56 (1969 until 1972) and then until 1976 he was with WCNC-TV (Ch. 7) as well as a lecturer in broadcast journalism at Suffolk University.

He returned to radio and in December 1983 retired as editorial director of WRKO radio station.

"He was the pioneer who set standards for the lot of us." said John Henning of WBZ-TV. "I've never heard a bad word about the man. He was a gentle man in the truest sense.

Jack Hynes of Channel 56 recalled "There was not a bit of ego about him."

Mr. Macdonald had announced, acted in and directed shows of every kind from soap operas to documentaries from the time of his first assignment as a Boston Symphony commentator for NBC, CBC and BBC. He also produced and did the announcing for radio programs featuring the bands of such musicians as Glenn Miller, the Dorsey brothers, Harry James, Gene Krupa, Vaughn Monroe and Xavier Cugat.

He had been producer-writer, assistant traffic manager and director of promotion for NBC in addition to his work in news and special events before World War II gave him a new career—as a Navy assault group commander with the 4th Marines on the beach at Iwo Jima. Mr. Macdonald earned a Bronze Star with a Combat V there, and later was attached to Admiral Chester Nimitz' headquarters.

One year after his first newscast Mr. Macdonald became the WBZ-TV "Nightly Newsteller." He anchored the highly rated Channel 4 show until 1969.

Mr. Macdonald was the first president of the New England Chapter of the American Federation of Television and Radio Artists.

President John F. Kennedy made his television debut with Mr. Macdonald.

And in 1968, when the late Cardinal Richard Cushing claimed the Boston media had

misrepresented his views on the marriage of Jacqueline Kennedy to Aristotle Onassis—a marriage that involved an annulment of an earlier Onassis marriage—Mr. Macdonald was first to get the cardinal's answers to widespread criticisms.

Among celebrities he interviewed over the years were four presidents, and among those he profiled on his "First Person Profile" were Arthur Fiedler, Ethel Barrymore and Eleanor Roosevelt.

But Bay State politics was his forte from the time he began New England television coverage of elections from the city desk of the old Boston Globe on Washington Street with the late James Michael Curley as a commentator. In 1948 he gave the first all night television report on vote returns as President Harry S. Truman slowly upset Thomas E. Dewey.

A native of Fort Lauderdale, Fla, he grew up in Warwick, R.I., where he called himself an "also ran in track." At Providence College (Class of 1938), his violin led classical and dance orchestras and he was active in drama, singing, literary clubs, debating and sociological work with convicts.

In the beginning on TV, everything was live, nothing taped and everyone saw the mistakes. Mr. Macdonald recalled one early gaffe:

"One night, I had a science show on ahead of me with snakes. . . These snakes were getting pretty warm under the lights. . . . They were being picked up with a hook when one slithered away . . . I was across the studio. The guy behind the camers saw it coming and locked his camera and ran. Then the control room was ready to go, and when the red light came on. I was sitting on the desk, not behind it: you could hear the snake rattling. . . ."

Among his cherished honors was a testimonial in May 1984 when a letter from President Reagan called him "a Boston institution—like Old North Church, the Pops and the Red Sox."

Among numerous other awards, he received the 1983 National Academy of Television Arts and Sciences Governors' Award for his lifetime of work.

He also leaves a brother, Daniel G. MacDonald, and sister, M. Marjorie Macdonald, both of Warwick. A funeral Mass will be said at 11 a.m. tomorrow in St. Joseph's Church, Highland Avenue, Needham.

Mr. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

Mr. HATFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Morning business is closed.

SUPPLEMENTAL APPROPRIATIONS, 1985

The PRESIDING OFFICER. The Senate will now resume consideration of H.R. 2577, which the clerk will report.

The assistant legislative clerk read as follows:

A bill (H.R. 2577) making supplemental appropriations for the fiscal year ending September 30, 1985, and for other purposes.

The Senate resumed consideration of the bill.

Pending:

(1) Byrd Amendment No. 367, to establish a national commission which may be called for convenience of expression, the National Commission on Espionage and Security, to conduct an investigation and study with respect to the adequacy of counterespionage, counterintelligence and security activities of the United States in the protection of vital secret defense, foreign policy, and intelligence information of the United States against the efforts of hostile foreign powers to obtain such information.

(2) Byrd Amendment No. 368 (to Amendment No. 367), of a perfecting nature.

Mr. HATFIELD. Mr. President, at this point, we have a pending amendment which is offered by the Senator from West Virginia, the Democratic leader. We have a committee amendment and we have a number of other amendments which have been rumored and otherwise indicated may be offered.

For the benefit of those Senators not on the floor, the Senator from Louisiana, Senator JOHNSTON, and I, as the comanagers of the bill, would urge Senators who have amendments to offer to please come to the floor and do so. It is our hope and expectation that once we dispose of the committee amendment, which is an amendment dealing with BLM and Forest Service transfers of lands, on which the Senator from Arizona [Mr. DECONCINI] and the Senator from Idaho [Mr. MCCLURE] are engaged in negotiations at the moment, and disposal of the Byrd amendment, that we would expect them to have cleared and handled most all of the other amendments and be ready to move toward third reading. We would expect to be able to do that today and complete the bill today.

The majority leader has indicated that he is willing to continue the consideration of this bill until it is completed tonight. It is hoped that we could complete it perhaps this afternoon. But we must complete it in order to provide for sufficient time to go to conference with the House of Representatives and from there, of course, to get the bill to the President before our July 4 recess.

So, once again, the Senator from Louisiana and I are here to do business and welcome the opportunity to complete any consideration of amendments that Senators may have or wish to offer to this, the supplemental appropriations bill.

Mr. JOHNSTON. Mr. President I concur with the remarks of the distinguished chairman of the Appropriations Committee. I might say that I know of two amendments, that is the pending amendment, the amendment by the Senator from West Virginia [Mr. BYRD] and the committee amendment on which we hope that the Senator from Arizona [Mr. DECONCINI] and the Senator from Idaho [Mr. MCCLURE] will have an agreement, but in any event should be ready to work that out.

I have received from my side no other requests for amendments. So I am hopeful, from our standpoint, that we could go to third reading by early afternoon, and I know of no reason why we could not. I think we ought to put that out as a goal that will try to push for.

Mr. HATFIELD. I thank the Senator.

Mr. STENNIS. Mr. President, will the Senator yield to me?

Mr. HATFIELD. I am happy to yield to the ranking member of the Appropriations Committee.

Mr. STENNIS. Mr. President, I am interested in a matter that is not in the form of an amendment yet. Other Senators from other States are also interested in it. I would like for it to be brought to a head as to whether we are going to offer anything. I will get in touch with whomever I can. I have called some of them.

I would not want to indicate we would or would not offer an amendment, at least not yet. We will try to get an answer within an hour.

Mr. HATFIELD. Mr. President, we, of course, would always accommodate the Senator from Mississippi for whatever he might wish to offer.

I join with the Senator from Louisiana in indicating that from our side I have not been informed by individual Members that they have amendments to offer. Perhaps the so-called rumor list that we have might just disappear, hopefully. So we do not really have any specific amendments that we have been alerted to on our side, either.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 368 TO AMENDMENT NO. 367

Mr. BYRD. Mr. President, the amendment which I have offered on behalf of myself and other Senators—Senator JOHNSTON, Senator EAGLETON, and Senator LEAHY—would establish a National Commission on Espionage and Security. This proposal is a response to published reports which have come to the attention of all of us since the first arrests were made in the Walker spy case a few weeks ago—reports which have led those of us who are sponsoring the amendment to conclude that an exhaustive examina-

tion of our entire counterintelligence apparatus is long overdue.

This view is shared by all former top officials of our Government with whom I have discussed this problem over the past several days.

I have discussed this subject matter with former President Carter, and with former President Nixon. I have discussed it with former Secretaries of Defense, Dr. Harold Brown and Dr. Schlesinger. I have discussed it with former National Security Adviser, Mr. Brzezinski, and I have discussed it with former CIA Director Stansfield Turner. I have discussed it with various Senators. And, incidentally, I welcome the cosponsorship of additional Senators today. All of these persons with whom I have discussed this matter, support the effort. I think it should be said that they all feel time is wasting, and that we ought to get on with this. I discussed it with President Reagan the day before yesterday. He indicated that he would have his staff look carefully at the resolution which I introduced earlier this week, and since then, of course, I have elected to offer it as an amendment to the pending legislation.

I feel that this is the earliest appropriate vehicle to which the amendment can be meaningfully offered and attached, if it is the will of the Senate to so attach it.

As I said earlier this week, Congress cannot afford to authorize billions of dollars for the most sophisticated weapons and intelligence systems which our technology can produce, only to learn that the details of these systems may be in the hands of our potential adversaries within days of their deployment.

There have been reports that 4.3 million individuals have been cleared for access to this kind of information affecting our national defense. The clearance process is said to be inadequate and, at times, perfunctory. Every one of these cleared individuals is a prime target for recruitment by the hundreds of Soviet agents in this country. Our counterintelligence forces, which are designed to counter this threat, are said to be undermanned. The volumes of classified information reportedly grows and grows and grows, and the entire classification system is held in considerable disrepute. This situation cannot be allowed to continue. Reports surrounding the Walker case have included allegations that a major espionage ring has been operating right under our noses, so to speak, undetected for perhaps as long as two decades.

The national commission which is being proposed here would seek to ensure that we will never be that vulnerable again.

I do not look upon this commission as a partisan entity. I do not look upon this effort to devise legislation which would provide for a commission, as partisan. I do not see in this any effort or any misunderstanding that this legislation is designed to be partisan—designed to go after any President, after any administration, either political party, or any Department head. I see it as an effort to find the gaping holes in this security sieve and attempt, for the future, to remove those holes, or certainly to plug them.

It seems to me that such a commission would be able to come forward with a report and recommendations which the Congress would find beneficial in shoring up our national security.

Mr. STEVENS. Will the Senator yield?

Mr. BYRD. Yes; I yield.

Mr. STEVENS. Mr. President, let me begin by telling my good friend I hope he will add me as a cosponsor to the amendments so it will be a bipartisan effort.

Mr. BYRD. Mr. President, I ask unanimous consent that the distinguished Senator from Alaska [Mr. STEVENS] be added as a prime cosponsor, and I thank him.

The PRESIDING OFFICER (Mr. DOLE). Without objection, it is so ordered.

Mr. STEVENS. I thank the Senator from West Virginia.

I want to say that I sought to join because I believe that a commission such as this is very much in order. It would not be appropriate if it were sought as a partisan matter. In my judgment there is no appropriate time for any partisan consideration when dealing with the security of our country.

The recent Walker cases are just the last in a series, a long series, of cases involving employees of the Government and members of the armed services who have had access to classified information, and who have betrayed this country for their personal financial advantage.

The indication—and I am sure the Senator from West Virginia has had the same briefings I have had concerning this affair and other affairs—the indication is that there has been an atmosphere of laxity developed in the security system.

There was one person, I recall, who had a temporary clearance and through a clerical error it became a permanent clearance. That person parlayed that clearance into a position of extreme trust.

That was a failure of the system. It was nothing short of a failure of the system.

We have found in some instances military personnel who were cleared at a very low level upon their entry into the military service and carried that clearance and upgraded it without any subsequent security investigation, without any subsequent review of their conduct from the time they entered the service.

We no longer have a consistent policy in the United States concerning the use of polygraph testing. CIA employees are polygraphed at will. People in the Department of Defense and in other agencies of the Government however, are not subject to polygraph testing. The very absence of the polygraph, in and of itself, is an omission that permits the kind of activities that the Walkers were involved in.

In my judgment, a commission is needed not only to look into the problems in the present system that permitted these recent lapses, but also to review the Federal law and, if appropriate, recommend uniform Federal laws and regulations regarding access to security information.

I would hope that my good friend from West Virginia would do one thing, and that is not have a designation of whom the President must appoint in his resolution. I believe that the President should have the discretion to determine who he would like to serve on such a commission. Such a commission could significantly contribute to the whole endeavor to identify and correct the serious deficiencies in our security system.

I would also hope there would not be any problem with such a commission, that it would be not only bipartisan, but that it would involve both Houses of Congress. The people involved in both the Navy and the Department of Defense who are knowledgeable about these recent cases have been before about six different committees in the last week. That ought to stop, and it could stop if we had one group designated by the Congress and by the President to look into the matter.

I am pleased to join the distinguished minority leader this morning in this resolution establishing such a commission.

[Mr. STEVENS assumed the chair.]

Mr. BYRD. Mr. President, I thank the distinguished Senator from Alaska for his support of the amendments. I thank him for the fine statement he has just made in support of the amendments.

Mr. President, the distinguished Senator has indicated that the provision in the amendments that would require the President to name certain former department heads gives him a problem. I certainly will be happy to look at that matter. I hope that I may be given unanimous consent to modify the amendments in that respect just a little later.

Mr. President, this commission does not seek scapegoats. I do not seek scapegoats. I am sure that others who have cosponsored the amendments are not interested in finding scapegoats. We would not attempt to assess blame. No particular administration official,

past or present; no particular administration of either political party, is to be singled out as responsible for the current security problem. This is not a partisan issue. It is an issue which affects all of us and our children and our country. It is a national problem; it cries out for a unified, nonpartisan response.

We would have a bipartisan commission with a nonpartisan objective, seeking nonpartisan recommendations.

The commission would be charged with assessing the effectiveness of the present system for protecting our national defense secrets, and it would be called upon to make recommendations for the future. There is no Monday-morning quarterbacking involved, and, as far as I am concerned, it would not be a rehashing of the Walker case.

That case is going to be in the courts, where it belongs. I have every confidence that our criminal justice system will work as it should.

The commission which is being proposed by myself and Messrs. JOHNSTON, EAGLETON, LEAHY, and STEVENS would include eight members. Four of the commissioners would be appointed by the President, and at the moment, the language of the amendments would require that of those four Presidential appointees, a former Secretary of Defense, a former National Security Adviser, and a former Director of the CIA would be included.

The other four commissioners would be selected by the Congress, two by the Senate and two by the House, one from the majority party in each House, one from the minority party in each House. I think it would be anticipated that the presiding officers in the two Houses would appoint from within the two bodies Senators who are recommended by the majority and minority leaders in the Senate and, of course, the minority leader in the House. The Speaker would make his own recommendation.

Mr. JOHNSTON. Will the Senator yield for a question, Mr. President?

Mr. BYRD. Yes, Mr. President.

Mr. JOHNSTON. I notice that the commissioner is charged with the investigation and study with respect to the adequacy of counterespionage and counterintellingence. Would it not be within the scope of the commission to test and to assess the adequacy of our terrorism counterintelligence?

Mr. BYRD. Yes, Mr. President, I think it would.

Mr. JOHNSTON. Because it seems to me that the lack of intelligence, particularly in Lebanon and in areas of terrorism, is a great problem for this country. It would seem to me to be a very productive area for this commission to go into.

Mr. BYRD. It seems to me that the statement by the distinguished ranking manager of the bill is very pertinent and it should be a key aspect of the overall work of the commission.

That is certainly a subject that deserves serious attention. If state-sponsored terrorists are trying to spy on the United States to obtain our nuclear secrets or other defense information, that would be a part of the commission's mandate.

The commission would not be required, however, to look into the whole question of why we don't have enough advance information about these terrorist actions which seem to be spreading around the world. That is an extremely important problem and a subject which demands immediate and urgent attention, even though it is not part of this commission's mandate. This commission, I am sure, will have more than enough on its platter, and perhaps we may find another way to focus on the question of beefing up our terrorist intelligence.

The commission would have a life of 18 months, with all of the authority it needs to get the work done consistent with due regard for the sensitivity of the information to be examined and consideration of the privacy and all constitutional guarantees.

The commission's task would be to investigate the system involving the issuance of security clearances; the adequacies of background investigations such as are conducted in connection with the issuance of clearances; the classification system; the effectiveness of our counterintelligence forces to protect against penetrations of our Government by a hostile foreign power; and whether present laws, directives and policies relating to this subject are sufficient to deal with the magnitude of the problem.

Mr. President, I shall not go further into a discussion of the amendment at this time. I hope that we will all agree that the problem is urgent, and I hope that Senators on both sides of the aisle will support the creation of the commission. We cannot afford to conduct business as usual and just forget the problem or hope that it will go away.

Mr. President, I urge the adoption of the amendment.

Mr. JOHNSTON. Mr. President, I rise to support this amendment. I wish to emphasize the bipartisan—certainly nonpartisan—nature of this amendment. As one of the prime cosponsors, it never entered my head that it would be anything but that—that is, a group that could give us the best of information in this very sensitive area, very timely area of great concern to our country.

I hope that the commission would, in fact, look into the adequacy of our activities in any field of terrorism. I think we have, as we have all found out, very few intelligence assets in the Middle East in general, and in Lebanon in particular. Whether there is anything that we can do about that from a grand policy standpoint I think would be a very appropriate and productive area for this commission to look into, as well as that which the distinguished minority leader discussed; that is, the question of security clearances.

An idea that the distinguished occupant of the chair had and which I supported in the Appropriations Committee—that is, the use of the lie detector to test security clearances—is also an area which I think could be appropriately looked at by this commission. I am told that the lie detector is a very, very useful tool in determining the reliability—not just the truthfulness but the reliability—of those with security clearances. I also share the view that it is a very sensitive area. We want to be sure that there are adequate safeguards in the use of that lie detector so that it may not be used as an article of political revenge or that it be misused or any of those things. I think that could appropriately be looked into by this commission.

The idea of a commission as opposed to the use of one of our standing committees, I think, is also very good and very timely. We have in this country ex-Directors of the CIA and the Defense Intelligence Agency whose names are well-known throughout this country, whose reputations are above reproach, and who come from both political parties.

It seems to me that their appointment to this commission, should they be willing to serve, would be a national asset of great value, drawing upon their judgment and their experience. It seems to me they could give this commission a broadness of view and a depth of expertise that is not likely to be equaled by any mechanism other than this kind of bipartisan commission.

So, Mr. President, I strongly support this legislation and hope it will be approved.

The PRESIDING OFFICER. The Chair, in his capacity as the Senator from Alaska, suggests the absence of a quorum.

The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Mr. President, I ask unanimous consent that I may be authorized to modify the amendment in two places, one being with respect to paragraph (b)(1) on page 1 of the amendment which I have before me, the other one being the paragraph that provides for the funding of the commission.

The PRESIDING OFFICER. Is there an objection? Without objection, it is so ordered.

Will the Senator send the modification to the desk?

Mr. BYRD. Yes. Let me say, Mr. President, that paragraph (b)(1) of the amendment which I hold in my hand, which is the amendment that is available and on each desk, presently reads as follows—and this is with respect to the appointment by the President of the United States of a four-member commission:

> Four to be appointed by the President of the United States, including one former Secretary of Defense, one former Director of Central Intelligence, and one former Special Assistant to the President for National Security Affairs.

Mr. President, I do modify, having been given consent from the Senate, that paragraph by placing a period following the words "United States" and striking out the remaining words in that sentence, so that phrase, which now would require the President to include among his four appointees one former Secretary of Defense, one former Director of Central Intelligence, and one former Special Assistant to the President for National Security Affairs—that would be stricken and the remaining words would be these: "Four to be appointed by the President of the United States."

The PRESIDING OFFICER. The Senator has that right under the unanimous consent previously granted to him.

Mr. BYRD. I make that modification, Mr. President, because the distinguished present occupant of the chair, the distinguished Senator from Alaska [Mr. STEVENS] stated on the floor a moment ago his concern about that language. I can understand his feeling that way. The distinguished majority leader also has expressed his concern to me about that particular language. I can understand the concern. I can only say that I hope the President would carefully consider appointing a former Secretary of Defense, a former Director of Central Intelligence, and a former Special Assistant to the President for National Security Affairs, but I have now deleted that language from the amendment as a requirement.

The other modification, Mr. President, I will make in a moment after conversation with the distinguished chairman of the committee, Mr. HATFIELD, and the distinguished ranking member, Mr. JOHNSTON. But for now I suggest the absence of a quorum

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. DURENBERGER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DURENBERGER. Mr. President, I rise in opposition to the amendment by my good friend and colleague, the Democratic leader. And I am not in the unfortunate position of rising as a committee chairman and I am going to make a statement that says we do all these things; we do not always do them well. But we, in effect, have these things in place. My great colleague, who has been here so much longer than I, has heard this; but I trust that he will listen to at least a part of it, and perhaps there is in the structure of his amendment some room for accommodating to the concerns that I will express. I do not know at this time whether there is such room, but I trust that he may find that kind of room.

Our colleague from West Virginia has been an ex officio member of the Senate Select Committee on Intelligence since its inception. He had a substantial role to play personally in the creation of the Committee on Intelligence, and I trust that, therefore, he will be especially sensitive to some of the comments I will make about the impact that this commission can have on the objectives he is trying to achieve.

I thought perhaps we would find some support from the administration in making this case. I find, in the statement I just referred to of the majority leader, as being the administration's position on commissions, that the administration opposes the statutory establishment as unnecessary; they oppose it on the ground that there are existing mechanisms; they oppose it on the theory that the executive branch has primary responsibility and on the theory of constant cooperation. There may be some of that in my statement as well, but I think we need to go just a little further.

Before my colleagues vote on this issue, let me give them just a little information and perhaps education on the role that they play, as Members of this body, in resolving some of the problems of security and espionage.

Mr. President, I sympathize with my good friend from West Virginia, who has long been an ex officio member of the Select Committee on Intelligence. He has been a steadfast supporter of U.S. intelligence and I greatly admire him for it.

I oppose my good friend's amendment, however, for I fear that his proposal would retard, rather than advance, the adoption of improved counterintelligence and security practices. I am confident, moreover, that the executive branch and the Senate Select Committee on Intelligence can better accomplish what the minority leader seeks to achieve than will a National Commission.

The state of American counterintelligence and information security is a matter of great concern to us all. The security of our country may not depend entirely upon this, but betrayals and intelligence penetrations are a sure way to undo years of devoted and costly efforts by loyal Americans.

We have good reasons to be concerned regarding these matters. The Walker family spy ring alone is enough to warrant our attention. From what we read in the papers, it may have gone on for two decades; it involved two generations, as well as friends and other relatives; it involved chief warrant officers, the cream of the crop of Navy enlisted men, who have made this country's security at sea their careers; and it may have compromised vital information on U.S. weapons systems, communications, and operational patterns.

Other recent cases are equally bothersome. In Los Angeles, we are witnessing the first trial of an FBI agent for espionage in our history. A man in New York has been indicted on charges of spying while he worked for the CIA. And news stories assert that the Soviet Union bugged U.S. Embassy typewriters in Moscow for years, giving them access to a steady stream of important information.

The Select Committee on Intelligence is deeply disturbed by these events. We are determined to learn the causes of the current situation and to help bring about major improvements in it.

The Select Committee on Intelligence and its House counterpart have given high priority to counterintelligence and security problems ever since the creation of the committees in 1976. Under our first chairman, Senator DANIEL INOUYE of Hawaii, the FBI counterintelligence budget was included for the first time in the overall National Foreign Intelligence Program. Later we passed the Foreign Intelligence Surveillance Act, which gave our counterintelligence agencies a secure and constitutional means of wiretapping suspected spies. This has proved to be an invaluable arm in the arsenal of security.

An Intelligence Committee study several years ago also led to passage of the Classified Information Procedures Act, which limits the impact of graymail defenses that threaten the release of more classified information in spy cases. The increase in espionage prosecutions in recent years is due partly to greater protection for classified information that this act has provided. As Assistant Attorney General Stephen S. Trott told the Washington Post, the " 'graymail' Act gives the Government 'the capacity to surface and prosecute (spies) without compromising national security or letting defense lawyers spew secrets all over the place.' "

Under Chairman Goldwater, the committee took the lead in calling for

increased resources for FBI, CIA, and Defense Department counterintelligence operations. We also passed the Intelligence Identities Protection Act to stop one especially dangerous form of intelligence compromise.

This year, as part of the Intelligence Authorization Act for fiscal year 1986, the committee recommended legislation to address the Soviet intelligence threat that was later passed by the Senate in the form of amendments to the Department of State authorization. And this year, as in every other year, we have used the budget authorization process to address the performance of U.S. counterintelligence elements in the various agencies.

Earlier this year, the select committee began planning a broad review of U.S. counterintelligence and security programs. On June 11, 1985, the committee agreed to begin a comprehensive review of the Soviet intelligence threat and U.S. counterintelligence and security programs. This review is to be done within the context of the committee's continuing oversight responsibilities and will include an examination of the implications for national security growing out of the Walker case and others. Topics to be addressed include:

Changes in the nature and extent of Soviet espionage operations both within the United States and against U.S. installations and interests overseas;

The reasons behind the record number of espionage cases in the last year;

How effectively U.S. counterintelligence agencies have utilized the increased resources made available to them by the Congress; and

What needs to be done to improve security so that truly sensitive information and operations are better protected.

The committee intends to examine all aspects of the problem, including the classification system, the personnel security system and the communications security system, as well as computer and other forms of technical and operational security. We are in the process of holding a series of closed hearings and briefings. We also look forward to cooperating with the executive branch and benefitting from the internal reviews underway in the Defense Department and other agencies.

We have instructed our staff to coordinate with other interested Senate committees. In particular, the select committee expects to follow up on the recommendations of Senators NUNN and ROTH of the Permanent Subcommittee on Investigations, which has completed an investigation of shortcomings in the Government's Security Clearance Program.

The aim of the committee is to prepare a full report on the adequacy of U.S. counterintelligence and security programs and the improvements needed to protect the national security in these fields. As indicated in letters that Vice Chairman LEAHY and I have recently sent, we solicit the suggestions and views of all Members of the Senate as we begin this task.

A National Commission on Security and Espionage, Mr. President, is more likely to retard progress on these issues than it is to further it. If we truly want to improve security practices, we must convince departments and agencies to change entrenched ways of doing things. That is how simple it is. No commission is going to get the bureaucracy of this country to change its habits. It is difficult enough for us in the Senate and the people in the House to take advantage of situations like the Walker case to do some of the things we are now able to get them to do. The people who must do that are the leaders of those agencies, not a group of outsiders, no matter how distinguished.

What will happen if we establish a National Commission? The first thing is that people in the bureaucracy who are resistant to change will say that nothing can be done until after the Commission completes its work and issues its report. So any chance for early improvement will be quashed.

That is a record which has been replicated for many, many commissions. The bureaucracy will tell you they cannot do anything to comply with your desires until the Commission completes its work and issues its report.

The consequence of that is that all of the work that we need to do in 1985 that we need to implement in 1987 will all be postponed at least until after this Commission makes its report in 1987.

A second likely consequence is that the issues of security and counterintelligence will become politicized. First there will be the usual jousting over the membership and staff of the Commission. Then there will be inevitable conflicts between the Commission and executive branch personnel who will resist the thought of disclosing our deepest counterintelligence secrets to an outside body. And then there will be watering down of conclusions, as Members with diverse views and political constituencies try to arrive at compromise recommendations.

Mr. President, I submit to my colleagues that this country needs better security, better counterintelligence, and better counterespionage. But rather than piecing together a politically balanced group of outsiders, we must encourage our top policymakers to bite the bullet themselves and take needed action. Rather than disclosing counterintelligence secrets to more outsiders, we should use the institutions already in place to handle such information—including our own Select Committee on Intelligence.

Rather than settling for the watered-down 3-year-old recommendations which will eventually come out of this Commission, we should demand a hard-nosed examination of these issues that leads to real improvements in our counterintelligence and security posture.

I am confident, Mr. President, that both the executive branch and we are currently sufficiently energized to deal with these issues speedily and forthrightly. The White House is clearly as concerned as we are regarding the need for improvement, and the Select Committee on Intelligence has received assurances of close cooperation from counterintelligence officials and top policymakers.

I know what motivates my good friend from West Virginia. I am thinking of it as I am reading the statement, that as soon as John Walker and his family are off the front pages, the issue may well also leave the top priority of our concerns in this Senate. That may very well be, from his experience, one of the reasons that our colleague feels strongly about the need to continue to focus the attention of the country on the issue.

I must say, however, Mr. President, while I agree with that theory, it is also the responsibility of this body to do something about it and I fear greatly that turning it over to a commission, postponing any work on counterespionage and counterintelligence policy for 3 years, just is not the way to make sure this job gets done.

It is our responsibility here to force these changes on the administration, not the responsibility of an outside agency.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. EVANS). The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 368 AS FURTHER MODIFIED

Mr. BYRD. Mr. President, I had indicated earlier my desire to modify the amendment in respect to the last provision in the amendment. I modify what is now an open-ended funding provision, so as to specify that the funding be limited to $900,000.

I have discussed this with the distinguished manager and the distinguished ranking minority manager, and it is their feeling that it should not be seen as an open-ended funding mechanism, and I think we have come to the conclusion that a $900,000 cap would be a reasonable modification.

I so modify my amendment.

The PRESIDING OFFICER. Without objection, the amendment is modified.

The modified amendment is as follows:

(b) The Commission created by this resolution shall consist of eight members, to be appointed as follows:

(1) Four to be appointed by the President of the United States.

(2) One to be appointed by the President of the Senate from the majority Members of the Senate, upon the recommendation of the majority leader of the Senate;

(3) One to be appointed by the President of the Senate from the minority Members of the Senate upon the recommendation of the minority leader of the Senate;

(4) One to be appointed by the Speaker of the House of Representatives from the majority Members of the House; and

(5) One to be appointed by the Speaker of the House of Representatives from the minority Members of the House upon the recommendation of the minority leader of the House.

(c) The members of the Commission shall select a chairman and a vice chairman. Vacancies in the membership of the Commission shall not affect the authority of the remaining members to execute the functions of the Commission and shall be filled in the same manner as the original appointments to it are made.

(d) A majority of the members of the Commission shall constitute a quorum for the transaction of business, but the Commission may affix a lesser number as a quorum for the purpose of taking testimony or depositions.

(e) To enable the Commission to make the investigation and study authorized and directed by this resolution, the Commission is authorized to employ and fix the compensation of such persons as it deems necessary and appropriate, subject to the provisions of Section 12(c) below.

SECTION 2. The Commission is authorized to hold hearings, take testimony and depositions under oath, and to do everything necessary and appropriate which is authorized by law to make the investigation and study specified in subsection (a) of the first section.

SECTION 3. Without abridging in any way the authority conferred upon the Commission by the preceding section, the Commission is authorized and directed to make a complete investigation and study which will reveal the full facts with respect to:

(a) The nature and extent of recent penetrations of, or efforts to penetrate, the United States Government by hostile foreign powers to obtain the information described in section 1(a);

(b) The extent and adequacy of efforts by the United States to detect and protect against such penetrations;

(c) The adequacy and effectiveness of:

(1) The classification system;

(2) Background investigations conducted for security clearances;

(3) Systems involving the issuance of such clearances;

(4) Security systems;

(5) Counterintelligence investigations;

(6) Counterespionage investigations;

(7) Damage assessments;

(8) Relevant Federal laws, executive orders, directives, and policies;

(9) Investigative, prosecutorial and expulsion policy; and

(10) Treaties and other international agreements to which the United States is a signatory.

(d) Such other related matters as the Commission deems necessary in order to carry out its responsibilities.

SECTION 4. Subject only to other provisions of this resolution, all departments, agencies, and other components, and all officials and other employees, of the United States Government are authorized and directed to:

(a) Extend full and complete cooperation to the Commission;

(b) Render such assistance as the Commission may request;

(c) Provide such information and testimony, whether at hearings or by interview or deposition, as the Commission may request;

(d) Provide access to all records, writings, documents and other materials as the Commission may request.

SECTION 5. (a) The Commission, or any member of the Commission when so authorized by the Commission, shall have the power to issue subpoenas requiring the attendance and testimony of witnesses and the production of information relating to a matter under investigation by the Commission. A subpoena may require the person to whom it is directed to produce such information at any time before such person is to testify. Such attendance of witnesses and the production of such evidence may be required from any place within the jurisdiction of the United States at any designated place of interview or hearing. A person to whom a subpoena issued under this subsection is directed may for cause shown move to enlarge or shorten the time of attendance and testimony, or may move to quash or modify a subpoena for the production of information if it is unreasonable or oppressive. In the case of a subpoena issued for the purpose of taking a deposition upon oral examination, the person to be deposed may make any motion permitted under rule 26(c) of the Federal Rules of Civil Procedure.

(b)(1) In case of contumacy or refusal to obey a subpoena issued to a person under this section, a court of the United States within the jurisdiction of which the person is directed to appear or produce information, or within the jurisdiction of which the person is found, resides or transacts business, may upon application by the Attorney General, issue to such person an order requiring such person to appear before the Commission, or before a member of the Commission, or a member of the staff of the Commission designated by the Commission for such purpose, there to give testimony or produce information relating to the matter under investigation, as required by the subpoena. Any failure to obey such order of the court may be punished by the court as a contempt thereof.

(2) The Commission is an agency of the United States for the purpose of rule 81(a)(3) of the Federal Rules of Civil Procedure.

(c) Process of a court to which application may be made under this section may be served in a judicial district wherein the person required to be served is found, resides, or transacts business.

SECTION 6. A court of the United States within the jurisdiction in which testimony of a person held in custody is sought by the Commission or within the jurisdiction of which such person is held in custody, may, upon application by the Attorney General, issue a writ of habeas corpus ad testificandum requiring the custodian to produce such person before the commission, or before a member of the Commission or a member of the staff of the Commission designated by the Commission for such purpose.

SECTION 7. The Commission is an agency of the United States for the purpose of part V of title 18 of the United States Code.

SECTION 8. (a) Process and papers issued pursuant to this resolution may be served in person, by registered or certified mail, by telegraph, or by leaving a copy thereof at the residence or principal office or place of business of the person required to be served. When service is by registered or certified mail, or by telegraph, the return post office receipt or telegraph receipt therefor shall be proof of service. Otherwise, the verified return by the individual making service, setting forth the manner of such service shall be proof of service.

(b) A witness summoned pursuant to this resolution shall be paid the same fees and mileage as are paid witnesses in the courts of the United States, and a witness whose deposition is taken and the person taking the same shall severally be entitled to the same fees as are paid for like services in the courts of the United States.

SECTION 9. (a) The investigative activities of the Commission are civil or criminal law enforcement activities for the purposes of section 552a(b)(7) of title 5, United States Code, except that section 552a(c)(3) shall apply after the termination of the Commission.

(b) The Commission is a Government authority, and an investigation conducted by the Commission is a law enforcement inquiry, for the purposes of the Right to Financial Privacy Act of 1978 (12 U.S.C. 3401 *et seq.*). Any delay authorized by court order in the notice required under that Act shall not exceed the life of the Commission, including any extension thereof. Notwithstanding a delay authorized by court order, if the Commission elects to publicly disclose the information in hearings or otherwise, it shall give notice required under the Right to Financial Privacy Act a reasonable time in advance of such disclosure.

SECTION 10. Conduct, which if directed against a United States attorney would violate section 111 or 1114 of title 18, United States Code, shall, if directed against a member of the Commission be subject to the same punishments as are provided by such sections for such conduct.

SECTION 11. The functions of the President under section 10(d) of the Federal Advisory Committee Act (5 U.S.C. App. 10(d)) shall be performed by the Chairman of the Commission.

SECTION 12. The Commission shall adopt rules and procedures (1) to govern its proceedings; (2) to provide for the security of records, documents, information, and other materials in its custody and of its proceedings; (3) to prevent unauthorized disclosure of information and materials disclosed to it in the course of its inquiry; (4) to provide the right to counsel to all witnesses examined pursuant to subpoena; and (5) to accord the full protection of all rights secured and guaranteed by the Constitution of the United States.

(b) No information in the possession of the Commission shall be disclosed by any member or employee of the Commission to any person who is not a member or employee of the Commission, except as authorized by the Commission and by law.

(c) The term "employee of the Commission" means a person (1) whose services have been retained by the Commission, (2) who has been specifically designated by the Commission as authorized to have access to

information in the possession of the Commission, and (3) who has agreed in writing and under oath to be bound by the rules of the Commission, the provisions of this resolution, and other provisions of law relating to the nondisclosure of information.

SECTION 13. The Commission shall make a final report of the results of the investigation, together with its findings and its recommendations to the President and to the Congress, at the earliest possible date, but no later than March 1, 1987. The Commission may also submit such interim reports as it considers appropriate. After submission of its final report, the Commission shall have three calendar months to close its affairs, and on the expiration of such three calendar months shall cease to exist.

SECTION 14. There is authorized to be appropriated and is appropriated for the remainder of the fiscal year ending September 30, 1985, and the fiscal year ending September 30, 1986, $900,000.00.

The names of Mr. BAUCUS and Mr. LAUTENBERG were added as cosponsors of the amendment (No. 268) as further modified.

Mr. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Mr. President, I greatly respect the position as expressed by the distinguished chairman of the Committee on Intelligence, Mr. DURENBERGER.

Let me say that I do not see this commission, if and when it is established, as being something that would take away from the Intelligence Committee its right to proceed with whatever investigations it wishes to make and to offer whatever recommendations on national security it may wish to make to Congress.

I see this problem as a national need now, and I think it is an extremely serious need. It seems to me that the Intelligence Committee always has a tremendous burden of workload—all that it can deal with, with the many problems that may be related or unrelated to this subject area demanding that committee's attention.

It seems to me that we need a commission that can put its full time, its total effort, its total strength into the study and investigation of this serious problem.

I have tremendous respect for the Senate Committee on Intelligence. I have a tremendous respect for the chairman and ranking member of the Senate Committee on Intelligence. I would want it understood that, in my judgment, the amendment that I have presented should not in any way imply a lack of confidence in the Senate Intelligence Committee.

But in this situation, I feel that the problem is so great and so immediate, that there needs to be a commission which can give its full time to this particular massive problem.

As far as I am concerned, I would recommend to the President pro tempore of the Senate that Mr. LEAHY, the ranking member of the Intelligence Committee of the Senate, be the Senate minority's member. That could be done very easily.

There is no suggestion here that the Senate Intelligence Committee is not doing its work and not doing it properly. I simply feel that, with this onrushing flood of alarming revelations that we are seeing almost daily with respect to the commission of treason, at least the appearance thereof for the moment, a full-time commission ought to be temporarily established.

Also, Mr. President, I understand that the administration is opposed to these amendments I see on the letterhead of this memorandum which I hold in my hand, these words, "Statement of Administration's Policy," dated June 20, "With respect to Committee on Espionage and National Security, Byrd amendment." I will read the following paragraph, which is short:

> The administration opposes the statutory establishment of a National Commission on Espionage and Security as unnecessary. There are existing mechanisms for dealing with this problem in the executive branch and in the Congress. The President and the executive branch have primary responsibility in this area. This administration fully intends to cooperate with the Congress in addressing the questions of espionage and its threat to national security.

Mr. President, again, I think that this problem is so immediate, so massive, and so threatening to our country that we ought to move ahead with a commission that can spend its full time in developing recommendations for the Congress.

I have already indicated that my conversations with former Presidents, former Secretaries of Defense, former Directors of the CIA, and former national security advisors, resulted in a unanimous feeling that we ought to move in this direction and also a unanimous expression of the willingness on the part of those individuals with whom I talked to appear before the commission at any time, if asked, to provide advice and counsel to the commission.

So I would hope, Mr. President, that the distinguished Senator, Mr. DURENBERGER, would not feel that this amendment is a reflection on the Senate Intelligence Committee. Far be it; it is just the opposite.

Mr. DURENBERGER. Will the Senator yield?

Mr. BYRD. I am glad to yield.

Mr. DURENBERGER. Mr. President, let me respond briefly to that. I appreciate the sensitivity of the Senator from West Virginia to both where the chairman may come from on the issue and the importance of intelligence oversight in this body. I also very much appreciate his deep concern for the measures that need to be taken and I suppose the public commitment that needs to be built under some of these measures.

But the point I tried to make in my statement was not to reflect so much a sensitivity on my part, as chairman of the committee, or on the part of the committee itself, as to reflect the realities that any of us who have been members of that committee for any length of time have to address with regard to what I will call the bureaucracy of the intelligence community.

If, in fact, the problem that is attempted to be addressed by this commission is espionage, if that problem is an immediate problem, as our colleague from West Virginia says that it is, if it is a massive problem, that is, that it is covering a lot of media in the security sense, that it poses a large threat, if you will, to the conduct of national security policy, and if it is, as he says, threatening, then the solutions to the problem must come immediately, they must be on a massive scale and they must threaten the espionage by the Soviet Union directed against this country.

That is precisely why the committee has been building a record within the bureaucracy that I talked about earlier to address this problem. It probably would have been a lot larger if it had not been for the leadership of BARRY GOLDWATER over the last 4 years, and two Members of this body from the other side of the aisle in the previous 4 years.

We are engaged in what I would consider a massive effort within the committee to take on the bureaucracy and we happen to be doing it with the help of the administration. I mean, the leadership in the administration understands the problems much as we do.

What I fear, Mr. President, is not that this commission will not come up with a set of brilliant recommendations. I have talked to these same leaders. I talked to the experts. I have talked to Bobby Inman and all the rest of these people who are now on the outside. They have said the same thing to me as they have said to the Democratic leader, "Please, this is a problem we need to deal with." I took that message very seriously. The committee is taking that seriously.

The committee has charted a course to come up with some answers to this problem within the course of this year, not within the course of an 18-month period of time that expires somewhere out in early 1987, the end result of which is then you turn over results to the bureaucracy for them to digest and chew up and defend and come back.

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My point is, simply, I do not think we have any disagreement on the need. The question is whether or not that need can be addressed. If it is an immediate problem, a massive problem and a threatening problem, then can we get it done in an immediate way and in a massive way that is genuinely threatening to the Soviet Union by bringing all these experts into the process that is already underway in this body—and hopefully it will be on the House side as well—to get some solutions to this problem in the near term, not in 1987, not in 1988?

If it is publicity we want, we will be more public in a part of this investigation. We always intended to do that anyway. So if that is the function of the commission, fine. But I must again reiterate we do not have any disagreement about what we are tryng to accomplish. The difference is those of us who oppose this commission want it done as soon as possible, and not postpone the result to some period of time. We also are sensitive to the fact that many of you know the bureaucracy will shut down on this issue the minute the Commission is created. When we go in the Intelligence Committee to try to pound on them on the espionage, and try to pound them on counterintelligence, I know what they are going to say. They are going to say I am sorry, Senator, but you decided there is going to be a big commission with all of these former Secretaries of State working on this. We are not going to cooperate with you. We will help the Commission, and in 18 months we will tell you what we ought to do. That is the reaction of the bureaucracy whether it is the IRS, Commerce Department, State Department, or the intelligence community.

Mr. STEVENS. Will the Senator yield?

Mr. DURENBERGER. Yes.

Mr. STEVENS. Would not the Senator agree, though, that the problem right now is that we have investigations in the executive branch, we have investigations in the House, and we have investigations in the Senate, but there is no process legally to hotwire this so we can get going, get the total engines of the Government going to see what we can do to stop the damage that we are suffering as a result of this espionage, and to see what we can do to tighten up our security procedures?

The Senator from Minnesota can do everything he says, and the legislation still resulting from his effort would have to go over to the House, the House would then hold hearings, and their deliberations would be subject to the same criticism from downtown that my colleague mentioned. I am not talking about the administration. I am talking about the bureaucracy.

The idea of a rifleshot commission is not new. Is not this the way we handled problems in the Social Security system—by establishing the Social Security Commission? We have done it in other situations where we identified serious national problems. I do not know of another national problem that reaches the scope, in terms of the cost to the taxpayer or the loss to the security of the United States, the recent espionage that we have suffered. It is not just the Walker case. It is cases that have been going on since the Falcon and the Snowman, since all of the rest of the cases that the Senator knows about. But we constantly have this bickering between the two Houses, and the bureaucracy within the administration whether it is Democratic or Republican.

I think it is time, as I said before, to hotwire this whole thing, put together a commission made up of persons who have previously been cleared with the stature and the capability to address this problem. We are not enlarging the clearance process here—and put some people to thinking what can this country do to stop this onslaught by the Russians on our secrets? This last loss, if I understand it right, has cost the taxpayers billions of dollars. We will now have to duplicate a system that has been literally stolen from us by our own people, and sold for a pittance to the Russians.

I have joined with the distinguished minority leader because, as I have tried to demonstrate here in some of the bills I have introduced, nothing has shocked me more in the 17 years I have been here than the briefing that we recently had on the Walker case. If the distinguished Senator from Minnesota wants to protect the jurisdiction of his committee, I respect him as I respect the distinguished chairman of the Governmental Affairs Committee, and the other committees that are involved. But I do not believe the formation of such a commission to be an attack on the committee system or on the administration. Rather, I think it is an attack on the worst problem this country faces.

The Soviets now have taken secret after secret from us—secret information on systems that has cost us untold billions to develop. Some of them they have bought. I think it is time that we looked at this sieve that we call the security system of the United States—and the only way to do it is with a blue ribbon commission of this kind.

Mr. DURENBERGER. I acknowledge the existence of the question. I started my first talk here a little while ago by eschewing the notion that I was standing up as chairman of the committee, and I felt uncomfortable doing that. There is a former chairman of this committee on the floor who is more capable than I to speak, and eventually he may on this issue.

Our colleague from Alaska brought up the Social Security Commission. That was not resolved by a commission. That was resolved back here some time in January 1983 by the Senator from New York and the Senator from Kansas saying we cannot let this Commission destroy the Social Security System. We have to come to a compromise. So it was done right here by two Senators. That is what happened to that Commission. That is about as simple as I can be to get to the heart of this issue.

It is a matter of taking on the things the Senator from Alaska talked about immediately. We are not conducting a superinvestigation. This is a study of a problem we knew existed. We are raising it to the level of public consciousness, and certainly administrative consciousness. We have been learning things in the last couple of weeks about the problems within this bureaucracy that we did not fully appreciate existed. But, finally, people are coming out in one part of the bureaucracy very honestly saying, because the doors are closed, it is not the public speaking inside, but for the first time they have had the opportunity over this billion dollar loss to come in and talk to each other about where some of the problems are in between the bureaucracies. I do not know that that discussion is going to take place in some highfalutin blue ribbon commission the same way it takes place inside this process that is responsible for an outcome. It is for that reason that I believe it is necessary for us to use the existing process, use the opportunity of the sensitivity to the loss to force on this administration the change in their policy, and to provide them with the resources to effect that change.

Mr. ROTH addressed the Chair.

The PRESIDING OFFICER. The Senator from Delaware.

Mr. ROTH. Mr. President, I rise in opposition to the amendment. I rise in opposition because I do not believe that it is appropriate to attempt to create a special commission for the purposes outlined in this amendment. I agree with the distinguished chairman of the Intelligence Committee that our Intelligence Committee, of which I am a member, is addressing — the serious problems—being faced by this Nation in security matters. I am not of the school that the best approach to solving some of these important problems lies in always creating a new commission. We must address the espionage problem promptly, but I suspect the creation of a new commission will only delay action rather than expedite it. It will take time to form the committee, to bring together the staff necessary to support it, and I think we are in danger of politicizing the issue in the effort to form a commission.

Let me say that, if a commission were going to be created, in my opinion, it would only be proper to give the matter more consideration than can be given to the matter this afternoon. Important decisions would have to be made as to its constitution, its authority, and its legislative jurisdiction. For example it is my understanding—although I have not had the opportunity to carefully study the proposal—that the legislation before us would, subject only to other provisions of this resolution, authorize and direct all departments, agencies, other components, other officials, and employees to extend full and complete cooperation to the commission; provide such information and testimony, whether at hearings or by interview or deposition, as the commission may require; provide access to all records, writings, documents, and other materials as the commission may request.

This is an extremely broad mandate. It would mean that all the other laws on the books, including the right of privacy, which I have heard so many Members on both sides of the aisle say it is important to protect, would go astray.

It may be that we want to give that broad authority, if we were to create a commission. But I think it is worthy of a little consideration and study before we do so.

It is my feeling that if there is a sense that a commission should be created, it ought to be done through our regular process and referred, with a time limit if necessary, to the appropriate committees so that we could frame the kind of commission that would get the kind of job we all want done.

But, again, I raise the question as to whether such a commission is necessary at this juncture.

Sometime back we created the Intelligence Committees in both the House and the Senate for the purpose of oversight on intelligence matters. You can say what you want to say, but if you create a new commission, you are creating duplication; you are supplanting the duly organized committees of this Congress. I think that, rather than strengthening or helping such committees to discharge their responsibility, we are only weakening them.

I would point out that there was a recent study made by the distinguished Center for Strategic and International Studies, examining the need for governmental, legislative-executive reform. It points out that:

> These commissions can be valuable, but it must be recognized that the convening of bipartisan commissions in legislative-executive relations is an extraordinary step for handling extraordinary issues or circumstances. Their use means that the regular procedures of governance have not proved sufficient in some way. There may be occasions on which such commissions are the only practical alternative, given the seriousness of issues, their urgency, and the strength with which opposing views are held—with opposing advocates each having the ability to veto the issues' resolution.

But then it goes on to say:

> At the same time, however, the risk arises that the bipartisan commission will come to be seen as a panacea—a means for evading responsibility within either Congress or the executive branch. If that happens, the sytem will begin progressively to atrophy, and the basic principle of accountability will be increasingly violated to the detriment of the entire government. Thus the use of these commissions must be sparing and highly circumscribed. General rules are needed if their use is not to be abused, and if they are to be a last and not a first, resort in developing legislative strategies.

So, Mr. President, I think it is critically important that we give our Intelligence Committee the opportunity to continue on the course upon which it already has embarked. I, like the minority leader, have great confidence both in the chairman and vice chairman of the Senate Intelligence Committee. I think that the Intelligence Committee should be charged with proceeding with this investigation. If at any time it is felt that there is a need for a special commission, then I think it should be carefully crafted—carefully crafted so that it does not become politicized. While time is of the essence, it is more important that whatever we do be well done and meet the challenge rather than just appear to be creating another commission to handle the hard problem.

I agree as to the seriousness of the problem, as to the need to examine the entire matter. I would point out that both the Intelligence Committee and the Permanent Subcommittee on Investigations, of which I am chairman, and Senator NUNN, the ranking member, have been making careful investigations into these areas.

I would urge the Senate to reject this amendment and to charge the Intelligence Committee, and other committees which have any jurisdiction within this area, to proceed with a careful examination of the issues, not only because it is important from the point of view of security, but from the standpoint of strengthening the committee process.

Mr. GOLDWATER addressed the Chair.

The PRESIDING OFFICER. The Senator from Arizona.

Mr. GOLDWATER. Mr. President, I rise to oppose this amendment. I do so with some experience. I served 8 years on the Senate Intelligence Committee, 4 years as chairman.

Mr. President, I have to agree completely with what my friend from Delaware said about commissions. Any careful thought developed after a study of the history of this Congress over any period of time, if you care to examine it, will show that the great mistakes that have been made in this body have been made by commissions or agencies that have been appointed by the Congress.

I do not know why it is but throughout my adult life every time the country develops some kind of a problem that the legislature has been elected to solve, the legislature undertook to appoint some agency to solve the problem, an agency without any responsibility to anybody.

Here we have a commission suggested by a very capable man, for whom I have great respect, but we do not attach to it any particular responsibility.

I would like to say that after many, many years of experience in the intelligence field, going back many years, it takes a long time to learn intelligence. I would say that the members of the Intelligence Committee begin to be able to understand intelligence after about 2 years of service.

I served 8 years on that committee, and I have to admit there are still many, many things in intelligence that I would like to learn.

What is our problem?

The Soviets have no problem in Washington obtaining intelligence. We have the Library of Congress. All you have to do is go to the Library of Congress—now it is much easier, you just sit down and punch buttons on a computer—and out comes all of the technical information you want to know. Magazine after magazine after magazine published in this country, published in countries all over the world, make available to anybody with patience the entire technical details of anything that we manufacture. That is one of our major problems we have here.

One of the major problems is we really have no penalties for espionage. I think the last people who were executed in this country were the Rosenbergs and that has been 30 or 35 years ago, or maybe longer than that.

It is impossible, after you detect a person who has stolen secrets from our country, who acted as spies, to do much about it.

We had the case, I recall, when I was serving with the Intelligence Committee, and I will not name the particular device, where information was disclosed by a member of the intelligence family. He was discharged from his job and that is all that happened to him.

Suppose that man had been executed? I think that is what they are entitled to, and I do not think there should be much question about it.

A lot of people do not like the death penalty. I would rather see a man shot than have him stealing the secrets of my country and jeopardizing the freedoms not only of myself but my family.

Money has entered into this. Before the developments disclosed in the

Walker case, normally, a man or woman would make available to our enemies intelligence because they did not like us and they liked the other country better. Now we have a new enticement. It is called money. Where the Soviets and other enemies used to get this information for nothing, now a few hundred thousand dollars will accomplish the job.

How do you overcome that, Mr. President? What will the Commission answer be to that? I have no idea. I know that the Intelligence Committee is looking into that.

Another problem that anybody is going to be faced with when they get into this area is the number of clearances that we have for top secret and code-word, even. I think it is something like 4 million.

I know that my friend from Delaware, who sits on the Intelligence Committee—I will not say he becomes amused, but he probably has a great question pop up in his mind when we say, "Well, we will clear the room" and nobody walks out. Here is a bunch of nice young people, probably just out of high school, who have just come to work for the Government, cleared for code-word, cleared for top secret.

I recall trying to get one of the founders of the CIA clearance, top secret clearance. It took 6 months. It takes for a new employee of my office, if I want to get one cleared, almost a telephone call will do it.

I am happy to yield to my friend from Delaware.

Mr. ROTH. Mr. President, I just want to make one quick observation. I have heard several times that we have used commissions, for example, in the case of Social Security and other matters. Let me point out, there is a very important difference between the Social Security situation and the one we face today. One of the purposes of creating a commission on Social Security was to develop a political consensus and bipartisan support for reform. It was felt that that purpose could be accomplished only by developing a bipartisan group that would work together to formulate the recommendations that were necessary to make that system financially sound.

I do not think we need any consensus today. I think we already have a consensus that we must protect our intelligence information. Today we are trying to find out what has gone wrong and what needs to be done to correct it. I am sure that everyone on this floor, be they Republicans or Democrats, will support measures to protect national security. So we already have that consensus.

But let our fact-finding groups, such as our Intelligence Committee, proceed to determine what those steps should be. Then I think Congress and the Senate will promptly act.

Mr. GOLDWATER. Mr. President, I could not agree more with my friend from Delaware. Again, I think he has brought up—well, I know I can get a lot of argument on this point, but I have to mention it: Did the Social Security Commission really solve the problem? I do not think so. I think Social Security is in God-awful shape. So if we want to get intelligence in a little worse shape, we might use the same approach.

We have a very large intelligence family. This is something very few people in this country know: We have 19 different intelligence-gathering agencies in Washington. They all have these problems. Every one of them has the problem of a leak here and a leak there.

The Senator from Delaware is as aware as I am of the constant leaking from the Intelligence Committee, as desperately as we try to prevent it.

We used to have hearings and if I wanted to find out what happened in a code-word-clearance meeting, I would just read the New York Times the next morning. And one of those guys winds up as Assistant Secretary of State. I guess maybe we ought to appoint a few more like that; we would get some real leaks.

Mr. President, I have one more comment, because I know of the great interest in this subject. I am pointing out things that I have learned on the Intelligence Committee and I have learned without being on it. We allowed the Soviet Embassy to build their new building on one of the highest points in Washington. Sometime, if you want a real thrill, get in a helicopter and fly over that place. They have more antennae on the roof of that embassy than Marconi ever thought of. They can spy, they can listen in on any telephone conversation in this community. Twelve hundred people—I think that is about the number—in the Soviet Embassy.

Do you know how many we have in Russia, Mr. President? I am not sure, but it is not much over 200. We have a law on the books that says no country can have more representatives in their embassy than we have in their country and we have begged and begged the administrative branch of this Government to chase all the Soviets out of this town and San Francisco and Los Angeles and Chicago and Boston and everyplace else where the thousands of them are—not just listening in on telephone conversations, but stealing secrets of our Government.

I think there are a lot of remedies available. If we get the administrative branch to act as they should, I think we could clear that Soviet Embassy out in a very big hurry. If we want to put in some counterelectronic devices around that Embassy, there is no rule that we cannot do that. I live only two blocks from it and I can give them a lot of trouble with my radio equipment. I might do it some night.

Well, Mr. President, I oppose this amendment, with all due respect to my very good friend from West Virginia. I just do not think it is needed. I think the Intelligence Committee has the full capability of coming up with whatever answers are not already in existence. I would like to see them given the chance. Let us not create another commission that will just fumble and tumble and rumble along without doing anything.

Mr. President, I yield the floor.

Mr. BYRD. Mr. President, will the distinguished Senator from Delaware yield the floor?

Mr. ROTH. Yes; Mr. President.

Mr. BYRD. I should like to respond very briefly to his statement.

Incidentally, I say to the distinguished Senator from Arizona [Mr. GOLDWATER], that nobody is more supportive than I of execution of an American who commits treason, but the Supreme Court has ruled that a mandatory death sentence is not constitutional. At the present time, as I recall, the Court has, as one of the options, a term of years, and I believe it also has the option of a life sentence. But we all know that those so-called "life sentences" in many instances can mean a few years in prison, and then there can be a parole.

The other day, when the Department of Defense authorization bill was before this body, I offered an amendment that was cosponsored by the distinguished Senator from South Carolina [Mr. THURMOND] that would provide an additional option—that of mandatory life sentence without parole. So that would be an option in the future if the other body agrees. If the court will not choose the option of execution, it at least has the option, provided by my amendment to the DOD authorization bill, of salting the traitor away for the rest of his life behind bars. If a judge chooses that option, then the wretched "Benedict Arnold" would be imprisoned for life with no hope of parole.

I hope the House will accept my amendment on that score. We can expect the Soviets to have persons in this country who will spy on us, but what we should not have to expect is an American citizen who forgets his heritage, forgets his patriotism, and sells his country for a few measly dollars. In that case, if he can not be executed, then at least let him have the rest of his life behind bars where he will not be able to enjoy the fistful of money that he may have been given for betraying his country.

Now, Mr. President, the distinguished senior Senator from Delaware had this to say, and I think I am quoting him correctly. If I am not, he certainly may correct me. I believe he

said that it was "proper to give the idea more consideration than can be given here on the floor," and he went on to say that "if there is need for such a commission it should be done through the regular process and referred to the proper committee."

I think it is appropriate to argue that this matter or other matter which may come up on the floor by way of an amendment should be first referred to the appropriate committee for consideration. I do not find fault with that at all. I, however, think that it would be well for the distinguished Senator from Delaware to be reminded, in the event he does not remember, of a letter which I wrote to him in 1984. I had introduced legislation which would require the reconfirmation of Department heads in the event a President were to be elected to a second term and were to wish that the same Department heads who had served in his previous administration would continue in the same capacity during a second administration. The legislation was to be prospective in nature and would not have applied to the current administration. Before confirming such Department heads for a second term, the Senate would take a new look at a Department head and hold him to account for some of his actions or inactions in the previous term. And so I wrote to the distinguished Senator from Delaware and urged that he schedule hearings on this measure. The letter is dated May 2, 1984, and it is addressed to the distinguished chairman of the Committee on Governmental Affairs. Here is what I said:

DEAR MR. CHAIRMAN: I am writing to request that you schedule hearings in the near future on two pieces of legislation which I recently introduced, S. 2446 and S. 2604. Both bills involve a long overdue effort to improve the Senate confirmation process.

The "Senate Confirmation Act of 1984," S. 2446, grew out of my continuing concern that the Senate has not been getting adequate information upon which to fulfill its "advice and consent" function under Article II of the U.S. Constitution. On many occasions, we have seen situations where new information concerning a nominee for high government office came to light only after the nomination had been received by the Senate and the confirmation hearings had begun. On other occasions, the Senate was unaware of such data until even after the nominee had actually been confirmed.

It seems to me that these kinds of problems evidence a fundamental flaw in the confirmation process, attributable in part to an incompleteness in the background investigations conducted by the Executive Branch and, thereafter, to the incompleteness of the information provided to the appropriate Senate committees.

My legislation, S. 2446, attempts to address this problem, first, by placing the supervision of background investigations in an independent office of government, namely the Office of Government Ethics. Once those investigations are completed, the bill would also require that the Senate be provided with the full and complete results of those inquiries. In addition, my proposal would require, for the first time, the promulgation of standards for the conduct of these background investigations, so as to insure that all relevant information is ascertained concerning a prospective nominee's fitness and qualifications for office.

I have also included in S. 2446 a so-called "fail-safe" provision to cover situations where, despite our best efforts, some previously unknown information later comes to light even after a nominee has been confirmed. This provision would require that if a president is reelected to a second term, the 20 top officials of his administration would have to be reconfirmed if they are to continue in office during a president's second term. In that way, any newly discovered information could provide a new basis upon which the Senate could discharge its Article II responsibilities.

The second bill I have introduced, S. 2604, is identical to the reconfirmation provision of S. 2446. It results from my conclusion that a second confirmation process for the 20 top officials of government during a president's second term is so essential that it is deserving of special attention by the Senate on its own merits, separate and apart from the other provisions of S. 2446, which deal with the overall confirmation process. I feel very strongly that members of the Cabinet and a small number of other high-level officers of government should be willing to submit their performances in office to renewed Article II scrutiny if they are to remain in the same posts during a second presidential term. Under the present system, only a president and vice president are accountable to the electorate, and we should again fulfill our "advice and consent" responsibilities so as to express the people's will concerning the 20 top officers of a two-term administration.

Your Committee has played a significant role in insuring the effectiveness of our government institutions. I am well aware of your efforts to improve the Ethics in Government Act during the last Congress and to resist some of the suggestions which were made to weaken that law. I hope you will agree that the proposals which are embodied in my legislation are deserving of attention and consideration, and that you will be willing to process these bills during the current Session.

Your assistance would be appreciated.

Sincerely,

ROBERT C. BYRD.

Well, time went on and I received no response, and so I wrote a second letter on May 21, and addressed it to the distinguished Senator and it said this:

DEAR MR. CHAIRMAN: In my letter of May 2, I requested that hearings be scheduled on two pieces of legislation which I had recently introduced, S. 2446 and S. 2604, both involving an effort to improve the Senate confirmation process.

I am still of the view that the enactment of these measures is essential during the current session, and I would appreciate your letting me know whether you will be able to process these bills in your Committee this year.

Sincerely,

ROBERT C. BYRD.

In a postscript, I said:

Bill, I hope you can schedule a hearing soon. Thank you.

That was May 21.

On June 18, 1984, I received the following letter from the distinguished Senator:

Thank you for contacting me concerning the two bills you have introduced on the Senate confirmation process. I apologize for the delay in getting back to you.

I must tell you in all honesty that I have serious problems with your legislation. I understand your objectives, but I believe that others, of either political party, may well use this opportunity for political purposes. I strongly agree with Lloyd Cutler that we have very serious problems in making government work, and I believe that if this legislation is implemented it could well have a chilling effect on the departments.

For example, S. 2604 would require the top twenty officials of an Administration to be reconfirmed by the Senate if they were to remain in office during a President's second term. Because the incumbent nominee would have a record of service in office during his first term, I am concerned a reconfirmation hearing could become nothing more than a forum to debate the past policies of an Administration. By prolonging the process, a few individuals could, for purely political purposes, effectively hamstring departments for a substantial period of time by calling into question whether the chiefs of those organizations will remain in place. The result could well be government paralysis at the very time that a President has just received a new mandate.

I think that committees have a responsibility to scrutinize carefully the qualifications and moral background of any nominee for high office. Further, the appropriate committee should continue to monitor the conduct of individuals, and, of course, hold hearings anytime on their activities.

Mr. President, I can respect, do respect, and did respect the argument that was made by the distinguished chairman in his response to my two letters and my oral and personal request of him here on the floor. I have no quarrel at all with the position he took in opposition to the legislation. But the last paragragh is a paragraph I want the Senator to recall.

In short, I would think your legislation would have a deleterious effect on the functioning of the Executive Branch, and, thus, I do not plan to hold hearings on the legislation. Thanks again for letting me know of your serious concerns over this issue, and I again apologize for being so tardy in responding.

Sincerely,

WILLIAM V. ROTH, JR.

The Senator certainly had a right to his viewpoint in opposition to the legislation I introduced. But I offered the legislation. It was referred to his committee. I wrote to the distinguished Senator, urging him to give that legislation a hearing. I wrote a second time. I talked with him on the floor, right here in the aisle, about the legislation and indicated that I hoped a hearing would be held on my bills.

Finally, I get a letter back which not only expresses to me his opposition—which was fine; that is all right; I do not agree with every other Senator, nor does every other Senator agree with me many times—but also, he

spurned my request for the hearing on the legislation which had been introduced and duly referred to his committee.

Mr. President, I have been around the Senate 27 years and in the House 6 years. Never do I remember any other situation in which a chairman of a committee refused a colleague the respect and the opportunity to which I think a colleague is entitled—to have a hearing on his or her legislation if requested.

Today, the distinguished chairman suggests that this is the kind of matter that should be referred to a committee. I introduced a resolution a few days ago which would provide for such a commission as does the amendment I offer today, except for a couple of modifications I have made on the floor, at the request of the distinguished chairman of the Appropriations Committee, Mr. HATFIELD, and the distinguished Senator from Alaska [Mr. STEVENS]. That resolution was referred to the distinguished chairman's committee.

Now the distinguished chairman comes to the floor and says that this commission is a matter, if we are going to create it, that should be done in the usual way. It should be referred to a committee. How can I have any hope that the committee, under the chairmanship of the very distinguished Senator—in light of my previous experience—will hold hearings on this legislation? In other words, if he is opposed to it, he would not even conduct a hearing on it.

Mr. President, with all due respect to my beloved colleague from Delaware, I think this could be perceived as a rather arrogant way for a chairman to treat an important piece of legislation that is duly referred to his committee under the rules—legislation concerning which a colleague writes to him twice and personally, in a conversation, urges hearings; and the committee chairman turns down his colleague's request to have a hearing on it.

I am sorry to have to bring this to the attention of the Senate; but if that is the way the distinguished chairman is going to handle my requests for hearings on my bills, the only recourse I have is to offer the subject matter as an amendment to a vehicle which comes up on the floor. I say to the distinguished chairman that I have been watching for a vehicle since that time to which I might offer the amendment dealing with the reconfirmation process. If I cannot get a hearing in his committee, then I will let the Senate be the judge, and I will get my hearing on this floor.

I am sorry to have to bring to the attention of the chairman this correspondence between the two of us, but I have no alternative, inasmuch as he makes this argument today against the pending amendment: Send it to the committee. Let us have a hearing. Let the committee deal with it.

I tried that once and got nowhere.

I must say that never, as chairman of a committee, would I deny a colleague who requested a hearing in committee.

Mr. ROTH. Mr. President, will the Senator yield?

Mr. BYRD. Yes, I am happy to yield. I should like to hear the distinguished Senator respond to what I have said, based on the letters he wrote to me.

Mr. ROTH. First, let me say, of course—and I think my colleague will agree—that I always try to be cooperative, to accommodate my colleagues. I have to say, respectfully, that it has been experience that I do not always get a hearing on every bill I introduce, and I understand that. I understand that committees' resources are limited and that priorities must be set. In this case, I would point out that we had no other request, including anyone on that committee that I am aware of, from either political side for such a hearing.

But in any event, let me assure the distinguished minority leader that if the proposition he has placed before the Senate today were to be referred to the committee, I would be pleased to hold such hearings.

I think this matter is a matter of great importance, and I am not suggesting that his other bill was not, but I point out that we have something I think like 300 bills referred to the committee each year, and we do not hold hearings on each one of them but attempt to respond normally to hearing requests from within the committee itself. Perhaps that was a mistake in this instance. In any event I apologize. It was not intended in any way to be discourteous to the minority leader for whom I have the greatest respect.

I do say and do offer that if the distinguished minority leader would like to hold hearings on his important proposal to create a commission on espionage, I would be happy to proceed with such hearings at an early date and do so.

As I say in my earlier statement I think that, if we were to go this direction, we should hold careful hearings and carefully craft our recommendations to meet the situation at hand.

So, I say to the distinguished senior Senator from West Virginia, if he cares to hold hearings on this subject, he has my personal assurance and I am sure that of the distinguished minority ranking member of the committee TOM EAGLETON, to hold such hearings at the earliest possible date.

I make that in the form of a question.

Mr. BYRD. Mr. President, I thank the distinguished Senator from Delaware. I thank him for his apology. It takes a big man to apologize, and I respect him for that. Therefore, so far as I am concerned, that matter is now behind us.

Mr. President, I am ready to vote.

Mr. WILSON. Mr. President, I wonder if I might address a question to my distinguished friend, the minority leader.

Mr. BYRD. I am happy to try to answer the question.

Mr. WILSON. The question is this: Having listened with interest to the Senator's stated desire for a hearing on his measure and understanding and sympathizing with that, I have a concern that if this commission, which he proposes, is created and if it is to be in business for an 18-month period before making its report, some may argue that any effort to address individual problems relating to espionage and security, for example, measures brought before the Intelligence Committee, measures brought before the Armed Services Committee, might find that there is some bar to their being heard, precisely because of the existence of such a commission.

It would disturb me greatly and I suspect many of my colleagues if this turned out to be the case, because it may very well be that the proposals will be introduced certainly within the 18-month period and in fact I know of some that are proposed for hearing now, one in a subcommittee which I chair. Others I suspect will be.

Would the Senator, if this measure were adopted, feel that the existence of such a commission should stand as a reason not to go forward with proposals offered by his colleagues in the form of bills that are referred to other committees?

Mr. BYRD. Mr. President, I think the resolution speaks for itself and I think that the appropriate arguments have been made on the floor in support of it.

I see no reason to delay action on this matter. The country cries out for an effort to find the answer to this difficult and dangerous problem that confronts the Nation. I would hope that the Senate will adopt the amendment so that it might go to conference with the other body, and as I say I am ready to cast a vote on it.

Mr. WILSON. Mr. President, with all due respect, I do not think my friend from West Virginia really answered my question. So I will simply state as a concern, and I think a very legitimate one, the fear that were this measure enacted, were this commission created, there would thereafter be many on this floor and many off this floor who would say we dare not go forward with any other proposal because, of course, the definitive work is being done by the commission and we must await the result of their deliberation.

I suppose, Mr. President, that if I felt the need for a special commission of this kind, I might be persuaded that such a delay was wise. But it seems to me that there are resources available to standing committees of this body and of the other body, the House of Representatives, that make it possible for us to act deliberately and yet not delay in a time when we are quite understandably concerned with problems of security and espionage.

Mr. BYRD. Mr. President, will the distinguished Senator yield?

Mr. WILSON. I yield for a question. I am delighted to so yield.

Mr. BYRD. Not necessarily for a question, if I could just have a moment in which to respond to the theme of his argument.

Mr. WILSON. That would please me, and I am happy to yield, retaining the floor, yes.

Mr. BYRD. Mr. President, the distinguished Senator I would hope would not feel that the adoption of this amendment and the creation of such a commission would cause Senators or committees to delay efforts they wish to make to pursue this subject matter.

Earlier today, I said, I believe in response to the distinguished chairman of the Committee on Intelligence, that this should not be looked upon as an interference with his committee, its rights. duties, responsibilities, and powers. That committee could quite appropriately proceed with its own agenda.

I would not see the appointment of the commission as any reason or justification for any Member or committee to just lay back and say, "Well, the commission is doing its work, we should not or we will not proceed within the purview of our own powers and responsibilities." I see no problem there at all.

I hope that answers the Senator's question, and I apologize if I did not respond to his question earlier on the point. My thoughts were distracted while he was speaking.

Mr. WILSON. I thank my friend from West Virginia, and I am reassured that he personally will raise no such objection. However, Mr. President, I am not reassured that his reaction would be universal. Indeed very much to the contrary, I think our experience has been that when we create commissions it is generally for the purpose of gaining an expertise, a point of view that somehow seems denied to the Members of this body, notwithstanding the resources that are available to us.

I think we have in recent memory the experience of the Scowcroft Commission which was an extraordinarily valuable asset, one that did bring a certain deliberation to a process that we found useful, useful in a way that required the creation of such a commission.

I do not decry the creation of commissions where there seems a need.

It seems to me in this instance, Mr. President, there is not such a need and that rather than doing good we would be delegating a responsibility that is properly ours and one for which we are equipped, one for which outside resources are readily available.

So notwithstanding the Senator's personal assurance that he would raise no such objection, I fear that it would be raised as a bar upon the part of others, and for that reason, reluctantly joining in his concern, I think we would address that concern best by simply proceeding to hear measures that will be before other committees of the Senate.

I thank the Chair.

Mr. DENTON. Mr. President, we all share the concern of the minority leader and those who join with him in cosponsoring this amendment with respect to the fabric of our espionage laws as they may be applied to specific cases. Having said that, I must also add that I do not believe that yet another Commission is the answer to our problems.

Mr. President, we have at this time two very well staffed intelligence oversight committees, one in each of the respective Houses of the Congress. Moreover, in the Judiciary Committee we have a Subcommittee on Security and Terrorism which has within its mandate oversight of the espionage laws of the United States. In addition, Mr. President, we have a Permanent Subcommittee on Investigations which has only recently completed extensive hearings on the problems inherent in our system of issuing security clearances. To the best of my knowledge, the results of those hearings have yet to be fully evaluated.

Moreover, Mr. President, we have a Director of Central Intelligence, an Intelligence Oversight Board, a National Security Council, interagency working groups, and a host of other entities concerned with the adequacy of our laws relative to national security.

Mr. President, all this is by way of saying that the solution to the problem does not lie with the creation of a new bureaucracy. We have debated time and again the appropriateness of the use of the polygraph to assist in the screening of those who have access to highly classified information and I must say that some of those who are prominent in the sponsorship of this particular amendment have been equally prominent in efforts to inhibit further use of that important investigative tool. In closing, Mr. President let me say that I am informed that major reviews are already underway and the President is awaiting recommendations of his senior national security advisors on additional steps that should be taken. In particular an ad hoc interagency group with senior Cabinet level involvement will recommend specific implementing actions to the President.

Recommendations from prolonged consideration of the espionage and counterintelligence issues over the past 4 years are already being implemented.

The Intelligence and Armed Services Committees of the Congress have already looked into these matters at considerable depth and will continue to apprise of new developments. They have also begun the process of suggesting improved statutory authorities for Government agencies and the reallocation of resources toward areas where they are needed.

At this critical time it is imperative not to divert intelligence resources to a comprehensive investigation that would expose a widening circle of people to the extremely sensitive techniques and sources of counterintelligence and counterespionage.

It is for this reason that I oppose passage of this amendment.

Thank you, Mr. President.

The PRESIDING OFFICER. The question is on agreeing to the amendment. The yeas and nays have been ordered and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. CRANSTON. I announce that the Senator from Oklahoma [Mr. BOREN] is necessarily absent.

I also announce that the Senator from New York [Mr. MOYNIHAN] is absent because of a death in the family.

I further announce that, if present and voting, the Senator from New York [Mr. MOYNIHAN] would vote "aye."

The PRESIDING OFFICER. Are there any other Senators in the Chamber wishing to vote?

The result was announced yeas 48, nays 50, as follows:

[Rollcall Vote No. 130 Leg.]

YEAS—48

Andrews	Ford	Metzenbaum
Baucus	Glenn	Mitchell
Bentsen	Gore	Nunn
Biden	Harkin	Pell
Bingaman	Hart	Proxmire
Bradley	Hatfield	Pryor
Bumpers	Heflin	Riegle
Burdick	Inouye	Rockefeller
Byrd	Johnston	Rudman
Chiles	Kennedy	Sarbanes
Cranston	Kerry	Sasser
DeConcini	Lautenberg	Simon
Dixon	Leahy	Stennis
Dodd	Levin	Stevens
Eagleton	Matsunaga	Warner
Exon	Melcher	Zorinsky

NAYS—50

Abdnor	Danforth	Garn
Armstrong	Denton	Goldwater
Boschwitz	Dole	Gorton
Chafee	Domenici	Gramm
Cochran	Durenberger	Grassley
Cohen	East	Hatch
D'Amato	Evans	Hawkins

Hecht	Mathias	Simpson
Heinz	Mattingly	Specter
Helms	McClure	Stafford
Hollings	McConnell	Symms
Humphrey	Murkowski	Thurmond
Kassebaum	Nickles	Trible
Kasten	Packwood	Wallop
Laxalt	Pressler	Weicker
Long	Quayle	Wilson
Lugar	Roth	

NOT VOTING—2

Boren Moynihan

So the amendment (No. 368), as further modified, was rejected.

Mr. HATFIELD. Mr. President, I move to reconsider the vote by which the amendment was rejected.

Mr. DOLE. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The Senator from Oregon.

Mr. HATFIELD. Mr. President, if I could have order in the Senate, I would like to say that we have a committee amendment that is the pending question.

Mr. BYRD. Will the distinguished Senator yield?

Mr. HATFIELD. I yield

Mr. BYRD. We still have my amendment in the first degree. It is all right with me if the distinguished chairman wishes to ask unanimous consent to vitiate the order for the yeas and nays. I do not think there will need to be another rollcall vote.

Mr. HATFIELD. Mr. President, I stand corrected. The Democratic leader is correct. His amendment in the first degree is the pending question.

I yield to the Senator for whatever he wishes to do on that. It would be satisfactory on our side to vitiate the order for the yeas and nays.

Mr. BYRD. I make that request, Mr. President.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

The question is on agreeing to the amendment.

The amendment (No. 367) was rejected.

Mr. HATFIELD. Now, Mr. President, I believe we are on the track where the committee amendment is the pending question. Is that correct?

The PRESIDING OFFICER. The Senator is correct.

Mr. HATFIELD. I am hopeful that the Senator from Arizona will shortly present either a substitute amendment or, from his work with the Senator from Idaho, will be able to settle the question. Then we will have a number of other amendments that we can raise which I believe can be handled in a very expeditious way. I am hopeful that we can complete this bill sometime in the late afternoon, unless we run into some unforeseen issues which have not yet been laid before the managers of the bill.

We will ask Senators to be on the floor because I believe we can dispose of many of these amendments in a very quick way. We have cleared a number of them already with individual Senators which we can handle immediately.

I just wanted to lay before the Senate the possibility of completing this bill in the late afternoon.

At this point, unless the Senator from Alaska wishes me to yield, I will aks unanimous consent to set aside the committee amendment in order to be able to offer other amendments.

Mr. STEVENS. Mr. President, I wanted to make a comment.

Mr. HATFIELD. Mr. President, I yield to the Senator from Alaska for his comment and then I will make the request to set aside the committee amendment in order to get on with the business of other amendments that Senators have.

The PRESIDING OFFICER. The Senator from Alaska.

Mr. STEVENS. Mr. President, I regret the fact that this last vote has been a fairly partisan vote. I hope the Senate realizes that this amendment will be back in another form.

I want to call to the attention of the Senate the fact that I think in the last 5 years the Intelligence Committee has been able to get an authorization bill in only 3 of those years. We have not had any really close cooperation with the House or with the administration in dealing with either matters of security or terrorism. I believe that it is time for us to show the really great concern of the country in these two subjects by organizing a body which will unite the House, the Senate and the administration to pursue the question of the adequacy of our laws to protect not only our security but our Nation against terrorism.

Mr. HATFIELD. Mr. President, I now ask unanimous consent to lay aside temporarily the pending committee amendment in order that Senators may offer other amendments.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. DIXON addressed the Chair.

The PRESIDING OFFICER. The Senator from Illinois.

AMENDMENT NO. 371

(Purpose: To appropriate $110,000,000 for the emergency food and shelter program)

Mr. DIXON. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Illinois [Mr. DIXON] for himself, Mr. HEINZ, Mr. SARBANES, Mr. BRADLEY, Mr. MOYNIHAN, Mr. KENNEDY, Mr. GORTON, Mr. KERRY, and Mr. MATSUNAGA, proposes an amendment numbered 371.

Mr. DIXON. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 92, between lines 14 and 15, insert the following:

EMERGENCY FOOD AND SHELTER PROGRAM:

There is hereby appropriated $110,000,000 to the Federal Emergency Management Agency, to remain available until September 30, 1986, to carry out an emergency food and shelter program. Notwithstanding any other provision of this or any other Act, such amount shall be made available under the terms and conditions of the following paragraphs:

The Director of the Federal Emergency Management Agency shall, as soon as practicable after enactment of this Act, constitute a national board for the purpose of determining how the program funds are to be distributed to individual localities. The national board shall consist of seven members. The United Way of America, the Salvation Army, the National Council of Churches of Christ in the U.S.A., the National Conference of Catholic Charities, the Council of Jewish Federations, Inc., the American Red Cross, and the Federal Emergency Management Agency shall each designate a representative to sit on the national board. The representative of the Federal Emergency Management Agency shall chair the national board.

Each locality designated by the national board to receive funds shall constitute a local board for the purposes of determining how its funds will be distributed. The local board shall consist, to the extent practicable, of representatives of the same organizations as the national board except that the mayor or appropriate head of government will replace the Federal Emergency Management Agency member.

The Director of the Federal Emergency Management Agency shall award a grant for $110,000,000 to the national board within thirty days after enactment of this Act for the purpose of providing emergency food and shelter to needy individuals through private voluntary organizations and through units of local government.

Eligible private voluntary organizations should be nonprofit, have a voluntary board, have an accounting system, and practice nondiscrimination.

Participation in the program should be based upon a private voluntary organization's or unit of local government's ability to deliver emergency food and shelter to needy individuals and such other factors as are determined by the local boards.

Total administrative costs shall not exceed 2 per centum of the total appropriation.

As authorized by the Charter of the Commodity Credit Corporation, the Corporation shall process and distribute surplus food owned or to be purchased by the Corporation under the food distribution and emergency shelter program in cooperation with the Federal Emergency Management Agency.

Mr. DIXON. Mr. President, I rise today for the purpose of offering an amendment in behalf of Senators HEINZ, SARBANES, BRADLEY, MOYNIHAN, GORTON, KENNEDY, KERRY, MATSUNAGA, and myself, to continue to fund the National Board Emergency Food and

Shelter Program under the Federal Emergency Management Agency or FEMA.

Our amendment would add an additional $110 million to the supplemental appropriations bill to help the millions of people in this country who are hungry and homeless. It is vitally important to continue this assistance to the most destitute among us.

The existence of hunger and homelessness in the United States of America is a national disgrace. Congress recognized that fact in March 1983 by creating an Emergency Food and Shelter Program through FEMA. We acknowledged its importance again with supplemental appropriations on two more occasions. The program works with a minimum of overhead, and does amazing things with very little money. I would like to insert a list of States and the funds each has received for the RECORD.

Two bills dealing with homelessness and hunger have been introduced in the Senate this year to address the problem in a more formal fashion. My approach would create a national endowment for the homeless. Senators MOYNIHAN and GORTON have a somewhat different approach. But, Mr. President, neither the Senate Committee on Governmental Affairs, which has jurisdiction over my bill nor the Senate Banking Committee, which has jurisdiction over the Gorton-Moynihan proposal, has held hearings on these bills.

It has always been the understanding of this Senator that the FEMA Program should be temporary, as I discussed with the distinguished chairman of the subcommittee [Mr. GARN], last year. But until a program is authorized, the FEMA Emergency Food and Shelter Program is all we have.

Last year, the Senate very convincingly passed an amendment that I introduced adding an additional $60 million to the Emergency Food and Shelter Program; $60 million was already included in that supplemental appropriations bill. So, in essence, the Senate, by a very bipartisan vote of 57 to 40, supported a total of $120 million last August 8 to assist the most needy among us. That was $10 million more than we are asking for today.

Mr. President, we all feel a responsibility to the homeless. We meet them in urban, suburban, and rural areas across our country. Unfortunately, in many instances they have come to that station in life as a result of budget cuts which have occurred in the past. It is painfully obvious when we cut nutrition programs, people will be hungry; when we cut housing assistance, people will be homeless; and when we cut low-income energy assistance, people will have to choose between paying their heating bill and buying food!

We have recognized the prevalence of the hungry and homeless among us by voting for funds to help those poor people that you and I see every single day in this capital city and other places across this land. This has been the right thing to do.

But without this amendment, even the most minimal assistance—a bowl of soup and a cot in a shelter—will no longer be available to these people. There will be even more people living on the streets because as of July 31, the present funds will be exhausted. I cannot speak for others here, but I would find it difficult next winter to explain that the Congress chose not to continue a program which in many cases serves as a lifeline for the indigent. When the snow is falling and the temperature is below zero and the streets are icy and there are no beds or meals in Chicago or Rock Island or East St. Louis or Peoria, the explanation that we decided not to appropriate the necessary money simply will not do. The hungry women and children understand that. When their basic need is to get a bowl of soup and a night's sleep on a cot in a shelter, there is no way in the world for us to explain why we turned our backs on them.

There was an extremely poignant article in the June 16 issue of the New York Times magazine which included research from my State and many others. It detailed the story of the Sawatzki family in Peoria, IL. Mrs. Sawatzki takes only a small portion of food at dinner and then pretends she is not interested in eating so that her children will not guess she is denying herself for their sakes. She eats popcorn instead of meals. They are proud people. Mr. Sawatzki used to work at the Caterpillar plant in Peoria. They lost their home because they could not meet their mortgage payments. The parents' worst moment, however, was when their son asked why there was not any milk in the refrigerator. He was told that it was because there was not any money for milk. The 9-year-old boy found 32 cents in his drawer and gave it to his mother to buy food.

Last March, I held a field hearing on hunger and homelessness in Chicago. I heard testimony from service providers, homeless people, a physician, and government officials. One of those witnesses, Ms. Lulu Walker, the director of Tabitha Community Services, was particularly eloquent in explaining the help which is available because of the FEMA Emergency Food and Shelter Program. Prior to receiving a grant from FEMA, she said that she had to turn away over 200 women with children in December 1984. She had to turn away women with children because there were no funds for milk! She said that the first thing that people do when they arrive at her shelter is to eat, and made this observation: "I think a person should be able to eat, sleep, and work." I agree.

Lulu Walker detailed the situations of many of her wards. Many have never been on Medicaid; many have never had food stamps. Some are battered women, others are unemployed and no longer eligible for benefits.

Lulu Walker ended her testimony by thanking me for funds she had received through the FEMA Program. Without those funds, she would have turned away at least 300 people in January of this year. In closing she said:

> The gas people can wait, they can wait until it gets above 32 degrees. The light people can wait, but when people are hungry they cannot wait.

On this amendment, we must vote from the heart as much as from the mind. We must think about the fact that poverty is increasing. We must determine that the dispossessed among us are not to be forgotten. We must take time to remember the needs of the homeless and the hungry. They are sleeping under bridges in Chicago and they still will be when it is 50 below zero this winter. They are searching for scraps of food in the dumpsters behind restaurants in Los Angeles and they still will be later this year. They are losing their farms in Illinois and Kansas and Iowa and Minnesota and Missouri, wondering how to feed their own families instead of growing food for themselves and for us.

This amendment is a responsible step to take. It is an absolutely necessary step to take. Until we have determined the best way to address this national problem, the immediate needs of this Nation's hungry and homeless must be met.

I urge the jurisdictional committees of the Senate to hold hearings on S. 739 and S. 394 as soon as possible. In the meantime, we need to continue a program which, in the last year, has provided 52 million meals at an average cost of 71 cents and 14.5 million nights of shelter at an average cost of $2.24.

Mr. President, I urge the adoption of this amendment.

The list of States follow:

DISTRIBUTION OF EMERGENCY FOOD AND SHELTER FUNDS

Total appropriations	FEMA I $50 million	FEMA II $40 million	FEMA III $70 million
Alabama	1,731,205	1,069,399	1,905,335
Alaska	69,978	100,000	125,000
Arizona	1,018,278	748,445	911,187
Arkansas	156,780	106,593	630,934
California	8,465,493	6,238,135	8,831,979
Colorado	114,300	88,492	333,507
Connecticut	192,806	100,000	589,453
Delaware	(1)	100,000	198,589
Florida	1,145,491	1,133,423	2,932,066
Georgia	364,469	240,126	961,886
Hawaii	(1)	100,000	125,000
Idaho	113,675	104,953	125,000
Illinois	4,317,930	3,363,394	4,528,175
Indiana	1,628,290	844,328	1,359,200
Iowa	224,368	125,409	132,074
Kansas	(1)	97,166	125,000

DISTRIBUTION OF EMERGENCY FOOD AND SHELTER FUNDS—Continued

Total appropriations	FEMA I $50 million	FEMA II $40 million	FEMA III $70 million
Kentucky	671,122	415,540	1,147,646
Louisiana	652,973	888,023	1,585,144
Maine	16,747	99,999	339,911
Maryland	825,301	479,394	413,642
Massachusetts	502,047	448,809	1,392,497
Michigan	5,138,882	3,890,051	4,787,228
Minnesota	222,814	160,485	610,983
Mississippi	283,182	230,098	807,081
Missouri	953,950	651,839	1,349,171
Montana	65,173	96,532	125,000
Nebraska	19,272	99,264	125,000
Nevada	261,309	169,839	125,000
New Hampshire	(1)	100,000	125,000
New Jersey	1,789,719	912,297	1,458,997
New Mexico	86,556	1,229,231	461,210
New York	3,063,172	2,443,896	5,176,531
North Carolina	287,523	180,203	1,437,763
North Dakota	(1)	100,000	125,000
Ohio	4,586,891	3,485,590	4,189,066
Oklahoma	5,633	159,180	669,701
Oregon	913,125	422,957	1,037,720
Pennsylvania	3,486,646	3,276,157	4,199,269
Rhode Island	271,012	169,378	206,028
South Carolina	291,442	123,975	920,339
South Dakota	6,055	100,000	125,000
Tennessee	1,206,281	675,882	1,735,119
Texas	676,552	1,774,825	4,310,082
Utah	157,096	151,199	374,856
Vermont	(1)	100,000	125,000
Virginia	247,306	128,219	526,707
Washington	1,758,521	1,015,009	1,746,775
West Virginia	553,106	761,966	1,035,434
Wisconsin	977,622	643,432	883,281
Wyoming	(1)	100,000	125,000

[1] Funds not used, therefore reallocated to other States.

Mr. HEINZ. Mr. President, I am proud to cosponsor Senator DIXON's amendment to provide $110 million for emergency food and shelter for the homeless. Homelessness in America can only be described as a national tragedy, and I think we as a nation have a responsibility to respond to this crisis. The small amount of money we are calling for here represents the absolute minimum for that response.

Though reliable statistics are hard to find, it is clear that an enormous number of Americans are homeless—probably between 1 and 3 million—and that the problem is getting worse. A recent report by the National Board of the FEMA Emergency Food and Shelter Program demonstrates that the number of homeless continues to increase, and the huge gap between the need for emergency relief and the resources available to meet that need continues to widen. This is a social crisis that is not going to fade away, and cannot be addressed with only State, local, and private funds.

At the most basic level, the survival of the homeless depends upon finding shelter from the elements and at least some food to eat. In the past, the only involvement of the Federal Government in providing for these life-or-death needs has been through the FEMA Program in which Federal moneys are channeled directly to local shelters and soup kitchens. This program has been by all accounts extremely successful—thousands of lives have been saved, and the Federal Government has provided money directly to local groups that act as the very last screen of the social safety net. The program operates with a minimum of bureaucratic overhead and intervention, and yields tremendous results for the most vulnerable people in our society.

The funding for the FEMA Program expires on July 31 of this year. With the termination of this program, the support efforts so carefully woven, so tentatively in place, will unravel, with brutal results for the homeless. In my home town of Pittsburgh, where FEMA money provides at least one-half the funding for local shelters, the price for eliminating this funding will be tallied in human misery.

Earlier this year, Senator DIXON and I introduced a bill to replace the FEMA Program with a National Endowment for the Homeless. I know Senator GORTON and Senator MOYNIHAN have introduced legislation to transfer the FEMA Program to HUD. In the House, some Members are recommending bringing the program under the jurisdiction of HHS. I think all of these are reasonable approaches, and we should pursue them. At this point, however, it is critical that we continue fund the FEMA Program, and not allow emergency assistance for the hungry and homeless to simply die. This money is too essential to too many desperate Americans to be dropped while we look into alternatives.

Mr. President, last year Congress appropriated a total of $110 million for the homeless, a miniscule amount when contrasted to the enormity of the problem. From that small amount, over 100 million meals were served, and more than 15 million nights of shelter were provided. On average, a meal provided from these funds cost less than 75 cents; a night in a shelter less than $3. From my standpoint, this is a very good bargain, and demonstrates the remarkable cost-effectiveness of every Federal dollar spent on emergency assistance.

The amendment before us provides Federal funding for the homeless at the same level as 1985. Though this amount will never meet the real needs of the homeless, we have decided to limit the funding to a level consistent with a freeze in Federal spending. This is not a generous amendment, it is the bare minimum.

Mr. President, in a society plagued by holes in the safety net of support programs, the homeless are faced with the cruel possibility of no net at all. As a nation, we have an obligation to provide basic food and shelter for the most desperate of our poor—the mentally ill woman living on a park bench, the unemployed veteran sleeping in an abandoned car, the broken family evicted from their tenement with no place to go. A country as bountiful as our own should not tolerate its citizens living subhuman lives. It is a challenge to our national conscience and to all our public and private institutions to meet the real needs of the homeless. This amendment represents a small, but important Federal contribution to this effort. I strongly urge its passage.

Mr. GORTON. Mr. President, I wish to begin by praising my colleague, the Senator from Illinois [Mr. DIXON], for his tireless efforts on behalf of the homeless in this country. He has worked unceasingly to bring their plight before this body and to urge us to take action to alleviate their suffering. Today, he has come before us again in the name of the homeless and hungry to offer an amendment for $110 million in emergency food and shelter assistance. I strongly support this amendment and have asked to be a cosponsor of it.

The problem of homeless Americans remains an urgent crisis in our Nation. The numbers of the homeless continue to grow and the demand for services to the homeless show no signs of decreasing. During these warm summer months, it would be easy for us to forget their needs. But the cold winter weather will soon return, while men, women, and children remain in need of shelter. The homeless are still with us, sleeping in abandoned buildings on makeshift huts of cardboard boxes, and surviving on food salvaged from supermarket dumpsters or served out at soup kitchens.

In 1983, Congress first addressed the particular needs of the homeless through an emergency food and shelter program administered under the Federal Emergency Management Agency. This temporary program has had enormous success in meeting some of the need through supporting mass shelters, soup kitchens, and food banks. The funding for that program runs out at the end of July. If we fail to act now by adopting Senator DIXON's amendment, Federal assistance to the homeless will come to an end.

Let me also take this opportunity to once again urge the Congress to enact legislation properly authorizing a formal Emergency Food and Shelter Program for the homeless. If the amendment offered by my colleague from the State of Illinois is adopted, as I hope and expect, this will be the fifth time since 1983 that we have made an appropriation for a program that has never been authorized. The needs of the homeless have been so pressing and urgent that it has been, and continues to be, necessary to bypass the legislative process to provide emergency food and shelter. But the FEMA Program was intended to be a temporary program, only remaining in operation pending the enactment of authorizing legislation. I know that this is Senator DIXON's intention as well. Upon the enactment of authorizing legislation for a formal

Homeless Assistance Program, it will be appropriate to transfer operation of Federal homeless assistance efforts to the new program.

In addition, as a matter of good fiscal and budgetary policy, those funds for this FEMA Program remaining unspent at the end of fiscal year 1985 should be regarded as equivalent to an appropriation for 1986. Additional appropriations for homeless assistance may be necessary in fiscal year 1986, but we should take into account funds already made available for that period.

Both Senator DIXON and I have introduced separate bills to establish Federal assistance to the homeless. The legislation I have introduced jointly with Senator MOYNIHAN, S. 394, the Homeless Housing Assistance Act of 1985, is presently before the Senate Banking Committee. The heart of my bill is an Emergency Food and Shelter Program that would continue the approach of the FEMA Program in providing assistance to the homeless through a national network of private voluntary organizations. Support would also be provided for renovation and conversion of buildings to use as emergency shelter facilities. Finally, the bill establishes a Demonstration Transitional Housing Program to assist homeless persons in the transition to independent living.

Mr. President, I urge my colleagues to join me in resolving that this will be the year in which Congress finally acts to establish a properly authorized program to feed the hungry and provide shelter to the homeless.

Mr. BRADLEY. Mr. President, I rise today in support of Senator DIXON's amendment to provide $110 million in continued funding for the FEMA-operated Emergency Food and Shelter Program.

It has been said that a society should be judged according to the manner in which it treats its neediest citizens. If we accept this dictum, then the problem of homelessness must be a source of great national shame. We should be embarrassed by the extent of homelessness in our Nation. We should also be embarrassed by our lack of responsiveness to this problem.

We cannot afford to continue to delude ourselves with the notion that the homeless represent a small group of individuals, mainly alcoholic men, who have chosen their lifestyles and do not wish to be a part of society's mainstream. The homeless population is large—estimates range between 250,000 and 3 million persons—and is composed of many different groups, each with its own problems and needs. The deinstitutionalized chronically mentally ill comprise a substantial portion of persons who seek respite in shelters for the homeless. The shelters are also filled with persons not fitting the stereotype of the socially marginal individual. Indeed, most observers agree that the fastest growing subgroup among the homeless is composed of unemployed individuals and their entire families.

Mr. President, the homeless are to be found everywhere. They can be found beneath highway bridges, on our subway grates, and in cars, tents, doorways and parks. In my State of New Jersey, the Governor's homeless task force estimates that there are over 20,000 homeless persons. Their misery is visible in large cities and small towns alike.

Contrary to certain statements by the present administration, very few of the homeless choose to live in the streets. Homelessness, instead, stems from a variety of factors: unemployment, social service and disability cutbacks, lack of aftercare services for the deinstitutionalized mentally ill, and housing shortfalls in urban areas. Sadly, several Federal policy decisions have exacerbated this situation. For example, Federal mental health policy, dating back to the 1963 Community Mental Health Centers Act, has unwittingly resulted in a growing population of chronically mentally ill persons who are not receiving appropriate services and many of whom find themselves living on the streets. Also, Federal support for subsidized housing has declined precipitously in the past 5 years at a time when, according to a recent GAO study, the Nation is experiencing a growing shortage of low-income housing.

The Federal response to this problem has been limited. Certainly the centerpiece of this response has been the Emergency Food and Shelter Program, which was funded as part of the Emergency Jobs Appropriation Act. This legislation was motivated by the fact that emergency service providers in both the public and private charitable sectors found themselves unable to meet the demand for assistance. This program is overseen by a National Board, composed of representatives of FEMA and six major voluntary organizations, which allocates funds to local areas in need of assistance. These grants are intended for the purchase of food and shelter. To date, thousands of organizations have participated in this program. Its operation has been a model of cooperation between the public and private sectors.

Unfortunately, the administration decided not to seek continued funding for this program. According to a recent GAO report, FEMA officials declined to request further funding because they felt the running of a long-term program to be inappropriate for an agency designed to respond to emergencies. This is probably true, and I have cosponsored a bill by Senator DIXON which would move the basic functions of this program to the Department of Health and Human Services. Nevertheless, the need for this program is real. The program is needed now. And until we are able to authorize a program such as Senator DIXON's National Endowment for the Homeless, I strongly believe that we should keep this effective and efficient program in place.

Mr. President, now that summer has arrived, it is easy to forget about the plight of our homeless citizens. People are not freezing to death on the streets. But just because the problem is less visible doesn't mean that it no longer needs to be addressed. Even during the summer months these individuals must engage daily in a degrading search for food and shelter.

Clearly, much more needs to be done to address the full scope of this problem. This amendment, however, will help these unfortunate people find, if not the American dream, at least a decent meal and a safe, warm place to sleep. I strongly support this amendment and urge my colleagues to do likewise.

Mr. DIXON. In the interest of brevity, Mr. President, let me say this matter has been discussed with the distinguished manager of the bill and the distinguished ranking member of the committee. The distinguished chairman of the jurisdictional subcommittee, the senior Senator from Utah [Mr. GARN] is on the floor and on his feet. I understand he will briefly make some remarks against this amendment. My understanding is that we may then go to a voice vote.

The amendment was adopted overwhelmingly last year. It simply extends at this year's level for the next year the same amount of money for hungry and homeless people. It has been cleared on both sides.

Again, in the interest of brevity, I shall conclude so that the Senator from Utah may be heard.

Mr. GARN. Mr. President, I rise in opposition to this amendment. I do not intend to call for a rollcall vote simply because, after 10 years in the Senate, I have learned to count. I would not expect that there would be more than a maximum of 15 to 20 votes against this amendment. I do feel it is necessary to express opposition, even though I know that it will become law once again, particularly in light of the budget difficulties we are having.

If there was ever a program that indicates how we arrived at $200 billion deficits, this one is it, how they started small and how they continued to grow. I say that about the procedures and the way we have handled it, not in opposition to the need for emergency food and shelter. That is not the issue. I do not disagree with the Senator from Illinois on the need or what he is trying to accomplish.

Just a little bit of history: We had an emergency jobs bill in 1983, which, like most jobs bills, was enacted after the crisis was over. It had very little impact on jobs. But this program was initiated on a onetime emergency basis. If people would check the record, they would find out that the argument was we need it now, it is not an ongoing program, it is an emergency, and the request was only for $50 million. So the House enacted "Emergency Expenditures To Meet National Needs"—they termed it that—"Emergency Expenditures To Meet National Needs," H.R. 1728.

The House appropriated $50 million for private voluntary organizations to distribute. The Senate appropriated $50 million for the States, to be administered through the Federal Emergency Management Agency.

I opposed the procedure. We had never before distributed money of that kind to private agencies. There were no procedures set up at all. It was solely on the basis of need which existed out there for emergency food and shelter. There was no authorization. There never has been an authorization. No authorizing committee has ever held hearings on this issue.

The Senate passed one version through FEMA, on which I made the comment at the time that if we are going to get involved in emergency housing, it might make sense to do it through the Housing and Urban Development Department, not through FEMA, which was not set up to handle things of this nature but to handle disasters, floods, and so on. But an amazing thing happened, that I have never seen in the House or Senate before. The House appropriated $50 million with one method of distribution, the Senate appropriated another $50 million with another method of distribution and it went to conference. In conference, instead of choosing between two bills with exactly the same dollar amount, we accepted both. The request was only for $50 million and we accepted both the House and Senate program, doubled it and made it $100 million through two different distribution methods.

We said, "Well, it is only an emergency, it is only another $50 million."

Then, in November 1983, we appropriated $30 million more for private voluntary organization in Public Law 98-181, and also, in Public Law 98-151, an additional $10 million for something more.

In the August 1984 second supplemental appropriations bill, there is $70 million, for a total of $110 million for fiscal year 1984, to be distributed through national boards of charitable organizations to local boards who dispense funds to local voluntary organizations and local governmental bodies.

Now, we are being asked once again to appropriate the same level, $110 million. It is not a lot of money in terms of the total national budget, and there is not a lack of need out there in the country for some of these services. But I think if the American public knew how we do business—here we are appropriating this much money, with no hearings ever held, no authorization for this bill, and continue to do it on an emergency basis 3 years in a row for over $300 million—we might find some answers to this budget crisis without some of the drastic actions we are having to take.

So, Mr. President, I am in opposition to the method of distribution, the shoddy legislative effort we have made, doing it always on an emergency basis without considering better means of possibly properly administering it through HUD, through setting up proper guidelines. Fortunately, it has been handled fairly well. I guess that is the good thing. But this is not the way the Senate and the House of the United States should operate.

There are procedures for legislation. There are authorizing and appropriating procedures. We have turned into a body that totally ignores them.

I appreciate the Senator's concern for the need in this emergency food and shelter area, Mr. President. He was not the originator of this particular idea. But we are perpetuating a very bad method of legislating and appropriating money, whether it is this program or not. Therefore, I do most wholeheartedly oppose it. I wish we could get back to legislating in a more intelligent manner.

Mr. KERRY. Mr. President, I am pleased to join with the senior Senator from Illinois in co-sponsoring this amendment that would reaffirm America's commitment to the problem of homelessness by providing adequate funding for the Emergency Food and Shelter Program this year.

A few months ago I was proud to join with Senator Dixon in the sponsorship of legislation for a National Endowment for the Homeless. I said at that time that I hoped all of our efforts on behalf of the homeless could end in the not so distant future. However, the reality is that in order to get to that point, we will have to be diligent in our efforts to get to the root causes as well as the symptoms of this pervasive problem.

I believe that Senator Dixon's proposal in this case and in the case of the Endowment are initiatives that will go a long way in the right direction. For those reasons I fully support his efforts in this area.

Mr. DIXON. Mr. President, I wonder if my colleague from Washington has any comments he wants otherwise to make before we have the vote.

Mr. GORTON. Mr. President, I shall have nothing to add to my statement. I thank the Senator.

Mr. DIXON. I thank the distinguished Senator from Washington.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 371) was agreed to.

Mr. DIXON. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. GORTON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 372

Mr. McCLURE. Mr. President, what is the pending business?

The PRESIDING OFFICER. The committee amendment.

Mr. McCLURE. Mr. President, I send an amendment to the amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Idaho [Mr. McCLURE] proposes an amendment numbered 372 to the committee amendment.

Mr. McCLURE. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 111, line 2, insert before the period the following:

"; *Provided*, That notwithstanding any other act, none of the funds made available to the Department of the Interior or the Forest Service during fiscal year 1985 by this or any other act may be used to implement the proposed jurisdictional interchange program within the States of Arizona, Montana, New Mexico, and Wyoming"

Mr. McCLURE. Mr. President, this amendment is an attempt to resolve what has developed as a kind of impasse on the BLM-Forest Service Interchange Program in which the administration has agreed that they will not move forward on the program of actual interchange without further legislation, but they want to be in a position to take some administrative personnel actions in terms of joint management, which otherwise could be done. Those who are trying to stop the interchange program want a positive statement that nothing will happen, and those who believe that some modest personnel changes and administrative changes might be appropriate want to leave it open so that that can happen. What we had done in the subcommittee was to provide for, in essence, a proposal for administrative action to flow back through the committee in the same way that reprogramming requests are handled.

The Senator from Arizona in particular, the author of the original amendment, had asked that the program be stopped completely with no

action at all being taken with respect to his State. He has since been joined by Senators from New Mexico, from Montana, and from Wyoming in making similar requests with respect to their States.

What this language does is simply add to the committee amendment a provision that no funds shall be expended with respect to this program within those four States. This amendment has the approval of the Senator from Arizona, and the other Senators who are affected, I am informed, have approved the language with respect to their States.

I know of no objection to the amendment and urge its adoption.

Mr. STEVENS addressed the Chair.

The PRESIDING OFFICER. The Senator from Alaska.

Mr. STEVENS. Could the clerk again inform us, where does this amendment go into the amendment?

Mr. McCLURE. On page 111, line 2, at the end of the sentence before the period insert the following language:

Mr. STEVENS. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. STEVENS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. STEVENS. Mr. President, it is my understanding that the amendment that has now been offered by the distinguished subcommittee chairman, the Senator from Idaho, would specifically exempt certain States from the procedures of consolidation that were suggested by the Forest Service and the Bureau of Land Management. Now, we have been concerned about this in my State—naturally so, I would say, since we have more than half of the Federal lands in the United States, but I was willing to abide by the concept that there would be a request to the Congress for reprogramming before any action was taken to implement such a consolidation. Is that still the understanding of the Senator from Idaho, that the two departments involved are willing to comply with the language that is in the bill now concerning this matter?

Mr. McCLURE. Will the Senator from Alaska yield?

Mr. STEVENS. Yes.

Mr. McCLURE. The Departments have informed me that they do intend to follow the procedures that are outlined in the bill. As the Senator would know, under the Chadka case there is some question of the legality of this consolidation, on whether or not they could be compelled to follow it, but they have indicated they intend to follow it. As the Senator notes, before any exchange of land could take place, it requires specific legislation, so certainly there is no possibility for the exchange of lands without legislation, and the other administrative actions would be subject to the procedure set forth in the bill as it is now written.

Mr. STEVENS. Mr. President, I am particularly concerned with the concept of the exchange of jurisdiction over lands, one Department turning over to another jurisdiction over vast areas without the approval of Congress. It is the understanding of the Senator from Idaho that that would still be subject to approval of the Congress?

Mr. McCLURE. The Senator is correct.

Mr. STEVENS. I thank the Senator.

Mr. DeCONCINI. Mr. President, I rise in support of the amendment of the Senator from Idaho. There is language in the bill now which subjects any administrative use to certain procedures through reprogramming to the Senate Appropriations Committee. Now, some of us felt that because of the uncertainty in our States, we have asked the distinguished chairman to proceed with this perfecting amendment that he has offered in behalf of a number of us. I understand that there is still a question of notification here that we hope to resolve in a short period of time. But what I think is significant—and the Senator from Alaska is correct to ask the question—is what is the intent of these agencies.

Although they have certainly indicated that they do not plan to proceed, it troubles me that the administration has failed to come up with all of the evidence that they are using to justify this in the first place. So we know that it is going to take legislation to actually transfer the title and make the ultimate exchanges. Prior to that there are a great many administrative things that can happen, and some have already happened. And without having the whole program put together as to the results and effects of this action, it was the feeling of some of us that we wanted to be specifically mentioned in this exclusion. I will be glad to yield to the Senator from Montana if he wants the floor.

Mr. MELCHER. Mr. President, it is certainly true that in order to carry out any of the tasks of swapping BLM land for Forest Service land it would require legislation by Congress. And so I suppose some of our colleagues will be tempted to view this process that the Bureau of Land Management and the Forest Service is undergoing—holding public hearings about their proposal—as some sort of public service so there can be discussion.

Well, Mr. President, if there were to be such a land swap between the Bureau of Land Management and the Forest Service, I suspect Congress would not want to consider any such proposal unless it were developed along the same lines which were employed when the Bureau of Land Management and the Forest Service suggested in the 1960's that it would be a significant improvement in the statutes of the United States and the Federal land acts if all those various pieces and parcels of acts of Congress that touch on the management of Federal lands would be reviewed and recodified.

A blue ribbon commission of citizens who are knowledgeable in the use and management of public lands was appointed, and that commission met for a series of years and came up, after a time, with a series of recommendations. Congress did not act very quickly on those recommendations.

Finally, in 1976, we passed what is known as the Federal Land Policy Management Act. That took time, and it took a lot of input from many people living in the States in particular where there are large quantities of public lands. But citizens across the country were well aware of that effort and had plenty of time to digest the recommendations that were made by the Public Land Laws Council—that was the right term used, rather than commission—and a subsequent act of the Federal Land Policy Management Act, enacted into law in 1976, reflected that.

However, nothing of that type has been done in this instance. This year, surprisingly, the administration announced this proposal and then insisted that the two principal land agencies, the Bureau of Land Management and the Forest Service, start this round of discussions and public hearings.

Mr. President, I think this has gone on long enough, and I say that advisedly, because I do not believe this system can lead to anything. I do not think Congress is going to review any of their suggestions that are hatched this quickly, with so few people involved and with the attitudes and judgments of so few people.

So, at a time when we find very difficult budget constraints, I find it very disheartening that considerble amounts of money are spent on this effort. I think it is ill-advised, and I hope that the actions taken this day will bring it to a halt—at least in those States that have been identified by the amendment of the Senator from Idaho

Mr. STEVENS. Mr. President, as acting manager, I say that this amendment is acceptable.

Mr. DeCONCINI. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legisaltive clerk proceeded to call the roll.

Mr. McCLURE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. McCLURE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. McCLURE. Mr. President, I ask unanimous consent that the pending committee amendment and the amendment thereto be temporarily laid aside, in order that another amendment may be offered.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 373

(Purpose: To direct the use of certain prior year funds to initiate development of the Simplified Munitions Lift Trailer program)

Mr. GORTON. Mr. President, I send to the desk an amendment to direct the use of certain prior year funds to initiate development of the Simplified Munitions Lift Trailer Program, and I ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Washington [Mr. GORTON] proposes an amendment numbered 373.

Mr. GORTON. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 37, between lines 11 and 12, insert the following new section: "Research, Development, Test, and Evaluation".

RESEARCH, DEVELOPMENT, TEST, AND EVALUATION, AIR FORCE

For the Simplified Munitions Lift Trailer program for the Air Force, $3,800,000, to be derived from funds appropriated to the Air Forec for fiscal year 1985, or any previous fiscal year, for research and development and which remain available for obligation, such funds to be used by the Secretary of the Air Force to enter into a contract, not later than 10 days after the date of the enactment of this Act, with the winner of the competition (mandated by section 112 of the Department of Defense Authorization Act, 1985 (Public Law 98-525; 98 Stat. 2507)) to determine the contractor best qualified to develop such trailer, such funds to remain available for obligation for such purpose until September 30, 1986.

Mr. GORTON. Mr. President, this is the first of two noncontroversial amendments I have, each of which has been cleared and each of which has already been adopted by the Senate as an amendment to another bill.

Mr. President, last year, Congress directed the Air Force to conduct a competition to determine the contractor best qualified to develop and produce the weapons loader for the B-1. This piece of equipment, designed to load strategic weapons such as cruise missiles, will play a quiet but essential role in making our new manned bombers an efficient, effective, and safe deterrent.

The language in the fiscal year 1985 Defense Authorization Act was clear: "None of the funds appropriated to the Department of Defense may be obligated or expended . . . until a contractor for such weapons loader has been determined after a competition." That competition was conducted by the Air Force and a clear winner was in fact determined and reported to the Congress last December.

But no award has been made. The reason, Mr. President, is to be found in the actions of one committee of the Congress. The Air Force went to the Senate and House Armed Services and Appropriations Committees for reprogramming approval. While the Senate Armed Services Committee and the Appropriations Committees in both Houses approved of the Air Force's request for reprogramming, the House Armed Services Committee asked the Air Force questions about the competition. The Air Force complied in good faith and concluded that its competition was fair and had determined the best contractor. Most importantly, the Air Force found that the winner of the competition would save the Federal Government millions of dollars. The loser of the competition would cost the Air Force 44 percent more in investment costs and 36 percent more in total life cycle costs. Unnecessarily, the issue finally was addressed in a House Armed Services Committee vote, in which the reprogramming was not approved in spite of support for the reprogramming by the committee chairman and ranking minority member.

The most pressing issue at this point is the timing of the award. The B-1's are being built and will become operational next year. When they come on line, the weapons loaders must be ready. I understand that if the Congress fails to act by the end of August, the Air Force will probably have to decide to procure weapons loaders from its past supplier, the loser of the competition. That, Mr. President, will mean a defeat for competition and a defeat for the taxpayers just when we can ill afford waste in Defense procurement.

My amendment would reprogram $3.8 million from prior year or fiscal year 1985 funds, which have already been appropriated, for development of the loader. In addition, it would require that the Air Force enter into a contract with the winner of the competition not later than 10 days after the date of enactment of this act.

The Senate attached an amendment to the fiscal year 1986 Defense bill which might accomplish the reprogramming, but that amendment does not specify a time by which the Air Force must comply. In addition, the Defense authorization conference may not be completed before the Air Force must proceed with development and procurement of a new weapons loader.

Mr. President, time is of the essence and this amendment on the supplemental appropriations bill is imperative. I urge my colleagues to support this amendment and, by doing so, support the competition that the Congress directed and the Air Force held. The American taxpayer deserves no less.

Mr. President, I ask unanimous consent that the names of the distinguished Senator from Tennessee [Mr. SASSER] and the distinguished Senator from Virginia [Mr. WARNER] be added as cosponsors.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GORTON. Mr. President, this amendment has been cleared with the appropriate chairman of the Defense Subcommittee and the distinguished Senator from Mississippi [Mr. STENNIS].

Mr. STEVENS. Mr. President, I am informed by the Senator from Washington that this amendment has been cleared with the Armed Services Committee. It is a matter for which our subcommittee previously approved a reprogramming, but that reprogramming was not totally approved by the House. Under the circumstances, we will be pleased to take the matter to conference and see what we can do once again with the House.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 373) was agreed to.

Mr. GORTON. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. STEVENS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 374

(Purpose: To authorize the sale or lease of the Fairley Building, King County, WA)

Mr. GORTON. Mr. President, I send an amendment to the desk to authorize the sale or lease of the Fairley Building, King County, WA, and I ask for its immediate consideration.

The PRESIDING OFFICER. There are two amendments which must be laid aside.

Mr. GORTON. I ask unanimous consent that the pending amendments be laid aside in order to consider this amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. McCLURE. Reserving the right to object, I understand that to be "temporarily laid aside."

Mr. GORTON. Temporarily laid aside.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Washington [Mr. GORTON], for himself and Mr. Evans, proposes an amendment numbered 374.

Mr. GORTON. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place in the bill, insert the following:

SEC. —. Upon the request of the Pike Place Market Preservation and Development Authority, Seattle, Washington, the Secretary of Commerce shall authorize the sale or lease to any person of the Fairley Group Building (project numbers 07-01-01890, as modified by 07-01-01890.01, and 07-11-02606) located in the Pike Place Market, King County, Washington, without affecting the federal assistance provided under the Public Works and Economic Development Act of 1965, if the transfer documents provide for the continued use of the Fairley Group Building as a public market during the expected useful life of the building.

Mr. GORTON. Mr. President, the amendment I am offering resolves a dispute between the Department of Commerce's Economic Development Administration and Seattle's Pike Place Market Authority. I offered this amendment last October to the highway bill, and it was accepted by unanimous vote, because of the gracious understanding of the managers of that bill, Senators STAFFORD, BENTSEN, and SYMMS. Unfortunately, that bill did not emerge from conference with the House.

This amendment authorizes the lease of the Fairley Building in Seattle, WA. The Fairley Building is one of 12 properties owned and operated by a public authority as part of Seattle's Pike Place Farmer's Market. In 1977, the Economic Development Administration of the Department of Commerce [EDA] awarded the public authority a $1.767 million grant to restore and preserve the Fairley Building. The restoration was completed in 1978, and is considered one of EDA's more successful job creation projects.

In December 1983, the public authority entered into "lease/leaseback" transactions for nine of its properties, including the Fairley Building, to raise badly needed maintenance funds. A lease/leaseback is a means of transferring Federal tax deductions and credits from public to private entities. The public authority retained ownership and control of its properties and continues to operate them as a public farmer's market.

EDA officials have notified the public authority that the lease violated EDA regulations, which require EDA's consent before property covered by a grant is transferred. EDA believes it must seek compensation from the authority, and it has demanded the return of the original grant of $1.767 million.

The proposed amendment requires EDA to consent to the Fairley Building lease. It would relieve EDA of the need to seek repayment of the grant.

The amendment should be supported for several reasons. First, it would be unfair for EDA to receive compensation. EDA regulations require it to record a property management agreement on a building's title when it restricts a grantee's power to transfer property, with limited exceptions, and it did not record its interest. It has conceded that it would have been wise to record in this case, because of the interest in sale/leaseback and lease/leaseback arrangements by municipalities.

The public authority conducted a title search and received permission from all parties, including HUD, which it knew had an interest in the property. The authority acted in good faith, and did not try to circumvent EDA rules.

Second, there has been no change in the use of the Fairley Building as a farmer's market. The purpose of EDA property management rules are to insure that EDA-assisted property continues to be used for the purpose for which the grant was made. The Fairley Building will be used as a public market under public control at all times. No harm has been done by the market's technical violation of EDA rules.

If EDA withdraws its $1.767 million, it will cripple the market and jeopardize past Federal investment. EDA's actions, rather than the market's are inconsistent with the purposes for which the original grant was made.

Finally, EDA believes legislation is the only solution to the problem. EDA does not want to recall its grant, but it does not believe it is able to forgo compensation for violation of its rules. My staff has discussed this legislation with EDA and Commerce Department officials and thus believes it is a reasonable solution to this problem.

Congress has authorized sale/leaseback and lease/leaseback transactions for EDA-assisted property several times in the last 2 years. Pantages Theatre, Public Law 97-377, 1982; Shea's Buffalo Theatre, Public Law 98-8, 1983; George P. Scotlan Memorial Convention Center, Public Law 98-63, 1983. The Deficit Reduction Act of 1984 removed the Federal tax incentives for these transactions. The Fairley Building transaction occurred before the effective date of the act and is the last of its kind.

EDA granted funds for the Fairley Building to provide jobs and assist restoration of one of the Nation's unique public institutions, Seattle's Pike Place Market. If EDA requires compensation for a technical violation of its regulations, it risks bankrupting the market and destroying this outlet for small farmers, fishermen, craftsmen, and other small businesses. I urge Senators to support this amendment to avoid this tragic result.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

Mr. STEVENS. Mr. President, I am informed that this matter is still being checked out by the committee staff, and I am constrained to ask my good neighbor and friend to agree to temporarily put the amendment aside, until we can check with the chairman of the subcommittee involved.

Mr. GORTON. Mr. President, I would not have offered it had I not understood that the clearance process had been completed but at the request of the Senator from Alaska I will be happy to do so.

Mr. STEVENS. I thank the Senator.

I, too, ask unanimous consent that it be temporarily laid aside so the Senate can proceed to other business, but this matter must await clearance of the subcommittee chairman.

Mr. JOHNSTON. Mr. President, may I ask that the distinguished Senator from Washington also clear it with the subcommittee on the Democratic side. I am advised by the staff they are not familiar with it. There has been no objection to it on our side, if he will just clear it with that staff.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. McCLURE. Mr. President, is the committee amendment and the amendment thereto the pending business?

The PRESIDING OFFICER. It is.

AMENDMENT NO. 372, AS MODIFIED

Mr. McCLURE. Mr. President, I send a modification to the desk.

The PRESIDING OFFICER. The amendment is so modified.

The modified amendment is as follows:

On page 111, line 2, insert before the period the following:

"; *Provided*, That any reprogramming submission under this General Provision shall be referred concurrently to the House and Senate Committees on Appropriations, the Senate Committee on Energy and Natural Resources, and the House Committee on Interior and Insular Affairs; *Provided further*, That such reprogramming submissions shall be submitted to the aforementioned Committees at least thirty days prior to implementation of such reprogramming proposals.

"; *Provided further*, That notwithstanding any other act, none of the funds made available to the Department of the Interior or the Forest Service during fiscal year 1985 by this or any other act may be used to implement the proposed jurisdictional interchange program within the States of Arizona, Montana, New Mexico, Oregon, and Wyoming.".

Mr. McCLURE. Mr. President, the modification is language added at the end of the amendment to the commit-

tee amendment and provides simply that in addition to the notification that is required to the Appropriations Committees of the House of Representatives and the Senate of such an action, it would require notification concurrently to both the authorizing committees in the Senate and in the House of Representatives.

Mr. STEVENS. Mr. President, I find that modification acceptable, because it will add the two commodities which have legislative jurisdiction, and I am certain that that would have been implied and we would have assured that that clearance had taken place in the reprogramming process.

In any event, I think it is a perfecting amendment which is acceptable.

Mr. BINGAMAN. Mr. President, I would like to discuss my general concerns regarding the proposed BLM-Forest Service jurisdictional exchange. Since I have been in the Senate, very few issues have disturbed New Mexicans to the extent that this proposal has. In briefings held by the BLM and Forest Service over the past few months to explain the general purpose of the program, the overwhelming response from the public has been negative. In the Implementation Guide prepared by the two agencies for New Mexico and published June 7, 1985, they acknowledged that "most of the BLM and FS constituencies have expressed a desire for no change."

Given this response, it is apparent that the agencies must do a great deal more to win public acceptance. I certainly understand and support the goals of the agencies in undertaking this interchange. There are many areas where both management efficiency and cost efficiency can be achieved through cooperation and the joint efforts of the two agencies. However, this comprehensive approach may not have been the most effective way to accomplish the desired results.

My concern for this issue goes beyond parochial considerations of its impact on New Mexico. This proposal affects a significant national resource of public lands belonging to the citizens of the United States. To responsibly execute our trust responsibilities with regard to these lands, it is imperative that any proposal of this magnitude be thoroughly reviewed by Congress as a whole.

The agencies have proposed a two-track approach in completing the interchange: administrative dual hatting of agency staff and legislation which would formally transfer management responsibilities of designated lands. I question whether these two tracks can remain separate if the agencies move forward on the administrative track in the absence of legislation.

There is also a well-founded concern that allowing the administrative interchange to proceed may then beg the question of whether the legislative proposal is appropriate. No purpose is served by allowing any portion of the land swap in advance of thorough congressional consideration. Decisions may be made and steps taken that would be costly to change if Congress rejects or modifies the exchange proposals. This would in effect usurp the congressional perogative to make this important decision.

Therefore, I think it is prudent to delay any implementation until Congress, the public and the agencies have thoroughly reviewed the proposals, the details of which are not completely available. This does not prevent the agencies from continuing to develop plans of the interchange or finalizing their legislative proposals. Nor is it my intention to preclude ongoing cooperative management efforts and sharing of personnel which are deemed to be beneficial independent of any interchange of administrative responsibilities between the agencies. However, the interchange of responsibilities and personnel should not be undertaken in the absence of legislation and a comprehensive field implementation program. An issue of such importance deserves close attention and consideration by the Congress.

I think it is reasonable to include language in this supplemental appropriations bill that preserves the prerogative of the Congress in a matter that affects the management of more than 30 million acres of public lands and underlying minerals.

While I would prefer the House language on this matter, I think the proposed amendment as modified is an acceptable compromise. It specifically provides that the agencies cannot use fiscal year 1985 funds to implement the interchange in New Mexico.

Additionally, it is modified to include my recommendation of a 30-day notification period for the Senate and House authorizing and Appropriations Committees. This will allow the committees time to consider any implementation action proposed by the agencies. This is especially important to members of the Senate Energy and Natural Resources Committee, of which I am a member.

I thank the distinguished Senator from Idaho for offering this amendment and for agreeing to modify it to include my concerns. I also thank the distinguished Senator from Arizona for his efforts.

Mr. DECONCINI. Mr. President, will the Senator from New Mexico yield?

Mr. BINGAMAN. I yield.

Mr. DECONCINI. I add my thanks to the Senator from Idaho for working this out. It has not been easy. It is not that complicated of a problem.

I appreciate the staff of the Senator from Idaho putting this together.

Mr. MCCLURE. I thank the Senators for their comments. I think it is a workable compromise. It meets the needs of the several Senators and the several States that are affected.

I urge adoption of the amendment as modified.

The PRESIDING OFFICER. Without objection, the amendment is agreed to.

The amendment (No. 372), as modified, was agreed to.

Mr. MCCLURE. Mr. President, the amendment to the amendment has been adopted and the question, then, would be upon the committee amendment, as amended. Is that correct?

The PRESIDING OFFICER. The question is on the committee amendment, as amended.

The committee amendment, as amended, was agreed to.

Mr. MCCLURE. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. STEVENS. Mr. President, I move to lay that on the table.

The motion to lay on the table was agreed to.

Mr. DURENBERGER. What is the pending business?

The PRESIDING OFFICER. The amendment of the Senator from Washington.

Mr. STEVENS. Mr. President, I ask unanimous consent that that amendment be temporarily laid aside.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 375

Mr. DURENBERGER. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The bill clerk read as follows:

The Senator from Minnesota [Mr. DURENBERGER] for himself and Mr. LEAHY proposes amendment numbered 375.

Mr. DURENBERGER. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place, insert the following:

"ENHANCED SECURITY COUNTERMEASURES CAPABILITIES

To the Director of Central Intelligence, for the enhancement of the security countermeasures capabilities of relevant agencies $50,000,000 to remain available until September 30, 1986, to be allocated by the Director of Central Intelligence among the National Security Agency, the Central Intelligence Agency, the Federal Bureau of Investigation, and any other agency that the Director of Central Intelligence may determine, such funds to be expended exclusively for the purpose of improving United States security countermeasures capabilities abroad in accordance with a plan to be developed by the Director of Central Intelligence in conjunction with the National Security Council and submitted to the Appropriations and Intelligence Committees of

the Congress no later than September 1, 1985."

Mr. DURENBERGER. Mr. President, this amendment would provide $50 million for an initiative to be undertaken by the Director of Central Intelligence to improve classified aspects of the security of our Embassies and other U.S. Government facilities abroad.

Improvements are urgently needed in this area. Government personnel and functions currently are exposed to danger from hostile entities and organizations to an unacceptable degree.

This amendment will fund a new activity to be coordinated by the DCI to develop and assess countermeasures to alleviate certain security shortcomings. The details of the activity and the complete rationale behind this amendment are necessarily classified. Senators may obtain further information from the Select Committee on Intelligence in accordance with Senate Resolution 400 of the 94th Congress.

Mr. STEVENS. Mr. President, the matter raised by the Senator's amendment is one that our committee is familiar with. There is a need for additional funding in this area, and it is a difficult subject to discuss on the floor.

The Senator has asked for additional funds in the amount of $50 million to be made available only until September 30, 1986. The distinguished Senator from Minnesota and I, have discussed this in general, and we believe that the moneys are needed.

We believe that we will need further identification of the kind of funds available to discuss with our colleagues from the House of Representatives who review with us the funding for classified agencies.

So I am prepared to recommend to the Senate that the Senate adopt this amendment with the understanding that we will get further justification for the individual sums to be divided between the agencies in time to discuss it in conference with Members of the House of Representatives.

Mr. DURENBERGER. Mr. President, let me assure my colleagues that as the Senator from Alaska has indicated, it is important that more detailed specifics on the allocation of the up to $50 million are forthcoming. They are not all in that status at the present time and we have assured the chairman of the appropriate subcommittee on appropriations that by September 1, if not earlier, that detail will be provided by the DCI so that the most appropriate use of the money can be used.

Mr. STEVENS. I thank the Senator. I do recommend adoption of the amendment.

Is my good friend from Louisiana prepared to accept this amendment?

Mr. JOHNSTON. Mr. President, I was not aware of this amendment. So far as I know, it has not been cleared. No one has objected to it. I just have not heard of the amendment.

Mr. DURENBERGER. Yes. It is on behalf of myself and the vice chairman, Senator LEAHY. I am informed it was cleared on the Democratic side.

Mr. JOHNSTON. Mr. President, I am advised now that the matter has been cleared on our side.

The PRESIDING OFFICER. Without objection, the amendment is agreed to.

The amendment (No. 375) was agreed to.

Mr. DURENBERGER. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. STEVENS. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. STAFFORD. Mr. President, what is the parliamentary situation?

The PRESIDING OFFICER. The question recurs on the amendment of the Senator from Washington.

Mr. STAFFORD. Mr. President, I ask unanimous consent that the amendment of the Senator from Washington be temporarily laid aside.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 376

(Purpose: To restore funding for Research and Development Program at the Environmental Protection Agency)

Mr. STAFFORD. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The bill clerk read as follows:

The Senator from Vermont [Mr. STAFFORD] proposes an amendment numbered 376.

On page 91, strike out lines 17 through 21.

FUNDING FOR R&D AT EPA

Mr. STAFFORD. Mr. President, I am offering an amendment to restore $4.1 million in Environmental Protection Agency research and development funds that would be rescinded in the bill reported by the committee.

It is my understanding that the administration proposed to rescind $4.1 million in research and development funds in accordance with section 2901 in the omnibus Deficit Reduction Act of 1984. That provision, however, was intended to target government wide management in specific spending categories such as travel, consultants, and public relations.

However, the proposed rescission would instead affect, according to the Agency itself, several important research areas.

I am including for the RECORD a list of some valuable research projects that are under consideration at the present time that might be undertaken if the funds are restored and I ask unanimous consent that the projects be printed in the RECORD.

I believe this list shows the Agency will be able to spend the $4.1 million very well.

There is a consensus among both environmental groups and industry that the scientific base on which the agency regulatory decisions are founded have seriously eroded in the recent years because of severe cuts in the Agency research and development budget. The research and development budget has absorbed the brunt of the reduction in the Agency's budget in the last 5 years and is still 23 percent below the level provided to the Agency in fiscal year 1981.

I believe restoration of these funds is a small but important step in reversing that trend.

Mr. President, I understand that the chairman and ranking member of the subcommittee with jurisdiction over EPA funding and my good friend from Vermont, Senator LEAHY, are willing to accept this amendment.

I have discussed this with the managers of the bill and I hope they will do so also.

There being no objection, the list was ordered to be printed in the RECORD, as follows:

Potential fiscal year 1985 EPA research projects

Program	*Cost of project*
Wetlands-ecosystem definitions	$575,000
Indoor air-clinical research on individuals with health problems	900,000
Biotechnology-research on genetically engineered organisms	1,000,000
Research on development of leaks in underground storage tanks	300,000
Dissemination of information on effective control technology for small waste generators	250,000
Improved understanding of exposure assessments by blood sampling	650,000
Ecotoxocology studies: Impacts of pesticides on endangered species	250,000
Estuarine modelling	500,000
Development of technology to evaluate wood stoves	200,000
Development of computer approaches to expert systems	400,000
Exploratory Research Core Program: Visiting scientists	686,600
Energy: A pilot-scale study to produce options on waste recycling and/or utilization to increase SO_x removal efficiency and reduce volume produced	401,800
Toxic Substances and Health Effects: Increase scope of studies on risk extrapolation in teratology; symposium on chemical carcinogenesis; epidemiological studies; development of pulmonary immune system models	371,300
Air: Users guides for particulate models: SO_x models for use in complex terrain; and reports on visibility models and materials damage	278,200

Program	Cost of project
Validation studies for monitoring methodologies for the NESHAP program and a study for Tenax GC/MS methodologies	265,000
Total	7,007,900

Mr. STEVENS. Mr. President, as usual, the distinguished Senator from Vermont is correct. This matter has been cleared with the people involved on this side.

I ask the Senator from Louisiana if he is prepared to accept this amendment for the minority.

Mr. JOHNSTON. Mr. President, we have one further check we are running on this. I do not think there is a problem, but if we could temporarily lay aside this amendment, we want to check on one additional person.

Mr. President, I am now advised that the amendment is OK.

Mr. STAFFORD. Mr. President, I move the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 376) was agreed to.

Mr. STAFFORD. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. STEVENS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. STEVENS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. STEVENS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. STEVENS. Mr. President, I ask unanimous consent that the pending amendment be set aside temporarily so that the Senator from New Hampshire may offer an amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 377

(Purpose: To appropriate an additional amount for Educational and Cultural Exchange Programs)

Mr. HUMPHREY. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from New Hampshire [Mr. HUMPHREY] proposes an amendment numbered 377.

Mr. HUMPHREY. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 33, line 14, after the period at the end of the line, insert the following:

And for an additional amount under this head to promote the development of an independent media service by the Afghan people and to provide for the training of Afghans in media and media-related fields, $500,000: *Provided,* That the Director, with the Secretary of State, shall report to the appropriate Committees of Congress on the obligation of these funds 60 days from the date of enactment of this Act.

Mr. HUMPHREY. Mr. President, this is an amendment cleared on both sides with the present managers of the bill and likewise with the chairman and ranking member of the relative subcommittee, Senators LAXALT and HOLLINGS.

The effect of the amendment is to add $500,000 to the USIA Education and Cultural Exchange Programs. The purpose of the expenditure is to make grants to private support groups who will enhance the ability of the freedom fighter groups to bring out of Afghanistan the story of Soviet atrocities occurring in the war now underway in that country.

As a practical matter, it will involve the training of Afghan journalists and providing to them minicameras to take video footage of the war as a means of getting out the message to the world of what is going on there. The Soviets, unfortunately, have largely succeeded in their efforts of hiding that war from the people of the world and from world opinion.

It is our contention that among the many things we need to be doing in the area of public diplomacy, quite apart of any programs providing material, but in the area of public diplomacy, one of the things we need to be doing is just this, enhancing the capability of the Afghan freedom fighters, which has recently, in Peshawar in Pakistan, formed an alliance for the first time now since the invasion of their country some 6 years ago.

The time is right. The need is urgent almost beyond words. That is the intent and the purpose of this amendment.

I would say finally that the amendment is supported by the administration and has been cleared with the National Security Council.

Mr. STEVENS. Mr. President, the amendment has been cleared by the subcommittee chairman. I am very much in favor of it, and I am informed about the problem the Senator from New Hampshire has discussed. There is a great need for assistance to the Afghan people in terms of their ability to deal with the media problems related to their situation. When you compare the amount of world media involved in the situation in Central America to that in Afghanistan, I think everyone would understand the need for this amendment.

Mr. JOHNSTON. Mr. President, the amendment has been cleared on this side.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 377) was agreed to.

Mr. HUMPHREY. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. STEVENS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. CHILES. Mr. President, I ask unanimous consent that the pending amendment be temporarily laid aside.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 378

(Purpose: To ensure that additional appropriations not be used to pay for damages caused by the Soviet Union during construction of the new U.S. Embassy in Moscow)

Mr. CHILES. Mr. President, I send an amendment to the desk on behalf of myself and Senators LEAHY, BENTSEN, DECONCINI, DOMENICI, HOLLINGS, JOHNSTON, MCCONNELL, PROXMIRE, ROTH, SASSER, and SYMMS, and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Florida [Mr. CHILES], for himself, Mr. LEAHY, Mr. BENTSEN, Mr. DECONCINI, Mr. DOMENICI, Mr. HOLLINGS, Mr. JOHNSTON, Mr. MCCONNELL, Mr. PROXMIRE, Mr. ROTH, Mr. SASSER, and Mr. SYMMS, proposes an amendment numbered 378.

On page 30, line 11, before the period at the end of the line insert a colon and the following: "*Provided,* That notwithstanding any other provision of law, the Secretary of State shall not permit the Soviet Union to occupy the chancery building at its new embassy complex in Washington, D.C., or any other new facilities in the Washington, D.C. metropolitan area, until the Soviet Union provides reimbursement to the United States for damages incurred as a result of the construction of the new U.S. Embassy in Moscow, in an amount to be determined by agreement between the U.S. and the U.S.S.R. or in the event of disagreement by the decision of an international arbitral tribunal as created pursuant to the contract for construction between the U.S. and the U.S.S.R., provided that in any event the amount may not be less than the amount of funds expended from this account for damages arising from delays at the site of the new U.S. Embassy complex in Moscow that are determined by the Secretary of State to be the responsibility of the Soviet Union."

Mr. CHILES. Mr. President, I am offering an amendment which requires the Soviet Union to reimburse the United States for all damages and costs because of Soviet-caused delays in construction of our new Embassy complex in Moscow. This amendment would prohibit the Soviets from occupying any new facilities in the Washington, DC, area until we are reimbursed for the cost of these delays. I do not think we should make the

American taxpayers bear the costs of Moscow's intransigence.

Mr. President, this debate actually predates my time in the Senate. I have only been here for 14 years. The United States has spent 16 years trying to complete a new Embassy in Moscow. And frankly, Mr. President, the cost overruns, the delays and the concessions we have had to deal with are a scandal.

Since we began this project, the total cost of construction has more than doubled, from an original estimate of $75 million to $167 million—and we still do not know the final costs. The complex was orginally slated for completion in July 1982. This date has now been pushed back to December 1987 and sources in the State Department indicate that even they do not expect completion until 1988.

Today, we are being asked to appropriate an additional $20.1 million to cover costs incurred due to delays which the State Department admits are caused primarily by the Soviet contractor. Specifically, these funds will be used to cover costs and damages to the U.S. contractors. I do not believe the American taxpayer should pay for Soviet delays.

Mr. JOHNSTON. Will the Senator yield at that point for a question?

Mr. CHILES. I yield.

Mr. JOHNSTON. The Senator talked about the escalation in costs. Did I not understand that this would be a fixed price contract?

Mr. CHILES. Originally we expected it would be. Yes.

Mr. JOHNSTON. How did the cost of the United States go up so much if it was a fixed price contract?

Mr. CHILES. There were delays and provisions for delays in contract modification. Those modifications had to be made because of the delays.

Mr. JOHNSTON. I thank the Senator.

Mr. CHILES. Mr. President, let us take a brief look at the history of this matter.

In 1969, the United States and the Soviet Union agreed to build new embassies and we started looking for appropriate sites in Washington and Moscow.

Well, 1969 was the beginning of detente, and so, we made the first of many bad deals. The 1972 agreement gave the Soviets property at one of the highest points in Washington, DC—a spot ideal for intelligence collection.

The Soviets managed to find us a site in a swamp at one of the lowest points in the Moscow area. We got the bad end of the deal, but it was our own fault. To paraphrase Boris Malakhov, the Soviet Embassy spokesman, the Soviets did not have to capture the site, it was given to them.

Kenneth Bredemeier of the Washington Post has written a revealing article about the new Soviet Embassy in Washington, and I ask that it be entered into the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit No. 1.)

Mr. CHILES. In 1972, we reached an agreement to allow parallel construction and, Mr. President, in 1977, the United States signed a protocol with the Soviet Union. This protocol called for a fixed price contract for the construction of the exterior of the building, to be built by the Soviets. This contract price was supposed to be based on the costs of similar construction in the Washington, DC, area.

Why we agreed to this is beyond me. Surely the costs of construction in Moscow is far below that of construction in the United States. Another bad deal.

Mr. President, in 1978, we negotiated a contract with the Soviets. But even though we had an agreement with the Soviets to base the construction costs in Moscow on comparable Washington, DC, costs, the Soviet bid was outrageously high. But we had a solution. In return for the Soviets being reasonable about costs we agreed to let them occupy new housing at the Washington site as soon as it was completed—in 1979, 6 years ago. Our new housing in Moscow will not be completed until some time after the summer of 1986. Another bad deal.

In 1978, the State Department estimated the cost of the whole Moscow Embassy complex to be $75 million and the State Department assured Congress that the project would be completed in July 1982.

By 1979, however, we had appropriated a total of $91.5 million.

In 1981, $12 million more was appropriated. The total price tag for the project then exceeded $100 million.

In 1982, an additional $31.7 million was appropriated, and we were assured that the total amount for the Moscow complex would not exceed $135.2 million. The completion date, however, had slipped to 1984.

Mr. President, another year went by and we were told once again that additional funding was needed and a $5 million supplemental was approved. This time, we were told the complex would not be ready for occupancy until October 1984.

In 1984, our own Department of State said our Moscow Embassy project would be completed in 1984 but it would cost another $7 million. By that time, the cost of the project had doubled. But we were assured the nightmare was over, and the Embassy would be finished.

Well, here it is 1985 and lo and behold, the State Department is back asking for a $20 million supplemental for the project and telling us that the complex will not be finished until December 1987! Actually, that is not true. Their justification material says it will be complete in December 1987. The foreign building office says February 1988.

And what about the total cost, Mr. President? Their current estimate is $167 million. But let us be clear. This is just an estimate of the delay claims to date. There is a good chance that more delay claims will require more supplemental funding. And, this may just be the tip of the iceberg. Once we occupy the new Embassy, the State Department may need additional funds to complete it. But we will not even have an indication of how much this cost will be until the Soviets complete their portion of the Embassy construction—around February 1987!

Specifically, this amendment would prohibit the Soviet Union from occupying their new Embassy in Washington, DC, until the Soviet Union reimburses us for delays determined to be the responsibility of the Soviet Union. This would not delay construction. Occupancy, as defined in the 1972 protocol, will be "at an agreed upon date after completion and acceptance." All phases of construction can proceed at will. But, before all is said and done, the Soviets have to repay us for damages which are their responsibility.

It seems to me the United States has made a lot of mistakes in this matter, but I do not think we should make any more. If this amendment is adopted, we will recapture some lost funds. While we cannot make up for lost time, the amendment will make sure we do not lose anymore.

I hope the Senate will approve this amendment.

EXHIBIT 1

SOVIETS TAKE THE HIGH GROUND

(By Kenneth Bredemeier)

The deal was cut in 1969, but now as the new Soviet Embassy nears completion on one of the highest vantage points in the nation's capital, some American officials believe that giving the site to the Russians was a major blunder.

With a sweeping view of the White House, the State Department and much of the Washington area, Soviet officials will have a prime location for electronic surveillance of government, personal and commercial conversations that are transmitted by microwave. The embassy site, on Mount Alto between Wisconsin Avenue and Tunlaw Road NW, is only a short distance downhill from the panoramic views available at the Washington Cathedral.

"We just got snookered; it's inexplicable," said Sen. Daniel Patrick Moynihan (D-N.Y.), a longtime critic of U.S. efforts to combat Soviet eavesdropping on American telephone and radio communications.

James E. Nolan Jr., director of the State Department's Office of Foreign Missions and former counterintelligence chief for the FBI, said, "I'm sure if we knew everything then that we do now we wouldn't have made the same selection. We wouldn't have picked nearly the highest site in the city.

"Obviously anything which is broadcast, anything that's up in the air, can be intercepted by receivers," Nolan said.

After six years of negotiations, the Soviets and the Americans agreed in 1969 during the Nixon administration to build new embassies here and in Moscow. At the time, however, officials say the importance of microwave communications and their interceptions was not widely realized.

The 10-acre Mount Alto site, once used for a Veterans Administration hospital, was surplus federal property 16 years ago and deemed a suitable location for the Soviets to build their $70 million compound. It will include an eight-story white marble chancery, a four-story consulate and ambassador's residence, a reception hall, a 165-unit apartment building, a school for diplomat's children, a gymnasium and a 400-seat auditorium, much of which has been in use for several years.

"We did not capture the site," said Soviet Embassy spokesman Boris Malakhov. "We were given it."

As for the intelligence-gathering benefits of the prime hillside location, Malakhov said, "I'm not even going to discuss that."

By contrast, the new American Embassy in Moscow is being constructed a block from the Moscow River, and at a vantage point below that of the existing U.S. Embassy. The site's prime attribute is that it is about a mile from the Kremlin.

"We're down in the swamp," Moynihan declared. It is a point disputed by State Department officials, who nonetheless said that the site was plagued by "a water problem" during the early stages of construction. "We suggest that [Russian construction crews] broke a water main and didn't know it, " one official. said.

The concern over electronic bugging has preoccupied both Soviet and American officials as construction crews work on the two embassies. Under a 1972 agreement, Soviet workers are building the American Embassy, while American construction crews have already finished their work on the Soviet Embassy. But both countries plan to finish secured, interior sections of their compounds with their own workers.

The exterior of the Soviet Embassy has been completed and Russian families have been living on the site since 1980. But work on the $147-million American compound in Moscow has lagged and the entire complex may not be completed until late 1987 or early 1988, State Department officials say.

"I do believe the Soviets could have built it faster if they'd wanted to," Nolan said. "It's a fact that time is money in construction here. Things get built faster." Nolan said the Soviet Embassy could be finished within six months if American construction crews were doing the work, but said that with Soviet workers it "could be mid-1986."

Nonetheless, he said the United States intends to adhere to a provision in the embassy-constructon agreement that neither country will be allowed to occupy its new offices before the other—"reciprocal occupancy" in State Department jargon. Nolan said that in hindsight "we wouldn't have let [the Soviets] occupy the [housing] here until [the entire U.S. compound] is ready in Moscow."

In the meantime, officials of both countries have kept careful watch on the contruction work.

Peter Pirozzi, president of Peter Bratti Associates Inc., a New York firm that attached the large slabs of marble and granite to the Soviet buildings on Mount Alto, said his crews has "an excellent relationship" with the Russians.

Nonetheless, he said "there was a certain amount of suspicion. They watched as we caulked the exterior on the pretense of quality control. But that's no different than what [the Americans are] doing over there. [The Russians] paid extra money to have the windows fabricated on the site. Normally, they're already made in the factory.

In Moscow, Russian workers walked off the U.S. Embassy construction site for several weeks in 1983 to protest U.S. use of an X-ray machine to detect structural flaws, which the Soviets claimed was a health hazard. But U.S. officials said the Soviets' actual concern was that the Americans were using the machine to detect any eavesdropping bugs that might have been secreted in the construction work.

The Soviet crews eventually returned to work. "We agreed to do our inspections in nonworking hours," a State Department official said.

Moynihan has tried unsuccessfully since 1977 to get Congress to pass legislation to require the president to demand that any illegal electronic surveillance by a foreign mission be stopped and, failing that, declare the responsible diplomats persona non grata and expel them from the United States.

However, on June 7, for the first time, the Senate tacked Moynihan's measure onto the 1986 State Department funding measure.

"We made the deal [on the embassy site]; that's done," Moynihan said. "I'm not anti-Soviet. But now we've got to say that you're not going to intercept transmissions.

"It would be one thing if they did it and we didn't know it," Moynihan said. "That would be good tradecraft. But since we know it, it invites contempt."

Moynihan, a former member of the Senate Intelligence Committee, said that in recent years the Carter and Reagan administrations have taken what he calls "essentially defensive" actions against Soviet eavesdropping.

He said the Carter administration buried some of the federal government's telephone lines and those of some defense contractors, so that conversations would not be floating through the air via microwaves. Moynihan said that President Reagan ordered last year that scramblers be placed on the telephones in 86 limousines used by top White House and Cabinet officials, the same tactic the Soviets adopted years ago to thwart American eavesdropping in Moscow.

Despite the constant electronic surveillance battle between the two countries, some social niceties remain. The Soviet Embassy recently invited American construction executives who had worked on the new structure to a two-hour reception at the current embassy at 1115 16th St. NW.

"They had a very lovely buffet table, with hors d'oeuvres, roast beef, turkey and ham and a bar with wine, no hard liquor," Pirozzi said. "Ambassador [Anatoliy F.] Dobrynin stopped by at the end and told us how much he liked the work."

Mr. LEAHY addressed the Chair.

The PRESIDING OFFICER. The Senator from Vermont.

Mr. LEAHY. Mr. President, I applaud the efforts of the distinguished senior Senator from Florida. As always, he is showing the kind of leadership that we appreciate in this body.

I ask unanimous consent, Mr. President, to put in the Record the history of the new Moscow Embassy complex.

There being no objection, the history was ordered to be printed in the RECORD, as follows:

HISTORY OF THE NEW MOSCOW EMBASSY COMPLEX

1969: Agreement reached between the United States and the Soviet Union to provide for an exchange of sites to construct new diplomatic complexes in Washington, D.C. and Moscow. This agreement gave the Soviets property at one of the highest points in Washington, D.C.—a spot ideal for intelligence collection. The Soviets, in turn, gave us a plot in a swamp at one of the lowest points in the Moscow area.

1972: Agreement reached between the United States and the Soviet Union on the conditions of construction of the new embassy complexes.

1977: Protocol with the Soviet Union was signed, calling for a fixed price contact with the Soviet Union for their portion of the construction. The United States agreed to accept Washington, D.C. construction costs as the basis for unit costs of our complex in Moscow. The protocol called for construction to begin by May 15, 1978 and work to the completed by July 1, 1982. At this point in time, the estimated cost of the project was $75 million.

1978: Contract negotiated with the Soviet Union. In return for the Soviets reducing their contract bid to levels comparable to Washington, D.C. construction costs (as they had agreed to in the 1977 Protocol), the State Department allows the Soviets to occupy new housing at the Washington, D.C. site in 1979. Additional housing for U.S. diplomats in Moscow will not be completed until late 1986. The State Department maintained that total cost of the project would be around $75 million and completion was projected for July of 1982.

1979: Cumulative appropriations reach $91.5 million.

1981: Cumulative appropriations reach $103.5 million.

1982: Cumulative appropriations reach $135.2 million. State Department estimates completion in 1984.

1983: Cumulative appropriations reach $139.8 million.

1984: Cumulative appropriations reach $147.0 million—the Department of State claims project will be completed in 1984.

1985: State Department requests $20.1 million supplemental Complex expected to be completed in 1988. Total cost expected to exceed $167 million.

Mr. LEAHY. Mr. President, I think it might be worthwhile to quote what the State Department requests in the urgent supplemental appropriation:

The fiscal year 1985 supplemental of $20,068,000 is requested to meet urgent needs of the Department of State which were unforeseen at the time of preparation of the regular fiscal year 1985 budget estimates and cannot be absorbed within the current appropriation. These funds are needed to cover an estimated $12,971,000 actual or projected delay claims brought by U.S. contractors working on the Moscow Embassy construction project. The completion date of this project has been extended to December 1987 primarily because of delays by the Soviet contractor.

In other words, the State Department has come forth to ask for nearly $13 million of American taxpayers' money to pay for damages caused by

delays which are the responsibility of the Soviet Government. When we pass appropriations in this body, we do so for a lot of reasons involving the 50 States, and involving the Federal Government.

But, I really do not think we want to set a precedent where we appropriate money to take care of expenses caused by the Soviet Government, too. I think that may be stretching diplomatic relations just a bit too far. I do not think my constituents in Vermont would be all that happy about this appropriation, especially when they learn this $13 million will be only the first installment of contract damages coused by Soviet delay. The total bill for contract damages will be much greater.

In fairness to the State Department, I want to state that it says that someday, after we have paid out all of this money in contractor claims, it will ask the Soviets to reimburse the U.S. Government.

I have a couple of questions for my good friend from Florida, who has had some experience in dealing with the Soviet Union. Does he think this $13 million, or $30 million, or $40 million in expenses caused by the Soviet delays will be promptly repaid by the Soviet Union?

Mr. President, I must admit my next question is somewhat rhetorical, but I wonder if my good friend from Florida could imagine for a moment the American Ambassador to the Soviet Union presenting a bill to the Soviet Government and saying, "By the way, you owe us about $30 million or more of American taxpayers' money. Would you please pay? While you are at it, we have a couple overdue bills from World War II, if you can include them, too."

I do not know how to say in Russian, "The check is in the mail," but I suspect the response he would get would be something along that line.

Would the distinguished Senator from Florida think that the American Ambassador would walk out of the office with full payment in hand?

Mr. CHILES. I am not sure that I know but one Russian word, I will say to my distinguished friend from Vermont. But I think the answer would be that word, "nyet."

I would also say to my colleague, whom I am delighted to have as a cosponsor because of the work that he does in the Intelligence Committee, the way the situation is right now, the ball is so completely in the court of the Russians and all of the power is in their hands.

I wonder if there is some reason—and I do not know, but maybe I just have a suspicious mind, and I am not on the Intelligence Committee—is there some reason that the Russians are delaying the completion of our building when their contractors are able to go into that building, are able to climb around and walk around? I do not know that they are hiding anything there, but they do have it until they get it the way they want it, and then they will say, "Well, it is over now. We will give it to you."

Remember, we are paying for the delay. We are giving them this time. The building was supposed to have been completed years and years ago. It is still going on, 14 years after we started talking about it.

Is there some reason that now we are allowing them to take as much time and then us pay for the cost of that delay?

Mr. LEAHY. I say to the distinguished Senator from Florida that I have some views on that. Unfortunately, I am constrained by my position on the Intelligence Committee from going into them on the floor of the Senate.

I would simply say that in many ways the Soviets have an advantage in delaying us, and certainly in one way that should be obvious to many people.

They have an easy way of living and access to a great many things here in the United States that are not available to our representatives living in the Soviet Union. The Soviets here enjoy luxuries that are not available to Americans who serve in the Soviet Union.

So the Soviets see no advantage to them in hurrying completion of our new Embassy, so long as we are willing to let them have what they want in the United States. They see little reason economically or politically to let us have parity with them.

Quite frankly, the Senator from Florida used the Russian word "nyet". I think we ought to say nyet to Moscow until there is parity in living and working conditions for the Americans who represent our Government and people there.

We are not asking for an advantage for the United States, but we ought to have equality. They consider us as not second-class citizens but as third- or fourth-class citizens.

Therefore, I am indeed pleased to join my distinguished colleague from Florida [Mr. CHILES], the ranking minority member on the Budget Committee, in introducing this amendment aimed at the scandalous situation of the new U.S. Embassy building in Moscow.

The Chiles-Leahy amendment provides a way to stop this outrageous situation. It directs the Secretary of State to prohibit the Soviet Union from taking occupancy of its Mount Alto facility until damages determined either by bilateral agreement between the United States and the Soviet Union or by neutral arbitration are settled. Furthermore, those damages cannot be less than the amount appropriated for the purpose of covering claims for delays which the Secretary of State determines to be the responsibility of the Soviet Union.

Mr. President, there are three basic concerns which might be raised about our amendment, and I would like to address each in turn. All have been voiced by the State Department staff in discussions with our staff.

First, the original agreement stipulates that each new Embassy building will be occupied simultaneously. Some argue that our amendment would give the Soviets a means to prevent us indefinitely from occupying our new building. My response is that the Soviets already have that lever, and they have been using it with a vengeance. The original completion date for the Moscow Embassy was mid-1982. The new completion date is estimated to be December 1987, and in fact will probably be sometime in 1988, if then. All the Soviets have to do to prevent us from occupying our building is to keep slowing down its completion, or to slow down completion of their building here. Our amendment adds nothing to what the Soviets already have to jerk us around, but it does make clear that they are not going to get into their building, no matter when it is finished, until they pay what they owe us.

Second, it has also been argued that our amendment would amount to a unilateral change by Congress in an international agreement. The agreements of 1969, 1972, and 1977 do not prohibit occupancy prior to settlement of claims through arbitration. The State Department and Office of Foreign Buildings people with whom we have spoken contend that this means we cannot now establish such a condition. My answer is that the Soviets have unilaterally altered those agreements repeatedly, as the State Department's own supplemental request justification indicates. A building that was to have been completed in about 5 years, from 1977 to mid-1982, will now not be completed until December 1987 at the earliest. That is nearly 11 years to finish a building any good American contractor could have done in 18 months or 2 years. State Department officials concede that at least 2½ years of that delay are directly attributable to footdragging by the Soviet Government. The building was originally estimated to cost some $75 million. Now, thanks to several delays and cost overruns, its current estimated cost is $167 million and rising.

Third, a third argument is that delay in occupying the new building hurts us more than the Soviets because our people live in a shabby, decrepit old Stalin-era building, while the Soviets have decent facilities here in Washington. Unfortunately, as I noted, there is truth to this argument.

I have twice visited our Embassy building in Moscow, and it is a disgrace, a warren into which our diplomats and their families are crammed under the watchful eye of the KGB. Nevertheless, part of the reason we have got ourselves into this mess about the new building is because we made it crystal clear to the Soviets that we wanted ours more than they wanted theirs. They were able to use this as leverage to extract major concessions from the State Department, including early possession of residential facilities on Mount Alto, numerous changes in the contract arrangements, acceptance of building cost estimates based on construction costs in Washington, DC, instead of Moscow, and others. Frankly, with this amendment, I want to send a message to the State Department that it has to be tougher in dealing with the Soviets on the buildings. In other words, I want greater seriousness about reciprocity and equivalence, as called for in the Huddleston-Leahy amendment of 1984 and the Leahy-Cohen amendment of 1985.

Mr. President, the United States signed an 85-year lease with the Soviet Union for the land on which our new chancery is being built. By 1988, nearly 15 years of that lease, almost one-sixth of the time, will have passed, and we still may not be in that building. Management of this project by State's Foreign Buildings Office has been appalling, and it is long since time to tell the Soviets that the free ride at the American taxpayers' expense is over as far as the Moscow Embassy building is concerned. If they want to get into their deluxe Mount Alto facility, let them pay up what they owe. We have provided a simple and fair means to determine what the bill is. The State Department can work out an equitable agreement, or an international arbitration tribunal can fix the amount. There is at least 2½ years yet to go before our building will be ready for occupancy. That should be ample time for a reasonable settlement of our claims

Mr. President, I urge my colleagues to join in supporting the Chiles-Leahy amendment. Let us stop constantly saying "yes" on what the Soviets want to do about their new building while all they can say is "nyet" about ours.

Mr. President, again, I commend the distinguished Senator from Florida and the others who have joined in this amendment. I also want to thank Doug Olin from the Budget Committee staff for his outstanding work on the amendment. This amendment owes much to his diligent research into the sad history of the new Moscow chancery building and his original ideas on how to develop the remedy we have proposed here today.

Mr. CHILES. Mr. President, I would like to take a moment to thank Senator LEAHY and his staff for their excellent work on this amendment. Eric Newsom, Dan Finn, and John Nelson of the Intelligence Committee staff spent long hours helping construct a responsible approach to this problem and they deserve commendation.

Mr. LEAHY. Mr. President, I thank the Senator.

Mr. JOHNSTON. Mr. President, I congratulate the distinguished Senator from Florida for coming up with what I consider to be an outstanding amendment. If I had to name this amendment, I would call it the antichump amendment, because the United States is being played for an absolute chump when it comes to the Embassy in Moscow and the one here in Washington, DC. There is nothing we can do, apparently, Mr. President, about the fact that we have already been chumps. When I look at the relative location of that Embassy in Moscow—down in the swamp—and their location here, on top of the highest hill in Washington, considering what we know they do in terms of intelligence surveillance, we were absolute chumps ever to agree to that deal. But we agreed to it.

We are not saying let us back out of it. We are not trying to back out of that deal. What we are saying is what they did agree to, make them live up to not only the letter, but the spirit of the law.

We have the ability to do that because, as long as they delay and keep putting charge upon charge and keep doing other illegal things which we cannot talk about here, but which are clearly illegal, as long as they are going to do that and delay this matter—not for weeks, not for months, but year after year—then the antichump amendment ought to be passed and come into play. It says let us not let them get on top of that radio perch up there, where they have all that antenna array, ready to get every word that is spoken all over the Washington, DC, area, because they are there, looking down with their high-powered antenna, let us not let them occupy that perch as long as they are being illegal and delaying us.

One final word, a bit of an aside, Mr. President. I just wonder who in the world ever negotiated this thing over in the Department of State in the first place. It makes you think maybe the Walker family was a little larger than it is now.

Mr. STEVENS. Mr. President, the amendment is acceptable on this side of the aisle. I think the less said about classified information in this regard, the better.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 378) was agreed to.

Mr. STEVENS. I move to reconsider the vote by which the amendment was agreed to.

Mr. JOHNSTON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. STEVENS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. STEVENS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 374

Mr. STEVENS. Mr. President, the pending amendment is now the amendment of the Senator from Washington?

The PRESIDING OFFICER. The Senator is correct.

Mr. STEVENS. I ask that the amendment be adopted.

Mr. JOHNSTON. Mr. President, the Gorton amendment has been cleared on this side.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Washington [Mr. GORTON].

The amendment (No. 374) was agreed to.

Mr. STEVENS. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. JOHNSTON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. STEVENS. Mr. President, what is the pending business?

The PRESIDING OFFICER. The pending business, the Chair informs the Senator, is H.R. 2577.

Mr. STEVENS. There are no committee amendments left to be adopted?

The PRESIDING OFFICER. That is the Chair's understanding.

Mr. STEVENS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. STEVENS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

VISIT TO THE SENATE BY MEMBERS OF THE EUROPEAN PARLIAMENT

Mr. LUGAR. Mr. President, we have enjoyed a meeting during the lunch hour with a most distinguished delegation from the European Parliament. You see before you, Mr. President, a

group I hope you will greet warmly in a moment or two.

Our President was the guest of the European Parliament just a few weeks ago. This delegation has had 25 meetings with the United States over the years. They were here for a luncheon with us today.

We are most grateful for this institutional arrangement. I am certain all Senators hope to have many more contacts with European Parliamentary members to understand the multilateral situation within Europe and with regard to relations of our country with this multinational group.

Mr. President, I thank you very much for permitting me to intrude for a moment to present this introduction.

RECESS

Mr. LUGAR. Mr. President, I ask unanimous consent that the Senate stand in recess for 3 minutes so that Members might meet our friends.

There being no objection, the Senate, at 2:02 p.m., recessed until 2:05 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer [Mr. STAFFORD].

SUPPLEMENTAL APPROPRIATIONS, 1985

The Senate continues to consider the bill.

AMENDMENT NO. 379

(Purpose: Restrict payment of certain claims against the Bureau of Indian Affairs to certified creditors)

Mr. STEVENS. Mr. President, I send an amendment to the desk on behalf of the distinguished Senator from Idaho [Mr. MCCLURE] and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The bill clerk read as follows.

The Senator from Alaska [Mr. STEVENS], for Mr. MCCLURE, proposes an amendment numbered 379.

Mr. STEVENS. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 103, line 18 after the word "Act" insert the following: *Provided further,* That no funds shall be paid to creditors of the Sangre de Cristo Development Company, Inc., whose claims are set aside by the U.S. Bankruptcy Court for the District of New Mexico

Mr. STEVENS. Mr. President, I am informed by the Senator from Idaho that both the House and Senate versions of the supplemental appropriations bill contain $1,323,000 for the payment of claims against the Bureau of Indian Affairs to certified creditors of the Sangre De Cristo Development Co.

Yesterday, we were informed by the Department of the Interior that some of the Creditors whose claims have been certified for payment were not bona fide creditors, but rather were equity holders in the company. As a result, the Government filed a motion with the bankruptcy court on May 31, 1985 asking that certain stipulations be set aside.

The amendment I have offered on behalf of the Senator from Idaho would provide that none of the funds made available for payments to Sangre De Cristo creditors be paid to those whose claims are set aside by the U.S. district court.

I know of no objection to this amendment and ask my friend from Louisiana if he has any objection to it.

Mr. JOHNSTON. Mr. President, the amendment has been cleared on this side.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

So the amendment (No. 379) was agreed to.

Mr. STEVENS. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. JOHNSTON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. JOHNSTON. Mr. President, I have heard rumors that there are another amendment or two lurking around the cloakrooms somewhere, but I have been given no formal notice of those. I believe we are getting close to the time where we can go to third reading, so I would urge all Senators if in fact they do have an amendment to bring it over and let us consider it at this time.

Mr. STEVENS addressed the Chair.

The PRESIDING OFFICER. The Senator from Alaska.

Mr. STEVENS. The distinguished Senator from Washington has withheld an amendment to confer with me, and I do want my friend to know that the Senator from Washington will have another amendment here soon. We are reviewing that now. I do believe that there are other amendments including one by the distinguished minority leader that we would be pleased to consider, too.

The PRESIDING OFFICER. What is the pleasure of the Senate?

Mr. STEVENS. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

Mr. JOHNSTON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. HUMPHREY). Without objection, it is so ordered.

COMMITTEE AMENDMENT ON PAGE 28, LINES 1-7

Mr. JOHNSTON. Mr. President, I ask unanimous consent that the approval of the committee amendment on page 28, lines 1 through 7, be vitiated and that the committee amendment be withdrawn.

The PRESIDING OFFICER. Is there objection?

Mr. STEVENS. Mr. President, reserving the right to object, what is that?

Mr. JOHNSTON. This reinstates the House amendment. This has been cleared on both sides.

Mr. HATFIELD. Mr. President, it has been cleared on the majority side.

Mr. STEVENS. Mr. President, I am not sure what it is.

Mr. JOHNSTON. If the Senator will yield, the House put in an amendment granting $4 million for the Long Poverty Law Center, at Loyola University, New Orleans. That was stricken by the Senate committee, with the understanding that it would be worked out here on the floor, and this is the method chosen by Senator LAXALT's staff to do so.

Mr. HATFIELD. Once again, I say, Mr. President, that it has been cleared with the subcommittee chairman.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 380

Mr. JOHNSTON. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The bill clerk read as follows:

The Senator from Louisiana [Mr. JOHNSTON], for himself and Mr. LONG, proposes an amendment numbered 380.

Mr. JOHNSTON. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 28, line 7, after the period insert: For an additional amount for grants for the establishment on a continuing basis of clinical programs to supplement the services of local Legal Services Grantees by accredited law schools, $4,000,000, to remain available until expended.

Mr. JOHNSTON. Mr. President, this is a further part of the language which was approved by Senator LAXALT's subcommittee. This grants an additional $4 million for the establishment of grants under the Department of Legal Services for clinical education in law schools. This has been approved on both sides.

Mr. HATFIELD. Mr. President, this has been accepted on the majority side.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 380) was agreed to.

Mr. JOHNSTON. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. MCCLURE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. JOHNSTON. Mr. President, I move to reconsider the action taken by unanimous consent in vitiating the amendment on page 28, lines 1 through 7.

The PRESIDING OFFICER. The Chair advises that reconsideration is not necessary in the case of an agreement by unanimous consent.

Mr. JOHNSTON. I withdraw the request.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. BINGAMAN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 381

(Purpose: To expedite the completion of Hooker Dam or alternative of the Central Arizona Project)

Mr. BINGAMAN. Mr. President, I have an amendment which I would like to have considered. Do we need unanimous consent to set the pending matters aside?

The PRESIDING OFFICER. There are no matters pending that require setting aside.

Mr. BINGAMAN. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from New Mexico [Mr. BINGAMAN] proposes an amendment numbered 381.

Mr. BINGAMAN. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 67, between lines 19 and 20, add the following: In order to expedite the completion of the Hooker Dam or alternative of the Central Arizona Project (1) the selection of the preferred site for the Hooker Dam or alternative as authorized by section 301 of the Colorado River Basin Project Act shall be completed by August 15, 1985, (2) the initial draft environmental impact statement required for the Hooker Dam or alternative shall be completed and made available by September 1, 1986, (3) the final environmental impact statement for Hooker Dam or alternative shall be completed and made available by September 1, 1987, and (4) the Secretary of the Interior shall make a record of his decision as soon as practically possible after the completion of the final environmental impact statement.

Mr. BINGAMAN. Mr. President, on September 30, 1968, the Congress of the United States authorized in Public Law 90-537 the central Arizona project. The project was authorized for the purposes of furnishing irrigation water and municipal water supplies to the water-deficit areas of Arizona and western New Mexico through the direct diversion or exchange of water, control of floods, conservation and development of fish and wildlife resources, and enhancement of recreational opportunities. One of the units of central Arizona project authorized was the "Hooker Dam and Reservoir or suitable alternative." The New Mexico unit was authorized to develop 18,000 acre-feet of water for New Mexico's use by primarily municipal and industrial users. The Secretary of the Interior was authorized to contract with water users in New Mexico for water from the Gila River in amounts that would permit 18,000 acre-feet of use per year.

Since that authorization, construction of the major elements of the central Arizona project is well advanced. The works necessary to bring the water from the Colorado River to the Phoenix area currently are expected to be completed in 1986. These works are necessary to deliver water to Gila River users in Arizona to offset the effect of the authorized new users in New Mexico. Unfortunately, the work on the New Mexico project has not progressed as fast as had been anticipated by the Bureau of Reclamation and the State. For a number of years the Governor of New Mexico and the Interstate Stream Commission have urged that the completion of the works in New Mexico be scheduled to coincide with the completion of the works needed to bring water from the Colorado River to effect the necessary exchange with Gila River water users in Arizona.

I am offering this amendment to ensure that the necessary steps needed to bring this water to New Mexico be taken as quickly as possible. The amendment would set specific dates for completion of the preferred site selection and environmental impact statements for the Hooker Dam or alternative. It further orders the Secretary of the Interior to make a record of decision with regard to the project as soon as practically possible after the completion of the final environmental impact statement. With this statement, it is my intention to have the Bureau of Reclamation recommend a preferred site for the project no later than August 15, 1985. The other dates specified in the bill are dates currently being used by the Bureau of Reclamation in its planning for this project.

The residents of the Gila River area and the State of New Mexico are understandably frustrated by the lack of action on the part of the Federal Government since authorization of the dam in 1968. Feasibility investigations by the Bureau of Reclamation of the Hooker Dam and Reservoir or on an alternative site began in the 1970's. In 1977 the administration directed that no additional study be made. It was not until 1980, following insistent urging by the State of New Mexico, that the Bureau of Reclamation began its current upper Gila water supply feasibility study.

In 1982 the Department of the Interior recognized the need to expedite completion of this project. The Assistant Secretary for Land and Water Resources ordered the feasibility study for the site to be expedited from the scheduled spring of 1986 to the fall of 1984. Unfortunately, this 1984 date already has slipped to 1985. It is not fair to the citizens of New Mexcio to further delay this study.

The State of New Mexico has demonstrated its good faith in the effort of completing an initial site determination by providing, in 1983, $300,000 for the investigation program of the Connor site near Red Rock, NM. The non-Federal contribution to the study of the New Mexico unit of the central Arizona project arose out of the current severe Federal budget constraints. The State's willingness to invest moneys in the site selection process is commendable.

There still are many issues to be resolved besides the preferred site selection. These include finding the potential users of the 18,000 acre-feet of water to be made available for New Mexico and the places of use; determining that providing this water to New Mexico can be accomplished without causing downstream economic injury or cost; resolving any water rights issues that relate to this project; mitigating any environmental problems; and analyzing the costs involved with the project. I am confident that the Federal Government, working with the State, interested groups and local residents, can resolve these issues. I intend to offer whatever assistance I can toward this end. I ask Senators to support the amendment.

Mr. President, this is a very simple amendment. It simply sets specific dates by which the Bureau of Reclamation is to complete its preferred site selection and related environmental impact statements on what is generally referred to as the "Hooker Dam project." This project was authorized as part of the central Arizona project in 1968, but no further action has been taken since that time. I would like to see some effective action on this matter in the near future.

I have discussed this amendment with the managers of the bill. I believe it is acceptable on both sides.

I urge the Senate to adopt this amendment.

Mr. McCLURE. Mr. President, this amendment has been cleared on this side. We have no objection.

The PRESIDING OFFICER. Is there further debate?

Mr. JOHNSTON. Mr. President, this amendment has been cleared on this side.

The PRESIDING OFFICER. Without objection, the amendment is agreed to.

So the amendment (No. 381) was agreed to.

Mr. JOHNSTON. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. BINGAMAN. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. BINGAMAN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. METZENBAUM. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 382

(Purpose: To provide an additional amount for State unemployment insurance and employment service operations)

Mr. METZENBAUM. Mr. President, on behalf of myself, Senator GLENN, Senator LEVIN, Senator MOYNIHAN, and Senator KERRY I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Ohio [Mr. METZENBAUM], for himself, Senator GLENN, Mr. LEVIN, Mr. MOYNIHAN, and Mr. KERRY proposes an amendment numbered 382.

Mr. METZENBAUM. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 112, between lines 24 and 25, insert the following:

For an additional amount for "State unemployment insurance and employment service operations", from the Employment Security Administration Account in the Unemployment Trust Fund, $30,000,000.

Mr. METZENBAUM. Mr. President, the amendment that I send to the desk on behalf of myself and other Senators as indicated has to do with the closing of unemployment offices in a number of States throughout the Union.

The Senate Appropriations Committee removed the language that the House had provided in the bill in the sum of $30 million from the employment security administration account to the unemployment trust fund. We should understand that currently there are 43 States that are projecting shortfalls totaling $40.5 million in Federal funds just to pay the overhead for their unemployment offices. This situation, Mr. President, if uncorrected, will lead to closings of unemployment offices throughout the Nation.

The consequences will require unemployed workers to drive, walk, or hitchhike, or howsoever they can make the trip, to go to other counties, to sign up for unemployment, to receive their checks and to seek assistance in locating a job. Frankly, I consider that to be unfair. I think it is the worst slap in the face to the unemployed. We want them to find jobs. We want them to be in a position to obtain their unemployment compensation.

The funds that we are talking about, these so-called nonpersonal service funds, are used to cover nonstaff related expenses, such as office supplies, communications, travel, equipment, premises, and various services. Those expenses are not something that you just waste money on. These are large, fixed expenses. These are expenses that have a certainty about them. Yet those expenses over a period of years have gone up by reason of inflation, but the funds themselves have grown by only 2.8 percent since 1983. In 1983, it was $212 million and now it is $218 million.

In Ohio, the total unemployment insurance funding has been reduced, reduced from $55.9 million in fiscal year 1983 to $41.3 million in fiscal year 1985, a drop of 26 percent. And nonpersonal service funding has been cut from $9.1 million to $7.3 million.

If additional funding is not provided by Congress, Ohio, which is not atypical, which is typical of other States throughout the Union, may be forced to close as many as 28 local unemployment offices, which would mean more than 25 percent of the total number of offices. Is this really a way to treat our unemployed in this country?

My amendment would restore the House language that transfers $30 million from the employment security account to the unemployment trust fund. And I want to point out to the managers of the bill that the employment security account is currently sitting with a surplus of $1.2 billion. As a matter of fact, it exceeds its statutory cap of $1,032 million.

So what I am saying is that this does not have an impact upon the budget. This is not going to cause additional funds to have to be spent. This is going to shift funds from the employment security account where there is presently a surplus to the unemployment trust fund and to help keep these offices open. The extra moneys will be transferred to the extended benefit account at the end of the fiscal year. But that account does not need the money because, for all practical purposes, States are not eligible for extended unemployment benefits.

So although I would normally look favorably upon the transfer to the extended unemployment benefits, under the law as presently written, it really does not mean much.

I want to point out, my amendment would assist 43 out of the 50 States in this country. It will help them keep their unemployment offices from closing their doors.

I also want to say that quite often in a matter of this kind we put around a chart showing how much each State will get as a consequence. I am not in a position to put out that chart because it is my understanding that the allocations are made by an arm of the Department of Labor and that they have the right to allocate the funds as they recognize the need.

I can point out some of the shortages that presently exist. In the State of Alabama, there is presently a $582,000 shortage; in Alaska, a $356,000 shortage; in Arizona, an $844,000 shortage; in Mississippi, a $331,000 shortage; in North Carolina, there is a $975,000 shortage; in Oregon, there is an $827,000 shortage; in Illinois, there is a $9,900,000 shortage; in Florida, a $1,100,000 shortage.

Mr. President, I do hope that the managers will see fit to accept this amendment.

Mr. SIMON. Will the Senator from Ohio yield?

Mr. METZENBAUM. I have yielded the floor.

Mr. SIMON. Mr. President, I simply rise in support of the Senator from Ohio. My colleague. Senator DIXON, and I are very much concerned about the situation in Illinois. I hope something can be worked out, if not here on the Senate floor in conference, so that we can keep these offices open. This is not the time to be closing these offices. I simply want to join in support of this amendment.

Mr. HATFIELD. Mr. President, I wonder if I could have the attention of the Senator from Ohio.

Mr. METZENBAUM. Certainly.

Mr. HATFIELD. The committee had the markup last Thursday——

Mr. METZENBAUM. Mr. President, may we have order in the Senate?

The PRESIDING OFFICER. The Senate will be in order.

Mr. HATFIELD. Mr. President, I say to the Senators from Ohio and Illinois that I happen to be one of those States affected, as well. In fact, on my chart, the State of Illinois represented about one-third of the amount. Illinois has about $990,000 involved in this shortage; Ohio has $2,900,000; and Oregon has approximately $1 million.

Mr. METZENBAUM. Approximately how much?

Mr. HATFIELD. A million dollars. It is $827,000, to be exact.

I say to the Senators that as of last Thursday we had no requests from any Senator on this matter. We had

the full committee markup at that time.

We did not have any request from any Senator to deal with this matter. We knew the matter was going to be in the conference committee because of its inclusion in the House bill. I would like to say that we enacted in the regular bill for fiscal year 1985—which they had at the beginning of that fiscal year—and the States knew precisely what we would have available for them. We had $218 million for these nonpersonal services which was an increase over 1984. Let me remind the Senators at the same time that we had a reduction of 20 percent in those agencies of staff years. We also had a 50-percent reduction in weeks claims because of the employment situation. So we had a decreasing workload, to put it in general terms, and at the same time they had their increase in the overall figures from the year before. We do not want to encourage these agencies to say we are going to bail them out every year. Last year we enacted a $20 million supplemental to do this very thing.

Let me give an example. Last year the Congress enacted a significant reduction in the salaries and expenses for one of the regulatory agencies. At the beginning of the fiscal year that agency knew that very fact because we made it very clear in the action we took in their budget. That agency saw fit to ignore the statement and the mandate of the Congress and went ahead and funded their programs at the exact same level knowing that they were going to run out of money before the end of the fiscal year, and they knew they were going to come up here and tell the Congress that we were going to start furloughing our employees if you do not come through with a supplemental.

I know that the Senator from Ohio would be one of the first to resist this kind of action by a Federal agency to ignore not only the mandate of the Appropriations Committee, but of the entire Congress by the final action of that bill. All I am going to say to the Senator is that there is going to be a very sympathetic ear on the part of this Senator when we go to conference—let me repeat, there is going to be a very sympathetic ear on behalf of this Senator when we go to conference—to deal with this amendment that is already in the House bill, not just because my State is involved but because of my general commitment to maintaining the viability of these offices throughout the country to help people find employment and other activities relating to the problems of unemployment.

But I do want to point out to the Senators that at the beginning of this fiscal year, these agencies knew precisely what their level of funding would be in the various States. And some took the action necessary to adjust those office budgets to comply with that level of funding. Others did not. And I do not think we should reward those who did not comply with the congressional level of funding others who ignored it, and I do know that there are probably extenuating circumstances in some parts of the country. We had very high unemployment in our State. It never got out of recession, and we still have high unemployment in our State. I know there are those unique characteristics across this country. I am going to be very sympathetic in dealing with the House in conference on that. I would like to suggest to the Senator—and perhaps I can speak now on behalf of the subcommittee chairman that handles this matter. It is not my subcommittee—that perhaps he might desire to withhold this amendment at this time so that we can have a conference on this issue with the House, and perhaps write some more stringent language demanding compliance at whatever level we determine that should be made because I just want to point out that the workload is dropping, and has dropped over the year that this was involved.

We met their needs at the beginning of the year. We increased it over the previous year. I just do not think we should reward those States which did not comply with the congressional level of funding and now are asking us to come bail them out.

I see the subcommittee chairman has arrived. I yield to him. But that is the reason behind the action of the Appropriations Committee.

Mr. WEICKER addressed the Chair.

The PRESIDING OFFICER (Mrs. KASSEBAUM). The Senator from Connecticut.

Mr. WEICKER. Madam President, in response to my good friend from Ohio, the case has been well stated by the chairman of the Appropriations Committee. The matter is before me. When I heard that the Senator from Ohio might offer an amendment, I had a thorough discussion with staff on this point. The matter is in conference. My mind is not closed as to what we ought to do. So the issue is certainly alive. I hope that the Senator will not pursue his amendment. I think it also has to be recognized what the Senator from Oregon said—vis-a-vis those that have acted prudently being discouraged from future prudence is very true.

If this were some small amount, we might find space for it in terms of what comes out of the Senate. It is $30 million. Again, I understand the arguments presented by the Senator from Ohio. I think there is some merit to them. I think the case has been well stated by the chairman of the Appropriations Committee. I will consider it with a totally open mind in conference where the full $30 million is in the House bill, and it would be my hope that we could handle it in that fashion.

Mr. METZENBAUM. I very much appreciate the comments of both the chairman of the committee and the chairman of the subcommittee. But I want to point out several things. One is $30 million that was in the House bill was deleted, and I understand it—if I may have the attention of the Senator, my friend from Connecticut——

Mr. WEICKER. This is in the House bill. It will be in the conference. That is my response.

Mr. METZENBAUM. I very will understand it is in the House bill. It was taken out of the bill by the Senate in committee, and it has been my understanding that on lines 3 to 16, on page 113 the Senate then put in some new language, and, as I understand that language, which I might point out is legislation on an appropriations bill—that language authorizes the payment of moneys to pay retirement benefits to five States—Idaho, North Dakota, Nebraska, Oklahoma, and Utah. These funds had independent retirement systems prior to 1980 when the Federal Government ended the practice. This I believe to be very important. I am talking about $30 million for 43 States. That provision the Senate has put in I am told will cost $112 million more for five States. I am not on my feet to object to that although I do want to reiterate the addition of that language makes that portion of the bill subject to a point of order, and also makes the entire bill subject to a point of order.

I am not looking for that kind of controversy. But the point is, if you can put $112 million out for five States, States which as far as I know do not have high unemployment rates, then certainly it is not unfair to ask the $30 million for the 43 States. I am pointing out that this $30 million will not have an impact upon the budget because the money is there and it is available—in the employment services account—which presently has a surplus.

I want to point out also that in my own State—and I think in other States as well—in the past 2 Federal fiscal years the Governor has advised me that the Bureau's unemployment compensation administration budget has been cut $4.3 million.

In an effort to cooperate with this reduction and not cut back on the personnel providing services, the least severe management decision was made to immediately close five local employment service offices with the possibility of closing 28 more offices if no supplemental funding was received.

I get the message from the chairman of the committee as well as the chairman of the subcommittee that the position that the Senator from Ohio was taking was not unreasonable, that it will be before the conference commit-

tee, that the House has it, that the Senator from Oregon indicates that he is rather favorably disposed to the amendment. The Senator from Connecticut indicates that he is willing to consider it. I guess my real question is, If one is favorably disposed and the other is willing to consider it and the bill has $112 million for five States, why can we not accept the amendment at this point? The Senator from Ohio is certainly prepared not to raise any questions with respect to the $112 million for the five States because I assume that those who were involved in drafting the legislation understood what they were doing and had a reason for doing it.

Why not agree to it now rather than leave it still up in the air in the conference committee?

Mr. WEICKER. In response to the comments of the distinguished Senator from Ohio, I choose to ignore what I can only assume to be a threat.

Mr. METZENBAUM. That is no threat. That is a fact.

Mr. WEICKER. It is not a fact, first of all. I will get to that in a moment. What is a fact is that this seemingly important request for $30 million comes to the attention of the committee now, not before the markup of the bill, not during the markup of the bill, but now.

Mr. METZENBAUM. We did not have to. It was already in the House bill.

Mr. WEICKER. If the matter was important and important to the extent of the dollars involved and the concepts involved, why was the matter not brought before the full committee during markup?

Mr. METZENBAUM. Because we had a right to assume that since it was in the House bill, it would remain in the bill and there was no indication it was going to be taken off. You would not normally go to a committee and raise an issue if one does not exist. It was in the House bill and we assumed it would stay in the House bill.

Mr. WEICKER. The Senate does its business and the House does its business.

Let us get back to the other points the Senator made. First of all, I do not, in the course of the deliberations of the committee, say that we do such and such, and because we do such and such we will do such and such. Each matter has to stand on its own feet. The distinguished Senator from Idaho raised a point which was considered and passed upon by the committee. If we are going to have equivalence here, his committee amendment calls for $3.8 million a year, a 30-year program that we are talking about, as compared to the $30 million being requested by the distinguished Senator from Ohio for the balance of the current fiscal year.

I cannot put the situation in any clearer fashion than indicated by my friend from Oregon that it could very well be that matters will work work out in conference.

I might add that the amendment of the distinguished Senator from Idaho is also subject to that same conference. No one is giving him any guarantees as to what is going to happen. If indeed we are to have a vote on the matter, fine, let us have an up-or-down vote on it. I have to oppose it on the basis that this has been carefully constructed by the committee; that the matter is not foreclosed, that it can be negotiated and probably would be negotiated within the conference committee.

It is not up to me to go ahead and indicate what it is the distinguished Senator from Ohio is going to do or not do. But please, let us understand what the committee did. The committee fully understood what it was doing insofar as this matter was concerned. It had no relationship to Senator McCLURE's amendment nor any other proposal, whether it be Senator CHILES' or whatever. It was on its own feet. As such, it was considered that since the matter is already in conference, we will face that issue when we get into conference. I would hope that is where it goes.

It seems the Senator from Ohio has raised a valid point. Let us try to work this thing out in a manner that will benefit those States that the Senator, I think properly, indicates need some assistance.

Mr. GLENN addressed the Chair.

The PRESIDING OFFICER. The Senator from Ohio.

Mr. GLENN. Madam President, I rise today, express my concern along with Senators METZENBAUM, DIXON, SIMON, MOYNIHAN, LEVIN, and DECONCINI and urge my colleague Senator WEICKER and the other members of a conference committee which may meet on the supplemental appropriations bill to give serious consideration to the item in the House version providing $30 million in urgently needed funds for the Unemployment Trust Fund. I would repeat that the funds are urgently needed.

These funds would be used for nonpersonal service costs incurred by the States in the administration of unemployment insurance programs. They would help alleviate shortfalls that are occurring in most States. Nonpersonal services are primarily fixed costs and include such things as space rental, communications, and automated data processing.

These funds are urgently needed by many States which are still suffering from high unemployment. While the unemployment rate as reported by the Department of Labor has dropped since its high in 1982, there remains an abundance of workers in need of employment services and unemployment insurance claims processing. Many of these workers have been dislocated as a result of the economy, are displaced homemakers, or are underemployed. Some have been forced to take jobs at a considerable loss in wages in order to pay the bills and put food on the table.

In many cases, both the unemployment insurance claims processing and the employment services are operated out of the same facility and therefore the nonpersonal service costs are shared. If these funds cannot be secured, it is likely that offices will have to be closed down and relocated. This means that persons drawing unemployment benefits and in need of employment services will be forced to travel greater distances. The end result of this, of course, is that many people will not be served.

Madam President, you and I know that Americans want to work, they want opportunities—opportunities to provide for their families and to possess the feeling of self-worth experienced by a working, productive individual. These funds are necessary in order to continue providing much needed services to many Americans. I urge the members of the committee to give full and favorable consideration to this matter. Madam President, I ask unanimous consent that an attached list of funding shortages by States be included in the RECORD.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Unemployment insurance nonpersonal services funding shortages

State:	*Shortage*
Alabama	582,245
Alaska	356,448
Arizona	844,793
Arkansas	698,742
California	0
Colorado	275,000
Connecticut	231,600
Delaware	(?)
District of Columbia	50,860
Florida	1,157,690
Georgia	260,000
Hawaii	172,000
Idaho	825,000
Illinois	9,900,000
Indiana	(?)
Iowa	0
Kansas	240,000
Kentucky	84,310
Louisiana	159,387
Maine	453,871
Maryland	1,854,214
Massachusetts	398,700
Michigan	3,100,000
Minnesota	579,000
Mississippi	331,124
Missouri	923,586
Montana	274,000
Nebraska	141,000
Nevada	0
New Hampshire	260,000
New Jersey	2,000,000
New Mexico	0
New York	3,300,000
North Carolina	975,926

North Dakota	241,509
Ohio	2,900,000
Oklahoma	(?)
Oregon	827,221
Pennsylvania	450,000
Puerto Rico	753,314
Rhode Island	446,870
South Carolina	250,099
South Dakota	183,000
Tennessee	750,000
Texas	172,938
Utah	123,217
Vermont	196,000
Virginia	1,017,585
Virgin Islands	(?)
Washington	1,836,572
West Virginia	155,328
Wisconsin	278,719
Wyoming	230,000
National total	41,241,868

Mr. METZENBAUM addressed the Chair.

The PRESIDING OFFICER. The Senator from Ohio.

Mr. METZENBAUM. Madam President, I have conferred with the distinguished Senator from Connecticut and the distinguished Senator from Oregon on this matter. As I understand their position, they prefer that this matter not be put to a vote, but they are not unreceptive or unsympathetic to the issue and feel that there would be more attained by letting the matter go to conference with the $30 million that is in it from the House. I have their overall assurances to me both on the floor as well as off the floor, and if I misstated the facts with respect to the representations of the Senator from Oregon and the Senator from Connecticut, I hope they will correct me.

Mr. WEICKER. The Senator from Ohio has correctly stated it.

Mr. METZENBAUM. I think the Senator from Louisiana, the manager on this side, will also be supportive.

Mr. JOHNSTON. On this side of the aisle, we support the amendment of the Senator from Ohio.

Mr. METZENBAUM. I thank the Senator very much.

That being the case, Madam President, with the statements that have already been made by the three key players on this issue, the Senator from Ohio will withdraw his amendment.

The PRESIDING OFFICER. The Senator has that right.

The amendment (No. 382) was withdrawn.

AMENDMENT NO. 383

(Purpose: This amendment instructs the U.S. Army Corps of Engineers to use authorized funds for compensation for damages caused by the operation of Libby Dam as Congress instructed in P.L. 93-251)

Mr. McCLURE. Madam President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Idaho [Mr. McCLURE] proposes an amendment numbered 383.

On page 64, after line 2, add the following paragraph:

"Funds appropriated to the U.S. Army Corps of Engineers in the 'Energy and Water Development Appropriations Act, 1985', Public Law 98-360, for the purpose of compensating certain landowners who have experienced damages as a result of drawdown operations of the Libby Dam in Montana shall be expended to evaluate and award compensation for damages of leveed and unleveed tracts of land in Kootenai Flats, Boundary County, Idaho resulting from power or flood control drawdown operations at Libby Dam, Montana: Provided, That such evaluation and compensation of claims shall be made without regard to historic and expected patterns of erosion which otherwise might have occurred without the dam: Provided further, That all pertinent claims which have been previously denied shall be reinstated and reevaluated in accordance with this standard: Provided further, that compensation paid pursuant to this provision shall not exceed $1,500,000."

Mr. McCLURE. Madam President, this amendment on Libby Dam is being offered to retain in Congress that power guaranteed by the Constitution to it to make the laws. There are times, and this appears to be one of them, when the administration chooses to flout the will of Congress by choosing to carry out its delegated powers as it sees fit, rather than as instructed by Congress.

To restore the balance the Constitution demands, I am offering this amendment to instruct the U.S. Army Corps of Engineers to carry out Public Law 93-251 as Congress instructed.

Last Congress, we appropriated the remaining $900,000 of the original $1.5 million authorized by Congress to provide compensation for the Kootenai Flats residents in Boundary County, ID, for damages sustained as a result of flood control or power generation operations at Libby Dam.

Despite the fact that Congress agreed that compensation would be provided for project-caused damages due to power generation at the dam, the corps has denied claims by improperly using a compensation evaluation test based on whether or not the landowners are better off now than they would have been without the dam.

This is not what Congress intended when it enacted Public Law 93-251. Simply put, landowners are entitled to compensation if the operation of the dam itself damages their land. When the powerplant was put on the dam as a secondary benefit to make the project more cost-effective, even the Engineers were uncertain what effect the daily fluctuations would have on the riverbanks. The level of the river fluctuates between 3 and 10 feet daily on a seasonal average due to power operations at the dam. In this instance, Congress has not delegated to the U.S. Army Corps of Engineers what the standard for measuring damage would be. Instead, the broad-based elements of the standard are set out in the statute and in the legislative history of Public Law 93-251.

While it is true that every statute is subject to some interpretation, in this instance, the corps is simply overstepping its bounds. This amendment will ensure that the U.S. Army Corps of Engineers will spend money appropriated by this body in the way Congress has directed.

Madam President, I should note again that this amendment has no impact on the budget and merely restates the will of Congress.

I believe the amendment has been cleared on both sides.

Mr. JOHNSTON. Madam President, we have cleared the amendment on this side of the aisle.

Mr. HATFIELD. Madam President, the amendment which has been offered by the Senator from Idaho has been cleared on the majority side.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 383) was agreed to.

AMENDMENT NO. 384

Mr. McCLURE. Madam President, I move to reconsider the vote by which the amendment was agreed to.

Mr. HATFIELD. I move to lay that motion on the table.

The motion was agreed to.

(Purpose: To prohibit reductions in the National Defense Stockpile Goals)

Mr. McCLURE. Madam President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Idaho [Mr. McCLURE] proposes an amendment numbered 384.

At the appropriate place in the bill, add the following new section:

"( ) No reductions in stockpile goals may be made below those in effect on October 1, 1984 by the President under authority provided by the Strategic and Critical Materials Stock Piling Revision Act of 1979 (98 Stat. 319), as amended, until October 1, 1986, unless authorized by Act of Congress.

Mr. McCLURE. Madam President, I have consulted with managers on both sides of the aisle. The amendment deals with stockpiling of critical defense materials.

As many of my colleagues know, I have a keen interest in our national defense stockpile of strategic and critical materials. Specifically, I am concerned with using the stockpile as a budgetary tool to reduce the deficit, curb inflation, or for any other purpose not related to national defense.

During the past year, the National Security Council has undertaken a study to reexamine stockpile goals of the 61 groups of materials now contained in the stockpile. Of these 61 groups of materials, 37 are deficient. The past history of stockpile management is analogous to that of a roller-coaster moving up and down. Goals have been established on the basis of

war scenarios but then abruptly changed due to short-sighted political and economic considerations.

While I have not seen the NSC study nor do I know specifically what the President has decided to do as a result of that study, I am concerned that, once again, there will be an effort by this President to drastically reduce existing stockpile goals for economic considerations. I say this because of articles that have appeared in the American Metal Market magazine over the past several months which refer to the NSC study recommending that radical changes be made to existing stockpile goals. An American Metal Market article of February 1, 1985, indicated that the NSC study was motivated almost solely by budgetary considerations, as part of the administration's preoccupation with ways to reduce the Federal budget deficit. While I wholeheartedly agree with reducing the Federal deficit, I cannot agree with using the national defense stockpile for that purpose. As many of my colleagues will recall, President Nixon reduced stockpile goals in 1973 from a 3-year war effort to a 1-year effort and declared the remaining materials excess. Such excess materials were subsequently sold. However in 1976 these goals were reestablished by President Ford at the 3-year war scenario. The cost to the taxpayer associated with the rollercoaster effects of acquiring, selling, and reacquiring has been considerable. In each case, the movitation has been economic.

Madam President, the amendment I am offering today would prohibit the President from reducing national defense stockpile goals that were in effect on October 1, 1984, unless such reductions are authorized by Congress. I urge my colleagues to support my amendment to maintain current stockpile goals until the administration can demonstrate that its proposed changes are based primarily on national security considerations and not economic considerations.

Mr. JOHNSTON. Madam President, the amendment has been cleared on this side.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 384) was agreed to.

Mr. McCLURE. Madam President, I move to reconsider the vote by which the amendment was agreed to.

Mr. HATFIELD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. McCLURE. Madam President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. GARN. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is ordered.

AMENDMENT NO. 385

(Purpose: To oppose financing by international financial institutions for the production of copper, and for other purposes)

Mr. GARN. Madam President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Utah [Mr. GARN], for himself, Mr. DOMENICI, Mr. LAXALT, and Mr. BINGAMAN proposes an amendment numbered 385.

On page 88, after line 22, insert the following:

GENERAL PROVISIONS

SEC. 501. The Secretary of the Treasury shall instruct the United States Executive Directors of the International Bank for Reconstruction and Development, the International Development Association, the International Finance Corporation, the Inter-American Development Bank, the International Monetary Fund, the Asian Development Bank, the Inter-American Investment Corporation, the African Development Bank, and the African Development Fund to use the voice and vote of the United States to oppose any assistance by these institutions, using funds appropriated or made available pursuant to this Act or any other Act, for the production of any copper commodity for export or for the financing of the expansion, improvement, or modernization of copper mining, smelting, and refining capacity.

Mr. GARN. Madam President, this is a very simple amendment that I believe has been cleared on both sides. I think many people in this body are well aware of the problem of copper production in this country. In my own State, Kennecott Copper Corp., which used to operate the largest open-pit copper mine in the world, is now totally closed down, with the loss of 7,500 jobs.

We are losing our domestic copper industry, mainly because of the overproduction in Third World countries who are flooding the market. Interestingly enough, our multilateral development banks have made loans for the development of these mines and processing facilities which have contributed to the overproduction and the reduction in price on a worldwide basis. This is an amendment which simply states we would like the administration to use all of their power and their votes in these various multilateral banks to say we do not want any more of those loans made.

We do need a domestic copper industry in this country, not just because some of it is in my State and Nevada and Arizona and other States, but we will simply become virtually totally dependent for another strategic metal on outside sources. So there is more than a parochial interest in the domestic copper industry.

Madam President, I know of no opposition to this amendment and I know the majority and minority are prepared to accept it.

The PRESIDING OFFICER. Is there further debate on the amendment?

Mr. JOHNSTON. Madam President, we have cleared the amendment on this side of the aisle.

The PRESIDING OFFICER. Is there further debate?

The question is on agreeing to the amendment.

The amendment (No. 385) was agreed to.

Mr. GARN. Madam President, I move to reconsider the vote by which the amendment was agreed to.

Mr. HATFIELD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 386

(Purpose: To make changes in the Administration Provision in Chapter VII of the bill)

Mr. HATFIELD. Madam President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The bill clerk read as follows:

The Senator from Oregon [Mr. HATFIELD] proposes an amendment numbered 386.

On page 106, line 16, after the words "which is" insert the words "defaulted, or which is"

On page 106, line 25, after the sentence ending with the word "injunctions." insert the following new sentence: "The Secretary shall give priority to resale of timber which is determined to have the least risk for environmental degradation to streams or other bodies of water."

Mr. HATFIELD. Madam President, the committee has included bill language to assist in resolving a very difficult situation arising out of litigation brought against the U.S. Forest Service in the Mapleton district of the Siuslaw National Forest in Oregon. Nearly 2 years ago, the National Wildlife Federation filed a suit against the Department of Agriculture, challenging future timber sales to be offered by the Government on the grounds that they violated the so-called Church clearcutting guidelines, the Multiple Use-Sustained Yield Act, the National Forest Management Act, and the National Environmental Policy Act. The U.S. district court ruled that an environmental impact statement, including a worst case analysis, must be written. He did not find for the plaintiffs on the other issues, but did agree with their contention that NEPA had not been appropriately applied. The court has enjoined the Forest Service from offering any more timber for sale in the Mapleton district until an EIS has been written. As

a result, the Forest Service has announced that it has withdrawn its timber sale plan, and that the EIS will be completed as a part of the forest plan currently being written for the entire Siuslaw National Forest. That plan will not be completed until the fall of 1986 at the earliest.

Madam President, there is already over 300 million board feet of timber under contract which is unaffected by the injunction, so on the surface the court ruling appears to have no short-term impact upon the communities whose lumber mills rely largely on timber from the Mapleton district. However, almost all of the timber under contract was purchased several years ago at prices which now render it impossible to harvest. A good share of that timber will be bought out under the terms of the Federal Timber Contract Payment Modification Act, which was passed by the Congress last year in an effort to deal with the high-priced timber issue. That act also provided for the resale of timber which is bought out by the timber purchasers. However, because of the wording of the court's injunction in the Mapleton case, timber that is now under contract and which is bought out in the Mapleton district cannot be resold as contemplated in that act. These older timber sales were not a part of the litigation bought by the National Wildlife Federation and the other groups which supported that litigation. If it were not for current economic circumstances, these sales would already have been logged. Without action however, there will be no commercial timber sales in the area, and about 2,000 direct and indirect jobs will be lost until an adequate EIS is written.

This is an untenable situation for the affected communities, which are located in western Lane County on the Oregon coast and rely heavily upon the forest products industry for their economic livelihood.

The committee's language will provide some near-term aid by allowing the Forest Service to resell those timber sales which are returned to the Government, as the Federal Timber Contract Payment Modification Act provides. The Forest Service anticipates that about 245 million board feet of timber will be bought out in the district and, based upon historical sales levels, that about 2½ years of supply for the Mapleton district, where not a stick of commercial saw timber has been sold since the fall of 1983.

This will provide the communities with a source of supply for their lumber mills to operate until the Forest Service complies with the judge's directive to complete an environmental impact statement and forest planning process. The groups which brought the suit did not challenge the sales which will be resold under the language in this bill and, in fact, they have stated on numerous occasions their desire that timber sales be allowed in the Mapleton district while the EIS process moves forward.

As the author of the language included by the committee, and as the chairman of the Committee on Appropriations, I would like to explain clearly the intent of the language.

This language authorizes the Secretary of Agriculture to resell all timber which is returned under the Federal Timber Contract Payment Modification Act. However, it is not the committee's intention that this be construed as a directive to the agency to resell all of the returned timber at any one time. The committee's intention is that the timber be resold as part of the normal timber sale program in the district, based upon historical sales levels which are about 90 million board feet per year. Thus, not all of the timber will necessarily be resold under the authority granted by this legislation. The language also allows the agency to modify the sales prior to reoffering them. In some cases, sales which are returned to the Government for resale will have been partially operated, and will require some reworking in order to formulate a viable timber sale meeting the current standards of the agency. In other cases, the Forest Service may wish to modify the sales so that they will comply with standards which may not have existed at the time they were originally sold. It may be necessary, in some instances, to include minor portions of timber not included in the original sales, and the language accommodates this need, but I wish to make absolutely clear the committee's intention that this authority is limited and should not be utilized if it results in adverse impacts upon fish habitat.

It is not the committee's intention that sales reoffered under this limited authority be exempted from the normal forestry practices which are a part of the Government's timber sale program. These sales have been through that process before and any modifications which result should constitute improvements in terms of impacts upon other resources. Likewise, timber contracts offered as a result of this authority would include the same requirements and offer the same rights to purchasers as other sales offered by the Forest Service. The grant of authority included in the bill is simply intended to overcome the injunction issued in this case and to insure that the decision to resell timber can be made and not be subject to judicial review. It would not, of course, limit judicial review under the Contract Disputes Act, or other statutes governing contracts with the Government.

Madam President, I believe the Department of Agriculture and the Forest Service can utilize the authority granted by the committee language to act quickly and responsibly to get timber back on the market in Mapleton district. The agency has the opportunity and flexibility to determine which sales are offered for resale, and it is my strong feeling that it should be attentive to the concerns which brought litigation, even though it did not seek to halt the sales in question. Since not all sales need be offered for resale in order to accomplish a sales program based upon historic levels, priority can and should be given to sales with the least impact upon other resource values.

I believe the language offered provides a fair and equitable solution to a difficult problem. It does not affect the issues brought in the Mapleton case which are still the subject of litigation. When the injunctions were issued, there was adequate timber under contract and the Congress had not passed the Federal Timber Contract Payment Modification Act. The committee language simply recognizes that Congress did act and will allow the resale of timber as contemplated by its action last year.

The plight of communities which depend upon the forest products industry has been well documented. Congress has recognized the problems they face. This week, the regulations required by the Federal Timber Contract Payment Modification Act should be published and the process of buyout of economical unharvestable timber sales can begin. There has been some improvement in the forest products market, although the industry's problems are far from over. For the people who live and work in western Lane County, however, any improvements in markets and any relief which Congress has attempted to provide will be lost unless we act to straighten out the situation I have outlined.

Finally, Madam President, I would like to note that we are making two small modifications to the committee language which, at the request of the National Wildlife Federation, will help enforce existing environmental practices as they might apply to any potential timber sales. Specifically, the first change directs the Secretary to give priority to resales that present "the least risk for environmental degradation to streams or other bodies of water." The second change will provide that any timber which is returned "or defaulted" may be resold under the provisions of this language. Excluding "defaulted sales" from the original committee language was a technical error that, if not included, may encourage timber operators to default from current contracts as a means of avoiding paying Government penalties.

In conclusion, I ask unanimous consent to have printed in the RECORD a

letter from the U.S. Forest Service on this subject which explains and clarifies their proposed plans to implement this committee provision.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

U.S. DEPARTMENT OF AGRICULTURE,
FOREST SERVICE,
Washington, DC, June 20, 1985.

Hon. MARK O. HATFIELD,
Chairman, Committee on Appropriations, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: We are responding to your request for clarification as to how we would implement the administrative provision of the 1985 Supplemental Appropriations Act regarding resale of timber on the Mapleton Ranger District.

It is our intent that timber sales will be designed to meet current substantive standards and guidelines that normally apply to timber sales on the Siuslaw National Forest, such as limitations on size of clearcut, watershed and stream protection, and wildlife habitat coordination requirements.

Sincerely,

F. DALE ROBERTSON.

Mr. HATFIELD. Madam President, my amendment at this time would give the Forest Service additional instructions. It would be in effect to say:

The Secretary shall give priority to resale of timber which is determined to have the least risk for environmental degradation to streams or other bodies of water.

This has been suggested by the Wildlife Federation and other interested groups that are concerned about this. It has been cleared by Senator MCCLURE's subcommittee and Senator BYRD, ranking minority member on that committee. It is just an additional qualification.

Mr. JOHNSTON. Madam President, the Senator is correct. This has been cleared on this side of the aisle.

Mr. METZENBAUM. Madam President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. GLENN. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GLENN. Madam President, I ask unanimous consent that the pending amendment be set aside to permit submission of another amendment.

The PRESIDING OFFICER. Is there objection?

Mr. JOHNSTON. Madam President, reserving the right to object, I will yield to the chairman.

Mr. HATFIELD. Madam President, I have no objection.

AMENDMENT NO. 387

Mr. GLENN. Madam President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Ohio [Mr. GLENN] proposes an amendment numbered 387.

Mr. GLENN. Madam President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 50, line 7, strike "$10,000,000" and insert in lieu thereof "$25,000,000".

Mr. GLENN. Madam President, I rise today as cochairman of the Senate Great Lakes Task Force to offer an amendment to the 1985 supplemental approrpriations which will supply adequate funding for the Army Corps of Engineers' emergency fund, Public Law 84-99. The House of Representatives included $25 million for this program in the 1985 supplemental appropriations. My colleagues on the Senate Appropriations Committee reduced this amount to $10 million. I believe this reduction is a very serious mistake. We do have very major problems today on the Great Lakes.

Many of my colleagues may not be aware that the Great Lakes are experiencing extremely high water levels. This is due to above average rainfall in the Great Lakes region for nearly 18 years. It has gone beyond just a 1- or 2-year phenomenon. While every Great Lake State is aware of this problem and taking steps to address it, there is very little that can be done to lower these levels. The International Joint Commission has already acted by reducing the flow of water from Lake Superior to the lower lakes. This will only have a slight impact on water levels in the lower lakes and runs the risk of increasing Lake Superior water levels. The only other action that can be taken is to prepare for possible floods by building and rehabilitating flood control structures.

The Army Corps of Engineers' emergency fund was established for this purpose. However, if the Senate does not supply adequate funds for Public Law 84-99, we may experience some very severe consequences in the near future.

So I request that my colleagues join with me by supporting this amendment to increase funds for the Army Corps of Engineers' emergency fund to $25 million as recommended by the House of Representatives.

The PRESIDING OFFICER. Is there any further debate?

Mr. HATFIELD. Madam President, the Senator from Ohio and I have had a discussion on this matter. I know of his intense interest in it. I want to assure the Senator from Ohio, since this is a matter that is in the House bill—and we will be going to conference with the House on this matter—I would very much like to be able to have this matter resolved in conference. We will have sympathy for this because I know it is a valid issue that the Senator raises, but if we could keep this as a conferenceable item, it does assist the Senate in working out a package that would resolve the entire bill. And we need a little marking chip here and there, to put it bluntly.

Mr. GLENN. Madam President, I appreciate the expression of the distinguished floor manager of the bill. While I certainly prefer to have a vote on this amendment, since it is already in the House bill—and from my private discussions with the distinguished chairman of the committee I know he will do everything he possibly can to see that this matter is taken care of because it is very serious—I withdraw the amendment.

Mr. HATFIELD. Madam President, I thank the Senator from Ohio. I assure him that we will follow through on the matter in conference.

The PRESIDING OFFICER. The amendment is withdrawn.

AMENDMENT NO. 386

Mr. HATFIELD. Madam President, I believe now the question is on the amendment that I have offered. The Senator from Ohio [Mr. METZENBAUM], who had asked that it be delayed for a moment, has now cleared it, and the Senator from Louisiana has cleared it on his side. It is clear on our side, and I move its adoption.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Oregon.

So the amendment (No. 386) was agreed to.

Mr. HATFIELD. Madam President, I move to reconsider the vote by which the amendment was agreed to.

Mr. JOHNSTON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. JOHNSTON. Madam President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

AMENDMENT NO. 388

Mr. HELMS. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HELMS. Madam President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from North Carolina [Mr. HELMS] proposes an amendment numbered 388:

On page 74, line 22, strike the period, and insert in lieu thereof the following: "or involuntary sterilization.".

Mr. HELMS. Madam President, H.R. 2577, as the Senate received it from the House, adds a further restriction to the 1985 continuing resolution,

Public Law 98-473, with respect to U.S. population assistance and coercive abortion. I of course have no problem with this restriction and commend Congressman JACK KEMP for his initiative.

Madam President, I do think it is important for the United States to distance itself not only from indirect support of coercive abortion but also for such support of involuntary sterilization. That is why I am proposing addition of the language "or involuntary sterilization" to the language already in the bill.

Madam President, no one familiar with recent history in Communist China can fail to recognize the tremendous injustice that has been inflicted on the people there under the guise of population control. Among other human rights abuses, involuntary sterilization has played a prominent role.

On this point, I will shortly put in the RECORD a portion of a report by China expert John S. Aird of the U.S. Bureau of the Census. The full text of this report, appears in the CONGRESSIONAL RECORD of June 7, 1985, at page S7576 and following. The portion of the report which I now want to call to the attention of my colleagues involves involuntary sterilization.

Madam President, I ask unanimous consent that part of the Aird report, entitled "Coercion in Family Planning: Causes, Methods, and Consequences," dealing with involuntary sterilization in China be printed at this point in the RECORD.

There being no objection, the excerpt of the report was ordered to be printed in the RECORD, as follows:

MANDATORY BIRTH CONTROL SURGERY IN 1983

On December 6, 1982, a circular issued jointly by the State Family Planning Commission, the Party Central Committee Propaganda Department, and several other organizations announced that a national family planning "propaganda" month would begin on New Year's Day and last until after Spring Festival. It called for sterilization of couples with two children and the prompt abortion of unauthorized pregnancies. After the start of the new year, it became clear that sterilization was the "key measure" under the new policy, and in March an unnamed "central leadership comrade" said that the success of the propaganda month must be affirmed and the effective measures continued. In May, a provincial source revealed that these measures had been approved by the Party Central Committee and the State Council. Responsibility for them clearly rested with the highest authority in the land.

The reason for making sterilization the "key measure" was not just to eliminate third and higher parity births but because the threat of sterilization "spurred on the adoption of other birth control measures." How it did so was explained by the Vice-Governor of Guangdong Province, who said that "the basic purpose of (sterilization) is to absolutely prohibit married couples from bearing a second child," implying that fear of being sterilized would suffice to make one-child couples avoid further pregnancies. This strategem clearly assumed that people did not want to be sterilzed and could thus be intimadated by the certainty that if they had a second child they would be sterilized against their will. Of course, sterilization also had the advantage of eliminating any further need for "persuading" people, monitoring their pregnancy status, and "mobilizing" them for abortions. Once sterilized, their compliance was assured!

Accordingly, childbearing age couples with two or more children were designated as persons "who should be sterilized," and the provincial authorities estimated their number and made plans to complete the surgeries over the next several years. Initial reports indicated a massive sterilization drive under way. Pleased with these results, the central authorities directed that "the success of the propaganda month must be fully affirmed and the effective measures carried out must be continued. It was later reported that in 1983 along 20.8 million sterilizations had been performed. The mandatory sterilization, IUD insertion, and abortion policy of 1983, with its quotas and "high tides" was a violation of previous admonitions against "rigid rules," "crash jobs," and "forcing everybody to do the same thing," but in 1983 these were no longer part of what the central authorities chose to regard as coercion. In fact, in the domestic media of China in 1983, coercion was hardly mentioned.

SLIGHT MODERATION AND AMBIVALENCE IN 1984

The human costs of the mandatory surgeries in 1983 may never be known in full, but the political costs must also have been significant. Although several provinces planned to stage another propaganda month in January 1984 to continue and even to intensify the sterilization drive, these plans were interrupted soon afterward by another change in policy. The first hint of a change was the fact that in December 1983 Qian Xinzhong was removed without explanation from his post as head of the State Family Planning Commission. At the end of January 1984, the new director, Wang Wei, said that family planning work must be "based on local conditions" and carried out "reasonably to win the support of the broad masses" and urged the cadres to find ways of doing family planning work effectively and at the same time "building a close relationship between the Party and the people." The last phrase clearly indicated that, as in the past, the coercive measures of 1983 had caused such a negative popular reaction that they now had to be disavowed once more.

Provincial family planning leaders attending a 10-day conference in Beijing that concluded on March 7, 1984 were told that family planning measures should be "more realistic," supported by the masses, and easy for the cadres to carry out, that it was necessary to improve their "work style," and that they should "refrain from coercion" and "strictly forbid any illegal and disorderly action." While the one child policy was still to be promoted, the circumstances under which couples could be allowed to have a second child were slightly enlarged, provided that the national, provincial, and local target population totals for the year 2000 were not exceeded, which meant that very few second births could be permitted. In May 1984, the family planning edition of the journal *Health Gazette* explained that family planning work was to be "subordinated to and serve the general tasks and goals of the Party," and in June it warned against coercion, being "doctrinaire" about punishments, indiscriminate sterilization, scheduling too many surgeries, and letting unqualified persons perform them, and forbade the setting of surgical quotas for lower levels. The excesses of 1983 were, as usual, ascribed to local "misunderstanding" of central policies, which the central authorities pretended had never changed.

Soon after the March conference, the new policy was spelled out in a directive referred to as "Party Central Committee Document No. 7," the text of which has not been made public. From exigeres given in the Chinese media, it is evident that the directive called for moderation and flexibility in implementing policies and avoidance of coercion to repair relations with the masses but at the same time demanded that the cadres maintain "a tight rein" on family planning, strengthen their leadership, and continue to fulfill the assigned targets. The mixed signals plunged the cadres into confusion, and in some places they reportedly lost faith in the resolutions of the central authorities and stopped enforcing family planning requirements. Rumors began to circulate that the policy had changed and that all families were now allowed two children. In May, Wang Wei attempted to clarify the intent of Party Document No. 7, and throughout the summer and fall of 1984 warnings were issued against complacency, passivity, and laxness. The 1983 policies on sterilization, IUD insertion, and abortion were reinstated, and, at least in some places, sterilization quotas were resumed. This somewhat hardened line was still in force at the start of 1985.

The on-again-off-again anti-coercion campaigns and the alternate escalations and remissions in family planning demands make it quite clear that the central authorities approve and encourage the use of coercive methods and welcome the results gained through them but will not accept responsibility for them. The local cadres alone are held accountable for policy failures, whether due to excessive compulsion or not enough. Since the central authorities control the media at all levels, they can reinterpret policies and events to suit their own convenience. The local cadres seldom get to tell their side of the story.

The PRESIDING OFFICER. Is there any further debate?

Mr. METZENBAUM. Madam President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. METZENBAUM. Madam President, I ask unanimous consent that the order for a quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. METZENBAUM. Madam President, I am frank to say to my colleague from North Carolina that I have grave reservations about this amendment; but, having been assured by the distinguished Senator from Hawaii that he is satisfied that it is all right, so to speak, I will not raise any further question in connection with it. But I still have tongue in cheek.

Mr. HELMS. I thank the Senator.

Mr. INOUYE. Madam President, this amendment has been discussed with members of the committee, and we find no objection to it.

Madam President, I think that all who are familiar with the so-called Kemp amendment recognize that it seeks to curb U.S. contributions to the United Nations Fund for Population Activities [UNFPA] because of the alleged participation by the UNFPA in what is alleged to be a program of coercive abortion under the direction of the Government of the Peoples Republic of China.

CHINA'S STATEMENTS

The Government of the Peoples Republic of China has given specific assurances to the Government of the United States that it does not condone either forced abortion, or forced sterilization, or the crime of infanticide.

China readily admits that its one-child-per-couple population policy—brought on by the realization that rapid population growth is exhausting China's resource base, including arable land—may have led some minor officials to engage in coercion. But the Government of China has unequivocally denounced this practice and has said that it has taken measures to prevent further excesses.

Madam President, China has said directly and without evasion that it does not have, nor will it countenance, a population-planning program or a population-planning policy which includes coercive or forced abortions.

UNFPA POSITION

Madam President, the U.N. Fund for Population Activities has, in a formal declaration to our Government, stated without reservation that it does not support abortion—coerced or otherwise—in any of its programs, either in the Peoples Republic of China or the rest of the world. This valued U.N. organization has, unlike some other U.N. agencies, avoided ideological and political entanglements. It has functioned as its countributors intended it to function—as a provider of technical assistance.

In August 1984, at the U.N. International Conference on Population, the United States issued a policy statement which informed all of the assembled nations that,

With regard to the UNFPA, the United States will insist that no part of its contribution be used for abortion. The United States will also call for concrete assurances that the UNFPA is not engaged in, or does not provide funding for, abortion or coercive family planning programs.

That was the statement of the U.S. delegation to the International Conference on Population. The delegation was led by former U.S. Senator James Buckley, and it had the full backing of the Reagan administration.

On August 11, 1984, Ambassador Buckley, head of the U.S. delegation, and M. Peter McPherson, Administrator of the Agency for International Development, announced that the United States was releasing $19 million in assistance to the UNFPA. This funding had been withheld, in accordance with the policy announced at Mexico City, until the UNFPA gave its concrete assurances.

Madam President, the UNFPA has given its concrete assurances to the U.S. Government that the fund "Does not support abortion as a method of family planning nor does it sanction—nor has it ever sanctioned—coercion in the implementation of family planning programs." These assurances were accepted by the U.S. Government in releasing funds last year. The UNFPA has made the same assurances this year. Nonetheless, in contravention of a congressional earmarking of $46 million in fiscal year 1985 contributions to the UNFPA, the administration has withheld $10 million.

AID FINDINGS

Madam President, as I noted, in its action on the fiscal year 1985 continuing resolution, the Congress earmarked $46 million as a contribution to the UNFPA and its programs.

In its efforts to implement this congressional directive, the Agency for International Development came under countervailing pressures from individual Senators and Congressmen who are associated in the public mind with the antiabortion movement. In response to these pressures, the Agency for International Development [AID] wrongly, I believe, withheld $10 million of the funds earmarked for the U.S. contribution to UNFPA.

AID conducted an internal review of China's population-planning programs and found that "UNFPA was not, itself, involved in forcible abortions—or forcible sterilizations for that matter." The AID general counsel, in his review of the legal options open to the administrator, noted that "AID's independent review has concluded that UNFPA's program in China does not include involuntary abortion as part of its population planning programs." His conclusion—"under such circumstances, AID has no alternative under the law other than to provide the full $46 million to UNFPA, unless the Congress takes affirmative action to change the requirement of the earmark."

Madam President, this is where we stand:

China has said that it does not have a population-planning program which includes coercive abortion.

The UNFPA has said that it does not include abortion of any sort in its programs, and the United States has accepted these concrete assurances.

The Agency for International Development has conducted an independent review which found that UNFPA's program in China does not include involuntary abortion.

Despite this positive record of compliance with stated U.S. objectives, $10 million in funds earmarked for a U.S. contribution to the UNFPA has been withheld, and the Kemp amendment seeks to rescind those funds.

THE INOUYE AMENDMENT

Madam President, apparently there are those who are not prepared to accept the assurance of the Government of the People's Republic of China; nor are they willing to accept the concrete assurance of the UNFPA; nor the findings of the independent review conducted by the Agency for International Development.

I believe that the full amount earmarked by the Congress ought to be released to the UNFPA. I believe that, were this question to be resolved at a level in our Government where political pressures do not exert an undue influence, it would be found that the Government of the People's Republic has not falsified its assurances to our Government; it would be found that the UNFPA has not engaged in prevarication but has accurately described its program; and it would be found that AID's internal review did not distort UNFPA's role in the population-planning programs of the People's Republic of China.

Accordingly, the committee has recommended that the Senate accept a simple and direct change in language to require that the President of the United States make the determination implicit in the Kemp amendment. The committee believes that this issue is of great significance, not only in relation to continued U.S. participation in population-planning programs, but also in terms of its potential impact on the growing bilateral relationship between the People's Republic of China and the United States. Consequently, the committee has directed that the President of the United States or, if he chooses to delegate this responsibility, the Secretary of State make this determination.

If the President determines that: One, the People's Republic of China does have a population-planning program which includes coercive abortion; and two, that the UNFPA supports or participates in the management of that program, funding to the UNFPA would be cut off. If the President does not reach that determination, funding which has been withheld would, under the law, be released to the UNFPA.

Madam President, the committee amendment is an insertion which quite simply reads as follows: "as determined by the President of the United States." The President is not required to make any certification to the Congress, nor is he required to make any report to the Congress. The President is simply—and clearly—required to make the determination implicit in the Kemp amendment.

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Clearly, this is an issue which must be resolved at the highest levels of our Government. Perhaps it is an issue which ought to be on the agenda for discussions when the President of the People's Republic visits the United States next month. Perhaps, if the President determines that China has a coercive abortion policy, the Kemp amendment prohibition ought to be expanded to include all forms of assistance, including cooperation in science and technology. These are matters which the Senate may have to address in the future, but for the moment, I hope Members will agree that this issue is so important it must be the President of the United States who makes this determination.

Mr. HATFIELD. Madam President, the amendment has been cleared by the subcommittee chairman of jurisdiction on the majority side.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 388) was agreed to.

Mr. HELMS. Madam President, I move to reconsider the vote by which the amendment was agreed to.

Mr. HATFIELD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. HELMS. Mr. President, the House version of the pending bill, H.R. 2577, on the initiative of Congressman JACK KEMP, made the following amendment to existing law:

BILATERAL ECONOMIC ASSISTANCE AGENCY FOR INTERNATIONAL DEVELOPMENT POPULATION, DEVELOPMENT ASSISTANCE

The Foreign Assistance and Related Programs Appropriations Act of 1985, as enacted in Public Law 98-473, is amended by adding at the end of the "paragraph entitled "Population, Development Assistance":

None of the funds made available in this bill nor any unobligated balances from prior appropriations may be made available to any organization or program which supports or participates in the management of a program of coercive abortion.

Mr. President, the Senate Appropriations Committee made only one small change in this Kemp language; it added the words "as determined by the President of the United States." With the Senate language, the new provision in Public Law 98-473 would read as follows:

None of the funds made available in this bill nor any unobligated balances from prior appropriations may be made available to any organization or program which, as determined by the President of the United States, supports or participates in the management of a program of coercive abortion.

My floor amendment, which was adopted earlier, adds "or involuntary sterilization" to "coercive abortion."

In commenting on the original House language, the report of the Senate Appropriations Committee on H.R. 3577 said this:

The House has included language which has the effect of prohibiting any further U.S. assistance in fiscal year 1985 to the U.N. Fund for Population Activities (UNFPA). (Report 99-82, page 107).

This statement by the committee in its report evidently carries with it the determination that, as far as the committee is concerned, UNFPA does indeed support or participate in the management of a program of coercive abortion. If the committee had not made this determination for itself, it could not have logically said that the House language would have "the effect of prohibiting any further U.S. assistance in fiscal year 1985 to the U.N. Fund for Population Activities."

Mr. President, this report language is particularly interesting because so many people in recent months—including the distinguished Senator from Hawaii [Mr. INOUYE]. today—have tried so hard, despite the evidence, to absolve UNFPA from any culpability in the horrible crimes committed by the People's Republic of China under the guise of population control. These crimes have included not only coercive abortion but also infanticide, involuntary sterilization, and other human rights abuses on a massive scale. Apparently, the Senate Appropriations Committee has been convinced, as I was long ago, that UNFPA is heavily implicated in the draconian depopulation efforts of the Chinese Government.

Moreover, Mr. President, the recognition of this fact by the committee raises the disturbing question of indirect U.S. support for the Chinese crimes through our past support of UNFPA. During the years 1982, 1983, and 1984, for example, the United States provided a total of $105.6 million to UNFPA. UNFPA in turn provided, during those same years, approximately $24.9 million to the People's Republic of China.

There is little need to review at this time the public reports about coercion in the Chinese population control program. They have been extensive and well-documented.

The more important question is why our Government, particularly the Administrator of the U.S. Agency for International Development [AID], M. Peter McPherson, has not vigorously enforced existing law. Public Law 98-473 provides that no U.S. population funds may be made available to "any organization which includes as part of its population planning programs involuntary abortion." Despite this prohibition and despite UNFPA's involvement in the coercive China program, AID made $36 million available to UNFPA in late March of this year.

Mr. President, this AID action was an outrage, and other Members of Congress and I have written President Reagan about it. We have yet to receive a reply, but I am hopeful one will be forthcoming shortly.

Mr. President, I ask unanimous consent that the letter from Senator HUMPHREY, Congressmen HYDE, KEMP, and SMITH of New Jersey, and myself, dated April 2, 1985, to the President, be printed in the RECORD at this point.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

U.S. SENATE,
Washington, DC, April 2, 1985.

The PRESIDENT,
The White House,
Washington, DC

DEAR MR. PRESIDENT: The U.S. Agency for International Development announced Saturday that it will reduce support for the United Nations Fund for Population Activities by $10 million because of the UNFPA role in China's brutally coercive population control program.

Unfortunately, AID's decision obscures an issue far more serious than the level of U.S. funding: It seems obvious that Administration officials at AID apparently are unwilling to obey existing law as to providing any funding at all for UNFPA.

Mr. President, here's the point: Current law provides that no U.S. population funds may be made available to any country or any organization "which includes as part of its populations planning programs involuntary abortion." (Public Law 98-473, 98 Stat. 1887-88, October 12, 1984). Since UNFPA will continue to support China's heinous policies, U.S. law explicitly forbids AID's support of UNFPA at all. Unlike section 104(f) of the Foreign Assistance Act, this provision is more than a restriction on direct U.S. funding of abortion. It is a flat prohibition on assisting any organization which supports, even with its own funds, programs involving involuntary abortion.

Certainly this provision is broad enough to preclude U.S. funding of an organization that has made the involuntary abortion program of another country its own through extensive, systematic, and intimate association with and support of it. If it does not preclude such funding, then the provision is meaningless.

As you know, there have been numerous reports in recent years that China's one-child policy includes forced abortion and other coercive practices. These reports have come from eyewitness accounts which have been confirmed by the news media and verified by independent scholars. AID has never offered evidence to contradict these reports, and according to at least one press account, an unpublished AID review confirms them. Under these circumstances, the obligation of AID is clear: It must halt funding of any grantee which subgrants to China, including UNFPA.

Over the weekend, however, AID took action not authorized by law. It recognized, on the one hand, that coercion exists in China, but it only asked, on the other, that UNFPA segregate U.S. funds and promise not to use them in China. Congress has not authorized such a scheme, and under constitutional principles of separation of powers no official in the Executive Branch is empowered to rewrite the existing law in this manner.

Further, it is our understanding that the unusual Saturday transfer of U.S. funds was accomplished under expedited procedures by AID officials in an attempt to make their decision irreversible. Despite this action, however, we are confident that prompt

action by our UN representatives can retrieve the tax dollars illegally assigned to UNFPA.

During your tenure, Mr. President, you have rebuilt respect for the Presidency, restored comity to presidential relations with Congress, and reestablished respect for law and the legislative process. With great admiration for those accomplishments and equally great determination that they not be eroded, we ask you to assure compliance with the law by AID.

Thank you for your consideration of this matter.

Sincerely,

GORDON J. HUMPHREY,
JESSE HELMS,
U.S. Senators.
HENRY J. HYDE,
JACK KEMP,
CHRIS SMITH,
U.S. Representatives.

Mr. HELMS. Mr. President, as further evidence of the UNFPA role in China and the indirect U.S. support of that role, I want to call my colleagues' attention to an article by Steven W. Mosher which appeared in the May 13, 1985 edition of the Wall Street Journal. Mr. Mosher spent a year in China in 1980, and has written two books on his experiences. Broken Earth: The Rural Chinese and Journey into the Forbidden China. This Mosher article demonstrates quite clearly that UNFPA is culpable as to the coercive practices in China, and I particularly call this article to the attention of my colleague from Hawaii [Mr. INOUYE]

Mr. President, I ask unanimous consent that the Mosher article entitled "How China Uses U.N. Aid for Forced Abortions" be printed in the RECORD at this point.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

HOW CHINA USES U.N. AID FOR FORCED ABORTIONS

(By Stephen W. Mosher)

By Peking's own calculation, a staggering 53 million abortions have been performed in China over the past five years as part of a rigorous campaign to limit population growth. Through money provided to the United Nations Fund for Population Activities (UNFPA), the U.S. government has supported this campaign.

The Chinese government claims that the guiding principle of this abortion program is "voluntarism," but there was not thing voluntary about the process I observed when living in a Chinese village in 1980. It involved subjecting pregnant women, many very close to term, to exhausting morning-to-night "study sessions," levying heavy penalties on them and their families and the actual incarceration of those who still proved recalcitrant. Nor does the description "voluntary" adequately encompass the reports that have come out of China in the years since then of pregnant women being handcuffed, thrown into hog cages and taken to the operating tables of rural clinics.

I estimate that 90% of the abortions performed in China are forced upon women who, if they were truly free to choose, would bear the children. Under the "one child per family" law, abortion in China is for all practical purposes mandatory for women who become pregnant outside the state-assigned quota. Not only are the pregnancies of married women who already have one child terminated under this law, so are the pregnancies of many who do not yet have a child.

Many of these abortions are done late in term and in a way that can only be described as brutal. Induced stillbirth and murders of newborns are common. I observed full-term unborn children being injected with a Western drug the Chinese called Rivalor, which causes the unborn child's death within 24 to 48 hours and in most cases its post-mortem ejection from the womb.

In other cases the child is killed at the time of parturition, sometimes by using forceps to crush the child's skull when it is still in the birth canal, other times by injecting formaldehyde into the soft spot of the head or by strangling as the child emerges. Since the baby is still partly in the womb at this time, this is not considered to be infanticide but merely abortion. Moreover, late or full-term abortions are carried out despite a regulation forbidding the termination of pregnancy after the sixth month. Officials anxious to meet the strict birth quotas set by higher-ups order doctors to ignore this proscription.

The Chinese government has loudly and repeatedly protested that these "excesses" are not government policy and that those who take part in them will be punished according to law. In fact, however, aside from a handful of halfhearted prosecutions of peasant parents for killing their infant daughters, no official in China to date has been publicly punished for mandating late abortions, for using coercion or for ordering doctors to kill infants at birth.

The only conclusion that can be drawn from these appalling facts is that Peking's assurances are merely a smoke screen. It is the birth quotas that officials enforce, not the written guideline advising no abortions after six months. And it is this quota the officials are held accountable for, not paper exhortations for "voluntarism." The Chinese officials who say the opposite are, at best, naive. At worst, they are consciously duplicitous.

To date, UNFPA seems to have taken at face value these Chinese assurances. A recent UNFPA report on its aid quotes official Chinese denials of government coercion and infanticide. Because of the unsatisfactory UNFPA response, the U.S. Agency for International Development recently asked Congress to rescind $10 million of the $46 million earmarked for that organization this year. The remaining $36 million would be put in a separate account, for projects in other countries.

An investigation is under way in Congress to determine what further action, if any, should be taken. In this review, particular care should be given to examining UNFPA's admission that "the bulk of our program is provided for inputs requiring foreign currency" and "the provision of modern technology." Clearly, among the "inputs requiring foreign currency" would be drugs such as Rivalor and the latest in abortion technology.

It is, of course, highly unlikely that any investigation would be able to uncover evidence that U.S. funds were or are being used for infanticide and forced abortions in China. Nor should this be made precondition of further cutting back of aid. Not only has UNFPA admitted that it has been "instrumental in setting up the infrastructure of the Chinese program," it has unconditionally committed $50 million in aid over the next four years to the program's continuance. The fact that U.S. aid continues to go to an organization that supports a program so tainted with abuses makes Americans silent accomplices to that program. The U.S. ought to distance itself from forced abortion and infanticide completely, morally and monetarily.

A total cutoff of indirect U.S. aid would not end the Chinese population-control program. But there is a good chance such a move would goad Peking into correcting the worst abuses of its program.

Mr. HELMS. Mr. President, the sad fact is that current law is not being enforced, inasmuch as U.S. population money has been flowing into UNFPA despite its intimate involvement with the China program. I am hopeful that this current problem will soon be remedied by the President and that, should this additional language on coercive abortion and involuntary sterilization in H.R. 2577 become law, it will be vigorously enforced notwithstanding AID's recent past history in this area.

AMENDMENT NO. 389

(Purpose: To direct United States representatives to international financial institutions to oppose financing certain projects)

Mr. DOMENICI. Madam President, I send to the desk an amendment and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from New Mexico [Mr. DOMENICI], for himself, Mr. GARN, Mr. DECONCINI, Mr. BINGAMAN, and Mr. LAXALT, proposes an amendment numbered 389.

Mr. DOMENICI. Madam President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

Add the following at the end of chapter 5:

SEC. 502. (a) United States active participation in international financial institution activity is based on our national objective of furthering the economic and social development of the nations of the world, in particular the developing nations. The attainment of this national objective is most effectively realized through a world economic and financial system which is both free and stable. Therefore, it is the intent of the United States Congress that United States financial assistance to the international financial institutions should be primarily directed to those projects that would not generate excess commodity supplies in world markets, displace private investment initiatives or foster departures from a market-oriented economy.

(b) The Secretary of the Treasury shall intruct the representatives of the United States to the international financial institutions described in subsection (d) to take into account in their review of loans, credits, or other utilization of the resources of their respective institutions, the effect that country adjustment programs would have upon individual industry sectors and international commodity markets in order to—

(1) minimize any projected adverse impacts on such sector or markets of making such loans, credits, or utilization of resources; and

(2) avoid wherever possible government subsidization of production and exports of international commodities without regard to economic conditions in the markets for such commodities.

(c) More specifically, the following criteria should be considered as a basis for a vote by the respective United States Executive Director to each of the international financial institutions described in subsection (d) against a project proposal involving the creation of new capacity or the expansion, improvement, or modification of mining, smelting, refining, and fabricating or minerals and metal products:

(1) Analysis shows that the risks, returns, and incentives of a project are such that is could be financed at reasonable terms by commercial lending services.

(2) Analysis by the Bureau of Mines indicates that surplus capacity in the industry for the primary product of the defined project would exist over half the period of the economic life of the project because of projected world demand and capacity conditions.

(3) United States imports of the commodity constitute less than 50 percent of the domestic production of the primary product in those cases where the United States is the substantial producer of such commodities.

(d) The international financial institutions referred to in subsections (a) and (b) are the International Monetary Fund, the International Bank for Reconstruction and Development, the International Development Association, the Inter-American Development Bank, the Asian Development Bank, and the African Development Bank.

Mr. DOMENICI. Madam President, the Senator from Utah [Mr. GARN] and the Senator from New Mexico had an amendment adopted earlier today that would instruct the U.S. representatives to the World Bank and other international financial institutions to vote in opposition to further loans to finance expanded copper production abroad.

I now offer an amendment that establishes an American policy statement to be taken into account when considering the use of funds for international development assistance. If international banks have a choice between financing a product such as copper, which is in excess supply, and another product which is not, they must choose the latter.

This amendment suggests that we could better use our international funding for situations where there is a real economic need, instead of fostering the production of glut commodities.

Madam President, this amendment is designed to stop wasting money. The world has excess surplus copper capacity. There can be no economic development for these countries when they use World Bank or the Inter-American Development Bank resources to expand into an already saturated market.

This practice defeats the World Bank's purpose of raising the standards of living in developing countries by channeling financial resources from developed countries to the developing world. The result is that the projects financed aren't needed in the world marketplace.

It does not help them and in the case of copper, the practice has put one-third of the copper miners in my State out of work.

The first amendment simply requires the United States to vote no on any copper loan before the various multilateral banks.

The second amendment consists of a policy statement. It reaffirms our commitment to economic and social development in the world. Our reason for spending money for the World Bank and other development banks is reemphasized, that is, that we are committed to a free and stable global economy. We believe that these funds should be primarily directed to projects that rely on market forces to survive.

We believe that funds shouldn't be spent for projects that increase the world capacity for commodities that are already in surplus.

We believe that funds should not be spent on projects that could be financed by private banks. The reason for this is if you have two good projects, for example copper, and one is financed with World Bank or Inter-American Development Bank money at terms that are below market rates, and one project is financed at market rates, the project that the World Bank funds has an advantage. In 1983 the InterAmerican Development Bank made a loan to Codelco for $268 million at 8 percent interest. Over the term of this loan, this preferential rate of interest will save Codelco $168 million. It is not fair to Phelps Dodge or Kennecott. It's not fair to U.S. workers.

Chile will tell you that they are the lowest cost producer and that they have some of the best ore in the world. If that is the case, then they should finance their expansions and modernizations in the commercial markets just like our companies do.

The amendment set forth some considerations for the U.S. representatives to these banks to take into account when reviewing loans:

These are: Effect that country adjustment programs have on individual industry sectors—like copper.

When you have countries depending on one commodity for between 59 percent to 97 percent of their export income, country adjustment programs have a very real impact on industry sectors—like copper.

This is why the amendment gives these instructions to the U.S. representatives to the various banks.

Madam President, this amendment has been submitted to the managers of the bill, and to the chairman and ranking minority member of the appropriate subcommittee. I understand that there is no objection to the amendment.

Mr. JOHNSTON. Madam President, I am not familiar with this amendment.

Mr. DOMENICI. I have checked it with Senator INOUYE and with his staff.

Mr. JOHNSTON. Madam President, the amendment has been cleared on this side of the aisle.

Mr. DOMENICI. I thank the Senator.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 389) was agreed to.

Mr. DOMENICI. Madam President, I move to reconsider the vote by which the amendment was agreed to.

Mr. HELMS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT 390

(Purpose: To permit States to retain or "carry over" 5 percent of their allocations for the WIC program to the following fiscal year)

Mr. HELMS. Mr. President, I have an amendment at the desk which I ask be stated.

The PRESIDING OFFICER (Mr. GOLDWATER). The amendment will be stated.

The bill clerk read as follows:

The Senator from North Carolina [Mr. HELMS] proposes an amendment numbered 390.

Mr. HELMS. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On p. 11, after line 9, insert the following: "None of the funds provided under this Act for the special supplemental food program for women, infants, and children shall be reallocated except to the extent that unspent funds within any State exceed 5 per centum of the amount of funds allocated to a State agency under subsection (i) of section 17 of the Child Nutrition Act of 1966 (42 U.S.C. 1786(i))."

Mr. HELMS. Mr. President, this amendment is designed to improve the orderly administration of the Special Supplemental Food Program for women, infants, and children [WIC]. This proposal incorporates the suggestion of State administrators and reflects a recommendation being made by the General Accounting Office.

Current policy requires that State agencies expend all of their WIC allocations during the fiscal year for which appropriations are made. Toward the end of the fiscal year, if all funds are not likely to be expended by the State agency, the Department of Agriculture reapportions, or reallo-

cates, unexpended funds to other States.

The result of the policy is tremendous instability at the end of the fiscal year. This is especially true when additional appropriations are made late in the fiscal year—such as in fiscal year 1985. The recent release by the Department of Agriculture of $76 million in additional WIC funding for fiscal year 1985 is already causing States to panic, and adopt a "use-it-or-lose-it" philosophy in program management.

This is an understandable reaction under the present system because State agencies will otherwise forfeit their allocations. The system causes instability. Sometimes, States overshoot the mark and spend more than their allocation, resulting in State or local expenditures to compensate for the overage. Or, conversely, the State may have to make reductions in caseloads to stay within the federally funded allocation.

The amendment establishes for fiscal year 1985 the same principle which applies with respect to most other Federal health programs, that is, that States may expend appropriations in the following fiscal year. States would be permitted to retain, or carry over, up to 5 percent of their WIC allocations which remain unobligated to the following fiscal year (fiscal year 1986). The amendment applies only to fiscal year 1985 appropriations. A permanent change is being considered by the Committee on Agriculture, Nutrition, and Forestry to the authorizing legislation to accomplish the same flexibility for future fiscal years.

By providing this flexibility, States will not have to worry about losing their allocations to other States. Only those States that spend less than 95 percent of their allocations would forfeit some of their allocation—that is, all unobligated funds except for the 5 percent of the allocation which may be carried over.

It is the intent of the amendment that the funds carried over would be available to the State in the subsequent fiscal year (1986) without affecting the State's allocation for fiscal year 1986. Thus, this amendment should provide greater stability in State management of WIC program caseloads and avoid disruptive, end-of-the-year fluctuation.

A forthcoming report by the General Accounting Office focuses on this and other managerial functions that need to be improved.

Mr. COCHRAN. Mr. President, I reluctantly oppose the amendment offered by the distinguished Senator from North Carolina. I do so with no criticism at all for the effort he is making to ensure that the funds we appropriate for this program, as for all other Nutrition and Feeding Programs, be used in the most efficient way possible. I support that effort very enthusiastically, and I commend the distinguished Senator, who is chairman of the Committee on Agriculture, Nutrition, and Forestry, for his leadership in helping to make sure that the funds that are appropriated for these purposes are used wisely and that the money goes to provide food and benefits for those who are sought to be served by the program.

We do not like to see money wasted through administrative mismanagement of these programs, and I know that that is the motivating force behind the Senator which leads him to make this suggestion to the Senate at this time.

We do not have in this bill any supplemental appropriations for the Women, Infants, and Children Feeding Program. Last fall, when we approved the appropriation level for the WIC program for this fiscal year, the administration had not requested the full amount of funds that were projected to be needed to fund the existing caseload of the program. In addition, the February budget request from the administration showed that the allocation of funds for this fiscal year would result in a projected shortfall of some $76,417,000. The only reason that the other body even considered the inclusion of language relating to this program in connection with this supplemental appropriations bill was to remove a restriction imposed on the availability of funds which conditioned the release of a portion of these moneys on the receipt from the administration of a supplemental budget request.

In the time between the passage of the House bill and the markup here in the Senate, the administration agreed to request the release of the $76,417,000 to fully fund this program for the remainder of this fiscal year.

Therefore, in our committee we have no request for a supplemental appropriation. There is no language in our bill relating to the WIC Program, so there is really no provision in our bill to which this amendment would relate. The provision in the amendment relating to the funds provided for in this act for the Special Supplemental Food Program, to me, would be ineffective and would not reallocate funds, because there are no funds provided in this supplemental appropriations bill. The appropriation was really made as a part of the regular 1985 appropriations bill that has previously been enacted and signed into law.

The House language simply purported to delete the restriction on the availability of funds and the condition of that restriction which required a budget request from the President to Congress.

That request was transmitted from the President to Congress on June 7, 1985, and therefore makes the House language unnecessary.

Let me also say this, Mr. President. This program has to be reauthorized this year. Hearings are being held in the legislative committee. There are proposals for requiring a different way of allocating funds to the State—different from the procedure now used, which is the subject of the discussion of the proponents of this amendment. As a matter of fact, the chairman of the Nutrition Subcommittee, Mr. DOLE, has a proposal that will change the way these funds are allocated so that if there is going to be a shortage in one State or a surplus in another, that situation could be handled in a different way from current practice.

I personally talked with some State WIC directors just recently who were meeting in Washington about the very problem, that is addressed in this amendment. I got the impression from my talking with them that a change in current procedure at this time would be very disruptive and that it would not be easy to accomplish the purpose sought in the amendment before the Senate.

What we are seeing, then, is a suggestion that we change a procedure for handling these funds, and that we change it right at the tail end of the fiscal year. We are hoping that the Senate will not agree to the amendment. We think the current procedure for redistribution to other States where there are greater needs for the use of the funds is a better way than changing the procedure right at this point in the fiscal year.

Again, we are at a point in the legislative process where if the procedure does need to be revised, it should be done by the legislative committee. They have that under review now, and I hope that we will refrain from making a decision on this proposal today and defer to the judgment of the Agriculture Committee.

The PRESIDING OFFICER. The Senator from North Carolina.

Mr. HELMS. Mr. President, just for the RECORD, I will say that there is no Senator in this body for whom I have greater respect than the able Senator from Mississippi. He is a valuable member of the Committee on Agriculture, Nutrition and Forestry and he does an enormous amount of work.

Where the cheese binds on this is that there are nine States that benefit from the existing situation and 41 States which do not, and a list of the States has been placed on each Senator's desk, and I ask unanimous consent that two tables outlining those States that have previously forfeited unspent WIC funds be printed at this point in the RECORD.

There being no objection, the tables were ordered to be printed in the RECORD, as follows:

FISCAL YEAR 1984 YEAREND FUNDS

41 STATES WITH WIC FUNDS UNSPENT IN FISCAL YEAR 1984; UNSPENT FUNDS FORFEITED

Alabama, Alaska, Arizona, Arkansas, California, Colorado, Connecticut, Delaware, Florida, Georgia, Hawaii, Idaho, Illinois, Indiana, Iowa, Kansas, Kentucky, Louisiana, Maine, Minnesota, Montana, Nebraska, Nevada, New Hampshire, New Jersey, New Mexico, North Carolina, North Dakota, Ohio, Oklahoma, Oregon, Pennsylvania, Rhode Island, South Carolina, South Dakota, Tennessee, Texas, Utah, Virginia, West Virginia, and Wyoming.

9 STATES WITH NO UNSPENT WIC FUND FOR FISCAL YEAR 1984

Maryland, Washington, Massachusetts, Michigan, Mississippi, Missouri, New York, Vermont, and Wisconsin.

Source: U.S. Department of Agriculture.

UNSPENT WIC FUNDS

State agency	Fiscal year 1983				Fiscal year 1984			
	Unspent food funds	Unspent administration funds	Total unspent funds	Fiscal year 1983 percent unspent	Unspent food funds	Unspent administration funds	Total unspent funds	Fiscal year 1984 percent unspent
Connecticut	542,863	188,344	731,207	3.66	444,286	153,084	597,370	2.64
Maine	176,935	68,895	245,830	3.83	448,168	56,333	504,501	6.66
Massachusetts	700,814	190,869	891,683	4.43	0	0	0	0.00
New Hampshire	142,992	56,663	199,655	3.79	145,174	10,819	155,993	2.60
New York	2,530,392	1,588,774	4,119,166	4.02	0	0	0	0.00
Rhode Island	46,973	0	46,973	0.80	41,630	79	41,709	0.62
Vermont	0	0	0	0.00	0	0	0	0.00
Indian Twns	7,839	0	7,839	12.44	0	0	0	0.00
P. Point	8,073	3,443	11,156	15.99	701	949	1,650	2.50
Penobscot	4,970	0	4,970	14.68	4,173	0	4,173	12.46
Semeca Nati	3,497	0	3,497	1.62	0	0	0	0.00
Subtotal	4,165,348	2,096,988	6,262,336	3.74	1,084,132	221,264	1,305,396	0.66
Delaware	187,465	0	187,465	7.79	33,433	17,270	50,703	1.68
Maryland	631,173	11,406	642,579	3.60	0	0	0	0.00
New Jersey	1,540,504	361,696	1,902,200	7.91	590,753	551,816	1,142,569	3.89
Pennsylvania	2,322,253	322,908	2,645,161	6.09	924,583	482,279	1,406,862	2.68
Puerto Rico	89,909	40,274	130,183	0.39	0	497,584	497,584	0.96
Virginia	975,385	0	975,385	3.88	978,376	0	978,376	3.65
Virgin Islands	156,351	127,178	283,529	8.33	39,767	0	39,767	1.06
West Virginia	248,532	9,883	258,415	2.24	95,082	20,273	115,355	0.95
District of Columbia	0	0	0	0.00	0	20,145	20,145	0.39
Subtotal	6,151,572	873,345	7,024,917	4.25	2,661,994	1,589,367	4,251,361	2.08
Alabama	1,351,213	429,433	1,780,646	7.36	0	74,962	74,962	0.25
Florida	1,666,686	476,344	2,143,030	5.91	1,484,734	329,060	1,813,794	4.37
Georgia	536,168	4,521	540,689	1.45	1,010,973	146,316	1,157,289	2.35
Kentucky	939,112	269,441	1,208,553	4.52	575,737	69,168	644,905	2.08
Mississippi	834,204	435,685	1,269,889	4.63	0	5	5	0.00
North Carolina	3,205,202	1,038,842	4,244,044	10.61	1,923,535	461,031	2,384,566	5.43
South Carolina	799,557	298,160	1,097,717	3.85	1,042,660	112,487	1,155,147	3.51
Tennessee	1,671,193	238,294	1,909,487	6.70	544,641	32,321	576,962	1.90
Seminoles	33,199	1,732	34,931	36.47	52,511	4,303	56,814	39.63
Miccosukee	7,134	1,397	8,531	21.15	2,296	997	3,293	9.43
Choctaw, MS	53,336	3,084	56,420	16.86	14,622	7,960	22,582	7.16
E. Cherokee	32,788	1,660	34,448	8.27	38,235	0	38,235	8.91
Subtotal	11,129,792	3,198,593	14,328,385	5.74	6,689,944	1,238,610	7,928,554	2.73
Illinois	2,217,799	341,377	2,559,176	5.66	508,673	0	508,673	0.94
Indiana	1,131,983	3,154	1,135,137	6.15	1,011,603	190,708	1,202,311	5.23
Michigan	1,031,496	34,092	1,065,588	2.77	0	0	0	0.00
Minnesota	888,974	250,174	1,139,148	5.79	315,937	229,784	545,721	2.37
Ohio	2,789,036	1,262,690	4,051,726	8.44	50,637	1,027,305	1,077,942	1.66
Wisconsin	1,313,601	124,834	1,438,435	6.33	0	0	0	0.00
Subtotal	9,372,889	2,016,321	11,389,210	5.91	1,886,850	1,447,797	3,334,647	1.37
Arkansas	408,524	0	408,524	3.31	105,529	0	105,529	0.65
Louisiana	798,516	1,287,042	2,085,558	5.22	0	188,050	188,050	0.42
New Mexico	81,172	0	81,172	1.23	0	1,939	1,939	0.02
Oklahoma	143,516	0	143,516	0.84	218,971	0	218,971	1.22
Texas	623,741	0	623,741	0.97	0	93,381	93,381	0.11
Acoma	0	1,012	1,012	5.79	N/O	N/O	N/O	N/O
Acl	19,951	18,231	38,182	16.56	17,967	0	17,967	7.47
Bn Pueblo	31,574	5,628	37,202	14.66	23,954	0	23,954	9.09
Isleta	6,221	0	6,221	2.77	4,771	0	4,771	1.94
Santo Domin	10,242	0	10,242	5.49	0	20	20	0.01
5 Sandoval	28,852	0	28,852	10.12	3,444	0	3,444	1.37
San Felipe	4,098	0	4,098	3.06	0	2,892	2,892	1.83
Wcd	46,742	13,497	60,239	7.52	17,429	0	17,429	2.30
Choctaw, OK	0	5	5	0.00	0	2,575	2,575	0.27
Cherokee, OK	151,297	22,260	173,557	8.56	14,935	0	14,935	0.71
Chickasaw	53,246	0	53,246	10.94	9,016	885	9,901	1.84
Tunkawa	24,986	0	24,986	10.33	12,514	0	12,514	4.45
Potawatomi	11,833	0	11,833	2.70	17,635	1	17,636	3.13
Zuni	1,184	52	1,236	0.64	1,490	0	1,490	0.60
Subtotal	2,445,695	1,347,727	3,793,422	2.59	447,655	289,743	737,398	0.41
Colorado	427,234	61,797	489,031	4.23	336,825	67,641	404,466	2.99
Iowa	742,777	135,733	878,510	7.16	390,622	148,014	538,636	4.20
Kansas	469,275	76,431	545,706	6.35	572,128	274,857	846,985	8.21
Missouri	932,169	81,980	1,014,149	4.06	0	0	0	0.00
Montana	180,407	14,834	195,241	3.95	86,729	34,753	121,482	2.23
Nebraska	349,007	110,191	459,198	7.87	363,918	53,808	417,726	5.95
North Dakota	47,878	0	47,878	1.06	61,789	63,155	124,944	2.51
South Dakota	72,000	0	72,000	1.85	32,789	180,929	213,718	4.80
Utah	163,706	99,256	262,962	3.27	189,396	162,962	352,358	3.24
Shus/Ara	0	0	0	0.00	2,061	8,548	10,609	2.84
Ute Mountain	2,227	0	2,227	4.39	0	0	0	0.00
Minnebago	79,498	65	79,563	23.70	0	0	0	0.00
Cheyenne Rv	9,943	7,732	17,675	4.78	15,147	11,314	26,461	6.48
Rosebud	17,080	0	17,080	2.37	4,096	5,814	9,910	1.42
Stand Rock	0	0	0	0.00	0	0	0	0.00
Ft. Berthold	19,527	808	20,335	8.52	0	4,016	4,016	1.61

UNSPENT WIC FUNDS—Continued

State agency	Fiscal year 1983				Fiscal year 1984			
	Unspent food funds	Unspent administration funds	Total unspent funds	Fiscal year 1983 percent unspent	Unspent food funds	Unspent administration funds	Total unspent funds	Fiscal year 1984 percent unspent
Wyoming	184,245	20,767	205,012	7.17	132,343	7,615	139,958	4.40
Subtotal	3,696,973	609,594	4,306,567	4.79	2,187,843	1,023,426	3,211,269	3.11
Alaska	14,299	46,112	60,411	3.13	0	49,862	49,862	1.82
Arizona	197,923	190,748	388,671	3.32	234,609	117,831	352,440	2.57
California	2,854,877	2,067,560	4,922,437	4.88	3,419,418	1,358,285	4,777,703	4.10
Hawaii	42,084	0	42,084	1.42	98,439	114,921	213,360	5.30
Idaho	138,625	10,948	149,573	2.64	293,549	21,418	314,967	4.77
Nevada	234,759	33,973	268,732	5.42	120,188	25,778	145,966	2.74
Oregon	156,548	33,172	189,720	1.45	0	185,421	185,421	1.25
Washington	692,182	202,631	894,813	6.04	0	0	0	0.00
***	12,764	13,536	26,300	5.06	10,880	128	11,008	1.94
***	41,251	9,161	50,412	18.05	0	0	0	0.00
Navajo National	302,505	7,600	310,105	3.63	251,077	101,478	352,555	3.64
Guam	331,716	22,128	353,844	60.08	0	9,221	9,221	0.74
Subtotal	5,019,533	2,637,569	7,657,102	4.61	4,428,160	1,984,343	6,412,503	3.33
National	41,981,802	12,780,137	54,761,939	4.65	19,386,578	7,794,550	27,181,128	1.92

*Note.—Includes Indian tribes which serve as State agencies.

Source: U.S. Department of Agriculture.

Mr. HELMS. Second, the administration strongly supports this amendment as do administrators all around the country. I noted in my prepared remarks, which I did not deliver in the interest of time, that there appeared before the Committee on Agriculture this week a representative of the General Accounting Office who focused on this and other managerial functions that in the words of the GAO need to be improved.

Mr. Brian Crowley testified, on June 17, outlining the findings from the report that is forthcoming from the GAO. Let me quote him.

He said:

Local agency staff told us that when substantial growth funds become available and/or when fund reallocation provide additional funds, WIC frequently becomes "a numbers game" where the number of applicants enrolled becomes more important than their relative vulnerability and need for WIC. State and local officials who were talked with said that states should be permitted to carry over their unspent WIC funds (up to a certain limit) from one year to the next.

That is precisely what this amendment does, Mr. President. I continue to quote from Mr. Crowley. He said:

Several (Food and Nutrition) Service management initiatives regarding how WIC funds are allocated to, and managed by, state and local agencies hold promise for improving the funding process and bringing more stability to the program's management.

As a way to bring greater stability and predictability to WIC program funding, our draft report points out the need for the Secretary (of Agriculture) to propose legislation to eliminate the requirement for periodic recapture and reallocation of unused WIC funds, and to authorized state agencies to carry over their unspent WIC funds (up to a certain limit) to the next year.

The draft report describes the result of the existing system in undermining the targeting of benefits to those groups among the potentially eligible population that are the most vulnerable and thus likely to benefit most from program participation.

The . . . practice of recovering and reallocating funds previously allocated among states has . . . conditioned the operating incentives of WIC managers and in some cases has placed a premium on obtaining and spending funds to increase caseloads quickly as opposed to the measured and deliberate building of caseloads through targeting.

The GAO notes that "the composition of WIC caseloads and the degree of effort being made by state and local WIC agencies to target benefits to higher risk categories of potential eligibles" have to been factors considered in past reallocations.

The GAO reported:

. . . Local agency officials often told us that at times they came under pressure from state agency officials to meet or exceed caseload assignments made by the state agency and to do all they could to avoid having an unexpended administrative fund at the end of the program year . . . Local agency officials told us that, during periods of rapid caseload buildup (which generally occur during the latter months of a program year), they often have been told to do whatever is necessary to facilitate enrollment of new participants and expedite the expenditure of available funds. Such steps might include paying overtime to clinic staff, hiring additional staff, extending hours of clinic operation, and aggressively advertising the availability of WIC benefits. Some officials also suggested that purchases of supplies, equipment, and other goods and services under these circumstances could help ensure maximum use of available funds and preclude the return of unexpended funds to the Service after the end of the program year."

Officials in the five States surveyed by the GAO—California, Illinois, Nevada, Minnesota, and Pennsylvania—cited the need for carryover authority.

According to the GAO report:

Citing the difficulty of precisely projecting and managing participation and expenditure levels from month to month while attempting to avoid overspending or underspending, some state and local officials have suggested that a limited carryover authority of 3 to 5 percent of a state's yearly allocation would give them increased management flexibility and would promote more effective use of funds.

Now, there is much more which Senators may find in the printed record, but I will not take the time of the Senate to go into that. But we checked with administrators, Mr. President, around the country and let me give you just a couple of brief typical statements. The WIC director from the State of Florida, Miss Anne Rhodes said:

"Carryover" authority would be very helpful to us, but only if it would not affect the next year's allocation.

This amendment does not. She says:

Florida is one of those states that has always exercised fiscal responsibility for WIC funds and as a result has been penalized every year when the program received additional funds late in the fiscal year. This provision would be especially important to us this year considering the recent release of full FY 85 funding . . .

We feel that 5% would be an appropriate percentage. This amount would allow us some flexibility in planning WIC program operations and result in more efficient utilization of funds."

Ms. Audrey Koehn, Wisconsin's WIC director, writing before OMB's release of the $76 million, responded:

The Wisconsin WIC Program supports legislation that would permit the carryover of funds from one fiscal year to the next in order to maximize allocations. Five percent would be the appropriate percentage for carryover.

Carryover authority would be helpful to all WIC Programs in the present fiscal year given the current impoundment situation and uncertainties for the upcoming year.

Ms. Alice Lenihan of North Carolina responded:

The North Carolina WIC program would welcome your support for a change in legislation which would enable states to carry forward 5% of unexpended funds into the next fiscal year. . . . The proposed change

in the legislation would be helpful in the present fiscal year.

We have had any number of comments from the people who are on the ground in the field administering these programs and I think without exception—I may be wrong, but I do not know of anybody who has not advocated precisely what this amendment does.

In any case, Mr. President, I think this is essential. I think it is fair. It certainly is approved by 41 States out of the 50. So I urge its adoption.

I will defer to the distinguished manager of the bill as to whether I should seek the yeas and nays on the amendment.

The PRESIDING OFFICER. The question is on the amendment of the Senator from North Carolina.

Mr. HATFIELD. I appreciate the Senator's suggestion. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceed to call the roll.

Mr. HELMS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HELMS. Mr. President, I ask for the yeas and nays on the amendment.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The yeas and nays have been ordered and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. CRANSTON. I announce that the Senator from Oklahoma [Mr. BOREN] is necessarily absent.

I further announce that the Senator from New York [Mr. MOYNIHAN] is absent because of a death in the family.

I further announce that, if present and voting, the Senator from New York [Mr. MOYNIHAN] would vote "nay".

The PRESIDING OFFICER. Are there any other Senators in the Chamber wishing to vote?

The result was announced—yeas 40, nays 58, as follows:

[Rollcall Vote No. 131 Leg.]

YEAS—40

Abdnor	Heflin	Quayle
Bentsen	Helms	Roth
Bingaman	Hollings	Rudman
Denton	Humphrey	Simpson
Domenici	Kassebaum	Specter
East	Laxalt	Stevens
Exon	Long	Symms
Garn	Lugar	Thurmond
Gramm	Mattingly	Trible
Grassley	McClure	Wallop
Harkin	McConnell	Warner
Hatch	Murkowski	Wilson
Hawkins	Nickles	
Hecht	Pressler	

NAYS—58

Andrews	Durenberger	Matsunaga
Armstrong	Eagleton	Melcher
Baucus	Evans	Metzenbaum
Biden	Ford	Mitchell
Boschwitz	Glenn	Nunn
Bradley	Goldwater	Packwood
Bumpers	Gore	Pell
Burdick	Gorton	Proxmire
Byrd	Hart	Pryor
Chafee	Hatfield	Riegle
Chiles	Heinz	Rockefeller
Cochran	Inouye	Sarbanes
Cohen	Johnston	Sasser
Cranston	Kasten	Simon
D'Amato	Kennedy	Stafford
Danforth	Kerry	Stennis
DeConcini	Lautenberg	Weicker
Dixon	Leahy	Zorinsky
Dodd	Levin	
Dole	Mathias	

NOT VOTING—2

Boren	Moynihan

So the amendment (No. 390) was rejected.

Mr. WEICKER. Mr. President, I move to reconsider the vote by which the amendment was rejected.

Mr. HATFIELD. Mr President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The Senator from Oregon.

AMENDMENT NO. 391

(Purpose: To authorize the U.S. Army Corps of Engineers to construct, operate, and maintain a single retention structure for controlling sediment flowing from eruptions of Mount St. Helens)

Mr. EVANS. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from Oregon [Mr. EVANS], for himself and Mr. GORTON, proposes an amendment numbered 391.

Mr. EVANS. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 60, strike lines 9-25, on page 61, strike lines 1-25, on page 62, strike lines 1-23; and insert the following in lieu thereof:

"The Secretary of the Army, acting through the Chief of Engineers, is authorized and directed to construct, operate and maintain a sediment retention structure near the confluence of the Toutle and Green Rivers, Washington, with such design features and associated downstream actions as are necessary".

Mr. EVANS. Mr. President, this is an amendment, on behalf of myself and Senator GORTON, that directs the U.S. Army Corps of Engineers to move forward on a single retention structure to control sediment flowing from eruptions of Mount St. Helens.

It has been over 5 years since the May 18, 1980, eruption. The corps has spent over $350 million to date for emergency dredging and levee protection. Yet, the communities along the Cowlitz River still live with the threat of flooding. A long-term solution on Mount St. Helens needs to be authorized and put into place.

Mr. President, the eruptions of Mount St. Helens deposited 3 billion cubic yards of unconsolidated sediment in the North Fork Toutle River. Erosion has increased the threat of flooding along the Cowlitz River and endangered navigation in the Columbia River. The most effective method for providing Cowlitz River flood protection and uninterrupted Columbia River navigation, I believe, is to trap sediment in the upper Toutle by means of a single retention structure at the Green River site.

Let me explain this legislation.

First, it would authorize the corps to construct a single retention structure and begin land acquisition. I would also like to emphasize that this is a project in which uncertainties associated with both annual and total erosion rates exist. But this should not preclude a definitive decision now as to whether we construct or dredge.

I have studied the dredging option carefully, and I remain convinced that dredging does not provide the consistent flood protection necessary to provide relief to the communities along the Cowlitz River.

It is important to stress that one storm event can change flood protection numbers dramatically. So a margin of safety must be consistently maintained. Dredging does not offer a safeguard against back-to-back storm events or mudflows. Water conditions under these circumstances would prevent dredging equipment from even entering the river. Consequently, there would be insufficient time between storms, particularly during winter months, to dredge sufficiently to reestablish storm protection.

Furthermore, dredging would require filling all possible sites with dredge spoils. The consequences would be severe. It would be necessary to fill most sites beyond a beneficial use elevation. Hundreds of acres of wetlands would be filled, and fisheries and riparian areas would be disturbed. Miles of stream bank would have to be riprapped or erosion would continue. Ground water tables and drainage patterns would be disrupted. The costs of these impacts would continue for many years.

Second, it would authorize dredging to remove material that is either downstream of the site or has passed downstream during construction. There is an immediate and continuing problem of dealing with volcanic sediment that builds up in the Toutle and Cowlitz Rivers. The corps is already authorized, I believe, to consistently maintain 100-year protection until permanent solutions are fully implemented. So, with regard to dredging, the

amendment we are offering today could be construed as merely replacing existing authority.

Third, it would authorize the corps to operate and maintain this unique project in which there are no established policies or procedures.

Mr. President, we must act now to assure that the communities located along the Cowlitz River—such as Longview-Kelso, Castle Rock, and Lexington—do not live any longer under the threat of flooding.

This authorization allows the preferred solution to be carried forward in line with the Corps of Engineers report.

I understand this amendment has been cleared on both sides of the aisle.

Mr. JOHNSTON. Mr. President, the matter has been approved on this side of the aisle.

Mr. GORTON. Mr. President, I am pleased to join my friend and colleague from the State of Washington in sponsoring this amendment.

Mr. HATFIELD. Mr. President, would the Senator from Washington State who offered the amendment yield for a question?

Mr. EVANS. I am pleased to yield, Mr. President.

Mr. HATFIELD. The Senator, as I understand it, did splice the last sentence to an original amendment he had on this subject?

Mr. EVANS. That is correct.

Mr. GORTON. Mr. President, I am pleased today to join my friend and colleague Senator EVANS in requesting authorization in the 1985 supplemental appropriations bill for the Army Corps of Engineers to construct, operate, and maintain a sediment retaining structure made necessary by the eruption of the Mount St. Helens volcano.

On May 18, 1985, after nearly 2 months of tremors and seismic activity, Mount St. Helens exploded in a cataclysmic volcanic eruption that displaced an estimated 4 billion cubic yards of material onto the land and into the atmosphere. More than 235 square miles of national forest and private lands were devastated by the explosion, hot gasses, pumice, mud flows, and ash.

The eruption and resulting mud flows deposited an estimated 3 billion cubic yards of mud, ash, and debris in the watershed above the Green and Toutle Rivers, tributaries to the Columbia. One billion cubic yards of this material is expected to reach the Columbia.

This unconsolidated mass of debris hangs like the Sword of Damocles over the people living below and threatens the very existence of all industry which relies on the Columbia/Snake River system.

That is why I am supporting this amendment and urge my colleagues to do so.

Mr. HATFIELD. Mr. President, we have no objection to the amendment of the Senator from Washington State. We are pleased to accept it.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 391) was agreed to.

Mr. WEICKER. I move to reconsider the vote.

Mr. JOHNSTON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 392

(Purpose: To require the distribution of payments equal to 75 percent of the entitlement of local educational agencies under section 2 of the Act of September 30, 1950, relating to impact aid)

Mr. WEICKER. Mr. President, on behalf of the distinguished Senator from New York [Mr. MOYNIHAN], I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Connecticut [Mr. WEICKER], for Mr. MOYNIHAN, proposes an amendment numbered 392.

On page 118, between lines 12 and 13, insert the following:

SCHOOL ASSISTANCE IN FEDERALLY AFFECTED AREAS

The Secretary of Education shall distribute funds appropriated under title III of Public Law 98-619 under the heading "School Assistance in Federally Affected Areas" for entitlements under section 2 of the Act of September 30, 1950 (Public Law 874, Eighty-first Congress) to local educational agencies having such entitlements in order to assure that such agencies receive 75 percent of the amount to which such agencies were entitled in fiscal year 1984. The distribution required by this paragraph shall take effect 30 days after the date of enactment of this Act.

The name of Mr. ABDNOR was added as a cosponsor.

● Mr. MOYNIHAN. Mr. President, I rise to offer an amendment to H.R. 2577, the supplemental appropriations bill, that would ensure that all school districts entitled to payments under section 2 of the Federal Impact Aid Program (P.L. 81-874) receive their allocations in a timely manner.

In the Labor, Health and Human Services and Education Appropriations bill for fiscal year 1985 (P.L. 98-619), Congress appropriated $22 million for section 2. Moneys awarded under this section compensate approximately 100 school districts across the Nation in which the Federal Government owns a disproportionate amount of property. Section 2 funding helps to offset the loss of tax revenues from these properties.

I recently learned that the Department of Education has unnecessarily delayed the payment of section 2 entitlements for the current fiscal year. School districts eligible for section 2 funding, such as the Highland Falls-Fort Montgomery School District in New York State, cannot afford to have these payments withheld.

I thank my good friend and distinguished colleague, Senator WEICKER, for his assistance with this matter.●

Mr. WEICKER Mr. President, the Senator from New York [Mr. MOYNIHAN] who is necessarily absent due to a death in his immediate family, has offered this amendment, which is acceptable, regarding school district payments under section 2 of the Federal Impact Aid Program. I am offering the amendment in his behalf and have already submitted his statement for the Record. This amendment merely ensures that local education agencies receive the payments to which they are entitled within 30 days after enactment of the supplemental. I urge passage of the amendment.

Mr. PROXMIRE. Mr. President, will the distinguished Senator from Connecticut yield to me briefly?

Mr. WEICKER. I yield to the distinguished Senator from Wisconsin.

Mr. PROXMIRE. Mr. President, I commend my good friend from Connecticut on this amendment. He is chairman of the subcommittee on this subject. I am ranking member. It is an amendment that requires no money, it makes sense, and I am happy to support it.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Connecticut.

The amendment (No. 392) was agreed to.

Mr. WEICKER. I move to reconsider the vote by which the amendment was agreed to.

Mr. HATFIELD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 393

Mr. MELCHER. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The bill clerk read as follows:

The Senator from Montana [Mr. MELCHER] proposes an amendment numbered 393.

At the end of the bill, insert the following:

The State Department shall take all necessary steps to protect the rights and safety of John Lincoln Tamboer during his extradition to the country of Colombia for trial in that country and subsequent actions of the courts or government of Colombia.

Mr. MELCHER. Mr. President, we have a treaty of extradition with the country of Colombia. This is the first instance when Colombia will have used the treaty to ask for the extradition of an American citizen. This citizen, Mr. Tamboer, is accused by officials in Colombia of having participated in a marijuana shipment from Colombia in 1978.

Due process in this country had been followed and the courts have found that there is probable cause and that extradition should follow. However, because of the state of siege declared by Colombia from 1981 to 1984 and the actions that have occurred in Colombia that have been attributed to drug traffickers, Mr. Tamboer is in fear of his life. He is not so much in fear of the trial and the findings of the courts of Colombia as he is in fear of attempts on his life while he is in Colombia.

For that reason, I offer this amendment, to direct the State Department to use all possible means of protecting his rights and his safety during the extradition period, the extradition procedure, and during the time of standing trial and whatever subsequent actions may be taken that stem from that trial in Colombia.

Mr. President, I ask unanimous consent that there be printed in the RECORD a statement by Mr. Tamboer; also a letter from the law firm representing him.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

STATEMENT OF JOHN LINCOLN TAMBOER

Until April, 1978, I had been living permanently in Montana and had been for about fifteen (15) years, and working as a Cattle Rancher. At that time, after some business problems, I left the ranching operation in Montana and moved to Florida. I became associated with a man named Norman Wolfson (now deceased) on a project re-building a dozen incompleted new homes in a Black neighborhood of Fort Lauderdale. Throughout that summer, I had constantly sought a way to return to the Ranch and Cattle business in this country or another country.

Early in September or late August, Mr. Wolfson informed me that he had the name of a person in Colombia who owned a large farm and cattle operation and if I wanted to, he would try to get me an introduction to see if there were any opportunities in a ranch in South America. Colombia is known as a large cattle raising country.

I flew to Barranquilla, Colombia on Avianca Airlines and called the man, Jorge Mejica, the name given to me by Mr. Wolfson. Mr. Mejica invited me to visit his large farm operation which was located near the town of Valladupar. During this short period in Barranquilla, I also met several other people, including Savio Rodriguez and others whose names I cannot recall. I spoke virtually no Spanish, although the above mentioned spoke some English.

After a couple of days in the hotel in Baranquilla, I traveled with Mr. Mejica to his farm at Valladupar where I was invited to stay for a few days. This was a large farm and cattle operation. While I was there, there were always other Colombians in the area. They spoke very little or no English. During this period, I had shown a small interest in airplanes since there was a small crop spraying business near the farm. Also, Mejica and I talked a lot about various subjects; one fact being that I had a pilot's license and experience sailing in the Bahamas.

After a couple of days on the farm, Majica informed me they were flying a load of marijuana to an island in the Bahamas and told me that they would like me to go on the airplane since I spoke English, had an understanding of air navigation, and some limited experience sailing in various areas of the Bahamas. I told him I did not want to be involved and that I had never been to that part of the Bahamas. But that seemed to matter little, since they seemed to need an English speaking person on the plane to, I suppose, communicate with the Bahamians.

I was now extremely nervous since I did not know where I was located in the Country specifically. I had no contact other than the people on the farm, and I was never alone. Since I now knew about the operation, I became very fearful for my safety. The Colombians assured me that this type of operation was normal in Colombia and done all the time, and that all of the proper authorities had been paid off to prevent problems to the people involved.

At this point, I did not want to go on the operation and I was afraid to speak out against it.

One morning, I was awakened very early and several of us, including Mejica, got into a jeep. I don't know the other names. A couple were young Colombians who evidently were to go on the plane for reasons unknown to me.

I was told to bring my bags and belongings and the others had the baggage they brought. We drove several hours to a remote air strip in the bush country. No plane was there and no marijuana was apparent, although there were many people in the area, possibly twenty (20) or twenty-five (25).

I was kept away from the others for several hours and although I was not under armed guard, I was never alone. I felt that I was in grave danger and did not know what to do. This was a very remote area and I had no idea where I was or how to get back to civilization or what would happen if I tried.

The people I saw near me acted very nervous and I became more frightened for my safety, feeling that I was not only under a serious threat from this group of people, but also from the Colombian authorities.

My bag which contained my passport, some travel money and my return ticket to the United States had been taken with the other luggage someplace else. At some period during the day, I felt that I would be in certain danger if I stayed any longer. I saw an opportunity to get away from the area and I took off into the bush with only some money I had in my pocket.

I left the area, became lost and later found a road where I was able to get a ride in a truck and then on some buses. Eventually making my way back to the Barranquilla area. I reported my passport lost at a Police Station and received a paper from the Police Station which permitted me to travel. I spent several more days in the Barranquilla area and then boarded an Avianca Airplane and flew back to Miami. Arriving, I proceeded through Immigrations and Customs, showing them the document stating the loss of my passport and entered the United States unquestioned.

I had no part in the marijuana operation. I formulated no plans and I offered no assistance to further the progress of the operation. Before meeting those people, I knew nothing of the operation or their plans.

The position that the Colombians tried to force me into was only that of a person who could speak English in case of emergency and could determine if they had found the proper island once there.

My part or lack of part would not have had any effect on the outcome of the operation in any way. I was an unwilling hostage who was forced and threatened to comply with their needs.

I felt all along that my life could be seriously in danger, once they had told me about their operation and that I had to use caution and break away.

I believe my baggage was probably placed on the plane at the air strip with the other baggage that was to go with the people making the trip. The bag, money, clothing and airplane ticket were probably stolen by persons unknown during the seizure, leaving only my passport on the plane.

CHILDS, EMERSON, RUNDLETT,
FIFIELD & CHILDS,
Portland, ME, June 14, 1985.

Re: John Lincoln Tamboer.

Senator JOHN MELCHER,
U.S. Senate,
Washington, DC.

DEAR SENATOR MELCHER: This office represents John Lincoln Tamboer who is currently in protective custody in the State of Massachusetts as a Federal Fugitive from Justice. An extradition request from the Republic of Colombia has prompted extradition proceedings against Mr. Tamboer. Colombia has requested him to be returned to their country and face charges that he violated the Colombian Law on drugs and narcotics trafficking. Basically, they alleged that on September 10, 1978, Mr. Tamboer was to take part in the loading and/or flight of a DC-4 aircraft which was to be loaded with marijuana for flight to an unknown destination. Six years later, Colombia made a formal request to the United States for the return of Tamober. It should be noted that the Statute of Limitations under U.S. Law has expired. Mr. Tamboer was arrested on October 2, 1984. Proper documentation must be filed within sixty (60) days in order to conform with the Treaty of Extradition. On the fifty-ninth (59) day, the documentation was forwarded to the United States' Attorney's office in Boston.

From the start, Mr. Tamboer's refusal to waive extradition and return to Colombia to defend himself has been based upon his well-founded fears that a return to Colombia would result in certain death.

It is submitted that these fears are well-founded because:

(1) On April 30, 1984, the Justice Minister of Colombia, Rodrigo Lara Bonilla was assassinated by alleged narcotics traffickers. Until that time, President Betancur of Colombia refused to extradite Colombian nationals to any foreign countries.

(2) On May 1, 1984, a State of Seige was declared in the Republic of Colombia.

(3) On November 15, 1984, Embassy officials received a threat from coke smugglers, "Five Americans would be killed for each Colombian extradited to the United States. . . ."

(4) On November 23, 1984, the United States Embassy in Bogota announced that ten (10) U.S. diplomats and their families had left Colombia because of threats from drug traffickers.

(5) On November 27, 1984, a bomb believed to have been placed by drug traffickers exploded near the United States Embassy, killing a Colombian woman and wounding eight (8) others.

(6) On December 26, 1984, the United States Ambassador Lewis Tambs left Colombia due to threats from drug traffickers.

(7) The New York Times on January 18, 1985, stated that Intelligence reports indicated that Colombia drug traffickers were plotting to kidnap or kill children of American diplomats.

(8) The current Justice Minister declared that a "war to the end" existed between drug traffickers and the United States citizens.

(9) We have been advised by Colombian defense attorneys that a direct threat against Tamboer has been made. It stands to reason that he would be a prime target for the terrorist drug traffickers.

Should John Lincoln Tamboer be "sacrificed" in the United States' efforts in the war against drugs? His death appears a certainty if he is returned and his alleged role was minimal at best, even if he were to be convicted of the crime. It is our belief that the Colombian drug traffickers feel Tamboer's death would act as a deterrent to the United States in honoring the Extradition Treaty, which would, in turn, stop the Colombian government from honoring that treaty. Mr. Tamboer would be the first United States citizen extradited to a country under a "state of seige". The issue the United States must face is whether its duty to protect its citizens from inhumane treatment is outweighed by the benefits that may or may not follow from honoring the Extradition Treaty.

Mr. Tamboer has been involved in a lengthy and thorough legal battle in an attempt to prevent his extradition. I am enclosing a copy of the brief filed by his defense team and urge you to take a moment to review it carefully as it outlines, with supporting documentation, our concerns for Mr. Tamboer's fate should the State Department honor the Extradition Treaty. I believe you will reach the conclusion that we have—Mr. Tamboer's safekeeping will be difficult, if not impossible, to maintain should he be sent to Colombia at this time. And that is the issue. Should Mr. Tamboer be extradited at this time? The obvious conclusion is no. We are not asking that the Extradition Treaty never be honored; rather that it be honored only when the American citizens subjected to its terms can be protected.

The First Circuit Court of Appeals recently upheld the decision of the United States Magistrate in Boston and directed that an extradition order issue. That has been done and the order is in the possession of the State Department. The battle is over in the courts and the courts have uniformly stated that the wellbeing of the person to be extradited is for the consideration of the State Department not the Judiciary.

Therefore, I am appealing to you to protect the rights of Mr. Tamboer. You are not supporting "drug smuggling" by doing so. All you are doing is assuring a United States citizen that his rights will be reasonably protected. Mr. Tamboer did not commit a crime as evidenced by his statement, enclosed herewith. But even if he had engaged in criminal activity, he should still be afforded the basic protection any United States citizen accused of crime should be afforded. That cannot be done at this time if he is returned to Colombia.

Please contact T. Michael Peay, Deputy Assistant Legal Advisor, United States Department of State, Office of Law Enforcement and Intelligence, L-LEI Room 5419-A, Washington, D.C. 20520, and ask that Mr. Tamboer's rights be protected. For him to be sent to Colombia at this time may very well be fatal. If the State Department refuses to keep Mr. Tamboer here, I implore you to urge them to exercise the greatest safety measures available to protect this man.

Brief contact was made with your office previously and it was noted that your office did not wish to interfere while the matter was pending before the courts. That is no longer the case and your influence and assistance is needed and it is needed immediately. Thank you for your compassion and consideration.

I will be contacting your office on Monday, June 17th and would greatly appreciate the opportunity to meet with you or a senior staff member as soon thereafter as is convenient. I will be available in Washington on the 18th and 19th if necessary.

Very truly yours,

RICHARD S. EMERSON, Jr.

The PRESIDING OFFICER. Is there further debate?

Mr. HATFIELD. Mr. President, this amendment has been cleared with the members on this side.

Mr. JOHNSTON. Mr. President, this has also been cleared on this side.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 393) was agreed to.

Mr. PROXMIRE. Mr. President, I planned to offer an amendment striking all unauthorized water projects from this bill. Instead, I have decided against this course of action because the Senate yesterday accepted a compromise Hatfield amendment No. 364, which goes a long way toward reforming the water project process.

While amendment No. 365 is far from perfect, it does inject sound management principles into a water appropriations bill for the very first time.

The amendment requires that any project in the bill, whether Corps of Engineers or Bureau of Reclamation, whether authorized or not, must have an agency-approved cost-sharing plan by June 30, 1986, or its appropriation will expire.

While this so-called fencing language could be improved, notably by the addition of specific language on the minimum acceptable percentage of local share of project costs, the amendment still represents a significant breakthrough.

The bad projects in this bill will now fall of their own weight as local interests reject them. The good projects will still be built since localities will recognize their value and ante up their share. The Senate will also have another look at these projects when the cost-sharing agreements are sent to us for our approval.

I commend all Members who worked on this amendment and hope the principle, and specific cost-sharing percentages, can be applied to all future water projects.

AMENDMENT NO. 394

Mr. HATFIELD. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The bill clerk read as follows:

The Senator from Oregon [Mr. HATFIELD] proposes an amendment numbered 394.

At the appropriate place in the bill, insert the following:

REPORT ON WITHDRAWAL FROM COMPULSORY JURISDICTION OF THE WORLD COURT

SEC. . Sixty days before any notification of the Secretary-General of the United Nations, on or after the date of enactment of this section, of the intent of the United States Government that its declaration of acceptance of the compulsory jurisdiction of the International Court of Justice shall not apply to a certain dispute, the President shall prepare and transmit to the Speaker of the House of Representatives and the President of the Senate a report setting forth his reasons for such notification.

Mr. HATFIELD. Mr. President, this is a matter of directing that Congress receive a report from the President should there be a notification of intent on the part of the United States that its declaration of acceptance of the compulsory jurisdiction of the Court of International Justice shall not apply to a certain dispute. This matter has been cleared with Senator LUGAR, chairman of the Committee on Foreign Relations; Senator PELL, ranking member of the committee; Senator KASTEN of the subcommittee on appropriations; and Senator INOUYE. All it says is that a report be given to Congress should the administration decide in some case that the declaration of compulsory acceptance of the International Court of Justice shall not apply.

Mr. JOHNSTON. Mr. President, the amendment has been cleared on this side.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 394) was agreed to.

Mr. HATFIELD. I move to reconsider the vote by which the amendment was agreed to.

Mr. JOHNSTON. I move to lay that motion on the table.

The motion was agreed to.

AMENDMENT NO. 372, FURTHER MODIFICATION

Mr. McCLURE. Mr. President, earlier today, the Senate adopted amendment No. 372, as modified, which was an amendment to an amendment dealing with a proposed land exchange between the States and the Forest Service. The States of Arizona, Montana, New Mexico, and Wyoming were listed by specific name in that amendment and the State of Oregon was added, although I did not mention that in my statement with respect to the modification. It was modified to include the State of Oregon.

The distinguished Senators from Nevada [Mr. LAXALT and Mr. HECHT] have both asked that the State of Nevada be added to that list. I, therefore, ask unanimous consent that the

amendment previously adopted be modified by the addition of the State of Nevada to that specific listing.

If it cannot be modified at this time, I shall be in a position then to have to offer a further amendment.

The PRESIDING OFFICER. Without objection, the amendment is so modified.

The amendment, as further modified, is as follows:

"; *Provided*, That any reprogramming submission under this General Provision shall be referred concurrently to the House and Senate Committees on Appropriations, the Senate Committee on Energy and Natural Resources, and the House Committee on Interior and Insular Affairs; *Provided further*, That such reprogramming submissions shall be submitted to the aforementioned Committees at least thirty days prior to implementation of such reprogramming proposals.

On page 111, line 2, insert before the period the following: "; *Provided further*, That notwithstanding any other Act, none of the funds made available to the Department of the Interior or the Forest Service during fiscal year 1985 by this or any other Act may be used to implement the proposed jurisdictional interchange program within the States of Arizona, Montana, New Mexico, Oregon, Wyoming, and Nevada."

AMENDMENT NO. 395

(Purpose: Provide for a study regarding salmon stock production by hatcheries in the Pacific Northwest)

Mr. GORTON. Mr. President, I have an amendment at the desk regarding a salmon hatchery study in the Pacific Northwest. I ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Washington [Mr. GORTON], for himself and Mr. Evans, proposes an amendment numbered 395.

On page 14, line 22, strike "$126,100,000" and insert in lieu thereof "$126,600,000"; and at the appropriate place, insert the following:

SALMON HATCHERIES

SEC. —. In consultation with the Fish and Wildlife Service and the Bureau of Indian Affairs, the National Marine Fisheries Service (hereinafter in this section referred to as the "Service") shall, in accordance with the provisions of this section, enter into a contract within 90 days after the date of enactment of this Act with a private entity for a study of State and Federally funded salmon hatcheries in the States of Washington, Oregon and Idaho which will enable the United States to fulfill its obligations under Article V of the Treaty between the Government of the United States of America and the Government of Canada Concerning Pacific Salmon, signed at Ottawa, January 28, 1985. The purpose of such study is to develop information to assist in evaluating the production and effectiveness of such hatcheries in increasing salmon stock levels as expeditiously and cost-effectively as possible, and in providing for a more effective system of disseminating the information necessary to improve future enhancement activities for salmon stock at such hatcheries.

(b) In carrying out subsection (a) of this section, the Service shall enter into such a contract only with an entity whose personnel—

(1) possess expertise in (A) salmon production and management in the Pacific Northwest, (B) mathematical and statistical data systems used by the Federal, State and tribal governments, and (C) international interception problems;

(2) are not presently employees of (A) any entity involved in the operation, management or development of hatcheries or (B) any entity engaged in hydropower production; and

(3) do not represent any organized salmon recreational or commercial fishing activity.

(A) evaluate existing salmon stock production activities at such hatcheries, including consideration of such factors regarding survival of hatchery-produced salmon stocks as management practices and environmental constraints;

(B) consider the operations of and plans for existing and new salmon production activities in the United States, in order that the United States may better evaluate existing and new salmon stock production activities and their adequacy in fulfilling obligations of the United States under the Treaty between the Government of the United States of America and the Government of Canada Concerning Pacific Salmon, signed at Ottawa, January 28, 1985;

(C) evaluate the salmon enhancement projects of Canada, in order that the United States may comply with its obligations under Article V of such Treaty;

(D) formulate recommendations for any necessary changes in salmon stock production, alternative strategies for major production units, and small-scale experiments; and

(E) develop objective criteria, including cost criteria, to assess proposals for the improvement of existing hatcheries and the development of new hatcheries.

(2) Such study shall also consider the consequences of the interaction of salmon stock production activities and international salmon interception problems, including effects on the ability of the United States to fulfill its obligations under the Treaty between the Government of the United States of America and the Government of Canada Concerning Pacific Salmon, signed at Ottawa, January 28, 1985.

(3) The study to be conducted under this subsection shall also devise a system to—

(A) develop expedited methods for assessing difficulties in increasing salmon stock production at such hatcheries; and

(B) collect, organize and analyze information on any changes in salmon stock production due to the implementation of recommendations formulated under this section.

(4) Such study shall also consider and analyze other studies to assess wild and natural salmon stocks and the potential for natural salmon production, and shall include recommendations to enhance natural salmon production in conjunction with or in lieu of hatchery production.

(d)(1) The Service shall establish an Advisory Committee to assist in carrying out the purposes of this section. The Advisory Committee shall be composed of representatives of—

(A) agencies within the Federal Government and the governments of the States of Washington, Oregon and Idaho which have responsibilities for the management and enhancement of salmon;

(B) Treaty Indian tribes;

(C) the Northwest Power Planning Council; and

(D) the Salmon and Steelhead Advisory Committee established pursuant to the Salmon and Steelhead Conservation and Enhancement Act of 1980 (16 U.S.C. 3301 et seq.).

(2) The Advisory Committee shall conduct an ongoing review of the study to be conducted under this section, and shall submit to the Service its recommendations for issues to be included as part of such study, methodologies to be employed in such study, and any preliminary and final drafts of the study required to be submitted under this section. Neither the Service nor the entity conducting the study under this section shall be bound by such recommendations.

(3) The Advisory Committee shall not be subject to the Federal Advisory Committee Act (5 App. U.S.C. 1 et seq.), and members shall not receive compensation for their participation in Advisory Committee activities.

(e) The study required by subsection (c) of this section shall be submitted to the Service not later than 18 months after the date on which the contact is entered into under this section. The Service shall immediately transmit such study to the Congress without change.

(f) The Comptroller General of the United States, and any of the Comptroller General's duly authorized representatives, shall have access, for the purpose of audit and examination, to any books, documents, papers and records of the entity conducting the study required by this subsection that are pertinent to the funds received under this section.

(g) Employees of such entity shall not, by reason of such employment, be considered to be employees of the Federal Government for any purpose.

Mr. GORTON. Mr. President, I offer this amendment to initiate what we think is a much needed step to address the critical issues regarding salmon stock production in Canada and the Pacific Northwest.

On behalf of myself and my colleague from Washington State, I have offered this amendment to initiate a much needed study regarding salmon stock production of hatcheries in the Pacific Northwest. This study will provide the United States with an important technical tool that will enable us to fulfill our obligations under Article V of our treaty with the government of Canada Concerning Pacific Salmon, signed at Ottawa, on January 28, 1985 and ratified by the Senate on March 7, 1985.

Pacific salmon have a unique role in the economic, cultural, and recreational activities of the Pacific Northwest. The commercial and recreational fishing industries as well as Northwest Indian tribes are heavily dependent on the preservation and restoration of the salmon resource. Today, approximately 50 percent of the salmon in the Northwest are produced in hatcheries. Since 1960, the output from hatcheries in the Columbia River basin has increased dramatically in response to public demand, hydropower mitigation and other factors. Over $40 million a year is spent by Federal and State gov-

ernments on hatchery operations and related research, which demonstrates how vital this resource is to our region. In addition the Northwest Power Planning Council, in conjunction with the Bonneville Power Administration [BPA], has committed $800 million to salmon enhancement and mitigation over the next 20 years.

Hatchery returns and salmon catches by fishermen haven't reflected the enhancement efforts of the past 25 years. What is even more distressing is that productivity of wild salmon stocks has also decreased. Fishery managers in the Pacific Northwest do not know how the various hatchery stocks interact and or interfere with each other. One of the most serious problems facing the managers is how hatchery fish affect natural salmon stocks. This study will bring the necessary information together to address these complex issues.

The amendment we are offering will provide $500,000 for an 18-month study on salmon stock production of hatcheries in the States of Washington, Oregon, and Idaho. The purpose of the study is to develop information to help evaluate the production effectiveness of existing Pacific Northwest hatcheries. It will examine options for increasing salmon stock levels in as expeditious and cost effective manner as possible. The study will also find ways to help disseminate the information necessary to improve, coordinate and control future salmon enhancement activities.

It is important that the study not reflect any particular view point or interest. Therefore, the individuals preparing the study must possess experties in: First, Pacific Northwest hatchery production systems; second, mathematical and statistical aspects of State/Federal/tribal data systems; third, international salmon interception problems; and fourth, multiple State/Federal/tribal managment structures. This group of experts will be independent of any entity involved in the operation, managment or development of hatcheries. Furthermore, they may not represent any organized recreational or commercial salmon activity.

Major investments in salmon enhancement are being proposed in order to meet our obligations under the recently ratified United States-Canada Salmon Treaty. I strongly believe that this study will provide Congress, the U.S. Salmon Treaty Commission, and Federal and State fishery managers information needed to make proper resource and policy decisions regarding salmon enhancement projects. I urge the support of my colleagues on this important matter.

Mr. EVANS. Mr. President, I join my good friend and colleague Senator GORTON in offering this amendment. It deals with a matter of great importance to me and to the people of the Pacific Northwest. That is, the continued sruvival and enhancement of the salmon resources of our region.

This amendment provides appropriations of $500,000 for the U.S. Fish and Wildlife Service to conduct a study of salmon stock production by hatcheries in the Pacific Northwest. The hatchery study would be conducted by a private consultant, but would help meet the obligations of the U.S. Government under article V of the United States-Canada Salmon Interception Treaty. The study would develop information to assist in evaluating the production and effectiveness of hatcheries in the Pacific Northwest in increasing salmon stock levels as expeditiously and cost effectively as possible. In addition, the study would provide a more effective system of disseminating the information necessary to improve future enhancement activities for this vital fishery resource. This kind of information is essential if Congress is to make intelligent decisions regarding enhancement efforts required under the treaty with Canada.

Mr. President, the people of the Pacific Northwest are committed to preserving and restoring the Pacific salmon resource. They are willing to pay, and to pay dearly, to restore this integral part of our regional economy and natural resource heritage. Their commitment deserves the continued support of this body. I urge my colleagues to support this amendment.

Mr. STEVENS. Mr. President, I would like to support my colleagues from Washington State on this amendment, but would first like to review their intentions as to this provision. It is my understanding that the study that you propose would be limited to the hatcheries of the States of Washington, Oregon, and Idaho, and would not be directed to Alaska.

Mr. GORTON. The Senator is correct. As he is aware, we have many hatchery programs underway in the Pacific Northwest that contribute to the fishery resources that are regulated under the recently ratified treaty with the Government of Canada concerning Pacific salmon. My amendment is designed to study the effectiveness of these to go forward under the new treaty. I fully recognize the need for enhancement in the Senator's home State of Alaska, and will support his efforts to address the treaty needs in his State. However, we must take a very careful and objective look at the multiplicity of facilities in the Pacific Northwest to determine what the best course will be for us.

Mr. STEVENS. As the Senator may be aware, we hope to address the enhancement issue for Alaska in the fiscal year 1986 appropriations bill. Our Governor has earmarked $4 million on a dollar-for-dollar matching basis for fiscal year 1986. I hope that the Senate will understand that we will need to go forward in Alaska on the fiscal year 1986 bill, and that no further study of our facilities will be required. I fully understand the Senator's desire to see that funds which are allocated for enhancement in the Pacific Northwest are used in the most effective manner, and I support his effort.

Mr. President, we have a huge potential in Alaska to contribute to the salmon resources which are covered under the treaty. My State will be working on an aggressive basis to see that the potential is realized. We have a program which will be ready for implementation during fiscal year 1986, and will be seeking funding to get that program moving. Alaska does not have Federal hatcheries, unlike Oregon, Washington, and Idaho. Our State has shouldered the load itself, and the Alaska Department of Fish and Game has already submitted its data to the National Marine Fishery Service. The Federal Government has an obligation under the treaty to assist Alaska with its enhancement efforts, and it can do so in a highly cost-effective manner if it works with the State of Alaska within the existing State system.

Mr. GORTON. I thank the Senator, and appreciate his cooperation on this matter. We have worked closely together to address the hard problems facing our salmon fisheries. This provision will further assist us as we move forward on the implementation of the treaty. I am hopeful that the information this study will provide in making proper resource and policy decisions on salmon enhancement projects will be in place for the fiscal year 1986 supplemental appropriations process.

Mr. STEVENS. I appreciate the effort my distinguished colleague has made in making this treaty a reality. We will be happy to continue working with him when the results of this study are finalized.

Mr. JOHNSTON. Mr. President, this amendment has been cleared on this side of the aisle.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Washington.

So the amendment (No. 395) was agreed to.

Mr. KERRY. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. GORTON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 396

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KERRY. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Massachusetts [Mr. KERRY], for himself, and Mr. MOYNIHAN, proposes an amendment numbered 396.

Mr. KERRY. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place in the bill, add the following:

None of the monies appropriated in this act can be used to fund directly, or indirectly, activities against the government of Nicaragua which have not been authorized by, or pursuant to, law and which would place the United States in violation of our obligations under the Charter of the Organization of American States, to which the United States is a signatory, or under international law as defined by treaty commitments agreed to, and ratified by, the government of the United States.

Mr. KERRY. Mr. President, this is the exact amendment which was passed by voice vote by the Senate on the State Department authorization bill. It has been cleared by the managers of the bill, as well as the Senator from Alaska and the majority leader.

I also ask unanimous consent that it be shown in the RECORD as introduced on behalf of Senator HATFIELD.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KERRY. Mr. President, I ask unanimous consent to have printed in the RECORD the remarks of the distinguished Senator from New York [Mr. MOYNIHAN] before the American Bar Association Conference on Restoring Bipartisanship in Foreign Affairs.

There being no objection, the remarks were ordered to be printed in the RECORD, as follows:

THE ROLE OF INTERNATIONAL LAW IN RESTORING BIPARTISANSHIP IN FOREIGN AFFAIRS

(Address by Senator Daniel Patrick Moynihan)

I propose the thesis that adherence to the idea of international law as the foundation of foreign policy was in turn the basis for bipartisanship in foreign policy.

The idea is simple enough, and I think there is at least a reasonable match with experience. When policies, especially those requiring the use of force, are seen to be based on rights and responsibilities under international law, an opposing party can support the policy without necessarily supporting its proponents. This is the first principle of civil order, and the international analogy is valid, or so it appears to me.

From the late 1970's I have been suggesting that the erosion of our commitment to international law, at times even our awareness of it, was making foreign policy ever more problemmatic, even erratic. I believe we can see this today with respect to Central America.

Lest what I say appear partisan itself, may I repeat that this is an impression that formed some time ago, during the previous administration, and has only strengthened with time.

The bipartisanship we recall with nostalgia, and whose disappearance we seemingly regret, emerged from the debris of World War II, an extension of wartime arrangements. More precisely, bipartisanship was the result of a judgment made—by President Roosevelt—that the failure of President Wilson to pursue such arrangement after World War I had been calamitous. Failure to pursue bipartisanship at home had made it impossible to arrange international order abroad.

In 1919 Woodrow Wilson, a Democrat, had brought a package of treaties back to Washington, where they were submitted to a Republican-controlled Senate. The Senate said no. Wilson was so convinced that his League of Nations scheme was the correct one, (and that only lack of awareness among the people and mean-spiritedness in the Capital caused the Senate to balk) that he went directly to the people, travelling the country by rail until the effort brought him to physical collapse. And to no avail.

The United States thereupon entered the postwar world quite outside the institutions we ourselves had helped to contrive in order to preserve principles of international law—the violation of which (by the Central Powers) had been the grounds on which we had entered that war in the first place.

Twenty-five years later, in the aftermath of a second war which many thought had been brought about by the earlier failure of the U.S. to join in the management of the international order, Franklin D. Roosevelt (who had been in Wilson's subcabinet, as Assistant Secretary of the Navy) undertook to avoid Wilson's mistake. He set out to construct an international order almost identical to that which Wilson had envisioned: an international assembly, with special provision for great powers; an international court; specialized agencies (for health, labor, education . . .). Like Wilson, what FDR envisioned, and what many of us who came of age at the end of the war expected, was the emergence of a world resembling nothing so much as the United States enlarged.

But he did one wholly different thing: Roosevelt saw to it that Republican legislators were involved in the planning and negotiation, and that the U.N. Charter was presented to the Senate as a bipartisan expression of an American commitment to the rule of law in international affairs.

The American leaders of 1944, 1945, 1946 attempted a world order of extraordinary sweep, with systems in place for the orderly conduct of world trade and finance, and for democratization (which in those days meant decolonialization). The use of force would assume a collective aspect. And all these arrangements would derive their authority from a great charter that began: "We, the Peoples of the United Nations . . ."

Our own Constitution, of course, begins: "We the people of the United States . . ."

The Charter was not the only document on which world order would rest. It was a statement of contractual law—voluntarily entered into by those countries that desired so to do—derived from a larger common law: international law. (The parallels with the American system recur.) The connection between law and organization is demonstrated by the cover of the standard edition of the Charter distributed by the Office of Public Information of the U.N. The document is titled: "Charter of the United Nations and Statute of the International Court of Justice." They are two parts of one system.

The era that followed—when we believed so ardently in the utility of international law as a guide for how we would try to shape the world, and how we would conduct ourselves (and expect others to conduct themselves)—was also the period when bipartisanship reigned in American foreign policy.

The United States was so optimistic about international organization that we offered the atomic bomb to the U.N., when we alone in the world were a nuclear power. We fought in Korea under the U.N. flag. We say to decolonialization, established a world bank, put a trade system into effect (not the full-fledged trade organization some contemplated, but the less formal General Agreement on Tariffs and Trade, which may have been the better idea anyway).

Bipartisanship in foreign affairs was so firmly established that at the Senate Committee on Foreign Relations, from the time professional staffs were created (in the Legislative Reorganization Act of 1946), there was but one staff—neither Democratic nor Republican; neither majority nor minority; just the one set of professional staff members, available equally to assist and advise senators of either party. The first staff director, Francis O. Wilcox (later to be Assistant Secretary of State for International Organization Affairs), served under four chairmen; two Democrats, two Republicans.

And then of course it all went to hell. We lost faith in the future of many of the institutions we had created; especially in the General Assembly, where we had lost our majority by the middle of the 1960s. More recently, though, we seem to be giving up on something far more fundamental: The idea of international law, which the U.N. Charter merely reflected. And with it, or so it seems to me, we lost our bipartisanship.

Though they began to fade in the 1960's, it was really during the 1970s that both so thoroughly disappeared. By the end of the last decade, America had altogether forgotten that we had once even envisioned a world ruled by law.

I suppose it was due to the Vietnam experience: everything seems attributable to that; perhaps these, too, are casualties of the war. Many could not see our involvement there as lawful; others saw the pursuit of legality as the fateful commitment that had led us there in the first place. Throughout the lengthy history of our involvement in southeast Asia, as far as I know, the United States never considered taking the matter of the Communist aggression there to the U.N. or to the World Court.

I came to the Senate in January 1977, along with a new president of my own party. I arrived in a Senate very different from the one in which Vandenberg and Connally debated the U.N. Participation Act in 1946. Certainly bipartisanship was no longer a word heard very often. (Things happen in steps: it was 1971 when the first minority staff member was appointed informally at the Foreign Relations Committee; by 1977, the Senate had written into its rules that there would be two partisan staffs.)

I have now served in the Senate during two different presidencies, from as close and interested a perch as can a senator who has not been a particular favorite of either. There are not very many ways in which Presidents Carter and Reagan can be said to be similar, but they have been, to my mind, equally parties to (for having presided over) the continuing dissolution of America's commitment to international law. Both have seen their policies suffer from an accompa-

nying divisiveness in our foreign policy deliberations, division that occurs increasingly on the basis of party, and that has become so pervasive that it becomes difficult to remember that it ever was any other way.

There are two strains to this slow but steady disengagement from the idea of law. On the one hand, there are those who do not think we are good enough for the world. On the other hand, there are some who think the world is not good enough for us. For all I know, both schools are correct. But each ignores the question of whether international law exists regardless of how erring nations may be, and regardless of which ones err the most.

In the aftermath of the Vietnam experience some seem to have decided that there is no room in our foreign policy for normative considerations such as law as a basis for relations among nations. We will no longer pretend to tell the world—urge the world—how to organize itself. How far a cry from 1945, from Inauguration Day 1961!

A noteable renunciation was that of George Kennan, who said in an interview published in Encounter in 1976:

"My main reason for advocating a gradual and qualified withdrawal from far-flung foreign involvements is that we have nothing to teach the world. We have to confess that we have not got the answers to the problems of human society in the modern age. Moreover, every society has specific qualities of its own that we in America do not understand very well; therefore I don't want to see us put in a position of taking responsibility for the affairs of people we do not understand."

Note the retreat from the idea of international toward relative standards.

The alternative perspective—I am not seeking anything here more than illustrations of these general opposites—may be found in a recent statement by my distinguished colleague from Idaho, Senator Steve Symms. In a letter to The New York Times opposing ratification of the Genocide Treaty, he writes:

"If an international penal tribunal is established, you can expect it to be as anti-American and anti-Israel as the World Court and the U.N. are today."

That the U.N. may be so characterized is surely a defensible position. But the Court? I do not know any action by the Court that could be described as "anti-American." It stood solidly with us after the seizure of our embassy in Iran; a Special Chamber handed down a major decision settling the Gulf of Maine dispute between United States and Canada to our mutual satisfaction.

But there is a contrary perception, and in the Senate it is widespread and deeply felt.

In 1979 I took these musings to the Council on Foreign Relations. I put the matter as simply as I could in an address at the Harold Pratt House. It seemed to me, I said:

"That the United States has moved . . . away from an earlier conception of a world order, which if arguable was nonetheless coherent, and not replaced it with any other conception. No normative conception, that is. If we don't believe in law, then what do we believe in?"

Increasingly, it seems that we are settling into a normless Realpolitik that ignores law, demolishes consensus, embarrasses the United States abroad—and makes it difficult for our friends and allies to join us when we need them.

Central America provides an illustration. The United States recently imposed an economic boycott on Nicaragua for reasons we consider sufficient, and appropriate under law. Yet none of our allies has joined us, nor indeed any friendly nation. A great range of concerns could explain this abstention, but I dare to think that one factor is that our conduct towards Nicaragua is not seen as sufficiently informed by considerations of law.

That is a convolute statement, but, well, it is a convolute situation. Let me suggest that the legislative record establishes a clear determination by Congress that we should keep well within the confines of law in our dealing with Nicaragua, and that we could do just that.

On November 18, 1983 it fell to me as Vice Chairman of the Senate Select Committee on Intelligence to bring to the floor of the Senate (Senator Goldwater being necessarily absent) he wrote to the Director of the CIA stating that "this is an act violating international law".

Is it too much to claim from this record that the Congress was concerned and the executive either didn't understand or didn't think it mattered? This seems to me to reflect the erosion of our awareness of international law which began to concern me in the late 1970's.

The Administration was evidently stunned to learn in April last year that Nicaragua was planning to go to the World Court to complain about the CIA mining of its harbors. (One hears that the Sandinistas were planning to go to the Court anyway, and simply added the mining charge. But we had helped them to make a seemingly better case.)

The State Department thereupon cobbled together a series of evasions and avoidances, and announced that the U.S. would not accept the compulsory jurisdiction of that court with respect to "any dispute with any Central American state" for two years. No one seemed to know or wish to acknowledge that when the U.S. accepted the compulsory jurisdiction of the Court in 1946, we explicitly committed ourselves, by the six month notice provision not to do precisely what the Administration now sought, which was to evade the jurisdiction of the court when a suit was about to be filed against us.

The U.S. argued at The Hague that we were not bound to reply to Nicaragua. The Court considered this and ruled, on November 24, 1984—by vote of 16 to 0—that Nicaragua's claims were admissible, according to the terms of the acceptance the U.S had originally filed with the Court.

In January, as the Court was drafting the terms and timetable according to which it would hear the merits of Nicaragua's complaint against the U.S., the Administration announced that it would simply not participate further. That we would do, in effect, what Iran had done in the hostage case.

As he was bound to do, the President of the Court, on January 22 issued an Order outlining a timetable for the proceedings of the case ". . . on the merits":

". . . The time limits fixed are as follows:

"30 April 1985 for the Memorial of the Repubic of Nicaragua;

"31 May 1985 for the Counter-Memorial of the United States of America."

Oral arguments will be scheduled for later in the year. The United States does not plan to participate.

The policy seems to me to risk assuming a position of moral equivalence with those very nations who are least abiding of international law. The idea has been summed up by one of the architects of the Administration policy in a recent op-ed in the Wall Street Journal titled: "Why Bow to the World Court When Few Others Do?"

This is a long way from the position of political leadership the United States assumed for itself 40 years ago. Are we now to be content to measure the acceptability of our policies according to whether they are equally acceptable to the likes of the Soviet Union, or Iran. Or Nicaragua.

I would hope not. But most of all I would hope that we not lose the sense that our national interests reside in upholding a regime of law in international affairs. Jon Van Dyke has recently written that the scuttling of the law of the sea pact jeopardizes U.S. passage through strategic straits, and sends up a flare signaling American reluctance to participate in multinational resolution of disputes.

I tend to agree. At minimum it seems to me this question needs to be addressed. I have enough of the Navy left in me to think it a matter of great consequence whether the right of free passage in the narrows of the ocean seas is recognized and upheld. Of course there is the separate and troublesome issue of mineral and mining rights. But need we simply withdraw from the process?

Are we to be content with this posture?

The American Society of International Law has involved itself. Responding to the U.S. announcement of refusal to participate in the Court proceedings, the Society has adopted only the second 'political' resolution in its 80-year existence.

I quote a portion of that resolution:

"The Society . . . deplores, and strongly favors rescission of, the recent action of the United States Government in attempting to withdraw from the jurisdiction of the International Court of Justice 'disputes with any Central American state.' "

Can the American Bar Association help encourage a greater sensitivity to considerations of law, too?

I believe it is the only way back to a consensus approach to foreign policy—a bipartisan approach to foreign affairs, if you will.

To the degree that law—the Law of the Charter included—is seen to be, and is, the basis of our international conduct, a bipartisan foreign policy does not require a party out of office to agree with policies of the party in power, but rather simply to agree with the principles of law on which those policies are based. Principles prior, as you might say, to whatever is the present emergency, the incumbent president, the prospects for the next election. The same principle applies to allied and non-aligned nations, who can for more readily support (or at least accept) American policies if our conduct is seen to be based on law that binds them as well as us.

It also encourages, I dare say, a certain litigiousness to which the American bar is especially suited or at least much inclined. It would seem to me that we should welcome the chance to meet Nicaragua in Court. It would be our kind of forum. And there is lots we have to talk about. How I would love to see William P. Rogers at The Hague leading an American team of international lawyers—John Norton Moore, Alfred P. Rubin, L.F.E. Goldie. with plain instructions, from the Secretary of State to the former: "Win."

It may be too late (31 May 1985 is a week from tomorrow), but there are signs that our recent losing streak has not been universally approved. Not long ago our respected Secretary of State, George P. Shultz, announced that he had asked Federal District Court Judge Abraham D. Sofaer to leave

the bench in the Southern District of New York to become the Legal Adviser to the Department of State. I had the honor to recommend Judge Sofaer's appointment to the Judiciary in the first instance and, much as he will be missed in New York, he will certainly be welcome in Washington.

Just a month ago I addressed the annual meeting of the American Society of International Law, and spoke to the more general question of our continued adherence to those ideas which seemed so settled a generation ago, and even more so three generations ago. The law is there, I said. In 1900 the Supreme Court put the matter plainly enough in Pacquette Habana: "International law is part of our law . . . It does not cease to become law because it is disobeyed, nor yet if it has been forgotten, to conservatives and liberal alike, ignorance of the law is no excuse.

Now clearly the World Court is no longer an ideal instrument for the adjudication of law. As I count, some nine of its fifteen members come from countries where there is an independent judiciary and a secure legal system. As this is true for perhaps a third, at most half of the members of the United Nations, we may judge that the Court is not all that imbalanced. Still, obviously, we cannot accept that legal judgement will be passed on us by persons who, whatever their individual dispositions, come from and unavoidably represent societies where legality has a wholly different meaning from that which we assume. We have to think of new terms of submission to the court's jurisdiction. The Court's statute provides for Special Chambers, wherein the parties to the dispute pick the judges: a viable arrangement. Obviously however we cannot indefinitely prolong the situation which Nicaragua is now exploiting, which is to say that of a near-as-makes-no-matter Marxist-Leninist regime dragging the United States before the world tribunal, with the United States unprepared, unwilling, almost uncomprehending. There is a remedy for this, however. It is called, attention, and that is what I hope the subject will receive.

Mr. HATFIELD. Mr. President, this amendment has been cleared on the majority side by the committees of jurisdiction.

Mr. JOHNSTON. Mr. President, this amendment has been cleared on this side of the aisle.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

So the amendment (No. 396) was agreed to.

Mr. JOHNSTON. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. KERRY. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 397

(Purpose: To provide supplemental appropriations to train United States and foreign law enforcement personnel to prevent international aircraft piracy, and for research and development in aviation security technologies)

Mr. SIMON. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Illinois [Mr. SIMON] proposes an amendment numbered 397.

Mr. SIMON. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 17, insert between lines 14 and 15 the following:

FEDERAL AVIATION ADMINISTRATION OPERATIONS

For an additional amount for the Civil Aviation Security Office of the Department of Transportation for the training of United States and foreign law enforcement personnel to prevent aircraft piracy, $2,000,000 to remain available until expended.

For an additional amount for the Associate Administrator for Development and Logistics, Office of Engineering and Maintenance Service, Aircraft Safety Program 18 (Aviation Security) for additional research and development in aviation security technologies, $1,500,000 to remain available until expended.

Mr. SIMON. Mr. President, I have checked this amendment with the Senator from North Dakota [Mr. ANDREWS], the Senator from Mississippi [Mr. COCHRAN], and the Senator from Florida [Mr. CHILES]. This is a problem that is of major concern to the people in my State right now. We have 26 hostages. Fortunately, a majority of them are now free.

In talking to personnel of the FAA—because we have been interested in what do you do in a concrete way to help rather than making speeches—they say that what we really need are two things: one, personnel for inspection and for training. Right now there are 120 personnel totally for all the airports in the United States and abroad for inspection purposes.

The second is research on explosives that are nonmetallic. Here again it seems to me the need is very, very clear. That need exists not only in airports like Athens—and Athens is No. 15 in international airports with problems—but in airports in our country.

Mr. President, the disturbing events in Beirut have again brought home the consequences of failing to grapple with the phenomenon of terrorism. This is an international problem and clearly deserves an international solution. But there are a number of steps we can take at home to reduce the likelihood of hijackings.

I have sent to the desk an amendment to the Federal Aviation Administration [FAA] budget for fiscal year 1985 covering the areas of civil aviation security training programs and R&D related to aviation security. I have asked for an immediate increase of $2 million for training, and another $1.5 million for research and development relating to explosive and vapor detection techniques, and other technologies as deemed appropriate by the Office of Civil Aviation Security and the Office of Engineering and Maintenance Service, to improve our airport and air carrier security both at home and abroad.

These supplemental increases are urgently required if we are to begin a sustained commitment to combatting air piracy. We Americans are often given to crisis management and crisis reponse, but all too often the commitment sparked by the immediacy of crisis fades away in the aftermath of our initial action. This can no longer be the case with our involvement in fighting terrorism. It is only a matter of time before air terrorism, and indeed terrorism in all its ugly manifestations, becomes a more frequent occurrence within our borders.

I say this not as a scare tactic, nor as a message of impending disaster. I say this rather as a careful reading of international events over the past 10 to 15 years. More and more extremists groups have vowed to carry their fight to American shores, while they have also redoubled their efforts to strike at our interests and our citizens overseas. These people are not just "madmen," although there are maniacal people among them; they are more importantly self-proclaimed warriors leading the anti-American and anti-Western fight wherever and however they can. We need to recognize this and respond appropriately.

I am also concerned about the alarming situation here in the United States, where there have been 20 attempted hijackings—some successful, some not—since 1981 originating from six of our largest and busiest airports in New York, Florida, Illinois, and California. We must, in short, reorder our priorities so that we take adequate account of the damage done to our national security when hostages are seized as a result of lax airport security. We need to pay more attention to this element of international politics, and start spending money and creating effective programs that go beyond the scope of our traditional defense budget concerns.

At the present moment, our attention, and that of the rest of the world, is focused on the hostage crisis in Beirut. Our immediate and most pressing concern must be the quick and safe release of all the hostages still held by the terrorists. At the same time, there are long-term issues involving the security of our citizens, here and outside our borders, that we cannot afford to neglect. A number of solid proposals have been offered in recent days to ensure the security of U.S. citizens traveling abroad. But, while we consider options to increase security at foreign airports, we must be sure our own house is in order. And, I must say,

based on research my staff has pulled together, there is reason for concern about security at some of our own airports.

My staff has just completed a review of all domestic and international hijackings since 1938. The record indicates that most major airports in the United States have experienced an alarmingly high number of hijackings. In the past 25 years, there have been 28 hijackings in Miami, 27 in New York, 16 in Los Angeles and 12 in Chicago. To their credit, none of these airports have experienced an attempted hijacking since the end of 1983, an indication that we are serious about security measures at our own airports. But the results of this research do indicate that almost every one of our major airports has experienced at least one hijacking. It is easy to demand that security measures be strengthened abroad, yet I believe we must ensure that our own security technology is effective and that our security personnel are fully trained before we can demand that these procedures be followed by foreign governments.

Under the present administration, the FAA has suffered budget cutbacks which have resulted in a decrease in the number of Government airport inspectors. Currently, there are about 120 FAA inspectors to conduct worldwide airport checks. This number becomes even more inadequate when you consider that this small group of people must conduct at least one and up to four inspections on U.S. airports and at least one inspection of foreign airports every 2 years. While the biennial check of foreign airports is woefully inadequate, and I hope will be changed in light of the recent crisis, there is no way the present number of FAA inspectors could increase their oversight of foreign, and domestic airports.

The security of our people, and our property, should be viewed as a critical component of our defense and national security. Several weeks ago the Senate approved a defense budget of over $300 billion. We spent hours debating the construction of new weapons, without ever addressing some of the essential security issues which have come to the forefront over the past week. In many instances, the cost of hiring more FAA inspectors and providing adequate training to those people enforcing security measures at our airports is a more effective way to ensure the security of our citizens than the building of another MX missile. Let us use this crisis to accomplish some very practical and positive effects to protect our citizens and our foreign visitors traveling in the United States.

Mr. President, I am optimistic that we will be able to resolve this crisis fully with the safe release of all those still being held in Beirut. But, after this resolution, let us not sink back into a false sense of complacency. Terrorism is far from a new phenomenon; in fact, we are seeing an increase in terrorism directed at Americans. It is time for us to start fighting and fighting effectively. Part of that effort must include ensuring that our own airports are safe and secure and I urge my colleagues to give the FAA what it needs to enhance and enforce airport security here at home.

I ask for unanimous consent to include in the RECORD a list of hijackings at major U.S. airports for the past 15 years. For those who are interested, my staff does have a complete list of all hijackings at all U.S. airports since 1938.

There being no objection, the list was ordered to be printed in the RECORD, as follows:

ATTEMPTED HIJACKINGS 1970–85

City/airport	Date	Carrier
U.S. AIRPORTS		
New York: JFK and LaGuardia	9/22/83	American.
	7/19/83	Eastern.
	4/18/81	Eastern.
	2/5/81	Eastern.
	9/8/80	Eastern.
	8/26/80	Eastern.
	6/20/79	American.
	6/11/79	Delta.
	12/26/78	United.
	12/14/78	National.
	8/25/78	TWA.
	1/11/77	TWA.
	9/10/76	TWA.
	9/4/74	Eastern.
	5/23/74	Wall Street Helicopter.
	10/25/71	American.
	7/23/71	TWA.
	3/31/71	Eastern.
	8/2/70	Pan American.
Florida:		
Miami	8/18/83	Delta.
	8/2/83	Pan American.
	7/17/83	Delta.
	7/2/83	Pan American.
	6/14/83	Eastern.
	5/19/83	Eastern.
	7/22/82	Mario Islands Airways.
	2/2/82	Air Florida.
	10/25/80	Continental.
	8/14/80	National.
	8/16/80	Eastern.
	8/16/80	Republic.
	7/22/80	Delta.
	8/10/80	Air Florida.
	12/25/77	Eastern.
	3/7/72	Chuck's Flying Service.
	7/24/71	National.
	5/28/71	Eastern.
	10/30/71	National.
Tampa	7/21/83	North West.
	8/16/82	Dolphin Airways.
	9/14/80	Eastern.
	12/14/74	Tampa Flying Service.
	3/7/72	National.
Illinois: Chicago-O'Hare	12/30/82	United.
	4/5/82	Delta.
	3/1/82	United.
	7/10/81	Eastern.
	12/26/71	American.
	9/3/71	Eastern.
	6/11/71	United.
	2/4/71	Delta.
	5/25/70	American.
	5/25/70	Delta.
California: Los Angeles	10/27/82	TWA.
	3/5/81	Continental.
	10/30/79	Pacific Southwest.
	3/16/79	Continental.
	1/27/79	United.
	6/2/72	No airline given.
	1/24/72	TWA.
	6/11/71	TWA.
	4/29/71	Avianca.
	1/3/71	National.
	9/15/70	TWA.
FOREIGN COUNTRIES		
1. Lebanon:		
Beirut	6/11/85	Royal Jordania.
	4/1/85	Middle East Airlines.
	2/23/85	Middle East Airlines.
	2/24/82	Kuwait Airways.
	7/24/80	Kuwait Airways.
	1/18/80	Middle East Airlines.
	9/7/79	Alitalia.
	1/16/79	Middle East Airlines.
	6/5/77	Middle East Airlines.
	7/8/77	Kuwait Airways.
2. India:		
Bombay	9/28/77	Japan Airlines.
New Delhi	8/24/84	Indian Airlines.
	8/4/84	Indian Airlines.
	6/30/82	Alitalia.
	9/29/81	Indian Airlines.
	9/10/76	Indian Airlines.
Srinagar	7/5/84	Indian Airlines.
	1/20/71	Indian Airlines.
Manquator	8/10/82	Indian Airlines.
Patna	12/20/78	Indian Airlines.
Toahpur	8/10/82	Indian Airlines.
3. Colombia:		
Bogota	12/15/80	Avianca.
	1/2/82	Avianca.
Barran Carbermeja	12/22/75	SAM.
Buscaramanya	2/6/81	Avianca.
Medellin	2/29/76	ACES.
Monteria	10/21/81	Avianca.
Pereira	4/24/76	Avianca.
Santa Marta	5/11/78	Avianca.
4. Germany:		
Frankfurt	3/27/85	Lufthansa.
	2/27/85	Lufthansa.
	7/31/84	Air France.
	3/7/84	Air France.
	9/12/79	Lufthansa.
	6/28/77	Lufthansa.
Hamburg	3/29/85	Lufthansa.
5. Philippines:		
Davao	5/21/76	Philippine Airlines.
	10/7/75	Philippine Airlines.
Bocolod	5/21/82	Philippine Airlines.
Cagayan de Oro	4/7/76	Philippine Airlines.
Kalayaan	12/29/80	Corporate.
Manila	7/12/80	Philippine Airlines.
Pagadia	2/25/75	Philippine Airlines.
6. Japan:		
Tokyo	5/8/77	Northwest.
	3/17/77	All Nippon Airways.
	7/28/75	All Nippon Airways.
Osaka	11/13/79	Japan Airlines.
Chitose	3/17/77	All Nippon Airways.
Sapporo	4/9/75	Japan Airlines.
7. Iran:		
Tehran	9/12/84	Iran Air.
	8/7/84	Iran Air.
	6/26/84	Iran Air.
Shiraz	8/28/84	Iran Air.
	7/6/83	Iran Air.
Bandar Abbas	9/9/84	Iran Air.
8. Venezuela:		
Caracas	7/24/84	Aeropostal.
	12/7/81	Aeropostal.
	11/6/80	Avensa.
Porlamor	12/5/80	Aeropostal.
Velera	11/6/80	Avensa.
9. France:		
Paris	9/30/77	Air Inter.
	4/30/76	Turkish Airlines.
Nice	8/12/77	Air France.
	9/4/76	KLM.
10. England:		
London	11/5/84	Saudi Arabia.
	6/29/77	Gulf Air.
Manchester	1/7/75	British Airways.
11. Mexico:		
Mexico City	9/1/83	Mexicana.
	6/24/83	Aeromexico.
Torrean	5/16/78	Aeromexico.
12. Ecuador:		
Quito	1/18/78	Saeta Airlines.
Guayoquil	2/29/80	Ecuatorrana de Aviacion.
Tulcan	7/9/79	Condor Aerovias Nacionales.
13. Libya:		
Benghazi	8/24/79	Libyan Arab Airlines.
Hon	10/16/79	Libyan Arab Airlines.
Tripoli	7/6/76	Libyan Arab Airlines.
14. Turkey:		
Istanbul	10/13/80	Turkish Airlines.
	2/13/77	Turkish Airlines.
Diyarbakio	3/19/77	Turkish Airlines.
15. Greece: Athens	6/14/85	TWA.
	9/27/85	Olympic.
16. Argentina:		
Buenos Aires	10/5/75	Aerolineas Argentina.
Mar Del Plato	6/30/80	Aerolineas Argentinas.
17. Netherlands: Amsterdam	8/6/78	KLM.

Mr. SIMON. Mr. President, I move adoption of the amendment.

The PRESIDING OFFICER. Is there further debate?

Mr. SIMON. Mr. President, let me add that the Senator from Kansas [Mrs. KASSEBAUM] wanted to comment on this amendment, and I do not see her here.

Mr. JOHNSTON. Mr. President, I wonder if the distinguished Senator from Illinois would allow us to temporarily lay aside his amendment to consider a noncontested amendment.

Mr. SIMON. I have no objection to that at all.

The PRESIDING OFFICER. Without objection, the amendment is laid aside.

AMENDMENT NO. 398

Mr. ABDNOR. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from South Dakota [Mr. ABDNOR] proposes an amendment numbered 398.

Mr. ABDNOR. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it so ordered.

The amendment is as follows:

On Page 171, Line 12 before the semicolon insert the following: ": *Provided*, That expenses of transportation audit contracts and contract administration shall be in addition to this amount and shall be hereafter financed from overcharges collected from carriers on transportation bills by the Government and other similar type refunds at not to exceed $5,200,000 annually"

Mr. ABDNOR. Mr. President, this amendment has been cleared on both sides. It enhances the ability of the General Services Administration to collect transportation overpayments.

Expenses of transportation audits by contractors, including contract administration, were heretofore financed by the lump sum direct appropriation to this account. Beginning with fiscal year 1986 it is proposed to finance these costs from overcharges collected from carriers on transportation bills already paid by the Government and other similar type refunds, within the limitation specified in the appropriation language. The remaining collections will continue to offset the governmentwide budget deficit.

This type of financing mechanism will result in a more cost-effective program this is self-sustained. In a climate of severely constrained budgets, this financing approach will contribute toward reducing the drain on the Treasury.

Since fiscal year 1983, GSA's Office of Transportation Audits has utilized commercial firms to supplement the efforts of its in-house technical staff to audit transportation bills paid by all Federal agencies, both military and civilian. The contractors are making a positive net contribution to both backlog reduction and overcharge recovery. Almost $32 million in overcharges was detected by GSA in fiscal year 1984, with $6.3 million—almost 20 percent—of that amount identified by five small business concerns under contract.

This program began as a test and is just now beginning to mature. However, budget constraints necessitated a reduction in the appropriated moneys available to pay contractor commissions in fiscal year 1985. While this year's contractors were originally estimated to require $3.75 million in commissions to fully perform under their contracts, only $2.5 million was made available. As such, two of the contractors have exhausted their commission allocations and another will do so within the next 60 days. Moreover, there is no appropriated funding in the fiscal year 1986 budget for the payment of contractor commissions.

The contractors are only paid after the overcharges detected by them have been successfully collected by GSA from the carriers. Since the average commission rate is only 30 percent, the Government loses 70 cents on every dollar overcharged by the carriers that the contractors will not be able to detect because they either are or shortly will be standing idle. Moreover, while some workload reallocations can be made, in-house staff reductions dictate that significant portions of the auditing previously performed by the contractors will simply not get done.

However, there is an obvious funding source available—namely, carrier refunds, but the authority to tap these moneys to pay contractors is needed. As such, no additional funding is being sought, but rather merely the authority to utilize some of the money already expended by the Government that otherwise will remain in the possession of the carriers if not properly claimed.

Given authority to utilize a portion of the refunds to pay contractors, GSA could not only revive the Commercial Audit Program that it took 3 years to nurture, but also expand its coverage. There has been, for example, interest expressed by contractors in auditing air passenger bills. Two previous solicitations produced no responsive bidders for this category of transportation. Since the in-house staff is limited, substantial air passenger overcharges are quite possibly being lost. Support from commercial contractors would remedy this situation, thereby producing a net contribution to the U.S. Treasury.

Since there would be no out-of-pocket cost to the Government for such contract support services, one must question the fiscal prudence of aborting this program just as it is beginning to realize some of the very benefits.

Mr. MATTINGLY. Mr. President, I should like to address a matter of great concern to the people of my State of Georgia and to the Nation as a whole. Exports and imports are growing at a rapid rate, and our ports of entry are trying to accommodate this increased activity. Three facilities in Georgia that are striving to handle this flow of goods are Savannah and Brunswick on the coast, and Hartsfield International Airport in Atlanta.

As has been the case in the past several years, there has been a great deal of talk about consolidating many Customs Service functions and in some instances, the outright elimination of district offices. I am concerned that this bill would delete language prohibiting any consolidation actions by the U.S. Customs Service.

I understand the need to move personnel from less productive administrative positions to frontline operations, and I concur with appropriate actions to accomplish this goal. But it is my opinion this move to delete the House language could possibly prove counterproductive.

I would like the distinguished Senator from South Dakota, who is chairman of this subcommittee, to address this matter of consolidations of Customs districts.

Mr. ABDNOR. I thank my friend from Georgia for bringing up this subject at this time. I can certainly understand his position and appreciate his concern.

The language that is included in the House bill prohibits the use of funds to plan, implement, or administer any reduction in regions and districts and any consolidation or centralization of offices of the Customs Service. This prohibition causes several problems.

There are many offices which can be streamlined to better serve the public. By prohibiting any consolidations or centralizations, there will not exist areas in which staff can be shifted and changed for the benefit of the facilities that are in need of assistance. For instance, there are administrative and office positions that through good management can be converted to frontline positions, which are needed, and can, therefore, better assist in processing increased Customs activities.

While I understand the Senator's concern that some Customs offices that should not be consolidated may very well be, there is a guarantee that no final action will be taken without the involvement of Congress. This guarantee exists in the form of the Tariff and Trade Act of 1984, which prohibits Customs from taking any action on any proposals to change during fiscal year 1985 without first providing written notification to the appropriate oversight committee in Congress. After this formal notifica-

tion occurs, Customs is prohibited from taking action for a period of 90 days.

It is with these in mind that I feel any prohibition in the funding to consolidate Customs services will work to hinder the goals of the Customs Service, that is, to process goods at these ports in the most efficient and effective manner.

Mr. MATTINGLY. I appreciate the remarks from the distinguished Senator from South Dakota.

I have talked with Commissioner von Raab about this matter, and he has responded to my concerns by letter. He assures me that there are no plans to close port facilities in Savannah or to reduce the number of inspectors there or in any other facility in Georgia.

However, he has said that consolidation of the existing Savannah district office into the Charleston office has been considered as an option at the staff level within Customs. However, no final list of locations to be consolidated has been approved.

Due to the great amount of trade going through the Savannah area, it would certainly be counterproductive to consolidate this facility into any other. I wonder if the distinguished Senator from South Dakota has any information on this matter.

Mr. ABDNOR. I have also had communication with the Commissioner, and he has assured me that no action which would adversely affect Savannah will occur in the near future.

Mr. MATTINGLY. I thank the distinguished Senator from South Dakota, and I would ask that he give this matter some further thought before we take this bill to conference. I will visit with him some more and ask that we consider receding to the House provisions.

Mr. DOMENICI. Mr. President, I should like to ask the distinguished chairman of the Senate Appropriations Subcommittee on Treasury, Postal Service, and General Government if he could summarize the staffing levels provided for the U.S. Customs Service in the Senate-reported fiscal year 1985 supplemental appropriations bill.

Mr. ABDNOR. I am happy to respond to the inquiry from the Senator from New Mexico. The Senate Appropriations Committee is very concerned about the staffing problems facing the Customs Service. The Senate committee believes that filling approximately 375 currently authorized, but vacant, positions will help alleviate this situation. The Senate committee has, therefore, restored $6,246,000 for absorption costs associated with the January 1985 pay raise. These funds would enable the Customs Service to achieve the authorized staffing levels in fiscal year 1985.

Mr. DOMENICI. I thank the Senator. As my good friend, Senator ABDNOR, knows, two border crossings in New Mexico have been adversely affected by staffing shortages in the Customs Service. The first crossing, Antelope Wells, was temporarily closed, along with several others, on March 2 because of instability along the southwestern border. The second facility at Columbus, NM has several inadequacies that urgently need to be addressed.

I am pleased to say that the Customs Service has recently advised me that it intends to reopen the Antelope Wells facility within 30 days. It is my understanding that the Customs Service will be able to allocate sufficient personnel and resources for both facilities in New Mexico. In view of the Senate and House action on the supplemental, does the Senator think this is indeed the case?

Mr. ABDNOR. Mr. President, say to my good friend that I believe that is indeed the case. I, too, have been notified that the Customs Service intends to open the Antelope Wells facility soon. I share Senator DOMENICI's concerns about the number of ports of entry which have suffered from decreasing staffing levels and the security problems associated with others. The Senate report accompanying this bill directs the Customs Service to proceed with filling critically needed positions at posts of entry. I am confident that the Customs Service will be able to accommodate the staffing requirements at Antelope Wells, and Columbus, NM, within the overall funding ultimately made available to the Customs Service in fiscal year 1985.

Mr. ABDNOR. Mr. President, as I said, I believe the amendment has been cleared on both sides.

Mr. JOHNSTON. Mr. President, the amendment has been cleared on this side of the aisle.

Mr. HATFIELD. Mr. President, the amendment has been cleared on this side.

The PRESIDING OFFICER. Is there further debate? If not, the question is on agreeing to the amendment.

So the amendment (No. 398) was agreed to.

Mr. ABDNOR. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. JOHNSTON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. HATFIELD. Mr. President, we do have at the moment pending an amendment from the Senator from Illinois. On behalf of the managers of the bill, I should like to indicate that we are moving toward third reading. We are aware that there may be an amendment offered—in fact, it will be offered, I am told—on the question of economic aid to Jordan. It is very hopeful that we can restrain ourselves enough to make succinct statements and move to a vote on that, which I am sure will be required.

Other than that, I have no other amendment except I believe one more on our side. And so if there are Senators who are planning to offer amendments, I urge they come to the floor. There will be a colloquy which will outline the arrangement made in negotiations with Mr. Stockman vis-a-vis water project cost-sharing policies or formulas that we hope to work out eventually through the authorizing committee. Therefore, I again urge Senators to be present to offer any other amendments which they may have.

I believe the Senator from Louisiana has knowledge of one or two on this side which have yet to be presented. But I know of only one on our side, I believe.

Mr. JOHNSTON. Mr. President, I might say that the only amendment I have been asked to have cleared is one by the distinguished Senator from Montana. I understand that is momentarily ready to be cleared. Other than that, all we have is rumors of amendments. I have had no request to hold up third reading for further amendments. I state that now so that if anyone disagrees they may promptly get in touch with me so as not to move toward third reading.

Mr. HART. Mr. President, I commend the efforts of the leadership of the Senate Appropriations Committee and underscore my continuing support for the Animas-La Plata project in Colorado.

In some respects, this is an historic bill. If passed, it will break a nearly 7-year deadlock in the water project funding debate. Like most westerners, I welcome this wholeheartedly.

Of primary interest to me is new start funding provided for the Animas-La Plata project in southwestern Colorado and northeastern New Mexico. Since originally authorized in 1968 as part of the Colorado River Basin Project Act, both States have aggressively sought funding for the Animas-La Plata. Although that enacting legislation intended that the project be constructed concurrently with the central Arizona project, budget constraints and other factors have prevented this from happening. These constraints have not affected CAP construction, however, a major portion of which is scheduled to come on line later this year.

When complete, the Animas-La Plata project promises substantial benefits to the residents of both Colorado and New Mexico. This multipurpose water storage project will provide municipal and industrial water to local communities and industry, and irrigation water for farmers and Indian

tribes in the La Plata basin. It will also offer recreational opportunities at the main reservoir 3 miles southwest of Durango, CO.

Most important, this project will assist in addressing and fulfilling the longstanding entitlements of the Southern Ute, Ute Mountain Ute, and Navajo Indian Tribes. By proceeding with this project, the U.S. Government has an opportunity to rectify years of social and economic injustice to these tribes. The Federal Government helped create this situation by waiting over a century after the reservations were established before making any attempt to quantify the rights to which the tribes are entitled.

Fulfilling these Indian rights is a national obligation which must be dealt with by the Federal Government. By moving ahead with this project we have a unique opportunity to set a national precedent which will be in everyone's best interest. Moreover, we will remove the shackles which have prevented full economic development on Indian lands in the Southwest.

There is no question that without some progress on this important project, the tribes will continue their efforts to assert their acknowledged legal rights through lengthy and costly, but I suspect ultimately successful litigation. Unfortunately, the result of a successful court battle will mean non-Indians in the San Juan basin will be force to relinquish junior water rights to which they have become dependent for nearly 100 years. The potential costs in terms of litigation on both sides, not to mention the loss of non-Indian water supplies along with all of the facilities already constructed and paid for, will be enormous. By approving this funding Congress can ensure that communities in both States are guaranteed sufficient water to meet their needs.

Mr. President, nearly 7 years have passed since any measurable progress has been recorded on needed multipurpose water projects in Colorado. Although President Reagan campaigned throughout 1980 criticizing the lack of progress on water projects by the previous administration, his promises have proven hollow. He has had nearly 5 years to make good on promises made throughout the country. Unfortunately, as with most issues relating to natural resources the Reagan administration has taken several giant steps backward.

In the wake of the Carter hit list, the Reagan administration trumpeted the merits of reempowering the States with the principle responsibility for water resource development. But in the name of a new Federal/State partnership, the administration has created a water resource planning and funding void which it has had no intention of filling. Again this week we have heard threats of a Presidential veto because of the water project funding in this bill.

Unfortunately, the administration has provided no means by which the States can fill this void either. At a time when our Nation faces a need to find new solutions and to deal with pressing water crises in every region of the country, in ports, waterways, water delivery systems, irrigation, and groundwater pollution, these problems have been met by an administration policy that is on the run—running away from responsibility under the guise of establishing a new Federal/State partnership.

The Reagan administration has touted a new stance on Indian water rights. But this, too, has amounted to nothing more than a step backward. The role of Government as protector of vested Indian rights has now shifted to that of arbitrator. While many Indian water rights claims remain unsolved the administration has walked away, indicating a lack of any sense of fairness to Indians. All that Indians across the country can count on today is an entirely new set of unknowns. Native Americans expect much more and deserve no less. This legislation will permits us to take this important step.

Perhaps the most visible part of an otherwise invisible Reagan water policy is its continued insistence on costsharing. Unfortunately, the administration itself has been divided on this issue. In fact, it took the President nearly 35 months of his first term to report to Congress that administration policy would preserve the status quo: negotiation on a case-by-case basis. And that policy was transmitted to the Congress in January 1984. I need not remind my colleagues that there has been no progress and little administration support since that time.

There are constraints. We have entered a new era of water resource management where, for the most part, many of the critical projects have already been developed. For good reason, water project planning and development are now done within a framework of substantial environmental constraints—constraints which must balance water resource development against environmental impacts. And, a deficit-ridden Federal Government is no longer the financial institution to which project sponsors can freely turn to for funding. Our efforts must now focus on developing innovative solutions and financing alternatives which allow some level of progress to continue.

I am confident that cost-sharing provisions in this bill are a step forward and will allow that necessary progress. I look forward to working with my colleagues at the Senate Committee on Environment and Public Works to further refine nationwide cost sharing.

Mr. President, I would like to express in the strongest terms my concern about the sunsetting provision on funds contained in this bill. It is important that we encourage non-Federal project sponsors to submit cost-sharing proposals. However, should the Bureau of Reclamation or Army Corps linger in their consideration, negotiation and approval of these proposals, we may well find ourselves in this same gridlock on June 30, 1986. I implore these agencies to work expeditiously and in good faith with project sponsors and beneficiaries in order that we move forward. I am certain many of us here today will watch this process closely.

Once again, I congratulate the efforts of the Senate Appropriations Committee leadership in moving funding for the Animas-La Plata project to the Senate floor for consideration and approval.

AMENDMENT NO. 399

Mr. HATFIELD. Mr. President, I ask unanimous consent to temporarily set aside the pending amendment by the Senator from Illinois.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HATFIELD. Mr. President, I sent to the desk two amendments, and I ask unanimous consent that they be considered en bloc.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Oregon [Mr. HATFIELD] proposes an amendment numbered 399.

Mr. HATFIELD. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 123, after line 23, insert:

REPRESENTATION ALLOWANCES FOR THE MAJORITY AND MINORITY LEADERS

For representation allowances of the Majority and Minority Leaders of the Senate, $10,000 for each such Leader; in all $20,000.

On page 127, after line 7, insert:

SEC. 197. (a) There is hereby established an account, within the Senate, to be known as the "Representation Allowance Account for the Majority and Minority Leaders". Such Allowance Account shall be used by the Majority and Minority Leaders of the Senate to assist them properly to discharge their appropriate responsibilities in the United States to members of foreign legislative bodies and prominent officials of foreign governments and intergovernmental organizations.

(b) Payments authorized to be made under this section shall be paid by the Secretary of the Senate. Of the funds available for expenditure from such Allowance Account for any fiscal year, one-half shall be allotted to the Majority Leader and one-half shall be allotted to the Majority Leader. Amounts paid from such Allowance Account to the Majority or Minority Leader shall be

paid to him from his allotment and shall be paid to him only as reimbursement for actual expenses incurred by him and upon certification and documentation of such expenses. Amounts paid to the Majority or Minority Leader pursuant to this section shall not be reported as income and shall not be allowed as a deduction under title 26, United States Code.

(c) There are authorized to be appropriated for each fiscal year (commencing with the fiscal year ending September 30, 1985) not more than $20,000 to the Allowance Account established by this section.

Mr. HATFIELD. Mr. President, basically what we are presenting here are two amendments, one setting up a new accounting system for the majority leader and the minority leader on expenses relating to their offices with respect to receiving foreign dignitaries.

The second amendment is the actual appropriated amount to cover that particular account—$10,000 for the minority leader and $10,000 for the majority leader.

This has been cleared on both sides.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 399) was agreed to.

Mr. HATFIELD. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. JOHNSTON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. Are there further amendments?

Mr. HATFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. SIMON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. GORTON). Without objection, it is so ordered.

Mr. SIMON. Mr. President, the pending business is the amendment that we have that I have offered that would provide $2 million to the FAA for additional personnel services and $1.5 million for research.

While Senator ANDREWS, Senator COCHRAN, and Senator CHILES have agreed to that, Senator KASSEBAUM has some concerns and, frankly, some legitimate concerns about us going off in several directions. I have had some discussions with her, and there is a possibility that we can through hearings get something worked out that will be a little more coordinated.

I am pleased to yield to the Senator from Kansas.

Mrs. KASSEBAUM. Mr. President, I thank the Senator from Illinois.

I know it is of special concern to him regarding airport safety standards because there were 20-some people from Illinois I believe on the TWA flight that was hijacked.

As chairman of the Aviation Subcommittee, I have some concern. While all of us are trying to find measures that could improve international airport safety, we have now, I believe, six or seven bills in the last couple of days that have been brought forward. I think personally, Mr. President—and I have shared this concern with the Senator from Illinois—it is a mistake for us to do sort of patchwork bills addressing a problem here and a problem there and money here and money there without getting on the record a full scope of the way we handle international airports, what safety measures are in effect now, and what could be done that would really improve the situation.

I very much appreciate the willingness of the Senator from Illinois to withhold his amendment until the hearing next Thrusday, at which we will then undertake a very comprehensive evaluation of the situation.

Mr. SIMON. If the Senator will yield, I am willing to do that, I have to confess, with some reluctance. Senator DIXON and I face a situation where we had 26 who were hostages. I am pleased to say that is down to nine who are still hostages.

My concern is the next appropriation bill is likely to be September. The chairman of the Appropriations Committee may correct me, but I assume the next supplemental will be September at the earliest.

But if the Senator from Kansas can assure me that her subcommittee will make a recommendation to us within the next 4 weeks so that we can move on whatever needs to be done as quickly as possible—because, as I indicated earlier on the floor, one of the things that astounded me as I went through this is that we have 120 FAA inspectors who cover the whole Nation and cover the whole world for us in their area—if the Senator can assure me that we will have action within the next 4 weeks from her subcommittee, that would allay some of my fears and we could move in a constructive direction.

Mr. HATFIELD. Will the Senator yield?

Mr. SIMON. I am pleased to yield.

Mr. HATFIELD. I wish to respond to one point. We on the Appropriations Committee expect to have a markup for fiscal year 1986 in July. So that would be another opportunity for a vehicle for the Senator from Illinois to consider. That is our expectation; July.

Mrs. KASSEBAUM. Mr. President, I wish to respond to the Senator from Illinois and assure him that we will report out of not only the subcommittee but the full Commerce Committee, because I know Chairman DANFORTH shares my concern about this issue and there obviously is a great deal of interest in the Senate as a body to try and make sure we put together the most constructive package possible to deal with the question of international aviation safety.

Mr. SIMON. I thank the Senator.

I ask unanimous consent to withdraw my amendment.

The PRESIDING OFFICER. The Senator has a right to withdraw the amendment. The amendment No. 397 is considered withdrawn.

Mr. JOHNSTON. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. SIMPSON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 400

(Purpose: To allow the Secretary to certify that cost-sharing agreements enlisted into before the date of the acts enactment comply with the financing and certification requirements of this section)

Mr. SIMPSON. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Wyoming [Mr. SIMPSON] proposes an amendment numbered 400.

Mr. SIMPSON. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 66 after line 18 insert the following:

"*Provided further,* That the provision requiring congressional review shall not apply to any binding agreements on cost-sharing entered into before the date of enactment of this Act, upon certification of the Secretary, that the agreements comply with the cost-sharing financing and certification requirements of this section."

Mr. SIMPSON. Mr. President, this is an amendment to exempt a project in Wyoming, which has been pending for literally many years, exempting the cost-sharing agreement from the congressional review process.

The amendment has no other purpose than to assure that the construction season this summer will be able to be a very productive one. This is probably the most extraordinary project in the entire batch because the State of Wyoming, our legislature, and Governor have already appropriated $47 million, over 40 percent of the cost of this project. The agreement was signed on March 29. Further delay would be detrimental to the construction process. My colleague, Senator WALLOP, has

been an extraordinary principal sponsor of this original project. On behalf of Senator WALLOP and myself I submit this to the comanager of the bill for approval.

Mr. HATFIELD. Mr. President, this amendment has been cleared on the majority side.

Mr. JOHNSTON. Mr. President, I think the Senator stated that this exempts the project from cost sharing. I think what it does is exempts the project from congressional review of cost sharing.

Mr. SIMPSON. It exempts the cost-sharing agreement, which has already been signed, from the review process.

Mr. JOHNSTON. That is our understanding, and it has been cleared on this side of the aisle.

The PRESIDING OFFICER. Is there further debate on the amendment? If not, the question is on agreeing to the amendment of the Senator from Wyoming.

The amendment (No. 400) was agreed to.

Mr. HATFIELD. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. JOHNSTON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. SIMPSON. Mr. President, I thank the two comanagers of the bill, especially Senator HATFIELD and Senator JOHNSTON. They have understood this issue from the beginning, and have understood the frustration. I thank them sincerely for their assistance throughout.

AMENDMENT NO. 401

(Purpose: Ensure continued operation of Forest Service Equipment Development Centers in Montana and California)

Mr. MELCHER. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Montana [Mr. MELCHER], for himself and Mr. BAUCUS, proposes an amendment numbered 401.

On line 11, page 106, change to "Administrative Provisions".

On line 3, page 107, insert the following new paragraph:

"Notwithstanding any other provision of law, the Forest Service shall continue to operate Equipment Development Facilities in San Dimas, California, and in Missoula, Montana, at least through the end of fiscal year 1986, and funds and personnel to operate these facilities in fiscal years 1985 and 1986 shall not be reduced by more than 10% from currently appropriated levels."

The PRESIDING OFFICER. The Senator from Montana.

Mr. MELCHER. Mr. President, at present within the Department of Agriculture, U.S. Forest Service, under the division of engineering there exist two equipment development centers. Directly under the Washington office in organizational structure, these centers are located in Missoula, MT, and San Dimas, CA. The San Dimas facility was built in 1964, the Missoula facility was in existence long before that date, originating some time following World War II.

Briefly, Mr. President, the amendment seeks to make certain that the continuation of the two development centers will remain in effect during the remainder of this fiscal year and the 1986 fiscal year. It will end doubts about one or the other being closed. Both are needed. Both are essential and the amendment seeks to eliminate those doubts about closures.

Many of the projects undertaken by the centers have commercial—nongovernmental—applications of benefit primarily to the timber industry. Prime examples of this would be the Missoula Center's work on various cable logging systems such as the large and small yarders, its current program with chunk wood chippers, and a long list of tree nursery equipment developments.

Much of Missoula Center's work has been in the area of aviation and firefighting equipment. To adapt an aircraft to smokejumper use, specialized equipment must be designed, installed, tested, and passed through an FAA approval program. Each aircraft type requires a different design and specific FAA approval. Missoula Center's close proximity to the aerial fire depot and smokejumper base facilitates this work. Aircraft manufacturing companies are not interested in doing this work themselves due to its limited application, and aviation equipment contractors do not have the facilities nor expertise. The close working relationship with the aerial fire depot and smokejumper base is further necessary in the center's continuing development of parachute, clothing, and accessories used by jumpers and ground based firefighter personnel. Missoula Center's close proximity to the University of Montana, the Forest Science Laboratory and Northern Forest Fire Laboratory complements each other's programs. Three University of Montana professors currently hold temporary positions at the Missoula Center working on center projects.

Currently San Dimas has 12 engineer project leaders on hand. Missoula Center has 18. Sam Dimas is located in the Los Angeles basin in southern California in close proximity to much of the aerospace, high technology industry.

There are a number of important credits to the Missoula facility. Some of the major advantages in general include:

First, the Missoula Center has a good personnel retention record with a commensurate elevation in skills and abilities in personnel.

Second, Missoula has demonstrated a high level of productivity.

Third, Missoula has a facility—mostly old Fort Missoula—that is cheap for the Government to operate.

Fourth, location is an important benefit of the Missoula Center because:

It's surrounded by forest, which is important to all types of forest testing; it's close to the area fire center and allows good research; and it is tied into the University of Montana for research help.

The center presently exists in a very supportive academic environment. The University of Montana supports an excellent school of forestry which itself maintains an ongoing research program and administers an experimental forest. Various academic departments at the university have working relationships with the center for faculty and very effectively cooperate with it in providing student internships. The university, by its very nature and mandate, provides an ideal place for study, discussion, and debate about forest policies and procedures; and its close geography to the users of the development center products and its extensive use by private concerns.

The Missoula Equipment Development Center [MEDC] has provided Montana's citizens with invaluable assistance in many areas, including: The use and support of advanced technology to improve the ability of Montana's industry to compete favorably in today's economy; the development of specialized equipment to implement Montana's mined land reclamation requirements; development and testing of new timber harvesting techniques essential to harvesting smaller timber with minimal environmental damage; and the important development work related to Rocky Mountain and rural area fire conditions.

Mr. BAUCUS addressed the Chair.

The PRESIDING OFFICER. The Senator from Montana.

Mr. BAUCUS. Mr. President, I thank my senior colleague from Montana, Senator MELCHER, for introducing this amendment and I join him as a cosponsor. There are two Forest Service equipment development centers in the country. One is in San Dimas, CA, and the other in Missoula, MT. The problem is that most of the equipment testing should be done in the part of the country where forest fires are being fought. The center in San Dimas, CA, is not nearly as well situated for the testing of forest fire equipment as the one in Montana.

Mr. President, this amendment will ensure that the high quality, innovative work being done in Missoula, MT, to develop equipment for the U.S. Forest Service will continue. This amendment forbids the Forest Service from implementing an ill-considered plan that would have reduced professional staffing in Missoula.

This amendment stipulates that the Forest Service cannot reduce the funds and personnel to operate the Missoula facility by more than 10 percent.

It is our intention in offering this amendment that the current level of professional staff at the Missoula Center be maintained.

The Missoula Equipment Development Center is a prime location for Forest Service development work. Twelve percent of the Nation's forest land is within 150 miles of Missoula. This means that Forest Service engineers are close to timber lands and the timber industry, and are able to test equipment onsite. Missoula is also the site of the University of Montana School of Forestry and the smokejumpers base.

The Missoula Center also has a great track record. Productivity at Missoula has always been higher than productivity at the Forest Service's other center in California, even though Missoula has more limited space in their physical plant.

In addition, I am impressed by the morale and drive of the Missoula Center employees. Missoula has been able to keep its good professional people, and has built up a good experienced staff of professional engineers and foresters who are committed to their work. In contrast, I am told that many of the professional employees at the Forest Service's other center do not stay long with the Forest Service and do not have forestry backgrounds.

Mr. President, Forest Service employees have a long, proud tradition of dedicated professional service to our Nation's forests. Montana has thousands of acres of national forests, and we have all benefited from the quiet but important work of the Forest Service. I have visited the Missoula Center, and I am impressed by their morale and dedication.

The Forest Service policy manual specifies that whenever possible, Service facilities are to be located in rural areas where they will have the greatest positive impact on the local economy. The Missoula Equipment Development Center is in the heart of our National Forest System, where it belongs. I have been working hard to protect the Center, and I am pleased to ask the Senate today to help in this effort.

I ask unanimous consent that a series of letters exchanged with Forest Service Chief Max Peterson and others be included in the RECORD at this time.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the Missoulian, May 9, 1985]

FOREST SERVICE CENTER BELONGS IN MISSOULA

The Forest Service has decided to consolidate its two major Equipment Development Centers.

One is in Missoula, the other in San Dimas, Calif. The California center is favored. Exit, Missoula.

The Missoula center employs 46 people on an annual payroll of $1.5 million.

Exactly how many jobs here would be affected is unclear, since some equipment development would continue at Forest Service facilities around and about, including Missoula. In addition, some of the Missoula center's personnel presumably would be unwilling to move to the likes of San Dimas, in California's Silicon Valley.

Sen. Max Baucus plans to confer on the issue in Missoula Saturday with Forest Service officials. He believes the principal Equipment Development Center should be situated here.

This is a matter, of course, of defending a little local gravy. The equipment center means jobs and payroll. It's the kind of employment Missoula most ardently seeks.

But there's more to it than that. Baucus is developing a strong case to support the proposition that Missoula is the logical place for the center. Forest Service officials should heed his pitch.

It boils down to:

The center here is closer to more national forests than the center in San Dimas. In this age of facile communications, that can be pooh-poohed as irrelevant.

It is not. Personal contacts, personal observations, the capacity to work easily with men in the field, and the cost of field experiments all favor having a center that develops equipment close to the places where presumably the equipment will be used by the Forest Service and by industry. The presence of University of Montana Forestry School is another plus for Missoula.

The San Dimas center is favored because it's close to all the high-tech developments of the Silicon Valley.

But that pitch is wrong. The San Dimas center, because it's close to the high-tech companies, has considerable employee turnover. Technicans acquire skills while on the public payroll at the center, then quit and land higher-paying jobs with the high-tech industries.

The Missoula center's turnover is low. Missoula's cost of living is lower than that of San Dimas. Those two factors indicate that Missoula's people would be reluctant at best to move from the beautiful woods and mountains to the uproar that is California.

Baucus cites a letter by John A. Miles, a faculty member of the University of California. Davis, Department of Agricultural Engineering in which Miles notes that, "Outside of their work * * * to some degree with range, the ideas developed in San Dimas have never received any measure of acceptance by the operating forests or by the forest industry." In addition, most of the people who apply for work there ". . . have little or no commitment to forestry, and little or no background in forestry," Miles writes. The big thing with people in Silicon Valley is aerospace, which has little, if anything, to do with forestry.

Baucus has asked Max Peterson, Forest Service chief, to reverse the decision to consolidate the principal Equipment Development Center at San Dimas. He will make his pitch to Forest Service officials here Saturday.

The decision should be opened for reconsideration. Missoula has a lot at stake. Also at stake is the quality of work produced by the principal center—work that is useful to the Forest Service and the forest products industry.

U.S. SENATE,
Washington, DC, March 21, 1985.

Hon. R. MAX PETERSON,
Chief, U.S. Forest Service,
Washington, DC.

DEAR CHIEF PETERSON: I am writing to express my concern about the future of the Forest Service's Equipment Development Center in Missoula, Montana.

I do not quarrel with the Forest Service's decision to consolidate the two existing centers. This is one of many tough decisions that must be made if we are to hold the line on federal spending.

I am, however, convinced that the Missoula Center was not given the consideration it deserves when your engineering division designated the San Dimas, California Equipment Development Center as the prinicipal center in the nation.

I am asking that you intervene in this matter to see that the decision on the Missoula Center's fate be reconsidered. Enclosed is a copy of a report compiled by the personnel of the Missoula Center outlining their plan for consolidation to one center. Among the major factors weighing in Missoula's favor are: a remarkable employee retention record, proximity to the national forestlands and timber industry where the equipment being tested is actually put to use and a low cost of living for the Center's employees. The San Dimas facility boasts none of these advantages.

I would also like to be informed on the specific Forest Service plans for any reductions in force that may result from the consolidation. I was encouraged to learn that employee attrition should result in the necessary cuts in staffing levels. Still, I would greatly appreciate being filled in our your specific intentions in this regard. As Montana's U.S. Senator, I am determined to see that any potential reassignments or layoffs are made with the employee's well being as the first consideration.

Thank you for your assistance. I look forward to reviewing your response in the very near future. Please address correspondence to: Senator Max Baucus, Missoula Bank of Montana Building, 211 North Higgins, Missoula, Montana, 59802.

With warmest personal regards, I am

Sincerely,

MAX BAUCUS.

U.S. SENATE,
Washington, DC, March 27, 1985.

Hon. R. MAX PETERSON,
Chief, U.S. Forest Service,
Washington, DC.

DEAR CHIEF PETERSON: On March 21, 1985 I wrote to you expressing my concern about the future of the Forest Service's Equipment Development Center in Missoula, Montana. At this time, I would like to bring some additional information to your attention.

A letter from John A. Miles, a member of the Agricultural Engineering Department at the University of California-Davis, is enclosed for your review. As you can tell by reading the letter, Mr. Miles is highly critical of the choice of San Dimas, California as the principal equipment development center.

I would hope that you will listen to this criticism of the San Dimas operation as you take a close second look at the decision to designate San Dimas the principal center. Frankly, I was shocked to see how little respect this Southern California agricultural engineer has for the operation at San Dimas.

As I stated in my previous letter, Missoula is the obvious choice for the location of the principal center. I hope that you find this additional information helpful.

Thank you for your consideration. I look forward to reviewing your response in the near future.

With best personal regards, I am

Sincerely,

MAX BAUCUS.

UNIVERSITY OF CALIFORNIA, DAVIS,
DEPARTMENT OF AGRICULTURAL ENGINEERING, DAVIS, CA, FEBRUARY 22, 1985.

SOTERO MUNIZ,
Director, USFS, Engineering,
Washington, DC.

DEAR SOTERO: You probably think the only time I write is when I am upset about something. To some degree, that may be true. In this case, however, I am writing because I have been informally analyzing a situation for several years and feel I have significant insight into the matter.

The issue I want to discuss is your designation of San Dimas as the Principal Equipment Development Center. I am sure there are many reasons why I should applaud such a move. However, even though they are the "home team", let me explain why I think it is a serious mistake.

Outside of their work with fire and, perhaps, to some degree with range, the ideas developed in San Dimas have never received any measure of acceptance by the operating forests or by the forest industry. Indeed, I believe that the industry will be very reluctant to accept anything developed at San Dimas, simply because it comes from southern California. You may think this is a trivial argument, but I assure you that it is very real.

A second major reason for not promoting San Dimas is the people who apply to work there. Most have little or no commitment to forestry, and little or no background in forestry. They are frequently aerospace or defense engineers who see opportunities for promotion or lateral transfer. While some of these people may have good intentions, their physical location "far from the woods" makes assimilation almost impossible. The argument for technology transfer from aerospace also does not hold water. The economics of forestry and aerospace are so different that neither can even speak the other's language—and they don't.

The San Dimas staff, transported to Sacramento, Redding, Portland, Seattle, Spokane, or anywhere outside of southern California, might have a chance for success. We certainly have need for the kind of work such a group could do. A move would also separate out those people who really have a forestry interest from those who simply want to be a part of the "Southern California Scene." Such a move might well accomplish your personnel reduction objective and also result in keeping the people you really want.

The bottom line is that this is none of my business, but since I have been studying it for some years, I feel obligated to speak up.

Sincerely,

JOHN A. MILES.

U.S. SENATE,
Washington, DC, April 15, 1985.

Hon. MAX PETERSON,
Chief, U.S. Department of Agriculture,
Forest Service, Washington, DC.

DEAR MR. PETERSON: I am writing to follow up your response to my letter of March 21, 1985, concerning the future of the Forest Service Equipment Development Center in Missoula, Montana.

Unfortunately, I found your letter unresponsive to my concerns. I asked for an objective re-examination of the Forest Service's decision designating the San Dimas, California Equipment Development Center as the nation's principal center. Instead, I was provided with a rationalization for a decision I find unacceptable.

Your letter implies that proximity to "high tech" industries was a factor working in San Dimas' favor. Yet this is the very reason for San Dimas' dismal employee retention record. High tech firms in California's Silicone Valley will continue to lure professional staff away from the equipment development program if San Dimas becomes the principal center. Last year alone, San Dimas lost approximately a quarter of its professional employees. In contrast, Missoula has no similar problem.

Missoula's location was another factor not adequately considered. I believe it makes sense to locate the principal equipment development center in an area within reasonable proximity to our forest lands and the timber industry. Have you considered the recently announced interchange of lands between the Forest Service and the Bureau of Land Management that will further isolate San Dimas while adding to Forest Service acreage in western Montana? Also, Missoula has the added advantage of being the home of one of the finest schools of forestry in the nation at the University of Montana.

You conservatively estimate the value of the existing San Dimas facility at $10 million. Certainly, the inflated value of property in southern California must account for much of this valuation. If you are serious about saving money without sacrificing the effectiveness of your equipment development program, selling the San Dimas facility and transferring the entire operation to Missoula is an option you should consider. I am certain that a suitable facility could be found in Missoula at a figure well below what it cost at San Dimas. Has this been considered?

On March 27, 1985, I wrote to you again bringing a letter from Professor John Miles of the Agriculture Engineering Department at the University of California-Davis to your attention. Professor Miles is highly critical of the quality of work being done at San Dimas. Your response to me merely encloses a letter from the Chief of the Forest Service's Engineering Division to Professor Miles defending the work at San Dimas. Frankly, I believe that Mr. Munez' defense of his employees' work misses the point. I wrote to you because the letter represents the views of an objective expert that should be taken into account before you make any decision on the overall program's future.

Once again, I request your personal intervention in reconsidering the selection of San Dimas in favor of designating Missoula as the principal center.

I fully intend to seek a legislative remedy for this situation unless you can provide a full justification for this decision. I will be calling you in the near future to discuss this matter in greater detail. Thank you for your consideration.

With best personal regards, I am

Sincerely yours,

MAX BAUCUS.

Mr. JOHNSTON. Mr. President, the amendment has been cleared on this side of the aisle.

Mr. HATFIELD. Mr. President, the amendment has been cleared on the majority side.

The PRESIDING OFFICER. Is there further debate on the amendment? If not, the question, is on agreeing to the amendment.

The amendment (No. 401) was agreed to.

Mr. JOHNSTON. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. HATFIELD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 402

(Purpose: To provide funds for the Commission on Merchant Marine and Defense.)

Mr. BYRD. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from West Virginia [Mr. BYRD] proposes an amendment numbered 402.

On page 36, between lines 19 and 20, insert the following:

Operation and Maintenance

OPERATION AND MAINTENANCE, NAVY

From funds previously appropriated and made available under this heading in other Appropriation Acts, the Secretary of the Navy may make payments of not to exceed $1,500,000 for expenses of the Commission on Merchant Marine and Defense as authorized in section 1536 of the Department of Defense Authorization Act, 1985 (Public Law 98-525).

Mr. BYRD. Mr. President, when the Senate considered the Department of Defense authorization measure for fiscal year 1985 in June of last year, an amendment which Mr. WARNER and I offered, to establish a National Commission on the Merchant Marine and National Defense, was adopted. The amendment authorized $1.5 million for the establishment and activities of the Commission.

That amendment was as follows, in part:

The Commission shall study problems relating to transportation, cargo, and personnel for national defense purposes in time of war or national emergencies, and the capability of the United States merchant marine to meet the needs for such transportation and the adequacy of the shipbuilding and mobilization base of the United States to meet the needs of naval and merchant ship construction in time of war or national emergency.

Based on the results of the study, the Commission shall make such specific recommendations, including recommendations for legislative action, action by the executive branch and action by the private sector as the Commission considers appropriate to foster and maintain a United States merchant marine capable of meeting national security requirements.

Mr. President, the amendment I have now offered would provide the

funds for the commission, and the House, I believe, has included this money in the bill. If this amendment is adopted, it will mean that this item will not be in conference.

Mr. President, I have discussed this amendment with the managers of the bill, and also with the distinguished Senator from Mississippi [Mr. STENNIS]. I believe that those Senators are willing to accept the amendment.

Mr. JOHNSTON. Mr. President, the amendment has been cleared on this side.

Mr. HATFIELD. Mr. President, the amendment has been cleared on this side.

The PRESIDING OFFICER. Is there further debate on the amendment? If not, the question is on agreeing to the amendment.

The amendment (No. 402) was agreed to.

Mr. BYRD. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. HATFIELD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. BYRD. Mr. President, I wish to thank both managers of the bill, and the distinguished Senator from Mississippi.

AMENDMENT NO. 403

Mr. HATFIELD. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from Oregon [Mr. HATFIELD] proposes an amendment numbered 403.

Mr. HATFIELD. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 71 after line 7, insert the following:

GEOTHERMAL RESOURCES DEVELOPMENT FUND
(BY TRANSFER)

For carrying out activities authorized by title II of Public Law 93-410 the Department of Energy is authorized to transfer no more than $15,000,000 to the Geothermal Resources Development Fund from unobligated balances within the Uranium Supply and Enrichment Activities account: *Provided*, That such transfer shall be reported promptly to the Committees on Appropriations of the House and Senate. The amount authorized to be transferred by this provision is in addition to the authority provided in sections 302 and 307 of Public Law 98-360.

Mr. HATFIELD. Mr. President, this amendment is designed to respond to an imminent problem with the Geothermal Resources Loan Guarantee Program.

The Department of Energy has requested additional transfer authority to meet obligations associated with potential loan defaults.

This amendment would authorize the transfer of up to $15 million to the Geothermal Resources Development Fund account from unobligated balances in the Uranium Supply account.

This amendment would not increase the budget, it is transfer authority only.

It has been cleared on both sides and I move adoption of the amendment.

The PRESIDING OFFICER. The Senator from Louisiana.

Mr. JOHNSTON. Mr. President, the amendment has been cleared on this side.

The PRESIDING OFFICER. Without objection, the amendment is agreed to.

The amendment [No. 403] was agreed to.

Mr. HATFIELD. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. JOHNSTON. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. McCLURE. Mr. President, earlier today we had several conversations concerning the Bureau of Land Management and Forest Service interchange proposal. I have a letter addressed to me as chairman of the subcommittee signed by Robert F. Burford, Director, Bureau of Land Management, and F. Dale Robertson for R. Max Peterson, Chief, Forest Service, which outlines their commitment to work with us in that program. I ask unanimous consent that a copy of that letter be made a part of the RECORD at this point.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

Hon. JAMES A. MCCLURE,
Chairman, Subcommittee on Interior and Related Agencies, Committee on Appropriations, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: We are writing in response to Senate Action in the 1985 supplemental concerning the Bureau of Land Management and Forest Service interchange proposal. We are committed to keep you and other members of the Senate and House Committee on Approporiations fully informed as to our progress in developing plans for implementation when appropriate legislation is passed.

We have both stated in public testimony and in letters to the Subcommittees on Interior and Related Agencies that we have no intention to implement the proposal prior to legislation. We are now obtaining public comment through formal hearings and in writing. We will not take action to implement the proposal until legislation has been enacted.

To further demonstrate our commitment to work with the Appropriation Committees on the interchange program, we will provide advance notice to the Committees of actions with a duration of greater than 90 days and that could be interpreted as implementing interchange prior to legislation. This would permit the continuation of already existing working arrangements whereby local managers of BLM and FS assist each other to most efficiently and effectively do project type work such as fighting fires, establishing land lines, managing grazing allotments, and sharing administrative services. This is particularly important in light of declining staffs and tight budgets.

We hope our willingness to submit these activities for the Committee's review will respond to concerns raised by the Committee. Again, we pledge our committment to work closely with you on the interchange proposal.

Sincerely,

ROBERT F. BURFORD,
Director, Bureau of Land Management.
F. DALE ROBERTSON,
(For: R. Max Peterson, Chief, Forest Service.)

Mr. HATFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. RUDMAN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 404

(Purpose: To provide appropriations for Economic Development Assistance Programs)

Mr. RUDMAN. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from New Hampshire [Mr. RUDMAN], for himself, Mr. HOLLINGS, and Mr. HATFIELD, proposes an amendment numbered 404.

Mr. RUDMAN. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

ECONOMIC DEVELOPMENT ASSISTANCE PROGRAMS

For an additional amount for "Economic development assistance programs", $30,730,000, to remain available until expended, of which $15,000,000 is for a grant to Thayer School of Engineering in Hanover, New Hampshire, for construction, renovation and related costs for facilities for its model interdisciplinary engineering program; $5,730,000 is for a grant to the City of Columbia, South Carolina, to assist in the completion of the relocation and consolidation of railroad tracks; and $10,000,000 is for a grant to the Oregon Health Sciences University Hospital in Portland, Oregon, for the south wing rehabilitation project.

Mr. RUDMAN. Mr. President, this amendment has been cleared on both sides with the subcommittee chairman and ranking member of the Appropriations committee as a package of three separate amendments in the commerce section of the Commerce-State

Subcommittee on Appropriatons. It provides a small amount of money, approximately $30 million, for three separate projects. The amendment has been cleared and I urge its adoption.

Mr. President, this amendment which appropriates $15 million to the Economic Development Administration for the purpose of making a grant to Dartmouth College's Thayer School of Engineering in Hanover, NH, for construction, renovation and related costs for facilities for its programs in four innovative areas: biomedical engineering, biotechnology, cold regions engineering, and computer systems engineering. This appropriation will pay for the bricks and mortar, so to speak, portion of the project, the entire cost of which is estimated to be $25.2 million. Thus, the university is paying for over 40 percent of the cost of this project with its own funds or money raised from the private sector.

At the outset, Mr. President, it should be noted that a significant portion of the new facilities funded by this grant, as well as the faculty and students so supported, will be directly involved in an ongoing cooperative program with the U.S. Army Cold Regions Research and Engineering Laboratory in Hanover. Major research projects now underway and planned, focusing on ice research, are of particular interest to the U.S. military and those corporations who must work in the polar regions. A new geophysics program presently being developed jointly by the Thayer School and Dartmouth's Department of Earth Sciences will further complement this cold regions work which is so vital to our national security.

Thayer School's programs in such areas as signal processing and biomedical engineering also have direct public application. Its work on computer systems indirectly benefits the U.S. Naval Academy, the Coast Guard and Merchant Marine Academies, and the Marine Corps facilities at Quantico, where there are extensive cooperative arrangements in this field.

This project will also be of tremendous benefit to the economy of the hard-pressed Upper Valley region of New Hampshire and Vermont. It is important to note that Dartmouth College intends to tie this project into a research industrial park to be developed without Government support. Land on which the park could be located has been purchased and a feasibility study is underway. A true accounting of the Federal share of this project would take the park into account and would show the Federal share to be well under 50 percent. As a believer in conservative accounting, I have not done this.

Finally, I should note that the Thayer School of Engineering is an exceptional model of engineering education which fosters leadership and innovation. The United States not only has a critical need for more engineers, which this project will help achieve, but for better engineers. The problems that face our Nation and our industries in areas such as productivity will not be solved by narrowly trained specialists, no matter how well trained such specialists are. Over the past 5 years, this problem has become increasingly recognized by leaders in education, industry and government. As Jerrier A. Haddad, former vice president of IBM observed in a 1983 article:

> As we look into the future we can see our present structural problems with engineering education only aggravated by rapidly changing practices and technologies. . . . [I]n a sense, what I am saying is that technology seems to be driving the engineering disciplines back together.

Robert M. White, president of the National Academy of Engineering observed in a 1984 address to the Academy:

> We are all aware of the frequently described and all too real problems associated with faculty salaries, vacancies, [etc.] It seems, however, that more fundamental questions need to be raised. We need to ask whether the fundamental structure of engineering education in the United States is adequate to meet our future needs.

Six months ago, Eric Bloch, the new President of the National Science Foundation, stated that "we need more research centers defined more by problem than by discipline."

In this context, the Thayer School of Engineering is a model program. The Thayer School's program is interdisciplinary—it is not broken down into the departments found at most engineering schools—and problem oriented. The school is focused around several "centers of technological innovation" in which students, in partnership with Government agencies and private companies, work to solve real problems. We need more engineers trained in this manner and more schools need to be encouraged to adopt this sort of approach.

For all these reasons, the amendment I am offering will be of tremendous benefit to the Nation and the region, and I hope my colleagues will agree to it.

Mr. HOLLINGS. Mr. President, on September 25, 1981, the Economic Development Administration approved a $5 million grant to relocate and consolidate many of the tracks of the Seaboard and Southern Railroad, including grade crossing elimination in an area west of the Columbia, S.C. central business district [CBO]. The project was designed to clear a 12,000-acre area for improvements to the central business district, so as to pave the way for construction of a hotel, convention complex and a continuing education center. The completion date is expected to be December 28, 1985.

With phase I near completion, it is now time to consider funding for phase II, which will eliminate the remaining tracks from the downtown area. Completion of this final segment is important because highway traffic in the area is projected to increase as new State facilities, such as a museum and riverfront park, bring additional traffic in the area. This growth in vehicular traffic, coupled with the remaining grade crossings, can only create an increasingly dangerous situation.

Phase II will also make possible the State's construction of a new major connector into the central business district that will utilize existing rail right-of-way. This project has been delayed for quite some time and construction of the connector will improve access to the three interstate highways that come through Columbia (I-20, I-77, I-26). This will greatly reduce congestion in the central business district.

Finally, as the first phase nears completion, significant cost savings can certainly be realized by the immediate implementation of this final segment.

The project would be undertaken as a joint effort of private, State, local, and Federal funds. Along with the EDA grant of $5,730,000, there will be additional funding to the total project cost of $10 million coming from the city of Columbia, State of South Carolina and the railroads.

Mr. RUDMAN. Mr. President, I ask unanimous consent that the Senator from Washington [Mr. GORTON], the Senator from South Carolina [Mr. HOLLINGS], the Senator from Oregon [Mr. PACKWOOD] and the senior Senator from Oregon [Mr. HATFIELD] be added at cosponsors to this amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HATFIELD. Mr. President, the amendment has been cleared on this side.

Mr. JOHNSTON. Mr. President, the amendment has been cleared on this side.

The PRESIDING OFFICER. Is there further debate? If not, without objection, the amendment is agreed to.

The amendment (No. 404) was agreed to.

Mr. RUDMAN. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. HATFIELD. Mr. President, I move to lay that motion on the table.

The motion to lay on the table is agreed to.

Mr. RUDMAN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

AMENDMENT NO. 405

Mr. DOLE. Mr. President, I send an amendment to the desk and ask for its immediate consideration. I would indicate I understand this amendment has been discussed on each side but I would be happy to explain the purpose of the amendment.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Kansas [Mr. DOLE] proposes an amendment numbered 405.

On page 5, after line 20, insert the following:

For an additional amount for a grant under the Act of August 4, 1965, as amended (7 U.S.C. 450i) to the University of Kansas for the evaluation and transfer of remote sensing applications to agricultural users, $200,000.

Mr. DOLE. Mr. President, I would hope the amendment is self-explanatory.

The amendment would provide an initial $200,000 in startup funds for the development of a remote sensing project under the Kansas Applied Remote Sensing [KARS] Program which operates through the University of Kansas Space Technology Center. An additional sum of $200,000 would be needed for fiscal year 1986 and fiscal year 1987 to complete the project. This project at the University of Kansas would stimulate a more effective use of remote sensing by business firms, farmers, and government agencies in not only the State of Kansas but in the Midwest and nationally as well. Kansas University would be the catalyst to facilitate application of remote sensing technology and serve as a training center on how to apply existing data from Landsat and other remotely sensed data sources.

Remote sensing technologies have great potential to help collect valuable, often unique information about the Earth's land and water resources through the use of cameras, scanners, and radars mounted aboard aircraft and orbiting satellites. The technology can provide rapid repetitive coverage of large areas (counties, States) at a relatively low cost.

The focus of the research at Kansas University would be agricultural oriented with the potential for delivering accurate and timely information for use in marketing, developmental planning, and resource management. Possible applications for agriculture include: Land use inventories, water management, wildlife evaluation, strip mined land assessment; crop and rangeland resource inventory and evaluation, assessment of crop stress and mapping of major soil boundaries.

Mr. JOHNSTON. Mr. President, we have no objection to the amendment.

The PRESIDING OFFICER. If there is no further debate, the question is on agreeing to the amendment.

The amendment (No. 405) was agreed to.

Mr. DOLE. I thank my colleague from Louisiana and my colleague from Oregon.

Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. McCLURE. Mr. President I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. McCLURE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. COCHRAN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 406

(Purpose: To allow Agricultural Stabilization and Conservation county committees to continue to lease office space for their own use or on behalf of other agencies of USDA when the space will be jointly occupied)

Mr. COCHRAN. Mr. President, in behalf of myself and Senators BURDICK and STENNIS, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Mississippi [Mr. COCHRAN], for himself, Mr. BURDICK, and Mr. STENNIS, proposes an amendment numbered 406.

On page 8, after line 26, insert the following: None of the funds provided for fiscal year 1985 in this or any other act shall be available to restrict the authority of the Commodity Credit Corporation to lease space for its own use or to lease space on behalf of other agencies of the Department of Agriculture when such space will be jointly occupied.

Mr. COCHRAN. Mr. President, this amendment would allow the Agricultural Stabilization and Conservation Service [ASCS] to continue to be the Agency which enters into leasing agreements for office space colocated by ASCS and local field offices of other USDA agencies. ASCS administers the programs under the jurisdiction of the Commodity Credit Corporation.

The Commodity Credit Corporation Charter Act granted authority to ASCS county committees to negotiate and contract for office space used by ASCS county offices. The committees have been using that authority to contract for office space shared by ASCS and other agencies, including county offices of the Farmers Home Administration, the Soil Conservation Service, Federal Crop Insurance Corporation, and Forest Service. This practice has provided, over the years, office space for these agencies at a low cost to the Government.

However, the General Services Administration [GSA] has raised objections to this practice, because the procedure used by the county committees has not conformed to the practices or requirements of the GSA. Because ASCS was the only agency given its own leasing authority in the CCC charter, other USDA agency leases fall under the jurisdiction of the GSA. As a result, GSA has proposed to terminate the authority of ASCS county committees to enter into leases which affect these other agencies.

This decision was made without regard to the actual cost benefits of the GSA leasing procedures in rural areas. These procedures would produce excessive paperwork for only a small amount of space, and would result in greater costs to the Government than the current practices.

This amendment would allow county committees to continue their current practices.

It has been cleared by Senator ABDNOR, chairman, and Senator DECONCINI, ranking minority member, of the Treasury, Postal Service Appropriations Subcommittee, which oversees funding for GSA.

Mr. President, I have discussed this amendment with the distinguished ranking minority member of our subcommittee on agricultural appropriations. He not only supports the inclusion of this language in the bill, but is a cosponsor of the amendment. I understand that it has also been cleared with all other necessary parties on both sides of the aisle and we hope that the amendment can be accepted.

Mr. HATFIELD. Mr. President, the amendment has been cleared on the majority side of the aisle.

Mr. JOHNSTON. Mr. President, this amendment has been cleared on this side.

The PRESIDING OFFICER. Is there further debate on the amendment? If not, the question is on agreeing to the amendment.

The amendment (No. 406) was agreed to.

Mr. COCHRAN. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. HATFIELD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. COCHRAN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. RUDMAN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 407

Mr. RUDMAN. Mr. President, I send an amendment to the desk in behalf of Senator KENNEDY.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from New Hampshire [Mr. RUDMAN], for Mr. KENNEDY, proposes an amendment numbered 407.

At the appropriate place insert the following:

For the Private Sector Exchange Programs, an additional $500,000 is provided, to remain available until expended, for the model Chinese-American Development Student Exchange Program at Tufts University as authorized by the Mutual Educational and Cultural Exchange Act, as amended (22 USC 2451 et seq).

Mr. RUDMAN. Mr. President, this amendment is a very small amendment in the amount of $500,000. It provides $500,000 for the Chinese-American Development Student Exchange Program at Tufts University. The program will establish an internship of Chinese students in the American business practices.

The need for establishing such an exchange program with China is becoming more pressing every year. The U.S. Information Agency, which administers many of this country's student exchange programs, stated:

Educational exchanges remain the highest priority item with both the Chinese and the U.S. * * * As political issues have created both heat and coolness in bilateral relations, educational and cultural exchanges become more and more an element of continuity.

Tufts' program will be the first of its kind in this country. Students will undertake academic course work at the Fletcher School and will participate in an internship program with American businesses.

Tufts is uniquely suited to undertake such a venture. With its schools of veterinary medicine, human nutrition, and the Fletcher School of Law and Diplomacy, Tufts has the resources that meet the needs of students from a developing country.

Tufts has shown unusual initiative and leadership in bringing together the needed elements for opening an exchange program with China. The president of Tufts had already traveled to China to lay the groundwork for this program. The university has started to secure commitments from American corporations for internships. Tufts has also begun to raise the additional funds necessary for the program.

Given the importance of educational exchanges with China, the special qualities which Tufts brings to bear on the problem, and the leadership shown by the university, I ask support for this amendment.

Mr. HATFIELD. Mr. President, the amendment has been cleared on this side of the aisle.

Mr. JOHNSTON. The amendment has been cleared on this side of the aisle.

The PRESIDING OFFICER. Is there further debate? If not, the question is on agreeing to the amendment.

The amendment (No. 407) was agreed to.

Mr. RUDMAN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. McCLURE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. STAFFORD. Mr. President, I am concerned about a provision in the supplemental appropriations bill which affects the Federal-Aid Highway Program and the highway trust fund. I wish to ask the distinguished chairman of the Subcommittee on Interior and Related Agencies, Senator McCLURE, a few questions about the general provision on page 110, beginning on line 21 of H.R. 2577.

Mr. McCLURE. I am pleased to answer any questions the distinguished chairman of the Environment and Public Works Committee has about this provision.

Mr. STAFFORD. The Federal-Aid Highway Program is funded by highway user fees collected into the highway trust fund. Money for the program is limited to the amount of revenues coming into the fund. There can be no deficit spending for the highway program. Since needs far exceed the available revenues for new construction and rehabilitation of the roads and bridges on our highway system, difficult choices must always be made.

Mr. President, the original provision affecting Highway 209 in Pennsylvania and I-287 in New Jersey was not reviewed by the Environment and Public Works Committee. There is a concern that the Federal-State partnership works best when the State also makes a contribution to a project. If 100 percent Federal funding is provided, the leveraging power of Federal dollars is eroded.

I ask my distinguished colleague from Idaho the following:

First, is it the Senator's understanding that the 100-percent Federal funding provided for the construction of I-287 in New York is limited to 0.6 mile between the New Jersey border and the New York Thruway and that additional costs resulting from 100-percent Federal funding for that segment will be limited to approximately $1.7 million or the amount determined eligible in the latest approved interstate cost estimate;

Second, is it the Senator's understanding that the additional 10 percent in Federal funds may be provided out of general revenues or out of the highway trust fund; and

Third, would the distinguished chairman agree that the per trip fee for commercial vehicles on Highway 209 should be reviewed periodically with regard to the need for repair and operation of Highway 209 due to truck traffic and in view of the limited revenues available for park roads?

Mr. McCLURE. I would be happy to respond to the distinguished Senator from Vermont. I understand that there are limited funds available from the highway trust fund and the Senator is correct that it is the intent of the Appropriations Committee to allocate the 100-percent Federal funding from the trust fund or general revenues as described by the Senator from Vermont. I would also concur that the per trip fee should be reviewed.

Mr. STAFFORD. I thank the distinguished chairman of the Interior and Related Agencies Subcommittee for these clarifications and I look forward to working with him on this issue as the Environment and Public Works Committee begins its review of the reauthorization of the highway program.

AMENDMENT NO. 408

Mr. McCLURE. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The bill clerk read as follows:

The Senator from Idaho [Mr. McCLURE] proposes an amendment numbered 408.

On page 107, line 13, insert before the period the following: "; *Provided*, That funds hereafter appropriated for demonstration of the magnetohydrodynamics (MHD) technology shall become available for obligation only upon the execution of a cost-sharing agreement between the Department of Energy and the private sector which provides that a minimum of fifty percent of the cost shall be borne by the private sector; *Provided further*, That the determination of allowable private sector contributions in meeting the MHD costsharing agreement shall be the same as in other Clean Coal Technology projects funded under Public Law 98-473.".

On page 107, line 6, strike "$8,350,000" and insert in lieu thereof "$23,350,000".

Mr. McCLURE. Mr. President, the amendment does a number of things. I allowed the clerk to read the amendment so that those who are interested would have just a short while longer to be notified of both the content of the amendment and the opportunity to come to the floor to discuss it if they desire.

The MHD Magnetohydrodynamics Program, is a unique program in several respects, one of which is it has had more funding and more research and development over a longer period of time than most other of these coal burning technologies for the production of electricity in a more environmentally acceptable way. It, however, suffers from its own success in past funding because it now becomes ap-

parent that it is an unlikely near-term prospect for commercialization because of the cost of plants of the size likely to be purchased by utilities in the near future.

We are trying, however, to find a way in which we can best open the door to the continuation of the program rather than see it terminated because of those problems.

This amendment accomplishes two or three things. First, the last lines of the amendment overturn the deferral of money which is contained in the administration's request. It would reinstate the money for the balance of 1985.

Second, it separates the scientific research base and provides for continuation of unconditional funding of the scientific research that goes on as a base of support for the program.

Third, it says that after that research and that activity is paid for, the remainder of the program, which is demonstration in nature, will be funded but will do so only if it meets the kinds of tests which have been established for the clean coal technology program.

The distinguished Senator from West Virginia offered the amendments as a part of the compromise package in dealing with the Synthethic Fuels Corporation to set up a separate fund of money for clean coal technology, and we have a separate piece of legislation dealing with clean coal technology and the development of those technologies. There are a great many who are urging that MHD simply move over and compete for these moneys in that program, as all other technologies would compete.

We have elected in this amendment not to do that, for two reasons. One is that it is not clear to me that MHD, if it moved over and competed for that, would be successful competitors. I believe that the likelihood is quite the contrary, that MHD would not be a successful competitor in straight competition with other clean coal technology.

Second, by doing it in this way, we can give the MHD Program a clear leg up on their opportunity to get private sector funding, because we have separated out the total cost of the scientific-based program. So that the competition in the Clean Coal Fund will not have to bear the burden of either the cost or the competitiveness advantage of the financing of the scientific-based program.

I believe that this combination will give the MHD Program a much better opportunity to survive in a separate category, with the funding divided in this manner, than it would if it were moved over to the clean coal technology and competition for funding under that program.

Without burdening this discussion too long, let me suggest this much, in addition: For several years, we have said in the appropriations process that we expected the private sector to pick up more of the funding.

It is my understanding that, in spite of the continued suggestion from the Appropriations Committee that the private sector should participate more fully than they have been in recent years, the overall life contribution, over the life of the program, the contribution by the private sector, is about 10 percent. In the early years of the program, if my memory serves me correctly, the private sector contribution was a higher percentage of the program; but as we moved into the demonstration or predemonstration phases, where we were buying large pieces of hardware and the total annual cost was increasing, the private sector contribution, as a percentage of the whole, declined precipitately. If it were tested by the same standards that will apply to every other clean coal technology, it would fail.

I believe that this compromise would give it a better than fighting chance, if the private sector will make the contributions they have repeatedly assured us they were prepared to do but somehow just never quite got around to doing.

By segregating it away from the rest of the program, I believe that it is entirely possible that the project sponsors can arrange that private sector contribution and that we will see a successful continuation of the program.

As to those who might wonder what are the chances or prospects for success when I say near term, I do not think we are going to move to near term commercialization of this program, I say with absolute confidence, in less than 10 years, and more likely 20 years.

So we have a program which, if it is to be successful, must be maintained over a number of years in the future. Unless we get it in a better posture than it now is—and it has to be stacked up against the priorities that are inexorably forced upon us in a more stringent budget atmosphere—I think it will fail the test. This, I believe, gives us an opportunity to see that program move forward over the next several years on a more firm, consistent, and predictable basis.

Mr. CRANSTON. Mr. President, will the Senator yield?

Mr. McCLURE. I yield.

Mr. CRANSTON. Mr. President, I believe that the Senator from Idaho has offered a fine amendment, and I would like to be listed as a cosponsor.

Mr. McCLURE. I thank the Senator.

Mr. President, I ask unanimous consent that the name of the Senator from California [Mr. CRANSTON] be added as a cosponsor of the amendment.

The PRESIDING OFFICER (Mr. ABDNOR). Without objection, it is so ordered.

Mr. CRANSTON. I thank the Senator from Idaho.

Mr. METZENBAUM. Mr. President, I only heard the presentation of this amendment out of the side of my ear, but it sounds to me like this may be legislating on the issue that is contained in the amendment and changing some of the rules as they pertain to allocation of funds that would probably come before the committee of the author of the amendment.

Is the Senator from Ohio incorrect in that? Did I hear the Senator from Idaho incorrectly?

Mr. McCLURE. Only partially, because I would not contend that this does not affect the program. But let me tell the Senator how it is properly before this body on an appropriations measure.

The administration has requested the deferral of all the moneys. The question of the deferral is an Appropriations Committee function, and that deferral would ordinarily be before the body in this committee and in this legislation.

It is a conditional overturning of the deferral and outlining what is likely to occur with respect to the future appropriations. I do not know how you slice that in terms of which is the dominant aspect of it. I say to the Senator from Ohio, however, that it is the opinion of this Senator that if we cannot do something of this nature now, we will not overturn the deferral.

Second, if the Senator is concerned about the substance rather than the procedure, we will have the opportunity to address that question when we deal with the authorization bill and again with the appropriations bill for the 1986 appropriations.

Mr. METZENBAUM. Let me read the amendment, and I have checked with the Parliamentarian, and it is legislation on an appropriation bill.

I am frank to say to the Senator from Idaho that I am not certain whether I agree or disagree with the thrust of his amendment. I am certain that this is not the right way to proceed.

The Senator says in the amendment that the demonstration funds for the magnetohydrodynamic technology shall become available only upon the execution of a cost-sharing agreement between the DOE and the private sector, on the basis of 50 percent of the cost to be provided by the private sector. Then there is a proviso. What would it be without that?

Mr. McCLURE. First, I do not agree that it is legislation on an appropriation bill. It is a limitation of the expenditure of money.

Mr. METZENBAUM. I will make a parliamentary inquiry.

Mr. McCLURE. If the Senator wants it to turn on that subject, let me also suggest that, even if he is successful in making the point of order and the amendment falls, all the money for the program is gone during the balance of 1985.

If that is what the Senator wishes to do, I suggest that he turn to his friend, the Senator from Montana, who is right next to him.

Mr. METZENBAUM. First of all, I pose a parliamentary inquiry to the Chair, and I ask whether this is not legislation on an appropriations bill and therefore subject to a point to order.

Mr. McCLURE. A parliamentary inquiry, Mr. President.

Mr. METZENBAUM. I have a parliamentary inquiry.

The PRESIDING OFFICER. The Chair will try to answer the first inquiry.

Mr. McCLURE. Before the Chair answers that question, may I address an inquiry to the Chair?

Is it appropriate to answer a question with respect to a parliamentary inquiry on a point of order on legislation without the point of order being made—a hypothetical question?

The PRESIDING OFFICER. Any parliamentary inquiry is a hypothetical inquiry.

Mr. McCLURE. So, is the Chair saying, in effect, that it can rule upon the point of order?

Mr. METZENBAUM. I am not asking the Chair to rule on a point of order. I am not raising the point of order. I am pointing out to the Senator from Idaho that it is subject to a point of order, and I hope I will not have to raise it. The Senator took issue with me as to the correctness of the statement I had made previously.

Therefore, I am making the parliamentary inquiry.

The PRESIDING OFFICER. The Chair rules that the amendment contains language of limitation subject to a contingency which is legislation as well as directive language which is also legislation.

Mr. METZENBAUM. I did not hear the Chair. I could not understand the Chair.

The PRESIDING OFFICER. The amendment contains language of limitation subject to a contingency which is legislation as well as directive language which is also legislation.

Mr. METZENBAUM. And therefore would be subject to a point of order?

The PRESIDING OFFICER. It is subject to a point of order.

Mr. McCLURE. Mr. President, will the Senator yield for a moment?

Mr. METZENBAUM. I yield.

Mr. McCLURE. I do not intend to argue a parliamentary point of order at this time, as the Senator has not made the point of order.

Mr. METZENBAUM. That is correct.

Mr. McCLURE. I do not want to take the time of the Senate unnecessarily, but I will do so if the point of order is made.

Mr. METZENBAUM. Let me state further with the manager of the amendment: As I understand it, he is somehow saying that if you do not have this language all of the funds for magnetohydrodynamic technology would fail. Would he be good enough to explain that?

Mr. McCLURE. I will try again: The administration requested and included in their deferral request to the committee that all of the remaining funds for this program be deferred. If we take action on this bill without—let me add one other step there. We asked that they refrain from suspending obligations and expenditures of the funds until we could act, and they agreed to do that. So they have been spending the money. But if we act without overturning the deferral, they will then stop the expenditures of money during 1985. The bill contains in it no action overturning the deferral.

Mr. METZENBAUM. Without this language, as I understand the Senator from Idaho, he is concerned that the administration would defer all of the funds?

Mr. McCLURE. They have already requested that deferral and if we act without overturning it, they will do so.

Mr. METZENBAUM. And under the present arrangements with respect to the expenditures of funds for magnetohydrodynamic technology, what portion of the cost is provided or paid by the private sector?

Mr. McCLURE. Under the current conditions?

Mr. METZENBAUM. Yes.

Mr. McCLURE. The lifetime average of the private sector non-Federal contributions has been about 10 percent of the total. In recent years, however, it is much less than that.

Mr. METZENBAUM. Much what?

Mr. McCLURE. Much less than that.

There is no private sector cost share agreement now with respect to the present activities or the future activities in this program?

Mr. METZENBAUM. So what the Senator is saying, under his amendment, he will provide that the private sector will have to pay at least 50 percent of the demonstration project and that if we do not get the amendment, then nothing in the bill would cause this to occur, but the administration would defer the utilization of any of the funds, and with the amendment possibly the administration would not see fit to move in that direction. Is that the Senator's point?

Mr. McCLURE. The amendment overturns the deferral. That is the effect of the bottom line in the amendment. What the Senator sees there is only a change in figures, but that is what the effect is.

Mr. METZENBAUM. So we are talking about a sum of $15 million.

Mr. McCLURE. Actually because of the agreement I referred to earlier where they had agreed to keep on spending until we had a chance to act on the initial deferral of $15 million, some of that money has been spent, and I think there is something between $6 million and $7 million still left in that fund. But the figure was the original deferral figure.

Mr. METZENBAUM. I understand the Senator's point. I do believe that as the chairman of the Energy Committee he would have had no difficulty in bringing this issue before us. I am aware of the fact that that would not have dealt with the money aspects alone but I think that it is an issue that more properly belongs in the Energy Committee. I think he makes a rather persuasive argument. I am not going to raise the point of order nor am I going to object.

Mr. McCLURE. I thank the Senator.

Mr. METZENBAUM. But I will ask him and I ask the chairman of the committee that we try not to legislate on appropriations bills. We say we will not. The rules do not permit us to do so. And this bill is replete with a number of instances where there is indeed legislation on the appropriations, and I just think it is not fair to the rest of the Members of the Senate who do not have an opportunity to know exactly what is being legislated.

Mr. McCLURE. I understand what the Senator is saying. I do not disagree in large part with the desirability of making legislative decisions in the authorizing committees rather than in the appropriations process. We will have that chance as we look at the Department of Energy authorization bill and as we go through the 1986 appropriation cycle.

There is nothing in this language here that will bind that action of either the committee or Congress in future actions with respect to this particular amendment. But it seemed to me that it was a way for us to move beyond where we now are, which was a simple deferral and termination of the program.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

Mr. BAUCUS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. PACKWOOD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HATFIELD. Mr. President, I ask unanimous consent that we temporarily lay aside the amendment now pend-

ing of the Senator from Idaho so the Senator from Oregon may offer an amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 409

Mr. PACKWOOD. Mr. President, I send to the desk an amendment and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Oregon [Mr. PACKWOOD] for himself and Mr. MATTINGLY proposes an amendment numbered 409.

Mr. PACKWOOD. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 149, strike all beginning at line 5 through line 14, and insert in lieu thereof:

It is the sense of the Senate that the Treasury Department shall examine the question of whether cooperatives subject to section 521 or Subchapter T of the Internal Revenue Code may net earnings and losses between and among any of their purchasing and marketing allocation units in determining the amount of patronage dividends to be issued and in determining their taxable income after the deduction for patronage dividends.

Mr. PACKWOOD. Mr. President, there is a section in the bill on page 149 that relates to the jurisdiction of the Finance Committee that would prohibit the Internal Revenue Service from taking certain actions.

My good friend, the Senator from Ohio, had intended to either raise a point of order against the legislation, and indeed it is legislation, and the Parliamentarian would have ruled it is legislation, or he was going to move to strike it.

The particular section is also of interest to our distinguished colleague from Georgia, Senator MATTINGLY, and Senator MATTINGLY and I have worked out a sense-of-the-Senate resolution which has now been offered as a substitute for the offending language, and I believe it is acceptable to both the Senator from Georgia and the Senator from Ohio.

I hope the Senate will immediately adopt it.

Mr. HATFIELD. Mr. President, the amendment has been cleared on this side of the aisle.

Mr. METZENBAUM. Has the amendment been offered?

The PRESIDING OFFICER. The amendment has been offered.

Mr. METZENBAUM. Mr. President, I wonder if the Senator from Oregon will be good enough to yield, for a series of questions, to the Senator from Ohio?

Mr. PACKWOOD. I am happy to yield for that purpose.

Mr. METZENBAUM. Mr. President, under this sense-of-the-Senate resolution, it provides:

It is the sense of the Senate that the Treasury Department shall examine the question of whether cooperatives subject to section 521 or Subchapter T of the Internal Revenue Code may net earnings and losses between and among any of their purchasing and marketing allocation units in determining the amount of patronage dividends to be issued and in determining their taxable income after the deduction for patronage dividends.

Is it not a fact that the Internal Revenue Service has, for a period of many years, been examining this very issue?

Mr. PACKWOOD. Since 1965—do not hold me exactly to the year; but a fair period of time.

Mr. METZENBAUM. And the IRS, in that period of time, has indicated its continued concern about this procedure of netting with respect to cooperatives because, as I understand it, by making adjustments between one cooperative and another, as well as a third or a fourth, even though cooperatives are not subject to tax, that there are significant tax consequences on this whole netting issue to the farmers involved and that the IRS has been concerned and continues to be concerned about the tax impact of this netting procedure.

Mr. PACKWOOD. My good friend from Ohio is correct. There is no question the IRS has a particular opinion on this and in this sense-of-the-Senate resolution we are simply asking the Treasury Department to examine it. We are not prejudging it. We do not ask them to reach a conclusion, nor does the sense-of-the-Senate resolution in any way mean that we are suggesting to the Treasury Department what conclusion they should reach.

Mr. METZENBAUM. And neither by implication nor by language nor by inference nor in any other way is the Senate indicating to the Treasury Department that we suggest they do anything different than that which they have been doing heretofore. Is that correct?

Mr. PACKWOOD. That is correct. We are simply asking them to examine it.

Mr. METZENBAUM. So, is it fair to say that we are, in a sense, stating that which is transpiring anyhow; that Treasury has been examining this and will continue to examine it and that there is not any particular net result or net message that is being sent by the Senate to the Treasury Department by reason of this action, other than we think they should examine it, which they are already doing.

Mr. PACKWOOD. My good friend from Ohio is correct.

I believe the Senator from Georgia has a few words to say.

Mr. METZENBAUM. Before I give up the floor—I believe I have the floor.

Mr. PACKWOOD. I thought I had the floor, but I will yield the floor.

Mr. METZENBAUM. I wish to ask the manager of the bill, Senator HATFIELD, a question. I do not see him on the floor at the moment. Perhaps it would be better if I yielded to the Senator from Georgia and when the manager of the bill returns I would like to make an inquiry of him on this subject.

Mr. JOHNSTON. Will the Senator yield?

Mr. METZENBAUM. I yield.

Mr. JOHNSTON. The Senator is aware that the bill itself, with an adopted Senate amendment, had language in it which required that these things be done—in other words, it would put it into the law—and what the Packwood amendment does is change that from having a legal effect to having a sense of the Senate that they should look at these things. Is the Senator aware of that?

Mr. METZENBAUM. I am aware of that, but I want to make it clear. The language of the Senate bill, which is to be found on page 149 from lines 5 through 14, did, indeed, provide for a change in the law. As the Senator from Oregon, the chairman of the Finance Committee, pointed out, I was prepared to raise a point of order with respect to that, the propriety of that being in the bill, it very properly being a matter for the Finance Committee, not for an appropriation bill. Second, I was prepared to move to strike, which the Senator from Oregon has done in this amendment. I do not want any implication or inference or suggestion made that the sense-of-the-Senate resolution is in any way related to the language that is being deleted, other than they deal with the same subject. But the thrust of each is totally different and I think the Senator from Oregon would totally agree with that.

Mr. PACKWOOD. The Senator from Ohio is correct. We are taking out the language, lines 5 through 14—that is gone—and we are substituting the sense-of-the-Senate resolution. We have already had a colloquy on that as to what the effect of that is.

Mr. METZENBAUM. I thank the Senator from Oregon and I thank the Senator from Louisiana.

Mr. MATTINGLY. Mr. President, may I assure the Senator from Ohio, since it was my amendment in the bill, that it is my intent to do what I can to insure that the sense-of-the-Senate resolution prevails when we go to conference.

My original amendment would have served to prevent the Internal Revenue Service from prohibiting farmer-owned cooperatives from doing what every other business enterprise in this

country does—offsetting any losses in one area of their operations against any gains in another area of business activity when determining their tax liability. This practice is commonly referred to as "netting" the gains and losses of the co-op. The issue here was and is one of fairness and equity. It is one in which we only sought to have farmer cooperatives and their 2 million farmer-members treated in an even-handed manner under the Tax Code.

Now, we have translated that into a sense-of-the-Senate resolution.

On April 2 of this year, Secretary of Agriculture John Block wrote to Treasury Secretary Jim Baker to ask that a recently issued technical advise memorandum prohibiting netting of gains and losses by farmer co-ops be withdrawn. In his letter Secretary Block stated that:

> Farmer cooperatives must have the authority to net gains and losses in their various divisions in order to survive in today's highly volatile agricultural industry. By netting gains and losses among several divisions, a cooperative may spread economic risk and significantly reduce the effect of catastrophic failure in any one of them.

On April 22 I was joined by 25 of our colleagues—including 5 distinguished members of the Senate Finance Committee—in signing a similar letter to Secretary Baker requesting that the IRS netting memorandum be withdrawn pending congressional action on tax reform. There would be no loss of revenue to the Treasury since netting has been allowed in the past and any revenue gains realized by disallowing it are not reflected in our baseline budget figures.

That is just part of the historical background on it.

I say to the distinguished Senator from Oregon that I believe that this sense-of-the-Senate resolution accomplishes the purposes intended by my amendment to this supplemental appropriations bill.

Mr. PACKWOOD. I thank my good friend from Georgia, and I thank the Senator from Ohio.

Mr. METZENBAUM. I thank the Senator from Oregon.

Mr. President, the Senator from Georgia said something in the very beginning of his remarks and I did not quite understand it. I was not sure if he was addressing himself to the conference committee. Will he be kind enough to repeat them?

Mr. MATTINGLY. I thought the question the Senator asked the Senator from Oregon and was waiting to ask the chairman of the Appropriations Committee was: Would the resolution be the substance of the conference agreement or would something closer to the original bill language emerge? It would be my intent to honor my word and do what I can to see that the sense-of-the-Senate resolution prevails.

Mr. METZENBAUM. If I may just repeat that. The Senator is giving his word that the sense-of-the-Senate resolution is that which will come out of the conference committee and there will be no effort to put back in anything like the language that was in the bill when it came to the floor. Am I correct in that?

Mr. MATTINGLY. That is my intention.

Mr. METZENBAUM. I assume that the manager of the bill on this side would have no difficulty in agreeing to that posture as stated by the proponent of the amendment himself.

Mr. JOHNSTON. Mr. President, the Senator from Ohio is correct.

Mr. METZENBAUM. I thank the Senator from Louisiana.

Without wishing to delay this body from proceeding forward, I am assuming that the representation of the Senator from Georgia with respect to the position of the manager of the bill will be that which will prevail and should there be any change that I would be notified of it immediately and prior to disposition of this measure.

With that, I have no objection to proceeding forward with the amendment.

Mr. MATTINGLY. I would be happy to notify the Senator from Ohio of any developments.

Mr. METZENBAUM. I thank the Senator.

Mr. MATTINGLY. I would like to add that even though we have agreed to a sense-of-the-Senate resolution, that when another appropriate vehicle comes forward in the Congress we will probably engage in further discussion and try to remedy this inequity if it still exists.

The PRESIDING OFFICER. Is there further debate on the amendment? If not, the question is on agreeing to the amendment.

The amendment (No. 409) was agreed to.

Mr. PACKWOOD addressed the Chair.

The PRESIDING OFFICER. The Senator from Oregon.

Mr. PACKWOOD. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. MELCHER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 408

Mr. MELCHER. Mr. President, what is the pending business?

The PRESIDING OFFICER. The amendment of the Senator from Idaho, No. 408.

Mr. MELCHER. Mr. President, is that the MHD amendment?

The PRESIDING OFFICER. It is.

Mr. MELCHER. I thank the Chair.

Mr. President, a great deal of work has gone into MHD. It is a process to utilize coal in better ways to generate electricity. But we have had a sufficient amount of work. Every year for the past several years the idea has been that perhaps a small amount of R&D money—about $30 million—would be adequate to move the work forward. It moves it forward about that much, but it is still not at a pace that is satisfactory. A number of contractors, of course, are interested in the concept. And I would like to dispel some of the idea that might originally come to mind that perhaps we are just interested in the concept because of the contracting that might flow to them if MHD work continues. But it is a lot more than that, Mr. President. Some of these contractors have been industrious and ambitious for this concept to be practical and applied in a commercial basis for the past 20 years, and more. Some of them have spent sums of their own money initially in small-scale component parts to prove to themselves that they could conceive and could be confident that the technology was good. AVCO, TRW, some of the universities, Mississippi State, the University of Tennessee, Stanford, MIT. They have long been in the work, and have long been disciples of not just proving the concept but making it practical from a commercial standpoint. I have heard some of the explanation of the amendment of the Senator from Idaho. One might conclude from that amendment two different things. One would be that the research and development on MHD has gone far enough now where a demonstration plant of a commercial size is right at hand. I wish that were true. That is not true.

Some might draw the conclusion that the language of the amendment and the colloquy that would follow on would be satisfactory for AVCO, TRW, the University of Tennessee, Stanford, Mississippi State or MIT, Massachusetts Institute of Technology. Well, it is not so, Mr. President, because the work that these contractors do has to be tested as a component working with other components to see whether they can scale up to commercial size. It would be very difficult to utilize any of these funds that would be available by any of these contractors because it does not make much sense to develop a component from one of the contractors at a particular scale, and then not be able to utilize it in the demonstration and testing facility at Butte. For a long time I think it has been believed that perhaps most of the $30 million which has been appropriated for the past several years goes to the testing facility at Butte. No, Mr. President, that is not true. Something less than $10 million actu-

ally of that amount—something less than one-third—supports the testing and integration facility of the various components at Butte.

Last Congress I introduced a bill that would be a program for MHD relating to the actual facility where we are at a commercial-size plant that would require private funding for a portion of it. The bill did not get out of committee. But it should this year because such a program is absolutely essential to give us the longer range blueprint of where we are going with this technology.

I hope we do have all the necessary input, the necessary discussions, and the understanding to pass such a bill this year or early next year. But to at this point in time on a supplemental appropriation change a course in such a manner as the amendment of the Senator from Idaho would do would be tantamount to saying, well, we have a little bit of money left over, we are going to put out a few contracts but we will not be able to really do much with them after the contracts are fulfilled because there will not be any means of actually testing them to see whether they would be integrated, and whether they are making any progress in scaling up the various components that are necessary to reach the commercial size so we can have the demonstration program, which of that type correctly and wisely should be partially funded by the private sources in order for them to share again in the cost of final completion of successful demonstration of this technology.

Mr. President, I am sure there will be others who will want to discuss this matter. I am certain that, if we are to continue for any length of time here this evening, we would want to perhaps modify or substitute the amendment where it could be acceptable.

Mr. McCLURE addressed the Chair.

The PRESIDING OFFICER. The Senator from Idaho.

Mr. McCLURE. Mr. President, let me respond in this way to the remarks of my friend from Montana.

I detected in his remarks some uncertainty as to what I meant to say. I do not want there to be any uncertainty.

It is my opinion that MHD is not a candidate for near-term commercialization. I think we can say, with some certainty, that the developmental difficulty and the course that would have to be followed before we got to the point of commercialization is at least 10 years, and some would argue as much as 20 years.

That fact, coupled with the likely technological results that these plants would have to be very large plants to be commercially competitive with other forms of this technology, do not fit the near-term needs of most utilities. So long as we have relatively flat growth rates for electricity, very few utilities are making any plans to put on line new generating facilities to come on line in increments of 1,200 to 1,300 megawatts. Most are looking for technologies that will allow them to produce something smaller than that and fit it to the growth curve of their utility.

It is only when you get to those very large sizes that it is likely that MHD will be commercially competitive with other technologies.

The question is not, in my mind, whether it is a needed subject for commercialization, because I think it is not, but the question is how do you develop a program that can be legitimately funded for the next 10 to 20 years, and at the same time, allow it to compete for scarce Federal funds in a market in which we are moving in several different directions with other technologies competing for those funds.

My dilemma, as I look at this as chairman of the committee that has to look at the authorizing and funding of these projects, is when we look at other coal technologies and put MHD in direct competition, either in fitting in with a program or for funding, with those constraints, MHD falls off the bottom of the priority list.

I know there are many people who have commitments to MHD, and some, like my friend from Montana who has an installation in his State, have to be concerned that it does get terminated, that somehow we can keep that program alive and moving forward.

My amendment is a good-faith effort to do that in two ways. One is to remove it from direct competition with other coal-burning technologies by setting up a separate, specific line item for it.

I have to be honest in doing that. I have to be able to at least rationalize that in my mind before I can support that effort.

Second, by taking out the scientific component and funding it fully so that the scientific component does not become either a competitor for the demonstration nor add to the difficulty of finding private sector lending funds to match that scientific component, that reduces the cost of the demonstration part of this program.

This is small-scale demonstration. It is not really full-scale demonstration. It is somewhere above the laboratory level and somewhere beyond the research level, which shows the proof of concept, which is beyond subcommercial demonstration. It is a demonstration of the technology and means to build hardware, test that hardware in operation, and test whether or not the research theory works out in practice. Does the hardware work? Does it turn out electricity? What is the cost of that electricity it turns out?

That development program will take some time to come to fruition.

When we initially considered this legislation, it was my judgment and the judgment of the committee that we should not overturn the deferral because we could not see a clear path toward continuing the program on into the next 10 or 20 years, and that if we could not see the path to continue the program, it ought to be terminated.

What is developed in this amendment is what I hope is a path which will yield at least the opportunity for this project if it can meet the same kind of test with respect to non-Federal funding that all other coal technologies must meet under the Clean Coal Act. Then it could be continued.

By separating out the scientific expenditures as separate expenditures, it enhances its capacity to do that and separates it from the necessity of meeting the competition of other clean coal technologies that show real prospect for commercialization in less than the 10 or 20 years that MHD has.

I can understand that this is not all that MHD proponents would want, and I have been a supporter of the MHD program for a good many years.

As the Senator from Montana knows, we have had conversations over the last several years with respect to the continuation of the program and private-sector funding. Every year we have received the assurances that next year there will be private-sector funding, that this consortia or that consortia will step forward. Every year when we got around to it, they did not step forward. They did not put any money in. They did not make the contribution.

We are requiring more non-Federal funding in all of the rest of the coal technologies.

I have to stand here on the floor of the Senate and look the Senator from West Virginia in the eye, the author of the Clean Coal Act, the author of the funding, and tell him, "We are going to let MHD get by without the same requirements as your project."

I look at every coal-State Senator on the floor and say to them, "We have a better deal from MHD, but we are not going to let you fellows in on it."

Mr. MELCHER. Will the Senator yield?

Mr McCLURE. I am happy to.

Mr. MELCHER. The Senator was speaking about getting to commercial size. I just want to clarify that because I think the Senator may be beyond the scope of the MHD concept.

It is the feeling of the scientists, researchers, developers, and engineers who have been plugging away on MHD that a proper application commercially will be for a topping cycle on an existing steam generating plant. All the information they have is that the utilization of coal and MHD technology will be so much more efficient,

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moving the efficiency of coal from 35 or 37 percent up to 50 to 54 percent, somewhere in that range, that probably the MHD topping cycle from the onset will be a cheaper operation facility than the traditional or conventional coal-fired steam generators.

I think perhaps the chairman of the Energy and Natural Resources Committee and the chairman of the subcommittee of the Appropriations Committee handling this appropriation perhaps misspoke when he said, First, large-size commercial plants. That is not in the picture; and second, that it would be fitting into the mold of what size these plants are nowadays and the load base that is necessary for utility plants, that it would be too large.

That is not where we are at all. We are at demonstrating as a topping cycle on an existing steam generating plant, that the topping cycle from the beginning will probably demonstrate a more efficient, therefore a cheaper, way than the steam-generated plant.

Mr. McCLURE. Mr. President, I appreciate the comments of the Senator from Montana. I am aware that some are making that suggestion now. Indeed, some are trying to move in that direction.

Perhaps the Senator from Montana has more information about that than I do.

Mr. DOLE. Mr. President, will the Senator yield for just an observation?

Mr. McCLURE. I am happy to yield to the majority leader.

Mr. DOLE. I do not know how close we are to completing this amendment, but perhaps if we are near where we could move on to the Jordan matter, the Senator from Indiana, the chairman of the Committee on Foreign Relations, would be willing to take it up if we could set this aside and then we could move on. A number of Members have been inquiring about when we might depart this evening. That will be possible once we finish the bill.

Mr. McCLURE. Mr. President, I thank the Senator. If I may continue for just a moment longer, perhaps then we shall be in a position to answer the question.

Mr. DOLE. I thank the Senator.

Mr. McCLURE. The Senator from Montana had indicated that he believes that the topping cycle is a near-term application that is likely to be able to increase the efficiencies and therefore be economically viable earlier as the topping cycle might come out as an independent producer. Let me make this suggestion to the Senator, then.

I would be willing to accept as an alternative to what we are doing a provision that would allow the MHD program in whichever form—topping cycle or otherwise—to move in and compete with clean-coal technology completely. It is my judgment that it could not do so, but if he believes that it could and he would prefer to do it that way, we shall just make it a straightforward competitor with all the rest of the clean-coal technology.

Mr. MELCHER. Mr. President, would the chairman yield?

Mr. McCLURE. I shall be happy to yield.

Mr. MELCHER. I thank him for yielding.

First, Mr. President, I want to make it clear that having a topping cycle is not something new with me or a few people who are interested in MHD. It has been the concept for at least 10 years that it would be a topping cycle. I suspect if we add AVCO and the University of Tennessee and Stanford and MIT and Mississippi State and General Electric and Westinghouse, they would all say that same thing, probably longer than 10 years. That is the first step of the question the Senator poses about being competitive. There is no way of being competitive until we scale up the components to a size that we can put it on such an existing commercial plant as I have previously described. We are not at that point, unfortunately.

We could have been if, instead of appropriating $30 million per year for the past 5 years, we had been appropriating $70 million to $80 million a year. We would be at that point. Because we slowed the program down just to be able to keep plugging away at it, we have only spent less than half as much as we should have during the past 5 years. That is exactly why we are not at the commercial size.

When I say "commercial size," Mr. President, I am speaking directly to a topping cycle to be utilized on an existing plant to demonstrate that indeed, it is.

I am not speaking as some voice in the wilderness, some person, not really crying as John did as one voice in the wilderness, making way for the coming of the Lord, our Savior, but I am speaking as the entire MHD community speaks and the electrical-generating community speaks. I am speaking as they speak. They say this is the proper step and these are the things that have to be done.

Mr. McCLURE. Mr. President, I again will say to the Senator from Montana that if, indeed—that is not my judgment. My own judgment, from the review of the material and the people who have advised me with respect to the likelihood of success, has been less optimistic about that prospect than is being expressed by the Senator from Montana.

I do not suggest that the Senator from Montana does not have people who are suggesting that to him. It is just that I have a different judgment. He may very well be right.

But if I am right, Mr. President, this amendment serves the program better. If he is right, we do not need any crutches and we can meet the competition of the clean-coal program without any crutches.

I offer him the alternative, if this is not the way to do it, if this does not need the help that this amendment gives, let us just put it over into the clean-coal technology competition and it can compete along with all the rest of the clean-coal technologies for available funding. I shall do it either way the Senator from Montana wants.

Mr. MELCHER. Will the Senator yield, Mr. President?

Mr. McCLURE. I shall be happy to yield.

Mr. MELCHER. I suspect I should draft an amendment and I shall be delighted to draft an amendment. But if the chairman is saying that the technology is available for components of scaled-up size to do what we have been describing, I would have to say no, it is not. If the chairman is indicating that, somehow, these universities and these contractors other than the universities can match 50-50 on the development of the components, I would have to say they cannot.

If the chairman is saying that the utility companies can pick up the tab at 50 percent for this R&D work for components that are not to scale—are not to scale—and have not been tested, then I would have to say that they will not, they cannot do it. At the time when they can invest their money, as the chairman knows better than I, and satisfy the laws that they live under on what they can invest insofar as ratemaking laws are concerned, when it is up to scale, I think the funds will be there.

But not being up to scale, what I am saying is that the chairman has prescribed some language that, in the opinion of all the people who are involved in this in the research and development in the private sector, will be unworkable for them, so they will just be out of the picture. I have listed them, but I can repeat them.

I have been told that Mississippi State, AVCO, TRW, Universtiy of Tennessee, Stanford, Massachusetts Institute of Technology, Westinghouse—and I do not have GE on the list, but I have been told that they would be completely out of the program because they are not making components of the right scale yet for utilization in this topping cycle.

(Mr. COCHRAN assumed the chair.)

Mr. McCLURE. Let me say to the Senator, if, indeed, they have advised him of that, they have advised him wrongly, be it based on faulty information as to what the amendment will do or communicated erroneously to him, because much of their activity would fall within the basic research, which is funded fully and is not subject to the 50-percent match.

Many of the entities to which the Senator has made reference just now would find themselves in an entirely different category.

Mr. MELCHER. Does the chairman mean by that that somehow the component they build would not have to be tested, would not have to be integrated with other components that are being built in order to find out whether they are at a proper scale and whether the concept really is correct?

Mr. McCLURE. I say to the Senator that the research program might indeed have to be tailored and retooled and redirected to fall within that context if indeed they found it impossible to find a non-Federal sponsor for the demonstration of those components.

Mr. MELCHER. I might ask the chairman, does that not mean everything falls if there is not a facility that can demonstrate——

Mr. McCLURE. No, it does not.

Mr. MELCHER [continuing]. That at that scale—I am not talking about a demonstrating plant. I am only talking about demonstrating on a smaller scale—they have a component that is worthy of scaling up to get to commercial size?

Mr. McCLURE. The basic research would be funded and could continue, but it might be redirected in some of its respects rather than putting the money into the hardware of demonstration size which is the current program.

Now, I was asked by the majority leader a moment ago if we would be willing to set this matter aside so that the distinguished Senator from Indiana, the chairman of the Foreign Relations Committee, could offer an amendment. Pursuant to the request of the Senator from Kansas, the distinguished majority leader, I ask unanimous consent that the pending amendment be laid aside temporarily so the Senator from Indiana might offer an amendment.

The PRESIDING OFFICER. Is there objection?

Mr. BAUCUS. I object, but only temporarily.

The PRESIDING OFFICER. Objection is heard.

Mr. BAUCUS. I would like to ask a question of the Senator from Idaho. It seems to me that a large part of the discussion revolves around whether and to what extent MHD funding is research and development, and to what degree it is phasing into the next stage demonstration.

I ask the Senator from Idaho whether he agrees with the Department of Energy that we are now in a "proof-of-concept" testing program, under DOE's coal technology program; that this proof of concept is expected to continue about 3 or 4 years, maybe 5 or 6 years; and, that at the completion of the proof of concept, the program would then move out of research and development and then into demonstration?

And is it not also the understanding of the Senator from Idaho that the facility in Montana, as well as the facility in Tennessee, are in this proof-of-concept stage, to be finished in about 3 to 5 years and at that stage we then move into the demonstration stage?

Obviously, the intent of my question is, isn't the effort undertaken in Butte, MT, as well as in Tennessee, in the proof-of-concept stage; and therefore, in the research and development stage, and therefore not within the definition of "demonstration" as the term is used in the Senator's amendment?

Mr. McCLURE. Mr. President, the Senator asks a very difficult question and I will try to be as direct and clear as I possibly can be in response. Research and development is in itself made up of different stages of research at different levels of activity and different sizes of activity, and it moves through what some would say was proof of concept but still in a laboratory setting, proof of a concept as a research project inside a university laboratory, or you can move it the next step which is precommercial by building components of larger size and testing them in the field to prove that the concept works in that setting at that size. It is not full commercialization. And in some respects some might say it is not even a full-size demonstration plant; it lies somewhere in between.

Much of the work is being done in Tennessee—not all of it—and most of the work that is done in Montana is dependent on that scale of demonstration of what is theory in the lab. Now, I do not know whether you call that demonstration or not. I would. Within the context of the amendment that I have offered I would expect that it would fall within what is here called demonstration. I would also expect that if there are non-Federal sponsors of that activity to 50 percent of the cost of that activity, you would not see any change in the research program that is now underway to evaluate what they see in the demonstration in Butte. You would see the continuation of those research efforts much as they are constructed today. If, however, the demonstration was terminated for the lack of non-Federal funding, the basic research and the proof of concept would be restructured according to that situation.

Mr. BAUCUS. To what degree, in the opinion of the Senator from Idaho, is the MHD funding in Montana and Tennessee research and development and to what degree is that funding demonstration?

Mr. MELCHER. In Montana or the whole program?

Mr. BAUCUS. In the two States of Montana and Tennessee. What would be the ratio of spending for research on the one hand and demonstration on the other?

Mr. McCLURE. I find that difficult to answer, and rather than hazard a guess and be inaccurate, let me try to answer by saying it is again my belief that the majority of the work now being done in the Butte facility is demonstration and a small, very small proportion of it would not be called demonstration. The proportion of it which is in Tennessee is a little higher proportion research, a little proportion demonstration but still a majority demonstration. And again, if the program continues as it now is and if under the amendment which I have offered non-Federal sponsors for half that cost could do so, I would anticipate that it would go as it now is going. If, however, non-Federal sponsors were not found and that portion of the program were therefore terminated, it would be my expectation that a majority of the activities in Tennessee would be restructured to fit the basic science category and all of the rest of the functions at non-Montana locations would be restructured and continue at current levels of funding. The Montana program, however, being primarily and dominantly demonstration, would be dependent upon 50 percent funding in order to be continued.

Mr. BAUCUS. I thank the Senator.

I say to the Senator from Idaho that this is a murky area, and it is one which, fortunately, is brought before us on this amendment. Frankly, I hope that the basic question, if not resolved, would at least be brought up and discussed at a hearing or some other forum, so that there is more understanding and more certainty on all sides as to what is and what is not research, as opposed to demonstrations, because we are getting hung up on something about which we do not know much.

I just want to express my strong support for the magnetohydrodynamics research and development program, and to urge the rejection of the administration's proposal to defer fiscal year 1985 funds for the program.

MHD technology is an efficient, environmentally sound method of using coal to produce electric power. MHD is close to being commercially viable, as demonstrated by private industry's willingness in recent months to enter into cost-sharing agreements.

EFFICIENCY

MHD technology can increase the energy efficiency of electric powerplants by 50 percent. Water use is minimal in MHD. Emissions of NO_x, SO_2 and particulates are well within any projected EPA new source performance standards.

MHD is the only advanced coal conversion technology that converts coal directly to electricity. MHD can be used for more than generating baseload electric power. It has possible applications in power intensive/high temperature industrial processes and in the defense power source area.

The energy efficiency of MHD powerplants will be 40 to 50 percent. The most advanced coal or oil-fired steam powerplants on line today, in contrast, operate at about 30 to 35 percent efficiency, which is close to their theoretical maximum.

If only a quarter of the new powerplants projected by DOE to go into service by 2010 were MHD plants, the annual savings from increased efficiency alone could total $5 billion.

ACID RAIN

In addition, MHD research is a clean technology. Acid rain is becoming a major concern in this country and around the world.

Much of the acid rain problem is being attributed—correctly or not—to coal-burning plants. Tests at the University of Tennessee have demonstrated that 95 percent of the SO_2 emissions from coal-fired plants can be prevented by using the MHD process without any ancillary equipment. The best flue-gas scrubbers, on the other hand, can remove only 85 to 90 percent of SO_2.

NO_x emission, the other major coal combustion pollutant, can be reduced by 30 to 50 percent below EPA standards with the use of the MHD process.

Thus, because of its exceptionally efficient pollution control, MHD powerplants will be able to use virtually all grades of U.S. coal.

COMMERCIAL VIABILITY

MHD is a mid- to long-term technology, expected to be commercially viable within the next 10 years. Therefore it matches perfectly the research and development funding criteria set out by the Department of Energy.

The Department of Energy last year sent Congress a 4- to 5-year proof-of-concept program. In 1985 alone, private industry's contribution to MHD research will be approximately $4 million.

The next step will be construction and operation of an MHD unit retrofitted to an existing powerplant. Industry has shown its confidence in MHD and its willingness to cooperate with the Government by submitting a 50-50 cost share proposal for an MHD retrofit plant under the clean coal technology initiative.

Industry is serious about MHD technology, but the Federal Government must be a reliable partner in the proof-of-concept development.

Deferring MHD's fiscal year 1985 research funds will reverse the Federal Government's commitment to be such a reliable partner. Deferral would come at a time when DOE has committed to refocus its efforts and has received strong industry support to move beyond a basic engineering program for MHD.

MHD's soundness may be best demonstrated by the strong interest being shown by experts in other countries. A group of U.S. MHD experts are now in China discussing MHD technology. Japan, the U.S.S.R., and other countries are developing MHD using our technology.

If MHD development in the United States is terminated, we may end up buying MHD components from Japan, a development that would not help our trade imbalance.

I urge the Senate to support continuation of this important research program.

MHD offers us the opportunity to burn American coal more efficiently and without expensive pollution-control devices. A recent article in Business Week demonstrates that now is the time to capitalize on the work that has been done to bring MHD into commercial viability.

Mr. McCLURE. I respond to my friend as I have tried to do before:

First, the action which is proposed in my amendment is not final action with respect to this program. This program would require action in the authorization legislation which comes before the Committee on Energy and Natural Resources. I am sure the Senator and others will have an opportunity to discuss these issues as they apply to 1986 and beyond.

It will again come before the Appropriations Committee in the processes with respect to the 1986 appropriation.

I cannot, in good conscience, say to other Members of the Senate that I would urge them to overturn the deferral, without having described some of the direction in which I believe the program must go if it is to be able to continue in the future. Therefore, I would oppose any action to overturn the deferral on the floor of the Senate in this bill today.

As I said to Senator MELCHER a few moments ago, if this program is an able competitor in clean coal technology, I would be willing, as an alternative to what I offered here, to simply offer an amendment to move this whole program into the Clean Coal Technology Program, where it can compete for funds on exactly the same footing as every other clean coal technology and subject to the same rules. But perhaps we could discuss that among ourselves, off the floor, and allow the Senator from Indiana to go forward with his amendment in the meantime.

Therefore, Mr. President, I renew my unanimous consent request that this matter be temporarily laid aside so that the Senator from Indiana may offer an amendment.

The PRESIDING OFFICER (Mr. WARNER). Is there objection?

Mr. MELCHER. Mr. President, reluctantly, I have to object, for the moment.

The PRESIDING OFFICER. Objection is heard.

Mr. MELCHER. Mr. President, I think the impression is being made that this technology is at a stage where we could say to a company, a utility company, "If you put up the 50 percent, we will continue the research and development." Unfortunately, that is not the case.

The chairman has mentioned clean coal technology as if it were some sort of threshold where MHD should be at this time. There are many technologies on which we do research and development in terms of trying to arrive at cheaper, safer, cleaner, and better energy courses. MHD happens to be one of them.

The fact is that the stage of research and development we are now in is a type of research which could be better described as engineering, and the facilities we have for testing the components that are engineered by the various centers are entirely federally funded.

The research and development—and I will again substitute the term "engineering"—that is contracted for and then goes into the components is not at a scale that is commercially sound. For that reason, each and every one of them must be tested with other components to see whether they integrate properly from the standpoint of efficient engineering capability, and that work is done at the University of Tennessee or Butte, MT.

Mr. President, these types of activities cannot be treated in an amendment that was shoved at us 1½ hours ago, which would change the whole concept of what we are doing for this type of energy development.

Reluctantly, I say that I believe the amendment has to be very thoroughly looked at and very thoroughly discussed.

The offerer of the amendment, the Senator from Idaho, is in the unique position of having offered an amendment that would change part of the ongoing activity we have in the jurisdiction of the Senate Energy and Natural Resources Committee, of which he is chairman, and a very fine chairman.

This matter was presented, I think about 6 o'clock this evening, an hour and a quarter ago, and that puts us in the position of having to be very thorough and very careful.

As the amendment is now drawn, it it totally unacceptable, so far as I can determine from anybody who is interested in MHD technology.

Setting it aside accomplishes one thing, but if we are in the position of

setting it aside and then discussing it at midnight or 1 o'clock or 2 o'clock tonight, it is not an enviable position.

Some of the people who should be in on the consultation with respect to this amendment are not even available at this time. I do not like to hold up other Senators and hold up the proceedings here, but we are in a pretty rough bind. Maybe we can work something out.

I suggest the absence of a quorum.

Mr. McCLURE. Mr. President, will the Senator withhold that request?

Mr. MELCHER. Yes.

Mr. McCLURE. I do not mean to take advantage of the Senator, but it is my intention to withdraw the amendment.

Mr. President, I withdraw the amendment.

The PRESIDING OFFICER. The amendment is withdrawn.

AMENDMENT NO. 410

(Purpose: To authorize supplemental economic assitance for Jordan, and for other purposes)

Mr. LUGAR. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Indiana [Mr. LUGAR] proposes an amendment numbered 410.

Mr. LUGAR. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 175, after line 21, insert the following new title:

TITLE IV—AUTHORIZATION OF ECONOMIC SUPPORT FUND ASSISTANCE FOR JORDAN

SEC. 401. This title may be cited as the "Jordan Supplemental Economic Assistance Authorization Act of 1985".

ECONOMIC SUPPORT FUND

SEC. 402. (a)(1) In addition to funds otherwise available for such purposes for such fiscal year, there are authorized to be appropriated to the President to carry out chapter 4 of part II of the Foreign Assistance Act of 1961, $250,000,000 for the fiscal year 1985, which amount shall be available only for Jordan.

(2) Of the funds authorized to be appropriated by paragraph (1)—

(A) for the fiscal year 1985, $50,000,000 shall be available only for commodity import programs and $30,000,000 shall be available only for project assistance;

(B) for fiscal year 1986, $50,000,000 shall be available only for commodity import programs and $30,000,000 shall be available only for project assistance; and

(C) for the fiscal year 1987, $60,000,000 shall be available only for commodity import programs and $30,000,000 shall be available only for project assistance.

(b) Amounts appropriated to carry out this section are authorized to remain available until September 30, 1987.

POLICY

SEC. 403. It shall be the policy of the Congress to consider a Jordanian request for major defense articles upon the commencement of direct peace negotiations between Israel and Jordan if Israel is willing to enter into such negotiations.

Mr. LUGAR. Mr. President, this is the first of two Jordan amendments. The amendment I have offered is the authorization of economic support for Jordan. This afternoon, by a vote of 14 to 2, the Foreign Relations Committee reported legislation which has been incorporated in this amendment to the supplemental appropriations bill.

The committee found $250 million of economic assistance shall be made available in this legislation for Jordan. The committee, however, modified the original administration request so that the first fiscal year, the one we are now in 1985, $50 million shall be available only for commodity import programs and $30 million for project assistance; in fiscal year 1986, $50 million for commodity programs, and $30 million for project assistance; and in fiscal year 1987, $60 million for commodity import programs, and $30 million for project assistance, thus adding up to total $250 million.

The committee decided that this should best be expended over 3 fiscal years as opposed to the 2 that the administration has suggested.

Furthermore, the committee added as a section 403 stating that "It shall be the policy of the Congress to consider a Jordanian's request for major defense articles upon the commencement of direct peace negotiation between Israel and Jordan if Israel is willing to enter into such negotiations."

The Foreign Relations Committee had a full debate on the Pell amendment, which is in fact section 403, with respect to future arms sales to Jordan. The committee decided that there should be an expression of congressional opinion with respect to the linkage between arms sales and direct negotiations. However, the committee was sensitive to the argument that some in the Middle East may view this amendment as giving Israel a veto over a possible sale of military equipment by refusing to enter negotiations. We wanted to deal with this concern, as unlikely as it might be.

We are confident that Israel will be prepared to negotiate. If in the unlikely chance Israel should not be prepared to negotiate, this stance would not be a reason for Congress to deny Jordan appropriate consideration for military sales.

Mr. President, we believe that these findings by our committee expressed in this authorization bill incorporate the original request of the administration as presented in the eloquent testimony of our Secretary of State. Section 402, which provides the specific funds, became an amendment from the distinguished senior Senator from California, Senator CRANSTON, who was sensitive to work occurring in the Appropriations Committee at the very time. The sums that we have adopted track, we believe, with the Appropriations Committee consideration.

Finally, the distinguished ranking minority member of the committee, Senator PELL, offered language and with two small modifications, it became our policy section 403.

I am pleased to report there was excellent debate, a good consensus for this authorization legislation. It does in my judgment, boost the peace process substantially, and for this reason, I ask the body to give strong support.

I yield the floor.

Mr. DOLE. Mr. President, I rise in support of the amendment offered by the distinguished chairman of the Foreign Relations Committee to provide a total of $250 million in economic assistance to Jordan during this and the next 2 fiscal years.

Jordan, of course, has major economic and developmental problems, and this aid will help its Government cope with those problems. That is one good reason to support the amendment. But, in the final analysis, there is another and even better reason; we should pass this amendment because it is in our own interest to do so.

King Hussein or Jordan has been a friend of our country and, in general, a moderating force in one of the most important and volatile areas of the world. Without his participation, and the participation of the other moderate Arab States, there is no real prospect of a lasting Middle East peace.

Recently, the King again displayed the kind of courage and vision which will be necessary on all sides if we are ever to achieve that kind of peace through a new peace initiative. While some of us may have problems with some details of King Hussein's plan—and I do myself—it does represent an important contribution to efforts to make peace in the region. It does offer real hope of catalyzing new efforts to arrange direct negotiations among Israel, the moderate Arab States, and the Palestinians.

The aid we will provide with this amendment will signal our support for King Hussein and Jordan as a moderate force in the region. It will show our support for the fact of the King's initiative, without compromising our flexibility in responding to it. It will increase, not reduce, our leverage on the backstage process of getting back on track the kind of talks we and the Israelis want. And, perhaps most important of all, it will demonstrate our willingness and ability to respond in a supportive way to those states willing to take the risks necessary for peace.

I should also note that the amendment makes clear that the Congress does not want to consider military sales to Jordan at this time. That is a

wise provision. There is real question whether such sales now would really encourage the peace process. But there is no question that proposing such sales now would raise an intense debate in the Congress and in the country, which would only complicate and detract from what should be our main concern—how to get the peace process started again.

So this is a good amendment, in our national interest, meeting the most important concerns raised on this issue. It has my support, and I urge all of my colleagues to vote for it.

Mr. CRANSTON. Mr. President, as the author of the portion of the measure reported by the committee as relates to the form of economic assistance to Jordan, I speak strongly in favor of the measure as reported from the committee in the form in which it has been reported. Congress exerts greater influence and its own judgment as to how funds should be expended by Jordan. We do provide the amount of money that the administration sought for economic purposes.

I was also a strong proponent of the second part of the measure which was authored by Senator PELL, the ranking Democrat on the committee, and that portion provides that there shall be consideration by Congress of military assistance to Jordan after peace negotiations are entered into with Israel, presuming that Israel is willing to proceed in that fashion.

I believe that the measure reported by the committee constitutes a major step forward in the peace process, will raise hopes for peace in the Middle East, and is consistently basically with the wishes of the administration.

I, therefore, hope it will be speedily adopted by the Senate.

Mr. PELL. Mr. President, I very much wish to join with my chairman and my colleagues in supporting this legislation.

We had, as the chairman said, a thorough discussion of the matter and worked out a compromise. I think it fills the needs of the administration, the need of King Hussein and also the desires of those of us who want to make sure that he continues down the present path with respect to the peace process.

I think the fact that we adopted the Pell amendment which expresses the thought that we will consider military assistance when Israel and Jordan are in direct negotiation with each other, means that there is a certain message we hope to get across to King Hussein. At the same time this provision is formulated in a positive way because we all share a high regard for King Hussein for his bravery, for his good will, and his own desire to bring peace to that part of the world.

Mr. BIDEN. Mr. President, I will be very brief.

I compliment the chairman of the full committee on the way he rapidly and very skillfully marshaled debate in the Foreign Relations Committee.

I think this is a very positive amendment. I think it does two very important things.

First, it makes it clear to Jordan that we, in fact, are willing to help immediately and that we stand ready to help even more.

And the second message it sends, and I hope strengthens Hussein's hand, but perhaps it weakens it, which I truly believe it does, it suggests that the second portion is really contingent upon the increased process of moving forward.

And I again compliment the ranking minority member, Senator PELL, for what was, in my view, the key amendment here, and I compliment the Senator from Indiana for the way in which he marshaled the debate.

Mr. PELL. I thank the Senator.

Mr. LUGAR. I thank the distinguished Senator from Delaware, my colleague.

I know of no objection. I move adoption of the amendment.

Mr. DECONCINI. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. CRANSTON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LUGAR. Mr. President, I move the adoption of the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 410) was agreed to.

Mr. CRANSTON. I move to reconsider the vote by which the amendment was agreed to.

Mr. BIDEN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. PELL. Mr. President, let the record show there was no negative vote cast against the amendment.

Mr. HATFIELD. Mr. President, I hope we are ready to move to third reading.

Mr. President, what is the question before the Senate at this point?

The PRESIDING OFFICER. The question before the Senate is H.R. 2577.

Mr. PELL. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MATTINGLY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

AMENDMENT NO. 411

Purpose: To oppose within the Inter-American Development Bank the approval of any loan to Nicaragua, and for other purposes

Mr. MATTINGLY. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Georgia [Mr. Mattingly] proposes an amendment numbered 411.

Mr. MATTINGLY. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

Mr. HATFIELD. I object.

The PRESIDING OFFICER. Objection having been heard, the clerk will continue reading the amendment.

The legislative clerk read as follows:

On page 73, line 5, before the period at the end of the line insert the following: "*Provided*, That the Secretary of the Treasury shall direct the United States Executive Director to the Inter-American Development Bank to use the voice and vote of the United States to oppose any loan by the Bank to Nicaragua: *Provided further*, That the Congress hereby expresses its intent to reconsider future appropriations for payment to the Bank if the Bank approves any loan for Nicaragua on or after the date of enactment of this Act".

Mr. MATTINGLY. Mr. President, the purpose of this amendment is to oppose any Inter-American Development Bank approval of any loan to Nicaragua.

Mr. President, I understand that this amendment has been cleared by both the ranking member and chairman of the Appropriations Subcommittee on Foreign Operations.

Mr. INOUYE. Mr. President, the Senator from Georgia has discussed this matter with us. We have no objection on our side.

Mr. HATFIELD. Mr. President, I have just now had an opportunity to read the amendment offered by the Senator from Georgia.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MATTINGLY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

Mr. DANFORTH. I object.

Mr. MATHIAS. I object.

Mr. HATFIELD. I object.

The PRESIDING OFFICER. Objection is heard.

The clerk will resume the call of the roll.

The legislative clerk resumed the call of the roll.

Mr. DOLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. DOLE. Mr. President, I understand the pending business is the amendment of the distinguished Senator from Georgia.

The PRESIDING OFFICER. That is correct.

Mr. DOLE. I also understand that he might be willing to withdraw the amendment.

Mr. MATTINGLY. Mr. President, I would like to make a statement about the proposed amendment, if I may, very briefly.

The PRESIDING OFFICER. The Senator from Georgia is recognized.

Mr. MATTINGLY. Mr. President, the purpose of my proposed amendment is to oppose within the Inter-American Development Bank the approval of any loan to Nicaragua. Almost exactly 26 years ago this body passed legislation creating a Latin America regional development bank, the Inter-American Development Bank or the IDB as it is known. In anticipation of the creation of such a bank, then-President Eisenhower claimed that the new institution would "symbolize the special relationship between Latin America and the United States, help the Latin Americans realize their hopes for a better life, and encourage regional cooperation and local responsibility in the effort to meet the region's development needs." I am concerned about this concept of "responsibility" with regard to Nicaragua.

I feel it is the responsibility of the members of international development institutions to act in an economically responsible manner, employing fiscally responsible policies. I do not believe that Nicaragua is acting in an economically responsible manner and I would thus be reluctant to see an institution such as the IDB, of which the United States is a member and donor, loan funds to a country unwilling to employ them in a manner consistent with the goals of the institution. In addition, I share the view that it would be an "expensive contradiction" in policy if the United States were to fund loans to Nicaragua at the same time that we have an embargo on trade with that nation and the Congress has approved support for the Contra forces.

My concerns in this regard are reflected in a letter from Secretary of State Shultz to Antonio Ortiz Mena, president of the Inter-American Development Bank. In his letter Secretary Shultz states that, "The United States opposes a renewal of lending to Nicaragua at this time for several reasons * * * Nicaragua is not creditworthy. It is seriously in arrears to the international financial institutions * * * we are also concerned about the possible misuse by Nicaragua of the proceeds from such a loan * * * that could be used to * * * finance Nicaragua's aggression against its neighbors, who are members in good standing of the bank."

I believe that Secretary Shultz' comments can be taken a step further. In fact, I think that the issue is not whether or not Nicaragua is creditworthy today, but rather that that country is following policies that will insure that Nicaragua will not be creditworthy in the future. On a monetary front Nicaraguans can only receive a maximum of 25 percent interest on a time deposit despite an inflation rate of 60 percent—a negative real interest rate—official exchange rates do not begin to reflect the more realistic blackmarket value of 500 cordobas to the dollar, and price controls are wreaking havoc on consumer supply. Nicaragua used to be a significant exporter of agricultural products—primarily cotton, cattle, and bananas—and it was here that Nicaragua had a strong comparative advantage—an advantage that economic responsibility would dictate should be developed to the fullest extent possible. Today, however, the Sandinista government is basing its economic policy on Marxist central planning. This policy does not favor the long-term investment that would encourage steady development along the lines of comparative advantage. Instead, the Nicaraguan agricultural sector is, in a sense, paying for a forced shift to manufacturing. Much of that country's GNP is being used to support an armed force far in excess of what is needed for legitimate defense purposes.

From a fiscal standpoint, the Nicaraguan Government is the employer of last resort. In the words of one administration official simply "running the printing presses to cover demand."

Mr. President, my amendment would have, first, directed the U.S. Representative to the IDB to oppose any loan by the Bank to Nicaragua. I might point out that the President has already so directed our Representative and I feel it is important that the Congress express its support for this action. Second, the amendment expresses the intent of the Congress to reconsider future U.S. appropriations for payment to the IDB if the IDB approves any loan for Nicaragua.

While supporting IDB loans to Nicaragua would be in direct contradiction of current U.S. policy toward that nation, I want to emphasize that it would also be a poor use of scarce funds to approve loans to a country that is so blatantly uncreditworthy and which has made plain its resistance to any reforms that would lead to sustained economic growth. Should the IDB ignore or dismiss this clear lack of creditworthiness I think that it would be only appropriate for the United States to take such judgment into consideration when debating future contributions to the Bank. It would have been an opportunity for the Congress to express its concerns as we consider legislation appropriating the currently due U.S. contributions to the Inter-American Development Bank and I would have urged my colleagues to support the amendment.

However, Mr. President, I recognize, as my good friend from New Mexico has said, that the situation is extremely delicate. Administration officials have indicated they would like an opportunity to discuss the proposal further to ensure that it clearly reflects the position of Secretary of State Shultz, in his letter to the Bank. For that reason, Mr. President, I shall not pursue the amendment at this time.

Mr. President, I withdraw the amendment.

The PRESIDING OFFICER. The amendment is withdrawn.

The amendment (No. 411) was withdrawn.

The PRESIDING OFFICER. The Senator from Oregon is recognized.

Mr. HATFIELD. Mr. President, I believe we have two other rather minor points to be considered. Then we shall be through, following the action of the Senate on the appropriated account for aid to Jordan. I urge the Senator from Wisconsin, if he is ready to move on that, to perhaps offer his amendment.

AMENDMENT NO. 412

Mr. KASTEN. Mr. President, I send an amendment to the desk in behalf of myself and Senator INOUYE, Senator HEINZ, Senator KENNEDY, Senator LUGAR, and Senator PELL, and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The bill clerk read as follows:

The Senator from Wisconsin [Mr. KASTEN], for himself, Mr. INOUYE, Mr. HEINZ, Mr. KENNEDY, Mr. LUGAR, and Mr. PELL, proposes an amendment numbered 412.

On page 75, line 3, strike "$2,008,000,000: *Provided*" and insert in lieu thereof the following: $2,258,000,000: *Provided*, That of the funds provided by this paragraph $250,000,000 shall be made available for Jordan only in accordance with the schedule of availability set forth in section 401(a)(1) and section 401(a)(2) of this Act: *Provided further*, That of the funds provided in this paragraph for Jordan, not more than 33⅓ percent may be disbursed before September 30, 1985, not more than 50 percent may be disbursed before March 31, 1986, not more than 66⅔ percent may be disbursed before September 30, 1986, and not more than 85 percent may be disbursed before March 31, 1987: *Provided further*, That notwithstanding any other provision of law, funds provided in this Act for Jordan, if not utilized for programs, projects, or other activities in Jordan, must

be returned to the United States Treasury: *Provided further*

Mr. KASTEN. Mr. President, this amendment responds to an urgent request by the Secretary of State and the President for a demonstration of support for King Hussein of Jordan and the measures he proposes to take on behalf of peace. As such, it is an incentive to further efforts on the part of the King to seek peace and to lead, we hope—we expect—to direct negotiations between Jordan and the State of Israel. There is a linkage. As the people of Israel have made sacrifices for peace, so must the people of Jordan. Our assistance is meant not as compensation, but as a signal of our willingness to share their hardshp in the interests of peace in this critical region of the world.

Mr. President, the cosponsors of the amendment and I are in agreement that this linkage between U.S. assistance and the movement toward peace can best be maintained by the adoption of the schedule of funding as set forth in section 401 (a)(1) and (a)(2), and by the schedule of disbursements set forth in this amendment. Supporters of this amendment are in agreement that the administration must report to the Committee on Appropriations of both Houses, to the Foreign Relations Committee of the Senate, and to the Foreign Affairs Committee of the House 10 days prior to the dates of the scheduled disbursement, indicating to these committees the justifications for the disbursement, having specific reference to progress toward peace in the Middle East. The disbursements are meant to be benchmarks in the U.S. assistance program; they are also to be benchmarks at which point progress toward peace may be measured.

Mr. President, I strongly believe that this is the best course of action for us to take under these circumstances.

I would like also to say that we on the Committee on Appropriations and the ranking member and the chairman of the authorizing committee have worked very closely in developing this consensus. I think we have done well in terms of working together, authorizers and appropriators, on this very, very important amendment and very sensitive issue. I congratulate and thank the chairman and the ranking member of the authorizing committee.

As this time, Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from Hawaii is recognized.

Mr. INOUYE. Mr. President, this amendment appropriates $250 million in economic assistance to Jordan. The reasons for which we are acting so expeditiously have already been enumerated by the chairman of the Foreign Relations Committee [Mr. LUGAR]. The Appropriations Committee, if I may speak for my colleagues, shares the view that we should not at this time provide cash grant assistance to Jordan. Nonetheless, we recognize that Jordan does have a need for balance of payments assistance and that this need is urgent. Accordingly, we are proposing that the bulk of this funding, $160 million, shall be made available for a Commodity Import Program. This will ease Jordan's requirement for foreign exchange to finance necessary imports. A side benefit, of course, is that it will finance imports from the United States.

We also recognize that Jordan, while having achieved remarkable economic progress in recent years, now faces a burgeoning unemployment problem. As difficult as it may be to believe, our studies have concluded that Jordan has an unemployment rate in excess of 60 percent in its male labor force. We are, therefore, proposing that a significant portion of our assistance, $90 million, be made available for development assistance projects. The Subcommittee on Foreign Operations will, in the exercise of its oversight responsibilities, monitor the projects which are funded by this assistance to ensure that they focus on job creation activities.

Mr. President, our concern that this economic assistance be related to progress in the search for peace in the Middle East has led us to propose a schedule of disbursements which will enable the committee to examine the progress toward peace prior to the disbursement of funds. We expect the administration to report to the Committees on Appropriations and to the Foreign Relations Committee of the Senate and the Foreign Affairs Committee of the House on such progress 10 days prior to the dates of each scheduled disbursement. The committee believes that it is important that all parties be reminded on a regular and predictable basis that these funds are proposed and provded as an incentive toward peace.

Mr. President, I hope that my colleagues will recognize the urgency of the moment and accept our good faith efforts to meet the needs of the time and the responsibilities of this body. I hope the amendment is adopted.

Mr. KENNEDY. Mr. President, I want to, first of all, commend the Senator from Wisconsin, Senator KASTEN, and the Senator from Hawaii, Senator INOUYE, for fashioning the basic amendment which we have been discussing here this evening. This proposed package of assistance to Jordan represents a strong statement of support for King Hussein's peace initiative.

The $250 million in economic assistance to Jordan is a massive increase in the level of U.S. aid to that country. But I support this proposal and will vote for it because it will send a strong signal of support for King Hussein's efforts to launch meaningful negotiations between Jordan and Israel. All Americans are hopeful that King Hussein's initiative will lead to a lasting and just peace in the Middle East.

I am pleased that the Senate has again made clear its continuing opposition to the sale of sophisticated weaponry to Jordan so long as no such direct negotiations between Jordan and Israel have occurred. This is a position that I have long supported. And it is a position that was contained in a resolution introduced on June 4 by Senator HEINZ and myself with the support of 70 other Senators. I am pleased to see that both the Senate Foreign Relations Committee and the Senate itself are on record in support of that position.

AMENDMENT NO. 413

Mr. DECONCINI. Mr. President, I know that there has been a great deal of effort put forth by the Foreigh Relations Committee and the distinguished chairman of the Foreign Operations Subcommittee and the ranking member on the issue of supplemental economic assistance to Jordan. I have great reservations about what we are doing here: Even with the restrictions contained in the authorization language—even with the very strictly drawn conditions prohibiting cash transfers—I have great reservations about providing this type of aid to the good nation of Jordan, which is still in declared war against Israel, which has failed to recognize the right of the nation of Israel to exist in peace other than in vague verbal statements, the most recent one regarding U.N. Resolution 242.

What concerns me, Mr. President, is that we are starting the ball rolling toward providing a very hefty amount of foreign assistance and, I suspect eventually, military assistance to Jordan. But, do not really see them taking any bold action except some verbal statements and a trip to the United States.

Israel has made some statements most recently willing to discuss peace with Jordan without conditions and I compliment Mr. Peres for that. But I find it very difficult here to march down the road of what may eventually amount to billions of dollars of aid to Jordan before they exercise at least a willingness to proceed to the peace table.

Mr. President, I am not here to harm the fine work of the numerous Members who are cosponsors of this amendment. But I do at this time send to the desk a second-degree amendment to the amendment of the Senator from Wisconsin and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The bill clerk read as follows:

The Senator from Arizona [Mr. DECONCINI] proposes an amendment numbered 413 to amendment No. 412.

At the end of the pending amendment add the following amendment:

That it is the sense of the Congress that no sales of advanced defense articles or defense equipment for Jordan should be proposed by the President until Jordan and Israel agree to a peace treaty.

Mr. DECONCINI. It seems to me, Mr. President, that we are playing a very risky game here. We have seen the success of one Arab bloc nation willing to make that bold step of entering into a peace agreement with Israel—namely, Egypt. We encouraged that. As a matter of fact, President Carter, along with the leaders of Israel and Egypt, deserves great credit for bringing this agreement about.

Now we are asked to launch into appropriating substantial economic aid for Jordan. I think this is the first step toward a goal of peace that could be achieved if indeed Jordan is willing to enter into serious peace negotiations with the Israelis. We can play a constructive role in that process, too, if the administration is willing to do so.

Mr. President, I hope that the Senator from Wisconsin could accept this sense-of-the-Senate amendment as an additional safeguard. It would make this Senator sleep a little better.

Mr. RIEGLE. Mr. President, will the Senator yield for a question?

Mr. DECONCINI. I will be glad to yield.

Mr. RIEGLE. Mr. President, I share the concerns that have been expressed by the Senator from Arizona. I support the action he is taking in offering the second-degree amendment.

I am wondering if there is a way that we also might execute some understanding that any amount of economic assistance that is made available to Jordan, in whatever form, not be used in such a way as to release other resources in Jordan that in turn are spent for military purposes, not necessarily in the United States but buying weapons or other military equipment from other countries.

The thing I am concerned about is that they not use any additional aid we give them in the economic category to in a sense replace spending that they are now doing in that area and take the money that is freed up and spend it on the military side. I would guess that they probably have some of that in mind. So I am just inquiring of the Senator from Arizona if he has any thoughts as to how we might perhaps further express the will of the Senate that it not be our desire that there be any increase in military spending by that country from their own resources which in a sense might be made possible by this economic help from the United States?

Mr. DECONCINI. If the Senator will yield, it appears to me that the able Committee on Forign Relations has done an excellent job in addressing that problem in the amendment which we passed just a few minutes ago. If the Senator has looked at that amendment, it provides for no cash payments but only provides various commodities. It also spreads the authorization out over a 3-year period. The amendment by the Senator from Wisconsin and the Senator from Hawaii also very astutely lays out how those funds will be dispersed over the 3-year period. So it is not a 24-hour turnaround at the end of the fiscal year, which I think is very good. My amendment expresses the sense of the Senate that if we are going to get into this effort now with substantial aid, we ought to be on record that we expect to see Jordan move toward a peace agreement. In my opinion, nether the authorization amendment that has already passed nor the amendment that is before us now contains this type of provision.

Mr. RIEGLE. If the Senator will yield further——

Mr. DECONCINI. I yield to the Senator from Michigan.

Mr. RIEGLE. I agree with the second-degree amendment he has offered. I think it is a very constructive step.

I am making a different point with which the authorization did not deal, at least insofar as I am able to judge, and that is there is no restriction at all on Jordan to, in effect, reduce spending on economic items in their own economy with their own money, to reduce those costs because we are now going to step in with U.S. economic assistance, and so that in a sense will relieve part of that burden and will free up some Jordanian resources which in turn could be used for military purposes in Jordan.

What I am saying is that I do not want this to be used, even though we are not going to give military support directly if we give them economic support, to relieve them of certain internal burdens and free up cash in Jordan which they in turn apply to a buildup on the military side. If that were to take place, it seems to me that in effect we have done what we say we do not want to do; we have done it one step removed.

Mr. MATHIAS. Will the Senator yield for a question?

Mr. RIEGLE. I will when I finish. I do not have the floor. My point is this: Do we have any assurance from the State Department, have there been discussions which would indicate that the Jordanians have made any commitment to us that we are not going to see in due course an increase in their military effort by the amount of money that we are now about to provide from the economic side, presumably buying military equipment maybe somewhere else?

I just do not want to see that happen. If somebody could tell me we have assurance to that effect, I will be happy to hear it.

Mr. DECONCINI. Will the Senator from Michigan yield? I regret that I did not attempt to answer the first inquiry of the Senator. He has explained very clearly what he had in mind. I think those on the Foreign Relations Committee are much better able to explain the intent, but the Senator raises a good point. As I read the authorization, it does not prohibit them from using funds which they would have had to use to buy the commodities which we will now be giving them for some other purpose—perhaps for military purchases.

Mr. MATHIAS. Will the Senator from Arizona yield for a question?

Mr. DECONCINI. I will be glad to yield.

Mr. MATHIAS. I wonder if the Senator from Arizona or the Senator from Michigan are aware that there are payments due from Jordan to the United States in the fiscal year 1985 in the amount of $150 million representing obligations from years past, and that in fiscal year 1986 there will be a sum of $100 million due from prior obligations. If the Senator from Michigan has concern about freeing up cash, the amounts that are covered by this particular transaction are offset by the payments that will be due in cash from Jordan during the same period of time.

Mr. RIEGLE. Mr. President, if the Senator will yield further; he has the floor——

Mr. DECONCINI. I yield for a question.

Mr. RIEGLE. That really does not answer the question. The question is are we indirectly enabling Jordan to be able to pursue additional military expenditures by the fact that we are coming in on the economic side with additional assistance because they need economic help for the reasons that have been cited. I am wondering if the State Department has taken the step of trying to secure from Jordan some understanding that they are not going to turn around and in effect use the equivalent money value of this help that we are proposing to give them to, in effect, beef up their military expenditures by that amount of money. It seems to me that is probably what some of the people in that Government may have in mind. I have seen that before in other places.

Mr. BIDEN. Will the Senator yield for a question?

Mr. DECONCINI. I yield for a question.

Mr. BIDEN. Is the Senator from Arizona, in addition, aware that we have knocked out the cash payment for that reason, that the proportion of the money that had been pledged to

Jordan from the Arab nations has been reduced and that the assessment of the direct economic needs of the Jordanians far exceeds what, in fact, is the combination of all sources of economic aid they are likely to get? Because if he is, then I think it answers the Senator's question.

Mr. DECONCINI. Mr. President, I will be glad to respond. The Senator from Arizona is aware that the cash transfer provision was deleted. I have said before that I think the work of the Senator from Delaware and others on the Foreign Relations Committee did a very good job in constructing this package, but the Senator from Michigan makes a very cogent point. The fact that we as a nation are going to give them $50 million in commodity imports means $50 million they can spend someplace else. Now, they can apply it to the debt they owe the United States, according to the Senator from Maryland, or they could go spend it somewhere else.

I feel it important, in addition to my amendment—which is only a sense of the Senate provision—it would be appropriate to have some clarification of the question the Senator from Michigan raises.

Mr. DODD. Mr. President, will the Senator from Arizona yield?

Mr. DECONCINI. I will be glad to yield to the Senator from Connecticut for a question.

Mr. DODD. I thank the Senator for yielding. The Senator from Arizona is certainly familiar, I presume, with the last provision of the authorization language which states:

It shall be the policy of the Congress to consider a Jordanian request for major defense articles upon the commencement of direct peace negotiations between Israel and Jordan if Israel is willing to enter into such negotiations.

Mr. DECONCINI. I am familiar with that provision. I have read it.

Mr. DODD. Does that not satisfy the concern of the Senator from Arizona in terms of this body and the other body's willingness to support requests by Jordan for military assistance; that if that peace process begins, considering the tremendous complexity of trying to work out such negotiations, to require a conclusion of those agreements be reached before we would be willing to extend such assistance would really be going a bit further than those of us who, I think, share the common goal of the Senator from Arizona.

Mr. DECONCINI. I thank the Senator from Connecticut. In response, I am aware of that language. It will make this Senator more secure if we have a sense of the Senate that we expect Jordan to not just give lipservice—and I do not say that degradingly—to this Nation. But we expect them to make real movement toward a peace settlement. That is all my sense of the Senate language does. It does not say that this money is conditioned on the achievement of a settlement. It merely says, "We want you to enter into a peace agreement." As the Senator from Connecticut well knows, it is not binding, but it certainly puts this body on record.

Mr. BYRD. Mr. President, may we have order in the Senate? The Senators are in a colloquy, and I think they should be able to hear one another.

The PRESIDING OFFICER. The Chair notes that there are continuing conversations in the Chamber which are disruptive to the debate, and the Chair respectfully requests that Senators retire to the cloakroom to continue their conversations.

Mr. BYRD. Mr. President, I will not desist from asking for order in the Senate.

The PRESIDING OFFICER. The minority leader is recognized for that purpose, and the Chair concurs, and the Chair will have to ask the Sergeant at Arms at this time to restore order in the Chamber.

The Chair observes that there is now order in the Chamber.

Mr. BYRD. I thank the Chair, and I apologize to the Senator.

Mr. DECONCINI. I thank the minority leader. No apology is necessary. I am grateful to the Senator.

I say to the Senator from Connecticut that I compliment the effort the Senator from Connecticut and others put into this policy—section 403, I believe it is—but that does not seem to me to give a sound direction to Jordan that we expect them to take that bold step for peace. That is what I feel is necessary.

Mr. DODD. Let me go a step further, if I may.

We all are tremendously cognizant of the fact that the Senator from Arizona, together with many of us, is deeply committed to the State of Israel and deeply committed to the peace process there. But such language takes us to a point of completion of a process which could take years.

For this body to commit itself to language which would restrict our behavior, without considering other events; for example, if Syria, 6 months from now, were to attack Jordan, would it require that, regardless of that other event which none of us could anticipate at this point, if the Government of Jordan were then to come to the United States and ask for military assistance to defend itself against that possibility, would we be prohibited, as the result of this language, from providing Jordan with military assistance to defend itself?

Mr. DECONCINI. In response to the Senator from Connecticut, it should require, in my judgment, an emergency situation before we sell advanced arms to Jordan, because otherwise Jordan, as it has done before, might very easily turn the armaments that they acquire, whether from the United States or some other country, toward our ally Israel. To me, it is foolish not to insist that they achieve some peace settlement before we sell them arms. I am not telling them what should be the provisions of this peace, but they need to come to some sort of peaceful and just settlement with Israel.

Mr. DODD. However, absent emergency legislation, the U.S. Government would be prohibited from providing Jordan with military assistance to defend itself against a set of circumstances which is not the case today but could occur. Short of a peace agreement between Jordan and Israel, we would be absolutely prohibited from providing them with assistance, with the adoption of this language—short of emergency legislation.

Mr. DECONCINI. If the Senator will read the language, it is not prohibitive in nature. It does not legislate a prohibition on arms sales to Jordan. It simply expresses the sense of the Senate. The Senator from Connecticut is well aware of the difference, I am sure. He is mixing apples and oranges.

Mr. BIDEN. Mr. President, if the Senator will yield, the hypothetical was raised; and maybe the reason why the Senator from Arizona would not be as concerned about it is that we know that, once again, Israel would intervene to save Jordan, which they did once before.

Mr. DECONCINI. I suspect that is exactly what would happen, and that has some merit on its own, anyway.

Mr. DODD. I thank the Senator.

SEVERAL SENATORS addressed the Chair.

Mr. DECONCINI. Mr. President, I will yield the floor in a moment. I do not intend to prolong this.

I just want to make it clear that the purpose of this amendment is to send a strong message from the Senate to the President of the United States and to Jordan. If we are going to appropriate $250 million in economic aid for Jordan now, we know, based on the past performance of our State Department, that we will have more aid. There will be a 1986 supplemental request, I suspect, and we will be marching down this road of hundreds of millions of dollars before we know it.

This merely says that it is the sense of this body that we expect Jordan to enter into a peace agreement if they want to receive advanced weapons from the United States.

I yield the floor.

Mr. KASTEN. Mr. President, I agree with much of what the Senator from Arizona has said, and I think that all of us who have been involved in this process—the Senator from Arizona is a member of the subcommittee—are working for the same goal. I should

like to respond specifically to the Senator's concerns in two ways:

First, I would like to point out that, like the authorization amendment, appropriations amendment calls for four different reporting dates. Only 33⅓ percent may be disbursed before September 30, 1985; March 31, 1986, is the next reporting date; September 30, 1986, is the next reporting date; and March 31, 1987, is the final reporting date of this legislation.

Ten days before each of these reporting dates, the administration will come to us—the Senator is a member of the subcommittee—and will tell us how the peace process is moving, and specifically as to how we are moving toward direct negotiations.

So we will have in our subcommittee four additional steps now, and in each of those steps, the Senator will have an opportunity, in hearings or other appropriate forums, to address these questions.

Second, I should like to respond to the Senator by sharing with him a letter which Senator INOUYE and I have asked the Secretary of State to send us.

I ask unanimous consent that the entire letter be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

SECRETARY OF STATE,
Washington, DC, June 20, 1985.

Hon. BOB KASTEN,
U.S. Senate,
Washington, DC.

DEAR SENATOR KASTEN: I wish to thank you for agreeing to the relaxation of the Subcommittee's customary procedure and for giving extraordinary consideration to the Administration's request for assistance to Jordan.

As you know, the Administration is requesting a total of $250 million in economic assistance to Jordan as a result of our favorable assessment of King Hussein's contribution to the ongoing peace process in the Middle East. The recent visit between King Hussein and President Reagan resulted in an understanding of both Jordan's need for urgent assistance and U.S. interests in fostering stability and renewed economic growth in Jordan.

The Administration agrees the issue of security assistance is of great significance and must be very carefully considered in order to avoid any setbacks. Accordingly, I wish to assure you that prior to the submission of any request relating to the provison of arms to Jordan, the Administration will engage in broadbased and constructive consultations with the Senate, seeking the development of a true consensus that such transfers are appropriate.

I hope that this expression of the administration's position with respect to future arms transfers to Jordan clarifies this issue for you and your colleagues. I look to early and favorable action on the Administration's request for economic assistance.

With warm personal regards.

Sincerely yours,

GEORGE P. SHULTZ.

Mr. KASTEN. Mr. President, I have shared this letter with the Senator, as I have with other Members. This is an excerpt from the letter from the Secretary of State to the committee:

The Administration agrees the issue of security assistance is of great significance and must be very carefully considered in order to avoid any setbacks. Accordingly, I wish to assure you that prior to the submission of any request relating to the provision of arms to Jordan, the Administration will engage in broadbased and constructive consultations with the Senate, seeking the development of a true consensus that such transfers are appropriate.

I hope that this expression of the Administration's position with respect to future arms transfers to Jordan clarifies this issue for you and your colleagues.

So I say to the Senator from Arizona, and I say to the Senate, that we have recognized these problems; that we believe we have a balanced, bipartisan solution. Now, with the additional information we are providing—No. 1, with the detailed schedules, the detailed reporting period, and, No. 2, with the letter from the Secretary of State—I think we have the kinds of assurance that the Senator from Arizona and others desire.

I am hopeful that with these assurances and with this understanding, the Senator from Arizona might reconsider offering the amendment at this time, and give us a chance at least to get through the first reporting period. At that time, if it turns out that we are not moving in the direction that all of us want to go in, it may be appropriate for us to take further action.

But right now we have a delicate balance, and I hope that the schedule, along with the letter from the Secretary of State, would make it possible for the Senator at least at this point to take this first step with all of us and not push the amendment this evening.

Mr. RIEGLE. Mr. President, will the Senator yield for a question?

Mr. KASTEN. I am pleased to yield.

Mr. RIEGLE. I appreciate what he said and the clarity with which he said it.

When I read the authorization language, there are two items, commodity import programs and project assistance, that fall into the four periods of time that he has spoken about. But there is nothing here that addresses the concern that I was raising earlier. To the extent the $250 million is made available, in a sense it gives Jordan the ability to not have to lay money out for certain things, for the items that we would be providing, and that dollar amount, in a sense, could be available to increase military spending in some direction.

What I am wondering is this: I think it is all well and good to have a letter from the Secretary of State coming to the Senate. I would like to see a letter coming from the Government of Jordan to the Secretary of State saying that it is their intention not to increase their military spending by some amount that would represent part or all of the $250 million that we are going to provide on the economic side so that we really knew we had an understanding that we were not in an indirect way helping to bring about further military spending by Jordan.

I am not raising the question of them buying it from us. I am concerned about them buying it other places as they now buy it other places.

I do not understand why one would have an objection to putting in here in the legislative history, if not actually in the appropriation itself, language to the effect that it is our desire that they will not be an offsetting transaction of one additional dollar of spending for military items by Jordan because we are relieving the economic pressure to the tune of $250 million in economic assistance.

So what assurances do we have from Jordan in that respect?

Mr. KASTEN. I reply to the Senator that, first of all, the Senator from Maryland and others have made the point, but let me just say that the understanding of both the authorizing committee and the appropriating committee is that because of a number of changes in the economic situation in Jordan, Jordan has a need to go from a level of economic assistance which has been $20 million a year for the last 3 years to a significantly higher amount. Initially there was discussion of a certain number of dollars being appropriated in the form of a cash transfer—and $100 million in commodity imports, and $50 million in assistance.

Both the authorizing committee and appropriating committee, recognizing the problem that the Senator points out, since money is fungible, decided not to do it in that way; instead we have it in projects that will be specific and in commodity import programs.

I believe that the economic situation in Jordan is such that they are unlikely to increase their military spending as a result of this particular appropriation. I believe these dollars will be used for the projects that we are looking to and for the commodity import programs.

But we have the mechanism in place, I say to the Senator with these September 30, 1985; March 31, 1986; September 30, 1986; and March 31, 1987, benchmarks in which the Senator and I and others will have the opportunity to examine how these funds are being used; what if anything might be tilted one way or another, and at that point when that report comes, we can address ourselves to these specific issues.

I would hope at this time that we could proceed with what is I believe a very delicate balance, and a very carefully crafted balance.

Mr. RIEGLE. Could I ask one further question of the Senator then?

Mr. KASTEN. I am happy to yield.

Mr. RIEGLE. I appreciate him yielding.

If we are going to give them $250 million in this form—that is a lot of money—is it too much to ask that Government to give us an assurance that that money in effect will not be used to replace other spending and in a sense end up inflating their military spending? In other words, I do not feel we would be offending the Government of Jordan when we are handing them $250 million worth of assistance to ask them to give us a return pledge that that money is not going to end up being replaced in jacking up their military efforts. I do not think we ought to be bashful about asking. We are giving them something. I do not see what they are giving us, frankly.

Mr. KASTEN. Let me reply to the Senator that all of us share these concerns. I believe that it is not necessary to get those specific assurances because we have been told that these dollars are going to be used for economic purposes. Unemployment in Jordan is going up. They have problems with less dollars coming from a number of the oil-rich Arab States that are not as oil rich as they were. I believe that we are going to be successful through our process of review, that further language is not going to be necessary at this time.

At some time in the future, it looks as if dollars have been shifted from domestic to military purposes, we may want to take further action, but right now it is our understanding that the dollars will be used for economic purposes; they will not be used to increase the military purchases. I would hope that we would go forward with the underlying agreement.

Mr. INOUYE. Mr. President, I wish to make a few observations.

First of all, if I may, I wish to share with the Senate a set of statistics.

At the present time, the international debt of Jordan is $1,686,000,000. Debt service payments, as a percentage of exports, are 25 percent, which is higher than the average for all of the other less-developed countries.

Government debt, as a percentage of the gross national product, is 38 percent. And the Government debt as a percentage of exports is 238.1 percent. If it were 100 percent, it would be considered high. This is 238.1 percent.

Second, I think that we should note that the trade deficit as of this moment for the Government of Jordan is $1,932 million. Add to these statistics the unbelievable unemployment rate of 60 percent, and you have a profile of a country in economic stress. All of the economists that we have conferred with have assured us that the only way Jordan can ever hope to buy arms is to borrow the money. The banks are not going to lend money to Jordan for this purpose. None of the international banks are going to lend money to Jordan for that purpose. So, I think we can assure ourselves that at the present state of the economy of Jordan, they are not going to buy any arms.

Third, and this is very important, we have been speaking of the peace process and some have intimated that possibly nothing has been done, that we are very likely rewarding Jordan for future action. I think all of us should remind ourselves that when Egypt and Israel entered into what we call the Camp David accords, all of the Arab countries abandoned Egypt. They condemned Egypt. And we all know what happened to the man who signed the Camp David accords. He was assassinated.

Jordan is the first Arab country to step forward and resume diplomatic relations with Egypt. For many of us it may seem like no big thing, but that took courage.

Syria opposed this. Libya opposed this.

The least we can do is recognize this fact.

Fourth, when King Hussein called Mr. Mubarak and Mr. Arafat together and said "Let's do something about peace in the Middle East," that was step two.

The least we can do at this point is to tell King Hussein of the Hashemite Kingdom that "We have faith in you." We know the Congress has some reservations, so instead of providing $250 million in one lump sum, we are going to divide it up in three tranches.

To add on top of these restrictions, the requirement that King Hussein come before us and promise us and swear on the Koran that he would not spend a penny for arms, I think is going a bit too far.

I hope that this amendment will be withdrawn because I am, I think the record would show very clearly, concerned about peace in the Middle East. But I am also convinced that King Hussein has taken steps that men of lesser courage would not have done. And on that point, I will be supporting my chairman's amendment and I would hope that my dear friend from Arizona would withdraw his amendment.

The PRESIDING OFFICER. The Senator from Connecticut.

Mr. DODD. Mr. President, I wish to first of all compliment the distinguished Senator from Hawaii and the distinguished Senator from Wisconsin for what they have fashioned here. I wish to commend, as well, the Senator from Indiana and the Senator from Rhode Island, Senator PELL, for working today under extremely tight circumstances in trying to put together some authorizing language that would give us some sense of direction of what we are trying to do here. This is a rushed proposition, and under the ideal circumstances we ought to have had a little more time to try and fashion language that would be satisfactory to all of us.

In our committee today, the Senator from Washington, my good friend, Senator EVANS, with whom I do not always agree on every issue, said something today with which I totally agree. And that is that in this body there are no guarantees at all. We are required from time to time to take a chance, to be risk-takers. I think he is correct in that. I would like to try and frame how broad a risk we ought to take from time to time.

Mr. President, there is no order in the Senate.

The PRESIDING OFFICER. The Senator from Connecticut has observed the Senate was out of order. The Chair requests the Senators retire to the Cloakroom.

The Senator may proceed.

Mr. DODD. I thank the Chair.

Mr. President, I hope that we would take the combination of the appropriations language and the authorizing language which we have fashioned today and move forward on this. There is a temptation to want to embrace amendments that would have a certain amount of appeal because we appreciate, as individual Members of this body and collectively, the kind of risks that the State of Israel has faced over the last 35 years and continues to face at this very hour this evening.

But we also ultimately know that the best interest of the State of Israel is an attempt to try and achieve some peace in that part of the world. And when we talk about moderate Arab States, there is only one Arab State that falls into that category, and that is the State of Jordan.

What we have fashioned in this particular proposition of $250 million in aid does not give the Hashimite Kingdom of Jordan a blank check by any stretch of the imagination. It is a rather narrowly drawn proposal. It is not open-ended in years. It really is just a matter of months.

And we are doing it because King Hussein has indicated to us and to the State of Israel that he is willing to take a chance. There is no guarantee whatsoever that the chance he is willing to take will work. In fact, if we were a betting body and we had any sense at all, we would bet it would not work, given the history over the past 35 years.

But I think tonight we have a broader obligation than to take a chance or a bet. We have to try something we have not tried before, and that is to say to him, to his Government, and to the State of Israel, which has also extended its arm in the willingness to try to achieve some peace, that we are

willing to back up that proposition, and we are not going to say to them that, "You have absolutely got to achieve something in concrete before we are going to provide any kind of military assistance at all."

And yet, I think we all know collectively that if King Hussein or others were to walk away from this peace process and come back to this body and ask for advanced military equipment, we know what we would do and I think our friends know what we would do. But I do not think this evening we need to write into this legislation in anticipation of events that we cannot predict what we will do.

So this is one of those unique windows that occurs from time to time in history. We have got a chance over the next hour or so to take what the Senator from Wisconsin, the Senator from Hawaii, the Senator from Rhode Island, the Senator from Indiana, and the respective committees have tried to put together, and say. "Let us take a chance and let us see if we cannot fashion something here that will allow for a process, to proceed forward without prejudging anyone, without second-guessing them, without trying to determined exactly what they are likely to do in the next 6 months or in a year."

And if they do those things which violate our sense of conscience, if they do anything which is harmful to our dearest friend in that part of the world and one of our dearest friends anywhere in the world, this body can respond and respond promptly. But tonight let us not prejudge that. Let us let this body be willing to do what King Hussein and Shimon Peres have been willing to try and do over the last several weeks. Certainly we can do no less than what they have indicated they are willing to do.

It would be a sad day indeed if this body were to find itself incapable of being willing to take that chance and to exercise some degree of faith in this opportunity which has not presented itself before in recent past history.

So, Mr. President, I urge my colleagues, with all due respect, because I have nothing but the highest degree of respect and fondness for my colleague from Arizona, but at this very hour—and I will take not even the slightest back seat to any Member in this body in my support and commitment to the State of Israel—but I would urge my colleagues this evening to take a chance and to reject this amendment, to adopt the proposition as presented by the Senator from Wisconsin, along with the authorizing language adopted by the Foreign Relations Committee, and move forward.

The PRESIDING OFFICER. The Senator from Rhode Island.

Mr. CHAFEE. Mr. President, I think we ought to bear in mind where we are here and what we are trying to do. The King of Jordan has come forward with a proposition and has extended himself in such a fashion that our Government believes that he should be encouraged in these efforts; that it is worth our while to go forward with a modest amount of money, when we consider the overall amounts that are spent in that area, and say to him, "That's good what you have done and we are encouraging you. We recognize that what you are doing takes courage."

He has had eight assassination attempts on his life since he has been King since 1952. He became King because his grandfather, whom he was beside at the time, was murdered, assassinated. To say that that is a tumultous area is an understatement.

I think all of us would have great regrets if the King were not there, because who would be there in his place would represent greater instability in the area and not be extending his hand for peace. And so all of this is an effort of $250 million to encourage the King in what he is doing.

Now some can say, "Oh, it is not enough." And I have heard that, and all of us have heard that. But our Government has decided, and I agree with it, that he is making an effort and should be encouraged.

I personally feel that the aid that we are giving him is strapped down too far. You can see what it is. No cash. Look at the benchmarks.

Two-hundred fifty million dollars shall be made available. Listen to the schedule. Of the funds, 33⅓ percent—no more—may be disbursed before September 30. Then if you are good and pass that, no more than 50 percent may be disbursed before March 31. Then not more than 66⅔ percent may be disbursed before September 30, 1986, and then no more than 85 percent worth March 31, 1987, and so forth—no cash.

I do not think we want to humiliate the King. What we are trying to do is to encourage him. Therefore, I hope the Senator from Arizona—who has given this a lot of thought I know—will not push forward with the added amendment that he has. Let us see how this works out. We have a very courageous man over there who, as mentioned, was the first to recognize Egypt after Egypt had been disenfranchised by all the other neighbors—Arabs in the area. Maybe this will not work out. But as the Senator from Connecticut has said so well, let us take a chance. It is a modest chance, and modest in the amount we are investing. You have heard a recitation of the economic conditions in Jordan. I think they are startling. I must say I was not aware that they were as bad as was recited by the ranking member of the committee handling this.

Mr. President, I hope we will go forward. as I said, if it was my way we would not have the strings on it. But there they are. Let us not tie it up any further. I hope the distinguished Senator will not press ahead with his amendment.

Mr. PELL addressed the Chair.

The PRESIDING OFFICER. The Chair recognizes the distinguished Senator from Rhode Island.

Mr. PELL. Mr. President, this underlying amendment was worked out in a very careful way between the appropriations and the authorizing committees in a way I have never seen done before with an exchange of ideas, and open communication. It is a great credit, I add, to the chairman of the Foreign Relations Committee, Mr. LUGAR.

I think this legislation before us has a good balance. It carries the message that we do not want to see additional military assistance and military purchases in the absence of direct negotiations but at the same time it fulfills an evident economic need.

I also would like to ask unanimous consent to insert in the RECORD a letter just received from the Secretary of State, the gist of which is that he assures us that prior to the submission of any request relating to the provision of arms to Jordan, the administration will engage in broad-based constructive consultations with the Senate.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

Hon. CLAIBORNE PELL,
U.S. Senate,
Washington, DC.

THE SECRETARY OF STATE,
Washington, June 20, 1985.

DEAR SENATOR PELL: As you know, the Administration is requesting a total of $250 million in economic assistance to Jordan as a result of our favorable assessment of King Hussein's contribution to the ongoing peace process in the Middle East. The recent visit between King Hussein and President Reagan resulted in an understanding of both Jordan's need for urgent assistance and U.S. interests in fostering stability and renewed economic growth in Jordan.

The Administration agrees the issue of security assistance is of great significance and must be very carefully considered in order to avoid any setbacks. Accordingly, I wish to assure you that prior to the submission of any request relating to the provision of arms to Jordan, the Administration will engage in broadbased and constructive consultations with the Senate, seeking the development of a true consensus that such transfers are appropriate.

I hope that this expression of the Administration's position with respect to future arms transfers to Jordan clarifies this issue for you and your colleagues. I look to early and favorable action on the Administration's request for economic assistance.

With warm personal regards.

Sincerely yours,

GEORGE P. SHULTZ.

Mr. PELL. I think on balance what we are achieving here is a balanced approach. The underlying legislation is

good. I hope the amendment of the Senator from Arizona—for whom I have the greatest personal respect—will be withdrawn or tabled.

Mr. RIEGLE addressed the Chair.

Mr. HATFIELD addressed the Chair.

The PRESIDING OFFICER. The Senator from Oregon is recognized.

Mr. HATFIELD. Mr. President, I do not want to cut off anyone but I want to give notice that I will soon make a motion to table this amendment. But I have indicated to the Senator from Arizona and to the Senator from Michigan that I will refrain from making that motion until they have had a chance to make a statement. I see the Senator from Massachusetts. I will wait until the Senators speak.

I want to put the Senate on notice that I will make such a motion very shortly.

Mr. RIEGLE addressed the Chair.

Mr. KENNEDY addressed the Chair.

The PRESIDING OFFICER. The Senator from Massachusetts is recognized.

Mr. KENNEDY. Mr. President, I rise in opposition to the amendment proposed by the Senator from Arizona, Senator DECONCINI. Over a period of the past 4 years, I have had the opportunity to work with the Senator from Pennsylvania [Senator HEINZ] on three different sense-of-the-Senate resolutions in opposition to the sale of sophisticated weaponry to Jordan. Those resolutions have been developed as a result of the failure of Jordan to enter into the Camp David peace process and the failure to work toward direct negotiations with Israel over a very considerable period of time. We stressed our support for the one meaningful process—the only real path for peace in the Middle East—the Camp David process. In those resolutions, a majority of the Senate has indicated its strong and continuing commitment to that concept, and that we were not prepared to see the sale of very sophisticated weaponry to Jordan until it was strongly committed and moving toward the path of peace in the Middle East.

In recent times we have been able to gather some 72 members of our colleagues in support of a similar kind of resolution. So I rise as someone who has been very much concerned about the failure of Jordan to move toward the peace process, while certainly recognizing the extraordinary historical dilemmas that Jordan faces but while also understanding the great security problems that Israel faces.

I agree with those statements that have been made earlier this evening, stating that the amendment of the Senator from Arizona is not appropriate here on the floor of the Senate this evening. I have a great deal of respect for the Senator from Arizona, my good friend, and for his strong commitment toward the Middle East peace process. I, too, am committed to the belief that what we do not need is more arms for the Middle East but more diplomacy. What we do not need is a war policy but a peace policy. Clearly, our objectives are similar in trying to see the process move forward. But for the reasons which I think have been well stated and identified by the Senator from Wisconsin and the Senator from Hawaii, recognizing the legislative history of this particular proposal, understanding what the administration had initially proposed, and what was eventually fashioned by the committees responsible for this particular amendment, I think the sentiment of this body is extemely clear. And I think the sentiment of the American people on the issue of giving further support and sustenance to a courageous action by the King of Jordan is clear. But there is also a clear recognition that this funding will be carefully monitored by those of us interested in the cause of peace in the Middle East and by those of us concerned about any premature efforts to send additional weapons into that part of the world.

The agreement on the proposed economic aid to Jordan no longer contains $100 million in unrestricted cash, it is now to be earmarked only for specific projects and it is only to be disbursed on a schedule over 3 years. In addition, several Members of this body, including myself, have just received a letter from Secretary of State George Shultz assuring us that the administration will seek a true consensus on any arms sales before such transfers are requested.

I think the message we are sending is clear—that we in the Senate are willing to send a message of support to King Hussein of Jordan but that we will never allow the security of Israel to be jeopardized.

I do not differ with the intentions of the Senator from Arizona's amendment, but I differ with his means. Therefore, I, too, want to join with those who hope this amendment will not be considered, and, if it is to be considered, that it will not be accepted by this body.

Mr. RIEGLE addressed the Chair.

The PRESIDING OFFICER. The Senator from Michigan.

Mr. RIEGLE. Mr. President, I thank the Chair.

Earlier, our esteemed colleague from Hawaii spoke very ably as he always does in terms of laying out some of the financial facts that apply to the conditions in Jordan today. I want to add an additional factor, too, that relates to the Senator's recitation.

The Senator pointed out that Jordan today is running a trade deficit, and so are we. Theirs is a flyspeck in relationship to ours. Ours is now running at the rate of $150 billion a year. He made reference to the fact that Jordan is a debtor nation. So are we. The Secretary of Commerce this week indicated that the United States has just become a debtor nation for the first time since 1914 because our financial circumstances are in such disarray with our fiscal deficit and our trade deficit—bad loans abroad and a lot of other things—and that we are in the same position financially, being a debtor nation, as is Jordan. But that does not stop us as a nation from finding good causes and purposes that require additional spending.

I am not disputing the desire and the wisdom of trying to advance some peace initiative effort by the country of Jordan and by the King of that country.

I think the initiative along that line, to the extent that it is real, to the extent that it is sustained, that it is not just something which is put out as an inducement for which rewards are given, but, rather, something that is carried on over a period of time, might help the peace process, and so much the better.

But I must say that I am still at a loss as to why it is we have assurances from everybody but Jordan. I have never seen it so hard to give away $250 million here and in a sense get nothing back in the way of any kind of direct assurance from that Government that anybody can talk about. It is as if somehow if we were to ask them to make some statement in that regard, they would be offended so much that maybe they would not take the $250 million.

Well, it is not chicken feed. It is a significant amount of money, especially from a country in the kind of financial condition that we are at the moment, as I have just described.

I would still like to see some manner of expression by the Senate in the legislative history associated with this debate, if not in the language of the bill itself, an expression that we are not going to see an uptick in military spending by Jordan, and if we find that one takes place, I hope that we would cut this off, wherever we are in the midst of providing the economic assistance.

I do not want to see the help given if we put the value of our money in one pocket and they in turn take their own money out of their other pocket and spend it for military weapons, which they clearly want. Anybody in this Chamber who does not think that Jordan, through this administration, is going to be back here for sophisticated weapons, is not paying attention. The fact that the administration is not in here now asking for advanced weapons is because 72 Senators have said we oppose that concept. Otherwise, we would be looking now not at $250 million in this bill, but at an administra-

tion request to approve the sale of advanced weapons to Jordan.

I think that is the context in which this discussion takes place. I want to say to the people who have worked so hard on this, and I respect the work that has been done as well, that you ought to be bringing in assurances from Jordan, not from our Secretary of State. I would like to hear from their Secretary of State. If we are going to give the money away, whether it is $250 million, or $500 million the next time, or $1 billion, whatever the figure is, I think we have the right to get something in return, and I mean something that is stated, not under the table. On top of the table.

I yield the floor.

Mr. DECONCINI addressed the Chair.

The PRESIDING OFFICER (Mr. TRIBLE). The Senator from Arizona.

Mr. DECONCINI. Mr. President, I will be brief.

Mr. President, the argument that the Senator from Michigan has made is quite profound.

First of all, the good chairman of the Foreign Relations Committee has talked about disbursing by thirds. But there is nothing that I can see in the authorizing language which forces a reappraisal of our appropriating this money should the information in these reports prove undesirable for U.S. goals and policies.

Again, the answer is, "Well, we can pass legislation stopping it." This is not enough for me.

We did more than a sense of the Senate just a few minutes ago on the authorization language. Although in my judgment it was not strong enough, I did not object to it. It talks about what shall be the policy of the Congress. Well, it seems to me it ought to be more than the policy of the Congress. The President should be involved in this, as my language specifies. We should do all we can here tonight to encourage Jordan to come to the peace table, to encourage Jordan to enter into a peace agreement with Israel, which is exactly what we did when we assisted in bringing about the Camp David Accord with Egypt and Israel.

Mr. President, I ask for the yeas and nays on my amendment.

Mr. SIMON. Will the Senator yield?

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. DECONCINI. I yield to the Senator from Illinois.

Mr. SIMON. I thank the Senator for yielding. I recognize that a very carefully crafted amendment has been worked out, but it seems to me that this is so clearly what we want to say and do. One way to avoid embarrassment is to simply say to the administration, to Jordan, to everyone else, "We do not want to have money going for arms until that peace process is resolved between Jordan and Israel."

I believe it. I just think it makes sense. I think the majority of the Members of this body believe it. Why do we not just say it? I do not think it embarrasses anyone. I am certainly going to vote for the DeConcini amendment.

Mr. DECONCINI. Mr. President, I thank the Senator from Illinois.

I just ask my good colleagues who have worked on this, what damage is done by adopting a sense-of-the-Senate resolution that we expect Jordan and Israel to enter into peace before the President submits any arms transfers or sales from this country to Jordan?

That is all this piece of paper says. It does not forbid the President from coming to the assistance of Jordan, if that should be the case. It has been pointed out the Israelis have done that very thing before, and they may do it again. It seems to me that my amendment is commonsense and makes good sense. That may be the reason that it is going to be tabled. I thank my colleagues for their attention.

The PRESIDING OFFICER. The Senator from Oregon.

Mr. HATFIELD. Mr. President, I shall shortly move to table the DeConcini amendment. Before I do so, I would like to take this opportunity to indicate to the Senate that we have now moved to a point of disposing of the amendment, the underlying amendment, offered by the Senator from Wisconsin and others on the question of aid to Jordon. Upon the disposition of that amendment, we have two every brief other matters that can be handled by accepting these matters by the managers and then going to third reading. I feel we can accomplish that in the next brief period of time, hopefully not more than 30 minutes.

If the ranking member of the committee agrees, I believe I have reported the situation accurately as it relates to both sides of the aisle relating to other matters yet to be disposed of.

To the best of our intelligence at this time, there are indications that we have one or not more than two brief matters on this bill that can be handled by the managers accepting. One proposal is a brief study which is being worked out, I believe.

Mr. JOHNSTON. I understand that is so. I believe that study is to be proposed by the Senator from Mississippi.

Mr. STENNIS. Will the Senator repeat his statement?

Mr. JOHNSTON. We understand that the Senator from Florida [Mr. CHILES] is working out an amendment that I understand deals with the subject matter of the views of the Armed Forces with respect to drugs. The question is, Would that be suitable with the Senator from Mississippi?

Mr. STENNIS. Yes.

Mr. JOHNSTON. And I believe the Senator from West Virginia [Mr. BYRD] has an amendment which does not appear to be a controversial matter.

Mr. HATFIELD. I thank the Senator.

Mr. DOLE. Will the Senator yield for a moment?

Mr. HATFIELD. I am happy to yield.

Mr. DOLE. Some Members may want to know what the plans are for the remainder of the evening. I am assuming if we dispose of this bill, there will be no more rollcall votes this evening.

If we can reach some agreement on the so-called coin bill, or very close to agreement, we will bring it up tomorrow but there will not be any votes on it.

Then we will lay down the gun bill tomorrow, if we do not reach agreement, but we would not have any votes on that, and be on the gun bill when we come back on Monday.

If we can reach an agreement on the coin bill, I hope I can say to the Members, though I cannot say it yet, but before we adjourn this evening, that we will be in session tomorrow but there will not be any votes. I cannot say that yet, but we are trying to accommodate Members on both sides, if we can get an agreement.

Mr. HATFIELD. Mr. President, I move to lay the DeConcini amendment on the table.

Mr. DECONCINI. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Oregon [Mr. HATFIELD] to lay the amendment of the Senator from Arizona on the table. The yeas and nays have been ordered. The clerk will call the roll.

The legislative clerk called the roll.

Mr. SIMPSON. I announce that the Senator from Minnesota [Mr. DURENBERGER], the Senator from North Carolina [Mr. EAST], the Senator from Texas [Mr. GRAMM], and the Senator from Alaska [MR. MURKOWSKI] are necessarily absent.

Mr. CRANSTON. I announce that the Senator from Oklahoma [Mr. BOREN] and the Senator from Arkansas [Mr. PRYOR] are necessarily absent.

I further announce that the Senator from New York [Mr. MOYNIHAN] is absent because of a death in the family.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 84, nays 9, as follows:

[Rollcall Vote No. 132 Leg.]

YEAS—84

Abdnor	Glenn	Mattingly
Andrews	Goldwater	McClure
Armstrong	Gore	McConnell
Baucus	Gorton	Melcher
Bentsen	Grassley	Metzenbaum
Biden	Harkin	Mitchell
Bingaman	Hart	Nickles
Boschwitz	Hatch	Nunn
Bradley	Hatfield	Packwood
Bumpers	Hecht	Pell
Burdick	Heflin	Quayle
Byrd	Heinz	Rockefeller
Chafee	Helms	Roth
Chiles	Hollings	Rudman
Cochran	Humphrey	Sarbanes
Cohen	Inouye	Sasser
D'Amato	Johnston	Simpson
Danforth	Kassebaum	Stafford
Denton	Kasten	Stennis
Dixon	Kennedy	Stevens
Dodd	Kerry	Symms
Dole	Lautenberg	Thurmond
Domenici	Laxalt	Trible
Eagleton	Leahy	Wallop
Evans	Long	Warner
Exon	Lugar	Weicker
Ford	Mathias	Wilson
Garn	Matsunaga	Zorinsky

NAYS—9

Cranston	Levin	Riegle
DeConcini	Pressler	Simon
Hawkins	Proxmire	Specter

NOT VOTING—7

Boren	Gramm	Pryor
Durenberger	Moynihan	
East	Murkowski	

So the motion to lay on the table amendment No. 413 was agreed to.

Mr. DOLE. Mr. President, if I may have the attention of my colleagues, I want to thank the managers of this particular provision and to indicate that this one-sided vote reflects—I think properly—on the great work done in the committee by the chairman, by the ranking minority member, by the subcommittee chairmen, and all the others who have joined in this effort.

In no way should it be perceived as some reflection on the support in this body for the State of Israel or in any way related or connected with any present international difficulties.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Wisconsin.

The amendment (No. 412) was agreed to.

Mr. KASTEN. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. HEINZ. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. HATFIELD. Mr. President, I believe we now have two amendments, one to be offered by the Senator from West Virginia, the Democratic leader, and one by the Senator from Florida. Then we will be ready for final passage.

May we have order in the Senate?

The PRESIDING OFFICER. The Senate is not in order. Senators wishing to converse are asked to leave the Chamber. The Democratic leader is entitled to be heard.

Mr. BYRD. I thank the Chair.

SCHEDULE

Mr. BYRD. Mr. President, a little earlier, the distinguished majority leader gave a preview of things to come with reference to the business tomorrow. Would he be kind enough to indicate again what the business will be on tomorrow, whether there will be rollcall votes, and what the business will be on Monday and Tuesday, if he is in a position to do so at this time? I hope we might expect no rollcall votes on Monday.

Mr. DOLE. Mr. President, we are very close to reaching an agreement on the coin bill; and if we can work that out tonight, it will not require a record vote. We will take that up tomorrow; that will be all on tomorrow.

I have talked about laying down the gun bill and having opening statements, but there is still a chance we may reach a time agreement on that measure. We are within inches of working something out, and maybe that might be accomplished by Monday. I understand that we cannot clear that with certain people between now and tomorrow morning.

Most of us who have amendments to the coin bill will be willing to wait for another day.

I have talked today with Mr. Iacocca, who is trying to raise money to rehabilitate the Statue of Liberty, and it is very important that this bill pass, so that they can get it advertised in the yearend catalogs. It takes a little leadtime. It means $50 million, $60 million, or $70 million with reference to the project.

We would like to get it passed tomorrow; and if we cannot reach an agreement, we will just have to call it up. I hope that in the next 4 or 5 minutes we can have some indication which way it will go.

With respect to Monday, if we finish the coin bill tomorrow, I hope we can reach some agreement on S. 49, the McClure-Volkmer gun bill. If that is the case, that would be put off until after the Fourth of July recess.

That would leave a number of options, none of which is very exciting. Imputed interest would be the first revenue bill to come out of the Finance Committee this year. I am advised by the chairman that unless we can have an agreement not to load it up with amendments, he would prefer not to bring it up.

Beyond that, we are down to little dogs and cats. They are very important bills. We have a very important wheat bill, come to think of it. It is not in the dog and cat category. [Laughter.]

The bill merely postpones a referendum. We hope we might take that up next week, because if we do not, we are going to spend a million dollars. The farmers are going through a sort of waste of time. We have encouraged Secretary Block to support postponement of that referendum.

Mr. BYRD. Mr. President, does the distinguished majority leader anticipate any rollcall votes on Monday; and if so, how many?

Mr. DOLE. If we can work out this little coin bill, we will not have any votes on Monday. That is an inducement.

Mr. BYRD. I thank the distinguished majority leader.

AMENDMENT NO 414

(Purpose: To establish a national coal imports reporting program to provide an information base to permit the Congress to monitor trends in United States coal imports and develop national policy to protect the interests of the United States)

Mr. BYRD. Mr. President, I send an amendment to the desk.

The PRESIDING OFFICER. The amendment will be stated.

The bill clerk read as follows:

The Senator from West Virginia [Mr. BYRD] proposes an amendment numbered 414.

Mr. BYRD. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place in the bill add the following:

"TITLE II—COAL IMPORTS.

"SEC. . SHORT TITLE.

"This title may cited as the National Coal Imports Reporting Act of 1985.

"SEC. . UNITED STATES COAL IMPORTS REVIEW.

"(a) The Energy Information Administration shall issue a report quarterly and provide an annual summary of the quarterly reports to the Congress, on the status of United States coal imports. Such quarterly reports may be published as a part of the Quarterly Coal Report published by the Energy Information Administration.

"(b) Each report required by this section shall—

"(1) include current and previous year data on the quantity, quality (including heating value, sulfur content, and ash content), and delivered price of all coals imported by domestic electric utility plants that imported more than 10,000 tons during the calendar year into the United States;

"(2) identify the foreign nations exporting the coal, the domestic electric-utility plants receiving coal from each exporting nation, domestically produced coal supplied to United States electric-utility plants of imported coal, and domestic coal production, by State, displaced by the imported coal;

"(3) identify at regional and state levels of aggregation (where allowed under disclosure policy) transportation modes and costs for delivery of imported coal from the exporting country port of origin to the point of consumption in the United States; and

"(4) specifically highlight and analyze any significant trends of unusual variations in coal imports.

"(c) The first report required by this section shall be submitted to Congress in March 1986. Subsequent reports shall be submitted within 90 days after the end of each quarter.

"(d) Information and data required for the purpose of this Act shall be subject to existing law regarding the collection and disclosure of such data.

SEC. . ANALYSIS OF THE UNITED STATES COAL IMPORT MARKET.

"(a) The Secretary of Energy, acting through the Energy Information Administration, shall conduct a comprehensive analysis of the coal import market in the United States and report the findings of such analysis to the Committee on Energy and Natural Resources of the Senate and the appropriate committees of the House of Representatives, within nine months of the date of enactment of this Act.

"(b) The report required by this section shall—

"(1) contain a detailed analysis of potential domestic markets for foreign coals, by producing nation, between 1985 and 1995;

"(2) identify potential domestic consuming sectors of imported coal and evaluate the magnitude of any potential economic disruptions for each impacted State, including analysis of direct and indirect employment impact in the domestic coal industry and resulting income loss to each State;

"(3) identify domestically produced coal that potentially could be replaced by imported coal;

"(4) identify contractual commitments of domestic utilities expiring between 1985 and 1995 and describe spot buying practices of domestic utilities, fuel cost patterns, plant modification costs required to burn foreign coals, proximity of navigable waters to utilities, demand for compliance coal, availability of less expensive purchased power from Canada, and State and local considerations;

"(5) evaluate increased coal consumption at domestic electric utilities resulting from increased power sales and analyze the potential coal import market represented by this increased consumption. Increased consumption should include that represented by existing coal-fired plants, new coal-fired plants projected up to the year 1995 and plants planning to convert to coal by 1995;

"(6) identify existing authorities available to the Federal government relating to coal imports, assess the potential impact of exercising each of these authorities, and describe Administration plans and strategies to address coal imports;

"(7) identify and characterize the coal export policies of all major coal exporting nations, including the United States, Australia, Canada, Colombia, Poland, and South Africa with specific consideration of such policies as—

"(A) direct or indirect government subsidies to coal exporters;

"(B) health, safety, and environmental regulations imposed on each coal producer; and

"(C) trade policies relating to coal exports;

"(8) identify and characterize the excess capacity of foreign producers, potential development of new export-oriented coal mines in foreign nations, operating costs of foreign coal mines, capacity of ocean vessels to transport foreign coal and constraints on importing coal into the United States because of port and harbor availability;

"(9) identify and characterize specifically the participation of all United States corporations involved in mining and exporting coal from foreign nations; and

"(10) identify and characterize the policies governing coal imports of all coal-importing industrialized nations, including the United States, Japan, and the European nations by considering such factors as import duties or tariffs, import quotas, and other governmental restrictions or trade policies impacting coal imports.".

Mr. BYRD. Mr. President, this matter will take only 60 seconds.

This amendment directs the Energy Information Administration to report quarterly on the status of U.S. coal imports. The EIA is also directed to provide an annual summary of such information, and the amendment directs the Secretary of Energy, through the Energy Information Administration, to conduct a comprehensive analysis of the coal import market of the United States to the year 1995.

I believe the managers of the bill have indicated their willingness to accept this amendment.

Mr. HATFIELD. Mr. President, this amendment has been reviewed by the committee of jurisdiction on our side, and we have no objection.

Mr. JOHNSTON. Mr. President, it has been cleared on this side of the aisle.

Mr. McCLURE. Mr. President, I add that this amendment has been already added to another piece of legislation that the Senate has already approved once. I hope the Senate will again.

Mr. BYRD. I thank the Senator.

The PRESIDING OFFICER. If there be no further debate, the question is on agreeing to the amendment of the Senator from West Virginia.

The amendment (No. 414) was agreed to.

Mr. BYRD. Mr. President, I thank the two managers and the distinguished Senator from Idaho.

Mr. HATFIELD. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. JOHNSTON. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 415

Mr. CHILES. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Florida [Mr. CHILES] proposes an amendment numbered 415.

Mr. CHILES. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 175, between lines 21 and 1 the following new title:

TITLE IV—DEPARTMENT OF DEFENSE PLAN FOR DRUG-INTERDICTION PROGRAM

SEC. 401 (a) The Congress finds that—

(1) the drug trafficking problem continues to plague the United States and our national security interests;

(2) the effort to halt the flow of drugs into the United States is one of this nation's most pressing problems;

(3) the Armed Forces of the United States can make a substantial and unique contribution to the drug interdiction efforts of the United States;

(4) in 1981, Congress enacted chapter 18 of title 10, United States Code, which permitted certain military support to civilian drug interdiction programs; and

(5) the Congress has consistently supported efforts of the military in supporting the drug interdiction programs of civilian agencies within the confines of the Posse Comitatus Act (18 U.S.C. 1385).

(b) Not later than December 31, 1985, the Secretary of Defense shall submit a report, which has been developed in conjunction with the Joint Chiefs of Staff, to the Appropriations and Armed Services Committees of the House of Representatives and the Senate with regard to the role of the Department of Defense in the drug interdiction and law enforcement activities of the United States. Such report shall address:

(1) the roles, mission, and organization of the Department of Defense efforts within the overall drug interdiction and law enforcement programs of the Untied States;

(2) the relationship of the Department of Defense to the civilian departments and agencies of the United States Government involved in drug interdiction and law enforcement efforts;

(3) the estimated cost of the Department of Defense participation in this program;

(4) any appropriate military assistance, training and equipment which should be provided for drug interdiction purposes to governments in Central and South America.

(c) Nothing in this title shall authorize the Department of Defense to engage in any activities in support of drug interdiction or law enforcement activities not authorized by law.

(d) Not later than December 31, 1985, the President shall report to the Congress as to how the United States Government is organized to interdict drugs and enforce the drug laws of the United States, including a detailed description of the jurisdiction and responsibilities of the Department of Defense and all other relevant departments and agencies and the mechanisms for coordinating the policy and operational control of the elements of each agency in the drug interdiction and law enforcement mission.

Mr. CHILES. Mr. President, since 1975, I have been urging the Department of Defense to become more involved in the effort to interdict foreign drugs. In 1978, Senator NUNN and I introduced the Posse Comitatus Amendment Act which permitted the military to provide tactical intelligence to civilian agencies, loan equipment, provide training and other forms of assistance to Federal law enforcement agencies. In 1981, the amendments to the Posse Comitatus Act that I pursued became law.

I was delighted to see in this morning's Washington Post that the Joint Chiefs of Staff have unanimously recommended that the U.S. military become engaged in a comprehensive

and massive war in fighting drugs in the region covered by the Southern Command. Admiral Watkins announced a "massive new program" that would help Central American countries that ask for assistance in combating the drug trade. Admiral Watkins mentioned an interest in training highly mobile teams to stamp out rural production of marijuana and heroin while U.S. aircraft and ships try to stop export of the drugs. The admiral noted that, while the U.S. military has stepped up its efforts to interdict drugs, the current effort "isn't good enough." I was delighted to read that in this morning's Washington Post because that was exactly what I have been saying and many other Members have been saying for some time. Admiral Watkins noted that "we need a more comprehensive plan" for stamping out the drugs that finance insurgents in Central America and kill people in the United States.

Mr. President, the amendment that I am proposing would require the Secretary of Defense to submit a comprehensive plan by December 31, 1985, to describe the role of the Department of Defense in drug interdiction activities.

This plan would detail the roles, missions, and organization of the Defense Department and how the Department of Defense would interface with the civilian law enforcement agencies.

The plan would detail the assistance, training, and equipment which should be provided for drug interdiction purposes to governments of Central and South America.

The amendment would prohibit the Department from conducting any unauthorized activities.

Finally, the amendment will require the President to submit a report by December 31, 1985, detailing how the entire Federal Government is organized to respond to the drug interdiction problem.

Mr. President, I think this amendment has been cleared by all of the parties who have had a chance to look at it.

Mr. STEVENS. Mr. President, I inquire of the Senator from Florida. I notice that this amendment has been changed so that it does state specifically that it shall not authorize the Department of Defense to engage in any activities in support of drug interdiction or law enforcement activities not authorized by law.

My question is, There is no intent in this amendment to prohibit the Department from using any of the authority it now has?

Mr. CHILES. Absolutely not.

Mr. STEVENS. And in terms of this amendment, we are not attempting to discourage them from expanding out and using the authority they now have in the further effort to interdict this drug traffic.

Mr. CHILES. That is correct.

I say to my good friend from Alaska, who joined so much in this effort, that basically there was some concern on the part of some Senators that this amendment itself would be giving some additional authority. What we simply said was that nothing contained herein would give additional authority.

But in no way am I trying to limit the authority that the Department now has.

Mr. STEVENS. Mr. President, I hope that it will be very clear to all concerned that the efforts we have already undertaken in this area will not be in any way reduced. We have had a series of hearings during which Members have urged representatives of the Department and other agencies to cooperate with the Coast Guard and other agencies to expand their activities, and I would not like any inference here that we are putting this effort sort of on the shelf while we await another report.

Mr. CHILES. I think it is the other way around. I think we are encouraging them to get on with their study and submit the report and allow the appropriate committees to get a chance to see it.

Mr. DECONCINI. Mr. President, I thank the Senator from Alaska for clearing up some very important information from this Senator's point of view.

I wish to ask the Senator from Florida if it is clearly his understanding that this amendment in no way would hinder the progress of the so-called drug airwing that was established in the Senate version of the DOD authorization bill.

Mr. CHILES. I think that is absolutely clear. I am a cosponsor of the move by the Senator from Arizona in this regard, and this in no way would hinder that effort.

Mr. DECONCINI. I thank the Senator.

Mr. JOHNSTON. Mr. President, the amendment has been cleared on this side of the aisle.

Mr. STENNIS. Mr. President, for some time now, I have had a growing concern about a problem that tears at the very fiber of our country. More and more of our youth are being affected by it and it does not stop there, but reaches adults too. In fact, this problem, drug abuse, is a threat to our entire family system.

There is a part of the problem which will never be solved by any action we take here in Congress. That part is up to the individual to make a decision not to get involved with drugs. However, as these drugs become more available, the decisions facing our youth and now, I understand, even our young children, are increasingly more difficult. Here, Congress can make a difference by taking actions which will limit the availability of these dangerous and illegal drugs in our land.

As I have reviewed this problem, I have discovered some startling statistics on how the amount of drugs being smuggled into and produced in our country has increased over the past few years. Of course, we have no way to measure the exact amount of drug trafficking which goes on in the United States because we are not sure how many people get away with it. However, we can measure the increase by the rise in case initiation by our law enforcement officials against drug traffickers and by the amount of drugs seized.

In Mississippi, in 1984, seizures of cured marijuana increased by nearly 500 percent over the previous year. Seizures of growing marijuana plants increased over 200 percent in that same time.

At least for now, marijuana is the most common drug, but cocaine, which is considered to be a much more harmful drug, is on the rise. Initiation of cocaine cases by the Mississippi Bureau of Narcotics increased 140 percent in 1984 over 1983, and seizures of cocaine increased by 143 percent.

There is also an increase of other so-called hard drugs such as heroin. In one incident in Mississippi a clandestine laboratory was raised with enough chemicals found to manufacture 20 pounds of the drug phencyclidine, or PCP, valued at almost a half a million dollars.

Mr. President, these dramatic figures are only for the State of Mississippi. There are similar figures for every other State in the Union. Last year, according to Drug Enforcement Administration's estimates, over 85 tons of cocaine and 15,000 tons of marijuana entered the United States from foreign sources. Of course, most drugs enter through the Southern States, but they do not stop there. They migrate, you might say, from one State to another, and one to another until the entire Nation is affected. The problem is growing in dramatic proportions and no State or area of the country is immune from its pain.

Perhaps the most startling fact to me is that the annual drug trade in the United States has grown to a $100 billion business, ranking behind Exxon and General Motors only, as the third largest industry in the Nation.

For several years now, we have been working in this country to put up a "drug fence" around our borders to keep out drug smugglers, and we have had good success in some instances. However, these smugglers are smart and they have found ways to get over the fence or they have found holes to come through the fence.

In order to have any continued successes in this field, we have to have more trained manpower and more so-

phisticated equipment to keep up with the advances of the drug smugglers. And we must do all we can to assist the local law enforcement officials. They are trying hard and doing a good job, but there is a limit to what their equipment, manpower, and finances will allow them to do.

Mr. President, it is for this very reason that I, along with Senators HOLLINGS, CHILES, and DECONCINI offered an amendment to the fiscal year 1985 supplemental appropriations bill during full committee markup, to add funds for the Federal agencies which are charged with the responsibilities of combating the illegal drug trade. At the same time, my good friend from Nevada [Senator LAXALT] had an amendment which effectively served the same purpose, and which, I understand, had the endorsement of the administration. Together, we were able to form a package which provides $111.8 million for the Drug Enforcement Administration, the Coast Guard, the U.S. Customs Service, and the Department of Justice.

For the Drug Enforcement Administration [DEA] the amendment provides additional trained manpower and upgraded equipment such as a sophisticated helicopter for tracking suspects in Hawaii. It also provides increased security and communications. Drug traffickers are becoming more and more dangerous, as evidenced by the fact that in 1984, in Mississippi, there was a 96-percent increase in the number of traffickers which were armed. Finally, the DEA portion provides funds for joint Federal/local drug task forces in high problem areas.

The Coast Guard also will receive additional trained manpower and equipment such as a C-130 airplane and two aerostat radar balloons for tracking suspects in the Caribbean. As drug smugglers have become more advanced in their techniques, they have also become quicker in their approach. In many instances now they offload their illegal cargo out in the open water into smaller, faster boats. For this reason, the amendment provides eight high-speed boats for the Coast Guard to keep up in pursuit.

The Customs Service, which has marine responsibility within 12 miles of our borders, will receive 40 high-speed interceptor vessels. Also, there is a startup funding for a large aerostat radar system to guard our Southwest border from smugglers coming in from Mexico.

All of our southern borders are within 2,000 air miles of the countries where all cocaine and most marijuana originates in or is transported from. This makes it easy for smugglers to fly into our Southern States and drop their cargo for distribution to the rest of the Nation. For this reason, our amendment provides funding to upgrade equipment to enhance the air interdiction program of the Customs Service.

Finally, the amendment provides funding to the Department of Justice for additional U.S. attorney positions specifically for the trying of drug cases.

Mr. President, we need not fool ourselves into thinking that this effort will solve the drug problem. The easy money involved in drug trafficking takes a hold on those who participate just as the drugs take a hold on the users of them. And, as I said before, the problem is not just in Mississippi or the Southeast, where most drugs enter the United States. It is a nationwide problem and it must be attacked by all of us.

This amendment makes a start and I, for one, intend to follow through to make sure that it is only a start. We will never completely eliminate illegal drugs or illegal drug trafficking from this country. However, if we can make it difficult enough to cause many to decide the risk is too high, then we have made real progress. I hope that this will be the goal of this Congress; it is certainly my goal.

Thank you.

The PRESIDING OFFICER. If there is no further debate, the question is on agreeing to the amendment of the Senator from Florida.

The amendment (No. 415) was agreed to.

Mr. CHILES. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. JOHNSTON. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 416

Mr. McCLURE. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Idaho [Mr. McCLURE] proposes an amendment numbered 416.

Mr. McCLURE. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 96, on line 23, insert before the period the following:

", of which not to exceed $20,000 shall be available to pave the street and to build the sidewalk and curb in front of the BLM district office in Worland, Wyoming"

Mr. McCLURE. Mr. President, this amendment is the result of the request of the Director of the Bureau of Land Management through Senator WALLOP with respect to the paving of a street in front of the BLM office in a city in Wyoming.

I know of no objection to the amendment. I hope it will be adopted.

The PRESIDING OFFICER. If there be no further debate, the question is on agreeing to the amendment of the Senator from Idaho.

The amendment (No. 416) was agreed to.

Mr. McCLURE. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. DOMENICI. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 372, FURTHER MODIFICATION

Mr. McCLURE. Mr. President, if I may direct an inquiry to the manager of the bill, earlier today on amendment No. 372, we listed certain States in which action should be banned with respect to the Land Interchange Program. The Senators from North Dakota have asked that their States be added to that list in that amendment.

Would the manager of the bill prefer that I do that by separate amendment or ask unanimous consent to modify the amendment passed earlier?

Mr. HATFIELD. Mr. President, I suggest in response to the request that the Senator from Idaho ask for unanimous consent for a modification.

Mr. McCLURE. Mr. President, I ask unanimous consent that amendment No. 372 earlier added be modified by the addition of the State of North Dakota to the list.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HATFIELD. Mr. President, I know of no other amendment.

AMENDMENT NO. 417

(Purpose: To make technical corrections in H.R. 2577, making supplemental appropriations for the fiscal year ending on September 30, 1985)

Mr. HATFIELD. Mr. President, I send to the desk the committee amendment containing technical amendments that have been cleared on both sides of the aisle.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Oregon [Mr. HATFIELD] proposes an amendment numbered 417.

Mr. HATFIELD. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 11, line 13, strike the word "further".

On page 15, line 13, strike the period at the end of the line and insert in lieu thereof ", to be derived from the general fund of the Treasury"."

On page 55, between lines 5 and 6, insert the center head "Mountrail County Park, North Dakota".

On page 55, line 6, insert "(a)" before the word "Section".

On page 56, line 24, strike the word "Act" and insert in lieu thereof "section".

On page 57, before line 1, insert the center head "Transfer of Federal Townsites".

On page 57, line 1, insert "(a)(1)" before the word "Except".

On page 57, line 23, strike "MFP118-2E" and insert in lieu thereof "MFP118-2E1".

On page 58, line 22, strike the word "herein" and insert in lieu thereof "in subsection (a)".

On page 59, line 6, strike the words "this paragraph" and insert in lieu thereof "subsection (a)".

On page 59, line 11, strike the words "this paragraph" and insert in lieu thereof "subsection (a)".

On page 59, line 13, strike the word "herein" and insert in lieu thereof "in subsection (a)".

On page 59, line 17, strike the words "this paragraph" and insert in lieu thereof "subsection (a)".

On page 59, line 22, strike the word "herein" and insert in lieu thereof "in subsection (a)".

On page 60, lines 2 and 3, strike the words "this paragraph" and insert in lieu thereof "subsection (a)".

On page 88, immediately after line 22, insert the text appearing on page 76, lines 7 through 15, and thereafter strike out lines 7 through 15 on page 76.

On page 120, immediately after line 5, insert the text appearing on lines 18 through 25, and therafter strike out lines 18 through 25.

On page 59, line 17, strike the words "this paragraph" and insert in lieu thereof "subsection (a)".

On page 59, line 22, strike the word "herein" and insert in lieu thereof "in subsection (a)".

On page 60, lines 2 and 3, strike the words "this paragraph" and insert in lieu thereof "subsection (a)".

On page 88, immediately after line 22, insert the text appearing on page 76, lines 7 through 15, and thereafter strike out lines 7 through 15 on page 76.

On page 120, immediately after line 5, insert the text appearing on lines 18 through 25, and therafter strike out lines 18 through 25.

Mr. HATFIELD. Mr. President, these are amendments that have been cleared. They are technical amendments changing the page number and changing the parts of speech to comply with some of the changes in the bill.

Mr. JOHNSON. Mr. President, these are technical amendments that have been cleared on this side of the aisle.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Oregon.

The amendment (No. 417) was agreed to.

GALLIPOLIS LOCKS AND DAM

Mr. BYRD. Mr. President, this supplemental appropriations bill, H.R. 2577, contains authorization for 25 new water projects, including the Gallipolis locks and dam on the Ohio River. We are not considering these projects for the first time today. The Senate-passed version of the fiscal year 1985 continuing resolution, House Joint Resolution 648, contained the same list of 25 projects.

Nothing has changed since that time to make these projects, and Gallipolis in particular, less necessary or urgent. In fact, quite the opposite is true. The Gallipolis locks and dam, for example, is an aging, dangerous, inefficient and obsolete structure which needs to be replaced immediately. I have spoken on this subject many times, but I will reiterate briefly that Gallipolis is the only facility on a 900-mile stretch of the Ohio River that does not have a main lock chamber measuring 1,200 feet in length. The main chamber at Gallipolis is only one-half the size of modern locks in use elsewhere on the river. Barge operators must break their larger tows into several smaller segments in order to pass through these inefficient locks. Consequently, Gallipolis has become an expensive, time-consuming bottleneck for commerce on the Ohio River.

The lock chambers at Gallipolis are exceptionally busy. There were 4,042 commercial trips through the chambers last year, carrying a total of 37 million tons of products. Because of the bottleneck at Gallipolis, these commercial operations sustained a total of 15,475 hours in delays last year alone. These delays are a burden to the American people in terms of increased shipping costs and lost jobs due to shipping delays which, in some cases, can make certain products uncompetitive with those produced elsewhere.

Gallipolis is a dangerous facility because of its location on a bend in the river. The proposed project would construct new, larger locks in a channel through the river bend, thereby straightening the approach to the chambers.

The proposed Gallipolis project has a benefit-to-cost ratio of 11.3 to 1; so, there can be no question about the merits of this new facility. At an appropriations hearing on February 20, 1985, I asked Acting Assistant Secretary Dawson and his staff what the annual project benefits for the proposed Gallipolis project would be. The corps' response was that Gallipolis would produce an average of $173 million in benefits each and every year. These recurring yearly project benefits for outweigh the projected one-time estimated project cost of $370 million for the construction of two new lock chambers and rehabilitation of the existing dam.

Some in the administration have argued that this is not the time to proceed with these water projects. We need to save money, they say. If Gallipolis is delayed, if some form of project authorization is not passed in this supplemental appropriations bill, work on this project will cease this summer. Then the administration will save, perhaps, $4.5 million in design and land acquisition costs in fiscal year 1986; and the American people will lose $173 million in project benefits. Clearly and such savings would actually be a severe loss.

Mr. President, in view of the overwhelming merits favoring immediate construction of the Gallipolis project and the fact that the Senate has previously voted to support these same 25 projects which are considering today, I believe and have every hope that my colleagues will again approve the inclusion of these projects. In closing, I would like to thank the distinguished chairman of the Appropriations Committee, Senator HATFIELD, and the ranking Democratic member of the Energy and Water Development Appropriation Subcommittee, Senator JOHNSTON, for their very diligent efforts and fairness in their recommendations which are reflected in this bill today.

SUPPLEMENTAL ASSISTANCE TO ISRAEL

● Mr. EAGLETON. Mr. President, I note that the committee bill includes the full $1.5 billion in supplemental aid for Israel which was authorized by this body on May 14. Israel needs and should receive the supplemental aid. But it is essential that as we provide the aid we do all we can to cooperate with and assist the Israeli Government as it seeks to put its economic house in order.

As we move to approve this supplemental appropriation, I believe it is instructive to review the evolution of Israel's economic difficulties. By every analysis, the roots of the present difficulty can be traced to the 1973 war and the huge debts resulting from the heavy postwar borrowing. The 1973 Yom Kippur war cost Israel $10 billion plus—the equivalent of its entire GNP for that year. Defense expenditures and defense imports soared from a historical average of 22 percent of Israel's GNP to 32.7 percent in 1974, and 34 percent in 1975; $7.8 billion of Israel's $24 billion debt is owed to the United States for postwar rebuilding and subsequent military purchases.

That background, albeit brief and incomplete, brings us to Israel's current economic dilemma. I would like to inquire of the distinguished ranking member of the Senate Appropriations Subcommittee on Foreign Operations, Mr. INOUYE, whether or not it is his view that the 3-year Israeli adventure in Lebanon greatly exacerbated the underlying difficulties in the Israeli economy? Is it not true that the 3-year Israeli occupation of southern Lebanon has cost Israel $1.2 million a day?

● Mr. INOUYE. Clearly the Israeli invasion of Lebanon is a major factor in Israel's present economic dilemma, but I would suggest to the distinguished Senator from Missouri that the problems are far more deep-seated. In the past 10 years, three severe blows have been delivered to the Israeli economy.

First, the cost of petroleum sharply increased following the return of the Sinai and its oil to Egypt under the terms of the Treaty of Peace of 1979.

The cost of energy imports have increased from $100 million in 1972 to $1.5 billion in 1984.

Second, defense spending has grown from $1.5 billion annually in 1972 to $5 billion today. To maintain its own deterrent and defense capability in the face of an enormous Arab buildup, financed both by petrodollars and by the Soviet Union, Israel was forced to increase its defense expenditures fourfold. This increase could not be met with current revenues; Israel was compelled to borrow to live.

I would suggest that it is not mere coincidence that Israel finds herself today spending nearly one-half of the Government budget on debt servicing and that she is confronted today by Arab forces which have increased their arms spending by 700 percent since 1972. It is not mere coincidence that Israel has become indebted while the four largest importers of arms in the world are all Arab countries—Libya, Syria, Saudi Arabia and Iraq.

This third factor, the heavy debt burden which the Senator from Missouri has already touched on, in my opinion, is the most severe of the blows which have been dealt to the Israeli economy over the past 10 years. Gradually, incrementally, of necessity, Israel has mortgaged control over her economy to her creditors, the largest of whom is the United States. The accumulated debt, arising from the necessity of matching arms purchases of her adversaries, has diminished the national sovereignty Israel has fought so courageously to defend. The structure of the debt—large amounts of principal to be repaid at high interest rates for a protracted period—undermines the Government's ability to deal with the current crisis.

● Mr. EAGLETON. I appreciate the Senator's analysis of the economic crisis, and wonder if we could pursue a bit farther the terms and conditions under which this supplemental aid is to be provided to Israel.

The committee-reported bill makes clear that the first installment of this 2-year package of $750 million is to be disbursed within 30 days of enactment of the supplemental bill, but both the bill and its accompanying report are silent as to disbursement of the remaining $750 million.

As the Senator from Hawaii knows, there are an infinite number of foreign policy issues upon which I disagree with the administration with varying degrees of vehemence. But if there is one area where I think the administration is doing a good job, it is with respect to Israel. Secretary Shultz appointed a distinguished team of economic advisers, including Dr. Stanley Fischer, professor of economics at MIT, and Dr. Herbert Stein, chairman of the Council of Economic Advisers under President Nixon, to work with the Israelis to devise meaningful economic reforms to repair Israel's fundamental economic problems.

In the words of Dr. Stein, in his testimony before the House Committee on Foreign Affairs:

> U.S. aid cannot be a substitute for an effective program and should not precede its adoption. A decision to provide supplemental aid before the program has been established can only weaken the sense of urgency about developing the program. Initiation of the needed program would be deferred, possibly until some future crisis. For the U.S. to encourage this would not be helpful to Israel.
>
> I do not think it will be sufficient, either for its own policy processes or for its external relations, for the Government of Israel simply to announce a program, however promising the program may be. Steps for assuring execution of the program should be taken, and milestones designating for measuring performance. For example, as the Minister of Finance of Israel, Mr. Modai, has suggested, quarterly targets could be set for carrying out the annual budget.
>
> In cognizance of such a program, with plans for its execution, the U.S. might provide supplemental aid with some confidence that it would be temporary. Such aid should, in my opinion, be disbursed in installments in the light of evidence that the program which justified it was being carried out. There should be continuing close working relations between economic officials of the two governments, and that will require a good understanding from our side of the nature of their problems and from their side of the nature of our interests. As I have been able to observe the cooperation of the two sides in discussing economic policy in the past year, I believe that the basis for such understanding exists.

Can the Senator from Hawaii assure me that the Committee bill's silence on the disbursement of the second installment will allow the administration sufficient flexibility in the disbursement of the fiscal year 1986 component of the package to continue its consultation with the Israeli Government in order to work out an effective economic stabilization and recovery program?

● Mr. INOUYE. Yes, I can make that assurance to my friend from Missouri. Under the terms of the Senate bill, the administration can disburse the $750 million for fiscal year 1986 over the course of the fiscal year, in installments if it chooses, as suggested by Dr. Stein, on the basis of economic performance.

● Mr. EAGELTON. I appreciate that assurance from my good friend from Hawaii. I reiterate my belief that it is absolutely necessary that Israel institute these economic reforms rather than rely on increased U.S. assistance over the long term.

Israel has pledged to do the following.

First, the Government will adopt an inflation target as a commitment for fiscal year 1985–86 with an agreement of the social partners.

Second, the budget targets will be specified in real sheckel terms for each quarter—dollar totals for each quarter plus monthly targets, will be provided as supplementary information.

Third, the budget law will be passed.

Fourth, the Bank of Israel law will be passed.

Fifth, the Bank of Israel will accept the Government's inflation target as its policy goal.

Sixth, the Bank of Israel will conduct monetary policy in accord with the inflation target using M–7 as its target, and M–2 as its operating target for policy.

Seventh, the effective real exchange rate will not be appreciated.

Eighth, the Government will express its intention to make Government debt tradable.

Ninth, the Government will express its intention to reduce the control and subsidation of credit.

Tenth, the Government's intention to reform the TAM system will be understood.

More may be needed. But, at least, a beginning has been made.

We should assure that Congress does nothing to undermine this beginning.

● Mr. DODD. Mr. President, I am pleased that the supplemental appropriations bill would provide additional resources to enhance the number and quality of drug investigations and to train professionals in the identification and treatment of alcohol and drug abuse. As founder and cochairman of the Senate children's caucus and as ranking minority member of the Subcommittee on Children, Families, Drugs, and Alcoholism, I would hope that a good part of these additional resources would be used to curb youth substance abuse.

Last year, the Connecticut Association for Human Services and the Junior League of Hartford released a book entitled: "Growing Up At Risk In Connecticut." One of the risk factors highlighted was substance abuse. In 1981, for example, one out of every five people arrested for narcotics-related offenses in Connecticut was a child. Last year, close to one of every four junior and senior high school students in my State admitted to drinking alcohol at least once a week. And today, drug and alcohol-related motor vehicle accidents remain the chief cause of death among Connecticut teenagers.

Last Month, I learned first-hand about the pressing problem of drug abuse by young people in my State of Connecticut. I met with a group of undercover law enforcement officers who took me to a city—a typical Connecticut town—where I observed cocaine "car hops" providing curb service to buyers of illegal drugs. I talked to a 14-year-old boy in Norwalk who told me he started drinking at age 8, and a 14-year-old girl who had abused alcohol, marijuana, uppers, downers, cocaine, angel dust, and LSD before undergoing treatment.

Unfortunately, such histories of childhood drug abuse are not isolated. National surveys indicate that one child of every three in this country has been intoxicated by alcohol or other drugs before reaching age 11.

There is hope in the midst of these grim statistics, hope presented by a wide range of prevention programs. Several nationwide studies indicate a drop in youth drug abuse over the past decade due to prevention efforts.

In my State of Connecticut I have visited prevention programs. I sat in a kindergarten classroom in West Hartford, watching a teacher use puppets to teach preschoolers about the dangers of alcohol and drug abuse. I have spoken with high school students in Monroe who counsel younger students about drug and alcohol abuse, and to teenagers in Darien who perform skits to teach their peers about the same problem.

Investing in prevention programs such as those I have visited in my State of Connecticut is one of the most cost-effective ways to curb youth substance abuse. I hope we will be able to target further resources on prevention efforts in the future.

Mr. President, I support the appropriations in this legislation designed to assist the Drug Enforcement Administration in tackling the youth substance abuse problem on another front. The work or law enforcement officials trying to reduce both the supply and demand of illegal drugs is critical. Support for improved law enforcement comes none too soon. Likewise, additional support for training professionals who must identify and treat alcohol and drug abuse victims is necessary indeed.

I urge my colleagues to support these provisions aimed at curbing youth substance abuse.●

INTERTIE PROJECT

Mr. HATFIELD. Mr. President, I want to take this opportunity to congratulate the Secretary of Energy and the signators to the memorandum of understanding which is the subject of the Department of Energy provision on the Third AC Intertie Project in Chapter IV of H.R. 2577. All concerned parties have worked constructively to forge an agreement which allows the construction of the Third 500 kV AC line previously authorized by Public Law 98-360, the Energy and Water Development Appropriation Act of 1985.

We look forward to the project participants moving expenditiously to finalize the necessary preconstruction work. This will include completing environmental studies, solidifying financing, and obtaining necessary permits and approvals from appropriate regulatory bodies.

The Committee on Appropriations is aware of the interest of a number of these regulatory bodies, some of which will be required to examine investor owned utility contributions before deciding whether to issue necessary certificates of public convenience and necessity. This sort of review is both appropriate and welcomed.

I expect that all regulatory and permit review will be completed expeditiously and without linkage to Bonneville Power Administration (BPA) wholesale power rates, transmission rates, or transmission access. The Secretary of Energy has previously assured us in a letter of February 4, 1985 that the memorandum did not in any way affect these and other BPA authorities and policies. At this point I would like to insert this correspondence into the RECORD. It is clear that these matters should not become bargaining chips in the regulatory processes.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

U.S. SENATE,
COMMITTEE ON APPROPRIATIONS,
Washington, DC, January 31, 1985.

Hon. DONALD PAUL HODEL,
Secretary of Energy,
Department of Energy, Washington, DC.

DEAR DON: On December 24, 1985, you forwarded to Congress a draft Memorandum of Understanding (MOU) negotiated by major California utilities that intend to participate in the construction of the third AC Pacific Northwest-Pacific Southwest Intertie line.

I want to congratulate you and the Department of Energy on your efforts in facilitating this agreement which represents a tremendous opportunity for both regions. Significant mutual benefits from increase of intertie capacity will be forthcoming, and all participants may look forward to sharing in these benefits. However, it is important to emphasize that Pacific Southwest utilities are not forced to purchase and Pacific Northwest utilities are not forced to sell resources against their interest. While regional interdependence is facilitated, regional independence is also assured.

On this latter point, I have had numerous inquiries seeking assurance that the MOU and related discussions are to be interpreted in a manner consistent with BPA's existing authorities and policies respecting rates and access to the Intertie, including Canadian access. This would appear to be the intent of the MOU. As you are aware, many members of Congress are on record as supporting the adoption and implementation of BPA's near-term Intertie Access Policy. I would appreciate the Department's further assurance that my interpretation of the MOU is correct and that it in no way is to be interpreted as impinging on these authorities and policies.

Thank you for your prompt attention to this matter.

Sincerely,

MARK O. HATFIELD,
Chairman.

THE SECRETARY OF ENERGY,
Washington, DC, February 4, 1985.

Hon. MARK O. HATFIELD,
U.S. Senate,
Washington, DC.

DEAR MARK: Thank you for your kind letter of February 1, 1985, regarding the Memorandum of Understanding (MOU) on the third 500 kV AC line, which Congress authorized in Title III of the Energy and Water Development Appropriation Act for Fiscal Year 1985. I agree that it provides a landmark opportunity for interregional cooperation and that significant mutual benefits can accrue to both the Pacific Southwest (PSW) and the Pacific Northwest (PNW).

Your interpretation of the MOU is the same as ours. The Department of Energy's understanding in reviewing and forwarding the draft MOU to Congress was that each region, the PSW and the PNW respectively, must decide the sales or purchases that is in their own best interest. Further, the MOU should not be read as impinging upon the Bonneville Power Administration (BPA) authorities and policies respecting rates and intertie access.

With respect to extraregional access, the BPA's near term Intertie Access Policy provides access to Canadian utilities when capacity is not otherwise subscribed by PNW utilities. I understand that BPA has offered and continues to discuss the possibility of greater access if agreement by exraregional utilities can be reached on improved coordination between the Canadian and PNW power systems. This policy and continuing effort is consistent with the MOU, but not otherwise affected by it.

The Department is also aware that the proper level and design of BPA rates for sales of non-firm power to PSW utilities are currently the subject of a proceeding at the Federal Energy Regulatory Commission. It is not our intent that the MOU should affect or be affected by the outcome of the proceeding.

I trust that this clarifies the Department's understanding with regard to the MOU and the issues you raised.

Sincerely,

DONALD PAUL HODEL.

Mr. HATFIELD. In authorizing the line, Congress' message was clear: It said that if the third AC line provides mutual costs and benefits to the Pacific Northwest and the Pacific Southwest, that it should be promptly built. That is why Congress authorized the Secretary to act individually, if necessary, to complete the project. That is also why Congress directed the Secretary to proceed independently with remaining interested entities if a portion of the project remains unsubscribed after reasonable efforts to obtain sponsors should fail.

The provisions of Public Law 98-360 which authorized the Secretary to proceed independently are not affected by passage of the amendment currently before us. The provision in H.R. 2577, as modified by the Senate Appropriations Committee, leaves intact Public Law 98-360 and the Secretary's authority under the law. That authority can be exercised through the memorandum of understanding. I again congratulate all those who played such a constructive role in making the memorandum possible.

GENEVA ON-THE-LAKE

Mr. GLENN. Mr. President, the distinguished floor manager of this bill is well aware of my interest in the small

boat harbor at Geneva-on-the-Lake, Ohio. I have discussed this matter on the floor of the Senate, in the Appropriations Committee hearings and through numerous letters.

I would not be so interested in this matter if it were just another water project. However, this is a low-cost, vital economic development project with substantial cost sharing.

The Geneva project has been authorized since 1965. The total cost is approximately $14 million, with the Federal share of $4.4 million and the State share approximately $10 million. At this time, I am requesting $1 million be added to the 1985 supplemental appropriation for a construction start at Geneva-on-the-Lake.

The importance of this project is not reflected in its cost. The importance of this project can be seen in the economic benefits it can bring to a distressed area in Northeastern Ohio. The Geneva project is located in Ashtabula County, which is suffering from an official unemployment rate of 13 percent. An investment in this small boat harbor by the Federal Government can provide the impetus for this revitalization effort.

A small boat harbor at Geneva-on-the-Lake will encourage sport fishing and tourism in the area. It will improve property values and encourage investment in a variety of recreation related improvements. These investments and improvements will translate directly into jobs for Ohio. When considering these potential benefits, the funding level becomes increasingly insignificant.

This is not a just a Federal project. The Geneva small boat harbor enjoys the active support of the State of Ohio. The State has already set aside $8 million in its capital improvements budget for the Geneva project. This appears to meet the administration's desire for significant local cost sharing.

Mr. HATFIELD. I am certain that the Senator from Ohio is aware of the administration's opposition to recreation projects.

Mr. GLENN. I am aware of the administration's position, and I would like to say that I do not agree with the administration on this point. However, the Geneva project is more than a recreation project, it also provide important safety benefits for boaters on Lake Erie.

The distinguished chairman of the Appropriations Committee may not be aware of this, but a storm can turn a large but relatively shallow Lake Erie into a very dangerous body of water in no time at all. These storms present a very real danger to pleasure boaters who may be on the lake with no harbor of refuge nearby. Presently there is 26 miles of Lake Erie coast line, east of Cleveland, which is not served by a harbor of refuge. A small boat harbor at Geneva-on-the-Lake will provide that necessary harbor of refuge.

I believe the committee members can see that this project is more than just a water project. It is an economic development and boater safety project with substantial cost sharing by the State of Ohio. It is my sincere hope that the Senate Appropriations Committee will recede to the House recommendations and supply $1 million for a construction start at Geneva-on-the-Lake small boat harbor project

Mr. HATFIELD. The Senator from Ohio makes a good case, and I would like to assure him that I will give his request every consideration when this issue comes before the Senate-House Conference Committee.

Mr. METZENBAUM. Mr. President, I strongly support the appropriation of funds to initiate construction of the Geneva-on-the-Lake harbor of refuge project in Geneva, OH.

This $9.8 million project is the State of Ohio's highest water development priority. In demonstration of this fact, the Ohio Legislature recently appropriated $6.62 million to pay for the State's 50-percent non-Federal cost share.

The State also agreed to pay for all the ancillary facilities, including boat ramps, parking areas, fuel pumps, docks, and berthing areas, et cetera.

In short, to match the total Federal investment of $4.7 million, of which only $1 million is needed this year, the State plans to provide approximately $9 million to build this project. In my view, this is a reasonable cost-sharing arrangement.

Mr. President, this project dates back to 1945. Section 6 of Public Law 79-14 authorized the Secretary of War to conduct examinations of Lake Erie for the purpose of establishing harbors of refuge for boaters. Because of its shallow depth, and its oblong shape, Lake Erie was then, and continues to be, notorious for its sudden violent storms. Every year, hundreds of boaters get caught in these storms, and, regrettably, refuge harbors are few and far between.

In fact, there are 26 miles of coastline between Ashtabula, OH and Fairport Harbor, OH in which there is no harbor of refuge. I can assure my colleagues that to be in a sailboat, or even in a large fishing boat, in the middle of a Lake Erie storm, 26 miles from the nearest harbor, is to be in a very dangerous situation, indeed.

The corps, in conjunction with the State of Ohio, concluded that a refuge harbor should be constructed in Geneva, approximately midway between Ashtabula and Fairport Harbor. The project was authorized in 1970, and to date, the corps has spent nearly $1 million completing the planning and design work.

Now that the project is ready to be constructed, the administration refuses to request the funds. The Office of Management and Budget offers the flimsy pretext that Geneva-on-the-Lake is a recreation project, and therefore, should be paid for by the State.

But the fact remains that Geneva-on-the-Lake is a boating safety project.

It was for the purpose of maximizing safety that Congress passed the harbor of refuge legislation in the first place, and it was for the purpose of enhancing boating safety that the Geneva-on-the-Lake project was undertaken by the corps in 1970.

Mr. President this is a needed project.

It is ready for construction this year.

And, the State of Ohio has already appropriated funds to pay for over half of it.

Therefore, I urge my colleagues to support this project.

THE FORT PECK TOWNSITE

● Mr. BAUCUS. In the 1930's, the U.S. Army Corps of Engineers built the town of Fort Peck to house workers who were building the Fort Peck Dam along the Missouri River.

For years, this work force was needed to operate the dam. It made sense for the Federal Government to maintain the townsite.

But eventually, conditions changed. The local economy grew up—it diversified. People living in Fort Peck no longer just worked at the dam. They commuted to jobs in other towns.

By the 1970's, it became apparent that the Corps of Engineers no longer needed to operate the town. And the local residents were calling for the right to own their houses and control their own destiny.

The Corps of Engineers first drew up plans to pull out of Fort Peck in the mid-1970's. Those plans have been in the works ever since.

Finally, earlier this year, the corps decided to classify the townsite as surplus Government property and propose to have the General Services Administration put the town on the auction block.

I believed this proposal was the wrong approach. In an auction situation, the town would be sold off in tracts. Some of the tracts would be turned over to private hands, but others, which no one wanted, would continue to be Federal Government property.

This approach would cause more harm than good.

That is why I and my colleagues from North and South Dakota, who have townsites in similar situations, have pushed for legislation in the supplemental appropriations bill to transfer ownership of Fort Peck from the corps to local residents. The town would not be classified as surplus

property and would not go on the auction block.

I believe this transfer is the most orderly and cost-effective way to turn Fort Peck over to the local residents.

But I am concerned that this legislation does not address all of the concerns of Montanans living in Fort Peck and may cause some confusion regarding those areas adjacent to the town.

Fort Peck is located entirely on the Charles M. Russell Wildlife Refuge, which is managed by the U.S. Fish and Wildlife Service. I am concerned that the corps, in defining the townsite area, has not adequately considered the possibility of future expansion.

It has recently come to my attention that the townsite map, developed by the corps and referred to in our bill, does not include all of the public facilities necessary to make the town viable. Specifically, I am told a water supply tank and water supply pump station have not been included in the townsite.

Now, I am not sure if these areas should or should not be included as part of the townsite. The corps is planning to meet with the townspeople in the near future to discuss this and other issues.

The language in the bill includes the core areas of the town. It is my hope that you will continue to support it.

Will the Chairman work with me in the future to insure that the area finally transferred to the townspeople provides areas necessary to allow for town growth and that all appurtenances necessary to operate the town are made available to the townspeople?

● Mr. HATFIELD. It is my hope that the corps will continue to work closely with the people of Fort Peck to insure the development of a workable town.

Should the corps and the townspeople come to agreement on additional areas surrounding Fort Peck, I want to assure you that I will work with you to assist in the transfer of those lands to the local townspeople.●

● Mr. BAUCUS. I thank the Chairman for your assistance in this important matter. I appreciate the leadership you have shown in working for a fair and equitable resolution of this matter.●

● Mr. DODD. Mr. President, the bill now being considered includes an appropriation of $5 million for an important piece of legislation I sponsored last session, namely, the Child Abuse Prevention Federal Challenge Grants Act. This program provides Federal matching funds for States that set up trust funds for child abuse prevention activities.

Millions of children in this country are growing up at risk of abuse and neglect. Between 1976 and 1982, for example, reports of child abuse across the country soared by 123 percent. In recent months, the press has publicized instances of abuse in child care settings. But that is only one small part of the picture. We know that the vast majority of child abuse cases occur at home or close to home. The Child Abuse Prevention Federal Challenge Grants Program focuses on the total picture of child abuse.

Last year, Congress enacted the Child Abuse Amendments of 1984, restoring critical funds for child abuse programs. I was a principal sponsor of this act restoring funding for child abuse programs which had been cut in half in 1981, including sexual abuse prevention and treatment initiatives, the funding for which had been eliminated. Some Federal funds are distributed to States under Child Abuse Amendments of 1984. But given soaring rates of abuse cases, these funds are most often used for treatment services. Precious little funding is left for prevention efforts.

Starting in 1980, some States began to recognize the need to focus directly on widespread, community-based prevention efforts. To date, 25 States have set up special trust funds for child abuse prevention activities including Alabama, Arizona, California, Delaware, Illinois, Iowa, Idaho, Kansas, Kentucky, Louisiana, Michigan, Missouri, Montana, North Carolina, Nevada, New York, Ohio, Rhode Island, South Carolina, South Dakota, Tennessee, Virginia, Washington, Wisconsin, and West Virginia.

These funds are generated in a variety of ways, including surcharges on marriage license and birth certificates or by special checkoffs on income tax returns. Other States have used direct appropriations to fund child abuse prevention activities, including Florida and Maine. In my State of Connecticut, direct appropriations have been used to set up a child abuse prevention trust fund. Newly enacted legislation in my State sets up an advisory board to distribute these funds.

Trust funds support a broad range of community programs, including plays in schools aimed at preventing sexual abuse, self-care courses for latchkey children, parenting classes, and programs for incarcerated parents. Such grants also help fund statewide educational and training programs for professionals including childcare staff, teachers, mental health workers, police officers, prosecutors, and judges.

Mr. President, the Challenge Grant Program provides incentive for all States to establish significant funds supporting child abuse prevention projects. For every $3 that States make available for child abuse and neglect prevention activities, the Federal Government will provide $1 in matching funds. We want to challenge those States who have not yet acted to act now. We also want States that have already acted to augment their funds.

This Federal Challenge Grant Program sunsets in 5 years. By 1990, States should be well on the way to generating enough money to support prevention efforts throughout their communities.

At no time will a Federal Challenge Grant to any State exceed an amount equal to 50 cents times the number of children residing in that State. Mr. President, if this Nation cannot afford to spend 50 cents a child over the next 5 years to prevent possible abuse or neglect, then our priorities are sorely misplaced.

The truth is that prevention is the most effective method we have of combating child abuse. We know just how serious the long-term repercussions of child abuse can be. Close to three-quarters of all runaways have been the victims of abuse, often sexual abuse. Prior sexual victimization is also closely linked to teenage prostitution. And two-thirds or more of all juvenile offenders have had histories of physical or sexual victimization.

Mr. President, the time to encourage the States to wage all-out child abuse prevention campaigns is now. I thank my distinguished colleague from Connecticut for agreeing to include an appropriation of $5 million for the child abuse prevention Federal Challenge Grants Act in this bill, on my behalf. I urge all my colleagues to support this appropriation for community-based activities to stem the tide of child abuse.●

REFUGEE ASSISTANCE

● Mr. EVANS. Mr. President, during the past year the Senator from Washington [Mr. GORTON] and I have worked with the Senator from Connecticut [Mr. WEICKER] who is chairman of the Senate Appropriations Subcommittee on Labor, HHS, Education and related agencies to resolve the continuing controversy surrounding Federal refugee assistance.

Last year I asked the Senator from Connecticut to include in the committee's report on fiscal year 1985 appropriations a clarification of congressional intent in support of funding for refugee targeted assistance and I appreciate his willingness to accommodate this request.

Unfortunately, the Office of Refugee Resettlement again is unwilling to make available to States, the full amount Congress intended for this purpose in fiscal year 1985 which is $50 million. ORR contends that the level of funding should be $50 million less unused appropriations from fiscal year 1984. Such an interpretation means that only $11 million out of the $50 million Congress intended would be available for targeted assistance areas nationwide. That is why we wrote the Senator from Connecticut

asking him to include specific bill language in the fiscal year 1985 supplemental appropriations legislation directing ORR to release all of the fiscal year 1985 funds we have already allocated. However, we understand the Senator from Connecticut has addressed the issue in the committee's report on fiscal year 1985 funding for refugee assistance.●

● Mr. WEICKER. The Senator from Washington is correct. The committee is aware of the problems raised by ORR's interpretation of the fiscal year 1985 continuing resolution as it pertains to funding for targeted assistance. The committee has therefore directed the Comptroller General to review the matter and report to the committee within 30 days as to the legality of ORR's action and whether such action will result in a reduction in current services for fiscal year 1985.●

● Mr. EVANS. I appreciate the Senator's attention to this matter. I remain deeply concerned by ORR's continuing course of action. If allowed to continue, it would place undue hardships on areas needing targeted assistance around the Nation at a time when many States will not be able to absorb the additional financial responsibility. Furthermore, the interpretation is a clear erosion of congressional intent and one which would penalize States such as our own who have established cost-effective and efficient programs to resettle refugees.

If the Comptroller General reports unfavorably regarding ORR's interpretation of fiscal year 1985 funding for targeted assistance will the Senator consider inserting language in the next general appropriations bill for Labor/HHS and related agencies to assure ORR will make available the full amount Congress appropriates for targeted assistance?

● Mr. WEICKER. I agree with the Senator from Washington that ORR's action will have a severe impact on the 33 targeted assistance areas around the country if the existing controversy is not resolved. Thus, after the Comptroller General has completed the analysis we have requested and if ORR does not make available the full amount Congress intended in fiscal year 1985 for targeted assistance I will certainly consider language in the next general appropriations bill for Labor/HHS Education and related agencies.

● Mr. EVANS. We thank the Senator from Connecticut for his commitment to Federal refugee assistance programs.●

Mr. DOMENICI. Mr. President, I rise in support of the supplemental appropriations bill for fiscal year 1985 as reported by the Senate Appropriations Committee.

I would like to commend my distinguished colleague, Chairman HATFIELD, and my fellow members of the Appropriations Committee for expeditiously bringing this fiscal year 1985 supplemental appropriations bill to the floor.

H.R. 2577 provides $13.5 billion in budget authority and $6.6 billion in outlays for a broad range of important Federal programs. Besides money for the traditional spring Federal pay supplemental, the bill contains substantial funds for economic aid to Israel and Egypt, humanitarian aid for Nicaragua, Federal crop insurance, student financial aid programs, the Food Stamp Program, and veterans compensation benefits.

I know that there are many demands on my appropriations colleagues to increase Federal spending for worthwhile causes. Nevertheless, my colleagues have withstood this pressure. Despite the generous amounts in this supplemental bill for high priority Federal programs, this bill is within the Appropriations Committee's 302(a) allocation under the existing fiscal year 1985 budget resolution by $2.7 billion in budget authority and $1 billion in outlays—even considering outlays from prior-year budget authority and possible later requirements.

I have every confidence that the supplemental conference report which returns to us will be within the committee's 302(a) allocation by similar amounts.

Mr. President, I ask unanimous consent that tables showing the relationship of the reported bill, with possible later requirements taken into account, to the fiscal year 1985 budget resolution (H. Con. Res. 280) and congressional action to date be printed in the RECORD at the conclusion of my remarks.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

FISCAL YEAR SUPPLEMENTAL APPROPRIATIONS BILL, H.R. 2577—SENATE-REPORTED BILL

[Compared to H. Con. Res. 280]

	Fiscal year 1985	
	Budget authority	Outlays
Action to date by Appropriations Committee	554.1	542.6
Senate reported H.R. 2577:		
Program supplemental	12.4	5.4
Pay raises	1.3	1.3
Recissions and deferrals	−.2	−.1
Total bill	13.5	6.6
Adjustment to conform mandatory programs to budget resolution	−10.3	−4.0
Appropriations Committee total	557.2	545.2
302(a) allocation	560.0	546.2
Committee total compared to 302(a) allocation	−2.7	−1.0

Note.—Details may not add to totals due to rounding.

CONGRESSIONAL ACTION TO DATE—FISCAL YEAR 1985 SUPPLEMENTAL APPROPRIATION BILL, H.R. 2577—SENATE-REPORTED

[Compared to H. Con. Res. 280]

	Fiscal year 1985	
	Budget authority	Outlays
Congressional action to date	1,011.7	929.8
H.R. 2577	13.5	6.6
CCC adjustment	−3.6	
Offsetting receipts	−3.5	−3.5
Total	1,018.1	932.9
Budget resolution	1,021.4	932.0
Over (+)/under (−) budget resolution	−3.3	+0.9

Note.—Details may not add to totals due to rounding.

● Mr. BOREN. I would like to thank my colleague, Senator HATFIELD, the distinguished chairman of the Appropriations Committee, for the consideration he has shown those of us who are trying to solve some of the water problems of our constituents. In my home State of Oklahoma, I have been trying to secure funding for the Parker Lake project.

The Parker Lake project was identified as a part of the early action plan of the Red River below Denison Dam Comprehensive Basin Study. The project is formulated to satisfy not only the short- and long-range needs of the Muddy Boggy Creek, but also a portion of the immediate municipal and industrial water supply needs of the central Oklahoma area.

The dominant water resource need for the area is water supply. The cities of Ada, Shawnee, Tecumseh, Allen, Midwest City, Del City, Norman, Moore, and Central Oklahoma Master Conservancy District are interested in the 42 million gallons per day water supply yield from Parker Lake.

The recommended plan provides for the construction of a multipurpose impoundment on Muddy Boggy Creek about 20 miles east of Ada, OK. The plan also includes the purchase of 1,050 acres of land in addition to that required for the dam and lake. These lands would be made available to the Oklahoma Department of Wildlife Conservation for wildlife management purposes to mitigate wildlife habitat losses resulting from the project.

The differences between the executive and legislative branches concerning the financing of new projects have been debated for the past 5 years. For 9 years, the Congress has also been remiss in considering legislation to resolve these major policy issues. The appropriate committees of Congress are making headway in authorization legislation this year which is encouraging. The administration has come forth with proposed legislation setting out the steps they feel necessary for cost sharing of future water projects so that these differences can now be resolved. I certainly hope that the administration accepts the water

projects provided for in this bill and that we can finally move forward with other projects such as the long-awaited Parker Lake in Oklahoma.

Again, Mr. President, I would like to thank my good friend from Oregon for the understanding he has shown in dealing with this difficult problem. I am certain Senator HATFIELD is doing all that he can to persuade the administration of the importance of these very necessary water supply projects.

Mr. HATFIELD. I want to thank the Senator from Oklahoma for his interest in this matter. Let me assure you that I am going to work hard to resolve this problem so that some of these important projects can hopefully move forward in the future.●

● Mr. DOMENICI. I want to ask the distinguished chairman of the Interior Appropriations Subcommittee a few questions regarding the strategic petroleum reserve.

I understand that the Appropriations Committee has let stand the President's deferral of $827 million in funds for filling the reserve, but that the committee proposes overturn of the President's deferral of $271 million in SPRO construction funds. In other words, the action by the Appropriation Committee would require that SPRO construction proceed as mandated by previous actions by the Congress.

● Mr. McCLURE. The Senator is correct both as to funds for filling the reserve and funds for construction.

● Mr. DOMENICI. As the distinguished chairman of the subcommittee knows, the first budget resolution for fiscal year 1986 as passed by the Senate in May assumed that both of the President's fiscal year 1985 deferrals would be allowed to stand and that no further funds would be appropriated in fiscal year 1986 for either the purchase of oil or the construction of facilities.

I wonder if the distinguished chairman of the Interior Subcommittee could clarify for the Senate the relationship between the committee's action overturning the fiscal 1985 deferral of construction funds and the policy on SPRO expressed in the fiscal 1986 budget resolution as passed by the Senate.

● Mr. McCLURE. I am happy to respond to the inquiries of the distinguished chairman of the Budget Committee. Our action on SPRO construction in this bill is not intended to violate the intent of the Senate-passed budget resolution for fiscal year 1986. I can assure the distinguished Senator from New Mexico that it is my intent to live within the allocation we receive from the full Appropriations Committee pursuant to the budget resolution for fiscal year 1986. Of course, this will require the cooperation of other Senators in offering amendments to the fiscal year 1986 Interior Appropriations bill.

● Mr. DOMENICI. Is this also the understanding of the distinguished Chairman of the Appropriations Committee?

● Mr. HATFIELD. Yes; that is my understanding.●

INTERSTATE COMMERCE COMMISSION

● Mr. TRIBLE. Mr. President, for some time, I have been deeply concerned about the plight of the employees at the Interstate Commerce Commission [ICC]. So, I am pleased that today the Senate is considering legislation addressing the funding crisis at the ICC.

Due to severe budgetary constraints, the ICC was forced to begin 1-day-a-week furloughs on April 14, effectively subjecting employees to a 20-percent pay cut. Employee morale at the Commission has plummeted, valuable workers have left the ICC, productivity has decreased, and the Commission has been unable to meet certain deadlines.

The supplemental appropriations measure now under consideration includes $3 million for ICC salaries and expenses. It is my understanding that this figure provides sufficient funding to discontinue the furloughs, permit the employees at the ICC to return to full-time employment status, and permit the ICC to resume full operation.

Mr. President, I would like to share with my colleagues a letter I received from Mr. Reese Taylor, Chairman of the Commission, regarding the supplemental appropriations:

INTERSTATE COMMERCE COMMISSION,
OFFICE OF THE CHAIRMAN,
Washington, DC, June 20, 1985.

Hon. PAUL S. TRIBLE,
U.S. Senate, Washington, DC.

DEAR SENATOR TRIBLE: On behalf of the entire Commission and its employees, thank you for all your efforts to obtain sufficient funding to end the furloughing at the agency. Your statements on the Senate floor and "dear colleague" letter not only supported the needed funding, but explained our budget crisis, and provided encouragement to the employees. The twenty percent pay cut was harmful not only to the employees financially but also to the Commission in terms of morale and work production.

The Senate Committee on Appropriations has approved a $3 million supplemental for the Commission with report language that the ICC employees return to full time employment. I am happy to report that in light of this action the furlough was suspended on June 17 and our employees are now working full time. Our current projections are that the $3 million funding level under consideration in the Senate should be sufficient for the Commission to keep its employees working on a full time basis for the remainder of the fiscal year.

Again, thank you for all your effort on behalf of the employees at the Commission. Everyone is deeply appreciative of your interest, concern and support.

Sincerely,

REESE H. TAYLOR, Jr.,
Chairman.

Throughout this entire funding crisis, the individuals who have suffered the most have been employees of the ICC. These workers have suffered significant burdens and been required to make financial sacrifices as a result of circumstances beyond their control. I am relieved that this crisis is coming to an end for these Federal employees.

I thank my colleague, Senator ANDREWS, for his efforts on behalf of the employees of the ICC. I would also like to thank my colleagues Senators DANFORTH, SARBANES, PACKWOOD, GOLDWATER, PRESSLER, MATHIAS, and KASSEBAUM, for their willingness to support the ICC employees.●

● Mr. DOMENICI. Mr. President, I would like to ask the chairman of the Appropriations Committee to clarify the intent of the fencing language which is included in the water project section of the supplemental bill. It is my understanding that the fencing language which requires cost-sharing agreements on the 25 projects applies to all the projects, including the three inland waterway projects. Is that correct?

Mr. HATFIELD. The Senator is correct.●

Mr. SIMPSON. Mr. President I am so pleased to have this opportunity to comment on the measure before this body, H.R. 2577, the Supplemental Appropriations bill for 1985. The overall measure represents the best side of legislative arena endeavors—the spirit of cooperation and compromise. Senator MARK HATFIELD, Senator BENNETT JOHNSTON, our fine majority leader, BOB DOLE, as well as the entire Senate Appropriations Committee, should be recognized for their diligent and commendable efforts.

I am most impressed to see that the bill has finally broken through the logjam that has prevented so many badly needed, authorized, and worthy water projects from being constructed. I have a very deep and personal interest in this because one of the projects which will receive construction money is the enlargement of the Buffalo Bill Dam, located right near my old hometown of Cody, WY. It has been a long wait for the good people of Wyoming, but I now look forward to the actual startup of this project.

Modification of the Buffalo Bill Dam will involve the raising of the existing structure by 25 feet. The power plant, penstock, switch gear, and transmission lines will also be replaced. When completed, the generating capacity of the powerplant will be increased from 5,600 kilowatts to 20,000 kilowatts, and an additional 74,000 acre feet of water will be made

available for recreation, flood control, irrigation, and municipal use.

This project represents the efforts of many dedicated people over a period of many years. My predecessor, Senator CLIFFORD HANSEN, made this one of his top legislative priorities. Largely through the untiring efforts of my remarkable congressional colleagues and friends, Senator MALCOLM WALLOP and Representative DICK CHENEY, authorization for this project was achieved in 1982. That was a memorable time for us, because it represented the opening of a new era in cooperation between the Federal Government and those who will benefit from large expensive water projects.

When I first arrived in the U.S. Senate in 1979, a most pressing domestic issue facing this country was the burgeoning Federal deficit. Although good progress has been made on that front, we still have far to go. Recognizing that the Federal Treasury could no longer be the sole source of funding for water projects, the Wyoming congressional delegation worked closely with our Governor, Ed Herschler, and the Wyoming State Legislature in order to arrive at some form of a cost-sharing agreement. The people of Wyoming heard the challenge and met it head-on. Before the project was authorized, Wyoming had actually appropriated $47 million to share in the cost of the enlargement. That is over 40 percent of the total cost.

I say to my fine friends and colleagues here in the Senate, that Wyoming is most fortunate to be able to participate in this generous sort of way, but this is only a glimpse of the future. States and local beneficiaries are going to have to take more of an active financing role in water projects. This includes not only Bureau of Reclamation projects, but Corps of Engineers projects as well.

Unfortunately, this remarkable Wyoming cost-sharing agreement did not guarantee quick action by Congress in appropriating actual construction moneys for Buffalo Bill Dam. Since 1982, this project has been mired down in the bottom of the whole bale of water projects in the controversy over cost-sharing. Even though a more than generous and satisfactory cost-sharing agreement had been reached, this program was held back while Members of Congress and the administration wrangled over the necessary amount of upfront financing to be supplied by non-Federal sources. For nearly 3 years, the Buffalo Bill Dam project languished on the vine while this debate ensued. This measure contains a compromise in this long controversy.

I believe that is an excellent compromise, although we must proceed with the goal of having actual legislation establishing a cost-sharing standard for future projects. This compromise should pave the way for authorization and construction of some long-overdue programs. It will also give the administration the authority it has needed in order to fashion the fair and reasonable cost-sharing agreements needed to relieve the burden on the Federal Treasury.

Had this agreement not been reached, it is estimated that the taxpayer would have picked up the added cost of over $2.6 billion for the Corps of Engineers and nearly $672 million for the Bureau of Reclamation for the projects listed in the supplemental now before us. This would have assured that the old pack horse—the American taxpayer—would have borne approximately 84 percent of the load for the corps projects and approximately 88 percent for the Bureau of Reclamation construction starts. The language contained in the supplemental will authorize the administration and the local beneficiaries to agree to amount that are far more reasonable and just. If case-by-case agreements cannot be reached by June 30, 1986, then the money ceases to be available for the construction of the project. In addition, Congress will also have the opportunity to disapprove of any agreements that are reached between the administration and the local beneficiaries. But because of the amendment presented today by me and Senator WALLOP, Buffalo Bill Dam can be off and running this summer.

The final measure would also allow the proper congressional action to authorize projects that are not currently authorized. I trust that this signals that we, in Congress, are now willing to promote and approve of water projects in the correct and proper manner—authorize them first and then appropriate the necessary funds.

On March 29, Robert Broadbent, Assistant Secretary of the Department of the Interior, William Clagett of the Western Area Power Administration, and Gov. Ed Herschler signed a formal cost-sharing agreement, an agreement that is truly remarkable and the first of its kind. I would be truly remiss and neglectful if I did not recognize the long and successful work of my friends on the Governor's negotiating committee, consisting of Beryl Churchill, George Christopulos, Warren White, George Basham, Charles Hessenthaler, Ed Webster, and a dear man, the late Lewis Freudenthal, in making this historical signing possible.

Mr. President, we are now fully positioned and ready to go forward with actual construction moneys for the Buffalo Bill Dam as well as many other worthwhile projects. I am most grateful for the cooperation and work of all of those who have brought us to this point. Special recognition should go to the distinguished members of the Appropriations Committee as well to my friends and colleagues, Senator WALLOP and Representative CHENEY, for their yeoman efforts. MALCOLM took this issue over the Senate's legislative humps almost singlehandedly in the early months. I also recognize that the Buffalo Bill Dam project would not have become a reality without the dedication of Gov. Ed Herschler and the driving force of the Wyoming State Legislature. In addition, I must also commend the people of Wyoming who have so patiently supported this project with actual moneys. Many staff members contributed so much, but special and profound thanks go out to the very sharp, steady, able and consistent Randall Luthi of my staff and to Terri Sneider whose diligence and skill were so appreciated.

In closing, Mr. President, this is a proud day for me, for my friends, MALCOLM WALLOP and DICK CHENEY, and the people of Wyoming. Many have worked so very long and so very hard to accomplish this funding, including so many Senators and their staffs. We are finally making progress for sensible funding of costly projects, after 15 years of trying. This will not only be of great benefit to the taxpayers, but will be of great benefit to all of the beneficiaries of these projects and the towns, cities and communities in which they reside.

I thank you.

● Mr. MATHIAS. Mr. President, I commend the Senate Appropriations Committee for including funds in the 1985 supplemental appropriations bill to start a number of water projects, particularly the long-delayed channel deepening project in Baltimore. In particular, I commend the Members of the Senate and representatives of the administration who, after painstaking negotiations, arrived at a consensus on a cost-sharing formula for these projects.

This is a significant breakthrough in our attempts to end the 10-year moratorium on channel deepening projects. It is a great triumph for everyone who has been working tirelessly over the last 5 years to reach this point. It is good news for our Nation's infrastructure, for the health of our economy, for our balance of trade and particularly for the Port of Baltimore, which has been waiting for 15 years to start its channel deepening project.

The cost-sharing formula advanced by the administration as presented to me and other Members of the Senate during a meeting yesterday, requires the State of Maryland to pay 35 percent of the cost of the $220 million Baltimore channel deepening project for the first 3 feet, or $29 million, and 60 percent of the cost of the project for the remaining 5 feet, or $82 million, for a total State share of $111 million. In addition, the proposal allows the Secretary of the Army to give credit to the State of Maryland

for the $50 million it already has spent on its spoil disposal site, the Hart-Miller Islands, so the States cost actually would be reduced well below the $111 million mark.

I have received every assurances from William Hellman, Maryland's Secretary of Transportation, that Maryland is prepared to put its share of the cost of the project on the table as soon as the legislation is signed into law by the President. In fact, Maryland is so eager to move forward with channel deepening that it redesigned its project last month, trimming the total cost by one-third—from $330 million to $220 million.

America's deepwater ports are a precious national asset. They must be competitive if the Nation's economy is to retain its health. They are a vital part of our country's infrastructure.

Despite the compelling need for deeper channels, no dredging project has been started in the past 10 years. The United States has suffered the consequences of not having deeper channels. For example, channel inadequecies add to the price of U.S. coal at a time when we must keep our price low and supply reliable to remain competitive in the international energy market. Since the coal boom of 1981, we have lost a large share of the coal market to other coal producing countries. We cannot afford to let that slide continue.

The action on the part of the committee today is a giant step toward breaking the logjam of deepwater ports. I urge the full Senate to show its support for these projects by backing the provision in the supplemental appropriations bill that provides funding to allow these projects to move forward.●

FUNDING FOR NONPERSONAL SERVICES—UNEMPLOYMENT INSURANCE OFFICES

● Mr. D'AMATO. Mr. President, I wish to offer my comments regarding the current shortfall in funding for nonpersonal services with respect to State unemployment insurance offices. The House-passed version of the supplemental appropriations bill, H.R. 2577, includes $30 million for this program. Unfortunately, the Senate bill has deleted this needed funding.

New York State has had to close 20 offices due to lack of funds. Without this supplemental many more will be closed. The shortage in New York is $3.3 million. A recent report by the Interstate Conference of Employment Security Agencies [ICESA] confirms the widespread extent of the UI funding shortage. A total of 43 States have reported NPS shortages totaling $40.5 million for fiscal year 1985.

In many instances unemployment offices and employment service offices share the same facilities. Since people must report in person to collect their unemployment benefits, many will not be able to participate in the Unemployment Insurance Program because of the long distances they will have to travel to reach an office. Employers will lose a valuable resource, paid for out of their tax moneys, for hiring new employees.

NPS pays for such items as office space rental, communications, utilities, lease or purchase of equipment, supplies, and data processing. These expenses do not vary substantially with the number of claims for unemployment benefits that are filed. Thus, even though workloads have dropped sharply, NPS expenses have not. Base NPS funding has only increased by 2.8 percent since fiscal year 1983.

I believe that the Senate should include the supplemental appropriations of $30 million for NPS at conference on this bill. I know that many of my Senate colleagues share my views on this matter. Administrative moneys for the unemployment insurance and the employment service programs are funded through the Federal Unemployment Tax Act [FUTA], a dedicated tax paid by employers. Employers in New York State and in other States will not receive their fair share of services unless the Labor Department has the administrative capacity to perform its required services.

These funds will permit New York State and other States to obtain essential supplies and equipment for which purchases have been deferred for extraordinary periods of time. I urge my colleagues to support the inclusion of these vital funds in H.R. 2577 when the conference committee meets to discuss this item.●

MILITARY CONSTRUCTION IN WEST VIRGINIA

Mr. BYRD. Mr. President, on June 30, 1984, I participated in the groundbreaking ceremony for a new parachute shop and special forces training site building and a new senior enlisted quarters at Camp Dawson, near Kingwood, WV. Later that day, I was honored to give the graduation address in conjunction with the graduation ceremonies of the West Virginia Military Academy at Camp Dawson. I was very much impressed by the graduation exercises and the very fine marching demonstrations performed by the young men and women graduates of the West Virginia Military Academy.

During the graduation address, I again pledged my continuing support for the programs of the West Virginia Guard and Reserve, and by way of background, I will state for the record several of my recent activities in support of these programs.

AIR NATIONAL GUARD FACILITIES

Mr. President, last year on March 23, 1984, I testified before both the Senate Armed Services and Appropriations Committees in support of additional and updated C-130 aircraft for the West Virginia Air National Guard bases at Charleston and Martinsburg. In response to this testimony, the National Guard Bureau has informed me that the most modern and updated H models of the C-130 aircraft will be delivered to Charleston in the fall of 1986. The bureau has also informed me that the Martinsburg Air National Guard facility will be expanded from 8 to 12 C-130 aircraft in the fall of 1986.

LAND USE MASTER DEVELOPMENT PLAN

During the same hearing, I also testified in support of a "land use master development plan" designed to rehabilitate and expand the Air National Guard facilities at Charleston and Martinsburg. The National Guard Bureau has recently assured me that this effort is well underway.

MILITARY ENTRANCE PROCESSING STATION

During an Appropriations Committee hearing on March 5, 1985, I posed questions to Army Secretary John Marsh regarding the Military Entrance Processing Station located at Beckley, WV. Earlier, I had secured report language in connection with the fiscal year 1985 defense appropriation bill directing that no action be taken to transfer the Military Entrance Processing Station from Beckley, WV. Secretary Marsh's answers to my questions indicated that the processing station will, indeed, remain in Beckley. In response to my request regarding the need for updated facilities, Secretary Marsh's reply indicated that updated facilities were needed and that the Corps of Engineers would proceed to solicit offers from the private sector for updated facilities which would include "build to lease" options.

ARMY NATIONAL GUARD AND RESERVE FACILITIES

During the same hearing, I posed questions designed to identify West Virginia projects included in the latest Army National Guard and Army Reserve 5-year plans, and to further identify which projects, if any, could be accelerated. Secretary Marsh's response identified 14 Army Guard and Reserve military construction projects for West Virginia. Included was the program to expand the Army Reserve Training Center in Ripley, WV, which I added to the fiscal year 1985 military construction authorization bill, to be funded out of savings and which the Secretary's response indicated was planned for award this fiscal year. The Secretary's response also indicated that none of the 14 listed projects are at a design stage which would permit acceleration into fiscal year 1986.

AIR NATIONAL GUARD FACILITIES

During an Appropriations Committee hearing on February 21, 1985, I posed questions to Air Force Secretary Vern Orr regarding the latest status of the "land use master development plan" for West Virginia's Air National Guard facilities at Charleston and Martinsburg, to which I alluded earlier. Secretary Orr's response indicated that, as part of the $300,000 study de-

signed to determine the best way to expand those bases, the architectural/engineer contractor would submit a work plan in June 1985, and that the master plan would be due to be completed by February 1986.

During this same hearing, I posed questions regarding the latest Air National Guard 5-year plans for West Virginia and which, if any, of these projects could be accelerated. Secretary Orr's response identified seven Air National Guard construction projects for West Virginia. Secretary Orr's response also indicated that none of the seven listed projects are at a design stage which would permit acceleration into fiscal year 1986.

CORRESPONDENCE WITH HEADS OF GUARD AND RESERVE

Mr. President, as a followup to the questions posed and the answers received from the Secretaries of the Departments of the Army and the Air Force, on May 1, 1985, I wrote to Lt. Gen. Emmett H. Walker, Jr., Chief, National Guard Bureau, and Gen. William R. Berkman, Chief, Army Reserve. In my letters, I strongly urged that whatever actions are necessary to accelerate the design of the 20 listed projects be taken so that their incorporation into future budget requests may likewise be accelerated. I pointed out that early construction of these 20 Guard and Reserve projects will help provide jobs in West Virginia; avoid the costs of inflation associated with delayed construction; and provide the benefits of modern, updated, training facilities for our drilling Guard and Reserve personnel in West Virginia.

LATEST PROPOSALS FOR WEST VIRGINIA NATIONAL GUARD FACILITIES

Mr. President, I have been in contact with Maj. Gen. John A. Wilson III, the adjutant general of West Virginia. In response to my request, General Wilson gave me his latest view of his plans for the West Virginia Army National Guard. I must add that General Wilson's revised list of projects has only recently been proposed to the National Guard Bureau, and some of them, therefore, have not yet received the necessary review and approval, which would be a condition precedent to their incorporation into the Army National Guard 5-year plan for West Virginia. The following are the latest 5-year proposals for West Virginia National Guard facilities at Camp Dawson:

Facilities:	*Estimated costs*
Wing on existing barracks	$383,000
Barracks B	243,000
Headquarters building	135,000
Water system improvements	404,000
Range improvements	108,000
Barracks C	734,000
Mess Hall A	357,000
Barracks D	734,000
Dispensary	252,000
Battalion supply building	130,000
Barracks E	734,000
Mess Hall B	357,000
Junior officers and warrant officer quarters	173,000
Senior enlisted quarters	276,000
Maintenance shelter	30,000
Supply/administration facilities	45,000
Additional ranges	150,000
Parking areas	18,000
Total	5,263,000

In addition to these eighteen projects proposed for Camp Dawson, WV, the adjutant general has indicated a need for alterations and an addition to the organizational maintenance shop at the Buckhannon, WV, National Guard Armory—$362,000—and additions and alterations to the Point Pleasant, WV, National Guard Armory—$437,000. The adjutant general of West Virginia has expressed his desire to accelerate all of these projects and to construct them all as soon as possible, and I support that view.

Mr. President, I note the presence on the Senate floor of the distinguished chairman of the Defense Appropriations Subcommittee. May I ask if I may have his full support in seeing that all of the projects for West Virginia to which I have alluded are reviewed, approved, and incorporated into the 5-year plans as soon as possible?

Mr. STEVENS. I would be pleased to respond to my good friend from West Virginia. I would be glad to support my friend in his efforts to see that the projects for West Virginia are reviewed, approved, designed and incorporated as quickly as possible into budget requests. I am hopeful that those responsible officials over at the Pentagon, when they read this RECORD, will take note of these remarks and redouble their efforts with regard to the review, approval, design, and budgeting for these projects.

Mr. BYRD. I thank the distinguished and able Chairman of the Defense Appropriations Subcommittee for his support. He has always been most courteous and cooperative, and I wish to again express my appreciation for his support.

I note also the presence of the distinguished ranking minority member of the Defense Appropriations Subcommittee, and ask him if I may have his support for these West Virginia projects.

Mr. STENNIS. I would be pleased to be of assistance, and I strongly urge the appropriate officials in the executive branch to move quickly on these projects outlined by the Senator from West Virginia.

Mr. BYRD. I thank my good friend from Mississippi, who is the senior Democrat in this Chamber and the senior Democrat on the Appropriations Committee.

Mr. NUNN. The Senator from West Virginia can count on the Senator from Georgia according the same high priority to these projects that the Senator from West Virginia does. I would urge those in the Pentagon with the responsibility for reviewing this matter, to act expeditiously.

Mr. BYRD. I thank the distinguished ranking minority member of the Armed Services Committee for his support.

Mr. SASSER. The Senator from West Virginia can also count on the support of the Senator from Tennessee when this matter comes before the Military Construction Appropriations Subcommittee; and I, too, urge those responsible Guard and Reserve officials to move quickly.

Mr. BYRD. I thank the Senator.

Mr. President, I hope the appropriate officials at the Pentagon will, as my colleagues have suggested, take note of these remarks on the Senate floor today and respond accordingly and keep me fully informed of their progress.

Mr. President, I ask unanimous consent that my letters to Generals Walker and Berkman and their responses be printed in the RECORD at this point.

I thank the Chair and yield the floor.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

U.S. SENATE,
COMMITTEE ON APPROPRIATIONS,
Washington, DC, May 1, 1985.

Lt. Gen. EMMETT H. WALKER, Jr.,
Chief, National Guard Bureau, Pentagon, Washington, DC.

DEAR GENERAL WALKER: In response to questions which I posed to the Secretary of the Army and the Secretary of the Air Force at recent Defense Appropriations Subcommittee hearings, the Departments of the Army and the Air Force indicated that their current Departmental Five-Year Plans for Facilities include the following sixteen projects for West Virginia:

	Location	Project
Fiscal year:		
1988	Camp Dawson	Barracks Building A.
1988	Camp Dawson	Barracks Building B.
1988	Camp Dawson	Dining facility A.
1988–91	Kanawha County Airport	Aircraft holding pad.
1988–91	Eastern West Virginia International Airport, Martinsburg.	Six separate construction projects including runway, fuel storage, training complex, etc.
1988	Kingwood	Armory addition.
1989	Camp Dawson	Barracks Building C.
1989	Camp Dawson	Dining facility B.
1990	Camp Dawson	Barracks addition.
1990	Camp Dawson	Dispensary.
	Huntington	Aviation support facility.

All of these projects will contribute to our Nation's security and are very important to our Army and Air National Guard personnel in West Virginia. Therefore, I strongly urge that you take whatever actions are necessary to accelerate the design of these sixteen projects so that their incorporation into future budget requests may likewise be accelerated. Early construction of these six-

teen projects will help provide jobs in West Virginia; avoid the costs of inflation associated with delayed construction; and provide the benefits of modern, updated, training facilities for our drilling Army and Air National Guard personnel in West Virginia.

I look forward to working with you on this matter. Your early and favorable response will be genuinely appreciated.

Sincerely,

ROBERT C. BYRD.

DEPARTMENT OF THE ARMY
AND THE AIR FORCE,
Washington, DC, May 28, 1985.

Hon. ROBERT C. BYRD,
U.S. Senate,
Washington, DC.

DEAR SENATOR BYRD: The National Guard Bureau shares your interest in the early completion of needed training facilities in West Virginia.

As you are aware, one of the initial critical steps in constructing a facility is for the Adjutant General of the State to forward programming documents to the National Guard Bureau for submission to the Congress. Of the nine Army National Guard projects listed in your May 1, 1985 letter, the State has forwarded programming documents on two projects. The Fiscal Year 1988 Camp Dawson barracks building project is under review. The Huntington aviation facility documents were under review, but have been withdrawn by the State.

The first draft of the Comprehensive Land Use/Master Development Plan for the Air National Guard units at Kanawha County Airport and Eastern West Virginia Regional Airport were received for review on May 10, 1985. Upon completion of the review, the development plan will be finalized and firm, time-phased construction programs developed to support the units' mission requirements. Completion of the development plans is scheduled for September 1985, and design will be initiated to execute the programs shortly thereafter.

To aid in expediting the remaining projects and to share your concerns and support, we have forwarded a copy of this correspondence and your letter to the Adjutant General of West Virginia. Should you desire more detailed project status, the Adjutant General may be reached as follows: Major General John A. Wilson, III, The Adjutant General, West Virginia, 1703 Coonskin Drive, Charleston, West Virginia 24311-1085, telephone (304) 357-5316.

We appreciate your interest in the National Guard.

Sincerely,

EMMETT H. WALKER, Jr.,
Lieutenant General, USA,
Chief, National Guard Bureau.

U.S. SENATE,
COMMITTEE ON APPROPRIATIONS,
Washington, DC, May 1, 1985.

Maj. Gen. WILLIAM R. BERKMAN,
Chief, Army Reserve, Pentagon, Washington, DC.

DEAR GENERAL BERKMAN: In response to questions which I posed to the Secretary of the Army at a recent Defense Appropriations Subcommittee hearing, the Department of the Army indicated that the current Army Five-Year Plan for Facilities includes the following four projects for West Virginia:

	Location	Project
Fiscal year:		
1989	New Martinsville	10—Person Army Reserve Center, addition.
1990	Parkersburg	100—Person Army Reserve Center, addition.
1991	Rainelle	200—Person Army Reserve Center.
1991	Kingwood	100—Person Army Reserve Center.

In addition, I secured language in the reports accompanying the FY 1985 Military Construction Authorization and Appropriation bills to earmark $1.3 million out of savings to be used to expand the Army Reserve Training Center in Ripley, West Virginia. I have been advised that this project is 35 percent designed and is planned for award this fiscal year.

All of these projects will contribute to our Nation's security and are very important to our Army Reserve personnel in West Virginia. Therefore, I strongly urge that you take whatever actions are necessary to accelerate the design of these projects so that their incorporation into future budget requests may likewise be accelerated. Early construction of these projects will help provide jobs in West Virginia; avoid the costs of inflation associated with delayed construction; and provide the benefits of modern, updated, training facilities for our drilling Army Reservists in West Virginia.

I look forward to working with you in this matter. Your early and favorable response will be genuinely appreciated.

Sincerely,

ROBERT C. BYRD.

DEPARTMENT OF THE ARMY,
Washington, DC, May 16, 1985.

Hon. ROBERT C. BYRD,
U.S. Senate,
Washington, DC.

DEAR SENATOR BYRD: This letter is in response to your correspondence dated May 1, 1985 concerning the status of Army Reserve projects in West Virginia.

Preliminary design has been initiated on the proposed expansion at New Martinsville. Barring an unforeseen problem with the existing site, this project should be completely designed in 12 months. The preliminary documentation has been prepared for the Parkersburg AFRC and we will make every effort to accelerate the design of this project.

Final site acquisition is in progress for a new 200 member center at Rainelle. Design will begin following acquisition. The Army Corps of Engineers is continuing to investigate potential sites in the Kingwood area. Once a suitable four acre site is acquired, I expect design to begin immediately.

As you can see, we are placing a great deal of emphasis on improving Army Reserve facilities in West Virginia and your continued assistance over the past years has been greatly appreciated.

Sincerely,

WILLIAM R. BERKMAN,
Major General, USA,
Chief, Army Reserve.

● Mr. QUAYLE. Mr. President, I would like to ask the senior Senator from Nevada, who is chairman both of the Appropriations Subcommittee handling the Justice Department title of this bill and of the Judiciary Subcommittee on Criminal Law, if he is familiar with the serious crime problem that we have in northwest Indiana. I would also like to ask him whether he shares my concern that an inadequate percentage of Federal law enforcement resources is concentrated in that area.

● Mr. LAXALT. The Senator from Indiana has shown me considerable documentation concerning the serious crime problem in northwest Indiana and I share his views that the Department of Justice has not devoted sufficient resources to that area. He has also shown me his correspondence with the Justice Department on this issue, and I appreciate his concern that the Department has not taken the action necessary to resolve this problem.

● Mr. QUAYLE. I would like to ask the Senator from Nevada one further question. As manager of this title of the supplemental appropriations bill, can he assure me that its is the intent of the committee that a significant proportion of the 934 new positions for U.S. attorneys and marshalls to be created by funds contained in the bill will be allocated to northwest Indiana and other crime prone areas that are currently underrepresented in Federal anticrime efforts.

● Mr. LAXALT. It is the intent of the committee that these new positions be concentrated in exactly the kind of areas that the Senator from Indiana has described.●

● Mrs. HAWKINS. Mr. President, I want to express my support for certain provisions contained in the Senate version of H.R. 2577, the supplemental appropriations bill for fiscal year 1985. As chairman of the Subcommittee on Children, Family, Drugs and Alcoholism, I am very pleased that the Senate Appropriations Committee agreed to fund several programs that fall under my subcommittee's jurisdiction. I am particularly pleased that the Appropriations Committee agreed to appropriate $6 million for family violence and prevention services. This legislation was enacted at the end of the 98th Congress after prolonged debate over the proper role for the Federal Government in family violence programs and services. Senator STEVENS, the distinguished Senator from the State of Alaska was a tireless champion for the enactment of this important and vitally needed legislation and I know that the inclusion of funding in this legislation is largely due to his tireless advocacy and efforts. Senator STEVENS deserves our praise and our thanks for his efforts in behalf of abused and battered family members.

Another important Federal program that was authorized but not funded during the last month of the 98th Congress was the Dependent Care Amendments which were part of the Human Resources Reauthorization Act (Public Law 98-558). Mr. President, I was a cosponsor and active sup-

porter of both the child care programs authorized under this act. The availability of these funds will encourage and foster the development of dependent care resource and referral centers as well as school age child care projects. Both types of childcare programs have proven to be very effective in providing a wider variety of affordable childcare alternatives to working parents but both types of programs have encountered difficulty in obtaining the necessary startup funds to begin operation. The inclusion of $5 million in fiscal year 1985 to fund these programs will be a tremendous benefit to working parents and their children.

Mr. President, I am also pleased that the Appropriations Committee chose to appropriate $5 million for the Child Abuse Prevention Challenge Grant Program that encourages States to collect and establish children's trust funds for the purpose of funding child abuse prevention activities. Although this program amended the social security law and thus is under the jurisdiction of the Senate Finance Committee, I joined Senator DODD in supporting this legislation and I am pleased to see that these Federal funds will now be available as an incentive to the States to establish such trust funds.

Finally, I want to express my support for the Florida water and beach projects funded by the bill. The Dade County Beach Restoration Program is extremely important, as erosion from storms last year practically eliminated the beach at many points. The beach serves not only recreational purposes, but helps protect nearby buildings from storm and hurricane damage. Its prompt restoration is essential.

Funds are also provided for study as to the viability of deepening the St. Petersburg Harbor to accommodate cruise ships. This can be a significant economic gain for the St. Petersburg area, and I strongly endorse rapid completion of the study.

The Corps of Engineers are also directed to complete the Miami Bayfront Park. This project will benefit hundreds of thousands of people in the Miami area, and I am pleased the committee has directed, rather than simply funded, the completion of this valuable park.●

● Mr. RIEGLE. Mr. President, I am voting in favor of passage of this supplemental appropriations bill. There are at least three items contained in this bill that I wanted to draw to the attention of my colleagues.

The first item that I would mention is funding for the State Grants for Dependent Care Planning and Development Program. The Human Services Reauthorization Act—in which the State grants for dependent care was authorized—was passed so late in the 98th Congress, that there was insufficient time to secure the needed appropriations for this new program. Such appropriations are vital, and it was necessary for funds to be included in this supplemental appropriation bill. Therefore, I am extremely pleased that the Appropriations Committee included $5 million for this important new program. I believe this small investment in our children today will reap significant benefits and savings in the years to come.

As America enters the final 15 years of this century, it finds itself in the midst of sweeping social and economic changes which are certain to have a lasting impact on even the most basic aspect of our daily life. The national problem of a lack of adequate child care is a complex problem. It will require us to examine a full spectrum of approaches in our attempt to address this issue of child care. The appropriation of funds for the State grants for dependent care is an important first step in that process.

Mr. President, another important provision of this bill is the appropriation for $5 million to fund the Federal Children's Trust Fund Challenge Grant Program authorized last Congress. This new grant program challenges States to establish special trust funds to finance child abuse prevention activities, by authorizing 25 percent Federal matching funds for money raised through the trust fund or 50 cents per child in the State.

My own State is a leader in the field, having been one of the first States to establish a trust fund in 1982. Last year, by means of a $2 per taxpayer voluntary State income tax refund checkoff, $650,000 was raised for child abuse prevention activities. And now, with this additional appropriation, Michigan will be able to double her efforts in the critical fight against child abuse.

Mr. President, finally, I would like to mention that the report on this bill contains some language relating to the Coast Guard that is very important to many people in the State of Michigan. In the 1986 budget proposal, the administration proposed the elimination or downgrading of thirteen Coast Guard stations on the Great Lakes. This proposal is ill-advised, potentially dangerous, and has aroused tremendous opposition in many communities throughout the Great Lakes region. This legislation does recognize that the budget proposal should be examined very carefully prior to any actions being taken to close the Coast Guard stations. By prohibiting any expenditures for closure activities, the Congress will have sufficient time to investigate all aspects of this issue, and I am confident that upon examination, we will concluide that the continued operation of the Coast Guard stations is essential to the safety and the protection of lives on the Great Lakes. I would like to thank the chairman and the ranking minority member of the Transportation Subcommittee for all of their continuing interest in this matter.●

FOREIGN OPERATIONS

● Mr. KASTEN. Mr. President, I would like to make just a few comments about the foreign operations chapter of this supplemental.

The committee's recommendation contains two major items requested by the administration: $2,008 million in supplemental funding for the Middle East and $237 million in supplemental funding for multilateral development institutions.

The Middle East supplemental provides $1.5 billion in economic assistance for Israel, $500 million in economic assistance for Egypt, and $8 million for development programs in the West Bank and Gaza Strip.

In addition to these appropriations, the committee is recommending a transfer of $12,500,000 for additional assistance for refugee programs in response to the influx of Ethiopian Jews into Israel. The committee has also agreed with the language recommended by the House on population assistance, with a modification that provides for a Presidential determination. This language has the affect of prohibiting any unobligated funds from being contributed to the U.N. fund for Population Activities. Under this provision, the $10 million that was previously earmarked, therefore, would be available for other population planning programs.

Mr. President, the new budget authority in this chapter equals the administration's budget request and the amount provided by the House.●

MARITIME ADMINISTRATION

● Mr. D'AMATO. Mr. President, I am indeed pleased and grateful for the support of my good friend and distinguished colleague, the senior Senator from Nevada, in overturning the budget deferral with respect to the training vessel for the State University of New York Maritime College. As you know, a new training vessel was very much needed, given the poor condition of the existing vessel.

Mr. LAXALT. I agree with my colleague from New York that this certainly is an important issue, and one in which I am pleased to be of assistance.

Mr. D'AMATO. Mr. President, I understand that, in connection with the conversion of the training vessel for the State Maritime School of Massachusetts, there was some question as to whether the conversion was done in the most cost-effective and expeditious fashion, consistent with the needs of that school. I wish to have the Senator from Nevada join me in urging that the Maritime Administration avoid those problems in connection with the conversion of the vessel

for the State University of New York Maritime College.

Mr. LAXALT. I fully agree and I would suggest that the Maritime Administration fully involve Admiral Miller, the president of the school, in the design and supervision of the conversion work. We would like this conversion work to be done expeditiously; we also would not like unnecessary conversion work to be done, and we certainly would like to have the ship designed to the satisfaction of its user, the State University of New York Maritime College.

Mr. D'AMATO. I thank Chairman LAXALT. I fully concur and I expect that the Maritime Administration will follow the chairman's recommendation with respect to the conversion project.●

BLACK LUNG CLAIMS PROCESSING

Mr. BYRD. Mr. President, I have long been concerned over the increasing delays in the processing of black lung claims. These delays are an intolerable burden to a great many of my constituents. I receive hundreds of letters and telephone calls from West Virginians about the delays in processing of claims—delays that inflict even greater hardships on families under a great deal of stress and pain.

Let me quote from one of those letters:

I'm writing this letter to see if you could help my husband and I get our black lung. My husband signed up for his black lung in 1977. He had worked in the mines for 10 years. . . .

We have waited so long for him to have a hearing. He has doctor reports and he is on oxygen at home and breathing machine and medicine. We have a very hard time paying his hospital bills, buying his medicine, and raising three children with no medical coverage at all. . . . Mr. Byrd, the miners need help. There are over 20,000 cases that have not been heard. This is a shame. How many men will die before they will receive what's rightfully theirs.

Unfortunately, this letter is too typical of the letters I receive in my office.

Last fall, I proposed $1.6 million in funding to expand the Benefits Review Board from three to nine members. That Board is now addressing the backlog at the appeals level.

The language included in the report accompanying this bill further addresses the delays in the processing of black lung claims. This delay is at the administrative law judge [ALJ] level. An October 26, 1984, report by the General Accounting Office estimated that the Office of Administrative Law Judges could take over 35 years to reduce its backlog of black lung cases to levels considered reasonable.

To put this backlog in perspective, at the end of fiscal year 1980 there were 8,579 cases pending at the hearing level. As of May 28, 1985, there are 21,073 cases pending at the hearing level.

This language will begin to address the backlog at the hearing level of the adjudication process. With the department hiring retired administrative law judges and borrowing underutilized administrative law judges from other agencies, we can start to reduce this backlog. It is estimated that each additional administrative law judge utilized under this program would be able to handle 90 to 120 cases per year.

For example, if the department were to utilize as few as 10 such individuals, the backlog could be cut by as many as 1,200 cases per year. Such an effort would increase from 7,000 to 8,200 the number of cases to be heard over the next year.

If we delay in taking action at this juncture, the backlog of claims will only continue to grow, exacerbating an already growing problem, and denying decisions on a timely basis to those individuals afflicted with black lung. These individuals cannot afford to wait for a decision—and in all fairness—they should not have to wait that long for a decision that will have such an impact on the course of their lives.

I want to thank the distinguished chairman of the Appropriations Subcommittee on Labor, Health and Human Services, Education, and Related Agencies, Senator WEICKER, for his support and understanding of the problems these delays are causing those suffering from this disease.

WATER PROJECTS AND POLICY

● Mr. DOLE. Mr. President, if the Senator from Oregon [Mr. HATFIELD] will yield, I will inquire as to the status of the discussions which have been held with the administration concerning funding contained in this bill for new water projects.

Mr. HATFIELD. I am happy to yield to my good friend from Kansas, the distinguished majority leader.

Mr. DOLE. It is my understanding that the Senator from Oregon and the administration have reached a possible resolution of the impasse which we appeared to be headed toward concerning funding for new water projects in the bill before us. If my understanding is correct, the administration has agreed to drop its opposition to the funding of new water projects based on assurances it has received that the Senate will expeditiously consider and enact legislation providing for non-Federal cost sharing reforms in the water project area.

Mr. HATFIELD. The distinguished majority leader is correct.

Mr. DOLE. It is my understanding that the outline of the agreement is as follows:

First, language will be included in the supplemental appropriations bill which will "fence" appropriations contained in the bill until cost sharing agreements are reached between the Secretary and non-Federal project sponsors. This language will further provide that unless a binding agreement providing for local cost-sharing and financing is entered into by the Secretary and project sponsors by June 30, 1986, the funds contained in this bill will no longer be available for specific projects failing to meet the deadline. This will assure that projects subject to cost sharing will only be constructed if local sponsors agree to reforms in the manner in which we finance water projects.

It is my further understanding that the Secretary will utilize the cost sharing formulas discussed below in entering into these agreements.

Second, agreed to support and work for authorizing legislation containing the following elements, which I understand are also agreeable to the Senator from South Dakota [Mr. ABDNOR] the Senator from Vermont [Mr. STAFFORD], and the Senator from Oregon [Mr. PACKWOOD].

USER FEES FOR HARBOR MAINTENANCE

a 0.04 percent ad valorem tax on imports and exports to recover 30 to 40 percent of Corps of Engineers harbor operations and maintenance expenditures. Money raised by this tax will be deposited in a dedicated O&M Trust Fund.

NON-NAVIGATION COST SHARING

Non-Federal cost sharing of 25 to 35 percent for flood control and 50 percent cost sharing on new project feasibility studies.

Other cost sharing provisions contained in the Abdnor bill:

	Percent
Hydroelectric	100
M&I water supply	100
Irrigation (Corps only)	35
Recreation	50
Beach erosion control	35 to 50
Fish and wildlife mitigation	(1)

[1] Allocated to other project purposes.

State matching grants for dam safety, $15 million a year, but specifically not an entitlement for Federal renovation or construction.

HARBOR CONSTRUCTION COST SHARING

Depth	Upfront (percent)	Amortized (percent)
0 to 20 feet	10	10
20 to 45 feet	25	10
45 and greater	50	10

In determining the amount of the non-Federal upfront contribution, local considerations such as the provision of a dredge fill site, are not to be counted toward meeting the upfront cost share percentage. However, under rules to be promulgated by the Secretary of the Army, some of the value of local consideration may be counted toward meeting the portion of the non-Federal cost share which is amortized. In addition, it has been agreed

that the amortized portion of the non-Federal cost share will bear an interest rate determined by the Secretary of the Treasury, plus one-eighth percent recalculated every 5 years on comparable Federal portfolio yield rates.

INLAND NAVIGATION

In exchange for the administration dropping its insistence on large new user fees on the inland system, it has been agreed that 50 percent of the cost of new inland navigation lock and dam construction projects in this bill will be funded from receipts contained in the Inland Waterway Trust Fund. In addition, it has been agreed that the existing fuel tax will be increased from 10 cents a gallon to 20 cents a gallon over 10 years beginning January 1, 1988. Although the amount of revenue is small, the important principle of requiring private companies to pay for at least a small portion of the benefits they receive from the taxpayer is preserved.

It is also my understanding that the Secretary of the Army would have the authority to waive this increase for severely financially distressed barge owners.

SPECIFIC PROJECTS AND NEW PROGRAMS

The administration has reserved its right to oppose projects it deems to be undesirable from its point of view. In addition, it is agreed that the authorization legislation will not include major new programs, specifically a new municipal water facilities loan program.

Mr. HATFIELD. The understanding of the Senator from Kansas is correct.

Mr. DOLE. I commend the Senator from Oregon and the Senator from South Dakota [Mr. ABDNOR], who is chairman of the Water Resources Subcommittee, and all of our other colleagues who worked with him and for their hard work and diligence in helping to resolve this most difficult issue. The package which the Senator has outlined has my support, and I look forward to being able to schedule floor action on legislation embodying the provisions described shortly after the July 4 recess.

Mr. ABDNOR. Mr. President, will the Senator from Oregon yield?

Mr. HATFIELD. I am pleased to yield to my friend from South Dakota who has been so instrumental in working out this compromise.

Mr. ABDNOR. I, too, want to commend the Senator from Oregon, the distinguished majority leader, and my colleagues who were part of our negotiations with the administration on this issue. I want to assure my colleagues that the outline of the agreement which has been detailed by the Senator from Kansas has my complete and enthusiastic support. As chairman of the Environment and Public Works Subcommittee on Water Resources, I intend to expeditiously mark up legislation embodying the principles that have been described and to bring it to the floor shortly after the July 4 recess for referral to the Finance Committee for consideration of the tax provisions.

Mr. STAFFORD. Mr. President, will the Senator yield?

Mr. ABDNOR. I am pleased to yield to the Senator from Vermont, the chairman of the Environment and Public Works Committee.

Mr. STAFFORD. I, too, want to assure my colleagues that the bill outlined by the Senator from Kansas has my complete support. As chairman of the Environment and Public Works Committee, I pledge my help to the Senator of South Dakota in moving this bill as soon after the July 4 recess as possible.

Mr. PACKWOOD. Mr. President, will the Senator yield?

Mr. ABDNOR. I yield to the distinguished chairman of the Finance Committee.

Mr. PACKWOOD. This proposal facilitates, at long last, the construction of a new lock at Bonneville Dam. As it envisions the imposition of taxes for both harbors and inland waterways, it clearly calls for Finance Committee deliberation. I expect expeditious committee action on this matter.

Mr. DOLE. I congratulate the Senators for a job well done. They have my assurance that I will do everything within my power to schedule floor consideration for legislation reported from the Environment and Public Works and Finance Committees as expeditiously as possible.

Mr. ABDNOR. I thank the distinguished majority leader.

Mr. DOLE. Mr. President, language was included in the supplemental appropriations bill which "fenced" appropriations for 25 new water projects until cost-sharing agreements are reached between the appropriate agency and non-Federal project sponsors. The language further provides that, unless a binding agreement providing for local cost-sharing is entered into by the Secretary and project sponsors by June 30, 1986, the funds contained in that bill will no longer be available for specific projects failing to meet the deadline.

Of the 25 projects included in the supplemental appropriations bill, 11 have not been authorized, and cost-sharing plans have been negotiated for 10. In the long negotiations leading up to passage of the supplemental, the administration has clearly indicated their preference that there be some permanent reforms in place before such projects receive funding. I agree with the administration that it would be constructive to have a long-range policy, and I believe the agreement reached, which is reflected in the appropriations, bill, helps to move us in that direction.

Mr. President, in recent years, the administration has required a 35 percent local contribution toward the construction of water projects. Previously, the local cost share was 25 percent. It is the belief of the Senator from Kansas that local governments in most cases should demonstrate their ability to come up with their 35 percent share of the cost before their projects are even placed on an official funding list.

GREAT BEND, KS, FLOOD CONTROL PROJECT

Although not all of the projects previously authorized will receive funding, there is one project that I would like to bring to the attention of my colleagues in the Senate. It should be eligible to receive Federal funding at this time.

The Great Bend water project has already been authorized in the Flood Control Act of 1965. Great Bend, KS, suffered extreme devastation as the result of a very serious flood in 1981. As a result of this, the local community passed a bond issue to raise their 35 percent share of the cost of a flood control project.

The Army Corps of Engineers has just completed a restudy of this project, dated April 1985, which makes some significant modifications in the original design and actually decreases the cost. Current estimated cost for this project is $45 million, of which the Great Bend community has contributed $15 million. They are awaiting Federal funding to begin construction of this flood control project. It would have been very helpful to have an initial $3.3 million to complete plans and specs and start on the first one-half mile.

I believe the Great Bend water project has merit and is in a unique position to receive funding for the reasons stated. There is strong local support without which I would not even bring the Great Bend situation to the attention of my colleagues.

EQUITY APPROACH TO WATER PROJECT FUNDING

It doesn't make sense to the Senator from Kansas that we are currently attempting to fund water projects that have never been authorized. This community is perfectly willing to provide its 35 percent share of the cost of a flood control project to prevent future devastation of the kind that occurred in 1981.

Mr. President, the facts of this situation speak for themselves. There appears to be a lack of equity in the way we are approaching the funding of all navigation and other water projects. I strongly urge that an authorizing policy be implemented so that Congress can take a consistent approach to funding such in the future.

Mr. DANFORTH. Mr. President, I ask that a letter from Mr. David Stockman, Director of the Office of Management and Budget, dated June

20, 1985, be printed in the RECORD at this point.

The letter follows:

EXECUTIVE OFFICE
OF THE PRESIDENT,
OFFICE OF MANAGEMENT AND BUDGET,
Washington, DC, June 20, 1985.

Hon. JOHN DANFORTH,
U.S. Senate, Washington, DC.

DEAR JACK: Thank you for the opportunity to comment on the proposed compromise concerning inland navigation user fees. As I understand the proposal, the existing fuel tax used to fund the Inland Waterways Trust Fund would be increased by 10¢ a gallon over ten years, beginning on January 1, 1988. It is my further understanding that the precise form of this increase will be left to the discretion of the jurisdictional committees providing that the amount of revenue which is raised from the inland waterway industry is equivalent to that which would be generated if the tax were imposed in equal installaments over those ten years.

Although the Administration has supported more comprehensive inland waterway user fee legislation in the past, we believe this is a sound and workable compromise which we will endorse and support.

With the adoption of this compromise the Administration will consider that the user fee principle has been affirmed and we will not seek additional inland waterways user fees during the years ahead.

Sincerely,

DAVID A. STOCKMAN.

Mr. DANFORTH. Mr. President, could the majority leader assure me that if we enact the legislation he has outlined, he does not intend to support additional fees or taxes on the inland system during the 10-year period involved?

Mr. DOLE. Yes; I can give the Senator that assurance.

Mr. DANFORTH. Does the Senator from Vermont share that view?

Mr. STAFFORD. Yes; the Senator from Vermont is happy to give that assurance.

Mr. DANFORTH. Can the Senator from South Dakota also give his assurance on this point?

Mr. ABDNOR. I am happy to assure the Senator that he has expressed my views correctly.

Mr. DANFORTH. Can I get a similar assurance from the senior Senator from Oregon?

Mr. HATFIELD. Yes; the Senator has my assurance on this point.

Mr. DANFORTH. Does the junior Senator from Oregon agree?

Mr. PACKWOOD. Yes; I share the view expressed by my colleague.

Mr. DANFORTH. Can the Senator from New Mexico also assure me on this point?

Mr. DOMENICI. Yes; I can provide that assurance.

Mr. DANFORTH. Mr. President, with those assurances and the assurances provided by Mr. Stockman, I can offer my enthusiastic support for the resolution of this dispute. The construction of a replacement for locks and dam 26 has been one of my top priorities in the Senate, and the final barrier to that project now seems to have been overcome.

Mr. President, on another subject, I understand the Senator from South Dakota intends to ask the General Accounting Office to study the corps' allocation of costs and benefits to water projects. I am eager to see such a study performed. Could the Senator provide me with some assurances in this regard?

Mr. ABDNOR. Yes, I can. I intend to make such a request of the General Accounting Office on behalf of the Subcommittee on Water Resources in the very near future.

Mr. DOMENICI. Mr. President, I wish to state my support for this compromise, and to say that I shall do all that I can to see that legislation based on this framework not only passes the Senate, but also becomes the law of the land.

This compromise also provides the guidance on the percentages the Secretary of the Army will use to develop required agreements on the projects included in the supplemental appropriations bill.

I have worked on water resources issues since I first entered the Senate. It has long been my view that we could never go forward on one particular aspect of the Federal water resources development effort until we addressed the issues on a comprehensive basis, a basis that included major reforms in the sharing of costs.

This agreement provides that comprehensive approach. It represents a giant step toward a resolution of these many difficult issues.

I commend my colleagues who are participating in this colloquy for their hard work in reaching this important compromise.

Mr. STAFFORD. Mr. President, I wish to endorse the agreement that has just been described by the distinguished majority leader, Mr. DOLE, and the distinguished chairman of the Committee on Appropriations, Mr. HATFIELD.

I believe this is a historic compromise, an important occasion. This agreement on the outlines of an omnibus water resources bill should enable us to overcome a decade of inaction and pass an omnibus water bill.

While I am not convinced that each and every one of the percentages contained in this compromise is set at the levels I would have selected, I must emphasize that this is a compromise. I will willingly and enthusiastically support these numbers, and I shall do everything that I can to see that they become the law of the land as quickly as possible.

Mr. President, many of our colleagues have given up something in order to reach this compromise. This willingness to compromise will benefit the Nation. It will enable needed water projects to go forward, but to go forward in a way that proves less costly to the Federal taxpayer, while providing the discipline and the guidance of the marketplace.

The provisions we are outlining today will provide the direction we need to give the corps to enable it to work out cost-sharing agreements.

To help my colleagues place this issue in perspective, I ask that a recent article from the Wall Street Journal be printed at the conclusion of my remarks.

Before closing, I want to say a few words of commendation regarding several Members of the Senate who have worked so very hard and constructively on this issue.

First, let me commend my colleague on the Committee on Environment and Public Works, Mr. ABDNOR. Without JIM ABDNOR's great leadership and continuing struggle over these issues, we would never have reached this point. He is a leader and a tireless worker in this subject. Each of us is in his debt.

Next, I want to say a particular word of thanks to the chairman of the Committee on Appropriations, Mr. HATFIELD. His intelligence and thoughtful approach has proved vital in developing this compromise.

The Director of the Office of Management and Budget, Mr. David Stockman, has proved a tower of strength in developing this compromise. His commitment through long hours at meetings here on the Hill with Members has been vital to our success.

Even though the chairman of the Committee on the Budget, Mr. DOMENICI, has been devoting most of his time to the Budget Conference, he has taken time to help us work out this compromise.

My good friend, the chairman of the Committee on Rules, Mr. MATHIAS, has been very constructive in helping us work out this proposal. I think I can say without doubt that we would never have seen the Baltimore Harbor deepening project go forward were it not for the tireless work of Senator MATHIAS.

The chairman of the Committee on Finance, Mr. PACKWOOD, has worked hard to help us reach this compromise. The Senator from Virginia [Mr. WARNER], the Senator from Georgia [Mr. MATTINGLY], the distinguished President pro tempore [Mr. THURMOND], and the Senator from Missouri [Mr. DANFORTH] each participated actively in the discussions and debate that led to the development of this compromise. Each has my personal thanks and commendation.

And, of course, we must all thank the majority leader, Mr. DOLE, who kept us working until we were able to develop this understanding.

I applaud each of our colleagues. I intend to do all that I can to see that

we report and pass a bill based on this compromise before the August recess.

The article from the Wall Street Journal follows:

[From the Wall Street Journal, May 3, 1985]

POWER OF PORK-BARREL POLITICS ON WATER PROJECTS SLIPS AS ENVIRONMENTAL, BUDGET PRESSURES GROW

(By Ellen Hume)

WASHINGTON.—In the game of pork-barrel politics, Santa Margarita should be an easy winner.

This proposed $218 million, twin-dam project near San Diego is in President Reagan's home state and has his support. Attorney General Edwin Meese has written letters on its behalf. Retired Naval Reserve Adm. Robert Garrick, formerly Mr. Meese's top White House aide, has worked as a paid lobbyist for the project and owns property near the affected area.

To top that off, Santa Margarita is being promoted as a defense project. It would provide drinking water to the U.S. Marines at Camp Pendleton, as well as serving the avocado growers and real estate developers of northern San Diego County.

But Santa Margarita's prospects are fading. Federal funds for such undertakings, once the political lifeblood of Congress, have virtually dried up. If the project gets built at all, it probably will be scaled back to about half the original design, supporters say.

The saga of Santa Margarita shows how dramatically pork-barrel power has slipped since Congress's water barons rolled over President Carter in 1977, defying his "hit list" of canceled water projects. The merging of new budget constraints with growing environmental pressures has changed the politics of pushing for the multimillion dollar projects of yesterday.

POWERS DILUTED

The change is spurred by a formidable new alliance: The environmental lobby which was at war with the Reagan administration just a few years ago, has begun working closely with David Stockman, the president's chief budget cutter. Their cause is aided by new evidence of long-suspected environmental problems such as the polluted federal irrigation runoff fouling the Kesterson wildlife refuge in California's San Joaquin Valley. They are also using economics more effectively to challenge the costs and benefits of such projects as the O'Neill dam in Nebraska.

Meanwhile, not only are the great water czars gone from Congress, but their old powers have been diluted by committee rule changes. Now skeptics like Democratic Reps. George Miller of California and Robert Edgar of Pennsylvania are boosting their careers by fighting public works boondoggles.

"When I got here, in order to prove your manhood, you had to get a water project authorized and appropriated. You had to vote for bad projects in order to get good projects in," recalls Rep. Edgar, who is serving his sixth term.

"It's the end of the fat cat era, when it was just a question of a member calling his friend on the right committee and getting this project put in," says Robert Will, a water lobbyist who is fighting for the Santa Margarita project. "We're being put on the spot to do a lot better job in justifying any project today."

"The pork-barrel politicians have developed some wily tactics for getting around the new watchdogs. But even if they succeed, the projects don't have the political reward of past years—as former California Rep. Don Clausen's reelection battle of a few years ago showed.

Under pressure to prove he could deliver federal largesse to this Eureka district, the Republican congressman developed a plan to aid 100 homes threatened by coastline ocean erosion. He figured that if the house were endangered, the road would be too. So he called the aid a "highway" project and persuaded Congress to bankroll it with the self-generating federal Highway Trust Fund.

In the end, about $9 million was spent to save "at the most, about $1.5 million worth of tacky trailer homes," asserts Democratic Rep. Doug Bosco, who defeated Rep. Clausen in 1982 despite his public works prowess. "It would have been better," Mr. Bosco says, "just to give everybody over there $30,000 each and tell them to get out of town."

APPROPRIATIONS DECLINE

Even Rep. Thomas Bevill, who runs the House Appropriations subcommittee on energy and water development, was nearly left high and dry on his lifelong dream project—the $2 billion Tennessee-Tombigbee barge canal to connect the Tennessee River with the port of Mobile, Ala.

When the Alabama Democrat knew he couldn't win the 1984 appropriations bill vote for the last $212 million needed to finish the project, he simply omitted Ten-Tom as a line item in the bill, avoiding a showdown vote. Then he inserted language in the committee report directing the U.S. Army Corps of Engineers to complete the project "within funds available." There were just enough "available" funds included in the bill.

In defense of such tactics, Rep. Bevill says "there hasn't been a time in the history of our country when water projects have been more important." But the growing political mood against public works is apparent in the Corps of Engineers construction appropriations for water projects, which have slid from a peak of more than $1.6 billion in 1980 to an estimate of less than $900 million in fiscal 1985, the lowest total in 10 years.

Some believe private industry will pick up the slack. In Southern California, for example, Parsons Corp. of Pasadena proposes to finance improvements for the Imperial irrigation district, which originally was a federal project. In return, Parsons would receive a share of the proceeds from selling Imperial water to users around the state.

The political tide has turned against costly public works projects, says Rep. Edgar. "The more my colleagues get angry at me" for fighting their projects, he says, "the more votes I'm getting back home."

Mr. WARNER. Mr. President, I commend my distinguished colleagues, the majority leader, Senator HATFIELD, Senator ABDNOR, Senator STAFFORD, Senator PACKWOOD, Senator DOMENICI, and others who have worked so diligently for many years to reach a consensus on water resources legislation.

At long last, it appears we have an agreement which is acceptable to both the administration and the Senate leadership.

Hopefully, it will also be agreeable to the House of Representatives.

Unfortunately, major public works legisiation like that being proposed today has not been approved by the Senate since 1976.

It is long overdue.

Since being a Member of the Senate, one of my top priorities has been the passage of water resources legislation.

Passage of this legislation is absolutely critical to our national interest.

It will allow harbor improvements and other vital water projects to move forward.

A modern harbor system means jobs for unemployed Americans, a more favorable balance of trade, fulfillment of our national security commitments, a stable source of energy for our allies, and a renewal of American competitiveness in international trade.

Mr. President, those of us committed to water resources legislation have come a long way together, but we have a long way to go to get this bill passed and on the President's desk.

The framework outlined today is far from perfect, but I believe it is a workable compromise which deserves consideration by the full Senate.

I urge the leadership of the Senate Environment and Public Works Committee and the Finance Committee to report the authorization for these omnibus water projects as expeditiously as possible so that the bill can be passed by the full Senate prior to the August recess.

I am here to volunteer to roll up my sleeves, and seek every legislative avenue available to see that this bill is finally enacted into law.

Mr. HATFIELD. Mr. President, third reading.

The PRESIDING OFFICER. If there be no further amendment to be proposed, the question is on the engrossment of the amendments and third reading of the bill.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read a third time.

Mr. BYRD. Mr. President, it is my understanding now, after consultation with several Senators, that they do not intend to call up amendments to the coin bill. If that is the case, may I ask the distinguished majority leader whether or not there will be rollcall votes tomorrow and/or Monday?

Mr. DOLE. It is my understanding, and I wish to make the record clear, that we have talked to all the Members with amendments and the only amendment that would be in order would be one perceived by the distinguished chairman, more or less, to be a committee amendment, and one I am advised by Senator GARN was always considered a part of the bill had it not been an H.R. numbered bill.

Beyond that, Senator CRANSTON and I are willing to withhold our amendments. The distinguished Senator from Wisconsin is willing to withhold his amendment and the distinguished

Senator from Massachusetts [Senator KENNEDY], I also understand has no objection to that. So I believe I am prepared to state at this point that if that is the general understanding we have that we will take that bill up tomorrow but there will be no rollcall votes. We will do that tomorrow and anything else we can do by unanimous consent without a rollcall and then on Monday, if we cannot work out some agreement on the gun bill, we could lay that bill down or the imputed interest bill. But I believe I can assure Members there would be no votes on Monday.

Mr. BYRD. I thank the distinguished majority leader.

Mr. CHAFEE. Mr. President, on the silver bill, again, this is the only vehicle that those of us who would like to free up some silver would have, as I understand it. Is that not so?

Mr. DOLE. I hope there are going to be other vehicles because some of us are waiving our rights to offer amendments on this on the theory of good-faith efforts to get us a vehicle. So I believe I could hopefully assure the Senator from Rhode Island that that would be forthcoming.

Mr. CHAFEE. If there is another train coming through, I will wait for it, but I hate to see this one leave.

Mr. DOLE. It is rather urgent that this train pull out.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall it pass?

So the bill (H.R. 2577), as amended, was passed.

Mr. JOHNSTON. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. HATFIELD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The Senator from Oregon.

Mr. HATFIELD. Mr. President, the Senate is not in order.

The PRESIDING OFFICER. The Senate will be in order. Senators who wish to talk are asked to leave the Chamber. The Senate is now in order.

The Senator from Oregon.

Mr. HATFIELD. Mr. President, I ask unanimous consent to offer a technical amendment to change the heading on an amendment offered by the Democratic leader [Mr. BYRD] relating to a coal study. That is a mere technical amendment to change the heading of that amendment.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. HATFIELD. Mr. President, I move that the Senate insist on its amendments and request a conference with the House of Representatives on the disagreeing votes of the two Houses thereon, and that the Chair be authorized to appoint conferees on the part of the Senate.

The motion was agreed to, and the Presiding Officer [Mr. TRIBLE] appointed Mr. HATFIELD, Mr. STEVENS, Mr. WEICKER, Mr. MCCLURE, Mr. LAXALT, Mr. GARN, Mr. COCHRAN, Mr. ANDREWS, Mr. ABDNOR, Mr. KASTEN, Mr. MATTINGLY, Mr. SPECTER, Mr. STENNIS, Mr. BYRD, Mr. PROXMIRE, Mr. INOUYE, Mr. HOLLINGS, Mr. CHILES, Mr. JOHNSTON, Mr. BURDICK, Mr. LEAHY, Mr. SASSER, Mr. DECONCINI, Mr. BUMPERS, and Mr. LAUTENBERG.

Mr. HATFIELD. Mr. President, I merely would like to at this time address a few comments of appreciation to the entire body of the Senate for the extraordinary cooperation in putting through a supplemental appropriations bill I think probably in record time and also not only from the standpoint of each Senator who has refrained from offering amendments but to those Senators who have offered important amendments for the concise manner in which they have presented them.

I especially wish to thank my tutor, my colleague, my friend, and one of the greatest men I have ever known outside of my father, the distinguished ranking member of our committee, the Senator from Mississippi [Mr. STENNIS]. He has been one of those Gibraltar-like persons who stood in the breach and done the battle. He has met the issue. He has never in any way ever, to my knowledge, diminished his enthusiasm and his tremendous capacity to be a part of this legislative process and to move matters to conclusion, to reconcile differences, and to add that kind of voice and that kind of counsel at times of great tension and to help move these matters through. I am always in his debt. I just wanted to take this moment to comment on him for his fine cooperation.

The Senator from Louisiana, again, preceded me as the subcommittee chairman of our Energy and Water Resources Subcommittee, as has the Senator from Mississippi preceded him, and has never been other than the finest colleague in every sense of the word in cooperating to put not only that subcommittee together, but to help in the managing of this bill here in these last 2 days.

To my colleagues on both sides of the aisle, I just am very grateful for their fine support and cooperation.

Mr. President, of course, all of this could not have been accomplished without extraordinary staff work, the staffs on both sides of the aisle and in all of our subcommittees. I will not go into the detail of the matter now, but I think we have accomplished an historic achievement in this bill which will be laid before the Senate in the form of a colloquy tomorrow as it relates to resolving a logjam of some 15 years now with matters having to do with the authorization of construction of water projects and we have reached an agreement with the administration on cost sharing. I would say that 90 percent of that is due to, again, the extraordinary staff work of people working around the clock, practically, to achieve that agreement.

So I wish to take this moment to express my deep appreciation to particularly the staff director, Mr. Kennedy, and Proctor Jones, who is probably one of the senior members of the staff of our Appropriations Committee. I, frankly, think that Proctor and I could do a water project alone, maybe my offering it but him doing the staff work.

And I also express my appreciation to Frank Sullivan, who has certainly been at Senator STENNIS' right hand as the director of the minority staff. I am grateful for all staff members and their outstanding performance.

Mr. BYRD. Mr. President, I associate myself with the remarks made by the distinguished chairman of the Appropriations Committee, Mr. HATFIELD.

I certainly share his warm sentiments with respect to the distinguished Senator from Mississippi [Mr. STENNIS] who is the ranking member on the Appropriations Committee, who is punctilious and courteous to a fault and exceedingly accommodating and understanding always with respect to the needs of other Members of the Senate.

I also compliment Mr. HATFIELD, the distinguished chairman who managed the bill so skillfully here throughout the day and yesterday. It was a difficult bill and he has demonstrated the kind of knowledge and wisdom and professionalism and skill that we should all desire to emulate.

I say the same thing with respect to the ranking member, Mr. JOHNSTON. I know of no Member of this body who is brighter and who is more understanding and cooperative with respect to the desires of his colleagues than is Mr. JOHNSTON.

Mr. President, to all, a job well done.

Mr. DOLE. Mr. President, let me thank the distinguished chairman of the Appropriations Committee and the ranking member, the distinguished former chairman and Senator from Mississippi, Senator STENNIS, for their outstanding work. I think it is important to point out that on the bill of this magnitude there were only four rollcall votes. I think that is a record.

There were 62 amendments considered; 50 were agreed to; 3 were rejected; 2 were tabled; 6 were withdrawn; and 1 was not acted upon—about 16 hours and a couple of days.

I think the remarkable thing is we were able to—under the leadership of the managers of the bill, including the distinguished Senator from Louisiana, Senator JOHNSTON—work most of them out. I want to commend my colleagues. It saves a lot of time, though.

Not many thought we could dispose of the supplemental appropriations bill in less than 3 or 4 days. It has really been accomplished in about a day and a half because there was much time late this evening consumed trying to work out some of the problems.

So, I commend the distinguished chairman. It is my hope that we can have a conference report before the July 4 recess. It is also my hope that the recess may start on Thursday rather than Friday, if that is some consolation to the conferees.

I thank my colleagues. We will, as I understand it, complete the colloquy portion tomorrow.

EXECUTIVE SESSION

Mr. DOLE. Mr. President, I ask unanimous consent that the Senate go into executive session to consider the following nominations on the Executive Calendar; Calendar No. 252, Lt. Gen. John T. Chain, Jr.; and Calendar No. 253, nominations under the Coast Guard.

The PRESIDING OFFICER. Without objection, it is so ordered.

AIR FORCE

The assistant legislative clerk read the nomination of Lt. Gen. John T. Chain, Jr., to be general, U.S. Air Force.

The PRESIDING OFFICER. Without objection, the nomination is considered and confirmed.

Mr. DOLE. Mr. President, I move to reconsider the vote by which the nomination was confirmed.

Mr. BYRD. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. DOLE. Mr. President, I ask unanimous consent that the President be immediately notified that the Senate has given its consent to the nomination.

The PRESIDING OFFICER. Without objection, it is so ordered.

COAST GUARD

Mr. DOLE. Mr. President, can we turn to Calendar No. 253, nominations under the Coast Guard.

The PRESIDING OFFICER. The nominations will be stated.

The assistant legislative clerk read the nominations of Edwin H. Daniels, Clyde T. Lusk, Jr., James C. Irwin, and Bobby F. Hollingsworth for appointment to the grade of rear admiral.

The PRESIDING OFFICER. Without objection, the nominations are considered and confirmed en bloc.

Mr. DOLE. Mr. President, I move to reconsider the vote by which the nominations were confirmed.

Mr. SYMMS. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. DOLE. Mr. President, I ask unanimous consent that the President be immediately notified that the Senate has given its consent to these nominations.

The PRESIDING OFFICER. Without objection, it is so ordered.

LEGISLATIVE SESSION

Mr. DOLE. Mr. President, I ask unanimous consent that the Senate resume legislative session.

The PRESIDING OFFICER. Without objection, it is so ordered.

THIRD ANNIVERSARY OF INTELLIGENCE IDENTITIES PROTECTION ACT

Mr. CHAFEE. Mr. President, June 23 marks the third anniversary of an extremely significant piece of legislation, the Intelligence Identities Protection Act of 1982. Looking back now, Mr. President, it is hard to believe that there ever was any controversy surrounding this legislation. Preventing the unauthorized disclosure of the identities of undercover U.S. intelligence officers and the people who cooperate with them in supplying information needed by the United States was, however, a matter of intense debate for over 2 years.

In the late 1970's, Mr. President, it had become fashionable to contend that the intelligence agencies of the United States posed a greater threat to the civil liberties of Americans than the activities of our adversaries. Incredibly enough, there were individuals who took it upon themselves to ferret out and to publish, under the guise of journalism, the names of undercover U.S. intelligence officers.

Mr. President, I believe that the American people now realize who it is that poses the threat to their way of life. Recent events have underscored the pervasive activities of Soviet intelligence services within our own military establishment, and the American people have been reminded that they are not immune from the scourge of international terrorism.

Today our intelligence services are stronger and better equipped to battle these threats to the American people in part because of the action that we took in 1982 to protect the identities of our undercover officers and agents.

Many Members of this body will recall that opinions were deeply divided on this issue. Most major newspapers were against the identities bill. Opponents in this body produced testimonials from distinguished legal authorities. I recall that one law professor branded the Intelligence Identities Protection Act the "clearest violation of the first amendment attempted by Congress in this era." Well, Mr. President, there is an old adage among lawyers that goes something like this:

If the facts are against you, argue the law; if the law is against you, argue the facts; and if the law and the facts are against you, claim that the law is unconstitutional.

Mr. President, those of us who believed that the Intelligence Identities Protection Act was necessary underwent a heavy barrage of criticism. Believe me, it is not pleasant to be accused on the editorial and op-ed pages of the nation's major newspapers and on the floor of this body of attempting to undermine the first amendment. But, we persevered, and we produced a piece of legislation that has protected the identities of our intelligence personnel without in any way stiffling public debate about U.S. intelligence activities.

In this connection, Mr. President, I am pleased to refer interested parties to the Center for National Security Studies publication "First Principles," which in its May-June 1984 issue carried a lead story entitled "Identities Law Does Not Impair or Impede Press."

Mr. President, I ask unanimous consent that the text of Public Law 97-200 of June 23, 1982, the Intelligence Identities Protection Act, be printed in the RECORD at this point.

There being no objection, the act was ordered to be printed in the RECORD, as follows:

[Public Law 97-200—June 23, 1982]

INTELLIGENCE IDENTITIES PROTECTION ACT OF 1982

An Act to amend the National Security Act of 1947 to prohibit the unauthorized disclosure of information identifying certain United States intelligence officers, agents, informants, and sources

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Intelligence Identities Protection Act of 1982".

SEC. 2. (a)The National Security Act of 1947 is amended by adding at the end thereof the following new title:

"TITLE VI—PROTECTION OF CERTAIN NATIONAL SECURITY INFORMATION

"PROTECTION OF IDENTITIES OF CERTAIN UNITED STATES UNDERCOVER INTELLIGENCE OFFICERS, AGENTS, INFORMANTS, AND SOURCES

"SEC. 601. (a) Whoever, having or having had authorized access to classified information that identifies a covert agent, intentionally discloses any information identifying such covert agent to any individual not authorized to receive classified information, knowing that the information disclosed so identifies such covert agent and that the United States is taking affirmative measures to conceal such covert agent's intelligence relationship to the United States, shall be fined not more than $50,000 or imprisoned not more than ten years, or both.

"(b) Whoever, as a result of having authorized access to classified information, learns the identity of a covert agent and intentionally discloses any information identifying such covert agent to any individual not authorized to receive classified informa-

tion, knowing that the information disclosed so identifies such covert agent and that the United States is taking affirmative measures to conceal such covert agent's intelligence relationship to the United States, shall be fined not more than $25,000 or imprisoned not more than five years, or both.

"(c) Whoever, in the course of a pattern of activities intended to identify and expose covert agents and with reason to believe that such activities would impair or impede the foreign intelligence activities of the United States, discloses any information that identifies an individual as a covert agent to any individual not authorized to receive classified information, knowing that the information disclosed so identifies such individual and that the United States is taking affirmative measures to conceal such individual's classified intelligence relationship to the United States, shall be fined not more than $15,000 or imprisoned not more than three years or both.

"DEFENSES AND EXCEPTIONS

"SEC. 602. (a) It is a defense to a prosecution under section 601 that before the commission of the offense with which the defendant is charged, the United States had publicly acknowledged or revealed the intelligence relationship to the United States of the individual the disclosure of whose intelligence relationship to the United States is the basis for the prosecution.

"(b)(1) Subject to paragraph (2), no person other than a person committing an offense under section 601 shall be subject to prosecution under such section by virtue of section 2 or 4 of title 18, United States Code, or shall be subject to prosecution for conspiracy to commit an offense under such section.

"(2) Paragraph (1) shall not apply (A) in the case of a person who acted in the course of a pattern of activities intended to identify and expose covert agents and with reason to believe that such activities would impair or impede the foreign intelligence activities of the United States, or (B) in the case of a person who has authorized access to classified information.

"(c) It shall not be an offense under section 601 to transmit information described in such section directly to the Select Committee on Intelligence of the Senate or to the Permanent Select Committee on Intelligence of the House of Representatives.

"(d) It shall not be an offense under section 601 for an individual to disclose information that solely identifies himself as a covert agent.

"REPORT

"SEC. 603. (a) The President, after receiving information from the Director of Central Intelligence, shall submit to the Select Committee on Intelligence of the Senate and the Permanent Select Committee on Intelligence of the House of Representatives an annual report on measures to protect the identities of covert agents, and on any other matter relevant to the protection of the identities of covert agents.

"(b) The report described in subsection (a) shall be exempt from any requirement for publication or disclosure. The first such report shall be submitted no later than February 1, 1983.

"EXTRATERRITORIAL JURISDICTION

"SEC. 604. There is jurisdiction over an offense under section 601 committed outside the United States if the individual committing the offense is a citizen of the United States or an alien lawfully admitted to the United States for permanent residence (as defined in section 101(a)(20) of the Immigration and Nationality Act).

"PROVIDING INFORMATION TO CONGRESS

"SEC. 605. Nothing in this title may be construed as authority to withhold information from the Congress or from a committee of either House of Congress.

"DEFINITIONS

"SEC. 606. For the purposes of this title:

"(1) The term 'classified information' means information or material designated and clearly marked or clearly represented, pursuant to the provisions of a statute or Executive order (or a regulation or order issued pursuant to a statute or Executive order), as requiring a specific degree of protection against unauthorized disclosure for reasons of national security.

"(2) The term 'authorized', when used with respect to access to classified information means having authority, right, or permission pursuant to the provisions of a statute, Executive order, directive of the head of any department or agency engaged in foreign intelligence or counterintelligence activities, order of any United States court, or provisions of any Rule of the House of Representatives or resolution of the Senate which assigns responsibility within the respective House of Congress for the oversight of intelligence activities.

"(3) The term 'disclosure' means to communicate, provide, impart, transmit, transfer, convey, publish, or otherwise make available.

"(4) The term 'covert agent' means—

"(A) an officer or employee of an intelligence agency or a member of the Armed Forces assigned to duty with an intelligence agency—

"(i) whose identity as such an officer, employee, or member is classified information, and

"(ii) who is serving outside the United States or has within the last five years served outside the United States; or

"(B) a United States citizen whose intelligence relationship to the United States is classified information, and

"(i) who resides and acts outside the United States as an agent of, or informant or source of operational assistance to, an intelligence agency, or

"(ii) who is at the time of the disclosure acting as an agent of, or informant to, the foreign counterintelligence or foreign counterterrorism components of the Federal Bureau of Investigation; or

"(C) an individual, other than a United States citizen, whose past or present intelligence relationship to the United States is classified information and who is a present or former agent of, or a present or former informant or source of operational assistance to, an intelligence agency.

"(5) The term 'intelligence agency' means the Central Intelligence Agency, a foreign intelligence component of the Department of Defense, or the foreign counterintelligence or foreign counterterrorism components of the Federal Bureau of Investigation.

"(6) The term 'informant' means any individual who furnishes information to an intelligence agency in the course of a confidential relationship protecting the identity of such individual from public disclosure.

"(7) The terms 'officer' and 'employee' have the meanings given such terms by section 2104 and 2105, respectively, of title 5, United States Code.

"(8) The term 'Armed Forces' means the Army, Navy, Air Force, Marine Corps, and Coast Guard.

"(9) The term 'United States', when used in a geographic sense, means all areas under the territorial sovereignty of the United States and the Trust Territory of the Pacific Islands.

"(10) The term 'pattern of activities' requires a series of acts with a common purpose or objective.".

(b) The table of contents at the beginning of such Act is amended by adding at the end thereof the following.

"TITLE VI—PROTECTION OF CERTAIN NATIONAL SECURITY INFORMATION

"Sec. 601. Protection of identities of certain United States undercover intelligence officers, agents, information, and sources.
"Sec. 602. Defenses and exceptions.
"Sec. 603. Report.
"Sec. 604. Extraterritorial jurisdiction.
"Sec. 605. Providing information to Congress.
"Sec. 606. Definitions.".

Approved June 23, 1982.

Mr. CHAFEE. Mr. President, the clearest demonstration of the success of this legislation is the fact that there have been no prosecutions brought under its provisions. The ultimate goal of any criminal statute is to eliminate the conduct that the statute is designed to proscribe, and by this measure the Intelligence Indentities Protection Act has been extraordinarily effective.

The Senate recently passed Senate Joint Resolution 138, designating the week of June 2, 1985, through June 8, 1985, as "National Intelligence Community Week." In this resolution the Senate took note of "the dedication of the men and women of the intelligence community to the service of their country in difficult and dangerous circumstances abroad." For me, Mr. President, that dedication always will be symbolized by Richard Welch, who gave his life for his country nearly 10 years ago, and whose untimely death was a major impetus in passage of the Intelligence Identities Protection Act.

Dick Welch was our CIA station chief in Athens, Greece. He was shot by still unknown terrorist assailants in front of his home in December 1975, within a month of having been publicly identified as a CIA officer in an Athens newspaper which had used as its source a U.S. magazine which was then regularly publishing lists of undercover intelligence personnel.

Dick Welch grew up in Providence, RI. He was an honor student at Classical High School and a member of the track team. Dick later went on to Harvard, where he graduated magna cum laude, with a degree in Greek and classical languages. He was a man who still is remembered with profound respect and affection by all of those who were privileged to know and work with him. In March of 1982 a Richard S. Welch Memorial Fund was established at Harvard University to promote study of the role of intelligence in the

formulation and implementation of U.S. policy, and to enhance academic and public understanding of intelligence through reasoned discussion and argument.

Mr. President, it gives me great pleasure to report that the Welch Memorial Fund has sponsored a highly successful colloquium on intelligence and covert action, which was held in Washington in March of this year, and which will be presented again at Harvard University in the fall. In addition, there currently are two Richard S. Welch fellows at Harvard University's Center for International Affairs.

Mr. President, the world is an increasingly dangerous place. The men and women of our intelligence services are on the front lines in a never ending battle against the enemies of freedom. Our intelligence officers need our understanding and support, and the Intelligence Identities Protection Act continues to serve as a viable and effective demonstration that the American people stand behind their intelligence officers in the field.

APPOINTMENTS ON BEHALF OF THE PRESIDENT PRO TEMPORE

(The following occurred earlier:)

The PRESIDING OFFICER (Mr. HECHT). The Chair, on behalf of the President pro tempore of the Senate, pursuant to Public Law 98-473 appoints the Senator from Wisconsin [Mr. KASTEN] and the Senator from Arizona [Mr. DECONCINI] as members of the Commission on the Ukraine Famine.

ROUTINE MORNING BUSINESS

(During the day routine morning business was transacted and additional statements were submitted as follows:)

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Saunders, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session, the Acting President pro tempore laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

DEFERRAL OF CERTAIN BUDGET AUTHORITY—MESSAGE FROM THE PRESIDENT—PM 59

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, together with accompanying papers; which, pursuant to the order of January 30, 1975, was referred jointly to the Committee on the Budget, the Committee on Appropriations, the Committee on Foreign Relations, the Committee on Agriculture, Nutrition, and Forestry, and the Committee on Energy and Natural Resources:

To the Congress of the United States:

In accordance with the Impoundment Control Act of 1974, I herewith report three new deferrals of budget authority for 1985 totaling $278,500,000 and two revised deferrals now totaling $8,792,615. The deferrals affect programs in the Departments of Agriculture and Energy, the Agency for International Development, and the United States Information Agency.

The details of these deferrals are contained in the attached report.

RONALD REAGAN.

THE WHITE HOUSE, *June 20, 1985.*

MESSAGE FROM THE HOUSE

ENROLLED BILL SIGNED

At 11:14 a.m., a message from the House of Representatives, delivered by Ms. Goetz, one of its reading clerks, announced that the Speaker has signed the following enrolled bill:

H.R. 14. An act to designate the Federal Building and United States Courthouse in Ashland, Kentucky as the "Carl D. Perkins Federal Building and United States Courthouse".

The enrolled bill was subsequently signed by the President pro tempore [Mr. THURMOND].

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. THURMOND, from the Committee on the Judiciary, with an amendment in the nature of a substitute:

S. 487. A bill to recognize the organization known as The Statue of Liberty-Ellis Island Foundation, Inc. (Rept. No. 99-88).

By Mr. THURMOND, from the Committee on the Judiciary, without amendment and with a preamble:

H.J. Res. 159. Joint resolution commemorating the 75th Anniversary of the Boy Scouts of America.

S.J. Res. 111. Joint resolution to designate the month of October 1985 as "National Spina Bifida Month".

By Mr. THURMOND, from the Committee on the Judiciary, with an amendment and an amendment to the title:

S.J. Res. 122. Joint resolution to authorize the President to proclaim the last Friday of April each year as "National Arbor Day".

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. THURMOND, from the Committee on the Judiciary:

Robert C. Broomfield, of Arizona, to be United States District Judge for the District of Arizona;

Donald W. Walter, of Arizona, to be United States District Judge for the Western District of Louisiana;

Claude M. Hilton, of Virginia, to be United States District Judge for the Eastern District of Virginia;

Wayne E. Alley, of Oklahoma, to be United States District Judge for the Western District of Oklahoma;

James D. Todd, of Tennessee, to be United States District Judge for the Western District of Tennessee; and

Larry James Stubbs, of Georgia, to be United States Marshal for the Southern District of Georgia for the term of four years.

By Mr. GOLDWATER, from the Committee on Armed Services:

Mr. GOLDWATER. Mr. President from the Committee on Armed Services, I report favorably the attached listing of nominations.

Those identified with a single asterisk (*) are to be placed on the Executive Calendar. Those identified with a double asterisk (**) are to lie on the Secretary's desk for the information of any Senator since these names have already appeared in the CONGRESSIONAL RECORD and to save the expense of printing again.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The nominations ordered to lie on the Secretary's desk were printed in the RECORD of June 12 and June 13, 1985, at the end of the Senate proceedings.)

SENATE ARMED SERVICES COMMITTEE: ROUTINE MILITARY NOMINATIONS

JUNE 20, 1985

**1. In the Air Force Reserve there are 32 promotions to the grade of lieutenant colonel (list begins with Robert L. Baldwin). (Ref. #361)

**2. In the Navy there is 1 promotion to the grade of captain (John O. Creighton). (Ref. #362)

**3. In the Navy there are 1,277 promotions to the permanent grade of lieutenant commander (list begins with Robert David Abel). (Ref. #A363)

*4. Lt. Gen. Max B. Bralliar, U.S. Air Force, to be placed on the retired list. (Ref. #367)

**5. In the Air Force there are 5 appointments to the grade of second lieutenant (list begins with Gordon P. Mangente). (Ref. #370)

Total 1,316.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. MURKOWSKI:

S. 1330. A bill to amend section 504 of the Alaska National Interest Lands Conservation Act to allow expanded mineral exploration of the Admiralty Island National Monument in Alaska; to the Committee on Energy and Natural Resources.

By Mr. MITCHELL:

S. 1331. A bill to amend the headnotes of Schedule 3 of the Tariff Schedules of the United States and for other purposes; to the Committee on Finance.

By Mr. INOUYE:

S. 1332. A bill for the relief of Ms. Shon Ning Lee; to the Committee on the Judiciary.

S. 1333. A bill for the relief of Mr. Faalili Afele, Mrs. Liugalua Afele, and Ms. Siliolo Afele; to the Committee on the Judiciary.

S. 1334. A bill for the relief of Marlene Sabina Lajola; to the Committee on the Judiciary.

By Mr. THURMOND (for himself, Mr. D'AMATO, Mr. ROTH, Mr. DENTON, and Mrs. HAWKINS) (by request):

S. 1335. A bill entitled the "Money Laundering and Related Crimes Act of 1985"; to the Committee on the Judiciary.

By Mr. METZENBAUM (for himself, Mr. HEINZ, Mr. CRANSTON, Mr. LEVIN, Mr. COCHRAN, Mr. SPECTER, Mr. PRESSLER, and Mr. EXON):

S. 1336. A bill to amend the Arts and Artifacts Indemnity Act to facilitate the indemnification of works of art by Americans exhibited outside the United States; to the Committee on Labor and Human Resources.

By Mr. GORE:

S. 1337. A bill to direct the Administrator of Veterans' Affairs to establish a national cemetery in Knoxville, TN; to the Committee on Veterans' Affairs.

By Mr. GRASSLEY:

S. 1338. A bill to amend title VIII of the Higher Education Act of 1965, to strengthen cooperative education programs, and for other purposes; to the Committee on Labor and Human Resources.

By Mr. DIXON:

S.J. Res. 149. Joint resolution to designate the week of September 15, 1985, through September 21, 1985, as "National Dental Hygiene Week"; to the Committee on the Judiciary.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. DECONCINI:

S. Con. Res. 52. Concurrent resolution expressing the sense of Congress regarding additional assistance for Jordan; to the Committee on Foreign Relations.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. MURKOWSKI:

S. 1330. A bill to amend section 504 of the Alaska National Interest Lands Conservation Act to allow expended mineral exploration of the Admiralty Island National Monument in Alaska; to the Committee on Energy and Natural Resources.

EXPANDED MINERAL EXPLORATION OF ADMIRALTY ISLAND NATIONAL MONUMENT

● Mr. MURKOWSKI. Mr. President, today I am introducing legislation which will amend the Alaska National Interest Lands Conservation Act of 1985. The passage of the Alaska Lands Act was one of the major land allocation and land use legislative decisions made by the Congress in this century. It was hailed as one of the greatest conservation measures in the history of the country. The passage of that act more than doubled the total acreage of the National Park System and National Wildlife Refuge System and more than tripled the acreage in the National Wilderness Preservation System.

Congress also recognized the vast mineral wealth in Alaska in the act. Numerous compromises were made during consideration of the act which were intended to permit the exploration and development of seven mineral deposits in Alaska determined by the Stanford Research Institute to be of world-class status. My legislation will carry out the intent of those compromises by modifying portions of the act which prevent full exploration of one of those seven mines. Specifically, this amendment will extend the time period and expand the geographical area in which exploration activities can be carried out.

The mine to which this amendment is directed is the Greens Creek deposit located in the northwestern portion of Admiralty Island in the Tongass National Forest. It is a deposit of associated minerals of silver, lead, zinc, and gold which was first identified in 1973. This is a world-class mineral deposit. Recoverable reserves are estimated to be 3,084,174 tons of very high grade ore. The ore has been assayed at 0.36 percent copper per ton 2.74 percent lead per ton, 7.89 percent zinc per ton, and contains 11.7 ounces of silver and 0.104 ounces of gold per ton. From 1974 through 1978 numerous claims were staked in the area and subsequent exploration has found several of the claims to be valid under the mining laws of the United States. Exploration of the remaining claims continues.

As those who were Members in this body of the 95th and 96th Congress will recall, one of the major areas of contention during the Alaska lands debate was Admiralty Island. Most of the controversy centered around the harvesting of timber from the island. During the final negotiations in the 96th Congress which led to the legislative version which became public law, a specific compromise on timber management and wilderness was reached. That compromise provided for the designation of most of Admiralty Island as a national monument and wilderness, accompanied by a specific mechanism to guarantee Forest Service appropriations necessary to prepare timber harvest on Federal lands and to insure that adequate timber could be made available for harvest on those lands in the National Forest which were not designated as wilderness.

That compromise also attempted to deal with the exploration and development of the Greens Creek deposit, which fell within the National Monument. Because the claims had been located prior to passage of the Alaska Lands Act, it was necessary to fashion a program which would permit full development of the deposit within the confines of the monument. It was decided that an existing mineral exploration regime developed for a different deposit, the Quartz Hill deposit located within the proposed Misty Fjords National Monument near Ketchikan, AK, would be applied to the Greens Creek deposit. No hearings or other inquiries were made to determine whether this provision was adequate for full exploration of the Greens Creek deposit. Frankly Mr. President, this decision was made rapidly at the end of the Congress and was one of many issues which was not fully studied prior to passage of the final legislation.

Nevertheless, the regime which was developed for exploration of the Quartz Hill deposit was applied to the Greens Creek deposit. Herein lies the problem. That regime was well suited to an open pit deposit such as that at Quartz Hill. It provided for a short-term exploration period in which all of the mineral deposit could be fully delineated. Unfortunately, the Greens Creek deposit is of a different nature. It is a lode style deposit which can best be described as resembling a snake or meandering river. By that I mean the deposit follows no specific path and twists and winds throughout the area of its general location including, in some cases, folding over itself and twisting itself almost into knots. The appropriate method for delineating this deposit is to explore it during the life of the mine's development. Rather than attempt to bifurcate the exploration process from the development process, it is more appropriate to follow the deposit during the mine's development and keep an adequate amount of mineralization, approximately 2 to 3 years worth, in front of you as exploration and reserves, while you develop and further explore the deposit. In this manner it is possible to accurately establish that there is adequate mineralization to warrant further mining.

This information on the physical structure of the deposit was not available during the 95th and 96th Congress when the fate of the Greens Creek deposit was being discussed. Much of this information has been made clear during the exploration which has occurred since the passage of the Alaska Lands Act. Four separate seasons of surface drilling have shown that surface drilling is simply not an adequate or appropriate manner for exploring the deposit. Surface drilling, which includes unnecessary surface disturbance, timber cutting, and establishment of drill pads, has been successful in identifying

major areas of mineralization but not in fully delineating the mineral deposit. It is clear now that the only way to properly explore this mine is to permit a longer time period for exploration and to permit those existing claims with identified mineral potential to be fully explored.

In addition to being consistent with congressional intent to permit full development of this deposit, my legislation will also promote the area as a national monument. Exploration and development of the mine will be almost entirely underground; therefore minimizing to a large extent the surface disturbances usually associated with large scale mining. The present owners of the valid existing claims on the deposit would be required to forgo any opportunity to acquire a patent to the surface of the claims which will eliminate the inholdings in the monument in this area. Finally, no new claims would be staked nor would any area which has not been previously identified as having mineralization be available for exploration. In fact, there are certain areas which have been shown not to be of mineral value which are subject to location and existing claims. This legislation would foreclose further exploration in those areas. Exploration would only be permitted on certain existing claims which had been located prior to the creation of the Admiralty Island National Monument.

Mr. President, it is my firm belief that a commitment was made to permit the full development of this mineral deposit. Development of identified mineral resources was one of the major concessions made to the State of Alaska during the consideration of the Alaska lands bill. Specific areas were identified as having mineral potential and their eventual full development was agreed upon. Greens Creek was one of these areas. It was not the intent of Congress, in borrowing the Quartz Hill regime, to limit development of this deposit to less than one-half of the available recoverable minerals. This legislation simply redeems the promise of the Alaska Lands Act by permitting full exploration and delineation of the Greens Creek deposit.

Mr. President, I urge my colleagues, particularly those on the Senate Energy Committee, to give this bill a fair and rapid hearing. It is a worthy piece of legislation that deserves this body's support.●

By Mr THURMOND (for himself, Mr. D'AMATO, Mr. ROTH, Mr. DENTON, and Mrs. HAWKINS) (by request):

S. 1335. A bill entitled the "Money Laundering and Related Crimes Act of 1985"; to the Committee on the Judiciary.

MONEY LAUNDERING AND RELATED CRIMES ACT

Mr. THURMOND. Mr. President, I am introducing at the request of the administration—the Money Laundering and Related Crimes Act of 1985—to provide stiff civil and criminal penalties for individuals and institutions that engage in laundering money from illegal enterprises.

The proposed legislation would prohibit individuals and institutions from conducting transactions involving the movement of money generated by, or derived from, the commission of crimes. The President's Commission on Organized Crime has identified this problem as one of the biggest challenges facing law enforcement today. It has been estimated that billions of dollars each year are being laundered through the financial institutions of this Nation.

A wide variety of organized criminal groups, ranging from drug trafficking rings to the more traditional organized crime racketeers, could not reap the profits of their unlawful activity without the means to camouflage their proceeds to appear as though they came from legitimate sources and business investments. This bill would severely restrict the ability of criminal groups to disguise and profit from illegal gains.

The proposed bill would create, for the first time, a Federal offense based on the commerce clause that would directly prohibit the laundering of money. The bill includes numerous substantive revisions to the criminal code, and amendments to the Bank Secrecy Act, the Right to Financial Privacy Act, and the Federal Rules of Criminal Procedure. These changes would provide significant assistance to law enforcement officials in obtaining information that exposes money laundering activities. It is my hope that we will be able to act upon this important and noncontroversial bill as expeditiously as possible. Attorney General Edwin Meese is to be commended for developing this comprehensive package designed to remedy a dramatic national problem.

● Mr. D'AMATO. Mr. President, I am pleased to join the distinguished chairman of the Senate Judiciary Committee, Senator THURMOND, in introducing the Money Laundering and Related Crimes Act. In preparing this bill, the Justice and Treasury Departments recognized that drug traffickers and organized crime cannot operate successfully if they cannot make their illegitimate earnings look legitimate.

As the sponsor of S. 571 and S. 572, legislation that has much in common with the Money Laundering and Related Crimes Act, I welcome the direct and active involvement of the administration in our effort to develop and pass this much-needed legislation. I also want to take this opportunity to praise the work of Judge Irving Kaufman and the President's Commission on Organized Crime, whose comprehensive proposals, set forth in the Commission's October 1984 report, form the basis for this bill.

The central points of the Money Laundering and Related Crimes Act are that it makes money laundering for criminal purposes a crime; raises fines to the full amount of the money laundered; and gives the Treasury Department power to subpoena testimony and bank records to enforce the Bank Secrecy Act.

The need for stronger laws against money laundering has been demonstrated repeatedly in a long list of cases, starting with Operation Greenback in Miami and Operation El Dorado in New York, and continuing with the Bank of Boston's guilty plea on February 7 of this year. It is my belief that the Bank of Boston case will be followed by others until we enact legislation such as that being introduced today.

This belief is based on extensive testimony presented at a Senate Banking Committee hearing I held in New York City on January 28, and at an April 3 hearing of the Permanent Subcommittee on Investigations, which was called by Senators ROTH and RUDMAN to investigate the Bank of Boston's failure to report $1.2 billion in violation of the Bank Secrecy Act. At these hearings, it was repeatedly stated by Government witnesses, professional money launderers, and by the Bank of Boston chairman, that evasion of the Bank Secrecy Act would be greatly curtailed if the provisions contained in S. 571, S. 572, and the bill we introduce today, were law.

The Money Laundering and Related Crimes Act corrects the most egregious weaknesses in the laws now available to combat money laundering. Present law merely requires the money launderer to file reports when he deposits or withdraws more than $10,000 to a time, or moves that amount in or out of the country.

As the Bank of Boston case makes clear, however, this approach, which attempts to combat money laundering indirectly through a little-understood reporting system, is wholly inadequate. The bill we introduce today attacks the problem directly by making it a crime to launder money to promote unlawful activity. It also makes it a crime to launder money derived from unlawful activity.

If we are serious about money laundering, we should say so in terms that all bank and financial institution employees, from tellers to presidents, can understand. Put simply, we should make money laundering a crime.

The words of one retired Bank of Boston employee illustrate the limitations of a system limited to the filling out of forms:

> If you had to stop and bang out a report for every single transaction, you'd never get anything done.

The new crime is punishable by a fine of up to the greater of $25,000 or twice the value of the money laundered, imprisonment for up to 20 years, or both. There is a civil penalty up to the amount laundered, or $10,000, whichever is greater. This bill also provides for the criminal and civil forfeiture of laundered funds, property acquired with laundered money, and substitute assets.

The Money Laundering and Related Crimes Act recognizes that those who launder illicit drug money are as responsible for the epidemic of drug abuse and drug-related crime as are those who distribute narcotics. The crime of money laundering, therefore, is made a predicate offense for purposes of the Racketeer Influenced and Corrupt Organizations [RICO] statute, and an offense for which a title III wiretap may be employed.

This bill's second major contribution to an effective war on crime is the power it gives the Treasury Department to subpoena testimony and records in its investigations of money laundering cases. When this provision is enacted, we will avoid the absurd situation that now exists, and that was such an enormous problem during the Bank of Boston case. The agency with primary responsibility for civil enforcement of the Bank Secrecy Act, the Treasury Department, lacks the tools to carry out its responsibility in a truly effective manner.

Giving the Treasury Department a subpoena power would change that by giving the Department the ability to review systematically all evidence of noncompliance with the Bank Secrecy Act. The Department would not have to rely on the bank regulatory agencies, such as the Comptroller of the Currency, whose interest in Bank Secrecy Act compliance is lukewarm at best.

The Money Laundering and Related Crimes Act also provides for increased penalties for violations of the Bank Secrecy Act's reporting rules. The maximum civil penalty for willful violations is increased to the greater of $25,000, or the amount of the transaction itself, up to $1 million. For the first time, negligent violations will also be subject to penalty. Criminal penalties for Bank Secrecy Act violations also, would be increased. When these violations occur in conjunction with violations of other laws, the maximum prison term available is raised from 5 years to 10 years.

Another major weakness in our defenses against organized crime is created by the rules that now hinder cooperation between banks and law enforcement officials, alert criminals that they are under investigation, and enable them to withdraw their money and place their assets beyond the reach of the law.

The bill we introduce today proposes several changes to correct this situation. It amends the Right To Financial Privacy Act to permit a financial institution to provide records to law enforcement agencies without notice to customers when it has reason to believe that those records are relevant to the commission of a crime. It also permits a financial institution to alert a law enforcement agency that it has information relevant to a possible violation of law. The financial institution would have a defense to a civil suit under the Right To Financial Privacy Act if it provides such records or information in the good faith belief that they are relevant to a possible violation of law.

Mr. President, I look forward to hearings on this legislation, and to working with my colleagues in the Congress on improving our ability to combat the laundering of money obtained through drug dealing and other illegal activities. I urge my colleagues to support this effort to pass strong legislation to combat illegal money laundering, and thereby create the necessary tools to break the financial empires of those who operate the drug distribution and other organized crime networks.●

By Mr. METZENBAUM (for himself, Mr. HEINZ, Mr. CRANSTON, Mr. LEVIN, Mr. COCHRAN, Mr. SPECTER, Mr. PRESSLER, and Mr. EXON):

S. 1336. A bill to amend the Arts and Artifacts Indemnity Act to facilitate the indemnification of works of art by Americans exhibited outside the United States; to the Committee on Labor and Human Resources.

ARTS AND ARTIFACTS INDEMNITY ACT AMENDMENTS

● Mr. METZENBAUM. Mr. President, today I am introducing a measure which, if enacted, will end the unfair and unnecessary discrimination toward American artists under the Arts and Artifacts Indemnity Act of 1975. This act—on the whole an excellent piece of legislation—contains a provision which I believe is greatly flawed, and actually discourages the international display of works by America's great artists.

Currently, the Federal Government is authorized to insure the value of works of art, rare documents and books, films and photographs, when they are borrowed from abroad and on exhibition here in the United States. However, this same protection is not afforded to American works of art. If these works are to be protected, they must be part of an exchange exhibition organized with another country.

It further restricts American exhibitions by prohibiting indemnification for both halves of the exchange. So in practice, an American exhibit is restricted twice under current law: First, it must be part of an exchange and, second, its exchange partner cannot receive indemnification assistance.

The result of this requirement has been that American works of art, by American artists of every period, have received far less assistance under this program than works of foreign art.

The shows and exhibitions involved here are extremely valuable and quite expensive to insure under ordinary non-Government procedures. When Government indemnification is withheld, the exhibits cannot travel extensively. This means that they may never be accorded international recognition. Without a doubt, this unfair discrimination against American art has severely inhibited its traveling to other nations. This barrier to exchange is harmful to international cultural understanding, and harmful to this country's artists and museums.

There is simply no reason to require American artists and art works to conform to a stricter standard, than the standard applied to, for example, works of Japanese or French art. Most importantly, this restriction is not in keeping with the spirit of international cultural exchange.

Mr. President, our bill—I am happy to name my distinguished colleagues, Senators HEINZ, CRANSTON, LEVIN, COCHRAN, SPECTER, PRESSLER, and EXON as cosponsors—simply deletes the current law requirement that American art be eligible for indemnification only when it is part of a formal exchange program. This would allow American art to be treated equally with the art of any other nation on its own merits, not as a part of a package arrangement. This measure also deletes the prohibition against insuring both halves of an exchange.

I firmly believe that this would be fairer to our artists. It would make certain a deeper understanding of American culture in other nations, and be more in the spirit of promoting international cultural exchanges.

Finally, Mr. President, there is no cost associated with this measure. The Indemnification Program has been operating virtually cost free since its inception, and this modification would not require any authorizations about current law.

I strongly urge my colleagues to join us in support of this measure.●

By Mr. GORE:

S. 1337. A bill to direct the Administrator of Veterans' Affairs to establish a national cemetery in Knoxville, TN; to the Committee on Veterans' Affairs.

NATIONAL CEMETERY IN KNOXVILLE, TN

● Mr. GORE. Mr. President, I am introducing today a bill which will direct the Administrator of Veterans' Affairs to establish a new National Cemetery in Knoxville, TN. The land for this

cemetery to be provided by the State of Tennessee.

The current National Cemetery in Knoxville will be full by the end of the year. This bill will provide a new cemetery for the veterans of east Tennessee at a nominal cost to the Federal Government. The importance of this bill becomes even larger in light of the proposed cuts in veterans' programs. I hope that my colleagues will join me in supporting the bill.●

By Mr. GRASSLEY:

S. 1338. A bill to amend title VIII of the Higher Education Act of 1965, to strengthen cooperative education programs, and for other purposes; to the Committee on Labor and Human Resources.

COOPERATIVE EDUCATION ACT

● Mr. GRASSLEY. Mr. President, today I am introducing legislation to reauthorize and expand the highly successful cooperative education program, which is currently authorized under title VIII of the Higher Education Act. Cooperative education is a cost-effective program whereby college students combine periods of classroom study with periods of off-campus, paid employment in jobs related to their field of study. Through cooperative programs, students gain valuable work experience and earn income to help them offset the costs of attending college, while their wages generate Federal tax dollars. Federal support is limited to grants to institutions to assists them with the heavy burden of administrative costs involved in planning, implementation, and expansion of cooperative education programs, and for grants for research and training activities. Grant moneys may not be used to compensate students.

On a very small scale, cooperative education has been effectively utilized as a meaningful education strategy by higher education institutions since 1906. However, Federal recognition and support for the program began in 1965 with an authorization under title III of the Higher Education Act as part of aid for strengthening developing institutions. The authorization for cooperative education was transferred to title IV in 1968. Through the 1976 amendments, the program gained its current authorization status as a separate title, title VIII of the Higher Education Act.

Although cooperative education has received minimal funding over a 15-year period—$185.9 million total appropriation for fiscal years 1970–85—the program has earned a widespread acceptance by both public and private sector employers. It has also repeatedly demonstrated its value to institutions as a viable academic program, as well as a cost-effective means of student financial assistance. The statistics are convincing. In 1970, 195 institutions of higher education were conducting cooperative education programs. By 1983, the number had increased to 918. The 177,000 students participating in cooperative programs in 1983 earned a total of $1.05 billion in wages, and returned to the Federal Treasury a total of $133 million in Federal income and Social Security taxes. The revenue generated through taxes, compared to the $14.4 million appropriation for cooperative education, yields to the Federal Treasury more than a 900 percent return on investment. Few other Federal programs could boast of such cost-effectiveness.

Yet, despite this proven cost-effectiveness, the administration has recommended zero funding for cooperative education for the past 2 years. Congress has not followed this recommendation, however, and has retained the program at level funding. It is apparent to me that there is a lack of recognition by the administration that cooperative education programs yield substantial benefits to students, educational institutions, employers, and society as a whole.

College students gain exposure to practical workplace application of theory they have learned in the classroom. Through cooperative education experiences, students have the opportunity to explore career alternatives and have direct contact with potential employers. Frequently, students have the opportunity to work with resources and state-of-the art equipment which are often not available in campus classrooms or laboratories. They also earn college credit while receiving pay for their work which helps defray the cost of attending college.

Through cooperative programs, educational institutions enjoy valuable linkage with local business, industry, and Government agencies. This linkage helps colleges maintain relevant and current curricula. Also, because academic credit is awarded to students for work experience, institutions require faculty collaboration with work supervisors to monitor student progress, thus facilitating professional development opportunities for faculty members.

Employers find that participants in cooperative education programs provides them with a cost-effective recruitment tool. They have an opportunity to preview potential employees before they are hired permanently, and to train potential employees while they are still in the formative stages. In addition, employers are able to influence the design and content of college curricula through the program's requirement for communication between the student's work supervisor and college advisor.

Cooperative education programs also benefit society in general. Participation in the program is a reinforcement of the American work ethic. It builds in young people a respect for work and for the value of money earned through work. Young people also gain an understanding and appreciation of the American free enterprise system. Because they are allowed to be part of that system, they recognize a role for themselves as responsible, contributing members of our society. Cooperative education programs also contribute to the Nation's economic development by producing a steady flow of qualified, appropriately skilled workers.

Mr. President, my bill, the Cooperative Education Act of 1985, would extend the authorization for the cooperative education program for 5 years. This measure authorizes funding at $50 million in fiscal year 1986 to a ceiling of $70 million in fiscal year 1990. While retaining the four basic types of grants authorized under current law—administrative, demonstrative, training, and research—my bill expands the training grants to include the establishment of resource centers. These resource centers would be created to furnish technical assistance to institutions, improve materials, train personnel, and encourage the development of model programs which furnish education and training in occupations for which there is a national need. To continue and expand successful existing cooperative education programs, my bill would allow an institution which had exhausted its eligibility for Federal funding under the current 5-year funding limit, to reapply for grant moneys. An institution would be able to reapply if it had maintained the program 2 years at a level equal to the total cost of the program in its fifth year of Federal funding.

Provisions to increase institutional accountability and commitment to cooperative education programs have been added in my legislation. While current law allows a 100-percent Federal share of the costs of the program in the first year of grant funding, my bill requires institutions to make at least a 10-percent institutional commitment the first year. Also, the bill requires institutions applying for second subsequent years of grant funding to analyze their program's effectiveness and provide statistical data on the grant application as to the number of students, employees, and personnel involved in the program, and the incomes of students. By requiring institutions to submit this type of statistical data on their programs, my bill encourages institutions to yearly assess the direction, scope, and effectiveness of their programs.

Mr. President, I urge my colleagues to join me in cosponsoring this legislation which would strengthen an educational program which exemplifies the principle of community partnerships, and provides an exceptional return on investment to the Federal Treasury. I

ask unanimous consent that the bill and section by section analysis be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 1338

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Cooperative Education Act of 1985".

SEC. 2. Title VIII of the Higher Education Act of 1965 is amended to read as follows:

"TITLE VIII—COOPERATIVE EDUCATION

"APPROPRIATIONS AUTHORIZED; RESERVATIONS

"SEC. 801. (a) APPROPRIATIONS AUTHORIZED.—There are authorized to be appropriated $50,000,000 for fiscal year 1986, $55,000,000 for fiscal year 1987, $60,000,000 for fiscal year 1988, $65,000,000 for fiscal year 1989, and $70,000,000 for fiscal year 1990, to carry out the cooperative education program authorized by this title.

"(b) RESERVATIONS.—Of the amounts appropriated in each fiscal year—

"(1) not less than 75 percent shall be available for carrying out grants to institutions of higher education and combinations of such institutions for cooperative education under section 802;

"(2) not to exceed 13 percent shall be available for demonstration projects under clause (1) of section 803(a);

"(3) not to exceed 10 percent shall be available for training and resource centers under clause (2) of section 803(a); and

"(4) not to exceed 2 percent shall be available for research under clause (3) of section 803(a).

"(c) AVAILABILITY OF APPROPRIATIONS.—Appropriations under this title shall not be available for the payment of compensation of students for employment by employers under arrangements pursuant to this title.

"GRANTS FOR COOPERATIVE EDUCATION PROGRAMS

"SEC. 802. (a) GRANTS AUTHORIZED; MAXIMUM AMOUNT OF GRANT.—(1) The Secretary is authorized, from the amount available under section 801(b)(1) in each fiscal year and in accordance with the provisions of this title, to make grants to institutions of higher education, or to combinations of such institutions, to pay the Federal share of the cost of planning, establishing, expanding, or carrying out programs of cooperative education by such institutions or combinations of institutions.

"(2)(A) Cooperative education programs assisted under this section shall provide alternating or parallel periods of academic study and of public or private employment, giving work experience related to their academic or occupational objectives and the opportunity to earn the funds necessary for continuing and completing their education.

"(B) The amount of each grant shall not exceed $500,000 to any one institution of higher education in any fiscal year, and shall not exceed an amount equal to the product of $345,000 times the number of institutions participating in such combination, for any fiscal year.

"(b) APPLICATIONS.—Each institution of higher education, or combination of institutions desiring to receive a grant under this title shall submit an application to the Secretary at such time and in such manner as the Secretary shall prescribe. Each such application shall—

"(1) set forth the program or activities for which a grant is authorized under this section;

"(2) specify each portion of such program or activities which will be performed by a nonprofit organization or institution other than the applicant and the compensation to be paid for such performance;

"(3) provide that the applicant will expend during such fiscal year for the purpose of such program or activities not less than the amount expended for such purpose during the previous fiscal year;

"(4) describe the plans which the applicant will carry out to assure that the applicant will continue the cooperative education program beyond the 5-year period of Federal assistance described in subsection (c)(1);

"(5) provide that the applicant will—

"(A) make such reports as may be essential to insure that the applicant is complying with the provisions of this section, including in the reports for the second and each succeeding fiscal year for which the applicant receives a grant data with respect to the impact of the cooperative education program in the previous fiscal year, including—

"(i) the number of students enrolled in the cooperative education program,

"(ii) the number of employers involved in the program,

"(iii) the income of the students enrolled, and

"(iv) the increase or decrease of enrollment in the program in the second previous year compared to such previous fiscal year; and

"(B) keep such records as are essential to insure that the applicant is complying with the provisions of this title;

"(6) provide for such fiscal control and fund accounting procedures as may be necessary to assure proper disbursement of, and accounting for, Federal funds paid to the applicant under this title; and

"(7) include such other information as is essential to carry out the provisions of this title.

"(c) DURATION OF GRANTS; FEDERAL SHARE.—(1)(A) Except as provided in paragraph (3), no individual institution of higher education, and no individual participant in a combination of such institutions may receive grants under this section for more than 5 fiscal years.

"(B) The limitation contained in subparagraph (A) shall apply to each institution of higher education or participant in a combination of such institutions whether the grant was received before or after the date of enactment of the Cooperative Education Act of 1985.

"(2) The Federal share of a grant under this section may not exceed—

"(A) 90 percent of the cost of carrying out the application in the first year the applicant receives a grant under this section;

"(B) 80 percent of such cost in the second such year;

"(C) 70 percent of such cost in the third such year;

"(D) 60 percent of such cost in the fourth such year; and

"(E) 30 percent of such cost in the fifth such year.

"(3) Any institution of higher education, or participant in a combination of such institutions which—

"(A) has received a grant for 5 fiscal years under this section;

"(B) has conducted without Federal assistance a cooperative education program for at least 2 academic years subsequent to the end of the fifth such fiscal year;

"(C) has expended for the cooperative education program for each such subsequent academic year an amount at least equal to the total cost of the program in the fifth fiscal year in which the institution, or participant, received assistance under this section; and

"(D) provides statistics in the application required under subsection (b) on the number of students enrolled in the cooperative education program, the number of institutional personnel, including faculty advisers and cooperative education coordinators, and the income of the students enrolled, for each such year;

may apply under subsection (b) as an institution, or participant, to which clause (A) of paragraph (2) applies.

"(4) Any provision of law to the contrary notwithstanding, the Secretary shall not waive the provisions of this subsection.

"(d) FACTORS FOR SPECIAL CONSIDERATION OF APPLICATION.—In approving applications under this section, the Secretary shall give special consideration to applications from institutions of higher education for programs which show the greatest promise of success because of—

"(1) the extent to which programs in the academic discipline with respect to which the application is made have had a favorable reception by public and private sector employers,

"(2) the commitment of the institution of higher education to cooperative education has demonstrated by the plans which such institution has made to continue the program after the termination of Federal financial assistance,

"(3) the extent to which the institution is committed to extending cooperative education on an institution-wide basis for all students who can benefit, and

"(4) such other factors as are consistent with the purposes of this section.

"DEMONSTRATION AND INNOVATION PROJECTS; TRAINING AND RESOURCE CENTERS; AND RESEARCH

"SEC. 803. (a) AUTHORIZATION.—The Secretary is authorized, in accordance with the provisions of this section, to make grants and enter into contracts for—

"(1) the conduct of demonstration projects designed to demonstrate or determine the feasibility or value of innovative methods of cooperative education, from the amounts available in each fiscal year under section 801(b)(2);

"(2) the conduct of training and resource centers designed to—

"(A) train personnel in the field of cooperative education;

"(B) improve materials used in cooperative education programs;

"(C) furnish technical assistance to institutions of higher education to increase the potential of the institution to continue to conduct a cooperative education program without Federal assistance; and

"(D) encourage model cooperative education programs which furnish education and training in occupations in which there is a national need, from the amounts available in each fiscal year under section 801(b)(3); and

"(3) the conduct of research relating to cooperative education, from the amounts available in each fiscal year under section 801(b)(4).

"(b) ADMINISTRATIVE PROVISION.—To carry out this section, the Secretary may—

"(1) make grants to or contracts with institutions of higher education, or combinations of such institutions, and

"(2) make grants to or contracts with other public or private nonprofit agencies or organizations, whenever such grants or contracts will make an especially significant contribution to attaining the objectives of this section.".

SECTION-BY-SECTION ANALYSIS OF THE COOPERATIVE EDUCATION ACT OF 1985

SECTION 1

Provides the short title to the bill, the "Cooperative Education Act of 1985."

SECTION 2

Rewrite title VIII, Cooperative Education, of the Higher Education Act of 1965. The following sections are sections of the title as it would be amended by the bill.

SECTION 801

States the authorizations of appropriations for the title. Reserves a minimum of 75 percent of appropriations for grants to institutions. Limits funding for demonstration projects to 13 percent of appropriations; training and resource centers, 10 percent; and research, 2 percent.

Authorizes to be appropriated $50 million for FY 1986, $55 million for FY 1987, $60 million for FY 1988, $65 million for FY 1989, and $70 million for FY 1990. Under current law, a total of $35 million is authorized for FY 1985, and $14.4 million is the current appropriation.

SECTION 802

Authorizes the Secretary to make grants to institutions of higher education. Describes the application process for institutions desiring to receive grants. Requires such applications to: (1) describe the program or activities; (2) specify the portion of the program or activity to be performed by a nonprofit entity other than the applicant; (3) assure the applicant will spend for any fiscal year at least as much as in the preceding fiscal year; (4) describe plans for the applicant to continue the program beyond the final year of Federal assistance; (5) assure the applicant will make annual program compliance reports; (6) provide for necessary fiscal control and fund accounting procedures; and (7) provide other information essential to these grants. Limits the size of grants to $500,000 per institution, or $350,000 per institution when participating with other institutions receiving a single grant. Limits the duration of grants to an institution to no more than 5 years. Limits the Federal share to 90 percent in the first year of a grant to an institution, and decreasing amounts in the following 4 years. Allows any institution, or participant in a combination of institutions, to apply for program grants if: (1) at least 2 years have elapsed since the end of the 5-year period of previous Federal support; (2) cooperative education programs have been supported from non-Federal sources at an expenditure level each year of at least as much as in the fifth year of previous Federal assistance; and (3) statistics are provided for each intervening year on the number of students served, the number of personnel involved, and the income of the participating students. Requires the Secretary to give special consideration to applications from institutions with the greatest promise of success because of: (1) the extent to which the programs have had a favorable reception by employers; (2) the commitment of the institution to the continuation of programs after the termination of Federal support; (3) the commitment of the institution to extending cooperative education programs throughout the institution; and (4) other factors consistent with the purposes of this section.

SECTION 803

Authorizes the Secretary to make grants and enter into contracts with institutions of higher education, or combinations of such institutions, and other agencies or organizations that might make an especially significant contribution toward the objectives of this section, for the conduct of demonstration projects; training and resource centers designed to train personnel, improve materials, furnish technical assistance, and encourage model programs; and research relating to cooperative education.●

By Mr. DIXON:

S.J. Res. 149. Joint resolution to designate the week of September 15, 1985 through September 21, 1985, as "National Dental Hygiene Week"; to the Committee on the Judiciary.

NATIONAL DENTAL HYGIENE WEEK

Mr. DIXON. Mr. President, I am introducing today a joint resolution to designate the week beginning September 15, 1985, as "National Dental Hygiene Week" to honor dental hygienists across this Nation, and to encourage people to become familiar with and appreciative of the practice of dental hygiene.

Dental hygienists have made many contributions over the past 70 years in improving the dental health of the American public.

Moreover, hygienists have initiated innovative programs to improve the delivery of dental care. One such outreach program is where dental hygienists voluntarily donate their time to provide geriatric dental care services to groups with special needs, an effort the American Dental Hygienists' Association developed in conjunction with the National Council on Aging.

I believe that this is the kind of dedication that we should recognize and applaud.

Mr. President, I ask unanimous consent that the joint resolution be printed in the RECORD and I urge its prompt approval.

There being no objection, the joint resolution was ordered to be printed in the RECORD, as follows:

S.J. RES. 149

Whereas dental hygienists, as licensed oral health professionals, have been actively involved in promoting oral health and preventing oral disease for more than seventy years;

Whereas dental hygienists, as preventive specialists, contribute to the dental health of the American people and provide an essential service for total health;

Whereas dental hygienists donate time and effort to provide dental education and preventive dental care services to groups with special needs, such as elderly persons, mentally or physically disabled persons, underprivileged persons, and children; and

Whereas it is appropriate to honor the dental hygienists of the Nation and to encourage the people of the Nation to become familiar with and appreciative of the practice of dental hygiene: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the week of September 15, 1985 through September 21, 1985, is designated as "National Dental Hygiene Week", and the President is authorized and requested to issue a proclamation calling upon the people of the United States to observe such week with appropriate programs, ceremonies, and activities.

ADDITIONAL COSPONSORS

S. 434

At the request of Mr. D'AMATO, the name of the Senator from Alaska [Mr. STEVENS] was added as a cosponsor of S. 434, a bill to extend the authorization of the Robert A. Taft Institute Assistance Act.

S. 491

At the request of Mr. QUAYLE, the names of the Senator from South Carolina [Mr. THURMOND], and the Senator from New Jersey [Mr. LAUTENBERG] were added as cosponsors of S. 491, a bill to improve debt-collection activities and default recoveries and to reduce collection costs and program abuse under student loan programs administered by the Department of Education, and for other purposes.

S. 670

At the request of Mr. PELL, the name of the Senator from West Virginia [Mr. ROCKEFELLER] was added as a cosponsor of S. 670, a bill to amend the National Labor Relations Act to give employers and performers in the performing arts rights given by section 8(e) of such act to employers and employees in similarly situated industries, and to give to employers and performers in the performing arts the same rights given by section 8(f) of such act to employers and employees in the construction industry, and for other purposes.

S. 797

At the request of Mr. HATCH, the names of the Senator from Texas [Mr. GRAMM], the Senator from Delaware [Mr. ROTH], and the Senator from Utah [Mr. GARN] were added as cosponsors of S. 797, a bill to authorize an employer to pay a youth employment opportunity wage to a person under 20 years of age from May through September under the Fair Labor Standards Act of 1938 which shall terminate on September 30, 1987, and for other purposes.

S. 908

At the request of Mr. MCCONNELL, the name of the Senator from New York [Mr. MOYNIHAN] was added as a cosponsor of S. 908, a bill to provide market expansion and income protection for farmers, assure consumers an abundance of food and fiber at reasonable prices, and for other purposes.

S. 962

At the request of Mr. COHEN, the name of the Senator from West Virginia [Mr. ROCKEFELLER] was added as a cosponsor of S. 962, a bill to amend chapter 30 of title 38, United States Code, to provide for educational assistance for apprenticeship or other on job-training under the All-Volunteer Force Educational Assistance Program.

S. 974

At the request of Mr. WEICKER, the name of the Senator from New Mexico [Mr. DOMENICI] was added as a cosponsor of S. 974, a bill to provide for protection and advocacy for mentally ill persons.

S. 1209

At the request of Mr. CHILES, the name of the Senator from South Carolina [Mr. HOLLINGS] was added as a cosponsor of S. 1209, a bill to establish the National Commission to Prevent Infant Mortality.

S. 1265

At the request of Mr. ARMSTRONG, the name of the Senator from Louisiana [Mr. LONG] was added as a cosponsor of S. 1265, a bill to provide prompt, exclusive, and equitable compensation, as a substitute for inadequate tort remedies for disabilities or deaths resulting from occupational exposure to asbestos; and for other purposes.

SENATE JOINT RESOLUTION 34

At the request of Mr. QUAYLE, the name of the Senator from Illinois [Mr. DIXON] was added as a cosponsor of Senate Joint Resolution 34, a joint resolution to designate the week of October 6, 1985, through October 12, 1985, as "National Children's Week."

SENATE JOINT RESOLUTION 48

At the request of Mr. LEVIN, the name of the Senator from West Virginia [Mr. BYRD] was added as a cosponsor of Senate Joint Resolution 48, a joint resolution to designate the year of 1986 as the "Year of the Teacher."

SENATE JOINT RESOLUTION 67

At the request of Mr. QUAYLE, the name of the Senator from Illinois [Mr. DIXON] was added as a cosponsor of Senate Joint Resolution 67, a joint resolution to designate the week of October 6, 1985, through October 12, 1985, as "Mental Illness Awareness Week."

SENATE JOINT RESOLUTION 73

At the request of Mr. GRASSLEY, the name of the Senator from Florida [Mr. CHILES] was added as a cosponsor of Senate Joint Resolution 73, a joint resolution to designate the week of September 15, 1985, through September 21, 1985, as "National Independent Free Papers Week."

SENATE JOINT RESOLUTION 86

At the request of Mr. WILSON, the name of the Senator from Maine [Mr. COHEN] was added as a cosponsor of Senate Joint Resolution 86, a joint resolution to designate the week of July 25, 1985, through July 31, 1985, as "National Disability in Entertainment Week."

SENATE JOINT RESOLUTION 88

At the request of Mr. LEVIN, the name of the Senator from New Jersey [Mr. LAUTENBERG] was added as a cosponsor of Senate Joint Resolution 88, a joint resolution to designate the week beginning September 8, 1985, as "National Osteopathic Medicine Week."

SENATE JOINT RESOLUTION 111

At the request of Mr. DIXON, the name of the Senator from New Jersey [Mr. BRADLEY] was added as a cosponsor of Senate Joint Resolution 111, a joint resolution to designate the month of October 1985 as "National Spina Bifida Month."

SENATE JOINT RESOLUTION 115

At the request of Mr. LEAHY, the names of the Senator from New York [Mr. MOYNIHAN], the Senator from Tennessee [Mr. SASSER], the Senator from Mississippi [Mr. STENNIS], the Senator from Massachusetts [Mr. KERRY], the Senator from Maine [Mr. MITCHELL], the Senator from New Jersey [Mr. LAUTENBERG], the Senator from Illinois [Mr. SIMON], the Senator from Pennsylvania [Mr. HEINZ] were added as cosponsors of Senate Joint Resolution 115, a joint resolution to designate 1985 as the "Oil Heat Centennial Year."

SENATE JOINT RESOLUTION 117

At the request of Mr. LEVIN, the name of the Senator from California [Mr. CRANSTON] was added as a cosponsor of Senate Joint Resolution 117, a joint resolution designating the week beginning September 22, 1985, as "National Adult Day Care Center Week."

SENATE JOINT RESOLUTION 130

At the request of Mr. QUAYLE, the names of the Senator from Tennessee [Mr. GORE], the Senator from North Dakota [Mr. ANDREWS], the Senator from New Jersey [Mr. BRADLEY], the Senator from Utah [Mr. HATCH], the Senator from South Carolina [Mr. HOLLINGS], the Senator from Massachusetts [Mr. KERRY], the Senator from Illinois [Mr. DIXON], the Senator from Ohio [Mr. METZENBAUM], and the Senator from South Carolina [Mr. THURMOND] were added as cosponsors of Senate Joint Resolution 130, a joint resolution designating the week beginning on November 10, 1985, as "National Blood Pressure Awareness Week."

SENATE JOINT RESOLUTION 103

At the request of Mr. SIMON, the name of the Senator from South Dakota [Mr. ABDNOR] was added as a cosponsor of Senate Resolution 103, a resolution expressing the sense of the Senate that the President should initiate negotiations with the Government of the Soviet Union on a long-term agreement on expanded trade in agricultural products.

SENATE JOINT RESOLUTION 178

At the request of Mr. EVANS, the names of the Senator from South Carolina [Mr. HOLLINGS], and the Senator from Massachusetts [Mr. KERRY] were added as cosponsors of Senate Resolution 178, a resolution to urge the Administrator of the National Highway Traffic Safety Administration to retain the current automobile fuel economy standard.

AMENDMENT NO. 367

At the request of Mr. BYRD, the name of the Senator from Alaska [Mr. STEVENS] was added as a cosponsor of amendment No. 367 proposed to H.R. 2577, a bill making supplemental appropriations for the fiscal year ending September 30, 1985, and for other purposes.

AMENDMENT NO. 368

At the request of Mr. STEVENS, his name was added as a cosponsor of amendment No. 368 proposed to H.R. 2577, a bill making supplemental appropriations for the fiscal year ending September 30, 1985, and for other purposes.

At the request of Mr. BYRD, the names of the Senator from Montana [Mr. BAUCUS], and the Senator from New Jersey [Mr. LAUTENBERG] were added as cosponsors of amendment No. 368 proposed to H.R. 2577, supra.

SENATE CONCURRENT RESOLUTION 52—SENSE OF THE CONGRESS REGARDING ADDITIONAL ASSISTANCE FOR JORDAN

Mr. DECONCINI submitted the following concurrent resolution; which was referred to the Committee on Finance:

S. CON. RES. 52

Whereas the main objective of United States foreign policy in the Middle East is to insure a just and lasting peace among the nations of the region;

Whereas the instability and lack of peace in the Middle East has led to the growth of terrorism which threatens the lives of innocents and which, if left unchecked, will perpetuate factionalization in the area and will prove to be a permanent impediment to peace; and

Whereas those nations in the Middle East which desire assistance from the United States can best show their support for the United States by doing all they can to bring a just and lasting peace to the region, particularly by joining in comprehensive peace negotiations with the other nations of the region: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That (a) the Congress does not intend to make available any more than $150,000,000 in additional economic assistance to Jordan for the balance of fiscal years 1985 through September 30, 1986, to carry out chapter 4 of part II of the Foreign Assistance Act of 1961, until the Government of Jordan joins in peace talks with the Government of Israel.

(b) It is the sense of the Congress that no sales of advanced defense articles or defense equipment for Jordan should be proposed by the President until Jordan and Israel agree to a peace treaty.

SEC. 2. The Secretary of the Senate shall transmit a copy of this concurrent resolution to the President.

● Mr. DECONCINI. Mr. President, the concurrent resolution that I am proposing today is a simple one. It expresses the sense of the Congress that the additional economic aid package which the administration is proposing for Jordan should be limited to a total of $150 million for fiscal years 1985 and 1986 and should be a one time only arrangement until that nation becomes an active and serious participant in the Middle East peace process with Egypt and Israel. This resolution also expresses the sense of the Congress that the President should propose no sales of advanced defense articles or defense equipment for Jordan until Jordan and Israel agree to a peace treaty.

Mr. President, I think we all recognize that the main objective of our Nation's Middle East policy is to ensure a just and lasting peace among the nations of the region. It is my firm belief that the only long-term solution to the instability in the Middle East is to bring about a strong and comprehensive agreement among the nations of the region. Without such an agreement, it is clear to me that the problem of terrorism that has so tragically affected the nation of Israel and is increasingly plaguing the United States, will continue to escalate and will become a permanent impediment to peace.

Therefore, it is long past time for the nation of Jordan, which the administration considers to be a friend of the United States, to become a full participant in the peace process. The granting of substantially higher aid packages to Jordan prior to its commitment to the peace process gives away our leverage in convincing Jordan of the necessity of their participation in this process. Similarly, until Jordan reaches a peace treaty with Israel, it does not make sense for our Nation to continue to sell Jordan advanced weaponry which upsets the balance of power in the region.

I believe this concurrent resolution correctly describes the sense of the Congress—that major levels of assistance to the nations of the Middle East must go hand in hand with their level of participation in the peace process with Israel. I urge my colleagues to look very closely at this concurrent resolution.●

AMENDMENTS SUBMITTED

SUPPLEMENTAL APPROPRIATIONS, FISCAL YEAR 1985

DIXON (AND OTHERS) AMENDMENT NO. 371

Mr. DIXON (for himself, Mr. HEINZ, Mr. SARBANES, Mr. BRADLEY, Mr. MOYNIHAN, Mr. KENNEDY, Mr. GORTON, Mr. KERRY, and Mr. MATSUNAGA) proposed an amendment to the bill (H.R. 2577) making supplemental appropriations for the fiscal year ending September 30, 1985; as follows:

On page 92, between lines 14 and 15, insert the following:

EMERGENCY FOOD AND SHELTER PROGRAM

There is hereby appropriated $110,000,000 to the Federal Emergency Management Agency, to remain available until September 30 1986, to carry out an emergency food and shelter program. Notwithstanding any other provision of this or any other Act, such amount shall be made available under the terms and conditions of the following paragraphs:

The Director of the Federal Emergency Management Agency shall, as soon as practicable after enactment of this Act, constitute a national board for the purpose of determining how the program funds are to be distributed to individual localities. The national board shall consist of seven members. The United Way of America, the Salvation Army, the National Council of Churches of Christ in the U.S.A., the National Conference of Catholic Charities, the Council of Jewish Federations, Inc., the American Red Cross, and the Federal Emergency Management Agency shall each designate a representative to sit on the national board. The representative of the Federal Emergency Management Agency shall chair the national board.

Each locality designated by the national board to receive funds shall constitute a local board for the purpose of determining how its funds will be distributed. The local board shall consist, to the extent practicable, of representatives of the same organizations as the national board except that the mayor or appropriate head of government will replace the Federal Emergency Management Agency member.

The Director of the Federal Emergency Management Agency shall award a grant for $110,000,000 to the national board within thirty days after enactment of this Act for the purpose of providing emergency food and shelter to needy individuals through private voluntary organizations and through units of local government.

Eligible private voluntary organizations should be nonprofit, have a voluntary board, have an accounting system, and practice nondiscrimination.

Participation in the program should be based upon a private voluntary organization's or unit of local government's ability to deliver emergency food and shelter to needy individuals and such other factors as are determined by the local boards.

Total administrative costs shall not exceed 2 per centum of the total appropriation.

As authorized by the charter of the Commodity Credit Corporation, the Corporation shall process and distribute surplus food owned or to be purchased by the Corporation under the food distribution and emergency shelter program in cooperation with the Federal Emergency Management Agency.

McCLURE (AND BINGAMAN) AMENDMENT NO. 372

Mr. McCLURE (for himself and Mr. BINGAMAN) proposed an amendment, which was subsequently modified, to the reported amendment to the bill H.R. 2577, supra; as follows:

On page 111, line 2, insert before the period the following:

; Provided, That any reprogramming submission under this General Provision shall be referred concurrently to the House and Senate Committees on Appropriations, the Senate Committee on Energy and Natural Resources, and the House Committee on Interior and Insular Affairs; *Provided further,* That such reprogramming submissions shall be submitted to the aforementioned Committees at least thirty days prior to implementation of such reprogramming proposals *; Provided further,* That notwithstanding any other act, more of the funds made available to the Department of the Interior or the Forest Service during fiscal year 1985 by this or any other act may be used to implement the proposed jurisdictional interchange program within the States of Arizona, Montana, New Mexico, Oregon, Wyoming, Nevada, and North Dakota.

GORTON (AND OTHERS) AMENDMENT NO. 373

Mr. GORTON (for himself, Mr. SASSER, and Mr. WARNER) proposed an amendment to the bill H.R. 2577, supra; as follows:

On page 37, between lines 11 and 12, insert the following new section:

RESEARCH, DEVELOPMENT, TEST, AND EVALUATION

RESEARCH, DEVELOPMENT, TEST, AND EVALUATION, AIR FORCE

For the Simplified Munitions Lift Trailer program for the Air Force, $3,800,000, to be derived from funds appropriated to the Air Force for fiscal year 1985, or any previous fiscal year, for research and development and which remain available for obligation, such funds to be used by the Secretary of the Air Force to enter into a contract, not later than 10 days after the date of the enactment of this Act, with the winner of the competition (mandated by section 112 of the Department of Defense Authorization Act, 1985 (Public Law 98-525; 98 Stat. 2507)) to determine the contractor best qualified to develop such trailer, such funds to remain available for obligation for such purpose until September 30, 1986.

GORTON (AND EVANS) AMENDMENT NO. 374

Mr. GORTON (for himself and Mr. EVANS) proposed an amendment to the bill H.R. 2577, supra; as follows:

At the appropriate place in the bill, insert the following:

SEC. ——. Upon the request of the Pike Place Market Preservation and Development Authority, Seattle, Washington, the Secretary of Commerce shall authorize the sale or lease to any person of the Fairley

Group Building (project numbers 07-01-01890, as modified by 07-01-01890.01, and 07-11-02606) located in the Pike Place Market, King County, Washington, without affecting the federal assistance provided under the Public Works and Economic Development Act of 1965, if the transfer documents provide for the continued use of the Fairley Group Building as a public market during the expected useful life of the building.

DURENBERGER (AND LEAHY) AMENDMENT NO. 375

Mr. DURENBERGER (for himself and Mr. LEAHY) proposed an amendment to the bill H.R. 2577, supra; as follows:

At the appropriate place, insert the following:

"ENHANCED SECURITY COUNTERMEASURES CAPABILITIES

"To the Director of Central Intelligence, for the enhancement of the security countermeasures capabilities of relevant agencies $50,000,000 to remain available until September 30, 1986, to be allocated by the Director of Central Intelligence among the National Security Agency, the Central Intelligence Agency, the Federal Bureau of Investigation, and any other agency that the Director of Central Intelligence may determine, such funds to be expended exclusively for the purpose of improving United States security countermeasures capabilities abroad in accordance with a plan to be developed by the Director of Central Intelligence in conjunction with the National Security Council and submitted to the Appropriations and Intelligence Committees of the Congress no later than September 1, 1985."

STAFFORD AMENDMENT NO. 376

Mr. STAFFORD proposed an amendment to the bill H.R. 2577, supra; as follows:

On page 91, strike out lines 17 through 21.

HUMPHREY AMENDMENT NO. 377

Mr. HUMPHREY proposed an amendment to the bill H.R. 2577, supra; as follows:

On page 33, line 14, after the period at the end of the line, insert the following: And for an additional amount under this head to promote the development of an independent media service by the Afghan people and to provide for the training of Afghans in media and media-related fields, $500,000: Provided, That the Director, with the Secretary of State, shall report to the appropriate Committees of Congress on the obligation of these funds 60 days from the date of enactment of this Act.

CHILES (AND OTHERS) AMENDMENT NO. 378

Mr. CHILES (for himself, Mr. LEAHY, Mr. BENTSEN, Mr. DECONCINI, Mr. DOMENICI, Mr. HOLLINGS, Mr. JOHNSTON, Mr. MCCONNELL, Mr. PROXMIRE, Mr. ROTH, Mr. SASSER, and Mr. SYMMS) proposed an amendment to the bill H.R. 2577, supra; as follows:

On page 30, line 11, before the period at the end of the line insert a colon and the following: "*Provided*, That notwithstanding any other provision of law, the Secretary of State shall not permit the Soviet Union to occupy the chancery building at its new embassy complex in Washington, D.C., or any other new facilities in the Washington D.C. metropolitan area, until the Soviet Union provides reimbursement to the United States for damages incurred as a result of the construction of the new U.S. embassy in Moscow, in an amount to be determined by agreement between the U.S. and the U.S.S.R. or in the event of disagreement by the decision of an international arbitral tribunal as created pursuant to the contract for construction between the U.S. and the U.S.S.R., provided that in any event the amount may not be less than the amount of funds expended from this account for damages arrising from delays at the site of the new U.S. embassy complex in Moscow that are determined by the Secretary of State to be the responsibility of the Soviet Union."

MCCLURE AMENDMENT NO. 379

Mr. STEVENS (for Mr. MCCLURE) proposed an amendment to the bill H.R. 2577, supra; as follows:

On page 103, line 18 after the word "Act" insert the following: *Provided further*, That no funds shall be paid to creditors of the Sangre de Cristo Develpoment Company, Inc., whose claims are set aside by the U.S. Bankruptcy Court for the District of New Mexico.

JOHNSTON (AND LONG) AMENDMENT NO. 380

Mr. JOHNSTON (for himself and Mr. LONG) proposed an amendment to the bill H.R. 2577, supra; as follows:

On page 28, line 7, after the period insert:

For an additional amount for grants for the establishment on a continuing basis of clinical programs to supplement the services of local Legal Services Grantees by accredited Law Schools, $4,000,000, to remain available until expended.

BINGAMAN AMENDMENT NO. 381

Mr. BINGAMAN proposed an amendment to the bill H.R. 2577, supra; as follows:

On page 67, between lines 19 and 20, add the following:

In order to expedite the completion of the Hooker Dam or alternative of the Central Arizona Project (1) the selection of the preferred site for the Hooker Dam or alternative as authorized by section 301 of the Colorado River Basin Project Act shall be completed by August 15, 1985, (2) the initial draft environmental impact statement required for the Hooker Dam or alternative shall be completed and made available by September 1, 1986, (3) the final environmental impact statement for Hooker Dam or alternative shall be completed and made available by September 1, 1987, and (4) the Secretary of the Interior shall make a record of his decision as soon as practically possible after the completion of the final environmental impact statement.

METZENBAUM (AND OTHERS) AMENDMENT NO. 382

Mr. METZENBAUM (for himself, Mr. GLENN, Mr. LEVIN, Mr. MOYNIHAN, and Mr. KERRY) proposed an amendment to the bill H.R. 2577, supra; as follows:

On page 112, between lines 24 and 25, insert the following:

For an additional amount for "State unemployment insurance and employment service operations", from the Employment Security Administration Account in the Unemployment Trust Fund, $30,000,000.

MCCLURE AMENDMENTS NOS. 383 AND 384

Mr. MCCLURE proposed two amendments to the bill H.R. 2577, supra; as follows:

AMENDMENT No. 383

On page 64, after line 2, add the following paragraph:

"Funds appropriated to the U.S. Army Corps of Engineers in the "Energy and Water Development Appropriations Act, 1985", Public Law 98-360, for the purpose of compensating certain landowners who have experienced damages as a result of drawdown operations of the Libby Dam in Montana shall be expended to evaluate and award compensation for damages of leveed and unleveed tracts of land in Kootenai Flats, Boundary County, Idaho resulting from power or flood control drawdown operations at Libby Dam, Montana: Provided, That such evaluation and compensation of claims shall be made without regard to historic and expected patterns of erosion which otherwise might have occurred without the dam: Provided further, That all pertinent claims which have been previously denied shall be reinstated and reevaluated in accordance with this standard: Provided further, That compensation paid pursuant to this provision shall not exceed $1,500,000."

AMENDMENT No. 384

At the appropriate place in the bill, add the following new section:

"( ) No reductions in stockpile goals may be made below those in effect on October 1, 1984 by the President under authority provided by the Strategic and Critical Materials Stock Piling Revision Act of 1979 (98 Stat. 319), as amended, until October 1, 1986, unless authorized by Act of Congress.

GARN (AND OTHERS) AMENDMENT NO. 385

Mr. GARN (for himself, Mr. DOMENICI, Mr. LAXALT, Mr. GOLDWATER, and Mr. HATCH) proposed an amendment to the bill H.R. 2577, supra; as follows:

On page 88, after line 22, insert the following:

GENERAL PROVISIONS

SEC. 501. The Secretary of the Treasury shall instruct the United States Executive Directors of the International Bank for Reconstruction and Development, the International Development Association, the International Finance Corporation, the Inter-American Development Bank, the International Monetary Fund, the Asian Development Bank, the Inter-American Investment Corporation, the African Development Bank, and the African Development Fund to use the voice and vote of the United States to oppose any assistance by these institutions, using funds appropriated or made available pursuant to this Act or any other

Act, for the production of any copper commodity for export or for the financing of the expansion, improvement, or modernization of copper mining, smelting, and refining capacity.

HATFIELD AMENDMENT NO. 386

Mr. HATFIELD proposed an amendment to the bill H.R. 2577, supra; as follows:

On page 106, line 16, after the words "which is" insert the words "defaulted, or which is"

On page 106, line 25, after the sentence ending with the word "injunctions." insert the following new sentence: "The Secretary shall give priority to resale of timber which is determined to have the least risk for environmental degradation to streams or other bodies of water."

GLENN AMENDMENT NO. 387

Mr. GLENN proposed an amendment to the bill H.R. 2577, supra; as follows:

On page 50, line 7, strike $10,000,000 and insert in lieu thereof $25,000,000.

HELMS AMENDMENT NO. 388

Mr. HELMS proposed an amendment to the bill H.R. 2577, supra; as follows:

On page 74, line 22, strike the period, and insert in lieu thereof the following: "or involuntary sterilization.".

DOMENICI (AND OTHERS) AMENDMENT NO. 389

Mr. DOMENICI (for himself, Mr. GARN, Mr. DECONCINI, Mr. LAXALT, Mr. BINGAMAN, Mr. GOLDWATER, and Mr. HATCH) proposed an amendment to the bill H.R. 2577, supra; as follows:

Add the following at the end of chapter 5:

SEC. 502. (a) United States active participation in international financial institution activity is based on our national objective of furthering the economic and social development of the nations of the world, in particular the developing nations. The attainment of this national objective is most effectively realized through a world economic and financial system which is both free and stable. Therefore, it is the intent of the United States Congress that United States financial assistance to the international financial institutions should be primarily directed to those projects that would not generate excess commodity supplies in world markets, displace private investment initiatives or foster departures from a market-oriented economy.

(b) The Secretary of the Treasury shall instruct the representatives of the United States to the international financial institutions described in subsection (d) to take into account in their review of loans, credits, or other utilization of the resources of their respective institutions, the effect that country adjustment programs would have upon individual industry sectors and international commodity markets in order to—

(1) minimize any projected adverse impacts on such sector or markets of making such loans, credits, or utilization of resources; and

(2) avoid wherever possible government subsidization of production and exports of international commodities without regard to economic conditions in the markets for such commodities.

(c) More specifically, the following criteria should be considered as a basis for a vote by the respective United States Executive Director to each of the international financial institutions described in subsection (d) against a project proposal involving the creation of new capacity or the expansion, improvement, or modification of mining, smelting, refining, and fabricating of minerals and metal products:

(1) Analysis shows that the risks, returns, and incentives of a project are such that it could be financed at reasonable terms by commercial lending services.

(2) Analysis by the Bureau of Mines indicates that surplus capacity in the industry for the primary product of the defined project would exist over half the period of the economic life of the project because of projected world demand and capacity conditions.

(3) United States imports of the commodity constitute less than 50 percent of the domestic production of the primary product in those cases where the United States is the substantial producer of such commodities.

(d) The international financial institutions referred to in subsections (a) and (b) are the International Monetary Fund, the International Bank for Reconstruction and Development, the International Development Association, the Inter-American Development Bank, the Asian Development Bank, and the African Development Bank.

HELMS AMENDMENT NO. 390

Mr. HELMS proposed an amendment to the bill H.R. 2577, supra; as follows:

On page 11, after line 9, insert the following: "None of the funds provided under this Act for the special supplemental food program for women, infants, and children shall be reallocated except to the extent that unspent funds within any State exceed 5 per centum of the amount of funds allocated to a State agency under subsection (i) of section 17 of the Child Nutrition Act of 1966 (42 U.S.C. 1786(i))."

EVANS (AND GORTON) AMENDMENT NO. 391

Mr. EVANS (for himself and Mr. GORTON) proposed an amendment to the bill H.R. 2577, supra; as follows:

On page 60, strike lines 9-25, on page 61, strike lines 1-25, on page 62, strike lines 1-23; and insert the following in lieu thereof "The Secretary of the Army, acting through the Chief of Engineers, is authorized and directed to construct, operate and maintain a sediment retention structure near the confluence of the Toutle and Green Rivers, Washington, with such design features and associated downstream actions as are necessary."

MOYNIHAN AMENDMENT NO. 392

Mr. WEICKER (for Mr. MOYNIHAN, for himself, and Mr. ABDNOR) proposed an amendment to the bill H.R. 2577, supra; as follows:

On page 118, between lines 12 and 13, insert the following:

SCHOOL ASSISTANCE IN FEDERALLY AFFECTED AREAS

The Secretary of Education shall distribute funds appropriated under title III of Public Law 98-619 under the heading "School Assistance in Federally Affected Areas" for entitlements under section 2 of the Act of September 30, 1950 (Public Law 874, Eighty-first Congress) to local educational agencies having such entitlements in order to assure that such agencies receive 75 percent of the amount to which such agencies were entitled in fiscal year 1984. The distribution required by this paragraph shall take effect 30 days after the date of enactment of this Act.

MELCHER AMENDMENT NO. 393

Mr. MELCHER proposed an amendment to the bill H.R. 2577, supra; as follows:

At the end of the bill, insert the following:

The State Department shall take all necessary steps to protect the rights and safety of John Lincoln Tamboer during his extradition to the country of Colombia for trial in that country and subsequent actions of the courts or government of Colombia.

HATFIELD AMENDMENT NO. 394

Mr. HATFIELD proposed an amendment to the bill H.R. 2577, supra; as follows:

At the appropriate place in the bill, insert the following:

REPORT ON WITHDRAWAL FROM COMPULSORY JURISDICTION OF THE WORLD COURT

SEC. . Sixty days before any notification of the Secretary-General of the United Nations, on or after the date of enactment of this section, of the intent of the United States Government that its declaration of acceptance of the compulsory jurisdiction of the International Court of Justice shall not apply to a certain dispute, the President shall prepare and transmit to the Speaker of the House of Representatives and the President of the Senate a report setting forth his reasons for such notification.

GORTON (AND EVANS) AMENDMENT NO. 395

Mr. GORTON (for himself and Mr. EVANS) proposed an amendment to the bill H.R. 2577, supra; as follows:

SALMON HATCHERIES

Sec. (a) In consultation with the Fish and Wildlife Service and the Bureau of Indian Affairs, the National Marine Fisheries Service (hereinafter in this section referred to as the "Service") shall, in accordance with the provisions of this section, enter into a contract within 90 days after the date of enactment of this Act with a private entity for a study of State and Federally funded salmon hatcheries in the States of Washington, Oregon and Idaho which will enable the United States to fulfill its obligations under Article V of the Treaty between the Government of the United States of America and the Government of Canada Concerning Pacific Salmon, signed at Ottawa, January 28, 1985. The purpose of such study is to develop information to assist in evaluating the production and effectiveness of such hatcheries in increasing salmon stock levels as expeditiously and cost effectively as possible, and in providing

for a more effective system of disseminating the information necessary to improve future enhancement activities for salmon stock at such hatcheries.

(b) In carrying out subsection (a) of this section, the Service shall enter into such a contract only with an entity whose personnel—

(1) possess expertise in (A) salmon production and management in the Pacific Northwest, (B) mathematical and statistical data systems used by the Federal, State, and tribal governments. And (C) international interception problems;

(2) are not presently employees of (A) any entity involved in the operation, management or development of hatcheries or (B) any entity engaged in hydropower production; and

(3) do not represent any organized salmon recreational or commercial fishing activity.

(C)(1) Such study shall—

(A) evaluate existing salmon stock production activities at such hatcheries, including consideration of such factors regarding survival of hatchery-produced salmon stocks as management practices and environmental constraints;

(B) consider the operations of and plans for existing and new salmon production activities in the United States, in order that the United States may better evaluate existing and new salmon stock production activities and their adequacy in fulfilling obligations of the United States under the Treaty between the Government of the United States of America and the Government of Canada Concerning Pacific Salmon, signed at Ottawa, January 28, 1985;

(C) evaluate the salmon enhancement projects of Canada, in order that the United States may comply with its obligations under Article V of such Treaty;

(D) formulate recommendations for any necessary changes in salmon stock production, alternative strategies for major production units, and small-scale experiments; and

(E) develop objective criteria, including cost criteria, to assess proposals for the improvement of existing hatcheries and the development of new hatcheries.

(2) Such study shall also consider the consequences of the interaction of salmon stock production activities and international salmon interception problems, including effects on the ability of the United States to fulfill its obligations under the Treaty between the Government of the United States of America and the Government of Canada Concerning Pacific Salmon, signed at Ottawa, January 28, 1985.

(3) The study to be conducted under this subsection shall also devise a system to—

(A) develop expedited methods for assessing difficulties in increasing salmon stock production at such hatcheries; and

(B) collect, organize and analyze information on any changes in salmon stock production due to the implementation of recommendations formulated under this section.

(4) Such study shall also consider and analyze other studies to assess wild and natural salmon stocks and the potential for natural salmon production, and shall include recommendations to enhance natural salmon production in conjunction with or in lieu of hatchery production.

(d)(1) The Service shall establish an Advisory Committee to assist in carrying out the purposes of this section. The Advisory Committee shall be composed of representatives of—

(A) agencies within the Federal Government and the governments of the States of Washington, Oregon and Idaho which have responsibilities for the management and enhancement of salmon;

(B) Treaty Indian tribes;

(C) the Northwest Power Planning Council; and

(D) the Salmon and the Steelhead Advisory Committee established pursuant to the Salmon and Steelhead Conservation and Enhancement Act of 1980 (16 U.S.C. 3301 et seq.).

(2) The Advisory Committee shall conduct an ongoing review of the study to be conducted under this section, and shall submit to the Service its recommendations for issues to be included as part of such study, methodologies to be employed in such study, and any preliminary and final drafts of the study required to be submitted under this section. Neither the Service nor the entity conducting the study under this section shall be bound by such recommendations.

(3) The Advisory Committee shall not be subject to the Federal Advisory Committee Act (5 App. U.S.C. 1 et seq.), and members shall not receive compensation for their participation in Advisory Committee activities.

(e) The study required by subsection (c) of this section shall be submitted to the Service not later than 18 months after the date on which the contract is entered into under this section. The Service shall immediately transmit such study to the Congress without change.

(f) The Comptroller General of the United States, and any of the Comptroller General's duly authorized representatives, shall have access, for the purpose of audit and examination, to any books, documents, papers and records of the entity conducting the study required by this subsection that are pertinent to the funds received under this section.

(g) Employees of such entity shall not, by reason of such employment, be considered to be employees of the Federal Government for any purpose.

KERRY (AND OTHERS) AMENDMENT NO. 396

Mr. KERRY (for himself, Mr. HATFIELD, and Mr. MOYNIHAN) proposed an amendment to the bill H.R. 2577, supra; as follows:

At the appropriate place in the bill, add the following:

None of the monies appropriated in this act can be used to fund directly, or indirectly, acitivities against the government of Nicaragua which have not been authorized by, or pursuant to, law and which would place the United States in violation of our obligations under the Charter of the Organization of American States, to which the United States is a signatory, or under international law as defined by treaty commitments agreed to, and ratified by, the government of the United States.

SIMON AMENDMENT NO. 397

Mr. SIMON proposed an amendment to the bill H.R. 2577, supra; as follows:

On page 17, insert between lines 14 and 15 the following:

FEDERAL AVIATION ADMINISTRATION OPERATIONS

For an additional amount for the Civil Aviation Security Office of the Department of Transportation for the training of United States and foreign law enforcement personnel to prevent aircraft piracy, $2,000,000 to remain available until expended.

For additional amount for the Associate Administrator for Development and Logistics, Office of Engineering and Maintenance Service, Aircraft Safety Program 18 (Aviation Security) for additional research and development in aviation security technologies, $1,500,000 to remain available until expended.

ABDNOR AMENDMENT NO. 398

Mr. ABDNOR proposed an amendment to the bill H.R. 2577, supra; as follows:

On page 171, line 12 before the semicolon insert the following:

: *Provided*, That expenses of transportation audit contracts and contract administration shall be in addition to this amount and shall be hereafter financed from overcharges collected from carriers on transportation bills by the Government and other similar type refunds at not to exceed $5,200,000 annually.

HATFIELD AMENDMENT NO. 399

Mr. HATFIELD proposed an amendment to the bill H.R. 2577, supra; as follows:

On page 23, after line 23, insert:

REPRESENTATION ALLOWANCES FOR THE MAJORITY AND MINORITY LEADERS

For representation allowances of the Majority and Minority Leaders of the Senate, $10,000 for each such Leader; in all $20,000.

SEC. 197. (a) There is hereby established an account, within the Senate, to be known as the "Representation Allowance Account for the Majority and Minority Leaders". Such Allowance Account shall be used by the Majority and Minority Leaders of the Senate to assist them properly to discharge their appropriate responsibilities in the United States to members of foreign legislative bodies and prominent officials of foreign govenments and intergovernmental organizations.

(b) Payments authorized to be made under this section shall be paid by the Secretary of the Senate. Of the funds available for expenditure from such Allowance Account for any fiscal year, one-half shall be allotted to the Majority Leader and one-half shall be allotted to the Minority Leader. Amounts paid from such Allowance Account to the Majority or Minority Leader shall be paid to him from his allotment and shall be paid to him only as reimbursement for actual expenses incurred by him and upon certification and documentation of such expenses. Amounts paid to the Majority or Minority Leader pursuant to this section shall not be reported as income and shall not be allowed as a deduction under title 26, United States Code.

(c) There are authorized to be appropriated for each fiscal year (commencing with the fiscal year ending September 30, 1985) not more than $20,000 to the Allowance Account established by this section.

SIMPSON (AND WALLOP) AMENDMENT NO. 400

Mr. SIMPSON (for himself and Mr. WALLOP) proposed an amendment to the bill H.R. 2577, supra; as follows:

On page 66 after line 18 insert the following:

"*Provided further*, That the proviso requiring Congressional review shall not apply to any binding agreements on cost-sharing entered into before the date of enactment of this Act, upon certification of the Secretary that the agreements comply with the cost-sharing financing and certification requirements of this section."

MELCHER (AND BAUCUS) AMENDMENT NO. 401

Mr. MELCHER (for himself and Mr. BAUCUS) proposed an amendment to the bill H.R. 2577, supra; as follows:

On line 11, page 106, change to "Administrative Provisions"

On line 3, page 107, insert the following new paragraph:

"Notwithstanding any other provision of law, the Forest Service shall continue to operate Equipment Development Facilities in San Dimas, California, and in Missoula, Montana, at least through the end of fiscal year 1986, and funds and personnel, to operate these facilities in fiscal years 1985 and 1986 shall not be reduced by more than 10% from currently appropriated levels."

BYRD AMENDMENT NO. 402

Mr. BYRD proposed an amendment to the bill H.R. 2577, supra; as follows:

On page 36, between lines 19 and 20, insert the following:

OPERATION AND MAINTENANCE

OPERATION AND MAINTENANCE, NAVY

From funds previously appropriated and made available under this heading in other Appropriation Acts, the Secretary of the Navy may make payments of not to exceed $1,500,000 for expenses of the Commission on Merchant Marine and Defense as authorized in section 1536 of the Department of Defense Authorization Act, 1985 (Public Law 98-525).

HATFIELD AMENDMENT NO. 403

Mr. HATFIELD proposed an amendment to the bill H.R. 2577, supra; as follows:

On page 71 after line 7, insert the following:

GEOTHERMAL RESOURCES DEVELOPMENT FUND

(By Transfer)

For carrying out activities authorized by title II of Public Law 93-410 the Department of Energy is authorized to transfer no more than $15,000,000 to the Geothermal Resources Development Fund from unobligated balances within the Uranium Supply and Enrichment Activities account: Provided, That such transfer shall be reported promptly to the Committees on Appropriations of the House and Senate. The amount authorized to be transferred by this provision is in addition to the authority provided in sections 302 and 307 of Public Law 98-360.

RUDMAN (AND OTHERS) AMENDMENT NO. 404

Mr. RUDMAN (for himself, Mr. HOLLINGS, Mr. HATFIELD, Mr. GORTON, and Mr. PACKWOOD) proposed an amendment to the bill H.R. 2577, supra; as follows:

On page 13, after line 23, insert the following:

ECONOMIC DEVELOPMENT ASSISTANCE PROGRAMS

For an additional amount for "Economic development assistance programs", $30,730,000, to remain available until expended, of which $15,000,000 is for a grant to Thayer School of Engineering in Hanover, New Hampshire, for construction, renovation and related costs for facilities for its model interdisciplinary engineering program; $5,730,000 is for a grant to the City of Columbia, South Carolina, to assist in the completion of the relocation and consolidation of railroad tracks; and $10,000,000 is for a grant to the Oregon Health Sciences University Hospital in Portland, Oregon, for the south wing rehabilitiation project.

DOLE AMENDMENT NO. 405

Mr. DOLE proposed an amendment to the bill H.R. 2577, supra; as follows:

On page 5, after line 20, insert the following:

For an additional amount for a grant under the Act of August 4, 1965, as amended (7 U.S.C. 450i) to the University of Kansas for the evaluation and transfer of remote sensing applications to agricultural users, $200,000.

COCHRAN (AND OTHERS) AMENDMENT NO. 406

Mr. COCHRAN (for himself, Mr. BURDICK, and Mr. STENNIS) proposed an amendment to the bill H.R. 2577, supra; as follows:

On page 8, after line 26, insert the following:

None of the funds provided for fiscal year 1985 in this or any other act shall be available to restrict the authority of the Commodity Credit Corporation to lease space for its own use or to lease space on behalf of other agencies of the Department of Agriculture when such space will be jointly occupied.

KENNEDY AMENDMENT NO. 407

Mr. RUDMAN (for Mr. KENNEDY) proposed an amendment to the bill H.R. 2577, supra; as follows:

At the appropriate place insert the following:

For the Private Sector Exchange Programs, an additional $500,000 is provided, to remain available until expended, for the model Chinese-American Development Student Exchange Program at Tufts University as authorized by the Mutual Educational and Cultural Exchange Act, as amended (22 U.S.C. 2451 et seq).

McCLURE (AND CRANSTON) AMENDMENT NO. 408

Mr. McCLURE (for himself and Mr. CRANSTON) proposed an amendment to the bill H.R. 2577, supra; as follows:

On page 107, line 13, insert before the period the following: "; *Provided*, That funds hereafter appropriated for demonstration of the magnetohydrodynamics (MHD) technology shall become available for obligation only upon the execution of a cost-sharing agreement between the Department of Energy and the private sector which provides that a minimum of fifty percent of the cost shall be borne by the private sector; *Provided further*, that the determination of allowable private sector contributions in meeting the MHD costsharing agreement shall be the same as in other clean Coal Technology projects funded under Public Law 98-473."

On page 107, line 6, strike "$8,350,000" and insert in lieu thereof $23,350,000"

PACKWOOD (AND MATTINGLY) AMENDMENT NO. 409

Mr. PACKWOOD (for himself and Mr. MATTINGLY) proposed an amendment to the bill H.R. 2577, supra; as follows:

On page 149, strike all beginning at line 5 through line 14, and insert in lieu thereof:

It is the sense of the Senate that the Treasury department shall examine the question of whether cooperatives subject to section 521 or subchapter T of the Internal Revenue Code may net earnings and losses between and among any of their purchasing and marketing allocation units in determining the amount of patronage dividends to be issued and in determining their taxable income after the deduction for patronage dividends.

LUGAR AMENDMENT NO. 410

Mr. LUGAR proposed an amendment to the bill H.R. 2577, supra; as follows:

On page 175, after line 21, insert the following new title:

TITLE IV—AUTHORIZATION OF ECONOMIC SUPPORT FUND ASSISTANCE FOR JORDAN

SEC. 401. This title may be cited as the "Jordan Supplemental Economic Assistance Authorization Act of 1985".

ECONOMIC SUPPORT FUND

SEC. 402. (a)(1) In addition to funds otherwise available for such purposes for such fiscal year, there are authorized to be appropriated to the President to carry out chapter 4 of part II of the Foreign Assistance Act of 1961, $250,000,000 for the fiscal year 1985, which amount shall be available only for Jordan.

(2) Of the funds authorized to be appropriated by paragraph (1)—

(A) for the fiscal year 1985, $50,000,000 shall be available only for commodity import programs and $30,000,000 shall be available only for project assistance;

(B) for fiscal year 1986, $50,000,000 shall be available only for commodity import programs and $30,000,000 shall be available only for project assistance; and

(C) for fiscal year 1987, $60,000,000 shall be available only for commodity import programs and $30,000,000 shall be available only for project assistance.

(b) Amounts appropriated to carry out this section are authorized to remain available until September 30, 1987.

POLICY

SEC. 403. It shall be the policy of the Congress to consider a Jordanian request for major defense articles upon the commencement of direct peace negotiations between Israel and Jordan if Israel is willing to enter into such negotiations.

MATTINGLY AMENDMENT NO. 411

Mr. MATTINGLY proposed an amendment to the bill H.R. 2577, supra; as follows:

On page 73, line 5, before the period at the end of the line insert the following: *"Provided,* That the Secretary of the Treasury shall direct the United States Executive Director to the Inter-American Development Bank to use the voice and vote of the United States to oppose any loan by the Bank to Nicaragua: *Provided further,* That the Congress hereby expresses its intent to reconsider future appropriations for payment to the Bank if the Bank approves any loan for Nicaragua on or after the date of enactment of this Act".

KASTEN (AND OTHERS) AMENDMENT NO. 412

Mr. KASTEN (for himself, Mr. INOUYE, Mr. HEINZ, Mr. KENNEDY, Mr. LUGAR, and Mr. PELL) proposed an amendment to the bill H.R. 2577, supra; as follows:

On Page 75, line 3, strike "$2,008,000,000: *Provided"* and insert in lieu thereof the following: $2,258,000,000: *Provided,* That of the funds provided by this paragraph $250,000,000 shall be made available for Jordan only in accordance with the schedule of availability set forth in section 401(a)(1) and section 401(a)(2) of this Act: *Provided further,* That of the funds provided in this paragraph for Jordan, not more than 33⅓ percent may be disbursed before September 30, 1985, not more than 50 percent may be disbursed before March 31, 1986, not more than 66⅔ percent may be disbursed before September 30, 1986, and not more than 85 percent may be disbursed before March 31, 1987: *Provided further,* That notwithstanding any other provision of law, funds provided in this Act for Jordan, if not utilized for programs, projects, or other activities in Jordan, must be returned to the United States Treasury: *Provided further*

DECONCINI AMENDMENT NO. 413

Mr. DECONCINI proposed an amendment to amendment No. 412 proposed by Mr. KASTEN (and others) to the bill H.R. 2577, supra; as follows:

At the end of the pending amendment, add the following amendment:

That it is the sense of the Congress that no sales of advanced defense articles or defense equipment for Jordan should be proposed by the President until Jordan and Israel agree to a peace treaty.

BYRD AMENDMENT NO. 414

Mr. BYRD proposed an amendment to the bill H.R. 2577, supra; as follows:

At the appropriate place in the bill add the following:

"TITLE II—COAL IMPORTS.

"SEC. . SHORT TITLE.

"This title may cited as the National Coal Imports Reporting Act of 1985.

"SEC. . UNITED STATES COAL IMPORTS REVIEW.

"(a) The Energy Information Administration shall issue a report quarterly and provide an annual summary of the quarterly reports to the Congress, on the status of United States coal imports. Such quarterly reports may be published as a part of the Quarterly Coal Report published by the Energy Information Administration.

"(b) Each report required by this section shall—

"(1) include current and previous year data on the quantity, quality (including heating value, sulfur content, and ash content), and delivered price of all coals imported by domestic electric utility plants that imported more than 10,000 tons during the calendar year into the United States;

"(2) identify the foreign nations exporting the coal, the domestic electric-utility plants receiving coal from each exporting nation, domestically-produced coal supplied to United States electric-utility plants of imported coal, and domestic coal production, by State, displaced by the imported coal;

"(3) identify at regional and state levels of aggregation (where allowed under disclosure policy) transportation modes and costs for delivery of imported coal from the exporting country port of origin to the point of consumption in the United States; and

"(4) specifically high-light and analyze any significant trends of unusual variations in coal imports.

"(c) The first report required by this section shall be submitted to Congress in March 1986. Subsequent reports shall be submitted within 90 days after the end of each quarter.

"(d) Information and data required for the purpose of this Act shall be subject to existing law regarding the collection and disclosure of such data.

SEC. . ANALYSIS OF THE UNITED STATES COAL IMPORT MARKET.

"(a) The Secretary of Energy, acting through the Energy Information Administration, shall conduct a comprehensive analysis of the coal import market in the United States and report the findings of such analysis to the Committee on Energy and Natural Resources of the Senate and the appropriate committees of the House of Representatives, within nine months of the date of enactment of this Act.

"(b) The report required by this section shall—

"(1) contain a detailed analysis of potential domestic markets for foreign coals, by producing nation, between 1985 and 1995;

"(2) identify potential domestic consuming sectors of imported coal and evaluate the magnitude of any potential economic disruptions for each impacted State, including analysis of direct and indirect employment impact in the domestic coal industry and resulting income loss to each State;

"(3) identify domestically produced coal that potentially could be replaced by imported coal;

"(4) identify contractual commitments of domestic utilities expiring between 1985 and 1995 and describe spot buying practices of domestic utilities, fuel cost patterns, plant modification costs required to burn foreign coals, proximity of navigable waters to utilities, demand for compliance coal, availability of less expensive purchased power from Canada, and State and local considerations;

"(5) Evaluate increased coal consumption at domestic electric utilities resulting from increased power sales and analyze the potential coal import market represented by this increased consumption. Increased consumption should include that represented by existing coal-fired plants, new coal-fired plants projected up to the year 1995 and plants planning to convert to coal by 1995;

"(6) identify existing authorities available to the Federal government relating to coal imports, assess the potential impact of exercising each of these authorities, and describe Administration plans and strategies to address coal imports;

"(7) identify and characterize the coal export policies of all major coal exporting nations, including the United States, Australia, Canada, Colombia, Poland, and South Africa with specific consideration of such policies as—

"(A) direct or indirect government subsidies to coal exporters;

"(B) health, safety, and environmental regulations imposed on each coal producer; and

"(C) trade policies relating to coal exports;

"(8) identify and characterize the excess capacity of foreign producers, potential development of new export-oriented coal mines in foreign nations, operating costs of foreign coal mines, capacity of ocean vessels to transport foreign coal and constraints on importing coal into the United States because of port and harbor availability;

"(9) identify and characterize specifically the participation of all United States corporations involved in mining and exporting coal from foreign nations; and

"(10) identify and characterize the policies governing coal imports of all coal-importing industrialized nations, including the United States, Japan, and the European nations by considering such factors as import duties or tariffs, import quotas, and other governmental restrictions or trade policies impacting coal imports.".

CHILES AMENDMENT NO. 415

Mr. CHILES proposed an amendment to the bill H.R. 2577, supra; as follows:

On page 175, between lines 21 and 1 the following new title:

TITLE IV—DEPARTMENT OF DEFENSE PLAN FOR DRUG-INTERDICTION PROGRAM

SEC. 401 (a) The Congress finds that—

(1) the drug trafficking problem continues to plague the United States and our national security interests;

(2) the effort to halt the flow of drugs into the United States is one of this nation's most pressing problems;

(3) the Armed Forces of the United States can make a substantial and unique contribution to the drug interdiction efforts of the United States;

(4) in 1981, Congress enacted chapter 18 of title 10, United States Code, which permitted certain military support to civilian drug interdiction programs; and

(5) the Congress has consistently supported efforts of the military in supporting the drug interdiction programs of civilian agencies within the confines of the Posse Comitatus Act (18 U.S.C. 1385).

(b) Not later than December 31, 1985, the Secretary of Defense shall submit a report, which has been developed in conjunction with the Joint Chiefs of Staff, to the Appropriations and Armed Services Committees of the House of Representatives and the Senate with regard to the role of the Department of Defense in the drug interdiction and law enforcement activities of the United States. Such report shall address:

(1) the roles, mission, and organization of the Department of Defense efforts within the overall drug interdiction and law enforcement programs of the United States;

(2) the relationship of the Department of Defense to the civilian departments and

agencies of the United States Government involved in drug interdiction and law enforcement efforts;

(3) the estimated cost of the Department of Defense participation in this program;

(4) any appropriate military assistance, training and equipment which should be provided for drug interdiction purposes to governments in Central and South America.

(c) Nothing in this title shall authorize the Department of Defense to engage in any activities in support of drug interdiction or law enforcement activities not authorized by law.

(d) Not later than December 31, 1985, the President shall report to the Congress as to how the United States Government is organized to interdict drugs and enforce the drug laws of the United States, including a detailed description of the jurisdiction and responsibilities of the Department of Defense and all other relevant departments and agencies and the mechanisms for coordinating the policy and operational control of the elements of each agency in the drug interdiction and law enforcement mission.

McCLURE AMENDMENT NO. 416

Mr. McCLURE proposed an amendment to the bill H.R. 2577, supra; as follows:

On page 96, on line 23, insert before the period the following: ", of which not to exceed $20,000 shall be available to pave the street and to build the sidewalk and curb in front of the BLM district office in Worland, Wyoming."

HATFIELD AMENDMENT NO. 417

Mr. HATFIELD proposed an amendment to the bill H.R. 2577, supra; as follows:

On page 11, line 13, strike the word "further".

On page 15, line 13, strike the period at the end of the line and insert in lieu thereof ", to be derived from the general fund of the Treasury".

On page 55, between lines 5 and 6, insert the center head "Mountrail Country Park, North Dakota".

On page 55, line 6, insert "(a)" before the word "Section".

On page 56, line 24, strike the word "Act" and insert in lieu thereof "section".

On page 57, before line 1, insert the center head "Transfer of Federal Townsites".

On page 57, line 1, insert "(a)(1)" before the word "Except".

On page 57, line 23, strike "MFP118-2E" and insert in lieu thereof "MFP118-2E1".

On page 58, line 22, strike the word "herein" and insert in lieu thereof "in subsection (a)".

On page 59, line 6, strike the words "this paragraph" and insert in lieu thereof "subsection (a)".

On page 59, line 11, strike the words "this paragraph" and insert in lieu thereof "subsection (a)".

On page 59, line 13, strike the word "herein" and insert in lieu thereof "in subsection (a)".

On page 59, line 17, strike the words "this paragraph" and insert in lieu thereof "subsection (a)".

On page 59, line 22, strike the word "herein" and insert in lieu thereof "in subsection (a)".

On page 60, lines 2 and 3, strike the words "this paragraph" and insert in lieu thereof "subsection (a)".

On page 88, immediately after line 22, insert the text appearing on page 76, lines 7 through 15, and thereafter strike out lines 7 through 15 on page 76.

On page 120, immediately after line 5, insert the text appearing on lines 18 through 25, and thereafter strike out lines 18 though 25.

NOTICES OF HEARINGS

COMMITTEE ON AGRICULTURE, NUTRITION, AND FORESTRY

Mr. HELMS. Mr. President, I wish to annoUnce that the Committee on Agriculture, Nutrition, and Forestry has scheduled a hearing to consider the nomination of John William Bode, of Oklahoma, to be Assistant Secretary of Agriculture for Food and Consumer Services, vice Mary Claiborne Jarratt, resigned.

The hearing is scheduled to begin at 1:00 p.m. on Monday, June 24, 1985, in room 328-A Russell Senate Office Building.

For further information, please contact the committee staff at 224-2035.

AUTHORITY FOR COMMITTEES TO MEET

SELECT COMMITTEE ON INTELLIGENCE

Mr. HATFIELD. Mr. President, I ask unanimous consent that the Select Committee on Intelligence, be authorized to meet during the session of the Senate on Thursday, June 20, 1985, in closed executive session, in order to hold a briefing on intelligence matters.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON ARMED SERVICES

Mr. HATFIELD. Mr. President, I ask unanimous consent that the Committee on Armed Services be authorized to meet during the session of the Senate on Thursday, June 20, in closed executive session, to hold a hearing to receive testimony on Army light division and to consider routine military nominations.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON MANPOWER AND PERSONNEL

Mr. HATFIELD. Mr. President, I ask unanimous consent that the Subcommittee on Manpower and Personnel, of the Committee on Armed Services, be authorized to meet during the session of the Senate on Thursday, June 20, 1985, in order to conduct a hearing on the proposed changes in the survivor benefit plan as contained in H.R. 1872.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON RULES AND ADMINISTRATION

Mr. GARN. Mr. President, I ask unanimous consent that the Committee on Rules and Administration be authorized to meet during the session of the Senate on Thursday, June 20, 1985, in order to consider the nomination of Ralph E. Kennickell, Jr., to be Public Printer of the United States, and to mark up S. 43, the line-item veto bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON PUBLIC LANDS, RESERVED WATER, AND RESOURCE CONSERVATION

Mr. GARN. Mr. President, I ask unanimous consent that the Subcommittee on Public Lands, Reserved Water and Resource Conservation of the Committee on Energy and Natural Resources be authorized to meet during the session of the Senate on Thursday, June 20, to hold a hearing on S. 816, to establish the Pine Ridge Wilderness in Nebraska National Forest in the State of Nebraska, and for other purposes.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON INTERGOVERNMENTAL RELATIONS

Mr. GARN. Mr. President, I ask unanimous consent that the Subcommittee on Intergovernmental Relations of the Committee on Governmental Affairs be authorized to meet during the session of the Senate on Thursday, June 20, to hold a hearing on S. 904, the Water Research Foundation Act of 1985.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION

Mr. GARN. Mr. President, I ask unanimous consent that the Committee on Commerce, Science, and Transportation be authorized to meet during the session of the Senate on Thursday, June 20, 1985, in order to conduct a business meeting on auto fuel economy and standards, and methanol fueled vehicles.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

OPPORTUNITIES INDUSTRIALIZATION CENTERS

● Mr. QUAYLE. Mr. President, last month, the Secretary of Housing and Urban Development, the Honorable Samuel R. Pierce, Jr., delivered an inspiring speech before the 21st Annual Convention of the Opportunities Industrialization Centers [OIC] in Indianapolis, IN. For years, the OIC's have been working to improve the lives of disadvantaged individuals. Nationwide OIC's, led by Dr. Leon Sullivan, have been involved in job training, counseling, and community action. OIC's are trying to find ways to help people to help themselves. I am delighted that Secretary Pierce took the time from his very busy schedule to go to Indianapolis, and I hope that my colleagues will take the time to read his remarks.

Mr. President, I ask that a copy of Secretary Pierce's remarks be inserted in the RECORD at this point.

The remarks follow:

REMARKS PREPARED FOR DELIVERY BY SAMUEL R. PIERCE, JR.

Thank you for that kind introduction.

Good evening. I'm absolutely delighted to be here for the 21st OIC Convocation. I've seen more than enough energy and enthusiasm here to realize that this event already is a big success. That's only to be expected. Anything that Rev. Leon Sullivan puts his mind to has "success" stamped on it from the start.

The best example of that fact is the OIC organization itself.

Here you are—in the prime of life as we measure a person's age. You're 21 years young, going strong—and growing stronger! With OICs of America in over 100 cities, you're bringing opportunity, progress and prosperity to people and places that desperately need those conditions.

I'm happy that we at HUD have been able to work with you on such worthwhile efforts as Opportunities Tower for the elderly and handicapped in Philadelphia—and for the acquisition, rehabilitation and syndication of Orchard Park to help revitalize that neighborhood here in Indianapolis.

I'm pleased we can work with you on such efforts, because thanks to Leon Sullivan, those of you here, and people like you—OIC has spread from its roots in Philadelphia to here in Indianapolis and cities across the country. You've become a widespread positive force for those who need nothing more than a chance to make their own way.

Just 21 years ago, Leon dared to take a cherished ideal—a spark of hope—and work on it and build with it until the spark he ignited burst into flame. He talked to anyone who would listen. He taught anyone who would learn. And soon, there were community leaders, business and industry executives, government officials—countless people spreading and tending the fire he helped them light for self-determination. He showed us how to take a spark of hope and, with that spark, light the way so thousands of people could see the path and seize the opportunity to build a life based upon one's own dream.

What OIC does is bring within a person's reach the chance to succeed. Your slogan speaks well for the good you do, lending those who need it "* * * a hand up, not a handout." Your approach shows your understanding of the Chinese proverb which says: "If you give a man a fish he will have a single meal. If you *teach* a man how to fish he will eat all his life."

But, even that is not all you have done.

The people you help to educate, train and gain employment have a "multiplier" effect on their surroundings. They enter the mainstream, providing for themselves and their families.

And, each person you help, each mind you influence, acts as a pebble tossed into a stream—rippling out across the pond of poverty. And that ripple, and others like it, grow into a wave—introducing hope where there was none, offering to help where it's needed—setting an example for others to follow.

That mind you influence becomes a contagious spirit. It spreads through the family and through the community. The symptoms of that healthy contagion are hope, confidence and strength.

The people you help, the spirit you build, brings us the kind of citizens . . . the brothers, sisters and neighbors—we want in our world. It brings us the kind of leaders we want in our future.

As we look at the progress and accomplishments of OIC, one simple fact stands out bright and clear: one person can make a difference.

And each person we add to an effort like OIC's means we can make that much greater a difference where hope is in short supply.

You of the OIC, and the business and community partners of OIC, recognize the strength that comes from merging the public and private sectors in a common beneficial cause. You have formed working relationships and partnerships that combine the advantages of your individual strengths for the good of the many.

You've brought training and job opportunities to those who had neither. You've brought economic development to communities desperately poor. You've brought hope where despair once thrived.

Mindful as I am of all OIC and its working partners have done, I find a striking parallel between 1964 and today.

In 1964, OIC began in Philadelphia. It was an idea and a commitment that survived and grew. Now, OICs of America are in over 100 communities. You're helping people, previously unprepared, to gain a skill, get a job—build a future.

Today, another idea is in its infancy—an idea that deserves a chance to survive and grow. It's an idea that, like OIC, can mean so much for the people who need help.

This idea has much in common with OIC, and with what makes OIC work.

It's simple, really.

The driving force behind this idea is cooperation and partnership between the private sector and government. It's people helping themselves by stimulating the energy of our free enterprise system to invest and grow—bringing jobs where they're needed most.

Enterprise Zones are being created in State after State, town after town, city after city. Indiana has Enterprise Zone legislation, and the experience here demonstrates how well the idea can work.

Indiana's first six Enterprise Zones became effective January 1, 1984. A conservative estimate by the State counts over 2,000 jobs created in 1984, many from small business.

Just last December, Indiana announced its zone designations for 1985. Just one of those zones, in Evansville, has attracted a new Zayre Corporation distribution center. It will employ 2,000 people.

I want to see Federal Enterprise Zone legislation enacted so the Federal Government can do its part to help communities revitalize themselves—to help citizens find jobs and influence the course of their own lives.

That's why President Reagan and I have Enterprise Zones as our number one economic development priority.

Enterprise Zones are a low-cost, high-return initiative that taps the private sector's energy to revitalize the Nation's most economically distressed areas. The zones will be designated areas of high unemployment, poverty and blight in urban and rural communities. In these zones, tax and regulatory incentives will be provided to encourage economic development. There will be tax credits for investment in the Zones, for creating jobs—especially jobs for disadvantaged workers—and for investing in plant and equipment and rental housing.

There will be no capital gains taxes for qualified zone businesses, and other incentives will encourage new business start-ups and expansion of existing enterprises.

Jurisdictions containing zones will be permitted to seek waiver or modification of some Federal regulations that add to the burden and cost of doing business. This will not include regulations affecting health, minimum wages or equal opportunity.

About half the States already have their own Enterprise Zone programs. People who desperately need work are finding jobs, the transformation of distressed communities is under way. But State zones can't offer Federal tax incentives, or relief from Federal regulations. And, State and local officials, community leaders, people from all walks of life are telling us they need Federal Enterprise Zone legislation to pull private investment into some of their hardest-hit poverty areas.

I think the people in those areas deserve a chance. I want to give them that chance. I know you have the same goal.

I know you have an interest in Enterprise Zones. I urge you to act on that interest. Talk to your business leaders. Talk to your State and local officials. Let your representatives in the Congress know you support this idea. Tell them what it can mean to people who need jobs. Let them know this is an idea that deserves their support.

It isn't a make-work hole in the taxpayer's pocket.

It's innovative. Stimulative. It's an idea that gives people a chance to make their own way. The same chance you brought to life 21 years ago with OIC.

We can build an opportunity society with the same initiative and commitment that took the dream in Leon Sullivan's heart and built it into a tremendous force for opportunity and self-determination.

Members of OIC, members of the business community, Rev. Sullivan—lend your voice and your strength to bring enactment of our Enterprise Zone bill.

Give this idea a chance. With your effort, and ours, we can make it work.

Thank you.●

USDA HONOR AWARD FOR TWO FOREST SERVICE SCIENTISTS

● Mr. MELCHER. Mr. President, this week two Forest Service scientists from the Forest Service Intermountain Research Station, Ms. Pat Andrews and Mr. Bob Burgan, are receiving the USDA Honor Award for their work regarding forest fire control. I submit for the RECORD a description of that work and the value it served. This description was prepared by the Forest Service, and I include it in the RECORD today to demonstrate why all Montanans are proud of Pat and Bob's work and also to help others realize the importance of Forest Service fire research.

The description follows:

MERGING THE ART AND SCIENCE OF FIRE CONTROL

The wildfire had burned out of control for 3 days. It was now burning in a wilderness area, where rules barring machinery made any fire control effort extremely costly, dangerous, and of questionable effectiveness. Just outside the wilderness boundaries, and directly in the path of the blaze, lay valuable homes and developments.

The fire could be seen from the State's capital city, and the governor had visited the fire camp to personally express concerns over the threat the fire posed to homes on the outskirts of the city. What were fire control officers to do? Hope the fire would burn out in the wilderness on its own, or mount a costly and dangerous control effort against it?

A nightmare of some overburdened fire boss? A Hollywood scriptwriter's fantasy? Neither. The situation actually occurred in 1984 when the North Hills Fire burned into the Gates of the Mountain Wilderness and threatened the outskirts of the city of Helena, Montana.

And thanks to the development of a computer program that merges human judgment and experience with a systematic method of calculating fire behavior, the story ended on a happy note.

Fire control officers on the Lewis & Clark National Forest Fire used BEHAVE, a computer program developed by Forest Service scientists at the Intermountain Research Station, to predict the probably behavior of the fire. By combining their knowledge of terrain, fire bahavior, and weather with the computer's fuel models and mathematical fire prediction models, a reliable estimate was made of how the fire would behave. Officials decided not to attempt to fight the fire in the Wilderness, as BEHAVE predicted the fire would diminish and not cause a serious threat to resources outside its boundaries.

Dave Poncin, Forest Service fire boss of the North Hills Fire, used BEHAVE to support and explain his position to his superiors, to Gates of the Mountain Wilderness managers, and to Montana State officials. Poncin advocates the use of BEHAVE, "It's a tractable, logical program that provides information non-fire control people can understand."

Predictions are fine, but results are what count. The fire behaved as predicted. Poncin estimates over $750,000 was saved by the decision not to fight the fire in the Gates of the Mountain Wilderness.

This is a dramatic application of a new technology merging the science and art of fire control. According to Forest Service scientist Richard Rothermel, BEHAVE is a fire behavior prediction tool as well as a fuel modeling system designed for use by fire managers who are familiar with fuels, weather, and fire situations.

"Given the type of fuel a fire is burning in, major terrain features, and weather conditions, the program will predict the fire's intensity, and how fast, how far, and the direction a fire will spread," says Rothermel. "The program has been used for estimating initial attack and planning on wildfires, but it can be adapted for many other uses."

Rothermel expects BEHAVE will be used in the future to assist fire managers in determining the right conditions for prescribed burns, in monitoring unmanned wildfires, and in training fire control personnel. He concludes, "BEHAVE is no substitute for experience, but by coupling experience with a systematic prediction method, we can move with more confidence to implement new concepts in fire management."●

HONORING LAWRENCE E. ELOVICH

● Mr. D'AMATO. Mr. President, Lawrence E. Elovich, an outstanding trial lawyer and my very good friend, was first admitted to the bar in 1960. He serves on the board of directors of the New York State Trial Lawyers, the Nassau-Suffolk Trial Lawyers, and the Nassau County Bar Association. Larry has served as president of the Long Beach Lawyers Association and has been active in civic, charitable, and community services for all of his adult life. He presently serves for the fourth consecutive year as president of the Long Beach Chamber of Commerce and has helped to revitalize the city of Long Beach. Larry now serves for the 15th year as a trustee of the Long Beach Memorial Hospital. He has served as president of the Long Beach Lions Club, and zone chairman and deputy district governor of the Lions of Nassau County. He has served as exalted ruler of the Long Beach Elks.

Mr. Elovich currently serves as a member of the Knights of Pythias and is a trustee of the Channel Lodge Federal Credit Union. Larry originated and was the first chairman of the Tri-Parish Long Beach Catholic School dinner/dance and has served as a member of the board of directors of the cancer care fund-raising drives and is a life member of Cancer Care. He is also active in the Arthritis Foundation and the Cerebral Palsy Organization. He is a member of the American Cancer Care Society and the Muscular Dystrophy Foundation.

In addition, Larry has been active in political life and has served as the Democratic chairman of the Long Beach Democratic Party.

Helen Elovich has worked as a nursery school teacher and has been an active member in the Sisterhood of Temple Emanu-el. She started the temple cradle roll and has a special interest in the development of young children. Besides working and raising three beautiful daughters, List, Lauree, and Lynn, she has found time to run several marathons. Helen has just been elected to serve on the board of trustees of Cancer Care; she has served as an officer of Cancer Care for many years. She also serves as a member of the board of the Council of the Arts. Mrs. Elovich was the founder of the Lioness Club in Long Beach and has served with the Lioness organization to help the unfortunate.

Together Helen and Larry Elovich have devoted most of their adult lives to making the city of Long Beach a better place to live.

Temple Emanu-el on its 40th anniversary brings honor to itself by honoring these two outstanding and special people. The event is scheduled for June 29; I think this body does well to honor them today.

Thank you, Mr. President.●

AMUSEMENT PARK RIDES INSPECTION LAWS

● Mr. SIMON. Mr. President, amusement park attendance has soared in the last few years. Unfortunately, the number of senseless injuries and fatalities caused defective rides at the amusement parks in our Nation has also increased.

Going to an amusement park is often a long-awaited outing for both parents and children. As any advertisement for an amusement park suggests, the purpose of a park is to provide fun, relaxation and a festive atmosphere. For three teen-age boys in my home State of Illinois, fun turned to fear when a ride that they assumed was safe plunged 50 feet, injuring them all.

As American consumers, we expect the products that we buy or use to have been inspected for harmful substances or for harmful consequences. Currently, only half of the States have inspection laws to certify the safety of amusement park rides. I will soon be offering a plan which encourages the remaining States to enact inspection laws. In the meantime, the Consumer Product Safety Commission will have authority to send Federal engineers to sites where serious accidents have occurred so that we may learn from each mistake to ensure that it is not repeated.

The following editorial appeared in the Bloomington, IL, Pantagraph. I ask that it be inserted into the RECORD.

RIDE INSPECTION BILL COULD LIMIT TERROR

Amusement park rides can be a source of enjoyment and pleasure. They can also be a source of danger and death.

Central Illinoisans need not be reminded of the danger. They still remember the death of Richard Stahl of rural Pontiac on a carnival ride there one year ago. His death and an accident at Great America theme park that injured three LaSalle teen-agers helped spur passage of a ride inspection bill in Illinois.

But the Illinois Carnival-Amusement Safety Board is getting off to a slow start. In 24 other states there are no agencies overseeing ride safety.

This gap cannot continue.

Sen. Paul Simon plans to offer a bill this month that would amend the charter of the Consumer Product Safety Commission to get the federal government involved in amusement park ride safety.

A similar bill proposed by the Illinois Democrat was passed by the House of Representatives last year when Simon was a member of that chamber, but the measure died in the Senate.

We are generally reluctant to have the federal government increase its intrusion into what should be a matter for state control. However, Simon's bill provides for federal inspections only in states or localities that do not have inspection efforts of their own.

"Our aim is to encourage states to do this job so the federal government won't have to," Simon said.

The bill could also lead to a more coordinated effort among the states.

Simon's proposed Amusement Park Safety Act would permit federal safety engineers to investigate serious accidents on amusement park rides, require park operators to send

notice when serious defects are found in ride equipment, and empower the Safety Commission to order repairs on defective rides.

The federal notification provisions could help speed exchange of information among states about dangerous defects that similar rides could have in common.

The amusement park industry's trade group is proposing an 18-month federal study in place of Simon's bill.

We feel too much time has already passed without effective inspections of these rides.

The stimulated terror a person feels on a fast-moving amusement park ride should not be turned into real terror.●

THE 450TH ANNIVERSARY OF THE DEATH OF ST. THOMAS MORE

● Mr. DURENBERGER. Mr. President, I am pleased to call to the attention of the Senate that on June 22 of this year will be celebrated the 450th anniversary of the death of one of the greatest and most appealing of England's saints, Sir Thomas More, a scholar, writer, humanist, lawyer, businessman, and a former Lord Chancellor of England. He was beheaded on July 6, 1535, on orders from King Henry VIII, and his feast day in the Roman Catholic Church calendar falls on June 22, along with the feast of saintly Bishop John Fisher, who was executed a few days earlier.

Remarkably, in this year of 1985 we also commemorate the 50th anniversary of Saint Thomas More's canonization, in 1935. I was interested to discover last year, from a group of West German visitors, that in the mid-1930's when More was elevated to sainthood, he became in Germany a symbol of resistance to tyranny. Devotion to this new English saint, thus, could become an innocent and unchallenged symbolic act of resistance to the evil of Hitler's tyranny.

Another anniversary this year should also be noted: It is just 25 years since the first publication in 1960 of Robert Bolt's magnificent play about Thomas More, "A Man For All Seasons." This play was first presented on stage at the ANTA Theater in New York City on November 22, 1961 and later became one of Columbia Pictures' great motion pictures, winning the Motion Picture Academy's Award for Best Picture in 1966 and winning another Oscar for Paul Scofield as Best Actor.

On Friday, June 21, 1985, at noon, in St. Joseph's Church on Capitol Hill, at 2d and C Streets, across from the Hart Senate Office Building, a special Mass will be celebrated in honor and anticipation of the Feasts of Saints Thomas More and Bishop John Fisher. The celebrant will be Rev. Robert P. Mohan, professor of philosophy at the Catholic University of Washington, DC. After the Mass at 1 p.m., there will be a reception sponsored by the Thomas More Society of America, in room SD 628 of the Dirksen Senate Office Building. All Members of Congress and their staffs are invited to the Mass and reception.

Recently in the Boston Sunday Globe, on April 7, 1985, there appeared an editorial linking Thomas More's view of life with that of our present Pope John Paul II. This illustrates again the relevance of More to modern day concerns, and I have included its text at the end of these remarks.

As a lawyer and writer, Thomas More has become a model to emulate in our legal and judicial system. He is, of course, the patron saint of lawyers, judges and civil servants. His views of the law as expressed in his own writings and in the words of Bolt's play are cited often in our courts as well as in the popular media. Recently the chief judge of the Federal Circuit Court of Appeals for the Federal Circuit, the Honorable Howard T. Markey, addressed this very point in an erudite speech to the Thomas More Society of Notre Dame University and the law students and professors of the Thomas J. White Center, the law school of Notre Dame. His speech, "A Man For All Sessions: Thomas More in American Courts," is a masterful compilation of judicial references to the wisdom and character of Thomas More, a man whom the Boston Globe termed "a saint of forthrightness and heroism."

Mr. President, I ask that the editorial from the Boston Sunday Globe and the speech by Chief Judge Markey be printed in the RECORD.

The material follows:

THE VIEWS OF A MODERN POPE

Many Americans may have been late to work last week, fascinated by the visit of NBC's "Today" show to Rome for Holy Week. Msgr. John Magee, the Irish private secretary to Pope John Paul II, told of how his boss enjoys movies on a videocassette recorder. "The Pope has a VCR?" asked Bryant Gumbel. Yes indeed, the monsignor replied. "He recently asked to see 'A Man for All Seasons.'"

That splendid 1966 movie won an Oscar for Paul Scofield's portrayal of Sir Thomas More, a saint of forthrightness and heroism who clearly seems a model for this remarkable modern pontiff.

Pope John Paul travels widely and speaks often. His views do not meet with universal acclaim, but he speaks for a reason that Thomas More explained to the court that sentenced him to death. Accused of silence, More corrects the prosecutor:

"Not so, Master Secretary. The maxim of the law is '*Qui tacet consentire.*' The maxim of the law is 'Silence gives consent.'"

The prosecutor, Thomas Cromwell, responds that the world construes silence as denial. More replies, "The world must construe according to its wits. This court must construe according to the law."

The world sometimes construes John Paul's views as incorrect, irrelevant or inconvenient. In the spirit of Thomas More, this Pope for all seasons speaks out, and for that the world this Easter can say, *Viva il papa.*

A MAN FOR ALL SESSIONS: THOMAS MORE IN AMERICAN COURTS

(By Chief Judge Howard T. Markey)

When Thomas More chose death over a violation of his conscience, he died for a principle dear to lovers of the American Constitution and to admirers of the experiment in liberty called the United States. His was the ultimate affirmation that the human mind and soul are beyond legitimate control by the state. It should surprise no one that events of More's life, and words by and about him, would find their way into the opinions of American judges.

As Anglican Scholar Hutton has said, it is difficult to speak of More without using language that seems extravagant. More was orator, author, poet, wit, humorist, diplomat, scholar, lawyer, philosopher, theologian, judge, undersheriff, Ambassador, Speaker of the House, and Lord Chancellor, and excelled in all. He was the first to demonstrate that one so thoroughly active in secular affairs might yet earn his church's canonization as a saint. But what has most frequently intrigued modern admirers is his readiness to suffer family impoverishment, imprisonment, and torture in the tower, and death itself, when he could have avoided it all with a single signing of his name. Appreciating More is easy; understanding him is difficult.

That More was an outstanding judge, who reduced to zero his court's backlog and who was one of the first laymen appointed Lord Chancellor, would be enough to justify notice by American judges. But there have been many excellent British judges and Lords Chancellor, and it is More who lives on, not only in America's literary and academic circles, but in its judicial opinions.

In the early 1900's, people began to form Thomas More societies devoted to disseminating the lessons his life and writings hold for modern men and women. Though interest in More has steadily grown, Robert Bolt's play, "A Man for All Seasons," accelerated the process, and there are now Thomas More societies in many parts of the world. Comparisons are difficult, but nowhere does the growing interest in More appear more intense than in the United States. The reasons cannot be explored in this short talk, but they may center on the ease with which More speaks across the centuries to a people who built a Nation on the concept of respect for the individual person and human liberty. Judges sworn to uphold and defend the U.S. Constitution can have no difficulty in hearing More's voice as it talks of the dignity and dominance of the human spirit. More's approach to kings is not unlike Madison's to government.

Many an American judge, perhaps without knowing or thinking of him, has, like More, stood firm against current popular fads and government pronouncements promulgated to please perceived public preferences. Others have surely done so under the conscious or subconscious influence of what they have read or heard of Thomas More. The latter instances of More's presence in American courts cannot be documented, but some judges have elected to make that presence explicit by references to More in their opinions.

THE CONSTITUTION

Sir Thomas More's silence in response to the royal demand for his allegiance in things clerical has been cited as presaging the fifth amendment's privilege against self-incrimination:

"Molded by the courage of Sir Thomas More, the fifth amendment's great protection of individual dignity assures the accused that he will not be forced to speak or jailed for silence." [1]

That quotation was repeated in a unanimous opinion dealing with an allegation that a U.S. attorney had referred in closing argument to defendant's failure to testify,[2] and soon thereafter a modified version appeared in a dissent from a holding that an immunity grant removed the need for notice and hearing.[3]

The U.S. Supreme Court, in denying respondent's right to sue a committee of State legislators, traced the constitutional "speech and debate" privilege, article I, § 6, back to Thomas More's presence at its earliest beginnings:

"The privilege of legislators to be free from arrest or civil process for what they do or say in legislative proceedings has taproots in the parliamentary struggles of the sixteenth and seventeenth centuries. As Parliament achieved increasing independence from the Crown, its statement of the privilege grew stronger. In 1523, Sir Thomas More could make only a tentative claim."[4]

The sixth circuit quoted the foregoing in approving exclusion of evidence as privileged speech and debate.[5]

Justice Douglas, concurring in an upholding of the first amendment's right of assembly, introduced an extended quotation in this manner:

"Once the investigator has only the conscience of government as a guide, the conscience can become ravenous, as Cromwell, bent on destroying Thomas More, said in Bolt's 'A Man For All Seasons' (1960), p. 120. The first amendment mirrors many episodes where men, harried and harassed by government, sought refuge in their conscience, as these lines of Thomas More show. . . ."[6]

CIVIL DISOBEDIENCE

Not only More's silence, but his delay in deciding has been recognized for its relation to cases involving civil disobedience. Judge Wyzanski has written:

"For men of conscience there remains a less risky but not a less worthy moral choice. Each of us may bide his time until he personally is faced with an order requiring him as an individual to do a wrongful act. Such patience, fortitude, and resolution find illustration in the career of Sir Thomas More. He did not rush in to protest the act of Henry VIII's Parliament requiring Englishmen to take an oath of supremacy attesting to the King's instead of the Pope's headship of the English Church. Only when attempt was made to force him to subscribe to the oath did he resist."[7]

The foregoing was quoted in an opinion dealing with certain conduct of Vietnam war protesters,[8] and its concept was referred to by Judge Wyzanski in dealing with an habeas corpus action brought when conscientious objector status was denied.[9]

American judges have commented on another aspect of More's refusal to sign; namely, his acceptance of the consequences. When the majority had affirmed a conviction for refusing to perform hospital duty, based on defendant's refusal to fill out an employment form, a dissenting judge, after noting a distinction between obedience and affirmation, included this:

"Sir Thomas More would die at the block not for unwillingness to recognize the power of the sovereign, Henry VIII, but for refusal to take the oath required of every person of legal age in England swearing allegiance to the act of succession".[10]

Concluding that adherence to individual moral standards carries no immunity from punishment for lawbreaking, an opinion writer placed Thomas More in good company:

"Adherents and practitioners of civil disobedience who have reached this conclusion are too many to list. One need only allude to Socrates, Sir Thomas More, Henry David Thoreau, Gandhi, and Martin Luther King, Jr., whose actions supported this proposition".[11]

The substance of the foregoing quotation appears also in a number of subsequent opinions.[12]

CENSORSHIP

Beyond More's supreme act of conscience, his "Utopia" has caused American judges to recognize his place among the world's great authors. Protesting the reversal of an injunction against sale of a book, he called an affront to the "dignity of man", a dissenting Pennsylvania supreme court justice said:

"I would recoil in dismay if I attempted to visualize the reaction of the founding fathers if they could see this, one of the foulest books that ever disgraced printer's type, now taking a place on library shelves with the Bible, Pilgrim's Progress, Shakespeare's works, Plutarch's Lives, Homer's Iliad, Sir Thomas More's Utopia, Cervante's Don Quixote, Thomas Paine's Common Sense, and the other immortal books that inspired the brilliant architects, the brave leaders, the kneeling prayers, and the heroic soldiers who fashioned the United States of America." [13]

A dissenting justice of California's Supreme Court noted there was no death penalty in More's Utopia:

"But we have not yet reached the state which Sir Thomas More envisioned. Until a utopian government has become reality, organized society (if it is to exist) must continue on the posit of free will and personal responsibility for one's choices of action . . ., with sanctions for crimes appropriate to their gravity.[14]

ETHICS

A dispute over church property prompted West Virginia's Supreme Court of Appeals to include in a footnote discussing 200 years of religious strife: "An early and prominent victim of this religious upheaval was Sir Thomas More, who was executed for his refusal to acknowledge Henry VIII's supremacy in church affairs".[15]

In dealing with the canon prohibiting an attorney from functioning as both counsel and witness. The Supreme Court of Arkansas said:

"The soundness of the canon is evidenced by many opinions of various courts. Lord Campbell, in his 'Lives of the Chancellors,' in relating the fact that the Solicitor General who was conducting the prosecution against Sir Thomas More, offered himself as a witness for the crown, said that he did it to his eternal disgrace, and to the eternal disgrace of the court which permitted such an outrage on decency."[16]

When Ohio's Supreme Court held nonprejudicial a trial judge's communication with the jury, a dissenting justice said, "Aptly, Sir Thomas More, once observed, 'This poynte is . . . metely playn inough.' " [17]

Alabama's Court of Criminal Appeals granted a writ requiring a judge to recuse himself, closing its opinion with:

"Sir Thomas More embodied the principle of judicial impartiality in this eloquent expression: 'If the parties will at my hand call for justice, then were it my father on one side, and the devil on the other, his cause being good, the devil should have right.' " [18]

Holding that a judge's conduct could never excuse a lawyer's contemptuous conduct, the court cited historical trials illustrating the proper response to judicial improprieties. Doubtless remembering More's expressed hope of joining merrily in heaven with the judges who had just condemned him. The court included:

"Sir Thomas More's farewell to his judges is another magnificent example of the transcendency of meekness over injustice." [19]

Reference to More's trial, in which he was convicted of treason on the testimony of one witness, reminds us, though no American court has mentioned it, that Parliament, two years later, required testimony of two witnesses, as did the Framers of our Constitution 250 years later.

"THE LAW, ROPER, THE LAW"

Widely applicable to many types of cases, a particular exchange from Bolt's play has been frequently cited in American court opinions. In Bolt's scene, More, his wife Alice, Daughter Margaret, and prospective son-in-law Roper, note the departure from the assemblage of Richard Rich. The eventual perjurer-betrayer of Thomas More:

"MARGARET. Father, that man's bad.

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[1] *Charles* v. *Anderson*, 610 F.2d 417, 424 (6th Cir. 1979) (dissenting opinion), Rev'd Sub Nom., *Anderson* v. *Charles*, 447 U.S. 404 (1980).

[2] *United States* v. *Robinson*, 651 F.2d 1188, 1196 (6th Cir. 1981).

[3] *In Re Grand Jury Investigation. United States* v. *Berger*, 657 F.2d 88, 92 (6th Cir. 1981).

[4] *Tenney* v. *Brandhove*, 341 U.S. 367, 372 (1951).

[5] *United States* v. *Gillock*, 587 F.2d 284, 287 (6th Cir. 1978).

[6] *Gibson* v. *Florida Legislative Committee*, 372 U.S. 539, 574, 75 (1963).

[7] "Civil Disobedience", the Atlantic Monthly, vol. 221, February 1968.

[8] *United States* v. *Berrigan*, 283 F. Supp. 336, 34L-42 (D. MD. 1968).

[9] *Silberberg* v. *Willis*, 306 F. Supp. 1013, 1021-22 (D. Mass. 1969).

[10] *Elizarraraz* v. *United States*, 400 F.2d 898, 906 (5th cir. 1968).

[11] *United States* v. *Moylan*, 417 F.2d 1002, 1008 N.21 (4th cir. 1969), *cert. denied*, 397 U.S. 910 (1970).

[12] *United States* v. *Kroncke*, 459 F.2d 697, 703 N.9 (8th cir. 1972); *United States* v. *Best*, 476 F. Supp. 34, 44-5 (D. Colo. 1979); *Cleveland* v. *Municipality of Anchorage*, 631 P.2d 1073, 1084 (1981).

[13] *Commonwealth* v. *Robin*, 218 A.2d 546, 560-61 (1966).

[14] *People* v. *Love*, 366 P.2d 33, 47 (S. CT. CA. 1961).

[15] *Board of Church Extension* v. *Eads*, 230 S.E.2d 911, 916 (1976).

[16] *Rushton* v. *First National Bank of Magnolia*, 426 S.W.2d 378, 389 (1968).

[17] *Ohio* v. *Abrams*, 313 N.E.2d 823, 826 (1974).

[18] *Ex parte White*, 300 S.2d 420, 434 (1974). The courts quote of More can be found in William Roper's "The life of Sir Thomas More," [Two Early Tudor Lives, P.220 (Yale University Press)].

[19] *United States* v. *Offutt*. 145 F. Supp. 111, 115 (D. D.C. 1956).

"MORE. There is no law against that.

"ROPER. There is! God's law!

"MORE. Then God can arrest him.

"ROPER. Sophistication upon sophistication!

"MORE. No, sheer simplicity. The law, Roper, the law. I know what's legal, not what's right. And I'll stick to what's legal.

"ROPER. Then you set man's law above God's!

"MORE. No, far below: But let me draw your attention to a fact—I'm not God. The currents and eddies of right and wrong, which you find such plain sailing, I can't navigate. I'm no voyager. But in the thickets of law, Oh, there I'm a forster. I doubt if there's a man alive who could follow me there, Thank God. . . .

"ALICE. (exasperated, pointing after Rich). While you talk. He's gone!

"MORE. And go he should, if he was the devil himself, until he broke the law!

"ROPER. So now you'd give the devil benefit of law!

"MORE. Yes. What would you do? Cut a great road through the law to get after the devil?

"ROPER. I'd cut down every law in England to do that!

"MORE. (roused and excited). Oh? (advances on Roper) and when the last law was down, and the devil turned around on you, where would you hide, Roper, the laws being flat? (he leaves him) this country's planted thick with laws from coast to coast—man's laws, not God's—and if you cut them down—and you're just the man to do it—d'you really think you would stand upright in the winds that would blow then? (Quietly) Yes, I'd give the devil benefit of law. For my own safety's sake." [20]

Bolt's scene was quoted in its entirety as "Literary backdrop" for a court opinion upholding denial of a prisoner's desire to practice satanism.[21] It has been quoted in part in reversing an order prohibiting use in school of the novel "Slaughterhouse Five".[22] In ordering a new trial in view of a failure to suppress evidence.[23] In dealing on remand with a contempt judgment.[24] In dissenting from denial of summary judgment to one seeking retirement benefits.[25] In dissenting from affirmance of a murder conviction.[26] In holding that evidence obtained from intentional eavesdropping should have been excluded.[27] In concurring in affirmance of denial of a motion to suppress.[28] And in upholding the State's discharge of CETA employees as required by congressional legislation.[29]

Bolt's scene has thrice been cited by the U.S. Supreme Court: In the famed "Snail Darter" Case.[30] In holding a State entitled to protection of the 11th amendment against suit for reimbursement to nursing homes;[31] And in a case involving the Navy's use for training operations of land it owned on an island in the Commonwealth of Puerto Rico.[32]

DISCUSSION

If one theme can be gleaned from the foregoing examples, it must be the universality of More's presence in American court opinions. More's approach to the royal demand, though crafted entirely of silence, was the ultimate dissent, yet of the 31 samples listed, only 9 are found in dissenting opinions. Even then, the attribution of the fifth amendment's genesis to More's courage made in two of the dissenting opinions appears in an intervening majority opinion of the same court. Similarly, the same words ascribed to More by Bolt were employed in support of separate majority, concurring, and dissenting opinions in different cases by the Supreme Court.

The universality of More's presence in American courts is reflected also in the differing subject matter of the cases. The cited samples dealt with the fifth amendment's right to remain silent, the speech-and-debate privilege, the first amendment's right of free association, the rules surrounding civil disobedience and its consequences, the first amendment's right of free expression, lawyers' professional ethics, judge-jury communication, judicial bias, a prisoner's religious freedoms, contempt of court, the fourth amendment's protection against unreasonable seizures, courtroom decorum, retirement benefits, fair trial to all, eavesdropping, limitation of the judicial role, and the importance of stare decisis.

The universality reflected here is the more remarkable in light of the limited sources employed by the opinion authors. Little has been preserved to evidence More's work as a lawyer, and judicial opinions were not published for history in his day. Yale University Press is presently engaged in publishing more than 16 volumes of More's own writings. Books about him, his life, and his works, are many. That 14 of the 33 opinion authors in the sample cases quoted words attributed to More in Bolt's play is not harmful, for Bolt's attributions are authentic and basically supported in More's writings, as well as in books written about him. But More's own writings provide a vast and as yet virtually untapped store of quotable material. Recourse to that vast store could only increase the presence of More in the opinions of American judges.

Risk is always present when secondary sources are employed and when parts of an extended dialogue are quoted. Taken alone, "I know what's legal, not what's right . . . I'll stick to what's legal" would appear to make of More a positivist unfamiliar with natural law theory. That very thought disturbed the judge who quoted the entire scene. More's recognition of the law's primacy was and remains a valid counter to the judicial activist who would bend or rewrite the law in accord with personal predilections. His refusal to sign, with death the alternative, was a consummate recognition that More would "stick to what's legal" unless "what's legal" violated what was to him a higher law. His conscience being bound by that higher law, More resigned the chancellorship well before his arrest, for that office would have required him to accept and enforce, as might a true positivist, a man-made law in conflict with his conscience.

Taken in context, "I'll stick to what's legal" meant only that More would not arrest rich for being "bad", or would not otherwise act officially on a personal premise that secular law must be interpreted as proscribing everything More considered "bad". In this, More was an early rejector of the judicial activism present when a judge makes law to match his personal predilections.

Indeed, Thomas More would make an ideal candidate for our Supreme Court today. He would understand that the Court is not our country's sole conscience, or the only institution concerned about minorities, or the only safeguard against abuse of government power. He would be the first to recognize that the Court is not infallible. He would look to the language of the Constitution and the intent of its Framers as his only guides to its interpretation. It was More who said, "All laws are promulgated for this end, that every man may know his duty; and, therefore, the plainest and most obvious sense of the words is that which must be put upon them".[33] He would not join in gratuitously pronouncing on the constitutionality of acts of the other branches or of the States. He would recognize that the Court itself exercises Government power, the abuse of which is most difficult to rectify, and would be ready to reverse his position when the need was clearly shown. He would honor our federalism and the role of the States. In sum, he would be a Justice devoted to what we now call judicial restraint.

THOMAS MORE—CIRCA 1985

That he is quoted and admired in court opinions 400 years after his death is additional evidence that Thomas More, this man of letters, of professional excellence, of learning, of statesmanship, of domestic happiness, and of sanctity, led a life filled with lessons applicable to the choices and changes we face today. His abhorrence of violence, his placement of home before commercial success, and his refusal to live when the price grew too high, are examples needed by us all as much in 1985 as they were in 1535. The modern seige of faith, expressed in slogans like "situational ethics," "the new morality," and "God is dead, so do your own thing," is not unlike the pleas of More's family and friends that he sign and save himself. More knew, with knowledge certain and faith unwatered, that God lived, that there was life after death, that this world was not all.

Though the lessons of More's life are useful to all, they are special for men and women of law. Erasmus described More as "the greatest lawyer of his time," and as a judge, "the best friend the poor ever had." More demonstrated that when every man's

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[20] "A Man for All Seasons," a play in two acts, Robert Bolt, pp. 65-67, Random House, New York, 1960.

[21] *Childs* v. *Duckworth.* 509 F. Supp. L254, L256 (N.D.) IND. (1981).

[22] *Todd* v. *Rochester Community Schools.* 200 N.W.2d 90. 98 (1972).

[23] *State* v. *Peele,* 516 P.2d 788, 793 (WASH. APP. (1973).

[24] *In re David T, Dellinger, et al.,* 370 F. SUPP. 1304, 1323 (N.D. ILL. 1973): *aff'd,* 502 F.2d 813 (7th CIR. 1974): *cert. denied* 420 U.S. 990 (1975).

[25] *Hilton* v. *State Employees Retirement Board,* 355 A.2d 883, 886 (PA. CMWLTH (1976).

[26] *People* v. *Moreland,* 567 P.2d 355, 364 (1977) (IN BANC).

[27] *People* v. *Warner,* 258 N.W.2d 385, 396-97 (MICH. 1977). *See also State* v. *Drowne,* 436 S.2d 916, 921 (D.CT. APP. FLA. 1983) (Violation of "Knock and Announce" requirement).

[28] *State* v. *Arnold,* 336 N.W.2d 97, 100-01 (NEB. (1983).

[29] *Patrick* v. *Marshall* 460 F. UPP. 23, 29 (N.D. CA. (1978).

[30] *Tennessee Valley Authority* v. *Hill,* 437 U.S. 153, 194-95 (1978).

[31] *Florida Department of Health and Rehabilitative Services* v. *Florida Nursing Home Association,* 450 U.S. 147, 154 N.14 (1981).

[32] *Weinberger* v. *Romero-Barcelo,* 456 U.S. 305, 335 N.20 (1982).

[33] "Utopia," bk.2.

conscience is silent, the law loses all binding force but fear. He sealed with his blood his protest against the cleavage of law from conscience.

It is not accidental that Professors Kurland and Hurstfield quoted More in separate letters to the Washington Post in the midst of the allegations of corruption involved in what we call "Watergate." More's devotion to moral principles, his love-affair with God, and his defense of the liberty of conscience, have direct application and deep significance to every man and woman living in this time of pressure by totalitarians and others against the values that undergird western civilization.

More's whole life teaches us lawyers and judges, playing as we must a crucial and growing role in our society, that we can do more and be more while we are here. That life counsels lawyers to seek always the soothing, saving, solace of settlement, and to work toward a supreme competence in their ancient and honorable profession. That life counsels us judges to be humble when, because we are given power over the affairs of others, we are tempted to think our position grand and our work great. When a lawyer's success at the bar or the deference paid the judge's office beckon to pride. We can gain from More's treatment of even the lord chancellorship as but a phase of life, and one he would not retain with a single signing of his name.

Today, when the world is more than ever divided between those (whatever their current label) who believe that people exist for the state and those who believe the state exists for people. More's willingness to die for the principle that the human mind and soul are not subject to invasion and control by the state is a constant beacon. That same beacon lit the path of those who wrote our Constitution. And for we lawyers and judges who must interpret and defend that Constitution. It remains to light our own. That light is sorely needed today. Though the heresies are now those of Marx and Lenin, the battle of ideas and ideologies is the same as in More's time and the prize is still the mind of man. In preparing for the practice of law, you are preparing to join at the heart of that battle. I hope you will fight it as a Thomas More in modern dress.

We lawyers and judges, including those of you who will soon join us, are all called to a love for the things of the mind. As members of a learned profession, we are bound to keep alive the devout humanistic spirit with which More so nobly adorned that profession, lest our society be ruled by cold materialism and de-humanizing technocracy. We must defend the old faiths and values with weapons adequate to new learning and new methods. More's life teaches that a prime need of the professions in changing times like his and ours is a spirit venturesome in vision yet steadfast in devotion to the values of the centuries.

But perhaps the greatest lesson left us by this complete and complex figure of history, this rich personality, this consummate counselor, and this just judge, is this: That it is in truth possible to lead a busy, busy life, a life successful in the world's eyes, and yet be truly a holy man. Judges do well to cite More in their opinions. Dealing daily with the morality of justice, lawyers and judges may find More a man for all sessions. And, as lawyers and judges, we can all aspire—when our work is done and our time has run—to paraphrase More's last words, "I die the law's good servant—and God's."●

SOVIET JEWISH REFUSENIKS

● Mr. GORE. Mr. President, I would like to take this opportunity to call to the attention of my colleagues in the Senate the plight of the Soviet Jewish Refuseniks. Further, I call their attention to a special group of persons whose names I share with them today.

These persons have a strong desire to leave the Soviet Union and join their families in Israel. Some of these people have been separated from their families for as long as 10 years. Letters to and from the refuseniks are censored, they are harrassed, and not allowed to obtain employment. Suffering is part of their daily existence and they are ostracized by their fellow countrymen.

Although we are limited, for obvious reasons, as to what we can do to help these people, it is of the utmost importance that we continue to pressure the Soviet Government to release the refuseniks.

In 1975, the Soviet Union became a signatory to the Helsinki accords, pledging to "present human rights and fundamental freedoms, including the freedom of thought, conscience, religion or belief" and to work in a positive and humanitarian spirit with the applications of persons who wish to reunite with members of their family." The U.S.S.R. has flagrantly disobeyed the Helsinki accords.

I strongly encourage Members of the Senate to become active in helping the Soviet Jewish Refuseniks. We need a commitment to action if we are to realize our desire to see the people leave the Soviet Union and begin life again reunited with their families.

The list I have shared with my colleagues today is but a small portion of the people who are classified as refuseniks and in desperate need of our help.

The partial list of Soviet Jewish Refuseniks separated from their families in Israel follows:

PARTIAL LIST OF SOVIET JEWISH REFUSENIKS SEPARATED FROM THEIR FAMILIES IN ISRAEL

Name	Address	Relative in Israel	Kinship	Period of separation
Senem Abramova	Lenina 38-1, Derbent, RSFSR, USSR	Asaf Abramov, Hostel 101, Shikun Peer, Hadera	Father	5 years.
Israel Achildiev	Kvartal 11-44-46, Chilanzar, Tashkent, Uzbek SSR, USSR	Aser and Tamara Achildiev, Har Habad 1144-27, Kiryat Malakhi	Parents	Do.
Lia Akkerman-Prestina	Kropotkinskaya 33-19-55, Moscow, RSFSR, USSR	Inna Levin, Rehov Gilboa 25-8, Beersheva	Daughter	Do.
Yehudit Bialy-Ratner	Butlerova 24-41, Moscow, RSFSR, USSR	Ksiya Ratner, Milchen 5-6, Rehovot	Parents	Do.
Ida Borodkina	Dzerzhinskogo 49-4, Vinnitsa, Ukr.SSR, USSR	Efim Borodkin, Hashomer 47, Tiberias	Husband	6 years.
Galena Braun	Svoboda 7-3, Mukachevo, Ukr.SSR, USSR	Braun, Rehov Yerushalaim 98, Kiryat-Yam	Parents	8 years.
Kim Fridman	Kosmicheskaya 12-12, Kiev, Ukr. SSR, USSR	Genrietta Fridman, Merkaz Klitah, Mevasseret Zion, Jerusalem	Wife	7 years.
Khaim Gelb	Karl Marx 24-2, Mukachevo, Ukr.SSR, USSR	Leib Gelb, Eizorim 41-22, Netania	Father	4 years.
Mina Gelfgat	Uritskogo 5-2, Kharkov 125, Ukr.SSR, USSR	Arkady Gelfgat, Arbel 20-7, Karmiel	Husband	3½ years.
Yakov Goikhman	Kolarova 6-3, Chernovtsy, Ukr.SSR, USSR	Iosif Goikhman, Shalom-Aleikhem 6-1, Tsur-Shalom	Parents	9 years.
Stella Goldberg	2-aya Pugachevskaya 8-5-72, Moscow, RSFSR, USSR	Victor Yoran	Husband	10 years.
Cherna Goldort	Vatutina 33-32, Novosibirsk, RSFSR, USSR	Irina Tseitlin, Mints 28-17, Beersheva	Daughter	6 years.
Semion Gorelik	Ploshchad Kalinina 1-107, Minsk, Bel.SSR, USSR	Mara Gorelik, Maimon 13-12, Bat-Yam	Wife	4½ years.
Marku Grauer	Pereyaslavskaya 6-16, Chernovtsy, Ukr.SSR, USSR	Ida Grauer, Givat-Hamore 172-9, Afula	Mother	10 years.
Boris Gornshtein	Toreza 24-78, Leningrad, RSFSR, USSR	Masha Barkan, Hamatmid 8-8, Holon	....do	4 years.
Mikhail Gots	Lenskaya 10-78, Leningrad, RSFSR, USSR	Dorotea Korob, Kats 68-2, Petah-Tikva	....do	3½ years.
Betia Grinfarb	Lazo 29-19, Kishinev, Ukr.SSR, USSR	Polina Radomyslsky, Sokolov 131, Holon	Daughter	5 years.
Brana Grinfeld	2-oy per. Gertsena 6-6, Chernovtsy, Ukr.SSR, USSR	Boris Grinfeld, c/o Katsaf, Kiryat-Nordau 106-18, Netania	Son	4 years.
Iliya Guberuk	Revolutsii 21-4, Slavuta, Ukr.SSR, USSR	Raisa Guberuk, Hashvatim 16-19, Bat-Yam	Mother	4½ years.
Shmil Guman	Yakira 3-4, Beltsy, Mold.SSR, USSR	Avram and Rivka Guman, Merkaz Eizori 1410-15, Kiryat-Gat	Parents	5 years.
Georgy Gutman	pr. Nauki 7-68, Leningrad, RSFSR, USSR	Boris and Tauba Gutman, Shikun Ein Sara 16, Naharia	....do	4 years.
Khizgil Isaev	ul. Kommunarov 38, Derbent, RSFSR, USSR	Turi Isaeva, Derekh Metzada 218-29, Beersheva	Mother	4½ years.
Igor Kabatiansky	Edelshtein 13-3, Vinnitsa, Ukr.SSR, USSR	Lili Kabatiansky, Megido 156-7, Beersheva	Wife	5 years.
Iosif Kaplan	Frunze 177-14, Kishinev, Mold.SSR, USSR	Ilya Kaplan, Sheshet-Hayamim 19-2, Bat-Yam	Parents	4 years.
Frida Kasperovsky	Gagarina 15-36, Bendery, Mold.SSR, USSR	Anna Vaksman, Kiryat-Moshe 48-11, Rehovot	Daughter	4½ years.
Tashpulat Katanova	26-oy Kvartal 10-24, Tashkent Uzb.SSR, USSR	Itzhak Talit, Maon Kshishim, Ashkelon	Parents	3½ years.
Tsilia Kats	Zelinskogo 32-1-37, Kishinev, Mold.SSR, USSR	Golda Fuksman, Harav Maimon 13-16, Bat-Yam	....do	7 years.
Faina Kazakovsky	Sosiuri 1-9, Lvov 20, Vinnitskaya Oblast Ukr.SSR, USSR	Mikhail Vendrov, Shivtei-Israel 54-16, Kiryat-Khaim	....do	4½ years.
Isaak Khaimchaev	Festivalnaya 22-2-192, Moscow, RSFSR, USSR	Shmuel Khaimchaev, Givat-Hatakhmoshet 2, Kiryat-Sharet, Holon	Father	8 years.
Ilya Khakham	Kotlerskaya 26-4, Chernovtsy, Ukr.SSR, USSR	Rachel and Semion Khakham, Hahadas 8-6, Kiryat-Giora, Or-Yehuda	Parents	Do.
Flora Khakimova	Mayakovskogo 75-4-8, Dushanbe, Tadz.SSR, USSR	Amnon Aminov, Sharet 1-25, Kriyat-Sharet, Holon	Husband	3½ years.
Nakhman Khomak	25 Let Oktyabrya 12-3, Kishinev 277004, Mold.SSR, USSR	Bella Khomak, Rabinovich 33, Beit-Giora, Jerusalem	Daughter	5 years.
Rita Kleinerman	Cheliuskintsev 13-5, Chernovtsy, Ukr.SSR, USSR	Ita Gold, Dolinsky 20-13, Oshiot	Mother	Do.
Valentina Kochubievskaya	Vatutina 5-50, Novosibirsk, RSFSR, USSR	Aleksandr Kochubievsky, c/o Naor, Harav Bloi 5-6, Petah-Tikva	Son	3½ years.
Anatoly Kochorva	Sovetskoy Armii 21-3-18, Kishinev, Mod.SSR, USSR	Valentina Kranzburg, Merkaz Klitah "Barnea", Ashkelon	Wife	4½ years.
Mikhail Kremen	Molostovykh 11-2-64, Moscow, RSFSR, USSR	Yulia Kremen, Yalag 22-3, Kiryat-Ata	Mother	9 years.
Gedi Kun	Shchelkovskoye shosse 77-1-160, Moscow, RSFSR, USSR	Fani Sholomon, Neve-Yakov 32-19, Jerusalem	....do	7 years.
Iraida Lanis	Frunze 5-64, Berdichev, Ukr.SSR, USSR	Leibl and Zisel Raevich, Ilanot 10-8, Karmiel	Parents	5 years.
Grigory Leiderman	Komsomolskaya 14-5, Kishinev, Mold.SSR, USSR	Batia Leiderman, Haorgim 24, Bat-Yam	Parents	6 years.
Solomon Lekhtman	Bulvar Lenina 12-16, Beltsy, Mold.SSR, USSR	Moshe and Feiga Lekhtman, Hagolan 1-26, Kiryat-Yam	....do	10 years.

PARTIAL LIST OF SOVIET JEWISH REFUSENIKS SEPARATED FROM THEIR FAMILIES IN ISRAEL—Continued

Name	Address	Relative in Israel	Kinship	Period of separation
Grigory Lemberg	Merkelya 9–4, Riga, Lat.SSR, USSR	Frida Lemberg, Levi Eshkol 14–8, Jerusalem	Mother	8 years.
Aleksander Lerner	Dmitry Ulyanova 4–2–322, Moscow 117393, RSFSR, USSR	Sofia Levin, Hanassi Harishon 33–15, Rehovot	Daughter	12 years.
Luiza Lyandres	Veteranov 40–19, Leningrad, RSFSR, USSR	Semion Lyandres, Neve-Yakov 109–3, Jerusalem	Son	3½ years.
Bella Livshits	Leiklos 7–3, Vilnius, Lith.SSR, USSR	Alla Lifshits, Shtern 65–32, Jerusalem	Daughter	10 years.
Evgenia Lutskaya-Kalendareva	Basseinaya 12–81, Leningrad, RSFSR, USSR	Mila Zisman, Shprinzak 1–22, Rishon L'Zion	do	6 years.
Elena Mai-Seidel	Leningradskoye Shosse 112/1–3–709, Moscow, RSFSR, USSR	Sofia Berman, Ben-Gurion 5–2, Azur	Mother	9 years.
Arkady Maizel	Basanavichus 11–12, Vilnius, Lith.SSR, USSR	Daniel and Khasia Maizel, Ramat Ben-Zvi 27–12, Nes-Ziona	Parents	8 years.
Yangil Manashirov	Prikaspiiskaya 47, Derbent, RSFSR, USSR	Boris Manashirov, Derekh Lamerkhav 527–7, Pardes-Khana	do	7 years.
Bella Modilevsky	Stadionny proyezd 8–4–84, Kharkov 319091, Ukr.SSR, USSR	Arkady and Raya Solomonov, Ben-Zvi 22–21, Karmiel	do	5 years.
Basia Muleris	Laisves Alleya 72–A–16, Kaunas, Lith.SSR, USSR	Yoisif Libman, Ezra Hasofer 5–7, Herzliya	do	8 years.
Mark Nashpits	Osipenko 17, Strunino, Vladimirskaya Obl., RSFSR, USSR	Ita Nashpits, Habikurim, 7–17, Neve-Chen, Kiryat-Beniamin	Mother	12 years.
Ideya Nikulina	Baranova 26–7, Odessa, Ukr.SSR, USSR	Karpivsky, Shikun Peer 5–4, Hadera	Father	9years
Esphir Orlova-Slutskaya	Avangardnaya 15–66, Moscow, RSFSR, USSR	Miriam Ainbinder, Shakhal 56–30, Jerusalem	Daughter	5 years.
Marat Osnis	Ordzhonikidze 11–5, Chernovtsy, Ukr.SSR, USSR	Vanda Osnis, Herzl 62–A–17, Kfar-Saba	Mother	10 years.
Masha Pitkovsky	Gagarina 39–189, Kharkov, Ukr.SSR, USSR	Alla Khodorkovsky, Merkaz Klitah, Tiberias	Daughter	3½ years.
Boris Prudinsky	Degtyarny per. 8–10–17, Leningrad 193144, RSFSR, USSR	Gutia Prudinsky, Maon Kshishim, Karavanim, Ashkelon	Mother	5½ years.
Natalia Rozenshtein	Butlerova 2–1–69, Moscow, RSFSR, USSR	Asya Ploshchanskaya, Herzl 47–24, Safed	do	9 years.
Lizaveta Shalumova	per. Karl Marx 42, Derbent, RSFSR, USSR	Khibris Elishaeva, Eizor "Khet" 1368–10, Ashdod	do	5 years.
Nelly Shpeizman-Lipovich	Slavy 64–33, Leningrad, RSFSR, USSR	Rita Levin, Ramot 17–22, Jerusalem	Daughter	3½ years.
Musia Shtein	Pushkina 4–38, Novgorod-Volynsk, Ukr.SSR, USSR	Shmuel and Hanah Gorbaty, Pardes Rubin 7–2, Givat-Shmuel	Parents	4 years.
Alla Smelyansky	Tashkentskaya 17–2–42, Moscow, RSFSR, USSR	Anna Gurevich, Derekh Hashalom 100–17, Tel-Aviv	Mother	11 years.
Nina Soifer	Zorge 15–10, Novosibirsk, RSFSR, USSR	Iosif Soifer, Tabenkin 32–6, Beersheva	Son	8 years.
Yudit Solovey	Dzelzavas 29–9, Riga, Lat.SSR, USSR	Bentzion and Alla Valk, Gilo 52–67, Jerusalem	Parents	5 years.
Keila Taicher	Skovorody 23–1, Chernovtsy, Ukr.SSR, USSR	Girsh Taicher, Herz 2–15, Rehovot	Son	3½ years.
Leonid Vainshtein	Prospekt Mira 31–95, Kishinev, Mold.SSR, USSR	Klara Vainshtein, Hatabor 9–16, Kiryat-Yam, Haifa	Wife	8 years.
Vasily Vavilov	Yantarnaya 9–2, Kaliningrad-Oblastnoy 236009, RSFSR, USSR	Tatiana Vavilova, Kalisher 800–3, Shikun "Gimel", Beersheva	do	5 years.
Grigory Vigdarov	Malakhitovaya 10–2–165, Moscow, RSFSR, USSR	Aleksander and Sara Vigdarov, Kaf-Tet b'November 5–14, Petah-Tikva	Parents	10 years.
Emma Vinnik	8-ogo Marta 10–44, Vilnius 30, Lith.SSR, USSR	Anna Mazukina, Shaar Ha'aliya 37, Kiryat-Shprinzak, Haifa	Mother	5 years.
Ibolia Zilbert	Osipenko 5, Mukachevo, Ukr.SSR, USSR	Braun, Yerushalaim 98, Kiryat-Yam	Parents	7 years.

DAV REACHES OVER 1 MILLION MEMBERS

● Mr. LAUTENBERG. Mr. President, I would like to draw my colleagues' attention to the achievement of the Disabled American Veterans' [DAV] organization in enlisting more than 1 million members, and to congratulate the New Jersey DAV for helping to contribute to this milestone by reaching its own all time membership high of 28,952.

Surpassing the 1-million membership mark is a particularly noteworthy accomplishment when one considers that only 2.2 million veterans in this country suffer compensable service-connected disabilities. No other veterans group, and few other organizations of any kind, have ever recruited such a high percentage of those eligible for membership.

The ability to add so many of those eligible to the membership roster is a testament to DAV's effectiveness in dealing with the problems that confront disabled veterans. Wartime disabled veterans' battles do not end when the war is over. Disabled veterans need help in regaining their health, in finding jobs, and in adjusting to their disabilities.

For 64 years, the DAV in New Jersey and in other States has helped disabled veterans to make these adjustments. The DAV helps New Jersey veterans to obtain the benefits and services they deserve, and works closely with Federal, State, and local agencies to keep veterans informed of available programs and services. DAV provides scholarships to children of disabled veterans, works to combat job discrimination against disabled veterans, and visits patients in VA hospitals.

But the most eloquent testimony to the DAV is in the numbers of members it is able to attract and help, and once again I commend the national DAV and the New Jersey chapter for their invaluable work in helping disabled veterans. It is without doubt because of their excellent work that they have succeeded in expanding their ranks to over 1 million.●

DR. MARK DELAY

● Mr. SIMON. Mr. President, I should like to take this opportunity to recognize one of my constituents, Dr. Mark DeLay, who will soon retire. Dr. DeLay has spent 30 years devoting exemplary service to public education in School District No. 61, in DuPage County, IL. Those who have had the pleasure of working with Dr. DeLay cite his honesty, fairness, vision, and unflagging commitment to children and the community. The participation of individuals like Dr. Mark DeLay make our school system a brighter place, and I am grateful for his years of dedicated service. I extend my best wishes to him as he retires.

I ask that the following resolution be reprinted in full in the RECORD.

The resolution follows.

RESOLUTION

Whereas Dr. Mark DeLay has devoted thirty years of dedicated service to students and staff members of our public schools; and

Whereas he has served as Superintendent of Schools in Darien District #61 for twenty-three years providing an exemplary basic education for the children of Darien and Downers Grove; and

Whereas he has been a respected community leader who has selflessly devoted great contributions of time, energy, and care to all citizens of Darien; and

Whereas Dr. Mark DeLay has built schools which are the heart and pride of the community and which provide a place where all students have the opportunity to learn important academic skills; to grow into strong, healthy, and responsibile young men and women; to acquire solid democratic values; and to develop a love and enthusiasm for lifelong learning; therefore, be it

Resolved, That the United States Senate formally recognize Dr. Mark DeLay for his meritorious work and service; and be it further

Resolved, That Dr. Mark DeLay receive recognition of our appreciation for his enduring commitment to public education in the form of an official copy of this Resolution.●

SEX OFFENDER SENT TO FLORIDA

● Mrs. HAWKINS. Mr. President, on March 19, 1985, Weston Hill, a known sex offender, was flown one-way to Miami by the Police Department of Santa Monica. Weston Hill, a 44-year-old drifter, has been in and out of mental hospitals since he was 14. He was diagnosed in a recent psychiatric profile as being "grossly psychotic." In addition, he has a criminal record which includes assault with a deadly weapon and sexual battery, and he is an admitted pedophile. Yet, rather than deal with Hill and seek help for him in California, the Police Department of Santa Monica sent Hill to Florida to get him off their hands.

Less than 1 month after Hill's arrival in Florida, he was arrested for indecent exposure. This is a serious situation. Such actions on the part of our city officials are both irresponsible and deplorable. Fortunately, Hill committed a misdemeanor. However, he could just as easily, as evidenced by his criminal record and mental state, done serious harm to Miami's citizens—especially the children of that city.

The city commission of Miami recently adopted a resolution in response to Santa Monica's actions. Essentially, the resolutions proposes that legal proceedings be initiated against the city and its police chief and seeks

Federal legislation which will prevent governmental bodies from sending known offenders to other States.

Mr. President, I ask that Resolution No. 85-466 of the Miami City Commission be printed in the RECORD.

The material follows:

RESOLUTION NO. 85-466

A resolution authorizing the city attorney to initiate legal proceedings in the courts of the State of Florida against the city of Santa Monica, California and the police chief of said city for having caused Weston Hill, a known sex offender to be sent to Miami, Florida and to pursue such proceedings if they are removed to the Federal courts with the inclusion in said proceedings of a petition for injunctive relief against the city of Santa Monica, California, and its police department to prevent said city from repeating actions of this type in the future; requesting the city manager to lodge formal protests and complaints concerning the conduct of Santa Monica officials with the Conference of Mayors, the International City Managers Association, and the league of Cities requesting those organizations place such protests on their next possible meeting agenda; further requesting the Florida congressional delegation to have Federal regulations implemented which will prohibit government entitites of one State from sending known offenders or individuals with known undesirable propensities to another State; and directing the city clerk to send a copy of this resolution to each member of the Florida congressional delegation, including Senator Chiles and Senator Hawkins.

Be it resolved by the city commission of the city of Miami, Florida:

Section 1. The City Attorney is hereby authorized to initiate legal proceedings in the Courts of the State of Florida against the City of Santa Monica, California and the Police Chief of said city for having caused Weston Hill, a known sex offender to be sent to Miami, Florida and to pursue such proceedings if they are removed to the Federal Courts with the inclusion in said proceedings of a petititon for injunctive relief against the City of Santa Monica and its police department to prevent said city from repeating actions of this type in the future.

Section 2. The City Manager is hereby requested to lodge formal protests and complaints concerning the conduct of Santa Monica officials with the Conference of Mayors, the International City Managers Association, and the League of Cities requesting that those organizations place such protests on their next possible meeting agenda.

Section 3. The Florida Congressional Delegation is hereby requested to have federal regulations implemented which will prohibit governmental entities of one state from sending known offenders or individuals with known undesirable propensities to another state.

Section 4. The City Clerk is hereby directed to send a copy of this resolution to each member of the Florida Congressional Delegation, including Senator Chiles and Senator Hawkins.

Passed and adopted this 9th day of May, 1985.

MAURICE A. FERRE,
Mayor.

Attest:

RALPH G. ONGIE,
City Clerk.

Prepared and approved by:

ROBERT F. CLARK,
Chief Deputy City Attorney.

Approved as to form and correctness:

LUCIA A. DOUGHERTY,
City Attorney.●

WATCHDOGS FOR THE PUBLIC GOOD

● Mr. PRYOR. Mr. President, I was encouraged to pick up the newspaper late last week and learn that an honorable American—Mr. George B. Spanton—has finally been vindicated. In 1983, Spanton was ordered transferred from his position with the Defense Contract Audit Agency [DCAA] from West Palm Beach, FL, to California when he went to the press—after concluding he was being ignored at DCAA—with information about excessive expenses charged to the Government by Pratt and Whitney on an Air Force contract.

The Merit Systems Protection Board [MSPB] ruled that the director of DCAA must be relieved of his duties and fined for using this transfer to try to punish Mr. Spanton for exposing alleged overcharges in Federal contracts. This action, which has been described as the toughest action of the board's 7-year history, bodes well for our country and for those who are sometimes referred to as whistleblowers, who put country before self to force sunlight into the darkness of procurement waste and abuse.

Mr. Spanton responded to the MSPB decision by saying:

It's one of the greatest days in my life. Maybe now more audits will be done to protect the American people.

Mr. President, in this country we want to encourage, not penalize, those who are watchdogs for the public good and for our national security. This Merit Systems Protection Board decision and the precedent it creates demonstrate that retaliation for bringing abuses into the public forum will not be tolerated. As K. William O'Connor, special counsel to the Board said:

• • • if you're thinking of taking reprisal against a whistleblower, even if you're the head of the most significant audit agency in the executive branch, don't do it, because your head can roll.

Mr. President, I believe we must rock the boat and rock it hard if we hope to dislodge the institutional bias toward acceptance and timidity in Government contracting. For their actions toward this end, we owe Mr. George Spanton and others like him a great deal of gratitude.●

REPORTS OF TORTURE AND MURDER OF PREGNANT WOMEN AND BABIES IN AFGHANISTAN

● Mr. HUMPHREY. Mr. President, a transcript of recent interviews with Afghan refugees taken in refugee camps in Pakistan reveals that the Holocaust continues unabated in Afghanistan.

Refugees report that Soviet soldiers accuse pregnant women of having grenades in their stomachs and then bayonet them to death. They pour kerosene over children and burn them alive. One witness claims that Soviet soldiers, "hung a 1- or 2-week-old baby boy in a tree, bayoneted him and made the parents watch while they burned him; when the baby was dead, they shot the parents." The Soviet invaders burn fields, mosques, villages, food, and livestock. They gather the old people of a village in one room and then throw grenades at them.

To talk of human rights violations in the context of such total brutality is to grossly understate the barbarity of the Red army, which resembles in its approach to total war the armies of Genghis Khan.

The eradication of an entire country and its people is the goal of Soviet military activity in Afghanistan. They want the land without the people. Americans must face the Holocaust in Afghanistan now, and demand that we support those who are fighting against it, or, as with the Nazi death camps, history will force us to face it later when we walk through the charred and ghostly remains of towns, villages, and countryside, where a peaceful, godly, and independent people used to live.

Mr. President, I ask that the aforementioned transcript be printed in the RECORD.

The transcript follows:

TRANSCRIPT OF INTERVIEWS WITH REFUGEES FROM LAGHMAN PROVIENCE, AFGHANISTAN MUNDA CAMP, NORTHWEST FRONTIER PROVIENCE, PAKISTAN

My name is Lal Mir. I am from Char Bagh bazaar town, in the Qarghai district of Laghman Provience.

How long have you been here?

We came 15 days ago, with just the clothes on our backs. We lost all our property, but we didn't care, we lost so many people. We got word the Russians came again, and the women ran away into the mountains and the desert.

Why did you come here? We heard stories of Russian massacres and cruelty.

The Russians put 8 ladies and 5 men in a mosque, and burned them.

When?

Eighteen days before.

Did you see this yourself?

Yes, with my own eyes.

In your village?

Near my village. It happened 18 days ago, and we came here 15 days ago. Char Bagh was a big bazaar—the Russians burned all the shops, with everything in them. Char Bagh is our town, and they burned all the shops, and all our property. They burned all the shops. The ladies and children who came out had only the clothes on their backs.

The Russians come into the houses, asking for money; so one Russian took money and left, another came in, asking for money, and if he didn't get any, he would kill them. Sometimes someone would give 20,000-30,000 Afghanis, and they would kill them anyway. They took gold and all the

valuables. They put the barrel of the Klashnikov against people's necks and demanded money. They took all our money. They killed people who gave them 20,000 Afghanis, and they killed people who had no money to give. They destroyed the houses, looking for money to steal.

What other stories or evidence can you give?

At 8 or 9 at night, suddenly the sound of fighting, shelling woke up the whole town. Fighting went on all night. In the morning, we found 11 people were dead. We went out from the village in the early morning, and hid. The next night we came back, and the Russians surrounded the village. Many people were killed. Men, women and children fled and hid in the surrounding mountains—all the people went out and hid.

You were telling us about children burned. Were any people killed in the Mosque your relatives?

No, friends. I knew them.

They were from your area?

Yes.

How many children were killed?

(Some one else speaks.)

My name is Shir Dal, I am from the Kats area. I lost four members of my family—my sister's children, her husband, and her.

Your children?

No, my sister's. She was killed, her husband, and the children. The only thing left alive was one calf—they even killed chickens, pigeons, everything alive they killed.

When the Russians first came, the children were hiding in a cave. One Parchamite Communist man was with them, and helped bring the children out, and they burned them to death. They were burning the Mosques, and they killed even chickens and dogs, and then they went away. When they came back, they began looting. They killed 768 people, along the valley. They burned the fields everywhere in the province, all the way up to the province capital. They came back to Surkhrud, and they did more things there. The children who were killed, their parents could not recognize them, because they were burned. They made fires with wood, and put the children in them, or put kerosene on children and burned them. Sometimes they killed children and then burned them, and sometimes they burned children alive. They were taking children out to the fields and burning them alive, and they put them in the rushes and brush and burned them alive. They killed all the faithful Moslems in the area. In Kats area, they killed 67 people—total, 768 that we know of. Some people are still missing, some are hiding in the mountains. Those families who have surviving men have come out, those whose men were killed are still hiding, with no one to bring them out.

Mostly children and ladies were killed?

Yes.

Why did they kill children and ladies?

The first time, they searched the area and got money from people. The second time, they captured one Mujahed. They had Parchamite Communist with them. And they started killing people everywhere. They took people from one village to another and killed them there. There was no reason. They killed that way many, many people. And this went on continuously for 6 days and nights. Some of the ladies and children who hid went without food and water for days. Some ladies drowned themselves in the river to escape.

(Someone else speaks.)

They hung one 2 or 3 weeks old baby boy in a tree, bayoneted him and made the parents watch while they burned him; when the baby was dead, they shot the parents. One ½ year old boy and 7 year old girl, my sister's children, were killed. It was very cruel. They killed many people, and this is a story people should not forget. They burned the houses, also.

When did they kill your sister?

Fourteen days ago.

Only one of my sister's daughters came out, with my mother—the rest are dead. The daughter didn't come out until 5 days ago—a very little girl. One 2 day old boy they tied, legs to one branch, hands to another, and built a fire under him and burned him. He was just 2 days old—only 2 days old—I swear it! My people will tell you.

There were 700 tanks, 8,000 Russian soldiers—maybe 200 MiGs and helicopters. There was heavy bombing over all of Laghman . . .

Did any old or religious people ask the Russians to stop?

When anyone asked them to stop, or why they were doing these things, they were shot. So there was no way of stopping them.

Because of bombing and shelling, women and children were trapped, with no way of escape.

You were talking about the Malang?

(A Malang is a religious man who lives in the local graveyard, praying for the souls of the dead.)

Some one gave the Malang three colored eggs to eat—so the Russians came and shot him in the mouth and blew his head off.

The Russians were like wild animals—they had no pity—they had no human feelings. Eight farmers were working in a field, cutting wheat. The Russians asked them what they were doing. The farmers said they were harvesting grain, to take to the mill. The Russians shot and killed them all.

One girl went inside her house, and a Russian followed her in. She killed him with a sickle. This happened in Bolan——she cut his head off. Another Russian came and shot and killed her.

In the Qarghai district of Laghman, not more than 80 people still live. My own house, with everything in it, was burned.

They were destroying the houses in the district with BM-13 rockets, and dropping bombs that killed everyone for 2000 meters on all sides.

The Russians play at many, many games inside Afghanistan.

(A young man speaks.)

When the Russians first attacked the area, the Mujaheddin ambushed them and killed 24. Then airplanes came, with bombs and rockets, bombing everywhere. Four rockets hit near my house.

Though the Mujaheddin defeated the Russians at first in the Sheihk Mahmud Farindar area, they warned the villagers that the Russians were coming, and they should hide in the mountains, but this time the Russians had surrounded the mountains with paratroops and there was no escape. People who hid in the mountains had to eat grass, because they had no food with them—I myself lived by eating grass.

In previous times, the young people hid in the mountains to avoid being drafted in the army, but this time, bombing, artillery and automatic gunfire killed many. Russians had occupied the mountains in advance, so there was no place to go.

Total of martyrs, we don't know. Many died when they fled into the mountains paratroops were already there, and BM-13 rockets and bombs killed people even far away in the mountains.

The Russians rounded up 23 or 25 old, respected people, put them in a room threw a hand grenade in and killed them all.

There were no Mullahs or old people left to bury the dead properly. The few people left are hiding, waiting to harvest their crops—then they, too, will leave, and there will be no one left in Qarghai no one alive.

They were so cruel? They hung women from trees by the neck, or hung them by one leg and stabbed them to death with bayonets, and killed children the same way.

We want to go back, as soon as possible, whenever the Russians leave Afghanistan. We want to go home.

(Another speaker.)

They were firing BM-13 rockets, and some houses were burning and I and three brothers and 1 guest were together. We decided to go to the mountains, but they were already occupied by the Russians during the night. When we reached a flat area below the mountains, the Russians shot at us. We stopped, 4 machine guns shot at us, tracer bullets, then mortars firing. I lay on the ground; I lost my cap. My four friends ran back toward the village, the Russians firing at them; they escaped into a small area of forest safely. Tanks moved toward me, and I ran away, toward the mountains again—the machine guns fired again and I lay down behind rocks; 200-300 villagers were also running toward the mountains; when they got there, they found the Russians were there, and the Mujaheddin and the Russians began fighting. The Russians were using very heavy rockets, tanks, MI-24s, MiGs. One Mujahed was wounded. The Mujaheddin only had one machine gun, 1 Muhjahed used it to hold the Russians off while everyone escaped—then the other Mujaheddin fired at the Russians, allowing the man with the machine gun to escape. So they all fled under heavy fire. The wounded man wanted water, but the only spring in the area was occupied by the Russians. At night, I went back to my village. No one was there—some had gone to other villages, they had fled to places where tanks could not go. A woman offered me a loaf of bread, but I said, I'm not hungry, I cannot eat after what I have seen. I spent the night in a haystack with other wanderers. The night was lit up by flares, tracers and bullets.

In the morning, we found that the village was occupied by the Russians again. They were killing, cattle, sheep, everything, not to eat, just to kill. At noon, the Russians started to move out, and we began collecting the bodies of the martyrs. Many people we could not recognize, because the heads had been cut off, faces crushed by beating. I found my cousin, who was a teacher, at first, I could not recognize him. In each house we found 2 or 3 bodies. They had killed almost everybody. We went up into the Sheikh Mahmud Farindar area of the mountains, and there we found 14 more martyrs—some without clothes, they had been killed naked, or burned alive the clothes burned off them. As we carried the bodies down, the Russians saw us and began firing BM-13 rockets, we brought the bodies to the village. When we tried to go back and get more, the Russians fired rockets and stopped us. While we were burying the dead the Russians were bombarding the area with tanks. One 9 months pregnant woman ran out of her house, and a shell hit her and killed her. Her brother's son saw his dead aunt and ran toward her, and he was shot through the head.

In Shahmangal, the Russians took pregnant women and asked them, "What's in

your stomach? A grenade? A mine?" The woman would turn her face away, because Afghan people don't talk like that. The Russians said "There's a hand grenade or mine in your stomach." Then they took bayonets and stabbed them in the stomach, killing the unborn baby and the mother.

The Russian said, "you are Moslems, believing in God—call your God to come and save you death. Where is your God, and how is he?" And the people said, "We believe in God, and whatever happens is God's Will." And the Russians killed them, too. MiGs and helicopters were still bombarding the area . . . In another village, the Russians took three old people and 1 religious leader, and killed them. No one knows where the bodies are.

The Mujaheddin fought for peace for Afghanistan and Islam; they did many good works for the sake of God. The Holy Koran says, "My land is wide, and you can go from one place to another to find peace." So now we are in Pakistan, and we pray for a long and happy life for President Zia ul-Haq, and a good life and more wealth for Pakistani people.●

DR. BENJAMIN FRANK

● Mr. LEAHY. Mr. President, last fall the Nation lost one of it's leading experts on Federal corrections policy, Dr. Benjamin Frank. Dr. Frank served 26 distinguished years in the Federal Prison Service, where he was recognized by long time Director James V. Bennett as chairman of Bennett's "brain trust."

Dr. Frank held a doctorate in psychology from New York University and among his many distinguished achievements he was the principal architect of the Center for the Study of Crime, Delinquency and Corrections at Southern Illinois University, he was a professional lecturer in the Criminal Justice Program at Maryland University, he was director of the Commission on Correctional Manpower and Training, he was a visiting expert at the U.N. Far East and Asian Institute in Japan, an adjunct professor at the School of Justice at American University, and he was the author of Contemporary Corrections. In addition to these many achievements he was also a fellow of the American Association for the Advancement of Science.

Ben Frank not only brought tremendous insight and ability to the field of Federal corrections, he brought a quality and depth of scholarship to the field which, in the view or Dr. Moeller, will be a valuable part of the debate on correctional policy in this century.

Mr. President, the September 1984 issue of Federal Probation, A journal of correction philosophy and practice for which Dr. Benjamin Frank served as book review editor was dedicated to his memory. I ask that a copy of the tribute to Dr. Frank in that issue written by H.G. Moeller, former Deputy Director of the U.S. Bureau of Prisons and professor emeritus at East Carolina University be printed in the RECORD.

The tribute follows:

[From the Federal Probation, September 1984]

BENJAMIN FRANK—1902-84

The writer is one of the privileged handful of those who knew Ben Frank for nearly a half-century. For us, his death shortly after his 82nd birthday marked the end of a rich association with one we knew as a philosopher, scholar, teacher and corrections practitioner of unusual stature.

Some ten lines of text in "Contributors to This Issue" on the back cover of Federal Probation, September 1983, provide a quick summary of the bare facts of a distinguished career—a doctorate in psychology from New York University; 26 years in the Federal Prison Service, where he was recognized by long-time Director James V. Bennett as chairman of the latter's "Brain Trust"; a principal architect of the Center for the Study of Crime, Delinquency and Corrections of Southern Illinois University; Professional Lecturer in the criminal justice program at Maryland University; Director, Commission on Correctional Manpower and Training, a unique project which he brought to a highly successful conclusion; Visiting Expert at the UN Far East and Asian Institute in Japan; Adjunct Professor, School of Justice, American University; author of Contemporary Corrections; lifetime member of and leader in several professional organizations; and Fellow of the American Association for the Advancement of Science.

Omitted from the summary were his contributions to Federal Probation over the history of that publication. One of the early editors, in association with Vic Evjen, he subsequently became a member of the magazine's Advisory Committee, and since 1947 was editor of its "Bookshelf in Review" department. He was one of the forces which made the magazine a unique professional journal.

But the recital of these facts tells us too little about the man. Some insight into the quality and depth of his scholarship is suggested by the lead article in Federal Probation, September 1983, which he called "Writing About Justice: An Essay Review." Written when he was in his eighty second year, this piece holds up to the light the philosophical debates which will contribute to the shaping of correctional policy in this century. His book, Contemporary Corrections—A Concept in Search of Content published a decade ago remains a valuable anthology. Dr. Frank's editorial commentaries which introduce the essays of an outstanding roster of contributors as well as his own chapter entitled "Crime, Law and Justice" give us clear insights into the clarity of his vision.

These insights, however useful, still fail to give us the full measure of the man whom I knew best. My first encounter with him came in the summer of 1937. I was then an intern in public administration at the Federal Reformatory at Chillicothe, Ohio. The grapevine had passed the word that one of the Washington "earthshakers" was in the institution. It was not until the end of the working day that I came upon him in the Bachelor Officers' Quarters. The diminutive, dark complexioned, youthful stranger, casually dressed in sport shirt and slacks belied the "brass hat" label as did his invitation "Let's go someplace and have a beer." Some hours later I was back in my room reviewing an evening which I had spent with what was surely one of the brightest professionals I had yet met in the field. I had just finished one of the most penetrating oral examinations I had ever experienced. I had been baited and teased, challenged to debate, had laughed at myself and joked with a colleague. I had found a friend and the friendship was to last.

Some months later, when I joined the staff of the Bureau of Prisons, I was to find that Ben enjoyed the confidence and respect of all of his colleagues. For me, he became a confidante, a counselor, a mentor. One who was invariably constructive, critical and always available during periods of high impatience and frustration. His was a listening ear. He also had the capacity to bring youthful idealism face to face with reality as he would shrug his shoulders, grin and ask "Well, what do you expect?"

Ben, though twice happily married, was childless—but he had a great love for children. Two in our household were to claim him as their Jewish Uncle who often understood them better than their parents. He also had a special concern for troubled adolescents and students in distress. as a counselor and advisor to the young he was unsurpassed, as many who have "made it" with his help freely testify.

Ben was an intensely private person who was seen by some as hard to know. In part this was because he had little time for small talk and no patience for bigotry, or intolerance, or mediocrity. He spent his entire life expanding his horizons. He sought as companions persons who enjoyed the world of ideas, and who were fellow searchers who sought understanding of the human condition. In his latter years he seized the opportunity to travel widely to broaden his understanding of history, art, music and drama. For him life was a moveable feast.

His view of life was perhaps best expressed in a note whch he sent me when I reached my 65th birthday. It was a quotation from Tennyson's Ulysses.

Tho' much is taken, much abides, and tho'
We are not now that strength which in old days
Moved earth and heaven, that which we are, we are
One equal temper of heroic hearts,
Made weak by time and fate, but strong in will
To strive, to seek, to find, and not to yield.

Thank you Ben for keeping the faith.

H.G. MOELLER,

Deputy Director (retired), U.S. Bureau of Prisons and Professor Emeritus, East Carolina University.●

SENATE STAFF CLUB TO HONOR JOE WASHINGTON

● Mr. BENTSEN. Mr. President, on Tuesday evening, June 25, 1985, the U.S. Senate Staff Club will pay special tribute to Joe Washington. Mr. Washington, is best known as the National Football League runningback who has starred for the Baltimore Colts and the Washington Redskins, and will soon be joining the Atlanta Falcons.

Being an excellent performer in the profession he selected has never been enough for this native Texan, and the Senate Staff Club is honoring Mr. Washington as much for his communi-

ty contributions off the field as for his brilliant athletic career.

Many people know that Joe Washington, for example, has averaged more than 1,000 yards a season in a business where success is judged by 1,000-yard years. But what I find most impressive is his penchant for community work, for which Joe Washington has never sought favor nor publicity.

In his hometown of Port Arthur, TX, Mr. Washington has devoted many, many hours to the Bob Hope-Hughen School for Children, the only facility for the handicapped of its type in America. He has coordinated the Bum Philips Celebrity Golf Tournament in Port Arthur, which supports the Bob Hope-Hughen School.

Since moving to the Baltimore-Washington, DC, area in 1978, he has devoted himself to helping others less fortunate. He was chairman of an Association for Retarded Citizens and has been active in the Special Olympics. In Oklahoma, where Mr. Washington graduated from the University of Oklahoma, he is on the advisory board of Wednesday's Child, an organization dedicated to orphaned children. He has worked with No Greater Love, a Christmas celebration for children of fathers killed in service. He serves on the sports council of the National Foundation of Ileitis and Colitis, and is a spokesman for the Oklahoma Society to Prevent Blindness.

In the Washington area, Mr. Washington promoted public awareness of the need for vital organ donors, especially livers. The result was the donation of livers successfully transplanted into 11 children. Washington Redskin fans in 1983 voted him Man of the Year for his contributions to society. Mrs. Nancy Reagan has asked Mr. Washington to accompany her in the campaign against drug abuse, an invitation he readily accepted. The NFL selected Joe Washington to be the Redskin representative in national United Way campaign promotions. He has worked with the Washington Boys Club and the Washington Board of Trade in its youth activities.

I congratulate the Senate Staff Club for recognizing such a splendid Texan, and I applaud Joe Washington for being so deserving of this tribute.●

THE BUDGET DEFICIT: THE NATION'S NUMBER ONE PROBLEM

● Mr. SIMON. Mr. President, I do not read the Los Angeles Times regularly, though every time I read it, I am impressed by the quality of that journal.

I did pick it up the other day and read an editorial piece by John Oliver Wilson, senior vice president and chief economist for the Bank of America.

What he says on budget deficits is right on target.

The number one problem this Nation faces is not tax reform or any of the other things we talk about, it is moving on that deficit. And I hope we have the courage to do so and do so quickly.

I encourage my colleagues in the House and Senate to read his article, and I ask that his words be printed in the RECORD.

The article follows:

HUGE U.S. BUDGET DEFICITS AREN'T GOING TO DISAPPEAR

(By John Oliver Wilson)

With President Reagan's dramatic recent announcement that we must transform a tax system "that's become an endless source of confusion and resentment into one that is clear simple and fair," the national policy spotlight has focused intensely on the debate over tax reform. The big question is: Will efforts to reduce the budget deficit disappear into the background?

No issue of public policy has received as much attention and been studied and debated so thoroughly as the budget deficit. The most recent report, in a long line of studies over the past year, is that of the Commitee for Economic Development, entitled "Fighting Federal Deficits: The Time for Hard Choices."

There have been few issues of public policy in which agreement among so many divergent sectors is so prevalent. It seems that everyone understands the problem and knows what to do except those who must make the decision: the politicians. Here the differences are great. Most politicians would like to ignore the problem and hope that it disappears. Others, including President Reagan, argue that the deficit is an overstated problem. But the Committee for Economic Development report is correct. It is the time for hard choices. Tired as the problem is—after all, who wants to read another article about the deficit?—it simply will not disappear. And it will not disappear because of three basic facts:

Fact one: We cannot grow our way out of the deficit.

The Reagan Administration long held out the promise that the budget deficit would be self correcting; that is, the economy would perform so strongly in future years that the deficit would eventually disappear. Government expenditures would decline in the areas of welfare payments, unemployment compensation and other recession-sensitive programs, and tax revenues would dramatically increase as the economy grew.

This naive view was quickly challenged by private studies, as well as by the Congressional Budget Office, the primary research arm for members of Congress. For instance, when the Reagan Administration agreed to a budget revision last August, just before the fall campaign for reelection, it was announced that the deficit would decline to $139 billion by 1989. Not so, said the Congressional Budget Office. Making more realistic assumptions on economic growth rates, inflation and interest levels, the budget office said the deficit would actually increase to $230 billion.

Fact two: The deficit is the result of structural imbalances between tax revenues and government expenditures.

When President Reagan took office in 1981, the budget deficit was $74 billion, after having averaged only $30 billion during the years 1965 through 1980. The structural imbalances began when the President signed into law the historic Economic Recovery Tax Act of 1981, which reduced taxes by $750 billion over a five-year period.

The second step of the structural imbalance problem occurred when the Reagan Administration decided to increase defense spending from $134 billion during 1980 to $404 billion by 1989. Such an increase was necessary to counter what the President called the "massive military buildup" of the Soviet Union.

AGING AMERICAN POPULATION

The third step of the imbalance problem was not the result of policy changes by the Reagan Administration but is due to an aging American population. Social Security, Medicare, government and military retirement and other programs transferring income to the retired population account for 33% of all federal expenditures, compared to 18% in 1962. It is impossible to reduce the deficit without sharing the pain among all Americans, including the elderly.

These structural imbalances can only be corrected by government action, which means raising taxes, reducing planned defense outlays and scaling back or taxing Social Security payments. These are very difficult decisions for politicians to make.

Fact three: Financing the budget deficit will erode the strength of the American economy.

To many Americans, the deficit issue seems to be exaggerated. If it is such a problem, then why has the economy been performing so strongly, particularly during 1984? The answer is quite simple: The deficit is a long-term problem, not a short-term one. In fact, a major reason for the strong recovery from the recession of 1981–82 was the budget deficit, which boosted demand by billions of dollars. And it is continuing to pump $200 billion of government spending stimulus into the economy, offsetting weaknesses in business investment and foreign trade.

COMPETING WITH PRIVATE NEEDS

But now that the economy has recovered from the recession, financing the deficit is competing with private investment needs. And herein lies the most critical problem of the deficit. The longer it erodes private investment, the greater the damage to the long-run growth potential of the economy. Ten years from now we will look back and ask: What happened to the industrial and financial strength of the American economy?

The reason for this gradual erosion—an economic cancer—becomes clear when we look at the proportion of net domestic savings that is being absorbed by the federal budget deficit. Net domestic savings are the amount of savings in the economy after replacing depreciated capital. This is the savings available to finance investments in education, research, housing and new plant and equipment—investments that are critical to out future strength.

From now through 1990, the deficit will absorb 75% of net domestic savings, compared to an average of only 20% during the years 1965–80. Or, conversely, the proportion of net domestic savings available for investment in our future strength has been reduced to 25% from 80%.

This fact alone is reason enough to keep the tired old issue of the budget deficit alive.●

AMERICA'S WOOD PRODUCTS INDUSTRY AT THE CROSSROADS

● Mr. BAUCUS. Mr. President, I have spoken before—in this body and in other fora—about the trade problems confronting this great Nation. These problems are not abstract concerns: They represent real problems and real people.

In my own State of Montana—and in other Northwestern States and States in the Southeastern region of the United States—the softwood lumber industry is a classic example of what is happening. The softwood lumber industry in the United States is very efficient, but it is being attacked by the overvalued dollar, the stumpage practices of our neighbor to the north, and import barriers erected by our trading partners in the Far East.

Mr. President, last month Congressman DON BONKER from Washington State spoke before the National Forest Products Association. His speech provided an excellent analysis of the problem confronting this industry. I ask that it be printed in the RECORD, and I urge my colleagues to read it.

The speech follows:

AMERICA'S WOOD PRODUCTS INDUSTRY AT THE CROSSROADS

(The Honorable Don Bonker)

Every month the Secretary of Commerce holds a press conference to announce the latest trade deficit figures. The amount for the previous month is posted and the comparisons with the preceding month and year carry disturbing news about the United States' trade performance. On the surface, the trade deficit tells us that our imports are running $120 to $150 billion a year more than our exports. But it says something far more ominous about economic trends in this country and the U.S. competitive posture in today's world.

The timber and wood products industry is a classic example of what is happening to America's manufacturing base. It is an industry in transition as companies, big and small, try to cope with new competitive forces and economic realities that could either signal the industry's demise or bring new opportunities.

We are at that crossroads today as the NFPA Board of Governors meets to confront these issues, and the biggest issue of all is international trade.

The timber and wood products industry, long the champion of free trade, is now being battered on all sides of the trade equation. What is happening today is not sustainable:

The inflated dollar is like a 40 percent tariff on our exports or a 40 percent subsidy on foreign wood products imports.

Subsidized stumpage has given Canadian producers over 30 percent of our domestic market.

After years of intense and good faith negotiations on tariffs, the Japanese still have not budged. There is little progress on Europe's effort to protect their resource base.

China's preoccupation with purchasing raw logs deny our domestic producers the full range of economic benefits that come with manufacturing.

In some ways, the trend in wood products trade reminds me of the plight of an underdeveloped nation. We are exporting our raw materials to Japan and China, and buying a large portion of our finished goods from foreign sources, particularly Canada.

This is not the free trade your industry has always supported. This is not free trade at all.

This challenge before you—and before your supporters in Congress—is to resolve this conflict between a philosophical commitment to open and free trade, and the harsh realities that beset your industry in the real world. The bottom line is survival, and I know this is the task before the NFPA today.

The time has come for government and industry to collaborate in order to end unfair foreign trade practices and help to achieve our export potential in wood and paper products.

The time has also come for us to recognize that free trade does not mean our nation—or your industry—has to be a punching bag on every trade issue.

We must retain our philosophical commitment to free trade, for open and expanding world trade is our best hope for global economic growth and stability. But we must not become paralyzed when it comes to taking legitimate steps to deal with unfair foreign trading practices.

In today's highly competitive and often hostile economic environment, free trade is more of a goal than a reality. It means we should strive to eliminate trade restrictions on both sides and ensure that every nation is playing by the same rules.

I do not pretend to have all the answers, but I would begin by proposing a five-point program.

First, no matter what else we do to become more competitive, it won't be fully effective until the international currency problem is addressed. Today's distorted exchange rates hurt both ways: imports are cheaper, and exports are more expensive.

The conventional wisdom is that the federal budget deficit is the villain because it pushes up interest rates and invites foreign capital investment, enhancing the value of the dollar vis-a-vis other currencies.

Deficit reduction is a political and economic imperative, and Congress would be irresponsible not to act boldly this year, but I am not convinced that deficit reduction alone will bear significantly on the currency problem. In my opinion, we need more immediate and direct action along the lines of setting target zones for international exchange rates to avoid extreme fluctuations in currency values. The European Community employs such a system with noted success.

I was disappointed that President Reagan ignored a proposal to at least discuss the international monetary problem at the Bonn Summit. Unless the Administration recognizes the problem, there is little prospect that we can do anything about it.

Second, the Canadian import issue must be settled. As a result of heavy governmental subsidies on stumpage, Canadian manufacturers are undercutting our long-established mills, capturing an ever-increasing share of the U.S. market.

The question is no longer whether the problem of Canadian imports will be addressed, it's how the problem will be addressed.

The entire U.S. industry is galvanized like never before, to take whatever action necessary. There is widespread frustration within Congress, and a recognition that action is long overdue. Even the Administration, often seen as the Canadians' "ace in the hole" appears to be coming to recognize the severity of the problem.

The real question is, how should Congress deal with this problem? Along with 40 of my colleagues in the House, I have introduced legislation which I believe deals with the Canadian import situation in a tough, but equitable manner.

My bill proposes a three-step process. One, we unbind the tariffs and set a one-year timeframe for the negotiations currently ongoing between our two governments. Two, if there is no agreement, a temporary ten percent ad valorem duty would be imposed on Canadian wood products coming into this country. Third, if there is no agreement, my bill would redefine "subsidy" in our trade law to specifically include below-market stumpage pricing, which will enable our industry to seek proper relief under existing trade laws.

Undoubtedly, some will call this bill protectionist, but this charge will not hold water. My approach relies upon negotiations and existing remedies under our trade laws. The real question posed by my bill is this: Are the Provinces subsidizing their industry to the extent that it gives them an unfair advantage in our domestic market? If so, the subsidy must end, or at least a countervailing duty should be imposed. If not, we have only ourselves to blame for not being competitive with our neighbors to the north.

A similar resource subsidy provision has also been proposed—on an even broader scale—in legislation authored by Rep. Sam Gibbons of Florida. Rep. Gibbons is Chairman of the Ways and Means Subcommittee on Trade, and is widely acknowleged as "Mr. Free Trade" in the House of Representatives.

The Gibbons bill takes a general approach to resource subsidies, while my bill is product-specific to timber. But when it comes to wood products, they have the same purpose—to end Canadian subsidies.

Third, Japan must end its tariffs and other barriers to U.S. finished products or face retaliatory action. It sounds like harsh language, but after years of negotiations with very little to show, what is the alternative?

John Ward said it best in a speech before a Japanese executive team visiting the United States to review our complaints about market access:

". . . we have prepared in Japanese and distributed many White Papers on the issue. We have traversed your land with numerous missions, visiting literally hundreds of key officials. We have spoken to end users—builders and furniture manufacturers—to your ministers * * * and, or course, to your Diet members."

Still no results. I would commend our industry for the creative and positive way in which you have approached this problem. There are tremendous market possibilities in Japan, but they won't be realized unless those protective tariffs come down.

To add insult to injury, the U.S. tariffs on Japanese hardboard panels are steadily declining. Currently, this trade represents about $50 million per year for Japan. While their tariffs on our plywood, veneer, and other products are stuck at 15 percent, our tariffs on Japanese hardboards have gone from 20 percent to 8 percent currently, and they are scheduled to drop even further in the near future.

I am considering a number of options to give our negotiators added clout in dealing with the Japanese on wood products. One

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approach might be legislation patterned after the Danforth bill on telecommunications that would unbind the tariffs on both sides and then establish a level playing field. If Japan persists with its tariffs, we would impose comparable tariffs. This is called reciprocity, and the President now has the authority to take these kinds of actions while remaining consistent to the GATT. Another suggestion that I have heard is for Congress to provide the States with the authority to restrict log exports from their lands. There are other potential approaches, and each obviously has its pluses and minuses, but the message to the Japanese negotiators should be clear: Congressional patience is wearing thin.

Fourth, while China's heavy purchase of raw logs has been welcomed in an otherwise depressed Northwest industry, I am bothered by the long-term trends and effects of this policy.

Many of those logs come from my district, where mills are shut down and unemployment is unacceptably high. When we harvest logs and put them in a boat, the area is denied all the economic benefits that come with processing—jobs, capital investment, tax base, etc.

Our government should have a resource policy to insure that a fair share of these economic benefits stay at home. Until then, the alternatives are to restrict log exports (at least from public lands) or convince the Chinese to buy a mix of finished products and logs.

When I first came to Congress and faced a similar problem with Japan, I called for a log export ban. Hopefully, I am wiser now, and with my growing seniority and well-placed committee assignments, I can deal more creatively with this issue. That is why I am taking a trade delegation to China in July. Our goal will be to persuade the PRC to start buying more finished products, even as they continue to enjoy our logs. I realize there have been countless industry trade missions to China, but in a non-market economy like the PRC, a ranking Member of Congress can help get the message across.

Fifth, trade promotion is essential if we are to achieve our potential in world markets.

I know American companies, individually and collectively, have made a major investment in this regard. However, more needs to be done and government has a definite role to play.

Let me cite the example of South America. The housing demands there are enormous, totaling 20 to 30 million units through the end of the century. Presently, the use of wood in home construction is almost non-existent.

Last year, Secretary of Commerce Malcolm Baldrige and I hosted a breakfast with South American Ambassadors and invited their countries to participate in a three-day wood housing seminar in Seattle. The response was overwhelming. Over 60 ministers and other officials from Latin America and the Caribbean participated. At the seminar they learned, many for the first time, about the economy, efficiency, and durability of using wood and U.S. housing technology.

Following the conference, we got the State Department to fund a number of demonstration projects in six key Latin American countries. The wood and accompanying materials are now there or on the way. At the end of this month, I will take a delegation of twenty industry representatives to Chile, Peru, and Ecuador, to review these demonstration projects and pursue further marketing possibilities in those countries.

This kind of bold government/private sector initiative is essential if we are to develop new markets for our nation's wood products. I learned recently of an exhibit in Peking, sponsored by the European Community, that was a big hit with the Chinese. Our government can and must do more to work with industry to see that we maintain our competitive position.

If we don't export more, our only alternative is to import less or live with staggering trade deficits. Congress has been restrained on protectionist bills, grudgingly giving the President more time and more authority to deal with the current trade distortions, but our patience is all but gone.

Every major newspaper in the Northwest has carried extensive articles on the state of the timber and wood products industry. It has become a sad commentary on what was once a vibrant enterprise in the region. But unlike the late 1960s, nobody is about to "turn off the light". There is considerable hope for the future; after all, we are talking about an abundant, renewable resource much in demand in today's world.

The resource has not changed, but the times and the markets have. We are now in a global community where the rules are different. That is why it is important for government, industry, and labor to put aside their adversarial impulses and begin working together to insure that this industry stays competitive.●

UNDISCIPLINED SOCIAL SCIENCE

● Mr. SIMON. Mr. President, Prof. Ernest R. House, of the University of Illinois at Champaign, has addressed the thesis advanced by Charles Murray in a recent book that has received a great deal of attention. Murray says that the programs to help the poor in our society have not worked and, in fact, have been counterproductive.

Much of what Murray had to say has been very effectively shot down by Robert Greenstein in an article in the New Republic.

Professor House, writing only on the education part of the Murray book, wrote some comments for a publication called Evaluation News. Since that publication does not have much circulation among Members of the House and Senate, I am taking the liberty of inserting in the CONGRESSIONAL RECORD Professor House's comments, titled appropriately, "Undisciplined Social Science."

It is scholarly and devastating.

It shows that progress is being made and that we ought to continue to push for progress.

I ask that the article be printed in the RECORD.

The article follows:

UNDISCIPLINED SOCIAL SCIENCE

(By Ernest R. House)

One of our fellow evaluators has hit it big. Charles Murray, formerly Chief Scientist at the American Institutes for Research where he directed the Cities-in-Schools evaluation and designed the PUSH/Excel evaluation, has published a book which is the talk of Washington. Patrick Buchanan, conservative columnist and White House Director of Communications, has called it "brilliant." On the book's cover Edward Banfield of Harvard says, "Fair-minded thought, extensive scholarship . . . "; Nathan Glazer, also of Harvard, calls it "A remarkable book. . . ."

In Losing Ground: American Social Policy 1950–1980 (1984) Murray contends that the plight of poor blacks was improving from the 1950's until 1965, when the Great Society programs were enacted. After the Great Society programs began, the welfare of the poor blacks actually worsened from 1965 to 1980. The Great Society programs themselves were responsible for this worsening of the poor's conditions, Murray contends. And the only way to improve their plight now is to scrap all these social programs. To support this bold thesis Murray cites trend data from the 1950's to the 1980's in the areas of poverty, employment, wages, education, crime, and the family.

I must admit to a certain trepidation when I ordered the book because Murray had conducted the quantitative analysis in the PUSH/Excel evaluation, which included a number of questionable procedures. What has Murray done in this book to receive such acclaim?

Let's focus closely on his analysis for education. Murray contends that education for poor blacks was improving in the 1950's until 1965. Then their education got much worse in short order. To support his thesis he first cites the mean test scores for 9th graders in the Project Talent data in 1960, Mean test scores for blacks were "a third lower" than white scores. There was a 1.28 s.d. difference between black and white mean scores.

Then for his 1965 data he cites test scores from the Coleman report, which were collected from 12th grade students, using entirely different tests. Whereas in 1960 the black score was only 68% of the white score, in the 1965 Coleman Report data it was now 79% and only a 1.09 s.d. difference. Clearly, Murray argues, public elementary and secondary education for blacks was getting better from 1960 to 1965, which is quite an inductive leap from the data derived from two different sets of tests given to different age groups.

Now for the clincher. In Murray's own words, "The rest of the story is grim, so grim that it is reasonable to question whether the data I am about to present can be taken at face value. . . . Put briefly, as of 1980 the gap in educational achievement between black and white students leaving high school was so great that it threatened to defeat any other attempts to narrow the economic differences separating blacks from whites" (p. 104–105).

Murray now cites 1980 test score means from the Armed Forces Qualification Test given to 18–23 year olds and says, "Overall, the whitemean score was 2.3 times the black mean score" (p. 105). This comparison is given in terms of mean scores; no standard deviations are given or mentioned here. Rarely, if ever, would a researcher give this meaningless number. The average reader would likely compare the 2.3 number to the 1.28 and 1.09 standard deviations given earlier and conclude that this gap has indeed grown enormously. Murray immediately reinforces such a spurious comparison by saying, "It is difficult to specify exactly what such a difference means, except that it is obviously extremely large" (p. 105).

Actually, if one calculates the standard deviation between means for the Armed Forces data it comes to only 1.13 in 1980,

compared to 1.28 in 1960 and 1.09 in 1965, hardly the widening chasm between blacks and whites that Murray protrays. But how many readers could dig the standard deviations from the notes in the back of his book and do the calculations? And why did Murray omit the most meaningful comparative statistic, the difference in means expressed in standard deviations?

So Murray's main argument is based on different tests given to three quite different age groups at different points in time, with the difference between black and white mean scores amounting to 1.28, 1.09, and 1.13 standard deviations over 20 years, and on this basis Murray concludes that (1) education for blacks was improving to 1965, (2) that it declined precipitously after 1965 as a result of the Great Society programs, and (3) that this educational decline overwhelmed any attempts to narrow the economic gap between blacks and whites. I leave the reader to count how many canons of social science research have been violated in Murray's reasoning, and we aren't talking the niceties of proper inference either.

Murray also ignores a great deal of evidence contrary to his assertions. For example, the National Assessment of Educational Progress tests, which cover much of the period in question, are hardly obscure, hard-to-find data. Here is a summary from a recent review of the National Assessment data: "The results summarized here show that during the 1970's the discrepancy in average achievement level between the nation's white and black youth has become smaller in five important learning areas at ages 9 and 13. Typically when achievement for white students has declined, that for black students has declined less; when whites have improved, blacks have improved more. The difference between the races has decreased at both ages in mathematics, science, reading, writing and social students." (Burton and Jones, 1982, p. 14). Unlike Murray's analysis this one has the virtues of comparable test items, comparable age groups, and a consistent handling of the statistics. One could cite much evidence contrary to Murray's thesis but none of it is mentioned in his book.

I have not examined the data and statistics in other parts of the book. Perhaps they are better handled. It is distressing to see a follow evaluator do what appears to be shoddy intellectual work. It is not surprising that the conservative establishment has glorified these spurious findings. After all, liberal politicians have made use of questionable studies for many years. What is most disturbing is that some leading social scientists endorse such low quality work. Are there no limits to how poor our arguments can be in social science?

Murray concludes in his book that the Great Society programs have eroded the discipline and self-discipline among poor blacks. One might make the argument that this lack of discipline extends to the social scientists themselves. At least Murray's book and its endorsements would be some evidence for that thesis.

Charles Murray. *Losing Ground: American Social Policy 1950-1980.* Basic Books, 1984.

Nancy Burton and Lyle V. Jones. "Recent Trends in Achievement Levels of Black and White Youth." *Educational Researcher,* Vol. 11, No. 4, April 1982, pp. 10-14.●

THE NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION PROGRAM SUPPORT REAUTHORIZATION ACT

● Mr. WEICKER. Mr. President, I am pleased to report that yesterday the Senate passed S. 990, the National Oceanic and Atmospheric Administration Act. This legislation authorizes appropriations for general program support and certain ocean and coastal activities of the National Oceanic and Atmospheric Administration [NOAA] for fiscal years 1986 and 1987. These activities include ocean pollution planning; ocean and ocean dumping research; marine, ocean, and aircraft services; and mapping, charting, and geodesy programs. The bill imposes a freeze on spending for these programs, capping the fiscal year 1986 authorization level at the 1985 appropriations mark, and allowing a 4.5-percent increase for fiscal year 1987. This action reflects the budget package passed earlier this year by the Senate. Reauthorizations for three acts relevant to NOAA's mission are also included.

As land resources become scarce, we are looking to the sea to help us meet the growing needs of our economy. Recent scientific and technological advances have rapidly expanded our use of the oceans to encompass such diverse activities as oil and gas deep-sea exploration and development, exploration and research with deep-sea submersible vessels, and fisheries and aquaculture research and development. Developing sound policies to deal with these diverse uses has been one of my highest priorities as a member of the Senate. As the Federal agency with the primary responsibility for the Nation's research, service, and regulatory programs affecting ocean and coastal activities, NOAA has played a key role in the development of these policies.

In the past few years, the Federal budget has come under increased pressure. This pressure has been felt most acutely by the Nation's oceans and coastal programs. As a member of the Senate Appropriations Subcommittee on Commerce, Justice, State, and the Judiciary, I have been particularly aware of the impact of such budget stringencies on environmental research. These circumstances have resulted in difficult choices for Congress, yet I feel very strongly that NOAA's activities should be a top priority in order to efficiently develop and conserve our ocean and coastal resources.

With the passage of S. 990, we can continue to maintain sound ocean and coastal research programs within NOAA.●

THE PRESIDENT'S DECISION ON TRADE RETALIATION

● Mr. DANFORTH. Mr. President, I would like to bring to the attention of my colleagues the administration's decision to retaliate against the European community's unfair trade practices in citrus. While several administrations—and, obviously, the Europeans—must share the blame for the 9 years it has taken to resolve this case, I am pleased that the President has now chosen to use his authority under section 301 of the Trade Act 1974.

For the petitioners in this case, a negotiated solution to improve their access to the European market—had one been possible—might have been a better outcome. For the sake of U.S. trade law—and law's credibility—this outcome was both necessary and significant.

Mr. President, I ask that a statement by Ambassador Michael Smith, Acting U.S. Trade Representative, on the citrus 301 case be placed in the RECORD.

The statement follows:

AMBASSADOR MICHAEL B. SMITH ANNOUNCES DECISION ON THE CITRUS 301 PETITION

The Acting United States Trade Representative, Ambassador Michael B. Smith, announced today the United States will increase import duties on certain pasta products from the European Community. This action is a result of an extended trade dispute with the EC on fresh and processed citrus.

"It is with great reluctance that the President had to take this action. We would have preferred to negotiate a solution; however, the EC was unable to offer a meaningful and adequate solution to solve this dispute," Smith stated.

In November 1976 the Florida Citrus Commission, California-Arizona Citrus League, Texas Citrus Mutual, and the Texas Citrus Exchange filed a petition under Section 301 of the Trade Act of 1974 with the United States Trade Representative. The petition alleged that the EC preferential import duties on fresh and processed citrus granted to certain Mediterranean countries had an adverse effect on U.S. citrus producers.

The U.S. and the EC have held consultations under the General Agreement on Tariffs and Trade (GATT) since 1980. A GATT panel report found in January 1985 that in fact, U.S. citrus producers were adversely effected by the EC's discriminatory tariff practices. The EC was unwilling to accept the GATT panel's findings or its recommendation to the EC to reduce the most-favored-nation duty on imports of oranges and lemons.

"I regret that the EC could not resolve this through the dispute settlement process in the GATT. The U.S. has lost about $48 million of annual trade, due to the EC's discriminatory duty treatment," said Smith. "The U.S. is taking action to compensate for the trade loss and to defend U.S. trade interests."

The President will impose 40% *ad valorem* duties on pasta products not containing egg and 25% *ad valorem* duties on pasta containing egg. The U.S. can rescind or modify the assessed duties, if the U.S. and the EC

agree to a fair and adequate solution to the dispute.●

ORDERS FOR FRIDAY

Mr. DOLE. Mr. President, I am advised by the distinguished minority leader that there will be no further business. But I can ask for the normal unanimous-consent requests. And, he indicated that was fine.

While we are checking that one nomination, let me make the normal requests.

ORDER FOR RECESS UNTIL 9:30 A.M.

Mr. DOLE. Mr. President, I ask unanimous consent that once the Senate completes its business today, it stand in recess until 9:30 a.m. tomorrow, Friday, June 21.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR RECOGNITION OF SENATOR PROXMIRE

Mr. DOLE. Mr. President, I further ask unanimous consent that following the two leaders under the standing order there be a special order in favor of the Senator from Wisconsin [Mr. PROXMIRE] for not to exceed 15 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR ROUTINE MORNING BUSINESS

Mr. DOLE. Mr. President, following the special order just identified, I ask unanimous consent that there be a period for the transaction of routine morning business not to extend beyond the hour of 10 o'clock with statements therein limited to 5 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. DOLE. Following routine morning business, the Senate will turn to H.R. 47, the Statue of Liberty coin bill. I say I think we have had sort of a gentleman's agreement on the Senate floor that we can dispose of that bill without a rollcall. If something should happen, we will postpone any record vote on any amendment or any final passage of the coin bill until next Tuesday.

I also indicated previously that there would be no record votes on Monday. It is my hope that we can reach a time agreement on the McClure-Volkmer gun bill. If that can be done, we will take it up on Tuesday, following the July 4 recess. If not, it is possible we will lay that bill down on Monday. But I can advise Members that there will be no record votes on Monday. If votes are ordered, they will occur on Tuesday.

RECESS UNTIL TOMORROW AT 9:30 A.M.

Mr. DOLE. Mr. President, there being no further business to come before the Senate, I move, in accordance with the previous order, that the Senate stand in recess until 9:30 a.m. tomorrow.

The motion was agreed to; and the Senate, at 10:07 p.m., recessed until Friday, June 21, 1985, at 9:30 a.m.

NOMINATIONS

Executive nominations received by the Senate June 20, 1985:

DEPARTMENT OF STATE

Bernard Kalb, of Maryland, to be an Assistant Secretary of State, vice Robert John Hughes, resigned.

THE JUDICIARY

Stanley Marcus, of Florida, to be U.S. district judge for the southern district of Florida vice a new position created by Public Law 98-353, approved July 10, 1984.

Thomas E. Scott, of Florida, to be U.S. district judge for the southern district of Florida vice a new position created by Public Law 98-353, approved July 10, 1984.

CONFIRMATIONS

Executive nominations confirmed by the Senate June 20, 1985:

IN THE COAST GUARD

The following officers of the U.S. Coast Guard for appointment to the grade of rear admiral:

Edwin H. Daniels
Clyde T. Lusk, Jr.
James C. Irwin
Bobby F. Hollingsworth

The above nominations were approved subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.

IN THE AIR FORCE

The following-named officer under the provisions of title 10, United States Code, section 601, to be assigned to a position of importance and responsibility designated by the President under title 10, United States Code, section 601:

To be general

Lt. Gen. John T. Chain, Jr., [redacted] FR, U.S. Air Force.

EXTENSIONS OF REMARKS

VOICE OF LIBERTY

HON. ROBERT H. MICHEL
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES

Thursday, June 20, 1985

● Mr. MICHEL. Mr. Speaker, for many years Radio Free Europe and Radio Liberty have been serving the people of Eastern Europe and the Soviet Union as sources of news and information not available in Communist-dominated countries.

In a recent interview, George Urban, director of Radio Free Europe [RFE], gave a fascinating description of the goals, the policies, and the staffing of RFE. One of his points I found particularly interesting: RFE, which used to broadcast only to Czechoslovakia, Poland, Hungary, Romania, and Bulgaria, now includes Estonia, Latvia, and Lithuania in its area of coverage. I find this fascinating because it reminds us that the United States has never recognized the Soviet conquest of these nations. So it is good to see that RFE, while not an official broadcasting service of the U.S. Government, is at least recognizing the diplomatic realities. I wonder how many governmental agencies dealing with the Soviet Union follow this sensible procedure? Since our Nation has never officially recognized the conquests that the Soviet Union made—because of its pact with its totalitarian friend, Nazi Germany—why don't we make certain that our policies reflect this reality? Is there a Latvian, Lithuanian, or Estonian "desk" in the State Department? To my knowledge there is not. Why not?

At this point I wish to insert in the RECORD "RFE supplies 'Missing Dimension of Freedom' to Eastern Europe," from the Washington Times, Wednesday, June 19, 1985.

RFE SUPPLIES "MISSING DIMENSION OF FREEDOM" TO EASTERN EUROPE

GEORGE URBAN ON RADIO FREE EUROPE

George Urban was appointed director of Radio Free Europe by the Board of International Broadcasting in November 1983. RFE broadcasts to Eastern Europe while Radio Liberty broadcasts to the Soviet Union. The two organizations have semimerged and are run by the Board of International Broadcasting. Mr. Urban was interviewed by Stephen Goldstein of The Washington Times foreign department.

Q: What are the specific objectives of the radio?

A: All major countries in the world have maintained foreign broadcasting services. Most of these are official government-sponsored services—such as the BBC in Britian, which is the oldest, and Voice of America in the United States. Germany, Israel, China and the Vatican all have one. The Voice of America obviously reflects American views, culture and national interests. The BBC, while it has to broadcast in the national interest, is independent.

Radio Free Europe and Radio Liberty differ from all these in that their primary purpose is not to represent American national interest, or American day-to-day policies—although it does this as well. It's a complicated beast. Its primary responsibility is to serve as surrogate alternative radio stations to those Russians and East Europeans who cannot rely on a free media to be informed. They therefore have to listen to foreign broadcasting to get the full scale of information that a free person would get in a democratic society. Radio Free Europe and Radio Liberty are substitutes for a free press, a free radio and free TV services in these countries.

Q: How independent is Radio Free Europe?

A: Because our funds come from Congress, we have to account to some extent for our activities to Congress and are not totally independent. Once we are funded, we are run by an independent board appointed by the president, the Board of International Broadcasting, of which Frank Shakespeare is chairman. It has sole responsibility for running the policy and the information functions of the radios.

Q: What is the difference between the two radio stations?

A: Radio Free Europe and Radio Liberty are sister stations. Radio Free Europe broadcasts to the East European countries except for the Soviet Union. It broadcasts to Czechoslovakia, Poland, Hungary, Romania and Bulgaria. Recently, we added the three Baltic states—Latvia, Lithuania and Estonia. We now broadcast into eight countries.

Q: Who runs the departments of each station?

A: In a manner of speaking, every language service is a national radio. The Polish service, which has about 85 people in it, is the voice of a free Poland. It is a complete alternative home broadcasting service. It covers the whole panorama of the needs of the Polish listener, from Jazz to religious services to information about daily events in the international arena to national domestic events, and is on the air 21 hours a day. It gives the Poles up-to-the-minute unbiased news every hour on the hour, usually a 10-minute broadcast about domestic affairs and international affairs—just like any ordinary free radio station.

This news is usually followed by political programs, comments on world affairs, sometimes editorials, sometimes reportage on sports events—just about everything that you get in a newspaper. They are freely reported and are things that cannot be spoken in a communist country.

We also have a radio university. Anyone sitting in Bucharest or Sofia is not cut off. If he switches on to our airways, he can inform himself reliably and continuously about his own national history. For example, on his nation's religous background. If he's a Jew, he can find about what happened to Jews in Bulgaria through the centuries. If he's an Orthodox, he can inform himself about the truth about the churches since the communist takeover.

One of our most important functions is the filling in of the memory hole—that famous Orwellian memory hole that Orwell writes about in "1984." The great danger in "1984" is that through propaganda, disinformation and brainwashing processes, the ordinary man and woman in a totalitarian country has had the past erased for him—both in the national and individual memory.

The listener in East European countries can take hope from what we tell him because we broadcast in many different languages and are on the air 18-22 hours of the day.

That is why the Soviet government and the satellite governments vociferously protest against us at every opportunity, almost regardless of what we say. They realize that our existence is in itself a threat to their tyranny, a threat to the legitimacy of their governments and of the social system that was imposed on these East European countries after the war.

Q: Why did the Baltic broadcasts of Radio Liberty change to Radio Free Europe?

A: The reason is very simple. The U.S. government and certain European governments have never recognized the incorporation of these three countries into the Soviet Union. Therefore, a few months ago, it was decided to underline the fact by transferring the Baltic services from Radio Liberty to Radio Free Europe.

Q: What about jamming?

A: Reception should theoretically be good, but jamming is a real problem. Our broadcasts are jammed by every country except for Hungary and Romania. Most of the jamming is pretty heavy, especially in the Soviet Union where Radio Liberty broadcasts.

Q: How about the staffing? How do people get on to the service?

A: Well, that's a very complicated procedure. The largest department is the Russian service in Radio Liberty, which has about 110 people. In Radio Free Europe, we have five large departments ranging from 50 to 90 people, the Polish being the largest. They are recruited from many countries and different age groups and backgrounds.

Some of these people are professional journalists who escaped from Poland or who just came out as tourists and then refused to go back—who defected and joined us. Sometimes, we advertise for vacancies throughout the world press—wherever Poles, Czechs and Hungarians live. If they come to us without journalistic training, we teach them. We test them and if they show promise and have enough qualifications, they are employed eventually. Some stay there for 10, 20 maybe 30 years.

Q: With so many different languages used, how do you communicate?

A: All the discussions and the basic materials are in English, which is the basic language. German is also important because Germany has traditionally taken a great interest in Europe, and some of the most learned and most scholarly articles about a series of East European matters happen to appear in the German language.

● This "bullet" symbol identifies statements or insertions which are not spoken by the Member on the floor.

Q: Now how many people, or what percentage of the people of the countries, do you think listen in?

A: Very high in the case of Radio Free Europe. Radio Liberty's a different matter, Radio Liberty is heavily jammed. My information is that only 8 or 9 percent of the adult population are regular listeners, defined as people who listen twice a week. The worst jamming is local jamming, so that the big cities are blocked out. But if you travel 20 miles outside Moscow or Kiev, you can get Radio Liberty quite well. A lot of people live in the countryside and listen to us without any great hinderance.

Radio Free Europe has about two thirds of all adults in East European countries as regular listeners—a terrific figure. We literally have millions who are glued to the radio listening to us.

Q: Where do you feel that you're having the greatest impact—on the population or on the government? What kind of specific impact could you say that you had?

A: Nothing can be hidden from the populations of Eastern Europe, nothing at all. The moment anything happens around the world, we're on the air within five minutes—even in their own countries. Telling them what happened, why it happened, what sort of views exist in the East and West, what the public debate is. These people are involved as much as we are here in Washington in the day-to-day events.

We're cutting through this information Iron Curtain, in other words, "1984" cannot be enforced in Eastern Europe and the Soviet Union.●

A BILL TO AMEND SECTION 1110 OF TITLE 11, UNITED STATES CODE

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 20, 1985

● Mr. BIAGGI. Mr. Speaker, I introduce today a critically important amendment ot the Bankruptcy Code from the perspective of the maritime industry. This proposed change is necessary to protect the interest of the United States in the event of default by the owner of a vessel financed with guaranteed obligations under title XI of the Merchant Marine Act, 1936.

Under this program, the Secretary of Transportation guarantees obligations sold in the private markets to finance or refinance the construction, reconstruction, or reconditioning of U.S.-flag vessels in domestic shipyards. In the event of a default by the shipowner, the Secretary is required to pay off the holders of the title XI obligations, and protect the public interest by proceeding against the security for the guarantee. Usually, this is a mortgage on the vessel. Over the years, the title XI guarantee program has been a very successful program, and most U.S.-flag operators have taken advantage of it. Recently, however, this program has been confronted by two separate external problems.

The first reflects the general economic health of the U.S. maritime industry. This industry is currently suffering from the most adverse economic conditions since the Great Depression, with most seagoing trades experiencing chronic overtonnaging and noncompensatory freight rates. Domestically, these structural conditions are mirrored in an unprecedented cyclical depression affecting the tug and barge, offshore drilling, and supply vessel industries as well. These conditions have led to a bow wave of defaults in the maritime industry threatening to inundate bankruptcy and admiralty courts alike across the Nation. The spillover effect has been to threaten the financial integrity of the half century old title XI program.

The second problem pertains to the ability of the Secretary to protect the public interest when operators of vessels constructed, reconstructed, or reconditioned with financing guaranteed under the title XI program go into bankruptcy. Prior to the Bankruptcy Reform Act of 1978 (Public Law 98-598), in the event of a title XI default by a shipowner in bankruptcy, the bankruptcy court did not have the statutory authority to enjoin the Secretary from foreclosing on the vessel mortgage of the debtor shipowner if the Secretary determined that foreclosure was in the best interest of the Government. The Bankruptcy Reform Act of 1978 did not continue the Secretary's absolute immunity from the bankruptcy stay provisions. Instead, it was intended that the Secretary would take her place with other secured creditors with interests in various types of transportation equipment, who were entitled to partial immunity from a stay in chapter 11 reorganizations (11 U.S.C. 1110, 1168).

Section 1110 contains a limited exemption from the automatic stay provision for a secured party with a purchase-money equipment security interest in aircraft equipment and in certain vessels. A secured creditor is entitled to repossession of its security after allowing the debtor 60 days to cure the default and make adequate assurances of future performance.

Unfortunately, this provision dating from the original Bankruptcy Act of 1989 limited the class of vessels to which such immunity would apply to certain domestic/inland vessels regulated by the Interstate Commerce Commission [ICC]. As a result, the 1978 act removed the Secretary's discretionary authority to seek summary relief from the bankruptcy stay or injunctive powers for most title XI vessels without providing any effective substitute. The consequence is that the Secretary of Transportation is now effectively blocked by the automatic stay provisions of the Bankruptcy Code from foreclosing on the title XI security, and must resort to the time consuming and often arduous procedure required to seek relief from the stay.

The Secretary has been denied the authority to protect the public interest by foreclosing on the vessel security. This situation is clearly inequitable on its face. The Secretary is precluded from realizing on the collateral value of the vessels, even though public dollars will be used to pay the title XI guarantee.

The serious nature of the problem can be seen in the following statistics. The title XI program experienced defaults of $91,200,000 in 1983, $101,300,000 in 1984, and $137,895,000 to date in 1985. In addition, cumulative advances of principal and interest payments to holders of outstanding commitments totaled $22.9 million in 1982, $31.5 million in 1983, $25.3 million in 1984, and $7.6 million in 1985 to date. Cash recovery from defaults through sale of vessels (historically averaging 60 percent of amounts in default) totaled $39.6 million in fiscal year 1983, $40.0 million in fiscal year 1984, and $4.8 million in fiscal year 1985 to date.

Many of those vessels continue to be operated by debtors-in-possession under the protection of the bankruptcy courts. Yet, to date the Secretary has paid off title XI mortgages in default in the amount of $133.7 million, encompassing 22 tug/supply vessels, 13 crew boats, 11 ocean tugs and 8 integrated barges, 351 lighters and 4 river tugs—all currently under the protection of bankruptcy courts in chapter 11 cases. Moreover, the Secretary faces a total outstanding title XI debt exposure of $620 million in barges and tow boats, $868 million in offshore drill rigs, and $333 million in offshore tug and supply vessels—all potentially subject to chapter 11 bankruptcy petition protection.

Mr. Speaker, this legislation will restore some of the protection accorded the Secretary in the administration of the title XI guarantee program prior to the enactment of Public Law 95-598. The legislation does not reinstate the absolute immunity from the automatic stay provisions of the Bankruptcy Code previously accorded the Secretary of Transportation prior to enactment of the Bankruptcy Reform Act of 1978. However, this bill would permit the Secretary to protect the Government's interest in secured assets in bankruptcy pursuant to section 1110, as the sponsors of the 1978 amendments to the code originally intended. The contemporaneous floor debate reflects the clear and unequivocal intent of the sponsors of that legislation to treat the Federal Government like other secured creditors.

The bill broadens the class of vessels included within the scope of exemption to all vessels potentially covered by title XI guarantees. The amendment does not alter the nature of, or conditions for, the stay. The shipown-

er in chapter 11 bankruptcy, who has defaulted on its title XI obligations, will be entitled to continue to use his vessel or vessels for 60 days. Thereafter, continued use is permitted only if, pursuant to the provisions of section 1110, the debtor cures all of his defaults. This includes all amounts paid by the Government under a loan guarantee as a result of the shipowner's default.

Mr. Speaker, closing this unintended loophole in the Bankruptcy Code will not solve all the problems currently affecting the title XI program, nor will it rectify the underlying conditions giving rise to the unprecedented number of bankruptcies experienced by virtually every sector of the maritime industry. It will, however, relieve growing pressure upon the Federal Ship Financing Fund, the public enterprise revolving fund standing behind the title XI program. This bill will not reconcile many of the public policy conflicts inherent in the operation of the bankruptcy, admiralty, and maritime laws. However, it does represent a reasonable and rationale attempt to balance the potentially conflicting interests between affording a debtor a reasonable opportunity to reorganize his affairs, while at the same time protecting public assets invested in maritime ventures.

I look forward to working with Chairman RODINO and the members of the Judiciary Committee in securing prompt consideration and enactment of this legislation, with the anticipated strong support of the administration in this undertaking.●

THE TAIWAN ISSUE MUST BE RESOLVED PEACEFULLY

HON. G. WILLIAM WHITEHURST

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 20, 1985

● Mr. WHITEHURST. Mr. Speaker, according to foreign media reports, in May 1985, Hu Yaobang, Secretary General of the Chinese Communist Party, said in Peking when interviewed by a Hong Kong reporter that Peking:

Might consider a military attack against Taiwan in the next decade.

Everyone knows we do not yet have the military power [to attack Taiwan].

Hu was quoted as saying:

This temporary period may last 4, 5 or 7, or 8 years * * * We have to wait until our economy is on the right track; military power is based on economic power * * * in 7 to 10 years time, we may enjoy a strong economy equipped with modernized defense power. By then, if most Taiwan people wish to return [to the mother country], and only a few people [are] saying no, *we will have to use some force on them.* [Emphasis added.]

On June 5, 1985, Ma Yuzhen, the spokesman for Peking's Foreign Ministry, reiterated Hu's statement, saying that the People's Republic of China has never ruled out force as a means against Taiwan (UPI dispatch from Peking, June 5, 1985).

Mr. Speaker, I hope that this will not prove to be the case. If forceful action against Taiwan were to occur, it would be in violation of the Taiwan Relations Act. Specifically, the act states that it is the policy of the United States to:

(1) Declare that peace and stability in the area are in the political, security, and economic interests of the United States, and are matters of international concern;

(2) Make clear that the United States decision to establish diplomatic relations with the People's Republic of China rests upon the expectation that the future of Taiwan will be determined by peaceful means; and

(3) Consider any effort to determine the future of Taiwan by other than peaceful means, including by boycotts or embargoes, a threat to the peace and security of the Western Pacific area and of grave concern to the United States.

Any action contrary to the terms of the act would weaken the harmony of U.S. relations with the People's Republic of China. It is earnestly hoped that the aforementioned reports do not imply a change of policy on the part of the People's Republic of China, inasmuch as our state of relations with any nation is dependent upon the peaceful resolution of all problems, be they internal or external.

Thank you, Mr. Speaker.●

U.S. TEXTILE: THE FABRIC OF AMERICA

HON. RICHARD T. SCHULZE

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 20, 1985

● Mr. SCHULZE. Mr. Speaker, Mr. John N. Gregg, president of Avtex Fibers, Inc. in Valley Forge, PA, is a distinguished constituent and a credit to his community, State, and Nation. I want to enter in the CONGRESSIONAL RECORD an excellent statement that Mr. Gregg made recently on the current and troubling conditions in our Nation's fiber, textile, and apparel industry.

This industry is the largest single manufacturing employer in the State of Pennsylvania and in the United States. More than 150,000 Pennsylvanias are employed by the fiber, textile, and apparal industry in my State; and many jobs have been lost recently due to imports. To help remedy this situation, I have joined more than 280 of my colleagues in the House on support of legislation aimed at bringing about fair trade in this industry.

STATEMENT OF JOHN GREGG, PRESIDENT, FIBER, FABRIC, AND APPAREL COALITION FOR TRADE—JUNE 5, 1985

Good morning. I am John Gregg, president of AVTEX Fibers, a major producer of man-made fibers. I am also president of the Fiber, Fabric & Apparel Coalition for Trade—FFACT. With me this morning is Sol Chaikin, president of the International Ladies' Garment Workers' Union, and Murry Finley, president of the Amalgamated Clothing and Textile Workers' Union. Both organizations are members of FFACT. Also with me today is William Klopman, chairman and chief executive officer of Burlington Industries and chairman of FFACT.

We are here today to correct the record, and challenge the erroneous charges being made by importers. This is especially important now, at a time when retail organizations are about to launch their promised "Buy Foreign" advertising campaign.

The fiber, textile and apparel industry is the largest single segment of the U.S. manufacturing base, employing some two million workers—more than steel and automobiles combined.

Over the last two years, imports have surged by 65 percent and apparel imports now hold half the U.S. market—this in spite of trade agreements which were supposed to have provided for orderly import growth and prevented market disruption, and despite a Presidential commitment to limit import growth to the rate of growth of the U.S. market.

Growth of imports has cost the United States more than 300,000 fiber, textile and apparel jobs since 1979—100,000 in the last 12 months alone.

I am a businessman, not an economic theorist. I do not plan to burden you with a litany of complicated economic formulas and theories, but I do have several important points to make.

You have in your press packages executive summaries of two new economic studies by expert consultants that I will be quoting. Stanley Nehmer of Economic Consulting Services, Inc., a respected independent Washington firm, is here to discuss technical aspects of his study. Jim Leonard, manager of economic analysis for Burlington Industries, is here to discuss the technical aspects of a study by Data Resources, Inc., another respected national firm. They are available for questions or individual interviews.

We have been hearing a series of wildly different numbers on the alleged cost of U.S. trade policy as it relates to textiles and apparel. None of these numbers agree. All of them vastly overstate reality and, most importantly, ignore the cost of failing to limit imports.

We have solid economic data to support our positions, but good common sense is about all that is necessary to refute arguments made by importers and some retailers.

They allege that textile and apparel tariffs and quotas cost consumers $23 billion. They further allege that the cost of each textile and apparel job "saved" for domestic production instead of off-shore production cost anywhere from $35,000 to $78,000 per job.

These allegations are a hoax and completely overlook the overwhelming economic benefit to the United States of producing textile and apparel here instead of abroad.

Textile and apparel imports in 1984 exceeded 10 billion square yards, which equates to the loss of one million U.S. textiles and apparel job opportunities. Economists agree that this translates into a loss to the U.S. gross national product of $40 billion.

Data Resources, Inc., has forecast the further loss of almost one million textile and apparel jobs by 1990 if proposed legislation to control import growth is not passed. Passage of this legislation will result in an increase to the U..S gross national product of $40 billion, equal to $40,000 for each job saved in the U.S. economy.

The combined total of job opportunities already lost and jobs that will be lost if current import growth rates continue would exceed $80 billion—almost four times the alleged $23 billion "penalty" to the U.S. economy.

Some argue that our import problem is really caused by the over-valued dollar. This is just not the case. A detailed analysis of exchange rates and import patterns of the 25 top suppliers of textiles and apparel to the U.S. bear this out.

Many important suppliers have their currency tied to the U.S. dollar and exchange rates have no impact. Others manage their currencies. Other countries' currencies have moved very little against the dollar.

Only imports from Western Europe and Canada show any relationship to the strong dollar. Even if the dollar were to weaken considerably, our import problem would remain.

Copies of the executive summary of Economic Consulting Services study on the impact of the strong dollar are in your press kit.

As I stated previously, Data Resources, Inc., has used its widely accepted national economic model to project what will happen if we fail to enact legislation to limit imports—if current levels are allowed to continue.

DRI says that by 1990, if textile and apparel import growth continues at the rate of the last five years, 947,000 jobs will be lost in the textile and apparel industries, and an additional 943,000 jobs lost in other industries due to ripple effects, for a total of 1,890,000 jobs lost to all U.S. industry.

In constant 1985 dollars, according to DRI, that scenario for the year 1990 alone will:

Increase the federal budget deficit by $24 billion;

Increase our merchandise trade deficit by $21 billion;

Lower disposable income by $19 billion;

Lower personal consumption expenditures by $8 billion;

Strip $40 billion out of the gross national product.

All this, I might add, without any significant effect in reducing consumer prices.

The Fiber, Fabric and Apparel Coalition for Trade was formed to provide unified support for this the Textile and Apparel Trade Enforcement Act of 1985 because we have seen that other methods, namely the MFA, do not work. This is evidenced by the fact that there has been a 65 percent growth in imports in the last two years.

Our government officials, who should be helping our industry by enforcing the MFA, have encouraged the retailers to go on a foreign buying binge that this country cannot afford.

As of today, 277 members of the House have signed on the bill and I am pleased to announce this morning that half the members of the United States Senate are now on board.

The fact that 44 states are now represented among these co-sponsors is testimony to the truly national scope of the the textile and apparel import crisis. This is not a northern issue or a southern issue. It's not a rural issue or a city issue. It's an issue that affects every state, every region and every citizen.

That is why the legislation has attracted and will continue to attract the broad, bipartisan support it now has.

We say unequivocally today that we will keep fighting for that bill and for the survival of our industry.

The legislation will continue to concede a large part of the U.S. apparel and textile market to importers, but we insist that the growth of imports be orderly and tied to the growth of the domestic market—and that it not be allowed to destroy our vital industry and the lives of our employees.●

SINGLE EMPLOYER PENSION PLAN AMENDMENTS ACT OF 1985

HON. MARGE ROUKEMA

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 20, 1985

● Mrs. ROUKEMA. Mr. Speaker, today I am joining with our colleague, Mr. CLAY, chairman of the Subcommittee on Labor-Management Relations, in introducing a three-bill legislative package—the Single Employer Pension Plan Amendments Act of 1985—which is designed to bolster the long-term self-financing nature of ERISA's title IV termination insurance program.

The legislation represents a refinement of the provisions our subcommittee ordered reported in the last Congress. This 1985 version of the single employer termination insurance reform has been distilled to accommodate the suggestions of various interested parties, and those elements of last year's measure that have received the most debate have been either eliminated or modified significantly. Coupled with the suggestions for ERISA title IV changes we expect to receive soon from the administration, this legislative package represents a realistic framework from which the necessary consensus can be developed for enactment of the reforms into law. Comments and suggestions for change are sought from all interested persons in the interest of moving toward an early markup of the legislation.

The three-bill package retains the features recommended by the Pension Benefit Guaranty Corporation and several generations of advisory panels as being necessary to the continued operation of the title IV program in a cost-effective manner.

First, in order to amortize the single employer program deficit currently estimated at $462 million and prevent the deficit's rapid escalation to nearly $6 billion by the end of this century, the single employer premium is raised from $2.60 to $8.50 per capita.

The administration has recommended a premium increase to $7.50 effective retroactively for 1985 plan years. The difference between the $7.50 and the $8.50 is narrowed actuarially inasmuch as the $8.50 is not retroactive but made prospective for 1986 plan years. The $8.50 level is also consistent with the expenditure levels for this program adopted under the House budget resolution (S. Con. Res. 32 as amended by the House). The premium increase is contained in two of the bills in the three-bill package—as part of the comprehensive bill including tax law conforming amendments and as a stand alone measure.

A second feature of the legislation is designed to discourage the "dumping" of pension liabilities onto the PBGC and saddling the remaining plan sponsors with the obligation to fund such liabilities. In order to discourage employers having low net worth from terminating their underfunded plans and transferring their debts to the other employers supporting the system, the conditions under which a plan is allowed to terminate are tightened up to require that the employer and its control group demonstrate a significant "distress" situation such that without relief the continued viability of the employer and its control group would be threatened. Employers would still be allowed to terminate their plans under a standard termination as long as the plan is sufficent to pay nonforfeitable benefits. In addition the ability of plans under current law to "freeze" future service and continue plan funding is retained and codified.

To prevent abuse of the system a third provision of the legislation makes additional parties liable to the PBGC if a principle purpose of a related transaction is to evade liability in connection with a plan termination under title IV.

In order to protect the PBGC against antiselection it is intended that the legislation to be taken up by the subcommittee contain a provision which gives a plan and, therefore, the PBGC additional security against default in the repayment of the amount of any funding waiver obtained by the plan sponsor prior to plan termination. Our subcommittee will be considering several alternatives in addition to the language suggested by the administration.

Additionally, in order to discourage the termination of underfunded pension plans by ongoing employers, the amount for which an ongoing employer is liable to the PBGC is increased above the present law 30 percent of net worth cap to include a 10-year 10 percent of pretax profits provision. An additional penalty equal to 5 percent of pretax profits for up to 10 years would be payable to a termination trust providing for payment of nonforfeitable benefits above the current level of PBGC guarantees. By discouraging the termination of underfunded pension plans the legislation would

reduce the adminstrative costs of the title IV program. Adminstrative costs would also be reduced under the proposed legislation by streamlining the procedure for closing out fully funded plans. Since the passage of ERISA, almost 98 percent of all terminated plans have been found to be sufficient. PBGC costs in connection with the termination of such plans would be reduced by allowing plan administrators and enrolled actuaries to certify to the PBGC as to their sufficiency.

These changes represent a major restructing in the single employer termination insurance program under title IV. Their early enactment is necessary in order to protect the financial stability of the program and to avoid any possible curtailment of benefit guarantees in the future which may become necessary if the changes are not made.●

LIBERALISM'S BANKRUPTCY UNCOVERED

HON. JACK FIELDS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 20, 1985

● Mr. FIELDS. Mr. Speaker, the Dallas Morning News recently carried a column by Georgie Anne Geyer which discusses "the guilt complex of liberals." The article illustrates why an increasing number of Americans have become disenchanted with liberal ideology.

The article makes note of a recent gathering of liberal activists sponsored by Americans for Democratic Action under the banner of "Liberals Look to the Future." What was expected was a major redefinition of American liberalism. The result, however, was a retrendment to the outdated ideologies of the past which have been associated with past failures and excesses.

Americans are tired of liberals' gloomy assessment of our Nation's future. Furthermore, the people of this Nation no longer wish to carry the burden of self-guilt and self-blame which liberals have attached to us because of their perception of the world as an arena of American mistakes.

The fact is that America is not wrong in everything she does. The problems of the world are not solely the result of failed American foreign policies. On the contrary, this Nation is one of the few in the world that reaches out to many other nations and peoples around the globe to offer humanitarian assistance on our scale. How can these liberals demean our great Nation for what she seeks to achieve in the world community?

Lastly, Mr. Speaker, let me say that I believe Americans are abandoning the liberal movement because it has lost touch with the values of the average person. Liberals have become obsessed with utopian ideas of the future and the implementation of bigger and more expensive governmental programs. Such policies are exactly what the American people do not want.

Mr. Speaker, I commend this fine article to your attention and to the attention of my colleagues, and I ask that it be printed in the RECORD.

The article follows:

GUILT COMPLEX OF LIBERALS

(By Georgie Anne Geyer)

WASHINGTON.—As someone who shocked her Taft Republican father when she was young by proclaiming she was a "liberal," I find myself constantly searching these days both for what and where I am, and for what and where American "liberalism" is.

That was why I made my way across town to the Mayflower Hotel June 8 and 9 to the "Liberals Look to the Future" conference sponsored by the Americans for Democratic Action. If anybody was going to redefine liberalism, ADA was the group.

New ideas? Well, I listened. In one sum-up, Ann Lewis, the able new national director, kept to the economics theme, saying: "Economics is the key to this agenda. By our silence, we have allowed the right to restructure the public debate. We have to advocate economic growth with equity."

Rep. Stephen Solarz, D-N.Y., posed one of the conundrums in this topsy-turvy national political world of today. "Before, we faced the question of whether to fight wars of national liberation," he said. "Now, we face the question of whether to support wars of national liberation."

Yes, some of the questions certainly were there. What, then, was gnawingly wrong with the whole conceptual framework? What had gone so wrong in recent years, that a liberalism which once inspired the American people with idealism and hope about mankind now could only be called failed and dreary?

The answer came to me in the telling sessions on America in the Third World.

"We are still a racist society in that we don't understand people beyond our borders. We continue to be a very parochial country." That was Randall Robinson, the well-spoken executive director of TransAfrica, the activist anti-South Africa group, speaking.

"The lessons of Vietnam have been quickly forgotten. As the strongest power in the world, we again have become arrogant in its use. Again, we believe we can police the world." That was former Sen. Dick Clark speaking.

"We are 5 percent of humanity in the United States; yet we consume 40 percent of the world resources. There is a lot of hatred building up in the Third World, particularly when they see our nuclear weapons." That was Father Robert F. Drinan, the former Jesuit congressman, speaking.

Then it all came back to me, all the things I suspect an awful lot of Americans have come to dislike, even hate and certainly avoid in certain forms of American "Liberalism" since ADA was born with such hope in this same hotel in 1947.

The operative words were and are: unending guilt, self-hatred and self-blame.

The United States is wrong—in just about everything. We have not ever done anything right—and most probably never can nor will. Moreover, we alone are guilty, bad, responsible. Nobody else in the world is even in the inning.

Just about everything these good men said was either wrong or flawed.

The truths I see: We are the only society on earth that even attempts to be a nonracist society or to reach out to the rest of the world on our scale; that we can't even decide whether to give humanitarian aid to the *contras*, much less "police the world"; that, yes, Americans consume heavily, but that we also produce mammoth amounts of the world's goods. And we could teach the world how to do so, if the world wanted to share the necessary value systems for production and progress.

Guilt, self-accusation, blame. There is no resolution, ever, because the end is not the old realistic and relativist liberal idealism of FDR and JFK, but the new utopian and absolutist liberalism these speakers' words too accurately convey.

Is it any wonder Americans have turned off on this kind of liberalism? Is it any wonder a magazine such as *Public Opinion*, one of the benchmark ideological magazines of reasonable conservatism in our times, just came out with its front page article, "What's So Bad About Feeling Good?"

There is need for a new liberalism. The new conservatism suffers from its pallid lack of compassion.

Sociologist William Schneider began to define what a new liberalism could be at the conference when he said: "Nobody argues that all our principles of social and economic justice are wrong. The problem is that they have been linked to big government. The question is how to promote them without always linking them to big government."

The other problem is how to promote these principles without linking them to the sloughs of cloying guilt. That is a question that nobody, unfortunately, brought up.●

VOICE OF DEMOCRACY SCRIPT-WRITING CONTEST WINNER

HON. RONNIE G. FLIPPO

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 20, 1985

● Mr. FLIPPO. Mr. Speaker, the Voice of Democracy Scholarship Program was started 37 years ago with the endorsement of the U.S. Office of Education and the National Association of Sunday School Principals. Sponsorship was provided by the National Association of Broadcasters, Electronic Industries Association, and State Association of Broadcasters.

Starting in 1958–59, the program was conducted in cooperation with the Veterans of Foreign Wars with the broadcasters still serving as sponsors. In 1961–62, the Veterans of Foreign Wars assumed sole sponsorship responsibility.

The winning script for the State of Alabama was written by Jeffrey J. Tennessen, son of Mr. and Mrs. Kenneth Tennessen of Florence, AL. Jeff is a junior at Bradshaw High School. An outstanding musician, he has been an all-State band member for 3 years, sophomore bandsman award winner, and recipient of a superior rating in

original oratory district competition in Alabama.

I want to congratulate Jeffery J. Tennessen on his thoughtful, and insightful script, and I ask that his winning composition be reprinted here.

The composition follows:

MY PLEDGE TO AMERICA

A light appeared brightly in the wilderness, and that light was the fire of freedom; and it was fanned, and it grew, and it shed its brilliance upon all the world; and all peoples were warmed by its influence.

The fire was ignited in 1775. The tinder was a small group of men known as radicals. The heat, ironically, was furnished by the tyrannical King George III of England, the sworn enemy of these men. The fuel has been you, and I, and all Americans. We have kept the fire going by continually feeding it our patriotism and devotion. And so these men, under this heat, and with the American people as fuel, have burst into a flame which has enlightened every corner of the earth.

The flame did not spread swiftly, but gradually, it began to burn brighter. The Declaration of Independence paved the way for other nations to look and think of themselves increasingly as free people with certain intrinsic rights. And the fire grew slowly higher. The newly founded United States of America erected a government never before seen. One not only for the people, but of them and by them. And the fire spread. Ten basic freedoms guaranteed to every citizen were outlined in the Bill of Rights. And the fire grew higher still. As time passed, the fire has grown higher and higher, but there is still so much more to be done.

One must wonder what could possible have motivated the great leaders of our country's infancy to endure the hardships which they did endure to bring that fire to its current high peak. They would gladly have given everything they possessed, and so often they did—including sometimes even their lives. They risked all for a cause which might have seemed hopeless.

Now I ask you this: Can any American truly give less? You ask me what my pledge to America is? I tell you that to my country, I pledge my body—every limb—my life and all my possessions, indeed my very soul! No man may do more than die for his country and none may do less than refuse to fight for it.

When I was growing up, if I felt a slight twinge in my belly, that was "hunger". A cold was a "disease". For many years, I didn't know the words proverty, destitution, or famine. And, in a sense, I still don't know them. And yet, we are tempted to take all of this for granted. We simply do not realize what a truly wondrous privilege it is to be living in the United States today.

You know, when a nation has attained a certain level of existence, it is only human nature for it to desire the next better thing, or the next step up. But let us not allow this upward mobility to cloud the reality of what a truly wonderful nation we live in. Never have a people known a more relaxed and free life.

So let apathetics and the pessimists say that our country is growing weaker. Granted, ours is not a perfect existence, but has there ever been a case where a free man defected to tyranny? Has there ever been a country upon the face of the earth whose people has more reason to look with pride upon their flag? I say to you no, and I doubt that there ever shall be.

To justify my pledge to my country, all I have to do is exercise the freedoms which I have been given. When I am able to worship as I please, or read of current happenings in newspapers and magazines without fear of government censorship, my faith is strengthened. When I can be assured of my right to criticize our leaders, or even vote them out of office if they prove unreliable or unabale to successfully run our country, I feel my pledge justified. And let me emphasize the words "our country", for these rights do not apply merely to the wealthy and powerful, but to all, from the richest to the poorest.

These rights provide freedom to gather for common purpose, to voice opinions without fear of government retaliation, and assurances of our rights to judgment by our peers. It is the greatest tribute to our form of government that, in over two hundred years, it has not changed appreciably; and the citizens themselves have dictated this!

To our generation and those to come must soon fall the duties of our heritage. We must rise to the occasion lest our steps falter and the fire grow cooler. What must we pledge to America? In the words of Thomas Jefferson:

"'With a firm reliance on the protection of Divine Providence, we mutually pledge to each other our lives, our fortunes, and our sacred honor".●

AID TO NICARAGUAN CONTRAS A LEGITIMATE U.S. SIGNAL

HON. DOUG BEREUTER

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 20, 1985

● Mr. BEREUTER. Mr. Speaker, aid to the Nicaraguan Contras is a controversial issue that we have dealt with as a body for some time. The proper role for the United States to take in the Nicaraguan conflict has caused considerable debate on the House floor and across the Nation. I would like to commend to my colleagues the following Omaha World Herald editorial dealing with this U.S. support.

(From the Omaha World-Herald, June 18, 1985)

AID TO NICARAGUAN CONTRAS A LEGITIMATE U.S. SIGNAL

Congress' decision to help finance the contra rebels in Nicaragua might be unpopular among some Americans and U.S. critics in other parts of the world. But it isn't the radical departure from the normal practice that some supporters of the Nicaraguan government suggest.

The United States and many other nations have long recognized that their national interest sometimes justifies taking a role in the affairs of another country. The commitment to encourage democratic governments has been one of the main thrusts of U.S. policy since World War II.

Even as the debate over aiding the contras goes on, Congress is under pressure to do more for rebels who are fighting the Soviet puppet government in Afghanistan and those opposing the Vietnamese occupation government in Cambodia. Some of the same people who call the contra aid program immoral on Monday, Wednesday and Friday spend the rest of the week demanding that the United States help bring down the government of South Africa.

People who want more aid for the Afghan or Cambodian rebels might say that U.S. aid is justified because the Soviet puppet government of Afghanistan and the Vietnamese occupation government of Cambodia are "bad." U.S. opponents of the South African regime could say, with little chance of being contradicted, that apartheid is an abomination.

But as Jews, Miskito Indians and many other Nicaraguans—including the Roman Catholic archbishop of Managua—could testify, it is laughable to imply that the Sandinistas are champions of human rights.

Isolationists have an almost infinite capacity for glossing over Nicaragua's relationship with Moscow and Havana. They scoff at the possibility that Nicaragua could one day join Cuba as a base for Soviet missiles and bombers. They excuse Nicaraguan President Daniel Ortega's overtures to the Soviets by charging that U.S. actions are forcing Nicaragua into the Soviet camp.

The charge is false. The Sandinistas found their way to Moscow quite independently. They did so while accepting more than $100 million in U.S. aid in the first four years after their successful 1979 revolution.

Ortega and his defenders didn't read their history carefully if they believed it was possible to continue receiving U.S. aid and, at the same time, export revolution in Central America. They are deluding themselves if they believe that the leadership of the United States could afford to overlook even the possibility of an increased Soviet military and espionage presence in the Western Hemisphere.

Diplomatic efforts—including direct talks with Ortega's government, with which the United States continues to maintain relations—apparently haven't been adequate to convince Nicaragua of the depth of U.S. concerns. Providing non-military aid to the contras is a legitimate way of expressing those concerns more strongly.●

PARENTAL KIDNAPING LEGISLATION

HON. MAJOR R. OWENS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 20, 1985

● Mr. OWENS. Mr. Speaker, today I am introducing legislation aimed at parental kidnaping. I, like virtually every other Member of this body, have heard that this is a problem. Several weeks ago, however, I could both see and hear the grief and anguish of two mothers from my district who had their children stolen. In one case, the child was returned after a custody hearing in Washington State in which the father's criminal record, current probation status, and the physical abuse of the child were exposed.

In the second case, a more affluent father refused to return the child after a scheduled visit. The child was brought back to Brooklyn by the mother. After a brief period of time another hearing date was set in New York. The father used this opportuni-

ty to snatch the child again. Although this violation of a New York custody order is proscribed by law, the courts and the local prosecutor have not acted to stop or punish the father's behavior.

We like to think that we use the standard of a child's best interests in determining matters of custody. Indeed, many fine and concerned judges try to find the best solution which will best serve the needs of the children involved. However, when a parent snatches a child the most just resolution may be meaningless. In short, he who has the resources and the will can ignore custody orders and disrupt the lives of children. Given the disparity between the incomes of men and women in this country, the practical result is that mothers can lose their children and be left with no resource other than civil remedies which are very expensive to pursue.

The bill which I am introducing today would remove the parental exemption from the existing Federal kidnaping statute. I regret that some sort of Federal legislation is needed to deal with the problem of parental kidnaping, but the harsh reality is that children are frequently missing as a result of being snatched by the noncustodial parent and the States have not acted to vigorously enforce their own custody orders.●

U.S. FIRMS LOSING OUT ON DEFENSE CONTRACTING

HON. JOE KOLTER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 20, 1985

● Mr. KOLTER. Mr. Speaker, I would like to call your attention to the fact that small American firms are losing out on defense contracting opportunities at the hands of foreign businesses.

During fiscal year 1986, we will be spending upwards of $216 billion on national defense, and since 1981, we have spent about $1 trillion toward the national defense. I am dismayed that more small businesses have not had the opportunity to compete for their fair share. Small, qualified, domestic firms have often lost contracting opportunities because of our policy of rewarding allies who make major weapons systems purchases. As an example, I am aware of at least one small business located in a very economically depressed area of my distinct that can compete with foreign industrial machinery makers. Unfortunately, this company has lost out on defense contract opportunities because we have decided to acknowledge firms located in countries that have made large military equipment purchases.

This firm is competitive, but it lost out for foreign policy reasons. While I do not oppose foreign competition for defense contracts entirely, it must be done on a fair and equal basis.

Mr. Speaker, with all the accounts of waste and mismanagement in defense procurement, it seems ironic to me that small, competitive businesses here in the United States must suffer and lose out, when instead, they could be making a valuable and meaningful contribution to the Nation's defense.●

A FILM ABOUT A FILM

HON. DON RITTER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 20, 1985

● Mr. RITTER. Mr. Speaker, much debate has taken place over the 13-part series "Vietnam: A Television History." Now "Television's Vietnam, the Real Story," a 1-hour rebuttal to the PBS series done by media watchdog, Accuracy in Media is about to be shown across the United States.

I urge my colleagues to read the following article, which appeared in the Wall Street Journal on June 14, 1985, entitled "A Film About a Film." The article gives interesting insights into the way PBS made the "Television History" and into the making of this rebuttal.

A FILM ABOUT A FILM

(By Martha Bayles)

If you are offended by a print medium, you can write a letter, submit an op-ed article, or take out an ad—three alternatives that offer the satisfaction of appearing in print yourself.

It's difficult with television. You can picket the local station, appeal to the Federal Communications Commission, or—if a broadcaster decides you're a responsible spokesman on a controversial issue of public importance—you can appear on the air yourself. (I am leaving aside cases where the offense is libelous.) Of these three options, the last may seem most satisfying, except that on television most of us are about as effective as "Floyd Turbo," Johnny Carson's uproarious hick in a hunting cap whose efforts to "express an opposing viewpoint" in an unfamiliar medium only make him look silly.

It's tempting, therefore, to fantasize about making your own TV show, the slicker the better, to reply to a broadcaster in his own language. Such was the impulse leading to "Television's Vietnam: The Real Story," a one-hour film produced by Accuracy in Media, the Washington-based conservative media watchdog group, as a rebuttal to the 1983 13-part PBS documentary, "Vietnam: A Television History."

Fueled by protests from South Vietnamese refugees, American veterans' groups and scholars, and funded by AIM contributors and a $30,000 "chairman's grant" from former National Endowment for the Humanities head William Bennett, AIM has not only produced its own counterdocumentary, it has also persuaded PBS to air it. On Wednesday, June 26, PBS will do what no other network has done: broadcast an outsider's full-length filmed critique of one of its own most successful programs. The two-hour special, entitled "Inside Story: Vietnam Op-Ed," will air 9-11 p.m. EDT (times and dates may vary).

According to Peter McGhee, program manager for national production at WGBH in Boston (the station that produced the Vietnam series), PBS is right to "contain" the "malodorous" AIM film with an additional hour of comment and discussion orchestrated by the producers of PBS's acclaimed media-watch series, "Inside Story." Like many others at PBS, Mr. McGhee does not consider the AIM program "up to snuff as a broadcastable entity," but given the current environment of attacks on the media, he has come to agree with the decision of Barry Chase, PBS vice president for news and public affairs, that it is wiser to air—and therefore "to aerate"—this criticism than to dignify it with a rebuff.

Ned Schnurman of "Inside Story" explained to me that the second hour of the special will include background on the origin and funding of both the PBS and the AIM productions; filmed interviews with experts, some of whom consulted for both shows; and a panel moderated by law professor Arthur Miller featuring Lawrence Lichty (WGBH), Reed Irvine (AIM), and Richard Salant (former head of CBS News).

Much as I admire both AIM and PBS for joining the debate so forthrightly, I fear that the complications of this format will overwhelm the complications of what the various parties have to say about Vietnam (remember Vietnam?). I mean, by the time the panel gets rolling, we will be watching a discussion about a film about a film; and the focus will have undoubtedly shifted from what America was doing in Southeast Asia to what AIM is doing on public TV.

Don't get me wrong. I have no objection to media self-analysis, as long as it's incisive. But having scrutinized both the PBS series and the AIM film, I wonder whether anyone will address the real problem, which is that the enterprise of making documentary films seems to require taking liberties with the historical materials at the film maker's disposal.

The best critique I've seen of the PBS series is by a historian—not of Vietnam, but of film: Prof. Richard C. Raack of California State University at Hayward. Writing in the February 1984 Newsletter of the Organization of American Historians, Prof. Raack points out that the PBS producers, having assembled a wealth of footage from American, British, French, North Vietnamese, Russian and Chinese archival sources, made use of these materials in ways misleading to even the sophisticated viewer.

For example, several American and French newsreels are presented with their original, blaring sound tracks. As Prof. Raack observes, "the political rhetoric of 20 years ago or so today sounds naive and cliche-ridden." Propaganda films from the North, on the other hand, are frequently dubbed with new music and narration; and although most of them are staged reenactments, only one is identified as such—with the disclaimer that it is, nonetheless, "true." Evidently the rest of communist footage is so "true" it doesn't need the disclaimer.

There is also the contrast between what Prof. Raack calls "the mass of authentic materials and open-ended interviews reflecting apparently genuine opinions and remembrances" on the American side vs. "edited propaganda materials and carefully controlled retrospectives" on the North Vietnamese side. Thanks to our American freedoms, we hear an American helicopter

pilot say, "Hey! I saw you splatter one right in the back with a rocket!"

And thanks to the lack of freedom under communism, we hear a South Vietnamese villager (identified only be name) describe the "spontaneous revolution" that led to his village's joining the Vietcong. As he reappears throughout the segment, it becomes clear that he is not just an ordinary villager but a Hanoi functionary, giving the party line on how and why the National Liberation Front was formed. But PBS never corrects our original impression.

After all this I wish I could say that the AIM film, produced by Peter Rollins, a film maker and English professor at Oklahoma State University, was academically scrupulous in its own use of sources-including the PBS film it is criticizing. But it isn't. Lacking the polish of the PBS series, it nonetheless employs some of the same techniques, such as adding musical commentary (Shostakovitch's mocking, spiteful "March of the Obscurantists") to archive footage of world communist leaders.

It also focuses on the most biased of the PBS segments, while ignoring others that present a more evenhanded view. (Due to a diversity of producers, the objectivity of the PBS series varies markedly from segment to segment.)

It may be inevitable that the priorities of documentary film making run counter to those of historical scholarship, and that the genre will never serve as an adequate forum for arguing war and peace, morality and politics. But since the language of film is increasingly the language of our public debates, we had better try to learn how to speak it better in the future by criticizing the way we speak it now. Kudos to AIM and PBS for taking the first step—admitting that "accuracy in media" is easier said than done.●

U.S. CONFERENCE OF MAYORS COMMENDS CONGRESSIONAL ARTS CAUCUS AND GENERAL MOTORS FOR SUPPORT OF YOUNG VISUAL ARTISTS

HON. THOMAS J. DOWNEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 20, 1985

● Mr. DOWNEY of New York. Mr. Speaker, during this week's annual meeting of the U.S. Conference of Mayors in Anchorage, AK, the mayors unanimously passed a resolution which pledged their support for "An Artistic Discovery," the Congressional Arts Competition for high school students. The competition has been sponsored for the past 4 years by the congressional arts caucus with the support of General Motors Corp. This year the exhibition, which will include the winning entries from 230 congressional districts, will officially open on Wednesday, June 26.

The text of the resolution is as follows:

RESOLUTION NO. 53—STRESSING THE NEED TO STRENGTHEN THE TEACHING OF THE ARTS IN OUR NATION'S EDUCATIONAL SYSTEM AND COMMENDING VARIOUS NATIONAL EFFORTS IN ARTS EDUCATION

Whereas, education and practice in the arts fosters discipline, devotion, self-confidence and creativity, as well as developing higher levels of skill, literacy and training necessary for participation as citizens; and

Whereas, the teaching of the arts and humanities in our schools is an essential part of our children's education; and

Whereas, the 1984 national survey by Lou Harris Associates, "Americans and the Arts," reveals that a majority of Americans believe that or school children are being deprived of cultural opportunities; and

Whereas, the Rockefeller Brothers Fund, which had been presenting annual awards to outstanding arts education programs, recently announced cancellation of the program because of the declining quality of applicants; and

Whereas, the commitment of federal, state, and local governments to strengthening arts education must be increased; and

Whereas, for the past four years the national high school art competition, sponsored jointly by the Congressional Arts Caucus and General Motors Corporation, has recognized and promoted the outstanding artistic creativity of our nation's youth and provides an example of the federal government and the private sector's commitment to arts education; and

Whereas, the Congressional Art Competition is a unique activity which unites the business, educational, and cultural communities in celebrating and encouraging the creative talents of America's young people,

Now, therefore, be it resolved that the U.S. Conference of Mayors commends the Congressional Arts Caucus and General Motors Corporation for highlighting our country's commitment to arts education through the Congressional Art Competition; and

Be it further resolved that the U.S. Conference of Mayors encourages all levels of government and all sectors of local communities to participate in a spirit of cooperation in activities like the Congressional Art Competition and to institute new programs or strengthen existing programs which contribute to the artistic education of our youth.●

QUAKE STAKES ARE GREAT: THERE'S NO TIME TO WASTE

HON. FORTNEY H. (PETE) STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 20, 1985

● Mr. STARK. Mr. Speaker, on June 18, 1985, the Federal Emergency Management Agency [FEMA] commenced a training exercise, Response 85, to determine the adequacy of Federal plans to respond to a major catastrophic earthquake. It is estimated that the probability of there being such an event along the southern San Andreas fault within the next 50 years is 90 percent; the probability of such a disaster occurring within the next 30 years is 50 percent. Probabilities of this happening in other areas of the country are smaller but it is nevertheless inevitable that this country will suffer a catastrophic earthquake somewhere at some time.

The damage from such a tragedy would be nearly incomprehensible. The initial human toll would probably be 8,000 dead and 65,000 wounded. Property damage could easily run into the billions of dollars. The secondary effects could be even worse. Supplies of food, water, gas, and electricity would be cut off for an undetermined period fo time. Should this happen in the Northeast in winter, many people would probably starve or freeze to death. Gas and oil leaks would spark raging fires during a California summer, and water leaks and dam burstings would cause terrible flooding wherever they occurred. Transportation and communications would be seriously disrupted, hampering search and rescue efforts, police, fire, and hospital operations, and coordination of relief projects. The breakdown of sewage and waste treatment systems would contribute to a public health crisis. FEMA estimates that the rescue and cleanup effort would cost billions of dollars more.

Mr. Speaker, I commend FEMA for their concerted efforts to deal with this inevitable problem and would like to suggest a way that we could help them by reducing the damage that a major earthquake would cause, thus facilitating their rescue efforts. The extent of earthquake damage is determined by two factors: the severity of the Earth's shaking and the potential damage caused by given amounts of shaking. While we can't affect the location or severity of an earthquake, we can reduce the damage by fortifying vulnerable areas against an earthquake's destructive power.

A bill I introduced on February 19, 1985, H.R. 1144, would establish and fund an earthquake engineering research center to engage in research and testing in seismic engineering to develop more effective earthquake-resistant structures. The cost of this center would be relatively low and could be funded entirely by a temporary excise tax on items common to all large buildings—passenger escalators and elevators. Certainly, compared to the human and physical costs cited above, the center would be inexpensive.

Mr. Speaker, a lot of time and money is being spent, and rightly so, on efforts to reduce the suffering caused by a catastrophic earthquake. If we're going to expend such energy to clean up after an earthquake, it would be worth our while to devote some effort to reducing the terrible effects of this inevitable event. I urge my colleagues to help make FEMA's job more manageable and to minimize the potential for human suffering by supporting H.R. 1144.●

THE "JUSTICE" DEPARTMENT

HON. CARROLL HUBBARD, JR

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 20, 1985

● Mr. HUBBARD. Mr. Speaker, more and more Americans are becoming aware that the U.S. Justice Department is the most politically conscious, politically active agency in our Federal Government.

The Justice Department is mounting a determined defense of its decision not to prosecute individuals in E.F. Hutton & Co's bank fraud, check-kiting case in the face of persistent criticism that flares almost daily on Capitol Hill.

Justice Department officials have said in interviews that officials were not prosecuted in the E.F. Hutton check-kiting case because of a need to avert a threat to the banking system, a lack of evidence against top management, and a risk of losing a jury trial on highly technical charges of the scheme.

I have said repeatedly that the agreement not to try to send individuals from E.F. Hutton to jail was a "travesty" and an "incredibly negligent, political judgment."

The following appeared in the May 16, 1985, edition of the New York Times as one of several reasons given by the Justice Department in defense of its decision not to prosecute E.F. Hutton officials: "The individuals whom the prosecutors had enough evidence to indict were midlevel executives who had not profited directly and could say they were acting within the law."

However, at yesterday's hearing of a House Judiciary Subcommittee, Robert M. Fomon, chairman and chief executive officer of E.F. Hutton Group, Inc., acknowledged the overdraft and float—check-kiting—politics were "stupid and clearly improper banking activities." Mr. Fomon also testified there was "tremendous performance competition" among regional managers of E.F. Hutton—across the country, "so they pushed to excess to devise interest schemes."

Mr. Fomon said yesterday that bonuses were awarded to high-performance regional branch managers.

In light of Mr. Fomon's testimony of yesterday, it is questionable how the Justice Department would not characterize these bonuses as "direct profits" to midlevel executives.

I have spoken before about the Washington woman recently prosecuted, convicted and jailed by the Justice Department for shoplifting merchandise valued at $200. It cannot be doubted that the woman had profited directly from her acts.

Those of us who know how politically active and politically conscious the Justice Department is, of course, are not surprised that such a subtle distinction was drawn and turned into one of the excuses in this check-kiting scheme.

Count on the fact it was politics as usual at the Justice Department when the decision was made not to indict any individuals at E.F. Hutton & Co., even though it pleaded guilty to 2,000 counts of mail and wire fraud in connection with a $4.35 billion scheme to intentionally write checks in excess of deposits it had in some 400 banks across America.●

ITALY'S SUPPOSED FRAGILITY

HON. DOUG BEREUTER

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 20, 1985

● Mr. BEREUTER. Mr. Speaker, Italy is often referred to in news articles in a tone of amusement. The innumerable rise and falls of Italian Governments, the backroom coalition politics and the tenuousness of any coalition in Rome has long been reported by correspondents with bemused expressions.

But, notwithstanding all the governments and all the changes, Italy has been among the most stable and loyal of our allies. It is indeed, a lesson in international relations that although the faces of the leaders may change, the democratic spirit of a freedom loving nation such as Italy remains unwavering.

Under the leadership of Prime Minister Bettino Craxi, Italy's long Atlanticist foreign policy has become more assertive. The government sent peacekeeping troops to Lebanon and supported the stationing of missiles on Italian territory. Now, Prime Minister Craxi is going after the double digit inflation that besieges his economy. In doing so, he has won a difficult political battle against the Communist Party.

I was pleased to see that the Omaha World Herald, a Midlands newspaper, published a very thoughtful and incisive editorial on Italy which did not have that bemused character to it. I commend the editorial to my colleagues' attention.

[From the Omaha World Herald, June 11, 1985]

ITALY FINDS SOME STABILITY

Italy, long known for its revolving-door governments, has achieved stability under the leadership of Socialist Prime Minister Bettino Craxi.

Recent Italian elections showed significant gains for the five-party coalition headed by Craxi. The big loser in the weekend elections was the Communist Party.

In earlier elections for regional and local governments, the Communists got 30 percent of the vote, down from the 34 percent they received in last year's elections for the European Parliament. The Christian Democrats, part of Craxi's coalition, regained their status as Italy's largest party, attracting 35 percent of the vote compared with 33 percent in the 1984 European elections.

Craxi's Socialists also improved their performance, getting 13 percent of the vote in the May elections compared with 11 percent last year.

The results have been interpreted as a vote of confidence for Craxi, who in August 1983 became Italy's first non-Christian Democrat prime minister since World War II. Although a Socialist, Craxi has generally followed a moderate political course. His main goals have been to spur Italy's economy, and lower the country's double-digit inflation.

The Communists, once allies of the Socialists, have branded Craxi a traitor to the working class for his austerity program, which included reductions in Italy's automatic cost-of-living increases for workers' wages. But voters Sunday rejected a Communist plan to tie wages to the cost of living.

Craxi has been a supporter of NATO. He has backed the deployment of medium-range cruise and Pershing 2 missiles in Italy to counter the Soviet nuclear buildup in Eastern Europe.

With numerous parties and conflicting ideologies, Italian politics is susceptible to fragmentation. Craxi, however, seems to be holding things together. The Communist influence has been reduced. The governing coalition enjoys wide public support.

As a result, Italians should have greater confidence that the government in power when they wake up in the morning will still be there at night.●

COUNTERTERRORISM AND PUBLIC OPINION

HON. JIM COURTER

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 20, 1985

● Mr. COURTER. Mr. Speaker, 67 years ago Bolshevik troops occupied a British Embassy in Russia and murdered Captain Cromie, the British naval liaison. Winston Churchill declared the crime to be at odds with every recognized principle of morals and diplomacy, and said that the exertions a government is prepared to make in defense of the lives of its citizens abroad is one of the marks of a nation's greatness.

That principle comes to mind now, as this Nation is faced with men who have tied up, beaten and shot PO Robert Stethem, of the U.S. Navy, and who still hold many others in terrorized captivity.

We cannot know, of course, just what actions—political or military—the administration is taking at this moment to address this very complicated situation. That is as it must be; a military response, especially, would have to be a secret response, or it risks a disastrous end. But this is not to say that what we think and feel does not matter. On the contrary, the situation

might become a test case of our opinion of a controversial principle that the President, Secretary of State Shultz, and National Security Adviser McFarlane have been enunciating over the last year. It is that terrorism must be combated, not accepted, and that to do so we will be required in some cases to use preemptive strikes, punitive retaliation, or other means which go to terrorism's sources.

Formally, this is already American policy. It was set out in National Security Decision Directive 138 in April of last year. But the administration has apparently been reluctant to employ it. This may be due in part to the way in which some Americans recoil from any suggestion of covert operations that might end in bloodshed, even if the blood belongs to known killers. Other Americans recoiled when news stories indicated the existence of a nascent CIA program to train Lebanese counterterrorist forces.

The present crisis may therefore prove less a test of the administration, which can be presumed to be doing all in its power, than a test of the broader American will to assume the responsibility for what is done. If the choice is to use force, whether soon or much later, whether overtly or covertly, and if Americans refuse to accept its use, then this country will be required to continue enduring terrorism rather than combating it.

Most of us are united now; moral indignation can be a cohesive force. But we must look ahead. What if the present situation is unresolvable, and the hostages, already dispersed in Beirut, cannot be recaptured? Will we be as united, a month or 3 months from now if a U.S. covert operation captures or kills a hijacker or a Shi'ite political leader responsible for this or some other recent terrorist strike? Will we support a bombing of known Shi'ite strongholds in Lebanon, or even in Syria or Iran? Or will we by then have become complacent—complacent and resettled into that vague and senseless opinion that counterterrorism is itself the moral equivalent of terrorism?

America is the direct victim of 40 percent of international terrorist attacks. The problem with American retaliation is not that it would make us barbaric. The problem is that if we do not retaliate we remain impotent in the face of barbarism. And we certainly have no right to expect any other government to do for us what we will not do for ourselves.●

BROWNE JUNIOR HIGH RECEIVES RECOGNITION

HON. WALTER E. FAUNTROY

OF THE DISTRICT OF COLUMBIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 20, 1985

● Mr. FAUNTROY. Mr. Speaker, the U.S. Department of Education has released the list of secondary schools cited under the Secondary School Recognition Program.

The only secondary school in the District of Columbia cited under this program is Browne Junior High School, located at 26th and Benning Road, NE. Under the leadership of Ms. Marguerite Pettigrew, the principal, Browne Junior High School has made great strides toward educational excellence.

Mr. Speaker, I congratulate Ms. Pettigrew and Dr. Floretta D. McKenzie, superintendent of schools, for this achievement. This award is another example of the resurgence of public school education in the District of Columbia and the Nation.●

NATIONAL ICE CREAM MONTH AND DAY

HON. THOMAS P. O'NEILL, JR.

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 20, 1985

● Mr. O'NEILL. Mr. Speaker, I would like to bring the attention of this body to a matter that should appeal to both sides of the aisle. The subject of which I speak does not pertain to the national deficit nor tax simplification, but rather to the greatest American dessert, ice cream.

As you may already be aware, Congress designated the month of July as "National Ice Cream Month," and specifically July 14, as "National Ice Cream Day." For this reason, I call upon the Members of this body to do whatever they deem appropriate to celebrate this all-American treat. The International Association of Ice Cream Manufacturers are providing Capitol Hill with an ice cream party on Thursday, June 20, 1985, from 4 to 7 p.m., in the courtyard of the Russell Senate Building.

I am a self-proclaimed ice cream connoisseur and have never tried to conceal my passion for this delectable frozen dish. Although my love for ice cream knows no bounds, a more important fact is that it is the U.S. favorite dessert. According to the most recent data available, a record high 1.29 billion gallons of ice cream and related products were produced in this country, thus making ice cream an $8 billion industry.

It prides me to say that my home State, the Commonwealth of Massachusetts, is 1 of the top 10 ice cream producing States in the Nation. As a matter of fact, New England has the highest per capita consumption of ice cream in any region in the country. Coincidentally, Boston, MA is the home of several ice cream manufacturing firms and many would argue that Boston-made ice cream is the best in New England; maybe on the east coast; perhaps in all the United States; and quite possibly the world.

The question concerning who makes the best ice cream of course is rather trivial, however, we do have the month of July and in particular, July 14, to pay tribute to epitome of the dessert world.

Ice cream is one of America's all time favorite treats. So let us honor this frozen dessert and the industry that supplies our palates, with an appropriate acknowledgment if not on July 14, "National Ice Cream Day," maybe sometime during July, "National Ice Cream Month."●

PERSONAL EXPLANATION

HON. TOM LEWIS

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 20, 1985

● Mr. LEWIS of Florida. Mr. Speaker, on Thursday, June 20, due to official business, I was unavoidably absent during rollcall No. 174. Had I been present, I would have voted "nay."●

TRIBUTE TO ARDATH DANFORD

HON. MARCY KAPTUR

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 20, 1985

● Ms. KAPTUR. Mr. Speaker, Miss Ardath Danford retires this week as director of the Toledo-Lucas County Public Library system after 33 years of dedicated service to the public. As library director, Miss Danford has been in the forefront of our community's efforts to develop a first-class library service. As a result of Miss Danford's strong leadership and management skills, her tenure has seen two new library branches opended, and another on the way, expansions of existing branches, increased collections of print and nonprint materials, and an important movement toward computerization. Because of these breakthroughs, library usage in our community has set new records during the past decade. In each of the past 2 years alone, more than 4 million items have been borrowed by library patrons.

Miss Danford has been an active member of many professional and community service organizations

during her career. I know my colleagues join me in saluting a professional committed to public education through our Nation's library system—a woman who has served my district with such great distinction.●

OUTSTANDING EDUCATOR, ARNOLD W. VIEBROCK

HON. IKE SKELTON

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 20, 1985

● Mr. SKELTON. Mr. Speaker, I would like to take this time to recognize a truly outstanding educator from my hometown of Lexington who is retiring after 29 years of service to the young people of our community.

Arnold W. Viebrock is stepping down as principal of Lexington Middle School at the end of June, thus ending the longest tenure of any principal in the school district. He has contributed his time, efforts, and energy into the education of our children, and many of his programs have become conventions of the school system.

As a principal, Mr. Viebrock has built some impressive credentials. He is a member of the Missouri State Teachers Association; Missouri Association of Secondary School Principals; National Association of Secondary School Principals; Central District Principal Association; and a charter member of Phi Delta Kappa, an educational fraternity.

Out of all of his distinguished accomplishments, I feel confident to say that what means the most to this principal is the satisfaction of watching his students grow, mature, and graduate. By setting a good example, showing pride and care in his work, Arnold Viebrock demonstrates what a principal should be.

Mr. Speaker, I am sure my colleagues will join me in wishing this husband and father of three charming girls all the best for his future. Personally, I take even greater pride in calling Arnold Viebrock my friend.●

LEGALIZED DRUGS: READERS WEREN'T HIGH ON THE IDEA

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 20, 1985

● Mr. RANGEL. Mr. Speaker, as chairman of the Select Committee on Narcotics Abuse and Control, I am deeply concerned about the prevalence of drug abuse in our society. Three months ago, syndicated columnist William F. Buckley wrote an article for the New York Daily News in which he proposed legalizing illicit narcotics as a method of reducing drug-related crime. After obtaining feedback from readers, Mr. Buckley wrote a followup article entitled "Legalized drugs: Readers weren't high on the idea."

Appearing in the May 29, 1985, issue of the New York Daily News, the subsequent article indicated that the public does not support the legalization of narcotics. Numerous letters, on behalf of friends and relatives of drug addicts, were received by Mr. Buckley emphasizing the negative effects drug addiction has on drug addicts' personalities and interpersonal relationships.

As for myself Mr. Speaker, I am unalterably opposed to the legalization of illicit narcotics due to the alarming statistics which indicate drug abuse is emerging as America's predominant health and social problem. Cocaine, marijuana, and heroin remain as the leading drugs of abuse. According to data obtained from Time magazine, 5,000 first time users will experiment with cocaine every day and many of these people will become dependent upon the drug. Estimates from the select committee's 1984 annual report reveal 25 million people in America use marijuana regularly and as many as 40 million may be occasional users. The number of heroin addicts has most recently stabilized at approximately 500,000. These statistics clearly show that legalizing the sale and use of drugs in America is inadvisable.

By legalizing the nonmedical use of drugs, our Government would be conveying the irresponsible message to our society, especially the youth of America, that drug use is socially acceptable. This message would certainly lead to a greater number of youths experimenting with dangerous drugs. Further Mr. Speaker, the incidence of drug addiction is directly related to the availability of narcotics. Legalization would certainly allow drugs to be more readily available at reduced prizes, which in turn would lead to even greater levels of substance abuse. Contrary to Mr. Buckley's proposal, historical experience indicates that the legalization of illicit drugs would not lessen the health damage and crime associated with present patterns of drug abuse. In addition to the human suffering drug abuse causes, estimates of the social and economic costs of drug abuse, including crime, violence, death, destruction, lost productivity and drug enforcement efforts totals over $100 billion annually. Evidence suggests that legalization of illicit narcotics would inflate this figure and take an even more dreadfull toll on our society. Finally Mr. Speaker, even if legalization substantially reduced drug-related crime, these savings might well be offset by the additional costs created by the increased number of addicts and abusers. Such costs might include increased drug-related deaths and accidents, loss of productivity, unemployment, and additional burden on health and welfare systems.

I strongly believe that the legalization of drugs is not the solution to the problem of drug abuse or drug-related crime. A more logical approach is to develop a long-term, comprehensive strategy to control both the demand and supply of illicit narcotics. To effectively control the demand, critical areas such as drug abuse prevention, education, and treatment should be integrated into a coordinated national drug abuse strategy. To reduce the availability of narcotics and other dangerous drugs, strong law enforcement efforts are essential to an effective national strategy. In addition, the United States must expand and improve its international cooperation and assistance programs aimed at reducing supplies by eliminating the production of illicit narcotics in foreign source countries.

For the information of Members and the public, I ask that Mr. Buckley's May 29, 1985, article from the New York Daily News entitled "Legalized Drugs: Readers Weren't High on the Idea" be inserted into the CONGRESSIONAL RECORD at this time.

Mr. Buckley's article follows:

[From the New York Daily News, May 29, 1985]

LEGALIZED DRUGS: READERS WEREN'T HIGH ON THE IDEA

(By William F. Buckley, Jr.)

Two months ago in this space, I attempted to accost a dilemma, and very nearly got run over. To compress the analysis, it goes like this: (1) We aren't succeeding in keeping dope away from the American public. (2) We have, in attempting to keep it away from the public, created, and are now sustaining, a criminal class and encouraging criminal behavior on a vast scale. (3) Is there then a case for doing away with the crime by legalizing the stuff—and simultaneously mounting a huge campaign against its use?

Anyone who has had experience in talking about drugs other than merely to condemn them will tell you that some people simply stop thinking when they read an attempt at reason. Many letters recounted to me the horrors of drug addiction—as though I had been arguing in favor of addiction. There also is much sentiment out there that if the United States government legalized the consumption of hard drugs, it would inevitably appear as if the people of the U.S. sanctioned the consumption of hard drugs. There is, of course, no logic in that position: A society can sanction the sale of pistols without sanctioning their use to kill people. A drugstore that stocks sleeping pills does not sanction their use for suicide. Still, there is the lingering impression that to license is to approve, and for that reason alone, changes in the law would need to be made with a fanfare whose message was unambiguous.

A lawyer wrote in with a novel suggestion: That Congress pass a law giving all Americans who take heroin or cocaine 90 days in which to register as users. They would then be supplied with the stuff, but only on their agreeing to sign up for rehabilitation. Anyone unregistered and caught using the

drugs after the 90-day limit would incur a very heavy penalty. The idea is clear enough: Find out who the users are, give the drugs to them at cost, for as long as it takes to break the habit. Warn others that experimentation will bring draconian consequences. An interesting variation, but not to be dismissed.

But it becomes clearer that mere denunciations simply are not having the desired effect. The figures roll in fifty percent, perhaps 60%, of all crime is drug-related. Ninety percent of illegal drugs reaching the country come in through organized crime. Businesses lose $50 billion annually because of drug-related absenteeism and errors. There are now 4 million frequent cocaine users, 10 million occassional users. The cost of both heroin and coke, three years after President Reagan's big antidrug campaign was launched, are half what they were, which tells us that drugs are more ubiquitous than ever.

Here is something the hardliners have a problem with. Take Dr. Gabriel G. Nahas of Columbia University, author of several anti-marijuana studies. Confront him with what we know about the drugs we do legally tolerate. Every year, 300,000 people die because of tobacco; 50,000 (at least) because of alcohol and alcohol-related accidents. Yet there is certainly no sentiment to outlaw tobacco, let alone booze. Such pressure as there is is in the direction of advertising the noxious effects of smoking or over-drinking. Nahas will fend off questions relating to tobacco and alcohol by saying that proper epidemiological studies have yet to be done on the consumption of marijuana, so that there is as yet no way of telling exactly what strategic damage is done by its consumption. And then, of course, the ultimate psychological weapon: If the U.S. becomes a nation of drug users, this will sap our will, much as the will of China was sapped by the use of opium before the turn of the century, and that of Islam by the use of hashish. Stop, they tell us, before it is too late.

But then we pause to reflect: Stop it how? Mr. Lee Kuan Yew of Singapore can tell us how: Execute everyone you catch selling the stuff, and maybe flog the users, and presto, no further problem. In Japan, they stopped the use of amphetamines, but the Japanese have a way of mobilizing public pressure that we don't have here.

Meanwhile, we have lots and lots of crime, and lots and lots of drugs floating all over the place. I pray for a solution, and note gently that it is not a part of any solution to write me a letter to tell me how awful drugs are.●

TRIBUTE TO DARRYL MARTIN

HON. GEORGE W. GEKAS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 20, 1985

● Mr. GEKAS. Mr. Speaker, today I rise to recognize a young man, who, through his determination, exemplifies the ability of an individual to make a difference in his community.

On June 18, 1985, Darryl Martin of Harrisburg, at age 27, became the Pennsylvania junior welterweight boxing champion by knocking out his opponent in the third round of the title fight.

"Dangerous Darryl" is anything but dangerous outside of the boxing ring. His involvement with local youth groups and active participation in his church belies his ring name. The many hours that were spent as a volunteer counselor in the Harrisburg YMCA helped Darryl get his start in boxing.

The leadership that Darryl inspires in and out of the ring works as a prime motivational factor in his many endeavors throughout the community. Probably the most important lesson to learn from someone like Darryl Martin is that success is achieved by a combination of talent, dedication, and courage.●

CONGRESSIONAL SALUTE TO HON. IRVING T. KLEIN OF NEW JERSEY, 1985 "PAUL HARRIS FELLOW," ROTARY CLUB OF WAYNE

HON. ROBERT A. ROE

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 20, 1985

● Mr. ROE. Mr. Speaker, on Wednesday, June 26, the residents of the township of Wayne, my congressional district, and State of New Jersey will join together with our fellow Rotarians in testimony to an outstanding community leader, distinguished citizen, and good friend, Hon. Irving T. Klein of Wayne, NJ, whose standards of excellence throughout his lifetime have earned him the most highly coveted honor of being chosen 1985 Paul Harris Fellow of the Rotary Club of Wayne—the highest award that Rotary can bestow upon any of its members.

I know you and our colleagues here in the Congress will want to join with me in extending our heartiest congratulations to Irving Klein and share the great pride of his good wife Doris; sons James E., Richard and wife Lori; and daughter Mary-Ann and husband Peter Becker in applauding this milestone of achievement in their family endeavors.

The Rotary Club of Wayne is one of our Nation's most prestigious affiliates of Rotary International whose motto: "We make a living by what we get—we make a life by what we give"—"service above self"—and their good deeds in helping others, young and adults alike, have served to inspire all of us. Irving has by his example and lifetime of dedication to these same true American ideals personified exemplary leadership in his outstanding responsible service to our people.

Mr. Speaker, Irving Klein has been a staunch supporter and active participant in many civic and community improvement programs and we applaud the quality of his leadership endeavors in the vanguard of service to people's needs. He was born in Staten Island, NY, on May 20, 1915, and received his B.S. degree in business administration from Lehigh University in 1937. He was employed in the advertising department of Schering Corp., Bloomfield, NJ, before joining the U.S. Army in 1943 at Camp Chaffee, Fort Smith, AR. He served our country with distinction during World War II as a member of the 16th Armored Division, Field Artillery, in the 1945 European theater. He was with the Armed Forces in the landing at Le Havre and on V-E Day 1945 was in Czechoslovakia.

Following World War II he returned to Schering Corp. until 1946 when he became entrepreneur of General Laboratory Supply Co. In 1965 he sold his business to Curtin Scientific and remained with the management of its operations until 1969. He then decided to again reinvest in his own laboratory supply business which flourished under his entrepreneurship until 1978 when he sold his business and retired from the laboratory supply business market.

Mr. Speaker, Irving's personal commitment to the economic, social, and cultural enhancement of our community has been a way of life for him. His business acumen and expertise has enabled him to achieve success in his career pursuits in the business world. His sincerity of purpose and compassion in responding to the needs of our people are applauded by all of us who have the good fortune to know him. He has attained the greatest respect and deepest appreciation from a grateful community for his dedication and untiring efforts in service to his fellowman.

He is past president of the Wayne Chamber of Commerce and a charter member of the Rotary Club of Wayne. During his tenure with Rotary he has served as sergeant of arms, secretary, vice president, and member of the board of directors. Among his many other civic and charitable endeavors, he is a member of the board of trustees of the Wayne Branch of the American Red Cross, Republican county committeeman, and president of Pines Lake Association. The quality of leadership and sincerity of purpose that Irving Klein has imparted to our people in the political, civic, and business world are mirrored in his many accomplishments. We particularly commend him for his outstanding public service as a longstanding member of the board of directors of the Foundation for the Handicapped and his active participation in the fundraising activities of Lehigh University.

Mr. Speaker, it is indeed appropriate that we reflect on the deeds and achievements of our people who have

contributed to the quality of life and way of life here in America. As we gather together on June 26 in tribute to Irving's leadership endeavors and personal commitment dedicated to service to people, I know that you will want to join with the Rotary Club of Wayne, NJ, in honoring our good friend Irving as an outstanding citizen and great American. We do indeed salute the Wayne Rotary Club's "Paul Harris Fellow"—Hon. Irving T. Klein of New Jersey.●

ELDER ABUSE: THE NEED FOR A NATIONAL RESPONSE

HON. CLAUDE PEPPER

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 20, 1985

● Mr. PEPPER. Mr. Speaker, you are aware, I am sure, of the increasing public awareness of elder abuse in the United States today. Recent hearings of the Subcommittee on Health and Long-Term Care of the House Select Committee on Aging confirm that elder abuse is far from an isolated and localized problem involving a few frail elderly and their pathological offspring. It is a problem that affects all segments of the population, rich and poor, rural and urban, and all races and faiths.

Following an extensive review of States' experiences in the area of elder abuse, the subcommittee was able to reach the following conclusions:

Elder abuse is increasing nationally. About 4 percent or 1.1 million older persons, may be victims of such abuse each year. This represents an increase of about 100,000 abuse cases annually since 1981.

Elder abuse is far less likely to be reported than child abuse. While 1 out of 3 child abuse cases is reported, only 1 out of 5 cases of elder abuse comes to the attention of appropriate authorities.

While it is a shame that States are only able to spend about $25 for each child State resident, on the average, for child protective services, it is a crime that they spend only $2.90 for each elderly resident. Only about 4 percent of a State's budget, on the average, goes for protective services for the elderly—even though about 40 percent of all reported abuse cases involve adults and abused elders.

The average elder abuse victim is usually female, over the age of 75, and dependent on her family, relatives, or caregivers, for meeting one or more of her daily living needs. It is out of fear of retaliation or dependence on their loved ones that prevents the victim from reporting their abuse.

A profile of the abuser also emerges. The son of the victim is the most likely abuser, followed by the daughter of the victim. The likely abuser will most likely be experiencing great stress. Alcoholism, drug addiction, marital problems and long-term financial difficulties all play a role in bringing a person to abuse, as well as life history or experience in abusive experiences.

The obvious question is what can the Federal Government do to provide safety to seniors in their own homes. In reviewing the history of domestic abuse in America, the subcommittee found that Federal legislation in the area of child abuse has paid handsome dividends in encouraging States to modify or enact statutes designed to prevent and identify the abuse of children within their jurisdictions. It is clear that the Federal Government could play a similar role in the analogous area of elder abuse. When asked if they could support such legislation, virtually every State responded in the affirmative. In fact, in anticipation of congressional action, States began modifying their elder abuse related laws and procedures to gain compliance with a new congressional mandate providing the States with financial assistance in this area. By 1985, 37 States and the District of Columbia had adopted mandatory reporting provisions, similar to their State child abuse reporting provisions.

However, given cutbacks in the social services area, States are severely hampered from channeling moneys into this new designated social services area—elder abuse protective services—on their own authority. The Congress should assist the States in their efforts to deal with the pervasive problem of elder abuse. Congresswoman Mary Rose Oakar and I have introduced H.R. 1674, the Elder Abuse Prevention, Identification, and Treatment Act of 1985, as an important first step. This bill, which is identical to the Child Abuse Prevention, Identification, and Treatment Act of 1974, would not involve a tremendous new expenditure of Federal funds. For example, the Child Abuse Program, after which Federal elder abuse proposals have been patterned, had a very salutary effect in encouraging the States to deal with child abuse as an expenditure in 1974, when the program first started, of $4.5 million annually, growing to $22.9 million in 1980. We urge you to support this important and much needed response to the national dilemma of elder abuse. The States, the Congress, and elders look to you for support in this matter.

In the course of its investigation, the subcommittee also found that some unscrupulous relatives and loved ones entrusted with the responsibility of handling the funds of older people were not using these finances in their best interests. For example, one woman currently serving a prison sentence in a Federal prison told the subcommittee she regrest having used over $170,000 she took from the elderly residents of a Federal owned facility in the District of Columbia for her own purposes. She added that she should have been insured so that their savings could have been restored.

Sadly, bonding is not a requirement in many long-term care institutions where Federal moneys for patients are handled by employees. This should be immediately corrected. Bank tellers are insured against mismanagement of funds—so should be those who are entrusted to handle the funds of those least able to handle their financial matters—those in our Nation's federally supported long-term care institutions. Therefore, I am introducing today H.R. 2832, a bill which would require all Medicare/Medicaid certified nursing homes as well as the U.S. Soldiers' and Naval homes to purchase security bonds to protect those patients funds entrusted to them and their staff for handling.

I would also urge your support of H.R. 2829, legislation which should assist the States—via their Medicaid Fraud and Abuse Control Units—to investigate and prosecute all patient abuse and neglect complaints involving violation of State criminal laws for patients of failities receiving Medicaid dollars. According to the National Association of State Medicaid Fraud and Abuse Control Units, additional assistance will be necessary to aid the States in combatting patient abuse. This bill would double the total allowable Federal matching funds available to State Medicaid Fraud and Abuse Control Units in handling patient abuse and neglect cases.

Elder abuse will not simply go away. Swift and determined action must be taken to deal with this national disgrace. I hope that you will join me in support of these two measures.●

TRIBUTE TO ROBERT E. (JAMES) BEACH

HON. IKE SKELTON

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 20, 1985

● Mr. SKELTON. Mr. Speaker, it is with a great deal of sadness that I rise today to inform my colleagues and pay tribute to an outstanding American and native Missourian who recently passed away after a courageous 2-year battle with cancer.

Robert (James) Beach, a professional actor, was 43 and had lived in the Hollywood, CA, area since 1969 when he set out on his career in the entertainment field.

He was born in 1942 to Dr. Robert E. and Lela E. Beach, both of whom survive, in Butler. After attending the elementary school in Butler, Mr. Beach

attended high school at my alma mater, Wentworth Military Academy in Lexington, MO.

Before serving in the U.S. Navy for 4 years, he attended Emporia State College in Emporia, KS.

A successful performer, perhaps the Members recall his numerous television appearances on shows such as "Gomer Pyle," "Nichols," "Lottery," "Cover Up," "The Fall Guy," "The A-Team," and "Divorce Court." Mr. Beach also played in the supporting cast of the movie "Change of Habit," which starred Elvis Presley.

As a member of the Screen Actor's Guild and the Masquers Club, he also was involved in script writing and attended the Charles Conrad Acting Studio in Hollywood. Additionally, he worked with church youth groups in the Hollywood area, particularly as a counselor for summer camps.

Mr. Speaker, I feel confident in saying that the entire House membership joins me in remembering Robert Beach, and expressing to his family our deepest sympathy.●

SPECIAL PAY RATES

HON. FRANK R. WOLF

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 20, 1985

● Mr. WOLF. Mr. Speaker, I am introducing the Federal Employee Recruitment and Retention Improvement Act of 1985 today to reform the salary schedule and limitations on Federal employees in hard-to-fill Government jobs currently covered under special pay rates. Senator PAUL TRIBLE has taken the lead on this initiative and this legislation is the House companion measure to his S. 1327. I have been a longtime supporter of taking a comprehensive look at the needs and demands of the Nation's Federal work force in offering a sound and secure, well-rounded structure of benefits.

Unfortunately, the low morale and negative impact generated from budget proposals and reforms of the last 8 years has precipitated a mass exodus of highly qualified and talented workers from Federal employment. We are now experiencing critical shortages in some areas of the country in some occupations, which are vital to the public interest and to the Nation's defense.

The Federal Government is in serious need of immediate assistance in expanding current authority to recruit and retain many highly skilled engineers, technicians, mechanics, nurses, law enforcement personnel, and clerical help in more than 30,000 positions nationwide.

It is for this reason that I am introducing legislation to expand the current authority granted to agencies for dealing with these hard-to-fill but essential positions.

This legislation will:

Expand the factors to be considered in determining whether an agency needs special pay rate authority. Currently, pay in local private industry is the only defining factor for authorization of a special-pay rate. For jobs which have no private sector counterpart or jobs where the factor making it hard to fill is not pay—that is, remoteness of location, working conditions, nature of the work, and other issues—there needs to be recognition of that fact and adequate compensation to fulfill the agency's mission.

For example, I have two FAA-owned and-operated airports in my congressional district which hire police officers. The FAA pays to train these individuals extensively but is authorized to offer a salary substantially lower than the average income of neighboring law enforcement agencies in the Metropolitan Washington area. Frequently, candidates will join the FAA, train at the FAA's expense and then leave Federal service to join the higher paid local police departments thereby making the Federal Government a training ground for non-Federal jobs while the taxpayer foots the bill. Further, because current special pay rates are determined by pay in private sector and are unable to recognize State and local governments' salaries, the pay relief for these individuals is minimal at best. My legislation will significantly enhance the FAA's effort to recruit and retain individuals for these dangerous jobs.

Establishes recruitment and retention bonuses to provide incentives for individuals to choose Federal service. These bonuses will not affect base pay and are tied to a time service agreement in the hiring agency.

Annualize step increases on an incremental performance basis similar to the recently enacted performance management and recognition system.

Grant direct-hire authority to agencies so they can hire the candidates they have recruited—rather than the current practice of recruiting talent and then listing them on an Office of Personnel Management register.

Allow for advancement of pay for individuals who are just starting out in a career. Repayment, of course is required. Frequently, individuals fresh out of college, graduate school, or trade school have exhausted much of their income through their educational pursuit and do not have the funds for living expenses such as deposits on apartments and other needs. This legislation is designed to deal with such facts about starting a career.

Expedite the OPM approval process by requiring OPM to take action within 45 days on each agency request rather than the long process which has evolved taking anywhere from 2 months to 2½ years to get special pay rates authority. OPM will be responsible for establishing regulations by which an agency's hiring problems can be defined. Once meeting the OPM definition, authority is automatically granted to that agency, unless OPM rejects with written justification within 45 days.

Ensure that agency training is tied to a service agreement by requiring individuals who are trained at one agency's expense to remain with that agency for a defined minimum amount of time before transferring to another Federal job unless such requirement is waived by the head of the training agency.

Eliminate required annual waiting periods in the first three steps of the grade pending OPM authority. This ability to provide accelerated promotions is a significant recruitment tool.

Ensure supervisors' pay exceeds subordinates by allowing agencies to adjust supervisors' pay to a higher rate than the employees directly supervised. As wage inversion differentials become increasingly unmanageable in certain regions of the country, fewer outstanding performers are willing to accept management roles because of salary limitations. This bill will provide a mechanism for dealing with such management problems. This is not an entitlement but is meant to be used as a recruitment tool for attracting qualified managers into supervisory positions.

Encourage agency innovations in developing ways to attract and retain qualified individuals other than with pay—such as developing child care arrangements, recreation facilities for employees, improving working conditions, and other innovative means for making the Federal position attractive.

Allow higher rates of pay by authorizing the minimum rate payable to a special pay employee to exceed the maximum rate payable for the normal General Schedule grade. An employee can enter the pay range above the step 1 level and all special pay authority is subject to the executive level V cap.

I am pleased to offer this legislation. I think it offers an innovative approach to considering the employee first rather than adhering to the rules of the rigid General Schedule structure which seem to have been geared more toward ease of administration than recognizing and acknowledging the individual civil servant.

We've got a serious problem on our hands in the Government's ability to recuit and retain quality employees. I understand, with announcement of the administration's 5-percent-pay-cut proposal last winter, the Department of the Air Force civilian personnel recruiting efforts were completely shut down. We need this legislation to help

restore morale in the Federal work force and provide incentive for quality personnel to join the civil service ranks. I urge my colleagues to join me in seeking solutions to these personnel problems which seriously threaten the services on which Americans depend and technology on which our Nation's defense relies.

Mr. WOLF's bill follows:

H.R. —

A bill to amend title 5, United States Code, to modify the authority under which higher rates of pay may be established in geographic areas where the Federal Government is experiencing significant recruitment or retention problems, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. AUTHORITY RELATING TO HIGHER RATES OF PAY.

(a) IN GENERAL.—Title 5, United States Code, is amended by striking out section 5303 and inserting in lieu thereof the following:

"§ 5303. Higher minimum rates

"(a) Under regulations prescribed by the President or his designee, and subject to subsection (b), when the head of an agency finds, with respect to one or more occupations in one or more areas or locations, that such agency's recruitment or retention of well-qualified inidividals in positions paid under—

"(1) section 5332 of this title;

"(2) the pay scales for physicians, dentists, and nurses in the Department of Medicine and Surgery, Veterans' Administration, under chapter 73 of title 38; or

"(3) section 403 of the Foreign Service Act of 1980; is significantly handicapped (as determined in accordance with such regulations), whether because of higher pay rates in private enterprise or otherwise, the agency head may establish for the areas or locations involved, and with respect to positions within such agency, higher minimum rates of basic pay for one or more grades or levels, occupational groups, series, classes, or subdivisions thereof, and may make corresponding increases in all step rates of the pay range involved.

"(b)(1) The authority to establish higher rates of basic pay under subsection (a) may be exercised by the head of an agency following the expiration of the 45-day period after—

"(A) the agency head provides notification to the Office of Personnel Management (or such other agency as the President may designate), in writing, of its finding under subsection (a) that a significant recruitment or retention problem exists; unless

"(B) the Office (or other agency) makes a written determination, before the expiration of such 45-day period, that the criteria for making such a finding under the applicable regulations have not been met.

Any notification under subparagraph (A) shall specify the period of time, not to exceed 2 years, for which the agency head anticipates that the authority under subsection (a) will be required.

"(2) Any authority deriving from a notification under paragraph (1) shall terminate—

"(A) after the expiration of the period of time specified in such notification; or

"(B) if, before the expiration of such period, the President or the Office (or other agency designated by the President) makes a written determination that such authority is no longer required.

"(3) A rate of pay established with respect to a position pursuant to the authority under subsection (a) shall remain in effect after the termination of such authority (as described in paragraph (2)), and shall remain subject to periodic adjustment under section 5303a of this title, unless such position is not filled as of the date on which such authority terminates or, if it is then filled by any individual, until the occurrence of any break in such individual's service.

"(c) The rate of basic pay established under this section (as adjusted under section 5303a of this title) and received by an individual immediately before a statutory increase, which becomes effective prior to, on, or after the date of enactment of the statute, in the pay schedule applicable to such individual of any pay system specified in subsection (a), shall be initially adjusted, effective on the effective date of the statutory increase, under conversion rules prescribed by the President or his designee.

"§ 5303a. Periodic increases

"(a) Under regulations prescribed by the President or his designee, any individual who is paid on an annual basis at a rate established under section 5303 of this title and who has not reached the maximum rate of pay for the grade or level of such individual's position shall be advanced in pay in accordance with this section.

"(b)(1)(A) An individual under this section within pay rate 1, 2, or 3 shall be advanced in pay successively to the next higher rate within the pay range involved at the beginning of the next pay period following the completion of a period of service, not to exceed 52 calendar weeks, as determined appropriate by the Office (or such other agency as the President may designate).

"(B) Determinations by the Office (or other agency) under subparagraph (A) may be made on an agency-by-agency basis.

"(2)(A) Periodic advancements in pay for individuals under this section within the equivalent of pay rate 4 or higher shall be in accordance with regulations which the Office (or other agency) shall prescribe.

"(B) To the extent practicable, such regulations shall be based on the provisions of paragraphs (1)(B) and (2) of section 5404(c) of this title, relating to merit increases under the performance management and recognition system.

"(3)(A)(i) Under the regulations referred to in subsection (a), and except as provided in subparagraph (B), any individual who has accrued a period of time which may be applied towards a periodic step-increase under section 5335 of this title (or comparable provisions of law) shall remain subject to such section (or other provisions) until such individual has completed the remaining amount of time required to be considered for such increase.

"(ii) This subparagraph applies with respect to any individual who, without a break in service, begins serving in a position which would otherwise be covered by this section (excluding this paragraph) after having served in the position in which the period of time referred to in clause (i) was accrued.

"(B) The regulations shall include procedures under which an individual may, upon appropriate election, become subject to paragraph (1) or (2) of this subsection, as the case may be, without regard to subparagraph (A).

"(c) An individual paid at a rate established under section 5303 of this title is not eligible for periodic step-increases under section 5335 of this title (or comparable provisions of law), except as provided in subsection (b)(3).

"(d) Under the regulations referred to in subsection (a), the benefit of advancement through the range of basic pay for a grade or level shall be preserved for any individual who is covered by this section and whose continuous service is interrupted in the public interest by service in the Armed Forces, or by service in essential non-Government civilian employment during a period of war or national emergency.

"§ 5303b. Bonus payments

"(a)(1) Under regulations prescribed by the President or his designee, and subject to subsection (b), an agency head authorized to establish rates of pay under section 5303 of this title may provide for bonus payments under this section.

"(2) A bonus payment under this section shall be equal to an amount not to exceed $10,000, as determined by the agency head.

"(b)(1) A payment may not be made to an individual under this section if such individual has not entered into an agreement with the Government providing that—

"(A) such individual will continue in the service of the agency for a period of time determined under paragraph (2); and

"(B) if voluntarily separated from the service of the agency before the end of the period agreed to, such individual will repay to the Government any amounts paid to such individual under this section.

"(2)(A) The period of service applicable in the case of an individual employed on a full-time basis shall be the equivalent of 1 year for each 10 percent of basic pay which the bonus represents, as determined by dividing the total amount of the bonus by the individual's initial annual rate of basic pay.

"(B) This paragraph shall be applied with respect to an individual employed on other than a full-time basis under regulations prescribed to carry out this section.

"(3) If an individual fails to repay any amount required under paragraph (1)(B), such amount is recoverable by the Government from the individual or such individual's estate by—

"(A) setoff against accrued pay, compensation, amount of retirement credit, or other amount due the individual from the Government; and

"(B) any other method provided by law for the recovery of amounts owing to the Government.

Notwithstanding the preceding sentence, the head of the agency concerned may, under the regulations prescribed to carry out this section, waive in whole or in part a right of recovery under this subsection if it is shown that the recovery would be against equity and good conscience or against the public interest.

"(c) The full amount of a bonus under this section shall be paid, whether in a lump sum or in the form of periodic payments, before the end of the period of service agreed to under subsection (b).

"(d) A payment under this section is not part of an individual's basic pay.

§ 5303c. Advances of pay

"(a) Under regulations prescribed by the President or his designee, an agency head may provide for the advance payment of basic pay, covering not more than 2 pay periods, to any individual newly appointed to a position if the rate of pay for such position

is established under section 5303 of this title.

"(b) Section 5303b(b)(3) of this title applies with respect to a failure to repay any amount advanced under this section.

§ 5303d. Higher rates for supervisors

"Under regulations prescribed by the President or his designee, an employee whose responsibilities include regularly supervising one or more individuals whose pay is established under section 5303 of this title may be paid at one of the rates of such employee's grade or level which is above the highest rate of pay being paid to any such individual, or at the maximum rate of such employee's grade or level, as provided by the regulations.".

(b) CONFORMING AMENDMENT.—The analysis for chapter 53 of title 5, United States Code, is amended by striking out the item relating to section 5303 and inserting in lieu thereof the following:

"5303. Higher minimum rates.
"5303a. Periodic increases.
"5303b. Bonus payments.
"5303c. Advances of pay.
"5303d. Higher rates for supervisors.".

SEC. 2. SPECIAL APPOINTMENT AUTHORITY.

(a) IN GENERAL.—Subchapter I of chapter 33 of title 5, United States Code, is amended by adding at the end thereof the following:

"§ 3328. Appointment procedures in areas with recruitment or retention problems

"(a) Under regulations prescribed by the President or his designee, an agency which is authorized to establish rates of pay under subsection (a) of section 5303 of this title for positions within one or more occupations in one or more areas or locations may also, during the period for which the authority under such subsection is available, be authorized to fill any vacancies among such positions on an expedited basis.

"(b) The regulations prescribed under this section may include procedures under which individuals may apply to an agency directly, and the selection of an individual for appointment to a position may be made from among those so applying.".

(b) CONFORMING AMENDMENT.—The analysis for chapter 33 of title 5, United States Code, is amended by adding after the item relating to section 3327 the following:

"3328. Appointment procedures in areas with recruitment or retention problems.".

SEC. 3. SERVICE FOLLOWING MANDATORY TRAINING.

(a) GENERAL RULE.—Section 4108 of title 5, United States Code, is amended by redesignating subsections (b), (c), and (d) as subsections (c), (d), and (e), respectively, and by inserting after subsection (a) the following:

"(b)(1) An employee selected for training by, in, or through a Government facility under this chapter shall agree in writing with the Government before assignment to training that he will—

"(A) continue in the service of his agency after the end of the training period for at least three times the length of the training period or eighteen months, whichever is greater, unless he is involuntarily separated from the service of his agency; and

"(B) pay to the Government the amount of the additional expenses incurred by the Government in connection with his training if he is voluntarily separated from the service of his agency before the end of the period for which he has agreed to continue in the service of his agency.

"(2) This subsection does not apply with respect to a period of training unless—

"(A) such training is for a period of four weeks or longer; and

"(B) the satisfactory completion of such training is part of the minimum requirements for the type of position involved, as determined under regulations prescribed under section 4118 of this title.".

(b) CONFORMING AMENDMENTS.—

(1) Subsection (c) of section 4108 of title 5, United States Code, as so redesignated by subsection (a), is amended by inserting "or (b)(1)(B)" after "subsection (a)(2)".

(2) The first sentence of subsection (d) of such section, as so redesignated by subsection (a), is amended by striking out subsection (b) and inserting in lieu thereof "subsection (c)".

SEC. 4. ELIMINATION OF GS-11 THRESHOLD FOR CERTAIN PAY AUTHORITY.

Section 5333(a) of title 5, United States Code, is amended by striking out "in GS-11 or above".

SEC. 5. IMPROVEMENT OF GOVERNMENT RECRUITMENT EFFORTS GENERALLY.

Each head of an agency in the executive branch of the Federal Government is encouraged to develop and propose methods to attract talented and qualified personnel to positions of employment in the agency.

SEC. 6. EFFECTIVE DATES.

(a) AMENDMENTS.—The amendments made by this Act shall take effect after the expiration of the 6-month period beginning on the date of the enactment of this Act.

(b) REGULATIONS.—Regulations required to carry out any of the amendments made by this Act shall be prescribed as soon as possible after the date of the enactment of this Act, and shall become effective as of the effective date under subsection (a).●

ECONOMICS AND PERSONAL RESPONSIBILITIES

HON. WILLIS D. GRADISON, JR.

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 20, 1985

● Mr. GRADISON. Mr. Speaker, earlier this month, Paul Volcker addressed the Harvard University Alumni Association. In my judgment, his speech constitutes a superb overview of our perplexing economic times and the human qualities needed to cope with them. I commend the speech to my colleagues.

ADDRESS BY PAUL A. VOLCKER, CHAIRMAN, BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

President Bok, Harvard Alumni and Alumnae, Members of the Faculty, Graduates and Their Families, Ladies and Gentlemen:

It is no easy task for one invited to address this distinguished assemblage to decide on an appropriate subject. I was still agonizing over the matter when I came across an article in the Wall Street Journal about economics at Harvard. I won't vouch for its accuracy, but it made two points.

The first was that economics had become the most popular area of concentration, partly because it appealed to corporate recruiters.

That brought to mind the experience of a Washington colleague who recently participated in a Harvard seminar. His taxi driver, sensing it was his first visit, volunteered to point out the sights. But the only buildings he singled out were the Business School. My friend asked the driver why he was so preoccupied with the Business School when Harvard had such a long and proud history long before the Business School even existed. The driver turned around and said, "Mister, that's where the tips are."

The second reason cited in the Wall Street Journal wasn't much more comforting to me. It said economics was easy.

Well, if making money and simplicity are the relevant criteria, the article raised a few questions about my own career. The challenge before me today seemed clear.

Have things really changed that much from the time I spent at Harvard? To check my memory, I went to the library to see what happened the week I received my degree here in 1951. Time magazine wasn't really much help—its cover was a picture of the President of Yale. So I immediately switched to the New York Times. Its lead story was about the Secretary of the Treasury warning Western European countries their currencies were out of line—that is, they were way too high!

But you didn't have to read very far to sense a more profound difference in attitudes. Sure, there were enormous problems—Korea was unnerving, Europe had only begun its rebuilding after World War II, and new countries in Africa and Asia were just emerging with uncertain prospects. But through it all, there was a sense that the United States was in control of its own destiny, and the catalyst for action worldwide. When we sent out signals, others listened.

Here at Harvard, the new Keynesian faith that we had the tools for defeating the business cycle—mainly by manipulating the Federal budget—was being actively propagated. If that might involve a little inflation to ensure growth—well, so be it. After all, we'd never had a really serious peacetime inflation; the Great Depression was fresh in everyone's mind; and the prime interest rate was all of 2½ percent. After the catastrophe of the early 1930's, the financial system was newly protected by Federal insurance and other programs.

More broadly, there was a sense that government, rather than being part of the problem, could provide solutions. From this very platform, General Marshall had articulated a way by which America could place its enormous resources behind concerted European recovery. At Harvard, as at other leading universities, many of the best and the brightest looked toward government as providing a worthwhile and challenging career.

I suppose those attitudes culminated in the mid-1960's. We could look back on an unrivaled period of prosperity and growth, not just in the United States, but elsewhere. Unemployment was low throughout the industrialized world. Inflation still seemed a relatively minor problem, even if there were some flutterings of concern as it rose all the way to 3 percent or so as the Vietnam War heated up. We talked confidently of prospects for economic "take-off" of the developing world, and of new frontiers and a great society at home.

I well remember President Kennedy's celebrated commencement address at Yale that caught the intellectual spirit of the times. He argued forcibly that old economic ideologies and slogans were dead or dying. We needed dispassionate, informed debate about evident problems—unemployment, in-

flation, budget deficits, currency values, and the rest. The problems were complex and the experts might differ. But that technical debate about practical problems should not be encrusted with stereotypes or mythologies—such as inevitable links between budget deficits and inflation or the presumed dangers of any increases in government spending.

In effect, my Harvard classroom of 1950 had become national policy. It all seemed sensible enough.

But I also remember, as a then Treasury official in the 1960's, feeling vaguely uneasy. The "technical debate" to which the President referred in fact spanned a substantial range of opinion, rooted in quite different visions of the risks and opportunities before us. More important, I wonder if, in all the technical debate, we didn't lose sight of the critical importance of some fixed principles to help guide the conduct of economic policy.

Certainly, within a decade or so, there was a sense that we had lost our way.

No sooner had we begun to take economic growth for granted than unemployment began trending higher; by the end of the 1970's, productivity practically stopped growing at all.

We got used to inflation, but it didn't seem to stimulate the economy; instead it accelerated to the point we counted on it in our business and private decisions.

We freed ourselves from the "discipline" of fixed exchange rates, only to find large shifts in international currency values could themselves bring new uncertainties and problems in economic management.

Sharp changes in domestic interest rates and financial markets reflected the same sense of pervasive uncertainty, and suggested something in our policies has gone wrong.

Obviously, there has recently been good news as well. The pattern of accelerating inflation in the industrial world has now been broken, and fears of renewed acceleration have at least been dissipated. In this country, we have enjoyed a strong expansion since 1982. Our growth has helped encourage some expansion abroad. Many developing countries, in far more difficult circumstances than we, are coping courageously with their problems of embedded inflation and massive debt, and some of them should now be able to look forward to renewed growth.

More broadly, our political stability is still the envy of the world. There is a renewed spirit of hope and innovation. Indeed, against all the evidence of renewed vigor, I might be accused of falling into that syndrome of a central banker—as H.L. Mencken once said of Puritans, we have a haunting fear that someone, someplace may be happy.

So let me stipulate that out of difficulty we now have an opportunity—probably the best opportunity in a generation—to help lead the world into a new period of sustained growth and stability. We again have something upon which to build. But we have to seize that opportunity. Time is short and the obstacles are evident.

We all know about the massive deficit in our Federal budget—a deficit that would surely have boggled the imagination of President Kennedy when he defended, more than 20 years ago, the idea that in some circumstances a deficit was appropriate.

The pressures of government finance on our capital markets are tolerable only because we have been able freely to draw upon massive amounts of capital from abroad—a significant drain on their savings. Even so, our interest rates remain historically high, and the capital inflow is necessarily matched by an enormous flow of imports, squeezing our manufacturers, miners and farmers.

We continue to build more new offices than we can occupy; we've become expert in trading all kinds of financial assets and companies; we build hotels, attend conventions, and travel at home and abroad in unprecedented amounts—but all the while productivity still lags.

We spend our days issuing debt and retiring equity—both in record volume—and then we spend our evenings raising each other's eyebrows with gossip about signs of stress in the financial system.

We rail at government inefficiency and intrusion in our markets—while we call upon the same government to protect our interests, our industry and our financial institutions.

And the best of our young gravitate toward Wall Street instead of Washington, our state houses or our courthouses. Or, perhaps more accurately, a great many of them do end up in Washington—to run a lobby or represent a client.

Those internal contradictions are evidence enough of tension and trouble. And to a substantial degree they are echoed and mirrored in imbalances in the rest of the world.

There are 20 million unemployed in Europe, with no clear prospect of really significant reduction. New democracies in Latin America have found themselves on the edge of hyper-inflation, compounding their difficulties in raising living standards. In Africa and elsewhere, a sustained process of growth has never really started.

I am convinced the problems are amenable to practical solutions. Indeed, on an intellectual level, the broad outline of a consensus seems clear enough. Tighten up the budget fast. That should reduce our dependence on capital inflows and help create the conditions for lower interest rates. For the first time in decades, we have a program for a more rational tax system. Europe and Japan can encourage more "home grown" growth. We can all support the efforts of the developing world to make the needed adjustments. All of that should help produce a better alignment of exchange rates.

At that level, economics does look easy.

The part that is hard is converting that vague intellectual consensus into effective action—and that's not a technical problem. It's a problem of the governing process. It's the challenge of reconciling our individual interests into a coherent whole. It's recognizing that we need strong and consistent signals from Government—in effect, clear and enforced rules of the road—for the market place to produce its magic in the form of stability and growth.

The lessons of economic history suggest to me that our success or failure in approaching the practical problems will be dependent on the degree to which we respect some broad guiding principles. Their precise application in particular circumstances will always be debated. But they are important precisely because they provide some fixed points of reference for the technical debate.

After all our experience, here and abroad, a sense of price stability surely must rank as one of those principles. I don't mean we can or should achieve every year some arbitrary statistical measure of zero—today we have sensitive commodity prices falling, industrial producer prices close to unchanged, and consumer prices still rising at four percent a year or more. My point is simply that in conducting our affairs, we should be able to assume the general level of prices won't change over relevant planning horizons by significant amounts in one direction or another.

That may sound radical to a generation brought up to expect inflation. And I know it was fashionable here and elsewhere, a generation ago, for economists to argue that a "little" inflation wasn't necessarily a bad thing. Businessmen and homebuyers would be pleasantly surprised to find their products or assets worth a little more, and the economy would be stimulated—or so the argument went.

But, that was a theory born in depression. It doesn't turn out that way once inflation is anticipated as a way of life. Then the process accelerates, the distortions become greater, and productivity declines. Nor does the solution of some economists—indexation of taxes, wages, and interest rates fundamentally help. In the end, it cures nothing and seems to speed up the process.

We in the United States have had only one prolonged period of accelerating peacetime inflation—in the 1970's. By the standards of some countries it did not reach extreme levels. But it didn't mean a stronger economy—quite the reverse. The public properly was aroused to the point of supporting a strong anti-inflationary program.

Now, the more extreme concerns about accelerating inflation are quiescent. But the scars remain in a trail of uneconomic investments, financial strains, and lingering doubts about future price prospects.

Some are tempted to seek an answer to our current economic problem by just another drink from the same inflationary bottle—just a little sip, of course. But then who could trust a commitment to keep it small—and what good would it really do us?

The issue is critical not just for the United States alone. The dollar, like it or not, serves as the principal trading currency for the world and as an important store of value. There is no effective substitute available. How can we build a stable international system on an unstable currency—and how could we lead politically as well as economically?

Nor is the question purely economic. Governments are created, and find their legitimacy, in providing certain collective functions—the national defense, internal security, the provision of due process, and the protection of individual freedom. They provide the common unit of account and means of payment, and with that, it seems to me, goes the obligation for maintaining its stability.

The obligation of a government to issue the currency and maintain its stability is obviously crucial for a central bank. I don't mean to suggest that every decision on monetary policy can or must be directed solely toward achieving price stability as rapidly as feasible, oblivious to all other economic circumstances of the day, or that we can rely on theorizing about a fixed relation between the money supply and prices to govern every policy decision. I do mean that each of thse decisions will need to weigh in the balance its potential effects on inflation, with the clear objective of returning to, and maintaining, stability over time.

There was, for instance, no inconsistency in my mind between a continuing priority concern about inflation and our recent decision to, in the jargon, "ease money" by low-

ering the discount rate. That decision took place under particular circumstances—a strong dollar, ample capacity, and slow growth, all of which tend to reduce inflationary pressures. The sensitivity of some to any action that could be interpreted as inflationary is an understandable, if mistaken, heritage of the absence of effective consistent governmental policies to deal with inflation over years. One reward of a record of greater stability—and a credible commitment to maintain that stability—will in fact be greater operational flexibility for the monetary authorities.

Sophisticated economists spent a long time educating us that a balanced budget is not always appropriate and that deficits aren't always inflationary—it all depends on circumstances. We learned well—too well.

I'm not going to take the time to repeat all the analysis that points toward the urgency of reducing the budget deficit today. Suffice it to say that the deficits are a major factor accounting for the lopsided nature of the present expansion—pouring out purchasing power on the one hand, while straining world capital markets and the financial system on the other. And, at the same time, it helps keep inflationary expectations alive, and the accumulating interest compounds burdens into the future. Those are not circumstances with which monetary policy alone can deal. It's time for action.

A second area where a sense of lasting commitment seems to me essential involves clear recognition that our destiny must be found in the context of an open world economy. It's still an oddity of elementary American economics texts that international economics is relegated to the back of the book, with the implication the topic can be dropped if the semester isn't long enough. But there really are no separate compartments of "domestic" and "international" economics; as Gertrude Stein might have said, economics is economics is economics.

The arguments for a liberal trading order have always been strong, even when sailing ships took months to cross the oceans and foreign travel was a rare occurrence. Today, with communications instantaneous, with jet planes filling the skies, with business and financial institutions operating across international boundaries as a matter of course, we would forget the international implications of our policies at our peril.

The issue is, again, more than economic. If we have a vision of a flourishing western economic world, providing the opportunity and growth that is a counterpart of our political ideals, then we had better recognize our mutual dependencies from the start, and seek our prosperity in the context of that of others. Once before at a time of difficulty, when we were still emerging as a world power, we in effect tried to opt out by raising high tariff walls. The results in the 1930's should be warning enough.

Yet, the pressures for protectionism are again strong and growing. That's understandable against the background of the massive trade imbalance. We rightly complain about the trade restrictions of others. But, of course, we have in one area after another compromised the liberal trading ideal ourselves.

There are more constructive ways to approach the problem. Most of all, we have to face up to the fact that our trade deficit and exchange rate problems in substantial measure grow out of contradictions in our own economic policies. Some of our trading partners, certainly Japan, need to face up to problems that, in important ways, are the mirror image of our own—undue reliance on trade surpluses.

Instead of shrinking into a trading shell, with all the risks of retaliation and divisiveness, we can again take the offense by leading the world into a new round of multilateral trade negotiations seekings a global bargain to deal with existing restrictions. That, of course, is precisely the direction the Administration is wisely trying to lead.

As a nation, we have been increasingly niggardly in our support for the international financial institutions—the World Bank, the Inter-American Development Bank and others—that far-sighted American leadership brought into being. Those institutions are challenged as never before, and they need our active support and commitment.

We can hardly blind ourselves to the fact that exchange rates, through the floating period, have become more volatile rather than less, increasingly distorting trade and financial transactions. No doubt the erratic—to put it mildly—movements in exchange rates reflect in substantial part those policy imbalances and uncertainties to which I have already referred. If the volatility persists in a context of better international equilibrium, we will have to reexamine with a fresh mind whether ways cannot be found, in a cooperative international setting, to encourage greater stability.

The third area I will touch upon briefly is less concrete, but maybe it's the most important. We have an enormous talent for adapting new information and communications technology to business practices and financial markets. These days we have a market for taking a financial position one way or another almost instantaneously on practically anything, all justified on the basis of sophisticated arguments about facilitating preferred investment strategies or hedging risks. But it all raises the question of whether in the process we haven't lost sight of some of the basic qualities that must underlie the stability and continuity of any market.

Financial crisis was a recurrent feature of the American economic landscape in the 19th and early 20th centuries. That is why we have developed an armory of instruments—the Federal Reserve, the FDIC, and the FSLIC—to provide a kind of "safety net" to help assure that inevitable isolated failures or strains do not infect the entire system.

In the aftermath of the last great crisis in the early 1930's that kind of Federal support was hardly needed. The natural bent was to be conservative and banks and businesses were both highly liquid and amply capitalized.

But today we have a new generation. We spent our formative years when the strength of the financial system, and the institutions within it, began to be taken for granted. We came to count on inflation. More leverage, less liquidity and riskier assets that could be rationalized—particularly if it could be assumed that the "Government" would protect the depositor. In that environment, some of the old canons of prudent lending and fiduciary behavior seemed less relevant. And if one has never experienced a crisis of confidence, it was hard to remember that, whenever the urgent competitive pressure to grow and to produce this year's profit, confidence is the most precious asset of any financial institution.

Now, in a time of stress, we have been remined once again of the relevance of some of those old standards. The Federal "safety net," to be sure, holds strong. But it doesn't by itself ensure confidence in every institution, or protect the stockholder of a bank or savings and loan, or guarantee against dishonesty. And there is renewed recognition that Federal protections have a price—that a government that visably bears much of the ultimate risk will insist on its responsibility to exercise strong supervision and regulation.

There has to be a better way than counting on bureaucrats to do so much of the job.

I wonder, over there in the Business School, and in its sister institutions, whether they take enough time to teach the lessons of financial crisis—including how many business reputations have been irretrievable tarnished or worse when competitive pressures or simple greed have led owners or managers to undercut acceptable standards. If not, recent experience seems to be providing rich material for a new case book—one that illustrates that, in the last analysis, the effective operation of a market system rests on the mutual trust that can only be nurtured by a strong sense of business integrity and fiduciary responsibility. I wonder, too, if all our accountants and lawyers, in serving their clients' interest, are always as sensitive as they should be to their professional responsibilities, designed to protect the public at large.

Maybe all of this sounds like a central banker reverting to type—preaching to others about their responsibilities. But I won't apologize.

My own alma mater since the days of President Wilson—I am referring to his days as President of Princeton, of course—has had as its motto: "In the nation's service." I know that may sound trite these days, but it still says something to me about what education should be all about. I know generations of Harvard men and women, consciously or subconsciously, have shared that tradition.

I also sense one aspect is less strong today—a willingness to make a lasting commitment to a career in government itself. That strikes me as unfortunate—unfortunate from the standpoint of effective government, which must rely on a core of dedicated civil servants and experienced legislators capable of understanding the great issues of our time. I'd like to think that it's unfortunate, too, from the standpoint of those missing what can be a satisfying and exciting career.

I sense some of the reasons why government service as a career is weakened, and we ought to deal with them. In the end, it's matter of respect—for the role of government and those who work in it—the kind of thing that should make a Cambridge cab driver sit up and take notice when he passes the Kennedy School.

In the end, in our country, the responsibility of Government is to foster a climate of opportunity—an environment in which enterprise, and ingenuity, and personal initiative will flourish. We can't afford to lose those traditional American values of "know how" and "can do."

My point is those qualities, in the end, are supposed to work toward bettering the lot, not just of ourselves and our families, but of our communities—local, national, and global.

They will do that only if our acquisitive instincts are confined within certain accepted principles of law and policy. In economic terms, amid the diversity of our individual efforts, we should be able to count on an

overall framework of stability and continuity. That framework has to extend to our relations with other free nations. It demands a sense of personal responsibility and integrity rooted in a larger national purpose.

I've talked about economics, but it's not the technical economics of the classroom. My concern is with economics in practice, as a part of the larger human experience, with all its vagaries, and with economics as a responsibility of government, with all its implications for decision making through a political process.

In that sense, I suspect there is as much or more to learn in reading history or the classics, or learning about other cultures, as in the study of economics itself—and I know those disciplines are not neglected here.

We will succeed not because our business leaders or the Congress took the equivalent of Economics 10; they can call on a lot of PhD's for the technical advice. Rather, they will need a larger vision that encompasses a sense of human frailties as well as human potential; we will need to realize we can't be in business just for ourselves; we need to recognize that our individual and National interests are inextricably tied up with others.

Out of economic adversity, we now have new opportunities. Let's make the most of them.●

TRIBUTE TO ADVISORY COMMITTEE ON SENIOR AFFAIRS

HON. DUNCAN HUNTER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 20, 1985

● Mr. HUNTER. Mr. Speaker, I would like to bring to your attention an extremely dedicated group of people out in my district. These individuals comprise my advisory committee on senior affairs.

This group has been meeting for well over 2 years and has addressed some of the key problems which our senior citizens face in these complex times. They have been diligent in their efforts and their advice has been invaluable to me as I make decisions here in Washington.

I would like for you, Mr. Speaker, as well as the rest of my colleagues, to join with me in paying tribute to the following individuals: Chairman, Mr. Alex Pressutti; vice chairman, Mr. Stephen Shattles; secretary, Mrs. Helen Pressutti; Col. Cameron L. Ashby, Mrs. Jo Barbando, Mr. Charles Bramkamp, Mr. Ed Burgess, Mr. Daniel H. Dennison, Mrs. Anne Fabrick, Mrs. Frances Guest, Mrs. Margaret J. Helton, Mr. John S. Holley, Mrs. Caroline Hough, Mr. Milton M. Humphrey, Mr. Terry Kirby, Mrs. Helen Liabl, Mr. Herb Mansfield, Mrs. Mary Lee Mansfield, Mrs. Frances Morales, Mrs. Hazel A. Pennington, Mr. and Mrs. Karl P. Smith, Mr. Edward Trainor, Mr. Harold W. Turner, Mrs. Lula A. Walker.

Additionally, Mr. Speaker, I would like to single out one individual whose work has been invaluable to the committee. This individual is Mr. Eric C. Money-Penny, my liaison to the committee and my senior citizen housing specialist. I owe a great debt to all of these good people and I thank them for their work.●

AN OPEN LETTER TO THE CONGRESS

HON. BOB LIVINGSTON

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 20, 1985

● Mr. LIVINGSTON. Mr. Speaker, if you want to know what the country is thinking about Indiana's Eighth Congressional District seat and the situation in Nicaragua just let me read you a recent letter I received from one of my constituents:

METAIRIE, LA,
May 1, 1985.

DEAR MEMBERS OF CONGRESS: If the race for the Indiana 8th Congressional District seat is so close that the Members of the House of Representatives cannot reach a consensus on who won, then the only reasonable, logical, equitable, fair, just, honorable, legal, moral, ethical, noble, respectable, sensible, virtuous, and Constitutional thing to do is to let the people who are to be actually represented decide for themselves who will actually represent them. Please reference the Constitution of the United States of America and the Declaration of Independence—for your information.

And by the way, let's dispense with this and get on to other business—the Communists are knocking on our back door, as you all obviously have not heard.

The will of the people of this country shall be done; even if we have to do it in spite of the Congress!

Eternally optimistic,

KYLE C. AKERS, M.D.●

THE NATIONAL PUBLIC WORKS CORPORATION

HON. WILLIAM F. CLINGER, JR.

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 20, 1985

● Mr. CLINGER. Mr. Speaker, the legislation that I introduced today is one important answer to the growing need for a mechanism to finance public facilities with a minimum drain on Federal spending and a high degree of capital leveraging. The Nation's ability to encourage the expansion of businesses and the development of new industries is constrained by the difficulty of delivering public services. Economic productivity cannot increase if our public facilities are unable to support growth.

Just to maintain our current level of public services over the next 20 years—without any major new expansion in the economy—it is estimated that we would need to spend between $1 and $3 trillion. We will have a much better understanding of the total scope of our public needs with the capital budget mandated last year. At the same time, however, State and local governments are still in the best position for determining project priorities that address the most serious and immediate challenges confronting their economic development.

The Federal Government dominates public works investment policy by financing about half the outlays on our country's civilian infrastructure. Unfortunately, the assistance is usually in the form of rigid categorical grants that are funded and designed according to national priorities, with very little money available from flexible sources. Once a project is completed with categorical grant funding, no recoupment of Federal funds is possible unless the funds were misspent. Trust funds that generate user fees are the exception to this rule.

Mr. Speaker, I propose a new legislative approach that combines the flexibility of block grant funding with the advantages of a guaranteed stream of revenue.

ESTABLISHMENT OF A CORPORATION

The bill establishes a National Public Works Corporation that could leverage up to $50 billion in capital for public facilities when fully funded by Federal and State governments. The Corporation is to be composed of a bipartisan Board of Directors. The revenues from a fraction of the interest on loans to State and local governments would be used to pay for administrative costs and salaries. The quasi-independent Corporation's review of projects would be limited to: First, financial matters of integrity on the institution's reserves and loan portfolio; and second, the technical and competitive aspects of projects. The determination of investment levels and priorities rests with the States.

CAPITALIZATION AND RESERVE FUND

The initial capitalization of the Corporation authorizes $2.5 billion from the Federal Government, to be matched by $2.5 billion from participating States. The combined amount of actual appropriations and State contributions constitutes a 10-percent reserve requirement for the Corporation. The total amount of outstanding loans may not exceed 10 times the amount of reserves. These loans will be financed through the issuance of bonds with the full faith and credit of the Federal Government as a guarantee.

Although States must initially match the Federal contribution on a dollar-for-dollar basis, they ultimately would be permitted to leverage 20 times that amount in project loan funds. Moreover, the States could determine their own contribution schedules, because their fiscal capabilities may vary.

Participation in the Corporation is voluntary. The State chooses the amount and time of contributions. The maximum contribution is limited to the amount that bears the same ratio to $2.5 billion as the State's population bears to the national population. For example, a State with 10 percent of the country's population may contribute up to $250 million. The Federal Government matches the contribution with an equal amount. If fully capitalized, the State is then entitled to loans of up to $5 billion, depending upon the State's contribution. As the loans are repaid, the States are entitled to second generation funds for further loans—an advantage over categorical grant programs.

LOANS TO STATES AND LOCAL GOVERNMENTS

The Corporation is authorized to make loans to participating States and to units of government within those States. The loan may be less than the total cost of the project, if other sources of funds are committed from Federal and State grants, local contributions, and private donations. The funds are generally available for the construction, reconstruction, rehabilitation, or repair of any public facility. However, the repayment of the loan and the operation, maintenance, and replacement costs of the project must be tied to a guaranteed stream of revenues for the use of the facility.

The interest rate on the loan is based upon the cost of borrowing funds and the Corporation's administrative costs. Interest rates may be reduced across the board through a direct appropriation by Congress. This authority is to be used when high interest rates would make the cost of loans from the Corporation an inordinate burden on borrowers.

The Corporation may only approve loans that have the approval of the Governor of a participating State. The Board shall insure that the project is technically feasible and that awards are made on the basis of competitive bidding. The Corporation is granted further powers to audit the borrower's compliance with the loan requirements and to take remedial actions.

DEFAULTS

In the event of a default on the loan by a State and local government, half of the amount of the default would be charged against the State's reserves. A State may replenish its reserves within 2 years, but after that time, the amount of potential loans in the future would be substantially reduced. The reserves are vitally important for maintaining the creditworthiness of the Corporation.

Mr. Speaker, this bill is not intended to be a complete answer to the financing of our infrastructure needs, but it can be an important step in addressing a large part of the problem.

The setting of priorities rests with the States. Although the Federal Government will be engaging in a new credit lending activity, several provisions in the bill contain strong assurances that loan guarantees to bond investors carry as little risk as possible against loan defaults. I believe that this legislation will provide Congress with an opportunity to address the growing infrastructure crisis in the years ahead in a cost-effective manner.●

STATE LEGISLATORS OPPOSE ADMINISTRATION EFFORTS TO ELIMINATE RAILROAD UNEMPLOYMENT INSURANCE SYSTEM

HON. JAMES J. FLORIO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 20, 1985

● Mr. FLORIO. Mr. Speaker, the administration has proposed to eliminate the separate railroad unemployment insurance system and merge railroad employees into the regular Federal-State unemployment insurance system.

I strongly oppose this proposal. Adding additional unemployed workers to the State systems would burden the States at a time when many States are still trying to recover from large unemployment insurance debts to the Federal Government. Furthermore, both rail labor and management oppose this proposal. Now, the National Conference of State Legislatures [NCSL] joins the opposition to this administration proposal.

I thought my colleagues would be interested in the following letter from the NCSL:

NATIONAL CONFERENCE OF STATE LEGISLATURES,
Washington, DC, May 21, 1985.

Hon. JAMES J. FLORIO,
Chairman, Subcommittee on Commerce, Transportation and Tourism, House of Representatives, Rayburn House Office Building, Washington, DC.

DEAR REPRESENTATIVE FLORIO: The National Conference of State Legislatures (NCSL), through its Committee on Government Operations and Regulation Committee which has jurisdiction over various unemployment issues, has recently reviewed the Administration's proposal on merging railroad employment with the state/federal unemployment insurance system. Following the review, NCSL unanimously adopted policy on May 10, 1985 (see attached) opposing the Administration's proposal and I hope you will do likewise.

NCSL's opposition is based on three major arguments:

Labor and management, two entities which state legislators, just as Congressmen, infrequently see having similar issue positions, have endorsed a "consensus" agreement regarding retention and modification of the railroad unemployment system. While NCSL does not support or oppose the ingredients of the agreement, that agreement wisely rejects the notion that state/federal unemployment insurance systems ought to include railroad workers. NCSL is impressed by the desire of representatives of the railroad industry to retain a separate unemployment system although it is ridden with severe financial problems, soon to be potentially exacerbated when borrowing authority ceases on September 30, 1985.

I note that Representative Dan Coats has introduced related legislation (H.R. 2454) which also avoids merger with the state/federal system.

Many states continue to struggle to regain solvency in their trust accounts which were seriously depleted during prior recessions. Nearly $10 billion in loan principal and interest is still owed to the federal government. Placing an additional group of workers under the state system at this time could temporarily impede a state's fiscal recovery within its trust account.

While the number of unemployed and furloughed railroad workers is not astounding, the additional administrative burdens they might cause certain states could have a serious negative impact procedurally and financially. The Office of Management and Budget has recently claimed that administration of unemployment insurance/employment security services is not as efficient as it should be. To blindly add more jobless workers to the administrative burdens allegedly existing already will not help to cure procedural problems. Besides, states continue to contend that federal funding for administration remains inadequate despite a projected trust fund balance of nearly $1 billion for fiscal year 1985.

NCSL feels that there are no currently compelling reasons to merge railroad employees into the state/federal unemployment insurance system and I urge you to support other alternatives.

Sincerely,

MARY MCCAULEY BURROWS (OR),
Chair, NCSL Government Operations and Regulation Committee.

STATE UNEMPLOYMENT INSURANCE AND RAILROAD EMPLOYMENT

Railroad employees are the only private sector workers who are covered by a separate and distinct unemployment insurance system. Proposals to merge these employees with those covered by the State/Federal unemployment insurance system have been made and NCSL believes that are no currently compelling reasons to accomplish this merger.

Neither management nor labor of the railroad industry have expressed a need to adopt such a merger. Many states are working to regain solvency within their own trust accounts and such a merger could jeopardize this recovery. A merger might also create administrative problems for states which would compromise the effectiveness of their operations.●

MEDICARE AND GRADUATE MEDICAL EDUCATION: THE SPECIAL NEEDS OF OUR AGING POPULATION

HON. CLAUDE PEPPER

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 20, 1985

● Mr. PEPPER. Mr. Speaker, today I am introducing legislation which I believe will greatly enhance this Nation's

ability to provide for the special medical care needs of our large and ever-growing older population. It will establish the proper prominent position of geriatrics, the field of medicine dealing with the problems and diseases of older people, in graduate medical education supported by the Medicare Program.

In 1965, by amending the Social Security Act, we established Medicare, the health insurance program for the aged. This vitally important program, which celebrates its 20th anniversary this summer, has been instrumental in improving the quality of health care offered our Nation's senior citizens. Medicare has also contributed significantly to a most important function in our society—the training of those who provide medical care to all Americans. Medicare support of graduate medical education has helped our Nation to strengthen what is and has been the best medical education system in the world. It has offered opportunities to thousands of young doctors to learn specialized skills so that they might go on to offer Americans the best medical care available.

There is, however, a sad irony to the success enjoyed by Medicare's support for graduate medical education. Medicare is the health insurance program for the elderly. Yet, not $1 of what this year will be some $3.6 billion in Medicare money paid in support of medical education is required to go toward training in geriatrics. In fact, most institutions receiving reimbursement from Medicare for GME offer little or nothing in the way of graduate training in the field of geriatric medicine. The number of graduate fellowships in geriatrics pales in comparison to those in other medical specialties. For example, in 1983 while there were some 800 doctors beginning graduate fellowships in cardiology, there were a mere 50 beginning the like in geriatrics.

A recent report by the Department of Health and Human Services projected a need of up to 10,000 physician faculty members to meet the educational responsibilities of medical schools in aging. The same report indicates current staffing levels are woefully short of these needs. Currently only 250 to 300 full-time physicians are involved in teaching some aspect of geriatric medicine, one-fortieth of the projected need. It is truly a sad commentary that, despite the population served by Medicare and the critical shortage of geriatricians, there is today so little graduate training in geriatrics supported by Medicare.

To begin to address this clear shortcoming, the legislation I am introducing today will make Medicare reimbursement for reasonable direct costs associated with graduate medical education conditional upon a hospital or skilled nursing facility having in place within 3 years a residency training program in the field of geriatric medicine as well as a certain number of fellowships in geriatrics. It mandates that our graduate medical education system recognize and respond to the large and growing need for physicians specially trained in the needs of our skyrocketing elderly population. Recognizing the overwhelming need for increased attention to the special needs of the thousands of mentally, retarded, developmentally disabled, and mentally retarded elderly Americans, this legislation also requires the Secretary of Health and Human Services to encourage an emphasis in these areas within the residency programs and fellowships to be established.

I urge my colleagues to join me in supporting this timely and important legislation which will place the study of aging in its proper prominent place in this Nation's health insurance program for the aged at no additional cost to the American taxpayer.

The full text of this bill follows:

H.R. —

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. REQUIRING A RESIDENCY TRAINING AND FELLOWSHIP PROGRAM IN GERIATRIC MEDICINE AS A CONDITION OF PAYMENT FOR DIRECT MEDICAL EDUCATIONS COSTS UNDER THE MEDICARE PROGRAM.

(a) REQUIREMENT.—Section 1861(v)(1) of the Social Security Act (42 U.S.C. 1395x(v)(1) is amended by adding at the end the following new subparagraph:

"(P)(i) Such regulations shall not recognize as reasonable any amounts for the direct costs of approved educational activities for approved medical residency training programs of a provider of services unless the provider has in effect—

"(I) an approved medical residency training program in the field of geriatric medicine, and

"(II) a program of two-year medical fellowships in the field of geriatric medicine meeting the requirement of clause (ii).

"(ii) The Secretary shall assign to each hospital and skilled nursing facility [with an approved medical residency training program] a minimum number of two-year fellowships described in clause (i)(II) that the institution must maintain to meet the requirement of this clause. In assigning that number—

"(I) the total number of such fellowships for cost reporting periods beginning during the first fiscal year in which this subparagraph applies is 2,000, and for cost reporting periods beginning thereafter is 4,000, and

"(II) such total number shall be allocated among institutions [with approved residency training programs] based on the number of inpatient-bed-days which are attributable to patients who are entitled to benefits under part A of this title.".

(b) SPECIAL EMPHASIS OF GERIATRIC TRAINING AND FELLOWSHIP PROGRAMS.—The Secretary of Health and Human Services shall encourage institutions, in their operation of residency training and fellowship programs under section 1861(v)(1)(P) of the Social Security Act, to provide special emphasis on the problems and special medical and health needs of elderly individuals who are mentally impaired, developmentally disabled, or mentally retarded.

(c) EFFECTIVE DATE.—Subparagraph (P) of section 1861(v)(1) of the Social Security Act (as added by the amendment made by subsection (a)) shall apply to costs incurred in cost reporting periods beginning on or after the first fiscal year that begins more than five years after the date of the enactment of this Act.●

CREATING A FLOOR ON DEDUCTIBILITY OF STATE AND LOCAL TAXES

HON. CECIL (CEC) HEFTEL

OF HAWAII

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 20, 1985

● Mr. HEFTEL of Hawaii. Mr. Speaker, today, I am introducing legislation which will help resolve the controversy over the deductibility of State and local taxes.

The administration wants to do away altogether with the deduction of State and local taxes. In fact, this proposal is the cornerstone of its tax reform plan because it raises the revenue needed to lower the tax rates without adding further to the deficit.

Opponents on the other hand argue that to do away with this deduction is to undermine the authority of the States to fund the programs they deem necessary. It would make it harder for them to maintain the revenue base necessary to provide the level of services they want for their children, their unemployed, their handicapped, and their poor. It would hurt those States that try hardest.

My proposal is to permit the deduction of State and local taxes above 1 percent of adjusted gross Federal income.

This proposal would still provide the administration with some of the revenue it needs to make tax reform possible.

High tax States would be giving up some of the deductions they now enjoy but they would be left with a degree of freedom to provide the level of services they choose.

Fairness, after all, is the standard which President Reagan has raised for his tax plan. Totally eliminating the State and local tax deduction would be unfair.

First, in spite of the administration promise not to raise the taxes of those who are already paying their fair share, this proposal would raise those of a number of ordinary middle class families—those who choose to itemize their deductions.

The President claims most families don't itemize and therefore would not be affected. But a lot more families itemize than he would have us believe, and they are not rich families living in the shade of tax shelters but ordinary

young couples trying to make ends meet.

He claims two-thirds of all taxpayers do not itemize but that figure includes part-time workers and teenagers and other people who do not earn enough to itemize.

In fact, among taxpayers with adjusted gross incomes of $10,000 a year and more, 53 percent itemized in 1983. Among those with $20,000 and more, 72 percent itemized. In other words the vast majority of full-time workers in America itemize.

This issue is particularly crucial for Hawaii which has one of the highest per capita State and local tax rates in the Nation—$982 compared with the national average of $509.

Second, it is not fair because it penalizes States which derive most of their income from taxes on their own citizens. Those which enjoy rich natural resources like oil and gas reserves are able to raise vast amounts of revenue from severance taxes paid mostly by the residents of other States who must buy that oil and gas. Alaska, for example, raises in the area of 90 percent of its revenue from severance taxes and royalties.

Removing the deductibility of State and local taxes will therefore have little effect on Alaska.

It penalizes those States which have higher percentages of poor people or which have been hardest hit by unemployment or other conditions beyond the control of any individual but which require the State to lend a helping hand.

Most of all, this plan would undermine the new federalism which this administration has so vigorously espoused.

If more responsibility is being returned to the States to provide for those who need services, then the administration cannot at the same time in all fairness cut back on the power of those States to to pay for these services.

Time after time the administration has eliminated grants and reduced Federal revenue to the States, arguing instead they raise their own money if they wish to offer greater services. The administration cannot have it both ways.

I am offering this legislation in an effort to maintain a level of fairness to taxpayers and a level playing field from which the States can operate. Yet at the same time my bill would provide the administration with one of the critical elements in its package—namely, revenue.●

A TRIBUTE TO THE DANCE THEATER OF HARLEM

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 20, 1985

● Mr. RANGEL. Mr. Speaker, I rise to commend the Dance Theater of Harlem on its 10th anniversary celebration.

The Dance Theater has, from its inception, provided theatergoers with the very best in stage entertainment. A variety of audiences in a number of cities have enjoyed high quality productions by very talented black artists. In a word, the Dance Theater represents black artistry at its most polished.

Our Nation has benefited from its many ethnic heritages. This has been the strength of our country, and a source of deep pride for each American. It is therefore with a sense of personal pride that I have rise[n] to note the achievements of this renowned black American company from my home district.

Harlem has always been a focus of black American and black Caribbean culture. The Dance Theater of Harlem is at the forefront of this tradition, Mr. Speaker. For this reason, I extend my deepest gratitude, and wish the theater 10 more successful years.●

ALICE RIVLIN ON MAKING GOVERNMENT WORK BETTER

HON. WILLIAM LEHMAN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 20, 1985

● Mr. LEHMAN of Florida. Mr. Speaker, Dr. Alice Rivlin was, as you know, the first Director of the Congressional Budget Office and held that position for 8 years. As a member of the Budget Committee and later of the Appropriations Committee, I have always found her testimony to be on target and illuminating.

Alice is an innovative and challenging economist and one who is committed to making our Government work. While I have occasionally differed with her on programmatic details, I have never doubted her intellectual honesty or ability.

Last year, Alice delivered the Godkin Lecture at the John F. Kennedy School of Government at Harvard; excerpts of her lecture were published in the school's Spring 1985 Bulletin. With her usual clarity, Alice reminds us that many of the problems with which we spend the most time struggling are really rather easy to solve, while the truly difficult issues of our time are crowded off our schedules.

Mr. Speaker, I urge all my colleagues to read the following excerpts from Alice Rivlin's Godkin Lecture. I hope we can learn from her to distinguish the hard ones from the easy ones and to devote more of our attention to solving the issues on which justice and even our own survival depend.

[From the John F. Kennedy School of Government Bulletin, Spring 1985]

MAKING GOVERNMENT WORK BETTER

[Economist Alice Rivlin, a member of the Visiting Committee, delivered the 1984 Godkin Lectures at the School.]

How do we make national choices about what to do about the deficit, the social security system, and avoiding nuclear war? In taking about this grand subject, I think I'm reflecting a widespread feeling that something is wrong. The polls and pundits tell us that, as do the various proposals for fundamental change in our governmental structure.

In my view of the current situation, we are continuing a recent pattern. We are taking easy problems, blowing them all out of proportion, agonizing, pointing fingers, appointing commissions, and then solving them. Meanwhile, the harder and more difficult problems get crowded off the front page, off the congressional calendar, and receive very little thoughtful debate.

One easy problem is the deficit. Harder and more serious challenges are poverty and the nuclear arms race. What about the deficit? Certainly it is serious. It threatens the good growth at relatively low inflation that we have possible for us at the moment. We have made a dumb choice. We have chosen high-deficit, high-interest rate policy. That's not very smart for a nation that is worrying about its level of investment, its level of productivity and growth, its export industries, and how the rest of the world is going to pay its debts to our banks.

However, this problem is conceptually quite simple. We know how we got it and we know what we must do to solve it. We know that there are only three things we can do to solve the deficit problem. We can cut spending, raise taxes, or both. In the end we will do both. But the risk of waiting too long is a very serious one. The longer we put the solution off, the more expensive it gets.

The things that have to be done to reduce the deficit are hard, but let's not exaggerate. We do need to increase taxes, but we do not have to increase them back to 1981 levels. We do need to cut defense growth, but we can leave ourselves with a much improved defense and prospects for more improvement even if we cut the growth rate. We do need to cut entitlements, but that does not mean anybody's checks are going to be cut. It could mean that they don't increase quite as much with inflation as they otherwise would. That set of policies would bring the deficit and interest rates down quite quickly.

I suspect we're not solving the problem because we're having such fun shouting and pointing fingers. If we solved it we would have to address the harder problems that we don't really know how to solve.

Now, we face many harder problems. Two problems in particular are getting scandalously little attention. First, we don't know why poverty persists and is increasing amid affluent America, creating the prospect of a permanent underclass that does not share in what the rest of us share. Second, and most importantly, we do not know what to

do about the nuclear arms race. Both these problems are unpleasant and make us uncomfortable. We do not know what is likely to happen if we choose a particular course. Not only citizens but their leaders as well feel powerless to solve these problems, especially the arms race. Most of the government, including Congress, feels as ill-informed and powerless as the public. In our public as well as our private lives, the small problems simply drive out the large ones.

Watching Congress and the last several administrations deal with public decisions, it has struck me how much public life is really like private life. Problems of the federal government seem to be a kind of caricature of the pathetically ineffective individual who does not seem quite able to cope with the ordinary problems of life.

You know the type. This person has problems no worse than anyone else, objectively is pretty smart, has some history of success but doesn't seem to know it. He has no confidence in his ability to solve problems. He expects failure. He takes on many obligations and can't meet them all. This guarantees failure.

He insists that he can do everything and does not need to set priorities. He is reluctant to admit that he must face problems, make choices, and get on with it. As a result, he always feels powerless and inadequate, even when he is doing well. That certainly doesn't inspire confidence, either his own or anyone else's.

What do you say to such a person, assuming he or she will listen? You say, "Get your act together. Simplify your life. Turn some responsibility over to somebody else, even at some risk. Practice making choices, taking risks, and living with the consequences." You can go down to your local bookstore and find lots of handy-dandy pop psychology books, and they're not all wrong.

I think we need a pop psychology manual for the U.S. government. If we had it, these would be some of its main points.

First, we—the media, public officials, and everyone else—should learn to pat ourselves on the back occasionally for solving some public problems pretty well and making progress on others. We deserve to take satisfaction for surviving the economic upheavals of the seventies as well as we did, making progress on energy conservation, solving the social security financing problem, and making progress in civil rights and other areas of equal opportunity, though not enough. We even almost impeached a president and kept the government going pretty smoothly. That's not bad. Second, we have to stop blowing small problems into big ones. We should recognize that the deficit is a hard but not unmanageable problem, then go ahead and do what is necessary to bring the deficit down rapidly enough to get interest rates down. Let's just do it. Let's stop procrastinating and blaming each other and get on with it. After that, I would pick out some manageable problems to solve. I think one might start with acid rain and then move on to harder ones.

Third, we should consider moving education, health, and housing off the federal agenda to make room for other high priority problems. One might leave Medicare, student aid, and research programs at the national level, but one could shift almost all the rest to the states. They have more capacity at the state and local level to implement these programs than they did when the federal government undertook them. In any case, we have to move something off the federal agenda to make room for the international problems on which we must concentrate our energies as an international power.

Fourth, I would reduce our sense of failure by making the federal decision calendar more realistic. The budget process is an absolutely beautiful example. We surely do not need to make a budget every year. For most purposes every other year would be fine. The only argument against this is that it would be harder to fine-tune fiscal policy. But we have not fine-tuned our fiscal policy very successfully and a biannual budget could make it more automatic. Certainly we could get rid of the dual appropriations and authorizing processes in Congress. We need permanent appropr[illegible] to insure that government continues its regular functions until the next bill is passed. The congressional budget process has much potential for simplification.

Fifth, we should start immediately debating and trying to find constructive approaches to the really hard problems such as poverty and nuclear war. We should encourage wider participation, making it as nonideological as possible. We do not need to expect easy success, but we do not have to assure failure either.

We have room for better public education and more public involvement in making choices. One of the big problems with issues like social security and the deficit is that we do not have any way of getting people to understand what the choices are or finding out what choice they would make if they understood that they had to make one. Public opinion polls ask people silly questions like "Do you want to pay taxes?" "Do you want your benefits cut?" They are not designed to find out what people would do if they understood that there was a choice they had to make.

In recent months I have seen a lot of success with "the budget game," where you sit a group of people down, tell them that they are the Congress, give them the rules, and instruct them to get the deficit down. We played that with Congressman, and they learned a lot. I can imagine playing this on national TV, perhaps even making it interactive. People love call-in shows, they love computer games, and we unquestionably have the technology now for a whole new level of citizen eduction on public choices.

And what about the public policy community? Besides continuing to work on finding better solutions to public problems, the public policy community needs to put a new emphasis on communicating with decision makers and the public. As a community we have begun to enjoy talking to each other in the language that not everybody understands. We need to show that public problems are not always complicated. We can simplify the problems, then show that some are quite manageable, some can be solved, and other improved. In the end that's what we mean by making government work better.●

A TRUE SERVANT OF THE PEOPLE

HON. STEPHEN L. NEAL

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 20, 1985

● Mr. NEAL. Mr. Speaker, I want to take just a minute or two to praise an old friend and distinguished public servant. She is Mrs. Eunice Hedrick Ayers, who before retiring at the end of last year had given 50 years of her life to public service to her county, State, and Nation. She served 35 of those years as register of deeds of Forsyth County, NC, an elective office. The other 15 years were spent as deputy clerk and then assistant clerk of superior court, and a short tenure as assistant register of deeds.

It may not be unusual—although I think it is—for a person to serve 50 years in local government. I am certain, however, that it is extremely rare to find a person of Eunice Ayers' caliber, and almost miraculous to retain such a person at the local level. There is no question in my mind that Mrs. Ayers could have moved upward to State or national office, had she chosen to do so. Her abilities in her field were nationally recognized. Her close ties to the Democratic Party, in which she was a tireless worker, went all the way to the top. Her sparkling personality and her remarkable ability to communicate with all people was the envy of every politician who knew her. Yet she remained at her post because she loved her community and she loved her work.

I say this, Mr. Speaker, to emphasize that Mrs. Eunice Ayers was a true public servant. Her success in office, and the respect that was and is accorded her, was based on service, not on glad handing, back slapping, glib talking, hearty fellow, crowd pleasing personality—or a blow dried, fashion plated personal appearance. She pleased as many people as she could, but knew that she could never please everyone. She did not always take, therefore, the courses that were politically popular for the short term, and never did she play to emotion, prejudice, and ignorance. She was motivated by a love for her fellow human beings and the desire to be of service to them. She has been an inspiration to me, and to many others who have known the depth of her character and the quality of her service.

Mr. Speaker, the average person has little occasion to visit the office of a register of deeds. In North Carolina, it is the office which maintains land records, issues marriage licenses, and keeps certain other records, which in some States are handled by county recorders and clerks of court. In most places, these archives are the habitat of young lawyers, diligently searching titles in the catacombs of land books, ledgers, and registers. To the casual visitor, the register's office of a decade ago might have conjured up visions of a medieval monastery, with modern day monks quietly copying manuscripts or deciphering scrolls.

It was never that way in the office of Eunice Ayers. Indeed, she earned worldwide renown as an innovator in

land records management. Her office was the first in the Nation to install a prototype, computerized land records information system. The system contains complete date on every parcel of land in the county, including tax block and lot numbers; deed book and page; current owner; tax account; type of title; tax account status; assessment values; boundary coordinates; legal descriptions; acreage; and zoning and census tract information. In short, one can with a single computer command call up all the legal information available from all county sources on any parcel of land in the county.

Eunice Ayers is "credited by many as the primary reason Forsyth County's system stands out as one of the most exemplary systems of its kind in the world," according to one technical publication. "Eunice has always been several steps ahead of the rest of the pack," said an expert in the records management field. "When the rest of the world was searching for more efficient manual methods, she was using micrographics. When others were just discovering the benefits of automation, she already had a system in place and was reaping the benefits."

And Mrs. Ayers never kept her expertise and foresight to herself. She became known worldwide for her strong efforts to promote automation technology. She is one of the founders of the Organization for Modernization of Land Data Systems and was heavily involved with the National Association of County Officials.

In fact, Eunice Ayers was involved in what seemed to be just about everything. Her biographical sketch lists more than 65 offices held, accomplishments, and honors bestowed upon Mrs. Ayers.

In her profession, she has been secretary-treasurer, vice president, president, and chairman of the board of the national Association of County Recorders and Clerks. She was organizer and first president of the North Carolina Association of Registers of Deeds, and has chaired numerous study committees on both these State and national organizations. She was Outstanding Recorder and Clerk of the Year of the National Association of County Recorders and Clerks in 1973. The Journal and Sentinel of Winston-Salem twice named her 1 of the 10 outstanding women of Winston-Salem, once representing the field of community service, once representing public service.

For many years, she has been one of North Carolina's most outstanding and best-known Democrats. She was vice chairman of her precinct committee for many years and vice chairman of the Forsyth County Democratic Executive Committee for three terms, as well as chairman for a term. She was chairman of the board of directors of the Wilsonian Democratic Club and State vice president of North Carolina young Democratic Clubs. She also served on the North Carolina Democratic Executive Committee and the State Democratic Campaign Committee. In 1960, she was a delegate to the Democratic National Convention, to which she had been an alternate in 1956. She has known every Democratic President from Franklin D. Roosevelt to Jimmy Carter.

A member of First Christian Church of Winston-Salem, she served for 15 years as church treasurer and member of the administrative board. She was superintendent of the intermediate and young adult departments of its Sunday school, and in 1975 became the first woman elected to the church's board of trustees.

In community activities, she has served on the boards or held office in Goodwill Industries; the Tuberculosis Association; the American Red Cross; the YWCA; the local and national March of Dimes; Travelers Aid Society; the Family and Child Service Agency; the local and international Altrusa Club; Family Services, Inc.; the Stadium Committee of Wake Forest University; the Easter Seal Society, and the United Fund.

Mrs. Ayers was born in Lexington, NC, a daughter of O.C. and Margaret Tickel Hedrick. She was married to William Edward Ayers, now deceased, and has a son, William E. Ayers, Jr., and six grandchildren. She is a graduate of Lexington High School and Crim's Business College of Winston-Salem and has taken many college courses, including some by correspondence from the University of North Carolina.

Mr. Speaker, in my years as a Member of Congress and previously as a small businessman in Winston-Salem, I have never met anyone else quite like Eunice Ayers. Few individuals ever attain her level of achievement, or are able to totally immerse themselves in serving their fellow citizens. I have always marveled that she could be involved in so many things, and do them all so well. I would call her a genius, but she would deny that. Indeed, she said of her achievements in eight terms as register of deeds: "It wasn't talent or ability, it was persistence."

In a story from a local newspaper in 1980, Eunice Ayers advised career minded teenagers to "try politics. Once the bug bites you, you'll never get over it."

Mr. Speaker, we all ought to be glad that Eunice Ayers tried politics for more than 50 years. She was better at it than almost anyone I have ever known, and her magnificent record reflects great credit upon her, and upon our calling.●

HONORING SENATOR SAM

HON. W.G. (BILL) HEFNER

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 20, 1985

● Mr. HEFNER. Mr. Speaker, on Thursday, June 13, the North Carolina State Society held a memorial service for Senator Sam J. Ervin, Jr., at the National Presbyterian Church here in Washington.

In view of this, I though it most appropriate to include in the CONGRESSIONAL RECORD an editorial which was broadcast on WBTV in Charlotte, NC, following the death of Senator Ervin. The editorial was presented by Mr. Wallace J. Jorgenson, president of Jefferson Pilot Communications Co.

I commend the editorial to my colleagues.

[From WBT-WBTV-WBCY editorial, broadcast date: PM 4/24/85, AM 4/25/85]

SENATOR SAM

We do editorials on the death of individuals only rarely. But Senator Sam Ervin, who died Tuesday at age 88, was a rare man.

Senator Sam . . . the hero of Watergate . . . the spinner of tales in the Abe Lincoln tradition . . . the great constitutional scholar . . . the country lawyer who entered Harvard Law School with a Phi Beta Kappa key from UNC . . . the conscience of the United States Senate.

For most of his career, Senator Ervin was mostly unknown outside the Senate and the state of North Carolina. His opposition to forced busing, the equal rights amendment, quota systems and various civil rights legislation caused some to view him as a radical conservative—a kind of 20th century anachronism.

Then came Watergate. And the nation, to its delight, discovered Sam Ervin. They saw a tall, portly man with a low-mountain drawl make history by taking on a United States President. They say a witty, Bible-quoting, tale-spinning man build his case, step-by-step, against a President who had abused his office.

The memory of those televised proceedings, almost a dozen years later, is still strong. As it became apparent that the President had lied, Senator Ervin's indignation grew stronger. It was as if he had encountered something so vile and unspeakable that he could not believe it.

But Watergate was only the vehicle that brought him fame. More important than this single incident was a lifetime devoted to preserving and protecting the Constitution. Senator Ervin had no use for judges or others who, as he put it, tried to recreate our system of government in their own image.

This generation will remember the Senator chiefly for Watergate. Future ones likely will remember him as the 20th century's greatest defender of the Constitution.

Somehow, we believe this is the way Senator Sam would prefer it.●

FOSTERING A METHOD FOR AMERICANS TO PREPARE FOR THE HIGH COSTS OF HEALTH CARE IN LATER LIFE: INDIVIDUAL MEDICAL CARE ACCOUNTS [IMA'S]

HON. CLAUDE PEPPER

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 20, 1985

● Mr. PEPPER. Mr. Speaker, we have no greater responsiblity than the assurance of access to quality health care for all Americans. No group in our society is more dependent on our commitment to this responsibility than are the elderly. The elderly use health care services at a significantly higher rate than the rest of the population. Persons over 65 use hospitals at 2.8 times the rate of those under 65 and their hospital stays are nearly twice as long. Americans over 65 visit their doctor an average of 4.3 times a year, while persons under 65 average 2.4 visits. In this year alone the elderly will spend in excess of $90 billion—in 1980 dollars—providing for their many health care needs. This represents an increase of nearly $25 billion in real terms since 1980.

There can be no doubt as to the important role the Medicare and Medicaid Programs continue in improving the access of older Americans to quality health care. These vital programs provide essential health care to millions of elderly Americans each year. However, there remain significant gaps in our Nation's health care programs. Today, the elderly spend an average of one-fifth of their total income on health care, no less than before the enactment of Medicare and Medicaid in 1965. Seniors have to pay out of their own often meager incomes costs for basic needs such as eyeglasses, self-administered drugs, dental care, and checkups. Many senior citizens are forced to choose between impoverishment or simply going without the quality health care they need because of current gaps in coverage and their limited income and savings.

The most distressing manifestation of the limitations of our Nation's health care policy is in the area of long-term care. We have no coherent long-term care policy in these United States. Instead, we have a hodgepodge of programs biased toward costly institutional care which leaves too many older Americans penniless and receiving the wrong care or out in the cold receiving no care at all. This Nation spends nearly $30 billion each year for nursing home care. Most of this comes out of the pockets of the elderly; Medicare pays less than 1 percent of nursing home costs. Because of costs of nearly $20,000 a year for this care and the absence of Medicare assistance, many elderly enter nursing homes with some savings but quickly become impoverished to be assisted only by Medicaid.

Nowhere in our society are families left so unassisted and exposed to the hazards of a catastrophic illness as they are when meeting the financial and emotional burden of caring for a loved one fallen victim to Alzheimer's disease. Upwards of 4 million Americans are victims of this truly devastating disease. Yet, assistance from the Federal Government is virtually nonexistent. The Federal Government, through its hodgepodge long-term care policy requires these the most vulnerable members of our society to fend for themselves.

There is a clear and pressing need for improvement. One idea which I feel has great merit is that of the Federal Government fostering a method for people to put money away during their working years to protect themselves from the overwhelming financial and human burdens caused by present gaps is our Nation's health and long-term care policy. I am therefore today introducing legislation which would offer Americans the option of opening individual medical care accounts [IMA's] for their future health care needs and offering the incentive of receiving a tax deduction for their investments in these IMA's.

HOW SUCH A SYSTEM WOULD WORK

The basic guidelines for individual medical care accounts would be patterned after those for current individual retirement accounts [IRA's]:

Opening an individual medical care account would be completely voluntary. Everyone under 70½ years of age and younger would be eligible.

Accounts would be offered through a range of financial institutions including, banks, savings and loan associations, mutual fund associations, money market funds.

Individuals would receive a tax deduction for all payments to their individual medical care accounts.

Maximum yearly contribution to such accounts would be limited to the lesser of $2,000 or 100 percent of taxable income. Married couples with only one partner working could contribute up to $2,250 each year.

Money invested in these individual medical care accounts could be accessed by the owner beginning at age 59½. At this time the account owner could withdraw funds from the account only to pay for expenses he or she has incurred related to providing needed health care for themselves and/or their dependents.

These expenses could include costs of care not covered by Medicare such as eye care and eyeglasses, hearing care and hearing aids, regular checkup, dental care, and drugs. Premiums for insurance policies covering costs of long-term and catastrophic care such as home care, nursing home care, and treatment for the victims of Alzheimer's disease as well as direct costs for this care could also be paid out of a person's individual medical care account.

Any positive balance in such an account upon death of owner would go directly to the individual's estate.

I believe that by providing the American people an incentive to put away during their working years to protect themselves and their loved ones from the many burdens of increased health care needs in later life, we can strengthen our health care system. I urge my colleagues to join me in support of this timely and important legislation.●

BREMERHAVEN MEMORIAL

HON. BOB EDGAR

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 20, 1985

● Mr. EDGAR. Mr. Speaker, from the 1840's to the 1930's, successive waves of immigrants departed from the port of Bremerhaven, Germany, to seek a new life in the United States. The majority of these emigrants were of German descent; however, Bremerhaven is symbolic of the entire American immigrant experience as it served as a point of debarkation for many European immigrant groups.

These immigrants—German, Polish, Russian, Hungarian, Romanian, Jewish, Catholic, Protestant, and others—and their descendants have greatly enriched our Nation politically, culturally, educationally, and scientifically. They have made major contributions to the United States and the world.

In order to create an enduring memorial in recognition of those immigrants who departed from Bremerhaven, the German-American Memorial Association was founded. The group's chairman is Hans Beyer of North Hills, PA, a naturalized American citizen with over 30 years of distinguished service in the U.S. Army and Reserves. Mr. Beyer is leading the group in the ambitious project of commissioning, funding, and erecting a statue at the port of Bremerhaven to memorialize the emigrants who departed for a new life in America.

The proposed memorial statue, titled "the Immigrants," or "Auswander Denkmals," is the work of Frank Varga and is currently being cast by the Modern Art Foundry in New York. The statue captures the mixed emotions of families departing from relatives, friends, and roots toward a new way of life. The county of Bremen in the Federal Republic of Germany has endorsed the project by granting the statue a site in the vicinity of Bremerhaven's Old Columbus Pier.

The dedication of the statue of Bremerhaven is timed to coincide with the rededication of the Statue of Liberty in 1986 and will become part of an international celebration marking the spirit of liberty and the hopes of those who came to America. In part, the Bremerhaven Memorial will also serve as a reaffirmation of the ties that bind Europe and the United States. The common heritage we share as well as the unique American experience is graphically depicted in Varga's statue of an immigrant family.

I wish to bring this laudable effort of the German-American Memorial Association to the attention of the House. I commend Mr. Beyer and others who have supported this project, and look forward to its dedication on July 4, 1986.●

A NEW GENERATION OF DRUG USERS

HON. EDWARD F. FEIGHAN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 20, 1985

● Mr. FEIGHAN. Mr. Speaker, while we often speak of the drug culture as a phenomenon of the past, a recent Washington Post-ABC News survey reveals that American society is more drug ridden today than ever before. Young Americans, the poll concludes, are experimenting far more with both marijuana and cocaine than did their counterparts who came of age during the sixties and early seventies.

Half the people between the ages of 18 and 30 contacted in the survey said they had tried marijuana and 20 percent said they have tried cocaine, 1 in 12 said they currently used at least 1 of the 2 drugs frequently or occasionally.

Among people between 31 and 44 years old, by contrast, 34 percent reported having tried marijuana and 8 percent reported having used cocaine. Only 4 percent said they were frequent or occasional users.

Annual surveys conducted by the National Institute on Drug Abuse have shown slight decreases in the level of drug use among high school seniors in recent years. The results of the Post-ABC survey provide a dramatic reminder that the small relative gains of recent years have been made against a baseline of much higher absolute levels of drug use.

The Post-ABC survey also showed that Americans overwhelmingly support more vigorous Government efforts to reduce drug abuse. In the survey, 78 percent favored vastly increased spending on efforts to stem the flow of illicit drugs across our borders.

If we are to avoid raising another generation of drug users, we must redouble our efforts to crush the drug trade—both through more energetic enforcement and through tougher sentencing. At least equally important, we must increase our attention to preventive education. The drug war must be fought first in the minds of our young people.●

MOCK TRIAL TOURNAMENT

HON. GARY L. ACKERMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 20, 1985

● Mr. ACKERMAN. Mr. Speaker, I rise to pay tribute to the victorious law team of Martin Van Buren High School in Queens Village, NY. Their victory came last month in the annual New York State Mock Trial Tournament, sponsored by the NYS Bar Association and the Law Youth and Citizenship Committee.

The Mock Trial Tournament seeks to further understanding of the law, courts, and legal system by putting high school students in the position of lawyers and witnesses. They are evaluated not just by their performances, but by the quality of the cases that they formulate and present. It is, indeed, a challenging task simply to prepare for the competition. It is with deep pride and respect, Mr. Speaker, that I call the membership's attention to a team that not only had the courage, perseverance, and intellect to enter, but to win.

According to Van Buren's principal, Murray I. Ostrin, the law team's victory was an upset, because the preceding champion had held the title for 2 years in a row. This, and the fact that several hundred teams participated in this competition, make this victory all the more impressive. Faculty adviser Joel Kutun, legal adviser Ivan Tantleff, and the students of the law team are to be congratulated for their achievement, their dedication to excellence, and for the example they've set for their peers in the secondary schools of New York State.

Mr. Speaker, at this time I would like to ask all of my colleagues in the U.S. House of Representatives to join me in commending the law team of Martin Van Buren High School on their victory in the New York State Mock Trial Tournament.

I would also like to bring to the attention of my colleagues the following article in Newsday, that describes further the law team's success.

[From Newsday, May 13, 1985]

QUEENS VILLAGE/VERDICT IS IN: VAN BUREN'S TEAM IS TOPS

In the Court of Appeals, the state's highest court, some students from Martin Van Buren High School have won one of the state's highest honors.

The nine students from the Queens Village school argued and debated their way to victory in the finals of the statewide "mock trial" competition sponsored by the New York State Bar Association.

In the "hearing" in the Albany courtroom, 18-year-old Jeffrey Spector of Bellerose, gave the opening remarks. Eugene Paul Jr., 18, of Jamaica, acted as one of the lawyers during arguments. And Edward Tantleff, 18, of Queens Village, delivered the summation.

A few weeks ago, they won the citywide competition, in which 400 schools participated.

Friday, as they faced off against the other state finalist, Brentwood High School of Long Island, the Queens students had the encouragement of teacher Joel Kutun and of a Brooklyn attorney, Ivan Tantleff.

Tantleff said his interest in the outcome stemmed not only from the involvement of his son, Edward, but partly because he is a Martin Van Buren graduate—Class of '58, he said. "That was the first class after the school was opened."

And now they are also the first class of top-notch debaters in the state. And there's no arguing that.●

AN AMERICAN VETERAN

HON. ROY DYSON

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 20, 1985

● Mr. DYSON. Mr. Speaker, I rise today to salute an American patriot and poet, Cosimo "Gus" Geppi, Sr. Gus, who is 73 years old and resides in Charlotte Hall, MD, proudly served in the U.S. Army during the height of the cold war and is presently active in the Maryland State Guard.

Earlier this year, Gus tried his hand at poetry and met with immediate success. His poem, "The American Veteran," appears in the forthcoming edition of "Stars and Stripes," a publication that has celebrated American patriots in uniform for over a century.

At a time when we, in Congress are debating questions of national security, I believe it is altogether appropriate that we pay homage to those brave men and women who have so courageously served as protectors of our freedom.

I share Gus' words with you today in a spirit of respect and remembrance. Let us always be mindful of the profound contribution made by people like Gus who have served in uniform and know what it means to be "The American Veteran."

THE AMERICAN VETERAN

He fought in wars
He made his country safe
He is there when needed
He is a Veteran.

His country calls him when needed
His country says he is the greatest
His country is the U.S.A.
He is a Veteran.

But when he needs his country
Where is it
It seems that he is forgotten
Some never came back from the wars

He is a Veteran.

What has he fought for
Why has he served his country
Why has he made his country safe
Still he seems forgotten
He is a Veteran.

Come on America wake up
For without him where would we be
We the people of America are proud of him
For he is a Veteran to be proud of
Stand up America and salute him
For he is an American
He is a Veteran.

[Written by: Cosimo Geppi, Sr. ("Gus"), Charlotte Hall Veterans Home, Rt. 2, Box 5, Charlotte Hall, MD.]●

SECURITY AT FOREIGN AIRPORTS

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 20, 1985

● Mr. BIAGGI. Mr. Speaker, on June 18, in response to the act of terrorism committed against the passengers of TWA flight 847, I called for a review of security at foreign airports and the imposition of appropriate sanctions where it was found that security measures were inadequate to forestall the criminal activity of armed hijackers. The next day, H.R. 2796, the Foreign Air Travel Security Act of 1985, submitted and referred to the Public Works and Transportation Committee on June 17, was brought to the floor for immediate consideration and passed.

Mr. Speaker, this bill is the appropriate response to the escalating acts of terrorism in the air. Aggressively administered, it should generate security measures in foreign airports at least equivalent to our own and with the same result—a dramatic reduction in skyjackings. It will give us the tools to determine how safe it is for American citizens to travel abroad. It will expose foreign airports, such as those in Athens and Beirut, where security measures are lax or totally inadequate. The bill will create a new awareness of this serious problem in those foreign nations that have in the past treated this matter in a cavalier fashion. It will show those nations that we are tired of seeing our citizens victimized and that we are sick unto death of seeing fine young men like Robert Stethem sacrified on the altar of indifference.

I commend the gentleman from California for sponsoring the bill, and I commend my colleagues for its swift passage.●

H.R. 1562

HON. THOMAS F. HARTNETT

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 20, 1985

● Mr. HARTNETT. Mr. Speaker, today, I want to reemphasize the need for rapid passage of the Fiber/Textile/Apparel Employment Act of 1985 (H.R. 1562). I am certainly not alone in actively supporting this legislation. In fact, as of this writing, H.R. 1562 has gained the support of over 270 of my colleagues.

Due to the unprecedented textile import rate, increasing at an average rate of 13 percent for each of the last 10 years, the U.S. textile industry is on the threshold of market elimination. In the absence of congressional action, this import surge will cause an estimated loss of 947,000 jobs in the textile and apparel industries and an additional 943,000 jobs in related industries by 1990. Indeed, the fiber, textile, and apparel industry which employs more workers than the steel and automobile industries combined, is about to be buried by subsidized imports.

The pressure of ever increasing imports would have forced most industries to surrender. However, the true American spirit has emerged in the textile industry. In an attempt to become more competitive, the textile industry has spent approximately $1.5 billion per year over the last 5 years for increased research and development, modernized plants, and strengthened production techniques. However, even the greatest industry in the world cannot compete on an unfair playing field. In the case of textile imports, it is indeed unfair competition when foreign governments continue to offer subsidies and incentives abusing our open market policies.

H.R. 1562 is sensitive to our commitment in giving less developed countries access to our markets. In fact, this legislation allows these countries a 15 percent growth rate over their 1984 import levels plus a gradual increase—6 percent—each subsequent year. However, the major exporting countries which hold a huge market share at the expense of these developing nations will be limited to 95 percent of their import level in 1982 with a 1 percent growth rate each subsequent year.

Protectionism is defined as the deliberate use of restrictions on imports to enable relatively inefficient domestic producers to compete successfully with foreign producers. The U.S. textile industry is hardly inefficient. In a completely free-trade environment, our domestic textile industry could more than compete with any private manufacturer. Therefore, it is unfair to punish this efficient industry by forcing it to compete against unfair foreign trade practices.

The United States maintains the most generous trade policy in the world. However, this open market philosopy has operated to the detriment of our own industrial base. Specifically, foreign governments have continued to enforce unfair trade practices at the expense of a proud and determined domestic textile industry. Therefore, I feel that trade legislation aimed at penalizing the imports from these uncooperative countries is not only necessary, but justified.●

INTERSTATE AIR POLLUTION: IMPROVING THE MECHANISMS FOR REDRESS

HON. DOUG WALGREN

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 20, 1985

● Mr. WALGREN. Mr. Speaker, "Pennsylvania Knows the 'Sandwich' Feeling," noted a Pittsburgh Post/Gazette editorial a few weeks ago because Pennsylvania is both a receiver of air pollution from neighboring States and a sender of air pollution to other States. Pennsylvania in fact in 1981 sued Ohio for pollution crossing our western borders, a petition that the Environmental Protection Agency denied 4 years later, along with petitions from New York and Maine. But the problem has not gone away.

THE PROBLEM

Programs under the Federal Clean Air Act have been designed primarily to address air quality problems caused by high ambient concentrations near the pollution sources, in other words, local pollution. State implementation plans focus on control of sources within a State to attain standards within that State. Yet air pollution does not respect State boundaries. In addition, air quality standards focus on gaseous pollutants traveling long distances are frequently transformed into sulfates and nitrates and these are not directly regulated. According to the National Commission on Air Quality, national standards do not "adequately address regional air quality problems because they do not induce consideration of pollution effects in areas distant from pollution sources. . . ."

Section 110 of the Clean Air Act was designed to help States deal with interestate air pollution, but most people agree that these provisions have been of minimal help. The National Commission on Air Quality said, "No real guidance has been provided on how States where pollution originates and States receiving pollution from other States might equitably divide the burden of reducing interstate pollution." EPA has received at

least 15 interstate air pollution petitions, but has only acted on 4.

Why, then, is interstate air pollution a problem? States design their air programs to acheive ambient health-based standards, but pollution from other States can make it difficult or impossible to meet a State's standards, no matter how strong the program. This means exceeding standards or adding pollution control devices to accommodate the imported pollution. This added pollution can also use up increments of clean air in the receiving State and thus become an impediment to economic growth. In some cases, interstate air pollution can mean added costs to industries, such as utilities. One study showed that sulfur dioxide pollution from Ohio and West Virginia powerplants may be costing three Pennsylvania utilities as much as $1 billion in added costs.

WALGREN INTERSTATE AIR POLLUTION BILL

On June 13, 1985, I introduced H.R. 2753, to make some revisions to the interstate section of the Clean Air Act. My bill has several provisions.

Section 110 of the act prohibits EPA from approving any State air implementation plan unless the plan contains provisions prohibiting any source from releasing air pollution that will prevent attainment of national ambient air quality standards in another State or interfere with prevention of significant deterioration of air [PSD] in another State. The current law has been interpreted to apply only where one source is found to prevent air quality standard attainment or to interfere with PSD in another State. Most interstate air pollution problems result from the combined impact of several sources, not one. The bill makes two changes: First, it would allow EPA to consider the combined interstate impact of a group of sources and second, it would change prevent to interfere with. The law would be amended to prohibit State plans that allow interstate emissions which interfere with (rather than prevent) attainment and maintenance of air quality.

Under the bill, EPA is directed to establish criteria by regulation to govern the interpretation of the term "interfere with." This would require the Agency for the first time to develop coherent, clear guidelines for the States governing control of interstate pollution.

Finally, the bill would require notice by a State in which a new source is expected to contribute to air pollution in another State. Current law requires notice only where new source emissions contribute to pollution in another State in excess of ambient air quality standards. This seems like a backward approach. To trigger the interstate relief mechanisms of the law, States must already be in violation of air quality standards before receiving notice of a potential problem from an adjacent State. States should not have to already be exceeding their standards to head off interstate pollution. States need as much information as possible in developing air quality plans to achieve standards and avoid exceedances.

Interstate air pollution can be a very complicated problem and can unnecessarily pit one State against another. Yet it is a clear case where the law has not worked and is not working. This bill may not be the total answer, but I hope it is a start. Some of these provisions, incidentally, were recommended by the bipartisan National Commission on Air Quality in 1981. It is long past time to improve the law and give States a workable mechanism for resolving their interstate complaints. As a "sandwich" State, Pennsylvania will welcome some guidance in this area, in my view, and while seeking redress for the pollution coming to us from our neighbors to the West, we have a responsibility to work with our neighbors to the North and East on the pollution we may send to them. I look forward to working with my colleagues in getting this bill enacted.●

TRIBUTE TO HAROLD S. MINER

HON. JAMES H. SCHEUER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 20, 1985

● Mr. SCHEUER. Mr. Speaker, I rise today to pay tribute to the remarkable accomplishments of Harold S. Miner, a long-time resident, respected civic leader and internationally recognized humanitarian from the Eighth Congressional District of New York. Mr. Miner was a pillar of the Great Neck community for some 38 years where he set a standard for public service at home and abroad that should be a model for all of us.

Mr. Miner was born in Taunton, MA, in 1893, earned bachelor's and master's degrees in law at the Washington, DC, College of Law. He married Doris L. Fox, a high school classmate, in 1914.

During World War I, he served as secretary to Franklin Delano Roosevelt, then Assistant Secretary of the Navy. After the war, he came to New York, and went into banking, rising to a vice presidency in the Manufacturers Hanover Trust Co. He retired in 1962, but continued to serve on the boards of several nationwide financial and industrial corporations.

Moving to Great Neck in 1937, where he lived until his recent death at the age of 92, Mr. Miner assumed an active role in community affairs. Following World War II, Mr. Miner became chairman of the Veteran Service Committee of Great Neck, which consisted of some 40 business people, working to find employment for many veterans returning to civilian life. He also was trustee of the village of Great Neck Plaza, a trustee of the Community Church of Great Neck, and a member of the Great Neck Lions Club. It was, however, in his role as a tireless activist in humanitarian relief efforts that won him reknown throughout the world.

Mr. Miner was a founding member of CARE, the international aid and development agency representing 23 member organizations, since its inception in November 1945. He first represented the Congregational Christian Service Committee. Later, he served as CARE's treasurer, a position he held until his election as president of CARE in 1957. Upon his retirement from that post in 1978, Mr. Miner was made honorary president of the organization.

In his capacity as president of CARE, Harold Miner traveled extensively, visiting countries in which CARE had programs and discussing humanitarian and development concerns with leaders of many governments. He also represented CARE at numerous congressional hearings on international aid and he met with Presidents Truman, Eisenhower, Kennedy, and Nixon.

As president of CARE he received decorations from the chief executives of a half dozen countries served by CARE, including Chancellor Adenauer of the Federal Republic of Germany in 1958. At that time, Chancellor Adenauer said that CARE packages had literally saved the lives of more than a million German people.

In 1964, he was awarded the Order of Culture and Merit of the Republic of South Korea from President Park, and in 1970 he received the Officer's Cross of the Polish People's Republic when CARE concluded its operations in Poland.

Mr. Miner was also instrumental in negotiating the merger of Medico, the health organization made famous by Dr. Tom Dooley and Dr. Peter Commanduras, with CARE.

Mr. Miner is survived by his sister Mildred Hadley of Fall River, MA. I extend my heartfelt sympathy to her for the loss of her extraordinary brother.

Mr. Speaker, although the village of Great Neck has suffered the loss of one of its leading citizens, he has bequeathed to us a legacy of concern for the impoverished and imperiled peoples of the lesser developed nations. Through his dedicated and selfless work with CARE, Harold S. Miner has demonstrated how one man truly can make a difference and leave his imprimatur on the world.●

HILLIARD, OH—FLAG CITY U.S.A.

HON. CHALMERS P. WYLIE

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 20, 1985

● Mr. WYLIE. Mr. Speaker, Hilliard, OH, is a friendly, patriotic city. I have been impressed by the many American flags which are displayed in Hilliard on Flag Day, Fourth of July, and on other days throughout the year. The flying of American flags serves as a reminder of the freedom we enjoy in this great land which is a haven of opportunity and a place for the expression of ideals by all Americans. Mayor Roger Reynolds and the city council are desirous of receiving recognition for their proclamation that Hilliard, OH be known as "Flag City U.S.A." to evidence the sense of pride of its citizens in our great Nation. I congratulate the city of Hilliard, OH for reaffirming its national spirit by proclaiming Hilliard "Flag City U.S.A." A flag raising ceremony will take place on July 4 at which time Hilliard, OH will officially be proclaimed "Flag City U.S.A."●

HEARINGS PLANNED ON ESPIONAGE LAWS

HON. JOHN CONYERS, JR.

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 20, 1985

● Mr. CONYERS. Mr. Speaker, the recent revelations of widespread espionage activity, as illustrated by the Walker case, raise serious questions about the adequacy of our current espionage laws. Originally enacted in the Defense Secrets Act of 1911 and the Espionage Act of 1917, the definitions of the espionage offenses have been modified only slightly since that time. Yet the national security that these laws were designed to protect is immensely more complex than at the time of the First World War. The technology of war and of preventing war now focusses on computers, space weapons, nuclear reactions, and electronic communication. The stakes are enormous. Even the Attorney General has acknowledged that, perhaps in reaction to these developments, we may have classified too much information, and allowed access too easily by too many.

Many of my colleagues in this body have joined scholars and former and current members of the executive branch, the military and the intelligence community in calling for a careful investigation of our laws against espionage. the Subcommittee on Criminal Justice, which I chair, will therefore begin hearings shortly after the July 4 district work period on the effectiveness of our espionage laws and their enforcement. Any Members who wish to suggest witnesses for these hearings, or who wish additional information, should contact the staff of the Subcommittee on Criminal Justice.●

HON. LINDY BOGGS, TULANE'S DISTINGUISHED ALUMNA

HON. BOB LIVINGSTON

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 20, 1985

● Mr. LIVINGSTON. Mr. Speaker, the gentlewoman from Louisiana [Mrs. BOGGS] has recently received a well-deserved honor which requires special notice by all of our colleagues.

Recently, LINDY became the first woman in the long history of Tulane University to be named the Tulane Distinguished Alumnus, a coveted award given annually to the graduate who has been unsurpassed in university support and community involvement. The competition is tough, and distinguished nominations are submitted from 11 colleges within the university, including Newcomb College from which LINDY graduated.

That LINDY should be chosen for 1985 will come as no surprise to this House, where her strong support for education is well known. Our colleagues may not be aware that LINDY has been a member of the Tulane President's Council since 1976 and was president of that group in 1983. She also received an honorary doctor of law degree from Tulane in 1978 and was Newcomb College's Outstanding Alumna in 1976.

Mr. Speaker, I know all of us want to join in honoring the gentlelady for her outstanding achievements, and we wish her a grand time at the formal honorary dinner that the Tulane community will sponsor for her in October. Congratulations, LINDY, Tulane's Distinguished Alumna for 1985.●

DUKE POWER CO. HONORED

HON. CARROLL A. CAMPBELL, JR.

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 20, 1985

● Mr. CAMPBELL. Mr. Speaker, recently, Duke Power Co. of Charlotte, NC, received two very significant honors from the President's Citation Program for Private Sector Initiatives and the Edison Electric Institute.

The President's Citation Program recognized Duke for the company's Weatherization and Community Challenge Heating Fund Programs. Duke was 1 of only 70 companies nationwide to be honored for exceptional contributions to voluntarism.

Edison Electric Institute, the national association of electric companies, awarded Duke the Edison Award, the electric utility industry's highest honor, for excellence the company achieved in completing nuclear construction at low cost and on schedule and for its efficient operation of nuclear powerplants.

Duke Power Co., which also serves my State of South Carolina, deserves the highest commendation for these achievements. Additional information from the respective news releases follows:

PRESIDENT'S CITATION PROGRAM FOR PRIVATE SECTOR INITIATIVES

WASHINGTON.—President Reagan today recognized Duke Power Co. for two of its community service projects.

The Charlotte-based utility is one of only 70 companies nationwide to be honored with certificates for exceptional contributions to volunteerism. Duke Power's citation results from the company's Weatherization and Community Challenge Heating Fund programs (see attachment).

"You have helped show that there is a valuable role for the private sector to play in our society and that many problems can be handled without the intervention of government," R. William Taylor, chairman of the awards committee for the White House Private Sector Initiatives Commission, said.

"You are a success story and we urge you to tell it far and wide," he said.

The President's Citation Program for Private Sector Initiatives was developed in 1984 to encourage the growth of voluntary services on the part of business, trade associations and professional societies by recognizing the outstanding contributions being made.

Duke Power and the Greater Durham Chamber of Commerce are the only winners from the Carolinas. More than 1,000 entries were submitted in the program.

KEY ELEMENTS IN DUKE POWER CO.'S COMMUNITY SERVICE INITIATIVES RESULTING IN THE PRESIDENTIAL CITATION

Weatherization: Designed to help low-income families stay warm and also reduce the cost of heating. Duke Power involved 150,000 volunteers from community service organizations, civic clubs, churches and school groups. The company donated the insulation materials and trained the volunteers who weatherized 37,000 homes during 1982-84.

Community Challenge Heating Fund: Designed to help low-income families pay heating bills, regardless of fuel used. Established in 1982 with $100,000 from shareholders, the program challenged community service organizations to raise $4 for every $1 Duke Power contributed. Local community service organizations were designated in each location to raise the matching funds and distribute the money to needy families. A half million dollars was provided in 1982-83 and in 1983-84. The company increased its contribution to $150,000 in 1984-85. As a result, $600,000 was raised for needy families this winter.

DUKE POWER WINS INDUSTRY'S HIGHEST AWARD FOR RECORD-SETTING ACHIEVEMENT IN NUCLEAR CONSTRUCTION

DENVER, June 11.—Duke Power Company of Charlotte, North Carolina, has received

the electric utility industry's highest award, the Edison Award, for excellence it achieved in completing nuclear construction at low cost and on schedule and for its efficient operation of nuclear power plants.

The award is issued annually to an investor-owned electric utility for "distinguished contribution to the development of the electric light and power industry for the convenience of the public benefit of all." Duke Power Company Chairman William S. Lee accepted the award at the Edison Electric Institute (EEI) annual convention meeting here.

Duke Power was praised for building on its tradition of superior performance in the design, construction and operation of economical, efficient nuclear power plants, particularly at a time when attention was focused on nuclear plant cost overruns, construction problems and licensing delays.

Among the highlights of the Duke Power nuclear program are:

The lowest per kilowatt cost of any nuclear unit completed in its era—$918 per kilowatt for the McGuire Nuclear Station Unit 1.

The second highest station capacity factor in the United States at 83 percent for the three-unit Oconee Nuclear Station.

The overall capacity factor for Duke's nuclear system was 76.3 percent, with the industry average at approximately 60 percent.

Duke was one of the first utilities to establish formal training programs for nuclear personnel.

Duke's do-it-yourself approach to power plant design and construction is unique among the nation's investor-owned electric utilities and is widely credited for keeping costs down and quality high.

"Coupled with this record of excellence, Duke launched a positive program to set the record straight on utility issues in an election year," said William McCollam, Jr., president of EEI. "The bi-partisan Power in Citizenship program conducted by employees, retirees and shareholders resulted in registering almost 20,000 new voters, providing facts on utility issues and arranging get-out-the-vote activities. This effort added a new dimension to how Duke operates, and its customers are the ultimate beneficiaries of the company's activism."●

HIGH TECH, A SUBSIDIARY OF PENTAGON, INC.

HON. BOB EDGAR

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 20, 1985

● Mr. EDGAR. Mr. Speaker, the trend toward militarization of our Nation's research and development base has heightened significantly over the last 4 years. We sometimes fail to realize how much of the technology that we will need to regain our international competitiveness is now being placed in the hands of the Department of Defense. In one sense we do have a high-tech industrial policy—it is being directed by the billions of dollars pumped out for R&D by the Pentagon. Further, much more of this research is now being fenced off, thereby preempting spinoffs that might result from technology transfer to non-DOD sources.

A recent article in the New York Times by Harvard's Robert Reich brings into focus the many problems associated with such a trend. I commend the article to my colleagues.

HIGH TECH, A SUBSIDIARY OF PENTAGON INC.

CAMBRIDGE, MA.—America's technology future depends ever more on the Pentagon. But that future is too important to be left entirely to Pentagon strategists.

This year, America will spend about $107 billion on research and development—more than the combined research and development spending of Britain, France, West Germany and Japan. More than a third of this total will be devoted to defense, including 85 percent of our research in advanced technologies like lasers, sensing devices and computers capable of simulating human intelligence. Defense claims only 4 percent of West Germany's research and development budget and less than 1 percent of Japan's.

The trend toward militarization of research has quickened under the Reagan Administration. In the late 70's, only about half of federally sponsored research was defense-related; now it's 70 percent. Research and development is the fastest growing major category in the defense budget—next year, it's scheduled to rise by 20 percent over inflation. Much of this increase is due to the largest, potentially most important research and development project in our history: the Strategic Defense Initiative, or "Star Wars."

The amount budgeted for Star Wars research—$1.4 billion this year, $2.5 billion next year, the entire effort estimated to cost $26 billion over five years—is not so large relative to the nation's total research budget. But it covers the cutting edge. Measured by the numbers of scientists and engineers involved, and by the required technological breakthroughs, Star Wars promises to be more significant than the Manhattan Project (development of the atomic bomb) or the Apollo moon program.

The real importance of Star Wars is only tangentially related to national defense. But the consequences for national economic development will be profound. The technology used to create X-ray laser weapons could be applied to super-microscopes; the know-how garnered in designing particle accelerators could be applied to irradiating food products. Spinoffs and applications as yet unimaginable could create whole new generations of telecommunications and computer-related products that could underpin information-processing systems in the next century. Meanwhile, Japan is now hell-bent on commercial development of such technologies.

The Pentagon appears to understand the true implications. The campaign has been touted in Congressional hearings as a path to competitiveness in advanced technologies. Mindful of the importance of small companies and university laboratories to the effort, the Pentagon has set up an office to locate and fund high-risk proposals from entrepreneurs. With a four-year budget of about $1.3 billion, this tiny office will comprise roughly 20 percent of America's high-technology venture capital.

What's wrong with running America's high-technology industrial policy through the Pentagon? After all, it's not the first time national defense has served as a convenient pretext for the kind of planning that would be ideologically suspect if undertaken on its own behalf. Consider the National Defense Education Act, the Space Shuttle and the billions of dollars the Pentagon has poured into semiconductors, jet engines, composite materials, computers, robots and advanced manufacturing systems.

The problem is never before on this scale have we entrusted so much technological development to the Pentagon in so short a time. A handful of Pentagon officials are preempting scientific resources and picking winners and losers of the technology race, with large defense contractors advising them. Most decisions are made in secret. While there is public debate about the wisdom of Star Wars as a defense strategy, there is no open debate among scientists, engineers and high-technology companies about the implications of these decisions for our economic future.

More troubling still is the tendency of the Administration—ever-fearful of leaks to the Russians—to make secret the results of research. Commercial spinoffs depend upon quick, efficient access to new technology, but the door is rapidly closing. For example, the Pentagon is increasing, from 13 to 20 percent, that portion of its research budget deemed so secret, it won't even disclose what it is funding. Ever more research is falling under a new executive order that makes it relatively easy to classify Government documents without considering the public's need to know.

Even unclassified research is being controlled. Defense Secretary Caspar W. Weinberger can stop disclosure of about a fifth of the unclassified technological research done under Pentagon contracts. In addition, the Pentagon routinely insists it has the right to review university-based research before the results are published and includes prepublication-review clauses in its research contracts. (Since 1980, Government officials have pulled scientific papers from academic conferences a dozen times.)

America needs a high-technology industrial policy—but not this one. The bureaucratized, secrecy ridden Star Wars crusade, President Reagan's endgame to win the cold war with Russia, may well lose us the technology "war" with Japan.●

AMERICANS WANT UNDERSTANDABLE TAX CODE

HON. BOB LIVINGSTON

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 20, 1985

● Mr. LIVINGSTON. Mr. Speaker, as we discuss tax reform measures it's important to remember that along with a fairer Tax Code Americans want a tax system that they can understand.

One of my constituents, Mr. Eric Aschaffenburg, recently wrote me a letter clearly showing the difficulties faced by many taxpayers. He had written to the IRS for permission to change his accounting method for deducting bad debts. Let me read you just a portion of the reply he received from the IRS.

Section 8.01 of Rev. Proc. 82-19 provides that taxpayers to which the revenue procedure applies must effect the change pursuant to the provisions set forth therein by filing a current form 3115 in duplicate. A copy of the form 3115 shall be filed with the

national office no later than 270 days after the beginning of the tax year of change and the service will acknowledge the receipt of the copy of form 3115 by return mail. The original of form 3115 and a copy of the acknowledgment is to be attached to the taxpayer's Federal income tax return for the year of change.

Mr. Aschaffenburg, who has a CPA and an MBA, nevertheless was understandably confused by this response.

Mr. Speaker, let's not forget to work for an understandable tax system as we discuss tax reform—if there ever was a time for tax reform, it is now.●

DETERRING THOSE WHO WOULD SELL OUR NATION'S SECRETS

HON. C.W. BILL YOUNG
OF FLORIDA
IN THE HOUSE OF REPRESENTATIVES

Thursday, June 20, 1985

● Mr. YOUNG of Florida. Mr. Speaker, the American people are incensed about the Walker spy case, and I believe most would agree that it is time to let the Soviets, and the traitors they recruit, know that we as a nation will do everything in our power to stop them. One way to forewarn the Soviets and their spies that we mean business is to expand the test program included in last year's defense authorization bill, which permits counterintelligence scope polygraph exams of 3,500 randomly selected individuals with special access clearances.

During consideration of this year's defense authorization bill, I will offer an amendment to authorize and direct the Secretary of Defense to give counterintelligence polygraph exams to all applicants for access to our most sensitive national security information, and make them subject to periodic random exams thereafter. These people work with programs so sensitive that they are identified only by code words and are more highly classified than top secret. Also, under my proposal, the Secretary would not be required but would be permitted to use counterintelligence polygraph exams for other applicants for lower level classification such as top secret and secret, and would be authorized to randomly test military and civilian personnel with these clearances.

The Central Intelligence Agency and the National Security Agency are already permitted to use polygraph exams to test their employees, so what sense does it make to draw the line for these security checks at the Pentagon, where the same highly sensitive and potentially damaging information is available for the selling? According to our counterintelligence officials, who are in the business of stopping the Walkers of the world from turning over our most sensitive national security information to our adversaries, random polygraph tests would provide a tremendous deterrent to this disgusting, treasonous activity. An American recently convicted of spying for the Soviet Union has testified that if there had been a program of random testing, such as I'm proposing, he would never have considered an act of espionage.

It is my hope that my colleagues agree with me that it is far too important to the security of our Nation to delay the implementation of an effective counterintelligence polygraph program that could identify spies or potential spies and prevent, if possible, future espionage cases. The cost of this program is minimal compared to the cost to our Nation from stolen technology and damage to our national security resulting from espionage activities. It has yet to be determined how costly the information the Walker spy ring provided the Soviets has been to our Nation, but we have already had to absorb the great expense of changing many of our antisubmarine procedures. We do know that the cost of our own national defense programs are much higher than necessary partly because the Soviets, through the KGB and their espionage activities, steal or buy too much of the technology we develop. As a result, the Soviets are spared much of the high cost of research and development, since they have acquired ours. So, we are paying not only for our own defense programs but many of those of the Soviet Union as well.

My amendment would in no way infringe upon the constitutional rights of military or civilian personnel, or contractors for the Department. In fact, my amendment strictly limits the scope of the polygraph exam to questions relating directly to espionage, sabotage, terrorism, and the unauthorized disclosure of classified information.

The people to whom we have given the responsibility of protecting our national secrets have said that the existence of random polygraph testing would be one of the best tools they could have to persuade someone with access to classified and highly sensitive national security information not to yield to the temptation to sell such information to a foreign power. The Soviet Union, and its surrogate nations, have undertaken a stepped up campaign to acquire greater amounts of U.S. technology through espionage activities. The facts speak for themselves. In addition to the Walkers, there are 11 other Americans standing trial for espionage. Eleven others have been found guilty of spying in the last 4 years. And since World War II, 46 Americans have sold their Nation's most sensitive secrets to foreign agents.

The foremost responsibility of the Congress is to provide for the security of our Nation, which includes protection from internal as well as external threats. There are thousands of Americans with access to very sensitive classified information who honorably uphold their responsibility to our Nation. Only one traitor, however, can cause serious and irreparable damage to our national security. My amendment seeks to deter those few individuals who have or would consider an act of espionage, the greatest crime against one's nation, and a crime that threatens the safety and well-being of all the American people.●

SENATE—*Friday, June 21, 1985*

(Legislative day of Monday, June 3, 1985)

The Senate met at 9:30 a.m., on the expiration of the recess, and was called to order by the Honorable MARK ANDREWS, a Senator from the State of North Dakota.

Mr. ANDREWS. Our prayer this morning will be offered by the Reverend Richard Christian Halverson, Jr., pastor of the Chesterbrook Presbyterian Church in Falls Church, VA, and son of our Senate Chaplain.

PRAYER

The Reverend Richard Christian Halverson, Jr., pastor, Chesterbrook Presbyterian Church, Falls Church, VA, offered the following prayer:

Let us pray.

Father in Heaven, as those who work in the Senate arrive here this morning to serve in what some have called the most powerful legislative body in the world, we are mindful that they have left an even more influential component of society—the family.

We cannot know the private issues that each person here faces in the realm of their household. But we do know that the same blessings, problems, alliances, and divisions which exist in this public sphere are present also in our homes.

We petition You, Lord, that as each person here exercises their energy and skills to make our Government work, You will likewise grant commiserate wisdom and gifts in their higher calling as husbands and wives, parents and grandparents, sons and daughters and grandchildren.

Lord, we cannot pray for the families of the Senate and Senate staff without remembering those who grieve over the absence or loss of family members this morning. We ask for comfort and understanding, especially for the families of the marines lost in El Salvador and loved ones held hostage in Beirut.

We make this earnest request in the name of Christ, Who is both an exemplary Son to His Father and a perfect husband to His bride. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore [Mr. THURMOND].

The legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, DC, June 21, 1985.

To the Senate:

Under the provisions of rule I, section 3, of the Standing Rules of the Senate, I hereby appoint the Honorable MARK ANDREWS, a Senator from the State of North Dakota, to perform the duties of the Chair.

STROM THURMOND,
President pro tempore.

Mr. ANDREWS thereupon assumed the chair as Acting President pro tempore.

RECOGNITION OF THE MAJORITY LEADER

The ACTING PRESIDENT pro tempore. Under the previous order, the majority leader is recognized.

SCHEDULE

Mr. DOLE. Mr. President, under the standing order, the leaders have 10 minutes each, then there is a special order in favor of the Senator from Wisconsin [Mr. PROXMIRE] for not to exceed 15 minutes.

Following that there will be a period for the transaction of routine morning business not to extend beyond the hour of 10 a.m. with statements therein limited to 5 minutes each.

Following routine morning business, we shall turn to the consideration of H.R. 47, the Statue of Liberty coin bill, and possibly lay down S. 49, the McClure-Volkmer gun bill. I doubt that we shall do that until Monday. There is a possibility of working out a time agreement—at least, it is my understanding that there is a good possibility.

If there are any other matters on the Executive Calendar or other matters we can take care of by unanimous consent, obviously, we would like to do those today.

I have indicated that there will be no rollcall votes today, so if somebody should demand a rollcall for some reason I cannot now anticipate, that vote will be put over until Tuesday.

We have also indicated that on Monday, we will probably be debating the McClure-Volkmer gun bill, imputed interest, small business authorization bill, maybe the postponement of the wheat referendum. So there are other matters we can bring up Monday that I think can be discussed. Again, if votes are necessary, they will occur on Tuesday.

There will also be, this morning, a colloquy by various Senators with the distinguished chairman of the Appropriations Committee with reference to water projects. In the colloquy Members indicate that if, in fact, there is no veto of the supplemental or, to put it in a positive way, if in fact the President and the administration are willing to go forward with certain water projects, then certain Members are willing to make reforms in water projects, including cost sharing, and a number of other items. That colloquy should take place, I assume, around 10 o'clock or after disposition of H.R. 47.

It is my hope that we may be able to complete our work early today.

I reserve the remainder of my time, Mr. President.

RECOGNITION OF THE MINORITY LEADER

The ACTING PRESIDENT pro tempore. Under the previous order, the Democratic leader is recognized.

Mr. BYRD. Mr. President, I thank the distinguished Presiding Officer.

Mr. President, I ask unanimous consent that I may reserve the remainder of my time.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

RECOGNITION OF SENATOR PROXMIRE

The ACTING PRESIDENT pro tempore. Under the previous order, the Senator from Wisconsin is recognized for not to exceed 15 minutes.

Mr. PROXMIRE. I thank the Chair.

FOURTH MYTH OF THE DAY: A SERIES OF UNTRUTHS ABOUT NICARAGUA

Mr. PROXMIRE. Mr. President this is the fourth in my series of daily statements to point out myths—that is, false allegations pronounced by top Government officials and widely believed because they have never been adequately or loudly enough refuted. Today's myth is easy to believe. It is a series of false statements about a government most Americans, including this Senator, deplore. That makes it hard to disagree with the President when he makes these false statements.

It is like the old disagreement with my predecessor in this body, Senator Joe McCarthy, when he falsely charged that the State Department in the Truman administration was loaded with Communists. No question about it, Daniel Ortega is the head of Government in Nicaragua and Ortega is a Marxist—in my book a Communist. Ortega relies heavily on the Soviet

Union and Castro's Cuba. He is not for us; he is against us. It is enough that we tell the truth about Ortega. It is a myth that becomes a mistake that destroys this country's credibility if we assert lurid falsehoods about the Nicaraguan Government.

The President recently said in Birmingham, AL, that there is "incontroversible evidence of religious persecution of Catholics, Jews and Fundamentalists in Nicaragua." Is this true? No, it is not. Rabbi Marc Tannenbaum issued a report in 1983 saying that the 20 or so Jewish families in Nicaragua are not persecuted. How about the fundamentalists? The evidence is that, far from being persecuted most of them are sympathetic of the Sandinistas. The Sandinistas have, indeed, quarreled with the Catholic church hierarchy. The Sandinistas are wrong. The church is right. But to charge as the administration has that this is a concerted attempt to eradicate the religion of 95 percent of the Nicaraguan people is nonsense.

The President charged in Birmingham that "thanks to the Sandinistas, the PLO, Libya, and the followers of the Ayatollah Khomeini have now a foothold just 2 hours from our southern border." This is sheer, empty rhetoric. Where is the evidence of this? Certainly a charge this serious: international terrorists near our border should require specific detailed evidence. There is none.

Finally, the President has charged the Sandinistas are carrying on "a campaign of virtual genocide against the Miskito Indians." Mr. President, this is false. According to the human rights organization, Americas Watch, about 70 Miskitos—out of a total of about 70,000—lost their lives in skirmishes with Sandinista troops some 3 years ago. The killings were vicious and wrong. But is this genocide? Not even close. Genocide is the planned, premeditated attempt to exterminate an entire ethnic, racial or religious group. To bandy the term genocide about so cavalierly cheapens the devastating case that the free world has had against such as Hitler's Holocaust in Europe with the extermination of 6 million Jews and Pol Pot regime in Cambodia with the killing of 2 million Cambodians.

The sum total of these myths is so damaging that Abraham Brumberg, who formerly edited a journal entitled "The Problems of Communism," has vehemently protested them in an article that appeared in the New York Times on June 18, 1985. Brumberg has been carrying on a highly respected analysis of the failures as well as the successes of communism in a scholarly, thoughtful way—making the case on the basis of seeking out the truth in meticulous detail. His New York Times article constitutes a brilliant exposé of the damage done to the strong case against communism by the outright and frequently transparent distortions of the administration. I ask unanimous consent that the Brumberg article be printed at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the New York Times, June 18, 1985]

REAGAN'S UNTRUTHS ABOUT MANAGUA

(By Abraham Brumberg)

MUNICH, WEST GERMANY.—President Reagan has won another round in the battle over United States policy in Central America: After yet another major debate about whether to fund the "contras," Congress changed its mind and voted last week to support aid to the anti-Sandinista guerrillas. How are we to account for this capitulation? History offers an unsettling clue.

Thirty-five years ago, an obscure politician from Wisconsin sprung into prominence by charging that the United States Government was infested by "Communist agents." Joseph R. McCarthy had little evidence except pernicious innuendoes and outright fabrications, but many Americans were either mesmerized by the sheer audacity of his onslaught or fearful that a refusal to take him seriously might expose them to the dread suspicion of being "soft on Communism." It took four years for Congress to curb his power, and by that time, the damage to our moral and political sanity—not to mention to the livelihoods and reputations of thousands of innocent men and women—had already been done.

Comparisons are proverbially odius, but it is hard not to detect similarities between Senator McCarthy's methods and those used today by President Reagan in his relentless crusade against "totalitarian" Nicaragua. Mr. Reagan has not called his domestic critics "dupes" or "Communist agents"—although he came close to it earlier this month when he claimed that those who oppose his Nicaraguan policy suffer from "illusions about Communist regimes." But what is strikingly reminiscent of Senator McCarthy's tactics is the flood of distortions, exaggerations and plain unvarnished lies about the Sandinistas that issues forth almost daily from the Administration.

Consider what the President said recently to a group in Birmingham, Alabama: There is "incontrovertible evidence," he asserted, of "religious persecution of Catholics, Jews and Fundamentalists in Nicaragua." The Sandinistas, he went on, are conducting "a campaign of virtual genocide against the Miskito Indians." Furthermore, "thanks to the Sandinista Communists, the P.L.O., Libya and the followers of the Ayatollah Khomeini have now a foothold in Central America, just two hours from our southern border."

If any of these charges were even partially true, we should indeed consider taking measures against the Sandinistas. But none is. There is no evidence of persecution of Fundamentalists, most of whom—rightly or wrongly—are in fact rather sympathetic to the Sandinistas. The claim that the Sandinistas are persecuting the 20 or so Jewish families in Nicaragua is pure humbug: that, anyway, was the conclusion of a special report issued in 1983 by Rabbi Marc H. Tanenbaum of the American Jewish Committee.

True, the Sandinistas are engaged in a struggle with a good part of the Roman Catholic hierarchy. But this is a political struggle, not a religious one, and both sides are seeking to resolve it. Several "oppositionist" priests have been shabbily treated. During his trip to Nicaragua in 1983, Pope John Paul II, who sided with the church hierarchy, was subjected to offensive jeering and hooting by Sandinista mobs. But to see this as a concerted attempt to "eradicate" the religion of 95 percent of the Nicaraguan people is to take leave of reality.

So is the claim that the Sandinistas have provided international terrorist organizations with a base from which to launch attacks against the United States. Certainly, if there is any evidence to support such a charge (let alone of an "incontrovertible" sort), the White House has yet to produce it.

But nothing is more shocking than the ease with which Mr. Reagan and his associates bandy about the term "genocide," mentioning the Miskito Indians in the same breath with the Holocaust. What in fact has happened to the Miskitos since the Nicaraguan revolution? According to the human rights organization Americas Watch, about 70 Miskitos (out of a total of about 70,000) lost their lives in skirmishes with Sandinista troops some three years ago. Managua has repeatedly come into conflict with the Indians over the question of who controls the Atlantic coast region of the country. (The Miskitos want "sovereignty" in what they see as their historical homeland.) The killings were odious and deserving of condemnation. So may be the Sandinistas' apparent inflexibility toward the Miskitos' demands. But how could anyone with any sense of history or moral distinctions compare this with the systematic slaughter of six million Jews and millions of others during the Second World War?

Whether the President knows it or not, his tactics are borrowed from the totalitarian arsenal: He is determined to portray those he wishes to destroy in the most lurid and reprehensible colors. Convinced, apparently, that the end justifies the means, he is prepared to use even the most unscrupulous tools—including untruths, quarter-truths and travesties of history—to topple the Sandinistas. And then, to top it off, he has the gall to claim that he "remains committed to a peaceful solution in Central America."

Joseph McCarthy fomented and thrived on a climate of hysteria in which dissent came perilously close to being identified with treason and rational discussion of Communism was virtually impossible. The net effect of Ronald Reagan's anti-Sandinista crusade is likely to be exactly the same. In an atmosphere of extravagant mendacity and pressure to "fall into line," it becomes increasingly difficult to arrive at an objective assessment of what is happening in Nicaragua or to discuss what the United States should do about it.

The blame for this baleful state of affairs lies not only with the President, but also with those—whether Republicans or Democrats, conservatives or liberals—who now so fear being branded "soft" or "naive" about Communism. It is they, after all, who permit his contempt for truth to go unchallenged, they who are allowing us to drift ever further from a realistic foreign policy. The four destructive and insane years of McCarthyism provide a lesson that no one truly interested in "a peaceful solution in Central America" can afford to ignore.

WHY STAR WARS IS HOIST ON ITS OWN PETARD

Mr. PROXMIRE. Mr. President, the June 18th New York Times carries an article by Philip Boffey headlined "Research Success Marks Recent Days for 'Star Wars'." The article reports an impressive series of research breakthroughs that seem to make promising advances in achieving President Reagan's goal of a defense against the Soviet Union's massive arsenal of intercontinental ballistic missiles with their nuclear warheads. The article overlooks a very rich irony. The fact is that these so-called breakthroughs for a star wars antimissile defense in case after case carry a far greater potential for adaptation to a nuclear missile offense that could overcome any star wars defense. These exciting advances have come at an astonishingly early stage of star wars research. The whole program is less than 1 year old. Funding for the program in the current year is some $1.4 billion. It would be more than doubled in 1986 in the authorization just passed by the Senate. And of course the House increases the amount also by a figure that is close to doubling. They increase it $2.5 billion, the Senate to about $3 billion.

By 1992 the Congress would have expended more than $25 billion on the program. The New York Times article reports that the star wars program already seems to be on a very fast track. George Keyworth, the White House science adviser, is quoted as saying: "We're about 5 years ahead of what we would have predicted" in developing a variety of laser weapons for antimissile defense. Dr. Keyworth goes on to say that he believes, "We now feel quite confident that within 3 to 5 years we can put doubts to rest on the feasibility of boost phase intercept."

The article lists a series of specific achievements—mostly within the past year. Here are some:

The University of Texas Center for Electromechanics has used an electromagnetic launcher to develop ray guns that would fire homing projectiles at high speed to intercept enemy missiles.

United Technologies Corp. has developed a material strong enough, light enough, and resistant enough to radiation, heat and laser attacks that it can be used for shielding material for star wars components in space.

The Los Alamos National Laboratory has devised a far more compact preaccelerator. It can accelerate a particle beam to 2 million volts. This is what is needed for star wars. This new device is the size of a desk. The old one is the size of a house.

Livermore Lab scientists have conducted a successful test focusing the x rays generated by a nuclear explosion. This helps clear the way for the development of the nuclear bomb-pumped x-ray laser, another star wars weapon.

Rocket-propelled projectiles have proved able to hit a target above the atmosphere and reach designated points within the atmosphere.

Now, Mr. President, what is the purpose of these fascinating scientific achievements on behalf of star wars? What is it? Is it to achieve a system of defense that will enable the United States to stop incoming intercontinental ballistic missiles from the Soviet Union? That is the expressed purpose. But what do every single one of these dazzling achievements do? The answer to that question, Mr. President, is a compelling refutation of the whole, immensely expensive, star wars adventure. Here is why.

Every one of these advances without exception is transparently adaptable to an offensive missile attack. The irony, Mr. President, is that this technology may indeed advance a distant potential capability to stop much, maybe even most, of the present 1985 Soviet land based nuclear missile arsenal. But in each case the scientific achievement creates the basis for a new offensive—I repeat offensive—weapon system that will give the offensive missile still greater capability.

Let's run through each of these star wars breakthroughs: Would the electromagnetic launcher to develop ray guns to fire homing projectiles at high speed to intercept enemy missiles permit ray guns to destroy a star wars deployed defense? Of course it would.

How about the material strong enough, light enough, and resistant enough to radiation, heat and laser attacks that it can be used to shield material for star wars components in space. Couldn't this material be used to provide the virtually perfect skin-hardening material for penetrating the star wars defense? Of course.

And how about the 2-million-volt particle beam accelerator that has been reduced in size by a factor of 20 or more. Could this be used as an offensive weapon? Yes, indeed.

Could the nuclear bomb-pumped x-ray laser in the hands of the offense also serve to overcome a star wars defense and give the offense another devastating weapon that would be more useful to the offense because the offense can choose its time, its place, and its intensity. Given the identical weapons, this gives the offense a decisive, consistent advantage.

Finally, there is the rocket-propelled projectiles able to hit a target above the atmosphere and reach designated points within the atmosphere. Who are we trying to kid? This kind of capability may work once in a while to defend against a present state of the art Soviet missile attack. But by the year 2000 or 2010 when it is deployed, it will have to work against a rocket propelled projectile very similar to the star wars equipment but in the hands of the Soviets. The offensive projectile has the advantage. It can come on any time, any place.

Mr. President, if this Nation proceeds with what may ultimately be $1 trillion or $2 trillion star wars defense we can be sure a cheaper and more devastating offense built on the technology of star wars will come on like gang busters. The President and Secretary Weinberger have said we will give this startling galaxy of nuclear weapons achievements to the Soviet Union. The administration has never countermanded that decision. If they do as they say and give it away, the Soviets will be able to build a far more potent offense using the technology we have so painstakingly developed at huge cost to American taxpayers. But even if they do not hand the technology over, our experience throughout the nuclear weapon age has been that the Soviets will follow us with the same technological capability. But they will be able to seize the advantage by applying the technology we design for defense to an offense that can and will overcome any star wars defense.

Mr. President, I ask unanimous consent that the article to which I referred by Philip Boffey from the New York Times edition of June 18, 1985, be printed at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

RESEARCH SUCCESS MARKS RECENT DAYS FOR "STAR WARS"

(By Philip M. Boffey)

WASHINGTON, June 17.—If a beam of green laser light flashes up from Hawaii to the space shuttle Discovery as scheduled on Wednesday, it will be the most prominent experiment yet conducted as part of President Reagan's Strategic Defense Initiative program to develop a defensive shield against nuclear missile attacks.

The experiment is the latest milestone in a series of tests aimed at learning how to send a laser beam through the turbulent atmosphere with great precision, a matter of critical importance if some of the most visionary "Star Wars" weapons are to succeed.

But the experiment also symbolizes dozens of rapid advances being made in a broad range of technologies that will be needed if the United States is ever to build a defensive system that could knock down incoming enemy missiles at various points along their flight paths toward this country.

Top Government scientists say that experiments completed or reported in recent months, and new ideas emerging from the nation's laboratories, have made them increasingly confident that the United States will ultimately be able to develop at least some of key weapons, sensors, materials and other technologies needed for a workable defensive system.

"There has been progress in all of these areas over the last six months or so," Dr. Gerold Yonas, chief scientist for the Strategic Defense Initiative Organization, which manages the "Star Wars" program for the Pentagon, said recently.

"The technology is rolling faster than some of us were really aware," George A. Keyworth 2d, the White House science adviser, said in an interview.

"We're about five years ahead of what we would have predicted" in developing such weapons as short wavelength lasers and neutral particle beams, and techniques for overcoming the distorting effects of the atmosphere on laser weapons, added Lieut. Col. Michael Havey, the "Star Wars" specialist for the White House science office.

How important these advances are is not yet clear. Most of the emerging technologies are very far from reaching the performance levels needed for eventual deployment, and much of the work was occurring even without the "Star Wars" program, which has only been functioning for less than a year. Moreover, military classification makes it difficult for outsiders to gauge whether the claimed advances are all that they seem.

Dr. Keyworth said he considers the ability to destroy Soviet missiles in the boost phase, shortly after they have lifted off the ground and before they can deploy their warheads and decoys, the most critical technical challenge facing the "Star Wars" program. Pointing to recent advances in lasers and particle beams, he said: "We now feel quite confident that within three to five years we can put doubts to rest on the feasibility of boost phase intercept."

But critics of the program discount the importance of the recent achievements. "They're certainly making progress," said John Pike, space analyst for the Federation of American Scientists, "but it's like the fusion energy program where they've been making very steady progress for 30 years now and they still don't have anything usable out of it. They're going to need breakthrough after breakthrough for several decades to get gadgets that are workable, and even then the system as a whole would not work reliably from a military or political point of view."

Richard Garwin, an International Business Machines Corporation physicist and a leading critic of the President's Strategic Defense Initiative program, told the annual meeting of the American Association for the Advancement of Science last month that whatever technical advances are made toward developing a "Star Wars" defense can easily be nullified by technical advances designed to overcome such a defense. "No matter how optimistic you are, how much of a technology fan, you cannot conclude that the "Star Wars" program will succeed," he said, "because technology is useful in defeating the system as well."

IMPORTANT TEST OF GROUND LASER

The experiment scheduled for the shuttle is the latest in a series designed to demonstrate that laser beams can be shot through the atmosphere with great precision despite the distorting effects of atmospheric turbulence.

The issue is of critical importance in determining whether a "Star Wars" defense could use lasers placed on the ground, where they could be as large as needed and would be easy to maintain and fuel and defend, instead of on space satellites, where they would have to be very compact and need no maintenance.

One plan under study would use lasers on mountain tops to shoot beams up to mirrors in space, which would redirect the beams, at the speed of light to the target missiles. That will only work if the beam can be aimed precisely through the atmosphere.

Scientists have already performed some tests in which they succeeded in compensating for atmospheric distortion. In experiments completed last winter, they shot a lower-power laser beam from the top of a 10,000-foot mountain on the island of Maui, Hawaii, to an aircraft flying at an altitude of about 20,000 feet, measured the distortion caused by the atmosphere and then adjusted the beam of a second laser to overcome the distortion and land precisely on target, according to Dr. Louis Marquet, head of the directed energy office of the Strategic Defense Initiative. Later this summer, similar experiments will be conducted between the ground and sounding rockets that will rise far above the turbulent atmosphere to a height of about 360 miles.

The shuttle experiment is an intermediate, low-cost step designed to demonstrate that the equipment and plan for the high-cost sounding rocket tests are apt to work. A low-power beam will be sent up through the atmosphere from Maui to an eight-inch diameter retroreflector mirror mounted on a side hatch window of the shuttle. The mirror will reflect the beam back to the point of origin, where the amount of atmospheric distortion will be measured.

Scientists will then determine whether control equipment on the ground could have corrected the beam to overcome the distortion, but they will not actually send a corrected beam back up to the shuttle. That step will await the sounding rocket experiments.

All of these scheduled experiments are working with low-power lasers, Dr. Marquet notes. The next big issue will be to determine whether it is possible to control atmospheric distortion of high-power laser beams of the kind that might ultimately be used in a weapons system. Such high-power beams are distorted more drastically by the atmosphere

Meanwhile, in Government and industrial laboratories, significant advances are being made toward developing two kinds of lasers that are emerging as strong candidates to serve as "Star Wars" weapons, probably based on the ground.

One type is known as the free electron laser, which uses the motion of electrons through magnetic fields to generate laser light. Such lasers have the enormous advantage of being "tunable," that is, they can be designed to operate at whatever wavelengths can best pass through the atmosphere and disable the target.

The Lawrence Livermore National Laboratory in California reported this year that it had achieved a peak power output of 100 megawatts in a new free electron laser, a significant gain over past performance, for the very short time period of 15 billionths Vf a second. More important, the free electron laser worked as predicted by scientific models, and those models suggest that it should eventually be possible to make a free electron laser that will meet the much more demanding power and wavelength requirements of the "Star Wars" program, according to Donald Prosnitz, assistant program leader for free electron lasers at Livemore.

Other important work on free electron lasers has been carried out at Los Alamos National Laboratory in New Mexico, and in industry. "Just a few years ago free electron lasers were only a clever idea," said Dr. Keyworth, the President's science adviser. "Now there is little doubt as to whether free electron lasers will work. The question that remains is how big and how efficient and how economical they can be. But a dream theory has most certainly been turned into a reality."

Similar advances are reported to be occurring with excimer lasers, which fire an electron beam into a gas to produce unusual molecules, called excimers, which in turn break up into separate atoms and generate a brief, intense burst of laser light while doing so. The advances on excimer and free electron lasers led Dr. Keyworth to state: "I for one feel much more confident than I did at the outset in the concept of a ground-based laser. It's a very powerful option."

Scientists involved in the "Star Wars" program cite these other advances, mostly achieved over the past 6 to 12 months, as exemplifying the kind of progress being made:

The University of Texas Center for Electromechanics has used an electromagnetic launcher to fire 20-gram projectiles repetitively at the rate of 5 shots in half a second, and to fire a plasma of vaporized metal at speeds approaching 25 miles per second. Both are considered important steps in the development of "rail guns" that would be able to fire homing projectiles at high speed to intercept enemy missiles.

United Technologies Corporation has developed a composite material in which carbon silicide fibers are used to reinforce a brittle ceramic base. The resulting material is as strong as steel, light in weight and highly resistant to radiation, heat and laser attacks, making it potentially useful as a shielding material for "Star Wars" components in space.

The Pennwalt Corporation has engineered a new molecule, not found in nature, that can be fabricated into capacitors capable of storing much larger amounts of energy per unit weight than is now attainable, a critical step on the road to storing the enormous amounts of energy required by space-based weapons.

A large chemical laser at the White Sands Proving Ground has achieved a very powerful, very high quality beam that can be used for atmospheric compensation tests but is still well below the power needed in a weapon.

The Los Alamos National Laboratory has devised a very compact preaccelerator that can accelerate a particle beam to 2 million volts, which is in the ballpark of what is needed for a "Star Wars" pre-accelerator. The new device is the size of a desk; its predecessors were the size of a house.

Scientists of Lawrence Livermore National Laboratory were reportedly successful in a test three months ago of a new way to focus the X-rays generated by a nuclear explosion, thereby reducing one of the most critical technical problems standing in the way of development of the "nuclear bomb-pumped X-ray laser," another potential candidate as a "Star Wars" weapon.

New infrared sensors, designed to detect and track enemy missiles in flight, have demonstrated 10 times greater resolving power than earlier models.

In addition, rocket-propelled projectiles have proved able to hit a target above the atmosphere and reach designated points within the atmosphere.

RATIFY THE GENOCIDE TREATY

Mr. PROXMIRE. Mr. President, a recently published book has shed some interesting light on the activities of Albert Speer, Hitler's minister for eco-

nomic mobilization during World War II.

Matthias Schmidt, author of "Albert Speer: The End of a Myth," has uncovered documents that contradict Speer's carefully crafted image of himself as a "respectable Nazi."

The pages of the book are filled with copies of letters exchanged between Speer and Heinrich Himmler, the overseer of the Nazi death camps.

There are also pages that show reports Speer received regarding the construction of Auschwitz and other camps.

But perhaps the most damaging evidence to Speer's claim that he was never involved in the terror being waged against the Jews are log entries from Speer's office.

According to these entries, Speer was aware that 75,000 Jews from Berlin had been forced from their homes to accommodate homeless Aryans.

In fact, this campaign was conducted by Speer's own office.

Mr. President, Albert Speer was sentenced to only 20 years of imprisonment at Nuremberg. After his release he became a wealthy man after publishing his memoirs.

Now it is time that we open our eyes.

There can be no such person as a "respectable Nazi."

Albert Speer was not only aware of the persecution of the Jews, he actually played a role in the genocide that was committed.

Despite his crimes he was able to enter society again, and shade world perceptions of himself with self-proclamations of innocence.

Mr. President, we must not excuse Albert Speer for his role in the Holocaust.

We must not excuse anyone who has been a party to genocide.

And, Mr. President, we must not excuse the Senate for failing to ratify the Genocide Treaty.

The Genocide Convention is a document that could be used as a deterrent against the actions of men like Albert Speer.

It is the Senate's duty to make that deterrence possible.

I urge my colleagues to remember that genocide is not something of the past.

Genocide is part of the present.

And if we want genocide to have no place in our future, the Senate must act promptly and ratify the Genocide Convention.

ROUTINE MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, there will now be a period for the transaction of routine morning business, not to extend beyond 10 a.m., with statements therein limited to 5 minutes each.

Mr. PROXMIRE. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. McCLURE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. GORTON). Without objection, it is so ordered.

EXTENSION OF TIME FOR ROUTINE MORNING BUSINESS

Mr. McCLURE. Mr. President, I ask unanimous consent that the period for routine morning business be extended to the hour of 11 a.m. with statements therein limited to 5 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

STATUE OF LIBERTY-ELLIS ISLAND COMMEMORATIVE COIN ACT

Mr. McCLURE. Mr. President, I ask unanimous consent that the Senate now turn to the consideration of Calendar No. 111, H.R. 47, the Statue of Liberty coin bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

The bill will be stated by title.

The assistant legislative clerk read as follows:

A bill (H.R. 47) to provide for the minting of coins in commemoration of the centennial of the Statue of Liberty.

The Senate proceeded to consider the bill.

The PRESIDING OFFICER. The bill is open to amendment.

AMENDMENT NO. 418

(Purpose: To add an authorization for Liberty Coins)

Mr. McCLURE. Mr. President, I send an amendment to the desk for myself and Mr. MURKOWSKI and Mr. HECHT, and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Idaho [Mr. McCLURE], for himself and Senator MURKOWSKI and Senator HECHT, proposes an amendment numbered 418.

Mr. McCLURE. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

Strike out all after the enacting clause and insert in lieu thereof the following:

TITLE I—STATUE OF LIBERTY-ELLIS ISLAND COMMEMORATIVE COINS

SHORT TITLE

SEC. 101. This Act may be cited as the "Statue of Liberty-Ellis Island Commemorative Coin Act".

COIN SPECIFICATIONS

SEC. 102. (a)(1) The Secretary of the Treasury (hereinafter in this title referred to as the "Secretary") shall issue not more than 500,000 five dollar coins which shall weigh 8.359 grams, have a diameter of 0.850 inches, and shall contain 90 percent gold and 10 percent alloy.

(2) The design of such five dollar coins shall be emblematic of the centennial of the Statue of Liberty. On each such five dollar coin there shall be a designation of the value of the coin, an inscription of the year "1986", and inscriptions of the words "Liberty", "In God We Trust", "United States of America", and "E Pluribus Unum".

(b)(1) The Secretary shall issue not more than ten million one dollar coins which shall weight 26.73 grams, have a diameter of 1.500 inches, and shall contain 90 percent silver and 10 percent copper.

(2) The design of such dollar coins shall be emblematic of the use of Ellis Island as a gateway for immigrants to America. On each such dollar coin there shall be a designation of the value of the coin, an inscription of the year "1986", and inscriptions of the words "Liberty", "In God We Trust", "United States of America", and "E Pluribus Unum".

(c)(1) The Secretary shall issue not more than twenty-five million half dollar coins which shall weigh 11.34 grams, have a diameter of 1.205 inches, and shall be minted to the specifications for half dollar coins contained in section 5112(b) of title 31, United States Code.

(2) The design of such half dollar coins shall be emblematic of the contributions of immigrants to America. On each such half dollar coin there shall be a designation of the value of the coin, an inscription of the year "1986", and inscriptions of the words "Liberty", "In God We Trust", "United States of America", and "E Pluribus Unum".

(d) The coins issued under this title shall be legal tender as provided in section 5103 of title 31, United States Code.

SOURCES OF BULLION

SEC. 103. (a) The Secretary shall obtain silver for the coins minted under this title only from stockpiles established under the Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98 et seq.).

(b) The Secretary shall obtain gold for the coins minted under this title pursuant to the authority of the Secretary under existing law.

DESIGN OF THE COINS

SEC. 104. The design for each coin authorized by this title shall be selected by the Secretary after consultation with the Chairman of the Statue of Liberty-Ellis Island Foundation, Inc. and the Chairman of the Commission of Fine Arts.

SALE OF THE COINS

SEC. 105. (a) Notwithstanding any other provision of law, the coins issued under this title shall be sold by the Secretary at a price equal to the face value, plus the cost of designing and issuing such coins (including labor, materials, dies, use of machinery, and overhead expenses).

(b) The Secretary shall make bulk sales at a reasonable discount to reflect the lower costs of such sales.

(c) The Secretary shall accept prepaid orders for the coins prior to the issuance of such coins. Sales under this subsection shall be at a reasonable discount to reflect the benefit of prepayment.

(d) All sales shall include a surcharge of $35 per coin for the five dollar coins, $7 per coin for the one dollar coins, and $2 per coin for the half dollar coins.

ISSUANCE OF THE COINS

SEC. 106. (a) The gold coins authorized by this title shall be issued in uncirculated and proof qualities and shall be struck at more than one facility of the United States Mint.

(b) The one dollar and half dollar coins authorized under this title may be issued in uncirculated and proof qualities, except that not more than one facility of the United States Mint may be used to strike any particular combination of denomination and quality.

(c) Notwithstanding any other provision of law, the Secretary may issue the coins minted under this title beginning October 1, 1985.

(d) No coins shall be minted under this title after December 31, 1986.

GENERAL WAIVER OF PROCUREMENT REGULATIONS

SEC. 107. No provision of law governing procurement or public contracts shall be applicable to the procurement of goods or services necessary for carrying out the provisions of this title. Nothing in this section shall relieve any person entering into a contract under the authority of this title from complying with any law relating to equal employment opportunity.

DISTRIBUTION OF SURCHARGES

SEC. 108. All surcharges which are received by the Secretary from the sale of coins issued under this title shall be promptly paid by the Secretary to the Statue of Liberty-Ellis Island Foundation, Inc. (hereinafter in this title referred to as the "Foundation"). Such amounts shall be used to restore and renovate the Statue of Liberty and the facilities used for immigration at Ellis Island and to establish an endowment in an amount deemed sufficient by the Foundation, in consultation with the Secretary of the Interior, to ensure the continued upkeep and maintenance of these monuments.

AUDITS

SEC. 109. The Comptroller General shall have the right to examine such books, records, documents, and other data of the Foundation as may be related to the expenditure of amounts paid, and the management and expenditures of the endowment established, under section 108.

COINAGE PROFIT FUND

SEC. 110. Notwithstanding any other provision of law—

(1) all amounts received from the sale of coins issued under this title shall be deposited in the coinage profit fund;

(2) the Secretary shall pay the amounts authorized under this title from the coinage profit fund; and

(3) the Secretary shall charge the coinage profit fund with all expenditures under this title.

FINANCIAL ASSURANCES

SEC. 111. (a) The Secretary shall take all actions necessary to ensure that the issuance of the coins authorized by this title shall result in no net cost to the United States Government.

(b) No coin shall be issued under this title unless the Secretary has received—

(1) full payment therefor;

(2) security satisfactory to the Secretary to indemnify the United States for full payment; or

(3) a guarantee of full payment satisfactory to the Secretary from a depository institution whose deposits are insured by the Federal Deposit Insurance Corporation, the Federal Savings and Loan Insurance Corporation, or the National Credit Union Administration Board.

TITLE II—LIBERTY COINS

SHORT TITLE

SEC. 201. This title may be cited as the "Liberty Coin Act".

MINTING OF SILVER COINS

SEC. 202. Section 5112 of title 31, United States Code, is amended by striking out subsections (e) and (f) and inserting in lieu thereof the following new subsections:

"(e) Notwithstanding any other provision of law, the Secretary shall mint and issue, in quantities sufficient to meet public demand, coins which—

"(1) are 40.6 millimeters in diameter and weigh 31.103 grams;

"(2) contain .999 fine silver;

"(3) have a design—

"(A) symbolic of Liberty on the obverse side; and

"(B) of an eagle on the reverse side;

"(4) have inscriptions of the year of minting or issuance, and the words 'Liberty', 'In God We Trust', 'United States of America', '1 Oz. Fine Silver', 'E Pluribus Unum', and 'One Dollar'; and

"(5) have reeded edges.

"(f) The Secretary shall sell the coins minted under subsection (e) to the public at a price equal to the market value of the bullion at the time of sale, plus the cost of minting, marketing, and distributing such coins (including labor, materials, dies, use of machinery, and overhead expenses).

"(g) For purposes of section 5132(a)(1) of this title, all coins minted under subsection (e) of this section shall be considered to be numismatic items.".

(h) The coins issued under this title shall be legal tender as provided in section 5103 of title 31, United States Code.

PURCHASE OF SILVER

SEC. 203. Section 5116(b) of title 31, United States Code, is amended—

(1) in the first sentence of paragraph (1), by striking out "The Secretary shall" and inserting in lieu thereof "The Secretary may";

(2) by striking out the second sentence of paragraph (1); and

(3) by inserting after the first sentence of paragraph (2) the following new sentence: "The Secretary shall obtain the silver for the coins authorized under section 5112(e) of this title by purchase from stockpiles established under the Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98 et seq.).".

CONFORMING AMENDMENT

SEC. 204. The third sentence of section 5132(a)(1) of title 31, United States Code, is amended by inserting "minted under section 5112(a) of this title" after "proof coins".

EFFECTIVE DATE

SEC. 205. This title shall take effect on October 1, 1985, except that no coins may be issued or sold under subsection (e) of section 5112 of title 31, United States Code, before September 1, 1986, or before the date on which all coins minted under title I of this Act have been sold, whichever is earlier.

Amend the title so as to read "An Act to authorize the minting of coins in commemoration of the centennial of the Statute of Liberty and to authorize the issuance of Liberty Coins.".

Mr. McCLURE. Mr. President, the amendment before us today provides for the minting of a bullion coin. Bullion coins have been a source of revenue for other countries for some time now. Canada, South Africa, and Mexico, as well as others, sell millions of ounces of gold and silver bullion to U.S. investors each year. It is time for the United States to provide bullion coins minted by the U.S. Mint to the American public.

The amendment calls for one legal tender silver bullion coin. The silver coin is denominated in 1 ounce and has a face value of $1.

Mr. President, I have worked for passage of this measure for a number of years. I have listened closely to concerns raised by my colleagues and other interested parties. The amendment today is the combined work of many years. It has support from both sides of the aisle.

I have always been a strong supporter of silver coinage. However, my concern has been heightened in the last few years when the administration set out to dispose of silver stored in the national defense stockpile.

Currently, America's defense strategic stockpile contains 136 million troy ounces of silver. The silver is stockpiled with other critical minerals to ensure our self-reliance and security in case of a national emergency.

In early 1981, the Reagan administration gained authority to sell 105 million ounces of so-called excess silver. The administration's decision was based, in large part, on calculations made by the Federal Emergency Management Agency [FEMA]. FEMA claimed that even without the national stockpile, America already had an adequate silver supply to sustain it for 3 years—the level required by law.

In late 1981, the General Services Administration anticipated sales of 1.25 million troy ounces per week. However, only four sales were completed totaling about 2 million troy ounces out of an anticipated 5 million troy ounces. Three of the sales resulted in bids being rejected because they were too low. During this period, silver dropped in price from $12 a troy ounce to $8 a troy ounce. The silver producing countries of Peru, Mexico, and Canada filed protests with the State Department concerning the adverse impact of these sales on the already tenuous silver industry, not to mention the outrage expressed by our domestic silver miners.

The administration pressed forward in disregard of these factors. I was forced to amend the defense appropriations bill to halt the further sale of stockpile silver. I believe that the way to safeguard against any further disruption of the silver market and to better serve the taxpayers is to dispose of stockpile silver by minting coins.

I introduced legislation which required that any silver disposed from the national defense stockpile would be accomplished through the minting of coins. I was encouraged by a statement made by the Honorable Angela M. Buchanan, then Treasurer of the United States, in her testimony on my bill before the Senate Banking, Housing and Urban Affairs Committee in 1983. Ms. Buchanan recommended strongly that "* * * a study be undertaken to determine the demand, the price, and the general feasibility of the proposal."

Mr. President, a study has been conducted by a respected researcher to measure the American public's interest in American bullion coins. The survey was completed and shows a very strong market potential for such coins. For example, nearly half of all Americans would have an interest in purchasing an American bullion coin priced in the $15 range. If only one in three people who are likely to purchase such a coin did so, this translates into approximately 30 million Americans who might be likely to purchase this coin. And nearly 25 percent of those who are interested in the coin are likely to purchase four or more coins in 1 year.

This survey offers strong evidence that a coinage program would not only work but would bring more money into the Treasury than dumping the silver on the market. We have tried, unsuccessfully, the auction method of disposing of stockpile silver. Now I believe we should try the coin method.

Further evidence of the potential of such a program is the success that other nations have experienced with their coinage programs. As I mentioned earlier, the Canadians, South Africans, and Mexicans, as well as others, have ongoing bullion programs. The silver Mexican Libertad is projected to sell over 5 million ounces in the United States this year. A silver mine in Idaho has predicted they will market close to their entire production this year through the sales of rounds and bars. The astounding fact is that they advertise only on the west coast and in two coinage newspapers.

In the April 1985 printing of the Silver Institute Newsletter, two officials heavily involved in the silver industry were discussing the demand for silver in today's market. One said:

> The industry is experiencing incredible sales of silver pieces and is having difficulty in keeping up with the demand. Silver is a highly active investment vehicle for the U.S. public, who are tremendous buyers of silver at the right price.

Another official said:

> Investor demand may top 50 million to 75 million troy ounces this year if the price continues at about the first quarter levels.

Mr. President, I believe we have established beyond a reasonable doubt that there is a very large market in the United States for such coins. Our findings have convinced me that we should have started a program years ago.

In a study I asked the General Accounting Office to perform, they concluded that auctioning off silver was not the best method of disposal. In a followup study a year later, they mentioned that a bullion coinage program appeared "* * * to be an attractive alternative that should be considered." The report indicated that a coinage program would probably minimize any market disruption, assure that disposal is for domestic consumption, and would probably increase Federal revenues over selling the silver by auction. GAO went so far as to ask Congress to consider requiring the Secretary of the Treasury to conduct an appropriate study to develop a strategy to market bullion coins.

In 1984, Treasury Secretary Regan indicated in a letter to Secretary Clark that "* * * a coinage program is a viable means of disposing of a portion of the excess silver."

Mr. President, as I indicated earlier, I am convinced that it is time to develop a bullion coin program for the United States. The experience of our neighbors clearly shows that there is a tremendous demand for silver bullion coins. In addition, the Treasury will realize the highest return on disposal of silver from the stockpile.

The amendment before us today allows the Secretary of the Treasury broad authority to develop a marketing program which will put the silver coin in the hands of the buyer at the time of sale. By developing such a program, many more Americans will purchase the coin. Many investors and collectors have expressed concern that a mail order system is insufficient to meet the great demand for bullion coins. It is my intent to allow the Secretary as much discretion as possible to develop a favorable marketing system to market as many silver bullion coins as the public demands.

Mr. President, I support the Statue of Liberty Coin Program. It is a worthy cause which will be of great assistance toward renovating the Statue of Liberty and Ellis Island. The bullion coin program is also a worthwhile cause which deserves our support. Not only will it dispose of silver in the stockpile in the least disruptive manner but will fill the great demand that exists in America for ownership of legal tender silver bullion coins minted by the U.S. Mint.

Congressman FRANK ANNUNZIO, chairman of the House Banking Subcommittee on Consumer Affairs and Coinage, deserves much of the credit for the work on the Statue of Liberty proposal. Chairman ANNUNZIO has been a leader in commemorative coin legislation and should be applauded for his efforts to assist the renovation of this great American symbol.

Mr. President, I urge my colleagues to support this measure.

Mr. President, I move adoption of the amendment.

The PRESIDING OFFICER. Is there further debate on the amendment? If not, the question is on agreeing to the amendment.

The amendment (No. 418) was agreed to.

Mr. McCLURE. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. BYRD. I move to lay the motion on the table.

The motion to lay on the table was agreed to.

Mr. DOLE. Mr. President, I am glad that we have reached agreement on expediting H.R. 47, the legislation approved by the House and by our Banking Committee that would authorize the minting of coins commemorating the centennial of the Statue of Liberty in 1986. These coins—three in number—will be sold to the public, and the profits will be used to help pay for the restoration of the statue and of Ellis Island. As Members know, the Statue of Liberty has suffered considerably over the years from exposure to the elements, and from the normal wear and tear that can be expected in 100 years of history. Its restoration is a project close to the hearts of the American people, particularly those 100 million who are descended from immigrants who passed through Ellis Island.

As many of my colleagues know, I had hoped to join with my colleagues, Senator CRANSTON and Senator McCLURE, to expand the scope of this bill and include the gold bullion coin that we have recommended as an American alternative to the South African Krugerrand. That proposal has strong bipartisan support, because it offers a fair, free-market response to the problems many perceive in our economic relations with South Africa, and particularly with Krugerrand sales in this country. I can pledge to my cosponsors of this legislation, S. 636, that we will be offering this proposal in the Senate in the near future. I believe we should be able to find an appropriate vehicle, because this issue does need to be addressed. Our companion bill in the House, sponsored by our colleagues JERRY LEWIS and JULIAN DIXON, has over 230 cosponsors; I think our prospects for success are excellent.

STATUE COMMEMORATIVE

Mr. President, while I would have welcomed the opportunity to combine these coinage proposals in a single vehicle, I very much appreciate the concerns of those involved in the Statue of Liberty restoration project that we not do anything that would impede

their efforts to raise funds. The commemorative coin program authorized by this legislation is designed to raise some $137 million out of an estimated $230 million needed to restore the statue. When it became known that I had an amendent--a germane one, I might add—to H.R. 47, other amendments started to emerge as well. That kind of thing has been known to happen, and while I would not quarrel with the prospective authors of those additional amendments, I do regret that the prospect of loading up this bill seemed to put the Statue of Liberty program at risk. For that reason, we have mutually agreed to get the Statue of Liberty coin program underway without further delay. That way we can ensure maximum benefit to the restoration program.

Mr. President, the Statue of Liberty has deep and lasting significance for all Americans; it links us together, with all our different beliefs, religious preferences, and ethnic backgrounds. The drive to restore both the statue and Ellis Island is an outstanding effort, and I congratulate our friends in the House, FRANK ANNUNZIO and JOHN HILER, for their great effort in the Coinage Subcommittee and on the House floor to expedite this legislation.

Mr. PROXMIRE. Mr. President, I am pleased to support H.R. 47, to provide for the minting of commemorative coins in honor of the centennial of the Statue of Liberty. I was one of the original cosponsors of the bill—S. 233—introduced in the Senate by my colleague from New York, Senator D'AMATO. I want to commend both Senator D'AMATO and Representative ANNUNZIO, who introduced H.R. 47, for their leadership on this important issue. What is important about this program is that the funds for the restoration of the Statue of Liberty come from direct sales of these commemorative coins to the public; there is no cost to the American taxpayer. A portion of the surcharge fees raised will also provide the funding to maintain the statue and Ellis Island as national monuments for future generations. I also want to commend Mr. Lee Iacocca, the chairman of the Statue of Liberty-Ellis Island Foundation, for his dedicated work in raising much of the funds needed for this project. While I have not always seen eye-to-eye with him in the past, we have finally found an issue on which we can agree.

Nineteen eighty-six marks the centennial of the Statue of Liberty. In 1886, France presented the statue to the United States as a gift symbolizing the close friendship between our two countries. For 99 years, the statue has welcomed millions of immigrants to our shores. Less than 1 mile away from the statue is Ellis Island where, from 1892 to 1954, 17 million immigrants first stood on American soil. Ellis Island was the Nation's first, and largest, immigration station. If the statue has become known as "Lady Liberty," then Ellis Island is to be remembered as the gateway to America.

One of the enduring characteristics of American society is its rich ethnic diversity. Over 100 million Americans are descended from those 17 million immigrants who came through Ellis Island and who saw the statue as a beacon of liberty welcoming them to these great shores. Yet despite our diversity, we share common values: a love of liberty, a keen sense of justice, and the potential for great opportunity. We must not take for granted the ideals we cherish the most. Just as we would not want these ideals on which the strength of this Nation rests to erode, we do not want our symbols of liberty to crumble and decay from indifference. Initiating this commemorative coin program is a way of assuring that our children and our children's children will be reminded of their ancestors' quest for freedom and what our country stands for.

● Mr. KENNEDY. Mr. President, I am pleased to give my strong support to H.R. 47, the Statue of Liberty-Ellis Island Commemorative Coin Act, which authorizes the minting of gold coins to commemorate the centennial of the Statue of Liberty. The coins will be sold to the public, and the proceeds will help to fund the much-needed restoration of the Statue of Liberty and Ellis Island.

Dedicated in 1886 to commemorate the centennial of the American Revolution, the Statue of Liberty has stood in New York Harbor for a century, welcoming those who seek freedom and opportunity. Today, she still stands as a beacon of hope to oppressed peoples throughout the world, a symbol of America's commitment to liberty and justice. Less than a mile from the Statue of Liberty lies Ellis Island, where countless immigrants have passed at the end of their journey of hope to the new world.

Today, these great symbols of America are in dire need of repair. The monuments which helped create a strong and diverse nation and brought hope to millions now need our help.

The Statue of Liberty-Ellis Island Foundation has begun a $230 million restoration effort, which is being carried out under the effective and energetic leadership of Chairman Lee A. Iacocca of the Chrysler Corp., who is also chairing the Statue of Liberty-Ellis Island Commission appointed by President Reagan.

The response of the American public to the appeals of the foundation and the work of the Commission has been impressive. To date, the foundation has raised $143 million pledges, and it is estimated that the sale of these commemorative coins will provide an additional $137.5 million in funds for this historic restoration.

At the same time, it is also important to point out that this coin act will have no cost to the Government or the American taxpayer. Through the purchase of these coins by private citizens, the legislation will enable us to support the restoration of these monuments and symbolically reaffirm our belief in the hope and promise they represent for generations yet to come.

This legislation authorizes the minting of three coins—a $5 gold coin which will commemorate the centennial of the Statue of Liberty; a silver dollar which will portray Ellis Island as the historical gateway of generations of immigrants to this country; and a half dollar which will pay tribute to the contributions of immigrants to America. The United States is a nation of immigrants, and it is especially appropriate that the sale of these commemorative coins will facilitate the restoration of the monuments that have welcomed our ancestors to this land.

The success of commemorative coin fundraising was recently demonstrated by the popularity of the coins minted to honor the Olympic games of 1984. The $70 million raised by the Olympic Coin Program testifies to the effectiveness of such efforts and the broad public support they receive. But it is urgent that the pending legislation be enacted as soon as possible, so that the fundraising effort can go forward in ample time for the centennial of the Statue of Liberty, which is scheduled for July 4, 1986.

I also commend the work of many Senators who have sought to expedite the present legislation and launch this coin program as soon as possible. A large number of us in the Senate oppose the importation of the South African gold coins called Krugerrands, and the House of Representatives has already passed legislation banning the importation of these coins into the United States. We will have the opportunity to debate these issues at length in the near future when the antiapartheid legislation comes before the Senate, including the opportunity to consider proposals, which I support, to ban Krugerrands and to permit the Treasury to mint U.S. gold coin for purchase by American citizens, investors, and collectors.

I look forward to that debate, and I welcome the decision of the Senate to expedite final action at this time on the Statue of Liberty-Ellis Island legislation, so that the Treasury can move forward immediately to implement the important purpose of restoring these two great symbols of our liberty.

Mr. President, I ask that the text of a recent magazine advertisement on the fundraising campaign for the

Statue of Liberty and Ellis Island may be printed in the RECORD.

The text follows:

[From Newsweek magazine, Apr. 15, 1985]

IF YOU STILL BELIEVE IN ME, SAVE ME

KEEP THE TORCH LIT

For nearly a hundred years, the Statue of Liberty has been America's most powerful symbol of freedom and hope. Today the corrosive action of almost a century of weather and salt air has eaten away at the iron framework; etched holes in the copper exterior.

On Ellis Island, where the ancestors of nearly half of all Americans first stepped onto American soil, the Immigration Center is now a hollow ruin.

Inspiring plans have been developed to restore the Statue and to create on Ellis Island a permanent museum celebrating the ethnic diversity of this country of immigrants. But unless restoration is begun now, these two landmarks in our nation's heritage could be closed at the very time America is celebrating their hundredth anniversaries. The 230 million dollars needed to carry out the work is needed now.

All of the money must come from private donations; the federal government is not raising the funds. This is consistent with the Statue's origins. The French people paid for its creation themselves. And America's businesses spearheaded the public contributions that were needed for its construction and for the pedestal.

The torch of liberty is everyone's to cherish. Could we hold up our heads as Americans if we allowed the time to come when she can no longer hold in hers?●

Mr. D'AMATO. Mr. President, I rise today to urge passage of H.R. 47, the companion bill S. 233, which I introduced in January.

This legislation requires the U.S. Mint to strike commemorative coins of the Statue of Liberty and Ellis Island. The proceeds from the sale of these coins will be used to reimburse the mint and to assist in the rehabilitation of the Statue of Liberty and the Ellis Island Immigration Center.

I am pleased that the concerns of the majority leader and the senior Senator from Idaho, Senator MCCLURE, have been addressed satisfactorily. I am proud to support the provisions of the bill that require the minting of both gold and silver bullion coins.

Passage of H.R. 47 is quite timely. The Statue of Liberty/Ellis Island Foundation has a cash problem resulting in delays in the work. This is critical because rehabilitation must be completed by July 4, 1986, Miss Liberty's 100th birthday. Passage of H.R. 47 will alleviate the cash shortage by providing $130 million for the project.

Mr. President, passage of H.R. 47 is imperative. This legislation will not cost the Federal Government any money and an extremely worthwile project will be funded. It is in the interest of the Nation that the Statue of Liberty and Ellis Island be restored to their original condition. I urge my colleagues to vote in favor of H.R. 47.

Mr. SYMMS. Mr. President, I commend my distinguished colleague, the Senior Senator from Idaho, on the introduction of this bill. Senator MCCLURE has worked long and hard to bring this measure to reality. In fact, if my memory is correct he has been pursuing this goal for 12 years. It is a well thought out proposal that will have important results.

It will begin, first of all, to reduce our national defense stockpile of silver. Certainly it has been established that 136 million ounces of silver is enough to hold over the market's head. Even though I think we need all of it, this measure has been designed so that the introduction of these coins won't have an adverse impact on the silver market.

These bullion coins will give the United States access to the secondary bullion market—a market that has been dominated by other countries. I'm sure that there will be a ready market for these coins. Bearing the symbol of Liberty and a likeness of the American eagle with the inscriptions "Liberty," "In God We Trust," and "E Pluribus Unum," they will be a reminder of some of the things we consider most important. This will give the American people an opportunity to own some valuable bullion coins of U.S.A. vintage.

I am especially happy to support this legislation because Idaho is a major silver producing State, and we appreciate hard money. While drawing our stockpile down somewhat probably will not spur increased mining activity in Idaho I think our miners will feel a little better knowing that the metal is moving. It has been a long time since the mining industry has had much to feel good about. If this measure helps, I will be glad.

Again, I congratulate Senator MCCLURE for his efforts and thank the distinguished majority leader for bringing this bill forward tonight. I am proud to support this measure.

Mr. GARN. Mr. President, I want to commend the leadership for their efforts to bring this bill to the floor today to establish a Commemorative Coin Program to help fund the restoration of the Statue of Liberty and Ellis Island.

The Statue of Liberty and Ellis Island are two of our Nation's most widely recognized symbols of what life, liberty and the pursuit of happiness are all about. For the millions of immigrants from all nations who came to the United States, the golden door of Ellis Island, and for the last 99 years the Statue of Liberty have stood as national and international symbols representing freedom, and the promise of a new life.

Today, both these monuments stand as reminders for the millions of Americans of the plight endured to reach the United States.

Due to the wear and tear of time and tourism, the Statue of Liberty and the Ellis Island facilities are in dire need of restoration. The sale of the three different commemorative coins will raise $137.5 million at no cost to the Government, but more importantly, the coins will help preserve these two precious monuments. I'm sure everyone will agree with me when I say that this is a worthwhile project. I urge my colleagues to join me in supporting H.R. 47.

Mr. MURKOWSKI. Mr. President, I am pleased to be a cosponsor of the Statue of Liberty bill which contains a provision for the minting of silver bullion coins.

That provision is nearly identical to the silver bullion coin elements of S. 1295, a gold and silver bullion coin bill, which I have previously introduced.

The American gold and silver mining industries are in distress today, through no fault of their own. The United States of America has a trade deficit which can best be described as extraordinarily large and growing, and a domestic budget deficit which can be fairly described as staggering. The bullion coin measure will provide small but significant relief in each of these areas.

For the first time, Americans will have the opportunity to purchase American bullion coins minted by the U.S. Mint.

For years, Americans have purchased South African Krugerrands, Canadian Maple Leafs, and Mexican bullion coins. They could not buy an American-made U.S. bullion coin if they wanted to, because such coins have simply not been made. The only American coins containing precious metal available in recent years have been commemorative coins, which appeal to a different market element than do bullion coins.

One of the serious concerns of American silver producers is the approximately 138 million ounces of silver held in the national defense stockpile. Much of this silver is surplus, and its mere presence acts to further depress silver prices, in view of previous attempts to auction this surplus silver. These earlier auction attempts were halted by the General Services Administration [GSA] since the bids received were not responsive.

It is generally agreed by most knowledgeable sources that the best way to dispose of this excess silver is through coinage. This method of silver disposal does not result in undue disruptions in market silver prices. Long-term production and sales of silver, as well as gold, coins would add a large element of stability to market prices and will encourage more exploration and mining of American resources.

I briefly mentioned earlier America's large and growing trade deficit, which

was $123 billion in 1984 and is expected to each nearly $145 billion this year. The silver bullion coin provisions of the Statue of Liberty coin bill will help to reduce this deficit by first reducing the amount of foreign coins purchased by Americans, and secondly, by enabling foreigners to purchase American silver legal tender currency. Last year, South Africa sold about 4 million ounces of gold as Krugerrands. The bullion coins to be minted under this provision would compete directly with the Krugerrand and the silver and gold bullion coins produced by other countries.

I anticipate that American silver bullion coins will sell about 6 million pieces each year.

I am pleased to note that these bullion coins will not be provided at Government expense. On the contrary, the U.S. Government will have all production costs covered, as well as a net income from the sale of any stocks of precious metals already owned by the Government.

Enactment of this measure will provide a much needed boost to the silver mining industry of the United States. I would hope that we can provide the same boost to the gold miners of this country by enacting a gold bullion coin bill sometime soon and would urge the Members of this body to support enactment of such a measure.

I encourage adoption of the Statue of Liberty coin bill with the silver bullion coin provision.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading and was read the third time.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall it pass?

The bill (H.R. 47), as amended, was passed.

Mr. McCLURE. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. McCLURE. Mr. President, I would like to inquire of the distinguished Democratic leader if he is in a position to pass the following calendar items: Calendar No. 192, Senate Joint Resolution 111; Calendar No. 193, Senate Joint Resolution 122; and Calendar No. 194, House Joint Resolution 159.

Mr. BYRD. Mr. President, on this side of the aisle, these items are cleared for action.

NATIONAL SPINA BIFIDA MONTH

Mr. McCLURE. I send a joint resolution to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The joint resolution will be stated by title.

The assistant legislative clerk read as follows:

A joint resolution (S.J. Res. 111) to designate the month of October 1985 as "National Spina Bifida Month."

The PRESIDING OFFICER. Without objection, the Senate will proceed to its immediate consideration, and, without objection, the joint resolution will be considered to have been read the second time at length.

The joint resolution (S.J. Res. 111) was ordered to be engrossed for a third reading, was read the third time, and passed.

The preamble was agreed to.

The joint resolution, with its preamble, reads as follows:

S.J. RES. 111

Whereas spina bifida is a birth defect in the spinal column which occurs in one of every one thousand births in the United States;

Whereas spina bifida is the most common crippler of newborns, resulting when one or more bones in the back (vertebrae) fail to close completely during prenatal development;

Whereas while the cause of spina bifida is not known, it appears to be the result of multiple environmental and genetic factors;

Whereas although most of the March of Dimes and Easter Seal poster children have spina bifida, many people have not heard of the defect;

Whereas only a few cities in the United States have proper care centers and specialized professionals that can provide the most effective, aggressive treatment for children and adults with spina bifida; and

Whereas an increase in the national awareness of the problem of spina bifida may stimulate the interest and concern of the American people, which may lead, in turn, to increased research and eventually to the discovery of a cure for spina bifida: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the month of October 1985 is designated "National Spina Bifida Month" and the President is authorized and requested to issue a proclamation calling upon the people of the United States to observe such month with appropriate ceremonies and activities.

Mr. McCLURE. Mr. President, I move to reconsider the vote by which the joint resolution was passed.

Mr. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

NATIONAL ARBOR DAY

Mr. McCLURE. Mr. President, I send a joint resolution to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The joint resolution will be stated by title.

The assistant legislative clerk read as follows:

A joint resolution (S.J. Res. 122) to authorize the President to proclaim the last Friday of April of each year as "National Arbor Day."

The PRESIDING OFFICER. Is there objection to the present consideration of the joint resolution?

There being no objection, the Senate proceeded to consider the joint resolution, which had been reported from the Committee on the Judiciary with an amendment on page 1, beginning on line 4, strike "each year," and insert "1986."

The PRESIDING OFFICER. The question is on agreeing to the committee amendment.

The committee amendment was agreed to.

● Mr. BRADLEY. Mr. President, I am pleased that the Senate will consider today a joint resolution to designate the last Friday in April 1986 as National Arbor Day; 29 of my colleagues have seen fit to join me in this effort.

In 1970 and 1972, Congress legislated and the President proclaimed "The Last Friday in April" in those 2 years as National Arbor Day. The legislation we are considering would repeat this observation next year.

Our Nation's trees are one of our most important natural resources. Trees not only provide the raw materials for some of our basic industries, they are important stabilizers of our environment and they also provide natural grace and beauty to our lives. The observance of a national arbor day would provide an important reminder to all our citizens to appreciate and protect this vitally important natural resource. Furthermore, this observance need not cost the Federal Government a cent. There is no need to establish an agency or a staff. The news media would gladly promote this date.

The importance of this natural resource ought to also impel us to act promptly on the problem of forest decline. Scientists have observed growth declines, serious damage and death of a number of species of trees in large areas of Europe and the Eastern United States.

The most extensively documented case of forest damage is occurring in West Germany. In 1982, the Federal Minister of Food, Agriculture, and Forestry reported damage to 8 percent of all trees; coniferous species were most seriously affected. In 1983 this figure increased to 34 percent. Today an estimated 55 percent of West Germany's forested area is damaged. And the damage does not end at the West German border. Switzerland, Austria, and Czechoslovakia report 10 percent of their forests have suffered damage or have died.

Here in the United States, damage to forests has ranged from decline in growth of several species of pines in southern New Jersey to widespread damage to the ponderosa pine in southern California. A number of other coniferous species have experienced growth decline in an 11 State region extending from Maine to Alabama.

While forest damage is well documented, the scientific debate continues as to the exact causes. Several causes have been hypothesized including such factors as aluminum toxicity, magnesium deficiency, ozone damage, excess nutrients, and general stresses such as drought or insect infestation. Even though the mechanisms are as yet unclear, the role of air pollution in general and acid deposition in particular seem directly related. Research efforts have indicated that nitrous oxides may play an equal or greater role than sulfur oxides in damaging forests.

Last year I introduced legislation to transfer Forest Service resources from road building to pollution damage research. While research efforts continue, we must explore potential intermediate steps to protect this precious national resource.

Because of our concern about damage to our forests and trees it is particularly appropriate that we take special note of the importance of trees through designation of a national arbor day.●

The joint resolution was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "Joint resolution to authorize the President to proclaim the last Friday of April 1986 as 'National Arbor Day.'".

S.J. RES. 122

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the President is hereby authorized and requested to issue a proclamation designating the last Friday of April 1986 as "National Arbor Day" and calling upon the people of the United States to observe such a day with appropriate ceremonies and activities.

COMMEMORATING THE ANNIVERSARY OF THE BOY SCOUTS OF AMERICA

Mr. McCLURE. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of House Joint Resolution 159, commemorating the 75th anniversary of the Boy Scouts of America.

The PRESIDING OFFICER. The joint resolution will be stated.

The legislative clerk read as follows:

A joint resolution (H.J. Res. 159) commemorating the 75th anniversary of the Boy Scouts of America.

The PRESIDING OFFICER. Without objection, the joint resolution will be considered as having been read twice by title.

Is there objection to the immediate consideration of the joint resolution?

There being no objection, the Senate proceeded to consider the joint resolution.

The joint resolution (H.J. Res. 159) was considered, ordered to a third reading, read the third time, and passed.

The preamble was agreed to.

Mr. McCLURE. Mr. President, I move to reconsider the vote by which the joint resolution was passed.

Mr. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

DEFERRAL OF WHEAT REFERENDUM

Mr. McCLURE. Mr. President, I ask unanimous consent that the Senate now turn to Calendar No. 163, S. 822, the wheat referendum bill.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Idaho?

There being no objection, the Senate proceeded to consider the bill (S. 822), a bill to extend the time for conducting the referendum with respect to the national marketing quota for wheat for the marketing year beginning June 1, 1986.

Mr. ZORINSKY. Mr. President, S. 822 is legislation that I introduced on April 1. The bill, as reported by the Agriculture Committee, would provide authority to defer the referendum with respect to the national marketing quota for wheat for the marketing year beginning June 1, 1986.

The legislation is needed to avoid having the Secretary of Agriculture conduct a wheat referendum by August 1, 1985, as required under the Agricultural Adjustment Act of 1938. In such a referendum, producers would vote "yes" or "no" on the question whether a marketing quota should be in effect for the 1986 crop of wheat.

S. 822 would permit deferral of the referendum until 30 days after adjournment sine die of the first session of the 99th Congress. This will allow time for Congress to develop a new wheat program as part of the 1985 farm bill.

When the final version of the 1985 farm legislation is passed, wheat marketing quotas may not be required or a referendum will be required on a program substantially different from that provided under the Agricultural Adjustment Act of 1938.

In the absence of the enactment of S. 822, the Secretary would be required under permanent law to conduct a referendum that would be nothing more than a needless and costly exercise. In 1981, the Department of Agriculture estimated that the total cost of preparing for and conducting such a referendum would be about $4.8 million.

S. 822 is legislation similar to legislation approved by Congress in 1977 and on three occasions in 1981 that postponed the wheat referendum. In that regard, Secretary Block sent letters—dated May 18, 1981, and October 7, 1981—recommending the enactment of legislation to postpone the 1981 wheat referendum. In his May 18 letter, Secretary Block stated that conducting the referendum would be, and I quote, "a needless and somewhat costly exercise," end of quote.

I believe that producers would not want the Secretary to conduct a referendum based on the wheat program provided under permanent law. Further, I believe that such a referendum is an unnecessary expenditure of funds since producers will not be presented with a choice of viable programs.

It is clear that, at the present time, holding the referendum would be an expensive administrative burden. Not holding the referendum will save the Department from committing resources to an unnecessary activity, prevent confusion among wheat producers regarding the 1986 wheat program, and save the taxpayers millions of dollars.

For those reasons, I urge my colleagues to support S. 822.

I ask unanimous consent that the text of the letters referred to in my statement be printed in the RECORD.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

DEPARTMENT OF AGRICULTURE,
OFFICE OF THE SECRETARY,
Washington, DC, May 18, 1981.

Hon. GEORGE H.W. BUSH,
President of the Senate,
Washington, DC.

DEAR MR. PRESIDENT: Enclosed for the consideration of the Congress is a bill "To extend the time for conducting the referendum with respect to the national marketing quota for wheat for the marketing year beginning June 1, 1982."

The Department recommends enactment of this legislation.

This legislation is needed to avoid USDA's having to conduct a wheat referendum on August 1, 1981. In such a referendum, producers would vote yes or no on the question of whether a marketing quota should be in effect for the 1982 crop of wheat. When the final version of the 1981 farm legislation is passed, wheat marketing quotas will probably not be required. However, should the 1981 farm legislation not pass by August 1, the Department would be required, under the Agricultural Adjustment Act of 1938, to conduct the referendum—an almost certainly needless and somewhat costly exercise. The Department estimates that the total cost of preparing for and conducting the referendum would be about $4.8 million.

The proposed legislation is similar to P.L. 95-48, passed June 17, 1977, which post-

poned the wheat referendum that was scheduled for August 1, 1977.

The Office of Management and Budget advises that there is no objection to the presentation of this report from the standpoint of the Administration's program.

A similar letter has been sent to the Speaker of the House of Representatives.

Sincerely,

JOHN R. BLOCK,
Secretary.

DEPARTMENT OF AGRICULTURE,
OFFICE OF THE SECRETARY,
Washington, DC, October 7, 1981.

Hon. ROBERT DOLE,
U.S. Senate, Washington, DC.

DEAR SENATOR DOLE: We strongly urge that the legislative mandate to conduct a 1982-crop wheat referendum by October 15, 1981 be delayed to November 1981.

Delaying the requirement for the wheat referendum will give the Congress the needed time to complete action on the farm bill which has been passed by the Senate and is now being taken up by the House. The farm bill, once enacted and signed into law, will make the referendum unnecessary since it would suspend the marketing quota and acreage allotment provisions.

Holding the referendum would also be an expensive administrative burden. The federal cost for holding the referendum is estimated at over $4 million. If legislative action to postpone the referendum is not completed today, the Department must set in motion the actions needed to carryout this activity. If legislation to postpone the referendum is passed by October 13, it would result in a saving of approximately $3 million since $1 million would be expended in gearing up for the referendum.

Your assistance in allowing this referendum to be postponed is greatly appreciated since it will save the Department from committing resources to an unnecessary activity, save wheat producers from taking time to vote in a useless exercise and save the taxpayers several millions of dollars.

Sincerely,

JOHN BLOCK,
Secretary.

Mr. HELMS. Mr. President, the legislation before us, S. 822, would give the Secretary of Agriculture discretion to delay the pending wheat referendum until 30 days after adjournment sine die of the first session of the 99th Congress.

Current laws governing most of the farm programs—including the Wheat Program—are due to expire at the end of the 1985 crop year. Congress, therefore, is currently considering omnibus legislation establishing agricultural programs for the 1986 and subsequent crops.

There is no guarantee, however, that Congress will complete consideration of the farm bill by the end of the year. The Senate Agriculture Committee has found itself in the position of not being able to conduct business for as many hours as we would have liked. I, as one member of the committee and chairman, am committed to completing a new farm bill in 1985. However, if Congress is not successful in completing its work, permanent law requiring a wheat referendum—among other things—would go into effect.

Under permanent law—the Agriculture Adjustment Act of 1938 as amended—the Secretary of Agriculture is required to determine if the total supply of wheat in the marketing year will, in the absence of a marketing quota program, be excessive. If supplies are determined to be excessive, the Secretary must determine a national marketing quota and conduct a referendum not later than August 1.

The Secretary has already set this process in motion and has announced a referendum, to be held by mail, July 19-26.

My preference is for the Secretary to go ahead with his plans to hold the referendum. Reverting to permanent law is certainly not a good answer to the problems of agriculture today. By the same measure, an extension of current law would be even worse. If Congress is serious about trying to do something to correct agricultural policy, we will chart a new course by authorizing basic farm legislation in 1985. If not, we may be better off in agriculture by operating the laws set out in 1938.

The reason is that loan rates are the key instrument of farm policy. Farmers and those who invest in farming overseas use the U.S. loan rate as the price signal on which they can determine whether their investments in increased production will be profitable or not. Foreign competitors know that if they can market their commodities just below the price which the U.S. Government will purchase all American farmers will produce—which is what the "loan rate" is—they can take our market share from us if they made the additional investments in agricultural production. Our 50 percent of the total global trade is quite a chunk to shoot for. So as they are now operating, the U.S. farm programs benefit foreign producers more than they do our own people. In fact, in this sense, our farm programs are really quite perverse in their impact on U.S. farmers.

If the Congress refuses to make the fundamental reforms necessary to correct our failed farm policies, I am inclined to urge the President to implement permanent law rather than extend current law. But to do that, he is required to conduct referendums in advance.

The important point of this legislation is that it gives the Secretary discretion on whether or not to hold the wheat referendum prior to August 1. As long as the authority is discretionary, I have no objection to the legislation.

Mr. DOLE. Mr. President, it is my pleasure to bring up for consideration by the Senate a bill sponsored by the distinguished Senator from Nebraska, Senator ZORINSKY, that will provide authority to the Secretary of Agriculture to postpone the scheduled producer referendum on the 1986 Wheat Program until 1 month after the close of this session of the 99th Congress.

This measure, which is identical to legislation passed by the Congress during consideration of the last omnibus farm bill in 1981, will allow that important process to go forward in the House and Senate Agriculture Committees without the distraction of holding a vote to choose between two antiquated farm program alternatives. We should be looking forward to find ways to make U.S. agricultural exports more competitive in today's marketplace—not backward to the restrictive policies included in the 1938 and 1949 Agriculture Acts.

I have received assurances from Agriculture Secretary Block that he is willing to give favorable consideration to using the authority provided by this bill and to cancel the current plans to hold a wheat referendum during the week of July 19. The Secretary recognizes, as we all do, that such a procedure would be a costly and confusing digression from our efforts to craft responsible farm legislation this year. Those of us on the Senate Agriculture Committee look forward to working with Secretary Block on a bipartisan basis to design farm policies that respond to the environment agriculture will face in the 1980's and beyond—not the 1930's or 1940's.

I commend Senator ZORINSKY and the distinguished chairman of the Senate Agriculture Committee, Senator HELMS, for their leadership in responding to the need to provide this authority, and look forward to helping expedite the process and obtaining the President's approval of this legislation in the near future.

Thank you, Mr. President.

The PRESIDING OFFICER. The bill is open to amendment. If there be no amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill (S. 822) was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

S. 822

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 336 of the Agricultural Adjustment Act of 1938 (7 U.S.C. 1336) is amended by striking out the last sentence and inserting in lieu thereof the following: "Notwithstanding any other provision hereof, the referendum with respect to the national marketing quota for wheat for the marketing year beginning June 1, 1986, may be conducted not later than thirty days after adjournment sine die of the first session of the Ninety-ninth Congress.".

Mr. McCLURE. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. McCLURE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. HATFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. GORTON). Without objection, it is so ordered.

ORDER TO ADD CONFEREES TO H.R. 2577

Mr. DOLE. I ask unanimous consent that Senators D'AMATO and RUDMAN be added as conferees to H.R. 2577.

The PRESIDING OFFICER (Mr. ARMSTRONG). Without objection, it is so ordered.

ORDER FOR RECORD TO REMAIN OPEN UNTIL 3 P.M.

Mr. DOLE. I ask unanimous consent that the record remain open until the hour of 3 p.m. today, for the introduction of bills, resolutions, and the submission of statements.

The PRESIDING OFFICER. Without objection, it is so ordered.

EXECUTIVE SESSION

Mr. DOLE. Mr. President, I ask unanimous consent that the Senate now go into executive session to consider the following nominations: Calendar No. 259, Larry James Stubbs; Calendar No. 260, Lt. Gen. Max B. Brailiar, and all nominations laid on the Secretary's desk.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOLE. Mr. President, I ask unanimous consent that the nominations just identified be considered en bloc and confirmed en bloc.

The PRESIDING OFFICER. Is there objection to the request of the majority leader?

Mr. BYRD. Mr. President, there is no objection. May I ask the distinguished majority leader if he was referring to nominations placed on the Secretary's desk in the Air Force and Navy?

Mr. DOLE. Yes, that is correct.

Mr. BYRD. Mr. President, there is no objection.

The PRESIDING OFFICER. Without objection, it is so ordered.

The nominations confirmed en bloc are as follows:

DEPARTMENT OF JUSTICE

Larry James Stubbs, of Georgia, to be US marshal for the southern district of Georgia for the term of 4 years.

IN THE AIR FORCE

The following-named officer for appointment to the grade of lieutenant general on the retired list pursuant to the provisions of Title 10, United States Code, Section 1370:

To be lieutenant general

Lt. Gen. Max B. Brailiar, [redacted]FR, United States Air Force.

NOMINATIONS PLACED ON THE SECRETARY'S DESK IN THE AIR FORCE, NAVY

Air Force nominations beginning Maj. Robert L. Baldwin, and ending Maj. Troy F. Barnett, Jr., which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of June 12, 1985.

Air Force nominations beginning Gordon P. Mangente, and ending Jonathan M. Uhl, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of June 13, 1985.

Navy nomination of Cmdr. John O. Creighton, which was received by the Senate and appeared in the CONGRESSIONAL RECORD of June 12, 1985.

Navy nominations beginning Robert David Abel, and ending George K. Zane, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of June 12, 1985.

NOMINATION OF LARRY J. STUBBS FOR U.S. MARSHAL, SOUTHERN DISTRICT OF GEORGIA

Mr. MATTINGLY. Mr. President, Mr. Larry James Stubbs of Glennville, GA, is before this body today to be confirmed as U.S. marshal for the southern district of Georgia. When confirmed by the Senate, he will be the second individual to hold that position since I came to the Senate. He succeeds my good friend, Cliff Nettles, whose untimely death last year deprived me of a friend, Georgia of a first-rate law enforcement officer, and our country of a loyal patriot. He will be missed.

It gives me great pride to recommend Larry Stubbs to this body for the position of U.S. marshal. Larry has a long and distinguished career as a law enforcement officer in Florida and Georgia. Before joining the U.S. Marine Corps in 1969, he served with the Hialeah, FL, Police Department. He returned to the Hialeah Police Force after leaving the Marines in 1971, and served until moving to Georgia in 1974. Since 1978, Larry has served with the Glennville, GA, Police Department as assistant chief of police with the rank of lieutenant.

In his law enforcement posts, Larry has not only proved himself an excellent police officer, but an able administrator as well. In short, Larry brings to the U.S. marshal post the proven experience that will make him a credit to the Marshals Service.

Mr. President, I urge my colleagues to support the confirmation of Larry Stubbs as U.S. marshal as an excellent addition to the Marshals Service and to the Federal law and order battle against crime. Thank you.

Mr. DOLE. Mr. President, I move to reconsider the vote by which the nominations were confirmed.

Mr. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. DOLE. Mr. President, I ask unanimous consent that the President be immediately notified of the confirmation of these nominations.

The PRESIDING OFFICER. Without objection, it is so ordered.

LEGISLATIVE SESSION

Mr. DOLE. Mr. President, I ask unanimous consent that the Senate now resume legislative session.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE APPLICABILITY OF DRUNK DRIVING LAWS TO FOREIGN DIPLOMATS

Mr. DANFORTH. Mr. President, last Saturday, a Soviet military attaché, Sergei Smirnov, was involved in an accident on Rock Creek Parkway. Mr. Smirnov's car crossed over the parkway and ran head-on into another car, containing three people. Fortunately, two of the occupants of the struck car did not receive serious injuries, but an 85-year-old woman, Cecile, Malakoff, required hospitalization and is expected to be in the hospital for at least 2 months.

Mr. Smirnov was described in the accident report as "apparently severely intoxicated." He was said to be "incoherent," with "the strong odor of an alcoholic beverage about his breath." The Soviet Embassy, however, maintains that Mr. Smirnov was not intoxicated.

Everyone involved in an auto accident deserves to have all the evidence heard. While it certainly appears that alcohol was a part of this accident, I am not going to judge Mr. Smirnov's guilt or innocence here. I am very concerned, however, about the fact that we have no recourse to take action against diplomats who are found to be drunk drivers. Under our laws, diplomats involved in traffic accidents are immune from prosecution. This is troublesome in all cases, but especially when drunk driving is involved.

Mr. President, drunk driving is a serious national problem. Congress, the Federal Government, and the States have spent considerable time and effort to strengthen drunk driving laws and enforcement activities. We have made much progress, but more needs to be done. It is clear, however, that our inability to prosecute diplomats for drunk driving offenses represents a serious loophole in our drunk driving laws.

A diplomat should not have the right to come to the United States, get a driver's license and car tags and then proceed to get drunk, get behind the wheel of a car, and be totally unaccountable for his actions, no matter how serious. Driving is a privilege, not a right, for everyone operating vehicle in this country. It is time that we make this point clear. Until our traffic laws are applied with equal force to all drivers in this country, the effectiveness of our recent efforts to strengthen drunk driving laws and to improve highway

safety generally will be greatly diminished.

Mr. President, I ask unanimous consent that an article appearing in the June 21, 1985, Washington Post which describes the Smirnov incident, be included in the RECORD in its entirety.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Washington Post, June 21, 1985]

SOVIET EMBASSY DENIES ATTACHE IN COLLISION WAS INTOXICATED

(By Patrice Gaines-Carter)

A high-ranking Soviet military attache, described in an accident report as "apparently severely intoxicated," was driving a car that plowed head on into another car Saturday afternoon and hospitalized an 85-year-old woman.

The driver has diplomatic immunity, however, and therefore cannot be prosecuted. He was released to the custody of the Soviet Embassy. An embassy spokesman denied yesterday that the official had been intoxicated at the time of the accident.

The accident report by the U.S. Park Police states that the Russian driver, identified as Sergei N. Smirnov, an embassy air attache, was "incoherent" and "had the strong odor of an alcoholic beverage about his breath."

The accident occurred on Rock Creek Parkway, just north of P Street NW.

Smirnov's 1982 Ford LTD crossed over from the southbound lanes of the parkway and struck a 1977 Dodge Aspen station wagon, driven by Robert Malakoff, a Senate subcommittee staffer, the report said.

Malakoff was driving, his wife Grace was in the front seat and his mother Cecile was in the back seat.

"There are a lot of uncertainties," said Malakoff, whose mother is in stable condition and in traction because of a hip injury she received in the accident.

"The first thing is the man should be subject to the same penalties we are subject to," he said. "Secondly, I'm not sure what diplomatic immunity means financially. It's unclear how far they will come to compensate us" for medical expenses.

Malakoff said he expects his mother to be hospitalized for at least two months.

The accident report states that the "accident was caused by Smirnov. Contributing factors would be the consumption of alcohol since he was apparently severely intoxicated."

It also says that Smirnov "could not speak, he babbled, appeared incoherent, and had glassy eyes . . . difficulty walking." Smirnov was handcuffed after he became "violent" and struggled with an officer, according to the report.

The official was taken into custody and released to the Soviet Embassy.

But Boris Malakhov, second secretary of the press office at the Soviet Embassy, said Smirnov "was not intoxicated."

"There were no charges pressed," Malakhov noted, adding, "He was under shock. The car was badly damaged. Why wouldn't the person inside be, too?"

"It is a sheer accident," Malakhov said. "It could happen to anybody. No one is charging him yet."

While Smirnov can't be prosecuted, the State Department can ask host countries to remove diplomats who have violated U.S. laws, a State Department spokesman said.

"All diplomats who drive must also have insurance to get license plates," the spokesman said, surmising that Smirnov's insurance company would cover some of the medical expenses incurred by the Malakoffs.

Smirnov was not in his office at the embassy yesterday afternoon.

When asked about her views on diplomatic immunity in such cases, Cecile Malakoff said, "They are guests here. Don't you think they ought to honor the laws of the country that provides the hospitality for them?"

ADVOCACY PROVISIONS OF THE OLDER AMERICANS ACT

Mr. GRASSLEY. Mr. President, the Administration on Aging published interim final rules for the Older Americans Act on April 1, 1985. Publication of these rules was a welcome event for most of those who work in Older Americans Act programs because the regulations then in force were written for the 1978 amendments to the act. The notice of proposed rulemaking which was published in the Federal Register on March 2, 1983, and which laid out proposed rules for the 1981 amendments to the act never appeared in final form. Therefore, the interim final rules published on April 1 provided regulatory specification for both the 1981 and the 1984 regulations.

Although welcome because they provide regulatory direction for the Older Americans Act amendments passed since 1978, the proposed rules have caused some concern, and not a little confusion, in the aging policy community, particularly with respect to parts of the proposed regulations dealing with advocacy on the part of the State and area agencies on aging.

In my capacity as chairman of the Subcommittee on Aging of the Senate Committee on Labor and Human Resources, the Senate subcommittee with oversight responsibility for the Older Americans Act programs, I wrote to the Commissioner on Aging to register some of my concerns about the interim final regulations.

I would also like to share my thoughts on the advocacy provisions of these proposed regulations with my colleagues in the Senate, their staff, and the wider aging policy community in hopes that systematic discussion of these provisions will reduce some of the confusion which seems to abound on this matter. I have been greatly aided by a Congressional Research Service paper which directly considers this issue. I ask that this paper be printed at the end of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. GRASSLEY. Mr. President, I think we should begin by remembering that advocacy is clearly established in the Older Americans Act. Section 305(a)(1)(D) states that the State agency serves as "an effective and visible advocate for the elderly by reviewing and commenting upon all State plans, budgets, and policies which effect the elderly. * * *" Section 306(a)(6)(D) states that the plan developed by area agencies shall provide that the area agency will "serve as the advocate and focal point for the elderly within the community by monitoring, evaluating, and commenting upon all policies, programs, hearings, levies, and community actions which will affect the elderly." There was no change in these provisions in either the 1981 or 1984 amendments.

The key provisions with respect to advocacy in the interim final regulations appear to me to be those dealing with lobbying and political advocacy with Federal funds. These provisions are contained in section 1321.33(b) for State agencies and section 1321.65(b) for area agencies.

The language of these two sections is the same:

> No requirements in this section shall be deemed to supersede statutory or other regulatory restrictions regarding lobbying or political advocacy with Federal Funds.

Before I take up this provision directly, however, I would like to briefly discuss several other changes which bear on the advocacy responsibilities of the State and area agencies on aging. Section 1321.33(a) of the proposed regulations has eliminated entirely the requirement, contained in the prior regulations, that "the State Agency must: (d) represent the interests of the older persons before the legislative, executive and regulatory bodies in the State." Since the various subsections of section 1321.33 are all prefaced by the phrase "the State Agency must," I presume that removal of subsection (d) of the former section 1321.41 does not in any way imply, by itself, that a State agency may not represent the interests of older persons before State legislatures, executive, and regulatory bodies. In fact, I also assume that nothing in section 1321.33(a) prohibits State agencies from representing the interests of older persons before, or to, Federal legislative, executive or regulatory bodies.

Although the provisions of the law with respect to advocacy cited above does not specify the audiences to which the State agencies should direct their comments, the provision would mean very little were State agencies not able to make these comments available to State legislatures, executive branch and regulatory agency officials at the State level, and were area agencies not able to make them to other local public and private officials. It is difficult to understand how these advocacy provisions of the Older Americans Act could have meaning without routine interaction between State and area agencies on aging, on the one hand, and those other public officials who administer, legislate or otherwise make decisions at State and

local levels on public policy affecting the elderly.

The effect of the removal of this particular provision, of course, is to downgrade the importance of this activity, at least as far as the regulations are concerned, for they no longer say that a State agency must represent the interests of older persons before legislative, executive or regulatory bodies of State government; the Older Americans Act, however, in the sections I have cited above, seems to me to require this kind of activity.

It is also possible that other provisions of the new regulations could effect the ability of the State agencies on aging to advocate on behalf of older people. Section 1321.21 of the new regulations no longer contains the requirement for a qualified full time director and staffing plan for the agency. Language formerly contained in section 1321.11 and 1321.13 with respect to "an agency whose single purpose is to administer programs for older persons * * *" has been deleted and replaced with a provision, section 1321.21, which is vague and could admit of different interpretations.

The key provision, however, as I noted above, is the new subsection 1321.33(b) for State agencies on aging and 1321.65(b) for area agencies. The restrictiveness, or nonrestrictiveness, of the new regulations with respect to advocacy seems to turn on the interpretation of this new subsection. There is some confusion as to what this section means with respect to the advocacy activities of the Older Americans Act network. The Office of Management and Budget [OMB] Circular A-122 is cited by some as a possible important restriction on advocacy activities of State and area agencies on aging. But A-122 does not apply to State governments, and, because it applies only to private, nonprofit groups, does not apply to all area agencies on aging. Furthermore, I question whether any regulatory or other executive directive can prohibit activities which are authorized and funded by a law adopted by Congress. Here, of course, I am speaking of the advocacy provisions of the Older Americans Act.

At the very least, it would be useful to know which statutory provisions might apply to the advocacy activities of the aging network, so that the present vague provisions, which have unclear import for the network, can be made clearer. Relevant in this regard is the review by the Congressional Research Service, of which I spoke earlier. I concluded that:

No law or statute, however, specifically restricts State, local or private grantees of the Federal Government generally, or of HHS specifically, from using Federal grant or contract funds for advocacy and "monitoring, evaluating and commenting" on public policies at the State and local level consonant with the purposes of a grant program. Area aging agencies, however, under later Labor, HHS and Education Department appropriations riders, may be restricted from using Federal grant funds for attempting to influence Federal legislatin "pending before the Congress" even though such agencies are required by the Older Americans Act to evaluate and comment on all policies, hearings, etc. affecting the elderly.

I take the main point of this review to be that the only Federal statutes which could restrict advocacy activities of State and area agencies on aging are the appropriations riders to Labor-HHS appropriations bills, and that those restrict lobbying or attempts to influence legislation which is actually pending before the Congress. Furthermore, the effect on the appropriations riders does not outlive.

THE APPROPRIATIONS BILL IN QUESTION.

The changes in the new regulations which affect the advocacy role of the area agencies on aging parallel those made for the State agencies on aging. In the case of the regulations applying to area agency advocacy, the subsection which concerns representation by area agencies of the interests of older persons to public and private officials and organizations remains, but the word "public" has been replaced with "local and executive branch," a formulation which is more ambiguous than the one it replaced. In any case, the key provision seems to me to be again the subsection dealing with lobbying and political advocacy with Federal funds, in this case section 1321.65(b). The comments I made above with respect to State agency advocacy are relevant here also.

I would like to close with the following thought. The ability of national legislators, and, I would argue from my experience in State government, of local and State officials also, to provide effective oversight of the programs we authorize, such as the older Americans Act, depends very much on the ability and willingness of officials in the administrative chain to apprise us of developments in these programs which merit our closer attention. I, for one, would not like to see reduced the ability of State and area agencies, or of other Federal grantees under the Older Americans Act, to inform public officials of relevant problems in the administration of the act.

EXHIBIT 1

CONGRESSIONAL RESEARCH SERVICE,
LIBRARY OF CONGRESS,
Washington, DC, May 23, 1985.

From: American Law Division.

Subject: HHS regulations and required advocacy by area aging agencies under the Older Americans Act.

This memorandum is submitted in response to your request as discussed with * * * of your staff concerning the regulations recently promulgated by the Department of Health and Human Services under the Older Americans Act, and their relationship to advocacy for the elderly and the monitoring, evaluation and commenting on proposals and all policies affecting the elderly required of area aging agencies under the statutory provisions of the Older Americans Act. Concern has been expressed that a so-called "gag rule" on area aging agencies by the HHS regulations and by guidelines to executive agencies published as an OMB Circular would prevent and chill the area aging agencies from performing their required statutory functions as contemplated by Congress in the Older Americans Act.

Briefly, and as general background, it should be pointed out that under our Constitution it is the Congress which legislates the law, and the Executive which faithfully executes those laws enacted by the Congress. U.S. Constitution, Article 1, Section 1; Article 2, Sections 1 and 3. See *Youngstown Sheet & Tube* v. *Sawyer*, 343 U.S. 579, 587-588 (1952). Any inherent power of the Executive can not override a specific congressional enactment within a law, and any such inherent authority of the Executive is at its "lowest ebb" when "incompatible with the expressed or implied will of Congress". *Youngstown Sheet & Tube, supra*, at 637-638 (Jackson concurring). Congress thus "sets the legislative agenda" for a particular public policy (*Center for Science in the Public Interest* v. *Dept. of Treasury*, 573 F. Supp. 1168, 1174-1175 (D.D.C. 1983), see *Center for Science in the Public Interest* v. *Regan*, 727 F.2d 1161, 1165-1166 (D.C. Cir. 1984)), and administrative actions which undermine, are inconsistent with, or "frustrate the congressional policy underlying a statute" are invalid. *NLRB* v. *Brown*, 380 U.S. 278, 291 (1965); *Motor Vehicle Mfrs. Ass'n* v. *State Farm Mutual*, 103 S. Ct. 2858 (1983). If area aging agencies are therefore authorized, or are required by law as in the case of the Older Americans Act, to "advocate" for the elderly and to "monitor[], evaluat[e], and comment[] upon all policies, programs, hearings, levies, and community actions which will affect the elderly", and funds are appropriated by Congress for this purpose, then no administrative edict or guideline may establish a "gag rule" on the area agencies with regard to such activities in contradiction to the statutory mandate, unless amendatory legislation or superseding laws adopted by Congress require that result. No law or statute, however, specifically restricts state, local or private grantees of the federal government generally, or of HHS specifically, from using federal grant or contract funds for advocacy and "monitoring, evaluating and commenting" on public policies at the state and local level consonant with the purposes of a grant program. Area aging agencies, however, under later Labor, HHS and Education Department appropriations riders, may be restricted from using federal grant funds for attempting to influence *federal* legislation "pending before the Congress" even though such agencies are required by the Older Americans Act to evaluate and comment on "all" policies, hearings, etc. affecting the elderly.

The Older Americans Act (P.L. 89-73, as amended by P.L. 95-478 and P.L. 97-115) specifically authorizes and requires State agencies receiving grants under the Act "to serve as an effective and visible advocate for the elderly", and to designate private or public area agencies which are to serve "as the advocate and focal point for the elderly within the community".

Congress has directed such State agencies, to be eligible for funding, to:

Serve as an effective and visible advocate for the elderly by reviewing and comment-

ing upon all State plans, budgets and policies which affect the elderly . . .[1]

The Act also requires the area agencies which receive federal funds under the Act through the States to advocate for, and to evaluate and comment on all policies affecting the elderly, as well as to establish working advisory councils with local elected officials, representatives of the elderly, and private elderly citizens. The law specifically requires these area aging agencies to:

Serve as the advocate and focal point for the elderly within the community by monitoring, evaluating, and commenting upon all policies, programs, hearings, levies, and community actions which will effect the elderly.

Establish an advisory council consisting of older individuals who are participants or who are eligible to participate in programs assisted under this chapter, representatives of older individuals, local elected officials, and the general public, to advise continuously the area agency on all matters relating to the development of the area plan, the administration of the plan and operations conducted under the plan . . .[2]

The Act by its terms thus clearly and unequivocably contemplates advocacy, evaluation and comments and public policies, and interactions between the area aging agencies and those public officials who administer, legislate or otherwise make decisions in the area of public policy affecting the elderly. Although not defined within the statute, nor expanded upon to any great extent in the legislative history of the law adding this provision to the Act, by specifically requiring "advocacy" and linking this requirement with the requirement for "monitoring, evaluating and commenting" on all public policies affecting the elderly, Congress obviously did not intend for the area aging agencies to act as passive, disinterested or impartial observers of and commentators on public policy-making, but rather to act to convince or influence such public policy on behalf of and in the best interests of the elderly.[3] Congress did specifically intend to limit the public policy advocacy under the specific provision for legal services to the elderly within the Act (see S. Rpt. No. 95-855, 95th Cong., 2d Sess. at 12; H. Conference Rpt. No. 95-1618, 95th Cong. 2d Sess. at 64-65). However, no such express and limiting requirement upon the other activities of the area agencies generally was included nor expressly intended by Congress in the Act.

The interim final rules of HHS in question, regarding area agencies, provide as follows with respect to advocacy activities:

§ 1321.65. Advocacy responsibilities of the area agency.

(a) The area agency must—

(1) Monitor, evaluate, and, where appropriate, comment on all policies, programs, hearings, levies, and community actions which affect older persons;

(2) Solicit comments from the public on the needs of older persons;

(3) Represent the interests of older persons to local level and executive branch officials, public and private agencies or organizations;

(4) Carry out activities in support of the State administered long-term care ombudsman program; and

(5) Coordinate planning with other agencies and organizations to promote new or expanded benefits and opportunities for older persons.

(b) No requirements in this section shall be deemed to supersede statutory or other regulatory restrictions regarding lobbying or political advocacy with Federal funds.[4]

The regulations note that the advocacy responsibilities of the area aging agencies as set out in the regulations (and required by law) do not "supersede statutory or other regulatory restrictions regarding lobbying or political advocacy with Federal funds." These regulations, however, do not cite to any specific limiting statute on such activities, nor do the regulations provide any further guidance as to which types of advocacy activities by area aging agencies may be prohibited by other federal laws.

There appears to be, in fact, no federal statute specifically applicable to private recipients of funds distributed by federal agencies as to the "lobbying" of state or local governmental agencies or units by those private recipients when consistent with the purposes of the grant program. Furthermore, no other published regulations of HHS on such use of funds by local private recipients have been found, although there does exist a "circular" published by the Office of Management and Budget (OMB Circular A-122, as amended April 27, 1984) which provides guidelines to agencies as to the use of and reimbursement with federal monies to private grantees for "lobbying" and other activities.

The statutory provision often referred to as supporting restrictions on "lobbying" with federal monies, 18 U.S.C. § 1913, is a criminal law which by its terms applies its penalty only to, *inter alia*, an "officer or employee of the United States or of any department or agency thereof". This law on its face is clearly applicable only to federal employees and not to private or State recipients of federal grants or contracts. (See specifically, *Grassley* v. *Legal Services Corporation*, 535 F. Supp. 818, 826 n.6 (S.D. Iowa 1982). Furthermore, the law applies only to federal executive branch agencies and officials improperly lobbying "a Member of Congress", and does not extend to lobbying other executive agencies or state or local governmental units.[5] Finally, the law has been consistently interpreted by the Department of Justice as permitting direct lobbying contacts between federal executive branch officials and Members of Congress on pending legislation.[6]

Former appropriations restrictions which had been included in Treasury, Postal Service and General Governmental Appropriations Acts, usually at Section 607(a), had also restricted agencies from expending any funds for "publicity on propaganda" campaigns directed at "legislation pending before the Congress". That provision had similarly been interpreted to apply only to legislation before Congress, and then only to "grass roots" types of campaigns which urge the public to "write their congressman" and not to direct contacts between agency officials and Members of Congress, nor to public expressions or expositions of agency policy or arguments for or against legislation. 56 Comp. Gen. 889 (1976); Decision of the Comptroller General, B-129838, July 12, 1976; Decision of the Comptroller General, B-164497(5), August 10, 1977; Decision of the Comptroller General, B-173648, Sept. 21, 1973; Opinion of the Comptroller General, B-178448, April 30, 1973; Memorandum of General Accounting Office, B-1309061—O.M., Sept. 10, 1976. The most recent two Treasury, Postal Service and General Governmental Appropriations bills receiving congressional action, however, (H.R. 4139, 98th Cong., 1st Sess. and H.R. 5798, 98th Cong., 2d Sess) did not contain the general appropriations rider in Section 607(a) for all federal funds, but rather expressed a narrow rider only for funds appropriated in that Act on publicity and propaganda not authorized by Congress (Section 601). Appropriations acts for each agency or department must therefore be examined for further restrictions within the time frame of those particular appropriations.

Appropriations restrictions on HHS funding, unlike other appropriations riders which usually do not include specific restrictions on private citizens who receive federal grant or contract money, do place limitations on the use of contract or grant funds to pay the salary or expenses of recipients for "any activity designed to influence legislation or appropriation pending before the Congress". See P.L. 98-139, Section 509; H.R. 6028, 98th Cong., 2d Sess., Section 509 (emphasis added). This appropriation rider, however, clearly applies on its face only to legislation or appropriations "pending before the Congress", and does not extend to programs or policies being considered by administrative agencies of the federal government or by executive, administrative, regulatory or legislative governmental bodies at the state or local level.[7] Since an appropriation provision can be considered to amend substantive, permanent law,[8] the recipients of federal grant funds from Labor, HHS, and Education Departments may be prohibited regardless of statutory language of a specific program, from attempting to influence legislation which is actually pending before Congress. It should be noted that the HHS appropriation restriction prohibits funding of "any activity", and not just "publicity or propanganda" campaigns, and does not provide for an exclusion, like other appropriations riders, for instances when such activities are otherwise authorized by Congress.

In sum, then, although there are apparently restrictions regarding federal legislation pending before the Congress, area

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[1] 42 U.S.C. § 3025(a)(1)(D).

[2] 42 U.S.C. § 3026(a)(6) (D) and (G).

[3] Note common legal definition of the verb "advocate", Black's Law Dictionary, 5th Edition, West Publishing Co. 1979, at 51. See legislative history of provision at H.R. Rpt. No. 95-1150, 95th Cong., 2d Sess. at 5: "These area agencies . . . have begun to mobilize Federal, State, and local resources on behalf of the elderly over and above the resources available under the Older Americans Act.", and 30.

[4] 50 F.R. 12952, April 1, 1985.

[5] See, for example, *Hall* v. *Siegel*, 467 F. Supp. 750, 753 (S.D. III. 1977), where the court found no authority in federal law to prevent the Executive or his staff from expending federal funds to "express his views to state legislators or 'lobby' for or against ratification of" the Equal Rights Amendment by the state legislatures.

[6] Opinion of the Assistant Attorney General of the United States, Henry J. Miller (1962), printed at 108 *Cong. Rec.* 8449-8451, May 15, 1962; Department of Justice letter opinion of July 19, 1973, from Assistant Attorney General Henry S. Peterson. Note legislative history of § 1913, at 58 *Cong. Rec.* 404, May 29, 1919.

[7] General Accounting Office Memorandum, B-13096.140- O.M., at 8, September 10, 1976, as to applicability of general appropriations riders on "publicity or propaganda activities" directed to legislation or appropriations "pending before Congress" GAO found: "In any event, like the penal statute [18 U.S.C. § 1913], Section 607(a) is limited by its terms to Federal legislation."

[8] *Skok* v. *Andrus*, 638 F. 2d 1154 (9th Cir. 1979), *cert den.* 444 U.S. 927; *Director, Office of Workman's Compensation Program, U.S. Dept. of Labor* v. *Alabama By-Products Corp.*, 560 F. 2d 710 (11th Cir. 1977).

aging agencies are specifically authorized by Congress in the Older Americans Act to "advocate" for the elderly "by monitoring, evaluating, and commenting upon all policies, programs, hearings, levies, and community actions which will affect the elderly", and there is no other federal law which would work to prohibit the area agencies from carrying out this congressional mandate within their community and state. Even the restrictive guidelines on activities by grantees issue by OMB in circular A-122, note that private contract and grant recipients may, of course, use federal funds for "any activity specifically authorized by statute to be undertaken with funds from the grant, contract or other agreement." See 49 F.R. 18276 (April 27, 1984), Circular A-122, paragraph B21, b(3).

In any event, as discussed briefly above, an agency regulation or other executive directive could not prohibit by administrative fiat activities which are authorized and funded by a law adopted by Congress. The Supreme Court has ruled that administrative decisions are invalid which are found "inconsistent with a statutory mandate or that frustrate the congressional policy underlying a statute." *NLRB* v. *BROWN*, 380, U.S. 278, 291 (1965); see *Motor Vehicle Mfrs. Ass'n* v. *State Farm Mutual*, 103 S. Ct. 2856 (1983); note generally *Youngstown Sheet & Tube* v. *Sawyer*, 343 U.S. 579 (1952). Programs, policies and activities established and funded by law by Congress may therefore not be unilaterally terminated by executive branch action nor may the law be executed in a manner contrary to Congress' intent. *Local 2677, American Federation of Government Employes* v. *Phillips*, 358 F. Supp. 60, 76-78 (D.D.C.), citing *Youngstown Sheet & Tube, supra; Local 2816, Office of Economic Opportunity Employees Union, AFGE* v. *Phillips*, 360 F. Supp. 1092, 1099-1100; *Center for Science in the Public Interest* v. *Dept of Treasury*, 573 F. Supp. 1168, 1174-1175 (D.D.C. 1983), See *Center for Science in the Public Interest* v. *Regan*, 727 F.2d 1161, 1165-1166 (D.C. Cir. 1984) lower court finding of improper agency consideration of factors other than those articulated in statute was not appealed by the agency); *Citizens to Preserve Overton Park* v. *Volpe*, 401 U.S. 402 (1971).

In a 1979 case in the Eighth Circuit, for example, the United States Court of Appeals reviewed an agency decision, ostensibly based on Office of Personnel Management (OPM) regulations and the conflict of interest principles articulated in an Executive Order (E.O. 11122), that removed an Indian/Bureau of Indian Affairs employee from his position of superintendent of an agency because of a potential conflict of interest created by the election of his brother to the position of Tribal President. The court in *Oglala Sioux Tribe of Indians* v. *Andrus*, 603 F.2d 707 (8th Cir. 1979), found that the application of a per se conflict of interest regulation of the executive branch based on familial ties to tribal officials frustrated the purpose and intent of the Indian Reorganization Act of 1934, which was to appoint and employ Indian personnel without regard to Civil Service laws on appointments. The court stated:

It is beyond dispute that agency action taken without statutory authorization, or which frustrates the congressional policy which underlies a statute, is invalid.

Such a transference of general Civil Service conflict-of-interest regulations ignores the particular conditions which affect Indian employment on the reservation, and the impact which such regulations may have on the goal of increased Indian employment and responsibility in the decision-making positions within BIA.

. . .[A]ny such regulations must be consistent with the congressional policy embodied in § 12 [of the Reorganization Act] . . . . 603 F.2d at 715, 716-717.

Regulations of an agency may therefore not frustrate the underlying congressional policy of the relevant statutory provision. Since the Congress specifically requires area aging agencies which receive grant funds from the Older Americans Act through the states to act as an "advocate" for the elderly and to monitor, evaluate and comment on all policies and programs affecting the elderly, a federal department or agency could not promulgate a "gag rule" on the area aging agencies with regard to such funded activities since this would obviously frustrate and be directly contrary to the congressional purpose underlying those relevant provisions of the Older American Act. A later congressional enactment may limit the use of such funds, however, and it may be argued that although the Congress has authorized and requires area agencies to act as public advocates for the elderly by evaluating and commenting on all proposals and policies affecting the elderly to further those interest, they may not expend federal funds to influence federal legislation which is actually pending before Congress. This would not seem to prohibit, however, area aging agencies from their statutorily required advocacy for the elderly by monitoring, commenting on and evaluating other federal policies and programs, for example before federal administrative and executive bodies with respect to rule making or other activities within their jurisdiction, a well as state or local governmental units. The regulations read in this manner would then appear to be consistent with the congressional intent and purposes underlying the Older American Act and current appropriation restrictions.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. DODD:

S. 1339. A bill to amend the Internal Revenue Code of 1954 to allow any distribution from an individual retirement account or annuity which is used in the purchase of a home to be rolled over into the basis of such home, and to be treated as ordinary income upon the recognition of gain from the sale of such home; to the Committee on Finance.

By Mr. HARKIN:

S. 1340. A bill to stabilize the agricultural value of farm land, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

S. 1341. A bill to provide tax relief for certain insolvent farmers, and for other purposes; to the Committee on Finance.

S. 1342. A bill to amend title 11 of the United States Code with respect to bankruptcy proceedings involving debtors who are family farmers, and for other purposes; to the Committee on the Judiciary.

By Mr. DANFORTH (for himself, Mrs. KASSEBAUM, Mr. HOLLINGS, and Mr. EXON) (by request):

S. 1343. A bill to improve safety and security for people who travel in international aviation; to the Committee on Commerce, Science, and Transportation.

By Mr. BRADLEY:

S.J. Res. 150. Joint resolution to designate the month of March 1986 as "National Hemophilia Month"; to the Committee on the Judiciary

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. MOYNIHAN:

S. Con. Res. 53. Concurrent resolution expressing the sense of the Congress that the United Support of Artists for Africa be commended for its efforts to aid the victims of the spreading African famine; to the Committee on the Judiciary.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. HARKIN:

S. 1340. A bill to stabilize the agricultural value of farm land, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

S. 1341. A bill to provide tax relief for certain insolvent farmers, and for other purposes; to the Committee on Finance.

AGRICULTURAL LAND VALUE STABILIZATION ACT AND AGRICULTURAL LAND VALUE TAX ACT

Mr. HARKIN. Mr. President, today I am introducing the "Agricultural Land Value Stabilization Act of 1985," a bill which addresses the severe farm credit crisis in my State of Iowa and several other States.

At the root of this crisis is the disastrous decline in farm income resulting from low commodity prices, high interest rates, the declining exports due to the overvalued dollar, and Federal monetary, fiscal, and trade policies which have worked to the detriment of the farmer.

One result of the decline in farm income has been a precipitous drop in agricultural land values. According to figures of the Department of Agriculture released this month, land values in Iowa declined 29 percent last year and have declined 49 percent since 1981. Declines approaching this magnitude have also been recorded in Minnesota, South Dakota, Nebraska, Kansas, Missouri, Illinois, Indiana, and Ohio. In Iowa alone, the decline accounts for an erosion of $32.1 billion in agricultural land equity.

Mr. President, consider this example to demonstrate the impact of this decline. Suppose a typical home in a Washington, DC, suburb sold 3 years ago for $100,000 and the home was purchased with a $20,000 downpayment and the remainder financed with an $80,000 loan. If property values had declined to the same extent Iowa farmland has declined, the house would now be worth $51,000—if you could find a buyer. The decline in

property values would have wiped out the original $20,000 investment, and the principal balance on the outstanding loan would now far exceed the value of the property.

Lenders would be very hesitant to make new loans because of substantial losses being incurred when any bad loans are liquidated. Potential home buyers and real estate investors would be scared out of the market, fearing that real estate values might decline further. These actions would in turn cause values to decline even further as the inventory of unsold homes accumulated. In short, the entire market would be in chaos, driving home values far below their economic value.

This, in fact, is what has happened to farmland values in Iowa. It will continue to happen in other States until the Federal Government intervenes to establish order and stability.

As further evidence of the distress being experienced in Iowa, I point out that seven agricultural banks have failed so far this year. Of the 15 production credit associations in Iowa, 10 have recently had to freeze their stock to prevent impairment of the stock. And, at a time when commercial interest rates are declining, the Omaha Federal Land Bank has just raised its interest rate to 13.5 percent in order to cover rapidly increasing loan lossess.

The response of the administration to this problem has been abysmal. The Debt Adjustment Program announced by the President just before the election was designed to fail. The veto of the farm credit legislation earlier this year confirmed the unwillingness of the President even to consider additional credit assistance. However, I predict that the deepening farm credit crisis will soon force additional action.

The question then remains as to the form this intervention will take. Several alternatives have been introduced or are under discussion by my colleagues on both sides of the aisle. However, none of the proposals go directly to the heart of the problem—that of shoring up and stabilizing land values.

The Agricultural Land Value Stabilization Act proposes using an established method of determining the agricultural value of land based on its income producing potential. This technique, called income capitalizaton, is now used in 17 States for determining farmland values for purposes of assessing property taxes, and an additional 11 States use similar systems based on soil productivity. The income capitalization system is also widely used in the real estate industry to appraise farmland and other income producing property.

The bill requires the Secretary of Agriculture, using 10-year averages for yield, commodity prices, and all production costs, to create a formula which could be used to calculate the agricultural value for land on any farm in the United States. This value would be, by definition, the value at which the land could cash flow or service this amount of debt, as long as the farmer achieved the average yield and price.

Because 10-year averages will be used, land values calculated by this method will be conservative. However, due to current drastic land market conditions in Iowa and elsewhere, actual land values are indeterminable. The only sales being made are by those forced to sell, and the amount of land on the market is three times the normal amount. As a result, lenders and their regulators have severely reduced the collateral values of land, often below values that would be assigned through income capitalization.

The bill mandates the use of the income capitalization formula to determine farmland values. Those values will be used as minimum collateral values by the Farmers Home Administration [FmHA], federally chartered banks, and Farm Credit System institutions, which hold a sizable portion of all the farm real estate debt in the United States. This process will go a long way toward restoring confidence in the farm lending community, by correcting the overreaction to declining land values where it has occurred and preventing it from happening elsewhere.

The bill also authorizes the FmHA to forgive that part of an outstanding real estate loan which exceeds the agricultural value of the land. In return, FmHA would receive all nonagricultural use rights on the land for a 40-year period; however, during this period, the Secretary could sell the nonagricultural rights back to the owner at the market value.

There is now a surplus of agricultural land on the market in many parts of the country, and few buyers. This condition is driving land prices much below its agricultural value. The bill requires the Secretary to hold government-owned agricultural land off the market until such time as the market price reaches the agricultural price. The Secretary is also forbidden to lease these lands for the purpose of growing commodities which sold for less parity price in the preceding year.

In addition, the bill requires the Secretary of Agriculture, upon the request of the farmer, to offer to purchase a loan from an institution if that institution is placed in bankruptcy or receivership, or forecloses on the loan as the result of a default by the borrower. If the institution does not accept the offer, the Secretary may make a loan to the farmer to permit the farmer to bid on his assets when they are put up for sale.

I believe that these measures will save many farmers in this country. However, we would gain little if we save farmers only to have them presented with a tax bill that would put them out of business. Therefore, I am also introducing S. 1341, legislation to exempt farmers from some capital gains and other taxes that could result from loan reductions.

Mr. President, the proposal I have just outlined is not a bank, PCA, or farm credit system bailout. This bill is intended to help farmers who are caught in the credit crunch. By helping the farmers first, we will be helping the banks and the credit system in the long run.

Mr. President, I ask unanimous consent that the text of the bills and a section-by-section analysis of the Agriculture Land Value Stabilization Act be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 1340

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Agricultural Land Value Stabilization Act of 1985".

AGRICULTURE LAND VALUE STABILIZATION

DEFINITIONS

SEC. 101. As used in this title:

(1) The term "agency" has the same meaning given the term in section 551(1) of title 5, United States Code.

(2) The term "agricultural use component of the value of the land" means the value of land for commercial agricultural purposes, as determined by the Secretary, using an income capitalization approach, taking into account the average over the preceding ten crop years in the area in which the land is situated of—

(A) the yield of the indicator crop;

(B) the market price of the indicator crop;

(C) the interest rate charged by private lending institutions to purchase land;

(D) the cost of production of the indicator crop;

(E) the cost of the use of necessary conservation measures and improvements; and

(F) such other factors as the Secretary considers appropriate.

(3) The term "county committee" means the relevant county committee established under section 8(b) of the Soil Conservation and Domestic Allotment Act (16 U.S.C. 590h(b)).

(4) The term "indicator crop" means the most common agricultural commodity which can be grown in the area in which land is situated and which can be grown on the land.

(5) The term "institution" means an institution of the Farm Credit System established under the Farm Credit Act of 1971 (12 U.S.C. 2001 et seq.).

(6) The term "land" means any land located in one or more States and used primarily for commercial agricultural purposes, as determined by the Secretary.

(7) The term "non-agricultural use component of the value of the land" means the amount (if any) by which the fair market value of land exceeds the agricultural use component of the value of the land, as determined by the Secretary.

(8) The term "Secretary" means the Secretary of Agriculture.

(9) The term "State" means any of the several States, the District of Columbia, the Commonwealth of Puerto Rico, the Northern Mariana Islands, Guam, the Virgin Islands, American Samoa, the Trust Territory of the Pacific Islands, and any other territory or possession of the United States.

AGRICULTURAL LAND USE REQUIREMENT

SEC. 102. (a) Except as provided in sections 103 and 108(b)(2), to be eligible to obtain and retain a benefit described in section 105, 107, or 108, during the term of the loan referred to in such section, an owner or operator of land must agree to—

(1) use of land for—

(A) the production of agricultural commodities;

(B) wildlife food and habitat;

(C) soil or water conservation; or

(D) other agricultural purposes approved by the Secretary;

(2) enter into a covenant with the Secretary that prohibits the owner or operator from using the land for non-agricultural purposes, as determined by the Secretary; and

(3) meet the eligibility requirements for a loan prescribed under section 302 of the Consolidated Farm and Rural Development Act (7 U.S.C. 1922) and any other eligibility requirements prescribed by the Secretary.

(b) If the Secretary enters into a covenant with an owner or operator under subsection (a)(2) or section 108(b)(2)(A), the Secretary shall provide record notice of such covenant in a manner sufficient to provide constructive notice of such covenant under applicable State law.

TERMINATION OF LAND USE REQUIREMENT

SEC. 103. (a) Upon the request of the owner or operator of the land, the Secretary may terminate a covenant entered into with an owner or operator of land under section 102(a)(2) or 108(b)(2)(A), and the owner or operator may retain the benefit described in section 105, 107, or 108, if—

(1) termination of the covenant will not result in a significant adverse effect on the agricultural economy of the area in which the land is situated, as determined by the Secretary, taking into account—

(A) the productivity of the land;

(B) the efficiency of the farm located on the land; and

(C) the location of the land in relation to urban development and support services and water, sewage, and transportation agricultural support services;

(2) the owner pays the Secretary an amount equal to the average non-agricultural use component of the value of land in the area in which the land is situated; and

(3) the owner meets such other requirements as are prescribed by the Secretary.

(b) If a covenant entered into under section 102(a)(2) or 108(b)(2)(A) is terminated in accordance with subsection (a) or upon expiration of the term of the covenant, the Secretary shall provide record notice of the termination of such covenant in a manner sufficient to provide constructive notice of such termination under applicable State law.

SECURITY FOR LOANS BASED ON AGRICULTURAL VALUE OF LAND

SEC. 104. In determining the value of land used to secure a loan made, insured, or guaranteed by an agency or institution, the agency or institution—

(1) may not value the land at less than the agricultural use component of the value of the land; and

(2) shall consider the agricultural use component of the value of the land in determining the maximum value to be placed on the land used to secure the loan.

CONDITIONAL CANCELLATION OF LOAN AMOUNTS BASED ON NON-AGRICULTURAL VALUE OF LAND

SEC. 105. (a) In the case of a loan made to a borrower under the Consolidated Farm and Rural Development Act (7 U.S.C. 1921 et seq.) which is outstanding on the date of enactment of this Act, subject to section 102, the Secretary may cancel conditionally that portion of the outstanding amount of principal and interest due on the loan which is secured by the non-agricultural use component of the value of the land.

(b) If the Secretary cancels a loan amount under subsection (a), the borrower of the loan may repay the remaining amount of the loan at a level which is the lesser of—

(1) the original interest rate established for the loan; or

(2) the interest rate charged at the time of cancellation of the loan amount on a similar loan made under the Consolidated Farm and Rural Development Act.

(c) If the Secretary cancels a loan amount under subsection (a) and the borrower of the loan fails to comply with section 102(a), the borrower shall be liable for the total amount of principal and interest canceled under subsection (a).

USE OF SURPLUS AGRICULTURAL LAND

SEC. 106. (a) If the Secretary acquires land as the result of the foreclosure of a loan made under the Consolidated Farm and Rural Development Act (7 U.S.C. 1921 et seq.), the Secretary may not—

(1) sell the land at a price which is less than the agricultural use component of the value of the land; or

(2) lease the land for the production of an agricultural commodity during a crop year, if the average price of the commodity during the preceding crop year was less than 100 percent of the parity price of the commodity.

(b) The Secretary shall use adequate conservation measures on any land held by the Secretary as the result of subsection (a).

(c)(1) This section shall be effective during the period beginning on the date of enactment of this Act and ending on October 1, 1989.

(2) This section shall apply to land acquired before, on, or after the date of enactment of this Act but shall not apply to land sold before such date.

PURCHASE OF AGRICULTURAL LAND

SEC. 107. (a) If the fair market value of land in an area is less than the agricultural use component of the value of the land as the result of the supply of and demand for land in the area, subject to section 102, the Secretary may provide a loan to a farmer or rancher under the Consolidated Farm and Rural Development Act (7 U.S.C. 1921 et seq.) to purchase the land.

(b) The amount of a loan made under subsection (a) may not exceed the agricultural use component of the value of the land.

(c) If the Secretary makes a loan to a borrower under subsection (a) and the borrower fails to comply with section 102(a), the borrower shall be liable to the Secretary for an amount equal to the non-agricultural use component of the value of the land.

PURCHASE OF LOANS FROM FARM CREDIT INSTITUTIONS

SEC. 108. (a) Subject to the requirements of this section and section 102 and the availability of appropriated funds, upon the request of the borrower, the Secretary shall offer to purchase a loan from an institution if the institution made a loan secured by land to a borrower and the institution—

(1) is placed in bankruptcy or receivership; or

(2) forecloses on the loan as the result of a default by the borrower.

(b)(1) If a borrower possesses assets valued at 110 percent or more of the outstanding balance due on a loan referred to in subsection (a), the Secretary shall offer to purchase the loan from the institution which made the loan in an amount equal to the outstanding balance due by the borrower on the loan, less the value of the stock the borrower was required to purchase as a condition of receiving the loan from the institution.

(2) If the Secretary acquires under this subsection a loan made to a borrower and secured by land, the borrower—

(A) shall retain the right to use the land for agricultural or non-agricultural purposes; or

(B) may enter into a covenant with the Secretary that prohibits the borrower from using the land for non-agricultural purposes.

(c) If a borrower possesses assets valued at no less than 90 percent, and no more than 110 percent, of the outstanding balance due on a loan referred to in subsection (a), subject to section 102, the Secretary shall offer to purchase the loan from the institution which made the loan in an amount equal to the outstanding balance due by the borrower on the loan, less the value of the stock the borrower was required to purchase as a condition of receiving the loan from the institution.

(d)(1) If a borrower possesses assets valued at less than 90 percent of the outstanding balance due on a loan referred to in subsection (a), subject to section 102, the Secretary shall offer to purchase the loan from the institution which made the loan in an amount equal to the value of the assets of the borrower.

(2) If the institution does not accept the offer, subject to section 102, the Secretary may provide a loan to the borrower under the Consolidated Farm and Rural Development Act (7 U.S.C. 1921 et seq.) in an amount not to exceed the value of the assets of the borrower.

(e) In determining the value of land under this section, the Secretary shall base the determination on the agricultural use component of the value of the land.

(f) If the Secretary purchases a loan secured by land under this section and, except as provided in subsection (b)(2)(A), the borrower of the loan fails to comply with section 102(a), the borrower shall be liable to the Secretary for an amount equal to the non-agricultural use component of the value of the land.

PROMPT APPROVAL OF LOANS

SEC. 109. (a)(1) The Secretary shall approve or disapprove the application for a loan made under this title, and notify the applicant of such action, within forty-five days after the secretary has received a completed application for such loan.

(2) If an application for a loan under this title is incomplete, the Secretary shall inform the applicant of the reasons such application is incomplete within five days after the Secretary has received such application.

(3) If an application for a loan under this title is disapproved by the Secretary, the

Secretary shall state the reasons for the disapproval in the notice required under paragraph (1).

(b) If an application for a loan under this title is approved by the Secretary, the Secretary shall provide the loan proceeds to the applicant within five days (or such longer period as the applicant may approve) after the application for the loan is approved by the Secretary, except that, if the Secretary is unable to provide the loan proceeds to the applicant within such five-day period because sufficient funds are not available to the Secretary for such purpose, the Secretary shall provide the loan proceeds to the applicant as soon as practicable (but in no event five days unless the applicant agrees to a longer period) after sufficient funds for that purpose become available to the Secretary.

(c) If an application for a loan under this title is disapproved by the Secretary, but such action is subsequently reversed or revised as the result of an appeal within the Department of Agriculture or to the courts of the United States and the application is returned to the Secretary for further consideration, the Secretary shall act on the application and provide the applicant with notice of the action within five days after return of the application to the Secretary.

(d) If the Secretary fails to comply with subsection (a), (b), or (c) on an application for a loan that is approved by the Secretary, the Secretary shall reduce the interest payments due on the loan in an amount calculated by multiplying the outstanding principal of the loan by that part of the annual rate of interest being charged for the loan that bears the same proportion to the full annual rate of interest as the period during which the Secretary was not in compliance with such subsection bears to a full year.

(e) Upon receipt of an application for a loan under this title, the Secretary shall inform the applicant of the requirements of this section.

SECTION-BY-SECTION ANALYSIS OF THE AGRICULTURAL LAND VALUE STABILIZATION ACT OF 1985

AGRICULTURAL LAND VALUE STABILIZATION

Section 101—Definitions

The agricultural use component of the value of land shall be determined by the Secretary of Agriculture using the income capitalization method. The agricultural value of land is equal to the net income from a given acre of land divided by the capitalization rate. The average expected annual income shall be based on the prior ten-year averages of the following—

(A) yield of commodity grown (indicator crop);

(B) the selling price of the indicator crop;

(C) interest rate charged by private lending institutions to purchase land;

(D) production cost of the indicator crop;

(E) installation of needed conservation measures and improvements; and

(F) other factors as determined by the Secretary to be appropriate.

The non-agricultural use component of the value of the land is the amount (if any) by which the fair market value of the land exceeds the agricultural use component of the value of the land.

Section 102—Agricultural Land Use Requirement

For loans provided under sections 105, 107, and 108, the farmer must agree to—

(1) use the land for—

(a) the production of agricultural commodities;

(b) wildlife food and habitat;

(c) soil or water conservation; or

(d) other agricultural purposes approved by the Secretary;

and—

(2) enter into a covenant, not to exceed forty years, with the Secretary that prohibits the owner from using the land for non-agricultural purposes.

Section 103—Termination of Land Use Requirement

Upon the request of the landowner, the Secretary may terminate the covenant prohibiting non-agricultural use of the land if—

(1) termination of the covenant will not result in a signficant adverse affect on the agricultural economy of the area with consideration given to—

(a) the productivity of the land;

(b) the efficiency of the farm located on the land; and

(c) the location of the land in relation to urban development and urban support services (water, sewage, and transportation) and agricultural support services;

and—

(2) The owner pays the Secretary an amount equal to the value of the non-agricultural value of the land.

Section 104—Security for Loans Based on Agricultural Value of Land

Prohibits FmHA, federally-chartered banks and Farm Credit Systems institutions from using a value less than the agricultural use value component in adjusting the price of land used to secure existing loans. Directs these agencies and institutions to consider the agricultural use component of land in determining the maximum value placed on land to secure a loan.

Section 105—Conditional Cancellation of Loan Amounts Based on Non-Agricultural Value of Land

The Secretary may cancel that portion of an outstanding FmHA loan that exceeds of the agricultural use component value.

The owner would repay the remaining amount of the loan at the original interest rate or the interest rate at the time of cancellation, whichever is the lesser.

Section 106—Use of Surplus Agricultural Land

If the Secretary has acquired or acquires land as a result of a foreclosure, he may not (before October 1, 1989)—

(1) sell the land at a price less than the agricultural use component value; or

(2) lease the land to grow a commodity which sold for less then the parity price in the preceding year. The Secretary shall apply adequate conservation measures on any land held by the Secretary.

Section 107—Purchase of Agricultural Land

In depressed markets where the fair market value of the land is less than the agricultural use component value of the land, the Secretary may provide a loan to a farmer or rancher to purchase the land. The maximum amount of the loan cannot exceed the agricultural use component value of the land.

Section 108—Purchase of Loans from Farm Credit Institutions

On request from the borrower, the Secretary shall offer to purchase a loan from an institution that is placed in bankruptcy or receivership, or is in the process of foreclosing on the borrower's loan as the result of a default.

If the borrower possesses assets valued at ninety percent or more of the outstanding balance due, the Secretary shall offer to purchase the loan and pay the institution 100% of the outstanding balance due, less the value of the stock the borrower was required to purchase, as a condition of receiving the loan.

Where the assets are less than 100% of the outstanding loan, the owner must enter a covenant with the Secretary that prohibits the borrower from using the land for non-agricultural purposes.

Where the owner's assets are valued at less than 90% of the outstanding balances due on the loan, the Secretary shall offer to purchase the loan at the amount equal to the agricultural use value of the land. The borrower would be required to enter into a covenant with the Secretary that prohibits the borrower from using the land for non-agricultural purposes.

If the institution does not accept the offer, the Secretary may provide a loan to the borrower in an amount not to exceed the value of the assets, to enable the borrower to bid on the assets when put up for sale.

Section 109—Prompt Approval of Loan

The Secretary shall approve or disapprove the application for a loan under this title and notify the applicant with forty-five days after the Secretary receives a completed application.

If the Secretary fails to comply with this section the Secretary will be required to reduce the interest rate on the loan.

S. 1341

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Agricultural Land Value Tax Act of 1985".

TAX RELIEF FOR CERTAIN INSOLVENT FARMERS

SEC. 101. TAX TREATMENT OF INCOME FROM CONDITIONAL CANCELLATION OF CERTAIN FARM LOANS.

(a) EXCLUSION FROM GROSS INCOME.—

(1) IN GENERAL.—Paragraph (1) of section 108(a) of the Internal Revenue Code of 1954 (relating to income from discharge of indebtedness) is amended—

(A) by striking out "or" at the end of subparagraph (B),

(B) by striking out the period at the end of subparagraph (C) and inserting in lieu thereof ", or", and

(C) by adding at the end thereof the following new subparagraph:

"(D) the discharge is a conditional cancellation of a loan under section 105 of the Agricultural Land Value Stabilization Act of 1985.".

(2) COORDINATION OF EXCLUSIONS.—Paragraph (2) of section 108(a) of such Code (relating to coordination of exclusions) is amended—

(A) by redesignating subparagraphs (A) and (B) as subparagraphs (B) and (C), respectively, and

(B) by inserting before subparagraph (B), as redesignated in subparagraph (A), the following new subparagraph:

"(A) FARM LOAN EXCLUSION TAKES OVERALL PRECEDENCE.—Subparagraphs (A), (B), and (C) of paragraph (1) shall not apply to a discharge described in subparagraph (D) of paragraph (1).".

(b) EFFECTIVE DATE.—The amendments made by this section apply to loan cancellations occurring after the date of the enact-

ment of this Act, in taxable years ending after such date.

SEC. 102. EXEMPTION FROM MINIMUM TAX FOR CAPITAL GAINS ON SALES OF FARM PROPERTY BY INSOLVENT FARMERS.

(a) GENERAL RULE.—Paragraph (9) of section 57(a) of the Internal Revenue Code of 1954 (relating to capital gains) is amended by adding at the end thereof the following new subparagraph:

"(E) SALES OF FARM PROPERTY BY INSOLVENT FARMERS.—For purposes of this paragraph, gain from a qualified farm sale (as defined in subsection (f)) shall not be taken into account.".

(b) QUALIFIED FARM SALE DEFINED.—Section 57 of such Code is amended by adding at the end thereof the following new subsection:

"(f) QUALIFIED FARM SALE.—

(1) IN GENERAL RULE.—For purposes of subsection (a)(9)(E), the term 'qualified farm sale' means any sale or exchange to an unrelated person of farm property during any taxable year if—

"(A) 50 percent or more of the gross income of the taxpayer for the taxable year is attributable to the trade or business of farming.

"(B) such taxpayer is insolvent (within the meaning of section 108(d)(3)) as of the time of the sale or exchange.

"(C) substantially all of the proceeds from the sale or exchange are applied in satisfaction of indebtedness of the taxpayer, and

"(D) 90 percent or more of the fair market value of the farm property held by the taxpayer as of the beginning of such taxable year is sold or exchanged during such taxable year in qualified farm sales (determined without regard to this subparagraph).

"(2) DEFINITIONS.—For purposes of this subsection—

"(A) FARM PROPERTY.—The term 'farm property' means any property used or held for use in the trade or business of farming.

"(B) UNRELATED PERSON.—The term 'unrelated person' means any person other than a related person (as defined in section 453(f)(1)).".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to sales or exchanges after the date of the enactment of this Act, in taxable years ending after such date.

SEC. 103. QUALIFIED FARM SALE DOES NOT TRIGGER ADDITIONAL TAX UNDER SECTION 2032A OR ACCELERATION OF PAYMENT UNDER SECTION 6166.

(a) SECTION 2032A.—Paragraph (7) of section 2032A(c) of the Internal Revenue Code of 1954 (relating to tax treatment of dispositions and failures to use for qualified use) is amended by adding at the end thereof the following new subparagraph:

"(E) NO TAX IN CASE OF QUALIFIED FARM SALE.—

"(i) IN GENERAL.—No tax shall be imposed under paragraph (1) with respect to any interest in qualified real property of a qualified heir in the case of any qualified farm sale of such interest (as defined in section 57(f)).

"(ii) EXCEPTION IN CASE OF RECAPTURE AVOIDANCE TRANSACTION.—Clause (i) shall not apply with respect to any such interest transferred between qualified heirs within 2 years of a qualified farm sale of such interest if the transfer was made with the intent to avoid the tax imposed under paragraph (1) on such interest.".

(b) SECTION 6166.—Paragraph (1) of section 6166(g) of such Code (relating to acceleration of payment) is amended by adding at the end thereof the following new subparagraph:

"(G) NO ACCELERATION IN CASE OF QUALIFIED FARM SALE.—

"(i) IN GENERAL.—Subparagraph (A) shall not apply with respect to any interest in a closely held business which qualifies under subsection (a)(1) in the case of any qualified farm sale of such interest (as defined in section 57(f)).

"(ii) EXCEPTION IN CASE OF ACCELERATION AVOIDANCE TRANSACTION.—Clause (i) shall not apply with respect to any such interest transferred between qualified heirs within 2 years of a qualified farm sale of such interest if the transfer was made with the intent to avoid the acceleration of payment of tax imposed by subparagraph (A) with respect to such interest.".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to sales or exchanges after the date of the enactment of this Act.

By Mr. HARKIN:

S. 1342. A bill to amend title 11 of the United States Code with respect to bankruptcy proceedings involving debtors who are family farmers, and for other purposes; to the Committee on the Judiciary.

FAMILY FARMER BANKRUPTCY

● Mr. HARKIN. Mr. President, today I am introducing legislation which, at very little cost to the Federal Government, will go a long way toward helping the worst off of our Nation's family farmers.

The agricultural producers of Iowa and our entire country have been devastated in recent years by the drastic worsening of conditions in the agricultural economy. A great many have been forced to file bankruptcy. Our farmers have looked to the protection of bankruptcy laws only as a last resort but, unfortunately, as an increasingly important one if they are to be able to continue to make a living through farming. In just the northern district of the State of Iowa, for example, chapter 11 farm bankruptcies increased from only 2 in all of 1980 to 147 in the first 5 months of 1985.

Today, most farm debtors who are forced to file bankruptcy must do so under the complex, expensive provisions of chapter 11. Under chapter 11, a farmer's debt repayment plan must be negotiated, not only by the farmer and the courts, but by all of the relevant creditors as well. This causes a great deal of expense in legal fees for the farmer and, more importantly, causes a substantial risk that a farmer's land will be liquidated. Without the land on which he makes his living, the farmer stands virtually no chance of repaying his debt or even regaining his financial footing.

On April 24, 1985, Representative RODINO introduced H.R. 2211 into the other body. The measure I am introducing today is the companion legislation to that bill, as amended by the House Committee on the Judiciary. I hope that my bill will speed passage in the Senate of this legislation, in order to provide some immediate relief for those many farmers who are currently being forced to file bankruptcy under chapter 11. The Rodino bill combines the best provisions of his earlier farm bankruptcy legislation, similar legislation by Representative SEIBERLING and Representative SYNAR, and ideas emerging from testimony before the House Committee on the Judiciary.

This legislation will allow a great many more farmers to file bankruptcy under the much simpler and less expensive provisions of chapter 13. The ceiling for chapter 13 eligibility on both secured and unsecured debt would be raised to $1 million. The current chapter 13 ceilings of $100,000 for unsecured debts and $350,000 for secured debts are too low to include most farmers.

The bill also gives bankruptcy courts the power to allow the farmer 10 years, rather than the current 5, to make payments under the repayment plan.

The bill also creates a new class of "family farmer" for purposes of chapter 13. A family farmer is defined as a person who has more than 80 percent of their debt arising out of farming operations. Tying the definition of a family farmer to the amount of debt rather than the amount of income would allow farmers who have been forced, by poor economic conditions, to take nonfarm jobs, to utilize chapter 13 provisions if the bulk of their debt is farm related. A family farmer could be an individual, a partnership, or a private corporation so long as more than 50 percent of the corporation is owned by one family.

Mr. President, I urge the Judiciary Committee to act quickly and favorably on this important legislation and hope that all of my colleagues will lend their support to this measure in order to speed crucial help to the most severely troubled of our Nation's farmers.

I ask unanimous consent that a copy of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1342

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. DEFINITIONS.

Section 101 of title 11, United States Code, is amended—

(1) in paragraph (17) by inserting "(except when such term appears in the term 'family farmer')" after "means",

(2) by redesignating paragraphs (17) through (49) as paragraphs (18) through (50), respectively, and

(3) by inserting after paragraph (16) the following new paragraph:

"(17) 'family farmer' means a person not less than 80 percent of the aggregate amount of whose debts, at the time the case commences, arises out of a farming oper-

ation owned or operated by such person and, if such person is a corporation—

"(A) more than half of the aggregate value of the outstanding equity securities of such corporation are held by one family or by one family and the relatives of the members of such family; and

"(B) if such corporation issues stock, such stock is not publicly traded;

except that such aggregate amount does not include a debt for the principal residence of such person unless such debt arises out of a farming operation;".

SEC. 2. WHO MAY BE A DEBTOR.

Section 109(e) of title 11, United States Code, is amended—

(1) by striking out "or an individual" and inserting in lieu thereof "; an individual", and

(2) by inserting before the period at the end thereof "; or a family farmer with regular annual income that owes on the date of the filing of the petition noncontingent, liquidated, secured and unsecured debts of less than $1,000,000".

SEC. 3. INVOLUNTARY CASES.

Section 303(a) of title 11, United States Code, is amended by inserting ", family farmer," after "farmer".

SEC. 4. FILING OF PLAN.

(a) PERIOD FOR FILING BY DEBTOR.—Section 1121(b) of title 11, United States Code, is amended by inserting before the period at the end thereof "or, in the case of a debtor who is a farmer, until after 240 days after the date of the order for relief under this chapter".

(b) FILING BY ANY PARTY IN INTEREST.—Section 1121(c) of title 11, United States Code, is amended—

(1) in paragraph (2)—

(A) by inserting "(other than a farmer)" after "debtor", and

(B) by inserting before the semicolon at the end thereof the following: "or, in the case of a debtor who is a farmer, before 240 days after the date of the order for relief under this chapter", and

(2) by amending paragraph (3) to read as follows:

"(3) the debtor has not filed a plan that has been accepted—

"(A) in the case of a debtor who is not a farmer, before 180 days; or

"(B) in the case of a debtor who is a farmer, before 300 days;

after the date of the order for relief under this chapter, by each class of claims or interests that is impaired under the plan.".

(c) AUTHORITY TO EXTEND PERIODS.—Section 1121(d) of title 11, United States Code, is amended by striking out "the 120-day period or the 180-day period referred to in" and inserting in lieu thereof "any period referred to in subsection (b) or (c) of".

SEC. 5. COMPENSATION OF TRUSTEE.

(a) AMENDMENT TO TITLE 11 OF THE UNITED STATES CODE.—Section 1302(e)(1)(B) is amended to read as follows:

"(B) a percentage fee not to exceed—

"(i) in the case of a debtor who is not a family farmer, ten percent; or

"(ii) in the case of a debtor who is a family farmer, the sum of—

"(A) not to exceed ten percent of the payments made under the plan of such debtor, with respect to payments in an aggregate amount not to exceed $450,000; and

"(B) three percent of payments made under the plan of such debtor, with respect to payments made after the aggregate amount of payments made under the plan exceeds $450,000;

based on such maximum annual compensation and the actual, necessary expenses incurred by such individual as standing trustee."

(b) AMENDMENT TO TITLE 28 OF THE UNITED STATES CODE.—Section 586(e)(1)(B) of title 28, United States Code, is amended to read as follows:

"(B) a percentage fee not to exceed—

"(i) in the case of a debtor who is not a family farmer, ten percent; or

"(ii) in the case of a debtor who is a family farmer, the sum of—

"(A) not to exceed ten percent of the payments made under the plan of such debtor, with respect to payments in an aggregate amount not to exceed $450,000; and

"(B) three percent of payments made under the plan of such debtor, with respect to payments made after the aggregate amount of payments made under the plan exceeds $450,000;

based on such maximum annual compensation and the actual, necessary expenses incurred by such individual as standing trustee."

SEC. 6. CONVERSION.

(a) AMENDMENT TO CHAPTER 11.—Section 1112(c) of title 11, United States Code, is amended by inserting ", family farmer," after "farmer".

(b) AMENDMENT TO CHAPTER 13.—Section 1307(e) of title 11, United States Code, is amended by inserting "or family farmer" after "farmer".

SEC. 7. CONTENTS OF PLAN.

(a) CONTENTS OF PLAN.—Section 1322(b)(2) of title 11, United States Code, is amended by striking out "debtor's principal residence" and inserting in lieu thereof "principal residence of a debtor who is not a family farmer whose principal residence is located on real property used by such family farmer in connection with a farming operation or is located within a reasonable proximity to the farming operation of such family farmer".

(b) PERIOD FOR PAYMENTS UNDER PLAN. — Section 1322(c) of title 11, United States Code, is amended by inserting before the period at the end thereof the following: "in the case of a debtor who is not a family farmer, or longer than ten years in the case of a debtor who is a family farmer".

SEC. 8. PAYMENTS.

Section 1326(a)(1) of title 11, United States Code, is amended by adding at the end thereof the following: "If the debtor is a family farmer who requests, not later than 15 days after the order for relief, that the court hold a hearing to determine whether to order a different time for the commencement of payments proposed by the plan, then the court shall, not later than 30 days after the date of such request, hold a hearing and determine from the facts and circumstances of the debtor and the case a reasonable time after the plan is filed within which the debtor shall commence making the payments proposed by the plan.".

SEC. 9. TECHNICAL AMENDMENTS.

(a) The table of chapters for title 11 of the United States Code is amended in the item relating to chapter 13 by inserting "OR A FAMILY FARMER" after "INDIVIDUAL".

(b) The heading for chapter 13 of title 11 of the United States Code is amended by inserting "OR A FAMILY FARMER" after "INDIVIDUAL".

SEC. 10. APPLICABILITY OF AMENDMENTS.

The amendments made by this Act shall not apply with respect to cases commenced under title 11 of the United States Code before the date of the enactment of this Act.●

By Mr. DANFORTH (for himself, Mrs. KASSEBAUM, Mr. HOLLINGS, and Mr. EXON) (by request):

S. 1343. A bill to improve safety and security for people who travel in international aviation; to the Committee on Commerce, Science, and Transportation.

ANTI-HIJACKING ACT

Mr. DANFORTH. Mr. President, I am today introducing a bill entitled the "Anti-Hijacking Act of 1985." I do so, together with Senators KASSEBAUM, HOLLINGS, and EXON, at the request of the administration. The purpose of the bill is to improve the safety and security of U.S. citizens who travel abroad by air.

Over the past several days a number of bills and resolutions have been introduced in the Senate which are intended to prevent the recurrence of tragic hijacking like that of TWA flight 847. Their common denominator is concern for the safety of our citizens in international air transportation, a concern which I could not share more deeply.

Because a large number of bills on this subject are now pending, bills which are properly within the jurisdiction of the Commerce Committee, Senator KASSEBAUM, chairman of the Aviation Subcommittee, has announced a hearing on all such proposals for the morning of Thursday, June 27. I applaud her for her expeditious scheduling of this hearing. I am confident that such a forum will prove to be the best method of weighing the merits of these proposals. I look forward to a thorough airing of the issues.

Mr. President, I ask, unanimous consent that a copy of the bill, along with a section-by-section analysis be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 1343

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Anti-Hijacking Act of 1985".

SEC. 2. (a) The Secretary of Transportation, in coordination with the Secretary of State, shall study the need for an expanded airmarshal program on international flights of United States air carriers and report the results of the study to the Congress. If the Secretary of Transportation and the Secretary of State find that such an expanded airmarshal program is necessary, then there is authorized to be appropriated such sums as may be necessary to carry out the program. Such sums shall be derived from the Airport and Airway Trust Fund.

(b) The Secretary of Transportation, with the approval of the Attorney General and the Secretary of State, may authorize persons, in connection with the performance of

their air transportation security duties, to carry firearms and to make arrests without warrant for any offense against the United States committed in their presence, or for any felony cognizable under the laws of the United States, if they have reasonable grounds to believe that the person to be arrested has committed or is committing a felony.

SEC. 3. Section 1115 of the Federal Aviation Act of 1958, as amended (49 U.S.C. 1515), is amended as follows:

(1) In subsection (b) by striking "hold a foreign air carrier permit or permits issued pursuant to section 402 of this Act" and inserting in lieu thereof "hold authority under Title IV of this Act",

(2) In subsection (b) by striking "minimum standards" wherever the phrase appears and inserting in lieu thereof "standards and recommendations", and

(3) By adding at the end the following new subsections:

"(c) Notwithstanding the provisions of subsection (b) of this section and sections 1102 and 1114 of this Act, whenever the Secretary of Transportation determines that a condition exists that threatens the safety or security of passengers, aircraft or crew traveling to or from a foreign airport, and that the public interest requires an immediate suspension of services between the United States and the identified airport, the Secretary of Transportation shall, without notice or hearing and with the approval of the Secretary of State, suspend the right of any air carrier or foreign air carrier to engage in foreign air transportation to or from that foreign airport and the right of any persons to operate aircraft in foreign air commerce to or from the foreign airport.

"(d) The provisions of this section shall be deemed to be a condition to any authority under Title IV or Title VI of this Act to any air carrier or any foreign air carrier, issued under authority vested in the Secretary of Transportation."

SECTION-BY-SECTION ANALYSIS

The purpose of this bill is to take decisive action to improve safety and security for people who travel through foreign airports.

SEC. 1. This section contains the short title of the bill.

SEC. 2. This section would do two things. First, it would require the Secretaries of Transportation and State to study whether an expanded airmarshal program for international flights of United States carriers would improve aviation security. The current program provides airmarshals for only a limited number of flights. If the Secretaries found that the program should be expanded, then the bill authorizes the appropriation of such sums as may be necessary to carry out the program. These funds would come solely from the user-fee financed Airport and Airway Trust Fund.

Second, the section would give airmarshals the authority to carry weapons and to make arrests. Currently airmarshals do not have this authority except when they are deputized as United States marshals.

SEC. 3. This section would amend current law to grant the Secretary of Transportation the clear authority to act immediately, without notice or hearing, to suspend all services between the United States and an inadequately secured airport where a condition exists that threatens the safety of those traveling through the airport.

These amendments would send a clear signal to countries that have inadequate security procedures in their airports that the United States is prepared to act quickly and decisively.

By Mr. BRADLEY:

S.J. Res. 150. Joint resolution to designate the month of March 1986, as "National Hemophilia Month;" to the Committee on the Judiciary.

NATIONAL HEMOPHILIA MONTH

● Mr. BRADLEY. Mr. President, today I am introducing a joint resolution to designate March 1986 as "National Hemophilia Month." I am introducing this resolution in order to educate the public about hemophilia, to highlight the medical advances in the field and to try to dispel the myths and misconceptions that surround the disease.

Mr. President, hemophilia is a hereditary disorder afflicting approximately 1,000 in 4,000 males. The disease, which is equally common among all races and socioeconomic groups, involves deficiency in a clotting factor in the victim's blood. As a result, bleeding due to cuts and bruises does not, as is normal, automatically stop.

The primary danger to those with the disease is not, as many suppose, external bleeding; rather, severe internal hemorrhaging presents the greatest threat to these individuals. Hemophiliacs depend for their very lives on infusion treatments derived from human plasma. Hemorrhaging episodes usually entail frantic trips to the hospital to receive these expensive infusions.

While plasma treatments are the hemophiliac's lifeline, these treatments can also carry diseases such as hepatitis and, recently, acquired immune deficiency syndrome [AIDS], thus fostering the myth that day-to-day contact with hemophiliacs can lead to AIDS. This is not true, and I hope that placing greater attention on hemophilia will help to correct this misconception. Even the victims themselves, Mr. President, are not free from these misconceptions. There have been numerous cases reported of hemophiliacs foregoing treatment out of fear of AIDS. This is extremely dangerous; the risk involved in withholding treatment is several times greater than the risk of contacting AIDS.

This is clearly a serious disease, Mr. President, but there is hope. We should be cognizant of the tremendous progress researchers have made in the last two decades. Donald Goldman, who heads the National Hemophilia Foundation, and who is a hemophiliac from West Orange, NJ, said recently:

I feel I've been travelling across an ocean during my lifetime, and I'm now able to see land in the distance.

This is no exaggeration. Twenty years ago patients needed whole blood transfusions just to stay alive; even then they had to avoid all potential dangers. In the 1970's, plasma treatments were developed, allowing more widespread treatment for hemophiliacs. Today, scientists are working to perfect a process developed last year that enables cloning of the clotting factor. This advance promises to eliminate the risk of contracting diseases through transfusions. Another advancement is a pilot program just recently developed in which hemophiliacs administer injections themselves, without hospitalization. The effectiveness of this program indicates that annual medical costs for treating hemophilia could be significantly reduced nationwide.

Mr. President, both to further public awareness and knowledge of hemophilia, and to recognize the outstanding work being done by our scientists on behalf of its victims, I urge support for this joint resolution.●

ADDITIONAL COSPONSORS

S. 15

At the request of Mr. MOYNIHAN, the name of the Senator from Vermont [Mr. LEAHY] was added as a cosponsor of S. 15, a bill to authorize the Secretary of Health and Human Services to make grants to States for the purpose of increasing the ability of States to provide drug abuse prevention, education, treatment and rehabilitation, and for other purposes, to authorize the Attorney General to make grants to States for the purpose of increasing the level of State and local enforcement of State laws relating to production, illegal possession, and transfer of controlled substances.

S. 777

At the request of Mr. HEINZ, the names of the Senator from New Mexico [Mr. BINGAMAN] and the Senator from Tennessee [Mr. GORE] were added as cosponsors of S. 777, a bill to amend the Tax Equity and Fiscal Responsibility Act of 1982 to extend hospice benefits under the Medicare Program for an additional 3 years.

S. 837

At the request of Mr. HEINZ, the name of the Senator from North Dakota [Mr. ANDREWS] was added as a cosponsor of S. 837, a bill to amend the Social Security Act to protect beneficiaries under the health care programs of that act from unfit health care practitioners, and otherwise to improve the antifraud provisions of that act.

S. 1084

At the request of Mr. GOLDWATER, the names of the Senator from Utah [Mr. HATCH] and the Senator from Maryland [Mr. MATHIAS] were added as cosponsors of S. 1084, a bill to authorize appropriations of funds for activities of the Corporation for Public Broadcasting, and for other purposes.

S. 1326

At the request of Mr. CHAFEE, his name was added as a cosponsor of S. 1326, a bill to provide air passenger security for certain air carrier flights.

S. 1330

At the request of Mr. MURKOWSKI, the name of the Senator from Alaska [Mr. STEVENS] was added as a cosponsor of S. 1330, a bill to amend section 504 of the Alaska National Interest Lands Conservation Act to allow expanded mineral exploration of the Admiralty Island National Monument in Alaska.

SENATE JOINT RESOLUTION 73

At the request of Mr. GRASSLEY, the name of the Senator from Rhode Island [Mr. CHAFEE] was added as a cosponsor of Senate Joint Resolution 73, a joint resolution to designate the week of September 15, 1985, through September 21, 1985, as "National Independent Free Papers Week."

SENATE JOINT RESOLUTION 86

At the request of Mr. WILSON, the name of the Senator from Tennessee [Mr. GORE] was added as a cosponsor of Senate Joint Resolution 86, a joint resolution to designate the week of July 25, 1985, through July 31, 1985, as "National Disability in Entertainment Week."

SENATE RESOLUTION 174

At the request of Mr. GORE, the name of the Senator from California [Mr. CRANSTON] was added as a cosponsor of Senate Resolution 174, a resolution expressing the sense of the Senate with respect to the proposed closing and downgrading of certain offices of the Social Security Administration.

SENATE CONCURRENT RESOLUTION 53—COMMENDING THE EFFORTS OF UNITED SUPPORT OF ARTISTS FOR AFRICA

Mr. MOYNIHAN submitted the following concurrent resolution; which was referred to the Committee on the Judiciary.

S. CON. RES. 53

Expressing the sense of the Congress that the United Support of Artists for Africa be commended for its efforts to aid the victims of the spreading African famine.

Whereas the spreading famine in Africa is a disaster which defies ordinary relief efforts, despite the generosity of governments world-wide;

Whereas on January 28, 1985, a variety of leading recording artists joined to donate their talents to record a compassionate song entitled "We Are the World";

Whereas the profits from the sale of the record will be turned over to the United Support of Artists for Africa, a nonprofit foundation that will distribute these funds to established famine relief agencies;

Whereas the sales of the record containing the song "We Are the World" have exceeded the most optimistic hopes of its many producers, and it is conservatively estimated that the efforts of the United Support of Artists for Africa will raise $50,000,000 for famine relief; and

Whereas it is incumbent upon each of us, as Americans and as human beings, to help provide relief for the victims of the African famine: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That United Support of Artists for Africa should be commended not only for the initiative and generosity of its organizers and participants in aiding the victims of the African famine, but also for its demonstration that people can individually and collectively make a difference in relieving the plight of those victims and that all of us should try.

● Mr. MOYNIHAN. Mr. President, I rise today to submit a Senate Concurrent Resolution commending the "United Support of Artists for Africa" for its efforts to aid the victims of the spreading African famine.

On January 28, 1985, 45 recording artists from across the Nation, representing nearly every type of music, assembled to record the song, "We Are the World." "We Are the World" was written to raise funds for famine relief efforts in Africa, as well as for food and shelter for the growing numbers of homeless Americans.

Record sales have netted approximately $45 million to date, and on Monday, June 10, a 747 jet left New York's John F. Kennedy Airport with the first shipment of relief supplies purchased by the "United Support of Artists for Africa." A partial list of the supplies sent to Ethiopia, Sudan, Tanzania, and Kenya includes: 35,000 pounds of intravenous fluid replacement for cholera treatment; 1.1 million doses of chloroquine for prevention and treatment of malaria; 8.6 million doses of antibiotics; 1.1 million drug doses for tuberculosis treatment; 7.5 million doses of vitamins A, C, and Iron; 12,000 feeding tubes; 1,000 gallons of disinfectant; eight refrigerators for vaccines 640,000 square feet of plastic sheeting for temporary shelter in refugee camps; 1,000 10-person tents for feeding centers; 5,000 "metalized" blankets to eliminate the health hazards associated with fiber blankets; 15,000 T-shirts; 100,000 identification bracelets for new refugees in Sudan; and 182,000 packages of high-energy biscuits.

A 14-member "United Support of Artists for Africa" delegation accompanied the supplies to oversee its distribution.

All the members of this fine group are to be commended. May I mention in particular Ken Kraven, the president of the organization, and Marty Rogal, the executive director. Quincy Jones directed the celebrity chorus, which included several native New Yorkers: Diana Ross, Darryl Hall, John Oates, Cyndi Lauper, Paul Simon, and Billy Joel.

On March 26, 1985, Representative JOHN BRYANT submitted this concurrent resolution in the House of Representatives. I am pleased to submit the companion measure in the Senate. The activities of the "United Support of Artists for Africa" have increased the public-awareness and interest in the devastating famine that grips Africa, and spawned many other charitable activities by Americans, especially our youth.

"We are the world. We are the children. We are the ones who make a brighter day. So let's start giving."

I urge my colleagues to support this resolution.●

AMENDMENTS SUBMITTED

STATUE OF LIBERTY COMMEMORATIVE COIN ACT

McCLURE (AND OTHERS) AMENDMENT NO. 418

Mr. McCLURE (for himself, Mr. MURKOWSKI, and Mr. HECHT) proposed an amendment to the bill (H.R. 47) to provide for the minting of coins in commemoration of the centennial of the Statue of Liberty; as follows:

Strike out all after the enacting clause and insert in lieu thereof the following:

TITLE I—STATUE OF LIBERTY-ELLIS ISLAND COMMEMORATIVE COINS

SHORT TITLE

SEC. 101. This Act may be cited as the "Statue of Liberty-Ellis Island Commemorative Coin Act".

COIN SPECIFICATIONS

SEC. 102. (a)(1) The Secretary of the Treasury (hereafter in this title referred to as the "Secretary") shall issue not more than 500,000 five dollar coins which shall weigh 8.359 grams, have a diameter of 0.850 inches, and shall contain 90 percent gold and 10 percent alloy.

(2) The design of such five dollar coins shall be emblematic of the centennial of the Statue of Liberty. On each five dollar coin there shall be a designation of the value of the coin, an inscription of the year "1986", and inscriptions of the words "Liberty", "In God We Trust", "United States of America," and "E Pluribus Unum",

(b)(1) The Secretary shall issue not more than ten million one dollar coins which shall weigh 26.73 grams, have a diameter of 1.500 inches, and shall contain 90 percent silver and 10 percent copper.

(2) The design of such dollar coins shall be emblematic of the use of Ellis Island as a gateway for immigrants to America. On each such dollar coin there shall be a designation of the value of the coin, an inscription of the year "1986", and inscriptions of the words "Liberty", "In God We Trust", "United States of America", and "E Pluribus Unum".

(c)(1) The Secretary shall issue not more than twenty-five million half dollar coins which shall weigh 11.34 grams, have a diameter of 1.205 inches, and shall be minted to the specifications for half dollar coins contained in section 5112(b) of title 31, United States Code.

(2) The design of such half dollar coins shall be emblematic of the contributions of immigrants to America. On each such half dollar coin there shall be a designation of

the value of the coin, an inscription of the year "1986", and inscriptions of the words "Liberty", "In God We Trust", "United States of America", and "E Pluribus Unum".

(d) The coins issued under this title shall be legal tender as provided in section 5103 of title 31, United States Code.

SOURCES OF BULLION

SEC. 103. (a) The Secretary shall obtain silver for the coins minted under this title only from stockpiles established under the Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98 et seq.)

(b) The Secretary shall obtain gold for the coins minted under this title pursuant to the authority of the Secretary under existing law.

DESIGN OF THE COINS

SEC. 104. The design for each coin authorized by this title shall be selected by the Secretary after consultation with the Chairman of the Statue of Liberty-Ellis Island Foundation, Inc. and the Chairman of the Commission of Fine Arts.

SALE OF THE COINS

SEC. 105. (a) Notwithstanding any other provision of law, the coins issued under this title shall be sold by the Secretary at a price equal to the face value, plus the cost of designing and issuing such coins (including labor, materials, dies, use of machinery, and overhead expenses).

(b) The Secretary shall make bulk sales at a reasonable discount to reflect the lower costs of such sales.

(c) The Secretary shall accept prepaid orders for the coins prior to the issuance of such coins. Sales under this subsection shall be at a reasonable discount to reflect the benefit of prepayment.

(d) All sales shall include a surcharge of $35 per coin for the five dollar coins, $7 per coin for the one dollar coins, and $2 per coin for the half dollar coins.

ISSUANCE OF THE COINS

SEC. 106. (a) The gold coins authorized by this title shall be issued in uncirculated and proof qualities and shall be struck at no more than one facility of the United States Mint.

(b) The one dollar and half dollar coins authorized under this title may be issued in uncirculated and proof qualities, except that not more than one facility of the United States Mint may be used to strike any particular combination of denomination and quality.

(c) Notwithstanding any other provision of law, the Secretary may issue the coins minted under this title beginning October 1, 1985.

(d) No coins shall be minted under this title after December 31, 1986.

GENERAL WAIVER OF PROCUREMENT REGULATIONS

SEC. 107. No provision of law governing procurement or public contracts shall be applicable to the procurement of goods or services necessary for carrying out the provisions of this title. Nothing in this section shall relieve any person entering into a contract under the authority of this title from complying with any law relating to equal employment opportunity.

DISTRIBUTION OF SURCHARGES

SEC. 108. All surcharges which are received by the Secretary from the sale of coins issued under this title shall be promptly paid by the Secretary to the Statue of Liberty-Ellis Island Foundation, Inc. (hereinafter in this title referred to as the "Foundation"). Such amounts shall be used to restore and renovate the Statue of Liberty and the facilities used for immigration at Ellis Island and to establish an endowment in an amount deemed sufficient by the Foundation, in consultation with the Secretary of the Interior, to ensure the continued upkeep and maintenance of these monuments.

AUDITS

SEC. 109. The Comptroller General shall have the right to examine such books, records, documents, and other data of the Foundation as may be related to the expenditure of amounts paid, and the management and expenditures of the endowment established, under section 108.

COINAGE PROFIT FUND

SEC. 110. Notwithstanding any other provision of law—

(1) all amounts received from the sale of coins issued under this title shall be deposited in the coinage profit fund;

(2) the Secretary shall pay the amounts authorized under this title from the coinage profit fund; and

(3) the Secretary shall charge the coinage profit fund with all expenditures under this title.

FINANCIAL ASSURANCES

SEC. 111. (a) The Secretary shall take all actions necessary to ensure that the issuance of the coins authorized by this title shall result in no net cost to the United States Government.

(b) No coin shall be issued under this title unless the Secretary has received—

(1) full payment therefor;

(2) security satisfactory to the Secretary to indemnify the United States for full payments; or

(3) a guarantee of full payment satisfactory to the Secretary from a depository institution whose deposits are insured by the Federal Deposit Insurance Corporation, the Federal Savings and Loan Insurance Corporation, or the National Credit Union Administration Board.

TITLE II—LIBERTY COINS

SHORT TITLE

SEC. 201. This title may be cited as the "Liberty Coin Act".

MINTING OF SILVER COINS

SEC. 202. Section 5112 of title 31, United States Code, is amended by striking out subsection (e) and (f) and inserting in lieu thereof the following new subsection:

"(e) Notwithstanding any other provisions of law, the Secretary shall mint and issue, in quantities sufficient to meet public demand, coins which—

"(1) are 40.6 millimeters in diameter and weigh 31.103 grams;

"(2) contain .999 fine silver;

"(3) have a design—

"(A) symbolic of Liberty on the obverse side; and

"(B) of an eagle on the reverse side;

"(4) have inscriptions of the year of minting or issuance, and the words 'Liberty', 'In God We Trust', 'United States of America', '1 Oz. Fine Silver', 'E Pluribus Unum', and 'One Dollar'; and

"(5) have reeded edges.

"(f) The Secretary shall sell the coins minted under subsection (e) to the public at a price equal to the market value of the bullion at the time of sale, plus the cost of minting, marketing, and distributing such coins (including labor, materials, dies, use of machinery, and overhead expenses).

"(g) For purposes of section 5132(a)(1) of this title, all coins minted under subsection (e) of this section shall be considered to be numismatic items.".

(h) The coins issued under this title shall be legal tender as provided in section 5103 of title 31, United States Code.

PURCHASE OF SILVER

SEC. 203. Section 5116(b) of title 31, United States Code, is amended—

(1) in the first sentence of paragraph (1), by striking out "The Secretary shall" and inserting in lieu thereof "The Secretary may";

(2) by striking out the second sentence of paragraph (1); and

(3) by inserting after the first sentence of paragraph (2) the following new sentence: "The Secretary shall obtain the silver for the coins authorized under section 5112(e) of this title by purchase from stockpiles established under the Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98 et seq.).".

CONFORMING AMENDMENT

SEC. 204. The third sentence of section 5132(a)(1) of title 31, United States Code, is amended by inserting "minted under section 5112(a) of this title" after "proof coins".

EFFECTIVE DATE

SEC. 205. This title shall take effect on October 1, 1985, except that no coins may be issued or sold under subsection (e) of section 5112 of title 31, United States Code, before September 1, 1986, or before the date on which all coins minted under title I of this Act have been sold, whichever is earlier.

Amend the title so as to read "An Act to authorize the minting of coins in commemoration of the centennial of the Statue of Liberty and to authorize the issuance of Liberty Coins.".

NOTICES OF HEARINGS

COMMITTEE ON SMALL BUSINESS

Mr. WEICKER. Mr. President, I would like to announce that the Senate Small Business Committee has rescheduled a hearing for July 3, 1985, in Boston, MA, on the impact of tax reform proposals on small business. This hearing had been previously scheduled for June 3, 1985. The hearing will be held at the John F. Kennedy Federal Office Building and will begin at 9:30 a.m. For further information, please call Stewart Hudson of the committee staff, at 224-5175 or Jim Brenner of Senator KERRY's staff at 224-2742.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON THE JUDICIARY

Mr. HATFIELD. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to meet during the session of the Senate on Friday, June 21, 1985, in order to receive testimony concerning S. 397, Foreign Trade Antitrust Improvement Act.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON ENERGY AND AGRICULTURE TAXATION

Mr. HATFIELD. Mr. President, I ask unanimous consent that the Subcommittee on Energy and Agriculture Taxation, of the Committee on Finance be authorized to meet during the session of the Senate on Friday, June 21, in order to conduct a hearing on the oversite, regarding the impact changes the Tax Code will have on energy policy.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

FLY THE FLAG FOR THE HOSTAGES

● Mr. CHILES. Mr. President, we in Congress and the people of this Nation are deeply distressed and frustrated over the plight of the hostages in Lebanon, for their safety specifically and for this further evidence that the United States is a target of terrorists throughout the world.

What we can do to gain the release of these men without contributing to the overall problem for the future eludes us. What we can do to provide greater protection and try to avoid such tragedies is difficult, but we are trying.

In the meantime, as a nation we must maintain our spirit. We must be determined; we must be as one in our efforts; we must be persistent in pursuing freedom and safety for Americans wherever they may be.

I have just learned of an effort to emphasize this focus. The Pensacola (FL) News Journal has announced its intention to fly the American flag over its offices and on its front page every day until the hostages come home.

The News Journal said in a front page editorial:

> And we encourage you to do likewise in a show of unity, concern and support for the innocent American travelers caught in a web of horror not of their choosing.
>
> The patriotic gesture shows that we—living in a free nation—are unified, standing strong, ready to act rationally and humanely in behalf of fellow citizens victimized by a new breed of madmen.

I commend the initiative of the News Journal and readily join in urging people in Pensacola, in Florida, and throughout the country to use this means to bind us together in spirit, intention, and effort.●

THE EQUAL RIGHTS AMENDMENT

● Mr. CHAFEE. Mr. President, today—the 21st of June—marks an important date in the history of this Nation's Constitution. It was on this day in 1788 that the Constitution officially took effect, when New Hampshire became the ninth State to ratify.

On this occasion, I rise to reiterate my strong support for the proposed equal rights amendment, introduced in the Senate as Senate Joint Resolution 10. I have been a consistent supporter of ERA throughout my term in the Senate.

The first proposed equal rights amendment was introduced in Congress in 1923. Now, more than 60 years later, we are still working to embody the essential principle of equal rights between the sexes in our Nation's fundamental legal document: the Constitution.

Mr. President, I think we all agree that the Constitution is a remarkable work, and is not to be altered except in clear and compelling cases. The equal rights amendment is just such a case.

Recent experience has made it abundantly clear that State action is not enough: Discrimination based on gender continues in education, in employment, and in the issuance of credit and insurance. And until they are made part of the Constitution, the legislative gains of recent years can be rescinded, eroded, or simply not enforced.

Current laws to prevent sex discrimination are not doing the job: They are not comprehensive, can be weakened or repealed, and are filled with loopholes. A recent study by the U.S. Commission on Civil Rights found that both Federal and State laws contain examples of discrimination based on sex, citing more than 800 instances in the United States Code alone. The study concluded that despite the enactment of equal opportunity laws, women continue at a disadvantage due to gender-based laws and practices. In fact, study after study has asserted that existing constitutional guarantees do not provide for full rights for American women, and that the need for the equal rights amendment is greater today than it was in 1972 when Congress first passed the amendment.

Women who work outside the home need the ERA for better pay and more opportunities. U.S. Department of Labor statistics show that even when occupation, age, education, and time worked are taken into account, women still make less than 60 cents for each dollar earned by men. Women with college degrees are paid less than men who did not even complete high school, and minority women are paid less than half of what men make. Full-time homemakers need the ERA for full economic security through elimination of sex discrimination in Social Security, pension plans, property rights, and credit.

The suggestion that an issue as basic as equality of rights under the law is a State or local matter reflects a misunderstanding of the principles on which this country is founded. Like the abolition of slavery or the institution of women's suffrage, the persistence of gender-based discrimination is a matter which we cannot, ultimately, leave to the States.

Mr. President, it is time for us to reaffirm our commitment to the essential principle of equality under the law. The prohibition of gender-based discrimination deserves a place in the Constitution, the one document which, more than any other, defines civil rights.

In 1987, we will celebrate the Constitution's 200th year. I can think of no better way to mark that approaching anniversary than to approve and ratify the equal rights amendment, thus setting a national standard in human and civil rights.●

CONTRIBUTIONS OF ASIAN-AMERICANS

● Mr. SIMON. Mr. President, Marguerite Michaels wrote a story of inspiration that appeared in a recent Parade magazine.

It is a story of the Asian-Americans and the contribution they are making to our country.

It shows what dedicated, hard work can do.

It also shows the opportunities that we have in this good land of ours.

I regret to say that a part of the story that was not mentioned prominently is also there—the prejudice that some of our fellow citizens of Asian background face.

Rather than deride these people—they are Americans—we should welcome and applaud.

I am inserting this inspirational story into the RECORD at this time for my colleagues who may not have seen it.

The article follows:

CONTRIBUTIONS OF ASIAN-AMERICANS

Which was the fastest-growing minority in American in the last decade?

Which ethnic group has the largest percentage of high school graduates?

Which group of immigrants has taken only one generation to top the national median family income?

The answers to all of the above is the same: Asian-Americans. Making up this group are 4.1 million people, the majority of whom are Chinese, Japanese, Koreans, Filipinos and Asian Indians. Most have come here since the mid-'60s. And while they constitute only 1.8 percent of our population, they promise to have an influence on this country far out of proportion to their numbers.

It is not the kind of influence of a Seiji Ozawa, the conductor of the Boston Symphony Orchestra, or architect I.M. Pei, or computer wizard Dr. An Wang—singular achievers the like of which all nationalities can claim. But, rather, it is a growing grassroots impact of an unusual group of immigrants on this country's very definition of itself.

For this generation of Asians, the traditional American dream of political freedom and economic opportunity that brought them to this country has come true. But for their children the dream includes a qual-

ity—and equality—of living that they perceive in their American friends' lives but not in their parents'. For the children, the American dream has not yet come true.

It is a question of different values: family responsibility vs. individual freedom; personal sacrifice vs. the pursuit of happiness' spirituality vs. materialism; what Asian-Americans perceive as Asian vs. American.

The cultural tug-of-war between the Asian-born parents and their American-born children offers a rare and fascinating glimpse into the traditional melting pot that remains a constant source of revitalization for this country.

Some measures of the immigrant parents' success:

According to the 1980 census, the median income for white families was $20,835; for Asian-Americans, $22,713.

Among Asian-American families, 8.5 percent earned $50,000 or more, vs. 6.2 percent among white families.

Asian-Americans (both sexes) had lower unemployment rates than whites.

Asian-Americans also are better educated. Among those 25 or older, 32.5 percent completed at least four years of college; the comparable figure for white Americans is 17.2 percent. And 75 percent of Asian-Americans are high school graduates, compared with 69 percent of whites.

To appreciate the astounding success of Asian immigrants in this country is to remember that as recently as World War II, thousands of Japanese-Americans were interned in prison camps in California. Chinese-Americans lived huddled among themselves as protection against intense discrimination.

In 1965, in the midst of America's new political and social spirit of civil rights, an immigration law was passed banning the racial quotas that had kept Asians out of the U.S. since the late 19th century. Today, nearly 20,000 Asians arrive here every month. In the next two decades, the number will rise 90.7 percent—almost double the rate of Hispanic immigrants.

The new Asian immigrants still often live together in enclaves on the east and west coasts. Language problems have limited some of them to long hours in underpaid restaurant and garment industry sweatshops. But, increasingly, they have begun to move out of their self-imposed segregation and into the mainstream of American life.

Parade found one such community of Korean-Americans, in Kansas City. Originally attracted by the universities in the area or transferred to nearby military bases with their GI husbands, the Korean students and military wives have imported hundreds of family members—either from Korea or one of the Asian enclaves on the U.S. coasts. Now numbering about 3500, the Koreans consider Kansas City a "nice" and "conservative" community in which to work and raise their children.

David Kim, 60, drove around the U.S. for two months looking for the right place to bring his family. "I love this country since I was young," says Kim. He studied English by flashlight under a blanket during the Japanese occupation of Korea. When his children started "running up the street to protest" what they considered a repressive Korean government in the mid-'60s, he brought his family here. He and his wife, Agnes, run a popular hot dog stand in downtown Kansas City and provide occasional evenings of Korean dance and music to small gatherings around town—"because it is important to understand each other."

For most Korean immigrants, the dream is not political, but economic. In some cases, the job matters. Dr. Tae Lee came to the U.S. to specialize in the treatment of kidney disease. Dr. Young Pai came to chair the social philosophy division of the Education Department on the campus of the University of Missouri at Kansas City. Yong Kim graduated from high school in Seoul and came to study business administration in 1962. After a year in someone else's international trading company, he began his own.

But for the most part, the job doesn't matter. The Koreans have come to make money, and they adapt to whatever they find. "I didn't know what a hot dog was," laughs David Kim. "Now mine are famous. I just do best." Peter Chun—whose 6-year-old daughter, Jennifer, is pictured on the cover—came to study theology and ended up with his own tofu and bean sprout business. Pan Jo Jeong had a good poultry job, but it involved too much time away from his family. He figured there were an awful lot of cars in America, so he got a job in a body shop for four years and then did what Asians do with astonishing consistency—he opened his own place.

If the job is unimportant, the family is paramount.

Woon Ho and his wife, Jinsoo Park, came to the U.S. in 1974 to educate their three boys, Jinsoo, a trained soprano who taught high school in Korea, and Woon, who majored in law, left "a pretty good life" to make a better one for their children. Woon worked a shift and a half in a plastic factory, and Jinsoo worked long hours in a restaurant to earn college money. Ten years later, their eldest son is an industrial engineer for the U.S. Postal Service, their middle son is in medical school and their youngest is in high school "thinking about medicine," Woon works only one shift now, but they own the restaurant where Jinsoo still works 14-hour days.

Kansas City is full of Koreans like the Parks. Trained pharmacists running newsstands to put the kids through school. Journalists working on the General Motors assembly line. College professors in steel companies. Concert musicians teaching piano. The first wave of Asians to enter the United States after the 1965 immigration law were mostly college-trained professionals. Many have been unable to transfer their talents to the American marketplace.

"It can be frustrating," says Chiang Kim, a GM lineman. "But you have to survive. Family is first. It is my hobby, my major, my everything. I will do anything for family, even if I am unhappy."

Korean-American parents are quite blunt, however, about what they expect in return. "We give and give for our children, "says one father, "and we have high expectations for our sacrifice. The children sense this and respond to it."

Example of their response have not been hard to find.

Seven of the 40 finalists for the 1985 Westinghouse Science Talent Search were Asian. At Juilliard. New York's noted school of the arts. 10 percent of the enrollment is Asian. At major graduate schools of business, such as Harvard and Stanford, there has been a disproportionate representation of Asians for almost a decade. At Stuyvesant High School in New York—one of the most selective in the country, where nearly 10,000 applicants competed last year for 750 seats in the freshman class—about 31 percent of the students are Asian, although Asians represent less than 2 percent of the population.

But many Asian children have run into problems created by the values of the land of their birth. As a result, many of the parents are finding it difficult to watch their kids grow up American.

For the parents, "growing up American" too often means "lack of respect for others," "selfishness" and "no spiritual, inner quality." For the children, it means "personal freedom," "fun" and an end to the "confining, restricting social customs" of Asia.

Jane Kim, 14, is the only Asian student in her suburban Kansas City high school. "I wish I could do everything my friends do. I won't start dating until I'm 16. Some of my friends are already driving. My sister and I have to ask our parents before we do anything. My friends just tell their parents and go. We can't go to dance places. We can't wear short skirts. Our brother started college this fall. He's glad to be out of the house."

The children, however, actually have come some way toward convincing their parents that all American social customs—or lack of them—are not bad. Not too long ago, a group of parents in Kansas City met to discuss their "discipline problems" with their American-born children. Essentially what was happening was breaddown in the Confucian code of filial piety. The kids were giving their parents a hard time about things like practicing the piano, cleaning the kitchen—chores that would have been done immediately and unquestioningly in a home in Korea. "At the end of the meeting," says businessman Peter Chun, "we realized we were the problem. We are forcing our children according to the way we grew up."

In trying to mix both cultures—to please their Korean parents and fit in with their American friends—the children end up in a sort of isolation.

"It's like we live two different lives," says 14-year-old Jane Kim.

Martha Souza, a Spanish teacher in Shawnee Mission, Kan.—one of the most prestigious school districts in the U.S.—finds herself urging her Asian students to participate in more school social events. "The kids really appreciate education. But they are overly serious and often loners."

About half of the Korean-American population is under 19. For this generation, the questions of success and adjustment remain unanswered.

"Asians are now a 'model minority,'" says Eleanor Wong Telemaque, New York field representative for the Civil Rights Commission and a first-generation Chinese-American. "'Wow!' we say, 'The parents work night and day, and the kids are going to Stuyvesant High. The crème de la crème.' These Asian kids are first in American schools, but we don't know how well they'll do in the American marketplace, where Asians are still unconnected to things like the old-boy network."

But even Eleanor Telemaque will admit that things are better for Asians in America today than when she grew up in Minnesota in the '40s. Discrimination in the professions is down, marriage with non-Asians is up. Asian workers are organizing unions in Asian-run businesses and organizing within the two political parties. There are more and more Asian role models.

The Koreans in Kansas City mirror the larger Asian immigrant story. Their experience is not unlike that of millions of immigrants from other nations who came to this country before them. "The Golden Moun-

tain" is what the Asians call the United States. Despite the difficulty of the climb, most Asians are sure they will get to the top.●

JAPAN'S IMPORT BARRIERS

● Mr. BAUCUS. Mr. President, I read in this morning's Washington Post that the Japanese are not agreed on the need to open their markets. Apparently some Japanese officials believe that the United States will be satisfied by token concessions.

Let my words carry across the sea: Nothing could be further from the truth.

The Japanese have benefited greatly from the international trading system. It is time they ceased acting the part of a poor, weak island nation. Japan is a major economic power in the world. It must assume the responsibilities as well as the costs of such a position.

Japan can no longer practice export-only trade. Barring imports—whether through tariffs or bureaucratic barriers—while promoting exports is not an acceptable practice.

I, my constituents, and my colleagues agree that there is blame here as well. The overvalued dollar—a function of the basic mismatch of fiscal and monetary policy under this administration—hurts U.S. exports. But agreeing that part of the blame is ours does not absolve the Japanese from the responsibility to open their market.

The Japanese should not mistake the reasonableness and measured pace of U.S. congressional actions to be a sign that "it will all blow over." It will not.

If expressions of concern do not work, targeted, but firm, retaliation will come. If these steps fail, I fear for the future of the trading system and the alliance. If anger and frustration boil over, our relationship with a critical ally would be harmed.

No relationship is more important than that we have with Japan. But no relationship—however important—is healthy or lasting if one party sees itself consistently being taken advantage of.

The Japanese would be mistaken to assume no steps are necessary. They must act to open their market. Failure to do so would be costly for them and for us.●

CONGRESSIONAL CALL TO CONSCIENCE

● Mr. GRASSLEY. Mr. President, I rise today to participate in the 1985 Congressional Call to to Conscience. I thank my colleague RUDY BOSCHWITZ for sponsoring this program. Our work with Soviet Jews is more crucial now than ever in the wake of falling emigration figures. Less than 500 Jews were allowed to emigrate in the first 5 months of this year. This represents a significant and frightening decrease compared to earlier emigration figures—51,000 in 1979.

It is disheartening to those who live in freedom to hear the story I am about to tell. Even more upsetting is the fact that this is only one case in thousands. Countless refusniks are mistreated and held against their will in the U.S.S.R. because of their desire to practice Judaism.

Ina Kvartina is a computer programmer living in Moscow. She has a husband, David, and four young children. They have been denied permission to leave the U.S.S.R. three times, the latest refusal coming in September 1981. No reason was given for the refusals.

After their application was first filed in 1979, Ina was forced to leave her job. She and David now teach Hebrew to Soviet Jews wishing to emigrate to Israel. Employment in a classified occupation is an excuse commonly cited by Soviet officials in the detainment of Jews. Neither Ina nor David have ever held classified jobs, which makes their visa refusal particularly frustrating. They are being held for no apparent reason. They only wish to join their family and friends already living in the Jewish homeland—Israel.

Concerned citizens throughout the world keep a vigil for families like the Kvartina's who are hostages of the Soviet Union. I am proud that we Americans have the freedom to go where we want, and practice the religion of our choice in a free land. Let us not, however, forget the plight of the Soviet Jews.

I call today on the leaders of the Soviet Union to abide by the Helsinki accords which they signed in 1971. I call for the immediate release of those Jews wishing to emigrate.●

ROB JOHNSTON, 1985 MAINE JAYCEES OUTSTANDING YOUNG FARMER

● Mr. MITCHELL. Mr. President, although most Americans may not picture Maine as an agricultural State, it most certainly is one. Agriculture makes a major contribution to my State's economy and way of life.

Currently, its food production and processing industries generate more than $1 billion in annual economic activity and create roughly 50,000 jobs on Maine farms and in food processing plants.

One of the most important tools for me to keep as informed as I can about Maine agriculture, its achievements, its people, and its problems, is a weekly publication of the Maine Department of Agriculture, Food and Rural Resources, Maine-ly Agriculture.

In his "Commissioner's Comments" column of May 24, Maine Agriculture Commissioner Stewart Smith profiles Rob Johnston of Albion, the "1985 Maine Jaycees Outstanding Young Farmer." I join with the commissioner in congratulating Rob Johnston and I also wish him well in the National OYF competition.

Mr. President, I ask that this column be printed in the RECORD at this point.

The column follows:

MAINE'S "OUTSTANDING YOUNG FARMER"

(By Stewart N. Smith)

Each year, Jaycees throughout the country select farmers to represent their states in the annual "Outstanding Young Farmer" (OYF) award program sponsored by the national Jaycees' organization. The basic purpose of the OYF program is to honor young farmers who have made significant achievements, thus providing at the same time a good opportunity to increase public awareness of farm businesses.

State Jaycee leaders choose their representative from nominees submitted by local chapters. The winners from each state are sent to the national OYF Awards Congress in February, where four are selected as America's Outstanding Young Farmers of the Year.

I recently learned that the farmer who will be representing Maine at the next national OYF competition is Rob Johnston, owner of "Johnny's Selected Seeds" in Albion. While there are many young farmers who deserve recognition, I certainly agree that Rob is an excellent choice.

This energetic 34-year-old entrepreneur established his seed company in 1973. Since then it has grown steadily both in size and reputation. Johnny's Selected Seeds sells a wide range of commercial and home garden vegetable seeds, most of which are grown there on Rob's Albion farm. Though Maine has several other seed production companies, Johnny's is probably the best known. I suspect it is also the largest, with more than 20 year round employees and a nationwide mail order business.

The success of Johnny's Selected Seeds is an especially interesting example of the potential for innovative agricultural ventures in Maine. As is true of most agricultural success stories, it is also an impressive example of individual initiative and effort.

Rob faced a number of hurdles in getting his company started. For example, in contrast to the more common types of farm operations, there is no easily available wealth of information about how to operate a commercial seed production business. I imagine this meant Rob had to depend more on his own research and trial and error than many farmers.

Another problem Rob faced was financing. Most conventional lending institutions viewed his operation as a farm and said they weren't interested in financing farmers. On the other hand, most of the traditional agricultural lending agencies considered his operation to be a business instead of a farm. As a result, the company was painfully under-capitalized during its early years.

Rob overcame that hurdle, too, partly by investing more than the usual amount of "sweat equity" in his operation. He also put a great deal of thought and effort into the crucial marketing aspects of his operation, including how to position his company in the very competitive mail-order seed market.

From the beginning, a major emphasis was put on quality. Samples of all seeds are regularly tested in the company's own lab to

assure above standard germination rates. Crop variety field tests are conducted each season to assure that the varieties chosen for sale will grow well even under tough, northern growing conditions. Care is taken that orders are filled promptly and all of Johnny's products carry a 100 percent guarantee.

These are selling points that obviously appeal to any customer. In addition, Johnny's Selected Seeds has a special appeal to the growing number of farmers and gardeners who prefer organic methods.

Unlike many seed companies, Johnny's does not treat its seeds with fungicides or any other chemicals (with the exception of hybrid sweet corn). Indeed, the company's literature clearly states an orientation toward natural or organic methods, though it also emphasizes that "top quality, high germination, vigor, and trueness-to-type" are the firm's primary goals. At any rate, this support for organic methods is an added attraction to many customers. It has also made Johnny's Selected Seeds the largest seed company in the country with such a commitment—and such a unique selling angle.

Rob's interest in organic agriculture is also reflected by the fact that he is a member and past president of the Maine Organic Farmers and Gardeners Association (MOFGA). But he is among those enlightened farmers who doesn't let cultural philosophies prevent him from working with other, more traditional types of farmers to address common needs and goals. For example, besides his involvement in MOFGA, he is also an active member of the Farm Bureau, the Maine Vegetable and Small Fruit Growers Association, and the American Seed Trade Association.

I'd like to commend the Maine Jaycees for their choice of Rob as Maine's Outstanding Young Farmer of the year and for their continuing interest in supporting and promoting Maine agriculture. To Rob, I extend my hearty congratulations. I hope he has as much success in the National OYF competition as he has had in his seed business.●

AMUSEMENT PARK RIDES

● Mr. SIMON. Mr. President, yesterday, I inserted into the RECORD an editorial written by the Bloomington, IL, Pantagraph regarding the safety of amusement park rides. The statistics are frightening. In the last decade, there have been over 30 senseless deaths as a result of faulty equipment in amusement rides. Americans go on rides like the Corkscrew and the Superloop for the thrill and excitement that these rides provide. Terror should play no role in an amusement park.

I introduced a bill in March to encourage the 24 States that have no inspection program to promptly enact laws to ensure the safety of amusement park patrons. In the interim, the Consumer Product Safety Commission would be empowered to send in safety engineers to sites where serious accidents occurred to prevent future mistakes. Additionally, my plan would set up a clearinghouse for operators to report malfunctions and defects in equipment so that operators of the same ride in another State can be alerted to the problem.

There is another proposal to commission an 18-month study. This would be a tragic and unnecessary delay in the process of providing our citizens with safe and fun amusement park rides. The St. Louis Post Dispatch published the following editorial on May 3, 1985. I ask that it be inserted into the RECORD.

The editorial follows:

[From the St. Louis Post-Dispatch, May 3, 1985]

MAKING THE MIDWAY SAFE

As the vacation season nears, Congress is once again considering legislation giving the federal government power to inspect amusement park rides. Last summer, accidents at such parks resulted in the deaths of 12 people, including one woman who was killed when she was thrown from a roller coaster at Six Flags over Mid-America in Eureka.

Following that death, then-Rep. Simon, D-Ill., introduced a measure restoring to the federal Consumer Product Safety Commission the authority to investigate accidents and inspect rides, among other things. Though the House approved it, he was unable to get the Senate to pass corresponding legislation. This year, as a Senator now. Mr. Simon is again pressing forward in his campaign for amusement park safety.

The main competition to his bill comes from a measure sponsored by Sen. John C. Danforth. That bill, which is supported by the International Association of Amusement Parks and Attractions, would do no more than call for an 18-month study of whether, and if so, how, the federal government should involve itself in regulating amusement parks, a matter that Mr. Danforth would prefer to leave to the states.

But amusement parks across the country depend to a large extent on tourists traveling from out-of-state areas—tourists who would like to think that the roller coaster ride they get in New York will be no more dangerous than the one they might enjoy in Texas. Mr. Simon's bill supports them and, insofar as it bolsters consumer confidence in the amusement park industry, deserves the support of the industry as well as consumers. Mr. Danforth's bill does not.●

CONGRESSIONAL CALL TO CONSCIENCE

● Mr. ARMSTRONG. Mr. President, many of my colleagues and I have had the opportunity to participate in the Call to Conscience on behalf of Soviet Jews. My interest in bringing this to the attention of my colleague once again stems from my conviction that only from direct pressure and constant vigilance will Soviet Jews and other religious and ethnic groups ever attain the freedom they have sought for so long.

The desire for freedom manifests itself in many ways—from those wishing to emigrate to seek a better life as most of our ancestors did to those who simply wish to practice and teach about their faith.

To those who are unaware of the current situation for Jews in the Soviet Union, the name of Gregory Rozenshtein might appear to be just another one of thousands trapped within the Soviet system. However, each individual seeking freedom, including Dr. Rozenshtein, has a name, an identity, and a story of commitment that should be told.

Dr. Rozenshtein is a gifted scientist recognized both in the Soviet Union and abroad who in 1973 applied to emigrate to Israel with his family. However, he was refused permission because Soviet officials claim he "saw" a classified document which Dr. Rozenshtein does not remember at all.

Soviet officials frequently use such questionable charges when denying permission to emigration to Soviet Jewish activists like Dr. Rozenshtein and his wife, Natalia. And consequences are frequently severe.

The Rozenshteins and their two sons live with daily torment and danger. Throughout the years, they have been harrassed by the KGB and by their neighbors, have had their telephone disconnected, and mail intercepted. Dr. Rozenshtein has been interrogated, detained, and threatened with lengthy imprisonment. Slogans such as "Jews into coffins" and "The place for Jews is the cemetery" have appeared in front of their house.

In the United States, the Rozenshteins would simply be considered an orthodox family, trying to raise their children in a traditional, religious manner. Dr. Rozenshtein teaches the children history and customs, while Natalia gives them instructions in Hebrew. They often hold seminars on Jewish religion and culture in their home and celebrate Jewish holidays.

The wishes of the Rozenshtein family are like those of millions of Americans—simply to practice their faith in peace. This is best illustrated by concerns expressed in a letter from Natalia Rozenshtein:

> It is important to us, for our children, to be brought up in our homeland, studying the language, history, life and culture of our people . . . I appeal to all my colleagues, all those bringing up children, and those who understand suffering and pain.

Unfortunately, the Rozenshteins know that their dreams may never materialize. And their story is no different from thousands of other Jews and Christians who face a difficult and uncertain future in the Soviet Union.

We are undeniably lucky to have religious and political rights here in the United States. I urge my colleagues and all Americans to continue to work for these same rights for those suffering under Soviet tyranny.●

HOCKER DAM PROJECT

● Mr. BINGAMAN. Mr. President, while it is not my practice to call attention to the death of prominent New Mexicans, events of yesterday cause me to make an exception to that practice.

Mr. President, yesterday the Senate voted to require the Bureau of Reclamation to complete its study of the Hooker Dam project and make an initial site selection by the middle of August of this year. Yesterday, too, Mr. President, the man described in this morning's El Paso Times as the "backbone of Hooker Dam"—Hilton A. Dickson, Jr.—died in Silver City, NM.

Mr. Dickson enjoyed a distinguished career which included service as attorney general of New Mexico and the chairmanship of the Interstate Stream Commission. He practiced law in Grant County and also served as city attorney. He was a leader in the effort to make Hooker Dam a reality and worked ceaselessly to get the job done.

His leadership, diligence, ability, and good humor will be remembered by those who have benefited from association with him. I am proud that he considered me his friend.

Thank you, Mr. President, for the opportunity to acknowledge the contribution of Hilton Dickson to New Mexico and to this country.●

THE AIR PASSENGER SECURITY ACT OF 1985

● Mr. CHAFEE. Mr. President, the recent hijacking of TWA flight 847 from the Athens airport and the frustration all Americans feel at our seeming inability to deal effectively with random terrorists acts, demonstrates conclusively that it is time we took steps to improve security for airline passengers traveling throughout the world.

It is for this reason that I am joining as a cosponsor of the Air Passenger Security Act of 1985, introduced by my colleagues from New York, Senators MOYNIHAN and D'AMATO.

This bill not only provides for speedy implementation of a new program to place armed, unidentified sky marshals on U.S. carriers departing from international airports abroad, it sets the stage for heightened international cooperation aimed at preventing hijackings. More importantly, it provides for sanctions against countries which refuse to cooperate with the United States.

The hijacking of the TWA flight alone is sufficient cause for Congress to act to prevent—to the extent we can—such acts of terrorism in the future. But the case of TWA flight 847 is only the most dramatic of a growing series of hijacked airliners throughout the world in recent months.

In 1983, there were 34 hijacking incidents, 19 of them involving American carriers. In 1984, 28 hijackings took place, 7 of which were directed at U.S. carriers. Aircraft piracy is a growing concern which the United States and other nations must address now.

One of the major problems involves inadequate security in major airports in other parts of the world. The hijacking of TWA flight 847 happened largely because of grossly inadequate security at the Athens airport, where two Shiite gunmen were able to board the flight without detection. Sadly, the lack of security at the Athens airport has been known for some time; it has taken this tragedy—including the murder of one American—to focus international attention on the problem.

Earlier this week, President Reagan, at his press conference, announced a series of steps to reduce the risks of international air travel. One of those steps included consideration of an expanded Armed Sky Marshal Program.

The bill I am cosponsoring today would implement that suggestion.

The legislation provides for one armed, unidentified U.S. air marshal on scheduled or chartered American flights departing from international airports with inadequate security.

The new law would require the Administrator of the Federal Aviation Administration to compete a review within 90 days of security programs at foreign airports where American carriers enjoy landing and departure rights. Within 30 days of completion of the review, the FAA is required to publish a list of those foreign airports with effective security programs—and to update the list twice each year.

At those airports with ineffective programs, the FAA Administrator is given the authority under this legislation to deploy at least one U.S. air marshal to accompany U.S. carrier flights departing therefrom.

The key provision of this legislation is to give the President the authority to deny landing rights in the United States to carriers of any nation that refuses to permit American sky marshals on flights from listed unsafe airports within that country. Nations that refuse to cooperate would be considered in violation of the international Convention for the Suppression of Unlawful Seizure of Aircraft.

Recognizing that it may take time to hire and train additional personnel, this legislation gives the Administrator of the FAA the authority to use personnel from other agencies—including the FBI—as sky marshals on an interim basis. This would assure speedy implementation of the law.

Mr. President, we cannot now undo the hijacking of TWA flight 847. That particular act of wanton terrorism must run its course. But our frustration should not deter us from acting quickly to take those steps which are in our power to deter and prevent future terrorist acts of this kind.

It may be that there are other steps that can be taken to deal with terrorism, and they should be considered on an expedited basis as they are presented.

But for now, I think we can all agree that an effective program of armed sky marshals on American carriers abroad offers at least a first step toward the prevention of new hijackings.

I urge the Senate to approve this legislation. Those nations which refuse, for whatever reason, to take effective steps to assure proper security in their own airports should know that the United States intends to take steps to assure the safety of its citizens abroad.●

ILLITERACY

● Mr. SIMON. Mr. President, the illiteracy rate in the United States is a national disgrace. A recent editorial in the Quad City Times, a newspaper that covers the quad cities in Illinois and Iowa, makes this point well. I ask to have it printed in the RECORD.

The editorial follows:

AMERICANS ADRIFT

No matter how many times Sen. Paul Simon, dusts off the statistics on illiteracy in America and presents them, they lose none of their shock. A country in which one out of every five persons cannot read or write is asking for trouble.

"We rank 49th among the 158 nations that belong to the United Nations in literacy levels," said Simon. "We have 5 percent of the world's population, one-third of the world's economic power—and we are 49th in our literacy levels. We have 23 million Americans who can read a stop sign, but cannot address an envelope or fill out an employment form—cannot help their children with school work."

American democracy, which depends so heavily on informed citizens, is inundated with functional illiterates. And one generation too easily can pass this handicap onto the next because, as Simon puts it, the nation lacks a national commitment to solve the problem. The annual cost of illiteracy in regard to welfare programs and unemployment compensation has been put at $6 billion. Too, the nation reportedly spends $6.6 billion each year to keep 750,000 illiterates in jail.

A nation that provide such an expensive and extenisve system of education is losing tremendous amounts of wealth to illiteracy. Not just the costs of helping them through life. But the costs of their non-productive lives.

The country clearly is too complacent with a problem that stays too out of sight and out of mind. Those with the problem hide it. Others do little or nothing to correct it. Sen. Simon should have a lot more company trying to check this great national liability. The nation may be more at risk through education shortcomings than its alarming studies suggest.●

ORDERS FOR MONDAY, JUNE 24

ORDER FOR RECESS UNTIL MONDAY, JUNE 24

Mr. DOLE. I ask unanimous consent that when the Senate completes its business today, it stand in recess until 12 noon on Monday, June 24.

The PRESIDING OFFICER. Without objection, it is so ordered.

51-059 O-86-32 (Pt. 12)

ORDER FOR RECOGNITION OF SENATOR PROXMIRE

Mr. DOLE. I also ask unanimous consent that following the recognition of the two leaders under the standing order, there be a special order in favor of the Senator from Wisconsin [Mr. PROXMIRE] for not to exceed 15 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR PERIOD FOR TRANSACTION OF ROUTINE MORNING BUSINESS

Mr. DOLE. Following the Proxmire special order, I ask unanimous consent that there be a period for the transaction of routine morning business not to extend beyond 1 p.m., with statements limited therein to 5 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. DOLE. Mr. President, on Monday, following morning business, it will be the majority leader's intention to turn to any of the following bills: S. 49, the McClure/Volkmer gun bill. I understand there is still a good chance of some agreement on that. If such is the case, that will then be carried over under the agreement until Tuesday, July 9.

Another possibility for consideration on Monday would be H.R. 2475, imputed interest, which is of some importance. There is one or two problems with that. The chairman of the Finance Committee, Senator PACKWOOD, has indicated he would not want to bring it up if there were a number of amendments because he feels we might interfere with work on tax reform legislation.

We hope we can clear Senate Joint Resolution 77, Compact of Free Association, for action next week. There may also be other matters on the calendar which we can consider. It would be my hope that if we can complete action on these, work out some arrangement, we might conclude business of the Senate next Thursday evening, June 27.

RECESS UNTIL MONDAY, JUNE 24

Mr. DOLE. Mr. President, there being no further business to come before the Senate, I move that we stand in recess until 12 noon Monday, June 24.

The motion was agreed to, and at 11:44 a.m. the Senate recessed until Monday, June 24, 1985, at 12 noon.

CONFIRMATIONS

Executive nominations confirmed by the Senate June 21, 1985:

DEPARTMENT OF JUSTICE

Larry James Stubbs, of Georgia, to be U.S. Marshal for the southern district of Georgia for the term of 4 years.

IN THE AIR FORCE

The following-named officer for appointment to the grade of lieutenant general on the retired list pursuant to the provisions of title 10, United States Code, section 1370:

Lt. Gen. Max B. Brailiar, [redacted] FR, U.S. Air Force.

IN THE AIR FORCE

Air Force nominations beginning Maj. Robert L. Baldwin, and ending Maj. Troy F. Barnett, Jr., which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD on June 13, 1985.

Air Force nominations beginning Gordon P. Mangente, and ending Jonathan M. Uhl, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of June 13, 1985.

IN THE NAVY

The following-named officer for promotion to the grade indicated under the provisions of Article II, Section 2, Clause 2 of the Constituton of the United States of America:

To be captain

Cmdr. John O. Creighton, U.S. Navy, [redacted] /1310.

Navy nominations beginning Robert David Abel, and ending George K. Zane, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD on June 12, 1985.

HOUSE OF REPRESENTATIVES—*Friday, June 21, 1985*

The House met at 10 a.m. and was called to order by the Speaker pro tempore [Mr. WRIGHT].

DESIGNATION OF SPEAKER PRO TEMPORE

The SPEAKER pro tempore laid before the House the following communication from the Speaker:

WASHINGTON, DC,
June 20, 1985.

I hereby designate the Honorable JIM WRIGHT to act as Speaker pro tempore on Friday, June 21, 1985.

THOMAS P. O'NEILL, Jr.,
Speaker of the House of Representatives.

PRAYER

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

Gracious God, lead us in the paths of good will and righteousness. May we and all the people of our world see the centrality of justice and understand the benefits of peace. May our thoughts and words and deeds magnify Your glorious name as we seek to serve you by helping others. Amen.

THE JOURNAL

The SPEAKER pro tempore. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

Mr. PORTER. Mr. Speaker, pursuant to clause 1, rule I, I demand a vote on agreeing to the Chair's approval of the Journal.

The SPEAKER pro tempore. The question is on the Chair's approval of the Journal.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. PORTER. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 214, nays 124, answered "present" 7, not voting 88, as follows:

[Roll No. 182]

YEAS—214

Ackerman	Hall, Ralph	Pease
Akaka	Hamilton	Perkins
Alexander	Hansen	Petri
Anderson	Hatcher	Pickle
Andrews	Hawkins	Price
Archer	Hayes	Quillen
Aspin	Hefner	Rahall
Barnard	Heftel	Rangel
Bateman	Hertel	Ray
Bedell	Holt	Regula
Beilenson	Hopkins	Reid
Bennett	Horton	Richardson
Berman	Howard	Rinaldo
Bevill	Hoyer	Robinson
Boggs	Hubbard	Rodino
Boner (TN)	Huckaby	Roe
Bonker	Hughes	Rose
Borski	Hutto	Roukema
Brown (CA)	Hyde	Rowland (CT)
Broyhill	Jenkins	Rowland (GA)
Bruce	Johnson	Russo
Bryant	Jones (OK)	Sabo
Burton (CA)	Jones (TN)	Savage
Bustamante	Kanjorski	Schaefer
Byron	Kaptur	Schneider
Carper	Kastenmeier	Sharp
Chappell	Kennelly	Shelby
Coelho	Kildee	Sisisky
Coleman (TX)	Kolter	Skelton
Conyers	Kostmayer	Slattery
Cooper	LaFalce	Slaughter
Coyne	Lantos	Smith (FL)
Crockett	Leath (TX)	Smith (NE)
Daniel	Lehman (FL)	Smith, Robert
Darden	Leland	Solarz
Davis	Levin (MI)	Spence
de la Garza	Levine (CA)	Spratt
DeLay	Long	St Germain
Dellums	Lowry (WA)	Staggers
Dicks	Lujan	Stallings
Donnelly	Lundine	Stokes
Dorgan (ND)	MacKay	Stratton
Dowdy	Manton	Studds
Downey	Martinez	Swift
Duncan	Matsui	Synar
Dwyer	Mavroules	Tallon
Dyson	McCloskey	Tauzin
Eckart (OH)	McCollum	Thomas (GA)
Edwards (CA)	McKinney	Torres
English	Meyers	Traficant
Erdreich	Mica	Traxler
Evans (IL)	Michel	Valentine
Fascell	Mikulski	Vento
Fazio	Miller (CA)	Visclosky
Feighan	Mineta	Volkmer
Fish	Mollohan	Walgren
Flippo	Montgomery	Weaver
Florio	Moody	Weiss
Foglietta	Morrison (CT)	Wheat
Ford (TN)	Mrazek	Whitley
Fowler	Murphy	Whitten
Frank	Murtha	Wilson
Franklin	Myers	Wirth
Frenzel	Natcher	Wolpe
Frost	Neal	Wortley
Fuqua	Nichols	Wright
Gejdenson	Nielson	Wyden
Glickman	Nowak	Wylie
Gonzalez	Oberstar	Yates
Gray (PA)	Obey	Yatron
Green	Ortiz	
Guarini	Owens	

NAYS—124

Badham	Burton (IN)	Coleman (MO)
Bartlett	Campbell	Combest
Bereuter	Carney	Conte
Bilirakis	Chandler	Courter
Bliley	Clay	Craig
Boehlert	Coats	Dannemeyer
Boulter	Cobey	Daub
Brown (CO)	Coble	Derrick
DeWine	Lewis (FL)	Rogers
Dickinson	Lightfoot	Roth
DioGuardi	Lloyd	Saxton
Dreier	Loeffler	Schroeder
Durbin	Lott	Schuette
Eckert (NY)	Lowery (CA)	Schulze
Edgar	Lungren	Sensenbrenner
Edwards (OK)	Mack	Shaw
Emerson	Madigan	Shumway
Evans (IA)	Markey	Shuster
Fawell	Martin (IL)	Sikorski
Fields	Martin (NY)	Skeen
Gallo	McCandless	Smith (NH)
Gekas	McEwen	Snowe
Gilman	McGrath	Solomon
Gingrich	McKernan	Stangeland
Goodling	McMillan	Stenholm
Gradison	Miller (OH)	Stump
Gregg	Miller (WA)	Sundquist
Grotberg	Mitchell	Swindall
Gunderson	Molinari	Tauke
Hammerschmidt	Monson	Taylor
Henry	Moorhead	Vander Jagt
Hillis	Morrison (WA)	Vucanovich
Ireland	Packard	Walker
Jacobs	Parris	Weber
Kindness	Pashayan	Whitehurst
Kolbe	Penny	Whittaker
Kramer	Porter	Wolf
Lagomarsino	Pursell	Young (AK)
Latta	Ridge	Young (FL)
Leach (IA)	Ritter	Zschau
Lent	Roberts	
Lewis (CA)	Roemer	

ANSWERED "PRESENT"—7

Bosco	Gibbons	Scheuer
Chappie	Gordon	
Dymally	Olin	

NOT VOTING—88

Addabbo	Early	Nelson
Annunzio	Fiedler	O'Brien
Anthony	Foley	Oakar
Applegate	Ford (MI)	Oxley
Armey	Garcia	Panetta
Atkins	Gaydos	Pepper
AuCoin	Gephardt	Rostenkowski
Barnes	Gray (IL)	Roybal
Barton	Hall (OH)	Rudd
Bates	Hartnett	Schumer
Bentley	Hendon	Seiberling
Biaggi	Hiler	Siljander
Boland	Hunter	Smith (IA)
Bonior (MI)	Jeffords	Smith (NJ)
Boucher	Jones (NC)	Smith, Denny
Boxer	Kasich	Snyder
Breaux	Kemp	Stark
Brooks	Kleczka	Strang
Broomfield	Lehman (CA)	Sweeney
Callahan	Lipinski	Thomas (CA)
Carr	Livingston	Torricelli
Cheney	Luken	Towns
Clinger	Marlenee	Udall
Collins	Mazzoli	Watkins
Coughlin	McCain	Waxman
Crane	McCurdy	Williams
Daschle	McDade	Wise
Dingell	McHugh	Young (MO)
Dixon	Moakley	
Dornan (CA)	Moore	

□ 1020

Mrs. MARTIN of Illinois changed her vote from "yea" to "nay."

Mr. SKELTON changed his vote from "present" to "yea."

Mr. WHITEHURST changed his vote from "present" to "nay."

So the Journal was approved.

The result of the vote was announced as above recorded.

□ This symbol represents the time of day during the House proceedings, e.g., □ 1407 is 2:07 p.m.

● This "bullet" symbol identifies statements or insertions which are not spoken by the Member on the floor.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Sparrow, one of its clerks, announced that the Senate has passed a bill of the following title, in which the concurrence of the House is requested:

S. 900. An act to consolidate and authorize program support and certain ocean and coastal programs and functions of the National Oceanic and Atmospheric Administration under the Department of Commerce.

The message also announced that pursuant to Public Law 98-501, the President pro tempore appoints Joseph Michael Giglio, Jr., of New Jersey, from private life, as a member of the National Council on Public Works Improvement.

LEGISLATIVE PROGRAM

(Mr. MICHEL asked and was given permission to address the House for 1 minute.)

Mr. MICHEL. Mr. Speaker, I take this time to proceed for 1 minute for the purpose of inquiring of the acting majority leader the program for the balance of this day and the next week.

Mr. ALEXANDER. Mr. Speaker, will the gentleman yield?

Mr. MICHEL. I am happy to yield to the gentleman from Arkansas.

Mr. ALEXANDER. Mr. Speaker, the House will continue debate of H.R. 1872, the Defense authorization bill today until the hour of 3 p.m. at which time we will adjourn until Monday next. I will ask unanimous consent for that.

ADJOURNMENT TO MONDAY, JUNE 24, 1985

Mr. Speaker, I ask unanimous consent that when the House adjourns today, it adjourn to meet at 12 noon on Monday next.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

DISPENSING WITH CALENDAR WEDNESDAY BUSINESS ON WEDNESDAY NEXT

Mr. ALEXANDER. Mr. Speaker, I ask unanimous consent that the business in order under the Calendar Wednesday rule shall be dispensed with on Wednesday next.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

Mr. ALEXANDER. Mr. Speaker, further responding to the distinguished gentleman's inquiry, on Monday, the 24th of June, the House will consider 10 suspensions which are listed in the memorandum submitted to the gentleman.

They are:

H.R. 1532, FEC authorization.

H.R. 2244, drug labeling bill.

H.R. 2378, amendments to United States Code, title 5, section 504.

H.R. 2434, patent and trademark authorization.

H.R. 2211, farm bankruptcy.

S. 413, war risk insurance.

S. 679, Maritime Administration authorization.

S. 818, fire prevention.

H.R. 2800, land satellite authorization.

S. 817, earthquake hazard reduction.

All recorded votes will be postponed until the following day, Tuesday, June 25.

On Tuesday and for the balance of the week, the House will continue the Department of Defense authorization bill.

If that is completed, we are prepared to begin consideration of H.R. 1555, the foreign assistance authorization for 1986, and another bill is ready for consideration, H.R. 99, the American Conservation Corps Act.

I am advised that Members should be prepared to work late on Tuesday, Wednesday, and perhaps even Thursday in hopes that we can complete consideration of the Defense Authorization Act.

At the close of the week's business next week, the House will adjourn until 12 noon on Monday, July 8, for the Independence Day district work period.

Mr. MICHEL. The gentleman failed to mention the D.C. Stadium Act amendments measure which is H.R. 2776. Will that bill be brought up?

Mr. ALEXANDER. Yes, that is correct. H.R. 2776, the D.C. Stadium Act amendments, will be included first on the calendar on Monday, June 24. The gentleman is correct.

Mr. MICHEL. I thank the gentleman. It is my understanding that legislation would make it possible for us to get major league baseball in this community, and I do not think there is all that much opposition to it.

Mr. ALEXANDER. It is a very important act. It must be presented first on the agenda on Monday.

Mr. ASPIN. Mr. Speaker, will the gentleman yield?

Mr. MICHEL. I am happy to yield to the gentleman from Wisconsin.

Mr. ASPIN. Mr. Speaker, let me talk a little bit to the gentleman about where we are with the defense bill so Members get an idea of what we are doing today and what we will be doing next week.

We hope today to deal with mostly cats and dogs, because with a number of people not here today I do not think anybody wants to bring up a matter that is a real controversy on which the House might be closely divided on this bill today. But we have a lot of stuff to get out of the way.

If we can do that today and move a lot of the relatively noncontroversial issues through, we would be in very good shape and finish by 3 o'clock.

What we have left, I would tell the members of the committee, next week is two things that are going to take some time. One is the ASAT amendments which was offered last year by the gentleman from California [Mr. BROWN] and the gentleman from Pennsylvania [Mr. COUGHLIN]. We will debate that probably on Tuesday, and that is an important issue, and we are going to have some votes.

The only other major issue that faces the Congress after we get through that, and the cats and dogs which I hope we can get through today, is the whole issue of procurement reform. And how long we are here next week on the defense bill depends upon what the will of the House is on the issue of procurement reform. I would hope that we are ready to go into procurement reform on Wednesday. It could be finished on Wednesday or it could be finished on Wednesday and Thursday, or it could be finished Wednesday, Thursday, and Friday, depending upon how much people want to talk about that issue.

My concern that I would point out to the gentleman is that there is an awful lot of amendments on procurement reform floating around the place. People get ideas and they write them down and it sounds good and they write it on the back of an envelope and here we go with it.

I would suggest we know something about the abuses of the system. We probably do not know all about the abuses of the system. But one thing for sure, we do not know very much about what to correct or how to correct the system.

I have great concern personally that we are going to do something in a series of votes next week about procurement reform that will turn out to be the wrong thing to do. If we get through next without totally screwing up the whole procurement system of the U.S. Government it will be a miracle.

Mr. BRYANT. Mr. Speaker, will the gentleman yield?

Mr. MICHEL. I yield to the gentleman from Texas.

Mr. BRYANT. I thank the gentleman and would just like to have the gentleman explain to the House how the procurement system could be screwed up any more totally than it is already at the present time.

Mr. ASPIN. Just wait until we get through with it next week and you will see.

There are some serious reforms that we can do and there are going to be some very serious proposals and we need to debate them and we need to deal with them. I think that there are some issues that some committees have gotten involved with and some reforms that are going to be debated on and indeed ought to pass.

But there is going to be an awful lot more than we have given judicious consideration to. And, as I have just pointed out, it is that that is going to

be an issue that will determine how much longer this defense bill is going to take. We are not going to do any procurement reform today because there are too many Members interested in the subject that are not here. It is all in title VIII and we will try to get to title VIII and try to do as much as we can around the issue, get to title VIII on Wednesday and start maybe at 10 o'clock in the morning and we will start on that. But it is going to be a very, very sensitive issue, an important issue, and that is what is going to hold us up for the rest of the week.

I thank the gentleman for yielding.

□ 1030

Mr. MICHEL. Mr. Speaker, if I might just make the observation that I do hope that we will, all Members will plan on meeting late next week; Tuesday, Wednesday, and Thursday, bearing in mind that if we are completed with this bill, that we would then be recessing for the Fourth of July, which does not get us back here working until about a third of the month of July is past; we have not yet had one regular appropriation bill before the floor; we are here roughly 3 weeks and we are gone for a month in deference to all of us who have families and vacations during the month of August; we have got an awful lot of work to do.

So I would hope that there will not be those kind of pleadings next week, "Well, let's not meet late because we've got another day tomorrow." The days are getting shorter and the time is growing shorter, and that is one of the measures we just really have to be disposing of.

THE STRATEGY OF TERROR

(Without objection, Mr. MICHEL was given permission to address the House for 1 minute, and to revise and extend his remarks.)

Mr. MICHEL. Mr. Speaker, Washington Post reports that Radio Venceremos, operated by Communist guerrillas in El Salvador, has given its reaction to the brutal murder of four U.S. Marines, two American citizens, and at least seven others in San Salvador.

Let me quote the Post:

* * * Radio Venceremos welcomed the attack in its evening broadcast and warned that other U.S. military personnel might be the target of future attacks.

Americans have begun to die, said the rebel radio.

In the Baltimore Sun, Guillermo Ungo, described by the Sun as the "rebel political leader," says he would call for one spectacular act—meaning terrorism—every Saturday, so that it could make headlines in the U.S. Sunday papers. The Sun reports he said this—and I quote—"half-joking."

It was these people, we were told 4 years ago, who deserve a share in running the Government of El Salvador. Not by election, but by negotiation.

The government of Jose Napoleon Durate has been successful in lessening right-wing terror. Now it must bring these Communist gangsters to justice. They are outlaws and should be treated as such.

The only difference between this bunch of thugs and Murder Incorp. is that this new gang quotes Marx and Lenin.

IT'S TIME TO MOVE AHEAD WITH THE U.S. INSTITUTE OF PEACE

(Mr. GLICKMAN asked and was given permission to address the House for 1 minute, and to revise and extend his remarks.)

Mr. GLICKMAN. Mr. Speaker, it has been 9 months since Congress authorized the creation of a U.S. Institute of Peace in last year's Department of Defense authorization bill, and provided the funds for it, and yet the administration has chosen to ignore this congressional mandate, and failed to submit its names for the Board of Directors of the Peace Institute by April 20, the statutory deadline, so that the Institute can begin.

Nearly 40 Americans are held hostage in Beirut. There seems to be a consensus that a nonmilitary solution is the only answer. The State Department appears to be doing its best, but it is totally possible that with the benefit of a Peace Institute, newer and more innovative techniques and skills could be developed for use by the State Department and others to accelerate solutions in these kinds of crises.

It is time for the administration to comply with the law and make its appointments.

IT'S TIME TO REASSESS OUR SECURITY MEASURES TO ENSURE THAT SDI TECHNOLOGY STAYS SECURE

(Mr. GEKAS asked and was given permission to address the House for 1 minute, and to revise and extend his remarks.)

Mr. GEKAS. Mr. Speaker, Members of the House, now that the President's strategic defense initiative is literally and figuratively off the ground, one cannot help but wonder, as the research on that project begins to develop itself, is it going to be secure from the type of espionage and leakage of secrets and sale of documents that has characterized the revelations that we have recently heard about what has happened to our Navy establishment through the alleged activities of the Walker family.

In my judgment, this is a proper occasion for our Federal establishment to reassess our security measures and to make sure that important process, the strategic defense initiative, is going to be as secure as possible.

We, in the Congress, can help in that process by reinstituting the death penalty as a deterrent to treason and espionage. We have enough before us now, enough evidence before us, as a Congress, and before the American people, that not only is it a proper remedy, but it is an active and proper deterrent for such activities.

I have been assured by the chairman of the Subcommittee on Criminal Justice that we are going to be considering that subject very soon.

CUTTING OUR CONTRIBUTION TO THE UNFPA WILL BE COUNTERPRODUCTIVE

(Mr. SCHEUER asked and was given permission to address the House for 1 minute, and to revise and extend his remarks.)

Mr. SCHEUER. Mr. Speaker, I call to the attention of my colleagues in the House an op-ed piece from this morning's New York Times entitled, "The Wrong Signal on Birth Control—Punishing Developing Countries," by Robert L. Schiffer, a former State Department offical.

In effect, it echoes what I and several of my colleagues, among them Congressmen MOODY and KOSTMAYER, have been saying for many weeks: That the attempts of some Members of this House to amend the upcoming foreign aid bill and cut off our contribution to UNFPA, are like going mouse-hunting with an elephant rifle, and are largely counterproductive.

UNFPA's contribution to the Communist China Family Planning Program is $10 million. China's total family planning budget is more than $1 billion. It is naive to suggest that cutting off UNFPA's contribution to China, equal to a fraction of 1 percent, is going to change anybody's mind in China. It is going to make them angry and resentful at outside interference, but it is not going to change anything fundamental.

What the funding cut for UNFPA will do is punish more than 130 countries in the developing world that UNFPA has been helping to climb out of their pitiful conditions of over population that has decimated any hope they might have of producing and maintaining enough food, housing, education, health care, and jobs for their people, to attain a satisfactory, minimum quality of life.

THE TRIDENT D-5 MISSILE SERVES OUR PURPOSES BETTER THAN THE C-4

(Mr. PASHAYAN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PASHAYAN. Mr. Speaker, I am disappointed with the tenor of the debate on the Trident D-5 missile authorization. Some of my colleagues oppose the weapon because it is very accurate and would threaten Soviet military targets, thus destabilizing the "balance to terror" between our nations in the nuclear age. They support the C-4 missile with its relatively inaccurate guidance system because it could not destroy a Soviet ICBM silo.

The question arises, for what purpose would the United States use the C-4? Because it is inaccurate, it is mostly useful for hitting large targets, in other words, cities. I should hope that the majority of this body does not favor escalating a nuclear exchange from attacking isolated military targets to needlessly destroying innocent populations. The D-5 missile attacks military targets, not cities; accurately, so that the United States will not have to hold the Soviet people as targets for any imprudent actions of its leadership.

BIENNIAL DEFENSE BUDGETING

(Mr. SKELTON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SKELTON. Mr. Speaker, it has come to the attention of many of us in this body that the present system of yearly authorization and appropriation for the Defense budget has just not done the job. We are worried more about line items than policy. A biennial Defense budget, one that approves 2 years of spending, would foster greater stability in the planning and programming process and would allow Congress of focus on the broader question of national strategy. Every year, Congress must examine the Defense budget which in turn blurs our primary goal: that is, to enhance our national security through the most efficient method. The budget has come to dominate the very lives of those of us on Capitol Hill. The current yearly process is so time-consuming and so demanding that Congess doesn't have proper time to worry about whether or not we're spending the money on the right items. I therefore urge my colleagues to support the legislation that I am introducing today. Biennial, that is, 2-year budgeting will not solve all Defense spending problems, but it is a firm step in the right direction.

TRAITORS AND SPIES MUST BE STOPPED

(Mr. YOUNG of Florida asked and was given permission to address the House for 1 minute, and to revise and extend his remarks.)

Mr. YOUNG of Florida. Mr. Speaker, as a member of the Appropriations Subcommittee on National Defense, I get tired of spending hundreds of billions of dollars for our national defense effort only to see much of it compromised when some traitor decides to go into business for himself and sell our military secrets to the Soviet Union.

I'm tired of traitors, spies, and potential spies having access to that highly classified information that makes up such an important part of our own national security. And I want something done about it, and my constitutents want something done about it, and I believe that yours do as well.

Someone who works for the Central Intelligence Agency or the National Security Agency is subject to a counterintelligence polygraph test before they can have access to highly classified information. But a person in the military, who has access to that identical information, is not required or even subject ot a random polygraph examination.

In the series of hearings and meetings we have had on the Walker spy case, every intelligence officer finally comes to the bottom line and asks, for the tools needed to stop espionage against our Nation. One of the most effective tools, they all believe, is the right to give a counterintelligence polygraph examination to people seeking clearance to have access to the most sensitive national defense secrets of the United States of America.

Yesterday I filed such an amendment to the Defense authorization bill we are now considering to accomplish that.

ADMINISTRATION IS INSENSITIVE TO TEXTILE SITUATION IN SOUTH CAROLINA

(Mr. TALLON asked and was given permission to address the House or 1 minute and to revise and extend his remarks.)

Mr. TALLON. Mr. Speaker, I rise today with great dismay, disbelief, and disappointment over a letter I received from the administration stating its opposition to the textile import quota bill, H.R. 1562, which now has 285 cosponsors.

Signed by George Shultz, James Baker, Malcolm Baldrige, William Brock, and Michael Smith, the letter states:

> In the best interest of our country, we urge you to oppose H.R. 1562.

I would like to ask the administration, is this in the best interest of the 29,000 textile and apparel workers in South Carolina who have lost their jobs over the past 5 years because of the flood of imports?

What about the loss of payroll and property taxes, combined with the cost of unemployment benefits, to the 1,700 people who have lost their jobs from the four textile plants and three apparel plants that have closed in South Carolina during the first 6 months of 1985?

Is the administration's decision in the best interest of my State of South Carolina? I know it isn't, and the hundreds of South Carolinians who have written me supporting H.R. 1562, know it isn't.

It was bad enough when "made in Taiwan" scarfs were given out to congressional wives at the first ladies luncheon, but this letter and the position of the administration goes beyond showing any sensitivity to the textile situation and the people who are affected.

TAX FAIRNESS AND THE PERSONAL EXEMPTION

(Mr. COATS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. COATS. Mr. Speaker, I was deeply disturbed when I picked up the Sunday Washington Post and read a piece by Martin and Kathleen Feldstein on increasing the personal exemption. The Feldsteins argued against raising the exemption for all persons because it would be expensive to do so. Further, they say, it is not necessary to raise the personal exemption for all persons if our goal is to reduce the tax burden of low-income families.

I have a couple of things to say about this line of reasoning. First of all, the chief purpose of increasing the personal exemption is not simply to reduce the tax burden of low-income families, but to make the tax system fairer for all families. The personal exemption is the primary means by which our Tax Code adjusts tax liability according to a person's expenses for dependents. As such it is as essential to a fair Tax Code as are the rate schedules themselves.

I agree with the Feldsteins that one of the most outrageous consequences of the shrinking personal exemption has been the growing percentage of poor and low-income families paying Federal income taxes. But that is not the only unfair consequence. Over the past 25 years, the average-income family of four has experienced an almost 50 percent increase in its effective tax rates, while a family of six has experienced an increase of over 200 percent. During this same period, the average effective tax rates for single person and couples without dependents have remained almost constant.

The personal exemption is a matter of basic fairness which is well understood by most American families. Over the past few months I have received nearly a thousand letters from fathers and mothers in every State in the Union. All have asked for an increase in the personal exemption, and not

one has asked that the increase be focused just in his own income level. The average American understands what many economists don't. They understand that the personal exemption is not a tax break, it is not an incentive, and it is not a handout. It is more important and more basic than any of these. It is simple fairness. And in America, fairness is owed to everyone.

CAPITOL PAGE SCHOOL CLASS OF 1960 CELEBRATES SILVER JUBILEE REUNION

(Mr. BOSCO asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BOSCO. Mr. Speaker, this weekend, the Capitol Page School class of 1960 will celebrate its silver jubilee reunion in the Nation's Capital. As a former House Page, I take special pleasure in congratulating the members of the class on their 25th anniversary.

The Page Program, which dates from the earliest days of the Congress, has been a strong and positive influence on the hundreds of young Americans who have been privileged to serve. While few former pages pursue a career in public office as have I, they all become better citizens, interested in the affairs of their communities and Nation, deeply appreciative of the diversity of America, tolerant of a broad range of opinion and the free expression thereof and sensitive to the hopes and needs of others.

Three members of the Capitol Page School class of 1960 continue to serve here, our colleague JIM KOLBE of Arizona, Ron Lasch, floor assistant to the minority and Donn Anderson, floor manager, Democratic cloakroom.

I know that my colleagues join me in expressing our congratulations to the class of 1960 on this important and happy occasion, and in extending our gratitude to our pages, past and present, who have served us and our institution so well.

I am including for the RECORD the names of the class members: Donnald K. Anderson, Robert C. Christesen, Anthony P. David, Michael H. Freehill, Steven P. Goad, Tom Junkersfeld, James T. Kolbe, Ronald W. Lasch, David B. Loge, William S. McIntyre IV, David P. Miller, Wayne Moore, John P. Nolan, William B. Owens, Michael Sprague, Paul M. Stanford, Dennis L. Trout, Samuel I. Williams, James A. Wrobel, and Fritz C. "Duke" Zeller. Deceased class members are: Steven Smith, Scott Shoemaker, and Oswald Glymph.

SGT. THOMAS HANDWORK—A DAMNED GOOD MARINE

(Mr. DEWINE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DEWINE. Mr. Speaker, all Americans yesterday were shocked and saddened and, yes, angered, by the murder of our four marines in El Salvador and the two civilians.

One of those marines who was killed was from my congressional district, Sgt. Thomas Handwork of Beavercreek, OH. Those of us who have had an opportunity to travel to El Salvador and talk to the marines who are stationed there at the Embassy know how dedicated they are and how much they understood the importance of our mission.

I think Sergeant Handwork's father expressed it best yesterday not only in regard to his son but also in regard to all the marines who were killed, and I quote: "He loved his country. He loved his family. He was a damn good marine."

DELETION OF NAME OF MEMBER AS COSPONSOR OF H.R. 1591

Mr. STENHOLM. Mr. Speaker, I ask unanimous consent that the name of the gentleman from Oregon ROBERT F. SMITH be deleted as a cosponsor of H.R. 1591.

The SPEAKER pro tempore (Mr. MONTGOMERY). Is there objection to the request of the gentleman from Texas?

There was no objection.

TROUBLE IN PARADISE

(Mr. BLAZ asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BLAZ. Mr. Speaker, as the Member from that district located most distant from the Nation's Capital, I am compelled to alert my colleagues to some very serious recent developments in the Pacific Basin, surrounding the American territory of Guam, that pose a direct and immediate threat to the security of this Nation.

Almost daily, news reports bring into sharp focus the critical importance of that region to the United States. The Soviets, their allies, and agents are continuing their efforts to subvert our interests in the Asia-Pacific area and eventually to dominate the region themselves.

We read with increasing concern that island nations in the Southwest Pacific, including traditional allies like New Zealand, ban our nuclear warships from their territory. A few weeks ago, the island nation of Kiribati entered into a fishing agreement with the Soviets, allowing them access to that Central Pacific nation's vast territory. We hear repeatedly of the steady expansion and deployment of the Soviet Far East fleet from its bases in Vladivostok and Vietnam.

I also call your attention to a June 19, 1985, article in the Washington Times by a Hoover Institution scholar, entitled "Trouble in Paradise," in which the author concludes that:

> The outcome of the struggle for naval supremacy in the area between the United States and the U.S.S.R. may determine the destiny of the free world, including Western Europe.

In the center of this arena is the loyal and strategically important American territory of Guam. If, as it is prominently argued, the Pacific Basin holds the greatest potential for the United States and the free world in the next few decades, it logically follows that the American Territory of Guam at the crossroads of the Pacific Basin can and will play a major role in protecting the interests of the United States.

President Reagan stated during debate exactly 8 months ago today that "The future of the world lies in the Pacific Basin." As we continue deliberation on the very important measure now before this House, the defense authorization bill of 1986, I implore each and every Member to be mindful of the Soviet Union threat in the Pacific as you cast your votes.

□ 1050

CONGRESS MUST KEEP ITS PROMISE TO OLDER AMERICANS

(Mr. BRYANT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BRYANT. Mr. Speaker, year after year, campaign after campaign the President and almost every Member of both the House and the Senate have pledged that the Social Security benefits earned by older Americans would not be threatened in our effort to reduce the deficits and balance the Federal budget.

Although this House voted decisively to protect the Social Security System including the modest cost-of-living increases needed to keep up with inflation, we watched the Republican majority in the Senate follow the President's recommendation and vote to freeze those benefits. Now we learn that the Senate members of the conference committee on the budget are again insisting that Social Security benefits be frozen.

Enough is enough. The American people believe that Congress and the President should keep their promise to older Americans. And for good reason.

Neither Social Security nor the cost-of-living adjustment [COLA] which permit many older citizens to keep up with inflation is a give-away program. It is a retirement system, fully paid for from the paychecks of working Ameri-

cans before they retire. It does not draw on other parts of the budget and has nothing to do with the deficit.

The effort to reduce the meager retirement benefits earned by our parents and grandparents who worked hard and paid into the Social Security System, knowing it would help provide independence in their golden years, is reprehensible.

The average Social Security check for an aged widow is only $400 a month and for a retired couple only $776 a month. Even a few pennies a day, a week, or a month can make a big difference in the standard of living of these elderly citizens.

The program—which will be 50 years old on August 14—is an absolute necessity for many citizens. In 1983, 43 percent of elderly households had total incomes below $10,000 and more than 5.9 million older Americans—a quarter of the people over 65—lived at or below the poverty level. Without Social Security, the House Ways and Means Committee has reported, there would be at least 3½ times as many elderly poor or almost 10 percent of our entire U.S. population.

Social Security provides more than half the total income of 65 percent of beneficiaries, 90 percent of the incomes of 27 percent of beneficiaries, and all the income of 15 percent of beneficiaries.

If the Senate Republicans and their conferees have their way our Government will go back on its word and violate a fundamental commitment to the people of this Nation.

I urge my colleagues to join me in asking our conferees to reject any budget that seeks to reduce, freeze, or eliminate Social Security cost-of-living adjustments, which are vital to so many older Americans.

ROBERT DEAN STETHAM

(Mrs. BENTLEY asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. BENTLEY. Mr. Speaker, the entire Nation has been shocked by the ease with which our Nation and our people have been damaged before the world by the acts of terrorists from the Middle East. We in Maryland have the keenest reason to be indignant. Robert Dean Stetham, one of our sons and a Navy man on active duty, had his life taken from him by these sadistic butchers.

Yesterday, with the rest of the Maryland delegation, I had the sad duty of attending the funeral of this fine young man. His family is typical American in the finest sense of that expression. They have borne their loss in the conviction that their son gave his life in the service of his country.

The Stetham family is no stranger to the dangers of the military calling. The elder Mr. Stetham is himself a retired Navy veteran. The mother worked for the Navy for years. One brother, who is on active duty, proudly wore his uniform yesterday. A second brother recently enlisted and a third one also has seen Navy duty.

No matter the willingness of men and women like the Stethams to brave danger to protect their Nation, their loss is real. It is irreversible; it is permanent. Pray God that it serves a useful service.

SUCCESSFUL SHUTTLE LASER TEST

(Mr. BROWN of California asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BROWN of California. Mr. Speaker, I rise to call attention of the Members to the successful laser pointing and tracking experiment which was demonstrated on the shuttle within the last day or two. This will probably be the prelude to many more such successful demonstrations.

I do this because I want the Members to understand the implications of this test. You may be inclined to think that this merely shows that we can hit the shuttle with a laser, but the test may not be applicable to missiles. The target on the shuttle was less than a foot in diameter, much smaller than an ICBM, traveling faster than a missile, and there is no question but that a missile would be just as easy to hit.

You may think that we have not demonstrated lethality. We demonstrated lethality more than 10 years ago when we knocked down a drone airplane with a laser, and we have now in the inventory lasers with about a million times the energy of the one that was used in Hawaii. There is no question that lethality is achievable with existing technology.

This brings us very close to the question of whether or not we may be reaching the stage of testing components which would be prohibited by the ABM Treaty. It should also be pointed out that the Soviets, according to DOD's analysis of Soviet military capabilities, are at a very similar stage of development in laser technology, and may indeed be ahead in some areas.

While yesterday's test was conducted under the SDI, I should point out that the test was conducted against a satellite, the shuttle, not against a missile. Technically, I suspect that DOD would argue therefore that it was not an ABM test, questionable under the ABM Treaty, but an ASAT test, not precluded by the ABM Treaty.

As an ASAT test, this very successful demonstration raises the question of whether the United States should spend several billion dollars on the technologically less advanced MHV ASAT system, still in the testing stage, when we could have a more technologically advanced, far more versatile system available for deployment in the same timeframe as the F-15 miniature homing vehicle system, and probably at a lesser cost.

Another issue of equal or greater importance raised by this test is whether our existing satellites, on which the military is heavily dependent, should not have every possible survivability option included in their design, including hardening to all radiation, maneuverability, on orbit spares, reconstitutability, and so forth. This is of far greater priority, for our scarce dollars than an ineffective ASAT, justified as an offset to an even more ineffective Soviet ASAT.

I have concluded personally that our security would be enhanced by continued vigorous research on both SDI and ASAT technologies, coupled with a moratorium on testing and deployment, leading to enforceable arms control agreements in space. I invite my colleagues to seriously consider these questions, and the implications of this laser-shuttle test, as we debate the Brown-Coughlin ASAT amendment on Tuesday next.

LET US NOT PERMIT HISTORY TO REPEAT ITSELF!

(Mr. REGULA asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. REGULA. Mr. Speaker, in 1970 this body authorized a breeder reactor demonstration project. In that year the project was estimated to cost $700 million, but by the 1975 authorization of the Clinch River Breeder Reactor, the estimate had climbed to $1.7 billion.

Over the decade since the Clinch River project was authorized, it had faced opposition on all fronts. Nuclear opponents expressed concern that the process would promote nuclear proliferation. A slowing in our Nation's demand for electricity led to questions over the necessity of the project. Finally, numerous construction delays led to ever mounting construction costs.

In 1983, as costs for the plant's construction had increased tenfold, Congress voted overwhelmingly to halt the construction of the plant. By this time, however, $1,598 million had been spent on the project. In addition many millions will be spent to pay interest on this money.

Although much preliminary work had been completed on the project when it was halted, little construction had actually taken place on site. At the time of the project's demise, only

construction on the foundation had begun.

Today, the site of the deauthorized Clinch River Breeder Reactor in Oak Ridge, TN must be restored to its state before construction. Last week the Department of Energy awarded a contract to an excavating company for more than $2.5 million to complete the restoration.

This project represents just one example, Mr. Speaker, of the pressing need for Congress to exercise more prudent and effective policymaking decisions.

Hopefully we have learned a valuable lesson from this debacle. Let's not permit history to repeat itself!

CAUTION URGED IN DEALING WITH TERRORISTS

(Mr. WEISS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WEISS. Mr. Speaker, terrorism is brutal and inhuman conduct deserving our outrage and condemnation regardless of who commits it. It is equally abhorrent whether it is committed by the left or the right, in South Africa or Chile, in Frankfurt or Beirut, by Salvadoran guerrillas or Nicaraguan Contras.

Whether the victims are American servicemen, Israeli settlers or Cambodian peasants, the killings are reprehensible, uncivilized and unacceptable behavior. We must not, however, allow the frustration and anger which we all feel over the brutal actions which resulted in the killings of American servicemen and civilians in El Salvador to justify dragging the United States into more active military involvement in El Salvador or Nicaragua.

I urge this caution, having listened carefully in the last couple of days to statements made by the distinguished minority leader on the floor of this House. Compounding tragedy upon tragedy is no way for the United States to act in this situation.

ESSENTIAL TEXTILE AMENDMENT TO BE OFFERED

(Mr. DANIEL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DANIEL. Mr. Speaker, later today or next week, the gentleman from Georgia [Mr. RAY] will introduce an amendment to the Defense authorization bill which will require a study every 5 years of the condition of our textile industry as it pertains to the military/industrial base.

The textile resources in our country are declining rapidly. During World War II, textiles held a very high priority because of the need and because so many uses were made of textiles. It would be ironic if we are forced to rely on foreign sources for our military uniforms. Mr. RAY's amendment will be appropriate and necessary and hopefully it will be accepted.

□ 1100

CONTINUE BIPARTISAN SUPPORT FOR FAMILY PLANNING

(Mr. KOSTMAYER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. KOSTMAYER. Mr. Speaker, the world's population grew by 84 million people. That is 21 El Salvadors. In India, 2 million are born every 30 days, and in Ethiopia the population will double in the next 30 years.

Last week when the Prime Minister of India, Rajiv Gandhi, was in this country he was asked, "What is the most serious problem faced by India?" He said, "Unbridled population growth."

Despite this, when the foreign aid bill comes to the floor next week or the week following, Members will offer amendments to cut America's contributions to our voluntary family planning programs through the United Nations Fund for Population Activities and the International Planned Parenthood Federation.

Mr. Speaker, I urge the Congress to resist these irresponsible amendments and point out that neither of these organizations are participating in the population programs in China. I hope that Congress will reject these irresponsible efforts and allow our Government to continue its 20-year bipartisan support for family planning programs in the developing world.

LET US NOT DEFUND VOLUNTARY FAMILY PLANNING

(Mr. MOODY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MOODY. Mr. Speaker, a lot of rhetoric has appeared in recent "Dear Colleague" letters about family planning in the fiscal year 1986 foreign aid bill. Let us set the record straight.

No U.S. funds go for abortion in this bill. The Helms rule has prevented that for 12 years.

Second, no U.S. funds go to China's population program at all.

No. 3, the United Nations Family Planning Activities Programs spend no money for any abortion-related programs in China.

No. 4, and most importantly, the need for family planning is dire. Without outside help, the population of the poorest countries of Africa, Latin America, and Asia will double every 20 years, producing starvation, excessive resource depletion and political turmoil in these countries.

Let us not let our abortion debate in America lead us to defund voluntary family planning among starving, suffering people around the world.

HYPOCRISY OVER HOSTAGE CRISIS

(Mr. WILSON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WILSON. Mr. Speaker, I have been increasingly distressed in recent days over suggestions on various talk shows and other media presentations that the United States should somehow pressure Israel to release the 700 Shiite terrorists captured in Southern Lebanon who were arrested for attempting violence to Israeli soldiers during Israel's withdrawal from that country.

Mr. Speaker, this is altogether out of order. For the United States to hold Israel responsible for its hostage crisis would be a precedent of tragic proportions. Israel is a sovereign country with far more experience in dealing with terrorists than we are. To establish such a precedent for exchange, making the United States responsible for Israeli action, or making Israel responsible for United States action would be as destructive as making ourselves responsible for the Shiite prisoners in Kuwait, Spain or any other country.

As painful as it is, the hostages are Americans aboard an American aircraft and remain our responsibility and no one else's. For us to talk of not knuckling under to terrorists and at the same time secretly pressuring others to knuckle under is, in my view, hypocrisy of the first order.

DEPARTMENT OF DEFENSE AUTHORIZATION ACT, 1986

The SPEAKER pro tempore. Pursuant to House Resolution 169 and rule XXIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the further consideration of the bill, H.R. 1872.

□ 1102

IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H.R. 1872) to authorize appropriations for fiscal year 1986 for the Armed Forces for procurement, for research, development, test, and evaluation, for operation and maintenance, and for working capital funds, to prescribe personnel strengths for such fiscal year for the Armed Forces, and for other purposes, with Mr.

DURBIN chairman pro tempore in the chair.

The Clerk read the title of the bill.

The CHAIRMAN pro tempore. When the Committee of the Whole rose on Thursday, June 20, 1985, title II had been completed for amendment except for the amendments printed in the CONGRESSIONAL RECORD before June 20, 1985, by, and if offered by the gentleman from New Jersey [Mr. COURTER]; the gentleman from California [Mr. BROWN]; the gentleman from Maryland [Mr. HOYER]; the gentleman from Pennsylvania [Mr. FOGLIETTA]; the gentleman from Georgia [Mr. DARDEN]; the gentleman from Michigan [Mr. CONYERS]; the gentleman from Illinois [Mr. SAVAGE]; and the gentleman from Michigan [Mr. LEVIN]; and title III was open for amendment at any point.

Are there any amendments to title III?

Mr. DANIEL. Mr. Chairman, I move to strike the last word.

As the Chair indicated, the first amendments this morning will be to title III, which has to do with military readiness. There has been a lot of debate recently over whether or not the readiness of our Armed Forces has improved. In this Committee we believe that it has.

I think the first thing we have to take into account, though, when we consider the subject of readiness. We have to ask ourselves the question: Ready for what? In this connection, we have taken on some additional responsibilities since 1981 when the Readiness Subcommittee came into existence.

President Carter, as the Members will recall, declared the Persian Gulf and Southwest Asia under the protective umbrella of the United States, and after President Reagan was elected, he also not only endorsed that, but also included the Caribbean Basin.

So when we talk about readiness we have to always ask ourselves: Ready for what?

On the issue of whether military readiness has improved, there is no doubt in my mind that there has been a marked increase in our military readiness since 1981. I know this because I have visited units in the field. I have seen first hand the more modern and capable weapon systems and equipment that have been deployed in recent years. Seeing those units go through their paces in recent exercises convinces me that the tempo and realism of training has never been better. More importantly, I have had the opportunity to observe and talk with the highly qualified and dedicated men and women who are leading and serving in those units.

But let me hasten to add that this improvement is not just one man's opinion. For the past 2 years the Readiness Subcommittee has held 8 separate hearings on readiness trends and the facts bear me out.

For example, Navy aircraft mission capable rates are up from 59 to 70 percent since 1981. Likewise, Air Force tactical aircraft mission capable rates have risen from 65 to 72 percent, and Army and Marine Corps ground equipment continues to meet or exceed full mission capable goals despite larger inventories and increased operational use.

In the area of training, Air Force flying hours have increased from 16 to 20 hours per month and the Navy provides almost 24 flying hours for its combat pilots. Steaming days per quarter for Navy ships has also increased from 32 to 35 days since 1981. Similar increases have also taken place in the case of Army and Marine battalion training days.

The simple fact is that much of the recent controversy about readiness has been generated by the misuse of the unit reporting system. Unfortunately, our ability to answer these criticisms has been seriously hampered by the absence of any simple and comprehensive readiness measurement system. In my opinion, the development of such a system is imperative if we are to avoid the counterproductive readiness debates of the past year.

I do not mean to imply, however, that we are home free or that serious deficiencies do not remain. Depot maintenance backlogs are still larger than I would like to see and the tempo and realism of training could be improved if more funding and support equipment were available. Nevertheless, I believe we have a better handle on remaining readiness deficiencies and are in a better position to address them than was the case in 1981.

Although the operations and maintenance account is most commonly linked to readiness, we should not lose sight of the contribution of recent military personnel initiatives and modernization efforts. In fact, largest single contributor to increased readiness since 1981, has been the improved quality of military personnel. The resulting improvements in unit efficiency and productivity have been a major success story.

On the other hand, it is in the areas of personnel policy and modernization where we find our greatest challenges. Can we maintain the current personnel quality in a time when the pool of available manpower is declining and the economy is improving? Do we have the wisdom to make the necessary policy changes to adjust to these emerging realities? Can we sustain the level of effort in modernization to keep abreast of the threat and at the same time address glaring voids and bloc obsolescence in our conventional inventories?

I hope we are equal to these challenges. The sad fact, however, is that all too often we have opted for the path of least resistance toward incremental neglect and wishful thinking. The experiences of the late 1970's should have convinced us that readiness cannot be maintained without vigilance and commitment. That is why it was so necessary to establish a strong readiness consistency in Congress. The committee recommendations that are reflected in the bill now being considered demonstrate that the commitment to readiness continues.

AMENDMENT OFFERED BY MR. NICHOLS

Mr. NICHOLS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. NICHOLS: At the end of title III (page 38, after line 10), insert the following new section:

SEC. 308. SPECIFICATION OF CORE-LOGISTICS FUNCTIONS SUBJECT TO CONTRACTING-OUT LIMITATION.

(a) IN GENERAL.—A function of the Department of Defense described in subsection (b) shall be deemed for the purposes of section 307(b) of the Department of Defense Authorization Act, 1985 (Public Law 98-525; 98 Stat. 2514), to be a logistics activity identified by the Secretary of Defense under section 307(a)(2) of such Act as necessary to maintain the logistics capability of the Department of Defense described in section 307(a)(1) of such Act.

(b) DESCRIPTION OF FUNCTIONS.—The functions to which subsection (a) applies are the following:

(1) Depot level distribution and maintenance of mission-essential materiel at the following activities of the Army:

Anniston Army Depot, Anniston, Alabama.

Corpus Christi Army Depot, Corpus Christi, Texas.

Crane Army Ammunition Plant, Crane, Indiana.

Fort Wingate Army Depot, Gallup, New Mexico.

Letterkenny Army Depot, Letterkenny, Pennsylvania.

Lexington-Blue Grass Army Depot, Lexington, Kentucky.

McAlester Army Ammunition Plan, McAlester, Oklahoma.

New Cumberland Army Depot, Harrisburg, Pennsylvania.

Pueblo Army Depot, Pueblo, Colorado.

Red River Army Depot, Texarkana, Texas.

Rock Island Arsenal, Rock Island, Illinois.

Sacramento Army Depot, Scramento, California.

Savanna Army Depot, Savanna, Illinois.

Seneca Army Depot, Romulus, New York.

Sharpe Army Depot, Stockton, California.

Sierra Army Depot, Herlong, California.

Tobyhanna Army Depot, Tobyhanna, Pennsylvania.

Tooele Army Depot, Tooele, Utah.

Umatilla Army Depot, Umatilla, Oregon.

Watervliet Arsenal, Watervliet, New York.

(2) Depot-level distribution and maintenance of mission-essential materiel at the following activities of the Navy:

Naval Air Rework Facility, Alameda, California.

Naval Air Rework Facility, Cherry Point, North Carolina.

Naval Air Rework Facility, Jacksonville, Florida.

Naval Air Rework Facility, Norfolk, Virginia.
Naval Air Rework Facility, Pensacola, Florida.
Naval Air Rework Facility, North Island, San Diego, California.
Naval Aviation Supply Office, Philadelphia, Pennsylvania.
Naval Construction Battalion Center, Davisville, Rhode Island.
Naval Construction Battalion Center, Gulfport, Mississippi.
Naval Construction Battalion Center, Port Hueneme, California.
Naval Electronics Systems Engineering Center, San Diego, California.
Naval Ordnance Station, Indian Head, Maryland.
Naval Ordnance Station, Louisville, Kentucky.
Naval Shipyard, Charleston, South Carolina.
Naval Shipyard, Norfolk, Virginia.
Naval Shipyard, Long Beach, California.
Naval Shipyard, Mare Island, California.
Naval Shipyard, Philadelphia Pennsylvania.
Naval Shipyard, Portsmouth, Kittery, Maine.
Naval Shipyard, Pearl Harbor, Hawaii.
Naval Shipyard, Puget Sound, Bremerton, Washington.
Naval Ship Repair Facility, Guam.
Naval Supply Center, Charleston, South Carolina.
Naval Supply Center, Jacksonville, Florida.
Naval Supply Center, Norfolk, Virginia.
Naval Supply Center, Oakland, California.
Naval Supply Center, Pearl Harbor, Hawaii.
Naval Supply Center, Puget Sound, Bremerton, Washington.
Naval Supply Center, San Diego, California.
Naval Undersea Warfare Engineering Station, Keyort, Washignton.
Naval Weapons Station, Charleston South Carolina.
Naval Weapons Station, Colts Neck, Earle, New Jersey.
Naval Weapons Station, Concord, California.
Naval Weapons Station, Seal Beach, California.
Naval Weapons Station, Yorktown, Virginia.
Naval Weapons Station, Crane, Indiana.
Naval Ships Parts Control Center, Mechanicsburg, Pennsylvania.
Trident Refit Facility, Bangor, Bremerton, Washington.

(3) Depot-level distribution and maintenance of mission-essential materiel at the following activities of the Marine Corps:
Marine Corps Logistics Base, Albany, Georgia.
Marine Corps Logistics Base, Barstow, California.

(4) Depot-level distribution and maintenance of mission-essential materiel at the following activities of the Air Force:
Aerospace Guidance and Metrology Center, Newark Air Force Station, Ohio.
Ogden Air Logistics Center, Hill Air Force Base, Utah.
Oklahoma City Air Logistics Center, Tinker Air Force Base, Oklahoma.
Sacramento Air Logistics Center, McClellan Air Force Base, California.
San Antonio Air Logistics Center, Kelly Air Force Base, Texas.
Warner Robins Air Logistics Center, Robins Air Force Base, Georgia.

(5) Depot-level distribution and maintenance of mission-essential equipment at the following activities of the Defense Logistics Agency:
Defense Construction Supply Center, Columbus, Ohio.
Defense Depot Mechanicsburg, Mechanicsburg, Pennsylvania.
Defense Depot Memphis, Memphis, Tennessee.
Defense Depot Ogden, Ogden, Utah.
Defense Depot Tracy, Tracy, California.
Defense Electronics Supply Center, Dayton, Ohio.
Defense General Supply Center, Richmond, Virginia.
Defense Industrial Plant Equipment Center, Memphis, Tennessee.
Defense Industrial Supply Center, Philadelphia, Pennsylvania.
Defense Logistics Service Center, Battle Creek, Michigan.
Defense Subsistence Office, Bayonne, New Jersey.

(6) Depot-level distribution and maintenance of mission-essential materiel at the following activities the Defense Mapping Agency:
Aerospace Center, Kansas City Field Office, Kansas City, Missouri.
Aerospace Center, St. Louis AFS, Missouri.
Office of Distribution Services, Brookmont, Maryland.

Mr. NICHOLS [during the reading]. Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Alabama?

There was no objection.

Mr. NICHOLS. Mr. Chairman, the amendment I am offering clarifies the intent of section 307 of last year's authorization act that limits the contracting-out of core logistics functions. As the author of the amendment that was enacted as section 307, I sincerely regret having to clarify what should be obvious to the Department of Defense, but circumstances leave me no alternative.

As the Members will recall, section 307 exempted core logistics functions or activities from being contracted out. In addition, it required the Secretary of Defense to submit a report to the House and Senate Armed Services Committees by April 1 identifying specific core logistics functions or activities.

On March 29, the Secretary of Defense submitted a report that must rank as one of the more remarkable documents I have encountered during my 18 years in Congress. First of all, he said, "Congress did not know what it was asking for" when it enacted section 307. Instead of a listing of specific core logistics jobs or functions, he provided a list of facilities—depots, arsenals, shipyards, aircraft rework facilities, and the like. Not only is this interpretation inconsistent with the clear intent of section 307, I find it personally insulting.

I think my colleagues know me well enough to realize that I would not have proposed legislation if all I wanted was a listing of DOD logistics facilities and installations that is readily available from a number of DOD publications.

The next thing the report tells us is that Congress was "asking for something that does not exist." According to DOD, core logistics only relates to real estate, equipment and management personnel. Specifically excluded are the civilian personnel who actually perform the depot maintenance and distribution of mission essential equipment. In effect, there are no core logistics jobs.

Mr. Chairman, this is incredible. If there is anything at those facilities that qualifies as a core logistics asset, it has to be the highly trained and dedicated civilian employees who are the heart and soul of our logistics system. And while this simple truth may be lost on DOD, it is well recognized by senior military and civilian managers in the field. As the following documentation I am submitting for the RECORD indicates, these leaders have no doubt that core logistics includes the "people" who do the work. In fact, the concept of core logistics was developed by senior logistics managers in the Department of Defense to specifically identify and exempt those jobs from being contracted out.

Repeated efforts on my part to resolve this misinterpretation of section 307 and failure to comply with clear congressional guidance have been to no avail. Consequently, I have been left with no other choice but to amend the authorization bill.

My amendment does two things to clarify the intent of section 307. First, it lists logistics facilities that DOD has identified as being core logistic in nature. Second, it expands the definition of core logistics to include the civilian personnel who perform the depot maintenance and distribution of mission essential materiel at those facilities. I think that these provisions establish beyond any doubt Congress' commitment to the retention of critical readiness and mobilization base capabilities.

At the same time, however, I recognize that contracting-out can play a useful role where it is cost-effective, efficient, and does not impair military readiness and mobilization surge requirements. Consequently, my amendment excludes functions at those facilities that are already under contract or announced for review upon the enactment of this bill. Also excluded are support or housekeeping functions. Finally, the Secretary retains his authority to waive the exemption from A-76 review after notifying Congress and a short hold-and-wait period.

In sum, Mr. Chairman, my amendment does not rule out a reasonable contracting-out program, but it does

ensure that Congress will play an active role in the evaluation of core logistics requirements. With military readiness and mobilization capabilities in the balance, I think we can do no less.

I urge your support of my amendment.

□ 1110

Mr. EVANS of Illinois. Mr. Chairman, will the gentleman yield?

Mr. NICHOLS. Certainly, I yield to the gentleman from Illinois.

Mr. EVANS of Illinois. Mr. Chairman, is it the gentleman's understanding that this amendment is intended to cover the mission function of the facilities listed by the DOD in the March report?

Mr. NICHOLS. The gentleman is exactly correct on that issue.

Mr. EVANS of Illinois. As the gentleman from Alabama is aware, the primary mission of the Rock Island Arsenal is manufacturing. Am I correct in assuming that the intention of this amendment is to cover the essential personnel in these functions as well?

Mr. NICHOLS. Mr. Chairman, being familiar with the mission at Rock Island, I would say the gentleman is entirely correct.

Mr. EVANS of Illinois. Mr. Chairman, I thank the gentleman from Alabama for yielding and for clarifying the definition of core logistics so that it includes civilians who perform manufacturing functions as well as maintenance and distribution.

Mr. DANIEL. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I simply wish to say that we have no objection to the amendment on this side.

Mr. WHITEHURST. Mr. Chairman, will the gentleman yield?

Mr. DANIEL. I yield to the gentleman from Virginia.

Mr. WHITEHURST. Mr. Chairman, we have examined the amendment on this side and have no objection to it.

● Mr. McCLOSKEY. Mr. Chairman, I rise in strong support of the amendment offered by the distinguished chairman of the House Armed Services Investigations Subcommittee [Mr. NICHOLS] to protect the in-house readiness and industrial base of the Department of Defense. The amendment would expand the Secretary of Defense's definition of "core logistics" personnel to include civilian personnel who actually perform depot level maintenance and distribution functions at such DOD civilian activities as weapons support centers and ammunition depots. The work performed at these facilities and installations across the country is absolutely essential to the readiness of our forces. Every gun that is repaired, every aircraft that is maintenanced and every shipborne defense system that is overhauled contributes to the overall security of our Nation. Concern has arisen that the Department of Defense may not undestand the concern of Congress that these types of civilian DOD jobs simply cannot and should not be contracted out to the private sector. However, despite the repeated requests from DOD for a list of such jobs considered essential to national security and, therefore, exempt from being contracted out under OMB Circular A-76, the response which was received from DOD on March 29, 1985, was woefully inadequate. Congress has repeatedly gone on record in support of keeping mission-essential DOD civilian jobs "in-house." We must send a clear signal to the Pentagon that these activities must remain so. Adoption of the Nichols amendment will accomplish this.

Mr. Chairman, I know first hand the importance of these types of facilities since the Naval Weapons Support Center in Crane, IN, and its tenant Army ammunition activity are located in my district. The work that is done there is vital to our land and naval forces. Because these facilities perform work based on funding levels available for their personnel requirements, they are tremendously efficient in getting work done on time and within budget. Congress has repeatedly recognized the importance of these and other such "industrially funded" activities by allowing these facilities to operate without manpower ceiling constraints unrelated to funded workload. The Secretary of Defense has agreed with the wisdom of this policy. But now it appears that the Department of Defense is seeking to fund ways of contracting out such work. The Members of the Armed Services Committee have for many years managed the difficult task of balancing the need for a reasonable contracting out program against the absolute requirements to preserve and protect in-house military capabilities that are critical to military readiness, operational capabilities, and mobilization requirements. Accordingly, I urge my colleagues to support the Nichols amendment to protect our in-house capability of getting work done essential to the safety and readiness of our forces and security of our Nation.●

● Mr. FAZIO. Mr. Chairman, I rise in strong support of the amendment offered by my good friend and colleague from Alabama [Mr. NICHOLS]. He has been one of Congress' staunchest advocates of improving the readiness of our military services. As a senior member of the House Armed Services Committee, he is regarded as an expert on this field, and when he points out the existence of a problem, we should all sit up and take notice.

Over the past several years, DOD officials have repeatedly gone on record contending that there are certain functions performed by DOD civilian personnel that are so critical to our national security that they should not be contracted out under provisions of OMB Circular A-76. These functions are known as core logistics.

Unfortunately, however, despite persistent requests by Mr. NICHOLS and his colleagues on the House Armed Services Committee, DOD has failed to come forth with a comprehensive list of such functions. Last year, Representative NICHOLS offered an amendment to the Defense Authorization Act of fiscal year 1985 which exempted core logistics jobs at depots, shipyards, aircraft rework facilities, logistics centers, and arsenals from being contracted out. His amendment further required the Secretary of Defense to report to Congress identifying those jobs by March 31, 1985. This amendment became section 307 of Public Law 98-525.

On March 29, 1985, the Secretary submitted a report. Instead of providing a list of jobs, the report was a listing of installations. Even more disturbing, the Secretary's definition of core logistics was confined to real estate, physical plant, equipment, and management personnel. For the first time, DOD indicated that civilian personnel performing at these activities would be subject to A-76 review. This is clearly contrary to Congress' past support of the requirement for an in-house responsive depot maintenance and distribution capability in time of national emergency.

The Secretary's response is inconsistent with previous testimony disclaiming any intent to contract out functions at such activities, the intent of section 307, and a long held position by the Armed Services Committee and Congress that depot level maintenance and distribution functions remain in-house. The amendment that Mr. NICHOLS will offer expands the Secretary's definition to include the civilian personnel who actually perform depot level maintenance and distribution functions at these installations. It will preserve the capabilities that are critical to force readiness and mobilization requirements.

Core logistics are critical to our national security. Those skilled and dedicated Federal workers who perform these activities are an essential element of core logistics. We cannot separate the people from the tasks. Secretary Weinberger must take heed of what we say and do today on this matter, and he must, this time, comply with Congress' intent.●

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentleman from Alabama [Mr. NICHOLS].

The question was taken; and the Chairman pro tempore announced that the ayes appeared to have it.

Mr. WEBER. Mr. Chairman, I demand a recorded vote, and pending that, I make the point of order that a quorum is not present.

The CHAIRMAN pro tempore. Evidently a quorum is not present. Pursuant to the provisions of clause 2 of rule XXIII, the Chair announces that he will reduce to a minimum of 5 minutes the period of time within which a vote by electronic device, if ordered, will be taken on the pending question following the quorum call. Members will record their presence by electronic device.

The call was taken by electronic device.

The following Members responded to their names:

[Roll No. 183]

ANSWERED "PRESENT"—361

Ackerman	Dellums	Hendon
Akaka	Derrick	Henry
Alexander	DeWine	Hertel
Anderson	Dickinson	Hillis
Andrews	Dicks	Holt
Applegate	DioGuardi	Hopkins
Archer	Donnelly	Horton
Aspin	Dorgan (ND)	Howard
Atkins	Dornan (CA)	Hoyer
Badham	Dowdy	Hubbard
Barnard	Downey	Huckaby
Barnes	Dreier	Hughes
Bartlett	Duncan	Hunter
Bateman	Durbin	Hutto
Bates	Dwyer	Hyde
Bedell	Dymally	Ireland
Beilenson	Dyson	Jacobs
Bennett	Eckart (OH)	Jenkins
Bentley	Eckert (NY)	Johnson
Bereuter	Edgar	Jones (NC)
Berman	Edwards (CA)	Jones (OK)
Bevill	Edwards (OK)	Jones (TN)
Bilirakis	Emerson	Kanjorski
Billey	English	Kaptur
Boehlert	Erdreich	Kasich
Boggs	Evans (IA)	Kastenmeier
Boner (TN)	Evans (IL)	Kemp
Bonker	Fascell	Kennelly
Bosco	Fawell	Kildee
Boucher	Fazio	Kindness
Boulter	Feighan	Kleczka
Brown (CA)	Fields	Kolbe
Brown (CO)	Fish	Kolter
Broyhill	Flippo	Kostmayer
Bruce	Florio	Kramer
Bryant	Ford (TN)	LaFalce
Burton (CA)	Fowler	Lagomarsino
Burton (IN)	Frank	Lantos
Bustamante	Franklin	Latta
Byron	Frenzel	Leach (IA)
Callahan	Fuqua	Leath (TX)
Campbell	Gallo	Lehman (FL)
Carney	Gejdenson	Leland
Carper	Gekas	Lent
Chandler	Gibbons	Levin (MI)
Chappell	Gilman	Levine (CA)
Chappie	Gingrich	Lewis (CA)
Clay	Glickman	Lewis (FL)
Coats	Gonzalez	Lightfoot
Cobey	Goodling	Lloyd
Coble	Gordon	Loeffler
Coelho	Gradison	Long
Coleman (MO)	Gray (PA)	Lott
Coleman (TX)	Green	Lowery (CA)
Combest	Gregg	Lowry (WA)
Conte	Grotberg	Lujan
Cooper	Guarini	Lundine
Courter	Gunderson	Lungren
Coyne	Hall (OH)	Mack
Craig	Hall, Ralph	MacKay
Crockett	Hamilton	Madigan
Daniel	Hammerschmidt	Manton
Dannemeyer	Hansen	Markey
Darden	Hatcher	Martin (IL)
Daub	Hawkins	Martin (NY)
Davis	Hayes	Martinez
de la Garza	Hefner	Matsui
DeLay	Heftel	Mavroules
McCandless	Rangel	Staggers
McCloskey	Ray	Stallings
McCollum	Regula	Stangeland
McCurdy	Reid	Stenholm
McEwen	Richardson	Stokes
McGrath	Ridge	Stratton
McHugh	Rinaldo	Studds
McKernan	Ritter	Stump
McKinney	Roberts	Sundquist
McMillan	Robinson	Swift
Meyers	Rodino	Swindall
Mica	Roe	Synar
Michel	Roemer	Tallon
Mikulski	Rogers	Tauke
Miller (CA)	Rose	Tauzin
Miller (OH)	Roth	Taylor
Miller (WA)	Roukema	Thomas (GA)
Mineta	Rowland (CT)	Torres
Mitchell	Rowland (GA)	Traficant
Molinari	Roybal	Traxler
Mollohan	Russo	Udall
Monson	Sabo	Valentine
Montgomery	Savage	Vander Jagt
Moody	Saxton	Vento
Moorhead	Schaefer	Visclosky
Morrison (CT)	Scheuer	Volkmer
Morrison (WA)	Schneider	Vucanovich
Mrazek	Schroeder	Walgren
Murphy	Schuette	Walker
Murtha	Schulze	Weaver
Myers	Seiberling	Weber
Natcher	Sensenbrenner	Weiss
Neal	Sharp	Wheat
Nichols	Shelby	Whitehurst
Nielson	Shumway	Whitley
Nowak	Shuster	Whittaker
Oakar	Sikorski	Whitten
Oberstar	Sisisky	Williams
Obey	Skeen	Wilson
Ortiz	Skelton	Wirth
Owens	Slattery	Wolf
Packard	Slaughter	Wolpe
Parris	Smith (FL)	Wortley
Pashayan	Smith (NE)	Wright
Pease	Smith (NH)	Wyden
Penny	Smith (NJ)	Wylie
Perkins	Smith, Robert	Yates
Petri	Snowe	Yatron
Pickle	Solarz	Young (AK)
Porter	Solomon	Young (FL)
Price	Spence	Zschau
Pursell	Spratt	
Quillen	St Germain	

□ 1130

The CHAIRMAN pro tempore. Three hundred sixty-one Members have answered to their name, a quorum is present, and the Committee will resume its business.

RECORDED VOTE

The CHAIRMAN pro tempore. The pending business is the demand of the gentleman from Minnesota [Mr. WEBER] for a recorded vote.

A recorded vote was ordered.

The CHAIRMAN pro tempore. The Chair will advise Members that 5 minutes will be allowed for this vote.

The vote was taken by electronic device, and there were—ayes 353, noes 7, not voting 73 as follows:

[Roll No. 184]

AYES—353

Ackerman	Beilenson	Brown (CA)
Akaka	Bennett	Broyhill
Alexander	Bentley	Bruce
Anderson	Berman	Bryant
Andrews	Bevill	Burton (CA)
Applegate	Bilirakis	Burton (IN)
Archer	Billey	Bustamante
Atkins	Boehlert	Byron
Badham	Boggs	Callahan
Barnard	Boner (TN)	Campbell
Barnes	Bonker	Carney
Bartlett	Borski	Carper
Bateman	Bosco	Chandler
Bates	Boucher	Chappell
Bedell	Boulter	Chappie
Clay	Hoyer	Ortiz
Coats	Hubbard	Owens
Cobey	Huckaby	Packard
Coble	Hughes	Parris
Coelho	Hunter	Pashayan
Coleman (MO)	Hutto	Pease
Coleman (TX)	Hyde	Penny
Combest	Jacobs	Perkins
Conte	Jenkins	Petri
Conyers	Johnson	Pickle
Cooper	Jones (NC)	Porter
Courter	Jones (OK)	Price
Coyne	Jones (TN)	Pursell
Craig	Kanjorski	Rangel
Crockett	Kaptur	Ray
Daniel	Kasich	Regula
Dannemeyer	Kastenmeier	Reid
Darden	Kemp	Richardson
Daub	Kennelly	Ridge
Davis	Kildee	Rinaldo
de la Garza	Kindness	Ritter
DeLay	Kleczka	Roberts
Dellums	Kolbe	Robinson
Derrick	Kolter	Rodino
DeWine	Kostmayer	Roe
Dickinson	Kramer	Roemer
Dicks	LaFalce	Rogers
Dingell	Lagomarsino	Rose
DioGuardi	Lantos	Roth
Donnelly	Latta	Roukema
Dorgan (ND)	Leach (IA)	Rowland (CT)
Dornan (CA)	Leath (TX)	Rowland (GA)
Dowdy	Lehman (FL)	Roybal
Downey	Leland	Russo
Dreier	Lent	Sabo
Duncan	Levin (MI)	Savage
Durbin	Levine (CA)	Saxton
Dwyer	Lewis (CA)	Schaefer
Dymally	Lewis (FL)	Scheuer
Dyson	Lightfoot	Schneider
Eckart (OH)	Lloyd	Schroeder
Edgar	Loeffler	Schuette
Edwards (CA)	Long	Schulze
Edwards (OK)	Lott	Seiberling
Emerson	Lowery (CA)	Sensenbrenner
Erdreich	Lowry (WA)	Sharp
Evans (IA)	Lujan	Shelby
Evans (IL)	Lundine	Shumway
Fascell	Lungren	Shuster
Fawell	Mack	Sikorski
Feighan	MacKay	Sisisky
Fields	Madigan	Skeen
Fish	Manton	Skelton
Flippo	Markey	Slattery
Florio	Martin (NY)	Slaughter
Ford (MI)	Martinez	Smith (FL)
Ford (TN)	Matsui	Smith (NH)
Fowler	Mavroules	Smith (NJ)
Frank	McCandless	Smith, Robert
Franklin	McCloskey	Snowe
Frost	McCurdy	Solarz
Fuqua	McEwen	Solomon
Gallo	McGrath	Spence
Gejdenson	McHugh	Spratt
Gekas	McKernan	St Germain
Gibbons	McKinney	Staggers
Gilman	McMillan	Stallings
Gingrich	Meyers	Stangeland
Glickman	Mica	Stenholm
Gonzalez	Michel	Stokes
Goodling	Mikulski	Stratton
Gordon	Miller (CA)	Studds
Gradison	Miller (OH)	Sundquist
Gray (PA)	Miller (WA)	Sweeney
Gregg	Mineta	Swift
Grotberg	Mitchell	Swindall
Guarini	Molinari	Synar
Gunderson	Mollohan	Tallon
Hall (OH)	Monson	Tauke
Hall, Ralph	Montgomery	Tauzin
Hamilton	Moody	Taylor
Hammerschmidt	Moorhead	Thomas (GA)
Hansen	Morrison (CT)	Torres
Hatcher	Morrison (WA)	Traficant
Hawkins	Mrazek	Traxler
Hayes	Murphy	Udall
Hefner	Murtha	Valentine
Heftel	Myers	Vander Jagt
Hendon	Natcher	Vento
Henry	Neal	Visclosky
Hertel	Nichols	Volkmer
Hillis	Nielson	Vucanovich
Holt	Nowak	Walgren
Hopkins	Oakar	Walker
Horton	Oberstar	Weaver
Howard	Obey	Weber

Weiss	Wilson	Wylie
Wheat	Wirth	Yates
Whitehurst	Wolf	Yatron
Whitley	Wolpe	Young (AK)
Whittaker	Wortley	Young (FL)
Whitten	Wright	Zschau
Williams	Wyden	

NOES—7

Bereuter	Green	Stump
Brown (CO)	Ireland	
Frenzel	Shaw	

NOT VOTING—73

Addabbo	Fazio	Olin
Annunzio	Fiedler	Oxley
Anthony	Foglietta	Panetta
Armey	Foley	Pepper
Aspin	Garcia	Quillen
AuCoin	Gaydos	Rahall
Barton	Gephardt	Rostenkowski
Biaggi	Gray (IL)	Rudd
Boland	Hartnett	Schumer
Bonior (MI)	Hiler	Siljander
Boxer	Jeffords	Smith (IA)
Breaux	Lehman (CA)	Smith (NE)
Brooks	Lipinski	Smith, Denny
Broomfield	Livingston	Snyder
Carr	Luken	Stark
Cheney	Marlenee	Strang
Clinger	Martin (IL)	Thomas (CA)
Collins	Mazzoli	Torricelli
Coughlin	McCain	Towns
Crane	McCollum	Watkins
Daschle	McDade	Waxman
Dixon	Moakley	Wise
Early	Moore	Young (MO)
Eckert (NY)	Nelson	
English	O'Brien	

So the amendment was agreed to.

The result of the vote was announced as above recorded.

PERSONAL EXPLANATION

Mr. FAZIO. Mr. Chairman, I would like to note that I was unable to be present for the vote on the Nichols amendment, specifying core logistics functions subject to contracting out limitations.

I was in strong support of that proposal, and wish to indicate that had I been present, I would have voted "aye."

AMENDMENT OFFERED BY MR. MONTGOMERY

Mr. MONTGOMERY. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. MONTGOMERY: At the end of title III (page 38, after line 10) insert the following new section:

SEC. 308. LIMITATION CONCERNING AIR NATIONAL GUARD AND AIR FORCE RESERVE FLYING UNITS.

Funds appropriated to or for the use of the Secretary of the Air Force may not be used to deactivate or divest of its flying mission any flying unit of the Air National Guard or the Air Force Reserve.

● Mr. MONTGOMERY. Mr. Chairman, in the recent past, the committee has made a number of recommendations designed to improve the effectiveness of the Reserve components. Incentives for recruitment of personnel into certain critical skills, employee and family support initiatives, procurement of modern equipment and training devices and upgrading of facilities are some of the ongoing efforts in support of these Reserve forces. Congress has been willing to support these efforts because of the cost effectiveness and the capability of Guard and Reserve forces to perform additional missions is unquestionable.

During consideration of the fiscal year 1986 Defense authorization bill, the committee was made aware of proposals to close various facilities and relocate functions and resources. Certain Air National Guard and Air Reserve facilities were included in these proposals. While such action might result in long-term savings with respect to active force units, this would not be the case with Reserve component units. Reserve units rely on the local community for manpower resources, and, indeed, derive a large portion of their cost effectiveness from the lower pay costs of Reserve members. Any attempt to deactivate or relocate a Guard or Reserve unit would result in the loss of significant numbers of skilled personnel and in a decrease in the overall readiness of the total force.

My amendment will preclude the negative impact of such action upon our well manned and combat capable Reserve flying units. We have worked too long and too hard to improve the readiness of our National Guard and Reserves to allow ill-conceived proposals to reverse our efforts. I ask for your support.●

Mr. DANIEL. Mr. Chairman, will the gentleman yield?

Mr. MONTGOMERY. I am glad to yield to the gentleman from Virginia, chairman of the subcommittee.

Mr. DANIEL. Mr. Chairman, my distinguished colleague from Mississippi is to be congratulated for his proposed amendment. It is a natural outgrowth of the committee's efforts and the Congress as a whole, to maintain a finite limit on the Active Armed Forces' strength, with as much mission—and readiness emphasis on the Reserve components as is possible.

In addition to the numerous examples that the gentleman can doubtless provide, I would like to point out one example of the operation of this amendment.

Perhaps the senior, most experienced, and most combat-ready special operations squadron left in the Air Force is a Reserve helicopter squadron—the 302d. The heroism of the squadron, and many of its wartime crews who are still flying in the Reserves, is an object of respect wherever soldiers gather. And in an environment such as we have today, with its Grenadas and Beiruts, its illicit arms and drugs, and international terrorism—the 302d is a vital national asset.

This amendment will allow the 302d to remain in the special operations force, flying the special operations mission, in the desert and mountain environment of the Arizona southwest, available for immediate deployment if the international situation deteriorates.

And it will leave this squadron in an ideal location to assist in peacetime drug interdiction in an area of the border which is remote and lacking in adequate narcotics surveillance and detection.

This is a good amendment, which I accept for our side and for which I urge all Members' support.

I commend the gentleman for his initiative.

Mr. WHITEHURST. Mr. Chairman, will the gentleman yield?

Mr. MONTGOMERY. I yield to the gentleman from Virginia.

Mr. WHITEHURST. Mr. Chairman, the minority side has no objection and we accept the gentleman's amendment.

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentleman from Mississippi [Mr. MONTGOMERY].

The amendment was agreed to.

AMENDMENT OFFERED BY MR. MC COLLUM

Mr. McCOLLUM. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. McCOLLUM: At the end of title III (page 38, after line 10) insert the following new section:

SEC. 308. NONLETHAL ASSISTANCE TO CERTAIN REFUGEES AND DISPLACED PERSONS

(a) AUTHORITY TO PROVIDE ASSISTANCE.—The Secretary of Defense may provide nonlethal assistance in accordance with this section to persons displaced or becoming refugees because of the invasion of Afghanistan by the Soviet Union. The Secretary may use any excess supplies of the Department of Defense and any supplies donated to the Department for such purpose, to the extent that provision of those supplies would constitute nonlethal assistance.

(b) TRANSPORTATION.—The Secretary may provide transportation for supplies provided as nonlethal assistance under this section. Any such transportation shall be by the most economical commercial or military means available including use of reserve aircraft and personnel.

(c) PRIORITY OF ASSISTANCE.—The Secretary of Defense shall expedite the handling of assistance under this section. Upon identification of any excess supplies of the Department as being suitable for such assistance, such supplies shall immediately be made available for the purposes of this section.

(d) ADMINISTRATION WITHIN THE UNITED STATES.—The Secretary of Defense shall have sole responsibility for the administration of nonlethal assistance under this section within the United States and may not delegate any part of that authority to any agency outside the Department of Defense.

(e) DISTRIBUTION OF ASSISTANCE.—Assistance provided under this section shall be distributed to the recipients of the assistance by private volunteer organization designated by the Agency for International Development. If no suitable private volunteer organization is available, such assistance shall be distributed by the Agency for International Development.

(f) EFFECTIVE DATE.—This section shall take effect on October 1, 1985.

Mr. McCOLLUM (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be con-

sidered as read and printed in the RECORD.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Florida?

There was no objection.

□ 1140

Mr. McCOLLUM. Mr. Chairman, I ask unanimous consent that the amendment be modified in line 5 by striking the word "becoming" and inserting the words, "who are," and on page 2 by striking subparagraph (e).

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Florida?

There was no objection.

The text of the amendment, as modified, is as follows:

Amendment offered by Mr. McCOLLUM, as modified: At the end of title III (page 38, after line 10) insert the following new section:

SEC. 308. NONLETHAL ASSISTANCE TO CERTAIN REFUGEES AND DISPLACED PERSONS.

(a) AUTHORITY TO PROVIDE ASSISTANCE.—The Secretary of Defense may provide nonlethal assistance in accordance with this section to persons displaced or who are refugees because of the invasion of Afghanistan by the Soviet Union. The Secretary may use any excess supplies of the Department of Defense and any supplies donated to the Department for such purpose, to the extent that provision of those supplies would constitute nonlethal assistance.

(b) TRANSPORTATION.—The Secretary may provide transportation for supplies provided as nonlethal assistance under this section. Any such transportation shall be by the most economical commercial or military means available including use of reserve aircraft and personnel.

(c) PRIORITY OF ASSISTANCE.—The Secretary of Defense shall expedite the handling of assistance under this section. Upon identification of any excess supplies of the Department as being suitable for such assistance, such supplies shall immediately be made payable for the purposes of this section.

(d) ADMINISTRATION WITHIN THE UNITED STATES.—The Secretary of Defense shall have sole responsibility for the administration of nonlethal assistance under this section within the United States and may not delegate any part of that authority to any agency outside the Department of Defense.

(e) EFFECTIVE DATE.—This section shall take effect on October 1, 1985.

Mr. McCOLLUM. Mr. Chairman, this amendment would allow the Department of Defense and the Secretary of Defense to give excess supplies to the displaced and the refugees from Afghanistan. It is strictly the authority to deliver, the authority to present, and I would urge very strongly its adoption. It is a technical need that they have, and I believe it is agreeable to both sides of the aisle.

Mr. DANIEL. Mr. Chairman, will the gentleman yield?

Mr. McCOLLUM. I yield to the gentleman from Virginia.

Mr. DANIEL. Mr. Chairman, the gentleman from Florida has rendered an important service in offering this amendment.

It provides a mechanism whereby numerous civic and service organizations can funnel nonlethal assistance directly to hapless refugees from the brutal Soviet invasion of Afghanistan.

And it is crafted in such a manner, Mr. Chairman, as to streamline the entire assistance process, without degrading our services' combat readiness due to their helping the Afghan people. In fact, the amendment's emphasis on reserve participation will ultimately provide excellent peacetime training for their wartime airlift mission.

Unlike the divisiveness and sincere differences in opinion existing in this House on measures to be taken in Central America, there can be no disagreement on the origin and causes of the terrible fate which has befallen the Afghan people. Nor can there by any argument that their needs are deserving of immediate relief.

This amendment will accomplish that, Mr. Chairman, giving our service members the proud opportunity to help the Afghan people, in stark contrast to the Soviet forces' repeated murder, atrocities, and brutality.

It is deserving of our support, and I urge its adoption.

POINT PAPER ON AMENDMENT PROVIDING AUTHORIZATION OF O&M FUNDS FOR HUMANITARIAN ASSISTANCE TO RESISTANCE FORCES IN AFGHANISTAN

Purpose of the amendment

Authorizes $10 million for the Secretary of Defense to provide humanitarian assistance—including donations, excess and surplus property—to the resistance forces in Afghanistan.

Pros and cons of the amendment

Pro.—Unlike humanitarian assistance provisions proposed for earlier bills, this measure doesn't require the Department or the Services to fund the assistance effort out of funds otherwise authorized.

It provides that assistance be transported by the most economical means including utilization of the reserves.

It provides a streamlined system using only DOD as the focal point for this specific program—unlike the more cumbersome multiagency approach used in Central America.

It does not constrain transportation to space-available status in the absence of regular flights to Pakistan.

Con.—This establishes a precedent for authorization of DOD funds specifically for humanitarian purposes.

This establishes a precedent or direct delivery by DOD of nonlethal assistance to an insurgent organization.

This establishes a precedent for DOD to be the supervising and validating agency for private and public assistance to a combatant, from point of origin, donor, through transportation—primarily airlift—to the recipient—an armed, combatant force.

Staff recommendations.—Accept the amendment.

Mr. WHITEHURST. Mr. Chairman, if the gentleman will yield, there is no objection on the minority side. We accept the amendment.

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentleman from Florida [Mr. McCOLLUM], as modified.

The question was taken; and the Chairman pro tempore announced that the ayes appeared to have it.

Mr. WEBER. Mr. Chairman, I demand a recorded vote.

A recorded vote was refused.

So, the amendment, as modified, was agreed to.

AMENDMENT OFFERED BY MR. HUNTER

Mr. HUNTER. Mr. Chairman, I offer an amendment.

The CHAIRMAN pro tempore. The gentleman will please identify the amendment.

Mr. HUNTER. Mr. Chairman, this is an amendment that was proposed initially to be placed at the end of title X, but it is more appropriate here; although it could be placed there, it is more appropriate under this section.

The CHAIRMAN pro tempore. The gentleman will identify the amendment so the Clerk can read.

Mr. HUNTER. It is a study on the use of the E-2 aircraft for drug interdiction purposes, and it was proposed initially to be placed at the end of title X.

Mr. Chairman, I would ask unanimous consent it be considered under this title, because it is more appropriate.

Mr. ENGLISH. Mr. Chairman, I reserve the right to object.

The CHAIRMAN. The Clerk will first report the amendment.

The Clerk read as follows:

Amendment offered by Mr. HUNTER: At the end of title 3 (page 200, after line 4) add the following new section:

SEC. 1050. STUDY ON THE USE OF THE E-2 AIRCRAFT FOR DRUG INTERDICTION PURPOSES.

(a) STUDY BY SECRETARY OF THE NAVY.—The Secretary of the Navy shall conduct a test of the use of E-2 aircraft of the Naval Reserve to determine the effectiveness of that aircraft in drug interdiction. The study shall be conducted along the border between the United States and Mexico and shall be carried out over a period of six months.

(b) COLLECTION OF DATA.—As part of the test, the Secretary shall collect data on the contribution on the use of the E-2 aircraft to the apprehension of drug smugglers. This data shall include the number of intercepts which resulted in apprehensions.

(c) REPORT.—Not later than September 30, 1986, the Secretary shall submit to Congress a report on the results of the study.

Mr. HUNTER (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from California?

There was not objection.

The CHAIRMAN pro tempore. Would the gentleman from California [Mr. HUNTER] please restate his unanimous-consent request?

Mr. HUNTER. Mr. Chairman, I ask unanimous consent that the amendment be considered in this section rather than title X.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

Mr. ENGLISH. Mr. Chairman, reserving the right to object.

I would like to know exactly what the gentleman has in mind in the use of E-2's.

At the present time the Secretary of the Navy has the authority to use E-2's, whether in the Reserve or on active duty, any time that they are in training, in those training areas.

Does the gentleman have in mind to use E-2's on a dedicated basis for this purpose?

Mr. HUNTER. What the gentleman from California is offering is a requirement for the Secretary of the Navy to take a couple of these E-2's that are in the Reserve units; not the active units but Reserve units, specifically along the United States-Mexican border, and see if we can upgrade the interdiction rate which right now hovers right around 1 percent.

Let me answer my friend, who is very, very active on this issue. Right now we have very close to the border at San Diego Naval Air Station, for example, E-2 aircraft available. A few miles away, we have literally hundreds of small aircraft escaping from Central America or coming through with loads of contraband.

We are interdicting right now, to the best of our estimates, 1 percent of those aircraft, although the Secretary of the Navy could in fact employ some of his E-2's under the present law, this is a requirement that he take a couple of them out of the Reserve unit, which is right there, utilize them on that border area, and see if—and send a report back to us, no later than September 30, that tells us whether or not these E-2's are successful in improving our interdiction rate of narcotics.

So it is a very short test period; it calls for some real action, and a report back to us to tell us if he can upgrade that interdiction.

Mr. ENGLISH. Mr. Chairman, further reserving the right to object, I would point out to the gentleman, such tests have already been conducted, and unless the Reserve units the gentleman has designated have F-138 radars on them, they cannot see over land. F-120's cannot see, and I know of no Naval Reserve radars on E-2C's that are presently F-138. They are just now being outfitted with the active duty Navy.

So I would point out to the gentleman such study has already been conducted; it was not successful; the radar cannot see over land as it can see over water, and I would strongly suggest that this would not be a good amendment, and I would urge the gentleman to withdraw the amendment.

I would also like to add that we have a letter from chief, naval operations, stating that dedicated use of Navy E-2's, whether they be C's or B's, would have a negative impact on combat readiness.

I yield to the chairman.

Mr. DANIEL. Would the gentleman agree to withhold his amendment to title X so we can have an opportunity to study it? I have not seen it in its present form.

Mr. HUNTER. The gentleman has not seen my amendment?

Mr. DANIEL. Not in its present form.

Mr. HUNTER. OK, I would give a copy to him right now, so he could take a look at it, but simply say that it says that the Secretary of the Navy shall conduct a test, actual use of E-2 aircraft of the Naval Reserve, to determine the effectiveness of that aircraft in drug interdiction and the study should be conducted along the border between the United States and Mexico, and should be carried out in a period of 6 months, and they shall report back to us on the success of it.

Mr. DANIEL. Would the gentleman yield further?

Mr. ENGLISH. I am happy to yield to the gentleman.

Mr. DANIEL. Would the gentleman withdraw his amendment and bring it up under title X? Otherwise, I will be compelled to oppose it.

Mr. HUNTER. If the chairman asks me to withdraw it, I will withdraw, but let me answer my friend briefly on his request.

As I understand, E-2C's do have overland capability and No. 2, they have not utilized naval aircraft, to my knowledge, along the Mexican-California border, or they have not exercised that—let me finish if the gentleman would let me—they have not exercised that testing capability; in other words, they have not actually flown aircraft out there; the E-2C's, over a sustained period of time, and attempted to interdict narcotics.

Mr. ENGLISH. Further reserving the right to object, Mr. Chairman, I would point out to the gentleman, that from a technological standpoint, and I think if you will check with the Navy, they will be delighted to tell him that; that only the 138's, F-138, can see over land; F-120's cannot.

Tests have been run over the last 2 years along the southern border, into California, and particularly it is difficult in the mountainous areas of California where the drug smugglers fly for this radar to be accurate.

So I would suggest to the gentleman that he may want to check with the Navy as far as the technological capabilities, and also further check as to the tests that have already been run before the gentleman offers this amendment.

Mr. HUNTER. If I may respond to my friend, I would be happy to, at the request of the chairman to withdraw this amendment; hold it until title X; again, and to check my facts, and check the report of the Secretary of the Navy.

Again, my information from Armed Services staff is, E-2C's can see over land, and the gentleman is not correct in that.

Mr. ENGLISH. Further reserving the right to object, Mr. Chairman, there is a definite difference between the APS-138 radar and the APS-120. I know of no APS-138 radars that presently are outfitted on reserve E-2C's. That is the key point that the gentleman needs to determine. Only the F-138's are only being outfitted on active duty E-2C's.

Mr. HUNTER. I thank the gentleman, and we will investigate on that fact before title X.

The CHAIRMAN. Is it the Chair's understanding that the gentleman from California is withdrawing his amendment at this time?

Mr. HUNTER. Yes.

The CHAIRMAN. The amendment is withdrawn, without objection.

There was no objection.

□ 1150

Mr. ENGLISH. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I want to call the attention of every Member to section 305 of title III, which reflects the language of H.R. 1307, allowing the Department of Defense to put some teeth into its support of civilian drug law enforcement by creating a unique Air Force Reserve wing dedicated to surveillance. And, at the same time, the military will derive training and surveillance benefits on its own behalf. Let me give you the background for this initiative.

I chair the Government Operations Subcommittee on Government Information, Justice and Agriculture. Since 1982 we have held 20 hearings into drug interdiction and posse comitatus assistance. In concert with Readiness Subcommittee Chairman DAN DANIEL, we began to assess Customs' critical aircraft and vessel detection problems.

We wondered if Southcom could provide a heads-up to Customs on northbound air and sea traffic, so we contacted Gen. Paul Gorman, who 2 months ago completed his tour as Commander-in-Chief of Southcom. He outlined detection needs in that command which were similar to Customs' needs, and cited the alarming correlation in that region among arms smugglers, insurgents, and narcotics smugglers. Further reinforcing the nexus between regional drug enforcement

and military interests, the general testified:

There is a very real southern border insurgency threat to our national security during wartime;

Narcotics profits are financing the purchase and shipment of arms to Central and South America;

In most cases the same organizations, with the same tactics, with the same individuals are involved in both drug trafficking and arms trafficking in the region;

We have no peacetime or wartime mission to detect this flow of drugs and arms in the region;

The clandestine threat corridors for drugs, arms, and insurgents are the same.

President Reagan, Secretary of State Shultz, the House Foreign Affairs Committee, and the DEA have also confirmed those links.

In considering both Customs' and General Gorman's needs, a plan soon formed to create a reserve special operations wing in the Air Force which could respond to both Customs and Southcom. This wing, consisting of 16 long-range surveillance aircraft, would have the military mission to detect potentially illicit air traffic in Southcom, and in the event of war, along the southern U.S. border.

During peacetime, eight of the aircraft would be operated on a daily basis on behalf of the Customs Service, with Customs paying for consumables and organizational level maintenance. Two others would be tasked each day to Southcom. DOD would provide intermediate and higher maintenance for the fleet.

DOD initiatives taken to date have consisted principally of direct loans of equipment from DOD to Customs—as with the Blackhawk helicopter; the sharing of information gathered during routine DOD activities—as with the Navy ship sighting program, E2/E3 training flights, and Cudjoe Key aerostat; or specific tasking of DOD elements to support Customs—as with the specially designated E2/E3 aircraft missions and Marine Corps OV-10 flights.

When this proposal is adopted, both DOD and a civilian agency will garner the benefit. Importantly, the training DOD will receive will be exactly equivalent to its wartime Mission, thus serving the readiness interest of the Air Force.

President Reagan and Secretary of Defense Weinberger have agreed in principle to this concept, providing Congress appropriates the funds necessary to convert the aircraft.

My friends, we are demanding that Customs do a better job of stopping the drugs that pollute our country and harm our people. If Customs can't see the smugglers, then they can't stop them, and the same can be said concerning insurgents and the military. This program provides a tremendous boost to both our drug fighters and our Air Force.

I urge your support.

Mr. DANIEL. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I rise to commend the gentleman from Oklahoma. We hear a lot in this body about the bickering between the various committees and the various agencies of Government. But let me point out an example here where there has been complete cooperation between the Government Operations Committee and the committee which the gentleman from Virginia has the privilege to chair.

I would also like to point out that the Department of Defense has been very cooperative in working with these two committees of the Congress. We believe that we are making some progress. I think we can conclude very readily that this cooperation and consultation are integral parts, not only for the readiness of our forces, but also for the protection of American citizens.

Mr. ENGLISH. Mr. Chairman, will the gentleman yield?

Mr. DANIEL. I yield to the gentleman from Oklahoma.

Mr. ENGLISH. Mr. Chairman, I would like to associate myself with the chairman's remarks. I certainly would like to commend the Armed Services Committee as well as the Appropriations Committees in both the House and the Senate. This has been a cooperative effort between both Democrats and Republicans not only on my subcommittee but the other committees as well, and the Department of Defense. There has been a cooperation that has developed over the last 2 or 3 years, and I have got to say that in the beginning it was very slow and there were those who resisted, but we now I think have reached an accord that this cooperation is moving forward, and I think we are in a position now to make substantial progress. I certainly commend the chairman of the subcommittee for his work.

Mr. DANIEL. I thank the gentleman.

Mr. HUTTO. Mr. Chairman, will the gentleman yield?

Mr. DANIEL. I yield to the gentleman from Florida.

Mr. HUTTO. Mr. Chairman, I want to commend you for your leadership, along with the gentleman from Oklahoma. This has been a great cooperative effort, a bipartisan effort, not only in this body but the other body, and I think through the gentleman's dynamic leadership that we are going to get at this problem of drug interdiction. The gentleman has done excellent work and I want to commend him.

I was in a hearing with the gentleman from Oklahoma down in Miami, and we had good bipartisan participation—participation on the part of many people who are interested in eradicating from the face of this Earth this tremendous problem that we have with drugs. The gentleman is doing a good job and I commend him on it.

Mr. FASCELL. Mr. Chairman, will the gentleman yield?

Mr. DANIEL. I yield to the gentleman from Florida.

Mr. FASCELL. I thank the gentleman for yielding.

Mr. Chairman, I simply wanted to express my appreciation to the gentleman from Virginia for his leadership, and the cooperation on the minority side.

I also want to express that I think the gentleman from Virginia was eminently wise in his caution in this matter and to let it develop and materialize in a way that it has. We need all of the assistance we can get. My colleague, who has been the chairman of the Subcommittee on Government Operations, who has kind of been the spearhead on this thing, deserves a great deal of credit for it. But I wanted especially to thank the chairman of the Committee on Armed Services.

Mr. DANIEL. I thank the gentleman.

Mr. HUNTER. Mr. Chairman, will the gentleman yield?

Mr. DANIEL. I yield to the gentleman from California.

Mr. HUNTER. I thank my chairman for yielding, and I also want to commend the subcommittee and the chairman for the work that he has done on this.

I think the important thing is that we are interdicting very few of the aircraft that are crossing the border right now, and we desperately need to get people and equipment down there to stop them. This initiative is going to go a long way toward doing that. I think, especially in light of what is happening in Central America, the Armed Forces do have an interest in being able to interdict aircraft that are not authorized, and other traffic that is not authorized, from coming north, and I commend the chairman and the subcommittee for their work.

(By unanimous consent, Mr. DANIEL was allowed to proceed for 2 additional minutes.)

Mrs. BYRON. Mr. Chairman, will the gentleman yield?

Mr. DANIEL. I yield to the gentlewoman from Maryland.

Mrs. BYRON. Mr. Chairman, let me compliment my two colleagues here for taking such a strong stand on something that I think is so very vital.

Let me tell a very quick short story but a very tragic one: I have a constituent, a 17-year-old girl, who was a runaway, contacted by her family. She had disappeared in New Orleans. As it turned out, she has just recently been found by her family. She had gotten involved with a drug dealer. She was taken on board his yacht, she lived there from 2 to 3 months. She has just

returned home to her family in a very tragic physical and mental condition. And yet it brings forward on a personal basis once again the very serious problem, the crime problem, that is resulting from the massive influx of drugs, but above and beyond that, the drug dealers that so desperately we need to make an attack against.

Mr. ENGLISH. Mr. Chairman, will the gentleman yield?

Mr. DANIEL. I yield to the gentleman from Oklahoma.

Mr. ENGLISH. In response to the point the gentleman from California was making, I think it is an excellent point. There is no question that the equipment that has been approved is just now beginning to come on line. We have contained in this bill the authorization for 16 detection aircraft, and these are very large aircraft. It is under the best of conditions as far as posse comitatus, in that both the military and our law enforcement officials are going to derive benefit from it. I think it is in that very careful, concise approach that we not only are able to strengthen our national defense, we are able to strengthen our law enforcement effort, and at the same time we are making sure that the taxpayer gets due use of his tax dollars. I think the gentleman can look forward to a great deal more equipment coming on line as it is processed through the system.

Mr. HUNTER. If the gentleman will yield further, I thank the gentleman.

I think we have a real opportunity here, and I think this is an excellent initiative by the committee. I have one further concern, and that is the fact that we have tremendous resources within a few miles of the border, specifically, San Diego, Fort Huachuca in Arizona, and on down the line, and that there is an economy to be effected if we can find aircraft that are dedicated to those particular areas which essentially patrol within a few miles of that border anyway, to utilize those also. I realize part of this force is also located very close to the border.

Mr. DANIEL. Mr. Chairman, I would like also to commend the gentleman from Virginia [Mr. WHITEHURST]. He has been most cooperative in this matter and we are deeply grateful for his effort.

AMENDMENT OFFERED BY MR. KANJORSKI

Mr. KANJORSKI. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. KANJORSKI: At the end of title III (page 38, after line 10) add the following new section:

SEC. 308. MILITARY ENTRANCE PROCESSING STATION, WILKES BARRE, PENNSYLVANIA.

None of the funds appropriated pursuant to the authorizations of appropriations in this title may be used to relocate the military entrance processing station in the city of Wilkes Barre, Pennsylvania, to a location outside that city.

□ 1200

Mr. KANJORSKI. Mr. Chairman, this amendment would prohibit the relocation of the Wilkes-Barre Military Entrance Processing Station. As a result of recent conversations with my distinguished colleague from Virginia, Mr. Daniels, I will not be asking for a vote today on my amendment. I understand his desire not to have this kind of amendment added to the Department of Defense authorization bill, particularly since this bill does not authorize the relocation of the Wilkes-Barre MEPS facility. But I would like to use my time to bring to this body's attention a matter that I feel makes $600 hammers and toilet seats seem like a bargain. I am referring to a move now underway to relocate a military entrance processing station from a city in my district to another city less than 30 miles away. This move has nothing to do with the national security or the accessibility of the MEPS facility at its present location or the possible new location.

I have been informed that this move will be made because it is cost effective for the Government. Unless basic math has changed recently so that $2 million is now less than $92,000—This move represents a gross misuse of taxpayers money. According to the GSA. The leasing costs per square foot at the present location are less expensive than the leasing costs to be incurred in the new site. On an annual basis, at the present leasing space totals, the move will cost the Government some $4,500 more per year in leasing costs. Over a 20-year period, the Federal Government, at the present rates, will spend an additional $90,000 in rent for this move.

I would like to say that this travesty ends here, but unfortunately it does not. The site under consideration for the relocation will need substantial renovation to meet the needs of the processing station. This renovation will costs the taxpayers, according to the GSA, some $2 million more. Renovation at the current site has been estimated to cost some $92,000. I simply cannot understand how, at a time of $200 billion deficits and massive cost overruns in the Defense Department, we can justify moving a facility some 30 miles—at a net cost to the Government of $2 million—when it does not affect the national security or the functional ability of that facility.

Mr. Chairman, this body faces many critical budgetary decisions this year and in the future. I do not believe that we can, in good conscience, ask our hard working citizens and local officials to bite the bullet and accept reductions in numerous Government programs that provide for the common good—while at the same time, approve the wasteful expenditure of funds for the frivilous and non-cost-effective relocation of facilities vital to local communities.

I would like to ask my distinguished colleague from Virginia to join me in requesting the General Accounting Office to investigate this matter and to provide us with an analysis of the cost-effectiveness of this relocation.

Mr. Chairman, I would like to yield to my colleague from Virginia.

The CHAIRMAN pro tempore. The time of the gentleman from Pennsylvania [Mr. KANJORSKI] has expired.

(On request of Mr. DANIEL and by unanimous consent, Mr. KANJORSKI was allowed to proceed for 1 additional minute.)

Mr. DANIEL. Mr. Chairman, will the gentleman yield?

Mr. KANJORSKI. I yield to the gentleman from Virginia.

Mr. DANIEL. Mr. Chairman, I would like to thank my colleague from Pennsylvania for his statement today and for bringing the matter of this relocation to my attention. I share his concern over the wasteful expenditure of Federal funds, especially at a time when many of my own constituents are being asked to make numerous sacrifices. I will be glad to join with the gentleman from Pennsylvania in asking the GAO to conduct a complete investigation into this matter and to report back to us with their results on the efficiency and cost-effectiveness of the proposed relocation. If the GAO confirms the facts that have been presented by Mr. KANJORSKI, I will join with him in an attempt to prevent this relocation and the wasteful expenditure of taxpayer moneys.

Mr. KANJORSKI. Mr. Chairman, I would like to thank the gentleman from Virginia for his cooperation and assistance in this matter of vital importance to my constituents, and for his diligent work in protecting the interests of the hard-working taxpayers of America.

Mr. STRATTON. Mr. Chairman, will the gentleman yield?

Mr. KANJORSKI. I yield to the gentleman.

Mr. STRATTON. I thank the gentleman.

Mr. Chairman, I just wanted to ask the gentleman this entrance processing station, this is a recruiting station, is that the idea?

Mr. KANJORSKI. That is right, Mr. STRATTON; 14 civilians and 16 military personnel.

Mr. STRATTON. Going back to my district from Washington, I very frequently drive up Interstate 81, and I am very familiar with Wilkes-Barre as well as Scranton, of course, we all remember our former colleague, Dan Flood, who did a great deal for Wilkes-Barre.

I would ask the gentleman, where is this going to be located? Are they

going to move it over into Scranton, is that the idea?

Mr. KANJORSKI. Of course, we are not certain where that will be located, but that is not the issue; where the relocation will occur, Mr. STRATTON.

The issue is that they are arguing that it is cost effective to increase the square footage rent by moving from private-owned facilities to Government facilities, and then to facilitate that, rather than having the private owner renovate at a cost of $92,000, that the U.S. Government should renovate at $2 million, which comes out to $100 a square foot.

Now, I am glad the gentleman brought up the point that he drives through Wilkes-Barre, because I tell the gentleman at $100 a square foot, you should not only be able to renovate a building, you should be able to build about 2 square feet in Wilkes-Barre, PA.

Mr. STRATTON. If the gentleman will yield, he is absolutely correct. I am very sympathetic with the gentleman and I hope that we will be able to accept his amendment.

Mr. KANJORSKI. Mr. STRATTON, I appreciate your joining me.

Mr. Chairman, I ask unanimous consent to withdraw my amendment.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

AMENDMENT OFFERED BY MR. HUNTER

Mr. HUNTER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. HUNTER: Page 38, after line 10, insert the following new section:

SEC. 308. LIMITATION ON USE OF FUNDS TO DISMANTLE POSEIDON-CLASS SUBMARINE.

No funds appropriated for fiscal year 1986 under any authorization of appropriations in this title may be used to dismantle any Poseidon-class submarine until—

(1) the President submits to the Congress a report with respect to—

(A) the feasibility of transferring the ownership of any such submarine to the United Kingdom; and

(B) if the transfer referred to in subparagraph (A) is not feasible, the feasibility of converting any such submarine into an SSN-type submarine or SSGN-type submarine; and

(2) the 60-day period beginning on the date of the submission of such report to the Congress expires.

Mr. HUNTER. Mr. Chairman, in a few months, we are going to bump up against the SALT limitations on missile launchers, and we will be dismantling, faced with dismantling the Poseidon submarine, the U.S.S. *Sam Rayburn*, when the *Alaska* Trident-class submarine goes out for sea trials.

Right now we have, I believe, some 31 Poseidon boats; we will have 30 when we dismantle this one. We have about six Tridents in the water. I think the sixth Trident has not yet gone out for sea trials. What this amendment does is very simple: It simply requests a report from the President on the feasibility of doing one of several things. No. 1, transferring that Poseidon submarine to the United Kingdom, and that could be, if it was not transferred with SLBM capability as an attack boat, or if that is not feasible, the feasibility of converting that submarine into an SSN-type submarine or SSGN-type submarine.

Mr. STRATTON. Mr. Chairman, will the gentleman yield?

Mr. HUNTER. I yield to the gentleman.

Mr. STRATTON. I thank the gentleman for yielding.

Mr. Chairman, is it not true that the actual submarine that would have to be sacrificed under the decision that the President of the United States took is the U.S.S. *Sam Rayburn*? I would think that the House of Representatives would certainly not want to have the U.S.S. *Sam Rayburn* destroyed or outmoded as a result of SALT II. I think that the gentleman is offering a very signficant alternative.

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Mr. HUNTER. I thank the gentleman from New York.

Mr. ASPIN. Mr. Chairman, will the gentleman yield?

Mr. HUNTER. I would be happy to yield to the chairman, the gentleman from Wisconsin.

Mr. ASPIN. I thank the gentleman for yielding.

Mr. Chairman, let me point out here that we are now into an amendment which we had hoped would not be offered because there are other people who feel very strongly about this subject, and we are fooling around, now, with the President's decision to dismantle the Poseidon submarine to comply with the SALT agreement.

I am not saying that it is not something that the House ought to get into; it is not something that we ought to get into with a lot of the Members not here.

If the gentleman would like to ask for a report, and would amend his amendment to ask for a report, that is fine, but to say that we are going to prohibit the use of any funds, in other words, we are going to tell the administration at this point that they cannot do that until they issue this report, we cannot do that with 60 or 70 Members not here.

We had the agreement, and what we were going to do was, if we could deal with the noncontroversial amendments, protect anybody who was going to offer amendments that the House is going to want to debate, protect the gentleman's right to offer that amendment even though we had gone beyond title III. It seems to me perfectly legitimate.

I would ask the gentleman to save his amendment until we get more people here to discuss it.

Mr. HUNTER. Let me repond to my chairman.

To begin with, I understand that we were to offer amendments that are essentially noncontroversial, and I ran this amendment past the chairman of the subcommittee and the ranking member on the subcommittee this morning, and the chairman did not say, "I do not like this amendment," or "I think it is a controversial amendment."

So I ran the amendment by both of my colleagues. The amendment simply calls for a report on the feasibility of transferring. It says if it is not feasible, then all we want is a report on the feasibility of conversion into a standard-type submarine.

So I am telling the gentleman he has not approached me before. The two gentlemen that I am supposed to do buisness with on the House floor had no problem with me offering this particular amendment.

Mr. ASPIN. If the gentleman had approached me and had asked me, I would have told the gentleman that we have big problems with this. I made commitments to people who are not here today that we would not deal with issues like this if they wanted to get a vote. I cannot go back on that. If the gentleman insists on his amendment, I will have to move to adjourn.

Mr. HUNTER. If my chairman represents that he has promised other Members that we would not have amendments that would be controversial and he thinks that this would be reneging on that promise, I would be happy to withhold the amendment, if it is protected.

Mr. DANIEL. Mr. Chairman, will the gentleman yield?

Mr. HUNTER. I yield to the chairman of the subcommittee, the gentleman from Virginia.

Mr. DANIEL. I thank the gentleman for yielding.

Mr. Chairman, the chairman of the full committee is absolutely correct. This is an amendment which a number of people have expressed an interest in to me, and I would urge the gentleman to withhold his amendment until next week.

Mr. HUNTER. I will be happy to withhold. I might mention that none of the Members that you spoke of approached this gentleman and said, "We think it is controversial and would you hold off?"

Mr. Chairman, I ask unanimous consent to withdraw my amendment.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. ASPIN. Mr. Chairman, I move to strike the last word.

I am going to ask unanimous consent that amendments to title III already printed in the RECORD, and that includes the amendment that the gentleman from California [Mr. HUNTER] was just talking about, and if offered by the Members submitting the amendments, be in order notwithstanding the fact that title III has already been passed.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. ASPIN. Mr. Chairman, I know of no other amendments to title III, and I think we ought to go on to title IV.

The CHAIRMAN pro tempore. The Clerk will designate title IV.

The text of title IV is as follows:

TITLE IV—MILITARY PERSONNEL AUTHORIZATIONS

PART A—ACTIVE FORCES

SEC. 401. AUTHORIZATION OF END STRENGTHS.

The Armed Forces are authorized strengths for active duty personnel as of September 30, 1986, as follows:

(1) The Army, 780,800.

(2) The Navy, 581,300.

(3) The Marine Corps, 199,500.

(4) The Air Force, 608,500.

SEC. 402. EXTENSION OF QUALITY CONTROL ON ENLISTMENTS INTO THE ARMY.

Effective on October 1, 1985, section 302(a) of the Department of Defense Authorization Act, 1981 (10 U.S.C. 520 note), is amended by striking out "October 1, 1984" and "September 30, 1985" and inserting in lieu thereof "October 1, 1985" and "September 30, 1986", respectively.

PART B—RESERVE FORCES

SEC. 411. AUTHORIZATION OF AVERAGE STRENGTHS FOR SELECTED RESERVE.

(a) IN GENERAL.—For fiscal year 1986 the Selected Reserve of the reserve components of the Armed Forces shall be programmed to attain average strengths of not less than the following:

(1) The Army National Guard of the United States, 441,882.

(2) The Army Reserve, 291,346.

(3) The Naval Reserve, 134,400.

(4) The Marine Corps Reserve, 41,900.

(5) The Air National Guard of the United States, 108,700.

(6) The Air Force Reserve, 75,600.

(7) The Coast Guard Reserve, 12,500.

(b) ADJUSTMENTS.—The average strengths prescribed by subsection (a) for the Selected Reserve of any reserve component shall be proportionately reduced by (1) the total authorized strength of units organized to serve as units of the Selected Reserve of such component which are on active duty (other than for training) at any time during the fiscal year, and (2) the total number of individual members not in units organized to serve as units of the Selected Reserve of such component who are on active duty (other than for training or for unsatisfactory participation in training) without their consent at any time during the fiscal year. Whenever such units or such individual members are released from active duty during any fiscal year, the average strength prescribed for such fiscal year for the Selected Reserve of such reserve component shall be proportionately increased by the total authorized strength of such units and by the total number of such individual members.

SEC. 412. AUTHORIZATION OF END STRENGTHS FOR RESERVES ON ACTIVE DUTY IN SUPPORT OF THE RESERVE COMPONENTS.

(a) IN GENERAL.—Within the average strengths prescribed in section 601, the reserve components of the Armed Forces are authorized, as of September 30, 1986, the following number of Reserves to be serving on full-time active duty or, in the case of members of the National Guard, on full-time National Guard duty for the purpose of organizing, administering, recruiting, instructing, or training the reserve components or the National Guard:

(1) The Army National Guard of the United States, 26,879.

(2) The Army Reserve, 13,614.

(3) The Naval Reserve, 19,510.

(4) The Marine Corps Reserve, 1,475.

(5) The Air National Guard of the United States, 7,269.

(6) The Air Force Reserve, 635.

(b) AUTHORITY TO INCREASE END-STRENGTH LIMIT.—Upon a determination by the Secretary of Defense that such action is in the national interest, the end strengths prescribed by subsection (a) may be increased by a total of not more than the number equal to 2 percent of the total end strengths prescribed.

SEC. 413. INCREASE IN NUMBER OF CERTAIN PERSONNEL AUTHORIZED TO BE ON ACTIVE DUTY IN SUPPORT OF THE RESERVE COMPONENTS.

(a) SENIOR ENLISTED MEMBERS.—The table in section 517(b) of title 10, United States Code, is amended to read as follows:

"Grade	Army	Navy	Air Force	Marine Corps
E–9	517	175	80	9
E–8	2,296	381	358	74".

(b) OFFICERS.—The table in section 524(a) of such title is amended to read as follows:

"Grade	Army	Navy	Air Force	Marine Corps
Major or Lieutenant Commander	2,422	875	476	100
Lieutenant Colonel or Commander	1,210	520	318	60
Colonel or Navy Captain	356	177	189	25".

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect on October 1, 1985.

PART C—MILITARY TRAINING

SEC. 421. AUTHORIZATION OF TRAINING STUDENT LOADS.

(a) IN GENERAL.—For fiscal year 1986, the components of the Armed Forces are authorized average military training student loads as follows:

(1) The Army, 79,686.

(2) The Navy, 71,018.

(3) The Marine Corps, 20,766.

(4) The Air Force, 43,389.

(5) The Army National Guard of the United States, 18,886.

(6) The Army Reserve, 16,985.

(7) The Naval Reserve, 3,355.

(8) The Marine Corps Reserve, 3,790.

(9) The Air National Guard of the United States, 2,517.

(10) The Air Force Reserve, 2,352.

(b) ADJUSTMENTS.—The average military student loads for the Army, the Navy, the Marine Corps, and the Air Force and the reserve components authorized in subsection (a) for fiscal year 1986 shall be adjusted consistent with the personnel strengths authorized in parts A and B. Such adjustment shall be apportioned among the Army, the Navy, the Marine Corps, and the Air Force and the reserve components in such manner as the Secretary of Defense shall prescribe.

Mr. ASPIN. Mr. Chairman, I ask unanimous consent that titles IV, V, and VI be open to amendment. Those are 3 titles that deal with personnel issues. I would like to open those to amendment at this point with the same kind of procedure that we have been using before. We will deal with whatever amendments we can of the noncontroversial kind and protect those amendments that are more controversial, protect Members' opportunity to offer those amendments.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

The CHAIRMAN pro tempore. The Clerk will designate titles V and VI.

The text of titles V and VI is as follows:

Titles V and VI read as follows:

TITLE V—DEFENSE PERSONNEL POLICY

PART A—CIVILIAN PERSONNEL

SEC. 501. WAIVER OF CIVILIAN PERSONNEL CEILINGS FOR FISCAL YEAR 1986.

The provisions of section 138(c)(2) of title 10, United States Code, shall not apply with respect to fiscal year 1986 or with respect to the appropriation of funds for that year.

SEC. 502. PROHIBITION OF MANAGING CIVILIAN PERSONNEL BY END STRENGTHS.

Effective on October 1, 1985, section 140b of title 10, United States Code, is amended—

(1) by inserting "and" before "(2)",

(2) by striking out ", and (3)" and all that follows through "such fiscal year"; and

(3) by striking out the period at the end of the second sentence and inserting in lieu thereof "or any constraint or limitation (known as an 'end-strength') on the number of such personnel who may be employed on the last day of such fiscal year.".

PART B—ACTIVE MILITARY PERSONNEL

SEC. 511. ADJUSTMENT IN MARINE CORPS OFFICER GRADE TABLE.

(a) INCREASE IN AUTHORIZED NUMBER OF MARINE CORPS MAJORS.—The table in section 523(a)(1) of title 10, United States Code, is amended by striking out "2,717", "2,936", "3,154", "3,373", and "3,591" in the items relating to the Marine Corps under the column headed "Major" and inserting in lieu thereof "2,818", "3,137", "3,456", "3,775", and "4,094", respectively.

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall take effect on October 1, 1985.

SEC. 512. SERVICE AGREEMENTS OF CADETS AND MIDSHIPMEN.

(a) MILITARY ACADEMY.—Section 4348 of title 10, United States Code, relating to agreements of cadets at the United States Military Academy, is amended to read as follows:

"§ 4348. Cadets: agreement to serve as officer

"(a) Each cadet shall sign an agreement with respect to the cadet's length of service in the armed forces. The agreement shall provide that the cadet agrees to the following:

"(1) That the cadet will complete the course of instruction at the Academy.

"(2) That upon graduation from the Academy the cadet—

"(A) will accept an appointment, if tendered, as a commissioned officer of the Regular Army or the Regular Air Force; and

"(B) will serve on active duty for at least five years immediately after such appointment.

"(3) That if an appointment described in paragraph (2) is not tendered or if the cadet is permitted to resign as a regular officer before completion of the commissioned service obligation of the cadet, the cadet—

"(A) will accept an appointment as a commissioned officer as a Reserve for service in the Army Reserve or the Air Force Reserve; and

"(B) will remain in that reserve component until completion of the commissioned service obligation of the cadet.

"(b)(1) The Secretary of the Army may transfer to the Army Reserve, and may order to active duty for such period of time as the Secretary prescribes (but not to exceed four years), a cadet who breaches an agreement under subsection (a). The period of time for which a cadet is ordered to active duty under this paragraph may be determined without regard to section 651(a) of this title.

"(2) A cadet who is transferred to the Army Reserve under paragraph (1) shall be transferred in an appropriate enlisted grade or rating, as determined by the Secretary.

"(3) For the purposes of paragraph (1), a cadet shall be considered to have breached an agreement under subsection (a) if the cadet is separated from the Academy under circumstances which the Secretary determines constitute a breach by the cadet of the cadet's agreement to complete the course of instruction at the Academy and accept an appointment as a commissioned officer upon graduation from the Academy.

"(c) The Secretary of the Army shall prescribe regulations to carry out this section. Those regulations shall include—

"(1) standards for determining what constitutes, for the purpose of subsection (b), a breach of an agreement under subsection (a);

"(2) procedures for determining whether such a breach has occurred; and

"(3) standards for determining the period of time for which a person may be ordered to serve on active duty under subsection (b).

"(d) In this section, 'commissioned service obligation', with respect to an officer who is a graduate of the Academy, means the period beginning on the date of the officer's appointment as a commissioned officer and ending on the sixth anniversary of such appointment or, at the discretion of the Secretary of Defense, any later date up to the eighth anniversary of such appointment.

"(e)(1) This section does not apply to a cadet who is not a citizen or national of the United States.

"(2) In the case of a cadet who is a minor and who has parents or a guardian, the cadet may sign the agreement required by subsection (a) only with the consent of a parent or guardian.".

(b) NAVAL ACADEMY.—Section 6959 of such title, relating to agreements of midshipmen at the United States Naval Academy, is amended to read as follows:

"§ 6959. Midshipmen: agreement for length of service

"(a) Each midshipman shall sign an agreement with respect to the midshipman's length of service in the armed forces. The agreement shall provide that the midshipman agrees to the following:

"(1) That the midshipman will complete the course of instruction at the Naval Academy.

"(2) That upon graduation from the Naval Academy the midshipman—

"(A) will accept an appointment, if tendered, as a commissioned officer of the Regular Navy, the Regular Marine Corps, or the Regular Air Force; and

"(B) will serve on active duty for at least five years immediately after such appointment.

"(3) That if an appointment described in paragraph (2) is not tendered or if the midshipman is permitted to resign as a regular officer before completion of the commissioned service obligation of the midshipman, the midshipman—

"(A) will accept an appointment as a commissioned officer in the Naval Reserve or the Marine Corps Reserve or as a Reserve in the Air Force for service in the Air Force Reserve; and

"(B) will remain in that reserve component until completion of the commissioned service obligation of the midshipman.

"(b)(1) The Secretary of the Navy may transfer to the Naval Reserve or the Marine Corps Reserve, and may order to active duty for such period of time as the Secretary prescribes (but not to exceed four years), a midshipman who breaches an agreement under subsection (a). The period of time for which a midshipman is ordered to active duty under this paragraph may be determined without regard to section 651(a) of this title.

"(2) A midshipman who is transferred to the Naval Reserve or Marine Corps Reserve under paragraph (1) shall be transferred in an appropriate enlisted grade or rating, as determined by the Secretary.

"(3) For the purposes of paragraph (1), a midshipman shall be considered to have breached an agreement under subsection (a) if the midshipman is separated from the Naval Academy under circumstances which the Secretary determines constitute a breach by the midshipman of the midshipman's agreement to complete the course of instruction at the Naval Academy and accept an appointment as a commissioned officer upon graduation from the Naval Academy.

"(c) The Secretary of the Navy shall prescribe regulations to carry out this section. Those regulations shall include—

"(1) standards for determining what constitutes, for the purpose of subsection (b), a breach of an agreement under subsection (a);

"(2) procedures for determining whether such a breach has occurred; and

"(3) standards for determining the period of time for which a person may be ordered to serve on active duty under subsection (b).

"(d) In this section, 'commissioned service obligation', with respect to an officer who is a graduate of the Academy, means the period beginning on the date of the officer's appointment as a commissioned officer and ending on the sixth anniversary of such appointment or, at the discretion of the Secretary of Defense, any later date up to the eighth anniversary of such appointment.

"(e)(1) This section does not apply to a midshipman who is not a citizen or national of the United States.

"(2) In the case of a midshipman who is a minor and who has parents or a guardian, the midshipman may sign the agreement required by subsection (a) only with the consent of a parent or guardian.".

(c) AIR FORCE ACADEMY.—Section 9348 of such title, relating to agreements of cadets at the United States Air Force Academy, is amended to read as follows:

"§ 9348. Cadets: agreement to serve as officer

"(a) Each cadet shall sign an agreement with respect to the cadet's length of service in the armed forces. The agreement shall provide that the cadet agrees to the following:

"(1) That the cadet will complete the course of instruction at the Academy.

"(2) That upon graduation from the Academy the cadet—

"(A) will accept an appointment, if tendered, as a commissioned officer of the Regular Air Force; and

"(B) will serve on active duty for at least five years immediately after such appointment.

"(3) That if an appointment described in paragraph (2) is not tendered or if the cadet is permitted to resign as a regular officer before completion of the commissioned service obligation of the cadet, the cadet—

"(A) will accept an appointment as a commissioned officer as a Reserve in the Air Force for service in the Air Force Reserve; and

"(B) will remain in that reserve component until completion of the commissioned service obligation of the cadet.

"(b)(1) The Secretary of the Air Force may transfer to the Air Force Reserve, and may order to active duty for such period of time as the Secretary prescribes (but not to exceed four years), a cadet who breaches an agreement under subsection (a). The period of time for which a cadet is ordered to active duty under this paragraph may be determined without regard to section 651(a) of this title.

"(2) A cadet who is transferred to the Air Force Reserve under paragraph (1) shall be transferred in an appropriate enlisted grade or rating, as determined by the Secretary.

"(3) For the purposes of paragraph (1), a cadet shall be considered to have breached an agreement under subsection (a) if the cadet is separated from the Academy under circumstances which the Secretary determines constitute a breach by the cadet of the cadet's agreement to complete the course of instruction at the Academy and accept an appointment as a commissioned officer upon graduation from the Academy.

"(c) The Secretary of the Air Force shall prescribe regulations to carry out this section. Those regulations shall include—

"(1) standards for determining what constitutes, for the purpose of subsection (b), a breach of an agreement under subsection (a);

"(2) procedures for determining whether such a breach has occurred; and

"(3) standards for determining the period of time for which a person may be ordered to serve on active duty under subsection (b).

"(d) In this section, 'commissioned service obligation', with respect to an officer who is a graduate of the Academy, means the period beginning on the date of the officer's appointment as a commissioned officer and ending on the sixth anniversary of such appointment or, at the discretion of the Secretary of Defense, any later date up to the eighth anniversary of such appointment.

"(e)(1) This section does not apply to a cadet who is not a citizen or national of the United States.

"(2) In the case of a cadet who is a minor and who has parents or a guardian, the cadet may sign the agreement required by subsection (a) only with the consent of a parent or guardian.".

(d) DEADLINE FOR REGULATIONS.—The Secretary of each military department shall prescribe the regulations required by section 4348(c), 6959(c), or 9348(c), as appropriate, of title 10, United States Code (as added by the amendments made by subsections (a), (b), and (c)) not later than the end of the 90-day period beginning on the date of the enactment of this Act.

(e) APPLICABILITY OF AMENDMENTS.—The amendments made by subsections (a), (b), and (c) (other than with respect to the authority of the Secretary of a military department to prescribe regulations)—

(1) shall take effect with respect to each military department on the date on which regulations prescribed by the Secretary of that military department in accordance with subsection (d) take effect; and

(2) shall apply with respect to each agreement entered into under sections 4348, 6959, and 9348, respectively, of title 10, United States Code, that is entered into on or after the effective date of such regulations and shall apply with respect to each such agreement that was entered into before the effective date of such regulations by an individual who is a cadet or midshipman on such date.

SEC. 513. TRANSFERS TO AND FROM TEMPORARY DISABILITY RETIRED LIST.

(a) IMPROVEMENTS IN ADMINISTRATION OF TEMPORARY DISABILITY RETIRED LIST.—Chapter 61 of title 10, United States Code, relating to retirement or separation for physical disability, is amended as follows:

(1)(A) Sections 1201(1) and 1204(1) are amended by inserting "and stable" after "permanent nature".

(B) Sections 1202 and 1205 are amended by inserting "and stable" after "permanent nature" the first place it appears in each section.

(2) Section 1210 is amended—

(A) by inserting "and stable" in subsections (b), (c), and (d) after "permanent nature"; and

(B) in subsection (f)—

(i) by inserting "(1)" after "(f)"; and

(ii) by striking out "and rating" and all that follows and inserting in lieu thereof "or rating, the Secretary shall—

"(A) treat the member as provided in section 1211 of this title; or

"(B) discharge the member, retire the member, or transfer the member to the Fleet Reserve, Fleet Marine Corps Reserve, or inactive Reserve under any other law if, under that law, the member—

"(i) applies for and qualifies for that retirement or transfer; or

"(ii) is required to be discharged, retired, or eliminated from an active status.

"(2)(A) For the purpose of paragraph (1)(B), a member shall be considered qualified for retirement or transfer to the Fleet Reserve or Fleet Marine Corps Reserve or is required to be discharged, retired, or eliminated from an active status if, were the member reappointed or reenlisted under section 1211 of this title, the member would in all other respects be qualified for or would be required to be retired, transferred to the Fleet Reserve or Fleet Marine Corps Reserve, discharged, or eliminated from an active status under any other provision of law.

"(B) The grade of a member retired, transferred, discharged, or eliminated from an active status pursuant to paragraph (1)(B) shall be determined under the provisions of law under which the member is retired, transferred, discharged, or eliminated. The member's retired, retainer, severance, readjustment, or separation pay shall be computed as if the member had been reappointed or reenlisted upon removal from the temporary disability retired list and before the retirement, transfer, discharge, or elimination. Notwithstanding section 8301 of title 5, a member who is retired shall be entitled to retired pay effective on the day after the last day on which the member is entitled to disability retired pay.".

(3) The second sentence of section 1211(c) is amended—

(A) by inserting "and if the member is not discharged, retired, or transferred to the Fleet Reserve or Fleet Marine Corps Reserve or inactive Reserve under section 1210 of this title," after "subsection (a) or (b),"; and

(B) by inserting "and the member shall be discharged" before the period.

(b) CONFORMING AMENDMENT.—Section 1448(c) of such title is amended by inserting "disability" before "retired pay".

SEC. 514. CHANGE IN TITLE OF GRADE OF COMMODORE TO REAR ADMIRAL (LOWER HALF).

(a) CHANGE IN TITLE.—(1) Section 5501 of title 10, United States Code, is amended by striking out "Commodore" in clause (4) and inserting in lieu thereof "Rear admiral (lower half)".

(2) Section 41 of title 14, United States Code, is amended by striking out "commodores" and inserting in lieu thereof "rear admirals (lower half)".

(3) Section 24 of the Coast and Geodetic Survey Commissioned Officers' Act of 1948 (33 U.S.C. 853u) is amended by striking out "commodore" each place it appears and inserting in lieu thereof "rear admiral (lower half)".

(b) CONFORMING AMENDMENTS TO TITLE 10.—(1) The following sections of title 10, United States Code, are amended by striking out "commodore" each place it appears and inserting in lieu thereof "rear admiral (lower half)": 101(41), 525(a), 601(c)(2), 611(a), 612(a)(3), 619(a)(2)(B), 619(c)(2)(A)(ii), 625(a), 625(c), 634, 635, 637(b)(2), 638(a)(3), 638(b), 638(c), 645(1)(A)(ii), 5138(a), 5149(b), 5442, 5444, 5457(a), and 6389(f).

(2) Section 5444 of such title is amended by striking out "commodores" in subsections (a) and (f) and inserting in lieu thereof "rear admirals (lower half)".

(3) The tables in sections 5442(a) and 5444(a) of such title are amended by striking out "commodores" and inserting in lieu thereof "rear admirals (lower half)".

(4)(A) The heading of section 625 of such title is amended to read as follows:

"§ 625. Authority to vacate promotions to grades of brigadier general and rear admiral (lower half)".

(B) The item relating to such section in the table of sections at the beginning of subchapter II of chapter 36 of such title is amended to read as follows:

"625. Authority to vacate promotions to grades of brigadier general and rear admiral (lower half).".

(5)(A) The heading of section 635 of such title is amended to read as follows:

"§ 635. Retirement for years of service: regular brigadier generals and rear admirals (lower half)".

(B) The item relating to such section in the table of sections at the beginning of subchapter III of chapter 36 of such title is amended to read as follows:

"635. Retirement for years of service: regular brigadier generals and rear admirals (lower half).".

(6)(A) The heading of section 5442 of such title is amended to read as follows:

"§ 5442. Navy: line officers on active duty: rear admirals (lower half) and rear admirals".

(B) The item relating to such section in the table of sections at the beginning of chapter 533 of such title is amended to read as follows:

"5442. Navy: line officers on active duty; rear admirals (lower half) and rear admirals.".

(7)(A) The heading of section 5444 of such title is amended to read as follows:

"§ 5444. Navy: staff corps officers on active duty; rear admirals (lower half) and rear admirals".

(B) The item relating to such section in the table of sections at the beginning of chapter 533 of such title is amended to read as follows:

"5444. Navy: staff corps officers on active duty; rear admirals (lower half) and rear admirals.".

(8) The table in section 741(a) of such title is amended by striking out "Commodore" and inserting in lieu thereof "Rear admiral (lower half)".

(c) CONFORMING AMENDMENTS TO TITLE 14.—(1) The following sections of title 14, United States Code, are amended by striking out "commodore" each place it appears and inserting in lieu thereof "rear admiral (lower half)": 42(b), 256(a), 259(b), 271(d), 289(a), 290(a), 421(b), 724(b), 729(e), 736(b), 740(a), 742(b), and 743.

(2)(A) The heading of section 290 of such title is amended to read as follows:

"§ 290. Rear admirals and rear admirals (lower half); continuation on active duty; involuntary retirement".

(B) The item relating to such section in the table of sections at the beginning of chapter 11 of such title is amended to read as follows:

"290. Rear admirals and rear admirals (lower half); continuation on active duty; involuntary retirement.".

(3)(A) The heading of section 743 of such title is amended to read as follows:

"§ 743. Rear admiral and rear admiral (lower half); maximum service in grade".

(B) The item relating to such section in the table of sections at the beginning of chapter 21 of such title is amended to read as follows:

"743. Rear admiral and rear admiral (lower half); maximum service in grade.".

(d) CONFORMING AMENDMENTS TO TITLE 37.—(1) The table in section 201(a) of title 37, United States Code, is amended by striking out "Commodore" in the third column and inserting in lieu thereof "Rear admiral (lower half)".

(2)(A) Section 202 of such title is amended by striking out "commodore" and inserting in lieu thereof "rear admiral (lower half)".

(B) The heading of such section is amended to read as follows:

"§ 202. Pay grades: retired Coast Guard rear admirals (lower half)".

(C) The item relating to such section in the table of sections at the beginning of chapter 3 of such title is amended to read as follows:

"202. Pay grades: retired Coast Guard rear admirals (lower half).".

(e) TRANSITION PROVISION.—(1) An officer who on the day before the date of the enactment of this Act is serving in or has the grade of commodore shall as of the date of the enactment of this Act be serving in or have the grade of rear admiral (lower half).

(2) An officer who on the day before the date of the enactment of this Act is on a list of officers selected for promotion to the grade of commodore shall as of the date of the enactment of this Act be considered to be on a list of officers selected for promotion to the grade of rear admiral (lower half).

PART C—RESERVE MILITARY PERSONNEL

SEC. 521. EXTENSION OF CERTAIN RESERVE OFFICER MANAGEMENT PROGRAMS.

(a) GRADE DETERMINATION FOR RESERVE MEDICAL OFFICERS.—Sections 3359(b) and 8359(b) of title 10, United States Code, are amended by striking out "September 30, 1985" and inserting in lieu thereof "September 30, 1987".

(b) PROMOTION OF CERTAIN RESERVE OFFICERS SERVING ON ACTIVE DUTY.—Sections 3380(d) and 8380(d) of such title are amended by striking out "September 30, 1985" and inserting in lieu thereof "September 30, 1987".

(c) YEARS OF SERVICE FOR MANDATORY TRANSFER TO THE RETIRED RESERVE.—Section 1016(d) of the Department of Defense Authorization Act, 1984 (Public Law 98-94; 97 Stat. 668), is amended by striking out "September 30, 1985" and inserting in lieu thereof "September 30, 1987".

SEC. 522. RETENTION UNTIL AGE 60 OF RESERVE CIVILIAN TECHNICIANS.

(a) ARMY.—(1) Section 3848(c) of title 10, United States Code, relating to reserve component officers of the Army who may be removed from an active status after completing 28 years of service, is amended to read as follows:

"(c) Notwithstanding subsections (a) and (b), the Secretary of the Army may authorize the retention in an active status until age 60 of an officer who would otherwise be removed from an active status under this section who—

"(1) is an officer of the Army National Guard of the United States assigned to a headquarters or headquarters detachment of a State or territory, the Commonwealth of Puerto Rico, the Canal Zone, or the District of Columbia; or

"(2) is employed—

"(A) as a technician under section 709 of title 32 in a position for which membership in the National Guard is required as a condition of employment; or

"(B) as a technician of the Army Reserve in a position for which membership in the Army Reserve is required as a condition of employment.".

(2) Section 3851(c) of such title, relating to reserve component officers of the Army who may be removed from an active status after completing 30 years of service, is amended to read as follows:

"(c) Notwithstanding subsections (a) and (b), the Secretary of the Army may authorize the retention in an active status until age 60 of an officer who would otherwise be removed from an active status under this section who—

"(1) is an officer of the Army National Guard of the United States assigned to a headquarters or headquarters detachment of a State or territory, the Commonwealth of Puerto Rico, the Canal Zone, or the District of Columbia; or

"(2) is employed—

"(A) as a technician under section 709 of title 32 in a position for which membership in the National Guard is required as a condition of employment; or

"(B) as a technician of the Army Reserve in a position for which membership in the Army Reserve is required as a condition of employment.".

(b) AIR FORCE.—(1) Section 8848(c) of title 10, United States Code, relating to reserve component officers of the Air Force who may be removed from an active status after completing 28 years of service, is amended to read as follows:

"(c) Notwithstanding subsections (a) and (b), the Secretary of the Air Force may authorize the retention in an active status until age 60 of an officer who would otherwise be removed from an active status under this section who—

"(1) is employed as a technician under section 709 of title 32 in a position for which membership in the National Guard is required as a condition of employment; or

"(2) is employed as a technician of the Air Force Reserve in a position for which membership in the Air Force Reserve is required as a condition of employment.".

(2) Section 8851(c) of such title, relating to reserve component officers of the Air Force Reserve who may be removed from an active status after completing 30 years of service, is amended to read as follows:

"(c) Notwithstanding subsections (a) and (b), the Secretary of the Air Force may authorize the retention in an active status until age 60 of an officer who would otherwise be removed from an active status under this section who—

"(1) is employed as a technician under section 709 of title 32 in a position for which membership in the National Guard is required as a condition of employment; or

"(2) is employed as a technician of the Air Force Reserve in a position for which membership in the Air Force Reserve is required as a condition of employment.".

SEC. 523. AUTHORITY TO RETAIN IN ACTIVE STATUS UNTIL AGE 62 UP TO 10 ARMY RESERVE MAJOR GENERALS.

Section 3852 of title 10, United States Code, relating to mandatory retirement or discharge of reserve major generals, is amended—

(1) by inserting "(a)" at the beginning of the text of the section; and

(2) by adding at the end thereof the following new subsection:

"(b) Notwithstanding subsection (a), an officer in the reserve grade of major general who would otherwise be removed from an active status under this section may, in the discretion of the Secretary of the Army, be retained in an active status, but not later than the date on which he becomes 62 years of age. Not more than 10 officers may be retained under this subsection at any one time.".

SEC. 524. REQUIREMENT OF MUSTER TEST OF ARMY INDIVIDUAL READY RESERVE.

(a) REQUIREMENT OF MUSTER TEST.—The Secretary of Defense shall conduct a test of the ability of the Army to muster members of the Individual Ready Reserve of the Army in time of war or national emergency. The test—

(1) shall be national in scope; and

(2) shall be conducted through voluntary calls to active duty.

(b) REPORT.—Not later than February 1, 1986, the Secretary of Defense shall submit to the Committees on Armed Services of the Senate and House of Representatives a report on the muster test. The report shall include the findings of the Secretary concerning—

(1) the availability and fitness for duty of members of the Army Individual Ready Reserve; and

(2) the adequacy of current call-up procedures.

PART D—MISCELLANEOUS

SEC. 531. APPOINTMENTS OF WARRANT OFFICERS.

(a) REGULAR WARRANT OFFICERS.—Section 555(b) of title 10, United States Code, is amended to read as follows:

"(b) Permanent appointments of regular warrant officers, W-1, shall be made by warrant by the Secretary concerned. Permanent appointments of regular chief warrant officers shall be made by commission by the President.".

(b) RESERVE WARRANT OFFICERS.—Section 597(b) of such title is amended to read as follows:

"(b) Appointments made in the permanent reserve grade of warrant officer, W-1, shall be made by warrant by the Secretary concerned. Appointments made in a permanent reserve grade of chief warrant officer shall be made by commission by the Secretary concerned.".

(c) TRANSITION.—(1) The amendments made by subsections (a) and (b) apply to any appointment of a warrant officer or chief warrant officer on or after the effective date of this section.

(2) An officer who on the effective date of this section is serving in a chief warrant officer grade under an appointment by warrant may be appointed in that grade by commission under section 555(b) or 597(b) of title 10, United States Code, as appropriate. The date of rank of an officer who receives an appointment under this paragraph is the date of rank for the officer's appointment by warrant to that grade.

(d) EFFECTIVE DATE.—This section takes effect six months after the date of the enactment of this Act.

SEC. 532. AUTHORITY FOR INDEPENDENT CRIMINAL INVESTIGATIONS BY NAVY AND AIR FORCE INVESTIGATIVE UNITS.

(a) IN GENERAL.—The Secretary of the Navy shall prescribe regulations providing to the Naval Investigative Service authority to initiate and conduct criminal investigations on the authority of the Director of the Naval Investigative Service. The Secretary of the Air Force shall prescribe regulations providing to the Air Force Office of Special Investigations authority to initiate and conduct criminal investigations on the authority of the Commander of the Air Force Office of Special Investigations.

(b) AUTHORITY TO BE SIMILAR TO THAT OF ARMY CID.—The authority granted under subsection (a) shall be as similar as practicable to the authority of the Army Criminal Investigation Command to determine appropriate investigative action for all criminal matters reported to it or developed through its own sources.

TITLE VI—COMPENSATION AND OTHER PERSONNEL BENEFITS

PART A—BASIC PAY AND ALLOWANCES

SEC. 601. MILITARY PAY RAISE FOR FISCAL YEAR 1986.

(a) WAIVER OF SECTION 1009 ADJUSTMENT.—Any adjustment required by section 1009 of title 37, United States Code, in elements of the compensation of members of the uniformed services to become effective during fiscal year 1986 shall not be made.

(b) THREE PERCENT PAY RAISE.—The rates of basic pay, basic allowance for subsistence, and basic allowance for quarters of members of the uniformed services are increased

by three percent effective on January 1, 1986.

SEC. 602. ADJUSTMENTS IN VARIABLE HOUSING ALLOWANCE PROGRAM.

(a) VHA FOR CERTAIN MEMBERS PAYING CHILD SUPPORT.—Subsection (a) of section 403a of title 37, United States Code, relating to the variable housing allowance, is amended by adding at the end thereof the following new paragraph:

"(4) In the case of a member with dependents—

"(A) who is assigned to duty inside the United States;

"(B) who is authorized to receive the basic allowance for quarters at the rate established for a member with dependents solely by reason of the payment of child support by the member; and

"(C) who is not assigned to a housing facility under the jurisdiction of a uniformed service,

the member may be paid a variable housing allowance at the rate applicable to a member without dependents serving in the same grade and at the same location.".

(b) LIMITATIONS ON VHA.—Subsection (b) of such section is amended—

(1) by striking out "is not entitled to" in the matter preceding paragraph (1) and inserting in lieu thereof "may not be paid"; and

(2) by striking out paragraph (2) and inserting in lieu thereof the following:

"(2) in the case of a member with dependents who is authorized the basic allowance for quarters at the rate established for a member with dependents solely by reason of the payment of child support by the member, if—

"(A) the member is assigned to a housing facility under the jurisdiction of a uniformed service; or

"(B) the member (i) is assigned to duty outside the United States or in Alaska or Hawaii, and (ii) is authorized a station housing allowance under section 405 of this title; or".

(c) CLARIFICATION OF AUTHORITY TO PAY VHA AT WITH-DEPENDENTS RATE.—Subsection (c) of such section is amended by inserting "and with the same dependency status" in paragraph (1) after "in the same pay grade" both places it appears and in paragraph (4) after "in the same pay grade" both places it appears.

(d) SAVINGS PROVISION.—A member described in paragraph (4) of section 403a(a) of title 37, United States Code, as added by subsection (a), who on September 30, 1985, is receiving variable housing allowance at the rate applicable to a member with dependents shall continue to be entitled to variable housing allowance at the appropriate rate applicable to a member with dependents until the member departs his duty station as a result of a permanent change of station.

(e) EFFECTIVE DATE.—(1) The amendments made by subsections (a), (b), and (d) shall take effect on October 1, 1985.

(2) The amendments made by subsection (c) shall apply as if included in the enactment of section 403a of title 37, United States Code, by section 602(d) of the Department of Defense Authorization Act, 1985 (Public Law 98-525).

SEC. 603. PAYMENT OF VARIABLE HOUSING ALLOWANCE IN ALASKA AND HAWAII.

(a) REPEAL OF AUTHORITY FOR PAYMENT OF STATION HOUSING ALLOWANCE IN ALASKA AND HAWAII DURING FISCAL YEAR 1985.—Section 8108 of the Department of Defense Appropriations Act, 1985 (as contained in section 101(h) of Public Law 98-473 (98 Stat. 1943)), is repealed.

(b) CONFORMING AND TECHNICAL AMENDMENTS TO VHA TRANSITION PROVISION.—(1) Section 602(f)(2) of the Department of Defense Authorization Act, 1985 (Public Law 98-525; 98 Stat. 2537), is amended—

(A) by striking out "December 31, 1984," and inserting in lieu thereof "the date of the enactment of the Department of Defense Authorization Act, 1986,";

(B) by striking out "amendment made by subsection (d)" and inserting in lieu thereof "amendments made by subsection (e)"; and

(C) by striking out "this title (as added by subsection (c))" and inserting in lieu thereof "such title (as added by subsection (d))".

(2) The amendments made by subparagraphs (B) and (C) of paragraph (1) shall take effect as if included in the enactment of section 602(f)(2) of the Department of Defense Authorization Act, 1985 (Public Law 98-525).

SEC. 604. AUTHORITY TO PAY BAQ AND VHA IN ADVANCE.

(a) BASIC ALLOWANCE FOR QUARTERS.—Section 403(a) of title 37, United States Code, is amended by adding at the end thereof the following new sentence: "The allowance authorized by this section may be paid in advance.".

(b) VARIABLE HOUSING ALLOWANCE.—Section 403a(a)(1) of such title is amended by adding at the end thereof the following new sentence: "The allowance authorized by this section may be paid in advance.".

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect on October 1, 1985.

SEC. 605. ELIGIBILITY FOR BASIC ALLOWANCE FOR QUARTERS.

(a) MEMBERS WITHOUT DEPENDENTS ASSIGNED TO FIELD DUTY OR SEA DUTY.—Section 403(c) of title 37, United States Code, is amended—

(1) by striking out "is not entitled to a basic allowance for quarters while he is on field duty" in paragraph (1) and inserting in lieu thereof "who makes a permanent change of station for assignment to a unit conducting field operations is not entitled to a basic allowance for quarters while on that initial field duty";

(2) by striking out "and who is on sea duty" in the second sentence of paragraph (2) and all that follows and inserting in lieu thereof "who is assigned to sea duty under a permanent change of station is not entitled to a basic allowance for quarters if the unit to which the member is ordered is deployed and the permanent station of the unit is different than the permanent station from which the member is reporting."; and

(3) by striking out paragraph (3).

(b) EFFECTIVE DATE.—The amendments made by this section shall take effect on October 1, 1985.

SEC. 606. REIMBURSEMENT FOR ACCOMMODATIONS IN PLACE OF QUARTERS.

(a) LIMITATION ON AMOUNT AVAILABLE FOR REIMBURSEMENT FOR FISCAL YEAR 1986.—Section 7572(b)(3) of title 10, United States Code, is amended—

(1) by striking out "and" after "fiscal year 1984,"; and

(2) by inserting ", and $1,395,000 for fiscal year 1986" after "fiscal year 1985".

(b) EXTENSION OF AUTHORITY.—Section 3 of Public Law 96-357 (10 U.S.C. 7572 note) is amended by striking out "September 30, 1985" and inserting in lieu thereof "September 30, 1986".

PART B—TRAVEL AND TRANSPORTATION

SEC. 611. INCREASE IN DISLOCATION ALLOWANCE.

(a) IN GENERAL.—Section 407 of title 37, United States Code, is amended by striking out "one month" and inserting in lieu thereof "two months".

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to moves begun after September 30, 1985.

SEC. 612. REVISION OF TRAVEL AND TRANSPORTATION ALLOWANCES.

(a) IN GENERAL.—Subsection (d) of section 404 of title 37, United States Code, is amended—

(1) by striking out the first sentence and inserting in lieu thereof the following: "(1) The travel and transportation allowances authorized for each kind of travel may not be more than one of the following:

"(A) Transportation in kind, reimbursement therefor, or, under regulations prescribed by the Secretaries concerned, when travel by privately-owned conveyance is authorized or approved as more advantageous to the Government, a monetary allowance in place of the cost of transportation, at the rates provided in section 5704 of title 5, based on distances established over the shortest usually traveled route, under mileage tables prepared under the direction of the Secretary of the Army.

"(B) Transportation in kind, reimbursement therefor, or a monetary allowance as provided in subparagraph (A) of this paragraph, plus a per diem in place of subsistence in an amount not more than $50 determined by the Secretaries concerned to be sufficient to meet normal and necessary expenses in the area to which travel is to be performed.

"(C) A mileage allowance at a rate per mile prescribed by the Secretaries concerned and based on distances established under clause (1) of this subsection."; and

(2) by designating the second sentence as paragraph (2) and by striking out "clause (2)" in such sentence and inserting in lieu thereof "paragraph (1)(B)".

(b) TRANSPORTATION ALLOWANCE FOR DEPENDENTS.—Section 406(a)(1) of such title is amended by striking out "for his dependents" and all that follows through "to be prescribed" and inserting in lieu thereof ", reimbursement therefor, or a monetary allowance in place of the cost of transportation, plus a per diem, for the member's dependents at rates prescribed by the Secretaries concerned".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to travel performed after September 30, 1985.

SEC. 613. DEFINITION OF RESIDENCE OF A STUDENT DEPENDENT.

(a) IN GENERAL.—Section 406 of title 37, United States Code, is amended by adding at the end thereof the following new subsection:

"(l) For the purposes of this section, the residence of a dependent of a member who is a student not living with the member while at school shall be considered to be the permanent duty station of the member or the designated residence of dependents of the member if the member's dependents are not authorized to reside with the member.".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply with respect to orders to change a permanent station that are effective after September 30, 1985.

SEC. 614. TRANSPORTATION OF MOTOR VEHICLES FOR MEMBERS MAKING PERMANENT CHANGES OF STATION.

Section 2634(a)(4) of title 10, United States Code, is amended by striking out "in the case of" and all that follows through "or (2),".

SEC. 615. DEPENDENT STUDENT TRAVEL FOR MEMBERS STATIONED IN ALASKA OR HAWAII.

(a) IN GENERAL.—Subsection (a) of section 430 of title 37, United States Code, is amended—

(1) by inserting "or in Alaska or Hawaii" after "outside the United States" in clause (1);

(2) by striking out "oversea" in clause (2); and

(3) by inserting "(except as provided in subsection (c) of this section)" after "may".

(b) CONFORMING AMENDMENTS.—Subsection (b) of such section is amended—

(1) by striking out "in the oversea area" in the first sentence; and

(2) by striking out the third sentence.

(c) LIMITATION.—Such section is further amended by redesignating subsection (c) as subsection (d) and by inserting after subsection (b) the following new subsection (c):

"(c) The allowance authorized by this section may not be paid—

"(1) to a member assigned to duty outside the United States for a child attending a school in the United States for the purpose of obtaining a secondary education if the child is eligible to attend a secondary school for dependents that is located at or near the vicinity of the duty station of the member and that is operated under the Defense Dependents' Education Act of 1978 (20 U.S.C. 921 et seq.); or

"(2) to a member assigned to a permanent duty station in Alaska for a child attending a school in Alaska or a member assigned to a permanent duty station in Hawaii for a child attending a school in Hawaii.".

(d) CLERICAL AMENDMENTS.—(1) The heading of such section is amended to read as follows:

"§ 430. Travel and transportation: dependent children of members stationed overseas or in Alaska and Hawaii".

(2) The item relating to such section in the table of sections at the beginning of chapter 7 of such title is amended to read as follows:

"430. Travel and transportation: dependent children of members stationed overseas or in Alaska and Hawaii.".

(e) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to travel begun on or after the date of the enactment of this Act, but such amendments shall not constitute authority for the enactment of new budget authority for a fiscal year beginning before October 1, 1985.

SEC. 616. EXTENSION OF TEST PROGRAM FOR FLAT RATE PER DIEM SYSTEM.

(a) AUTHORITY FOR TEST PROGRAM.—The Secretary concerned may carry out a program to test a flat rate per diem system for travel allowances for travel performed by members of the Armed Forces while on temporary duty.

(b) AMOUNT OF FLAT RATE.—Per diem allowances paid under such a test program shall be in an amount determined by the Secretary concerned to be sufficient to meet normal and necessary expenses in the area in which travel is performed, but may not exceed $75 for each day a member is in travel status within the continental United States.

(c) REGULATIONS.—The test program under this section shall be carried out under regulations prescribed by the Secretary concerned.

(d) DEFINITION OF SECRETARY CONCERNED.—For the purposes of this section, the term "Secretary concerned" means—

(1) the Secretary of each military department with respect to matters concerning the respective military departments; and

(2) the Secretary of Defense with respect to matters concerning the defense agencies.

(e) DURATION OF PROGRAM.—The test program under this section shall be carried out during the period beginning on October 1, 1985, and ending on September 30, 1986.

SEC. 617. TRAVEL AND TRANSPORTATION ALLOWANCES FOR TRAVEL WITHIN THE ADMINISTRATIVE LIMITS OF A MEMBER'S DUTY STATION.

(a) AUTHORITY TO PAY ALLOWANCES TO CERTAIN MEMBERS DIRECTED TO PERFORM OVERNIGHT DUTY.—Section 408 of title 37, United States Code, relating to travel and transportation allowances for travel within the limits of a member's duty station, is amended—

(1) by inserting "(a)" before "A member"; and

(2) by adding at the end thereof the following new subsection:

"(b) Under regulations prescribed by the Secretaries concerned, a member of a uniformed service who is directed by competent authority to perform duty at a location within the limits of his duty station other than his residence or normal duty location for a period of time that requires the member to obtain overnight accommodations is entitled to the travel and transportation allowances authorized by section 404 of this title.".

(b) PARKING FEES.—Such section is further amended by inserting "plus parking fees" after "fixed rate a mile".

(c) EFFECTIVE DATE.—The amendments made by subsections (a) and (b) shall apply with respect to expenses incurred after September 30, 1985.

SEC. 618. TRAVEL DURING SHIP OVERHAUL.

(a) IN GENERAL.—Section 406b of title 37, United States Code, is amended—

(1) by striking out "Under" and inserting in lieu thereof "(a) Under";

(2) by inserting "(including the member's spouse)" after "dependents" in the first sentence;

(3) by striking out ", ninety-first, and one hundred and fifty-first calendar day" and inserting in lieu thereof "calendar day, and every sixtieth calendar day after the thirty-first calendar day"; and

(4) by adding at the end thereof the following new subsections:

"(b) Transportation in kind, reimbursement for personally procured transportation, or a monetary allowance in place of the cost of transportation as provided in section 404(d)(1) of this title may be provided, in lieu of the member's entitlement to transportation, for the member's dependents (including the member's spouse) from the location that was the home port of the ship before commencement of overhaul or inactivation to the port of overhaul or inactivation. The total reimbursement for transportation for the member's dependents may not exceed the cost of Government-procured commercial round-trip travel.

"(c) A member of the uniformed services on permanent duty aboard a ship which undergoes a change of home port to the overhaul or inactivation port and the member's dependents may be provided the transportation allowances prescribed in subsections (a) and (b) of this section in lieu of the transportation entitlements of section 406 of this title and section 2634 of title 10.".

(b) EFFECTIVE DATE.—The travel allowances authorized by the amendments made by this section are payable only for travel that commences after September 30, 1985, but may be paid for members assigned to ships being overhauled or inactivated away from home port on the date of enactment of this Act.

(c) CLERICAL AMENDMENTS.—(1) The section heading for such section is amended by striking out the last four words.

(2) The item relating to such section in the table of sections at the beginning of chapter 7 of such title is amended by striking out the last four words.

SEC. 619. TRAVEL ALLOWANCE FOR TRAVEL PERFORMED IN CONNECTION WITH CERTAIN LEAVE.

(a) IN GENERAL.—Section 411b(a)(1) of title 37, United States Code, is amended—

(1) by striking out "if he is a member without dependents,";

(2) by striking out ", if either" and all that follows and inserting in lieu thereof a period; and

(3) by adding at the end thereof the following new sentence: "Such allowances may be paid for the member and for the dependents of the member who are authorized to, and do, accompany him at his duty stations.".

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall apply with respect to orders to change a permanent station that are effective after September 30, 1985.

PART C—BONUSES AND SPECIAL AND INCENTIVE PAYS

Subpart 1—Active Forces

SEC. 631. LUMP-SUM PAYMENTS OF SELECTIVE REENLISTMENT BONUSES.

(a) SPECIFICATION OF MINIMUM TO BE PAID IN ADVANCE.—Paragraph (1) of section 308(b) of title 37, United States Code, is amended to read as follows:

"(b)(1) Not less than 75 percent of the amount of a bonus under this section shall be paid in a lump sum at the beginning of the period for which the bonus is paid, with any remaining amount paid in equal annual installments.".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply with respect to bonuses paid for reenlistments or extensions of enlistment effective after September 30, 1985.

SEC. 632. SPECIAL PAY FOR NUCLEAR OFFICERS.

(a) CONTINUATION PAY.—(1) Subsection (a) of section 312 of title 37, United States Code, is amended—

(A) by inserting "and" at the end of clause (2);

(B) by striking out clause (3);

(C) by redesignating clause (4) as clause (3) and striking out "for one period of four years" in such clause and inserting in lieu thereof "for a period of three, four, or five years, so long as the new period of obligated active service does not extend beyond the end of 26 years of commissioned service,"; and

(D) in the matter following such clause—

(i) by striking out "$7,000" and inserting in lieu thereof "$12,000";

(ii) by striking out "semiannually" and "six-month period" in the second sentence and inserting in lieu thereof "annually" and "12-month period", respectively; and

(iii) by striking out "shall become fixed" and all that follows through the end of subsection (a) and inserting in lieu thereof "shall be paid in equal annual installments over the length of the contract, commencing at the expiration of any existing period of obligated active service. The Secretary (or his designee) may accept an active service agreement under this section not more than one year in advance of the end of an officer's existing period of obligated active service under such an agreement. In such a case, the amount of the special pay may be paid commencing with the date of acceptance of the agreement, with the number of installments being equal to the number of years covered by the contract plus one.".

(2) Subsection (b) of such section is repealed.

(3) Subsection (c) of such section is redesignated as subsection (b) and is amended by striking out "of four years".

(4) Subsection (d) of such section is redesignated as subsection (c) and is amended—

(A) by striking out "four years' " in the second sentence; and

(B) by striking out "at the end of the four year period" in that sentence.

(5) Such section is further amended by inserting after subsection (c) (as so redesignated) the following new subsection (d):

"(d)(1) An officer who is performing obligated service under an agreement under subsection (a) of this section may, if the amount that may be paid under such subsection is higher than at the time the officer executed such agreement, execute a new agreement under that subsection. The period of such an agreement shall be a period equal to or exceeding the original period of the officer's existing agreement, so long as the period of obligated active service under the new agreement does not extend beyond the end of 26 years of commissioned service. If a new agreement is executed under this subsection, the existing active-service agreement shall be cancelled, effective on the day before an anniversary date of that agreement after the date on which the amount that may be paid under this section is increased.

"(2) This subsection shall be carried out under regulations prescribed by the Secretary of the Navy.".

(6) Subsection (e) of such section is amended by striking out "September 30, 1987" and inserting in lieu thereof "September 30, 1990".

(b) NUCLEAR-CAREER ACCESSSION BONUS.—(1) Subsection (a)(1) of section 312b of such title is amended—

(A) by striking out "of $3,000" and inserting in lieu thereof "not to exceed $8,000"; and

(B) by adding at the end thereof the following new sentence: "Upon acceptance of the agreement by the Secretary, the amounts payable upon selection for training and upon completion of training, respectively, as determined under subsection (b) of this section, shall become fixed.".

(2) Subsection (b) of such section is amended to read as follows:

"(b) The Secretary of the Navy shall determine annually the total amount of the bonus to be paid under this section and of that amount the portions that are to be paid—

"(1) upon selection for officer naval nuclear power training; and

"(2) upon successful completion, as a commissioned officer, of training for duty in connection with the supervision, operation, and maintenance of naval nuclear propulsion plants.".

(3) Subsection (d) of such section is amended by striking out "September 30, 1987" and inserting in lieu thereof "September 30, 1990".

(c) ANNUAL INCENTIVE BONUS.—(1) Subsection (a) of section 312c of such title is amended as follows:

(A) The first sentence is designated as paragraph (1) and amended—

(i) by redesignating clauses (1) through (5) as clauses (A) through (E), respectively;

(ii) by striking out ", but has completed less than twenty-six years of commissioned service" in clause (C) (as so designated); and

(iii) by striking out "$6,000" and "October 1, 1987" and inserting in lieu thereof "$10,000" and "October 1, 1990", respectively.

(B) The second sentence is designated as paragraph (2) and is amended by inserting "technically" before "qualified".

(C) The third sentence is designated as paragraph (3) and is amended by striking out "nuclear service year" the second place it appears and all that follows in that sentence and inserting in lieu thereof "nuclear service year on which he—

"(A) was not on active duty;

"(B) was not technically qualified for duty in connection with the supervision, operation, and maintenance of naval nuclear propulsion plants;

"(C) was performing obligated service as the result of an active-service agreement executed under section 312 of this title; or

"(D) was entitled to receive aviation career incentive pay in accordance with section 301a while serving in a billet other than a billet that required the officer—

"(i) be technically qualified for duty in connection with the supervision, operation, and maintenance of naval nuclear propulsion plants; and

"(ii) be qualified for the performance of operational flying duties.".

(D) The fourth sentence is repealed.

(2) Subsection (b) of such section is amended as follows:

(A) The first sentence is designated as paragraph (1) and amended—

(i) by redesignating clauses (1) through (4) as clauses (A) through (D), respectively; and

(ii) by striking out "$3,500" and "October 1, 1987" and inserting in lieu thereof "$4,500" and "October 1, 1990", respectively.

(B) The second sentence is designated as paragraph (2) and is amended by inserting "technically" before "qualified".

(C) The third sentence is designated as paragraph (3) and is amended by striking out "nuclear service year" and all that follows in that sentence and inserting in lieu thereof "nuclear service year on which he—

"(A) was not in an assignment involving the direct supervision, operation, or maintenance of naval nuclear propulsion plants;

"(B) was performing obligated service as the result of an active-service agreement executed under section 312 of this title; or

"(C) was entitled to receive aviation career incentive pay in accordance with section 301a while serving in a billet other than a billet—

"(i) involving the direct supervision, operation, or maintenance of naval nuclear propulsion plants; and

"(ii) that required the officer be qualified for the performance of operational flying duties.".

(3) Subsection (e) of such section is amended by striking out "October 1, 1987" and inserting in lieu thereof "October 1, 1990".

(d) EFFECTIVE DATE.—The amendments made by this section shall take effect on October 1, 1985.

SEC. 633. INCENTIVE PAY FOR SUBMARINE DUTY.

(a) INCREASE IN RATES OF INCENTIVE PAY FOR OFFICERS.—The table pertaining to commissioned officers in section 301c(b) of title 37, United States Code, is amended to read as follows:

"COMMISSIONED OFFICERS

Pay grade	Years of service computed under section 205						
	2 or less	Over 2	Over 3	Over 4	Over 6	Over 8	Over 10
0–10	$265	$265	$265	$265	$265	$265	$265
0–9	265	265	265	265	265	265	265
0–8	265	265	265	265	265	265	265
0–7	265	265	265	265	265	265	265
0–6	440	440	440	440	440	440	440
0–5	440	440	440	440	440	440	440
0–4	270	270	270	300	440	440	440
0–3	265	265	265	290	440	440	440
0–2	175	175	175	175	175	175	265
0–1	130	130	130	130	130	130	265

"COMMISSIONED OFFICERS

Pay grade	Years of service computed under section 205						
	Over 12	Over 14	Over 16	Over 18	Over 20	Over 22	Over 26
0–10	$265	$265	$265	$265	$265	$265	$265
0–9	265	265	265	265	265	265	265
0–8	265	265	265	265	265	265	265
0–7	265	265	400	395	395	305	265
0–6	440	440	440	440	440	440	440
0–5	440	440	440	440	440	440	440
0–4	440	440	440	440	440	440	440
0–3	440	440	440	440	440	440	440
0–2	265	265	265	265	265	265	265
0–1	265	265	265	265	265	265	265".

(b) EFFECTIVE DATE.—The amendment made by this section shall take effect on October 1, 1985.

SEC. 634. REVISION OF SPECIAL PAY FOR DENTAL OFFICERS.

(a) IN GENERAL.—Section 302b of title 37, United States Code, is amended to read as follows:

"§ 302b. Special pay: dental officers of the armed forces

"(a)(1) An officer who—

"(A) is an officer of the Dental Corps of the Army or the Navy or an officer of the Air Force designated as a dental officer; and

"(B) is on active duty under a call or order to active duty for a period of not less than one year,

is entitled to special pay in accordance with this subsection.

"(2) An officer described in paragraph (1) of this subsection who is serving in a pay grade below pay grade O-7 is entitled to variable special pay at the following rates:

"(A) $1,200 per year, if the officer is undergoing dental internship training.

"(B) $2,000 per year, if the officer has less than six years of creditable service and is not undergoing dental internship training.

"(C) $5,000 per year, if the officer has at least six but less than 10 years of creditable service.

"(D) $7,000 per year, if the officer has at least 10 but less than 14 years of creditable service.

"(E) $6,000 per year, if the officer has at least 14 but less than 18 years of creditable service.

"(F) $4,000 per year, if the officer has 18 or more years of creditable service.

"(3) An officer described in paragraph (1) of this subsection who is serving in a pay

grade above pay grade O-6 is entitled to variable special pay at the rate of $1,000 per year.

"(4) Subject to subsection (b) of this section, an officer entitled to variable special pay under paragraph (2) or (3) of this subsection is entitled to additional special pay for any 12-month period during which the officer is not undergoing dental internship or residency training. Such additional special pay shall be paid at the following rates:

"(A) $6,000 per year, if the officer has at least three but less than 12 years of creditable service.

"(B) $8,000 per year, if the officer has at least 12 but less than 18 years of creditable service.

"(C) $10,000 per year, if the officer has 18 or more years of creditable service.

"(5) An officer who is entitled to variable special pay under paragraph (2) or (3) of this subsection and who is board certified is entitled to additional special pay at the following rates:

"(A) $2,000 per year, if the officer has less than 12 years of creditable service.

"(B) $3,000 per year, if the officer has at least 12 but less than 14 years of creditable service.

"(C) $4,000 per year, if the officer has 14 or more years of creditable service.

"(b)(1) An officer may not be paid additional special pay under subsection (a)(4) of this section for any 12-month period unless the officer first executes a written agreement under which the officer agrees to remain on active duty for a period of not less than one year beginning on the date the officer accepts the award of such special pay.

"(2) Under regulations prescribed by the Secretary of Defense under section 303a(a) of this title, the Secretary of the military department concerned may terminate at any time an officer's entitlement to the special pay authorized by subsection (a)(4) of this section. If such entitlement is terminated, the officer concerned is entitled to be paid such special pay only for the part of the period on active duty that the officer served, and the officer may be required to refund any amount in excess of that entitlement.

"(c) Regulations prescribed by the Secretary of Defense under section 303a(a) of this title shall include standards for determining—

"(1) whether an officer is undergoing internship or residency training for purposes of subsections (a)(2)(A), (a)(2)(B), and (a)(4) of this section; and

"(2) whether an officer is board certified for purposes of subsection (a)(5) of this section.

"(d) Special pay payable to an officer under paragraphs (2), (3), and (5) of subsection (a) of this section shall be paid monthly. Special pay payable to an officer under subsection (a)(4) of this section shall be paid annually at the beginning of the 12-month period for which the officer is entitled to such payment.

"(e) An officer who voluntarily terminates service on active duty before the end of the period for which a payment was made to such officer under subsection (a)(4) of this section shall refund to the United States an amount which bears the same ratio to the amount paid to such officer as the unserved part of such period bears to the total period for which the payment was made.

"(f) A discharge in bankruptcy under title 11 shall not release a person from an obligation to reimburse the United States required under the terms of an agreement described in subsection (b) of this section if the final decree of the discharge in bankruptcy was issued within a period of five years after the last day of a period which such person had agreed to serve on active duty. This subsection applies to a discharge in bankruptcy in any proceeding which begins after September 30, 1985.

"(g) For purposes of this section, creditable service of an officer is computed by adding—

"(1) all periods which the officer spent in dental internship or residency training during which the officer was not on active duty; and

"(2) all periods of active service in the Dental Corps of the Army or Navy, as an officer of the Air Force designated as a dental officer, or as a dental officer of the Public Health Service.".

(b) REPEAL OF CONTINUATION PAY FOR DENTISTS.—Section 311 of such title is repealed.

(c) AUTHORITY FOR CERTAIN DENTAL OFFICERS TO EXECUTE NEW AGREEMENTS.—(1) Subject to paragraphs (2) and (3), a dental officer who on October 1, 1985, is performing obligated service under an agreement under section 311 of title 37, United States Code, that—

(1) was executed after June 29, 1985; and

(2) is affected by the limitation in section 8091 of the Department of Defense Appropriations Act, 1985 (as contained in section 101(h) of Public Law 98-473), may execute a new agreement under section 302b of such title (as amended by subsection (a)).

(2) A dental officer may not execute a new agreement under paragraph (1) unless the amount that may be paid such officer under an agreement under section 302b of title 37, United States Code (as amended by subsection (a)), is greater than the amount to be paid the officer under the existing agreement of the officer under section 311 of such title.

(3) The period of such a new agreement shall be a period equal to or exceeding the original period of the officer's existing agreement.

(4) If a new agreement is executed under this subsection, the existing agreement of the officer shall be canceled.

(5) For the purposes of this section, the term "dental officer" has the meaning given that term in section 101 of title 10, United States Code.

(d) CLERICAL AMENDMENTS.—The table of sections at the beginning of chapter 5 of such title is amended—

(1) by striking out the item relating to section 302b and inserting in lieu thereof the following:

"302b. Special pay: dental officers of the armed forces."; and

(2) by striking out the item relating to section 311.

(e) EFFECTIVE DATE.—The amendments made by this section take effect on October 1, 1985.

SEC. 635. SPECIAL PAY FOR MEDICAL OFFICERS.

Section 302 of title 37, United States Code, is amended—

(1) by striking out "is not" in subsection (h)(1)(B) and inserting in lieu thereof "who is"; and

(2) by adding at the end thereof the following new subsection:

"(i) A discharge in bankruptcy under title 11 that is entered less than 5 years after the termination of an agreement under this section does not discharge the person signing such agreement from a debt arising under such agreement or under paragraph (1) of this subsection. This paragraph applies to any case commenced under title 11 after September 30, 1985.".

SEC. 636. SPECIAL PAY FOR QUALIFIED ENLISTED MEMBERS EXTENDING DUTY AT DESIGNATED LOCATIONS OVERSEAS.

(a) INCREASE IN RATE OF MONTHLY SPECIAL PAY.—Section 314(a) of title 37, United States Code, is amended by striking out "$50" and inserting in lieu thereof "$80".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect on October 1, 1985.

Subpart 2—Reserve Forces

SEC. 641. SELECTED RESERVE ENLISTMENT AND REENLISTMENT BONUSES.

(a) ENLISTMENT BONUS.—Section 308c of title 37, United States Code, is amended—

(1) by striking out "$2,000" in subsection (b) and inserting in lieu thereof "$5,000"; and

(2) by striking out "September 30, 1985" in subsection (f) and inserting in lieu thereof "September 30, 1990".

(b) REENLISTMENT BONUS.—Section 308b of such title is amended—

(1) in subsection (b)—

(A) by striking "$450" and "$900" in paragraph (1) and inserting in lieu thereof "$1,250" and "$2,500", respectively; and

(B) by striking "$150" in paragraph (2) and inserting in lieu thereof "$416.66";

(2) by striking out "$25" in subsection (d)(2) and inserting in lieu thereof "$69.44"; and

(3) by striking out "September 30, 1985" in subsection (g) and inserting in lieu thereof "September 30, 1990".

(c) ENLISTMENT BONUS FOR PRIOR SERVICE PERSONNEL.—Chapter 5 of such title is amended by inserting after section 308h the following new section:

"§ 308i. Special pay: prior service enlistment bonus

"(a)(1) A person who is a former enlisted member of an armed force who enlists in the Selected Reserve of the Ready Reserve of an armed force for a period of three or six years in a military skill or unit designated for such a bonus by the Secretary concerned and who meets the requirements of paragraph (2) may be paid a bonus as prescribed in subsection (b).

"(2) A bonus may only be paid under this section to a person who—

"(A) has completed his military service obligation but has less than 10 years of total military service;

"(B) has received an honorable discharge at the conclusion of military service;

"(C) is not being released from active service for the purpose of enlistment in a reserve component; and

"(D) has not previously been paid a bonus for enlistment, reenlistment, or extension of enlistment in a reserve component.

"(b) The bonus to be paid under subsection (a) shall be—

"(1) an initial payment of—

"(A) an amount not to exceed $1,250, in the case of a member who enlists for a period of three years; or

"(B) an amount not to exceed $2,500 in the case of a member who enlists for a period of six years; and

"(2) a subsequent payment of an amount not to exceed $416.66 upon the completion of each year of the period of such reenlistment or extension of enlistment during which such member has satisfactorily participated in unit training.

"(c) A member may not be paid more than one bonus under this section.

"(d) A person who receives a bonus payment under this section and who fails during the period for which the bonus was paid to serve satisfactorily in the element of the Selected Reserve of the Ready Reserve with respect to which the bonus was paid shall refund to the United States an amount that bears the same relation to the amount of the bonus paid to such person as the period that such person failed to serve satisfactorily bears to the total period for which the bonus was paid.

"(e) An obligation to reimburse the United States imposed under subsection (d) of this section is, for all purposes, a debt owed to the United States.

"(f) Under regulations prescribed pursuant to subsection (h) of this section, the Secretary concerned may remit or cancel the whole or any part of an obligation to reimburse the United States imposed under subsection (d) of this section.

"(g) A discharge in bankruptcy under title 11 that is entered less than five years after the termination of an enlistment for which a bonus was paid under this section shall not discharge the person receiving such bonus payment from the debt arising under subsection (d) of this section. This subsection applies to any case commenced under title 11 after September 30, 1985.

"(h) This section shall be administered under regulations prescribed by the Secretary of Defense for the armed forces under his jurisdiction and by the Secretary of Transportation for the Coast Guard when the Coast Guard is not operating as a service in the Navy.

"(i) No bonus may be paid under this section to any person for an enlistment after September 30, 1990.".

(2) The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 308h the following new item:

"308i. Special pay: prior service enlistment bonus.".

(d) EFFECTIVE DATE.—The amendments made by this section shall take effect on October 1, 1985.

SEC. 642. SELECTED RESERVE AFFILIATION BONUS.

(a) INCREASE AND EXTENSION.—Section 308e of title 37, United States Code, is amended—

(1) by striking out "$25" in subsection (c)(1) and inserting in lieu thereof "up to $75 as determined by the Secretary concerned"; and

(2) by striking out "September 30, 1985" in subsection (e) and inserting in lieu thereof "September 30, 1990".

(b) EFFECTIVE DATE.—The amendments made by this section shall take effect on October 1, 1985.

SEC. 643. SELECTED RESERVE UNIT AFFILIATION INCENTIVE PAY.

(a)(1) Chapter 5 of title 37, United States Code, is amended by inserting after section 305a the following new section:

"§ 305b. Special pay: incentive pay for members of the Selected Reserve assigned to certain high-priority units

"(a) Under regulations prescribed by the Secretary of Defense for the armed forces under his jurisdiction, and by the Secretary of Transportation with respect to the Coast Guard when it is not operating as a service in the Navy, an enlisted member of a reserve component who participates in scheduled training periods of a unit designated by the Secretary concerned may receive incentive pay.

"(b) Eligibility for and the amount and method of payment of an incentive pay under this section shall be determined pursuant to regulations prescribed under subsection (a) of this section, except that the amount of such incentive pay may not exceed $10 per drill and shall be paid only after the member has participated satisfactorily in a scheduled training period of the designated unit.".

(2) The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 305a the following new item:

"305b. Special pay: incentive pay for members of the Selected Reserve assigned to certain high-priority units.".

(b) EFFECTIVE DATE.—Section 305b of title 37, United States Code, as added by subsection (a), shall take effect on October 1, 1985.

SEC. 644. REENLISTMENT BONUS FOR ENLISTED MEMBERS ON ACTIVE DUTY FOR TRAINING AND ADMINISTRATION OF RESERVES.

(a) ELIGIBILITY FOR ACTIVE-DUTY REENLISTMENT BONUS.—Section 308(a)(1)(D) of title 37, United States Code, is amended by striking out "in a regular component" and all that follows and inserting in lieu thereof "for a period of at least three years—

"(i) in a regular component of the service concerned; or

"(ii) in a reserve component of the service concerned to serve on active duty in connection with organizing, administering, recruiting, instructing, or training Reserves;".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply with respect to reenlistments and extensions of enlistments effective after September 30, 1985.

SEC. 645. INDIVIDUAL READY RESERVE BONUSES.

(a) FIVE-YEAR EXTENSION OF REENLISTMENT AND ENLISTMENT BONUSES.—(1) Sections 308g(h) and 308h(g) of such title are amended by striking out "September 30, 1985" and inserting in lieu thereof "September 30, 1990".

(b) ENHANCED IRR BONUS FOR PERSONS WITH CRITICAL SKILLS.—(1) Subsection (a)(1) of section 308h of title 37, United States Code, is amended by striking out "for a period of not less than three years" and inserting in lieu thereof "for a period of three years, or for a period of six years,".

(2) Subsection (b) of such section is amended—

(1) by inserting "(1)" after "(b)";

(2) by striking out ", except that" and all that follows and inserting in lieu thereof a period; and

(3) by adding at the end thereof the following new paragraphs:

"(2) The amount of a bonus under this section—

"(A) may not exceed $1,500, in the case of a person who enlists for a period of six years; and

"(B) may not exceed $750 in the case of a person who enlists for a period of three years.

"(3) A bonus paid under this section shall be paid as follows:

"(A) In the case of a bonus under paragraph (2)(A) of this subsection—

"(i) $500 shall be paid at the time of the reenlistment, enlistment, or extension of enlistment for which the bonus is paid; and

"(ii) the remainder shall be paid in equal annual increments.

"(B) In the case of a bonus under paragraph (2)(B) of this subsection, the amount of the bonus shall be paid in equal annual increments.".

(c) AUTHORITY TO REQUIRE MUSTER OR DRILL FOR ENHANCED BONUS.—Subsection (f) of such section is amended—

(1) by inserting "(1)" after "(f)"; and

(2) by adding at the end thereof the following new paragraph:

"(2) Regulations under this section may require that as a condition of receiving a bonus under this section the person receiving the bonus agree to participate in an annual muster of the Reserves, or in active duty for training, as may be required by the Secretary concerned.".

(d) EFFECTIVE DATE.—The amendments made by this section shall take effect on October 1, 1985.

SEC. 646. SELECTED RESERVE HAZARDOUS DUTY INCENTIVE PAY.

(a) MODIFICATION OF COMPUTATION OF HAZARDOUS DUTY PAY FOR RESERVES.—Section 301(f) of title 37, United States Code, relating to incentive pay for hazardous duty, is amended—

(1) by inserting "(1)" after "(f)";

(2) by inserting "for the entire month" before the period at the end; and

(3) by adding at the end thereof the following new paragraph:

"(2)(A) If in any calendar month a member performs duty as described in paragraph (1) of this subsection and while entitled to basic pay also performs hazardous duty as described in the same clause of subsection (a) as constitutes the predicate for his entitlement under paragraph (1) of this subsection, the earned units of measuring entitlement for incentive pay under this section shall be combined. If the sum of units determined under the preceding sentence equals or exceeds the minimum standard prescribed by the President for entitlement to pay specified under subsections (b) and (c) of this section for a member of corresponding grade who is entitled to basic pay for the entire relevant month, the member shall be entitled to an increase in compensation equal to 1/30 of the monthly incentive pay authorized by subsection (b) or (c) of this section for the performance of that hazardous duty by a member of corresponding grade who is entitled to basic pay for the entire month.

"(B) A member who qualifies for entitlement under this paragraph is entitled to the increase for each day in the relevant month in which he is entitled to basic pay pursuant to section 204 of this title or to compensation under section 206 of this title.

"(C) In this paragraph, 'units' means the significant increments of performance prescribed as qualifying standards in regulations promulgated by the President pursuant to this section.".

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall apply to payments of incentive pay for hazardous duty performed after September 30, 1985.

SEC. 647. AUTHORIZATION TO REPAY EDUCATION LOANS FOR CERTAIN HEALTH PROFESSIONALS WHO SERVE IN THE SELECTED RESERVE.

(a) IN GENERAL.—Under regulations prescribed by the Secretary of Defense and subject to the other provisions of this section, the Secretary concerned may repay a portion of a loan made, insured, or guaranteed under part B of title IV of the Higher Education Act of 1965, a loan made under part E of such title after October 1, 1975, and a health education assistance loan made or insured under the provisions of part C of title VII of the Public Health Service Act.

(b) ELIGIBLE INDIVIDUALS—The Secretary concerned may repay loans described in subsection (a) only in the case of a person who—

(1) performs satisfactory service as an officer in the selected reserve of an armed force after September 30, 1985; and

(2) possesses professional qualifications in a health profession that the Secretary of Defense has determined to be needed critically in order to meet identified wartime combat medical skill shortages.

(c) AMOUNT OF REPAYMENTS.—(1) The amount of any repayment of a loan made under this section on behalf of any person shall be determined on the basis of each complete year of service that is described in subsection (b)(1) and performed by the person after the date on which the loan was made.

(2) Subject to paragraph (3), the portion of a loan that may be repaid under this section on behalf of any person may not exceed $3,000 for each year of service described in paragraph (1).

(3) The total amount that may be repaid on behalf of any person under this section may not exceed $20,000.

(d) EFFECTIVE DATE.—The authority provided in this section shall apply only in the case of a person first appointed as a commissioned officer of an armed force after September 30, 1985, and before October 1, 1990.

SEC. 648. SELECTED RESERVE HEALTH PROFESSIONS SCHOLARSHIPS.

(a) INCLUSION OF SELECTED RESERVE IN SCHOLARSHIP PROGRAM.—Section 2121(a) of title 10, United States Code, is amended by inserting "and in the Selected Reserve of the Ready Reserve" after "on active duty".

(b) MILITARY SERVICE OBLIGATION.—(1) Subsection (a) of section 2123 of such title is amended to read as follows:

"(a)(1) A member of the program incurs an obligation for military service. Such service may be service on active duty or as a member of the Selected Reserve of the Ready Reserve.

"(2) The amount of service for which the member is obligated shall be determined under regulations prescribed by the Secretary of Defense. Such regulations may not provide for a period of obligation of less than one year of service on active duty, or two years of service in the Selected Reserve of the Ready Reserve, for each year of participation in the program.".

(2) Subsection (c) of such section is amended by striking out "in an appropriate" and all that follows and inserting in lieu thereof ", or service in the Selected Reserve of the Ready Reserve, in accordance with the military service obligation imposed by this section.".

(3) Subsection (e) of such section is amended—

(A) by striking out "his active duty obligation" and inserting in lieu thereof "a military service obligation"; and

(B) by striking out "the period of obligation from which he was relieved" and inserting in lieu thereof "the period of active duty obligation, or to one-half of the period of Selected Reserve obligation, from which the member was relieved".

(c) NUMBER OF MEMBERS WHO MAY BE APPOINTED.—Section 2124 of such title is amended by striking out "5,000" and inserting in lieu thereof "7,500".

(d) CLERICAL AMENDMENTS.—(1) The heading of section 2123 of such title is amended to read as follows:

"§ 2123. Members of the program: military service obligation; failure to complete training; release from program".

(2) The item relating to such section in the table of sections at the beginning of chapter 105 of such title is amended to read as follows:

"2123. Members of the program: military service obligation; failure to complete training; release from program.".

PART D—HEALTH CARE MATTERS

SEC. 651. CHAMPUS DENTAL CARE FOR ACTIVE-DUTY DEPENDENTS.

(a) DENTAL BENEFITS FOR DEPENDENTS OF ACTIVE-DUTY MEMBERS.—(1) Chapter 55 of title 10, United States Code, is amended by inserting after section 1076 the following new section:

"§ 1076a. Dependents' dental program

"(a)(1) The Secretary of Defense may establish dental benefit plans for spouses and children (as described in section 1072(2)(D) of this title) of members of the uniformed services who are on active duty for a period of more than 30 days. Any plan under this section shall provide for voluntary enrollment of participants and shall include provisions for premium-sharing between the Department of Defense and members enrolling in the program.

"(2) A plan under this section shall be administered under regulations prescribed by the Secretary of Defense in consultation with the other administering Secretaries.

"(b)(1) Members enrolling in a dental benefit plan established under subsection (a) shall be required to pay a share of the member's premium.

"(2) The Secretary of Defense shall establish the amount of the premium to be paid by a member enrolled in a plan under this section.

"(c) A member's share of the premium for a plan established under subsection (a) shall be paid by deductions from the basic pay of the member.

"(d) The dental benefits provided under such a plan may not include a benefit other than—

"(1) diagnostic, oral examination, and preventive services and palliative emergency care; and

"(2) basic restorative services of amalgam and composite restorations and stainless steel crowns for primary teeth, and dental appliance repairs.

"(e) Any such plan shall provide that a member whose spouse or child receives care under a plan established under this section—

"(1) may not be required to pay for any charge for care described in subsection (d)(1); and

"(2) shall be required to pay 20 percent of the charges for care described in subsection (d)(2).

"(f) If a member who is enrolled in a plan established under this section is transferred to a duty station where dental care is provided to the member's spouse or children under a program other than a plan established under this section, the member may discontinue participation under the plan established under this section. If the member is later transferred to a station where dental care is not provided to such member's spouse or children except under a plan established under this section, the member may re-enroll in such a plan.

"(g) The authority of the Secretary of Defense to enter into a contract under this section for any fiscal year is subject to the availability of appropriations for that purpose.".

(2) The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 1076 the following new item:

"1076a. Dependents' dental program.".

(b) CONFORMING AMENDMENT.—Section 1077 of such title is amended by adding at the end thereof the following new subsection:

"(c) A dependent participating under a dental plan established under section 1076a of this title may not be provided dental care under section 1076(a) of this title except for emergency dental care and care that is not covered by such plan.".

SEC. 652. ELIMINATION OF CHAMPUS DEDUCTIBLE AND CO-PAYMENT FOR ACTIVE-DUTY DEPENDENTS IN REMOTE LOCATIONS.

(a) IN GENERAL.—Subsection (b) of section 1079 of title 10, United States Code, is amended—

(1) by striking out "of the following amounts" in the matter preceding clause (1) and inserting in lieu thereof "as follows";

(2) by inserting "The patient shall pay" in clause (1) before "$25";

(3) by striking out "Except as provided in clause (3)," in clause (2) and inserting in lieu thereof "In the case of a patient who resides in the catchment area of a medical facility of the uniformed services, the patient (subject to clause (3)) shall pay";

(4) by inserting "The patient shall pay" in clause (4) before "$25"; and

(5) by adding at the end thereof the following new clause:

"(5) In the case of a patient who does not reside in the catchment area of a medical facility of the uniformed services, the patient shall not be required to pay any deductible or copayment for care authorized by subsection (a) and received while in an outpatient status.".

(b) REGULATIONS TO DEFINE CATCHMENT AREA.—Subsection (c) of such section is amended by adding at the end thereof the following new sentence: "Such regulations shall define what constitutes a catchment area for purposes of subsections (b)(2) and (b)(5). The administering Secretary shall designate the catchment area for each medical facility under the jurisdiction of the Secretary.".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to medical and dental care provided after September 30, 1985.

SEC. 653. CATASTROPHIC LOSS PROTECTION UNDER CHAMPUS.

(a) ACTIVE-DUTY DEPENDENTS.—Section 1079(b) of title 10, United States Code, as amended by section 652, is amended by adding at the end thereof the following new clause:

"(6) An individual or family group may not be required by reason of this subsection to pay a total of more than $1,000 for health care in any fiscal year under a plan under subsection (a).".

(b) MILITARY RETIREES AND DEPENDENTS.—Section 1086(b) of such title is amended—

(1) by inserting "the patient shall pay" in clause (1) after "clause (2),";

(2) by inserting "The patient shall pay" in clause (3) after "(3)"; and

(3) by adding at the end thereof the following new clause:

"(4) An individual or family group covered by this section may not be required by reason of this subsection to pay a total of more than $3,000 for health care in any fiscal year under a plan under section 1079(a) of this title.".

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect on October 1, 1985.

SEC. 654. ENHANCED HEALTH-CARE BENEFITS FOR SURVIVORS OF CERTAIN RESERVISTS.

(a) MEDICAL AND DENTAL CARE IN FACILITIES OF THE UNIFORMED SERVICES.—Section 1076(a) of title 10, United States Code, is amended to read as follows:

"(a)(1) A dependent described in paragraph (2) is entitled, upon request, to the medical and dental care prescribed by section 1077 of this title in facilities of the uniformed services, subject to the availability of space and facilities and the capabilities of the medical and dental staff.

"(2) A dependent referred to in paragraph (1) is a dependent of a member of a uniformed service—

"(A) who is on active duty for a period of more than 30 days or who died while on that duty; or

"(B) who died from an injury or illness incurred or aggravated—

"(i) while on active duty under a call or order to active duty of 30 days or less, on active duty for training, or on inactive duty training; or

"(ii) while traveling to or from the place at which the member is to perform, or has performed, such active duty, active duty for training, or inactive duty training.".

(b) CHAMPUS CARE.—Section 1086(c)(2) of such title is amended to read as follows:

"(2) A dependent (other than a dependent covered by section 1072(2)(E) of this title) of a member of a uniformed service—

"(A) who died while on active duty for a period of more than 30 days; or

"(B) who died from an injury or illness incurred or aggravated—

"(i) while on active duty under a call or order to active duty of 30 days or less, on active duty for training, or on inactive duty training; or

"(ii) while traveling to or from the place at which the member is to perform, or has performed, such active duty, active duty for training, or inactive duty training.".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply only with respect to dependents of members of the uniformed services whose deaths occur after September 30, 1985.

PART E—MILITARY RETIREMENT

SEC. 661. LIMITATION ON AMOUNTS AVAILABLE FOR OBLIGATION FOR BASIC PAY AND FOR RETIRED PAY ACCRUAL CHARGE.

From amounts appropriated or otherwise available to the Department of Defense for military personnel accounts for fiscal year 1986, the total amount obligated from each such account for military basic pay and payments into the Department of Defense Military Retirement Fund pursuant to section 1466(a) of title 10, United States Code, may not exceed the following:

(1) For the Department of the Army—

(A) for payments from the appropriation account "Military Personnel, Army", $15,436,000,000;

(B) for payments from the appropriation account "Reserve Personnel, Army", $1,647,000,000; and

(C) for payments from the appropriation account "National Guard Personnel, Army", $2,455,000,000.

(2) For the Department of the Navy—

(A) for payments from the appropriation account "Military Personnel, Navy", $11,360,000,000;

(B) for payments from the appropriation account "Military Personnel, Marine Corps", $3,545,000,000;

(C) for payments from the appropriation account "Reserve Personnel, Navy", $918,000,000; and

(D) for payments from the appropriation account "Reserve Personnel, Marine Corps", $195,000,000.

(3) For the Department of the Air Force—

(A) for payments from the appropriation account "Military Personnel, Air Force", $13,158,000,000;

(B) for payments from the appropriation account "Reserve Personnel, Air Force", $425,000,000; and

(C) for payments from the appropriation account "National Guard Personnel, Air Force", $730,000,000.

SEC. 662. LEGISLATIVE PROPOSAL TO AMEND MILITARY RETIREMENT SYSTEM FOR NEW ENTRANTS.

(a) REQUIREMENT FOR SUBMISSION OF LEGISLATIVE PROPOSAL MAKING CHANGES IN MILITARY RETIREMENT SYSTEM.—(1) The Secretary of Defense shall submit to Congress a report (including draft legislation) proposing changes in the military nondisability retirement system.

(2) The changes to be proposed in the report shall include changes which, if enacted, would result in reductions in the amount required to be paid by the Secretary of Defense into the Department of Defense Military Retirement Fund pursuant to section 1466(a) of title 10, United States Code, during fiscal year 1986 in a total amount that would enable the Department of Defense to remain within the limits on obligations for basic pay and payments into such Fund prescribed by section 661 solely through such reductions.

(3) Structural changes in the military retirement system to be proposed by the Secretary of Defense in the report under this section—

(A) should apply only to individuals who initially become members of the Armed Forces after the effective date of such changes; and

(B) should, to the maximum extent possible and consistent with military requirements, encourage members who are eligible for retirement to remain on active duty beyond 20 years of service.

(4) At the same time the Secretary of Defense submits the report required by paragraph (1), the Secretary shall submit a separate report containing a plan that could be used to implement over a period of four or more years the changes proposed in the report submitted under paragraph (1).

(b) SPECIFICATION OF ACTUARIAL METHODS AND ASSUMPTIONS FOR FISCAL YEAR 1986 RETIREMENT LEGISLATION.—In determining the cost, or the amount to be saved, as the result of the enactment of any legislative proposal that would make changes in the military retirement system effective during fiscal year 1985 or 1986, the actuarial methods and assumptions used shall be the same as those approved by the Board of Actuaries (in accordance with section 1465(d) of title 10, United States Code) for use in calculating the military retirement accrual percentage for the President's budget for fiscal year 1986.

(c) RECALCULATION OF ACCRUAL PERCENTAGE UPON ENACTMENT OF CHANGE IN BENEFITS.—(1) If a significant change in the military retirement system is enacted into law that takes effect during fiscal year 1985 or 1986, the accrual percentage shall be recalculated taking into account that change in law. Any such recalculation shall be made using the actuarial methods and assumptions described in subsection (b).

(2) In making determinations under section 1466(a) of title 10, United States Code, for months during fiscal years 1985 and 1986 beginning on or after the effective date of any such change in law, the accrual percentage as recalculated under paragraph (1) shall be used in lieu of the accrual percentage that would otherwise be applicable.

(d) DEFINITION OF ACCRUAL PERCENTAGE.—For purposes of this section, the term "accrual percentage" means the single level percentage of basic pay determined under section 1465(c)(1) of title 10, United States Code, for the purposes of computations under sections 1465(b) and 1466(a) of that title.

PART F—SURVIVOR BENEFIT PLAN IMPROVEMENTS

SEC. 671. SHORT TITLE.

This part may be cited as the "Uniformed Services Survivor Benefits Amendments of 1985".

SEC. 672. ESTABLISHMENT OF TWO-TIER BENEFIT SYSTEM AND ELIMINATION OF SOCIAL SECURITY OFFSET.

(a) REVISION IN SBP ANNUITY COMPUTATION.—Section 1451 of title 10, United States Code, is amended to read as follows:

"§ 1451. Amount of annuity

"(a)(1) In the case of an annuity provided to a person under section 1450(a) of this title (other than section 1450(a)(4)) by virtue of eligibility under section 1448(a)(1)(A) of this title, the monthly annuity shall be determined as follows:

"(A) If the person to whom the annuity is provided is under 62 years of age when such person becomes entitled to the annuity, the monthly annuity shall be 55 percent of the base amount, as adjusted from time to time under section 1401a of this title.

"(B) If the person to whom the annuity is provided is 62 years of age or more when such person becomes entitled to the annuity, the monthly annuity shall be 35 percent of the base amount, as adjusted from time to time under section 1401a of this title.

"(2) In the case of an annuity provided to a person under section 1450(a) of this title (other than section 1450(a)(4)) by virtue of eligibility under section 1448(a)(1)(B) of this title, the monthly annuity shall be determined as follows:

"(A) If the person to whom the annuity is provided is under 62 years of age when such person becomes entitled to the annuity, the monthly annuity shall be a percentage less than 55 percent (determined by the Secretary of Defense in accordance with subsection (d)) of the base amount, as adjusted from time to time under section 1401a of this title on or after the date the person providing the annuity becomes entitled to retired pay under chapter 67 of this title.

"(B) If the person to whom the annuity is provided is 62 years of age or more when such person becomes entitled to the annuity, the monthly annuity shall be a percentage less than 35 percent (determined by the Secretary of Defense in accordance with subsection (d)) of the base amount, as adjusted from time to time under section 1401a of this title on or after the date the person providing the annuity becomes entitled to retired pay under chapter 67 of this title.

"(b)(1) In the case of an annuity provided to a former spouse or other natural person under section 1450(a)(4) of this title by virtue of eligibility under section 1448(a)(1)(A) of this title, the monthly annuity shall be 55 percent of the retired or retainer pay of the person who elected to provide that annuity after the reduction in

such pay in accordance with section 1452(c) of this title.

"(2) In the case of an annuity provided to a former spouse or other natural person under section 1450(a)(4) of this title by virtue of eligibility under section 1448(a)(1)(B) of this title, the monthly annuity shall be 55 percent (determined by the Secretary of Defense in accordance with subsection (d)) of the retired pay of the person who elected to provide that annuity after the reduction in such pay in accordance with section 1452(c) of this title.

"(3) For the purposes of paragraph (2), a person—

"(A) who provides an annuity that is determined in accordance with that paragraph;

"(B) who dies before becoming 60 years of age; and

"(C) who at the time of death is otherwise entitled to retired pay,

shall be considered to have been entitled to retired pay at the time of death. The retired pay of such person for the purposes of such paragraph shall be computed on the basis of the rates of basic pay in effect on the date on which the annuity provided by such person is to become effective in accordance with the designation of such person under section 1448(e) of this title.

"(c)(1) In the case of an annuity paid under section 1448(d) of this title to a surviving spouse of a member, the amount of the annuity shall be determined as follows:

"(A) If the surviving spouse is under 62 years of age when the member dies, the monthly annuity shall be 55 percent of the retired or retainer pay to which the member would have been entitled if the member had been entitled to that pay based upon his years of active service when he died.

"(B) If the surviving spouse is 62 years of age or more when the member dies, the monthly annuity shall be 35 percent of the retired or retainer pay to which the member would have been entitled if the member had been entitled to that pay based upon his years of active service when he died.

"(2) An annuity computed under paragraph (1) shall be reduced by the amount of dependency and indemnity compensation to which the surviving spouse is entitled under section 411(a) of title 38.

"(3) In the case of the surviving spouse of a member described in section 1448(d)(2)(C) of this title, the retired pay to which the member would have been entitled when he died shall be determined based upon the rate of basic pay in effect at the time of death for the highest grade other than a commissioned officer grade in which the member served on active duty satisfactorily, as determined by the Secretary concerned.

"(d) The percentage to be applied by the Secretary of Defense in determining the amount of an annuity under subsection (a)(2) shall be 55 percent or 35 percent, as appropriate, reduced by such amount as may be prescribed in regulations under section 1455 of this title. The percentage to be applied by the Secretary of Defense in determining the amount of an annuity under subsection (b)(2) shall be 55 percent, reduced by such amount as may be prescribed in regulations under section 1455 of this title. Such regulations shall be prescribed taking into consideration—

"(1) the age of the person electing to provide the annuity at the time of such election;

"(2) the difference in age between such person and the beneficiary of the annuity;

"(3) whether such person provided for the annuity to become effective (in the event he died before becoming 60 years of age) on the day after his death or on the 60th anniversary of his birth;

"(4) appropriate group annuity tables; and

"(5) such other factors as the President considers relevant.

"(e) The annuity of a person whose annuity is computed under clause (A) of subsection (a)(1), (a)(2), or (c)(1) shall be reduced on the first day of the month after the month in which the person receiving the annuity becomes 62 years of age. The annuity as reduced shall be the amount computed under clause (B) of such subsection, as increased from time to time pursuant to subsection (f).

"(f)(1) Whenever retired or retainer pay is increased under section 1401a of this title, each annuity that is computed under this section shall be increased at the same time by the same total percent. The amount of the increase shall be based on the monthly annuity payable before any reduction under section 1450(c) of this title or under subsection (c)(2).

"(2) The monthly amount of an annuity payable under this subchapter, if not a multiple of $1, shall be rounded to the next lower multiple of $1.".

(b) CONFORMING AMENDMENT.—Effective on the date of the enactment of this Act, section 641 of the Department of Defense Authorization Act, 1985 (Public Law 98-525; 98 Stat. 2545), is repealed.

(c) EFFECTIVE DATE AND TRANSITION.—(1) The amendment made by subsection (a) shall take effect on the first day of the first month beginning after the date of the enactment of this Act.

(2) A person who on such date is receiving an annuity under the Survivor Benefit Plan or is the beneficiary of a participant in the Plan may not by reason of the enactment of such amendment receive an annuity under the Plan in a smaller amount than the amount of the annuity that such person is receiving under the Plan on the day before that date or that such person would be entitled to receive under the Plan on the day before that date if the participant were dead.

SEC. 673. INDEXING OF THRESHOLD AMOUNT FOR CALCULATION OF REDUCTION OF RETIRED PAY.

Section 1452(a) of title 10, United States Code, is amended by inserting "(adjusted at the same time and by the same percentage as the retired pay of such person is adjusted under section 1401a of this title or any other provision of law)" after "$300".

SEC. 674. SPOUSAL CONCURRENCE FOR ELECTIONS.

Section 1448(a)(3) of title 10, United States Code, is amended—

(1) by redesignating subparagraph (B) as subparagraph (C); and

(2) by striking out subparagraph (A) and inserting in lieu thereof the following:

"(3)(A) Notwithstanding any other provision of this subchapter, a person eligible to participate in the Plan under paragraph (1)(A) may not without the concurrence of the person's spouse elect—

"(i) not to participate in the Plan;

"(ii) to provide an annuity for the person's spouse at less than the maximum level; or

"(iii) to provide an annuity for a dependent child but not for the person's spouse.

This subparagraph does not affect any right to elect to provide an annuity for a former spouse under subsection (b).

"(B) If a person who is eligible under paragraph (1)(A) to participate in the Plan and who is married elects to provide an annuity for a former spouse under subsection (b)(2), that person's spouse shall be notified of that election.".

SEC. 675. SBP COVERAGE UPON REMARRIAGE.

(a) OPTION NOT TO RESUME COVERAGE UPON REMARRIAGE.—Section 1448(b) of title 10, United States Code, is amended by adding at the end thereof the following new paragraph:

"(5) A person—

"(A) who is a participant in the Plan and is providing coverage for a spouse or a spouse and child;

"(B) who does not have an eligible beneficiary under the Plan; and

"(C) who remarries,

may elect, with the concurrence of the person's spouse, not to provide coverage under the Plan for the person's spouse. Such an election is irrevocable. If such an election is made, no reduction in the retired or retainer pay of such person under section 1452 of this title may be made. An election under this paragraph shall be made within such period of time after the person's marriage, and in such form and manner, as may be prescribed in regulations under section 1455 of this title.".

(b) OPTION TO PROVIDE HIGHER COVERAGE UPON REPAYMENT OF AMOUNTS NOT PREVIOUSLY WITHHELD.—Section 1451 of such title, as amended by section 672, is further amended by adding at the end thereof the following new subsection:

"(g)(1) A person—

"(A) who is a participant in the Plan and is providing coverage for a spouse or a spouse and child, but at less than the maximum level; and

"(B) who remarries,

may elect to provide coverage under the Plan for the person's spouse at a higher level (not in excess of the maximum level previously available to that person) if the person pays an amount determined under paragraph (2).

"(2) The amount of a payment under paragraph (1) shall be the difference between—

"(A) the amount that would have been withheld from such person's retired or retainer pay under section 1452 of this title if the higher level of coverage had been in effect from the time the person became a participant in the Plan; and

"(B) the amount of such person's retired or retainer pay actually withheld under such section.

"(3) An election under paragraph (1) shall be made in such manner as the Secretary shall prescribe and shall become effective upon receipt of the deposit required by such paragraph.

"(4) Any such payment shall be deposited into the Department of Defense Military Retirement Fund.".

SEC. 676. OPTION TO COVER BOTH A FORMER SPOUSE AND DEPENDENT CHILDREN OF A MEMBER.

(a) OPTION TO PROVIDE COVERAGE.—Section 1448(b) of title 10, United States Code, is amended by adding after paragraph (5) (as added by section 675) the following new paragraph:

"(6) A person who elects to provide an annuity for a former spouse under the Plan may, at the time of such election, elect to provide that annuity for the former spouse and for a dependent child, if the child resulted from the person's marriage to that former spouse. The reduction in retired or retainer pay for such an election shall be that prescribed under section 1452(c) of this title and such additional amount as may be

prescribed under regulations of the Secretary of Defense.".

(b) BENEFICIARIES OF ANNUITY.—Section 1450(a)(4) of such title is amended to read as follows:

"(4) the former spouse, the surviving dependent children in equal shares, if eligible under section 1448(b)(6) of this title and if the eligible former spouse is dead, dies, or otherwise becomes ineligible under this section, or other natural person designated under section 1448(b) of this title, unless the election to provide an annuity to the former spouse or other natural person has been changed as provided in subsection (f).".

(c) CONFORMING AMENDMENT.—Section 1448(b)(2) of such title is amended by inserting "(other than a child designated under section 1448(b)(6) of this title)" after "that spouse or child" in the second sentence.

(d) TRANSITION PROVISION.—A person who has before the date of the enactment of this Act made an election to provide an annuity under the Survivor Benefit Plan for a former spouse may elect, within the one-year period beginning on such date, to change that election so as to provide an annuity for the former spouse and the dependent children of the person as authorized by paragraph (6) of section 1448(b) of title 10, United States Code, as added by subsection (a).

SEC. 677. SBP COVERAGE FOR OFFICERS WHO DIE AFTER 20 YEARS OF SERVICE BUT WHO ARE NOT ELIGIBLE FOR RETIRED PAY.

(a) IN GENERAL.—Section 1448(d) of title 10, United States Code, is amended to read as follows:

"(d)(1) Subject to paragraph (3), the Secretary concerned shall pay an annuity under this subchapter to the surviving spouse or dependent child of a member described in paragraph (2).

"(2) A member referred to in paragraph (1) is a member who dies on active duty—

"(A) after he has become entitled to retired or retainer pay;

"(B) after he has qualified for retired or retainer pay except that he has not applied for or been granted that pay; or

"(C) after he has served 20 years of active duty but before he is eligible for retired or retainer pay because he has not completed 10 years of active commissioned service.

"(3) A surviving spouse or dependent child is not eligible for an annuity under this subsection if the amount (if any) of the dependency and indemnity compensation to which the surviving spouse or dependent child is entitled under chapter 15 of title 38 is equal to or greater than the amount of the annuity the surviving spouse or dependent child would have received under this subchapter if the member had been entitled to retired or retainer pay when he died.

"(4) For the purposes of paragraph (3), the retired pay to which a member described in paragraph (2)(C) would have been entitled when he died shall be determined based upon the rate of basic pay in effect at the time of death for the highest grade other than a commissioned officer grade in which the member served on active duty satisfactorily, as determined by the Secretary concerned.

"(5) The amount of an annuity under this subsection is computed under section 1451(c) of this title.".

(b) PERSONS COVERED.—Section 1448(d) of title 10, United States Code, as amended by subsection (a), shall apply to the surviving spouse and dependent children of a person who dies after September 20, 1972.

SEC. 678. AUTHORITY TO REPAY REFUNDED SBP DEDUCTIONS IN INSTALLMENTS.

Section 1450(k) of title 10, United States Code, is amended—

(1) by inserting "(1)" after "(k)";

(2) by striking out "had never been made," and all that follows and inserting in lieu thereof "had never been made."; and

(3) by adding at the end thereof the following new paragraph:

"(2) A widow or widower whose annuity is readjusted under paragraph (1) shall repay any amount refunded under subsection (e) by reason of the adjustment under subsection (c). Such repayment shall be made in such manner as may be provided in regulations prescribed under section 1455 of this title. Any amount repaid under this paragraph shall be deposited into the Department of Defense Military Retirement Fund.".

SEC. 679. ANNUITY FOR SURVIVORS OF CERTAIN RESERVISTS.

(a) ELIGIBILITY.—Section 1448(a)(2) of title 10, United States Code, is amended—

(1) by striking out "and" at the end of clause (A);

(2) by striking out the period at the end of clause (B) and inserting in lieu thereof a semicolon; and

(3) by adding at the end thereof the following new clauses:

"(C) to a person who dies before being notified under section 1331(d) of this title that he has completed the years of service required for eligibility for retired pay under chapter 67 of this title if on the date of death the person—

"(i) has completed the years of service required for eligibility for retired pay under chapter 67 of this title; and

"(ii) is married or has a dependent child; and

"(D) to a person who dies during the 90-day period beginning on the date he receives notification under section 1331(d) of this title that he has completed the years of service required for eligibility for retired pay under chapter 67 of this title if on the date of death the person—

"(i) has not made an election under clause (B) to participate in the Plan; and

"(ii) is married or has a dependent child.".

(b) EFFECTIVE DATE OF ANNUITY.—Section 1450(j) of such title is amended by adding at the end thereof the following new sentence: "An annuity payable by virtue of clause (C) or (D) of section 1448(a)(2) of this title shall be effective on the first day after the death of the person to whom the Plan applies.".

(c) PERSONS COVERED.—Clauses (C) and (D) of section 1448(a)(2) of title 10, United States Code, as added by subsection (a), shall apply to the surviving spouse and dependent children of any person who dies after September 30, 1978.

SEC. 680. EFFECTIVE DATE.

Except as otherwise provided in this part, the amendments made by this part shall take effect on October 1, 1985. No benefit shall accrue to any person by virtue of the enactment of this part for any period before October 1, 1985.

PART G—MISCELLANEOUS

SEC. 681. LEGAL REPRESENTATION OF CIVILIANS OVERSEAS.

(a) IN GENERAL.—Section 1037(a) of title 10, United States Code, relating to counsel before foreign judicial tribunals and administrative agencies, is amended by striking out the period at the end of the first sentence and inserting in lieu thereof "and of persons not subject to the Uniform Code of Military Justice who are employed by or accompanying the armed forces in an area outside the United States and the territories and possessions of the United States, the Northern Mariana Islands, and the Commonwealth of Puerto Rico.".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply with respect to costs incurred after September 30, 1985.

SEC. 682. SURCHARGE FOR SALES AT ANIMAL DISEASE PREVENTION AND CONTROL CENTERS.

(a) REQUIRED SURCHARGE.—The Secretary of Defense shall require that each time a sale is recorded at a military animal disease prevention and control center the person to whom the sale is made shall be charged a surcharge of $2.

(b) DEPOSIT OF RECEIPTS IN TREASURY.—Amounts received from surcharges under this section shall be deposited in the Treasury in accordance with section 3302 of title 31.

(c) CONFORMING AMENDMENT.—Section 1033 of the Department of Defense Authorization Act, 1984 (Public Law 98-94; 97 Stat. 672), is repealed.

(d) EFFECTIVE DATE.—This section shall take effect on October 1, 1985.

SEC. 683. ACCRUED LEAVE.

Section 501(b)(3) of title 37, United States Code, relating to payments for unused accrued leave, is amended by striking out "September 1, 1976" and inserting in lieu thereof "February 9, 1976".

SEC. 684. PAY ALLOTMENTS FOR NAVY AND MARINE CORPS.

(a) STANDARDIZATION OF NAVAL SERVICE PAY ALLOTMENTS WITH ARMY AND AIR FORCE.—(1) Section 701 of title 37, United States Code, is amended—

(A) by striking out "of the Army or the Air Force" in subsections (a), (c), and (d)(1) and inserting in lieu thereof "of the Army, Navy, Air Force, or Marine Corps";

(B) by striking out "of the Army or the Air Force" in subsections (b) and (d)(2) and inserting in lieu thereof "of the Army, Navy, or Air Force"; and

(C) by striking out "Secretary of the Army or the Secretary of the Air Force, as the case may be" in subsections (a) and (d) and inserting in lieu thereof "Secretary of the military department concerned".

(2) The heading of such section is amended to read as follows:

"§ 701. Members of the Army, Navy, Air Force, and Marine Corps; contract surgeons".

(3) The item relating to such section in the table of sections in the beginning of chapter 13 of such title is amended to read as follows:

"701. Members of the Army, Navy, Air Force, and Marine Corps; contract surgeons.".

(b) CONFORMING AMENDMENTS.—(1) Sections 702, 705, and 805 of such title are repealed.

(2) The table of sections at the beginning of chapter 13 of such title is amended by striking out the items relating to sections 702 and 705.

(3) The table of sections at the beginning of chapter 15 of such title is amended by striking out the item relating to section 805.

SEC. 685. AUTHORITIES TO COLLECT DEBTS FROM MEMBERS OF THE UNIFORMED SERVICES.

(a) EXTENSION OF AUTHORITY TO PHS AND NOAA.—Subsection (c) of section 1007 of title 37, United States Code, is amended by

striking out "armed forces" and inserting in lieu thereof "uniformed services".

(b) DISHONORED CHECKS.—(1) Such section is further amended by adding at the end thereof the following new subsection:

"(h)(1) If a member of a uniformed service draws or makes a check payable to the United States that upon presentment is dishonored, the amount due the United States as the result of the check's being dishonored may be deducted from the pay of the member.

"(2) If there is a service charge prescribed by the Secretary concerned that is applicable to a check that is dishonored, the deduction under this subsection may include the amount of the service charge.

"(3) Deductions from a member's pay under this subsection because a check drawn or made by the member is dishonored may be made only after—

"(A) the member is notified in writing that the check has been dishonored; and

"(B) the member fails to pay the amount of the check to the United States within 30 days after receiving the notice.

"(4) Amounts deducted from a member's pay under this subsection—

"(A) shall be transferred to the agency or instrumentality that was the payee of the dishonored check; and

"(B) shall be credited to the appropriate fund or account of that agency or instrumentality.

"(5) In this subsection:

"(A) 'Check' includes a draft or order.

"(B) 'Member' includes a former member entitled to retired pay.

"(C) 'United States' includes any instrumentality of the United States (including any nonappropriated fund instrumentality).".

(2) Subsection (h) of section 1007 of title 37, United States Code, as added by paragraph (1), shall apply only to checks, drafts, and orders drawn or made after the date of the enactment of this Act.

AMENDMENT OFFERED BY MRS. SCHROEDER

Mrs. SCHROEDER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mrs. Schroeder:

—Strike out part F of title VI (page 122, line 13 through page 137, line 16) and insert in lieu thereof the following (and redesignate the sections of part G accordingly):

PART F—SURVIVOR BENEFIT PLAN IMPROVEMENTS

SEC. 670. SHORT TITLE.

This part may be cited as the "Survivor Benefit Plan Amendments of 1985".

Subpart 1—General Program Changes

SEC. 671. ESTABLISHMENT OF TWO-TIER BENEFIT SYSTEM AND ELIMINATION OF SOCIAL SECURITY OFFSET.

(a) REVISION IN SBP ANNUITY COMPUTATION.—Section 1451 of title 10, United States Code, is amended to read as follows:

"§ 1451. Amount of annuity

"(a)(1) In the case of a standard annuity provided to a beneficiary under section 1450(a) of this title (other than under section 1450(a)(4), the monthly annuity payable to the beneficiary shall be determined as follows:

"(A) If the beneficiary is under 62 years of age when becoming entitled to the annuity, the monthly annuity shall be the amount equal to 55 percent of the base amount (as the base amount is adjusted from time to time under subsection 1401a of this title).

"(B) If the beneficiary is 62 years of age or older when becoming entitled to the annuity, the monthly annuity shall be the amount equal to 35 percent of the base amount (as the base amount is adjusted from time to time under section 1401a of this title). However, if the beneficiary is eligible to have the annuity computed under that subsection (e) and if an annuity computed under that subsection is more favorable to the beneficiary, the annuity shall be computed under that subsection.

"(2) In the case of a reserve-component annuity provided to a beneficiary under section 1450(a) of this title (other than under section 1450(a)(4)), the monthly annuity payable to the beneficiary shall be determined as follows:

"(A) If the beneficiary is under 62 years of age when becoming entitled to the annuity, the monthly annuity shall be the amount equal to a percentage of the base amount (as the base amount is adjusted from time to time under section 1401a of this title) that—

"(i) is less than 55 percent; and

"(ii) is determined under subsection (f).

"(B) If the beneficiary is 62 years of age or older when becoming entitled to the annuity, the monthly annuity shall be the amount equal to a percentage of the base amount (as the base amount is adjusted from time to time under section 1401a of this title) that—

"(i) is less than 35 percent; and

"(ii) is determined under subsection (f).

However, if the beneficiary is eligible to have the annuity computed under subsection (e) and if an annuity computed under that subsection would be more favorable to the beneficiary, the annuity shall be computed under that subsection.

"(b)(1) In the case of a standard annuity provided to a beneficiary under section 1450(a)(4) of this title, the monthly annuity payable to the beneficiary shall be the amount equal to 55 percent of the retired pay of the person who elected to provide the annuity after the reduction in that pay in accordance with section 1452(c) of this title.

"(2) In the case of a reserve-component annuity provided to a beneficiary under section 1450(a)(4) of this title, the monthly annuity payable to the beneficiary shall be the amount equal to a percentage of the retired pay of the person who elected to provide the annuity after the reduction in such pay in accordance with section 1452(c) of this title that—

"(A) is less than 55 percent; and

"(B) is determined under subsection (f)).

"(3) For the purposes of paragraph (2), a person—

"(A) who provides an annuity that is determined in accordance with that paragraph;

"(B) who dies before becoming 60 years of age; and

"(C) who at the time of death is otherwise entitled to retired pay,

shall be considered to have been entitled to retired pay at the time of death. The retired pay of such person for the purposes of such paragraph shall be computed on the basis of the rates of basic pay in effect on the date on which the annuity provided by such person is to become effective in accordance with the designation of such person under section 1448(e) of this title.

"(c)(1) In the case of an annuity provided under section 1448(d) or 1448(f) of this title to the surviving spouse or child of a member or former member, the amount of the annuity shall be determined as follows:

"(A) If the person receiving the annuity is under 62 years of age when the member or former member dies, the monthly annuity shall be the amount equal to 55 percent of the retired pay to which the member or former member would have been entitled if the member or former member had been entitled to that pay based upon his years of active service when he died.

"(B) If the person receiving the annuity is 62 years of age or older when the member or former member dies, the monthly annuity shall be the amount equal to 35 percent of the retired pay to which the member or former member would have been entitled if the member or former member had been entitled to that pay based upon his years of active service when he died. However, if the beneficiary is eligible to have the annuity computed under subsection (e) and if an annuity computed under that subsection is more favorable to the beneficiary, the annuity shall be computed under that subsection.

"(2) In the case of an annuity provided under section 1448(d) or 1448(f) of this title to a former spouse of the person providing the annuity, the amount of the monthly annuity shall be the amount equal to 55 percent of the retired pay to which the member or former member would have been entitled if the member or former member had been entitled to that pay based upon the years of active service of the member when the member died.

"(3) An annuity computed under paragraph (1) that is paid to a surviving spouse shall be reduced by the amount of dependency and indemnity compensation to which the surviving spouse is entitled under section 411(a) of title 38. Any such reduction shall be effective on the date of the commencement of the period of payment of such compensation under title 38.

"(4) In the case of an annuity provided by a member described in section 1448(d)(1)(C) of this title, the retired pay to which the member would have been entitled when he died shall be determined based upon the rate of basic pay in effect at the time of death for the highest grade other than a commissioned officer grade in which the member served on active duty satisfactorily, as determined by the Secretary concerned.

"(5) In the case of an annuity paid under section 1448(f) of this title, the retired pay of the person providing the annuity shall for the purposes of paragraphs (1) and (2) be computed on the basis of the rates of basic pay in effect on the effective date of the annuity.

"(d) The annuity of a person whose annuity is computed under clause (A) of subsection (a)(1), (a)(2), or (c)(1) shall be reduced on the first day of the month after the month in which the person becomes 62 years of age. The revised amount of the annuity shall be the amount of the annuity that the person would be receiving on that date if the annuity of the person had initially been computed under clause (b) of that subsection.

"(e)(1) The following persons are eligible to have an annuity under the Plan computed under this subsection:

"(A) A beneficiary receiving an annuity under the Plan on October 1, 1985, as the widow or widower of the person providing the annuity.

"(B) A spouse beneficiary of a person who on October 1, 1985, is a participant in the Plan.

"(2) Subject to paragraph (3), an annuity computed under this subsection shall be determined as follows:

"(A) In the case of a beneficiary of a standard annuity under section 1450(a) of

this title, the annuity shall be the amount equal to 55 percent of the base amount (as the base amount is adjusted from time to time under section 1401a of this title).

"(B) In the case of a beneficiary of a reserve-component annuity under section 1450(a) of this title, the annuity shall be the percentage of the base amount (as the base amount is adjusted from time to time under section 1401a of this title) that—

"(i) is less than 55 percent; and

"(ii) is determined under subsection (f).

"(C) In the case of a beneficiary of an annuity under section 1448(d) or 1448(f) of this title, the annuity shall be the amount equal to 55 percent of the retired pay of the person providing the annuity (as that pay is determined under subsection (c)).

"(3) An annuity computed under this subsection shall be reduced by the lesser of—

"(A) the amount of the survivor benefit, if any, to which the widow or widower would be entitled under title II of the Social Security Act (42 U.S.C. 401 et seq.) based solely upon service by the person concerned as described in section 210(1)(1) of such Act (42 U.S.C. 410(1)(1)) and calculated assuming that the person concerned lives to age 65; or

"(B) 40 percent of the amount of the monthly annuity as determined under paragraph (2).

"(4)(A) For the purpose of paragraph (3), a widow or widower shall not be considered as entitled to a benefit under title II of the Social Security Act (42 U.S.C. 401 et seq.) to the extent that such benefit has been offset by deductions under section 203 of such Act (42 U.S.C. 403) on account of work.

"(B) In the computation of any reduction made under paragraph (3), there shall be excluded any period of service described in section 210(1)(1) of the Social Security Act (42 U.S.C. 410(1)(1))—

"(i) which was performed after December 1, 1980; and

"(ii) which involved periods of service of less than 30 continuous days for which the person concerned is entitled to receive a refund under section 6413(c) of the Internal Revenue Code of 1954 of the social security tax which the person had paid.

"(f) The percentage to be applied in determining the amount of an annuity computed under subsection (a)(2), (b)(2), or (e)(2)(B) shall be determined under regulations prescribed by the Secretary of Defense. Such regulations shall be prescribed taking into consideration—

"(1) the age of the person electing to provide the annuity at the time of such election;

"(2) the difference in age between such person and the beneficiary of the annuity;

"(3) whether such person provided for the annuity to become effective (in the event he died before becoming 60 years of age) on the day after his death or on the 60th anniversary of his birth;

"(4) appropriate group annuity tables; and

"(5) such other factors as the Secretary considers relevant.

"(g)(1) Whenever retired pay is increased under section 1401a of this title (or any other provision of law), each annuity that is payable under the Plan shall be increased at the same time by the same total percent. The amount of the increase shall be based on the monthly annuity payable before any reduction under section 1450(c) of this title or under subsection (c)(2).

"(2) The monthly amount of an annuity payable under this subchapter, if not a multiple of $1, shall be rounded to the next lower multiple of $1.".

(b) CONFORMING AMENDMENT.—Section 641 of the Department of Defense Authorization Act, 1985 (Public Law 98-525; 98 Stat. 2545), is repealed, effective as of September 1, 1985.

SEC. 672. SBP COVERAGE FOR MEMBERS WHO DIE AFTER 20 YEARS OF SERVICE.

(a) IN GENERAL.—Section 1448(d) of title 10, United States Code, is amended to read as follows:

"(d)(1) The Secretary concerned shall pay an annuity under this subchapter to the surviving spouse of a member who dies on active duty after—

"(A) becoming eligible to receive retired pay;

"(B) qualifying for retired pay except that he has not applied for or been granted that pay; or

"(C) completing 20 years of active service but before he is eligible to retire as a commissioned officer because he has not completed 10 years of active commissioned service.

"(2) The Secretary concerned shall pay an annuity under this subchapter to the dependent child of a member described in paragraph (1) if the member and the member's spouse die as a result of a common accident.

"(3) If a member described in paragraph (1) is required under a court order or spousal agreement to provide an annuity to a former spouse upon becoming eligible to be a participant in the Plan or has made an election under subsection (b) to provide an annuity to a former spouse, the Secretary—

"(A) may not pay an annuity under paragraph (1) or (2); but

"(B) shall pay an annuity to that former spouse as if the member had been a participant in the Plan and had made an election under subsection (b) to provide an annuity to the former spouse, or in accordance with that election, as the case may be, if the Secretary receives a written request from the former spouse concerned that the election be deemed to have been made in the same manner as provided in section 1450(f)(3) of this title.

"(4) An annuity that may be provided under this subsection shall be provided in preference to an annuity that may be provided under any other provision of this subchapter on account of service of the same member.

"(5) The amount of an annuity under this subsection is computed under section 1451(c) of this title.".

(b) PERSONS COVERED.—(1) Section 1448(d) of title 10, United States Code, as amended by subsection (a), applies to the surviving spouse and dependent children of a person who dies on active duty after September 20, 1972, and the former spouse of a person who dies after September 7, 1982.

(2) In the case of the surviving spouse and dependents of a person who dies during the period beginning on September 21, 1972, and ending on October 1, 1985, the Secretary concerned shall take appropriate steps to locate persons eligible for an annuity under section 1448(d) of title 10, United States Code, as amended by subsection (a). Any such person must submit an application to the Secretary for such an annuity before October 1, 1988, to be eligible to receive such annuity. Any such annuity shall be effective only for months after the month in which the Secretary receives such application.

SEC. 673. ANNUITY FOR SURVIVORS OF CERTAIN RETIREMENT ELIGIBLE RESERVISTS.

(a) ELIGIBILITY.—Section 1448 of title 10, United States Code, is amended by adding at the end thereof the following new subsection:

"(f)(1) The Secretary concerned shall pay an annuity under this subchapter to the surviving spouse of a person who is eligible to provide a reserve-component annuity and who dies—

"(A) before being notified under section 1331(d) of this title that he has completed the years of service required for eligibility for retired pay under chapter 67 of this title; or

"(B) during the 90-day period beginning on the date he receives notification under section 1331(d) of this title that he has completed the years of service required for eligibility for retired pay under chapter 67 of this title if he had not made an election under subsection (a)(2)(B) to participate in the Plan.

"(2) The Secretary concerned shall pay an annuity under this subchapter to the dependent child of a person described in paragraph (1) if the person and the person's spouse die as a result of a common accident.

"(3) If a person described in paragraph (1) is required under a court order or spousal agreement to provide an annuity to a former spouse upon becoming eligible to be a participant in the plan or has made an election under subsection (b) to provide an annuity to a former spouse, the Secretary—

"(A) may not pay an annuity under paragraph (1) or (2); but

"(B) shall pay an annuity to that former spouse as if the person had been a participant in the Plan and had made an election under subsection (b) to provide an annuity to the former spouse, or in accordance with that election, as the case may be, if the Secretary receives a written request from the former spouse concerned that the election be deemed to have been made in the same manner as provided in section 1450(f)(3) of this title.

"(4) The amount of an annuity under this subsection is computed under section 1451(c) of this title.".

(b) EFFECTIVE DATE OF ANNUITY.—Section 1450(j) of such title is amended by adding at the end thereof the following new sentence: "An annuity payable under section 1448(f) of this title shall be effective on the day after the date of the death of the person upon whose service the right to the annuity is based.".

(c) PERSONS COVERED.—(1) Section 1448(f) of title 10, United States Code, as added by subsection (a), shall apply to the surviving spouse and dependent children of any person who dies after September 30, 1978, and the former spouse of a person who dies after September 7, 1982.

(2) In the case of the surviving spouse and dependents of a person who dies during the period beginning on September 30, 1978, and ending on October 1, 1985, the Secretary concerned shall take appropriate steps to locate persons eligible for an annuity under section 1448(f) of title 10, United States Code, as added by subsection (a). Any such person must submit an application to the Secretary for such an annuity before October 1, 1988, to be eligible to receive such annuity. Any such annuity shall be effective only for months after the month in which the Secretary receives such application.

SEC. 674. INDEXING OF THRESHOLD AMOUNT FOR CALCULATION OF REDUCTION OF RETIRED PAY.

Section 1452(a) of title 10, United States Code, is amended—

(1) by inserting "(1)" after "(a)";

(2) in the first sentence—

(A) by redesignating clauses (1) and (2) as clauses (A) and (B), respectively;

(B) in clause (A) (as so redesignated)—

(i) by inserting "(as adjusted from time to time under paragraph (4))" after "$300"; and

(ii) by striking out "an annuity by virtue of eligibility under section 1448(a)(1)(A) of this title" and inserting in lieu thereof "a standard service annuity"; and

(C) in clause (B) (as so redesignated), by striking out "an annuity by virtue of eligibility under section 1448(a)(1)(A)" and inserting in lieu thereof "a reserve-component annuity";

(3) by designating the second sentence as paragraph (2) and striking out "As long as" and all that follows through "that amount" and inserting in lieu thereof "If there is a dependent child as well as a spouse, the amount prescribed under paragraph (1)";

(4) by designating the third sentence as paragraph (3) and in such sentence by striking out "the first sentence of this subsection" and inserting in lieu thereof "paragraph (1)"; and

(5) by adding at the end thereof the following new paragraph:

"(4) Whenever there is an increase in the rates of basic pay of members of the armed forces, the amount under paragraph (1)(A) with respect to which the percentage factor of 2½ is applied shall be increased by the overall percentage of such increase in rates of basic pay. Any such increase shall apply with respect to persons who initially become participants in the Plan on or after the effective date of such increase.".

SEC. 675. SBP COVERAGE UPON REMARRIAGE.

(a) OPTION NOT TO RESUME COVERAGE UPON REMARRIAGE.—Section 1448(a) of title 10, United States Code, is amended by adding at the end thereof the following new paragraph:

"(6)(A) A person—

"(i) who is a participant in the Plan and is providing coverage for a spouse or a spouse and child;

"(ii) who does not have an eligible spouse beneficiary under the Plan; and

"(iii) who remarries,

may elect, with the concurrence of the person's spouse, not to provide coverage under the Plan for the person's spouse.

"(B) If such an election is made, no reduction in the retired pay of such person under section 1452 of this title may be made. An election under this paragraph—

"(i) is irrevocable;

"(ii) shall be made within one year after the person's marriage; and

"(iii) shall be made in such form and manner as may be prescribed in regulations under section 1455 of this title.

"(C) This paragraph does not affect any right or obligation to elect to provide an annuity to a former spouse under subsection (b).".

(b) OPTION TO PROVIDE HIGHER COVERAGE UPON PAYMENT OF AMOUNTS NOT PREVIOUSLY WITHHELD.—Section 1448 of such title is amended by adding after subsection (f), as added by the amendment made by section 673(a), the following new subsection:

"(g)(1) A person—

"(A) who is a participant in the Plan and is providing coverage under subsection (a) for a spouse or a spouse and child, but at less than the maximum level; and

"(B) who remarries,

may elect, within one year of such remarriage, to increase the level of coverage provided under the Plan to a level not in excess of the current retired pay of that person.

"(2) Such an election shall be contingent on the person paying to the United States the amount determined under paragraph (3) plus interest on such amount at a rate determined under regulations prescribed by the Secretary of Defense.

"(3) The amount referred to in paragraph (2) is the amount equal to the difference between—

"(A) the amount that would have been withheld from such person's retired pay under section 1452 of this title if the higher level of coverage had been in effect from the time the person became a participant in the Plan; and

"(B) the amount of such person's retired pay actually withheld.

"(4) An election under paragraph (1) shall be made in such manner as the Secretary shall prescribe and shall become effective upon receipt of the payment required by paragraph (2).

"(5) Any payment received under this subsection by the Secretary of Defense shall be deposited into the Department of Defense Military Retirement Fund. Any other payment received under this subsection shall be deposited in the Treasury as miscellaneous receipts.".

SEC. 676. OPTION TO COVER BOTH A FORMER SPOUSE AND DEPENDENT CHILDREN OF A MEMBER.

(a) OPTION TO PROVIDE COVERAGE.—Section 1448(b) of title 10, United States Code, is amended—

(1) by inserting "(other than a child who is a beneficiary under an election under paragraph (4))" in the second sentence of paragraph (2) after "that spouse or child";

(2) by redesignating paragraph (4) as paragraph (5); and

(3) by inserting after paragraph (3) the following new paragraph (4):

"(4) A person who elects to provide an annuity for a former spouse under paragraph (2) or (3) may, at the time of the election, elect to provide coverage under that annuity for both the former spouse and a dependent child, if the child resulted from the person's marriage to that former spouse.".

(b) REVISION FOR FORMER SPOUSE COVERAGE ALREADY IN EFFECT.—A person who before the date of the enactment of this Act made an election under section 1448(b) of title 10, United States Code, to provide an annuity for a former spouse may elect, within the one-year period beginning on that date of enactment, to change that election so as to provide an annuity for the former spouse and the dependent children of the person, as authorized by paragraph (4) of that section added by subsection (a). Such an election may be made even though the former spouse for who the annuity was provided has died.

SEC. 677. AUTHORITY TO REPAY REFUNDED SBP DEDUCTIONS IN INSTALLMENTS.

Section 1450(k) of title 10, United States Code, is amended—

(1) by inserting "(l)" after "(k)";

(2) by striking out "had never been made," and all that follows and inserting in lieu thereof "had never been made."; and

(3) by adding at the end thereof the following new paragraph:

"(2) A widow or widower whose annuity is readjusted under paragraph (1) shall repay any amount refunded under subsection (e) by reason of the adjustment under subsection (c). If the repayment is not made in a lump sum, the widow or widower shall pay interest on the amount to be repaid commencing on the date on which the first such payment is due and applied over the period during which any part of the repayment remains to be paid. The manner in which such repayment shall be made, and the rate of any such interest, shall be prescribed in regulations under section 1455 of this title. Any amount repaid under this paragraph (including any such interest) received by the Secretary of Defense shall be deposited into the Department of Defense Military Retirement Fund. Any other amount repaid under this paragraph shall be deposited into the Treasury as miscellaneous receipts.".

SEC. 678. EFFECTIVE DATE OF DIC OFFSET.

Section 1450(c) of title 10, United States Code, is amended by adding at the end thereof the following new sentence: "Any reduction in an annuity under this section required by the preceding sentence shall be effective on the date of the commencement of the period of payment of such compensation under title 38.".

SEC. 679. TECHNICAL AMENDMENTS TO SBP STATUTE.

Subchapter II of chapter 73 of title 10, United States Code, is amended as follows:

(1) Section 1447 is amended by adding at the end thereof the following new paragraphs:

"(11) 'Retired pay' includes retainer pay.

"(12) 'Standard annuity' means an annuity provided by virtue of eligibility under section 1448(a)(1)(A) of this title.

"(13) 'Reserve-component annuity' means an annuity provided by virtue of eligibility under section 1448(a)(1)(B) of this title.".

(2) Section 1447(2)(C) is amended—

(A) by striking out "an annuity by virtue of eligibility under section 1448(a)(1)(A) of this title" in subclause (i) and inserting in lieu thereof "a standard annuity"; and

(B) by striking out "an annuity by virtue of eligibility under section 1448(a)(1)(B) of this title" in subclause (ii) and inserting in lieu thereof "a reserve-component annuity".

(3) Paragraphs (1) and (2) of section 1448(b) are each amended by striking out "an annuity under this paragraph by virtue of eligibility under subsection (a)(1)(B)" and inserting in lieu thereof "a reserve-component annuity".

(4) Section 1450(b) is amended by striking out "under this section" and inserting in lieu thereof "under the Plan".

(5) Section 1450(j) is amended by striking out "any person providing an annuity by virtue of eligibility under section 1448(a)(1)(B) of this title" and inserting in lieu thereof "a person providing a reserve-component annuity".

(6) Section 1450(1) is amended—

(A) by striking out "the plan" both places it appears in the first sentence of paragraph (1) and inserting in lieu thereof "the Plan"; and

(B) by striking out "the provision of" in paragraph (2).

(7) Section 1452(c) is amended—

(A) by striking out "the annuity by virtue of eligibility under section 1448(a)(1)(A) of this title" and inserting in lieu thereof "a standard annuity"; and

(B) by striking out "the annuity by virtue of eligibility under section 1448(a)(1)(B) of this title" and inserting in lieu thereof "a reserve-component annuity";

(8)(A) The following sections are each amended by striking out "or retainer" each place it appears: 1448(a)(1)(A), 1448(a)(2)(A), 1448(b)(3)(B), 1450(d), 1450(e), 1450(l)(1), 1450(l)(3)(A)(i), 1452.

(B) The heading for section 1452, and the item relating to that section in the table of sections at the beginning of such subchap-

ter, are each amended by striking out the penultimate and antepenultimate words.

Subpart 2—Provisions Relating to Rights for Spouses and Former Spouses

SEC. 681. SPOUSAL CONCURRENCE FOR ELECTIONS.

(a) CONCURRENCE FOR SBP COVERAGE.—Section 1448(a) of title 10, United States Code, is amended—

(1) by inserting "(with his spouse's concurrence, if required under paragraph (3))" in paragraph (2)(A) after "unless he elects"; and

(2) by striking out paragraph (3) and inserting in lieu thereof the following:

"(3)(A) A married person who is eligible to provide a standard annuity may not without the concurrence of the person's spouse elect—

"(i) not to participate in the Plan;

"(ii) to provide an annuity for the person's spouse at less than the maximum level; or

"(iii) to provide an annuity for a dependent child but not for the person's spouse.

"(B) A married person who elects to provide a reserve-component annuity may not without the concurrence of the person's spouse elect—

"(i) to provide an annuity for the person's spouse at less than the maximum level; or

"(ii) to provide an annuity for a dependent child but not for the person's spouse.

"(C) A person may make an election described in subparagraph (A) or (B) without the concurrence of the person's spouse if the person establishes to the satisfaction of the Secretary concerned—

"(i) that the spouse's whereabouts cannot be determined; or

"(ii) that, due to exceptional circumstances, requiring the person to seek the spouse's consent would otherwise be inappropriate.

"(D) This paragraph does not affect any right or obligation to elect to provide an annuity for a former spouse (or for a former spouse and dependent child) under subsection (b)(2).

"(E) If a married person who is eligible to provide a standard annuity elects to provide an annuity for a former spouse (or for a former spouse and dependent child) under subsection (b)(2), that person's spouse shall be notified of that election.".

(b) CONCURRENCE FOR ELECTION OF COVERAGE AT LESS THAN MAXIMUM AMOUNT.—Section 1447(2)(C) of such title is amended by inserting "(with the concurrence of the person's spouse, if required under section 1448(a)(3) of this title)" after "designated by the person".

SEC. 682. CLARIFICATION OF STATUS OF SPOUSAL AGREEMENTS.

Section 1450(f)(3) of title 10, United States Code, is amended—

(1) in subparagraph (A)—

(A) by inserting "or has been filed with the court of appropriate jurisdiction in accordance with applicable State law" after "by a court order"; and

(B) by inserting "or receives a statement from the clerk of the court (or other appropriate official) that such agreement has been filed with the court in accordance with applicable State law" before the period; and

(2) in subparagraphs (B) and (C), by inserting "or filing" after "court order".

SEC. 683. NOTICE OF ELECTIONS AVAILABLE.

Section 1455 of title 10, United States Code, is amended by striking out paragraphs (1) and (2) and inserting in lieu thereof the following:

"(1) provide that before the date the member becomes entitled to retired pay—

"(A) if the member is married, the member and the member's spouse shall be informed of the elections available under section 1448(a) of this title and the effects of such elections; and

"(B) if the notification referred to in section 1448(a)(3)(E) of this title is required, any former spouse of the member shall be informed of the elections available and the effects of such elections; and

"(2) establish procedures for depositing the amounts referred to in sections 1448(g), 1450(k)(2), and 1452(d) of this title.".

Subpart 3—Effective Date

SEC. 690. EFFECTIVE DATE.

(a) EFFECTIVE DATE.—Except as otherwise provided in this part, the amendments made by this part shall take effect on the later of—

(1) October 1, 1985; and

(2) the first day of the first month beginning more than 90 days after the date of the enactment of this Act.

(b) PROSPECTIVE BENEFITS ONLY.—No benefits shall accrue to any person by virtue of the enactment of this part for any period before the effective date under subsection (a).

AMENDMENT OFFERED BY MRS. SCHROEDER

Mrs. SCHROEDER (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN pro tempore. Is there objection to the request of the gentlewoman from Colorado?

There was no objection.

Mrs. SCHROEDER. Mr. Chairman, I also ask unanimous consent that modifications be incorporated in this amendment at this time.

The CHAIRMAN pro tempore. The clerk will report the modifications.

The Clerk read as follows:

Modifications to amendment offered by Mrs. SCHROEDER: In section 1451(c)(1)(B) of title 10, United States Code, as proposed to be amended by section 671(a) of the matter proposed to be inserted by the amendment, insert "member" after "member or former" the second place it appears.

In section 672(b)(2) of the matter proposed to be inserted by the amendment, strike out "dependents" and insert in lieu thereof "children".

In the matter proposed to be inserted by the amendment made by section 674(2)(B)(ii) of the matter proposed to be inserted by the amendment, strike out "service".

In section 676 of the matter proposed to be inserted by the amendment—

(1) redesignate subsection (b) as subsection (c); and

(2) insert after subsection (a) the following new subsection (b):

(b) CONFORMING AMENDMENT.—Section 1452(c) of such title is amended—

(1) by inserting "(1)" after "(c)";

(2) by redesignating clauses (1) and (2) as clauses (A) and (B), respectively;

(3) by striking out "clause (1)" in the second sentence and inserting in lieu thereof "clause (A)"; and

(4) by designating the third sentence as paragraph (3) and inserting immediately before such paragraph the following:

"(2) If the annuity is being provided to a former spouse and if the person providing the annuity elected to provide the annuity to both the former spouse and a dependent child, the reduction in retired pay is prescribed under regulations of the Secretary of Defense as long as there is both an eligible former spouse and a dependent child.".

Mrs. SCHROEDER (during the reading). Mr. Chairman, I ask unanimous consent that the modification be considered as read and printed in the RECORD.

The CHAIRMAN pro tempore. Is there objection to the request of the gentlewoman from Colorado?

There was no objection.

The CHAIRMAN pro tempore. Without objection, the amendment is modified. There was no objection.

Mrs. SCHROEDER. Mr. Chairman, I will be very brief. The amendment I now offer simplifies and strengthens the Survivor Benefit Program for military retirees. It picks up a number of excellent provisions contained in the bill reported by the committee.

One such provision requires the concurrence of a spouse before the military person can waive survivor benefits or elect less than maximum coverage. Giving a spouse the right to share in a pension can be meaningless if the member has the right to cut off the spouse unilaterally. By establishing spousal consent, we protest the right of the spouse. Marriage is an economic partnership in which both individuals contribute to the livelihood of the family. Spousal concurrence recognizes the contributions and responsibilities of the spouse to the military career. Both the Retirement Equity Act and the Civil Service Spouse Retirement Act provide for similar concurrence. I congratulate the committee for including this provision.

My amendment goes a step further and provides that this spousal concurrence provision apply to reservists as well, who fall under slightly different rules. Also, my amendment provides that service members, spouses, and former spouses must be given information on the options under the survivor benefit plan before the member reaches retirement eligibility.

Further, my amendment requires that notice be given to a member's current spouse if a former spouse has been elected as beneficiary for survivor benefits as provided by a spousal agreement or a court order.

Finally, my amendment clarifies that DOD should honor spousal agreements, in addition to court orders, providing for the election of a former spouse as beneficiary where it is permitted by State law.

I believe this is a good amendment which makes the Survivor Benefit Program fairer and stronger. More needs to be done. Yet, I urge the support of my colleagues for this amendment.

□ 1220

Mr. HILLIS. Mr. Chairman, will the gentlewoman yield?

Mrs. SCHROEDER. I yield to the gentleman from Indiana.

Mr. HILLIS. Mr. Chairman, we have examined the amendment on our side. We are agreeable to accepting it, and we recommend that it be accepted.

Mr. ASPIN. Mr. Chairman, will the gentlewoman yield?

Mrs. SCHROEDER. I yield to the gentleman from Wisconsin.

Mr. ASPIN. Mr. Chairman, we have examined the amendment. We think it has a great deal of merit, and we urge its acceptance.

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentlewoman from Colorado [Mrs. SCHROEDER], as modified.

The amendment, as modified, was agreed to.

AMENDMENT OFFERED BY MRS. BYRON

Mrs. BYRON. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mrs. BYRON: At the end of subpart 1 of part C, title VI (page 98, after line 2), insert the following new section:

SEC. 637. EXTENSION OF AVIATION OFFICER CONTINUATION PAY.

Effective on October 1, 1985, section 301b of title 37, United States Code, is amended by striking out "September 30, 1985" in subsections (e)(2), (e)(3), and (f) and inserting in lieu thereof "September 30, 1988".

Mrs. BYRON. Mr. Chairman, let me explain this amendment very briefly.

The intent of this amendment is to extend the aviation officers' continuation pay, which currently expires in September 1985, until September of 1988. This gives flexibility to those young naval aviators who are in the first 6-year timeframe of their careers to make a decision on whether they wish to retain their naval careers.

We are beginning to see a downward trend once again in naval aviators. I think one of the factors involved in this is the fact of the long deployments with our carrier fleet. I am concerned with the fact that we have two new carriers coming into the fleet, and we must make sure we have a viable force to man those aircraft on those carriers.

Mr. Chairman, I think this amendment makes a great deal of sense. It gives some long-term stability to the Naval Aviation Program, and I urge its adoption.

Mr. HILLIS. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, we have examined this amendment, and I certainly want to say on behalf of the sponsors that I think it is a very good amendment.

It is quite costly to train these aviators. It runs into hundreds of thousands of dollars, and to lose them is not only a high-cost item for their replacement, but we also lose them at a time when we are trying to bring more facilities on base to go to sea. There is no way we can keep an active force and meet the requirements and the commitments of this country without this highly trained aviation force.

So, Mr. Chairman, we salute the gentlewoman from Maryland [Mrs. BYRON], who has brought this amendment to the floor. I think it is a very meritorious amendment, and we are happy to accept it on this side.

Mr. ASPIN. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I would like to associate myself with the remarks of the gentleman from Indiana [Mr. HILLIS]. We have examined the amendment also and believe that it has a great deal of merit. We urge its acceptance.

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentlewoman from Maryland [Mrs. BYRON].

The amendment was agreed to.

AMENDMENT OFFERED BY MR. LAGOMARSINO

Mr. LAGOMARSINO. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. LAGOMARSINO: At the end of title V (page 68, after line 61) add the following new section:

SEC. 533. PRISONER OF WAR MEDAL.

(a) AUTHORITY TO AWARD PRISONER OF WAR MEDAL.—Chapter 57 of title 10, United States Code, is amended by adding at the end thereof the following new section:

"§ 1128. Prisoner of war medal: award

"(a) The Secretary of Defense, or the Secretary of Transportation with respect to the Coast Guard when it is not operating as service in the Navy, may award, and present in the name of the Congress, a service medal of appropriate design, with ribbons and appurtenances, to any person who, while serving in any capacity with the armed forces has been taken prisoner and held captive, on or after April 6, 1917—

"(1) while engaged in an action against an enemy of the United States;

"(2) while engaged in military operations involving conflict with an opposing foreign force; or

"(3) while serving with friendly forces engaged in an armed conflict against an opposing armed force in which the United States is not a belligerent party.

"(b) In prescribing regulations establishing the order of precedence of awards and decorations authorized to be displayed on the uniforms of members of the armed forces, the Secretary of Defense, and the Secretary of Transportation with respect to the Coast Guard when it is not operating as a service in the Navy, shall accord the prisoner of war medal authorized by subsection (a) a position of precedence, in relation to other awards and decorations authorized to be displayed, immediately following decorations awarded for individual heroism, meritorious achievement, or meritorious service, but before any other service medal, campaign medal, or service ribbon awarded the member.

"(c) Not more than one prisoner of war medal may be awarded to a person. However, for each succeeding service that would otherwise justify the award of such a medal, the Secretary of Defense, or the Secretary of Transportation with respect to the Coast Guard when it is not operating as a service in the Navy, may award a suitable device to be worn as the Secretary determines.

"(d) If a person dies before the award of a prisoner of war medal to which he is entitled, the award may be made and the medal presented to his representative, as designated by the Secretary of Defense or Secretary of Transportation with respect to the Coast Guard when it is not operating as a service in the Navy.

"(e) For a person to be eligible for award of a prisoner of war medal, the person's conduct must have been honorable for the period of captivity which serves as the basis for the award.

"(f) Under regulations to be prescribed by the Secretary of Defense and the Secretary of Transportation with respect to the Coast Guard when it is not operating as a service in the Navy, a prisoner of war medal that has been lost, destroyed, or rendered unfit for use without fault or neglect on the part of the person to whom it was awarded may be replaced upon application without charge.".

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by adding at the end thereof following new item:

"1128. Prisoner of war medal: award.".

Mr. LAGOMARSINO (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. LAGOMARSINO. Mr. Chairman, I will be extremely brief.

This amendment will empower the Secretary of Defense to award a prisoner-of-war medal to persons who have been prisoners of war since 1917 in appropriate cases.

I am proud to propose a continuation of a tradition here in Congress to recognize the great and noble sacrifices of the men and women of our Armed Forces during time of war. The extreme physical and mental hardships all to often experienced by the members of our armed services during times of international hostility can only be considered as the most commendable service rendered by citizens of this country.

Yet above and beyond the suffering sustained by other American soldiers, Mr. Chairman, American prisoners of war suffer the greatest. Most often captured from front lines, prisoners of war are then faced with probable disease, starvation, torture, and extreme brutality. Some have been murdered. Perhaps the most stressful thing about it is the fact that a prisoner of war never knows how, when, or if his imprisonment will ever end.

For those fortunate enough to escape or be released, the prisoners of war still often confront severe physical

and psychological aftermaths of their confinement. It is a fact that prisoners of war encounter higher incidence rates of health problems than other American veterans. Anxiety reactions of all types are the most prominent conditions suffered by former prisoners of war. Follow-up longitudinal studies conducted by the National Academy of Sciences indicate that accidents, suicides, and homicides are the leading causes of death among former prisoners of war. These problems are aggravated by the fact that there exists limited knowledge concerning long range effects of malnourishment, deprivation, and stress.

Official recognition of American prisoners of war is long overdue, Mr. Chairman. This medal will honor the more than 142,000 prisoners of war, and their families, who have sacrificed their liberty for the freedom of this country during World War I, World War II, and the Korean and Vietnam wars.

Mr. Chairman, a Harris poll conducted earlier this decade indicated that prisoners of war ranked first in Americans' respect and esteem. I urge this honorable body to fulfill its duty of constitutent representation by supporting my amendment to honor those Americans who have adminstered such noble service to our country.

Mr. Chairman, the amendment provides for no stipends or monetory considerations.

Mr. HILLIS. Mr. Chairman, will the gentleman yield?

Mr. LAGOMARSINO. I yield to the gentleman from Indiana.

Mr. HILLIS. Mr. Speaker, first of all, I would like to begin by commending the gentleman from California [Mr. LAGOMARSINO] for offering the amendment. As I understand it, it covers the veterans of all the wars this country has been involved in since World War I?

Mr. LAGOMARSINO. That is correct.

Mr. HILLIS. Mr. Chairman, it is worthwhile and much-needed recognition, and it is overdue, I might say. I am certainly happy to accept the amendment on this side of the aisle.

Mr. DORNAN of California. Mr. Chairman, will the gentleman yield?

Mr. LAGOMARSINO. I yield to the gentleman from California.

Mr. DORNAN of California. Mr. Chairman, let me ask, is there any provisions made in this for prisoners' honorable service?

Mr. LAGOMARSINO. Yes.

Mr. DORNAN of California. We had at least 10 people who dishonorably served in their earlier years in Vietnam captivity, and some of them, during torture, got to these men with a program that they called internally the "Come Home Program."

Of seven officers who were collaborating, five came home, in other words, obeyed superior officers in captivity. Two of them refused to come home. One has since been quiet since he has come home. The other has been a thorn in the side of all the returned POW's and continues to torment them, up to the point of suing them.

Then there were seven enlisted men. There was a great tragedy there. One of them committed suicide. Another one of the collaborators was just murdered in the Philippines, and I went to the Ambassador to try to find out the facts of the case for his family in spite of his dishonorable service as a prisoner, and it seems that he died in mystery over there in the Philippines last year.

But of the other five, two or three of them have continued to agitate and promote left-wing causes. One of them even denied that there has been a genocide in Cambodia.

I am just giving a flavor of how strange this is. We are left with maybe three noncontrite enlisted people and two officers. A Secretary of the Navy refused to release a letter of reprimand, so one of the officers acts like it does not exist. the Marine Corps inadvertently promoted him to bird colonel, driving the other 560-some POW's right up the wall. They were distraught because some of the POW's who had wanted to punish him internally, since they had no access to the outside world for years, were sworn to by superior officers that these men would get justice. Those that felt offended, some of them had been tortured because of these men that collaborated, and they were promised they would get justice under the Universal Military Code of Justice when they got home.

So just briefly discussing the horror of that, if there is provision for those who did not serve honorably, I think this is a long overdue award, because the survivors of the Bataan death march alone are worthy of some recognition by their country, not to say that in this House and in the other body there are two magnificent heroes of this country that would be the first ones humbly to say, "Who needs this?"

But there are many forgotten people among the POW's, let alone all the Vietnam veterans, who need some recognition that they served well and they tied down many enemy troops who had to keep them captive that otherwise would have been out killing other Americans on the field of battle.

Mr. LAGOMARSINO. Mr. Chairman, I thank the gentleman. The amendment does provide that the conduct must have been honorable during the period of captivity.

Mr. Chairman, I yield back the balance of my time.

Mr. GILMAN. Mr. Chairman, I am pleased to rise in strong support of the amendment being offered by the gentleman from California, my friend and distinguished colleague, Mr. LAGOMARSINO. This amendment authorizes the Secretary of Defense to confer a service medal upon prisoners of war who have served in the Air Force, Army, Navy, Marine Corps and the Coast Guard. We all have been reminded during these past 2 weeks, of the dangers facing our enlisted men and women and the unwavering bravery with which they approach these difficult and demanding situations. By adopting this amendment today and paying tribute to those who have suffered the hardship and anguish of life as a POW, we are also showing our support for those who serve their Nation today—surrounded by both friend and foe—throughout the world.

This amendment is identical to language unanimously adopted in the other body during their consideration of the Department of Defense authorization last month. It is only appropriate that we acknowledge the countless sacrifices borne by the brave servicemen who have been interned by the enemy in prisoner of war camps and authorize the presentation of this medal.

Earlier this week Congress sent to the President legislation designating July 19, 1985, as "National POW/MIA Recognition Day." This national observance will serve to remind Americans that the U.S. Government will not rest until all of our missing servicemen are accounted for and returned. Let us follow suit today by paying tribute to those who have come home to their families by authorizing this most fitting recognition and honor. Accordingly I urge my colleagues to support this amendment.

Mr. ASPIN. Mr. Chairman, I move to strike the last word.

Mr. Chairman, we have examined the amendment on this side. We think it is a very good amendment, and we urge its adoption.

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentleman from California [Mr. LAGOMARSINO].

The amendment was agreed to.

AMENDMENT OFFERED BY MR. FASCELL

Mr. FASCELL. Mr. Chairman, I offer an amendment to title VI.

The Clerk read as follows:

Amendment offered by Mr. FASCELL: At the end of part D of title VI (p. 118, after line 4) insert the following new section:

SEC. 655. CHAMPUS COVERAGE OF ORGAN TRANSPLANTS.

Chapter 55 of title 10, United States Code, is amended—

(1) by adding at the end of section 1079 the following new subsection:

(l) A plan covered by this section may include provision of other organ transplants (including the cost of acquisition and transportation of the donated organ) in accord-

ance with this subsection. Such an organ transplant may be provided if—

"(1) the transplant is for a dependent considered appropriate for that procedure by the Secretary of Defense in consultation with the other administering Secretaries and such other entities as the Secretary considers appropriate;

"(2) the transplant is to be carried out at a health-care facility that has been approved for that purpose by the Secretary of Defense after consultation with the other administering Secretaries and such other entities as the Secretary considers appropriate; and

"(3) the transplant procedure is not considered experimental under regulations prescribed by the Secretary of Defense after consultation with other administering Secretaries and such other entities as the Secretary considers appropriate."; and

(2) by adding at the end of section 1086(a) the following new sentence:

"Organ transplants authorized by section 1079(l) may not be provided under such plans for persons covered by subsection (c) unless such transplants were covered under regulations prescribed by the Secretary of Defense prior to October 1, 1985.".

Mr. FASCELL (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. FASCELL. Mr. Chairman, I would like to engage the gentleman from Wisconsin [Mr. ASPIN], chairman of the Armed Services Committee, in a colloquy on CHAMPUS coverage of organ transplants. I have in my district Billy Bostik, a 14-year-old boy born with Eisenmenger's complex, a condition causing severe hypertension, and a buildup of blood pressure and blockage in both lungs. Billy's doctors have advised him that he will not recover from this disease without a heart-lung transplantation. Examination by doctors at the Pittsburgh Children's Hospital has shown that Billy is a prime candidate for the complex triple transplantation. However, because CHAMPUS has refused to pay for this procedure, Billy's family cannot afford to have his name added to the waiting list for potential heart-lung recipients. What is the current CHAMPUS policy with respect to heart-lung transplants?

Mr. ASPIN. Mr. Chairman, will the gentleman yield?

Mr. FASCELL. I yield to the gentleman from Wisconsin.

Mr. ASPIN. CHAMPUS covers procedures considered to be standard medical practice, but currently views heart-lung transplants to be experimental. This policy is based on current practices in other government programs, such as Medicare, and the majority of providers in the private sector. At this point in time, the Department of Health and Human Services considers heart-lung transplants to be experimental. Based on the small number of operations that have been performed, it may be a substantial period of time before there is sufficient evidence or data for HHS to remove heart-lung transplants from its experimental list. In fact, even heart transplants, a procedure that has been performed for many years, have not yet been recognized as standard medical practice and are still considered experimental.

Mr. FASCELL. Isn't it true that discovery of drugs such as Cyclosporin has advanced this field tremendously in a very short period of time?

Mr. ASPIN. The gentleman is correct. We found this to be the case, in fact, with respect to liver transplants in certain cases like biliary atresia for children. As a result, several years ago, CHAMPUS began coverage of this procedure for military dependents who meet the criteria.

Mr. FASCELL. I appreciate the coverage CHAMPUS has given to liver transplants. However, I am still concerned that CHAMPUS must keep pace with the rapidly advancing state of the art with transplants in the future, so that meritorious cases such as Billy's are not lost in long bureaucratic delays. As a result, I am introducing an amendment to authorize CHAMPUS coverage of other organ transplants for dependents of active military personnel for nonexperimental procedures in appropriate cases in approved medical centers. The purpose of the amendment is to insure that CHAMPUS will review carefully each new development in transplant technology so that the coverage provided does not lag behind the decisions by Health and Human Services to remove such procedures from an experimental status, and is in tune with the prevalent practice of the private insurance industry.

Mr. ASPIN. Let me assure the gentleman that this is certainly the committee's intent, and I am pleased to accept his amendment. We plan to closely monitor the CHAMPUS decisionmaking process on expanding coverage for additional transplant procedures. While it is not the committee's desire to put CHAMPUS out in front as a forerunner in this field, it is certainly not our intention that the program lag behind. Coverage should be comparable to that provided by the majority of insurance programs—government and private.

Mr. ASPIN asked and was given permission to revise and extend his remarks.

□ 1230

Mr. HILLIS. Mr. Chairman, if the gentleman will yield, we would be willing and happy to accept the gentleman's amendment on this side of the aisle.

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentleman from Florida [Mr. FASCELL].

The amendment was agreed to.

AMENDMENT OFFERED BY MRS. SCHROEDER

Mrs. SCHROEDER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mrs. SCHROEDER:

Insert the following at the end of part D of title VI (page 118, after line 4);

SEC. 655. ADVISORY PANEL.

(a) ESTABLISHMENT.—The Secretary of Defense shall establish and appoint, within 180 days after the date of enactment of this Act (but not before October 1, 1985), an Advisory Panel on Medical Aspects of Casualty Resolution (hereafter in this section referred to as the "advisory panel"). The advisory panel shall study the procedures used by the military departments for medical casualty investigations relating to members of an armed force who die or are seriously injured while on active duty.

(b) MEMBERS.—The advisory panel shall be composed of eight members, as follows:

(1) three practitioners of medicine who are recognized experts in the investigation of causes of deaths and are not otherwise employed by the Federal Government;

(2) the Director of the Armed Forces Institute of Pathology;

(3) two individuals, not otherwise employed by the Federal Government, qualified to represent the interests and concerns of families of members of the armed forces; and

(4) two individuals who are civilian or military employees of the Department of Defense, or of an armed force, whose principal duties as employees are related to the investigation of military casualties or liaison with families of such casualties.

(c) CHAIRMAN.—The Secretary shall designate one of the members of the advisory panel as Chairman.

(d) DUTIES.—The advisory panel shall study and investigate, and made recommendations to the Secretary of Defense with respect to, the following:

(1) The need, and appropriate standards, for uniform policies of the military departments with respect to autopsies of members of the armed forces who die while on active duty, taking into account religious sensibilities of members and their families.

(2) The need, and appropriate standards, for a policy of the Department of Defense with respect to independent review of autopsies, and other aspects of medical casualty investigations, conducted by the armed forces, including the appropriate role of the Armed Forces Institute of Pathology.

(3) Appropriate policies and procedures for retaining, in safekeeping, all medical investigative materials (including photographs, specimens, slide and other records of any autopsy), and, to the extent not inconsistant with national security, making such materials available to survivors of members of the armed forces who die while on active duty.

(4) The desirability of establishing an independent board of medical examination in the Department of Defense which consists of 5 or more practitioners of medicine who are recognized experts in the investigation of causes of death and the primary function of which would be to advise the Secretary of Defense on the operation of the Armed Forces Institute of Pathology and on the reliability and independence of the Institute's investigations of military casualties.

(e) EXPENSES.—Expenses incurred by the advisory panel may be paid out of funds appropriated to the Department of Defense for operation and maintenance of any fiscal year after fiscal year 1985, including per diem and reimbursement for travel expenses of members of the advisory panel who are not otherwise employed by the Federal Government to attend meetings.

(f) REPORT.—(1) The advisory panel shall submit a report to the Secretary of Defense within one year after the appointment of its members.

(2) Within 180 days thereafter, the Secretary shall forward the report to the Congress accompanied by—

(A) the Secretary's evaluation of the advisory panel's report;

(B) an analysis and description of all actions taken by the Department of Defense and the military departments to implement any recommendation of such panel; and

(C) the Secretary's recommendations with respect to any legislation needed to implement any such recommendation.

Mrs. SCHROEDER (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN pro tempore. Is there objection to the request of the gentlewomen from Colorado?

There was no objection.

Mrs. SCHROEDER. Mr. Chairman, I am offering this amendment on behalf of myself and the two gentlemen from Massachusetts, Mr. MOAKLEY and Mr. FRANK.

In essence, I think everybody has looked at the amendment and I do not believe there is anything controversial about it.

It deals with the medical aspects of investigations of deaths of servicemen, because it has become a real source of tension between the servicemen and their families.

This is to try to establish an advisory panel to work with the Secretary of Defense and the Congress on improvements that would help make that system work better.

Mr. ASPIN. Mr. Chairman, if the gentlewoman will yield, we have examined the amendment and believe it has merit. We urge its adoption.

Mr. HILLIS. Mr. Chairman, if the gentlewoman will yield, from our examination of the amendment, we understand that it would create only an advisory panel for review procedures used in medical casualty investigations.

On that basis, Mr. Chairman, we are happy to accept the amendment.

● Mr. MOAKLEY. Mr. Chairman, I am pleased to join with my able friend from Colorado [Mrs. SCHROEDER] in offering our amendment. The amendment is not controversial but could lead to significant reforms in the manner in which the military services investigate casualties. And I am hopeful that the amendment could lead to better relations between the military services and the families of casualties.

The amendment establishes an advisory panel to report to the Secretary of Defense and the Congress on improvements to make the military's casualty resolution process work better.

MEMBERSHIP

The panel would be composed of: Three physicians who specialize in pathology from outside Government; the Director of the Armed Forces Institute of Pathology; two persons to represent the interests of families; and two military officers or employees involved in casualty investigation or family liaison.

STUDY

The advisory panel will conduct a study and report to the Secretary within 1 year on: Standards for uniform policies with respect to autopsies; standards for independent review of autopsies; procedures for safeguarding evidence and making it available for independent review by families of casualties; and the desirability of establishing a permanent independent board of medical examiners to oversee medical examiner systems in the Defense Establishment.

On August 9, 1984, I introduced the bill (H.R. 6136, 98th Congress) to require an autopsy of any member of the Armed Forces who dies while on active duty, to establish a board of medical examination in the Department of Defense, and for other purposes. This bill has been reintroduced in the present Congress as H.R. 369.

The amendment that the gentlelady from Colorado and I are offering today is a balanced and responsible effort to create a formal structure, with adequate outside participation, to study these issues and to make recommendations to the Secretary of Defense and the Congress. This shift in approach largely represents the fact that adequate administrative authorities exist under present law to enable much of the intent of my legislation to be implemented by the Secretary. It also reflects a growing perception by organizations concerned with this issue, principally Citizens Against Military Injustice, that there is an increasing responsiveness by the Department of Defense in reforming the procedures for casualty investigation and family liasion.

I am very hopeful that the final report will result in the establishment of an independent medical examiner system, an enhanced role for the Armed Forces Institute of Pathology, and a permanent outside board of professional pathologists to oversee the system.

Mr. Chairman, I would like to explain the origins of this amendment, because it is a useful example of the importance of casework in congressional offices. Our Government is so large and so complex that it is very easy for us in Congress to be unaware of the frustrations and anxieties that our constituents face, until they turn to their Congressmen for help. The adoption of this amendment culminates a process that began when George and Audrean Victoria of North Easton, MA, called on me to ask help in resolving their concerns about the military casualty investigation pertaining to their son, Pvt. James T. Victoria, who died while serving with the U.S. Army in Germany.

I would like to record to reflect, at the establishment of this advisory panel, that I view this project as a living memorial to Private Victoria, an honest, decent, and hard-working young man from my district, who died tragically in an accident across the ocean from a family who loved him deeply and continue to profoundly miss him today.

During more than a year and a half since the death of Private Victoria, I have worked with the family to try to settle some of their doubts and concerns. But the mistakes in the investigation were made a long time ago. And I have now come to the conclusion that the only genuine comfort I can offer to his family is to attempt to change things so that the next Mr. and Mrs. Victoria are spared some of the pains and doubts Private Victoria's family suffered.

Mr. Chairman, I thank my friend from Colorado [Mrs. SCHROEDER] for presenting this amendment and I would like to express my appreciation to the committee staff, to the able chairman of the committee, the gentleman from Wisconsin [Mr. ASPIN], and to the distinguished gentleman from Alabama [Mr. DICKINSON] for their kindness and cooperation as we have developed this amendment.

Mr. Chairman, I urge the adoption of the amendment.●

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentlewoman from Colorado [Mrs. SCHROEDER].

The amendment was agreed to.

AMENDMENT OFFERED BY MR. HUNTER

Mr. HUNTER. Mr. Chairman, I ask unanimous consent that my amendment, which has been printed to title X, a study on the use of the E–2 aircraft for drug interdiction purposes, be now considered under this title.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

The CHAIRMAN pro tempore. The Clerk will report the amendment.

The Clerk read as follows:

Amendment offered by Mr. HUNTER: At the end of title X (page 200, after line 4) add the following new section:

SEC. 1050. STUDY ON THE USE OF THE E-2 AIRCRAFT FOR DRUG INTERDICTION PURPOSES.

(a) STUDY BY SECRETARY OF THE NAVY.—The Secretary of the Navy shall conduct a test of the use of E-2 aircraft of the Naval Reserve to determine the effectiveness of that aircraft in drug interdiction. The study shall be conducted along the border between the United States and Mexico and shall be carried out over a period of six months.

(b) COLLECTION OF DATA.—As part of the test, the Secretary shall collect data on the contribution on the use of the E-2 aircraft to the apprehension of drug smugglers. This data shall include the number of intercepts which resulted in apprehensions.

(c) REPORT.—Not later than September 30, 1986, the Secretary shall submit to Congress a report on the results of the study.

Mr. HUNTER (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. DANIEL. Mr. Chairman, will the gentleman yield?

Mr. HUNTER. I yield to my chairman, the gentleman from Virginia.

Mr. DANIEL. Mr. Chairman, this amendment has been rewritten. We have examined it, and we think it is a good amendment and recommend its passage.

Mr. ENGLISH. Mr. Chairman, will the gentleman yield?

Mr. HUNTER. I yield to the gentleman from Oklahoma.

Mr. ENGLISH. Mr. Chairman, it is my understanding that the gentleman now has four E-2C's with AP-138 radars which can see over land. It is my understanding that it is the gentleman's intention not necessarily that this be a study, but the fact that the Navy would then be directed that these AP-138's would be used then for flying the region from San Diego to Yuma, for which the 138 certainly would be suited for as a part of their overall drug interdiction mission, where they are now carried out in the San Diego area. Is that the gentleman's intention?

Mr. HUNTER. That is precisely correct. We checked the record and the 138's are available, so they can in fact make that surveillance over land.

It would be carried out in those mountainous areas between San Diego and Yuma. We would ask that it be carried out in a manner that would be consistent with readiness.

Mr. ENGLISH. Mr. Chairman, will the gentleman yield further?

Mr. HUNTER. Yes, absolutely.

Mr. ENGLISH. Mr. Chairman, I think that is one point we wanted to make certain to make very clear, that it is not the intent of the amendment to go beyond that point or to that point which would impair combat readiness.

Mr. HUNTER. That is correct. This amendment would make aircraft and personnel available for this very troublesome spot and would require the Navy to get back with us and let us know whether or not they have been successful in interdicting illicit aircraft that come across the border.

Mr. ENGLISH. Mr. Chairman, will the gentleman yield further?

Mr. HUNTER. I yield.

Mr. ENGLISH. I would certainly concur, this is one of the hotspot areas in which we definitely need all the detection capability we can get and so long as the Navy agrees that this will not impair our combat readiness, certainly I think it is a good and beneficial addition.

Mr. HUNTER. Mr. Chairman, I thank the gentleman and I thank my chairman.

Mr. HILLIS. Mr. Chairman, will the gentleman yield?

Mr. HUNTER. I yield to the gentleman from Indiana.

Mr. HILLIS. Mr. Chairman, can the gentleman tell the House how many of these aircraft are in existence and how soon they could be utilized for this purpose and give us a little more information?

Mr. HUNTER. Yes. I would inform the gentleman that with the appropriate radar, that is, the 138 radar, there are four aircraft available. They are being stationed very close to the international border right now. Presumably all of them will be used to some degree, but really the tests could be carried out, some interdiction could be carried out by utilizing only one aircraft, but there are four available, to answer the gentleman's question.

Mr. HILLIS. Mr. Chairman, if the gentleman will yield further, the CNO and the Secretary of the Navy have been consulted about this and what is their position on using these aircraft in that manner?

Mr. HUNTER. Well, I have not seen a statement by the CNO with regard to these specific four aircraft, but it is my understanding that these four aircraft are equipped with the 138 for that specific purpose, so that they can in fact assist in the war in interdicting the international drug trade coming across the international border, so the Secretary of the Navy and the CNO do support this measure to the extent that they have equipped these aircraft with the 138 for that purpose.

Mr. ENGLISH. Mr. Chairman, will the gentleman yield?

Mr. HUNTER. I yield to the gentleman from Oklahoma.

Mr. ENGLISH. Mr. Chairman, I would like to point out to the gentleman that the Navy is already conducting these efforts in that area. They have made tests with both the AP-135 and 120 with E2C's. They were not successful over land.

The AP-138 definitely will see over land and it is my understanding that the Navy has found that they can have at least 20 hours of dedicated time solely for the purpose of assisting in the war on drugs, not counting the normal training period of time. They are constantly on the outlook for drug smugglers during that period; so in discussions with the Department of Defense, it is my understanding that will not impair or change the activities that they are doing now.

What the gentleman from California is doing is simply directing that these four new radars be specifically pinpointed toward this region between San Diego and Yuma, which is certainly a hotspot.

Mr. HILLIS. Mr. Chairman, will the gentleman yield further?

Mr. HUNTER. I yield to the gentleman from Indiana.

Mr. HILLIS. Mr. Chairman, I certainly understand the purpose of the gentleman here. I think it is laudatory what he is trying to accomplish.

The question I had is whether we are kind of micromanaging the affairs of the Navy here by telling them specific missions that they have to dedicate assets to that they might have greater need for elsewhere.

Mr. HUNTER. Mr. Chairman, if I could answer that question, certainly we do not want to micromanage the Navy, but these assets are very close to this mountainous area that lies along the Mexican-California border, running eastward from San Diego. Presently there is a tremendous amount of traffic, illicit drug traffic, coming across that area; so we are only directing the Navy essentially to attack that hotspot with these particular aircraft and not keep them clustered toward the coastal area.

So it is not micromanaging. It is a directive and it gives them great latitude. They are only a few miles from the area, anyway.

Mr. DANIEL. Mr. Chairman, will the gentleman yield?

Mr. HUNTER. I am happy to yield.

Mr. DANIEL. Mr. Chairman, the Members should understand that all military assets that are on loan or operating in the drug interdiction program are done upon the conclusion that it does not degrade readiness. That should be made clear to all the Members. If it degrades readiness, we do not do it.

Mr. DICKINSON. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I would just like to say to the gentleman that I am very much in sympathy with the thrust of what the gentleman would like to see accomplished. My reservation is, and that is why I did not speak earlier, but I would have opposed the former amendment. This is a study to which I have no objection; but what does bother me is the principle or the policies that we would set here, we in the

House of Representatives setting policies for the Navy.

□ 1240

The President has the right now to do this as Commander in Chief. He also has a task force on drugs and a commission on drugs and they are working very diligently.

The Navy has the right to do this now and I hate to see us put into law things that are not necessary. There is nothing wrong with a study, but if it had not been mandated already I would have been compelled to object because it would be precedent setting.

So with that I just want to get on record where I stand.

Mr. ENGLISH. Mr. Chairman, will the gentleman yield?

Mr. DICKINSON. I yield to the gentleman from Oklahoma.

Mr. ENGLISH. I think the gentleman makes a very good point. Again I would stress that the gentleman from California has said that it is certainly not his intention to go to that point and certainly not beyond in which combat readiness would be impaired. I think that is the key proviso on any of the efforts we carry out.

Second, I would point out as well that the Navy is already conducting these kinds of efforts in the San Diego area. The only reason they are not doing it in this specific region is because the radar detection system they have is not good over this type of mountainous terrain. And with the addition of the four reserve aircraft, that does change the situation.

I think what the gentleman from California wants to do is to emphasize that they ought to spend the time with those four aircraft at least in this region to make sure that we maximize the impact.

Mr. DICKINSON. Mr. Chairman, I think we have made the point and there is no need in belaboring it. We will have a study and that is fine, and with the results of whatever we learn from the study we will go from there.

I yield back the balance of my time.

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentleman from California [Mr. HUNTER].

The amendment was agreed to.

AMENDMENT OFFERED BY MR. ENGLISH

Mr. ENGLISH. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. ENGLISH: At the end of title V (page 68, after line 6) add the following new section:

SEC. 533. GRADE OF DIRECTOR, DEPARTMENT OF DEFENSE TASK FORCE ON DRUG ENFORCEMENT.

Section 525(b) of title 10, United States Code, is amended by adding at the end thereof the following new paragraph:

"(4) An officer while serving as Director of the Department of Defense Task Force on Drug Enforcement, if serving in the grade of lieutenant general or vice admiral, is in addition to the number authorized his armed force for that grade under paragraph (1) or (2).".

Mr. ENGLISH (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. ENGLISH. Mr. Chairman, I am offering this amendment to accomplish a very specific action—to make it possible for the Defense Department to continue to operate its new Task Force on Drug Law Enforcement at its current level of efficiency and leadership.

It is of utmost importance that the Department of Defense continue to vigorously support this Government's efforts against illicit drug smuggling. DOD brings to the effort certain talents and equipment which otherwise would be available only with many years of delay and at impossible costs to the taxpayer.

The Congress and the administration have announced ambitious plans in the war on drugs which, by absolute necessity, will deeply involve the Defense Department. We cannot afford for the Department to lose the degree of leadership which it has evolved. If the position of task force Director is reduced from its current three star general officer level, the capability of that office and of the entire Department will be devalued. I speak from experience on this.

The Government Operations Subcommittee which I chair has held more than 20 hearings on Posse Comitatus support to our civilian drug enforcement agencies. In the 3½ years that have elapsed since Congress amended the Posse Comitatus Act we have seen the Defense Department grow from a reluctant participant to a truly committed partner in the war on drugs. But, this did not happen overnight.

In 1982 DOD was exceptionally wary of improper demands being placed on its military resources, and this was not entirely unfounded. The Deputy Secretary of the Treasury quickly proposed to shift areas of civilian drug interdiction responsibility into the deep pockets of DOD in order to free up some of his budget for other purposes.

This action had not been coordinated with DOD, OMB, the White House, or the Congress, and its effect was to paralyze posse comitatus planning for months. It was a wonderful example of how a well-intentioned and urgently needed program could be derailed before it ever got a chance to develop.

In large measure, we were able to correct this blunder because we were able to deal with an individual of great credibility who had been identified by the Pentagon as the single source of contact—the Director of the new DOD Task Force on Drug Law Enforcement. This gentleman is a lieutenant general, whose authority and experience contributed hugely to the solution of a potentially gravely damaging episode.

Before the advent of the DOD task force, my subcommittee would spend months trying to get answers to questions because no one was in charge. The individual services questioned their roles in drug interdiction. DOD's coordination with the Customs Service, with the Drug Enforcement Administration, with the Coast Guard, with the intelligence community, with the Congress, and with State and local enforcement agencies was fragmented. Internally at DOD, the right hand didn't know what the left hand was doing, or whether they could or should be doing anything at all.

That has changed. It has changed because the Pentagon took bold action to make it change. We must act today to preserve the ground that we have gained if we want to move forward from here.

I urge my colleagues to support this vital amendment. Please help us to maintain the momentum which has taken 3 years to build up.

Mr. GILMAN. Mr. Chairman, I rise in strong support of the amendment offered by the gentleman from Oklahoma [Mr. ENGLISH] to section 305 of the Defense authorization bill. Basically this amendment allows the current Director of the Department of Defense Task Force on Drug Enforcement, Lt. Gen. R. Dean Tice, U.S. Army to continue in his position as Director. The DOD Task Force on Drug Enforcement is charged with the responsibility of coordinating the assistance provided by all branches of the armed services to our civilian drug law enforcement agencies. Amendments passed by the Congress to the posse comitatus statute in 1981, allowed for increased military assistance to civilan drug law enforcement agencies in terms of equipment, training, and resources.

General Tice has appeared before our Select Committee on Narcotics Abuse and Control, on which I serve as the ranking minority member, on numerous occasions during his 18 months of service as Director of the task force. He has done outstanding work in seeing to it that military assistance is provided to civilian drug law enforcement agencies as they seek to stem the flood of illicit narcotics from entering this country and flooding our streets, destroying the minds of our youth and threatening the moral fabric of our society.

The amendment offered by the gentleman from Oklahoma is essential to keep General Tice on as Director of

the DOD Task Force on Drug Enforcement. It specifies that the Army would have an additional three-star general billet, thus allowing General Tice to remain in his position beyond June 30, 1985. If this amendment is not adopted, General Tice will be forced to retire on that date, with a civilian filling his position.

Just this past week, General Tice once again appeared before our select committee. We were most impressed with the job that he is doing coordinating military assistance to civilian drug law enforcement agencies. The loss of General Tice would be a severe blow to our efforts to bring narcotics trafficking under control.

Accordingly, I urge my colleagues to support this important amendment, and allow General Tice to continue the outstanding job that he is doing. We all recognize that much more needs to be done by our military, and I am confident that General Tice will continue to respond to that critical need.

Mr. HUTTO. Mr. Chairman, will the gentleman yield?

Mr. ENGLISH. I am happy to yield to the gentleman from Florida.

Mr. HUTTO. Mr. Chairman, I want to commend the gentleman on his initiative, and certainly this is a worthwhile amendment.

I have an amendment to the gentleman's amendment which I believe is agreeable.

The CHAIRMAN pro tempore. Does the gentleman from Oklahoma [Mr. ENGLISH] yield back the balance of his time?

Mr. ENGLISH. Mr. Chairman, I have looked over the gentleman's amendment, and I would ask unanimous consent that the amendment of the gentleman from Florida [Mr. HUTTO] be incorporated into my amendment, if that is agreeable.

The CHAIRMAN pro tempore. The Clerk will report the modification of the gentleman from Florida [Mr. HUTTO].

The Clerk read as follows:

Modification offered by Mr. HUTTO to the amendment offered by Mr. ENGLISH: In paragraph (4) of section 525(b) of title 10, United States Code, as proposed to be added by the amendment, strike out "An officer" and insert in lieu thereof "During the period beginning on October 1, 1985, and ending on September 30, 1988, an officer".

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

The text of the amendment, as modified, is as follows:

Amendment offered by Mr. ENGLISH, as modified: At the end of title V (page 68, after line 6), add the following new section:

SEC. 533. GRADE OF DIRECTOR, DEPARTMENT OF DEFENSE TASK FORCE ON DRUG ENFORCEMENT.

Section 525(b) of title 10, United States Code, is amended by adding at the end thereof the following new paragraph:

"(4) During the period beginning on October 1, 1985, and ending on September 30, 1988, an officer while serving as Director of the Department of Defense Task Force on Drug Enforcement, if serving in the grade of lieutenant general or vice admiral, is in addition to the number authorized his armed force for that grade under paragraph (1) or (2).".

Mr. HUTTO. Mr. Chairman, this is just to make this a 3-year provision. It makes the amendment all the better and it is agreeable to everyone, I believe.

Mr. HILLIS. Mr. Chairman, I move to strike the last word.

We have examined the amendment offered by the gentleman from Oklahoma [Mr. ENGLISH], as modified, and find it to be a very meritorious amendment.

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentleman from Oklahoma [Mr. ENGLISH] as modified.

The amendment, as modified, was agreed to.

AMENDMENT OFFERED BY MR. LOWERY OF CALIFORNIA

Mr. LOWERY of California. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. LOWERY of California: At the end of title V (page 68, after line 6) add the following new section:

SEC. 533. ELIGIBILITY OF CERTAIN ALIENS FOR JUNIOR ROTC.

Section 2031(b)(1) of title 10, United States Code, is amended by striking out "are citizens or nationals of the United States" and inserting in lieu thereof "who are citizens or nationals of the United States, aliens lawfully admitted to the United States for permanent residence, or aliens admitted as minor children of nonimmigrants described in section 101(a)(15)(H) of the Immigration and Nationality Act (8 U.S.C. 1101(a)(15)(H))".

Mr. LOWERY of California (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. LOWERY of California. Mr. Chairman, the amendment I am offering today allows permanent resident aliens to participate more fully in school districts' junior reserve officer training programs. By allowing permanent resident aliens to be considered junior cadets in the fullest sense of the word, the amendment will end discrimination against those school districts which have large populations of immigrant students.

Current law sets minimum enrollment standards for junior ROTC units at a specified number of physically fit students who are at least 14 years of age and are citizens: 100 students or 10 percent of the number of students enrolled in the institution who are at least 14 years of age, whichever is less. Although resident alien students are eligible to participate in junior ROTC programs, they do not contribute to the established minimum enrollment standards for unit viability. As a result, junior ROTC units cannot be established in public schools where most students do not meet the citizenship criterion.

Additionally, established units which undergo a population shift become nonviable when the majority of their students no longer meet the citizenship criterion. Closing these units deprives students, both citizens and noncitizens, of the benefits of the program.

Finally, since the Junior ROTC Program is primarily intended to provide citizenship training, it is appropriate that it be made available to those young people residing in this country who do not have citizenship status, but will probably become citizens in the future.

Mr. Chairman, legislation which would have enacted this change was first introduced by my predecessor in the 41st District of California, the Honorable Bob Wilson. Mr. Wilson and I had introduced legislation for this purpose to right a wrong that we observed in the way that the junior ROTC citizenship eligibility criterion had discriminated against Asian immigrants in the San Diego area.

For example, we observed that in some cases those children that had risked their lives to escape communism in Vietnam and who were intending to become U.S. citizens at the earliest opportunity were denied equal standing in the Junior ROTC Program—which I repeat is primarily a citizenship training program. We must no longer deny equal standing to these immigrants who have shown their love for this country by seeking to participate in junior ROTC and who will one day become citizens.

According to Mr. Don Yoder, the national chairman for Junior ROTC for the Military Orders of World Wars and who headed the Junior ROTC Program in San Diego for 15 years, this amendment will be extremely beneficial to the many immigrants who make up more than 50 percent of the San Diego High School student body.

The Department of Defense informed me that they supported legislation I had introduced, H.R. 1439, which is essentially the same as the amendment I am offering today. In addition, I have been assured by the Department of Defense that adoption of this change will not cause any increase in budgetary requirements.

Finally, the Office of Management and Budget has expressed no objection to this reform.

In conclusion, therefore, Mr. Chairman, I would like to thank the distinguished chairman of the Armed Services Committee especially in his capacity as chairman of the Subcommittee on Military Personnel and Compensation, for working so cooperatively with me to bring this amendment to the floor. I would also like to thank Mr. DICKINSON and Mr. HILLIS for being so cooperative. I urge my colleagues to support this humanitarian change in the law.

□ 1250

Mr. ASPIN. Mr. Chairman, if the gentleman will yield, the gentleman from California is correct; we have examined the amendment and we believe it should be adopted.

Mr. HILLIS. Mr. Chairman, if the gentleman will yield, we have examined the amendment on this side. We believe it is very meritorious and should be adopted.

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentleman from California [Mr. LOWERY].

The amendment was agreed to.

AMENDMENT OFFERED BY MR. WYDEN

Mr. WYDEN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. WYDEN: Page 118, after line 4, add the following new section:

SEC. 655. LICENSURE REQUIREMENT FOR DEFENSE HEALTH-CARE PROFESSIONALS.

(a) IN GENERAL.—(1) Chapter 55 of title 10, United States Code, is amended by adding at the end thereof the following new section:

"§ 1094. Licensure requirement for health-care professionals

"(a)(1) No person under the jursidiction of the Secretary of a military department may provide health care independently as a health-care professional under this chapter unless the person has a current license to provide such care.

"(2) The Secretary of Defense may waive paragraph (1) with respect to any person in unusual circumstances. The Secretary shall prescribe by regulation the circumstances under which such a waiver may be granted.

"(b) The commanding officer of each health care facility of the Department of Defense shall ensure that each person who provides health care independently as a health-care professional at the facility meets the requirement of subsection (a).

"(c)(1) A person who provides health care in violation of subsection (a) is subject to a civil money penalty of not more than $5,000.

"(2) The provisions of subsections (b) and (d) through (g) of section 1128A of the Social Security Act (42 U.S.C. 1320a-7a) shall apply to the imposition of a civil money penalty under paragraph (1) in the same manner as they apply to the imposition of a civil money penalty under that section, except that for purposes of this subsection—

"(A) a reference to the Secretary in that section is deemed a reference to the Secretary of Defense; and

"(B) a reference to a claimant in subsection (e) of that section is deemed a reference to the person described in paragraph (1).

"(d) In this section:

"(1) 'License'—

"(A) means a grant of permission by an official agency of a State, the District of Columbia, or a Commonwealth, territory, or possession of the United States to provide health care independently as a health-care professional; and

"(B) includes, in the case of such care furnished in a foreign country by any person who is not a national of the United States, a grant of permission by an official agency of that foreign country for that person to provide health care independently as a health-care professional.

"(2) 'Health-care professional' means a physician, dentist, clinical psychologist, nurse, and such other person providing direct patient care as may be designated by the Secretary of Defense in regulations.".

(2) The table of sections at the beginning of such chapter is amended by adding at the end thereof the following new item:

"1094. Licensure requirement for health-care professionals.".

(b) TRANSITION.—Section 1094 of title 10, United States Code, as added by subsection (a), does not apply during the three-year period beginning on the date of the enactment of this Act with respect to the provision of health care by any person who on the date of the enactment of this Act is a member of the Armed Forces.

Mr. WYDEN (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Oregon?

There was no objection.

Mr. WYDEN. Mr. Chairman, for many months we have been reading horror stories in the press about shoddy, unprofessional health care in the Pentagon health care system.

Just yesterday, on the front page of the Washington Post, we read about Dr. Donal Billig, the former chief of heart and chest surgery at Bethesda Naval Hospital, who was hired by the military despite previous questions about his competency and who has now been charged in connection with the death of four individuals entrusted to his care.

Earlier, there were reports of a baby who was born blind and mentally retarded because Army doctors in Fort Lewis, WA, waited 3 hours to perform a caesarean section after the baby showed fetal heart distress during labor—and of a young boy who entered that same facility for treatment of a cut lip and died of a heart attack soon afterward as the result of an improperly injected sedative.

We have also read about the wife of a retired Navy officer whose surgeon got "off track" during a sinus operation, cut through the sinus wall, removed a piece of brain tissue and injured an artery that provides the brain with blood. As a result, the woman's IQ was reduced and she suffered loss of control over her emotions. Only 2 months later, the surgeon responsible received a promotion.

The Defense Department knows that atrocities like this cannot be allowed to continue. So do we.

That's why I'm introducing an amendment today that will lay the groundwork for a new, safer, more professional approach to health care delivery for our men and women in the Armed Forces.

It achieves this goal by four important steps:

One, for the first time, my amendment requires that all medical personnel practicing within the military health care system—whether active duty personnel, civil servants, or contract employees—have valid, current licenses. This hasn't always been true in the past, as is clear from the much-publicized case of Mr. Abraham Assante, who rose to the rank of chief medical officer in the U.S. Army despite the fact that he had no bona fide medical credentials.

Second, my amendment puts the onus on supervisory personnel—specifically the commanding officer of the health care facility where the individual in question will be practicing—to ensure that this licensure requirement is met. Only yesterday's Washington Post detailed the failure of supervisors either to adequately investigate or report obvious deficiencies in Donal Billig's competency; supervisory personnel must be given a stake in ensuring quality care.

The third initiative in my amendment levies civil penalties of $5,000 against those who ignore the licensure requirement. There are already criminal penalties that apply to both civilian and active duty medical practitioners, but by adding civil penalties as well, we can put still more pressure on shoddy military health care providers.

Finally, my amendment makes it clear that we're concerned not only about the person who wields the scalpel, but the one who provides the care after surgery. My amendment applies to all persons who provide direct patient care, including physicians, nurses, dentists, clinical psychologists, et cetera. Medical disasters can occur at the hands of persons other than the primary physician/surgeon, and my amendment ensures that they are pulled into the quality care net as well.

This amendment does not pretend to be the complete answer to substandard military medical care. Even with its passage, the burden will still be on the military to ensure that any past performance by physicians admitted to practice is up to necessary stand-

ards and that these individuals continue to perform at an acceptable level.

The Department of Defense recognizes the problem, and is in the process of creating new, stiff quality assurance programs.

My amendment will complement this effort by giving the military the tools it needs to make these programs work—and to help ensure that the morning papers will not continue to provide a litany of military malpractice horror stories.

I am pleased that my amendment has the support of both the Department of Defense and the leadership of both parties. I urge my colleagues to join me in making this commonsense quality care provision the law of the land.

Mr. DICKS. Mr. Chairman, will the gentleman yield to me?

Mr. WYDEN. I am happy to yield to my colleague, the gentleman from Washington.

Mr. DICKS. I want to compliment the gentleman from Oregon for his leadership on this particular issue. I happen to have, in my district, what I think is a very fine hospital, Madigan. In fact, we are working very hard to improve that hospital. But we have a series of problems there. Based on my own personal investigation, I am convinced that what the gentleman is striving for here; to make certain that we have professional people, who are licensed and are qualified to provide quality health care, is a very important step.

I also would hope that the committee, when it has an opportunity, would hold extensive hearings to look into the whole question of military medicine as it is now being practiced.

What I am really worried about, based on my own investigation, is that we do not have adequate personnel to man our major hospitals in any of the services.

I have talked at great length to a number of people who are well-informed about the situation at Madigan, including the base commander. Just 2 days ago he made a statement about this, in which he said:

I don't have the personnel that similar hospitals, private and public have, to provide the kind of health care that I think is essential.

He told me that there was a major shortage of nurses in the military health care service today.

(On request of Mr. DICKS, and by unanimous consent, Mr. WYDEN was allowed to proceed for 2 additional minutes.)

Mr. DICKS. If the gentleman will continue to yield, I am going to be very brief here.

I would urge the committee to take a look at this situation because I think it does cry out for further investigation. It is not just the health care facilities here in the United States. Some of the worst problems are health facilities internationally where they are using doctors that do not come anywhere close to having the kind of credentials and medical records that you need to have to practice medicine in the United States.

So I would hope that the committee would pay attention to this. I would certainly hope that, as a first step, that they would accept the Wyden amendment today. I think it is well-thought out; I think it has the support of the Defense Department, and I would urge the committee to really get into this subject.

(By unanimous consent, Mr. WYDEN was allowed to proceed for 1 additional minute.)

Mr. WYDEN. Mr. Chairman, I agree with the gentleman. Personnel are critical.

All that this amendment says is, this is the beginning. You cannot go anywhere unless you require current, valid licenses, and that is the point of this amendment.

I yield back the balance of my time.

Mr. HILLIS. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, we have examined this amendment and certainly accept it, in the manner and in the spirit in which it is presented, Mr. Chairman, and we have heard the further discussion here.

I just wanted to point out, on behalf of the Department of Defense, that in addition to the gentleman's amendment, they are embarking on a program of credentials, which is very, very important and will tie in closely with the licensing provisions that are included in the gentleman's amendment, and I think that the two will go well together and will help elevate and deal with the problem.

Mr. WYDEN. Will the gentleman yield on that point?

Mr. HILLIS. I would be happy to yield.

Mr. WYDEN. I appreciate the gentleman yielding on that point, because I think he is absolutely right; I think the Pentagon now recognizes the seriousness of the matter. I think my amendment complements the kind of efforts they are trying to undertake, particularly Dr. Jerud Clinton, who heads the Quality Assurance Program, trying to move them in the right direction.

I appreciate the gentleman's comments.

Mr. HILLIS. We agree to accept the amendment on this side.

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentleman from Oregon [Mr. WYDEN].

The amendment was agreed to.

Mr. ASPIN. Mr. Chairman, I ask unanimous consent that the amendments to titles IV, V, and VI already printed in the RECORD by, and if offered by, the Member submitting the amendment be in order notwithstanding the fact that titles IV, V, and VI have already been passed.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

The CHAIRMAN pro tempore. If there are no further amendments to those titles, the Clerk will designate title VII.

The text of title VII is as follows:

TITLE VII—CIVIL DEFENSE

SEC. 701. AUTHORIZATION OF APPROPRIATIONS.

There is hereby authorized to be appropriated for fiscal year 1986 to carry out provisions of the Federal Civil Defense Act of 1950 (50 U.S.C. App. 2251 et seq.) the sum of $141,425,000.

Mr. ASPIN. Mr. Chairman, I ask unanimous consent that the amendments to title VII already printed in the RECORD by, and if offered by, the Member submitting the amendment be in order notwithstanding the fact that title VII has already been passed.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

The CHAIRMAN pro tempore. If there are no further amendments to title VII, the Clerk will designate title VIII.

The text of title VIII is as follows:

TITLE VIII—PROCUREMENT REFORM

SEC. 801. CONTRACTS FOR CERTAIN EDUCATIONAL SERVICES.

(a) IN GENERAL.—In contracting for the provision of off-duty postsecondary education services to be provided by an educational institution to members of the Armed Forces or civilian employees of the Department of Defense (or the dependents of such members or employees), the Secretary of Defense and the Secretaries of the military departments may not—

(1) discriminate, on the basis of an institution's lack of authority to award a baccalaureate degree, against an associate-degree school in a manner that adversely affects such school's opportunity to offer courses (within the scope of its accreditation) under such contract; or

(2) except as provided in subsection (b), limit the offering of courses (or any group, category, or level of courses) to a single educational institution.

(b) EXCEPTIONS.—The Secretary concerned may take such action as may be necessary to avoid unnecessary duplication in the offerings of courses at a military installation consistent to the maximum extent feasible with ensuring alternative providers of education.

(c) COURSES OFFERED ABOARD NAVAL VESSELS.—Nothing in this section requires that more than one educational institution be authorized to offer courses aboard a naval vessel.

(d) DEFINITION.—For the purposes of this section, the term "associate-degree school" means an accredited educational institution that is authorized to award one or more associate degrees.

(e) EFFECTIVE DATE.—This section shall apply to contracts entered into, amended, or renewed on or after the date of the enactment of this Act.

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Mr. ASPIN. Mr. Chairman, I ask unanimous consent that the amendments to title VIII already printed in the RECORD by, and if offered by, the Member submitting the amendment be in order, notwithstanding the fact that title VIII has already been passed.

The CHAIRMAN pro tempore (Mr. MURTHA). Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

The CHAIRMAN pro tempore. Are there any amendments to title VIII? If not, the Clerk will designate title IX.

The text of title IX is as follows:

TITLE IX—DEPARTMENT OF ENERGY NATIONAL SECURITY PROGRAMS

SEC. 901. SHORT TITLE.

This title may be cited as the "Department of Energy National Security and Military Applications of Nuclear Energy Authorization Act of 1986".

PART A—NATIONAL SECURITY PROGRAMS AUTHORIZATIONS

SEC. 911. OPERATING EXPENSES.

Funds are authorized to be appropriated to the Department of Energy for fiscal year 1986 for operating expenses incurred in carrying out national security programs (including scientific research and development in support of the Armed Forces, strategic and critical materials necessary for the common defense, and military applications of nuclear energy and related management and support activities) as follows:

(1) For naval reactors development, $489,000,000.

(2) For weapons activities, $3,526,419,000, to be allocated as follows:

(A) For research and development, $850,300,000.

(B) For weapons testing, $539,000,000.

(C) For the defense inertial confinement fusion program, $145,000,000, of which—

(i) $88,000,000 shall be used for glass laser experiments;

(ii) $38,000,000 shall be used for gas laser experiments;

(iii) $19,000,000 shall be used for pulsed power experiments.

(D) For production and surveillance, $1,893,419,000.

(E) For program direction, $98,700,000.

(3) For verification and control technology, $83,475,000, of which $3,800,000 shall be used for program direction.

(4) For defense nuclear materials production, $1,575,700,000, to be allocated as follows:

(A) For uranium enrichment, $214,000,000.

(B) For production reactor operations, $581,380,000.

(C) For processing of defense nuclear materials, $502,445,000, of which—

(i) $74,800,000 shall be used for special isotope separation;

(ii) $26,000,000 shall be used for the plasma separation process program.

(D) For supporting services, $256,575,000.

(E) For program direction, $21,300,000.

(5) For defense nuclear waste and byproduct management, $395,037,000, to be allowed as follows:

(A) For interim waste management, $271,000,000.

(B) For long-term waste management technology, $96,567,000.

(C) For terminal waste storage, $25,070,000.

(D) For program direction, $2,400,000.

(6) For nuclear safeguards and security technology development program, $54,325,000, of which $6,925,000 shall be used for program direction.

(7) For security investigations, $33,400,000.

SEC. 912. PLANT AND CAPITAL EQUIPMENT.

Funds are authorized to be appropriated to the Department of Energy for fiscal year 1986 for plant and capital equipment (including planning, construction, acquisition, and modification of facilities, land acquisition related thereto, and acquisition and fabrication of capital equipment not related to construction) necessary for national security programs as follows:

(1) For weapons activities:

Project 86-D-101, general plant projects, various locations, $29,900,000.

Project 86-D-121, general plant projects, various locations, $33,700,000.

Project 86-D-103, decontamination and waste treatment facility, Lawrence Livermore National Laboratory, Livermore, California, $3,700,000.

Project 86-D-105, instrumentation systems laboratory, Sandia National Laboratories, Albuquerque, New Mexico, $6,200,000.

Project 86-D-122, structural upgrade of existing plutonium facilities, Rocky Flats Plant, Golden, Colorado, $3,000,000.

Project 86-D-123, environmental hazards elimination, various locations, $8,700,000.

Project 86-D-124, safeguards and site security upgrading, phase II, Mound Plant, Miamisburg, Ohio, $3,000,000.

Project 86-D-125, safeguards and site security upgrade, phase II, Pantex Plant, Amarillo, Texas, $1,500,000.

Project 85-D-102, nuclear weapons research, development, and testing facilities revitalization, phase I, various locations, $65,400,000, for a total project authorization of $100,800,000.

Project 85-D-103, safeguards and security enhancements, Lawrence Livermore National Laboratory and Sandia National Laboratories, Livermore, California, $16,400,000, for a total project authorization of $21,100,000.

Project 85-D-106, hardened engineering test building, Lawrence Livermore National Laboratory, Livermore, California, $1,900,000, for a total project authorization of $2,700,000.

Project 85-D-112, enriched uranium recovery improvements, Y-12 Plant, Oak Ridge, Tennessee, $15,300,000, for a total project authorization of $19,800,000.

Project 85-D-113, powerplant and steam distribution system, Pantex Plant, Amarillo, Texas, $18,500,000, for a total project authorization of $23,000,000.

Project 85-D-115, renovate plutonium building utility systems, Rocky Flats Plant, Golden, Colorado, $17,700,000, for a total project authorization of $20,600,000.

Project 85-D-121, air and water pollution control facilities, Y-12 Plant, Oak Ridge, Tennessee, $14,000,000, for a total project authorization of $19,000,000.

Project 85-D-123, safeguards and site security upgrade, phase I, Pantex Plant, Amarillo, Texas, $4,000,000, for a total project authorization of $5,000,000.

Project 85-D-124, safeguards and site security upgrade, Rocky Flats Plant, Golden, Colorado, $2,400,000, for a total project authorization of $3,400,000.

Project 85-D-125, tactical bomb production facilities, various locations, $11,000,000, for a total project authorization of $21,000,000.

Project 84-D-102, radiation-hardened integrated circuit laboratory, Sandia National Laboratories, Albuquerque, New Mexico, $15,500,000, for a total project authorization of $37,500,000.

Project 84-D-104, nuclear materials storage facility, Los Alamos National Laboratory, Los Alamos, New Mexico, $12,100,000, for a total project authorization of $19,300,000.

Project 84-D-107, nuclear testing facilities revitalization, various locations, $14,900,000, for a total project authorization of $65,940,000.

Project 84-D-112, Trident II warhead production facilities, various locations, $60,700,000, for a total project authorization of $140,700,000.

Project 84-D-113, antisubmarine warfare/standoff weapon warhead production facilities, various locations, $10,000,000.

Project 84-D-115, electrical system expansion, Pantex Plant, Amarillo, Texas, $3,300,000, for a total project authorization of $14,800,000.

Project 84-D-117, inert assembly and test facility, Pantex Plant, Amarillo, Texas, $400,000, for a total project authorization of $13,600,000.

Project 84-D-118, high-explosive subassembly facility, Pantex Plant, Amarillo, Texas, $33,000,000, for a total project authorization of $40,000,000.

Project 84-D-120, explosive component test facility, Mound Plant, Miamisburg, Ohio, $2,300,000, for a total project authorization of $22,300,000.

Project 84-D-211, safeguards and site security upgrading, Y-12 Plant, Oak Ridge, Tennessee, $7,500,000, for a total project authorization of $23,000,000.

Project 84-D-212, safeguards and site security upgrade, Pinellas Plant, Florida, $3,800,000, for a total project authorization of $7,500,000.

Project 83-D-199, buffer land acquisition, Lawrence Livermore National Laboratory and Sandia National Laboratories, Livermore, California, $10,000,000, for a total project authorization of $34,000,000.

Project 82-D-107, utilities and equipment restoration, replacement, and upgrade, phase III, various locations, $175,500,000, for a total project authorization of $745,900,000.

Project 82-D-111, interactive graphics systems, various locations, $6,000,000, for a total project authorization of $26,000,000.

Project 82-D-144, simulation technology laboratory, Sandia National Laboratories, Albuquerque, New Mexico, $10,300,000, for a total project authorization of $34,000,000.

Project 79-7-0, universal pilot plant, Pantex Plant, Amarillo, Texas, $4,500,000, for a total project authorization of $20,400,000.

(2) For materials production:

Project 86-D-146, general plant projects, various locations, $32,500,000.

Project 86-D-149, productivity retention program, phase I, various locations, $27,200,000.

Project 86-D-148, special isotope separation plant (design only) site undesignated, $8,000,000.

Project 86-D-150, in-core neutron monitoring system, N reactor, Richland, Washington, $5,460,000.

Project 86-D-151, PUREX electrical system upgrade, Richland, Washington, $3,500,000.

Project 86-D-152, reactor electrical distribution system, Savannah River, South Carolina, $4,000,000.

Project 86-D-153, additional line III furnace, Savannah River, South Carolina, $2,000,000.

Project 86-D-154, effluent treatment facility, Savannah River, South Carolina, $2,500,000.

Project 86-D-156, plantwide safeguards systems, Savannah River, South Carolina, $3,000,000.

Project 86-D-157, hydrofluorination system—FB-line, Savannah River, South Carolina, $2,200,000.

Project 85-D-137, vault safety special nuclear material inventory system, Richland, Washington, $1,900,000, for a total project authorization of $4,400,000.

Project 85-D-139, fuel processing restoration, Idaho Fuels Processing Facility, Idaho National Engineering Laboratory, Idaho, $15,000,000, for a total project authorization of $25,000,000.

Project 85-D-140, productivity and radiological improvements, Feed Materials Production Center, Fernald, Ohio, $12,000,000, for a total project authorization of $18,000,000.

Project 85-D-145, fuel production facility, Savannah River, South Carolina, $16,000,000, for a total project authorization of $25,800,000.

Project 84-D-135, process facility modifications, Richland, Washington, $15,000,000, for a total project authorization of $32,500,000.

Project 84-D-136, enriched uranium conversion facility modifications, Y-12 Plant, Oak Ridge, Tennessee, $7,200,000, for a total project authorization of $19,600,000.

Project 83-D-148, non-radioactive hazardous waste management, Savannah River, South Carolina, $3,100,000, for a total project authorization of $22,100,000.

Project 82-D-124, restoration of production capabilities, phases II, III, IV, and V, various locations, $44,900,000, for a total project authorization of $349,534,000.

Project 82-D-201, special plutonium recovery facilities, JB-Line, Savannah River, South Carolina, $4,400,000, for a total project authorization of $83,800,000.

(3) For defense waste and byproducts management:

Project 86-D-171, general plant projects, interim waste operations and long-term waste management technology, various locations, $25,451,000.

Project 86-D-172, B plant F filter, Richland, Washington, $1,000,000.

Project 86-D-173, central waste disposal facility, Oak Ridge, Tennessee, $1,000,000.

Project 86-D-174, low-level waste processing and shipping system, Feed Materials Production Center, Fernald, Ohio, $2,500,000.

Project 86-D-175, Idaho National Engineering Laboratory security upgrade, Idaho National Engineering Laboratory (INEL), Idaho, $2,000,000.

Project 85-D-157, seventh calcined solids storage facility, Idaho Chemical Processing Plant, Idaho National Engineering Laboratory, Idaho, $14,500,000, for a total project authorization of $21,500,000.

Project 85-D-158, central warehouse upgrade, Richland, Washington, $5,000,000, for a total project authorization of $5,700,000.

Project 85-D-159, new waste transfer facilities, H-Area, Savannah River, South Carolina, $9,000,000, for a total project authorization of $20,000,000.

Project 85-D-160, test reactor area security system upgrade, Idaho National Engineering Laboratory (INEL), Idaho, $2,250,000, for a total project authorization of $4,250,000.

Project 81-T-105, defense waste processing facility, Savannah River, South Carolina, $165,000,000, for a total project authorization of $597,500,000.

(4) For verification and control technology:

Project 85-D-171, space science laboratory, Los Alamos, New Mexico, $4,500,000, for a total project authorization of $5,500,000.

(5) Nuclear safeguards and security:

Project 86-D-186, nuclear safeguards technology laboratory, Los Alamos National Laboratory, Los Alamos, New Mexico, $1,000,000.

(6) For naval reactors development:

Project 86-N-101, general plant projects, various locations, $4,000,000.

Project 86-N-104, reactor modifications, advance test reactor, Idaho National Engineering Laboratory, $4,500,000.

Project 82-N-111, materials facility, Savannah River, South Carolina, $11,000,000, for a total project authorization of $176,000,000.

Project 81-T-112, modifications and additions to prototype facilities, various locations, $27,000,000, for a total project authorization of $137,000,000.

(7) For capital equipment not related to construction:

(A) for weapons activities, $266,750,000;

(B) for inertial confinement fusion, $10,000,000;

(C) for materials production, $123,440,000;

(D) for defense waste and byproducts management, $38,997,000;

(E) for verification and control technology, $5,600,000;

(F) for nuclear safeguards and security, $4,600,000; and

(G) for naval reactors development, $28,000,000.

PART B—RECURRING GENERAL PROVISIONS

SEC. 921. REPROGRAMMING.

(a) NOTICE TO CONGRESS.—Except as otherwise provided in this title—

(1) no amount appropriated pursuant to this title may be used for any program in excess of 105 percent of the amount authorized for that program by this title or $10,000,000 more than the amount authorized for that program by this title, whichever is the lesser, and

(2) no amount appropriated pursuant to this title may be used for any program which has not been presented to, or requested of, the Congress,

unless a period of 30 calendar days (not including any day on which either House of Congress is not in session because of adjournment of more than three calendar days to a day certain) has passed after receipt by the appropriate committees of Congress of notice from the Secretary of Energy (hereinafter in this part referred to as the "Secretary") containing a full and complete statement of the action proposed to be taken and the facts and circumstances relied upon in support of such proposed action, or unless each such committee before the expiration of such period has transmitted to the Secretary written notice to the effect that such committee has no objection to the proposed action.

(b) LIMITATION ON AMOUNT OBLIGATED.—In no event may the total amount of funds obligated pursuant to this title exceed the total amount authorized to be appropriated by this title.

SEC. 922. LIMITS ON GENERAL PLANT PROJECTS.

(a) IN GENERAL.—The Secretary may carry out any construction project under the general plant projects provisions authorized by this title if the total estimated costs of the construction project does not exceed $1,000,000.

(b) REPORT TO CONGRESS.—If at any time during the construction of any general plant project authorized by this title, the estimated cost of the project is revised because of unforeseen cost variations and the revised cost of the project exceeds $1,000,000, the Secretary shall immediately furnish a complete report to the appropriate committees of Congress explaining the reasons for the cost variation.

(c) LIMITATION ON AMOUNT OBLIGATED.—In no event may the total amount of funds obligated to carry out all general plant projects authorized by this title exceed the total amount authorized to be appropriated for such projects by this title.

SEC. 923. LIMITS ON CONSTRUCTION PROJECTS.

(a) IN GENERAL.—Whenever the current estimated cost of a construction project which is authorized by section 912 of this title, or which is in support of national security programs of the Department of Energy and was authorized by any previous Act, exceeds by more than 25 percent the higher of—

(1) the amount authorized for the project; or

(2) the amount of the total estimated cost for the project as shown in the most recent budget justification data submitted to the Congress,

construction may not be started or additional obligations incurred in connection with the project above the total estimated cost, as the case may be, unless a period of 30 calendar days (not including any day in which either House of Congress is not in session because of adjournment of more than three days to a day certain) has passed after receipt by the appropriate committees of the Congress of written notice from the Secretary containing a full and complete statement of the action proposed to be taken and the facts and circumstances relied upon in support of the action, or unless each committee before the expiration of such period has notified the Secretary it has no objection to the proposed action.

(b) EXCEPTION.—Subsection (a) shall not apply to any construction project which has a current estimated cost of less than $5,000,000.

SEC. 924. FUND TRANSFER AUTHORITY.

To the extent specified in appropriation Acts, funds appropriated pursuant to this title may be transferred to other agencies of the Government for the performance of the work for which the funds were appropriated, and funds so transferred may be merged with the appropriations of the agency to which the funds are transferred.

SEC. 925. AUTHORITY FOR CONSTRUCTION DESIGN.

(a) IN GENERAL.—(1) Within the amounts authorized by this title for plant engineering and design, the Secretary may carry out advance planning and construction designs (including architectural and engineering services) in connection with any proposed construction project if the total estimated cost for such planning and design does not exceed $2,000,000.

(2) In any case in which the total estimated cost for such planning and design exceeds $300,000, the Secretary shall notify the appropriate committees of Congress in writing of the details of such project at least

30 days before any funds are obligated for design services for such project.

(b) SPECIFIC AUTHORITY REQUIRED.—In any case in which the total estimated cost for advance planning and construction design in connection with any construction project exceeds $2,000,000, funds for such design must be specifically authorized by law.

SEC. 926. AUTHORITY FOR EMERGENCY CONSTRUCTION DESIGN.

In addition to the advance planning and construction design authorized by section 912, the Secretary may perform planning and design utilizing available funds for any Department of Energy defense activity construction project whenever the Secretary determines that the design must proceed expeditiously in order to meet the needs of national defense or to protect property or human life.

SEC. 927. FUNDS AVAILABLE FOR ALL NATIONAL SECURITY PROGRAMS OF THE DEPARTMENT OF ENERGY.

Subject to the provisions of appropriation Acts, amounts appropriated pursuant to this title for management and support activities and for general plant projects are available for use, when necessary, in connection with all national security programs of the Department of Energy.

SEC. 928. ADJUSTMENTS FOR PAY INCREASES.

Appropriations authorized by this title for salary, pay, retirement, or other benefits for Federal employees may be increased by such amounts as may be necessary for increases in such benefits authorized by law.

SEC. 929. AVAILABILITY OF FUNDS.

When so specified in an appropriation Act, amounts appropriated for Department of Energy defense programs may remain available until expended.

PART C—SPECIAL PROGRAM PROVISIONS

SEC. 931. GENERAL REDUCTION.

The total amount that may be appropriated pursuant to the authorizations in this title is the amount equal to the sum of the amounts authorized in this title reduced by $32,280,000. Of such reduction—

(1) $10,000,000 shall be derived from funds for acquisition of automated data processing and computer equipment;

(2) $14,000,000 shall be derived from savings from management initiatives; and

(3) $8,280,000 shall be derived from proposed rescission R85-80.

SEC. 932. COMMUNITY ASSISTANCE PAYMENTS.

(a) FINAL SETTLEMENT.—Subject to the provisions of appropriation Acts, the Secretary of Energy is authorized to obligate during fiscal year 1986 not more than $41,133,000 from funds available to the Department of Energy for the purpose of carrying out a contract with Anderson County and Roane County, Tennessee, and the City of Oak Ridge, Tennessee, that would provide a final financial settlement with those entities and terminate all annual assistance payments made to those entities pursuant to section 91 of the Atomic Energy Community Act of 1955 (42 U.S.C. 2391), and for advance payment of payments in lieu of property taxes for the fiscal years 1986 through 1996 authorized by section 168 of the Atomic Energy Act of 1954 (42 U.S.C. 2208).

(b) REPORT TO CONGRESS.—Not later than February 1, 1986, the Secretary of Energy shall submit to the appropriate committees of Congress a report and the Secretary's recommendations concerning any need for any further financial assistance payments to local governmental entities pursuant to the Atomic Energy Community Act of 1955. In making such recommendations, the Secretary shall consider—

(1) the criteria established by section 91 of the Atomic Energy Act of 1954;

(2) changes in the financial circumstances of State and local governmental entities since 1955;

(3) other forms of Federal assistance to State and local governmental entities provided since 1955; and

(4) the deficit of the Federal budget.

(c) LIMITATION.—No funds may be obligated for the purposes set forth in subsection (a) until—

(1) the Secretary has submitted a copy of an executed contract that complies with the requirements of that subsection to the appropriate committees of Congress; and

(2) a period of 30 calendar days (not including any day on which either House of Congress is not in session because of adjournment of more than three calendar days to a day certain) has passed after receipt of such contract.

SEC. 933. IMPROVEMENTS TO DEPARTMENT OF ENERGY BUILDING AT OAK RIDGE, TENNESSEE.

Subject to the provisions of appropriations Acts, the Secretary of Energy is authorized to obligate not more than $5,000,000 during fiscal year 1986 from funds available to the Department of Energy to renovate a building owned by the Department of Energy at Oak Ridge, Tennessee if the Secretary determines that the Department's research and development requirements of the Strategic Defense Initiatives program require such renovations.

SEC. 934. PROHIBITION OF USE OF FUNDS FOR CERTAIN PURPOSES.

No amount appropriated pursuant to this title may be used in any way, directly or indirectly, for any of the following:

(1) Publicity or propaganda purposes not authorized by the Congress.

(2) Advertising, other than for recruiting employees, acquiring necessary items or services, or disposing of scrap or surplus material.

(3) The purpose of influencing congressional action on any legislation or appropriation matters pending before the Congress.

(4) Contributions or donations, regardless of the recipient, including political contributions.

(5) Initiation fees or dues paid to any social, country, or similar type club or organization.

(6) Gifts.

(7) Entertainment costs.

(8) The use of corporate aircraft in connection with any of the foregoing purposes or any use of such aircraft that has any personal benefit to the user.

SEC. 935. TECHNICAL AMENDMENTS.

(a) IN GENERAL.—Sections 1623(a) and 1626 of the Department of Energy National Security and Military Applications of Nuclear Energy Authorization Act of 1985 (title XVI of Public Law 98-525) are amended by striking out "section 302" and inserting in lieu thereof "section 1602".

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall be considered to have been made on the date of the enactment of the Department of Energy National Security and Military Applications of Nuclear Energy Authorization Act of 1985.

Mr. ASPIN. Mr. Chairman, I ask unanimous consent that the amendments to title IX already printed in the RECORD by, and if offered by, the Member submitting the amendment be in order, notwithstanding the fact that title IX has already been passed.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

The CHAIRMAN pro tempore. Are there any amendments to title IX?

The Clerk will designate title X.

The text of title X is as follows:

TITLE X—GENERAL PROVISIONS

PART A—FINANCIAL MATTERS

SEC. 1001. CONTRACTED ADVISORY AND ASSISTANCE SERVICES.

(a) ACCOUNTING PROCEDURE.—(1) The Secretary of Defense shall require that there be established within each military department an accounting procedure to aid in the identification and control of expenditures for services identified as contracted advisory and assistance services.

(2) Not later than six months after the date of the enactment of this Act, the Secretary shall submit to Congress a report describing the accounting procedure implemented in each military department pursuant to paragraph (1).

(b) REGULATIONS TO DISTINGUISH WEAPONS-RELATED ADVISORY SERVICES.—(1) The Secretary shall prescribe regulations which specifically describe—

(A) what services the Department of Defense considers to be contracted advisory and assistance services; and

(B) of those services, which services are carried out in direct support of a weapons system and are essential to the development, production, or maintenance of the system.

(2) Regulations required by paragraph (1) shall be prescribed not later than six months after the date of enactment of this Act.

(c) CONGRESSIONAL BUDGET DOCUMENTS.—Budget documents presented to Congress in support of the annual budget for the Department of Defense shall identify contracted advisory and assistance services as defined under regulations prescribed pursuant to subsection (b) and shall separately set forth amounts for such services described in subsection (b)(1)(B).

PART B—DEFENSE MANAGEMENT

SEC. 1011. ANNUAL SELECTED ACQUISITION REPORTS.

(a) ADDITIONAL INFORMATION TO BE INCLUDED.—Subsection (c) of section 139a of title 10, United States Code, is amended to read as follows:

"(c)(1) Each Selected Acquisition Report for the first quarter for a fiscal year shall include—

"(A) the same information, in detailed and summarized form, as is provided in reports submitted under section 139 of this title;

"(B) the current program acquisition unit cost for each major defense acquisition program included in the report and the history of that cost from the date the program was first included in a Selected Acquisition Report to the end of the quarter for which the current report is submitted; and

"(C) such other information as the Secretary of Defense considers appropriate.

"(2) Each Selected Acquisition Report for the first quarter of a fiscal year shall be prepared and submitted in the same format and with the same content as was used for the Selected Acquisition Report for the first quarter of fiscal year 1984.

"(3) In addition to the material required by paragraphs (1) and (2), each Selected Ac-

quisition Report for the first quarter of a fiscal year shall include—

"(A) a full life-cycle cost analysis for each major defense acquisition program included in the report that was first included in a Selected Acquisition Report for a quarter after the first quarter of fiscal year 1985; and

"(B) if the system that is included in that major defense acquisition program has an antecedent system, a full life-cycle cost analysis for that system.

"(4) Selected Acquisition Reports for the first quarter of a fiscal year shall be known as comprehensive annual Selected Acquisition Reports.".

(b) RESUBMISSION OF SARs FOR FIRST QUARTER OF FISCAL YEAR 1985.—(1) The Secretary of Defense shall resubmit to Congress the Selected Acquisition Reports required by section 139a of title 10, United States Code, for the first quarter of fiscal year 1985. The reports as resubmitted shall be in the format and with the content required by paragraph (2) of section 139a(c)(2) of such title, as added by subsection (a).

(2) Such reports shall be submitted not later than 30 days after the date of enactment of this Act.

SEC. 1012. ANNUAL REPORT ON GUARD AND RESERVE EQUIPMENT.

Section 138(b) of title 10, United States Code, is amended by adding at the end thereof the following new paragraph:

"(3) The Secretary shall include in each report under paragraph (2) the following:

"(A) A listing of each major item of equipment required by the Selected Reserve of the Ready Reserve of each reserve component indicating—

"(i) the full war-time requirement of that component for that item, shown in accordance with deployment schedules and requirements over successive 30-day periods following mobilization;

"(ii) the number of each such item in the inventory of the component;

"(iii) a separate listing of each such item in the inventory that is a deployable item and is not the most desired item;

"(iv) the number of each such item projected to be in the inventory at the end of the third succeeding fiscal year; and

"(v) the number of nondeployable items in the inventory as a substitute for a required major item of equipment.

"(B) A narrative explanation of the plan of the Secretary concerned to provide equipment needed to fill the war-time requirement for each major item of equipment to all units of the Selected Reserve, including an explanation of the plan to equip units of the Selected Reserve that are short major items of equipment at the outset of war.

"(C) For each item of major equipment reported under paragraph (2)(C) in a report for one of the three previous years under this subsection as an item expected to be procured for the Selected Reserve or to be transferred to the Selected Reserve, the quantity of such equipment actually procured for or transferred to the Selected Reserve.".

SEC. 1013. PROHIBITION ON CERTAIN TRANSFERS TO FOREIGN GOVERNMENTS.

Funds appropriated to the Department of Defense may not be used—

(1) to transfer to a foreign government a technical data package from a Government-owned, Government-operated defense plant manufacturing large caliber cannons; or

(2) to assist a foreign government in producing a defense item currently being manufactured or developed in such a defense plant.

SEC. 1014. DEPOT-LEVEL MAINTENANCE OF SHIPS HOMEPORTED ON WEST COAST.

The Secretary of the Navy—

(1) shall review the depot-level maintenance workload for naval vessels scheduled, as of May 8, 1985, to be carried out in Japan during fiscal years 1986, 1987, and 1988; and

(2) shall require that not less than one-half of such work (measured in cost) be carried out in the United States.

SEC. 1015. STUDY AND PLAN FOR THE DESTRUCTION OF CHEMICAL AGENTS AND MUNITIONS.

(a) IN GENERAL.—Before any destruction of the United States' stockpile of lethal chemical agents and munitions may take place, the Secretary of Defense shall conduct a study for the purpose of formulating and making recommendations for a masterplan and a schedule for destroying such stockpile.

(b) SPECIFIC REQUIREMENT.—Such study shall consider, but not be limited to—

(1) technological advances in techniques used to destroy chemical agents and munitions; and

(2) the feasibility of establishing a national destruction site within or outside the continental United States.

(c) SUBMISSION OF REPORT.—The Secretary of Defense shall transmit a copy of the findings and conclusions of such study, including the masterplan and schedule described in subsection (a), to the Committees on Armed Services and the Committees on Appropriations of the House of Representatives and of the Senate.

(d) EXCEPTION.—The prohibition contained in subsection (a) shall not apply to the destruction or continued storage of the 476,885 chemical munitions declared by the Secretary of the Army to be obsolete and to have no military value.

PART C—MISCELLANEOUS REPORTING REQUIREMENTS

SEC. 1021. EXTENSION OF TIME FOR SUBMISSION OF REPORTS BY COMMISSION ON MERCHANT MARINE AND DEFENSE.

Section 1536 of the Department of Defense Authorization Act, 1985 (Public Law 98-525; 98 Stat. 2633), is amended—

(1) by striking out "on September 30, 1985, and September 30, 1986" in subsection (b) and inserting in lieu thereof "12 months after the date of the enactment of the law first providing funds for the Commission and 24 months after such date"; and

(2) in subsection (g)—

(A) by striking out "June 30, 1985, and June 30, 1986" and inserting in lieu thereof "nine months after the date of the enactment of the law first providing funds for the Commission and not later than 21 months after such date"; and

(B) by striking out "September 30, 1985, and September 30, 1986" and inserting in lieu thereof "12 months after such date of enactment and not later than 24 months after such date of enactment".

SEC. 1022. REPORT ON NAVAL SHIPBUILDING AND REPAIR BASE.

(a) REQUIREMENT FOR REPORT BY SECRETARY OF THE NAVY.—The Secretary of the Navy shall submit to the Committees on Armed Services of the Senate and House of Representatives a report on the industrial base for construction, overhaul, and repair of naval vessels (hereinafter in this section referred to as the "shipyard base").

(b) COMPETITION AND MOBILIZATION CAPABILITY.—The report shall consider the current competitive environment in the shipyard base and the current mobilization capability of the shipyard base.

(c) STUDY OF INCREASE IN NUMBER OF SHIPYARDS.—(1) The report shall include an assessment of how competition in the shipyard base and the mobilization capability of the shipyard base would each be affected by an increase in the number of shipyards in the shipyard base and shall assess alternative ways of achieving such an increase.

(2) In assessing ways to increase the number of shipyards in the shipyard base, the Secretary shall consider the feasibility and desirability of expanding by one the number of shipyards currently engaged in construction of each of the following types of vessels:

(A) Trident nuclear-powered fleet ballistic missile submarines.

(B) Nuclear-powered attack submarines.

(C) Nuclear-powered aircraft carriers.

(D) Complex surface combatants.

(E) Auxiliaries.

(3) In considering ways to increase the number of shipyards constructing each type of vessel listed in paragraph (2), the Secretary shall consider expansion of the shipbuilding base on the West Coast of the United States and increased use of public shipyards.

(d) FACTORS IN ASSESSMENT.—The assessment of the current capabilities of the shipyard base and of each alternative identified under subsection (c)—

(1) shall be made considering the requirements of both peacetime competition and wartime mobilization capability; and

(2) shall include a description of the possible costs and benefits of the current capabilities and each alternative.

(e) DEADLINE FOR REPORT.—The report required by subsection (a) shall be submitted not later than January 31, 1986.

SEC. 1023. NUCLEAR REACTOR COMPONENTS FOR SSN-21 CLASS SUBMARINES.

Funds appropriated pursuant to authorizations of appropriations in this Act may not be obligated for the design or construction of nuclear reactor components for the SSN-21 class submarine until the Secretary of the Navy submits to the Committees on Armed Services of the Senate and House of Representatives a report on the industrial base for the design and construction of nuclear components for the SSN-21 class submarine. The report shall evaluate the cost effectiveness of increasing the number of firms actively employed in the design of nuclear reactor components and the construction of nuclear reactor components.

PART D—TECHNICAL AND CLERICAL AMENDMENTS

SEC. 1031. ELIMINATION OF CERTAIN STATUTORY GENDER-BASED DISTINCTIONS.

(a) GENERAL MILITARY LAW.—(1) Section 772(c) of such title is amended by striking out the second sentence.

(2) Section 1431(b)(3) of title 10, United States Code, is amended by striking out "widow" and inserting in lieu thereof "surviving spouse".

(b) ARMY.—(1)(A) Section 3683 of title 10, United States Code, is repealed.

(B) The table of sections at the beginning of chapter 353 of such title is amended by striking out the item relating to section 3683.

(C) The repeal made by subparagraph (A) shall not apply in the case of a person who performed active service described in section 3683 of title 10, United States Code, as such section was in effect on the day before the date of the enactment of this Act.

(2)(A) Section 3963 of such title is repealed.

(B) The table of sections at the beginning of chapter 369 of such title is amended by striking out the item relating to section 3963.

(C) The repeal made by subparagraph (C) shall not apply in the case of a member of the Regular Army described in section 3963 of title 10, United States Code, as such section was in effect on the day before the date of the enactment of this Act.

(3)(A) Section 4309(b) of such title is amended by striking out "males" and inserting in lieu thereof "persons".

(B) Section 4313(a) of such title is amended by striking out "man" and inserting in lieu thereof "competitor".

(C) Section 4651 of such title is amended by striking out "male".

(4)(A) Section 4712(d) of such title is amended by striking out clauses (1) through (9) and inserting in lieu thereof the following:

"(1) The surviving spouse or legal representative.

"(2) A child of the deceased.

"(3) A parent of the deceased.

"(4) A brother or sister of the deceased.

"(5) The next-of-kin of the deceased.

"(6) A beneficiary named in the will of the deceased.".

(B) Section 4713(a)(2) of such title is amended by striking out clauses (A) through (I) and inserting in lieu thereof the following:

"(A) The surviving spouse or legal representative.

"(B) A child of the deceased.

"(C) A parent of the deceased.

"(D) A brother or sister of the deceased.

"(E) The next-of-kin of the deceased.

"(F) A beneficiary named in the will of the deceased.".

(c) NAVY.—(1) Section 6160(a) of title 10, United States Code, is amended by striking out "enlisted man" and inserting in lieu thereof "enlisted member".

(2) Section 6964(e) of such title is amended by striking out "men" and inserting in lieu thereof "persons".

(3)(A) Section 7601(a) of such title is amended by striking out "widows" and inserting in lieu thereof "widows and widowers".

(B) The heading of such section is amended to read as follows:

"§ 7601. Sales: members of the naval service and Coast Guard; widows and widowers; civilian employees and other persons".

(C) The item relating to section 7601 in the table of sections at the beginning of chapter 651 of such title is amended to read as follows:

"7601. Sales: members of the naval service and Coast Guard; widows and widowers; civilian employees and other persons.".

(d) AIR FORCE.—(1)(A) Section 8683 of title 10, United States Code, is repealed.

(B) The table of sections at the beginning of chapter 853 of such title is amended by striking out the item relating to section 8683.

(C) The repeal made by subparagraph (A) shall not apply in the case of a person who performed active service described in section 8683 of title 10, United States Code, as such section was in effect on the day before the date of the enactment of this Act.

(2)(A) Section 8963 of such title is repealed.

(B) The table of sections at the beginning of chapter 869 of such title is amended by striking out the item relating to section 8963.

(C) The repeal made by subparagraph (A) shall not apply in the case of an Air Force nurse or medical specialist described in section 8963 of title 10, United States Code, as such section was in effect on the day before the date of the enactment of this Act.

(3) Section 9651 of such title is amended by striking out "male".

(4)(A) Section 9712(d) of such title is amended by striking out clauses (1) through (9) and inserting in lieu thereof the following:

"(1) The surviving spouse or legal representative.

"(2) A child of the deceased.

"(3) A parent of the deceased.

"(4) A brother or sister of the deceased.

"(5) The next-of-kin of the deceased.

"(6) A beneficiary named in the will of the deceased.".

(B) Section 9713(a)(2) of such title is amended by striking out clauses (A) through (I) and inserting in lieu thereof the following:

"(A) The surviving spouse or legal representative.

"(B) A child of the deceased.

"(C) A parent of the deceased.

"(D) A brother or sister of the deceased.

"(E) The next-of-kin of the deceased.

"(F) A beneficiary named in the will of the deceased.".

(e) WORLD WAR II ERA ARMY NURSES.—(1) The Act entitled "An Act to authorize temporary appointment as officers in the Army of the United States of members of the Army Nurse Corps, female persons having the necessary qualifications for appointment in such corps, female dietetic and physical-therapy personnel of the Medical Department of the Army (exclusive of students and apprentices), and female persons having the necessary qualifications for appointment in such department as female dietetic or physical-therapy personnel, and for other purposes", approved June 22, 1944 (58 Stat. 324; 50 U.S.C. App. 1591 et seq.), is repealed.

(2) The repeal made by paragraph (1) shall not apply in the case of any person appointed and assigned under the first section of the Act repealed by such paragraph, as such Act was in effect on the day before the date of the enactment of this Act.

(f) SOLDIERS' AND AIRMEN'S HOME.—The first sentence of section 4 of the Act entitled "An Act prescribing regulations for the Soldiers' Home located at Washington, in the District of Columbia, and for other purposes", approved March 3, 1883 (24 U.S.C. 52), is amended—

(1) by striking out "wife" both places it appears and inserting in lieu thereof "spouse"; and

(2) by striking out "his" and inserting in lieu thereof "such".

(g) DEPENDENTS OF PERSONS MISSING IN ACTION.—Section 551(1)(A) of title 37, United States Code, is amended by striking out "wife" and inserting in lieu thereof "spouse".

SEC. 1032. TECHNICAL AMENDMENTS RELATING TO BENEFITS FOR CERTAIN DIA PERSONNEL.

(a) CIVILIAN EMPLOYEES.—(1) Section 192 of title 10, United States Code, is transferred to the end of chapter 83 of such title, redesignated as section 1605, and amended—

(A) in subsections (a) and (b), by striking out "Director of the Defense Intelligence Agency, on behalf of the Secretary of Defense," and inserting in lieu thereof "Secretary of Defense";

(B) in subsection (a)—

(i) by striking out "military and";

(ii) by striking out "under sections 903, 705, and 2308" and inserting in lieu thereof "sections 705 and 903";

(iii) by striking out "22 U.S.C. 4025;"; and

(iv) by striking out "; 22 U.S.C. 4083" and all that follows in such subsection and inserting in lieu thereof ", 4025, 4083) and under section 5924(4)(B) of title 5."; and

(C) by striking out subsection (c) and redesignating subsection (d) as subsection (c).

(2) The item relating to such section in the table of sections at the beginning of chapter 8 of such title is transferred to the end of the table of sections at the beginning of chapter 83 of such title and is amended by striking out "192" and inserting in lieu thereof "1605".

(3) Section 1603 of such title is amended by striking out "chapter" both places it appears and inserting in lieu thereof "sections 1601 and 1602 of this title".

(b) MEMBERS OF THE ARMED FORCES.—(1) Chapter 7 of title 37, United States Code, is amended by adding at the end thereof the following new section:

"§ 431. Benefits for certain members assigned to the Defense Intelligence Agency

"(a) The Secretary of Defense may provide to members of the armed forces who are assigned to Defense Attache Offices and Defense Intelligence Agency Liaison Offices outside the United States and who are designated by the Secretary of Defense for the purposes of this subsection allowances and benefits comparable to those provided by the Secretary of State to officers and employees of the Foreign Service under paragraphs (2), (3), (4), (6), (7), (8), and (13) of section 901 and sections 705 and 903 of the Foreign Service Act of 1980 (22 U.S.C. 4081 (2), (3), (4), (6), (7), (8), and (13), 4025, 4083) and under section 5924(4)(B) of title 5.

"(b) The authority of the Secretary of Defense to make payments under subsection (a) of this section is effective for any fiscal year only to the extent that appropriated funds are available for such purpose.

"(c) Members of the armed forces may not receive benefits under both subsection (a) of this section and any other provision of this title for the same purpose. The Secretary of Defense shall prescribe such regulations as may be necessary to carry out this subsection.

"(d) Regulations prescribed pursuant to subsection (a) of this section shall be submitted to the Committee on Armed Services and the Permanent Select Committee on Intelligence of the House of Representatives and the Committee on Armed Services and the Select Committee on Intelligence of the Senate before such regulations take effect.".

(2) The table of sections at the beginning of such chapter is amended by adding at the end thereof the following new item:

"431. Benefits for certain members assigned to the Defense Intelligence Agency.".

(3) The authority of the Secretary of Defense under section 431 of title 37, United States Code, as added by paragraph (1), may be delegated in accordance with section 133(d) of title 10, United States Code.

SEC. 1033. CLERICAL AMENDMENTS.

(a) AMENDMENTS TO TITLE 10.—Title 10, United States Code, is amended as follows:

(1) Section 124(c)(2) is amended by inserting "of the Joint Chiefs of Staff" after "Chairman".

(2) Section 139b(d)(3)(B)(i) is amended by inserting "percent" before the semicolon.

(3) Section 140c(b)(1) is amended by striking out "enactment of this section" and inserting in lieu thereof "September 24, 1983".

(4)(A) Section 520b is amended by striking out "enlistments" and inserting in lieu thereof "enlistment".

(B) The item relating to such section in the table of sections at the beginning of chapter 31 is amended by striking out "enlistments" and inserting in lieu thereof "enlistment".

(5) Section 555 is amended by striking out "section 201(c)" and inserting in lieu thereof "section 201(b)".

(6) The item relating to section 1043 in the table of sections at the beginning of chapter 53 is amended by striking out "Atomospheric" and inserting in lieu thereof "Atmospheric".

(7) Section 1074a(a) is amended by striking out "prescribed by" and all that follows through "the following persons" and inserting in lieu thereof "prescribed by the administering Secretaries, the following persons".

(8) Section 1085 is amended by indenting the first line of the text of the section.

(9) Section 1437(c)(3)(A) is amended by striking out "(notwithstanding section 144 of this title)".

(10) Section 1440 is amended by striking out "section 1437(c)(3)" and inserting in lieu thereof "section 1437(c)(3)(B)".

(11) Section 1450 is amended—

(A) by striking out "subsection (l)" in subsection (i) and inserting in lieu thereof "subsection (l)(3)(B)"; and

(B) by striking out "(notwithstanding subsection (h))" in subsection (l)(3)(A).

(12) Section 1489(a) is amended by striking out "Armed Forces" and inserting in lieu thereof "armed forces".

(13) Section 2304(a)(1)(B) is amended by striking out "krocedures" and inserting in lieu thereof "procedures".

(14) Paragraph (5) of section 2305(b) is reset full measure.

(15) Section 2306 is amended—

(A) by adding a period at the end of subsection (a); and

(B) by striking out "of this title" in subsection (b).

(16) Section 2310 is amended by inserting "this" after "2305 of".

(17)(A) Sections 2320, 2321, 2322, and 2323 (as added by section 1216 of the Defense Procurement Reform Act of 1984 (title XII of Public Law 98-525)) are redesignated as sections 2319a, 2319b, 2319c, and 2319d, respectively.

(B) The items relating to those sections in the table of sections at the beginning of chapter 137 are redesignated to reflect the redesignations made by subparagraph (A).

(18) The heading of section 2691 is amended to read as follows:

"§ 2691. Restoration of land used by permit or lease from other agencies".

(19) Section 2821(b) is amended by striking out "paragraph" before the period at the end and inserting in lieu thereof "subsection".

(20) Section 2852 is amended by striking out "section 3324(a) and (b)" and inserting in lieu thereof "subsections (a) and (b) of section 3324".

(21)(A) Section 3843(b) is amended by striking out "after July 1, 1960,".

(B) Sections 3848(a), 3851(a), and 3852 are amended by striking out "After July 1, 1960, each" and inserting in lieu thereof "Each".

(22) Section 5985 is amended by striking out "the Act of March 4, 1911, ch. 265, 36 Stat. 1353, as amended," and inserting in lieu thereof "section 1304 of the Merchant Marine Act, 1936 (46 U.S.C. App. 1295c),".

(23) Section 6148 is amended by redesignating subsection (e) as subsection (d).

(24) Section 7204(a) is amended—

(A) by running "contribute, out of" in after "Secretary of the Navy may";

(B) by aligning clauses (1) through (4) so as to be cut in two ems; and

(C) by aligning the matter after clause (4) flush with the margin.

(25)(A) The heading of section 7309 is amended by striking out the fifth word.

(B) The item relating to that section in the table of sections at the beginning of chater 633 is amended by striking out the fifth word.

(26) Section 7431(c) is amended—

(A) by striking out "the" at the beginning of paragraphs (1), (2), and (3) and inserting in lieu thereof "The";

(B) by striking out the semicolons at the end of paragraphs (1), (2), and (3) and inserting in lieu thereof periods;

(C) by striking out "a summary" at the beginning of paragraph (4) and inserting in lieu thereof "A summary";

(D) by striking out "; and" at the end of paragraph (4) and inserting in lieu thereof a period; and

(E) by striking out "such" at the beginning of paragraph (5) and inserting in lieu thereof "Such".

(27) The item relating to section 8202 in the table of sections at the beginning of chapter 831 is amended to read as follows:

"8202. Air Force: strength in grade; general officers.".

(28)(A) Section 8848(a) is amended by striking out "After June 30, 1960, each" and inserting in lieu thereof "Each".

(B) Sections 8851(a) and 8852(a) are amended by striking out "After June 30, 1960, except" and inserting in lieu thereof "Except".

(29) Section 9441(b) is amended by striking out "and" at the end of clause (8).

(b) AMENDMENTS TO TITLE 37.—Title 37, United States Code, is amended as follows:

(1) Section 203(a) is amended by inserting "or as otherwise prescribed by law" before the period.

(2) Section 301(c)(1) is amended by striking out the first comma after "(10)".

(3) Sections 308g(f) and 308h(e) are amended by striking out "the date of the enactment of the Department of Defense Authorization Act, 1984" and inserting in lieu thereof "September 24, 1983".

(4) Section 312b(c) is amended by striking out "make an annual report to the House and Senate Armed Services Committees" and inserting in lieu thereof "submit to the Committees on Armed Services of the Senate and House of Representatives an annual report".

(5) Section 402(b) is amended by inserting "or as otherwise prescribed by law" before the period at the end of the fourth sentence.

(6) Section 403(a) is amended by inserting "or as otherwise prescribed by law" after "of this title".

(7) The table of sections at the beginning of chapter 7 is amended—

(A) by striking out the semicolon in the item relating to section 404 and inserting in lieu thereof a colon;

(B) by striking out the item relating to section 405a and inserting in lieu thereof the following:

"405a. Travel and transportation allowances: departure allowances.";

and

(C) by striking out the item relating to section 425 and inserting in lieu thereof the following:

"425. United States Navy Band; United States Marine Band: allowances while on concert tour.".

(8) The heading of section 405 is amended to read as follows:

"§ 405. Travel and transportation allowances: per diem while on duty outside the United States or in Hawaii or Alaska".

(9) Section 406(k) is amended by striking out "to carry out subsection (b)" and inserting in lieu thereof "for providing transportation of household effects of members of the armed forces under subsection (b)".

(10) Section 429 is amended by inserting "(20 U.S.C. 921 et seq.)" after "Defense Dependents' Education Act of 1978".

(11) Section 557(c) is amended by inserting "of this title" after "section 558" both places it appears.

(12) Section 1006(h) is amended by striking out "section 3324(a) and (b)" and inserting in lieu thereof "subsections (a) and (b) of section 3324".

(13)(A) Section 1012 is amended—

(i) by striking out "under sections 206 (a), (b), and (d), 301(f), 309, 402(b) (last sentence), and 1002 of this title for pay" and inserting in lieu thereof "for the pay, under subsections (a), (b), and (d) of section 206, section 301(f), the last sentence of section 402(b), and section 1002 of this title,";

(ii) by striking out "Disbursements" and inserting in lieu thereof "All such disbursements"; and

(iii) by striking out "under the" and inserting in lieu thereof "as prescribed in those".

(B) The heading of that section is amended to read as follows:

"§ 1012. Disbursement and accounting: pay of enlisted members of the National Guard".

(C) The item relating to that section in the table of sections at the beginning of chapter 19 is amended to read as follows:

"1012. Disbursement and accounting: pay of enlisted members of the National Guard.".

(D) The amendments made by this paragraph shall take effect as if included in the enactment of section 2(i) of Public Law 97-258.

PART E—MISCELLANEOUS

SEC. 1041. MILITARY FAMILY POLICY.

(a) OFFICE OF FAMILY POLICY.—(1) There is hereby established in the Office of the Secretary of Defense an Office of Family Policy. The office shall be under the Assistant Secretary of Defense designated on May 1, 1985, as the Assistant Secretary of Defense for Manpower, Installations and Logistics.

(2) The office shall coordinate programs and activities of the military departments to the extent that they relate to military families and shall make recommendations to the Secretaries of the military departments with respect to programs and policies regarding military families.

(b) TRANSFER OF MILITARY FAMILY RESOURCE CENTER.—The Military Family Resource Center of the Department of Defense is hereby transferred from the Office of the Assistant Secretary of Defense for Health Affairs to the Office of the Assistant Secretary of Defense designated on May 1, 1985, as the Assistant Secretary of Defense for Manpower, Installations and Logistics.

(c) YOUTH SPONSORSHIP PROGRAM.—The Secretary of Defense shall direct that there be established at each military installation a youth sponsorship program to facilitate the integration of dependent children of members of the Armed Forces into new surroundings when moving to that military installation as a result of a parent's permanent change of station. Such a program shall provide, to the extent feasible, for involvement of dependent children of members presently stationed at the military installation.

(d) STUDY OF HOUSING AVAILABILITY.—Not later than one year after the date of the enactment of this Act, the Secretary of Defense shall submit to Congress a report on the availability and affordability of off-base housing for members of the Armed Forces. The study shall examine the availability of affordable housing for each pay grade and for all geographic areas inside the United States and for appropriate overseas locations.

(e) STUDY ON NEED FOR ASSISTANCE TO DEPENDENTS ENTERING NEW SECONDARY SCHOOLS.—Not later than one year after the date of the enactment of this Act, the Secretary of Defense shall submit to Congress a report which makes recommendations for any administrative and legislative changes necessary to assist families of members of the Armed Forces making a permanent change of station so that a dependent child who transfers between secondary schools with different graduation requirements does not undergo unnecessary disruptions in education or have inequitable or unduly burdensome or duplicative education requirements imposed.

(f) EMPLOYMENT OPPORTUNITIES FOR MILITARY SPOUSES.—The Secretary of Defense shall issue regulations to ensure that—

(1) vacancy announcements for each vacant position in the Department of Defense are distributed in such manner as to enable spouses of members of the Armed Forces whose permanent duty stations are in the same geographic area as the vacant position to learn of the vacant position; and

(2) spouses of members of the Armed Forces who apply for vacant positions are considered for such positions in the Department of Defense in the same geographic area as the area within which the permanent duty station of the member is located.

(g) EFFECTIVE DATE.—This section shall take effect on October 1, 1985.

SEC. 1042. AUTHORITY TO PROVIDE COAST GUARD COMMANDANT RESIDENCE-TO-WORK TRANSPORTATION PROVIDED OTHER SERVICE CHIEFS.

Effective on October 1, 1985, section 660 of title 14, United States Code, is amended by adding at the end thereof the following new subsection:

"(e) Passenger motor vehicles of the United States may be used to provide transportation between the residence and place of work of the Commandant.".

SEC. 1043. ACCEPTANCE OF CERTAIN VOLUNTEER SERVICES.

(a) EXTENSION OF AUTHORITY TO COAST GUARD.—Section 1588(a) of title 10, United States Code, is amended—

(1) by striking out "Secretary of a military department" and inserting in lieu thereof "Secretary concerned"; and

(2) by striking out "operated by that military department" and inserting in lieu thereof "operated by the military department concerned or the Coast Guard, as appropriate".

(b) EFFECTIVE DATE.—The amendments made by this section shall take effect on October 1, 1985.

SEC. 1044. CIVIL AIR PATROL.

(a) REIMBURSEMENT FOR MAJOR ITEMS OF EQUIPMENT.—Section 9441(b)(10) of title 10, United States Code, is amended by striking out "authorize the purchase with funds appropriated to the Air Force" and inserting in lieu thereof "reimburse the Civil Air Patrol for costs incurred for the purchase".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect on October 1, 1985.

SEC. 1045. NATIONAL DEFENSE STOCKPILE.

(a) FUNDING FOR NATIONAL DEFENSE STOCKPILE TRANSACTION FUND FROM NAVAL PETROLEUM RESERVE RECEIPTS.—Section 905 of the Department of Defense Authorization Act, 1985 (Public Law 98-525; 98 Stat. 2574), is amended by striking out "during fiscal year 1985".

(b) CONFORMING AMENDMENT.—Section 903(b) of such Act (98 Stat. 2573) is repealed.

SEC. 1046. SENSE OF THE CONGRESS EXPRESSING SUPPORT FOR THE SELECTIVE SERVICE REGISTRATION PROGRAM.

(a) The Congress makes the following findings:

(1) The program of peacetime registration of young men under the Military Selective Service Act contributes to the national security by reducing by an additional two months the time required for full defense mobilization.

(2) The Selective Service registration program is an important signal to our allies and to our potential adversaries of the United States defense commitment.

(3) Since the resumption of selective service registration more than 13,500,000 young men, representing over 98 percent of the draft eligible population, have registered with Selective Service.

(b) In view of these findings, it is the sense of Congress that the President should recognize, by Presidential proclamation, the contribution of our young men to the success of the peacetime registration program.

SEC. 1047. LIMITATION ON GRATUITIES AT NAVAL SHIPBUILDING CEREMONIES.

(a) GENERAL RULE.—A Federal officer, employee, or Member of Congress may not accept, directly or indirectly, any tangible thing of value as a gift or memento in connection with a ceremony to mark the completion of a naval shipbuilding milestone.

(b) EXCLUSION.—Subsection (a) does not apply to a gift or memento that has a value of less than $100.

(c) DEFINITIONS.—For purposes of this section, the terms "officer", "employee", and "Member of Congress" have the meanings given those terms in sections 2104, 2105, and 2106, respectively, of title 5, United States Code.

SEC. 1048. AUTHORITY TO TRANSFER CERTAIN AIRCRAFT.

(a) IN GENERAL.—The Secretary of the Navy may transfer title to an aircraft described in subsection (b) to the institution leasing the aircraft if the Secretary certifies—

(1) that at the time of the transfer the aircraft is being used by the organization holding the aircraft for a purpose consistent with the use intended when the aircraft was first leased to the institution; and

(2) that the Department of the Navy no longer needs the aircraft.

(b) COVERED AIRCRAFT.—The authority of the Secretary of the Navy under subsection (a) applies with respect to an aircraft—

(1) that on the date of the enactment of this Act is being leased by the Secretary to a State-supported educational institution; and

(2) for which a lease for such aircraft began with such institution on or before January 1, 1976.

(c) COMPENSATION.—A transfer under this section shall be made without compensation or reimbursement to the United States.

SEC. 1049. REPORT ON TWO-YEAR BUDGET CYCLE FOR THE DEPARTMENT OF DEFENSE.

Not later than January 15, 1986, the Secretary of Defense shall submit to the Committees on Armed Services and on Appropriations of the Senate and House of Representatives a report containing the Secretary's views on the following:

(1) The advantages and disadvantages of operating the Department of Defense on a two-year budget cycle.

(2) How the Department of Defense could convert to a two-year budget cycle if a two-year budget cycle were to be adopted for the Department of Defense.

(3) A description of any impediment (statutory or otherwise) to converting the operations of the Department of Defense to a two-year budget cycle beginning with fiscal year 1988.

AMENDMENT OFFERED BY MR. MONTGOMERY

Mr. MONTGOMERY. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. MONTGOMERY: Page 172, after line 20, insert the following new section:

SEC. 1016. DEMONSTRATION PROJECT TO TEST THE USE OF A CERTAIN COMPUTER SYSTEM IN MILITARY HOSPITALS.

(a) TEST OF VETERANS' ADMINISTRATION DECENTRALIZED HOSPITAL COMPUTER PROGRAM.—The Secretary of Defense (hereinafter in this section referred to as the "Secretary") shall carry out a demonstration project for the purpose of testing the use in military hospitals of the hospital management computer system of the Veterans' Administration known as the Veterans' Administration's decentralized hospital computer program. The purpose of the test shall be to determine the feasibility and cost-effectiveness of the use in military hospitals of such system rather than the use of a centralized hospital management computer system, including the system referred to as the Composite Health-Care System.

(b) DURATION AND LOCATION OF DEMONSTRATION PROJECT.—The demonstration project under subsection (a) shall be carried out over a six-month period beginning on December 1, 1985, in six military hospitals designated by the Secretary. Two of such hospitals shall be under the jurisdiction of the Secretary of the Army, two shall be under the jurisdiction of the Secretary of the Navy, and two shall be under the jurisdiction of the Secretary of the Air Force.

(c) USE OF ALL COMPONENTS OF DHCP.—The Secretary, in consultation with the Administrator of Veterans' Affairs, shall ensure that all components of the system referred to in subsection (a) (including equipment and software) are used in each hospital in which the system is tested under this section.

(d) ASSISTANCE FROM VETERANS' ADMINISTRATION.—The Administrator of Veterans' Affairs shall provide, on a reimbursable basis, such personnel and equipment as are requested by the Secretary and determined by the Administrator to be available in order to assist the Secretary in carrying out

the demonstration project under subsection (a).

(e) REPORT.—The secretary shall transmit to Congress a report describing the demonstration project carried out under this section. Such report shall include specific findings and conclusions by the Secretary, and by the Secretary of each military department, with respect to the feasibility and cost-effectiveness of using the system referred to in subsection (a) in military hospitals, including the cost advantage that would accrue from acquiring a hospital management computer system in the near term rather than the date that would apply if the Secretary were to acquire a centralized computers system, including the system referred to as the Composite Health-Care System.

(f) RESTRICTION.—The Secretary may not enter into a contract for the procurement of a centralized computer system for military hospitals, including the system referred to as the Composite Health-Care System, until the Secretary has evaluated the results of the project carried out under this section, specifically with regard to the feasibility and cost-effectiveness of using the computer system referred to in subsection (a) for military hospitals instead of using a centralized computer system, including the system referred to as the Composite Health-Care System.

(g) COMPTROLLER GENERAL REPORT.—The Comptroller General shall evaluate the conduct of the demonstration project and shall report to Congress whether the Secretary has carried out the demonstration program in accordance with the section.

(h) DEFINITION.—In this section, the term "military hospital" means a hospital or medical center under the jurisdiction of the Secretary of the military department.

Mr. MONTGOMERY (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. MONTGOMERY. Mr. Chairman, I offer this amendment because I believe that the Department of Defense can save hundreds of millions of dollars by looking at a new way of acquiring computer systems to manage DOD hospitals.

All of us are aware of and are concerned about the pricing policies of major defense contractors. In part, abuses occur because DOD loses control of the process—it has no alternative but to let the contractor proceed. Today, DOD has a choice about how it is going to modernize and computerize its hospitals. The choice is to control its own system, as the Veterans' Administration has done, or turn it all over to a contractor.

The Veterans' Administration has successfully automated 169 of its 172 hospitals at a cost to date of less than $130 million. It is a dynamic and effective system which the VA has developed, and the VA controls it because its own employees run it. It is capable of serving medical computer needs well into the 21st century.

Compare that with the experience of the Defense Department. They've already spent over $200 million and not one of their hospitals is fully automated. There is a good chance that by the time the procurement process is all finished, the price tag will be well over $1 billion. I think that the DOD should look very closely at the VA's Decentralized Hospital Computer Program [DHCP] before it contracts with a subsidiary of General Motors, or some other large defense contractor, and loses control of the cost. We're talking about a system with a life cycle cost which is very likely going to be three or four times that of the VA's DHCP. Here is what this amendment would require. It says:

Don't buy a system until you've looked closely at one that the government already owns.

I have heard statements that the VA system is a 1985 Chevy, and DOD wants a 1990 Mercedes. Well, the average taxpayer doesn't want DOD to buy a Mercedes in 5 years when military hospitals need computers today, and the VA's system can be tailored to suit their needs.

The VA is the primary backup to Department of Defense hospitals in the event of a major conflict. We've authorized all kinds of sharing of resources between the VA and DOD. A framework exists for DOD to take the VA's experience and knowledge in automating hospitals at a very low cost to the taxpayer.

We mandated a test of the VA's system last year, but DOD has not implemented a demonstration project with the spirit and zest that we had intended. So, we've spelled it out in this amendment exactly what we want them to do. Six test sites, two in each of the three services, and the complete DHCP system which includes admission, discharge and transfer, scheduling, pharmacy, laboratory, and a data base management and electronic mail system. We expect the Secretary will make only those modifications and enhancements of the VA DHCP as are necessary to perform service essential functions not performed by the existing VA DHCP, as well as an interface with the Defense enrollment eligibility reporting system [DEERS].

During this past year, the Comptroller General has been encouraging DOD to do exactly what this amendment would require. We want the Secretary of Defense to keep the Comptroller General advised on a regular basis, weekly if necessary, as to how this demonstration project is proceeding. That way, we'll have an independent opinion of whether the VA's system will work for DOD.

Mr. Chairman, there's been a lot of talk about the Grace Commission and saving the taxpayer's money. This is one idea that the Grace Commission missed, but it just might save us a billion dollars or so. I urge my colleagues to support my amendment.

Mr. NICHOLS. Mr. Chairman, will the gentleman yield?

Mr. MONTGOMERY. I yield to the gentleman from Alabama.

Mr. NICHOLS. Mr. Chairman, let me say to the gentleman that we have held hearings in my office, with the gentleman from Mississippi [Mr. MONTGOMERY], with the VA, and with our medical people in the military. I thoroughly support what he wants to do. It makes a lot of sense. I hope his amendment will be passed.

Mr. MONTGOMERY. I appreciate the gentleman's concern. We went to the gentleman when we were having some problems, and he sure helped us out.

Mr. HILLIS. Mr. Chairman, will the gentleman yield?

Mr. MONTGOMERY. I yield to the gentleman from Indiana.

Mr. HILLIS. Mr. Chairman, I, too, am familiar with the type of process that the gentleman is requesting be submitted for test here, and it is a very good system. It is used throughout the VA, as I understand it, today, with good results, and I think there would be great savings here if these tests could be conducted. We think it is a good amendment, and we have no objection to it. We think it ought to be adopted.

Mr. MONTGOMERY. I thank the gentleman.

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentleman from Mississippi [Mr. MONTGOMERY].

The amendment was agreed to.

AMENDMENT OFFERED BY MRS. SCHROEDER

Mrs. SCHROEDER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mrs. SCHROEDER: Page 166, after line 2, insert the following title (and redesignate the succeeding title and sections accordingly):

TITLE X—MILITARY FAMILY POLICY AND PROGRAMS

SEC. 1001. SHORT TITLE.

This title may be cited as the "Military Family Act".

SEC. 1002. OFFICE OF FAMILY POLICY.

(a) ESTABLISHMENT.—There is hereby established in the Office of the Secretary of Defense an Office of Family Policy (hereinafter in this section referred to as the "Office"). The Office shall be under the Assistant Secretary of Defense designated on May 1, 1985, as the Assistant Secretary of Defense for Manpower, Installations, and Logistics.

(b) DUTIES.—The Office shall coordinate programs and activities of the military departments relating to military families and shall make recommendations to the Secretaries of the military departments with respect to programs, activities, and policies relating to military families.

(c) REPORT.—The Secretary of Defense shall report to Congress, no later than September 30, 1986. The report shall include—

(1) a description of the activities of the Office and the composition of its staff; and

(2) the recommendations of the Office for legislative and administrative action to enhance the well-being of military families.

SEC. 1003. TRANSFER OF MILITARY FAMILY RESOURCE CENTER.

The Military Family Resource Center of the Department of Defense is hereby transferred from the Office of the Assistant Secretary of Defense for Health Affairs to the Office of the Assistant Secretary of Defense designated on May 1, 1985, as the Assistant Secretary of Defense for Manpower, Installations, and Logistics.

SEC. 1004. SURVEYS OF MILITARY FAMILIES.

The Secretary of Defense may conduct surveys, without clearance from any other Federal agency, to determine the effectiveness of existing Federal programs relating to military families and the need for new programs.

SEC. 1005. FAMILY MEMBERS SERVING ON ADVISORY COMMITTEES.

A committee within the Department of Defense which advises or assists the Department in the performance of any function which affects members of military families and which includes members of military families in its membership shall not be considered an advisory committee under section 3(2) of the Federal Advisory Committee Act (5 U.S.C. App.) solely because of such membership.

SEC. 1006. EMPLOYMENT OPPORTUNITIES FOR MILITARY SPOUSES.

(a) AUTHORITY.—The President may, pursuant to the authority of section 3302 of title 5, United States Code, except from the competitive service positions in the Department of Defense located outside the United States to provide employment opportunities for qualified spouses of members of the Armed Forces stationed outside the United States.

(a) REGULATIONS.—The Secretary of Defense shall issue regulations to ensure that—

(1) notice of any vacant position in the Department of Defense is provided in a manner reasonably designed to reach spouses of members of the Armed Forces whose permanent duty stations are in the same geographic area as the area in which the position is located;

(2) the spouse of a member of the Armed Forces who applies for a vacant position in the Department of Defense shall, to the extent practicable, be considered for any such position located in the same geographic area as the permanent duty station of the member;

(3) the qualified spouse of a member of the Armed Forces stationed outside the United States may be appointed to a position excepted from the competitive service under subsection (a) in the Department of Defense in the same geographic area as the permanent duty station of the member; and

(4) all Department of Defense nonappropriated fund activities give preference in hiring to qualified dependents of members of the Armed Forces stationed in the same geographic area as the nonappropriated fund activity for positions in wage grade UA-8 and below and equivalent positions, and positions paid at hourly rates.

SEC. 1007. YOUTH SPONSORSHIP PROGRAM.

The Secretary of Defense shall provide for the establishment at each military installation of a youth sponsorship program to facilitate the integration of dependent children of members of the Armed Forces into new surroundings when relocation to that military installation is a result of a permanent change of station. Such a program shall provide for involvement of dependent children of members stationed at the military installation.

SEC. 1008. STUDENT TRAVEL WITHIN THE UNITED STATES.

Funds available to the Department of Defense for the travel and transportation of dependent students of military personnel stationed overseas may be obligated for transportation allowances for travel within or between the contiguous United States.

SEC. 1009. RELOCATION AND HOUSING.

(a) RELOCATION ASSISTANCE.—The Secretary of Defense may, subject to available appropriations, enter into contracts with firms which provide assistance to individuals relocating from one geographic area to another to provide such assistance to members of the uniformed services and members of their families.

(b) AMORTIZATION PERIOD FOR PARKING FACILITIES FOR HOUSE TRAILERS AND MOBILE HOMES.—Subsection (k) of section 403 of title 37, United States Code, is amended by striking out "15-year period" and inserting in lieu thereof "25-year period".

(c) COST OF UNACCOMPANIED PERSONNEL HOUSING FOR MEMBERS OF UNIFORMED SERVICE.—Section 5911 of title 5, United States Code, is amended by adding at the end thereof the following new subsection:

"(h) A member of the uniformed service on a permanent change of duty station or temporary duty orders and occupying unaccompanied personnel housing—

"(1) is exempt from the requirement of subsection (c) to pay a rental rate or charge based on the reasonable value of the quarters and facilities provided; and

"(2) shall pay such lesser rate or charge as the Secretary of Defense establishes by regulation.".

SEC. 1010. FOOD PROGRAMS.

(a) FOOD COSTS FOR CERTAIN ENLISTED MEMBERS.—Section 1011 of title 37, United States Code, is amended by adding at the end thereof the following new subsection:

"(c) Enlisted members in pay grades E-1, E-2, E-3, and E-4, and members of their immediate families, may not be charged for meals sold at messes in excess of a level sufficient to cover food costs.".

(b) REIMBURSEMENT FOR FOOD AT CHILD CARE FACILITIES OVERSEAS.—The Secretary of Defense shall provide payments, from appropriated funds, to military child care facilities overseas for reimbursement of the costs of food and food preparation. The amounts of such payments shall be determined in the same manner as payments provided by the Secretary of Agriculture for reimbursement to child care facilities in the United States under section 17 of the National School Lunch Act (42 U.S.C. 1766).

(c) REPORT ON ISSUING FOOD STAMP COUPONS TO OVERSEAS HOUSEHOLDS OF MEMBERS STATIONED OUTSIDE THE UNITED STATES.—The Secretary of Defense shall submit a report to Congress not later than December 31, 1985, on the feasibility of having the Department issue food stamp coupons to overseas households of members stationed outside the United States. The report shall include—

(1) an estimate of the cost of providing the coupons; and

(2) legislative and administrative recommendations for providing for the issuance of the coupons.

SEC. 1011. REPORTING OF CHILD ABUSE.

(a) IN GENERAL.—The Secretary of Defense shall request each State to provide for the reporting to the Secretary of any report the State receives of known or suspected instances of child abuse and neglect in which the person having care of the child is a member of the Armed Forces (or the spouse of the member).

(b) DEFINITION.—For purposes of this section the term "child abuse and neglect" shall have the same meaning as provided in section 3(1) of the Child Abuse Prevention and Treatment Act (42 U.S.C. 5102).

SEC. 1012. MISCELLANEOUS REPORTING REQUIREMENTS.

(a) HOUSING AVAILABILITY.—(1) Not later than one year after the date of the enactment of this Act, the Secretary of Defense shall submit to Congress a report on the availability and affordability of off-base housing for members of the Armed Forces and their families.

(2) The report shall—

(A) examine the availability of affordable housing for each pay grade and for all geographic areas within the United States and for appropriate overseas locations; and

(B) examine the relocation assistance provided by the Department of Defense incident to a permanent change of station by a member of the Armed Forces in locating housing at the member's new duty station and in disposing of housing at the member's old duty station.

(b) NEED FOR ASSISTANCE TO DEPENDENTS ENTERING NEW SECONDARY SCHOOLS.—Not later than one year after the date of the enactment of this Act, the Secretary of Defense shall submit to Congress a report recommending administrative and legislative action to assist families of members of the Armed Forces making a permanent change of station so that a dependent child who transfers between secondary schools with different graduation requirements is not subjected to unnecessary disruptions in education or inequitable, unduly burdensome, or duplicative education requirements.

SEC. 1013. EFFECTIVE DATE.

This title shall take effect on October 1, 1985.

Mrs. SCHROEDER (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN pro tempore. Is there objection on the request of the gentlewoman from Colorado?

There was no objection.

Mrs. SCHROEDER. Mr. Chairman, there seems to be some concern by the full committee chairman, and I yield to him at this moment for a parliamentary inquiry.

PARLIAMENTARY INQUIRY

Mr. ASPIN. Mr. Chairman, let me ask the Chair, on a parliamentary inquiry, if we take up this matter at this time, which creates a new title X, as I understand it, do we shut off debate on title X?

The CHAIRMAN pro tempore. Title X in the bill will still be open. This amendment creates a new title on page 166 prior to title X, and not following title X.

Mr. ASPIN. I thank the Chair.

Mrs. SCHROEDER. Mr. Chairman, I consider this amendment to be as important as many of the provisions of titles I and II concerning procurement and research. That is because this amendment provides for the maintenance and effectiveness of our most important military asset, our fighting men and women. This amendment lifts some of the burden off the shoulders of our military personnel by making life somewhat more tolerable for their families.

Life is not easy for military families. They are moved from place to place every 2 or 3 years. Kids attend four or five different schools before they graduate high school. Spouses find it difficult to find employment and virtually impossible to find jobs which have pensions and promotion opportunities. Military pay is often not enough to rent decent housing and fill the table. Permanent changes in duty station involve numerous incidental expenses which the military does not pick up.

My amendment creates a new title X which provides a wide range of remedies for the problems faced by military families. Some of the provisions of title X are picked up from section 1041 of the reported bill. The committee is to be congratulated for including as much profamily language as it did. Some of the provisions of this title are new.

Among the provisions in my amendment are:

Creation of a central focus in the Department of Defense to coordinate and improve programs for military families. This new office, the Office of Family Policy, will report to us on what more needs to be done.

Elimination of a couple of procedural barriers to better knowing the needs of military families. One section waives the requirement for OMB approval of surveys of military families and another section allows family members to serve on DOD committees, without placing such committees under the Advisory Committee Act.

Easing the way that spouses can get jobs. The amendment ensures that spouses know of vacant civil service positions and are able to apply for them. Further, the amendment encourages the President to remove overseas DOD positions from the competitive service so that spouses can be appointed noncompetitively to these positions. Also, the amendment requires that nonappropriated fund facilities give preference to dependents. I consider this section to be the most crucial one of the entire title. Jobs for spouses is the best way I know to improve morale.

New emphasis on finding ways to help youths adjust to new homes due to relocations.

Lifting the restriction on DOD paying for student travel within the United States. This restriction was added in an appropriations bill to save money. I think the military kids ought to have the same student travel benefits as civil service or foreign service kids. I hope such a discriminatory appropriations limitation is not again passed.

Encouraging DOD to use relocation assistance to help families forced to relocate and requiring DOD to report on what kind of advice it gives to families forced to relocate. A little information about the new community, the availability of housing, schools, and the like would go a long way.

Lowering the cost of hookup charges for home trailers at DOD-owned trailer parks.

Reducing the cost of housing at unaccompanied personnel housing facilities incident to permanent changes in duty station or temporary duty assignments.

Reducing the cost of food at messes for low ranking enlisted personnel and their families.

Subsidizing the cost of food at overseas DOD child care centers to the same extent that the Department of Agriculture subsidizes such facilities in the United States.

Studying the feasibility of DOD serving overseas in the role that States do in the Food Stamp Program, so that eligible military families can get food stamps.

Requiring the Secretary of Defense to ask States to report incidents of child abuse on base. This parallels provisions of the Child Abuse Prevention and Treatment Act.

These and other provisions of the amendment will go a long way in making life better for military families. I urge support for the amendment.

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentlewoman from Colorado [Mrs. SCHROEDER].

The amendment was agreed to.

AMENDMENT OFFERED BY MR. ROBERT F. SMITH

Mr. ROBERT F. SMITH. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. ROBERT F. SMITH: At the end of part C of title X (page 176, after line 8) add the following new section:

SEC. 1024. REPORT AND DEMONSTRATION PROJECT CONCERNING THE SALE OF CERTAIN UNITED STATES MEAT IN MILITARY COMMISSARIES OVERSEAS.

(a) FEASIBILITY STUDY AND DEMONSTRATION PROJECT.—The Secretary of Defense shall study the feasibility of providing beef, pork and lamb produced in the United States for sale in American Military Forces' commissaries located overseas in volumes equivalent to beef, pork and lamb secured for sale from non-United States producers.

Such study—

(1) shall be carried out in consultation with the Secretary of Agriculture; and

(2) shall include a demonstration project in which beef, pork and lamb produced in the United States shall be stocked in three commissaries on Air Force bases in Europe and in three commissaries located on Army bases in Europe for a six month period in volumes equivalent to beef, pork and lamb secured for sale from non-United States producers; such U.S.-produced products shall, to the best of the Secretary's ability, be made available at consumer prices which are competitive when compared with non-United States' produced red meat products offered for sale in the commissary system.

(b) REPORT.—Not later than one year after the date of the enactment of this Act, the Secretary of Defense shall submit to Congress a report on the results of such study and the findings and conclusions of the Secretary under such study. Such report shall include any views provided by the Secretary of Agriculture.

Mr. ROBERT F. SMITH (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Oregon?

There was no objection.

Mr. ROBERT F. SMITH. Mr. Chairman, colleagues, I rise today to offer an amendment to title 10 of this bill which is straightforward in both its language and intent. It would provide a 6-month demonstration period during which U.S. military families in Europe will be given the opportunity to buy American-produced red meat in selected commissary systems in Europe.

I was surprised to learn that, even though U.S. troop-feeding facilities use 100-percent American products, overseas commissaries, particularly those in Europe offer for sale only locally produced meat, from communities that are near the installation. The families of American servicemen can't even buy good ol' American hamburger.

Certainly, one of the primary reasons we have commissaries overseas in the first place is to provide our troops and their families with a quality of living that approaches—as close as possible—the lifestyle we have asked them to leave in the United States.

From a comparative quality standpoint, asking the spouse and children of our GI's to endure the clearly inferior beef, pork, and lamb of European providers, in my mind, denies them a comparable lifestyle.

The second advantage provided by the commissary system is, without question, the price advantage. In the past, the difficulty in shipping fresh U.S. meat to Europe—and more recently, the high comparative value of the dollar in Europe, coupled with enormous European community subsidies for the meat industry—have U.S. product prices less competitive.

One of the primary reasons for conducting a pilot program now is to allow us to test some of the technological advances that have been made in meat packaging and shipping in recent years. Logistical problems that made the sale of American red meat in Europe cost prohibitive just a few years ago appear to be conquerable today.

Newly developed (cryogenically sealed) containers, in fact, are already being used to ship fresh meat to areas where the domestic beef supply is not as readily available for the military. Military families stationed in the Pacific, for instance, are expected to purchase in excess of 6 million pounds shipped under this method each year.

Now, in all honesty there are reasons other than the dining pleasure of American military families overseas that make this test a valid one.

Red meat producers in the United States are one of the few non-Government-supported elements in the business of agriculture. They like it that way. This amendment won't change that status.

As such, unless you have red meat producers in your own district, you probably haven't heard much about the problems encountered in that industry. But the fact is that red meat producers are vulnerable to the same crises in farm financing and market pressure that have disabled so many crop farmers.

Today, red meat prices are low and supplies are high. Increased sales of American-made beef, pork, and lamb can help sustain the market for these producers. At the same time, increased commissary purchases to facilitate this amendment will take advantage of this period of plentiful supply and low cost.

My amendment would provide a 6-month test, during which U.S.-produced beef, pork, and lamb would be made available in three European Air Force commissaries and three European Army commissaries, in supplies equivalent to red meats produced by the foreign host.

It is my hope that technological advances will enhance that test by allowing prices of those higher quality products to be competitive.

The amendment directs the Secretary to report findings to the Congress 1 year from enactment.

Though he could not join me at the moment, I know this amendment has the full support of my colleague from Montana [Mr. MARLENEE], a senior member of the Agiculture Committee. In fact, he has encountered a possible violation of DOD regulations in regard to the importation of Yugoslavian hams for use in military commissaries here in the United States. The DOD has been slow in providing an adequate explanation of this problem.

Mr. MARLENEE agrees with me that our military men and women ought to be guaranteed access to fresh American meats in the United States and overseas, and he urges our colleagues to support this amendment.

It is first a way we can improve the quality of life for those Americans who have accepted the hardships of being away from home to serve their Nation.

Second, it is an opportunity to bolster an industry of independent agricultural producers in this Nation by relying on the forces of a free market, and without embroiling this Government in another costly, never-ending program of supports for critical product.

Finally, it will test technological advances that—if successful—can add even greater depth to the one positive line on America's balance of trade ledger: The export of our farm and ranch products.

I appreciate the opportunity to present this amendment. I urge my colleagues to approve it without hesitation.

Mr. ASPIN. Mr. Chairman, will the gentleman yield?

Mr. ROBERT F. SMITH. I yield to the gentleman from Wisconsin.

Mr. ASPIN. Mr. Chairman, so far as I know, this amendment is all right, and we accept the amendment.

Mr. HILLIS. Mr. Chairman, if the gentleman will yield, we accept the amendment on this side.

Mr. SKELTON. Mr. Chairman, will the gentleman yield?

Mr. ROBERT F. SMITH. I yield to the gentleman from Missouri.

Mr. SKELTON. Mr. Chairman, I think this is a very important item for us to look at. We, as you know, produce the finest red meats in the world. It is a matter of concern to those producers. I know I represent a number of them, and throughout the Midwest we have a number of red meat people who have asked this very question, and the gentleman's study will help answer the question as to why our military does not participate more fully.

Mr. ROBERT F. SMITH. I thank the gentleman.

Mr. Chairman, I also want to express my appreciation to the gentleman from Virginia [Mr. DANIEL], without whose assistance this amendment likely would not be here, and I want to thank him publicly.

The CHAIRMAN pro tempore. The queston is on the amendment offered by the gentleman from Oregon [Mr. ROBERT F. SMITH].

The amendment was agreed to.

□ 1310

AMENDMENT OFFERED BY MR. NICHOLS

Mr. NICHOLS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. NICHOLS: At the end of title X (page 200, after line 4) add the following new sections:

SEC 1050. TECHNICAL CORRECTIONS TO FEDERAL PROCUREMENT LAW.

(a) SIMPLIFICATION OF PROCEDURES FOR CERTAIN NONCOMPETITIVE PURCHASES.—(1) The second sentence of section 2304(f)(2) of title 10, United States Code, is amended to read as follows: "The justification and approval required by paragraph (1) is not required—

"(A) When a statute expressly requires that the procurement be made from a specified source;

"(B) when the agency's need is for a brand-name commercial item for authorized resale;

"(C) in the case of a procurement permitted by subsection (c)(7); or

"(D) in the case of a procurement conducted under (i) the Act of June 25, 1983 (41 U.S.C. 46 et seq.), popularly referred to as the Wagner-O'Day Act, or (ii) section 8(a) of the Small Business Act (15 U.S.C. 637(a)).".

(2) The second sentence of section 303(f)(2) of the Federal Property and Administrative Services Act of 1949 (41 U.S.C. 253(f)(2)) is amended to read as follows: "The justification and approval required by paragraph (1) is not required—

"(A) when a statute expressly requires that the procurement be made from a specified source;

"(B) when the agencies need is for a brand-name commercial item for authorized resale;

"(C) in the case of a procurement permitted by subsection (c)(7); or

"(D) in the case of a procurement conducted under (i) the Act of June 25, 1938 (41 U.S.C. 46 et seq.), popularly referred to as the Wagner-O'Day Act, or (ii) section 8(a) of the Small Business Act (15 U.S.C. 637(a).".

(b) NATO MUTUAL SUPPORT PROCUREMENT.—Section 2323(b) of chapter 138 of title 10, United States Code, is amended by striking out "section 2304(g)" and inserting in lieu thereof "section 2304(a)".

(c) ADP PROCUREMENT.—Section 111 of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 759) is amended by adding at the end thereof the following new subsection:

"(i) The justifications and approvals required by section 303(f)(1) of this act shall apply in the case of any procurement under this section for which the minimum needs are so restrictive that only one manufacturer is capable of satisfying such needs. such procurement includes either a sole source procurement or a procurement by specific make and model. Such justification and approval shall be required notwithstanding that more than one bid or offer is made or that the procurement obtains price competition and such procurement shall be treated as a procurement using procedures other than competitive procedures for purposes of section 19(b) of the Office of Federal Procurement Policy Act (41 U.S.C. 417(b)).".

(d) CLARIFICATION OF REGULATIONS CONCERNING TECHNICAL DATA.—(1) Section 2320(a)(1) of title 10, United States Code is amended by striking out "the technical data" and inserting in lieu thereof "the item or process to which the technical data pertains".

(2) Section 21(c)(1) of the Office of Federal Procurement Policy Act (41 U.S.C. 418a(c)(1)) is amended by striking out "the technical data" and inserting in lieu thereof

"the item or process to which the technical data pertains".

(3) The second sentence of section 301(c) of the Office of Federal Procurement Policy Act (41 U.S.C. 418a note) is amended by striking out "July 1, 1985" and inserting in lieu thereof "October 19, 1985".

(e) EFFECTIVE DATE.—The amendments made by subsections (a), (b), and (c) shall take effect as if included in the enactment of the Competition in Contracting Act of 1984 (title VII of division B of Public Law 98-369).

SEC. 803. CLERICAL AMENDMENTS TO FEDERAL PROCUREMENT LAW.

(a) DEFENSE PROCUREMENT LAW.—Chapter 138 of title 10, United States Code, is amended as follows:

(1) Sections 2321, 2322, 2323 (as amended by section 802), 2324, 2325, 2426, 2327, and 2328 are redesignated as sections 2341 through 2348, respectively.

(2) Section 2329 is repealed.

(3) Sections 2330 and 2331 are redesignated as sections 2349 and 2350, respectively.

(4) Sections 2341 and 2342 (as so redesignated) are amended by striking out "section 2323" and inserting in lieu thereof "section 2343".

(5) Section 2323 (as so redesignated) is amended—

(A) by striking out "section 2321" b[illegible] places it appears and inserting in lieu thereof "section 2341"; and

(B) by striking out "section 2322" both places it appears and inserting in lieu thereof "section 2342".

(6) The table of sections at the beginning of such chapter is amended—

(A) by striking out the item relating to section 2329; and

(B) by redesignating the remaining items in the table to reflect the redesignations made by paragraphs (1) and (3).

(b) CONFORMING AMENDMENT.—Section 2213(e)(2) of such title is amended by striking out "section 2331" and inserting in lieu thereof "section 2350".

(c) CIVILIAN AGENCY PROCUREMENT.—Federal Property and Administrative Services Act of 1949 is amended as follows:

(1) Section 111(h)(3)(A) (40 U.S.C. 759(h)(3)(A)) is amended by striking out "Board" and inserting in lieu thereof "board".

(2) Section 303(f)(1)(C) (41 U.S.C. 253(f)(1)(C)) is amended by striking out "Any" and inserting in lieu thereof "any".

(3) Section 303(g)(1) (41 U.S.C. 253(g)(1) is amended by inserting a comma after "1984".

(4)(A) Sections 303D, 303E, 303F, 303G, and 303H (as added by title II of the Small Business and Federal Procurement Competition Enhancement Act of 1984 (Public Law 98-577)) are redesignated as sections 303C, 303D, 303E, 303F, and 303G, respectively.

(B) The items relating to those sections in the table of contents for such Act are redesignated to reflect the redesignations by subparagraph (A).

(d) MILITARY AND CIVILIAN PROCUREMENT.—Section 3551(1) of title 31, United States Code, is amended by striking out "executive agency" and inserting in lieu thereof "Federal agency".

SEC. 804. CHARGES FOR SOLICITATION PACKAGES.

(a) TEST PROGRAM.—Not later than 120 days after the date of the enactment of this Act, the Secretary of Defense shall establish a test program in each military department and in the Defense Logistics Agency under which persons requesting a solicitation package shall be required to pay a fee for a copy of such package. Any such fee may not exceed the actual cost to the Government of duplicating the package.

(b) REPORT.—Before the test program required by subsection (a) is implemented, the Secretary shall report to Congress on how the program will be carried out.

Mr. NICHOLS. Mr. Chairman, the purpose of this amendment is to make minor changes to the Competition in Contracting Act to correct typographical and clerical errors, to exempt from the requirement to justify sole source procurements those purchases of brand-name commercial items purchased for resale in commissaries and ships stores, and to preserve an exception to title 10 U.S.C. 2304 contained in the NATO Mutual Support Act. It is printed in the RECORD of June 20, on H4668.

The Competition in Contracting Act of 1984 created for the first time a clear statutory requirement that all purchases be made through the use of full and open competition. There are, however, several provisions authorizing the use of less than full and open competition, one of which is for brand-name commercial items for authorized resale. This is to allow the commissaries and ships stores to buy Crest toothpaste, Hunts catsup, and so forth, to allow buyers a choice and let the products compete on the store shelf. However, the act neglected to exempt the Defense Department from the requirement to justify in writing the use of this exemption. Thus, the Defense Department is required to justify in writing approximately 20,000 purchases per year, even though it is clearly recognized that the purchases are necessarily for a particular product.

This amendment would exmept them from the justification requirement for these purchases only. In addition, this amendment corrects a citation in the NATO Mutual Support Act which, prior to the Competition and Contracting Act, exempted certain NATO purchases from the statutory requirement of 10 U.S.C. 2304(g) to obtain, under the negotiated method of contracting proposals from the maximum number of sources.

The NATO Mutual Support Act chapter 138 of title 10 of the United States Code provides authority for the Department of Defense to acquire, on an expedited basis, logistics support, supplies, and services for U.S. Armed Forces in Europe from governments of NATO countries and NATO subsidiary bodies. Logistics support includes such items as food, billeting, transportation, petroleum, oil, lodging, clothing, communications services, and so forth.

CICA deleted section 2304(g) and substituted a new provision in its place that relates to special simplified procedures for small purchases without passing an amendment to the NATO Mutual Support Act to conform it to the Competition in Contracting Act. The amendment includes a conforming provision which would amend 10 U.S.C. 2323(b) by deleting "2304(g)" and substituting therefore "2304(a)." This amendment would reestablish the exemption authority under the NATO Mutual Support Act to essentially what it provided prior to the CICA.

Mr. Chairman, I want to thank the chairman of the Committee on Government Operations, the gentleman from Texas [Mr. BROOKS], for his assistance and his cooperation. We have cleared this with him and he may wish to make a floor statement next week on this subject.

In addition, there are several clerical amendments which are necessary. I believe this amendment is noncontroversial, and I hope that the committee will accept it.

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentleman from Alabama [Mr. NICHOLS].

The amendment was agreed to.

AMENDMENTS OFFERED BY MR. WALKER

Mr. WALKER. Mr. Chairman, I have an amendment at the desk, and I ask unanimous consent for consideration of the amendment notwithstanding the fact that it has not been printed in the RECORD.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The Clerk read as follows:

Amendment offered by Mr. WALKER: In Title 10, add the following new section:

"Sec. ——. The Commander-in-Chief is authorized to undertake actions to protect United States Armed Forces personnel against terrorist activity through:

(a) The use of such anti-terrorism measures as may be necessary to prevent the loss of lives of United States Armed Forces personnel and,

(b) The use of such counter-terrorism measures as may be appropriate against those persons identified as being responsible for the loss of lives of United States Armed Forces personnel."

Mr. WALKER (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. WALKER. Mr. Chairman, this is a bill which takes the implicit authority that the Commander in Chief has to react against terrorism directed against our troops, and says he is specifically authorized to take antiterrorism and counterterrorism measures to protect the lives of U.S. armed services personnel. It would basically authorize that which is implicit and make it specific.

The CHAIRMAN pro tempore. The question is on the amendment offered

by the gentleman from Pennsylvania [Mr. WALKER].

The amendment was agreed to.

AMENDMENT OFFERED BY MR. ASPIN

Mr. ASPIN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. ASPIN: Page 166, after line 4, add the following new section (and redesignate section 1001 as section 1002):

SEC. 1001. TRANSFER AUTHORITY.

(a) AUTHORITY OF TRANSFER AUTHORIZATIONS.—(1) Upon determination by the Secretary of Defense that such action is necessary in the national interest, the Secretary may transfer amounts of authorizations made available to the Department of Defense in this Act between any such authorizations (or any subdivisions thereof). Amounts of authorizations so transferred shall be merged with and be available for the same purpose as the authorization to which transferred.

(2) The total amount of authorizations that the Secretary of Defense may transfer under the authority of this section may not exceed $2,000,000,000.

(b) LIMITATIONS.—The authority provided by this section to transfer authorizations—

(1) may only be used to provide authority for items that have a higher priority than the items from which authority is transferred; and

(2) may not be used to provide authority for an item that has been denied authorization by Congress.

(c) NOTICE TO CONGRESS.—The Secretary of Defense shall promptly notify Congress of transfers made under the authority of this section.

Mr. ASPIN (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. ASPIN. Mr. Chairman, the amendment that I am offering was inadvertently omitted from the bill during committee markup. It is identical to the provisions included in the 1985 Defense Authorization Act. The amendment would provide the legal basis for the reprogramming process which we use subject to the usual limitations.

I ask for the approval of the amendment.

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentleman from Wisconsin.

The amendment was agreed to.

AMENDMENT OFFERED BY MR. RAY

Mr. RAY. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. RAY:

At the end of title X (page 200, after line 4) insert the following new section:

SEC. 1050. DEFENSE INDUSTRIAL BASE FOR TEXTILE AND APPAREL PRODUCTS.

(a) CAPABILITY OF DOMESTIC TEXTILE AND APPAREL INDUSTRIAL BASE.—The Secretary of Defense shall monitor the capability of the domestic textile and apparel industrial base to support defense mobilization requirements.

(b) ANNUAL REPORT.—The Secretary shall submit to Congress not later than April 1 of each of the five years beginning with 1986 a report on the status of such industrial base. Each such report shall include—

(1) an identification of textile and apparel mobilization requirements of the Department of Defense that cannot be satisfied on a timely basis by the domestic industries;

(2) an assessment of the effect any inadequacy in the textile and apparel industrial base would have on a defense mobilization; and

(3) recommendations for ways to alleviate any inadequacy in such industrial base that the Secretary considers critical to defense mobilization requirements.

Mr. RAY (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. RAY. Mr. Chairman, I rise today to focus the attention of this body on a problem which may affect this Nation's ability to mobilize rapidly in time of national emergency; and to suggest something that we can do about that problem.

As everyone in this Chamber knows, our domestic textile industry has suffered greatly over the past few years because of a flood of cheap foreign imports. I am concerned that the continuing onslaught of imports will so shrink the domestic textile and apparel industries that they will no longer be able to support defense mobilization.

Therefore, I am offering this amendment which requires the Secretary to report to Congress on the status of the textile and apparel industrial base. Reports will be required not later than April 1 for each of the next 5 years beginning in 1986. The reports will address: One, textile and apparel mobilization requirements that can not be satisfied on a timely basis by the domestic industries; two, the effect any inadequacy in the textile and apparel industrial base would have on defense mobilization; and three, recommendations for ways to alleviate any critical inadequacies in the industrial base.

The textile and apparel industries are responsible for essential military items such as uniforms, a wide assortment of protective clothing and equipment, parachutes, tents, webbing, etc. although these items may not sound as exotic as some of our modern weapons, shortages of combat essential clothing and textile items can be just as critical as munitions shortages.

Troublesome shortages have occurred in the past, prompting a huge clothing price increase during World War II and causing curtailment of inductions at one point in the Korean conflict.

Even though textile items will be needed early in the mobilization process, the DOD has only filled about 18 percent of their war reserve requirements for these items. This limited stockpile means that we are placing heavy reliance on the ability of the domestic textile and apparel industries to quickly satisfy mobilization requirements.

Yet, there is increasing evidence that these industries are in jeopardy.

For the period 1981 to 1984, textile product imports surged ahead at a 19.3-percent compound annual growth rate. By the end of 1984, apparel imports were supplying 38 percent of the U.S. market.

Although precise estimates are not available, everyone forecasting in this area predicts continuing import growth. Industry experts state that if imports grow by as much as 15 percent annually, the U.S. apparel industry will be essentially eliminated by 1992. At a more conservative 8 percent growth rate, the industry would still be largely eliminated by the year 2000. Even lower growth rates, over similar time periods, will take the industry below the level needed to support defense mobilization.

Evidence of declining capabilities is already available. Employment in the apparel and related products industries declined from 1.478 million workers in 1973 to 1.201 million in 1984.

The DOD already has to import up to $5 million of textile items annually because of the nonavailability of American sources. Imports include critical items such as material for chemical protective suits.

Since the next 5 years will be a critical period for the textile and apparel industries, I believe Congress and military planners must closely monitor the industrial base and be prepared to take the actions needed to preserve our mobilization capability.

Finally, Mr. Chairman, there should be very little cost associated with my amendment, since the Department of Defense already has in place a mechanism which is accumulating the data that is necessary to make these reports. My amendment simply requires DOD to focus on the textile and apparel industries and report to Congress annually.

We need to make sure that we are kept fully informed on developments in this area. For that reason, I urge support of this amendment.

Mr. STRATTON. Mr. Chairman, will the gentleman yield?

Mr. RAY. I yield to the gentleman from New York.

Mr. STRATTON. Mr. Chairman, I would say to the gentleman that we have had an opportunity on this side

of the aisle to examine the amendment, and we have no objection to it.

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentleman from Georgia [Mr. RAY].

The amendment was agreed to.

AMENDMENT OFFERED BY MR. KRAMER

Mr. KRAMER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. KRAMER: At the end of part B of title X (page 172, after line 20), add the following new section:

SEC. 1016. DATES FOR INITIAL OPERATIONAL CAPABILITY FOR AIR FORCE SHUTTLE OPERATIONS AND PLANNING COMPLEX.

(a) PRIORITY FOR ACHIEVING SPECIFIED IOCs.—The Secretary of the Air Force shall place the highest priority on meeting the following initial operational capability (IOC) dates for a fully capable Shuttle Operations and Planning Complex (SOPC) of the Consolidated Space Operations Center (CSOC):

(1) July 1987 for mission planning.

(2) January 1992 for mission readiness (including astronaut training).

(3) November 1992 for mission control.

(b) REPORT.—No later than December 31, 1985, the Secretary shall submit to the Committees on Armed Services of the Senate and House of Representatives a report on how the IOC dates set forth in subsection (a) will be met.

Mr. KRAMER (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Colorado?

There was no objection.

Mr. KRAMER. Mr. Chairman, I rise to offer an amendment to the Department of Defense authorization bill for fiscal year 1986 that would, in effect, incorporate the Armed Services Committee's report language regarding the Air Force's Shuttle Operations and Planning Complex—or SOPC—into title X of the bill.

My amendment would require the Air Force to put top priority on meeting initial operational capability dates leading to a fully operational SOPC at the Consolidated Space Operations Center in Colorado Springs by late 1992. This would serve to keep the SOPC Program on schedule according to long-established plans. Under my amendment, the Air Force would have to report to Congress no later than December 31, 1985, how it will meet the requirements of the amendment.

A fully capable SOPC is vital to our military space operations. Fully one-third of all shuttle missions will be national security missions, most of a highly sensitive nature. It is essential that the Department of Defense have a secure and fully military-controlled planning and control facility for these missions.

As our military presence in space grows, the need for an ability to give central, coordinated direction to all military space missions—manned and unmanned—will grow apace. And it is my firm conviction that such a command and control capability will become absolutely critical in the very near future.

The future of our Nation's security and the peace and security of the world lies in space. My amendment is intended to help assure that we will have the means to make that future an age of peace and security for all.

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentleman from Colorado [Mr. KRAMER].

The amendment was agreed to.

AMENDMENT OFFERED BY MS. MIKULSKI

Ms. MIKULSKI. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Ms. MIKULSKI: At the end of the bill add the following new section:

SEC. . No merchant vessel which is committed to the foreign trade of the United States and the plans and specifications of which have been approved by the Secretary of the Navy as suitable for economical and speedy conversion into a naval or military auxiliary, or otherwise suitable for use by the United States Government in time of war or national emergency, shall be released from any commitments entered into with the United States Government unless the Secretary of the Navy determines that such release shall not reduce the number of militarily useful liquid bulk carriers readily available to the United States in time of war or national emergency.

Ms. MIKULSKI (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN pro tempore. Is there objection to the request of the gentlewoman from Maryland?

There was no objection.

Ms. MIKULSKI. Mr. Chairman, I would like to offer an amendment to H.R. 1872, the fiscal 1986 Defense Authorization Act, which would give the Secretary of the Navy an effective veto over the transfer of a vessel built with Government subsidy into the domestic trade.

The House unanimously approved an amendment identical to this measure during last year's debate on the Defense Authorization Act.

I am offering this amendment because of my concern for our domestic merchant marine fleet. As the Armed Services Committee has noted in recent years, the Maritime Administration has stopped new domestic ship construction and maintenance of our shipbuilding base.

As part of the defense authorization last year, Congress approved the establishment of a Commission on Merchant Marine and Defense.

This bipartisan group will study problems related to our Nation's sealift and shipbuilding capacity, including our merchant marine fleet's current inability to provide adequate transportation for cargo and personnel in time of war or national emergency.

MARAD has eliminated the Construction Differential Subsidy [CDS] Program and has strongly advocated permitting construction of U.S.-flag vessels in foreign yards.

Today the domestic merchant marine faces yet another and equally serious threat. The Secretary of Transportation has promulgated a rule to allow all tankers built with subsidy to enter the domestic trade upon repayment of their construction subsidy.

On numerous occasions the Department of Defense has said that the adoption of the rule would drive small- and medium-size tankers out of business.

And yet, it is these very tankers which the Department considers to be the most important for military use. The adoption of the DOT rule would transfer to the Department of Defense the additional expense of trying to buy up these tankers to save them for the national defense.

The U.S.-flag fleet is sharply divided into two sectors:

An unsubsidized fleet which has the privilege of operating in the coastwise trade;

And a subsidized fleet which is limited to the foreign trade of the United States.

Section 506 of the 1936 Merchant Marine Act, as amended, is the centerpiece of this statutory scheme. It permits the Secretary of Transportation to pay subsidies for the construction of vessels to compete in the foreign trade of the United States.

The subsidy is designed to allow those vessels to compete with foreign-flag vessels built at lower cost in foreign yards.

By the same token, subsidized vessels are not allowed to compete with the unsubsidized operators in the domestic trade, who shoulder virtually the entire capital costs of construction.

A policy of unrestricted admission of subsidized vessels upon repayment of CDS could permit as many as 4 million additional tons of tankers to enter a domestic trade of approximately 6 million tons.

The adverse effect on rates would be profound, leading to extensive layups and scrapping of vessels, especially the independent tankers.

In addition to driving out modern large tonnage, the admission of large-subsidized tankers would require the scrapping of small- and medium-size tankers.

The Navy has made it clear that these handy-size tankers are precisely the best suited for military transportation purposes in the event of an outbreak of hostilities.

By contrast, the larger and less maneuverable subsidized tankers are not suited for military purposes.

Finally, the overtonnaging in the domestic tanker industry caused by this rule would virtually eliminate any domestic tanker ship construction for the foreseeable future. If this occurs, more U.S. shipyards will be forced to close, a futher erosion of our Nation's shipyard mobilization base.

The Armed Services Committee has indicated its growing concern on the decline in our shipyard mobilization base by requesting in H.R. 1872 that the Navy report on the adequacy of our shipyard base. It is incumbent on us not to permit a rule to go through which may further erode our shipyard base.

My amendment would bar the transfer of CDS vessels to the coastwide trade unless the Secretary of the Navy determines that the transfer will not adversely affect the national security.

Under my amendment, the Secretary of the Navy's approval would be necessary before any vessel could be transferred where it might drive out a vessel important for defense.

This is consistent with existing law, which requires the approval of the Secretary of the Navy for the construction of any vessel with a Government subsidy. It is, in my judgment, appropriate that the Secretary of the Navy have an effective veto over a decision with such implications for national defense.

I am pleased that the chairman of the Armed Services Committee, my friend and colleagues, Representative ASPIN, and the distinguished chairman of the Armed Services Subcommittee on Seapower, Representative CHARLES BENNETT, support this amendment.

I urge my colleagues to join them and support this amendment as well.

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentlewoman from Maryland [Ms. MIKULSKI].

The amendment was agreed to.

AMENDMENT OFFERED BY MR. DE LAY

Mr. DELAY. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. DELAY: Add the following section to the end of title X (page 200, after line 4):

SEC. 1050. CONDITIONS ON THE PROCUREMENT OF ALCOHOLIC BEVERAGES ON MILITARY INSTALLATIONS.

(a) IN GENERAL.—Section 2683 of title 10, United States Code, is amended—

(1) by striking out "section" in subsection (b) and inserting in lieu thereof "subsection (a)"; and

(2) by adding the following new subsection at the end thereof:

"(c)(1) The Secretary of Defense shall provide that alcoholic beverages procured by the Department of Defense (including its nonappropriated fund instrumentalities) with appropriated or nonappropriated funds for resale on a military installation located in any State shall be procured in the State in which the installation is located.

"(2) Not later than one year after the date of enactment of this subsection, the Secretary shall transmit a report to the Congress concerning the implementation of this subsection.

"(3) As used in this subsection, 'State' means each of the several States and the District of Columbia."

(b) CONFORMING AMENDMENT.—Section 6 of the 1951 Amendments to the Universal Military Training and Service Act (50 U.S.C. App. 473) is amended by striking out "The" in the first sentence and inserting in lieu thereof "Subject to section 2683 of title 10, United States Code, the".

(c) TECHNICAL AMENDMENTS.—(1) The section heading for section 2683(c) of title 10, United States Code, is amended to read as follows:

"§ 2683. Relinquishment of legislative jurisdiction; conditions on procurement of alcoholic beverages.

(2) The item for section 2683 in the table of sections at the beginning of chapter 159 of such title is amended to read as follows:

"2683. Reliquishment of legislative jurisdiction; conditions on procurement of alcoholic beverages."

Mr. DELAY (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. DELAY. Mr. Chairman, this is a very simple amendment that applies to the procurement of alcoholic beverages on the bases, and that they procure alcoholic beverages from the State in which the base is located.

Mr. Chairman, there is no public policy reason for persons in the military to purchase or consume alcoholic beverages at less than market prices. Furthermore, there is no public policy reason for alcoholic beverages to find their way into the civilian market place at prices cheaper than local merchants can provide them.

In much of this Defense authorization bill we have been dealing with matters vital to the peace of our Nation. However, in this case we are simply dealing with cheaper alcohol on military bases. I, for one, do not want to encourage our soldiers to drink, especially in light of the severe penalties the military levies against them if they are caught while driving under the influence.

It is above all not my intention to require military installations to attain any sort of license. However, it is my intent to serve public policy best by requiring both appropriated and nonappropriated fund instrumentalities to purchase alcohol from local sources.

I view this amendment as a minor fair market adjustment in this massive bill.

I have discussed the amendment with the leadership of the Armed Services Committee, especially the Morale, Welfare, and Recreation Panel of that committee. I thank especially Mr. DANIEL and Mr. WHITEHURST for their support. As far as I know there is no opposition to this amendment and I ask for its immediate adoption.

Mr. DANIEL. Mr. Chairman, will the gentleman yield?

Mr. DELAY. I yield to the gentleman from Virginia.

Mr. DANIEL. I thank the gentleman.

Mr. Chairman, I just want to say that we have no objection to the gentleman's amendment.

Mr. DICKS. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I would like to know about this amendment. Does this apply to bases internationally as well?

Mr. DELAY. If the gentleman would yield, the answer is no; this is only for the Continental United States.

Mr. DICKS. What does it require?

Mr. DELAY. It just requires that those alcoholic beverages that are bought from the States will be bought from the States that the bases are located in.

Mr. DICKS. So they have to buy it from the State liquor system in that State; they cannot buy if from a national source?

Mr. DELAY. From the wholesalers in the State, that is right.

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentleman from Texas [Mr. DELAY].

The amendment was agreed to.

AMENDMENT OFFERED BY MR. SPRATT

Mr. SPRATT. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. SPRATT: Page 167, strike out line 13.

Page 168, lines 6 and 7, strike out "in the same format and".

Page 168, line 14, strike out "report that" and all that follows through line 17 and insert in lieu thereof "report that—

"(i) is in the full-scale engineering development stage or has completed that stage; and

"(ii) was first included in a Selected Acquisition Report for a quarter after the first quarter of fiscal year 1985;".

Page 168, line 20, strike out the period and insert in lieu thereof "; and".

Page 168, after line 20, insert the following:

"(C) production information for each major defense acquisition program included in the report, including (with respect to each such program)—

"(i) specification of the baseline production rate for each year of production of the program, defined as the production rate for each fiscal year through completion of procurement assumed in the decision to proceed with production (commonly referred to as the "Milestone III" decision);

"(ii) specification of the production rate for each fiscal year through completion of procurement assumed in the cost-effectiveness analysis prepared in conjunction with the decision to proceed with full-scale engineering development (commonly referred as the "Milestone II" decision);

"(iii) specification of the maximum production rate for each year of production under the program, defined as the production rate for each fiscal year through completion of procurement attainable with the facilities and tooling currently programmed to be available for procurement under the program or otherwise provided by Government funds;

"(iv) specification of the current production rate for each year of production, defined as the production rate for the fiscal year during which the report is submitted and the annual production rate currently programmed for each subsequent fiscal year through completion of procurement, based on the President's Budget for the following fiscal year;

"(v) estimation of any cost variance—

"(I) between the program acquisition unit cost at the current production rate specified under clause (iv) and the program acquisition unit cost at the baseline production rate specified under clause (i); and

"(II) between the total program cost at the current production rate specified under clause (iv) and the total program cost at the baseline production rate specified under clause (i);

"(vi) estimation of any cost variance—

"(I) between the program acquisition unit cost at the current production rate specified under clause (iv) and the program acquisition unit cost at the maximum production rate specified under clause (iii); and

"(II) between the total program cost at the current production rate specified under clause (iv) and the total program cost at the maximum production rate specified under clause (iii); and

"(vii) estimation of any schedule or delivery variance—

"(I) between total quantities assumed in the baseline production rate specified under clause (i) and the current production rate specified under clause (iv); and

"(II) total quantities assumed in the maximum production rate specified under clause (iii) and the current production rate specified under clause (iv).

Page 168, strike out line 24 and all that follows through line 8 on page 169.

Mr. SPRATT (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

Mr. SPRATT. Mr. Chairman, I have another amendment at the desk, and I ask unanimous consent that it be considered en bloc with my prior amendment. It is an amendment printed at page H4544 in yesterday's CONGRESSIONAL RECORD.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

The CHAIRMAN pro tempore. The Clerk will report the additional amendment.

The Clerk read as follows:

Amendment offered by Mr. SPRATT: Page 167, after line 10, insert the following new section:

SEC. 1002. REVISIONS TO FIVE-YEAR DEFENSE PLAN.

(a) REVISED PLANS.—The Secretary of Defense shall submit to Congress a report containing—

(1) an adjusted five-year defense plan for fiscal year 1986 through fiscal year 1990 in which the total amount of new budget authority proposed for the Department of Defense for each fiscal year is not more than three percent over the amount of new budget authority proposed for that Department for the previous fiscal year, adjusted for the official inflation projection for that year; and

(2) a second five-year defense plan for those years in which the total amount of new budget authority proposed for the Department of Defense for each fiscal year is not more than the amount of new budget authority proposed for that Department for the previous fiscal year, adjusted for the official inflation projection for that year.

(b) MATTERS TO BE INCLUDED.—The plans included in the report under subsection (a) shall include the following:

(1) A single amount for the amount of new budget authority proposed for each appropriation account of the Department of Defense, except that for the procurement appropriation accounts, the amount of such new budget authority shall be shown at the budget-activity level.

(2) The annual procurement plan for each of the five years for each major defense acquisition program, as defined in section 139a(a) of title 10, United States Code.

(c) DEADLINE FOR SUBMISSION.—The report required by subsection (a) shall be submitted not later than 90 days after the date of the enactment of this Act.

Mr. SPRATT (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

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Mr. SPRATT. Mr. Chairman, the Defense authorization bill, reported by our committee, includes provisions that relate to the selected acquisition reports [SAR's]. The selected acquisition reports [SAR's] are variance reports. Their aim is to take each major weapons system being developed or acquired, and to fix baselines for program cost and program schedule, and to select criteria for technical performance; and then as the system is developed and produced, to measure actual program cost, actual delivery schedule, and demonstrated performance against what was promised or represented when we decided to spend significant sums of money on it. The SAR's are for Congress, and to some extent for DOD, a management reporting system. Indeed, the SAR's are our only means of measuring systematically and periodically what we are actually paying and what we are actually getting, against what we were promised.

The SAR's don't tell us all we need to know; and in form and content they still leave room for improvement. Last year, DOD undertook to streamline the SAR's. They issued a new instruction for preparing SAR's. The end result was a shorter SAR, but not a better SAR. In fact, it's a much less useful SAR. In an attempt to shorten the report, the new SAR omits basic information, information that any Member would find useful if he went to a SAR to find out more about a certain weapon system, information such as a description of the system, its mission, major subcontractors, and related programs. The Pentagon says that can be supplied from other sources, and that's true; but why not integrate into the SAR, as it has been for the last 15 years.

The new SAR's also drop any reference to DCP thresholds that have been breached. Those are major decisions regarding cost and performance reached between the program office and the Department of Defense. When they are breached, shouldn't our variance system report the variance? As to cost, schedule, and technical performance, the new SAR drops what should be the most important baseline: The approved program baseline.

Heretofore, the SAR has broken out major program elements. As to aircraft, for example, the old SAR's would set out airframe cost, engine cost, and the cost of avionics. The new SAR's simply lump those costs together; there is no way to tell from the report whether an overrun is occurring in the airframe, in the engine, or in the avionics.

The old SAR's gave us a page of information about the initial contract price, comparing it to the current contract—which is useful information when there are follow-on buys. The new SAR omits it, and also omits the current contract ceiling price, even though that is the price the Government may ultimately be liable for.

The Defense authorization bill, as amended in the Armed Services Committee, says, in effect, these changes in the SAR are not improvements; they make the SAR much less useful; and we want to go back to the SAR system of reporting that existed before DOD's last revisions. The bill before us now also requires DOD to resubmit all of its SAR's due as of December 31, 1984, within 30 days, after enactment. My amendment would delete the resubmission requirement. By the time the new reports were submitted, the information would be stale, and SAR's for next year would already be in process. However, DOD

has agreed that in return for deletion of this requirement, they will cooperate with the Congressional Budget Office, and will furnish CBO the data needed to complete their annual SAR study—which CBO cannot do with the pared-back SAR that DOD submitted this year. With that understanding, resubmission would be dropped by my amendment.

This SAR provisions now in the bill do not merely reinstate the previous SAR reporting system; they also add a new requirement, a requirement that DOD submit for each new system it would put into production a life-cycle cost analysis, comparing the system's life-cycle costs with antecedent systems and competitive alternatives.

In addition, my amendment would add another reporting requirement. The SAR provisions in our Defense authorization bill were not part of the Defense authorization bill reported by the Senate Armed Services Committee, but these provisions were added by amendment when the bill came to the floor of the other body. My amendment would incorporate in our bill an additional reporting requirement which the other body approved and incorporated in its bill though in redrafted language. My amendment would require that DOD specify in each SAR the baseline production rate, the rate of production assumed when the decision to proceed with production is made. And it would then require DOD to state the cost variance caused by production at different—usually lower—rates of production from the rates originally planned.

We are frequently told in our committee that a certain level of procurement—so many end units per year—is the optimal or most efficient level. At this level, unit costs are lowest. But it is seldom explained exactly how this particular level of efficiency is derived. This amendment would help us obtain that data.

More importantly, we are buying numerous weapons systems at levels of production below maximum efficiency. This amendment will allow us to know the increment, the extra price we are paying, for procurement at less than efficient rates of production, as to each major system, and in the aggregate for all major systems.

Mr. Chairman, this amendment will improve the SAR and the information we receive and act on in making major budget decisions. I urge its adoption.

Mr. Chairman, the second amendment I am offering today is quite simple. It requires the Department of Defense [DOD] to submit two reports updating the 5-year defense plan [FYDP] which was prepared in conjunction with the President's 1986 budget request.

One report would require an updated FYDP for the years 1986-90, based on an assumption of 3-percent real growth per year in the defense budget.

The second report would require an updated FYDP for these same years, but based on an assumption of inflationary growth only each year.

Mr. Chairman, I am not attempting to prophesy what level of growth in the defense budget Congress will approve over the next several years. Given the emphasis on reducing deficits, however, and the recent budget resolutions passed by the House and the Senate, I believe these two figures are likely to be the parameters within which defense will be budgeted in the near future.

The 5-year defense plan contained in the President's fiscal year 1986 budget assumes 6 percent real growth this year and 8 percent real growth over the subsequent 2 years. Given current budgetary constraints, these projections are unlikely to obtain. But these outyear projections, realistic or not, have an impact on programs we are approving.

We have asked DOD before to tell us where and what they would cut assuming a lower budget. But we never receive a complete response. These two FYDP's will tell us how DOD would adapt if they were required to budget to a lower bottom line, and a level that is realistic in today's fiscal environment.

Let me add that this amendment was introduced by Senator NUNN in the other body, and was approved with bipartisan support.

I urge support of this amendment.

Mr. STRATTON. Mr. Chairman, will the gentleman yield?

Mr. SPRATT. I yield to the gentleman from New York.

Mr. STRATTON. I thank the gentleman for yielding.

Mr. Chairman, we have examined the gentleman's amendments on this side of the aisle and we have no objection to them.

The CHAIRMAN pro tempore. The question is on the amendments offered by the gentleman from South Carolina.

The amendments were agreed to.

AMENDMENT OFFERED BY MR. BARNES

Mr. BARNES. Mr. Chairman, I offer an amendment which has been printed in the RECORD.

The Clerk read as follows:

Amendment offered by Mr. BARNES: Insert the following new section at the end of part C of title X (page 176, after line 8):

SEC. 1024. REPORT CONCERNING THE TESTING OF CHEMICAL WARFARE AGENTS.

The Secretary of Defense shall, within 90 days after the date of enactment of this Act, transmit a report to the Armed Services Committee of the Senate and House of Representatives describing the following matters concerning the testing of diluted or undiluted chemical warfare agents:

(1) the criteria and process used for selecting sites for such testing;

(2) the nature and extent of any consultation carried out with State and local officials before the site for such testing is selected;

(3) the consideration that is given to the proximity of residential dwelling units, schools, child care centers, nursing homes, hospitals, or other health care facilities to the testing site;

(4) whether an environmental impact statement should be required prior to the approval of a contract for such testing;

(5) any costs that may have to be incurred by the Federal Government to assist companies that carry out such testing to relocate to more isolated areas;

(6) the degree to which the Secretary estimates that such testing will increase or decrease;

(7) any recurring problems associated with such testing or the site selection process for such testing; and

(8) any changes in site selection process that are to be implemented by the Secretary or for which legislative action is necessary.

Mr. BARNES (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Maryland?

There was no objection.

Mr. BARNES. Mr. Chairman, I offer this amendment on behalf of myself and the gentlewoman from Maryland, Mrs. BYRON. The amendment is intended to deal with our concern that the Department of Defense lacks a policy with respect to where it contracts for testing of dangerous chemical warfare agents. The amendment requires the Department of Defense to report to the Armed Services Committees of the House and Senate within 90 days on a variety of issues relating to the testing of chemical warfare agents in facilities located close to schools, hospitals, nursing homes, health care facilities, day care centers, and in residential areas generally.

In my district, there is a private testing facility which has received several contracts from the Army for the testing of chemical warfare agents relating to their effects on clothing and other protective materials. The company is located in a building which shares space with unrelated business, and is approximately 150 feet from the grounds of an elementary school. The presence of the testing has generated substantial concern in the community, quite understandably.

What my amendment is intended to do is to obtain information on how the Department of Defense makes decisions on awarding such contracts, whether it takes into account the location of the testing facility, and how it handles relations with the State and local governments which have an in-

terest in knowing about the location and type of testing going on.

In correspondence with me, the Army has indicated that, in effect, it has no policy with regard to the location of the testing facility. The Army's interest is in ensuring that the interior of the testing facility and its manner of operation meet Army standards. The Army also says that it is the contractor's responsibility to meet any National Environmental Policy Act requirements for its facility. The contracting agency is also supposed to prepare a safety program which would ensure safe operation of the facility.

So as long as the interior of the facility meets certain requirements, it does not seem to matter to the Army where the testing of dangerous chemical warfare agents is conducted. I think that Congress needs to consider these issues, and decide whether a national policy is needed. Receipt of the report required by this amendment will be a first step in that direction.

Mr. STRATTON. Mr. Chairman, will the gentleman yield?

Mr. BARNES. I yield to the gentleman from New York.

Mr. STRATTON. I thank the gentleman for yielding.

Mr. Chairman, this amendment has been examined on this side of the aisle, and we have no objection to it.

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentleman from Maryland [Mr. BARNES].

The amendment was agreed to.

AMENDMENT OFFERED BY MR. COURTER

Mr. COURTER. Mr. Chairman, I offer the amendment.

The Clerk read as follows:

Amendment offered by Mr. COURTER: Page 176, after line 8, insert the following new section:

SEC. 1024. STUDY OF POINT DEFENSE FOR LAND-BASED STRATEGIC FORCES.

(a) REQUIREMENT FOR STUDY.—The Secretary of Defense shall conduct a study of the feasibility of providing a system of point defense for land-based strategic forces in order to reduce the vulnerability of such forces and to enhance strategic stability. The study shall particularly examine the application of research conducted under the Strategic Defense Initiative program to reducing this vulnerability.

(b) REPORT ON STUDY.—Not later than April 30, 1986, the Secretary shall submit to Congress a report describing the results of the study conducted under subsection (a) and containing such advice and recommendations with respect to the use of point defense for land-based strategic forces.

Mr. COURTER (during the reading). Mr. Chairman, I ask unanimous censent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from New Jersey?

Mr. DICKS. Mr. Chairman, reserving the right to object, I would like to have the gentleman describe what this amendment is before we object to dispensing with the reading of it.

Mr. COURTER. The amendment is a fairly straightforward one. It requires a study by the Department of Defense, given to the Congress, by April 30, 1986. That study will review the feasibility of the deployment of a point defense on the land-based leg of our triad. It requires a study and no more.

As the gentleman knows, one of the great issues in the Congress, and properly so, is the vulnerability of the land-based leg of our triad. If the land-based leg of our triad is vulnerable to a first strike, that obviously decreases deterrence, which is one of the reasons that people are arguing that we should cap the deployment of MX missiles, one of the reasons we are considering the research and development of the small ICBM, which would achieve that invulnerability by mobility.

The purpose of the amendment is to have basically the Office of SDI and the Air Force talk to each other and report to the Congress as to the feasibility of that type of a program.

Mr. DICKS. Further reserving the right to object, let me ask the gentleman this: Is it not part of the assignment of the Strategic Defense Office now to study the question of point defense, along with the other concepts of strategic defense?

Mr. COURTER. If the gentleman will yield, they will be doing the research and development on all sorts of defense, obviously the 3 or 4 layers, the boost phase, a midcourse phase and point defense.

The point here is that I would like a report to find out about the effectiveness of only a point defense, which is somewhat a unique question and is not one that the Office of SDI is supposed to answer. They are looking at the entire effect of a multilayered defense. I want them to focus in directly on point defense.

Mr. DICKS. Further reserving the right to object, this is just a report.

Mr. COURTER. May I continue, under your reservation?

Mr. DICKS. Yes.

Mr. COURTER. It could very well be, and in fact it might be probable, that a point defense that this Congress has talked about a number of times, is really not a feasible alternative because it may be that the Soviet Union could overwhelm a point defense. Then you get some views from the administration that are contrary to that from DOD.

I would like to have this study so we know what the position of the Department of Defense is on the deployment of only a point defense.

Mr. DICKS. Further reserving the right to object, it is true, is it not, that a point defense as conceived of by the gentleman would be a violation of the ABM agreement?

Mr. COURTER. If the gentleman would yield further, no, if is not, for 2 reasons. No. 1, it is a study, so it is not a violation of any treaty, and that will relieve the gentleman, I am quite sure.

No. 2, under the ABM Treaty, as the gentleman is very aware, we are permitted to deploy a point defense as long as we comply with the requirement of 100 launches, et cetera. We do not have one; the Soviet Union does. They have opted, obviously, to deploy theirs around Moscow. We may opt to deploy a point defense system around our land-based leg as long as it conforms to the restrictions in the ABM Treaty.

So even in a deployed mode, it is not a violation of the treaty.

Mr. DICKS. Further reserving the right to object, again, this is just a report. It does not have anything to do with arms control or any waiver of the ABM agreement.

Mr. COURTER. No, it does not; none whatsoever. It is just a report, so we would know.

Mr. DICKS. Mr. Chairman, I withdraw my reservation of objection.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from New Jersey to dispense with the reading of the amendment?

There was no objection.

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentleman from New Jersey [Mr. COURTER].

The amendment was agreed to.

REQUEST FOR CONSIDERATION OF AMENDMENT OUT OF ORDER

Mr. HERTEL of Michigan. Mr. Chairman, I ask unanimous consent to consider my amendment to title VIII out of order.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Michigan?

Mr. ASPIN. Mr. Chairman, I object.

The CHAIRMAN pro tempore. Objection is heard.

AMENDMENT OFFERED BY MR. PARRIS

Mr. PARRIS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. PARRIS: Add the following section at the end of title X (page 200, after line 4):

SEC. 1050. ESTABLISHMENT OF MINIMUM AGE WITH RESPECT TO THE PURCHASE AND CONSUMPTION OF ALCOHOLIC BEVERAGES ON MILITARY INSTALLATIONS.

(a) IN GENERAL.—Section 2683 of title 10, United States Code, is amended by adding the following new subsection at the end thereof:

"(c)(1) Except as provided in paragraphs (2) and (3), the minimum age, as defined in paragraph (4)(B), established by a State law shall be established and enforced as the minimum age on military installations located in that State.

"(2) In the case of any military installation located—

"(A) in more than one State; or

"(B) in one State but within 40 miles of another State, Mexico, or Canada,

the Secretary concerned may establish and enforce the minimum age established by the State law, Mexican law, or Canadian law, as the case may be, that has the lower minimum age.

(3)(A) The commanding officer of a military installation may grant temporary exemptions to the requirement of paragraph (1) if such officer determines that such exemption is justified by special circumstances, as defined in regulations by the Secretary of Defense.

"(B) Each commanding officer of each military installation shall submit a report every six months to the Secretary concerned containing a description of the nature, duration, and justification of each exemption made by such officer under subparagraph (A) during the six-month period immediately preceding the month in which the report is filed. The first such report shall be submitted no later than 300 days after the date of the enactment of this subsection.

"(C) Each report made pursuant to subparagraph (B) shall be transmitted by the Secretary concerned to the Secretary of Defense within 30 days after the receipt of such report.

"(D) As soon as practicable after receiving the first transmittal of reports from all of the Secretaries concerned under subparagraph (C), the Secretary of Defense shall transmit to the Congress a report containing—

"(i) the first report submitted by each Secretary concerned under subparagraph (C);

"(ii) the military installations affected by paragraph (2); and

"(iii) any information with respect to any administrative or other problem resulting from the application of the provisions of this subsection.

"(E) After the transmittal of the report under subparagraph (D), the Secretary of Defense shall transmit reports under this subsection to Congress only when requested by the Chairman and ranking minority member of either the Committee on Armed Services of the Senate or the House of Representatives.

"(4) As used in this subsection:

"(A) 'State' means each of the several States and the District of Columbia; and

"(B) 'minimum age' means the minimum age or ages established for persons who may purchase, possess, or consume alcoholic beverages.".

"(b) CONFORMING AMENDMENTS.—(1) Section 2683(b) of such title is amended by striking out "section" in subsection (b) and inserting in lieu thereof "subsection (a)".

"(2) Section 6 of the 1951 Amendments to the Universal Military Training and Service Act (50 U.S.C. App. 473) is amended by striking out "The" in the first sentence and inserting in lieu thereof "Subject to section 2683 of title 10, United States Code, the ".

"(c) TECHNICAL AMENDMENTS.—(1) The section heading for section 2683(c) of title 10, United States Code, is amended to read as follows:

"§ 2683. Relinquishment of legislative jurisdiction; minimum age for the purchase and consumption of alcoholic beverages."

"(2) The item for section 2683 in the table of sections at the beginning of chapter 159 of such title is amended to read as follows:

"§ 2683. Relinquishment of legislative jurisdiction; minimum age for the purchase and consumption of alcoholic beverages."

"(d) EFFECTIVE DATE.—The amendments made by this section shall take effect 90 days after the date of the enactment of this Act.

Mr. PARRIS (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Virginia?

There was no objection.

Mr. PARRIS. Mr. Chairman, as we all have come to realize in the past several years, there is a horror which exists on the streets and highways of our Nation. That horror is drunk driving. Those responsible for this carnage are individuals who drink and then get behind the wheel of an automobile without any consideration given to the rights and safety of others on the road. Not one of us is safe from this menace.

This is a grassroots problem—one which can most effectively be dealt with at that level. However, leadership must be provided at the Federal and State levels. The administration and the Congress have begun this process by requiring that the States raise their respective minimum drinking ages to 21 by 1987. So far, 35 States have enacted this minimum drinking age requirement, and 15 States and the District of Columbia have not yet followed suit.

Mr. Chairman, I cannot understand the failure of these 15 States to enact legislation to establish this uniform drinking age. I cannot understand why the District of Columbia is refusing to move the legislation now before them. This matter cannot be reduced to a sagebrush rebellion issue in the West, or a revenue issue elsewhere. You simply cannot put that kind of a price tag on the lives of our youth. How can they deny that our future is dying out there on the highways.

As a result of the failure of certain States and the District of Columbia to adopt the uniform drinking age, there exist "blood borders" around the perimeter of these States. The blood borders, appropriately named, are the result of young people residing in one State driving to another State with a lower drinking age to consume alcohol. After imbibing, they then proceed to get back in the car and drive home—many times killing themselves and innocent people in the process. We have a serious blood border problem in Virginia and Maryland with our young citizens driving into the District, drinking heavily and driving home.

The amendment which we are now considering would require that the drinking age on military installations shall be the same as the minimum age established by the State in which the installation is located.

Because of the blood border problem, an exemption has been included in this amendment for installation located within 40 miles of another State, Mexico, Canada, or the District of Columbia, which has a lower drinking age. Of course, when a State raises its drinking age, the surrounding installations would lose their exemptions. While this is something I would prefer not to have, as long as these States and the District of Columbia refuse to raise their drinking ages, the blood border issue is one which we will have to deal with.

Another provision of this amendment provides the authority to the individual installation commanding officers to grant temporary exceptions to the drinking age requirement for special occasions as presently defined by Department of Defense regulations. Included under this definition are "unit functions" where the entire unit would be participating in an event or celebration such as the Marine Corps birthday or a Grenada-type victory celebration.

In order to prevent abuses of this provision, a strict reporting requirement has been included. The new section created by this amendment would become effective 90 days after the date of enactment. Beginning at the end of a 6-month period following the effective date, the commanding officers shall have no more than 30 days to file a report with the service Secretary concerned including detailed information as to the number of special occasion exemptions granted, their purpose and their duration. The commanding officers shall continue to make these reports every 6 months thereafter.

Upon receipt of the reports from the commanding officers, the individual service Secretaries shall have no more than 30 days to file a complete report with the Secretary of Defense. The Secretary of Defense shall then be required to file a similar report with the Congress for the first 6-month reporting period. Future reports will be provided to the Congress only upon request. Along with the above mentioned report, the Secretary of Defense shall include a list of installations exempted under the 40-mile rule, and any problems with the implementation of this new section.

Mr. Chairman, I believe this is a reasonable approach to a complex problem—a problem which cannot be solved with quick fixes. This is meant as a step in the right direction. The next step, in my judgment, is to ensure that each and every State, particularly the District of Columbia, adopt legislation toward the establishment of the

uniform drinking age. My message to them is: Let's stop playing politics with the lives of our young people. Just swallow hard, tighten your respective liquor-tax revenue belts, and take some action. The time is now.

This amendment has the support of the administration, the acceptance of the military, and has been cleared on both sides of the aisle. I urge its passage.

Mr. DANIEL. Mr. Chairman, will the gentleman yield?

Mr. PARRIS. I yield to the gentleman from Virginia.

Mr. DANIEL. I thank the gentleman for yielding.

Mr. Chairman, we have examined this amendment, and we have no objection on this side.

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentleman from Virginia [Mr. PARRIS].

The amendment was agreed to.

Mr. ASPIN. Mr. Chairman, I move to strike the last word.

I ask the Chair to re-recognize the gentleman from Michigan [Mr. HERTEL]. I objected to his amendment earlier. I thought he was talking about a different amendment, and I do not have any objection to this amendment.

The CHAIRMAN pro tempore. The Chair recognizes the gentleman from Michigan [Mr. HERTEL].

AMENDMENT OFFERED BY MR. HERTEL OF MICHIGAN

Mr. HERTEL of Michigan. Mr. Chairman I offer an amendment to title VIII, and I ask unanimous consent that it be considered out of order.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

The Clerk read as follows:

Amendment offered by Mr. HERTEL of Michigan: At the end of title VIII (page 143, after line 19) insert the following new section:

SEC. 802. GAO STUDY OF FEASIBILITY OF CIVILIAN DEFENSE ACQUISITION AGENCY.

(a) STUDY.—The Comptroller General shall carry out a study to review all available evidence, studies, reports, and analyses concerning the organizational structure for defense procurement.

(b) REPORT.—(1) After conducting such study, the Comptroller General shall submit to Congress a report containing the recommendations of the Comptroller General concerning the feasibility of the creation of an agency outside the Department of Defense with the mission to coordinate, supervise, direct, and perform all procurement functions for the Department of Defense. The recommendations of the Comptroller General shall include recommendations for the most efficient method to accomplish the transition of the performance of defense procurement functions from existing military procurement agencies to such an agency.

(2) The report required by paragraph (1) shall be submitted not later than one year after the date of the enactment of this Act.

Mr. HERTEL of Michigan (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. HERTEL of Michigan. Mr. Chairman, the amendment I offer today institutes a study of a civilian defense acquisition agency and recommendation on the most efficient way to accomplish the transition of this agency.

Continuing dissatisfaction with the way in which the U.S. Department of Defense carries out procurement programs has prompted Congress to consider alternative procedures. One of the ways in which a number of highly industrialized foreign countries differ from the United States is the degree of centralization of their military procurement organization. In other words, in the United States a major weapon system to be utilized by the Army, Navy, or Air Force is purchased by that military service; in a significant number of other countries, that procurement is done by a central agency which is organizationally independent of the three major services.

Great Britain is a country in which a substantial degree of centralization has taken place since the early 1970's and there are indications that a further reorganization, which is in the process of taking place, will result in additional centralization. Currently the procurement activities of the British Ministry of Defense are carried out by the Procurement Executive, which has responsibility not only over military equipment, but also over civilian aircraft.

France likewise has a central agency for military procurement, the Delegation Generale pour l'Armement—General Directorate for Armaments. The predecessor to this agency, which was France's first centralized organization for military procurement, was created in 1961, under the administration of General de Gaulle. The concept of the central agency was developed in recognition of the fact that procurement by the three military services resulted in substantial duplication. The feature of the French system which is apparently unique is the creation of an Armaments Directorate which is almost analogous to a fourth military service, in that it has its own uniform and its own military procurement schools.

In some ways, the process of centralization has gone farther in Canada than it has in any of the other countries studied: The Department of Supply and Services is responsible not only for the procurement of military equipment, but for purchasing for the entire Canadian Government. Centralization within the Canadian military began during World War II with the establishment of the Department of Munitions and Supplies. While that agency became largely dormant after the war, Canada's greater military responsibilities arising from the creation of NATO and the outbreak of the Korean war resulted in the creation in 1951 of the Department of Defense Production. This centralization of the procurement function was generally considered successful, and resulted in the establishment of the Department of Supply and Services, a decade later.

West Germany also has a centralized military procurement organization, which resulted from the recommendations of the 1971 report of the Federal Commission on Defense Procurement. The Commission was directed to recommend procedures which would produce greater cost-effectiveness, but which would also make the procurement process more responsive to the views of Parliament. While in West Germany, as in the other countries studied, centralization was designed to increase efficiency, there was the additional purpose of ensuring civilian control over the military.

In Sweden, military procurement is performed for the three military services by a central agency, the Forsvarets Materialverk—Defense Material Administration. The functions of this agency extend to the procurement of equipment not only for the military services, but also for the civil defense agency and civilian public health services. While there has already been considerable centralization of the procurement function, it seems likely that the trend will proceed even further within the next few years.

Not all countries have a central agency for military procurement—in Norway and Turkey, for example, the military services do their own procurement—but it seems nevertheless accurate to conclude that over the past 25 years there has been a trend toward centralization in the major industrialized countries of the West. For the most part, the purpose appears to have been to avoid duplication and promote economy in an era when the cost of weapon systems has escalated substantially. The additional purpose of ensuring civilian control has probably been of some significance in West Germany but less so in other countries. There is probably no way to prove that centralization has produced substantial cost savings. However, it may be regarded as significant that no country which has moved in the direction of centralization has seriously considered reversing this direction.

It is high time we begin to study new ways of conducting our defense procurement business.

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentleman from Michigan [Mr. HERTEL].

The amendment was agreed to.

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AMENDMENT OFFERED BY MR. BENNETT

Mr. BENNETT. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. BENNETT: Page 197, after line 8, insert the following new subsection:

(c) No reductions may be made before October 1, 1986, by the President in stockpile goals below those goals in effect on October 1, 1984, as established under authority provided by the Strategic and Critical Materials Stock Piling Act.

Mr. BENNETT. Mr. Chairman, the amendment I offer rescinds the President's authority, as provided by the Strategic and Critical Materials Stock Piling Act, to reduce the goals for materials in the national defense stockpile through fiscal year 1986. As one of the authors of the existing stockpile legislation and as a proponent of strong executive branch management of the stockpile, I regret the need for this amendment, but recent developments leave us no alternative.

It is my understanding that a 2-year study of the stockpile by the National Security Council will drastically reduce the stockpile goal levels. A similar stockpile goal study was completed in 1976 and approved by both the Ford and Carter administrations. That study resulted in the current goals which were then considered in the national security interest. There is at present a shortfall of approximately $7 billion between current stockpile goals and inventories. The national security of the United States should not be sacrificed to enhance the budget. It has taken us a long time to get the stockpile where it is today. Must we learn the lessons of the past again the hard way—at the time when we can least afford it?

The national defense stockpile is needed to protect our armed services and the supporting industrial base against shortfalls of critical materials in times of emergency. It is a hedge against disruptions of supplies of strategic and critical materials for which we are increasingly dependent on foreign sources. The Strategic and Critical Materials Stock Piling Act requires the President to establish stockpile goals sufficient to sustain the United States for a period of not less than 3 years in the event of a national emergency.

I am reminded of the 1973-75 period when another administration reduced the stockpile goal levels and tried to sell off the stockpile for economic reasons—to help in the fight against inflation. The concerns of Congress about the energy crisis and other materials shortages prompted the passage of the 1979 Strategic and Critical Materials Stock Piling Act which reaffirmed the need for a national defense stockpile. In addition, section 3(b)(1) of the act was directed at the abuses of stockpile disposal for budgetary purposes and I quote: "The purpose of the stockpile is to serve the interest of national defense only and is not to be used for economic or budgetary purposes."

Reductions in stockpile goals and materials disposals would also further weaken a declining U.S. mining industry, leaving it less capable of providing materials for the defense effort in a national emergency. Furthermore, within the perspective of the current defense establishment buildup, savings from stockpile sales would be minimal while the risk of not having the materials we need in an emergency could be disastrous.

The President and the Congress have the responsibility to insure the long-term national security interests and options to succeeding administrations and to the American people. Sacrificing this for short-term economic gain is irresponsible.

I urge your support of this amendment to maintain current stockpile goals until the administration can demonstrate that its proposed changes in stockpile goals are based primarily on national security considerations.

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentleman from Florida [Mr. BENNETT].

The amendment was agreed to.

AMENDMENT OFFERED BY MR. MONSON

Mr. MONSON. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. MONSON: At the end of title X (page 200, after line 4) add the following new section:

SEC. 1050. SALE OF CERTAIN RECORDINGS OF UNITED STATES AIR FORCE BAND.

(a) AUTHORIZED SALE.—Notwithstanding any other provision of law, the Secretary of the Air Force may produce recordings of the concert of the United States Air Force Band in Salt Lake City, Utah, on April 18 and 19, 1985, for commercial sale.

(b) AUTHORIZED CONTRACT.—The Secretary may enter into an appropriate contract, under such terms as the Secretary determines to be in the best interest of the Government, for the production and sale authorized by subsection (a).

Mr. MONSON (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Utah?

There was no objection.

Mr. MONSON. Mr. Chairman, I bring this amendment before the House today in order to provide a limited exception to an existing statute which prohibits our military bands from performing in commercial endeavors. The original intent of the statute was to prevent competition against private sector performing groups by moonlighting military musicians. This statute, however, is preventing the marketing of a recording by the Mormon Tabernacle Choir.

On April 18 and 19, this year, the choir held a concert in which the Air Force Band and the Singing Sergeants participated. This concert was recorded by CBS Masterworks, which has an exclusive recording contract with the choir. In order for this recording to be marketed this amendment is proposed in order to provide a one-time exemption from the existing statute in order to clarify the legal situation. The Department of Defense has indicated they have no objections to such legislation.

Mr. Chairman, there is another reason for proposing this amendment. CBS Masterworks, which also produced the U.S.A. for Africa "We are the World" recording for which they deserve sincere congratulations, has also agreed to donate 3 percent of the wholesale sales from this new recording to African relief as an additional humanitarian gesture. Any other funds received by the Air Force will be accrued to the general fund of the Treasury. I understand Mr. Chairman, that the distinguished managers of this bill have no objection to this amendment, and I urge its acceptance.

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentleman from Utah [Mr. MONSON].

The amendment was agreed to.

AMENDMENT OFFERED BY MR. STRATTON

Mr. STRATTON. Mr. Chairman. I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. STRATTON: Page 172, after line 20, add the following new section:

SEC. 1016. REVISION AND EXTENSION OF PROCUREMENT TECHNICAL ASSISTANCE COOPERATIVE AGREEMENT PROGRAM.

(a) IN GENERAL.—Chapter 142 of title 10, United States Code, is amended to read as follows:

CHAPTER 142—PROCUREMENT TECHNICAL ASSISTANCE COOPERATIVE AGREEMENT PROGRAM

"Sec.
"2411. Definitions.
"2412. Purposes.
"2413. Cooperative agreements.
"2414. Limitation.
"2415. Geographic distribution of assistance.
"2416. Amount of assistance.
"2417. Regulations

"§2411. Definitions

"In this chapter:

"(1) 'Eligible entity' means—

"(A) a State (as defined in section 6302(5) of title 31);

"(B) a local government (as defined in section 6302(2) of title 31); and

"(C) a private, nonprofit organization.

"(2) 'Distressed entity' means an eligible entity (within the meaning of paragraph (1)(B)) that—

"(A) has a per capita income of 80 percent or less of the State average; or

"(B) has an unemployment rate one percent greater than the national average for the most recent 24-month period for which statistics are available.

"(3) 'Secretary' means the Secretary of Defense acting through the Director of the Defense Logistics Agency.

"§ 2412. Purposes

"The purposes of the program authorized by this chapter are—

"(1) to increase assistance by the Department of Defense to eligible entities furnishing procurement technical assistance to business entities; and

"(2) to assist eligible entities in the payment of the costs of establishing and carrying out new procurement technical assistance programs and maintaining existing procurement technical assistance programs.

"§ 2413. Cooperative agreements

"(a) The Secretary, in accordance with the provisions of this chapter, may enter into cooperative agreements with eligible entities to carry out the purposes of this chapter.

"(b) Under any such cooperative agreement, the eligible entity shall agree to furnish procurement technical assistance to business entities and the Secretary shall agree to defray not more than one-half of the eligible entity's cost of furnishing such assistance, except that in the case of an eligible entity that is a distressed entity, the Secretary may agree to furnish more than one-half, but not more than three-fourths, of such cost.

"(c) In entering into cooperative agreements under subsection (a), the Secretary shall assure that at least one procurement technical assistance program is carried out in each Department of Defense contract administration services region during each fiscal year.

"§ 2414. Limitation

"The value of the assistance furnished by the Secretary to any eligible entity to carry out a procurement technical assistance program under a cooperative agreement under this chapter during any fiscal year may not exceed $150,000.

"§ 2415. Geographic distribution of assistance

"During each fiscal year, the Secretary shall initially allocate funds available for assistance under this chapter equally to each defense contract administration services region. If in any fiscal year there is an insufficient number of satisfactory proposals in a region for cooperative agreements to allow effective use of the funds allocated to that region, the funds remaining with respect to that region shall be reallocated among the remaining regions.

"§ 2416. Amount of assistance

"During each of fiscal years 1986 and 1987, assistance under this chapter may not exceed $7,500,000.

"§ 2417. Regulations

"The Secretary of Defense shall prescribe regulations to carry out this chapter.".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect on October 1, 1985.

Mr. STRATTON (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. STRATTON. Mr. Chairman, this amendment will provide for cooperative agreements to be made between the Department of Defense and the State and local governments and nonprofit organizations that provide technical assistance to firms that seek to bid for defense contracts for the Department of Defense to grant these organizations money to run such centers.

I believe this is a measure that would benefit us nationwide since at least one center in each defense contract administration service region would be chosen.

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentleman from New York [Mr. STRATTON].

The amendment was agreed to.

AMENDMENT OFFERED BY MR. DICKINSON

Mr. DICKINSON. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. DICKINSON: At the end of title X (page 200, after line 4) insert the following new section:

SEC. 1050. PROVISION OF GREEN SALT TO CONTRACTORS FOR PRODUCTION OF CONVENTIONAL AMMUNITION.

(a) IN GENERAL.—Chapter 433 of title 10, United States Code, is amended by adding at the end thereof the following new section:

"§ 4542. Conventional ammunition: loan of uranium tetrafluoride for production

"(a) Subject to subsection (b), the Secretary of the Army may provide uranium tetrafluoride (green salt) to a contractor for the production of conventional ammunition for the Army. Such uranium tetrafluoride shall be provided from stockpile materials available to the Secretary.

"(b) Any uranium tetrafluoride provided to a contractor under this section shall be provided as a loan subject to the contractor's agreement to repay to the United States an equivalent amount of uranium tetrafluoride at no cost to the United States.".

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by adding at the end thereof the following new item:

"4542. Conventional ammunition: loan of uranium tetrafluoride for production.".

Mr. DICKINSON (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Alabama?

There was no objection.

Mr. DICKINSON. Mr. Chairman, this amendment allows the Secretary of the Army to loan green salt to a contractor provided that the contractor returns an equivalent amount of green salt at no cost to the Government.

Green salt is uranium tetrafluoride used to produce antitank munitions. The U.S. Government has thousands of tons of depleted uranium but it is in the wrong form and cannot readily be turned into metal for weapons. The Army wants to preserve its dwindling reserves of green salt for national emergencies and therefore has forced the munitions makers to go to outside suppliers to turn uranium hexafluoride—Government furnished—into green salt. What has happened is that some suppliers are late and the Army will not get its antitank munitions on time. The Army is willing to lend green salt to the munitions makers as long as they pay it back when their suppliers deliver.

This is an innocuous amendment and the Army supports it. I ask my colleagues to support it.

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentleman from Alabama [Mr. DICKINSON].

The amendment was agreed to.

AMENDMENT OFFERED BY MR. BARNARD

Mr. BARNARD. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. BARNARD: At the end of title X (page 200, after line 4) add the following new section:

SEC. 1050. ARMED FORCES NATIONAL SCIENCE CENTER FOR COMMUNICATIONS AND ELECTRONICS.

(a) FINDINGS.—The Congress makes the following findings:

(1) Scientific and technological developments in communications and electronics are of particular importance to the United States in meeting its national security, industrial, and other needs.

(2) Enhanced training in the technical communications, electronics, and computer disciplines is necessary for a more efficient and effective military force.

(3) The Secretary of the Army, through the Training and Doctrine Command, is responsible for providing training to members of the Army.

(4) The Ninety-seventh Congress, in Senate Concurrent Resolution 130 of that Congress, encouraged the establishment within the United States of a national center dedicated to communications and electronics.

(5) The Secretary of the Army entered into a Memorandum of Understanding with the National Science Center for Communications and Electronics Foundation Incorporated, a nonprofit corporation of the State of Georgia, in which the Army and such foundation agreed to develop a science center for—

(A) the promotion of engineering principles and practices;

(B) the advancement of scientific education for careers in communications and electronics; and

(C) the portrayal of the communications, electronics, and computer arts.

(b) PURPOSE.—It is the purpose of this section—

(1) to recognize the relationship between the Army and the National Science Center for Communications and Electronics Foundation Incorporated (hereinafter in this section referred to as the "Foundation") for the development, construction, and operation of a national science center; and

(2) to authorize the Secretary of the Army (hereinafter in this section referred to as the "Secretary") to make available a suitable site for the construction of such a center, to accept title to the center facilities when constructed, and to provide for the management, operation, and maintenance of such a center after the transfer of title of the center to the Secretary.

(c) ARMED FORCES NATIONAL SCIENCE CENTER.—(1) Subject to paragraph (2), the Secretary may provide a suitable parcel of land at or near Fort Gordon, Georgia, for the construction by the Foundation of an Armed Forces National Science Center to meet the objectives expressed in subsection (a). Upon completion of the construction of the center, the Secretary may accept title to the center and may provide for the management, operation, and maintenance of the center.

(2) As a condition to making a parcel of land available to the Foundation for the construction of an Armed Forces National Science Center, the Secretary shall have the right to approve the design of the center, including all plans, specifications, contracts, sites, and materials to be used in the construction of such center and all rights-of-way, easements, and rights of ingress and egress for the center. The Secretary's approval of the design and plans shall be based on good business practices and accepted engineering principles, taking into consideration safety and other appropriate factors.

(d) GIFTS.—The Secretary may accept conditional or unconditional gifts made for the benefit of, or in connection with, the center.

(e) ADVISORY BOARD.—The Secretary may appoint an advisory board to advise the Secretary regarding the operation of the center in pursuit of the goals of the center described in subsection (a)(5). The Secretary may appoint to the advisory board such members of the Board of Directors of the Foundation as the Secretary considers appropriate. The Federal Advisory Committee Act (5 U.S.C. App.) shall not apply to the advisory board appointed under this subsection

(f) AVAILABILITY OF CENTER TO FOUNDATION.—Consistent with the mission of the armed forces and the efficient operation of the center, the Secretary may make facilities at the center available to the Foundation—

(1) for its corporate activities; and

(2) for such endeavors in the area of communications and electronics as the Secretary may consider appropriate.

(g) OTHER AUTHORIZED USES.—(1) The Secretary may make the center available to the public and to other departments and agencies of the Government for research and study and for public exhibitions. The Secretary may charge for such uses as he considers necessary and appropriate.

(2) Any money collected for the use of the facilities of the center shall be deposited to a special fund maintained by the Secretary for the maintenance and operation of the center. The Secretary shall require the Auditor General of the Army to audit the records of such fund at least once every two years and to report the results of the audits to the Secretary.

Mr. BARNARD (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. BARNARD. Mr. Chairman, my amendment would grant authority to the Secretary of the Army to accept and to operate a National Science Center for Communications and Electronics in order to promote, support, and supplement training in the fields of communications, electronics, science, and computer technology. This will be done in partnership with the National Science Center for Communications and Electronics Foundation, and the U.S. Army. As a partner with the Foundation, the Army will designate a suitable location at Fort Gordon for the facility and approve design and construction plans.

Recognizing the drastic need to combat this decline of education in those fields of science and mathematics, Congress adopted a concurrent resolution in 1982, supporting the establishment of a National Science Center for Communications and Electronics.

A nonprofit organization, The National Science Center for Communications and Electronics, was established to carry this congressional mandate. And, because of the vital need for high technological skills in our program for military readiness, the U.S. Army became a partner with the Foundation in this venture.

In a memorandum of understanding signed by the Foundation and the Secretary of the Army last July, this partnership was formalized with the joint mission to make a positive impact on the educational necessities on our students as well as our servicemembers.

Mr. Chairman, in a 1983 report, the National Science Board Commission on Pre-college Education in Mathematics, Science and Technology issued an alarming statement regarding education in the United States: "A nation that dramatically and boldly led the world into the age of technology is now failing to provide its citizens with the intellectual skills needed for the 21st century."

The United States has not anticipated the need to prepare its people for its future technological needs in the fields of science and mathematics. Other countries around the world far exceed us in meeting the needs for technological education and training. Our ability to understand, produce, and excel in highly advanced scientific fields is being threatened because of our lack of technologically trained manpower.

High school students in Japan and Western Europe study two to three times more science and math than the most science-oriented United States student.

Japan, with half the United States population, graduates nearly twice as many engineers; the U.S.S.R. has six times as many engineers.

Since 1963, industrial productivity has increased 197 percent in Japan—but only 39 percent in the United States.

Unlike foreign competitors, American companies have been unable to retrain employees who are displaced by advancing technology for new and more sophisticated jobs.

THERE IS A CHALLENGE HERE THAT MUST BE MET

The National Science Center for Communications and Electronics Foundation is drawing upon the partnership of industry, scientific, military, and academic communities to fund the design and construction of a Center which will be located at Fort Gordon, GA, the largest, most advanced training center in the free world for communications and electronics. Upon its completion, the center will be donated to the U.S. Army, to be used as a training site for both the communications and electronics industry and the national defense establishment.

This Center will be used on-site and through electronic extension to train the over 33,000 Army service members as well as students from the other services and 44 different nations who attend the U.S. Army Signal School at Fort Gordon. Through the planned computer-controlled telecommunications network, the capability will exist to provide education and training to active, reserve and National Guard personnel wherever they may be located in the United States.

Today's soldiers must be trained in the most advanced technological skills to meet the demands of operating our increasingly complex weapons and communications systems. This center will enable the Army to continue its work to develop programs that will provide that training.

This unique partnership between the Army and the private sector will touch our entire Nation. Together, they can effect our economic well-being by providing a center which will promote communication and electronic education and training. It will be accessible to private and public academic institutions, business and industry, and Government agencies through the telecommunications network.

I urge my colleagues to support this amendment and make a vital contribution toward alleviating our already limited manpower resources in the high technology areas of communications and electronics.

Mr. STRATTON. Mr. Chairman, will the gentleman yield to me?

Mr. BARNARD. I yield to the gentleman from New York.

Mr. STRATTON. Mr. Chairman, we on this side have had an opportunity to examine the gentleman's amendment. We have no objection to it. We regard it as a fine amendment.

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentleman from Georgia [Mr. BARNARD].

The amendment was agreed to.

AMENDMENT OFFERED BY MR. REGULA

Mr. REGULA. Mr. Chairman, I offer an amendment, and I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

The text of the amendment is as follows:

Amendment offered by Mr. REGULA: Page 172, after line 20, insert the following new section:

SEC. 1016. ESTABLISHMENT OF DEFENSE HEALTH AGENCY.

(a) IN GENERAL.—(1) Chapter 8 of title 10, United States Code, is amended by adding at the end thereof the following new section: "S. 193. Defense Health Agency

"(a) There is in the Department of Defense a Defense Health Agency. The medical health-care systems of the Army, Navy, Marine Corps, and Air Force, and the facilities and resources thereof, shall be administered in policy and operation solely by the Defense Health Agency.

"(b) The Office of the Assistant Secretary of Defense of Health Affairs shall organize, in conjunction with the Army, Navy, Marine Corps, and Air Force, the Defense Health Agency.

"(c) The Defense Health Agency shall function under the direction and control of the Assistant Secretary of Defense for Health Affairs. The Agency shall have sole authority and discretion over policy and operation of the medical health-care systems of the armed forces of the United States.

"(d) For the purposes of this section the Defense Health Agency shall be comprised of two offices, designated as the Office of Policy and Operation and the Defense Readiness Office. These Offices are authorized, and subject to, the individual responsibilities, powers, and limitations as set forth in this subsection. The Defense Health Agency shall proscribe and oversee the proper conduct of all functions delegated to the respective offices:

"(1) The Office of Policy and Operation shall be administered by the Assistant Secretary of Health Affairs. Said office shall administer the operation and policy of the health care delivery system; oversee and prescribe management information systems and perform statistical studies; control and allocate resources including the functions of accounting, budgeting, and cost containment; and administer research and development.

"(2) The Office of Defense Readiness shall be jointly administered by the Surgeons Generals of the Army, Navy, and Air Force. Said Office shall develop, implement, and assess policy regarding the readiness of the combat medical support in the operating and field forces; administer the policy and operation of health care delivery in field facilities in peacetime or war; supervise the training and development of health services personnel; administer service unique operational medical support; and prepare for necessary wartime medical mobilization.".

(b) REQUIREMENT OF LICENSURE FOR PHYSICIANS PROVIDING CLINICAL CARE.—(1) Chapter 55 of title 10, United States Code, is amended by adding at the end thereof the following new section:

"§ 1094. Licensure of physicians providing clinical care

"No individual may act, or be employed, by the United States government, as a physician to provide clinical care unless the individual has received State licensure to practice medicine and said individual has satisfied any education credentials which may be required by the Secretary of the Department of Health and Human Services.'.

Mr. REGULA. Mr. Chairman, this amendment would consolidate the three armed services' health care systems into a central entity known as the Defense Health Agency [DHA] controlled and directed by the Assistant Secretary of Defense for Health Affairs [OASD-HA] in conjunction with the Surgeons General. The provision of medical care to military service personnel and their dependents, the single major peacetime role, will be directed by the OASD while all military field medical units will be under the respective Surgeons General.

According to DOD and Grace Commission figures such an entity could save at least $225 million annually while improving health care delivery and medical preparedness.

A 2-year study of the military health care system was undertaken jointly by OMB, DOD, and HEW in 1973 at the direction of the President. The report on the study recommended, among other things, that "a central entity within DOD, serving as a coordinating mechanism for planning and allocating resources, should be established." More recently, a 1983 feasibility study released by the OASD-HA, the office responsible for coordinating the military health care system, found "a reasonably strong case for the Defense Health Agency" concept. In total, over 21 studies have been completed on this matter since 1949. All have recommended, in some form, the need for a organizational consolidation at the DOD level.

Problems exist with the quality and efficiency of care offered by the military system. Occupancy rates at many of their facilities are well below the rate considered appropriate for efficient operation despite their military uniqueness. Generally, private health care facilities consider an occupancy rate of 80 percent necessary for efficient operation. But 44 percent of the MHCS facilities run under a 50-percent capacity rate. The costs per patient associated with the operation of these underutilized facilities exceeds the cost per patient of operating consolidated facilities which have absorbed patients from other less efficient and smaller facilities. This is an excellent example of a situation where a central authority could direct and coordinate more effectively and efficiently.

The current graduate medical education programs are hindered by low utilization rates which block professional development. In an Institute of Medicine Report issued in 1981, "Graduate Medical Education and Military Medicine," a task force found that professional and technical shortages continue. Under centralized control, the DHA would have the capacity to concentrate health care teams at locations where specialized care is needed and coordinate education resources effectively.

Other problems are a persistent inability to collect claims from third party insurers; duplication in facility construction costs; and an inappropriate staff to bed ratio.

Perhaps, even more frightening than the waste of Federal tax dollars, is the questionable quality of care in many facilities. As noted in a February Reader's Digest article, numerous newspaper investigations—including the Washington Post—and network news programs such as 60 Minutes, military physicians have been found lacking the basic education and clinical credentials necessary to practice medicine. I emphasize that this is the exception. Our military has some of the finest practicing physicians in the world. But even one gross failure in selecting a qualified physician is unacceptable. Effective screening procedures must be implemented to prevent any future tragedies arising from medical fraud and incompetence. In my judgment, this amendment provides the mechanism to accomplish that end.

The situation has not gone unnoticed by DOD. Last October, a directive was issued which attempted to correct the problem through interagency policy changes. The effort has failed to provide the OASD with the necessary authority and direction. Administrative duplication and conflict continue on, wasting precious Federal resources, and perhaps, unnecessary physical injury. This amendment does not create a new bureaucracy within DOD. It consolidates the current system into a more efficient management structure.

The evidence is clear that greater coordination and cooperation between the military services' health systems is essential to effective management. A balance must be achieved which will

permit maximum benefit through standardizing and coordinating those similar or like functions and still retain the separate operational nature so essential to wartime operations. The history of military medical operations indicates that to achieve the desired degree of effectiveness will not be done by the military departments on their own.

Establishment of the DHA will centralize those necessary activities while retaining much of the decentralized characteristic of defense medical operations. I stress that this amendment does not affect the operation or delivery of services under CHAMPUS or the Veterans' Administration.

A catalyst is required. The time is long overdue. To date, 34 Members of Congress have joined as cosponsors in bipartisan support of this measure.

I would conclude by commending the gentleman from Oregon for his earlier amendment which requires minimum qualifications for physicians practicing within the military health care system. We owe the men and women who volunteer to serve in the military and assurance that the health care which they receive will be of the best quality and safety.

Mr. NICHOLS. Mr. Chairman, will the gentleman yield?

Mr. REGULA. I yield to the gentleman from Alabama.

Mr. NICHOLS. Mr. Chairman, let me say to the gentleman that I appreciate his efforts to improve the quality of health care of men and women in the armed services. I share his view. But having said that, I must oppose the amendment that is being offered, if for no other reason than the fact simply that the Congress has not had an opportunity to look into it and examine it carefully.

The gentleman from Ohio deserves the highest praise, and I share his concern.

For that reason, I wonder if the gentleman might be amenable to accepting a substitute which would in effect require the military to take a good look at this and to give us a report on it based on the recommendations of various people that have studied it. I have a substitute amendment at the desk.

Mr. DICKS. Mr. Chairman, will the gentleman yield?

Mr. NICHOLS. Certainly I yield to the gentleman from Washington.

The CHAIRMAN pro tempore. The Chair would point out that the gentleman from Ohio [Mr. REGULA] has the floor, and the gentleman from Alabama [Mr. NICHOLS] has a substitute amendment for the amendment. After the gentleman from Ohio yields the floor. The Clerk will report the substitute amendment of the gentleman from Alabama.

Mr. DICKS. Mr. Chairman, if the gentleman wants to offer his amendment first, then I will ask him a question at that point.

Mr. REGULA. Mr. Chairman, if I may proceed briefly first, I have examined the language of the substitute, and I think it would be very effective in getting attention focused on this matter and would result in giving the services an opportunity to suggest how we can best achieve this kind of consolidation.

This is a significant change, and it has long-term impacts. Therefore, I agree with the gentleman from Alabama that there should be some time spent in doing it effectively. What I had intended to do was focus attention on the problem, and I think the gentleman has done that very well with his substitute. I would be pleased to accept it as a substitute for the language that I have offered.

Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN pro tempore. The gentleman from Ohio [Mr. REGULA] yields back the balance of his time, and the gentleman from Alabama [Mr. NICHOLS] will now offer his substitute.

AMENDMENT OFFERED BY MR. NICHOLS AS A SUBSTITUTE FOR THE AMENDMENT OFFERED BY MR. REGULA

Mr. NICHOLS. Mr. Chairman, I offer an amendment as a substitute for the amendment.

The Clerk read as follows:

Amendment offered by Mr. NICHOLS as a substitute for the amendment offered by Mr. REGULA: At the end of part C of title X (page 176, after line 8) insert the following new section:

SEC. 1024. REPORT ON ORGANIZATIONAL STRUCTURE OF THE MILITARY HEALTH-CARE DELIVERY SYSTEM.

(a) REQUIREMENT FOR REPORT.—(1) The Secretary of Defense shall submit to Congress a report containing a plan for revising the organizational structure of the military health-care delivery system to accomplish the goals described in subsection (b). In addition to recommendations of the Secretary, the report shall contain an analysis and evaluation of the various alternatives for that organizational structure that have been proposed as well as such other measures as the Secretary considers appropriate.

(2) The report of the Secretary shall be prepared through the Office of the Assistant Secretary of Defense for Health Affairs.

(b) GOALS.—The goals referred to in subsection (a) are the following:

(1) Streamlining the process for allocation of resources of the military health care delivery system, including—

(A) integrating and coordinating the planning, programming, and budgeting of military medical facilities, equipment, and staffing; and

(B) adopting uniform budgeting procedures, uniform measures of workload, and other actions to improve operational efficiency (including the elimination of incentives to over-use of inpatient care).

(2) Improving the quality of medical care, including adoption of uniform, rigorous quality assurance standards and procedures to monitor the implementation of those standards.

(3) Reducing the cost of health care provided by the Department of Defense (in military medical facilities and under the Civilian Health and Medical Program of the Uniformed Services) through adoption or adaptation, where possible, of competitive strategies, cost containment innovations, or other techniques from the private sector.

(4) Enhancing medical readiness, including—

(A) improving joint medical readiness planning within the continental United States and overseas;

(B) standardizing combat medical equipment;

(C) standardizing the methodology used to determine the number of personnel, force structure, and speciality mix necessary to meet wartime medical manpower requirements; and

(D) redirecting graduate medical education programs to provide training in critical combat specialities.

(c) VIEWS OF OTHER DOD COMPONENTS.—The Secretary of each military department and the Joint Chiefs of Staff shall each carry out an independent study of the matters described in subsection (a). The report submitted under subsection (a) shall include the results of each such study. The study carried out by the Joint Chiefs of Staff shall include comments and contributions from the commanders of each of the unified and specified commands.

(d) DEADLINE FOR REPORT.—The report required by this section shall be submitted not later than 6 months after the date of the enactment of this Act.

Mr. NICHOLS (during the reading). Mr. Chairman, I ask unanimous consent that the substitute amendment be considered as read and printed in the RECORD.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Alabama?

Mr. DICKS. Mr. Chairman, reserving the right to object, I would like to hear the amendment if I could. I will not object, but will the gentleman describe again what he wants done by this? I think it is an important area, and I compliment the gentleman on his leadership on this issue.

Mr. NICHOLS. Mr. Chairman, will the gentleman yield?

Mr. DICKS. I yield to the gentleman from Alabama.

Mr. NICHOLS. Mr. Chairman, I appreciate the effort of the gentleman from Ohio [Mr. REGULA] to improve the delivery of health care to the men and women of the Armed Forces, their dependents, and other eligible recipients. And I share his view that the health related problems that have cropped up over the last several years may suggest that the present organization of the system should be reexamined.

That said, however, I must oppose the amendment being offered, if for no other reason than because the Committee on Armed Services has not had an opportunity to examine it carefully. Acknowledging that there are problems is one thing; moving to correct those problems through root and branch reorganization of the existing DOD health care structure with its

168 hospitals, 150,000 personnel, and 9 to 10 million beneficiaries is another. On an issue of this magnitude, responsible congressional action requires much closer examination of the question than my committee—or this body—has heretofore given it.

The gentleman from Ohio deserves the highest praise for calling attention to the health care issue with his amendment. And he will deserve a great deal of credit for whatever improvements in DOD health care eventually materialize. I hope he will accept, however, my substitute to his amendment that is intended to start the Department of Defense and Congress on the road to improving the DOD health care structure. The substitute would deliver the message that Congress insists that improvements be made in the Defense health care system.

The substitute recognizes that changes are needed to improve the system. It goes on to establish objectives that should be accomplished through those changes—streamlining the resource allocation process, improving the quality of medical care, reducing the cost of care, and enhancing medical readiness. It requires the Secretary of Defense to prepare a report, based upon recommendations from the various elements of the present structure, that includes a plan of action to achieve those specific objectives. The amendment further requires the Secretary to consider and evaluate in the report the various alternative structures that have been proposed over the years. These include the status quo—retaining the present structure but improving its performance; assigning an assistant secretary in each military department an additional responsibility for health affairs; strengthening the position of the Assistant Secretary of Defense for Health Affairs; a Defense Health Command; and a Defense Health Care Agency.

Once again, I want to commend the gentleman for his concern in his efforts to improve the health care system. Our only difference is in the manner by which we proceed to achieve that goal. I hope he will accept my substitute to his amendment.

□ 1330

Mr. DICKS. Mr. Chairman, further reserving the right to object, I think the gentleman's study is well targeted and it is the kind of thing that will produce a good result.

I am very concerned about what is going on in the quality of health care that is being provided at our military hospitals. I believe it is something that the Armed Services Committee should get into and should hold hearings on immediately.

I think there is a major problem with shortage of personnel at our key hospitals and because of that shortage of personnel we are seeing a vast increase in malpractice suits that are being brought. I am convinced that this increase is costing the taxpayers of this country an enormous amount of additional money. In fact, I think we could probably afford to have the additional nurses and the additional health care personnel in the hospitals as an offset to the amount of money we are paying out in malpractice suits.

I think this is an issue that deserves not only the attention of the Pentagon, but I would hope and urge that the Armed Services Committee would hold comprehensive hearings on this.

I have a hospital in my own district. We have had a number of serious problems. I am a strong supporter of the hospital. I think it is a good hospital, but I am told over and over again that we do not have adequate personnel to do the job.

So I would urge the committee to take a look at this.

I am trying to investigate it from the appropriations side. I would like to work with the committee on this, because I think it is something that cries out for attention.

Mr. Chairman, I withdraw my reservation of objection.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Alabama [Mr. NICHOLS] to dispense with the reading of the amendment?

There was no objection.

The CHAIRMAN pro tempore. The gentleman from Alabama [Mr. DICKINSON] is recognized for 5 minutes.

Mr. REGULA. Mr. Chairman, will the gentleman from Alabama yield to me?

Mr. NICHOLS. I yield to the gentleman from Ohio.

Mr. REGULA. Mr. Chairman, I thank the gentleman for yielding.

I would say to the gentleman from Washington [Mr. DICKS] that that is part of the purpose of my original amendment and of the substitute amendment offered by the gentleman from Alabama, and that is to say, let us use our money more carefully to get quality care and not so much in having duplication of services.

Obviously, when we have over 44 percent of the hospitals with less than 50 percent occupancy, there is a lot of money being spent in duplicative services that could be spent in improving the quality of care that the gentleman so eloquently described. That is really the objective of the amendment originally.

I think what the gentleman has said about focusing attention on this subject is certainly a point that is well taken. As reiterated by the gentleman from Alabama, and other Members in this House, every effort must be made to ensure that only qualified physicians enter the health care cadre of our Armed Forces. The health care of the military must not be compromised.

Mr. DICKS. Mr. Chairman, if the gentleman will yield to me, we would hope when this reporting is done we would focus on the question of adequacy of personnel. Do we have enough people manning these hospitals to provide the care that is necessary?

I have been told by the base commander of Madigan Hospital that he is operating at about 50 percent of the personnel that similar hospitals have on the outside. He says that we simply cannot provide the same quality of care if we do not have the people to do the job.

So I would hope that this would be part of this study as well.

Mr. HUNTER. Mr. Chairman, will the gentleman yield?

Mr. NICHOLS. I yield to the gentleman from California.

Mr. HUNTER. Mr. Chairman, I thank the gentleman for yielding.

Let me just reinforce the request that the gentleman from Washington made about investigating health care in our military hospitals.

I have heard our Channel 10 in San Diego recently did a story on an individual who performed several unnecessary vasectomies in the civilian sector and then went into the service sector and presently has a very high level job in overseeing surgery in a military hospital.

I have heard there are several other cases in this area and I would urge my chairman to hold those hearings and see if there are some questions to be addressed with regard to the adequacy of health care in our armed services.

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentleman from Alabama [Mr. NICHOLS], as a substitute for the amendment offered by the gentleman from Ohio [Mr. REGULA].

The amendment offered as a substitute for the amendment was agreed to.

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentleman from Ohio [Mr. REGULA], as amended.

The amendment, as amended, was agreed to.

AMENDMENT OFFERED BY MR. HUNTER

Mr. HUNTER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. HUNTER: At the end of part C of title X (page 176, after line 8), insert the following new section:

SEC. 1024. Report concerning Poseidon-class submarine to be dismantled.

The President shall submit to the Congress a report with respect to—

(1) the feasibility of transferring to the United Kingdom the ownership of any Poseidon-class submarine proposed to be dismantled; and

(2) if the transfer referred to in paragraph (1) is not feasible, the feasibility of converting any such submarine into an SSN-type submarine or SSGN-type submarine.

The report shall be submitted not later than thirty days after the date of the enactment of this act.

Mr. HUNTER (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. HUNTER. Mr. Chairman, let me simply say, this is an amendment that I offered earlier that restricted funds that would be used to dispense of the Poseidon class submarine, the *Sam Rayburn*, until the President could ascertain as to whether or not it was feasible to transfer that particular submarine to the United Kingdom, or alternately, to convert it into a cruise missile or an attack boat.

I have discussed this with the chairman and he is not reluctant to allow it to come up now, even though some Members are not here who might want to oppose the funding issue, if we deleted the funding issue.

Mr. Chairman, I ask unanimous consent that the amendment be considered under this title, even though it is not identical to the amendment that is printed in the RECORD.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from California?

Mr. ASPIN. Reserving the right to object, Mr. Chairman, I just wanted to confirm what the gentleman from California was saying. The gentleman and I discussed this.

It is now a study. It does not say, as did the original amendment, that no money can be used to dismantle the Poseidon until the study comes up. I thought that might be setting off a hornet's nest.

We are now asking for study of the various uses of what the Poseidon might be put to if it is no longer going to be a ballistic-missile-carrying submarine.

I know the gentleman from Washington has some other ideas and the gentleman may want to add to the study, but I believe that we can consider this amendment now without violating what we told other Members who are not here.

Mr. Chairman, I withdraw my reservation of objection.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from California [Mr. HUNTER]?

Mr. DICKS. Mr. Chairman, I will withhold my objection, but I reserve the right to object.

Mr. STRATTON. Mr. Chairman, will the gentleman yield?

Mr. DICKS. I yield to the gentleman from New York.

Mr. STRATTON. Mr. Chairman, I would like to ask the gentleman from California, if I could get his attention, as I indicated earlier in the discussion is it my understanding that the U.S.S. *Sam Rayburn* is the submarine that would have to be scrapped and turned into razor blades in the event of carrying out the commitment in connection with SALT II.

I would think that the gentleman should make a very strong point in his amendment to make certain that the House of Representatives does not permit the U.S.S. *Sam Rayburn* to become the one that has to be sacrificed to SALT II.

Mr. HUNTER. Mr. Chairman, I thank the gentleman. I think he has made a good point. The submarine, U.S.S. *Sam Rayburn*, has served this country well, as did the Speaker, Sam Rayburn. It is a very precious platform. We do not have many of them in this country and we need to consider in depth alternate uses before we go ahead and dismantle.

Mr. DICKS. Mr. Chairman, further reserving the right to object, I would very much like to have an opportunity to discuss this with my good friend and colleague for whom I have great respect and admiration. But I feel compelled to object, because I have something I want to talk to the gentleman about on this very subject. I will object at this point and we can come back to the amendment if we can work out an agreement. I am sorry to do that.

Mr. HUNTER. Mr. Chairman, if the gentleman will yield, I will be happy to accommodate my friend, the gentleman from Washington, if he wants to talk about it.

Mr. DICKS. Mr. Chairman, I object.

The CHAIRMAN. Objection is heard.

Are there any other amendments to title X?

Mr. DICKINSON. Mr. Chairman, I move to strike the last word.

Mr. DICKINSON. Mr. Chairman, I would like at this point to pay my compliments to the chairman and to all the members of the committee. We have come now to the end of this first week of dealing with this Department of Defense authorization bill. I think that we have made remarkable progress. If we consider the items that we have brought up and the items that have passed, normally without an agreement and without the ability of the chairman of the full committee to work with all factions, particularly on the Democratic side, the items which we have brought up and passed, the MX missile, the SDI, chemical weapons, normally these would take several days apiece. We probably would be 3 or 4 weeks on this defense bill, if the history of dealing with the defense authorization bill in the past were any guide or gauge.

□ 1350

I think we have done a remarkable job in getting this far through the bill. We are up to title X and we have only ten titles. We are at the position now where we can start off on Tuesday with the controversial amendments.

As the chairman pointed out when we were having a discussion this morning as to what we might anticipate, we have one big issue, so far as I know, to be debated before we get into the procurement issue, and that has to do with the ASAT or antisatellite weapons.

We went through this last year. We debated it at least 2 days, perhaps 3. We came to a conclusion.

We authorized the test of the ASAT and then, due to technical reasons, we were not able to test. We were supposed to test in the spring and we have not been able to have the test even yet.

So with the exception of that one amendment, next week I think will be devoted principally to procurement reform and everybody is interested in reform. Everybody realizes that we have a problem.

But I think that the concern expressed by the chairman this morning, everybody has an idea as to what is the best way to go about reform, everybody thinks, well, now we have a simple solution, and here we will just drop in this amendment to the point where at this point we have over 50 amendments pending that have been printed in the RECORD that are going to mandate or suggest ways that the Department of Defense and the administration should bring about reform so that we can avoid waste, fraud, and abuse.

No one on this floor is in favor of waste, fraud, and abuse. But when you start tampering with the machinery, when you start putting in fixes without even understanding the method of doing business, quite often you inadvertently, even though you are well intended, quite often you bring about more waste, fraud, or abuse than you attempted to correct.

So I would hope that this next week the Members would have a little self-restraint, that we would accept some guidance from the committee members who work at this every year, for many weeks, many days each year that are devoted to studying the problem and coming up with solutions.

We are not impotent. I think we are quite capable of managing our own affairs.

That is not to say that any amendment that would be submitted is not a

good amendment that should not be put into place. But the problem is that we have 50-odd Members, most of whom really have no background or expertise in the area. As a matter of fact, it was at my suggestion and urging that the President just recently empaneled a so-called Blue Ribbon Commission to be headed by David Packard, the former Deputy Secretary of Defense. It was for this specific purpose that the President empaneled this group, some 12 to 15 very good, able, prestigious people with very high integrity that I hope will restore the confidence of the American people in the process and in our ability to manage our own affairs.

I would hope that the Members would take this into consideration and not try to force on the Department of Defense and force on the administration ways of doing business, force on them some artificial code that they think will bring about morality, bring about efficiency, bring about buying a bigger ban for the buck.

I hope that there will be some moderation, some consideration given to the concerns of the committee.

AMENDMENT OFFERED BY MR. HUNTER

Mr. HUNTER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offer by Mr. HUNTER: At the end of part C of title X (page 176, after line 8), insert the following new section:

SEC. 1024. Report concerning Poseidon-class submarine to be dismantled.

The President shall submit to the Congress a report with respect to—

(1) The feasibility and legality of transferring to the United Kingdom the ownership of any Poseidon-class submarine proposed to be dismantled; and

(2) if the transfer referred to in paragraph (1) is not feasible, the feasibility of converting any such submarine into an SSN-type submarine or SSGN-type submarine.

(3) The feasibility of using the Poseidon-class submarine as a training platform.

The report shall be submitted not later than thirty days after the date of the enactment of this act.

Mr. HUNTER (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. HUNTER. Mr. Chairman, I have just had a discussion with my colleague from Washington [Mr. DICKS] who is concerned about a couple of things and I am going to have a colloquy with him. But we agreed to insert as a third feasibility that should be inspected by the administration the feasibility of using the Poseidon-class submarine as a training platform, as well as the feasibility of transferring to the United Kingdom or the feasibility of converting it into an SSN-type submarine or SSGN-type submarine.

Mr. DICKS. Mr. Chairman, will the gentleman yield?

Mr. HUNTER. I yield to my friend from Washington.

Mr. DICKS. I deeply appreciate the constructive and cooperative attitude of my friend from California, whom I hold in highest regard.

I would just like to say we added another word, feasibility and "legality" of transferring a Poseidon submarine to an ally, in this case maybe the British.

The reason I am concerned about this is that we are talking about the requirements under the SALT I and SALT II agreements to keep our total submarine force below a specific level, and our ballistic missile launchers below a specific number. My concern, and the reason I had a reservation was that you could see a situation where instead of dismantling submarines we give them to our allies, and they put them out on patrol, so the cumulative effect is we get more submarine-based ballistic missiles. Now, we could certainly see what the Russians might do under that same scenario. All of a sudden we could see 500 SS-18's in Poland and we would be told this is now the Polish independent strategic nuclear force.

So if we are going to maintain SALT II, and the President has agreed to maintain SALT II, we should consider legality. I personally have doubts about whether it is legal under the agreements to transfer the submarine without dismantling it.

But there may be the possibility of using it as an attack submarine, as a cruise missile submarine. But most importantly, there is the prospect of using it for a training submarine.

I have talked to the highest officials in the Navy in terms of the nuclear training. They say that they would love to have that submarine, assuming that we are going to abide by SALT II, for a training platform and that they can save the taxpayers about $800 million if they use it for that purpose instead of having to construct a new base.

I would hope that we take a look at it and I appreciate the gentleman amending his amendment, and appreciate his constructive approach.

Mr. HUNTER. I thank the gentleman for his involvement in this amendment. I think it is important to look at SALT II and to look at the question of whether or not this would be permissible under SALT II. So I have no problem with adding inspecting the legality also or the feasibility and legality of that proposed transfer.

So I think this is something that will force the administration to ask the question about what we are going to do with this class of Poseidon submarines as they come down the pike, as well as individual submarines like the *Sam Rayburn*, and I thank the gentleman, and I thank him for his contribution with regard to the use of the submarine as a training vessel also.

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentleman from California [Mr. HUNTER].

The amendment was agreed to.

AMENDMENT OFFERED BY MR. DICKINSON

Mr. DICKINSON. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. DICKINSON: Page 182, line 24, strike out "5924(4)(B) of title 5" and insert in lieu thereof "5924(4) of title 5".

Page 184, line 2, strike out "5924(4)(B) of title 5" and insert in lieu thereof "5924(4) of title 5".

Mr. DICKINSON (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Alabama?

There was no objection.

Mr. DICKINSON. Mr. Chairman, this amendment simply makes a technical correction in two citations appearing in section 1032, in order to preserve the current administration of benefits. It is not controversial but a technical amendment, and I urge its adoption.

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentleman from Alabama [Mr. DICKINSON].

The amendment was agreed to.

● Mr. DE LUGO. Mr. Chairman, I wholeheartedly support the amendment to title V of H.R. 1872, the Defense Department Authorization Act of fiscal year 1986, offered today by my distinguished colleague from California, that will eliminate the restrictions now imposed on the participation by resident alien and H-4 youngsters in the junior ROTC program. This amendment tracks the legislation which my colleague and I cosponsored and introduced earlier this year, H.R. 1439, and I would like to especially thank the chairman of the Armed Services Committee for his assistance with this amendment and for his understanding and concern that these restrictions are not in the best interests of the youngsters or the United States.

I am proud to report that all the high schools in the U.S. Virgin Islands have a junior reserve officers training program. This is an excellent program, very ably headed by Col. Gordon Green, U.S. Army, retired. We also have in the U.S. Virgin Islands a large resident alien population, and these young people are particularly enthusiastic about the junior ROTC program, despite the current restrictions on their participation. They constitute up

to 40 percent of some of our units, and given their enthusiasm and their strong allegiance it is patently unfair, and indeed unwise of the United States to deny these young people full participation.

The amendment offered today will upgrade these fine young people from auditors to full-fledged cadets by allowing them to receive uniforms and to count for enrollment, and thus protect the viability of their units.

I commend Colonel Green and Louis Shulterbrandt, our civilian aide to the U.S. Army, for their assistance on this, and I thank my colleague from California for his efforts on this amendment.●

The CHAIRMAN pro tempore. Before the gentleman from Wisconsin [Mr. ASPIN] makes his motion for the Committee to rise, just let me compliment both Reading Clerks, Meg Goetz and Bob Berry, for their magnificent job in keeping up with this fast-flowing action today and for their tremendous job.

Mr. ASPIN. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker pro tempore [Mr. DICKS] having assumed the chair, Mr. MURTHA, Chairman pro tempore of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 1872) to authorize appropriations for fiscal year 1986 for the Armed Forces for procurement, for research, development, test, and evaluation, for operation and maintenance, and for working capital funds, to prescribe personnel strengths for such fiscal year for the Armed Forces, and for other purposes, had come to no resolution thereon.

□ 1400

GENERAL LEAVE

Mr. ASPIN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks, and to include extraneous matter on the bill, H.R. 1872.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

A RESPONSIBLE APPRAISAL OF THE MARKEY AMENDMENTS TO TITLES IX AND X

(Mr. STRATTON asked and was given permission to address the House for 1 minute, and to revise and extend his remarks.)

Mr. STRATTON. Mr. Speaker, the gentleman from Massachusetts [Mr. MARKEY] has had printed in the RECORD of June 18, and apparently plans to offer, some 15 different amendments to titles IX and X of the bill. All of those amendments are aimed at the defense programs of the Department of Energy. More specifically, the gentleman's amendments would kill all research and development and production authorization for several nuclear warheads and also would kill or cripple several critical programs essential to the production of special nuclear materials and the purification of several tons of nuclear materials that are now in the Government's inventory.

During the past few days, the gentleman from Massachusetts [Mr. MARKEY] has supported amendments that would kill the MX and kill the Trident II missile. This current set of amendments would kill and R&D on the standard missile II Navy air defense warhead, kill the 155-millimeter nuclear round for the Army and Marine Corps, kill the Trident II warhead, and severely restrict production of the 8-inch nuclear artillery shell and the MX warhead.

If this were not enough, Mr. Speaker, the gentleman, Mr. MARKEY's amendments would require the closure of several critical plutonium production facilities, including the closure of a production reactor at the Savannah River Plant in South Carolina; the PUREX (Plutonium-Uranium Extraction) Plant at the Hanford Reservation in the State of Washington; and drastically reduce the level of effort at supporting facilities in Oak Ridge, TN; Miamisburg, OH, and Ashtabula, OH.

If this were not enough, Mr. Speaker, the gentleman's amendments would completely kill a Special Isotope Separation Program resulting in the waste of the $207 million that we have already spent on this program. In addition, these ill-conceived amendments would prevent the Government from recovering several metric tons of plutonium and uranium scrap materials, or even plutonium produced for the weapons program, at the least cost and with the creation of the least amount of additional radioactive waste.

The Markey amendments should be recognized for what they really are. That is, a back door approach to killing off weapon systems by attacking their warhead and killing off the programs that provide materials for warhead construction. In other words, when we cannot win on the playing field through amendments to title I, we will try to win in the locker room through amendments to titles 9 and 10. These amendments are not only "weak on defense", but they would be disastrous and disruptive to the national nuclear weapons program and to the strategic and tactical systems that we have already voted this year, and in prior years, to build and deploy.

I will oppose each of the Markey amendments as they are offered, but it should be made clear at the beginning just what the effects of those amendments would be. Because of the mischevious and great additional expense that these amendments would cause, I would hope that each would be voted down when offered.

UNIVERSITY RESEARCH FACILITIES REVITALIZATION ACT OF 1985

(Mr. FUQUA asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. FUQUA. Mr. Speaker, yesterday I introduced a bill, H.R. 2823, entitled, "The University Research Facilities Revitalization Act of 1985." This legislation is designed to assist in revitalizing our Nation's academic research programs.

The U.S. network of institutions of higher education in this country is a national resource. We have all come to expect from our Nation's universities a level of performance that can be termed as nothing less than "excellence." And we as a nation have been consistently rewarded in this realm. America's university system is respected and admired throughout the world.

It has been a longstanding policy in the United States to engage colleges and universities in the Nation's research enterprise. This approach to research, which is limited to teaching and performance, provides our science-producing network with a very fundamental strength. Through this combination of the academic community and the Nation's research effort, we have coupled the advancement of the scientific frontiers to the training and education of the next generation of American scientists. Although we in America take this for granted, the combination is really unique in the community of highly advanced industrial nations.

It is in our university laboratories and facilities that much of the pioneering work of American science is carried out. These facilities function as the focus for research that is not only the process by which the individual investigator continues to expand our scientific frontiers, but also as a place where research is conducted as a method of teaching future scientists and engineers.

If as a nation we do not commit ourselves to maintaining the best possible facilities, we will not only minimize our present scientific potential but we will also mortgage our future possibilities as well.

And yet many of our university laboratories are obsolete for the level of work they should be conducting; the buildings are old and frequently in disrepair, and the new facilities that have special features and capacities to provide the essentials for work at the

frontier of such fields as microelectronics or recombinant DNA are often not even being planned.

In short, we have been shortsighted in concentrating on tomorrow's payoff in research, and not concentrating as well on the facilities or infrastructure that makes the research possible to be continued.

The University Research Facilities Revitalization Act both philosophically and practically signifies the Federal Government's commitment and responsibility to an ongoing construction and revitalization program for research facilities at our Nation's universities. It is a Federal commitment that requires at least matching funds from non-Federal sources for each grant. The legislation creates a 10-year program aimed at addressing this national problem.

In trying to better understand both the magnitude and the implications of the problem, the Science and Technology Committee has held hearings on several occasions to elicit the insight and perspective of representatives from academia, industry, and government on this issue.

Just 2 weeks ago, Dr. Dale Corson, president of Cornell University and chairman of the Government-University-Industry Research Roundtable sponsored by the National Academies of Science and Engineering testified before us. He defined the term, "facilities," as the buildings, the laboratories, the machine shops and the specialized technical operation facilities designed to house and to support research projects effectively.

In speaking of the scope of the need he said:

It is impossible for me to put any number on the magnitude of the need. I know of no studies which have provided adequate data. However, the total need of new and renovated facilities is certainly measured in billions of dollars.

He went on to say:

To provide facilities, we need a national program, based on a partnership concept, that will regularize the facilities appropriation process. . . . As we develop programs to address these facility needs, we must think about new ways to finance them. Given the magnitude of the problem, and given the degree to which the national welfare depends on solving such problems, the Federal Government must necessarily play the lead role. There is no possibility, however, that the Federal Government alone will provide funds in an amount sufficient to relieve the accumulated need.

From the Executive Office of the President, Bernadine Healy, Deputy Director of the Office of Science and Technology Policy, testified similarly on the importance of the issue and the enormity of the problem.

She said:

The condition of the research facilities and equipment in our universities and colleges is one of the most important issues affecting the future of our nation. . . . Estimates of the cost of renovating and modernizing the university research infrastructure range from about $15 billion to over $20 billion in a period of around 5 years. To get more specific than that often requires arbitrary judgments. What we do know is that present conditions do not make us especially comfortable about the prospects that our university system will be able to meet our nation's needs in coming years.

On the question of who, besides the Federal Government, should participate in funding this construction and refurbishing program she said:

I think we are seeing a very exciting motion on the part of state and local governments to become part of this effort both with industry and the universities.

Donald Langenberg, chancellor, the University of Illinois at Chicago, echoed many of the same sentiments in his testimony. His statement was delivered on behalf of five higher education associations: the Association of American Universities, the National Association of State Universities and Land Grant Colleges, the American Council on Education, the Association of Graduate Schools, and Council of Graduate Schools in the United States.

He said about the extent of the problem:

Now although we don't know the dimensions of the problem with any precision, there are estimates that can give us a general idea of its magnitude. There are some present estimates that say that one-half of the physical plant of all universities and colleges is more than 25 years old, and that one-quarter of it was built prior to World War II. In 1981 the Association of American Universities reported that universities were able to meet only about half of their accumulating needs to replace, modernize, and renovate their research laboratories.

On the level of participation needed to accomplish the task, Dr. Langenberg said:

A national program to secure the necessary reinvestment in the capital base at universities is needed. Federal agencies, States, industry, and others all must participate because the Nation's needs exceed the capacity of any one sector to address them alone.

Mr. Speaker, this legislation would authorize the creation of university and college research laboratory modernization programs in the six leading Federal R&D agencies: the National Science Foundation [NSF], the Department of Health and Human Services [HHS], the Department of Defense [DOD], the Department of Energy [DOE], the National Aeronautics and Space Administration [NASA], and the Department of Agriculture [USDA]. Several of these agencies established programs for facility construction, after the Soviet launch of Sputnik in 1958. Such programs, although they were uncoordinated, helped build U.S. research capacity in the 1960's, but by the early 1970's the programs were terminated.

The legislation that I am introducing would reestablish an important Federal investment in the physical infrastructure for research, which is so vital to our national science and engineering base.

Moreover, after initially authorizing startup funds for the laboratory modernization programs, the bill would require structural changes in the R&D agency budgets that provide for a steady, systematic investment in university research facility renewal that is now absent from the budget process. This investment would be indexed to the annual level of federally supported R&D performed at our universities and colleges.

The National Science Foundation would play a special coordinating role. Beginning in fiscal year 1986, NSF would be authorized to carry out periodic assessments of university and college research facility needs, and to report on the implementation of the laboratory modernization programs.

For the first year of the 10-year facility modernization program, fiscal year 1987, the bill would authorize startup funds for six agency programs. The amount of each agency authorization would be roughly proportional to that agency's current obligations for R&D to universities and colleges. The fiscal year 1987 authorization is as follows:

	Million
NSF	$100
HHS	200
DOD	100
DOE	25
NASA	20
USDA	25

The total fiscal year 1987 authorization is $470 million, which is somewhat less than 10 percent of the total of all Federal obligations for R&D to higher education institutions—in fiscal year 1983 the latter total was $5 billion.

For the 2d through the 10th year of the program, fiscal years 1988 to 1996, each of the six agencies would be required to reserve at least 10 percent of their R&D obligations to universities and colleges for their facility modernization programs, which at that point would form part of the R&D base of each agency. Thus, one envisions the Federal share of the 10-year program to be roughly $5 billion, which would leverage another $5 billion in non-Federal funds, for a total of $10 billion.

The bill contains two critical provisions; one protects the base of university R&D funding, so that the 10 percent formula for laboratory modernization not be an undue tax on funding for research grants. This provision prevents the facility programs, once established, from growing dollarwise any faster than the R&D base during years of increased R&D funding. The bill also takes into account the unpleasant possibility of decreased R&D funding. During such years the modernization program formula would be reduced below 10 percent, and would,

in fact, become zero in the event R&D funding was cut 10 percent or more.

The second provision assures that the facility programs do not favor the large, well-established, research universities over the smaller or newly emerging, higher education institutions. This provision requires that at least 15 percent of the amounts that are reserved—10 percent of R&D obligations—for the facility programs would be available to these universities and colleges below the top 100 institutions in overall Federal R&D funding. Indeed, these institutions, taken together, receive 15 percent of Federal R&D funding to all universities and colleges, and this provision assures that they receive at least a proportional share of facility funding. Importantly, these institutions would have two categories in which to compete for facility awards in each of the six agencies. First, they would compete with all classes of universities in the main facility programs, and second, they would compete in their own class within the 15 percent category.

Mr. Speaker, I believe that this legislation represents an appropriate Federal response to a truly national problem. The bill calls for a six-agency program and, therefore, it will be referred to four committees in the House of Representatives: the Committees on Agriculture; Armed Services; Energy and Commerce; and Science and Technology. The bill contemplates this by setting up an overall framework, yet retaining agency flexibility to carry out the programs.

As chairman of the Committee on Science and Technology, I plan to have our committee convene a comprehensive set of hearings on the bill to receive the views of all concerned.

Yesterday, I wrote to the chairmen of the other three committees, to let them know of our serious intent and request their cosponsorship of the bill, and to urge their leadership to join us in legislating this needed change.

It is my hope that this legislation will be a vehicle to develop consensus within the Congress, within the executive branch, and within the academic community that it so directly affects in the crucial matter of university research infrastructure.

PERSONAL EXPLANATION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Mr. TORRES] is recognized for 5 minutes.

● Mr. TORRES. Mr. Speaker, I was not present for rollcall votes 180 and 181 on Thursday, June 20 because I was unavoidably detained in the Cannon Caucus Room where the rollcall notification system was inoperative. Had I been present on the House floor, I would have cast my votes in the following manner:

Rollcall No. 180, Holt substitute amendment to DOD bill increasing the SDI authorization by $490 million to $2.9 billion; "no."

Rollcall No. 181, Price amendment to DOD bill increasing the SDI authorization by $27 million to $2.5 billion; "no."●

1985 CONGRESSIONAL SENIOR CITIZEN INTERN PROGRAM

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois [Mr. GROTBERG] is recognized for 30 minutes.

● Mr. GROTBERG. Mr. Speaker, I would like to submit an excellent summary from Mrs. Identa Austin, my constituent from Yorkville, IL, who participated in the 1985 Congressional Senior Citizen Intern Program this year. Mrs. Austin was my first 14th District senior citizen intern and she participated in the program from Monday, May 20 through Friday, May 24. Mrs. Austin felt the intern program was extremely worthwhile, and I feel that our colleagues will benefit from the summary of her activities during the week of the program.

At this point, I would like to insert her comments in the RECORD:

JUNE 7, 1985.

DEAR CONGRESSMAN GROTBERG: Here is the summary of my week in the Congressional Senior Citizen Intern Program, lengthy though it may be.

The Intern Program was really excellent—a splendid exercise in the field of legislation. Since I was so familiar with almost all of the senior programs and had been involved with senior citizen work for so many years, the week was especially meaningful to me. I had not anticipated the work on the Budget Deficit Reduction—from that I have a little better understanding of what goes on behind the scenes.

Being in your office for the half day was a great experience. In the Evaluation Form I returned to Congressman Coelho's office I said I thought there should be more time allotted to that part of the Intern Program.

Thanks again for a very worthwhile week. If there's anything more you'd like from me, let me know.

Cordially,

IDENTA AUSTIN.

1985 CONGRESSIONAL SENIOR CITIZEN INTERN PROGRAM

Monday, May 20, 9 a.m.-12 p.m.:

After a Continental Breakfast in the Cannon Caucus Room and Registration, Claude Pepper welcomed the group and commended all for the wonderful service rendered our congressmen and our seniors. He reviewed the twenty years of Social Security and what changes have been made until now. He said, "We are going to have to fight to maintain the Program. Political Greed must stay off Social Security."

Coordinators of the Congressional Senior Citizen Intern Program, Heidi Hicks and Karla Nash, Office of Congressman Tony Coelho, and Cyrana Longest, Office of Senator Thad Cochran, briefed the interns on the week's program.

(During the lunch break Helen Freeman, one of the interns for Senator William Cohen of Maine, and I visited the Botanic Garden Conservatory.)

2 p.m.-5 p.m.:

Monday afternoon was spent in learning about the Legislative process.

John Duncan of the Senate Government Affairs Committee explained the means by which legislation is done, a detailed and time-consuming procedure, one that may ultimately take years. The process first sees the light of day in a sub-committee of the Committee on Government Affairs, a standing committee. We were told that we and our friends, or acquaintances, have to act; we have to make the decison really on what we feel must be done. Our Congressman represent us in Washington, and these people must have six attributes; (1) Ability to express themselves, (2) Tolerance and willingness to defend or to dicuss positions, (3) Ability to decide on the issue, (4) Power to persuasion through eloquent power of speech, (5) Ability to negotiate, and (6) Ability to compromise, if necessary.

Bill LaForge, Chief Legislative Counsel, Office of Senator Than Cochran, explained how the Senator serves on three committees, which may involve 12 or so sub-committees. As far as the Personnel System is concerned, there are different structures on the Hill and a senator determines his system very much as he desires. There may be luncheons and other meetings, hearings, where there is in-put, testimony, etc. The next step is Markup, the writing of a bill or funding procedure. He emphasized that the Senator deals with constituents; we were urged to stop in and meet our senators and express our views on issues. He discussed how a senator makes a decision, how he must consider the issue from all angles, how he must decide whether his decision is basically right, how difficult it often is to say "yes" or "no", and how he may have to come up with a compromise.

Larry Love, Deputy Associate Commissioner, Office of Family Assistance, Health and Human Services Department, listed the three programs his department works with: (1) Family and Children Services, (2) Home and Energy Assistance, and (3) Repatriation. This Department deals with committee staff members, trying to get the Department's views known, sending ideas over to the Hill to get interest in or decisions on them. The Department wants letters from people, expressing needs. It receives policy letters from state groups and public organizations of all kinds dealing with its three programs.

Bryn ——, Deputy Administrative Assistant, Office of Congressman Tony Coelho, emphasized that we as citizens can be effective members of the legislative process. One of the main purposes of the Congressman's office is to serve constituents. He outlined their staff, their offices in California, etc.

Bentley Lipscomb, Deputy Staff Director,

Senate Budget Committee, related that the vote on the Budget last week in the Senate was very inspirational. The Budget Committee functioned as a whole; the Budget was discussed (argued about) item for item. At the end it came in with a substitute package reported to the floor. That one was declared D.O.A. The Republicans reported another one with an amendment. The last day another package was reported in and that passed 49-49 with the tie broken by the Vice-President. The House is due to come up with theirs, probably this week. We were urged to discuss the Budget with our legislators. The amount of the deficit has doubled; interest alone will cost the government more than Social Security and Medicare combined in a few more years. The point was made that the Budget is not sent on to the President for a vote. He cannot veto it. This is a function of the Budget Committee. His office received over 40,000 letters on Social Security, so computers have to be used for answers. We were advised not to believe everything we read or hear in the press or see on TV; often there are only half-truths given. At least six organizations are asking for money to save Social Security. One organization has taken 6 million dollars out of Florida and has yet to step foot in the senator's office in Washington. He urged us to get involved on the local level.

SENIOR CITIZEN EMPLOYMENT

Willis Martin, Chief, Older Workers Division, Department of Labor, spoke of the Senior Community Service Program for employing workers 55 and over, their rate of pay, their qualifications, etc.

Glen Northrup, Director, Senior Community Services Program, spoke of the "cronologically gifted" worker; only about 1% of those who have the need are served. There is not enough money to do for enough people. There is age discrimination but the tide is turning. 6 p.m. - 8 p.m.:

Reception sponsored by the Democratic Congressional Campaign Committee, the Democratic National Committee, and the Democratic Senatorial Campaign Committee.

Tuesday, May 21, 8:30 a.m.-12:15 p.m.:

The group met at the east door of the House and assembled on the floor of the House of Representatives to be addressed by Donn Anderson, House Cloakroom Manager, with an historical perspective, relating how the original desks by 1911 had been exchanged for bench-type seating with no assigned seats, Democrats on the right and Republicans on the left. Two Principles of the Parliamentary Body are Debate (Discussion) and Decision (Voting). This is the Hall of the House, a cross section of America. The House is the People. He remarked that this might be the only time we would have an opportunity to speak in the House!

Following the visit to the House the group assembled on the East steps for a photo.

11:15 a.m.-12:15 p.m.

THE PRESS AND HOW IT WORKS IN WASHINGTON

John Fogarty, Bureau Chief, San Francisco Chronicle, Senate Press Gallery, The Capitol, indicated that the Press in Washington is not what it is at home. He described how it works around the Capitol.

Eric Ruff, Deputy Director of Communications, Republican National Committee, remarked that reporters are rated lower than car salesmen, hoping that none of the latter were present. He indicated the news media had to offer opinion and alter the story slightly. If the Republicans are in the White House, then they think the media is biased. There aren't very many leaks that are not intentional.

Senator Thad Cochran arrived to speak briefly at the end of the session, but the Senate was working on the Armed Services bill, so he was called back shortly to the Chamber.

1:30 p.m.-5:00 p.m.:

SENATE/HOUSE AGING COMMITTEE OVERVIEW

Steve McConnell, Director, Senate Special Committee on Aging, told how the Committee, temporary to begin with, was established to look out for the interests of the aging. It has no legislative jurisdiction; it can introduce but has no jurisdiction. It deals with all phases, such as Health Care Costs, Hearings on Abuse, Unnecessary Surgery, Pacemakers, private pension systems, etc.

Senator John Heinz, Chairman of the Senate Special Committee on Aging, kept by the vote at 2 o'clock, spoke of the Budget sent to the House, reduced by 300 million, freezing Defense, reducing Federal Spending, and freezing the COLA with protection. The areas of concern to the Committee are Medicare, Health Care Cost Inflation, and DRG's (Diagnostic Related Groups). The fastest growing segment is now 85 and over; this age group is being studied and suggestions will be made. The primary function of the Senate Committee on Aging is to hold hearings, to identify the problem and to inquire into it. The second function is Publications. The third function is news Conferences. The fourth function is to suggest Legislation.

Sheila Duffy, House Select Committee on Aging, the advocate for the aging in the House, explained their four committees: (1) Retirement Income and Employment, (2) Health and Long Term care, (3) Housing and Consumer Interests, and (4) Human Services. they monitor regulatory agencies. Where must we start? In our own communities with public hearings. And we must contact our congressman.

SOCIAL SECURITY

Congressman Jim Jones, Chairman, House Subcommittee on Social Security, (formerly of the House Budget Committee) spoke of the plans of the 99th. Guidelines were sent out to close so many field offices but so far these have not closed. Human contact is still needed, not computers. Administrative costs in this department are really one of the lowest. The Committee has to look at the whole question of retirement in America, private plans and Social Security. The House was to work on the Budget next day and vote on Thursday. Congressman Jones said he favored a cut across the board—just then he was summoned to return to the House. We should not try to balance the Budget on the back of Social Security. It is financially sound only so long as the economy is sound. If we don't get deficits under control, there will be a more serious depression in 1976. Social Security is solvent for 75 more years, assuming there is a growing economy.

Patricia Dilley, Staff Director, House Subcommittee on Social Security, discussed the problems encountered with Social Security through the years, beginning with the forstructuring has now set up a benefit structure stable for the next 50 years, providing the economy stays the same. The '83 Amendment to spread the burden for all, accelerated tax increases to refinance the structure but did not restructure the Program. It made changes to help the cash flow to avoid a shortfall, covered Federal workers, and delayed the COLA for 6 months. In 1985 the System seems to be actuarily sound for 75 years, depending on the economy. All through the nineties reserves should be built up to meet a deficit in 2020 when the boom is over. Whatever problems arise will be dealt with. "The System will be there if you want it to be there." She concluded.

Ed Digiorgio, Congressional Relations Staff, Social Security Administration, spoke briefly since much of his material was a repeat of what had been given previously. He said that in 1990 $1 of every $3 in earnings above the annual limit for people 65 or over will be withheld. On August 14, 1985, the 50th Anniversary will be held; the theme is "Partnership with Tomorrow".

Brian Wademan, Legislative Director, Office of Senator William Armstrong, told how the congressmen have received instructions to reduce spending this year and not to raise taxes. He referred us to the April 25 and the May 2 pages in the Congressional Record for material on the Armstrong Minimum Tax bill which is due to be discussed tomorrow (Wednesday). If we are interested in the "Notch" problem, we should write his office. The Trustees of Social Security are Secretary of the Treasury, Secretary of Labor, Secretary of Health and Human Services, Committee of Social Security, and two from the public segment. The funds are invested with the government and interest paid back. The taxes paid on Social Security go into the Trust Fund. Problems involved with Disability, Double and Tripple Dipping, Felons, etc., are many. Over 60% depend on the their Social Security for 50% of their income.

Wednesday, May 22:

8:30 a.m. Tour of White House (Saw the President leave for Annapolis).

10:50 a.m. Tour of F.B.I.

12:00 p.m.-5:00 p.m. Congressman Grotberg's Office.

Thursday, May 13, 9:00 a.m.-12:00 p.m.

CRIME AND THE ELDERLY

Marlene Young, Executive Director, National Organization for Victim Assistance, accompanied by her dog Mission, in a very fluent and effective manner discussed the problem of the older person and crime. Every year 37 million are victimized and each incident involves a personal tragedy. We must focus our human concern on the victim. In a crime there are three primary injuries to the victim: (1) Financial, (2) Physical, and (3) Emotional. The victim goes through several stages: shock, anger, fear (terror), confusion, and often self-blame. The Public, looking on, is subjected to the Media's presentation of body bags, gore, intimate details, etc., which we should object to. The Media say the "Public" wants to see that—we must let them hear that we do *not* want that: As a nation we want some rights: (1) Right to Protection against intimidation (or attempted intimidation) and

harassment, (2) Right to Information and Notification, (3) Right to Counsel and Consultation, (4) Right to Reparation, (5) Right to Property and Employment, and (6) Right to Fundamental Due Process.

MEDICARE AND LONG TERM HEALTH CARE

Val Halamandaris, President, National Association For Home Care, spoke of the tremendous need for home care since people are living longer. So much is spent on nursing homes, 32 billion, of which 60% is paid by the government, and so little is spent on home care, 4 billion, of which the government funds 50%. On-going investigations are conducted into abuses in nursing homes, clinics, laboratories, etc. In 1975 a phony clinic was set up in Chicago. Salesmen came in to make "deals". For this clinic eleven laboratories controlled 90% of the business. Ultimately ten of the eleven labs came in to "deal" with the clinic. 55% of the lab money went into "kick-backs".

Medicare is the fastest growing segment and Home Health Care is the fastest growing in Medicare. Home Health Care is cost effective. The new DRG (Diagnostic Related Group) system is having an impact on hospitals where it has been introduced. In this system hospitals are encouraged to be more efficient and better run since the system reimburses the hospital after care is provided, rather than being paid for costs incurred, no matter how high the costs might be.

Jim Jaffe, House Ways and Means Subcommittee on Health, told how this group is now involved in completing work on the Budget: cuts in Medicare, Medicare Bankruptcy, Fraud, etc. Fraud won't take up all the slack. Down the line we have to discuss some sort of means testing. He spoke of the recent Blue Cross refund due to less hospital use.

Lynn Blewett, Legislative Assistant, Office of Senator David Durenberger, with a nursing home experience background, spoke of the changes in Medicare payment brought about the DRG's. (I believe that this system of payment is an experimental program and is still in the East.) She questioned whether this system might bring a cut-back in quality of care when it cuts 40% of the costs. We cannot let up on the monitoring to reduce hospital or nursing home costs and physicians' fees. She spoke of the PRO's (Peer Review Organizations), with which I also was not familiar. Some of the excess has to be reomved from Medicare so that it does not pay capital costs or educate doctors (4-5 billion dollars). In Long Term Care we must tighten up on stays, work for reform, not just cuts, to eliminate the deficit in Medicare (200 billions).

1:30–4:30 p.m.:

HOUSING FOR SENIORS

Mary Ann Gomez, Special Assistant for Elderly Housing, Department of Housing and Urban Development, discussed the various types of housing available for older Americans: (1) HUD for the 62 and over elderly and the Handicapped, (2) 202 Elderly Housing developed by private, non-profit sponsors for low income and handicapped, (3) 221D Housing for the low and very low income elderly through mortgage insurance for affordable projects, (4) Sec. 231 Housing obtainable by mortgage insurance for rehabilitation by either profit or non-profit groups, 10% of which is for elderly occupation, and (5) Sec. 232 Nursing Home housing aid, senior citizen centers, energy assistance, urban development, etc. New alternatives to fulfill the housing needs of seniors are beginning to appear: shared housing, accessory apartments, and ECHO housing (Elder Cottage Housing Opportunity), often referred to as Granny Flats.

Leo Baldwin, Housing Consultant, American Association of Retired Persons, encouraged us to urge HUD and the Administration on Aging to address the services provided in Housing. 70% of those over 65 will die in the house where they were at 65. The Congregate Housing Study will be coming soon. Mr. Baldwin believes the decision will have to be made on the local level. Older houses may be used for Shared Housing. Larger houses may have an area turned into an Accessory Apartment. The Home Equity conversion plan is promising but it has a long way to go: problems with tax treatment, etc. Another type is the Sale-Lease Back Plan. In addition there are Congregate Housing Services, which provide additional assistance in the way of meals and supportive services for those who live in public housing and Section 202 housing. Board and Care Homes may solve problems of the "Street People".

ACTION AGENCY/FOSTER GRANDPARENT PROGRAM

Wade Freeman, ACTION Agency, related that there are 340,000 RSVP (Retired Senoir Volunteer Program) workers. Some administer in Foster Grandparent Program and the Senior Companion Program in addition to various other types of volunteer work. (Mr. Freeman yielded to Senator Jake Garn who came from the Senate.)

Senator Jake Garn spoke of the outlook for funding. 202 Elderly Housing was frozen at '85 levels (12,000 new units). Senior citizens live on fixed income and have no way to adjust to the increase in cost of living. Of the 300 billion Deficit only 70 billion is current; the rest is accumulated debt. There is at present a minimum tax on corporations (only Budget resolution thus far), but it is not enforced. We can expect a bill later on. Senator Garn does not like non-germane amendments. He would support a line item veto. He discussed the case of the Continental Bank and why the government stepped in when it did, Concerning Social Security he spoke of its being a supplementary income in the beginning; then the government increased payouts and added programs that should never have been added. He wants to keep the Revenue Sharing Program but he wants control put on the local level. (At this point Senator Garn was called back to the Senate.) (Mr. Freeman resumed.) There is a tremendous resource in senior citizens as indicated in the ACTION Program. The government has allocated $1,800,000 for the RSVP Programs to enable seniors to continue their volunteer work.

Jack Kenyon, Chief, Foster Grandparent Program, explained that the Program places a low income 65 year old person with a "special" child (unfortunate, retarded, etc.). There are 190,000 in the Program; the cost is less than 25¢ per person per year. ACTION supplies 90% of the funds; the state and/or local funding supports the rest. (Film of the Program is action.)

Dr. Daniel Bonner, Associate Director, ACTION Agency Domestic and Anti-Poverty Programs, is involved with the Grandparents Program, the Young Volunteers in ACTION (Ages 14-22), Vista Program, and Corporate Volunteers.

Suzanne Fahy, Senior Companion Program, explained that this is also a 20 hour program of older low income adults serving others adults, only 5% of whom are institutionalized. Congress appropriated 3 million for this project; by September there will be another thousand positions in place. The Program trains adults 40 hours before they begin. 85% of the programs are serving people in their homes; the average age is 73 serving the average age of 75.

6 p.m.–8 p.m.:

Reception sponsored by the Republican National Committee.

Friday, May 24, 9:00 a.m.–12:00 p.m.

"AN EXERCISE IN HARD CHOICES"

Carol Cox, President, and Susan Clark Joy, Vice President, The Committee for a Responsible Budget.

The interns assembled in round table groups of 8–10 in the Cannon Caucus Room to act as Budget Committee members, with a professional staff member of the Committee serving as a table leader, to devise a Federal Budget. (My table leader was Chris Chiames of Congressman Coelho's Office.) Our first decision concerned whether we opposed an Across-the-Board Freeze for FY '86 or whether we did not oppose a Freeze. Our group chose to oppose the Freeze and as a result received the Blue Folder "Exercise in Hard Choices". We lacked four items of completing the Budget in the time allotted, so the first figures I am giving below allow for that; the second figures are those after I personally completed those four items.

	1986	1990	5-year
CBO baseline deficit	220.0	302.00	1,299.00
Final deficit	182.87	58.67	592.65
	166.03	−4.40	461.70
Deficit reduction	37.13		
	53.97		

2:00 p.m.–4:00 p.m.:

LOBBYING IN WASHINGTON/AGING ORGANIZATIONS

Alice Quinlan, Director of Public Policy, Older Women's League.

Sauna Shtasel, Division of Legislation, Research, and Public Policy, American Association of Retired Persons.

Janet Myder, Assistant Director of Legislation, National Council of Senior Citizens.

Curt Clinksdale, National Alliance of Senior Citizens.

The material covered in this session was so much repetition of statistics of senior citizens that I didn't bother to take notes—perhaps I was weary.

4:00–4:15 p.m.:

WRAP-UP BY COORDINATORS OF THE SENIOR INTERN PROGRAM

Heidi Hicks and Cyrana Longest.●

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas [Mr. GONZALEZ] is recognized for 60 minutes.

[Mr. GONZALEZ addressed the House. His remarks will appear hereafter in the Extensions of Remarks.]

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. BOLAND (at the request of Mr. WRIGHT), for today, on account of medical reasons.

Mr. HARTNETT (at the request of Mr. MICHEL), for today, on account of official business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Member (at the request of Mr. MACK) to revise and extend his remarks and include extraneous material:)

Mr. GROTBERG, for 30 minutes, on June 21.

(The following Members (at the request of Mr. DONNELLY) to revise and extend their remarks and include extraneous material:)

Mr. ANNUNZIO, for 5 minutes, today.

Mr. TORRES, for 5 minutes, today.

Mr. GONZALEZ, for 60 minutes, today.

Mr. PANETTA, for 60 minutes, June 25.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. GILMAN, to revise and extend his remarks on the English amendment, immediately following the remarks of Mr. ENGLISH, in the Committee of the Whole today.

Mr. GILMAN, immediately following the remarks of Mr. LAGOMARSINO on the Lagomarsino amendment to H.R. 1872 in the Committee of the Whole today.

(The following Members (at the request of Mr. MACK) and to include extraneous matter:)

Mr. CONTE.

Mr. YOUNG of Florida.

Mr. TAUKE.

Mr. DAUB.

Mr. GRADISON.

Mr. GEKAS in two instances.

Mr. COATS.

Mr. LAGOMARSINO.

Mr. MICHEL in two instances.

(The following Members (at the request of Mr. LOWRY of Washington) and to include extraneous matter:)

Mr. HUBBARD.

Mr. SHARP.

Mr. LUNDINE in two instances.

Mr. KANJORSKI.

Mr. VENTO.

Mr. RAHALL.

Mr. LELAND.

Mr. TALLON.

Mrs. KENNELLY.

Mr. KOLTER.

Mr. LEHMAN of Florida.

Mr. DONNELLY.

Mr. ERDREICH.

Mr. OBERSTAR.

Mr. DE LUGO.

BILL PRESENTED TO THE PRESIDENT

Mr. ANNUNZIO, from the Committee on House Administration reported that that committee did on this day present to the President, for his approval, a bill of the House of the following title:

H.R. 14. An act to designate the Federal building and U.S. courthouse in Ashland, KY, as the "Carl D. Perkins Federal Building and United States Courthouse."

ADJOURNMENT

Mr. DONNELLY. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 2 o'clock and 3 minutes p.m.), under its previous order, the House adjourned until Monday, June 24, 1985, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1563. A letter from the Secretary of Agriculture, transmitting a draft of proposed legislation to deny farm program benefits to agricultural producers who participate in the illegal production of cannabis or other prohibited drug-producing plants on their farms; to the Committee on Agriculture.

1564. A letter from the Chairman, Board of Governors, Federal Reserve System, transmitting the 71st annual report, pursuant to the Act of December 23, 1913, chapter 6, section 10; to the Committee on Banking, Finance and Urban Affairs.

1565. A letter from the Director, Defense Security Assistance Agency, transmitting the Department of the Army's proposed letter of offer to Thailand for defense articles and services estimated to cost $21 million, pursuant to 22 U.S.C. 2776(b); to the Committee on Foreign Affairs.

1566. A letter from the Clerk, U.S. Claims Court, transmitting a certified copy of the court's judgment order of June 18, 1985, entering judgment for the Aleut Tribe, pursuant to 28 U.S.C. 2509; to the Committee on Interior and Insular Affairs.

1567. A letter from the President, American Council of Learned Societies, transmitting the ACLS Annual Report for the year 1983–84, pursuant to Public Law 88–504, section 3 (36 U.S.C. 1103); to the Committee on the Judiciary.

1568. A letter from the General Counsel of the Treasury; transmitting a draft of proposed legislation to remove States' liability for substate entities' Social Security deposits, and to the States, political subdivisions, and interstate instrumentalities pay Social Security contributions directly to the Treasury along with their Federal income tax withholding; to the Committee on Ways and Means.

1569. A letter from the General Counsel of the Treasury; transmitting a draft of proposed legislation to require the Secretary of the Treasury to impose fees upon obligations of Government-sponsored enterprises; jointly, to the Committee on Banking, Finance and Urban Affairs; Agriculture; and Education and Labor.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Ms. OAKAR: Committee on House Administration. House Joint Resolution 198. Joint resolution to provide for the appointment of Barnabas McHenry as a citizen regent of the Board of Regents of the Smithsonian Institution; with amendments (Rept. No. 99-179). Referred to the House Calendar.

SUBSEQUENT ACTION ON A REPORTED BILL

Under clause 5 of rule X the following action was taken by the Speaker:

Referral of H.R. 2402 to the Committee on Government Operations extended for a period ending not later than July 19, 1985.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. CONYERS:

H.R. 2839. A bill to amend title 18, United States Code, with respect to certain bribery and related offenses; to the Committee on the Judiciary.

By Mr. HAWKINS:

H.R. 2840. A bill to provide assistance to States for educational excellence and for assuring access for underserved populations to the benefits of general State educational reforms; to the Committee on Education and Labor.

By Mr. DAVIS (for himself and Mr. OBERSTAR):

H.R. 2841. A bill to eliminate the requirement that material injury, or the threat thereof, to a domestic industry be found before countervailing duties may be imposed on products of Brazil; to the Committee on Ways and Means.

By Mr. DONNELLY:

H.R. 2842. A bill to amend the Immigration and Nationality Act to provide a procedure for an alien who dies while serving on active-duty with the U.S. Armed Forces during certain periods of hostilities to be considered a citizen of the United States at the time of the alien's death; to the Committee on the Judiciary.

By Mr. MICA:

H.R. 2843. A bill to provide for the payment of rewards to individuals providing information leading to the arrest and conviction of persons guilty of killing or kidnapping a Federal drug law enforcement agent; to the Committee on the Judiciary.

By Mr. ST GERMAIN:

H.R. 2844. A bill to amend the Federal Election Campaign Act of 1971 to provide for financing of general election campaigns for the House of Representatives, to limit contributions by nonparty multicandidate political committees in election campaigns for the House of Representatives, and for other purposes; jointly, to the Committees on House Administration, and Energy and Commerce.

By Mr. SKELTON:

H.R. 2845. A bill to provide for a two-year budget cycle for the Department of Defense beginning with fiscal year 1988; to the Committee on Armed Services.

By Mr. LAFALCE:

H. Con. Res. 169. Concurrent resolution expressing the sense of the Congress that the President's proposal to repeal the provisions of the Internal Revenue Code of 1954 which allow taxpayers to make designations of income tax payments to the Presidential Election Campaign Fund should not be enacted by the Congress; jointly, to the Committees on Ways and Means, and House Administration.

By Mr. SILJANDER (for himself, Mr. LOTT, Mr. BURTON of Indiana, Mr. SMITH of New Hampshire, Mr. DIO-GUARDI, Mr. LUNGREN, Mr. HUNTER, Mr. MACK, Mr. ARMEY, Mr. GINGRICH, Mr. ROTH, Mr. WEBER, Mr. BARTON of Texas, Mr. WALKER, Mr. CARNEY, Mr. COBEY, Mr. DANNEMEYER, Mr. DELAY, Mr. QUILLEN, Mr. SHAW, Mr. SHUSTER, Mr. COBLE, Mrs. MEYERS of Kansas, Mr. BLAZ, Mr. GALLO, Mr. HARTNETT, Mrs. JOHNSON, Mr. KASICH, Mr. MCMILLAN, Mr. MCGRATH, Mr. PETRI, Mr. SWINDALL, Mr. SWEENEY, Mr. WHITEHURST, Mr. WOLF, Mr. WORTLEY, Mr. DAUB, and Mr. MADIGAN):

H. Con. Res. 170. Concurrent resolution condemning the hijacking of TWA flight 847, the brutal murder of PO2c. Robert Stethem, confirming the policy of no capitulation to terrorism, and expressing our commitment to a course of action that results in the freedom of all American hostages; to the Committee on Foreign Affairs.

MEMORIALS

Under clause 4 of rule XXII,

185. The SPEAKER presented a memorial of the Legislature of the State of Nevada, relative to desert lands in Nevada; to the Committee on Interior and Insular Affairs. June 21, 1985.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 615: Mr. LAFALCE, Mr. NOWAK, and Mr. MOLLOHAN.

H.R. 1063: Mr. EDWARDS of Oklahoma, Mr. FAZIO, Mr. MCCOLLUM, Mr. MORRISON of Washington, and Mr. PACKARD.

H.R. 1207: Mr. STALLINGS.

H.R. 1510: Mr. ECKART of Ohio.

H.R. 1519: Mr. MURPHY and Mr. MCCLOSKEY.

H.R.1780: Mr. COBEY.

H.R. 1940: Mr. ANDERSON, Mr. RAHALL, Mr. MOAKLEY, Mr. SENSENBRENNER, and Mr. BATES.

H.R. 2020: Mr. MINETA.

H.R. 2062: Mr. FAWELL.

H.R. 2205: Mr. ACKERMAN, Mr. BILIRAKIS, Mr. CHENEY, and Mr. STAGGERS.

H.R. 2353: Mr. EDGAR, Mrs. KENNELLY, Mr. KOLTER, Mr. MURPHY, and Mr. MATSUI.

H.R. 2371: Mr. CROCKETT.

H.R. 2472: Mr. PANETTA, Mr. SIKORSKI, and Mr. TRAFICANT.

H.R. 2591: Mr. WILSON, Mr. HENDON, Mr. MATSUI, Mr. BUSTAMANTE, and Mr. BERMAN.

H.R. 2626: Mr. FRENZEL and Mr. SHAW.

H.J. Res. 135: Mr. WILSON.

H.J. Res. 143: Mr. KEMP.

H.J. Res. 266: Mr. KOSTMAYER, Mr. WALKER, Mr. STALLINGS, Mr. EVANS of Iowa, Mr. OLIN, Mrs. KENNELLY, Mr. QUILLEN, Mr. SUNDQUIST, and Mr. GROTBERG.

H. Con. Res. 69: Mr. BOUCHER and Mr. TRAFICANT.

DELETIONS OF SPONSORS FROM PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, sponsors were deleted from public bills and resolutions as follows:

H.R. 1591: Mr. ROBERT F. SMITH.

PETITIONS, ETC.

Under clause 1 of rule XXII.

150. The SPEAKER presented a petition of Lawrence K. Groom, relative to compensation for Panama Canal Commission employees; which was referred to the Committee on Merchant Marine and Fisheries.

AMENDMENTS

Under clause 6 of rule XXIII, proposed amendments were submitted as follows:

H.R. 1872

By Mrs. BOXER:

—At the end of title VIII (page 143, after line 19) insert the following new section:

SEC. 802. COST AND PRICE MANAGEMENT IN DEFENSE PROCUREMENT.

(a) IN GENERAL.—Chapter 141 of title 10, United States Code, is amended by adding at the end thereof the following new section:

"§ 2406. Cost and price management

"(a) In this section:

"(1) 'Covered contract' means a contract that is awarded by a defense agency using procedures as defined in chapter 137 of this title and that is subject to the provisions of section 2306 of this title, including contracts for full-scale engineering, development, or production.

"(2) 'Defense agency' means the Department of Defense, the Department of the Army, the Department of the Navy, the Department of the Air Force, and the Defense Logistics Agency.

"(b)(1) A defense agency that is responsible for the acquisition of property (including major manufactured end items) or services under a covered contract shall cause to be recorded the contractor's proposed and negotiated cost and pricing data acquired by the agency into appropriate categories. Such categories shall include labor costs, materials costs, subcontract costs, overhead costs, general and administrative costs, fee or profit, recurring costs, and nonrecurring costs.

"(2)(A) A defense agency that is responsible for the acquisition of major manufactured end items under a covered contract shall cause to be recorded the proposed and negotiated bills of labor for labor used by the prime contractor and each associate contractor in manufacturing the item and for labor used by each such contractor in performing routine testing relating to the item. The bill of labor relating to the labor used by any such contractor shall reflect such contractor's computation of the work required in manufacturing parts and subassemblies for the end item and in performing routine testing of such parts and subassemblies.

"(B) Each contractor preparing a bill of labor referred to in subparagraph (A) shall specify in the bill of labor the current industrial engineering standard hours of work content (also known as should-take times) for the work included in a component of the bill of labor and for the total work included in the bill of labor. The contractor shall base the standard hours of work content specified in the bill of labor on the 'fair day's work' concept, as such term is understood in competitive commercial manufacturing industries in the United States. The contractor's standard hours of work content included in the bill of labor may not vary from time standards derived from commercially available predetermined time standard system widely used in the United States, as determined by the defense agency, subject to verification by audit.

"(C) The head of a defense agency acquiring a bill of labor referred to in subsection (A) shall provide for the maintenance of the information relating to standard hours of work content included under subparagraph (B) and shall review such information to determine changes in measured work content as work progress under the contract to which the bill of labor relates.

"(3) A defense agency that is responsible for the acquisition of major manufactured end items under a covered contract shall cause to be recorded the proposed and negotiated bills of materials used by the prime contractor and each associate contractor under the contract in manufacturing the item and of material used by each such contractor in performing routine testing relating to the item. The bill of material used by any such contractor shall reflect such contractor's computation of the material required for manufacturing parts and subassemblies for the end item and for routine testing of such parts and subassemblies. The costs set out in the bill of material shall be expressed in current dollars and shall be maintained and received in a manner similar to the manner provided for bills of labor in paragraph (2)(C).

"(4) A defense agency that is responsible for the acquisition of property (including major manufactured end items) or services under a covered contract shall cause to be recorded incurred costs under the contract in the same manner as the defense agency categorizes and records proposed and negotiated costs, including grouping the costs as provided under paragraph (1).

"(c)(1) Nothing in this section shall prohibit a contractor from submitting a request for payment or reimbursement for any bill of labor or any bill of material developed pursuant to an approved system of cost principles and procedures.

"(2) Nothing in this section shall require the submission of the information to be submitted under this section if the contractor does not maintain such information on the date of enactment of this section.".

(b) CLERICAL AMENDMENT.—The table of section at the beginning of such chapter is amended by adding at the end thereof the following new item:

"2406. Cost and price management.".

By Mr. DICKS:

—Add the following new section at the end of title X (page 200, after line 4):

SEC. 1050. ACTIVITIES UNDER THE STRATEGIC DEFENSE INITIATIVE TO BE CONSISTENT WITH THE 1972 ABM TREATY.

The Secretary of Defense may not obligate funds appropriated or otherwise made available for fiscal year 1986 for activities of the Strategic Defense Initiative Organization in any manner that is consistent with the 1972 Treaty on the Limitation of Anti-Ballistic Missile Systems between the Soviet Union and the United States (the "ABM Treaty").

—Add the following new section at the end of title X (page 200 after line 4):

SEC. 1050 RESTRICTION ON FUNDING FOR THE STRATEGIC DEFENSE INITIATIVE.

(a) PROJECTS REQUIRED TO BE CARRIED OUT AT SPECIFIED LEVELS.—Of the amount appropriated or otherwise made available for fiscal year 1986 for research, development, test and evaluation for activities of the Strategic Defense Initiative—

(1) not less than $98,240,000 shall be obligated or expended for the systems architecture project:

(2) not less than $145,060,000 shall be obligated or expended for the battle management and command, control and communications project;

(3) not less than $72,150,000 shall be obligated or expended for the Strategic Defense Initiative system survivability project; and

(4) not less than $103,500,000 shall be obligated or expended for the lethality and target-hardening project.

(b) PROJECTS LIMITED TO A SPECIFIED MAXIMUM.—Of the amount appropriated or otherwise made available for fiscal year 1986 for research, development, test, and evaluation for activities of the Strategic Defense Initiative—

(1) not more than $117,000,000 may be obligated or expended for the optical surveillance experiment;

(2) not more than $162,700,000 may be obligated or expended for space-based laser concepts project;

(3) not more than $12,000,000 may be obligated or expended for the hypervelocity launcher development project; and

(4) not more than $30,000,000 may be obligated or expended for the kinetic kill vehicle project.

(c) ACTIVITIES TO BE CONSISTENT WITH 1972 ABM TREATY.—The Secretary of Defense may not obligate funds appropriated or otherwise made available for fiscal year 1986 for activities of the Strategic Defense Initiative Organization in any manner that is inconsistent with the 1972 Treaty on the Limitation of Anti-Ballistic Missile Systems between the Soviet Union and the United States (the "ABM Treaty").

—Add the following new section at the end of title X (page 200, after line 4):

SEC. 1050 RESTRICTION ON FUNDING FOR STRATEGIC DEFENSE INITIATIVE.

(a) PROJECTS LIMITED TO A SPECIFIC MAXIMUM.—Of the amount appropriated or otherwise made available for fiscal year 1986 for research, development, test and evaluation for activities of the Strategic Defense Initiative—

(1) not more than $117,000,000 may be obligated or expended for the optical surveillance experiment;

(2) not more than $162,700,000 may be obligated or expended for the space-based laser concepts project:

(3) not more than $12,000,000 may be obligated or expended for the hypervelocity launcher development project; and

(4) not more than $30,000,000 may be obligated or expended for the kinetic kill vehicle project.

(b) ACTIVITIES TO BE CONSISTENT WITH THE 1972 ABM TREATY.—The Secretary of Defense may not obligate funds appropriated or otherwise available for fiscal year 1986 for activities of the Strategic Defense Initiative Organization in any manner that is inconsistent with the 1972 Treaty on the Limitation of Anti-Ballistic Missile Systems between the Soviet Union and the United States (the "ABM Treaty").

By Mr. FISH:

—At the end of Title X, on page 200, after line 4, insert the following new section:

SEC. . EDUCATION OF HIGH SCHOOL STUDENTS RESIDENT ON THE WEST POINT MILITARY RESERVATION.

(a) The Department of Defense may enter contractual arrangements pursuant to Section 6 of the Act of Sept. 30, 1950, 63 Stat. 1107, 20 U.S.C. § 241, for the public education of high school students residing on the West Point military reservation.

(b) Contracts pursuant to section (a) above shall be funded from Department of Defense appropriations. The total cost of such contracts shall not exceed the cost per student for education in comparable communities in the state, less any state and federal contributions attributable to the education of the students concerned.

By Ms. KAPTUR:

—Page 176, after line 8, insert the following new section:

SEC. 1024. REPORT ON COMMON DEFENSE OBJECTIVES.

(a) IN GENERAL.—The Secretary of Defense shall submit to the Congess a report recommending methods by which Japan may be encouraged to increase its defense expenditures and thereby further the security interests of the United States by strengthening the common defense of the United States and Japan..

(b) SUBMISSION OF REPORT.—The report required by subsection (a) shall be submitted before the expiration of the 90-day period following the date of the enactment of this Act.

By Mr. MARKEY:

—At the end of title X (page 200, after line 4) add the following new section:

SEC. 1050. LIMITATION ON MEMBERS OF THE ARMED FORCES IN HONDURAS.

(a) LIMITATION ON PROXIMITY TO NICARAGUA BORDER.—None of the funds appropriated pursuant to the authorizations of appropriations in this Act may be obligated or expended in connection with any activity, or to support any activity, by members of the United States Armed Forces in any land area of Honduras that is within 20 nautical miles of the land border of Nicaragua and Honduras.

(b) EXCEPTIONS.—Subsection (a) does not apply if—

(1) Congress has declared war or enacted specific authorization for the presence of members of United States Armed Forces in such area; or

(2) such forces are needed—

(A) to respond to a clear and present danger of military attack on the United States;

(B) to meet a clear and present danger to, and to immediately evacuate, United States citizens; or

(C) to respond, pursuant to the provisions of the Inter-American Treaty of Reciprocal Assistance, to an invasion of Honduras.

By Mr. WALKER:

—In Title 10, add the following new section:

"SEC. . The Commander-in-Chief is authorized to undertake actions to protect United States Armed Forces personnel against terrorist activity through:

"(a) The use of such anti-terrorism measures as may be necessary to prevent the loss of lives of United States Armed Forces personnel and,

"(b) The use of such counter-terrorism measure as may be appropriate against those persons identified as being responsible for the loss of lives of United States Armed Forces personnel."

—In Title 10, add the following new section:

"SEC. . It is the Sense of the Congress that the Commander-in-Chief is authorized to undertake actions to protect United States Armed Forces personnel against terrorist activity through:

"(a) The use of such anti-terrorism measures as may be necessary to prevent the loss of lives of United States Armed Forces personnel and,

"(b) The use of such counter-terrorism measures as may be appropriate against those persons identified as being responsible for the loss of lives of United States Armed Forces personnel."

EXTENSIONS OF REMARKS

SOUND ADVICE GIVEN TO VIRGINIA TECH GRADUATES

HON. FREDERICK C. BOUCHER

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Friday, June 21, 1985

● Mr. BOUCHER. Mr. Speaker, this month, graduates throughout the Nation will gather to receive their degrees and last minute guidance from those who have themselves cultivated the advice given to them on graduation day.

I would like to bring to the attention of our colleagues the wisdom shared on June 8 with graduates at the Virginia Polytechnic Institute and State University.

Alexander F. Giacco, rector of the VPI and SU Board of Visitors, presented a simple proposition to the graduating class: The world marketplace is the new economic frontier. He cautions, however, that meeting the challenges of the New Frontier requires not only sound business skills but also compassion and understanding of the cultures of other nations.

As president, chairman and chief executive officer of Hercules, Inc., a worldwide corporation with $3.5 billion in annual sales, Al Giacco clearly possesses that critical mix of economic and sociological skills that are needed as America embraces the challenges of international economic competition and opportunity.

I commend his speech to our colleagues, and I ask that it be included in the RECORD.

Mr. Giacco's speech follows:

Dr. Lavery, distinguished members of the Board of Visitors, honored guests, and graduates of the Class of 1985.

It's fair to say that whoever first began calling this day "Commencement" understood rather precisely the chronology of education in our lives. Graduation day does not end our education, rather it signals its commencement in another context. No longer in the structured setting of classroom and laboratory—but in the more eclectic setting of life. You were counselled a few years ago about survival in the college environment. Let me give you today your freshman convocation in business survival in what will be your new setting—the world environment.

A century ago, commencement speakers echoed Horace Greeley's siren call that one should "Go West, young man, go West". West, of course, meant the frontier. A place where opportunity lay waiting. A place representing the future, where one could crosscut the old establishment and could make it in a new environment. It represented a break with the past and, hence, risk as well as opportunity for the future.

More recently, when I sat where you are sitting today, our speaker was more specific—he said, "Go to Texas, young engineer, Go to Texas". Texas was then almost generic for new opportunities in oil, hydrocarbons—the future building blocks for a new industrial age. New horizons and opportunities on the frontiers of engineering technology.

Today, as we speak, the West is gone in a frontier sense and the vitality of Texas comes more from high-tech than from hydrocarbons.

But there has been developing out there across the planet—for the last two decades—a new frontier of opportunity, and the most exciting one yet. It is there I suggest you go.

The new frontier is the emerging world marketplace.

Your early recognition and understanding of it will lead you to its opportunities—because you are the first generation of people who will have lived their entire lives in it!

So I say to you—Think global! And Go World, Young Men and Women, Go World!

To do that doesn't require that you move to Australia, or Brazil or Tiera del Fuego. But it does require you to know where they are, know something of their culture, their needs and aspirations. It requires an attitude of unfailing optimism that the new global frontier offers more opportunity for the future than the old parochial and nationalistic markets, which are relics of the past. You will need to begin with a radical change in the way you think about the world. You will have to stimulate your intellectual curiosity and broaden your points of view from a domestic perspective to a global one. You will have to learn to think as others think. You will have to meet them more than half way. And you need more than one language.

Let me illustrate with a personal example. Our company produces a broad spectrum of chemicals for a developed society. It is a world company with about 80 plants evenly split between the U.S. and the rest of the world. In some years, as much as half our earnings have come from operations and sales overseas.

To help keep track of such an enterprise, I have a computer terminal at my desk which updates each night all business changes—so I have real time information from around the world each morning when I arrive.

Further, we have a television linkup via satellite to our major U.S. and European locations. If need be, we can discuss overnight changes with our managers around the globe face-to-face on TV each morning.

I travel regularly overseas and encourage our executives to do the same, not just visiting our installations, but absorbing the cultures and keeping abreast of, or ahead of, changes in the world markets.

To this day, I take language lessons. The cassette player in my car is usually loaded with Berlitz language tapes instead of stereo music. And I subscribe to foreign magazines so I can read in that language what is going on in that part of the world. I'm on the Board of a European company where meetings are conducted only in Italian.

Look at the most successful American companies today, and you will find men and women at the top who are voracious for information about markets abroad. Most of you will not produce goods and services for a local or national markets of only parochial tastes. Because that has been transcended by the world marketplace and you will think it and live it and it will be the lodestar of the most successful among you.

The new world economy is not just for the physical scientists among you—there is plenty to do also for the social scientist. One of the major problems of our age is that technology has outpaced sociology. If there is any doubt to my optimism for the future, the reasons are not technological, but sociological. That is because we are in the midst of a fundamental discontinuity in world economic history.

The way the world worked economically in the past was through local and domestic markets, which were largely vehicles of large producers, cartels and governments. Consumer satisfaction often came somewhere after national price policies, wage policies, protectionism and special interests. What is called the international market is just an extension of that through exporting, controlled by restrictions and tariffs.

But the world market is something new. It is unique in human civilization. And it is an achievement of the consumer. Because in it, he will be willing to buy the best available at the lowest price, regardless of where on the planet it is produced. That will ultimately put all producers and governments and labor unions, and other special interests around the globe into the competition with each other as groups vying for the consumer's business. That is happening today, and we are seeing the world work a lot differently.

The compelling reason for this is rapid telecommunications. People in the tiniest hamlets in the backwaters of the world can see how everyone else lives. Nowhere can you go on the globe today without seeing TV antennas. This creates universal appetites, and is causing economic changes such as we have not seen before. It signifies increasing economic independence for the consumer, a little more control over economic destiny. When the masses see economic growth and prosperity on TV, they want for themselves.

No longer can governments, unions or companies hold appetites hostage to geography. Television obliterates geographical boundaries. A gigantic world marketplace, resulting in a kind of global shopping center, is developing as a result.

But this secular change that's underway in the way the world works hasn't yet been fully recognized.

The reason is that most of us, and most of our institutions—government, business, the press, universities and unions are still tied to yesterday. So there is a lack of recognition of what is really happening in the world today. That produces a frontier of opportunity for your generation—one you can participate in.

There is a gap that exists in the country you are inheriting between our traditional system of business and political beliefs and the new realities of the world.

The myopia of politics and government make those institutions slow to appreciate this change and address it. The superficiality of the news media keeps the sea change

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● This "bullet" symbol identifies statements or insertions which are not spoken by the Member on the floor.

from being explained. The day-to-day, bottom line problems of business have caused many in that institution to not fully confront the change. Unions are grounded in the status quo. Universities, by their nature, teach us a lot about yesterday, some about today, but almost nothing about tomorrow—yet they do provide us the underpinnings to extrapolate for ourselves.

Part of the gap is between technology and sociology. But mostly is our natural, slow reaction to secular change. History is always instructive, but if we simply straight-line extrapolate history, in such times, it can mislead us. This is one of those times.

In the U.S., our traditional system of business and political beliefs fathered the economic environment of yesterday. Because of our vast resources and economic strength tied to big homogenous domestic markets—we were able to overcome adversarial government-business relationships and other problems. But those same strengths can be weaknesses in the new world market. That portends dramatic challenges for you who will emerge soon as leaders of business, government and academe.

So, that is the direction. As with any long journey there is a first step, and you must take it. The first step is to Think Global! Go World, young men and women as you leave Blacksburg—Go World! I envy you the journey!

Can I be more specific? Not except to say you have to recognize the sea change; you have to prepare yourself with a new understanding about how the world works—of cultures and languages and trends—and, then, only then, you have to do what successful people of all ages have always done. You have to look for opportunity.

The richness and texture of this secular change will be a greater experience for you if you recognize it and command it. It is inexorable. You can jump on—or you can hang on for dear life. It is there! And new eras such as this are like horses. They are almost impossible to ride, except in the direction they're going.

Best wishes to you on your commencement day. Go World! And Good Luck! ●

ADM. HYMAN RICKOVER

HON. CHARLES E. BENNETT

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Friday, June 21, 1985

● Mr. BENNETT. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the following:

Mr. Speaker, Adm. Hyman Rickover became a hero and a legend in his own time. As the father of the U.S. nuclear Navy his contribution to our national defense has been equalled by very few. As chairman of the Seapower Subcommittee of the House Armed Services Committee I have, through past decades, been in close touch with him and heavily relied on his good judgment in Naval affairs. As an individual, I treasure his friendship.

Recent question arose as to gifts received by him from Electric Boat, a company producing nuclear submarines for the Navy; and he received a letter of censure for this and then replied as shown by the following June 7 letter. I endorse his statement there: "I can emphatically say that no gratuity or favor ever affected any decision I made." The Secretary of the Navy said "there was no evidence found that in fact favor was granted by the Admiral in any of his dealings with Electric Boat." In my opinion, it is appropriate to have Admiral Rickover's letter of June 7 put in the RECORD; and it reads as follows:

JUNE 7, 1985.

Hon. JOHN H. LEHMAN,
Secretary of the Navy, Department of the Navy, The Pentagon, Washington, DC.

DEAR MR. SECRETARY: In accordance with section 0102(b) of the Manual of the Judge Advocate General, I write you this letter as an official statement in reply to your administrative letter of censure dated 21 May 1985 concerning the findings of the Ad Hoc Gratuities Board re allegations of gift giving to me by General Dynamics.

Let me first say, as I have said repeatedly, my conscience is clear on this subject. Ultimately a human being has to judge himself. I have always acted in the best interest of the Navy and my country during my 64 years of military service. I can emphatically say that no gratuity or favor ever affected any decision I made. In fact, the record will show that I have been consistently tougher on defense contractors than any government official at any time. The very shipbuilders being investigated by your Gratuities Board were the targets of my repeated criticism for poor procurement practices, inefficiency, high overhead, and inadequate cost control. As you yourself recognized in your news conference of May 21, 1985:

"There is absolutely no evidence that Admiral Rickover gave [General Dynamics] favorable treatment as a result of this. If his behavior toward General Dynamics was an indicator of what General Dynamics was getting for its money they sure got a bad deal, because he was always rigorous in negotiating with General Dynamics, very tough. The Board found that on the one hand, while General Dynamics sought to get perhaps the best way to put it is the least unfavorable treatment from the man who had the most power over General Dynamics, Electric Boat, there was no intention, according to the findings of the Board, to corrupt or to suborn the admiral or the system. Nor was there any evidence found that in fact favor was granted by the admiral in any of his dealings with Electric Boat."

I have never denied receiving certain items from General Dynamics. My receipt of these gifts, however, deserves to be placed in the proper context—the context in which they were given.

During my more than 30 years at the helm of the Navy's nuclear power program I was responsible for the construction of 141 nuclear-powered vessels. I went on all but two of their sea trials and I participated in most of their launchings, keel-layings or commissionings. The Gratuities Board now alleges that I received a total of $67,628.33 in gratuities during my lengthy career in the Navy, the vast majority of these so-called "gifts" being given me in conjunction with the 139 sea trials and numerous launchings. They cite as alleged gratuities and place a value on, among other things, mint julep cups, trays, paper weights, models, mugs, lunch boxes, and book ends, most of the items noting the commissioning of a particular ship; and food and other provisions for the sea trials.

First, it is important to note, I never considered or treated these items as personal gifts to me. With the exception of two pieces of jewelry which were given to my wife and were valued by the Gratuities Board of $1,269.73, all of the items with which I was presented by General Dynamics were given away. They were given to members of Congress and congressional staff whose support and enthusiasm for our nuclear program were and remain essential for the security of our country. They were given to the dedicated and hardworking crews of the vessels whose launchings I attended and whose sea trials I witnessed. They were given to staff members in my office who labored so tirelessly over the years to ensure that the United States would always remain preeminent in the field of nuclear power. And they were given to Presidents of the United States. In fact, in large part, the so-called "gratuities" which I received would be classified as "trinkets" if one were judging their intrinsic value. The true value of these "trinkets", as you properly termed them in your news conference, was in their reminder when given to others that yet another milestone in the development of the nuclear Navy had been achieved insuring the continued security and well-being of our country.

The practice of presenting gifts at ship launchings has been with us for hundreds of years and, as it should be, will doubtless remain with us for hundreds more. Sea trials for the vessels are not only a tradition but were required by the Navy's contracts with General Dynamics. The provisions and supplies for these sea trials, alleged as gratuities, were used and consumed not only by me but also by the dedicated Navy men and women who served on these ships. If General Dynamics had not provided the provisions, the Navy, and ultimately the taxpayers would have had to. "Rigging for Rickover", as the stocking of provisions for the sea trials was commonly called, was not something I ordered. It is a Navy custom of long standing for the Commanding Officer of a naval vessel to make special arrangements for the reception of high ranking officers and other dignitaries. Thus, provisions for the sea trials were ordered by the crew of the ship and supplied by the Navy in conjunction with General Dynamics and were consumed by all aboard.

No single item, however, highlights the true nature of the Gratuities Board findings more than the alleged "chauffeur services" I received valued at more than $16,000, nearly a quarter of the total gratuities claimed. The Board finds that during the period 1964 to 1977 I made on the average three trips per month to Groton, Connecticut, a total of 504 trips. No one challenges, nor could they, the official business conducted on these visits to the submarine base. Since there was no commercial air service to Groton from Washington, I had to fly to either New York City, Boston, Providence, Hartford or New Haven and be driven to Electric Boat, as I do not have a driver's license and travelled without an aide. Was I to walk? If General Dynamics had not provided the transportation, the Government would have had to. That such activity constitutes a gratuity to me is ludicrous. I note in passing that although General Dynamics has paid the fine the Navy levied against it, they too have noted their disagreement with the findings and conclusions of the Gratuities Board including

those on the essential questions of intent and quantum.

I can state unequivocally that I was never influenced in the recommendation to award or amend any contract, or in the making of any determination with respect to the performance of any contract, by any item or service provided me by General Dynamics. At no time did the receipt of any item or service from General Dynamics have any bearing on the exercise of my authority. I did not at any time accept any item or service from General Dynamics with the intent to be influenced and I never made any statement or undertook any action with the intent to convey to any General Dynamics officer or employee the impression that I could or would be influenced in any contract related decision, or in the exercise of my authority. If I am to be criticized for not reporting to the Navy that General Dynamics occasionally presented me with the "gratuities" referred to above, (and in fact Navy officials at all levels were aware of these long standing customs and practices), I must note that during the years 1961-1977, the span of time addressed in your letter of censure, neither the Navy nor any other governmental entity required government personnel to do so.

It goes without saying that if I had identified material success as my goal in life, I would certainly have followed another career path than that which I chose. I have never received profit or personal gain by reason of my position with the Navy. I could have retired in 1952 at three-quarters pay and made a fortune in the private sector. Instead I chose to forego a lucrative second career and stayed on to serve my country for another 30 years, in effect giving two full careers to public service. I almost never took leave and was always among the very first to work every morning and the very last to leave at night. I considered Saturdays regular work days and often Sundays as well. I would often schedule out-of-town meetings at night to minimize my time away from the office and I would insist that sea trials for nuclear powered ships start on Sundays for the same reason. When I was offered honoraria for the numerous speeches I gave and articles I wrote during my career, I directed that the money be given to charity. Over the years I donated more than $120,000.00 in this manner to such charities as Care, UNICEF, The American Red Cross, and the Crippled Children's Foundation. My conscience satisfies me that I have conducted the affairs of my Office during my 64 year naval career with the best interests of the Navy and of my country at heart and with the highest degree of personal integrity. No one has held a higher standard in that regard than that to which I hold myself.

I want you to know, in closing, that I sincerely appreciate the sentiments you expressed concerning me at your news conference when you said, "I think it's important that people remember that this man spent nearly 60 years in the Navy and has made a truly monumental contribution to this country's security and safety. His name will live for a very long time for the contribution he has made to our nuclear Navy and well it should. So this fall from grace, if you will, with these little trinkets, should be viewed in the larger context of his enormous contribution." I would simply conclude with a quotation that I like from President Theodore Roosevelt which I think should be kept in mind when considering the allegations of the Gratuities Board:

"It is not the critic who counts, not the one who points out how the strong man stumbled, or how the doer of deeds might have done them better. The credit belongs to the man who is actually in the arena, whose face is marred with sweat, and dust, and blood; who strives valiantly; who errs and comes short again and again; who knows the great enthusiasm, the great devotion, and spends himself in a worthy cause; who, if he wins, knows the triumph of high achievement; and who, if he fails, at least fails while daring greatly, so that his place shall never be with those cold and timid souls who know neither victory nor defeat."

Respectfully,

HYMAN G. RICKOVER,
Admiral, U.S. Navy (Retired).●

DEFENSE AUTHORIZATION—SDI

HON. BILL FRENZEL

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Friday, June 21, 1985

● Mr. FRENZEL. Mr. Speaker, yesterday's debate on the strategic defense initiative—also called SDI, or star wars—was only the beginning. Because it will be with us for a long time, it's not a bad idea to review the House action of yesterday.

To begin, the President's proposal offers a major change in the idea of deterrence which has formed the basis of our security policy for 40 years. As the President has noted, reliance on an assured defense is a safer, less accident-prone policy than reliance on mutual, assured destruction.

SDI will be terribly expensive. Experts agree that it will require eventual modification of current arms control treaties, especially the antiballistic missile treaty.

No one has a very good idea about the prospects for success. Most people, including myself, believe it is a technology which must be explored. My judgment is that we ought to proceed with research to investigate the proposal, but that we ought to do so carefully.

We ought not spend in a profligate manner. Huge increases in any Federal program, and particularly in DOD programs, usually result in waste or duplication, or both. Our deficit situation also signals caution. Finally, we should try not to endanger our existing treaties without clear and convincing evidence of success for SDI, or of urgent need.

Yesterday, the House had six choices. The Dellums amendment would have eliminated SDI. My negative vote was an easy one. The program should go forward.

The Mavroules amendment was called a freeze at $1.4 billion. I was tempted to support it. However, the SDI Program is now in process at a much higher spending rate than $1.4 billion. I voted against Mavroules because, to me, it was a real and substantial cut. It failed.

The Dicks amendment called for a number of conditions I considered useful, and $2.1 billion in spending. That figure may have been low, but with the Senate at $3 billion, and a conference figure around $2.5 billion therefore assured, I found it appealing. Because I find no compelling need for breakneck speed, I voted for it, but it was not passed.

The next alternative was offered by Representative COURTER. It called for spending the $3.7 billion requested by the President. For me, that figure was grotesque.

As noted above, we are currently spending at a rate above last year's appropriation, but the $3.7 figure is a 160-percent increase over last year which was a 40-percent increase over the previous year. Enough said.

The Holt amendment was next. It called for an appropriation at the Senate approved level of $2.96 billion. That figure, too, exceeds the level at which I have confidence in the Department to invest the money wisely, and exceeds the level of spending which is prudent under today's circumstances. I voted against it.

The defeat of the preceding five amendments left the House with the committee recommendation of $2.5 billion as the only remaining alternative. That level is not objectionable to me, but I am concerned that it will be raised in the conference with the Senate. Like most Members of the House, I voted for this last available alternative.

Much of this week's debate focused on the differences in spending in the various proposals, but other important factors were brought up. Some are worthy of note. One is the question of limiting testing and demonstration of weapons. At this time, I believe some limits are appropriate.

We have directed much of our attention to the weapons portion of SDI, like lasers and directed-energy beams. But, other technological challenges which present perhaps even more difficult problems are control mechanisms, aiming mechanisms, and power systems. Testing of the weapons components will not, by itself, be an indication of success.

My judgment is that now we ought to know whether we can overcome the challenges of nonweapons components of SDI, before we begin to spend heavily, or risk breaking the ABM Treaty unilaterally, by indulging in weapons tests which don't tell the whole story on SDI success. With the failure of the Dicks and Mavroules amendments, there remain insufficient limitations on testing.

The strategic defense initiative will be, under any conditions, an expensive gamble. There is no guarantee of unqualified success. But we cannot fail to

explore it. The benefits would seem to be well worth the risk.

My affirmative vote for the system is based on hope and optimism, but it is also cast with caution.●

JOHN MONAHAN

SPEECH OF

HON. ANDREW JACOBS, JR.

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 20, 1985

● Mr. JACOBS. Mr. Speaker, he is a man of few words, all of them golden.

John Monahan is one of the best advisers I ever had in the House of Representatives.

I am grateful to him and wish him and his family many years of happiness.●

A WRONG SIGNAL ON BIRTH CONTROL

HON. JAMES H. SCHEUER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, June 21, 1985

● Mr. SCHEUER. Mr. Speaker, the New York Times of June 21, 1985, contains an article concerning the efforts in this body to cut international population assistance funds from the upcoming foreign assistance bill.

I recommend that my colleagues read this enlightened opinion piece by Robert L. Schiffer, a former State Department official, before they cast their votes on an amendment expected to be offered by our colleague from New Jersey Mr. [SMITH].

In his op-ed article, entitled "A Wrong Signal on Birth Control," Mr. Schiffer points out that 15 years ago, the United States was accused of espousing population control as a means of keeping developing countries weak and subjugated, but now that many nations have accepted the need to control population growth, the United States, ironically, is changing its tune.

He says a successful effort to block funding for the U.N. Fund for Population Assistance will send the wrong signal to developing nations—a signal that the United States is willing to sacrifice important and worthwhile worldwide family planning programs in order to influence China and reverse that country's reported coercive family planning policies.

I hope every Member of Congress will have a chance to read the following article:

[From the New York Times, June 21, 1985]

A WRONG SIGNAL ON BIRTH CONTROL

(By Robert L. Schiffer)

Fifteen years ago, the United States was accused of espousing population control as a means of keeping developing countries weak and subjugated. Ironically, now that many have accepted the need to control population growth, the United States may change its tune.

If anti-abortion lobbyists are successful in Congress, the United States will send the wrong signal to developing countries—that it is willing to sacrifice worldwide family planning efforts in order to influence population control programs in China.

Congress is considering several proposals that would prohibit United States funds to go to any country or organization supporting or participating in a program of coercive abortion or infanticide.

Fair enough. Not even the staunchest proponents of family planning advocate spending money for such acts. However, anti-abortion groups have used reported incidents of abuse in China as a pretext to end financing of all family planning programs. Congress is considering a measure that would effectively block payment of a $10 million pledge to the United Nations Fund for Population Activities. President Reagan should urge Congress to reject such legislation.

Curiously, family planning programs are the surest antidotes to abortion, and the legislation promoted by anti-abortion lobbyists thus defeat precisely what they claim they want to prevent. Though the aim of their outrage this time is abuses in China, the measures they seek are the same as in past campaigns—the end of all family planning efforts. Anti-abortion groups have already been successful in halting United States aid to the International Planned Parenthood Federation.

The latest measures are superfluous, moreover, because existing law already bars the use of United States funds for abortions. So money is hardly the issue here. Pointing a finger at China and trying to impose our own domestic political considerations or cultural norms on other countries only strains relations.

Blocking the United States contribution to the United Nations fund will not affect China's policies, but it will seriously damage one of the better and more deserving programs. We should be among the first to encourage not penalize it.

China is one of some 140 countries in which the United Nations Fund for Population Activities now operates, and which will be penalized as well. The $10 million the fund stands to lose this year is only part of the total United States contribution to the fund, which is about 25 percent of the approximately $150 million budget. The more important question, therefore, has to do with future years.

The Chinese are understandably annoyed by the fuss, saying it has been stirred up by old and inaccurate reports. Nonetheless, they have gone out of their way to assure us that they will not use money from the fund for abortions. The fund's executive director, Rafael M. Salas, has also given his word to the State Department that his organization does not, and will not, take part in abortion activities in China or anywhere else.

The world population growth rate showed a small decline for the first time in 1984, but it is projected to soar to six billion by the end of the century. More than 90 percent of this growth is expected in developing countries. World population experts estimate that population may stabilize by the year 2090, but only with the help of a sustained family planning effort.

The tragedy sweeping Africa today is a tragic lesson. The drought was only the trigger; one of the key underlying causes was an uncontrolled population growth and the resultant pressure it has placed on the natural-resource base of an already fragile land. The United States has committed itself to $1 billion in emergency aid to Africa in 1985. Emergency help will not provide a cure unless the cause too, is attacked.

What happened in Africa can happen again, there and elsewhere. The developing countries have come to recognize the danger that unchecked population growth poses. We should not abandon them.

Domestic abortion politics ought not to be extended to foreign policy. While the relatively few million dollars that are earmarked for family planning can hardly assure peace or stability, its loss can put them in jeopardy.●

TRIBUTE TO DARRYL MARTIN

HON. GEORGE W. GEKAS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Friday, June 21, 1985

● Mr. GEKAS. Mr. Speaker, today I rise to recognize a young man, who, through his determination, exemplifies the ability of an individual to make a difference in his community.

On June 18, 1985, Darryl Martin of Harrisburg, at age 27, became the Pennsylvania junior welterweight boxing champion by knocking out his opponent in the third round of the title fight.

"Dangerous Darryl" is anything but dangerous outside of the boxing ring. His involvement with local youth groups and active participation in his church belies his ring name. The many hours that were spent as a volunteer counselor in the Harrisburg YMCA helped Darryl get his start in boxing.

The leadership that Darryl inspires in and out of the ring works as a prime motivational factor in his many endeavors throughout the community. Probably the most important lesson to learn from someone like Darryl Martin is that success is achieved by a combination of talent, dedications and courage.●

THE FATE OF CONRAIL

HON. STAN LUNDINE

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, June 21, 1985

● Mr. LUNDINE. Mr. Speaker, in the next few months, Congress will be called upon to decide the fate of Conrail. This issue is of vital importance to the American rail industry and to all of us who are served by the railroads.

I would like to submit for the RECORD a copy of a "Letter to the Editor" that appeared in the New York Times on June 17. This letter,

written by Mr. Jervis Langdon, succinctly outlines the history of Conrail and the likely consequences of the sale of the railroad to Norfolk Southern. Mr. Langdon, who is a personal friend, arrives at this conclusions regarding the proposed sale after years of professional experience with the railroad industry. Now retired, Mr. Langdon does not have a vested interest, other than that of a concerned citizen, in the fate of Conrail.

I urge all of my colleagues to read this informative letter.

WATCH IT, CONRAIL, HERE COMES NORFOLK SOUTHERN

To the EDITOR:

Tom Wicker's June 4 column, "Conrail Give-Away," is right on target. As trustee and president of Penn Central during the bankruptcy period (1970-76), I was close to railroad operations that now make up more than 90 percent of Conrail, and I helped identify operating and regulatory changes that, when finally recognized by Congress, converted a hopelessly deficit railroad into the efficient and prosperous company that we see today.

For this result, labor must be given great credit for perception and willingness to participate in the recovery process, and richly deserves the two places on Conrail's board reserved for it under the public-sale plan put together by Morgan Stanley. Conrail is now giving the Eastern states the best freight service they have ever had—and doing so at a profit.

The Reagan Administration, by pushing hard for a sale of Conrail's stock to the Norfolk Southern Corporation, would pull the plug on this smoothly running transportation system and force it into an unfriendly takeover by a competitor, thus producing a rail monopoly between many Eastern stations, including New York and New Jersey and Kansas City and New Orleans (as gateways) as well as most of the stations in the Southeast, except Florida. The Government's excuse: Norfolk Southern's "deep pockets" and assumed ability to come to Conrail's rescue if in the years ahead it should need help. A replay of the Conrail interlude is not wanted.

No one can guarantee the future. But Conrail, as an independent carrier, has as good a chance to make out well as any Eastern railroad, perhaps a better chance if it can retain the caliber of management it has had since 1980. Even if the Eastern economy, with its smokestack industries, continues to sag, Conrail has plenty of room, by adjusting the size of its plant, to increase traffic density (ton-miles per mile of road operated) and thus assure viability. Moreover, there is evidence that Conrail's market share (falling since the Korean War) is at present stabilizing.

In relying upon Norfolk Southern's "deep pockets," the Department of Transportation may be kidding itself. In the mid-1960's the Norfolk & Western (the dominant component of the merged Norfolk Southern) was required to take the Erie-Lackawanna and Delaware & Hudson railroads under its protective wing as part of the price for Federal authority to consummate its desired merger with the old Nickel Plate and Wabash railroads. Indeed, the Supreme Court specifically upheld Norfolk & Western as the proper "home" for the Erie and Delaware & Hudson.

A few years later, both those railroads fell on hard times, but the Norfolk & Western was nowhere to be found. The Erie (now an important segment of Conrail) went into bankruptcy, despite large Government advances, and the Norfolk & Western refused to take it back in 1976, when Conrail was being formed. The Delaware & Hudson (now a part of Guilford) became a ward of New York State, which, with the Federal Government, advanced millions in subsidies to keep it alive as a Conrail competitor.

With the express concurrence of the Southern Railway, Norfolk & Western excluded the Delaware & Hudson from the Norfolk Southern merger because it was an "intolerable burden" with "no hope." In its relations with its one-time family members, the Erie and Delaware & Hudson, the Norfolk & Western's principal role was limited to taking large tax credits amounting to millions of dollars.

What reason is there to believe that if Conrail falters in the years ahead, its treatment by Norfolk Southern would be any different from the brushoff the Erie and the Delaware & Hudson got? After all, the Norfolk Southern is not an eleemosynary institution. It exists to make money—the more the merrier.

JERVIS LANGDON, Jr.,
Gibson Island, Md.,
JUNE 5, 1985.●

PERSONAL EXPLANATION

HON. WILLIAM E. DANNEMEYER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, June 21, 1985

● Mr. DANNEMEYER. Mr. Speaker, during Wednesday's rollcall—No. 171—on the Weiss amendment, striking authorization for the Trident II missile, I was unavoidably detained away from the Capitol. Had I been present, I would have voted "no."●

A TRIBUTE TO SENATOR CLARENCE M. MITCHELL III

HON. MICKEY LELAND

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Friday, June 21, 1985

● Mr. LELAND. Mr. Speaker, the members of the Congressional Black Caucus would like to join the colleagues, friends, and family of Maryland Senator Clarence M. Mitchell III in extending our congratulations for his 23 years of service in the State legislature, on the occasion of a testimonial dinner being held in his honor on June 26, 1985, at the Baltimore Convention Center.

A native of Baltimore, Senator Mitchell holds the distinction of having been elected to the Maryland Legislature at the age of 22. He has served 4 years in the house and 18 years in the senate and is the youngest person ever elected to that body. He began his political career after working with Dr. Martin Luther King, Jr. and the NAACP youth council as a young civil rights activist in 1960. He is one of the founding members of the Student Nonviolent Coordinating Committee [SNCC]. Mitchell presently holds the Maryland Senate leadership positions of chairman of the Executive Nominations Committee and senate chairman, Joint Federal Relations Committee. Among his committee assignments are ranking member of the Judicial Proceedings Committee and the Governor's Commission on Review of the Judiciary. In December 1979, he was elected president of the National Black Caucus of State Legislators for his first 2-year term. He has since been reelected to an unprecedented third 2-year term.

One of his outstanding legislative achievements is the creation of the Maryland Office of Minority Business Enterprise. He has been a leader in the fight for the inclusion of blacks and other minorities in the building and maintenance of many Baltimore improvement projects including the new convention center and subway system. He has been instrumental in bringing millions of dollars in new housing and thousands of jobs to his district.

The young senator served as an adviser to Presidents Jimmy Carter, Lyndon B. Johnson, John F. Kennedy, and to Vice President Hubert Humphrey. He has also led delegations of his colleagues to meet with President Reagan and Vice President BUSH on a number of occasions to express the concerns of black Americans over administration policy.

In October 1980, President Carter invited Senator Mitchell to join other leaders to represent the United States in the People's Republic of Congo and to deliver a commitment for $123 million in oil exploration assistance from the United States.

To gain greater perspective of foreign legislative processes, he has traveled extensively around the world and participated in factfinding missions to the Middle and Far East.

When not involved in legislative activities, the senator is self-employed as president of the thriving Baltimore-based Mitchell Properties, Inc., a realty company, employing more than 40 sales agents and staff employees. He is also a consultant and lecturer.

The senator comes from a family of politically involved members with a deeply rooted civil rights commitment extending over four generations.

His uncle, PARREN J. MITCHELL, is Maryland's first black Member of Congress, former chairman of the Congressional Black Caucus, and currently majority whip at large. Juanita Jackson Mitchell, his mother, is a noted civil rights attorney and also former president of the Maryland State Conference of NAACP branches. His younger brother, Michael Bowen Mitchell, now serving a third 4-year

term as a member of the Baltimore City Council, is also an outstanding defense attorney. Another brother, Keiffer, is a physician and former president of the medical staff of Baltimore's Providence Hospital. His youngest brother, George, is a general contractor and property manager.

Senator Mitchell is a member of the Prince Hall Mason and Kappa Alpha Psi fraternity.

He is married to the former Joyce Thompson, attorney, who is presently serving as a juvenile court master. They have three children. His son Clarence IV, 22, was elected Democratic State Central Committeeman in the 1982 elections. His daughter, Lisa, 21, is a junior business administration major at Howard University and Lauren, 8, is in elementary school.

We commend this contemporary hero for his commitment to leadership and his extraordinary service to the people of the State of Maryland and black America.●

CHILD ABUSE PROSECUTION

HON. DAN COATS

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Friday, June 21, 1985

● Mr. COATS. Mr. Speaker, child abuse is a crime we all find abhorrent. But it is more disturbing when our judicial system intimidates children to the point that truth is blurred and offenders go free.

In 1984 the Select Committee on Children, Youth, and Families, on which I serve, heard testimony on child abuse and it became clear that parents need to be cautious and careful in their selection of day care centers and even babysitters. It was also evident that the courtroom is presently not a friendly place for children who are prepared to accuse their molesters.

Recently another case has surfaced which serves to illustrate the difficulties children have in presenting testimony in a hostile environment. It appears easy for the judicial system to victimize a child for a second time. In California, during a recent pretrial hearing of a child sexual abuse case, a child was placed on the witness stand for 16 days. Mr. Jack Yelverton, the executive director of the National District Attorney Association has said, "It is unconscionable that the law can permit a child to be placed on the witness stand for that period of time." When parents withdraw complaints against persons suspected of committing the most vile of crimes because court proceedings have proven too traumatic for the children involved, we have nothing less than an indictment against our judicial system.

The problem is that the criminal justice system is designed to provide safeguards for the accused—such as the right to trial and the right to be confronted by his accuser. Yet the child accuser is rarely equipped with the verbal or developmental skills to function as an equal in our traditionally adversarial system. This makes it easy for defense counsel to frighten or intimidate a child and keep them from testifying freely as would an adult.

It is my belief that the criminal justice system should be modified to be more responsive to the needs and the nature of children. Mr. Speaker, I am pleased to announce to my colleagues that the National District Attorneys Association is currently planning the establishment of a National Center for the Prosecution of Child Abuse and hopes to extend its influence into every jurisdiction in the country. I would also at this time like to express my support for Congressman DON EDWARDS' bill, H.R. 2791, to improve the enforcement of child abuse laws. I am pleased to be an original cosponsor of this bill and believe it is one more necessary step to effectively reduce the trauma suffered by children who become the victims of sexual abuse.●

CLAY SUPPORTS HOUSE RESTAURANT EMPLOYEES

HON. WILLIAM (BILL) CLAY

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Friday, June 21, 1985

● Mr. CLAY. Mr. Speaker, history repeats itself. The Architect of the Capitol is employing the same unfair labor practices against the House of Representatives cafeteria workers as were used to defeat the efforts of Senate cafeteria employees to organize for purposes of collective bargaining. Because no one else responded to their plight, the frustration of the Senate employees rights found its way onto the agenda of the International Labor Organization [ILO]. An election was eventually held in the Senate to determine if the Senate employees desire union representation. However, there was considerable evidence that the Senate election was tainted by widespread unfair labor practices which left the employees believing that if they voted for collective bargaining their jobs would be contracted out.

The Architect has continued to disregard the basic rights of employees under his supervision since assuming responsibility for the supervision of the House Restaurant System. For the past several months there appears to have been a concerted campaign directed against the House cafeteria employees to frustrate and defeat their legitimate aspirations to engage in collective bargaining. Unless there is an immediate and significant change from present circumstances, it is my intention, as chairman of the Subcommittee on Labor-Management Relations, to conduct a public investigation of this matter.

Nearly a year ago the employees of the House Restaurant System began to organize for purposes of collective bargaining. On several occasions they notified the Architect that a majority of the employees wanted to be represented by a union. The Architect has not only refused the repeated requests, but the employees have been subjected to a classic antiunion campaign. Union supporters have been threatened, intimidated, and even witnessed the arrest of a union organizer. Now, in a repeat of what happened in the Senate, the employees have been threatened with the contracting out of their jobs as apparent retaliation for their efforts to organize. Such conduct would clearly be illegal in the private sector and there is no reason that the Architect should be able to get away with it in the Halls of Congress.

By statute the Congress has guaranteed the right to collective bargaining for workers in the private sector and all other Federal employees. While the right of House employees to engage in collective bargaining is not statutorily protected, the Supreme Court has held that the right of public employees to form a union is constitutionally protected. Nothing in law precludes the Architect, as supervisor for the restaurant system, from bargaining with the restaurant employees.

To deny this right to the lowest paid employees of the House, more than 90 percent of whom are black, makes a mockery of the principles upon which this institution was premised. As a group the restaurant workers are among the longest serving employees in this institution, including the Members. To reward their years of service with these kinds of threats and scare tactics does irreparable harm, not only to the integrity of the House of Representatives, but to the rights of workers everywhere. It is debatable whether or not the taxpayers can afford an Architect who has not been able to complete a building for less than twice its estimated cost. It is beyond doubt that they cannot afford one who also threatens their rights. If this Architect is incapable of recognizing the minimal right of these employees to choose a representative to bargain on their behalf, then immediate steps should be taken to replace him with someone who can.●

CARL SANDBURG HIGH SCHOOL

HON. HARRIS W. FAWELL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Friday, June 21, 1985

● Mr. FAWELL. Mr. Speaker, I wish to extend my congratulations to the staff, students, and parents of Carl Sandburg High School in Orland Park, IL, for being elected for the 1984-85 National Excellence in Education Award.

The National Secondary School Recognition Program identifies schools displaying outstanding achievements in leadership, attendance, academic testing, and teacher excellence. Carl Sandburg High competed with schools from across the Nation for this award and was one of only four Illinois high schools selected. A special awards ceremony is planned for September when the school will be presented with a commemorative flag and plaque.

At these times when our Nation is looking for leaders in the field of education, I am proud to have one such leader in my congressional district. Again, I commend principal Dr. David Eblen, the board of education, and the efforts of the staff, students, and parents.●

THE WATERWAYS STANDOFF

HON. NICK JOE RAHALL II

OF WEST VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Friday, June 21, 1985

● Mr. RAHALL. Mr. Speaker, today, there is a lack of concensus among many in the Congress regarding the role of the Federal Government in the construction and maintenance of our Nation's inland and coastal waterways, which for years had been accepted by virtually all Americans as national priorities, to be funded in the main by the national treasury.

Today, waterway construction and maintenance is at a standoff, a loggerhead, because that concensus regarding the common, national role the waterway system plays remains elusive. Today, some feel that the commercial navigation industry should pay the full cost for the needed expansion and repair to our Nation's maritime infrastructure. Others vehemently disagree. The result is that virtually all active participants in the debate over who should pay the tab—the user fee question—have hard and fast positions on the matter. The logical extension of that disagreement is that nothing is getting done. There is a total standoff, and the result along our waterways is close to disastrous.

Regarding the inland waterways, locks and dams are not being built, repaired, or expanded due to this impasse. This is sad and has potentially tragic future ramifications for the waterways industry and for the millions of Americans who benefit from its ability to transport goods both efficiently and inexpensively.

The Nation's ports—our domestic and international trade lynchpins—suffer also. Federal insertia, the demands of some that commercial interests pay the tab for port improvements counterbalanced against those who argue for a vigorous and proper Federal role, has resulted in a similar lack of action in harbor development. Again, these delays only make the ultimate solutions more difficult and losses to the Nation greater.

Those involved in the waterways industry are greatly concerned by what seems to be the narrow philosophical premise upon which the concept of user taxes in general rests and, in particular, as it is applied to the marine industry. There appears to be much theorizing on this issue, and little informed opinion. Everyone knows that if a creature has fins, scales, swims, and lives in the sea, it's a fish, no matter what someone else tries to name it. And, user fees—in reality, taxes, no matter what the name—are simply another way to further burden an already depressed and severely struggling industry. Moreover, these fees constitute an indirect form of taxation on the American people.

When it comes to barge user taxes, there is an accountant mentality in many sectors of our Government that insists that the commercial navigation industry is the sole beneficiary of port development, lock and dam replacement and some even argue, dredging. Therefore, they reason, the barge industry should pay much more.

Let us take that bit of reasoning at face value, and a step further. Let us assume that new user taxes are imposed on the already economically devastated barge industry, and that as a result, the barge industry suddenly disappears. What would happen along our Nation's coastlines and river banks? What would it do to electric generating stations on the waterways? To refineries? How about the housing industry, dependent upon gravel, cement, and sand? How about the American farmer trying to export his crops, and needing fertilizers and insecticide to grow them in the first place? What would be the trickle-down effect on our Nation's river and port communities? What would be the cost to the American consumer of goods produced from bulk products which were hauled by barges in competition with the railroads? To the local tax bases? To contiguous school districts?

No one would dispute the fact that the barge industry benefits from the work of the Corps of Engineers and the Coast Guard. But, so too do millions and millions of our citizens. The present dilemma and debate concerning the appropriate modern Federal role in waterway development takes little, if any, account of the direct contribution by the waterway industry itself. For example, U.S. ports have invested more than $2.5 billion in new and improved cargo handling facilities in the past 10 years. This massive monetary commitment was necessitated by the growth of U.S. waterborne commerce and by the increasing average size, complexity, and specialization of ocean-going vessels. Those pressures continue unabated. Some 3.7 billion metric tons moved in international seaborne trade in 1982. That volume is projected to rise to 5.22 billion metric tons by 1990, to 6.53 billion metric tons by 1995 and to 7.84 billion metric tons by the year 2000. The U.S. market share of that total seabound commerce, of course, will be a function of the ability of our ports to handle the cargoes efficiently. In that regard, the U.S. Maritime Administration estimates that an additional 247 seaport berthing facilities, costing on the order of $5 billion, will be required to accommodate the traffic projected for U.S. ports by the end of this decade alone.

In addition to the ports, there is a looming catastrophe on the inland waterways of America. These arteries of commerce move their vital life-sustaining cargo from point-to-point in the United States and to port for transshipment to foreign lands. These arteries are fast becoming clogged. The infrastructure, the shoreside physical plant which sustains these arteries of commerce is in disrepair and is crumbling. These arteries that are our waterways are essential to sustain life and economic health. If they are allowed to deteriorate, the system dies. It's that simple.

It is clear that a consensus regarding the proper Federal roles in the development, construction, and maintenance of our Nation's waterways must be reached, and that the current impasse must come to an end. If not, the barge industry, and the system of ports, locks, and dams which support it and allow for the free flow of commerce, will deteriorate beyond our Nation's ability to restore it. Ultimately, those who will suffer are none other than the general public.●

REPEAL THE PENALTY FOR WORKING

HON. BEN ERDREICH

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Friday, June 21, 1985

● Mr. ERDREICH. Mr. Speaker, yesterday, I introduced H.R. 2820, to repeal the limitation on outside

income a senior citizen may earn while receiving Social Security benefits.

If an individual between ages 62 and 64 retires but continues to work part time, the amount of income he or she can receive from that part-time job is limited to $5,400 a year. If more is earned, $1 for every $2 earned will be subtracted from the retirement benefit. From ages 65 to 69, the income ceiling is $7,320 a year. This penalty for working applies no matter how long an individual has contributed to the Social Security system.

Though Congress reduced the penalty for working in the 1983 Social Security Amendments, I still believe it is terribly unfair that our Government should discourage people in this way from working if they wish to. It is important that our Government see that the tax revenues and savings from other Federal programs would accrue, and that citizens of all ages would benefit from encouraging rather than discouraging the employment of senior citizens. We in Congress should take every opportunity to help aging Americans help themselves toward financial security.●

TRIBUTE TO JAN SHINPOCH

HON. STAN LUNDINE

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, June 21, 1985

● Mr. LUNDINE. Mr. Speaker, today I would like to pay tribute to Ms. Jan Shinpoch, departing staff director of the Subcommittee on International Development Institutions and Finance which I currently chair. Jan has been staff director since 1982 and during the past 3 years has served both the previous chairman, Jerry Patterson, and myself with distinction. Prior to Jan's service with the subcommittee she was legislative director for Congressman MIKE LOWRY. I know that MIKE and Jerry share my expression of appreciation for Jan and the fine job she did for us all over the last 6 years.

Jan has served the Congress well through her work on many issues but nowhere more effectively than on those relating to foreign affairs and the multilateral development banks. In particular, she has been a committed and tireless advocate of human rights legislation. She promoted and organized a very valuable series of hearings on the subject of MDB development projects and their environmental consequences which have already helped focus the attention of the Treasury Department and the banks on the need for careful planning and protection of the world's natural resources.

Jan has been practical astute in the execution of her role as staff director which has enabled her to be effective in seeing legislation through the steps of congressional deliberation. She has been a loyal team player with high ideals, creativity, and energetic commitment to the political process. She will be missed but I am sure her influence will continue to be felt for whomever and whever she decides to concentrate her efforts.

Today, Jan's last as staff director, I thought it fitting to insert the following release along with the above tribute. The press release was delivered at a going-away party for Jan and is a humorous commentary on her participation in the debate surrounding the authorization of the Inter-American Investment Corporation.

The release follows:

[Press Release]

JUNE 5, 1985.

The Inter-American Development Bank today announced approval of the first loan granted by the Inter-American Investment Corporation.

Ms. Jan Shinpoch, soon to be Ex-Staff Director of the International Development Institutions and Finance Subcommittee, was named the lucky recipient of the IIC loan in what was a decision reached after little or no deliberation by the Executive Board. The loan, in the amount of 80 billion Chilean pesos, was made available in a single tranche for immediate payment.

The U.S. Treasury Department, in making known its immense satisfaction with the recipient chosen and the purposes for which the badly needed cash will be used, felt that this first IIC loan would provide valuable momentum for the Administration's Supplemental Appropriations request.

The IDB released precious few details regarding the loan's provisions but, as many observers were quick to point out, there are very few restrictions which apply to an IIC credit. Ms. Shinpoch, a long-standing advocate of basic human needs loans within the MDB's, in her elation upon hearing the news was heard to exclaim that, "I have been a reluctant observer of the current administration's policies and I knew it would pay off someday. Mom and Dad are first on my list to receive some of the bucks assuming I can convert them into a usable currency. There are other family members which I know could use a slice of the pie and beyond that I'll use the cash in any other manner I choose."

Later in the day, Ms. Shinpoch was spotted spending the first pesos at Bob's Famous Ice Cream, and handing her landlord an envelope for the next six months rent. There are rumors, from inside sources close to Ms. Shinpoch, that she will soon be appearing as a witness before the International Development Subcommittee of the House Banking Committee to testify about the multiplicity of benefits derived from the ICC lending and investment program.●

PRIVATE LEGISLATION TO CONFER CITIZENSHIP

HON. BRIAN J. DONNELLY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Friday, June 21, 1985

● Mr. DONNELLY. Mr. Speaker, last year the Congress enacted private legislation to confer citizenship on a young man who was killed in action while serving with the U.S. Marine Corps in Vietnam, Wladyslaw Staniszewski. In doing so, we recognized that by his service, he had certainly earned the right to be fully accepted as a citizen of his adopted homeland.

The tragedy of his death was compounded by the 17 years of struggle it took his family to see that this recognition was paid to him. Similar private legislation was required to confer citizenship posthumously on others who died in service to our country.

It is a sad anomaly in our immigration code that immigrants who serve our Nation during wartime are accorded citizenship upon their discharge, but no provision exists in our laws to recognize as citizens those who make the ultimate sacrifice for the United States.

Today, I am introducing legislation to establish a remedy for this situation. It establishes a simple administrative procedure for conferring citizenship on those who sacrifice their lives in the service of the United States.

At the time this House considered granting citizenship to Corporal Staniszewski last year, there was much interest expressed in legislation that would cover all those noncitizens who lost their lives in Vietnam while serving in the U.S. Armed Forces. The President committed his administration to that purpose when he signed the bill into law. Although the administration has not submitted the promised legislation, the President's comments at the signing are worth recalling and I submit them for the RECORD.

The comments follow:

STATEMENT BY THE PRESIDENT

I am pleased to sign into law H.R. 960, which confers citizenship posthumously on Corporal Wladyslaw Staniszewski, a national of Great Britain, who was killed in action on July 7, 1967, in the Republic of Vietnam while serving in the United States Marine Corps.

Corporal Staniszewski, who had immigrated to Brockton, Massachusetts, acted as an American when he willingly served the United States in a place of peril. He made the supreme sacrifice under our Nation's colors and for our country. Today we simply confirm what Corporal Staniszewski earned on July 7, 1967.

Corporal Staniszewski has focused the Nation's attention on a matter we have overlooked for too long. At least 462 non-citizen servicemen from 64 countries sacrificed their lives in Vietnam. Among these was

Lance Corporal Jose Francisco Jimeniz of Mexico, who was awarded the Medal of Honor in upholding the highest traditions of the Armed Forces. Each was truly an American, and every one earned the right to be an American.

We cannot repay these men for their sacrifice, valor, or patriotism; but it is only right that we bestow upon each of them our Nation's greatest honor: American citizenship.

It is my intention to submit to the 99th Congress legislation which will provide United States citizenship for all non-citizens killed in action in Vietnam while serving in the Armed Forces of the United States.●

ST. PAUL FIRE DEPARTMENT GETS HIGH MARKS

HON. BRUCE F. VENTO

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Friday, June 21, 1985

● Mr. VENTO. Mr. Speaker, I rise today to bring to the attention of my colleagues the recent national recognition given to the St. Paul Fire Department for its efforts.

In a recent study of U.S. metropolitan fire departments, the St. Paul Fire Department was rated as one of the most efficient.

The "Comparison Study of Metropolitan Fire Departments," done by the Memphis Fire Department, rated St. Paul, for 1984, better than average in all categories. These casualties include dollar loss per fire, loss per capita, and casualties per fire.

The study also revealed that the St. Paul firefighters' performance improved over the previous year. This improvement is most significant because fire responses increased by over 6 percent in the past year. Despite the increased incidents, fire deaths were cut in half and fire losses dropped by a half million dollars.

In addition, the St. Paul Fire Department service is cost-effective. The St. Paul Fire Department offers the maximum number of services and functions listed in the survey. Yet the cost for St. Paul taxpayers is less per capita than the national average.

The success of the St. Paul Fire Department is attributable to the dedication and training of its firefighters. These individuals also do go beyond the call of duty and their hard work has saved lives and millions of dollars invested in homes and businesses.

Mr. Speaker, I would like to salute the St. Paul Fire Department and all of its members for their remarkable achievements.●

CAREFULLY WATCHING SUSPENSION CALENDAR

HON. CARL D. PURSELL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Friday, June 21, 1985

● Mr. PURSELL. Mr. Speaker, a disturbing trend has developed this week with regards to authorization legislation, a trend which deserves the attention of this full House. That is, the placing of authorization legislation that violates the House-passed budget resolution, that exceeds fiscal year 1985 appropriated levels, on the Suspension Calendar. There is no excuse for that. Simply, it circumvents the will of this House as demonstrated over and over again by overwhelming votes in favor of freeze amendments to five authorization bills thus far this year.

Monday, the House approved on a voice vote—a voice vote, mind you—H.R. 2409, the Health Research Extension Act, which reauthorizes some NIH programs and creates two new institutes—new spending.

Specifically, for fiscal year 1986, funding for the National Cancer Institute was authorized to be increased by almost 9 percent. Funding for the National Heart, Lung and Blood Institute will be increased by almost 8 percent. Funding for medical library assistance will be increased by 54 percent. And a new program, the Biomedical Ethics Board, will be funded at $2 million. For the programs I've just mentioned, the bill represents an actual increase of $175 million over the fiscal year 1985 appropriated level. Overall—overall—the bill is $282 million, or 13 percent, over the House-passed budget. This bill, representing over a quarter billion dollars of spending increases, passed on a voice vote. In short, it was rammed through, without allowing the full House to amend such an incredible increase to keep the bill at current fiscal year 1985 spending levels. Let me emphasize that I am a strong supporter of the National Institutes of Health and of the great work they perform. However, they, just like any other Federal program we have dealt with on this floor and will deal with the future, should be subject to the budget freeze—for that is the only way we will reduce spending and bring this deficit crisis under control.

This fight has been going on for years—whether to put authorization bills on the Suspension Calendar. But this year, given the serious fiscal crisis we face, there is absolutely no excuse to place a bill of that spending increase magnitude on the Suspension Calendar where it cannot be amended nor, because it passed on a voice vote, now not even voted on in a manner in which the full House can express its will.

Ladies and gentlemen, in the name of budget reduction, bills calling for increases in spending should not be on the Suspension Calendar. They should be brought before the House for proper debate, potential amendment, and decision by all the Members.

We had assumed, given our budget deficit crisis, that significant spending increases would be brought openly and fairly before this body so the House could work its will. Apparently, that is not the case.

We want to serve notice that we strongly object to this procedure and will seek to prevent it from becoming a precedent for other authorization bills seeking to escape the legitimate scrutiny of the full membership.

I would like to inform all my colleagues, including committee chairmen, that we will be carefully watching the Suspension Calendar to make sure that authorizations which call for an increase in spending over fiscal year 1985 appropriated levels are not slipped past the House, circumventing its will and the will of the people to reduce Federal spending and bring this deficit under control.●

A SENTIMENTAL JOURNEY

HON. THOMAS J. TAUKE

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Friday, June 21, 1985

● Mr. TAUKE. Mr. Speaker, although news accounts about the problems plaguing our farm sector have disappeared from the front page, the crisis in farming still exists. Our colleague from Guam, Congressman BEN BLAZ, recently made a sentimental journey, as he put it, to southwestern Iowa, an area he had known as a college student. Congressman BLAZ was touched by the changes he saw in the mood and spirit of the Midwestern farmer. He put his thoughts down in a moving essay entitled "A Sentimental Journey." I insert his essay into the RECORD for the benefit of my colleagues, and I urge them to read it.

A SENTIMENTAL JOURNEY

(By Ben Blaz, Member of Congress)

I want to tell you about a recent journey I made to a part of America that is hurting badly. It was a sad visit to a place I had known and loved. I wasn't sure there was anything I could do to ease the pain, but I knew I had to go. It was the America I had met as a young man—the heartland where I had learned about this great nation. While a student at Creighton and Notre Dame Universities, I had spent the summers working the stockyards and farmlands of Iowa, Nebraska, Indiana, and Oklahoma. The people there had left an indelible impression on my mind and heart.

I knew I would return there when some visitors came to my congressional office one blustery day in mid-March. As I sat listening and studying their worried, weathered

faces, those Iowa farmers explained their crisis: the crushing debt, the borrowing at higher and higher interest rates, the dramatic decline in land values—that collision of economic forces that led to disaster.

As they talked, they began to cry. I had come to Washington toughened by a career in the U.S. Marine Corps as well as the psychic scar tissue of a hard-fought election battle and had been engrossed in the daily details of getting established on Capitol Hill. But the presence and plight of these hurting people struck like a summer storm and their tears washed away my preoccupations. Later, when Jim Lightfoot, who represents Iowa's 5th District, invited me to visit his constitutents, I accepted without hesitation.

I recall fondly my first visits to southwestern Iowa when I was a student. I remember an American farmer with suspender-snapping confidence in himself and the future. There was abundance as far as the eye could see—rich, lush fields, heavy with the grain crops that have made America the breadbasket of the world. I remember the broad, easy smiles, especially on the youngsters. I learned about crops, livestock, red barns and why the corn is knee-high by the Fourth of July. I also learned why the farmer's son was so proud of the south 40. He knew, at age 7, that someday the parcel would be his.

The people there taught me the American values of hard work, dedication and honesty. They taught me you would be rewarded for living those virtues. So it was not as a complete stranger that I came to Lenox, Iowa, that March weekend and stayed with the Wilkinson and Trucks families.

Between them, they own and farm about 800 acres, specializing in grain crops. The candor of my hosts was revealing and refreshing. They were a wealth of information and insight about the changes in the great American heartland.

Congressmen must, at times, arm themselves with a shield of skepticism, but when God-loving American families invite you into their homes and then open up their financial records—right down to their checkbook—to demonstrate their plight, you quickly become a believer. Something tragic had happend to these families since those suspender-snapping days. Much of it hit in the last few years. The changes had nothing to do with the savvy and work ethic of American farmers. They were more efficient and productive than ever.

Instead, it was those out-of-our-reach global forces that had wrecked havoc on the U.S. farm economy, I learned. The big dip in the inflation rate had lowered the price of farm products sold in the United States. The decade had opened with a recession, cutting the world's demand for our farm product. The dollar's value had soared, raising the price of farm products sold abroad. most importantly for Iowa farm families, land values in the area had plummeted, gutting the equity these farmers needed to finance their operations.

The farmer I visited this time no longer snapped his suspenders with confidence. He hung onto them like they were crutches. His head was bowed. He shook it in bewilderment, walked with apprehension, and talked guardedly about the future. When he took his wife's hand, he squeezed it like a man holding onto a lifeline.

Gone too were the easy smiles. The young ones sat expressionless as we talked. The fence around the South 40 was kind of weathered and the children didn't talk as much about farming that land someday. Their inheritance is in serious doubt. The farmer I saw is struggling to survive. He cannot see the expected reward for his hard work, honesty and dedication. He sees only a threat from farm conglomerates and economic forces beyond his control. He fears he will not be able to pass on the family farm to his children, and his way of life to the next generation.

As I drove away from those Iowa families, I wondered if I would ever again see the family farm that had guided and inspired much of life. During my sentimental journey, I saw a people whose isolation began when the superhighways roared by, cutting off the family farm from the flow of America across the continent. I saw a people who, if they are forced off their land, will not be able to pass on their heritage—that bushelful of essential American values—to the next generation. I saw a part of our society, a crucial economic and social force, threatened with extinction, unless we act quickly and wisely.

When I hear debates about the farm crisis, I feel the experts are missing the forest for the trees. Working for a hospital in Omaha during my school years, I learned the emergency room's job was to treat and save the injured person, not find out which truck hit him or who was to blame. In the midst of this crisis, we need to treat the patient, not fix blame for the injury. We need to save the family farm, not worry about who is responsible for the hurting. The scale of this problem demands nothing less. This is not just an isolated Iowa crisis, it is a national tragedy.

Farm families are a very special breed of Americans. They are the last of a hardy pioneer strain that is woven through the American fabric, binding the diverse strands of our nation into a magnificient tapestry. If we lose that binding, the tapestry frays and falls apart. The mounting toll of family farms is a tragedy comparable to the removal of American Indian tribes from their land to reservations. That forced relocation drained many of them of their free spirit, innovativeness and ambition. Unless we act to save farm families, they will be uprooted and forced into city life, a move that will drain them of their spirit, vitality and initiative. Their critical role in building and binding America will be lost forever.

While the increased productivity of giant farm conglomerates is highly praised by many who see bigness as progress, farm efficiency is not the issue here. Inefficiency is not being done away with by allowing economic aberrations to force dedicated and productive families off the farms. A way of life, a binding in the weave of our national tapestry, will be lost.

The corn still may be knee-high by the Fourth of July, but of what value will it be to our way of life, if it was planted by a conglomerate.●

A VITAL MATTER

HON. ROBERT J. LAGOMARSINO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, June 21, 1985

● Mr. LAGOMARSINO. Mr. Speaker, I would like to bring to my colleagues attention the following article from William Randolph Hearst, Jr., regarding the strategic defense initiative [SDI]. I fully support the SDI and the President's determination to fund research into ascertaining the feasibility of destroying incoming Soviet ballistic missiles. I recommend the following article to my colleagues attention.

A VITAL MATTER

(By William Randolph Hearst, Jr.)

NEW YORK.—Some Senate Democrats were calling last week for the resignation of Defense Secretary Caspar Weinberger. The latest tactic was to try to blame him for scandals involving defense contracts, most of which were concluded under previous administrations.

The real reason for the efforts to get rid of Mr. Weinberger is no secret. He has been the point man for President Reagan's program to restore American military strength which a Democratically-controlled Congress allowed to become so weak the Soviets now have the capacity to knock out our land based Minuteman missiles in a first strike.

This patriotic man has maintained year after year that the only way to secure a nuclear arms reduction agreement that will not leave the Soviets with superiority is to regain strategic balance.

By indefatigable perseverance despite a divided administration and hostile media, he has succeeded, with the President's strong support, in getting a recalcitrant Congress to provide, even during the recession, funds for the greatest peacetime military buildup in U.S. history.

Now he is deeply concerned that congressional cuts in the defense budget will sap the negotiating strength the military buildup was intended to give us in the arms talks with the Soviets. He is particularly concerned about the move in Congress to slash by $1 billion funds for the President's research program to defend America against nuclear attack.

Initial efforts to do so were defeated in the Senate Tuesday, but other attempts will be made, especially in the House, to block increased spending on the program. Sen. John Warner (R.-Va.), said a freeze "would jerk the chairs from beneath" our negotiators in Geneva.

It was a week ago this past Sunday that my report to you was devoted to this subject. Under the heading "Defense or Defeat," I wrote about the danger of letting the Soviets be the first to develop a strategic defense system. It was therefore gratifying to have my views confirmed last week by the greatest authority on the military status of our country and the Soviet Union. In an exclusive interview with Joe Kingsbury Smith, our National Editor, Secretary Weinberger expressed fear cuts the Senate has already made in the defense budget and others being proposed in the House could so weaken our negotiating position in Geneva that the arms talks with the Soviets would fail.

"Essentially, it comes down to the way the Soviets perceive the reductions," he said. "I am afraid it will add to their hopes that they can secure their objectives outside the negotiating table simply by waiting us out. Knowing how unpopular defense spending is in our country at present, they may feel they can secure reductions in our defense program unilaterally simply by our refusal to continue with necessary re-armament programs.

"I am worried about voluntary reductions in our defense systems, and in investments we need to make, not only because of the effect it has on our own military but be-

cause it makes it very much more difficult, if not impossible, to get the decent arms reduction agreements we need."

Q—Since no progress has been made in the Geneva talks, do you believe the Soviets are stalling to see to what extent Congress cuts the defense budget?

A—"It's consistent with that. First of all, they want to stop our strategic defense program. That is the thing the Soviets want more than anything else. I really worry about the proposed reductions in that program. It is a vital program and we are making major progress in the research. Strategic defense is something the Soviets have been working on for 16 or 17 years. They are ahead of us, especially in laser research. They want to keep a monopoly. If they should get such a system, we would be living in a much more dangerous world."

Q—What would happen if they were the first to develop and deploy such a system?

A—"We would all be subject to nuclear balckmail. We would be told by them, on this hypothesis, that they had a defense against our missiles and therefore they could launch a first strike with impunity and we could make no adequate response. If you feel as I do that their continuing overall objective is world domination, then you have to worry very much."

Q—In the 1960's, the Soviets favored defensive missiles over offensive ones. Then Soviet Premier Kosygin declared at the Glassboro conference with President Johnson that "defensive weapons are moral, offensive weapons are immoral." On two separate occasions at the U.N. in the '60's, Foreign Minister Gromyko argued that strategic defense could be the key to agreements on offensive nuclear weapons. What changed their minds?

A—"I suppose one of the reasons is that they have been making progress on strategic defense and they don't want anyone else to have such a system. They accuse us of planning to develop a new offensive system, which is totally misleading. What we are trying to do is develop a system that could destroy Soviet missiles outside the atmosphere by non-nuclear means in a way to render them impotent. The President has said that if we developed such a system, we would offer to share the knowledge with the Soviets on condition they join with us in eliminating offensive nuclear weapons. But we don't want them to pursue and achieve it unilaterally because we don't believe they would share it with anybody."

This is the kind of realistic thinking we need in Washington. We should all hope, and write our Washington representatives if you feel as I do, that Mr. Weinberger must continue to serve as Secretary of Defense for at least the rest of President Reagan's term.●

PRIVATE CLUBS AND DISCRIMINATION

HON. WILLIAM LEHMAN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Friday, June 21, 1985

● Mr. LEHMAN of Florida. Mr. Speaker, in the 98th Congress I inserted in the RECORD a resolution passed by the American Bar Association in support of legislation to prohibit discrimination by private clubs. I was a cosponsor of such a bill in the last Congress and I am pleased to note that our colleague, Representative SAM GEJDENSON, has reintroduced his bill this year.

H.R. 875, the Equal Access to Public Accommodations Act of 1985, provides that a private club would be considered a public accommodation if 20 percent or more of its revenue is paid directly or indirectly by members' businesses, or if such payments are deducted on tax returns as business expenses. Such clubs would then be subject to the Civil Rights Act of 1964. The bill further provides that discrimination on the basis of sex would be prohibited in public accommodations.

I am sure that my colleagues with an interest in this area will want to read the following article from the Miami Herald of April 21, 1985. It is written by a Miami lawyer who is also a professor at the University of Miami Law School. Ms. Dannheisser correctly notes that moral persuasion is preferable to legal prohibitions. We recognize, however, that the force of law is sometimes necessary to ensure the rights of women and minorities.

The article follows:

[From the Miami Herald, April 21, 1985]

PRIVATE CLUBS: MIAMI, LIKE THE BAR, WILL DO THE RIGHT THING

(By Lynn M. Dannheisser)

In August 1983 the American Bar Association, after much debate, adopted a resolution to recommend to Congress amendments to the Civil Rights Act of 1964 to prohibit discrimination in the admissions policies of private social clubs on the basis of race, color, sex, religion or national origin if those clubs operated in a significant manner as establishments of business, commerce and professional activity.

I firmly believe that that ABA adopted this resolution for one overriding reason—it was the right thing to do. The ABA, once viewed as a bastion of predominantly uppercrust, male conservatives, came to recognize sister and minority colleagues within its ranks and refused to tolerate discrimination on the basis of birthright.

While this resolution had previously been adopted in February 1982, it was rescinded six months later after a well-organized, well-funded and successful campaign by the National Clubs Association. In the final analysis, however, it was their sense of fundamental fairness that led the lawyers not only to reconsider their position and re-adopt the resolution, but to go one step further and adopt another resolution admonishing judges to refrain from membership in any organization that discriminates.

The entire premise of the private clubs resolution was not to deny individuals the right to freely associate on a personal level which whomever they choose in restricted clubs. Rather, it was the probability that such interaction inevitably resulted in economic and business opportunities for members (obviously denied to those restricted access to membership) to which the resolution objects. The resolution is specifically designed to reach an unconscious bias, and the heretofore unexamined denial of a traditional avenue of economic and business opportunity denied those who were not white, gentile or perhaps male.

In an essentially pluralistic, democratic society as ours, the right to associate freely is protected only if such association is purely social and does not involve business, civic, professional or commercial activity to any substantial extent. The ABA, in adopting the private clubs resolution, was making an effort to separate the truly private, social club (which would remain unaffected by the resolution) from private clubs that are essentially extensions of the marketplace.

There is now, however, significant and reliable evidence that private clubs are rarely exclusive, private gathering places for purely social purposes. A high percentge of club dues are provided by business employees, as demonstrated in The Herald's own survey of 39 major companies and professional firms. Substantial revenues are often derived from providing conference rooms, food and beverage services for business-related functions. In fact, the National Club Association itself estimates that 37 percent of its members' dues are paid directly by business. The all-male, national University Club, for example, stated that it conservatively estimates that "well over 50 percent of its dues and fees" were from employers when reimbursements from employers were taken into account.

It is an inescapable fact of life that restricted clubs such as the Riviera, La Gorce and Bath clubs are not viewed simply as social clubs: they are patronized by prominent businessmen, civic leaders who go there not merely to have a drink or play a round of golf. For it is hardly the fine fare and good greens that attract membership. It is the membership roll itself, and the friendships and casual relationships that develop that are often the catalyst for the development an nurturing of business relationships.

Were this not true, why would businesses and professional firms fund membership dues for their executives, employees and partners? Why do these businesses and individuals deduct those membership dues and expenses from their income tax returns? Obviously, once the club expense is treated as a tax-deductible business expense by a substantial number of its members, it is by definition no longer strictly for social or personal purposes. Claiming dues as a deduction by a significant number of members changes that club's status as a private, social club entitled to noninterference by government since all taxpayers, including those denied access to such a restricted club, are then required to subsidize these memberships!

Legal arguments aside, however, this issue reaches beyond the lawfulness of one group of citizens receiving tax subsidies to assist promotion of discriminatory conduct or the constitutional cloak of the right of free association. The issue of restricted clubs essentially is one of fundamental fairness, which after all lies in our hearts, not our laws, and the undeniably adverse impact their existence has in our community.

Many, including our own Dade County mayor an at least four Metro commissioners have initial difficulty understanding why this is a fairness issue. Commissioner Beverly Phillips, for example, assessed the resolution put before Metro last Tuesday to ban county spending on organizations that hold meetings at restricted clubs, as "unnecessary." Others have cited me the fact that there are many minority clubs that they cannot join, pointing to Westview, B'nai B'rith or the Knights of Columbus as examples.

The answer to that is twofold.

First and foremost, the systematic exclusion of people based on birthright—that is being born of the "wrong" race, religion, sex or national origin—is unquestionably unfair. It is, quite simply, bigotry.

Second, the fact that restricted club members cannot join "minority" clubs begs the question. It must be remembered that social clubs such as the Westview or The Big Five were formed by minorities as a backlash response to the discrimination suffered. Moreover, if such minority clubs are also restricted, it may well be equally inappropriate and unfair.

But comparing restricted social clubs with such organizations as B'nai B'rith, the Knights of Columbus or the German American Club (as the Metro Commission did) is like comparing apples and oranges. B'nai B'rith, the Knights of Columbus and the German American Club are examples of organizations chartered specifically to foster, protect and defend a particular religion or national origin and perhaps to preserve the charitable, educational, and cultural values of that heritage. They are secondarily social; they are primary and without pretense religious and culturally based clubs.

Restricted country clubs and luncheon clubs, on the other hand, are purportedly social. They have no expressed allegiance to a particular nationality, race or religion. They claim to be places of pure recreation and relaxation. Yet, on the basis of some misguided sense of greater worth or higher structure, they deny membership systematically, without exception and without consideration of an individual's talents, abilities and achievements to those who are not white, Anglo-Saxon and Protestant. The effect of such action is clearly to cast aspersion upon the worthiness of minority citizens. If this is not fundamentally unfair, I cannot think of what is.

Whether the aspersion cast by such discrimination is truly intended by club members is not the issue. The fact remains that the perception of aspersion and its impact are there. In Miami, which prides itself on ethnic diversity and its long sought-after goal of becoming a world-class city, we cannot afford even the perception of prejudice.

Yet for the past 60 years Miami has been a leader in the number of restricted clubs in existence in its geographic area and the number of prominent community members who frequent such clubs. These numbers have contributed in no small part to the pervasive but perhaps unexpressed undercurrent among the excluded groups, that Miami, in this area, at least, is still "small time" and biased. It is imperative in order to defeat this image that we take the initiative to make Miami an open city. If for no other reason than responsible leadership the businessmen and women, the civic leaders of this community, must act to open these restricted clubs and relieve the anxiety created in part by these bastions of discrimination that demean large segments of the community for no reason other than apparent prejudice or ignorance or both.

Surely those denied access to private clubs will continue to succeed as they have in the past by finding other means of economic opportunity, advancement and development. But change is in the wind. Rep. Sam Gejdenson, D-Conn., has this session introduced HR Bill 875, which tracks language of the ABA resolution. He is optimistic he will gain substantial support. That many be, but I believe it would be better to avoid official persuasion imposed by law. I believe it would be better to open our hearts and minds as my colleagues did in the ABA.

I recall immediately before a vote by the House of Delegates on the private clubs resolution, attorney Randolph Thrower, former commissioner of Internal Revenue under President Nixon, made an impassioned, eloquent speech in its favor. He said that he could not sleep that previous night when he seriously thought about the fact that his own daughter, who was a wife, mother and lawyer, could possibly be denied membership in a restricted club where he himself had developed so many personal and business relationships.

When Miamians come to recognize that to discriminate devalues ourselves and our community, when we recognize that it is to our advantage to break the blindness of bias and introduce, promote and welcome our Hispanic, black, women, Jewish and other minority community members into our private clubs and into the mainstream of life, our own lives will be the richer for it. And discriminatory clubs will become a thing of the past—relics of a small tourist town. In the end I believe, like the American Bar Association, Miami, as a world-class city, its citizens and leaders alike, will do the right thing.●

THE ETHIOPIAN GOVERNMENT: MARXISM-LENINISM AT WORK

HON. ROBERT H. MICHEL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Friday, June 21, 1985

● Mr. MICHEL. Mr. Speaker, I recently came across an editorial from America magazine that raises important questions about aid to Ethiopia. How many Americans know that the Communist Government of Ethiopia exacts "an exorbitant entry-port fee on each ton of grain donated by other countries to relieve its people?" The Communists are exploiting one of the worst tragedies in human history. Tons of grain are rotting in Ethiopian ports. But we have gone on to other things. We forget. That is exactly what Communists have known about the West since 1917. We forget. But they never do.

At this point I insert in the RECORD, "Of Many Things" from America, June 1, 1985.

OF MANY THINGS

Jonathan Swift once said that "I never wonder to see men wicked, but I often wonder to see then not ashamed." Recently Swift's sentiments were my own as I read an excellent series of reports from Ethiopia by David K. Willis in The Christian Science Monitor. A new world will have to be invented: "tragedy," "venality," "villainy," "heartlessness" are all inadequate, even in combination.

The Ethiopian Government estimates that the number of starving is 10 million, and yet the backlog of wheat at Assab alone, the port on the Red Sea, has soared to 85,000 tons, enough to feed 5 million Ethiopians for a month. The United Nations computes that 60 percent of the arriving food has yet to be distributed, and by early June the backlog is likely to be 111,000 tons. Meanwhile, innumerable bags of food rot at the dockside in the 100 degree sun or have been washed away by recent torrential rainfalls.

India and the countries of the West have been generous in providing enough food, but the problem is that of moving it inside the country. The main port, Assab, has no railroad, and so the usual transportation is by truck. But trucks are in short supply, despite the Government's promise to offer an added 150 military trucks for famine purposes. United Nations figures indicate that in April 50,314 tons arrived by ship, but on any given day there were only 70 trucks available to carry away 1,570 tons a day.

Those enthralled with Marxist ideals had best look elsewhere than at Ethiopia. The Government is military, Marxist and impoverished, but its impoverishment is not merely material. On the contrary. In fact, the Government is making an estimated $28 million a year by exacting an exorbitant entry-port fee on each ton of grain donated by other countries to relieve its people. For example, since December the United States alone has sent 400,000 tons of grain, on which it had to pay an entry-port fee of $5.04 million. Unloading fees are also incongruously high. The captain of a 16,500-ton cargo vessel carrying a gift of wheat from the Greek Government had to pay a fee of $61,000 to unload his cargo. Furthermore, the Government has fixed the exchange rate for their currency (the birr) at two birrs to the dollar. That makes Ethiopian money stronger than the Swiss franc and the Deutsch mark.

The Soviets are the Ethiopian Government's strongest ally, and with friends like that . . . For them, too, Marxist ideology is superseded by the crass capitalist's impulse toward profit. Moscow insists that each of the hundreds of military trucks (not for famine use) be handled by a Soviet driver, a Soviet co-driver and a Soviet mechanic. Needless to add, Moscow also insists their per diem expenses and their diesel fuel costs (considerable since Soviet trucks get less than four miles to the gallon) must be paid for by the Ethiopians. Eyewitnesses have also testified that Soviet transport planes take off from the port of Assab to Asmara with a light load of grain and return heavily loaded with a precious commodity from an Asmara factory: a washing detergent called Omo. Cleanliness is indeed next to godliness.

The cold war inevitably intrudes even into a country crushed by heat and hunger. No U.S. military forces are allowed into the country, but the Ethiopian Government reluctantly accepted British and West German air force planes and crews. But West German planes are forbidden to fly to certain areas in the east and so they must offload grain to East German planes to prevent Western crews from observing Soviet military installations in the Ogaden region near the disputed Somali border.

As Gloucester put it in "King Lear": "Tis the times' plague, when madmen lead the blind."●

THE "JUSTICE" DEPARTMENT

HON. CARROLL HUBBARD, JR.

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Friday, June 21, 1985

● Mr. HUBBARD. Mr. Speaker, more and more Americans are becoming

aware that the U.S. Justice Department is the most politically conscious, politically active agency in our Federal Government.

Persistent criticism continues to flare almost daily on Capitol Hill regarding the Justice Department's decision not to prosecute individuals in E.F. Hutton & Co.'s $4.35 billion bank fraud, check-kiting case.

I have said repeatedly that the agreement not to try to send individuals from E.F. Hutton to jail was a "travesty" and an "incredibly negligent, political judgment."

One of the most frequently cited reasons given by the Justice Department in defense of its decision not to pursue criminal charges against individuals has been a lack of evidence against top management.

At the June 19, 1985, hearing before the House Judiciary Subcommittee on Crime, it was revealed that a memorandum was addressed to the president and three other senior executives of E.F. Hutton in November 1981, advising those executives of the "aggressive overdraft" practices and the resulting extraordinary amount of interest income reaped from the scheme of floating checks for as many as 4 days. The memorandum was from a Hutton operations analyst.

At the June 19, 1985, congressional hearing, Robert M. Fomon, chairman and chief executive officer of E.F. Hutton Group, Inc., acknowledged that bonuses were awarded to high-performance regional branch managers of E.F. Hutton. Remember, however, one of the Justice Department's excuses for not charging individuals was the lack of evidence against individuals, and, hence only the corporation was fined for the crime.

The following appeared in the May 16, 1985, edition of the New York Times as one of the several reasons given by the Justice Department in defense of its decision not to prosecute E.F. Hutton officials:

> The individuals whom the prosecutors had enough evidence to indict were mid-level executives who had not profited directly and could say they were acting within the law.

In light of Mr. Fomon's testimony of June 19, it is questionable how the Justice Department would not characterize these bonuses as "direct profits" to mid-level executives.

Only those of us who are familiar with the political conscience of the Justice Department can understand how it could rationalize that there was a lack of evidence against any individuals in its decision not to prosecute individuals in the $4.35 billion bank fraud and check-kiting scheme of E.F. Hutton which affected some 400 banks across America.

Read, if you will, the following article entitled "Hutton's Top Managers Knew About Check-Kiting, Lawmaker Charges," from the American Banker of yesterday, June 20.

[From the American Banker, June 20, 1985]

HUTTON'S TOP MANAGERS KNEW ABOUT CHECK-KITING, LAWMAKER CHARGES

(By Bartlett Naylor)

WASHINGTON.—High-level managers at E.F. Hutton & Co. were aware of and even encouraged the brokerage house's $10 billion check-kiting and overdraft scheme, according to Rep. William Hughes, D-N.J., who released documents at a hearing on Wednesday before his House Judiciary subcommittee on crime.

But four top Hutton officials, who appeared before the subcommittee under subpoena, denied that any individuals knowingly constructed the scheme.

Subcommittee chairman Hughes said the hearing would be the first in a series on white-collar crime that could include an investigation of bank money laundering.

At Wednesday's hearing, subcommittee members focused much of their questioning on Thomas Morley, a Hutton senior vice president viewed by some congressional committee staff members as a central figure in the firm's cash management practices.

Hutton pleaded guilty on May 2 to 2,000 counts of federal mail and wire fraud. The firm was sentenced to pay $2 million in fines and required to reimburse the government $750,000 for its three-year investigation.

No individuals were indicted in the case, a fact that has prompted anger among some members of Congress.

In Wednesday's hearing, Mr. Hughes revealed several memos he said show that high-level Hutton officials were involved.

In one memo, written in November 1981 by Linda Curtiss, a Hutton operations analyst, to four senior executives and read into the hearing record on Wednesday, the "aggressive overdraft" practice is identified and even highlighted as contributing to Hutton profits.

"The central region engaged in aggressive overdrafting of the bank accounts of several offices. These offices received as much as four days' float on their receipts. This aggressive overdrafting resulted in two offices [in Washington and northern Virginia] contributing nearly 51% of this region's interest income earned on overdrafting," the memo said.

"Moreover, when interest earned on overdrafting was examined relative to interest-sensitive revenues for these offices, the results were astounding."

Later in the memo, Ms. Curtiss notes that "interest profits contributed over 70% of net profit for the retail firm in 1981."

The memo was addressed to George Ball, at the time the president of the brokerage firm, and three other senior Hutton officials. Mr. Ball, now president and chief executive of Prudential-Bache Securities Inc., could not be reached immediately for comment.

The memo was sent months before a grand jury investigation was launched in the spring of 1982. Hutton chairman Robert Fomon said he and other high level company executives first became aware of the scheme when that investigation was launched.

Under questioning Wednesday, Mr. Fomon acknowledged that the memo's tone commended the "aggressive overdrafting" practice.

Two other letters, not immediately made public, show that branch managers seemed aware of the questionable nature of the cash management practices, a subcommittee attorney said outside the hearing room. In one, a manager of one branch wrote to his counterpart at another branch warning him that the scheme could "get them all in trouble," according to the attorney.

In reply, the second branch manager chastised his colleague, telling him to "grow up" and face modern times, the attorney said. The letter said the cash management practices were part of policy sponsored by Mr. Morley, then a vice president, according to the staff attorney.

Mr. Morley repeatedly denied knowledge of the scheme at the hearing.

"Hutton defrauded banks of hundreds of millions of dollars and falsified thousands of payment checks," said Rep. Edward F. Feighan, D-Ohio, a member of the subcommittee. "If a private person were to engage in this type of activity, he or she would be jailed."

Mr. Fomon maintained in an interview that the documents cited by subcommittee chairman Hughes did not show high level culpability. He also said he did not find the tone of the subcommittee hearing aggressive or inappropriate.

In his testimony, Mr. Fomon explained that the company "didn't have sufficient control" to discover the scheme. When the scheme was finally uncovered, he said, he was "amazed" at how his employees had "violated" company policies of "acting fairly."

In opening the hearing, Mr. Hughes said he is concerned about the "perception that the Justice Department intends to proceed only against the corporate defendant, . . . with individuals . . . protected from prosecution."

Subcommittee leaders do not intend to recommend that individuals such as Mr. Morley be prosecuted, Rep. Bruce Morrison, D-Conn., said in an interview. "I think Justice has given immunity to a lot of these guys. But there could be state prosecutions."

Today, Hutton executives will face officials of the Connecticut Banking Department who are thinking of banning the company from operating in the state. Under Connecticut law, the banking commissioner can suspend or revoke the registration of a broker that has been convicted of a felony.

Florida and West Virginia are among other states considering similar actions against the company.●

MILITARY FAMILY ACT A START, BUT NOT A PANACEA

HON. DAN COATS

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Friday, June 21, 1985

● Mr. COATS. Mr. Speaker, today the House agreed to the Military Family Act sponsored by Mrs. PAT SCHROEDER. While I applaud the provisions that are designed to assist in the coordination of programs, services, and research concerning military families, we must not conclude from the approval of this measure today that all the problems of military families have been solved. It is critical that we take a comprehensive look at military fami-

lies to assess what these families truly need.

There is substantial body of literature that shows that military families' needs go beyond more programs and go beyond facilities. Their needs all too often rest on resources that the Federal Government can't supply—namely, time and availability of family members. Family members need time and attention, and to the extent that the base commanders recognize this need, readiness, productivity, and morale are more likely to be ensured.

As the ranking Republican member of the Select Committee on Children, Youth, and Families, I have worked closely with all the branches of the military. I am convinced that more research is needed to not only coordinate research as the Military Family Act states, but to conduct research that is not focused simply on program needs but on the needs of the families. There is not enough information of the needs to establish different kinds of programs nor is there data which would demonstrate what works best. Clearly, there is no data base that allows for comparison of military families with civilian families. We do not know if there is more child abuse in the military as compared with the civilian population. We do not know about teen suicide, missing children, runaway children or spouse abuse in the military.

Also, it is not clear how military families fare in attempting to access civilian services. The Military Family Act is a start, but it does not solve all of the issues and, hopefully, this will be recognized by all of us in the House who care about military families.●

OPERATION YOUTH

HON. WILLIS D. GRADISON, JR.

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Friday, June 21, 1985

● Mr. GRADISON. Mr. Speaker, I would like to take this opportunity to recognize an outstanding program which has been operating in my district for 35 years—Operation Youth. Operation Youth is a week-long conference during which young men and women learn about our Government. This nationally recognized summer program has won 28 awards from the Freedoms Foundation at Valley Forge. It uniquely combines learning and activity to give students a greater understanding of the American way of life.

This year's conference was held June 8-15 at Xavier University in Cincinnati. More than 100 area high school students participated. The theme this year was "America's Basic Freedoms—Let us Preserve Them." The program featured presentations by leaders from the areas of government, education and law on topics such as "Freedom and Economics," and "The Future of the American Political System." Forums were then set up for the students to discuss these topics and other current issues. The students formed political parties and elected officials to a mock municipal government.

Mr. Speaker, I am extremely proud to recognize those who were elected to office as well as those who participated in other aspects of this program.

They are as follows:

Mayor: Joe Roesel of St. Henry High School; vice mayor: Angela Joseph of Lima Central Catholic High School; city manager: Bob Hunt of Lima Central Catholic High School; clerk of council: Andy Dorr of Roger Bacon High School; and city council members: Mary Kay Compton of Deer Park High School, Matt Iacobucci of Elder High School, Jeff Foltz of Elder High School, Tom McCormick of Northwest High School, Lisa Wenz of Mother of Mercy High School, Jim Ringler of St. Peters High School, and Jeff Strasser of Moeller High School.

Also participating in the conference were:

Lisa Askern, Beverly Ball, Holly Bauer, Patrick Becus, Jenny Bennett, Tim Bley, Donna Bloemer, Thomas W. Book, Rick Born, Donald Braun, Charles Butcher, Bryan Byerman, Julie Cancasci, and James A. Carsey.

Rick Carty, Kimberly L. Clark, Chris Coleman, Shannon Conklin, Robert L. Davis, Jr., Joseph G. Driehaus, Teresa Duncan, Steve M. Eiting, Jenny Foster, Mindy Fox, and Tony France.

Karen Fu, Julian L Gaitley, Jeff Gels, Amy George, Mark A. Goins, Kim Groeschen, Mary Groth, Ronald Hausfeld, Tricia Hausman, Daniel Heck, Carol Ann Henry, Terry Herman, Christine Hess, Sean Hodges, and Eric Irwin.

Leslie Jagoditz, Oliver A. Jawwaad, Jr., Thomas Kahle, Susan Klein, Mary Ann Knoop, Kristen Kohlbrand, Brian Kreinbrink, Laura Krommer, Jeffrey Krusling, Connie Lambert, Denise Lane, Missy Lauer, Micheal Leik, and Kate MacKinnon.

Julie Mann, Nicole M. McClain, Megan M. McKenna, Michael McKenna, Katy Meinhardt, Jeff S. Miller, Missy Morgan, Robert D. Morrison, Kim Moyer, Melissa A. Mullenix, Ron Murphy, Scott Murray, Bill Neyer, Colleen O'Conner, and Laura L. Ollier.

Tina Overbey, Lori Overturf, Greg Pax, Brian Poe, David A. Poe, Richard M. Prior, Renee Rayburn, Joel Reginelli, Misti Riggenbach, Rebecca A. Robinson, and Becky Ross.

Elizabeth M. Ryland, John D. Schacht, Tammy Severt, Patrick D. Shea, Stephanie Spangler, Angela Stout, Nancy S. Thiele, Sharon Vandon Bosch, Lena E. Wagner, Herb Weigel, Sean D. Wells, and Chris Wilson.

I would especially like to honor William E. Smith, director of Operation Youth, and Professor of accounting and finance at Xavier University. His dedication in ensuring the success of the programs has been unsurpassed. His efforts, as well as those of the staff, enabled over 100 young citizens to gain new insight into the workings of democracy. The staff included:

Mr. Michael A. York, program director; Ms. Marsha Telles, chief-of-staff; senior staff members; Brenda Green, Denise Heckman, W. Timothy Kelly and Michael Vorbroker; and junior staff members: Michael Davis, Kim Grote, Michael Hughes, Roger Jones, Michele Spaeth, and M. Michelle Wermes.

Mr. Speaker, I am happy to pay tribute to this outstanding and worthwhile program.●

PRESIDENT HURTING STATE AND LOCAL GOVERNMENTS

HON. ROBERT GARCIA

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, June 21, 1985

● Mr. GARCIA. Mr. Speaker, a June 17, 1985, article in the National Association of Counties' magazine, County News, clearly expresses the damage that the President's tax proposal would cause to State and local governments. The nondeductibility of State and local taxes would lead to a drop of municipal credit ratings and a general immigration of affluent families from high-tax States to low-tax States. This would leave the less mobile low and moderate income families with greater burdens and fewer resources. Also, as CRS has reported, for every dollar of revenue generated by this repeal of deductibility, State and local governments would be forced to cut their local services by 47 cents. That is almost half! We must not allow this to happen. I hope my fellow colleagues will join me in opposing these measures and preventing the President from doing untold damage to our State and local governments. As the article says, this proposal is not fair in the area of State and local taxes. I hope my colleagues and I can come up with a fair proposal.

I respectfully submit the following article to the RECORD:

[From the National Association of Counties, County News, June 17, 1985]

DEDUCTIBILITY PROPOSAL IS UNFAIR AND ILL ADVISED

When it comes to the treatment of state and local governments, there are two words that describe the President's proposal for revamping the nation's tax code: unfair and ill advised.

It is unfair because it fails to take into account the revival of the President's New Federalism initiative, which, when coupled

with the deficit cuts proposed for fiscal 1986 and beyond, will shift greater and greater financial responsibilities to local governments and to local taxpayers.

First the President says, in effect, "We can no longer afford to continue financing state and local governments at such high levels."

We can accept that—and county governments have endorsed freezes, which amount to cuts, in almost all federal programs.

But then the President adds, "We're also going to make it more difficult for state and local governments to raise money they will need to meet these extra responsibilities: We're going to charge people a tax on a tax by eliminating deductibility of state and local taxes on federal income tax forms."

That's why it's unfair.

But it's also ill advised because it will have serious and perhaps unanticipated effects on the abilities of local governments to finance their operations.

Take, for example, the impact it will have on housing values.

Let's say a $100,000 house has an annual property tax of $1,500. Taxpayers in the 40 percent backet would save $600 annually by using the existing deduction. The loss of the deduction will eliminate those savings, and could reduce the market value of the home to $95,000.

What does this mean for counties at reassessment time? Not only will the loss of deductibility make it harder for counties to raise taxes, it will reduce the tax base, generating less revenue from the same rate.

In some counties that could mean that a typical homeowner will end up paying more money to the local government for less service—or more money still for the same level of service as under the existing tax code.

Some other problems that could result from elimination of deductibility:

Essential services most important to families could be undermined. There would be less county money available for public education, public safety and infrastructure. And these reductions would come at a time when even the federal government is calling for improvements in the quality of education, when the public is demanding higher levels of police protection and when the nations' infrastructure is in an all-time state of disrepair.

In addition, the Congressional Research Service estimates that for every dollar of revenue generated by the repeal of deductibility, state and local governments would be forced to cut back on local services by 47 cents. That would translate to a $19 billion reduction in education and other basic services by 1990.

Reduced ability to raise taxes would cause sharp downgradings of municipal credit ratings, hence higher costs at a time when the need to borrow may be greater.

Businesses and more affluent families from high-tax states would migrate to low-tax states, leaving the less-mobile low and moderate income families and disadvantaged persons with greater burdens and fewer resources.

In sum, the President's proposal on state and local taxes, if adopted, would wreak havoc on state and local governments.

The answer: It must not be adopted.

NACo policy has long called for revisions in the nations system for collecting income taxes. But the basis of that policy has been to replace the old system with one that is fair and fully considered. At least in the area of deductibility, the President's proposal is neither.●

COMMEMORATING THE OBSERVANCE OF BERKSHIRE WEEK AT THE MASSACHUSETTS STATE HOUSE IN BOSTON

HON. SILVIO O. CONTE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Friday, June 21, 1985

● Mr. CONTE. Mr. Speaker, I rise today in proud recognition of the fourth annual Berkshire Week, a celebration of Massachusetts' Berkshire County, to be observed the week of June 23 at the State House in Boston.

Many of my colleagues in the House might have chanced to see the travel section of the June 16 Washington Post, in which was featured this incredibly beautiful, yet versatile corner of our country.

Berkshire County constitutes the western most portion of the Commonwealth. Its rolling hills and spacious valleys stretch from the Connecticut River Valley, west to New York State; from the Litchfield Hills in the northwest corner of Connecticut, north to Vermont's majestic Green Mountains.

This year's celebration will focus on the history of the county, as well as its many parks and its long tradition as a home to the arts. To accentuate these themes, the celebration will include exhibits from the renowned performing arts centers at Tanglewood and Jacob's Pillow, the Sterling and Francine Clark Art Institute, the urban Heritage State Park in North Adams, and the Berkshire County Historical Society.

The history of the Berkshires is a long and rich one. It began in 1692, when a small group of Dutch farmers from the Hudson River Valley migrated east to settle the region, which they promptly described as a hideous, howling wilderness. The brutal winter of 1776 did nothing to dispel this view of the Berkshires as Gen. Henry Knox struggled over the hills enroute to Dorchester to deliver to General Washington 78 British cannons captured at Fort Ticonderoga.

By the late 19th century, the image of the Berkshires had changed considerably. This once howling wilderness had become the American Lake District, inspiring the writings of Bryant, Longfellow, Holmes, Hawthorne, Melville, Wharton, and St. Vincent-Millay. More recently, these hills and valleys have inspired the respective works of Norman Rockwell, Serge Koussevitzky, Stefan Lorant, and William Shirer. Just what it is that attracts such great talents to the Berkshires is perhaps best summed up in the explanation that art is an extension of nature.

Today, much of the simplicity of the Berkshire's earlier history goes on. In fact, there are some areas in the county where one can easily imagine that one is still in an era gone by. But, this is not to say that time has passed over the Berkshires; though the towns still spill over with Yankee tradition, the cities of Pittsfield and North Adams reflect the pleasures and the problems of all the Northeast's urban areas.

Mr. Speaker, I applaud this celebration of my beloved Berkshires, and I welcome the opportunity it gives me to, if you will, blow my own horn. The Berkshires are my home, and like the rest of the Commonwealth to which they belong, make up what one author called, a remarkable civilization at once dying and being born anew. I invite my colleagues to come north sometime and see why.

Thank you, Mr. Speaker.●

IN SUPPORT OF CLEAN COAL AND H.R. 2754

HON. PHILIP R. SHARP

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Friday, June 21, 1985

● Mr. SHARP. Mr. Speaker, last week I joined my colleague from Pennsylvania in introducing the Clean Coal Technology Authorization Act of 1985, H.R. 2754, as a means of eliminating the two primary barriers to expanded domestic coal use.

Our Nation has about 300 years of coal reserves at present consumption rates and although increased coal use has been a major feature of our energy policies in the last decade, we could still significantly increase its use.

The Fossil and Synthetic Fuels Subcommittee is holding a series of hearings on barriers to expanding the utilization of this vast resource base. We also released last week a staff report on this subject. It is clear from what we have heard so far that environmental barriers are the major constraint to the increased use of coal.

We have heard testimony which indicates that emerging clean coal technologies hold the key to unlocking the full potential of these reserves. However, the introduction of these technologies in the electric utility sector, the sector currently consuming more than 80 percent of the coal consumed domestically, is hindered due to the regulatory environment in which utilities operate.

These utilities find it nearly impossible to assume the costs and the risks involved in the first-of-a-kind demonstration of these technologies at or near commercial scale.

The Department of Energy has had a policy of funding projects only up to the proof-of-concept scale. This policy has been viewed by the Congress and the industry as the second major road-

block to the commercialization of emerging clean coal technologies.

Last year the Congress recognized these two problems and, in section 321 of the continuing resolution, created the Clean Coal Technology Reserve. The Reserve was authorized at $750 million, using money rescinded from the Synthetic Fuels Corporation.

The administration continues to be reluctant to request an appropriation for the program and has complained about the lack of guidance Congress has provided as to the criteria to be used to select projects.

The bill introduced by Mr. WALGREN addresses environmental obstacles to coal use and the difficulty of funding risky technologies, and it provides the guidance that the administration has claimed it lacks.

The congressional desire to accelerate the commercialization of clean coal technologies, combined with the administration's delay in making any contribution to the debate on project selection criteria, has created pressure to fund the program on a project-by-project basis.

We believe that this bill provides a preferable approach to congressional project selection. However, if this approach fails, line-item funding of projects would be preferable to no action on these technologies.

H.R. 2754 provides that total funding supplied by the U.S. Government shall not exceed 50 percent of the aggregate cost of all projects funded under this program.

This not only increases the impact of Federal dollars, but it also will guarantee that market forces play the leading role in selecting which technologies are closest to being ready for the marketplace. At the same time it ensures that the industry will bear a fair share of the risk.

However, more important to the program's implementation is the fact that this bill provides clear guidance on the selection criteria to choose projects necessary to achieve the goal of using domestic coal in an environmentally sound manner.

This makes good sense for the health of domestic coal and related industries directly in terms of jobs and economic stability. By decreasing our dependence on foreign sources of fossil fuels, it also indirectly strengthens the domestic economy.

Finally, I would like to commend my colleague from Pennsylvania, Mr. WALGREN, for his leadership on this issue. The nucleus of ideas for this program came out of a field hearing of the Fossil and Synthetic Fuels Subcommittee which he chaired in Pittsburgh in December 1983.

The Walgren amendment to the Department of Energy Authorization Act of 1984, adopted by the Energy and Commerce Committee in April 1984, became the first outline of the type of Clean Coal Program later established in the continuing resolution.

Those of us who are eager to expand the use of coal in an environmentally acceptable manner are grateful for his leadership and his hard work on this issue.●

A TIME OF CRISIS

HON. ROBIN TALLON

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Friday, June 21, 1985

● Mr. TALLON. Mr. Speaker, the bombing of our Embassy in Beirut occurred after the seizure of our Embassy in Iran. After the destruction of the Beirut Embassy, there were numerous reports of continued security lapses at American embassies in nations where we had every reason to expect terrorist violence directed against American embassies.

We must move expeditiously to address not only the problem of security at international airports but also the problem of danger posed to Americans in the various areas where lax security invites terrorists to seize, torture, and murder innocent victims to fulfill their fanatical aims. As policymakers, we should be able to tell our constituents that we have made every effort to ensure their safety at home and abroad.

This is certainly a time of crisis when all Americans must stand together in support of our President. But, Mr. Speaker, it is also imperative that we act immediately to curb the possibility of a repeat of recent incidences where American citizens have been taken hostage by terrorists.●

"ST. MARY'S ON THE HILL" CELEBRATES CENTENNIAL

HON. PAUL E. KANJORSKI

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Friday, June 21, 1985

● Mr. KANJORSKI. Mr. Speaker, I would like to bring to your attention an event of great importance to the city and people of Wilkes-Barre. St. Mary's Church of the Maternity, on Park Avenue, is celebrating its centennial this year.

It was 100 years ago that a group of individuals in the Wilkes-Barre area decided to band together to establish a Polish-speaking parish. Until then, Polish-speaking Catholics had to travel to Nanticoke to hear the word of God in their own language. At that time, there were no streetcars, or any other public transportation between the two cities, so they had to walk the distance on Sundays and holidays. With the influx of immigrants to work in the coal mines, the need for establishing a parish closer to the Polish-speaking communities in this area became greater.

In 1884, the first meeting was called by the founders of the parish. In 1885 the group celebrated Mass in the German School on the corners of South and Canal Streets. The enthusiasm shown for a new parish led the founders to purchase a lot between Park Avenue and Hancock Street, where they erected a small wooden building to serve as their church.

By 1886, the need for more room led to the construction of a second church facing Park Avenue. The original building came to be used for a school. The parish had grown from 80 families to over 300 families in just a few short years, but it continued to use these same facilities until the late 1950's. In 1961, the parish chose to build a new church rather than pay for the massive modernization needed to rehabilitate the older building.

In 1923, the parish built a school on the parish grounds. Marymount School, an elementary and high school, was known throughout the area for its academic and extracurricular activities. Marymount closed in 1971—as did many small Catholic schools in the area—but soon became part of a new school complex, Bishop Hoban High School.

St. Mary's on the Hill, as it is affectionately called, should be rightfully proud that during this, its centennial celebration, it remains close to the hearts of so many people in the Wilkes-Barre area. Mr. Speaker, I am pleased to bring the happy news of this centennial to your attention.●

DISASTROUS TORNADOES HIT FOURTH DISTRICT

HON. JOE KOLTER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Friday, June 21, 1985

● Mr. KOLTER. Mr. Speaker, it seems that the tornadoes which hit my district on May 31 of this year have caused more damage than was immediately visible to the eye. I have recently learned that many of the individuals in my district, who have already lost their jobs, will now be losing their Federal supplemental unemployment compensation because of the tornadoes.

Many of the thousands of people in my district who are unemployed are also in the Pennsylvania National Guard. When the Governor called out the National Guard to assist the local governments and to help clear the rubble and aid the hurt and the homeless, they dutifully answered the call and pitched in to help their neighbors in a time of trouble. Now, those people will lose current and future Federal

unemployment benefits, because they worked 1 week in the National Guard.

I have directed my staff to work with the office of the legislative counsel to draft a bill that would restore benefits to those individuals who answered the call of their friends and neighbors in need. I do not believe that the law was meant to punish these people. I am asking my colleagues to join me in righting this wrong.●

NATIONAL POW RECOGNITION DAY

HON. ROBERT K. DORNAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, June 21, 1985

● Mr. DORNAN of California. Mr. Chairman, I am happy to join in recognizing the need to set aside a day in recognition of our American prisoners and missing. I have joined in the observation of every such day since the first one was held at the National Cathedral in 1979. Each year that passes without a resolution of the question of the fate of those missing in Indochina makes such an observance that much more painful, and that much more necessary.

I have worked on this issue for almost 20 years, now, both in private life as a radio-television personage and in this body, where I am proud to serve. I worked to protect American prisoners in Vietnam and Laos by publicizing their situation, and to support their cause.

I have never in my 20 years been so proud of an American President as I am of President Ronald Reagan's attitude, efforts, and accomplishments toward gaining an accounting of our American prisoners and missing in Southeast Asia. I know how frustrating it is for those whose husbands, brothers, fathers, and sons are still missing, or worse yet, prisoners who were never returned. Yet at this time when frustration seems to mount, we need more than ever to be united and patient as we work together toward that goal—a complete accounting for those gone on and the return of those who may still be alive.

Abraham Lincoln noted that a house divided cannot stand. So it will be with our efforts to gain that accounting. Let us put aside our conspiracy theories, and our personal and petty rivalries, and our irritation at what is at bottom the fault of the Vietnamese for not being forthcoming. They beat us before because we allowed ourselves to be impatient, and because we allowed our impatience to divide us. I ask all those who are working so hard to attain this goal we all share: let us work together, and not become divided.

This President will deliver if we give him the chance. I ask all those who are working on this to join me in supporting his efforts at this time.●

HOUSE OF REPRESENTATIVES—*Monday, June 24, 1985*

The House met at 12 o'clock noon and was called to order by the Speaker pro tempore [Mr. WRIGHT].

DESIGNATION OF SPEAKER PRO TEMPORE

The SPEAKER pro tempore laid before the House the following communication from the Speaker:

WASHINGTON, DC, *June 20, 1985.*

I hereby designate the Honorable JIM WRIGHT to act as Speaker pro tempore on Monday, June 24, 1985.

THOMAS P. O'NEILL, JR.,
Speaker of the House of Representatives.

PRAYER

The Reverend Edward G. Latch, D.D., L.H.D., former Chaplain of the U.S. House of Representatives, offered the following prayer:

The Lord will give strength to His people; the Lord will bless His people with peace.—Psalm 29:11.

O God, our Father, who is acquainted with all our ways and who loves us in spite of our shortcomings, we pause in Your presence acknowledging our dependence upon You and offering unto You once again the devotion of our hearts. Confronting problems too difficult for us to solve and face to face with fears that frustrate us, we come to You for insight to see clearly the way we should take and for strength to do what we ought to do for the good of our Nation.

May the blessing of Your Spirit rest upon our President, our Speaker, these men and women called to lead our country in a day like this and upon all who work with them and for them. By Your Spirit may they lead our people in right paths, by just ways and along the solid road that ultimately brings us to an honorable peace, an enduring good will and a willingness to work for the welfare of all mankind.

Abide with us this day and every day. Amen.

THE JOURNAL

The SPEAKER pro tempore. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Sparrow, one of its clerks, announced that the Senate had passed without amendment a joint resolution of the House of the following title:

H.J. Res. 159. Joint resolution commemorating the 75th anniversary of the Boy Scouts of America.

The message also announced that the Senate had passed with amendments in which the concurrence of the House is requested, bills of the House of the following titles:

H.R. 47. An act to provide for the minting of coins in commemoration of the centennial of the Statue of Liberty; and

H.R. 2577. An act making supplemental appropriations for the fiscal year ending September 30, 1985, and for other purposes.

The message also announced that the Senate insists upon its amendments to the bill (H.R. 2577) entitled "An act making supplemental appropriations for the fiscal year ending September 30, 1985, and for other purposes," requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. HATFIELD, Mr. STEVENS, Mr. WEICKER, Mr. MCCLURE, Mr. LAXALT, Mr. GARN, Mr. COCHRAN, Mr. ANDREWS, Mr. ABDNOR, Mr. KASTEN, Mr. MATTINGLY, Mr. SPECTER, Mr. STENNIS, Mr. BYRD, Mr. PROXMIRE, Mr. INOUYE, Mr. HOLLINGS, Mr. CHILES, Mr. JOHNSTON, Mr. BURDICK, Mr. LEAHY, Mr. SASSER, Mr. DECONCINI, Mr. BUMPERS, and Mr. LAUTENBERG to be the conferees on the part of the Senate.

The message also announced that the Senate had passed bills and joint resolutions of the following titles, in which the concurrence of the House is requested:

S. 822. An act to extend the time for conducting the referendum with respect to the national marketing quota for wheat for the marketing year beginning June 1, 1986;

S.J. Res. 111. Joint resolution to designate the month of October 1985 as "National Spina Bifida Month"; and

S.J. Res. 122. Joint resolution to authorize the President to proclaim the last Friday of April 1986 as "National Arbor Day."

The message also announced that pursuant to the provisions of Public Law 98-473, the President pro tempore appoints Mr. KASTEN and Mr. DECONCINI as members of the Commission on the Ukraine Famine.

REQUEST FOR CONCURRENCE IN SENATE AMENDMENTS TO H.R. 47, STATUE OF LIBERTY-ELLIS ISLAND COMMEMORATIVE COIN ACT

Mr. ANNUNZIO. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 47) entitled "An act to provide for the minting of coins in commemoration of the centennial of the Statue of Liberty," with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Strike out all after the enacting clause and insert:

TITLE I—STATUE OF LIBERTY-ELLIS ISLAND COMMEMORATIVE COINS

SHORT TITLE

SEC. 401. This Act may be cited as the "Statue of Liberty-Ellis Island Commemorative Coin Act".

COIN SPECIFICATIONS

SEC. 102. (a)(1) The Secretary of the Treasury (hereafter in this title referred to as the "Secretary") shall issue not more than 500,000 five dollar coins which shall weigh 8.359 grams, have a diameter of 0.850 inches, and shall contain 90 percent gold and 10 percent alloy.

(2) The design of such five dollar coins shall be emblematic of the centennial of the Statue of Liberty. On each such five dollar coin there shall be a designation of the value of the coin, an inscription of the year "1986", and inscriptions of the words "Liberty", "In God We Trust", "United States of America", and "E Pluribus Unum".

(b)(1) The Secretary shall issue not more than ten million one dollar coins which shall weigh 26.73 grams, have a diameter of 1.500 inches, and shall contain 90 percent silver and 10 percent copper.

(2) The design of such dollar coins shall be emblematic of the use of Ellis Island as a gateway for immigrants to America. On each such dollar coin there shall be a designation of the value of the coin, an inscription of the year "1986", and inscriptions of the words "Liberty", "In God We Trust", "United States of America", and "E Pluribus Unum".

(c)(1) The Secretary shall issue not more than twenty-five million half dollar coins which shall weigh 11.34 grams, have a diameter of 1.205 inches, and shall be minted to the specifications for half dollar coins contained in section 5112(b) of title 31, United States Code.

(2) The design of such half dollar coins shall be emblematic of the contributions of immigrants to America. On each such half dollar coin there shall be a designation of the value of the coin, an inscription of the year "1986", and inscriptions of the words "Liberty", "In God We Trust", "United States of America", and "E Pluribus Unum".

(d) The coins issued under this title shall be legal tender as provided in section 5103 of title 31, United States Code.

SOURCES OF BULLION

SEC. 103. (a) The Secretary shall obtain silver for the coins minted under this title only from stockpiles established under the Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98 et seq.).

(b) The Secretary shall obtain gold for the coins minted under this title pursuant to

the authority of the Secretary under existing law.

DESIGN OF THE COINS

SEC. 104. The design for each coin authorized by this title shall be selected by the Secretary after consultation with the Chairman of the Statue of Liberty-Ellis Island Foundation, Inc. and the Chairman of the Commission of Fine Arts.

SALE OF THE COINS

SEC. 105. (a) Notwithstanding any other provision of law, the coins issued under this title shall be sold by the Secretary at a price equal to the face value, plus the cost of designing and issuing such coins (including labor, materials, dies, use of machinery, and overhead expenses).

(b) The Secretary shall make bulk sales at a reasonable discount to reflect the lower costs of such sales.

(c) The Secretary shall accept prepaid orders for the coins prior to the issuance of such coins. Sales under this subsection shall be at a reasonable discount to reflect the benefit of prepayment.

(d) All sales shall include a surcharge of $35 per coin for the five dollar coins, $7 per coin for the one dollar coins, and $2 for the half dollar coins.

ISSUANCE OF THE COINS

SEC. 106. (a) The gold coins authorized by this title shall be issued in uncirculated and proof qualities and shall be struck at no more than one facility of the United States Mint.

(b) The one dollar and half dollar coins authorized under this title may be issued in uncirculated and proof qualities, except that not more than one facility of the United States Mint may be used to strike any particular combination of denomination and quality.

(c) Notwithstanding any other provision of law, the Secretary may issue the coins minted under this title beginning October 1, 1985.

(d) No coins shall be minted under this title after December 31, 1986.

GENERAL WAIVER OF PROCUREMENT REGULATIONS

SEC. 107. No provision of law governing procurement or public contracts shall be applicable to the procurement of goods or services necessary for carrying out the provisions of this title. Nothing in this section shall relieve any person entering into a contract under the authority of this title from complying with any law relating to equal employment opportunity.

DISTRIBUTION OF SURCHARGES

SEC. 108. All surcharges which are received by the Secretary from the sale of coins issued under this title shall be promptly paid by the Secretary of the Statue of Liberty-Ellis Island Foundation, Inc. (hereinafter in this title referred to as the "Foundation"). Such amounts shall be used to restore and renovate the Statue of Liberty and the facilities used for immigration at Ellis Island and to establish an endowment in an amount deemed sufficient by the Foundation, in consultation with the Secretary of the Interior, to ensure the continued upkeep and maintenance of these monuments.

AUDITS

SEC. 109. The Comptroller General shall have the right to examine such books, records, documents, and other data of the Foundation as may be related to the expenditure of amounts paid, and the management and expenditures of the endowment established, under section 108.

COINAGE PROFIT FUND

SEC. 110. Notwithstanding any other provision of law—

(1) all amounts received from the sale of coins issued under this title shall be deposited in the coinage profit fund;

(2) the Secretary shall pay the amounts authorized under this title from the coinage profit fund; and

(3) the Secretary shall charge the coinage profit fund with all expenditures under this title.

FINANCIAL ASSURANCES

SEC. 111. (a) The Secretary shall take all actions necessary to ensure that the issuance of the coins authorized by this title shall result in no net cost to the United States Government.

(b) No coin shall be issued under this title unless the Secretary has received—

(1) full payment therefor;

(2) security satisfactory to the Secretary to indemnify the United States for full payment; or

(3) a guarantee of full payment satisfactory to the Secretary from a depository institution whose deposits are insured by the Federal Deposit Insurance Corporation, the Federal Savings and Loan Insurance Corporation, or the National Credit Union Administration Board.

TITLE II—LIBERTY COINS

SHORT TITLE

SEC. 201. This title may be cited as the "Liberty Coin Act".

MINTING OF SILVER COINS

SEC. 202. Section 5112 of title 31, United States Code, is amended by striking out subsections (e) and (f) and inserting in lieu thereof the following new subsections:

"(e) Notwithstanding any other provisions of law, the Secretary shall mint and issue, in quantities sufficient to meet public demand, coins which—

"(1) are 40.6 millimeters in diameter and weigh 31.103 grams;

"(2) contain .999 fine silver;

"(3) have a design—

"(A) symbolic of Liberty on the obverse side; and

"(B) of an eagle on the reverse side;

"(4) have inscriptions of the year of minting or issuance, and the words 'Liberty', 'In God We Trust', 'United States of America', '1 Oz. Fine Silver', 'E Pluribus Unum', and 'One Dollar'; and

"(5) have reeded edges.

"(f) The Secretary shall sell the coins minted under subsection (e) to the public at a price equal to the market value of the bullion at the time of sale, plus the cost of minting, marketing, and distribution such coins (including labor, materials, dyes, use of machinery, and overhead expenses).

"(g) For purposes of section 5132(a)(1) of this title, all coins minted under subsection (e) of this section shall be considered to be numismatic items.

"(h) The coins issued under this title shall be legal tender as provided in section 5103 of title 31, United States Code.".

PURCHASE OF SILVER

SEC. 203. Section 5116(b) of title 31, United States Code, is amended—

(1) in the first sentence of paragraph (1), by striking out "The Secretary shall" and inserting in lieu thereof "The Secretary may";

(2) by striking out the second sentence of paragraph (1); and

(3) by inserting after the first sentence of paragraph (2) the following new sentence: "The Secretary shall obtain the silver for the coins authorized under section 5112(e) of this title by purchase from stockpiles established under the Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98 et seq.).".

CONFORMING AMENDMENT

SEC. 204. The third sentence of section 5132(a)(1) of title 31, United States Code, is amended by inserting "minted under section 5112(a) of this title" after "proof coins".

EFFECTIVE DATE

SEC. 205. This title shall take effect on October 1, 1985, except that no coins may be issued or sold under subsection (e) of section 5112 of title 31, United States Code, before September 1, 1986, or before the date on which all coins minted under title I of this Act have been sold, whichever is earlier.

Amend the title so as to read "An Act to authorize the minting of coins in commemoration of the centennial of the Statue of Liberty and to authorize the issuance of Liberty Coins.".

Mr. ANNUNZIO (during the reading). Mr. Speaker, I ask unanimous consent that the Senate amendments be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

The SPEAKER pro tempore. Is there objection to the initial request of the gentleman from Illinois?

Mr. LEWIS of California. Mr. Speaker, reserving the right to object, I would like to enter into a colloquy between the gentleman from Illinois and myself.

Mr. ANNUNZIO. Mr. Speaker, I would be glad to enter into a colloquy if the gentleman will yield.

Mr. LEWIS of California. Mr. Speaker, the gentleman from Illinois and I have communicated a good deal about the coin process over the last year or so. Frankly, I have in no way any objection to this portion of the bill that involves a coin to help fund the reconstruction and refurbishing of the Statue of Liberty.

I do have some serious concern, however, about a provision added to the bill on the Senate side that involves a silver coin. Will the gentleman explain that to the House?

Mr. ANNUNZIO. The addition on the part of the Senate is for a silver bullion coin, one coin.

Mr. LEWIS of California. It seems to me that somewhere on the Senate side there was some confusion over what might happen if the gentleman's bill was to be amended. It was my understanding that while there might be a silver coin added, if that were going to occur, there would be some coordination to also add a gold coin that would compete effectively with the Krugerrand.

Mr. ANNUNZIO. Mr. Speaker, if the gentleman will yield, the bill came

from the Senate and I had no objection to the silver coin, and if it had come from the Senate with the gold coin, I would have had no objection.

I know of the gentleman's deep interest in a gold coin to replace the Krugerrand. I want to assure the gentleman from California and I want to make a public statement that when we pass this legislation today, I will immediately call for hearings on the gold coin. The Senators on the Senate side know that. I am not against a gold coin. In fact, I am for a gold coin, but right now we are in a dilemma. This bill was supposed to be passed a month ago, but because of the parliamentary situation in the Senate, we are running about a month late.

The coins to finance the rehabilitation of Ellis Island and the refurbishing of the Statue of Liberty should have been minted by July 4. We need to raise $135 million to restore the Statue of Liberty and Ellis Island. Time is running out.

So I would be deeply grateful to the gentleman if he would withdraw his reservation of objection today. He has my complete assurance that we will hold very early hearings, and that I will try to get them organized as soon as possible. I am for a gold coin. I expected the bill from the Senate to have a gold coin in it, but it did not come back that way. In the meantime, I do not want to hold up this project to the detriment of the Members and many of our American citizens who are waiting for the Statue of Liberty coins so that we can get it completed.

Mr. LEWIS of California. Mr. Speaker, I must say to the gentleman that I have the same sense of urgency that he has relative to the Statue of Liberty. Indeed I myself am anxious to buy my first set of coins.

Having said that, I appreciate the gentleman's support in moving forward for a gold coin. I must say to the gentleman that my reservation at the moment is more specifically directed toward the Senate admendment. The gentleman has been more than cooperative, and I know his word is good. I would, however, want to send a very clear message to the Senate about the surprising nature of their amendment.

So, Mr. Speaker, for the moment I am constrained to object.

Mr. ANNUNZIO. Mr. Speaker, if the gentleman will withhold his objection, whatever his conflicts are with the Senate, I would ask him, please, not to take it out on the American people who are waiting for this coin. I say to the gentleman, let us continue to work together, and if there is a way that I can help him with the Senate, I will. The Senate already knows that I have made a commitment to the gentleman, and that I am going to go ahead with the gold coin. But I am committed to the American people and to the Statue of Liberty-Ellis Island Foundation that President Reagan has appointed. It is waiting for this program. We want to get these coins designed. We want to get the designs on the dies so we can start minting and selling coins.

□ 1210

The gentleman from California, I know, will have the gratitude of millions and millions of Americans if the gentleman will not object.

I know what the gentleman's concern is with the Senate, but we cannot be responsible for what the Senate does. We in the House are the representatives of the people. We have to move ahead. I am asking the gentleman to move ahead with the House Members, the Banking Committee, all the Republican leadership, all the Republican Members, all the Democratic leadership, and the President of the United States. We want to have a celebration on July 4 for this project.

Really and truly, what can I say to the gentleman? I want the gentleman's help.

Mr. LEWIS of California. I must say to the gentleman that one of the elements of his service here that I admire the most is the gentleman's word.

I must say that I thought I had similar commitments on the Senate side.

Mr. ANNUNZIO. Mr. Speaker, if the gentleman will yield further, do not hold me responsible for the Senate's word. I want to be held responsible for my word and I have always kept my word to the gentleman and I intend to keep it.

Mr. LEWIS of California. Mr. Speaker, I would love to discuss this further in private with the gentleman; but for the moment, I am constrained to object.

Mr. Speaker, I object.

The SPEAKER pro tempore. Objection is heard.

PROFITEERING ON FOOD AID TO ETHIOPIA

(Mr. BEREUTER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BEREUTER. Mr. Speaker, today this Member intends to inform the House of some unsettling facts about what is being done with our food aid to Ethiopia.

In an article from the Christian Science Monitor of May 20, 1985, readers are informed that the Ethiopian Government is making an estimated $28 million per year in hard currency by levying some of the highest port fees in all of Africa on each ton of grain that is donated by the United States and other nations. The United States pays the Ethiopian Government $12.60 in port fees for every ton of donated grain. Since December, we have shipped 400,000 tons of grain. Our total port fees amount to more than $5 million. In the best of worlds, the United States could hope that these fees were being turned into humanitarian assistance on the part of the Ethiopian Government. This Member fears, sadly, that this is not the case. We surely should ask for the application of those collected duties to humanitarian aid.

The United States and others expect to send 1.2 million tons of grain to Ethiopia this year. The money generated by the collection of port fees will come to some $15 million—a substantial fund that could be well used for medicines, trucks, or blankets.

Ethiopian officials demand steep import duties on donated transport as well. According to the May 20, 1985, edition of the Christian Science Monitor, donated four-wheel drive Land Rovers are sitting outside customs sheds months after their arrival, awaiting the payment duties.

Few observers are surprised that Ethiopia is generating hard currency from donated grain and equipment. It is the magnitude of the profit that leaves some of these observers surprised. This is aid, freely given to feed a starving people whose own Government cannot, and in some cases selectively will not, help them on its own. Other observers point out that food aid has become Ethiopia's single largest earner of "invisibles" or intangible earnings.

Despite this profiteering, millions of people are in fact being helped, and this is what we need to keep in mind. The estimates of the numbers of people who are being helped range from 3.5 to 5.3 million. World donors can be proud of these lifesaving efforts. Is Ethiopia proud of its profiteering on the condition of its starving people?

LITTLE LEAGUERS AND D.C. BASEBALL

(Mr. WOLF asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WOLF. Mr. Speaker, I have just come from the Capitol steps, where I met with a group of Little League baseball players, who are marching from Pennsylvania Avenue to the R.F.K. Stadium to show their excitement and strong support for the return of baseball to Washington, DC. The Little Leaguers are kicking off a week-long series of events, sponsored by the DC Baseball Commission, in support of the return of a major league team to Washington.

Seventy-five of my colleagues share this excitement and belief that baseball—so much a part of the fabric of American life—should also be part of daily life in Washington, DC. They have joined me in sending a letter to

Baseball Commissioner Peter W. Ueberroth urging him to tell major league team owners of our deep commitment to the placement of an expansion franchise in the Nation's Capital.

Many of us grew up with major league baseball and we believe that the people of this area—especially our young people, whose lives can be enriched growing up with baseball's sights and sounds—deserve a team.

I believe that the home runs in this town too often come from a President scoring a political triumph or from a committee chairman steering through an important legislative victory. Many of my colleagues and I miss those real home runs, and hope to see baseball back in the District Columbia.

CONGRATULATIONS TO ATLANTA, GA, FIRST BAPTIST CHURCH SUNLIGHT GROUP

(Mr. SWINDALL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SWINDALL. Mr. Speaker, I am privileged today to introduce to my colleagues, Sunlight, a singing group from the First Baptist Church in Atlanta.

The group, which is in the House today, is presently touring the Southeast and was kind enough to make a special trip to Washington to present a 30-minute concert on the southeast steps of the Capitol this morning from 11 to 11:30 a.m.

Those who gathered to hear them this morning can understand why I take such tremendous pride in hosting this inspirational and committed group of young people.

In closing, I want to thank each of them for blessing us with their performance. I know my colleagues join me in welcoming Sunlight to our Nation's Capital and extending an open invitation to come again, anytime.

May God bless each member of Sunlight in a very special way.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. SIKORSKI). Pursuant to the provisions of clause 5 of rule I, the Chair announces that he will postpone further proceedings today on the question of passing the bill and on each motion to suspend the rules on which a recorded vote or the yeas and nays are ordered, or on which the vote is objected to under clause 4 of rule XV.

Such rollcall votes, if postponed, will be taken on Tuesday, June 25, 1985.

DISTRICT OF COLUMBIA BUSINESS

The SPEAKER pro tempore. This is the District of Columbia Day. The Chair recognizes the gentleman from the District of Columbia [Mr. FAUNTROY].

DISTRICT OF COLUMBIA STADIUM ACT AMENDMENTS

Mr. FAUNTROY. Mr. Speaker, by direction of the Committee on the District of Columbia, I call up the bill (H.R. 2776) to amend the District of Columbia Stadium Act of 1957 to direct the Secretary of the Interior to convey title to the Robert F. Kennedy Memorial Stadium to the District of Columbia, and ask unanimous consent that the bill be considered in the House as in the Committee of the Whole.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from the District of Columbia?

There was no objection.

The Clerk read the bill, as follows:

H.R. 2776

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. CONVEYANCE OF STADIUM

Section 7 of the District of Columbia Stadium Act of 1957 (D.C. Code, sec. 2-326) is amended—

(1) by inserting "(a)" after "SEC. 7."; and

(2) by inserting after subsection (a) the following new subsections:

"(b) The Secretary of the Interior (hereinafter in this section referred to as the 'Secretary') shall convey without consideration to the government of the District of Columbia all right, title, and interest of the United States in and to the stadium constructed under this Act.

"(c) The conveyance of real property under subsection (b) shall be subject to such terms and conditions (which shall be set forth in the instrument of conveyance) as will ensure that title to the property shall not be transferred by the District to any person or entity other than the United States and that the property will be used only—

"(1) for stadium purposes;

(2) for providing recreational facilities, open space, or public outdoor recreation opportunities;

"(3) for such other purposes for which the property was used prior to June 1, 1985; and

"(4) for such other public purposes for which the property was approved for use by the Secretary with the concurrence of the National Capital Planning Commission prior to June 1, 1985.

"(d)(1) The instrument of conveyance referred to in subsection (c) shall provide that all right, title, and interest conveyed to the District of Columbia pursuant to such instrument shall revert to the United States if—

"(A) the terms and conditions referred to in subsection (c) have not been complied with, as determined by the Secretary, and

"(B) such noncompliance has not been corrected within ninety days after written notice of such noncompliance has been received by the Mayor of the District of Columbia.

Such noncompliance shall be treated as corrected if the District of Columbia and the Secretary enter into an agreement, with the concurrence of the National Capital Planning Commission, which the Secretary considers adequate to ensure that the property will be used in a manner consistent with the purposes referred to in subsection (c).

"(2) No person may bring an action respecting a violation of any term or condition referred to in subsection (c) before the expiration of ninety days after the date on which such person has notified the Mayor of the District of Columbia of the alleged violation. The notice shall include notice of such person's intention to bring an action to declare a reversion under paragraph (1) of this subsection.

"(3) Any property which reverts to the Secretary under this subsection shall be administered by the Secretary as part of the Park System of the Nation's Capital in accordance with the provisions of the Act of August 25, 1916 (16 U.S.C. 1, 2-4), and other provisions of law generally applicable to units of the national park system.".

SEC. 2. TECHNICAL AMENDMENT.

Section 11 of the District of Columbia Stadium Act of 1957 (D.C. Code, sec. 2-330) is amended by inserting "(including any area designated A, B, C, D, or E on the revised map entitled 'Map to Designate Transfer of Stadium and Parking Lots to the District', prepared jointly by the National Park Service (National Capital Region) and the District of Columbia Department of Public Works for site development and dated March 1985 (NPS drawing number 831/87284))," after "property of any kind".

Mr. FAUNTROY. Mr. Speaker, I move to strike the last word.

Mr. Speaker, this bill will transfer title of R.F.K. Stadium from the U.S. National Park Service to the Government of the District of Columbia. The city has paid most of the capital costs of the construction and operation of the stadium. The bill before us, the stadium-transfer bill, is the result of agreements reached in 1977 by a Presidential task force on the District of Columbia. This was a bipartisan task force that was chaired by the Vice President and included Members of both Houses of Congress, the Mayor and Federal Representatives. It should be noted that the stadium was constructed on the initiative of the Federal Government in 1964. At that time the taxpayers of the District had no voice in the matter nonetheless they have paid more than two-thirds of all costs.

There were three parts to the 1977 agreement regarding the stadium:

First, that the $19.8 million needed to redeem the stadium bonds would be paid half by the Federal Government and half by the District.

Second, the District of Columbia government would absorb the $12.8 million which it had paid for interest payments on the bonds.

And third, that title to the stadium and associated land would be transferred to the District upon redemption of the bonds. In addition, the District had already paid all operating losses since the stadium was built in 1964.

In accordance with this agreement, during the last Congress the committee reported a similar stadium-transfer bill and the House passed it by unanimous voice vote on July 25, 1983. The Senate did not act on the measure last Congress.

It is merely coincidental that this bill comes before the House District Committee and now the House at a time when the city is gearing up to bid for a baseball team. I believe most members of the committee wish the city well in it's endeavor; however, I stress that the origin of this bill is a Federal commitment made in 1977 to transfer the title of the stadium.

Mr. Speaker, H.R. 2776 was sequentially referred to the Committee on Interior and Insular Affairs on June 18, 1985. It was discharged by that committee on June 19, 1985, without action.

Mr. Speaker, H.R. 2776 is the result of a series of changes to legislation first proposed during the last Congress and the 99th Congress. The changes were proposed primarily by the U.S. Department of the Interior. Among the changes is a provision which insures that the stadium will always remain in the public domain by providing that the stadium will revert back to the United States if it is used for any purpose other than detailed in the legislation.

The bill also ensures that the park area in front of the stadium shall be maintained in its current state.

All the members of the Committee on the District of Columbia support this legislation.

Mr. Speaker, I urge support of H.R. 2776.

□ 1220

Mr. PARRIS. Mr. Speaker, I move to strike the last word.

Mr. Speaker, I would like to compliment and thank the members of the House District of Columbia Committee for their diligent work that brings this legislation to the floor of the House today.

My colleagues from the District of Columbia, Mr. FAUNTROY, has give the House a thorough description of H.R. 2776 as reported by the committee, and has more than adequately covered the finer points of the legislation. The minority fully supports this bill. It is my hope that the House will pass it straight away.

Let me take my time, therefore, Mr. Speaker, this morning to address a pertinent but modestly ancillary consideration of this initiative which was alluded to by my friend from the District of Columbia, and that is baseball in the District of Columbia.

While it is coincidental that this bill comes before us at a time when Washington is preparing to bid for a baseball team, this transfer would, in my judgment, the transfer of this sports facility in this city would, in my judgment, aid substantially in the efforts to attract a major league baseball team into Washington, DC.

On that subject, Mr. Speaker, my staff is in the process of drafting, and I am considering the introduction in the near future of legislation that would remove the antitrust exemption for major league baseball. And I submit, Mr. Speaker, we might just get the attention of the owners if that legislation were seriously considered by the Congress of the United States. For years there has been a significant effort made to bring a major league baseball team to the Nation's Capitol. We have come close, we have never been successful. This is particularly unusual in light of the fact that statistically Washington is rated No. 7 among the Nation's metropolitan areas and yet is not home to one of the 34 major league baseball teams in the Nation.

Washington, DC, is not an isolated example. The 1980's have been dominated by concerns over franchise movements. Municipalities that want teams to move in have been encouraging team owners to challenge the assumed authority of leagues to control franchise locations. A Federal court of appeals recently ruled that league restrictions on team relocation violated the antitrust laws. The various sports leagues and cities who do not want to lose their teams have been trying to get relief on Capitol Hill. They are opposed by cities who hope to benefit by teams who want to relocate.

With the exception of baseball, all sports leagues have been found subject to Federal antitrust laws. Baseball's antitrust exemption was initially granted in 1922 and was reiterated in 1972 when the Supreme Court conceded its 1922 decision was an aberration, and unrealistic, inconsistent and illogical. The courts upheld the antitrust immunity because baseball has relied on it for 50 years and Congress failed to act to take it away.

The applicability of antitrust laws to baseball would make a difference in this or any other city getting or retaining a franchise. A combination of a prevalent sellers' market and league rules that enforce and take advantage of franchise scarcity has created a situation where we will always have franchise instability. The control of the number and location of franchises has given the owners leverage to obtain concessions from those cities who want a franchise as well as from those cities who do not want to lose an existing team.

The leagues' conscious control of the number of franchises is part of the reason why the demand by communities for sports franchises outstrips their supply.

This imbalance of supply and demand leads cities to escalate their offers of publicly funded inducements in an attempt to outbid one another for franchises. This increases the public subsidy required to attract and retain a sports franchise and presumably contributes to the instability of franchise location. That is why Washington, DC, is finding itself pitted against a host of other cities who desire a major league baseball team at this time. The league and the owners can just sit back and let us all fight it out until some city comes up with the sweetest deal.

The SPEAKER pro tempore. The time of the gentleman from Virginia [Mr. PARRIS] has expired.

(By unanimous consent Mr. PARRIS was allowed to proceed for 3 additional minutes.)

Mr. PARRIS. Mr. Speaker, there are quite a few significant advantages for having a professional sports team and cities go to great lengths to get one. Teams generate revenue and jobs, contribute to civic pride and often enhance local economic development. They are a benefit. Cities will use public funds or resort to the courts to keep teams from leaving. When Seattle lost its team in the early 1970's it filed an antitrust suit and was eventually awarded an expansion team in 1977. Milwaukee also filed an antitrust suit when its team moved. They lost their suit but put on enough pressure that they forced the transfer of another team to Seattle in 1969.

Past experience would indicate that due primarily to the antitrust exemption, cities who want to keep teams or get a new one might best obtain their goal through court action or intense public and political pressure. That situation alone would seem to be enough justification for eliminating the exemption.

Mr. Speaker, the league controls the movement of existing franchises to cities without teams. A team wishing to relocate must gain the approval of a substantial majority of other teams—baseball for instance, requires a three-fourths majority. The entrance of new franchises is controlled by the established teams which require substantial entrance fees and dictate the location of the new team.

The lower court decision in the Milwaukee Braves litigation in Wisconsin held that baseball's transfer of the franchise to Atlanta without issuing Milwaukee a replacement constituted a violation of State antitrust law. The Wisconsin Supreme Court reversed that decision on the ground that Federal law preempted the States jurisdiction in interstate antitrust matters. Another example is found in the threat of antitrust litigation that aided in the retention of a franchise in Buffalo and as I alluded earlier, regained one in Seattle. In addition, in congressional hearings held in 1976,

Justice Department officials testified that one of the beneficial effects of removing baseball's exemptions could be the lowering of entry barriers for potential competitors by offering for the first time in over half a century a measure of protection against anticompetitive practices by the established leagues.

Mr. Speaker, rest assured that I and I hope many of my colleagues will continue to research and monitor this situation carefully as it unfolds in the light of history.

□ 1230

The administration supports the passage of this bill, Mr. Speaker.

I hope it will be the pleasure of the House to adopt it.

Mr. Speaker, I yield back the balance of my time.

Mr. FAUNTROY. Mr. Speaker, I move to strike the requisite number of words.

The SPEAKER pro tempore. Without objection, the gentleman is recognized for 5 minutes.

There was no objection.

Mr. FAUNTROY. Mr. Speaker, I would like to compliment the gentleman from Virginia [Mr. PARRIS] and thank him for his leadership and every Member of the House District Committee for the diligent work that brings this legislation to the floor today. As I indicated, while it is coincidental that the District is seeking a team at this very time, I do want to associate myself with the remarks of the gentleman from Virginia [Mr. PARRIS].

Next month the House Members and Members of the Senate will engage again in the legendary Democratic-Republican baseball game. It has been years since we played that game in a major stadium like the RFK Stadium. Quite frankly, it is time for us to play it at RFK. I am tired of having to go over to Baltimore to get my uniform to play as first baseman.

I am sure SILVIO CONTE on the other side and Mr. BILL CHAPPELL on this side will be very happy with the results of the efforts that we make in the next few weeks and months to secure a team.

Mr. Speaker, unaccustomed as I am to building pressure on people through legislation, I am tempted to join the militant gentleman from Virginia [Mr. PARRIS] in supporting a measure that would withdraw the antitrust agreement from baseball and, after his eloquent argument, I am going to get out of character and support this pressure upon organized baseball to give us a team here in our Nation's Capital.

● Mr. SEIBERLING. Mr. Speaker, I rise in support of H.R. 2776, a bill to amend the District of Columbia Stadium Act of 1957. The bill would direct the Secretary of the Interior to convey title to the Robert F. Kennedy Memorial Stadium in Washington, DC, from the United States to the government of the District of Columbia.

Similar legislation passed the House during the 98th Congress. At that time, I expressed concern to the House District Committee that, since the land to be conveyed was under the jurisdiction of the National Park Service, the Interior Committee's Subcommittee on Public Lands and National Parks, which I then chaired, had an interest in the legislation. We were especially concerned to assure that only the most essential areas be conveyed, that the conveyance be conditioned to assure that the lands not be converted to private uses or developed in ways incompatible with public park and recreational land, and that an enforceable reverter clause be included to ensure that these conditions would be met.

During the 98th Congress, and again during this Congress, Chairman DELLUMS of the House District Committee, Chairman FAUNTROY of the Subcommittee on Fiscal Affairs and Health, and I had extensive discussions on this matter. I believe that the bill before us, H.R. 2776, does an excellent job of taking care of these various concerns and that it is now supported not only by the District government but also by the National Park Service.

Before closing, I would like to commend Chairman BRUCE VENTO of the National Parks and Recreation, Mr. DELLUMS, Mr. FAUNTROY, and Mr. MCKINNEY for their hard work on this legislation, but also members of the staff, including Julius Hobson and John Gnorski of the District Committee's staff and Dale Crane and Loretta Neumann of the Interior Committee's staff.

I am pleased to support this legislation and urge all Members of the House to support it as well.●

Mr. FAUNTROY. Mr. Speaker, I move the previous question on the bill.

The previous question was ordered.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. FAUNTROY. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from the District of Columbia?

There was no objection.

FEDERAL ELECTION COMMISSION AUTHORIZATION, FISCAL YEAR 1986

Mr. SWIFT. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 1532) to authorize appropriations for the Federal Election Commission for fiscal year 1986, as amended.

The Clerk read as follows:

H.R. 1532

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the second sentence of section 314 of the Federal Election Campaign Act of 1971 (2 U.S.C. 439c) is amended by striking out "and" after "1978," and by inserting after "1981" the following: ", and $12,745,000 for the fiscal year ending September 30, 1986".

The SPEAKER pro tempore. Pursuant to the rule, a second is not required on this motion.

The gentleman from Washington [Mr. SWIFT] will be recognized for 20 minutes and the gentleman from Minnesota [Mr. FRENZEL] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Washington [Mr. SWIFT].

Mr. SWIFT. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, H.R. 1532 is the authorization for the Federal Election Commission for fiscal year 1986.

As reported from the Committee on House Administration, the bill authorizes a total of $12,745,000 for the upcoming year. This amount is $335,000 less than the Commission request. Furthermore, it is less than was approved by OMB, and it is less than the Commission's 1985 appropriation.

Last year, Mr. Speaker, the Commission received an appropriation of $12,900,000, which included in it some one-time expenses. In particular, those were to cover the costs of the Commission's move to new office space, and the costs of running two parallel ADP systems during the transition from one contractor to another.

At that time, there was some concern that the extra sums provided to the Commission might somehow be transformed into the Commission's base-line funding. I am pleased to report, however, that such is not the case. The Congress received a fair and honest budget request from the Commission that clearly subtracted those one-time expenses, and just as clearly added any proposed new budget items.

The base-line that the Commission requested for fiscal 1986 was $12,605,000. In addition, the Commission asked for money for several items, of which the committee has authorized full or partial funding for four.

First, last year this Congress passed—and the President signed—new legislation calling for better accessibility for elderly and handicapped voters at registration and polling sites around the country. The legislation imposed certain duties on the Federal Election Commission, and the Commission quite reasonably asked for funds to cover activities that will be associated with those duties. The committee pro-

poses to authorize the funds requested.

I might also add, Mr. Speaker, that the committee is pleased that the Commission thoroughly understands the intent of Congress in passing that legislation. The intent was that improved voting accessibility should be a cooperative effort between the States and the Federal Government. All laws have carrots and sticks, but we were really emphasizing the carrot on this one.

Down the road, this committee will take a look and see if there is any reason to enlarge the stick, but we had a lot of cooperation from election officials across the country in developing the law and it is our intent to work with them—not to pound on them—to achieve the goals in the law.

It is clear that so far the Commission understands its role as the facilitator rather than the enforcer of compliance, and we are optimistic that they will continue to serve in that role.

The second item in the budget request was for new equipment to be used primarily in the Commission's Information Office. The present equipment is outdated and inadequate. The House Administration Committee has always felt that public disclosure of campaign data is a top priority among the duties of the Commission, and has authorized purchase of the necessary equipment.

Third, the Commission requested funds for its Regulations and Policy Program, in part for a review and update of the Commission's present regulations. In the interest of economy, the committee proposes to authorize only a fraction of the amount requested by the Commission.

The committee certainly has provided no new regulatory authority to the Commission, but we do feel that amending its regulations to reflect recent advisory opinions and court decisions is a worthwhile project for the agency to pursue. Therefore, we have provided a portion of the funds requested.

Finally, last year the Commission began a pilot project to test the feasibility of providing remote access to the Commission data base of disclosure information. The offices of several secretaries of State around the country were provided with direct computer links to the FEC disclosure base.

Preliminary results from the pilot project indicate that it has been favorably received in those States that are presently participating, and others would like to join. Although it is not possible at this time to provide sufficient funds to allow all interested States to join in the upcoming fiscal year, the committee proposes to authorize a small amount of money to allow the project to continue, gradually adding additional States.

There were other amounts requested by the Commission, Mr. Speaker, totaling several hundred thousand dollars. Some of them have considerable merit, but the committee simply felt they could not be adequately justified at this time. This committee is well aware of the budget constraints we face, and has sought to hold the line firmly here, as it has on the other budgetary items for which it is responsible.

I would just conclude, Mr. Speaker, by noting that the Commission has a large and growing work load. During 1984, which included the extra duties a Presidential election year brings, the Commission—among other things—processed tens of thousands of campaign documents, handled tens of thousands of people visiting the Public Records Office, provided nearly 100,000 printouts of campaign finance information to public requestors, and opened close to 300 compliance cases.

By way of comparison: In 1980 the Commission handled just over 80,000 total information requests; in 1984, there were more than 130,000 such requests. During that same period of time, both the number of political action committees and the amount of campaign spending also increased substantially. And yet, the Commission has continuosly operated on a tight budget and actually has fewer staff now—245—than the 270 that it had in 1980.

Mr. Speaker, this is a careful, spartan budget for a small Commission with a big job to do.

I urge all my colleagues to support it fully.

□ 1240

Mr. Speaker, I reserve the balance of my time.

Mr. FRENZEL. Mr. Speaker, I yield myself 2 minutes.

Mr. Speaker, I doubt that for at least 18 years the Federal Elections Commission will pay much attention to William Harrison Lindon, a new citizen of Orlando, FL, but since he made Ruthy and me grandparents for the first time yesterday morning, I feel compelled to announce his arrival.

If that is the good news, the bad news is that we have H.R. 1532 before us, the authorization of the Federal Elections Commission.

Mr. Speaker, I rise in favor of H.R. 1532, as amended, the Federal Election Commission authorization for fiscal year 1986.

The Commission started this budget cycle with a request to the Office of Management and Budget for $13,080,000. OMB calculated the Commission's fiscal year 1986 base level budget to be $12,756,000. This would enable the Commission to maintain a level of funding sufficient to maintain their current activities. However, the OMB actual recommendation was $12,433,000. This figure represents the base level minus the 5 percent reduction in personnel salaries.

The Commission calculated their base level funding at $12.6 million. The House Administration Committee added $140,000 to the base for their recommendation of $12,745,000 for fiscal year 1986.

The additional moneys are to expand their remote access project ($33,000); new mailing, folding and stuffing equipment for the press office ($35,000); increased personnel in the Office of General Counsel ($22,000); and $50,000 for the implementation of the Voting Accessibility for the Elderly and Handicapped Act.

Mr. Speaker, this authorization is $155,000 less than the Commission received last fiscal year. I believe it is reasonable and responsible given our current budget crisis and would urge its adoption.

Mr. Speaker, there are a number of speakers on my side who will seek to defeat this bill on suspension for a variety of reasons; probably all of them valid.

It would be nice if we could bring this bill up under the regular order in an open rule; I think all the Members of this body understand the difficulty of getting scheduled. It is important in my judgment to have an authorization passed before we begin the appropriations process, and that is right around the corner.

This is a fairly routine bill, and I believe that it should be handled as routine. If any Member seriously believes we should not have an Elections Commission, if we should get rid of the single disclosure agency about elections, then that Member should vote against it.

Otherwise, since it costs less than it cost us last year, I encourage thoughtful Members to vote in its support.

Mr. Speaker, I reserve the balance of my time.

The SPEAKER pro tempore. The Chair, on behalf of the House, congratulates the gentleman from Minnesota.

Mr. FRENZEL. I thank the Chair, and regret that the new arrival is not a citizen of the State of Minnesota.

The SPEAKER pro tempore. As we all do.

Mr. FRENZEL. Mr. Speaker, I now yield 2 minutes to the distinguished gentleman from Georgia [Mr. SWINDALL].

Mr. SWINDALL. Mr. Speaker, the changes proposed in the Federal Register, April 17, 1985, by the Federal Election Commission in regulations governing limits on contributions by persons and multicandidate political committees contradict congressional intent and clearly exceed the Commission's authority.

The proposal, to tie contribution limits to the net debts of a campaign, clearly would affect statutory contribution limits. Under the proposed rule, contributions for primary and general elections if made after the date of the election, and I quote "may be made only to the extent there are net debts outstanding from such election or may be designated for a different election."

The law itself provides no such limits on contributions. Instead, it allows specific contributions for a primary election, separate specific limits for a general election, and a third specific limit in the case of a runoff election, with an aggregate annual contribution limit for individuals of $25,000.

Because the proposed rule affects statutory campaign contribution limits, I believe that there is no question that it is beyond the scope of the Commission's authority. Further, the Senate has previously considered the possibility that a campaign might have more than sufficient funds to "reasonably defray expenses," and it had chosen not to tie contribution limits to a campaign's net debt posture. I believe that with this proposed regulation, the FEC attempts to circumvent congressional intent.

Soon the House will debate whether to reauthorize funds for the FEC to continue operating during fiscal year 1986. It is my hope that this issue will be debated under an open rule in order that we may have a full and open discussion of the FEC's administration of our Federal election laws.

Mr. FRENZEL. Mr. Speaker, I yield 2 minutes to the distinguished gentleman from Virginia [Mr. PARRIS].

Mr. PARRIS. Mr. Speaker, when this legislation was adopted in 1973, my greatest concern was that disclosure of contributions was important, and that a knowledgeable electorate was a desirable principle in public campaign financing, but I was concerned that FEC must be sensitive to first amendment rights, and I am constrained to point out one aspect of this bill this morning that gives me cause in that area. It has to do with the aggregation of multicandidate contributions.

For the purpose of contribution limitation, the FEC recently proposed to "clarify" aggregation of contributions, requiring a contributor to aggregate his contributions to a specific candidate with those he makes to a multicandidate committee which may support the same candidate. This requirement would come into effect when the multicandidate committee makes representations that a "substantial portion" of the contribution would be made to or our behalf of a particular candidate.

What precisely is a "substantial" portion? Is it relative to the total cash flow? Is it a fixed percentage, and if so, what? On one occasion the Commission ruled that mere announcement of the formation of a PAC constituted a "solicitation." You may imagine therefore that we and others who are concerned with the preservation of first amendment rights have reason for concern when anticipating the Commission's definition of the term "substantial" and further, when the Commission proposes to "provide indicia of a contributor's 'knowledge or belief' that a contribution will in turn be contributed to or expended on behalf of a particular candidate."

I remind the Commission that the Supreme Court recently decided that independent expenditures by political committees may not be limited. I am disturbed that the Commission appears by this proposal to attempt to circumvent this Supreme Court decision.

The continued insensitivity of the FEC to first amendment rights warrants full debate of this legislation rather than adopting it without amendments under suspension.

I hope my colleagues would reject this process this morning.

Mr. FRENZEL. Mr. Speaker, I yield 2 minutes to the distinguished gentleman from Utah [Mr. NIELSON].

Mr. NIELSON of Utah. Mr. Speaker, in 29 States, American workers can be required—as a condition of employment—to contribute financially to a labor organization through compulsory union dues. This compulsory dues money, which workers must pay goes directly into the union treasury. According to Steelabor, the self-proclaimed voice of the United Steel Workers of America, union treasury money "can't go for direct political contributions—but it can do a lot: mailings supporting or opposing candidates, phone banks, precinct visits, voter registration and get-out-the-vote drives, contributions to national, State, or local central COPE's, and it can be used to raise voluntary funds for the USWA political action committee." Recent Federal court decisions have found this to be a violation of workers' first amendment rights. In fact, Federal District Court in Maryland found that 79 percent of the dues collected by a major union were used to fund political activities other than collective bargaining. This basic violation of individual rights—forcing a worker, at threat of firing, to financially contribute to political candidates or causes he may oppose—is an affront to the free and open political system in which we take pride. How many of us would be so bold as to pass legislation requiring our opponents' supporters be forced to contribute to us in order to keep their jobs? Yet that is precisely what takes place now through the use of compulsory dues for politics.

Unfortunately, the Federal Election Commission has failed to promulgate regulations to bring its enforcement of Federal election law in line with the Supreme Court. Mr. Speaker, I urge that H.R. 1532, the bill reauthorizing funds for the Federal Election Commission, be brought to floor under an open rule allowing full and open debate on this threat to first amendment rights.

Mr. FRENZEL. Mr. Speaker, I yield 4 minutes to the gentleman from Pennsylvania [Mr. WALKER].

Mr. WALKER. I thank the gentleman from Minnesota for yielding, and I must say that I cannot top his delightful announcement when he began his speech, but the House may be somewhat surprised to hear me say that the main issue in this particular bill is not the amount of money being authorized; that is not the issue, it seems to me, that we are addressing here.

What we are addressing here is the controversies that surround the FEC and whether or not some of those controversies ought not be addressed by this House through the amendment process.

We are not as a result of bringing up this bill under the suspension calendar going to get a chance to address some of those controversies. Let me just raise one.

The problem of union compulsory dues for politics cut across party lines during the 1984 election year. Some who had defended this abuse of workers' rights in the past became its victims. Officials of the AFL-CIO and the National Education Association endorsed Democrat Walter Mondale for President, but who paid for the in-kind political services rendered to Walter Mondale by the NEA and the AFL-CIO union officials?

The answer, because of a loophole in Federal election law, is that these political activities on behalf of Walter Mondale were paid for by union treasury funds, collected as a condition of employment from union members, many of whom supported other Democratic candidates for President.

When the Presidential campaigns of GARY HART and JOHN GLENN and ALAN CRANSTON and Senator HOLLINGS were facing budgetary restrictions, Mr. Mondale's campaign continued to flourish on compulsory dues dollars forced from the pockets of his Democratic opponents' supporters.

In the general elections, more than half of all the union members voted for Republican Ronald Reagan. However, many of these union members had their votes undermined by the use of their compulsory dues on behalf of Walter Mondale.

I hope our Democratic colleagues will realize in just these kinds of cases that their own supporters can be vic-

timized by this injustice, and will join us in support of amendments ordering the FEC to implement Supreme Court decisions in the Ellis case and several others.

□ 1250

The High Court has declared the practice of using compulsory dues for political purposes unconstitutional, and we should wait no longer to put an end to this threat to first amendment freedom.

I would also like to remind my colleagues that the dramatic court breakthroughs of recent years against compulsory union politics have by no means ended the battle to secure for union members the right to support or oppose political causes of their own choosing. Union officials are allowed to collect billions of dollars a year from workers who must pay up or be fired. Ostensibly collected to pay for union representation, massive chunks of this forced-dues bonanza are funneled into the pet political causes of union bosses. In fact, in Beck versus Communication Workers of America, the court found that 79 percent of compulsory union dues collected by CWA union officials was spent on nonbargaining activities such as politics and lobbying for the ERA and the Panama Canal Treaties. In an election year, this compulsory dues money takes the form of in-kind political activities such as mailings, phone banks, precinct visits, or other indirect support for political candidates.

In 1984, this union machine was turned on for Democrat Walter Mondale and was funded through the compulsory contributions of union members who supported candidates other than Mr. Mondale. The main issue here is individual freedom. The politics of even the most powerful special interests should not be funded in violation of individual workers' rights. We should earmark funding under this reauthorization bill for the Federal Election Commission to implement regulations banning this injustice. But we are not going to be able to offer those kinds of amendments if we continue to consider this bill under the Suspension Calendar.

I would suggest that what we do is defeat the bill under suspension, bring it out here under an open rule so that we could address the compulsory dues issue.

There are other kinds of issues. Some Members may want to look at the contribution limitations. Some people around here would like to raise the amounts that people can contribute to compaigns or the PAC's can contribute. Others would like to lower it, thinking that some of this is an abuse. We will not get a chance to address those issues and talk about those kinds of things on the House floor, either, because of the consideration of this bill under the Suspension Calendar.

So let us look beyond the issue of just authorization of money. That is certainly a reasonable amount that is in this bill, even under the Budget Act. But I think that we have got to look at the big issues that the SEC is addressing now through regulations rather than with guidance from Congress because we are not taking the time here on the House floor to look at amendments, to address those controversies and do so in a way that protects the rights of individual citizens and protects particularly the voters of this country.

So I would hope that my colleagues would join me today in defeating the bill under suspension so that we may bring it back here under the amendment process that would permit us to address a number of issues, some raised previously by my colleagues and some raised by me.

Mr. FRENZEL. Mr. Speaker, I yield 6 minutes to the distinguished gentleman from California [Mr. LUNGREN].

Mr. LUNGREN. I thank the gentleman for yielding.

Mr. Speaker, I would like to agree with a number of my colleagues that the costs involved in this authorization bill are not at question. In fact, these costs in relation to previous years are commendable. This is a model for other bills, I would suggest, to come forward before this House of Representatives in this year.

But oftentimes when we have an appropriation bill and Members attempt to deal with substantive issues when an appropriation bill is up, they are accused of and points of order are sustained against them about the question of trying to have authorizing legislation on an appropriation bill.

So the only area in which we can talk about substantive matters, in many ways, is that of an authorization bill. So I hope that Members would not be dissuaded from serious discussion of appropriate issues by amendment in this particular instance by virtue of the fact that the money involved is not excessive. The money involved is not excessive. It limits the appropriation process later on from going above it. And for that, the Members who brought this before this body ought to be commended.

But there are substantial questions that we ought to deal with. Every person who has ever decided in the last number of years that he or she would wish to be in the House of Representatives has been confronted with something known as the FEC. Some have said today that if you want to be a Member, if you seek to be a candidate for membership in the U.S. House of Representatives, the very first thing you should do is hire yourself a lawyer and hire yourself an accountant so that you will not run afoul of the law, a law which is supposed to be administered by the FEC.

And I do not disagree with that, nor do I disagree with the fact that we need to have disclosure. I think it is very appropriate. In fact, I would say it is the most essential thing to the cleansing process that has taken place over the last number of years with respect to the electoral process. At the same time, we have to recognize that the FEC and the idea of the FEC is created within the context of the first amendment of the Constitution, and I would suggest that on decisions made in a number of cases over the last number of years the FEC has not shown an appropriate sensitivity to the workings of the first amendment. And that brings me to why we are here today.

The FEC has brought forth a number of proposed regulations that it seems to me go to the heart of its operations. It goes to the heart of its operations because it seems to me it is overstating or overstepping its bounds in terms of these regulations. It attempts to made decisions which I think are appropriately in the legislative realm; it attempts to made new definitions in terms of contribution; it attempts to delineate new parameters for participation in the electoral process.

A number of these things have been articulated at length by other Members on this floor today, so I shall not go into them at this time. Suffice it to say that these are substantial questions of substantive law that can only be dealt with on the authorization legislation, not the appropriation legislation.

When this legislation is brought forward on the Suspension Calendar, with limited debate and with no opportunity to amend in these areas, it seems to me it therefore forecloses us the opportunity to deal with this legislation.

Over the last number of years, we have dealt with this particular commission by continuing resolution, by unanimous consent, essentially and really we have not been able to get into a vote where we have had amendments brought forward. For that very reason, I would ask my colleagues to vote down this bill—not because they do not want disclosure, not because they do not think the FEC is appropriate, but rather that we be given an opportunity to deal with the substantive questions that are out there hanging.

One of the things that it seems to me to be very interesting is that the Federal Election Commission has shown or exhibited this readiness to tightly regulate voluntary participation in the electoral process as evidenced by these proposed regulations. These proposed regulations are so outrageous that a letter authored by the

distinguished ranking minority Member, the gentleman from Minnesota [Mr. FRENZEL], and the gentleman from California [Mr. THOMAS], the distinguished ranking minority member of the subcommittee, to the Chairman of the FEC recently caused them to say this:

> We have received a number of negative comments on the Commission's proposed contribution regulations. After reviewing them, we were tempted to write to inform you that someone was submitting regulations and signing the Commission's name. Instead, we will list our concerns in this informal letter.

And they forthrightly listed a number of concerns we have about these regulations.

So my point is not that the Members have not been vigilant on this, but rather that we ought to have an opportunity to debate that on the floor and to take corrective action through the amendment process.

But at the same time that the Federal Election Commission has shown such readiness to tightly regulate voluntary participation in the political process, as I have said, and therefore really overstep its bounds in terms of the first amendment, we have the problem that they are not as ready, do not have a similar eagerness to regulate involuntary participation.

As was stated before, it took a court order to force the FEC to enforce the law after a complaint was filed with it regarding the NEA and their support of congressional candidates with funds raised through a negative dues checkoff. Although the court ruled that these funds were illegally raised and had to be refunded, the FEC did not impose any penalty on the NEA nor were congressional candidates required to return the funds.

In another case, it took a court order to force the FEC to act on a complaint filed with the Commission alleging that the AFL-CIO was illegally channeling compulsory dues money into political campaign funds operated by its PAC. I am not arguing that the PAC for the union or PAC's for any ideological concern or PAC's for any business ought not to participate in the political process, but they ought to participate under the rules established for everybody. And if the FEC has a blind eye in that regard, it seems to me we ought to be concerned about it here and we ought to be able to address it on the amendment process.

I would urge that my colleagues vote down this particular bill under this particular setting that is without an opportunity to amend.

Mr. FRENZEL. Mr. Chairman, I yield myself such time as remains, 2 minutes, I believe.

The SPEAKER pro tempore. The gentleman from Minnesota [Mr. FRENZEL] is recognized for 2 minutes.

Mr. FRENZEL. Mr. Speaker, orators on this side of this aisle have raised a couple of complaints. They have stipulated that the expenditures are not excessive, and for that I congratulate the subcommittee chairman and his counterpart, the ranking Republican on the subcommittee, the gentleman from California, BILL THOMAS. They have indicated that they want to debate this bill under a normal rule. All I can say to them is that the next time they will debate Federal Election Commission after today will be on an appropriation bill, because this I believe is our last chance.

□ 1300

The orators have also decried the proposed rules published in the Federal Register by the Elections Commission. Most of us are aware of those. The Commission has told us that it will have a hearing before considering them. I would urge each of the Members who spoke today to appear before the Commission and make such points against those regulations, proposed regulations, as they have. My best judgment is that none of them will ever become approved regulations.

Finally, it has been suggested that we have been remiss as a Congress in not getting after compulsory union dues which find their way into elections. The law clearly states that unions may communicate with their membership and corporations with their stockholders using nonvoluntary funds. I do not think that is my first choice either, Mr. Speaker, but I do not delude myself that a little debate on this floor is going to have it pass for us or change that law as long as the House is as the House is and the Senate is as the Senate is.

Lastly, there was a complaint raised about ex-Vice President Mondale and the union funds applied to his election. I would guess that after the results of the last election we should demand that union funds be spent in exactly the same way for the next Democrat Presidential candidate.

The bill ought to be promptly passed and the House should get about more important work.

Mr. SWIFT. Mr. Speaker, I yield myself 7 minutes.

Mr. Speaker, the first that I heard, as chairman of the subcommittee, about the concerns is bringing this up on the Suspension Calendar included a couple of observations. One, that we as Congress have not been authorizing the FEC on any kind of a regular basis, and second, that there was very little oversight of the FEC in Congress.

I cannot speak for the other body, where the record is very different, but I would point out to this body that the House has authorized the FEC every year since I have been on the House Administration Committee. We try to do it much earlier in the year; we were sorry we could not do this in March or April because on both sides of the aisle in the committee we are very concerned that we do our part to avoid the FEC being lumped in on a continuing resolution. We simply do not believe that that is the way it should be done, and without authorization, we simply do not have the ability to do that.

The second point I would raise is that speaking for our body, the House, we have held an oversight hearing, at least one, every year that I have served on the House Administration Committee. In other words, I think that the observation raised in that early warning signals on this issue, those observations and the criticism of their lack of authorization and lack of oversight are appropriate criticisms. They simply do not apply to the House of Representatives because we have been doing our part to regularize the oversight and regularize the authorizing process of the FEC.

Now, I would point out as well that what we have referred here to today as "proposed regulations" are not that. I do not mean to pick nits on this simply because I want to raise a distinction that is perhaps more what lawyers would do, and I always hate to get into that, but the fact is what the Commission has provided is an advance notice of proposed rulemaking as opposed to proposed regulations.

Now what is the difference between all those words? The difference is that what the Commission has done is laid out a series of possible things they might consider doing and ask for comment. A perfectly appropriate thing, and in fact, the colleagues who are concerned about those are doing exactly the right thing in letter the Federal Elections Commission know they do not like some of those proposals. That is the reason that these were floated. But these come much more in the way of trial balloons than they do hard, fast, proposed rules. They are not at this stage proposed rules. Proposed rules could grow out of them, and those of us who find any of them to be obnoxious should be bringing out concerns directly to the attention of the FEC, just as in fact is being done this morning and has been done, I know, by those individuals through letters and so forth. That is perfectly appropriate. But it is not as though these rules are about to go into effect. In fact, if we go through the process, the next thing they will do is select from those something they may propose to do, and we have been assured there will be a hearing on those.

So we are a long ways down the line from having any proposal by the FEC laid out formally, let alone any proposal by the FEC be adopted.

Mr. FRENZEL. Mr. Speaker, will the gentleman yield?

Mr. SWIFT. I yield to the gentleman.

Mr. FRENZEL. I thank the gentleman for yielding.

Mr. Speaker, I want to agree with the gentleman's description of the process which was much more complete than my own.

Mr. Speaker, I ask unanimous consent that I may be allowed to insert in the RECORD the full text of Mr. THOMAS' and my own letter to the FEC which was meant to be an informal communication, but since part of it has been quoted, it should be a part of the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. FRENZEL. I thank the gentleman for his complete explanation on how far off those tentative rules are from fruition and agree with his analysis thereof.

HOUSE OF REPRESENTATIVES,
Washington, DC June 13, 1985.

Hon. JOHN MCGARRY,
Chairman, Federal Election Commission, Washington, DC.

DEAR JOHN: We have received a number of negative comments on the Commission's proposed contribution regulations. After reviewing them, we were tempted to write to inform you that someone was submitting regulations and signing the Commission's name. Instead, we will list our concerns in this informal letter. We understand that the proposed rules were published for comment and are not yet at the final stage. However, the political constituencies' concerns have been raised. The Commission, we are afraid, has created some unnecessary problems for itself, and probably for the Congress, too.

We have tried, with little success, to convey to the Commission at various times that the product it is regulating is 'free speech', and because of that, the Commission should be particularly careful with its regulatory function. Additionally, we hope the Commission never loses sight of the fact that the persons it is regulating are primarily volunteers.

Referring to Section 110.1(b) Contributions to candidates, we don't understand why the Commission is further complicating the question of when a contribution is made and for which election the contributor intended to make it for. We had hoped the FEC would simplify, not complicate. What's the matter with the date that appears on the written instrument? We further do not comprehend why the Commission should even consider an ". . . approach which would reduce the advantage currently enjoyed by candidates who are unopposed in the primary." Perhaps this was an unfortunate choice of words, and was not intended to be published in the Register. If the Commission has irresistable urges to tinker with the law, it would be appropriate for it to do it through its recommendations to Congress, rather than to rewrite the law through regulation.

Since we have been involved in the federal election laws, we have believed that the Commission often has attempted to write regulations mostly to make life easier for the regulations. We would suggest that the language regarding excess campaign funds falls into this category and would create a needless mathematical nightmare for thousands of candidates.

Referring to section 110.1(h) aggregation of contributions, we think we understand what the Commission is trying to do with this proposal. We would strongly suggest that you have no authority under existing law to do so. Our hope is that the FEC would leave some of the legislating to the Congress.

We believe the best course for the Commission is to forget the regs, regroup when the new Commissions are on board, and take another crack at it then. At the very least, we hope you will hold hearings.

Best regards,

BILL FRENZEL,
WILLIAM M. THOMAS,
Members of Congress.

Mr. SWIFT. I thank the gentleman for his observations.

Mr. Speaker, we are at an ironic point, and we get ourselves into this in the legislative body occasionally. If in fact we vote this process down, what we are likely to do is go back to the point that was first criticized initially, namely, get no authorization out this year at all. Thus, leaving this entirely up to an appropriations process, and I just simply do not think that is either responsible or what in fact those concerned with these proposed rules want to achieve at all.

I can assure my colleagues of this: That the ranking minority member, Mr. THOMAS, the ranking miniority member of the full committee, Mr. FRENZEL, and I, have already scheduled, not a specified date, but have already laid plans that there will be oversight hearings on the FEC this year, and there will be opportunity for concerns on these proposed regulations or any more formally proposed regulations to be given very careful consideration by our subcommittee at that time.

Further, I would suggest that if we go ahead and adopt this, the House will continue to do what I think the full House wants the subcommittee to do, which is, namely, to bring out authorizations on a regular, annual basis, and to conduct the oversight that the House expects providing all Members opportunities to be able to raise the issues that they are concerned with in a normal, regular pattern.

Mr. WALKER. Mr. Speaker, will the gentleman yield?

Mr. SWIFT. I yield to the gentleman.

Mr. WALKER. I thank the gentleman for yielding to me.

Mr. Speaker, I think the gentleman makes some valid points. I do not think that anybody on our side who has argued against the bill on suspension would want to have a situation where we did not go through the authorization process. I am a little chagrined that we are being told that the schedule may not permit the consideration of this authorization. That is the problem that we find ourselves in; we do not do anything for months, and then all of a sudden we get important bills that have to be passed on suspension, otherwise they will not get up at all.

I would remind the gentleman that we do have a process around here called Calendar Wednesday, and since this bill has been reported from the committee, the fact is that if it could not be scheduled by the leadership, it could be brought up under Calendar Wednesday and that would give us a chance to consider it and to amend it without having the problem of getting it scheduled on the calendar, which might be an option to assure that both our concerns were met and that the gentleman's concerns were met.

Mr. SWIFT. Reclaiming my time, I think that if there were not other ways that we were in fact going to address the specific concerns that have been raised by Members with regard to the advanced notice of proposed rulemaking, there were not other ways that we were going to deal with it, I would be much more sympathetic with the suggestions of the gentleman. But I think this subcommittee has demonstrated on its record that it does not try to bring to the floor anything that it is going to try to railroad through. We have paid attention to our oversight responsibilities; that we have paid attention to our responsibilities to bring an authorization out, and we have therefore, I think, a credible basis on which to say on both sides of the aisle, these concerns will be heard in an oversight hearing this year in a timely fashion.

For that reason, I would much prefer that my colleagues vote for this authorization on the Suspension Calendar today.

□ 1310

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Washington [Mr. SWIFT] that the House suspend the rules and pass the bill, H.R. 1532, as amended.

The question was taken; and on a division (demanded by Mr. LUNGREN) there were—yeas 6, nays 8.

Mr. SWIFT. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to the provisions of clause 5, rule I, and the Chair's prior announcement, further proceedings on this motion will be postponed.

GENERAL LEAVE

Mr. SWIFT. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on H.R. 1532, the bill just considered.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Washington?

There was no objection.

FDA APPROVAL LABELING ACT

Mr. WAXMAN. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 2244) to amend the Federal Food, Drug, and Cosmetic Act to remove the prohibition against stating in the labeling and advertising of a drug that it has been approved under that act.

The Clerk read as follows:

H.R. 2244

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "FDA Approval Labeling Act".

SEC. 2. LAW AMENDMENTS.

(a) SECTION 301.—Section 301(1) of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 331(1)) is amended by striking out "The" and inserting in lieu thereof "(1) Except as provided in section 505(k), the".

(b) SECTION 505.—Section 505 such Act (21 U.S.C. 355) is amended by adding at the end the following:

"(k) A drug which is subject to section 503(b)(1) and which has an application approved for safety and effectiveness under this section may include on its label the statement 'FDA Approved' followed by the number assigned to the application by the Secretary and, upon the expiration of eighteen months from the date of the enactment of this subsection, such a drug which is manufactured after the expiration of such months shall include such statement and number. Such a drug may also include, in accordance with regulations of the Secretary, such statement and number in its advertising and in any labeling (other than the label).".

SEC. 3. REGULATIONS.

The Secretary of Health and Human Services shall, not later than one year from the date of the enactment of this Act, promulgate regulations under the last sentence of section 505(k) of the Federal Food, Drug, and Cosmetic Act (as added by subsection (b) of section 1).

The SPEAKER pro tempore. Pursuant to the rule, a second is not required on this motion.

The gentleman from California [Mr. WAXMAN] will be recognized for 20 minutes and the gentleman from Utah [Mr. NIELSON] will be recognized for 20 minutes.

The Chair recognizes the gentleman from California [Mr. WAXMAN].

GENERAL LEAVE

Mr. WAXMAN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on this legislation, H.R. 2244.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. WAXMAN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, H.R. 2244 permits the manufacturers of prescription drugs to state "FDA approved" followed by the approval number in their drug labeling and advertising. This is the same bill that passed the House last year by voice vote.

Currently, section 301(L) of the Federal Food, Drug, and Cosmetic Act prohibits drug manufacturers from making any representation regarding FDA approval in their labeling or advertising. During hearings conducted by the Subcommittee on Health and the Environment, there were numerous complaints about section 301(L) because of the difficulty of determining whether a drug has been approved by FDA.

The FDA Approval Labeling Act carves out an exception to section 301(L). During the 18-month period after enactment of the bill, any drug manufacturer would be allowed to state in its drug labeling or advertising that the drug is FDA approved. After the 18-month period, all manufacturers would be required to use the statement regarding FDA approval in their drug labels.

This bill protects the public by giving pharmacists and physicians the ability to determine that their patients are only getting drugs approved by the FDA.

I urge my colleagues to support this bill.

Mr. Speaker, I reserve the balance of my time.

Mr. NIELSON of Utah. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of H.R. 2244, the FDA Approval Labeling Act. As the chairman of the Subcommittee on Health and the Environment, the gentleman from California [Mr. WAXMAN] has stated, the bill would permit the manufacturers of prescription drugs to state "FDA approved," followed by their approval number on the drug label on their advertising. It is currently not allowed under section 301(L) of the Food, Drug, and Cosmetic Act.

The bill is in response to numerous complaints from pharmacists about the difficulty of determining whether a drug has been approved by the FDA.

Mr. Speaker, I believe this bill is noncontroversial. It passed the subcommittee and the full committee without dissent and, as Mr. WAXMAN has indicated, passed the House last year by a voice vote. Unfortunately, it was not taken up by the Senate. It has the support of the administration and it also has the support of pharmacists and at least the acquiescence of the Proprietary and Pharmaceutical Association.

Mr. Speaker, I urge adoption and everyone's support of the bill.

Mr. WAXMAN. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from California [Mr. WAXMAN] that the House suspend the rules and pass the bill, H.R. 2244.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

EQUAL ACCESS TO JUSTICE ACT AMENDMENTS

Mr. KASTENMEIER. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 2378) to amend section 504 of title 5, United States Code, and section 2412 of title 28, United States Code with respect to awards of expenses of certain agency and court proceedings, and for other purposes, as amended.

The Clerk read as follows:

H.R. 2378

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. AMENDMENTS TO SECTION 504 OF TITLE 5.

(a) AWARDING OF FEES IN ADVERSARY ADJUDICATIONS.—

(1) DETERMINATION OF "SUBSTANTIALLY JUSTIFIED".—Subsection (a)(1) of section 504 of title 5, United States Code, is amended by adding at the end thereof the following: "Whether or not the position of the agency was substantially justified shall be determined on the basis of the administrative record, as a whole, which is made in the adversary adjudication for which fees and other expenses are sought.".

(2) CLARIFYING AMENDMENT.—Subsection (a)(1) of such section is amended by striking out "as a party to the proceeding".

(3) DECISION OF AGENCY TO BE FINAL ADMINISTRATIVE DECISION.—Subsection (a)(3) of such section is amended by adding at the end thereof the following: "The decision of the agency on the application for fees and other expenses shall be the final administrative decision under this section.".

(b) DETERMINATION OF FEES DELAYED IN CASE OF APPEAL.—Subsection (a)(2) of section 504 of title 5, United States Code, is amended by adding at the end thereof the following: "When the United States appeals the underlying merits of an adversary adjudication, no decision on an application for fees and other expenses in connection with that adversary adjudication shall be made under this section until a final and unreviewable decision is rendered by the court on the appeal or until the underlying merits of the case have been finally determined pursuant to the appeal.".

(c) DEFINITIONS.—

(1) PARTY.—Paragraph (1)(B) of section 504(b) of title 5, United States Code, is amended to read as follows:

"(B) 'party' means a party, as defined in section 551(3) of this title, who is (i) an individual whose net worth did not exceed $2,000,000 at the time the adversary adjudication was initiated, or (ii) any owner of an unincorporated business, or any partnership, corporation, association, unit of local government, or organization, association, unit of local government, or organization,

the net worth of which did not exceed $7,000,000 at the time the adversary adjudication was initiated, and which had not more than 500 employees at the time the adversary adjudication was initiated; except that an organization described in section 501(c)(3) of the Internal Revenue Code of 1954 (26 U.S.C. 501(c)(3) exempt from taxation under section 501(a) of such Code, or a cooperative association as defined in section 15(a) of the Agricultural Marketing Act (12 U.S.C. 1141j(a)), may be a party regardless of the net worth of such organization or cooperative association;".

(2) ADVERSARY ADJUDICATION.—Paragraph (1)(C) of such section is amended—

(A) by inserting "(i)" before "an adjudication under";

(B) by inserting before the semicolon at the end thereof the following: ", and (ii) any appeal of a decision made pursuant to section 6 of the Contract Disputes Act of 1978 (41 U.S.C. 605) before an agency board of contract appeals as provided in section 8 of that Act (41 U.S.C. 607)"; and

(C) by striking out "and" at the end thereof.

(3) POSITION OF THE AGENCY.—Paragraph (1) of such section is amended—

(A) by striking out the period at the end of subparagraph (D) and inserting in lieu thereof "; and"; and

(B) by adding at the end thereof the following:

"(E) 'position of the agency' means, in addition to the position taken by the agency in the adversary adjudication, the action or failure to act by the agency upon which the adversary adjudication is based; except that fees and other expenses may not be awarded to a party for any portion of the adversary adjudication in which the party has unreasonably protracted the proceedings.".

(d) APPEALS OF FEE DETERMINATIONS.—Subsection (c)(2) of section 504 of title 5, United States Code, is amended to read as follows:

"(2) If a party other than the United States is dissatisfied with a determination of fees and other expenses made under subsection (a), that party may, within 30 days after the determination is made, appeal the determination to the court of the United States having jurisdiction to review the merits of the underlying decision of the agency adversary adjudication. The court's determination on any appeal heard under this paragraph shall be based solely on the factual record made before the agency. The court may modify the determination of fees and other expenses only if the court finds that the failure to make an award of fees and other expenses, or the calculation of the amount of the award, was unsupported by substantial evidence.".

(e) AWARDS PAID FROM AGENCY FUNDS.—Subsection (d) of section 504 of title 5, United States Code, is amended to read as follows:

"(d) Fees and other expenses awarded under this subsection shall be paid by any agency over which the party prevails from any funds made available to the agency by appropriation or otherwise.".

SEC. 2. AMENDMENTS TO SECTION 2412 OF TITLE 28.

(a) CLARIFYING AMENDMENTS.—Section 2412 of title 28, United States Code, (relating to costs and fees) is amended—

(1) in subsections (a) and (b) by striking out "or any agency and any official of the United States" each place it appears and inserting in lieu thereof "or any agency or any official of the United States"; and

(2) in subsection (d)(1)(A) by inserting ", including proceedings for judicial review of agency action," after "in tort)".

(b) DETERMINATION OF "SUBSTANTIALLY JUSTIFIED".—Section 2412(d)(1)(B) of title 28, United States Code, is amended by adding at the end thereof the following: "Whether or not the position of the United States was substantially justified shall be determined on the basis of the record (including the record with respect to the action or failure to act by the agency upon which the civil action is based) which is made in the civil action for which fees and other expenses are sought.".

(c) DEFINITIONS.—

(1) Subparagraph (B) of section 2412(d)(2) of title 28, United States Code, is amended—

(A) in clause (i) by striking out "$1,000,000" and inserting in lieu thereof "$2,000,000", and

(B) by striking out "(ii)" and all that follows through the end of the subparagraph and inserting in lieu thereof the following: "or (ii) any owner of an unincorporated business, or any partnership, corporation, association, unit of local government, or organization, the net worth of which did not exceed $7,000,000 at the time the civil action was filed, and which had not more than 500 employees at the time the civil action was filed; except that an organization described in section 501(c)(3) of the Internal Revenue Code of 1954 (26 U.S.C. 501(c)(3)) exempt from taxation under section 501(a) of such Code, or a cooperative association as defined in section 15(a) of the Agricultural Marketing Act (12 U.S.C. 1141j(a)), may be a party regardless of the net worth of such organization or cooperative association;".

(2) ADDITIONAL DEFINITIONS.—Subsection (d)(2) of such section is amended—

(A) by striking out the period at the end of subparagraph (C) and inserting in lieu thereof a semicolon; and

(B) by adding at the end thereof the following:

"(C) 'position of the United States' means, in addition to the position taken by the United States in the civil action, the action or failure to act by the agency upon which the civil action is based; except that fees and expenses may not be awarded to a party for any portion of the litigation in which the party has unreasonably protracted the proceedings;

"(E) 'civil action brought by or against the United States' includes an appeal by a party, other than the United States, from a decision of a contracting officer rendered pursuant to a disputes clause in a contract with the Government or pursuant to the Contract Disputes Act of 1978;

"(F) 'court' includes the United States Claims Court;

"(G) 'final judgment' means a judgment that is final and not appealable, and includes an order of settlement; and

"(H) 'prevailing party', in the case of eminent domain proceedings, means a party who obtains a final judgment (other than by settlement), exclusive of interest, the amount of which is at least as close to the highest valuation of the property involved that is attested to at trial on behalf of the property owner as it is to the highest valuation of the property involved that is attested to at trial on behalf of the Government.".

(d) PAYMENT OF AWARDS.—Paragraph (4) of section 2412(d) of title 28, United States Code, is amended to read as follows:

"(4) Fees and other expenses awarded under this subsection to a party shall be paid by any agency over which the party prevails from any funds made available to the agency by appropriation or otherwise.".

(e) INTEREST.—Section 2412 of title 28, United States Code, is amended by adding at the end thereof the following:

"(f) If the United States appeals an award of costs or fees and other expenses made against the United States under this section and the award is affirmed in whole or in part, interest shall be paid on the amount of the award as affirmed. Such interest shall be computed at the rate determined under section 1961(a) of this title, and shall run from the date of the award through the day before the date of the mandate of affirmance.".

SEC. 3. AWARDS IN CERTAIN SOCIAL SECURITY PROCEEDINGS.

Section 206 of the Equal Access to Justice Act is amended—

(1) by striking out "Nothing" and inserting in lieu thereof "(a) Except as provided in subsection (b), nothing"; and

(2) by adding at the end thereof the following:

"(b) Section 206(b) of the Social Security Act (42 U.S.C. 406(b)(1)) shall not prevent an award of fees and other expenses under section 2412(d) of title 28, United States Code. Section 206(b)(2) of the Social Security Act shall not apply with respect to any such award but only if, where the claimant's attorney receives fees for the same work under both section 206(b) of that Act and section 2412(d) of title 28, United States Code, the claimant's attorney refunds to the claimant the amount of the smaller fee.".

SEC. 4. REPEAL OF LIMITATION ON PAYMENT OF AWARDS.

Section 207 of the Equal Access to Justice Act (P.L. 96-481) is hereby repealed.

SEC. 5. AWARDS FOR CERTAIN FEES AND OTHER EXPENSES.

Section 208 of the Equal Access to Justice Act is amended by adding at the end thereof the following: "Awards may be made for fees and other expenses incurred before October 1, 1981, in any such adversary adjudication or civil action.".

SEC. 6. TREATMENT OF EXPIRED PROVISIONS OF LAW.

(a) REVIVAL OF CERTAIN EXPIRED PROVISIONS.—Section 504 of title 5, United States Code, and the item relating to that section in the table of sections of chapter 5 of title 5, United States Code, and subsection (d) of section 2412 of title 28, United States Code, shall be effective on or after the date of the enactment of this Act as if they had not been repealed by sections 203(c) and 204(c) of the Equal Access to Justice Act.

(b) REPEALS.—

(1) Section 203(c) of the Equal Access to Justice Act is hereby repealed.

(2) Section 204(c) of the Equal Access to Justice Act is hereby repealed.

SEC. 7. EFFECTIVE DATE.

(a) IN GENERAL.—Except as otherwise provided in this section, the amendments made by this Act shall apply to cases pending on or commenced on or after the date of the enactment of this Act.

(b) APPLICABILITY OF AMENDMENTS TO CERTAIN PRIOR CASES.—The amendments made by this Act shall apply to any case commenced on or after October 1, 1984, and finally disposed of before the date of the enactment of this Act, except that in any such case, the 30-day period referred to in section 504(a)(2) of title 5, United States Code, or section 2412(d)(1)(B) of title 28, United States Code, as the case may be, shall be deemed to commence on the date of the enactment of this Act.

(c) APPLICABILITY OF AMENDMENTS TO PRIOR BOARD OF CONTRACTS APPEALS CASES.—Section 504(b)(1)(C)(ii) of title 5, United States Code, as added by section 1(c)(2) of this Act, and section 2412(d)(2)(E) of title 28, United States Code, as added by section 2(c)(2) of this Act, shall apply to any adversary adjudication pending on or commenced on or after October 1, 1981, in which applications for fees and other expenses were timely fixed and were dismissed for lack of jurisdiction.

The SPEAKER pro tempore. Pursuant to the rule, a second is not required on this motion.

The gentleman from Wisconsin [Mr. KASTENMEIER] will be recognized for 20 minutes and the gentleman from California [Mr. MOORHEAD] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Wisconsin [Mr. KASTENMEIER].

GENERAL LEAVE

Mr. KASTENMEIER. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on H.R. 2378, the bill about to be considered.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. KASTENMEIER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of H.R. 2378, legislation expanding the liability of the Federal Government for attorneys' fees and related expenses. H.R. 2378 extends and clarifies the Equal Access to Justice Act [EAJA] (title II, Public Law 96-481), which had amended title 5 United States Code, section 504 and title 28 United States Code, section 2412. The main purpose of the legislation is to ensure access to justice for individuals and small businesses and organizations who are involved in civil disputes with the Federal Government.

The original act modified 5 U.S.C. 504 and 28 U.S.C. 2412(d) to make the United States liable for attorneys' fees and other expenses of a prevailing party in an adversary adjudication or civil action brought by or against the United States unless the agency or court could find that the position of the agency or the United States was substantially justified or that special circumstances would make an award unjust. Eligible parties under the original act have been individuals with a net worth of not more than $1 million or small businesses or organizations with a net worth of not more than $5 million.

H.R. 2378 is a revised version of H.R. 5479 (98th Congress) which passed both Houses unanimously on October 11, 1984. The final version of H.R. 5479 was a compromise between H.R. 5479 as reported by this committee and S. 919 as reported by the Senate Judiciary Committee. H.R. 5479 was vetoed by the President on November 9, 1984. In his veto message, the President expressed objections to the broadness of the definition "position of the United States," explaining that it could lead to lengthier proceedings than if only the litigation position were at issue and could lead to extensive discovery on how the position was formulated. He also expressed concern about the interest provision and disparate treatment of litigants under that provision.

During the 99th Congress, several Members and I have made efforts to fashion a bill which would address concerns which the administration raised in the President's veto message on H.R. 5479 and in later meetings.

On April 25, 1985, H.R. 2223, a revision of H.R. 5479, was introduced by Messrs. MOORHEAD, FISH, KINDNESS and myself. On April 30, the Subcommittee on Courts, Civil Liberties and the Administration of Justice—which I chair—conducted a hearing on H.R. 2223. Witnesses included representatives of the U.S. Department of Justice, Small Business United, Small Business Legal Defense Committee, the National Federation of Independent Business, and the Alliance for Justice. All witnesses supported H.R. 2223.

On May 2, 1985, the subcommittee conducted a markup of H.R. 2223, and with two minor amendments recommended that a clean bill be introduced and sent to the committee. On May 15, that bill with a minor amendment was ordered reported favorably by the committee, with a quorum present, by voice vote no objection being heard. (H. Rept. 99-120, and Part 2.) H.R. 2378 has the unanimous support of the members of the Committee on the Judiciary. The bill also has the support of the administration, as well as the Office of Advocacy of the Small Business Administration.

The legislation has wide support from such groups as Small Business United, the Small Business Legal Defense Committee, the Small Business Legislative Council, the Independent Business Association of Wisconsin, the National Federation of Independent Business, the Chamber of Commerce of the United States, the National Association of Manufacturers, the National Tire Dealers and Retreaders Association, the Menswear Retailers of America, the National Small Business Association, the American Bar Association, the ACLU, and the Alliance for Justice.

H.R. 2378 clarifies that the United States will be liable for attorneys' fees and related expenses unless the position of the Government—the action or failure to act by the Government upon which the administrative proceeding or civil action is based, as well as the litigation position—is substantially justified, or unless special circumstances would make an award unjust. Courts have been divided on whether the "position of the agency/United States" referred to the agency action which was the subject of the lawsuit or only the Government's litigation position.

The bill would limit the determination of whether the position of the United States was substantially justified to the record—including the record with respect to the action or failure to act by the agency upon which the adversary adjudication or civil action is based—which is made in the adversary adjudication or civil action for which fees and other expenses are sought. The effect of this amendment, which is designed to respond to concerns raised by the President's veto message, will be to limit discovery in EAJA fee proceedings.

In H.R. 2378 eligibility under the act would be expanded to included individuals with a net worth of $2 million or less or businesses and other organizations with $7 million or less net worth.

The legislation allows the agency rather than the adjudicative officer to make the final decision on fee awards at the agency level. A fee claimant dissatisfied with the awards may appeal the denial of or measure of the award. The legislation makes other improvements in the act, including revising the interest payment provision, defining "final judgment," and clarifying other provisions.

The bill revives certain portions of the original act which were repealed on October 1, 1984, and modifies the original legislation.

I would like to clarify the effective date provisions of H.R. 2378 and the relationship of these provisions with the original act. Cases which were pending on October 1, 1984, including fee application proceedings would be governed by the original act, provided that the time to file the fee application expired before the date of enactment of this bill. This bill would apply to any case pending on October 1, 1984, and finally disposed of before the date of enactment of this bill, if the time for filing an application for fees and other expenses had not expired as of such date of enactment. This bill would also apply to any case commenced on or after October 1, 1984, and finally disposed of before the date of the enactment of this bill, and in that case the 30-day period referred to in section 504(a)(2) of title 5, United States Code, or section 2412(d)(1)(B) of title 28, United States Code, as the case may be, shall be deemed to commence on the date of enactment of this bill. If a fee case is complete and a fee petition has been fully adjudicated before the date of enactment, with no further appeal pending on the date of enactment, the case may not, of course, be reopened

except as explicitly allowed in certain proceedings before boards of contract appeals.

I should note before closing that since the committee report was filed, the District Court of the Northern District of California has decided *Miller* v. *Hotel and Restaurant Employees and Bartenders Union*, C84-6382, (N.D. Calif., May 24, 1985) relating to eligibility for fees. This case agrees with the position taken in the committee report at page 17, finding a local union eligible for EAJA fees. This decision makes clear that even before these amendments the financial condition of a local union would be considered separately from its international affiliate.

The original act has resulted in approximately $4 million in fees and expenses. CBO has estimated a cost of $3.1 million in fiscal year 1986 to $7 million in fiscal year 1990. The legislation is a high priority for the small business community and is a valuable vehicle for improving access to justice. I urge my colleagues to support it.

□ 1320

Mr. MOORHEAD. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in strong support of H.R. 2378, a bill to authorize and make permanent the Equal Access to Justice Act. From its effective date of October 1, 1981, until it was sunsetted on October 1, 1984, the Equal Access to Justice Act has provided an important avenue of redress for small businessmen and individuals against unjustifiable Government action.

Last year, Congress unanimously passed legislation to make the act permanent, but the bill, H.R. 5479, was vetoed by the President on November 9, 1984. In the wake of the veto, negotiations were commenced between representatives of the administration, the small business community, the public interest groups and members and staffs of the House and Senate Judiciary Committees, in an effort to address the issues detailed in the President's veto message. These negotiations produced H.R. 2378, which I am happy to note is without opposition and is strongly supported by the administration, the American Bar Association, the Office of Advocacy of the Small Business Administration, the U.S. Chamber of Commerce, Small Business United, the National Small Business Association, the ACLU, and the Alliance for Justice.

I would like to commend my colleagues on the Subcommittee on Courts, Civil Liberties and the Administration of Justice for their work on this important legislation. I would especially like to commend and thank the chairman of the Courts Subcommittee, the gentleman from Wisconsin [Mr. KASTENMEIER], the gentleman from New York [Mr. FISH], and the gentleman from Ohio [Mr. KINDNESS] for their leadership and hard work in developing H.R. 2378. Also Senators GRASSLEY and THURMOND are to be commended for their leadership on this issue in the other body.

Mr. Speaker, small businessmen and individuals with limited assets have been without the important protection afforded by the Equal Access to Justice Act for the last 7½ months. In H.R. 2378, we have legislation with which we can quickly restore that protection. I urge my colleagues to do so by adopting H.R. 2378.

Mr. Speaker, I yield such time as he may consume to the gentleman from Ohio [Mr. KINDNESS].

Mr. KINDNESS. Mr. Speaker, I thank the gentleman for yielding this time to me.

Mr. Speaker, I urge support for H.R. 2378, which would make permanent law of the successful experiment known as the Equal Access to Justice Act. It has been gratifying to work with others and to see this matter coming together after the disappointment of last year's veto of a similar bill passed in the 98th Congress.

We believe that the objections and concerns of the administration have been fully considered and thoughtfully dealt with, that the Members of the other body who have worked on this matter are committed to proceeding with this legislation in a compatible manner, and that the Equal Access to Justice Act should become law without encountering any last-minute roadblocks from the Office of Management and Budget. In fact, we are informed today that the administration supports the passage of H.R. 2378, for which I am duly grateful.

It does seem necessary, however, to bring attention to a portion of the committee's report which would tend to mislead those uninitiated in the lore of the substantial evidence rule. At the bottom of page 9 of the report of the committee, the following statement appears:

> Agency action found to be arbitrary and capricious or unsupported by substantial evidence is virtually certain not to have been substantially justified under the Act. Only the most extraordinary special circumstances could permit such an action to be found to be substantially justified under the Act.

This gratuitously authoritarian overstatement appears to be the only error I found in the report. I wish I could have known about it or that it could have been discovered sooner than it was, but the filing deadline for the report was approaching within the hour, practically speaking, when the error was discovered. At least, however, Mr. Speaker, we can clarify the point in the record of these proceedings.

The committee report statement should not be interpreted to be the position of the committee on the point it seeks to describe and should not be interpreted to suggest that a finding of an agency action that was not supported by substantial evidence would automatically entitle a prevailing party to fees or would establish a presumption of entitlement to fees. Of course, the Government has the burden of demonstrating substantial justification under the Equal Access to Justice Act. Substantial justification is a different and a lesser standard than the substantial evidence standard applied in a review of administrative proceedings. The Government may still prove that its position was substantially justified even if the court does not believe that the case on the merits was supported by "substantial evidence on the record as a whole."

The committee recognizes the close relationship between the concepts, and the fact that a finding by the Government was not supported by substantial evidence should be accorded careful scrutiny. But indeed the quoted two sentences from the bottom of page 9 and the top of page 10 of the report do not represent a clear or a appropriately explanatory statement of the intent of the committee in the reporting of H.R. 2378.

I would, of course, welcome the comments of others with respect to the point involved, but certainly I urge that there not be confusion between the substantial evidence rule and the substantial justification measurement that is really novel to the Equal Access to Justice Act.

Mr. Speaker, I urge my colleagues to support H.R. 2378.

Mr. MOORHEAD. Mr. Speaker, if the gentleman will yield, I would just like to state that I concur in the remarks of the gentleman from Ohio [Mr. KINDNESS], especially as they relate to his clarification of the relationship between the standards of substantial evidence and substantial justification.

Mr. KASTENMEIER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, reference has been made to the report. In its report (H. Rept. 99-120) the committee discusses the relationship between a finding by a court that Government action was not supported by substantial evidence and a finding that the Government's position was not substantially justified. Now, I do not understand the committee report to suggest that a finding that an agency action that was not supported by substantial evidence would automatically entitle the prevailing party to fees and expenses or would establish a legal presumption of entitlement to fees.

□ 1330

The committee recognizes the close relationship between the concepts and the fact that a finding that Government action was not supported by substantial evidence should be accorded significant weight.

Of course, the government has the burden of proof of demonstrating substantial justification. Substantial justification is a different standard than the substantial evidence standard. The Government may still prove that the position it took was substantially justified. Proving it is not intended to be so difficult that the Government may only avoid fees by prevailing in the litigation.

Mr. Speaker, I believe this bill is in excellent shape and ought to be overwhelmingly approved by the House.

● Mr. FISH. Mr. Speaker, as one who was an original cosponsor of the Equal Access to Justice Act when it was first approved by Congress in 1980 (Public Law 96-481), I would like to indicate my strong support for H.R. 2378. This legislation, of which I am also an original cosponsor, will reauthorize and make permanent this important regulatory reform measure.

Last year, based primarily on the 3 years of experimentation that were provided by the original act, which expired on October 1, 1984, Congress approved reauthorizing legislation (H.R. 5479). However, President Reagan saw fit to veto that legislation on November 9, 1984. Since the veto I have cooperated with the administration, the small business community, the public interest groups, as well as members and staffs of the House and Senate Judiciary Committees in an effort to produce an acceptable bill. I believe that our collective efforts have produced a bill in H.R. 2378 that will prove to be workable in a manner that ensures fairness to both sides in regulatory proceedings and court actions.

I am happy to note that H.R. 2378 includes the language of an amendment which I offered in the full Judiciary Committee last Congress to expand the definition of eligible "party" under this statute. As originally enacted, the definition of party contained the words "corporation" and "organization." The issue as to whether or not units of local government were eligible to be reimbursed for attorney's fees and court costs was left ambiguous. The unfortunate result has been that, for the most part, smaller governmental bodies have not been considered to be eligible parties under the act.

In my estimation, the Equal Access to Justice Act should assist any small organization, whether private or governmental, that is involved in a regulatory or litigation dispute with the United States and where the position of the United States is determined to be not "substantially justified." Units of local government are frequently involved in adjudications or litigation regarding grant eligibility and grant reductions under a variety of Federal assistance programs. Smaller governmental entities face the same cost deterrents and other disadvantages that small businesses do in such proceedings. They should be eligible for reimbursement for their fees and expenses where appropriate.

This extension of the Equal Access to Justice Act has received broad support from the administration, the Chamber of Commerce of the United States, the National Federation of Independent Business, the American Bar Association, the National Small Business Association, the Administrative Conference of the United States, the Office of Advocacy of the Small Business Administration, the ACLU and the Alliance for Justice.

In summary, this legislation permanently codifies a remedial statute that has proven that it can work well and, in addition, makes numerous clarifications in the language of the law to correct existing ambiguities. I strongly urge my colleagues to support the passage of H.R. 2378.●

Mr. KASTENMEIER. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. MOORHEAD. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Wisconsin [Mr. KASTENMEIER] that the House suspend the rules and pass the bill, H.R. 2378, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

STATUE OF LIBERTY-ELLIS ISLAND COMMEMORATIVE COIN ACT

Mr. ANNUNZIO. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 47) entitled "An Act to provide for the minting of coins in commemoration of the centennial of the Statue of Liberty," with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Strike out all after the enacting clause and insert:

TITLE I—STATUE OF LIBERTY-ELLIS ISLAND COMMEMORATIVE COINS

SHORT TITLE

SEC. 101. This Act may be cited as the "Statue of Liberty-Ellis Island Commemorative Coin Act".

COIN SPECIFICATIONS

SEC. 102. (a)(1) The Secretary of the Treasury (hereafter in this title referred to as the "Secretary") shall issue not more than 500,000 five dollar coins which shall weight 8.359 grams, have a diameter of 0.850 inches, and shall contain 90 percent gold and 10 percent alloy.

(2) The design of such five dollar coins shall be emblematic of the centennial of the Statue of Liberty. On each such five dollar coin there shall be a designation of the value of the coin, an inscription of the year "1986", and inscriptions of the words "Liberty", "In God We Trust", "United States of America", and "E Pluribus Unum".

(b)(1) The Secretary shall issue not more than ten million one dollar coins which shall weigh 26.73 grams, have a diameter of 1.500 inches, and shall contain 90 percent silver and 10 percent copper.

(2) The design of such dollar coins shall be emblematic of the use of Ellis Island as a gateway for immigrants to America. On each such dollar coin there shall be a designation of the value of the coin, an inscription of the year "1986", and inscriptions of the words "Liberty", "In God We Trust", "United States of America", and "E Pluribus Unum".

(c)(1) The Secretary shall issue not more than twenty-five million half dollar coins which shall weigh 11.34 grams, have a diameter of 1.205 inches, and shall be minted to the specifications for half dollar coins contained in section 5112(b) of title 31, United States Code.

(2) The design of such half dollar coins shall be emblematic of the contributions of immigrants to America. On each such half dollar coin there shall be a designation of the value of the coin, an inscription of the year "1986", and inscriptions of the words "Liberty", "In God We Trust", "United States of America", and "E Pluribus Unum".

(d) The coins issued under this title shall be legal tender as provided in section 5103 of title 31, United States Code.

SOURCES OF BULLION

SEC. 103. (a) The Secretary shall obtain silver for the coins minted under this title only from stockpiles established under the Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98 et seq.).

(b) The Secretary shall obtain gold for the coins minted under this title pursuant to the authority of the Secretary under existing law.

DESIGN OF THE COINS

SEC. 104. The design for each coin authorized by this title shall be selected by the Secretary after consultation with the Chairman of the Statue of Liberty-Ellis Island Foundation, Inc. and the Chairman of the Commission of Fine Arts.

SALE OF THE COINS

SEC. 105. (a) Notwithstanding any other provision of law, the coins issued under this title shall be sold by the Secretary at a price equal to the face value, plus the cost of designing and issuing such coins (including labor, materials, dies, use of machinery, and overhead expenses).

(b) The Secretary shall make bulk sales at a reasonable discount to reflect the lower costs of such sales.

(c) The Secretary shall accept prepaid orders for the coins prior to the issuance of such coins. Sales under this subsection shall be at a reasonable discount to reflect the benefit of prepayment.

(d) All sales shall include a surcharge of $35 per coin for the five dollar coins, $7 per coin for the one dollar coins, and $2 for the half dollar coins.

ISSUANCE OF THE COINS

SEC. 106. (a) The gold coins authorized by this title shall be issued in uncirculated and proof qualities and shall be struck at no more than one facility of the United States Mint.

(b) The one dollar and half dollar coins authorized under this title may be issued in uncirculated and proof qualities, except that not more than one facility of the United States Mint may be used to strike any particular combination of denomination and quality.

(c) Notwithstanding any other provision of law, the Secretary may issue the coins minted under this title beginning October 1, 1985.

(d) No coins shall be minted under this title after December 31, 1986.

GENERAL WAIVER OF PROCUREMENT REGULATIONS

SEC. 107. No provision of law governing procurement or public contracts shall be applicable to the procurement of goods or services necessary for carrying out the provisions of this title. Nothing in this section shall relieve any person entering into a contract under the authority of this title from complying with any law relating to equal employment opportunity.

DISTRIBUTION OF SURCHARGES

SEC. 108. All surcharges which are received by the Secretary from the sale of coins issued under this title shall be promptly paid by the Secretary to the Statue of Liberty-Ellis Island Foundation, Inc. (hereinafter in this title referred to as the "Foundation"). Such amounts shall be used to restore and renovate the Statue of Liberty and the facilities used for immigration at Ellis Island and to establish an endowment in an amount deemed sufficient by the Foundation, in consultation with the Secretary of the Interior, to ensure the continued upkeep and maintenance of these monuments.

AUDITS

SEC. 109. The Comptroller General shall have the right to examine such books, records, documents, and other data of the Foundation as may be related to the expenditure of amounts paid, and the management and expenditures of the endowment established, under section 108.

COINAGE PROFIT FUND

SEC. 110. Notwithstanding any other provision of law—

(1) all amounts received from the sale of coins issued under this title shall be deposited in the coinage profit fund;

(2) the Secretary shall pay the amounts authorized under this title from the coinage profit fund; and

(3) the Secretary shall charge the coinage profit fund with all expenditures under this title.

FINANCIAL ASSURANCES

SEC. 111. (a) The Secretary shall take all actions necessary to ensure that the issuance of the coins authorized by this title shall result in no net cost to the United States Government.

(b) No coin shall be issued under this title unless the Secretary has received—

(1) full payment therefor;

(2) security satisfactory to the Secretary to indemnify the United States for full payment; or

(3) a guarantee of full payment satisfactory to the Secretary from a depository institution whose deposits are insured by the Federal Deposit Insurance Corporation, the Federal Savings and Loan Insurance Corporation, or the National Credit Union Administration Board.

TITLE II—LIBERTY COINS

SHORT TITLE

SEC. 201. This title may be cited as the "Liberty Coin Act".

MINTING OF SILVER COINS

SEC. 202. Section 5112 of title 31, United States Code, is amended by striking out subsections (e) and (f) and inserting in lieu thereof the following new subsections:

"(e) Notwithstanding any other provision of law, the Secretary shall mint and issue, in quantities sufficient to meet public demand, coins which—

"(1) are 40.6 millimeters in diameter and weigh 31.103 grams;

"(2) contain .999 fine silver;

"(3) have a design—

"(A) symbolic of Liberty on the obverse side; and

"(B) of an eagle on the reverse side;

"(4) have inscriptions of the year of minting or issuance, and the words 'Liberty', 'In God We Trust', 'United States of America', '1 Oz. Fine Silver', 'E Pluribus Unum', and 'One Dollar'; and

"(5) have reeded edges.

"(f) The Secretary shall sell the coins minted under subsection (e) to the public at a price equal to the market value of the bullion at the time of sale, plus the cost of minting, marketing, and distributing such coins (including labor, materials, dyes, use of machinery, and overhead expenses).

"(g) For purposes of section 5132(a)(1) of this title, all coins minted under subsection (e) of this section shall be considered to be numismatic items.

"(h) The coins issued under this title shall be legal tender as provided in section 5103 of title 31, United States Code.".

PURCHASE OF SILVER

SEC. 203. Section 5116(b) of title 31, United States Code, is amended—

(1) in the first sentence of paragraph (1), by striking out "The Secretary shall" and inserting in lieu thereof "The Secretary may";

(2) by striking out the second sentence of paragraph (1); and

(3) by inserting after the first sentence of paragraph (2) the following new sentence: "The Secretary shall obtain the silver for the coins authorized under section 5112(e) of this title by purchase from stockpiles established under the Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98 et seq.).".

CONFORMING AMENDMENT

SEC. 204. The third sentence of section 5132(a)(1) of title 31, United States Code, is amended by inserting "minted under section 5112(a) of this title" after "proof coins".

EFFECTIVE DATE

SEC. 205. This title shall take effect on October 1, 1985, except that no coins may be issued or sold under subsection (e) of section 5112 of title 31, United States Code, before September 1, 1986, or before the date on which all coins minted under title I of this Act have been sold, whichever is earlier.

Amend the title so as to read "An Act to authorize the minting of coins in commemoration of the centennial of the Statue of Liberty and to authorize the issuance of Liberty Coins.".

Mr. ANNUNZIO (during the reading). Mr. Speaker, I ask unanimous consent that the amendments be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

Mr. LEWIS of California. Reserving the right to object, Mr. Speaker, I raise my right to object in order to have colloquy with my colleague, the gentleman from Illinois.

First, let me say, Mr. Speaker, on behalf of the House, we all appreciate the fine work that the gentleman from Illinois [Mr. ANNUNZIO] does in handling his subcommittee. We have had some ongoing discussion regarding not just this fantastic project, which is the Statue of Liberty coin, but also have discussed the feasibility of having minted silver and gold coins.

On the part of the other body, they addressed the question and the way this bill has developed at this point, the bill does include a silver coin. Because of a misunderstanding between the two bodies, and I must say here that from time to time one of our difficulties is when we are dealing with the other body, we deal with staff and misunderstandings do occur; nonetheless, I am disconcerted by the lack of action on the part of the other body relative to a gold coin.

The gentleman from Illinois has discussed this further with me and I would like to have the gentleman respond to my concern for the record.

Mr. ANNUNZIO. Mr. Speaker, will the gentleman yield?

Mr. LEWIS of California. Yes.

Mr. ANNUNZIO. Mr. Speaker, 3½ months ago the House passed H.R. 47 providing for the minting of commemorative coins to help raise money for the restoration of the Statue of Liberty and the immigration facilities on Ellis Island. When this House passed H.R. 47 last March, I had hoped for prompt action in the other body so that we could begin minting and marketing these coins by the Fourth of July. Unfortunate legislative delays in the other body have set that schedule back to a point where we cannot afford any more delay. Every day that goes by is a day of sales lost that we can never recover. We need to act on this legislation today so that we can begin selling the coins as quickly as possible.

Reports from the Statue of Liberty-Ellis Island Foundation indicate that it is severely strapped for cash. Without the cash from coin sales, I fear that work on restoring this great symbol of our Nation's ideals might come to a halt. The sooner we can begin taking orders for these coins, the sooner we can start providing the badly needed funds to restore the statue. We must act today or risk leaving Miss Liberty caged in the scaffolding that now surrounds her.

The amended bill would add a provision providing for the minting of $1 legal tender siliver bullion coins beginning in September 1986. These coins would be legal tender for their face value of $1, but would be sold by the Treasury at a price determined by the market value of silver plus a small charge for minting. The sale price would fluctuate with changes in the free market price of silver.

These coins would compete with the Onza silver bullion coin of Mexico, as well as a number of private silver medallion offerings. The mint would strike as many or as few of Liberty coins as were needed to fill public demand for them. There would be no minimum mintage and no maximum mintage.

The silver for these coins, as well as for the silver Statue of Liberty coins would come from the national defense stockpile. The silver in the stockpile has been declared surplus. Last year the Congress authorized the disposal of 10 million ounces of silver as part of the Defense Authorization Act.

The stockpile needs to sell the silver so that the stockpile may use the proceeds to purchase other vitally needed strategic materials. Using the silver to mint the Statue of Liberty and the silver bullion coins provides a means of disposal which some believe is least disruptive of the bullion markets.

While I wish the other body had passed H.R. 47 without amendment 3 months ago, and left the issue of bullion coins to be dealt with separately, I support the Senate amendment. The author of the amendment, Senator McCLURE, together with Senator D'AMATO, met with the distinguished ranking minority member of the Consumer Affairs and Coinage Subcommittee, Mr. HILER, and myself several months ago and discussed the amendment. It was acceptable to me then and it is acceptable to me now.

Mr. Speaker, I want to commend Senator McCLURE, the distinguished Senate majority leader, Senator DOLE, Senator PROXMIRE, Senator D'AMATO and the chairman of the Senate Banking Committee, Senator GARN, for their efforts in this legislation.

I urge this House to agree to the amendment so that the mint can begin the hard work of designing, striking and selling the Statue of Liberty coins. She has been kept waiting long enough.

Mr. Speaker, as I stated earlier and have stated on numerous occasions, I want to give the gentleman from California who has shown a tremendous interest in the gold program sales for Ellis Island and restoration of the Statue of Liberty, assurances that we will proceed with hearings on the gold coin as soon as possible.

Mr. LEWIS of California. Mr. Speaker, could I ask my colleague, the gentleman from Illinois, a further question.

It is my concern that if we should have hearings on a gold coin and those hearings proceed successfully in July, following those hearings and markup I would hope that a gold coin would come to the floor with specifics that cause it to be as close to the Krugerrand as possible, for our purposes to have a gold coin that will compete directly with the Krugerrand.

One of the elements involved there relates to whether there should be a denomination of value or not. It is my concern to have every opportunity to see that there is no denomination required.

Mr. ANNUNZIO. Mr. Speaker, if the gentleman will yield. As the gentleman knows, I will come to the floor with a bill as soon as possible with whatever the committee in its judgment decides. When that bill passes the committee, I intend to go to the Rules Committee for an open rule.

The gentleman from California will be given every opportunity to have his point of view made known, not only to the committee, but to the House as a whole.

Mr. LEWIS of California. The agreement of my colleague to assist me in getting an open rule, should there be a need for one, is very much appreciated and would be very helpful as we proceed in this process.

Let me ask a question of the gentleman relative to what his intention would be should a bill with a gold coin of the kind I have mentioned to move from the Senate and come to the House.

Mr. ANNUNZIO. In that case, as the gentleman from California knows, we would have to deal with it in conference, if there is a different House-passed bill.

Mr. LEWIS of California. Then the gentleman is telling me that if a gold coin bill should move from the Senate preceding the time we even have hearings, would it be the intention of the gentleman to move with the bill quickly? How would the gentleman handle such a bill?

Mr. ANNUNZIO. Mr. Speaker, as the gentleman knows, in order to go to conference we would have to have a House vehicle. If there is no House vehicle and the bill comes from the Senate, I would hold hearings on that bill in the same manner. We would get to the floor as soon as possible. I am quite anxious to get to the floor with a bill.

Mr. LEWIS of California. Mr. Speaker, if indeed a bill moved from the Senate had a gold coin that was as close in specifications as possible to the Krugerrand, I would hope to move the bill to the gentleman's committee and move that back to the floor as quickly as possible.

I would appreciate the gentleman's direct response to that.

Mr. ANNUNZIO. As chairman of the subcommittee, I have assured the gentleman on numerous occasions that I will take all necessary steps to get the legislation to the floor.

Mr. LEWIS of California. Mr Speaker, let me say to the gentleman from Illinois that I very much appreciate his cooperation in this matter. Beyond discussing the question of a gold coin that we believe would put the United States in the competitive marketplace with other gold coins around the world, the most significant factor involved in that is the reality that presently we have approximately $1 billion of deficit in gold coin trading.

It is my view that we could impact greatly that deficit problem. No small part of that reality is that some $400 million in such trading has been going to South Africa. We could be sending a very effective marketplace message to the Government of South Africa.

Mr. ANNUNZIO. Mr. Speaker, if the gentleman will yield further, I want to extend every possible consideration, but I do not feel at this time we should take up the time of the House, when we will discuss this bill in committee and later on the floor of the House.

Mr. LEWIS of California. The gentleman is correct.

If I may continue for just one moment, I would like to conclude my remarks by once again stating to the House that all of us should express our appreciation to the gentleman from Illinois for his leadership in this matter. The issue centers around refurbishing the most important statue in the world, the Statue of Liberty, directly related to the funding of that reconstruction can be credited to the gentleman from Illinois and for that I express once again my appreciation.

Mr. ANNUNZIO. Mr. Speaker, I appreciate the gentleman's kind remarks.

I also want to thank the distinguished gentleman from Wisconsin [Mr. KASTENMEIER] for yielding the time so that the gentleman from California and I could engage in this colloquy.

Mr. LEWIS of California. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois [Mr. ANNUNZIO]?

Mr. CRAIG. Mr. Speaker, reserving the right to object, and with that reservation I will not object. I stand to thank our colleague, the gentleman from Illinois, for his tremendous leadership on this issue.

As my colleague, the gentleman from California, has said, to grasp the opportunity to generate the necessary

revenues for the purpose of refurbishing the Statue of Liberty is no small effort and a very important step for this body to take under the leadership of Chairman ANNUNZIO.

I would also like to compliment our chairman for his willingness to cooperate with my colleague, the gentleman from California, the opportunity to have hearings and a markup and floor activity on a gold coin.

I think that also is very important for our country to be able to have these kinds of opportunities and also, as my colleague from California recognizes, to offset a trade problem that is certainly a major stumbling block in our economy at this time.

In the last hour, the chairman has shown tremendous willingness to cooperate and to work in this process.

I also want to thank the gentleman for recognizing the amendments that came forth from the Senate that do not detract from, but add to this legislation, H.R. 47. In that legislation is an amendment that we are looking at today that is critical to States like mine that address the silver issue with a one-ounce silver bullion coin to be minted from stockpile reserves of our Nation. I think that is an important step to allow this to happen, to allow Government to become involved in the minting process and to use the source of silver as so designated by the amendment.

Let me say, Mr. Speaker, and to the chairman, we are very appreciative of the chairman's cooperation and leadership in this area and look forward to working with the gentleman from Illinois on the gold coin issue.

□ 1340

Mr. ANNUNZIO. Mr. Speaker, will the gentleman yield?

Mr. CRAIG. I yield to the gentleman from Illinois.

Mr. ANNUNZIO. I want to say to the gentleman from Idaho that it is not only in the last hour that I have been cooperating. I have been a Member of this body for 21 years, and for 21 years I have been cooperating with every Member of this House, wherever I could.

Mr. CRAIG. Mr. Speaker, my comments are not to reflect that you have been noncooperative at all. I say with these amendments coming over from the other body your willingness to accept and move forward with this legislation was greatly appreciated, and I was referencing the cooperation on that effort at that moment, and I thank the gentleman.

Mr. ANNUNZIO. I thank the gentleman very much.

Mr. CRAIG. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

The SPEAKER pro tempore. Is there objection to the original request of the gentleman from Illinois?

There was no objection.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. ANNUNZIO. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill just considered.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

PATENT AND TRADEMARK OFFICE AUTHORIZATIONS

Mr. KASTENMEIER. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 2434) to authorize appropriations for the Patent and Trademark Office in the Department of Commerce, and for other purposes, as amended.

The Clerk read as follows:

H.R. 2434

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. AUTHORIZATION OF APPROPRIATIONS.

(a) PURPOSES AND AMOUNTS.—There are authorized to be appropriated to the Patent and Trademark Office—

(1) for salaries and necessary expenses, $101,631,000 for fiscal year 1986, $110,400,000 for fiscal year 1987, and $111,900,000 for fiscal year 1988; and

(2) such additional amounts as may be necessary for each such fiscal year for increases in salary, pay, retirement, and other employee benefits authorized by law.

(b) REDUCTION OF PATENT FEES.—Amounts appropriated under subsection (a)(1) shall be used to reduce by 50 per centum each fee paid under section 41(a) or 41(b) of title 35, United States Code, by—

(1) an independent inventor or nonprofit organization as defined in regulations prescribed by the Commissioner of Patents and Trademarks, or

(2) a small business concern as defined under section 3 of the Small Business Act (15 U.S.C. 632).

SEC. 2. APPROPRIATIONS AUTHORIZED TO BE CARRIED OVER.

Amounts appropriated under this Act and such fees as may be collected under title 35, United States Code, and the Trademark Act of 1946 (15 U.S.C. 1051 and following) may remain available until expended.

SEC. 3. INCREASES OF TRADEMARK AND CERTAIN PATENT FEES PROHIBITED.

(a) TRADEMARK FEES.—The Commissioner of Patents and Trademarks may not, during fiscal years 1986, 1987, and 1988, increase fees established under section 31 of the Trademark Act of 1946 (15 U.S.C. 1113) except for purposes of making adjustments which in the aggregate do not exceed fluctuations during the previous three years in the Consumer Price Index, as determined by the Secretary of Labor. The Commissioner also may not establish additional fees under such section during such fiscal years.

(b) PATENT FEES.—The Commissioner of Patents and Trademarks may not, during fiscal years 1986, 1987, and 1988, increase fees established under section 41(d) of title 35, United States Code, except for purposes of making adjustments as described in section 41(f) of such title. The Commissioner also may not establish additional fees under such section during such fiscal years.

SEC. 4. FEES FOR USE OF SEARCH ROOMS AND LIBRARIES PROHIBITED.

The Commissioner of Patents and Trademarks may not impose a fee for use of public patent or trademark search rooms and libraries. The costs of such rooms and libraries shall come from amounts appropriated by Congress.

SEC. 5. USE OF PATENT AND TRADEMARK FEES PROHIBITED FOR PROCUREMENT OF AUTOMATIC DATA PROCESSING RESOURCES.

Fees collected under section 31 of the Trademark Act of 1946 (15 U.S.C. 1113) and section 41 of title 35, United States Code, may not be used during fiscal years 1986, 1987, and 1988 to procure by purchase, lease, transfer, or otherwise automatic data processing resources (including hardware, software and related services, and machine readable data) for the Patent and Trademark Office.

SEC. 6. USE OF EXCHANGE AGREEMENTS RELATING TO AUTOMATIC DATA PROCESSING RESOURCES PROHIBITED.

The Commissioner of Patents and Trademarks may not exchange items or services (as authorized under section 6(a) of title 35, United States Code) relating to automatic data processing resources (including hardware, software and related services, and machine readable data) during fiscal years 1986, 1987, and 1988. This section shall not apply to any agreement relating to data for automation programs entered into with a foreign government or with a bilateral or international intergovernmental organization.

The SPEAKER pro tempore. Pursuant to the rule, a second is not required on this motion.

The gentleman from Wisconsin [Mr. KASTENMEIER] will be recognized for 20 minutes and the gentleman from California [Mr. MOORHEAD] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Wisconsin [Mr. KASTENMEIER].

GENERAL LEAVE

Mr. KASTENMEIER. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks on the bill just undertaken, and that I may revise and extend my own remarks.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. KASTENMEIER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I bring before the full House the bill, H.R. 2434, to authorize appropriations for the Patent and Trademark Office in the Department of Commerce for the next 3 fiscal years. The bill authorizes appropriations for salaries and necessary expenses up to the following amounts:

$101,631,000 in fiscal year 1986; $110,400,000 in fiscal year 1987; and $111,900,000 in fiscal year 1988.

As the Members of the House well know, reliable patent and trademark protection for inventors and businesses can provide incentives for technological progress and investment. When President Reagan signed Public Law 98-622—which was passed unanimously by this House just last year—he said: "The stimulation of American inventive genius requires a patent system that offers our inventors prompt and effective protection for their inventions." The recent report of the President's Commission on Industrial Competitiveness noted, "Since technological innovation requires large investments of both time and money, the protection of our intellectual property is another task we should place on our competitive agenda." The Carter administration made similar statements, as did proceeding administrations.

An effective Patent and Trademark Office is the cornerstone for reliable patent and trademark protection. Changes in the manner of operating the Office can have as great an impact on the Nation's economy as changes in the substantive rules of patent and trademark law. Since this Nation's intellectual property laws are largely self-enforcing, the effectiveness of an entity that administers the law—as compared to an agency that regulates the law—is critical.

This authorization bill equips the Patent and Trademark Office to administer efficiently and expeditiously this Nation's patent and trademark laws, and in so doing, will benefit the public by improving the quality of our industrial property system.

H.R. 2434 is fiscally responsible. The bill generally respects the administration's authorization request, with two exceptions; both offered by the ranking minority member of the subcommittee, Mr. MOORHEAD, and approved by the full committee. The first froze the authorization level in fiscal year 1986 at what was in fiscal year 1985. The net effect of this change is to add to the administration's request approximately $17 million to the authorization. The administration had intended to use approximately $17 million in excess user fees to cover this shortfall. I have always felt that user fees should be expended to improve the quality of service. Therefore, reliance on user fees as a form of taxation is highly questionable both in terms of integrity and legality. The users of this Nation's patent and trademark system do not like it, and I agree with them.

The second change eliminated an open ended appropriation for fiscal years 1987 and 1988. The figures inserted were provided by the Department of Commerce. The Judiciary Committee generally avoids open ended authorizations; this change accomplishes that end. I shortly will defer to the ranking minority member to explain the numbers in more depth.

Before terminating my brief remarks, I should state several thoughts about automation. Several years ago, this committee—and the Congress—asked PTO to automate. We were extremely concerned about the integrity of the search files—approximately 7 percent of the patent files are missing at any given time. If the quality of the search is poor, the resultant quality of the patent will also be poor.

Automation could solve this problem.

PTO, however, has not been very competent in creating and implementing its automation plans. This statement is not mine; rather, I could attribute it to the Government Accounting Office, the chairman of the Government Operations Committee, Mr. BROOKS, and groups that rely on Patent and Trademark Office operations.

The committee therefore decided to put the brakes on automation, at least temporarily, until PTO, and the Department of Commerce, comply with Government procurement laws, and produce a plan that clearly sets forth the Office's position on costs of financing—uses of appropriated funds—public access to the data bases of Government records, and the status of the public search rooms. I understand that positive movement is now occurring in this area.

The $17 million carryover of user fees should give PTO and Commerce the necessary cushion to formulate such a plan. At some point in time, perhaps in negotiations with the Senate, the bill will have to be modified to create a little bit more flexibility in PTO if, indeed, we want the Office to automate.

I pledge to work with the administration, the minority, and the Committee on Government Operations to create in the future a workable and lawful automation plan that meets both user and public interests.

H.R. 2434 is supported by Intellectual Property Owners, Inc., the American Intellectual Property Law Association, and the United States Trademark Association.

In closing, I thank the members of my subcommittee, especially the gentleman from Texas [Mr. BROOKS] and the gentleman from California [Mr. MOORHEAD] for their assistance and their contribution on this important measure.

I urge your support for H.R. 2434.

Mr. Speaker, I reserve the balance of my time.

Mr. MOORHEAD. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of H.R. 2434, the Patent and Trademark Office reauthorization. This legislation has the unanimous support of the Judiciary Committee. It also has the unanimous support of those people who use the Patent Office as represented by the American Intellectual Property Law Association, the Intellectual Property Owners, Inc., and the United States Trademark Association.

The Patent and Trademark Office is one of the great user fees success stories of this administration. In 1985 the users of the Patent and Trademark Office paid nearly $100 million, roughly one-half of their operating budget. In 1982 the users paid approximately $29 million, which was less than one third of their operating budget. When the Judiciary Committee and this body supported the administration's legislation in 1982, we made a promise to the American inventor, that if he or she would go along with the increase in user fees, we would try and provide a first class Patent and Trademark Office. Well, 3 years later, unknown to us, the OMB decided to cut next year's appropriation for the Patent and Trademark Office by approximately $16 million, and the reason given for this was that there had been an excess in fees collected from the users during the preceding 3 years and that so-called excess was going to be used to reduce by that amount the U.S. Government's commitment to improve the Patent and Trademark Office. This reduction in authorization levels also resulted in an announcement by the Patent and Trademark Office in a reduction in services provided by that Office.

We made a promise to the American inventor 3 years ago, and if we make these cuts we would be going back on our promise after the American investor had kept his end of the deal. This is not what we are going to do—and this is not what this legislation does. We are going to retain the same level of funding as in fiscal year 1985. In other words H.R. 2434 freezes the authorized level of appropriations for the Patent and Trademark Office for 1986 at $101.6 million. It would be unfair to take those user fees and use them to reduce our commitment to U.S. innovation. It's clear to even the most casual observer, that the Patent and Trademark Office plays a critical role in this country's innovation process. It is this process that creates new products—it is this process that creates new technologies and it is this process that's creating badly needed new jobs.

The stimulation of the American inventive genious requires a patent system that offers our inventors prompt, secure, and effective protection for their inventions and that is the direction we are heading and that

is the direction this legislation takes. I urge you to vote in favor of H.R. 2434.

□ 1350

Mr. MOORHEAD. Mr. Speaker, I have no further requests for time.

I yield back the balance of my time.

Mr. KASTENMEIER. Mr Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Wisconsin [Mr. KASTENMEIER] that the House suspend the rules and pass the bill, H.R. 2434, as amended.

The question was taken; and (two-thirds have voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

FAMILY FARMER BANKRUPTCY ACT OF 1985

Mr. SYNAR. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 2211) to amend title 11 of the United States Code with respect to bankruptcy proceedings involving debtors who are family farmers, and for other purposes, as amended.

The Clerk read as follows:

H.R. 2211

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. DEFINITIONS.

Section 101 of title 11, United States Code, is amended—

(1) in paragraph (17) by inserting "(except when such term appears in the term 'family farmer')" after "means",

(2) by redesignating paragraphs (17) through (49) as paragraphs (18) through (50), respectively, and

(3) by inserting after paragraph (16) the following new paragraph:

"(17) 'family farmer' means a person not less than 80 percent of the aggregate amount of whose debts, at the time the case commences, arises out of a farming operation owned or operated by such person and, if such person is a corporation—

"(A) more than half of the aggregate value of the outstanding equity securities of such corporation are held by one family or by one family and the relatives of the members of such family; and

"(B) if such corporation issues stock, such stock is not publicly traded;

except that such aggregate amount does not include a debt for the principal residence of such person unless such debt arises out of a farming operation;".

SEC. 2. WHO MAY BE A DEBTOR.

Section 109(e) of title 11, United States Code, is amended—

(1) by striking out "or an individual" and inserting in lieu thereof "; an individual", and

(2) by inserting before the period at the end thereof "; or a family farmer with regular annual income that owes on the date of the filing of the petition noncontingent, liquidated, secured and unsecured debts of less than $1,000,000".

SEC. 3. INVOLUNTARY CASES.

Section 303(a) of title 11, United States Code, is amended by inserting ", family farmer," after "farmer".

SEC. 4. FILING OF PLAN.

(a) PERIOD FOR FILING BY DEBTOR.—Section 1121(b) of title 11, United States Code, is amended by inserting before the period at the end thereof "or, in the case of a debtor who is a farmer, until after 240 days after the date of the order for relief under this chapter".

(b) FILING BY ANY PARTY IN INTEREST.—Section 1121(c) of title 11, United States Code, is amended—

(1) in paragraph (2)—

(A) by inserting "(other than a farmer)" after "debtor", and

(B) by inserting before the semicolon at the end thereof the following: "or, in the case of a debtor who is a farmer, before 240 days after the date of the order for relief under this chapter", and

(2) by amending paragraph (3) to read as follows:

"(3) the debtor has not filed a plan that has been accepted—

"(A) in the case of a debtor who is not a farmer, before 180 days; or

"(B) in the case of a debtor who is a farmer, before 300 days;

after the date of the order for relief under this chapter, by each class of claims or interests that is impaired under the plan.".

(c) AUTHORITY TO EXTEND PERIODS.—Section 1121(d) of title 11, United States Code, is amended by striking out "the 120-day period or the 180-day period referred to in" and inserting in lieu thereof "any period referred to in subsection (b) or (c) of".

SEC. 5. COMPENSATION OF TRUSTEE.

(a) AMENDMENT TO TITLE 11 OF THE UNITED STATES CODE.—Section 1302(e)(1)(B) is amended to read as follows:

"(B) a percentage fee not to exceed—

"(i) in the case of a debtor who is not a family farmer, ten percent; or

"(ii) in the case of a debtor who is a family farmer, the sum of—

"(A) not to exceed ten percent of the payments made under the plan of such debtor, with respect to payments in an aggregate amount not to exceed $450,000; and

"(B) three percent of payments made under the plan of such debtor, with respect to payments made after the aggregate amount of payments made under the plan exceeds $450,000;

based on such maximum annual compensation and the actual, necessary expenses incurred by such individual as standing trustee."

(b) AMENDMENT TO TITLE 28 OF THE UNITED STATES CODE.—Section 586(e)(1)(B) of title 28, United States Code, is amended to read as follows:

"(B) a percentage fee not to exceed—

"(i) in the case of a debtor who is not a family farmer, ten percent; or

"(ii) in the case of a debtor who is a family farmer, the sum of—

"(A) not to exceed ten percent of the payments made under the plan of such debtor, with respect to payments in an aggregate amount not to exceed $450,000; and

"(B) three percent of payments made under the plan of such debtor, with respect to payments made after the aggregate amount of payments made under the plan exceeds $450,000;

based on such maximum annual compensation and the actual, necessary expenses incurred by such individual as standing trustee."

SEC. 6. CONVERSION.

(a) AMENDMENT TO CHAPTER 11.—Section 1112(c) of title 11, United States Code, is amended by inserting ", family farmer," after "farmer".

(b) AMENDMENT TO CHAPTER 13.—Section 1307(e) of title 11, United States Code, is amended by inserting "or family farmer" after "farmer".

SEC. 7. CONTENTS OF PLAN.

(a) CONTENTS OF PLAN.—Section 1322(b)(2) of title 11, United States Code, is amended by striking out "debtor's principal residence" and inserting in lieu thereof "principal residence of a debtor who is not a family farmer whose principal residence is located on real property used by such family farmer in connection with a farming operation or is located within a reasonable proximity to the farming operation of such family farmer".

(b) PERIOD FOR PAYMENTS UNDER PLAN.—Section 1322(c) of title 11, United States Code, is amended by inserting before the period at the end thereof the following: "in the case of a debtor who is not a family farmer, or longer than ten years in the case of a debtor who is a family farmer".

SEC. 8. PAYMENTS.

Section 1326(a)(1) of title 11, United States Code, is amended by adding at the end thereof the following: "If the debtor is a family farmer who requests, not later than 15 days after the order for relief, that the court hold a hearing to determine whether to order a different time for the commencement of payments proposed by the plan, then the court shall, not later than 30 days after the date of such request, hold a hearing and determine from the facts and circumstances of the debtor and the case a reasonable time after the plan is filed within which the debtor shall commence making the payments proposed by the plan.".

SEC. 9. TECHNICAL AMENDMENTS.

(a) The table of chapters for title 11 of the United States Code is amended in the item relating to chapter 13 by inserting "OR A FAMILY FARMER" after "INDIVIDUAL".

(b) The heading for chapter 13 of title 11 of the United States Code is amended by inserting "OR A FAMILY FARMER" after "INDIVIDUAL".

SEC. 10. APPLICABILITY OF AMENDMENTS.

The amendments made by this Act shall not apply with respect to cases commenced under title 11 of the United States Code before the date of the enactment of this Act.

The SPEAKER pro tempore. Pursuant to the rule, a second is not required on this motion.

The gentleman from Oklahoma [Mr. SYNAR] will be recognized for 20 minutes and the gentleman from California [Mr. MOORHEAD] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Oklahoma [Mr. SYNAR].

Mr. SYNAR. I thank the Speaker.

Mr. Speaker, the Family Farm Bankruptcy Reform Act is an important piece of legislation for America's farmers. We would not be here today if it were not for a handful of Members who went the extra mile to make this bill a reality. First, I would like to thank DICK GEPHARDT, TOM DASCHLE, PAT SCHROEDER, and DAN GLICKMAN. These friends helped every step of the

way. I would also like to thank the chairman of the Committee on the Judiciary, the gentleman from New Jersey, Mr. PETER RODINO, and our ranking Republican Member, the gentleman from New York, HAMILTON FISH. Their bipartisan leadership contributed to this outstanding bill today. Finally, I would like to thank the majority leader, JIM WRIGHT, the majority whip, TOM FOLEY, and the deputy whip, BILL ALEXANDER, for their help. The farm issue deserves Congress' most serious attention, and it is needed right now.

Mr. Speaker, today's bill is designed to help one group of Americans, farmers who will go bankrupt. This is not a powerful group of people but, unfortunately, it is a growing group.

The bill will not solve the family farm crisis in this country, but it will slow down the ongoing deterioration or rural America long enough for Congress to pass a farm bill and reassess our trade and tax policy and take other steps necessary to revitalize our farm economy. Fortunately, this bill gives individual farmers a fighting chance to reorganize their debts and stay on the farm. It is not a handout. The relief we are offering will only work if a farmer and his operation has enough financial vitality to successfully reorganize on its own. But it gives the farmers a chance, Mr. Speaker, and that is more than they have today.

In Oklahoma, as in many other States around this country, you have heard over and over again from most of our farmers and they say they are not in the type of shape that we need today.

We always hear that only the bottom third who need help, but each year that bottom rung on the ladder gets knocked off and now the entire farm community is sliding down farther and farther. Our bill will keep the farmers on that bottom rung of the ladder and the entire family farm community will benefit. Now this is a special bill for two reasons today: First of all, I think it is a great example of how local people can solve local problems when they find out. It was back in December of last year that Judge Richard Bohannon, the Federal bankruptcy judge of the western district of Oklahoma, approached me, along with Herbert Graves, an attorney from Oklahoma City, and Prof. John TeSelle, professor of bankruptcy at the University of Oklahoma, with a way that would better give a fairness doctrine to our farmers.

Along with two judges from the middle district of Tennessee, Judge George Paine and Judge Keith Lundin, we were able to fashion a bill which will help our farmers in the courtrooms for those who will have to seek bankruptcy in the months ahead.

The second reason this legislation is special is because it is truly bipartisan.

Unlike other pieces of legislation that hit the floor which are called bipartisan because one or two Members of the other party lend their names to it, this legislation passed the Judiciary Committee unanimously by a 32-to-0 vote. I think that that shows very clearly that the farm crisis that we face in this country is being recognized by both parties and this legislation is needed and recognized by both parties to be needed.

To summarize, the bill, H.R. 2211, basically opens up chapter 13 of the Bankruptcy Code for family farmers, including those who have limited partnerships and nonpublic corporations.

Chapter 13 is much quicker and more flexible than chapter 11, which presently is the only chapter available to farmers seeking to reorganize.

Chapter 11 simply does not work for farmers and many who try to reorganize wind up being liquidated involuntarily after creditors rejected their reorganization plan.

This bill extends the length of time for chapter 13 plans for farmers.

Under current law, the chapter 13 debtors can propose a 3-year plan which can be extended, for cause, to 5 years. Under H.R. 2211 they will be able to take up to 10 years to repay their debts.

H.R. 2211 also allows for the modification of home mortgages of the family farmers whose homes are either on or reasonably close to their farms.

Finally, this legislation achieves an important policy of keeping family farmers on the farm. Many who suffer financial problems are the victims of factors beyond their control. If they can reorganize successfully, this legislation will help.

My colleagues, there are no losers in this bill today. For the farmers will be given an opportunity to reorganize and the farmers and ranchers that adjoin property being foreclosed on today will not see their equity deteriorate because of those foreclosures, and so they will benefit.

The financial institutions in this country will benefit because instead of getting 10 cents on the dollar they will be able to, hopefully, get full payment for those debts that they have.

Our small towns and communities in rural America will benefit because the family farms, which are so tied to the small businesses of these towns, will be viable.

Finally, and most importantly, the consumers are the big winners, for three reasons:

First of all, it is good public policy in this country to have the family farm unit in this country; second, with more family farmers, there will be more competition and, hopefully, lower prices; and, finally, and the major objection that the administration had had previously to other farm legislation, this bill does not cost one red cent.

□ 1400

So I ask my colleagues today, in a piece of legislation which we so rarely see around here, a truly bipartisan bill, to join with me to give that glimmer of hope to our family farmers, some 30,000 to 60,000 of them, who will be forced into bankruptcy this year.

This can be a day that we can set our name in motion that says that this Congress is committed to keeping the family farms.

Mr. Speaker, I reserve the balance of my time.

Mr. MOORHEAD. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I am pleased to speak in support of this bipartisan legislation designed to help family farmers. H.R. 2211, reported favorably by a 32-to-0 vote of the Committee on the Judiciary, helps family farmers to help themselves. The legislation increases the chances that family farmers in financial distress will be able to keep their farms.

H.R. 2211, by making it easier for family farmers to file under chapter 13 of the Bankruptcy Code, benefits not only family farmer debtors but also creditors. Chapter 13 permits a debtor to pay creditors out of future income—rather than face liquidation. Herbert M. Graves, an Oklahoma attorney with substantial bankruptcy experience, explains the advantages of chapter 13 for venders and banks:

> The vender would be benefited because he would be able to obtain some partial repayment, if not in many instances full repayment. The banks would be greatly assisted because they are entrapped in a vicious cycle. Farms fail, loans must be written off, capital reduced and banks become insolvent. When banks become insolvent, invariably the local community suffers as a result of portions of deposits which cannot be covered under the FDIC regulations.

He goes on to observe:

> It occurs to me that if we set aside our concern for the farm-debtor for a moment, that in fact we have denied the unsecured creditor the opportunity to recoup some of his losses by virtue of our inability to assist farm-debtors in chapter 13.

In March, the chairman of our committee [Mr. RODINO] and the gentleman from Oklahoma [Mr. SYNAR], a member of our committee, introduced separate farm bankruptcy bills. Late that month the Subcommittee on Monopolies and Commercial Law held a detailed hearing on these two bills and encouraged witnesses to comment on the similarities and differences. Frank R. Kennedy, a distinguished visiting professor at the University of Iowa College of Law, encouraged us to con-

sider the possibility of "merging the bills to afford the farmer debtors wider options under both chapters 11 and 13." H.R. 2211, introduced in April, incorporates features of the earlier legislation and makes some additional modifications. Our subcommittee held a markup on this new bill on June 13, and our full committee marked up an amendment in the nature of a substitute on June 18. The chairman of our subcommittee and full committee [Mr. RODINO], the ranking minority member of our full committee and subcommittee [Mr. FISH], and the gentleman from Oklahoma [Mr. SYNAR], the author of one of the earlier farm bankruptcy bills, all deserve credit for their sustaining interest in this legislation and their efforts to perfect its provisions.

H.R. 2211 makes a number of modifications in chapter 13 of the Bankruptcy Code for family farmers. The definition of family farmer in section 1 of the bill requires that at least 80 percent of debt arise out of farming. A special provision excludes from aggregate debt for purposes of the 80-percent formula a loan for a principal residence located off the farm. The family farmer debtor can be an individual, partnership, or family owned nonpublic corporation. The bill limits chapter 13 eligibility to family farmer debtors owing less than a combined total of $1 million in secured and unsecurd debts, in contrast to current law's ceilings of $100,000 of unsecured debts and $350,000 of secured debts.

In addition to liberalizing chapter 13 access for family farmers, the bill introduces greater flexibility into chapter 13's time limitations. A family farmer's repayment period can extend up to 10 years with court approval in contrast to the 5-year limitation of current law. Bankruptcy Judge George C. Paine II, middle district of Tennessee, explains in a letter to the Judiciary Committee the benefits of an extended payback period:

> Since unsecured debts the debtor is unable to repay during the pendency of the plan are discharged, the extension of a Chapter 13 plan for family farmers would allow the farmer to repay more unsecured debt than presently allowed. The benefit to the creditors is obvious. The farmer, by paying back more debts, is able to retain dignity and self respect. I believe this is an important part of the farmer's traditional values.

Although current law requires a chapter 13 debtor to begin making payments within 30 days—unless the court orders otherwise—after a plan is filed, H.R. 2211 recognizes that a family farmer, often dependent on seasonal harvests to generate income, may need additional time. Section 8 of the bill gives the family farmer 15 days after the order for relief to request a hearing to set a different time for commencement of payments; the court then has 30 days within which to conduct a hearing and determine a reasonable time for payments to begin.

In contrast to the current chapter 13 bar to modification of home mortgage debt, H.R. 2211, as reported by the Judiciary Committee, permits modification if a family farmer's principal residence is located on—or within reasonable proximity to—a farm. H.R. 2211, as originally introduced, required the home to be located on the farm as a precondition to allowing modification of residential debt. I believed that such relief was too restrictive and favored extending protection to commuting family farmers.

The amendment I originally offered in subcommittee covered residential debt for family farmers who lived within 15 miles of their farms. The language, after several modifications, requires the home to be within "a reasonable proximity" to the farm. The revised wording, which I support, offers flexibility to commuters. They should not find themselves disadvantaged and at greater risk of losing their homes because they choose to live off their farming land.

Several provisions of H.R. 2211 relate indirectly to the new family farmer definition. A standing trustee's percentage fee—limited today to 10 percent of plan payments—is adjusted for family farmer cases to 10 percent of the first $450,000 and 3 percent of additional payments; the work involved in connection with payments in excess of the general chapter 13 debt ceiling of $450,000 is not expected to be very substantial. The protections for farmers in current law against involuntary liquidation and reorganization proceedings and involuntary conversions—of reorganization cases to liquidation cases and chapter 13 cases to either liquidation or reorganization cases—are extended to embrace family farmers; this is necessary because the bill carves family farmers out of the farmer definition.

Finally, H.R. 2211 gives farmers who seek to reorganize under chapter 11, 240 days rather than the current 120 days within which only they can file reorganization plans. The Judiciary Committee report notes:

> Farmers often have trouble formulating a chapter 11 plan of reorganization within 120 days after filing bankruptcy because this is not enough time for them to accurately evaluate how successful their next harvest season will be. H.R. 2211 extends the time . . . to afford the farmer more time to formulate a plan before creditors may propose a plan. This will also give the farmer additional time in which to prevent the filing of a liquidation plan by creditors. . . .

Any party in interest can file a plan if a farmer debtor does not obtain acceptances before 300 days after the order for relief—in contrast to the 240 day limitation of current law—and other conditions are met.

This legislation represents a bipartisan effort to modify our bankruptcy laws in response to the farm crisis. The bill, in my judgment, can discourage farm liquidations and benefit our economy. I urge my colleagues to join with me in supporting H.R. 2211.

GENERAL LEAVE

Mr. SYNAR. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on H.R. 2211, the bill presently under consideration.

The SPEAKER pro tempore (Mr. PENNY). Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

● Mr. RODINO. Mr. Speaker, because of the downturn in the farm economy today, increasing numbers of family farmers are being forced to file bankruptcy. H.R. 2211, farm bankruptcy legislation, will expand the availability of the chapter 13 wage-earner provisions of the Bankruptcy Code to more family farmers. It raises the chapter 13 debt ceiling for the family farmer, so that more family farmers will be able to file under this chapter of the Bankruptcy Code if they are forced to file bankruptcy.

Currently, a debtor cannot file under chapter 13 unless the debtor's unsecured debts are less than $100,000, and secured debts are less than $350,000. Under the bill, a family farmer can file under chapter 13 if the farmer's total secured and unsecured debts are less than $1 million.

Chapter 13 bankruptcy is easier, quicker, and less expensive than chapter 11 reorganization—under which most family farmers who file bankruptcy must now file. H.R. 2211 allows the family farmer to modify secured debt on the principal residence in certain instances, and gives the family farmer more flexibility in making plan payments to creditors. This should improve the family farmer's chances of keeping the farmland.

The bill also offers some relief to the farmer who chooses to file bankruptcy under chapter 11. It gives the farmer more time to file a plan of reorganization before creditors have an opportunity to file their own plan for the farmer.

The Committee on the Judiciary favorably reported the bill by a vote of 32 to 0.

H.R. 2211 will help the family farmers in this country. I ask your support for this effort.●

Mr. SYNAR. Mr. Speaker, I yield 2 minutes to the gentleman from North Carolina [Mr. JONES].

Mr. JONES of North Carolina. Mr. Speaker, I rise in strong support of this particular legislation by Mr. SYNAR. It is much needed.

I suppose one of the saddest calls I have had this entire congressional year was from one of my strong sup-

porters and dear friends, a chairman of the board of county commissioners in one of the small counties in my district, who found himself in debt much beyond that which he was able to cope, and took the unfortunate and sad choice of commiting suicide.

Had this bill been in place, it might well have given him additional time to renegotiate and replan. Unfortunately, this bill was not in place at that time.

Therefore, Mr. Speaker, I strongly support this legislation, and ask for Members to do likewise.

Mr. SYNAR. Mr. Speaker, I yield 3 minutes to my friend and colleague, the gentleman from Missouri [Mr. GEPHARDT] whose leadership in this area has been instrumental to its passage.

Mr. GEPHARDT. Mr. Speaker, although the farm credit crisis has not been in the news in the last few weeks, the problem has not gone away. By most estimates, 10 to 15 percent of our Nation's farmers are so strapped that they may not have enough money to plant and pay family living expenses until the harvest is in.

Two-thirds of the $140 billion in farm debt is held by farmers whose debt to assets ratio is dangerously high. Many of the problems facing the farmer are no cause of their own; the strong dollar, bad export policy, inconsistent target pricing by the Government, have all contributed to their problems.

The legislation being offered today by the gentleman from Oklahoma [Mr. SYNAR], of which I was an original cosponsor, gives farmers a chance to reorganize their debt and keep their farms, and the Family Farmer Bankruptcy Reform Act does this through no cost to the Federal Government.

Today's Bankruptcy Code does not meet the special needs of family farmers. Today's farmers cannot reorganize under chapter 13 of the Bankruptcy Code for three reasons.

First, chapter 13 is solely for individuals, and many family farms are family-held corporations.

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Second, today's Bankruptcy Code limits chapter 13 to individuals of less than $350,000 in secured debt and $100,000 in unsecured debt. These limits are simply not sufficient for most family farmers.

Today's code requires debtors to make payments under chapter 13 within 30 days of filing a plan. For a farmer who may receive no income before harvest time, this is simply unrealistic.

The bill we have before us today addresses these problems, thus allowing family farmers the avenue of using chapter 13 to reorganize their debts.

The bill offers family farmers the important protection from creditors that bankruptcy provides while at the same time ensuring that farming lenders, rural banks, the Farmers Home Administration, farm implement dealers, seed companies, and others, receive a fair repayment.

The Family Farmer Bankruptcy Reform Act provides coverage to family farmers under chapter 13 by, first, allowing family farmers who have incorporated to file under this section; by increasing the debt limits for these farmers $2 million; by allowing family farmers 270 days to begin making payments; and, last, changing the income definitions, plan confirmation procedures and time limitations for repayment.

This legislation takes an important step toward working toward the revitalization of the agricultural sector of our economy. We now help feed a good portion of the world's hungry. The family farmer has been an important contributor to ensuring that we can provide for our neighbors at home and around the world. We need to provide them with the necessary help so that they can help themselves and, in turn, provide food for all of us.

I commend the gentleman from Oklahoma for his diligent work in making this bill a reality, and I am glad to join with him, and others, in passing and working on this legislation.

Mr. SYNAR. Mr. Chairman, I have no further requests for time, but I yield myself such time as I may consume to say, in conclusion, that I want to thank the gentleman from California and all my colleagues on the floor. I think that this legislation is an important statement we are making today, on behalf of all of those who have chosen agriculture as a way of life. We are saying: We are not forgetting you in America today, we are pressing forward with major farm legislation, but until that time comes, we are going to give you some hope that you can make it through the toughest economic times of your life.

Mr. Speaker, I yield back the balance of my time.

Mr. MOORHEAD. Mr. Speaker, I yield such time as he may consume to the gentleman from Ohio [Mr. KINDNESS].

Mr. KINDNESS. I thank the gentleman from California for yielding this time, and I rise in support of H.R. 2211, along with my colleagues who have spoken previously.

Those of us from areas in which a great deal of agricultural enterprise and activity goes on are well aware that the American farmer does not need more credit, more money loaned to him. He needs time to pay off what he owes. In fact, there are many among my constituents in farming who feel that perhaps credit was pushed at them a little bit too readily over recent years, and they have found themselves in a position where, in order to appear to be competitive in the agricultural marketplace, they are up to their ears because of the high interest rates which have come along with that trend.

High interest rates indeed represent one of the American farmers' worst problems. There is some relief in sight, it appears, when the prime rate last week went down to 9.5 percent and for the first time in 6 or 7 years we have seen single-digit interest rates.

That is no immediate answer to the American farmer's problem out there on the family farm.

This approach, the approach of H.R. 2211, to providing some reasonable opportunity for American farm family enterprise to survive, is really the most innovative approach that I have seen come down the pike. Earlier this year we were asked to vote to extend more credit to American farmers under conditions that probably were not realistic, and it was too late for planting time, anyway. This is a far better approach for an interim bit of assistance to the American farmer.

If it does not work out well, I assume that the gentleman from Oklahoma, the primary sponsor of this legislation, along with many of the rest of us, will seek adjustments as are needed in future enactments of the law; but I would like to take just a moment to acknowledge the fact that the administration has expressed some considerable discomfort with H.R. 2211. Well, now, the administration—read that Office of Management and Budget, I suppose—from time to time does express discomfort about legislation that is good legislation, because they do not recognize it right off the bat sometimes. What they do recognize and what causes their discomfort is that the United States of America is a major creditor of the American family farmer. So they are worried about it. There is going to be more cost to the U.S. Treasury if debt repayment is stretched out, right? Well, especially, if interest rates as they are today, it might be better for Uncle Sam to get 50 cents on the dollar and get it now, and that would be as compared to stretching it out 5, 7, even up to 10 years, as would be allowable under this legislation.

That is the American farmer's problem in reverse.

Now, if the Office of Management and Budget stops to think about this legislation, as I am sure they will before it finishes its course through the Congress, they will recognize that they will collect more revenues if people are not put out of the farming business, they will collect more revenues if people are allowed to stretch out their debt and operate and continue to produce food and fiber for the American people.

They will recognize that the U.S. Treasury is really no worse off. Oh,

sure, there is some cost to having what is owed to Uncle Sam stretched out. But there will not be any cost, I project, in the long run, because the U.S. Treasury will also receive tax revenues from people who stay in an earnings position and are able to pay off their debts and those who receive the payment of their debts are going to pay more taxes than they would if they only got 50 cents on the dollar or 20 cents on the dollar.

Overall, Uncle Sam is going to be at least as well off in terms of dollars and cents. But American agriculture is going to be a lot better off if we stop forcing the family farmer off the farm. We as consumers are going to be better off. All of this does not sound like the philosophy of bankruptcy law, and I admit it is not, but bankruptcy law is established under our Constitution, by direct mandate in the Constitution, as one of the basic functions of the Federal Government to perform—to provide for the opportunity for people to carry out their economic enterprises without being put out of business.

That is what H.R. 2211 is intended to do and, I project, it will provide a great deal of help in that direction. I would urge, despite the discomfort that emanates from the Office of Management and Budget, that we take this one step in helping the American family farmer to stay on the farm, and let us move aggressively, more aggressively, to get those interest rates down further by working toward a balanced budget, friends. There is nothing more important that we can do for the American farmers.

Mr. MOORHEAD. Mr. Speaker, I yield 2 minutes to the gentleman from Texas [Mr. DE LA GARZA].

Mr. DE LA GARZA. Mr. Speaker, I thank my colleague for yielding this time to me, and I would like to add my voice in support of H.R. 2211, the Family Farmer Bankruptcy Act of 1985.

H.R. 2211 is a straightforward bill that gives financially distressed family farmers a better opportunity to devise a repayment plan with their lender that will enable them to work their way out of debt.

The financial troubles facing our agricultural economy are not of the farmers' making. For a variety of reasons the farmer has seen export markets collapse and farm income decline while his costs—including interest—remain high.

The high interest rates of the late 1970's have not subsided in the farm belt. While the rest of America is experiencing a decline in interest rates, the cost of credit to many farmers has actually increased as farm lenders struggle to survive.

In addition to declining exports and increasing interest rates, the family farmer has had to face a rapid decline in agricultural land values over the past 5 years. The largest declines have occurred in the Midwest, where land values in States such as Iowa and Nebraska have fallen by as much as 40 percent since 1981, but the decline is not limited to the Midwest. Even specialty crop producers in California are now feeling the credit pinch that declining land values bring to the family farmer.

How many American businesses could afford to borrow the operating capital they need if the value of their equity had fallen by 40 percent in only 4 short years? I believe that very few would withstand such a devastating drop in the value of their asset base.

President John F. Kennedy once observed that "the farmer is the only man in our economy who buys everything he buys at retail, sells everything he sells at wholesale, and pays the freight both ways." Unfortunately, the economic situation observed by President Kennedy 20 years ago is still true today. As a result, low commodity prices, shrinking export markets, high interest rates, and tumbling land values have combined to force many farmers to the brink of bankruptcy.

The troubles currently plaguing the American farmer are not unfamiliar to the Members of the House. This March the House passed emergency farm credit legislation—which unfortunately was vetoed by the President.

The legislation before us today is not nearly as sweeping as the emergency farm credit legislation. H.R. 2211 is a simple change in the bankruptcy law that will extend a helping hand to the American family farmer at a time when he needs it most. This bill will allow farm families to remain in their homes while working to repay the mountain of debt that many of them have accumulated because of circumstances beyond their control.

H.R. 2211 will provide farm families up to 10 years to repay their accumulated debt of up to $1 million and make related changes in the Bankruptcy Code designed to allow farm families to work with their creditors to solve their financial problems with compassion and dignity. It will enable these families to remain on the land that they love and in the communities that they have been a part of for generations.

I commend Chairman RODINO and the members of the House Committee on the Judiciary for bringing this legislation before us today. I hope that my fellow Members of the House of Representatives will join me in supporting this legislation that will give thousands of American farm families one last ray of hope that they may continue to till the soil and provide food for the dinner tables of all America.

● Mr. FISH. Mr. Speaker, I welcome this opportunity to express my strong support for H.R. 2211, critically needed farm bankruptcy legislation.

American family farmers, facing serious economic difficulties, have been filing for bankruptcy in increasing numbers. The Judiciary Committee confronted the task of formulating modifications in our bankruptcy laws that would make the option of remaining in business more viable for these financially distressed agricultural producers.

No one benefits from unnecessary farm liquidations. When we provide a mechanism for family farmers to keep their farms and satisfy creditors out of future earnings, we help not only the farmers themselves, but also the many businesses located in farm communities around the country. I believe that the approach of this bill—with its emphasis on expanding access to chapter 13 of the Bankruptcy Code, the adjustment of debt provisions—will provide an alternative to liquidation for many family farmers.

There are three basic chapters of the Bankruptcy Code—each offering possible relief to debtors: Chapter 7 provides for liquidation of nonexempt assets and the distribution of the proceeds to satisfy or partially satisfy claims of creditors. Chapter 11 permits businesses, in specified circumstances, to reorganize and remain in operation. Chapter 13, designed primarily for wage-earners, permits individuals with regular income and limited debts to pay obligations out of future income.

The choice for the family farmer who rejects the liquidation option clearly is between chapters 11 and 13. Frank R. Kennedy, a distinguished visiting professor at the University of Iowa College of Law, explains the desirability for the family farmer of chapter 13 and the inadequacy of chapter 11:

> Chapter 13 is less expensive, permits more expeditious adjustment in the form of a confirmed plan, does not permit displacement of the debtor in operation and possession of the property of the estate, obviates the need for and the expense of a creditor's committee, eliminates the necessity for preparation of and hearing on a disclosure statement and the solicitation and procuring of acceptances of a proposed plan, relieves the debtor from the pressure of codebtors sued by creditors who are or will be provided for in the plan, relieves the debtor from the necessity of dealing with the complexities engendered by § 1111(b) (affording recourse and nonrecourse lenders the option to retain liens for the face amount of their obligations), and protects the debtor from the risk of the cram-down of a liquidation plan formulated by a creditor.

The committee appropriately decided to introduce greater flexibility into chapter 13—flexibility that will permit many family farmers to qualify. What obstacles did we remove?

First, chapter 13 debtors under current law must have unsecured debts totaling less than $100,000 and secured

debts totaling less than $350,000. These debt limitations for chapter 13 eligibility are inadequate for many family farmers who must borrow substantial sums. The Judiciary Committee decided that an aggregate ceiling of $1 million was more appropriate. The National Farmers Union described such a cap as "adequate to let most family-size farm operations qualify for chapter 13 * * *."

Second, current law does not permit corporations to file under chapter 13. Although the two predecessor farm bankruptcy bills introduced in March (H.R. 1397 and H.R. 1399) included family owned corporations without publicly traded stock in the family farmer definition, H.R. 2211 as introduced excluded corporations outright—irrespective of their size and ownership.

The subcommittee received no conclusive testimony on the number of incorporated farmers. One witness cited a figure of 2 percent of total farmers with a certain minimum income. The National Farmers Union, in a letter to the committee, referred to 7 percent of the Nation's farms. I felt, even assuming the accuracy of the 2 percent figure, that small incorporated farms should not be excluded from the potential remedies of the legislation. Many farmers have chosen to incorporate at the encouragement of farm groups such as the Farm Bureau, the Grange, and the National Farmers Union. State law in certain jurisdictions, I understand, also encourages farmers to make such a business choice.

In our subcommittee markup, I offered an amendment that alters the definition of family farmer to permit small, closely held farm corporations to utilize chapter 13 regardless of whether they issue stock. The amendment requires majority ownership by one family (including relatives of the family) but explicitly excludes corporations with publicly traded stock. The new provision avoids the anomalous situation of two farmers in identical economic distress with the sole proprietorship qualifying and the incorporated farm unable to qualify. Such a result would be unfair.

H.R. 2211 incorporates a farm related debt test in the family farmer definition. At least 80 percent of total debt must arise out of farming in order to meet the cutoff for eligibility. The earlier versions of this legislation, H.R. 1397 and H.R. 1399, require farm related income to exceed a specified percentage of gross income. The income approach, however, is flawed, because many family farmers must accept nonfarm employment in order to keep their farms. The debt test in H.R. 2211 is designed to ensure the only persons who have a principal occupation of farming get the benefits of the family farmer definition.

In our full committee markup, I offered an amendment modifying the language of the 80-percent debt test to address the situation of the farmer who lives off the farm and has a nonfarm related mortgage. To include that mortgage in debt computation may prevent a farmer from meeting the 80-percent test. Residential debt often is quite substantial and may represent more than 20 percent of total debt. A home mortgage, in the case of the individual who lives off the farm, has nothing to do with whether the individual is principally engaged in farming. My amendment, which the committee accepted, appropriately disregards home mortgage debt in this situation for purposes of the 80-percent debt test in the family farmer definition.

The Judiciary Committee has drafted legislation that makes chapter 13 of the Bankruptcy Code accessible to family farmers. The bill will permit a number of family farmers to avoid liquidation and save their farms. H.R. 2211, favorably reported by a 32-to-0 vote of the Committee on the Judiciary, merits the support of all Members of this body.●

● Mr. GUNDERSON. Mr. Speaker, I would like to take this opportunity to add my strong support to H.R. 2211, the Family Farmer Bankruptcy Act of 1985. The simple facts are that there are literally thousands of family farmers in America who, through no fault of their own, are experiencing financial stress. Declining land values, a strong U.S. dollar, and interest rates which remain too high have all taken their toll on net farm income.

Without a meaningful opportunity to adjust their debts over time, many of these producers will have no choice but to leave the farm altogether. And that sequence of events could very well spell disaster for American agriculture in the long run.

Now, some of these individuals have been able to take advantage of the FmHA Debt Adjustment Program [DAP]. Unfortunately, not all family farmers could meet the eligibility requirements of that program. Those financially troubled farmers who could not participate in that program are, for the most part, left with the reorganization provisions of the Federal bankruptcy laws if they want to stay in farming.

I would not be stretching the truth, however, to say that chapter 11 proceedings under the Bankruptcy Code are—at best—complicated and expensive. Chapter 13 wage-earner plans are clearly preferable. Regrettably, many family farmers simply are not eligible to file a chapter 13 wage-earner plan because their debts exceed the statutory ceiling for such actions and, rather than having regular income, they frequently are paid only during certain seasons of the year.

H.R. 2211 alters current law to permit family farmers to fully utilize chapter 13 proceedings by allowing regular income to include income received on an annual basis as well as by increasing the debt ceiling for chapter 13 actions to $1 million. Further, the repayment time is increased to up to 10 years for family farmers since they most often have a greater total debt to repay than the average wage earner.

Finally, the legislation under consideration makes numerous technical changes in the law—such as capping the payment due any trustee, allowing for greater modification of secured debts against a debtor's principal residence, and providing for greater flexibility in the date on which the first payment under any chapter 13 plan is due—so that procedural considerations do not preclude the participation of a family farmer in a wage earner plan.

In short, Mr. Speaker, they key word is "flexibility." During these financially trying times on the farm, we ought to ensure that the complexities and expense of using Federal laws are not the deciding factor in whether or not a family farmer stays in business. By modifying chapter 13 of the Bankruptcy Code to permit its use by those family farmers who need a simple and relatively inexpensive extension of time to meet their current obligations, we go a long way to meet that goal.

I, therefore, urge my colleagues to join me in supporting the enactment of H.R. 2211.●

● Mr. GLICKMAN. Mr. Speaker, I rise in strong support of H.R. 2211, legislation which would expand the availability of chapter 13 to family farmers by raising the debt limit of eligibility under current law.

We hear daily stories of rural businesses in trouble, rural banks going out of business and family farmers forced into bankruptcy. When family farmers are forced out of business, the ripple effect on the rural economy is devastating. It is imperative that a strong farm bill be developed to bolster prices for farm commodities to keep farmers in business, but in the short term we need to make sure the Bankruptcy Code doesn't force people unfairly and unnecessarily to give up their farms. Quite frankly, that is just what the present Bankruptcy Code does. This legislation would go a long way toward remedying that.

Chapter 11 of the Bankruptcy Code is designed to manage the liquidation of assets in a bankruptcy; chapter 13 is intended to govern the restructuring of debt in those cases, thereby keeping the business in operation. Chapter 11 is also more costly and time consuming. But, since chapter 13 is designed generally to help wage earners pay off their debts over time, it is available only for total debts up to $450,000. Today, with the high costs of farming

and the expense of borrowing, that ceiling very often excludes family farmers from being eligible for chapter 13.

The House Judiciary Committee, with strong support from both parties, has wisely reported to the House this bill to raise that limit to $1,000,000 for family farmers as defined by this bill. The bill will also allow an exception to the present requirement that mortgages not be included in a chapter 13 debt restructuring when the family home is on a farm. Without this provision, a farmer could in many instances not restructure the financing of his land which is generally his major debt. Furthermore, the bill would allow farm debtors 240 days, instead of the normal 120 days, to file a restructuring plan so the farmer can better evaluate his situation before putting a plan together. Further, this bill would allow 10 years, instead of the normal 5, for repaying debt to creditors.

Certainly, changing the bankruptcy laws is not the answer to our farm problem by any means. The Agriculture Committee, on which I serve, is working diligently to report out a farm bill which raises farm income. But it is very important at a time when 1 out of every 10 farmers is facing financial problems. This could very well help family farmers stay in business, and that will help keep farms from ending up in the hands of giant corporations.

I urge every Member of this House to support passage of H.R. 2211.●

● Mrs. SCHROEDER. Mr. Speaker, I rise in support of H.R. 2211, the Family Farm Bankruptcy Act. I am proud to be a cosponsor of this legislation with Congressman MIKE SYNAR, because I believe it can be a major step in the right direction to solving the farm crisis.

H.R. 2211 allows farmers to restructure their debt under chapter 13 of the Bankruptcy Code, which is currenty limited to individuals. As it is now, farmers who file for bankruptcy must do so under chapter 11, usually a long and complex process. Many farmers do not survive the process. This bill ensures that farmers stay in business by giving them 10 years to reorganize and get out of debt.

Mr. Speaker, this bill is different from other farm bills that we have passed because it does not give them more money, thereby increasing a debt that they will surely never get out from under, but allows them to escape the burden that is now choking them to death.

I wish to insert in the RECORD a Denver Post editorial in support of the bill:

[From the Denver Post, March 3, 1985]

THE SCHROEDER "FARM BILL"

U.S. Representative Patricia Schroeder shocked her colleagues last week by voting against her party's "easy farm credit" mission—seemingly a sure fire "motherhood" issue guaranteed to embarrass President Reagan.

But Schroeder was looking further down the road—even to agreeing with President Reagan about farm credit. The Denver Democrat said:

"Just giving them (farmers) more money puts them more in debt. What they need is a chance to reorganize."

She's right. Many farmers now take extra credit, recycle it through their local banks and wind up in default anyway. They need more substantial help.

In hopes of giving them that help, Schroeder is co-sponsoring a bill with fellow Democrat Mike Snyar, an Oklahoma congressman, to allow farmers to file for bankruptcy under Chapter 13 of the U.S. Bankruptcy Code.

Chapter 13 presently is limited to individuals who have misecured debts up to $100,000 and secured debts up to $350,000. It's designed for wage earners or small-business people, and generally is denied farmers for two reasons. Many family farms are corporations and they also exceed the debt limits of Chapter 12.

Representatives Schroeder and Synar would change Chapter 13 to allow incorporated farms to qualify; it would lift debt limits to $1 million and give farmers 10 years to reorganize and repay their debts.

The farmer would be protected by the bankruptcy court while he gets his debts in order. He couldn't be foreclosed at the option of one creditor. Any such decision would be up to the court.

The further advantage of the Schroeder-Synar approach is that it would take farm debt out of Washington and solve it without cumbersome recourse to tax funds. So it wouldn't be the "budget-buster" that some lawmakers are afraid of.

The likelihood is that Reagan is going to win his test of wills with Congress. His veto of the emergency farm bill will stand, and whatever credit measures emerge will be on the conservative side.

The Schroeder-Synar approach could be a good backup, however. And in any case, it deserves attention on its own merits as a useful addition to the arsenal of programs available to farmers.●

● Mr. WILLIAMS. Mr. Speaker, I rise in support of this much-needed legislation. Across America the agriculture economy continues to sink into depression. Farm foreclosures have reached proportions higher than at any time since the thirties. Falling land and equipment values continue to place more hard-working, efficient farmers at risk of being forced to either sell out or be foreclosed.

During the sixties and seventies, a generation of enthusiastic young farmers followed the advice of Government and bankers to increase the size of their operations. Commercial banks and Production Credit Associations were eager to loan money for more grain acres, more sheep, more cattle, more dairy cows, or more machinery. Farmers were encouraged to produce more, and become more efficient to feed a hungry world.

These same young farmers now face double jeopardy. On the one hand—while profits have shrunk—cash-flow demands have increased to support their families and to meet business obligations. On the other hand—continued liquidation of the most distressed operators has placed these larger more efficient producers in jeopardy because of falling asset values. They have larger gross incomes and larger debts but are not protected by the current provisions of chapter XIII of the Federal bankruptcy codes.

These farmers and ranchers who fall in the category of $350,000 to $1 million of debt are the ones addressed by this bill. By allowing them to file under chapter XIII we encourage them to continue to produce and prevent foreclosure. Allowing them to proceed now to foreclosure would mean further escalation of the downward pressure on farmland and machinery values, and compound farm credit problems. These foreclosures would certainly bring additional farmers and ranchers into peril as well as threatening failure of more commercial banks, Production Credit Associations, and Federal land banks.

This bill is good medicine for an ailing farm economy. It will slow the hemorrhage occurring in rural America today. It will conserve some of the lifeblood left in our farmers and ranchers. It will give a treatment of compassion to Americans fighting for a traditional way of life and food supply policy of this country. It will give them the first hope from this Congress that the Government is determined to provide some solutions to the problems which past and current policies have created.●

● Mr. ALEXANDER. Mr. Speaker, between 1979 and 1983 net farm income in the United States decreased 50 percent.

Farm residents in 1983 received, after taxes, an average per capita income of $6,917—considerably less than the $10,000 per capita income for nonfarm residents of our country.

Dire warnings about the precarious financial state of agriculture abound. The U.S. Department of Agriculture reports that approximately 13 percent of all farm operators have a debt/asset ratio of 40 percent or more. When the debt/asset ratio reaches 40 percent, economists say interest costs of the farmer begin to threaten his survival. What these percentages translate into is 419,000 financially stressed farmers with $109 billion in debt as of last January.

But even more important is the fact that there are 156,000 farmers with debt/asset ratios of 70 percent or more, representing $46 billion in debt and $26 billion in assets. This sort of situation is highly insolvent and indicates a near-term potential loss exposure facing lenders.

Mr. Speaker, these figures translate into incredible pain and suffering for farmers in my First District of Arkan-

sas, and farmers throughout this country.

Our gravest problem in agriculture is our reliance on export markets which we are losing because of the overvalued dollar. It seems the Reagan administration favors an economic policy which encourages imports but which discourages exports.

But changing a dangerous and foolish economic policy is a matter of years, and undoubtedly will require new leadership in the White House.

For the present, we are unfortunately limited to giving whatever small relief we can to the family farmer. My colleague, Mr. SYNAR, as chief sponsor of H.R. 2211—the Family Farm Bankruptcy Act of 1985—is leading the way in this effort to help the family farmer.

Farm foreclosures have reached epidemic proportions. This bill corrects certain inequities in existing bankruptcy laws, making it less likely that farmers will lose their farms.

H.R. 2211 would allow more farmers to pay off their debts with future earnings rather than by liquidating their current assets. Most farmers now must file under chapter 11 of the U.S. Bankruptcy Code, which has provisions allowing the forced sale of farmer's land by creditors. This bill would allow the family farmer—defined as a person whose debts are 80-percent farm-connected—to reorganize under chapter 13 of the code. Chapter 13 allows creditors to attach future earnings on a specified repayment schedule.

The bill also gives farmers up to 10 years to repay their debts, rather than the 3 to 5 years allowed under current law.

The Family Farm Bankruptcy Reform Act is designed to give family farmers facing bankruptcy a fighting chance to reorganize their debts and keep their land. The bill offers family farmers the important protection from creditors that bankruptcy provides while, at the same time, ensuring that farm lenders-rural banks, the Farmers Home Administration, farm implement dealers, seed companies, and others-receive a fair repayment.

Inefficient farmers left farming during the 1970's and those who remain are good managers who have been caught by unexpected economic circumstances. Often they need time more than additonal Government financial assistance. This legislation gives them precious time with no cost to the Government.

Mr. Speaker, as one of the orginal cosponsors to this act, I ask others in this body to join me in this small but significant effort to alleviate the plight of the family farmer.●

Mr. MOORHEAD. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Oklahoma [Mr. SYNAR] that the House suspend the rules and pass the bill, H.R. 2211, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

□ 1420

WAR RISK INSURANCE

Mr. JONES of North Carolina. Mr. Speaker, I move to suspend the rules and pass the Senate bill (S. 413) to extend the provisions of title XII of the Merchant Marine Act, 1936, relating to war risk insurance.

The Clerk read as follows:

S. 413

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 1214 of the Merchant Marine Act, 1936 (46 App. U.S.C. 1294) is amended by striking "September 30, 1984" and inserting in lieu thereof "June 30, 1990".

The SPEAKER pro tempore. Pursuant to the rule, a second is not required on this motion.

The gentleman from North Carolina [Mr. JONES] will be recognized for 20 minutes and the gentleman from California [Mr. SHUMWAY] will be recognized for 20 minutes.

The Chair recognizes the gentleman from North Carolina [Mr. JONES].

Mr. JONES of North Carolina. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in strong support of S. 413 that was passed by the other body on June 6, 1985. This legislation deals with title XII of the Merchant Marine Act, 1936, and provides for insurance for vessels at risk due to the necessity of navigating in war zones.

This legislation was requested by the administration and I am pleased that we are able to respond to the request in a favorable manner.

Title XII of the Merchant Marine Act, 1936, generally authorizes the Secretary of Transportation to provide war risk and certain marine and liability insurance for the protection of vessels, cargoes, and crews when commercial war risk insurance cannot be obtained on reasonable terms and conditions. Such standby authority proved both necessary and effective in protecting the United States and its water borne commerce during World Wars I and II with total premium receipts in excess of losses paid.

Existing authority under title XII expired on September 30, 1984, and at the present time U.S.-flag vessels are without protection for loss by risks of war after termination of their commercial policies.

While the request from the administration was for legislation making permanent the title XII authority, section 1214 of the Merchant Marine Act, 1936, has generally limited title XII authority to periods of 5 years. The other body in reporting and passing S. 413 retained the traditional 5-year extension, and the authority, if this bill is enacted, will extend under the terms of the act to June 30, 1990.

The authority that the Secretary had, expired on September 30, 1984, and at the present time U.S.-flag vessels are withut protection against loss by risks of war at the termination of their commercial policies. Most, if not all, commercial policies provide that insurance terminates upon the outbreak of war, whether declared or not, between the major powers of the world or upon the hostile detonation of a nuclear device of war. Since it is unlikely that merchantmen will venture into areas that are likely to experience hostilities, the institution of standby insurance such as that which is provided under title XII of the Merchant Act, 1936, is essential and at this time urgent.

I urge your support for this legislation, which, I repeat, has no negative budget consequences.

Mr. SHUMWAY. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of S. 413, a bill to extend the authorization of the War Risk Insurance Program through June 30, 1990.

The War Risk Insurance Program, as contained in title XII of the Merchant Marine Act of 1936, is designed to furnish immediate protection for American merchant marine vessels against loss for vessels, cargoes, crew, and personal effects upon any hostile detonation of nuclear weapon or outbreak of war between certain major world powers. This emergency insurance coverage is necessary because commercial insurance policies contain automatic termination clauses in the event of such an occurrence. Without this standby Government protection, the waterborne commerce of the United States would surely cease at just the time the national security would most require it.

The War Risk Insurance Program is self-sustaining. The collection of binder fees and other receipts form the initial fund from which losses are paid during the first 30 days of hostilities. Based upon that loss experience, premiums are then established and collected. Experiences with the temporary insurance programs established during both World Wars found receipts exceeding outlays.

Mr. Speaker, S. 413 is noncontroversial legislation which is supported by the administration and reauthorizes a program which, technically, expired at the end of the last fiscal year. The failure of Congress to act at that time

in no way reflects upon the merits of the legislation. I repeat, I know of no opposition to the bill, and urge its adoption.

● Mr. BIAGGI. Mr. Speaker, I rise in support of S. 413. This bill extends provisions of title XII of the Merchant Marine Act, 1936, relating to war risk insurance, for an additional 5 years ending June 30, 1990. This title expired on September 30, 1984.

Title XII of the Merchant Marine Act, 1936, authorizes the Secretary of Transportation, with the approval of the President, to provide war risk and certain marine and liability insurance for protection of vessels, cargoes, and crew life and personal effects when commercial insurance cannot be obtained on reasonable terms and conditions. The purpose of title XII is to maintain the flow of U.S. waterborne commerce, including the maintenance of essential transportation services for the Department of Defense.

War risk insurance was provided by the Government in both World Wars I and II, and proved effective in protecting the civilian and military commerce of the United States, with total premium receipts in excess of losses paid. Title XII of the Merchant Marine Act, 1936, was enacted at the outbreak of the Korean war in 1950. It was temporary legislation that would expire in 5 years. Congress has continued to extend the life of the title since then.

Government war risk insurance is necessary since commercial war risk insurance policies now in effect contain automatic termination clauses that cause insurance to terminate upon hostile detonation of a nuclear device of war or upon the outbreak of war—whether there is a declaration of war or not—between any of the following countries: United States of America, United Kingdom—or any other member of the British Commonwealth—France, the Union of Soviet Socialist Republics, and the People's Republic of China. Without Government war risk insurance, American vessels would be without protection against loss by risks or war after termination of the commercial policies. Ships and cargoes would not move without adequate insurance coverage.

The Maritime Administration in the Department of Transportation issues, for a fee, binders under which Government war risk insurance would attach immediately upon termination of commercial war risk insurance.

These binders give back-to-back coverage with the commercial policies and expire at the end of 30 days. At that time, premiums for the insured period would be fixed retroactively. Contracts for the ensuing period would be determined on the basis of the circumstances existing at that time.

An identical bill, H.R. 5505, was passed by the House on May 15, 1984 by a vote of 413 to 0. The Senate failed to act on the measure and it died with the adjournment of the 98th Congress.●

Mr. JONES of North Carolina. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. SHUMWAY. Mr. Speaker, I have no requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from North Carolina [Mr. JONES] that the House suspend the rules and pass the Senate bill, S. 413.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the Senate bill was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. JONES of North Carolina. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the Senate bill just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

FEDERAL FIRE PREVENTION AND CONTROL ACT AUTHORIZATION, FISCAL YEAR 1986

Mr. WALGREN. Mr. Speaker, I move to suspend the rules and pass the Senate bill (S. 818) to authorize appropriations for activities under the Federal Fire Prevention and Control Act of 1974, as amended.

The Clerk read as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 17 of the Federal Fire Prevention and Control Act of 1974 (15 U.S.C. 2216) is amended by adding at the end thereof the following:

"(f) Except as otherwise specifically provided with respect to the payment of claims under section 11 of this Act, to carry out the purposes of this Act, there is authorized to be appropriated $22,953,000 for the fiscal year ending September 30, 1986.".

The SPEAKER pro tempore. Pursuant to the rule, a second is not required on this motion.

The gentleman from Pennsylvania [Mr. WALGREN] will be recognized for 20 minutes and the gentleman from New Mexico [Mr. LUJAN] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Pennsylvania [Mr. WALGREN].

Mr. WALGREN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, fire daily ravages this country. Firefighters, many of whom are volunteers, answer over 2.3 million fires each year. The full magnitude of the national fire problem is something that is often not grasped by the public. Overall, the loss is staggering. Twenty-four people die each day from fire. They die in one's and two's, and oftentimes people in one part of the country do not stop to think of fire losses in other cities and the like, but nonetheless the annual deaths due to fire are roughly equal to having two jumbo jets, full of pasengers, crash in midair month after month after month after month.

The annual death total approximates between 6,000 and 8,000 people; it is nearly 20 times the amount of deaths of all the other kinds of natural disasters combined. When you go beyond thinking of the loss of life to the financial loss, that is staggering also. Over $5 billion of direct fire loss that must be insured and covered and resources that could be better used in more productive ways are simply lost to our economy each year. When you total the amount of other investment related to fire, you come up to a figure that this Nation allocates something in the range of $20-some billion a year to try to minimize the loss related to fire.

So the question is in view of a loss of life of 6,000 to 8,000 lives a year, and in view of an economic loss of $20-some billion a year, what is the proper Federal role? What should we be doing, as the House of Representatives, on the national level to support the efforts that are made on the State and local levels with respect to fire.

□ 1430

Eleven years ago there was the watershed report issued by a Presidential Commission called "America Burning." That National Commission on Fire Prevention and Control set us on a course of addressing in some way these kinds of losses on the Federal level. They called for a level of effort that we have never approached. We have topped out in these last 7 years at a level of effort of something in the range of $22 million to $23 million a year. In 1974, a bipartisan report set out a blueprint to address the fire problem which called for annual spending of $154 million. We have never approached that level because of the limitations on the Federal budgets and the restraint with which the Congress has approached this area, but it should serve to focus our attention, knowing that there is a blueprint for levels of effort far in excess for what we here propose to address a loss that is as deep and as significant as any economic and personal life safety loss that face in our society.

The Congress, noting that "losses of life and property and in fire are unacceptable," created the U.S. Fire Administration to administer a Federal campaign to stamp out fires in America in the wake of the 1974 report.

This agency was charged with promoting research in the causes of fire, with organizing a national data collection center on fire, and with providing assistance to State and local fire agencies in the training of firefighters, and with the development of national education efforts to promote awareness of fire prevention techniques.

I think at some point we have to stop to realize, particularly when we think about the loss of lives in fires, that more ofter than not, and we ought to be doing more research on this, more often than note the people who lose their lives have already lost them before emergency response reaches the scene. That means that so much of what we do in this area has to be developed in the context of preventing fires. It is not that fires just do not happen; they do not happen for a reason. We need to be providing the range of support that enables fires not to happen.

Today we consider the authorization of S. 818, which is the 1986 authorization for the Federal Fire Prevention and Control Act. This bill would continue the current level of effort. There is no increase. It is a steady freeze, as they say so popularly in this body, at $22,953,000 for the U.S. Fire Administration and the National Fire Academy, both of which are administered through the Federal Emergency Management Agency.

The bill that we bring you today reinstates $2 million at the U.S. Fire Administration, that was not at least initially supported by the administration in its budget request. That $2 million is supportive of programs for community volunteer fire prevention, so important in preventing the loss of life that would be lost before emergency equipment arrived, for firefighter health and safety toxicity studies, which includes studies to determine the long-range health hazards to firefighters, and the exposure of firefighters to immediate toxicity problems because of the kinds of materials that are now burning, and to provide other technical assistance to State and local governments for master planning efforts with Federal agencies to improve fire and emergency management.

In addition, there is $1.2 million that was not originally supported by the administration to provide travel stipends to the National Fire Academy programs. It is said that 25 percent of the people who we send to the National Fire Academy are from volunteer-based organizations. They have no supporting organization to send them there. They arrive on their own time, often on vacation, and they are among the 30,000 people who have passed through the National Fire Academy, taking back invaluable training and awareness in approaching the problem of fire to their communities that they would never have been exposed to had they not had the opportunity to go to the National Fire Academy at Emmitsburg, MD, and now to the center on the west coast that we will be starting.

So these funds seem critically important for the distribution and the outreach of what we have found in the National Fire Program and certainly should be recommended to all our colleagues.

Fire affects us all in ways which are hard to measure, and certainly efforts of this level, when you compare them to where the recommendations would have led us, can only be supported. I would urge all Members of the House of Representatives to join in the support of this bill. Nothing is more compelling, in my view, of all the programs that we see in the health and safety areas. We cannot leave the local firefighters alone to try to deal with this kind of a problem that is so important to our society, and you might say something on this level is the least that we could do to support them.

Mr. Speaker, I yield back the balance of my time.

Mr. LUJAN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, we have two bills up today, one on fire research and one on earthquakes. They have been facetiously referred to as the "shake and bake" pair of bills.

Mr. Speaker, S. 818 is another example of how we can save taxpayers' money and still fund vital research and development programs. The bill represents a total funding of level of $19.3 million—a reduction of $3.6 million from the fiscal year 1985 level.

This level is in line with the administration request for fiscal year 1986 and is also a level which the agencies involved say is adequate. Each year, life and property are lost in fires in my home State of New Mexico and throughout the country. Together, the National Bureau of Standards Research Center and the U.S. Fire Administration and the National Fire Academy lead the Federal effort in preventing and controlling loss of life and property due to fires.

Mr. Speaker, I urge approval of this bill. We are continuing vital research while saving money for taxpayers.

● Mr. FUQUA. Mr. Speaker, I rise in support of S. 818. The bill authorizes appropriations for the Federal Fire Prevention and Control Act in fiscal year 1986.

This bill would continue the current level of funding for public education, arson prevention, technology development, and firefighter training and outreach programs at the U.S. Fire Administration and National Fire Academy. Also, the bill reinstates full funding for the Travel Stipend Program, which pays for a firefighter's travel expenses to attend the National Fire Academy in Emmitsburg, MD.

Fire statistics bear out the need for continued support to reduce the national fire problem. Annually, fires in this Nation cause approximately 8,000 deaths, 300,000 injuries and over $5 billion worth of destroyed property. If one includes the total cost of meeting fire and building codes, installing protective systems, maintaining fire departments and insuring property, the total rises to a staggering $21 billion.

The national fire picture becomes more grim in light of arson statistics. There were more than 175,000 arson fires in this country last year resulting in 871 deaths and 3,595 injuries. The national direct property loss to arson is estimated at $1.23 billion per year. Indirect losses were estimated at about $15 billion. In cities across the Nation, from Seattle to the South Bronx, arson has become a national epidemic.

Since January 1, 1985, 328,000 acres of land in Florida have been destroyed by fire. Arson, followed by a long dry spell and lightening, have been listed as the main causes of the worst wildfire disaster in the State. The situation became so critical recently, that the National Guard was called out to support the efforts of the mostly volunteer firefighter force.

Except for large fire disasters like those that have occurred in Florida, the daily destruction due to fire goes almost unnoticed. Yet, fire has caused and will continue to bring death and destruction in our Nation. The programs authorized in this bill insure the most effective and coordinated investment in reducing the costly penalty of fire.

I urge my colleagues to support S. 818.

COMMENTS FROM FRED STARK, DIRECTOR OF TRAINING, FLORIDA STATE FIRE COLLEGE, OCALA, FL.

In a recent high-rise building fire in Orlando, Florida, lives were saved as a result of efficient fire ground operations. The officers in charge of this incident had received training on how to manage such incidents at the National Fire Academy. This and other types of training programs are not available in Florida and many other States. State and local fire service training systems cannot meet the needs and demands for advanced fire service training. The National Fire Academy, through the courses offered, is elevating the level of expertise of today's fire service managers in Florida.

In FY-84, Florida was second in the number of students attending resident courses at the National Fire Academy. We feel the taxpayers are benefiting directly from these training programs. The data on fires in Florida reflects significant reductions in deaths, injuries and losses in spite of an increasing number of incidents which goes with our population increase.

The types of building construction in Florida is changing and requires changes in the fire codes, in-house fire protection systems, and firefighting. These functions must be properly managed and directed. The Academy provides the opportunity for training today's and tomorrow's managers. Without the stipend contracts this needed training

will not be received. The National Fire Academy is one of a kind. We must keep the doors opened and opened wide.

FIRE STATISTICS

Fire statistics for the State of Florida show that while the incidents of fire increased by 15.2% from 1983 to 1984, deaths decreased by 28.6% and injuries were down by 5%. These figures were compiled by local jurisdictions and reported to the National Fire Incident Reporting System (NFIRS) of FEMA's U.S. Fire Administration.

FLORIDA FIREFIGHTERS AT NFA

FY 82, 239; FY 83, 331; FY 84, 294; FY 85, 307.

Over four years, 1,171 Florida firefighters have attended resident programs at the National Fire Academy.●

● Mr. BOEHLERT. Mr. Speaker, I rise in strong support of S. 818, a bill to reauthorize the Federal Fire Prevention and Control Act for fiscal year 1986.

On May 7, 1985, the Committee on Science and Technology voted to report S. 818 as amended commensurate with the fiscal year 1985 freeze level. This level of $22.953 million fully reinstated the Travel Stipend Program currently available to volunteer and standing fire departments. These funds permit firefighters to attend invaluable training classes at the National Fire Academy [NFA] in Emmitsburg, MD.

Recognizing the problem of over enrollment at the NFA, our committee supported a proposal for a NFA-West of Carson City, NV. Last month, FEMA announced the contract for this facility. However, no new appropriations have been made to accommodate this startup. Given this expansion and the importance of ongoing efforts, I believe any level less than the fiscal year 1985 freeze would be dangerously scarce. In fact, if it were not for the need to curb the Federal deficit, I would have advocated an increase of funding for the NFA.

Without Federal support for travel to NFA, firefighters such as those in the 25th District of New York would otherwise not benefit from such educational classes. Several fire departments in upstate New York, for example, are manned by volunteers who take time from either their personal vacations or from their full-time employment to attend these classes. They, as well as our full-time professional firefighters, are devoted 24 hours a day to assure that our communities receive the best possible protection from the loss of life and property due to fire.

S. 818 as amended also reinstated proposed cuts to the U.S. Fire Administration [USFA]. In the last 5 years, USFA has undergone severe reductions in staff. Currently, very little data analysis and fire safety programs can be operated by USFA. Much of this effort has been contracted out, with USFA taking on merely a management role. I therefore find any further suggestion of reduction in funding inappropriate.

Congress has a serious responsibility to support and encourage a strong Federal fire prevention and control effort. The role of arsonry in this Nation's death rate and adolescent misconduct is significant enough to warrant a consistent Federal commitment. In an era of pride for the volunteer forces of this Nation, we should do more than recommend funding cuts as a sign of support and encouragement.

I, therefore, urge my colleagues to adopt S. 818 as amended providing the resources for our Federal fire efforts to continue.●

Mr. LUJAN. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro. tempore The question is on the motion offered by the gentleman from Pennsylvania [Mr. WALGREN] that the House suspend the rules and pass the Senate bill, S. 818, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the Senate bill, as amended, was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. WALGREN. Mr. Speaker, I ask unanimous consent that all Members have 5 legislative days in which to revise and extend their remarks on S. 818 the Senate bill just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

LAND REMOTE-SENSING COMMERCIALIZATION ACT OF 1984 AUTHORIZATIONS

Mr. NELSON of Florida. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 2800) to provide authorization of appropriations for activities under the Land Remote-Sensing Commercialization Act of 1984.

The Clerk read as follows:

H.R. 2800

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 609 of the Land Remote-Sensing Commercialization Act of 1984 (15 U.S.C. 4278) is amended by striking "$75,000,000 for fiscal year 1985" and inserting in lieu thereof "$295,000,000 for fiscal years 1985 through 1989, of which not more than $125,000,000 shall be available for fiscal years 1985 and 1986,".

The SPEAKER pro tempore. Pursuant to the rule, a second is not required on this motion.

The gentleman from Florida [Mr. NELSON] will be recognized for 20 minutes and the gentleman from New Mexico [Mr. LUJAN] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Florida [Mr. NELSON].

GENERAL LEAVE

Mr. NELSON of Florida. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill, H.R. 2800.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

There was no objection.

□ 1440

Mr. NELSON of Florida. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of H.R. 2800, a bill that will make possible the creation of a new industry in space and bring great benefits to all mankind.

This industry will be built upon the Landsat Research Program carried out at NASA.

There may be some question as to why we are moving this bill so quickly. It would be clear that the basic urgency arises from two causes outside the legislative process.

First, the committee is moving this legislation because we are facing the loss of our national capacity for land remote sensing. Landsat 5 was launched over a year ago and has an expected lifetime of about 3 years. So, before too long—maybe in 2 years—we will not have a Landsat. And, it takes typically 4 years to build a replacement.

Meanwhile, the French are moving ahead with their SPOT system which will compete with us.

So, we are already facing a data gap, and each day of delay makes that gap larger. The larger that gap becomes, the harder it will be for Eosat to become a commercial success, especially given the competition with SPOT.

Second, we have to consider Eosat. They began preparing to go into business more than a year ago. Since the end of the competitive process in which they were selected, Eosat has waited months for the Government to allow them to get started. Clearly, Eosat is not going to wait forever. We need to approve funding so they can start their race with SPOT.

The Committee on Science and Technology considered this subject very carefully in 1983 and 1984 in the course of passing the land Remote Sensing Commercialization Act of 1984. There is a voluminous record which, as Chairman FUQUA stated, was supplemented last week. The record fully supports both commercialization and also the limited—although adequate—financial support we are proposing in this bill.

Finally, let me just point out that the bill today adds to the existing authorization of $75 million for 1985 con-

tained in Public Law 98-365 a total of $220 million spread through fiscal year 1989. The bill also limits the total new authorization in fiscal years 1985 and 1986 to $50 million.

Mr. Speaker, I support the bill and recommend that it pass.

Mr. Speaker, I now yield to my colleague, the chairman of the full Committee on Science and Technology, the gentleman from Florida [Mr. FUQUA].

Mr. FUQUA. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, I rise in support of H.R. 2800, a bill that will make possible the creation of a new industry in space and bring great benefits of all mankind.

This industry will be built upon the Landsat Research Program carried out at NASA.

"Landsat" refers to a series of experimental remote-sensing satellites that gather data useful in a wide variety of applications, including predictions of agricultural yield and crop health, water resources studies, mineral and oil exploration, mapmaking, and environmental monitoring. Five Landsat satellites have been funded by the Government, beginning with Landsat 1 in 1972 and concluding with Landsat 5, which was launched in 1984 and which is expected to remain operational through 1987.

Remote sensing is a natural candidate for private operations because so much of its use will be commercial and because private marketing efforts will expand the beneficial uses of remote-sensing data.

Numerous hearings were held in the 98th Congress on the commercialization of Landsat, which culminated on July 17, 1984, in the enactment of the Land Remote-Sensing Commercialization Act of 1984. The act provided for phased transition of land remote sensing to the U.S. private sector and authorized $75 million in fiscal year 1985 for Federal subsidies to enable the private operator to begin construction of a follow-on Landsat system.

Late in 1984, the Department of Commerce selected the Earth Observation Satellite Co. [Eosat], a joint venture of RCA and Hughes Aircraft, as the winning bidder in the competition provided for in the act.

In May 1985, OMB forwarded a $125 million appropriations request for Landsat commercialization to the Congress—$75 million as an fiscal year 1985 supplemental and $50 million as an fiscal year 1986 budget amendment.

Two weeks ago, the Science and Technology Committee held the last in a series of hearings which convinced us that the Eosat contract both meets the provisions of the law and also is in the best interests of the taxpayer.

H.R. 2800 would authorize sufficient funding for the entire Eosat contract—$295 million—of which $125 million would be available for fiscal years 1985 and 1986 as requested by the administration.

The $295 million would enable Eosat to build two satellites and a ground-receiving station, and to launch both satellites via the space shuttle, at a cost of $45 million. None of the money would be used for operating or marketing costs, all of which will be funded by Eosat out of revenue from data sales.

Mr. Speaker, this bill culminates several years of work by our committee. I urge all Members to support it.

Mr. LUJAN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, this bill we bring you today is something which has been before us for several sessions of Congress. For some time now, many of us on the Science and Technology Committee have advocated commercialization of the remote land sensing system.

At the beginning of the last Congress, we buckled down and got serious about the issue. We had a long series of hearings which finally resulted in the passage of the Land Remote Sensing Act of 1984.

Since then, we have been waiting for the administration to complete the first steps in implementing that act and we're pleased now that the Eosat contract has been brought before Congress for our review. This bill will transfer Landsat to a partnership between Hughes Aircraft and RCA.

The hearings we had last week reaffirmed that the commercialization effort is moving in the right direction. The administration has submitted a request for a supplemental appropriation to fund this and has assured us that the total cost will be $295 million.

Mr. Speaker, I urge this body to approve this bill today. It's time we quit talking about this program and get on with it.

● Mr. WALKER. Mr. Speaker, I rise in strong support of H.R. 2800 which will amend the Land Remote Sensing Commercialization Act of 1984 to provide the full and final authorization for the transfer of the Federal Government's civil land remote sensing satellite system, known as Landsat, to a private company.

Two years ago the President announced his intention to commercialize the Landsat system. Last year the Congress passed the Land Remote Sensing Commercialization Act of 1984 which became Public Law 98-365. That law requires the Secretary of Commerce to enter into a contract for the commerical operation of the current Landsat system, and for the development and operation of a follow-on system. For reasons of fiscal austerity the Office of Management and Budget placed a $250 million limit on Federal financial support during the transition.

The Department of Commerce is ready to enter into a contract with Earth Observation Satellite, Inc., known as Eosat, which will provide for the construction of two new Landsats, a new ground station, commercial operation of the system in the future and necessary launch services on the space shuttle.

The total cost to the taxpayer under this contract will be $295 million which includes $250 million to Eosat for two new satellites, a new ground station, and all operational services, and $45 million to NASA for payload integration and launch services for the two new Landsats.

Because the Government was deeply involved in contract negotiations at the time, no request for this program was included in the fiscal year 1986 budget. However, on May 22, 1985, the President requested the Congress to provide a $75 million supplemental appropriation for fiscal year 1985 and an additional $50 million for fiscal year 1986.

Your committee of jurisdiction has carefully examined all aspects of this contract and has concluded that it is an excellent deal for the American taxpayer, and therefore, it deserves the full support of the Congress.

We received testimony from the Department of Commerce that it would cost about $325 million to build and launch a Landsat today. Under this contract the taxpayers will receive two new satellites which are to be the property of the United States, a new ground station, and the services necessary to operate the system for 10 years for the cost of a single new satellite.

Mr. Speaker, this legislation is sound. It authorizes the full amount of the funding for the Commerce-Eosat contract. It is the intention of your committee that no additional funding will be authorized or provided beyond what is agreed to in the contract and contained in this bill.

Finally, Mr. Speaker, we must move this legislation expeditiously since the funding for both fiscal years 1985 and 1986 is contained in the version of the fiscal year 1985 supplemental appropriations bill reported by the Appropriations Committee in the other body on June 13. The House version of that supplemental appropriation is silent on Landsat, but we expect the conferees to include the funding in the final version. Therefore, Mr. Speaker, I urge my colleagues to join me in supporting this highly worthwhile measure.●

● Mr. SCHEUER. Mr. Speaker, I rise in support of H.R. 2800.

Last week, the Subcommittee on Natural Resources and the Subcommittee on Space Science held a joint hearing to examine the Eosat contract which was described by the chairman in his opening statement. I am pleased

to say that the terms of the contract, as reviewed during that hearing, are satisfactory with respect to two crucial concerns of the committee members.

First, the contract does follow the spirit and the letter of the enabling legislation—that is, it satisfies congressional concerns regarding national security, international relations, and U.S. technological leadership.

Second, the proposed contract is a good deal for the U.S. taxpayer. Under the Eosat contract, a U.S. land remote-sensing capability will be maintained by the private sector at less than one-half the cost of a Government system. More importantly, the contract creates a new U.S. high-technology industry—an industry which will generate jobs, enhanced productivity, and public benefits for years to come.

One issue did arise during that hearing which at the time caused me some concern. Since Eosat is a joint venture of RCA and Hughes Aircraft and since Hughes was purchased within the past month by General Motors, I questioned the extent to which Hughes' new owners were committed to making land remote sensing a commercial success. However, I have since been assured, during conversations with General Motors' officials late last week, that GM fully intends to support Hughes in the aggressive marketing efforts that will be necessary to put commercial remote sensing on a sound footing. This assurance is an important one, since Eosat faces some very tough international competition in remote sensing from the French and the Japanese.

Mr. Speaker, we stand today at the birth of an entirely new U.S. high-technology industry in remote sensing. The process of Landsat commercialization, over the past 2 years, has been marked by an unusual degree of cooperation between industry, the administration and the Congress. I would like to commend in particular the outstanding contributions that the gentleman from Florida [Mr. FUQUA], the gentleman from New Mexico [Mr. LUJAN], the gentleman from Missouri [Mr. VOLKMER], and the gentleman from Florida [Mr. NELSON] have made. The bill before us today represents the culmination of their efforts.

It is a good bill, and I urge my colleagues to support it.●

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Florida [Mr. NELSON] that the House suspend the rules and pass the bill, H.R. 2800.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

EARTHQUAKE HAZARDS REDUCTION ACT AUTHORIZATION, 1986 AND 1987

Mr. WALGREN. Mr. Speaker, I move to suspend the rules and pass the Senate bill (S. 817) to authorize appropriations under the Earthquake Hazards Reduction Act of 1977 for fiscal years 1986 and 1987, and for other purposes, as amended.

The Clerk read as follows:

S. 817

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 7(a) of the Earthquake Hazards Reduction Act of 1977 (42 U.S.C. 7706(a)) is amended by adding at the end thereof the following:

"(6) There are authorized to be appropriated to the Director, to carry out the provisions of sections 5 and 6 of this Act, for the fiscal year ending September 30, 1986, $5,596,000, and for the fiscal year ending September 30, 1987, $5,848,000.".

SEC. 2. Section 7(b) of such Act (42 U.S.C. 7706(b)) is amended by striking ", and" immediately after "1984" and inserting in lieu thereof a semicolon, and by inserting $35,044,000 for the fiscal year ending September 30, 1986; and $36,621,000 for the fiscal year ending September 30, 1987" immediately before the period at the end thereof.

SEC. 3. Section 7(c) of such Act (42 U.S.C. 7706(c)) is amended by striking "and" after "1984;" and by inserting "; $27,760,000 for the fiscal year ending September 30, 1986; and $29,009,000 for the fiscal year ending September 30, 1987" immediately before the period at the end thereof.

SEC. 4. Section 7(d) of such Act (42 U.S.C. 7706(d)) is amended by striking "and" after "1984;" and by inserting "; $499,000 for the fiscal year ending September 30, 1986; and $521,000 for the fiscal year ending September 30, 1987" immediately before the period at the end thereof.

SEC. 5. Section 5(b)(2)(E) of such Act (42 U.S.C. 7704(b)(2)(E)) is amended to read as follows:

"(E) compile and maintain a written plan for the program specified in subsections (a), (e), (f), and (g), to be submitted to the Congress and updated at such times as may be required by significant program events, but in no event less frequently than every three years;".

SEC. 6. Section 5(b)(2) of such Act (42 U.S.C. 7704(b)(2)) (as amended by section 5 of this Act) is further amended by redesignating subparagraph (F) as subparagraph (G), and by inserting after subparagraph (E) the following new subparagraph:

"(F) make, in cooperation with the United States Geological Survey, the National Science Foundation, and the National Bureau of Standards, an annual presentation to the appropriate committee of the Congress within sixty days after the end of each fiscal year for the purpose of communicating any events and any programmatic requirements deemed significant by the National Earthquake Hazards Reduction Program; and

The SPEAKER pro tempore. Pursuant to the rule, a second is not required on this motion.

The gentleman from Pennsylvania [Mr. WALGREN] will be recognized for 20 minutes and the gentleman from New Mexico [Mr. LUJAN] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Pennsylvania [Mr. WALGREN].

Mr. WALGREN. Mr. Chairman, I yield myself such time as I may consume.

Mr. Speaker, in the United States when we think of earthquakes, we usually think of California. That's because in geologic terms California is a realm of earthquakes: It is part of the Ring of Fire, the belt of earthquakes and volcanic activity that circles the Pacific. The San Andreas Fault, which scars California from north to south, is one of the Earth's great emblems of seismic activity.

In human terms California is the most populous State in the United States and a center for many of the Nation's critical technology-oriented industries; 10 percent of the Nation's population and industrial resources are there, and 85 percent of these resources—or 8.5 percent of the Nation's total—are in a strip of 21 counties along the continental margin that are well within the seismic domain of the San Andreas.

However, it may come as a surprise to learn that since 1700 some 3,500 earthquakes have been felt east of the Mississippi. Although earthquakes are about 10 times more common in California than they are in the Eastern United States, damaging earthquakes do constitute a significant hazard in the Eastern United States. Historic examples of violent earthquakes occurred in Charleston, SC, on August 31, 1886, and in New Madrid, MO, area during the winter of 1811-12. Extensive damage and 60 deaths were caused by the South Carolina event, and widespread dislocation of the ground surface occurred in the Mississippi River Valley area. These earthquakes were felt over much of the Eastern United States—a characteristic of major eastern events.

Although there are no recent strong earthquakes in the East, the fact is that most geologic elements of the Charleston area are similar to those in other parts of the East raises the real possibility that major earthquakes with long recurrence intervals may occur in our part of the country.

Clearly, the threat of earthquake hazards are not limited to California and the East, all or parts of 39 States lie in regions classed as having major or moderate seismic risk. Within these States 70 million people are exposed to earthquake hazards. Eight years ago, Congress recognized the threat of catastrophic losses of life and property posed by the earthquake hazards in the United States and enacted the Earthquake Hazards Reduction Act.

The Earthquake Act established a National Earthquake Hazards Reduction Program [NEHRP]. The Federal

Emergency Management Agency [FEMA] has primary responsibility to plan and coordinate this effort, and to assist State and local governments with earthquake mitigation and preparedness; the U.S. Geological Survey [USGS] conducts and sponsors research on earthquake prediction, induced seismicity and evaluation of geologic hazards; the National Science Foundation [NSF] sponsors basic and applied research on earthquake processes and phenomena, earthquake engineering and societal response; the National Bureau of Standards [NBS] contributes research on performance criteria and supporting measurement technology for earthquake resistant construction.

The total authorization level for fiscal year 1986 is $68.899 million, which is equal to the President's fiscal year 1986 request. This bill reduces the U.S. Geological Survey's authorization level by about 4 percent from the current level of effort—$36.554 million to $35.044 million. Also the bill maintains the programs at FEMA and NSF at the current level, and reinstates the program at the Center for Building Technology at NBS. For fiscal year 1987, authorization levels are set at 4.5 percent about the fiscal year 1986 levels.

I wish to thank the chairman and members of the Committee on Interior and Insular Affairs for helping to bring this bill to the floor.

As recognized by the Congress almost a decade ago, earthquakes are a national problem. With each passing year, both the population and development of vulnerable areas are increasing.

I urge my colleagues to support S. 817.

□ 1450

Mr. LUJAN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, S. 817 funds fundamental scientific research efforts in understanding the process that is involved in earthquakes, with the goal of better engineering to minimize the effects and the goal of better prediction.

In addition, it provides a mechanism by which the Federal, State, and local governments can coordinate and use the resources to prepare the respond to an earthquake catastrophy.

The bill not only is in line with the administration's request for 1986, but it also represents a reduction of $1.6 million over the fiscal year 1985 level. I not only welcome the savings to the taxpayers, but I also welcome the continued research into the problems with earthquakes.

My home State of New Mexico has been the victim of some earthquakes, and although we have not felt the tremors of a major disaster, I feel better knowing we are continuing with research on this problem.

The bill represents reductions in both fiscal years 1986 and 1987 levels approved by the Senate and this bill has also cleared both the Science and Technology Committee and the Interior Committee. It represents a level of funding which the agencies have said is adequate and also represents a savings for the taxpayers.

So, Mr. Speaker, I urge approval of this bill.

Mr. WALGREN. Mr. Speaker, I yield such time as he may consume to the gentleman from Florida [Mr. FUQUA].

Mr. FUQUA. Mr. Speaker, I thank the chairman of the subcommittee for yielding.

Mr. Speaker, the bill, S. 817, is of utmost importance. It coordinates some four agencies; the Geological Survey, the National Science Foundation, the National Bureau of Standards and also FEMA, the Federal Emergency Management Agency, in carrying out a national program.

It has been pointed out by the able gentleman from Pennsylvania that we tend to think when you ask people where earthquakes occur, they generally think of California, and that certainly is not the case. In the last fiscal year we had two earthquakes happen in the United States, one in south-central Idaho and one in the central Adirondack Mountains in New York State, so they are not just limited to one region of the country. We all have potential devastating effects and if we can learn more about earthquakes, I think it would go a long way toward not only saving lives, but also very valuable property.

I also want to thank the chairman of the subcommittee and the ranking minority member on the subcommittee and the gentleman from New Mexico [Mr. LUJAN] on the full committee for bringing this bill to the floor and also to the Interior and Insular Affairs Committee for their cooperative activities in reporting the bill and working with us on it.

Mr. Speaker, I rise in support of S. 817. The bill authorizes appropriations for fiscal year 1986 for the Earthquake Hazards Reduction Act of 1977.

As is well known, our Nation needs to continue a Federal earthquake program. The Federal Emergency Management Agency [FEMA] currently assesses a 2- to 5-percent probability per year of a catastrophic earthquake in California, and greater than 50 percent in the next 30 years. Such an event could cause $15 to $70 billion in direct property damage and 3,000 to 13,000 fatalities. Proper prediction and response planning would substantially reduce these losses and provide for rapid and economic recovery of the impacted community. The U.S. Geological Survey, National Science Foundation, National Bureau of Standards Center for Building Technology and FEMA have important roles in carrying out the National Earthquake Hazards Reduction Program.

California is only one of many sites where earthquakes may occur. For example, in fiscal year 1984, earthquakes hit south-central Idaho and near Blue Mountain Lake in the central Adirondack Mountains of New York. Perhaps the most violent earthquakes of record in the United States occurred at New Madrid, MO, in 1811 and 1812, which changed the course of the Mississippi River and stopped clocks as far away as Boston. Another event of large magnitude took place near Charleston, SC, in 1886. Geologists believe that earthquakes are likely in more than 30 States, although the probability in any one spot is much less than that in the Pacific States.

This bill reduces only slightly the U.S. Geological Survey's monitoring and prediction activities, reinstates the seismic codes and standards effort of the Center for Building Technology at the National Bureau of Standards, and maintains the current level of earthquake engineering and fundamental research at NSF and leadership responsibilities and preparedness planning activities at FEMA. For fiscal year 1987 authorization levels are set at 4.5 percent above the fiscal year 1986 level.

I wish to thank the chairman and members of the committee on the Interior and Insular Affairs for helping to bring this bill to the floor.

A major earthquake is rare and yet certain—only the exact timing is in doubt. State and local officials and scientists have made us well aware that we cannot afford to lose momentum in the National Earthquake Hazards Reduction Program. The National program authorized in this bill ensures the most effective and coordinated investment in reducing the costly penalty of the hazards associated with earthquakes.

I urge my colleagues to support S. 817.

Mr. LUJAN. Mr. Speaker. I yield such time as he may consume to the gentleman from Missouri [Mr. EMERSON].

Mr. EMERSON. Mr. Speaker, I was a bit startled yesterday when I opened the Washington Post and found that a town in Missouri's Eighth Congressional District was featured in Ripley's Believe It Or Not! The town was New Madrid, and what the anecdote I am referring to concerned was that New Madrid, MO, and the surrounding area were wrecked by a series of three earthquakes between 1811 and 1812 so severe that churchbells actually rang in Richmond and Boston, and the Mississippi River flowed in a northerly direction for several hours. It went on to say that New Madrid is hit by an earthquake that can be detected by humans on an average of once every

48 hours. What it didn't say is that New Madrid and the surrounding area are hit by earthquakes that can be detected by instrumentation several times every day, 365 days a year.

We often hear of the San Andreas fault due to the fact that California is heavily populated and because San Francisco was hit by a severe earthquake at a time when it was highly developed. Well, southeast Missouri and the surrounding area were not heavily populated or highly developed in the early 19th century, but they are now and experts tell us that another very serious quake could hit that area at any time.

The point I want to make is that earthquake protection is a very serious matter for many geographic areas of the country. We must all work together to prevent the loss of lives and to protect property.

I would prefer to have the chance to vote on the version of this bill that was reported by the Interior and Insular Affairs Committee, because I would like to have seen the U.S. Geological Survey funded at the 1985 level. Be that as it may, I rise in strong support of S. 817 and I urge my colleagues to cast their votes in favor of this bill.

Mr. Speaker, I include an article by columnist George Will that appeared in the August 16, 1984, edition of the Washington Post:

[From the Washington Post, Aug. 16, 1984]

THERE'S REASON FOR TREMBLING

(By George F. Will)

BERKELEY, CALIF.—Sensible citizens consider modern life altogether too full of incident, and they may become cross with Prof. Bruce Bolt because he says the earth is going to heave beneath our feet. In fact, were our feet sufficiently sensitive—and thank God they are not—we would, he says, feel it heaving constantly.

Bolt is a seismologist. His science is of intense interest in California, and in New Madrid, Mo., the site, around New Year's, 1811-12, of several of America's severest quakes. They temporarily reversed the flow of the Mississippi, altered its course and caused church bells to ring in Boston.

Today about a million people live in the zone of maximum vulnerability. Quakes of the 1811-12 scale would damage St. Louis, Little Rock, Nashville and parts of seven states. Because quakes are rarer there than in California, building codes are less strict. The rarity is ominous. Geological tensions are building in that zone, and a sudden adjustment may be overdue.

The New Madrid quakes were approximately 8 on the Richter scale. The Alaska quake of Good Friday, 1964, was 8.4. The 1906 San Francisco quake was 8.3. The scale is logarithmic: the San Francisco quake was 900 times more powerful than the 6.5 quake that in 1983 left 30 percent of the houses in Coalinga, Calif., uninhabitable. The Coalinga quake resulted from some faults not previously mapped, raising the question of how many more unknown faults in California could cause quakes of 6 severity.

There are 2,500 to 10,000 measurable quakes a day, worldwide. In California there are about 30 a day strong enough to make a squiggle on seismographs here and elsewhere. (Instruments can measure ground movements the size of a molecule of oxygen). The problem is that California has chosen, improvidently, to sit on two plates of the earth's crust, one of which is moving south while the other heads for Alaska at a rate of two inches a year.

No good can come to this, but there is no reasoning with these plates. And there is no predicting when tension built by the friction (rocks under great pressure are elastic enough to store energy like springs) will produce sudden slippage.

Quakes kill thousands of people each year. One in China in 1976 killed an estimated 400,000. It is a science certainty that large quakes are coming to the United States, Japan and elsewhere. But, Bolt says, predicting times as well as places is a science in its infancy. Chinese sources claim that an evacuation of a city, in response to correct prediction, saved 100,000 lives in 1975. In 1981 an inaccurate prediction caused panic in Peru.

For several days after a serious quake there might be no effective civil authority to allocate medical and rescue resources. So there are large stakes in the scientists' search for patterns of premonitory events. Bolt knows that by predicting where and how much the earth may move, measures can be taken (concerning the architecture of schools, distribution systems for water and power, dams, bridges and other matters) that will mean that when the pieces are picked up, there will be fewer pieces than there might have been.

The Lisbon earthquake on All Saints Day, 1755, was an important event in the history of the European mind. It killed thousands of persons in churches, and thousands more who, fleeing to the seashore, were drowned by a tidal wave. It raised doubts about the beneficence of the universe and God's disposition toward the 18th century.

Seventeen days later, in Boston, a quake stopped clocks and killed fish in the harbor. In 1886, Charleston, S.C., shook for eight minutes, and 60 persons died. Clearly, seismology, with its predictive potential, is a practical matter. But Bolt, a dry and laconic Australian, is relaxed. Once must be when the stakes of one's investigations are large, but the events one is investigating are beyond control and, pending the accumulation and sifting of vast quantities of evidence, are unpredicatable.

Bolt has, as a good scientist is apt to, a philosophic turn of mind, and his work has potentially cosmic reverberations. Earthquake waves bouncing around the earth's interior reveal much about the planet's structure, and hence are suggestive about its origins. Thus seismology serves cosmology by producing clues about the "big bang" or whatever it was that produced the universe, and all matter, including the small quaking fragment on which we travel.

Mr. WALGREN. Mr. Speaker, I yield such time as he may consume to the gentleman from West Virginia [Mr. MOLLOHAN], representing the Interior and Insular Affairs Committee on this side.

Mr. MOLLOHAN. Mr. Speaker, as the gentleman well knows, the Committee on Interior and Insular Affairs shares jurisdiction with the Committee on Science and Technology on the Earthquake Hazards Reduction Act. We are pleased to join with you today in support of S. 817, legislation to authorize appropriations for the programs under the act for fiscal years 1986 and 1987.

While we in the Interior Committee are concerned with the whole National Earthquake Hazard Reduction Program, out of the four agencies involved in this effort, we are particularly interested in the work of the U.S. Geological Survey.

In this regard, the bill before us would authorize $35,044,000 for fiscal year 1986 and $36,621,000 for fiscal year 1987 for the Survey's contribution to the Federal Earthquake Program. While this amount is a mere $441,000 above the administration's fiscal year 1986 request for the USGS, it is, in fact, a reduction of $1,510,000 from the fiscal year 1985 enacted appropriation level. We in the Interior Committee, as our colleagues on the Science and Technology Committee, are mindful of the need to restrain Federal spending.

However, with respect to the USGS, we find that the authorization contained in the bill before us will allow the agency to continue with its earthquake related studies in seismology, geology, geophysics, as well as in soils engineering.

I believe our friends from California are well aware that the threat of a catastrophic earthquake in that State is every-present. I would assure them that this legislation will enable the Survey's seismographic stations in California, as well as in Alaska, Utah, Nevada, and Washington to continue to operate. It is essential that the monitoring networks be maintained and this legislation will enable the USGS to fulfill its mandate.

It should be noted that this bill authorizes the same total amount for fiscal year 1986 as the administration's request, and is, in fact, a reduction from the levels contained in the version of this bill passed by the other body. Be that as it may, we have diligently sought to insure that the USGS will not fail to serve the public interest in its efforts in the Federal Earthquake Program.

● Mr. BOEHLERT. Mr. Speaker, I rise in strong support of S. 817 as amended, a bill to reauthorize the Earthquake Hazards Reduction Act for 1986 and 1987.

I wish to thank my colleagues on the Committee on Interior and Insular Affairs for their expeditious manner in clearing this bill for floor action under suspension of the rules.

S. 817 as amended was jointly referred to the Committee on Science and Technology and the Interior Committee. The funding level which we are asking the full House to adopt are those accepted by the Science Committee on May 7, 1985.

S. 817 as amended accepts the overall funding levels requested by the ad-

ministration for the Earthquake Hazards Reduction Act. However, the distribution of funds to the National Bureau of Standards [NBS] permits the reinstatement of the Center for Building Technology—$0.475 million. This is consistent with the intention of the full House when the NBS reauthorization for 1986 was voted at the fiscal year 1985 freeze level on April 17, 1985.

S. 817 as amended funds the Federal Emergency Management Agency [FEMA] at the request of $5.596 million. The U.S. Geological Survey [USGS] was increased by approximately $500,000 above the administration's request. The request would have decreased USGS activities by $2 million.

The Committee on Science and Technology has expressed, on several occasions, concern that the earthquake program be recognized as and managed as a national mitigation and reduction effort. While the frequency of earthquakes may be substantially less in the Eastern United States, the consequence of the same magnitude earthquake may be far more devastating in the east than on the west coast.

In addition, I specifically would like to recognize and commend USGS for their earthquake programs and would support a comprehensive effort on the part of the U.S. House of Representatives to reinstate any pay and/or administrative cuts borne by our Federal R&D agencies.

Finally, as the differences between the House and Senate numbers are relatively minor, I would hope that the two Chambers could work swiftly to finalize this reauthorization.●

□ 1500

Mr. WALGREN. Mr. Speaker, I have no further requests for time.

Mr. LUJAN. Mr. Speaker, I have no further requests for time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Pennsylvania [Mr. WALGREN] that the House suspend the rules and pass the Senate bill, S. 817, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the Senate bill, as amended, was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. WALGREN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the Senate bill just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

IMMIGRATION REFORM

(Mr. RICHARDSON asked and was given permission to address the House for 1 minute, and to revise and extend his remarks, and include extraneous material.)

Mr. RICHARDSON. Mr. Speaker, nowhere on the congressional platter for this calendar year is the issue of immigration reform.

Mr. Speaker, I think it is critical that the Congress give immigration reform legislation a greater priority and that this body act on immigration reform legislation this calendar year.

As chairman of the Congressional Hispanic Caucus and as an individual Member of Congress, I pledge my willingness to work for a bill which is not only effective and fair, but has a real potential for enactment. Toward this end I have met with Speaker O'NEILL to express my views.

Mr. Speaker, there is a foreign policy dimension to the immigration issue that we have not yet effectively considered. Such initiatives, primarily with the Government of Mexico, could include: First, a free trade and coproduction zone along the United States-Mexican border; second, a United States-Mexican bilateral commission; third, a joint United States-Mexico development bank; and fourth, a multilateral commission on immigration.

Mr. Speaker, the Congress should act on immigration legislation expeditiously this calendar year.

Mr. Speaker, I include my testimony before Senator ALAN SIMPSON's Judiciary Subcommittee, as follows:

Mr. Speaker, I thank you for this opportunity to appear before you today to discuss S. 1200, the Immigration Reform and Control Act of 1985.

I am not here today to endorse your bill, Mr. Speaker, for I believe, as I have said before, that it is regressive, punitive, and above all, lacking compassion and fairness, elements which have for so long represented the essence of this country's traditional immigration policy. Nor Mr. Speaker, am I here only to criticize and nay say. Rather, I am here to offer what I hope are constructive comments, and to pledge my willingness, both as an individual and as chairman of the Hispanic Caucus, to work for a bill which is not only effective and fair, but has a real potential for enactment. Toward this end I have met with the Speaker of the House to encourage his active participation in this issue and to garner his assurance of expeditious action in the House of Representatives.

Immigration reform has consumed the better part of two Congresses, hundreds and hundreds of hours of Member and staff time, and before that, years of work by the select commission. It is an issue of great national importance with international ramifications, and yet it eludes resolution. The question of the hour is why? Why can we not seem to find the right combination of provisions that will ensure resolution of a problem that screams to be solved.

The immigration policies of the United States have traditionally been premised on a humanitarian view of our role in the world; that inherently we are a compassionate people who with open arms have welcomed many differing peoples into this country to begin a new and better life; that we are a fair people respecting the rights of all. That's not to say that there are not limits to our ability to realistically provide for all who wish to come here—for there are limits. Nor, Mr. Speaker, is that to say that illegality should be condoned—for it should not. Nor is that to say that we should not have an effective enforcement policy to ensure that our immigration laws are enforced, and that the integrity of our borders is maintained—for we should. But, Mr. Speaker, it is my view that we have, to the detriment of our joint goal of immigration reform, placed too heavy an emphasis on the enforcement side and not a sufficient emphasis on our humanitarian tradition. In other words, our efforts to date have failed to sufficiently balance these important yet often conflicting goals. Mr. Speaker, we need to again struggle to find that balance.

I know that sanctions are abhorrent to many, many people, and I, too, am not without fear that they will be misused. While I am willing personally to consider the imposition of sanctions, as a necessary element of a balanced package, I am not willing to do so unless the more humanitarian provisions are equally included. Consistent therewith I would respectfully suggest that the following provisions be considered for inclusion in any balanced package.

First, there must be an honest recognition that the fears and realities of discrimination are very real and very frightening to many people. You and I, Mr. Speaker, may not, in fact, sense this anxiety, but many do, and if we are to achieve a balanced bill we must be cognizant of these fears and provide real statutory protections and not just promises of protection.

Second, there must be established a fair and equitable legalization program which will run concurrently with any initiation of employer sanctions. To do less is to deny the acting premise of the select commission itself, that legalization is a realistic response to the problem of illegal aliens. The importance of this synergetic relationship was clearly set forth during last year's consideration of H.R. 1510 by the former Attorney General of the United States, Hon. William French Smith, in his testimony before the Subcommittee on Immigration, Refu-

gees, and International Law of the Committee on the Judiciary of the U.S. House of Representatives, and I quote:

This bill would provide an opportunity to acquire legal status for those illegal aliens who have shown a commitment to becoming permanent members of our society. It is a sensible and humane approach. Although some have criticized legalization as a reward for lawbreakers, it represents a practical decision that is consistent with effective law enforcement. *The failure to include such a legalization program would aggravate enforcement of employer sanctions".* (Emphasis added.)

Mr. Speaker, I submit that S. 1200, for all practical purposes, has no legalization program and has, in fact, turned the relationship between legalization and effective enforcement of employer sanctions, deemed so important by Attorney General Smith, on its head. Realistically, a legalization program which becomes a reality only at some time in the future, and then only when the following finding is made, and I quote, "[p]rograms of the Federal Government are in effect, and have adequate resources, to control substantially illegal entry of aliens into the United States, to prevent and deter substantially violations of the terms of entry, and to eliminate substantially the employment of unauthorized aliens in the United States" (section 201(c)(3)), is no program at all. The reason is, as Attorney General Smith stated, that without a legalization program, enforcement of employer sanctions would be aggravated. The reason he gave for this is that the continuation of this illegal population would "divert important resources of the Immigration and Naturalization Service at precisely the time when its enforcement priority should be effective implementation of employer sanctions" and therefore, Mr. Speaker, you cannot have effective sanctions until you have a legalization program and you cannot have a legalization program until you have effective sanctions. I believe it becomes readily apparent that not only will there never be a legalization program under S. 1200, and if Mr. Smith is correct in his analysis, there also will not be effective employer sanctions. I am personally saddened and disturbed by this nonapproach to legalization. The reason for my discomfort is that to ignore legalization as an essential element of immigration reform is to totally disregard the humanitarian side of this issue. As you know, many undocumenteds currently in our country have been in the United States for years. They have contributed their energies and productivity to this country. They are law-abiding people who enrich our society with their hard work, cultural heritage and commitment to family. The nonapproach of S. 1200 to legalization not only turns our collective national back to these people and their plight but fails to realistically deal with the very problem we say we are attempting to solve—the exploited underclass of the illegal alien.

Again, I think we must question whether S. 1200 would not, in fact, aggravate an already intolerable situation. For instance, what happens to that undocumented that has resided in the United States before 1980, and would qualify for legalization as prescribed in your bill, but who wishes to change jobs before the new select commission has made its recommendations or who is actually apprehended before the commission acts? I maintain, Mr. Speaker, that your bill provides no recourse for this individual and will, in fact, drive him deeper into the underclass and make him even more exploitable. In other words, the undocumented in my example either can go further underground or be available to work only for his initial employer—since sanctions do not apply to continuous employment for that employee hired before enactment of your bill—creating a state of effective bondage since the threat of exposure is always present. Mr. Speaker, instead of removing these people from their underclass status, the bill is forcing their retreat deeper into an underground world and workplace. I can't believe this is really the result we wish to foster.

Third, I would suggest that when we as a nation invite individuals into this country or to remain here to perform services for the benefit of this country, and its economy, we have a national responsibility to insure that these people are treated fairly, and that while they reside here they do so in an environment free of exploitation and bondage. To do less is a national disgrace. Again, Mr. Speaker, that is not to say that in the interest of a balanced policy that we should not recognize special circumstances that demand individualized treatment. Perishable commodities in agriculture which have for so long depended on a work force consisting of illegal immigrants may very well deserve such individualized consideration.

Finally, I believe the issue of immigration control has been considered for too long as strictly a domestic matter. Likewise, last years debate over the Simpson-Mazzoli bill focused only on the need for the United States "to regain control of its borders" by instituting employer sanctions or by increasing border enforcement. What has become evident to me and the other members of the Congressional Hispanic Caucus, however, is that immigration control is a multilateral issue between the United States and other nations, particularly those whose lesser developed economies and/or political turmoil contribute to the flow of emigrants. This view was confirmed by what the members of the caucus saw an heard on their trip to Latin America last December. On our stop in Mexico, we found that Mexican officials demonstrated a willingness to discuss important bilateral issues, including the problem of undocumented migration.

Mr. Speaker, I would respectfully suggest that we, as a nation, should in our present consideration of immigration reform be fostering both public and private United States and Mexican, as well as other multilateral initiatives, as an important first step toward solving the worldwide illegal immigration problem, of which we are only a part. Such initiatives could include: First, a free trade and coproduction zone along the United States-Mexican border; second, a United States-Mexican bilateral commission; third, a joint United States-Mexican development bank; and fourth, a multilateral commission on immigration. To look only to the domestic side of the immigration problem is to miss half the solution. We must expand our view and look for a total solution for if we do not we are bound to repeat the failures of the past.

Mr. Speaker, there are clearly other components of S. 1200 that need consideration and careful review. I believe, however, that the potential stumbling block to passage of a Immigration Reform and Control Act at anytime in the near future, will arise from our failure to deal with the elements that I have outlined above in an honest, sensitive, and humanitarian way. We must have the capacity as legislators to step into the shoes of those who fear persecutions from their countries of origin, of those who want nothing more than to feed and educate their families and seek a better future, of those who have felt the anxiety and frustration of discrimination, of those who live in constant fear of exposure and thereby become the exploited, and thus to know the depth of their concerns. By the same token, we must be legislators who recognize disruptions to major industries and the economic consequences of our actions, to recognize the limitations of our Nation to provide for all people, and to legitimately recognize the integrity of our borders and the right to control them by effective law enforcement. To skew the scales disproportionately in either direction will only insure our failure once again. I sincerely hope this failure is averted, and I stand ready to work for immediate passage of a fair and equitable immigration reform bill.

I thank you and the other members of the committee for your kind attention to my comments.

PRESIDENT GIVES NEW MEANING TO SOFT ON DEFENSE

(Mr. SIKORSKI asked and was given permission to address the House for 1 minute to revise and extend his remarks and to include extraneous material.)

Mr. SIKORSKI. Mr. Speaker, in his weekend address and over the years, the President and the right wing in America have sought support by attacking others for being what they call soft on defense; yet since he came to office, the President has given a whole new meaning to the term "soft on defense."

The President has been soft on defense contractors who charge the American taxpayers for things like dog boarding, lavish parties, and even $700 toilet seats.

He has been soft on Defense Department officials who aid and abet this billion-dollar gouging.

And he has been soft on defense personnel who ignore the abuse and then swing through the revolving doors into quarter-million-dollar jobs with the defense industry.

In fact, he is so soft on defense, President Reagan would win the Charmin squeeze test. But with our luck, that toilet paper would probably cost $100 a roll—to go with the $700 toilet seat.

Mr. Speaker, I include the test of the response of the majority leader to President Reagan's radio broadcast of June 22, 1985.

TEXT OF HOUSE MAJORITY LEADER JIM WRIGHT'S RESPONSE TO PRESIDENT REAGAN'S RADIO BROADCAST, JUNE 22, 1985

WASHINGTON.—At the outset, let me ask that all Americans join together this weekend in prayers for the safe and speedy release of our fellow citizens held captive in foreign lands. This is a matter that transcends partisanship. It is a prayer in which all of us can join as one.

When the security of our country and the safety of our people are at stake, Democrats in Congress have always put patriotism above partisanship. We want no political advantage at the price of American misery.

In the wake of fanatical bombings—terrorist attacks—cowardly kidnappings which take American citizens captive and mock the efforts of the White House to deal with them, we silence our criticism and publicly support the President of the United States.

It is unfortunate that Mr. Reagan apparently cannot resist the temptation to make partisanship attacks on us over questions of honest judgment and priorities.

Today in a rhetorical orgy he attacked our House budget for not spending enough more on the Pentagon and for insisting that we keep our promise—and his promise—to the American people by protecting Social Security recipients, disabled veterans, and military retirees from the ravages of inflation.

Mr. Reagan accused us of wanting to weaken the country's defense. That is utterly untrue. In the matter of national security, we support a strong defense. This is not a partisan issue. The Democratic House has provided very substantive defense increases in each of the past four years. We are spending twice as much on the Pentagon this year as we were in 1980.

The President would have you believe that we are sending a "signal of weakness" to other countries and "cutting vital defense needs." That is emphatically not true. Our budget will increase defense outlays by 15 billion dollars next year over this year's figure.

Mr. Reagan next says the House makes "no meaningful effort" to shrink what he calls the "spending machine." He did not tell you that our House budget reduces his projected budget deficit for next year by $56 billion, the same amount the Senate does. We cut next year's deficit $56 billion below the amount Mr. Reagan himself submitted in his budget in February. Our House budget freezes most civilian programs at last year's level.

The President says he likes the Senate budget because of its "program reforms and permanent savings."

Let's look at what he and the Republican Senators are calling "program reforms."

They want to renege on the commitment to our elderly by denying any cost of living adjustment for retirees.

They want to make medicare treatment more costly to the elderly patients.

They want to reduce the amount we share with our states for medicaid.

They want to make it harder for young Americans to get a college education by reducing student loans at a time of soaring tuition costs.

They want to make it harder for a young couple to buy a home.

Their Senate Republican budget would add user fees for a family taking a VA loan of about $2,500 up front or $30 a month for the life of the loan—probably $10,000 over the life of the average home loan. Mr. Reagan says he is against any new tax, that he'll veto it. Well, I wonder what he calls that.

The President talks piously of deficits. Yet his policies have added as much to the national debt in these first five years of the Reagan Administration as our ancestors added in the entire 192 years of our previous history.

These enormous fiscal shortfalls which plague us are Reagan deficits—the result of his huge tax giveway of 1981 and his enormous military spending buildup, which has been so rapid that waste and flagrant abuse have sapped our strength and robbed the buying power of our military dollars.

We are as committed to an adequate defense as Mr. Reagan is. But we do not believe the people expect us to tolerate waste.

We are as deeply committed to reducing those raging deficits as he is. But we will do it by keeping faith with the American people, by keeping our promises.

In the campaign last year, Mr. Reagan made a solemn promise to protect social security COLA's. Now he wants us to break that promise as the Senate has done.

We are not prepared to do that. The American people would not respect us if we did.

Hubert Humphrey said the moral test of government is how it treats those who are in the dawn of life, the children, those who are in the twilight of life, the aged, and those who are in the shadows of life, the handicapped and the disadvantaged.

In being fiscally responsible we intend also to be morally responsible. And I think that's what the American people want and expect us to do.

A COIN IS NOT A COIN WITHOUT A FACE VALUE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois [Mr. ANNUNZIO] is recognized for 5 minutes.

● Mr. ANNUNZIO. Mr. Speaker, legislation is currently pending in the House and in the other body that would call for the minting of gold and silver bullion coins.

While I support such legislation, I cannot support a provision of most of the bills that classifies the coins as legal tender but does not place a face value on the coins.

A number of Members in the House support gold bullion legislation as a way to draw sales away from the South African Krugerrand. They point out that the Krugerrand does not have a face value, and in order to be competitive with the Krugerrand, the U.S. bullion piece should not have a face value.

While it is true that Krugerrands have been an attractive gold source in recent years, the bull market for Krugerrands is fading quickly. Recently, the trend among gold buyers has been a switch from the Krugerrands to the Canadian maple leaf, a gold coin which contains a face value. In short, the maple leaf, with its face value, has become more popular than has the Krugerrand without a face value.

Another example of the problems with buillion coins without face value is the U.S. Gold Medallion Program, which had been in operation in this country for 5 years. The medallions, which have no face value, have been virtually a sales flop. The medallions were originally sold directly by the U.S. Mint, but there was some criticism, which I believe to be unjustified, that the mint was not doing a good selling job. The sales program was then given to a private marketing concern, J. Aron & Co. The sales of the product were so poor under the J. Aron contract, that the contract had to be terminated, with a loss of millions of dollars of foregone revenue to the taxpayers. The lack of interest in these medallions was not due to inadequate sales measures, but rather, in my opinion, due to an inferior product—a coin that did not have a face value.

There is thus adequate research to show that the selling of gold in this country without a face value will not be a successful venture.

To those who want to cut into the sales of Krugerrands as a protest to the apartheid policy of South Africa, I would point out that while a new gold bullion coin without a face value may have initial sales success, in the long run there will not be ongoing sales. A coin with no face value will be a one-shot deal as far as purchasers are concerned, particularly among the numis-

matic community. However, coins with a face value that are redated every year, will have a long-lasting sales appeal, and could ultimately wipe out Krugerrand sales in this country completely.

My opinions are shared by a large portion of the numismatic community, including the major numismatic publications. I am including in my remarks an editorial which appears in the June 19 issue of Coin World, a respected numismatic publication. I urge Members to read the editorial because it makes a good case for face value coins. If we go without face values we will merely be going through a costly exercise in frustration. But if we go with face values, I predict that the numismatic community will support the program, and we will see record sales that will knock the Krugerrand right on its apartheid backside.

A copy of the editorial follows:

[From Coin World, June 19, 1985]

MANNING THE BATTLE STATIONS

The battle lines are drawn.

The U.S. Senate is nearing floor action on the Statue of Liberty commemorative coin bill which has already gained passage in the House of Representatives. It is a simple measure which calls for the issuance of three commemorative coins: a gold $5 coin, a silver dollar, and a copper-nickel half dollar.

For weeks the Statue of Liberty bill has languished in the Senate. Perhaps a more accurate description is that it has been held hostage.

Senate proponents of bullion coins and those advocating U.S. sanctions against South Africa (banning importation of the Krugerrand) put "holds" on the Statue bill.

The current Washington lingo is that there is a "window of opportunity" because the Statue bill is a favorite of Rep. Frank Annunzio, the powerful chairman of the House Coinage subcommittee.

With action during the first week of June in both the Senate and the House on possible economic sanctions against South Africa, an amendment calling for a ban on importation of the Krugerrand is not likely to be tacked onto the Statue bill.

But the prospects of amendments calling for gold and silver bullion coins being attached to the Statue bill are now an accepted reality by most Capitol Hill observers. Some say a 1 ounce gold bullion coin and a 1 ounce silver coin. Other versions suggest a variation on the gold with as many as four coins: an ounce, half ounce, quarter ounce and tenth of an ounce.

This brings us to the battle scene:

The odds-on-favorite among proponents of bullion coins is the Liberty Double Eagle Bullion Coin Act (S. 636), sponsored by Senate Majority Leader Robert Dole of Kansas and Sen. Alan Cranston, D-Calif. It would designate bullion coins as legal tender at their fair market value, without a dollar-denomination.

Joe Cobb, senior economist for the Senate Joint Economic Committee, explains the the phrase "legal tender at fair market value" in these terms:

"The price (in dollars) of an ounce of gold today changes every few minutes. If you owed someone $100 and offered him a legal tender gold coin—assume the price of gold were $300 per ounce—would you be entitled to change? Is the legal tender coin a method of discharging that debt? Would he have to take the coin at a 'fair market value' of $300 and give you $200 in Federal Reserve notes back?

"The answer is 'No' because the coin requires valuation in order to be a tender for the debt. There is no predetermined dollar-value. You don't have the unilateral power to tell anyone how many dollars the coin is worth! Your creditor would be free to offer you a free-market price of $100 for the coin; if you still wanted to use it to pay your debt, he probably wouldn't protest (his economic opinion about the gold coin was reflected already in the very low price he set upon it)!"

On the question of designated denomination, Mr. Cobb explains:

"There are still outstanding obligations of the United States that were issued prior to 1933 and will mature in the future. Under the Supreme Court ruling in Perry v. U.S. (1935), any legal tender gold coin that has a fixed value would be hypothetically payable in satisfaction of the debt. Since the law in this case is Article 5 of the Bill of Rights and Section 9, Article I of the Constitution, the statutory provision subordinating the coins' legal tender status to 31 U.S.C. 5118 would be an open invitation to litigation.

"To spare the government a number of nusiance suits (one is already pending in Seattle, based on the Olympic gold coins of 1984), the conscious omission of a 'symbolic' dollar denomination in S. 636 and H.R. 1123 [companion House bill] is an important feature of the legislation."

Annunzio is adamant. He insists that any gold or silver coins must have legal tender status and must have the denomination designated on the coin.

Indeed the Treasurer of the United States, Katherine D. Ortega, in stating the Treasury Department's position noted:

". . . All legal tender coins should have a face value. The necessity and wisdom of ascribing a definite value to each of our coins is evidenced by nearly two hundred years of coinage legislation. Since the face value is an intrinsic element of a coin as a monetary instrument, all of our coins have been denominated by Congress in terms of a dollar or its multiples and fractions since the beginning of the Republic. A legal tender coin of the realm, whose value would depend entirely on the fluctuations of the precious metal market, would represent a major departure from this long and consistent practice."

The Treasury Department's official position, though, is that it does not favor ascribing a face value to a gold bullion coin and that it will only support a gold bullion coin if Congress assigns no value or legal tender status to the coin.

There are many good reasons why America should have gold coins, foremost of which is giving Americans the option of choosing to buy an American gold coin vs. being forced to buy foreign coins, if one wants to own gold in coined form currently. (Those who look at the United States' balance of trade and foreign debt situation surely can see the wisdom in an American gold coin.)

Proponents argue that the American gold coin should be exactly like the Krugerrand, which is legal tender in South Africa at its fair market value and does not have a denomination stamped on it.

What about the Canadian Maple Leaf which is legal tender and has a denomination of $50? As the glitter of the Krugerrand pales because of South Africa's political situation, the Maple Leaf has become a strong challenger.

We have only to look at our recent history and experience with the American Arts Gold Medallion program. In many respects it should have been a competitor; it has 1 ounce of gold. But the program was a miserable failure.

The medallion program was doomed because it lacked the necessary ingredients. Although the country of origin was added midway through the program, the gold pieces will always be medals, not coins.

To capture the public's confidence and acceptance, the United States will have to issue a coin. By definition a coin is a piece of metal of fixed value and weight issued by a government and used as money.

One thing that is often lost in any discussion of American bullion coins vs. foreign gold, such as the Krugerrand, is the marketing. It there is one lesson to be learned, it is the importance of advertising, public relations, and a worldwide marketing program. The South Africans wrote the book in this area.

Mr. Annunzio appears firm in his resolve not to accept bullion coin amendments which do not accord such coins legal tender status and do not designate denomination. We would urge him to keep that resolve.

The mostly likely senario is that the Senate will have its day and amend the Statue of Liberty bill in a form unacceptable to Annunzio, which would likely prompt a conference committee.

The unprecedented possiblity of a legal tender coin without an assigned face value is far too important a matter to leave to the strong-arm politics of a conference committee.

We would urge a compromise of sorts. First expedite the Statue of Liberty bill. Then set immediate hearings in the House Subcommittee on Consumer Affairs and Coinage where all of the factors and arguments can be aired with regard to bullion coinage, including marketing aspects.

As much as we favor the commemorative Statue of Liberty coinage and bullion coinage, we cannot in good conscience advocate a package deal whereby legislators are asked to approve Statue of Liberty coins and at the same time authorize bullion coins without legal tender status or designated denominations.

The bills should be scrutinized, debated, and voted on individually.●

PERSONAL EXPLANATION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Kentucky [Mr. MAZZOLI] is recognized for 5 minutes.

● Mr. MAZZOLI. Mr. Speaker, I was unavoidably absent on Friday, June 21, 1985. Had I been present, I would have voted:

"Aye" on roll No. 182, on approving the Journal of Thrusday, June 20, 1985; and

"Aye" on roll No. 184, an amendment to H.R. 1872, Department of Defense fiscal year 1986 authorization, to clarify specifications of core logistics functions subject to contracting—out limitations.●

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. HAYES) to revise and extend their remarks and include extraneous material:)

Mr. FOLEY, for 5 minutes, today.

Mr. BROWN of California, for 5 minutes, today.

Mr. ECKART of Ohio, for 5 minutes, today.

Mr. MAZZOLI, for 5 minutes, today.

Mr. ANNUNZIO, for 5 minutes, today.

Mr. OBEY, for 30 minutes, today.

Mr. GONZALEZ, for 60 minutes, today.

Mr. GONZALEZ, for 60 minutes, on June 25.

Mr. GONZALEZ, for 60 minutes, on June 26.

Mr. GONZALEZ, for 60 minutes, on June 27.

Mr. DORGAN of North Dakota, for 60 minutes, on June 27.

Mr. GAYDOS, for 30 minutes, on June 25.

Mr. GAYDOS, for 30 minutes, on June 26.

Mr. OBEY, for 30 minutes, on June 25.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. MCMILLAN) and to include extraneous matter:)

Mr. CONTE.

Mr. MICHEL.

Mr. YOUNG of Alaska.

Mr. PORTER.

Mr. WALKER.

(The following Members (at the request of Mr. HAYES) and to include extraneous matter:)

Mr. LUKEN.

Mr. BROWN of California in 10 instances.

Mr. ANNUNZIO in six instances.

Mr. GONZALEZ in 10 instances.

Mr. JONES of Tennessee in 10 instances.

Mr. BONER of Tennessee in five instances.

Mr. ANDERSON in 10 instances.

Mr. SIKORSKI.

Mr. MAZZOLI in two instances.

Mr. MCCLOSKEY.

Mr. BARNES.

Mr. CONYERS.

Mr. LUNDINE.

Mr. GARCIA.

Mr. DYMALLY.

Mr. STARK in two instances.

Mr. COELHO.

Mr. WAXMAN.

SENATE JOINT RESOLUTIONS

Joint Resolutions of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S.J. Res. 111. Joint Resolutions to designate the month of October 1985 as "National Spina Bifida Month"; to the Committee on Post Office and Civil Service.

S.J. Res. 122. Joint Resolutions to authorize the President to proclaim the last Friday of April 1986 as "National Arbor Day"; to the Committee on Post Office and Civil Service.

ADJOURNMENT

Mr. HAYES. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 3 o'clock and 6 minutes p.m.) the House adjourned until tomorrow, Tuesday, June 25, 1985, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1570. A letter from the Comptroller General of the United States, transmitting a notification of a deferral of budget authority which was not reported by the President, pursuant to 2 U.S.C 686(a). (H. Doc. No. 99-81); to the Committee on Appropriations and ordered to be printed.

1571. A letter from the Chairman, Council of the District of Columbia, transmitting D.C. ACT 6-47, "Closing of a Portion of Brentwood Road, NE., adjacent to square 4208, S.O. 84-25, Act of 1985," and report, pursuant to Public Law 98-198, section 602(c); to the Committee on the District of Columbia.

1572. A letter from the Acting Assistant Attorney General, transmitting a draft of proposed legislation entitled "The Department of Justice Gift Acceptance Act"; to the Committee on the Judiciary.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. SCHUMER:

H.R. 2846. A bill to protect the constitutional right to freedom of speech by establishing a new cause of action for defamation, and for other purposes; to the Committee on the Judiciary.

By Mr. STARK:

H.R. 2847. A bill to authorize the Administrator of the General Services Administration to sell certain land in Alameda County, CA, and for other purposes; to the Committee on Armed Services.

By Mr. STARK (for himself, Mr. PASHAYAN, Mr. ANDERSON, Mr. BATES, Mr. BERMAN, Mr. BOSCO, Mrs. BOXER, Mr. BROWN of California, Mrs. BURTON of California, Mr. CHAPPIE, Mr. COELHO, Mr. DANNEMEYER, Mr. DELLUMS, Mr. DIXON, Mr. DOWNEY of New York, Mr. EDWARDS of California, Mr. FAZIO, Mr. HAWKINS, Mr. LEHMAN of California, Mr. LEVINE of California, Mr. LUNDINE, Mr. MARTINEZ, Mr. MATSUI, Mr. MILLER of California, Mr. PANETTA, Mr. ROYBAL, Mr. RANGEL, and Mr. SCHUMER):

H.R. 2848. A bill to amend the Federal Aviation Act of 1958 to require that Federal Government-financed passengers and property traveling in international air transportation be transported only on air carriers which, if serving beer and wine, serve only beer and wine that are principally the product of the United States; to the Committee on Public Works and Transportation.

By Mr. YOUNG of Alaska:

H.R. 2849. A bill to increase the rates of duty on gasoline and motor fuel blending stock, and for other purposes; jointly, to the Committees on Ways and Means, Public Works and Transportation, and Energy and Commerce.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 281: Mr. RODINO, Mr. DICKS, and Mr. KANJORSKI.

H.R. 598: Mr. FASCELL and Mr. PENNY.

H.R. 712: Mr. WILSON and Mr. BATEMAN.

H.R. 1205: Mr. HOYER and Mr. SILJANDER.

H.R. 1375: Ms. OAKAR and Mr. SKELTON.

H.R. 1376: Mr. KILDEE.

H.R. 1449: Mr. GINGRICH.

H.R. 1524: Mr. RIDGE, Mr. FLORIO, Mr. BORSKI, Mr. ST GERMAIN, Mr. SABO, Mr. DONNELLY, Mrs. JOHNSON, and Mr. WEISS.

H.R. 1550: Mr. SAVAGE.

H.R. 1552: Mr. MCCOLLUM, Mr. LEACH of Iowa, Mr. ACKERMAN, Mrs. BENTLEY, Mr. WORTLEY, Mr. DAUB, Mr. THOMAS of California, and Mr. DELAY.

H.R. 1616: Mr. BORSKI and Mr. MILLER of California.

H.R. 1763: Mr. BURTON of Indiana.

H.R. 1965: Mr. BOEHLERT, Mr. COATS, Mr. GOODLING, Mr. HORTON, Mr. PACKARD, Mr. PASHAYAN, Mr. PRICE, and Mr. SILJANDER.

H.R. 2076: Mr. WOLPE, Mr. MARTINEZ, and Mrs. BOXER.

H.R. 2205: Mr. BONIOR of Michigan and Mr. DURBIN.

H.R. 2262: Mr. SENSENBRENNER and Mr. WEISS.

H.R. 2384: Mr. DORNAN of California, Mr. GARCIA, and Mr. LIPINSKI.

H.R. 2489: Mr. BOUCHER.

H.R. 2588: Mr. NIELSON of Utah, Mr. GINGRICH, Mr. HANSEN, Mr. OWENS, Mr. DWYER of New Jersey, Mr. WATKINS, Mr. BURTON of Indiana, Mr. ACKERMAN, Mr. TRAXLER, Mr. ROWLAND of Georgia, Mr. NICHOLS, Mr. DURBIN, Mr. ROYBAL, Mr. TORRES, Mr. LUKEN, and Mr. WEBER.

H.R. 2589: Mr. BERMAN, Mr. LEVINE of California, Mrs. BURTON of California, Mr. ACKERMAN, Mr. MINETA, and Mr. STUDDS.

H.R. 2761: Mr. STAGGERS.

H.J. Res. 101: Mr. SAXTON and Mr. COELHO.

H.J. Res. 106: Mr. MADIGAN.

H.J. Res. 133: Mr. EDGAR, Mr. LEWIS of Florida, Mr. YATRON, and Mr. HOWARD.

H.J. Res. 156: Mr. HUTTO and Mr. LEVIN of Michigan.

H.J. Res. 165: Mr. PETRI.

H.J. Res. 260: Mr. HUGHES, Mr. PORTER, Mrs. HOLT, and Mr. WILSON.

H.J. Res. 296: Mr. ROTH, Mr. TAYLOR, Mr. FUSTER, Mr. MURPHY, Mr. GROTBERG, Mr. HUTTO, Mr. ORTIZ, Mr. CHAPPIE, Ms. KAPTUR, Mr. DE LUGO, Mr. BARNES, Mr. FAUNTROY, Mr. DARDEN, Mr. CARNEY, Mr. STANGELAND, Mr. DASCHLE, Mr. HOYER, and Mr. TALLON.

H. Res. 116: Mr. BROWN of California, Mr. ORTIZ, Mr. DASCHLE, and Mr. WEISS.

H. Res. 132: Mr. MCCOLLUM and Mr. WOLPE.

H. Res. 144: Mr. BATEMAN and Mr. WHITLEY.

AMENDMENTS

Under clause 6 of rule XXIII, proposed amendments were submitted as follows:

H.R. 1872

By Mr. ASPIN:

—At the end of title X (page 200, after line 4) insert the following new section:

SEC. 1050. CONFLICT-OF-INTEREST IN DEFENSE PROCUREMENT.

(a) LIMITATIONS ON ACCEPTANCE OF COMPENSATION.—(1) An individual who is a former officer or employee of the Department of Defense or a former or retired member of the Armed Forces who during the two-year period preceding the individual's separation from service in the Department of Defense had significant responsibilities for a procurement function with respect to a contractor while serving in a position identified by the Secretary of Defense under subsection (g)(1) may not accept compensation from that contractor for a period of two years following the individual's separation from service in the Department of Defense if that contractor is included in the notice provided that individual under subsection (d).

(2) Whoever knowingly violates paragraph (1) shall be fined not more than $10,000 or imprisoned for not more than one year, or both.

(3) An individual who knowingly offers or provides any compensation to an individual the acceptance of which is or would be in violation of paragraph (1) shall be fined not more than $10,000 or imprisoned for not more than one year, or both.

(b) LIMITATIONS ON CONTRACTORS.—(1) Each contract for procurement of goods or services entered into by the Department of Defense shall include a provision under which the contractor agrees not to provide compensation to an individual if the acceptance of such compensation by such individual would violate subsection (a)(1).

(2) Such a contract shall also provide that if the contractor knowingly violates a contract provision required by paragraph (1) the contractor shall pay to the United States, as liquidated damages under the contract, an amount equal to the greater of—

(A) $100,000; or

(B) three times the compensation paid by the contactor to the individual in violation of such contract provision.

(c) REPORTING OF EMPLOYMENT CONTRACTS.—(1) If an officer or employee of the Department of Defense, or a member of the Armed Forces, having responsibilities for a procurement function with respect to a contractor contacts, or is contacted by, the contractor regarding future compensation of the officer, employee, or member by the contractor, the officer, employee, or member shall—

(A) promptly report the contact to the officer, employee, or member's supervisor and to the designated ethics official of the agency in which the officer, employee, or member is serving;

(B) promptly report (as part of the report under subparagraph (A) or as a separate report) when contacts with the contractor concerning such compensation have been terminated without agreement or commitment to future compensation of the officer, employee, or member by the contractor; and

(C) disqualify himself from all participation in the performance of procurement functions relating to contracts with that contractor until a report described in subparagraph (B) is made with respect to such contacts.

(2) If an officer, employee, or member serving in a position with respect to which an exemption is in effect under subsection (g)(2) fails to disqualify himself as required by paragraph (1)(C) with respect to procurement functions relating to contracts of a contractor, subsections (a) and (b) apply to acceptance of compensation by that officer, employee, or member from that contractor.

(d) NOTICE TO OFFICERS AND EMPLOYEES LEAVING DOD SERVICE.—(1) The Secretary of Defense shall give the notice described in paragraph (2) to each officer and employee of the Department of Defense and each member of the Armed Forces–

(A) who after the effective date of this section is separated from service in the Department of Defense; and

(B) who during the two-year period before that separation served in a position in the Department that included significant responsibility for a procurement function and that was identified by the Secrertary of Defense under subsection (g)(1).

(2) A notice required by paragraph (1) shall provide the individual receiving the notice—

(A) a written explanation of the provisions of this section; and

(B) the name of each contractor from whom such individual is prohibited from accepting compensation under this section during the two-year period following such separation from service in the Department of Defense.

(e) CONTRACTOR REPORTS.—(1)(A) Each contractor subject to a contract term described in subsection (b) shall submit to the Secretary of Defense not later than April 1 of each year a report covering the previous calendar year. Each such report shall list the name of each individual (together with other information adequate for the Government to identify the individual) who is a former Department of Defense officer or employee, or a former or retired member of the Armed Forces, who—

(i) was provided compensation by that contractor during the preceding calendar year, if such compensation was provided within two years after such officer, employee, or member left service in the Department of Defense; and

(ii) had significant responsibilities for a procurement function during the individual's last two years of service in the Department of Defense. (B) Each such listing shall—

(i) show each agency in which the individual was employed or served on active duty during the last two years of such individual's service in the Government;

(ii) show the individual's job titles during the last two years of such individual's service in the Government;

(iii) contain a full and complete description of the duties of the individual during the last two years of such service; and

(iv) contain a description of the duties (if any) that the individual is performing on behalf of the contractor.

(C) The first such report shall be submitted not later than April 1, 1987.

(2) The Secretary of Defense shall review each report under paragraph (1) to assess the report for accuracy and completeness and for the purpose of identifying possible violations of subsection (a) or (b) or paragraph (1). The Secretary shall report any such possible violations to the Attorney General.

(3) Whoever fails to file a report required by paragraph (1) shall be fined not more than $10,000.

(f) REVIEW BY DIRECTOR OF OFFICE OF GOVERNMENT ETHICS.—The Director of the Office of Government Ethics shall have access to the reports submitted under subsection (e)(1) and shall conduct an annual random review of the reports for violations of subsections (a), (b), and (e)(1). The Director shall submit a report to Congress not later than October 1 of each year on the operation of this section, including the findings of the Director based on the examination of reports for the preceding calendar year.

(g) COVERED POSITIONS.—(1) Not later than 180 days after the date of the enactment of this Act, the Secretary of Defense shall prescribe and publish in the Federal Register regualtions identifying those positions within the Department of Defense that have as their primary duty the management, direction, oversight, or justification, with respect to a particular product or service, of—

(A) development;

(B) production;

(C) funding;

(D) operational and developmental testing;

(E) auditing; or

(F) acquisition.

(2) Positions identified under paragraph (1) shall include as a minimum each position with respect to a contract or program—

(A) as the program manager or deputy program manager;

(B) as a program monitor;

(C) as a member of a source-selection evaluation board or of the technical and cost teams advising the board or as the official responsible for approval of a sole-source contract;

(D) as the head of the system's program office;

(E) as the source selection authority for the system; and

(F) in which an individual is assigned on a permanent basis in the government plant representative office.

(3) Regulations under paragraph (1) shall be revised not less often than once each year. Any revision of such regulations shall be published in the Federal Register.

(4) (A) When a vacancy occurs in a position identified under paragraph (1) and the Secretary of Defense determines that the duties inherent in that position involve significant responsibilities for procurement functions with so many contractors that implementation of subsections (a) and (b) with respect to individuals serving in that position would seriously hamper the ability of the Department of Defense to obtain the services of a highly qualified individual to fill that vacancy, the Secretary, with the concurrence of the Director of the Office of Government Ethics, may exempt the individual appointed to fill that vacancy from the provisions of such subsections by reason of service in such position.

(B) Whenever the Secretary grants an exemption under this paragraph, the Secretary shall promptly submit to the Committees on Armed Services of the Senate and House of Representatives a report describ-

ing the exemption and setting forth the specific reasons for the exemption.

(h) EXCLUSION.—This section does not apply—

(1) to a contract for an amount less than $100,000; or

(2) to compensation of an individual by an entity that did not have a Department of Defense contract in excess of $100,000 at the time the individual had significant responsibilities for a procurement function with respect to a contract with that entity.

(i) ADVISORY OPINIONS FROM OFFICE OF GOVERNMENT ETHICS.—(1) An individaul who is considering the propriety of accepting compensation that might place the individual in violation of subsection (a) may, before acceptance of such compensation, apply to the Director of the Office of Government Ethics for advice on the applicability of this section to the acceptance of such compensation.

(2) An application under paragraph (1) shall contain such information as the Director requires.

(j) DEFINITIONS.—For purposes of this section:

(1) The term "compensation" includes any payment, gift, benefit, reward, favor, gratuity, or employment valued in excess of $100 at prevailing market price, provided directly, indirectly, or through a third party.

(2) The term "contractor" means any person, partnership, corporation, or agency (other than the Federal Government or the independent agencies thereof) that contracts to supply the Department of Defense with goods or services. Such term includes any parent, subsidiary, or affiliate thereof.

(3) The term "procurement function", with respect to a contract, means any acquisition action relating to the contract, including negotiating, awarding, administering, approving contract changes, costs analysis, quality assurance, operational and developmental testing, technical advice or recommendation, approval of payment, contractor selection, budgeting, auditing under the contract, or management of the procurement program.

(4) The term "Armed Forces" means the Army, Navy, Air Force, and Marine Corps and includes the Coast Guard when the Coast Guard is operating as a service in the Navy.

(k) SEPARATION OF MEMBERS OF ARMED FORCES.—For the purposes of this section, a member or former member of the Armed Forces shall be considered to have been separated from service in the Department of Defense upon such member's discharge or release from active duty.

(l) TRANSITION.—(1) This section—

(A) does not preclude the continuation of employment that began before the effective date of this section or the acceptance of compensation for such employment; and

(B) does not, except as provided in paragraph (2), apply to an individual whose service with the Department of Defense terminates before April 1, 1986.

(2) Paragraph (1)(B) does not preclude the application of this section to an individual with respect to service in the Department of Defense by such individual on or after April 1, 1986.

(m) EFFECTIVE DATE.—This section shall take effect on January 1, 1986.

—At the end of title X (page 200, after line 4) insert the following new section:

SEC. 1050. CONFLICT-OF-INTEREST IN DEFENSE PROCUREMENT.

(a) LIMITATIONS ON ACCEPTANCE OF COMPENSATION.—(1) An individual who is a former officer or employee of the Department of Defense or a former or retired member of the Armed Forces who during the two-year period preceding the individual's separation from service in the Department of Defense had significant responsibilities for a procurement function with respect to a contractor while serving in a position identified by the Secretary of Defense under subsection (g)(1) may not accept compensation from that contractor for a period of two years following the individual's separation from service in the Department of Defense if that contractor is included in the notice provided that individual under subsection (d).

(2) Whoever knowingly violates paragraph (1) shall be fined not more than $10,000 or imprisoned for not more than one year, or both.

(3) An individual who knowingly offers or provides any compensation to an individual the acceptance of which is or would be in violation of paragraph (1) shall be fined not more than $10,000 or imprisoned for not more than one year, or both.

(b) LIMITATIONS ON CONTRACTORS.—(1) Each contract for procurement of goods or services entered into by the Department of Defense shall include a provision under which the contractor agrees not to provide compensation to an individual if the acceptance of such compensation by such individual would violate subsection (a)(1).

(2) Such a contract shall also provide that if the contractor knowingly violates a contract provision required by paragraph (1) the contractor shall pay to the United States, as liquidated damages under the contract, an amount equal to the greater of—

(A) $100,000; or

(B) three times the compensation paid by the contractor to the individual in violation of such contract provision.

(c) REPORTING OF EMPLOYMENT CONTACTS.—(1) If an officer or employee of the Department of Defense, or a member of the Armed Forces, having responsibilities for a procurement function with respect to a contractor contacts, or is contacted by, the contractor regarding future compensation of the officer, employee, or member by the contractor, the officer, employee, or member shall—

(A) promptly report the contact to the officer, employee, or member's supervisor and to the designated ethics official of the agency in which the officer, employee, or member is serving;

(B) promptly report (as part of the report under subparagraph (A) or as a separate report) when contacts with the contractor concerning such compensation have been terminated without agreement or commitment to future compensation of the officer, employee, or member by the contractor; and

(C) disqualify himself from all participation in the performance of procurement functions relating to contracts with that contractor until a report described in subparagraph (B) is made with respect to such contacts.

(2) If an officer, employee, or member serving in a position with respect to which an exemption is in effect under subsection (g)(2) fails to disqualify himself as required by paragraph (1)(C) with respect to procurement functions relating to contracts of a contractor, subsections (a) and (b) apply to acceptance of compensation by that officer, employee, or member from that contractor.

(d) NOTICE TO OFFICERS AND EMPLOYEES LEAVING DOD SERVICE.—(1) The Secretary of Defense shall give the notice described in paragraph (2) to each officer and employee of the Department of Defense and each member of the Armed Forces—

(A) who after the effective date of this section is separated from service in the Department of Defense; and

(B) who during the two-year period before that separation served in a position in the Department that included significant responsibility for a procurement function and that was identified by the Secretary of Defense under subsection (g)(1).

(2) A notice required by paragraph (1) shall provide the individual receiving the notice—

(A) a written explanation of the provisions of this section; and

(B) the name of each contractor from whom such individual is prohibited from accepting compensation under this section during the two-year period following such separation from service in the Department of Defense.

(e) CONTRACTOR REPORTS.—(1)(A) Each contractor subject to a contract term described in subsection (b) shall submit to the Secretary of Defense not later than April 1 of each year a report covering the previous calendar year. Each such report shall list the name of each individual (together with other information adequate for the Government to identify the individual) who is a former Department of Defense officer or employee, or a former or retired member of the Armed Forces, who—

(i) was provided compensation by that contractor during the preceding calendar year, if such compensation was provided within two years after such officer, employee, or member left service in the Department of Defense; and

(ii) had significant responsibilities for a procurement function during the individual's last two years of service in the Department of Defense.

(B) Each such listing shall—

(i) show each agency in which the individual was employed or served on active duty during the last two years of such individual's service in the Government;

(ii) show the individual's job titles during the last two years of such individual's service in the Government;

(iii) contain a full and complete description of the duties of the indivdual during the last two years of such service; and

(iv) contain a description of the duties (if any) that the individual is performing on behalf of the contractor.

(C) The first such report shall be submitted not later than April 1, 1987.

(2) The Secretary of Defense shall review each report under paragraph (1) to assess the report for accuracy and completeness and for the purpose of identifying possible violations of subsection (a) or (b) or paragraph (1). The Secretary shall report any such possible violation to the Attorney General.

(3) Whoever fails to file a report required by paragraph (1) shall be fined not more than $10,000.

(f) REVIEW BY DIRECTOR OF OFFICE OF GOVERNMENT ETHICS.—The Director of the Office of Government Ethics shall have access to the reports submitted under subsection (e)(1) and shall conduct an annual random review of the reports for violations of subsections (a), (b), and (e)(1). The Director shall submit a report to Congress not later than October 1 of each year on the operation of this section, including the findings of the Director based on the examina-

tion of reports for the preceding calendar year.

(g) COVERED POSITIONS.—(1) Not later than 180 days after the date of the enactment of this Act, the Secretary of Defense shall prescribe and publish in the Federal Register regulations identifying those positions within the Department of Defense that have as their primary duty the management, direction, oversight, or justification, with respect to a particular product or service, of—

(A) development;

(B) production;

(C) funding;

(D) operational and developmental testing;

(E) auditing; or

(F) acquisition.

(2) Positions identified under paragraph (1) shall include as a minimum each position with respect to a contract or program—

(A) as the program manager or deputy program manager;

(B) as a program monitor;

(C) as a member of a source-selection evaluation board or of the technical and cost teams advising the board or as the official responsible for approval of a sole-source contract;

(D) as the head of the system's program office;

(E) as the source selection authority for the system; and

(F) in which an individual ais assigned on a permanent basis in the government plant representative office.

(3) Regulations under paragraph (1) shall be revised not less often than once each year. Any revision of such regulations shall be published in the Federal Register.

(4)(A) When a vacancy occurs in a position identified under paragraph (1) and the Secretary of Defense determines that the duties inherent in that position involve significant responsibilities for procurement functions with so many contractors that implementation of subsections (a) and (b) with respect to individuals serving in that position would seriously hamper the ability of the Department of Defense to obtain the services of a highly qualified individual to fill that vacancy, the Secretary, with the concurrence of the Director of the Office of Government Ethics, may exempt the individual appointed to fill that vacancy from the provisions of such subsections by reason of service in such position.

(B) Whenever the Secretary grants an exemption under this paragraph, the Secretary shall promptly submit to the Committees on Armed Services of the Senate and House of Representatives a report describing the exemption and setting forth the specific reasons for the exemption.

(h) EXCLUSION.—This section does not apply—

(1) to a contract for an amount less than $100,000; or

(2) to compensation of an individual by an entity that did not have a Department of Defense contract in excess of $100,000 at the time the individual had significant responsibilities for a procurement function with respect to a contract with that entity.

(i) ADVISORY OPINIONS FROM OFFICE OF GOVERNMENT ETHICS.—(1) An individual who is considering the propriety of accepting compensation that might place the individual in violation of subsection (a) may, before acceptance of such compensation, apply to the Director of the Office of Government Ethics for advice on the applicability of this section to the acceptance of such compensation.

(2) An application under paragraph (1) shall contain such information as the Director requires.

(j) WAIVER OF OTHERWISE APPLICABLE FINES UNDER TITLE 18.—The provisions of section 3623 of title 18, United States Code, shall apply to maximum fines applicable under subsections (a)(2), (a)(3), and (e)(3).

(K) DEFINITIONS.—For purposes of this section:

(1) The term "compensation" includes any payment, gift, benefit, reward, favor, gratuity, or employment valued in excess of $100 at prevailing market price, provided directly, indirectly, or through a third party.

(2) The term "contractor" means any person, partnership, corporation, or agency (other than the Federal Government or the independent agencies thereof) that contracts to supply the Department of Defense with goods or services. Such term includes any parent, subsidiary, or affiliate thereof.

(3) The term "procurement function", with respect to a contract, means any acquisition action relating to the contract, including negotiating, awarding, administering, approving contract changes, costs analysis, quality assurance, operational and developmental testing, technical advice or recommendation, approval of payment, contractor selection, budgeting, auditing under the contract, or management of the procurement program.

(4) The term "Armed Forces" means the Army, Navy, Air Force, and Marine Corps and includes the Coast Guard when the Coast Guard is operating as a service in the Navy.

(l) SEPARATION OF MEMBERS OF ARMED FORCES.—For the purposes of this section, a member or former member of the Armed Forces shall be considered to have been separated from service in the Department of Defense upon such member's discharge or release from active duty.

(m) TRANSITION.—(1) This section—

(A) does not preclude the continuation of employment that began before the effective date of this section or the acceptance of compensation for such employment; and

(B) does not, except as provided in paragraph (2), apply to an individual whose service with the Department of Defense terminates before April 1, 1986.

(2) Paragraph (1)(B) does not preclude the application of this section to an individual with respect to service in the Department of Defense by such individual on or after April 1, 1986.

(n) EFFECTIVE DATE.—This section shall take effect on January 1, 1986.

—At the end of title X (page 200, after line 4) insert the following new section:

SEC. 1050. CONFLICT-OF-INTEREST IN DEFENSE PROCUREMENT.

(a) LIMITATIONS OF ACCEPTANCE OF COMPENSATION.—An individual who is a former officer or employee of the Department of Defense or a former or retired member of the Armed Forces who during the two-year period preceding the individual's separation from service in the Department of Defense had significant responsibilities for a procurement function with respect to a contractor while serving in a position identified by the Secretary of Defense under subsection (g)(1) may not accept compensation from that contractor for a period of two years following the individual's separation from service in the Department of Defense if that contractor is included in the notice provided that individual under subsection (d).

(b) LIMITATIONS ON CONTRACTORS.—(1) Each contract for procurement of goods or services entered into by the Department of Defense shall include a provision under which the contractor agrees not to provide compensation to an individual if the acceptance of such compensation by such individual would violate subsection (a).

(2) Such a contract shall also provide that if the contractor knowingly violates a contract provision required by paragraph (1) the contractor shall pay to the United States, as liquidated damages under the contract, an amount equal to the greater of—

(A) $100,000; or

(B) three times the compensation paid by the contractor to the individual in violation of such contract provision.

(c) REPORTING OF EMPLOYMENT CONTACTS.—(1) If an officer or employee of the Department of Defense, or a member of the Armed Forces, having responsibilities for a procurement function with respect to a contractor contacts, or is contacted by, the contractor regarding future compensation of the officer, employee, or member by the contractor, the officer, employee, or member shall—

(A) promptly report the contact to the officer, employee, or member's supervisor and to the designated ethics official of the agency in which the officer, employee, or member is serving;

(B) promptly report (as part of the report under subparagraph (A) or as a separate report) when contacts with the contractor concerning such compensation have been terminated without agreement or commitment to future compensation of the officer, employee, or member by the contractor; and

(C) disqualify himself from all participation in the performance of procurement functions relating to contracts with that contractor until a report described in subparagraph (B) is made with respect to such contracts.

(2) If an officer, employee, or member serving in a position with respect to which an exemption is in effect under subsection (g)(2) fails to disqualify himself as required by paragraph (1)(C) with respect to procurement functions relating to contracts of a contractor, subsections (a) and (b) apply to acceptance of compensation by that officer, employee, or member from that contractor.

(d) NOTICE TO OFFICERS AND EMPLOYEES LEAVING DOD SERVICE.—(1) The Secretary of Defense shall give the notice described in paragraph (2) to each officer and employee of the Department of Defense and each member of the Armed Forces—

(A) who after the effective date of this section is separated from service in the Department of Defense; and

(B) who during the two-year period before that separation served in a position in the Department that included significant responsibility for a procurement function and that was identified by the Secretary of Defense under subsection (g)(1).

(2) A notice required by paragraph (1) shall provide the individual receiving the notice—

(A) a written explanation of the provisions of this section; and

(B) the name of each contractor from whom such individual is prohibited from accepting compensation under this section during the two-year period following such separation from service in the Department of Defense.

(e) CONTRACTOR REPORTS.—(1)(A) Each contractor subject to a contract term described in subsection (b) shall submit to the Secretary of Defense not later than April 1 of each year a report covering the previous

calendar year. Each such report shall list the name of each individual (together with other information adequate for the Government to identify the individual) who is a former Department of Defense officer or employee, or a former or retired member of the Armed Forces, who—

(i) was provided compensation by that contractor during the preceding calendar year, if such compensation was provided within two years after such officer, employee, or member left service in the Department of Defense; and

(ii) had significant responsibilities for a procurement function during the individual's last two years of service in the Department of Defense. (B) Each such listing shall—

(i) show each agency in which the individual was employed or served on active duty during the last two years of such individual's service in the Government;

(ii) show the individual's job titles during the last two years of such individual's service in the Government;

(iii) contain a full and complete description of the duties of the individual during the last two years of such service; and

(iv) contain a description of the duties (if any) that the individual is performing on behalf of the contractor.

(C) The first such report shall be submitted not later than April 1, 1987.

(2) The Secretary of Defense shall review each report under paragraph (1) to assess the report for accuracy and completeness and for the purpose of identifying possible violations of subsection (a) or (b) or paragraph (1). The Secretary shall report any such possible violation to the Attorney General.

(f) REVIEW BY DIRECTOR OF OFFICE OF GOVERNMENT ETHICS.—The Director of the Office of Government Ethics shall have access to the reports submitted under subsection (e)(1) and shall conduct an annual random review of the reports for violations of subsections (a), (b), and (e)(1). The Director shall submit a report to Congress not later than October 1 of each year on the operation of this section, including the findings of the Director based on the examination of reports for the preceding calendar year.

(g) COVERED POSITIONS.—(1) Not later than 180 days after the date of the enactment of this Act, the Secretary of Defense shall prescribe and publish in the Federal Register regulations identifying those positions within the Department of Defense that have as their primary duty the management, direction, oversight, or justification, with respect to a particular product or service, of—

(A) development;

(B) production;

(C) funding;

(D) operational and developmental testing;

(E) auditing; or

(F) acquisition.

(2) Positions identified under paragraph (1) shall include as a minimum each position with respect to a contract or program—

(A) as the program manager or deputy program manager;

(B) as a program monitor;

(C) as a member of a source-selection evaluation board or of the technical and cost teams advising the board or as the official responsible for approval of a sole-source contract;

(D) as the head of the system's program office;

(E) as the source selection authority for the system; and

(F) in which an individual is assigned on a permanent basis in the government plant representative office.

(3) Regulations under paragraph (1) shall be revised not less often than once each year. Any revision of such regulations shall be published in the Federal Register.

(4)(A) When a vacancy occurs in a position identified under paragraph (1) and the Secretary of Defense determines that the duties inherent in that position involve significant responsibilities for procurement functions with so many contractors that implementation of subsections (a) and (b) with respect to individuals serving in that position would seriously hamper the ability of the Department of Defense to obtain the services of a highly qualified individual to fill that vacancy, the Secretary, with the concurrence of the Director of the Office of Government Ethics, may exempt the individual appointed to fill that vacancy from the provisions of such subsections by reason of service in such position.

(B) Whenever the Secretary grants an exemption under this paragraph, the Secretary shall promptly submit to the Committees on Armed Services of the Senate and House of Representatives a report describing the exemption and setting forth the specific reasons for the exemption.

(h) EXCLUSION.—This section does not apply—

(1) to a contract for an amount less than $100,000; or

(2) to compensation of an individual by an entity that did not have a Department of Defense contract in excess of $100,000 at the time the individual had significant responsibilities for a procurement function with respect to a contract with that entity.

(i) ADVISORY OPINIONS FROM OFFICE OF GOVERNMENT ETHICS.—(1) An individual who is considering the propriety of accepting compensation that might place the individual in violation of subsection (a) may, before acceptance of such compensation, apply to the Director of the Office of Government Ethics for advice on the applicability of this section to the acceptance of such compensation.

(2) An application under paragraph (1) shall contain such information as the Director requires.

(j) DEFINITIONS.—For purposes of this section:

(1) The term "compensation" includes any payment, gift, benefit, reward, favor, gratuity, or employment valued in excess of $100 at prevailing market price, provided directly, indirectly, or through a third party.

(2) The term "contractor" means any person, partnership, corporation, or agency (other than the Federal Government or the independent agencies thereof) that contracts to supply the Department of Defense with goods or services. Such term includes any parent, subsidiary, or affiliate thereof.

(3) The term "procurement function", with respect to a contract, means any acquisition action relating to the contract, including negotiating, awarding, administering, approving contract changes, costs analysis, quality assurance, operational and developmental testing, technical advice or recommendation, approval of payment, contractor selection, budgeting, auditing under the contract, or management of the procurement program.

(4) The term "Armed Forces" means the Army, Navy, Air Force, and Marine Corps and includes the Coast Guard when the Coast Guard is operating as a service in the Navy.

(k) SEPARATION OF MEMBERS OF ARMED FORCES.—For the purposes of this section, a member or former member of the Armed Forces shall be considered to have been separated from service in the Department of Defense upon such member's discharge or release from active duty.

(l) TRANSITION.—(1) This section—

(A) does not preclude the continuation of employment that began before the effective date of this section or the acceptance of compensation for such employment; and

(B) does not, except as provided in paragraph (2), apply to an individual whose service with the Department of Defense terminates before April 1, 1986.

(2) Paragraph (1)(B) does not preclude the application of this section to an individual with respect to service in the Department of Defense by such individual on or after April 1, 1986.

(m) EFFECTIVE DATE.—This section shall take effect on January 1, 1986.

By Mr. BUSTAMANTE:

—Page 200, after line 4, add the following new section:

SEC. 1050. SENSE OF CONGRESS CONCERNING SET-ASIDES FOR SOCIALLY AND ECONOMICALLY DISADVANTAGED BUSINESS CONCERNS WITH RESPECT TO CONTRACTS WITH DEPARTMENT OF DEFENSE.

It is the sense of the Congress that, to the maximum extent practicable, the Secretary of Defense should ensure that not less than three percent of any funds appropriated pursuant to the authorizations made by this Act that are expended by the Department of Defense for contracts are expended for contracts with—

(1) small business concerns owned and controlled by socially and economically disadvantaged individuals, as defined in section 8 of the Small Business Act (15 U.S.C. 637) and regulations issued under such section;

(2) historically Black colleges and universities; and

(3) minority institutions, as defined by the Secretary of Education in regulations issued under the General Education Provisions Act (20 U.S.C. 1221 et seq.).

By Mr. CHAPPELL:

—At the end of title X (page 200, after line 4) insert the following new section:

SEC. 1050. ACQUISITION OF ANTI-SUBMARINE WARFARE TRAINING SYSTEMS.

Of the amount appropriated for the Navy pursuant to the authorization for the Navy in section 201, $6,800,000 shall be available only for acquisition of three SQQ-89 anti-submarine warfare shipboard training systems for the Naval Reserve.

By Mr. CONYERS:

—Insert the following new section at the end of Title X, (page 200, after line 4):

SEC. 1050. CONTRACTING REQUIREMENTS.

(a) Except where compelling national security considerations require otherwise, not less than 10 percent of the amounts appropriated pursuant to authorizations made by title I, II, and IX shall be expended for contracts entered into with small business concerns owned and controlled by socially and economically disadvantaged individuals (as defined by section 8 of the Small Business Act and regulations issued under such section), historically Black colleges and universities, and minority institutions (as defined by the Secretary of Education pursuant to the General Education Provisions Act), provided, however, that whenever the Secretary of Defense or the Secretary of Energy

proposes to waive the preceding requirements, the Congress must first be notified in writing including the justification therefor.

(b) The Secretary of Defense and the Secretary of Energy shall submit seminannual reports to the Congress on their compliance with the requirements in subsection (a) with a full explanation for any failure to comply with the requirements and a plan to remedy such failure. The first such reports shall be submitted to the Congress no later than May 1, 1986.

By Mr. DICKS:

—Add the following new section at the end of title X (page 200, after line 4)

SEC. 1050. ACTIVITIES UNDER THE STRATEGIC DEFENSE INITIATIVE TO BE CONSISTENT WITH THE 1972 ABM TREATY.

The Secretary of Defense may not obligate funds appropriated or otherwise made available for fiscal year 1986 for activities of the Strategic Defense Initiative Organization in any manner that is inconsistent with the 1972 Treaty on the Limitation of Anti-Ballistic Missile Systems between the Soviet Union and the United States (the "ABM Treaty").

By Mr. FAZIO:

—Insert the following new section at the end of title X (page 200, after line 4):

SEC. 1050. ONE YEAR PROHIBITION ON USE OF FUNDS WITH RESPECT TO THE 155-MILLIMETER ARTILLERY-FIRED, ATOMIC PROJECTILE.

(a) LIMITATION OF FUNDS AUTHORIZED FOR FISCAL YEAR 1986.—None of the funds appropriated pursuant to the authorizations of appropriations in this or any other Act may be obligated or expended for the production of the 155-millimeter artillery-fired, atomic projectile (W-82).

(b) LIMITATION OF PRIOR AUTHORIZATION.—None of the funds appropriated for fiscal year 1986 pursuant to the authorizations of appropriations in section 1635 of the Department of Energy National Security and Military Applications of Nuclear Energy Authorization Act of 1985 (title XVI of Public Law 98-525) may be obligated or expended during fiscal year 1986.

(c) COMMISSION ON BATTLEFIELD NUCLEAR WEAPONS.—(1) The Congress finds that—

(A) the deployment of battlefield nuclear weapons such as artillery shells constitutes a potentially fateful link between local crises and general nuclear war;

(B) the usefulness and merits of battlefield nuclear weapons are subjects of considerable debate among arms specialists;

(C) the North Atlantic Treaty Organization (hereinafter in this subsection referred to as the "NATO") has initiated measures to—

(i) reduce reliance on weapons systems which create pressures for the early first use of nuclear weapons; and

(ii) increase reliance on conventional forces;

(D) member nations of the NATO have not approved deployment of the 155-millimeter artillery-fired atomic projectile, and construction of facilities to produce the weapon has not begun;

(E) the Congress has not debated the proper function, if any, of battlefield nuclear weapons since they became part of our nuclear stockpile; and

(F) the enormous significance of the small nuclear artillery shell has remained obscure.

(2) There is hereby established a commission to be known as the Advisory Commission on Battlefield Nuclear Weapons (hereinafter in this subsection referred to as the "Commission").

(3) The Commission shall—

(A) examine—

(i) whether nuclear artillery shells remain appropriate and necessary for the implementation of the NATO's flexible response strategy, and whether modernization of nuclear artillery is consistent with efforts to reduce dependence on early use of nuclear weapons and raises the nuclear threshold;

(ii) the adequacy of measures to ensure constant control of battlefield nuclear weapons by civilian political authorities, including the ability of such authorities to maintain this control while battlefield nuclear weapons are in use;

(iii) whether the defense needs of the member nations of the NATO require the construction and deployment of two kinds of similar nuclear battelfield weapons, the 155-millimeter artillery-fired atomic projectile (W-82) and the 8-inch artillery-fired atomic projectiles (W-79);

(iv) whether modern conventional weapons could substitute for one or both kinds of battlefield nuclear artillery presently deployed with the NATO forces;

(v) the extent to which member nations of the NATO who are to deploy any new 155-millimeter artillery-fired atomic projectiles have officially agreed to deploy the shells, including a description of any steps remaining to be taken before entry by those allies into Programs of Cooperation with the United States for the deployment of the weapon; and

(vi) the purposes and uses proposed for battlefield nuclear artillery in theaters in the world other than the European theater;

(B) consult with experts representing diverse views on issues related to nuclear arms control, incluiding persons representing the public and private sectors; and

(C) submit the reports referred to in paragraph (11).

(3) Members shall be appointed to the Commission within 30 days after the date of the enactment of this Act. The Commission shall be composed of the following:

(A) Seven members appointed by the Speaker of the House of Representatives.

(B) Seven members appointed by the majority leader of the Senate.

Of the members appointed under subparagraphs (A) and (B), not more than three shall be officers or employees of the United States and not more than five shall be of the same political party.

(4) Any vacancy on the Commission shall be filled in the manner in which the original appointment was made.

(5) The Commission shall appoint a chairman from among its members.

(6)(A) Members of the Commission who are not officers or employees of the United States shall receive compensation at the daily equivalent of the rate of pay payable for grade GS-14 of the General Schedule for each day while performing duties of the Commission.

(B) Members of the Commission who are officers or employees of the United States may not receive compensation for their service on the Commission but shall be reimbursed for reasonable expenses for travel related to the duties of the Commission for which they would not otherwise receive reimbursement or any other payment.

(7) The Commission shall appoint and fix the pay of a director and a staff of two persons to assist the Commission in carrying out its duties.

(8)(A) The Commission shall first meet within 15 days after the date on which members are first appointed to the Commission and shall meet thereafter at the call of the chairman or a majority of the members.

(B) Nine members of the Commission shall constitute a quorum for all purposes, except that a lesser number may hold meetings and hearings.

(9) The Commission may, for the purpose of carrying out this subsection, take such testimony and receive such evidence as the Commission considers appropriate.

(10) The Commission may secure directly from any department or agency of the United States any information necesary to enable it to carry out this subsection. Upon the request of the chairman, the head of any such department or agency shall furnish the information to the Commission.

(11) The Commission shall submit reports to the President and to the Congress not later than March 1, 1986, containing the findings, conclusions, and recommendations of the Commission with respect to the issues referred to in paragraph (3)(A). Any dissenting or supplemental views of members of the Commission shall also be included in the reports.

(12) There are hereby authorized to be appropriated for fiscal year 1986 such sums as may be required to carry out this subsection.

(13) The Commission shall cease to exist on September 30, 1986.

By Mr. GONZALEZ:

—In Title III, delete section 305 (page 34, line 6, through page 36, line 7), and number the remaining sections correspondingly.

By Mr. GROTBERG:

—At the end of Title X (page 200, after line 4) add the following new section:

SEC. 1050. AMERICAN STAGE EQUIPMENT FOR U.S. PATRIOTIC EVENTS.

"That it is the sense of the Congress that performing groups in the armed forces of the United States should use domestically manfuactured entertainment support items, such as pianos and organs, sound and lighting equipment, and other items essential for quality entertainment, at patriotic and ceremonial events in the Capitol Building, on the Capitol Grounds, and at all Federal buildings, unless there is no domestically manfuactured item of comparable quality and price."

By Mr. HOPKINS:

—At the end of title X (page 200, after line 4) add the following new section:

SEC. 1050. MANAGEMENT OF MILITARY RECORDS MAINTAINED BY THE NATIONAL ARCHIVES AND RECORDS ADMINISTRATION.

(a) FINDING CONCERNING MILITARY RECORDS.—The Congress finds that the National Archives and Records Administration has received a substantial number of military records and that, by reason of the manner in which the records are maintained, many of such records are not readily accessible to the public.

(b) ADVISORY COMMITTEE.—It is the sense of the Congress that the Archivist of the United States should appoint an advisory committee—

(1) to study the manner in which military records received by the National Archives and Records Administration are maintained; and

(2) to make recommendations to the Archivist on appropriate ways to manage and maintain such records to enhance public access to the records.

(c) REPORT.—Not later than March 31, 1986, the Archivist shall transmit to the Congress a report outlining a 5-year plan, a 10-year plan, and a 20-year plan for improv-

ing the management, maintenance, storage, and preservation of military records and for improving public access to such records. In preparing the report, the Archivist shall consider any recommendations received from any advisory committee appointed as recommended in subsection (b).

By Mr. HUTTO:

—Page 172, after line 20, insert the following new section:

SEC. 1016. TWO-YEAR EXTENSION OF PROHIBITION ON CONTRACTS FOR THE PERFORMANCE OF FIREFIGHTING AND SECURITY FUNCTIONS.

(a) EXTENSION OF PROHIBITION.—Section 1221(a) of the Department of Defense Authorization Act, 1984 (Public Law 98-94; 97 Stat. 691), is amended by striking out "October 1, 1985" and inserting in lieu thereof "October 1, 1987".

(b) REPORT.—(1) The Secretary of Defense shall submit to Congress a written report containing—

(A) an assessment of the special needs of the Department of Defense with respect to firefighting and base security; and

(B) an assessment of how those needs are met by both Federal employees and contract personnel.

(2) The report shall be prepared in consultation with the Administrator of the United States Fire Administration of the Federal Emergency Management Agency and shall include the comments of the Administrator on the report.

(3) The report shall be submitted not later than March 1, 1986.

By Ms. KAPTUR:

—Page 176, after line 8, insert the following new section:

SEC. 1024. REPORT ON COMMON DEFENSE OBJECTIVES.

(a) IN GENERAL.—The Secretary of Defense shall submit to the Congress a report recommending methods by which Japan may be encouraged to increase its defense expenditures and thereby further the security interests of the United States by strengthening the common defense of the United States and Japan.

(b) SUBMISSION OF REPORT.—The report required by subsection (a) shall be submitted before the expiration of the 90-day period following the date of the enactment of this Act.

—Page 176, after line 8, insert the following new section:

SEC. 1024. REPORT ON COMMON DEFENSE OBJECTIVES.

(a) IN GENERAL.—The Secretary of Defense shall submit to the Congress a report concerning ways Japan could increase its self-defense capabilities through defense expenditures and thereby further the security interests of Japan and the United States.

(b) SUBMISSIONS OF REPORT.—The report required by subsection (a) shall be submitted before the expiration of the 90-day period following the date of the enactment of this Act.

By Mr. McCOLLUM:

—Page 167, after line 10, add the following new section:

SEC. 1003. AUTHORIZATION OF APPROPRIATIONS FOR TRANSPORTATION OF NONLETHAL ASSISTANCE TO AFGHAN REFUGEES.

There is hereby authorized to be appropriated to the Department of Defense for fiscal year 1986 the sum of $10,000,000 for transportation of nonlethal assistance to persons displaced or who are refugees because of the invasion of Afghanistan by the Soviet Union, as authorized in title III.

—On page 200 after line 4 insert:

SEC. 1050. Title 10 of the United States Code is amended after Section 906 by inserting the following new section:

"906A. ART. 106A. ESPIONAGE.

"(a) Any person subject to this chapter who, with intent or reason to believe that it is to be used to the injury of the United States or to the advantage of a foreign nation, communicates, delivers, or transmits, or attempts to communicate, deliver, or transmit, to any foreign government, or to any faction or party or military or naval force within a foreign country, whether recognized or unrecognized by the United States, or to any representative, officer, agent, employee, subject, or citizen thereof, either directly or indirectly, any document, writing, code book, signal book, sketch photograph, photographic negative, blueprint, plan, map, model, note, instrument, appliance, or information relating to the national defense, shall be punished by death or other such punishment as a court-martial may direct, except that the sentence of death shall not be imposed unless the members further find that the offense directly concerned nuclear weaponry, military spacecraft or satellites, early warning systems, or other means of defense or retaliation against large-scale attack; war plans; communications intelligence or cryptographic information; or any other major weapons system or major element of defense strategy.

"(b) Any person subject to this chapter who, in time of war, with intent that the same shall be communicated to the enemy, collects, records, publishes, or communicates, or attempts to elicit any information with respect to the movement, numbers, description, condition, or disposition of any of the Armed Forces, ships, aircraft, or war materials of the United States, or with respect to the plans or conduct, or supposed plans or conduct of any naval or military operations, or with respect to any works or measures undertaken for or connected with, or intended for the fortification or defense of any place, or any other information relating to the public defense, which might be useful to the enemy, shall be punished by death or other such punishment as a court-martial may direct.

"(c) The death penalty shall be imposed under this section only after the members consider the presence or lack thereof of mitigating or aggravating factors contained in subsections (d) and (e).

"(d) MITIGATING FACTORS.—In determining whether a sentence of death is to be imposed on a defendant, the following mitigating factors shall be considered but are not exclusive:

"(1) the defendant was less than eighteen years of age at the time of the crime;

"(2) the defendant's capacity to appreciate the wrongfulness of his conduct or to conform his conduct to the requirements of law was significantly impaired, but not so impaired as to constitute a defense to the charge;

"(3) the defendant was under unusual and substantial duress, although not such duress as constitutes a defense to the charge;

"(4) the defendant is punishable as a principal in the offense, which was committed by another, but his participation was relatively minor, although not so minor as to constitute a defense to the charge; or

"(5) Any other factors the President may set forth in the Manual for Courts-Martial.

"(e) AGGRAVATING FACTORS.—If the defendant is found guilty of or pleads guilty to an offense under this section the following aggravating factors shall be considered but are not exclusive:

"(1) the defendant has been convicted of another offense involving espionage or treason for which either a sentence of life imprisonment or death was authorized by statute;

"(2) in the commission of the offense the defendant knowingly created a grave risk of substantial danger to the national security; or

"(3) in the commission of the offense the defendant knowingly created a grave risk of death to another person; or

"(4) any other factors the President may set forth in the Manual for Courts-Martial."

By Mr. MARKEY:

—Add the following new section at the end of title X (page 200, after line 4):

SEC. 1050. RESTRICTION ON THE TESTING OF ANTI-BALLISTIC MISSILE SYSTEMS.

(a) IN GENERAL.—None of the funds appropriated pursuant to an authorization provided in this or any other Act may be obligated or expended for any test of, or experiment involving, any component, subcomponent, or adjunct of an anti-ballistic missile system, or prototype thereof, if such test or experiment includes an intercept of a satellite, an anti-satellite weapon, or an orbital target simulating an anti-satellite weapon.

(b) EXCEPTION.—The prohibition of subsection (a) shall no longer apply if the President certifies to the Congress that the Soviet Union has conducted, after the date of enactment of this Act, a test of or an experiment involving a component, subcomponent, or adjunct of an anti-ballistic missile system, or prototype thereof, against a satellite, an anti-satellite weapon, or an orbital target simulating an anti-satellite weapon.

By Mr. MORRISON of Connecticut:

—Page 200, after line 4, insert the following new title:

TITLE XI—CEILING ON APPROPRIATIONS

SEC. 1101. CEILING ON AGGREGATE FISCAL YEAR 1986 APPROPRIATIONS AT FISCAL YEAR 1985 LEVEL.

Notwithstanding the specific authorizations of appropriations provided in this Act for individual appropriation accounts, the aggregate amount appropriated for fiscal year 1986 pursuant to all such authorizations may not exceed the aggregate amounts appropriated for such accounts in fiscal year 1985.

—Page 200, after line 4, add the following new section:

SEC. 1050. LINKAGE OF MILITARY TO CIVIL SERVICE PAY ADJUSTMENT.

(a) APPLICATION OF SECTION 601(b).—Section 601(b) of this Act shall apply in accordance with this section.

(b) EFFECTIVE DATE.—If an adjustment is made in the rates of basic pay under the General Schedule of compensation for Federal employees and such adjustment is to become effective during fiscal year 1986 on a day other than the day specified in subsection (b) of section 601 of this Act, the adjustment under such subsection (b) in compensation for members of the uniformed services shall become effective on the first day of the first pay period that begins on or after the effective date of the adjustment in the rates of basic pay under the General Schedule.

(c) PERCENTAGE ADJUSTMENT.—If an adjustment in the rates of basic pay under the General Schedule of compensation for Fed-

eral employees takes effect during fiscal year 1986 and such adjustment provides for a different overall percentage change in rates of basic pay than the percentage specified in subsection (b) of section 601 of this Act, the adjustment under such subsection (b) in compensation for members of the uniformed services shall be equal to the overall percentage change in rates of basic pay under the General Schedule.

(d) CIRCUMSTANCES FOR MAINTAINING CURRENT RATES OF PAY.—If an adjustment in the rates of basic pay under the General Schedule of compensation for Federal employees does not take effect during fiscal year 1986, an adjustment* under section 601(b) of this Act in compensation for members of the uniformed services shall not take effect.

By Mr. YOUNG of Florida:

On page 200, after line 4, insert the following new section:

SEC. 1050. LIMITED COUNTERINTELLIGENCE POLYGRAPH PROGRAM.

(a) The Secretary of Defense is authorized and directed to institute a program of counterintelligence polygraph examinations for military, civilian and contractor personnel of the Department of Defense, military departments, and the armed forces whose duties involve access to classified information.

(b) The program instituted pursuant to subsection (a) shall provide that, in the case of such individuals whose duties involve access to classified information within special access programs established pursuant to subsection 4.2(a) of Executive Order 12356, a counterintelligence polygraph examination shall be required prior to granting access to such information and aperiodically thereafter at random while such individuals have access to such information.

(c) In the case of individuals whose duties involve access to classified information other than that information covered in subsection (b) of this section, a counterintelligence polygraph examination may be required prior to granting access to such information and aperiodically thereafter at ramdom while such individuals have access to such information.

(d) A counterintelligence polygraph examination conducted pursuant to this section shall be limited to technical questions necessary to the polygraph technique and questions directly related to espionage, sabotage, terrorism and unauthorized disclosures of classified information.

(e) The authority of the Secretary of Defense under this section to provide for the use of polygraph examinations shall be in addition to any other authority the Secretary possesses on the date of enactment of this act to provide for such examinations under applicable laws and regulations.

SENATE—*Monday, June 24, 1985*

(Legislative day of Monday, June 3, 1985)

The Senate met at 12 noon, on the expiration of the recess, and was called to order by the President pro tempore [Mr. THURMOND].

PRAYER

The Chaplain, the Reverend Richard C. Halverson, D.D., offered the following prayer:

Let us pray.

Almighty God, we come to Thee today with deep concern for the hostages and their families. We experience futility and human extremity. We are faced with the helplessness of power: Whether it is the power of the Presidency or the power of diplomacy or the power of Congress or the power of the military. All human power seems helpless in this enigmatic situation.

I confess, Lord, that I do not even know how to pray. Help us in our helplessness. At times like this, only the power of God is adequate. Great God, do what God alone is able to do. Overrule evil in this situation.

Be with the captives and their families in their helplessness. Protect them. Keep them safe, and grant that they may soon be released. Gracious, sovereign Lord, bring resolution to this stalemate. To Thy glory. Amen.

RECOGNITION OF THE MAJORITY LEADER

The PRESIDENT pro tempore. The distinguished majority leader is recognized.

SCHEDULE

Mr. DOLE. Mr. President, under the standing order, the leaders have 10 minutes each, to be followed by a special order in favor of the distinguished Senator from Wisconsin [Mr. PROXMIRE] for not to exceed 15 minutes.

There will be routine morning business, not to extend beyond 1 p.m., with statements therein limited to 5 minutes each.

Following the routine morning business, it will be the intention of the majority leader to turn to any of the following calendar items:

S. 49, the McClure-Volkmer gun bill; H.R. 2475, imputed interest; Senate Joint Resolution 77, Compact of Free Association.

As previously indicated, there will be no rollcall votes during today's session.

I indicate to my colleagues who may be listening in their offices—or to the members of their staffs—that this will be a busy week. We hope to start on the gun bill. If we cannot get an agreement today, we will start on it. If we can get an agreement, we will begin consideration on July 9, at 2 p.m.

If that agreement is reached, we could turn to the consideration of the imputed interest bill today, but no rollcall votes will occur.

We would resume whatever we have tomorrow, either the gun bill and/or imputed interest. I assume that imputed interest may take some time, because I am aware of five amendments, and there may be additional amendments. We would stay in late tomorrow night in an effort to finish that proposal, if we can get consent to do that—not to stay in late, but to move to imputed interest, if the so-called gun bill is pending.

If we cannot reach an agreement and the gun bill is laid down, I will file a cloture motion on the motion to proceed immediately.

On Wednesday, we will resume and finish the pending business.

We also hope to consider committee authorization bills; S. 1279, Landsat commercialization; S. 1077, consumer product safety. I understand that on that bill there is an amendment by the distinguished Senator from Illinois [Mr. SIMON]. I do not believe he is holding up the bill. I think he would just like to call up the amendment, and he has that right. Perhaps we can work it out with him, and we may be able to have a time agreement. We also have S. 863, motor vehicle safety.

On Thursday, we will take up S. 1146, customs and trade authorization. Also, we hope to have a supplemental appropriations conference report by then.

We could still be on the gun bill and imputed interest and a few minor details. If we should complete the major portion of these items by Thursday evening, it would be my intention not to be in session on Friday. On the other hand, if we cannot complete action on some of those major matters or reach some agreement on when we can dispose of them, it would be my intention to try to finish that up on Friday.

I will give the distinguished minority leader later today some indication of what we hope to do for the week. I think I have outlined it. Members should be on notice that there will be no votes today. There will be votes throughout the day and evening tomorrow, Wednesday, and Thursday.

Mr. President, I reserve the remainder of my time.

RECOGNITION OF THE ACTING DEMOCRATIC LEADER

The PRESIDENT pro tempore. The distinguished acting Democratic leader is recognized.

Mr. PROXMIRE. Mr. President, I ask unanimous consent that the time of the minority leader be reserved for his use later today.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECOGNITION OF SENATOR PROXMIRE

The PRESIDING OFFICER (Mr. HATFIELD). The Senator from Wisconsin [Mr. PROXMIRE] is recognized.

WHAT DOES IT TAKE TO CONTROL NUCLEAR WAR?

Mr. PROXMIRE. Mr. President, all of us know that the most important mission on the face of the Earth is how to prevent a nuclear war that would destroy civilization. Our newspapers are better than ever. In the judgment of this Senator, we have never had such a variety of distinguished and thoughtful newspaper columnists and editorial writers as we have today. Yet, there is very little being written on what this great superpower can and should do to prevent a nuclear war from starting, and especially to prevent a nuclear war, once started, from promptly within a matter of days, if not hours, escalating into a total catastrophic Armageddon.

Oh, yes, there has been an abundance of writing about nuclear deterrence and arms control. These two options have been treated at length. They have come to be considered as the virtually exclusive options for preventing a nuclear holocaust. Occasional articles appear discussing unilateral disarmament. But there is almost no thoughtful commentary on what the two superpowers can do to prevent a nuclear war, once started, from incinerating the cities of the contestants, killing hundreds of millions of people, and possibly triggering a nuclear winter that would starve most of the Earth's humanity.

Certainly, Mr. President, both deterrence and arms control are fallible instruments of our survival. Deterrence—that is, the mutual recognition by both superpowers that a nuclear war pitting the United States against the Soviet Union would destroy both—that knowledge has deterred a nuclear

● This "bullet" symbol identifies statements or insertions which are not spoken by the Member on the floor.

war for 35 years. It may continue to do so for 5 or 10 or 50 or 100 years. But some day the complexity and instability of the arms race and fear paranoia that beset leaders on both sides is very likely to provoke a nuclear attack from one side or the other. It could come in an infinite variety of ways.

Arms control through five major treaties between the superpower, limiting nuclear weapons tests and strategic offensive and defensive nuclear arms, has made a halting, hesitant, erratic beginning. It has great possibilities. It may succeed eventually in stopping the arms race. Even if it does, mankind will be confronted with the terrible fact that, for the rest of man's civilized life on Earth, we will have to live with nuclear weapons. And neither arms control nor deterrence at their best can eliminate the risk that the cataclysm of nuclear war can come any year, any day—in fact, any hour—from now on.

So what do we do about it? The Air Force, as "executive agent" of the Department of Defense, has prepared an unclassified report on "Controlling Nuclear War." The report is written by Klaus Knorr, a professor emeritus at the Woodrow Wilson School, Princeton University. As Professor Knorr puts it:

> The underlying concept assumes that if nuclear war between the super powers should break out, they may have the most urgent interest in terminating the conflict before the surge to the dimension of doomsday takes place, but may be ill-equipped for doing so because neither national nor bilateral preparations have been made beforehand for facilitating quick agreement on a cease fire.

Consider, Mr. President: Both the United States and the Soviet Union have everything—and I mean everything—to gain by cooperation, communication, and understanding. Both superpowers have everything to lose—everything—by a failure to understand, first, the full importance of preventing a nuclear war from starting and, second, the failure to use every avenue of cooperation to stop such a war once the first nuclear warhead or the first 10 or 15 nuclear warheads strike. Both countries must, as Shakespeare put it, disenthrall themselves of the instinct accumulated from hundreds of generations of striking back with full might. Our every instinct when our country is hit is to hit back with the fullest possible force. As recently as the Vietnam war, the prime lesson we were told that we should learn is that we should never again go to war without the full intention of winning it and winning it totally. This is a clear, simple principle. It served our fathers and our grandfathers, and all our ancestors since the beginning of recorded history. It is as ancient as the origin of homo sapiens and as modern as the determination not to be a wimp.

Mr. President, it is especially encouraging that the document that counsels us to overcome this ancient instinct to fight to win does not come from some unilateral disarmament sect. Where does it originate? It comes from a publication of the Strategic Air Command of the U.S. Air Force. It comes from persons whose job it is to defend this country, and from a military force with a tradition that has declared ever since its very beginning that once you go to war with an enemy, your one mission is to destroy him. But no longer. No longer, Mr. President. The one mission of our mighty strategic force today is to prevent nuclear war from becoming the end, the finale for our great country. That means doing everything we can to prevent a nuclear war. But that's not all. It also means preparing just as thoroughly as possible to cooperate with the Soviet Union to prepare the crisis control to stop such a war once it begins. Finally it requires the determination to put that crisis management into full and vigorous effect if the first acts of nuclear war should begin and there have been almost no steps in the direction of doing this, Mr. President.

Mr. President, I ask unanimous consent that the conclusion of the article to which I have referred by Klaus Knorr entitled "Controlling Nuclear War" be printed at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

CONTROLLING NUCLEAR WAR—EXCERPT

CONCLUSIONS

As discussions of limited nuclear war have a will-o'-the-wisp quality about them, so our exploration of whether and how such hostilities could be ended before they plunge the belligerents and others into nuclear disaster comes only to an uncertainly hopeful conclusion. If the superpowers are disinterested in the concept now, termination would be more than a clearly delusive goal only in the event that their leaders abruptly changed their minds once the reality of limited nuclear strikes was upon them. But the joint will to terminate, and do so quickly, may then not be enough for success in the absence of prior preparations to enlarge their ability to implement that will. On the other hand, even if the ability had been enhanced, we cannot be sure that it would be capable of blocking further escalation by inadvertence or that the common will mustered beforehand for dealing with the contingency in terms of parallel interests of survival would not crumble under the not fully foreseen counterpressures in a particular military crisis.

Yet to make preparations, unilaterally and bilaterally, for nuclear disengagement is nevertheless a worthwhile cause. Although a narrow scope and uncertain efficacy, this particular remedy for averting disaster would modestly diminish the probability of nuclear holocaust. It would add a little to everyone's security. And while its claim to utility is neither large nor sturdy, it also does not cost much to develop once we admit that war-avoidance rather than war-fighting is our supreme goal. Its demands in terms of physical capabilities and strategic doctrine have already been called for by more comprehensive schemes for crisis management and escalation control. The main additional requirement is that of thinking through the pros and cons and discussing questions of merit and feasibility with the other side.

Finally, the question must be raised whether advance preparations for terminating low-intensity nuclear conflict—preparations that muster the joint determination of governments to escape mutual devastation and increase their ability to do so—would not be counterproductive by rendering military confrontation generally and its escalation to the nuclear level in particular less dangerous to both sides. The reduction of the risk might be offset by the increased willingness to run it, so that the probability of suffering nuclear disaster remained more or less unchanged. This sort of argument can be, and has been expressed against any measure that is intended to mitigate the starkness of the balance of terror and thus undercuts its power to deter war. The alleged dilemma raises a legitimate concern. Thus, while it is certainly an advantage for everyone to be able to disengage from a limited nuclear war that has been precipitated by accident, the counterargument suggests that, by making conflict escalation to that level safer, the deliberate initiation of this form of military conflict may become more probable, or less improbable, than it was before.

Two considerations, however, indicate the likelihood of a net benefit. First, despite advance efforts to facilitate the termination of limited nuclear exchanges, the risk of uncontrolled escalation to the level of ultimate disaster would remain high. Even though preceding arrangements can cut the risk, they are too fragile to be relied upon for justifying imprudent military action. Second, the effectiveness of these measures depends on the spirit in which they are introduced. There might be no net gain in preparations for nuclear disengagement if the superpowers adopted them in order to make nuclear war-fighting safer to plan and execute—that is, if the preparations became a smoke-screen behind which military planners felt safe to ignore or belittle the full consequences of the nuclear revolution. On the other hand, the net gain would promise to be substantial if the advance preparations were made on both sides in the light of maximizing the chances of avoiding disaster. It is only such joint dedication to ensuring survival in the nuclear age that will permit the risk to be decreased substantially. This dedication makes it unlikely that joint measures of risk will be negated promptly by the disposition to run greater risks in a crisis. All cooperative endeavors to make the world safer from nuclear holocaust promise net benefits for this reason.

THE FIFTH MYTH OF THE DAY: THAT AMERICAN FARMERS ARE NOT SUFFERING A DEEP DEPRESSION

Mr. PROXMIRE. Mr. President, this is my fifth myth of the day statement. Each day I have been speaking out on what I have found is a general popular fallacy, often based on the statements of top Federal officials.

Today's myth is that the American farmer may be having a harder time

than usual, but his plight is not nearly as bad as during the Great Depression of the 1930's.

Mr. President, the fact is that the American farmer is suffering a deep, deep depression. Think of it: the farmers in this country have endured such a continuous and disastrous drop in their return on investment that in 1981, for the first time since Herbert Hoover was President in 1931, they actually received less than nothing, below zero, on their equity, the first time in 50 years. This was also true in both 1982 and 1983. Although the data for 1984 are not yet available, we can expect more of the same for last year.

And this year—1985—will certainly be as bad or worse. In fact, it seems safe to say that farmers in this country in 1985 face the twin evils of no return on their investment and a farmer buying power that may well hit the lowest level in recorded history.

One Wisconsin farmer was asked recently what he would do if he was given a million dollars. His response: "Well, I guess I'd just keep on farming until it was all gone."

THE MENGELE CASE DEMONSTRATES HOW THE IMPACT OF GENOCIDE IS FELT FOR DECADES

Mr. PROXMIRE. Mr. President, it seems that the guessing game about the pile of bones dug up from a Brazilian gravesite is nearly over.

The weight of scientific evidence, according to weekend news reports, shows that the bones are indeed those of Joseph Mengele, one of the most notorious of the Nazi war criminals.

Even so, Mr. President, the doubts, the skepticism, and the unanswered questions about what really happened to Joseph Mengele will always remain.

No matter what the scientists say, are the bones in that gravesite really those of Josef Mengele? That will be a question that will still linger for many years to come.

After all, Nazi hunters believe that Mengele is capable of doctoring up a corpse to resemble himself.

We should not forget that this is the Angel of Death we're talking about, who earned a well-deserved reputation for doctoring up live bodies.

Last week, before the scientists released their findings, John Lang in U.S. News & World Report noted that Mengele was "the world's most notorious practitioner of unnecessary surgery—injecting eyeballs with serum to change their color, amputating limbs arbitrarily, sewing twins together and rearranging organs of his 'specimens'."

What is interesting about Lang's article is his report on the affect the entire episode is having on Holocaust survivors—and the reaction of the Nazi hunters.

Marc Berkowitz, who was forced to be Mengele's errand boy and one of his guinea pigs at Auschwitz explains it this way:

"If he died, my feelings would be that justice was cheated and the world was robbed."

Josef Mengele is indeed one of the most haunting figures of Nazi demonology. But his death will end only a portion of a vicious evil.

Others just as murderous remain alive and free.

The Mengele case, for example, is only one of 300 cases being pursued by the United States against Nazi war criminals. The cases are handled by the American Office of Special Investigations, which is a Department of Justice unit with a staff of 50.

Last year, the United States deported six Nazis the Government had tracked down.

Nazi hunter Simon Wiesenthal points out the importance of bringing war criminals like Josef Mengele to justice. He says, "What we are doing is a warning for the murderers of tomorrow. Even 40 years later, 10,000 miles from the crime—you cannot escape justice."

Mr. President, I am proud that the United States has joined in the worldwide hunt for Nazi war criminals.

But it is ironic—and yes, even tragic—that while we commit 50 OSI investigators to track down Nazi criminals in this country, we still haven't committed this country to the Genocide Treaty.

Mr. President, we in the U.S. Senate have a duty to reinforce the warning Simon Wiesenthal speaks of. Ratification of the Genocide Treaty would show our resolve to murderers of tomorrow that genocide will not go unpunished.

Mr. President, I yield the floor.

ROUTINE MORNING BUSINESS

The PRESIDING OFFICER. Under the previous order, there will now be a period for the transaction of routine morning business for not to extend beyond the hour of 1 p.m. with statements therein limited to 5 minutes each.

IMPROVEMENT IN NATO CONVENTIONAL DEFENSE

Mr. WARNER. Mr. President, I had the opportunity during a recent trip to NATO Headquarters in Brussels to assess the efforts now underway in the alliance to improve its conventional defenses.

I was struck by the energy displayed at NATO, particularly by the Secretary General, Lord Carrington, in coming to grips with the shortfalls in NATO's conventional forces and in beginning to remedy them.

These difficult but essential improvements will complement our own military program for Europe's defense and will help to reduce the alliance's dependence on nuclear weapons.

Our allies accordingly deserve our encouragement and continued support which will help to ensure the necessary steady pursuit of this ambitious program.

I would like to place in the RECORD an outline of the background and course of this special effort provided to me by Ambassador Abshire.

I recommend it to my colleagues as a useful summary of this very promising endeavor.

The material follows:

THE SPECIAL EFFORT TO IMPROVE NATO'S CONVENTIONAL CAPABILITIES

BACKGROUND

At the NATO Summit in Bonn, in spring, 1982, heads of state committed the Alliance to strengthening its conventional defenses, particularly by exploiting emerging technologies.

Secretary Weinberger's 1984 report on improving conventional defense identified ten critical persisting deficiencies.

The Congress has pushed for improvements; this pressure has been felt and widely discussed in Europe.

President Reagan and Chancellor Kohl signed a Communique on 30 Nov. 1984, that stipulated there was a "need for a coherent Alliance approach to enhancing NATO's conventional capabilities.

Lord Carrington has shown remarkable energy in leading the effort to improve conventional defenses.

THE ORIGIN OF THE SPECIAL EFFORT

Defense Ministers at the December 1984, Defense Planning Committee meeting:

Increased the funding for infrastructure and agreed to greater efforts in meeting NATO's goal of 30 days of war reserve stocks for key munitions;

Launched the special effort;

Invited Carrington and the NATO Ambassadors to propose improvements to conventional defense, with Carrington leading the effort.

DEVELOPMENTS SINCE DECEMBER

Carrington has pursued his mandate energetically. He initiated and hurried along an ambitious series of supporting studies, work on which required and received the active participation of the International Staff, national delegations, and the NATO Military Authorities. The papers' topics are:

Political Considerations.

The Balance of Forces and the Threat to NATO.

Resource Considerations.

Sustainability.

The Enhancement of Armaments Cooperation.

Weaknesses in NATO Defense Planning.

Key Deficiencies.

These, often impressive, papers culminated in an excellent Overall Report that not only rehearsed the list of critical deficiencies but called for exceptional measures—both within and outside of the force goals process—to remedy them. At the recent Defense Planning Committee meeting, Defense Ministers unanimously endorsed the conclusions and recommendations of the Overall Report. The list of recommendations is extensive; the Communique from the meeting accurately described them as a "plan of action." Ministers also approved Ministerial Guidance 1985, a document which will guide

NATO and national defense planning for the next two years and which faithfully reflects the analyses prepared this spring as well as the recommendations in the Overall Report.

During this work, the NATO Military Authorities were developing a Conceptual Military Framework, aspects of which have, where appropriate, informed the larger special effort.

U.S. OBJECTIVES IN THE SPECIAL EFFORT

The United States has sought, so far with success:

The identification of key deficiencies in a way that will not only permit but strongly encourage nations to take the necessary corrective steps;

Agreement within the Alliance to the continued close monitoring of the special effort;

Reaffirmation of the 3% formula;

Progress in the development of more effective NATO planning processes and of a resources strategy;

The improvement of NATO's efforts in armaments cooperation.

EXPECTED OUTCOMES

Against the background of the success of this endeavor to date, the United States looks, with confidence, for:

The elaboration of force goals aimed specifically at remedying the critical deficiencies;

Assurance that in cases where the deficiencies cannot be remedied through the regular process of force goals, other appropriate steps will be taken;

Continuing attention by the Alliance to the performance of each nation in coming to grips with the deficiencies (with a first progress report at next December's DPC Ministerial meeting);

Further progress in developing the Alliance's procedures for long-term planning in the interest of greater coherence and coordination.

SAVING HEALTH CARE DOLLARS THROUGH PSYCHOLOGICAL SERVICE

Mr. INOUYE. Mr. President, earlier this congressional session, Senator MAX BAUCUS, ranking Democrat on the Senate Finance Health Subcommittee, and I hosted a breakfast in which Dr. Nicholas Cummings of the American Psychological Association described his experiences in Hawaii in providing quality mental health care to Medicaid recipients who had been previously deemed high utilizers of health care services.

Dr. Cummings' experiences in his Hawaii project are quite similar to those which he found as chief psychologist and senior psychologist for the Kaiser-Permanente Health Care System in San Francisco. Specifically, he reported that over 60 percent of all physician visits are by persons who have no physical illness but rather are experiencing emotional distress. It has been his experience that by providing quality mental health care in a timely fashion, overall health care costs can be significantly reduced. For example, the preliminary results in Honolulu project that a 37 percent overall reduction in medical utilization will ultimately result.

Mr. President, I ask unanimous consent that a description of the Biodyne project which was provided for me by Dr. Cummings be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

SAVING HEALTH CARE DOLLARS THROUGH PSYCHOLOGICAL SERVICES [1]

(Nicholas A. Cummings, Ph.D. [2])

INTRODUCTION

The fact that in the United States over 60 percent of all physician visits are made by patients who have no physical illness, but rather are somaticizing emotional problems, is ample reason for concern for the proper expenditure of our nation's health dollars. This discovery by the Kaiser-Permanente Health Plan in the early 1950s was thought to be a peculiarity of the forerunner to the modern Health Maintenance Organization (HMO). It was argued that once all barriers to the access of medical services are removed, people will tend to overutilize such services. It is now generally conceded that throughout our health economy the majority of all physician visits are by persons variously labeled hypochondriacs, the worried-well, and other such terms to denote that no organic cause can be found for their somatic complaints. This was acknowledged by Alex Kelly, M.D., representing the American Medical Association, when he testified before the Subcommittee on Health, House Committee on Ways and Means, in November, 1975. It has now become apparent that his startling fact remained hidden within our fee-for-service reimbursement system for many years. Kasier-Permanente physicians, being capitated, had no incentive to find a physical diagnosis where none existed, and typically recorded "no significant abnormality" (or NSA) wherever this was appropriate. The fee-for-service physician, on the other hand, is obliged to provide a diagnosis in order to obtain reimbursement for the visit.

The discovery more than 30 years ago by Kaiser-Permanente that 68 percent of its doctor visits made by 36 percent of its 1.3 million members were for complaints for which no organic cause could be found led Sideny Garfield, M.D., founder of the Permanente Medical Group, to conclude that health care costs could not be adequately controlled unless the somaticizing patient received the appropriate treatment which, in this case, was psychological rather than medical. He developed a method of triaging the "worried well", as he called that somaticizer, out of the medical system and into a psychological system. This method is illustrated in Figure 1. [Figure 1 not reproducible for the RECORD.] Although Dr. Garfield's elegantly simple method was never fully implemented at Kaiser-Permanente, a comprehensive mental Health benefit was developed in response to the over-utilization of health care facilities. It is appropriate to briefly trace the history of how Kaiser-Permanente went from mental health being an exclusion to its requiring a mental health benefit of all subsecribers.

THE KAISER-PERMANENTE EXPERIENCE

The Kaiser-Permanente Health Plan, founded by Henry J. Kaiser to provide health care for the construction workers on the Hoover Dam Acqueduct to Los Angeles and later his shipyard employees, was offered to the public on the West Coast in the post-World War II era. It grew rapidly because it provided comprehensive treatment at low subscriber rates for all ills without the exclusions, limitations, co-insurance and other troublesome features common to the health plans at the time. Kaiser-Permanente, as the forerunner of the modern HMO, soon found to its dismay an alarming inundation of its health care facilities by seemingly healthy persons. Since the system was a capitated one, Kaiser recognized early that it could be bankrupted by what was regarded at the time as abuse by the hypochondriac. At that time psychotherapy was excluded as a health plan benefit. Initially the Permanente Medical Group subsidized out of capitated earnings a psychological service which was available to physicians for referral. This additional service was motivated not so much by a conviction of the efficacy of psychotherapy, but by the urgent need to get the hypochondriac out of the doctor's office. Out of this initial perception began twenty-five years of extensive research, leading to the conclusion that no comprehensive prepaid health system can survive without providing a psychotherapy benefit.

The conclusion from these studies is that patients in emotional distress, finding an unsympathetic or uncomprehending ear when they attempt to discuss their distress with their physician, quickly begin to translate their problems into physical symptoms for which they receive a great deal of attention in the form of X-rays, laboratory tests, prescriptions and return visits to the physician. The question then remained whether these patients would demonstrate a subsequently different utilization of health plan services, given psychotherapy as the treatment of choice for their emotional ills.

In the first of a series of investigations into the relationship between psychological services and medical utilization in a prepaid health plan setting, my colleagues and I (Follette and Cummings, 1967) compared the number and type of medical services sought before and after the intervention of psychotherapy in all the patients seen in psychotherapy in 1960. At that time there was a pilot program in which a psychotherapy benefit was provided to 32,200 eligible subscribers. The outpatient and the inpatient medical utilization for the year prior to the initial interview in the Department of Psychotherapy as well as for the five years following were studied for three groups of psychotherapy patients (one interview only; brief therapy and long-term therapy) and a control group of matched patients demonstrating similar criteria of distress but not, in the six years under study, seen in psychotherapy. Their findings indicated that: (1) persons in emotional distress were significantly higher users of both inpatient and

[1] These comments were made by Dr. Cummings at an invited breakfast presentation cosponsored by Hon. Daniel K. Inouye, Hon. Max Baucus and the American Psychological Association in The Capitol, May 16, 1985.

[2] For 25 years Dr. Cummings was Chief Psycologist and then Senior Psychologist for the Kaiser-Permanente Health Care System in San Francisco. Currently he is President of the Biodyne Institute and President and Clinical Director of the American Biodyne Centers. He is also Principal Investigator of the Hawaii Medicaid Project, a joint demonstration research of the State of Hawaii and Health Care Financing Administration (HCFA) which is investigating the saving of Medicaid costs through psychological services (Project No. 11-P-93844/9).

outpatient medical facilities as compared to the Health Plan average; (2) there were significant declines in medical utilization in those emotionally distressed individuals who received psychotherapy as compared to a control group of matched emotionally distressed Health Plan members who were not accorded psychotherapy; (3) declines in medical utilization remained constant during the five years following the termination of psychotherapy; (4) the most significant declines occurred in the second year after the initial interview, and those patients receiving one session only or brief psychotherapy to maintain the lower level of utilization for five years; (5) patients seen two years or more in regular psychotherapy demonstrated no overall decline in total outpatient utilization inasmuch as psychotherapy visits tended to supplant medical visits. However, there was significant decline in inpatient utilization in this long-term therapy group from an initial hospitalization rate several times that of Health Plan average to a level comparable to that of general adult Health Plan population.

These results are found in Tables I and II which show the significant declines in the psychotherapy group as compared to the control group which actually increased its medical utilization, though not significantly, over the six year period. By inserting average dollar amounts of each outpatient unit as well as for each hospital day, the reader can derive the millions of dollars saved in medical costs above and beyond the cost of providing the psychotherapy. It is important to note that the savings continue into the fifth year with no additional provision of psychological services. In an 18 year follow-up of these patients it was found that the psychotherapy patients did not resume their somaticization and neither did they seek additional psychotherapy. These results persuaded Kaiser-Permanente that psychological services are essential to cost containment, and a psychotherapy benefit became an integral part of the Kaiser Health Plan.

Following these initial studies a decided effort was made to outreach the overutilizers of medical services. It was reasoned that the more of such persons that could be seen in psychotherapy, the greater would be the cost saving. In the 15 years following the initial research, the number of persons seen in psychotherapy was increased from 2.4 percent to 4.5 percent. In addition, there were developed more targeted brief therapy techniques which increased the efficiency of the psychotherapy. The combination of increased psychological services and more effective psychotherapy resulted in even more impressive savings in the psychotherapy population of 1975. These results are shown in Table III.

In another study, Cummings and Follette (1968) found that intensive efforts to increase the number of referrals to psychotherapy by computerizing psychological screening, with early detection and alerting of the attending physicians, did not increase significantly the number of patients seeking psychotherapy. The authors concluded that in a prepaid health plan setting already maximally employing educative techniques for both patients and physicians and already providing a range of prepaid psychological services. The number of health plan subscribers seeking psychotherapy reaches an optimal level and remains fairly constant thereafter.

In summarizing 16 years of prepaid experience. Cummings and Follette (1968) demonstrated that there is no basis for the fear that an increased demand for psychotherapy will financially endanger the system, for it is not the number of referrals received that will drive costs up but the manner in which psychotherapy services are delivered that determines optimal cost therapeutic effectiveness. The finding that one session only, with no repeat psychological visits, can reduce medical utilization by 60 percent over the following 5 years was surprising and totally unexpected. Equally surprising was the 75 percent reduction in medical utilization over a 50 year period in those patients initially receiving two to eight psychotherapy sessions (brief therapy).

In a further study, Cummings and Follette (1976) sought to determine in an 8-year telephone follow-up whether the results described previously were a therapeutic effect, the consequence of extraneous factors, or a deleterious effect. It was hypothesized that if better understanding of his or her problem had occurred in the psychotherapeutic sessions, the patient would recall the actual problem rather than the presenting symptom and would have both lost the presenting symptom and coped more effectively with the real problem.

The results suggest that the reduction in medical utilization was the consequence of resolving the emotional distress that was being reflected in physical symptoms and visits to the doctor. The model patient in this 8-year follow-up may be described as follows: He or she denies ever having consulted a physician for the physical symptoms for which he or she had been originally referred. Rather, the actual problem discussed with the psychotherapist is recalled as the reason for the "psychiatric" visit, and although the problem is resolved, this resolution is attributed to the patient's own efforts and no credit is given the psychotherapist. This affirms the contention that the reduction in medical utilization reflected the diminution in the emotional distress which had been expressed in symptoms that were presented to the physician.

COST-THERAPEUTIC EFFECTIVENESS RATIO

Demonstrating that savings in medical services offset the cost of providing psychotherapy answers the question cost effectiveness, but the services provided must also be therapeutic, that is, they must reduce the patient's emotional distress. That both cost and therapeutic effectiveness were demonstrated in the Kaiser-Permanente studies was attributed by the investigators to the therapist's expectation that emotional distress could be alleviated by brief, active psychotherapy and involved the analysis of transference and resistance and the uncovering of unconscious conflicts, and had all the characteristics of long-term therapy except length. Given this orientation, it was found over a 5-year period that 84.6 percent of the patients seen in psychotherapy chose to come 15 sessions or less, with a mean of 8.6, and rather than regarding these as "dropouts" from treatment, it was found on follow-up that they had achieved a satisfactory state of emotional well-being that continued to the 8-year follow-up. This finding is in total agreement with Malan's (1976) Tavistock studies, with the exception that Kaiser-Permanente used no preselection criteria but saw every patient who presented him/herself for treatment without regard to such factors as age, motivation, or duration and severity of symptoms.

The serendipitous finding that therapeutic outcome conrelates highly with reduction in medical utilization is understandable inview of the earlier findings that in a prepaid, comprehensive health system the physician's lack of empathy for symptoms of emotional distress encourages the patient to somatize the distress, for which the reward is the physician's interest and attention. Complaining to one's physician that "my boss is on my back" usually elicits impatience from the medical doctor, whereas a low back pain results in X-rays, laboratory visits, consultations with specialists, and return visits. But in addition, this finding yields a reliable, quantifiable index of therapeutic effectiveness that does not suffer from the subjectivity of most criteria. By dividing the medical utilization for the full year prior to psychotherapy (as calculated by Follette and Cummings in their 1967 study) by the medical utilization for the full year following the intial psychotherapy visit plus the year's number of such visits yields this ratio of cost-therapeutic effectiveness:

(Medical utilization for year before divided by medical utilization for year after, plus number of psychotherapy visits equals ratio of cost-therapeutic effectiveness)

The higher the ratio, the greater is the effectiveness of therapy. Separate ratios can be calculated for inpatient (hospital) and outpatient utilization, or they can be combined by using a cost-weighting factor for the days of hospitalization.

REPLICATIONS OF THE KAISER-PERMANENTE STUDIES

Since the original Kaiser-Permanente studies by Cummings and Follette, there have been a large number of replications known in the scientific literature as "medical offset research." Dörken (1985) catalogued 47 medical offset studies, performed in a startlingly wide range of settings and by different authors over two decades, which yield very similar results. In all of these psychological intervention resulted in savings in medical costs ranging from a low of 5 percent to a high of 78 percent, with an approximately 15 percent cost savings required to break even over the expense of providing the psychological intervention. Previous to the review by Dörken, the federal government (Jones and Vischi, 1979) published summaries of 24 replications of the Cummings and Follette research which corroborated the original findings at Kaiser-Permanente.

In 1982 the federal government published the results of the Bethesda Consensus Conference which concluded that alcohol, drug abuse and mental health services reduce medical utilization (ADAMHA, 1982). The Bethesda Conference further concluded that future research should be directed toward discovering why some reported interventions are more effective than others.

BRIEF, TARGETED PSYCHOLOGICAL INTERVENTION

It has been said that a peculiarity of psychotherapy is that the patient receives what the practitioner has to offer rather than what may specifically be required. For example, whether one has a marital, occupational or alcohol problem, if he or she goes to an orthodox Freudian the patient will be put on the couch. If the patient goes to a Jungian psychologist, pictures will be painted and archtypes will be discussed. If one goes to a behavioral therapist, desensitization will be applied. This is tantamount to a physician giving penicillin, whether the patient has pneumonia or a broken leg. Such a state of affairs existed in medicine at the turn of the century. Each physician had five

or six favorite medications, and if one did not work, another was tried, and so on until the physician's limited reportoire was exhausted. Since that time medicine has matured so that there are literally scores of specifics: specific treatments for specific conditions.

The remarkable thing about the state of affairs in psychotherapy is that, even though the patient receives whatever the therapist has to offer regardless of the presenting condition, it does work. The problem is that it works inefficiently, and many more sessions are required to bring about amelioration than are really necessary. The number of sessions required to accomplish remediation can be reduced drastically by employing targeted interventions directed to specific conditions (Cummings and VandenBos, 1979). Psychology has more "specifics" than practitioners generally acknowledge, and Cummings (1984) employs over 50 targeted interventions applied to specific conditions. In such cases, the objections that the patient has a flight into health or has a substitution of symptoms are not warranted by research (Cummings and Follette, 1976). The maturity of a profession is measured by the number of specifics at its disposal, and psychology must begin employing these targeted modalities, for research has demonstrated that it is not the number of persons seen in treatment that creates the inordinate cost of mental health services, but the number of sessions each is seen in order to bring about the desired effect.

The greater medical offset derived in the Kaiser-Permanente 1975 research as compared with the 1960 study is that in the later experiments brief, targeted psychological intervention were employed as these were developed by empirical research through the years of study. In reviewing the medical offset literature as reported above, there appears to be a definite trend: the more effective and efficient the psychotherapy, the greater is the medical cost offset.

THE HAWAII MEDICAID PROJECT

The rapidly escalating costs of Medicaid are an increasing concern, and a great deal of thought is being given by the various states to cost containment. All of the medical offset research has been in the private sector and essentially with employed populations. The problem has remained as to whether the Cummings effect would obtain in a non-working population and thus reduce costs of providing health services in a public assistance caseload. A study was undertaken jointly by the Health Care Financing Administration (HCFA) and the State of Hawaii. Funded in 1983, the project entitled, "The Impact of Psychological Intervention on Health Care Utilization and Costs: A Prospective Study," began its phase of direct clincial services on July 1, 1984. This project is funded under a 1115 waiver, and is described by Cummings and Fernandez (1985).

The study employs a design where two-thirds of the Medicaid population on the Island of Oahu are assigned to the experimental condition while the remainder of the recipients comprise the control group. Assignment was made by intact families. The study is a prospective one.

The experimental group is offered psychotherapeutic services in the form of a new benefit which consists of a wide range of outpatient services. Although this benefit is available to everyone in the experimental group, there is a special outreach program directed toward the 10 percent highest utilizers of health care.

All psychological services are provided by a closed panel of providers who are employees of the Biodyne Center. They have been trained by Dr. Nicholas A. Cummings to provide the services necessary for the amelioration of emotional distress. All approaches are tailored to the characteristics of the population to be served. The subscribers to the HMSA Federal Plan 87 also participate in this study with the same design as described above. This provides a comparison of the results obtained with the Medicaid population with those obtained with a working population.

The project will operate for sixty (60) months. Nine (9) months are devoted to start-up and training, thirty-six (36) months to clinical services, and fifteen (15) months for follow-up final evaluation and write-up. The amount of federal funds is $2,092,000. The amount of DSSH and Hawaii Medical Service Association (HMSA) funds is $2,200,000.

EARLY DATA FROM THE HAWAII PROJECT

As the Hawaii Project has yet to complete even its first year of Clinical operation, it is much too early to expect definitive data. However, early data indicate that the potential for cost savings in Medicaid are even higher than those found in the private sector. The average for all costs in the Oahu Medicaid population is $1,050 per year per individual. This is higher than the averages reported for the private sector. The average for the Medicaid patients outreached and actually seen exceeds $4,000 per year, thus indicating that the high utilizers are receiving treatment. The Medicaid population is more debilitated than the degree of chronicity seen in a working population. For example, 18 percent of the Medicaid patients are diagnosed schizophrenic as compared to only 2 percent in the working population. Inspite of this greater chronicity, the average number of sessions seen in psychotherapy is 6.7, which compares quite favorably to the average of 6.2 for the working population.

Again, early data suggest an expectation of a 37 percent reduction in medical utilization for the Medicaid population, which is a little more than half of the medical offset obtained in the Kaiser-Permanente studies. However, since the medical expenditures per Medicaid patient seen are so much higher than those patients seen in the private sector, the actual dollars saved per psychotherapy patient may even exceed that saved from high utilizers in the working population.

SUMMARY

Over 60 percent physician visits in the United States are by persons who have no physical illness, but rather are somaticizing emotional distress. A quarter of a century of research has demonstrated that psychological intervention can, by giving these patients the appropriate treatment which is psychological rather than medical, save far more dollars than are required to pay for the psychological intervention. This "medical offset" can be increased by targeted brief psychotherapy which is efficient and effective. This is the only natural method of cost containment in our health economy: By triaging the somaticizer out of the medical system and into a psychological system the patient's emotional distress is ameliorated. There is patient satisfaction as opposed to unnatural methods of cost containment, such as limitations on service or dollar amounts, co-payments and benefit exclusions, which generate patient dissatisfaction and do not address the emotional cause for the medical overutilization. 47 replications of the original Kaiser-Permanente medical offset research lead to the conclusion that no prepaid health system can contain costs until the 60 percent of doctor visits by the "worried well" are addressed. This conclusion is especially important to soaring Medicaid costs. A project currently underway in Hawaii has already demonstrated that the potential savings for Medicaid are even higher than those found in the private sector.

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TABLE I

Group	1–B	1–A	2–A	3–A	4–A	5–A
Under 2 sessions, unit score	4,555	4,075	3,060	1,860	1,605	1,065
No. of patients	401	401	401	285	265	245
Average	11.4	10.2	7.7	6.5	6.1	4.4
Brief therapy (6.2), unit score	3,890	2,355	1,770	1,011	1,055	776
No. of patients	205	205	205	160	151	135
Average	19.0	11.5	8.6	6.3	7.2	5.7
Longterm therapy (17.5) unit score	1,794	1,614	1,395	1,181	754	541
No. of patients	155	155	155	135	119	94
Average	11.6	10.4	9.0	8.7	6.5	5.7
All experimental (psychotherapy) groups, unit score	10,219	8,044	6,225	4,052	3,414	2,382
No. of patients	761	761	761	580	535	474
Average	13.5	10.6	8.2	6.4	6.4	5.1
Control (nonpsychotherapy) group, unit score	8,636	8,715	8,593	7,886	8,057	6,320
No. of patients	761	761	761	636	554	489
Average	11.4	11.5	11.3	12.8	14.5	12.9

Note.—Utilization of outpatient medical services by psychotherapy groups for the year before (1–B) and the five years after (1–A, 2–A, 3–A, 4–A, 5–A) the initial psychotherapy interview, and corresponding years for the nonpsychotherapy group.
1–B is 1959.
1–A is 1960.
2–A is 1961.
3–A is 1962.
4–A is 1963.
5–A is 1964.

Source: From Cummings and Follette Department of Psychiatry, Kaiser-Permanente, San Francisco, CA.

TABLE II

Group	1–B	1–A	2–A	3–A	4–A	5–A
Under 2 sessions, days per year	586	389	261	159	164	154
No. of patients	401	401	401	285	265	245
Average	1.46	0.98	0.65	0.56	0.62	0.63
Brief therapy (6.2), days per year	332	219	154	121	115	114
No. of patients	205	205	205	160	151	135
Average	1.61	1.07	0.76	0.75	0.77	0.85
Longterm therapy (17.5), days per year	766	186	94	89	80	64
No. of patients	155	155	155	135	119	94
Average	4.94	1.09	0.61	0.67	0.67	0.68
All experimental (psychotherapy) groups, days per year	1,684	794	509	369	359	332
No. of patients	761	761	761	580	535	474
Average	2.21	1.05	0.68	0.64	0.67	0.71
Significance		.05	.02	.05	.05	.05
Control (nonpsychotherapy) group, days per year	1,621	1,536	2,384	1,276	1,041	988
No. of patients	761	761	761	636	554	489
Average	2.13	2.02	3.07	2.02	1.87	2.01
Significance		NS	NS	NS	NS	NS

Note.—Number of days of Hospitalization and averages by Psychotherapy Groups for the year before and the 5 years after psychotherapy, and the corresponding period for the nonpsychotherapy group (Note: Health Plan average is 0.8 per year for patients 20 years old or older.)
1–B is 1959.
1–A is 1960.
2–A is 1961.
3–A is 1962.
4–A is 1963.
5–A is 1964.

Source: From Cummings and Follette, Department of Psychiatry, Kaiser-Permanents, San Francisco, Calif.

TABLE III

Group	1–B	1–A	2–A	3–A	4–A	5–A
Brief psychotherapy (6.8):						
No. of patients	3,178	3,178	2,576	2,325	2,262	2,056
Unit score (outpatient)	51,166	35,594	18,282	13,197	13,118	11,132
Average	16.1	11.2	7.1	5.6	5.8	5.4
Hospital days per year	5,021	2,860	1,545	1,395	1,341	1,228
Average	1.6	0.9	0.6	0.6	0.6	0.6
Longsterm therapy (17.5):						
No. of patients	988	988	811	736	717	648
Unit score (outpatient)	12,448	10,671	6,812	4,561	4,377	3,747
Average	12.6	10.8	8.4	6.2	6.1	5.8
Hospital days per year	3,557	891	489	411	402	375
Average	3.6	0.9	0.6	0.6	0.6	0.6

TABLE III—Continued

Group	1–B	1–A	2–A	3–A	4–A	5–A
Combined psychotherapy:						
No. of patients	4,166	4,166	3,387	3,061	2,979	2,704
Unit score (outpatient)	63,614	46,265	25,094	17,758	17,495	14,879
Average	15.3	11.1	7.4	5.8	5.9	5.5
Hospital days per year	8,578	3,751	2,034	1,806	1,743	1,603
Average	2.0	0.9	0.6	0.6	0.6	0.6
Control group:						
No. of patients	4,166	4,166	3,374	3,092	3,002	2,729
Unit score (outpatient)	64,156	66,132	50,948	44,216	45,612	42,029
Average	15.4	15.8	15.1	14.3	15.2	15.4
Hospital days per year	8,748	8,801	7,424	7,183	6,654	6,017
Average	2.1	2.1	2.2	2.3	2.2	2.2

Note.—Utilization of outpatient medical services and hospital days per year by psychotherapy groups for the year before (1–B, 1974) and the 5 years after (1–A, 2–A, 3–A, 4–A, 5–A; 1975, 1976, 1977, 1978, 1979) the initial psychotherapy interview, and corresponding years for the nonpsychotherapy (control) group.

Source: From N. A. Cummings, Department of Psychiatry, Kaiser-Permanente, San Francisco, CA.

HEALTH PROMOTION

Mr. HATCH. Mr. President, as everyone in the Senate must know by this time, I have for many years been a strong proponent of preventive medicine and health promotion. Educating our citizens to take responsibility for their health will go a long way, not only toward a healthier and more productive population but also toward reducing the astronomical increases in the costs of medical care in our country. I have spoken throughout the country on this topic and have supported both general and specific disease prevention activities of the Department of Health and Human Services. I have also sponsored legislation directed toward achieving a number of health promotion goals that are related to individuals' decisions about their lifestyles and personal responsibility for their health. Therefore, I was delighted to read an article that appeared in the June 12 "Health" section of the Washington Post which discussed the focus on health promotion that has been a part of our Space Program. As I read some of the statements by Dr. Charles A. Berry, formerly the medical chief of the Space Program and now a Texas consultant on preventive and aerospace medicine. I was struck by the consistency of his comments with ones I have made myself.

For example, Dr. Berry is quoted as saying:

More and more Americans are trying to maintain health and prevent illness. The motivating factor for individuals is: This is what you've got to do if you want to stay healthy. For businesses and insurance companies, the motivation is cost.

Let me just say, Mr. President, that Dr. Berry and I could not agree more.

The Labor and Human Resources Committee has long been interested in health promotion and disease prevention. We are also quite interested in the very unique and special field of space medicine. I am pleased that these two fields are being associated and tied together as they so clearly ought to be. I am also pleased see that health promotion and disease prevention concepts that have been applied for a number of years in the Space Program are so clearly becoming down-to-earth principles.

Mr. President, I ask unanimous consent that the text of the Washington Post article by Don Colburn be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

SPACE FLIGHT FORCED DOCTORS TO FOCUS ON PREVENTION

(By Don Colburn)

The gauges told him he was weightless. But he felt nothing . . . No doubt he should say something to the ground about the sensation of weightlessness. It was the great unknown in space flight. But he didn't feel anything at all! He noticed a washer floating in front of his eye . . . That was the only evidence his five senses had to show that he was weightless . . . It was as if he were standing still, parked in the sky.—Tom Wolfe, in "The Right Stuff"

A quarter century into the space age, it's easy to forget the dire predictions of what would happen to Alan Shepard during his 15-minute flight into space inside a cramped Mercury capsule in 1961.

Before Shepard's launch, some of President Kennedy's top scientific advisers worried that Shepard's pulse would race to 180 beats a minute and that he might go into cardiac arrest as he hurtled weightless through space.

That didn't happen, of course. Shepard's heart rate during the brief flight peaked at 136. And the NASA medical team was as relieved as the astronaut himself.

"That was an entirely different time," recalls Dr. Charles A. Berry, former medical chief for the space agency. "It was sort of like being alive at the time of the Wright brothers."

It was, after all, the new frontier. No one knew for sure how a person would react to the strain and confinement of space travel—and particularly to weightlessness. Although weightlessness can be achieved for brief times in free-falling airplanes, and some of its effects can be simulated in whirling centrifuges, on tilting tables or under water, zero gravity cannot be achieved on the ground.

Before Shepard, the Soviets already had completed an orbital flight. But NASA's only emissaries to outer space had been a couple of spider monkeys and a chimpanzee named Ham.

"No one was convinced that man was going to be able to perform in space," Berry recalls. "We had great arguments before Shepard's flight. I had to keep reminding them [other doctors] that we were talking about normal, healthy people. They were thinking about patients, people who were ill."

In fact, Berry says, the most enduring and important spinoff from the nearly three-decade-old space program is not Teflon or food-in-a-tube or flame-resistant foam but a whole new emphasis on preventive health.

As NASA's chief medical officer from 1959 to 1971, Berry was responsible for monitoring and protecting the astronauts' health during their training and space flights. In-

stead of treating sick patients, he had to anticipate—and prevent—illness that could strike otherwise healthy men in the extraordinary environment of outer space.

NASA's medical team, dubbed the "white smocks," put the astronauts through test after test to collect files of "well data" for study and comparison.

"The whole concept was really a foreign one: doing tests on healthy people," Berry says. "Nobody was doing it. Doctors were thinking about ill people and raising all those questions because of their background with illness instead of health.

"There was even concern about us being able to monitor astronauts at a distance without being able to touch them."

Sophisticated stress tests—now a mainstay of many cardiac fitness programs and health evaluations—were unavailable when the first seven Mercury astronauts began their training. A stress test amounted to walking repeatedly up and down a few stairs before getting an electrocardiogram.

NASA doctors couldn't even measure an astronaut's blood pressure, until they figured out a way to insert a remote-control blood pressure cuff inside a pressurized space suit. Scott Carpenter, the second American astronaut to circle the earth, was the first to have his blood pressure taken in space.

What Berry calls "remote medicine"—the effort to "stretch our stethoscopes 240,000 miles into space" for moon flights—speeded development of monitoring and telemetry devices that are now standard equipment in intensive care units, coronary care units and paramedic ambulances.

Skeptical doctors weren't NASA's only doubters. The super-fit, right-stuff astronauts themselves weren't exactly keen on the white smocks' need for all those medical tests.

"You know test pilots," say Berry. "You give them a white scarf and a jock strap and they're gonna take that aircraft and go. They said, 'You're gonna do tests on us?' "

Astronaut Michael Collins, in his book "Carrying the Fire," said some of the NASA white smocks were "prophets of doom and gloom from the very beginning. It had been like pulling teeth to get them to admit that man had escaped unscathed from each successive foray into weightlessness.

"When Al Shepard seems to be his normal, healthy, obnoxious self after 15 minutes of weightlessness aboard Freedom 7, the medics moved the decimal point over one place and said, 'Well, yes, man can endure for minutes and perhaps even for hours, but for days—Horrors!' "

But as evidence of humans' ability to adjust to weightlessness accumulated, NASA gradually lengthened the space missions and turned its attention to other logistical challenges.

After the Gemini 5 mission in 1965, when L. Gordon Cooper and Charles (Pete) Conrad stayed in space for eight days, Berry and the astronauts were sent on a goodwill tour to Europe and Africa. During their triumphal visit to Ethiopia, Berry was surprised to have Emperor Haile Selassie pull him aside behind his throne to ask the one question that had been driving the emperor crazy: "How did they go to the bathroom?"

The emperor's question had no easy answer—then or now. During the Apollo era, astronauts used plastic bags—with a one-way valve for urine and a self-sealing opening lined with double sticky tape for feces.

"You sort of dropped your pants and stuck the bag on your hind end," says NASA spokesman. "It took about an hour to go to the bathroom. A pretty brutal experience."

Efforts to design and test a unisex space-shuttle toilet—using a series of fans to create differential air pressure to keep the waste from scattering throughout the cabin and a sort of "washing machine" to separate liquid from solid waste—have encountered "ongoing difficulties." On the last three missions NASA has gone back to the Apollo bags.

Berry, who left NASA in 1974 to become president of the University of Texas Health Sciences Center in Houston, now heads a Houston consulting firm on preventive and aerospace medicine. The firm works with employers and insurance companies to encourage healthy life styles.

Just as he did when he was doctor to the astronauts, he sees his job as keeping people well—determining what "normal" is for each individual and then trying to maintain or improve that condition.

"And you don't have to be in space to be in an abnormal environment," Berry says, shaking his head in disgust. He has just left a meeting of insurance executives, two of whom were chainsmoking cigarettes.

One of the difficulties in evaluating the effects of space flight on health was that every person is unique physiologically. What is "normal" varies from person to person. If one astronaut got space-sick and another didn't, was the difference due to environmental or individual factors? Compiling "well data" helped proved the answer.

Shortly before the Apollo 9 launch in 1969, Berry put the three-man crew through extensive laboratory tests. He found only one troubling sign: mission commander James A. McDivitt's white blood cell count was 8,000.

Because of his burgeoning file of "well data" on all the astronauts, Berry knew this was a bad sign. Even though 8,000 is within normal range for most people, it was twice McDivitt's usual white blood count and signaled an imminent infection. Sure enough, McDivitt came down with the classic symptoms of a cold.

Berry postponed the Apollo 9 launch for three days, "being told every day how many millions of dollars I was costing." But the alternative was the risk of sickness overcoming the entire crew in outer space.

The astronauts themselves had to make some sacrifices, quitting smoking (three of the original seven had been smokers), modifying their diets and exercising regularly to stay fit.

"We had a great motivating factor: This is what you've got to do if you want to fly," Berry says.

Back on earth more than two decades later, the challenge isn't all that different. More and more Americans are trying to maintain health and prevent illness. The motivating factor for individuals is: This is what you've got to do if you want to stay healthy. For businesses and insurance companies, the motivation is cost.

"For the first time, preventive medicine has come into its own," Berry says. "Prevention is the name of the game if you're really going to cut costs."

The major killers at the turn of the century, he points out, were viruses and bacteria: pneumonia, influenza, tuberculosis and diarrhea. Today, those diseases have been controlled in most industrialized countries by improved sanitation, antibiotics and vaccines.

"We have a totally different ballgame," he says. "Today, the big killers are heart disease, cancer, stroke and accidents. No viruses, no bacteria. The viruses and bacteria today are what we call risk factors.

"The vaccines we need today are smoking cessation, low-fat and high-fiber diet, stress management and exercise."

DOE NATIONAL MAGNETOHYDRODYNAMICS PROGRAM

Mr. BAUCUS. Mr. President, I would like to clarify last Thursday evening's discussion on the floor concerning the status and funding of the DOE National Magnetohydrodynamics [MHD] Program.

There seems to be considerable confusion and misunderstanding about the nature of the MHD Program, its current technology status, how the technology compares to other fossil energy research and development programs, and where it fits into the clean coal technology initiative.

The MHD technology promises a 50 percent energy efficiency increase over existing coal-fired electric power generation with minimal water use and with environmental cleanup of NOx, SOx, and particulates well in excess of any projected EPA new source performance standards. MHD is mid to long term—next 10 years—technology, which matches perfectly the research and development funding criteria set out by the Department of Energy fossil section. Besides the application of MHD in base load coal-fired electric power generation, there is large potential application in power intensive/high temperature industrial processes. Further, MHD is also important to the Nation from a strategic defense viewpoint and is important "star wars" technology.

Those of us involved in the MHD Program—including members of the House and Senate Appropriations Committees and the private sector MHD community—have continually worked to see that no funds in the MHD Program are wasted. The DOE Deputy Assistant Secretary for Coal Utilization, Advanced conversion and Gasification, for the last 2 years has worked to reduce the number of MHD contracts, to a bare bones, but sufficient level to move the technology forward.

At congressional direction in early 1984, Mr. Bill Vaughan, until recently Assistant Secretary for Fossil Energy, began meetings with the MHD industrial community to refocus the MHD Program on the earliest possible completion of the basic research and development effort.

The current MHD Program was in the early part of 1984. In June 1984, as a result of those meetings, DOE redirected the MHD Program to a 3- to 5-year plan targeted to achieve integrated proof-of-concept tests at the present Government facilities.

This testing would lead to the design, construction, and operation of an integrated coal-fired MHD retrofit plant, which may qualify for the Clean Coal Technology Program.

I have asked the MHD Industrial Forum to provide a summary of the current DOE/MHD Program. I ask unanimous consent that their memo to me be placed in the RECORD at this point. Following that, I ask unanimous consent that a copy of the letter sent to Congress by Assistant Secretary Vaughan and the attached preliminary transition and program plan for MHD be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

MHD INDUSTRIAL FORUM,
Washington, DC, June 20, 1985.

Memo

To Senator MAX BAUCUS:

From Dave Brown, President, Board of Directors:

Re DOE/industry meetings and the redirected MHD program.

In June, 1984, the DOE after close consultation with the private sector redirected the historic MHD program which focused on subsystems development to a multiyear program targeted on the achievement of proof-of-concept (POC) testing. At program completion this would end the government's MHD research and development program.

FY 1985 MHD funding is targeted on bringing the individual components and subsystems to comparable levels of technical maturity. Contractors' activities are primarily focused upon hardware research, development and testing to produce hardware for long duration testing at the government's integrated facilities in Montana and Tennessee. Hardware and subsystem tests are continuations of efforts in progress under the FY 1984 program and make maximum use of existing contractors' hardware and facilities.

To minimize costs, it is clear that maximum use must be made of existing MHD facilities and hardware components. The two existing Government-owned facilities are used for the POC tests. The 50Mwt scale Component Development and Integration System (CDIF in Montana) is used for research in the integrated topping cycle tests. The 28Mwt scale Coal Fired Flow Facility (CFFF in Tennessee) is used for research in the integrated bottoming cycle tests. These test facilities comprise two integrated subsystems in a layout that is prototypical of eventual commercial plant designs.

The CDIF research is aimed at an integrated topping cycle using an electrically isolated combustor (developed by TRW in California) at approximately six atmospheres. The topping cycle is capable of being operated continuously for extended periods (from one to hundreds of hours) between shutdowns to prove reliability. The MHD generator is expected to be operated with a magnet capable of field strength up to 4.5 Tesla and all power conditioning electronics necessary to optimally interface the channel (developed by AVCO of Massachusetts) with the inverter components (developed by Westinghouse in Pennsylvania and paid for by the utilities' EPRI).

The heat recovery and seed recovery subsystem at the CFFF incorporates critical elements necessary for the simulation of the MHD steam bottoming cycle. Specifically, the CFFF includes the hardware necessary for steam raising, seed, ash and slag collection, seed recovery from slag/ash mixtures, environmental effluent control, and ancillary components.

Instrumentation and control system work (Mississippi State University) is coordinated between the two facilities. Other subsystem work is also scheduled to be performed at both facilities either in conjunction with or on a schedule compatible with test schedules at both facilities.

According to DOE's program plan, this final portion of the MHD research and development program will take from three to five years. At that time, if the topping and bottoming cycle tests described previously are successful, the next logical step would be a retrofit demonstration or near commercial facility. This facility would not fit the present DOE definition of R&D programs and would have to be cost shared or completely funded by the private sector. The important point is that the present DOE research program does not end for three to five years. To agree to an MHD funding deferral at this stage makes no technical or financial sense after $450 million of government investment in the program and the existence at the CDIF of the nation's largest coal research and test facility.

This information is eighty percent straight from the present DOE MHD program plan. The other twenty percent is my attempt to tie this brief memo together. If we can provide any other information at your request, just let me know.

DEPARTMENT OF ENERGY,
WASHINGTON, DC,
June 8, 1984.

Hon. DON FUQUA,
Chairman, Subcommittee on Energy Development and Applications, Committee on Science and Technology, House of Representatives, Washington, DC.

DEAR MR. CHAIRMAN: In the FY 1985 budget request, the Department of Energy made a commitment to provide the Congress with a plan for the Magnetohydrodynamics (MHD) program envisioned in that request. The purpose of this letter is to submit to you the preliminary transition and program plan for the proposed realignment of the MHD program.

This proposal would change the direction of the FY 1984 MHD program, as well as revise the program presented in the FY 1985 budget request. The historic program which focused on subsystems development would be redirected to a multiyear program targeted on the achievement of integrated proof-of-concept tests at the Component Development and Integration Facility and the Coal Fired Flow Facility. This testing could lead to the design, construction, and operation of an integrated, coal-fired, MHD retrofit.

The proposed program includes a flexible, fund-sharing arrangement, designed to elicit a commitment from the private sector. Discussions with industry pertaining to fund sharing were initiated in early February 1984. Preliminary indications suggest that the private sector may be willing to offer some fund sharing. We will be pursuing this matter with prospective fund-sharing participants during the remainder of this fiscal year and the final program plan will reflect the views of the fund-sharing participants.

Based upon the composition of and schedule contained in the revised program plan, the Department estimates that an FY 1985 funding level of $29.8 million is necessary. The Department's 1985 budget request, as contained in the President's January budget, is $17.8 million, or $12.0 million less than needed to implement the revised program. The Department proposes to fund the 1985 program at the $29.8 million level, with the additional $12.0 million to be derived from a combination of adjustments to the 1985 Fossil Energy (FE) research and development (R&D) budget, plus additional recoveries of prior year funding resulting from the closeout of FE contracts. The detailed composition of the funds is shown in the enclosure. Thus, no increase in the 1985 budget request of $272.9 million for FE R&D is necessary.

We trust that the proposed transition and program plan will provide the vehicle to transfer the technology to the private sector for subsequent commercialization.

Sincerely,

WILLIAM A. VAUGHAN,
Assistant Secretary,
Fossil Energy.

COAL FIRED MHD SYSTEMS PRELIMINARY TRANSITION AND PROGRAM PLAN

OVERVIEW

The Department of Energy (DOE) has in close consultation with the private sector, undertaken to realign the national MHD program. This paper outlines DOE's views on how the national program should proceed. The historic program which focused on subsystems development will be redirected to a multiyear program targeted on the achievement of proof-of-concept (POC) testing. Following the successful completion of the POC tests, the next logical MHD development step would be a fully integrated, coal fired, MHD retrofit.

The key components of the new program include:

The design, construction, and operation of: (1) an integrated topping cycle, (i.e., an MHD power train), (2) an integrated bottoming cycle (i.e., a heat recovery/seed recovery subsystem) and (3) a seed regeneration system. These systems/subsystems will provide proof-of-concepts which are critical to the advancement of the technology to the MHD retrofit stage.

Baseline subsystems development efforts to acquire the knowledge necessary to proceed with the integrated test facilities and the seed regeneration system.

The POC activities will proceed on concurrent, interrelated paths in a plan that will make optimum use of existing components and facilities.

The proposed program includes a flexible, cost-sharing arrangement designed to elicit a commitment from the private sector in the integrated systems and subsystems. Discussions with industry pertaining to cost-sharing were initiated in early February 1984. Preliminary indications suggest that the private sector may be willing to offer some cost sharing. The amount of cost-sharing will influence the pace of the program.

Assuming that there is adequate cost-sharing and subject to the availability of Congressionally appropriated funds, the new program will be initiated in FY 1985.

A conceptual design of the MHD retrofit system will be started in FY 1985 concurrently with the POC activities. The long duration POC testing of the topping and bottoming cycles will commence in fiscal year 1987. Bench scale seed regeneration work will be initiated in fiscal year 1985, leading to the design, construction and operation of

a POC seed regeneration system by the late 1980s.

If the topping and bottoming cycle POC tests described earlier are successful, the next logical step would be the preliminary design (Title I) of the MHD retrofit in fiscal year 1987 and with the detailed design (Title II) in late fiscal year 1987 or early fiscal year 1988. It is expected that at this stage the program would become largely a private sector responsibility with DOE's role limited to providing technical advice and possibly some funding support, depending upon its R&D benefits. In any event, it is premature to make any commitment technically to proceeding with the detailed design and construction of a retrofit project pending results of the POC. These results are not expected until 1987 or 1988.

The total program cost through the POC and conceptual design of a MHD retrofit, including private sector cost-sharing, is estimated to be approximately $150 million. The cost of the MHD retrofit will depend on the final design, configuration and site specific factors associated with the retrofit.

The fiscal year 1984 program is directed towards the acquisition of data on the performance and operation of major subsystems. These activities will contribute significantly to the success of the integrated POC activities. Accordingly, the available FY 1984 funds will be focused to ensure the early completion of key activities.

BACKGROUND

MHD is the highest temperature heat engine under development within Fossil Energy, hence it has the highest theoretical systems efficiency of any heat engine. However, it is the least mature technically and has the highest cost and longest lead time for ultimate development. The operating principle involves the direct combustion of coal to yield an electrically conductive gas which is then directly converted to electrical power when passed through a magnetic field. Afterwards, the high temperature gas is driven through a boiler to raise steam and generate additional electric power. The high performance (efficiency) potential of MHD power systems could permit its future utilization in electric utility systems. The high temperatures of the MHD combustor also provides the potential for the direct burning of any coal, regardless of its heating value and contaminant content. Environmentally, MHD also offers the advantage that most of the sulfur contained in the coal is removed by the MHD process.

The MHD program has reached a critical decision point; the technology is ready for integrated proof-of-concept system/subsystem tests. It is now time to focus the program on the least-cost, shortest development time path to establish the technology base for MHD power systems so that the private sector can subsequently commercialize the technology.

The technical status of MHD technology has recently been evaluated by Westinghouse, General Electric, Gilbert Associates, Inc., and the Argonne National Laboratory. Their conclusions as to the present technical status of key MHD components and what is required to bring them to a state of technical readiness sufficient for subsequent private sector commercialization include the following:

The coal preparation and feeding subsystem does not represent a major technical issue. Nevertheless, scaleup, integration with MHD systems, electrical isolation and durability must be demonstrated.

In the seed subsystem, preparation and feeding are not major technical issues but integration with MHD systems and durability must be demonstrated.

The oxygen plant is considered commercially available and is not a major technical issue.

Coal combustor development is considered a key technical issue in that scaleup, performance, and durability all remain to be demonstrated.

Nozzle development is not a major technical issue. It is considered within the current state-of-the-art but must be integrated with MHD.

Channel development is considered a key technical issue. Scaleup, long-term performance, and durability, all remain to be demonstrated.

Diffuser development is not considered a major technical issue. Scaleup and integration with MHD must be demonstrated, however, particularly with regard to channel replacement.

Inverter development is a moderate technical issue in that the current consolidation and control networks must still be developed and demonstrated.

Superconducting magnet development is not considered a major technical issue but field constructability and integration with an MHD channel remain to be demonstrated.

Emission control for MHD is not considered a major technical issue. However, scaleup and demonstration under actual MHD integrated system conditions remain to be undertaken.

Development of the waste heat boiler, superheater, and low temperature oxidant preheater is considered a key technical issue. No large-scale testing or integration with MHD has yet been undertaken.

Seed recovery and regeneration are considered key technical issues. Seed recovery has not yet been demonstrated in an integrated system and no process development has been undertaken.

A high temperature air heater is not required for the early-commercial MHD powerplant concept.

Economizer and low temperature air heater development are not major technical issues for MHD. These subsystems are already in use in full size powerplants.

While a number of technical issues remain, as described above, the primary uncertainties are:

Downstream chemistry (seed recovery, seed regeneration, and related issues).

Large-scale, long-duration, coal-fired, integrated system operation.

Long duration coal combuster performance and scaling effects. Also more work is needed on channel durability and performance at high interaction levels.

It is estimated that it will take approximately 3 years to develop the necessary design information for the key MHD components for the MHD retrofit. Development of the seed regeneration subsystem data will probably require an additional year or two, i.e., 3-5 years.

DOE has developed a proposed program to serve as the basis of discussions with the Congress and the private-sector pursuant to redirecting the MHD program. The elements of the proposal and a preliminary transition plan are discussed in the remainder of this document.

PRELIMINARY TRANSITION PLAN

The fiscal year 1985 funding will be targeted on bringing the individual components and subsystems to comparable levels of technical maturity. Contractors' activities will primarily focus upon hardware development and testing to produce hardware for long duration testing at the integrated facilities. Hardware and subsystem tests will be continuations of efforts in progress under the FY 1984 program and will make maximum use of existing contractors' hardware and facilities.

It should be recognized that a detailed transition plan cannot be produced at this time because of the preliminary nature of the present program plan. The final program development, planning and implementation must take into consideration that the program will be a cost-shared venture in which the paying parties will expect to exercise a voice proportionate to their contributions. The final program will also be influenced by negotiations on cost-sharing and other program aspects.

PROPOSED APPROACH

The POC test facilities comprise two integrated subsystems, and MHD topping cycle and a steam bottoming cycle. The overall topping cycle layout is prototypical of early commercial plant design in that intermediate-temperature (1200 F), oxygen enriched air would be used as the oxidizer (fully developed and more efficient MHD plants are expected to employ high temperature (2900 F) air as the oxidizer).

As presently contemplated, the MHD topping cycle would be operated with the combustor at approximately 6 atmospheres and electrically isolated. The topping cycle would be capable of being operated continuously for extended periods (100 to 1000 hours) between shutdown. The MHD generator would be operated supersonically utilizing a superconducting magnet capable of continuous operation at a magnetic field strength up to 4.5 Tesla and all power conditioning electronics necessary to optimally interface the channel with the inverter components.

The heat recovery and seed recovery (HRSR) subsystem would incorporate critical elements necessary for the simulation of the MHD steam bottoming cycle. Specifically, the HRSR would include the hardware necessary for steam raising, seed, ash and slag collection, seed recovery from slag/ash mixtures, environmental effluent control, and ancillary components.

Work on the development of seed regeneration subsystems has lagged that of other MHD developmental efforts. As a result, it would not likely be possible to specify the regeneration process requirements in a time-scale compatible with their integration into the detailed HRSR system design. Therefore, the seed regeneration subsystem will be considered independent of the HRSR subsystem; this approach will lead to more flexible operation of the seed regeneration system and will not result in the loss of vital process data. Present preliminary plans include the conduct of bench scale tests followed by the design, construction, and operation of an independent proof-of-concept seed regeneration system.

To minimize costs, it is clear that maximum use must be made of existing MHD facilities and hardware components. The two existing Government-owned MHD facilities will be used for the POC tests. The 50 MWt scale Component Development and Integration Facility (CDIF) will be used for the integrated topping cycle tests. And, the 28 MWt scale Coal Fired Flow Facility (CFFF) will be used for the integrated bottoming

cycle tests. The site for the seed regeneration POC tests has not yet been selected.

The current consensus is that it would be most appropriate to utilize an MHD steam connection concept for the retrofit in order to reduce the risks inherent in gas-side connection concepts. Other concepts will continue to be evaluated. The details of system integration depend on the relative size of the steam plant and the MHD topping cycle. The optimal method of integrating the topping and bottoming cycles will depend on the specific steam plant design.

PROGRAM MANAGEMENT

The MHD program management responsibility is assigned to the Director, Office of Advanced Energy Conversion Systems. The program management responsibilities include:

Preparation of program plan.

Formulation of programmatic justification and overall program budget.

Monitoring and evaluation of program implementation progress.

The MHD program implementation responsibility is assigned to the Director, Pittsburgh Energy Technology Center (PETC). The program implementation responsibilities include:

Preparation of program implementation plan.

Preparation and maintenance of development specifications.

Implementation and monitoring of contracted effort.

Reporting technical progress and costs.

Providing budget requirements to the program manager.

PETC oversees operations at the two aforementioned Government owned, contractor operated facilities—the CDIF and the CFFF. Cost-sharing by the private sector will be implemented through appropriate contractual vehicles which will be administered by the Pittsburgh Energy Technology Center. The immediate focus of procurement activities will be (1) the competitive selection of an integration contractor with the capability, interest, business base, and corporate commitment to pursue commercialization of the MHD technology if small scale testing and operation proves successful, (2) the competitive procurement of an MHD retrofit conceptual design, and (3) the redirection of on-going activities as necessary to achieve the POC objectives described earlier. Private sector fund sharing will be required throughout the MHD POC program.

Proposed Funding Sources for Additional $12 Million MHD Requirement

[Dollars in millions]

Fiscal year 1985:	
Combustion—PFB [1]	$2.5
AR&TD processes [2]	2.0
Advanced process technology [3]	0.7
Enhanced oil recovery [4]	1.0
Subtotal	6.2
Fiscal year 1984 and prior years:	
SRC-1 (78-2-d) [5]	2.0
Program direction—HQ [6]	0.4
Increased Management Savings [7]	3.4
Subtotal	5.8
Total	12.0

[1] Cancel plans for utilizing the PFB pilot plant.
[2] Reduce level of increase from fiscal years 1984-85 via a general reduction.
[3] Reduce contract research in arctic and offshore.
[4] Reduce level of increase from fiscal years 1984-85.
[5] Reduce prior year unobligated funds for administrative support.
[6] Reduction of estimated unobligated funds from fiscal year 1983.
[7] Contract closeouts will generate additional savings over the $6M management initiative for fiscal year 1984.

Mr. BAUCUS. Mr. President, last Thursday evening there was also considerable discussion comparing MHD to other technologies under development in the Fossil Program. I had my staff research this carefully and would like to offer my observations.

MHD is the most advanced fossil energy technology under development by DOE. It has the highest conversion efficiency—coal pile to busbar—potentially 60 percent in advanced systems.

Fifty-percent efficiency is expected in earlier commercial versions and 41 to 45 percent is thought possible even in the first commercial prototypes.

Existing coal fired powerplants have efficiencies of 30 to 35 percent. The most modern pulverized coal power plants that can be built today—if construction costs and public service commissions allow—have efficiences only in the mid to high thirties.

As the cost of energy rises, the tremendous efficiency advantage of MHD will provide ever increasing cost savings to the Nation—to the tune of hundreds of billions of dollars.

By comparison, atmospheric fluidized beds [AFB] have conversion efficiencies that are lower that modern coal plants. Pressurized fluidized beds [PFB] have efficiences in the high thirties. Their value should not be dismissed, but both AFB's and PFB's should be viewed simply as emission control systems.

Integrated gasifier combined cycle gas turbine systems [IGCC] show great promise in the near term, but again, their efficiences are in the 38 to 42 percent range without any further opportunity for significant improvement.

Phosphoric acid fuel cells have great potential using natural gas. But with coal their efficiencies are in the same range as conventional coal plants. Advanced fuel cells are projected as having efficiencies approaching 50 percent, but substantial research and development is still required.

DOE-funded work on converting coal to more usable forms—for example, coal beneficiation, liquefaction, and so forth—is important. But it will not contribute to improving coal pile to busbar efficiencies or reducing coal derived power costs.

All of the above systems have roughly similar capital costs, although published reports indicate the cost of advanced MHD systems may be lower. The cost of electricity should be roughly proportional to the system efficiencies, which gives MHD a significant advantage. And, MHD and fuel cells have the promise of reducing emissions to very low levels—well below the EPA new source performance standards—cost effectively.

In terms of development status, AFB units have been offered commercially for years. PFB technology has been demonstrated and the private sector on its own may be able to commercialize it. IGCC technology is now being commercially demonstrated at the Coolwater project in California. At least one U.S. firm is already commercially offering phosphoric acid fuel cells.

Only MHD, advanced fuel cells and coal fired gas turbines are at an R&D stage. The coal fired gas turbine, if ever developed, is likely to have lower conversion efficiencies, lower reliability, higher electricity costs and more emission problems than IGCC systems.

Of the promising conversion technologies, only MHD and advanced fuel cells remain to be operated in an integrated system configuration at a proof-of-concept scale. In the case of MHD, DOE has formally stated that this will require 3 to 5 years of federally supported research and development. Advanced fuel cells will require a comparable or longer time to develop with coal operation.

In summary, MHD is a highly promising coal technology for producing electric power cleanly and at reduced cost. Its development lead time and cost on an integrated, coal fired systems basis is comparable to that of the other advanced system under development by the Department of Energy.

Mr. President, finally I want to discuss how MHD fits in the clean coal technology initiative. According to transcripts of meetings between DOE and industry in early 1984, DOE agreed that the redirected MHD research and development program was beyond the ability of industry funding and rightly belonged in the Federal sector. However, industry did agree to attempt to continue providing funding at 10 to 15 percent. This contribution exceeds $80 million. Industry agreed that, at the end of the 3- to 5-year proof-of-concept research and development program, significant cost sharing would be essential to any retrofit plant effort.

When Congress initiated the clean coal technology effort in late 1984, the MHD Development Corp. was formed by the Montana Power Co., Avco, TRW, MSE, Inc., MERDI, Babcock and Wilcox, General Dynamics, Gilbert/Commonwealth, Inc., and Westinghouse. The corporation understood

that its work might overlap somewhat with the essential DOE research and development effort. But they believed that, to hold up their end of the bargain, a retrofit MHD plant proposal should be submitted to hold up their end of the discussions with DOE. This proposal called for 50-50 cost share.

I must emphasize, however, that the proposal assumed that the base research and development program is completed. The Clean Coal Technology Program cannot and must not be used to replace the base research program if the MHD technology is to have a chance to prove its promise.

Mixing the base research effort with the clean coal technology initiative at this stage would be the death knell of the MHD technology.

In addition, the funding approach proposed for MHD last week would also be the death knell for other prospective coal technologies. A white paper prepared by DOE staff for congressional staff use stated, "The Department believes that the Government's support should be limited to supporting advanced concepts in pursuit of high performance goals." Adoption of this policy would mean that MHD and other promising coal technologies will never reach commercial viability, because DOE would not commit funds for any research beyond abstract, theoretical research. Development and testing of these technologies, such as the proof-of-concept research now underway with MHD technology, will not be possible.

In closing, I would like to respond to a few points that were made during our discussion last week.

First, the statement was made that more money has been spent on MHD over time than any other technology. I would point out that far more has been spent on gasification and liquefaction technology over the years. In fact, SRC I and II and the Great Plains projects have all had more direct Federal dollars than the MHD technology. The fuel cell technology funding is very near the level of MHD and the Phosphoric Acid Fuel Cell Program received as much last year as the MHD Program. In fact, the Fusion Program spends in 1 year nearly as much as MHD has had over the last 10 years.

The point is not that we squabble over who gets what funds, but that sufficient funds are provided to allow technologies with potential major energy impact on this Nation to continue to prove their potential.

With the severe budget crisis we face in this Nation, many fossil technologies that could not make the grade have been weeded out. We are promoting all those technologies that are still funded because they each offer some major advance in energy use. MHD is the only major base load coal-fired electric power advance technology left in the DOE Fossil area.

Second, it is also true, Mr. President, that how costs for a given technology are determined are often very misleading. The MHD technology is totally funded in one program. In fact, no other significant amount of Federal funding for MHD comes even from the DOE Advanced Research and Technology Development [ARTD] account. As an example, look at the minimally clean IGCC gas turbine program. Millions of dollars in funding for that important research effort come from four different areas:

The Heat Engines Program and ARTD; Heat Engines Program also pays for gas turbines directly; Gasifier research is paid from the Gasifier Program and ARTD; and Hot gas clean up is funded under the Hot Gas Clean Up Program and ARTD.

Those combined programs total more than $65 million per year. A similar situation exists in the fuel cell integrated gasifier combined cycle program. If we are going to compare program costs, we need to do so accurately.

Third, how technologies are funded varies with the technology. For instance, Congress funds fossil programs at DOE like AFB and PFB, coal prep, phosphoric acid fuel cells, and Coolwater type integrated gasifier gas turbine projects. These are all near commercial or commercially demonstrated technologies, but for one reason or another they need additional support. These are just direct coal conversion technologies that exclude programs like gasification and liquefaction. DOE has on the record indicated that many other technologies, like MHD, advanced fuel cells and coal-fired turbines, are 10 years or more away from near commercial tests. We should continue to support these energy research and development programs just as we support those that are nearer the commercial market.

Fourth, finally, the spinoff technologies developed from the MHD program are worth our funding even if the program were to fail. MHD coal combustors that have been developed are being applied to gas turbines and other advanced combustor systems. In fact, TRW is beginning commercial tests of an atmospheric combustor that was developed out of the MHD program. Applications in the high temperature materials area have important impact on the steel and glass industries. Other developments in air preheaters and coal prep may also have important impacts. The contributions of MHD technology development range far beyond just the base load electric power generation area.

Mr. President, the standard being proposed to apply to MHD seems to apply nowhere else. I ask my colleagues to review this information and urge their support in opposing termination of the national MHD research program.

MESSAGES FROM THE PRESIDENT RECEIVED DURING THE RECESS

Under the authority of the order of the Senate of January 3, 1985, the Secretary of the Senate, on June 21, 1985, during the recess of the Senate, received a message from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(The nominations received on June 21, 1985 are printed at the end of the Senate proceedings.)

MESSAGES FROM THE HOUSE

At 12:04 p.m., a message from the House of Representatives, delivered by Ms. Goetz, one of its reading clerks, announced that the House has passed the following joint resolutions, without amendment:

S.J. Res. 87. Joint resolution to provide for the designation of July 19, 1985, as "National P.O.W./M.I.A. Recognition Day"; and

S.J. Res. 125. Joint resolution designating the week of June 23, 1985, through June 29, 1985, as "Helen Keller Deaf-Blind Awareness Week".

The message also announced that the House disagrees to the amendment of the Senate to the bill (H.R. 1699) to extend title I and part B of title II of the Energy Policy and Conservation Act, and for other purposes; it asks a conference with the Senate on the disagreeing votes of the two Houses thereon, and appoints Mr. DINGELL, Mr. SHARP, Mr. WALGREN, Mr. BROYHILL, and Mr. DANNEMEYER as managers of the conference on the part of the House.

The message further announced that the House insists upon its amendments to the bill (S. 883) to extend the Export Administration Act of 1979, disagreed to by the Senate, agrees to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and appoints Mr. FASCELL, Mr. BONKER, Mr. MICA, Mr. BERMAN, Mr. ROTH, and Mr. BEREUTER as managers of the conference on the part of the House, and; as additional conferees from the Committee on the Judiciary, solely for consideration of sections 113(a)(5) and 114 of the House amendment and for modifications thereof committed to conference: Mr. RODINO, Mr. HUGHES, and Mr. MCCOLLUM; and as additional conferees from the Committee on Energy and Commerce, solely for consideration of section 126 and title II of the House amendments and modifications thereof committed to conference: Mr. DINGELL, Mr. SWIFT, and Mr. BROYHILL.

The message also announced that the House has passed the following bill and joint resolution, in which it requests the concurrence of the Senate:

H.R. 2796. An act to improve security standards for international air transportation; and

H.J. Res. 216. Joint resolution authorizing the President to designate the fourth week of June 1985 as "National Veterans' Health Care Awareness Week".

MEASURES REFERRED

The following bill and joint resolution were read the first and second times by unanimous consent, and referred as indicated:

H.R. 2796. An act to improve security standards for international air transportation; to the Committee on Commerce, Science, and Transportation.

H.J. Res. 216. Joint resolution authorizing the President to designate the fourth week of June 1985 as "National Veterans' Health Care Awareness Week"; to the Committee on the Judiciary.

MEASURE HELD AT THE DESK

The following bill was ordered held at the desk pending further disposition, by unanimous consent:

H.R. 2409. An act to amend the Public Health Service Act to revise and extend the authorities under that Act relating to the National Institutes of Health and National Research Institutes, and for other purposes.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. DANFORTH, from the Committee on Commerce, Science, and Transportation, unfavorably without amendment:

S. 721: A bill to amend the Commodity Credit Corporation Charter Act regarding the export of agricultural commodities (with minority views) (Rept. No. 99-89).

By Mr. DANFORTH, from the Committee on Commerce, Science, and Transportation, with amendment in the nature of a substitute:

S. 1218: A bill to amend the Federal Aviation Act of 1958 to provide for the revocation of certain certificates for air transportation, and for other purposes (Rept. No. 99-90).

H.R. 1714: A bill to authorize appropriations to the National Aeronautics and Space Administration for research and development, space flight, control and data communications, construction of facilities, and research and program management, and for other purposes (Rept. No. 99-91).

By Mr. DOMENICI, from the Committee on the Budget, without amendment:

S. Res. 180: Resolution waiving section 402(a) of the Congressional Budget Act of 1974 with respect to the consideration of S. 1279.

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. GARN, from the Committee on Banking, Housing, and Urban Affairs:

Thomas Gale Moore, of California, to be a Member of the Council of Economic Advisors.

(The above nomination was reported from the Committee on Banking, Housing, and Urban Affairs with the recommendation that it be confirmed, subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

By Mr. ROTH, from the Committee on Governmental Affairs:

John Montague Steadman, of the District of Columbia, to be an Associate Judge of the District of Columbia Court of Appeals for the term of fifteen years; and

Richard A. Levie, of the District of Columbia, to be an Associate Judge of the Superior Court of the District of Columbia for a term of fifteen years.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. MATHIAS:

S. 1344. A bill to set aside certain surplus vessels for use in the provision of health and humanitarian services in developing countries; to the Committee on Commerce, Science, and Transportation.

By Mr. RIEGLE:

S. 1345. A bill providing a small issue limit in case of certain urban development action grants; to the Committee on Finance.

By Mr. KENNEDY (for himself, Mr. PELL, Mr. CRANSTON, Mr. RIEGLE, and Mr. KERRY):

S. 1346. A bill to provide for the solvency of the medicare program and to reform the health care financing system; to the Committee on Finance and the Committee on Labor and Human Resources, jointly, by unanimous consent.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. MATHIAS:

S. 1344. A bill to set aside certain surplus vessels for use in the provision of health and humanitarian services in developing countries; to the Committee on Commerce, Science, and Transportation.

USE OF SURPLUS VESSELS IN DEVELOPING COUNTRIES

● Mr. MATHIAS. Mr. President, today I am introducing legislation that would allow LIFE International the use of certain surplus Government-owned vessels for humanitarian services in developing countries. This is a companion bill to H.R. 2161, introduced by my colleague in the Maryland Congressional Delegation, Representative PARREN J. MITCHELL.

LIFE International, a private, nonprofit organization proposes to use the vessels for delivering medical, health and educational services to Third World countries, especially in Latin America and the Caribbean. Public Law 97-360 authorized LIFE International to use surplus vessels which could be recalled for national defense purposes if necessary.

This bill calls for the U.S. Maritime Administration to set aside certain Government vessels for use by LIFE International when that organization secures the personnel and funding it needs to provide the services. LIFE International already has received support from shipyards, maritime unions and marine suppliers for the project.

My bill will not cost the Treasury any money and Congress will not have to appropriate funds. It just makes available ships that otherwise would be docked and doing nothing.

This approach has several attractive features. It will provide much-needed humanitarian assistance. It will allow volunteers to become involved in delivering health, medical and educational assistance to underserved areas. LIFE International's program will serve as an example by encouraging other groups to join with the Federal Government in providing these services.

In short, Mr. President, this legislation gives us a unique opportunity to serve others in the world less fortunate than we are without an investment of Government funds.

I ask unanimous consent that the text of this bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1344

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Congress finds that it is in the national interest to make suitable surplus government vessels available for use by private nonprofit organizations in providing health education, training, care, and technical assistance as well as other humanitarian services, to the peoples of developing countries.

SEC. 2. (a) During the sixty-month period following the date of the enactment of this Act, the Secretary of Transportation, acting through the Maritime Administration, shall set aside the vessels listed in section 3 of this Act for the use of LIFE International, a nonprofit corporation organized under the laws of the District of Columbia, at such time as LIFE International arranges, to the satisfaction of the Secretary of Transportation, for the voluntary personnel and funding required to provide services of a kind referred to in the first section of this Act.

(b) The set-aside authority provided under subsection (a) of this section shall not apply to any such vessel at any time during which the Secretary of Transportation has determined that such vessel is needed for national security purposes.

SEC. 3. Section 2 of this Act applies with respect to the following vessels:

(1) the LSD vessels Shodwell, Casa Grande, and Rushmore.

(2) The AH Sanctuary, which the Department of the Navy shall transfer to the Secretary of Transportation on behalf of the Maritime Administration.●

By Mr. RIEGLE:

S. 1345. A bill providing a small issue limit in case of certain urban development action grants; to the Committee on Finance.

LIMIT ON CERTAIN URBAN DEVELOPMENT ACTION GRANTS

● Mr. RIEGLE. Mr. President, the bill I am introducing today would provide a one time increase in the capital expenditures limit for small issue industrial development bonds [IDB] that is necessary to let the city of Detroit complete a much needed courthouse economically and in a timely manner.

The courthouse is being built as part of Detroit's Madison Center project which received preliminary approval from HUD in April of 1982. Construction was delayed, in part, because of the uncertainty with tax legislation affecting small issue IDB's in the 98th Congress. Because of this delay, the cost of the project increased and the developers have had to postpone completion on part of the project for 3 years in order to bring the total cost below the statutory ceiling of $20 million. Unfortunately, this continued delay will further increase costs. My bill would allow the project to be completed in a timely fashion with an estimated savings of $1 million.

Mr. President, identical legislation has been introduced in the House by Congressman VANDER JAGT, and I hope the bill can be enacted as part of the first appropriate vehicle.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1345

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, in the case of any obligation issued on October 3, 1984, section 103(b)(6)(I) of the Internal Revenue Code of 1954 shall be applied by substituting "$15,000,000" for "$10,000,000" if such obligation is part of an issue, substantially all of the proceeds of which are used to provide facilities with respect to which an urban development action grant under section 119 of the Housing and Community Development Act of 1974 was preliminarily approved by the Secretary of Housing and Urban Development on April 7, 1982, for the purpose of assisting in the development of new judicial facilities.●

By Mr. KENNEDY (for himself, Mr. PELL, Mr. CRANSTON, Mr. RIEGLE, and Mr. KERRY):

S. 1346. A bill to provide for the solvency of the Medicare Program and to reform the health care financing system; by unanimous consent referred jointly to the Committee on Labor and Human Resources and to the Committee on Finance.

MEDICARE SOLVENCY AND HEALTH CARE FINANCING REFORM ACT

Mr. KENNEDY. Mr. President, I am introducing today the Medicare Solvency and Health Care Financing Reform Act of 1985. Except for minor technical changes, the bill is identical to the one I introduced last year. Congressman RICHARD GEPHARDT of Missouri, who worked long and hard with me on the development of this bill, has reintroduced this legislation in the House of Representatives.

This legislation has two simple but important objectives—to show that Medicare can be assured solvency and its cost to the Federal budget reduced without further callous and unfair Republican benefit cuts and to control the overall inflation in health care costs that burdens every American citizen.

When I first came to the Senate in 1963, Congress was in the final stage of the battle to ensure elderly Americans against the intolerable financial burden of serious illness. President Kennedy was proud of his role as the first President to propose Medicare; he called it the unfinished business of Social Security, and he worked for it and fought for it as Senator and as President.

From the day it was signed into law 19 years ago, Medicare has stood as a solemn promise by Congress and the Federal Government, under both Republican and Democratic administrations, that the miracles of modern medicine will not be denied our senior citizens and that their golden years will be free from the fear of financial ruin because of illness.

Since President Reagan was elected in 1980, the Republican Party has consistently tried to break that promise. Their prescription for Medicare is the bitter pill of lower benefits and higher premiums. In the new Republican social philosophy, Medicare is a luxury the Nation cannot afford. And Medicare cuts are the medicine of choice for the horrendous budget deficits created by the administration's failed fiscal policies.

The Medicare Solvency and Health Care Financing Reform Act will keep the promise of Medicare. We can save Medicare and we can reduce the Federal deficit—not by rationing health care for the elderly but by restraining the soaring cost of health care.

According to the latest estimates, the Medicare trust fund will run out of money to pay its bills before the end of the next decade. By the year 2009, the accumulated deficit will reach a staggering $1 trillion.

Medicare is teetering on the brink of bankruptcy today, not because benefits are too high or taxes are too low, but because the cost of the raging inflation in the cost of health is fueled by the current system. Between 1960 and today, health care costs per capita have risen more than 1,000 percent—four times as much as the consumer price index.

This inflation is not only a problem for Medicare; it is a terrible drain on the Federal budget, threatens to price health care out of the reach of the average American, and burdens American business and labor as they struggle to compete in world markets. This disastrous inflation has been ignored by Government—and patients and citizens are powerless to prevent it.

It is the elderly who endure the heaviest burden. Because of surging costs and shrinking benefits, Medicare now pays only 44 percent of total health care costs for senior citizens. In 1977, each elderly American paid an average of $700 for health care. This year, the figure will be $1,800, and by the year 2000, it will be $5000. In 1985, the elderly will have to pay, on average, more than $1 in every 7 of their limited incomes to pay for needed health care. Once again, as in the dark days before Medicare, the cost of illness is the highest price that Americans have to pay for growing old.

You do not need a stethoscope to diagnose the cause of health care cost inflation. The system lacks any incentives for efficient, cost-effective provision of care. Hospitals and doctors charge too much, and Congress has always lacked the will to confront the powerful health lobby that feeds on this excess.

President Reagan has responded to the crisis of Medicare and the burgeoning Federal deficit by savaging the victims rather than addressing the causes. He has proposed a harsh program of Medicare benefit cuts and premium increases. Reagan cuts that Congress has already enacted will take $11.5 billion out of the pockets of elderly and disabled Medicare beneficiaries over the next 5 years. The President's most recent budget would take away an additional $15.3 billion over the same period—for a staggering total of $26.8 billion.

The legislation I am proposing today will deal with the Medicare trust fund crisis, with the budget deficit, and with the excessive inflation in health care costs in a fairer and more effective way. It will establish a comprehensive reform of the wasteful way we pay for health care.

First, and most important, we put strict but reasonable limits on increases in hospital charges. Two years ago, Congress went part way in this direction by establishing a prospective payment system for Medicare. But in the long run a Medicare-only approach is doomed to failure. As long as hospitals and physicians remain free to charge other patients whatever the traffic will bear, inflation will continue out of control and the cost of Medicare will continue to go up.

Besides being ineffective in controlling health care cost increases, a Medicare only system has other bad effects.

As long as Congress believes that someone else will pay the cost of Medicare payment reductions, it will feel free to make whatever arbitrary reductions in Medicare payments help to meet budget targets. This year, for example, the administration has proposed no increase at all in Medicare payments to hospitals. The result will inevitably be that private consumers have to pay for administration budget savings. And as the gap between what Medicare will pay and what everyone else must pay continues to widen, our senior citizens will once again become second-class citizens in the medical service system—just as they were in the bad old days before Medicare was enacted.

A second component of our plan is the establishment of incentives for outpatient treatment in the many cases where hospital care is wasteful, unnecessary—and often unhealthy.

We will reform the way doctors are reimbursed for services in the hospital by consolidating physician and hospital charges into a single payment for each admission.

Our plan also prohibits doctors from charging patients more than Medicare permits. When an elderly citizen who is sick opens his door, he ought to find a doctor making a house call, not a bill collector charging for what Medicare does not pay.

Finally, our plan includes a number of features to promote competition in health care and to encourage States to design their own plans under broad Federal guidelines.

Enactment of this plan will put Medicare on a sound financial footing. Instead of confronting a worsening trillion-dollar deficit in the year 2009, Medicare will have a growing surplus. Our plan will save employers workers and consumers $60 to $70 billion over the next 5 years and will reduce the budget deficit $20 to $30 billion.

President Kennedy worked long and hard for Medicare. The stakes are just as high today as they were then, and the struggle to save Medicare from the shameful Reagan attack will be no less arduous. The key is to put real limits on what hospitals and doctors can charge and to put real competition back into the system.

I hope my colleagues will work as hard to save Medicare now as the Members did to enact it 20 years ago. The 30 million Americans who depend on Medicare deserve to know that Medicare is truly dependable.

Mr. President, I ask unanimous consent that a copy of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1346

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE AND TABLE OF CONTENTS OF ACT

SECTION 1. This Act may be cited as the "Medicare Solvency and Health Care Financing Reform Act of 1985".

TABLE OF CONTENTS

Sec. 1. Short title and table of contents of Act.
Sec. 2. Programs for reforming the health care financing system.
"TITLE XXI—PROGRAMS FOR REFORMING THE HEALTH CARE FINANCING SYSTEM
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"Sec. 2101. Increased Federal medical assistance percentage and temporary exemption from Federal limits for States indicating an intention to submit a State health care plan.
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Sec. 3. Health maintenance organization and competitive medical plan provisions.
Sec. 4. Medicare payment provisions.
Sec. 5. Requiring payments for health care service furnished to inpatients to be made to or through a hospital as a condition of the hospital's participation in the medicare program.
Sec. 6. Payments from medicare trust funds.
Sec. 7. Studies.

PROGRAMS FOR REFORMING THE HEALTH CARE FINANCING SYSTEM

SEC. 2. The Public Health Service Act is amended by adding at the end thereof the following new title:

"TITLE XXI—PROGRAMS FOR REFORMING THE HEALTH CARE FINANCING SYSTEM

"PART A—STATE HEALTH CARE PROGRAMS

"INCREASED FEDERAL MEDICAL ASSISTANCE PERCENTAGE AND TEMPORARY EXEMPTION FROM FEDERAL LIMITS FOR STATES INDICATING AN INTENTION TO SUBMIT A STATE HEALTH CARE PLAN

"SEC. 2101. (a) INCREASED FEDERAL MEDICAL ASSISTANCE PERCENTAGE.—If the chief executive officer of a State transmits to the Secretary, not later than one year after the date of the enactment of this title, a statement indicating that the State intends to submit a State health care plan described in section 2102, for purposes of making payments to such a State under section 1903 of the Social Security Act (and notwithstanding any other provision of title XIX of such Act) the Federal medical assistance percentage shall be 102 percent of the Federal medical assistance percentage otherwise determined under section 1905(b) of such Act for that State for up to four calendar quarters beginning with calendar quarters after the date such notice is provided.

"(b) EXEMPTION FROM FEDERAL LIMITS.—The Secretary shall exempt hospitals in a State from the prospective payment limits established under subpart I of part B for portions of accounting periods occuring during the first year of the transition period (as defined in section 2141(7)) if—

"(1) the chief executive officer of the State requests such treatment,

"(2) such officer indicates an intention to have implemented (not later than the end of the first year of the transition period) a State plan under this part, which will provide for a recoupment of any revenues received in excess of the amounts permitted under this part, and

"(3) the officer has agreed, with respect to such hospitals, that if a State plan under this part is not implemented by the end of the first year of the transition period, then the Secretary shall provide for such adjustment in the prospective payment limits under subpart I of part B as will provide for recoupment in the subsequent year of any revenues received in excess of the amounts permitted under that part.

"STATE HEALTH CARE PLANS

"SEC. 2102. (a) APPLICATION AND TECHNICAL ASSISTANCE.—(1) The chief executive officer of any State may apply to the Secretary for the approval of a health care plan for that State for an initial period of up to 36 months, subject to disapproval under subsection (d). The officer may apply for an extension of such initial period for up to an additional 24 months in accordance with subsection (d)(3)(B).

"(2) The Secretary, upon request of the chief executive officer of a State, may provide technical assistance to the State in the preparation of a health care plan for approval under this part.

"(b) APPROVAL.—(1) The Secretary shall approve an application for a plan if the Secretary determines that the plan meets the applicable requirements of section 2103. The Secretary shall approve or disapprove the application within 60 days after the date the application is submitted.

"(2) If the Secretary does not approve a plan, the Secretary shall provide the State with a notice of the reasons why the plan may not be approved and an opportunity for a hearing on such disapproval.

"(c) RESULT OF APPROVAL.—In the case of any State with a plan approved under subsection (a) for any 12-month period—

"(1) the provisions of subpart I of part B of this title shall not apply to accounting periods (or portions thereof) to which such plan applies;

"(2) the Secretary shall waive requirements for reimbursement (other than those relating to beneficiary cost sharing) under title XVIII of the Social Security Act for services furnished in such a State and covered under the plan during the 12-month period; and

"(3) for purposes of making payments to such a State under section 1903 of the Social Security Act (and notwithstanding any other provision of title XIX of such Act) the Federal medical assistance percentage for that State shall—

"(A) for each calendar quarter ending in the first 12-month period in which the plan is in effect, be 103 percent (or 104 percent in the case of an unrestricted medicaid plan) of the amount of the Federal medical assistance percentage otherwise determined under section 1905(b) of such Act, and

"(B) for each calendar quarter ending in any subsequent 12-month period (except any extension period under subsection (d)(3)(B)), be 102 per centum (or 103 per centum in the case of an unrestricted medicaid plan) of the amount of the Federal medical assistance percentage otherwise determined.

For purposes of paragraph (3), the term 'unrestricted medicaid plan' means a State plan under title XIX of the Social Security Act which does not impose any limitation on the scope or duration of inpatient hospital services other than requiring that such services be medically necessary. Any increased Federal medical assistance percentage provided under paragraph (3) of this subsection for a calendar quarter shall be instead of any increased percentage permitted with respect to that calendar quarter under section 2101.

"(d) REVIEW OF PLAN COMPLIANCE.—(1) The Secretary shall annually review the compliance of each plan approved under this part with the requirement of section 2103(b).

"(2) If the Secretary determines that the State has not complied with the requirement for the previous 12-month period, the Secretary shall continue approval of the plan for the following twelve-month period if the chief executive officer of the State certifies to the Secretary that the plan will be in compliance with such requirement for the 24-month period beginning with that previous 12-month period.

"(3)(A) If the Secretary determines that a State has not complied with the requirement for two consecutive 12-month periods, the Secretary may, at the Secretary's discretion, continue approval of the plan for the following 12-month period only if the chief executive officer of the State presents a credible plan for assuring that the State will be in compliance with such requirement for the 36-month period beginning with the two previous consecutive 12-month periods.

"(B) The Secretary may, at the Secretary's discretion, extend such 36-month period for up to an additional 24 months but only if the Secretary finds that there has been established a trend such that the State will be in compliance with the requirement for the 60-month period beginning with the first date in which the plan is in effect. During any such extension period, there shall be no increase in the Federal medical assistance percentage for the State under subsection (c)(3)(B).

"(4) In the case of a State which has failed to meet such requirement for two consecutive 12-month periods (or, in the case of a State described in paragraph (3), 36-month or longer period), the Secretary shall establish a Federal program under section 2131 with respect to hospitals in that State in a manner that assures that by the end of the first 12-month period of such Federal program the revenues for hospital inpatient services will be at a level consistent with that required under section 2103(b) if the State had been in compliance with that level in all previous periods.

"REQUIREMENTS OF STATE HEALTH CARE PLANS

"SEC. 2103. (a) CONDITION OF APPROVAL.—(1) In order to be approved under this part, a State health care plan must meet the general requirements for all such plans described in subsections (b) and (c) and, if applicable, the requirements of subsection (d) (relating to ratesetting plans). In meeting the requirements of subsections (b) and (c), a plan may be designed in a manner that meets such requirements through a ratesetting system, a voluntary system, or through the use of competitive mechanisms described in subsection (e). A plan may be designed so as to meet the requirements through different systems or mechanisms for different areas or hospitals within a State.

"(b) REQUIREMENT OF CONTROL OF TOTAL REVENUES PER DISCHARGE.—(1)(A) Except as provided in paragraph (3), the plan must be designed in a manner so as to provide, to the satisfaction of the Secretary, that—

"(i) the amount of the total revenues per discharge for inpatient hospital services for all hospitals in the State for each 12-month period (beginning before 1988) in which the plan under this part is in effect may not exceed the base general hospital revenues per discharge (described in subparagraph (B)(i)) increased by the sum of (I) the compounded sum of the percentage limits computed under subparagraph (C) for that period and previous 12-month periods for which the State plan under this part was in effect, and (II) the population-discharge factor described in subparagraph (D); and

"(ii) the amount of the total revenues per discharge for all services furnished to hospital inpatients for all hospitals in the State for each 12-month period (beginning after 1987) in which the plan under this part is in effect may not exceed the sum of—

"(I) the base general hospital revenues per discharge (described in subparagraph (B)(i)) increased by the sum of the compounded sum of the percentage limits computed under subparagraph (C) for that period and previous 12-month periods for which the State plan under this part was in effect, and the population-discharge factor described in subparagraph (D), and

"(II) the base physician-related hospital revenues per discharge (described in subparagraph (B)(ii)) increased by the sum of the compounded sum of—

"(a) the percentage limits computed under subparagraph (C) for that period and previous 12-month periods for which the State plan under this part was in effect and provided for a limitation under this clause (ii) (instead of under clause (i)) and

"(b) the population-discharge factor described in subparagraph (D);

except that a State may, at its option, apply the test specified in clause (ii) instead of the test specified in clause (i) with 12-month periods beginning before 1987.

"(B) For purposes of subparagraph (A):

"(i) The 'base general hospital revenues per discharge' for a State is the average limitation on the amount of the revenues per discharge for inpatient hospital services which was established for discharges of hospitals in the State under part B during the 12-month period immediately preceding the first 12-month period for which the plan is in effect, taking into account exceptions provided under section 2123, or, if such part was not in effect during that preceding 12-month period, the average amount of the revenues per discharge for inpatient hospital services in the State during 1984 updated by the national average percentage increase in community hospital costs per discharge during the period between July 1, 1984, and the first day of the first 12-month period for which the plan is in effect.

"(ii) The 'base physician-related hospital revenues per discharge' for a State is the average of the revenues per discharge of hospitals in the State for hospital inpatients (other than revenues attributable to inpatient hospital services taken into account under clause (i)) for the first year of the transition period, increased (for each year (or portion thereof) after such year and before the first 12-month period in which the plan is in effect and provides for a limitation based on the test described in subparagraph (A)(ii)) by the percentage limit described in subparagraph (C).

"(C) For purposes of subparagraph (A), the 'percentage limit' is equal to such limit as established in accordance with the methodology established by the panel under subsection (c)(3)(B), but in no case may such limit exceed for a 12-month period the applicable percentage limit described in subsection (b)(3)(B) of section 1886 of the Social Security Act (without regard to subsections (d) and (e) of that section) for that period, except that with respect to any period after September 30, 1986, the first sentence of such subsection is deemed to be amended by striking out 'one quarter of'.

"(D) For purposes of subparagraph (A), the 'population-discharge factor' for a State for a 12-month period is the sum of—

"(i) the percentage increase or decrease in the population of individuals under 65 years of age in such State from the 12-month period before the first 12-month period in which the plan under this part is in effect in the State (or, in the case of the limitation described in subparagraph (A)(ii)(II), from the first 12-month period before the first 12-month period in which such limitation applies in the State to the 12-month period before the 12-month period involved, and

"(ii) one-half of the percentage by which the percentage increase (if any) in the number of hospital discharges of individuals under 65 years of age in such State during the period described in clause (i) exceeds the percentage increase or decrease described in such clause for that period.

The Secretary may adjust the percentage change described in clause (i) to take into account the net impact in hospital utilization in a State resulting from the use of hospital services in that State by individuals residing outside the State or resulting from a shift in hospital utilization by individuals residing in the State from utilization of hospitals outside the State to utilization of hospitals within the State, but only if, in making such adjustment, there is a corresponding adjustment made in the percentage change for the State in which such individuals reside.

"(2)(A) For purposes of this section—

"(i) in determining the revenues for inpatient hospital services of a hospital or the revenues for other services furnished to an inpatient of a hospital, except as provided in clauses (ii) and (iii) there shall be included all revenues (whether received by or through the hospital or any other entity) paid respecting the provision of inpatient hospital services or of other services, respectively, to the inpatient of the hospital;

"(ii) there shall be excluded from revenues for inpatient hospital services amounts paid in philanthropy or under research grants and contracts;

"(iii) except as provided in section 2143(c), there shall be excluded from revenues and discharges relating to services in a hospital amounts for such services paid by, and discharges attributable to, eligible organizations (as defined in section 2141(1)); and

"(iv) in establishing the base from which revenues are computed under a State

system under this part for the first 12-month period in which it is in effect, there shall be taken into account any reductions which would have otherwise been effected under section 2122(e)(1)(A) for portions of accounting periods of hospitals occurring during that period.

"(B) The plan may, with the approval of the Secretary, exempt revenues of hospitals and other persons from limits under the plan if—

"(i) the exemption is necessary to facilitate an experiment or demonstration entered into under section 402 of the Social Security Amendments of 1967 or section 1115 of the Social Security Act; and

"(ii) the experiment or demonstration is not inconsistent with the purposes of this title.

"(C) The plan must provide for such reports to the Secretary as the Secretary may require in order to monitor properly assurances provided under this section and the operation of the plan.

"(3) A plan under this subsection may, instead of meeting the requirements of paragraph (1), meet such other alternative test of constraint of health care costs as the Secretary determines will result in no greater expenditures of funds under title XVIII of the Social Security Act and by private payers than would have been made if the plan met the requirements of such paragraph.

"(4)(A) The plan must be designed in a manner so as to provide, to the satisfaction of the Secretary, that the amount of revenues for inpatient hospital services and physicians' services to hospital inpatients provided to individuals entitled to benefits under parts A and B of title XVIII of the Social Security Act, may not exceed the amount which would otherwise be payable (including copayments and deductibles) for such services under the provisions of such title.

"(B) A plan (other than a plan providing for the establishment of rates of hospital reimbursement for hospital inpatient services) may provide that payment under title XVIII of the Social Security Act for inpatient hospital services and for other services furnished to hospital inpatients shall continue to be made in the amounts and in the manner otherwise provided under such title.

"(c) OTHER REQUIREMENTS.—(1)(A) The unreimbursed costs incurred by hospitals in providing services to patients (other than medicare or medicaid patients) who are of low income and are uninsured or underinsured (as defined by the Secretary) shall be paid pursuant to the plan in the amount described in subparagraph (B) through distribution of funds pooled at the statewide level, through a higher payment rate, or through another method approved by the Secretary. If the plan provides for the determination of rates under a system described in subsection (d), payment of amounts to hospitals in a State under the previous sentence must be allocated among payors for inpatient hospital services in a manner that reflects the relative proportion of the payments for such services that are made by that payor (or class of payor), and shall be allocated among hospitals in proportion to the share of unreimbursed care provided by the hospital, except that—

"(i) the proportion of such amounts paid pursuant to title XVIII of the Social Security Act may not be greater than the proportion paid during the fiscal year before the first 12-month period in which the plan is in effect (except to take into account any increase in the proportion of total revenues which are attributable to such title) and

"(ii) the proportion of such amounts paid pursuant to State plans approved under title XIX of such Act need not be greater than the proportion paid during the first year before the first 12-month period in which the plan is in effect.

"(B) The amount provided to cover such unreimbursed costs (after reasonable efforts to collect debts) must, in the aggregate, be the same proportion of total revenues (including revenues from philanthropic payments and other sources of revenues other than revenues relating to research grants and contracts) as such unreimbursed costs are of total costs of patients who are neither medicare nor medicaid patients.

"(2)(A) The plan must have a mechanism for providing fair hearings for hospitals and any other entities aggrieved by determinations made under the plan.

"(B)(i) The plan must provide that any health planning or certificate of need law in the State (described in section 1527 of the Public Health Service Act) must provide for the exemption from the operation of such law of projects by or on behalf of health care facilities owned or controlled by, or serving predominantly individuals who are members of, eligible organizations (as defined in section 2141(1)).

"(ii) The plan may not provide for any limitation on the number of admissions or discharges which are attributable to members of eligible organizations.

"(C) The plan must assure that hospitals continue to meet Federal and State certification standards for quality of care.

"(D) The plan must provide for a method of assuring that hospitals do not engage in admissions practices prohibited during the transition period under section 2125.

"(3)(A) The chief executive officer of the State shall provide for the appointment of a panel, consisting of members with expertise in health care economics and service delivery consistent with subparagraph (C).

"(B) The panel shall advise in the development and implementation of the plan, periodically review and propose modifications to the plan, and establish the methodology for establishing a percentage increase to be used under subsection (b)(1)(C) under the plan. Such methodology shall include the use of appropriate external price indicators, the use of data from major collective-bargaining agreements for nonsupervisory hospital employees, and other appropriate indicators of wage costs. The Secretary shall approve the methodology and the percentage increase established by the panel under this subparagraph for goods and services other than the wages of nonsupervisory hospital employees unless the Secretary determines that the percentage increase exceeds, for any 12-month period, the applicable percentage increase described in subsection (b)(3)(B) of section 1886 of the Social Security Act (without regard to subsections (d) and (e) of that section) for that period insofar as such increase is determined for goods and services other than wages of nonsupervisory hospital employees. The Secretary shall approve the methodology and the percentage increase established by the panel under this subparagraph with respect to the wages of nonsupervisory hospital employees unless the Secretary determines that the methodology is arbitrary and capricious. Whenever the percentage increase established by the panel for the wages of nonsupervisory hospital employees for a 12-month period deviates substantially from appropriately weighted indicators of actual changes in such wages for that period, the Secretary shall instruct the panel to adjust the methodology and percentage increase appropriately for the following 12-month period.

"(C) The panel shall include at least—

"(i) one member selected from a list of qualified individuals submitted by unions that represent health care workers and another member selected from a list of qualified individuals submitted by unions that represent other workers;

"(ii) one member who represents employers who provide health coverage for their employees;

"(iii) one member who is a consumer of health care services and is not affiliated with the health care industry;

"(iv) one member who is a representative of third-party payors for health care services;

"(v) one member who is a representative from a hospital;

"(vi) one member who is a physician and another member who is a registered nurse;

"(vii) one member who is an independent public member and who shall serve as chairman; and

"(viii) one member who represents the interests of senior citizens or senior-citizen organizations.

"(d) ADDITIONAL REQUIREMENTS FOR RATE-SETTING PLANS.—To the extent that the plan provides for meeting the requirements of subsections (b) and (c) through a system which provides for the establishment of rates for hospital reimbursement for hospital inpatient services by an entity other than the hospital, the plan must meet the following additional requirements:

"(1) Except as provided in paragraph (2), the plan must be designed and administered in a manner that provides equitable treatment under the plan of all entities that pay for health services covered under the plan, of employees of hospitals, and of patients receiving such services.

"(2)(A) If the plan is established under State law, the plan must take into account (whether on a per diem, per discharge, or other basis) the proportion of costs associated with, and services covered by, the different payors, including the medicare and medicaid programs, and may not permit undue shifting of proportions of costs among the different payors. Where there are large disparities among private payors in the amounts paid, the plan may provide for a phasing-out of the differences in payment amounts among such payors.

"(B) The plan may not make available any discount in price to any purchaser unless—

"(i) the discount is in an amount which accurately reflects identifiable and measurable economic benefits to that hospital resulting from a service or reimbursement arrangement with that purchaser, and

"(ii) the discount is made available to all other purchasers who can satisfy such service or reimbursement arrangement.

"(3) The plan must provide a procedure whereby, upon the request of a hospital, an adjustment can be considered to the rate limitation applicable under the plan to that hospital to reflect—

"(A) a significant change in the capacity or character of the inpatient hospital services available in the hospital or a major renovation or replacement of physical plant which has been approved by the State health planning and development agency or the State planning agency designated for purposes of section 1122(b) of the Social Security Act, if either such agency exists;

"(B) funds necessary to provide for the efficient operation of the hospital if the hospital (i) is a sole community hospital or provides a disproportionate percentage of its services, in comparison with facilities of similar size and urban or rural location, to low-income patients, (ii) would otherwise be insolvent, and (iii) should be maintained in the judgment of the State health planning and development agency (or other appropriate State agency);

"(C) higher expenses associated with the special needs and circumstances (including greater intensity of care) of the hospital because it is a regional tertiary care institution, teaching hospital, or children's hospital; and

"(D) increased costs for compensation of employees, including collectively bargained increases, adjustments to remedy shortage of personnel, or other adjustments necessary to maintain a qualified staff,

but only if any change due to which the adjustment is sought is not inconsistent with any applicable State health plan approved by the State health planning and development agency.

"(e) ADDITIONAL REQUIREMENTS FOR COMPETITION PLANS.—If the plan provides for control of hospital inpatient costs in whole or in part through a competitive mechanism, the Secretary shall, in reviewing the plan, take into account the degree to which the plan provides for the following or other measures to improve price competition among providers:

"(1) The plan provides for the establishment of one or more open enrollment periods permitting eligible individuals to elect to enroll, disenroll, or change the type of enrollment with private or public health benefits plans (whether providing prepaid care or otherwise).

"(2) The plan provides for the dissemination of such information concerning different health benefits plans (including benefit structure and premiums) to individuals eligible to enroll with the health benefits plans as may encourage informed decisionmaking and competition in price among the plans.

"(3) The plan encourages innovation and public incentives to new forms of health care delivery and financing.

"(4) There are negotiated prices and risk-sharing between insurers and health care providers.

"(5) The laws of the State do not impose legal barriers to competition in negotiated and other arrangements among insurers and health care providers.

"PART B—RESIDUAL FEDERAL PROGRAM

"Subpart I—Transition Period

"PROSPECTIVE PAYMENT FOR PRIVATE PAYORS

"SEC. 2121. (a) LIMIT ON TOTAL REVENUES BASED ON PROSPECTIVE PAYMENT LIMITS.—Subject to the provisions of this subpart, for any accounting period of a hospital subject to this subpart the total revenues for inpatient hospital services may not exceed the total of such revenues that are permitted on the basis of prospective payment limits which are established under this subpart for the hospital's discharges (as classified by diagnosis-related groups).

"(b) PUBLICATION OF LISTS OF PRICES PER DISCHARGE.—(1) Each hospital subject to a limitation on revenues under this subpart shall provide for the publication of a price list which establishes the price per discharge (classified in accordance with diagnosis-related groups) which any payor may pay for inpatient hospital services. Such price list may include an outlier policy to provide for variations in the prices with respect to particular discharges classified within a diagnosis-related group to reflect differences in the lengths of stay or other costs associated with those discharges.

"(2) A hospital may provide from time to time for revision and republication of such price list.

"(3) Each such hospital shall provide for transmittal to the Secretary of each price list published under this section.

"(4) Nothing in this subpart shall be construed as preventing a hospital from taking into account, in its establishment of such a price list, bad debts and charity care related to inpatient care.

"ESTABLISHMENT OF PROSPECTIVE PAYMENT LIMITS FOR DISCHARGES CLASSIFIED BY DIAGNOSIS-RELATED GROUPS

"SEC. 2122. (a) DETERMINATION OF PROSPECTIVE PAYMENT LIMIT BY DRG.—The Secretary of Health and Human Services shall determine (for any accounting period of each hospital subject to this subpart) a prospective payment limit for inpatient hospital services for discharges classified by diagnosis-related groups established under subsection (b)(1). Subject to the remaining provisions of this subpart, the limit shall be determined for each hospital for discharges as follows:

"(1) DETERMINATION OF REVENUE PER DISCHARGE BASE.—The Secretary shall determine for the hospital—

"(A) the ratio of (i) the total revenues for inpatient hospital services to (ii) the number of discharges, for the most recent accounting period ending before January 1, 1985, for which adequate data are available (hereinafter in this subsection referred to as the 'base accounting period'), and

"(B) the classification and weighting factors for such discharges according to diagnosis-related groups established under subsection (b).

"(2) STANDARDIZATION OF DRG-SPECIFIC BASE AMOUNTS.—The Secretary shall determine for the hospital a standardized average revenues for inpatient hospital services per discharge for the base accounting period by adjusting the ratio described in paragraph (1)(A) to eliminate any effect attributable to the differing weighting factors determined under paragraph (1)(B) for discharges in the base accounting period.

"(3) UPDATING AMOUNTS.—The Secretary shall update each amount determined under paragraph (2) by—

"(A) updating to the transition period by the national average percentage increase in community hospital costs per discharge during the period between the midpoint of the base accounting period used under paragraph (1) and the first day of the transition period, and

"(B) increasing to the accounting period involved by the compounded sum of the percentage limits (specified in subsection (d)(1)) for that accounting period and previous accounting periods of the hospital to which this subpart applies.

"(4) COMPUTATION OF DRG-SPECIFIC MAXIMUM AVERAGE REIMBURSEMENT LIMITS.—For each hospital discharge classified within a diagnosis-related group, the Secretary shall compute a prospective payment limit equal to the product of—

"(A) the updated amount established under paragraph (3), and

"(B) the weighting factor (determined under subsection (b)(2)) for that diagnosis-related group.

"(5) ADJUSTMENT FOR CHANGES IN NUMBER OF DISCHARGES.—The Secretary shall adjust the hospital's prospective payment limits computed under paragraph (4) to take into account, in the manner described in subsection (e), a change in the number of discharges in the previous accounting period over a base number of discharges.

The Secretary shall notify each hospital of the prospective payment limits established under this section for each accounting period (or portion thereof) subject to the limits of this subpart and of the base number of discharges (established under subsection (e)(2)) for that hospital. Such notice shall, in the case of accounting periods beginning during the transition period, be in advance of the beginning of that accounting period.

"(b) ESTABLISHMENT OF DRG CLASSIFICATIONS.—For purposes of this title the Secretary shall, taking into account classifications and weighting factors established under section 1886(d)(4) of the Social Security Act—

"(1) establish a classification of inpatient hospital discharges by diagnosis-related groups and a methodology for classifying specific hospital discharges within these groups, and

"(2) assign, to each such group, an appropriate weighting factor which reflects the relative hospital resources used with respect to discharges classified within that group compared to discharges classified within other groups.

The Secretary may, from time to time, adjust such classifications and weighting factors to reflect changes in treatment patterns, technology, and other factors which may change the relative use of hospital resources.

"(c) APPLICATION OF SUBPART AND DETERMINATION OF HOSPITAL REVENUES.—(1)(A) This subpart shall not apply to accounting periods of a hospital ending before the first day of the transition period (as defined in section 2141(7)) or beginning after the date on which the hospital becomes subject to a program under part A.

"(B) In the case of an accounting period of a hospital that begins before the date on which the hospital becomes subject to a program under part A and ends after such date, the Secretary shall provide that the limits established under this subpart shall apply in a manner so as to reflect the portion of the accounting period subject to this subpart.

"(2) For purposes of this subpart in determining the revenues for inpatient hospital services of a hospital, there shall be included all revenues (whether or not received by or through the hospital or any other entity) paid (whether to the hospital or to other entities) respecting the provision of inpatient hospital services to an inpatient of the hospital.

"(3) In computing revenues and discharges under this subpart for a hospital's accounting period (including the base accounting period), in establishing the national average percentage increase in community hospital costs per discharge under subsection (a)(3)(A), and in determining the national average percentage increase in discharges to community hospitals under subsection (e)(2), there shall not be included revenues and discharges attributable to inpatients who, on the date of their admission, were entitled to benefits under part A of title XVIII of the Social Security Act or medical assistance under a State plan approved under title XIX of such Act and there shall not be included revenues attri-

butable to philanthropy or to research grants and contracts.

"(4) The Secretary may provide for an adjustment to the prospective payment limits established under this subpart to the extent that the Secretary determines that—

"(A) the adjustment is necessary to facilitate an experiment or demonstration entered into under section 402 of the Social Security Amendments of 1967 or section 1115 of the Social Security Act; and

"(B) the experiment or demonstration is not inconsistent with the purposes of this title.

"(d) COMPUTATION OF PERCENTAGE LIMIT.—(1) The percentage limit referred to in subsection (a)(3)(B) for a hospital's accounting period is equal to the sum of—

"(A) the product of (i) the fraction of the accounting period that occurred before the first day of the transition period, and (ii) the national average percentage increase in community hospital costs per discharge (described in subsection (a)(3)(A)) from the midpoint of the base accounting period to the first day of the transition period; and

"(B) the product of (i) the fraction of the accounting period that occurred after the first day of the transition period, and (ii) the sum of (I) the percent increase in the labor-related expenses of the hospital (as defined in paragraph (2)(A)) for the accounting period, and (II) the percent increase in the nonwage marketbasket of the hospital (as defined in paragraph (2)(B)) for the accounting period.

"(2) As used in paragraph (1):

"(A) The term 'percent increase in labor-related expenses' means, for a hospital for an accounting period (or portion thereof), the product of—

"(i) the average percentage increase in the labor-related expenses paid by that hospital in the period over the labor-related expenses paid by the hospital in the preceding period per employee per hour to employees (other than to supervisors (as defined in section 2(12) of the National Labor Relations Act)) of the hospital; and

"(ii) the average fraction (as computed by the Secretary from time to time) of that hospital's expenses attributable to such labor-related expenses.

In order to provide hospitals with an estimate of the prospective payment limits established under this subpart in advance of each accounting period (or portion thereof) subject to such limits, the Secretary, in estimating the average percentage increase in labor-related costs referred to in clause (i), shall, at the election of each hospital, either use the hospital's estimate of the average percentage increase in such costs that the hospital anticipates will occur or use the Secretary's estimate of the average percentage increase in such labor-related costs that will occur for the average hospital nationwide during the hospital's accounting period.

"(B) The term 'percent increase in the nonwage marketbasket' means, for an accounting period for a hospital, the sum of the products of—

"(i) the average percentage increase in the United States in the price of each appropriate class (as estimated by the Secretary prospectively before the beginning of the accounting period or, if greater and at the option of the hospital, as determined by the Secretary retrospectively at the end of the accounting period) of goods and services (other than those for services related to labor-related expenses described in subparagraph (A)(i)) in the period over the price of the class in the preceding accounting period; and

"(ii) the average fraction (as computed by the Secretary from time to time) of that hospital's expenses attributable to that class of goods and services.

The Secretary shall compute the fractions described in clause (ii) in a manner such that the sum of such fractions and the average fraction described in subparagraph (A)(ii) is equal to one.

"(e) ADJUSTMENT FOR EXCESS DISCHARGES.—(1)(A) If for a hospital's accounting period subject to this subpart the number of discharges exceeds the base number of discharges described in paragraph (2), then the prospective payment limits for discharges in the hospital in the subsequent accounting period shall be reduced by such amounts as may be necessary to provide that, in the aggregate for all discharges, the total revenues otherwise permitted under this subpart for the hospital will be reduced, in the aggregate, by 60 percent of the product of (i) the prospective payment limit established under this subpart for discharges in that previous accounting period classified within the diagnosis-related group with the median weighting factor, and (ii) the number of such excess discharges for that previous accounting period.

"(B) If for a hospital's accounting period subject to this subpart the number of discharges is less than the base number of discharges described in paragraph (2), then the Secretary may, at the request of the hospital, provide that the prospective payment limits for discharges in the hospital in the subsequent accounting period shall be increased by such amounts as may be necessary to assure the hospital receipt of revenues sufficient to reasonably cover overhead costs.

"(2) For purposes of paragraph (1), the base number of discharges for a hospital is equal to the number of discharges in such hospital for the hospital's base accounting period (or, if higher, the average annual number of admissions to such hospital for the hospital's three accounting periods ending with such base accounting period), increased by a percentage equal to the estimated national average percentage increase in discharges to community hospitals during the period between the end of the hospital's base accounting period and the first day of the transition period.

"(3) An adjustment shall not be made under paragraph (1)(A) to the extent that a hospital can demonstrate that a net increase in discharges is attributable to inpatients who, on the date of admission, are entitled to benefits under title XVIII of the Social Security Act or to medical assistance under a State plan approved under title XIX of such Act.

"(4) The Secretary may by regulation provide for a lower percentage than the 60 percent specified in paragraph (1)(A) in those cases where the Secretary determines that the increase in the number of discharges in a hospital—

"(A)(i) is extraordinary and is due to circumstances beyond the hospital's control, or (ii) is required to improve access to care; and

"(B) results in a ratio of revenues to costs per excess discharge which is greater than 40 percent of the ratio of revenues to costs for discharges in the base accounting period.

"EXCEPTIONS

"SEC. 2123. (a) EXCEPTIONS.—The Secretary, at the request of a hospital and at the Secretary's discretion, may increase the allowable revenues for an accounting period or provide for an increase in the base number of discharges otherwise permitted under this subpart to allow for higher revenues than would otherwise be permitted under the following conditions, pursuant to regulations established by the Secretary:

"(1) MAJOR RENOVATION OR REPLACEMENT OF PHYSICAL PLANT.—A major renovation or replacement of physical plant or significant change in the capacity of the hospital has occurred, which renovation, replacement or change either (A) has been approved by the State health planning and development agency (or other appropriate agency of the State) or (B) is exempt from such approval under law consistent with title XV of the Public Health Service Act, but only to the extent that this renovation or replacement increases capital costs more than the otherwise allowable percentage increase and to the extent that, and for such reasonable period as, these changes increase per discharge operating costs as a result of temporarily underutilized capacity.

"(2) SOLE COMMUNITY PROVIDER.—The hospital is a sole community provider or provides a disproportionate percentage of its services (in comparison with facilities of similar size and urban or rural location) to low income or medicare patients, the hospital would otherwise be insolvent, and the State health planning and development agency (or other appropriate State agency) for the hospital has determined that the hospital should be maintained, but only to the extent that the revenues permitted are below the cost of efficiently operating the hospital.

"(3) REGIONAL TERTIARY CARE INSTITUTION, TEACHING HOSPITAL, CHILDREN'S HOSPITAL.—A larger revenue increase is needed as a result of the special needs and circumstances of the hospital because it is a regional tertiary care institution, teaching hospital, or children's hospital.

"(4) SIGNIFICANT CHANGE IN CASE MIX.—Taking into account the outlier policy established under clauses (i) and (ii) of section 1886(d)(5)(A) of the Social Security Act and the relative severity of cases within classifications of diagnosis-related groups, there has been a significant change in the characteristics of the hospital's mix of patients classified within one or more diagnosis-related groups from those characteristics for patients in the hospital's base accounting period.

"(b) REQUIRED PLANNING APPROVAL.—The Secretary may not increase the allowable revenues per discharge under the circumstances described in subsection (a) unless the circumstances justifying the exemption have been reviewed by the local Health Systems Agency (where one exists) and approved by the State health planning and development agency (or other appropriate agency of the State) as being consistent with the health plan for the area in which the hospital is located or unless such review or approval is not required consistent with title XV of the Public Health Service Act. In applying such exceptions to individual hospitals, the Secretary shall take into account the ability of the hospital to meet its costs through its own resources.

"(c) ADJUSTMENT FOR SHIFTS BETWEEN INPATIENT AND OUTPATIENT SERVICES.—The Secretary may include in revenues for inpatient hospital services revenues from outpatient hospital services which were customarily rendered on an inpatient basis by the hospital during the base accounting period

if the patient receiving such outpatient services was an inpatient during the period immediately preceding or following the rendering of such outpatient services, or may provide for such adjustment of the weighting factors established under section 2122(b)(2) for discharges classified in diagnosis-related groups affected by such a shifting as may be appropriate. A reduction effected under this subsection shall be made on a pro rata basis in cases where the discontinued services are no longer furnished for a part of an accounting period.

"CIVIL PENALTY

"SEC. 2124. (a) FOR HOSPITALS.—(1) If the Secretary determines that—

"(A) the total inpatient revenues of a hospital for an accounting period exceed the applicable limit for the hospital for the accounting period under this subpart; and

"(B) subject to paragraph (2)(B), the hospital fails to deposit an amount equal to the amount of such excess revenues in an escrow account (established and maintained pursuant to paragraph (3)) and fails to withdraw the amount before the end of the succeeding accounting period pursuant to paragraph (3)(B),

the hospital is subject to a civil penalty of 150 percent of the difference between (i) the amount of the excess described in subparagraph (A), and (ii) subject to paragraph (2)(B), the amount deposited with respect to such excess in the escrow account and withdrawn pursuant to paragraph (3)(B).

"(2)(A) A hospital which has established an escrow account pursuant to paragraph (3) and withdraws an amount from such account in a manner not permitted under paragraph (3)(B), is subject to a civil penalty in an amount equal to 150 percent of the amount so withdrawn.

"(B) A hospital which has established an escrow account pursuant to paragraph (3) and has a balance in such account after the end of its last accounting period to which either part A or this part (or both) applies, is subject to a civil penalty in an amount equal to the amount remaining in such account.

"(3)(A) In order to avoid liability for a civil penalty under paragraph (1), a hospital which has total inpatient revenues for an accounting period in excess of its applicable limit under this title may establish, in a manner prescribed by the Secretary, an escrow account for the deposit of amounts with respect to one or more of the hospital's accounting periods for which the hospital has excess inpatient revenues.

"(B) If the Secretary certifies that the total inpatient revenues of a hospital for an accounting period subject to a limit fall below the applicable limit established under this title for that accounting period, the hospital may withdraw from any escrow account (described in subparagraph (A)) previously established an amount determined by the Secretary to be equal to the amount by which the inpatient revenues of the hospital for that accounting period could be increased without causing the hospital's total inpatient revenues for that accounting period to exceed the applicable limit established under this title for that accounting period.

"(b) FOR PHYSICIANS AND OTHERS.—If the Secretary determines that a physician or other person or entity (other than a hospital) has charged any person or entity for a service provided to a hospital inpatient, which service is required by law to be billed to a hospital, such physician or other person or entity shall be charged a civil money penalty of 150 percent of the amount billed.

"(c) ASSESSMENT OF PENALTY.—(1) The civil penalties provided under subsection (a) or (b) shall be assessed by the Secretary only after the hospital, person, or other entity has been provided written notice and opportunity for a hearing on the record at which the hospital, person, or other entity is entitled to be represented by counsel, to present witnesses, and to cross-examine witnesses against the hospital, person, or other entity.

"(2)(A) A hospital, person, or other entity adversely affected by an assessment by the Secretary under subsection (a) or (b) may obtain a review of such assessment in the United States court of appeals for the circuit in which the involved hospital, person, or entity is located by filing in such court, within 60 days following the date the hospital, person, or other entity is notified of the Secretary's determination as to the assessment, a written petition requesting that the assessment be modified or set aside. A copy of the petition shall be transmitted by the clerk of the court to the Secretary, and the Secretary shall file in the court the record in the proceeding as provided in section 2112 of title 28, United States Code. Upon such filing, the court shall have jurisdiction of the proceeding and of the question determined in such proceeding, and shall have the power to make and enter upon the pleadings, testimony, and proceedings set forth in such records a decree affirming, modifying, remanding for further consideration, or setting aside, in whole or in part, the assessment of the Secretary and enforcing the assessment to the extent that such order is affirmed or modified.

"(B) No objection that was not raised before the Secretary shall be considered by the court, unless the failure or neglect to raise such objection is excused by the court because of extraordinary circumstances.

"(C) The findings of the Secretary with respect to questions of fact, if supported by substantial evidence on the record considered as a whole, shall be conclusive.

"(D) If any party applies to the court for leave to adduce additional evidence, and shows to the satisfaction of the court that such additional evidence is material and that there were reasonable grounds for the failure to adduce such evidence in the hearing before the Secretary, the court may order such additional evidence to be taken before the Secretary and to be made a part of the record. The Secretary may modify previous findings as to the facts, or make new findings, by reason of additional evidence so taken and filed, and the Secretary shall file such modified or new findings, and the Secretary's recommendations, if any, for the modification or setting aside of the original order. Any such modified or new findings with respect to questions of fact, if supported by substantial evidence on the record considered as a whole, shall be conclusive. Upon the filing of the record with the court, the jurisdiction of the court shall be exclusive and its judgment and decree shall be final, except that such judgment shall be subject to review by the Supreme Court of the United States, as provided in section 1254 of title 28, United States Code.

"(3)(A) Civil penalties and assessments imposed under this section may be compromised by the Secretary and may be recovered in a civil action in the name of the United States brought in the United States district court for the district in which the involved hospital is located. Amounts recovered shall be deposited as miscellaneous receipts of the Treasury of the United States. The amount of such penalty, when finally determined, or the amount agreed upon in compromise, may be deducted from any sum then or later owing by the United States to the hospital, person, or other entity against which the penalty has been assessed.

"(B) Except as provided in subsection (d), a determination by the Secretary to assess a penalty under this section shall be final upon the expiration of the 60-day period referred to in paragraph (2)(A) unless the hospital, person, or other entity against which the penalty has been assessed files for a review of such assessment as provided in subsection (d). Matters that were raised or that could have been raised in a hearing before the Secretary or in an appeal pursuant to paragraph (2) may not be raised as a defense to a civil action by the United States to collect a penalty assessed under this section.

"(d) ADMINISTRATIVE AND JUDICIAL REVIEW.—(1) Any hospital dissatisfied with a determination made on behalf of the Secretary under this section may obtain a hearing before the Provider Reimbursement Review Board (established under section 1878(h) of the Social Security Act and hereinafter in this subsection referred to as the 'Board') if the amount in controversy is $10,000 or more and the request for such hearing is filed within 180 days after the date the notice of the determination was provided.

"(2)(A) The provisions of subsections (c), (d), (e), (f), and (i) of section 1878 of the Social Security Act shall apply to hearings provided under paragraph (1). In addition, the Board shall have the power to affirm or reverse any final determination (described in paragraph (1)) of a fiscal intermediary or another entity acting on behalf of the Secretary.

"(B) After completing a hearing provided under paragraph (1) with respect to a determination, the Board shall render its decision on the determination not later than 60 days after the last day of the hearing.

"(3) In addition to the members appointed under section 1878(h) of the Social Security Act, the Secretary shall appoint four additional members to the Board, each of whom shall be a member of the general public and a representative of consumers of inpatient hospital services. Those provisions of section 1878(h) of such Act which relate to compensation and terms of office of members of the Board shall also apply to members appointed under this paragraph.

"IMPROPER ADMISSIONS PRACTICES

"SEC. 2125. (a) PROHIBITED ADMISSION PRACTICES.—A hospital may not engage in an admission practice that results in—

"(1) a refusal to admit a patient because the patient is unable to pay for inpatient hospital services provided by the hospital or with respect to whom payment is (or is likely to be) less than the anticipated charges for or costs of services provided to the patient;

"(2) the refusal to admit a patient who would be expected to require unusually costly or prolonged treatment for reasons other than those related to the appropriateness of the care available at the hospital; or

"(3) the refusal to provide emergency services to any person who is in need of emergency services if the hospital provides such services.

"(b) MONITORING.—The Secretary shall monitor, on a periodic basis, the extent of

each hospital's compliance with subsection (a).

"(c) INVESTIGATION OF COMPLAINTS.—(1) Upon written complaint by any hospital or upon receiving such volume of written complaints or such reasonable documentation from any persons (as the Secretary finds sufficient) that a hospital's admission practice violates subsection (a), the Secretary shall investigate the complaint and, upon a finding by him that the complaint is justified, the Secretary may—

"(A) exclude the hospital from participation in any or all of the programs established by title XVIII or XIX of the Social Security Act; or

"(B) reduce the total amounts otherwise reimbursable to the hospital under title XVIII or XIX of the Social Security Act in an amount equal to $3,000 for each of the number of persons who were not admitted as patients or provided services.

"(2) In addition, the Secretary may take any other action authorized by law (including an action to enjoin such a violation brought by the Attorney General upon request of the Secretary) which will restrain or compensate for a violation of subsection (a).

"(d) HEARING AND JUDICIAL REVIEW.—Any hospital aggrieved by a determination of the Secretary under subsection (c) shall, upon timely request, be entitled to a hearing on the record on such determination (in accordance with section 554 of title 5, United States Code), and no reduction in reimbursement may be made under subsection (c)(1)(B) with respect to a hospital until the hospital has had the opportunity for such a hearing and judicial review (under chapter 7 of such title) on the determination after the hearing.

"(e) NO RESTRICTION ON OTHER RIGHTS.—Nothing in this section shall restrict any right which any person (or class of persons) may have under any other statute or at common law to seek enforcement of this Act or to seek any other relief.

"(f) EFFECTIVE DATE.—This section shall apply to individuals admitted, or seeking admission, to a hospital on or after the beginning of the transition period (as defined in section 2141(7)).

"ADMINISTRATION OF SUBPART

"SEC. 2126. The Secretary shall, to the extent the Secretary deems it practicable, provide for administration of this subpart through fiscal intermediaries with contracts under section 1817 of the Social Security Act.

"Subpart II—Post-Transition Period

"FEDERAL OPERATION OF STATE HEALTH CARE PLANS

"SEC. 2131. In the case of any State which does not have a State plan approved under section 2102 and in effect for any period beginning after the transition period, the Secretary shall establish and implement a health care plan for such State for such period which meets the requirements of subsections (b), (c), and (d) of section 2103; except that, in implementing a plan under this section—

"(1) for the purpose of determining the definition of 'percentage limit' referred to in subsection (b)(1)(C), and limited in subsection (c)(3)(B), of such section, '1 percentage point plus' shall be deemed to have been stricken from section 1886(b)(3)(B) of the Social Security Act;

"(2) '40 percent' shall be substituted for 'one-half' in subsection (b)(1)(D)(i) of such section;

"(3) the Secretary shall provide for a method of hospital revenue limits that meets the requirements of subsection (d) of such section; and

"(4) the Secretary shall provide for such hospital inpatient revenue levels as may be required under section 2102(d)(4).

"PART C—DEFINITIONS AND COMPETITIVE PROVISIONS

"DEFINITIONS

"SEC. 2141. For purposes of this title:

"(1) The term 'eligible organization' has the meaning given such term in section 1876(b) of the Social Security Act.

"(2) The term 'hospital' means, with respect to any period, an institution that satisfied paragraphs (1) and (7) of section 1861(e) of the Social Security Act during all of the period, but does not include any such institution if it—

"(A) does not impose charges or accept payments for services provided to patients,

"(B) is a Federal institution during any part of the period,

"(C) derived 75 percent or more of its inpatient care revenues from one or more eligible organizations during the preceding twelve months, or

"(D) is a psychiatric hospital (as described in section 1861(f)(1) of such Act) or a rehabilitation hospital (as defined for purposes of section 1886(d)(1)(B)(ii) of such Act).

"(3) The term 'inpatient hospital services' has the meaning given such term in section 1861(b) of the Social Security Act.

"(4) The terms 'health systems agency' and 'State health planning and development agency' mean, for a hospital, such agencies as designated under sections 1515 and 1521, respectively, of this Act for the area or State, respectively, in which the hospital is located.

"(5)(A) The terms 'medicaid' and 'medicaid program' refer to the plans of States approved, or the program, under title XIX of the Social Security Act and the terms 'medicare' and 'medicare program' refer to the program under title XVIII of such Act.

"(B) The terms 'medicare patient' and 'medicaid patient' refer to a patient who is entitled to benefits under part A of the medicare program or to medical assistance under the medicaid program, respectively.

"(6) The term 'physicians' services' has the meaning given such term in section 1861(q) of the Social Security Act.

"(7) The term 'transition period' means the 24 month period beginning January 1986.

"(8) The term 'wage-related expenses' means wages (as such term is used under the Fair Labor Standards Act of 1938) and includes overtime wages and shift differentials, taxes imposed by section 1401, 3101, or 3111 of the Internal Revenue Code of 1954 (relating to the Federal Insurance Contributions Act taxes), and expenses relating to unemployment compensation, workmen's compensation, and fringe benefits (including pensions and health benefits) as established by the Secretary by regulation.

"REVIEW OF TECHNOLOGIES AND PROCEDURES

"SEC. 2142. (a) ESTABLISHMENT OF ADVISORY COMMITTEE ON HEALTH CARE TECHNOLOGIES AND PROCEDURES.—(1) There is hereby established an Advisory Committee on Health Care Technologies and Procedures (hereinafter in this section referred to as the 'Advisory Committee'), to be composed of fifteen individuals, including individuals who are distinguished in the fields of medicine, engineering, or science (including social science), representatives of business entities engaged in the development or production of health care technology, physicians, individuals distinguished in the fields of economics, law, and bioethics, and individuals who are members of the general public who represent the interests of consumers of health care.

"(2) The Secretary shall request the Institute of Medicine of the National Academy of Sciences to appoint members to the Advisory Committee and to supervise the administrative operations of the Advisory Committee under an arrangement under which the actual expenses incurred by the Institute in assisting the Advisory Committee will be paid by the Secretary as an administrative cost of the operations of title XVIII of the Social Security Act. If the Institute is unwilling to enter into such an arrangement, the Secretary shall appoint the members and provide for the supervision of the administrative operations of the Advisory Committee.

"(3) Members shall first be appointed to the Advisory Committee not later than 120 days after the date of the enactment of this title.

"(b) FUNCTIONS OF ADVISORY COMMITTEE.—(1) The Advisory Committee shall examine the appropriateness of the various interventions and the conditions under which they are needed, the safety and efficacy of alternative therapeutic and preventive regimens, and the standards for availability and utilization of various technologies, and shall publicly report on whether or not payments should be made for such services and, if so, under what conditions and frequency of service.

"(2) In carrying out its responsibilities, the Advisory Committee shall give priority to expensive interventions and to approaches which may constitute ways of reducing the use of expensive interventions and which hold promise of preventing disease and promoting health.

"(c) COMPENSATION AND STAFF.—(1) Members of the Advisory Committee who are not officers or employees of the United States shall receive for each day they are engaged in the performance of the functions of the Advisory Committee compensation at rates not to exceed the daily equivalent of the annual rate in effect for grade GS-18 of the General Schedule, including traveltime; and all members, while so serving away from their homes or regular places of business, may be allowed travel expenses, including per diem in lieu of subsistence, in the same manner as such expenses are authorized by section 5703 of title 5, United States Code, for persons in the Government service employed intermittently.

"(2) If the Advisory Committee is not operated through an arrangement with the Institute of Medicine, the Secretary shall make available to the Advisory Committee such staff, information, and other assistance as it may require to carry out its functions.

"(d) EXEMPTION FROM FEDERAL ADVISORY COMMITTEE ACT.—The Advisory Committee shall be subject to the Federal Advisory Committee Act, except that the Advisory Committee shall terminate 27 months after the month in which this title is enacted.

"EXCEPTIONS FOR HEALTH MAINTENANCE ORGANIZATIONS AND COMPETITIVE MEDICAL PLANS

"SEC. 2143. (a) EXCEPTIONS.—The limits established under this title on revenues and discharge of a hospital (including any rates established under State plans under part A) shall not apply to revenues and discharges

attributable to individuals enrolled in the organization if—

"(1) the organization elects such treatment, or

"(2) the organization pays in a calendar year for more than 20 percent of the number of bed-days of care with respect to that hospital.

"(b) RIGHT OF ELIGIBLE ORGANIZATION TO NEGOTIATE ALTERNATIVE RATES.—(1) Nothing in this title shall be construed as limiting or restricting the right of an eligible organization to negotiate rates of payment with hospitals or physicians furnishing physicians' services to inpatients of hospitals, except that a State must require eligible organizations which make payment for services furnished to inpatients of a hospital to pay a proportional share of unreimbursed costs of providing care to hospital inpatients.

"(2) In the case of a State at least 50 percent of the population of which is enrolled with an eligible organization, clause (iii) of section 2103(b)(2)(A) shall not apply and there shall be included (in computing revenues per discharge under State health care plans) the revenues paid by, and discharges attributable to, eligible organizations.".

HEALTH MAINTENANCE ORGANIZATION AND COMPETITIVE MEDICAL PLAN PROVISIONS

SEC. 3. (a) EQUAL EMPLOYER CONTRIBUTIONS AND REQUIRING OFFERING CERTAIN OPTIONS.—Section 1310(a) of the Public Health Service Act (42 U.S.C. 300e-9(a)) is amended by adding at the end the following new paragraphs:

"(3)(A) Except as provided in subparagraphs (B) and (C), any employer or State or political subdivision thereof described in paragraph (1) shall provide that if—

"(i) the employer, State, or political subdivision makes a contribution with respect to the costs of a health benefits plan with respect to an individual, and

"(ii) the employer offers the option of membership in a qualified health maintenance organization or with an eligible organization described in section 1876(b) of the Social Security Act, which membership provides benefits at least actuarially equivalent to those provided under the other health benefits plan,

the employer, State, or political subdivision (I) shall provide for payment of a contribution toward the membership with such organization in a dollar amount equal to at least the maximum amount of the employer's, State's, or subdivision's dollar contribution with respect to the other health benefits plan, (II) shall provide, if the dollar contribution with respect to any other health benefits plan exceeds the cost of membership with the organization, the employer, State, or subdivision, for a cash rebate equal to not less than 50 percent of the dollar amount of such excess, and (III) shall provide information to employees that reasonably compares the different benefits and costs associated with the different plans offered the employees. This paragraph shall not require that the amount of the contribution of an employer, State, or political subdivision with respect to different individuals be the same or that the amount of the contribution with respect to health benefits plans providing for coverage only of individuals (and not of family members) be the same as the contribution for coverage of individuals and family members.

"(B) On the request of an employer, employee, health benefits or competitive medical plan, a collective bargaining representative or other employee representative referred to in paragraph (2), or other interested party, the Secretary shall provide a formula to adjust prospectively the amount of the cash rebate made with respect to membership in an organization to the extent to which it is determined that the individuals enrolled with such organizations in the prior year are not substantially representative of the individuals covered under the other health benefits plans offered. To the extent practicable, such adjustment shall be made so as to take into account the average per capita cost (adjusted to as to reflect actuarial equivalence or experience as described in section 1876(a) of the Social Security Act) of providing health care benefits to the different classes of enrollees. This subparagraph shall not require entities employing in a calendar quarter an average of fewer than 1,000 employees in a health service area to provide for such an adjustment.

"(C) Subparagraph (A) shall not apply with respect to employees of a employer, State, or political subdivision who are represented by a collective bargaining representative or other employee representative designated or selected under any law.

"(4) In the case of an entity employing in a calendar quarter an average of 1,000 or more employees in a health service area and required to offer the option of enrollment in health maintenance organizations under paragraph (1), the entity shall (notwithstanding subsection (b) and except as provided in paragraph (2)) make available such option with respect to all qualified health maintenance organizations which have indicated (in a manner specified by the Secretary) a desire to be made available with respect to employees of such an entity, except that an employer shall not be obligated under this paragraph to make such option available with repect to more than six qualified health maintenance organizations.".

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to calendar quarters beginning on or after January 1, 1986.

MEDICARE PAYMENT PROVISIONS

SEC. 4. (a) ADDITIONAL INCENTIVES FOR HMO'S AND CMP'S.—(1) Section 1833(a) of the Social Security Act (42 U.S.C. 1395l(a)) is amended, in the matter before paragraph (1), by striking out "section 1876" and inserting in lieu thereof "sections 1876 and 1886(h)".

(2)(A) Section 1876(a)(1)(C) of such Act (42 U.S.C. 1395mm(a)(1)(C)) is amended by inserting "(or, in the case of individuals enrolled with an eligible organization in a State, or geographic area in a State, in which at least 30 percent of the individuals eligible to be enrolled with such an organization are so enrolled, 100 percent)" after "95 percent".

(B) Section 1876(f) of such Act (42 U.S.C. 1395mm(f)) is amended—

(i) by striking out "or under a State plan approved under title XIX" in paragraph (1), and

(ii) by adding at the end the following new paragraph:

"(3) The requirement of paragraph (1) shall not apply to eligible organizations which are public entities or which are offered by a State where the State has established a structured program under which information on competing eligible organizations offering enrollment in the State is provided to individuals eligible to enroll with the organizations.".

(C) Section 1903(m)(2) of such Act (42 U.S.C. 1396b(m)(2)) is amended—

(i) by striking out "(I)" and all that follows through "or (II)" in subparagraph (A)(ii), and

(ii) by amending subparagraph (D) to read as follows:

"(D) Subparagraph (A)(ii) shall not apply with respect to a health maintenance organization which is a public entity.".

(b) PAYMENT UNDER STATE HEALTH CARE PLANS INSTEAD OF UNDER DRG PROSPECTIVE PAYMENT SYSTEM.—(1) Subsection (c) of section 1886 of such Act (42 U.S.C. 1395ww) is amended to read as follows:

"(c) The Secretary shall provide that in the case of a State health care plan approved under section 2103 of the Public Health Service Act, payments with respect to services covered under such plan in the State—

"(1) may, at the option of the State, or

"(2) in the case of such a plan which provides for control of hospital costs through a ratesetting mechanism established under State law and described in section 2103(d) of such Act, shall

be made in accordance with such plan rather than in accordance with the other provisions of this title.".

(2) The amendment made by paragraph (1) shall not apply, in the case of plans approved under section 1886(c) of the Social Security Act as of January 1, 1986, for payments to hospitals until January 1, 1987.

(c) MARGINAL COST ADJUSTMENT FOR INCREASED ADMISSIONS.—(1) Subsection (d)(5) of such section is amended by adding at the end the following new subparagraphs:

"(E) MARGINAL COST ADJUSTMENT FOR INCREASED ADMISSIONS.—(i) The Secretary shall make such adjustment in the payments under paragraph (1) as may be necessary to provide that, to the extent that the number of admissions for an accounting period exceed the base number of admissions described in clause (ii), the payments per discharge shall be equal to 40 percent (or 50 percent, with respect to discharges from hospitals subject to a State plan approved under part B of title XXI of the Public Health Service Act) of the payments per discharge otherwise provided under this subsection (other than under this subparagraph). The Secretary may, in the Secretary's discretion, provide for an appropriate adjustment in the payments per discharge otherwise provided under this subsection, in the case of a decrease in the number of admissions below the base number of admissions described in clause (ii), in order to assure the hospital receipt of revenues sufficient to reasonably cover overhead costs.

"(ii) For purposes of clause (i), the 'base number of admissions' for a hospital is equal to the number of admissions to such hospital for the hospital's accounting period ending in calendar year 1984 (or, if higher, the average annual number of admissions to such hospitals for the hospital's three accounting periods ending with such accounting period), increased by a percentage equal to the estimated national average percentage increase in admissions to community hospitals during the period between the end of such accounting period and the first day of the transition period (as defined in section 2141(7) of the Public Health Service Act).

"(iii) An adjustment shall not be made under the first sentence of clause (i) to the extent that a hospital can demonstrate that a net increase in admissions is attributable to inpatients who, on the date of admission, are not entitled to benefits under title XVIII of the Social Security Act or to medi-

cal assistance under a State plan approved under title XIX of such Act.

"(iv) The Secretary may by regulation provide for a higher percentage than the percentage specified in clause (i) in those cases where the Secretary determines that the increase in the number of admissions to a hospital—

"(I) is extraordinary and is due to circumstances beyond the hospital's control, or is required to improve access to care; and

"(II) results in a ratio of revenues to costs per excess admission which is greater than percentage specified in clause (i) of the ratio of revenues to costs for admissions in the base period.

"(F) The Secretary also may provide for such adjustments to the payment for subsection (d) hospitals as may be appropriate to take into account exceptional circumstances described in section 2103 of the Public Health Service Act under the conditions described in that section.".

(2)(A) The amendment made by paragraph (1) shall apply to discharges occurring on or after January 1, 1986.

(B) In the case of a hospital reporting period which begins before January 1, 1986, and ends after such date, the Secretary of Health and Human Services shall provide that the amendment made by paragraph (1) shall apply to such a period in such a prorated manner as to be consistent with subparagraph (A).

(d) TECHNICAL AMENDMENT TO EXCEPTIONS.—Subsection (e)(1) of such section is amended—

(1) by inserting "and shall not take into account any adjustment made under subsection (d)(5)(E)" before the period at the end of subparagraph (A), and

(2) by striking out the period at the end of subparagraph (B) and inserting in lieu thereof a semicolon and the following:
"except that the adjustment made under this subparagraph shall not take into account any adjustment made under subsection (d)(5)(E).".

(e) INCLUSION OF CAPITAL UNDER DRG PROSPECTIVE PAYMENT SYSTEM.—(1) Subsection (a)(4) of such section is amended by striking out ", with respect to costs incurred in cost reporting periods beginning prior to October 1, 1986,".

(2) Subsection (b)(3)(B) of such section is amended by striking out "but excluding nonoperating costs" and inserting in lieu thereof "and including capital costs".

(3) Subsection (g) of such section is amended to read as follows:

"(g) CAPITAL REIMBURSEMENT.—(1)(A) Notwithstanding section 1814(b) but subject to the provisions of section 1813, the amount of the payment with respect to the capital-related costs of inpatient hospital services of a subsection (d) hospital (as defined in subsection (d)(1)(B)) for inpatient hospital discharges in a cost reporting period beginning on or after January 1, 1986, is equal to the regionally adjust capital-related prospective payment rate determined under paragraph (2) for such discharges.

"(2) The Secretary shall determine a regionally adjusted capital-related prospective payment rate, for each inpatient hospital discharge involving inpatient hospital services of a subsection (d) hospital located in a region of the United States, as follows:

"(A) DETERMINATION OF BASE.—The Secretary shall determine the weighted average payment made, per discharge, for capital-related costs for inpatient hospital services in subsection (d) hospitals during the five fiscal-year period ending with fiscal year 1984.

"(B) UPDATING THE AMOUNT.—The Secretary shall update the amount determined under subparagraph (A) by the compounded sum of the applicable percentage increase (as defined in subsection (b)(3)(B)) for each fiscal year after fiscal year 1984 and before the fiscal year concerned.

"(C) COMPUTING DRG-SPECIFIC RATES.—For each discharge classified within a diagnosis-related group, the Secretary shall establish a capital-related payment rate equal to the product of—

"(i) the updated amount (computed under subparagraph (B), and

"(ii) the capital-related weighting factor (determined under paragraph (3)(A)) for that diagnosis-related group.

"(D) ADJUSTING FOR DIFFERENT REGIONAL CONSTRUCTION COSTS.—The Secretary shall adjust the proportion (as estimated by the Secretary from time to time), of hospitals' capital-related costs which are attributable to construction and construction-related costs, of the rate determined under subparagraph (C) for hospitals located in each region (as defined for purposes of subsection (d)) for regional differences in construction and construction-related costs by a factor (established by the Secretary) reflecting the relative costs of construction in the geographic region compared to the national average costs of construction. Such adjustment shall be made in a manner that does not result in any net increase or decrease in the amount of payments otherwise made under this subsection.

"(E) ADJUSTMENT FOR CHANGES IN NUMBERS OF DISCHARGES.—The Secretary also shall provide for an adjustment to reflect a change in the number of discharges in each hospital in the same manner as such adjustment is made to payments under subsection (d) pursuant to paragraph (5)(D) thereof.

"(3)(A) For each diagnosis-related group established under subsection (d)(4)(A) the Secretary, taking into account data on State experience with capital-related reimbursement systems, shall assign an appropriate capital-related weighting factor which reflects the relative capital-related hospital resources used with respect to discharges classified within that group compared to discharges classified within other groups.

"(B) The Secretary shall adjust the weighting factors established under subparagraph (A) at least every four fiscal years to reflect changes in the classifications established under subsection (d)(4)(A) and to reflect changes in which factors which may change the relative use of capital-related hospital resources.

"(C) The Commission (established under subsection (e)(2)) shall consult with and make recommendations to the Secretary with respect to the need for adjustments under subparagraph (B), based on its evaluation of scientific evidence with respect to new practices and new technology. The Commission shall report to the Congress with respect to its evaluation of any adjustments made by the Secretary under subparagraph (B).

"(4)(A) If a subsection (d) hospital can demonstrate to the Secretary that the amount of payment otherwise made for capital-related costs for inpatient hospital services under this subsection is significantly less than the amount needed to pay interest, principal, and lease obligations with respect to a capital project either for which obligations were entered into before January 1, 1986, or for which a certificate of need (filed before February 9, 1984) has been approved, the Secretary shall provide for an additional payment as follows:

"(i) For a period of five accounting periods, the additional payment shall be an amount which, in addition to the amount of payment otherwise made under this subsection, would equal the total cash needs with respect to the interest, principal, and lease payment obligations during that period.

"(ii) For a subsequent period, the Secretary may provide additional payments to the hospital not to exceed, in addition to the amount of payment otherwise made under this subsection, the total cash needs with respect to the interest, principal, and lease payment obligations for that period, but only if the hospital agrees that there will be a reduction in the amount of the payments otherwise made under this subsection for subsequent years such that over the total length of the period there will be no net additional payments under paragraph.

In determining the cash needs of a hospital with respect to a capital expenditure, the Secretary shall take into account the utilization and occupancy level with respect to the facility constructed or improved with the capital expenditure.

"(B) The Secretary shall require, as a condition for the making of additional payments or adjustments in the payment schedule under subparagraph (A), that—

"(i) a hospital must refinance loans related to capital expenditures, if such financing is reasonably available, and

"(ii) if the hospital was acquired after February 1, 1985, the hospital must seek any additional payment under this paragraph on the basis of the capital-expenditure base (less interest and depreciation) in effect at the time of such acquisition.

"(5)(A) No amounts shall be allowed, under this section or as reasonable costs of providing any item or service under this title, for a return on equity capital for services furnished by or under arrangements with a hospital.

"(B) The Secretary shall provide that in determining the amount which is allowable, with respect to reasonable costs of services furnished by providers of services (other than of inpatient hospital services furnished by hospitals) for which payment may be made under this title, for a return on equity capital for such providers for cost reporting periods beginning on or after January 1, 1986, the rate of return which may be recognized shall not exceed the average of the rates of interest, for each of the months any part of which is included in the reporting period, on obligations issued for purchase by the Federal Hospital Insurance Trust Fund.".

(4) Subsection (d)(3)(B) of such section is amended—

(A) by inserting "and certain additional capital payments" after "outlier payments",

(B) by inserting before the period at the end the following: "and shall further reduce the amounts by a proportional amount necessary to offset the amount of the additional payments described in clauses (i) and (ii) of subsection (g)(4)(A)".

(5) Subsection (e)(1)(B)(i) of such section is amended by inserting "and not taking into account any reduction under subsection (d)(3)(C) to reflect additional payment amounts under subsection (g)(4)(A)" after "section 1866(a)(1)(F)".

(6) The amendments made by this subsection apply to payments for discharges occurring on or after the first day of the transition period (as defined in section 2141(7) of the Public Health Service Act).

(f) RESTRICTIONS ON PAYMENT FOR PHYSICIAN SERVICES FOR HOSPITAL INPATIENTS.—Such section is further amended—

(A) by inserting "and for medical and other health services furnished to hospital inpatients" at the end of the heading, and

(B) by adding at the end the following new subsection:

"(h) PHYSICIAN REIMBURSEMENT.—(1) For each diagnosis-related group established under subsection (d)(4), the Secretary shall estimate the average per discharge amount of the charges recognized under part B attributable to items and services furnished to inpatients classified within such group during 1985. Such average shall be determined separately—

"(A) for hospitals in each carrier-charge area established for purposes of section 1842, and

"(B) for all hospitals in the United States.

"(2)(A)(i) Subject to the part B deductible described in section 1833(b) and subject to the succeeding provisions of this subsection, with respect to each individual who is entitled to benefits under part A and enrolled under part B, who is an inpatient of a hospital, and whose discharge from the hospital in a State is classified within a diagnosis-related group established under subsection (d)(4), the Secretary shall provide, in lieu of payments otherwise made under part B for services furnished to the individual as an inpatient of the hospital, for payment to the hospital (or to others, including multispecialty physicians groups, under arrangements with the hospital) of an amount equal to 80 percent of the amount described in clause (ii).

"(ii) The amount referred to in clause (i) is the applicable combined rate (described in paragraph (3)) determined with respect to such diagnosis-related group under paragraph (1), increased by the applicable percentage increase (described in paragraph (4)) for the State in which the hospital (in which the services were provided) is located and adjusted for variations in certain local costs under paragraph (5).

"(B) With respect to services for which the payment amount is provided under this subsection, instead of the charges which may otherwise be imposed under section 1866(a)(2)(A) with respect to such services, the hospital (or others under arrangements made with the hospital) may charge an individual or other person (consistent with the provider agreement under section 1866) (i) an amount equal to the amount of the deduction imposed with respect to the services under section 1833(b) and (ii) an amount equal to up to 20 percent of the amount described in subparagraph (A)(ii) or, in accordance with guidelines issued by the Secretary, such other copayment or other coinsurance amount which provides for a more equitable distribution of coinsurance costs on a per diem or other basis and which, in the aggregate, does not provide for coinsurance in excess of the amounts otherwise provided under this subparagraph.

"(3) For purposes of paragraph (2)(A)(ii), the 'applicable combined rate' is—

"(A) for discharges occurring during the first year of the transition period, 100 percent of the average described in paragraph (1)(A), for the charge area established under section 1842(b) for the area in which the hospital is located;

"(B) for discharges occurring during the second year of such period, 66⅔ percent of the average described in paragraph (1)(A), for such charge area, and 33⅓ percent of the average described in paragraph (1)(B);

"(C) for discharges occurring during the first year after such period, 33⅓ percent of the average described in paragraph (1)(A), for such charge area, and 66⅔ percent of the average described in paragraph (1)(B); and

"(D) for discharges occurring after the first year after such period, 100 percent of the average described in paragraph (1)(B).

"(4) For purposes of paragraph (2), the 'applicable percentage increase' for any period for services furnished in a State shall be equal to one percentage point plus the percentage, estimated by the Secretary before the beginning of the period, by which the cost of the mix of goods and services (including personnel costs but excluding nonoperating costs) comprising inpatient hospital services and medical and other health services furnished to inpatients of a hospital in that State (or, if adequate data are not available with respect to that State, in the region in which the State is located or in the United States), based on an index of appropriately weighted indicators of changes in wages and prices which are representative of the mix of goods and services included in such services, for the period exceed the cost of such mix of goods and services in the corresponding area for 1985.

"(5)(A) The Secretary shall adjust the amounts otherwise determined under paragraph (2)(A)(ii) so as to take into account area differences relating to wages, utility rates, and other exogenous cost factors.

"(B) The Secretary may provide for an additional payment amount for subsection (d) hospitals with indirect costs of medical education, in the manner described in subsection (d)(5)(B).

"(6)(A) The Secretary shall provide for such exceptions in the payment amounts provided under this subsection as are provided under section 2123(a) of the Public Health Service Act, under the conditions described in that section.

"(B) The Secretary shall provide for an adjustment in the payment amounts provided under this subsection to take into account variations in the number of admissions to the hospital in the same manner as such adjustment is made under subsection (d)(5)(E) for payments amounts under subsection (d)(1).".

(2) The amendments made by paragraph (1) shall not apply to discharges of individuals admitted to hospitals before the first date of the transition period (as defined in section 2141(7) of the Public Health Service Act).

REQUIRING PAYMENTS FOR HEALTH CARE SERVICES FURNISHED TO INPATIENTS TO BE MADE TO OR THROUGH A HOSPITAL AS A CONDITION OF THE HOSPITAL'S PARTICIPATION IN THE MEDICARE PROGRAM

SEC. 5. (a) REQUIREMENT.—Section 1866(a) of the Social Security Act (42 U.S.C. 1395cc(a)) is amended—

(1) by striking out "Any provider" in paragraph (1) and inserting in lieu thereof "Subject to paragraph (4), any provider", and

(2) by inserting at the end the following new paragraph:

"(4) A hospital shall be qualified to participate under this title and shall be eligible for payments under this title only if it provides (in the agreement filed with the Secretary under paragraph (1) and in a manner satisfactory to the Secretary) that any health care service (including medical and other health services) furnished to a hospital inpatient (whether or not the inpatient is entitled to have payment made with respect to the services under this title) shall be billed only by or through the hospital and payment for such services may only be made to the hospital or to an entity under arrangements (or, with respect to individuals not entitled to benefits under parts A and B of this title, comparable conditions to the arrangements described in section 1861(w)(1)) with the hospital.".

(b) DEEMED ASSIGNMENT.—Section 1128A of such Act (42 U.S.C. 1320a-7a) is amended by adding at the end the following new subsection:

"(i) Each physician who furnishes services to an individual for which the individual is otherwise entitled to have payment made under title XVIII is deemed, for purposes of this section, to have agreed not to impose any charge for the service except on the basis of the terms of an assignment to have accepted an assignment under section 1842(b)(3)(B)(ii).".

(c) ENFORCEMENT.—Section 1866(b)(2) of such Act (42 U.S.C. 1395cc(b)(2)) is amended by inserting before the period at the end thereof the following: ", or (H) that such provider (in the case of a hospital) is not complying with the provisions of subsection (a)(4)".

(d) MANDATORY ASSIGNMENT.—(1) Section 1842(b)(3)(B) of such Act (42 U.S.C. 1395u(b)(3)(B)) is amended by striking out "be made—

"(i) on the basis of an itemized bill; or

"(ii) on the basis of an assignment"

and inserting in lieu thereof "be made only on the basis of an assignment".

(2) Section 1870(f) of such Act (42 U.S.C. 1395gg(f)) is amended by striking out "payment for such services has not been made" and all that follows through the end and inserting in lieu thereof "payment for such services has not been made, payment for such services shall be made only if the person or persons who furnished the services agree that the reasonable charge is the full charge for the services and only in such amount and subject to such conditions as would be applicable if the individual who received the services had not died.".

(e) EFFECTIVE DATES.—(1) The amendments made by this section shall apply to health care services furnished on or after the first day of the transition period (as defined in section 2141(7) of the Public Health Service Act).

(2) The Secretary of Health and Human Services shall provide for notice to the public and, in particular, to individuals enrolled (or enrolling) under the supplementary medical insurance program under part B of title XVIII of the Social Security Act, of the requirements of section 1866(a)(4) of such Act and of the amendments made by subsections (b) and (d) of this section.

PAYMENTS FROM MEDICARE TRUST FUNDS

SEC. 6. (a) PAYMENT FOR INPATIENT SERVICE THROUGH PART A TRUST FUND.—Section 1817 of the Social Security Act (42 U.S.C. 1395i) is amended—

(1) by striking out "prior to January 1988" in subsection (j)(1);

(2) by inserting "and certifies that such Trust Fund can repay within ten years of the date of such borrowing the principal and interest on any amounts so borrowed" in subsection (j)(1) after "Trust Fund" the first place it appears;

(3) by striking out subparagraph (C) of subsection (j)(3); and

(4) by adding at the end thereof the following new subsection:

"(k)(1) All payments made to hospitals for medical and other health services provided

to hospital inpatients, as determined in accordance with section 1886(h), shall be made from the Federal Hospital Insurance Trust Fund.

"(2)(A) There shall be transferred periodically to the Federal Hospital Insurance Trust Fund from the Federal Supplementary Medical Insurance Trust Fund, amounts which the Secretary of Health and Human Services determines to be equal to the fraction of the total revenues of the Federal Supplementary Medical Insurance Trust Fund for each fiscal year determined under subparagraph (B).

"(B) The fraction for each fiscal year for purposes of subparagraph (A) is a fraction the numerator of which is the amount paid from the Federal Supplementary Medical Insurance Trust Fund in calendar year 1984 for medical and other health services provided to hospital inpatients, and the denominator of which is the total amount paid from the Federal Supplementary Medical Insurance Trust Fund in calendar year 1984.".

(b) CONFORMING AMENDMENT TO ACTUARIAL RATES.—Section 1839 of such Act (42 U.S.C. 1395r) is amended by adding at the end thereof the following new subsection:

"(f) In determining the monthly actuarial rates for purposes of this section, the Secretary shall make such determination on the basis of the payments which would have been made from the Federal Supplementary Medical Insurance Trust Fund if the amendments to this title made by the Medicare Solvency and Health Care Financing Reform Act of 1985 had not been enacted.".

(c) CONFORMING AMENDMENTS.—Section 1841(g) of such Act (42 U.S.C. 1395t) is amended by inserting ", excluding payments for medical and other health services provided to hospital inpatients" after "payments provided for by this part".

(2) Section 1841 of such Act is further amended by adding at the end thereof the following new subsection:

"(j) There shall be transferred periodically to the Federal Hospital Insurance Trust Fund the amounts required under section 1817(k).".

STUDIES

SEC. 7. (a) STUDIES.—The Secretary of Health and Human Services shall provide for the following studies, and shall promptly report to the Congress on the results of such studies:

(1) How the changing demographic composition of the population of the United States affects the utilization and cost of providing health care services.

(2) How to maintain a high quality of health care services while constraining the rate of increase of costs for those services.

(3) How the amendments made by this Act have affected the delivery, and cost of providing, health care services.

(4) The success of the different State health care plans approved under part B of such title, with particular attention to comparing the relative success and potential for long-term success of plans which are based on mandatory prospective rate regulation, voluntary rate regulation, or competitive models.

(5) The impact of equalizing hospital inpatient revenues per discharge among the States.

(6) The impact and success of the marginal cost adjustment and other incentives provided in this Act to decrease the number of unnecessary admissions to hospitals.

(7) The impact of the amendments made by this Act on medical education, medical research, and technological innovation in the health care sector.

(b) REPORTS DUE BY JANUARY 1, 1991.—The studies described in subsection (a) shall be conducted, and the reports thereon submitted, in such manner as to provide the Congress with the results of the studies not later than January 1, 1991.

Mr. CRANSTON. Mr. President, I am once again pleased to join the distinguished Senator from Massachusetts [Mr. KENNEDY] in introducing legislation, S. 1346, that would control health-care costs both effectively and equitable. If enacted, this legislation would provide far-reaching reforms in the way health care is paid for in our Nation and would ensure the solvency of the Medicare trust fund.

This bill is identical to legislation—S. 2424, the Medicare Solvency and Cost Containment Act of 1984—introduced on March 13, 1984, which I also cosponsored. On February 21, 1984, Representative GEHART introduced H.R. 4970, the companion measure to S. 2424. Unfortunately, no action was taken on either bill last Congress. On March 28, 1985, Representative GEPHARDT reintroduced the companion legislation to this measure as H.R. 1981.

RUNAWAY HEALTH-CARE COSTS

Mr. President, there is no question that the overriding health policy issue facing this country continues to be runaway health care costs. In 1983, Americans spent $355.4 billion for health care, representing 10.8 percent of the GNP. National health spending rose 10.3 percent from 1982. Although this rate of annual increase was less than the rise in previous years—from 1972 to 1982, health spending increased an average of 13.1 percent a year—it still exceeded by more than one-third the 7.7-percent increase in the overall GNP. Twenty years ago, national health costs totaled $41.9 billion—6.1 percent of the GNP. In 1975, that figure rose to $132.7 billion—8.6 percent of the GNP. If the inflation rate in health care costs is not checked, national health costs could easily rise to over $750 billion in 1990—a staggering 12 percent of the GNP.

Highly inflationary costs are jeopardizing both the quality of health care in this country and our ability; to furnish services to many of those in need. We must act to rein in excessive costs.

At the same time, we must be committed to improving the health of all our people. Too many seriously ill Americans don't receive needed health care either because it is not available or is costly to the point of financial ruin.

SOLVENCY OF MEDICARE

Medicare—vital to the health of millions of elderly and disabled people—is threatened with possible insolvency in the 1990's. Recent projections indicate that the trust fund would likely be exhausted in 1998, although under more pessimistic assumptions the fund would remain solvent only through 1992.

President Reagan's strategy to reduce Medicare costs is based on cutting benefits and forcing beneficiaries to pay a higher proportion of their health care expenses. Such actions undermine the worth of the program to the persons it serves and merely shift the costs to State and local governments.

Once again, this administration is using the Medicare-trust fund solvency problem and today's enormous budget deficits—which its own economic policies precipitated—to justify proposals for even more drastic cuts in Medicare. The Senate-passed budget resolution—the result of a compromise between the Senate Republican leadership and the administration—is based on four proposals that would directly increase costs to beneficiaries. These included raising the proportion of the part B Medicare costs financed by enrollees from 25 to 35 percent of program costs over the next 4 years, increasing the part B deductible, instituting a copayment for home health care after the 20th visit, and delaying Medicare eligibility; until the month following the beneficiary's 65th birthday. Medicare payment rates for hospitals would be frozen and the reimbursement rate for the indirect costs of teaching hospitals—needed by these hospitals to adjust for severity of illness—would be cut in half.

This approach suffers from a very basic flaw. It fails to recognize that Medicare Program changes alone cannot effectively solve the financial problems or inadequacies of the program or contribute substantially in the long run to a lower Federal deficit. Moreover, since this approach leaves health care inflation unchecked, persisting in it and refusing to deal with the root causes of inflation virtually guarantees a need for future cutbacks in payments or benefits along with increases in costs to beneficiaries.

The real answer to preserving the Medicare trust fund, reducing the Federal deficit, and curbing inflationary health care costs lies in nationwide health care cost containment.

Stopgap measures such as the Reagan administration has proposed and implemented as to Medicare and Medicaid do not address the basic structural problems in our health care system. For example, under the existing health care payments incentive system, providers of health services have a great deal of control over both the demand and supply of services and are often paid in ways that encourage them to provide both more services as well as more costly services. We need a rational system of paying for hospital

and physician services, one that encourages the use of cost effective and preventive care measures.

COMPREHENSIVE KENNEDY-GEPHARDT APPROACH

The Kennedy-Gephardt proposal offers much-needed reforms in four areas that will lead to such a rational payment system.

First, this legislation would expand the Medicare prospective payment system for hospital inpatient care—begun in 1983—to include both physician services to hospital inpatients as well as capital costs. Presently, the system covers only hospital charges to inpatients. Under this measure, a hospital will receive a single payment, in an amount based on the diagnosis-related group—DRG—of the patient, to cover whatever services are provided to the patient.

Second, the bill would encourage States to institute their own, comprehensive health care cost-control programs that would treat all health care cost payers equitably. In those cases where States do not establish their own health care cost-control programs, a uniform Federal system covering Medicare and all other payers would be implemented.

Third, the bill contains a provision that would improve competition among health care delivery systems by requiring large employers to offer multiple choices of health plans.

Fourth, the bill would make Medicare assignment mandatory—that is, physicians who treat Medicare patients will accept what Medicare pays as payment in full for services rendered for all Medicare patients. This step—along with fair and reasonable Medicare fees—would help protect Medicare beneficiaries from increasing costs.

SAVINGS

In 1984, it was estimated that enactment of last year's bill would result in cumulative Medicare savings of $1,184 billion by the year 2005—and produce a net surplus in the Medicare trust fund of $166 billion by that point. In fiscal year 1985 alone, the legislation if it had been enacted would have saved the private sector an estimated $3.9 billion and would have reduced the deficit by an estimated $1.5 billion. Cumulative savings to hospitals and physicians through 1989 were projected as $74.2 billion, and the deficit reduction over the same period of time was projected as $30.2 billion.

CONCLUSION

The measure being introduced today represents the essential next step we must make toward controlling health care costs effectively and equitably. It would produce savings in the private sector and thereby help restrain overall inflation, restore solvency for the Medicare trust fund, and make a major contribution to reducing the Federal deficit. I strongly urge all my colleagues to support it and work for its final approval.

ADDITIONAL COSPONSORS

S. 8

At the request of Mr. CRANSTON, the name of the Senator from North Dakota [Mr. ANDREWS] was added as a cosponsor of S. 8, a bill to grant a Federal charter to the Vietnam Veterans of America, Inc.

S. 140

At the request of Mrs. HAWKINS, the name of the Senator from South Carolina [Mr. THURMOND] was added as a cosponsor of S. 140, a bill to amend the Child Abuse Amendments of 1984 to encourage States to enact child protection reforms which are designed to improve legal and administrative proceedings regarding the investigation and prosecution of sexual child abuse cases.

S. 361

At the request of Mr. MOYNIHAN, the name of the Senator from Massachusetts [Mr. KERRY] was added as a cosponsor of S. 361, a bill to amend the Internal Revenue Code of 1954 to make permanent the deduction for charitable contributions by nonitemizers.

S. 653

At the request of Mr. ABDNOR, the name of the Senator from Florida [Mr. CHILES] was added as a cosponsor of S. 653, a bill to name the Federal Building located at 1200 Pennsylvania Avenue, NW., Washington, DC, as the "Ariel Rios Memorial Federal Building".

S. 657

At the request of Mr. THURMOND, the name of the Senator from Illinois [Mr. SIMON] was added as a cosponsor of S. 657, a bill to establish the Veterans' Administration as an executive department.

S. 729

At the request of Mr. DURENBERGER, the names of the Senator from South Carolina [Mr. THURMOND], and the Senator from Nebraska [Mr. EXON] were added as cosponsors of S. 729, a bill to amend the Internal Revenue Code of 1954 to make permanent the rules relating to imputed interest and assumption of loans, and for other purposes.

S. 810

At the request of Mr. CRANSTON, the name of the Senator from Maryland [Mr. SARBANES] was added as a cosponsor of S. 810, a bill to amend title XX of the Social Security Act to assist States in improving the quality of child-care services.

S. 865

At the request of Mr. MATHIAS, the names of the Senator from Mississippi [Mr. COCHRAN], the Senator from Tennessee [Mr. GORE], the Senator from South Carolina [Mr. HOLLINGS], and the Senator from Illinois [Mr. SIMON] were added as cosponsors of S. 865, a bill to award special congressional gold medals to Jan Scruggs, Robert Doubek, and Jack Wheeler.

S. 878

At the request of Mr. LEAHY, the name of the Senator from New Mexico [Mr. BINGAMAN] was added as a cosponsor of S. 878, a bill to direct the Secretary of Agriculture to take certain actions to improve the productivity of American farmers, and for other purposes.

S. 908

At the request of Mr. MCCONNELL, the name of the Senator from New York [Mr. D'AMATO] was added as a cosponsor of S. 908, a bill to provide market expansion and income protection for farmers, assure consumers an abundance of food and fiber at reasonable prices, and for other purposes.

S. 938

At the request of Mr. CHAFEE, the name of the Senator from North Dakota [Mr. ANDREWS] was added as a cosponsor of S. 938, a bill to amend title XX of the Social Security Act to provide for grants and contracts to provide services for pregnant teenagers and young parents.

S. 1048

At the request of Mr. DENTON, the name of the Senator from Nebraska [Mr. ZORINSKY] was added as a cosponsor of S. 1048, a bill to amend title 18 of the United States Code and the Adoption Reform Act.

S. 1174

At the request of Mr. MCCONNELL, the name of the Senator from Indiana [Mr. LUGAR] was added as a cosponsor of S. 1174, a bill to amend the Juvenile Justice and Delinquency Prevention Act of 1974 to provide States with assistance to establish or expand clearinghouses to locate missing children.

S. 1223

At the request of Mr. ARMSTRONG, the names of the Senator from South Dakota [Mr. ABDNOR], the Senator from Rhode Island [Mr. CHAFEE], and the Senator from Louisiana [Mr. JOHNSTON] were added as cosponsors of S. 1223, a bill to authorize the erection of a memorial on Federal land in the District of Columbia or its environs to honor members of the Armed Forces of the United States who served in the Korean war.

S. 1249

At the request of Mr. HEINZ, the names of the Senator from Mississippi [Mr. COCHRAN], the Senator from Iowa [Mr. GRASSLEY], and the Senator from Nebraska [Mr. ZORINSKY] were added as cosponsors of S. 1249, a bill to amend titles XVIII and XIX of the Social Security Act to provide for coverage of respiratory care services for ventilator-dependent individuals under Medicare and Medicaid.

S. 1282

At the request of Mr. KENNEDY, the names of the Senator from Rhode Island [Mr. PELL], the Senator from Ohio [Mr. METZENBAUM], the Senator from Hawaii [Mr. MATSUNAGA], the Senator from Connecticut [Mr. DODD], the Senator from Illinois [Mr. SIMON], and the Senator from Massachusetts [Mr. KERRY] were added as cosponsors of S. 1282, a bill to revise and extend provisions of the Public Health Service Act relating to primary care.

S. 1283

At the request of Mr. KENNEDY, the names of the Senator from Rhode Island [Mr. PELL], the Senator from Ohio [Mr. METZENBAUM], the Senator from Hawaii [Mr. MATSUNAGA], the Senator from Connecticut [Mr. DODD], the Senator from Illinois [Mr. SIMON], and the Senator from Massachusetts [Mr. KERRY] were added as cosponsors of S. 1283, a bill to amend title VII of the Public Health Service Act, relating to health professions training assistance.

S. 1284

At the request of Mr. KENNEDY, the names of the Senator from Rhode Island [Mr. PELL], the Senator from Ohio [Mr. METZENBAUM], the Senator from Hawaii [Mr. MATSUNAGA], the Senator from Connecticut [Mr. DODD], the Senator from Illinois [Mr. SIMON], and the Senator from Massachusetts [Mr. KERRY] were added as cosponsors of S. 1284, a bill to amend title VIII of the Public Health Service Act, relating to nurse education.

S. 1285

At the request of Mr. KENNEDY, the names of the Senator from Rhode Island [Mr. PELL], the Senator from Ohio [Mr. METZENBAUM], the Senator from Hawaii [Mr. MATSUNAGA], the Senator from Connecticut [Mr. DODD], the Senator from Illinois [Mr. SIMON], and the Senator from Massachusetts [Mr. KERRY] were added as cosponsors of S. 1285, a bill to amend provisions of the Public Health Service Act relating to the National Health Service Corps.

S. 1300

At the request of Mr. THURMOND, the name of the Senator from Pennsylvania [Mr. SPECTER] was added as a cosponsor of S. 1300, a bill to provide for antitrust law violators to be subject to individual responsibility for treble the amount of damages attributable to their violations, and to assure fairness in the allocation and award of antitrust damages.

S. 1305

At the request of Mr. TRIBLE, the name of the Senator from Nebraska [Mr. ZORINSKY] was added as a cosponsor of S. 1305, a bill to amend title 18, United States Code, to establish criminal penalties for the transmission by computer of obscene matter, or by computer or other means, of matter pertaining to the sexual exploitation of children, and for other purposes.

SENATE JOINT RESOLUTION 10

At the request of Mr. KENNEDY, the name of the Senator from West Virginia [Mr. ROCKEFELLER] was added as a cosponsor of Senate Joint Resolution 10, a joint resolution proposing an amendment to the Constitution of the United States relative to equal rights for women and men.

SENATE JOINT RESOLUTION 97

At the request of Mr. MATHIAS, the name of the Senator from Rhode Island [Mr. PELL] was added as a cosponsor of Senate Joint Resolution 97, a joint resolution designating the Study Center for Trauma and Emergency Medical Systems at the Maryland Institute for Emergency Medical Services Systems at the University of Maryland as the National Study Center for Trauma and Emergency Medical Systems.

SENATE JOINT RESOLUTION 134

At the request of Mr. BIDEN, the names of the Senator from Illinois [Mr. SIMON], and the Senator from South Carolina [Mr. THURMOND] were added as cosponsors of Senate Joint Resolution 134, a joint resolution to designate "National Safety in the Workplace Week."

SENATE CONCURRENT RESOLUTION 20

At the request of Mr. CRANSTON, the name of the Senator from Kentucky [Mr. FORD] was added as a cosponsor of Senate Concurrent Resolution 20, a concurrent resolution expressing the sense of the Congress that payments by the Veterans' Administration to veterans as compensation for service-connected disabilities should remain exempt from Federal income taxation.

SENATE CONCURRENT RESOLUTION 24

At the request of Mr. MATTINGLY, the name of the Senator from South Dakota [Mr. PRESSLER] was added as a cosponsor of Senate Concurrent Resolution 24, a concurrent resolution to direct the Commissioner of Social Security and the Secretary of Health and Human Services to develop a plan outlining the steps which might be taken to correct the social security benefit disparity known as the notch problem.

AMENDMENTS SUBMITTED

SIMPLIFICATIONS OF RULES ON IMPUTED INTEREST

THURMOND AMENDMENT NO. 419

(Ordered to lie on the table.)

Mr. THURMOND submitted an amendment intended to be proposed by him to the bill (H.R. 2475) to amend the Internal Revenue Code of 1954 to simplify the imputed interest rules of sections 1274 and 483, and for other purposes; as follows:

On page 42, after line 18, add the following:

SEC. . TEMPORARY SUSPENSION OF DUTY.

(a) IN GENERAL.—Subpart B of part 1 of the Appendix to the Tariff Schedules of the United States (19 U.S.C. 1202) is amended by inserting in numerical sequence the following new item:

"906.45	dicyclohexyl-benzothiazyl-sulfenamide (provided for in item 406.39, part 1B, schedule 4).	Free	No charge	On or before 12/31/89".

(b) Notwithstanding section 6 of this Act, the amendment made by this section shall apply with respect to articles entered, or withdrawn from warehouse, for consumption on or after the date that is 15 days after the date of enactment of this Act.

FIREARMS OWNERS' PROTECTION ACT

HATCH AMENDMENT NO. 420

Mr. HATCH proposed an amendment to the bill (S. 49) to protect firearms owners' constitutional rights, civil liberties, and rights to privacy; as follows:

On page 19, line 23, strike out "other location" and insert in lieu thereof "temporary location is the location for a gun show or event sponsored by any national, State, or local organization, or any affiliate of any such organization devoted to the collection, competitive use, or other sporting use of firearms, or an organization or association that sponsors events devoted to the collection, competitive use or other sporting use of firearms in the community, and such location".

METZENBAUM (AND KENNEDY) AMENDMENT NO. 421

Mr. HATCH (for Mr. METZENBAUM, for himself and Mr. KENNEDY) proposed an amendment to the bill S. 49, supra; as follows:

On page 27, strike out lines 18 and 19 and insert in lieu thereof the following:

(C) by inserting before the semicolon in paragraph (3) the following: ", except in any case where the Secretary has not authorized the importation of the firearm pursuant to this paragraph, it shall be unlawful to import any frame, receiver, or barrel of such firearm which would be prohibited if assembled".

McCLURE AMENDMENT NO. 422

Mr. McCLURE proposed an amendment to the bill S. 49, supra; as follows:

On page 16 after line 18 insert the following:

"Of any person to whom the collector sells or otherwise disposes."

NOTICES OF HEARINGS

SELECT COMMITTEE ON INDIAN AFFAIRS

Mr. ANDREWS. Mr. President, I would like to announce for the information of the public that the Select Committee on Indian Affairs will be holding a hearing on S. 902, the Indian Gaming Control Act. The hearing will be held on Wednesday, June 26, 1985, beginning at 10 a.m., in room SD-628 of the Dirksen Building.

Those wishing to additional information should contact June Tracy at 224-4521 or Michael Mahsetky or Peter Taylor of the committee at 224-2251.

SUBCOMMITTEE ON ENERGY REGULATION AND CONSERVATION

Mr. NICKLES. Mr. President, I would like to announce for the information of the Senate and the public, the scheduling of a second day of oversight hearings before the Subcommittee on Energy Regulation and Conservation of the Committee on Energy and Natural Resources concerning the current state of and the factors affecting the natural gas market.

The hearing will take place on Thursday, July 11, 1985, beginning at 9:30 a.m. in room SD-366 of the Dirksen Senate Office Building. Those wishing to present oral testimony or submit written statements for the hearing record should write to the Subcommittee on Energy Regulation and Conservation, Committee on Energy and Natural Resources, U.S. Senate, Washington, DC 20510.

For further information regarding this hearing you may wish to contact Ms. Debbie Rice at the above address or by calling (202) 224-2366.

AUTHORITY FOR COMMITTEES TO MEET

SUBCOMMITTEE ON SOCIAL SECURITY AND INCOME MAINTENANCE PROGRAMS

Mr. DOLE. Mr. President, I ask unanimous consent that the Subcommittee on Social Security and Income Maintenance Programs of the Committee on Finance, be authorized to meet during the session of the Senate on Monday, June 24, at 2 p.m., to hold a hearing on foster care and adoption assistance.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

ONE HUNDRED AND TWENTY-FIFTH ANNIVERSARY OF THE U.S. GOVERNMENT PRINTING OFFICE

● Mr. MATHIAS. Mr. President, on June 23, 1860, President James Buchanan signed into law Joint Resolution No. 25, providing for the establishment of the U.S. Government Printing Office. The passage of that legislation by the 36th Congress 125 years ago was of no small significance considering our Nation's printing history up to that time.

During the first session of Congress, in 1789, proposals were invited for the "printing of laws and the proceedings of Congress." In 1794, the first congressional appropriation for public printing was $10,000, authorized for "firewood, stationery, and printing."

A system of awarding Government printing contracts to the lowest bidder was adopted by the Congress in the early 1800's. In 1818, both Houses of Congress passed a resolution appointing a joint committee to study the printing "problem." The following year, a report was issued declaring that the establishment of a national printing office was the only means by which the Congress could secure adequate printing services at reasonable costs.

Forty-odd years later, the Congress adopted Joint Resolution No. 25 calling for the establishment of a U.S. Government Printing Office. On March 2, 1861, the Federal Treasury issued a check for $135,000 to Joseph T. Crowell for the purchase of his printing firm, located at the corner of North Capitol and H Streets, only a few blocks from the seat of Government. Several days later, Abraham Lincoln was inaugurated as the 16th President of the United States and the U.S. Government Printing Office began its service as the official printer for the Nation.

The new GPO employed about 350 people and was headed by a Superintendent of Public Printing. The plant consisted of a composing room with a large assortment of book and job type, a pressroom, a meeting room, a drying room, a folding room, a bindery, a machine shop, a boiler house, and a stable. The early GPO even had a small reading room with eight armchairs, two pine desks, and one mahogany desk, for the use of its employees, as well as wrenches, one 40-horse steam engine, 10 pairs of shears, 2 cutting machines, and 26 presses. The stable was equipped with two horses, one wagon, and one carryall, and the boiler house contained one 60-horse boiler, 525 feet of fire hose and 5 fire buckets. Could there have ever been any doubt that Government printing was off to an auspicious start?

Today's GPO, still on its original site, only a stone's throw from these Halls of Congress, is no less auspicious in outlook and achievement. Through nearly 125 years of service, through the strains of wartime printing demand, the inherent conflict of labor and management, the never-ending advance of technology, and the change of administrations, the craftsmen and other employees of the Government Printing Office never have failed in their mission of providing the printing and binding needs of the Government. Originally charged with fulfilling only the demands of Congress, the Government Printing Office now serves the needs of the executive and judicial branches as well.

Once an organization of 350 employees generating one-half million dollars worth of business in its first 9 months of operation, the GPO today employs more than 5,500 people nationwide and generates annual revenues of nearly $1 billion.

With 125 years of success as its cornerstone, the Government Printing Office and its dedicated force of employees looks to the future with hope, confidence, and optimism for at least another 125 years of service to the American people and their Government.●

ED McCULLOCH

● Mr. PRYOR. Mr. President, June 30 will mark the end of a long and distinguished career for Ed McCulloch as vice president and national legislative representative for the Brotherhood of Locomotive Engineers.

Ed grew up in Arkansas where his father, W.L. McCulloch, was a boilermaker with the Missouri Pacific Railroad at the North Little Rock, AR, shops. While attending Ouachita College in Arkadelphia, Ed hired out as a fireman with the Missouri Pacific in 1941.

Promoted to engineer in 1947, he worked the North Little Rock extra board, working yard assignments and mainline runs to Texarkana; Memphis, TN; and Poplar Bluff, MO. On October 1, 1955, he was initiated into BLE division 182, North Little Rock.

Always interested in politics, Ed served for many years as an alderman on the North Little Rock City Council. In 1962, he became chairman of the BLE Arkansas State Legislative Board.

In August 1962, he was requested to come to the BLE International Office by Grand Chief Engineer Roy E. Davidson. He served as chief clerk and office manager, succeeding International President John F. Sytsma, who was elected general secretary-treasurer that year.

Ed joined the advisory board in 1966 and was reelected four times to the position, which has been known as vice president since 1971.

Those of us Arkansans who live in Washington also pay tribute to Ed for his devotion and service to the Arkansas State Society and to the Washington, DC, chapter of the University of Arkansas Alumni. Having served as president of both groups, Ed has always been known as the one to call to find out where the Arkansans are located in this area.

The Locomotive Engineer recently reported Ed's upcoming retirement. I quote the BLE international president:

"Ed McCulloch has spent the past 19 years protecting our members' interests in Washington and in various State capitals. He leaves the BLE with an excellent reputation in the legislative field, and this has meant much to BLE members and their families."

Mr. President, Ed's counsel to me since I came to the Senate has been most valued and I want to wish he and his wife, Edith, a well-deserved rest and good luck at the golf course and at their favorite fishing hole in Mayflower, AR.●

PROPOSED ARMS SALES

● Mr. LUGAR. Mr. President, section 36(b) of the Arms Export Control Act requires that Congress receive advance notification of proposed arms sales under that act in excess of $50 million or, in the case of major defense equipment as defined in the act, those in excess of $14 million. Upon such notification, the Congress has 30 calendar days during which the sale may be reviewed. The provision stipulates that, in the Senate, the notification of proposed sales shall be sent to the chairman of the Foreign Relations Committee.

In keeping with the committee's intention to see that such information is immediately available to the full Senate, I ask to have printed in the RECORD at this point the notification which has been received. The classified annex referred to in the covering letter is available to Senators in the office of the Foreign Relations Committee, room SD-423.

The material follows:

DEFENSE SECURITY ASSISTANCE AGENCY,
Washington, DC, June 19, 1985.

In reply refer to I-03550/85ct.

Hon. RICHARD C. LUGAR,
Chairman, Committee on Foreign Relations, U.S. Senate, Washington, DC

DEAR MR. CHAIRMAN: Pursuant to the reporting requirements of Section 36(b) of the Arms Export Control Act, we are forwarding herewith Transmittal No. 85-41 and under separate cover the classified annex thereto. This Transmittal concerns the Department of the Navy's proposed Letter of Offer to the United Kingdom for defense articles and services estimated to cost $46 million. Shortly after this letter is delivered to your office, we plan to notify the news media of the unclassified portion of this Transmittal.

Sincerely,

PHILIP C. GAST,
Director.

TRANSMITTAL NO. 85-41

Notice of Proposed Issuance of Letter of Offer Pursuant to Section 36(b) of the Arms Export Control Act

(i) Prospective purchaser: United Kingdom.

(ii) Total estimated value:

	Millions
Major defense equipment [1]	$36
Other	10
Total	46

[1] As defined in section 47(6) of the Arms Export Control Act.

(iii) Description of articles or services offered: Three PHALANX close-in weapon systems (CIWS), spare parts, ancillary equipment, and engineering support.

(iv) Military department: Navy (LFM).

(v) Sales commission, fee, etc., paid, offered, or agreed to be paid: None.

(vi) Sensitivity of technology contained in the defense articles or defense services proposed to be sold: See annex under separate cover.

(vii) Section 28 report: Case not included in section 28 report.

(viii) Date report delivered to Congress:

POLICY JUSTIFICATION

UNITED KINGDOM—PHALANX CLOSE-IN WEAPON SYSTEMS

The Government of the United Kingdom (UK) has requested the purchase of three PHALANX Close-In Weapon Systems (CIWS), spare parts, ancillary equipment, and engineering support. The estimated cost is $46 million.

This sale will contribute to the foreign policy and national security objectives of the United States by improving the military capabilities of the United Kingdom; furthering NATO rationalization, standardization, and interoperability; and enhancing the defense of the Western Alliance.

The sale of these three additional Close-In Weapon Systems would significantly enhance the close-in anti-aircraft warfare capability of UK ships. The UK has the military assets to utilize these systems effectively.

The sale of this equipment and support will not affect the basic military balance in the region.

The prime contractor will be the General Dynamics Corporation of Pomona, California.

Implementation of this sale will require the assignment of one additional U.S. Government representative and two contractor personnel in the UK for three months.

There will be no adverse impact on U.S. defense readiness as a result of this sale.●

MAJ. RAYMOND SALZARULO, SR., AND CAPT. RAYMOND SALZARULO, JR.

● Mr. LUGAR. Mr. President, today I would like to take a moment to pay tribute to two patriots, Army Air Corps Maj. Raymond Salzarulo, Sr., and his son, Air Force Capt. Raymond Salzarulo, Jr. These men both died in wars for our country, and in doing so, never met each other.

Raymond Salzarulo, Sr., son of an Italian immigrant, and his five brothers served in World War II. On June 7, 1942, at 28 years of age, Raymond, Sr., became the first and only casualty in the Salzarulo family during World War II. He lost his life with seven others when their B-24 went down in the Pacific during the Battle of Midway. His son, Raymond, Jr., was born less than 3 months after his father's death.

Nearly 25 years later, Raymond, Jr., an Air Force Academy graduate, was serving in Vietnam. A surface-to-air missile exploded directly above his F-4 jet fighter. His copilot, John "Spike" Nasmyth, became a prisoner of war but returned in 1973 to tell of Raymond, Jr.'s death.

At that time, markers for both father and son were placed side by side in Arlington Cemetery to memorialize their courage and heroism. Recently, a Reserve Officers Training Unit at Carnegie Mellon University in Pittsburgh was named the Salzarulo Squadron of the Arnold Air Society to honor the brave father and son.

These two men who were alike in so many ways, although they never met, epitomize the American ideals of bravery and devotion to our country. Their story is a tragic one, but one in which they, all of their family, and all of the United States of America can be proud.●

PERSECUTION OF JEWS IN THE SOVIET UNION

● Mr. ROCKEFELLER. Mr. President, I speak today to continue the vigil against the persecution of the Jews of the Soviet Union. Time and time again the free world has cried out against the Soviet Union's violations of the Helsinki agreement and its attempt to oppress those seeking freedom. As we approach the 10th anniversary of the signing of the Helsinki agreement and in observance of the Ottowa Human Rights Experts Meeting now taking place from May 7 until June 18, at which delegates from 35 countries will examine compliance with the human rights provisions of the Helsinki accords, I would like to reiterate the promises that were made.

On August 1, 1975, the Soviet Union was one of 35 participants who signed this pact of security and cooperation in Europe which states that

> . . . participating states will deal in a positive and humanitarian spirit with the application of persons wishing to be reunited with members of their family. . . . Applications for the purpose of family reunification which are not granted may be renewed at the appropriate level and will be reconsidered at reasonably short intervals by the authorities of the country of residence.

Despite these proclamations, the Soviet Union has repeatedly refused to live up to this agreement and is denying cooperation to thousands of individuals.

In an attempt to secure religious freedom, approximately 400,000 Soviet Jews are seeking to leave the Soviet Union for Israel. In 1984, 896 Soviet Jews were allowed to emigrate, the lowest figure in 14 years. At the current rate of approximately 1,000 permitted emigrations each year, it would take 400 years before all those presently seeking to emigrate could do so.

For those who must wait, life is in constant turmoil. Daily, they face the possibility of losing their jobs, citizenship, and family, never knowing when or if they will be arrested or sent to forced labor camps.

But the valiant quest for freedom continues. One such person who will not be silenced is Dr. Armen Khachaturyan, an internationally known physicist specializing in material science and a theoretician at the Institute of Crystallography of the Soviet Academy of Sciences. He has also served as a visiting professor of postgraduate studies at the University of California at Berkeley twice during the period from 1977-79.

In July 1981, Dr. Khachaturyan, along with his wife, Svetlana Semonovskaya, and his son, Karin, applied to emigrate to Israel to join his wife's sister. Because of this request, the Khachaturyan family has virtually been held hostage in their own country. Dr. Khachaturyan is no longer permitted to attend international scientific conferences outside the Soviet Union, and his son, Karin, 22, who suffers from duodenal ulcers, was expelled from the Soviet Academy of Sciences during his fourth year of study in physics even though he is an excellent student.

As it stands now, the Khachaturyans can neither leave the Soviet Union nor pursue normal lives and careers within the country. From his home in Moscow, Dr. Khachaturyan writes:

> . . . the refusal of the office of the Prosecutor General of the USSR to restore our son in university is the most authoritative confirmation that the application for emigration results in a loss of human rights for Soviet Jews. We have now a paradoxical situation: we are not allowed to leave this country and simultaneously our son is refused to continue his education. . . .

However, the injustice perpetrated against the Khachaturyans has not gone unnoticed. Numerous appeals on their behalf have been made to the Soviet authorities by Dr. Khachaturyan's colleagues in the scientific community. On August 9, 1982, physicists from at least eight different nations were attending an international conference in Brussels sent a letter to the Secretary of the Central Committee of the Communist Party of the U.S.S.R. appealing to the Soviet Union to let the Khachaturyan family live in peace in the country of their choice.

As a representative of a nation founded on freedom and dedicated to the very goals and ideals toward which the Khachaturyan family strives, it is imperative that we join the growing multitude of voices speaking on behalf of the millions of Soviet Jews who ask for nothing more than the fundamental human rights to retain their religious and cultural identity, and to live in peace. It is America's duty not to abandon those who are persecuted for sharing a common bond with the United States: the respect and love of liberty.

I call upon Mr. Vsevolod N. Sofinsky, the head of the Soviet delegation to the Ottowa Human Rights Experts Meeting to respond to the plight of the Khachaturyan family and the 400,000 others being denied their basic human rights.

THE BRONX ZOO'S JUNGLE WORLD

● Mr. MOYNIHAN. Mr. President, last Friday, the New York Zoological Society's Bronx Zoo opened Jungle World, a spectacular indoor habitat for tropical Asian wildlife. I, for one, intend to visit this spectacular exhibit as soon as I am able. How privileged New Yorkers are, to have an authentic Asian rain forest in their backyard.

Jungle World, the last element of the magnificent, 38-acre Wild Asia, best exemplifies the "zoo renaissance" occurring at the Bronx Zoo and around the world. Increasingly, zoos are recreating vanishing habitats for threatened or endangered species. And zoos must educate. I am confident Jungle World will play a critical role in raising public awareness of the destructive forces ravaging the world's rain forests.

Mr. President, when I found myself unable to attend the opening of Jungle World, I sent a congratulatory telegram to the New York Zoological Society. I ask that the text of the telegram be placed in the RECORD following my remarks. I also ask that an article by Gerald Gold appearing in the May 26, 1985, New York Times Magazine, "A Jungle in the Bronx," also appear in the RECORD.

The material follows:

U.S. SENATE,
Washington, D.C., June 21, 1985.

DEAR FRIENDS OF THE NEW YORK ZOOLOGICAL SOCIETY: No more enlightened or significant project has ever received funds from the Department of Commerce's local public works program than the New York Zoological Society's Jungle World, which was dedicated and opened on this date at the Bronx Zoo.

This magnificent exhibition, in the midst of New York City, affords our urban citizens an opportunity to appreciate the beauty of tropical Asian wildlife and the importance of preserving tropical ecosystems. It stresses the interdependence of all living things as a condition of survival in rain forests, and in the world as a whole.

The people of New York City, New York State, and the Nation can be proud of what has been accomplished here for the public good and for the survival of nature and wildlife around the globe.

Sincerely,

DANIEL PATRICK MOYNIHAN.

A JUNGLE IN THE BRONX

(By Gerald Gold)

This is the jungle. A giant tropical tree, its huge base covered by water, towers out of sight into billows of clouds. A python lies coiled in a fallen tree, just inches above the path. A family of monitor lizards lazes in the sunlight on warm rocks as only yards away, a steady rain falls. Rare proboscis monkeys gambol amid the tropical growth while a giant long-smouted crocodile swims slowly past a 40-foot-high waterfall.

Well, it's not *really* the jungle; rather, it is the Bronx Zoo's new Jungle World, a vast wood-and-glass-enclosed habitat, scheduled to open June 22, in which the real and the fake co-exist in such artful combination that visitors will have a hard time telling the difference.

The huge tree is fake—steel, epoxy and paint—but it is wrapped in real live vines and surrounded by real tropical plants such as elephant's-ear and jungle flame; the water vapor of the clouds is real H_2O, but it is generated by a commercial misting system of the kind used in orange groves; like the other animals, the python is menacingly alive, but it is lodged safely behind nonreflecting glass in a cavity in a fake tree. and so it goes: the lizards bask on manufactured rocks warmed by embedded electrical wires, and the crocodile is kept to his jungle pool by a thick glass wall.

It is all fascinating and entertaining and even awesome, but this is no amusment park. It is a serious and highly experimental advance in the science and art of zoo-keeping, a major step forward in simulating a total environment and in drawing spectators into close proximity with the wildlife. Not until every last animal is installed and visitors start trooping through will it be known if it all works.

Jungle World, planning for which began in 1977, has been built at a cost of $9.5 million—$4.1 million of it a donation from Enid A. Haupt, a member of the New York Zoological Society's board of trustees. The new installation is the largest building at the zoo, about an acre overall, with a maximum height of 55 feet. Visitors will walk through on a wooden path that meanders for a seventh of a mile, with only a waist-high railing between them and the environment. There are no bars, and most of the animals are separated from the people and one another only by ravines, streams or cliffs. There are four distinct habitats—a volcanic scrub forest, a mangrove swamp, a lowland evergreen rain forest with giant trees, which merges into a mountain rain forest—and five museumlike galleries connecting and explaining the habitats.

In many ways, Jungle World, the final section of the outdoor Wild Asia exhibition, represents the zoo of the future. The zoo of the past, with its cages and bars, still exists, of course—at the Bronx Zoo as elsewhere—but more and more the thrust by zoo managers has been toward realism and toward the idea that available space should be devoted primarily to the animals, with human spectators confined to limited areas. The goal has not been just realism; increasingly, zoos have carved out a dual role: exhibition of the animals and propagation of endangered species.

Jungle World, conceived and planned by William G. Conway, general director of the New York Zoological Society, is, in Dr. Conway's words, "the most ambitious indoor exhibition of its kind ever attempted; the object is to show animals in relationship to their environment." Unlike the ordinary zoo exhibit, it houses larger populations of fewer species to further the breeding programs.

Wild Asia—40 acres of habitat around which visitors travel on a monorail—has

been the most common type of installation for providing space and realism. But in the Northeast, such an outdoor, all-year-round exhibit is impractical for exotic tropical animals. (Wild Asia is closed during the winter months.) At Jungle World, the delicate ecosystems of the tropics can be reasonably simulated even during the winter. Other indoor installations, with both flora and fauna, have been built—at the Brookfield Zoo, near Chicago, for instance—but the Bronx Zoo is the first to attempt such detail on such a massive scale.

"The detail is marvelous," says George B. Rabb, director of Brookfield. "It goes beyond what has been attempted in the past."

As the visitor enters past real (but dead) bamboo and antique carved dragons from Burma, he comes, first, upon a deciduous scrub jungle and the world of Indonesian volcanic islands, complete with the endangered Bali mynah bird and the giant monitor lizard. The exhibit's designers have taken into account the eight-foot-long lizard's fondness for burrowing into the earth by providing built-in burrows in the artificial rock formations. Craftily, however, the burrows, although suitable for the lizard's needs, have been made just a trifle shorter than those the lizard usually digs, so the animals remain visible to visitors. As for the rocks themselves, they consist of reddish-colored concrete that was poured into latex molds that has been made of lava rocks designed to simulate those on Flores Island, Indonesia. The mud that seems to ooze from rocks elsewhere in the exhibit is, as the saying goes, hardened in concrete, but it comes to rest on a river bank of 100 percent genuine pebbles. "Fake pebbles," says John Gwynne, curator of exhibits and graphics, "are not cost effective."

The combination of real and fake encompasses a mixture of organic material with concrete. The zoo found, quite by accident, that the tannic acid contained in peat moss and algae stained the concrete rocks to just the right color; in the process, the alkalies in the rock are neutralized, making it possible for the peat moss and algae to grow.

The huge rain-forest tree (the trunk is more than seven feet in diameter) that dominates one of the landscapes in Jungle World also reflects an elaborate technology. First, as explained by Jonquil Rock, foreman of the tree crew, a small version in clay was built to the scale of a table-top model of the whole exhibition to judge the overall effect. Then an armature was constructed for the final, full-size tree, using heavy steel pipes for the trunk and lightweight steel for more delicate limbs, bending and welding the metal to match the model. On this skeleton, a mesh skin of metal cloth was draped and shaped and stretched to give the tree its final form. To create the bark, a tan-colored epoxy resin was applied to the skin and given texture with the help of a kind of whisk broom specially developed for the task. Then the surface was sandblasted and painted.

Another man-made tree, a banyan, will become more lifelike as time passes. The base of this tree's trunk is hollow, built around a planter, and in this planter a small living banyan will be placed; as it grows, its branches will entwine the fake ones. Some of the tree's limbs are hollow, too, to serve as planters for real vines that will wrap around the tree.

Show business aside, the primary goal of Jungle World is to provide a health and productive living space for animals, many of them endangered or even on the verge of extinction. And the difficulties of providing such a haven are considerable.

The principal faunal attraction in the mangrove swamp, for example, is the rare proboscis monkey—so-called because the dominant male in a family has a huge floppy nose. This is the only breeding family in captivity in the United States, and zoologists simply do not know much about them. Experts at the zoo and visiting scholars will be able to observe the family close up, complementing the studies the New York Zoological Society is supporting in Borneo, the only place these monkeys are found in the wild.

One of the principal questions facing the curators and keepers, so far as the zoo itself is concerned, is whether the proboscis monkeys will stay put or try to join their human relatives on the visitors' path. There are safeguards in the form of distance, water and rock and plant formations, but monkeys, as any zoo visitor knows, are extremely agile and inquisitive creatures. Who knows what gymnastics they may be able to perform if motivated strongly enough by the sight of throngs of visitors? The leaf-eating proboscis monkeys, like all inhabitants of Jungle World, will be fed regularly by keepers through hidden trapdoors, but it is possible they may decide to start eating the plants that have been provided to make them feel—scenically—at home.

The zoo's management, of course, is betting that its safeguards will keep the monkeys where they belong. In a three-week experiment during construction, the spectacled langur, for example, stayed put in its habitat.

The same questions hold true for the exotic birds that will be part of the exhibition. Will the concave-casqued hornbill and fire-tufted barbet and red-billed blue magpie come swooping in among the visitors? The evidence of the zoo's exhibition called the World of Birds, where the birds are also uncaged, suggests that they will behave—but in the World of Birds there are no monkeys or gibbons to muddy the situation.

The black leopards will have no such options; they will prowl behind a barrier of thick glass. Yet the leopards' habitat fits seamlessly into the rest of Jungle World, with the help of some special color effects in the mural backdrop to offset the glass's green tint.

The exhibition's vines have two practical functions besides providing a realistic ambiance. Both involve the white-handed gibbon family that will be resident in the rain forest. It is hoped that the opportunity to swing on the vines will keep the gibbons out in the open, and therefore visible to spectators. In addition, the zoo expects that the gibbons' enjoyment of the vines will make them forget about eating the delicate plants that help make up the environment. Initial tests with a gibbon family found them swinging delightedly through the trees, pausing occasionally to test a leaf for taste, but spitting it out.

Jungle World may give the impression primarily of vastness, but the smaller side of the natural world has not been forgotten. For one thing, the live plants will undoubtedly give rise eventually to their own insect populations. And in the galleries connecting the environments are a myriad of glass-case exhibits containing lesser creatures.

In the rain-forest gallery, for example, will be the large Malayan mouse deer and the slow-moving primitive primate called—appropriately—the slow loris. Other rainforest galleries will contain the likes of tree shrews, giant beetles, cloud rats (considered edible in the Philippines) and assorted spiders and scorpions. The mangrove gallery's glass enclosures will offer close-up views of live Fly River turtles, mangrove snakes and the monitor lizards, as well as climbing fish called mudskippers, and archerfish, which shoot down insects with waterdrops.

In the view of Dr. Conway, the society's director, modern zoos like Jungle World have a larger purpose—to spread public awareness of the imminent danger facing rain-forest habitats and many species of animals and plants whose value is just barely beginning to be understood. The immense responsibility facing man in his encounters with nature was expressed years ago by William Beebe, once curator of birds at the Bronx Zoo, who is quoted in Robert Bendiner's book, "The Fall of the Wild, the Rise of the Zoo":

"The beauty and genius of a work of art may be reconceived, though its first material expression be destroyed; a vanished harmony may yet again inspire the composer; but when the last individual of a race of living things breathes no more, another heaven and another earth must pass before such a one can be again."●

UA-COLUMBIA CABLEVISION IMPROVES TELEVISION FOR YOUNG PEOPLE

● Mr. LAUTENBERG. Mr. President, by the time a child graduates from high school in our Nation, he or she has spent more time watching television, than in the classroom. Television has immense potential for enhancing the education of our children. However, this potential has been largely unrealized. The marketplace has failed to provide the appropriate incentives for most broadcasters to serve the needs of the child audience.

The Federal Communications Commission has also failed to enforce broadcasters' obligations to serve children, as part of their obligation to serve the general public interest. The FCC has allowed broadcasters to reduce educational and informational programming designed for children and has made the broadcaster's responsibility to serve the child audience obscure and hard to enforce.

In light of this situation, positive contribution to children's television should be recognized and encouraged. Recently, the group Action for Children's Television [ACT] recognized UA-Columbia Cablevision of New Jersey for its contribution toward improving television for the young. ACT presented UA with a special award for its role in using public access facilities to serve children.

I would like to take this opportunity to congratulate UA-Columbia Cablevision of New Jersey on its accomplishment and to encourage it to continue to serve the needs of children. Its positive contribution helps realize the potential of television to enrich the lives of our children.

I ask that the award and a letter from Action for Children's Television be printed in the RECORD.

The material follows:

ACTION FOR CHILDREN'S TELEVISION,
Newtonville, MA, April 23, 1985.

Mr. LENNY MELAMEDAS,
UA-Columbia Cablevision of New Jersey, Oakland, NJ.

DEAR LENNY: As you know, the ACT Achievement in Children's Television Awards are given annually to those who have made a significant contribution toward improving television for young people. We are delighted that UA-Columbia Cablevision of New Jersey will be receiving a special ACT Award.

The awards presentation will be held on Tuesday, May 21, at 3:00 p.m. at the Institute of Contemporary Art in Boston's historic Back Bay, with a wine and cheese reception to follow. Please return the enclosed reply form as soon as possible, indicating the names and number of people who will be attending. As the names of the winning entries will not be released to the press until May 21, we would appreciate your keeping your award confidential.

We hope you will be able to join us for this special occasion. If I can be of any help making arrangements, please let me know. We look forward to seeing you in Boston—Congratulations!

PEGGY CHARREN,
President.

Action for Children's Television presents an Act Award, celebrating an achievement in childrens' television, to UA-Columbia Cablevision of N.J., for "helping adults and teenagers to develop the know-how to use access channels creatively."

Sincerely,
PEGGY CHARREN.

May 1985.●

THE AGRICULTURE ACT OF 1985

● Mr. D'AMATO. Mr. President, I am pleased today to be added as a cosponsor of S. 908, the Agriculture Act of 1985. This legislation will provide market expansion and income protection for farmers and will assure an abundance of food and fiber at reasonable prices.

I am proud to come from a great agriculture State. Many Americans recognize New York as the financial capital of the world, the home of great sports teams, and the State where skyscrapers stand side by side touching the sky. However, to the astonishment of many, the No. 1 industry in New York State is agriculture, which is responsible for 1 out every 4 jobs.

Few people realize that many of New York State's agriculture products rank within the top 10 nationwide for total production. For example, New York is the third largest dairy producing State in the United States. Our dairymen produced more than 11.6 billion pounds of milk in 1983, for a total sales value in excess of $1,600 million.

However, all is not well with New York agriculture. After accepting my invitation to come to New York, the House Agriculture Committee held 2 days of hearings on the 1985 farm bill. I heard many of my farmers testify that the U.S. farm policies are inconsistent and inadequate. They stated that they need a policy that will allow them to plan more than just a few years ahead.

The year 1985 is an important year for agriculture. During the remainder of this Congress we will be discussing and establishing policies for a new farm bill. This bill will have an impact on our Nation's farmers for years to come. We must make certain that this legislation will incorporate policies that will help our farmers, not hurt them.

Mr. President, I am not a farmer, nor do I pretend to be one. For this reason, I listen very closely to my farmers in New York. The New York State Farm Bureau, the largest farm organization in the State, tells me that this legislation is good. Dairy farmers, independently and through organized co-ops, tell me that this legislation is good. Mr. President, in response to my farmers I support this legislation and, in particular, I strongly support the dairy provisions it includes; they will do much to promote the dairy industry in my State.

The dairy provisions provide a viable policy for dairy farmers for the next 4 years. Our farmers will be assured a reasonable and fair return for their milk, as well as sufficient leeway for adjustment of the price every 6 months if the Secretary of Agriculture projects an increase in net Government price-support purchases.

The proposal sets the price support at 90 percent of the previous 3-year average market price. This approach is more sensible because it pursues a policy related more to the marketplace and less to the political climate. I know our farmers would rather earn their income from the marketplace than from the Federal Government. This was clearly indicated when less than 4 percent of New York dairymen participated in the Dairy Diversion Program.

Mr. President, this legislation provides much needed reform of our agriculture policies. It provides valuable direction. It is time we took a step forward and began planning for our agricultural needs of tomorow with farm policies that are created for tomorrow.

Mr. President, I urge my colleagues to pass this important legislation.●

NATIONAL ARBOR DAY

● Mr. ZORINSKY. Mr. President, on Friday, June 21, the Senate passed a resolution establishing the last Friday in April 1986, as National Arbor Day. I applaud this action and wish to point out to my colleagues the very significant role played by the State of Nebraska in the evolution of this day.

Nebraska was the first State in the Union to recognize Arbor Day, having established it as a State holiday in 1885 in tribute to the great agriculturist Julius Sterling Morton. Mr. Morton was born in New Jersey but, following the tide of emigration to the West, made his way to Nebraska in 1854.

He became involved in territorial politics and in 1858 was appointed by President James Buchanan to be territorial secretary, an office he held until 1861. Mr. Morton's highest political honor came in 1893, when he was appointed Secretary of Agriculture by President Grover Cleveland. He distinguished himself in this post by stressing economy in Government.

Above all else, Julius Sterling Morton was a student of agriculture. He lived on land adjacent to Nebraska City, NE, and he considered it his duty to instruct the people of the State in the subject of farming. Tree planting was his hobby and he personally planted literally hundreds of trees. To encourage the same practice by others, he urged that 1 day each year—Arbor Day—be dedicated especially to this purpose. From 1872 to 1885, Arbor Day was observed generally throughout the State and from 1885 on, Mr. Morton's birthday, April 22, has been officially set aside as Arbor Day in Nebraska. Many years after his death, Mr. Morton's heirs gave his Nebraska City home, Arbor Lodge, and the surrounding groves to the State as a memorial and park. From Nebraska, the Arbor Day concept has spread to many other States and even to foreign countries. To Mr. Morton, the success of Arbor Day was the crowning achievement of his life.

The legislation the Senate passed on April 21, introduced by my distinguished colleague and good friend, Senator BILL BRADLEY of New Jersey, is a fitting tribute to a man regarded by friend and foe alike as one of Nebraska's foremost citizens. Likewise, it is an appropriate recognition of one of this Nation's most precious natural resources—trees.

Mr. PROXMIRE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. HATFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECESS UNTIL 1:30 P.M.

Mr. DOLE. Mr. President, my understanding is that one of the participants in the McClure-Volkmer gun bill cannot be available until 1:30 p.m.

So, I move that the Senate stand in recess until 1:30 p.m.

The motion was agreed to.

Thereupon, at 12:35 p.m., the Senate recessed until 1:30 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer [Mr. HATCH].

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Is there further morning business?

If not, morning business is closed.

Mr. DOLE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. DOLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER [Mr. CHAFEE]. Without objection, it is so ordered.

The majority leader is recognized.

UNANIMOUS CONSENT AGREEMENT—S. 49

Mr. DOLE. Mr. President, an agreement has been reached between the distinguished Senator from Ohio and the distinguished Senator from Utah, and others, with reference to one amendment that concerns the Senator from Ohio and others.

What I wish to do, unless there is some strong objection, is to call up S. 49 and have opening statements made today and possibly additional opening statements tomorrow, because one or two Senators may not be able to appear today. I think the Metzenbaum amendment is acceptable, and there are three or four others that are acceptable.

What I wish to do is to take care of those amendments and then, in accordance with the agreement that has been reached, we will not do anything else on the gun bill until July 9. It will be Tuesday at 2 p.m. on July 9.

Then we would take up the other amendments—I think there are probably five or six, or even more—under a time agreement, and hopefully dispose of the bill if not on Tuesday, July 9, then on Wednesday, July 10.

But I will not do anything, of course, until the distinguished minority leader is present; but under this proposal, we would at least get some start on the bill, complete action on July 9 or July 10.

Mr. METZENBAUM. Mr. President, is the distinguished majority leader suggesting that the two amendments that I and a couple others have that will be agreed upon would be taken up this afternoon or tomorrow?

Mr. DOLE. This afternoon.

Mr. HATCH. We wish to do them this afternoon.

Mr. METZENBAUM. It is all right with me.

Mr. DOLE. Then set the bill aside under the time agreement. At least we will make some inroads.

That is what I would like to do, and then move to imputed interest tomorrow, which I know the Senator from Ohio has an interest in, as have four or five other Senators; and Landsat and two or three other minor bills that we could probably dispose of fairly quickly.

Mr. MATSUNAGA. If the majority leader will yield, I would be constrained to object unless there is a definite agreement on both sides with no dissension and the amendment in issue explained to the satisfaction of those present.

I see the minority leader is here.

Mr. BYRD. The Senator may go ahead.

Mr. DOLE. That would be the understanding. Obviously the amendments would be offered, explained, and agreed to, and the only amendments we will consider will be those that are agreed to, we are not going to consider any controversial amendments.

Mr. MATSUNAGA. I thank the majority leader for yielding.

Mr. DOLE. Mr. President, I am advised, and I say to the minority leader, it has been suggested by some, that perhaps we can get this agreement immediately and then perhaps ask unanimous consent that having gotten this agreement, we be permitted today to have opening statements and take two or three of the amendments or four that we have agreed upon.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. DOLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOLE. Mr. President, I ask unanimous consent that the Senate turn to the consideration of Calendar Order No. 3, S. 49, the McClure-Volkmer gun bill at 2 p.m. on Tuesday, July 9, 1985, and it be considered under the following time agreement:

Eight hours on the bill, to be equally divided between the chairman of the Judiciary Committee and the ranking minority member, or their designees; that the following amendments be the only first-degree amendments in order, and limited to the following time limitations, to be equally divided:

One amendment dealing with maintaining current interstate sales regulation of snubbies, limited to 1 hour; one amendment dealing with maintaining current interstate sales regulation of handguns, limited to 1 hour; eliminating the requirement of notice before compliance inspections, limited to 1 hour; modifying the preemption provisions, limited to 1 hour, which will be accepted and offered by Senator METZENBAUM or Senator SYMMS or both; imposing a "cooling-off" period for certain firearm sales, limited to 1 hour; prohibiting the importation of certain nonsporting weapons, limited to 1 hour, to be offered by Senator METZENBAUM, and I understand it will be accepted; concerning the applicability of the National Firearms Act to the conversion of semiautomatic weapons to automatic weapons, limited to 1 hour; "state of mind" provision—delete "carelessness" language but clarify with legislative history that acts of simple carelessness are not "willful," limited to 1 hour; "gun show" exception—using exact language of the regulations, limited to 1 hour; a McClure technical amendment to correct a printing error, limited to 5 minutes; two germane amendments to be offered by the majority leader, limited to 30 minutes each; two germane amendments to be offered by the minority leader, limited to 30 minutes, each; that all second-degree amendments be limited to 30 minutes equally divided, and that they be germane to the first-degree amendment they propose to amend, with the exception of the first two first-degree amendments, which will be subject to one second-degree amendment each by Senator MCCLURE, which deal with the same subject as the first-degree amendment, but exceeds the scope of the amendments; no amendments dealing with armor-piercing bullets be in order; no motions to commit with instructions be in order; that any debatable motions, appeals, or points of order, if so submitted to the Senate, be limited to 10 minutes; and that the agreement be in the usual form.

The PRESIDING OFFICER. Is there objection to the proposed agreement?

Mr. MATSUNAGA. We have no objection on this side, Mr. President.

Mr. BYRD. Mr. President, reserving the right to object, and I will not object, may I ask the distinguished majority leader two questions: One, the phrase in the fifth item from the bottom, the phrase "but exceeds the scope of the amendments," do we know what we are talking about there with reference to scope? In other words, that is not just wide open?

Mr. DOLE. As I understand it, the first two amendments listed merely strike and what he would do would be add that language. That is the second-degree amendment. So the first two strike out provisions and he would add back certain language.

Mr. BYRD. I say to the distinguished majority leader, we know what the verbiage of the amendments will be at this moment, I take it. I am just concerned that the phrase "ex-

ceeds the scope of the amendments" could be wide open.

Mr. DOLE. Well, they are germane amendments. I am not certain what the language in the amendments is.

They are the same subject matter as pointed out in the unanimous-consent request. They add back language. They have been cleared with those who would be offering the first two amendments.

Let me see if we can obtain copies of the amendments.

Mr. BYRD. Very well. Mr. President, while that is being done, if I can ask the distinguished leader one other question; that is, this agreement has to do with tomorrow. What will govern the debate and amendments of today?

Mr. DOLE. This time agreement deals with July 9. It would be the Tuesday following the recess. If we can reach this agreement, we would like to ask unanimous consent today to lay the bill down, have opening statements, and permit the distinguished Senator from South Carolina to designate the Senator from Utah as manager of the bill. There are three or four amendments, and possibly one colloquy of Senator METZENBAUM that can be agreed upon. If no one objects, we felt we could do that much today, and the rest would carry over until Tuesday, July 9.

Mr. BYRD. I see. After today, further action on this measure will go over until the Tuesday after the Senate returns.

Mr. DOLE. That is right.

Mr. BYRD. May I ask the distinguished majority leader what will govern the debate and amendment process today?

Mr. DOLE. If we can have consent—we will not be able to do anything without the consent of the distinguished minority leader and others—we would simply make opening statements, lay the bill down, take up three or four amendments that have been agreed to. That would be it—no debate, no controversial amendments, no rollcall votes.

Mr. BYRD. There is no time agreement which governs actions of the Senate today on this measure?

Mr. DOLE. No; There is some desire by some to make opening statements today. We thought we might dispose of three or four of the amendments that we have agreed to today just to show some movement on the bill before the recess starts.

Mr. BYRD. Are they outside the scope of this agreement?

Mr. DOLE. No; I think you will find they are in the agreement.

Let me also indicate that there has been a commitment, by the distinguished chairman of the committee to Senator MOYNIHAN, which we can include in the agreement, or we can make by separate agreement. That would reaffirm that S. 104, the bill dealing with armor-piercing bullets, and the chairman's commitment to schedule that bill for separate floor action as quickly as possible. I am not certain that needs to be part of the agreement. But I know it can be. I guess there is no objection to it. It is a matter that Senator MOYNIHAN and Senator THURMOND have an interest in. There are 96 cosponsors. It will not be part of S. 49, but just a commitment to bring it to the floor at the earliest possible time.

I also will indicate that I will continue to work with Senator MCCLURE, Senator HATCH, Senator KENNEDY, Senator METZENBAUM, the administration, and other interested parties on an amendment to S. 49 designed to clarify that kits used to convert semi-automatic weapons into automatics are subject to the requirements of the National Firearms Act, including those kits which do not include all of the parts necessary for the conversion. I also intend to work with the distinguished chairman of the committee, Senator THURMOND, Senator HATCH, Senator KENNEDY, and administration officials on the development and introduction of separate legislation dealing with various issues that have arisen under the National Firearms Act.

I do not think we need that part of the agreement. But it is a commitment that I would make along with the chairman of the committee, in addition to my support for S. 104, and the commitment to schedule that bill for separate floor action as quickly as possible.

Mr. DOLE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. MATHIAS). The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. DOLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. DOLE. Mr. President, I just recited the entire request for a time agreement. I would like to amend that request.

In the fifth paragraph from the bottom:

That all second-degree amendments be limited to 30 minutes equally divided, and that they be germane to the first-degree amendment they propose to amend, with the exception of the first two first-degree amendments, which will be subject to one second-degree amendment each, by Senator MCCLURE, which deal with the same subject as the first-degree amendment, but exceeds the scope of the amendments.

I would knock out the words "second-degree" and insert the word "intervening."

Then in response to the distinguished minority leader, the "scope of the amendments" would be limited to amendments dealing with maintaining current law for snubbies, and the second amendment dealing with the State of purchase only for long guns.

The PRESIDING OFFICER. Is there objection to the request of the majority leader? If not, the unanimous-consent request is so modified.

Mr. DOLE. The entire agreement with that modification, then, is agreed to. I do not think we need to add to the agreement. My commitment, along with that of the chairman of the Judiciary Committee, we have made a part of the record. I shall be glad to repeat that and make it a part of the record.

The PRESIDING OFFICER. The majority leader is advised that there has not yet been agreement to the entire unanimous-consent request.

Is there objection? Without objection, the unanimous-consent request is agreed to.

The agreement is as follows:

Ordered, That at 2 p.m. on Tuesday, July 9, 1985, the Senate proceed to the consideration of S. 49, a bill to protect firearms owners' constitutional rights, civil liberties, and rights to privacy, and that the following amendments be the only first degree amendments to be in order, to be considered under the following time limitations, with the time to be equally divided and controlled by the mover and the manager, unless the manager is in favor, in which case the control shifts to the Minority Leader or his designee:

Amendment dealing with maintaining current interstate sales regulation of snubbies, 1 hour;

Amendment dealing with maintaining current interstate sales regulations of handguns, 1 hour;

Amendment eliminating requirement of notice before compliance inspections, 1 hour;

Amendment offered by Senator Metzenbaum or Senator Symms modifying the preemption provisions, 1 hour;

Amendment imposing a "cooling off" period for certain firearm sales, 1 hour;

Amendment concerning the applicability of the National Firearms Act to the conversion of semi-automatic weapons to automatic weapons, 1 hour;

Amendment dealing with "state of mind" provisions, deleting "carelessness" language but clarifying with legislative history that acts of simple carelessness are not "willful", 1 hour;

Two germane amendments offered by the Majority Leader, 30 minutes each;

Two germane amendments offered by the Minority Leader, 30 minutes each;

Ordered further, That all second degree amendments be limited to 30 minutes, to be equally divided and controlled, and that they be germane to the first degree amendment they propose to amend, with the exception of the first two first-degree amendments, which will be be subject to one intervening amendment each, to be offered by Senator McClure, which deals with the same subject as the first degree amendment, but which exceeds the scope of the amendment: *Provided*, That the subject matter of these amendments be limited to (1) main-

taining current law for snubbies and (2) for state of purchase only for long guns.

Ordered further, That no amendment dealing with armor-piercing bullets be in order, that no motions to commit with instructions be in order, and that debate on any debatable motions, apppeals, or points of order which are submitted or on which the Chair entertains debate shall be limited to 10 minutes, to be equally divided and controlled in the usual form.

Ordered further, That time for debate on the bill shall be limited to 8 hours, to be equally divided and controlled, respectively, by the Chairman of the Judiciary Committee and the Ranking Minority Member, or their designees: *Provided,* That the said Senators, or either of them, may, from the time under their control on the passage of the said bill, allot additional time to any Senator during the consideration of any amendment, debatable motion, appeal, or point of order. (June 24, 1985)

Mr. DOLE. Mr. President, I have discussed this with the chairman of the committee dealing with various issues that have arisen under the National Firearms Act and also S. 104. I shall continue to work with Senators McCLURE, HATCH, KENNEDY, METZENBAUM, the administration, and other interested parties on an amendment to S. 49 designed to clarify that kits used to convert semiautomatic weapons into automatics are subject to the requirements of the National Firearms Act, including those kits which do not include all the parts necessary for the conversion.

Let me further add, I intend to work with Senators THURMOND, HATCH, KENNEDY, and administration officials on the development and introduction of separate legislation dealing with various issues that have arisen under the National Firearms Act.

Finally, let me reaffirm my support for S. 104, the Thurmond-Moynihan bill dealing with armor-piercing bullets, and my commitment to schedule that bill for separate floor action as quickly as possible once it is reported to the Senate by the Judiciary Committee.

Mr. President, unless there is some objection, what I would like to do if we can make some progress on this bill today would be, under the same conditions as set forth in the agreement just agreed to, ask unanimous consent to take up S. 49 so that we might have opening statements and so that the distinguished chairman of the committee might designate the Senator from Utah [Mr. HATCH] to manage the bill. We might agree on four specified amendments under the same terms and conditions as set forth in the unanimous-consent agreement just obtained. The first would be the prohibition of importation of certain parts in the amendment by Senator METZENBAUM which has been agreed to, limited to 1 hour; a gun show exception limited to 1 hour; a McClure technical amendment to correct a printing error, limited to 5 minutes. They would be subject to the same terms and conditions in the unanimous-consent agreement just obtained.

Mr. BYRD. Reserving the right to object, Mr. President, and I do not expect to object. I understand the distinguished majority leader has asked unanimous consent that the Senate proceed to the consideration of S. 49 and that certain amendments which he has enumerated——

Mr. DOLE. And only those amendments.

Mr. BYRD [continuing]. And only those amendments which he has enumerated would be subject to action today, and would be governed by the same terms and conditions of the overall agreement. I have no objection to that. I ask the distinguished majority leader whether or not the time on those amendments and for debate overall will begin running today or will that 8 hours on the bill, let us say, not begin running until Tuesday, July 9, at 2 p.m.?

Mr. DOLE. It would be my suggestion that the time not run, that we have the full 8 hours to begin work on the bill at 2 o'clock on Tuesday, July 9.

Mr. BYRD. Mr. President, I thank the distinguished majority leader. I remove my objection.

The PRESIDING OFFICER. Is there objection? Without objection, the majority leader's request is agreed to.

FEDERAL FIREARMS OWNERS PROTECTION ACT

The PRESIDING OFFICER. The clerk will state the bill by title.

The assistant legislative clerk read as follows:

A bill (S. 49) to protect firearms owners' constitutional rights, civil liberties, and rights to privacy.

The Senate proceeded to consider the bill.

Mr. BYRD. Before he begins, would the distinguished chairman of the Judiciary Committee yield so I might designate as floor manager for the time being the distinguished Senator from Hawaii [Mr. MATSUNAGA]?

Mr. THURMOND. Yes, Mr. President.

The PRESIDING OFFICER. The Senator from South Carolina is recognized.

Mr. THURMOND. Mr. President, I am pleased to be a cosponsor of the Federal Fireams Owners Protection Act, S. 49, introduced on January 3, 1985, by Senator McCLURE, Senator HATCH, Senator SYMMS, Senator DENTON and myself. This bill is similar to an amendment on last year's continuing resolution which received the overwhelming support of the Senate on two occasions, by votes of 63 to 31 and 77-20.

The purpose of this bill is to further the constitutional rights guaranteed to firearms owners by correcting deficiencies in Federal firearms laws. I feel this bill will accomplish that goal, while preserving legitimate law enforcement efforts.

The administration strongly supports this proposal, which is the product of extensive study and numerous hearings. I urge my colleagues to improve the Federal firearms laws by supporting this much needed legislation.

As manager of the bill on the majority side, I hereby designate Senator ORRIN HATCH of Utah to handle the bill on the Senate floor, since he did most of the work on this bill in the Senate Judiciary Committee.

Mr. HATCH. Mr. President, I think this is a historic day because we have fought over this bill for more than a decade now, and it looks to me as though, ultimately, we are going to have a bill that we can pretty much get everybody to agree on.

Mr. President, the opening of this debate culminates a lengthy legislative process to ensure greater protection for the constitutional rights of firearm owners. S. 49 deregulates the acquisition, possession, and use of firearms for lawful purposes and redirects Federal firearm enforcement toward criminal violators. Thus, S. 49 reaffirms the stated intent of the 1968 Gun Control Act to avoid "any undue or unnecessary Federal restrictions or burdens on law-abiding citizens. * * *" Despite this stated intent of the Gun Control Act, numerous hearings have revealed that the 1968 act has failed to strike an appropriate balance between the constitutional rights of law-abiding gun owners and law enforcement interests.

Rather than focusing on violent crime, Federal firearm enforcement instead has become mired down in enforcing minor technical infractions. Inadvertent recordkeeping errors have given rise to major felony prosecutions. An occasional sale from a dealer's private collection have resulted in felony charges. Warrantless searches have unnecessarily harrassed law-abiding firearms dealers. The absence of any definitions for "engaging in the business" have subjected casual hobbyists or collectors to prosecution for dealing in firearms without a license. The absence of any criminal state of mind requirements—mens rea—for felony violations have resulted in severe penalties for unintentional infractions of technical rules. Requirements for recordkeeping on ammunition have imposed enormous burdens on firearm dealers which were not needed for adequate law enforcement. This list could be expanded. In general, the 1968 act needs modification to eliminate some unintended conse-

quences of its broad or unclear language.

Accordingly, I am grateful to Majority Leader DOLE for recognizing the grave importance of the rights of firearms owners in scheduling this legislation. I commend the bill's sponsor, Senator MCCLURE, who has championed this cause for many years in anticipation of this climactic day. The chairman of the Judiciary Committee and President pro tem of the Senate, Senator STROM THURMOND, deserves special commendation for holding the hearings that documented the problems and for scheduling the committee markups that produced the careful language of S. 49. Many others who have defended these constitutional rights for years also deserve mention, but I will only generally thank the Reagan administration and many of my other colleagues. I must, however, thank President Reagan who has said:

> We need to reform the firearms laws which needlessly interfere with the rights of legitimate gun owners . . . I look forward to signing a bill that truly protects the rights of law-abiding citizens without diminishing the effectiveness of criminal law enforcement against the misuse of firearms.

The process of refining the language pending before the Senate has been a long one, but the results are worthy of expeditious Senate approval. Although S. 49 had been introduced many Congresses ago when the inadequacies of the 1968 act became evident, serious consideration of this legislation began in the 97th Congress. In 1982, the Senate Judiciary Committee approved S. 1030, the predecessor to this legislation, after three hearings and four markup sessions. S. 1030 contained a substitute amendment proposed by myself which reflected improvements made in the bill's language by negotiations with experts in the Reagan administration and in the community of gun owners. Unfortunately, the bill did not receive floor consideration before the 97th Congress expired.

In the 98th Congress, the Judiciary Committee again undertook to improve the legislation. After another hearing and 4 more days of markup, the committee unanimously approved the amended bill, S. 914. S. 914 again contained a substitute amendment which I had proposed containing agreements reached between myself, Senator MCCLURE, and representatives of the Reagan administration. As I mentioned, the long hours of negotiation on S. 914 were rewarded with a unanimous committee vote. Once again, the Congress expired without approval of S. 914.

In this Congress, S. 914, with only a few minor variations from the version which passed the Judiciary Committee, was introduced by Senator MCCLURE, Senator THURMOND, Senator DOLE, myself and a bipartisan host of other supporters of firearm owner's rights. In light of the extensive consideration given this issue in the Judiciary Committee in prior Congresses, it is certainly responsible policy to bring this legislation directly to the floor.

SECOND AMENDMENT

Permit me to rehearse for you the liberty that the Framers considered important enough to list second in the Constitution, immediately following the freedoms of speech and religion:

> A well regulated militia being necessary to the security of a free state, the right of the people to keep and bear arms shall not be infringed.

The language of the amendment itself explains why the Framers considered this right important enough to list second. They thought the "security of a free state" would depend on the right to keep and bear arms. Before proceeding to discuss how the second amendment is under attack, I would like to pause and retrace the circumstances surrounding the drafting of the right to keep and bear arms.

Like many of our basic liberties, the right to keep and bear arms may be traced to common law origins in England even before America was settled. The English Bill of Rights of 1689 contained the right to "have arms." The famed English jurist Blackstone listed in his Commentaries the "right of having and using arms for self-preservation and defense." This right is literally older than the constitution itself. In fact, if our forefathers had not exercised this right at Lexington and Concord, we may never have had a constitution.

In America, the Revolutionary War was hastened by the King's attempt to disarm the colonists. Outraged at the King's gun controls, our own hot-blooded patriot, Patrick Henry, in his "give me liberty" speech feared the colonists would wait too long to take up arms. He exclaimed: "Will it be when we are totally disarmed? * * * Three million people armed in the holy cause of liberty are invincible." Indeed, the "shot heard round the world" at Lexington and Concord was the result of General Gage's attempt to seize some ammunition and firearms. In one sense the Revolutionary War was the first gun control fight. We won that gun control battle.

After the war, on September 17, 1787, 39 men gathered in Philadelphia to culminate 16 hot weeks of summer work by signing the Constitution. The process did not end there, however. Article VII required the ratification of three-quarters of the States. Three delegates, including the powerful George Mason of Virginia, refused to sign the document because it lacked a Bill of Rights.

Without a Bill of Rights, the Constitution came under immmediate attack. One zealous opponent protested that under the Constitution, Congress "at their pleasure may arm or disarm all or any part of the freemen of the United States." If he was upset then, imagine how he would react today to the 1968 Gun Control Act, or worse yet, a search warrant served by a BATF agent?

At length, the States ratified the Constitution only after petitioning Congress to write a Bill of Rights. Indeed, President George Washington, in his first inaugural, called for amendments to the Constitution. In compliance, James Madison in the House of Representatives undertook the work which produced the second amendment.

But now this great right which we won in battle and in heated national debate is again under attack. As I mentioned, this time the attack is far more subtle than Major Pitcairn's march on Lexington, MA.

Let me give you an example. Samuel Adams was a great leader in the fight for independence. He was also a handgun owner who pressed for the second amendment with the hope, in his own words, that the "Constitution shall never be construed * * * to prevent the people of the United States who are peaceable citizens from keeping their own arms." I think Adams would be shocked today to learn that his own native State imposes a year's sentence, without probation or parole, for carrying a firearm without a permit. Tragically, it is that same State where the patriots took up arms at Lexington green.

Let us examine the subtle attempts of some courts and politicians to drain the meaning out of the second amendment. Their first line of attack is to contend that "the right of the people to keep and bear arms" is merely a collective right referring to the people collectively as a common body instead of as individual citizens. In other words, they would say, the amendment only prohibits Federal interference with State National Guard weaponry.

This faulty reading of the amendment simply does not square with the history of the Bill of Rights. When the Senate considered the second amendment in 1789, it specifically rejected a motion on the floor that would have limited the right to bearing arms only "for the common defense." The authors of the amendment wanted no such restrictions. They agreed with Blackstone that the right extended to individual uses of firearms for "self-preservation and defense." In the words of Richard Henry Lee, a member of the Senate that drafted the second amendment:

> To preserve liberty, it is essential that the whole body of the people always possess arms and be taught alike, especially when young, how to use them.

The notion of limiting the second amendment by undue emphasis on the

militia language also breaks down for another reason. In 1972, Congress enacted the Militia Act making all able-bodied men between 18–45 members of the militia. Indeed, the current United States Code still, by law, defines the militia as "all able-bodied males" between 17 and 45. The "militia" mentioned in the amendment is not limited to the State National Guard. The patriots at Lexington, though just a gathering of freedom-loving farmers, was a militia. The second amendment's "militia" is the "whole body of the people." In fact, its very language says it is a "right of the people."

Finally, it is important to remember that the first and fourth amendments also uses the language "right of the people." Clearly those amendments—approved at the same time as the second amendment—grant individual rights to peaceably assemble and to be free of arbitrary searches. Likewise, keeping and bearing arms is an individual right. In fact, as Justice Story of the Supreme Court once said, the right to keep and bear arms is the "palladium (protector) of the liberties of the Republic." It is the means of preserving the other rights.

The only way to fight falsity is with facts. Therefore, one of my first acts as chairman of the Subcommittee on the Constitution was to launch a study on the roots of the second amendment which established the history we have been discussing. Over 5,000 copies were printed. The Government Printing Office reports that the supplies of that report were exhausted faster than almost any other document ever produced by Congress.

If we are to fend off subtle attacks on our liberties, we must be armed—armed with knowledge of what the amendment was intended to mean. This report is one more arrow in our quiver.

The other attack on the second amendment is even more insidious than misleading doubts about the meaning of the language. You are familiar with these efforts to undermine our right. This attack suggests that guns, instead of criminals, are responsible for violent crime.

It is difficult to understand, based on the foregoing evidence, how a right so fundamental as the individual right to bear arms could be misunderstood today. It was obviously well understood at the time of the adoption of the Bill of Rights and for decades thereafter. According to a recent public opinion poll, 88 percent of Americans today still believe in the individual right to keep and bear arms. I am talking about the 1978 Decision Making Information polls. The history of the second amendment and what it stands for is clear. The people of our Nation overwhelmingly support this right, which is so fundamental to our freedoms and liberties as Americans.

GUN CONTROL IS NOT CRIME CONTROL

Despite the intent of Congress when the Bill of Rights was adopted, the second amendment has been under attack. Many well-meaning citizens and lawmakers, appropriately appalled at escalating levels of crime, have drawn the mistaken conclusion that guns, instead of criminals, are responsible for violence. While I do not underestimate the seriousness of our violent crime plague, I state categorically that the solution to this crime epidemic is not to take firearms away from law-abiding citizens. Blaming guns for a criminal's violence makes no more sense than blaming automobiles for drunk drivers. Moreover, outlawing guns to stop crime makes no more sense than does outlawing cars to stop drunk driving.

Crime statistics make clear that gun control is not crime control. Legislation that regulates the use and availability of firearms, including handguns, does not reduce crime. Studies show that cities and States with restrictive gun control laws have higher crime rates than areas with less restrictive laws concerning guns. Handgun availability, based on handguns in circulation per 100,000 population, has increased over 90 percent in the past 15 years. However, handgun involvement in homicide has fallen from a reported 48 percent in 1967 to 43.5 percent in 1982. Firearm ownership overall has increased almost 60 percent and yet gun involvement in homicide has fallen. The highest homicide and other violent crime rates remain in gun-restrictive areas—New York City had more homicides than the combined total of 23 States with a population of 37 million had covering half the land area of the United States. With a virtual handgun ban, Washington, DC has become the most violent large city in the Nation. Firearms involvement in violent crime in Washington, DC is increasing—while decreasing nationally and in big cities in general. Massachusetts, with a restrictive gun control law, continues to watch violent crime rise at a rate twice that of the rest of the country.

In November 1981, the Justice Department released the Executive Summary and Literature Review of the massive study on Weapons, Crime, and Violence in America. The research, conducted primarily by Profs. James Wright and Peter Rossi of the University of Massachusetts at Amherst under a $287,000 grant from the Law Enforcement Assistance Administration [LEAA] and the National Institute of Justice [NIJ], reviewed literature and studies to determine what definitive evidence exists on issues relating to weapons, violence, and crime. It examined the amount and quality of criminal justice data available on weapons through a national survey of 609 law enforcement agencies and an analysis of court records of a sample of 5,000 felony cases processed by the Los Angeles Superior Court. In short, the research proved exhaustive, and its findings were unequivocal. The researchers concluded that "there is little evidence to show that gun ownership among the population as a whole is, per se, an important cause of criminal violence," and there is no conclusive evidence that restrictive gun laws—Federal, State, or local—either impair the access of criminals to firearms or reduce the amount of violent crime.

Professors Wright and Rossi found that many of the common assumptions about the firearms and crime issue are unsupported. They found that 50 percent of American families acknowledge gun ownership and that three-fourths of these privately owned guns are used for sport and recreation; the remainder for self-defense. They found no persuasive evidence to support the allegation that most homicide would not occur were firearms generally less available. And they concluded that "any action taken to deny firearms to would-be criminals will necessarily deny them to a vastly larger group of persons who will never contemplate, much less commit, a violent criminal act"—a cost which must be "weighed against the anticipated benefits before a rational policy decision can be made."

The cost to which these researchers alluded is two-fold: The cost to life and the cost to civil rights and civil liberties.

Professors Wright and Rossi found that privately owned handguns seem to be about as effective a deterrent to crime as is the legal system. Between 2 and 6 percent of the adult population has actually fired a gun in self defense.

Available evidence suggests that the probability that a person burglarizing an occupied house will be shot is about at one percent. As it turns out, this is nearly the same probability that an offender will be apprehended, charged, convicted, and sentenced. Actually, guns may be a more effective deterrent since a burglar making his own cost-benefit analysis is bound to count the possibility of being shot to death as a more serious risk than that of spending a few years in prison.

Using guns for protection reduces the chance that the violent crime will be successfully completed. And Justice Department victimization surveys, but Wright-Rossi, show that the use of a gun or kinfe for protection also reduces the chance of injury to the intended victim.

On the basis of this evidence it is clear that any gun control, such as limitation and/or registration, works mainly to regulate many law abiding citizens who do not use their weapons for violent purposes, but for sport, self-defense, and collecting. Law en-

forcement officials spend many wasted hours regulating honest citizens, hours that could be spent cutting down crime.

This and other evidence shows not only that gun control laws do not have their desired and intended effect, but that gun control restrictions actually increase the incidence of violent crime and homicide. If we are to be successful in reducing this crime, we must attack it directly. Efforts to curb our constitutional freedom to bear arms, while possibly well-intended, are misdirected and counterproductive.

FAILURES OF 1968 ACT

For example, consider the following injustices that have come about as a result of the Gun Control Act of 1968. Most of the act permits conviction on inadvertent and unintentional violations. The Federal Firearms Reform Act would require proof of willful violation, limiting entrapment of persons without criminal intent.

Herb Van Buren, of Arizona, a gun collector, was persuaded to sell agents six firearms at several gun shows. Van Buren had no idea that, under various court decisions, this could be considered "engaged in the business" of dealing in guns, which requires a license. He clearly had no ciminal intent; he told one agent that he didn't even know anyone who would misuse a gun. He was convicted on Federal felony charges of dealing without a license.

Richard Boulin, a licensed gun dealer and private collector, veteran former policeman, was convicted of selling his private firearms without recording them in his business records. He was told by BATF agents that sales from Private collection did not need to be recorded; while he was awaiting trial, the head of BATF made this same statement in a letter to Senator Hayakawa. Boulin was convicted of an innocent act, so technical that even the director of BATF thought it was legal.

While testifying at hearings held during the 96th Congress, Acree, former Commissioner of Customs, stated that he had examined every BATF case brought over a 2-year period in much of Maryland and Virginia and that 80 percent of them involved technical charges against persons with no criminal intent.

Under the 1968 Gun Control Act, Bob Wampler, a Virginia corporate executive, had his home raided by BATF. The raid resulted in the confiscation of his 70 gun collection. Of the 70 guns apprehended, 25 were antiques, and the remainder were engraved, gold inlaid, and so forth. No criminal charges were brought. For 2½ years, Wampler kept pushing for their return; BATF at one point threatened to prosecute if he didn't let them keep the guns. Nearly 3 years later, they returned them—all without any charges being filed.

David Jewell, of Denver, CO, had a most expensive collection confiscated from his vehicle. It included a shotgun valued at $7,000 and other collector items. BATF charged him with dealing without a license. This was based on 3 sales over a period of many months. BATF dropped charges in 1978; only at the end of 1980 did they decide to return Jewell his guns.

The Reform Act would correct these injustices. Under its provisions, confiscated guns must be returned if the owner is aquitted.

The Gun Control Act of 1968 permits the Government to charge persons with inadvertent offenses, confiscate weapons based on agent opinions as to their future use, and so forth. Yet it provides no restitution to the victim of these practices, even when they are misused for oppression. In many cases where the individual secures vindication, he does so only at the price of financial ruin—or winds up letting guns be illegally kept because he cannot afford to hire an attorney to challenge the confiscation. The Reform Act would permit a judge to award attorney's fees to the citizen in a gun confiscation case if the citizen wins the return of the firearms, or in any other proceeding, if the judge finds that the Agency proceeded in an oppressive way or acted in bad faith. The following examples show why this is necessary.

Paul and Billie Hays, of New Mexico, had their shop raided by BATF. They were charged with six improper sales. Based on these six allegations, BATF also seized their entire inventory of 170 firearms, and moved to revoke their license. The jury, in a 7-minute deliberation, found the Hays' innocent. Months later, BATF decided to abandon the license revocation. But BATF is still withholding the inventory, for which the Hays must pay their creditors (its value is about $70,000), and the attorneys' fees to secure its return. The U.S. attorney indicated in writing that the Hays would have the inventory back—provided they signed away and right to sue the agents for civil rights violations.

R.C. Lindsay, of Florida, a licensed dealer, was threatened by BATF to have his license revoked because he wasn't selling enough firearms. When he told the agent this was not legal ground for revocation, the agent replied that Lindsay would have to hire an attorney to keep his license. BATF sought to revoke; Lindsay opposed and discovered that the BATF administrative judge on the case had illegally rendered a written opinion to the agents, supporting their case, before it was brought. BATF then dropped the matter. It cost Lindsay some $4,000 in legal fees to assert a plain right.

It is unthinkable that such injustices as those enumerated above should be allowed to continue, fostered by the law of the land. Change is needed, and S. 49 will provide the necessary alternation.

Let me go through a section-by-section analysis of the bill and what does "engaged in the business" mean.

SECTION BY SECTION ANALYSIS

ENGAGED IN THE BUSINESS

The 1968 Gun Control Act currently prohibits anyone from "engaging in the business" of firearms dealing without a license. In the absence of a uniform, express definition for the term "engaging in the business," hobbyists who sell a few guns out of their collection can be prosecuted for dealing without a license. Federal courts have at least two varying interpretations of "engaging in the business," both of which can subject hobbyists to criminal penalties.

The bill defines the term "engaging in the business" to cover only those involved in a "regular course of trade" with the "principal objective of livelihood and profit." S. 49 specifically excludes from licensure requirements hobbyists who make "occasional sales."

During last Congress this provision was refined to reach only its intended goals. S. 914 had been criticized for allowing pawnbrokers and department stores, like K-Mart, to avoid licensure because gun sales were not a "principal" business activity, but only a part of their overall business. This criticism was addressed in the substitute amendment in the Judiciary Committee. S. 49 now clarifies that retail outlets are subject to licensure, but specifically excludes hobbyists who make "occasional sales." Collector and hobbyists are protected under the bill while larger retail outlets are subject to the same licensure requirements as at present.

PARDONS

The Gun Control Act of 1968 currently bars any person who has been convicted of a felony from possessing a firearm. Federal courts have interpreted this to bar persons from possessing firearms who have had their criminal records expunged, who have been pardoned, or who have had their full civil rights restored pursuant to State law.

S. 49 grants authority to the jurisdiction (State) which prosecuted the individual to determine eligibility for firearm possession after a felony conviction or plea of guilty to a felony. This will accommodate State reforms enacted since 1968 which permit dismissal of charges after a plea and successful completion of a probationary period. Since the Federal prohibition is triggered by the States' conviction, the States' law as to what disqualifies an individual from firearms use should govern.

INTERSTATE SALES

The Gun Control Act currently prohibits interstate sales of firearms to anyone lacking a Federal license. A narrow exception exists allowing a nonlicensed purchaser to buy long guns from a dealer in a State contiguous to the purchaser's State of residence if both have laws authorizing such purchases.

S. 49 allows licensed individuals to sell firearms interstate if the sale were preceded by a face-to-face meeting between buyer and the dealer and if sales did not violate the laws of either the buyer's or seller's State. This will prevent interstate sales from defeating State and local gun laws. Moreover licensees are presumed to know local laws of other States as published by the Treasury Department which makes these provisions enforceable. This provision would not permit mail-order gun sales between unlicensed individuals who would not be required to keep records of the sale. The 1968 act already forbids mail-order transactions involving any unlicensed individuals.

Again, the current form of S. 49 was worked out in careful negotiations last Congress. It permits over-the-counter sales from licensed dealers to nonlicensed persons as long as the sale does not violate the law or published ordinances of either the buyer's or sellers' State. Incidentally, under this provision, if a licensed seller negotiates a sale face-to-face with an unlicensed buyer who requests that the firearm be delivered by mail, the licensed seller cannot mail the firearm directly to the unlicensed buyer, but must send it to another dealer. In any event, collectors, hobbyists, and firearm owners in general get more freedom to buy and sell over State lines than they have today.

AMMUNITION RECORDS

Under current law, a dealer who sells only ammunition must both have a Federal firearms license and keep detailed records of each transaction. These ammo records have not helped crime solution and have proved unduly burdensome.

Thus, S. 49 eliminates unnecssary licensure and record-keeping requirements for ammunition transactions. Deregulating ammo-only sales will ease regulatory burdens without harming legitimate law enforcement objectives.

PROHIBITED PERSONS

Current law contains two provisions prohibiting certain persons from exercising firearm ownership rights. These two provisions conflict; 18 U.S.C. appendix 1202 bars six classes of persons—felons, dishonorably discharged, incompetent, illegal aliens, citizenship renouncers, employees of above—from receiving or possessing firearms; 18 U.S.C. 922 prohibits four categories—felons, fugitives, drug abusers, mental defectives—from receiving, shipping, or transporting firearms.

S. 49 consolidates and reconciles the conflicting provisions. Seven classes—felons, fugitives, drug abusers, incompetents, illegal aliens, dishonorably discharged, citizenship renouncers—are prohibited from firearm possession, shipment, transportation, or receipt. S. 49 makes it a felony for "any person," not just licensed dealers, willfully to transfer a firearm to one of these prohibited persons. In this sense, the bill toughens firearm enforcement.

PRIVATE COLLECTIONS

Current law has been interpreted to forbid a dealer from selling any firearms from his private collection unless he records the sale in the same manner as business sales.

S. 49 permits a licensed dealer to sell guns from his private collection without recordkeeping as long as the firearms had been separate from his business inventory for more than a year. This puts a dealer on equal footing with other private citizens with respect to private collections. This right is restricted, however, in two important ways: First, the transfer from business inventory to private collection cannot be with intent to circumvent law; and second, the transferred firearm is deemed to still be a part of the dealer's inventory for 1 year.

INSPECTIONS

Under current law, a dealer's records and inventory can be inspected by Federal officials at any time during business hours without prior notice. There are no restrictions on the number of inspections or on the use of information gathered during these inspections. Unannounced searches have become "fishing expeditions" for inadvertent recordkeeping violations.

S. 49 permits only one warrantless compliance inspection per year after reasonable notice. Information gathered in these annual routine inspections cannot be used to criminally prosecute the dealer unless the inspection discloses sales to prohibited persons or a willful recordkeeping violation. Licensed collectors, subject currently to unlimited inspection, are specifically granted the protections of S. 49 against unlimited searches.

These restrictions only apply to compliance inspections. The primary purpose of these compliance inspections is to instruct the dealer in the operation of the law. Therefore, it is appropriate for the Federal officer to give notice of his visit to inspect the records and inventory of the dealer. Even this notice and once per year limits do not apply, however, when the Federal officers are tracing firearms or seeking evidence concerning violations by persons other than the dealer.

This type of inspection must be distinguished from searches performed with reasonable cause and a warrant. A dealer is always subject to inspections performed with a warrant when there is reasonable cause to suspect a violation of law may be found on the dealer's premises. There are no notice or frequency limitations on such searches.

GUN SHOWS

The Gun Control Act of 1968 has been interpreted to preclude a licensed dealer from conducting business anywhere except the premises listed on his license. This prevents dealers from making sales at gun shows.

Although S. 914 did not originally deal with this problem, the negotiations conducted last Congress provided firearms dealers with the right to conduct business temporarily at a site in his State other than that listed on his license. Dealers are thus authorized to make sales at gun shows. This provision, now found in S. 49, is only fair. Under current law, unlicensed persons can make sales at gun shows, but licensed dealers may not. S. 49 corrects this irregularity. The bill does not authorize Federal inspectors to inspect dealer records at any location other than that specified in the license.

The "temporary locations" specified in the bill are legitimate, organized gun shows. The bill specifically excludes any business conducted in or from a motorized or towed vehicle. Under no circumstances could this provision be construed to permit sales out of the trunk of an automobile or off of the back of a truck.

INTENT STANDARDS

Current Federal gun laws require no showing of wrongful intent—scienter—for many firearms violations. As a result, persons can be subject to harsh penalties for inadvertent or unintentional violations of a regulatory scheme. During negotiations in the 98th Congress, the administration noted that the bill's imposition of a "willful" intent standard for all firearms violations might impose unnecessary burdens on Federal law enforcement officials. Accordingly, S. 914 was amended in the Judiciary Committee in the 98th Congress to specify the state of mind requirement of "knowing" for some offenses and "willful" for others.

Thus, the bill enacts a demanding intent requirement for each violation of the 1968 Gun Control Act. Those violations generally applicable to persons possessing specialized knowledge of gun laws would require a "knowing" commission of an illegal act. Those regulatory violations susceptible of unintentional commission are governed by the higher "willful" scienter to provide more protection against inadvertent violations.

MANDATORY PENALTIES FOR FIREARM CRIMES

Current law establishes enhanced penalties of use for a firearm during commission of a felony, but allows probation and parole for these offenders.

S. 49 provides even higher penalties for use of a firearm during a Federal felony and also rules out probation and parole. The bill expands the applicability of the added penalties to include violent crimes in which a "deadly or dangerous weapon or device," including a firearm, is used.

FORFEITURE

The Gun Control Act currently permits seizure of all of a suspect's firearms, even before he is charged with a criminal violation. Because forfeiture and criminal actions are characterized by different evidentiary standards—preponderance of evidence for forfeiture and beyond a reasonable doubt for criminal violations—firearms remain subject to forfeiture even after the suspect's acquittal if authorities can show a violation is more likely than not to have occurred. Moreover, firearms may be forfeited under current law if the Federal authorities can show only that the firearms were "intended to be used" in a violation. In short, the hearings disclosed considerable evidence of the misuse of broad forfeiture powers to confiscate firearms.

Under S. 49, only specifically identified firearms, instead of whole inventories, may be seized for a violation. The bill specifies that firearms may not be forfeited in a civil proceeding after the defendant has been acquitted of criminal charges. Judiciary Committee amendments in the last Congress substituted a higher standards of review for the exclusion of the "intended to be used" language. Thus, "intent to use" a firearm to commit a felony may still trigger forfeiture, but the Federal authorities must prove their case with "clear and convincing evidence." It will not suffice to show it was more likely than not that a violation occurred. This higher standard of proof will provide much broader protection to firearms owners. Most importantly, wholesale seizures of entire firearms collections will be limited.

LICENSE REVOCATION

On the basis of allegations of wrongdoing, a licensed dealer may have his license revoked under current law even though he has been acquitted of any criminal violation. License revocation is an independent administrative process.

The bill bars revocation of a license when the revocation is based on the same acts as the criminal charges of which the dealer has been acquitted. This bar on relitigation of the same facts prevents a form of "double jeopardy."

ATTORNEY FEES

Gun owners who must sue to recover property wrongly seized by Federal authorities currently pay their own attorney's fee.

S. 49 allows a judge to award a reasonable attorney's fee to a prevailing gun owner.

REINSTATEMENT OF FIREARM RIGHTS

The Secretary of Treasury is currently granted broad discretion to reinstate or deny reinstatement of the firearm rights of an applicant who lost those rights due to an earlier violation of law. In some cases, the law does not even authorize application for relief from disabilities.

S. 49 authorizes any individual to apply for relief from disability. Relief will be granted by the Secretary if evidence indicates the applicant is not likely to pose any danger to public safety. An applicant is authorized to appeal to a Federal district court upon denial of reinstatement by the Secretary.

IMPORTATION OF FIREARMS FOR SPORTING PURPOSES

The Secretary of Treasury may under current law authorize importation of firearms specifically used for sporting purposes.

The bill changes "may" to "shall."

TRACING

In order to facilitate tracing of firearms used in violent crimes, licensed dealers currently are required to provide the Secretary of Treasury with information about specific weapons upon request. Further a dealer must report multiple handgun sales to the same person which occur within 5 consecutive business days, and if the dealer is going out of business, he must send his records to the BATF rather than destroy or otherwise dispose of them. These tracing authorities are included currently in Federal regulations.

S. 49 limits the Secretary's rulemaking authority by requiring all rules to be promulgated only after opportunity for public comment. While earlier versions of this bill removes statutory authority for the Treasury's tracing regulations, the bill was amended in the Judiciary Committee last Congress to codify the authority for Treasury to get access to records for tracing of firearms during criminal investigations. S. 49 states as well that the authority to request tracing information for dealers can never be used to establish any centralized or regional registration system for firearms or firearm owners.

PREEMPTION OF STATE LAWS

State and local laws pose a barrier to interstate travel with a firearm. Currently a firearm owner may not pass through a jurisdiction banning firearm possession or carrying in a moving van or on the way to a sporting event even if his firearm is unloaded and inaccessible.

S. 49 nullifies those State laws banning travel with a firearm as long as the firearms are unloaded and not readily accessible. This will not affect State laws that regulate carrying of loaded or concealed weapons.

CONCLUSION

This will be the first substantial reform of the Federal firearms laws since 1968. Such reform is long overdue. With regard to the effect of this bill on law enforcement, I would like to cite the reasons Mr. Ferris E. Lucas, executive director of the National Sheriffs Association, gave for his support of this legislation: "We support the removal of increased enforcement burdens which either do not hinder criminals or hinder them so indirectly as to be almost useless." Similarly Mr. Vince McGoldrick of the Fraternal Order of Police states: "We favor laws which are certain and clear, and define as concisely as possible those acts which policymakers really want published. We support firm and sure punishment for those who violate such laws. For these reasons, the Fraternal Order of Police strongly supports this legislation."

These law enforcement spokesmen make clear that S. 49 has successfully clarified many issues in the 1968 and refocused its enforcement powers on violent criminals rather than otherwise law-abiding citizens. The importance of our second amendment rights must not be overlooked in this process. The right to keep and bear arms is, as its terms indicate, "necessary to the security of a free State." It is also important to a significant cross-section of this Nation who own firearms and use them for lawful purposes. S. 49 strikes an appropriate balance between the rights of these individual gun-bearing citizens and the needs of our law enforcement community. I urge its passage.

Mr. President, I shall read a letter from Bruce E. Thompson, Jr., Assistant Secretary, Legislative Affairs, Department of the Treasury.

DEPARTMENT OF THE TREASURY,
Washington, DC.

HON. ORRIN G. HATCH,
U.S. Senate,
Washington, DC.

DEAR SENATOR HATCH: The Administration is pleased to reiterate its endorsement of S. 49, a bill "to protect firearms owners' constitutional rights, civil liberties, and right to privacy". In our view, this legislation accomplishes these goals, yet preserves the statutory foundation for law enforcement needs.

The President has endorsed the intent of the legislation with this statement: "I look forward to signing a bill that truly protects the rights of law-abiding citizens, without diminishing the effectiveness of criminal law enforcement against the misuse of firearms." Amendments relating to interstate sales, mandatory penalties, gun shows and other provisions were proposed by the Administration and were incorporated into this measure during Judiciary Committee consideration.

The Office of Management and Budget has advised that there is no objection from the standpoint of this Administration's pro-

gram to the presentation of this report to the Congress.

Sincerely,

BRUCE E. THOMPSON, JR.,
Assistant Secretary,
(Legislative Affairs).

Mr. HATCH. Mr. President, at this time I ask unanimous consent to have printed in the RECORD the statements of the representatives of the Fraternal Order of Police and the National Sheriff's Association as well as the article authored by Mr. David Caplan concerning the balance necessary to a healthy second amendment.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

STATEMENT OF VINCE MCGOLDRICK, CHAIRMAN, NATIONAL LEGISLATIVE COMMITTEE, FRATERNAL ORDER OF POLICE

Mr. Chairman, my name is Vince McGoldrick and I speak on behalf of the Fraternal Order of Police. The Fraternal Order of Police is the oldest and largest police organization in the United States. Our membership presently consists of approximately 160,000 active or retired law enforcement personnel. I myself retired after 23 years of police service, both civilian and military.

As police officers, our members have a uniquely detailed view of crime and the criminal justice system. They are among that small part of the population obligated by the law and their oaths to move against a criminal act or public danger, rather than avoid it. As a result, police officers and their families bear a disproportionate part of the burden of criminal tragedy, in the form of deaths and injuries in the line of duty. In the past decade, 1,147 law enforcement officers have been murdered in the line of duty; last year alone, over 57,000 were assaulted.

With this burden, law enforcement officials have a unique responsibility. They are the front line of law enforcement. The legislature may enact laws, the judiciary may interpret them, but it is the police officer, deputy or agent on duty who must decide whether and how they should be applied to any particular case. If the law to be enforced is restricted and clear, and covers only acts society really wants punished in every case, the application is simple. But when the law is vague, or overbroad, or really intended to be applied only in exceptional cases, it is the individual officer who must make that decision. All too often, he or she must make it without any particular guidance.

As police, we therefore favor laws which are certain and clear, and define as concisely as possible those acts which policymakers really want punished. We support firm and sure punishment for those who violate such laws. For both these reasons, the Fraternal Order of Police strongly supports S. 1030, the McClure/Volkmer bill.

S. 1030 represents a series of amendments to current federal firearm laws, chiefly the Gun Control Act of 1968. The effect of the bulk of these amendments is to reform the Gun Control Act in ways that make it more rational, more clear, more narrowed and more precise—in a phrase, more enforceable.

Many aspects of the Gun Control Act, as it exists, are enforcement nightmares. The Act outlaws, and imposes felony penalties upon, a wide range of conduct in which ordinary, honest citizens regularly engage. Under it, a transfer of a firearm to a resident of another state, in full compliance with all state laws, is a federal felony. To "engage in the business of dealing" in guns without a license is a felony—yet no section of the law tells enforcing agents just what Congress meant by that phase. To distribute ammunition to others without a manufacturer's license is a felony, although we may suppose that the law's drafters did not intend the arrest of the millions or tens of millions of law-abiding citizens who have done just that. The agent or officer who must enforce such requirements is left completely at sea when it comes to knowing just what enforcement was really intended, and sometimes even just what is legal or illegal.

Even where the commands of the law are clear, they are often irrational. A licensed dealer cannot, of course, sell to a convicted felon. A private citizen, who is guilty of a felony if he sells to a resident of another state, *can* sell to a convicted felon. One section defines five classes of people who cannot receive firearms; another defines four classes who cannot possess them. Yet, only two of those classes overlap (felons and former mental cases) and even these are defined differently in each of the two sections! The terms of the Gun Control Act are thus not only overbroad and vague, but also they are sometimes even inconsistent, arbitrary and capricious. A person charged with enforcing the law, whose decisions must be made in the field and not in a legislative hearing room, deserves better descriptions of what conduct you desire stopped and punished.

S. 1030 goes far to remedy these problems. It creates a precise definition of prohibited firearm owners, and this definition applies uniformly to private and to dealer sales, to receipt, transportation and ownership of firearms. It defines "engaged in the business", and makes it clear that Congress desires "willful" violators, and not those who accidentally transgress with innocent intent, to be arrested and prosecuted. Enforcement of the law is accordingly made less burdensome and more certain. The Fraternal Order of Police strongly supports these improvements in the enforceability of the Gun Control Act.

We also support S. 1030's efforts to increase penalties for criminal misuse of a firearm. The Gun Control Act is primarily a regulatory statute. It is not used to prosecute a murderer, rapist, or robber as such. Instead, it permits prosecutions of those who violate regulatory measures (licensing, recordkeeping, interstate sales) in the hopes that this might indirectly hinder the actual criminal. The major exception to this arrangement is found in section 924(c) of the Act, which imposes stiffer punishments upon anyone who uses or carries a firearm in commission of a federal felony. The chief problem is that the additional penalty is not a mandatory penalty—that is, the offender can receive probation or parole without limitation—unless it is a second conviction under that specific section. Since, to the best of my knowledge, no one has ever been twice convicted under 924(c), a judge who desires to give a violent federal offender probation can simply give him the additional term with probation or suspended sentence.

S. 1030 changes this, imposing a mandatory sentence—no probation, parole, work furlough or any other form of release—for use of a firearm in a federal crime against the person. The Fraternal Order of Police strongly endorses this proposal. Indeed, we as police have a personal stake in laws of this type. Studies of murders of police conducted by the Federal Bureau of Investigation have shown that for nearly three-quarters of such killers this was not their first offense. 39% had received probation or other similar leniency from the judicial system. No less that 25% were on probation or parole for past offense when they murdered the police officer. While we as law enforcement personnel are the most exposed to the recidivist, we are not the only ones at risk. An LEAA study of convicted robbers found that most were career criminals who began their criminal acts by age 14; they averaged over two prior felony imprisonments, before beginning their current robbery term. The Fraternal Order of Police therefore strongly enforces laws such as S. 1030, which seek to incarcerate serious offenders.

The Fraternal Order of Police thus considers S. 1030 to be a vast improvement over the Gun Control Act as it now exists. It clarifies, tightens and makes rational the all too often vague and inconsistent provisions of that Act. We therefore support it from our standpoint as law enforcement professionals. And we also support it as individuals. Many if not most of our members are themselves firearms owners in private life. We enjoy the safe and legitimate uses of firearms for sport and collecting and we support their necessary use for self-defense. On-duty police, who form a small part of one percent of the population, cannot be everywhere at everytime, particularly when the criminal has the advantage of picking the time and place of the offense. As firearms owners as well as law enforcement professionals, we support S. 1030's move to reorient the federal firearm laws away from the legitimate users of firearms and toward stiffer punishment for the criminal.

STATEMENT OF FERRIS E. LUCAS, EXECUTIVE DIRECTOR, NATIONAL SHERIFFS' ASSOCIATION

Mr. Chairman, my name is Ferris E. Lucas, Executive Director of the National Sheriffs' Association. As you know, I am not a stranger to the Committee on the Judiciary. Over the past couple of decades I have testified on numerous occasions before this Committee and various Subcommittees under your jurisdiction. Once again, therefore, it is my pleasure to share with the Committee the thoughts and positions of the National Sheriffs' Association which I represent, relative to S. 1030, the McClure/Volkmer Federal Firearms Owners Protection Act—which our members overwhelmingly support.

The National Sheriffs' Association promotes legislation beneficial to sheriffs nationally and to the professionalism of law enforcement so we may enjoy the preservation of life, liberty and the pursuit of happiness as these were guaranteed by the Constitution and the Bill of Rights. Further, the NSA, strongly supports the individual right to keep and bear arms as guaranteed by the Second Amendment to the Constitution.

Mr. Chairman, it is apparent that civilians need to protect themselves. There are not enough sheriffs or police officers to protect law-abiding citizens from the criminals who prey on our society. Therefore, it is no wonder that as long ago as 1972 that the National Sheriffs' Association adopted a resolution calling for mandatory sentences for persons convicted of crimes in which a firearm is used, independent of the sentence they may receive for the specific crime. It is

exactly this proposal which is incorporated in McClure/Volkmer which imposes mandatory time, without probation, parole or furlough for use of a firearm in a federal felony against the person.

The NSA represents sheriffs and deputy sheriffs of the counties of all the states in the union. We have approximately 56,000 current members of the NSA who are both active and retired members. Of our nationwide number of sheriffs, these include 3,104 active sheriffs who are in turn responsible for over 160,000 deputies. Although some of our sheriffs may be responsible for enforcing the law over areas in excess of 20,117 square miles, they receive the bare minimum of law enforcement funds to carry out their responsibilities. With these fiscal handcuffs tightening around our wrists we will be expected to do even more with even less in the coming years. The tendency of Federal, state and local authorities to continually impose more laws and provide less enforcement will make this situation continually worse. Further, there are not only the geographical strictures on our members, but also the legal ones. Evidence which a Court in retrospect decides was improperly obtained is kept out even where the officer honestly believes that he or she was acting properly. The practical effect is that an officer in the field is judged as if he or she had a law library in the trunk of the car and a law clerk in the back seat.

Gentlemen, we are here today testifying in favor of McClure/Volkmer.

Mr. Chairman, the members of the NSA are in the front line of criminal law enforcement. We are charged with the enforcement of the laws which protect our citizens against murderers, robbers, rapists, and other serious offenders who by definition prey upon society. And we deal every day with the citizens, both young and old, who have been the victims of these predators.

The laws which we enforce are not predominately regulatory ones; they are laws whose infringement inflicts directly criminal harm on our citizens. Regulatory laws, of course, may indirectly hinder criminal action and cause more work for our members, but when law enforcement resources are limited they necessarily draw resources away from enforcement which has a direct impact upon criminals and violent crime. Every law enforcement officer who is enforcing a regulatory statute, such as the Gun Control Act, means one that is not available to answer a breaking and entering call, a robbery in progress call, a rape in progress call or to provide the routine assistance to the public that so often is the case.

Accordingly, just as we support obtaining increased resources for our members, we support the removal of increased enforcement burdens which either do not hinder criminals or hinder them so indirectly as to be almost useless. McClure/Volkmer is a bill which will have exactly this impact.

For example, the existing Federal gun laws make it a felony for a private citizen to give or sell a firearm to a resident of a different state, even though this would violate the laws of neither state. This can have no logical basis; the only reason to prevent an interstate transfer is to prevent the evasion of local laws and if there are no local laws, why is this a federal issue?

A McClure/Volkmer would take care of this by prohibiting interstate sales only where it would violate the laws of where the sale was made or where the buyer resides.

Lastly, another very important provision of McClure/Volkmer is the addition of the word "willful" to the section outlining the criminal penalties. As it is the most technical violation, committed with the most innocent intent, is as serious a violation as any other. This bill would require that a violation be "willful", committed with a criminal intent, before it can be federally punished. The NSA strongly endorses the addition of "willful" to this section.

The only argument for permitting federal prosecution of an unintentional violation is it is too much work for federal agents to ascertain whether the individual acted with illegal intent. Our members, who every day enforce criminal statutes requiring far more detailed proof of intent of this (the requirement of premeditation and malice of forethought for murder is the most obvious one) do not consider this realistic. Frankly, if you have the resources to prosecute unintentional technical violators of the Gun Control Act, give them to our members, and we will use them instead to prosecute murderers, rapists, armed robbers, and burglars.

The voice of the people is the supreme law. If law enforcement is to have a voice in the future of America, it must make that voice heard in the Halls of Congress and in state and local legislatures across America. Won't you cooperate with us? It is time to consider a change. We believe McClure/Volkmer is the needed change at the needed time.

Thank you.

Restoring the Balance: The Second Amendment Revisited

(David I. Caplan*)

I. Introduction

A multitude of bills is pending in Congress on the subject of firearms control.[1] These bills have various purposes, ranging from repeal of the Gun Control Act of 1968[2] to prohibition of private possession of virtually all handguns.[3] Some of these bills also provide for the registration and licensing of all long guns.[4] However, the regulatory and prohibitory provisions of these measures fail to take into account the fundamental role that the private keeping of arms plays in the consititutional system of checks and balances.

The second amendment provides: [5]

"A well-regulated Militia being necessary to the security of a free State, the right of the people to keep and bear arms shall not be infringed."

Underlying this amendment are the twin goals of individual and collective defense from violence and aggression, goals which have been recognized by Congress.[6] This Article will demonstrate that current efforts to limit firearms possession to the organized militia[7] undermine these goals and that the theories behind such efforts do not stand the test of constitutional history.

II. Common Law and Colonial Development

During the reign of King Edward III, Parliament enacted the Statute of Northampton,[8] which forbade persons to carry weapons in public places. However, by the seventeenth century, the English courts had adopted a narrow reading of the statute and required proof that the carrying of arms had been for the purpose of "terrify[ing] the King's subject." [9] British law also recognized a "general Connivance [encouragement by forebearance to condemn] to Gentlemen to ride armed for their Security." [10]

However, beginning with the reign of King Charles II in the seventeenth century, the right to bear arms became more restricted. At first, only persons who owned lands of a yearly value of at least £100 were permitted to keep a gun.[11] Later developments included the disarming of Protestant subjects (while Catholics retained the right to bear arms) and the quartering of Catholic solders in Protestant homes.[12] Such use of disarmament as a means of enabling one social or economic class to suppress another was among the grievances which led to the Glorious Revolution of 1688,[13] the rise of William and Mary to the throne, and the enactment of the English Bill of Rights.[14]

The English Bill of Rights provided "that the subjects which are Protestants may have arms for their defence suitable to their conditions and as allowed by law." [15] Since the United States Supreme Court has often looked to English court decisions as an aid to interpreting the American Bill of Rights,[16] it is helpful to see how the English courts construed this provision. In *Rex v. Dewhurst*,[17] the trial judge instructed the jury that [18] "[The Bill of Rights] . . . provides that, "The subjects which are Protestant may have arms for their defence suitable to their conditions, an as allowed by law." (. . .). But are arms suitable to the condition of the people in the ordinary class of life, and are they allowed by law? A man has a clear right to arms to protect himself in his house. A man has a clear right to protect himself when he is going singly or in a small party upon the road where he is traveling or going for the ordinary purposes of business. But I have no difficulties in saying you have no right to carry arms to a public meeting, if the number of arms which are so carried are calculated to produce terror and alarm. . . ."

Thus, by 1820 the "general Connivance to Gentlemen to ride armed for their Security," which had pre-dated the English Bill of Rights had matured into a right of every person to carry arms in a quiet and peaceful manner.

The English commentators are in near-unanimous accord with this view. In his *Institutes of the Laws of England*, Sir Edward Coke wrote that "one is allowed to repel force with force" [19] and "the laws permit the taking up of arms against armed persons." [20] Similarly, Hawkins' *Pleas of the Crown* [21] stated the common law rule to be that "every private person seems authorized by the Law to arm himself for [various] purposes." [22] Among these purposes were the "killing of dangerous rioters" [23] who could not otherwise be suppressed and individual and collective defense against such persons.[24] In his *Commentaries on the Laws of England*,[25] Sir William Blackstone articulated the strong and clear common law tradition in favor of the citizen's right to possess and carry arms for individual self-preservation and collective defense. He listed the right of "having and using arms for self-perservation and defense" [26] among the "absolute rights of individuals." [27] It is noteworthy that our founding fathers considered Blackstone's *Commentaries* an authoritative exposition of the common law.

Accordingly, under British law at the time the American colonies separated from the Crown, a clear individual right to carry arms in a non-threatening manner existed; the only prior restraints on this right were the subsequently abandoned restrictions based on property ownership [28] and religion.[29] By 1776, British law recognized the "universal citizen's right to bear defensive arms, and . . . the [English Bill of Rights of 1689] established a general right on the part

*Footnotes at end of article.

of all persons in England, falling within the classification of citizens, to retain arms for their protection and according to their condition, subject only to a reasonable control by law." [30]

The enactment of the English Bill of Rights, with its guarantee of the right to bear arms, was a reaction to the use of disarmament as a technique for economic or religious suppression. However, the same protection was not extended to British subjects in North America. A basic cause of the American Revolution was the failure of the Crown to grant the colonists all of the common law rights of Englishmen,[31] including the right to possess arms. In Massachusetts Bay Colony, the cradle of the revolution, the colonists complained of deprivations of this right and of the repeated efforts of the British Governor, General Gage, to prevent the formation of a militia by the tactic of disarming the colonists and confiscating their stores of arms.[32] One notable confiscation took place at Lexington, Massachusetts.[33] The Crown's arms-confiscation schemes effectively thwarted any attempt by the legislative Assembly of Massachuetts to form a people's militia, thus leaving the colonists largely defenseless against acts of oppression and terrorism by the standing British army.[34] Mass arrests of disarmed colonists were perpetrated by British soldiers, who committed illegal searches, break-ins, and raids on colonists' homes, under the pretext of the infamous General Writs of Assistance.[35] As former Chief Justice Warren noted: [36]

"Among the grievous wrongs of which [the colonists] complained in the Declaration of Independence were that the King had subordinated the civil power to the military, that he had quartered troops among them in times of peace, and that through his mercenaries he had committed other cruelties. Our War of the Revolution was, in good measure, fought as a protest against standing armes. Moreover, it was fought largely with a civilian army, the militia, and its great Commander-in-Chief was a civilian at heart."

Unilateral disarmament of the people thus enabled the British standing army to impose police state despotism on the colonists and set the stage for the American revolution.

III. THE SECOND AMENDMENT: LEGISLATIVE HISTORY

Hard-won independence did little to allay colonial suspicions concerning the role of standing armies. Indeed, fears of monarchy or military despotism [37] ". . . were uppermost in the minds of the Founding Fathers when they drafted the Constitution. Distrust of a standing army was expressed by many. Recognition of the danger from Indians and foreign nations caused them to authorize a national armed force begrudgingly."

These apprehensions led the framers of the Constitution to formulate carefully their concept of the militia and of the role of firearms in the national defense. The Constitution conferred upon Congress the power "[t]o provide for organizing, arming and disciplining the Militia, and for governing such Part of them as may be employed in the Service of the United States. . . ." [38] This limitation of congressional authority to that *part* of the militia as may be in federal service indicates the existence of a residual unorganized or "reserve militia of the United States." [39] Although the Constitution provided for an organized people's militia (*i.e.*, "civilians primarily, soldiers on occasion . . . bearing arms supplied by themselves"),[40] there was a gnawing fear among the populace that the federal government might neglect to bring about the formation of such a militia,[41] thus exposing their newly-won rights to the mercy of the standing army. Furthermore, the framers were conscious of the abuses that any professional armed body in the employ of government might visit on the people.

In *The Federalist No. 24*,[42] Hamilton stressed that any "permanent corps in the pay of government amounts to a standing army in time of peace; a small one indeed, but none the less real for being small."[43] However, Hamilton was equally aware that some standing armed force was required to guard the "Western frontier,"[44] and conceded that a civilian "select corps of moderate size"[45] would be maintained and that the "people at large [would be] properly armed"[46] in order to serve as fundamental checks against the standing army, that most dreaded of institutions. It is this "select corps" which we know as the "organized militia," while the "people at large" constitute the "unorganized militia."[47]

The deterrent effect of an unorganized militia would be significant, however, only if coupled with a clear and unequivocal right of the people to have and bear arms. Thus: [48]

"Despite [all] safeguards, the people were still troubled by the recollection of the conditions that prompted the charge of the Declaration of Independence that the King had "effected to render the military independent and superior to the civil power." They were reluctant to ratify the Constitution without further assurances, and thus we find in the Bill of Rights Amendments 2 and 3, specifically authorizing a decentralized militia, guaranteeing the right of the people to keep and bear arms, and prohibiting the quartering of troops in any house in time of peace without the consent of owner."

Five of the eleven states which originally ratified the Constitution in 1789 submitted amendatory proposals dealing with the right to keep and bear arms.[49] This compares with only five state proposals for a free press amendment [50] and only three for a free speech amendment.[51] The spirit of such proposals was unmistakeable; for example, the New Hampshire ratifying convention advanced a proposal which provided that "Congress shall never disarm any citizen [except] such as are or have been in Actual Rebellion." [52] Moreover, the wording of other state proposals closely paralleled their proposals regarding the individual freedoms of press and speech.

James Madison's proposals for what was to become the second amendment contained a qualification that "no person religiously scrupulous shall be compelled to bear arms." [53] This proviso was met with vehement opposition from Congressman Elbridge Gerry of Massachusetts,[54] later a Governor of that state and a Vice-President of the United States. Gerry feared that this clause created an opportunity for those in power to define arbitrarily the persons who were "religiously scrupulous" and thereby to prevent them from bearing arms.[55] Gerry made several important points. First, the second amendment should secure the people against maladministration by government. The keeping of arms by the people in their homes and places of business would serve as a check against the possibility of arbitrary federal exercise of power.[56] Second, the government should not be permitted to declare who would or would not be able to bear arms on the basis of vague religious tests or any other nebulous standard or artifice.[57] Third, the people's ability to organize the militia would be guaranteed and strengthened by their prior anonymous keeping of arms, thus obviating the possibility of arms confiscations similar to those previously conducted in Massachusetts Bay Colony.[58] Fourth, the people's right to keep arms should not depend upon the actual existence of an organized militia, since the Congress could, at its descretion, terminate the organized militia or allow it to become depleted or even non-existent.[59] In sum, Gerry asserted, the right of the people to keep and bear arms for peaceful purposes should be a real and unrestricted one.

The Constitution, by providing that the people at large would always have arms in their hands, wisely prepared the people to answer the call of the state governments to protect the people's rights from intrusions by the standing army.[60] Protection of the people against possible invasions of liberty by state governments was another consideration. However, Hamilton, in *The Federalist No. 28*,[61] continued to indicate that the armed people, "by throwing themselves into either scale, would infallibly make it preponderate" [62] in the event of either federal or state invasion of rights. Viewed against this historical and legislative background, it is realistic to argue that the framers intended the "well-regulated" militia contemplated by the second amendment to be well-regulated (well-controlled or well-ruled) *by the right of the people to keep and bear arms.* As Madison pointed out in *The Federalist No. 46*,[63] the "advantage of being armed" and the concomitant ability to form a militia when needed provide the American people with "a barrier against the enterprises of [despotic] ambition." [64]

The right to keep and bear arms having been established, one further notion must be made clear; namely, that the first Congress, in enacting the second amendment, intended to create a right to keep and bear arms apart from the exigencies of militia service.[65] The proposal for what was to become the second amendment initally stated that a well-regulated milita was the "best" security of a free state, but this was later amended to read "necessary" to the security of a free state.[66] It is important to note that the Congress did not advance a proposal which would have held a well-regulated militia to be "sufficient" to the security of a free state.[67] Quite to the contrary, the first Congress recognized that the ordinary processes of law might not offer sufficient protection to the people during the period between the outbreak of violence and the mobilization of the organized militia. The right to keep and bear arms for purposes other than militia service thus seems to have been clearly contemplated by the second amendment. Furthermore, since the Congress considered the militia to be a "necessary" but not "sufficient" instrument for safeguarding the freedom of the nation, it seems unlikely that they would devote an article of the Bill of Rights exclusively to considerations touching upon the militia.

Nor did the first Congress intend the second amendment to serve as a grant of militia power to the states. In *Huston v. Moore*,[68] the Supreme Court pointed out that the power of the states to maintain their own organized militias pre-dated the Constitution, and only the Article I provision which forbids the states to keep troops

in time of peace without congressional consent limited this power. The Court noted: [69]

"But as [to] state militia, the power of the state governments to legislate on the same subjects, having existed prior to the formation of the Constitution, and not having been prohibited by that instrument . . . remains with the states, subordinate nevertheless to the paramount law of the [Federal] government, operating upon the same subject."

The New York Court of Appeals, in *People ex rel. Leo v. Hill,*[70] was even more explicit: [71] "The power to control and organize the militia resided in the several states at the time of the adoption of the Constitution of the United States and was not taken away by that instrument . . . . The system has grown up and prevails in most of the states of organizing therein under state authority certain bodies of men out of the great body of the militia, as a uniformed force known as the 'National Guard.' They are a part of the militia of the state."

Both courts looked to the body of the Constitution in affirming the states' militia power; neither mentioned the second amendment. These cases established two things: (1) the power of the states to organize militias independently of the second amendment; and (2) the existence of the "unorganized militia," which comprises all citizens "physically capable of acting in concert for the common defense."[72]

A motion was introduced in the first session of the United States Senate to amend the proposal for what later became the second amendment by inserting the qualifying phrase "for the common defence" after the words "to bear arms." The motion was soundly defeated,[73] thus indicating an early congressional intent that the right to bear arms not be limited to the necessities of common defense.[74] A principal reason for the unwillingness of the Congress to delimit the right to bear arms stems from their familiarity with the writings of Blackstone, whom they considered an authoritative source regarding the rights recognized at common law.[75] Blackstone wrote of the "absolute right of individuals"[76] to "hav[e] and us[e] arms for self-preservation and defense," [77] and noted that this right had been secured by the English Bill of Rights of 1689. The individual citizen, said Blackstone, was entitled to exercise his "natural right of resistence and self-preservation, when the sanctions of society and laws [were] found insufficient to restrain the violence of oppression." [78]

IV. THE MILLER CASE AND JUDICIAL INTERPRETATION OF THE SECOND AMENDMENT

The Supreme Court has examined the scope and purposes of the second amendment only once in the twentieth century. In *United States v. Miller,*[79] defendants had been charged with illegal transportation of a sawed-off shotgun in violation of the National Firearms Act of 1934.[80] They demurred to the charges on second amendment grounds, and the district court dismissed the action.[81] Defendants were released from federal custody and promptly disappeared. On direct appeal by the government, the Supreme Court reversed, stating that there was no evidence that a sawed-off-shotgun had any "relationship to the preservation or efficiency of a well regulated militia" [82] and that defendants' second amendment defense was thus without merit. The Court further declared that it could not say "that the Second Amendment guarantees the right to keep and bear such an instrument," [83] since such a weapon could not be judicially assumed to be "ordinary military equipment or that its use could contribute to the common defense." [84]

While the Court in *Miller* clearly implied that there was indeed a category of arms such that "the Second Amendment guarantees the right to keep and bear such an instrument" [85] its overall approach must be colored by its dictum that the second amendment must be "interpreted and applied with that end [a well-regulated militia] in view." [86] This conclusion, and indeed, the very development of the *Miller* opinion suffered from several shortcomings of a fundamental nature.

Defendants did not appear and were not represented before the Supreme Court,[87] the Court therefore did not benefit from the vigorous presentation of conflicting views which is considered a basic advantage of our adversary system of justice. The case was argued solely by government attorneys, who failed to alert the Court to the existence of several holdings clearly in favor of the individual's right to keep and bear arms independently of militia participation. For example, the government cited two nineteenth century North Carolina cases [88] in its brief, without mentioning that they were effectively explained by a twentieth-century decision of the North Carolina Supreme Court [89] which held a pistol-licensing statute to be an infringement of the state constitution's guarantee that law-abiding citizens could not be forbidden to carry "their pistols . . . openly and protect their persons and their property from unlawful violence without going before an official and obtaining a license and giving bond." [90] More importantly, while the government cited an 1871 Tennessee Supreme Court case in support of its position,[91] it neglected to mention the view of the Tennessee Attorney General that the right to keep and bear arms was "not a civil right"; [92] the Court rejected this view and stated the right to be instead "a private individual right, guaranteed to the citizen, not the soldier." [93]

While the *Miller* Court made it clear that the scope of the "militia" clause of the second amendment was to be derived from the debates in the Constitutional Convention, the "history and the legislation of Colonies and States, and the writings of approved commentators," [94] the Court failed to mention any common law or second amendment legislative history in its opinion. Again, if there had been an opposing brief filed, the Court might have been better informed of the relevant material.

Perhaps as a result of this uneven presentation, the Court cited only a single case in support of its position that second amendment protection was limited to weapons of ordinary military warfare or whose use could contribute to the common defense. The Supreme Court of Tennessee decided that case, *Aymette v. State,*[95] nearly a century earlier than *Miller,* solely on the basis of its constitutional provision on the right of a free citizenry to keep and bear arms.[96] However, this clause was then, as now, explicitly limited by the qualification "for their common defense" [97] and the *Aymette* court took careful note of that qualification.[98] Yet the first Senate of the United States *defeated* a proposal to limit the second amendment right to the purposes of common defense.[99] Moreover, today only four state constitutions contain a "common defense" limitation to the right to keep and bear arms.[100] Of the thirty-five states which now have explicit constitutional provisions on the right to keep arms, thirteen clearly refer to the individual's right to keep and bear arms for defensive purposes,[101] while five state constitutions protect the individual's right to keep arms for the defense of his home, person and property.[102] Twelve states have found it necessary to add a state constitutional proviso to the effect that the state legislature may regulate or forbid the carrying of concealed (but not merely concealable) weapons,[103] thus suggesting an individual right to keep and carry arms openly even if these arms are concealable.

The government brief in the *Miller* case quoted from *Aymette* at length.[104] However, counsel for the government did not mention or comment on what was perhaps the most significant point made by the *Aymette* court: [105] "The citizens have the unqualified right to *keep* the weapon, it being of the character before described as being intended by this provision [ordinary military equipment under state constitutional provision on right to keep and bear arms). But the right to *bear* arms is not of that unqualified character."

Further examination reveals that other portions of the *Aymette* opinion, limiting the right to bear arms to collective purposes only (and heavily relied upon in the government's *Miller* brief), had been largely rejected by subsequent Tennessee authorities. In 1866, the Tennessee Supreme Court declared that the confiscation of guns in the hands of the citizenry by the secessionist state government during the civil war had been a flagrantly unconstitutional attempt to "disarm the people by legislation." [106] In *State* v. *Foutch,*[107] an 1896 decision, that same court upheld a citizen's constitutional right to use a pistol to shoot an armed intruder in his home and declared: [108] "under our constitution, *every citizen* of the state has the right to keep and bear arms for his proper defense. . . . He has a right also to protect his own house and family. . . .

Most significantly, just eleven years prior to the *Miller* decision, the Tennessee Supreme Court held unconstitutional a Chattanooga city ordinance which banned the carrying of any sort of pistol in any manner.[109] Clearly, the courts of Tennessee recognized the legitimacy of non-militia arms possession; the requirement in *Miller* that the weapons bear some significant relationship to militia activities seems ill-supported by the precedent cited.

As a consequence of the failure of government counsel to direct the Supreme Court's attention to the subsequent treatment of the right to keep and bear arms in Tennessee, and the failure of the Court to consider the legislative history of the second amendment, the *Miller* case should be narrowly read, even assuming that the Court decided it correctly. In *Cases* v. *United States,*[110] decided shortly after *Miller,* the Court of Appeals for the First Circuit suggested that the *Miller* holding be confined to its particular facts. Defendant in *Cases* was charged with violating the Federal Firearms Act of 1938; he interposed a second amendment defense. Although the court sustained the constitutionality of the Act, it did discuss the *Miller* case and stated "we do not feel that the Supreme Court . . . was attempting to formulate a general rule applicable to all cases." [111] One major objection to the *Miller* holding has been its lack of a clear standard for determining when the keeping and bearing of arms will be given second amendment protection. As one commentator has noted,[112] "The arms that the *Miller* case refers to must be given a technical meaning and construed to be only the normal ones

that a citizen of today would be expected to keep and bear for the common defense or to maintain the public security, such as rifles, shotguns, and certain types of handguns."

In any event, contrary to the widespread popular belief that the Supreme Court of the United States has definitively spoken on the issue of the constitutionality of gun-control legislation, the issue remains far from settled, even in the view of impartial authorities.

Miller furnishes scant support for the argument that the second amendment should be limited to a collective, rather than individual, right to keep and bear arms. Rather, the amendment guarantees both a collective and a private individual right to the citizen. It has been argued that the term "right of the people" in the second amendment refers exclusively to collective and not individual rights.[113] However, the first amendment's "right of the people peaceably to assemble, and to petition . . ."[114] has been repeatedly held by the Supreme Court to guarantee an individual and not merely a collective right.[115] The fourth amendment's "right of the people to be secure in their persons, houses, papers, and effects, against unreasonable searches and seizures"[116] has likewise been held to guarantee an individual right.[117] The ninth amendment's "rights . . . retained by the people"[118] has also been held to refer to individual rights.[119] In these uses of the phrase "right of the people" in the Bill of Rights reference to individual rights and *not* to states' rights (or powers) has repeatedly been upheld. Indeed, the tenth amendment makes this distinction between individual rights and states' rights even more sharp by stating: "The powers not delegated to the United States by the Constitution, nor prohibited by it to the States, are reserved to the States respectively, or to the people."[120] Thus, contemporary attempts to restrict the second amendment's right of the people to keep and bear arms to a collective right, or to a right of the states to maintain an organized militia, pose a threat to the rest of the Bill of Rights.

V. THE NINTH AMENDMENT AND THE RIGHT TO KEEP ARMS

Many of the founding fathers opposed enactment of an explicit Bill of Rights because they feared that an enumeration of particular rights might work to disparage others that were not included in such a document.[121] Accordingly, James Madison proposed what was to become the ninth amendment:[122] "The enumeration in the Constitution, of certain rights, shall not be construed to deny or disparage others retained by the people."

It would seem that any restriction of the right to keep and bear arms to the organized militia is violative of both the letter and the spirit of the ninth amendment. The private individual right to keep and bear arms both for individual self-defense as well as for the common defense (militia service) thus appears to be guaranteed by the Bill of Rights in its totality.

VI. MODERN SECOND AMENDMENT ISSUES

Although many people today believe that the organized militia (*i.e.*, the National Guard) is sufficient to gurarantee the security of a free state, it should be borne in mind that it is the President who is Commander-in-Chief of the National Guard,[123] and that he may order it "federalized" at any time.[124] Moreover, the federal government, through the Secretary of the Army, retains full ownership and control of all National Guard weapons, conducts a yearly inspection and inventory of all such property "held by the Army National Guard,"[125] and keeps a list of all "members of the Army National Guard."[126]

The founding fathers did not appear to intend that the National Guard, subject as it is to centralized federal control, be the sole repository of the second amendment's "security of a free State." In particular, the potential ability of a usurping President to obtain the arms and records of the National Guard cripples the Guard's effectiveness as a strong moral check against arbitrary government. The President is privy to all data concerning the placement and distribution of all National Guard arms, thus making possible—indeed, feasible—their quick confiscation by the armed forces. This is precisely the possibility that the framers sought to prevent when they enacted the second amendment. They were all too familiar with, previous British confiscations of organized militia stores (especially the infamous Lexington incident),[127] and they recognized the consequent need for the keeping of arms by the people at large *anonymously.* Such weapons could not be "called up" or confiscated by the federal authority.

The founding fathers were, after all, revolutionaries who had seen that the success of the American Revolution was in no small part attributable a militia action, some of it in the nature of guerrillatype warfare. In striving to protect the "security of a free state" from tyranny, the second amendment draftsmen apparently believed that the private keeping of arms played a significant role in deterring any Presidential attempts at usurpation.[128] While some writers have questioned the utility and effectiveness of private arms in resisting the power of a modern army,[129] the unwelcome but likely prospect of urban guerrilla warfare[130] would tend to make the idea of usurpation singularly unattractive. The deterrent effect is largely psychological, but ultimately physical.[131]

It is therefore abundantly plain that the founding fathers recognized the type of danger incident to the registration of arms; the second amendment seeks to curtail the possibility of widespread or politically selective confiscation. Thus, any type of gun control legislation, especially at the federal levels, appears to be at odds with the intent of the second amendment. As one commentator has noted.[132] "The prohibition of the second amendment is general. No clause in the Constitution could by any rule of construction be conceived to give to congress a power to disarm the people. Such a flagitious attempt could only be made under some general pretence by a state legislature. But if in any blind pursuit of inordinate power, either should attempt it, this amendment may be appealed to as a restraint on both."

To say that the people have a right to keep arms, unregulated by government, is not to say that the people have a right of insurrection or a right of secession from the irrevocable "compact" formed by the constituent act of adopting the Constitution.[133] Nor, as Alexander Hamilton warned, does the right to keep and bear arms mean that the people are supposed to "rush tumultuously to arms."[134] But what it does mean is that the people are to be allowed by government to retain the ability to obtain, keep, and practice with arms, in order that they may always be in a position to exercise their right of self-preservation and defense, as well as to join and serve effectively in the appropriate militia to restore the Constitution, should the need ever arise.

The keeping of arms by the individual citizen has been aptly called "the palladium of the liberties of a republic."[135] Indeed, as Mr. Justice Brandeis noted in his dissenting opinion in *Olmstead v. United States*:[136] "Experience should teach us to be most on our guard to protect liberty when the Government's purposes are beneficient. Men born to freedom are naturally alert to repel invasion of their liberty by evil-minded rulers. The greatest dangers to liberty lurk in insidious encroachment by men of zeal, well-meaning but without understanding."

The record-keeping and inspection provisions of present federal gun-control statutes[137] enhance the probability of government-sponsored arms confiscation and usurpation of power. This is precisely what the second amendment sought to prevent. In considering gun-control legislation, both existing and proposed, it should be borne in mind that this nation is founded under a Constitution that, in the words of Mr. Justice Story "was to endure through a long lapse of ages, the events of which were locked up in the inscrutable purposes of Providence."[138]

FOOTNOTES

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[1] Almost two hundred bills relating to gun control were introduced in the Senate and House during the 94th Congress. *See, e.g.,* S. 2153, 94th Cong., 1st Sess. (1975) (proposal for control of handguns in high crime areas); S. 2152, 94th Cong., 1st Sess. (1975) (creation of a Firearms Safety and Control Administration to consolidate certain law enforcement functions); S. 1880, 94th Cong., 1st Sess. (1975) (proposal to ban "Saturday Night Special" handguns, providing for FBI checks on handgun purchases, and limitation of private purchases of handguns to two per year); S. 1447, 94th Cong., 1st Sess. (1975) (proposal for national registration and licensing of handguns, a ban on handguns with barrels less than six inches in length, and a handgun bounty program); S. 750, 94th Cong., 1st Sess. (1975) (proposal to ban handguns except those used for military and law enforcement purposes, and those possessed by federal licensees, antique collectors, and pistol clubs); H.R. 10442, 94th Cong., 1st Sess. (1975) (establishment of national handgun tracing center); H.R. 706, 94th Cong., 1st Sess. (1975) (prohibition of sale of handguns determined to be unsuitable for lawful sporting purposes); H.R. 626, 94th Cong., 1st Sess. (1975) (provision for systematic handgun registration); H.R. 267, 94th Cong., 1st Sess. (1975) (prohibition of "Saturday Night Specials"); H.R. 40, 94th Cong., 1st Sess. (1975) (House version of S. 750, *supra*).

[2] 18 U.S.C. §§ 921-28 (1970). A measure which would repeal the Act is S. 141, 94th Cong., 1st Sess. (1975).

[3] S. 750, 94th Cong., 1st Sess. (1975).

[4] H.R. 9815, 94th Cong., 1st Sess. (1975).

[5] *See generally* Feller & Gotting. *The Second Amendment: A Second Look,* 61 Nw. U. L. Rev. 46 (1966); Hays, *The Right to Bear Arms, A Study in Judicial Misinterpretation,* 2 Wm. & Mary L. Rev. 381 (1960); Comment, *The Right to Keep and Bear Arms; A Necessary Constitutional Guarantee or an Outmoded Provision of the Bill of Rights?,* 31 Albany L. Rev. 74 (1967); Note, *The Right to Bear Arms,* 19 S. Car. L. Rev. 402 (1967).

[6] For example, the preample to the Gun Control Act of 1968, Pub. L. No. 90-618, § 101, 82 Stat. 1213 provided:

"The Congress hereby declares that the purpose of this title is to provide support to Federal, State, and local law enforcement officials in their fight against crime and violence, and it is not the purpose of this title to place any undue or unnecessary

Federal restrictions or burdens on law-abiding citizens with respect to the acquisition, possession, or use of firearms appropriate to the purpose of hunting, trapshooting, target shooting, *personnel protection*, or any other lawful activity, and that this title is not intended to discourage or eliminate the private ownership or use of firearms by law-abiding citizens for lawful purposes, or provide for the imposition by Federal regulation of any procedures or requirements other than those reasonably necessary to implement and effectuate the provisions of this title." *Id.* (emphasis added).

[7] *See, e.g., S. 750, 94th Cong., 1st Sess. (1975), Senator James Allen (D., Ala.) recently described Congress' changing attitude with respect to gun control:*

"Initially, the focus of legislative proposals was on eliminating mail-order traffic in handguns. Over the years, however, a number of groups and individuals began gradually to press for more restrictive measures. By 1968, several Members of Congress were advocating both national registration of guns and national licensing of gun owners. And since that time, literally hundreds of gun control bills have been introduced in Congress.

"Most of the gun control proposals of the previous Congresses have been reintroduced in the 94th Congress. The general thrust of these pending bills in varying combination is: . . . Sixth. Prohibition of the private possession of any handgun." 121 CONG. REC. S. 22280 (daily ed., Dec. 16, 1975).

[8] 2 Edw. 3, C.3 (1328).

[9] Rex v. Knight, 87 Eng. Rep. 75, 76 (K.B. 1686) (Comb. at 38, 39). *See also* King v. Smith, 2 Ir. R. 190 (K.B. 1914).

[10] Rex v. Knight, 87 Eng. Rep. (K.B. 1686) (Comb. at 39).

[11] See Aymette v. State, 21 Tenn (2 Humph.) 119, 121 (1840).

[12] Id.

[13] See Note, The Right to Bear Arms, 19 S. Car. L. Rev. 402, 403-04 (1967):

"In England, the great pressure for a people's right to organize a militia arose in response to the attempts of Charles II (1660-1685) to maintain a standing army of 5,000. His successor, James II (1685-1688) increased the troop strength to 30,000, used them to suppress Monmouth's rebellion and as a consequence . . . , deprived many Protestant militiamen of arms."

[14] 1 W. & M., sess. 2, c. 2 (1688).

[15] Id., sess. 2, ¶ 7.

[16] See, e.g., Calero-Toledo v. Pearson Yacht Leasing Co., 416 U.S. 663, 680 (1974) (common law on forfeitures governs fifth and fourteenth amendment taking of private property clauses); United States v. Robinson, 414 U.S. 218, 225, 230 (1973) (fourth amendment on searches); Benton v. Maryland, 395 U.S. 784, 795 (1969) (fifth amendment on double jeopardy); Murphy v. Waterfront Comm'n, 378 U.S. 52, 57, 66, 77 (1964) (fifth amendment on self-incrimination).

[17] 1 State Trials, New Series 529 (1820).

[18] Id. at 601 (citation omitted).

[19] 1, E. Coke, Institutes of the Laws of England 162a (Johnson & Warner ed. 1812) (Eng. transl.)

[20] 2 E. Coke, Institute of the Laws of England 574 (Johnson & Warner ed. 1812) (Eng. transl.)

[21] 1 Hawkins, Peas of the Crown, ch. 28, § 14 (7th ed. 1795).

[22] Id.

[23] Id.

[24] Id.

[25] 1 W. Blackstone, Commentaries *144.

[26] Id.

[27] Id. at *121.

[28] *See* text accompanying note 11 *supra*.

[29] *See* text accompanying note 12 *supra*.

[30] *See* People *ex rel.* Ferris v. Horton, 147 Misc. 506, 508-09, 264 N.Y.S. 84, 88 (Otsego County Ct. 1933).

[31] *See, e.g.*, 1 SCHWARTZ, THE BILL OF RIGHTS: A DOCUMENTARY HISTORY, 215, 217 (1971). Declaration and Resolves of the First Continental Congress, 1774: "Resolved, . . . [t]hat the respective colonies are entitled to the common law of England, and more especially to the great and inestimable privilege of being tried by their peers of the vicinage, according to the course of that law." *Id.*

[32] *See* 2 SCHWARTZ, THE BILL OF RIGHTS: A DOCUMENTARY HISTORY 1107-08 (1971); FELLER & GOTTING, *The Second Amendment: A Second Look*, 61 NW. U. L. REV. 46, 52 n.30 (1966).

In the "Declaration of the Causes and Necessity of Taking Up Arms" delivered on July 6, 1775 at the Continental Congress, the colonial representatives described Governor Gage's arms' confiscation program in Boston:

"The inhabitants of Boston confined within that town by the general their governor, and having, in order to procure their dismission, entered into a treaty with him, it was stipulated that the said inhabitants having deposited their arms with their own magistrates, should have liberty to depart, taking with them their other effects. They accordingly delivered up their arms, but in open violation of honour, in defiance of the obligation of treaties, which even savage nations esteemed sacred, the governor ordered the arms deposited as aforesaid, that they might be preserved for their owners, to be seized by a body of soldiers; detained the greatest part of the inhabitants in the town, and compelled the few who were permitted to retire, to leave their most valuable effects behind.

"By this perfidy wives are separated from their husbands, children from their parents, and the aged and the sick from their relations and friends, who wish to attend and comfort them, and those who have been used to live in plenty and even elegance, are reduced to deplorable distress." *Id., reprinted in* Documents Illustrative of the Formation of the Union of the American States, H.R. Doc. No. 398, 69th Cong., 1st Sess. 14-15 (1927).

[33] *Id.*

[34] *See generally* Declaration of the Causes and Necessity of Taking Up Arms, reprinted in Documents Illustrative of the Formation of the Union of the American States 10-17 (69th Cong., 1st Sess., H.R. Doc. No. 398 (1927)), *quoting* 1 *Journal of* [Continental] *Congress*.

[35] *See generally* 2 STORY, COMMENTARIES ON THE CONSTITUTION 647, § 1901, n.(c). (5th ed. 1891).

[36] Warren, *The Bill of Rights and the Military*, 37 N.Y.U. L. REV. 181, 183-84 (1962).

[37] *Id.* at 184.

[38] U.S. Const., art. I, § 8, cl. 16.

[39] Presser v. Illinois, 116 U.S. 252, 265 (1886).

[40] United States v. Miller, 307 U.S. 174, 179 (1939).

[41] T. Cooley, THE GENERAL PRINCIPLES OF CONSTITUTIONAL LAW IN THE UNITED STATES OF AMERICA 298 (3rd ed. 1898).

[42] The FEDERALIST No. 24 (Mentor ed. 1961) (A. Hamilton).

[43] *Id.* at 161.

[44] *Id.*

[45] The FEDERALIST No. 29 (Mentor ed. 1961) at 185 (A. Hamilton).

[46] *Id.* Similar fears of a standing army were expressed by Noah Webster and Melancthon Smith (a New York delegate to the Continental Congress).

[47] Congress has specifically provided for this "unorganized militia". 10 U.S.C. § 311(a) (1970) stated in pertinent part:

"The militia of the United States consists of all able-bodied males at least 17 years of age and, except as provided in section 313 of title 32, under 45 years of age who are, or who have made a declaration of intention to become, citizens of the United States and of female citizens who are commissioned officers of the National Guard."

[48] Warren. *The Bill of Rights and the Military*, 37 N.Y.U. L. Rev. 181, 185 (1962).

[49] *See* 2 B. SCHWARTZ, THE BILL OF RIGHTS: A DOCUMENTARY HISTORY 1167 (1971).

[50] *Id.*

[51] *Id.*

[52] DEBATES IN THE FEDERAL CONVENTION OF 1787 AS REPORTED BY JAMES MADISON 658 (Hunt & Scott ed. 1920).

[53] 2 B. SCHWARTZ, THE BILL OF RIGHTS: A DOCUMENTARY HISTORY 1026, 1107 (1971).

[54] 1 Annals of Cong. 778 (1789). Gerry, an ardent States' rights advocate who sought passage of the Bill of Rights to protect both citizens and States from federal power, stated:

"This declaration of rights, I take it, is intended to secure the people against the maladministration of the Government; if we could suppose that, in all cases, the rights of the people would be attended to, the occasion for guards of this kind would be removed. Now, I am apprehensive, sir, that this clause would give an opportunity to the people in power to destroy the Constitution itself. They can declare who are those religiously scrupulous, and prevent them from hearing arms.

"What, sir is the use of a militia? It is to prevent the establishment of a standing army, the bane of liberty. Now, it must be evident that, under this provision, together with their other powers, Congress could take such measures, with respect to a militia, as to make a standing army necessary. Whenever Governments mean to invade the rights and liberties of the people, they always attempt to destroy the militia, in order to raise an army upon their ruins. This was actually done by Great Britain at the commencement of the late revolution. They used every means in their power to prevent the establishment of an effective militia to the eastward. The Assembly of Massachusetts, seeing the rapid progress that administration were making to divest them of their inherent privileges, endeavored to counteract them by the organization of a militia; but they were always defeated by the influence of the Crown. [Interruption.]

"No attempts that they made were successful, until they engaged in the struggle which emancipated them at once from their thraldom. Now, if we give a discretionary power to exclude those from militia duty who have religious scruples, we may as well make no provision on this head. For this reason, [I wish] the words to be altered so as to be confined to persons belonging to a religious sect scrupulous of bearing arms." *Id.*

[55] *Id.*

[56] *Id.*

[57] *Id.*

[58] *Id.*

[59] *Id.* at 778-79.

[60] THE FEDERALIST No. 28, at 181 (Mentor ed. 1961) (A. Hamilton).

[61] *Id.* at 178.

[62] *Id.* at 181.

[63] THE FEDERALIST No. 46, at 299 (Mentor ed. 1961) (J. Madison).

[64] *Id.*

[65] *See* text accompanying notes 67-78 and 98-99 *infra*.

[66] For a discussion of the significance of the word "necessary" in the Constitution *see* McCulloch v. Maryland, 17 U.S. (4 Wheat.) 316 (1819). Mr. Chief Justice Marshall opined that the term "necessary" when used in the Constitution, does not mean "absolutely or indispensably necessary." When the Constitution means to imply the term "absolutely necessary" it explicitly uses the very words "absolutely necessary," (as in the prohibition of collection of "[i]mports or duties on [i]mports or exports" by the states without the consent of Congress, found in Article I, section 10). Marshall indicated that "If reference be had to its use, in the common affairs of the world, or in approved authors, we find that (the word "necessary") frequently imports no more than that one thing is convenient, or useful, or essential to another. *Id.* at 413.

The Chief Justice also felt that when the Constitutional Convention used the term "absolutely necessary", it was trying to import a stronger meaning than when it simply used the term "necessary"; but he pointed out that "This word, then, like others, is used in various senses; and, in its construction, the subject, the context, the intention of the person using them, are all to be taken into view." *Id.* at 415. *See also* 2 B. Schwartz, THE BILL OF RIGHTS: A DOCUMENTARY HISTORY 1154 (1971).

[67] 2 B. SCHWARTZ, THE BILL OF RIGHTS: A DOCUMENTARY HISTORY 1154 (1971).

[68] 18 U.S. (5 Wheat.) 1 (1820).

[69] *Id.* at 16-17.

[70] 126 N.Y. 497, 27 N.E. 789 (1891).

[71] *Id.* at 504, 27 N.E. at 790.

[72] United States v. Miller, 307 U.S. 174, 179 (1939).

[73] *See* 2 B. SCHWARTZ, THE BILL OF RIGHTS: A DOCUMENTARY HISTORY 1153-54 (1971).

[74] In testimony before the Senate Subcommittee to Investigate Juvenile Delinquency, Senator James L. Buckley (R.-N.Y.) reiterated this position during the course of discussion of proposed handgun regulation:

"At the time of the adoption of the Bill of Rights, this country's statesmen were concerned with the need to protect citizens from government itself, and the passage of almost two centuries has not negated the validity of this concern. The fact that Article I, section 8, clause 16 of the Constitution grants Congress the power to organize, arm, and discipline the militia clearly indicates a quite different intention for the Second Amendment." 121 CONG. REC. S. 6889 (daily ed. April 28, 1975) (remarks of Senator Buckley).

[75] *See* text accompanying notes 24-26 *supra*.

[76] 1 W. BLACKSTONE, COMMENTARIES *121.

[77] *Id.* at 144.

[78] *Id. See also* People v. Brown, 253 Mich. 537, 541, 235 N.W. 245, 246 (1931), in which the Supreme Court of Michigan upheld the right of an alien to "possess a revolver for the legitimate defense of his person and property . . . ." 253 Mich. at 541, 235 N.W. at 246.

[79] 307 U.S. 174 (1939). Prior Supreme Court decisions construing the second amendment include Presser v. Illinois, 116 U.S. 252, 265 (1886) (the states may not prohibit the people from keeping and bearing arms irrespective of the second amendment); United States v. Cruikshank, 92 U.S. 542, 533 (1875) (the second amendment declares a right which may not be infringed by Congress). However, neither *Presser* nor *Cruikshank* involved a direct challenge to a federal or state statute purporting to interfer with the second amendment right to keep and bear arms. In 1902 the Idaho Supreme Court held that a statute which prohibited the carrying of deadly weapons was violative of both the Idaho Constitution and the second amendment. *In re* Brickey, 8 Idaho 597, 70 P. 609 (1902).

[80] National Firearms Act, ch. 757, 48 Stat. 1236 (1934), *as amended*, INT. REV. CODE of 1954 §§ 5801-72. The Act was passed in order to deal with the activities of gangsters armed with machine guns. It sought to end private ownership of machine guns, sawed-off shotguns, silencers, and other weapons used by gangsters, by imposing prohibitive transfer taxes and registration requirements. *See* American Enterprise Inst., GUN CONTROL 3 (1976). Certain sections of the Act were later held violative of the fifth amendment's safeguard against self-incrimination. Haynes v. United States, 390 U.S. 85 (1968). The statute was later amended and cured of fifth amendment defects. United States v. Freed, 401 U.S. 601 (1971).

[81] 26 F. Supp. 1002 (W.D. Ark. 1939).

[82] 307 U.S. at 197.

[83] *Id.*

[84] *Id.*

[85] *Id.*

[86] *Id.*

[87] *Id.* at 175; *see also* Hardy and Stompoly, *Of Arms and the Law*, 51 CHICAGO-KENT L. REV. 62, 65 (1974).

[88] State v. Roten, 86 N.C. 701 (1883); State v. Huntley, 25 N.C. 418 (1843). In addition, the government brief took the position that "it cannot be doubted that at least the carrying of weapons without lawful occasions was always a crime under the common law of England and was a part of our common law derived from the nation." Brief for United States at 9. United States v. Miller, 307 U.S. 174 (1939). Examination of the several common law authorities cited discloses material which flatly contradicts the government position. *See, e.g.*, 3 F. WHARTON, A. TREATISE ON CRIMINAL LAW 2061-62 (11th ed. 1912):

"A (person) cannot excuse wearing such (dangerous weapons in a manner that will naturally cause terror) in public by alleging that a particular person threatened him, and that he wears it for safety against such assault; but it is clear that no one incurs the penalty of the [S]tatute [of Northampton, 2 Edw. 3, c. 3] for assembling his neighbors and friends in his own house, to resist those who threaten to do him any violence therein, because a man's house is his castle. *Id.*"

Similarly, in his PLEAS OF THE CROWN, Sir William Hawkins stated:

". . . that no wearing of arms is within the meaning of th(e) [S]tatute [of Northamption], unless it be accompanied with such circumstances as are apt to terrify the people; from whence it seems to follow, [t]hat persons of quality are in no danger of offending against this statute by wearing common weapons . . ." 1 W. Hawkins, PLEAS OF THE CROWN 267 (6th ed. 1788).

[89] State v. Kerner, 181 N.C. 574, 578; 107 S.E. 222, 225 (1921).

[90] *Id.*, 107 S.E. at 225.

[91] Andrews v. State, 50 Tenn. (3 Heisk.) 165, 8 Am. Rep. 8 (1871).

[92] *Id.* at 182, 8 Am. Rep. at 16.

[93] *Id.*

[94] 307 U.S. at 179.

[95] 21 Tenn. 119, 2 Humph. 154 (1840), *Aymette* held that the second amendment guarantee was limited to those weapons of ordinary or whose use "could contribute to the common defense." By inference it would therefore appear that the *Miller* case stands for the proposition that an individual person has a right to keep and bear such instruments of "ordinary military equipment [whose] use could contribute to the common defense," 307 U.S. at 178, since it is only by such private keeping of arms that the individual citizen could fulfill his responsibilities towards the "continuation" and the "effectiveness' of the organized militia, 307 U.S. at 178. *But see* United States v. Warin, 530 F.2d 103 (6th Cir. 1976), *cert. denied*, 44 U.S.L.W. 3736 (1976), where the Sixth Circuit Court of Appeals upheld the constitutionality of the machine gun registration and transfer tax provisions of Title II of the Federal Gun Control Act of 1968, 26 U.S.C. §§ 5801-72 (1970).

The *Warin* Court considered the question of what type of arms are embraced by the second amendment, 530 F.2d at 106. It seems that a balance of private individual rights and public safety must be struck and that at least those arms which are primarily defensive in nature and are useful for legitimate self protection are covered by the second amendment. *See* People *ex rel.* Ferris v. Horton, 147 Misc. 506, 264 N.Y.S. 84 (Ostego County Ct. 1933); Andrews v. State, 50 Tenn. (3 Heisk.) 165 (1871).

[96] TENN. CONST. art. 1, § 26. *See also* 21 Tenn. at 121-122, 124, 2 Humph. at 156, 158, 160.

[97] TENN. CONST. art. 1, § 26.

[98] 21 Tenn. at 121, 2 Humph. at 156.

[99] *See* text accompanying notes 73-74 *supra*.

[100] ARK. CONST. art. 2, § 5; MAINE CONST. art. 1, § 16; MASS. CONST. art. 17, § 18; TENN. CONST. art. 1, § 26. 101. ALA. CONST. art. 1, § 26; ARIZ. CONST. art. 2, § 16; COLO. CONST. art. 2, § 13; CONN. CONST. art. 1, § 15; ILL. CONST. art. 1, § 22; MAINE CONST. art. 1, § 16; MISS. CONST. art. 3, § 12; MO. CONST. art. 1, § 23; MONT. CONST. art. 3, § 13; N.M. CONST. art. 2, § 6; OKLA. CONST. art. 2, § 26; TEX. CONST. art. 1, § 23; WASH. CONST. art. 1, § 24.

[102] COLO. CONST. art. 2, § 13; MISS. CONST. art. 3, § 12; MO. CONST. art. 1, § 23; MONT. CONST. art. 3, § 13; OKLA. CONST. art. 2, § 26.

[103] COLO. CONST. art. 2, § 13; FLA. CONST. art. 1, § 8 (1968); GA. CONST. § 2-122; IDAHO CONST. art. 1, § 11; ILL. CONST. art. 1, § 22; KY. CONST. BILL OF RIGHTS, ch. 7, § 1; LA. CONST. art. 1, § 8; MISS. CONST. art. 3, § 12; MO. CONST. art. 1, § 23; OKLA. CONST. art. 2, § 26; TEX. CONST. art. 1, § 23; UTAH CONST. art. 1, § 6.

[104] Brief for the United States at 12-15, 18-19, United States v. Miller, 307 U.S. 174 (1939).

[105] 21 Tenn. at 124, 2 Humph. at 159-60.

[106] Smith v. Ishenhour, 43 Tenn. (3 Cold.) 214, 217 (1866).

[107] 96 Tenn. (12 Pickle) 242, 34 S.W. 1 (1896).

[108] *Id.* at 247, 34 S.W. at 2.

[109] Glasscock v. City of Chattanooga, 157 Tenn. (4 Smith) 518, 520, 11 S.W.2d 678 (1928). It is also noteworthy that in 1871, after the Tennessee Constitution had been amended to include a proviso that ". . . the Legislature shall have power by law, to regulate the wearing of arms, with a view to *prevent* crime," the Tennessee Supreme Court made clear that the legislature may not "arbitrarily prohibit the carrying [of] all manner of arms", because the power to regulate "does not fairly mean the power to prohibit." Andrews v. Sate, 50 Tenn. (3 Heisk.) 165, 177, 8 Am. Rep. 8, 12, 14-15 (1871).

[110] 131 F.2d 916 (1st Cir. 1942).

[111] *Id.* at 922.

[112] Note, Comment *The Right to Keep and Bear Arms; A Necessary Constitutional Guarantee or an Outmoded Provision of the Bill of Rights?*, 31 ALBANY L. REV. 74, 78-79 (1967). An analysis prepared by the Congressional Research Service of the Library of Congress has noted that: "At what point regulation or prohibition of what classes of firearms would conflict with the Amendment, whether there would be a conflict the . . . [Miller] case does little more than cast a faint degree of illumination toward answering." Congressional Research Service, THE CONSTITUTION OF THE UNITED STATES OF AMERICA: ANALYSIS AND INTERPRETATION 1035-36 (citations omitted).

[113] *See, e.g.*, Stevens v. United States, 440 F.2d 144, 149 (6th Cir. 1971); Burton v. Sills, 53 N.J. 86, 97, 248 A.2d 521, 526 (1968). For further discussion, see *Hearings Before Subcomm. No. 5 of the House Comm. on the Judiciary*, 90th Cong., 1st Sess., Ser. 3, pt. 1, at 242, 247 (1967); Feller & Gotting, *The Second Amendment: A Second Look*, 61 Nw. U.L. REV. 46, 63-64 (1966).

[114] U.S. CONST. amend 1.

[115] *See, e.g.*, Schneider v. Smith, 390 U.S. 17, 25 (1968); Shelton v. Tucker, 364 U.S. 479 (1960).

[116] U.S. CONST. amend IV.

[117] Mapp v. Ohio, 367 U.S. 643 (1961); Boyd v. United States, 616 U.S. 616 (1886).

[118] U.S. CONST. amend IX.

[119] Griswold v. Connecticut, 381 U.S. 479, 484 (1965); United Pub. Workers v. Mitchell, 330 U.S. 75, 94-95 (1947).

[120] U.S. CONST. amend. X.

[121] *See* Griswold v. Connecticut, 381 U.S. 479, 488-89 (1965). Madison himself admitted that: It has been objected also against a bill of rights, that, by enumerating particular exceptions to the grant of power, it would disparage those rights which were not placed in that enumeration; and it might follow by implication, that those rights which were not singled out, were intended to be assigned into the hands of the General Government, and were consequently insecure. This is one of the most plausible arguments I have ever heard urged against the admission of a bill of rights into this system; but, I can see that it may be guarded against. I have attempted it as you gentlemen may see by turning to [the ninth amendment]." 1 ANNALS OF CONG. 456 (1789).

[122] The ninth amendment's guarantee of rights retained by the people was originally introduced by the Virginia delegation as a proposed 17th amendment. The Virginia proposal stated in original form: "17th. That those clauses which declare that Congress shall not exercise certain powers, be not interpreted, in any manner whatsoever, to extend the powers of Congress; but that they be construed either as making exceptions to the specified powers where this shall be the case, or otherwise, as inserted merely for greater caution." 2 B. SCHWARTZ, THE BILL OF RIGHTS: A DOCUMENTARY HISTORY 844 (1971).

[123] U.S. CONST. art II, § 2 provides: The President shall be Commander in Chief of the Army and Navy of the United States, *and of the Militia of the several States, when called into the actual Service of the United States . . .*" *(emphasis added).*

[124] *See* Gilligan v. Morgan, 413 U.S. 1, 7 (1973).

[125] 32 U.S.C. § 105 (a)(1)(1970).

[126] *Id.* § 105 (a)(3).

[127] See test accompanying notes 32-33, *supra*.

[128] The possibility of Executive abuse of the military power was recently discussed in connection with the Watergate scandal. *See* N.Y. Times, Aug. 25, 1974, at 1.

[129] *See, e.g.*, Feller & Gotting, *The Second Amendment: A Second Look*, 61 NW. U.L. REV. 46, 69 (1966); Note, *Restrictions on the Right to Bear Arms: State and Federal Firearms Legislation*, 98 U. PA. L. REV. 905, 906 (1950).

[130] Jewish resistance with small arms (pistols, rifles, and machine guns) was so fierce that the Germans were forced to burn down the ghetto, house-by-house. *See* Y. SUHL, THEY FOUGHT BACK: THE STORY OF THE JEWISH RESISTANCE IN NAZI EUROPE 98-106 (1967).

[131] *See, e.g.*, Hays, *The Right to Bear Arms, A Study in Judicial Misinterpretation*, 2 WM & MARY L. REV. 381, 390, 397 (1960); Note, Comment *The Right to Keep and Bear Arms; A Necessary Constitutional Guarantee or an Outmoded Provision of the Bill of Rights?*, 31 ALBANY L. REV. 74, 76 (1967).

[132] W. RAWLE, A VIEW OF THE CONSTITUTION 125 (1st ed. 1825).

[133] THE FEDERALIST No. 22, at 152 (Mentor ed. 1961) (A. Hamilton).

[134] *Id.*, No. 28 at 180.

[135] 2 STORY, COMMENTARIES ON THE CONSTITUTION 646 (5th ed. 1891).

[136] 277 U.S. 438, 479 (1928) (Brandeis, J., dissenting).

[137] *See, e.g.*, 18 U.S.C. §§ 922(a)(2), (a)(3); 18 U.S.C. § 922(c) (1970) (purchase records of rifles, shotguns, and handguns); 26 U.S.C. § 5841 (central registration of all machine guns).

[138] Martin v. Hunter's Lessee, 14 U.S. (1 Wheat.) 304, 326 (1816).

Mr. HATCH. Mr. President, I note that the author of the bill, Senator MCCLURE, has just arrived and I yield the floor to him at this time.

Mr. McCLURE. Mr. President, I thank the distinguished Senator from Utah for yielding to me. I appreciate that, having spent so many countless hours of negotiations and hard work on this bill over the last several years.

I wish to compliment the distinguished Senator from Utah for the contributions he has made both in the markup in the Judiciary Committee when this bill was before the Judiciary Committee and also in connection with the negotiations that led to this unanimous consent agreement today.

Mr. HATCH. I thank the Senator.

Mr. McCLURE. I know the difficulty of making the arrangements that are necessary, having participated in that last week, as well as by phone today, and the difficulty he had in bringing this about. I compliment him most highly.

Mr. President, all too often we in the legislative branch have a short attention span. We see a problem; we pass a law—and then we forget the whole thing.

When Congress enacted the Gun Control Act of 1968, it intended to curb violent firearms crime by controlling the sale, transportation, and possession of guns. Did this approach work? No. It did not. Extensive hearings and study of the actual enforcement of this law clearly show that the ones who bear the brunt of this law are not necessarily the most dangerous criminals. The ones who have been harassed by the enforcement of this act are often innocent men and women who have bungled their paperwork. Punishment has been swift and severe. While genuine criminals are all too often let free to roam the streets, these law-abiding gun owners and dealers have had their property unconstitutionally seized and held and their businesses and lives ruined. People who have done their best to comply with the law are forced to bear the stigma of Federal felons.

We have a duty to provide for the legal protection of the citizens of this country, and when the force of the law is directed at the innocent, and does nothing to the guilty, we are neglecting that duty.

It has been said that fanaticism is redoubling your efforts when you have lost sight of your goals. I believe the Firearm Owners Protection Act will bring Federal firearms law closer to the intent of Congress—directing enforcement effort away from insignificant paperwork errors and toward willful violations of Federal firearms law.

My colleagues on the Judiciary Committee worked long and hard during past Congresses, as I did, to hammer out changes in the law that will prevent the abuses we have seen. This law touches on many people, on many branches of the Government. We have labored to balance the need for effective law enforcement with the right of honest citizens to constitutional protections. We have all spent time ironing out our differences on this complicated and emotionally charged issue. I do not suppose there is a comma or a parenthesis that has escaped discussion.

At length, we arrived at a compromise that solved the major problems. I have met with representatives from different groups in the firearms rights community, and I believe that we now have a piece of legislation that everyone can honestly support. The bill was voted out of committee—unanimously. And, with two exceptions, that bill, as voted by the committee, is before us today.

The Firearm Owners Protection Act is designed to correct demonstrated abuses in present law. It would make the following reforms:

Define "engaging in the business" to clarify who needs a Federal firearms license; liberalize the interstate sale of firearms when these sales are legal in both state of sale, and State of purchase; mandate an element of criminal intention for prosecution and conviction of Federal firearms law violations; clarify procedures for dealer sales of firearms from his private collection; permit inspection of dealer's records for reasonable cause; require mandatory penalties for the use of a firearm during a Federal crime; limit seizure of firearms; provide for the return of seized firearms, and grant attorney's fees in spiteful or frivolous suits; and allow the interstate transportation of unloaded, inaccessible firearms.

The bill would not do the following: Allow mail order sales of firearms; allow unlicensed pawn shop gun sales and restrict legitimate inspection of records.

In short, this bill—which this entire body now has a chance to consider—has been painstakingly crafted to focus law enforcement on the kinds of Federal firearms law violations most likely to contribute to violent firearms crime. Enactment of this bill into law will insure that the intent of Congress is carried out.

We must compel the enforcing agency to stop harassing honest people and to direct their efforts at the violent criminals who give all gun owners a bad name. This can only be done by changing present Federal firearms law. We must change that law.

We must draft laws that secure safety for our citizens, but when a well meant law—the Gun Control Act of 1968—does the very opposite, when it practically guarantees that the constitutional rights of ordinary, law abiding people will be violated, we must change that law. It is a bad law. Its intentions are good, but a bad law. We have an opportunity now, with the Firearm Owner's Protection Act, to correct the mistakes of the past.

Mr. President, I made reference to the fact that there are two changes in the bill from that which was reported out by the Judiciary Committee. One was with respect to the restrictions on a sale in a State where it is lawful to sell a firearm to a nonresident of that State as it deals with respect to what Senator KENNEDY and others have described as snubbies. The other change in the law, as reported by the Judiciary Committee, is to leave out the so-called cop-killer bullet provision that was passed and was contained in that bill at that time; because the Senate has since that time passed another provision, it was felt unnecessary to repeat that provision of the bill as reported by the Judiciary Committee.

I am delighted that the Senate, at long last, will have an opportunity to work its will with respect to the provisions of the bill and the amendment of the 1968 Firearms Act, which I think was misdirected, and to redirect that in proper channels.

I again thank the distinguished Senator from Utah and others who have shared in the forging of this unanimous-consent agreement, as well as bringing this bill to the floor the last session from the Judiciary Committee.

I also note the presence of our distinguished majority leader on the floor and thank him for his efforts in making it possible for us to have the bill on the floor at this time.

(Mr. ABDNOR assumed the chair.)

Mr. HATCH. Mr. President, I really want to thank the distinguished Senator from Idaho for his kind remarks about me. It means very much to me to be coming from the top leader, he and HAROLD VOLKMER, in the fight for the right to keep and bear arms.

I just want to say how important it is to me to be able to work side by side with Senator MCCLURE, who has done such a terrific job and who has had the indomitable fortitude to keep working on this type of legislation. On many occasions it looked as though we would never even get it to the floor. So this is a happy day, indeed. I just wish to personally compliment my dear colleague from Idaho. He is a terrific Senator. When this bill, if it does go through both Houses of Congress, he would deserve the principal part of the credit for having fought for this bill through all these years and became the true authority on all of these issues in the U.S. Congress. I just feel privileged to be on the same floor with him at this time.

Mr. McCLURE. Will the Senator yield?

Mr. HATCH. I am glad to yield.

Mr. McCLURE. I thank the Senator for his kind and generous remarks.

I also note the presence of the distinguished Senator from South Dakota [Mr. ABDNOR] in the chair. He has shared in a great deal of the time and effort, as many others have. But I just noted his presence in the chair this afternoon and thought to myself, as we are passing out credits to each other around the Chamber, that Senator ABDNOR, among others, has been stalwart in his leadership in this fight. I very much appreciate his presence. I think it is perhaps a unique coincidence that he should be in the chair at this time.

Mr. HATCH. I certainly agree. I am very happy to have him presiding at this time.

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I thank the distinguished Senator from Hawaii for giving me this additional time.

Mr. KENNEDY. Mr. President, at the outset of this debate, I want to reiterate what I noted when the Judiciary Committee reported this legislation to the Senate last year.

I indicated then, and I repeat now, that I support the provisions in this bill to reduce unnecessary restrictions and regulations on the purchase and sale of rifles and shotguns for hunting and sporting purposes. But I continue to be concerned about the inadequacy of current law with respect to handgun control, and I am also concerned about the needless new loopholes that the bill opens in this area.

Handgun control is an essential part of effective law enforcement. The ready availability of lethal, concealable handguns undermines the fundamental effort to protect citizens from violent crime. Instead of weakening handgun controls, we should be working to keep handguns from falling into the wrong hands. And we can do so without jeopardizing in any way the legitimate sporting interests of our citizens or their legitimate interest in self-defense.

The toll of handgun deaths is a national disgrace. Each year, handguns are used in more than 10,000 murders in the United States and another 500,000 crimes of violence. A major study conducted by Cox News Service in 1981 found that two out of every three handguns used in murders, rapes, robberies, and muggings have a barrel length of three inches or less. These snub-nosed handguns are the overwhelming weapon of choice by street criminals and assassins.

One of the most effective ways for Congress to carry out its responsibility to protect citizens from violent criminals, killers and psychopaths is to halt the proliferation of handguns. Today, a new handgun is sold every 13 seconds somewhere in America. In a single year, 2.5 million more handguns are added to the national stockpile. By the year 2000, there will be 100 million handguns in circulation in America—enough to arm a third of our population

Mr. President, I share the basic goal of the sponsors of this bill—to remove unnecessary regulatory burdens on the legitimate purchase of firearms by hunters and others for sporting purposes, and by law-abiding citizens seeking weapons for self-protection.

We should eliminate excessive redtape and regulations effecting the sale of rifles, shotguns, and sporting weapons. But we must not misuse this worthwhile goal as an excuse to weaken the law as it applies to the narrow category of handguns—especially "snubbies" and "Saturday night specials"—which have no legitimate sporting purpose and which are often used in crime.

I repeatedly tried to draw this distinction during the Judiciary Committee's consideration of the bill in the last two Congresses; Congress can—and should—deal differently with long guns than it does with handguns. Certainly we should not weaken existing controls on the interstate sale of concealable handguns. I was gratified that the committee accepted this distinction for the first time and voted to support my amendment to maintain existing law on handguns with a barrel length 3 inches or less. But this has now been dropped.

Mr. President, we have a responsibility to deal more effectively with the abuse of handguns in our society. And there are reasonable steps available, through amendments to this bill on the Senate floor, if we have the will to take them. For example.

We should stop the manufacture and sale of "snubbies," since they have no legitimate sporting or other purpose; at the very least, we should close the gaping loophole in current law that prohibits the importation of fully assembled snubbies but permits the importation of snubbie parts for assembly in the United States; and

We should enact a reasonable waiting period for the purchase of a handgun, to permit a check of local police records to ensure that the potential purchaser meets the requirements of current law; that is, that the handgun is not being sold to anyone in the prohibited categories of a convicted felon, a drug addict, or a person with a history of mental illness. Without such a check, the dealer must simply accept their word and, after filling out a form, hand the gun over the counter.

In addition to these points on strengthening existing laws, we cannot ignore several provisions in this bill which would unnecessarily weaken existing law.

For example, this bill authorizes licensed dealers to sell at "gun shows" but as drafted the bill uses the words "temporary locations." This is so broad that it would cover far more than "bona fide" gun shows, perhaps allowing dealers to sell on street corners.

The bill also weakens current law on compliance inspections by prohibiting them unless advance warning is given to dealers. It should be possible to prevent harassment of legitimate dealers without giving up all surprise inspections, which are at the heart of so many other Federal inspection laws. Why the exception on gun dealers?

This bill also amends the definition of "dealer" to provide an exemption from the act for sales of firearms from "private collections." Again, if there are abuses in enforcement procedures in this area, a narrow remedy is appropriate that does not invite unscrupulous dealers to evade the law.

In short, Mr. President, I hope as we debate this bill, we can both strengthen the law and close some of the new loopholes created in this bill without infringing in the slightest upon the rights of any citizen who wishes to purchase a handgun for sporting purposes or the purpose of self-protection.

Mr. MATSUNAGA. Mr. President, during the past several Congresses various bills have been introduced with the shared goal of relieving unnecessary regulatory burdens on the legitimate purchase of firearms by hunters and sportsmen, as well as by law-abiding citizens seeking weapons for self protection.

While there are questions as to whether S. 49 will satisfy fully the control of firearms other than sporting and for private collection purposes, the fact that S. 49 was reported out unanimously by the Judiciary Committee is an indication that the bill has been prepared to the extent that it would be acceptable inasmuch as those on the Judiciary Committee include those who have been rather vehemently opposed to the relaxing of handgun controls.

I understand that with a few amendments which will be offered, S. 49 will be acceptable to all concerned. I had in particular in mind the provision of preemption of State laws. In Hawaii we are very proud of the fact that we have a very effective gun control law which protects the rights of sportsmen, hunters, and yet limits the availability of handguns to those who are intent on committing a crime. Handguns insofar as I am concerned, and in the eyes of those who passed the law in Hawaii—and I was one of those way back when I was a member of the Territorial Legislature who believed that handguns, especially those which are concealable in hand—are intended for use for one purpose only; that is to kill other human beings. Whatever controls we can impose upon the sale and distribution of those weapons of death, I say let us go to it.

I am relieved by the language of S. 49 to the extent that it prohibits firearm and ammunition possession, receipt, or transportation in commerce by convicted felons, fugitives from justice, certain drug users, persons subject to adjudication as mentally defective or are under a commitment order, illegal aliens, those who have received a dishonorable discharge from the armed services, and those who have renounced their U.S. citizenship.

I am relieved also to find that S. 49 imposes a prohibition on shipping, transporting, possessing, or receiving firearms in commerce by any individual who knows that his or her employer is a prohibited person as listed in the bill. It also makes it unlawful for

any person under indictment for a crime punishable by 1 year or more imprisonment to ship, transport, or receive any firearm or ammunition. Relative to Federal firearm licenses, S. 49 makes several changes to current law provisions relating to the issuance of Federal firearms licenses and duties of licensees. It exempts from Federal licensing requirements persons who are engaged in the business of ammunition only.

Mr. President, it should be pointed out that S. 49 codifies existing Treasury regulations requiring licensees to prepare reports relating to the multiple sales to a nonlicensee which takes place simultaneously, and which takes place over the course of 5 consecutive business days.

I am happy to note also that relative to general penalties and forfeitures, S. 49 makes the following amendments to current law governing general penalties and forfeitures. One, relative to penalties, requires for the first time proof of the criminal state of mind with respect to all of the activities proscribed in chapter 44, title 18, United States Code. That is a requirement of a knowing state of mind or willful state of mind in order to bring about a conviction. And it also retains the current law penalty by convictions of individuals who knowingly committeed the offenses outlined in the act and a fine of $5,000 or 5 years imprisonment with eligibility for parole as the parole board shall determine, and it specifies where any person whose conduct involves simple callousness, that simple callousness shall be prosecuted.

All in all, Mr. President, the bill is one which, as I said earlier, with certain amendments ought to be acceptable to all or at least most Members of this body. And with the reservations that I have noted, I rise in support of S. 49.

Mr. HATCH addressed the Chair.

The PRESIDING OFFICER. The Senator from Utah.

Mr. HATCH. Mr. President, S. 49 is a testament to the success of the committee system in my viewpoint. Its consideration by the Senate Judiciary Committee has been neither precipitous nor hasty. Since 1980 the Senate Judiciary Committee has held five hearings on this legislation—one in the 96th Congress before the Constitution Subcommittee, three in the 97th Congress before the full committee, and another in the 98th Congress before the full committee. These hearings in my opinion have provided ample opportunities for the committee to examine carefully various ways to remedy the problems with the 1968 Gun Control Act.

In the 97th Congress, S. 1030, the predecessor of S. 49, was amended and debated in 4 different days of markup. Those were intense days. Most bills, and even constitutional amendments, rarely get more than 2 days in the actual amendment process. Yet, this bill received 4 days of markup spanning 6 weeks. All total, this legislation was on the Judiciary Committee calendar for more than 6 months in the 97th Congress. At the end of this process the bill was overwhelmingly approved by the committee. In the 98th Congress the careful and meticulous process of debating and improving this bill did not cease. Again the Judiciary Committee devoted 4 days to the markup of S. 914, the nearly identical parent of S. 49. Moreover, these sessions were not rushed nor were they hurried in the 4 days of markup spanning 25 weeks all total. This legislation was on the Judiciary Committee calendar for 11 months in the 98th Congress.

At the conclusion of the process, the bill was unanimously approved by the Judiciary Committee once again in the 98th Congress. S. 914, was considered in conjunction with the debates on the "Grove City" bill. Although the procedural aspects of the debate were complex, S. 914 in a form identical with S. 49, now before the Senate, was considered, and it received over 65 votes on one occasion and over 70 votes on another.

This bill is a classic example of the effective perfecting process of committee consideration. Having already traversed this very difficult and lengthy process, however, it is now time to permit the long-delayed debate and final Senate vote on this legislation. That is what our unanimous-consent agreement will provide. After this record of careful consideration, further committee consideration would only delay and frustrate the Senate's desire to work its will. The point is that the Senate Judiciary Committee has twice worked its will on this legislation.

It has received more debate and markup than almost any bill that comes before this body. It is a monument to careful legislative consideration and deserves now to receive a final vote—one way or the other—from the Senate. I look forward to the debate and vote on this bill.

● Mr. BAUCUS. Mr. President, I support S. 49. This bill marks one of those times when we can simultaneously advance both individual right and legitimate law enforcement.

I know of no one who denies that it would advance individual rights. I hope very few believe the claims that it will not advance law enforcement.

Any examination of S. 49 will show just why those claims are unjustified.

Does prosecuting persons who have no illicit intent advance legitimate law enforcement?

Does confiscating property from persons found not guilty advance legitimate law enforcement?

Does placing a felon's stigma on persons who have received a full pardon advance legitimate law enforcement?

Those oversights are corrected in this bill.

This bill is consistent with good, solid enforcement of the laws. It was widely endorsed in the 97th Congress, when it was introduced as S. 1030.

Both the Fraternal Order of Police and the National Sheriffs' Association appeared at committee hearings to endorse this legislation. Both of these groups are strong law enforcement advocates. The National Sheriffs' Association in particular attacked claims that it would be too hard to prove that a person willfully violated the gun laws. They noted:

> The only argument for permitting federal prosecution of an unintentional violation is that it is too much work for federal agents to ascertain whether the individual acted with illegal intent. Our members, who every day enforce criminal statutes requiring far more detailed proof of intent than this . . . do not consider this realistic. Frankly, if you have the resources to prosecute unintentional technical violators of the Gun Control Act, give them to our members, and we will use them to prosecute murderers, rapists, armed robbers and burglars.

The Fraternal Order of Police, which represents over 160,000 law enforcement professionals, went into greater detail on their endorsement of this legislation. I ask to have their endorsement printed in the RECORD.

The material follows:

STATEMENT OF VINCE MCGOLDRICK, CHAIRMAN, NATIONAL LEGISLATIVE COMMITTEE, FRATERNAL ORDER OF POLICE

Mr. Chairman, my name is Vince McGoldrick and I speak on behalf of the Fraternal Order of Police. The Fraternal Order of Police is the oldest and largest police organization in the United States. Our membership presently consists of approximately 160,000 active or retired law enforcement personnel. I myself retired after 23 years of police service, both civilian and military.

As police officers, our members have a uniquely detailed view of crime and the criminal justice system. They are among that small part of the population obligated by the law and their oaths to move against a criminal act or public danger, rather than avoid it. As a result, police officers and their families bear a disproportionate part of the burden of criminal tragedy, in the form of deaths and injuries in the line of duty. In the past decade, 1,147 law enforcement officers have been murdered in the line of duty; last year alone, over 57,000 were assaulted.

With this burden, law enforcement officials have a unique responsibility. They are the front line of law enforcement. The legislature may enact laws, the judiciary may interpret them, but it is the police officer, deputy or agent on duty who must decide whether and how they should be applied to any particular case. If the law to be enforced is restricted and clear, and covers only acts society really wants punished in every case, the application is simple. But when the law is vague, or overbroad, or really intended to be applied only in exceptional cases, it is the individual officer who must make that decision. All too often, he

or she must make it without any particular guidance.

As police, we therefore favor laws which are certain and clear, and define as concisely as possible those acts which policymakers really want punished. We support firm and sure punishment for those who violate such laws. For both these reasons, the Fraternal Order of Police strongly supports S. 1030, the McClure/Volkmer bill.

S. 1030 represents a series of amendments to current federal firearm laws, chiefly the Gun Control Act of 1968. The effect of the bulk of these amendments is to reform the Gun Control Act in ways that make it more rational, more clear, more narrowed and more precise—in a phrase, more enforceable.

Many aspects of the Gun Control Act, as it exists, are enforcement nightmares. The Act outlaws, and imposes felony penalties upon, a wide range of conduct in which ordinary, honest citizens regularly engage. Under it, a transfer of a firearm to a resident of another state, in full compliance with all state laws, is a federal felony. To "engage in the business of dealing" in guns without a license is a felony—yet no section of the law tells enforcing agents just what Congress meant by that phrase. To distribute ammunition to others without a manufacturers' license is a felony, although we may suppose that the law's drafters did not intend the arrest of the millions or tens of millions of law-abiding citizens who have done just that. The agent or officer who must enforce such requirements is left completely at sea when it comes to knowing just what enforcement was really intended, and sometimes even just what is legal or illegal.

Even where the commands of the law are clear, they are often irrational. A licensed dealer cannot, of course, sell to a convicted felon. A private citizen, who is guilty of a felony if he sells to a resident of another state, can sell to a convicted felon. One section defines five classes of people who cannot receive firearms; another defines four classes who cannot possess them. Yet, only two of those classes overlap (felons and former mental cases) and even these are defined differently in each of the two sections! The terms of the Gun Control Act are thus not only overbroad and vague, but also they are sometimes even inconsistent, arbitrary and capricious. A person charged with enforcing the law, whose decisions must be made in the field are not in a legislative hearing room, deserves better description of what conduct you desire stopped and punished.

S. 1030 goes far to remedy these problems. It creates a precise definition of prohibited firearm owners, and this definition applies uniformly to private and to dealer sales, to receipt, transportation and ownership of firearms. It defines "engaged in the business", and makes it clear that Congress desires "willful" violators, and not those who accidentally transgress with innocent intent, to be arrested and prosecuted. Enforcement of the law is accordingly made less burdensome and more certain. The Fraternal Order of Police strongly supports these improvements in the enforceability of the Gun Control Act.

We also support S. 1030's efforts to increase penalties for criminal misuse of a firearm. The Gun Control Act is primarily a regulatory statute. It is not used to prosecute a murderer, rapist, or robber as such. Instead, it permits prosecutions of those who violate regulatory measures (licensing, recordkeeping, interstate sales) in the hopes that this might indirectly hinder the actual criminal. The major exception to this arrangement is found in section 924(c) of the Act, which imposes stiffer punishments upon anyone who uses or carries a firearm in commission of a federal felony. The chief problem is that the additional penalty is not a mandatory penalty—that is, the offender can receive probation or parole without limitation—unless it is a second conviction under that specific section. Since, to the best of my knowledge, no one has ever been twice convicted under 924(c), a judge who desires to give a violent federal offender probation can simply give him the additional term with probation or suspended sentence.

S. 1030 changes this, imposing a mandatory sentence—no probation, parole, work furlough or any other form of release—for use of a firearm is a federal crime against the person. The Fraternal Order of Police strongly endorses this proposal. Indeed, we as police have a personal stake in laws of this type. Studies of murders of police conducted by the Federal Bureau of Investigation have shown that for nearly three-quarters of such killers this was not their first offense. 39% had received probation or other similar leniency from the judicial system. No less than 25% were on probation or parole for past offenses when they murdered the police officer. While we as law enforcement personnel are the most exposed to the recidivist, we are not the only ones at risk. An LEAA study of convicted robbers found that most were career criminals who began their criminal acts by age 14; they averaged over two prior felony imprisonments, before beginning their current robbery term. The Fraternal Order of Police therefore strongly endorses laws such as S. 1030, which seek to incarcerate serious offenders.

The Fraternal Order of Police thus considers S. 1030 to be a vast improvement over the Gun Control Act as it now exists. It clarifies, tightens and makes rational the all too often vague and inconsistent provisions of that Act. We therefore support it from our standpoint as law enforcement professionals. And we also support it as individuals. Many if not most of our members are themselves firearms owners in private life. We enjoy the safe and legitimate uses of firearms for sport and collecting and we support their necessary use for self-defense. On-duty-police, who form a small part of one percent of the population, cannot be everywhere at everytime, particularly when the criminal has the advantage of picking the time and place of the offense. As firearms owners as well as law enforcement professionals, we support S. 1030's move to reorient the federal firearm laws away from the legitimate users of firearms and toward stiffer punishment for the criminal.●

AMENDMENT NO. 420

(Purpose: To amend the provisions regarding sales at temporary locations)

Mr. HATCH. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Utah [Mr. HATCH] proposes an amendment numbered 420.

Mr. HATCH. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 19, line 23, strike out "other location" and insert in lieu thereof "temporary location is the location for a gun show or event sponsored by any national, State, or local organization, or any affiliate of any such organization devoted to the collection, competitive use, or other sporting use of firearms, or an organization or association that sponsors events devoted to the collection, competitive use or other sporting use of firearms in the community, and such location".

Mr. HATCH. Mr. President, the Senator has suggested that the provision of S. 49 authorizing a dealer to make sales at temporary locations could lead to indiscriminate and unrestricted abuses of the 1968 act. Perhaps I could clarify the current state of the law and the effect of S. 49. Although not stated explicitly in current law, regulations promulgated by BATF have established that a dealer may not conduct business at any location other than that stated on his license. 18 U.S.C. 923(d)(1)(E); Rev. Rul. 59, 1969-1 C.B. 360. This prevents a licensed dealer from doing business at a gun show. On the other hand, nonlicensees, who are not engaged in the business of dealing in firearms, may sell firearms at such shows. This is unfair to federally licensed dealers.

S. 49 remedies this by allowing dealers to conduct business temporarily at locations other than that mentioned on their license. As long as it is in the same State and the Secretary has promulgated regulations governing the practice.

S. 49, however, does not allow indiscriminate sales at temporary locations. In the first place, the licensee must still keep all records and conduct business just as if he were at his normal business location. Moreover, S. 49 states explicitly that "nothing in this subsection shall authorize any licensee to conduct business in or from any motorized or towed vehicle." No dealer may sell out of the back of a pickup truck.

This amendment will codify the current regulations of the Secretary of Treasury which further restrict these temporary locations. Under those regulations and this amendment, the temporary location must be "an event sponsored by any national, State, or local organization devoted to the lawful uses of firearms." In other words, these must be responsible, legitimate, organized gun shows where an agent of the Federal Government may easily visit and inspect to ensure that all sales are conducted in accordance with the provisions of the 1968 act.

This amendment will ensure these "temporary locations" are reputable gun shows and that Federal licensees may conduct business at these shows

on the same basis as nonlicencees except as specified by this act.

Mr. MATSUNAGA. Mr. President, the amendment is acceptable to this side of the aisle. It provides for tightening of the language and will ensure against sales from temporary tables set up at a site or in the back of an automobile or truck or from a station wagon, et cetera. I rise in full support of the amendment.

As I understand it, Mr. President, there is no objection to the amendment on this side.

Mr. HATCH. I thank my distinguished colleague.

Mr. McCLURE. Will the Senator yield?

Mr. HATCH. I yield.

Mr. McCLURE. I thank the Senator from Utah for yielding.

I, too, Mr. President, rise in support of the amendment.

Mr. President, the amendment is not without some problem for some people because they would like to see the opportunity for the entrepreneurs to enter into this kind of away-from-premises dealings.

I think it is important for us to look at this language and try to remember the BATF will have the opportunity under this language to define what a gun show is.

My only reason for rising at this time is to indicate that a group of dealers that used the format of a gun show, so long as it was a genuine gun show and not just the extension of a sales effort away from a licensed premises, would be permitted under this provision. It would not, however, allow an individual dealer just to go out and establish a place of business under the guise of a gun show.

I think it would have to be a legitimate, honest, entrepreneurial effort joined in by several dealers who were banding together in a common effort that could be aptly described as a gun show in order for this provision to be applicable to them.

I support the effort to allow the licensed dealer to make such sales at such a show. Therefore, I support the amendment. But I did want to get on the record, at least, that BATF in writing regulations should not so narrowly construe this as to rule out of the definition the opportunity for legitimate dealers to band together in a larger showing, even though some people might think that is simply an entrepreneurial act.

Mr. HATCH. Mr. President, I would hasten to point out that the Senator is correct in his statements concerning this amendment.

Mr. MATSUNAGA. Mr. President, I yield back the remainder of my time.

Mr. HATCH. Mr. President, I yield back the remainder of my time and move adoption of the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 420) was agreed to.

Mr. HATCH. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. MATSUNAGA. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 421

(Purpose: To prohibit the importation of parts for Saturday night specials)

Mr. HATCH. Mr. President, I send an amendment to the desk on behalf of Senator METZENBAUM and Senator KENNEDY and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Utah [Mr. HATCH], for Mr. METZENBAUM and Mr. KENNEDY, proposes an amendment numbered 421.

Mr. HATCH. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 27, strike out lines 18 and 19 and insert in lieu thereof the following:

(C) by inserting before the semicolon in paragraph (3) the following: ", except in any case where the Secretary has not authorized the importation of the firearm pursuant to this paragraph, it shall be unlawful to import any frame, receiver, or barrel of such firearm which would be prohibited if assembled".

Mr. HATCH. Mr. President, I have offered this amendment for and on behalf of Senator METZENBAUM and Senator KENNEDY, both of whom are necessarily detained from the floor as a result of necessary business. I have agreed to present the amendment for them.

This amendment, sponsored by Senators METZENBAUM and KENNEDY, deals with the importation of firearm frames, receivers, and barrels. This amendment codifies current BATF restrictions on frames and receivers and extends those same restrictions to barrels. The standards currently applied to the importation of firearm frames and receivers will be applied to barrels as well. This is a codification of current standards governing such importation.

Mr. MATSUNAGA. Mr. President, I rise in support of the amendment. This is an amendment we are certain will improve S. 49.

Mr. President, I am prepared to yield back the remainder of my time.

The PRESIDING OFFICER. The Senator from Idaho.

Mr. McCLURE. Mr. President, will the Senator indulge me for a moment?

Mr. HATCH. I will be happy to.

Mr. McCLURE. Mr. President, will the Senator from Utah yield?

Mr. HATCH. I am delighted to yield.

Mr. McCLURE. I thank the Senator for yielding.

This amendment is intended to, and I think does, deal with an ambiguity that other Members have sought to correct in a different manner. That deals with the importation of parts which is prohibited by current law.

This amendment is a narrowing of what they had intended to do. It recognizes that there are interchangeable parts, parts that might be imported that are valid in the use of currently lawful firearms, but attempts to plug a loophole that might be exploited by some, as some have charged has been exploited in the past, by the evasion of the prohibition on importing handguns by importing the parts and assembling.

I believe that the current law is broad enough to allow the prosecution of such people who are evading the current provision of law, but certainly, this amendment strikes at the real abuse by prohibiting the importation of those portions of handguns which are crucial to the ban in importation of handguns. It is, in my judgment, a proper definition that should be applied to the ban on importation of parts and not an improper extension of it to those things that would have equal application to guns that are lawful for importation as well as ownership in this country.

Mr. HATCH. Mr. President, the Senator has stated it correctly, except that this only applies to barrels and not to—firearms and receivers are already covered by the law, so it is really only extending that law to barrels. It does not cover other parts that are interchangeable, such as trigger assemblies, springs, screws, and such. So with that explanation, the Senator is correct.

Mr. President, I move adoption of the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 421) was agreed to.

Mr. HATCH. I move to reconsider the vote by which the amendment was agreed to.

Mr. MATSUNAGA. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 422

Mr. McCLURE. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Idaho [Mr. McCLURE] proposes an amendment numbered 422.

On page 16 after line 18 insert the following: "of any person to whom the collector sells or otherwise disposes."

Mr. McCLURE. Mr. President, this is the amendment which is referred to in the unanimous-consent agreement as a McClure technical amendment. All it does is put back into the language a line that was inadvertently left out in either the drafting or the printing of the bill. It was a line that was in the bill as reported by the Judiciary Committee and should be reinserted.

Mr. MATSUNAGA. Mr. President, there is no objection to the amendment on this side of the aisle. I urge its passage.

Mr. HATCH. Mr. President, I move the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 422) was agreed to.

Mr. HATCH. I move to reconsider the vote by which the amendment was agreed to.

Mr. MATSUNAGA. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. DOLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOLE. Mr. President, I wish to thank the distinguished minority leader and others for helping us bring this legislation together. Members on both sides, Senators KENNEDY, MATSUNAGA, BIDEN, METZENBAUM, a host of Members on that side, plus Senators THURMOND, HATCH, McCLURE, and others, have been interested in this legislation. I think there is a feeling that although it does not contain everything everybody wants, it is a balanced piece of legislation. It is one that should have strong support in this body. We made considerable progress today. We will resume consideration under the unanimous consent agreement on July 9 at 2 p.m.

As I look at the remaining amendments, I believe there are probably only five or six which will take the maximum of—I see no reason why we could not complete action on the bill on July 9, and hope that we can.

So I particularly thank all the Senators for their cooperation in working out a rather complicated time agreement. We protected everyone's rights, as indeed we should.

Mr. President, experience over the years has amply demonstrated that the subject of gun control is one of the most emotionally charged and politically explosive issues of our time. This is especially true for Senators who are standing for reelection. Indeed, I would suggest that the Senators who take leading roles in this debate could be eligible for some new profile in courage awards.

In past Congresses, the Senator from Kansas was actively involved in consideration of gun control legislation by the Committee on the Judiciary. I filed individual views on S. 914, Senator McCLURE's gun bill of the 98th Congress. At that time I said:

> It is the view of this Senator that Federal gun control legislation should have as its objective the achievement of the proper balance between preservation of a vital constitutional right and a reasonable exercise of police power to deter and punish criminal misuse. The Federal law must be carefully created so as to effectively regulate lawful interstate commerce in firearms, to proscribe certain criminal misuse of those firearms and to assist State and local enforcement authorities to discharge their public safety functions.

As you know, Mr. President, that measure never did pass the Senate. However, this Senator did offer three gun control amendments on other pending Senate legislation which were favorably received by the Senate and have become law. One of these amendments related to .22 caliber rimfire ammunition. As a result, tens of thousands of gun dealers have been relieved from the onerous and totally unnecessary requirement of recording the sale of each and every box of .22 caliber ammunition that was sold.

A second amendment that allowed limited imports of foreign made firearms which were previously prohibited from importation, passed the Senate and became law last year. This amendment authorized the Secretary of the Treasury to allow importation of firearms having value to collectors no matter what their original place of manufacture might have been. This amendment became law last year as part of the trade amendments, and the Treasury Department has now issued implementing regulations. A third amendment, imposing minimum mandatory sentences on Federal felons who use body armor piercing ammunition in the commission of their crimes was enacted as part of the 1984 crime control package.

In addition, I recently corresponded with the Secretary of the Treasury concerning proposed Internal Revenue Service regulations on broker reporting rules being used as a vehicle for Federal registration of firearms. I was assured by Treasury that no such result was intended and the IRS agreed that its regulations would be inappropriate for this purpose.

While these amendments have helped to restore the balance between the constitutional right to keep and bear arms and legitimate law enforcement requirements, more remains to be done. Since 1979, the distinguished Senator from Idaho [Mr. McCLURE] on behalf of himself and a majority of the Senate, including this Senator, have introduced and reintroduced legislation intended to correct major deficiencies and imbalances of the Gun Control Act of 1968.

S. 49, a bill to protect firearm owner's constitutional rights, civil liberties, and rights to privacy, represents fulfillment of a promise long due. When Congress enacted the Gun Control Act of 1968, it made a pledge in the preamble that the act was not meant to impose unnecessary burdens on law abiding citizens with respect to lawful use of firearms. Over the passage of time, it became apparent that this pledge was not being observed. Several hearings before our Judiciary and Appropriations Committees have demonstrated that vague or overly broad provisions of the act have been used to harrass or ruin law-abiding citizens. In 1968 the United States committed itself to avoiding such abuses. I repeat, the time has come to fulfill that commitment.

The abuses which have occurred are fully documented in the hearings which are set out in the committee report on this bill. A few of the many documented cases follow:

A disabled and decorated Vietnam veteran, whom the VA aided in establishing a rural New Hampshire gunshop, was prosecuted on felony charges for a clearly inadvertent violation. An informant had in fact in the past suggested that he make illegal sales, and the veteran proved that he had noted the informant's license number and called Federal authorities to urge his arrest. The judge dismissed the case and, after scathing criticism of the agents involved, apologized to the veteran on behalf of the United States.

Another case involved a veteran who operated a gunshop in New Mexico and was charged with 11 felonies. A jury promptly found him not guilty. Despite this finding, an attempt was made to revoke his dealer's license. After an administrative judge found him innocent for a second time, agents attempted to forfeit his entire firearms inventory based on the same disproven claims. Only after a third costly legal fight—one which wiped out his retirement savings—did he obtain his property.

A police officer who had obtained a dealer's license so he could order firearms interstate for other officers was charged with six felonies. In the belief that a dealer is not obliged to log his personal firearms into his dealer's inventory, he sold a few of his personal firearms without so recording them. He proved that the head of the prosecuting agency had himself stated that dealers were not required to record such sales. The court agreed that he acted in good faith but convicted, finding that the Gun Control Act imposes strict liability.

There is no reason to permit cases like these to occur. It is time for us to

fulfill the pledge this Congress made in 1968, to ensure that our enactments are used only against bona fide criminals. The bill before us would go a long way toward achieving that end. It will not restrict legitimate law enforcement: It will restrict abuses of authority.

While S. 49 accomplishes a number of reforms, the most critical of these are found in section 104. That section would require proof that the violation was a willful one. A standard of "knowing" violation is retained for the more substantive infractions. Additionally, this section provides that a conviction for either may not be based upon simple inadvertence.

Section 104 also provides that a collection or inventory of firearms may be confiscated only if each is individually identified as involved in certain designated violations of law. These violations include crimes of violence, violations of the Controlled Substances Act, and infractions against the substantive portions of the Gun Control Act. The affidavit must specify the link between each firearm and defined violations. If the owner is found not guilty, the firearms must be returned.

Section 104 also requires an award of attorney's fees to the property's owner if he proves the confiscation was improper. Fees shall also be awarded if he proves any other action was initiated without foundation, or vexaciously, frivolously or in bad faith. If a punitive action, arrest, or warrant was baseless, or based on personal pique, ambition or unreasonable conduct, there is no reason that an innocent citizen should bear the loss.

These are but the core of the bill. Other provisions simply apply commonsense rules and safeguards. A citizen who has secured a pardon is not to be considered a fellow barred from owning a firearm. Believe it or not, some courts have held that a pardoned citizen remains a convict as far as the Gun Control Act is concerned. Logic and comity suggest otherwise.

A dealer whose license is revoked may obtain a trial de novo upon appeal to district court. During Appropriations Subcommittee hearings, a dealer showed the agency had illegally assigned him an administrative judge who had played a role in the attempt to prosecute the dealer. A sanction as damaging as barring a man from his profession should not be imposed without a full de novo hearing before an impartial judge.

In addition, under S. 49, dealers are permitted to possess personal gun collections. A resident of one State is allowed to buy a firearm from a dealer in another State so long as it does not violate the laws of neither State. The agency may maintain records of transactions for a maximum of 20 years—which is all it requires at present in any event—subject of course to other enactments such as the Paperwork Reduction Act and Privacy Act. All these are matters simply of common sense. All these provisions simply mark reforms aimed at protecting constitutional rights. They involve the courts in partnership with Congress—a partnership aimed at securing the rights or our citizens.

Protection of individual rights and establishment of realistic rules is precisely what S. 49 is about. It is equally important to know what it is not. S. 49 is not a firearms bill. It does not change the core of the Gun Control Act. Felons are still barred for the most part from gun ownership: In fact, S. 49 makes this even clearer. Recording and other requirements remain. S. 49 leaves the substance, but shifts procedures to assure that the substance is fairly applied. There may be those who dislike our citizens who choose to own firearms, whether for sporting use or self defense. But I trust even they would not endorse conviction of the innocent, or confiscation of property of a person who has been acquitted, or administrative trials where prosecutors sit as judges. I trust they would not maintain that a man who has been pardoned is still a felon, or that one who makes an inadvertent error should be branded with that status. This is not, properly speaking, a firearms bill. It is, as its title states, a bill to protect individual rights.

S. 49 is cosponsored by 48 Members of this body. It is substantially the same bill introduced by Senator McCLURE in the last Congress and approved by the Senate as an amendment to other legislation. These proposals have the endorsement of the Fraternal Order of Police and the National Sheriffs' Association. The FOP, in particular, testified that it considered this legislation:

> A vast improvement over the Gun Control Act as it now exists. It clarifies, tightens and makes rational the all too often vague and inconsistent provisions of the act. We therefore support it from our standpoint as law enforcement professionals.

To be sure, S. 49 is not a special favor to the Fraternal Order of Police. Neither is it a special favor to firearms owners. It is simply a matter of commonsense and individual rights—two matters which we owe to all citizens.

RESPONSE TO CLAIMS S. 49 WOULD AID CRIMINALS

During the last Congress, this bill secured the endorsement of the Fraternal Order of Police and the National Sheriff's Association, two of our largest law enforcement groups. The National Sheriffs' Association, which has a membership of over 65,000 sheriffs and deputies, testified that the bill is the needed change at the needed time. The Fraternal Order of Police, on behalf of over 60,000 policemen, testified that it strongly endorses the bill because its effect is to reform the Gun Control Act in ways that make it more rational, more clear, more narrowed and more precise—in a phrase, more enforceable. If we vote in accord with the endorsements of the Fraternal Order of Police and the National Sheriff's Association, it is hardly likely we vote for a measure that will harm law enforcement.

Of course, it should be noted that there are national police organizations who do not share this view. To them and other concerned individuals and organizations I suggest that the measure before us has received close scrutiny by the Departments of Justice and Treasury. Numerous changes have been made to accommodate legitimate law enforcement concerns. These changes were worked out in the course of extensive discussions and negotiations and offered in the Judiciary Committee by the distinguished Senator from Utah [Mr. HATCH]. The Hatch package is part and parcel of the bill we now consider.

Mr. President, it is my view that now is the time for the Senate to work its will on this controversial issue. Every attempt has been made to accommodate opposing views. While this year's version of McClure-Volkmer has been held at the desk, there is a long record of correction and refinement of this legislation.

In conclusion, Mr. President, I urge speedy adoption of S. 49 by the Senate. I pay tribute to Senator McCLURE, Senator HATCH, and others for their long and deep involvement in the gun control issue. I feel sure that when the Senate concludes its work, needed reforms of the Gun Control Act of 1968 will have been made while legitimate law enforcement concerns have been protected.

ORDER OF PROCEDURE TOMORROW

Mr. DOLE. Mr. President, I would also indicate at this time for those who may be listening it is my hope that when we complete action on everything else today, we might lay down the so-called imputed interest bill. I would also indicate now to Members who may be listening that tomorrow we will be in recess from 11:30 a.m. to 1:30 p.m., unless there is an objection, because there is a bipartisan House-Senate leadership luncheon with the President at the White House. I think it will take 2 hours for that. We will come in about 10 and be back on imputed interest about 1:30 in the afternoon.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. DOLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOLE. Mr. President, it is my understanding that we have completed all the action we can today on S. 49 and under the agreement the next action on that proposal will occur on July 9 at 2 p.m., is that correct?

The PRESIDING OFFICER. The Senator is correct.

ORDER TO HOLD H.R. 2409 AT THE DESK

Mr. DOLE. Mr. President, I ask unanimous consent that H.R. 2409, to amend the Public Health Service Act, be held at the desk pending further disposition.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER GRANTING LEAVE OF ABSENCE

Mr. DOLE. Mr. President, I ask unanimous consent that the Senator from Vermont [Mr. STAFFORD] be granted a leave of absence from the Senate on Wednesday, June 26 and Thursday, June 27, while representing the Senate at a meeting of the Interparliamentary Union in San Francisco, CA.

The PRESIDING OFFICER. Without objection, it is so ordered.

JOINT REFERRAL OF BILL

Mr. DOLE. Mr. President, I ask unanimous consent that the bill introduced today by Senator KENNEDY, the Medicare Solvency and Health Care Financing Reform Act of 1985, be jointly referred to the Committees on Labor and Human Resources and the Committee on Finance.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDERS FOR TUESDAY

ORDER FOR RECESS UNTIL 10:30 A.M.

Mr. DOLE. Mr. President, I now ask unanimous consent that once the Senate completes its business today, it stand in recess until 10:30 a.m. on Tuesday, June 25, 1985.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR RECOGNITION OF CERTAIN SENATORS

Mr. DOLE. Mr. President, I ask unanimous consent that, following the two leaders under the standing order, there be special orders in favor of Senators THURMOND, PROXMIRE, and NUNN for not to exceed 15 minutes each.

The PRESIDING OFFICER (Mr. GRAMM). Without objection it is so ordered.

ORDER FOR ROUTINE MORNING BUSINESS

Mr. DOLE. Mr. President, following the special orders just identified, I ask unanimous consent that there be a period for the transaction of routine morning business not to extend beyond 11:30 a.m., with statements limited therein to 5 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR RECESS BETWEEN 11:30 A.M. AND 1:30 P.M.

Mr. DOLE. Mr. President, I ask unanimous consent that the Senate stand in recess between 11:30 a.m. and 1:30 p.m. tomorrow for the Members of the Senate to attend a bipartisan House-Senate leadership luncheon at the White House.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. DOLE. Mr. President, when the Senate reconvenes at 1:30 p.m., unless it can be worked out earlier, it will be the majority leader's intention to turn to Calendar Order No. 185, H.R. 2475, imputed interest.

It is my hope we might lay that before the Senate prior to the 11:30 a.m. recess, but I can discuss that with the minority leader in the morning.

I would guess that rollcall votes would be expected throughout the day on Tuesday.

I know of four or five amendments to imputed interest. I would hope we could reach some agreement on those amendments and, if not, we would probably be in not real late tomorrow evening but for some time tomorrow evening.

RECESS UNTIL TOMORROW AT 10:30 A.M.

Mr. DOLE. Mr. President, there being no further business to come before the Senate, I move that we stand in recess until the hour of 10:30 a.m. on Tuesday, June 25.

The motion was agreed to, and at 6:05 p.m., the Senate recessed until Tuesday, June 25, 1985, at 10:30 a.m.

NOMINATIONS

Executive nominations received by the Secretary of the Senate June 21, 1985, under authority of the order of the Senate of January 3, 1985:

DEPARTMENT OF TRANSPORTATION

Rebecca Gernhardt Range, of the District of Columbia, to be an Assistant Secretary of Transportation, vice Charles G. Hardin, resigned.

THE JUDICIARY

Joseph J. Farnan, Jr., of Delaware, to be U.S. district judge for the district of Delaware vice a new position created by Public Law 98-353, approved July 10, 1984.

Edmund V. Ludwig, of Pennsylvania, to be U.S. district judge for the eastern district of Pennsylvania vice Raymond J. Broderick, retired.

DEPARTMENT OF JUSTICE

Maurice Owens Ellsworth, of Idaho, to be U.S. attorney for the district of Idaho for the term of 4 years vice Guy Gordon Hurlbutt, resigned.

IN THE AIR FORCE

The following named officer, under the provisions of title 10, United States Code, section 8072, to be the judge advocate general, U.S. Air Force:

To be the judge advocate general, U.S. Air Force

Maj. Gen. Robert W. Norris, [redacted] FR, U.S. Air Force.

The following named officer, under the provisions of title 10, United States Code, section 8072, for appointment as the deputy judge advocate general, U.S. Air Force, in the grade of major general:

To be the deputy judge advocate general and major general

Brig. Gen. Keithe E. Nelson. [redacted] FR, U.S. Air Force.

IN THE ARMY

The Army National Guard of the U.S. officers named herein for appointment as reserve commissioned officers of the Army, under the provisions of title 10, United States Code, sections 593(a), 3385, and 3392:

To be major general

Brig. Gen. Julius J. Chosy, [redacted]
Brig. Gen. Charles H. Kone, [redacted]
Brig. Gen. Warren G. Lawson, [redacted]
Brig. Gen. Edward. G. Pagano, [redacted]
Brig. Gen. Joseph J. Saladino, [redacted]

To be brigadier general

Col. Clifford E. Abbott, [redacted]
Col. Earl L. Adams, [redacted]
Col. Robert H. Appleby, [redacted]
Col. William R. Brown, [redacted]
Col. Walter J. Dingler, [redacted]
Col. Richard E. Mallan, [redacted]
Col. Mark B. Mullin, [redacted]
Col. Charles E. Scott, [redacted]
Col. James B. Stodart, [redacted]
Col. Johnny D. Stuckey, [redacted]
Col. William C. Wilson, [redacted]

The U.S. Army Reserve officers named herein for appointment as reserve commissioned officers of the Army, under the provisions of title 10, United States Code, sections 593(a), 3371 and 3384:

To be major general

Brig. Gen. George V. Bauer, [redacted]
Brig. Gen. Dennis R. Jones, [redacted]
Brig. Gen. Guilford J. Wilson, Jr., [redacted]
Brig. Gen. James E. Wagner, [redacted]

To be brigadier general

Col. Norris P. Abts, [redacted]
Col. Richard F. Allen, [redacted]
Col. Donald M. Bagley, [redacted]
Col. James B. Baylor, [redacted]
Col. Raymond E. Bell, Jr., [redacted]
Col. Stephen C. Boone, [redacted]
Col. Michael A. Boyd, [redacted]
Col. John H. Capalbo, [redacted]
Col. Francis T. Donohue, [redacted]
Col. Paul W. Gerster, [redacted]
Col. Curtis B. Herbert, Jr., [redacted]
Col. Daniel F. Hitchcock, [redacted]
Col. Bernard F. Losekamp, [redacted]
Col. Robert F. Pennycuick, [redacted]
Col. Paul G. Rehkamp, [redacted]
Col. Lee D. Thames, [redacted]
Col. Robert H. Tips, [redacted]
Col. George M. Woywod, [redacted]

EXTENSIONS OF REMARKS

SUPPORTING THIRD WORLD FREEDOM FIGHTERS

HON. ROBERT H. MICHEL
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES

Monday, June 24, 1985

● Mr. MICHEL. Mr. Speaker, former President Richard Nixon is recognized as one of the Nation's most knowledgeable and informed observers of foreign affairs. When he discusses a subject like U.S. aid to Third World freedom fighters, it is in our interest to listen to what he has to say.

At this point I wish to insert in the RECORD, "The Case for Supporting Third World Freedom Fighters," by Richard Nixon:

THE CASE FOR SUPPORTING THIRD WORLD FREEDOM FIGHTERS

The bitter, confusing debate over U.S. aid to the anticommunist contras in Nicaragua demonstrates the need to develop some precise, hard-headed guidelines for such cases in the future.

We cannot support all anti-communist freedom fighters. But without supporting some, we will inevitably lose in the struggle for the developing world now being waged by the Soviet Union and its proxies.

The moral issue, in Nicaragua as elsewhere, is clear. While some members of Somoza's national guard have joined the contras, the majority of the political leaders of the movement are former supporters of the Sandinistas who turned away from the revolutionary regime when it turned toward a ruthless Marxist-Leninist line. If the Soviet Union has the right to support enemies of freedom such as Castro and Ortega, then the United States has the right to support defenders of freedom such as the contras. Even in the heyday of detente, Leonid Brezhnev insisted that the Soviet Union reserved the right to support so-called "liberation" forces against non-communist regimes. It would be both immoral and stupid for the United States not to insist on the right to support real liberation forces against communist governments, which are, after all, the most repressive regimes in the world.

There is no question but that the United States has a moral right to support freedom fighters against ruthless communist dictatorships. The more critical, and more difficult, question is whether it is in the strategic interests of the United States to do so.

Some contend, as President Kennedy did in his eloquent Inaugural address in 1961, that the United States should "support any friend, oppose any foe" in the defense of freedom. This is good rhetoric but bad policy. We must remind ourselves of the dictum of Frederick the Great: "He who attempts to defend everywhere defends nothing." Before the United States provides support for anti-communist freedom fighters, three conditions must be met:

Our assistance must be in the interests of the people of the target country.

Support for the freedom fighters must be in our interests.

The freedom fighters must have some chance for success.

Some specific examples will demonstrate the distinctions we should make.

The People's Republic of China has a communist government that denies the Chinese people many of the freedoms we cherish. China, therefore, meets the first condition, but it does not meet the second or the third. China does not threaten America, America's friends, or American interests. On the contrary, it provides an indispensable counterweight to the Soviet Union, which does. It would be both a strategic and a moral mistake for the United States to support a Chinese freedom-fighters' movement that has no chance to succeed, no matter how sympathetic we might be in principle to its goals.

Poland meets both condition one and condition two. Replacing the communist regime with a democratic government would be in the interests of the brutally-repressed Polish people and also in our interests. But Poland fails condition three, because any uprising against the military regime would be put down brutally by the Soviets. We do those who suffer under communist regimes no favors by making the mistake we made in Hungary in 1956: inciting them to rebellion and then watching helplessly as they are crushed.

A case could be made that Angola, Afghanistan and Cambodia meet all three conditions. But the clearest case is Nicaragua. Supporting the contras is in the interests of the Nicaraguan people, who suffer under a repressive government that denies them any chance to bring about peaceful change for the better. It is in the interests of the United States, since Nicaragua poses a threat to its non-communist neighbors and also is potentially the first Soviet base on the America mainland. Because of the broad support for the freedom fighters and the widespread opposition to the communist government among the Nicaraguan people, it also meets condition three. The anti-communist contras, with our help, can succeed.

It is vitally important, however, for us to be more precise as to what we mean by success. Our goal is not the overthrow of the communist government. The contras cannot accomplish that goal. However, a combination of continued military pressure from the contras, economic sanctions by the United States, and diplomatic pressure could force the Sandinistas to cut back their military forces, cut their ties to Cuba and the Soviet Union, and allow participation in the government by anti-communist opposition leaders.

There has been some loose talk among hard-headed superhawks that an all-out American military attack on Nicaragua would be as easy as "falling off a log." Grenada is cited as an example. After the debilitating retreat of America into isolationism that followed our defeat in Vietnam, our success in Grenada was a welcome antidote. But Grenada proved that while we could do something in Third World conflicts, it did not prove we could do everything. For 2,700 Americans to overwhelm 600 lightly-armed Cubans in Grenada is a very different operation than fighting 100,000 or more communist Sandinistas armed with the latest Soviet weapons in the jungles of Nicaragua. Grenada was a cakewalk. Sending American troops to war in Nicaragua would be walking into quicksand. Only the contras, who are willing to risk their lives to fight the communists who have betrayed the Sandinista revolution, stand between us and such a quagmire.

But far more unrealistic than the hard-headed U.S. military option is the contention by soft-headed doves that diplomacy and economic pressure alone will convince the Nicaraguan communist leaders to change their policies. In the 40-year history of the United Nations, for example, there has never been a case where UN resolutions or sanctions by themselves stopped Soviet aggression. We should support the Contadora process, but only if we recognize that without military pressure to back it up, diplomacy alone will not convince Nicaragua's communist hard-liners to give any more than lip service to the idealistic reforms endorsed by the Contadora nations. The same it true where economic sanctions are concerned. They will work only when coupled with military pressure.

It is just as naive to believe that we can wean Ortega and his communist colleagues away from the Soviet Union by more understanding and more generous economic aid programs. President Carter tried this approach and failed. During the first two years the communist Sandinistas were in power, the Carter Administration provided them with five times as much aid as Somoza had received from the United States during the previous two years. Despite the generous economic assistance they were receiving from the United States in that two-year period, long before the U.S. began to support the contras, the communists developed ever-closer links with the Soviet Union, Cuba, and other Soviet-bloc countries and began the military buildup which has resulted in their having as many soldiers on active duty today as Mexico—which has nearly 30 times Nicaragua's population.

It is ridiculous to suggest that by supporting the contras we will force the Sandinista leaders into the arms of the Soviets. As Daniel Ortega's visit to Moscow so vividly demonstrated, that is exactly where they are already. As was the case with Fidel Castro 26 years ago, a self-proclaimed communist does not need a push from the United States to get in bed with his comrades in the Kremlin.

The most wrongheaded aspect of the contras debate was the repeated assertion by President Reagan's critics that his proposals would lead to "another Vietnam." Again, the critics are 180 degrees wrong. The way to avoid another Vietnam in Nicaragua is to provide aid *now* to the anti-communist contras rather than to be faced with the necessity of sending in American forces *later* to liquidate the Soviet base that will be established by the communist government of Nicaragua if the contra movement collapses.

One hundred and sixty years ago, President James Monroe proclaimed to the world that any attempt on the part of a European power to "extend its system of government into this hemisphere" would be considered a "threat to the peace and security of the

● This "bullet" symbol identifies statements or insertions which are not spoken by the Member on the floor.

United States." That is exactly what the Soviet Union is attempting to do in Nicaragua. President Reagan deserves bipartisan support in his effort to prevent the Soviet Union from establishing a beachhead in Central America by providing support for the anti-communist contras in Nicaragua.

But the United States should not limit its efforts to Nicaragua, because there are certain to be other crises in the Third World where anti-communist freedom fighters will unite against repressive communist regimes. We will be prepared to act in these instances only if the Congress and the Administration agree now on precise guidelines for the support of those who are willing to risk their lives for freedom.●

DIALOG IN CENTRAL AMERICA

HON. ROBERT GARCIA

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, June 24, 1985

● Mr. GARCIA. Mr. Speaker, I am submitting for the RECORD a copy of an article from today's New York Times by Edgar Chamorro, a former member of the Contras. Mr. Chamorro offers concrete proposals on how the United States might better fashion its policy toward Nicaragua.

Mr. Chamorro speaks with the voice of experience, and I believe his recommendations not only make sense, they are feasible. It is difficult to remain reasonable among all the inflammatory rhetoric on the threat that Nicaragua poses to the security of the United States, but it is, nonetheless, important to continue to look for a negotiated settlement to our differences with Nicaragua. It may not be possible, but it is certainly worth a try.

HOW THE UNITED STATES SHOULD HANDLE NICARAGUA

(By Edgar Chamorro)

KEY BISCAYNE, FL.—Once again, United States policy toward Nicaragua has failed at a critical juncture. Congress recently voted $27 million in "humanitarian aid" to the "contras" fighting the Sandinista regime. This will not end the conflict; it will only make matters worse.

Rather than engage itself further, economically or militarily, the best course for the United States is to distance itself from the conflict, encourage political dialogue and support Latin American countries in their effort to prevent a regional war.

My experience as a former rebel leader convinced me that the Nicaraguan Democratic Force cannot contribute to the democratization of Nicaragua. The rebels are in the hands of former national guardsmen who control the contra army, stifle internal dissent and intimidate or murder those who dare oppose them. The rebels have been subject to manipulation by the Central Intelligence Agency, which has reduced it to a front organization.

For example, in January 1984 after the C.I.A. mined Nicaragua's harbors, I was awakened at my "safe house" in Tegucigalpa at 2 A.M. by an anxious C.I.A. agent. He handed me a press release written in perfect Spanish by C.I.A. officials. I was surprised to read its claim that the Democratic Force had laid these mines. I was instructed to read this announcement on our clandestine radio station before the Sandinistas broke the news.

Of course, we had no role in mining the harbors. Ironically, two months later, when a Soviet ship struck a mine, the same agent appeared. Out of fear of creating an international incident, he ordered us to deny that one of "our" mines had done the damage.

Nonetheless, President Reagan has pursuaded Congress to aid the contras. The message Congress sends is that a political solution is not possible and that the Sandinistas will respond only to military pressure.

But the legislators who voted for the aid are mistaken; there is still time for a political resolution, but not much. These steps should be taken:

A political dialogue should be the first priority. Past proposals for dialogue have been delivered as ultimatums and were therefore unacceptable. The first step toward national reconciliation and dialogue must be abolition of the contra army.

By urging the rebels to lay down their guns, the United States could support a policy of national reconciliation that would strengthen the moderates and pragmatists and weaken the extremists and ideologues on both sides. Moderate political leaders should not be encouraged to leave Nicaragua to join the "freedom fighters." It is the moderates who are most capable of engaging in dialogue.

What's more, applying military pressure inflicts suffering and pain on the people of Nicaragua, leads to further political polarization and increases danger of military escalation. The present policy of applying pressure to the Sandinistas until they "cry uncle" grossly underestimates Nicaraguan pride and self-esteem. A revolution based on national pride and dignity will never "cry uncle."

The Reagan Administration should give more than lip service to the Contadora initiative—sponsored by Mexico, Colombia, Venezuela, and Panama—which still presents the best option for achieving a lasting political solution. Nicaragua is a Latin American problem best solved by Latin American leaders.

The funds voted by Congress are simply another vehicle to prolong this war. The only assistance worthy of the name "humanitarian aid" is help for victims on both sides.

What we must do is to recognize the good that has come from the revolution in Nicaragua. It has brought a sense of dignity and independence to the Nicaraguan people. The Sandinistas' concern for the poor cannot be faulted. Likewise, there are some democratic leaders associated with the contras. The challenge is to bring together the good on both sides with minimal foreign interference.

Nicaraguans must find their own solution. We are the ones who ultimately must live together. But the Sandinistas will not talk to the contras as long as they are perceived as Mr. Reagan's army.

Finding a solution to the conflict in Nicaragua requires patience in spite of the apparent urgency; wisdom in the midst of complexity; tolerance and magnanimity in accepting the stumbling steps of a young nation finding its own way. Such qualities are the privilege of a great power and the most important contribution that the United States can make toward resolving the crisis in Nicaragua.●

TOUGHER LAWS NEEDED FOR MONEY LAUNDERING

HON. ROMANO L. MAZZOLI

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Monday, June 24, 1985

● Mr. MAZZOLI. Mr. Speaker, I commend to the attention of my colleagues an editorial appearing in the June 17, 1985, Wall Street Journal entitled, "The Heat Is On," which discusses the administration's plans to propose legislation providing new, stiffer civil and criminal penalties to combat money laundering.

The House Judiciary Subcommittee on Crime, under the able leadership of Chairman BILL HUGHES, and of which I am a member, recently held hearings to look into the problem of money laundering.

It is readily apparent that drug trafficking requires a mechanism—money laundering—to cleanse the hordes of cash developed in this heinous and vicious activity. Get at money laundering and we get at drug trafficking.

And, it is also readily apparent that current laws are insufficient in efforts to deal with money laundering. I have joined our distinguished chairman, Mr. Hughes, and the ranking minority member of the subcommittee, Representative BILL MCCOLLUM, in introducing several measures which will correct deficiencies in the law and which will vastly improve compliance with the Federal Currency and Foreign Transactions Reporting Act. These measures, among other things, will establish money laundering as a crime and then, provide severe penalties for those who knowingly assist in financial transactions involving criminally derived funds.

I hope that the House will take prompt action on measures reported by the Hughes subcommittee so that Federal law enforcement authorities will have stronger, more effective methods of dealing with money laundering.

THE HEAT IS ON

Attorney General Ed Meese is going for the jugular with a newly announced bill to fight money laundering. He's asking for stiff civil and criminal penalties for people and institutions that help turn dirty money into respectable investments. His bill cuts so close to the main artery that we worry about its vast expansion of potentially abusable power, but the financial world has itself been entirely too complacent about the issue Mr. Meese is addressing.

Drugs, gambling and vice in general make big money. No one knows how big. The most widely heard numbers come from five-year-old guesswork and don't distinguish gross from net. But $150 billion, give or take a bunch, seems reasonable, and that's an enormous amount of currency to meld into the legitimate economy.

The flow is so great that the Treasury Department can track it through Federal Re-

serve currency operations. In 1978, completely contrary to the national pattern, the Miami Fed took in more than three times as many $20 bills, the standard unit of drug transactions, as it paid out.

Pushers, pimps, bookies and mustache Petes can't do it by themselves. They need the help of pin-striped bankers, brokers, real estate investors and MBAs. When the underworld "surfaces" this money through a legitimate front, there rises a whole new adjunct, business people who ask no questions so as not to disturb a large and profitable cash flow.

Consider the example of Great American Bank of Dade County. According to the President's Commission on Organized Crime, officers of this bank went out of their way to help a notorious money washer named Isaac Kattan hide his transactions. Kattan's couriers routinely lugged their paper bags and cardboard cartons of $20 and $100 bills to the bank lobby to count out their deposits. To the bank, says the President's Commission, these were "valued customers." By the time a massive federal raid closed it down in late February 1981, this operation had laundered some $94 million in drug money.

The scheme had short-run business advantages, improving the balance sheet of a formerly struggling bank. But some people paid a price. In 1982, a former vice president of Great American Bank, Lionel Paytuvi, became possibly the first American bank official to go to jail for money laundering, and the bank itself was sold while under indictment. We may yet hear more from this case, since further investigations are under way.

Some argue that the wave of prosecutions comes from the advent of microcomputers, giving law enforcement new means to follow previously scrambled money trails. Maybe so, but that's no excuse for the poor performance of banks in policing themselves. The "smurfs" who deposit dirty money sometimes could have come off the set of "Miami Vice." Drug deals abound in counterfeit bills. When these show up in deposits, banks should know immediately that they have a laundering problem. Some bank employees have received commissions based on the size of cash deposits they've handled. Some have even notified customers about IRS inquiries. Banks have brought Mr. Meese's bill on themselves by their past reluctance to act.

Money laundering is simply too crucial for law enforcement to ignore. Underworld power may be highest through this hidden flow of funds, but so is its vulnerability. Those at the front of the South Florida narcotics war find that their most profitable investigations are those that follow the money. "The big boys never touch the drugs," says one key prosecutor, "but they always touch the cash."

In addition, the present Federal laws don't measure up to this job. Enforcement now depends on Bank Secrecy Act requirements that financial institutions file Currency Transaction Reports when more than $10,000 is involved. These CTRs have so flooded the Treasury that they're useless for monitoring; investigators have to know already that something is going on before they can find it in the paper work. Laundering is not now the crime for banks. That comes in the failure to file the form. The new bill would make the transaction itself the basis for prosecution.

We can't fault the logic of the proposal from Mr. Meese's point of view, much as we worry about its potential sweep. Financial institutions are in a poor position to complain that the feds went to do too much when they themselves have done so little.●

FINANCIAL BRIBERY AMENDMENTS ACT OF 1985

HON. JOHN CONYERS, JR.

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Monday, June 24, 1985

● Mr. CONYERS. Mr. Speaker, almost 1 year ago, on July 30, the House, after suspending the rules, passed the Financial Bribery and Fraud Amendments Act of 1984 to revise and expand Federal criminal laws prohibiting bribery and fraud in banking operations. That bill was drafted by the Subcommittee on Criminal Justice as an alternative to provisions of the Comprehensive Crime Control Act, which had been passed by the Senate. The subcommittee had concluded that the Senate version was drafted so broadly as to make everyday business activities into crimes. There was never an opportunity to resolve the differences between the two approaches, however; during the rush to bring the Congress to a close, the Comprehensive Crime Control Act, in its original form, was attached to the continuing resolution, passed by the Senate and signed into law.

I am sure that by now many of my colleagues have heard from their constituents in the banking industry who are concerned about the legality and propriety of certain business practices. The new law prohibits giving or receiving anything of value in connection with any transaction of a covered financial institution. Officials of such institutions are therefore concerned that allowing a client to pay for lunch or accepting an honor from a grateful charitable organization, for example, might be a Federal crime. This concern is well founded since such conduct does fall within the literal prohibitions of the new section. That Federal prosecutors may be unlikely ever to prosecute such a violation is little consolation; members of the industry are still left in a quandary about when acceptably illegal conduct becomes unacceptable.

I therefore introduce legislation last week to correct these problems. The provisions of this bill, the Financial Bribery Amendments Act of 1985, are identical to the bribery portions of the legislation passed by the House last year. The bill prohibits giving or accepting either of two types of payments to officials of federally regulated financial institutions: those intended to influence a discretionary decision or induce a violation of a legal or fiduciary duty; and those given as a reward for making a particular discretionary decision or for violating a legal or fiduciary duty. An exception from the latter category is made, however, for nonmonetary gifts valued at less than $100. Thus, a small "thank you" would not be criminal under the proposed legislation, while a gift large enough to create future expectations would. In addition, business luncheons paid for by one party would not ordinarily be illegal, since it is not the lunch, but rather the information provided, that is intended to influence a decision. On the other hand, a flight to Paris for lunch would undoubtedly provide a situation where the offer to pay was intended to influence.

The Subcommittee on Criminal Justice has scheduled a hearing on this and other proposals to deal with these problems on July 11. A section-by-section analysis follows.

SECTION-BY-SECTION ANALYSIS

SECTION ONE

Section one of the bill provides the short title: "Financial Bribery Amendments Act of 1985."

SECTION 2

Section two of the bill amends 18 U.S.C. chapter 11 ("Bribery, Graft, and Conflict of Interest") by replacing 18 U.S.C. 215 with a new section prohibiting bribery in financial operations, and enacting a new 18 U.S.C. 216 prohibiting graft in financial operations.

Bribery

Section (a)(1) of new 18 U.S.C. 215 ("Bribery regarding financial institutions") makes it an offense for someone, with the intent (1) to influence any official action to be taken by an officer, director, employee, agent or attorney of a national credit institution, or (2) to induce such a person to violate a legal or fiduciary duty, to offer, give, or agree to give anything of value to such a person. Subsection (a)(2) makes it an offense for a person to solicit, accept or agree to accept anything of value from another (1) because of any official action to be taken by, or any violation of a legal or fiduciary duty to be committed by, that person as an officer, director, employee, agent or attorney of a national credit institution, or (2) that is given with the specific intent described in subsection (a)(1). Subsection (a)(2) covers gifts given with the intent to influence official actions or induce violations of duty, even if the persons accepting the gifts do not intend to comply.

Subsection (b) of new 18 U.S.C. 215 sets forth the punishment for the offense. If the bribe exceeds $250 in value, the maximum punishment for an individual is five years imprisonment and a $250,000 fine, and the maximum punishment for an organization is a fine of $1,000,000. If the bribe does not exceed $250 in value, the maximum punishment for an individual is one year imprisonment and a $100,000 fine, and the maximum punishment for an organization is a $250,000 fine.

Subsection (c) of new 18 U.S.C. 215 defines three terms used in the section. Subsection (c)(1) defines "national credit institution" to include institutions with accounts or deposits insured by the Federal Deposit Insurance Corporation, the Federal Savings and Loan Insurance Corporations, or the National Credit Union Administration: Federal home loan banks or members of the Federal home loan bank system; Federal

land banks, Federal intermediate credit banks, and banks for cooperatives; production credit associations; Federal land bank associations; small business investment companies; and bank holding companies. Subsection (c)(2) defines "official action" to include discretionary decisions deriving from one's association with the financial institution. Subsection (d) of new 18 U.S.C. 215 provides for extraterritorial jurisdiction over the offense defined in the section.

Graft

Subsection (a)(1) of new 18 U.S.C. 216 ("Graft in financial operations") makes it an offense for someone knowingly to offer, give, or agree to give anything of pecuniary value to an officer, director, employee, agent or attorney of a national credit institution with the intent to reward the recipient for an official action taken or for the violation of any legal or fiduciary duty. Subsection (a)(2) makes it an offense for an officer, director, employee, agent or attorney of a national credit institution to solicit, accept, or agree to accept anything of pecuniary value (1) because of any official action taken by, or any violation of a legal or fiduciary duty committed by, such person, or (2) that is given with the specific intent described in subsection (a)(1). Subsection (a)(2) covers gifts given with the intent to reward official actions or violations of duty even if the persons accepting the gifts do not intend the gift to serve as a reward.

Subsection (b) of new 18 U.S.C. 216 sets forth the punishment for the offense. If the gift has a value in excess of $250, the offense is a felony and the maximum punishment for an individual is imprisonment for three years and a fine of $250,000. The maximum punishment for an organization is $1,000,000. If the gift's value does not exceed $250, the offense is a misdemeanor and the maximum punishment for an individual is one year imprisonment and a $100,000 fine. The maximum punishment for an organization is $250,000.

Subsection (c) of new 18 U.S.C. 216 defines three terms used in the section. Subsection (c)(1) provides that the terms "national credit institution" and "official action" have the meanings set forth in new 18 U.S.C. 215. subsection (c)(2) provides that the term "anything of pecuniary value" means "anything of value" as defined in new 18 U.S.C. 215 that is money or a similar instrument or that has a value exceeding $100.

Subsection (d) of new 18 U.S.C. 216 provides for extraterritorial jurisdiction over the offense defined in the section.

SECTION 3

Section three of the bill amends the table of sections for chapter 11 to reflect the new captions for 18 U.S.C. 215 and 216.

SECTION 4

Section four of the bill provides that the legislation takes effect ninety days after the date of enactment.●

PROGRESS IN RESPECT FOR HUMAN RIGHTS IN URUGUAY

HON. JOHN EDWARD PORTER

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, June 24, 1985

● Mr. PORTER. Mr. Speaker, as cochairman of the Congressional Human Rights Caucus, I have been joined with my colleagues in efforts to promote respect for human rights around the world.

All too often, my colleagues and I have been forced to focus our attention on the problems of oppressive governments denying due process of law to their citizens. During the past several years I have joined in efforts regarding the situation in Uruguay and in particular to focus attention on the plight of two political prisoners, Mr. Hiber Conteris and Mr. Ariel Poloni.

I am pleased to take this opportunity to inform my colleagues of the positive outcome of our efforts on behalf of these two prisoners. Earlier this spring these men were freed from their cells and allowed to join their families. Their freedom came about because of the restoration of democracy in Uruguay following 12 years of military rule. On March 1, 1985, Julio Mario, Sanguinetti was installed as the President of Uruguay.

And although I believe that the elections were responsible for Mr. Conteris and Mr. Poloni's release, I am also convinced that our efforts were helpful. In fact, I would like to submit for the RECORD copies of letters I recently received which express the importance congressional advocacy efforts can play in easing the maltreatment of political prisoners.

I hope my colleagues will read these letters, and will continue to participate in Congressional Human Rights Caucus activities to protest human rights abuses around the world. These two cases emphasize the importance of an ongoing congressional commitment to promoting the cause of respect for fundamental freedoms for all individuals.

May 12, 1985.

MR. JOHN EDWARD PORTER,
Washington, DC, United States of America.

DEAR SIR, Thanks to many people all over the world who have been concerned, as you have, with human rights, freedom and justice in our country, Uruguay, and thanks to many people in our own country, we now have a democratic government and all prisoners have been set at liberty.

A few days after we were free, I was allowed to leave Uruguay and come to Sweden to join my family. We have now been together with Maria, my wife, and Ileana, our daughter, for over a month and we feel we can overcome the long period of separation and get along together.

Our sons, Ariel and Hernán, are married now, but they live very near our house and so we have our grandchildren with us everyday.

Hernán has told me what you have done for us and I have read some of your letters; I can see your concern and kindness and I want you to know we feel very thankful. I have been informed that there are many people who have been and are working for peace and justice and respect to human rights, and I am sure you must know some of the them; may I ask you to let them know how thankful we feel?

I think we will keep on living in Sweden for some time still; if we can be of any help in any way, if there is anything we can tell you about us or our country, just let us know.

Thanks again.

Yours sincerely,

ARIEL POLONI.

JUNE 5, 1985.

Hon. JOHN PORTER,
House of Representatives, Washington, DC.

DEAR REPRESENTATIVE PORTER, I am writing to express my deep appreciation for your efforts on behalf of my uncle, Hiber Conteris, a former prisoner of conscience in Uruguay. He was freed with a complete amnesty on March 10, 1985 after over eight years of unjust imprisonment. The new civilian government which replaced the 12 year old military dictatorship in Uruguay released all political prisoners soon after it came to power on March 1, 1985.

On October 24, 1983, you along with eighty-two other Members of Congress signed a letter to the then president of Uruguay expressing your concern about the due process afforded my uncle prior to his conviction and sentencing. Hiber had never been allowed to present any defense and coerced confessions secured under severe torture were used as the primary evidence against him. Amnesty International adopted him as a prisoner of conscience.

Although the letter you were a part of did not lead directly to Hiber's freedom, it was very important in two ways. It definitely caused an improvement in Hiber's condition within the prison. Correspondence with our family became much more regular and Hiber was allowed to write some books among other privileges. Also, by focusing attention on an individual case, you added to the immense international pressure against the Uruguayan military regime which helped lead to the transition to civilian rule and amnesty.

Your commitment to speak out for human rights has and can continue to bring hope for many political prisoners around the world. Uruguay is an example of a country that underwent redemocratization as a result of outspoken international pressure, not quiet diplomacy. Other countries which Amnesty International has identified as holding prisoners of conscience who would be affected by this vocal human rights advocacy are Chile, Guatemala, Paraguay, The Philippines, South Africa, South Korea and the Soviet Union. I hope you will continue to speak on behalf of the voiceless prisoners in these countries.

Sincerely yours,

ANDRES THOMAS.●

BROWN-COUGHLIN ASAT AMENDMENT TO DOD BILL

HON. GEORGE E. BROWN, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 24, 1985

● Mr. BROWN of California. Mr. Speaker, tomorrow my colleague, LARRY COUGHLIN, and I will offer an amendment to H.R. 1872, the Defense Department authorization of fiscal year 1986, which will continue a de facto mutual moratorium on tests of an ASAT weapon against targets in space. The amendment, which the

House passed last year by a substantial margin, is aimed at delaying the deployment of the ASAT weapon system while our negotiators in Geneva explore the possibility of an ASAT arms control agreement.

All of the sponsors of this amendment support continued vigorous research on ASAT systems, as well as on space-based ballistic missile defense systems. In fact, the first likely technological product of SDI will be an effective antisatellite weapon, since satellites in low Earth orbit are easier to kill than missiles.

However, we are also agreed that both the United States and the U.S.S.R. would be far more secure if we avoid the deployment of weapons in space. We do not oppose the military uses of space for early warning, communications, navigation, or surveillance, all of which contribute to security and stability, but we believe that an unrestrained weapons race in space between the two superpowers would be catastrophic in its effort.

In addition to our preference for maintaining a space environment free of military weapons, we are also concerned that proceeding to test and deploy an already obsolete ASAT technology, when the Soviets may have already decided to put their efforts into the next generation of technology, is counterproductive and wasteful of scarce defense resources. To mindlessly copy all of the mistakes of the Soviets is not a sound defense policy, particularly when the Soviets may have already moved to a new technological strategy.

The 1985 edition of Soviet Military Power, issued by the Secretary of Defense, devotes considerable attention to Soviet laser development. I attach one page of that report to my remarks, and would like to quote just one sentence for emphasis.

The Soviets aparently believe that these [laser] techniques offer greater promise for future antisatellite application than continued development of ground based orbital interceptors equipped with conventional warheads.

The report asserts that the Soviets could have both ground-based and space-based prototype lasers in operation by the late 1980's.

From a stricIty cost-benefit standpoint, the United States would be far better off to invest the $4.5 billion required to deploy the first stage of the MHV-ASAT in an accelerated Laser Research Program.

I urge my colleagues to support the Brown-Coughlin amendment to the fiscal year 1986 Defense authorization bill.

SOVIET MILITARY POWER, 1985

By the late 1980s, the Soviets could have prototypes for ground-based lasers for ballistic missile defense. Testing of the components for a large-scale deployment system could begin in the early 1990s. The many difficulties in fielding an operational system will require much development time, and initial operational deployment is not likely in this century. However, with high priority and some significant risk of failure, the Soviets could skip some testing steps and be ready to deploy a ground-based laser BMD by the early-to-mid-1990s.

Ground- and space-based particle beam weapons for ballistic missile defense will be more difficult to develop than lasers. Nevertheless, the Soviets have a vigorous program underway for particle beam development and could have a prototype space-based system ready for testing in the late 1990s.

The Soviets have begun to develop at least three types of high-energy laser weapons for air defense. These include lasers intended for defense of high-value strategic targets in the USSR, for point defense of ships at sea, and for air defense of theater forces. Following past practice, they are likely to deploy air defense lasers to complement, rather than replace interceptors and surface-to-air missiles (SAMs). The strategic defense laser is probably in at least the prototype stage of development and could be operational by the late 1980s. It most likely will be deployed in conjunction with SAMs in a point defense role. Since the SAM and laser systems would have somewhat different attributes and vulnerabilities, they would provide mutual support. The shipborne lasers probably will not be operational until after the end of the decade. The theater force lasers may be operational sometime sooner and are likely to be capable of structurally damaging aircraft at close ranges and producing electro-optical and eye damage at greater distances.

The Soviets are also developing an airborne laser. Assuming a successful development effort, limited initial deployment could begin in the early 1990s. Such a laser platform could have missions including antisatellite operations, protection of high-value airborne assets, and cruise missile defense.

The Soviets are working on technologies or have specific weapons-related programs underway for more advanced antisatellite systems. These include space-based kinetic energy, ground- and space-based laser, particle beam, and radiofrequency weapons. The Soviets apparently believe that these techniques offer greater promise for future antisatellite application than continued development of ground-based orbital interceptors equipped with conventional warheads. The Soviets also believe that military applications of directed-energy technologies hold promise of overcoming weaknesses in their conventional air and missile defenses.

The USSR's high-energy laser program, which dates from the mid-1960s, is much larger than the US effort. They have built over a half-dozen major R&D facilities and test ranges, and they have over 10,000 scientists and engineers associated with laser development. They are developing chemical lasers and have continued to work on other high-energy lasers having potential weapons applications—the gas dynamic laser and the electric discharge laser. They are also pursuing related laser weapon technologies, such as efficient electrical power sources, and are pursuing capabilities to produce high-quality optical components. They have developed a rocket-driven magnetohydrodynamic (MHD) generator which produces 15 megawatts of short-term electric power—a device that has no counterpart in the West. The scope of the USSR's military capabilities would depend on its success in developing advanced weapons, including laser weapons for ballistics missile defense.

The Soviets have now progressed beyond technology research, in some cases to the development of prototype laser weapons. They already have ground-based lasers that could be used to interfere with US satellites. In the late 1980s, they could have prototype space-based laser weapons for use against satellites. In addition, ongoing Soviet programs have progressed to the point where they could include construction of ground-based laser antisatellite (ASAT) facilities at operational sites. These could be available by the end of the 1980s and would greatly increase the Soviets' laser ASAT capability beyond that currently at their test site at Sary Shagan. They may deploy operational systems of space-based lasers for antisatellite purposes in the 1990s, if their technology developments prove successful, and they can be expected to pursue development of space-based laser systems for ballistic missile defense for possible deployment after the year 2000.●

DEFENSE AUTHORIZATION BILL

HON. STAN LUNDINE

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, June 24, 1985

● Mr. LUNDINE. Mr. Speaker, this week, as we consider the Defense authorization bill for fiscal year 1986, we will be reviewing our overall defense policy. There is no more important role for Congress than providing for the national defense, through which we ensure a strong and secure America for ourselves and for our children. To achieve a secure future, I believe that our defense policy should encourage global stability by allowing us to respond appropriately to the various external threats that we face. In my opinion, this requires that we reduce our dependence upon our nuclear deterrent by dedicating more resources toward strengthening our conventional forces. Furthermore, it requires that we exercise greater discretion in selecting the nuclear weapons that we do deploy, to ensure that they provide the best deterrent to nuclear war in the near-term and that they do not complicate negotiation of arms reductions in the future.

I believe that we should commit a larger share of our resources to bolstering our conventional fighting capabilities. Currently, we place a heavy emphasis on the deterrent capability of our nuclear forces, even in response to a conventional military threat. Mr. Richard Perle, Assistant Secretary of Defense, recenty stated that:

Our present policy is that, in the event that we are unable to defend the NATO alliance in Europe with conventional forces, we retain the right to introduce nuclear forces into the conflict.

I feel that we should make the necessary commitment to an adequate conventional deterrent and raise the nuclear threshold at which we would

be forced to consider first use of these weapons.

The additional conventional capability does not completely eliminate the need for maintaining a nuclear presence. With the current world situation, nuclear weapons do serve a vital albeit extremely limited military purpose, to deter their first use by an adversary. Each side is deterred from launching an attack because the other side is capable of launching a devastating retaliatory attack.

However, I believe that we should be more selective in our deployment of these nuclear forces. To be a credible retaliatory deterrent to nuclear war, a weapon must obviously be able to survive an adversary's first strike. In our own nuclear arsenal, this argues against investing in vulnerable weapons such as the MX in fixed silos and for development of more survivable weapons such as submarine-based Trident missiles and mobile, land-based Midgetman missiles.

We should also avoid deploying weapons with greater offensive capability than is necessary for deterrence. There is a well-known cliché that the best defense is a good offense. Where nuclear weapons are concerned, this precept is dead wrong. We are currently deploying a new generation of nuclear missiles with increased accuracy and larger warheads, a generation that includes the MX and Trident II (D-5) missiles. The combination of accuracy and warhead size allows these weapons to threaten targets such as missile silos that have been hardened, or protected with additional layers of concrete shielding. I am not convinced that this hard target kill capability is needed to deter nuclear war.

Unnecessary weapons capabilities can actually detract from national security. Insofar as they add to the costs of the weapons systems, they needlessly increase the Federal budget deficit and jeopardize our economic well-being. This reduces national security, which requires a healthy economy as well as a strong defense. I am currently supporting the efforts of a number of my colleagues to have the Congressional Budget Office and the General Accounting Office determine the extra costs caused by the increased accuracy of Trident II missiles and the savings that would result from converting back to the Trident I missiles. If we are paying dearly to have more accurate missiles, we should be absolutely certain that their value to deterrence justifies these additional costs.

Weapons that are more powerful than is necessary for deterrence can also threaten global stability. An adversary may perceive that we are designing weapons for a preemptive, first strike rather than for a deterring, retaliatory strike. These misunderstandings could cause new and unnecessary arms races.

The solution is not necessarily to put the new technology back on the shelf, as is often implied by weapons opponents. Instead, we may use the technology in a way that enhances the deterrent capability and leads to greater global stability. For example, if the increased accuracy of the Trident II missile is not overly expensive, we could choose to use it somewhat differently, by reducing the warhead size and continuing to threaten the same targets that required larger warheads with the less accurate Trident I. The reduced payload weight would give the Trident II missile a greater range. This would enhance the survivability and, thereby, the deterrent capability of the Trident submarines by giving them more ocean in which to hide from an opponent's antisubmarine forces.

Although we must maintain an adequate deterrent in the near term, we should rightfully look forward to the day when we will no longer need these nuclear weapons. Therefore, our program of weapons development should be inextricably linked to our longer term goal of nuclear arms reductions. this does not mean that we should build large and expensive weapons systems simply to be used as bargaining chips by our negotiators in Geneva. It does mean that we should restrain development, as long as the Soviets do the same, of weapons that will impede our progress toward arms control. For example, we should curtail development of antisatellite weapons because survival of satellites is essential for successful arms control verification. We should also limit work on the strategic defense initiative or star wars to research, with development in this area being severely restricted so that we do not violate the 1972 ABM Treaty.

Substantial reductions in offensive arms, through negotiation, are a far better path to global stability than a new arms race in space. For that reason, I am extremely pleased that the President chose to extend our compliance with the existing SALT II agreement. I also fully support his efforts to negotiate further, verifiable arms control agreements in Geneva. In the interim, a moratorium on testing of weapons would be a positive first step toward reducing the number of nuclear weapons and the risk of nuclear war. Therefore, I encourage the President to submit the Threshold Test Ban Treaty, signed in 1974, and the Peaceful Nuclear Explosions Treaty, signed in 1976, to the Senate for ratification. I also favor the resumption of negotiations toward a comprehensive test ban.

In conclusion, Mr. Speaker, I invite my colleagues to join with me this week in an effort to redirect our defense policy in the positive ways that I've described. We can do this by supporting a series of amendments to the Defense authorization bill:

First, the amendments strengthen our conventional deterrent capability and reduce our dependence upon nuclear forces to deter conventional threats.

Second, the amendments tailor the capabilities of our nuclear forces to give us the best retaliatory deterrent. They would limit deployment of the vulnerable MX missile and give priority to development of a superior deterrent, the mobile Midgetman missile.

Finally, the amendments restrict weapons that might present barriers to negotiation of substantial reductions in nuclear weapons worldwide. They would limit testing of antisatellite weapons and slow the development of star wars.

Mr. Speaker, I believe that the defense policy embodied in these amendments would improve national security and global stability. I can think of no finer legacy to leave our children than a secure and free America in a world at peace, without ever-present threats of nuclear destruction.●

HIGH SCHOOL STUDENTS SPEAK OUT ON TEEN PREGNANCY

HON. ROBERT GARCIA

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, June 24, 1985

● Mr. GARCIA. Mr. Speaker, last Wednesday, June 19, I had the honor of meeting five exceptional students from New York City. These students, representing each of the five boroughs of New York, were the winners of a citywide contest in which I asked high school students to write an essay for the question, "What can we do about teen pregnancy?"

After numerous preliminary readings, the five finalists were flown to Washington on New York Air for the final reading, which was judged by myself, Ms. Mary Canada, the director of the Brooklyn Teen Pregnancy Network, Ms. Adelaide Jacquet of Planned Parenthood, Mr. David Grizzle of New York Air, and Brad Mims of my staff.

The finalists, each representing a different borough, were:

Queens—Ms. Clara Singleton (Ms. Singleton was not able to come to Washington, so Ms. Nadia Huntley read for her.)

Manhattan—Ms. Estella Williamson.

Brooklyn—Mr. Bruce Green.

Staten Island—Ms. Jennifer Corbet.

Bronx—Ms. Deborah Fleming.

The prizes to be awarded were:

First, $500 scholarship and three roundtrip tickets to Orlando, FL, courtesy of New York Air.

Second, $200.

Third, fourth, fifth, $100.

After outstanding readings by all the finalists, a final decision had to be made as to the winning essay. Finally, it was decided that Ms. Jennifer Corbet's was the winning essay. Ms. Debo-

rah Fleming was awarded second and Mr. Green, Ms. Williamson, and Ms. Singleton shared the $100 prize.

I submit the five essays to the RECORD. I only wish my colleagues could have been there to look at these magnificient young people. It seems that whenever Congress or the Government does something wrong, all the TV cameras and media in the world are there to watch. However, when something as great as these young people caring about their future and the future of other teenagers takes place, no one seems to care. I hope that my fellow Congressmen will read these essays and look at the worries and solutions that these young people are putting up to us. I only hope that we can support their words with action of our own.

Again, I commend these five young people and thank them for caring about this serious problem. The problem of teenage pregnancies has reached epidemic proportions. It is time that Congress heeded the words of these young people.

I hereby submit the essays:

HOW TO SOLVE THE PROBLEM OF TEENAGE PREGNANCY THROUGHOUT THE NATION

(By Jennifer Corbet)

One of the toughest problems for a teenager to face is the dilemma of teenage pregnancy. There are several options available, such as, abortion or adoption, but no easy answer. Many times the problem is hushed up and people do not really deal with the issues—especially the preventive ones. However, the problem of teen pregnancy is a serious one which must be addressed.

In the attempt to alleviate the problem, it should be remembered that "an ounce of prevention is worth a pound of cure." The main emphasis should be placed on making teens aware of options before pregnancy occurs. Education in this area is an effective way to accomplish this. Contrary to some opinions, the education in itself is not responsible for the rise in teen pregnancies. Teens should be as well informed about birth control as possible because ignorance is a major cause of pregnancy. The proper education can dispel the many myths teenagers have which can lead to pregnancy. Although some parents may feel uneasy about these subjects being discussed in an open classroom situation, they should not fear this. It is better to have the knowledge about prevention than for the subject to remain a dark mystery. When teens talk with their peers, guided by a teacher, they can find out the real facts and be made aware that it could happen to them and not just to the "other person." The knowledge of pregnancy prevention is not corrupting. To the contrary, it is beneficial, even if only a few pregnancies are prevented.

Many times a teen pregnancy becomes a tragic story. The main question then becomes—what should a teenager in this situation do? It becomes a tough personal decision. But, a pregnant teenager also becomes everyone's problem—for this problem will affect and change many other lives as well. This problem need not be faced alone, nor the decisions concerning it. Part of the problem is that these teenagers feel they have nowhere to go and no one to turn to. One solution to this problem is that more counseling places should be established and be made available where teens can go to talk about their problems. Teenagers, especially those who find themselves in this type of situation have many conflicting feelings that they need to express. Counseling is important for it develops awareness, and early awareness could be the key to early prevention. These counseling centers would also provide information and education outside of school. They would act as a supplemental backbone to sex education in school. It would then be the responsibility of the schools to make their students aware of these centers.

Teenage pregnancy is not just the teenage girl's problem—it is an issue which concerns teenage boys as well. After all, teenage pregnancy does not just make a teenage girl a mother, but it makes a teenage boy a father as well. Therefore, it is important for all teenages to learn of the responsibilities and the consequences of their acts in this regard. It is better to have prevention and not just intervention when it is too late—for an uninformed teenager is a potential uninformed parent.

All things considered, there is no one simple solution to the problem of teenage pregnancy. But, if adults and teens develop greater awareness and work together to employ the ideas of prevention, education, and counseling, then the problem will surely be alleviated throughout the nation.

TEENAGE PREGNANCY: IS THERE A SOLUTION?

(By Deborah Fleming)

Teenage pregnancy is more than just a problem; its a dilemma that is reaching epidemic proportions. It seems almost to be "the style" to be pregnant, but styles change and fade away, babies don't. Instead of teens becoming high school graduates, they are becoming adolescent mothers ending up on welfare and giving up any chance of a promising future. Some girls get jealous when their friends become pregnant, so they follow suit. Some girls have babies because they need someone to love and someone who will love them back. Sadly enough, statistics show that this situation is growing and spreading like a cancerous disease throughout the nation.

In order to find a solution to teen pregnancy, we must first come to terms with the situations, circumstances, and pressures that we teens encounter. In a lot of cases of teenage pregnancy, peer pressure is a major cause. Girls hear stories from their friends, such as, one can't get pregnant the first time; they listen to their boyfriends who say, "you would if you loved me," and the argument that a condom (rubber) prevents fellows from fully enjoying sex and getting an erection.

Then, there are the cases where ignorance is the cause. A surprising number of teens just don't know about birth control. In one case, a girl became pregnant, while using Norforms, a feminine deordorant, as a method of birth control; she just didn't know. A lot of this stems from the home. In a lot of families, sex talk is a taboo. Sex isn't discussed, because nice young ladies just don't do "it" before marriage. Of course, this doesn't help the teen who learns it from her inexperienced friends or worse yet, in the back seat of a car.

There are a lot of pressures that teen girls face, pressure from their boyfriends, the fear of losing their virginity or their boyfriend. Pressure from friends: "You and Tanya Dunn (ugliest girl in school) are the only two virgins left. There are pressures of an ever changing body, and desires. The desire to have a physical relationship, but the fear of becoming pregnant.

We also have the girls who take a chance; they engage in sex, but don't use any protection, and hope they won't become pregnant. I, for one, am not against premarital sex, but then again, I don't support it. Far too many teens are indulging in sex but fail to indulge in the precautions and responsibilities that go along with it.

My suggestion is to set up more programs to deal with teen's questions and illusions about sex and birth control at an earlier age. Set up more programs which would give teenagers something to do on nights and on weekends, especially summer weekends. There are plenty of places where teens can go and get free birth control advice, but a lot of girls are scared to go to a strange place for something so personal. A clinic should be set up in school, elementary as well, the younger the better. Set up programs where a social worker who can relate to teens effectively (not only programs for teen girls, but programs for teen guys as well. It takes two to make a baby, and it's the responsibility of two to prevent it.

HOW TO SOLVE THE PROBLEM OF TEEN PREGNANCY

(By Clara Singleton)

Teenage Pregnancy is the #1 cause for the increase in population. It is a live crisis affecting today's society, also attracting an increasing amount of attention as enormous amounts of children are becoming parents.

Years ago Teenage Pregnancy was not easily accepted by society, but today in contrast to years ago, Teenage Pregnancy is more like a fad or fashion, like a pair of jeans that everyone is getting. Unfortunately, enormous amounts of attention is all that members of society are giving though there are answers, organizations for teenagers before and after pregnancy are available across the states. All they need is the participation and concern from the public.

I personally feel there are no simple answers to this situation, what we can do is suggest our solutions and share our experiences with teenagers.

Teenagers must realize the serious risks behind sexual relations, it's not all excitement. As the expression "wham bam thankyou mam" is often used to describe a teenagers' lack of responsibility and respect for themselves. Young women must develop principles in which to guide their lives by. I believe a teenager must be financially, and more important, mentally stable before beginning sexual relations. If teenagers are financially stable, then their children would have a better future. Most teenagers today are not working and are not financially stable enough to care for a child along with themselves.

An important factor in the prevention of Teenage Pregnancy is for young teenagers to be mentally ready before starting sexual relations. Being ready in a physical sense is not the answer. The more one knows themselves and their identity the more they can develop their principles, and their morals and stand behind their feelings and not be beguiled into anything that they don't want to do. They'd be more respected than those who are walking around pregnant. Attitudes on sex should over power the physical need for it. Values and morals are developed so a perosn can have principles to live by.

I must call attention to parents who can be a great help in this effort to solve the

problems. Parents can be the #1 influence on their children in the pre-teen years. Parents learn to explain pregnancy and contraception to their children before their kids drift away from the "home sweet home" and drift into the "home street home". After discussing sex education in the home then it must be elaborated on in school. Parents have a tendency to lay back and let the schools do all the teaching. Sexual education courses are there in school, to inform students about pregnancy and contraceptive devices that are available to them to prevent it. Sex education courses are taught to the point where it is not stated as acceptable behavior but as a solution to the prevention of conception!

Often women tend to put the responsibility on the male to use a contraceptive but males are not the ones who get pregnant, who drop out of school, who carry a fetus for 9 months and who grow up a teenage mother.

If one intends to take on the responsibility of sex before marriage, contraceptives should be a mandatory element for the female partner. Women must learn to take on the responsibility and the initiative to protect themselves, no one else will do it. The though of a girl growing up into a sexual world should be—looking out for one's self.

In conclusion to my solution to Teenage Pregnancy I'd like to say that we, as a society, as people who are constantly exposed to unwed teenage mothers, must help teenagers find meaning, direction and self-esteem. We must all as parents, teachers, churches and neighborhood organizations, seek out small communities and large communities. We must not keep quiet about sexual activity as early as thirteen years old. Whether it be our son/daughter, brother/sister or friend. Counseling on parenting and sexual activity must be given. Young children must be told explicitly to hold off on sex until they can deal with the sometimes harmful outcome. We all must contribute to this rising crisis, we all must lend a hand, and together I believe we can conquer it!

HOW TO SOLVE THE PROBLEM OF TEEN PREGNANCY

(By Bruce Green)

I am a young man trying to make it in this world. Like many other young teens, I have been told by my peers, and the movies, and television and the books I read, and the music I hear that sex is the experience of experiences and that everybody is doing it.

Some people get pregnant, notice—I did not say, become parents. I doubt if many young people think of themselves as parents, think of the enormous responsibility. Children need shelter and food and clothing and love and guidance.

One of the main reasons teens get pregnant is that they learn about their bodies and sex from their peers and soap-operas; instead of their parents or other responsible adults. Nine times out of ten, they get the wrong information.

The only thing parents say to them about sex is, "Don't bring no babies into my house." That is the wrong thing to say to misguided youth. Instead they should tell them that their bodies and their love are precious, sacred things, not to be shared with just anyone. Teens are seduced into irresponsible sexual behavior the same way they are seduced into taking drugs, buying expensive clothes and jewelry. Everybody wants a "quick fix."

Education about ourselves, our values, our bodies and our feelings should begin in elementary school. Groups conducted by older peers who are trained in fundamental sex information and value structuring and by a professional counselor. A community parent should be also utilized for this purpose. For many of our students, sexual activity begins in elementary school, a hygiene class in the 11th grade is too! too! late. These activities should be conducted in a relaxed atmosphere instead of a rigid didactic lecture. They should be on going; conducted on the level of understanding of the students involved.

I have enclosed a video-tape of a role-play on "young parenthood."

HOW TO SOLVE THE PROBLEM OF TEEN PREGNANCY

(By Estella Williamson)

The main cause of teen pregnancy is ignorance. Teenagers don't understand the responsibilities and consequences of indulging in sex and they are reluctant to ask.

Society has put labels on sex; "You shouldn't have sex until you're married", "You're too young to ask about such things", "That's nothing to talk about now". Many people don't understand that sex is perfectly natural and that there is nothing wrong with it if you are willing to accept and understand the responsibilities that go with it. Many teenagers don't understand these responsibilities and often get themselves into burdensome situations that they can't possibly handle.

Teenagers often have sex for all the wrong reasons:

1. Because "everyone else is doing it".
2. To experiment.
3. Pressures from their boy/girl friend.
4. Searching for love and care that isn't given at home.
5. Rebellion.

Though we've tried to lower the number of teen pregnancies by offering counseling and teaching Health and Sex education in school, little has been accomplished because these classes are taught mostly in high schools and a few junior high schools. For instance, in my high school, Health and Sex Ed. classes aren't taught until you are in the eleventh grade! Close to half of the freshmen class have indulged in sexual activity. Many junior high and elementary school students have had sex! By this time, it is too late. These classes should be taught at a much earlier age. In first grade children should be taught some form of sex education. They should learn about the human body, its significance and its importance at making us whole. That is the time to know because babies are having babies. A nine or ten year old having a baby is no longer an uncommon thing.

We already have teen pregnancy programs, sex education classes, news articles, the television media, and even our own experiences to tell us the consequences of getting pregnant at a very young age. Yet still, thousands of teenage girls become pregnant. There should be a sex education class in every grade of every school telling students how to handle sexual pressures. There is no better way to do it.

This may sound far fetched. "Five and six year olds learning about sex? Don't be silly." I'm, not being silly. I'm being realistic. Today's child is very advanced, so it is not a matter of being able to comprehend. More than ever, sex is everywhere in our society through the mass media. We certainly wouldn't want our children to get the wrong impression, would we? Yet they do! They can learn the right way in school, in Elementary school.●

RELEASING THE RESULTS OF HIS 1985 CONSTITUENT QUESTIONNAIRE

HON. SILVIO O. CONTE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Monday, June 24, 1985

● Mr. CONTE. Mr. Speaker, I would like to submit to the RECORD for my colleagues consideration, the results of my 1985 constituent questionnaire.

Budget deficit reduction and tax reform continue to be major concerns for the people of western Massachusetts. The taxpayers of my district wish to see the Tax Code provide more relief to the individual and the family, rather than the corporation. Specifically, an overwhelming majority wish to see the deductions for home mortgage interest, as well as for State and local taxes retained. An even larger majority feel that, in general, there is little justification for the Tax Code loopholes used so effectively by multimillion dollar corporations.

In other matters, 62 percent expressed opposition to financially aiding the Contras, while 68 percent favor continuing research into ways to defend the Nation against ballistic missle attack. And, in a matter that is critical to the region, 84 percent favor, in some manner, reducing industrial emissions that result in acid rain.

FOREIGN POLICY

	Percent
1. American policy toward South Africa has become an issue of heightened debate in recent weeks. Do you think U.S. policy should:	
A. Require all American companies to pull out of South Africa and prohibit future U.S. investment	19
B. Require that any present or future U.S. company operating in South Africa adhere to a strong fair labor policy providing job opportunities for blacks	40
C. Continue the Administration's policy of "constructive engagement," pressuring the South African government to abandon its policy of apartheid	33
2. Do you favor sending U.S. financial or technical assistance to the anti Sandinista "contras" in Nicaragua?	
Yes	31
No	62
3. Administration trade negotiations are battling with the questions of import quotas on such items as textiles, steel, automobiles, and footwear. While these quotas may protect American jobs in these industries, they may translate into higher consumer prices. Do you favor import quotas on these industries?	
Yes	46
No	48
4. In light of the fact that the Soviets have decided to resume arms control talks with the U.S. what arms control option do you favor?	
A. Continue to deploy nuclear weapons systems which the Administration believes improve our bargaining position	28
B. Pursue a mutual freeze on nuclear weapons	37
C. Reduce unilaterally our nuclear weapons while keeping a minimum to insure deterrence of nuclear war	29
5. Should we continue to research ways to defend the nation against ballistic missile attack?	
Yes	68
No	25

ENERGY

	Percent
1. The Natural Gas Policy Act of 1978 expired on January 1 of this year, lifting price controls on about 60% of the natural gas supplies in this country. Which legislative effort would you support for dealing with natural gas prices?	
A. Replacement of similar controls on natural gas prices	28
B. Complete decontrol of natural gas prices	30
C. Development of controls that let price fluctuate with demand	30
2. Oil prices have dropped significantly over the last two years and there is renewed talk of an oil import fee to prevent returned dependence on imported oil. A two dollar fee would raise heating oil and gasoline prices by a nickel a gallon. Do you favor imposition of an oil import fee?	
Yes	41
No	51

BUDGET AND TAXES

	Percent	Percent	Percent
1. Which of the following approaches would you support as means of reducing the federal budget deficit?			
A. Freeze all federal spending, with no increase for inflation	34	.....	
B. Increase all spending, but only in line with the inflation rate	13	.....	
C. Freeze or cut social spending, but increase defense spending	10	.....	
D. Freeze or cut defense spending, but increase social spending	36	.....	
	.....		
	Retained	Repeal	Modify
2. Tax reform is the topic of great discussion this year. There are generally three tax simplication proposals which reduce tax rates and simply the tax rate structure. In return for lower and simplified rates, however, the proposals eliminate many deductions, credits and exclusions. Which of the current tax benefits should be retained, repealed, or modified?			
Personal Taxes			
A. Deduction for home mortgage interest	71	9	10
B. Deduction for general loan or credit interest	49	25	15
C. Deduction for charitable contributions	62	12	16
D. Deduction for state and local taxes	70	12	8
E. Credits for energy conservation	47	27	14
F. Benefits for capital gains dispositions	21	32	29
G. Exclusions for common fringe benefits, i.e., health insurance, airline passes, educational assistance, etc.	30	30	24
Business Taxes			
A. Tax credit for investment in new equipment	40	17	28
B. Tax credit for research and development	40	17	28
C. Accelerated depreciation deduction for plants and equipment	20	32	32
3. In general, is there any justification for corporations paying no taxes or receiving large refunds but reporting large profits to shareholders?			
Yes	9	.....	
No	83	.....	
4. Would you support the establishment of a national lottery?			
Yes	54	.....	
No	37	.....	
If yes, where should the lottery's proceeds go?			
A. The Medicare trust fund	15	.....	
B. The Social Security trust fund	23	.....	
C. To reduce the federal budget deficit	31	.....	
D. To general revenues	3	.....	
E. Other	3	.....	

TRANSPORTATION

	Percent
1. In the past year, state legislatures in New York, New Jersey, and Illinois have passed laws requiring motorists to wear seatbelts. Additional states are expected to consider similar legislation this year, and there have also been suggestions that Congress should pass a federal mandatory seatbelt law.	
A. Do you favor the enactment of mandatory seatbelt laws?	
Yes	52
No	43
B. If yes, should these laws be federal or state?	
Federal	27
State	23
2. AMTRAK currently runs a national network of passenger trains in this country, including a heavy concentration of service on the Northeast Corridor. This year's budget from the Administration calls for the termination of federal funding for AMTRAK, which would result in the elimination of this service. Would you favor the elimination of this service?	
Yes	26
No	67

TRANSPORTATION—Continued

	Percent
3. Would you support a ban on smoking on commercial airline flights that are less than two hours long?	
Yes	72
No	23

GENERAL POLICY

	Percent	Percent
1. Concern over the effects of alcohol abuse on our society has prompted discussion on the possibility of banning all alcohol advertisements on television. Which of the following options do you favor to deal with this situation?		
A. Continue to allow beer and wine makers to advertise on TV	30	.....
B. Ban all alcohol advertisements on TV	44	.....
C. Require beer and wine makers to produce an equal amount of anti-alcohol advertisements	17	.....
	1st priority	2d priority
2. What issues should be the two top priorities of the 99th Congress?		
A. Tax reform	31	3
B. Budget deficit reduction	38	18
C. Environmental protection	11	6
D. Nuclear weapons reduction	10	22
E. U.S. policy in Central America	2	8
F. Health care cost containment	3	11
G. Immigration reform	2	4
H. Social service program protection	6	9
I. Military strength enhancement	6	5
3. Mounting scientific evidence is being accumulated laying the blame for acid rain on coal-burning utilities' sulfur dioxide emissions. What do you consider the most important characteristic of any acid rain abatement legislation?		
A. Reducing sulfur dioxide emissions by the greatest amount	49	.....
B. Cutting down on emissions in the fastest period of time	35	.....
C. The least cost approach	15	.....

Mr. Speaker, I have the utmost confidence in the judgment of the people I represent. They have always espoused the soundest of courses for their cities, towns, counties, State, region and Nation. This is why I choose to share their concerns and opinions with my colleagues in the House. Thank you, Mr. Speaker.●

INTRODUCTION OF LEGISLATION RELATING TO THE DISPOSAL OF LAND AT CAMP PARKS, ALAMEDA COUNTY, CA

HON. FORTNEY H. (PETE) STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 24, 1985

● Mr. STARK. Mr. Speaker, I am today introducing legislation designed to focus attention on resolving a series of difficulties involving land in and around the Army's Camp Parks Reserve Forces Training Area in Alameda County, CA, an area in the Ninth Congressional District which I represent.

The ideas in this bill can help ensure the Nation and the Treasury that certain excess Camp Parks land is sold at the highest possible value. But it also assures that the Army fulfills its duty to certain local government agencies. The local land use issues involved are complex, and I welcome ideas from any group or individual on how better to utilize the opportunities provided by this land disposal. To repeat, this bill is an attempt to focus attention on the issue, end the uncertainties on the use of the land, and get on with the business of using this valuable land.

Basically, my bill requires that 150 acres of Camp Parks land which the Army and GSA want to dispose of—since they are not utilizing it—be sold at public auction to the highest bidder(s). The 150 flat acres of land are situated alongside a major interstate highway and would make a great industrial-commercial site. There are estimates that the land may be worth around $30 million. If sold as an industrial site, I hope it would become part of the tax base of the city of Dublin, helping that community in its growth.

But rather than return all the money from the sale to the Treasury, my bill requires that payment be made to two local governmental units who have been hurt by the Army's operation of the Camp Parks facility. Efforts to get the Army to do its duty to these local units of government have not—to date—succeeded. The first payment of up to $6 million would be to the Dublin-San Ramon Services District to help improve the operations and capacity of a local sewer treatment plant. Why should there be a direct Federal payment to this particular plant? Several years ago the Army signed an agreement—a contract—that it would only use 300,000 gallons per day of the capacity of this plant. The Army has consistently and flagrantly ignored that agreement, and its average gallonage flow has been about 130,000 gallons per day above the 300,000 figure. This is a violation of the agreement that is destroying the ability and right of others to tie into the area's treatment center. The services district has told me that to make the necessary short-term changes in the treatment plant would cost about $6 million. The exact figure can be developed during the hearing process. There are other disputes between Alameda County and the Army over various sewerage rights. The Army has basically refused to talk to the county about the problems, and a hearing on this bill might help end their stonewalling.

The second payment is $1,112,500 to the East Bay Regional Park District [EBRPD]. What is involved here is the fact that about 10 years ago the Army gave approximately 445 acres of land on the northern side of Camp Parks to the EBRPD. This land was used by EBRPD to meet their regional park needs and was designated Tassajara Creek Regional Park. By getting this land and in the belief that it was theirs for long-term use, the park district gave up the opportunity to buy fairly cheap land in the area which was then available. The park also

spent some money providing access to and facilities in the park. Now, the Army wants the 445 acres back because there is a plan to increase substantially the use of Camp Parks by reservists. That plan requires more land for heavy vehicle maneuvers and for light to fairly heavy artillery range practice. In other words, the Army simultaneously is disposing of 150 acres of land near a busy highway, but wants back 445 acres of rolling hill land away from the developed areas. The $1.1 million will compensate the park district for the cost of their additions to the land plus the opportunity cost of not having bought other land in the area and having relied on the Army's commitment for long-term use of the land. With this money, they will be able to buy substitute parkland, probably in some of the ridges in the trivalley area, and they will voluntarily transfer title of the 445 acres back to the United States.

The remaining money—we hope about $24 million—will go back to the Treasury.

There are other issues which this bill impacts.

The county of Alameda wants the 150 acres for various reasons: A possible transit station, buffer land around an adjacent county—and Federal—prison, and—apparently—to either operate or lease or sell as an industrial park site. The county proposes to obtain this land through a swap that would give the Navy about 170 acres of land in the hills between San Leandro and Castro Valley. The Navy, which badly needs extra housing in the bay area, would build housing units on that site. My bill would preclude this elaborate—and controversial—land swap.

The Navy does need housing, but I would wish they would do more to use scattered-site housing and to use vacant housing or to rehab housing which currently exists throughout the area. The 170-acre site also poses severe earthquake danger problems and the addition of many units at that site would strain local school, road, and other services.

The city of Dublin would like the 150 acres of land to be an industrial park site, and I hope that the tax base would go to Dublin. The bill would also insure that much more money would go to the Treasury than under the county's plan. Sale at public auction is the only way for the taxpayer to be sure to get the best value from this very valuable land.

The questions surrounding the use of this 150 acres sound complicated to those not familiar with the site. But I think my bill can begin the process of solving the local problems while providing the best return to the rest of the Nation's taxpayers.

Again, I welcome ideas for improvements in the proposal.●

TRIBUTE TO LORENA FALASCO

HON. TONY COELHO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 24, 1985

● Mr. COELHO. Mr. Speaker, this month Ms. Lorena J. Falasco retired from the Los Banos, CA, Unified School District after 38 years of dedicated service to her community as both educator and principal.

Lorena was born in Los Banos, and attended elementary and high school there. In 1946 she was graduated from the University of California at Berkeley, and the next year was awarded her general secondary credential in education from U.C. Berkeley.

In 1947 Lorena began her career in education as a teacher at the Los Banos Union Elementary School. In 1953 she was awarded her elementary administrator credential, and since that time has been principal of the Henry Miller Elementary School. In 1976 she also became principal of the Volta Elementary School.

Lorena's service to her community has not been limited to the realm of education. She is a charter member of the La Caridad Guild at Valley Childrens Hospital, helped to organize the Los Banos Mental Health Services, and currently serves on the Los Banos Community Advisory Committee of Merced College.

Lorena will be missed greatly by the Henry Miller Elementary School, the Volta Elementary School, and in fact all of the Los Banos Unified School District. On behalf of the citizens of Los Banos, I would like to thank Lorena Falasco for her many years of selfless service to the youth of her community as their principal, educator, and friend, and I wish her great happiness in her retirement.●

HONORING JOHN DAVIS, BRANCH MANAGER, NORWALK SOCIAL SECURITY OFFICE

HON. ESTEBAN EDWARD TORRES

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 24, 1985,

● Mr. TORRES. Mr. Speaker, I ask my colleagues to join me in saluting John Davis for his outstanding service to the people of the 34th Congressional District.

On June 26, 1985, at a special luncheon Mr. Davis will be honored by his friends and coworkers for his dedication and commitment to people as branch manager of the Norwalk Social Security Office. Mr. Davis has served the people of my district in various capacities with the Social Security Administration. John began his career as a claims representative interviewing applicants and informing people of their eligibility for Social Security benefits. John has been the branch manager for the Norwalk office since 1982 after working as a field representative and supervisor.

It is as the Norwalk branch manager that I have had the honor to know John. He has personally assisted me in resolving problems people in my district have encountered with the Social Security Administration. From lost checks and correcting misinformation to directing people to places where they can acquire further help, John has always been ready to lend a hand. He has been invaluable to me and members of my staff in straightening out complicated problems.

John is being honored by his peers because he will be leaving his duties as branch manager to pursue a career as an attorney. While working in the Social Security Administration John went to school in the evenings and earned a law degree from Southwestern School of Law in 1983 and passed the California bar a year later. His high caliber and dedication will be sorely missed by all who have had the pleasure to know and work with him.

Mr. Speaker, I rise today on the floor of the House to extend my best wishes and heartiest congratulations to John Davis. His effort and enthusiasm helped establish a positive image for the Social Security Administration and set the standard for others to follow.●

MR. CHARLES H. BOSKEN, RETIREMENT

HON. THOMAS A. LUKEN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, June 24, 1985

● Mr. LUKEN. Mr. Speaker, as Representative of the First Congressional District of Ohio, I ask my colleagues to join with me in extending sincere congratulations to Mr. Charles Bosken, president of Printing Industries Association of Southern Ohio, on the occasion of his retirement on June 25, 1985.

Mr. Bosken has made many important contributions over the course of his 15 years of service to the Printing Industries Association. His excellent rapport with people, his strong financial management skills, and his innovation and creativity are among the numerous exceptional qualities which have enabled him to attain his high level of success. He has been an industry leader in the field of labor-management relations for many years. His peers describe him as honest, forthright, and straightforward.

Mr. Bosken has been a pioneer in developing a comprehensive health insurance program for the printing in-

dustry, establishing one of the premier self-funded trusts in the industry. The Ohio Graphic Arts Welfare Fund became the motivation for establishment of the printing industry consolidated trust now serving printing employers and employees throughout the Nation.

Mr. Bosken will certainly be missed by all upon his retirement from the printing industry. However, his noteworthy contributions and his positive influence will not be forgotten. Please join me in extending a sincere congratulations to Mr. Bosken on his outstanding achievements.●

A CONGRESSIONAL SALUTE TO LYNN DRAKE, PRESIDENT, AHDPA

HON. GERRY SIKORSKI

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 24, 1985

● Mr. SIKORSKI. Mr. Speaker, my press secretary, Lynn Drake, is being recognized tonight for the dynamic leadership she has demonstrated as president of the Association of House Democratic Press Assistants. Since few people have benefited from her exceptional abilities as much as myself, I wanted to join in commending her for a job well done.

As president of the AHDPA, Lynn has helped to ensure that we, as legislators, are conveying our message in the most efficient and effective way possible. She has set up seminars between the media and House press secretaries; conceived and edited a soon-to-be-released book on House media services; and provided an invaluable stream of advice and information for new Members.

Mr. Speaker, one of the pleasures of working in Congress is the opportunity to work with some very talented and special individuals. Lynn Drake is just such an individual. She demonstrates that daily as my press secretary, and she has certainly proved that as president of the Association of House Democratic Press Assistants.●

THOUGHTS OF AN ELDERLY WOMAN

HON. SAM GEJDENSON

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Monday, June 24, 1985

● Mr. GEJDENSON. Mr. Speaker, every so often, one receives a constituent letter so moving and so heartfelt that it merits sharing with other Members of Congress. Here, for my colleagues' benefit, I would like to reprint the text of just such a letter received from an elderly woman in my district. I commend it to my colleagues' attention and ask that they take a minute to read it and absorb its message.

I was hungry—and a new committee was formed to study the causes of hunger.

I was sick—and legislators met again with new ideas for Medicare.

I was cold—and fuel bills were raised for more money to study the situation.

I was not safe in my own home—and lawyers began to debate the reasons behind crime and what can be done about it.

I was lonely—and friends went into their churches to pray for me, and closed the door.

I am still hungry, sick, and lonely.●

INTRODUCTION OF LEGISLATION TO REQUIRE SERVING OF CERTAIN AMERICAN PRODUCTS ON AMERICAN-FLAG AIRLINES

HON. FORTNEY H. (PETE) STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 24, 1985

● Mr. STARK. Mr. Speaker, on behalf of 27 other Members and myself, I am today introducing a bill to require that American-flag airlines which choose to offer alcoholic beverages to their passengers must offer American made wines and beers. Failure to do so will exclude these airlines from being eligible for Federal employee business under the "Fly America Act."

We feel that this is particularly appropriate since even our own flag airlines seem to go out of their way to advertise foreign beverages. An example is the full page ad on the back of the New York Times magazine of May 12 in which a first-class passenger is stretched out after consuming a "vintage wine like Puligny-Montrachet."

This is not a case of sour grapes. In fact, our Nation's grapes are outstanding and I won't fill up the RECORD with lists of the blind wine and beer tastings which American products have won over older and more ancient names. We have products as good or better than those being served. Yet they are not being served. In many cases, we believe foreign governments require the use of products only from that foreign country. In others, it is just a matter of old-boy purchasing networks.

All we want is our own airlines to give the same attention to helping other Americans as foreign airlines give to their own nation's products. Many foreign airlines "showcase" their nation's products in both their first-class and coach offerings. They realize it is a form of national advertising and market promotion that leads to increased export sales. Yet our carriers do not seem to see this.

It is our belief that most foreign airlines have either a de facto or a de jure policy of not carrying American light alcoholic beverages. In many cases, it seems that they carry only the product of their own nation. In other cases, they seem to carry the product of every nation except the United States. For example, I would refer readers to the Japan Air Lines ad in the June 17 issue of Business Week. We are running a trade deficit with Japan of $3 to $4 billion a month. Yet in an ad geared to American travelers, the pictures feature a French champagne, a French bordeaux, a French liquor, and a Japanese sake. It may be nearly impossible for American beverage products to get a fair shake on these foreign owned and operated international airlines.

Therefore, we believe that we should provide some offsetting relief for our own Nation's products. America's flag aircraft receive numerous subsidies from the public in the way of airport aid, airway safety, telecommunications services, and so forth, and so forth. It is therefore appropriate that Federal legislation can require the help of America's airlines in offsetting the unfair trade situation facing our own beer and wine industries in international transportation.

If an American-flag air carrier does not want to carry our own fine products, then it should not get the business of Federal agencies when their employees travel overseas.

The following Members are cosponsors of the bill: Mr. PASHAYAN, Mr. ANDERSON, Mr. BATES, Mr. BERMAN, Mr. BOSCO, Ms. BOXER, Mr. BROWN, Ms. BURTON, Mr. CHAPPIE, Mr. COELHO, Mr. DANNEMEYER, Mr. DELLUMS, Mr. DIXON, Mr. DOWNEY, Mr. EDWARDS of California, Mr. FAZIO, Mr. HAWKINS, Mr. LEHMAN, Mr. LEVINE, Mr. LUNDINE, Mr. MARTINEZ, Mr. MATSUI, Mr. MILLER, Mr. PANETTA, Mr. RANGEL, Mr. ROYBAL, and Mr. SCHUMER.●

JOHNNY OTIS STILL SWINGING AFTER ALL THESE YEARS

HON. MERVYN M. DYMALLY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 24, 1985

● Mr. DYMALLY. Mr. Speaker, one of my dearest friends, and my former congressional deputy chief of staff is going to be in town Tuesday night. His name is Johnny Veliotis. I guess the name doesn't ring a bell for most of my colleagues. People in Johnny's hometown of Vallejo, CA, had their difficulties with the name, too; so Johnny shortened it to Otis. Now if that doesn't ring a bell, you haven't listened to the radio or watched television since at least 1941!

I met Johnny in 1946 at New York's legendary Apollo Theatre. Even then, at the tender age of 25, Johnny was recognized as one of the world's greatest jazz drummers. That was the era of

the big bands. And Johnny loved those big bands. But 1947 saw the close of that era. It could be said, I suppose, that the need to survive forced Johnny toward fame.

In 1943 at Nat "King" Cole and Jimmy Witherspoon's suggestion, Johnny went to L.A. to play drums for Harlan Leonard's band. He also did a few other gigs around town. Then he went on the road in 1946 with his own big band. In 1947, though, he found himself back in L.A. and having a great deal of trouble getting work. Big bands were dead. Johnny decided that if he wanted to eat, he had to do something just a bit different. So he reduced his band to not much more than a trumpet, a trombone, a couple of saxes, and some drums. As Johnny said, "All of us really wanted to stay in the big-band field, but we had to go to the blues to survive. So we were very blues, but the horns still played riffs with the seventh on top." That change was the birth of rhythm and blues. Music in America hasn't been the same since. Everything that has come along since bears the stamp of R&B influence.

Johnny is rightfully recognized as one of R&B's premier and foremost entertainers. The list of his hits is awe inspiring: "Double Crossin' Blues," "Dreamin Blues," "Rocking Blues," "Far Away Places," "Deceiving Blues," "Wedding Blues," "All Night Long," "Mambo Boogie," "Gee, Baby," "Sunset to Dawn," are just a few of his classics. Many people identify "Every Beat of My Heart" with Gladys Knight. Gladys popularized it. Johnny wrote it.

But more than being a great entertainer in his own right, Johnny has been a notable patron for other young artists. Little Willie John, Hank Ballard, and Jackie Wilson are all Otis discoveries. So is Big Mama Thornton. I suspect, however, that Johnny is most proud of one very special home grown discovery. That is his own son Shuggie Otis, who, by the age of 16 was recognized as one of the finest blues-rock guitarists in the country. Shuggie now tours with Johnny. Nicky Otis, who also tours with his brother and father is an excellent drummer whose abilities are quickly becoming recognized.

As I said, my friend Johnny is going to be in town Tuesday night. You can find him at Charlie's Georgetown. If you want to give your ears and soul a rare treat, you'll join me and my staff there. Johnny's been a hit for 45 years. Anybody who appeals to five generations has got to have a little something going for him. Come and hear for yourself.●

TRIBUTE TO WILLIAM CUNNINGHAM

HON. TONY COELHO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 24, 1985

● Mr. COELHO. Mr. Speaker, it is with great honor that I take this opportunity to pay tribute to an accomplished individual who has significantly contributed to his community, his country, and his fellowman. the distinguished constituent I speak of is Mr. William Cunningham of Merced, CA. Bill will be retiring from his position as city manager of the city of Merced, but I am sure his contributions will continue.

Bill has dedicated his professional life to the development and enhancement of several flourishing western communities in California and Oregon. During his 26-year career, William Cunningham has demonstrated his expertise with the city of Astoria, OR, 1959–64; the city of North Sacramento, 1964–65; Yuba City, 1965–69; the city of Mill Valley, 1969–74; and the city of Merced from February 1974 to the present.

Under his direction and guidance the city of Merced has: Authorized the construction of a new city hall and council chambers; constructed the Joe Herb Park softball complex; reinstated the employee recognition award program; conducted extensive downtown rehabilitation projects; and approved the north Merced sewage project.

Bill has contributed to his country through his demonstrated patriotism and valor during his 12 years of military service. During World War II, Bill actively participated in the preinvasion bombardments of Iwo Jima and Okinawa. Following the war he served as a naval officer in the U.S. Naval Reserve until 1954.

Bill has contributed to the Merced community through his active participation with the Knights of Columbus, the Disabled American Veterans, the Association of Retired Persons, and as a lay minister in our Lady of Mercy Catholic Church, Merced.

I would like to extend my heartfelt appreciation for his many years of contributions to the Merced community. I join with his friends and colleagues in offering our warmest wishes to Bill and his wife Ethel for their health and happiness in the years ahead.●

THE WOMEN WARRIORS

HON. MICHAEL D. BARNES

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Monday, June 24, 1985

● Mr. BARNES. Mr. Speaker, I would like to call to my colleagues' attention to a project being undertaken by the Skill Development Institute which will provide a moving representation of the tragedy, the warmth and the pain that was the real experience in Vietnam.

This project, a documentary film tentatively entitled "The Women Warriors," will tell the story of the tremendous courage and endurance of Army nurses in Vietnam. The wartime environment that these women faced was unique in our history; the demands made of nurses in Vietnam unlike those in any other conflict. Despite the Vietnam orientation programs, there was no way to fully prepare these nurses for the monsoons, the suffocating heat, the rampant tropical diseases, the exhaustion and long hours of duty and above all, the endless casualties.

The program will show the many vital contributions that these nurses made beyond their professional calling: running orphanages, performing emergency surgery, and even standing guard over wounded soldiers. The stories will be told by both the nurses themselves and by physicians, soldiers, Army officers, and others who were stationed in Vietnam, and will show the effect that these experiences had upon their personal and professional lives.

Unlike the infantry and other military personnel who were directly engaged in battle, these nurses fought to save lives. Political ideologies, territorial claims and culture differences of people were secondary; they were the nurturers and the caregivers. And, although they weren't on the front lines, they truly saw the worst of the war. This important documentary—which will have the support of nursing and other health care associations, as well as private corporations and veterans' groups—will provide at last a personal account of these "women warriors" who truly served with honor and distinction.●

GRUMMAN AND LITERACY VOLUNTEERS OF LONG ISLAND: A VALUABLE PRIVATE SECTOR PARTNERSHIP

HON. THOMAS J. DOWNEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, June 24, 1985

● Mr. DOWNEY of New York. Mr. Speaker, I would like to call to your

attention an important program to deal with the problem of adult illiteracy which is being undertaken by the Grumman Corp. on Long Island.

In the fall of 1984, employees at Grumman's facility at Bethpage, NY, undertook a project to tutor adults who are illiterate. Working with Literacy Volunteers of Long Island, part of a nationwide organization which is actively engaged in the battle against illiteracy, 18 Grumman employees at Bethpage have committed themselves to spend about 40 hours each in the course of the year tutoring an adult on a one-to-one basis.

The employees meet with their students on their own time, often on the weekends. Grumman picks up the cost of the materials and organizes the program with Literacy Volunteers. Ms. Sharon Grosser, manager of Community Support Programs for Grumman, coordinates this effort.

Mr. Speaker, I feel that it is important that we take notice of this effort. As a Member of Congress I have worked hard to see that the Federal Government plays an active and positive role in supporting local educational and social service efforts. However, in the face of the severe budget cuts of the past 4 years, I realize that it is important that those of us who are committed to strong educational and social programs for all our citizens work closely with private-sector efforts in stitching up the holes in the safety net.

This past April, six Grumman employees who are actively involved in the company's charitable contribution campaign came to Washington to explore ways in which employee contributions can be effectively used in meeting the needs of the hungry and senior citizens at a local level. During their visit with me, I learned of the Literacy Program at Bethpage, and I would like to share this information with my colleagues and commend the efforts of Grumman's employees. I hope that we Members can play a active role in fostering these initiatives.●

NEW LEGISLATION

HON. DON YOUNG

OF ALASKA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 24, 1985

● Mr. YOUNG of Alaska. Mr. Speaker, today I am pleased to introduce legislation to restrict the imports of gasoline and fuel-blending stocks which are posing a serious threat to our oil refining industry and our national security.

For the past 4 years, the U.S. refining industry has been under siege by foreign refineries which have increased drastically the level and amount of gasoline and blend stocks they export to the United States. The impact, in addition to the negative impacts from increased foreign production of crude oil, has been to put the U.S. energy industry, particularly refineries, in deep financial trouble.

The United States accounts for 44 percent of the worldwide demand for gasoline. For this obvious reason, motor gasoline accounts for half of the total output from U.S. refineries. The closing of numerous small and large refineries, particularly in the Northeast, East, and South, due to this unprecedented and accelerated level of imports of motor gasoline, not only poses a threat to our national security but has shrunk the tax base of State and local communities and has caused the loss of thousands of jobs. There have been 26 refineries that have shut down or been idled since the end of 1983 alone. These refinery closings have depressed our refinery capacity by approximately 1 million barrels per day. If U.S. operating capacity declines by another 1 million barrels per day, which at the current pace of imports will occur in 1986, it will place this country in serious risk of being in the unenviable position of again relying on whims of OPEC oil companies to supply our energy needs.

The strategic petroleum reserve [SPR] was designed to insure against the negative impacts of crude oil interruptions. The entire premise of the SPR is predicated on a refining industry capable of meeting this Nation's demand. Imports of gasoline and blend stocks increased 300 percent from 1980 to 1984, while rates of petroleum imports actually decreased by 22 percent. New OPEC refineries will soon export an additional 1 million barrels of refined product per day which will result in a further drastic decline in our refining capacity, thereby jeopardizing the very concept of SPR and our national security.

The expected imports in the next few years can make the increases of the past 4 years look mild by comparison. Crude oil price subsidies allow Middle East refiners to effectively compete in the refined product market. The new OPEC refineries, together with trade barriers in Japan and Western Europe, direct the world surplus of refined products to the United States where tariffs for gasoline have not been modified since 1958.

I have drafted legislaton to provide severe penalties for exporters of gasoline in order to curtail domestic imports of foreign product, while at the same time allowing a level of imports to meet national needs.

This bill imposes a three-tiered ad valorem tax on imported gasoline and blend stocks. The purpose of ad valorem taxes is to retain the cost penalty factor at all levels of prices of oil per barrel. The taxes will range from the equivalent of $2.50 per barrel at levels of imports that existed in 1981 to a rate equivalent of $5.50 per barrel for 1984 levels, at today's prices.

The ad valorem tax is applied to levels of imports on the ratio of gasoline to the total amount of petroleum imported during that specific period. It is to be adjusted each year by the International Trade Commission. This will allow for increases in the amounts of gasoline being imported, in order to respond to national demands in the event domestic production decreases or consumption drastically increases. By confining the tax to motor fuel only and basing it on the percentage of total petroleum imported, foreign state-owned refineries cannot increase the refining of gasoline to the detriment of heating fuels, thereby increasing their profits.

The areas impacted the most by the current import situation are those areas containing large numbers of oil refineries and areas impacted negatively by imported oil, in other words, areas with high transportation and weatherization costs. For these reasons, moneys raised by the implementation of this legislation, anticipated at over $600 million above current revenue levels, shall be divided between the Urban Mass Transportation Program and the Weatherization Program, 60 percent and 40 percent respectively.●

SENATE COMMITTEE MEETINGS

Title IV of Senate Resolution 4, agreed to by the Senate on February 4, 1977, calls for establishment of a system for a computerized schedule of all meetings and hearings of Senate committees, subcommittees, joint committees, and committees of conference. This title requires all such committees to notify the Office of the Senate Daily Digest—designated by the Rules Committee—of the time, place, and purpose of the meetings, when scheduled, and any cancellations or changes in the meetings as they occur.

As an additional procedure along with the computerization of this information, the Office of the Senate Daily Digest will prepare this information for printing in the Extensions of Remarks section of the CONGRESSIONAL RECORD on Monday and Wednesday of each week.

Any changes in committee scheduling will be indicated by placement of an asterisk to the left of the name of the unit conducting such meetings.

Meetings scheduled for Tuesday, June 25, 1985, may be found in the Daily Digest of today's RECORD.

MEETINGS SCHEDULED

JUNE 26

9:00 a.m.
Finance
To hold hearings on the nomination of C. Bruce Smart, Jr., of Connecticut, to be Under Secretary of Commerce for International Trade.
SD-215

9:30 a.m.
Commerce, Science, and Transportation
Aviation Subcommittee
To hold hearings on S. 1017, to provide for the transfer of the Metropolitan Washington Airports to an independent airport authority, and S. 1110, to provide for the award of grants to the Washington Metropolitan Airports for certain capital expenditures.
SR-253

Finance
To continue hearings on the President's tax reform proposal.
SD-215

Governmental Affairs
Oversight of Government Management Subcommittee
To continue hearings on the Department of Labor's enforcement of the Employee Retirement Income Security Act (ERISA).
SD-342

Judiciary
Constitution Subcommittee
Business meeting, to consider S. 86, to eliminate gender-based distinctions, and S.J. Res. 2, proposing an amendment to the Constitution of the United States to declare that nothing in the Constitution shall be construed to prohibit individual or group silent prayer or reflection in public schools.
SD-226

Select on Intelligence
To hold closed hearings on intelligence matters.
SH-219

10:00 a.m.
Agriculture, Nutrition, and Forestry
Business meeting, to continue markup of S. 501 and S. 616, bills to expand export markets for United States agricultural commodities, provide price and income protection for farmers, assure consumers an abundance of food and fiber at reasonable prices, and continue low-income food assistance programs, and related measures.
SR-328A

Appropriations
Defense Subcommittee
To hold joint hearings with the Committee on Armed Services' Subcommittee on Strategic and Theater Nuclear Forces to review Soviet Strategic force developments.
SD-192

Armed Services
Strategic and Theater Nuclear Forces Subcommittee
To hold joint hearings with the Committee on Appropriations' Subcommittee on Defense to review Soviet strategic force developments.
SD-192

Environment and Public Works
Nuclear Regulation Subcommittee
To hold hearings on S. 836, to revise licensing procedures for production and utilization facilities for nuclear material, and S. 16, to establish a National Academy for Nuclear Power Safety to provide training to civilian nuclear power plant personnel.
SD-406

Select on Indian Affairs
To hold hearings on S. 902, to establish Federal standards for gaming activities on Indian lands.
SD-628

11:30 a.m.
Appropriations
District of Columbia Subcommittee
To hold hearings on truancy within the District of Columbia school system.
SD-138

1:00 p.m.
Governmental Affairs
Intergovernmental Relations Subcommittee
To hold hearings on proposed legislation to modify deductions for certain tax payments to State and local governments.
SD-342

2:00 p.m.
Armed Services
Manpower and Personnel Subcommittee
To hold hearings on S. 1301, to strengthen the counterintelligence capabilities of the Department of Defense.
SR-232A

Judiciary
To hold hearings on pending nominations.
SD-226

Labor and Human Resources
Children, Family, Drugs, and Alcoholism Subcommittee
Business meeting, to mark up S. 140, to encourage States to enact child protection reforms which are designed to improve legal and administrative proceedings regarding the investigation and prosecution of child sexual abuse cases.
SD-430

3:00 p.m.
Agriculture, Nutrition, and Forestry
Business meeting, to mark up S. 501 and S. 616, bills to expand export markets for United States agricultural commodities, provide price and income protection for farmers, assure consumers an abundance of food and fiber at reasonable prices, and continue low-income food assistance programs, and related measures.
SR-328A

JUNE 27

9:00 a.m.
Armed Services
Closed business meeting, to consider S. 1271, authorizing funds for fiscal year 1986 for intelligence activities of the United States Government, and routine military nominations.
SR-222

Special on Aging
To hold hearings on the problems of the medically uninsured.
SD-628

9:30 a.m.
Commerce, Science, and Transportation
Aviation Subcommittee
To hold hearings on proposals relating to international airport security and anti-hijacking, including S. 1321 and S. 1326.
SR-253

Finance
To continue hearings on the President's tax reform proposal.
SD-215

10:00 a.m.
Agriculture, Nutrition, and Forestry
Business meeting, to continue markup of S. 501 and S. 616, bills to expand export markets for United States agricultural commodities, provide price and income protection for farmers, assure consumers an abundance of food and fiber at reasonable prices, and continue low-income food assistance programs, and related measures.
SR-328A

Energy and Natural Resources
Public Lands, Reserved Water and Resource Conservation Subcommittee
To hold oversight hearings on recreation fees as authorized in the Land and Water Conservation Fund Act of 1965.
SD-366

Environment and Public Works
Nuclear Regulation Subcommittee
To continue hearings on S. 836, to revise licensing procedures for production and utilization facilities for nuclear material, and S. 16, to establish a National Academy for Nuclear Power Safety to provide training to civilian nuclear power plant personnel.
SD-406

Judiciary
Business meeting, on pending calendar business.
SD-226

Labor and Human Resources
Children, Family, Drugs, and Alcoholism Subcommittee
To hold hearings to examine the problem of drugs in the military.
SD-430

Joint Economic
Monetary and Fiscal Policy Subcommittee
To hold hearings on the budget status of the Federal Reserve System.
2257 Rayburn Building

3:00 p.m.
Agriculture, Nutrition, and Forestry
Business meeting, to mark up S. 501 and S. 616, bills to expand export markets for United States agricultural commodities, provide price and income protection for farmers, assure consumers an abundance of food and fiber at reasonable prices, and continue low-income food assistance programs, and related measures.
SR-328A

4:00 p.m.
Select on Intelligence
Closed briefing on intelligence matters.
SH-219

JUNE 28

10:00 a.m.
Joint Economic
Economic Resources, Competitiveness, and Security Economics Subcommittee
To hold hearings on Navy shipbuilding at General Dynamics.
SD-628

JULY 9

9:30 a.m.
Energy and Natural Resources
Natural Resources Development and Production Subcommittee
To hold oversight hearings on the impact on the coal industry of the Office of Surface Mining's proposed rulemaking to collect permit application fees.
SD-366

2:00 p.m.
*Judiciary
Administrative Practice and Procedure Subcommittee
To hold hearings on S. 1145, Rulemaking Procedures Reform Act of 1985.
SD-226

JULY 10

9:30 a.m.
Commerce, Science and Transportation
To hold hearings on S. 1310, to improve the effectiveness of political broadcasting laws.
SR-253
Governmental Affairs
Governmental Efficiency and the District of Columbia Subcommittee
To hold oversight hearings on proposals to provide for the transfer of the Metropolitan Washington Airports to an independent airport authority.
SD-342
Labor and Human Resources
Business meeting, to consider pending calendar business.
SD-430

10:00 a.m.
Environment and Public Works
Transportation Subcommittee
To hold hearings on proposed legislation authorizing funds for the Federal Aid Highway Program.
SD-406
*Labor and Human Resources
To resume oversight hearings to examine certain barriers to adoption.
SD-430

JULY 11

9:30 a.m.
Energy and Natural Resources
Energy Regulation and Conservation Subcommittee
To resume oversight hearings to review the current state of and factors affecting the natural gas market.
SD-366

10:00 a.m.
Environment and Public Works
Transportation Subcommittee
To continue hearings on proposed legislation authorizing funds for the Federal Aid Highway Program.
SD-406

JULY 12

9:30 a.m.
Energy and Natural Resources
Public Lands, Reserved Water and Resource Conservation Subcommittee
To hold hearings on S. 720, to establish a permanent boundary for the Acadia National Park in the State of Maine.
SD-366

10:00 a.m.
Environment and Public Works
To hold oversight hearings on the implementation of the Asbestos School Hazard Abatement Act (Title V of P.L. 98-377).
SD-406

July 15

9:30 a.m.
Finance
International Trade Subcommittee
To hold hearings on S. 680, to limit imports of textiles and textile products into the United States to a one percent growth rate for exporting countries.
SD-215

2:00 p.m.
Environment and Public Works
Environmental Pollution Subcommittee
To resume oversight hearings on the implementation of section 404 of the Clean Water Act, relating to the wetlands dredge and fill permit program.
SD-562
Environment and Public Works
Regional and Community Development Subcommittee
To hold hearings to review the programs and policies of the Tennessee Valley Authority.
SD-406

July 16

9:30 a.m.
Labor and Human Resources
To hold oversight hearings to examine U.S. relations with the International Labor Organization (I.L.O.).
SD-430

10:00 a.m.
Environment and Public Works
Regional and Community Development Subcommittee
To continue hearings to review the programs and policies of the Tennessee Valley Authority.
SD-406

July 17

9:00 a.m.
Labor and Human Resources
Business meeting, to consider pending calendar business.
SD-430

9:30 a.m.
Commerce, Science, and Transportation
To resume hearings on S. Res. 178, to urge the Administrator of the National Highway Traffic Safety Administration to retain the current automobile fuel economy standards, and S. 1097, to provide for the appropriate treatment of methanol powered automobiles.
SR-253
Labor and Human Resources
To hold hearings on civil rights issues.
SD-430

10:00 a.m.
Environment and Public Works
Environmental Pollution Subcommittee
To resume oversight hearings to review Environmental Protection Agency regulations concerning ocean incineration of hazardous waste.
SD-406

2:00 p.m.
Environment and Public Works
To hold hearings to evaluate alternatives for developing land adjacent to Union Station in Washington, D.C. for use of the Administrative Offices of the U.S. Courts.
SD-406

JULY 18

10:00 a.m.
Environment and Public Works
Transportation Subcommittee
To resume hearings on proposed legislation authorizing funds for the Federal Aid Highway Program.
SD-406
Labor and Human Resources
To hold hearings to review childhood vaccination programs.
SD-430

JULY 19

9:30 a.m.
Environment and Public Works
Environmental Pollution Subcommittee
To hold oversight hearings on the implementation of the Atlantic Striped Bass Conservation Act (P.L. 98-613).
SD-406

July 23

9:30 a.m.
Labor and Human Resources
Business meeting, on pending calendar business.
SD-430

10:00 a.m.
Environment and Public Works
Nuclear Regulation Subcommittee
To hold hearings on S. 445, to revise certain provisions regarding liability for nuclear incidents, and S. 1225, to compensate the public for injuries or damages suffered in the event of an accident involving nuclear activities undertaken by Nuclear Regulatory Commission licensees or Department of Energy contractors.
SD-406

2:00 p.m.
Finance
International Trade Subcommittee
To hold hearings on the continuation of most-favored-nation (MFN) treatment for Hungary, Romania, China, and Afghanistan, and S. 925, to deny MFN status to Afghanistan.
SD-215

JULY 24

9:30 a.m.
Commerce, Science, and Transportation
To resume hearings on S. 1310, to improve the effectiveness of the political broadcasting laws.
SR-253

JULY 25

9:30 a.m.
Labor and Human Resources
Labor Subcommittee
To hold oversight hearings on the impact of the Supreme Court's ruling in Garcia vs. San Antonio Metropolitan Transit Authority on the coverage of state and local government employees under the Fair Labor Standards Act.
SD-430

10:00 a.m.
Environment and Public Works
Nuclear Regulation Subcommittee
To resume hearings on S. 445, to revise certain provisions regarding liability for nuclear incidents, and S. 1225, to compensate the public for injuries or damages suffered in the event of an accident involving nuclear activities undertaken by Nuclear Regulatory Commission licensees or Department of Energy contractors.
SD-406

JULY 29

2:00 p.m.
Environment and Public Works
Environmental Pollution Subcommittee
To hold hearings on S. 824, authorizing funds for programs of title I of the Marine Protection, Research, and Sanctuaries Act of 1972, and related measures.
SD-406

JULY 30

10:00 a.m.
*Environment and Public Works
Regional and Community Development Subcommittee
To resume hearings to review the programs and policies of the Tennessee Valley Authority.
SD-406

JULY 31

9:30 a.m.
Labor and Human Resources
To hold hearings to examine certain barriers to health care.
SD-430

10:00 a.m.
Environment and Public Works
Transportation Subcommittee
To resume hearings on proposed legislation authorizing funds for the Federal Aid Highway Program.
SD-406

OCTOBER 1

11:00 a.m.
Veterans' Affairs
To hold hearings to review the legislative priorities of the American Legion.
SD-106

CANCELLATIONS

JUNE 25

9:30 a.m.
Veterans' Affairs
Business meeting, to meet, to consider, proposed reconciliation legislation on the budget.
SR-418

JUNE 27

9:30 a.m.
Banking, Housing, and Urban Affairs
To hold hearings on S. 1151, the Farm Credit Relief Act of 1985.
SD-538

10:00 a.m.
Commerce, Science, and Transportation
To hold hearings in conjunction with the National Ocean Policy Study on S. 1245, the Fishery Conservation and Management Act Amendments of 1985.
SR-253

SENATE—*Tuesday, June 25, 1985*

(Legislative day of Monday, June 3, 1985)

The Senate met at 10:30 a.m., on the expiration of the recess, and was called to order by the President pro tempore [Mr. THURMOND].

PRAYER

The Chaplain, the Reverend Richard C. Halverson, D.D., offered the following prayer:

Let us pray.

Father in Heaven, we remember with gratitude the native Americans representing the Hopi, Sioux, and Cheyenne Nations, who gather today at the site of Custer's battle 109 years ago, to pray for world peace and especially for the release of the hostages.

"The fear of the Lord is the beginning of knowledge."—Proverbs 1:7.

"Fear God and keep his commandments for this is the whole duty of man."—Ecclesiastes 12:13.

God of infinite wisdom and knowledge, we know so much more than ever before. We have so much information we need electronic machines to store it. We can communicate instantly, orally, and visually, worldwide. The quantum leap in knowledge has precipitated us into incredible technological achievements. Space is as familiar to us as earth and water were to our grandparents. Astronauts regularly orbit the Earth and perform mighty deeds—they even walk on the Moon. But our human problems remain—if anything, increase. We cannot conquer pride, avarice, greed, poverty, oppression, drug abuse, alcoholism, crime, divorce, racism, teenage suicide, war. Many areas of the world are like powder kegs. The two most powerful nations have enough nuclear power to incinerate humanity and freeze the Earth. The simple matter of waste disposal jeopardizes our environment. The consumate product of scientific progress threatens our survival. With all our knowledge, God, help us to find wisdom. In His name who is the way, the truth and the life. Amen.

RECOGNITION OF THE MAJORITY LEADER

The PRESIDENT pro tempore. The distinguished majority leader is recognized.

SCHEDULE

Mr. DOLE. Mr. President, under the standing order, the leaders have 10 minutes each, followed by special orders by Senators THURMOND, PROXMIRE, and NUNN, not to exceed 15 minutes each, and routine morning business not to extend beyond the hour of 11:30 a.m., with statements limited to 5 minutes each.

The Senate will be in recess from 11:30 to 1:30 p.m. to attend a bipartisan House and Senate leadership luncheon at the White House.

At 1:30, I may call up the so-called imputed interest bill, but there are so many amendments that that may be delayed until sometime later in the year. Rollcall votes can be expected throughout the day's session.

I know there are some bills coming out of some of the committees that we might be able to dispose of without record votes. We will be working on those with staff on each side of the aisle. If we have some fairly good fix on imputed interest and the number of amendments by 1 o'clock, we can make a judgment then. But it would seem to me if amendments keep piling up then I can assume Members do not really care about imputed interest legislation and I do not know that it is urgent that we take it up. If it is going to become just another tax bill, then I think we will wait for 4 or 5 months until we get the big tax bill on the floor.

So, Mr. President, this is sort of an outline of the schedule for the day.

RECOGNITION OF THE ACTING MINORITY LEADER

The PRESIDING OFFICER (Mr. LAXALT). The Senator from Wisconsin.

Mr. PROXMIRE. Mr. President, I ask unanimous consent that the time of the distinguished minority leader be reserved for his use later in the day.

The PRESIDING OFFICER. Without objection, it is so ordered.

VITIATION OF SPECIAL ORDER FOR SENATOR THURMOND

Mr. PROXMIRE. Mr. President, do I have the special order now?

The PRESIDING OFFICER. Under the order, the President pro tempore has the first special order. It is my understanding the President pro tempore wants that order vitiated. Is that correct?

Mr. THURMOND. Mr. President, that is correct.

RECOGNITION OF SENATOR PROXMIRE

The PRESIDING OFFICER. The Senator from Wisconsin may proceed.

THE SIXTH MYTH OF THE DAY: THAT THE PRESIDENT WILL GIVE THE STAR WARS TECHNOLOGY TO THE SOVIETS

Mr. PROXMIRE. Mr. President, my sixth myth of the day has the unusual characteristic of only being believed by the modern day Aesop himself. Here is the most peculiar myth of our time. It has been told by the President of the United States, repeated by him, stoutly advanced by his man Friday—the Secretary of Defense, Caspar Weinberger. But it is such an extraordinary whopper that I have yet to find even the most slavish Reaganite or most strident critic of the President who will believe it. This one makes Aesop's fables seem like the most obvious every day facts of life.

Of course, I am referring to the President's assertion, dutifully reported by the press and never denied by the administration, that the President intends to give the star wars missile defense technology, lock, stock, and barrel to the Soviet Union. Anyone who believes this will believe anything. The star wars technology will be far and away the most costly military technology this country has ever developed. The research alone will cost more than $25 billion the next 5 years and a cool $50 billion before we start production and deployment. It will be the precious product of literally tens of thousands of our most brilliant scientists and engineers.

Will this President or any other President hand these immensely costly military research secrets over to the Soviets? Well, the President is on the public record loud and clear, saying exactly that. If such a surrender of superclassified, immensely costly military research data is not a myth, this country is really in trouble.

THE UNITED STATES LEADS THE SOVIET UNION IN MILITARY POWER

Mr. PROXMIRE. Mr. President, a few weeks ago every Senator found on his desk here in the Senate Chamber a booklet that charged that the Soviet Union has an immense military advantage over the United States in a whole series of critical weapon systems. I searched that booklet carefully to determine whether there was any respect in which this country might be matching if not surpassing the Soviet Union in military force. I could find

none. That document must have shaken many Senators.

Now, it is true that a few days after the distribution of that document, the Senate agreed to a budget resolution providing zero real growth for U.S. defense in 1986, and a relatively modest growth of 3 percent in real terms for 1987 and 1988. That budget resolution marked a radical turnabout in the widely discussed Reagan initiative to pour more of our resources into U.S. military force. The President reluctantly accepted this massive cut from his initial request for an 8.3-percent increase in real military spending for 1986, and from his later compromise to reduce the increase to 6 percent in real terms, and his still later agreement to go down to a 3-percent increase. The President declared that he had warned Senate Majority Leader DOLE that he might come before the Congress later this year or next year with a supplemental request for substantial additional funding for the military.

The documentation set before the Senate the other day would strongly support such a supplemental request if that documentation represented a fair and accurate picture of the military strength of the two superpowers. Did it? Mr. President, the answer is emphatically no. A few days ago, the Center for Defense Information provided what they call a force level calculator for 1985, providing up-to-date information on 12 basic military strength comparisons between the United States and the Soviet Union and 12 similar comparisons between the North Atlantic Treaty Organization [NATO] and the Warsaw Pact.

Mr. President, this little 4-inch by 7-inch slide calculator tells an entirely different story about the relative military strength of the Soviet Union, the United States, and the NATO alliance versus the Warsaw Pact. The calculator shows the United States ahead in some categories, and the Soviet Union ahead in others. It shows NATO superior in some regards, and the Warsaw Pact in others. Now, Mr. President, in evaluating the merit of these comparisons, it is essential to consider whether the comparisons do in fact go to the heart of military power. What do they include? What do they omit? If the comparisons include the prime elements of military power, they can be considered as a fair basis for overall military strength. If they do not, the comparisons are not useful. The comparisons presented to Senators a few weeks ago, which showed overwhelming Soviet military dominance everywhere, omitted such critical elements of military strength as the economic capability of the two superpowers as measured by their gross national product. It also failed to provide any comparison between NATO and the Warsaw Pact, confining its comparison entirely to the two superpowers alone. It compared some weapons systems such as ICBM's and nuclear weapons on ICBM's, but not others, such as weapons on opponents homeland and nuclear weapons on submarines.

On the other hand, the force level calculator of the Center for Defense Information provided what this Senator regards as the principal comparisons for evaluating potential and actively deployed military power. On this basis, how do the United States, the Soviet Union, NATO, and the Warsaw Pact stack up? Who is ahead? Here's the answer: In gross national product, the most obvious measure of overall economic strength, the United States comes in at $3.4 trillion, and the Soviet Union at half that figure—only $1.7 trillion, and a decisive U.S. advantage. In population, it is the Soviet Union first with 275 million people. The United States trails with 236 million. The Soviet Union has a fairly narrow 54 percent to 46 percent advantage.

In total nuclear weapons, the United States has the advantage with 30,000, to 23,000 for the Soviets. In strategic nuclear weapons, the United States again has the advantage with 11,400, to 8,300 for the Soviet Union. In nuclear weapons, the United States can explode on the Soviet Union. It is 13,000 for the United States. But the Soviet Union can explode only 9,000 on the United States. One basis of evaluating the reliability and modernity of nuclear arsenals is the number of nuclear weapons test explosions. How do the two superpowers compare here? The United States has tested 750 nuclear weapons since 1945, and the Soviet Union 541. How about strategic bombers? That is, bombers capable of delivering nuclear weapons on the adversary and returning to base. The United States has 324, and the Soviet Union only half as many: 170. How do the two superpowers compare in nuclear weapons on strategic bombers? Hold on to your hat on this one. The Soviet Union has 340, and the United States has more than 10 times as many—3,554. The Soviet Union does have an advantage in ICBM's. They have 1,398. The United States has 1,030. And in nuclear weapons, on ICBM's the Soviets do indeed have a smashing advantage—6,012 for the Soviet Union, and only 2,130 for the United States. As the Center for Defense Information points out, this means the United States has 18 percent of its strategic weapons in vulnerable silos. The Soviet Union has 72 percent of its weapons in vulnerable silos. The Soviet Union has twice as many attack submarines as the United States—62 to 37. But in nuclear weapons on submarines, the United States has a towering advantage of 5,728 for the United States, and only 1,964 for the Soviets.

Before I summarize these comparisons, let me compare the military strength of NATO with the military strength of the Warsaw Pact on a similar but not identical basis. NATO has an immense economic advantage. Its gross national product is a colossal $6.1 trillion. That compares to a relative dwarf-like $2.3 trillion for the Warsaw Pact. In population, the Warsaw Pact has 383 million people. NATO has a decisive advantage with 630 million people. In annual military spending, the rival alliances are close with a slight edge to NATO—with $312 billion compared with $300 billion for the Warsaw Pact. In military troops, here is a surprise. NATO has 5.3 million. The Warsaw Pact has less—4.8 million. In total nuclear weapons, NATO has 31,000, and the Warsaw Pact 23,000—another NATO advantage. In antitank weapons, NATO has 400,000. No data is available for the Warsaw Pact. The Center for Defense Information says that generally the Warsaw Pact antitank weapons are less effective. How about tanks? Here the Warsaw Pact has a massive and serious advantage. NATO has only 29,400 tanks. The Warsaw Pact alliance has more than twice as many—63,700. In the number of combat aircraft, the two potential adversaries are almost dead even. NATO has a slight edge with 11,400. The Warsaw Pact has 11,000. The Center for Defense Information contends that the NATO planes have a qualitative advantage. In helicopters, it is strictly no contest. The Warsaw Pact countries have 4,600. NATO has nearly three times as many: 12,900. In the number of diesel attack submarines, NATO has 136. The Warsaw Pact has the advantage in numbers with 163. In nuclear attack submarines, again the Warsaw Pact is ahead with 126 compared to 110 for NATO. But here the Center for Defense Information claims that the NATO subs are qualitatively superior. And, in major surface warships including aircraft carriers, battleships, cruisers, destroyers and frigates, NATO has an overwhelming advantage with 481 to 299 for the Warsaw Pact. That NATO advantage includes a specially dominant advantage for the NATO alliance, and particularly the United States over the Soviet Union in aircraft carriers. Our country has 13 big attack carriers. The Soviet Union has no large attack carriers. So when it comes to projecting air power on the oceans of the world, the United States had an immense advantage.

To sum up, Mr. President, where do we stand in comparing the overall military strength of the United States and the Soviet Union on the one hand, and the NATO alliance versus the Warsaw Pact on the other? The United States leads the Soviet Union in eight categories. The Soviet Union

leads in four. When we compare the two rival alliances, NATO leads in nine categories, and the Warsaw Pact in only three.

Now, I am sure some Senators may disagree with the comparisons of military strength chosen by the Center for Defense Information. If so, I welcome any challenge to these comparisons. Certainly, it should be clear from these comparisons that if there is any dominant military power in the world today, it is the United States. And if either of the two great opposing alliances enjoys a military advantage, it is the NATO alliance over the Warsaw Pact.

All of this, Mr. President, suggests that from the standpoint of the United States and the Free World, if there were ever a time for negotiating an end to the arms race with a mutual, comprehensive, verifiable freeze on the testing, production and deployment of nuclear weapons, the time is now.

DAVID PACKARD AND THE PRESIDENTIAL PANEL ON DEFENSE

Mr. PROXMIRE. Mr. President, by naming David Packard to head the new study panel on the Pentagon, President Reagan has selected a man who has demonstrated his intelligence and competence to manage complex and difficult undertakings.

David Packard has had an outstanding career as a successful businessman and entrepreneuer, and he has also served with distinction as Deputy Secretary of Defense.

He comes to this task knowledgeable about defense procurement from both the Government and contractor side of the table, and I am a great admirer of his abilities and his achievements.

Nevertheless, I have serious reservations about Mr. Packard heading up this particular commission.

In the first place, those of us concerned with the revolving door syndrome between the Pentagon and the defense industry must question the wisdom of putting a defense contractor in charge of this type of inquiry.

Concern over defense contract abuses led to the establishment of the Presidential panel and it would have been far more appropriate to go outside the defense industry, where there are no apparent conflicts of interest, for selection of the chairman.

Second, Mr. Packard's background suggests he is a safe appointment for the White House, not likely to probe very far or deep into the root causes of the procurement mess.

He has contributed to the present situation in both his public and private capacities. Mr. Packard was the architect of the Lockheed C-5A bailout in the early 1970's when he was Deputy Secretary of Defense. That decision not only cost the taxpayer millions of dollars, it also served as a model for cost overrun bailouts of other large defense contractors.

In his capacity as a defense contractor, Mr. Packard lobbied hard to kill the Renegotiation Board in the late 1970's. In the absence of the Renegotiation Board, which had a mandate to oversee defense profits, there is no Government agency empowered to recapture excess profits on defense contracts. Defense profits have been rising in recent years, but without the Renegotiation Board, it is almost impossible to learn the facts about this problem.

The new study commission, so far, has all the earmarks of a damage-limitation exercise and a whitewash.

REMEMBERING WORLD WAR II

Mr. PROXMIRE. Mr. President, a new magazine hit the stands in Europe. It is called France Magazine. It is published by the French Government, and its first issue takes a look back at the liberation of Europe from Nazi tyranny 40 years ago.

In this issue, three men give their thoughts on the 40th anniversary of the liberation of Europe.

One is a French journalist, Gerard Saint-Paul, who is editor in the United States for a French TV station.

The second writer is a German journalist, Helmut Sorge, who is a Washington correspondent for Der Speigel, the German weekly news magazine.

The third writer is Holocaust survivor Elie Weisel, a Boston University professor and a well-known author of Holocaust books.

Each writer speaks from his own perspective and reaches back into his own experiences trying to explain to us what we should put behind us, what we should never forget, and what we should strive for in the future as we commemorate the 40th anniversary of Europe's liberation.

The French and the German journalists believe their two countries must remain allies if we are to have a free Europe.

Gerard Saint-Paul believes that 1985 should be a time for "looking ahead together."

He believes Europe would not be where it is today if Germany and France were not allies.

He also believes that we cannot learn what is best for the future by "constantly dwelling on the past."

Helmut Sorge recognizes the progress France and Germany have made in the past 40 years in cementing their alliance. But he still sees the suffering, the hurt and the pain of World War II and the Holocaust for what it is.

He warns that what happened 40 years ago could happen again. With the arms race getting out of control by the day, Helmut Sorge warns that the world could well see another Holocaust.

Only this time it could be a nuclear holocaust.

Helmut Sorge points out that the generation that experienced the Holocaust has not erased and cannot erase the suffering of those days from its consciousness.

He also reminds us that Duchau has not been forgotten by the Holocaust generation.

The German resisters who were put to death trying to stop German madness have not been forgotten by the Holocaust generation.

And he tells us the distrust between his country and France "has not been entirely put to rest."

Yet, in spite of all the pain and all the suffering of the past, Helmut Sorge still believes that the next generation has to live for the future.

In other words, hold onto your memories—but do not dwell on them.

In his article, Elie Weisel had this to say about the nightmare he experienced 40 years ago:

> On one hand, the past seems unreal; on the other, haunting our nights it takes on an ever-increasing intensity.

In other words, the nightmare he experienced grows stronger—not weaker—as the days wear on.

Elie Weisel had another very moving passage in that article.

"From the farside of events," Elie Weisel writes, "a voice from the past calls to us."

That voice says "Watchman, how goes the night? Has the break of day succeeded in dispelling the shadows? What has become of the promises, the vows, the oaths sworn upon the ruins of a civilization 40 years ago?"

In other words, what have we learned and what have we rectified from the nightmare of 40 years past?

Mr. President, I ask, indeed, what has become of those promises? The Genocide Treaty was one promise. Ninety-six nations have ratified that treaty and thereby have promised to fight genocide in the future.

But sadly, Mr. President, the United States has not made that promise. It has not ratified the Genocide Treaty.

Our promise to future generations must be the ratification of the Genocide Treaty. The agony of the Holocaust victims and the Holocaust survivors must not be forgotten as we move toward a calm future.

The ratification of the Genocide Treaty will not erase the scars of the past.

It will, however, serve as an assurance that the United States does not and will not condone the inhumane acts of genocide.

RECOGNITION OF SENATOR NUNN

The PRESIDING OFFICER. Under the previous order, the Senator from Georgia [Mr. NUNN] is recognized for not to exceed 15 minutes.

Mr. NUNN. I thank the Chair.

SECURITY CLEARANCE INFORMATION ACT OF 1985

Mr. NUNN. Mr. President, I rise to offer a bill which is intended to close a critical loophole in our Government's current Security Clearance Program. Senators WILLIAM V. ROTH, JR., LAWTON CHILES, ALBERT GORE, JR., and TED STEVENS join me in introducing the "Security Clearance Information Act of 1985." The problem which the bill addresses is the growing inability of Department of Defense, Office of Personnel Management [OPM], and Central Intelligence Agency [CIA] investigators to obtain State and local criminal justice records on individuals being considered for access to classified information or sensitive national security duties.

As ranking minority member of the Permanent Subcommittee on Investigations, I ordered an investigation of our Government's Security Clearance Program. This investigation culminated in 4 days of hearings held this past April. Senator ROTH, who as chairman of our subcommittee, gave his full support and cooperation to those hearings, joins me today in introducing legislation drafted as a direct result of the subcommittee's work.

Testimony at those hearings confirmed that one of the most meaningful and productive sources of information in personnel security investigations is local criminal justice records. For many years, local jurisdictions were quite forthcoming in making this information available to Federal investigators from the Defense Investigative Service [DIS], the Office of Personnel Management, and the Central Intelligence Agency [CIA].

However, our subcommittee learned that in recent years a disturbing trend has developed. Local and State jurisdictions in increasing numbers are denying DIS, OPM, and CIA agents access to criminal history records or permitting access to records of convictions only—not records of arrest. Other jurisdictions are severely limiting the number of requests that can be made or delaying the processing of these requests for a considerable period of time. The net result is that this important source of information is being seriously curtailed in many localities throughout the country.

Such a situation would be ludicrous if it did not have such far reaching and dangerous implications. Currently the U.S. Government is unable to obtain State and local criminal records on applicants for some of the most sensitive positions in the military and other Government agencies that are entrusted with our Nation's national security. Our recent hearings showed the serious nature of espionage as seen in the Christopher Boyce case at TRW, the William Holden Bell case at Hughes and the James Harper case at Systems Control Technology.

The potential target for Soviet espionage efforts is, unfortunately, an increasingly massive one. Today more than 4 million Americans hold Government security clearances, including more than 53 percent of Federal employees. More than 1½ million industry personnel are cleared. The latter figure alone has increased by over 44 percent since 1979.

Cleared personnel have potential access to an incredibly large amount of classified material. In our subcommittee hearings we heard testimony that there are today over 17 million Government secrets whose height, if stacked one on top of each, would equal the height of eight Washington Monuments.

Obviously, our proposal today will not respond to the entire problem of espionage. However, it will close a loophole which the Department of Defense, the Office of Personnel Management, the Department of Energy and the Federal Bureau of Investigation specifically brought to our attention during our hearings.

To correct this problem, I propose this bill which specifically authorizes the Federal Government to obtain access to local criminal justice records when conducting eligibility investigations for, one, access to classified information; two, assignment to or retention in sensitive national security duties; or three, acceptance or retention in the armed services. Such a request is only permitted if the person under investigation consents to it in writing. Moreover, the criminal history record information obtained pursuant to this request would be afforded the same protections as provided by the Privacy Act.

In conclusion, Mr. President, I once again must emphasize the importance of this legislation. Since the inception of the Government's personnel security investigation program, one of the most meaningful resources of information has been the criminal justice records of municipalities, counties and States. These local criminal records contain a wealth of information particularly pertinent to the trustworthiness and reliability of persons who are employed in sensitive positions or have access to classified information. In recent years, access to these vital files has been seriously eroding.

This inability to review criminal record histories is causing severe delays in clearing employees for Federal work and contracts. In addition, it is impairing the Government's ability to evaluate the overall suitability of an individual for a sensitive position and, thus, decreasing the Government's ability to meet its obligations for maintaining and safeguarding classified information. Not suprisingly, hostile intelligence services are not overly intimidated by a Government personnel security program like this where the proverbial left hand of the Government does not know or is not allowed to know what the right hand does.

I recommend passage of this bill so that we can put some credence into our Security Clearance Program.

Mr. President, I ask unanimous consent that the text and the section-by-section analysis of the bill be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 1347

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SECTION 1. This Act may be cited as the "Security Clearance Information Act of 1985".

CONGRESSIONAL FINDINGS AND POLICIES

SEC. 2. The Congress finds—

(1) that under the Constitution, Congress has the responsibility and power to provide for the common defense and security of our Nation;

(2) that the interests of national security require that the Department of Defense, the Office of Personnel Management, or the Central Intelligence Agency conduct investigations of individuals for the purpose of determining eligibility for access to classified information, assignment to or retention in sensitive national security duties, or acceptance or retention in the armed services;

(3) that the interests of national security require that the Department of Defense, the Office of Personnel Management, or the Central Intelligence Agency have access to criminal history record information when conducting investigations of individuals for the purpose of determining eligibility for access to classified information, assignment to or retention in sensitive national security duties, or acceptance or retention in the armed services; and

(4) that the interests of national security have been adversely affected by the reluctance and refusal of many state and local criminal justice agencies to provide criminal history record information to the Department of Defense, the Office of Personnel Management, or the Central Intelligence Agency for use in investigations of individuals for the purpose of determining eligibility for access to classified information, assignment to or retention in sensitive national security duties, or acceptance or retention in the armed services.

SEC. 3. Chapter 31 of Title 10, United States Code, is amended by striking out section 520a and substituting the following:

"SECTION 520a. CRIMINAL HISTORY RECORD INFORMATION FOR NATIONAL SECURITY PURPOSES

"(a) As used in this chapter:

"(1) The term "criminal justice agency" includes federal, state, and local agencies

and means: (A) courts or (B) government agency or any subunit thereof which performs the administration of criminal justice pursuant to a statute or Executive Order, and which allocates a substantial part of its annual budget to the administration of criminal justice.

"(2) The term "criminal history record information" means information collected by criminal justice agencies on individuals consisting of identifiable descriptions and notations of arrests, detentions, indictments, information, or other formal criminal charges, and any disposition arising therefrom, sentencing, correction supervision, and release. The term does not include identification information such as fingerprint records to the extent that such information does not indicate involvement of the individual in the criminal justice system.

"(3) The term "classified information" means information or material designated pursuant to the provisions of a statute or Executive Order as requiring protection against unauthorized disclosure for reasons of national security.

"(4) The term "state" means any of the several States, the District of Columbia, the Commonwealth of Puerto Rico, the Northern Mariana Islands, Guam, the Virgin Islands, American Samoa, the Trust Territory of Pacific Islands, and any other territory or possession of the United States.

"(5) The term "local" and "locality" means any local government authority or agency or component thereof within a State having jurisdiction over matters at a county, municipal or other local government level.

"(b)(1) Upon request by the Department of Defense, the Office of Personnel Management, or the Central Intelligence Agency criminal justice agencies shall make available criminal history record information regarding individuals under investigation by the Department of Defense, the Office of Personnel Management, or the Central Intelligence Agency for the purpose of determining eligibility for (A) access to classified information, (B) assignment to or retention in sensitive national security duties, or (C) acceptance or retention in the armed services. Fees charged for providing criminal history record information pursuant to this subsection shall not exceed those charged to other government agencies for such information.

"(2) This subsection shall apply notwithstanding any other provision of law or regulation of any State or of any locality within a State, or any other law of the United States.

"(c) The Department of Defense, the Office of Personnel Management, or the Central Intelligence Agency shall not obtain criminal history record information pursuant to this section unless it has received written consent from the individual under investigation for the release of such information for one or more of the purposes set forth in subsection (b).

"(d) Criminal history record information received under this section shall not be disclosed except for the purposes set forth in subsection (b) or as provided by section 552a of Title 5, United States Code.".

SEC. 4. The amendments made by this Act shall become effective with respect to any inquiry which begins after the date of enactment of this Act conducted by the Department of Defense, the Office of Personnel Management, or the Central Intelligence Agency for any of the purposes specified in subsection (b) of section 520a of Title 10, United States Code, as added by this Act.

SEC. 5. The amendments made by this Act are made pursuant to the powers vested in Congress as found in Section 8 of Article I of the United States Constitution.

SECTION-BY-SECTION ANALYSIS

Section 1. States the title of the bill.

Section 2. Four subsections specify the Congressional findings justifying federal action in this area. Congress is entrusted with the responsibility and power to provide for our national security. These provisions establish that the inability of the Department of the Defense, the Office of Personnel Management, and the Central Intelligence Agency to obtain state and local criminal justice records when conducting background investigation negatively impacts upon our nation's security.

Section 3. Amends Title 10, United States Code, Section 520(a) by striking its language and substituting the proposed legislation. The current language of Section 520(a) is inadequate. Its language requests, but does not require, state and local governments to provide criminal history information. It is also inadequate since it is limited only to the Department of Defense and only for military recruitment purposes.

The new 520(a) language makes the language mandatory and broadens its scope beyond military recruitment to include contractor, civilian and military personnel with access to sensitive national security information or duties.

Subsection (a)(1-5) defines the appropriate terms as used in the statute. It utilizes those definitions now commonly used in the law enforcement community.

Subsection (b)(1) specifically authorizes the federal government, through the Department of Defense, the Office of Personnel Management, or the Central Intelligence Agency, to obtain access to local criminal justice records. Such requests are limited to those made in connection with investigations to determine eligibility for (A) access to classified information; (B) assignment to or retention in sensitive national security duties; or (C) acceptance or retention in the armed services. Fees charged for such records cannot exceed those normally charged to other agencies.

Subsection (b)(2) reiterates the authority under the Supremacy Clause of the federal Constitution for such legislation.

Subsection (c) protects the rights of the individual under investigation since it requires his written permission for the release of such information by the local or state criminal justice agencies.

Subsection (d) acts as a further protection to the rights of the individual under investigation. It affords the protections found under the Privacy Act to the subsequent disclosure of any criminal history record information obtained pursuant to this Act.

Section 4. Provides for the effective date of the Act. Only those inquiries beginning after enactment of the Act would be able to utilize its provisions.

Section 5. This section states that the amendments made by this Act are made pursuant to Article I, Section 8 of the United States Constitution. This reinforces the Congressional intention to pre-empt this area of legislation as an issue of national security.

Mr. NUNN. Mr. President, I reserve the remainder of my time.

Mr. ROTH. Mr. President, the Security Clearance Information Act of 1985, introduced by Senator NUNN and myself today, will constitute a major tool for enduring that all pertinent information relating to applicants for security clearances will be available to background investigators. It is incredible that such is not the case today.

In the course of hearings before the Permanent Subcommittee on Investigations, which I chair, investigators under the able direction of Senator NUNN, PSI's ranking minority member, revealed the shocking lack of information this Government is able to gather on persons who are to be granted access to our most sensitive national secrets. In many cases, only information gained from Federal indexes and a few neighbors is available for use in determining a person's trustworthiness. The great store of information regarding arrest history and other matters of a criminal justice nature at the State and local level has been largely unavailable.

While certainly not determinative of a person's current situation, such arrest and conviction information is absolutely necessary for a full adjudication of an application of a security clearance.

Our PSI hearings demonstrated the critical nature of both the initial and reinvestigation of a candidate's background. That background check is our first line of defense in safeguarding important military secrets from our enemies. If we are, by inaction, preventing the most thorough screening possible of the persons we entrust with such information, then we share the blame for a security clearance system that is ineffective and wasteful of the taxpayers' dollars.

I urge my colleagues to join Senator NUNN and myself to swiftly act on this critical legislation.

Mr. GORE. Mr. President, I take great pleasure in cosponsoring the Security Clearance Information Act of 1985, which my friend from Georgia, Senator SAM NUNN, is introducing today.

As the recent events surrounding the Walker espionage case have made all too clear, the threat of Soviet espionage is all too real and pervasive. The Soviet Union and its Warsaw Pact allies have a massive effort underway in this country to steal our secrets and our technology, in almost any manner they can. Against the backdrop of this threat, we have the sad and inexcusable state of affairs with respect to our system of security clearances, a system which is supposed to be one of our Nation's chief safeguards against espionage.

Our system of clearances has arrived at a state which resembles "fast food" security clearance. The number of requests for clearances has nearly doubled since 1979, until now over 4 million Americans hold clearances of some kind. Over one-half of all Feder-

al employees hold a clearance, not to mention 1.5 million defense contractor employees. The weight of evidence suggests that many of these clearances are unnecessary. Thus, we are needlessly increasing the number of targets for foreign agents.

This legislation is but a first step in a series of legislative solutions that are the result of hearings held by the Permanent Subcommittee on Investigations on this topic. These hearings were presciently conceived by Senator NUNN well before the events surrounding the Walker case came to light.

This legislation is an attempt to alleviate one of the more glaring problems with our system of investigating applicants for clearances. For many years, State and local law enforcement authorities have been more than cooperative in sharing information with Federal agents. However, recently there has been a disturbing trend toward limiting the access to criminal records, which has been seriously debilitating to investigators from the Department of Defense and the Office of Personnel Management. The Federal Government has no guaranteed right to this information under current law. This bill would grant that access, thereby closing one of the loopholes in our existing law.

The subcommittee will continue to bring forth proposed solutions, and I urge the support of my colleagues to counter the real threat of espionage.

Mr. CHILES. Mr. President, recent events have underscored our need to close every possible loophole in our security clearance system. This legislation marks a continuation of congressional effort to make sure that we give Federal investigators every tool they need in order to do their job effectively. I am happy to join Senator NUNN, who initiated the subcommittee's hearings and investigations.

When investigators are assigned to look into a person's background for the purpose of determining their fitness for security clearances, they need to be able to look at local criminal justice records as part of their evaluation.

I, of course, recognize the natural aversion that some State and local officials may have concerning Federal bureaucrats from Washington, DC, coming down looking through their files and records. However, when you consider the fact that the person being investigated may hold an extremely sensitive position in the Defense Department or some other agency, then the "inconvenience" would be well worth it.

We need desperately to cut the number of people who have clearances and we need to do a better job of investigating the ones who are "cleared" for access to classified materials. There are nearly 4½ million persons who have security clearances. We probably don't know how many of those persons have local criminal records. Some States and localities cooperate, others don't. None are legally required to do so.

This bill will authorize access to local criminal justice records under three conditions. They are:

When Federal Government investigators are conducting a background check for access to classified information.

During an investigation to determine a person's eligibility to be assigned or retained in a sensitive national security post.

During an investigation to determine acceptance or retention in the armed services.

I strongly agree with the safeguards written into the bill, and I want to emphasize that these safeguards are the same as those provided for by the Privacy Act.

I want to compliment the senior Senator from Georgia [Mr. NUNN] for his leadership in this area that is of tremendous concern to and for all Americans. I participated in the hearings of the Permanent Subcommittee on Investigation and heard some of the testimony which spotlighted the need for this legislation.

Mr. President, I am hopeful that this bill will be quickly considered by the Senate because it is clear that we need to do everything we can to plug as many holes as we can in our security system.

ROUTINE MORNING BUSINESS

The PRESIDING OFFICER (Mr. TRIBLE). Under the previous order, there will now be a period for the transaction of routine morning business for not to extend beyond 11:30 a.m., with statements therein limited to 5 minutes each.

DIPLOMATIC EXCHANGE PROGRAM

Mr. MATHIAS. Mr. President, it is a pleasure to report clear and substantial progress in an innovative program to enhance understanding among friendly nations and to enrich the training of our diplomatic corps abroad.

Three years ago, to celebrate the bicentennial of diplomatic relations between the United States and the Netherlands, our two governments agreed to exchange young diplomats for a year. I am pleased to announce that the first half of the first full exchange—in what I hope can become a model for future exchanges with other countries—has been taken. Tomorrow, in ceremonies at the State Department, Peter Le Poole of the Dutch Foreign Ministry, will be inducted as an honorary member of the U.S. Foreign Service.

Mr. Le Poole has earned this rare distinction. In a year, Mr. Le Poole has immersed himself in the American experience in a vigorous and searching manner which should stand him in good stead as he moves on to his country's embassy here as an economic officer. He has worked in my office; he has spent time with Representative BARNES of Maryland and other Members of Congress; he has participated in the activities of Senate and House committees; he has traveled from one end of the country to the other to observe the 1984 election; he has attended the annual conference of the National League of Cities; he has taken part in seminars at universities from Charlottesville to Chicago.

Shortly, Mark Wiznitzer, an able member of our own Foreign Service, will travel to The Hague to complete the exchange. I am confident that a similar year of orientation for Mr. Wiznitzer, who learned his Dutch on the island of Curacao where his father's business is located, will prove equally valuable before he takes over the post of political/economic officer in our embassy in Holland.

Mr. Le Poole and Mr. Wiznitzer are making history. We have had frequent and continuing exchanges of officers between NATO navies, armies and air forces. But this is the first direct swap of diplomatic officers to my knowledge. Thanks to the Government of the Netherlands, to the U.S. Information Agency which paid for our expenses on this end and thanks to the Foreign Service Institute and Foreign Commercial Service which helped arrange programs for these two diplomats, we have initiated an experiment which breaks new ground in strengthening the strong bonds of friendship and respect between two old and trusting allies. This kind of program also holds great potential for lowering any barriers that might separate people with common aspirations and principles.

I salute Peter Le Poole for pioneering this program. I commend Mark Wiznitzer for carrying it on. I look forward to the day when many more Peter Le Pooles and Mark Wiznitzers cross the Atlantic—and Pacific—to advance the cause of deeper and more comprehensive international understanding.

BILL FREDERICK—A FRIEND PASSES AWAY

Mr. DOLE. Mr. President, I speak for many Kansans in mourning the death of Bill Frederick. Bill was a quadriplegic as a result of an injury suffered when thrown from a horse 20 years ago. He never allowed adversity to get in the way. Bill loved politics and became a dedicated campaign worker for me and the Kansas Repub-

lican Party. But, he was far more than a dedicated party worker; he was, above all, a friend and an inspiration to all of us.

Mr. President, I ask unanimous consent that the attached copy of my eulogy be printed in the RECORD.

There being no objection, the eulogy was ordered to be printed in the RECORD, as follows:

BILL FREDERICK

The death of any man diminishes every man. And yet, death itself can be swallowed up on a life lived triumphantly—with meaning, with purpose, with faith in God and allegiance to his message. Long ago it was proclaimed that "cowards die many times before their deaths; the valiant never taste of death but once."

I met Bill Frederick in the fall of 1974. He was as valiant a man as I ever knew. It was a quiet kind of valor. It wasn't displayed with medals but through the personal mettle of one who had taken a body blow yet refused to stay down. It showed itself in a thousand small ways, in the quiet courage of a man who triumphed over his handicap, and enlisted hundreds of others in his cause. It communicated itself in letters to Washington and Topeka, and it accompanied Bill from a nursing home in Chanute to the inner circles of politics, the floor of a national convention and the corridors of Hillhaven Convalescent Center. It never faltered, and it never failed. Neither did Bill himself.

I have known many impressive people in my life. I have been privileged to encounter a handful of true heroes. No one could be more heroic than Bill Frederick, and in this hour of sorrow, we would do well to remember that. For his family and his many friends, the years ahead may seem lonely. But perhaps we can temper our sense of loss with gratitude for having crossed paths with such a man, a role model for anyone who has ever made the acquaintance of personal suffering.

A great American educator once said that anyone should be ashamed to die until he had won some victory for humanity. Bill's whole life was such a victory. It is the memory of what he achieved and what he inspired others to achieve that will long outlive the tears of this day. And whenever we ourselves decide to challenge some barrier imposed by convention or insensitivity, wherever we encounter obstacles to the fullest realization of gifts received from God, then Bill will be with us, full of life and insisting that we live as he did, contemptuous of handicaps and generous with compassion for those around us.

I've heard it said that Bill was somehow grateful to me for helping him to feel like a useful person. But Bill had no one but himself to thank for that. And if there is consolation to be had this morning, it is in his legacy of love to all of us, his lesson that we are all charged to be useful, and that life itself is meant, not to be endured, but enjoyed.

Elizabeth joins me in sending our deepest condolences to his brother and sister, other family members and all his many friends. You are in our thoughts—and in our prayers.

A KOREAN WAR MEMORIAL SHOULD BE AUTHORIZED

Mr. SASSER. Mr. President, I rise today to cosponsor S. 1223, legislation authorizing the erection of a memorial to the veterans of the Korean War.

More than 50,000 Americans were killed in the Korean war. In my home State alone, 134,000 loyal Tennesseans served during the Korean conflict, and 817 of these brave men gave their lives in order to protect the Republic of Korea.

Mr. President, the construction of a memorial to our Korean war veterans is long overdue. The sacrifice that was made by the men and women of our Armed Forces is timeless, but it would be most fitting for the Congress to authorize this memorial during this 35th anniversary of the outbreak of the Korean war.

Washington is replete with monuments and memorials to veterans of past conflicts. These memorials serve to remind us of the sacrifices that often must be made in order to protect our basic freedoms and those of our Democratic allies throughout the globe. They serve to recognize the uncommon valor of our veterans who have given their lives in the services of their country in far off lands, away from family and friends.

The recently constructed Vietnam veterans memorial has heightened national interest in the Vietnam conflict. It has served as a solemn witness to individual bravery and valor of those who served in this conflict. It has helped remind our Nation of the painful sacrifice that must be made in times of armed conflict. But it has also shown us that we must always be ever vigilant in our efforts to protect democracy at home and aid our allies who wish to develop Democratic systems of government abroad.

The Korean conflict was a long and bitter conflict. But it was one where the full weight of Democratic allies, acting under the flag of the United Nations, stemmed the tide of Communist aggression. It was a conflict that led eventually to an armistice on July 27, 1953 wherein the territorial integrity of the Republic of Korea was preserved.

From Inchon, to Heartbreak Ridge, to Panmunjom, the Korean conflict provided a time of testing for the United States of America. Our men and women serving in the Korean conflict were not found wanting. Now is the time to memorialize our Korean veterans, and I urge my colleagues to join with me in cosponsoring S. 1223.

REMEMBERING KOREA—35 YEARS LATER

Mr. JOHNSTON. Mr. President, Professor Peter Soderbergh, of Louisiana State University, delivered an excellent speech at the American Legion convention in Baton Rouge, LA, on June 22, 1985, entitled "Remembering Korea, 35 Years Later." I commend the speech to my colleagues, and I ask unanimous consent to have it printed in the RECORD.

There being no objection, the speech was ordered to be printed in the RECORD, as follows:

REMEMBERING KOREA—35 YEARS LATER

(Peter A. Soderbergh, Ph. D.)

At mid-point, 1985 already has witnessed an unprecedented outpouring of commemoration, reminiscing, and reverent celebration. A series of fortieth anniversaries overtook us, shook our memory banks, and penetrated our sensibilities in such rapid succession that we were barely able to deal with one wave of emotion before we were awash in another. The trend of the war in Europe, Iwo Jima, the deaths of heroes and tyrants, Bergen-Belsen—like cut-outs in an oversize birthday card—popped up and recaptured our attention. So many Americans had something very personal to remember—sons killed in action, missing buddies, bloody campaigns, relatives exterminated in Nazi camps, lost youth—that Memorial Day ceremonies took on a special significance this year.

Woven into our reveries about World War II as additives to the general mood of sober reflection were several searing experiences: Vietnam and the Holocaust. We paused to take note of the tenth anniversary of our frenzied evacuation from Saigon, and rendered tangible, overdue (and, at last, generous) tributes to veterans of America's most controversial war. In various heartfelt ways Americans of multiple persuasions recalled, with anguish and dignity, the Nazi-inspired Holocaust that snuffed out the futures of six million Jews. The mass media faithfully documented and dramatized the wide range of effects of World War II and Vietnam upon our consciousnesses, reminding us in the process of the prices paid by military personnel and civilian populations alike.

Thus far, 1985 has been a year of intense remembrances—and the fortieth anniversaries of Hiroshima, Nagasaki, and V-J Day still lie ahead. Certainly the last six months may be viewed as more than a "passing phase," or a rare convergence of noteworthy events. It has been a time of national catharsis, rededication, nostalgia, deep sorrow, and evolving reconciliations. This year's tears burned a little more than usual, gravesite bouquets were placed in a spirit of renewed tenderness. We lingered a bit longer at the Memorial Wall, and prayed more often for the repose of millions of souls. The playing of "Taps" was more of a message than a formality. 1985 has been a massive, largely spontaneous symphony of tragedy and pride whose poignant themes have touched us all. And we are better because of it.

Is it conceivable that we have omitted something from the current wave of recollecting? It is, and we have. It is safe to say now, just three days removed from what should be an anniversary equal to any other in historical importance, that the outbreak of the Korean War, thirty-five years ago this June 25, will be allowed to pass by without fanfare. Americans will not lavish upon the 5,200,000 veterans of that "sour little war" (as W. Averell Harriman once described it) the retroactive acceptances and tardy blessings they currently afford Vietnam veterans.

No trembling fingers will caress the names of Korean War dead, for they are not carved into a permanent Memorial in our nation's capital. No parades will wander

down tickertape-covered streets in our main cities. Plaques, cenotaphs, and statuary erected by a grateful citizenry are very scarce. The few major works published on the war are squeezed—literally and symbolically—into a half-shelf in our bookstores, overwhelmed by volumes devoted to the "good war" and the "longest war." Educators leap from 1945 to 1965, implying that the Korean experience belongs to the inexplicable, boring detritus of the Cold War, and therefore warrants only a cursory glance. Apparently General Omar Bradley's verdict that the Korean action was "the wrong war, in the wrong place, at the wrong time, with the wrong enemy" has, over the decades, seeped into the public mind and has inhibited our basic inclinations to embrace our returned warriors.

Why have Korean veterans not been redeemed? Why have we exempted their war from the honor roll of anniversaries we recognize this year? Why have Americans, as Joseph C. Goulden put it, allowed the Korean War "to slip through the crevices of memory"? Now that our Vietnam veterans have been repatriated and embraced it is clear that, all the while, the Korean, not the Vietnam, conflict has been our "forgotten war". How can this be?

Among the many explanations there are several worth mentioning on this occasion. First, the Korean War is not over. On July 27, 1953, an armistice was struck and formal hostilities ceased after 37 months. In excess of 40,000 American troops still maintain a sector of the 151-mile-long DMZ at considerable expense to the American taxpayer. South Korea exists, and prospers, but the stalemate shows few signs of being relaxed in the near future. We were victorious in World War II, and have recently had the courage to admit our defeat in Vietnam—but we do not know what to say, or how to feel, about a military struggle that remains a "draw" to this day. Perhaps it is easier to be graceful about winning or losing than it is to find meaning in a costly tie. The Korean war, dimly remembered by older Americans, inhabits a DMZ in our imaginations. The troops who fought and died to prevent a Communist takeover of that distant, foreign peninsula are trapped in that no man's land of our national psyche, and we have yet to set them free.

Second, although the American people did not disagree with President Harry Truman's decision to take military initiatives in June, 1950, the Korean conflict was essentially an unpopular war. It was, as one historian observed, "an unwelcome interruption of postwar prosperity." The 1,000,000 World War II veterans who were recalled to active duty were not entirely pleased. Younger men who had other plans were subject to the revived draft. The ideological complexities of the Cold War could not easily be translated into the good vs. evil simplisms that motivated our troops between 1941 and 1945. The war itself seemed to drag to a conclusion by way of interminable, so-called "peace talks" at Panmunjom. By early 1952 public approval of the war had dropped sharply, and when the guns fell silent in July, 1953, the nation lapsed into a state of indifference. Our first experience with "extended limited wars" left us bewildered, resentful—and in no mood to toss laurels to our non-victorious troops. It should have taught us that the American people will not support with unanimity drawn-out conflicts "that promise neither a decisive victory nor a quick end". But it took another twenty years and 56,000 more lives to prove that point.

These issues notwithstanding, American soldiers, sailors, and airmen (most of whom understood nothing of the geopolitics involved) went to Korea and, astride troops from fourteen other nations, spilled their blood to rescue South Korea from total obliteration. They breathed their last at Inchon, Heartbreak Ridge, the Chosin Reservoir, Pork Chop Hill, and on the devasted streets of Seoul because their country asked them to, and to uphold the traditions of their branch of service, nothing more. The statistics speak for themselves: 33,629 killed in combat; 20,617 non-combat deaths; 103,284 wounded in action; 5,178 missing or captured. More than 130 Congressional Medals of Honor were awarded for feats of heroism and self-sacrifice that veterans of any American war can respect. The grief these losses inflicted upon mothers, wives, lovers, and children was just as irreversible in 1952 as it was in 1942 or 1972. Human suffering recognizes neither politics nor chronology. There may be some small comfort for the next of kin when the nation displays its appreciation, when the boys who were not slain are welcomed home by a cheering populace, when testimonials are read and memorials sprout up on towns and cities from coast to coast. But the mothers and widow of the Korean War dead have been denied even that solace. For many of them, it is too late.

But it is not too late to raise our voices on behalf of the thousands of men who traded their lives to guarantee the futures of people they did not know, who fought as bravely as any men did in 1918, 1944, or 1968, who sacrificed their most precious possessions for a cause they did not completely comprehend. It is not too late to salute their accomplishments in ways befitting a nation as unique and as powerful as ours. It is never too late to say "thank you, you may come home, now" to the spirits of men who have wandered through the mist of the last thirty-five years in search of redemption.

Let this be the last time we slight a milestone related to Korea. It will cost us nothing, and benefit us much, to bring that mighty battle into the fold of our remembered wars. No war in which Americans perish deserves to be "forgotten."

AEROSPACE CORP. CELEBRATES SILVER ANNIVERSARY

Mr. WILSON. Mr. President, the Aerospace Corp., which is located in my home State of California is celebrating its silver anniversary this year. Evolving from a unique idea a quarter-century ago, Aerospace has been a member of the Air Force/industry team in a remarkable success story of programs from first concept to final operation. Aerospace had made contributions to early ballistic missiles, space launch vehicles, satellite systems, and a spectrum of related research and development programs. Along the way, the company has applied its expertise in space systems to national security-related projects sponsored by civilian government agencies.

In early 1959, the U.S. Congress concluded that the profit status of the company then responsible for systems engineering of new ballistic missiles was inconsistent with the systems engineering role and recommended that a new nonprofit organization be created to perform this work. This recommendation led the Air Force to ask a group of public-spirited citizens from science, business and public service to create Aerospace in 1960 for this purpose.

The company subsequently in 1963 was designated a Federal Contract Research Center by the Department of Defense. The corporation's principal client, the Space Division of the Air Force Systems Command, plans and manages defense space programs. The vast majority, 94 percent, of Aerospace's technical expertise is provided under a single contract to the Air Force.

Aerospace today functions much as an architect-engineer in other areas of endeavor. Its services are termed general systems engineering and integration. About 80 percent of this work is participating in the conceptual design, development and operation of space systems with the Air Force and industrial contractors. The remainder is research and experimentation, technology development and foreign technology assessment.

As an architect-engineer, Aerospace studies the requirements of a proposed new space system, such as a communications satellite, and suggests options to its client. When a conceptual design is chosen by the Air Force, plans for designs and tests are drawn. Schedules and standards are prepared, and specifications and work statements are defined. The company also monitors contractor performance and helps both client and manufacturer to solve technical problems. It continues to assist during final testing and actual operation of the space system.

Objectivity and nonadvocacy are essential in Aerospace's role. The company, therefore, does not manufacture a product, contract for systems, subsystems, or hardware, participate in Government selection of contractors, nor direct industrial contractors. It has no subsystem of its own to favor or defend, when seeking to resolve conflicts and bring subsystems into balance. Aerospace has one commitment: to maximize the success of the government in reaching its mission objectives. It does not have stockholders nor distribute dividends. The fee it earns is used solely to enhance the company's ability to perform its national security mission.

Aerospace's most important asset is people, highly qualified and innovative, working in the public interest. Nearly 4,200 are employed, some 2,300 are members of the technical staff, primarily engineers and scientists. The remainder are skilled support personnel. Sixty-two percent of the technical staff holds advanced degrees. The

technical staff averages more than 22 years of engineering experience.

The corporation's single greatest responsibility is the independent certification of readiness for launch of spacecraft and their launch vehicles. Executing this responsibility requires continuing and intensive work from program initiation through termination of space operations. Preparation for such responsibility demands planning, research, staff development, facilities planning and acquisition, sound administration, and long prior experience. Space launches involve considerable investment and are never risk-free. Certification, therefore, demands an exceptional degree of judgment, objectivity, attention to critical detail, and courage.

Current space systems under Air Force management utilizing Aerospace support are doing well with an excellent long-term success rate. Among these are the Defense satellite communications system II and III, the fleet satellite communications system, NATO III, the Defense Meteorological Satellite Program, the Navstar global positioning system, satellite control systems and the air-launched antisatellite program.

At the close of a quarter century of excellence, Aerospace's record of achievement is one in which we can all be justly proud. The company is in a position to respond to a changing environment, to exploit rapidly evolving technology, and to continue to contribute to our Nation's security.

The Aerospace Corp. stands as a symbol of technical accomplishment. I look forward to another quarter century of excellence from this vital national resource.

A TRIBUTE TO WILLIAM MANSEL LONG, SR.

Mr. HEFLIN. Mr. President, at this time of year throughout our Nation, numerous high school and college graduates are being admonished by commencement and baccalaureate speakers to go out into the world and make their marks upon society. The speakers are challenging these students to make a worthy contribution to their communities and to their country, and they are charging these graduates to excel in their professions.

Mr. President, I would like to bring to the attention of the U.S. Senate, the recent graduation ceremonies that took place at Talladega College in my home State of Alabama. On May 19, 1985, my good friend, William Mansel Long, Sr., of Tuscumbia received his bachelor of arts degree from Talladega College at the age of 81.

Mr. Long entered Talladega College in 1925 at the age of 22 after working 4 years to save enough money to pay his tuition. He studied biology and chemistry at Talladega for more than 3½ years but had to leave to take a job in order to help his family financially. After 60 years of waiting, his life long desire to be a Talladega College graduate is fulfilled.

Members of the Talladega College graduating class of 1985 may wish to take heart from the tenacity and outstanding accomplishments of their 81-year-old fellow graduate. Although Mr. Long's life has been one of struggle, it has been one of unusual devotion to duty and high achievement.

Mr. Long represents a unique case among America's 1985 graduating seniors, for he has made his mark; he has dedicated himself to improving the quality of life for his fellow citizens and to enriching his society. Mansel Long's life has been marked by many accomplishments—he has excelled on both a professional and personal level, and even at the age of 81, he continues to be a vital force in political and religious affairs.

Mr. President, time does not permit me to chronicle the numerous awards and achievements of this outstanding Alabamian. The record will show, however, that he has received the certificate of appreciation from the Northwest Alabama Council of Local Governments Area Agency on Aging, the Quality of Life Award, which was presented to him by the Mental Health Association, the Community Leadership Award, by the Shoals National Bank, awards of appreciation for his long years of service to Lesley Temple Christian Methodist Episcopal Church. Even as I speak, the members of his church are making plans to surprise him with another special award ceremony to be held in July of 1985. In addition, he has received a certificate of award for successful completion of the education program on Alzheimer's disease.

Mr. President, I am also pleased to point out that Mr. Long was my appointee to the 1981 White House Conference on Aging where he helped fashion the recommendations for use in developing national policy on aging.

I would be remiss in my responsibilities to the Talladega College alumni and the people of Tuscumbia if I did not speak in high praise of his great work as a founding member of the Alabama Democratic Conference, his services as a member of the board of directors of the Alabama Legal Services Corp., president of the Colbert County League of Voters, a member of the Council on Human Relations, a member of the board of directors of the Young Volunteers in Action, and above all his unmatched tenure as chairman of the Board of Stewards and a leader of the trustee board of Lesley Temple Christian Methodist Episcipal Church in Tuscumbia, AL. It was from these platforms that he distinguised himself as a orator, organizer, and a moral force in his community. Over the past 60 years, he has fought for civil rights and for social and economic improvement for people of all races.

After serving 30 years as a chemical analyst with the Tennessee Valley Authority, Mr. Long began a second career as an advocate for the rights of the elderly. His record of accomplishments in this field is awesome. His many, many years of tireless leadership in the North Alabama community are unmatched both in time and scope. He continues to command the respect of all who meet him, an he is a hard worker and the most dedicated and unselfish individual I have ever known.

He is not only an outstanding citizen and community leader but he is also an exemplary husband, father, and grandfather; and as patriarch of his family, he has passed on his legacy of community involvement and concern for others to his children and grandchildren.

Mr. President, William Mansel Long, Sr., is a living example of those ideals that are being extolled and praised by speakers throughout this land as they offer words of advice and encouragement to America's graduating seniors in 1985 and beyond. He is a model to emulate, and we can all take pride in his achievements as one of Talladega College's most outstanding scholars and one of Tuscumbia's most revered citizens. He is a credit to himself, his family, his church, his community, his State, and his country. I congratulate him for these excellent achievements.

Mr. President, I ask unanimous consent that a letter from Dr. Paul B. Mohr, Sr., president of Talladega College, a message from the Honorable Larry Barton, mayor of the city of Talladega, AL, and several articles concerning the outstanding achievements of Mr. Long be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

TALLADEGA COLLEGE,
Talladega, AL, May 22, 1985.

Mr. WILLIAM M. LONG, Sr.,
Tuscumbia, Alabama.

DEAR MR. LONG: I was particularly proud to have been a part of the awarding of your Bachelor of Arts degree during the Annual Commencement Exercise on Sunday, May 19, 1985. Your life has been an example of excellence, courage and service.

Your continued participation in the affairs of the College is important, and I encourage your ideas and suggestions. Your dedication to principle and the work ethic are examples to all of us who know you.

Please share our congratulations and happiness with your family. Welcome to the ranks.

Sincerely,

PAUL B. MOHR, Sr.,
President.

CERTIFICATE OF COMMENDATION PRESENTED TO WILLIAM MANSEL LONG

Congratulation and best wishes on your graduation. I know you have worked hard to make this a reality. This is a season full of beauty of your life. There are greater and better things in your future. I appreciate you and the effort you have put forth to reach this day in your life.

LARRY H. BARTON
Mayor,
Talladega, Alabama.

MANSEL LONG SATISFIED WITH JOB AS ELDERLY OUTREACH CONSULTANT

"She stopped her dying to talk to me."

Mansel Long's voice was husky, his eyes moist.

He shared this very personal and very poignant memory almost with reluctance, then rushed on to talk about Senior Citizens Appreciation Day, He had been out soliciting door prizes.

Long, 78, is an outreach consultant with the Area Agency on Aging. His jobs run the gamut from helping other seniors with the paperwork to satisfy a dozen agencies to finding source materials for their enjoyment to admonishing them not to be victimized by ripoff games to representing them at national symposiums.

The lady who stayed her dying to await the visit was one he had helped through a long, trying period. After helping to get her Supplemental Security Income started, he found someone to stay with her, helped get her on the meals program and, when it became necessary for her to go to a nursing home, he helped arrange that. The last time he went to see her, she told him, "I stopped my dying to talk with you."

Shortly after he left, she died.

No doubt there are others who feel as strongly about this gentle man who seems to have a special kind of grace.

When Mansel Long was a shoeshine boy at his father's barbershop, he was told he would never make a good businessman because of his trust in people.

"I still don't propose to be a good businessman," he said, "I'm a lousy bookkeeper. I get a joy out of helping people with their troubles. Not white people, not black people, but people.

"They tell me—and they've got me believing—that it's wonderful work I do," he said.

Long said he usually gets a prompt and positive response from the businessmen on whom he calls. Occasionally he runs into someone who feels the old people don't need a color television or a game to play or seed to plant.

"We need them more than anybody," he said.

"My Daddy sent me to college. I've had a long time to enjoy life, sure. But now we're walking in the shadows."

Long gets calls for help with income tax returns, food stamp applications and other papers. He gets calls in the night from people who have taken ill or whose house is on fire.

"I go where and when I am needed," he said.

Recently he has made an exception, though. Because of the illness of his own wife, he is presently confining himself to Tuscumbia. But his field covers the whole of Colbert and Lauderdale counties.

One of the cases Long is proudest of, occurred several years ago, early in this, his second career. A veteran who had been bedridden six years was not eligible for care at a veterans hospital. He had served 81 days, the rules said 90.

"He was a retired chemist and all his savings had gone on his medical bills," Long said. "His wife was no longer physically able to care for him at home. I talked to his doctor, to the census officer in Washington, finally I called Sen. Howell Heflin."

The upshot was that after a three-way conversation between the senator, the doctor and Long, the patient was accepted by the Veterans Administration.

"We sold them," he said. "They got him into a veterans hospital for 10 days then sent him to a nursing home and picked up the tab."

A lot of Long's work is plain recruiting, getting senior citizens to make use of the centers.

"The bottom line is getting them out of the house," he said. "They don't even have to be poor. We feel that anybody who comes to the center, participates in our fellowship, handcrafts and games should have lunch. The lunch is just an incidental part of it."

He told of a wealthy man who had become almost a hermit in retirement. "After he came down here, he started wearing a tie again and made a garden right out here by the center," he said.

Long, a retired TVA lab technician, represented the area at the last White House Council on Aging.

LONG ALWAYS AVAILABLE WHEN ELDERLY NEED HELP

(By Lorene Frederick)

When a Shoals area senior citizen has a broken window, a burning house or just a disire for a bar of candy, William Mansel Long is apt to get a call. He either goes or sends somebody to take care of the situation.

The 81-year-old outreach coordinator for the Area Agency on Aging is on call 24 hours a day to help with the problems of the older Shoals population.

Although his activities far outreach his job description, Long refuses to say he goes beyond the call of duty.

"I have the duty to myself," he said, "I couldn't face my conscience if I failed to do everything in my power to help senior citizens with their problems."

Long was pleased at being selected for the Quality of Life Award by the Mental Health Association in Muscle Shoals.

He said receiving the award was an emotional experience. "I don't know whether it was the caliber of the people who gave the award or that age makes one emotional," he said.

Long bears his own senior years on erect shoulders that stoop only to help his fellowman. He donates most of his salary to worthy causes, turns each incident into a learning experience and insists life should be a fun game. He came by his job on the recommendation of U.S. Sen. Howell Heflin.

A former chemical analyst for the Tennessee Valley Authority, he retired in 1969 and entered a period of hibernation.

"I would get up and help my wife make breakfast before she went to her teaching job then go back to the den and nod, wake up and watch TV and nod again," he recalled. "Well, I got to the place I liked that. I'd get mad when the doorbell rang, didn't want to be bothered.

"It wasn't like me to be like that. All my life I had liked to be around people, I told myself I had to get out of there and do something, I tried to fish, but I had arthritis in my hands, I couldn't see to hunt."

The dilemma was solved by a call from his friend in Washington.

"He told me to be at the Muscle Shoals National Bank the next morning. I had started building a house and I thought the bank wanted to loan me money. When I got there, they wanted somebody to work."

He worked a while as janitor, but a bout of illness and pressure from his family convinced him to "find them a good man to take my place."

He went back to his nodding.

He received a letter from Elliott Conway, director of the Area Agency on Aging. "He said somebody had told him I would be pretty good at begging," Long joked. "He called it soliciting, but I call it begging. The agency needed funds to use for helping the elderly."

Long conducted a telling campaign, calling on businesses, industry and clubs, explaining what the agency was doing for the elderly and asking their help. "Everybody was nice and I got some money," he said.

Later they made him coordinator and gave him two assistants. He said the aim of the outreach program is to reach every over-60 person in the Shoals and make them all aware of the services available.

"So many people think our services are just for the poor," he said, "That is not correct. If there is a need, we try to help out. Many elderly people just need somebody to care. Loneliness is a disease. It doesn't kill quick but as sure as you live, it will take you away from here."

A while back Long was called to the home of an elderly woman whose house was on fire. He got the call in late afternoon.

After calling the fire department, he went to the scene. He found the woman in an emotional state. He comforted her as best he could and lingered until he was sure she had a place to spend the night.

Poking fun at himself, Long said. "I'm supposed to work four hours a day, for the reason that I wouldn't accept an eight-hour day. What I ended up with is a 24-hour day. I let them outsmart me. But I enjoy it."

"God has blessed me," he said. "One hundred and 20 years ago, I was barefoot and in chains. Now I'm free and I have shoes on my feet."

He said his father farmed in the Mhoontown community, making his own crop and walking across the mountains to work for other people, before moving to Tuscumbia and taking up barbering.

"He took me out of the alleys and sent me to Talladega, and I was scared to death when I walked across the college campus. But if there was anything there I wanted to get it."

He worked part of one summer as a short order cook in a Chattanooga cafe. The pay was $2 a week. He considers the experience valuable.

On a recent morning, Long called on an elderly lady who had just come from the hospital after eye surgery. He knew she couldn't see and asked if she'd had breakfast. When she said no, he went into the kitchen and turned out a plate of bacon, eggs and toast.

"I've learned something from every job," he said. "There's a lesson in every incident."

Long said he is indebted to the person who wrote, "I shall not pass this way again . . ."

"I try to live by that. I only have 19 years left in which to do good. I'm afraid that after that I will begin to mess up."

NATIONAL AGING PANEL HAS SHOALS DELEGATES

U.S. Sen. Howell Heflin and Gov. Fob James have made appointments for area representation at the 1982 White House Conference on Aging Nov. 30-Dec. 3.

Elliott Conway, director of the Area Agency on Aging, was appointed to be observer and Mansel Long, a retiree working part time for the agency, was appointed delegate by Heflin.

The conference brings together citizens from across the country who make recommendations for use in developing national policy on aging.

Conway said 1,800 delegates and as many observers will be involved in 14 subject areas.

In addition to the appointees, several northwest Alabamians will go as unofficial observers. They include:

E.G. Butler, director of Muscle Shoals Regional Council on Aging; Dayton Lawler, Hodges; Bea Staples, Littleville; Annie Hornbuckle, Florence; William Sparks, Tuscumbia; and Ann Whitley, Winfield.

Delegates will vote on such issues as mandatory retirement, a comprehensive health care plan, crime prevention and victim assistance, Social Security, education, and nutrition.

Conferences are slated at two hotels in Washington.

LONG AWARDED BA AFTER 60 YEARS

Like most college students, William Mansel Long had difficulty getting his degree. Now, after 60 years of waiting, the 81-year-old Long, who attended Talladega College in 1925, will finally receive his Bachelor of Arts degree at commencement exercises May 19.

Long had to leave Talladega College in 1925 because of financial problems. "Receiving my degree after such a long passage of time will be the high point of my life," Long said with pride and a smile. He said he plans to display his degree in a spot where everybody can see it, "so my wife will have to part with one of the wall hangings in the middle of the living room wall, he said.

Today, Long is coordinator of the area outreach on aging where he was a research chemist for the Tennessee Valley Authority for 31 years. The son of a barber, Long was also a part-time barber for over 60 years. According to Long, his current job is only part-time but it is a full-time occupation.

The amicable Long, who was influenced to attend Talladega College by one of his high school teachers—a TC graduate—said the degree would have made a difference in his career "because I would not have had to prove myself with the degree. It would have been assumed that I knew what I was doing," he explained.

"My memories of Talladega back in 1925 are many," said Long nostalgically. "I was actively involved in Little Theater, the glee club and I was a player on the football team," he said. "There are a few unhappy memories; however, I didn't let them ruin my stay here," explained Long, remembering one particular instance when he broke his leg at the first footbal practice of the season. "I saw one player coming from the side, but I didn't see Paul Smith coming through the line," he said with a hearty chuckle at the mishap.

"There is some advice I want to leave to today's students preparing to start their college studies, and that is study long and hard and be wiliing to discipline yourselves. You must be willing to discipline yourselves, then your hard work will pay off. You must learn all you can," added Long.

DEDICATION OF A BUST HONORING FORMER SENATOR LISTER HILL

Mr. HEFLIN. Mr. President, on Sunday, May 26, 1985, I had the great pleasure of being present at a ceremony held at the Alabama State Capitol, in Montgomery, where a bust of the late Senator Lister Hill was unveiled. The bust, a creation of the noted Italian artist Gaulberto Rocchi, was unveiled before a gathering of friends, family and dignitaries at the Circle of Flags of the Fifty States on the south lawn of the capitol.

The ceremonies began with the Maxwell Air Force Band playing patriotic music, which was followed by the singing of our national anthem by the assembled crowd. Mr. Larry Oaks, executive director of the Alabama Historic Commission, welcomed everyone and introduced the Reverend Mark Waldo, who delivered the invocation.

Following the invocation, Gov. George C. Wallace delivered a welcome and acceptance of the bust on behalf of the State of Alabama. I was then introduced by Governor Wallace, and had the privilege and honor of paying tribute to Senator Hill and his long years of public service.

Eleanor Hill Hubbard, the 6-year-old great-granddaughter of Senator Hill, unveiled the bust, with the assistance of Henrietta Hill Hubbard, daughter of the Senator. The ceremonies were concluded with the singing of the hymn "O God, Our Help in Ages Past."

Mr. President, because so many of my colleagues were friends and admirers of Senator Hill, I wanted to take this opportunity to share the details of this ceremony. I ask unanimous consent that the invocation delivered by the Reverend Mark Waldo, my remarks, and the text of the closing hymn be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

INVOCATION AT THE UNVEILING OF THE BUST OF SENATOR LISTER HILL

O God, who art the strength of thy saints, and who redeemest the souls of thy servants: We bless thy Name for thy servant Joseph Lister Hill, whose life and service to thee and to his fellow human beings we remember with gratitude this day.

For all thy goodness that withheld not his portion in the joys of this earthly life, and for thy guiding hand along the way of his pilgrimage, we give thee thanks and praise.

We give thee thanks and praise for the good example of thy servant, Lister, who here was a tower of strength, who cheered us by his sympathy and encouraged us by his example, who rejoiced to serve all people, whose loyalty was ever steadfast, and his friendship unselfish and secure.

Grant that as we recall today his service, we may carry forward his unfinished work on earth.

I offer this prayer in the name of Jesus Christ. Amen.—The Rev. Mark E. Waldo, D.D.

SPEECH OF SENATOR HOWELL HEFLIN, LISTER HILL BUST MEMORIAL DEDICATION, MONTGOMERY, ALABAMA, MAY 26, 1985

It is a great pleasure and tremendous honor for me to be here today to share in this presentation in recognition of Senator Lister Hill. We are here today not so much to commemorate his passing; as to recognize his life, his accomplishments.

In doing so, it goes without saying that Lister Hill needs no eulogy from me or anyone else. He has written his own history, and has written it indelibly with a brilliant record of legislative accomplishments which have seldom been surpassed or equaled. Despite all we can say today, there is little that anyone can add in tribute to Senator Hill's own record. During his long years of labor, he was saluted by Presidents, fellow statesmen, and world authorities in science and health. He was honored through building naming, citations, honorary degrees, and awards too innumerable to list. More meaningfully, he has been paid silent tribute by many whom he never met—in the eyes of a parent whose child has been spared a lifetime of pain and handicaps, in the heart of a young man or woman whose dream of a medical career was made possible, in the faces of the elderly who have been able to live out their lives in dignity, free of pain and disease.

It was recently my pleasure to coordinate a ceremony in the Senate where many of those who knew Senator Hill or served with him could pay tribute to his memory. At that time, I was struck by the eloquence of the memories of many of his colleagues, but perhaps no comment was a more perfect illustration of his talents and abilities than the one by Alabama Congressman Tom Bevill, who said:

"If Lister Hill had lived during the initial days of our Republic, he surely would have become one of the Founding Fathers . . . Had he been alive during the early 1800's, he would have been pioneering to expand the young nation . . . If he were in the House or Senate today, he surely would be working busily and quietly on programs to insure that 21st Century Americans would have the finest quality of life imaginable."

Today, I face a task that is difficult, if not impossible, for I am to use mere words to describe the impact Senator Hill had on our state and nation, and, indeed, even our world. As a general rule, remembrances amplify goodness and magnify virtue, but Lister Hill is the magnificient exception to that rule. It is our remembrances that will not measure up to the man, not the reverse. Neither hours of tributes nor pages of words can do justice to the goodness of Lister Hill, to the clarity and integrity of his mind, nor to the sparkling innocence of his enthusiasm for politics and public scientists should approach remembrances of Senator Hill with a realization of this different standard. We cannot tell the half of his story. He was better than words can say.

We learned a great deal from the example set by Lister Hill. We learned that good ideas can make good politics; that it is possible to dream the impossible dream—and still get reelected. We learned that you don't have to be prominently featured on national television and in newspapers to stay effective—that frequently the best work is done quietly.

His was the politics of courage, candor and competence. He never wavered from his party's traditional belief that there is no incompatibility between a government with a caring face at home and a government with a stern face toward its adversaries.

During his more than 45 years in Congress, 32 of which he spent in the Senate, he was master architect and builder of numerous legislative landmarks.

Senator Hill can be remembered for his efforts to advance educational opportunities, to promote more and better agriculture, to ensure working men and women decent hour and fair wages under humane working conditions, and to benefit veterans. He did outstanding work in water resource development—authoring legislation for the development of the Coosa-Alabama Waterway and co-authoring the legislation which led to the Tennessee-Tombigbee Waterway. Through service on the military committees of both Houses of Congress, he became a recognized expert on national defense and security matters. Along with Senator George Norris of Nebraska, Lister Hill was co-author of the legislation creating the Tennessee Valley Authority, and later worked to protect it from ceaseless political and propaganda attacks by enemies of TVA. In addition, he was a leader in removing discriminatory freight rates found unfair to the South, helping to bring about the tremendous industrial growth and development we have witnessed since World War II.

Still, despite even the number and nature of these legislative accomplishments, his particular charge was his work in the fields of health and medical research. When he announced his retirement from the Senate, the New York Times wrote:

"Lister Hill has done more for the health of Americans in modern times than any man outside the medical profession . . . Senator Hill made politics his career and improved medical care his cause."

When we speak of Lister Hill, we speak of the public official most responsible for establishing and expanding the research activities of the National Institutes of Health, the sponsor of the National Library of Medicine, and, probably most important, the author of the Hill-Burton Act, under which more than 10,000 general hospitals, tuberculosis sanitariums, crippled children's clinics, diagnostic and training centers, and other medical facilities have been built throughout our nation.

The benefits of these achievements are not merely contemporary, but, indeed, are of historic import and impact. They benefit not only the health and strength of our people today, but will do so for generations to come.

Senator Hill's dedication to improving the health of the American people is but one indication of his belief that it was his duty to be a Senator of the United States as well as a Senator from Alabama. Along this line, I found a very interesting and appropriate paragraph from a paper recently written by Dr. Virginia Hamilton of UAB, which read, in part:

". . . Hill, a senior Senator holding powerful committee posts, increasingly devoted his attention to national matters. He prevailed in a squabble with Oveta Hobby, Eisenhower's Secretary of Health, Education and Welfare, over Hill's insistence that the Salk vaccine be distributed free to all of the nation's children in a monumental effort to obliterate polio. In 1956, Hill steered through the Senate his proposals for federal aid to rural libraries and establishment of a National Library of Medicine. In 1958, as a consequence of the Russian launching of Sputnik, Hill, in collaboration with Carl Elliott, achieved his long-sought goal of federal aid to education in the guise of the National Defense Education Act of 1958."

These were his accomplishments, certainly but let us look for a moment at the nature of the man. Lister Hill served in an era when the Senate was populated with giants who already crowd the pages of our history books—Russell, Johnson, Sparkman, Ervin, Taft, Dirksen, Stennis and Humphrey among them. Yet, even in this company, Senator Hill stood out as a man of special genius. He was a successful and powerful individual, who, through hard work and dedication, consistently won the admiration of his colleagues and constituents.

Richard Russell of Georgia, speaking of the several hundred different Senators with whom he served, once said:

"I know of only one of them who will go down in the history of this period . . . Lister Hill."

No less a colleague than Hubert Humphrey is on record as saying:

"I have never known any Senator who tended to his business with more meticulous detail and more care. Lister Hill was my favorite Senator."

Another admiring colleague, after one particularly impressive legislative victory was captured by Senator Hill, said:

"He is so persuasive, so charming, so quietly indispensable, and so personally self-effacing, that we want to give him everything that it is possible to give him."

It was the awesome breadth and depth of his knowledge in the field of health, and his colleagues' awareness of it, that resulted in his unparalleled leadership of the Senate in health legislation. In fact, the story goes that only once in more than 20 years was the Senator wrong in his facts while presenting and explaining a measure to the Senate. In that instance, someone he had reason to trust as knowledgeable and accurate had given him misleading information. Learning this, just moments before the Senate was to pass the bill unanimously, Lister Hill took the floor, explained the situtation, and moved to defeat the measure he himself had sponsored.

Lister Hill was indeed a unique person, an achiever. The first student government president at the University of Alabama. In 1917, elected president of the Montgomery Board of Education, the youngest school board president in the nation. The youngest Member of Congress when first elected in 1923. He was never defeated for an elective position.

Lister Hill was a man of great vision, a man with a great heart, a man with a great mind. He was a man of majestic stature, of strength and conviction; a man who could stand on the Senate floor and express the conscience of Congress and the country; a man who could change the course of debate, and shape and form our national policies; a man who was humble when faced with disagreements and criticism. He knew where he was, and where he wished to take the country. During his career, he battled for all of the important causes that promote the well-being of society. In every one of the 50 states can be found monuments to his humanitarian dedication.

In 1968, after he had announced he would not run for another term in the Senate, Lister Hill was honored at many banquets and ceremonies. At one such dinner, in Washington, Senator Hill shared a story with his friends who had gathered there that night.

He said he was reminded of the time when his mother and father had given him the name Joseph Lister, after the famous English surgeon under whom his father had studied. Dr. Hill, Senator Hill's father, wrote Joseph Lister and said he had named his son for Dr. Lister. Dr. Lister wrote back, saying that he wished for his namesake "a life of health, goodness, and usefulness." That night, in closing, Senator Hill said "I can only hope I have, in some way, measured up to this wish."

Health, goodness and usefulness—upon the horizon of our nation's history stand countless memorials to the goodness and usefulness of Joseph Lister Hill, monuments which will remain generations beyond his life. A great heart has passed from us, but we are all healthier in mind, as well as in body, because he lived.

Having known Senator Hill, I am certain that all he would ask is that when we think of all he did, we keep in mind things yet to be done.

CLOSING HYMN

O God, our help in ages past,
Our hope for years to come,
Our shelter from the stormy blast,
And our eternal home:

Time, like an ever-rolling stream,
Bears all its sons away;
They fly, forgotten, as a dream
Dies at the opening day.

O God, our help in ages past,
Our hope for years to come,
Be thou our guide while life shall last,
And our eternal home.

RETIREMENT OF E. HAM WILSON

Mr. HEFLIN. Mr. President, I come before the Senate today to honor the expansion and improvement in Alabama's livestock industry brought about during the tenure of E. Ham Wilson as executive vice president and chief executive officer of the Alabama Cattlemen's Association. This is a timely tribute, since it is made upon Mr. Wilson's retirement after 34 years of experience.

His accomplishments impose a larger than life image upon Ham Wilson who has the longest track record of any livestock association executive in the Nation. Through these years, Ham has steered the Alabama organization to become the largest State cattlemen's association in the entire United States.

Wilson, originally from Greenville, AL, has not isolated himself to administrative duties, but rather stands as a learned man of agricultural studies. He attended Auburn University where, in 1943, he received a B.S. degree in agricultural science. Outstanding among his peers, Ham Wilson was inducted into Gamma Sigma Delta and Alpha Zeta, both being honorary agricultural societies.

Wilson first became visible to the States farmers when he was appointed director of the agricultural division of the Alabama State Chamber of Commerce and concurrently named execu-

tive secretary of the Alabama Cattlemen's Association in 1952. The State cattlemen's association consisted of a group of 2,000 members when Wilson began his work with them. By 1963, the work of Wilson and others allowed the association to open its own self-supporting office, then boasting 7,614 members. Only 7 short years later, the Alabama Cattlemen's Association was recognized as the largest State cattlemen's association in the country. Ensuring that the organization provided a viable service and maintained a strong rapport with its members, Ham Wilson has allowed the group to enjoy being the Nation's top cattlemen's association for the past 15 consecutive years.

Recognizing the need for a professional publication, Wilson established the Alabama Cattleman magazine. The monthly publication, with Wilson as editor and publisher, soon gained respect as a pertinent and important source of livestock information. An international assemblage of livestock periodicals, known as the Livestock Publications Council, in 1983 hailed the Alabama Cattleman as "the improved livestock publication in the Nation over the past 6 years."

Ham Wilson's fight to strengthen the cattle industry has led him to many different groups, including the State legislature. Originally Wilson's comprehensive beef promotion program, the Nation's first such program, operated only through voluntary participation; soon adopted as State law, the Alabama Beef Promotion Program required that for each head of cattle sold a 10-cent fee be paid for advertising and promotion purposes. Passage of this legislation provides a healthy investment in the future prosperity of the cattle trade.

Ham Wilson's visions for the industry did not stop at the Alabama State line. As chief executive officer of the State cattlemen's association, he has filled several terms on the Beef Advisory Committee of the National Livestock and Meat Board, and has served as president of the Livestock Publications Council twice. He is also a member of the board of trustees of the National Cattlemen's Association and a member of the Hall of Merit of American Hereford Association.

Many Alabamian's recognize the importance of Ham Wilson's labors, as evidenced by his many honors which include: Being named Ag Alumus of the Year by the Auburn University Agricultural Association in 1984; the naming of the 500 seat Ham Wilson Livestock Arena research and teaching center at Auburn University; and being honored as Man of the Year in Service to Alabama Agriculture in 1967 by Progressive Farmer magazine.

Encouragement and support are two elements fundamental to any career, and Ham Wilson's success is no exception. Louise Wilson, Ham's wife, has served in this vital capacity for many years and has seen the remarkable changes in the State's livestock industry. With this knowledge of the industry, Louise Wilson has not just stood behind her husband but has joined his efforts through active involvement in the cattlemen's association. Mrs. Wilson will remain, after her husband's retirement, as director of Women's Activities and executive secretary of the Alabama CowBelles Association, an auxiliary of the State cattlemen's association.

Mr. President, I rise today not merely to honor Ham Wilson, for he has already received many honors, but to thank him for never failing to roll up his sleeves and work for the betterment of the livestock industry. Today the Alabama Cattlemen's Association and the members it serves enjoy a stronger and more prosperous livelihood due, in large part, to my fellow Alabamian, E. Ham Wilson.

UN SECRETARY GENERAL'S STATEMENT ON DRUG ABUSE

Mrs. HAWKINS. Mr. President, recently the Secretary-General of the United Nations addressed the U.N. Economic and Social Council regarding the issue of drug abuse.

In his impressive statement, Secretary-General Javier Perez de Cuellar compares drug abuse to the most destructive threat to present and future generations: "Drug abuse presents as destructive a threat to this and coming generations as the plagues which swept many parts of the world in earlier centuries." The Secretary-General expressed the view that to combat this threat effectively, ". . . an even more concerted and determined struggle on the part of the entire international community is now required." Mr. Perez de Cuellar feels that the time has come for the United Nations to undertake a new offensive to combat drug trafficking and abuse.

It has always been my view that no threat strikes America more savagely or more frequently than that of illicit narcotics. It results in lowered national productivity, increased violent crime, corruption of our children, and addiction and death. The Secretary-General obviously feels as strongly as I about this situation, as he states: "Illicit drugs, wherever they are produced or used, contaminate and corrupt, weakening the very fabric of society. Increasing worldwide abuse is destroying uncounted useful lives. These problems have already profoundly afflicted every region in the world."

Mr. President, it is encouraging to note that we are no longer alone in our battle against drug abuse. For too many years, the problem of illicit narcotics was viewed as uniquely American, with any solutions to be found to be made by our effort alone. Now, we can see that this fallacy is no longer accepted as fact—the world is, indeed, joining us in the struggle against this devastating affliction. It is finally recognized as a problem that not only affects the children of every nation in the world, but the very fabric of international society. As Secretary-General Perez de Cuellar states: "The suffering of individuals is not the only cost. Illicit drugs and crime go hand-in-hand. The allure of tremendous profits constitutes a potent attraction to criminals, and drug trafficking frequently entails other criminal acts, including bribery, larceny, the corruption of public officials and even murder. Moreover, there may well be links between illicit international drug networks and armed terrorist groups which have sought to subvert Governments."

Mr. Perez de Cuellar also makes the point that narcotics trafficking often has a devastating effect on national economies: "The cost must be counted in literally billions of dollars, traceable to the time lost in the workplace, to the substantial burden imposed on judicial and penal systems, and to the treatment and rehabilitation of drug addicts."

Mr. President, we could make a tragically long list of the results of drug abuse, of the difficulties peoples and nations experience because of the use of illicit narcotics. Mr. Perez de Cuellar is to be given tremendous credit because of the effort he is making to bring the international community together to combat this deadly threat. The Secretary-General indicates that there is near unanimity within the United Nations to take the necessary countermeasures. For instance, last year the U.N. General Assembly adopted a series of resolutions including a proposal for the preparation of a new convention designed to combat more effectively the traffic in illicit drugs. Also, new international initiatives involving the highest levels of government have been devoted to this issue over the past year within the U.N.

The Secretary-General expresses concern, however, that the existing resources are inadequate to deal with a problem of the magnitude of drug abuse: "We need a more concerted, a more comprehensive, and a truly world-wide effort to reduce the plague of illicit drugs. I believe the moment has arrived for the international community to expand its efforts in a global undertaking to meet this peril."

In implementing these efforts, the Secretary-General calls for a world conference to be convened in 1987, at the ministerial level, to deal with all aspects of international drug abuse.

The conference would focus on the following areas:

First, the promotion of education and community participation in prevention and reduction of the demand for illicit drugs;

Second, crop substitution and other methods of reduction of the demand for illicit drugs;

Third, improved methods to limit the use of narcotics to medical and scientific purposes;

Fourth, forfeiture of illegally acquired proceeds and the extradition of persons arrested for drug-related crime;

Fifth, strengthening of resources of law enforcement authorities;

Sixth, treatment and rehabilitation of drug addicts.

This conference would, indeed, serve to raise the level of world awareness of the dangers of drug use, at the same time mobilizing the "full potential of the United Nations system," Other intergovernmental, nongovernmental and regional initiatives would be reinforced, and governments would be encouraged to concert their efforts and to devote greater resources to combat drug abuse and trafficking.

Mr. President, I think that Secretary-General Perez de Cuellar is to be highly commended for his efforts to eradicate drug abuse. In his exemplary service as Secretary-General of the United Nations, Mr. Perez de Cuellar will be long remembered for his many achievements, but I think that the positive effects of his leadership will be most appreciated, and long-lasting, if he succeeds in this Herculean task. I wish him much success in his efforts, and every support and offer of assistance.

A FORWARD-LOOKING IDEA IN AMERICAN INDUSTRY

Mr. BAUCUS. Mr. President, Sunday's papers carried an encouraging story for the future of American competitiveness. I refer to the story that General Motors and the United Auto Workers are considering a pay plan for the new Saturn Corp., that would begin to break down the barriers between supervisors and workers.

I have spoken before about the challenges this Nation faces today. We are a great nation, but we did not get to be a great nation by resting on our past successes. We got to be a great nation by being flexible, energetic, and meeting challenges. Recently, however, I have been afraid that our lengthy period of economic dominance has made us self-satisfied; that we have been losing our flexibility.

One of the problems has been the rigidity of our labor and salary structures. We have defined tasks and compensation and working conditions down to minute detail. In doing so we have taken a sense of control and of commitment out of the workplace.

To compete successfully in the world marketplace, we need the best equipment and the best labor force. That labor force must be both trained and committed. It must have a stake in the outcome.

I cannot say whether the all-salaried work force that GM and the UAW are reported to be considering is the answer. However, I can applaud the kind of creativity and openness that allows such a proposal to be made, discussed, and tried. It is by trying new approaches that we improve the outcome.

Mr. President, I ask unanimous consent that the article from the June 23 Washington Post be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

GM, UAW CONSIDER RADICAL SALARY PLAN

(By Warren Brown)

DETROIT.—General Motors Corp. and the United Auto Workers union are studying a pay plan that could change radically traditional labor-management relations in the nation's basic manufacturing industries.

The company and union are pondering the possibility of a fully salaried work force at Saturn Corp., the new GM company that is scheduled to begin making subcompact cars in the United States by 1990.

Saturn's overall objective is to revolutionize small-car production in America: to develop management and manufacturing operations that will help eliminate the $2,000-a-unit production-cost advantage that Japanese auto makers have over their U.S. counterparts.

"GM and the UAW are trying to create a very different environment for production at Saturn, and that requires a much more professional environment for all workers in the company," said David Cole, director of the Office for the Study of Transportation at the University of Michigan, Ann Arbor.

"One way to give credence to that new environment is to create a fully salaried work force." Cole said.

"Fully salaried" means that Saturn's clerical, maintenance, production and professional employes would receive annual salaries. It means an end to time clocks and hourly wages, and could mean allowing production people the same kind of overall attendance flexibility enjoyed by many clerical and professional staffers.

No other auto maker in the United States pays its production workers in the manner now under consideration by Saturn officials and the UAW. No other basic industry manufacturer gives its hourly people straight annual pay.

If GM chooses to go along with a fully salaried pay plan at Saturn, "it'll be because GM wants to shatter all traditions" in domestic auto production, and really launch Saturn as a totally different car company, said Peter J. Pestillo, vice president of employe relations at Ford Motor Co.

The Saturn pay plan under discussion "really would be significant" for the automotive and other manufacturing industries if it means allowing production workers paid absences, Pestillo said. "Nothing we have now in this industry—nor in any other industry that I know of—says that a production worker can be absent at will for an hour or a day with pay," he said.

GM and UAW officials were circumspect last week in commenting about the proposal to put everyone on salary at Saturn. But both sides confirmed reports that they have been reviewing the idea in informal labor talks.

Several GM sources said last week that the fully salaried plan—or something similar—could be announced by the end of June. At the same time, GM intends to reveal the site it has chosen to build the Saturn manufacturing and assembly complex, the GM sources said.

The GM sources were supported by a UAW official, who said "we hope to have some type of agreement by the time the Saturn plant is announced."

Ninety-nine representatives from GM and the UAW spent a year between 1983 and 1984 examining alternative labor-management relations in preparation for starting Saturn.

By the time GM announced the creation of the company last January, the GM-UAW-Saturn study group had traveled 2 million miles worldwide visiting manufacturing companies and plants, collecting information on alternative labor-management and worker compensation systems.

"They came up with a lot of human-interest kind of ideas that we think are going to make Saturn work. Having a salaried work force was something that was discussed in concept form," one GM official said.

"A salaried work force is under discussion, but we're also exploring a lot of other things in the talks," said a UAW official, who requested anonymity. "Whether or not a salaried Saturn work force will emerge from the talks is an open question. We are not hinting or saying that something like that will come about."

Still, auto industry analysts and observers believe that a fully salaried Saturn operation is in the works. They say that GM and other domestic auto makers already have begun dismantling the hourly wage system that has been a part of the U.S. auto industry since assembly lines started moving at the turn of the century.

"The fact that Saturn would go to a salaried basis would not be all that important without the work-rule changes that have occurred in domestic auto plants over recent years," said Harry C. Katz, an associate professor of management at the Massachusetts Institute of Technology.

Katz has just published a study on changing labor-management relations in the U.S. auto industry. He said the results of that study show that domestic auto management is shifting decision-making down the ranks in a number of cases, giving hourly workers more responsibility for what happens on the plant floor.

Worker teams, quality-control groups and similar bodies "are being guided by people who are listed as 'hourly,'" Katz said. "But they really are not hourly in the traditional sense. They are more like supervisors than anything else."

That perceived role change makes hourly workers more amenable to salaried compensation. It also reduces anxiety among traditional management-level employes, some of whom otherwise might object to being paid on the same basis as production workers, Katz said.

The blurring of traditional labor-management lines also occurs in several worker autonomy experiments now running in the U.S. car industry.

For example, 2,000 workers at GM's Buick Division assembly plants in Flint, Mich.,

don't punch clocks. Each worker, operating under an honor system, keeps his or her own time. A similar program is in effect at a plant operated by GM and Toyota Motor Corp. in Fremont, Calif., and at another GM facility in Shreveport, La. Chrysler Corp. and Ford Motor Co. also has several plants where workers have been freed from the time-clock routine.

Because of those developments, the Saturn work force proposals "really aren't new," said Stephen P. Yokich, who directs several major UAW departments, including the union's national organizing unit. "We have thousands of people already on salary and a number of plants . . . what they're really talking about at Saturn is taking all of these things and putting them into one plant. This is an attempt to gather up all of the good from everywhere else and to put it into one place," Yokich said.

He said that "It's not so much a change in the way that the union is acting or seeing things," Yokich said. "It's a change in the way that management sees the union. They finally realize that we have brains and not just backs."

None of the workers in the GM or the Ford experiments can take an extra 15 minutes for lunch, or another half hour off for personal business when he or she is supposed to be on the assembly line, GM and Ford officials said.

In that regard, the employes in the experiments are not "truly salaried," according to Pestillo and others.

"It's all a matter of semantics," said one GM official who requested anonymity. "The contract that they're working on [at Saturn] will be so flexible, the work rules will be so new, 'salaried' and 'unsalaried' really won't make much of a difference."

The leadership of the UAW long has sought an annual salary for its members. In 1955, for example, UAW President Walter P. Reuther asked GM for what he called a "guaranteed annual wage."

Reuther believed that an annual wage was a good way to protect his members from financial harm caused by the cyclical layoffs in the auto industry.

Car plants routinely shut down for long periods to accommodate model change-overs or to give consumer demand a chance to catch up with growing inventories. When the lines weren't running, the hourly workers weren't getting paid.

But GM rejected Reuther's proposal on grounds that it would put labor and management on the same level, undermine corporate authority and ultimately interfere with production and hold down profits.

Even many of Reuther's UAW peers opposed his thinking. Blurring jurisdictional lines would end traditional adversarial dealings between union and management, and the loss of that tension eventually could lead to a compromising of labor's goals, the UAW dissidents said.

The company and the union instead settled on a series of income-maintenance programs designed to aide production workers in down times. Perhaps the most notable of these is the supplemental unemployment benefit program, the so-called SUB, which, depending on seniority, could give a laid-off auto worker 95 percent of his or her hourly salary for up to two years.

But rising foreign competition and drastically declining domestic auto sales in the early 1980s weakened labor and management, causing billions of dollars of revenue losses and throwing hundreds of thousands of auto workers out of jobs for periods longer than a year.

Then came foreign auto makers, Japanese and Germans, who began assembling cars on American soil. By 1990, the Japanese alone will be able to make as many as 900,000 cars a year in the United States. Two Japanese companies—Honda Motor Co. Ltd. and Nissan Motor Co. Ltd.—intend to continue assembling their vehicles in this country without UAW help, although Honda is the target of an intense UAM organizing campaign.

Two others, Toyota Motor Corp. and Mazda Motor Corp., will have UAW representation, but on beginning terms that will give them highly competitive production costs.

Those developments softened the ground for the work-rule changes that have taken root at the traditional Big Three U.S. car companies—Ford, GM and Chrysler Corp. And auto industry analysts and officials believe those changes will bloom into a fully salaried, unusually egalitarian work force at Saturn.

"It doesn't matter if the union gets a toehold into the salaried work force through Saturn," one GM official said. "They will gain something, but so will the company. The rules of the game have changed."

TRADE LAW MODERNIZATION ACT OF 1985

Mr. PRESSLER. Mr. President, I would like to join in the comments of my colleagues today on the Trade Law Modernization Act. I am very concerned about problems confronting the United States in the international trading arena, specifically those affecting agriculture. This legislation would help discourage foreign nations from employing unfair trade policies to restrict or unfairly compete with U.S. farm products.

Rarely is major trade legislation enacted. This has resulted in an incomplete and unclear position on international trade. Also, current U.S. trade policy, including the General Agreement on Trade and Tariffs [GATT] and the Trade Act of 1974, is insufficient in dealing with unfair trade practices that affect about 70 percent of manufacturing production and a large portion of agricultural commodities. It is time to address these issues. A comprehensive measure is needed to solve many of the problems facing the United States in the international trade conflict.

The Trade Law Modernization Act, which I am cosponsoring today, addresses a wide range of our Nation's trade problems in a responsible and effective manner. This bill will strengthen the remedies available to U.S. producers regarding unfair and injurious foreign trade practices. It also provides detailed guidelines for new international trade negotiations and clearly defines our trade policy goals.

Furthermore, this measure would give additional negotiating authority to the U.S. trade policy officials. Such an authority would allow the United States to combat more effectively unfair and discriminatory government buying practices, such as those used by the Japanese to restrict United States meat exports.

At the same time, it would simplify the procedure for industries or sectors affected by unfair foreign trade policies to obtain import relief. These changes will help to provide relief for American farmers from unfairly subsidized agricultural products.

As a member of the President's Export Council, I commend the sponsors of this bill for their efforts to establish an advisory group made up of members from the labor, business, and Government sectors. This diverse group will not only be aware of the trade policies of foreign nations and how they affect the U.S. economy, but will also have innovative ideas as to how the United States should respond to these practices.

Mr. President, with our trade deficit at record levels and continuing to rise, it is critical that the United States take action to reverse this trend. The current trade deficit is the product of a combination of many policies and practices. However, one of the major factors causing our trade deficit is unfair foreign trade policies. These policies limit our exports and also allow unfair competition for our U.S. products. We must have a more effective means to combat these policies. Enactment of the Trade Law Modernization Act would be a step toward a more equitable and free trading system.

Mr. President, I urge my colleagues to join in supporting this legislation.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Saunders, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session, the Acting President pro tempore laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

MESSAGES FROM THE HOUSE

At 11:10 a.m., a message from the House of Representatives, delivered by Ms. Goetz, one of its reading clerks, announced that the House agrees to the amendments of the Senate to the bill (H.R. 47) to provide for the minting of coins in commemoration of the centennial of the Statue of Liberty.

The message also announced that the House has passed the following bill, without amendment:

S. 413. An act to extend the provisions of title XII of the Merchant Marine Act, 1936, relating to war risk insurance.

At 2:12 p.m., a message from the House of Representatives, delivered by Mr. Berry, one of its reading clerks, announced that the House has passed the following bill, with amendments, in which it requests the concurrence of the Senate:

S. 817. An act to authorize appropriations under the Earthquake Hazards Reduction Act of 1977 for fiscal years 1986 and 1987, and for other purposes.

The message also announced that the House has passed the following bill, with an amendment, in which it requests the concurrence of the Senate:

S. 818. An act to authorize appropriations for activities under the Federal Fire Prevention and Control Act of 1974.

The message further announced that the House has passed the following bills, in which it requests the concurrence of the Senate:

H.R. 2211. An act to amend title 11 of the United States Code with respect to bankruptcy proceedings involving debtors who are family farmers, and for other purposes;

H.R. 2244. An act to amend the Federal Food, Drug, and Cosmetic Act to remove the prohibition against stating in the labeling and advertising of a drug that it has been approved under that Act;

H.R. 2378. An act to amend section 504 of title 5, United States Code, and section 2412 of title 28, United States Code, with respect to awards of expenses of certain agency and court proceedings, and for other purposes;

H.R. 2434. An act to authorize appropriations for the Patent and Trademark Office in the Department of Commerce, and for other purposes;

H.R. 2776. An act to amend the District of Columbia Stadium Act of 1957 to direct the Secretary of the Interior to convey title to the Robert F. Kennedy Memorial Stadium to the District of Columbia; and

H.R. 2800. An act to provide authorization of appropriations for activities under the Land Remote-Sensing Commercialization Act of 1981.

ENROLLED JOINT RESOLUTIONS SIGNED

The message also announced that the Speaker has signed the following enrolled joint resolutions:

S.J. Res. 87. Joint resolution to provide for the designation of July 19, 1985, as "National P.O.W./M.I.A. Recognition Day";

S.J. Res. 125. Joint resolution designating the week of June 23, 1985, through June 29, 1985, as "Helen Keller Deaf-Blind Awareness Week"; and

H.J. Res. 159. Joint resolution commemorating the 75th anniversary of the Boy Scouts of America.

The enrolled joint resolutions were subsequently signed by the President pro tempore [Mr. THURMOND].

MEASURES REFERRED

The following bills were read the first and second times by unanimous consent, and referred as indicated:

H.R. 2211. An act to amend title 11 of the United States Code with respect to bankruptcy proceedings involving debtors who are family farmers, and for other purposes; to the Committee on the Judiciary.

H.R. 2244. An act to amend the Federal Food, Drug, and Cosmetic Act to remove the prohibition against stating in the labeling and advertising of a drug that it has been approved under that act; to the Committee on Labor and Human Resources.

H.R. 2434. An act to authorize appropriations for the Patent and Trademark Office in the Department of Commerce, and for other purposes; to the Committee on the Judiciary.

H.R. 2776. An act to amend the District of Columbia Stadium Act of 1957 to direct the Secretary of the Interior to convey title to the Robert F. Kennedy Memorial Stadium to the District of Columbia; to the Committee on Energy and Natural Resources.

MEASURE PLACED ON THE CALENDAR

The following bill was read the first and second times by unanimous consent, and placed on the calendar:

H.R. 2800. An act to provide authorization of appropriations for activities under the Land Remote-Sensing Commercialization Act of 1981;

ENROLLED JOINT RESOLUTIONS PRESENTED

The Secretary of the Senate announced that on today, June 25, 1985, she had presented to the President of the United States the following enrolled joint resolutions:

S.J. Res. 87. Joint resolution to provide for the designation of July 19, 1985, as "National P.O.W./M.I.A. Recognition Day"; and

S.J. Res. 125. Joint resolution designating the week of June 23, 1985, through June 29, 1985, as "Helen Keller Deaf-Blind Awareness Week."

PETITIONS AND MEMORIALS

The following petitions and memorials were laid before the Senate and were referred or ordered to lie on the table as indicated:

POM-286. A joint resolution adopted by the Legislature of the State of Nevada; to the Committee on Armed Services.

"ASSEMBLY JOINT RESOLUTION No. 18

"Whereas, the Congress of the United States, by statute enacted shortly after admission of California to the Union, granted to the state the 16th and 36th sections of every township of public land as support for public education, a grant long held to create an obligation of the federal government to the state; and

"Whereas, the statute also provided that if any of the sections granted the state had been disposed of by sale or inclusion within Indian, military, or other reservation prior to completion of the survey of such lands, so that the granted land would be unavailable for school support, then equivalent lands could be selected in lieu of the granted lands; and

"Whereas, approximately 55,232 acres of California school land grant obligations still remain unfulfilled, despite the high priority which the administration has stated that it placed on the final satisfaction of the debts owed by the United States to California and other western states, largely because of problems with respect to two school land sections in Kern County; and

"Whereas, State ownership of these two granted sections is withheld by the federal government by virtue of presidential action taken to conserve the oil underlying those sections for production in time of national emergency for the benefit of the Navy, which established the oil resources on both public and private lands in the area as Naval Petroleum Reserve No. 1; and

"Whereas, the conservation proclamation did not eliminate the private ownership of lands within the reserve, which has required the establishment of a unit operation controlled by presidential discretion, but carried on jointly by the federal government and the private owners, to ensure that the oil resources within the reserve would be available for national security purposes; and

"Whereas, the value of the granted school lands held from California by the proclamation is such that selection of other available lands as requested has been virtually impossible; and

"Whereas, the Department of Interior staff suggested a possible alternative: presidential action qualifying the reserve proclamation to permit recognition of the title of the state to the granted lands, provided that such school lands would be held subject to presidential discretion and control as to the rate and availability of oil production, precisely as are the private lands already included within the reserve; with the proportionate share of oil proceeds to go to the state; and

"Whereas, while the restriction on operation which would be required would diminish the value of the unrestricted ownership originally granted the state under the school land grant, it still would provide a prospect of substantial income for the State Teachers' Retirement Fund, to which the state has dedicated the funds from satisfaction of the outstanding school lands debt of the United States to the State of California; now, therefore, be it

"Resolved by the Assembly and Senate of the State of California, jointly, That the Legislature of the State of California respectfully requests the President of the United States and the Secretaries of the Navy, Interior, and Energy to take immediate action to modify the executive proclamation reserving the lands included within Naval Petroleum Reserve No. 1 to permit the state to take title to the two school land sections originally granted it, subject to the control of oil operations by the President as required for national security purposes, and requiring state participation in the existing unit operation; and be it further

"Resolved, That the Chief Clerk of the Assembly transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Rep -resentatives, to each Senator and Representative from California in the Congress of the United States, and to the Secretaries of the Navy, Interior, and Energy."

POM-287. A resolution adopted by the South Carolina Association of Independent Banks supporting proposed legislation to close the non-bank bank loophole without encumbrances of other issues; to the Committee on Banking, Housing, and Urban Affairs.

POM-288. A resolution adopted by the South Carolina Association of Independent

Banks concerning the federal deficit; to the Committee on Budget.

POM-289: A resolution adopted by the Fourth Congress of the Federated States of Micronesia; to the Committee on Energy and Natural Resources.

"CONGRESSIONAL RESOLUTION No. 4-11

"Whereas, on October 1, 1982, the Government of the Federated States of Micronesia and the Government of the United States of America executed the Compact of Free Association and several related agreements; and

"Whereas, on June 21, 1983, a plebiscite on future political status was held in the Federated States of Micronesia, in accordance with the provisions of Public Law No. 2-54 and sections 411 and 412 of the Compact of Free Association; and

"Whereas, on July 13, 1983, the President of the Federated States of Micronesia determined, based on the certification of the final results made by the Plebiscite Commission which was established by Public Law No. 2-54, that a majority of the ballots validly cast in the plebiscite were in favor of approving the Compact of Free Association and its related agreements; and

"Whereas, on September 2, 1983, the President issued a proclamation stating that he had determined that the Compact of Free Association and its related agreements had been approved by a majority in the legislatures of two-thirds of the States of the Federated States of Micronesia as required by section 4 of article IX of the Constitution of the Federated States of Micronesia; and

"Whereas, the Congress of the Federated States of Micronesia on September 2, 1983, ratified the Compact of Free Asssociation and its related agreements as required by section 4 of article IX of the Constitution of the Federated States of Micronesia; and

"Whereas, the approval of the Compact and its related agreements by the people of the Federated States of Micronesia through their own constitutional processes represented an exercise by the people of their unalienable right to self-determination; and

"Whereas, it is the sense of the Congress of the Federated States of Micronesia that it is in the best interests of both the Federated States of Micronesia and the United States that the United States Congress expeditiously approve the Compact of Free Association; now, therefore,

"Be it resolved by the Fourth Congress of the Federated States of Micronesia, First Regular Session, 1985, that the Congress of the Federated States of Micronesia hereby urges the United States Congress to affirm the act of self-determination exercised by the people of the Federated States of Micronesia by expeditiously approving the Compact of Free Association and its related agreements, entered into between the Government of the Federated States of Micronesia and the Government of the United States of America; and

"Be it further resolved that certified copies of this resolution be transmitted to the Congress of the United States of America; the Honorable Ronald Reagan, President of the United States of America; and the Honorable Tosiwo Nakayama, President of the Federated States of Micronesia."

POM-290. A joint resolution adopted by the Legislature of the State of Nevada; to the Committee on Energy and Natural Resources.

"ASSEMBLY JOINT RESOLUTION No. 1

"Whereas the citizens of the State of Nevada have a tremendous respect for its lands and strongly support the wise use and conservation of its natural resources; and

"Whereas nearly 87 percent of the land in this state, including over 4,000,000 acres which have been withdrawn from use by the general public, is controlled by various agencies of the Federal Government and, therefore, the state is particularly vulnerable to decisions regarding the use of land which are made by federal agencies and not the people or elected officers of the state; and

"Whereas the economic well-being of this state, particularly some of its more rural communities, is heavily dependent on access to, and use of, the federal public lands for mining and ranching; and

"Whereas the future of mining in this state is dependent upon the availability of federal lands and the loss of areas with potential for the production of minerals would be harmful to this state and the nation; and

"Whereas the Congress of the United States now is reviewing proposed legislation which would designate as wilderness approximately 136,900 acres in this state, including portions of Mount Charleston, Mount Moriah, Boundary Peak and additions to the existing Jarbidge wilderness area; and

"Whereas in addition to these areas, there is general support in this state for the designation of an additional 1,322,900 acres as wilderness in the Desert National Wildlife Range; and

"Whereas there has been a considerable amount of public discussion in Nevada regarding designations of wilderness areas and there is a general consensus supporting the designation of those areas as wilderness; and

"Whereas the committee on public lands of the Nevada legislature is a permanent entity of the legislature and is empowered to review and comment on proposals affecting public lands under the control of the Federal Government, and in this respect the committee serves as an official liaison between the Nevada legislature when the legislature is not in session and the Congress of the United States: Now, therefore, be it

"Resolved by the Assembly and Senate of the State of Nevada (jointly), That this legislature urges the Congress of the United States to designate as wilderness portions of Mount Charleston, Mount Moriah, Boundary Peak, and the Jarbidge area, as identified in federal legislation now pending in Congress; and be it further

"Resolved, That the Congress of the United States is urged to designate as wilderness those portions of the Desert National Wildlife Range which have been recommended for designation as wilderness by the United States Fish and Wildlife Service; and be it further

"Resolved, That the Congress of the United States is urged to keep the committee on public lands of the Nevada legislature informed of additional discussions regarding potential designations of wilderness in the State of Nevada; and be it further

"Resolved, That the legislative counsel shall forthwith transmit copies of this resolution to the President of the United States, the Vice President of the United States as presiding officer of the Senate, the Speaker of the House of Representatives, each member of the Nevada congressional delegation, the Secretary of Agriculture, the Secretary of the Interior, the chairman of the Subcommittee on Public Lands and National Parks of the United States House of Representatives, the chairman of the Subcommittee on Public Lands and Reserved Water of the United States Senate, the chief of the United States Forest Service and the director of the Bureau of Land Management."

POM-291. A joint resolution adopted by the legislature of the State of Nevada; to the Committee on Environment and Public Works.

"SENATE JOINT RESOLUTION No. 38

"Whereas Congress has delegated the authority to the Environmental Protection Agency to adopt by regulation standards to ensure that the drinking water in this country is safe; and

"Whereas under this authority, the Environmental Protection Agency has prescribed a maximum level at which arsenic may be in drinking water; and

"Whereas the regulations of the Environmental Protection Agency concerning arsenic in drinking water may be more stringent than necessary, and the treatment of the water to remove the arsenic to comply with these regulations may be more harmful to the public than the arsenic: Now, therefore, be it

"Resolved by the Senate and Assembly of the State of Nevada, (jointly), "That the legislature requests the Congress of the United States to amend 42 U.S.C. § 300g-4 to:

"1. Allow a state with the primary responsibility for enforcement of the standards for drinking water to issue a variance to the standard to a supplier of water if the supplier certifies that there is no known adverse effect on the health of its customers and that a majority of its customers support the issuance of a variance; and

"2. Provide that the variance is not subject to review by the state or the Environmental Protection Agency and that the supplier of water need not comply with the regulations of the Environmental Protection Agency unless proof is presented that the variance is resulting in harm to the health of those supplied with the water; and be it further

"Resolved, That the legislative counsel transmit copies of this resolution to the Vice President of the United States as President of the Senate, to the Speaker of the House of Representatives, and to all members of the congressional delegation from Nevada; and be it further

"Resolved, That this resolution becomes effective upon passage and approval."

POM-292. A resolution adopted by the House of Representatives of the Commonwealth of Pennsylvania; to the Committee on Foreign Relations.

"HOUSE RESOLUTION No. 120

"Whereas apartheid is the South African practice of strict racial segregation of education, housing and public facilities; and

"Whereas the policy of apartheid, mandating economic, political and social segregation, means that the vast majority of South Africans are governed by only 16 percent of their countrymen; and

"Whereas pay for Blacks averages less than that of white workers and at least 20 percent of black babies born in rural areas die before their first birthday; and

"Whereas because Blacks do not have the right to vote, the white minority controls the entire government, most businesses and 87 percent of the land; and

"Whereas there are limits to free speech and opponents of apartheid are silenced by

South African law that allows authorities to detain people indefinitely, cut off from family or an attorney, without charging an offense; and

"Whereas, Amnesty International reports that torture is inflicted on political detainees and the government sanctions its use; and

"Whereas, the South African government has forcibly resettled more than 3,000,000 Africans, moving them from the cities and more prosperous areas to rural, economically barren "homelands"; and

"Whereas, although Blacks make up 72 percent of the population of South Africa, the "homelands" where they must settle constitute only 13 percent of the land; and

"Whereas, Black workers who find employment in the cities are forced to leave their families in the "homelands," visiting them only once a year; and

"Whereas, several hundred United States corporations supply capital, technology and equipment to South Africa; and

"Whereas, American business must work in an effective manner to encourage South Africa's rulers to enact significant reforms in its system and to reassess its elaborate system of repression of its people; and

"Whereas, United States firms provide 3 percent of the jobs in South Africa and must support policies of equal pay, equal opportunity and allegiance to equal employment principals to bring about social change; and

"Whereas, United States employers in South Africa can be the Black majority's best ally for bringing about positive change: Therefore be it

"Resolved, That the House of Representatives of the Commonwealth of Pennsylvania urge the Government of South Africa to amend its present policies of Apartheid and give every citizen his basic human rights and privileges of equality; and be it further

"Resolved, That the House of Representatives urge American firms conducting business in South Africa to work relentlessly toward creating equal employment and advancement opportunities for their nonwhite employees, and to further represent a force for positive, nonviolent change in South Africa for total economic and political equality; and be it further

"Resolved, That copies of this resolution be transmitted to the President of the United States, the United States Ambassador to the United Nations, the members of the United States Senate, the members of the House of Representatives and the Government of South Africa."

POM-293. A concurrent resolution adopted by the Commonwealth of Pennsylvania; to the Committee on Governmental Affairs.

"HOUSE RESOLUTION No. 76

"Whereas 1986 will be the 100th anniversary of the introduction of the alternating current power system in the United States, which system was the foundation on which all of today's electric power generation and transmission is based; and

"Whereas George Westinghouse was the man to provide this historic event, in that he had the foresight to recognize the need for something superior to the direct current system and gathered together a staff of knowledgeable men in the electric field who invented, designed and contructed equipment which enabled our cities to provide electric power to all of their citizens for the first time; and

"Whereas it is fitting that George Westinghouse be honored for his great resourcefulness and aggressive leadership in the field of electric power and for his outstanding contribution as an inventor, which led to the award of over 400 patents and the founding of 130 companies; and

"Whereas the issuance of a stamp or stamps bearing the likeness of George Westinghouse is an appropriate way to extend this honor: Therefore be it

Resolved (the Senate concurring), That the General Assembly memorialize the Congress of the United States to request the United States Postal Service to issue a commemorative stamp or block of four stamps in 1986 honoring George Westinghouse in commemoration of the 100th anniversary of his introduction of the alternating current power system to America; and be it further

Resolved, That copies of this resolution be transmitted to the presiding officers of each house of Congress and to each member of Congress from Pennsylvania."

POM-294. A resolution adopted by the council of Lake City, SC, urging Congress to adopt a bill exempting State and local employees from the Fair Labor Standards Act; to the Committee on Labor and Human Resources.

POM-295. A joint resolution adopted by the legislature of the State of Nevada; to the Committee on Energy and Natural Resources.

"ASSEMBLY JOINT RESOLUTION No. 5

"Whereas, It is possible that Nevada will be chosen as the location of a national facility for the disposal of high-level radioactive waste; and

"Whereas, this resolution is not intended as an expression of support for or opposition to the placement of such a facility in Nevada; and

"Whereas, the merits of the issue aside, the construction and operation of the facility will have a significant effect upon the economy of this state; and

"Whereas, under the provisions of the Nuclear Waste Policy Act of 1982, 42 U.S.C. §§ 10101 to 10226, inclusive, the Federal Government is responsible for the safe and permanent disposal of high-level radioactive waste; Now, therefore, be it

"Resolved by the assembly and Senate of the State of Nevada (jointly). That this legislature strongly urges the President and the Congress of the United States to use their power to ensure that the Federal Government:

"1. Bears the total financial responsibility for the mitigation of all adverse effects associated with the preliminary study, construction, operation and eventual closure of any such facility as soon as an injury is perceived;

"2. Requires all materials and equipment for the facility to be purchased, if possible, in Nevada and subject to state and local sales and use taxes; and

"3. Assumes all liability, without limitation, for any injuries resulting from the transportation of high-level radioactive waste to the facility, the construction, operation and eventual closure of the facility and any activity associated with the facility after its closure; and be it further

"Resolved. That the legislative counsel shall forthwith transmit copies of this resolution to the President of the United States, the Vice President of the United States as presiding officer of the Senate, the Speaker of the House of Representatives, each member of the Nevada congressional delegation and the Secretary of Energy; and be it further

"Resolved, That this resolution becomes effective upon passage and approval."

POM-296. A joint resolution adopted by the legislature of the State of Nevada; to the Committee on Finance.

ASSEMBLY JOINT RESOLUTION No. 25

"Whereas America's mineral business has suffered severely from the uncontrolled importation of foreign minerals and materials refined from those minerals whose price has been kept artificially low through direct subsidies by the foreign governments involved; and

"Whereas this has caused severe economic damage to America's and Nevada's mineral business, resulting in lowered domestic production, less profit and fewer jobs for those employed in the mining and processing of minerals; and

"Whereas the present unrestricted flow of minerals from overseas at prices below the cost of domestic production has forced the cessation of most of Nevada's mineral business despite successful efforts to lower the cost of production and increase productivity; and

"Whereas a strong domestic mineral business is essential to the economic health of Nevada and the United States and to an effective national defense: Now, therefore, be it

"Resolved by the Assembly and Senate of the State of Nevada. (jointly), That the legislature strongly urges the Congress of the United States to impose controls on the importation of minerals and mineral products sufficient to enable the domestic mineral business to be competitive in an open market and to foster the development of our natural resources; and be it further

"Resolved, That the legislative counsel prepare and transmit copies of this resolution to the Vice President of the United States as President of the Senate; the Speaker of the House of Representatives and the members of Nevada's congressional delegation; and be it further

"Resolved, That this resolution becomes effective upon passage and approval."

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. LUGAR, from the Committee on Foreign Relations, with an amendment:

S. 1308. A bill to authorize supplemental economic assistance for Jordan, and for other purposes.

By Mr. CHAFFEE, from the Committee on Environment and Public Works, without amendment:

S. 1352. A bill to authorize appropriations to carry out conservation programs on military reservations and public lands during the fiscal years 1986, 1987 and 1988.

S. 1353. A bill to authorize appropriations for nongame fish and wildlife conservation during fiscal years 1986, 1987 and 1988.

S. 1354. A bill relating to the authorization of appropriations for certain components of the National Wildlife Refuge System.

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. STAFFORD, from the Committee on Environment and Public Works:

Francis S. Blake, of Maryland, to be an Assistant Administrator of the Environmental Protection Agency; and

Thomas Morgan Roberts, of Tennessee, to be a member of the Nuclear Regulatory Commission for the term of 5 years expiring June 30, 1990.

(The above nominations were reported from the Committee on Environment and Public Works with the recommendation that they be confirmed, subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

By Mr. ROTH, from the Committee on Governmental Affairs:

Terence C. Golden, of Texas, to be Administrator of General Services.

(The above nomination was reported from the Committee on Governmental Affairs with the recommendation that it be confirmed, subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

By Mr. LUGAR, from the Committee on Foreign Relations:

John Arthur Ferch, of Ohio, a career member of the Senior Foreign Service, class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Honduras.

Contributions are to be reported for the period beginning on the first day of the fourth calendar year preceding the calendar year of the nomination and ending on the date of the nomination.

Nominee: John Arthur Ferch.

Post: Ambassador, Honduras.

Contributions, amount, date, and donee:

1. Self: none.

2. Spouse: Sue Ann McMurray Ferch; none.

3. Children: Carole Ann Ferch, Joan Patricia Ferch, David Arthur Ferch, Anna Lucile Ferch; none.

4. Parents: Arthur F. Ferch; none.

5. Grandparents: N/A.

6. Brothers and Spouses: N/A.

7. Sisters and Spouses: N/A.

David George Newton, of Virginia, a career member of the Senior Foreign Service, class of Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Iraq.

Contributions are to be reported for the period beginning on the first day of the fourth calendar year preceding the calendar year of the nomination and ending on the date of the nomination.

Nominee: David George Newton.

Post: Baghdad.

Contributions, amount, date, and donee:

1. Self: none.

2. Spouse: none.

3. Children and Spouses: none.

4. Parents: none.

5. Grandparents: none.

6. Brothers and Spouses: none.

7. Sisters and Spouses: none.

Lannon Walker, of Maryland, a career member of the Senior Foreign Service, class of Minister-Counselor, to be Ambassador extraordinary and Plenipotentiary of the United States of America to the Republic of Senegal.

Contributions are to be reported for the period beginning on the first day of the fourth calendar year preceding the calendar year of the nomination and ending on the date of the nomination.

Nominee: Lannon Walker.

Post: Ambassador to Senegal.

Contributions, amount, date, and donee:

1. Self: none.

2. Spouse: none.

3. Children and Spouses: Anne Walker, Rachelle Crowley, Thomas Crowley; none.

4. Parents: Deceased, none.

5. Grandparents: Deceased; none.

6. Brothers and Spouses: none.

7. Sisters and Spouses: none.

Thomas Anthony Nassif, of Virginia, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Kingdom of Morocco.

Contributions are to be reported for the period beginning on the first day of the fourth calendar year preceding the calendar year of the nomination and ending on the date of the nomination.

Nominee: Thomas Anthony Nassif.

Post: Morocco.

Contributions, amount, date, and donee:

1. Self: none.

2. Spouse: Zinetta Marie Meherg Nassif; none.

3. Children and Spouses: Jaisa, Matthew (minors); none.

4. Parents: Mother—Clara C. Nassif; none.

5. Grandparents: Deceased; none.

6. Brothers and Spouses: none.

7. Sisters and Spouses: Diane and Larry Stenman, Elaine and Charles Roum, Sheri Nassif; none.

John C. Whitehead, of New Jersey, to be Deputy Secretary of State;

Elliott Abrams, of the District of Columbia, to be an Assistant Secretary of State; and

Marvin L. Stone, of Virginia, to be Deputy Director of the U.S. Information Agency.

(The above nominations were reported from the Committee on Foreign Relations with the recommendation that they be confirmed, subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. NUNN (for himself, Mr. ROTH, Mr. CHILES, Mr. GORE, and Mr. STEVENS):

S. 1347. A bill to provide access to criminal history record information for national security purposes for the Department of Defense, the Office of Personnel Management, or the Central Intelligence Agency; to the Committee on Governmental Affairs.

By Mr. HATCH:

S. 1348. A bill to provide that the Medicare tax on Federal employees shall not apply in the case of an employee who retired before the effective date of such tax but received payment after such effective date for accrued annual leave or sick pay; to the Committee on Finance.

By Mr. ABDNOR (for himself and Mr. PRESSLER):

S. 1349. A bill to provide for the use and distribution of funds awarded in Docket 363 to the Mdewakanton and Mahpekute Eastern or Mississippi Sioux before the U.S. Court of Claims and Claims Court; to the Select Committee on Indian Affairs.

By Mr. HEINZ:

S. 1350. A bill to amend titles II and XVI of the Social Security Act to provide that payments made to a deceased beneficiary and received by an entitled surviving beneficiary shall be considered overpayments, and shall be subject to the provisions of such act relating to recovery, waiver of recovery, and adjustment of overpayments; to the Committee on Finance.

By Mr. SIMON:

S. 1351. A bill to amend title II of the Social Security Act to provide that the legally adopted child of an individual shall be treated the same as a natural child of such individual for purposes of determining his or her eligibility for benefits based on such individual's wage record, regardless of the time the adoption occurred; to the Committee on Finance.

By Mr. CHAFEE from the Committee on Environment and Public Works:

S. 1352. A bill to authorize appropriations to carry out conservation programs on military reservations and public lands during fiscal years 1986, 1987, and 1988; placed on the calendar.

By Mr. CHAFEE:

S. 1353. A bill to authorize appropriations for nongame fish and wildlife conservation during fiscal years 1986, 1987, and 1988; placed on the calendar.

S. 1354. A bill relating to the authorization of appropriations for certain components of the National Wildlife Refuge System; placed on the calendar.

By Mr. LEAHY:

S. 1355. A bill to amend the Internal Revenue Code of 1954 to provide an income tax credit for expenses incurred by an individual taxpayer for the purchase of television subtitle equipment to be used by a hearing-impaired individual; to the Committee on Finance.

By Mr. HEINZ (for himself, Mr. BAUCUS, Mr. PRESSLER, Mr. RIEGLE, Mr. SPECTER, and Mr. PELL):

S. 1356. A bill to give the Nation's performance in international trade appropriately greater importance in the formulation of government policy, to modernize the remedies available to United States producers regarding unfair and injurious foreign trade practices, and for other purposes; to the Committee on Finance.

By Mr. SYMMS (for himself and Mr. MATSUNAGA):

S. 1357. A bill to encourage Physicians' and Surgeons' Mutual Protection and Indemnity Associations; to the Committee on Finance.

By Mr. METZENBAUM:

S. 1358. A bill to amend title 35 of the United States Code to provide for enforcement by the United States in certain cases; to the Committee on the Judiciary.

By Mr. LAUTENBERG (for himself, Mr. BRADLEY, Mr. DIXON, and Mr. SIMON):

S. 1359. A bill to amend the Urban Mass Transportation Act of 1964 to authorize funds for fiscal years 1986 through 1989, and for other purposes; to the Committee on Banking, Housing, and Urban Affairs.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. D'AMATO:

S. Res. 186. Resolution expressing the sense of the Senate that the President should call for negotiations with those Democratic nations plagued by terrorism for a treaty to prevent and respond to terrorist attacks; to the Committee on Foreign Relations.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. NUNN (for himself, Mr. ROTH, Mr. CHILES, Mr. GORE, and Mr. STEVENS):

S. 1347. A bill to provide access to criminal history record information for national security purposes for the Department of Defense, the Office of Personnel Management, or the Central Intelligence Agency; to the Committee on Governmental Affairs.

(The remarks of Mr. NUNN and the text of the bill appear earlier in today's RECORD.)

By Mr. HATCH:

S. 1348. A bill to provide that the Medicare tax on Federal employees shall not apply in the case of an employee who retired before the effective date of such tax but received payment after such effective date for accrued annual leave or sick pay; to the Committee on Finance.

EXEMPTION FROM MEDICARE TAX PAYMENTS FOR CERTAIN EMPLOYEES

Mr. HATCH. Mr. President, today I am introducing a bill to correct an oversight in the Medicare tax provision of the Tax Equity and Fiscal Responsibility Act of 1982.

In 1982 Congress decided to subject Federal employees to the hospital insurance portion of the FICA tax effective January 1, 1983. Section 278 of the act provided that Federal employment after January 1, 1983, would determine eligibility for Medicare hospital insurance. The act further provided that remuneration paid after December 31, 1982, would be subject to a payroll tax of 1.3 percent of the Social Security wage base.

Through an oversight, use of the terms "employment" and "remuneration" has placed an unintended burden on many Utah constituents and no doubt on numerous individuals in other States. For example, if an individual retired from the Federal Government late in 1982, he was clearly not employed in 1983 and, thus, not entitled to Medicare coverage. Nevertheless, in many instances, these retiring workers had accrued substantial amounts of annual and sick leave over their careers. Because of a delay in processing retirement papers, the lump sum payment for the leave accruals was received by the retiring worker in 1983, several months after effective retirement dates. This delay in payment resulted in the retiree receiving remuneration in 1983 which section 278 clearly says is subject to taxation.

Thus, Mr. President, the unintended result of the statute is to subject an individual to a tax on one hand, while, on the other, rendering him ineligible to receive the benefit that the tax was intended to provide.

Mr. President, the bill that I am introducing today provides that the Medicare tax on Federal employees should not apply in the case of an employee who retired before the effective date of such tax but received payment after such effective date for accrued annual leave or sick pay. Further, the Secretary of the Treasury would refund any such tax that has been assessed.

Mr. President, I ask unanimous consent that the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1348

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) paragraphs (1) and (2)(A) of section 278(c) of the Tax Equity and Fiscal Responsibility Act of 1982 (Public Law 97-248) are each amended by inserting before the period at the end thereof the following: "; but shall not apply to any such remuneration paid pursuant to section 5551 of title 5, United States Code, as a lump-sum payment for accumulated and accrued leave (including annual and sick leave) upon separation from service as an officer or employee of the Federal Government".

(b) The amendment made by subsection (a) shall apply as if it had been included in the Tax Equity and Fiscal Responsibility Act of 1982 as originally enacted on September 3, 1982.

(c) The Secretary of the Treasury shall refund any taxes paid pursuant to sections 3101(b) and 3121(b) of the Internal Revenue Code of 1954 which would not have been imposed if the amendment made by subsection (a) had been included in the Tax Equity and Fiscal Responsibility Act of 1982 as originally enacted on September 3, 1982.

By Mr. ABDNOR (for himself and Mr. PRESSLER):

S. 1349. A bill to provide for the use and distribution of funds awarded in docket 363 to the Mdewakanton and Wahpekute Eastern or Mississippi Sioux before the U.S. Court of Claims and Claims Court; to the Select Committee on Indian Affairs.

USE AND DISTRIBUTION OF CERTAIN JUDGMENT FUNDS

● Mr. ABDNOR. Mr. President, I am pleased to join with Senator PRESSLER in offering legislation which would provide for the distribution of funds awarded in docket 363 to the Mdewakanton-Wahpekute Sioux Tribes. Five tribes are involved in this fund distribution; the Flandreau Santee Sioux Tribe, Prairie Island Community Council, Lower Sioux Indian Community, Shakopee Mdewakanton Sioux Community and the Santee Sioux Tribe of Nebraska.

The Bureau of Indian Affairs has reviewed this legislation and supports its enactment. Further, I have requested that the Select Committee on Indian Affairs schedule hearings on this bill as quickly as possible. The distinguished chairman of the Select Committee on Indian Affairs, Senator ANDREWS, has graciously agreed to such hearings as soon as they can be arranged.

Mr. President, I believe that prompt action should be taken to make these judgment funds available to these five tribes as provided for in docket 363. All five tribes have passed tribal resolutions in favor of this disbursement plan and I request unanimous consent that they be printed in the RECORD.

There being no objection, the resolutions were ordered to be printed in the RECORD, as follows:

RESOLUTION No. 85-10

Whereas, the Flandreau Santee Sioux Tribe is a federally recognized organization with a Constitution and By-Laws approved by the Secretary of the Interior and Commissioner of Indian Affairs on April 24, 1936, amended February 7, 1941 and revised on November 15, 1967, and

Whereas, article VIII of said revised Constitution and By-Laws provides that the governing body of the Tribe shall be the Executive Committee and under terms of Article VIII. Section I, Sub-Paragraph (a) represents the Tribe to negotiate with Federal, State and local governments and with private persons, and

Whereas, the Flandreau Santee Sioux Tribe is rescinding all previous distribution proposals for the use and distribution of the judgment funds as awarded in Docket #363, and

Whereas, the attached distribution proposal has been approved by the Flandreau Santee Sioux Tribe through tribal membership meetings and discussions, and

Whereas, the Flandreau Santee Sioux Tribe feels it is within the best interest of the tribal membership to pursue *immediate economic development through the investment of approximately 75% of their judgment funds for economic development,* and now therefore be it

Resolved, That the Flandreau Santee Sioux Tribe rescinds all previous distribution proposals for the use of judgment funds as awarded the Flandreau Santee Sioux Tribe in Docket 363 and directs the Secretary of the Interior to adopt this distribution proposal as attached and the Flandreau Santee Sioux Tribe requests that Senator James Abdnor sponsor this Distribution Bill for prompt disbursement.

RESOLUTION No. 09-85

Whereas, the Prairie Island Tribal Council has the power under the Constitution and By-Laws of the Prairie Island Sioux Community to promulgate resolutions governing the conduct of business in the Community; and

Whereas, the Prairie Island Community Council desires a prompt distribution of judgment funds awarded in Docket 363; and

Whereas, the attached distribution proposal has been studied and discussed by the Prairie Island Community Council: Now therefore be it

Resolved, That the Prairie Island Community Council approves the attached distribution proposal and directs the Secretary of Interior to adopt this proposal for the distribution of funds in Docket 363 awarded to the Prairie Island Indian Community.

RESOLUTION No. 10-85

Whereas, Congress by enactment of P.L. 93-638 provided a mechanism for Indian Tribes to exercise the right of self-determination, and

Whereas, The Lower Sioux Community Council has the power under the Constitution and By-Laws of the Lower Sioux Community to promulgate Resolutions governing the conduct of Business in and for the Community; and

Whereas, The Lower Sioux Indian Community Council hereby supports and is in favor of pursuing immediate economic development through the investment of 20% of their judgment funds for economic development, and Now therefore be it

Resolved, That the Lower Sioux Community Council rescinds all previous distribution proposals for the use of judgment funds as awarded the Lower Sioux Indian Community in Docket 363 and directs the Secretary of the Interior to adopt this distribution proposal and requests that Senator James Abdnor sponsor this Distribution Bill for prompt disbursement.

RESOLUTION No. 4-17-85-003

Whereas; the Shakopee Mdewakanton Sioux Community has the power under the Constitution By-Laws of the Shakopee Mdewakanton Sioux Community to promulgate resolutions governing the conduct of business in the community; and

Whereas; the Shakopee Mdewakanton Sioux Community has been supplied with Results of the Research Report on 1830, 1837, 1951 and 1958 Mdewakanton and Wahpekute accounting claims; and

Whereas; a proposal for the use and distribution of these awards is required; and

Whereas; a minimum of 20% per centum of the judgment funds, including investment income thereon, is to be used for Tribal Programs: Now therefore be it

Resolved, That the Shakopee Mdewakanton Sioux Community hereby approves the attached plan for the use and distribution of such judgment funds.

USE AND DISTRIBUTION PROPOSAL FOR FUNDS AWARDED IN U.S. COURT OF CLAIMS CASE NO. 363

Eighty percent of the funds shall be utilized in a tribal investment program designed to yield periodic dividend payments to all tribal members born on or prior to and living on the dates such dividend payments are declared. The Secretary shall invest this portion of the funds, which shall be known as the Tribal Investment Fund, and only the interest and investment income accrued thereon shall be available for dividend payments. The amounts and payment dates shall be determined by the tribal governing body with the approval of the Secretary. The disbursement of minors dividend payments shall be made according to a plan developed by the tribal governing body and approved by the Secretary.

Twenty percent of the funds shall be invested by the Secretary and the interest and investment income accrued shall be utilized by the tribal governing body on an annual budgetary basis, with the approval of the Secretary, for programs designed to enhance the social and economic situation of the tribe. None of the twenty percent programming portion of the funds shall be available for per capita or dividend payments.

No person enrolled with more than one of the five tribes cited in this Act shall receive per capita or dividend payments as a member of more than one such tribe. Such person shall be required to establish membership in one such tribe prior to receiving such per capita or dividend payment. The per capita shares or dividend payments of living, competent adults shall be paid directly to them. The shares or payments of deceased individual beneficiaries shall be determined and distributed in accordance with regulation prescribed by the Secretary. The shares or payments of deceased in individual beneficiaries shall be determined and distributed in accordance with regulations prescribed by the Secretary. The shares or payments of legal incompetents and minors shall be handled as provided in the Act of October 19, 1973 (87 Stat. 466), as amended (96 Stat. 2512; 25 U.S.C. 1403).

None of the funds distributed per capita or as dividend payments or made available under this Act for programing shall be subject to Federal or State income taxes, nor shall such funds nor their availability be considered as income or resources nor otherwise utilized as the basis for denying or reducing the financial assistance or other benefits to which such household or member would otherwise be entitled under the Social Security Act or, except for per capita shares in excess of $2,000.00, any Federal or federally assisted programs.

RESOLUTION OF THE SANTEE SIOUX TRIBE OF NEBRASKA

Whereas, the Santee Sioux Tribe of Nebraska is a Federal Corporation organized pursuant to Section 16 of the Act of June 18, 1934 (48 Stat. 984) (25 U.S.C. 476) as amended by the act of June 15, 1935, (48 Stat. 378), and,

Whereas, the Santee Sioux Tribe of Nebraska has reviewed the proposed Legislation over the distribution of judgment funds awarded under Docket 363, and,

Whereas, this Legislative Plan provides that the secretary shall make the elderly assistance payment simultaneously with the per capita payment; Now therefore be it

Resolved, That the Santee Sioux Tribal Council supports Legislative Bill.●

By Mr. HEINZ:

S. 1350. A bill to amend titles II and XVI of the Social Security Act to provide that payments made to a deceased beneficiary and received by an entitled surviving beneficiary shall be considered overpayments, and shall be subject to the provisions of such act relating to recovery, waiver of recovery, and adjustment of overpayments; to the Committee on Finance.

RECOVERY OF SOCIAL SECURITY OVERPAYMENTS

● Mr. HEINZ. Mr. President, today I am introducing legislation to correct an injustice in the treatment of widowed Social Security recipients and their dependents. Allow me to relate how I first became aware of the problem that my legislation addresses and remedies.

In November 1983, I chaired a hearing before the Senate Special Committee on Aging to determine how well the Social Security Administration is serving the public. At the hearing, I received disturbing testimony from the daughter-in-law of Mrs. Naomi Williams of Pittsburgh, an unfortunate victim of Alzheimer's disease. SSA mistakenly determined, due to their error in recording the date of death of Mrs. William's husband, that he had been overpaid benefits. The Social Security Administration notified the Treasury Department of the supposed overpayment and the Treasury Department directed Mrs. William's bank to withdraw the overpaid amount from the joint account she shared with her husband. This was done without any prior notification to Mrs. Williams.

Mrs. Williams not only had direct deposit, but direct withdrawal as well. Benefits to which she and her husband were entitled were taken from their account. And, on top of this, doctors who had taken care of Mr. Williams were unable to receive payments from Medicare because the Social Security records had an incorrect date of death. Because she was not notified in advance of this direct debit, she had no opportunity to protest or point out the mistake. Nor did she have the opportunity, afforded by the Social Security Administration to overpaid living beneficiaries and their dependents, to request a waiver of the overpayment based on hardship or to arrange a scheduling of payments based on her ability to repay. I think that this right was improperly denied her.

Procedures for recovery of overpayments are continued in section 204 of the Social Security Act. That provision directs the Secretary of HHS to recover overpayments through adjustment of benefits or other means. However, section 204(b) of the act expressly limits the authority to recover the overpayment if the individual is without fault and recovery would defeat the purposes of the act or be against equity and good conscience. The legislative history of section 204(b) indicates that Congress enacted the waiver provision to mollify the often harsh effects of overpayment recovery actions on recipients.

As early as 1939 Congress recognized that there were many occasions where through some mistake, recipients had been overpaid and the people had since spent the money and were perfectly innocent of any wrongdoing. Congress has, over the years, broadened the powers of the Secretary to recoup payments made in error. At the same time, however, it has recognized that adjustment or recovery by the

United States should take into consideration equities which may be present in a given situation.

In 1968, Congress made substantive changes to section 204, which at that time allowed the Secretary to recover overpayments from persons other than the overpaid beneficiary only in cases where the overpaid beneficiary had died before adjustment or recovery could be completed. The 1968 amendments, expanded the Secretary's authority to adjust overpayments by providing that adjustment could be made where the overpaid beneficiary is still living by withholding benefits of other people getting benefits on the same earnings record of the overpaid beneficiary. Thus, the Secretary may currently recover an overpayment by withholding the cash Social Security benefits of the overpaid person or of other people who are getting benefits on the same earnings record, whether or not the overpaid person is alive. In either case, where an overpayment is involved, adjustment or recovery will not be made where any person is without fault if it would defeat the purposes of the Social Security Act or be against equity and good conscience.

SSA established rules and policy which detail the overpayment recovery process and which define certain due process and appeal rights for the individual. In the case of overpaid direct deposit benefits made after the beneficiary's death, however, the Social Security Administration has decided that such payments are subject to recovery by the Treasury Department and are not overpayments subject to SSA recovery and waiver provisions under section 204. The Social Security Administration calls such overpayments "erroneous" payments.

While I believe that the present overpayment provisions, along with the prior legislative history, applicable regulations, and overall purposes of the act support the proposition that erroneous EFT payments to a deceased beneficiary should be considered overpayments under section 204, there have been several conflicting court decisions on the issue. So that there will be no further confusion on this point, I have decided that legislation is necessary.

The purpose of my bill is to make it crystal clear that the recovery and waiver provisions of the law are extended to widows and other dependents of deceased beneficiaries. This legislation is similar to legislation introduced by Congressman BRUCE MORRISON in the 98th Congress. I am pleased to state that today, he and I are introducing identical legislation to remedy the devastating effect that current policies have had on widows and widowers. Congressman MORRISON, intimately aware of the problem it has caused constituents in his own State of Connecticut, has long been committed to its final resolution.

Most people will gladly repay the Government when they have mistakenly received benefits—but situations do sometimes arise in which people, not at fault for the overpayment and not realizing that they have received more than they are due, have spent the money to meet their daily basic human needs. Especially for those people on fixed or low incomes, it can be a tremendous hardship for them to repay in one lump sum or at all. These people should have the same rights to due process as living beneficiaries and their dependents.

Mr. President, I ask that a copy of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1350

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 204(a) of the Social Security Act is amended by adding at the end thereof (after and below paragraph (2)) the following new sentence: "Notwithstanding any other provision of this section, when any payment of more than the correct amount is made to or on behalf of an individual who has died, and such payment is received by another person who is entitled to a monthly benefit on the basis of the same wages and self-employment income as was such deceased individual, the amount of such payment (in excess of the correct amount) shall be treated as a payment of more than the correct amount to such other person.".

(b) Section 1531(b) of such Act is amended by redesignating paragraphs (2) and (3) as paragraphs (3) and (4), respectively, and by inserting after paragraph (1) the following new paragraph:

"(2) Notwithstanding any other provision of this section, when any payment of more than the correct amount is made with respect to or on behalf of an individual who has died, and such payment is received by another person who is determined by the Secretary to be the surviving spouse or dependent of such deceased individual and to have been entitled (for the month in which such deceased individual died) to a benefit under this title, the amount of such payment (in excess of the correct amount) shall be treated as a payment of more than the correct amount to such other person.".

SEC. 2. (a) Except as provided in subsection (b), the amendments made by this Act shall apply to payments made for months beginning on or after the date of the enactment of this Act.

(b) The amendments made by this Act shall apply to payments for months beginning before the date of the enactment of this Act if a timely request for a hearing with respect to the payment is made, and the case is pending before the Secretary of Health and Human Services or a court on or after such date of enactment.●

By Mr. SIMON:

S. 1351. A bill to amend title II of the Social Security Act to provide that the legally adopted child of an individual shall be treated the same as a natural child of such individual for purposes of determining his or her eligibility for benefits based on such individual's wage record, regardless of the time the adoption occurred; to the Committee on Finance.

TREATMENT OF ADOPTED CHILDREN IN DETERMINING BENEFITS

● Mr. SIMON. Mr. President, today I am introducing a bill which eliminates a situation of discrimination against adopted children. Under current Social Security law, an adopted child is not entitled to benefits payable to a dependent of a disabled worker if the child was not adopted prior to 1 year before the disability occurred. A natural child is automatically entitled, regardless of timing of his or her birth. This unjust practice distinguishes between the rights of an adopted child and those of a naturally conceived child.

The logic behind the current law is well intended but innately flawed. The notion of adopting a child solely to receive benefits is a harsh one. While the theoretical possibility of such abuse seems to exist, in practice those who would be motivated by a desire to obtain benefits generally do not seek to adopt. If motivated by the benefit, one would be instantly deterred by the average cost of adoption today. Adoption experts estimate fees charged to adoptive parents to range from zero to $9,000 with reports of some adoptions reaching highs of $30,000. The average cost is approximately $6,000. From a monetary standpoint, costs as high as this coupled with the high cost of raising a child in today's world do not make adoption a cost-effective endeavor. Adoptive parents act out of love, not out of a desire to make money. As Mary Lindley of Marion, IL, states:

> We certainly would not have spent approximately $7,000 in medical expenses and attorney's fees, not knowing at the time if David would be eligible or not and not really even considering any potential benefits, in order to receive $300 to $400 a month in benefits for David.

An adopted child is special. Considerable time and expense goes into finding a child. The adopted child is chosen; he or she is as wanted, if not more so, as a natural child. In a society which prides itself on equality and which strives for the eradication of discrimination, this type of distinction must be eliminated. The system must provide for the prevention of abuse, but to presuppose abuse while discriminating against a certain type of adopted child is morally wrong.●

By Mr. LEAHY:

S. 1355. A bill to amend the Internal Revenue Code of 1954 to provide an income tax credit for expenses incurred by an individual taxpayer for the purchase of television subtitle equipment to be used by a hearing-impaired individual; to the Committee on Finance.

TELEVISION ACCESS FOR HEARING IMPAIRED

● Mr. LEAHY. Mr. President, I rise today to introduce legislation to aid those with hearing impairments to acquire television captioning decoder equipment by providing a tax credit toward the expense of purchasing the equipment. A House companion bill has been introduced by Congressman BONIOR and others.

Today, 16 million Americans view television as the silent screen. Because of their hearing impairment or deafness they cannot fully enjoy a medium through which most Americans keep up to date on current events and are entertained.

The legislation I am introducing today would give more hearing impaired individuals the opportunity to enjoy television through "closed captioning." Closed captioning is a method of translating the spoken dialog into a running script appearing on the television screen. But the words can be seen only on sets equipped with captioning decoders.

The cost of this equipment is $280. For most of the hearing impaired whose incomes are generally 15 to 20 percent lower than the average American income this price is much too high. The cost is an obstacle preventing them from utilizing a commmunication device which would open up a new world of information, learning and entertainment.

Television access for the hearing impaired would amend the Internal Revenue Code of 1954, providing a 50-percent tax credit for the purchase of the decoders, with a maximum tax credit of $250. All three commercial networks, ABC, NBC, and CBS; the Public Broadcasting System; the National Associaton of the Deaf; the National Captioning Institute; and Gallaudet College acknowledge that this legislation would be of great service to those with hearing impairments and have pledged their support.

Mr. President, I cannot emphasize enough the need for this legislation. At the present time only 93,000 hearing impaired households are equipped with the captioning decoders, 4.4 million households are still in need.

We have the ability to unlock a door with this communicative device yet we withhold the key for no apparent reason. The time has come to make the Nation's airwaves available and accessible to the entire population.

I ask you to join me in support of this legislation. Let us be able to tell the 15 million of hearing impaired Americans that with this bill the silent screen of television will speak to them through closed captioning.●

By Mr. HEINZ (for himself, Mr. BAUCUS, Mr. PRESSLER, Mr. RIEGLE, Mr. SPECTER, and Mr. PELL):

S. 1356. A bill to give the Nation's performance in international trade appropriately greater importance in the formulation of Government policy, to modernize the remedies available to U.S. producers regarding unfair and injurious foreign trade practices, and for other purposes; to the Committee on Finance.

TRADE LAW MODERNIZATION ACT

● Mr. HEINZ. Mr. President, last October 9 in commenting on the conference report on the Trade and Tariff Act of 1984, I expressed some concern with the failure of that bill to address the major trade policy challenges facing our country and indicated that both I and the issues would be back in 1985.

It is now 1985, and, indeed, I am back, and the trade issues are back. Little has happened in the intervening 8 months. If anything the situation has gotten worse. Our trade deficit in 1984 was $123 billion, which included deficits with every major region of the globe and in virtually every product category, including such previously healthy sectors as electrical and communications equipment and scientific and service industry equipment. Last year's legislation seems to have had little impact—the new authorities granted have not been used in any significant way—and the challenges remain. The bill I am introducing today along with Senators BAUCUS, PRESSLER, RIEGLE, SPECTER, and PELL seeks to address those challenges in a comprehensive manner.

In meeting these challenges our goal should be a freer international trading system. By that I mean a system where free market principles are the rule rather than the exception, where dumping and subsidizing are not employed, and where performance requirements and barriers to others exports are taken down. With respect to these objectives I suspect I do not differ much with either the administration or the other members of the Finance Committee. Where we do differ, however, is over the means of achieving these objectives.

In general, I have maintained for some time that our approach has been too soft and insufficiently assertive of our rights internationally. Instead we have adopted weak policies and discretionary legislation, with the result that policymaking has been captured by the bureaucracy with its traditional "don't rock the boat mentality."

The whole postwar history of the international trading system has been an effort to structure and institutionalize dispute settlement mechanisms and to regularize principles and rules of international economic conduct. We have made significant progress in that direction, most recently in the multilateral trade negotiations and the numerous codes that emerged from them. Yet for every new rule we write, we seem, both in our law and in international law, to also create a new loophole.

As tariffs have been reduced, nontariff barriers have become more intrusive. As we attack the latter one by one, new types develop. That is not an unnatural process, and we must not allow it to discourage us in continuing strong efforts at shutting the door to unfair trade. At the same time, however, we should also be advancing the debate. We should be identifying new forms of subsidies and new unfair practices and should be attacking them. We have done this on occasion—we have launched something of an effort against European community agriculture subsidies, which are not new, but are certainly a sacred cow in our trade relations. And we have begun an effort to fight performance requirements whenever they are imposed on our businesses. Those are salutary efforts which should be continued. But we need to go further than that.

The Trade Law Modernization Act I am introducing today, which is supported by the labor-industry coalition for international trade [LICIT] is divided into five titles.

Titles I and II contain a declaration of national trade policy and negotiating objectives and provides a means of reviewing and periodically renewing those objectives as well as new negotiating authority, where needed, to assist in attaining them. Our overall objectives are defined as:

Obtaining more open and equitable market access for U.S. goods and services; reducing and eliminating injurious trade acts, policies and practices of foreign governments; and improving the effectiveness of the rules governing international trade.

The more specific negotiating objectives provided are the development of new international rules to increase discipline where current international rules are not existent or are inadequate. Such objectives include those to limit injurious effects of foreign government actions enhancing the export competitiveness of beneficiary enterprises; expansion of negotiating and retaliatory authority to cover discriminatory procurement practices and actions by foreign governments excluding United States; products from market access; provision of common standards and procedures for safeguard actions; expanding the list of proscribed export subsidies; utilizing the GATT system to curb the export credit race; and renegotiating the subsidies code concerning developing country accession to the code.

Title III of the Trade Law Modernization Act tracks the Industrial Revitalization Act (S. 849) which I introduced in 1983, in most respects. Its major differences are that it:

First, changes the injury standard to conform it to the GATT standard; second, does not require the President to implement import relief recommended by the International Trade Commission once an adjustment plan has been agreed upon, but rather provides that such plan be taken into consideration in deciding on the relief; and third, places the adjustment plan development process, which remains a tripartite approach, under the leadership of the executive branch agencies that will prepare the import relief recommendation rather than under the leadership of the ITC.

There are other differences of detail and structure, but the essence of this proposal is the same as what I have previously advocated. I have not finally made up my mind, Mr. President, whether these changes from S. 849 are all improvements, but they do clearly address a number of the criticisms that were made of my earlier bill, and I think they will contribute constructively to the inevitable debate Congress must have about adjustment policy. In that regard I think it is important to recognize the combined labor and industry support this bill has, which, in part, represents a growing recognition of the need for a more coherent approach to industrial adjustment in our society.

As the New York Times pointed out in its January 14, 1985, editorial, adjustment assistance is essentially the price of a free trade policy. We cannot hope to successfully pursue the former without developing an adequate means of dealing with the victims of the economic change that are created by just such a policy.

I might note in passing, Mr. President, that another part of this proposal—the details of how a coherent adjustment plan for an entire industry could be developed—deserves more detailed comment than I can give at this point. The Trade Law Modernization Act addresses this matter in some greater detail than the Industrial Revitalization Act did, but much more remains to be said on the subject at a later point.

Titles IV and V of the bill deals with several of the more pernicious unfair trade practices now plaguing the international trading system; most notably, industrial targeting and natural resource subsidies. Both the proposals in this bill differ in some ways from those that were considered by the House of Representatives in last year's Trade and Tariff Act, although the natural resources language is identical to that introduced this year by Congressman GIBBONS, the chairman of the Trade Subcommittee in the House (H.R. 2451). The targeting provision amends section 301 of the Trade Act of 1974 rather than our antidumping and countervailing duty laws. The Senate has never addressed either of these issues in a serious and comprehensive way, and I hope the introduction of this legislation will stimulate that examination.

Finally, Mr. President, I want to point out that this is not a comprehensive trade law reform bill in the same manner the trade reform action coalition [TRAC] bill was last year (S. 2139). That bill will shortly be reintroduced in a modified form and will be a companion piece to the Trade Law Modernization Act—in some respects identical and in others compatible.

The Trade Law Modernization Act, however, has a broader purpose—to provide a sound legislative base for our Nation's trade policy, and in the process to stimulate a national debate on what that policy should be. It is intended to do what we failed to do in last year's bill—to strike a real blow for free trade rather than a symbolic one. Last year's bill may have opened the door to more imports entering this country and done little to promote our exports over the resistance of our trading partners, but real free trade is not that one-way street into this country. Free trade is a collective adherence to market principles and a determination to abjure the neomercantilism that plagues the international economic system. And that is a confrontation we skillfully but tragically postponed last year.

I am pleased at the broad support this legislation has already obtained from both labor and management, and I hope we will be able to move rapidly to hearings and committee consideration of it. We have a habit of passing major trade bills at 5-year intervals, but I believe strongly that 5 years is too long to wait to address the difficult problems that confront us. Our trade deficit in 1984 was $123 billion. We are already losing our competitiveness and with it a significant portion of our industrial base. The Trade Law Modernization Act would help correct that, and I hope all Senators will consider supporting it.

Mr. President, I ask that the text of the bill, a summary, description, and section-by-section analysis of the Trade Law Modernization Act be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 1356

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Trade Law Modernization Act of 1985".

SEC. 2. TABLE OF CONTENTS.

Sec. 1. Short title.
Sec. 2. Table of contents.
Sec. 3. Statement of purpose.
Sec. 4. Definitions.

TITLE I—NATIONAL TRADE POLICY AND NEGOTIATING OBJECTIVES; NEGOTIATION AUTHORITY

Sec. 101. Declaration of national trade policy objectives.
Sec. 102. Procedure for establishing trade agenda.
Sec. 103. Negotiating objectives.
Sec. 104. Negotiating authority with respect to foreign government procurement and domestic government actions that substantially alter United States market access.

TITLE II—TRANSFER OF AUTHORITY TO ADMINISTERING AUTHORITY; AMENDMENTS TO TITLE I OF TRADE ACT OF 1974

Sec. 201. Transfer of authority to the Administering Authority.
Sec. 202. Establishment of sectoral research and monitoring capability.
Sec. 203. Advisory system.
Sec. 204. Balance of payments authority.

TITLE III—RELIEF FROM INJURY CAUSED BY IMPORT COMPETITION

Sec. 301. Investigations under section 201 of Trade Act of 1974.
Sec. 302. Provisional relief upon finding of critical circumstances.
Sec. 303. Consultations with foreign governments.
Sec. 304. Industry assessment and competitiveness strategy.
Sec. 305. Import relief.

TITLE IV—RELIEF FROM INJURIOUS INDUSTRIAL TARGETING AND UNFAIR TRADE PRACTICES

Sec. 401. Enforcement of United States rights under trade agreements and response to injurious industrial targeting and other foreign trade practices.
Sec. 402. Investigations under title III of the Trade Act of 1974.
Sec. 403. Mandatory action in cases of injurious industrial targeting.

TITLE V—COUNTERVAILING AND ANTIDUMPING DUTIES

Sec. 501. Limitations on acceptance of country under the Agreement.
Sec. 502. Natural resource subsidies.
Sec. 503. Foreign market value.
Sec. 504. Threat of injury.

SEC. 3. STATEMENT OF PURPOSE.

The purpose of this Act is—

(1) to promote the growth of employment, a higher level of real income, and a diversified industrial and agricultural economy in the United States through increased, balanced, and equitable international trade;

(2) to establish open and fair competition for foreign products in the United States market and for United States products in foreign markets;

(3) to provide improved procedures and remedies against unfair trade practices and new responses to foreign government practices (including injurious industrial targeting) that affect international trade and cause substantial harm to United States firms and workers;

(4) to promote more effective adjustment of domestic industry to foreign competition by encouraging modernization efforts of firms and workers;

(5) to provide better information and analysis of developments in international trade and industrial competitiveness that affect United States firms and workers;

(6) to set forth a national trade policy endorsed by both the Congress and the President;

(7) to strengthen the authority of the Executive branch to deal with closed foreign markets and unfair foreign trade practices; and

(8) to make trade policy formulation more reflective of national trade priorities by creating a process of consultation with the private sector and the Congress on trade policy priorities and decisions.

SEC. 4. DEFINITIONS.

For purposes of this Act—

(1) The term "Administering Authority" means the United States Trade Representative or any officer of the United States to whom the responsibility for carrying out the duties of the Administering Authority under this Act are transferred by law.

(2) The term "GATT" means the General Agreement on Tariffs and Trade.

TITLE I—NATIONAL TRADE POLICY AND NEGOTIATING OBJECTIVES; NEGOTIATION AUTHORITY

SEC. 101. DECLARATION OF NATIONAL TRADE POLICY OBJECTIVES.

(a) The Congress finds that—

(1) a prosperous, growing, and diversified national economy depends upon the economic position of the United States in the world economy, and

(2) enhanced international competitiveness of United States industries and agriculture must, therefore, be an urgent national priority.

(b) The Congress declares the following as national trade policy objectives that shall guide the conduct of United States trade policy and domestic economic policy:

(1) a strong performance in international trade, based on a technologically advanced industrial and agricultural economy, is necessary to support the Nation's defense and maintain the international strategic commitments of the United States;

(2) international trade should maintain and enhance the Nation's standard of living by contributing to increases in productivity;

(3) international trade should promote domestic employment through an expanding and diversified domestic economy;

(4) international trade should assist the economic development of developing countries and help to raise the standard of living in those countries; and

(5) international trade should support the growth of the world economy and mutuality of interests among nations and strengthen the ties of the United States with its major trading partners.

(c) To achieve the national trade policy objectives described in subsection (b), the Congress finds that United States trade policy should—

(1) open the world's markets to United States exports on the basis of reciprocity and mutual beneficiality;

(2) provide for vigorous enforcement of unfair trade practice laws, and periodically review their adequacy and relevance, to prevent harm to United States firms and workers and to maintain a system of fair trade;

(3) provide a consistent policy of support for United States industrial and agricultural exports, including minimization of the degree of export restrictions and maximization of the degree of export financial support if necessary to offset the support provided by foreign governments to their exporters;

(4) pursue international negotiations to attain common rules to restrict international lending, export credits and other forms of financial assistance to industries in global overcapacity;

(5) support policies that promote the international competitiveness of United States industries;

(6) prevent abuses of the international trading system which result from any combination of coordinated foreign government actions, whether carried out severally or jointly, that are bestowed on a specific enterprise, industry, or group the effect of which is to assist the beneficiary to become more competitive in the export of any class or kind of merchandise, resulting in material injury to other countries; and

(7) provide appropriate assistance to domestic firms and workers in industries that are facing serious trade problems.

SEC. 102. PROCEDURE FOR ESTABLISHING TRADE AGENDA.

(a)(1) By no later than March 1 of each year, the Administering Authority shall submit in writing (in confidence if appropriate) to the Committee on Finance of the Senate and the Committee on Ways and Means of the House of Representatives a statement of the actions the Administering Authority proposes to take during such year to achieve the objectives described in section 101, including but not limited to contemplated actions under this Act or title III of the Trade Act of 1974 and any negotiations contemplated with foreign countries.

(2) Prior to submitting the statement required under paragraph (1), the Administering Authority shall seek advice from the appropriate sector advisory committees established under section 135 of the Trade Act of 1974 (19 U.S.C. 2155).

(b) The Committee on Finance of the Senate and the Committee on Ways and Means of the House of Representatives shall hold annual hearings on the objectives and priorities of United States trade policy at which interested members of the public may present their views. After the close of such hearings, the Administering Authority shall consult with such committees concerning the record of the hearings.

(c) The committees described in subsection (b) shall by formal vote accept, reject, or modify the proposals submitted under subsection (a) on the basis of the hearings and consultations provided for under subsection (b) and shall submit formal advice on such proposals in writing (in confidence, if appropriate) to the Administering Authority.

SEC. 103. NEGOTIATING OBJECTIVES.

The objectives of the United States in any trade negotiations shall be—

(1) to obtain—

(A) more open and equitable market access abroad for the products and services of the United States;

(B) the reduction and elimination of the adverse effects of acts, policies, or practices of foreign entities which distort trade or commerce; and

(C) improved effectiveness of the rules governing international trade;

(2) to develop internationally accepted rules, including dispute settlement procedures, which—

(A) increase the discipline provided by the international trading system (consistent with the remedies provided by the laws of the United States) with respect to policies, acts, and practices that may adversely affect the trade or commerce of other participants;

(B) limit or offset the injurious effects of any combination of coordinated foreign government actions, whether carried out severally or jointly, that are bestowed on a specific enterprise, industry, or group thereof, the effect of which is to assist the beneficiary to become more competitive in the export of any class or kind of merchandise;

(C) ensure that the GATT Government Procurement Code provides substantially equivalent competitive opportunities for United States products in sectors now excluded by foreign governments;

(D) establish international rules for trade in agricultural products that provide for the elimination of trade barriers to United States agricultural exports, including higher value-added processed food exports;

(E) provide for common standards and procedures, including international coordination and transparency of safeguard actions, to avoid the harmful effects of trade diversion and unregulated protective actions;

(F) provide for greater discipline to restrict export subsidies for industrial and agricultural products by, *inter alia*—

(i) expanding the list of proscribed export subsidies,

(ii) use of the GATT system to reinforce agreements curbing the export credit race, and

(iii) renegotiating the terms of the GATT Subsidies Code with respect to conditions for developing country accession to the Code; and

(G) regulate the expanding use of countertrade requirements in international trade; and

(3) to promote international cooperation in trade and monetary policies in order to—

(A) facilitate the expansion and balanced growth of world trade and to contribute to the maintenance and promotion of high levels of employment and real income in the United States and its trading partners;

(B) promote exchange rate stability and to maintain orderly exchange rate arrangements;

(C) assist in establishing a new multilateral exchange rate and payments system that will avoid the recent periods of United States dollar overvaluation and undervaluation and stabilize the dollar at a level consistent with long-term current account balance;

(D) avoid the depressing effects on world trade and national economies of overly restrictive general stabilization policies for many debt-ridden countries at the same time; and

(E) seek a long-term solution to the debt repayment problems of developing countries that does not hinder the growth and expansion of world trade and United States exports.

SEC. 104. NEGOTIATING AUTHORITY WITH RESPECT TO FOREIGN GOVERNMENT PROCUREMENT AND DOMESTIC GOVERNMENT ACTIONS THAT SUBSTANTIALLY ALTER UNITED STATES MARKET ACCESS.

(a) The Congress finds that—

(1) discriminatory procurement practices and regulatory requirements of foreign governments are denying United States producers fair and equitable market opportunities;

(2) many overseas markets are closed to American producers because foreign governments purchase such products only from their own domestic producers, or require domestic purchasers to purchase from domestic sources;

(3) judicial and administrative actions in the United States have opened markets in the United States to the products of foreign

countries while those foreign markets remain closed to United States products;

(4) the GATT Government Procurement Code does not address such problems because many industrial sectors are excluded from coverage under the Code;

(5) because procurement is open in the United States and closed in other markets, United States producers are denied benefits that foreign producers have such as—

(A) unit cost reductions from a greater scale of production,

(B) more timely recoupment of research and development expenditures and other fixed costs, and

(C) a guaranteed (riskless) market in the home country; and

(6) such lack of fair and equitable market opportunities results in—

(A) lower United States investment,

(B) less research and development and product innovation, and

(C) lower output and employment levels,

than would be the case if United States products could compete on a fair basis in foreign markets.

(b) In order to remedy the harmful effects on United States trade of discriminatory procurement practices and regulatory requirements of foreign countries or instrumentalities, the Administering Authority shall seek to obtain fair and equitable market opportunities through consultations or negotiations with the foreign countries or instrumentalities involved.

(c) In addition to the action authorized in subsection (b), the Administering Authority may—

(1) suspend, withdraw, or prevent the application of, or refrain from proclaiming, benefits under any trade agreement with the foreign country or instrumentality referred to in subsection (b);

(2) direct customs officers to impose—

(A) duties or other import restrictions on the goods of, and

(B) notwithstanding any other provisions of law, fees or restrictions on the services of,

the foreign country or instrumentality referred to in subsection (b) for such time and in such an amount or to such a degree as the Administering Authority determines necessary;

(3) make available sufficient analysis and information to other agencies and courts of the United States Government for the purpose of ensuring consideration by such agencies and courts of the competitive impact of pending administrative or judicial decisions of such agencies or courts that could significantly enlarge the access of foreign products and services to the United States market; and

(4) recommend action respecting service sector access authorization to the President, who may take action as authorized by section 301(d) of the Trade Act of 1974, as amended by this Act.

(d)(1) If the Administering Authority finds a significant denial of fair and equitable market opportunities in the markets of any foreign country to products or services of the United States in any sector of the economy with respect to which domestic actions taken by the United States since 1980 have resulted in substantial new market opportunities in the United States for the products or services of any foreign country or instrumentality, the Administering Authority shall—

(A) act to obtain fair and equitable market opportunities in the markets of such foreign country, and

(B) pending achievement of such opportunities, impose conditions of access to United States markets that are equivalent in effect to the conditions that existed before such domestic actions were taken by the United States.

(2)(A) The actions authorized under paragraph (1) may include those described in subsection (c).

(B) The Administering Authority may submit to the Congress any proposed legislation that may be necessary to impose the conditions of access described in paragraph (1)(B). Such proposed legislation shall be subject to the same rules applicable to an implementing bill under section 151 of the Trade Act of 1974 (19 U.S.C. 2191).

(e) Action may be taken under subsections (b), (c), and (d), upon motion of the Administering Authority or after investigation upon the filing of a petition by any interested person. Such petition and investigation shall be subject to the provisions of title III of the Trade Act of 1974, except that action shall be taken under section 305(b)(2) if the determination under section 305(b)(1) is affirmative.

(f) For purposes of this section—

(1) The term "service sector access authorization" means any license, permit, order, or other authorization issued under the authority of Federal law that gives a foreign supplier of services access to the United States market in a particular service sector.

(2)(A) The term "denial of fair and equitable market opportunities" means commercial opportunities and results in foreign markets that are unfair and inequitable compared to commercial opportunities and results in the United States.

(B) The Administering Authority shall find a denial of fair and equitable market opportunity in any case in which the market opportunity in the United States of products of a foreign country that are competitive in terms of price and quality is greater than the market opportunity in such foreign country of similarly competitive products of the United States.

TITLE II—TRANSFER OF AUTHORITY TO ADMINISTERING AUTHORITY; AMENDMENTS TO TITLE I OF TRADE ACT OF 1974

SEC. 201. TRANSFER OF AUTHORITY TO THE ADMINISTERING AUTHORITY.

(a) Subsections (b), (c), and (d) and paragraphs (3) and (4) of subsection (a) of section 406 of the Trade Act of 1974 (19 U.S.C. 2436) are each amended by striking out "President" each place it appears and inserting in lieu thereof "Administering Authority".

(b)(1) Title V of the Trade Act of 1974 (19 U.S.C. 2461 et seq.) is amended by striking out "President" each place it appears and inserting in lieu thereof "Administering Authority".

(2) Subsection (a) of section 502 of the Trade Act of 1974 (19 U.S.C. 2462) is amended by—

(A) by striking out "with respect to which there is in effect an Executive order" in paragraph (1) and inserting in lieu thereof "which is designated",

(B) by striking out "of the United States designating such country" in paragraph (1),

(C) by striking out the parenthetical clause in paragraph (2), and

(D) by striking out "by Executive order" in paragraph (3).

(3) Section 503 of the Trade Act of 1974 (19 U.S.C. 2463) is amended—

(A) by striking out the second sentence in subsection (a) and inserting in lieu thereof the following new sentence: "Before any such list is furnished to the Commission, there shall be in effect a designation of beneficiary developing countries under section 502.",

(B) by striking out "under section 101" in the third sentence of subsection (a) and inserting in lieu thereof "in section 101, except that all advice shall be presented to the Administering Authority.",

(C) by striking out "by Executive order" in the last sentence of subsection (a), and

(D) by striking out "United States Trade Representative" in subsection (b) and inserting in lieu thereof "Administering Authority".

(4) Subsection (b) of section 504 of the Trade Act of 1974 (19 U.S.C. 2464(b)) is amended by striking out "issues an Executive order revoking" in the last sentence and inserting in lieu thereof "revokes".

(c) Subsection (g) of section 337 of the Tariff Act of 1930 (19 U.S.C. 1337(g)) is amended—

(1) by striking out "President" each place it appears and inserting in lieu thereof "Administering Authority",

(2) by adding at the end thereof the following new paragraph:

"(5) For purposes of this subsection, the term 'Administering Authority' has the meaning given to such term by section 601(11) of the Trade Act of 1974.".

(d) Section 601 of the Trade Act of 1974 (19 U.S.C. 2481) is amended by adding at the end thereof the following new paragraph:

"(11) The term 'Administering Authority' means the United States Trade Representative or any officer of the United States to whom the responsibility for carrying out the duties of the Administering Authority under this Act are transferred by law.".

SEC. 202. ESTABLISHMENT OF SECTORAL RESEARCH AND MONITORING CAPABILITY.

(a) Title I of the Trade Act of 1974 is amended by adding at the end thereof the following new chapter:

"CHAPTER 9—RESEARCH AND MONITORING

"SEC. 185. ESTABLISHMENT OF SECTORAL RESEARCH AND MONITORING CAPABILITY.

"(a) The Secretary of Commerce shall establish and implement a continuing program to assess and evaluate the industrial and trade policies of other countries and the effects of such policies on United States industries, trade, and employment (including the effect on the export competitiveness of specific enterprises, industries, or groups thereof).

"(b) In implementing the program described in subsection (a), the Secretary of Commerce shall give priority to those foreign countries and product sectors in which the United States has significant economic and commercial interests. The Secretary of Commerce shall consult with appropriate Federal agencies and private sector advisory groups in determining such priorities.

"(c) The Secretary of Commerce shall submit an annual report to the Congress on the program established under subsection (a). Such report shall—

"(1) describe—

"(A) the industrial assessments resulting from such program, and

"(B) actual or foreseeable economic and technological developments, in the United States and abroad, which have affected or will affect the competitive position of United States industry or of particular United States industry sectors;

"(2) identify and describe with particularity actual or foreseeable developments, in the United States and abroad, which—

"(A) create a significant likelihood of a competitive challenge to, or of substantial dislocation in, an established United States industry,

"(B) present significant opportunities for United States industries to compete in new geographical markets or product markets or to expand their position in established markets, or

"(C) create a significant risk that United States industries will be unable to compete successfully in significant future markets; and

"(3) specify with particularity the industry sectors affected by the developments described in paragraph (2).

"(d)(1) The Secretary of Commerce, in conjunction with the United States Trade Representative, shall establish a special industry sector advisory panel for each industry sector specified in any report submitted under subsection (c) that is of national significance by reason of—

"(A) the employment or capital resources of such sector,

"(B) the impact on national defense of such sector, or

"(C) the importance of such sector as a supplier to, or customer of, other United States industries.

The Secretary of Commerce may establish an industry sector advisory panel for any other industry.

"(2) Each panel established under paragraph (1) shall include representatives of—

"(A) business,

"(B) labor,

"(C) government,

"(D) private sector advisory committees established under section 135, and

"(E) other individuals or representatives of groups whose participation is considered by the Secretary of Commerce to be important to developing a full understanding of the competitive position of the industry sector involved and the economic importance of such sector to the United States.

"(3) Each panel established under paragraph (1) shall assess the actual or potential dislocation, challenge, or opportunity for the industry sector involved and formulate specific recommendations for responses by business, government, and labor.

"(4) Any discussion held by a panel established under paragraph (1), or any working group operating under the auspices of such a panel, shall not be considered to violate any Federal or State antitrust law.

"(5) Any panel established under paragraph (1), or any working group operating under the auspices of such a panel, shall not be subject to the provisions of the Federal Advisory Committee Act.

"(6) Each panel established under paragraph (1) shall terminate 30 days after making its recommendations, unless the Secretary of Commerce specifically requests that the panel continue in operation.

"(7) If any report that is submitted under subsection (c) after a panel established under paragraph (1) has terminated specifies conditions which had previously required the creation of such panel, the Secretary of Commerce shall again establish such a panel although the Secretary of Commerce may change the membership of such panel.

"(e) Each agency of the United States shall provide to the Secretary of Commerce, upon request, such information as may be necessary to enable the Secretary of Commerce to carry out the purposes of this section.

"(f) The Secretary of Commerce shall enforce appropriate measures to prevent loss or unauthorized disclosure of classified information.".

(b) The table of sections for title I of the Trade Act of 1974 is amended by inserting after the item relating to chapter 8 the following:

"CHAPTER 9—RESEARCH AND MONITORING

"Sec. 186. Establishment of a sectoral research and monitoring capability.".

SEC. 203. ADVISORY SYSTEM.

Subsection (c) of section 135 of the Trade Act of 1974 (19 U.S.C. 2155(c)) is amended by adding at the end thereof the following:

"(4) The committees established under paragraph (1) that represent industry and labor shall—

"(A) hold joint meetings at the call of the respective committee chairmen, and

"(B) meet at the call of the Administering Authority before and during any trade negotiations in order to provide—

"(i) policy advice on such negotiations,

"(ii) technical advice and information on particular products, both domestic and foreign, that are the subject of such negotiations, and

"(iii) advice on any other factors relevant to positions of the United States in such trade negotiations.".

SEC. 204. BALANCE OF PAYMENTS AUTHORITY.

(a) The Congress finds that—

(1) under current exchange rate arrangements the dollar has remained significantly overvalued relative to the current account balance for a sustained period of time;

(2) this overvaluation has exacerbated the harm caused by the denial of market access to United States exports and by the actions taken by foreign governments to expand their exports; and

(3) appropriate exchange rate values are necessary if the trade laws of the United States are to function effectively.

(b)(1) Subsection (a) of section 122 of the Trade Act of 1974 (19 U.S.C. 2132(a)) is amended—

(A) by striking out "15 percent ad valorem" in the first sentence and inserting in lieu thereof "a level which the President determines to be necessary to assist in restoring equilibrium in the balance of payments",

(B) by striking out "150 days (unless such period is extended by Act of Congress)" in the first sentence and inserting in lieu thereof "1 year"; and

(C) by striking out the second and third sentences.

(2) Section 122 of the Trade Act of 1974 (19 U.S.C. 2132(a)) is amended by adding at the end thereof the following new subsections:

"(i)(1) The period during which a surcharge may be imposed under subsection (a) may be extended for 1-year periods by enactment of separate Acts of Congress.

"(2) The President may submit to the Congress bills which provide for a 1-year extension of the period during which a surcharge may be imposed under subsection (a). Such a bill shall be subject to the same rules applicable to any implementing bill under section 151.

"(j) For purposes of this section—

"(1)(A) The term 'balance of payments' refers to payments for current transactions (within the meaning of article 30 of the Articles of Agreement of the International Monetary Fund) which are not for the purpose of transferring capital.

"(B) The balance of payments on current account (with imports determined on the basis of the cost-insurance-freight value) as reported by the Secretary of Commerce shall be used to measure payments for current transactions.

"(2)(A) The term 'balance of payments disequilibrium' means a large and serious current account imbalance (either deficit or surplus) that has persisted for more than 18 months.

"(B) A current account imbalance that exceeds 1 percent of the Gross National Product of the United States (as determined by the Secretary of Commerce) shall be treated as a large and serious current account imbalance.".

TITLE III—RELIEF FROM INJURY CAUSED BY IMPORT COMPETITION

SEC. 301. INVESTIGATIONS UNDER SECTION 201 OF TRADE ACT OF 1974.

(a) Chapter 1 of title II of the Trade Act of 1974 (19 U.S.C. 2251, et seq.) is amended—

(1) by striking out "President" each place it appears and inserting in lieu thereof "Administering Authority", and

(2) by striking out "PRESIDENTIAL" in the heading of section 202 and inserting "BY THE ADMINISTERING AUTHORITY" after the word "ACTION".

(b) Paragraph (1) of section 201(a) of the Trade Act of 1974 (19 U.S.C. 2251(a)(1)) is amended by inserting "or to enhance competitiveness" after "alternative uses" in the second sentence.

(c) Subsection (b) of section 201 of the Trade Act of 1974 (19 U.S.C. 2251(b)) is amended—

(1) by striking out "to the domestic industry producing an article like or directly competitive with the imported article" in paragraph (1) and inserting in lieu thereof "to any domestic industry that produces an article like or directly competitive with the imported article or that produces materials, parts, components, or subassemblies irrevocably destined for incorporation in an article like or directly competitive with the imported article.";

(2) by striking out "substantial cause" in paragraphs (1), (2)(C), and (2)(D) and inserting in lieu thereof "cause";

(3) by inserting "domestic production facilities" after "operate" in paragraph (2)(A);

(4) by amending paragraph (2)(B) to read as follows:

"(B) with respect to the threat of serious injury—

"(i) a decline in sales or market share in the domestic industry concerned;

"(ii) a higher and growing inventory in the domestic industry concerned;

"(iii) a downward trend in production, profits, wages, or employment (or increasing underemployment) in the domestic industry concerned;

"(iv) any combination of coordinated government actions, whether carried out severally or jointly, that—

"(I) are bestowed on a specific enterprise, industry, or group thereof the effect of which is to assist the beneficiary to become more competitive in the export of any class or kind of merchandise, and

"(II) causes, or threatens to cause, serious injury to the domestic industry concerned; and

"(v) the extent to which the United States market is the focal point for diversion of exports of the article concerned by reason of

restraints on exports of such article to, or on imports of such article into, third country markets; and";

(5) by striking out "may" in paragraph (3)(A) and inserting in lieu thereof "shall";

(6) by amending paragraph (4) to read as follows:

"(4) For purposes of this section, the term 'cause' means a cause which is important. A cause may be important even though other causes, such as a general economic recession, are of equal or greater importance."; and

(7) by adding at the end thereof the following new paragraph:

"(8) For purposes of this section, imports of like or directly competitive articles by domestic producers in an industry shall not be considered a factor indicating the absence of serious injury, or threat thereof, to such industry.".

(d) Paragraph (1) of section 201(d) of the Trade Act of 1974 (19 U.S.C. 2251(d)(1)) is amended—

(1) by striking out "or" at the end of subparagraph (A) and inserting in lieu thereof "and", and

(2) by striking out "remedy" in subparagraph (B) and inserting in lieu thereof "assist in remedying".

SEC. 302. PROVISIONAL RELIEF UPON FINDING OF CRITICAL CIRCUMSTANCES.

Section 201 of the Trade Act of 1974 (19 U.S.C. 2251) is amended by adding at the end thereof the following new subsection:

"(g)(1) If, during the course of an investigation initiated under this title, the Administering Authority finds that critical circumstances exist, the Administering Authority shall impose provisional measures consisting of any actions authorized under section 203(a). Such provisional measures shall remain in effect until the later of—

"(A) the date on which the measures are revoked by the President,

"(B) the date on which the Commission makes a negative determination under subsection (b)(1), or

"(C) the date that is 60 days after the date on which the Commission makes an affirmative determination under subsection (b)(1).

"(2) For purposes of this subsection, critical circumstances exist if a significant increase in imports (absolutely or relatively) over a short period of time has led to circumstances in which a delay in the imposition of relief would cause damage that would be difficult to repair.".

SEC. 303. CONSULTATIONS WITH FOREIGN GOVERNMENTS.

(a) Subsection (d) of section 201 of the Trade Act of 1974 (19 U.S.C. 2251(d)) is amended by adding at the end thereof the following new paragraph:

"(3) If the Commission makes an affirmative finding or recommendation under this paragraph, the Commission shall also determine (for purposes of section 203(l))—

"(A) whether trade in the article concerned has been affected by any combination of coordinated government actions, carried out severally or jointly, that—

"(i) are bestowed on a specific enterprise, industry, or group thereof, and

"(ii) assist the beneficiary in becoming more competitive in the export of any class or kind of merchandise, and

"(B) the extent to which the United States market is the focal point for diversion of exports of such article by reason of restraints on exports of such article to, or on imports of such article into, third country markets.

Such determinations shall be included in the report submitted under paragraph (1).".

(b) Section 203 of the Trade Act of 1974 (19 U.S.C. 2253) is amended by adding at the end thereof the following new subsection:

"(l) If—

"(1) the Administering Authority determines to provide import relief under section 202(a)(1), and

"(2) the Commission has made an affirmative determination under section 201(d)(3) with respect to an article,

the Administering Authority shall, in addition to the actions taken under section 202(a)(1), consult and negotiate with other countries that produce or consume such article to seek the establishment of a multilateral framework for the maintenance and development of fair, equitable, and nondisruptive patterns of trade in such article.".

SEC. 304. INDUSTRY ASSESSMENT AND COMPETITIVENESS STRATEGY.

(a) Chapter 1 of title II of the Trade Act of 1974 (19 U.S.C. 2251 et seq.) is amended by adding at the end thereof the following new section:

"SEC. 204. INDUSTRY ASSESSMENT AND COMPETITIVENESS STRATEGY.

"(a) After the Commission commences an investigation under section 201(a) on the basis of a petition filed by—

"(1) firms,

"(2) a certified or recognized union, or

"(3) a group of workers,

which represent a significant portion of the industry, the Administering Authority shall establish an advisory group for the industry if such representatives of the industry request, in the petition, that such an advisory group be established.

"(b) Each advisory group established under this section shall consist of—

"(1) individuals appointed by the Administering Authority from among the petitioners who are representative of the firms and of the workers in the domestic industry, and

"(2) officials of the Department of Labor, the Department of Commerce, and the Administering Authority.

"(c)(1) Each advisory group established under this section shall prepare for the industry concerned an assessment of current problems and a strategy to enhance competitiveness that sets forth objectives and specific steps that workers and firms could usefully undertake to improve the ability of the industry to compete or to assist the industry to adjust to new methods of competition.

"(2) Each advisory group established under this section shall include in the assessment and strategy prepared under paragraph (1) a determination of the ability of producers in the industry concerned to generate adequate capital to finance the modernization of plant and equipment or to otherwise enhance competitiveness (including any associated research and development) specified in such assessment and strategy. Such determination shall include an estimate of the overall capital requirements of such industry.

"(3) The assessment and strategy prepared under paragraph (1) shall set forth those actions which may be taken by the appropriate Federal agencies under existing authority, or under new legislation, to assist in achieving the objectives set forth in the assessment and strategy.

"(4) Each advisory group shall submit copies of the assessment and strategy prepared under paragraph (1) to the Commission, the Administering Authority, the Secretary of Labor, and the Secretary of Commerce, within 120 days after the date on which the Commission commences the investigation with respect to the industry under section 201.

"(d) After an assessment and strategy is submitted by an advisory group under subsection (c)(4) and before the close of the period referred to in section 202(b), the Administering Authority shall seek to obtain, on a confidential basis, information from the individual members of such advisory group regarding—

"(1) how such members intend to act upon the recommended objectives and actions specified in such assessment and strategy, and

"(2) any other actions such members intend to take which will foster the objectives described in subsection (c)(1).

The Administering Authority shall transmit such information to the Commission, the Secretary of Labor, and the Secretary of Commerce on a confidential basis. The Administering Authority shall include in the transmission of such confidential information any other information obtained by the Administering Authority on the capital requirements of the industry referred to in section 201(b)(2)(B).

"(e) The Administering Authority, the Secretary of Commerce, and the Secretary of Labor shall provide such staff, information, personnel, and administrative services and assistance to advisory groups established under this section as such advisory groups may deem necessary to enable such advisory groups to carry out their responsibilities under this section. The Administering Authority may request other Executive branch agencies which administer programs that may contribute to enhancing the competitiveness of the domestic industry concerned to assist such advisory groups in carrying out their responsibilities under this section.

"(f)(1) If an assessment and strategy is submitted under subsection (c), the Administering Authority, the Commission, the Secretary of Labor, and the Secretary of Commerce shall consider such assessment and strategy in making any determination, or taking any action, under the provisions of this title.

"(2) Neither the failure of the representatives of an industry to request the establishment of an advisory group under subsection (a) nor the failure of an advisory group to submit an assessment and strategy under subsection (c) shall be taken into account in making any determination, or taking any action, under the provisions of this title.".

(b)(1) Subsection (a) of section 201 of the Trade Act of 1974 (19 U.S.C. 2251(a)) is amended by adding at the end thereof the following new paragraph:

"(3) Firms and workers representing a significant portion of an industry may request in the petition that an industry advisory group be established under section 204 for the purpose of preparing an assessment of current problems of the industry and a strategy to enhance competitiveness for the industry.".

(2) Subparagraph (B) of section 201(b)(2) of the Trade Act of 1974 (19 U.S.C. 2251(b)(2)(B)), as amended by section 301(b)(4) of this Act, is amended—

(A) by striking out "and" at the end of subclause (II) of clause (iv), and

(B) by adding at the end thereof the following new clause:

"(vi) in the case of an industry that has developed an assessment and strategy under section 204, the inability of producers in the domestic industry to generate adequate cap-

ital to finance the modernization of plants and equipment, or to otherwise enhance competitiveness, including any associated research and development, as set forth in such assessment and strategy for enhanced competitiveness; and"

(3) Subsection (d) of section 201 of the Trade Act of 1974 (19 U.S.C. 2252(d)) is amended by adding at the end thereof the following new paragraph:

"(4) If an assessment and strategy for the domestic industry is submitted under section 204(c)(2), the Commission shall take into account in developing its recommendations under paragraph (1) the objectives and actions, including the nature and extent of import relief, specified in such assessment and strategy.".

(c)(1) Paragraph (1) of section 202(a) of the Trade Act of 1974 (19 U.S.C. 2252(a)(1)) is amended—

(A) by striking out "and" at the end of subparagraph (A),

(B) by redesignating subparagraph (B) as subparagraph (C), and

(C) by inserting after subparagraph (A) the following new subparagraph:

"(B) shall, if an assessment and strategy has been prepared under section 204, evaluate any objectives and actions specified in such assessment and strategy, and".

(2) Paragraph (3) of section 202(c) of the Trade Act of 1974 (19 U.S.C. 2252(c)(3)) is amended to read as follows:

"(3) the probable effectiveness of import relief as a means of promoting adjustment or modernization in order to improve competitive abilities, the efforts being made or to be implemented by the industry concerned (including actions specified in the assessment and strategy prepared under section 204) to adjust to import competition, and other considerations relative to the position of the industry in the United States economy;".

(d) Section 203 of the Trade Act of 1974 (19 U.S.C. 2253) is amended by adding at the end thereof the following new subsection:

"(m)(1) If the Administering Authority determines to provide import relief under section 202(a)(1) and an assessment of current problems and strategy to enhance competitiveness was submitted under section 204(c) for the industry concerned, the Administering Authority shall publish in the Federal Register, on the same day on which action is taken under subsection (a), notice of the availability to the public of the text of such assessment and strategy and a summary thereof. Upon publication of a summary of the assessment and strategy under the preceding sentence, the Administering Authority shall be entitled to rely upon the actions outlined in such competitive assessment and strategy, and in the confidential information obtained under section 204(d), as one basis for granting relief.

"(2)(A) If a summary of an assessment and strategy is published under paragraph (1), a review committee consisting of the Administering Authority, the Secretary of Labor, and the Secretary of Commerce shall—

"(i) monitor, on a continuing basis, actions taken by the petitioners to improve the competitive position of the industry, including actions specified in any confidental information obtained under section 204(d);

"(ii) make such recommendations for administrative action under existing statutory authority as may be necessary to achieve the objectives specified in such assessment and strategy; and

"(iii) submit to Congress such recommended legislation as the review committee considers necessary or appropriate for the purpose of achieving the objectives specified in such assessment and strategy.

Any proposed legislation submitted under clause (iii) shall be subject to the same rules applicable to an implementing bill under section 151.

"(B) If the review committee described in subparagraph (A) determines that the firms or workers in the domestic industry are not implementing, or are implementing in an unsatisfactory manner—

"(i) the recommended objectives and actions specified in the assessment and strategy published under paragraph (1), or

"(ii) the actions declared in the confidential information obtained under section 204(d),

the review committee shall consult with the advisory group members on an individual or joint basis, as appropriate.

"(C) If, after consultations are held under subparagraph (B) and after taking into account such other relevant information as may be available, the review committee determines that the failure to implement, or failure to implement satisfactorily, the actions described in clause (i) or (ii) of subparagraph (B)—

"(i) is not justified by changed circumstances, and

"(ii) has adversely affected overall implementation of the objectives specified in the assessment and strategy published under paragraph (1),

the Administering Authority shall request the Commission to issue a report under section 203(i)(2) within 60 days of the date of such request. After taking such report by the Commission and the determination of the review committee into account, the Administering Authority shall determine whether all import relief provided to the industry under this section should be terminated or modified.".

(e) The table of contents of the Trade Act of 1974 is amended by inserting after the item relating to section 203 the following new item:

"Sec. 204. Industry assessment and competitiveness strategy.".

SEC. 305. IMPORT RELIEF.

(a) Subsection (a) of section 203 of the Trade Act of 1974 (19 U.S.C. 2253(a)) is amended—

(1) by striking out "or" at the end of paragraph (4),

(2) by redesignating paragraph (5) as paragraph (6), and

(3) by inserting after paragraph (4) the following new paragraph:

"(5) consult with petitioners and representatives of workers and firms in the affected industry as to the advisability and desirability of taking appropriate action under section 303 or title VII of the Tariff Act of 1930, or title III of this Act, if, pursuant to any investigation under this title, the Administering Authority has reason to believe that any foreign government or firm is engaged in any action or practice for which relief is available under such section or title; or".

(b) Subsection (j) of section 203 of the Trade Act of 1974 (19 U.S.C. 2253(j)) is amended by inserting "good cause is shown or" after "unless".

TITLE IV—RELIEF FROM INJURIOUS INDUSTRIAL TARGETING AND UNFAIR TRADE PRACTICES

SEC. 401. ENFORCEMENT OF UNITED STATES RIGHTS UNDER TRADE AGREEMENTS AND RESPONSE TO INJURIOUS INDUSTRIAL TARGETING AND OTHER FOREIGN TRADE PRACTICES.

(a)(1) Paragraph (1) of section 301(a) of the Trade Act of 1974 (19 U.S.C. 2411(a)(1)) is amended to read as follows:

"(1) IN GENERAL.—If the Administering Authority determines that action by the United States is appropriate—

"(A) to enforce the rights of the United States under any trade agreement; or

"(B) to respond to any act, policy, or practice of a foreign country or instrumentality that—

"(i) is inconsistent with the provisions of, or otherwise denies benefits to the United States under, any trade agreement,

"(ii) is unjustifiable, unreasonable, or discriminatory and burdens or restricts United States commerce, or

"(iii) constitutes injurious industrial targeting;

the Administering Authority may, to the extent necessary to enforce such rights, or to obtain the elimination of, or offset or otherwise respond to, such foreign act, policy, or practice, take the actions described in subsection (b).".

(2) Paragraph (2) of section 301(a) of the Trade Act of 1974 (19 U.S.C. 2411(a)(2)) is amended by striking out "President" and inserting in lieu thereof "Administering Authority".

(b) Subsection (b) of section 301 of the Trade Act of 1974 (19 U.S.C. 2411(b)) is amended to read as follows:

"(b) AUTHORIZED ACTIONS.—If the Administering Authority determines to take action under subsection (a), the Administering Authority may—

"(1) suspend, withdraw, or prevent the application of benefits of trade agreement concessions to carry out a trade agreement with the foreign country or instrumentality involved;

"(2) direct customs officers to—

"(A) assess duties or impose other import restrictions on the products of, or

"(B) assess fees or impose restrictions on the services of,

such foreign country or instrumentality for such time, in such an amount, and to such a degree as the Administering Authority determines appropriate;

"(3) negotiate agreements (including, but not limited to, orderly marketing agreements) with foreign countries or instrumentalities to fully offset the burden or restrictions on United States commerce;

"(4) submit to the President proposed administrative actions, and if necessary, legislation to implement any other government action which would restore or improve the international competitive position of the industry that has been injured or threatened with injury;

"(5) recommend action by the President under subsection (d) of this section,

"(6) any combination of the actions described in the preceding paragraphs.".

(c) Subsection (c) of section 301 of the Trade Act of 1974 (19 U.S.C. 2411(c)) is amended—

(1) by striking out "President" each place it appears and inserting in lieu thereof "Administering Authority",

(2) by striking out "United States Trade Representative (hereinafter in this chapter

referred to as the 'Trade Representative')" in paragraph (2)(B) and inserting in lieu thereof "Administering Authority", and

(3) by striking out "Trade Representative" in paragraph (3) and inserting in lieu thereof "Administering Authority".

(d) Subsection (d) of section 301 of the Trade Act of 1974 is amended to read as follows:

(d) Notwithstanding any other provision of law governing any service sector access authorization, the President may, upon recommendation of the Administering Authority—

(1) restrict, in the manner and to the extent the President deems appropriate, the terms and conditions of any such authorization, or

(2) deny the issuance of any such authorization, with respect to services of any foreign country or instrumentality referred to in subsection (b).

(e) Subsection (e) of section 301 of the Trade Act of 1974 (19 U.S.C. 2411(e)) is amended—

(1) by adding at the end thereof the following new paragraph:

"(7) INJURIOUS INDUSTRIAL TARGETING.—The term 'injurious industrial targeting' means any combination of coordinated government actions, whether carried out severally or jointly—

"(A) which are bestowed on a specific enterprise, industry, or group thereof,

"(B) which assist such enterprise, industry, or group to become more competitive in the export of any class or kind of merchandise, and

"(C) which cause, or threaten to cause, material injury (within the meaning of section 305(c)).", and

(2) by striking out "For purposes of this section" and inserting in lieu thereof "For purposes of this title".

(f) Section 302 of the Trade Act of 1974 (19 U.S.C. 2412) is amended—

(1) by striking out "United States Trade Representative (hereinafter in this chapter referred to as the 'Trade Representative')" in subsection (a)(1) and inserting in lieu thereof "Administering Authority",

(2) by striking out "President" in subsection (a)(1) and inserting in lieu thereof "Administering Authority",

(3) by striking out "Trade Representative" each place it appears and inserting in lieu thereof "Administering Authority", and

(4) by striking out "in order to advise the President concerning the exercise of the President's authority under section 301" in subsection (c)(1).

(g) Section 303 of the Trade Act of 1974 (19 U.S.C. 2413) is amended—

(1) by striking out "Trade Representative" each place it appears and inserting in lieu thereof "Administering Authority",

(2) by striking out "section 304" in subsection (b)(1)(B) and inserting in lieu thereof "sections 304 and 305",

(3) by striking out "section 306" in subsection (b)(2)(B) and inserting in lieu thereof "section 310",

(4) by adding at the end thereof the following new subsection:

"(c) DOMESTIC FIRMS AND WORKERS.—The Administering Authority shall consult with representatives of domestic firms and workers that may be affected by any investigation initiated under section 302, including the appropriate advisory committees established under section 135, regarding any determination which is required to be made by the Administering Authority under this title.", and

(5) by striking out "UPON INITIATION OF INVESTIGATION" in the heading.

(h)(1) Sections 305 and 306 of the Trade Act of 1974 (19 U.S.C. 2415; 2416) are each amended by striking out "Trade Representative" each place it appears and inserting in lieu thereof "Administering Authority".

(2) Subsection (c) of section 305 of the Trade Act of 1974 (19 U.S.C. 2415(c)) is amended to read as follows:

"(c) CONFIDENTIAL BUSINESS INFORMATION.—

"(1) IN GENERAL.—Upon receipt of a written request for confidential business information obtained by the Administering Authority in connection with any investigation initiated under this title, including any information submitted by foreign governments, the Administering Authority shall make such information available (other than customer names and the identity of market research organizations) under a protective order described in paragraph (5).

"(2) NATIONAL SECURITY.—No information classified for national security reasons shall be made available under this section.

"(3) PROCEDURES.—The Administering Authority shall act upon requests for access to confidential business information within 10 days after receiving such request.

"(4) CONTINUING REQUEST.—A request for confidential business information shall be treated as continuing for the period of the investigation.

"(5) PROTECTIVE ORDER.—The protective order under which confidential business information is made available under this subsection shall contain such requirements as the Administering Authority may prescribe by regulation. The Administering Authority shall prescribe regulations that provide such sanctions for violations of protective orders as the Administering Authority determines to be appropriate, including disbarment from practice before the Administering Authority.".

(i) The table of contents of the Trade Act of 1974 is amended by striking out "upon initiation of investigation" in the item relating to section 303.

SEC. 402. INVESTIGATIONS UNDER TITLE III OF THE TRADE ACT OF 1974.

Section 304 of the Trade Act of 1974 (19 U.S.C. 2414) is amended to read as follows:

"SEC. 304. INVESTIGATIONS BY THE ADMINISTERING AUTHORITY.

"(a) COLLECTION AND VERIFICATION OF INFORMATION.—

"(1) FOREIGN GOVERNMENTS AND ENTERPRISES.—

"(A) QUESTIONNAIRES.—In conducting any investigation initiated under section 302, the Administering Authority shall present detailed questionnaires to the foreign governments and the foreign enterprises involved in such investigation in order to obtain information concerning the allegations contained in the petition.

"(B) VERIFICATION.—The Administering Authority shall verify all information provided by any foreign government or foreign enterprise in the course of any investigation initiated under section 302 which is relied on by the Administering Authority in making any determinations under this title.

"(2) USE OF BEST INFORMATION.—If—

"(A) any foreign government or foreign enterprise fails to provide information requested by the Administering Authority concerning any acts, policies, or practices of such government or enterprise which are under investigation, or

"(B) the information provided by any foreign government or foreign enterprise is not sufficient or is otherwise unsatisfactory,

the determinations of the Administering Authority under this title shall be based on the best information otherwise available, which may be the allegations and information contained in the petition.

"(b) PRELIMINARY DETERMINATIONS.—

"(1) IN GENERAL.—By no later than the date that is 5 months after the date on which an investigation is initiated under section 302, the Administering Authority shall make a preliminary determination based upon such investigation as to whether there is reason to believe that—

"(A) the rights of the United States under any trade agreement are not being enforced, or

"(B) any act, policy, or practice of a foreign county or instrumentality—

"(i) is inconsistent with the provisions of any trade agreement or otherwise denies benefits to the United States under any trade agreement,

"(ii) is unjustifiable, unreasonable, or discriminatory and burdens or restricts United States commerce, or

"(iii) constitutes injurious industrial targeting.

"(2) PROVISIONAL ACTION.—If the preliminary determination of the Administering Authority under paragraph (1) is affirmative, the Administering Authority may take any action described in paragraph (1), (2), or (3) of section 301(b), or any combination of such actions, pending completion of the investigation.

"(c) FINAL DETERMINATION.—

"(1) IN GENERAL.—By no later than the date that 11 months after the date on which an investigation is initiated under section 302, the Administering Authority shall make a final determination based upon such investigation as to whether any of the circumstances described in subparagraph (A) or (B) of subsection (b)(1) exists.

"(2) ACTIONS AFTER FINAL DETERMINATIONS.—

"(A) AFFIRMATIVE FINAL DETERMINATION.—

"(i) IN GENERAL.—Except as provided in section 306, if the final determination under paragraph (1) is affirmative, the Administering Authority shall, by no later than the date that is 30 days after the date of such final determination, make a determination as to what action, if any, the Administering Authority will take under section 301(a).

"(ii) CONSULTATION.—If the final determination made under paragraph (1) is affirmative, the Administering Authority shall consult with the petitioner, if any, and representatives of the affected domestic firms and workers regarding the action, if any, which is to be taken under section 301(a).

"(iii) REPORT ON FAILURE TO TAKE ACTION.—If the final determination made under paragraph (1) is affirmative and the Administering Authority declines to take any action under section 301(a), the Administering Authority shall submit to the Congress a written statement which specifies—

"(I) the reasons why the Administering Authority decided to take no action under section 301(a), and

"(II) the views of representatives of the affected domestic firms and workers regarding such decision.

"(B) NEGATIVE FINAL DETERMINATION.—If—

"(i) the final determination under paragraph (1) is negative, and

"(ii) the Administering Authority took any action under subsection (b)(2),

the Administering Authority shall terminate such action and refund any duties or fees paid by reason of such action.

"(d) PUBLICATION.—Notice of the determinations made under subsections (b)(1) and (c)(1) of this section and of any determination to take action under section 301(a) shall be published in the Federal Register.".

SEC. 403. MANDATORY ACTION IN CASES OF INJURIOUS INDUSTRIAL TARGETING.

(a) Title III of the Trade Act of 1974 is amended by redesignating sections 305 and 306 as sections 309 and 310, respectively, and by inserting after section 304 the following new sections:

"SEC. 305. INVESTIGATIONS OF INJURIOUS INDUSTRIAL TARGETING.

"(a) INVESTIGATIONS BY ADMINISTRATIVE AUTHORITY.—If the Administering Authority makes a preliminary determination under section 304(b)(1) that the circumstances described in section 304(b)(1)(B)(iii) exist, the Administering Authority—

"(1) shall establish an advisory committee composed of—

"(A) representatives of domestic firms and workers in the industries which are affected by such targeting, and

"(B) appropriate Federal officials, and

"(2) by no later than the date on which a final determination is required to be made under section 304(c)(1) with respect to such targeting, shall formulate, in consultation with such advisory committee, proposals which would restore or improve the competitive position of such domestic industries in both domestic and foreign markets.

"(b) INVESTIGATIONS BY INTERNATIONAL TRADE COMMISSION.—

"(1) NOTICE OF INVESTIGATION.—On the day on which the Administering Authority initiates an investigation under section 302 of injurious industrial targeting, the Administering Authority shall submit to the United States International Trade Commission (hereafter in this title referred to as the 'Commission') a copy of—

"(A) if the investigation is initiated under section 302(a), the petition, or

"(B) if the investigation is initiated under section 302(b), a written statement describing the issues under investigation.

"(2) PRELIMINARY DETERMINATION.—By no later than the date that is 60 days after the date on which notice of an investigation is submitted to the Commission under paragraph (1), the Commisssion shall make a preliminary determination, based upon the best information available to the Commission at the time of the investigation, of whether there is a reasonable indication that—

"(A) an industry in the United States—

"(i) is materially injured, or

"(ii) is threatened with material injury; or

"(B) the establishment or growth of an industry in the United States is materially retarded;

by reason of sales or likely sales in the United States or other foreign markets of the merchandise which is the subject of such investigation.

"(3) FINAL DETERMINATION.—The Commission shall make a final determination of whether any of the circumstances described in paragraph (2) exist with respect to the merchandise that is the subject of an investigation initiated under section 302 by no later than the date that—

"(A) if an affirmative preliminary determination under section 304(b)(1) was made with respect to such investigation, is 45 days after the date on which an affirmative final determination is made under section 304(c)(1) with respect to such investigation, or

"(B) if the Administering Authority made a negative preliminary determination under section 304(b)(1) with respect to such investigation, is 75 days after the day on which an affirmative final determination is made under section 304(c)(1) with respect to such investigation.

No final determination shall be required under this subsection with respect to an investigation if the final determination under section 304(c)(1) is negative.

"(4) JUDICIAL REVIEW.—Any determination made by the Commission under this section shall be subject to review by the United States Court of International Trade as if such determination were made under either section 703(a) or 705(b) of the Tariff Act of 1930, as the case may be.

"(c) MATERIAL INJURY AND THREAT OF MATERIAL INJURY.—

"(1) MATERIAL INJURY.—

"(A) IN GENERAL.—For purposes of this section, the term 'material injury' means harm which is not inconsequential, immaterial, or unimportant.

"(B) VOLUME AND CONSEQUENT IMPACT.—In making determinations under this section, the Commission shall consider, among other factors—

"(i) the volume of sales of the merchandise which is the subject of the investigation,

"(ii) the effect on sales of that merchandise on prices in the United States or other foreign markets for like products, and

"(iii) the impact of sales of such merchandise on domestic producers of like products.

"(C) EVALUATION OF VOLUME AND PRICE EFFECTS.—For purposes of this section—

"(i) VOLUME.—In evaluating the volume of sales of merchandise, the Commission shall consider whether the volume of sales of the merchandise, or any increase in that volume, either in absolute terms or relative to production or consumption in the United States or other foreign markets, is significant.

"(ii) PRICE.—In evaluating the effect of sales of the merchandise on prices, the Commission shall consider—

"(I) whether there has been significant price undercutting by the foreign merchandise as compared with the price of like products of the United States, and

"(II) whether the effect of sales of the merchandise otherwise depresses prices to a significant degree or prevents to a significant degree price increases that otherwise would have occurred.

"(iii) IMPACT ON AFFECTED INDUSTRY.—In examining the industry involved in the investigation, the Commission shall evaluate all relevant economic factors which have a bearing on the state of the industry, including, but not limited to—

"(I) actual and potential decline in output, sales, market share, profits, productivity, return on investments, and utilization of capacity,

"(II) factors affecting domestic and foreign prices,

"(III) actual and potential negative effects on cash flow, inventories, employment, wages, growth, ability to raise capital, and investment, and

"(IV) displacement of United States exports of like products in third country markets.

"(2) THREAT OF MATERIAL INJURY.—

"(A) IN GENERAL.—In determining whether an industry in the United States is threatened with material injury, the Commission shall consider, among other relevant economic factors—

"(i) any increase in production capacity or existing unused capacity in foreign countries under investigation that is likely to result in increased exports from such country,

"(ii) any rapid increase in United States market penetration and the likelihood that the penetration will increase to an injurious level,

"(iii) the probability that imports of the merchandise under investigation will enter the United States at prices that will have a depressing or suppressing effect on domestic prices of like products,

"(iv) the probability that exports from foreign countries under investigation will enter third country markets at prices that will have a depressing or suppressing effect on prices for United States exports of like products or will decrease sales of like products of the United States in such third country markets,

"(v) any substantial increase in inventories of the merchandise in the United States or in third country markets,

"(vi) the extent to which the United States market is the focal point for exports of such merchandise by reason of restraints on exports of such article to, or on imports of such article into, third country markets, and

"(vii) any other demonstrable adverse trends that indicate that the importation or sale for importation of such merchandise, or sales of such merchandise in third country markets, will be the cause of actual injury.

"(B) BASIS FOR DETERMINATION.—Any determination by the Commission under this section that an industry in the United States is threatened with material injury shall be made on the basis of the evidence that the threat of material injury is real and that actual injury is imminent. Such a determination may not be made on the basis of mere conjecture or supposition, but can be made on the basis of official statements of intended action by foreign governments.

"(3) STANDARD FOR DETERMINATION.—The presence or absence of any factor which the Commission is required to evaluate under paragraph (1)(C) or (2) shall not necessarily give decisive guidance with respect to the determination of material injury by the Commission.

"SEC. 306. MANDATORY ACTION IN CASES OF INJURIOUS INDUSTRIAL TARGETING.

"(a) PROVISIONAL ACTION.—If—

"(1) the Administering Authority makes a preliminary determination under section 304(b)(1) with respect to an investigation that an act, policy, or practice of a foreign country or instrumentality constitutes injurious industrial targeting, and

"(2) the Commission makes an affirmative preliminary determination under section 305(b)(2) with respect to such investigation,

the Administering Authority shall, pending conclusion of such investigation, take at least one of the actions described in paragraph (1), (2), or (3) of section 301(b), or any combination of such actions, in order to prevent further injury, or threat of injury, from such injurious industrial targeting.

"(b) ACTION IN RESPONSE TO FINAL DETERMINATION.—

"(1) IN GENERAL.—Except as provided in subsection (c), if—

"(A) the Administering Authority makes a final determination under section 304(c)(1) with respect to any investigation that an act, policy, or practice of a foreign country or instrumentality constitutes injurious industrial targeting, and

"(B) the Commission makes an affirmative final determination under section

305(b)(3) with respect to the merchandise that is the subject of such investigation,

the Administering Authority shall take at least one of the actions described in section 301(b) in order to fully offset the material injury, or threat of material injury, from such injurious industrial targeting.

"(2) PROPOSALS.—

"(A) IN GENERAL.—If the requirements of subparagraphs (A) and (B) of paragraph (1) are met, the Administering Authority shall submit to the President—

"(i) any proposed administrative action, and

"(ii) any proposed legislation,

which the Administering Authority determines is necessary to restore or improve the competitive position of any industry that is materially injured, or threatened with material injury, by the injurious industrial targeting.

"(B) SPECIAL CONSIDERATION OF PROPOSED LEGISLATION.—The President may submit to the Congress a bill that consists of the legislative proposal described in subparagraph (A)(ii). Such bill shall be subject to the same rules applicable to an implementing bill under section 151, except that in applying paragraphs (1) and (2) of section 151(e) with respect to such bill "15th day" shall be substituted for "45th day".

"(3) REPORT TO CONGRESS.—If the requirements of subparagraphs (A) and (B) of paragraph (1) are met, the Administering Authority shall submit a written statement to the Congress which specifies the actions that the Administering Authority will take under paragraph (1) to offset the material injury, or threat of material injury, from the injurious industrial targeting.

"(c) SETTLEMENT AGREEMENTS.—In lieu of taking action under subsection (b)(1), the Administering Authority may enter into an agreement with the foreign country or instrumentality involved if—

"(1) such agreement completely eliminates the material injury, or threat of material injury, from the injurious industrial targeting, and

"(2) in the case of an investigation initiated under section 302(a), such agreement is approved by the petitioner.

"(d) PUBLICATION.—Notice of any action taken by the Administering Authority under this section, and of any agreements entered into under subsection (c), shall be published in the Federal Register.

"SEC. 307. TERMINATION AND COMPENSATION UPON GATT DISAPPROVAL.

"If the contracting parties to the General Agreement on Tariffs and Trade disapprove of any action taken by the Administering Authority under section 301 or 306, the Administering Authority may take such other action as the Administering Authority determines appropriate to compensate any foreign country or instrumentality that is adversely affected by such action, including, but not limited to—

"(1) modification or termination of the action taken under section 301 or 306, or

"(2) modification or continuance of any existing duty or any duty-free or excise treatment.

"SEC. 308. REMEDIES UNDER TARIFF ACT OF 1930.

"If, in the course of an investigation conducted under this title, the Administering Authority has reason to believe that a foreign government is engaged in any action or practice for which relief is available under section 303 or title VII of the Tariff Act of 1930, the Administering Authority shall consult with the petitioner, if any, and the representatives of the domestic firms and workers that may be affected by such action or practice regarding the advisability and desirability of taking action under the appropriate provisions of section 303 or title VII of the Tariff Act of 1930.".

(b) The table of contents of the Trade Act of 1974 is amended by striking out the items relating to sections 304, 305, and 306 and inserting in lieu thereof the following:

"Sec. 304. Investigations by the Administering Authority.

"Sec. 305. Investigations of injurious industrial targeting.

"Sec. 306. Mandatory action in cases of injurious industrial targeting.

"Sec. 307. Termination and compensation upon GATT disapproval.

"Sec. 308. Remedies under Tariff Act of 1930.

"Sec. 309. Requests for information.

"Sec. 310. Administration.".

TITLE V—COUNTERVAILING AND ANTIDUMPING DUTIES

SEC. 501. LIMITATIONS ON ACCEPTANCE OF COUNTRY UNDER THE AGREEMENT.

Section 701 of the Tariff Act of 1930 (19 U.S.C. 1671) is amended—

(1) by inserting "which meets the requirements of subsection (c) and" after "means of country" in subsection (b),

(2) by redesignating subsection (c) as subsection (e), and

(3) by inserting after subsection (b) the following new subsections:

"(c) ADDITIONAL REQUIREMENTS.—

"(1) IN GENERAL.—A country meets the requirements of this subsection if such country has made a commitment under the General Agreement on Tariffs and Trade to—

"(A) eliminate its export subsidies within one year (or within five years in the case of least developed countries),

"(B) not increase, extend, or add export subsidies, and

"(C) eliminate immediately export subsidies on those products in which such country is competitive.

"(2) For the purpose of determining the competitiveness of merchandise, the Commission, at the request of the administering authority, shall conduct an investigation of whether the merchandise is already competitive in the United States market and whether the merchandise would be competitive in the absence of export subsidies. The Commission shall submit a final report on such investigation to the administering authority by no later than the date that is 60 days after the date on which the administering authority requested such investigation.

"(d) REVIEW OF COMPLIANCE; TERMINATION OF STATUS.—

"(1) REVIEW.—The administering authority shall review the current status of, and compliance with, the agreements described in subsection (b) or (c) at least once during each 12-month period following the date on which the agreement becomes effective.

"(2) PUBLICATION OF DETERMINATIONS.—The administering authority shall determine whether each foreign country has honored each term of the agreements described in subsection (b) or (c) that such country entered into and shall publish such determinations in the Federal Register by no later than the date that is 45 days after the anniversary of the effective date of the agreement.

"(3) TERMINATION OF STATUS; SUSPENSION OF LIQUIDATION.—

"(A) IN GENERAL.—If the administering authority determines that a foreign country has failed to honor any term of an agreement described in subsection (b) or (c) that such country entered into—

"(i) such country shall cease to be treated as a country under the Agreement for purposes of this Act on and after the day that is 30 days after the date on which such determination is published in the Federal Register, and

"(ii) the administering authority shall—

"(I) order the suspension of liquidation of all entries, and withdrawals from warehouse, for consumption after such day of all merchandise of such country that has, at any time, been the subject of an affirmative determination under section 705(a), and

"(II) initiate investigations under section 303 with respect to such merchandise on such day.

"(B) NEGATIVE PRELIMINARY DETERMINATION.—If the preliminary determination of the administering authority described in section 703(b) in an investigation conducted under section 303 is negative, the administering authority shall terminate on the day of such preliminary determination any suspension of liquidation ordered under subparagraph (A)(ii)(I) with respect to the merchandise that is involved in such investigation.

SEC. 502. NATURAL RESOURCE SUBSIDIES.

(a) Subtitle D of title VII of the Tariff Act of 1930 (19 U.S.C. 1677 et seq.) is amended—

(1) by adding at the end of section 771(5) the following:

"(C) Any resource input subsidy provided for under section 771B."; and

(2) by adding after section 771A the following new section:

"SEC. 771B. RESOURCE INPUT SUBSIDIES.

"(a) GENERAL RULE.—A resource input subsidy exists if—

"(1) a product (hereinafter referred to in this section as an 'input product')—

"(A) is provided or sold by a government or a government-regulated or controlled entity within a country (hereinafter referred to in this section as 'exporting country'), for input use within that country, at a domestic price that—

"(i) is lower than the fair market value of the input product; and

"(ii) is not freely available to United States producers for purchase of the input product for export to the United States; and

"(B) would, if sold at the fair market value, constitute a significant portion of the total cost of the manufacture or production of the merchandise in or for which the input product is used; or

"(2) the right to remove or extract a product (hereinafter in this section referred to as the 'removal right') is provided or sold by a government or a government-regulated or controlled entity within a country and—

"(A) that product is for input use within that country;

"(B) the removal right is provided or sold at a domestic price that is lower than the fair market value of that right, and

"(C) the product to which the removal right applies would, if that right was sold at a fair market value, constitute a significant portion of the total cost of the manufacture or production of the merchandise in or for which the product is used.

"(b) AMOUNT OF RESOURCE INPUT SUBSIDIES.—

"(1) IN GENERAL.—The amount of a resource input subsidy is the difference between the domestic price of an input product, or of a removal right, and the fair

market value of that product, or right, respectively.

"(2) EXCLUSIONS.—For purposes of this section, the terms 'domestic price' and 'fair market value' do not include—

"(A) with respect to an input product, the costs incident to transportation and handling required to move the product from its point of production to the respective domestic or foreign destination; and

"(B) with respect to a removal right, the cost or value of any activity the recipient of the right must undertake as a condition for receiving that right.

"(c) DEFINITIONS.—For purposes of this section—

"(1) FAIR MARKET VALUE.—The term 'fair market value' means—

"(A) with respect to an input product, the price that, in the absence of government regulation or control, a willing buyer would pay a willing seller for that product from the exporting country in an arms-length transaction; and

"(B) with respect to a removal right—

"(i) the price paid for a comparable removal right in a comparable region in the country (other than the country providing or selling the right) which has the largest number of arms-length sales of such rights, or

"(ii) if no country sells a comparable removal right at arms length, the price that a willing buyer would pay a willing seller in an arms-length transaction for the removal right in the country providing or selling the right.

In determining the fair market value of an input product, the administering authority shall take into account—

"(i) the export price of the product,

"(ii) the prices at which the product is generally available in world markets,

"(iii) the current market clearing price at which the product can be sold competitively by the exporting country in the markets of other countries (including the United States) that are non-State-controlled-economy-country markets, and

"(iv) the availability to the exporting country of markets described in clause (iii).".

"(2) INPUT USE.—The term 'input use' refers to the use (directly or indirectly) of an input product in the manufacture or production of any class or kind of merchandise that is the subject of an investigation under this title."

(b) Notwithstanding subsection (b) of section 303 of the Tariff Act of 1930 (19 U.S.C. 1303), sections 703(a) and 705(b) of that Act (relating to injury determinations by the United States International Trade Commission) shall apply to any investigation under that section in which the existence of resource input subsidies under section 771B of that Act is alleged.

(c) The amendments made by this section shall apply with respect to investigations initiated by petition or the administering authority under subtitle A of title VII of the Tariff Act of 1930 on or after the date of the enactment of this Act.

SEC. 503. FOREIGN MARKET VALUE.

(a) Section 773(b) of the Tariff Act of 1930 (19 U.S.C. 1677b(b)) is amended by striking out the second sentence and inserting in lieu thereof the following:

"The Administering Authority shall include in calculating the cost of producing the merchandise the value of any benefit the producer or manufacturer has received from government research and development programs (including programs supporting or coordinating cooperative research and development among producers or manufacturers). The value of such a benefit shall be considered the research and development expense the producer or manufacturer would have incurred if the producer or manufacturer had done the research and development alone. If the Administering Authority determines that sales made at less than cost of production have been made over an extended period of time and in substantial quantities, such sales shall be disregarded in the determination of foreign market value.".

(b) Section 773 of the Tariff Act of 1930 (19 U.S.C. 1677b) is amended by adding at the end thereof the following new subsection:

"(h) SPECIAL RULES FOR DETERMINING COST OF PRODUCTION AND CONSTRUCTED VALUE.—IN GENERAL.—Before the Administering Authority—

"(A) makes a determination under subsection (b) that sales of the merchandise in the home market are at prices which represent less than the cost of producing the merchandise, or

"(B) determines constructed value under subsection (e),

the Administering Authority shall determine whether imports of the merchandise into the home market have been unreasonably restrained. If such determination is affirmative, the Administering Authority shall base the determinations described in subparagraphs (A) and (B) on a per-unit cost rate of capacity utilization appropriately adjusted to reflect the level of home market sales that would occur in the absence of the unreasonable restraints found to exist."

SEC. 504. THREAT OF INJURY.

Clause (i) of section 771(7)(F) of the Tariff Act of 1930 (19 U.S.C. 1677(7)(F)(i)) is amended—

(1) by striking out "and" at the end of subclause (VII),

(2) by striking out the period at the end of subclause (VIII) and inserting in lieu thereof a comma, and

(3) by inserting the following new subclause after subclause (VIII):

"(IX) any combination of coordinated government actions, whether carried out severally or jointly, that are bestowed on a specific enterprise, industry, or group thereof the effect of which is to assist the beneficiary to become more competitive in the export of any class or kind of merchandise and to cause, or threaten to cause, material injury to the United States; and

"(X) the extent to which the United States is the focal point for exports of the merchandise by reason of restraints on exports of the merchandise to, or on imports of the merchandise into, third country markets.".

THE TRADE LAW MODERNIZATION ACT OF 1985

SUMMARY OF PROVISIONS

This legislation establishes a national trade policy for the United States that gives the nation's performance in international trade appropriately greater importance in the formulation of government policy. The goals of United States trade policy are clearly stated and new negotiating objectives are defined.

Procedures for establishing the nation's trade agenda on an annual basis are provided in this legislation so that a regular and ongoing dialogue on trade matters between the general public and the government is ensured.

The chief American trade policy spokesperson is given expanded trade law responsibilities and powers so that United States trade policy interests can be better represented in discussions and negotiations with other countries.

U.S. trade laws are amended so that industrial targeting practices of other countries that cause harm to American firms and workers can now face swift and appropriate action by the United States. Actions available to the government include more than just import restrictions, but extend to areas of domestic assistance and international negotiations.

Special negotiating authority is provided the government to achieve fair and equitable market opportunities for U.S. producers where such opportunities are unfairly denied them by foreign government practices. This authority extends to unfair and discriminatory state buying practices of other countries and to situations where American administrative or judicial decisions substantially alter access to the U.S. market without any corresponding opening to markets overseas.

The procedures for obtaining relief from imports that are causing economic harm to domestic firms and workers are modernized in two important ways. First, the standard for detemining whether harm has occurred to domestic parties is made to conform to the international standard of the General Agreement on Tariffs and Trade (GATT), the international body that sets trade rules. This new standard is a less ambiguous and stringent standard that currently exists in U.S. law. Second, enhanced industry competitiveness is made a purpose of action under this trade law and an alternative procedure is set up to achieve such a result. This change is designed to make sure that any temporary import restrictions that the government may impose result in a positive benefit to the economy as a whole.

The laws that address unfair trade practices of other countries are updated to cover new forms of unfair competition, including the practice of underpricing government-owned or controlled natural resources to unfairly subsidized exports.

The legislation establishes a government data gathering and analytical capability to ensure that policy decisions are based on timely and accurate information.

The Presidential authority to respond to balance of payments problems is updated to correspond to today's more volatile foreign exchange markets.

DESCRIPTION

The bill addresses three major issues:

I. Declaration of National Trade Policy and Negotiating Objectives

II. Relief From Injury Caused by Import Competition

III. Measures to Respond to Injurious Industrial Targeting and Unfair Trade Practices

I. TRADE POLICY AND NEGOTIATING OBJECTIVES

The bill establishes a national trade policy. The goals are to improve our international competitiveness, enhance our standard of living, promote employment, and support the growth of the world economy. This is a matter too important to be the unintended result of policies designed with other objectives in mind.

In order to help ensure that the goals are reached, the bill provides specific international negotiating objectives. These objectives include the following, which are ad-

dressed elsewhere in the bill as amendments to existing law:

Establishing international rules on targeting when it affects other countries;

Establishing more equal opportunities concerning foreign government procurement for American industry;

Providing for common international standards and procedures, including coordination and transparency, of safeguard actions;

Establishing greater discipline on export subsidies. Other specific negotiating objectives include:

Promoting exchange rate stability;

Seeking long-term solutions to developing country debt problems;

Assisting in the establishment of a new multilateral exchange rate and payments system that avoids recent periods of dollar overvaluation and undervaluation.

The relative importance of various objectives may change over time. The bill, therefore, contains a procedure for establishing an annual trade agenda.

The Administering Authority [1] is required to submit an annual report to the appropriate committees of Congress, in confidence where necessary, proposing how he intends to accomplish the goals listed above. He is directed to consult with the appropriate sector advisory committees before submitting his report. The Congressional committees are then to hold hearings on the goals, objectives and priorities of U.S. trade policy for interested members of the public. The committees will then consult with the Administering Authority on the record of the hearings. Finally, the committees will, by formal vote, accept, reject or modify the proposal based on the hearings and consultations with the Administering Authority and submit their formal advice in writing, in confidence where appropriate.

The bill also addresses two related trade problems. The first is long-standing market access problems due to closed foreign government procurement. The second is recent (since 1980) domestic administrative or judicial decisions that have substantially increased foreign access to the U.S. market, without a corresponding change in access abroad. This latter point would apply specifically to the break-up of AT&T.

With respect to long-standing market access problems, the Administering Authority is directed to seek to obtain fair and equitable market opportunities for U.S. producers. In trying to achieve this objective the Administering Authority is given discretionary authority to alter or withdraw benefits of trade agreements, impose import restrictions, or recommend to the President that he restrict or deny service sector access authorization (the same concept added to section 301 in the 1984 Trade and Tariff Act).

With respect to recent administrative or judicial actions, the Administering Authority is required to obtain fair and equitable market opportunities if he determines that there exists a significant denial of such opportunities in a sector in which domestic actions taken since 1980 have resulted in substantial new market opportunities for the products or services of any foreign country or instrumentality. He must attain this objective either through increasing access to the foreign market's or, pending achievement of this, by imposing conditions of access to the U.S. market that are equivalent in effect to the conditions of access to our markets predating the administrative or judicial action. In addition to the range of options already mentioned, the Administering Authority may also seek to change the conditions of access to our market by proposing fast track legislation.

This legislation transfers most trade authority from the President to the Administering Authority. The Administering Authority is given authority for the following trade actions that now rest with the President:

The administration of the GSP program;
Section 201;
Section 337;
Section 406; and
Section 301.

Two considerations lie behind these proposed changes. First, many trade actions are now decided for political reasons, not on the economic merits of the case. This result will be unavoidable as long as these trade decisions are taken by the President. The bill makes the administration of our trade laws depend on the facts of each case, more like the present administration of the antidumping and countervailing duty laws by the Secretary of Commerce. This does not mean that diplomatic concerns will never be inserted into trade decisions. Rather, the hope is that it will happen much less frequently, and only when the foreign policy issue is truly of overriding concern. Second, this transfer of authority will significantly increase the status and effectiveness of our chief trade policy spokesman, who will be able to take actions to enforce threats and keep promises.

The bill also provides for the establishment of a sectoral research and monitoring capability by the Administering Authority. The purpose would be to have an information base to anticipate trade problems rather than try to react after the fact when potentially more constructive alternative responses are foreclosed. This program would involve industry sector advisory panels that would give their advice to the Administering Authority.

Section 135 of the Trade Act of 1974 is amended to allow for joint meetings of the private sector advisory committees, either at the initiative of the respective committee chairmen or the Administering Authority.

The legislation amends the Trade Act of 1974 (section 122) to strengthen the President's standby authority to take actions to redress balance of payments disequilibrium. The level of an import surcharge that the President is allowed to impose is changed from 15 percent to a level deemed necessary to assist in restoring equilibrium in the balance of payments. The time limit for such action is extended from five months to one year, with the possibility of fast track legislative renewal. This section would provide the President with meaningful authority under today's conditions and focuses attention on the macroeconomic contribution to our trade problems. LICIT itself has not taken a position on whether to support an import surcharge.

II. RELIEF FROM INJURY CAUSED BY IMPORT COMPETITION

The LICIT bill makes two fundamental changes in the escape clause.

The first is that the injury standard is changed to conform to the GATT standard. The requirement that imports be a "substantial cause" of injury is replaced with the requirement that imports be a "cause" of injury.

In the past, the requirement that the Commission determine whether imports were the "substantial" cause of injury meant that it was almost impossible to obtain relief during an economic recession. Moreover, the Commission never developed any consistent methodology to weigh various causes of injury in order to determine if imports were a substantial cause. Each Commissioner, therefore, would make an independent judgment, never based on consistent criteria or methodology, about the issue of "substantial" cause. The statute could not be fairly administered on such a basis.

The second fundamental change is that an optional track under section 201 has been added. The purpose of this optional track is to encourage an industry to use the escape clause to enhance competitiveness or otherwise adjust to new methods of competition, not just to receive temporary protection.

The new provision, at the petitioner's request, authorizes the formation of an advisory group under the auspices of the Administering Authority. This group would be composed of firms and workers in the industry and designated government officials. The group would prepare an assessment of current problems and a strategy to enhance competitiveness. This strategy would set forth objectives, and specific steps which workers and firms could usefully undertake, to improve the ability of the industry to compete in the world market or to assist the industry to adjust otherwise to new methods of competition. The assessment and strategy would be made public. In addition, the various members of the advisory group would make known to the Administering Authority (and the Secretaries of Commerce and Labor and the International Trade Commission) what they intend to do individually to meet the objectives of the strategy or otherwise respond to import competition. These submissions would be confidential.

The Commission and the Administering Authority would have to take the assessment and strategy, as well as the confidential submissions, into account in deciding whether relief would be granted and the type of relief provided. If relief is provided, the Administering Authority and Secretaries of Commerce and Labor would monitor the industry to see if it is responding as expected. If not, the Administering Authority can alter or terminate the relief.

The following factors are also included for the Commission to consider in making its determination:

For the purposes of an indsutry that has developed an assessment and strategy, the ability of producers to generate adequate capital to finance the modernization of plant and equipment;

Evidence of injurious industrial targeting;

The inability to generate an adequate level of profits from the operation of domestic production facilities;

The extent to which diversion of export to the U.S. occurs because other markets are closed;

Imports of some domestic producers shall not be considered a factor indicating the absence of serious injury or threat of serious injury.

[1] Throughout the bill, the term "Administering Authority" is used to refer to the nation's chief trade spokesperson. The bill defines Administering Authority as the U.S. Trade Representative, unless otherwise specified in law.

III. MEASURES TO RESPOND TO INJURIOUS INDUSTRIAL TARGETING AND UNFAIR TRADE PRACTICES

Injurious industrial targeting is brought within the ambit of section 301 and other amendments are made to improve administration of the laws to combat unfair trade practices. Perhaps the most important change is the transfer of authority to act in section 301 cases from the President to the Administering Authority. With respect to targeting:

Section 301 is amended to make injurious industrial an actionable practice;

A determination of material injury by the ITC is required;

If the Administering Authority finds that industrial targeting exists, and the ITC has determined that material injury has occurred, then the Administering Authority is required to take action;

The choice of actions include the current authority under 301 as well as the negotiation of agreements with foreign countries to fully offset the injury or the submission to the President of proposed domestic actions and implementing legislation if necessary.

Essentially, LICIT has taken the approach to targeting under the CVD statute developed by the Ways and Means Trade Subcommittee and moved it into the context of a 301 action. Action against targeting is only authorized where the ITC has made a material injury determinaiton. In that case, the response is mandatory. However, the Administration is given discretion in the range of possible actions it may take, including wholly domestic actions that are directed at assisting the injured industry but that entail no trade restrictions.

LICIT has also added to 301 a provision for preliminary determinations and provisional action. In the case of injurious industrial targeting, if the preliminary determinations of the ITC and the Administering Authority are affirmative, then provisional action is required. Otherwise, it is at the discretion of the Administering Authority.

The other major provisions that address foreign trade practices are a subsidy code commitments policy, a natural resource subsidy provision, a provision on foreign market value and a provision on threat of injury.

The bill writes into law a "commitments policy" with respect to developing country accession to the subsidies code. This is designed to ensure a consistent policy on this important matter that in the past has been excessively influenced by short-term political considerations.

The natural resource subsidy provision is similar to the one which passed the House last year, although it reflects the changes made prior to going into conference on the 1984 Trade and Tariff Act.

The section on foreign market value amends the antidumping law in two ways:

Dumping would be found if prices were not sufficient to recover all costs at the actual level of production during the period of investigation even if they were sufficient to cover costs over a longer period;

In constructed value cases, the cost of government assisted R&D for a group of companies shall be the cost which the individual producer would have incurred had it not been part of a government program.

The section of threat of injury adds two additional items that the ITC must consider when making a determination of threat of injury. The Commission must determine if trade in the article has been the subject of foreign government targeting or subject to import restrictions in other countries.

SECTION-BY-SECTION ANALYSIS

TITLE I—NATIONAL TRADE POLICY AND NEGOTIATING OBJECTIVES; NEGOTIATION AUTHORITY

SECTION 101.—DECLARATION OF NATIONAL TRADE POLICY OBJECTIVES

Explanation of provision

This section sets forth national trade policy objectives for the United States. A strong performance in international trade is stated to be necessary to support the nation's defense and its overseas strategic commitments, to contribute to increased productivity which will enhance the nation's standard of living, to promote domestic employment, to raise the standard of living in developing countries, to support growth of the world economy, and to strengthen ties between the United States and its major trading partners.

To achieve these objectives, U.S. trade policy should open world markets on the basis of reciprocity; enforce U.S. unfair trade practice laws to prevent harm to U.S. firms and workers; provide a consistent policy of support to American exports; seek to negotiate international rules restricting financial assistance to industries in global overcapacity; promote policies enhancing United States international competitiveness; prevent foreign government actions which cause injury to other countries by artificially expanding exports; and assist firms and workers in industries facing serious trade problems.

Reasons for provision

The purpose of this section is to give the nation's performance in international trade appropriately greater importance in the formulation of government policy.

SECTION 102.—PROCEDURE FOR ESTABLISHING TRADE AGENDA

Explanation of provision

This section establishes a procedure for an annual Congressional review of the Administering Authority's proposal to accomplish the goals provided for in section 101 of this Act. The Administrative Authority will consult with the appropriate sector advisory committees prior to making its proposal. The appropriate committees of Congress will hold an annual hearing for interested members of the public to present their views on the objectives, goals and priorities of U.S. trade policy. The committees will consult with the Administering Authority concerning the record of the hearings. After the hearings, the committees shall by formal vote accept, reject or modify the Administering Authority's proposal and submit formal advice on this matter in writing to the Administering Authority.

Reason for provision

The objectives, goals and priorities of U.S. trade policy need to be more formally and regularly influenced by Congress and the public. This provision provides a workable, annual procedure to accomplish this through a process of dialogue and consultations among the Administering Authority, the Congress and the public.

SECTION 103.—NEGOTIATING OBJECTIVES

Explanation of provision

This provision establishes as new negotiating objectives the development of new international rules to increase discipline where current international rules are not existent or are inadequate. Such objectives include limiting the injurious effects of foreign government actions enhancing the export competitiveness of beneficiary enterprises; expanding of the GATT Government Procurement Code to cover actions by foreign governments excluding U.S. products from market access; providing common standards and procedures for safeguard actions; expanding the list of proscribed export subsides; utilizing the GATT system to curb the export credit race; renegotiating the subsidies code concerning developing country accession to the code; and promoting international cooperation in trade and monetary policies in order to facilitate balanced growth in world trade, promote exchange rate stability and seek a solution to the debt repayment problems of developing countries.

Reasons for provision

This provision applies the overall negotiating objectives stated in section 102 by developing internationally agreed rules to regulate and eliminate specific injurious practices in the world trading system and to improve the degree of international cooperation to provide a firmer foundation for expanding trade.

SECTION 104.—NEGOTIATING AUTHORITY WITH RESPECT TO FOREIGN GOVERNMENT PROCUREMENT AND DOMESTIC GOVERNMENT ACTIONS THAT SUBSTANTIALLY ALTER U.S. MARKET ACCESS

Explanation of provision

This section provides negotiating authority concerning discriminatory procurement by foreign governments and judicial or administrative decisions by the United States Government that substantially alter access to the U.S. market. In both cases the problem is one of lack of fair and equitable market opportunities for U.S. firms and workers.

In the case of long-standing market access problems because of discriminatory procurement by foreign governments, the Administering Authority is to negotiate to obtain fair and equitable market opportunities and may impose certain trade restrictions to achieve it. With respect to recent (since 1980) domestic actions by the United States, the effect of which is to substantially open access to domestic markets, and where the Administering Authority finds a significant denial of market opportunities in a foreign market, the Administering Authority is required to obtain fair and equitable market opportunities through negotiations to open the foreign market to U.S. products and, pending that achievement, to impose conditions of access to the U.S. market equivalent in effect to those predating the domestic administrative or judicial measures.

The Administering Authority may provide information to agencies and courts of the U.S. Government to assist them to determine the competitive impact of administrative or judicial decisions affecting U.S. market access.

Authority given to the Administering Authority under this section includes suspension or withdrawal of trade agreement benefits, imposition of import duties or restrictions, and recommendations to the President that he restrict or deny service sector access authorization. The Administering Authority may also submit to the Congress fast-track legislation designed to impose conditions of access to the U.S. market equivalent in effect to those predating the domestic administrative or judicial measures.

Action under this section may be taken upon motion of the Administering Author-

ity or after investigation, upon the filing of a petition by any interested party.

Reasons for provision

This section provides the Administering Authority with negotiating tools so that unbalanced market access between the United States and its trading partners may be remedied. Such tools are needed in light of the fact that the United States has moved to deregulate or otherwise alter the structure of certain industries, opening them to procurement from foreign suppliers through international trade. Foreign governments meanwhile often purchase only domestically produced goods. Because no U.S. agencies have authority to influence United States or foreign procurement practices to remedy the situation, and because the GATT Procurement Code does not address the problem, the United States currently has no leverage for control. Providing the Administering Authority with a mandate to negotiate for substantially equivalent market opportunities abroad seeks to rectify this problem.

TITLE II—TRANSFER OF AUTHORITY TO ADMINISTERING AUTHORITY; AMENDMENTS TO TITLE I OF TRADE ACT OF 1974

SECTION 201.—TRANSFER OF AUTHORITY TO THE ADMINISTERING AUTHORITY

Explanation of provision

This section amends Section 406 of the Trade Act of 1974, Title V of the Trade Act of 1974 and Section 337 of the Tariff Act of 1930 to give the Administering Authority increased power to act independently from the President.

Section 406 of the 1974 Trade Act deals with actions the President can take to offset market disruption caused by imports from Communist countries. This provision transfers ultimate authority to take any such action to the Administering Authority.

Title V of the Trade Act of 1974 deals with the administration of the Generalized System of Preferences (GSP) program by the President. This section transfers authority for running the GSP program to the Administering Authority.

Section 337 of the Tariff Act of 1930 deals with actions the President can take to protect domestic industries from infringement of patent and copyrights by imports. Again, this provision transfers that ultimate authority to the Administering Authority.

Reasons for provision

The transfer of authority to the Administering Authority is designed to depoliticize decisions in the international trade arena and increase the effectiveness of the chief trade policy spokesperson for the United States.

SECTION 202.—ESTABLISHMENT OF SECTORAL RESEARCH AND MONITORING CAPABILITY

Explanation of provision

This section would have the Secretary of Commerce establish a program to assess and evaluate industrial and trade plans of other countries and their effect on U.S. industry, trade and employment and report the results annually to the Congress.

The Secretary and the United States Trade Representatives are required to convene industry sector advisory panels to assess actual and potential dislocation, challenge or opportunities for specified U.S. industries and formulate specific recommendations to encourage modernization and improve the industry's ability to compete. The work of the panels under this section is exempt from the antitrust laws.

Reasons for provision

This section is designed to ensure that U.S. trade policies and laws keep abreast of the ever-changing problems they are meant to address. Under current law, U.S. trade policies and laws frequently become outdated as the industrial trade policies of its trading partners evolve. Annual reports of this evolution should allow Congress to amend the laws in a more timely fashion. Similarly, U.S. policy vis-a-vis American industries is often too slow in evolving to permit domestic industries to remain competitive. Industrial sector advisory panels would be well equipped to provide recommendations as how best to improve the country's ability to compete.

SECTION 203.—ADVISORY SYSTEM

Explanation of provision

This section would amend Section 135 of the Trade Act of 1974 to allow committees of the private sector advisory system to have joint meetings (both business and labor) at the initiative of the respective committee chairpersons. In addition, the Administering Authority could call on such committees before and during trade negotiations to provide technical or policy advice.

Reason for provision

The present advisory system provided in section 135 is deficient in not providing for joint meetings of labor and business advisors. Joint meetings would allow labor and business advisors to resolve their differences and thereby avoid situations in which the government is required to balance conflicting advice.

SECTION 204.—BALANCE OF PAYMENTS AUTHORITY

Explanation of provision

This section explains that under current exchange rate arrangements the dollar has remained significantly overvalued relative to the current account balance for a sustained period of time. The Congress finds that appropriate exchange rate values are necessary if the trade laws of the United States are to function effectively.

The section amends Section 122 of the Trade Act of 1974, which authorizes the President to take temporary measures to correct an international balance-of-payments disequilibrium. The section raises the maximum temporary import surcharge to a level which is deemed necessary to assist in restoring equilibrium in the balance of payments. The time limit for such action is also lengthened from five months to one year, renewable through legislative action. This section defines the terms "balance of payments" as payments for current transactions, and defines "balance of payments disequilibrium" as a current account imbalance (measured on an annual basis) that has exceeded 1 percent of the GNP for more than 18 months in either deficit or surplus.

Reasons for provision

The section explains that the overvaluation of the dollar relative to the current account balance exacerbates problems caused by denial of market access and actions taken by foreign governments to expand exports.

By providing a definition of balance of payments disequilibrium as a current account imbalance in excess of 1 percent of U.S. GNP that persists for longer than 18 months, the section defines the situation in which the President may impose an import surcharge to offset the imbalance. The President is also provided with more flexibility to deal with today's larger and more persistent balance of payments deficits.

TITLE III—RELIEF FROM INJURY CAUSED BY IMPORT COMPETITION

SECTION 301.—INVESTIGATIONS UNDER SECTION 201 OF TRADE ACT OF 1974

Explanation of provision

This section amends Chapter 1, Title II of the Trade Act of 1974, dealing with authority to grant temporary import relief to injured industries following investigations by the International Trade Commission. In the past, the ultimate decision to grant import relief has rested with the President. This section transfers that authority to the Administering Authority.

This section includes enhancement of an industry's competitiveness as a purpose for which import relief can be sought.

Standing is given to an industry that produces materials, parts, components or subassemblies irrevocably destined for incorporation in an article like or directly competitive with an imported article.

This section replaces the requirement that imports be the "substantial cause" of injury with the requirement that they be merely "the cause of injury." The term "cause" is defined as a cause which is important, even though another cause or other causes, such as a general economic recession, may be of equal or greater importance.

This section also lists additional factors for the International Trade Commission (ITC) to consider in making a determination of threat of injury. These include (1) a decline in marketing share; (2) higher and growing domestic inventories; (3) a downward trend in production, profit, wages or employment; (4) foreign industrial targeting; and (5) the extent to which diversion of exports to the U.S. market occurs because other markets are closed. The section also provides that imports by domestic producers shall not be considered a factor indicating the absence of serious injury, or threat thereof. If injury is found to exist, the ITC must recommend relief, even if the relief will only assist in remedying the injury. The ITC may also recommend adjustment assistance in addition to increased duties or import restrictions.

Reasons for provisions

The requirement that imports be the substantial cause of injury has made it difficult, if not impossible, to obtain relief during a recession. Moreover, the ITC has never developed any consistent methodology to weigh various causes of injury in order to determine if imports are a substantial cause. Each Commissioner, therefore, has made independent judgments, never based on consistent criteria or methodology, about the issue of "substantial" cause. The statute cannot be fairly administered on such a basis. Reducing the requirement to "cause" will remedy this and will make U.S. law consistent with international law.

The additional factors to be considered in determining threat of serious injury are designed to ensure that timely relief can be obtained in cases in which the actual injury is only demonstrable after irreparable harm has been done to the competitive position of a U.S. industry.

SECTION 302.—PROVISIONAL RELIEF UPON FINDING OF CRITICAL CIRCUMSTANCES

Explanation of provision

This section adds a new subsection to Section 201 of the Trade Act of 1974, permitting the Administering Authority to impose provisional measures should it find that critical circumstances exist. Critical circumstances are defined as instances where a

delay in inhibiting a significant increase in imports which occurred over a short period of time would cause damage difficult to repair. Provisional measures may consist of duty imposition, tariff-rate quotas, quantitative restrictions, orderly marketing agreements or any combination thereof. These measures would remain in force until the President revokes them, the ITC makes a negative determination, or 60 days after the ITC makes an affirmative determination.

Reasons for provision

This section grants the Administering Authority the ability to institute import remedies in the short-term without waiting for the normal time periods associated with the petition and investigation process authorized in Section 201. Under current law, nothing can be done to remedy critical circumstances in the short-term. To remedy this situation, this section authorizes the Administering Authority to take certain provisional measures to ensure that further injury does not occur merely as a result of a petition being filed.

SECTION 303.—CONSULTATIONS WITH FOREIGN GOVERNMENTS

Explanation of provision

This section amends Section 201 of the Trade Act of 1974 to provide that when the ITC makes an affirmative recommendation to the Administering Authority, it shall determine whether the foreign government concerned engaged in actions to expand export markets or to restrict imports of the article, and whether diversion of exports to the United States has occurred because other markets are closed. If the ITC determines that either of these conditions has occurred, and the Administering Authority decides to impose import relief, the Administering Authority must consult and negotiate with other producing and consuming countries to seek to establish a multilateral framework for the maintenance and development of fair, equitable and non-disruptive patterns of trade.

Reasons for provision

When the Administering Authority has been informed by the ITC that foreign governments promote exports or restrict imports in ways which harm U.S. exports or divert products to the U.S. market, the Administering Authority must also negotiate with the foreign governments to seek an end to such practices.

SECTION 304.—INDUSTRY ASSESSMENT AND COMPETITIVENESS STRATEGY

Explanation of provision

This section adds a new section 204, entitled "Industry Assessment and Competiveness Strategy." The section accords firms and workers representing a significant portion of the industry the right to request the establishment of an ad-hoc industry advisory group to prepare an assessment of current problems and a strategy to enhance competitiveness for the industry. The assessment and strategy is to set forth objectives and specific steps which workers and firms could usefully undertake to improve the industry's ability to compete or to assist the industry to adjust to new methods of competition. The advisory group is to include in its report a determination of the ability of producers in the industry to generate adequate capital to finance the modernization of plant and equipment, or to otherwise enhance competitiveness, including an estimate of the overall capital requirements of the industry. Copies of the assessment and strategy are to be submitted to the ITC, the Administering Authority, and the Secretaries of Commerce and Labor within 120 days after the ITC began the investigation. The membership of the group is to include appointees of the Administering Authority who are representative of workers and the industry, and employees of the Departments of Commerce and Labor. Staff is to be provided by the Secretaries of Commerce and Labor.

After the assessment and strategy is completed, the Administering Authority will seek to obtain, on a confidential basis, information from individual members of the advisory group concerning how they intend to act upon the recommended objectives and actions in the assessment and strategy, or other actions they intend to take to enhance competitiveness. Such information will be shared, on a confidential basis, with the ITC and the Secretaries of Labor and Commerce.

Failure to prepare an assessment and strategy for the industry may not be a factor considered by the ITC in making either its injury determination, or its relief recommendation, nor may it be a factor in the relief decision of the Administering Authority. The ITC is, however, required to take account of such assessment and strategy in making its recommendation regarding the appropriate relief.

The ITC is also to consider, as a factor in evaluating threat of substantial injury, the inability of producers in the industry to generate adequate capital to finance plant and equipment modernization or enhance competitiveness, as provided in the assessment and strategy.

This section requires the Administering Authority, in determining what, if any, relief to provide an injured industry, to evaluate the assessment and strategy and take account of the probable effectiveness of import relief as a means to improve competitive abilities. The Secretaries of Labor and Commerce are also required to take account of the assessment and strategy in developing their advice.

This section also provides that when import relief is granted and an assessment and strategy for the industry has been prepared, the Administering Authority is entitled to rely upon the actions outlined in the assessment and strategy, and individual confidential submissions, as one basis for granting relief. The Administering Authority is also to establish a review committee, comprised of itself and the Secretaries of Commerce and Labor, to monitor actions taken to improve the competitive position of the industry, including actions described in the confidential submissions. If, after consultation with the advisory group, the review committee considers that recommended actions and objectives in the assessment and strategy or intended actions described in confidential submissions are not being implemented, or are being unsatisfactorily implemented, and that the failure to implement them is not justified by changed circumstances and has adversely affected the overall implementation of the objectives in the assessment and strategy, then it must so notify the Administering Authority. The Administering Authority will then ask the Commission to report under section 203(i)(2) on the effects of removing relief. After receiving the Commission report, the Administering Authority will immediately consider whether import relief to the industry should be terminated or modified.

Reasons for provision

When an industry is injured by import competition and has developed an assessment and strategy for the industry, the fulfillment of which will aid it to avoid future injury, the law should provide for relief which is adequate to meet such strategic needs. This section is designed to do that.

Some industries in the United States can only avoid continuing injury from import competition by undertaking major steps to enhance competitiveness. Current law is deficient in not including this as a reason for which relief might be sought and not providing the industry the means for developing an appropriate assessment and strategy for the industry. This section is designed to remedy these deficiencies.

Because the relief provided takes account of the assessment and strategy, there is a risk that petitioners will seek this alternative merely to increase their chances of being accorded substantial relief. By requiring that they actually undertake actions specified in the assessment and strategy, this section avoids that risk.

SECTION 305.—IMPORT RELIEF

Explanation of provision

This section provides that if the Administering Authority determines that import relief is appropriate, the Administering Authority shall consult with petitioners and industry representatives as to the advisability of taking action under the countervailing duty provisions of U.S. trade laws or under Title III of the Trade Act of 1974, where there is reasonable cause to believe that such actions would be appropriate.

Reasons for provision

This section provides a mechanism for follow-up when information regarding unfair foreign trade practices actionable under U.S. trade laws becomes available during the course of an investigation.

TITLE IV—RELIEF FROM INJURIOUS INDUSTRIAL TARGETING AND UNFAIR TRADE PRACTICES

SECTION 401.—ENFORCEMENT OF UNITED STATES RIGHTS UNDER TRADE AGREEMENTS AND RESPONSE TO INJURIOUS INDUSTRIAL TARGETING AND OTHER FOREIGN TRADE PRACTICES

Explanation of provision

This section amends the law in a number of ways as described below. It transfers all Section 301 authority from the President to the Administering Authority.

This section authorizes the Administering Authority to act in response to injurious industrial targeting, defined as any combination of coordinated government actions, whether carried out severally or jointly which: (a) are bestowed on a specific enterprise industry or group thereof, (b) assist such enterprise, industry or group to become more competitive in the export of any class or kind of merchandise, and (c) cause, or threaten to cause, material injury.

Under current law, the President is authorized to take "all appropriate and feasible action within his power." In addition, it is specified that he may suspend benefits of trade agreement concessions and impose duties or other import restrictions. Under this section, the Administering Authority's authority to respond to burdensome foreign policies does not include the right to take all appropriate and feasible action but does include, in addition to suspension of trade agreement benefits and impostition of duties or import restrictions, the negotiation of agreements with foreign countries to

fully offset the burden on U.S. commerce, the submission to the President of proposed actions and implementing legislation, if necessary, and the recommendation of actions to the President to modify or deny service sector access authorization.

This section also requires the Administering Authority to consult with representatives from industry and labor prior to reaching any determination, and requires that confidential information submitted during a section 301 investigation is available for disclosure under administrative protective order.

Reasons for provision

Under current law, the President is authorized to initiate proceedings and take action under section 301. The elimination of this Presidential authority and the grant of it to the Administering Authority is designed to reduce the political element in the section 301 process and to strengthen the authority of the chief U.S. trade spokesperson.

Current U.S. trade laws are particularly inadequate to address the challenges now being posed to U.S. industries by injurious foreign industrial targeting policies. Increasingly, foreign governments are implementing industrial targeting policies directed at promoting and increasing the international competitiveness and market share of particular industries. These programs, which often combine direct subsidies, preferential financing, tax incentives, discriminatory procurement practices, government support for, or participation in, research and development, government toleration of or participation in cooperative research, production or marketing efforts, and numerous other measures, can and often do negatively affect the competitive position of U.S. industries in the U.S. market or third country markets.

The adverse consequences for U.S. industries of targeting are distinguishable from those associated with export subsidization as traditionally defined and, as such, are not adequately addressed by existing U.S. trade remedies legislation. The adverse effects of successful targeting are frequently evident in an erosion of U.S. market share in third country markets, as well as in financial performance and injury through increased imports in the U.S. market. Moreover, the enhancement of the targeted industry's competitive position is often achieved before any erosion of market share here or abroad has occurred and does not disappear after the targeting program has been terminated. Because of its unique characteristics, the problem of targeting is best handled under section 301 of the Trade Act of 1974.

To deal adequately with the effects of targeting, it is necessary to expressly include among the available responses the right to negotiate agreements with foreign governments to fully offset the adverse effects of industrial targeting.

SECTION 402.—INVESTIGATIONS UNDER TITLE III OF THE TRADE ACT OF 1974

Explanation of provision

This section requires the Administering Authority to present questionnaires to the foreign governments and enterprises concerned and to verify all information on which it relies in making its final determination.

If a foreign government or enterprise fails to respond to the questionnaire or provides inadequate information, the Administering Authority's determination is to be based on the best information available, including allegations contained in the petition.

The Administering Authority must determine no later than five months after the date on which an investigation is initiated whether the final determination is likely to be affirmative. If this preliminary determination is affirmative, provisional measures may be imposed.

The Administering Authority must make a final determination no later than 11 months after the date on which the investigation was initiated. If the determination is affirmative, action taken must occur within 30 days of that decision.

This section also requires the Administering Authority to consult with appropriate private sector representatives concerning implementation of actions to be taken under Section 301. Should the Administering Authority, following an affirmative final determination, decide that action by the U.S. is not appropriate, it shall report to Congress on its reasons for taking no action and on the views of the industry representatives.

Reasons for provision

While consultations with a foreign government are not necessary, such governments and foreign enterprises often are the sole source of information of value to the administering authority in making its final determination. The new requirement that the Administering Authority present questionnaires to the foreign governments and enterprises, together with the provision that, if such information is inadequate the Administering Authority may rely on the information in the petition, are designed to ensure that, in fact, determinations are based on the very best and most complete information.

Under section 305 it is now possible that in cases in which relief action is appropriate, action will not be taken until 12 months after the date on which the investigation is initiated. During this delay the industry may suffer irreparable harm. The provision for provisional relief is designed to guard against this possibility.

Under current section 301 there is no certainty as to when relief action, if any, will be taken. U.S. industries have, as a result, not found section 301 to be a reliable source of relief. The bill seeks to remedy this inadequacy by providing a definitive time frame within which final determinations and action must be taken. A maximum period of 12 months is both long enough to permit a reasonable determination and short enough to provide relief in a timely manner.

SECTION 403.—MANDATORY ACTION IN CASES OF INJURIOUS INDUSTRIAL TARGETING

Explanation of provision

Following a preliminary determination that an action constitutes injurious industrial targeting, the Administering Authority is directed to establish an advisory committee composed of industry representatives and federal officials and, with that committee, to formulate proposals to restore the competitive position of the domestic industry involved.

This section directs the International Trade Commission (ITC) to reach preliminary and final determinations of whether a U.S. industry is materially injured or threatened with material injury, or the establishment or growth of a U.S. industry is materially retarded, by reason of sales or likely sales of the merchandise under investigation that is affected by industrial targeting.

In making the determination of material injury the ITC is to consider, among other factors, actual and potential negative effects on employment, sales, production, market shares, ability to raise capital, inventories, investment, cash flow and growth of U.S. industries, as well as the displacement of U.S. exports in third country markets.

In making the determination of threat of material injury by reason of injurious foreign industrial targeting, the ITC is to consider among other factors, increases in production capacity in countries under investigation likely to result in increased exports from such country, rapid increase and effects of U.S. market penetration, the probability that prices of imports into the U.S. will depress domestic prices, or prices of goods entering third markets will displace U.S. exports.

If the Administering Authority finds preliminarily that a foreign government or instrumentality has engaged in foreign industrial targeting which is a cause of material injury or threat thereof to an industry as determined preliminarily by the ITC, the Administering Authority is required to take action to prevent further injurious effects of the targeting program. Following final determinations by the Administering Authority and the ITC, the Administering Authority is to take action to fully offset any injurious effect and, where necessary, is to submit to the President, who shall submit to Congress, proposed legislation to implement such actions. The legislation will be based on recommendations by an industry advisory group comprised of business and labor in the injured industry and officers and employees of any appropriate government agencies.

This section also permits the Administering Authority in cases involving injurious industrial targeting to accept an agreement by the foreign government concerned in lieu of the other actions available, such as suspension of trade agreements. The agreement must eliminate injurious effects on U.S. industry as far as possible, and must be approved by the petitioner.

If the Contracting Parties to the GATT disapprove of any action taken by the United States under section 301, the administering authority is given the discretion to modify or terminate the action or proffer compensation.

This section also specifies that if dumping or subsidization are uncovered during the investigation, the Administering Authority shall consult with petitioners and representatives of workers and firms in the affected industry as to the advisability of taking appropriate action under U.S. unfair trade practice laws.

Reasons for provision

In cases involving injurious industrial targeting, negotiations necessarily take time. As a result, U.S. industry may suffer irreparable harm before relief is provided. Thus, in cases of injurious industrial targeting, for which such negotiations are frequently the most appropriate remedy, special provision is made for a fast-track legislative procedure to provide domestic assistance to injured U.S. firms and workers.

A wide variety of actions are available to the United States under section 301 as revised by this bill. As a result, it is possible that a response measure may be disapproved by the GATT Contracting Parties. The GATT trading system has, over-all, functioned to the advantage of the United States. It is important, therefore that the U.S. avoid, as far as possible, taking actions which are inconsistent with the GATT. This section provides the Administering Authority with the authority to modify actions or

proffer compensation when actions taken under section 301 are judged by a duly constituted GATT body to be inconsistent with the GATT.

TITLE V—COUNTERVAILING AND ANTIDUMPING DUTIES

SECTION 501.—LIMITATIONS ON ACCEPTANCE OF COUNTRY UNDER THE AGREEMENT

Explanation of provision

This section amends section 701 of the Tariff Act of 1930 by requiring that countries "under the Agreement" must commit themselves under the General Agreement on Tariffs and Trade to eliminate export subsidies within one year; not to increase existing export subsidies; not to extend such subsidies to new merchandise or introduce new export subsidies; and to eliminate immediately export subsidies on merchandise which the ITC finds is already competitive in the U.S. market and would be competitive without such subsidization. Least developed countries, as defined in section 124 of the Foreign Assistance Act of 1961, as amended, are allowed a transitional period of five years to phase out export subsidies, in contrast to higher income developing countries that must eliminate the subsidies within one year.

The Administering Authority is required to review compliance with the commitments once a year. If noncompliance is found, the designation as a country under the Agreement will be withdrawn. The Administering Authority will initiate a countervailing duty investigation under section 303 of the Trade Act of 1930, with respect to any merchandise from the country that has previously been the subject of a final affirmative countervailing duty determination, and liquidation will be suspended. The suspension of liquidation will be terminated if the Administering Authority's preliminary determination is negative.

Reasons for provision

This section is designed to increase compliance by U.S. trading partners with the Subsidies Code negotiated during the Multilateral Trade Negotiations. Under U.S. countervailing duty law, the benefits of the injury test are limited to countries which have signed the Subsidies Code. These provisions are designed to limit the benefit of the Code to countries which accord Code benefits to the United States. However, this purpose has been circumvented by countries which sign the Code but fail to fulfill their obligations thereunder. This section of the bill is designed to remedy that inequity by requiring actual fulfillment of Code obligations. Products of the least developed countries are frequently not competitive in the U.S., even with subsidization. As a result, these countries are allowed a transitional period of five years to phase out export subsidies on such products. Other countries must eliminate export subsidies within one year. In addition, continuing compliance is encouraged by providing for annual reviews, and by requiring that where a country fails to comply with the terms of its agreement, liquidation will be suspended and a countervailing duty investigation will be initiated on any merchandise previously found to be subsidized.

SECTION 502.—NATURAL RESOURCE AND SUBSIDIES

Explanation of provision

This section expands the scope of actionable domestic subsidies to include natural resource subsidies. Countervailing duties would be applicable where a natural resource input constitutes a significant portion of a producer's total cost and is sold by a government-controlled entity to downstream producers within the domestic market at a regulated price which is lower than the export price or fair market value and is not freely available to U.S. producers. The level of the subsidy would be the difference between the domestic price and the export price, unless there are no exports of the resource product or the export price is distorted by reason of government action. In that case, the level of the subsidy should be the difference between the domestic price and the fair market value. The fair market value would be based on the price generally available in world markets and to U.S. producers.

Reasons for provision

The purpose of adding a specific provision to address the problem of natural resource subsidies is to discourage the growing use of two-tiered pricing arrangements and other below cost pricing structures by resource-rich countries. These policies have the effect of subsidizing their domestic producers by affording them preferential or below market rates for resource products.

The bill provides for two methods of measuring the subsidy level; the export price and, in cases where there are no exports or the export price is distorted, the fair market value. In some products, prices may very a great deal from market to market, and a realistic fair market value finding would have to assess such factors as the comparative advantage of the resource-producing country and its access or lack of access to lucrative export markets. Comparative advantage does not, in the context, refer to artificial advantages imposed through government control or regulation, since this would have the effect of negating the entire provision, but refers instead to any cost advantages enjoyed by such country by virtue of indigenous factors such as abundant supplies, lower production costs or lower transportation cost.

The term "natural resource product" is not defined in the bill. It is intended to apply to basic energy products, such as petroleum, petroleum products (such as fuel oil), and natural gas and is left flexible enough to apply in appropriate circumstances to other natural resources if they are the subject of a two-tiered or below fair market value government pricing scheme and are a significant portion of the resulting manufactured product. Moreover, the term is broad enough to apply to cases where the government pricing scheme applies to different stages of processing or refinement of the basic resource product.

SECTION 503.—FOREIGN MARKET VALUE

Explanation of provision

This section provides that in cases involving industries benefiting from a government promotional program, the cost of R&D used to determine the cost of producing the product shall be the cost which the individual producer would have incurred had it not been part of the governmental program.

The section also provides that in cases involving products whose production costs decline as production volume increases, sales would be disregarded as the basis for foreign market value if prices were not sufficient to recover all costs at the actual level of production during the period of investigation, even if prices were sufficient to cover costs over a longer period.

This section also provides that where the Administering Authority determines that imports into the home market of the foriegn producer have been restrained, the unit cost of production shall be adjusted to reflect what the level of home market sales would be, absent the import restraint.

Reasons for provision

When an industry benefits from a government promotional program, the cost of R&D is frequently greatly reduced. Such an industry should not be able to avoid dumping duties because of reduced costs where such reduction is attributable to unfair trade practices such as governmental promotional programs. This provision would avoid this inequity by attributing the R&D costs the producer would have incurred in the absence of the governmental program.

Under existing law, industries may avoid dumping duties on sales made below current cost if they are able to show that they will recover costs over a longer period. In this way, industries which benefit from economies of scale have been able to achieve such economies at the expense of U.S. industry by initially engaging in large-scale below cost sales on the U.S. market. This new provision is designed to ensure that such sales do not escape discipline and are subject to dumping duties.

By unfairly restricting imports into the home market, foreign producers are able to achieve higher levels of capacity utilization. This provision would enable the Administering Authority to adjust the foreign producer's cost of production to eliminate the effects of the import restraint on unit cost.

SECTION 504.—THREAT OF INJURY

Explanation of provision

This section adds to additional items that the International Trade Commission must consider when determining whether that a threat of injury exists. The Commission is directed to determine if trade in the article or articles under investigation has been the subject of foreign government targeting or is subject to import restrictions in other countries.

Reasons for provision

The Commission is directed to determine if the merchandise under investigation is the subject of any acts, policies or practices of the exporting country which are intended to increase the competitiveness of the merchandise in world markets, because this is an indication of future potential import sales from the foreign countries implementing targeting programs. The second factor, the existence of restrictions on imports of the merchandise into other countries, is directed at the possibility of future diversion of world exports into the U.S. market because other markets are closed.●

● Mr. BAUCUS. Mr. President, America faces an international trade crisis. Our international competitiveness is declining month-by-month, year-by-year.

We're practicing "vampire economics," inhaling goods and currency from around the world.

We've become import junkies.

The statistics tell the story.

Between 1980 and 1984, our trade deficit quadrupled, to $123 billion.

Now the downward spiral is accelerating.

Recently, the Commerce Department announced the trade statistics for April. Imports increased slightly.

Exports fell 3.6 percent. As a result, our overall trade deficit rose by 7.3 percent, to $11.9 billion. To put it another way, for every $1 worth of U.S. goods going out, there were $1.80 worth of foreign goods coming in.

These deficits are not just abstract statistics for economists to debate.

The trade deficit has left its mark all across my home State of Montana:

Another lumber mill has closed, and 130 more jobs were lost.

The U.S. aluminum industry is no longer competitive, and in Columbia Falls an efficient plant is on the brink of closing.

In Butte, every copper mine is closed.

And the Montana wheat farmer—like his colleagues across the Nation—is losing export sales.

The same thing is happening all across the country. Good, productive workers are losing their jobs.

Clearly, we must respond.

The question is how.

The solution is really a combination of things. Not a tourniquet, but instead a hundred bandaids.

For one thing, we've got to put our fiscal house in order, so that we gradually bring the value of the dollar down.

For another thing, we've got to increase our productivity.

There's no guarantee that America's economy will remain the most productive in the world automatically. In fact, our major international competitors—Japan, Germany, France, Canada—all are increasing their rates of productivity faster than we are.

To turn this around, we have to revise some of our domestic policies dramatically so that we encourage more savings, better education, and better labor-management cooperation.

A TOUGHER TRADE POLICY

Finally, we need a tougher, more pragmatic trade policy.

As President Reagan himself recently said, "we cannot play innocents abroad in a world that is not innocent."

This is as true for trade policy as for anything else. Too often, we've tried to set free trade by example, in the quixotic hope that everybody else would follow along.

Well they haven't. Instead, they've practiced a kind of "new mercantilism," protecting their own markets and subsidizing the invasion of ours.

Some of these unfair trade practices are covered by our existing trade laws. But others are not.

So we have to update our laws, to bring them in line with the new global competition.

TRADE LAW MODERNIZATION ACT

That is what the legislation Senator HEINZ and I are introducing today, "The Trade Law Modernization Act," is designed to do. This omnibus legislation makes three sets of changes in existing law.

First, the TLMA injects Congress more forcefully into the trade policymaking process by establishing more specific policy and negotiating objectives and improving congressional oversight of the administration's progress achieving those objectives.

Second, the TLMA makes several overdue changes in U.S. trade law. Two of these changes revise our unfair trade laws to prohibit the most damaging forms new mercantilism—industrial targeting and natural resource subsidies. A third revises the section 201 "escape clause" to lower the injury standard, require conditionality, and otherwise make it a more useful tool for industrial adjustment.

Third, the TLMA makes a series of miscellaneous changes to improve our trade programs. For example, it improves our information gathering capability and increases the autonomy of our chief trade representative.

Mr. President, these changes are an aggressive but nonprotectionist response to the growing trade crisis. Basically, they refine our trade policy objectives and gives the administration the tools it needs to achieve them.

I hope that our colleagues review this legislation carefully and lend us their support.●

By Mr. SYMMS (for himself and Mr. MATSUNAGA):

S. 1357. A bill to encourage physicians' and surgeons' medical protection and indemnity associations; to the Committee on Finance.

PHYSICIANS' AND SURGEONS' MUTUAL PROTECTION AND INDEMNITY ASSOCIATIONS

Mr. SYMMS. Mr. President, today I have the pleasure of introducing a tax proposal to encourage the growth and development of physicians' and surgeons' mutual protection associations. These insurance associations have been organized and operated by physicians within the last 20 years as an alternative to commerical insurance. The pooling of insurance funds by association members provides lower cost medical malpractice insurance to these professionals. Lower cost malpractice insurance, in turn, creates the following advantages to all of us:

First, it reduces the pressure to raise medical fees;

Second, it encourages a greater number of physicians to establish competitive private practices;

Third, it allows physicians to purchase sufficient amounts of malpractice protection; and

Fourth, it encourages physicians to monitor the quality of medical care provided by members of their associations since they each have a direct and personal stake in successful malpractice claims.

BACKGROUND

Currently, over half of medical malpractice insurance is provided by these associations. Many physicians have been reluctant to join, however, because policyholders must make a substantial initial payment of capital upon joining an association in addition to paying the annual premium. This initial payment is required because the associations are self-insured and must, therefore, create a funding reserve sufficiently large to cover the actual risks of the associations' members.

Under current law, only premiums paid for physician malpractice insurance are deductible in the year they are paid or incurred. The premiums for commercial insurance tend to be substantially larger than premiums payable to the association, and the deductions for those premium payments to commercial insurers are larger. No deduction is allowed, however, for a contribution to the capital of the association. These capital contributions are arguably also taxable as income to the association in the year received or accrued.

DESCRIPTION OF THE BILL

In order to encourage membership in these associations and provide tax treatment which is balanced and comparable to the treatment of commercial mutual insurers, a solution was negotiated with the Department of Treasury and the predominant commercial malpractice insurers. This solution, which is embodied in the bill, matches the recognition of income in the same year that a deduction is taken and results in a nominal revenue cost to the Treasury. The proposal was successfully passed in the Senate last year as part of the Senate Deficit Reduction Act of 1984. It was dropped by the conference committee for reasons unrelated to the merits of the proposal.

The language of this legislation creates the following changes to the Internal Revenue Code of 1954:

1. The gross income of such associations would not include any payment made by a member of a qualified capital contribution upon joining the association.

2. A member would be permitted a deduction for his qualified capital contribution to the association as an expense incurred in a trade or business. That annual deduction would only be allowed to the extent of the amount which would be payable to an independent insurance company for similar coverage and would be further reduced by any annual dues to the association or premiums paid during that taxable year. Any excess payments not allowed as a deduction in the year paid could be carried forward and deducted in any of the taxpayer's five succeeding taxable years.

3. The exclusion from the association's gross income would not apply to the extent the member deducts his contribution to capital as a trade or business expense.

4. The amount of the capital contribution refunded to a member if he terminates membership in the association would be included in the member's gross income when received to the extent a prior deduction was obtained for the contribution.

5. These special rules would apply only to existing associations which provided medical malpractice liability protection under state laws prior to January 1, 1984.

6. The provision would apply to payments made to, and receipts of, mutual protection associations made after the date of enactment.

CONCLUSION

As a result of the escalation of jury awards in medical malpractice litigation, the cost of medical malpractice insurance coverage has skyrocketed. One sensible and constructive response to the crises caused by this cost escalation has been the adoption of special State insurance laws permitting the establishment of doctor-controlled mutual protection organizations to help reduce risks and to help lower the cost of malpractice protection. I encourage my colleagues to take the lead in promoting this sensible reform by cosponsoring and supporting this proposal to adopt the tax laws to the structure of these associations in a balanced and equitable manner.

I ask unanimous consent that a copy of that bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1357

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

PHYSICIANS' AND SURGEONS' MUTUAL PROTECTION AND INDEMNITY ASSOCIATIONS

(a) IN GENERAL.—Section 821 (relating to mutual insurance companies) is amended by redesignating subsection (f) as subsection (g) and by inserting after subsection (e) the following new subsection:

"(f) CERTAIN PHYSICIANS' AND SURGEONS' MUTUAL PROTECTION AND INDEMNITY ASSOCIATIONS.—

"(1) TREATMENT OF ASSOCIATIONS.—

"(A) CAPITAL CONTRIBUTIONS.—There shall not be included in the gross income of any eligible physicians' and surgeons' mutual protection and indemnity association any initial payment made during any taxable year to such association by a member joining such association which—

"(i) does not release such member from obligations to pay current or future dues, assessments, or premiums; and

"(ii) is a condition precedent to receiving benefits of membership. Such initial payment shall be included in gross income for such taxable year with respect to any member of such association who elects to deduct such payment pursuant to paragraph (2).

"(B) RETURN OF CONTRIBUTIONS.—

"(i) IN GENERAL.—The repayment to any member of any amount of any payment excluded under subparagraph (A) shall not be treated as policyholder dividend, and is not deductible by the association.

"(ii) SOURCE OF RETURNS.—Except in the case of the termination of a member's interest in the association, any amount distributed to any member shall be treated as paid out of surplus in excess of amounts excluded under subparagraph (A).

"(2) DEDUCTION ELECTION FOR MEMBERS OF ELIGIBLE ASSOCIATIONS.—

"(A) ELECTION TO TREAT PAYMENT AS TRADE OR BUSINESS EXPENSES.—To the extent not otherwise allowable under this title, any member of any eligible association may elect, with notice to and with the consent of such association with respect to such election, to treat any initial payment made during a taxable year to such association as an ordinary and necessary expense incurred in connection with a trade or business for purposes of the deduction allowable under section 162, to the extent such payment does not exceed the amount which would be payable to an independent insurance company for similar insurance coverage (as determined by the Secretary), and further reduced by any annual dues, assessments, or premiums paid during such taxable year. Any excess amount not allowed as a deduction for the taxable year in which such payment was made pursuant to the limitation contained in the preceding sentence shall, subject to such limitation, be allowable as a deduction in any of the 5 succeeding taxable years, in order of time, to the extent not previously allowed as a deduction under this sentence.

"(B) TIME OF ELECTION.—The election under subparagraph (A) shall be made upon joining the association, in a manner prescribed by the Secretary.

"(C) REFUNDS OF INITIAL PAYMENTS.—Any amount attributable to any initial payment to such association described in paragraph (1) which is later refunded for any reason shall be included in the gross income of the recipient in the taxable year received, to the extent a deduction for such payment was allowed. Any amount refunded in excess of such payment shall be included in gross income except to the extent otherwise excluded from income by this title.

"(3) ELIGIBLE ASSOCIATIONS.—The terms 'eligible physicians' and surgeons' mutual protection and interindemnity arrangement or association' and 'eligible association' mean and are limited to any mutual protection and interindemnity arrangement or association that provides only medical malpractice liability protection for its members and which—

(A) was operative and was providing such protection under the laws of any State prior to January 1, 1984;

(B) is not subject to regulation by any State insurance department;

(C) has a right to make unlimited assessments against all members to cover current claims and losses; and

(D) is not a member of, nor subject to protection by, any insurance guaranty plan or association of any State."

(1) IN GZNERAL.—The amendments made by this section shall apply to payments made to and receipts of physicians' and surgeons' mutual protection and indemnity associations, and refunds of payments by such associations, after the date of the enactment of this Act, in taxable years ending after such date.

Mr. MATSUNAGA. Mr. President, I am pleased to join with the distinguished Senator from Idaho [Mr. SYMMS] in reintroducting a proposal to encourage the development of physicians' and surgeons' mutual protection associations.

The growing number of legal claims against physicians has made commercial malpractice insurance often prohibitively expensive. Voluntary mutual self-insurance associations for physicians can provide a lower cost alternative to commercial malpractice insurance. These mutual protection associations have not been used to their full potential because their advantages over commercial insurance are nullified when physician members must make a nondeductible initial contribution to the capital of the association in addition to paying the annual premium.

This legislation embodies a compromise reached with the Treasury Department and commercial insurers last year to revise the tax treatment accorded to these associations. This proposal will make these associations commercially competitive in a manner that is revenue neutral. The following changes would be created in existing law:

First, the gross income of such associations will not include any payment made by a member as a qualified capital contribution upon joining the association.

Second, a member will be permitted a deduction for his qualified capital contribution to the association as an expense incurred in a trade or business.

Third, the above exclusion from the association's gross income will not apply to the extent the member deducts his contribution to capital as a trade or business expense.

Fourth, the amount of the capital contribution refunded to a member if he terminates membership in the association will be included in the member's gross income when received to the extent a prior deduction was obtained for the contribution.

Fifth, these special rules will apply only to existing associations which provided medical malpractice liability protection under State laws prior to January 1, 1984.

The provision would apply to payments made to, and receipts of, mutual protection associations made after the date of enactment. According to the Joint Committee on Taxation, the revenue effect of this provision would be less than $5 million annually. The proposal was successfully passed by the Senate last year as part of the Senate version of the Deficit Reduction Act of 1984 but was not adopted by the joint House-Senate conference committee for reasons unrelated to the merits of the proposal.

In conclusion, Mr. President, the proposal that Senator SYMMS and I offer today will make malpractice insurance available to physicians at a lower cost. Lower cost insurance will: First, reduce pressure to raise medical fees; second, encourage a greater number of physicians to establish competitive private practices; and third, allow physicians to purchase sufficient amounts of malpractice protection at a reasonable cost. Physicians will be encouraged to monitor the quality of medical care provided by members of

their associations since they would have a personal stake in successful malpractice claims. I urge my colleagues to support this bill, which provides for equitable treatment of mutual protection associations.

By Mr. METZENBAUM:

S. 1358. A bill to amend title 35 of the United States Code to provide for enforcement by the United States in certain cases; to the Committee on the Judiciary.

ANTITRUST ENFORCEMENT OF PATENT SETTLEMENTS

● Mr. METZENBAUM. Mr. President, I am introducing today legislation that will restore the ability of the Justice Department to enforce an important provision of the Patent Code which protects consumers from conspiracies by certain patent holders.

The Patent Office arbitrates disputes among inventors as to who rightfully owns the patent. Under section 135 of the Patent Code, where parties to a dispute reach a settlement, the settlement must be filed with the Government. The penalty for secretly agreeing to settle these disputes would be loss of the patent.

Section 135 was enacted because Congress believed that interference settlement negotiations too often resulted in anticompetitive arrangements whose impact and scope extended well beyond the confines of the particular interference settlement.

The House report on the bill commented that:

> Recent experience has indicated that parties have sometimes used these interference proceedings in derogation of the public interest, in that interference settlement agreements have been entered into for the purpose of restricting competition. The bill would make it more difficult for patent applicants and owners to use an interference settlement agreement as a means of secretly violating the antitrust laws.

Unfortunately, a recent court of appeals decision makes it much easier for firms to enter into secret agreements in violation of the antitrust law. In *United States* v. *FMC Corp.*, 717 f. 2d 775 (3d cir. 1983), the court held that the Government has no standing to sue to enforce this Patent Code provision.

Under this decision, section 135 only has the force of law if an infringer fortuitously raises this point in a private patent suit.

The legislation I am introducing today is quite simple: It overturns the FMC decision by allowing the Government to seek injunctive or declaratory relief to enforce the filing requirement, and prevent secret conspiracies to violate the antitrust laws.

I offered this proposal as an amendment to comprehensive patent legislation in the 99th Congress, but withdrew it at the request of the chairman of the Patent Subcommittee, Senator MATHIAS, with the assurance that hearings would be held in this Congress on this issue. I look forward to working with Senator MATHIAS and other members of the Patents Subcommittee on swift passage of this legislation.

I ask unanimous consent that a copy of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1358

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 135(c) of title 35 of the United States Code is amended by adding at the end thereof the following:

"The United States may bring an action for equitable or declaratory relief to enforce the provisions of this section."●

By Mr. LAUTENBERG (for himself, Mr. BRADLEY, Mr. DIXON, and Mr. SIMON):

S. 1359. A bill to amend the Urban Mass Transportation Act of 1964 to authorize funds for fiscal years 1986 through 1989, and for other purposes; to the Committee on Banking, Housing, and Urban Affairs.

NATIONAL MASS TRANSPORTATION ACT

● Mr. LAUTENBERG. Mr. President, today I am introducing legislation which will reaffirm the Federal Government's role in assisting with the provision of mass transit services across the Nation. I am joined in this effort by Senators BRADLEY, DIXON, and SIMON. A fundamental premise of this legislation is that mass transit deserves and requires Federal support.

Earlier this year, the administration sent its budget recommendations for mass transit to Congress. In its budget message, the administration was fairly direct. It said mass transit is not a national concern and that is State and local governments want to have buses, subways, and trains, they can pay for them. It said the Federal Government's job in mass transit was largely finished and that a cut in Federal support of 70 percent was reasonable. Fortunately, the Congress rejected that recommendation.

When the Senate considered the fiscal year 1986 budget, Mr. President, I offered an amendment to continue funding mass transit at fiscal year 1985 levels. It is still possible that the Conference on the Budget will arrive at that conclusion. I hope this is the case. The reductions in mass transit assumed by the Senate's budget presentation are less Draconian than the administration's, but they do set us on a path of abandoning the Federal role in mass transit.

Mr. President, we are introducing the National Mass Transportation Act of 1985 to make clear that we reject massive retrenchment in the Federal Government's role in this vital Federal, State, and local partnership. This legislation reaffirms that mass transit assistance is an essential part of a balanced national transportation policy and vital to the economies of cities and States throughout the Nation.

The National Mass Transportation Act of 1985 will make major changes in the manner in which mass transit assistance is disbursed to the States. First, the level of funding for capital and operating assistance will be increased. Second, the legislation will address the concern that all States should benefit from the portion of the gas tax set aside for mass transit by disbursing gas tax revenues by formula. Finally, the legislation will provide flexibility in the delivery of mass transit service.

FUNDING

Current funding from general revenues for the section 9 formula program for mass transit capital and operating assistance is $2.4 billion. General revenue support, under the legislation I am introducing today, would be $2.35 billion for fiscal year 1986, with 6-percent growth provided for in fiscal years 1987 through 1989. Thus, Mr. President, this legislation represents a continuing commitment to mass transit, but a restrained commitment out of general revenues. This is partially offset by an increase in the obligation ceiling for trust fund moneys, which are accumulating in the trust fund and are dedicated to the sole purpose of supporting mass transit.

The current level of funding out of the mass transit account of the highway trust fund is $1.1 billion per year. The Congressional Budget Office has indicated that the level of funds flowing into the mass transit account can support a significantly higher obligation ceiling. The National Mass Transportation Act would raise the funding ceiling for the mass transit account to $1.5 billion for each of fiscal years 1986 through 1989. While this figure is higher than current law, it is less than the amounts deemed sustainable by CBO.

FAIRNESS

Mr. President, since the passage of the Surface Transportation Assistance Act in 1982, there has been a constant attack on funding from the mass transit account for capital projects. Opponents of this program make the point that all States pay the gas tax, which is deposited in this account, but not all States can count on getting a share of these moneys. Proposals have been made to guarantee each State a minimum allocation of gas tax funding, and to allow funds to be used for highway projects at the discretion of the States. Such a proposal would undermine the very purpose of the mass transit account: to fund transit and only transit out of the special account.

Mr. President, each State should participate in a national mass transit program according to its need for mass

transit funding. That is the essential purpose of the formula program in section 9 of the Urban Mass Transportation Act. In recognition of that principle, the National Mass Transportation Act partially funds the section 9 formula program with gas tax revenues. General revenues are used for the balance of the section 9 program. The section 3 discretionary capital program, now funded by gas tax moneys, will be funded by general revenues. Funding for the section 18 program for capital and operating aid to small and rural communities would be funded out of the mass transit account. This realinement in funding sources for mass transit will assure that every State will be served by the program according to that State's need for mass transit services.

UNITARY AUTHORIZATION

Mr. President, under current law, each transit program authorized under the Urban Mass Transportation Act is treated separately by the Congress. The National Mass Transportation Act will tie these various programs together in an unitary authorization. This legislation specifies the percentage of mass transit spending which can be devoted to certain purposes. Under a unitary authorization, 21.2 percent of available capital funding in section 3 is devoted to rail modernization; 17 percent is devoted to new starts; 5.1 percent of section 3 funds would go to meet extraordinary bus needs; 51.4 percent of the overall funding would fund capital and operating needs in section 9, with 1.7 percent funding the section 18 small and rural community program.

NEW STARTS AND OPERATING ASSISTANCE

The National Mass Transportation Act provides for both new transit construction starts and operating assistance for existing systems. The act funds new starts out of general revenues. New starts would be evaluated by criteria to assure that they are cost effective and enjoy broad local support. Operating assistance, under this legislation, would continue to be funded out of general revenues, at a level of $375 million per year as specified in current law.

OTHER CHANGES TO CURRENT LAW

The National Mass Transportation Act will make additional programmatic and technical amendments to existing law to enhance flexibility in providing mass transit services. Midlife overhauls of rolling stock would be made an eligible capital expense. Sole source procurement of associated capital maintenance items would be allowed if the original rolling stock was purchased under competitive bid from the same manufacturer.

In the interest of putting interstate transfer transit projects on an equal footing with highway projects resulting from transfers, such sums as are necessary will be authorized for such projects between fiscal years 1986 to 1989. In addition, the inflation adjustment denied interstate transfer transit projects since 1982 would be restored.

Mr. President, the adoption of the National Mass Transportation Act of 1985 will lend much-needed stability to the Federal Mass Transit Assistance Program. This bill will not meet all the mass transit infrastructure needs in this country. This is a restrained approach to the problem. The American Public Transit Association estimates the need for mass transit improvements to be over $30 billion. Nevertheless, this legislation will provide a clear signal that the Federal Government will play a role in mass transit. Those who provide and use mass transit will know that, with the passage of this legislation, the Federal Government will continue to be a vital partner in providing mass transit options to our citizens.

Mr. President, I ask unanimous consent that the text of the bill, a section-by-section analysis, and a letter from the American Public Transit Association be included at this point in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 1359

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "National Mass Transportation Act of 1985".

TITLE I—URBAN MASS TRANSPORTATION

DISCRETIONARY GRANT LIMITATIONS

SEC. 101. Section 3(a) of the Urban Mass Transportation Act of 1964 is amended by adding at the end thereof the following:

"(7) In each fiscal year beginning after September 30, 1985—

"(A) not more than 21.2 per centum of the sums appropriated pursuant to section 21(a)(1)(B) shall be available for rail modernization projects authorized under this section;

"(B) not more than 17 per centum of the sums appropriated pursuant to section 21(a)(1)(B) shall be available for the development and construction of new fixed guideway systems authorized under this section; and

"(C) not less than 5.1 per centum of the sums appropriated pursuant to section 21(a)(1)(B) shall be available for the extraordinary bus and bus-related activities authorized under this section.".

NEW START CRITERIA

SEC. 102. (a) Section 3(a) of the Urban Mass Transportation Act of 1964 is amended by adding at the end thereof the following:

"(8) No grant or loan for construction of a new fixed guideway system or extension of any fixed guideway system may be made under this section unless the Secretary determines that the proposed project (A) is based on the results of an alternatives analysis and preliminary engineering, (B) is cost effective, and (C) is supported by an acceptable degree of local financial commitment, including evidence of stable and dependable funding sources to construct, maintain, and operate the system or extension. The Secretary shall issue guidelines that set forth the means by which the Secretary will evaluate cost effectiveness, results of alternatives analysis, and degree of local financial commitment. In making grants and loans under this section, the Secretary may also consider such other factors as the Secretary deems appropriate.".

(b) The amendment made by subsection (a) shall not apply to any letter of intent issued before the date of enactment of this Act under section 3(a)(4) of the Urban Mass Transportation Act of 1964.

REAPPORTIONMENT OF FORMULA FUNDS

SEC. 103. Section 5(o) of the Urban Mass Transportation Act of 1964 is amended—

(1) by inserting "originally" before "apportioned" the first place it appears;

(2) by striking out "October 1, 1982" and inserting in lieu thereof "October 1, 1983";

(3) by striking out "in such area or part" and inserting in lieu thereof "or reapportionment"; and

(4) by inserting "or which become available after October 1, 1985," after "October 1, 1985,".

INTERSTATE TRANSFER AUTHORIZATION

SEC. 104. Section 4(g) of the Urban Mass Transportation Act of 1964 is amended—

(1) by striking out "and $400,000,000 for the fiscal year ending September 30, 1986";

(2) by inserting "and" after "September 20, 1984,"; and

(3) by adding at the end thereof the following: "There are authorized to be appropriated for each of the fiscal years beginning after September 30, 1985, and ending before October 1, 1989, such sums as are necessary to carry out public transportation projects substituted for interstate segments withdrawn under section 103(e)(4) of title 23, United States Code.".

FORMULA FUNDS SOURCE ADJUSTMENT

SEC. 105. Section 9(a)(1) and section 9(a)(2) of the Urban Mass Transportation Act of 1964 are amended by striking out "under section 21(a) of this Act" each place it appears and inserting in lieu thereof "under section 21(a)(1)(A) of this Act and made available pursuant to section 21(a)(7) of this Act, and of the amount available for obligation under section 21(a)(2)(C)".

AVAILABILITY OF CONTRACT AUTHORITY

SEC. 106. (a) Section 9(a) of the Urban Mass Transportation Act of 1964 is amended by adding at the end thereof the following:

"(3) The funds made available for obligation under section 21(a)(2)(C) shall be available for apportionment by the Secretary in accordance with this section at the beginning of the fiscal year for which such funds are provided.".

(b) Section 18(a) of the Urban Mass Transportation Act of 1964 is amended by adding after the first sentence thereof the following: "The funds made available for obligation under section 21(a)(2)(D) shall be available for apportionment by the Secretary in accordance with this section at the beginning of the fiscal year for which such sums are provided.".

VEHICLE OVERHAUL

SEC. 107. (a) Section 3(a)(1)(B) of the Urban Mass Transportation Act of 1964 is amended by inserting "vehicle overhaul," after "acquisition, construction,".

(b) Section 9(j) of the Urban Mass Transportation Act of 1964 is amended by insert-

ing "vehicle overhaul," after "construction, improvement,".

(c) Section 12(c) of the Urban Mass Transportation Act of 1964 is amended by adding at the end thereof the following:

(1) by striking out "and" at the end of paragraph (10);

(2) by striking out the period at the end of paragraph (11) and inserting in lieu thereof "; and "; and

(B) by adding at the end thereof the following;

"(12) the term 'vehicle overhaul' means the renewal of rolling stock subsystems (whether or not such renewal increases the useful life of the rolling stock) after depletion of at least one-third of the rolling stock's useful life.".

FEDERAL SHARE

SEC. 108. Section 9(k)(1) of the Urban Mass Transportation Act of 1964 is amended by striking out "shall not exceed" in the first sentence and inserting in lieu thereof "shall be in an amount equal to".

SOLE SOURCE PROCUREMENTS

SEC. 109. Section 12(b) of the Urban Mass Transportation Act of 1964 is amended by adding at the end thereof the following:

"(3) When procuring associated capital maintenance items authorized under section 9(j) of this Act, a grantee may, without receiving a sole source justification from the Secretary, contract directly with the original manufacturer or supplier of the equipment or materials to be replaced if such equipment or materials were originally purchased under competitive bidding procedures which, in the judgment of the Secretary, were fair and reasonable. The grantee shall provide a written assurance to the Secretary that the price of such equipment or materials is not higher than the price charged to other similar purchasers.".

AUTHORIZATIONS

SEC. 110. Section 21(a) of the Urban Mass Transportation Act of 1964 is amended—

(1) by inserting "(A)" after "(a)(1)";

(2) in subsection (a)(1)(A), by striking out "and $3,050,000,000 for the fiscal year ending September 30, 1986,";

(3) in subsection (a)(1)(A), by inserting "and" after "September 30, 1984,";

(4) by inserting after subsection (a)(1)(A) the following:

"(B) There is hereby authorized to be appropriated to carry out the provisions of sections 3, 4(1), 8, 9, 16(b), and 18 of this Act not to exceed $2,350,000,000 for the fiscal year ending September 30, 1986, $2,491,000,000 for the fiscal year ending September 30, 1987, $2,640,000,000 for the fiscal year ending September 30, 1988, $2,798,000,000 for the fiscal year ending September 30, 1989. Funds appropriated under this subparagraph shall remain available until expended.";

(5) in subsection (a)(2)(B), by striking out "and $1,100,000,000 for fiscal year 1986,";

(6) in subsection (a)(2)(B), by inserting "and" after "fiscal year 1884,";

(7) by redesignating subsection (a)(2)(C) as subsection (a)(2)(B);

(8) by inserting before subsection (a)(2)(E) the following:

"(C) There shall be available from the Mass Transit Account of the Highway Trust Fund only to carry out section 9 of this Act $1,465,000,000 for each of the fiscal years 1986 through 1989.

"(D) There shall be available from the Mass Transit Account of the Highway Trust Fund only to carry out section 18 of this Act $35,000,000 for each of the fiscal years 1986 through 1989.";

(9) in subsection (a)(2)(E), by striking out "(A) and (B)" and inserting in lieu thereof "(A), (B), (C), and (D)";

(10) in subsection (a)(4), by striking out ", 1985 and 1986" and inserting in lieu thereof "and 1985";

(11) in subsection (a)(5), by striking out "1985, and 1986" and inserting in lieu thereof "and 1985,"; and

(12) by adding after subsection (a)(5) the following:

"(6) Of the funds available for obligation under paragraph (1)(B), $50,000,000 shall be used in each of fiscal years 1986, 1987, 1988, and 1989 for purposes of section 8 of this Act. Nothing herein shall prevent the use of additional funds available under this subsection for planning purposes.

"(7) In each of the fiscal years 1986, 1987, 1988, and 1989, 51.4 per centum of the amount appropriated from the general fund of the Treasury pursuant to paragraph (1)(B) of this subsection shall be available to carry out section 9 of this Act.

"(8) In each of the fiscal years 1986, 1987, 1988, and 1989, 1.7 per centum of the amount appropriated from the general fund of the Treasury pursuant to paragraph (1)(B) of this subsection shall be available to carry out section 18 of this Act.".

MISCELLANEOUS

SEC. 111. Section 21(b) of the Urban Mass Transportation Act is amended by striking out "and September 30, 1986" and inserting in lieu thereof "September 30, 1986, September 30, 1987, September 30, 1988, and September 30, 1989".

INTERSTATE TRANSFER ESCALATION

SEC. 112. (a) The second sentence of section 103(e)(4) of title 23, United States Code, is amended by striking out "or decrease, as determined by the Secretary based on charges in construction costs of the withdrawn route or portion thereof as of the date of approval of each substitute project under this paragraph, or the date of approval of the 1983 interstate cost estimate, whichever is earlier," and inserting in lieu thereof the following: ", as determined by the Secretary based on increases (if any) in the construction costs of the withdrawn route or portion thereof for the period beginning on January 1, 1984, and ending on the date of approval of each substitute project under this paragraph,".

(b) Section 107(c)(2) of the Surface Transportation Assistance Act of 1982 is amended—

(1) by inserting "(without regard to any increase described in such sentence)" after "the second sentence of such section"; and

(2) by striking out the period at the end thereof and inserting in lieu thereof the following: ", subject to increase, as determined by the Secretary based on increases (if any) in the construction costs of the withdrawn route or portion thereof for the period beginning January 1, 1984, and ending on the date of approval of each substitute project under section 103(e)(4) of title 23, United States Code.".

TITLE II—EXTENSION OF GAS TAX

EXTENSION OF TAXES ON MOTOR FUELS THROUGH FISCAL YEAR 1989

SEC. 201. (a) IN GENERAL.—

(1) DIESEL FUEL AND SPECIAL MOTOR FUELS.—

(A) IN GENERAL.—Paragraph (3) of section 4041(a) of the Internal Revenue Code of 1954 (relating to tax on diesel fuel and special motor fuels) is amended by striking out "October 1, 1988" and inserting in lieu thereof "October 1, 1991".

(B) CONFORMING AMENDMENTS.—

(i) Subparagraph (C) of section 4041(b)(2) of such Code relating to exemption for qualified methanol and ethanol fuel) is amended by striking out "October 1, 1988" and inserting in lieu thereof "October 1, 1991".

(ii) Paragraph (3) of section 4041(f) of such Code (relating to exemption for farm use) is amended by striking out "October 1, 1988" and inserting in lieu thereof "October 1, 1991".

(iii) Section 4041(g) of such Code (relating to other exemptions) is amended by striking out "October 1, 1988" and inserting in lieu thereof "October 1, 1991".

(2) GASOLINE.—Subsection (b) of section 4081 of such Code (relating to imposition of tax on gasoline) is amended by striking out "October 1, 1988" and inserting in lieu thereof "October 1, 1991".

(b) CONFORMING AMENDMENTS TO HIGHWAY TRUST FUND.—Section 9503 of such Code (relating to highway trust fund) is amended—

(1) by striking out "October 1, 1988" each place it appears and inserting in lieu thereof "October 1, 1991",

(2) by striking out "October 1, 1988" in the heading of subsection (b)(2) and inserting in lieu thereof "October 1, 1991",

(3) by striking out "September 30, 1988" in subsection (b)(2) and inserting in lieu thereof "September 30, 1991",

(4) by striking out "July 1, 1989" each place it appears and inserting in lieu thereof "July 1, 1992", and

(5) by striking out "1988" in the heading of subsection (c)(3) and inserting in lieu thereof "1991".

(c) OTHER CONFORMING AMENDMENTS.—

(1) Section 4221(a) of such Code (relating to certain tax-free sales) is amended by striking out "October 1, 1988" and inserting in lieu thereof "October 1, 1991".

(2) Subsection (a)(1) of section 6412 of such Code (relating to floor stock refunds) is amended—

(A) by striking out "October 1, 1988" each place it appears and inserting in lieu thereof "October 1, 1991",

(B) by striking out "March 31, 1989" each place it appears and inserting in lieu thereof "March 31, 1992", and

(C) by striking out "January 1, 1989" and inserting in lieu thereof "January 1, 1992".

(3) Subsection (h) of section 6420 of such Code (relating to gasoline used on farms) is amended by striking out "October 1, 1988" and inserting in lieu thereof "October 1, 1991".

(4) Subsection (h) of section 6421 of such Code (relating to gasoline used for certain nonhighway purposes or by local transit systems) is amended by striking out "October 1, 1988" and inserting in lieu thereof "October 1, 1991".

(5) Subsection (m) of section 6427 of such Code (relating to fuels not used for taxable purposes) is amended by striking out "October 1, 1988" and inserting in lieu thereof "October 1, 1991".

SECTION-BY-SECTION ANALYSIS—TITLE 1 OF THE NATIONAL MASS TRANSPORTATION ACT OF 1985

SECTION 101—DISCRETIONARY GRANT LIMITATIONS

Section 101 would amend section 3 of the Urban Mass Transportation Act of 1964, as amended, to establish statutory ceilings on the percentage of section 3 urban discretionary grant funds that the Secretary of Transportation could award from any given fiscal

year's appropriation for rail modernization projects, new rail starts and rail extensions. Section 101 would also establish a statutory floor for extraordinary bus and bus-related activities.

The section reflects a change in the funding source for the discretionary grant program from the Mass Transit Account of the Highway Trust fund to the general fund of the Treasury. The altered funding source is more thoroughly described below under section 109 of this Act.

If funded to the fully authorized level, the proposed statutory ceiling set forth in section 101 would restrict the amount of Fiscal Year 1986 discretionary grant funds to $498,200,000 for rail modernization projects, and $399,500,000 for new rail starts. Section 101 would set a floor of $119,850,000 for extraordinary bus activities.

SECTION 102—NEW START CRITERIA

Section 102(a) would amend section 3 of the Urban Mass Transportation Act of 1964, as amended, to set forth criteria to be applied by the Secretary in evaluating proposed new start projects. This section would prohibit the Secretary from approving a grant application for a proposed new start project unless the project (1) is based on the result of an alternative analysis and preliminary engineering, (2) is cost-effective, and (3) has a high level of local commitment.

Section 102(b) would exempt projects covered by letters of intent issued prior to the enactment of this Act for criteria prescribed in section 102(a).

SECTION 103—REAPPORTIONMENT OF FORMULA FUNDS

Section 103 is a technical amendment that would correct section 5 of the Urban Mass Transportation Act of 1964, as amended. Section 5(o) generally provides for section 5 urban formula grant funds to be reapportioned under the urban formula grant program set forth in section 9 of the Urban Mass Transportation Act of 1964, as amended, after the period of availability for these funds expires. However, under current law, Fiscal Year 1983 funds would continue to recycle under the section 5 program. This technical amendment would require Fiscal Year 1983, like all other section 5 funds, to be reapportioned under the section 9 program upon expiration of the initial section 5 period of availability.

SECTION 104—INTERSTATE TRANSFER AUTHORIZATION

Section 104 would extend through Fiscal Year 1989 the funding authorizations set forth in section 4(g) of the Urban Mass Transportation Act of 1964, as amended, for the interstate transfer program established under section 103(e)(4) of title 23, United States Code. Section 104 would authorize such sums as are necessary for Fiscal Years 1986 through 1989.

SECTION 105—FORMULA FUNDS SOURCE ADJUSTMENT

Section 105 would amend section 9(a)(1) and 9(a)(2) of the Urban Mass Transportation Act of 1964, as amended, to reflect both general revenues and Mass Transit Account funds as sources of the section 9 urban formula grant program are more fully described under the amendments made by section 108 of this Act to section 21 of the Urban Mass Transportation Act of 1964, as amended.

SECTION 106—AVAILABILITY OF CONTRACT AUTHORITY

Section 106(a) would amend section 9(a) of the Urban Mass Transportation Act of 1964 as amended, to emphasize the Secretary's authority to apportion, at the beginning of each fiscal year, funds made available for that fiscal year from the Mass Transit Account of the Highway Trust Fund for the section 9 urban formula grant program. Section 106(b) would provide a parallel amendment to section 18(a) of the Urban Mass Transportation Act of 1964, as amended, for the section 18 small urban and rural transportation program.

SECTION 107—MID-LIFE OVERHAUL

Section 107 would clarify that the renewal of rolling stock subsystems is an eligible capital expense under the Section 9 formula grant program. This section is intended to apply to overhauls that, in cost, exceed one percent of the original purchase price of the rolling stock to be overhauled provided that the overhaul occur after one-third of the useful life of the rolling stock expires. Section 107 would provide for the capitalization of vehicle renewal without regard to whether the renewal extended the useful life of the rolling stock. It has been assumed for the purposes of this section that the anticipated useful life for buses is at least 12 years, the useful life for rolling stock used primarily in commuter rail service is at least 25 years, and the useful life of rolling stock used in regular transit service is at least 30 years.

SECTION 108—SOLE SOURCE PROCUREMENTS

Section 108 would enable an UMTA grantee to purchase associated capital maintenance items authorized under section 9(j) of the Act through sole source procurements if the grantee was purchasing such items from the original manufacturer of the rolling stock for which the items were to be used. The original rolling stock would have to have been purchased in accordance with federal procurement procedures.

SECTION 109—PROGRAM FUNDING AUTHORIZATION

Sections 109(a)(1), 109(a)(2) and 109(a)(3) would amend section 21(a)(1) of the Urban Mass Transportation Act of 1964, as amended, to redesignate the existing paragraph (1) as paragraph (1)(A) and to eliminate from the new paragraph (1)(A) the funding authorization for Fiscal Year 1986 for the section 9 urban formula grant program and the section 18 small urban and rural transportation program.

Section 109(a)(4) would create a new section 21(a)(1)(B). This new section would provide a unitary funding authorization for the section 3 urban discretionary grant program, the section 4(i) program for the implementation of innovative methods of techniques in the provision of transportation services, the section 8 planning program, the section 8 urban formula grant program, the section 16(b) program for the provision of transportation services for elderly and handicapped persons and the Section 18 program for small urban and rural transportation. The authorization for Fiscal Years 1986 through 1989 would total $10,279,000,000 from the general fund of the Treasury. Of the amount appropriated pursuant to these authorizations in each year, 51.4 percent shall be available for the section 9 urban formula grant program; not more than 38.2 percent shall be available for section 3 urban discretionary grants for rail modernization projects and new start projects, not less than 5.1 percent shall be available for Section 3 urban discretionary grants for extraordinary bus and bus-related projects; 1.7 percent shall be available for Section 18 small urban and rural transportation projects; and not less than 2.2 percent shall be available for the section 8 planning program.

Section 109(a)(5) and 109(a)(6) would eliminate the Fiscal Year 1986 authorization from the Mass Transit Account for the discretionary grant program to reflect the change in the funding source for the section 3 program.

Section 109(a)(7) and 109(a)(8) and 109(a)(9) create contract authority from the Mass Transit Account of the Highway Trust Fund for the section 9 urban formula grant program and for the section 18 small urban and rural transportation program.

A new Section 21(l)(2)(C) would authorize $1,465,000,000 in contract authority in Fiscal Year 1986 through 1989 to supplement the general fund revenues authorized and appropriated pursuant to section 21(a)(1)(B) for the section 9 urban formula grant program. A new section 21(a)(2)(D) would authorize $35,000,000 in Fiscal Years 1986 through 1989 to supplement the general fund revenues authorized and appropriated pursuant to Section 21(a)(1)(B) for the section 18 program. Section 109(a)(10) would amend the general fund authorizations for section 18 to correspond to the altered program funding source set forth in section 21(a)(2)(D).

Section 109(a)(11) and 109(a)(12) would specify a minimum of 2.2 percent of the section 21(a)(a)(A) unitary authorization that must be used for the section 8 planning program. Section 109(a)(12) would also create a new section 21(a)(7) which would set aside 51.4 percent at the unitary authorization for the section 9 formula grant program.

SECTION 110—MISCELLANEOUS AUTHORIZATION

Section 110 would extend authorizations through Fiscal Year 1989 for the section 6 research and development program, the section 10 training grant program, the section 11(a) university grant program, the section 20 human resources program, and section 12(a) administrative expenses. This section would authorize $90 million for these activities in each fiscal year beginning with Fiscal Year 1986 and ending in Fiscal Year 1989.

AMERICAN PUBLIC TRANSIT ASSOCIATION,
Washington, DC, June 25, 1985.

Hon. FRANK R. LAUTENBERG,
Hart Senate Office Building,
Washington, DC.

DEAR SENATOR LAUTENBERG: Thank you for sharing with us a draft of the proposed National Mass Transportation Act of 1985.

We congratulate you on your initiative and applaud the clear intent of the legislation: to strengthen the federal government's commitment to mass transit services. It is especially welcome at this time when the Reagan Administration would have the federal government virtually withdraw from the 20-year-old intergovernmental partnership that has enhanced quality transit services.

We were pleased to note that the proposed legislation seeks to accomplish a number of important objectives including retention of the discretionary grant program at an appropriate funding level and continued support for the formula grant program, including operating/maintenance assistance.

We expect to evaluate the proposal further and take it to the attention of our Legislative Committee when it meets in the near future.

Once again, thank you for your continued support of mass transit services. We are

grateful for your advocacy and look forward to working with you and your staff in the furtherance of the goals we share.

With appreciation and warm regards I am,

Sincerely,

JACK R. GILSTRAP.●

ADDITIONAL COSPONSORS

S. 27

At the request of Mr. MOYNIHAN, the name of the Senator from New Jersey [Mr. BRADLEY] was added as a cosponsor of S. 27, a bill to provide for the conservation, rehabilitation, and improvement of natural and cultural resources located on public or Indian lands, and for other purposes.

S. 239

At the request of Mr. THURMOND, the names of the Senator from Nevada [Mr. LAXALT], and the Senator from South Dakota [Mr. PRESSLER] were added as cosponsors of S. 239, a bill to establish constitutional procedures for the imposition of the sentence of death, and for other purposes.

S. 402

At the request of Mr. PRESSLER, the names of the Senator from Ohio [Mr. METZENBAUM], and the Senator from Vermont [Mr. STAFFORD] were added as cosponsors of S. 402, a bill to amend the Communications Act of 1934 to provide for specialized equipment for telephone service to certain disabled persons.

S. 627

At the request of Mr. DOMENICI, the name of the Senator from Utah [Mr. HATCH] was added as a cosponsor of S. 627, a bill to promote and expand the vitality of the U.S. copper industry.

S. 670

At the request of Mr. PELL, the name of the Senator from Massachusetts [Mr. KERRY] was added as a cosponsor of S. 670, a bill to amend the National Labor Relations Act to give employers and performers in the performing arts rights given by section 8(e) of such act to employers and employees in similarly situated industries, and to give to employers and performers in the performing arts the same rights given by section 8(f) of such act to employers and employees in the construction industry, and for other purposes.

S. 987

At the request of Mr. EXON, the names of the Senator from Illinois [Mr. DIXON], the Senator from Nebraska [Mr. ZORINSKY], the Senator from Pennsylvania [Mr. HEINZ], the Senator from Michigan [Mr. RIEGLE], and the Senator from Kentucky [Mr. FORD] were added as cosponsors of S. 987, a bill to recognize the organization known as the Daughters of Union Veterans of the Civil War 1861–1865.

S. 1073

At the request of Mr. ROCKEFELLER, the name of the Senator from Hawaii [Mr. INOUYE] was added as a cosponsor of S. 1073, a bill to amend the Stevenson-Wydler Technology Innovation Act of 1980 for the purpose of improving the availability of Japanese science and engineering literature in the United States, and for other purposes.

S. 1084

At the request of Mr. GOLDWATER, the names of the Senator from West Virginia [Mr. BYRD], and the Senator from Georgia [Mr. NUNN] were added as cosponsors of S. 1084, a bill to authorize appropriations of funds for activities of the Corporation for Public Broadcasting, and for other purposes.

S. 1097

At the request of Mr. DANFORTH, the name of the Senator from North Dakota [Mr. ANDREWS], was added as a cosponsor of S. 1097, a bill to amend the Motor Vehicle Information and Cost Savings Act to provide for the appropriate treatment of methanol.

S. 1181

At the request of Mr. HATCH, the names of the Senator from Maryland [Mr. SARBANES], and the Senator from Maine [Mr. COHEN] were added as cosponsors of S. 1181, a bill to establish a program for the provision of home and community based services to elderly individuals.

S. 1199

At the request of Mr. BOREN, the name of the Senator from Oklahoma [Mr. NICKLES], was added as a cosponsor of S. 1199, a bill to implement certain reforms with regard to bank liquidations, and for other purposes.

S. 1206

At the request of Mr. ROTH, the names of the Senator from Washington [Mr. GORTON], the Senator from Missouri [Mr. EAGLETON], the Senator from Pennsylvania [Mr. HEINZ], and the Senator from New Jersey [Mr. LAUTENBERG] were added as cosponsors of S. 1206, a bill to require the Director of the Office of Management and Budget to prepare and transmit to the Congress a comprehensive report and plan on the reorganization, restructuring, consolidation, or realignment of Federal field offices, and for other purposes.

S. 1223

At the request of Mr. SASSER, his name was added as a cosponsor of S. 1223, a bill to authorize the erection of a memorial on Federal land in the District of Columbia or its environs to honor members of the Armed Forces of the United States who served in the Korean War.

S. 1233

At the request of Mr. DOLE, the names of the Senator from Maine [Mr. COHEN], and the Senator from Vermont [Mr. STAFFORD] were added as cosponsors of S. 1233, a bill to amend the Animal Welfare Act to ensure the proper treatment of laboratory animals.

S. 1312

At the request of Mr. PRESSLER, the names of the Senator from South Dakota [Mr. ABDNOR], and the Senator from Montana [Mr. MELCHER] were added as cosponsors of S. 1312, a bill to provide that the Federal Communications Commission review the proposed acquisition of television networks to ensure such acquisitions are in the public interest, and for other purposes.

S. 1335

At the request of Mr. THURMOND, the name of the Senator from Kentucky [Mr. MCCONNELL] was added as a cosponsor of S. 1335, a bill entitled the "Money Laundering and Related Crimes Act of 1985."

SENATE JOINT RESOLUTION 102

At the request of Mr. ZORINSKY, the name of the Senator from Mississippi [Mr. COCHRAN] was added as a cosponsor of Senate Joint Resolution 102, a joint resolution to establish a National Commission on Illiteracy.

SENATE JOINT RESOLUTION 132

At the request of Mr. DANFORTH, the name of the Senator from Nebraska [Mr. ZORINSKY] was added as a cosponsor of Senate Joint Resolution 132, a joint resolution designating October 1985, as "National Head Injury Awareness Month."

SENATE JOINT RESOLUTION 139

At the request of Mr. HATCH, the names of the Senator from Rhode Island [Mr. CHAFEE], the Senator from Tennessee [Mr. SASSER], the Senator from Arkansas [Mr. PRYOR], and the Senator from Texas [Mr. BENTSEN] were added as cosponsors of Senate Joint Resolution 139, a joint resolution to designate the week of December 1, 1985 through December 7, 1985, as "National Home Care Week."

SENATE JOINT RESOLUTION 147

At the request of Mr. HATCH, the names of the Senator from Georgia [Mr. NUNN], the Senator from Rhode Island [Mr. CHAFEE], the Senator from New Jersey [Mr. BRADLEY], the Senator from Kansas [Mr. DOLE], the Senator from South Carolina [Mr. HOLLINGS], the Senator from Arizona [Mr. DECONCINI], the Senator from Nebraska [Mr. ZORINSKY], the Senator from Illinois [Mr. DIXON], the Senator from Rhode Island [Mr. PELL], the Senator from North Carolina [Mr. HELMS], the Senator from Indiana [Mr. LUGAR], the Senator from Missouri [Mr. DANFORTH], and the Senator from California [Mr. WILSON] were added as cosponsors of Senate Joint Resolution 147, a joint resolution to designate a calendar week in 1985 as "National Infection Control Week."

SENATE CONCURRENT RESOLUTION 46

At the request of Mr. ANDREWS, the names of the Senator from New Mexico [Mr. DOMENICI], the Senator from Oregon [Mr. HATFIELD], the Sen-

ator from Connecticut [Mr. DODD], and the Senator from Louisiana [Mr. LONG] were added as cosponsors of Senate Concurrent Resolution 46, a concurrent resolution to express the sense of the Congress regarding Americans missing in Southeast Asia.

SENATE RESOLUTION 178

At the request of Mr. EVANS, the name of the Senator from Iowa [Mr. HARKIN] was added as a cosponsor of Senate Resolution 178, a resolution to urge the Administrator of the National Highway Traffic Safety Administration to retain the current automobile fuel economy standard.

SENATE RESOLUTION 186—CALLING FOR A TREATY ON THE PREVENTION AND RESPONSE TO TERRORISM AMONG DEMOCRATIC NATIONS

Mr. D'AMATO submitted the following resolution; which was referred to the Committee on Foreign Relations.

S. RES. 186

Whereas acts of terrorism are a direct threat to Democracies across the globe and a threat to world order;

Whereas most terrorist attacks are directed at free and open democracies in an effort to destabilize those societies;

Whereas any act of terrorism is a violation of international and domestic law;

Whereas the United States is the most frequent target of terrorist attacks, accounting for almost 40 percent of all such attacks in 1983;

Whereas there were 625 terrorist attacks in 1984, up 30% from the previous year, with 250 such attacks in Western Europe alone;

Whereas terrorism is increasingly becoming state sponsored by such nations as Libya, Iran, Syria, and Bulgaria;

Whereas international terrorism is linked to international arms and drug trafficking;

Whereas the first half of 1985 has witnessed a dramatic increase in terrorism; and

Whereas the United States, as the leader of the free world, must take the lead against international terrorism: Now, therefore, be it

Resolved, That it is the sense of the Senate that the President of The United States should establish a process by which democratic and open societies of the world, which are those most plagued by terrorism, negotiate a viable treaty to effectively prevent and respond to terrorist attacks; and be it further resolved that such a treaty should incorporate an operative definition of terrorism, and should establish integrated intelligence operations, joint counterterrorist efforts, and uniform laws on asylum, extradition, and punishment for perpetrators of terrorism; and be it further

Resolved, That signators for such a treaty should include, but not be limited to, those Democratic nations who are most victimized by terrorism, and be it further

Resolved, That the Secretary of the Senate shall transmit a copy of this resolution to the President.

● Mr. D'AMATO. Mr. President, I rise today to offer my colleagues an opportunity to better respond to the incredible outbreak of international terrorism that now plagues this Nation and our allies abroad. The current tragedy in Beirut is but a symptom of the cancerous growth of terrorism. Congress must recognize that terrorism is an act of war, and, in so doing, provide the President the support he must have to win this war.

The resolution I am introducing today strongly urges the President to immediately begin negotiating a treaty with our allies, who also are all too often victims of terrorism, to prevent and respond to future terrorist attacks. This treaty would incorporate an operative definition of terrorism, would provide for coordinated intelligence operations and joint counterterrorism efforts, and would establish uniform laws on asylum, extradition, and punishment for perpetrators of terrorism.

Although there already is some cooperation between the United States and our allies against terrorism, it is not nearly enough. I believe it is necessary, not only for the NATO allies, but for all freedom loving democratic nations, to bind together to defend ourselves against this ruthless and arbitrary form of war known as terrorism. A treaty among these nations would provide the necessary deterrence and response to terrorism that so far has been lacking.

An overwhelming number of terrorist acts are targeted against the United States and our allies. Although relatively few acts of terrorism occur in North America, over 600 such acts were committed overseas in 1984. Of this number, 163 attacks were against U.S. personnel or institutions, causing over 30 deaths and 70 injuries. In 1984, more terrorist acts occurred in Western Europe than in any other part of the world. It is clear that the targets of this new and particularly brutal wave of terrorism are the open and democratic societies.

Claire Sterling, one of the foremost authorities on terrorism, clearly stated the motives of terrorists:

> The terrorists primary value * * * lay in their resolute efforts to weaken and demoralize, confuse, humiliate, frighten, paralyze, and if possible dismantle the West's democratic societies.

In a recent statement, the President accurately described the problem:

> The war which terrorists are waging is not only directed against the United States, it is a war against all of civilized society. This is a war in which innocent civilians are intentional victims and our servicemen have become specific targets.

The time has come for the targets of terrorist designs to come together and to effectively repel this clandestine war of atrocities against the innocent.

Israel and some western European nations unilaterally have had some success against terrorism. However, a unified and coordinated effort by democratic countries would significantly improve antiterrorist measures, while sending a strong signal to the international terrorist network that our open societies will no longer be easy victims.

Although a worldwide treaty on terrorism would be ideal, I believe it is unfeasible during this time of tension between East and West and North and South. We should not waste our effort on a treaty that is too broad and that would hypocritically include nations who support terrorism. It is in the collective best interest of the United States and our democratic allies to reach a decisive and resolute agreement among ourselves to combat terrorism.

The urgency of such a treaty is forced by the emergence of state-supported and state-sponsored terrorism. The links between terrorist movements and nations such as Libya, Iran, Syria, Bulgaria, and the Soviet Union are strong and undeniable. The terrorist no longer is simply a wild-eyed maniac operating within an independent extremist organization. As a new form of war, terrorist acts, especially those acts perpetrated by sovereign nations, must be treated as acts of war. The redefinition of terrorism as a new form of war will better give nations the right, under international law, to more effectively retaliate against terrorism.

I strongly urge my colleagues to join me on this most important resolution. If we send a strong and collective voice of support for this international effort to prevent and respond to terrorism, I believe the administration will work hard to initiate and successfully deliver a treaty on terrorism for the Senate to ratify.●

NOTICES OF HEARINGS

SUBCOMMITTEE ON PUBLIC LANDS, RESERVED WATER AND RESOURCE CONSERVATION

Mr. WALLOP. Mr. President, the Public Lands, Reserved Water and Resource Conservation Subcommittee will conduct an oversight hearing on July 18, 1985, in Washington, DC. The subcommittee will receive testimony from the administration and the public on:

First, the future of the National Park System, second, the report of the Conservation Foundation entitled "National Parks for a New Generation", and third, travel and tourism effects on the National Park System.

The hearing will be held in room SD-366, Dirksen Senate Office Building, Washington DC at 10 a.m. Those wishing to testify should contact the Subcommittee on Public Lands, Reserved Water and Resource Conservation of the Committee on Energy and Natural Resources, room SD-308, Dirksen Senate Office Building, Washington DC 20510, phone (202) 224-0613. Those wishing to testify should

sign up no later than Tuesday, July 16, 1985.

Oral testimony may be limited to 5 minutes per witness. Written statements may be longer. Witnesses may be placed in panels, and are requested to submit 25 copies of their testimony 24 hours in advance of the hearing, and 50 copies on the day of the hearing.

For further information, please contact Mr. Tony Bevinetto of the subcommittee staff at (202) 224-5161.

AUTHORITY FOR COMMITTEES TO MEET

SUBCOMMITTEE ON ENERGY RESEARCH AND DEVELOPMENT

Mr. DOLE. Mr. President, I ask unanimous consent that the Committee on Energy Research and Development of the Committee on Energy and Natural Resources be authorized to meet during the session of the Senate on Tuesday, June 25, to hold a hearing on S. 1225, the Price Anderson Act Amendments Act of 1985.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON FINANCE

Mr. DOLE. Mr. President, I ask unanimous consent that the Subcommittee on Finance be authorized to meet during the session of the Senate on Tuesday, June 25, at 3:15 p.m., to hold a hearing on the nomination of Clayton Yeutter, to be U.S. Trade Representative.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

1984 ROLLCALL OF HEROES

● Mr. HEINZ. Mr. President, I rise today for a most solemn and sober purpose. On behalf of the Fraternal Order of Police, I would like to take this opportunity to pay tribute to the 142 law enforcement officials who lost their lives last year while diligently performing their duties. More than half of these deaths were the result of felonious assault; the rest were caused by tragic accidents and mishaps. Although the cause of death may have varied from officer to officer, the quality of the conscientious service they rendered did not. For these dedicated men and women, and for the officers who gave their lives in years past, we express our deepest thanks for their great courage and willingness to go to such lengths to protect our citizens and communities.

The finest public servants and the most outstanding citizens make up our country's police forces. They are the individuals who man the thin blue line that protects law-abiding citizens from injury and loss of property and life. I can only hope that the recognition we give here today will help their families and friends to realize that these officers did not die in vain.

Since 1969, FOP National Chaplain Virgil D. Penn, Jr. has conscientiously gathered a list of slain officers from around the country who perished during the previous year. Known as the "Rollcall of Heroes," it is an acknowledgement of their sacrifice and a small way for us to give support to their families and loved ones who must carry on with their own lives, notwithstanding their—and our—tragic loss.

Mr. President, I ask that the remarks of Chaplain Penn be placed in the RECORD, along with the National Police Prayer and the list of slain officers, the "Rollcall of Heroes."

The material follows:

1984 ROLL CALL OF HEROES

Once again it is my duty to report the deaths by felonious assault of 72 Law Enforcement Officers who lost their lives while protecting the citizens of the United States of America. In addition to this tragic toll, 70 others lost their lives due to accidents, fires and other incidents. Our hearts go out to the families and friends of the deceased Officers. We must continue to put forth a greater effort in training and providing modern equipment in order to protect those who carry on the duties of our Brother and Sister Officers.

It is disheartening to all the good citizens of America when criminals who commit these henious crimes are not given the penalties they deserve. All of our laws originated from the Ten Holy Commandments given to Moses by God. I can find no reference in the Scriptures concerning unwarranted plea bargaining, appeals, paroles, pardons and other devious techniques and loopholes that enable the felons to return to the streets and plague the law abiding citizens. It is time to reevaluate the apathetic system so that the victims of crime are given the rights and protection that they deserve.

We are deeply indebted to the Senate and Congress of the United States for the concern that they have displayed in listening to our woes and for the laws they have enacted to support the Fraternal Order of Police and all Law Enforcement Officers in America and our territories. We appreciate the efforts of Senator John Heinz of Pennsylvania and thank him for the respect and honor he has bestowed upon us by submitting this report to this August body.

Following is a list of Law Enforcement Officers who paid the supreme sacrifice while assuring peace and safety to the good people of the United States. We thank all of you and may the good Lord shower his blessings upon you and yours.

Respectfully submitted.

VIRGIL D. PENN, Jr.,
National Chaplain.

Law enforcement officers killed accidentally—1984

[Date of death, name of victim officer, address of victim officer's agency]

Name and address	*Date of death*
Patrolman Robert C. Reimann, Jr., Highland Park Police Department, 1677 Old Deerfield Road, Highland Park, Illinois 60035	1/6/84
Trooper Robert John Chab, Nebraska State Patrol, 14th and Burnham, Lincoln, Nebraska 68509-4907	1/6/84
Sergeant John Charles Hawley, Elmira Police Department, 317 East Church Street, Elmira, New York 14901-2795	1/8/84
Patrolman Robert Dennis Edwards, West Palm Beach Police Department, Box 1390, West Palm Beach, Florida 33401	1/21/84
Officer Dorelle C. Brandon, Chicage Police Department, 1121 South State Street, Chicago, Illinois 60605	1/25/84
Trooper Edward R. Errickson, New Jersey State Police, Post Office Box 7068, West Trenton, New Jersey 08625	1/25/84
Chief Alfred Floyd Burden, Kerens Police Department, Kerens, Texas 75144	1/28/84
Officer Kenneth E. Campbell, City of Phoenix Police Department, 620 West Washington Street, Phoenix, Arizona 85003.	1/29/84
Deputy Sheriff William H. Givens, McDonald County Sheriff's Department, Pineville, Missouri 64856	2/4/84
Sergeant John J. Collins, Chicago Police Department, 1121 South State Street, Chicago, Illinois 60605	2/7/84
Officer Noel Smith, New Orleans Police Department, 715 South Broad Street, New Orleans, Louisiana 70119	2/8/84
Chief William Edward Lott, Jr., Ruleville Police Department, Post Office Box 128, Ruleville, Mississippi 38771	2/14/84
Officer Warren Narcisse, Jr., New Iberia Police Department, Post Office Box 387, New Iberia, Louisiana 70561-0387	2/28/84
Sergeant John H. Gilbert, Brockton Police Department, 7 Commercial Street, Brockton, Massachusetts 02402	3/8/84
Deputy Charles Harmon Dickey, Jr., Cache County Sheriff's Office, Post Office Box 3658, 50 West 200 North, Logan, Utah 84321	3/18/84
Officer John C. Thomas, III, Norfolk Police Department, Post Office Box 358, Norfolk, Virginia 23501	4/4/84
Lieutenant Carl R. Dabadie, Baton Rouge Police Department, Post Office Box 2406, 300 North Boulevard, Baton Rouge, Louisiana 70821	4/6/84
Officer Sharon Kaye Robinson, Patrolman Marcus Lawrence Reid, Birmingham Police Department, 710 North 20th Street, Birmingham, Alabama 35203	4/7/84
Officer Errol Canfield Hawkins, City of Phoenix Police Department, 620 West Washington Street, Phoenix, Arizona 85003	4/24/84
Officer Robert Leon Polmanteer, City of Phoenix Police Department, 620 West Washington Street, Phoenix, Arizona 85003	5/4/84

Name and address	Date of death
Patrolman George Robert Banfield, Conemaugh Township Police Department, Post Office Box 72, Tire Hill, Pennsylvania 15959	5/12/84
Lieutenant Robert Talmadge Hicks, Middlesex County Sheriff's Department, Box 514, Saluda, Virginia 23149	5/20/84
Corporal Edgar Blaine Rains, Jr., Northglenn Police Department, 11701 Community Center Drive, Northglenn, Colorado 80233	5/30/84
Resident Deputy Sheriff Errol Jack Rogers, Del Norte County Sheriff's Office, 650 5th Street, Crescent City, California 95531.	6/7/84
Deputy Sheriff Stuart J. Searles, Sauk County Sheriff's Department, Route 1, Box 290, Baraboo, Wisconsin 53913	6/10/84
Patrolman Ralph J. DeSalle, Youngstown Police Department, 116 West Boardman Street, Youngstown, Ohio 44503	6/13/84
Patrolman Donald Ray Williams, West Point Police Department, 509 Elm Street, West Point, Kentucky 41472	6/16/84
Officer Robert John King, Hyattsville City Police Department, 4307 Jefferson Street, Hyattsville, Maryland 20781	6/18/84
Patrolwoman Doreen Ann Tomlinson, Pawtucket Police Department, 121 Roosevelt Avenue, Pawtucket, Rhode Island 02860	6/26/84
Investigator George Melvin Brown, Sr., Henry County Sheriff's Department, Post Office Drawer 871, Martinsville, Virginia 24114	6/26/84
Officer Carlos Javier Andaluz-Mendez, Police of Puerto Rico, GPO Box 70166, San Juan, Puerto Rico 00936	6/26/84
Deputy Michael Wayne McClurg, Colusa County Sheriff's Office, 929 Bridge Street, Colusa, California 95932	7/2/84
Patrolman Rodney W. Schreurs, Park City Police Department, Post Office Box 1480, Park City, Utah 84060	7/4/84
Captain William Thomas Mills, Sergeant Roy Milton Brewer, Patrolman William Raymond Gilham, Patrolman Herman Edwin Jones, Sr., DeQueen Police Department, 220 North Second Street, DeQueen, Arkansas 71832	7/5/84
Patrolman William Custis Whitty, Patrolman Ronald Houghton Fuller, Richmond Police Department, Hall of Justice, 401 27th Street, Richmond, California 23225	7/5/84
Trooper William Lawrence Carroll, Jr., New Jersey State Police, Post Office Box 7068, West Trenton, New Jersey 08625	7/12/84
Officer James William Carozza, Greenburgh Police Department, 188 Tarrytown Road, White Plains, New York 10607	7/20/84
Deputy Sheriff Thomas E. Bryant, Wood County Sheriff's Department, One Court House Square, Bowling Green, Ohio 43402	7/23/84
Lieutentant Robert L. Cormier, Chief Pilot James Charles Taylor, Dallas Police Department, 2014 Main Street, Dallas, Texas 75201	7/24/84
Sergeant David Wayne Campbell, Andalusia Police Department, Post Office Box 429, Andalusia, Alabama 36420	7/27/84
Sergeant Donald E. Davey, Lincoln County Sheriff's Department, High Street Lincoln County Courthouse, Wiscasset, Maine 04578	7/30/84
Deputy Sheriff James L. Reynolds, Wyandotte County Sheriff's Office, 710 North 7th Street, Kansas City, Kansas 66101	8/4/84
Patrolman David M. Smith, Senior Patrolman Lowell D. Howard, New Mexico State Police, Post Office Box 1628, Sante Fe, New Mexico 87504	8/6/84
Officer Ronald J. Siver, Rochester Police Department, Civic Center Plaza, Rochester, New York 14614	8/19/84
Sergeant Christopher S. Eney, U.S. Capitol Police, 331 First Street Northeast, Washington, D.C. 20520	8/24/84
Officer Martin P. Clarke, Chicago Police Department, 1121 South State Street, Chicago, Illinois 60605	8/26/84
Reserve Deputy Sheriff Beauford Loyd Brooks, Los Angeles Sheriff's Office, 211 West Temple, Los Angeles, California 90012	9/1/84
Patrolman Bruce Allen Richard, Alamogordo Department of Public Safety, 700 Virginia, Alamogordo, New Mexico 88310	9/2/84
Officer Mark Owen Harris, Oklahoma Department of Public Safety, 3600 North Eastern, Oklahoma City, Oklahoma 73136	9/2/84
Trooper Harry Glenn Lucas, Jr., West Virginia Department of Public Safety, 725 Jefferson Road, South Charleston, West Virginia 25309	9/12/84
Corporal Mark C. Caperton, Collier County Sheriff's Department, Post Office Drawer 1277, Naples, Florida 33939	9/33/84
Patrolman Larry James Sayfreed, Village of Riverside Police Department, 1119 Harshman Road, Riverside, Ohio 45431	10/2/84
Patrolman Robert S. Heacock, North Brunswick Police Department, 711 Hermann Road, North Brunswick, New Jersey 08902	10/2/84
Agent Morley Lester Miller, Agent John Edwin Hollingsworth, U.S. Customs Service, 1301 Constitution Avenue, Northwest, Washington, D.C. 20229	10/20/84
Captain Joel Van Broome, Gadsden County Sheriff's Department, Post Office Box 1126, Quincy, Florida 32351	10/25/84
Sergeant Delbert Ray Flowers, Manheim Boro Police Department, 4 North Wolf Street, Manheim, Pennsylvania 17545	11/0/84
Wildlife Agent Terry L. Hoffer, Washington State Department of Game, 600 North Capitol Way, Olympia, Washington 98504	11/10/84
Corporal Stacy Milton Fuller, Smyrna Police Department, 1286 Bank Street, Southeast, Smyrna, Georgia 30080	11/15/84
Deputy Sheriff Winfield Scott Edie, Chelan County Sheriff's Department, 401 Washington Street, Post Office Box 36, Wenatchee, Washington 98801.	11/24/84
Special Agent Clifton Browning, Jr., FBI, 1823 Federal Office Building, Denver, Colorado 80202	12/8/84
Deputy Robert Lewis Talburt, Washington County Sheriff's Office, 146 Northeast Lincoln, Hillsboro, Oregon 97123	12/14/84
Officer Edward James Burch, Los Angeles Community College District, Safety and Police Department, 6201 Winnetka Avenue, Woodlawn Hills, California 91371	12/18/84
Officer Jose R. DeLeon, City of Miami Police Department, 400 Northwest 2nd Avenue, Miami, Florida 33128	12/21/84
Sergeant Ernest Malatinka, Hammond Police Department, 5925 Calument Avenue, Hammond, Indiana 46320	12/29/84
Patrolman Anthony Edward Jansen, Newport Police Department, 345 Columbus Street, Newport, Kentucky 41071	12/30/84
Chief James Robert Wulf, City of Sabinal Police Department, 501 North Center Street, Sabinal, Texas 78881	12/31/84

[1] This date may not coincide with the date of the accident causing the death.

Law enforcement officers killed due to criminal action—1984

[Date of death, name of victim officer, address of victim officer's agency]

Name and address	Date of death [1]
Deputy Sheriff Jerry Bryant, Marion County Sheriff's Department, Courthouse, Columbia, Mississippi 39429	1/5/84
Deputy William Arnold Wilkerson, Orange County Sheriff's Department, 2400 W. 33rd Street, Orlando, Florida 32809	1/10/84
Trooper Ronald O'Neal, Georgia State Patrol Department of Public Safety, Highway 80, Hinesville, Georgia 31313	1/10/84
Lieutenant James C. Haupfear, Augusta Police Department, 104 Ninth Street, Augusta, Georgia 30910-0699	1/14/84
Partrolman Carl H. Whippa, Johnsonburg Police Department, 516 Market Street, Johnsonburg, Pennsylvania 15845	1/17/84

Name and address	Date of death [1]
Patrolman Fred Eckles, Jr., Chicago Police Department, 1121 South State Street, Chicago, Illinois 60605	1/17/84
Patrolman Lee Anthony Crews, Valdosta Police Department, 500 North Toombs Street, Valdosta, Georgia 31601	1/24/84
Sergeant Randy Loy Davis, Longview Police Department, Post Office Box 1952, Longview, Texas 75606	1/27/84
Inspector Richard Mark Latham, United States Custom Service Star Route 2, Box 23, Del Rio, Texas 78840	1/28/84
Officer Angelo E. Brown, New York City Police Department, One Police Plaza, New York, New York 10038	1/31/84
Deputy Edward Toefield, Jr., Tangipahoe Parish Sheriff's Department, Post Office Box 727, Amite, Louisiana 70422	2/2/84
Officer Thomas Ruotolo, New York City Police Department, One Police Plaza, New York, New York 10038	2/14/84
Lieutenant Dennis Lee Sheffield, Montgomery County Sheriff's Department, Box 553, Troy, North Carolina 27371	2/15/84
Officer Donald Kramer, Miami Beach Police Department, 120 Meridian Avenue, Miami Beach, Florida 33139	2/25/84
Deputy William Wilson, Chilton County Sheriff's Department, 2nd Avenue North, Clanton, Alabama 35045	2/26/84
Officer Thomas Michael Bowen, Columbus Police Department, 937 First Avenue, Columbus, Georgia 31901	3/11/84
Officer Howard Shaio Wei Huang, Los Angeles County Parks and Recreation Department, 12910 S. Athens Way, Los Angeles, California 90061	3/11/84
Officer Stephen M. Kovach, Cleveland Police Department, 2001 Payne Avenue, Cleveland, Ohio 44114	3/11/84
Corporal Eric Bryon Streeter, Escambia County Sheriff's Department, Post Office Box 18770, Pensacola, Florida 32523	3/13/84
Patrolman Steve K. Gardner, Mississippi Highway Safety Patrol, Post Office Box 958, Jackson, Mississippi 39205	3/23/84
Patrolman Robert P. Dana, Boston Metropolitan Police Department, 20 Somerset Street, Boston, Massachusetts 02108	3/25/84
Sergeant Dario Figueroa-Rodriguez, Police of Puerto Rico, GPO Box 70166, San Juan, Puerto Rico 00936	3/26/84
Detective James K. Kennedy, Knox County Sheriff's Department, 400 Main Avenue, Knoxville, Tennessee 37902	3/27/84
Detective Michael L. Raburn, King County Police Department, 506 3rd Avenue, Seattle, Washington 98104	3/27/84
Deputy Charles Edward Barnes, Miller County Sheriff's Department, Post Office Box 577, Texarkana, Arkansas 75504	3/31/84
Officer Douglas E. Drye, Norfolk Police Department, Post Office Box 358, Norfolk, Virginia 23501	4/14/84
Trooper Carlos M. Negron, New Jersey State Police, Post Office Box 7068, West Trenton, New Jersey 08625	5/7/84
Trooper Troy L. Duncan, Alaska State Troopers, Pouch N. Juneau, Alaska 99811	5/19/84
Deputy George Thomas Rice, Lyon County Sheriff's Department, 30 Nevin Way, Yerington, Nevada 89447	6/1/84
Patrolman Bret Nathan Sunner, Cedar Rapids Police Department, 310 Second Avenue, S.W., Cedar Rapids, Iowa 52404	6/8/84
Deputy Phillip James Pence, Hamilton County Sheriff Department, Room 320-A, 1000 Main Street, Cincinnati, Ohio 45202	6/10/84
Officer Juan Andino, New York City Police Department, One Police Plaza, New York, New York 10038	6/15/84
Detective Harold Lee Rogers, Terre Haute Police Department, 17 Harding Avenue, Terre Haute, Indiana 47807	6/16/84
Deputy Harlan M. Bonner, Morehouse Parish Sheriff's Department, Courthouse, Bastrop, Louisiana 71220	6/22/84
Trooper Louis Perry Bryant, Arkansas State Police, #3 Natural Resources Drive, Little Rock, Arkansas 72205	6/30/84
Chief Leonard Edward Cross, Patrolman Roy Lee Leon, Cotton Plant Police Department, Post Office Box 20, Cotton Plant, Arkansas 72036	7/13/84
Sergeant Ruben Tristan Almanza, Corpus Christi Police Department, 1616 Martin Luther King, Corpus Christi, Texas 78469	7/28/84
Officer Arthur Koch, Fairfield Department of Public Safety, 1000 Webster Street, Fairfield, California 94533	7/29/84
Patrolman Anthony Graffa, Irvington Police Department, Civic Square, Irvington, New Jersey 07111	8/9/84
Officer President Hinton, Jr., Detroit Police Department, 1300 Beaubien, Detroit, Michigan 48226	8/21/84
Lieutenant Jerry E. Dragosin, Cambridge Police Department, 134 Southgate Parkway, Cambridge, Ohio 43725	8/21/84
Deputy Lonnie L. Freeman, Richmond Sheriff's Department, 1701 Fairfield Way, Richmond, Virginia 23223	9/2/84
Trooper Robert J. Mihalik, Michigan State Police, (Saint Joseph Post), 714 S. Harrison Road, East Lansing, Michigan 48823	9/9/84
Deputy Carnie F. Hopkins, Livingston County Sheriff's Department, Box 416, Smithland, Kentucky 42081	9/9/84
Officer Victor P. Serna, Laredo Police Department, Post Office Box 3365, Laredo, Texas 78041.	9/11/84
Officer Martin S. Murrin, Joliet Police Department, 150 W. Jefferson Street, Joliet, Illinois 60431	9/12/84
Officer Kimberly S. Tonahill, Officer Timothy J. Ruopp, San Diego Police Department, 801 W. Market Street, San Diego, California 92101	9/14/84
	9/16/84
Patrolman Daniel J. Smith, Essex County Department of Public Safety—Division of County Police, 115 Clifton Avenue, Newark, New Jersey 07104	9/17/84
Officer Frederick J. Groves, Florida Highway Patrol, Neil Kirkman Building, 2900 Apalachee Parkway, Tallahassee, Florida 32301	9/18/84
Investigator Richard B. Snyder, New York State Police, Troop F, State Campus, Albany, New York 12226	9/20/84
Officer Irma Lozada, New York City Transit Authority, 370 Jay Street, Brooklyn, New York 11201	9/21/84
Investigator Robert W. Klein, Arkansas State Police, #3 Natural Resources Drive, Little Rock, Arkansas 72205	10/15/84
Deputy Anthony Yanniello, Broward County Sheriff's Department, Post Office Box 9507, Fort Lauderdale, Florida 33310	10/18/84
Lake Manager James S. Wood, Mississippi Department of Wildlife Conservation, Post Office Box 451, Jackson, Mississippi 39205	10/21/84
Patrolman James S. Johnson, East Lansing Police Department, 409 Park Lane, East Lansing, Michigan 48823	10/25/84
Trooper Guy David Nalley, Oklahoma Highway Patrol, Post Office Box 11415, Oklahoma City, Oklahoma 73136	10/27/84
Lieutenant Sherman R. Walker, St. John the Baptist Parish Sheriff's Office, Post Office Box Drawer Q, Laplace, Louisiana 70069-1116	11/6/84
Patrolman Donald A. Stillman, Henrico County Division of Police, Post Office Box 27032, Richmond, Virginia 23273	11/8/84
Officer Hilarino Silva-Rosario, Police of Puerto Rico, GPO Box 70166, San Juan, Puerto Rico 00936	11/9/84
Patrolman Chesley A. Stephens, Oakland Police Department, 455 7th Street, Oakland, California 94607	11/13/84
Officer John A. Robertson, Phoenix Police Department, 620 W. Washington, Phoenix, Arizona 85003	11/19/84
Detective Marcellus Ward, Baltimore Police Department, 601 East Fayette Street, Baltimore, Maryland 21202	12/3/84
Sergeant Allen L. Kimery, Missoula County Sheriff's Department, Courthouse, Missoula, Montana 59802	12/6/84

Name and address	Date of death [1]
Officer Nicholas N. Davis, Seattle Police Department, 610 Third Avenue, Seattle, Washington 98104-1886	12/12/84
Officer Margaret E. Park, Florida Game and Freshwater Fish Commission, 2202 Lakeland Hills Boulevard, Lakeland, Florida 33805	12/13/84
Deputy David Foster, Curry County Sheriff's Department, Post Office Box 681, Gold Beach, Oregon 97444	12/17/84
Sergeant J.L. Biggs, Virginia State Police, Post Office Box 27472, Richmond, Virginia 23261-7472	12/18/84
Officer Duane C. Johnson, Los Angeles Police Department, 150 North Los Angeles Street, Los Angeles, California 90055	12/19/84
Deputy William K. Horne, Anson County Sheriff's Department, 119 N. Washington Street, Wadesboro, North Carolina 28170	12/23/84
Sergeant Jacquelynn K. Sherrill, Hattiesburg Police Department, 316 Forrest Street, Hattiesburg, Mississippi 39401	12/31/84

[1] This date may not coincide with the date of the assault causing the death.

NATIONAL POLICE PRAYER—1984

Almighty God we ask that thy Blessing on the Law Enforcement Officers of America who have given their lives so that others may live. We pray that You welcome them into your Heavenly Home now that their duties on Earth are o'er.

Heavenly Father, we pray that the dedication and devotion exhibited by our deceased comrades will set an example for us, the living, while we continue our neverending battle against crime and the evil forces in our cities, towns and boroughs throughout this fair land. Imbue us with the strength and power to perform the hazardous duties entrusted to us, forgetting not to render mercy with justice while we carry out the work assigned to us.

Most Merciful Father, we pray that You will deal graciously with the families of our fallen Brothers and Sisters. Bestow upon them Your love and faith that they may endure the great loss inflicted upon them. Remove all rebellion from their hearts, knowing their loved ones have entered into a new and deserving life of eternal peace with Thee and the company of Thy Heavenly Saints. This we beg for the honor of His name forevermore. Amen.

Respectfully submitted,

VIRGIL D. PENN, Jr.,
National Chaplain—F.O.P.●

TREATING PUERTO RICO EQUALLY

● Mr. SIMON. Mr. President, in a weekly column I write for newspapers in my State, I call attention to the tendency for Federal programs to treat residents of Puerto Rico differently from Americans in the 50 States. This discrimination results from the fact that Puerto Ricans are U.S. citizens with no voting representation in Congress.

I ask to have printed in the CONGRESSIONAL RECORD an article in connection with this matter.

The article follows:

TREATING PUERTO RICO EQUALLY

A good example of short-sightedness in legislation and policy is the way Congress and the Administration treat our fellow Americans of Puerto Rico.

Puerto Rico has 3.2 million people and no voting membership in Congress. There are more Americans living in Puerto Rico than in 25 states. Puerto Rico has one non-voting member of the House of Representatives.

And Puerto Rico has provided a significant number of heroes—and deaths—in the U.S. armed forces through the decades. In the Vietnam War, Puerto Ricans suffered more casualties as a percent of population than any of the 50 states.

However, whenever there is a squeeze for funds, it is common for Puerto Rico to get the short end of things. This happens despite the fact that the average income in Puerto Rico is $3,981 compared to $11,107 for the 50 states, or roughly 35 percent of the national average. Mississippi has our lowest state average income—$8,098—more than double the Puerto Rican average.

Now the administration wants to significantly increase taxes for businesses in Puerto Rico, to cite one example of concern.

A new proposal has been made by a Senate subcommittee to cut back food stamps and related programs in the next three years, and guess who gets the short end of the stick once again!

The proposal is to cut a total of $78 million nationwide in 1986, $38 million of that from Puerto Rico; $189 million in 1987, $77 million of that from Puerto Rico; and $234 million in 1988, $115 million of that from Puerto Rico.

Why pick on the already-impoverished Americans in Puerto Rico more than others? Because they have no votes in the House and Senate.

And food stamps are not an isolated instance.

The other day, a bill came up offering assistance for mental health, and Puerto Rico was going to be treated worse than any state despite having more population than half the states. I'm pleased that the chairman of the subcommittee, Sen. Lowell Weicker, a Republican from Connecticut, backed by request to treat Americans from Puerto Rico as our equals in this funding, and we won.

But in a host of areas, Puerto Ricans are not treated as equals. They are not eligible for SSI (supplemental security income) payments; they are not treated equally on AFDC payments; and the list goes on.

What's the answer?

The best answer, if the people of Puerto Rico want it, is for them to become a state. President Reagan backs this, if the people of the island vote for it, and I join the President in that position.

The present commonwealth status is second-class citizenship that eventually will have to change.

Some day Puerto Rico will either become independent or become a state. They have to make that choice.

It is in their interest, in the interest of the 50 states, and in the interest of stability in the Caribbean that statehood be the answer.

But in the meantime we should recognize that even though they have little power in Congress, they are American citizens who ought to be treated with dignity, respect and understanding.●

MAJ. GEN. EUGENE R. CROMARTIE—THE ARMY'S TOP COP

● Mr. CHILES. Mr. President, the commanding general of the U.S. Army Criminal Investigations Command is Maj. Gen. Eugene R. Cromartie. He is the first black Army officer to hold this position, but then General Cromartie is getting used to being placed in unique situations. However, the most unique place he has ever been is his birthplace, the fine town of Wabasso, FL. Wabasso has a population of approximately 600 people, and I know they are all proud of the general's accomplishments.

General Cromartie has four sons, three are on active duty in the military. Eugene II, 26, an Army helicopter pilot stationed at Fort Hood, TX; Leonardo, 25, an Army sergeant stationed at Fort Hood; Marcus James, 23, a Navy pilot; and Eliseo, 20, a student at the University of Maryland.

General Cromartie resides at Fort Belvoir, VA, with his wife Joyce, but Floridians look forward to the opportunity of having General Cromartie's investigative skills put to work for us in Florida when he retires from miliary service.

Finally, Mr. President, I ask that an article by D. Michael Cheers in the July issue of Ebony magazine, be included in the RECORD for the convenience of my colleagues.

The article follows:

MAJ. GEN. EUGENE R. CROMARTIE—THE ARMY'S TOP COP

(By D. Michael Cheers)

On Jan. 12, 1984, the body of Maj. Gen. Robert G. Ownby was found hanged by the neck with a hemp rope in a stairwell of the two-story Headquarters Building at Fort Sam Houston in San Antonio, Texas. At first, Army investigators and the FBI were baffled by the case. Gen. Ownby's hands had been tied behind his back with a belt and there was a note attached to his shirt with a safety pin. The typewritten message read: "Captured. Tried. Convicted of crimes by the United States Army against the people of the world. Sentenced. Executed." The death initially caused the Army to issue a border alert on the likelihood that the hanging was the work of terrorists, but the alert was quickly lifted and the investigation shifted to the possibility that Gen. Ownby, who commanded the 90th Army Reserve Command, may have concocted a "terrorist plot" to cloak the taking of his own life. These hunches proved correct. Eight days after the incident, Gen. Ownby's death was ruled a suicide.

At the helm of the Army investigative unit looking into the general's death was Maj. Gen. Eugene Rufus Cromartie, who is currently the commanding general of the U.S. Army Criminal Investigation Command (CID) in Falls Church, Va. Gen. Cromartie also holds the distinction of being the senior Army military police officer and the senior law enforcement officer in uniform in the Department of Defense. He is the first Black Army officer to hold these positions.

"That was a hot one," says Gen. Cromartie, referring to the Gen. Ownby case, which received widespread publicity. The Ownby

suicide was just one of 18,000 cases that Gen. Cromartie investigated during his first year as commander of the CID.

As head of the CID, whose counterpart in the civilian community is the FBI, Gen. Cromartie is charged with overseeing the investigation of all serious crimes committed by Army personnel as well as all serious crimes committed against the Army. Serious crimes, or felonies, are classified by the Army as rapes, murders, aggravated assaults, robberies, suicides and drug-related offenses. Gen. Cromartie manages a staff of 2,132 persons, and is responsible for $14.6 million worth of investigative and support equipment. He oversees a $19.3 million annual operating budget.

For the general, who has spent 25 of his 27 years in the Army in military police work, this latest assignment is just another chapter in his book of challenges. Prior to this command, his other major assignments included commanding a batallion of over 1,000 men in Vietnam. He spent four years in Europe in charge of all U.S. military law enforcement activities there. In addition, he was commander of the Mannheim Military Community in West Germany. That post consisted of 25,000 soldiers and civilian personnel.

A polished professional, hell-bent on perfection, Gen. Cromartie looks like a man 10 years younger than his 48 years. He is a fitness fanatic; no middle-age stomach bulges. He is Army, complete from head to toe.

Of "humble beginnings," he grew up in Wabasso, Fla. (population: 600). "A lot of people think that I am a product of West Point Military Academy whose parents had connections," he says, "but my daddy was a common laborer with only a third-grade education. And my mother, who had only an eighth-grade education, took in washing and ironing." But formed during those early years was the desire to excel. "When I was 12 years old working in those orange groves with all those mosquitoes and snakes, I said to myself, 'There's got to be something better.'"

Something better was just a few years away.

Cromartie entered Florida A&M University at age 16 and enrolled in the ROTC program. He excelled in the program and in his studies, and was elected class president each of his four years. He graduated with a bachelor's degree in social studies. He also holds a master's degree in education/guidance and counseling from the University of Dayton. He says he became interested in military police work after one summer at Fort Benning, GA. "The MP's really impressed me," he recalls. "They were really sharp with their white gloves and white bootlaces, and riding those motorcycles. I remember saying, 'Man, that looks good to me, that's what I want to go into.'"

His present command keeps him on the road two weeks a month visiting the various CID regions across the U.S., Europe and Asia. "My travels are not attendant to investigations, but are attendant to my getting out there and talking to those commanders who need support, and then talking with my agents. If people feel that you care about them, they will really work hard for you," he says.

Besides his work-related travels, Gen Cromartie spends time visiting colleges and high schools, promoting Army ROTC. "I don't care what my schedule looks like, when I have an invite to go to a high school or college, I go," he says.

Gen. Cromartie's future may be just as rewarding as his past has been. He is only two stars away from achieving four-star general status, the Army's highest grade. And, though he is only the fourth commander to head the CID, he says he does not want to stay in his present command too much longer. "Three years is the average stay," he says. "By that time I should have this command running like I want it. Serious crimes have dropped something like 11 percent over the past year and the trend is downward."

But whatever his future decision may be, his success is assured.

"Several things drive the train for me," he says. "As long as I feel that I can make a contribution and there is room for advancement, then I'll stay in the Army. Once that ceases to be, then I'm sure I can make the transition into civilian law enforcement."●

SERIOUSNESS OF THE DEFICIT

● Mr. SIMON. Mr. President, Helmut Schmidt, the former Chancellor of West Germany, whose wisdom and commonsense are universally applauded, had an article in the Washington Post Sunday Magazine which talked about the seriousness of the deficit.

I am not going to insert the full article into the RECORD, but that portion of the article which deals with our deficit problem I am putting into the RECORD.

The full article appeared in the Washington Post Magazine of June 16, and is titled "The Trade War Threat."

I ask that the excerpt be inserted at this point.

The excerpt follows:

EXCERPT

Right now America can still afford its deficits, but by 1986 the United States may find it more expensive to borrow money to service its foreign debts. Right now a lot of foreign capital is invested in the high-value dollar, but what if those abroad wish to have their interests transferred into their own currency? From where would America borrow fresh money?

To many American politicians the crisis seems overstated, especially when U.S. deficits are measured in relation to gross national product. Using that yardstick, the American budget deficit doesn't look bad compared with other industrial countries. According to the Paris-based Organization of Economic Cooperation and Development, last year the U.S. deficit was 4.2 percent of GNP, Germany's was 2.5 percent of GNP, France's was 3.4 percent, Great Britain's was 3 percent, Canada's was 6 percent, Japan's between 6 and 7 percent and Italy's deficit was 13 percent of that nation's GNP.

A more important measure, however, is the extent to which a government sucks in private savings to finance its deficits. If the private sector, including business, does not save more than it is investing, then no savings will be available on which the government can draw, no matter what the percent of GNP the deficit is. If a government borrows money anyway, the credit must come from a central bank such as the Federal Reserve System (which would then have to print more money) or it could come from abroad.

Countries with low private-sector savings rates thus have less room to maneuver with their debts. The United States has the lowest savings rate of all the industrial countries: in the last two years, 5 to 6 percent of disposable income of private households went into savings. By comparison, personal savings in Germany amounted to 12 percent and in Japan, 18 percent of disposable income. Assuming approximately the same relative corporate capital requirements in the three economies, the Germans could have permitted themselves a relative budget deficit twice as high as the United States' and the Japanese three times as high.

In 1982 the Japanese government drew off about 25 percent of private savings to finance its deficit and in 1983 less than 22 percent. The figure for 1984 will doubtless be similar. In 1982 the German government used 40 percent of private savings and in 1983 used 30 percent. The trend for 1984 is again toward a lower figure. By comparison, the American government consumed about 70 percent of private savings in 1982 and 1983. Recent data indicate the number for 1984 will be slightly better.

Because the Federal Reserve System under Volcker has consistently refused to increase inflation by printing more money, only 30 percent of domestic savings were left to satisfy the money needed for industry and commerce—not nearly enough for economic recovery. Therefore, a large volume of capital and credit has been imported from abroad, pushing the U.S. foreign debt into ever higher figures. In 1984 this amounted to a net inflow of more than $100 billion, and estimates for 1985 are similar.

A reduction of the domestic budget deficit for 1986 of $50 billion and another $50 billion for 1987 are the minimal amounts necessary to stem the hemorrhaging of American debt. Additionally, tax incentives for savings will be necessary to lower interest rates and exchange rates. The consistently high value of the dollar, however, seems to indicate that international markets have little faith that President Reagan's deficit proposals will happen.●

CHARLES BABCOCK, JR.—A SUPERSTAR

● Mr. CHILES. Mr. President, I want to acquaint my colleagues with the accomplishments of one of my State's favorite sons, Mr. Charles Babcock, Jr. In fact, Mr. Babcock was honored several days ago with the Salvation Army's highest award, the Others Award.

The Miami Hearld in its editorial commentary page on June 15, 1985, had the following comments about Mr. Babcock.

It was particularly fitting for Charles Babcock, Jr., to be feted the other day with the Others Award, the Salvation Army's highest civilian honor. For although he is chairman of the development company that his father founded 50 years ago, it can be said that Mr. Babcock's chief occupation is helping others. That is what he has done unselfishly for decades in South Florida, and it is what he loves to do.

Mr. Babcock is a rich and deeply religious man whose faith commands him to help those who are less fortunate than he. After the 1980 riots in Liberty City, he gave $200,000 of is own money to help revitalize the area and headed the Greater Miami Chamber of Commerce's Business Revital-

ization Action Committee that helped raise millions of dollars more.

"He's a superstar," says Newall Daughtry, the BAC's executive director. "He's a person who puts his money and his time and his efforts where his mouth is."

Mr. Babcock received the Salvation Army award at a celebration on Wednesday at which he announced that the year-long campaign he headed to raise $7.2 million for a new Salvation Army center had exceeded its goal. He had said at the outset of the campaign that reaching that goal would be a miracle. Salvation Army officials knew better, and he didn't let them down.

Characteristically modest, Mr. Babcock sums up his life of commitment this way: "I'm trying to do what God would have me do, helping others. I'm very interested in helping people at the bottom of the economic ladder."

His generous spirit, dedication, and hard work have made a real difference to South Florida. Charles I. Babcock, Jr., is a real superstar.

I would like to add my own views about Charles Babcock, based on my observation of his accomplishments. He is one of those individuals that you know about before you know him. In other words, his good deeds are usually in advance of his presence. He devotes an inordinate amount of time to serving the needs of his community. Charles Babcock's definition of community is not limited by race, nationality, sex, or economic condition. He has defined the Miami community in the broadest context possible, and he has reached out to each and every part of that community. Charles Babcock does not deliver sermons about helping the less fortunate, he lives and contributes in a helping manner. His commitment to equality of opportunity is more powerful than any spoken or written word could ever be.

Mr. President, at a time when so much emphasis is placed on positive role models for young people to emulate, I think Charles Babcock is living a life for all people to emulate.

Miami, indeed much of south Florida, has undergone vast changes in the past several years, including having to cope with a population explosion due to refugees, illegal drug importation, and its related crime problems as well as civil disturbances with racial overtones. Charles Babcock is a personification of those Miamians who have decided that the prospect for racial and cultural advancement, and for further economic development outweigh the negatives. I am happy to note that he is still working hard in his community, working to make it better, safer, and more equal for all.

No remarks about Charles Babcock would be complete without mentioning his chief supporter and helpmate, his wife Mary. In addition to her support and affection, Charles has also had the benefit of her counsel.

If any network decides to do a story on Charles Babcock's life, I have just the title for it—"Miami's Good Samaritan."●

A PLEA FOR GREATER LANGUAGE STUDY

● Mr. SIMON. Mr. President, the president of Catholic University here in Washington, DC, Father William J. Byron, S.J., spoke at the commencement of Tunghai University, Taichung, Taiwan (Republic of China).

While it was addressed to a Chinese audience, it is a plea for greater language study.

It is a plea that we should hearken to.

There are few areas where America is last among the nations, but one of those areas is foreign language study.

It is a deficiency that is causing us economic problems, security problems and cultural deficiencies.

I urge my colleagues in the House and Senate to read Father Byron's message and ask that it be printed in the RECORD at this point.

The message follows:

A SECOND LANGUAGE IS A FIRST STEP ON THE JOURNEY TOWARD PEACE AND JUSTICE

You pay me a great compliment today, and I want you to know I deeply appreciate it. I owe you an apology, however, and I want to make it at the beginning of these remarks.

I apologize for not being able to speak to you in your native tongue. I am one of those "tongue-tied Americans" written about by our U.S. Senator from the State of Illinois, Paul Simon, who published a book under that title in 1980 to deplore the neglect of the study of foreign languages in my country's schools. You here in the Republic of China put us Americans to shame with your ability to speak and understand English while we, in our cultural ignorance, are undisturbed by our widespread inability to speak the languages that are native to persons from different cultures and other parts of our world. Jet travel and satellite communications are making that world smaller everyday. And as the world grows smaller, our American linguistic backwardness becomes a larger embarrassment. So I apologize for not being able to speak to you in Chinese.

I said a moment ago that you are paying me a great compliment today. You may wonder why I did not use the word "honor," since you are conferring upon me an honorary degree and making me an honorary alumnus of Tunghai University.

"Compliment," in the English language, means something less than an honor but something much more than a courtesy. You are paying me the great compliment of permitting me to speak in my native tongue, English. You are thus opening yourselves to my native culture. You compliment me simply by listening. I am grateful, of course, for the honor of a Tunghai degree. But without your gracious willingness to give me the compliment of your presence and willing attention, I would not be able to come here for the honor. So I thank you for both the compliment and the honor, and I apologize for my inability to enter more fully into your culture through the medium of your language.

Permit me to speak to you today, as I would like to speak to young Americans graduating from our own universities this year, about the importance of language for international cooperation on the two great issues of our time—promoting peace and eliminating poverty.

Peace is possible. Permanent peace is within our grasp if we open our hands to take it. In today's world, which God really intended to be a family of nations, our hands are more closed than open. Millions of those hands are clenched fists, ready for war. Many more millions of those hands are clutching possessions—holding on, as an American expression puts, "for dear life." Still many millions more human hands are twisted in anxiety and hopelessness—"wrenched," as we say, right hand gripping left, in fear of the future. If all human hands were empty of excess anxiety, of surplus possessions, and of the weapons of war, human beings could reach out in friendship to one another. What is needed most of all for this to happen is trust. And language is the lattice-work of trust.

Knowledge of another's language is not enough to assure peace between you and that other person, between your nation and that other person's nation. History and personal experience prove that. But without knowing that other person's language, it is not likely that you will get to know that other person well. And without knowledge of the other, love of that other is not likely to be achieved. Knowledge, love and peace. Language can facilitate this progress toward unity in the human community. Peace is possible. Language can help to bring it about.

Knowledge of another's language is no guarantee that there will be trust between you and that other. It does, however, serve to reduce the role that ignorance, prejudice and groundless suspicion often play in preventing trust from developing between different people and different nations. We are not expected to surrender our cultural differences as we work toward unity and peace. It is really only out of difference that unity can be achieved. We are expected, however, to surrender our cultural prejudices. This will happen only if we have intercultural understanding. And the factor that will facilitate intercultural understanding more than any other is the ability to read and speak the language that is the medium of communication in that other culture.

We must disarm if we are to have peace. We must also develop new political systems or forums for the resolution of issues which were, in the past, settled by war. Only widespread language competence—i.e., multi-lingual ability on the part of those who lead us and negotiate for us will permit the development of the new politics, the new policies, the new political systems and international forums.

What I have said about the importance of language in working for peace is equally true of language in the effort to eliminate poverty. The extent of poverty in our world is intolerable. We can do something to reduce and even eliminate it. I define poverty as "sustained deprivation." And I have to ask, "Deprived of what?" "Sustained by whom or by what?" And I answer, as you would too, that people who are poor are deprived of food, shelter, health care, clothing, education and employment. What sustains these deprivations? The answer to that question is not a simple one. But as we begin to think through an answer, we begin to see that knowledge not only of one's native language but the languages of others can help eliminate poverty from one's own life and reduce poverty in the lives of others. Why is this so?

Full command of one's native language—the ability to speak and write both well and persuasively—is a result of good education.

It is rare that you will find an educated person who is also involuntarily poor. Educated people find employment more easily and, through employment, derive income sufficient to meet the economic needs of themselves and their families. Now it is true that some people with little formal education do, through risk and good luck and hard work as well, win for themselves large portions of income and wealth in a free society. But they usually handle the language of business—words and numbers—quite well. The point to be made here, however, is that through mastery of a foreign language persons interested in creating employment not only for themselves but for others, can expand markets, develop products and discover new economic opportunities.

Forty years ago, even thirty or twenty-five years ago, no one in my country would have predicted that the Japanese would rise to threaten America's dominant position in international trade. The threat from the Far East to the U.S. economy is not simply a matter of productivity and technological progress in the Far East; it is also related to the widespread mastery of the English language there. Learn the language today; succeed in the market tomorrow. My country, in this trade year, is now officially a debtor nation. The trade deficit is not unrelated to our unattended, even unnoticed foreign language deficiency. You here on the island of Taiwan could teach us Americans an important lesson for our own economic well-being if only we were willing and wise enough to learn. We tend to take a protectionist response to trade deficits instead of planning new economic strategies—competitive strategies—based on Middle Eastern and Far Eastern language competencies to accompany our domestic production capabilities. If we "untie" our tongues abroad, we will release more of our own people from poverty and unemployment, while helping people in those nations where we sell our exports and make our foreign investments find employment by interacting with the economic opportunities we can help to provide for them in their own lands.

Economic development is hard work. So is language study. You know that from your personal experience here in the Republic of China. You also know that the two belong together. The link between economic health and foreign language mastery is far from fully appreciated by young men and women your age in the United States of America.

Let me close with a parable about language. It was told to me thirty years ago by Robert Barr, a talented linguist. A parable, as you know, is a story that takes the form of an extended simile. Language, this parable would say, is like color. Imagine a world of just one color. Think, for example, of a world in which absolutely everything was pink. Pink sky, pink seas, pink land, pink trees, pink grass, pink skin, pink everything! If pink were the only color in the universe, there would be no way of noticing difference or distance between physical objects. All persons and places would blend into one undifferentiated mass in the eye of the beholder.

But now imagine that a second color were added to this universe, say, blue. And suppose the sky were blue and the land, of course, remained pink. Then, at least, you could distinguish between sky and all the rest of the pink universe. As other colors are introduced, you begin to see new objects and shapes. You come to appreciate difference, depth and distance. Your visual universe becomes much more interesting and indeed more manageable.

Well, that is exactly what happens when you learn a second, third or fourth language. If you know only one language, you see only pink!

In the United States, our currency is green. We often refer to dollars as "greenbacks." If we want more green in our economic universe, if we want our poor and unemployed to have more "greenbacks" to spend, then we should get serious about mastering foreign languages so that our economy can be more competitive in world markets.

And if we pursue our own economic gains without making other nations poor, by that I mean avoiding exploitation and domination of nations less strong economically than the United States, then we will be contributing to world peace by reducing economic injustice. This will not happen until we know other nationals as persons with traditions and cultures of their own, with histories worth knowing, and with languages to be listened to as well as spoken by us.

Language, as I said earlier, is the latticework of trust. From trust can come economic cooperation in an environment characterized not by domination and dependency, but by true justice. And from justice we can expect peace. None of this will happen immediately or easily, but if we do not begin to work for it, it won't happen at all.

I thank the people of the Republic of China for setting such a splendid example that my country would do well to follow in the mastery of foreign languages. We Americans are fond of quoting what we usually identify as a Chinese proverb, namely, that "a journey of a thousand miles begins with a single step." You have shown the rest of the world a step that is sure and certain—the study of language as a first step on the road toward economic progress and world peace. It may be just the first step on a journey of many miles toward the goal of peace and justice. Many other nations, including my own, will have to take similar steps in committing themselves to the study of other languages. You have set a good example. Thank you for that, and for both the compliment and honor you have given me today.●

NOMINATION OF TERENCE C. GOLDEN TO BE ADMINISTRATOR OF GSA

● Mr. ROTH. Mr. President, today I am pleased to report the nomination of Terence C. Golden to be the Administrator of the General Services Administration. The Governmental Affairs Committee has approved Mr. Golden's nomination.

Mr. President, I would like to offer a brief statement concerning Mr. Golden's nomination and the process which led to the committee's approval of his nomination.

The head of GSA is charged with the difficult responsibility of procuring goods and services at the least possible cost to the Government. For the last 16 months, GSA has been without a confirmed Administrator to lead the agency in pursuit of that goal. While GSA has functioned satisfactorily under the interim Administrator, the consensus has been that the sooner an Administrator could be confirmed, the better it would be for both GSA and the Government as a whole.

The Governmental Affairs Committee received Mr. Golden's nomination on March 22, 1985. It was evident from the start that the extent of Mr. Golden's financial holdings would require the committee to devote an unusual amount of time and effort to assure that the nomination received complete and careful consideration.

The complexity of Mr. Golden's financial interests, most of which involve residential real estate holdings, raised serious questions concerning potential conflict and appearance of conflict of interest which might arise after Mr. Golden became Administrator of GSA. This concern was expressed by members of each party on the committee. While it was agreed that there was no quick or perfect solution, the committee made every effort to ensure that such problems could be avoided.

Mr. President, the Governmental Affairs Committee conducted a very thorough examination of Mr. Golden's personal and financial affairs. The committee's task was not an easy one, but Mr. Golden was cooperative and provided all the information that was requested. The committee also relied on the Office of Government Ethics, GSA officials, and White House counsel to help resolve the conflict of interest and the appearance of conflict of interest questions.

While cognizant of the seriousness of the potential conflict of interest question, the committee also demonstrated strong bipartisan support for Mr. Golden. Mr. Golden's success in the business world and his firsthand knowledge of property management indicated that he was one of the best-qualified nominees to be considered for the Administrator of GSA. As one of my fellow members said, "This is the first time GSA has been so blessed."

During Mr. Golden's nomination hearing, a number of members expressed their appreciation in having a man of Terence Golden's background and experience who was willing to serve in the Government. GSA requires an administrator who has the vision and determination to move the agency forward. Mr. Golden exhibits the skills and quality of leadership to realize the fulfillment of that goal.

I am gratified in the knowledge that a man of Terence Golden's integrity and ability will be managing the General Services Administration. I wish him every success in his new position.●

WARNING FLAGS GO UP

● Mr. SIMON. Mr. President, a friend in Los Angeles sent me a copy of a Los Angeles Times editorial on our energy

situation and our excessive dependence on Middle Eastern oil.

Because we do not have a problem now, we have been lulled into believing there will be no problem in the future.

I share the editorial writer's concern about our shortsightedness. We ought to be doing what we can to encourage conservation, and we ought to be doing much more to develop synthetic processes and to take advantage of our ability to store reserve supplies.

I urge my colleagues in Congress to read the editorial which appeared in the Los Angeles Times, and I ask that the editorial be printed at this point.

The editorial follows:

[From the Los Angeles Times, May 3, 1985]

WARNING FLAGS GO UP

In late 1973 the United States woke up to fact that it is dangerous to depend too much on foreign oil suppliers. That lesson may be starting to fade. The oil shortages and price shocks that recurred throughout the rest of the 1970s in time led to significant cuts in oil consumption and important investment in new energy sources. Helped along by an international recession that itself was due in no small part to the great runup in oil prices, oil imports were in fact reduced markedly. But now signs of a dangerous new dependency are again appearing.

Last year, for the first time since 1979, U.S. crude-oil imports rose over the previous year's level, by 6.5%. Even more troubling was a 30% rise in gasoline imports. Major oil producers, in Kuwait and Saudi Arabia particularly, have been boosting their refining capacity and expanding their exports of gasoline, which they can produce more cheaply than domestic refiners. Coming on top of a slowed growth in oil demand, this new competition in the refined-products market has been a major blow to the domestic petroleum industry. The United States, in common with other industrialized countries, now has a huge glut in refining capacity that some in the oil industry think will never again be used.

The problem, though, goes deeper than surplus refining capacity. Oil price declines that have been good news for consumers have been bad news for oil exploration efforts. In 1983, spending by the U.S. petroleum industry on exploration and development fell 36% from the year before. It typically takes three to five years before a major oil or gas discovery leads to commercial production. Just as the recent modest gain in domestic oil production reflects the increased drilling activity of four or five years ago, so will the current decline in exploration likely mean lower production by 1990.

Recent moves in the oil industry involving mergers and unwanted takeovers are also destined to affect future oil output. Chevron borrowed nearly $11 billion to buy Gulf Oil. Paying off that debt will inevitably divert a lot of capital that could have gone toward new exploration. Atlantic Richfield Co., as part of its reorganization, is borrowing $4 billion to buy back stock and sweeten its dividends. ARCO denies that its reorganization is aimed at preventing a takeover, though some analysts are not so sure. Those same analysts see other oil companies, among them Exxon and Mobil, joining the restructuring parade, and in the process adding greatly to their debt.

Last year about one-third of the oil that Americans consumed was imported, at a cost of $60 billion. If U.S. consumption grows by 2% a year, fully 46% of the nation's oil will be imported by 1994. At that level imports as a percent of total consumption will be back to where they were in 1978, just before the Iranian revolution pinched supplies, led to a near-tripling in the price of oil, and helped push the world into economic recession.

What's to be done to try to head off this possibility? Further conservation remains a matter of urgency as well as sound economics. Research into non-oil energy alternatives needs a boost. Most important, the search for new domestic oil supplies will have to expand. That will take a lot of money—much of which, in the normal course of things, could be borrowed. But this is not a normal time for the oil industry.

Takeover attempts and responses to them are creating a lot of unproductive debt that in the near-term at least does nothing to enhance the nation's oil supplies. The Reagan Administration opposes any legislative interference with takeovers, arguing that competition in the market for corporate control is a good thing, and so indeed it is. But national energy security, which means not coming to depend excessively on foreign suppliers, is a good thing as well. With the warning flags flying, it would be wise not to overlook this part of the problem.●

DEDUCTIBILITY OF STATE AND LOCAL TAXES

● Mr. DURENBERGER. Mr. President, the administration's tax reform proposal has many laudable goals which I support—simplicity, fairness, and economic growth. When I begin to read the fine print, however, I wonder if the administration fully understands what fairness is all about.

As chairman of the Senate Subcommittee on Intergovernmental Relations, I am concerned about whether the plan is fair to State and local governments. Consider these statistics: The estimated Federal Government revenue loss for fiscal year 1985 for all categories of tax expenditures was $367 billion. Deductibility of State and local taxes represents $33.2 billion—about 9 percent of the total. Yet, deductibility represents 67 percent of the administration's proposed modifications. I don't call that fair. It may be simple, but that doesn't make it fair.

Sometimes in Washington, in our haste to find solutions to real problems—and I agree the current Tax Code is a real problem—we look for quick fixes, simple solutions. So with deductibility. Federalism was not created because it was the simplest system of government. The Founders chose to balance the need for simplicity with the desire to be fair and respect the differences among us.

Tomorrow, my subcommittee will hold a hearing on the subject of the role deductibility plays in the intergovernmental system, helping governments finance needed public services. I encourage my colleagues in the Senate to come and participate in the discussion of this very important issue which is so central to the tax reform plan.

BACKGROUND

The deductibility of general-purpose State and local taxes has been a provision of the Internal Revenue Code since the creation of the Federal individual income tax in 1913. The original justifications for the deduction were to protect individuals from double taxation and to maintain State-local sovereignty in revenue raising in light of very high cumulative Federal-State-local tax rates. Since that time, the provision has only been changed to eliminate deductibility for motor vehicle operators' license fees and State-local excise taxes.

THE PRESIDENT'S PROPOSAL

The President has steadfastly refused to negotiate over his proposal to eliminate the deductibility of State and local taxes. The Joint Tax Committee estimated that Federal revenues forgone in 1985 because of this deduction will be $31.5 billion. Thus, the repeal of this deduction plays an important part in the President's proposal to broaden the tax base and lower tax rates. However, the administration ignores the intergovernmental implications of the deduction and the role of the deduction in the Federal system.

The major argument advanced by the administration is that State and local taxes are voluntary costs incurred by residents for the services they receive. By making these costs deductible, individuals in low-tax States are said to subsidize individuals in the 15 or so high-tax States who have a preference for more Government services. The Administration also considers high-income individuals to be the major benefactors of this subsidy and, therefore, finds the deduction regressive. Additionally, the administration considers the deduction to be an inefficient subsidy for State and local spending. Finally, the administration contends that because many State income taxes conform to the Federal income tax base, eliminating the deduction and broadening the Federal income tax base will result in an increase in State income tax revenues. These issues and others are addressed below.

DOUBLE TAXATION

One common justification for the deduction of State and local taxes is that it is unfair to tax an individual on income that has already been paid to another level of government. Fundamental concepts of federalism are implicit in this argument. Our National, State, and local governments are joined in a single system of government—sharing both responsibilities and resources. Deductibility prevents the National Government from capturing all of the tax base and helps to

preserve some portion of the base for State and local revenue raising.

Without the deduction, State and local governments will face increased voter resistance to raising taxes to finance needed expenditures. The Congressional Research Service estimated that taxpayer revenues from State and local taxes paid by itemizers could decrease by 13 percent if deductibility is repealed. Contrary to the administration's prediction, then, States and localities are very unlikely to benefit from the broadening of the tax base.

The administration's proposal would permit a deduction for State and local taxes which are incurred in carrying on an income-producing activity. However, the deduction would not be permitted for income taxes. Some have questioned the fairness of this since income taxes can rightfully be considered an involuntary expense of working. If businesses can deduct these kinds of costs, then so should individuals.

INTERJURISDICTIONAL COMPETITION

The deduction helps to lessen harmful tax competition among States and localities by reducing the effect of fiscal disparities among them. There are several factors, other than preference for big government which can cause differences in tax rates. Large urban areas that have a higher than average percentage of the poor must impose a heavier tax burden on the nonpoor so that ordinary public services—education, police, welfare—are provided at adequate levels. On average, per capita taxes are 37 percent higher in central cities than in their suburbs. Without the deduction, the high-income taxpayer who may not receive a direct benefit from many urban services faces an incentive to move to lower tax jurisdictions, leaving behind a depleted tax base which cannot support the low-income population.

Conversely, low-tax States don't necessarily have a preference for less government but may be able to generate revenue from other sources such as natural resources, manufacturing, or financial transactions.

Reducing some of these disparities is largely a matter of fairness: Individuals with the same income and receiving roughly equivalent services should not face widely disparate tax bills.

WHO BENEFITS

The administration attacks the deduction because it disproportionately benefits the high-income taxpayers. However, the benefit is also important to the middle class. One half of all households with incomes between $20,000 and $25,000, and almost two thirds of all households with incomes between $25,000 and $30,000 utilize the deduction. Thus, the middle class also benefits directly from the deduction and low-income individuals receive indirect benefits from the higher service levels that higher income individuals are willing to support.

The administration has also criticized the deduction because only one-third of all families utilized the deduction in 1983. However, the administration's figure includes families that did not pay any taxes. The fact is, 41 percent of families paying taxes utilize the deduction. This figure would be even higher if individuals filing joint returns were counted separately.

Because the actual dollar amount of the deduction is proportionally greater as one moves up the income scale, some have said that the deduction reduces the progressivity of the Federal income tax. However, deductibility has provided an incentive for State and local governments to rely on less regressive taxes and to increase their reliance on progressive income taxes. Eliminating the deduction may lead to a reduction in the progressivity of the State tax structure.

STIMULUS TO STATE/LOCAL SPENDING

Deductibility lowers the price of State and local services to an itemizing taxpayer because the net price of these services is reduced by the amount of Federal tax savings. The deduction stimulates spending because these taxpayers are more willing to accept the tax increases needed to finance new spending.

For every $1 the Federal Government loses because of the deduction, State and local spending increases by less than 50 cents. The tax plan calls this an ineffective subsidy for State and local spending. However, it is well known that Federal grants are often fungible, allowing State and local governments to use Federal grant moneys as replacements for their own spending. In contrast, because deductibility operates like an open-ended matching grant, it may provide a greater stimulus to State and local spending than general revenue sharing or block grants. An ACIR report estimated that elimination of the deduction could result in an eventual decrease of up to 5 percent in State-local spending relative to otherwise predicted—estimated for current tax code.

NEW FEDERALISM

Finally, the deduction should be viewed within the broader context of fiscal federalism. The deduction becomes even more crucial considering a past decline in the growth of Federal grants and proposed future cutbacks or elimination of many Federal grant programs. These forces will make it almost impossible for State and local governments to maintain service levels, let alone take on added responsibilities under the New Federalism.

PROPOSALS TO MODIFY THE DEDUCTION

The Bradley-Gephardt and Kemp-Kasten tax reform proposals contain provisions to selectively repeal the deduction for some taxes. Bradley-Gephardt repeals the deduction for State and local sales and personal property taxes. Kemp-Kasten eliminates the deduction for State and local income, sales, and personal property. One problem with selective repeal of particular taxes is that the effects would be distributed unevenly among taxpayers in different States. For example, those States that do not levy sales taxes would not be affected. The additional revenues would only come from those States that rely on the particular tax. Additionally, these proposals would bias State and local policymakers to increase reliance on those taxes which remain deductible.

1 PERCENT AGI FLOOR

My proposal (S. 315) to limit the deduction of State and local taxes to the amount exceeding 1 percent of a taxpayer's adjusted gross income has several advantages. First, because the floor lies below the average tax burden of even the lowest tax State—Wyoming—no State suffers an inordinate loss in deductions available to its taxpayers. My plan also increases the progressivity of the State and local tax deduction. While all itemizing taxpayers would continue to benefit substantially from the State and local deduction, taxpayers with higher incomes and in higher marginal tax brackets would lose a somewhat larger share of their State and local deduction than would low- and middle-income taxpayers.

Data from the National Bureau of Economic Research estimated that under the Treasury I tax plan the 1-percent AGI floor would cost the Treasury $17.7 billion in 1985. This is a reduction of $13.8 billion from the cost of full deductibility under current law. Although these calculations have not yet been calculated for Treasury II, the difference would probably not be too significant.

The 1-percent AGI floor also has a strong theoretical rationale. The 1-percent floor assumes that taxpayers would be willing, in a free market, to pay at least 1 percent of their adjusted gross income for the State and local services they consume. Therefore, a deduction should not be allowed for this portion which can be viewed as payment for direct services received.

Finally, because the negative effects on individual taxpayers is relatively small with the 1-percent AGI floor, State and local taxes and services are not expected to decline. I believe in the principles of tax reform but I also believe that the administration's proposal to eliminate the deductibility of State and local taxes is not in accordance with the most fundamental of those principles—fairness. Thus I urge the administration to consider fully the implications of this proposal and I welcome the thoughts of my col-

leagues here in the Senate on this very important issue.

Mr. President, I ask that the article entitled "Demagoguery Over a Deduction," be printed in the RECORD.

The article follows:

[From the Washington Post, June 18, 1985]

DEMAGOGUERY OVER A DEDUCTION

(By Edwin M. Yoder, Jr.)

In a remarkable burst of candor, Treasury Secretary James Baker has admitted that if state and local taxes continue to be deductible against federal income taxes (as they've been since 1913) the Reagan "tax simplification" plan, as now written, won't fly. It would lose too much revenue.

Without the $35 billion to $40 billion a year the Treasury would garner from ending this "loophole," concessions extended elsewhere in the tax reform package—chiefly in the form of lower rates for upper-bracket taxpayers—would dangerously inflate the already huge federal deficit.

This fact may explain the fervor with which the president has embraced the misguided and misleading campaign against state and local tax deductibility. In his stagey appearances for "tax reform," Reagan has repeatedly appealed to "low-tax states" against "high-tax states," and to taxpayers who don't itemize deductions against those who do. His message: You're "subsidizing" the others.

The argument, Mr. President, is a crock.

Leave aside, if you like, a central philosophical issue that one would expect Ronald Reagan to be sympathetic to—that never in the history of the modern income tax (nor of the old Civil War-era one, either) has an administration proposed "double taxation" of the dollars a citizen pays to support his state, county or local government.

Leave aside also, if you like, a powerful point about fiscal burdens and benefits. In most fiscal years a "high-tax state" such as New York actually "subsidizes" other states and regions. It sends to Washington millions of dollars more than are returned to it in federal payments.

By compiling arbitrary lists of winners and losers among states, or taxpayers, you could soon make nonsense and even wreckage of federalism.

The United States has flourished for two centuries as a great confederation, allocating a shifting array of burdens and benefits as seemed best for the common good of all. Now, for temporary political reasons, the Reagan administration is trying to spark an internecine quarrel which in the end can yield no winners, only losers.

Apart from that—and here we get to the heart of the matter—the sheep/goats, winners/losers division recently featured in the president's speeches is utterly without substance.

For most citizens—especially if they live, as most of us do, in cities, towns and suburbs—the largest state or local tax burden lies in property taxes. And these are locally authorized, levied, collected and spent—usually by a democratic process most of us are closer to, and have far more control over, than the remote and baffling process by which Congress and the federal agencies levy and distribute taxes and revenues. Moreover, they go for vital services (chiefly education) and capital plant.

Often the size of local property tax bills suffices to justify the use of the long tax form, especially when the taxpayer is also a homeowner and mortgage payer. If taxpayers who itemize are indeed only a third of those who file, they're the third who pay most of all taxes to all jurisdictions—the beasts of burden of the tax system. They're being subsidized, Mr. President? Who're you kidding?

Should Congress eliminate the deductibility of these taxes (and of state income and sales taxes, which are usually more modest) the tax bills of millions of taxpayers will go up; rate flattening won't offset the loss.

Moreover—to resort for a moment to the Reagan administration's shameless style of argument—you could say that what's at stake is a proposed transfer of tax benefits from local services to oil drillers and high-tech defense contractors, who would be big winners in the Reagan tax bill.

Let us not, however, fight fire with fire.

The principled point is the need to guard the vitality of state and local government, not to impair it by hogging still more traditionally local tax sources for the federal Treasury. In a better hour you can imagine Ronald Reagan, who sometimes poses as a federalist, voicing these sentiments. They would be more in character than the demagoguery his speechwriters have been concocting for him lately.●

CALL TO CONSCIENCE FOR SOVIET JEWRY

● Mrs. HAWKINS. Mr. President, as part of the 1985 congressional call to conscience I want to take some time today to draw our attention back to an issue of paramount importance—the plight of the Jewish activists, refuseniks, and others whose only "crime" was to be born Jewish and to be proud of the achievements that are associated with that heritage. These people are not asking for anything special or extraordinary. They are simply asking for their internationally recognized rights to freedom of worship, and in some cases, freedom to emigrate. But what we here in the United States and the rest of the West view as ordinary and inalienable rights, are for the totalitarian society of the Soviet Union a grave threat.

The point is, however, threat or not, these rights are inalienable, and we have an obligation to provide moral and other support for those brave men and women who stand up to the Soviet juggernaut and take a stand for what they believe in. These men and women are our brothers and sisters—and they need our help.

There are a number of ways in which we can help. Perhaps the most important is that we not forget them. It is so easy for each of us in this body and for our constituents to get wrapped up in the daily routine, and lose track of the really important things of life such as the lives and freedom of people who live imprisoned in the restrictive societies of the Soviet Union and other Communist societies.

It is for this reason that we need to take public and private steps to ensure that neither the American people, the United States Government, nor, most importantly, the Soviet Union forget the importance of these people to us. I am proud to have this occasion to have the opportunity to join so many of my colleagues who have come to the floor of the Senate on a regular basis to keep this issue before the attention of this body.

I have been working for some time to achieve the emigration of several Jewish families in the Soviet Union, and I would like to share some of the details of his circumstances with my colleagues. This case involves Yakov Mesh and his family. Yakov is a 33-year-old tailor by trade. He has a wife, Marina, 26, and an 8-year-old son, Marat.

The Mesh family has been trying to leave the Soviet Union since 1977 when 20 of Yakov and Marina's relatives were allowed to emigrate. While Yakov was held back at the time, Soviet officials assured Yakov's mother, Rosa, that Yakov and his family would be allowed to join them shortly. But days turned into months and months have turned into years and the Soviets have been unrelenting in their refusal to consider issuing him and his family visas.

The reason the Soviets give for not allowing him to emigrate is that he served in the Soviet military and there acquired a knowledge of military secrets. While it is true that Yakov did serve in the military, he was attached to the sports section as a boxer—hardly a position from which one would expect exposure to essential military secrets. I believe that the real reasons for not allowing the Mesh's to emigrate probably have more to do with their pro-Jewish activities in the Soviet Union. They have participated in activities such as hunger strikes, and organizing seminars and meetings on Jewish culture, history and languages. Because of these activities the Meshs have been repeatedly harassed, intimidated, detained, and even arrested.

In 1984 Yakov was arrested and while in prison he was abused causing a deterioration in his health. Yakov was released from prison in December 1984.

On February 28, 1985 I went down to the Soviet Embassy to discuss this case with Soviet authorities and was accompanied by Senator METZENBAUM. We forcefully made the case for Yakov and his family, and requested that he and his family be issued emigrant visas as soon as possible. We never received any type of response to our meeting and there has been no appreciable progress on Yakov's case.

I am sure that many of us have worked on or are working on difficult cases such as this. In fact because of the tremendous decline in emigration visas granted to Soviet Jews in recent years, almost all the cases are like this. Yet we can not give up. We must per-

severe, and take every possible step we can to provide these brave refuseniks with moral support and encouragement.

I was pleased when the Senate voted on June 7, 1985 to adopt my amendment creating a new program for broadcasting to Soviet Jews. This program will be called the Radio Maccabee program of Radio Liberty and will focus on programming to meet the needs of the Jewish community in the Soviet Union. I was pleased that the Senate took this concrete step to provide the kind of support that I believe will be of importance to Russia's Jewish population. I hope that the Senate conferees will be strong in their support of this initiative and that we will be able to begin these new broadcasts in the near future.

Mr. President, I want to commend the Senator from Minnesota, Mr. BOSCHWITZ, for the important role he is playing in making this year's congressional call to conscience a success. We must always remember because as long as we remember there is hope.●

CONGRESSIONAL OPPOSITION TO THE PRESIDENT AND HIS POLICIES

● Mr. GOLDWATER. Mr. President, I recently read an editorial by Mr. C.W. Borklund, publisher of the Government Executive magazine which appeared in the June 1985 issue.

Mr. Borklund explores the phenomenon of congressional opposition to the President and his policies, both in the area of foreign policly, and as regards the defense budget.

The President, elected by 59 percent of last year's voters, has been the target of a multifaceted attack on both foreign and domestic policies, which if successful—and it appears it may well be—will have, as Mr. Borklund points out, thwarted the will of that 59 percent of the voters in this country.

Mr. President, I commend this editorial to my colleagues because it puts the problem of congressional opposition to a President's policies into perspective, and I ask that it be printed in the CONGRESSIONAL RECORD.

The editorial follows:

DEMOCRACY AT WORK

The Rev. Billy Graham plans to run a one-week evangelistic crusade in Washington, D.C., next April. He says he doesn't intend to sermonize on politics. Pity. Excepting common sense, the collective Congress' votes and threats lately—especially in the House of Representatives—seem pointed at just one target: "Get" Ronald Reagan.

If successful, and they're being aided by a small herd of prattling reporters, they will prove several things. For one, they will have thwarted the expressed wishes of 59% of last year's voters—their constituents' problem which like Graham, isn't scheduled to be addressed until next year either. For another, as they've already demonstrated, they will have brushed aside the Constitution (already have in a couple cases) which is the Supreme Court's problem.

For a third, they will have scorned the "Do unto others as you would be done by" parts of the Ten Commandments which Billy Graham could handle if he would. And finally, they will have generated a lot of messy, obfuscating program management which will pile costly, feckless activity on the Executive branch. That, of course, inspires this magazine's interest.

We have said often that Government Executive's primary task is to help you in the business of Government be successful. Concomitant to that mission is to avoid editorially encouraging a batch of boobs. Given the Congressional track record so far this year, it's downright embarrassing to have to admit Mark Twain probably was more right than humorous when he said facts and figures maybe could prove "there's no native American criminal element—except Congress."

Item: The Congress, both sides of Capitol Hill as it turned out, "got" President Reagan good on his request for $14 million in aid to the "contras" fighting communism in Nicaragua, first by diluting his original request (with White House help) until it was almost a whimper (during the brief debate a Soviet freighter unloaded almost 20 times that amount of offensive military equipment for the communist Sandinistas) and then killing it altogther.

Leading up to that powerful demonstration of courage and commitment to freedom, two Senators (Tom Harkin of Iowa and John Kerry of Massachusetts) appointed themselves to the Foreign Service, toddled off to Nicaragua to pick up from Sandinista leader Daniel Ortega some disinformation to use against Reagan's Central American policies. And Congressman Michael Barnes (D-Md.) uttered, according to the Washington Times, one of the great rallying cries of democracy "A liberal is a man who's too proud to fight." We haven't been dosed with such inspirational medicine since another top governmental official proclaimed, after the Soviet invasion of Afghanistan, "I've gone to my room!"

Summed up former United States Ambassador to the United Nations Jeane Kirkpatrick in a discussion at the American Enterprise Institute, "The Soviet empire is an imperial system that operates multi-nationally, not centrally. To ignore the dramatic expansion, influence of the Soviets in the 'Third World' in just the last 20 years is to ignore what I think is the most important single threat to us. We're dealing with a global problem not an East-West problem."

The central tactic of that expansion, she said, is "incremental incorporation." Not realizing that, she warned, "makes it easy to imagine a coup in some isolated region is not part of a global strategy, easy to imagine a coup is the result of local instabilities. That also makes it plausible that we could give them (the communist revolutionaries as in Nicaragua) Western economic aid while the Soviets build up their military force."

Those who talked about the "domino theory" in Southeast Asia a few years ago had the wrong game, she said. "It (the Soviet strategy) works a good deal more like chess, checkers—or cancer. And what happens to people caught in this dreadful trap? Economic stagnation, tyranny, impoverishment, often outright famine."

Item: The Congress appears hell-bent to freeze Fiscal 1986 Defense spending at 1985 levels; whack back "Star Wars" as much as a third (while intelligence and technical experts are telling them the Soviets are ahead of us in many aspects of the package—and the same squirrels shooting down American policy in the Caribbean snort back "You exaggerate"); reversing most of the expenditure cuts Reagan proposed for domestic programs.

Summed up Senator Barry Goldwater (R-Ariz.) recently, "Too many of my colleagues are crawling over each other to be canonized as the patron saint of either Social Security, Amtrak, Small Business Administration, the Legal Services Corporation, agricultural subsidies or some other non-Defense spending program.

"Very few of my colleagues talk about the fact that non-Defense expenditures have increased almost 900% in current dollars and over 275% in constant dollars since 1964." His conclusion: "When all is said and done, this Congress will not have the political guts to make substantial reductions in anything other than Defense."

The attack on the Defense budget is two-pronged: a right-up-front "freeze" on Pentagon spending fired through the Senate by Charles Grassley (Iowa's other senatorial contribution to the Carthaginian philosophy of unilateral disarmament in our time) and House Armed Services Committee Chairman Les Aspin; and a thunderous drumbeat of Defense/Aerospace-industry castigation to demean both military buyers and suppliers, in effect build a Public case that the cutbacks are deserved."

It's a kind of sophisticated version of Mom's warning to me once, "Keep your room cleaned up every day or your Dad won't give you your allowance this week." I celebrated, privately, for two months when I was old enough to mow lawns for an income and could get off the dole—and cleaned up my room anyway since it was no longer mandatory. That's one of the root problems in the Congress' attacks on the Pentagon. The catfish aristocrats can't make up their minds whether they want to nationalize the industry or stick to free-enterprise competition for military contracts.

Some of the crying out in anger over "fraud, waste and abuse" is valid enough though, compared to Defense spending, we've yet to see published any first rate Teapot Dome Scandal. And Defense Secretary Caspar Weinberger is totally right when he's pointed out to journalists (who are enjoying this morality play immensely), "What the public is not being told is that it was Government auditors and investigators that identified these questionable costs."

Still, the price of all that "hype" by press release is that spokesmen for Defense firms have been so thoroughly discredited they have no credibility on Capitol Hill any more. Consequently, they are rarely asked by Congressional committees—and even when asked are neither heeded nor believed—about all of this.

In sum, as good a "disinformation" job is being done domestically on the whole Defense acquisition process as the Soviet KGB ever dreamed up about U.S. and Kremlin foreign policies—and the Soviets are very, very good at that sort of thing. You could call it "Democracy at work." We call it a bunch of very bright people making fools of themselves.●

THE NEED FOR A COMPREHENSIVE AND AGGRESSIVE STEEL PROGRAM

● Mr. HEINZ. Mr. President, the President's steel import program of September 18, 1984 has had some successes, most notably the successful conclusion of voluntary restraint agreements with Japan and Korea, but taken as a whole the policy appears to be failing. The industry is still in crisis and needs our immediate attention.

As I told the President in a recent letter, three steps need to be taken promptly. First, the import restraint program must include all countries and all products. Without that element of universal coverage, diversion and market distortion are inevitable, and ineffective restraints are guaranteed. Canada, in particular, can no longer be excluded. Second, it is essential that the steel agreement with the European Community be renewed and expanded. Third, the Reagan administration must not raise the restraint ceilings to accommodate the kind of frontloading that I fear is currently occurring.

A more comprehensive and aggressive steel policy is clearly needed to prevent further plant closures and bankruptcies. I am pleased to note that the President shares some of these concerns as evidenced in his recent letter to the American Iron and Steel Institute. I urge the Senate to support these measures and ask that the text of both my letter to the President and his letter to the AISI be printed in the RECORD.

The letters follow:

U.S. SENATE,
Washington, DC, May 28, 1985.

The PRESIDENT,
The White House,
Washington, DC.

DEAR MR. PRESIDENT: I am writing to express my concern about the future of the steel import program you announced last September 18.

At that time you directed the U.S. Trade Representative to negotiate voluntary restraint agreements with foreign steel exporters, excepting Canada. In my judgment, Deputy U.S. Trade Representative Bob Lighthizer has done an excellent job in completing a good number of negotiations, including those with major exporters like Japan and Korea.

Nevertheless, our experience in the last few months suggests the program is not working as effectively as had been hoped. Imports have increased in terms of both actual tonnage and market share in the first quarter of 1985 compared to the same period of 1984. As a result, prices remain low, and capacity utilization in the domestic industry is beginning to decline. This rapidly deteriorating situation is reflected in the recent bankruptcy of Wheeling-Pittsburgh Steel and the major restructuring of LTV Steel, including the closing of a major facility in Pennsylvania which only four years ago employed 10,000 people. Unfortunately, I fear these closings will not be the last.

In view of these developments, it is particularly important that your steel program be fully and aggressively implemented. To that end, there are several steps that need to be taken immediately.

First, coverage must be universal to prevent "country shopping" by importers and diversion through third countries, both of which are presently occurring. New or previously insignificant steel producers are suddenly becoming important factors in our market as importers shift their focus to any producer not subject to restraint agreements. In addition, diversion through third parties, particularly Canada, in order to disguise the source of the steel, is a growing problem. Therefore, it is essential that you direct the U.S. Trade Representative to expand the voluntary restraint negotiations to cover all producers, including Canada. Pending the conclusion of an agreement with Canada, the Customs Service should be instructed to work closely with Canadian officials to interdict non-Canadian steel coming across the border.

Second, renewal and expansion of the steel agreement with the European Community is an absolutely essential element of any effective steel program. European Community producers are some of the least efficient of our competitors as well as the most frequent violators of our trade laws with regard to steel. Their failure to undertake the kind of adjustment the U.S. industry is going through has resulted in their attempts to export the cost of that policy to the United States. Special treatment in their case is indefensible. The existing agreement should be renewed with the fourteen "consultation" products included and without any further concessions on pipe and tube.

Third, the voluntary restraints that have already been negotiated are facing a major threat from importers and foreign producers attempting to break them open by selling at higher levels than last year and then counting on pressure from domestic buyers to raise or remove the quota limits once they are reached. If present conditions persists, it seems clear the quota limits for many countries and products will be reached before the end of the current restraint-year. At that point, if there are additional contracts for our steel outstanding, buyers will likely put the Administration under considerable—and unwarranted—pressure to permit those contracts to be filled, notwithstanding the restraints limits. If you succumb to that pressure, the steel program will be effectively negated. Therefore, at this point I would urge you to indicate clearly and publicly that the Administration will not raise the restraint ceilings to accommodate this kind of problem. I would also suggest you direct the U.S. Trade Representative to include quarterly limits in the agreements in order to prevent the kind of "frontloading" that is currently occurring.

The bankruptcies and plant closings that are taking place in the steel industry right now are very likely irreversible. The effective implementation of your program may be in many respects, the last opportunity to preserve a modern, competitive industry in this country. The alternative is the massive inflow of dumped and subsidized steel that is not more efficiently produced than the domestic product but which is the beneficiary of greater government support. That is not in our interest, or, in the long term, in the interest of the subsidizing governments, but failure to act aggressively now will cast the die against a competitive future for our industry. Therefore, I urge you to implement the suggestions I have made above, and I will shortly be contacting you to request a meeting to discuss this crisis in greater detail.

Sincerely,

JOHN HEINZ,
U.S. Senate.

THE WHITE HOUSE,
Washington, May 22, 1985.

I am pleased to send warm greetings to all those gathered for the annual conference of the American Iron and Steel Institute.

Steel is important to the economy of the United States because it is widely used across the spectrum of our manufacturing industries. In 1984, the American steel industry contributed over $43 billion in shipments to the national economy, creating jobs in 37 States. Your industry has faced challenges from steelmakers abroad that have made it difficult for companies to achieve greater competitiveness.

The ultimate responsibility for improving an industry's competitiveness lies with the industry itself—both management and labor. Your industry has taken important steps to improve its competitiveness and it is essential that you continue.

It is also important that everyone play by the same rules of the game. To the extent that our trading partners engage in unfair trade practices, it is the responsibility of the Federal Government to take steps to address those problems and to promote an open and fair international trading system. On September 18, 1984, we established a program to help the steel industry modernize and adjust to import competition. As part of this policy, I directed the United States Trade Representative to negotiate arrangements with those countries whose exports to the United States have increased due to unfair trade practices. Once this program is fully in place, we expect that imports will take 18.5 percent of the domestic market.

The USDTR has undertaken diligent efforts to implement this initiative. Eleven agreements have been negotiated with some of the most important steel-exporting countries. This is important progress, but we know that some problems still remain. Imports from certain new suppliers have increased significantly while imports from Canada and imports of unlicensed products from the European Community are well above traditional levels.

I remain, of course, very much concerned about the need for our steel industry to improve its competitiveness and I am committed to the full implementation of my program to provide our industry the opportunity to compete on a level playing field.

RONALD REAGAN.●

HONORING THE 100th BIRTHDAY OF WILLIAM COUREEN

● Mr. D'AMATO. Mr. President, I rise today to honor a local legend in Lyons, NY: William R. Coureen. Mr. Coureen is 100 years old today, June 25, 1985. I am delighted to have this opportunity to honor a man who has lived so fully and richly.

Bill was born on June 25, 1885, in Rush, NY; and moved to Lyons in 1893 where he graduated from Lyons High School in 1902. He is the proud father of three sons, grandfather of two, and great-grandfather of two.

In a selfless effort to serve his community, Mr. Coureen joined the No. 2 Fire Department in Lyons on May 17, 1903, and now, 82 years later, he is still serving his neighbors as a fireman. Bill provided leadership as a fire chief in 1914–15 and as treasurer of the New York Central Fire Department for the past 71 years.

His leadership in the area of community service has been extensive. He has, for example, served with distinction as the first president of the Wayne County Volunteer Fire Association. The village of Lyons recognized his achievements in 1976 with their village of Lyons Recognition Award. I am honored to have this great-lived, community-minded man in my State.

Happy birthday, Mr. Coureen.●

SAFETY KIDS EDUCATIONAL SERIES

● Mrs. HAWKINS. Mr. President, I draw the attention of my fellow Senators to yet another piece of children's educational material. Truly there has been, and continues to be, a drastic turnabout in the attitude of America's parents and educators toward the need for drug abuse and personal safety education at the elementary levels.

It is sad to realize that we need educational programs concerning drugs and personal safety for our elementary-age children. But the cold harsh reality is that we desperately do. It is estimated that one out of every four children are sexually abused by the time they reach 18. Also, the pervasiveness of drugs in our society guarantees that our children will have to make decisions concerning the use of drug substances.

Increasingly, these encounters are occurring at earlier and earlier ages. We must educate our youth! Education is one of our main tools for protecting them from the trauma of drug and sexual abuse.

However, while the need to educate our children at the elementary levels is present, there also exists the need to educate them in a positive and gentle manner. We want to avoid, at all costs, rearing children who are needlessly distrustful, overprotected, and scared. Trust, innocence, and an inquisitive nature are what being a child is all about and that should not change!

Janeen Brady has authorized a series which I believe strikes a much needed balance. Her series is entitled the "Safety Kids" and is both upbeat and appealing. The series represents an effort to teach children at the elementary level the ABC's of personal safety and drug abuse in a straightforward and skillful manner. The main objective of her program is prevention. Her aim is to teach children how to avoid dangerous situations. She also provides children with the means to deal with such situations if they are not able to avoid them.

In volume 1 of the series, she uses entertaining songs and stories to teach children the basics of personal safety. In volume 2, she seeks to help children establish defenses against the appeal of drugs and alcohol at an early age so that they may make well-informed decisions when confronted. I feel that this series will be instrumental in teaching children vital information about personal safety and drug abuse. For these reasons, I commend the efforts of Janeen Brady and other such authors and endorse this series wholeheartedly.●

SENATOR MARK HATFIELD'S ARTICLE CONCERNING THE LINE-ITEM VETO

● Mr. WEICKER. Mr. President, I rise today to recommend that each of my colleagues carefully review Senator MARK HATFIELD's article titled, "Line by Line, a No-Account Veto," that appeared in today's edition of the Washington Post. The article is an insightful analysis of all that is wrong with the legislative proposals to establish Federal line-item veto authority; it is an alluring concept that will neither reduce the deficit nor make the Government more accountable.

Mr. President, the U.S. Constitution establishes three separate but equal branches of government. It is the responsibility of the Congress, under our Constitution, to spend funds and raise taxes. As a member of the legislative branch of government, I join my friend and colleague, Senator HATFIELD, in refusing to relinquish the responsibility and hard choices that go along with our Constitutional responsibilities.

Mr. President, I ask that Senator HATFIELD's article be printed in the RECORD.

The article follows:

[From the Washington Post, June 26, 1985]

LINE BY LINE, A NO-ACCOUNT VETO

(By Mark O. Hatfield)

The line-item veto: President Reagan endorses it. Forty-seven of my colleagues in the Senate endorse it. And close to one-fourth of the members of the U.S. House endorse it.

The appeal of the line-item veto, which the Senate is due to consider soon, is simple. The idea of allowing the president to eliminate wasteful and unneeded projects with a stroke of a pen is alluring. Upon scrutiny, however, it is simply a nostrum for our budget woes and, like any "snake oil" remedy, its application will not cure the underlying illness.

It won't get at individual projects; it won't necessarily result in any budget savings; and, by allowing the president to substitute his judgment for that of Congress, it threatens serious political and institutional upheavals in our government.

As proposed, line-item veto authority would allow the president to accept or reject individual parts of appropriation measures. Appropriation bills, once approved, would be turned into literally hundreds of separate measures. The clerk of the House—not an elected representative—would be charged with responsibility and the discretion to do this. Provisions linked in sequence would be dismembered and legislative intent undercut.

This would certainly enable a president to have his crack at hundreds of smaller bills, but he wouldn't get to pick and choose which line items to cut, as you and I think of the term "line item." A president would not be able to strike funds for one water project, one federal building, one military construction project, or one fish hatchery.

To turn down funds for one project, a president would have to reject all activities financed out of the same account. For example, it would be necessary to strike funds for all water projects to kill just one. So the line-item veto would not be the precise and discriminate instrument it is claimed to be.

It should also be made clear that it would not be a tool to achieve meaningful reductions in the federal budget deficit.

Line-item veto authority, as proposed, would apply only to individual items in appropriation bills. It would not be used on revenue or tax-loophole measures. It also would not be applied against the largest and fastest-growing portions of the budget—entitlement spending such as Medicare, Social Security and Civil Service retirement, and other mandatory costs such as interest on the federal debt. These items account for nearly half of the trillion dollars spent annually by the federal government. These programs could not be reached with a line-item veto; they can only be reduced or eliminated with changes in substantive rather than appropriations law.

Of the remaining half of the budget subject to appropriation, more than half goes for national defense. I doubt very much that this administration, though committed to restraint, would exercise this grant of power much on defense or foreign-aid items.

What remains is less than 15 percent of federal spending, the non-defense domestic discretionary appropriation items. Their elimination would still leave a fiscal 1986 deficit of more than $100 billion.

Much has been made of the fact that 43 states grant their governors some form of line-item veto authority. The argument here is that what works for the states ought to work for the federal government.

In response, I quote the February 1985 Annual Report of the President's Council of Economic Advisers, which states: "Approval of a line-item veto may not have substantial effect on total federal expenditure. The experience of the states indicates that per capita spending is somewhat higher in states where the governor has the authority for a line-item veto, even when corrected for the major conditions that affect the distribution of spending among states."

What the line-item veto would do is destroy the balance of power in our government. It enhances the president's legislative role by enabling him to substitute his judgment for that of 535 members of Congress.

For example, the line-item veto could be utilized to enable the president to override congressional action on such serious issues as aid to Nicaragua. Congress last year appropriated funds to aid the Nicaraguan rebels, contingent upon subsequent congressional approval. If the appropriation and the qualifying language for release of the funds had been enrolled as separate bills, the president might have circumvented

Congress' intent by vetoing one and signing the other.

The "power of the purse" is an important legislative power. We must ask whether a budget submitted by the president is more reflective of the nation's interests than a budget decided upon by 535 individuals elected to represent the diversity embodied in a nation of states. I believe the nation's interests are best served and best reflected by the "give and take" of the legislative process, not by concentrating legislative power in the president.

If we are serious about reducing the federal budget deficit, let's not waste our time on a proposition to shift the blame for the deficit from Congress to the president. The line-item veto is not the budget enforcement tool it is claimed to be. It may not result in any savings. What it does represent is a significant grant of power and passing of responsibility to the chief executive at the expense of the legislative branch. And, therein lies the case against the line-item veto: it offers a "snake oil" cure that will not heal our budget ills but instead will threaten to cause long-term structural infirmities in our government.●

The PRESIDING OFFICER. The Chair in his capacity as a Senator from Virginia suggests the absence of a quorum.

The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. DOLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECESS UNTIL 1:30 P.M.

Mr. DOLE. Mr. President, we are going to stand in recess shortly until 1:30 because of a bipartisan Senate-House White House luncheon, and we will be back in session at that time.

At that time, I hope we will be able to reach some agreement on the imputed interest bill and restrain ourselves from offering a lot of amendments, or we will not be able to complete action on that bill today. We will have more matters for tomorrow and Thursday.

I now ask unanimous consent that the Senate stand in recess until 1:30 p.m.

The PRESIDING OFFICER. Without objection, it is so ordered.

Under the previous order, the Senate will stand in recess until 1:30 p.m.

Thereupon, at 11:27 a.m., the Senate recessed until 1:30 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer [Mr. MATTINGLY].

UNANIMOUS-CONSENT REQUEST—H.R. 2475

Mr. DOLE. Mr. President, I am going to propose a unanimous-consent request here in the next few moments with reference to Calendar No. 185, H.R. 2475, and I would just sort of generally outline that now in case Members here may have an interest in it.

It will be 1 hour on the bill and then there will be amendments by Senators DANFORTH, DURENBERGER, THURMOND, MATTINGLY, HEINZ, METZENBAUM, and CHAFEE, and although I know of no other amendments, there may be others.

I yield for a question to the Senator from Arkansas.

Mr. PRYOR. Mr. President, if the majority leader will yield, I do not know, to be honest with you, at this time that I would propose an amendment. I would like to be included on the list of possible amendments dealing with the issue of imputed interest as it relates to those States with usury laws, and right now we are doing a little research on this. It may not be necessary, but if the majority leader will include me at this time, I would appreciate it.

Mr. DOLE. Mr. President, I am happy to yield to the Senator from Ohio for a question.

Mr. METZENBAUM. Mr. President, I am not going to propose any action but I do want to advise the majority leader, the Senator from Ohio does intend to object to a unanimous-consent agreement, it being my feeling that the basic bill goes too far as far as giving away the store to the real estate lobby and a number of the amendments move in the same direction. With the conference committee continuing its deliberation in attempting to balance the budget, I think that it is no time for us to be taking special care of the real estate lobby, and we have had this issue before us on two separate occasions last year and in each of those occasions we attempted to ameliorate the problems of the real estate lobby. In each instance we went a little bit further than IRS had gone. This will go even further than the two previous efforts.

I object to the unanimous-consent agreement. I place the majority leader on notice.

Mr. DOLE. Mr. President, I share at least the concern about one or two areas the Senator from Ohio has an interest in, life care facilities and others.

I think we certainly create another problem and another loophole that I would hope we would not need. This is a matter that we would like to clear up.

I guess we can just start it and see how long it takes. We have all night as far as I am concerned. It may not take long, but we can at least get started on it.

So I ask unanimous consent that we turn to the consideration of H.R. 2475.

Mr. METZENBAUM. Objection.

The PRESIDING OFFICER. Objection is heard.

Mr. DOLE. The Senator is not going to let us proceed with the bill or is he going to——

Mr. METZENBAUM. With no disrespect to the majority leader, I think that the bill does not merit consideration of this body at this time and so much concern. There are so many really more important issues than this one before us.

Mr. DOLE. Name one.

Mr. METZENBAUM. Pardon?

Mr. DOLE. Name one.

Mr. METZENBAUM. I am glad the majority leader asked me and I would like to take about a half-hour to discuss the Genocide Convention which I think should be brought to this floor. This body made a commitment to do just that in the last session of Congress. That issue has been pending before the Senate for 36 years.

I cannot think of any more important issue than the Senate addressing itself to that issue which is a matter of an absolute commitment.

I think it passed by a vote of something like 87 to 2 in the last session of Congress. It would be a priority matter in this session of Congress.

I think that outlawing homicide, mass murders, based upon the ethnic or religious or racial characteristics of any particular group is frankly of a lot more importance for us to deal with. It has only taken 36 years to get here. I think it is our obligation to deal with it.

The Foreign Relations Committee has reported the resolution out and recommended it for passage.

I for one would very much like to see us move in that area, and I think that this body has said at an earlier point that we will not, that we should, but that we will move in it and do it on a priority basis.

The Senator from Wisconsin has been on his feet every day for I think something like 27 years advocating that we move forward with ratification of the Genocide Treaty. That is one that I am certain that we ought to be dealing with.

I think the labeling of foods so that people may have some idea of what they are ingesting rather than the kind of procedures and the lack of protection that is now being provided by the Food and Drug Administration would be a second one that I think this body ought to turn to.

I think the changes with respect to the Illinois brick decision might be an appropriate subject for us to get into.

I believe that the oil company antimerger bill is another.

I have a whole list. The majority leader asked me to name one.

Mr. DOLE. I might say none of the items mentioned are currently on the calendar, including the Genocide Convention Treaty. It is my understanding it is being held up by members of the

Senator's party, preparing minority views. We could not take up that if we wish, but there are other items on the calendar and if we could find something there that the Senator would like to bring up, since he objects to about everything we try to do around here, maybe we could take up one he likes to talk about.

Mr. METZENBAUM. As a matter of fact, there is a bill to require the imposition of economic sanctions against the Government of South Africa if in 2 years significant progress has not been made toward ending its policy of apartheid and other purposes. That bill was reported out, as I understand it, on April 24, 1985. It is Senator MATHIAS' bill.

I think that would be an excellent measure to turn our attention to.

Those measures I object to and there are some because I do not believe it is in the country's interest to pass the legislation or else I believe that they are ripping off the Federal Treasury or for some other egregious reason, and I do not do it for personal reasons but I just do not think they are good legislation. I, therefore, see no reason not to proceed with my rights as a Member of this body.

Mr. DOLE. Mr. President, I would indicate as far as South Africa there is some hope we might bring that up immediately following the July 4 recess. In fact, we are exploring the possibility that this bill will be pending on July 8 when we return.

I understand the Senator's objection. He had an objection yesterday and probably will have one tomorrow, depending on what bill it is, but that is his right. There are others who have certain rights, too.

SIMPLIFICATION OF IMPUTED INTEREST RULES

Mr. DOLE. I move to consideration of Calendar No. 185, H.R. 2475, imputed interest, and ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The majority leader.

Mr. DOLE. Mr. President, I hope we can get on with this. I understand both the chairman of the Finance Committee and the ranking minority member of the Finance Committee are here prepared to go to work. There are some amendments. In fact, I am supporting the Senator from Ohio on one amendment if he offers it. I do believe we should have the opportunity to work our will. There may be others who have the same views as the Senator from Ohio. If that is the case, the bill would not pass in any event. But it has passed the House of Representatives. It has been on the calendar for some time.

We have been urging that this bill be brought up. However, now we will not pursue any efforts to reach a time agreement. But I hope that after some discussion, we could be permitted to proceed with the bill. If not, we will eventually get to it some time this week, but maybe not until Thursday or Friday.

CALL OF THE ROLL

Mr. METZENBAUM. Mr. President, I suggest the absence of a quroum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. METZENBAUM. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

Mr. DOLE. I object.

The PRESIDING OFFICER. Objection is heard.

The clerk will resume the call of the roll.

The bill clerk resumed the call of the roll and the following Senators entered the Chamber and answered to their names:

[Quorum No. 8 Leg.]

Byrd	Mathias	Pryor
Chafee	Mattingly	Quayle
Dole	Melcher	Rudman
Lautenberg	Metzenbaum	Thurmond
Long	Packwood	

The PRESIDING OFFICER. A quorum is not present. The clerk will call the names of the absent Senators.

The bill clerk resumed the call of the roll.

Mr. DOLE. Mr. President, I move that the Sergeant at Arms be instructed to request the attendance of the absent Senators, and I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Kansas. The yeas and nays have been ordered and the clerk will call the roll.

The legislative clerk called the roll.

Mr. SIMPSON. I announce that the Senator from Alabama [Mr. DENTON] and the Senator from Arizona [Mr. GOLDWATER] are necessarily absent.

Mr. CRANSTON. I announce that the Senator from Oklahoma [Mr. BOREN], the Senator from Alabama [Mr. HEFLIN] and the Senator from Maryland [Mr. SARBANES] are necessarily absent.

The PRESIDING OFFICER [Mr. QUAYLE]. Are there any other Senators in the Chamber wishing to vote?

The result was announced—yeas 90, nays 5, as follows:

[Rollcall Vote No. 133 Leg.]

YEAS—90

Abdnor	Gore	McConnell
Andrews	Gorton	Melcher
Armstrong	Gramm	Metzenbaum
Baucus	Grassley	Mitchell
Bentsen	Harkin	Moynihan
Biden	Hart	Murkowski
Bingaman	Hatch	Nickles
Boschwitz	Hatfield	Nunn
Bradley	Hawkins	Packwood
Bumpers	Hecht	Pell
Burdick	Heinz	Pressler
Byrd	Helms	Pryor
Chafee	Hollings	Riegle
Chiles	Humphrey	Rockefeller
Cochran	Inouye	Roth
Cohen	Johnston	Rudman
Cranston	Kassebaum	Sasser
D'Amato	Kasten	Simon
Danforth	Kennedy	Simpson
DeConcini	Kerry	Specter
Dodd	Lautenberg	Stafford
Dole	Laxalt	Stennis
Domenici	Leahy	Stevens
Durenberger	Levin	Symms
Eagleton	Long	Thurmond
East	Lugar	Trible
Evans	Mathias	Wallop
Exon	Matsunaga	Warner
Ford	Mattingly	Wilson
Glenn	McClure	Zorinsky

NAYS—5

Dixon	Proxmire	Weicker
Garn	Quayle	

NOT VOTING—5

Boren	Goldwater	Sarbanes
Denton	Heflin	

So the motion was agreed to.

SIMPLIFICATION OF IMPUTED INTEREST RULES

Mr. DOLE addressed the Chair.

The PRESIDING OFFICER. The majority leader is recognized.

Mr. DOLE. Mr. President, I understand the distinguished chairman of the committee has been in consultation with the distinguished Senator from Ohio, Senator METZENBAUM. It may be that there might be some resolution that would be satisfactory.

Let me indicate, as I have indicated before, this is an important bill, not just to the real estate industry but to a lot of individuals in the country. I think it has almost unanimous support on both sides of the aisle. It is not a partisan effort in any way to bring up something. That does not mean that a Senator cannot oppose it, as obviously some will.

There are a number of amendments that probably are of concern to some.

I would certainly be willing, if we could work out some agreement, to eliminate some of the amendments or to make certain they were germane to the bill at hand. But, again, I think the important thing is that we get on with this bill. We would rather not be here all week on it, but that is a possibility.

I am not suggesting that as an ultimatum, just saying that is a possibility. There is not much else we can bring up this week. This is an important bill to a number of people on

both sides. It came out of our committee, I think.

Was it unanimous?

Mr. PACKWOOD. Mr. President, I cannot remember whether it was unanimous. We had one or two closely contested votes in the committee. I cannot remember what the vote was on passage.

Mr. DOLE. I am hopeful the chairman and the Senator from Ohio may work out some arrangement that is satisfactory, not just to the Senator from Ohio, because there are other Senators who may have some concerns that are just as serious as his, but if there is some reason we can speed up consideration of the bill, I would appreciate it.

Mr. PACKWOOD. Mr. President, the vote was 19–0 on passage in the committee.

I believe the Senator from Ohio had a proposition he would be willing to suggest. I think it may be acceptable to me. I have not spoken to any other Senators involved, but if he wants to put it forth, we can see what we can do.

Mr. METZENBAUM. Mr. President, it would not be an imposition, I hope, if I could explain just a little bit my concern. I shall not be lengthy. I just want it understood where we are and why we are here on this matter.

Before 1984, there was no issue, but the IRS started to impute interest where some deals were made, where you sold a property at a higher-than-the-regular asking price, making it possible, then, for the seller to have a capital gain on the additional dollar, making it possible for the buyer to buy it at a lower interest rate and giving the buyer a higher rate of depreciation. The net effect of all that was that, by using these real estate syndications, the Federal Treasury was suffering badly. So the IRS came along and said, "'We are going to impute a certain interest rate that relates to the T-bill rate."

The real estate lobby came to us and on June 27, 1984, in the Tax Act, we gave them some assistance. Let us say that assistance was—let us use a number—10. Then they came back on June 29, 2 days later, in an enrolling error resolution—not even on a bill but in an enrolling error resolution. They came forward with the idea of liberalizing it more for some people in the real estate industry, costing the Treasury more.

Then, in October 1984, we came up with another measure, a so-called stopgap resolution. Under that procedure, the imputed interest rules of the Treasury were impacted even further. As a consequence, the Treasury got hit for additional dollars.

In May 1985, the Committee on Finance came forth with a bill which, as I understand it, is very similar or identical—probably not identical but very similar to a bill the House had already enacted, that went considerably further in the direction of the real estate industry and the syndicators. It would therefore have an additional impact upon Treasury receipts.

Mr. President, I want to point out that they then took some action in the House as well as the Senate to cover that matter of the so-called lost revenue that would result from this decodification. In order not to have a net revenue impact, they changed the depreciation schedule for real estate from 18 years to 19 years. But when you look at what the President's program is, and he is proposing a 28-year depreciation schedule, then you have to have tongue in cheek as to whether or not that will in fact cost the Treasury a billion dollars, which is the amount involved, if you do not have that 18- to 19-year change.

What we have before us today is a proposal to move this bill forward without any limits, going much further than heretofore discussed, all for the real estate lobby, not for anybody else. There is no hue and cry for this among small real property owners.

I have made it very clear, Mr. President, I do not have any problem with this issue as far as people buying a home or somebody selling a home. Those are not my concerns. Nor do I have any special problems with the farmers, nor do I have any special problems with the small business people.

My concerns have to do with the wheelers and dealers, many of whom are not even in the real estate business, who have found a way to use these laws to put together syndications with high depreciation, high writeoffs, and tax shelters.

When we came here to the floor, it was my understanding that there would be a number of amendments offered which would go even further than the amendment that is drawn, and those amendments would be costly to the Treasury. In addition, there would be two other amendments which have nothing at all to do with the imputed interest rule but, rather, have to do with certain tariffs and having to do with the manufacturing of radial tires and another one having to do with farm cooperative netting, a provision that was in the supplemental appropriations bill the other day and we thought had been resolved when the Senator from Oregon had offered a sense-of-the-Senate resolution which was unanimously agreed to, including myself.

I have now said to the distinguished chairman of the Committee on Finance that I would have no problem about moving to consideration of this bill with the understanding that there would be no amendments in order except an amendment to be offered either by Senator CHAFEE or myself having to do with the elimination of the so-called Heinz amendment, which relates to a special kind of tax deal in some senior citizens housing, and an amendment that would be offered to delete that, and such additional amendments as I might offer or be able to work out with the distinguished chairman of the Finance Committee having to do with the basic language in connection with the imputed interest question but not to be a stray or in some far-removed carrier other than the basic issue in the bill.

Mr. PACKWOOD. Mr. President, as I understand my good friend from Ohio, his principal interest is over $25 million or in trying to get back to the 110-percent standard; is that correct?

Mr. METZENBAUM. The Senator from Oregon is correct. Also, I might say, the provision with respect to sales and leasebacks.

With respect to sales and leasebacks, I am told that there is some receptivity or some willingness to consider this on the part of the interested players that any sale or leaseback would have to satisfy the 110-percent imputed interest rule. That seems to be logical because in the sale-leaseback, I do not have to explain to the chairman of the Finance Committee the significance of that provision and why there is need of protection.

Mr. PACKWOOD. I might say to my good friend, I am very anxious to get this bill passed this week, because there is going to be chaos in the real estate market on sales of from $100 to $100 million if we do not pass this bill this week. I think there is going to have to be some give on all of our parts. I do not think the Senator from Ohio is going to be able to strike a bargain where the only things we consider are those he is interested in and no others.

Mr. METZENBAUM. I understood the Senator from Rhode Island would offer an amendment to the same effect, to strike the Heinz amendment.

Mr. PACKWOOD. I know there is objection on both sides to the amendment relating to the temporary duty suspension on Michelin tires and the chemicals that go into them. It is a subject on which we have never had any hearings, no discussions, and if committees have any purpose at all, it should be to consider things like that. There is objection on both sides. I hope, given that, that we might be able to reach an agreement without considering that amendment.

There is objection also to the Mattingly amendment on farm cooperatives and the netting of the receipts. It is an issue that we discussed the other night. We substituted a sense-of-the-Senate resolution with the cooperation of my friend from Ohio, and I hope we would not consider that.

The amendment the Senator from Rhode Island has is a fair amendment, fought hard in committee. As I recall, it was a one-vote difference, was it not? He is entitled to relitigate that and, in fairness, he should be able to.

That would bring us down to a Danforth and a Durenberger amendment, both of which are germane indeed to the bill. Whether or not they would be willing to forgo those in the hopes of getting a bill, if we could limit ourselves to a vote on the Chafee amendment and a vote on an amendment not relating to sale-leaseback but to the $25 million and the 110 percent, if the Senator from Ohio would limit himself to that, I do not know if they would agree to it. I would be willing. If we do not reach an agreement, I think we will probably beat ourselves today, tomorrow, and Thursday, and we will go out without any bill at all.

Mr. METZENBAUM. I will indicate to the Senator from Oregon that it is not my objective to keep the Senate from going to this bill, but it is my objective to see that in dealing with the subject we have some rhyme and reason to it. It is not the first time that I have addressed myself to this issue of imputed interest. In each of the instances I previously mentioned, the Senator from Ohio had been involved and indicated his concern. Basically, it comes down to the fact that I believe the real estate lobby, a very effective one, I might say—one for which I have considerable respect—are those who speak the loudest in talking about balancing the budget but speak the softest when it comes to concerns of the real estate industry. So I am happy to try to work with my colleague and friend from Oregon to see if we can come up with an appropriate solution this afternoon or as promptly as possible.

Mr. MOYNIHAN addressed the Chair.

The PRESIDING OFFICER. The Senator from New York.

Mr. MOYNIHAN. Mr. President, I inquire of our distinguished chairman if he is prepared to enter into a colloquy with me on a question of employer-provided education assistance.

Mr. PACKWOOD. By all means.

Mr. MOYNIHAN. I wish to proceed in this way.

As the chairman knows, I had intended to offer an amendment to H.R. 2475 that would make permanent the provisions of Internal Revenue Code section 127, which will otherwise expire on December 31 of this year. Section 127, as the distinguished chairman knows, provides an exclusion from taxable income for certain employer-provided educational assistance. However, in view of the Senator's desire to limit amendments to the bill proposed for consideration, I will not offer my amendment and will give my consent to a time agreement in light of the chairman's assurances, as I understand them, that Senate Finance Committee action will be taken on the Employee Educational Assistance Act, S. 558, prior to the expiration date of the current section 127 as it is now in the tax code.

Mr. PACKWOOD. Let me say to my good friend from New York, I hope so. Since I have become chairman of the Finance Committee, I have not cosponsored any bills with the exception of one that I told the President I would put in on his behalf. He knows I support his position on this. We have been able to win it in the Senate before. We have lost it in the House before. It is getting to be a nearer and nearer thing from time to time in the Senate. But I intend to do everything I can to pursue it. Fortunately, the administration in good grace has changed its position from treasury 1 and in their bill propose the extension of the educational benefits on a tax-free basis. I will do everything I can to move this bill, to move it as an amendment to something, to put it in on the tax reform bill or, if there is no tax reform bill, to put it on some other extender because I very much share my colleague's position.

Mr. MOYNIHAN. I could not ask for a more forthright statement. There are limits even to the authority of the chairman of the Finance Committee. Even under our distinguished predecessor once removed there were limits. But the good faith of both the distinguished Senator from Louisiana and from Oregon is all we ask. I particularly thank the chairman for noting that this measure is supported by the administration and is a part of the President's recent tax reform proposals. I thank the Senator very much for his courtesy.

Mr. PACKWOOD. I thank my colleague from New York.

Mr. THURMOND addressed the Chair.

The PRESIDING OFFICER. The Senator from South Carolina.

Mr. THURMOND. Mr. President, I have an amendment. I wish to make this statement in connection with it.

DCBS is a chemical used in the manufacture of radial tires. It is not produced domestically, and there is no domestically produced substitute readily available.

My amendment would allow this chemical to come into this country duty free. The matter is of vital importance to an industry in my State that employs 7,000 people. If there was competition, we would not ask for this, but there is no competition. We have 7,000 people employed. I was hoping the managers would see fit to accept this amendment. I do not believe the Senator from Ohio objects to this since there is no competition and you cannot get it in this country. We have to bring it in from another country.

I am wondering if there is any way possible that we could include this if any amendments are going to be included. If there are no amendments to be included, if they would embarrass the managers, then I would like to get some assurance that they would come on some other legislation later.

Mr. PACKWOOD. Mr. President, there is objection, I say to my good friend from South Carolina, on both sides. It is not a germane amendment. It is not one we have ever had a hearing on, nor does the committee know anything about it. I am going to do the best I can to get through this bill as clean as I can. The minimum step I want to step back to is germane amendments. If we even have to, I would like to limit some of the germane amendments. But if we start going a step further down and say now we will go to nongermane amendments that have had no hearings, that the committee does not know about, then I think it is "Katy-Katy-bar-the-door," and we are not going to get this bill through by Thursday night or Friday afternoon, or whenever it is we adjourn.

Mr. THURMOND. Mr. President, I favor this bill. I think this bill is badly needed. I commend the Senator from Oregon for his leadership on this bill. May we get some assurance that we could have a hearing on it soon?

Mr. PACKWOOD. I will talk to the Senator from Missouri [Mr. DANFORTH], who is chairman of the Trade Subcommittee, and urge him to have a hearing as soon as possible.

Mr. THURMOND. Mr. President, I hope we could get it up soon. I do not want to see this industry curtailed and cut off several thousand employees.

Mr. PACKWOOD. Mr. President, it would help me if the Senator from South Carolina would also encourage the Senator from Missouri [Mr. DANFORTH] to hold hearings. He has a busy schedule, but it does not sound to me like it needs more than an hour or two hearing.

Mr. THURMOND. I do not think so. I think in 1 hour's time we could hear it.

Mr. PACKWOOD. I thank my colleague. If he would join me, why do we not jointly send a letter to Senator DANFORTH asking him to schedule a hearing?

Mr. THURMOND. Mr. President, I would be glad to do that. As quickly as we can we can get it up, it would really be appreciated by the people of my State who work in this plant.

Mr. PACKWOOD. I thank my colleague for withdrawing the amendment, and let us get a letter off this afternoon and see if we can get a hearing set.

Mr. DURENBERGER addressed the Chair.

The PRESIDING OFFICER. The Senator from Minnesota.

MR. DURENBERGER. Mr. President, I do not know if I am going to add anything to the clarity of the current situation, but I want to state to the chairman of the Finance Committee that we have already, as a body, as he well knows, spent hundreds of hours on the floor of the Senate on this issue. There are a lot of us who are anxious to resolve the issue of imputed interest period. I share with the chairman of the Finance Committee the notion that the end of June is right around the corner, that there are a lot of tax-related issues that he has to tackle over the coming months, and that we ought to take these one at a time; that when he talks about a clean bill, it ought to be a clean bill. I happened to support in the committee an add-on to this clean bill only because the chairman did, and I was left a little confused as to where he may have wanted to head. I will be supportive today of any effort he takes even though I support, for example, the continuing care issue. I am not sure that that will not belong on this bill, either.

Mr. PACKWOOD. Which one?

Mr. DURENBERGER. I am talking about the continuing care.

Mr. PACKWOOD. The life care issue?

Mr. DURENBERGER. The life care issue. That may be one of those on the borderline.

I want to support the Senator's effort to keep this clean and resolve this issue. I happen to have an amendment, as I think everyone knows, which I wanted to consider in the Finance Committee. I withdrew that amendment, as the chairman knows, because, as constructed at that particular time, the amendment would have cost, in revenue foregone, more than the difference between $891 million, which the change in the ACRS real property has brought in, and the $828 million annual cost of the imputed interest legislation. I have substantially modified that amendment.

I probably offend the sensibilities of my colleague from Ohio, because he characterized this bill as in part OK for farmers and small business people, and that sort of thing, but not so good for wheeler-dealers; and I am not sure whether or not my amendment affects the wheeler-dealers.

I do not know whether we are going to resolve the issue of imputed interest if we are to leave it to 100 of us to make judgments about other benefits.

I got into the issue last summer because I cared about farmers who were going broke and small newspapers which were going broke. A lot of that financing was up in the millions of dollars area. That is how I got into the issue, and I would like to see it resolved here today.

Apparently, the Senator from Ohio has the willingness, for a day or two, to keep us from considering this bill. But I hope that he and the chairman of the Finance Committee can arrive at an accommodation that would at least permit those of us who have germane amendments, with which the Senator from Ohio might disagree, considered in whatever kind of arrangement is made on this floor. Failing that, I will have to stand here and object to any consideration.

(Mr. NICKLES assumed the chair.)

Mr. METZENBAUM. Mr. President, will the Senator yield for a question?

Mr. DURENBERGER. I yield.

Mr. METZENBAUM. The Senator from Minnesota is a member of the Finance Committee?

Mr. DURENBERGER. Yes.

Mr. METZENBAUM. Was the amendment of the Senator from Minnesota offered in the Finance Committee?

Mr. PACKWOOD. He withheld it at the request of the chairman at the time.

Mr. METZENBAUM. What would the amendment cost in dollars to the Treasury?

Mr. DURENBERGER. So that we all understand the figures—and I hope we are in agreement on the figures—the change effected in this bill in the House, to raise revenue, in effect, to pay for the imputed interest changes, will raise $891 million in calendar 1986, or something like that, over a 5-year period. The cost of the legislation before us today, over the same period of time, is $828 million. The cost of the life care amendment, as I understand it, is $44 million, which gets us up to a total of $872 million. The cost of my amendment is $20 million, so it about evens out.

Mr. PACKWOOD. As the Senator from Minnesota knows, the revenue projections of the committee are exact to the dollar on all occasions, so I think the bill becomes a revenue loser. I was only kidding. We are always accurate on our revenue projections and never miss by so much as a dime.

The Senator's amendment would cost about $20 million. At the moment, we are $19 million to the good, in the bill as it came to the floor.

I say to my good friend from Minnesota that he was very generous in withholding other amendments which were quite expensive and involved hundreds of millions of dollars.

Mr. METZENBAUM. The amendment, as I understand it, would cost $20 million.

Mr. DURENBERGER. Either $19 million or $20 million. I am informed that it is $20 million, over 5 years. What it does is try to even the cliff so that you do not drop off this cliff so quickly at $2 million. It does not change anything below $2 million and does not change the wheeler-dealers over $4 million. In effect, it is a blending, as we call it, between 2 and 4 at 100 percent of AFR.

Mr. PACKWOOD. In the hope of striking a bargain—it does create a cliff at $100 million—I would be willing to put in the agreement the time to consider this amendment. The Senator has an argument on his side, and there is a cliff, an unfortunate cliff, but I would like to get clearance. The Senator from South Carolina has dropped his amendment. If we could consider the amendments of the Senator from Rhode Island, the Senator from Minnesota, and the Senator from Ohio, and no others, that would be satisfactory to the chairman.

Mr. METZENBAUM. It seems to me that the Senator from Minnesota had made it very clear that he would like to see the imputed interest bill go through, pass.

The total bill is worth, according to the figures the Senator just stated, about $840 million or $870 million over the 5-year period. That would be the cost to the Treasury.

I would think that, without making this a cause celebre, the Senator from Minnesota might see fit, as the price of getting the total package, to reevaluate the strong urge he feels at this moment to move forward with this amendment, it being a rather modest price to pay to get the total package.

As the Senator from Ohio made clear previously, I think we would be performing a public service if we did not pass any bill. I do not think we need a bill. I believe that the imputed interest rules of the Treasury are what they thought are right and fair. They came about because the Treasury thought they were getting hurt.

I want to point out—I did not want to take the time previously—what we have done for the real estate crowd. Up to 1984, we provided that if the size of the loan was up to $2 million, it would have to stay at a 9-percent increase rate or the IRS would impute a 10-percent rate. From $2 million to $4 million or over $4 million, the same rule was applicable.

On June 27, 1984, we made a change, and in that change we stated that the loan would have to provide a rate of 110 percent of the T-bill rate or the IRS would impute 120 percent of the T-bill rate.

If one stops to think about it, that is not an unreasonable position, because the average person cannot buy money, cannot borrow money, at a rate the same as the U.S. Government. The IRS was saying that, on loans, they would have to have 110 percent of the T-bill rate. So if the T-bill rate was 10 percent, they would impute an 11-percent rate.

There is nothing unreasonable about that.

Then they said, "But if you do not have that 11-percent rate stated, then we will impute a 12-percent rate," assuming still that the T-bill rate was 10 percent.

That was June 27, 1984. On June 29, 1984, in a procedure that to the best of my knowledge I have not seen occur very often in the Senate on the enrolling resolution, the enrolling resolution provided a change, provided substantive language, and it provided that with respect to the first $250,000 of the principal residence, it must state a 9-percent rate. And at that time, the IRS rates were probably closer to 11 percent, 12 percent. And if they did not, the IRS would impute a 10-percent rate, and it further provided that after that there would be a blended rate.

Now, a blended rate is one that gives the party the advantage of the rate up until that point, up until the break point, and then over that you start to blend in the extra imputed rate.

Then after that in October 1984 we were called upon to enact a stopgap measure. If my recollection serves me right, the June 29 measure would not have expired but we enacted in October 1984 a stopgap measure which expires on June 30, 1985.

Under that measure we went a little further. It would provide that on transactions up to $2 million they would have to state a 9-percent rate or the IRS would impute a 10-percent rate.

Then we provided that if over $2 million but up to $4 million you would have to have 110 percent of the T-bill rate or the IRS would impute 120 percent of the T-bill rate. And the same was true with respect to transactions over $4 million. So up until that point we had the same law up to $2 million.

Now we have over $2 million. We start to have this blended rate and we go up from $2 million to $4 million under the presently operating law and over $4 million the same procedures would follow.

On May 8, 1985, the Finance Committee and the Ways and Means Committee of the House of Representatives provided a new procedure. They provided that you have to state the lesser of 9-percent interest on the first $2 million, or 100 percent of the T-bill rate, or IRS would impute the T-bill rate. Please note that that is a concession in that it would be a lower imputed rate than that which is presently the law.

From $2 million to $4 million you would have the blended rate, and that would be based upon the procedure as just indicated, picking up the first $2 million and then working it in that over $2 million to $4 million.

Then with respect to transactions over $4 million, you would have to have a rate of 100 percent of the T-bill rate or IRS will impute that amount.

Please note: IRS will not impute 110 percent of that rate as previously provided, nor 120 percent as previously provided. It will impute the T-bill rate.

And then as if that were not enough for the realtors—they are pretty hoggish, I tell you. They are the ones who come in my office and they tell me about my obligation to balance the budget and they send me letters, but then they say that that $2 million and $4 million rate breaking point, that those are to be subject to an annual inflation adjustment.

Now, what we are talking about was adequately written up in the Wall Street Journal of January 31, 1985. I would like to share that with my colleagues.

OBSCURE TAX RULE ON CERTAIN REAL ESTATE SALES MAY TRIGGER A MESSY, COSTLY FIGHT IN CONGRESS

A top priority of the National Association of Realtors and the National Association of Home Builders is to boost the idea of reducing federal budget deficits. A second goal is to push for tax legislation that could widen the budget gap.

I want to repeat that.

A second goal is to push for tax legislation that could widen the budget gap.

These huge trade associations are prominent advocates of the need to pare deficits primarily through spending restraint. But at the same time, the two groups are at the forefront of a battle to lower taxes on seller-financed property sales that, if successful, could increase federal budget deficits by as much as $2 billion over three years.

The issue, called imputed interest, is little known outside of the real estate industry. But, thanks to publicity generated by these and other special-interest groups, the issue has ignited the ire of thousands of their members, inflamed already-heated congressional rivalries and helped swell the political coffers of many members of Congress.

I want to emphasize that. This is not an issue just being treated on its merits. The National Association of Realtors, the National Association of Homebuilders do have substantial PAC's, and that is the reason that the Wall Street Journal reports on January 31, 1985, that those organizations had helped swell the political coffers of many Members of Congress.

The Wall Street Journal continues to state:

It could become one of the messiest and costliest fights in Congress this year.

The dispute illustrates the way many business groups call for spending restraint to reduce federal budget deficits, but sing a different tune when it comes to tax changes. The tax code is where businesses get most of their benefits from Uncle Sam.

"There is enormous concern" about imputed interest, says Democratic Rep. Ron Wyden of Oregon. "It appears to be a government-created obstacle to people transferring their property." He compares the imputed-interest controversy to the heated and ultimately unsuccessful congressional effort a couple years ago to require the withholding of a portion of interest and dividend income.

Others, including the Treasury, defend the current imputed-interest rules as the fairest way to tax seller-financed transactions.

Please note that the Treasury says that the present rules are the fairest way to tax seller-financed transactions.

According to the Wall Street Journal:

Backers say the rules are needed to prevent big companies from taking advantage of the tax system in ways Congress never intended.

The dispute involves an obscure provision in last year's tax bill that, in effect, would make owner-financed property sales more expensive. Under the new law, an owner who finances the sale of property with a loan at a below-market interest rate would be taxed on the interest income as if it were being paid at a higher rate. This assumed, or "imputed," interest rate would be approximately that of the market.

In that connection, I say to my colleagues in the Senate that I have made it clear early on that I have no problems about a seller of his home or her home being able to set any interest rate that they want. That is not the problem. The problem is not that individual selling his or her home, and as a matter of fact, the problem is not even the homebuilders, because if they are just talking about selling individual houses I do not have any problem about the seller of homes reducing the interest rate so that a young couple may purchase that home, even if it results in a little higher price being paid by the buyer. That is not what the issue is all about.

According to the Wall Street Journal, the provision proposed by Treasury, in which Treasury moved on:

Was meant to end big real estate transactions that Treasury officials say shortchange the federal government. If the property is sold with a lower-than-market loan, the officials contend, the price of the property itself often is overstated. This tactic enables the seller to transform some of what would have been interest income, taxed at ordinary rates, into capital-gain income, which is taxed at preferred rates and often deferred. In addition, the buyer can get more than the proper share of deductions, Treasury officials say, when the overvalued property is written off.

People who make their living buying and selling property were appalled at what Congress had done. After a long, tough fight, the Realtors and the Home Builders won a six-month partial reprieve from the strict new imputed interest rules. But that reprieve expires July 1 and the fight, which is separate from any tax-overhaul plan, has begun anew.

Now these groups are pressing for either an outright repeal of the new imputed interest rules, or a continuation of the current reprieve, which grants exceptions from the rules for transactions of $2 million or less.

I want to point out that this article from which I am reading is dated January 31, 1985. Since that time, it is obvious that the real estate lobby has been moving, and moving very effectively, so now they have moved the

figure up from $2 million up to $4 million.

The Wall Street Journal article continues with the subheadline "The Groups' Influence."

Their pleas are likely to be heard. The Realtors and the Home Builders are among the biggest and richest trade groups in Washington. In 1983-84, the Realtors' political action committee gave $2.6 million to federal candidates, more than any other PAC. The Home Builders had the fourth-largest PAC with $1.75 million in contributions to federal candidates. The 55 members of the House and Senate tax-writing committees got a total of $236,130 from the two groups.

"It's not a nickel-dime operation," Democratic Rep. Leon Panetta of California, an opponent of the strict imputed-interest measure, says of the Realtors. "They usually give you a pretty healthy contribution on a continuing basis. Those (members) who don't get it, complain about it."

The Realtors and Home Builders also command vast and well-organized grassroots groups. On short notice, they can deluge lawmakers with complaints, often from influential citizens in their own districts. The Realtors have planned a convention in Washington in April that will draw at least 10 Realtors from each legislative district in the nation. The more than 5,000 Realtors will trek to Capitol Hill to explain, among other things, how pernicious is the imputed-interest provision.

In the pernicious logic—

Maybe "pernicious" was a Freudian slip—

In the peculiar logic of special interest politics, the trade groups assert that their position on imputed interest is perfectly consistent with their distaste for budget deficits. High deficits cause high interest rates and that hurts the housing and real estate markets. But there is a "right way" and a "wrong way" to make deficits disappear, they say. The right way is to cut spending; the wrong way is to impede investment, and that is what rasing taxes would do.

Parenthetically, let me point out that there is nothing in this measure that has anything to do with raising taxes, and I am reading from the Wall Street Journal article. All this is saying is whether or not the imputed interest rates are right or wrong as set by the Treasury Department or right or wrong as the real estate lobby would have us change them.

Continuing with the article:

Not everyone agrees. The Treasury is determined to end costly "abuses" associated with the juggling of interest and principal payments, and to retain as much revenue as it can. This view is shared, at least in part, by two powerful lawmakers: Rep. Dan Rostenkowski (D., Ill.), chairman of the Ways and Means Committee, and Senate Majority Leader Robert Dole (R., Kan.).

Sen. Dole, a senior member of the Finance Committee, has reintroduced a bill that would retain the imputed-interest rules but exempt smaller transactions for homeowners, farmers and small businessmen. Rep. Rostenkowski, the author of the six-month moratorium, finds the Dole bill too complex and has promised hearings in hopes of finding an answer that doesn't sacrifice to much tax revenue.

Still, the forces for repeal or easing are growing in Congress. One of the main House advocates of repeal is Majority Leader Jim Wright (D., Texas), who is a potential rival of Rep. Rostenkowski's for the speakership.

Even repeal advocates concede that the likely result this year will some compromise that eliminates abuses and preserves some extra tax revenue, but the interest groups aren't letting up. "This is a real bread-and-butter issue," says Rep. Panetta.

I want to point out that the reason this is revenue neutral, so to speak, is that the House Ways and Means Committee, with the cooperation and with the agreement of the Senate Finance Committee, changed the depreciation schedule on real estate from 18 to 19 years.

Now it should be pointed out that normally over the years past depreciation on real estate was based upon the projected life of the piece of real estate. You could not depreciate, and you cannot now depreciate, the value of the land. But over a period of years, it was an accepted rule that if the building had a 40-year life span then you depreciated it over 40 years and if the shopping center has a 25- or 30- or 50-year life span then you used whatever was appropriate. And sometimes there were differences between the owners and the IRS, but it was based upon that which was considered to be reality: What was the projected life span?

We came along with our giveaway tax bill in 1981 and we reduced the depreciation period to 15 years. Then, in 1984, we took another look at the issue in order to try to raise some money and we raised it to 18 years. So now we are going to be very, very tough and we are prepared to go up to 19 years. Well, 19 years is not the normal life span for hardly any building. And the President in his tax bill has proposed 28 years. So when we make the change to claim that it is revenue neutral and you pick up a billion dollars over 5 years, at the very same moment you kick in the head a billion dollars out of the President's projected tax revenue pickup.

And the question is: Where are we going to find that extra money, that extra billion dollars, that we are cutting into right this minute in this bill, the one that is on the floor? Where is that extra billion dollars going to come from in order to have the amount of dollars that the President is claiming we need to pick up to move toward a balanced budget?

Now I have a lot of reservations about the President's proposal, but I commend him for attempting to move in the right direction.

I think his effort is genuine. Although I disagree with some of the giveaways that he has recently participated in with the changes made from Treasury 1 to Treasury 2, I still respect the fact that in this area, for example, they are talking about going to 28 years. So if they go to 28—or, if in some negotiated process, it comes down to 25—then we today, if we pass this measure, will have taken that billion dollars out of any projected savings—any projected increase that the President's proposal would have.

Mr. President, I have more to say on this subject. It is my understanding that the chairman of the Finance Committee had indicated some interest in attempting to find some means in order to resolve this issue. The Senator from Ohio will be perfectly happy to sit down to discuss the subject with him at his convenience.

Mr. President, I suggest the absence of a quorum.

Mr. MELCHER addressed the Chair.

Mr. PACKWOOD addressed the Chair.

The PRESIDING OFFICER. Will the Senator withhold his request?

Mr. METZENBAUM. Certainly.

The PRESIDING OFFICER. The Senator from Oregon.

Mr. PACKWOOD. Mr. President, it seems to me it is obvious we are not going to reach a conclusion or agreement. May I say to my good friend from Ohio that we have had several other objections from Senators who have heard us on the squawkbox, and who have other amendments to offer to be protected. And I think they would go beyond the purview of what he and I would agree to. I see no hope for the moment in going ahead. I hope we can pass the motion to proceed, and get to the substance of the bill. But unfortunately, I do not see an agreement likely now.

Mr. MELCHER addressed the Chair.

The PRESIDING OFFICER. The Senator from Montana.

Mr. MELCHER. Mr. President, I have listened to the Senator from Ohio and his comments about who wants this bill, charging that the realtors or the associations are the big movers. The Senator from Ohio is my good friend and colleague, and perhaps he would appreciate, as others might, just how I view it and my involvement with the issue. First of all, the issue was brought to my attention by ranchers and small business people in Montana who found it extraordinary to have to be told by the Internal Revenue Service that there would be a fixed rate of interest imputed on a transaction between themselves as the seller and a buyer of property. I do not believe the term "imputed interest" is exactly a household word in the United States, and it would never have reached this degree of understanding or misunderstanding if it had not been for the series of events that have occurred since 1979 when the Internal Revenue Service issued new regulations dealing with the "imputed inter-

est" that would be applied to the seller-financed sale.

In our State, as well as in most of rural America, what has happened since 1979 has been bad economic news. Agricultural producers, whether they are ranchers or farmers, have often found themselves in distress and in need of selling out willingly if possible, and at times unfortunately and tragically being liquidated because their source of credit is dried up to the extent that they could not continue operation.

The same is true in rural America dealing with small businesses that serve agriculture. As enough agriculture producers go out of business during this era—this past 6 years—a certain number of small business suppliers of those agricultural producers also found it necessary to sell their property, or unfortunately, in some cases, to be liquidated. Whether it is land itself in the agricultural operation or the buildings that are on it, or the small business property that must be sold, there are many cases where the only method to follow is a seller-financed sale. In those instances since 1979, and the development of the regulations promulgated by the Internal Revenue Service, imputed interest has become a hindrance to that type of transaction. I know the Senator from Ohio was sincere when he spoke of the young couple buying a home from some group of persons older than they are, and that he had no objections to a lower rate of interest between the seller and this young couple that is buying the home even if the price of the property might be higher as if there was some sort of a tradeoff.

It is my experience, Mr. President, from reading the mail that I receive and the discussions I have had face to face with farmers, ranchers, and small businessmen in these types of transactions, that it is not a question of how much you can get for the selling price. It is really a question of at what price can you sell it at all. There is no tradeoff between what the selling price is and the interest rate. The interest rate is adjusted and set by the seller as part of a sale condition when that is satisfactory to the seller and to the buyer. I hope the Internal Revenue Service would not have to be involved in setting a fictitious rate.

The bill would come before us if the motion to proceed is agreed to, a bill which I do not entirely find meritorious. If we are to continue the proposition which we are now under until July 1, if adopted by the House and the Senate for this interim, we would find that imputed interest on the types of transactions involving farms, ranchers, and small businesses—that type of property—would have an imputed interest with no cap on it. In other words, the 9 percent would apply up to $2 million, and then above that or if anything exceeded that, it would be Treasury selected rate.

I believe that is still the best procedure to follow. I hope to offer an amendment to permit that if and when we get on the bill.

I want to stress that I do not believe some particular association, some particular lobby or a combination thereof is the prime beneficiary of this legislation. This legislation is in the public interest. The public interest is simply this: In a transaction where the seller is going to finance a portion of that sale involving agricultural land or small businesses, they just ought to be left alone at least for the first $2 million, which would cover most of those transactions—not all, but the big bulk of them. And I think that is truly in the public interest, and therefore the public benefits if the bill is passed.

Mr. METZENBAUM. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. KASTEN). The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. METZENBAUM. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDENT OFFICER. Without objection, it is so ordered.

Mr. METZENBAUM. Mr. President, I rise to speak briefly to clarify the situation that pertains to the thrust of my concerns and thrust of this legislative proposal that an effort is now being made to bring to the floor for action. I rise because there came to my attention an article which talked about the House vote on this subject and talked about the House voting for low-interest, homeowner financing. It said that "A bill to allow people financing their own home sales to keep using below market interest rates is past the House and headed to the Senate, which must act by July to prevent the rates from going up."

It goes on to say:

> The provision was designed to avoid schemes in which sellers and buyers of property avoided paying large amounts of taxes by agreeing on higher sales prices but lower interest rates.
>
> However, critics complained the way the provision is written would not only affect large, complicated property transactions but also would harm simple home sales.

Mr. President, I want my colleagues in the Senate to understand and the people of the country and the members of the media to understand that the issue is not sales of homes. The issue has to do with the syndicated deals that are being made throughout the country. I shall address myself at a later point rather extensively to the terms of some of these syndicated deals. But when I testified before the Finance Committee on May 20, 1985, on this very bill, I stated the following:

> I believe that it would be responsible for Congress to retain the 9 percent interest rate on (1) sales of all homes; (2) the first million in farm sales regardless of the full sales price; (3) and a modest amount of commercial real estate sales for small businesses with limitations on how much any individual taxpayer could sell or finance at the more favorable levels in a given year.

I went on to say:

> But I think that the major syndicators should not be given relief of any kind. I do not think they have a case to make for any relief whatsoever.

So, Mr. President, I rise just for the purpose of emphasizing that the issue is not individual home purchases, individual home sales, farm sales below $1 million, or those sales or small business loans. We are talking about striking at the wheelers and dealers, the syndicators, the ones with the best tax lawyers, the ones with the high-priced accountants, the ones who know how to use our tax laws to get around paying any taxes not alone for themselves but to put together deals that they can sell on a piecemeal basis to others.

I remember speaking about one that Morgan Stanley had put together. For a $100,000 investment, you can receive a $671,350 basis for ACRS and tax credits.

I have before me another one having to do with a shopping center that sold for $15 million, but you can take depreciation based on $23,500,000. What did it require as far as an investment was concerned? Only a million-dollar cash investment, with the rest nonrecourse debt. That deal was put together by a syndicator the name of which I do not know.

I think we ought to understand there is not anybody that I know of who wants to direct this issue against the buyers or the sellers of homes up to a quarter of a million dollars. Even with respect to homes worth more than that, there would be that blending aspect. We are talking about striking at those who do not need protection and do not need tax relief.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. PACKWOOD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. PACKWOOD. Mr. President, it is obvious we are not going to have any success. There are objections to any kind of time agreement. We are not going to have any time agreement, so I suggest that we have a vote on the motion to proceed and put the bill before the Senate.

I suggest we vote.

Mr. METZENBAUM. Mr. President, before we do that, I think we ought to take a look at some of the provisions

of the bill we are being asked to pass upon. There are the so-called below-market loan rules that are contained in the bill.

Mr. President, let me read you what the committee says about that:

The Committee bill clarifies the application of the below-market loan rules for certain loans made to "continuing care facilities pursuant to "continuing care contracts." In general, a continuing care facility is a combination of a retirement community and a facility for the provision of long-term nursing care. The continuing care contract provides a retired individual or couple with residential accommodations, ongoing personal care, and an insurance-type arrangement under which long-term nursing care will be provided when necessary without substantial additional cost to the retirees. In general, where a loan in such an arrangement was made on or prior to the date of enactment, or where the loan is made during or after the calendar year in which the lender reaches age 65 and the amount of the loan does not exceed $90,000, the loan is excepted from the below-market loan rules. Loans made after the date of enactment of continuing care facilities pursuant to continuing care contracts, will be subject to the below-market loan rules to the extent the principal amount of the loan exceeds $90,000 or where the lender does not meet the age requirement.

That is all I will read from the committee report on that, but I will address myself further to that aspect of the bill a little later in the afternoon. I have an excellent article in Money magazine on the broken promise of life care communities, a disturbing report on an industry that is failing this Nation's elderly. Mr. President, I should note that this is the one for which we are asked to provide special tax consideration. A little bit later in the afternoon, I would like to share with my colleagues the language and the thrust and the words of that very illuminating article. I think you will find it very interesting.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. METZENBAUM. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. METZENBAUM addressed the Chair.

The PRESIDING OFFICER. The Senator from Ohio is recognized.

Mr. METZENBAUM. Mr. President, at an earlier point in the day, the Senator from Kansas, the majority leader, inquired of me, when I suggested that there were other more important matters that could be addressed, to name one. The first one I named was the Genocide Treaty. Since we do not seem to have many who are interested in debating the merits of the imputed interest bill, I thought I might use this time to explain to some of my colleagues in the leadership of the Senate why we ought to proceed on the Genocide Treaty, even if by unanimous consent we set aside the imputed interest rule. I feel very strongly about the need to proceed on the Genocide Treaty. As previously stated, Senator PROXMIRE has been indefatigable, resolute, and as determined as any human being could be in trying to bring that issue to the floor of the Senate. Frankly, there is a real sense of moral urgency behind ratification of the Genocide Convention. We have waited 36 years to take action on it. But that delay does not diminish its importance or its compelling message to the world.

It is important to examine and reaffirm the reasons for ratification in light of the ethical principles which the Genocide Convention represents. When viewed in the context of why this treaty was created and what it morally represents today, Senate inaction is unjustifiable.

What will ratification of the Genocide Treaty achieve?

Ratification will make certain that on the 40th anniversary of the Holocaust the deaths of 11 million people during the Second World War and the lives of further millions lost in other genocides shall never be forgotten.

Ratification will manifest this Nation's high ethical standing by committing ourselves to the concept that genocide is a crime against the law of nations.

Ratification will implement our goal of bringing human rights violators to justice.

Ratification will remove doubt and skepticism in the international community about our position on the heinous crime of mass murder.

Ratification of this treaty will join this country in the evolution of a more humane and civilized community of nations.

As we commemorate the 40th anniversary of the Holocaust, article I of the treaty becomes all the more germane; it states:

. . . genocide, whether committed in time of peace or in time of war, is a crime under international law which (the contracting parties) undertake to prevent and to punish.

This means that our Nation would formally declare genocide to be against the law of nations and would join us with the 96 other nations who have gone on record to this effect.

Let us never forget how 6 million Jews and 5 million others perished at the hands of Nazi oppressors. The screams of death emanating from the gas chambers at Dachau, Buchenwald, and Auschwitz were so horrible that they must not be forgotten. To remember them is to begin to guarantee that history will not repeat itself.

This was the ethical imperative which moved the General Assembly on December 9, 1948 to rise with one voice and unanimously approve the text of the convention.

As Elie Wiesel stated before the Senate Foreign Relations Committee last March:

". . . I know the Genocide Convention will not bring back the dead. But at least in signing such a convention we could remember the dead without shame. Not to remember them would mean to betray them and betray ourselves.

This treaty prescribes steps for the prevention of genocide, and punishment for those who would systematically engage in the elimination of a people. The careful, narrow definition of the crime of case before the International Court of Justice. The article states:

Disputes between the contracting parties relating to the interpretation, application or fulfillment of the present convention, including those relating to the responsibility of a state for genocide or for any of the other acts enumerated in article III, shall be submitted to the International Court of Justice at the request of the parties to the dispute.

It is essential that we ratify without placing any reservation on World Court advisory opinion jurisdiction. For without the inclusion of this article, any real force behind the treaty evaporates. That is why I am so disturbed by Senator LUGAR's reservation on World Court jurisdiction. The recent action on the part of the Senate Foreign Relations Committee has stripped this treaty of one of its primary means of exposing human rights violators.

It has long been recognized that submission of a case to the ICJ would be an important enforcement tool in the implementation of our human rights policy. In recent testimony before the Senate Foreign Relations Committee, Elliot Abrams, Assistant Secretary for Human Rights and Humanitarian Affairs, at the State Department, said,

. . . Pressures of the western nations against a number of fairly violent governments, fairly brutal governments including that of the Soviet Union, do have an effect on their behavior.

How better to expose violating nations to the light of world opinion than to argue disputes before the World Court? Our ability to argue cases before the ICJ would have allowed the United States to carryout a more effective human rights campaign throughout the world.

Refusing to ratify the treaty will continue the slander and abuse heaped upon our diplomats abroad. Too often this Nation has been needlessly criticized for our nonratification of this treaty. Too often our commitment to ethical principles has been cast in doubt. For example, in 1970, Rita Hauser, our delegate to the Human Rights Commission, testified

before the Senate Foreign Relations Committee:

We have frequently invoked the terms of this convention as well as the provisions of the universal declaration of human rights . . . in our continued aggressive attack against the Soviet Union for its practices . . . this often leads to the retort in debates plainly put, simply put "who are you to invoke a treaty that you are not party to?"

In 1977, former Associate Supreme Court Justice Arthur Goldberg stated before the Senate Foreign Relations Committee how nonratification of the treaty has hampered the conduct of our human rights policy in the Helsinki talks:

. . . The failure on the part of our country to ratify the Genocide Convention has placed the United States in a most difficult position to protest acts of genocide which occur in other parts of the world . . . our representatives at Helsinki will find themselves in a more difficult position to assert that all signatory nations fulfill their obligations to protect human rights and dignities under the accord.

Unfortunately, that has been exactly the experience U.S. delegates underwent at the Helsinki talks.

This country has nothing to hide. We should be indignant that ratifying Communist countries turn this treaty against us. On December 4, 1981, the Soviet newspaper, Tass, said:

Genocide is practiced in the United States . . . atrocities of the U.S. military in Indochina are comparable to the crimes of the Nazis.

I am dismayed that where the United States should be holding other nations' feet to the fire on the issue of human rights, instead we have to spend time explaining our record on ratification of human rights treaties.

No longer should accusations about our nonratification of this treaty be leveled at our Government. No longer should the U.S. Senate provide ammunition for the Soviet propaganda machine.

The Constitution, the Bill of Rights and the universal declaration of human rights all sought to make this world a better place. They have all succeeded and so will the Genocide Convention.

Ninety-six countries have ratified this treaty. Many of those countries have much to hide in the area of human rights. This country has nothing to conceal. Why have we not moved on this treaty? Will it take another 36 years before we decide to live up to the principles that made this Nation a refuge for all persecuted peoples?

Let us preserve the right of all people to live in freedom whether in the Soviet Union, Cuba, Vietnam, Cambodia, or anywhere else in the world. The words of President Kennedy are especially germane today:

It is essential, in short, that the word go forth from the United States to all who are concerned about the family of man, that we are not weary in well-doing. And I am confident, if we maintain the pace, we shall in due season reap the kind of world we deserve and deserve the kind of world we shall have.

Let us ratify this treaty now and make our world a better, more humane place in which to live.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. PACKWOOD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. PACKWOOD. Mr. President, we are back to the same situation. I know that the Senator from Ohio feels very strongly about this bill, but no one else wants to talk on it. We are not on the bill yet. We are still on the motion to proceed, and we should get to the argument on the substance.

There is going to be lengthy debate on a variety of amendments, in addition to the one to be offered by the Senator from Ohio, so I suggest that we vote.

The PRESIDING OFFICER. Is there further debate?

Mr. METZENBAUM addressed the Chair.

The PRESIDING OFFICER. The Senator from Ohio.

CALL OF THE ROLL

Mr. METZENBAUM. Mr. President, I suggest the absence of a quorum.

Mr. PACKWOOD. There has been no intervening business. I object.

Mr. METZENBAUM. If the Parliamentarian is speaking I cannot hear her.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll and the following Senators entered the Chamber and answered to their names:

[Quorum No. 9 Leg.]

Kasten	Matsunaga	Packwood
Long	Metzenbaum	

The PRESIDING OFFICER. A quorum is not present. The clerk will call the names of the absent Senators.

Mr. PACKWOOD. Mr. President, I move that the Sergeant at Arms be instructed to request the attendance of absent Senators, and I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Oregon [Mr. PACKWOOD] to instruct the Sergeant at Arms to request the attendance of absent Senators. On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The bill clerk called the roll.

Mr. SIMPSON. I announce that the Senator from Arizona [Mr. GOLDWATER] is necessarily absent.

Mr. CRANSTON. I announce that the Senator from Connecticut [Mr. DODD] and the Senator from Michigan [Mr. LEVIN] are necessarily absent.

The PRESIDING OFFICER (Mr. COHEN). Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 92, nays 5, as follows:

[Rollcall Vote No. 134 Leg.]

YEAS—92

Abdnor	Glenn	Melcher
Andrews	Gore	Metzenbaum
Armstrong	Gorton	Mitchell
Baucus	Gramm	Moynihan
Bentsen	Grassley	Murkowski
Biden	Harkin	Nickles
Bingaman	Hart	Nunn
Boren	Hatch	Packwood
Boschwitz	Hatfield	Pell
Bradley	Hawkins	Pressler
Bumpers	Hecht	Pryor
Burdick	Heflin	Riegle
Byrd	Heinz	Rockefeller
Chafee	Helms	Roth
Chiles	Hollings	Rudman
Cochran	Humphrey	Sarbanes
Cohen	Johnston	Sasser
Cranston	Kassebaum	Simon
D'Amato	Kasten	Simpson
Danforth	Kennedy	Specter
DeConcini	Kerry	Stafford
Denton	Lautenberg	Stennis
Dixon	Laxalt	Stevens
Dole	Leahy	Symms
Domenici	Long	Thurmond
Durenberger	Lugar	Trible
Eagleton	Mathias	Wallop
East	Matsunaga	Warner
Evans	Mattingly	Wilson
Exon	McClure	Zorinsky
Ford	McConnell	

NAYS—5

Garn	Proxmire	Weicker
Inouye	Quayle	

NOT VOTING—3

Dodd	Goldwater	Levin

So the motion was agreed to.

Mr. DOLE addressed the Chair.

The PRESIDING OFFICER. The majority leader is recognized.

CLOTURE MOTION

Mr. DOLE. Mr. President, I send a cloture motion to the desk and ask that it be read.

Mr. METZENBAUM. I did not hear the majority leader.

Mr. DOLE. Mr. President, I send a cloture motion to the desk and ask that it be read.

The PRESIDING OFFICER. The cloture motion having been presented under rule XXII, the Chair directs the clerk to read the motion.

The assistant legislative clerk read as follows:

CLOTURE MOTION

We, the undersigned Senators, in accordance with the provisions of Rule XXII of the Standing Rules of the Senate, hereby move to bring to a close debate on the motion to proceed to the consideration of

H.R. 2475, an act to amend the Internal Revenue Code of 1954 to simplify the imputed interest rules of sections 1274 and 483, and for other purposes.

Bob Dole, Dan Quayle, Strom Thurmond, Jesse Helms, Charles McC. Mathias, Jr., Mack Mattingly, Warren Rudman, Ted Stevens, Chuck Grassley, Bill Roth, Richard G. Lugar, Rudy Boschwitz, Don Nickles, Paul Trible, Arlen Specter, Mitch McConnell, James Abdnor, Al Simpson, Mark Hatfield, and Lowell Weicker.

Pete Wilson, Jake Garn, Chic Hecht, Bill Cohen, Phil Gramm, Orrin G. Hatch, Thad Cochran, Robert Stafford, Russell B. Long, James A. McClure, John Heinz, Paula Hawkins, Nancy Landon Kassebaum, John H. Chafee, John Warner, David Durenberger, Paul Laxalt, Larry Pressler, Frank Murkowski, and Steve Symms.

William Armstrong, Pete Domenici, Mark Andrews, Slade Gorton, Alphonse D'Amato, John East, Malcolm Wallop, Daniel J. Evans, Daniel P. Moynihan, Wendell Ford, David Pryor, Bob Kasten, Bob Packwood, Dennis DeConcini, Gordon Humphrey, John Danforth, Jeremiah Denton, Spark Matsunaga, Lloyd Bentsen, and David Boren.

SIMPLIFICATION OF IMPUTED INTEREST RULES

Mr. DOLE. Mr. President, let me indicate that we would like to get on with the bill. We still hope that is a possibility so we can finish action on the bill tonight. I have had a discussion with the chairman of the bill and either the distinguished Senator from Ohio is going to talk or we are going to have rollcall votes about every 15 minutes and they will be 15-minute votes. If you miss a vote, blame the Senator from Ohio because we would be on the bill if we were not in this procedure right now.

I think the votes are about 99 to 1. I think we ought to go ahead and proceed, to try to do what we can to work the will of the Senate.

If the Members are inconvenienced, there is not much the leadership can do about it.

Mr. METZENBAUM addressed the Chair.

The PRESIDING OFFICER. The Senator from Ohio.

Mr. METZENBAUM. Mr. President, one of the things about this bill which is most objectionable is the amendment that has to do with broken promises of life care communities to provide a new, special kind of tax exemption, a tax loophole, in connection with so-called life-care communities.

A magazine by the name of Money, in April 1985, wrote an article about this great procedure. I would like to share with my colleagues the language of that article.

It reads as follows:

Today an estimated 90,000 elderly Americans live in so-called life-care communities. In exchange for a one-time payment of anywhere from $15,000 to more than $175,000, these people have purchased a contract that usually guarantees them food, housing and, if necessary, nursing-home care until the day they die. Yet the personal and financial welfare of an unknown but significant number of residents of life-care communities is at risk. They face the loss of thousands of dollars. They confront a serious erosion of their sense of security. They are victims of an industry that on the surface brims with promise but in reality is deep in distress, plagued by financially unsound enterprises and sometimes beset by criminally unscrupulous operators. Shockingly, the law affords life-care residents little protection: only 11 states have specific life-care regulations backed by civil or criminal penalties, and people who might sue under other statutes shy away from litigation for fear of throwing good money after bad.

Mr. President, I intend to share further with my colleagues the contents of that article.

When the leader of the Senate says that everybody is so enthused about the bill, he has failed to include one group, that unseen presence on the floor of the Senate, the lobby for the real estate crowd. They are the ones who are really calling the shots. They are the ones who are dictating the amendments. They are the ones who have seen fit to push this matter through the House.

As I read earlier on the floor of the Senate from the Wall Street Journal, even back in January 1985, they were not seeking as much as this bill has in it. They have so much political power that they just are writing the laws as they want them to be written.

Yes, it is true, there probably are an overwhelming number of Members in this body who think the real estate lobby ought to be accommodated. But that does not make it right. That does not mean that we ought to lay over and play dead just because the lobby has done its work so well.

Mr. President, we spend a lot of time around here making speeches about how strongly we feel about balancing the budget. The fact is, and I will repeat it, and I have said it before, that this bill will cost $1 billion.

In order to cover that $1 billion, they changed the depreciation schedule, the number of years that you depreciate real estate.

Originally it was set on the basis of the estimated life of the real property—40 years, 35 years, some 50 years, some 30 years. Then the IRS came along and they started getting into this imputed interest question.

Lo and behold, in one of the early tax bills we passed, we cut it down to 15 years, from 25 to 15 years. Very little real estate is depreciated in a shorter period of time than 25 years.

Under that law that we passed, it was cut to 15 years.

We subsequently came back and had a tax measure in 1982 when an effort was made to raise it from 15 years to 20 years. Then there was an effort to cut that back, and the real estate lobby first got it cut back to 19 years and then got it cut back to 18 years.

Now they are being very magnanimous. They are saying to the Finance Committee and this bill provides that the depreciation will be 19 years not 18 years. Anyone who has any comprehension at all as to what is contemplated under the President's tax bill must recognize that that tax bill provides for 28 years. Therefore, if you have 28 years, the difference can be picked up and funds that they are talking about in this bill will be a nullity. As a matter of fact, it will mean that we shall have to find a billion dollars in extra revenue some way in order to make up for the billion dollars that is being given in this measure.

Mr. President, it just is not right. It is not right that we give away so much so regularly, so often, and at the behest of the real estate lobby.

I notice that the majority leader of the Senate, as well as the chairman of the Finance Committee, want to move to this bill. I am also aware of the fact that when we move to this bill, it will go through like gangbusters. Not because it is right. It will go through like gangbusters because the real estate lobby spends probably as much money with their political action committee as any other lobby around Congress. So they are effective. They have friends. They have Senators who have accepted their contributions. And they are prepared to put the issue to a vote because they know they can prevail, just as they did in the House.

That does not make it right. It is not right for the real estate lobby to be writing letters, talking about balancing the budget, and then, at the same time, coming along with this measure that cuts into revenues by $1 billion, notwithstanding the adjustment in the depreciation schedule.

Mr. President, I received a letter from the real estate lobby dated June 5, 1985. Let me read what they say:

The National Association of Realtors is pleased that the Senate Judiciary Committee is taking action on the Constitutional Amendment for budget balance and tax limitation.

Those of us who have expended resources in recent years to help Congressional supporters of the Amendment by building momentum at the State level clearly did not have in mind any reluctance to act on the part of your Committee. In fact, the Senate Judiciary Committee action will be a positive sign to those States debating a Resolution calling for a Constitutional Convention that Congress is taking this issue seriously.

In order to avoid defeating one of the purposes of our members' support of the amendment, the National Association feels that the language of a Constitutional Amendment on the budget should adequately restrain the growth of federal spending by not allowing easily adopted tax increases as the way to maintain a balanced budget. The experience of deficit reduction efforts over the last three years has shown the

need for effective limits on tax increases. The Congress no longer avoids the adoption of tax increases, as has been shown by tax increases adopted in three of the last four years. We, therefore, urge the Senate to adopt S.J. Res. 13 as approved by the Subcommittee with an amendment to provide the same restraint against tax increases as that provided against deficit spending. This amendment should, therefore, require a three-fifths vote of both Houses of Congress to adopt either a deficit budget or a tax increase (faster than Gross National Product is growing) to balance the budget.

There has been some concern that this equalizing amendment would make support for the Constitutional Amendment more difficult to achieve. This argument was raised in the House of Representatives as well and it is significant, therefore, that H.J. Res. 27 which contains a three-fifths voting requirement for both tax increases and deficit spending has already 175 cosponsors.

Mr. President, they are for balancing the budget. They want a constitutional amendment. They want to limit tax increases. They are concerned about excessive spending provided—provided—we take care of them. If we take care of them, they are really not worried about that much else. They are worried about our doing our job with respect to balancing the budget, but their first priority is to take care of the imputed interest issue so that the Treasury may be ripped off to the sum of $1 billion over a 5-year period.

Mr. President, I repeat that there is in the bill compensating language to extend the depreciation period from 18 to 19 years. That is Tweedle-dee—Tweedle-dum, because if the President's package passes, whether it is 28 years as proposed by him or 25 or whatever, the loss of that billion dollars would require an additional billion dollars to be found by additional taxes or additional spending.

CALL OF THE ROLL

Mr. METZENBAUM. Mr. President, I intend to discuss further the so-called Heinz amendment having to do with life care facilities, but I believe it is only appropriate that others may have an opportunity to speak. I therefore suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk called the roll and the following Senators entered the Chamber and answered to their names.

[Quorum No. 10 Leg.]

Cohen	Long	Packwood
Ford	Mathias	Rockefeller
Gorton	Metzenbaum	Stennis

The PRESIDING OFFICER. A quorum is not present.

The clerk will call the names of the absent Senators.

Mr. PACKWOOD. Mr. President, I move that the Sergeant at Arms be instructed to request the attendance of absent Senators. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Oregon. The yeas and nays have been ordered. The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. SIMPSON. I announce that the Senator from Arizona [Mr. GOLDWATER] is necessarily absent.

Mr. CRANSTON. I announce that the Senator from Connecticut [Mr. DODD] is necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 94, nays 4—as follows:

[Rollcall Vote No. 135 Leg.]

YEAS—94

Abdnor	Glenn	Melcher
Andrews	Gore	Metzenbaum
Armstrong	Gorton	Mitchell
Baucus	Gramm	Moynihan
Bentsen	Grassley	Murkowski
Biden	Harkin	Nickles
Bingaman	Hart	Nunn
Boren	Hatch	Packwood
Boschwitz	Hatfield	Pell
Bradley	Hawkins	Pressler
Bumpers	Hecht	Pryor
Burdick	Heflin	Riegle
Byrd	Heinz	Rockefeller
Chafee	Helms	Roth
Chiles	Hollings	Rudman
Cochran	Humphrey	Sarbanes
Cohen	Johnston	Sasser
Cranston	Kassebaum	Simon
D'Amato	Kasten	Simpson
Danforth	Kennedy	Specter
DeConcini	Kerry	Stafford
Denton	Lautenberg	Stennis
Dixon	Laxalt	Stevens
Dole	Leahy	Symms
Domenici	Levin	Thurmond
Durenberger	Long	Trible
Eagleton	Lugar	Wallop
East	Mathias	Warner
Evans	Matsunaga	Wilson
Exon	Mattingly	Zorinsky
Ford	McClure	
Garn	McConnell	

NAYS—4

Inouye	Quayle
Proxmire	Weicker

NOT VOTING—2

Dodd	Goldwater

So the motion was agreed to.

The PRESIDING OFFICER. A quorum is present.

SIMPLIFICATION OF IMPUTED INTEREST RULES

Mr. METZENBAUM addressed the Chair.

The PRESIDING OFFICER. The Senator from Ohio.

Mr. METZENBAUM. Mr. President, I think it time that we get down to the serious business of talking about why we should pass this bill and why we should not pass this bill.

Really what we are saying is that by using some of the gains that are presently being made by real estate syndicators and it is possible to get shelter and to get special tax deductions that you should not be able to receive and it is not a very complicated procedure.

Mr. President, may we have order?

The PRESIDING OFFICER. The Chair is going to invoke the Randolph rule and cease conducting business until the Senators currently standing in the aisle take their seats or depart from the Chamber.

The Senator from Ohio.

Mr. METZENBAUM. Mr. President, the Senator from Ohio has no concern at all with normal real estate transactions. That is not what this imputed interest issue is all about.

If an individual sells his home and wants to take back a mortgage at 3 percent, that is OK with me. If a real estate dealer wants to sell 100 homes and provide for 7 percent interest charges, I have no problems with that. If a small business person wants to sell his business for $500,000 and take back a mortgage on the assets of the business sold at 5 percent, I have no problem with that. If a farmer wants to sell his farm for $900,000 and take back a mortgage for $800,000 at 4 percent, I have no problem with that.

What do I have a problem with? I have a problem with a deal for some big shopping center or some highrise office building or some multimillion-dollar real estate transaction where the normal price might be $100 million and the normal rate of interest that you can get a mortgage on that property today might be 11.5 or 12 percent, maybe 13 percent. But, no, that is not the way the deal is put together.

The smart boys with their accountants and their lawyers know how to figure the deal out so they get the most in tax deductions and the Treasury gets the least.

How do you do that? It is not very complicated. You raise the price to $120 million and so the seller gets $20 million more and only pays 20 percent tax on that because it is a capital gain. So he only pays 20 percent of his profits unless he has other tax shelters and then pays none. Then he provides a mortgage to the buyer and the buyer instead of paying 12 percent interest or 11.5 percent interest pays 7.5 or 8 percent interest and he gets lesser deduction that way and needs much less cash that way but he gets accelerated depreciation on the extra $20 million and under the present law this accelerated depreciation becomes very, very important money.

So, what has happened is that syndicated deal after syndicated deal around this country has been put together by increasing the price, reducing the interest rate, and providing a tax shelter for those who buy participating interest in it.

Earlier today I reported on two separate deals of that kind, one of which I pointed out earlier was a shopping

center sold for $15,500,000, but you could take depreciation based on $23,500,000, and all that would be required would be $1 million in investment.

Let me read part of this letter that was sent to the limited partnership, 767 Fifth Avenue, and point out to you that the lawyers know what they are doing. The accountants know what they are doing. I want to say here and now I do not have any fault to find with the lawyers or the accountants or the syndicators.

The only group that I have some concern about is the U.S. Congress because these syndicated deals could not take place unless we in Congress made it possible for them to occur, and there is not any reason that we should do that. What earthly reason is there for our Finance Committee to have put their stamp of approval on this kind of a transaction?

It has been suggested to me is there some way that I might find this bill acceptable. I have indicated, yes, it would not require much. I would just like to eliminate any transaction which is in excess of $25 million, and I would like to eliminate the sale-leaseback deal or at the same point someone sells a property to someone and then leases it back at the same time.

There is not any reason under the sun that I can figure out why that kind of amendment is not acceptable to those who are handling the bill.

If you are worried about the small real estate dealers who want to sell homes, my amendment would not affect them. If you are concerned about the farmers, my amendment would not affect them. If you are worried about the small business people, my amendment would not affect them.

All I am trying to get at are those who are properly called wheelers and dealers. And why in Heaven's name is the U.S. Senate spending an entire afternoon and maybe longer in an effort to protect the syndicators, those who sell participating positions in deals of this kind?

The committee says seller financing of up to $4 million is a small transaction that deserves relief. That does not mean a $4 million transaction. That means that notes with principal amounts of up to $4 million receive relief. The value of the property can be $20 million if all we are talking about is a note of $4 million.

As to that property that sells for $20 million, if you exceed $4 milion of seller financing under this bill that is before us, you still receive relief, you get some portion of it, you get the relief accorded to the $4 million portion and everyone would get that relief including the deals that involve $50 million, $100 million, or $200 million.

Everyone would get relief with one group excluded, and that is the taxpayers of this country. Somehow or other I think the taxpayers do have some rights in this matter. It is the taxpayers who bear the burden. It is the taxpayers who are told we have to balance the budget. It is the taxpayers who pay the bill. It is the taxpayers who are the people of this country, and this bill does not take care of the taxpayers. This bill takes care of the wheelers and dealers from Wall Street, Chicago, San Francisco, and Los Angeles.

(Mr. HATCH assumed the chair.)

Mr. METZENBAUM. Let me read to ycu what Assistant Secretary of the Treasury Ronald Pearlman told the Ways and Means Committee on April 24, 1985. Said he:

The distinction between large and small transactions can be based on either the purchase price of the property or on the amount of seller financing involved. If the purchase price of the property is the basis for the distinction, we suggest that the special rule for small transactions be limited to transactions with a purchase price of $2 million or less. For this purpose, purchase price would include cash and the fair market value of any property transferred to the seller, as well as the stated principal amount of any financing. Alternatively, if the Committee prefers to continue to base the distinction between large and small transactions on the amount of seller financing, we suggest that the special rule for small transactions be limited to transactions where the amount of seller financing does not exceed $1 million.

For transactions above whichever of these thresholds is chosen, the parties generally are sufficiently sophisticated to be aware of current market interest rates, and we are not persuaded that the additional complexity involved in consulting current applicable Federal rates is burdensome when compared to the other complexities that inevitably accompany a sale of an expensive property. When a below-market interest rate is charged in such large transactions, the parties should be fully aware of the relationship between the purchase price and the interest rate charged, as well as the resulting tax consequences.

Mr. Pearlman went on to talk about the application of OID rules to small transactions. He said:

Some have suggested that parties to a small transaction should have the option to elect cash accounting for both parties in lieu of the OID rules. In evaluating this option, it is important to bear in mind that the OID rules apply only if the parties to a sales transaction do not provide adequate stated interest or if the transaction does not call for interest to be paid currently. Since virtually all taxpayers will provide at least the 9 percent interest required to avoid imputed interest, this option is important only in situations where the parties provide for deferred interest.

We acknowledge that an election to report deferred payments on the cash method may be similer fo. the parties than the OID rules. However, the existence of two separate accounting systems for small and large transactions also would create new complexities. For example, assume that property is sold under the small transaction rule and the parties elect the cash method; subsequently, the property is resold in a transaction which is subject to the OID rules and the original obligation is assumed. In this situation, may the subsequent purchaser accrue interest deductions currently while the original seller continues to report interest income only as received? Alternatively, assume the seller of the property disposes of the buyer's obligation to an accrual basis taxpayer. Is the subsequent holder entitled to use the seller's cash matching election? Rules that would have to be provided to deal with such problems would make the cash method election potentially very complicated.

A cash-matching election also involves potential for abuse. For example, an owner of property could sell to a tax-exempt intermediary for a note calling for deferred interest payments, with the parties electing the cash method. The tax-exempt intermediary could then sell to the intended buyer on the same terms, with the buyer and the intermediary not electing the cash method. The buyer could then report current interest deductions under the OID rules, while the seller would have no current interest income inclusion. The intermediary would use its tax exemption to insulate itself from adverse consequences of the OID interest inclusions.

Although a rule could be designed to address this particular arrangement, we are not optimistic that every type of transaction which is similar to this arrangement and exploits differences in marginal tax rates could be stopped. If effective anti-abuse rules are not developed to address all schemes structured to avoid the requirement that the parties to a deferred payment sale of property account consistently for the interest element in the transaction, one of the major abuses addressed in the 1984 act, the potential for mismatching income and deductions, will remain.

In view of the inevitable complexity involved with separate accounting systems for small and large transactions and the potential for abuse, we would urge the committee not to adopt a special accounting rule for small transactions.

Then he went on to talk about the application of small transactions to dealers.

We suggest that any special rules for small transactions apply only to casual sales of property. Special rules for small transactions can be justified only on the ground that the generally applicable imputed interest and OID rules are too complex when relatively unsophisticated parities are buying or selling property. Dealers that regularly transact for the sale or purchase of property are sufficiently sophisticated to be aware of current market interest rates.

Continuing on, Assistant Secretary of the Treasury Ronald Pearlman then stated:

Indeed, many dealers in residential real property are New York Stock Exchange-listed firms that engage in thousands of sales annually. These taxpayers have little basis for claiming the new imputed interest and OID rules are overly complex. Moreover, exempting dealers from the small transaction rule would obviate many of the more difficult aggregation issues referred to earlier.

I believe that is a subject that we have not heard form the committee on as to whether they did provide that exemption for the dealers, contrary to

the urging of the Assistant Secretary of the Treasury.

He then went on to talk about no special rule for sales of certain type of property. Said he:

A broadly-based special rule for small transactions would provide a degree of certainty for parties to routine sale transactions and can be justified on the grounds of simplicity. This rule would apply sales of all types of property including, sales of small businesses, residences and farms. Therefore, we oppose providing additional exceptions to these rules for transactions in these or other special types of property. Such exemptions are unnecessary in light of the small transaction rule and constitute a subsidy for transactions in such types of property. Moreover, each additional exception adds complexity to the Internal Revenue Code and to the regulations as rules must be formulated defining the scope of each exception, identifying and preventing abuses, and regarding the interrelationship of the various exceptions.

If a general exception for small transactions of all types is adopted, the existing special rules that provide lower rates for transactions in certain types of property are no longer needed. Thus, we would support the repeal of the existing special rules for certain types of transactions, including the rules relating to sales of principal residences, sales of farms and sales of land between related parties.

He then goes on to make suggested changes to the basic rules.

Although we believe that the rules enacted in the 1984 act generally provide for the correct treatment of seller-financed sales of property, we think that a number of improvements can be made in the existing statutory structure. I turn now to these matters.

1. SELECTING THE APPROPRIATE INTEREST RATE INDEX

As I have aready stated, if one party sells a piece of property to another in a transaction that calls for one or more deferred payments, and if the deferred payments do not include an interest charge at a market rate of interest, the parties have the opportunity to overstate the purchase price for the property. The question then arises: What constitutes a "market rate of interest"? The current statute answers this question by reference to the rate at which the Federal Government borrows money, taking into account (to a limited extent) the term of the obligation.

We continue to believe that an interest rate index based on the yields on U.S. obligations is the most reliable and appropriate indicator of market rates of interest, for the following reasons:

The Federal borrowing rate accurately reflects trends in the market rate at which a given borrower could obtain funds from an unrelated lender.

A rate based on the yield of U.S. Government obligations is not subject to manipulation.

U.S. Government rates are readily available; no data need be gathered from third party sources.

There is a large volume of U.S. obligations with remaining maturities ranging from 30 days to 30 years. This assures a statistically valid data base from which to compute the market interest rate index.

The imputed interest rules provide that the applicable Federal rate is multiplied by a factor of 110 percent to compute the appropriate test rate.

I want to point out at this point that has been changed in the bill. That was the provision of the Secretary of the Treasury. That has been changed.

This multiple reflects that even the most creditworthy borrower will not be able to borrow at a rate as low as the Federal Government pays on its obligations. We support retention of the 110-percent factor applied to the applicable Federal rates to determine the testing rate for whether a transaction has adequate stated interest. The factor is not punitive; in many arm's-length lending transactions the market rate of interest would be—

And I call this to my colleagues' attention—

130 percent, 140 percent or more of the applicable Federal rate, due to the creditworthiness of the borrower.

If that is the case, I say to my colleagues, what earthly reason can there be for using 100-percent computed rate or, in a few instances, 110 percent. There would be none. But the fact is this bill before us does not even have 110-percent rate in it. It has 9 percent simple, or 100 percent of the Federal rate. It is giving away the ballgame. This is not only giving away the ballgame. It is giving away the whole park. There is not any reason to be doing that. Yet, nobody seems to care—neither the chairman of the Finance Committee nor the majority leader seem to have any concern about the fact that in spite of Treasury's recommendations, we are giving too much away.

Here is Morgan Stanley—$100,000 equipment investment where you get $671,000 basis for ACRS, and tax credit. Let me read you what it says. Then I will go back to Mr. Perlman's testimony.

"Tax treatment"—according to Morgan Stanley on the deal where you put in $100,000, and you get $671,000 basis or depreciation and ACRS, let me read you what they say. Morgan Stanley:

The economic benefits in a DANs-depreciable asset notes—structure derive from the favorable tax treatment to the issuer and the investor (cash-basis). In contrast to alternative means of financing equipment purchases, the DANs issuer will realize:

More depreciation and ITC benefits with respect to the equipment, and

Favorable tax treatment with respect to the deferred-interest aspect of the DANs security.

The cash basis investor is not required to recognize income until it is paid at maturity, and is able to treat a significant portion of the income as capital gain.

That is what the Senator from Ohio has been standing on the floor saying. I am reading that from the tax treatment of a deal put together by Morgan Stanley. Let me repeat it.

The cash basis investor is not required to recognize income until it is paid at maturity, and is able to treat a significant portion of the income as capital gain.

That follows their representation that making that deal would provide for the issuer more depreciation and ITC benefits with respect to the equipment and favorable tax treatment with respect to the deferred interest aspects of the DAN's security.

They go on to say:

Appendix C contains the tax opinions relating to each of the parties to a deferred-interest DANs transaction.

In the same deal they point out the tax treatment to the DAN's issuer on equipment purchase.

The issuer takes Accelerated Cost Recovery System ("ACRS") deductions and ITC based on an asset cost equal to the principal amount of the security.

The issuer deducts the stated (but deferred) interest on a straight-line basis over the life of the security. The proportion of the payment at maturity representing stated (but deferred) interest is calculated to satisfy Section 483 of the Internal Revenue Code (the "Code"), which prescribes a minimum amount of simple interest for debt securities issued in exchange for property.

The IRS might contend that the issuer should be required to deduct the stated (but deferred) interest either (i) over the life of the issuer using the "effective interest" method, or (ii) at maturity. Tax counsel believes that the IRS should not prevail under existing law. Because the economics of a DANs are driven principally by the ability to take the incremental depreciation and ITC based on the larger principal amount, however, even the worst-case treatment of interest deductions does not significantly reduce the attractiveness of a DANs structure (see Appendix A: Economic and Tax Sensitivity Analysis).

There is no tax effect on the issuer at maturity of the security.

The same Morgan Stanley tax treatment article, or statement, having to do with the placement of these securities says further:

Tax Treatment to the Equipment Manufacturer (initial holder of the DANs security):

DANs must be issued to the equipment manufacturer in exchange for the equipment received by the DANs issuer. The equipment need not be new equipment, but it cannot be equipment which has previously been owned by the issuer. However, effectively ITC can be claimed only for new equipment and not for equipment which has been previously owned.

The net effect on the manufacturer of the tax treatment set forth below is to create taxable income equal to the sum of (i) the profit on the sale of the equipment (i.e., the market value of the equipment less the manufacturer's cost of goods sold) and (ii) the excess of the amount received in respect of the DANs security over the initial value of the security (i.e., the manufacturer's return on holding the DANs).

They go on from there and point out:

At the time of the exchange of the DANs for equipment, the manufacturer recognizes ordinary income in the amount equal to the excess of the principal amount of the DANs security over the manufacturer's cost of goods sold for the equipment. Secondly, for the period during which the manufacturer

holds the DANs security, the manufacturer would include in income a portion of the deferred interest payment that will have accrued on a straightline basis. The manufacturer must retain the DANs security for at least 10 days. Thereafter, upon sale of the DANs security, the manufacturer will recognize an ordinary loss in an amount equal to the excess of the principal amount of the DANs security plus any accrued interest (on a straightline basis) which was includable in the manufacturer's income during the holding period, over the amount realized from the sale.

There they have laid it out for you. They have taken care of everybody. They have taken care of the issuer. They have taken care of the purchaser. They have taken care of the equipment manufacturer. Everybody gets a great break, with one exception, the unknown individual. That is that individual who is the taxpayer in this country.

The bill provides that new equipment must state interest at 100 percent of the T-bill rate. But an obvious question then is, what about used property? Can Morgan Stanley put together a deal to artificially increase the depreciation deductions on used property? Is 100 percent of the T-bill high enough to prevent Morgan Stanley from pursuing its proposal? I do not know. But I hope the chairman or some other member of the Finance Committee can assure me that these deals will not continue and will be able to point out to me the language in the legislative proposal that would cover that very fact.

Last year, Senator DOLE assured me that if the interest rate was required to be 110 percent of the T bill, they could not put these deals together. But how about with 100 percent T-bill rate or a 9-percent rate? Who can assure me that those deals will not be put together?

Mr. Pearlman continued in his presentation when he said:

Attached to this testimony are four quarters which show the relationship between private and Federal Government interest rates over the course of the last 8 years. Chart 1 compares the FHA mortgage rate to a Federal long-term composite rate. This chart shows the close relationship between the two indices during all periods, with the FHA rate consistently above the Government rate.

Chart 2 shows the ratio of the FHA index to the long-term Government index. In other words, this chart expresses the FHA rate as a percentage of the long-term Government rate. At no time during this period did this percentage ever drop below 110 percent and at times was over 130 percent. This relationship indicates that a test rate based on 110 percent of a Federal long-term borrowing rate is entirely appropriate.

I want to emphasize at this point that there is no 110-percent rate in this bill. The maximum imputed interest rate in this bill is 100 percent of the T-bill rate, or 9 percent.

Mr. Pearlman went on to point out:

Charts 3 and 4 provide the analogous comparisons between the average prime lending rate and the average yield on new issues of 1-year Government securities. Again the correlation between the two averages is extremely high. Chart 4 shows that the prime rate was always at least 110 percent of the 1-year Government rate.

Mr. Pearlman explains in his testimony what the FHA mortgage rate is, and also explains one of the other charts.

The FHA mortgage rate is the rate charged to homebuyers for FHA insured mortgages. The Federal long-term composite rate index is based on yield of Government bonds with constant maturities of 10 years or more. The latter index is very similar to the Federal long-term rate of current law and was chosen in lieu of the Federal long-term rate because past data for the current latter index are not readily available. Both indices are compiled from data published in Domestic Financial Statistics, a publication of the Federal Reserve Board.

The data on the prime rate and the 1-year Government rate on new issues are also taken from Domestic Financial Statistics. Private borrowing rates are quite likely to exceed the prime rate, especially on lending transactions of more than 1 year but not more than 3 years. Also, the 1-year Government rate for new issues will not be identical to the Federal short-term rate since the latter index takes into account all maturities of 3 years or less on all outstanding issues.

I wonder whether or not the distinguished chairman of the Finance Committee would be willing to yield to the Senator from Ohio for some questions without my losing my right to the floor.

Mr. PACKWOOD. I will be happy to when we get on the bill but I do not think I will before we proceed.

Mr. METZENBAUM. I am sorry about that, because had I had the opportunity to inquire of my colleague I would have asked him why was the testimony and the position of the Assistant Secretary of the Treasury speaking on behalf of the Treasury totally disregarded? While I may have indicated their concern about a 110-percent rate, why did the committee see fit to reduce the rate to a 100-percent rate, why did the committee see fit to reduce the rate to 9 percent, both of which are bound to have some negative impact upon the income, and certainly contrary to Treasury's recommendations in this area.

I might ask further, since the distinguished chairman of the Finance Committee was not inclined to respond, whether or not my colleague and friend from Louisiana, the ranking minority member, might care to enlighten the Senator from Ohio as to why the position of the Treasury was disregarded and instead we find a bill before us that has only 100-percent imputed interest.

Mr. LONG. Mr. President, I hope the Senator will pardon me, but as sometimes happens, I will say that simply one day I could not attend that meeting. I am sorry I am not in a position to inform the Senator. I was ill and was not able to attend.

Mr. METZENBAUM. I am happy to see the Senator has recovered.

Mr. LONG. I have recovered from that illness. But, as I say, I did not participate in that meeting.

Mr. METZENBAUM. I thank the Chair.

Mr. President, Mr. Pearlman went on further in his testimony, and I would like to share his views with my colleagues. He said:

We are well aware that legislation has been introduced, with the support of a number of the groups that will be testifying before this committee later today, to lower the test rate to 80 percent of the applicable Federal rate. We urge this committee not to adopt such change. Allowing taxpayers to state interest rates as low as 80 percent of the AFR would allow very substantial overstatements of true purchase price in sales of property calling for deferred payments.

This overstated purchase price benefits both the seller (in the form of a conversion of ordinary interest income into capital gain) and the buyer (by converting interest deductions into depreciable basis that can be written off on an accelerated basis).

Mr. President, I wonder if, without losing my right to the floor, the distinguished former chairman of the Committee on Finance, who dealt with this measure previously, would be in a position to advise me concerning the fact that last year, when he was chairman of the Finance Committee, he assured me that if the interest rate were required to be 110 percent of the T-bill rate, these bills could not be put together. I am curious to know about whether he believes they cannot be put together with a 100-percent T-bill rate or a 9-percent rate as provided for in this bill.

Mr. President, I ask unanimous consent that I may be permitted to inquire of the distinguished former Finance Committee chairman, the majority leader, without losing my right to the floor.

Mr. LONG. Mr. President, I would prefer not to debate the merits of the bill.

Mr. METZENBAUM. Mr. President, I am sorry I did not make it clear; I was asking Senator DOLE. I am not sure Senator DOLE heard my question. If not, I shall be very happy to repeat it.

Mr. DOLE. I heard enough of it, Mr. President.

Mr. President, I think I shall follow the advice of the distinguished chairman of the committee. If we get onto the bill, I think we ought to explore these issues; but I am not prepared to get into an exchange right now with the Senator from Ohio. Maybe later; I think we are going to have time. The chairman has to be gone for a while. I would not want to do anything that might be viewed as preempting his responsibilities.

Mr. METZENBAUM. Mr. President, I appreciate the position of the majority leader and will not push the question. I do want to reiterate that last year, we were talking about a 110-percent rate. That was going to be protective and keep these deals from being put together. Now we have reduced that, and, as a matter of fact, I think they were still put together, with that. Now we are reducing it to a 100-percent T-bill rate, or a 9-percent rate, which will certainly assure the fact that more and more of these syndicated deals will, indeed, be put together.

Mr. Pearlman said:

> At current interest rates, a shift to a test rate of 80 percent of the applicable Federal rate would allow a basis overstatement in any sales transaction of more than 30 percent, assuming a purchase money loan for the entire sales price with a term of 30 years and level monthly payments over the term of the loan. For example, a building having a value of $10 million could be sold for over $13 million. In the case of loans calling for a single payment of principal and interest at maturity, the potential overstatement is far greater. For example, if the debt instrument described above called for a single payment at maturity, the same $10 million building could be sold for a purchase price of over $27 million.

I want to repeat that, Mr. President. This is the testimony of the Assistant Secretary of the Secretary. He is saying that if you can play with these numbers as some have done, if you can make the sales transaction at 80 percent of the applicable Federal rate, you might then be in a position to sell at 30 percent over the normal price, from $10 million up to $13 million. But if you could get the buyer to agree that you would make only one payment at maturity, the same $10 million building could be sold for a purchase price of over $27 million.

That is not fun and games, Mr. President. That means that on that extra $17 million, the Treasury would only collect $3.4 million. It means that the buyer would have all that depreciation for a period of years on the $27 million and there would be no interest payable during that period.

It just seems to me that there is not any logic or reason as to why we are striving so hard to help the wheelers and dealers. If I have used that phrase once, I have probably used it eight times, but I am aware of the fact that there is no substitute phrase for those who put together these syndicated deals, who gain by increasing the price and reducing the interest rate.

According to Mr. Pearlman:

> For the tax law to permit distortions of this magnitude would be a substantial step in the wrong direction. A system using a test rate of 80 percent of the applicable Federal rate would present the worst of two worlds; the complexities of a floating test rate would be retained while one of the two major abuses that led to enactment of the 1984 Act provisions (basis overstatement) would remain unchecked.

I do not mean to mislead my colleagues and indicate that the 80-percent figure as advocated by some who appeared before the committee is the figure that was used. But the fact is, it is just a question of degree. Mr. Pearlman had stated the Treasury position.

Mr. President, the Senator from Ohio would like to request that the clerk read the committee report into the RECORD at this point.

Mr. LONG. Mr. President, I object.

The PRESIDING OFFICER. Objection is heard.

Mr. METZENBAUM. Mr. President, I move that the clerk be instructed to read the committee report into the RECORD.

The PRESIDING OFFICER. The motion is not debatable.

The question is on agreeing to the motion.

Mr. METZENBAUM. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. PRYOR. A parliamentary inquiry, Mr. President.

The PRESIDING OFFICER. The Senator will state it.

Mr. PRYOR. My inquiry is, after the clerk is in process of reading the record, should the motion prevail, where would the record be concluded as if read or at what statement? Does the record have to be read in its entirety?

The PRESIDING OFFICER. It would take unanimous consent to dispense with it.

Mr. PRYOR. I thank the Chair.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Ohio. The yeas and nays have been ordered. The clerk will call the roll.

The bill clerk called the roll.

Mr. SIMPSON. I announce that the Senator from North Carolina [Mr. EAST], the Senator from Arizona [Mr. GOLDWATER] and the Senator from Oregon [Mr. PACKWOOD] are necessarily absent.

Mr. CRANSTON. I announce that the Senator from Connecticut [Mr. DODD] and the Senator from Mississippi [Mr. STENNIS] are necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 3, nays 92—as follows:

[Rollcall Vote No. 136 Leg.]

YEAS—3

Hollings	Kennedy	Proxmire

NAYS—92

Abdnor	Bingaman	Byrd
Andrews	Boren	Chafee
Armstrong	Boschwitz	Chiles
Baucus	Bradley	Cochran
Bentsen	Bumpers	Cohen
Biden	Burdick	Cranston
D'Amato	Heinz	Nunn
Danforth	Helms	Pell
DeConcini	Humphrey	Pressler
Denton	Inouye	Pryor
Dixon	Johnston	Quayle
Dole	Kassebaum	Riegle
Domenici	Kasten	Rockefeller
Durenberger	Kerry	Roth
Eagleton	Lautenberg	Rudman
Evans	Laxalt	Sarbanes
Exon	Leahy	Sasser
Ford	Levin	Simon
Garn	Long	Simpson
Glenn	Lugar	Specter
Gore	Mathias	Stafford
Gorton	Matsunaga	Stevens
Gramm	Mattingly	Symms
Grassley	McClure	Thurmond
Harkin	McConnell	Trible
Hart	Melcher	Wallop
Hatch	Metzenbaum	Warner
Hatfield	Mitchell	Weicker
Hawkins	Moynihan	Wilson
Hecht	Murkowski	Zorinsky
Heflin	Nickles	

NOT VOTING—5

Dodd	Goldwater	Stennis
East	Packwood	

So the motion was rejected.

Mr. DOLE. Mr. President, may we have order in the Senate?

The PRESIDING OFFICER. The Senate will be in order.

Mr. DOLE. Mr. President, I think we have just sort of reflected what the vote on the bill will be when we finally get there, if there are three opposed to it. Again, I do not quarrel with the Senator from Ohio. He may have good reasons to object, and I have been up and down that hill, too, with the realtors, as the Senator from Ohio knows, from time to time. But I do think that we need to move on. We hope to complete action on this bill, if not late tonight, sometime tomorrow.

ADJOURNMENT

Mr. DOLE. Mr. President, I understand that through a technicality it will now be necessary that I move that the Senate stand in adjournment for 1 minute.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Kansas.

The motion was agreed to and, at 6:12 p.m., on Tuesday, June 25, 1985, the Senate adjourned until 6:13 p.m., the same day.

SENATE

TUESDAY, JUNE 25, 1985

The Senate met at 6:13 p.m., pursuant to adjournment, and was called to order by the Honorable PHIL GRAMM, a Senator from the State of Texas.

THE JOURNAL

Mr. DOLE. Mr. President, I ask unanimous consent that the Journal of the proceeding be approved to date.

Mr. METZENBAUM. Objection.

The PRESIDING OFFICER. Objection is heard. The Journal will be read by the clerk.

The assistant legislative clerk proceeded to read the Journal of Monday, June 3, 1985.

During the reading, the following occurred:

Mr. DOLE addressed the Chair.

The PRESIDING OFFICER. The distinguished majority leader.

Mr. DOLE. Mr. President, I ask unanimous consent that the Journal of proceedings be approved to date.

Mr. METZENBAUM. Objection.

The PRESIDING OFFICER. Objection is heard.

The clerk will continue to read.

The legislative clerk, the assistant legislative clerk, and the bill clerk resumed the reading of the Journal of Monday, June 3, 1985, Tuesday, June 4, 1985, Wednesday, June 5, 1985, and Thursday, June 6, 1985, all being the legislative day of June 3, 1985.

Mr. DOLE addressed the Chair.

The PRESIDING OFFICER (Mr. GORTON). The majority leader is recognized.

Mr. DOLE. Mr. President, I ask unanimous consent that the Journal of the proceedings be approved to date.

Mr. METZENBAUM. Mr. President, reserving my right to object, and I do not intend to object, it is my understanding that immediately thereafter the majority leader intends to make a motion to adjourn and that will conclude the work of the Senate today.

Mr. DOLE. That is correct. I will move to adjourn until 9 a.m., June 26, 1985.

Mr. METZENBAUM. I have no objection.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADJOURNMENT UNTIL TOMORROW AT 9 A.M.

Mr. DOLE. Mr. President, I move the Senate stand in adjournment until 9 a.m., Wednesday, June 26, 1985.

The motion was agreed to; and, the Senate, at 7:35 p.m., adjourned until Wednesday, June 26, 1985, at 9 a.m.

NOMINATIONS

Executive nominations received by the Senate June 25, 1985:

DEPARTMENT OF DEFENSE

Donald Alden Hicks, of California, to be Under Secretary of Defense for Research and Engineering, vice Richard D. DeLauer, resigned.

THE JUDICIARY

Roger J. Miner, of New York, to be U.S. circuit judge for the second circuit vice a new position created by Public Law 98-353, approved July 10, 1984.

Roger L. Wollman, of South Dakota, to be U.S. circuit judge for the eighth circuit vice a new position created by Public Law 98-353, approved July 10, 1984.

Roger G. Strand, of Arizona, to be U.S. district judge for the district of Arizona vice Charles A. Muecke, retired.

Richard H. Mills, of Illinois, to be U.S. district judge for the central district of Illinios vice J. Waldo Ackerman, deceased.

John M. Walker, Jr., of New York, to be U.S. district judge for the southern district of New York vice Morris E. Lasker, retired.

DEPARTMENT OF THE INTERIOR

William P. Horn, of Virginia, to be Assistant Secretary for Fish and Wildlife, Department of the Interior, vice G. Ray Arnett, resigned.

HOUSE OF REPRESENTATIVES—*Tuesday, June 25, 1985*

The House met at 12 o'clock noon.

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

Joyful, joyful we adore Thee,
God of glory, Lord of love;
Hearts unfold like flowers before Thee,
Praising Thee, their Sun above.
Melt the clouds of sin and sadness,
Drive the dark of doubt away;
Giver of immortal gladness,
Fill us with the light of day.
Amen.

—*Henry van Dyke (1852–1933).*

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

NEW GI BILL STARTS JULY 1

(Mr. MONTGOMERY asked and was given permission to address the House for 1 minute.)

Mr. MONTGOMERY. Mr. Speaker, what we have been talking about for so long is finally going to happen.

On July 1, the new GI bill, which was developed as an incentive for military recruitment and retention, goes into effect. Military recruiters, educators, and potential recruits have waited for this moment for a long time.

A lot of hard work on the part of the Committee on Veterans' Affairs, the Armed Services Committee, this House, and many groups who knew its worth and its potential went into this program.

Mr. Speaker, passing this legislation was one of the wisest things the Congress has ever done. Weapons and equipment procurements are necessary, but nothing is more strategic to a sound national defense than people. With an All-Volunteer Force, we had better have in place the proper incentives to attract recruits.

On July 1, we set in motion the best recruiting incentive of all, for the enlistee and for the Nation, the opportunity for an education.

TERRORISM AND BEIRUT HOSTAGES

(Mrs. SMITH of Nebraska asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. SMITH of Nebraska. Mr. Speaker, we are now well into the second week of what has become a nightmare of worldwide terror. We have witnessed the murders of 329 passengers on an Air India flight, cafe patrons in El Salvador—including four U.S. marines—and a number of victims of airport bombings. And, of course, those 40 Americans remain hostage in Beirut. One of them, a Navy diver, was brutally beaten to death. We grieve with the families of the victims and continue to pray for the safe return of the American hostages.

Throughout the events of the past week, however, one thing has remained clear: the United States and its allies stand together in their resolve against bowing to the demands of terrorists.

Israel has now begun to release its Shiite prisoners. The Shiites will be released only according to Israeli law and with conformance to Israeli policy in Lebanon. Whether or not we agree with Israeli law or with the policy that allowed Israel to take Shiites prisoners, or whether or not Israel's decision is even connected with the holding of American hostages, we applaud this move by the Israelis. We hope that Israel's action can only help in the ongoing negotiations to release the hostages.

Without giving in to terrorist demands, Israel's action has forced the Shiite gunmen and Mr. Berri to make the next move. Israel's action places the burden where it clearly belongs. As Secretary Shultz said this weekend, "the problem is not Israel, the problem is not some evil about America, the problem is the people who hijacked that plane, who murdered an American and who are holding the Americans there hostage. That's the problem."

Part of the solution to this problem lies in a heavy dose of preventive medicine, so that the vast majority of potential crises can be nipped in the bud. My colleagues are to be commended for passage last week of legislation, H.R. 2796 to block air service to insufficiently secure foreign airports. Likewise, I commend the administration for its effort to develop a comprehensive package of recommendations to increase aviation security abroad.

Now is the time for the House of Representatives to tell the world that we've had enough, that the United States will no longer let violent extremism set the agenda for our foreign policy.

CUSTOMS BLAMES SUGAR PROGRAM FOR IRREGULARITIES, WINKS AT SMUGGLERS

(Mr. LEWIS of Florida asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LEWIS of Florida. Mr. Speaker, last Saturday the Washington Post reported on a Customs investigation of 13 sugar firms which have been criminally evading sugar import quotas and defrauding the Government of import duties.

In particular I was astonished and angered by the following section and I quote:

> Customs Investigators said the American price support system created the temptation to illegally smuggle foreign sugar in the U.S. market.
>
> "We practically handed it to them," replied one Federal agent.

Mr. Speaker, I am shocked at such an ignorant statement by the U.S. Customs Department.

How dare they excuse the illegal and dishonest actions of these refineries by blaming our Domestic Sugar Program.

These criminals have taken advantage of our American sugar growers, their families, and the communities that depend on the program for their survival.

They should be punished, not the growers.

This time the Customs Department has pointed the finger in the wrong direction and I recommend they be more careful in their prosecution and sentencing of the American Sugar Program in the future.

□ 1210

FEDERAL ELECTIONS COMMISSION AUTHORIZATION

(Mr. FRENZEL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. FRENZEL. Mr. Speaker, today we will vote under suspension on H.R. 1532, the authorization for the Federal Elections Commission.

Yesterday when this bill was debated, there was considerable objection to handling this bill under suspension. The objections, however, did not deal with the amount of money for the authorization, which is slightly less than last year. They dealt with alterations that the objectors would like to make in the election law.

May I suggest that the authorization be promptly passed. Otherwise, we will have to deal with this matter in an appropriation bill in an inappropriate manner.

Oversight can be carried on. If any bills are introduced, our committee will be glad to take them up. So far, except for committee members, no significant elections bills have been introduced.

But, in the meantime, a vote against this bill is a vote against the only disclosure agency we have in the field of electronics.

Mr. Speaker, I believe the bill should be supported.

INTERNATIONAL VOLUNTARY FAMILY PLANNING PROGRAM UNDER ATTACK

(Mr. KOSTMAYER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. KOSTMAYER. Mr. Speaker, America's international voluntary family planning program is under attack by a small group in the House of Representatives who in reality oppose family planning itself.

In a June 17 dear colleague letter they charged that the United Nations Fund for Population Activities is comanaging the UNFPA program in China. In truth, the UNFPA spends $10 million on a program on which the Chinese spend just over $1 billion. That is less than 1 percent, hardly comanaging.

Second, they fail to point out that AID Administrator Peter McPherson has informed the Congress that the UNFPA is not involved in abortion in China at all, or anywhere else.

Finally, they tell us the money they will take from UNFPA will be reprogrammed to other family planning programs; yet not 1 cent has and AID says it is unlikely that 1 cent will be.

Mr. Speaker, the gut family planning zealots ought to get their facts straight.

FOLLOW THROUGH ON PREVENTION OF TERRORISM

(Mrs. SCHROEDER asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. SCHROEDER. Mr. Speaker, I wholeheartedly support the letter mentioned by Congressman DON EDWARDS that is being sent to the President by many of the distinguished chairmen on this side of the aisle asking for an international response to terrorism. I think that is the only way we eventually bring some sanity to this whole problem of terrorism that the world is being plagued with.

There is another aspect to terrorism, that we have to focus on. When the hostages in the past have been released, we have been so relieved that we have forgotten to take preventive action and we have forgotten to follow through on the lessons learned.

Yesterday the subcommittees of the Committee on Post Office and Civil Service and of the Foreign Affairs Committee held joint hearings with some of our Iranian hostages and other hostages that have had this unfortunate experience.

What did we find out? We found out that, first of all, the Iranian hostages were humiliated by the fact that the President only granted them $12.50 a day for their confinement because the increased expenses to their families during that period of time was way beyond that amount.

But second, they were even more distressed because the $12.50, even though it was granted, was never paid, so they never even received that small sum.

There was a strong consensus among all the witnesses that the absolute minimum that anyone should receive for a period of time being held as a hostage was at least the Government per diem that people who were free would be able to receive while in that city in which they were held.

They also said that they thought maybe we have become too focused on protecting property and not enough on protecting people.

I hope we keep these things in mind and take action, rather than being so relieved when the nightmare ends, we forget to take corrective moves.

VOTE "NO" ON SUSPENDING RULES TO REAUTHORIZE THE FEC

(Mr. ARMEY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ARMEY. Mr. Speaker, later today we will vote on reauthorizing the Federal Election Commission. Because of the manner in which this legislation was brought to the floor, I oppose the reauthorization, and I urge my colleagues to do the same.

The FEC has proposed new regulations which are the subject of considerable controversy. Members from both sides of the aisle have made it clear they believe the FEC is overstepping its authority, and is proposing new regulations which restrict voluntary participation in elections.

The FEC proposes to tie contribution limits to the net debts of a campaign. This proposal would change current law, and it would do so without the benefit of congressional comment or action.

The FEC also proposes to require contributors to aggregate their contributions to a candidate with those made to a multicandidate committee. This proposal is vague. It applies only in some instances, and only under certain, ill-defined parameters.

Mr. Speaker, this legislation should not, in my opinion, have been placed on the Suspension Calendar. It's a controversial piece of legislation, and this body would have been better served by having it considered under regular order. Under an open rule, the problems could have been deliberated, and, I think, we would have a better bill on which to vote.

In its present form, a vote for the FEC reauthorization is a tacit endorsement not only of the proposed FEC changes, but of the FEC's right to usurp congressional prerogatives and make new law. I urge a "no" vote on suspending the rules of the House to reauthorize the FEC. Let this reauthorization be considered on its own merit, and in a manner in which it can be fully debated and, if necessary, altered.

ANN POSTON DAY IN FLORENCE, SC

(Mr. TALLON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TALLON. Mr. Speaker, it is with a tremendous sense of pride and gratitude that I rise today to pay tribute to the people of my district and State. Residents from South Carolina's Sixth Congressional District and indeed people from all across the State and from as far away as New Jersey have rallied behind a courageous woman and her struggle to live.

On her 16th wedding anniversary, Ann Poston found out that the only way she could possibly live to see her two young daughters grow up would be to have a heart transplant.

Ann Poston was born with a congenital heart defect so it was impossible for her to get health insurance. Ann was accepted as a heart recipient by Johns Hopkins Medical University. The cost of the surgery in addition to the after-surgery medical care are estimated to cost approximately $100,000. There is no way that Mrs. Poston and her family could come up with that kind of money.

Mr. Speaker, so far $114,000 has been raised in just over 1 month by the citizens of our area, in an effort spearheaded by the Florence Jaycees, with the caring assistance of neighboring communities.

Mrs. Poston and her family left Florence Sunday afternoon for Johns Hopkins. I know they left with a determination that Ann Poston would return home a healthy woman, ready to resume her life among the people who care so deeply for her.

This could have been a tragic story, but it isn't. Instead, it is the story of

one woman's determination to live and an entire community's outpouring of love. I have known all along that the people of my district and State are among the finest to be found anywhere, but Mrs. Ann Poston has really brought out the very best in all of us.

The contributions for Mrs. Poston's heart transplant came from practically every segment of the Pee Dee community. Individuals, churches, businesses, civic organizations, the media, and schoolchildren alike, shared in Ann Poston's valiant fight for life.

Today has been proclaimed Ann Poston Day in Florence. I would like to join all of the fine people there today in spirit, in prayer and in every good wish for Ann Poston's speedy recovery and return to the area and people who love her so much.

SALUTE TO DR. HARRISON L. ROGERS, JR.

(Mr. SWINDALL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SWINDALL. Mr. Speaker, I rise today to salute Harrison L. Rogers, Jr., one of Atlanta's most distinguished physicians who was installed last week as the president of the American Medical Association.

Dr. Rogers, a general surgeon, graduated from Emory University and Emory Medical School. He interned at Yale and did his residency at Boston Veterans Hospital. Presently he is a clinical associate professor at Emory and is on the teaching staffs at Crawford Long and Piedmont Hospitals. Dr. Rogers also serves as a diplomat of the American Board of Surgeons and is a fellow of the American College of Surgeons. He is a past president of Emory University Medical Alumni Association and the Atlanta Clinical Society, and has served on the board of directors of Blue Shield and the Red Cross.

Dr. Rogers is also known as a devoted husband and father. He is happily married to the former Jean Clarkson and has four children, Harrison III, Ellen, Theodosia, and Michael.

Mr. Speaker, the American Medical Association and our Nation will certainly benefit from the outstanding leadership that Dr. Rogers will provide over the next year. Please join me in extending sincere congratulations to Dr. Rogers for his recent recognition.

FEDERAL ELECTIONS COMMISSION AUTHORIZATION

(Mr. SWIFT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SWIFT. Mr. Speaker, the gentleman from Minnesota [Mr. FRENZEL] is the ranking member of the House Administration Committee and he spoke earlier this morning urging people to support the FEC authorization vote which will be taken at the end of the day.

Mr. Speaker, I am chairman of the Subcommittee on Elections and I want to indicate to the membership I am aware of the concerns that some people in this body have with regard to what have been called "proposed rules" by the FEC. The fact is, and it is terribly important to understand it, there are no rules that have been proposed at this point. What you have here are technically called "advanced notice of proposed rulemaking", and in laymen's language, what that means is the FEC has tossed out some suggestions on which they are asking for comments.

Members who do not agree with some of those proposals should, by all means, avail themselves of every opportunity to express that opposition. That is the purpose of an advance notice of rulemaking.

But I wanted the body to know that should the FEC, at some point down the line, in fact propose any of those as rules, they have assured the committee that they will offer hearings, and the committee will not only see that those hearings are provided, the committee will provide the oversight of the FEC necessary to assure that they carry out Congress' intent with regard to the law.

REAUTHORIZATION OF THE FEDERAL ELECTIONS COMMISSION

(Mr. COBEY asked and was given permission to address the House for 1 minute.)

Mr. COBEY. Mr. Speaker, this body will be considering the FEC authorization bill under suspension of the rules today. The FEC has proposed some new regulations or advanced suggestions or notices, whatever, which are the subject of considerable controversy. Many Members on both sides of the aisle have objected or made known their concern about these suggested rules.

Mr. Speaker, it is not good policy to authorize money for a Commission that oversees the election process without allowing careful oversight of how that Commission has been operating. It is our responsibility to make sure that the FEC is functioning within the proper guidelines established by the Congress.

It is for this reason that I strongly oppose this bill under suspension of the rules. I believe it is imperative that this bill be defeated today under suspension and then brought back to this House floor with an open rule providing for proper oversight through the amending process.

THE VOICE OF MICHIGAN'S TAXPAYERS REGARDING THE BUDGET RESOLUTION

(Mr. PURSELL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PURSELL. Mr. Speaker, given the delay in approving a budget resolution and the apparent lack of compromise on the part of conferees attempting to come up with a conference report on a budget resolution, I have decided it is time to get the taxpayers and their will out in front.

Beginning today, in a series of 1-minute speeches, I'm going to give the taxpayers of Michigan's Second District a voice here on the floor.

I begin today with Mr. S. Walter Scott, of Plymouth, MI, who writes: "Budget reduction must not be compromised away through special interest intervention. This is where the Senate and House must take a responsible albeit unpopular stand." Mr. Scott continues, "It's only human nature to attempt to protect one's own self-interest. This is why it is important for everyone's ox to get gored a little * * *. I'm willing to make sacrifices; I'm not happy, but I recognize it must be done for our long range health." My constituent concludes, "All I ask is that everyone sacrifice to some degree."

Thank you, Mr. Scott. In the name of this Nation's taxpayers, I suggest that the budget conferees take his comments and those of other taxpayers I'll be presenting to heart.

VOTE DOWN REAUTHORIZING OF FEDERAL ELECTION COMMISSION

(Mr. BLILEY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BLILEY. Mr. Speaker, I urge my colleagues to join me in voting down H.R. 1532, reauthorizing the Federal Election Commission under suspension of the rules.

The FEC recently announced plans that USURP Congress' right to make election law. One of the rulings that the FEC wants to make is that you cannot carry a campaign surplus from one election cycle to another. This would mean that no one in this House could transfer money from a primary cycle to a general election. Instead you would have to return any money raised in excess of what you spent. The law that has passed dealing with this matter was clear and this FEC proposal is a contradiction of Congress' stated intent. All Members of this House stand to lose if the FEC gets its way.

Please join me in defeating this bill under suspension. This legislation war-

rants a regular rule so that Members can discuss the issues involved more fully.

SUSPENSION SYSTEM

(Mr. BARTON of Texas asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BARTON of Texas. Mr. Speaker, I rise to ask the Members of the House to vote against suspending the rules for H.R. 1532, the Federal Elections Commission reauthorization.

Too often in this House, the Suspension Calendar has been used to avoid debate on controversial bills, thereby robbing Members of their priviledge to fully examine the proposed legislation before them.

H.R. 1532 asks that we fund a major agency of this Government, one that is charged with regulating our political system. In light of the FEC's important role in protecting fair Government, shouldn't we be sure that the agency's administrative record is intact? We have a responsibility to the American people to ensure that their hard earned tax dollars are used efficiently and effectively. Therefore, all Government agencies, including the FEC should be carefully scrutinized.

Furthermore, the intent of the Suspension Calendar has always been to respect Members' time in passing nonsubstantive bills, which is totally appropriate. However, the FEC reauthorization is not in this catagory.

Let's use this calendar as the rules intend. Vote "no" for suspending the rules for H.R. 1532.

□ 1230

WESTERN NEW YORK REMEMBERS ITS VICTIMS OF TERRORISM

(Mr. LAFALCE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LAFALCE. Mr. Speaker, my home of western New York lies darkened today by the shadow of terrorism. Seven of my neighbors were hurled into the Atlantic by a bomb planted on an Air India jumbo jet, a bomb planted deliberately to murder the innocent, to terrorize the civilized world by showing contempt for its most elemental standards of human decency.

The terrorists who murdered my neighbors did not know or care who they were. Indeed, the anonymity of their victims aids terrorists in their effort to give the appearance of utterly random violence, because violence that can strike anyone can terrorize everyone.

Western New Yorkers have been taken hostage in Iran, in Beirut, and again by Lebanese on TWA flight 847. Now seven more western New Yorkers are victims, mortal victims this time, of the crime whose only motive is to commit an unspeakably awful crime. As this body considers measures to combat the hidden enemy of terrorism, Mr. Speaker, let each of us remember how terribly close to home it can strike.

It has struck home in western New York.

PLEASE STOP PLAYING INTO THE HANDS OF WORLD TERRORISM

(Mr. DORNAN of California asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DORNAN of California. Mr. Speaker, the gentleman who spoke just before me, Mr. LAFALCE, just told us that seven of his constituents have been murdered by terrorists. Is this last horrible week going down in history as the high water mark of terrorism against international air travelers? We pray so. If today's investigative evidence is borne out, then only two Sikh terrorists tried on 1 day, only a few hours apart, to murder 720 people. They did succeed in sending 329 to their death in the Atlantic Ocean south of Ireland.

All of us now have to work as hard as we can to make sure that this week does go down as the tragic terrorist high water mark, and that includes the news media of the Free world working to make sure they are not manipulated by terrorists.

On the CBS "Nightwatch" program Sunday night I called for a self-imposed television media blackout on the hostages on the scene in Beirut, Not a blackout in this country discussing these fellow Americans, but only a refusal by our networks to carry the interviews of the terrorist orchestrated abuse of our people held hostage in Beirut. It serves no purpose except to embolden the terrorists to continue reporting with visual images on what the terrorists are doing.

I would also like to ask those in media who indulge in hostage crisis comparisons between President Carter and President Reagan to knock it off. It is mean-spirited, unfair and it is certainly counterproductive.

Jimmy Carter is a decent human being and so is Ronald Reagan; they are both people-oriented leaders who feel deeply the suffering of others. President Reagan is well aware that with this hostage crisis he has a tremendous advantage over President Carter in that President Carter had to deal with a major hostage crisis first. If President Reagan's tenure had come before President Carters, then President Carter would have been a much different leader. We all learn by experience. And no President would allow himself to be scarred twice "by the Ayatollah Khomani.

These frivilous comparisons mean nothing. I predict that President Reagan at some point in the near future is going to take action and this country had better be unified behind him. Our future safety in world travel is at stake.

I implore the news media to please stop playing into the hands of world terrorism. Don't let yourselves be manipulated.

GIVE US A CHANCE TO LOOK AT THIS QUESTION SERIOUSLY AND AMEND IN THE REGULAR PROCESS

(Mr. LUNGREN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LUNGREN. Mr. Speaker, as a number of my colleagues have already suggested, we are going to have an opportunity to vote on the FEC authorization later at the end of the legislative day.

Yesterday it was debated under the Suspension Calendar. It was defeated on a division, and a request was made for a vote today. I do not think those of us who oppose passing it on the Suspension Calendar can properly be characterized as being against disclosure. I think that disclosure is an absolute requirement in this day and age of politics. But that is not really the question.

The question is, when you have a bill which has some controversy about it, which really is important, ought it to be considered under the Suspension Calendar with no opportunity to debate? Or, rather, should we have a rule which would allow us the amendment process to concern ourselves with some severe questions which many of us have about the FEC as it presently operates and how it intends to operate in the future with respect to several proposed rulemakings that have come forward?

As we all know, when we become candidates the first thing you have to do nowadays is to hire an attorney and hire an accountant to make sure that you stay out of trouble. It is a very, very serious responsibility that the FEC has. Some of us feel they have not carried it out in the most appropriate way and that, in fact, they have infringed upon certain first amendment rights.

Because of our concern, we ask for a "no" vote today, not to defeat the disclosure requirements, but to give us a chance to look at this seriously and amend it in the regular process.

AMENDMENTS DESIGNED TO STOP TAXPAYER FRAUD AND RIPOFFS WITHOUT LAYOFFS

(Mr. ROWLAND of Connecticut asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ROWLAND of Connecticut. Mr. Speaker, needless to say, today we are going to see a large number of amendments with regard to our Defense procurement bill. I propose a bill that is regarded as the Procurement Integrity Act which is designed to stamp out defense fraud.

Unfortunately, that bill will not be before us, but there will be a number of amendments that will be before us that really are at the heart of this particular piece of legislation. The first one is the Hertel amendment, which proposes criminal penalties for individuals and corporations who defraud the Government.

The other amendment is the Nichols amendment, which distinguishes allowable and unallowable defense costs which we will be picking up as taxpayers. It also requires the certification that no fraudulent claims have been made.

Finally, there is another amendment by Mr. SIKORSKI, Mr. WYDEN, and Mr. BRYANT which requires the CEO or an equivalent to certify that cost claims are valid, under threat of perjury.

Mr. Speaker, these amendments and many others are designed to stop taxpayer fraud, designed to stop ripoffs of our dollars without layoffs. That is something we should be very concerned about. I hope the membership pays attention to these amendments and many others.

I thank the Speaker.

CAUTIONING ABOUT OVERKILL ON CONTRACTING CHANGES FOR DOD

(Mr. REGULA asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. REGULA. Mr. Speaker, the revelations about defense contracting have caused this body to enact legislation to revise the ways the Defense Department does business. Most of these new laws have provided much needed changes to a process that permitted outrageous abuses. I support such changes.

I am concerned, however, that this Congress may respond with overkill. While changes are certainly in order, further bureaucracy is not. I fear that some of our attempts to clean up the American market may, in fact, eliminate it.

For example, most defense contractors assign less than 10 percent of their business to defense contracts. Should compliance costs become unjustifiable, many contractors will simply not pursue defense business. This will push defense contracts overseas, eliminating American jobs and threatening national security.

Another serious problem is that requiring contractors to release patent rights to defense equipment—in order to spawn competition—will force contractors to abandon their defense work in order to protect their commercial markets.

I urge caution in changing defense contracting procedures so that we don't eliminate competition and force more of our defense procurement offshore with a further loss of American jobs.

REFORM DOD PROCUREMENT—IMPOSE CRIMINAL AND CIVIL PENALTIES ON FRAUDULENT PRACTICES

(Mr. HERTEL of Michigan asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HERTEL of Michigan. Mr. Speaker, the American people are spending $300 billion on defense. In fact, they have doubled the defense budget in the last 4 years.

□ 1240

To gain strength through our defense authorization bill, we must have better management, and I alert the Members in their offices that today, the first thing on the agenda will be to take up title VIII of the DOD authorization.

The guts of the reform package from the House Democratic Task Force on Defense Waste, Abuse, and Fraud will be offered. There will be amendments offered to have criminal penalties when contractors commit waste, abuse, and fraud; there will be amendments offered to give the inspector general powers to stop and to bar contractors when they have committed fraud. It will also give the inspector general the power to stop that contract at that time when fraud is discovered.

We ask the Members to pay a great deal of attention to these amendments; we have to change the system so we can have greater strength for our Defense Department through better spending management.

DEPRIVE TERRORISTS OF THE "PROFIT OF PUBLICITY"

(Mr. HUNTER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HUNTER. Mr. Speaker, the profit of terrorism is very plainly publicity, and I think we have seen the press coverage evolve to a point of extreme competition.

One network got an exclusive interview with the pilot on the aircraft with a hijacker holding a gun to his head, and I would suggest that there may be a link between the Indian airliner crash and our hostage problem.

This may be the case, not because of any collusion between the two terrorist organizations, but because very clearly the people who put together the terroristic act with regard to the Indian airliner saw that there was a profit of publicity in a terroristic act. They saw tremendous coverage of the Beirut situation and they saw an opportunity for themselves to get involved, and to draw attention to their particular plan and their particular problem.

I think we should suggest to the networks that perhaps we have a meeting, a closed-door meeting, and we explore the possibility of blacking out publicity on terroristic acts in the near future, and perhaps depriving terrorists of the profit in publicity that they have been receiving over the past several weeks.

SUSTAIN FUNDING FOR FAMILY PLANNING IN BANGLADESH

(Mr. MOODY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MOODY. Mr. Speaker, I wish to focus the attention of my colleagues on the need to sustain funding for voluntarily family planning in one country, Bangladesh, a nation with the same land area as my own State of Wisconsin.

When I went to Bangladesh in 1961 with the Peace Corps, that country had 45 million people, tenfold the size of Wisconsin's population. Today, 24 years later, Bangladesh has 95 million people, 20 times the size of Wisconsin's population.

Life in Bangladesh has grown far worse since 1961. Inadequacy of food and other resources is more acute and the margin between life and death is even thinner.

Many millions, mostly children, have needlessly starved since 1961. The only real hope to prevent millions more needless and painful deaths in Bangladesh is to support voluntary family planning there. Only in this way can existing children and future wanted children have adequate nutrition to withstand the vagaries of weather and nature that periodically hit that country.

To defund USAID help for Bangladesh for family planning, through UNFPA and IPPF, primarily because of coercive population programs in China, as amendments by Representatives SMITH and KEMP would do, will cause untold suffering, misery, and needless death in Bangladesh, as well as many other countries.

PERMISSION FOR COMMITTEE ON POST OFFICE AND CIVIL SERVICE TO SIT ON TOMORROW DURING THE 5-MINUTE RULE

Mr. FORD of Michigan. Mr. Speaker, I ask unanimous consent that the Committee on Post Office and Civil Service be permitted to sit tomorrow, June 26, 1985, during the 5-minute rule.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

Mr. WALKER. Mr. Speaker, reserving the right to object, Mr. Speaker, is this something that has been cleared with the minority?

Mr. FORD of Michigan. Mr. Speaker, if the gentleman will yield, yes, it has. We have a whole lot of resolutions. It will be hard to get a quorum, obviously, but as soon as we can get Members there, we will report them out.

Mr. WALKER. But the ranking Member has approved?

Mr. FORD of Michigan. Yes; the gentleman from Missouri [Mr. TAYLOR] is fully aware of this.

Mr. WALKER. I thank the gentleman.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore (Mr. MURTHA). Is there objection to the request of the gentleman from Michigan

There was no objection.

PERMISSION FOR SUBCOMMITTEE ON NATURAL RESOURCES, AGRICULTURE RESEARCH AND ENVIRONMENT OF THE COMMITTEE ON SCIENCE AND TECHNOLOGY TO SIT ON TOMORROW DURING THE 5-MINUTE RULE

Mr. SCHEUER. Mr. Speaker, I ask unanimous consent that the Subcommittee on Natural Resources, Agriculture Research and Environment of the Committee on Science and Technology may be permitted to sit during the 5-minute rule on June 26, 1985.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

Mr. WALKER. Mr. Speaker, reserving the right to object, I have the same question for the gentleman: Has this been approved by the minority?

Mr. SCHEUER. Mr. Speaker, if the gentleman will yield, yes, indeed, it has.

Mr. WALKER. I thank the gentleman.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

CERTAIN TELEPHONE SERVICES FOR SENATORS

Mr. ANNUNZIO. Mr. Speaker, I ask unanimous consent that the Committee on House Administration be discharged from further consideration of the Senate bill (S. 1141) relating to certain telephone services for Senators, and ask for its immediate consideration.

The Clerk read the title of the Senate bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

The Clerk read the Senate bill, as follows:

S. 1141

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) paragraph (6) of section 506(a) of the Supplemental Appropriations Act, 1973 (2 U.S.C. 58(a)) is amended to read as follows:

"(6) for telephone service charges officially incurred outside Washington, District of Columbia, which are based on the amount of time the service is used;".

(b) Section 1205(a) of the Supplemental Appropriations Act, 1984 (2 U.S.C. 58a) is amended by inserting "and in such Senator's State (except services for which the charge is based on the amount of time the service is used)" after "Columbia,".

SEC. 2. The amendments made by this Act shall take effect on the first day of the first calendar month which begins more than sixty days after the date of enactment of this Act.

Mr. ANNUNZIO (during the reading). Mr. Speaker, I ask unanimous consent that the Senate bill be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

● Mr. ANNUNZIO. Mr. Speaker, S. 1141 was introduced by Senator MATHIAS, chairman of the Committee on Rules and Administration, to address anticipated needs of Senate State offices throughout the United States. The bill provides that the Sergeant at Arms of the Senate will be responsible for coordinating all of the Senate's telephone needs.

The Senate has established a telecommunications office. That office which will be advising the Sergeant at Arms as to how best to serve the Senate's needs. This bill is a product of one of their recommendations.

On the House side, the Committee on House Administration is proceeding with a survey of the overall telephone needs of the Members. This includes a recently completed survey of the telephone needs of the 1,100 district offices serving our constituents. We will be working over the next few months to resolve Member telephone needs, and will have a solution for the House in place by the beginning of the fiscal year.

The Senate, by passing this bill, has stated its preference for amending the law governing their telephone usage, to consolidate everything relating to telephones into the Office of the Sergeant at Arms. As a matter of comity, the Committee on House Administration reviewed the fundamental concept embodied in the bill, and the committee directed me, by unanimous vote, to bring the bill to the floor.

For those who wish further detail on the nature and purpose of this bill, I direct your attention to Senate Report 99-52, copies of which are at the majority and minority tables.●

The Senate bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. ANNUNZIO. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the Senate bill just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

APPOINTMENT OF BARNABAS McHENRY AS A CITIZEN REGENT OF THE SMITHSONIAN INSTITUTION

Ms. OAKAR. Mr. Speaker, I ask unanimous consent for the immediate consideration of the joint resolution (H.J. Res. 198) to provide for the appointment of Barnabas McHenry as a citizen regent of the Board of Regents of the Smithsonian Institution.

The Clerk read the title of the joint resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Ohio?

There was no objection.

The Clerk read the joint resolution, as follows:

H.J. Res. 198

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the vacancy in the Board of Regents of the Smithsonian Institution, of the class other than Members of Congress, caused by the death of William A.M. Burden of New York on October 10, 1984, be filled by the appointment of Barnabas McHenry of New York for the statutory term of six years.

COMMITTEE AMENDMENT IN THE NATURE OF THE A SUBSTITUTE

The SPEAKER pro tempore. The Clerk will report the committee amendment in the nature of a substitute.

The Clerk read as follows:

Strike all after the resolving clause and insert:

That, in accordance with section 5581 of the Revised Statutes of the United States (20

U.S.C. 43), the vacancy in the Board of Regents of the Smithsonian Institution, of the class other than Members of Congress, caused by the death of William A.M. Burden of New York on October 10, 1984, is filled by the appointment of Barnabas McHenry of New York. The appointment is for a term of six years and shall take effect on the date on which this joint resolution becomes law.

Ms. OAKAR (during the reading). Mr. Speaker, I ask unanimous consent that the committee amendment in the nature of a substitute be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Ohio?

There was no objection.

The committee amendment in the nature of a substitute was agreed to.

● Ms. OAKAR. Mr. Speaker, the Committee on House Administration unanimously approved the appointment of Mr. McHenry as citizen regent of the Smithsonian Institution. Mr. McHenry is an attorney and an executive with a major publishing company. He has a variety of experiences in the management of foundations and nonprofit institutions in the visual and performing arts, in historic preservation, and in environmental conservation.

Mr. McHenry's distinguished career and philanthropic activities should provide added dimension to the policy and planning arm of the Smithsonian Institution.●

The joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed.

The title was amended so as to read: "Joint resolution providing for appointment of Barnabas McHenry as a citizen regent of the Board of Regents of the Smithsonian Institution."

A motion to reconsider was laid on the table.

GENERAL LEAVE

Ms. OAKAR. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the joint resolution just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Ohio?

There was no objection.

DEPARTMENT OF DEFENSE, AUTHORIZATION ACT, 1986

The SPEAKER pro tempore. Pursuant to House Resolution 169 and rule XXIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the further consideration of the bill, H.R. 1872.

□ 1247

IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H.R. 1872) to authorize appropriations for fiscal year 1986 for the Armed Forces for procurement, for research, development, test, and evaluation, for operation and maintenance, and for working capital funds, to prescribe personnel strengths for such fiscal year for the Armed Forces, and for other purposes, with Mr. RUSSO (Chairman pro tempore) in the chair.

The Clerk read the title of the bill.

The CHAIRMAN pro tempore. When the Committee of the Whole rose on Friday, June 21, 1985, title II had been completed for amendment except for the amendments printed in the CONGRESSIONAL RECORD before June 20, 1985, by, and if offered by the gentleman from New Jersey, [Mr. COURTER], the gentleman from California [Mr. BROWN], the gentleman from Maryland, [Mr. HOYER], the gentleman from Pennsylvania, [Mr. FOGLIETTA], the gentleman from Georgia, [Mr. DARDEN], the gentleman from Michigan, [Mr. CONYERS], the gentleman from Illinois, [Mr. SAVAGE], and the gentleman from Michigan, [Mr. LEVIN].

Titles III through IX, had been completed for amendment except for the amendments printed in the CONGRESSIONAL RECORD before June 21, 1985, by and if offered by the Member who had the amendment printed in the RECORD and title X was open for amendment at any point.

Mr. ASPIN. Mr. Chairman, when we proceeded on Friday, we were operating because 60 or 70 Members were not going to be present, and so we skipped over some titles and left some titles in order to deal with relatively noncontroversial issues.

In particular, we skipped over title VIII, which is the issue of procurement reform, and so now that we are here on a Tuesday afternoon, I think that is probably the most important thing that we have got left in this bill, and therefore I would like to ask unanimous consent that the first order of business today on H.R. 1872 be title VIII, and that title VIII be considered pending before other titles, for those amendments printed in the CONGRESSIONAL RECORD before June 21, by and if offered by those Members, so protected.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Wisconsin?

Mr. WALKER. Reserving the right to object, Mr. Chairman, I do so simply to clarify where we are. I think that there are some amendments still pending under titles prior to title VIII.

Mr. ASPIN. Correct.

Mr. WALKER. The gentleman's motion does protect those peoples, that we will come back to those later on; we are not skipping ahead to title VIII and leaving those amendment unprotected; is that correct?

Mr. ASPIN. The gentleman is correct.

□ 1250

Mr. WALKER. Mr. Chairman, I withdraw my reservation of objection.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

AMENDMENT OFFERED BY MR. NICHOLS

Mr. NICHOLS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. NICHOLS: Page 142, strike out line 9 and insert in lieu thereof the following (and redesignate the succeeding section accordingly):

TITLE VIII—PROCUREMENT POLICY REFORM AND OTHER PROCUREMENT MATTERS

SEC. 801. ALLOWABLE COSTS.

(a) REGULATION OF ALLOWABLE COSTS PAYABLE TO DEFENSE CONTRACTORS.—(1) Chapter 137 of title 10, United States Code, is amended by adding at the end thereof the following new section:

"§ 2324. Allowable costs under defense contracts

"(a)(1) The Secretary of Defense shall require that a covered contract provide that if the contractor submits to the Department of Defense a proposal for settlement of indirect costs incurred by the contractor for any period after such costs have been accrued and if that proposal includes the submission of an indirect cost that has been expressly specified by statute or regulation as being unallowable—

"(A) that cost shall be disallowed; and

"(B) the contractor shall pay to the United States an amount equal to the greater of $10,000 or—

"(i) the amount of the disallowed cost, plus interest; or

"(ii) if the cost is of a type that has been finally determined, before the submission of such proposal, to be expressly unallowable to that contractor, an amount equal to twice the amount of the disallowed cost, plus interest.

"(2) An action by the Secretary under a contract provision required by paragraph (1) to disallow a cost and to require payment of a contractor—

"(A) shall be considered to be a final decision for purposes of section 6 of the Contracts Dispute Act of 1978 (41 U.S.C. 605); and

"(B) shall be appealable in the manner provided in section 7 of such Act (41 U.S.C. 606).

"(3) Interest under paragraph (1) shall be computed—

"(A) from the date on which the cost is questioned; and

"(B) at the applicable rate prescribed by the Secretary of the Treasury under section 6621 of the Internal Revenue Code of 1954.

"(b) The following costs are not allowable under a covered contract:

"(1) Costs of entertainment, including amusement, diversion, and social activities and any costs directly associated with such costs (such as tickets to shows or sports events, meals, lodging, rentals, transportation, and gratuities).

"(2) Costs incurred to influence (directly or indirectly) congressioal action on any leg-

islation or appropriation matters pending before Congress.

"(3) Costs incurred in defense of any fraud proceeding brought by the United States where the contractor is found liable for fraud or has pleaded nolo contendere to a charge of fraud.

"(4) Fines and penalties resulting from violations of, or failure to comply with, Federal, State, or local laws and regulations, except when incurred as a result of compliance with specific terms and conditions of the contract or specific written instructions from the contracting officer.

"(5) Costs of membership in any social, dining, or country club or organization.

"(6) Costs of alcoholic beverages.

"(7) Contributions or donations, regardless of the recipient.

"(8) Costs of advertising designed to promote the contractor or its products.

"(9) Costs of promotional items and memoribilia, including models, gifts, and souvenirs.

"(10) Except as provided in subsection (c), costs for travel by aircraft to the extent that such costs exceed the amount of the standard commercial fare for travel by common carrier between the points involved.

"(c)(1) Subsection (b)(10) does not apply if travel by common carrier at standard fare—

"(A) would require travel at unreasonable hours;

"(B) would excessively prolong travel;

"(C) would result in overall increased costs that would offset potential savings from travel at standard commercial fare; or

"(D) would not meet physical or medical needs of the person traveling.

"(2) Subsection (b)(10) does not apply to travel by aircraft other than a common carrier if—

"(A) travel by such aircraft is specifically required for contract performance or is otherwise specifically authorized under the contract;

"(B) travel by common carrier is impractical; and

"(C) the travel performed is for business purposes and requires the use of such aircraft.

"(3) Costs for air travel in excess of that allowed by subsection (b)(10) may only be allowed by reason of one of the exceptions contained in paragraph (1) or by reason of paragraph (2) if the exception is fully documented and justified, including, in the case of an exception under paragraph (2), full documentation of the use of the aircraft for business purposes.

"(d)(1) The Secretary of Defense shall prescribe regulations to establish criteria for the allowability of indirect contractor costs under Department of Defense contracts. Such regulations shall be prescribed as part of the Department of Defense supplement to the Federal Acquisition Regulation. In developing specific criteria for the allowability of such costs, the Secretary shall consider whether reimbursement of such costs by the United States is in the best interest of the United States. Such regulations—

"(A) shall define in detail and in specific terms those costs that are unallowable under contracts entered into by the Department of Defense; and

"(B) shall provide that specific costs unallowable under one cost principle shall not be allowable under any other cost principle.

"(2) The regulations under paragraph (1) shall, at a minimum, clarify the cost principles applicable to contractor costs of the following:

"(A) Air shows.

"(B) Advertising.

"(C) Recruitment.

"(D) Employee morale and welfare.

"(E) Contributions or donations.

"(F) Community relations.

"(G) Dining facilities.

"(H) Professional and consulting services.

"(I) Compensation.

"(J) Selling and marketing.

"(K) Travel.

"(L) Public relations.

"(M) Hotel and meal expenses.

"(N) Membership in civic, community, and professional organizations.

"(3) Such regulations shall specify the circumstances under which clauses (A) and (B) of subsection (c)(1) may be applied.

"(4) Such regulations shall require that a contractor be required to provide current, accurate, and complete documentation to support the allowability of an indirect cost at the time a proposal for final settlement of indirect costs is submitted to the United States. If such documentation is not sufficient to support the allowability of the cost, the cost becomes expressly unallowable and is not subject to negotiation.

"(e)(1) The Secretary of Defense shall require the resolution of each cost which is challenged by the United States as being unallowable in the contractor's submission for final overhead settlement applied to covered contracts unless—

"(A) the contractor and the contracting officer cannot agree on the allowability of the cost under existing cost principles;

"(B) the contracting officer documents the reasons why an agreement cannot be reached; and

"(C) the contractor agrees that costs of that type will not be submitted to the Department of Defense for payment as an allowable indirect cost in the future.

"(2) The Secretary of Defense shall provide that, whenever feasible and practicable, the defense contract auditor be present at any negotiation or meeting with the contractor regarding a determination of the allowability of indirect costs of the contractor.

"(f)(1) A contractor that submits a proposal for final settlement of indirect costs applicable to a covered contract shall be required to certify that all indirect costs included in the proposal are allowable. Any such certification shall be in a form prescribed by the Secretary of Defense.

"(2) The Secretary of Defense or the Secretary of the military department concerned may, in an exceptional case, waive the requirement for certification under paragraph (1) in the case of any contract if the Secretary—

"(A) determines that it would not be in the interest of the United States to require such certification; and

"(B) states in writing the reasons for that determination.

"(g) The Secretary of Defense shall provide that, in establishing the interim or provisional rates for payment of indirect costs to a defense contractor for which final settlement will be made at a later time, such rates shall be based upon amounts incurred by such contractor for indirect costs less any amount questioned by the agency with responsibility for audits of defense contracts.

"(h) In this section, 'covered contract' means a contract entered into by the Department of Defense for an amount more than $25,000—

"(1) that is flexibly priced; or

"(2) for which cost or pricing data is required under section 2306(f) of this title.".

(2) The table of sections at the beginning of such chapter is amended by adding at the end thereof the following new item:

"2324. Allowable costs under defense contracts.".

(b) REGULATIONS.—(1) Not later than 150 days after the date of the enactment of this Act, the Secretary of Defense shall prescribe the regulations required by subsection (d) of section 2324 of title 10, United States Code, as added by subsection (a). Such regulations shall be published in accordance with section 22 of the Office of Federal Procurement Act (41 U.S.C. 418b).

(2) Not later than 90 days after the date of the enactment of this Act, the Secretary of Defense shall submit to the Committees on Armed Services of the Senate and House of Representatives—

(A) a copy of proposed regulations to be prescribed in accordance with paragraph (1); and

(B) a report identifying—

(i) the nature of the proposed changes that would be made by such proposed regulations to the current cost principles on the allowability of contractor costs; and

(ii) the potential effect of such changes on the allowability of contractor costs.

(c) EFFECTIVE DATE.—Section 2324 of title 10, United States Code, as added by subsection (a), shall apply only to contractors entered into on or after the date on which regulations are prescribed in accordance with subsection (b).

SEC. 802. SUBPOENAS OF DEFENSE CONTRACTOR RECORDS.

Section 2313 of title 10, United States Code, is amended by adding at the end thereof the following new subsection:

"(d)(1) The Secretary of Defense may require by subpoena the production of any books, documents, papers, or records of a contractor that are needed by the Secretary for the purposes of subsection (a) or the purposes of section 2306(f) of this title.

"(2) Any such subpoena, in the case of contumacy or refusal to obey shall be enforceable by order of an appropriate United States district court.

"(3) The authority of the Secretary of Defense under this subsection may only be delegated—

"(A) to an officer of the Department of Defense appointed by the President, by and with the advice and consent of the Senate; or

"(B) to the director of the defense agency or other element of the Department of Defense that has responsibility for audits of defense contracts.".

SEC. 803. LIMITATION ON ASSIGNMENTS OF PRINCIPAL CONTRACTING OFFICERS.

(a) LIMIT ON TOURS OF DUTY AND REASSIGNMENTS.—The Secretary of Defense shall prescribe regulations—

(1) to limit to five years the maximum tour of duty for which an officer or employee under the jurisdiction of the Secretary may be assigned to represent the Department of Defense with a particular contractor as a principal contracting officer; and

(2) to provide that an officer or employee who has held a position as principal contracting officer with a contractor may not be reassigned to duty with that contractor for a period of five years after the end of the previous such assignment.

(b) WAIVER AUTHORITY.—The Secretary of Defense or the Secretary of the military department concerned may, in an exceptional

case, waive the limitation in subsection (a) in the case of any officer or employee if the Secretary—

(1) determines that it would not be in the interest of the United States to apply such limitation in that case; and

(2) states in writing the reasons for that determination.

(c) DEFINITION.—For purposes of this section, the term "principal contracting officer" means—

(1) a principal corporate administrative contracting officer or deputy principal corporate administrative contracting officer; and

(2) a principal administrative contracting officer or deputy principal administrative contracting officer.

Mr. NICHOLS (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Alabama?

There was no objection.

Mr. NICHOLS. Mr. Chairman, I offer an amendment to H.R. 1872 to be included in title VIII, page 142, of the bill. This amendment is verbatim the text of H.R. 2397, the Allowable Cost Reform Act, which was reported by the Armed Services Committee on May 22, 1985. This amendment is intended to address deficiencies in the process for the negotiation and settlement of direct and indirect costs submitted by defense contractors. Our recent review of seven defense contractors convinced us that legislation is required to improve the process for the submission, audit, and settlement of contractor overhead costs.

Some examples of the costs which were submitted to the Department of Defense for payment include: A bill for two season passes to the L.A. Forum for $12,333; $178.64 for costs associated with the Paris Air Show, $105 for parking tickets in Washington, DC; and $959 for a golf outing.

I must state, however, that at no time during our investigation did we find evidence of criminal intent or efforts to deceive or defraud the Government. What we did discover is:

First, ambiguity in the defense acquisition regulations;

Second, "gray areas" in the regulations which allow certain costs to be characterized in several categories;

Third, lack of guidance in the interpretation of the regulations, often resulting in different contracting officers treating similar costs in a different manner;

Fourth, bottom line settlements which, although they expedite settlements, often result in the same issues being argued year after year, and which provide no accountability on the settlement of certain items; and

Fifth, finally, no incentive for a contractor to segregate its costs, a time-consuming and difficult task.

It is, in my opinion, the complexity of the task which to some extent led those on both sides of the table to become complacent in their efforts to ensure that the Department of Defense is not billed for items which do not foster the best interests of the United States. I believe this amendment will restore that vigilance.

Briefly, the amendment would provide monetary penalties for contractors who submit costs which have been expressly specified as unallowable by statute or regulation. It provides that such costs will be disallowed and the contractor penalized an amount equal to the disallowed cost plus interest, or a minimum penalty of $10,000, whichever is greater. It further provides that, if the cost has been held unallowable to the contractor previously, then the penalty would be twice the amount of the disallowed cost, plus interest, or $10,000, whichever is greater. This action penalizing the contractor would be appealable under the Contract Disputes Act of 1978.

The amendment would make certain costs unallowable. The specific costs include entertainment; lobbying; those incurred in defense of any fraud proceeding; fines and penalties resulting from violation of Federal, State, or local law or regulation; membership in social, dining, or country clubs or organizations; alcoholic beverages; contributions or donations; advertising designed to promote the contractor or its products; promotional items and models, gifts, and souvenirs.

It would also place limitations on the costs incurred for the use of corporate aircraft. Generally, those costs would be limited to the amount of a standard commercial fare for travel between the points involved. Exceptions are provided for travel at unreasonable hours; or if commercial means would excessively prolong the travel; would result in increased costs; would not meet physical or medical needs of the traveler; or if commercial travel is impracticable and the business nature and necessity of the corporate aircraft are fully documented.

The amendment would require the Secretary of Defense to prescribe regulations to establish criteria for the allowability of indirect contractor costs for which some aspect of the cost is allowable. The amendment specifies 14 costs which must be clarified, including air shows, advertising, recruitment, employee morale and welfare, selling and marketing, travel, public relations, and hotel and meal expenses.

Mr. Chairman, the amendment further requires the contractor to submit current, accurate, and complete documentation in support of its costs at the time a proposal for final settlement is submitted. If the documentation is not sufficient to support the allowability of the cost, then it becomes expressly unallowable.

It would also require resolution of each cost item questioned as unallowable, unless: First, agreement cannot be reached on the allowability; second, the contracting officer documents the reason why agreement cannot be reached; and third, the contractor agrees that costs of that type will not be submitted in the future.

Mr. Chairman, the amendment would require that contracting officers assigned to a contractor facility be "rotated" at least every 5 years and would prohibit reassignment of such officer to the same contractor within 5 years of his previous assignment, and would require that defense contractors certify that the costs included in their proposal are allowable.

It would require the Secretary of Defense, in establishing the rate for payment of indirect costs, to base those rates on amounts incurred for direct costs less any amount questioned by a defense contract auditor. Thus, a greater portion of the amount normally paid a contractor on an interim basis would be withheld.

Finally, the amendment would grant subpoena power to the Secretary of Defense for books, documents, papers, or records of a contractor. The Secretary could delegate the power to officers of the Department who are appointed by the President and to the Director of the Defense Contract Audit Agency, giving them the authority they need to verify the information a contractor has provided.

Mr. Chairman, this is a very comprehensive and far-reaching provision, and I welcome the support of my colleagues in urging its adoption.

The CHAIRMAN pro tempore. The time of the gentleman from Alabama [Mr. NICHOLS] has expired.

(By unanimous consent, Mr. NICHOLS was allowed to proceed for 4 additional minutes.)

Mr. HOPKINS. Mr. Chairman, will the gentleman yield?

Mr. NICHOLS. I yield to the gentleman from Kentucky.

Mr. HOPKINS. I thank the gentleman for yielding, and I rise in support of the amendment.

Mr. Chairman, I am pleased to be one of the original cosponsors of the bill that was crafted and reported out by the Armed Services Committee that the gentleman from Alabama now offers as an amendment.

I compliment the gentleman from Alabama [Mr. NICHOLS] on his leadership.

Our subcommittee and staff spent long hours on this issue, and I think we have a responsible way to end the kind of abuses our investigation found. What we found was excessive and often inexcusable expenses being charged by contractors to the Government as part of what we commonly call overhead costs.

Our approach is responsible. The process by which these overhead expenses are paid is a negotiated process. That is, the contracting officer and the defense contractor sit down and negotiate whether or not certain expenses are valid. Our amendment simply outlines for the contracting officer that there are certain types of expenses that we do not want the Government to pay under any circumstances.

Mr. Chairman, we all want to end the abuses we read about in the papers. But we want to end the abuses and strengthen the process at the same time, and I think we have done that.

I recommend the Members support the Nichols amendment.

AMENDMENT OFFERED BY MR. HERTEL OF MICHIGAN TO THE AMENDMENT OFFERED BY MR. NICHOLS

Mr. HERTEL of Michigan. Mr. Chairman, I offer an amendment to the amendment.

The Clerk read as follows:

Amendment offered by Mr. HERTEL of Michigan to the amendment offered by Mr. NICHOLS: In section 2324 of title 10, United States Code, as proposed to be added by the amendment offered by Mr. NICHOLS, insert the following new paragraph at the end of subsection (a):

"(4)(A) Whoever, having entered into a contract with the Department of Defense that includes terms for settlement of indirect costs, submits to the Department a proposal for settlement of such costs for any period after such costs have been accrued that includes a cost that is expressly specified by statute or regulation as being unallowable, knowing that such cost is unallowable, shall be imprisoned not more than 5 years, or fined not more than $250,000 in the case of an individual or $500,000 in case of a corporation."

Mr. HERTEL of Michigan (during the reading). Mr. Chairman, I ask unanimous consent that the amendment to the amendment be considered as read and printed in the RECORD.

The CHAIRMAN pro tempore (Mr. MURTHA). Is there objection to the request of the gentleman from Michigan?

There was no objection.

□ 1300

Mr. HERTEL of Michigan. Mr. Chairman, the first thing I would like to do is applaud the efforts of the two gentlemen who just spoke. Our chairman, Mr. NICHOLS from Alabama, has shown great leadership, is very tenacious, and has worked very hard on this question. The ranking member, Mr. HOPKINS from Kentucky, has also shown great leadership on this issue and great concern for the taxpayers throughout this long effort and investigation.

As was pointed out, the Nichols amendment on allowable cost establishes civil penalties for the submission of unallowable costs. The first submission of a cost specified as unallowable would be disallowed and the contractor would be liable under its contract to pay the Government the greater of the amount of the disallowed cost plus interest or $10,000. If the cost has been disallowed previously to the contractor, the cost would be disallowed and the contractor penalized the greater of twice the amount of the disallowed cost plus interest or $10,000.

Certainly the committee supports that and I am sure the whole House does. But as the subcommittee and committee were meeting on this amendment, we realized there was a question of whether criminal penalties applied. Mr. HOPKINS worked on that very hard in the subcommittee throughout the full committee, and we decided to offer this amendment on the floor. The Hertel-Hopkins amendment takes up at this point and provides criminal sanctions of 5 years or up to $250,000 for an individual, or $500,000 for a corporation, which are the maximum penalties provided under last year's Comprehensive Crime Control Act passed by this Congress.

Under the present amendment, it is unclear whether criminal sanctions apply to violations under this provision. While the certification provision may arguably bring disallowed claims under the False Claims Act, it is not at all clear. In fact, disallowed claims are genuine business expenses the Government has a policy against paying while false claims are in fact claims for reimbursement without having made the expense in fact.

It is clear that we need criminal penalties for all of the violations that have gone on. All of the wrongful costs submitted to the Government in the past, we must say that if they try to do the same thing twice after they have been fined, they do the exact same thing a second time, they can in fact go to jail for it. This puts strength in the bill. I thank the ranking member, Mr. HOPKINS, for joining in cosponsorship of this amendment, and I thank Chairman NICHOLS for all of his help and support on this amendment for criminal penalties.

Mr. HOPKINS. Mr. Chairman, will the gentleman yield?

Mr. HERTEL of Michigan. I yield to the gentleman.

Mr. HOPKINS. I thank the gentleman for yielding to me.

Mr. Chairman, the gentleman from Alabama has explained very well the primary amendment before us, which is aimed at getting overhead expenses contractors charge the Government under control.

My colleague from Michigan, with whom I offer this perfecting amendment, has outlined how we want to make the penalties section of the amendment even tougher.

Mr. Chairman, nothing in recent memory has captured and retained the public's attention, perhaps other than the Walker spy case, as this whole matter of defense contractor abuse. Some have said that the Walker case did not do as much damage to our efforts to build a strong defense as these seemingly unending examples of abuse.

It is imperative that contractors who cheat and steal from the taxpayer not only suffer a penalty, but suffer a penalty so severe that they are discouraged from doing anything similar again.

That's why this amendment adds criminal sanctions to those civil sanctions in the Nichols amendment—a 5-year jail sentence, a $250,000 individual fine or a $500,000 corporate fine.

Mr. Chairman, we cannot just wink at this abuse and let it pass. We must take action and take strong action.

I ask you to support my amendment, on behalf of the minority, we find the amendment acceptable.

Mr. McCLOSKEY. Mr. Chairman, will the gentleman yield?

Mr. HERTEL of Michigan. I yield to the gentleman.

The CHAIRMAN pro tempore. The time of the gentleman from Michigan [Mr. HERTEL] has expired.

(On request of Mr. HOPKINS and by unanimous consent, Mr. HERTEL of Michigan was allowed to proceed for 2 additional minutes.)

Mr. HERTEL of Michigan. Mr. Chairman, I yield to the gentleman from Indiana [Mr. McCLOSKEY].

Mr. McCLOSKEY. I thank the gentleman for yielding to me.

Mr. Chairman, I rise in strong support of the Nichols allowable cost reform amendment to the Department of Defense authorization bill. Every one us in this Chamber have read with exasperation the tales of contractor waste, fraud, and abuse. We all know that just as soon as we seem to be on the road to solving mismanagement that results in the purchase of $700 claw hammers or $7,600 coffee makers, the $150 traffic ticket or the cost of kennel fees improperly charged to the Government as part of a defense contract appear.

I think we owe a special debt of gratitude to the Armed Services Subcommittee on Investigations chairman, Mr. NICHOLS, and the ranking minority member, Mr. HOPKINS, for their untiring diligence in bringing to the floor legislation which will help one product and result of an investigation ordered by the subcommittee involving the review of the record of seven defense contractors.

The amendment was reported as H.R. 2397, the Allowable Cost Reform Act. It will prohibit by statute the payment of the kinds of indirect costs our investigations uncovered and

which were passed on or were attempted to be passed on to the Government. If contractors repeat billings for a reimbursement prohibited under this act, a $10,000 fine, or amount equivalent to twice the value of the claim—whichever is greater—will be imposed. As the sponsor of this provision of the amendment, I think that it is important that such minimum penalties become part of the law. At my suggestion, this legislation also seeks to give the watchdogs in the Defense Contract Audit Agency the tools to root out abuses.

The allowable cost reform amendment also contains significant new subpoena power for the Secretary of Defense for auditors in the DCAA. This will help resolve in a more timely manner disputes as to what documents are needed in order to arrive at a prompt and fair determination as to what legitimate costs of defense contracts ought to be paid by the Government and what costs should not. The Senate version of the DOD authorization bill already contains such language. Prior to that action, the House Investigations Subcommittee had adopted such a subpoena power amendment which I proposed after questioning of DCAA and DOD witnesses. This is an especially important part of the amendment we are considering today. Mr. Chairman, I urge the House approve the Nichols amendment.

Mr. HERTEL of Michigan. Mr. Chairman, I yield to the gentleman from Alabama [Mr. NICHOLS].

The CHAIRMAN pro tempore. The time of the gentleman from Michigan [Mr. HERTEL] has expired.

(By unanimous consent, Mr. HERTEL of Michigan was allowed to proceed for 5 additional minutes.)

Mr. HERTEL of Michigan. Mr. Chairman, I yield to the gentleman from Alabama [Mr. NICHOLS].

Mr. NICHOLS. I thank the gentleman for yielding to me.

Mr. Chairman, I want to thank both of these gentlemen for the interest and the diligence in pursuing this amendment. It puts just a little sharper teeth into the provision that was incorporated in my bill. I want to thank them.

Mr. HOPKINS offered this amendment in subcommittee markup and Mr. HERTEL offered a similar provision during the full committee markup. Due to limitations on our jurisdiction, I felt it not appropriate to add a criminal penalty to the bill at that time. I appreciate the assistance of both of these fine members of the Armed Services Committee in waiting until the bill came to the floor to offer this language, and certainly, we accept the amendment.

Mr. HOPKINS. Mr. Chairman, we find no objections on the minority side and we accept the amendment.

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentleman from Michigan [Mr. HERTEL] to the amendment offered by the gentleman from Alabama [Mr. NICHOLS].

The amendment to the amendment was agreed to.

□ 1310

AMENDMENTS OFFERED BY MR. BRYANT TO THE AMENDMENT OFFERED BY MR. NICHOLS, AS AMENDED

Mr. BRYANT. Mr. Chairman, I offer amendments to the amendment.

The Clerk read as follows:

Amendments offered by Mr. BRYANT to the amendment offered by Mr. NICHOLS, as amended: After section 801 of the matter proposed to be inserted by the amendment, insert the following new section:

SEC. 802. PURPOSES.

The purposes of this title are—

(1) to ensure that items of indirect costs included by a contractor or a subcontractor of the Department of Defense in any contract awarded by the Secretary of Defense are monitored by the Secretary to prevent abuse and waste of Federal funds and to ensure that such costs do not include items of expenditures for reimbursement that are not reasonably related to the contract and subcontract; and

(2) to place the burden on the contractor (including the contractor's officers and employees) claiming reimbursement or payment for any indirect costs payable to such contractor under a defense contract or subcontract to show that such costs are reasonable and allowable and to ensure that all such requests are made in accordance with the amendments made by this title and other applicable provisions of law and regulations.

Amend section 2324 of title 10, United States Code, as proposed to be inserted by section 802(a) of the matter proposed to be inserted by the amendment, as follows:

(1) At the end of paragraph (2) of subsection (b), insert "or a State" after "before Congress".

(2) Strike out paragraphs (3) and (4) of subsection (b) and insert in lieu thereof the following:

"(3) Costs incurred in defense of any civil or criminal fraud proceeding or similar proceeding (including filing of any false certification) brought by the United States where the contractor is found liable for fraud or has pleaded nolo contendere to a charge of fraud or similar proceeding (including filing of false certification).

"(4) Payments of fines and penalties resulting from violations of, or failure to comply with, Federal, State, local or foreign laws and regulations, except when incurred as a result of compliance with specific terms and conditions of the contract or specific written instructions from the contracting officer authorizing in advance such payments in accordance with applicable regulations of the Secretary of Defense.

(3) After paragraph (9) of subsection (b), insert the following new paragraph (and redesignate the succeeding paragraph accordingly):

"(10) Other cost items identified by regulation which the Secretary of Defense shall prescribe by regulation under this section.

(4) Strike out paragraph (1) of subsection (d) and insert in lieu thereof the following:

"(d)(1) The Secretary of Defense shall prescribe regulations, consistent with the requirements of subsection (b), to establish criteria for the allowability of indirect contractor costs under Department of Defense contracts. Such regulations shall be prescribed as part of the Department of Defense supplement to the Federal Acquisition Regulation. In developing specific criteria for the allowability of such costs, the Secretary shall consider whether reimbursement of such costs by the United States is in the best interest of the United States and consistent with the requirements of subsection (b). Such regulations—

"(A) shall define and interpret in reasonable detail and specific terms those indirect costs, including the cost requirements of subsection (b), that are unallowable under contracts entered into by the Department of Defense; and

"(B) shall provide that specific costs unallowable under one cost principle shall not be allowable under any other cost principle.

(5) In paragraph (2) of subsection (d):

(A) Strike out subparagraph (E) and insert in lieu thereof the following:

"(E) Actions to influence (directly or indirectly) executive branch action on regulatory and contract matters (other than costs incurred in regard to contract proposals pursuant to solicited or unsolicited bids).

(B) At the end of subparagraph (H), insert ", including legal services" after "consulting services".

(6) In paragraph (4) of subsection (d)—

(A) strike out "final";

(B) strike out "United States" and insert in lieu thereof "Secretary"; and

(C) strike out "the cost becomes" and insert in lieu thereof "the cost shall be challenged by the Secretary, and it shall become".

(7) In paragraph (1) of subsection (e), strike out the matter preceding subparagraph (A) and insert in lieu thereof the following:

"(e)(1) The Secretary of Defense shall require that each indirect cost in the contractor's submission for final overhead settlement applied to covered contracts that is not specifically unallowable under law or regulation and that is challenged by the Secretary as being unallowable shall be considered for resolution as being allowable or unallowable separately from the resolution of other challenged costs. If such challenged cost cannot be resolved as being allowable or unallowable separately, then the settlement may include an aggregate amount for the settlement of all such challenged costs or a settlement of each such cost at less than the amount submitted if—

(8) In subparagraph (C) of paragraph (1) of subsection (e)—

(A) insert "in writing" after "agrees"; and

(B) insert "under that contract or any other contract of the contractor with the Secretary" after "in the future".

(9) In paragraph (2) of subsection (e), strike out "whenever feasible and" and insert in lieu thereof "to the maximum extent".

(10) In paragraph (2) of subsection (f)—

(A) strike out "determines that it would not be in the interest of the United States to require" in subparagraph (A) and insert in lieu thereof "determines in such case that it would be in the interest of the United States to waive"; and

(B) by inserting "and makes such determination available to the public" in subparagraph (B) after "for that determination".

Strike out paragraph (2) of subsection (b) of section 802 of the matter proposed to be

inserted by the amendment and insert in lieu thereof the following:

(2) The Secretary shall review such regulations at least once every five years. The result of each such review shall be made public.

After such subsection, insert the following new subsection (and redesignate subsection (c) accordingly):

(c) APPLICABILITY TO SUBCONTRACTS.—The regulations of the Secretary of Defense required to be issued under subsection (b) shall require, to the maximum extent possible, that the provisions of section 2423 of title 10, United States Code, as added by subsection (a), shall apply to all subcontractors of any covered contract, as that term is defined in such section.

In subsection (d) of section 2313 of title 10, United States Code, as proposed to be added by section 803 of the matter proposed to be inserted by the amendment, strike out paragraph (3) and insert in lieu thereof the following:

"(3)(A) Except as provided in subparagraph (B), the authority of the Secretary of Defense under this subsection may only be delegated to an officer of the Department of Defense appointed by the President, by and with the advice and consent of the Senate.

"(B) The authority of the Secretary of Defense under this subsection shall be delegated to the director of the Defense agency or other element of the Department of Defense that has responsibility for audits of defense contracts. Such authority may not be redelegated.".

In subsection (b)(2) of section 804 of the matter proposed to be inserted by the amendment (relating to limitation on assignments of principal contracting offices), insert "and makes that determination available to the public" after "that determination".

Conform the section numbers of the sections proposed to be inserted by the amendment.

Mr. BRYANT (during the reading). Mr. Chairman, I ask unanimous consent that the amendments be considered as read and printed in the RECORD.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. BRYANT. Mr. Chairman, my amendments have been shared with the majority and the minority at the table. I am offering this substitute to the amendment offered by the gentleman from Alabama [Mr. NICHOLS] to make several perfecting changes which I believe will strengthen the measure considerably.

I offer my thanks and congratulations to the gentleman from Alabama [Mr. NICHOLS], as well as the gentleman from Kentucky [Mr. HOPKINS], for their leadership on this entire issue, and also for their willingness to work carefully with other Members to attempt to bring about an amendment to the overall authorization bill that will be of lasting value to the American public.

I thank particularly my colleagues, the gentleman from Oregon, RON WYDEN, and the gentleman from Minnesota, GERRY SIKORSKI, who, along with me, were instrumental in drafting this substitute. I also commend the efforts of Mr. ASPIN and Mr. DINGELL without whose help none of these reforms would be successful.

Mr. Chairman, the problem that we have faced in the area of defense contracting is one that has been characterized quite aptly by my colleague from Oregon [Mr. WYDEN] during committee hearings. He analyzed our evidence and concluded that defense contractors in the United States seem to have adopted a "catch-me-if-you-can" mentality. These unscrupulous contractors submit requests for payments for all types of expenses that are so obviously out of line that it is just clear that what they are doing is saying to the Defense Department: "We are going to submit these claims and if you can catch us submitting unallowable claims, we will admit making a mistake and not fight. And if you cannot catch us, we are going to get our money anyway."

The purpose of the amendment I offer today is to make it clear that the Nichols amendment shifts the burden away from the public and the Department of Defense to uncover waste, fraud and abuse, to the contractors, to prove they are fairly and honestly billing the Government. In the future these contractors will not be able simply to hide and play the "catch-me-if-you-can" game. It will be the contractors' responsibility to guarantee to Congress, the Pentagon, and the American people that they are submitting vouchers and requests for payment that are legitimate and meet the requirements of the law and of reasonableness.

This amendment adds to the list of expenses that are proscribed legal fees, by requiring that the Secretary of Defense prescribe careful restrictions on the instances in which the taxpayer will be required to pay legal fees. One of the reasons for this was uncovered during the Committee on Energy and Commerce Subcommittee on Oversight and Investigation's hearings on securities of related matters under the subcommittee's jurisdiction, where we found that repeated instances of Government auditors who were unable to make any progress in preventing the payment of purely unallowable costs and sometimes outrageously ridiculous requests for reimbursement because the defense contractors would take our own Defense Department auditors before administrative agencies or into court to fight these disputes. In the end, the American taxpayers paid contractors' legal bills, whether the contractor won or lost. Obviously, if the contractor knows he does not have to pay the lawyer, he might as well fight every contested charge.

This provision I am offering would require that the Defense Department and the Secretary of Defense strictly proscribe those instances in which defense contractors are able to charge the American public for their legal fees.

The amendment also extends the allowable cost prohibitions, the list of restrictions on allowable costs, not only to contractors but to subcontractors. That is another change made by the language that I propose to the Nichols amendment.

The amendment before the House at the present time strengthens the certification provision by providing that before the Secretary of Defense could waive the requirement of certification, he must positively articulate a waiver in writing, as opposed to the system of only submitting the costs without any certification.

The amendment also requires a review of all the regulations we are requiring the Secretary of Defense to promulgate every 5 years, so they will not become out of date, useless, and ignored.

Next, it requires the delegation of subpoena power to the Secretary of the Defense Department which can be delegated by him only to a Senate-confirmed employee of the Department of Defense as well as to the Director of the Defense Contract Auditing Agency. One of the most effective means of avoiding auditing and inhibiting an efficient and honest payment system by our Government has been the withholding by defense contractors of needed records the auditors cannot function without in order to do a complete auditing of the requests.

Mr. Chairman, there are several matters in the Nichols amendment, as amended by me, that deserve some special comment.

First, the amendment includes a new purpose. The clear purpose is to ensure that the DOD monitors contract costs, not just indirect costs, but all costs, to prevent abuse and waste of Federal funds and to ensure that costs to be reimbursed by the DOD are lawful and reasonable. The intent and spirit of the provision is to encourage through improved audits, subpoena powers, certification and other tools available to the DOD to monitor all costs. We want to protect the taxpayer's funds. We want to provide a strong and effective defense. We want to prevent waste.

The provision also shifts the burden of showing that costs are reasonable and allowable and in accordance with applicable law and regulations, including the provisions added by the Nichols-Bryant amendment. Heretofore, the DOD and its auditors have shouldered this burden exclusively, as shown by the recent hearings of the Subcommittee on Oversight and Investigations of the Committee on Energy and Commerce. We want to change

that. We do not, of course, want to relieve or lessen DOD vigilance. We want to buttress it. We want to eliminate the "catch-me-if-you-can" attitude that is all too prevalent among some contractors. It is supportive of contractors who are not adherents of that attitude.

Second, the amendment with the change by Congressman SIKORSKI provides a clear statutory directive that contractors certify that their costs are allowable under the law and regulations. Such certification is subject to 18 U.S.C. 1001. It is expected that the DOD will require that responsible corporate officials will certify, such as the chief financial officer of a firm. Finally, the amendment permits a very limited waiver of certification. But only when the Secretary determines positively that such a waiver is in the best interest of the United States and makes that determination available to the public. We foresee few instances where such a waiver would be needed. But the authority is there. We expect the Secretary to keep Congress fully and currently informed about its use.

Third, the new section 2324(a) requires that all covered contracts—as defined in the amendment—comply with these new requirements and that no contractor receives payment at any time for unallowable indirect costs. This is an absolute mandate.

The provision also deals with the submission for settlement of costs that include indirect costs that are unallowable. If expressly unallowable, they shall be disallowed and the contractor will pay a penalty. This is clearly a deterrent. It is an added tool for DOD auditors, contracting officers and others who are dedicated military personnel and civil servants who oversee defense contractors. It is consistent with the burden shifting already discussed.

Fourth, the amendment, with my amendment, directs DOD to issue regulations that must be consistent with the new section 2324(b). The regulations will establish criteria for the allowability of indirect contractor costs. The criteria must consider positively not only that the costs are in the best interests of the United States, but also that they are consistent with section 2324(b). The regulations will define and interpret in reasonable detail and specific terms the indirect costs that are unallowable. The objective is to eliminate gray, or even black, areas where the contractors claim that costs are valid, when in reality all know they are wrong. We don't want to pay for dog kennels, mattresses, or entertainment that are not properly contract costs. We want to close the loopholes.

Just as important, the amendment requires DOD to review the regulations in detail before the end of 5 years, taking into consideration past experience, and to publish the results of that review.

Fifth, the amendment requires public participation in the development of the regulations. It requires DOD to obtain the views of the public and consider them before finalizing the regulations.

Sixth, the amendment ensures, that DOD, like the Department of Energy and other civilian agencies, will have subpoena powers to get needed documents. Those powers are enforceable in court.

Seventh, the amendment, with my change, applies to subcontracts, not just the prime contract.

I submit this amendment at the present time, Mr. Chairman, after having worked and consulted with the subcommittee chairman, the gentleman from Alabama [Mr. NICHOLS] as well as the minority representative on the subcommittee, the gentleman from Kentucky, [Mr. HOPKINS] and I am very grateful to them for having worked with us on this.

Mr. WYDEN. Mr. Chairman, will the gentleman yield?

Mr. BRYANT. I yield to the gentleman from Oregon.

Mr. WYDEN. I thank the gentleman for yielding.

Mr. Chairman, I want to commend the gentleman from Texas for his very excellent amendment, and also commend Chairman NICHOLS as well.

For a year now the Committee on Energy and Commerce—which has jurisdiction over this country's securities laws and has historically maintained a strong interest in the subject of corporate integrity—has been investigating defense contractor practices and, Mr. Chairman, it is pretty clear to us now that the taxpayers of this country are being fleeced by today's system. Today's procurement system has more holes in it than a piece of swiss cheese.

The CHAIRMAN pro tempore. The time of the gentleman from Texas [Mr. BRYANT] has expired.

(By unanimous consent, Mr. BRYANT was allowed to proceed for 5 additional minutes.)

Mr. WYDEN. If the gentleman will yield further, under the definition of allowable expenses, in the past we have seen everything but the kitchen sink thrown into this expense item, things like dog boardings of executives, blank entertainment vouchers, and tickets to sports events.

These billions relate in no way to the realistic needs of this country for a strong national defense, and our amendment seeks to bar them. Our amendment puts in simple, commonsense language the concerns of the taxpayers of this country, specifically that allowable expenses be directly related to providing for the national defense.

I think we are going to hear a lot today and in succeeding days that the Congress of the United States is seeking to run the procurement system from the floor of the House of Representatives. This amendment does not seek to do so. This amendment puts in commonsense, practical language a way to deal with the key concerns of our taxpayers that come up at virtually any meeting of citizens around this country, and I think that is why we ought to adopt it.

Mr. SIKORSKI. Mr. Chairman, will the gentleman yield?

Mr. BRYANT. I yield to the gentleman from Minnesota.

Mr. SIKORSKI. I thank the gentleman for yielding.

Mr. Chairman, I rise in support of the Bryant amendment. And I commend my colleague from Alabama, Chairman NICHOLS, and Chairman ASPIN for their efforts in support of this amendment. This amendment by Mr. BRYANT, Mr. WYDEN and myself represents considerable progress in identifying and correcting the widespread abuses of DOD's procurement system that have become daily fare in our morning news.

Chairman DINGELL should be commended for his foresight in directing the Energy and Commerce Committee's Oversight and Investigations Subcommittee to undertake the investigation that brought many of the fraudulent activities of defense contractors to light. For nearly 1½ years, Chairman DINGELL, his staff and the oversight subcommittee have pursued what has become an amazing litant: falsification of records and books—in fact, in some cases two sets of books—apparent stock manipulation, illegal and exorbitant entertainment of defense personnel, gratuities to military officers, and fraudulent billing to the Government.

I would further like to commend my colleagues, Mr. BRYANT and Mr. WYDEN, of the Oversight and Investigations Subcommittee. They have worked tirelessly as the subcommittee's investigation has expanded and become increasingly complex. They, along with Chairman DINGELL and I, have also broken new ground in working to develop meaningful, effective and far-reaching reforms. Our work is not done, either in terms of the subcommittee's investigation or in the procurement reforms. But we have made an important, precedent-setting beginning. That work is essential because the Federal budget cannot afford this continuing giveaway to defense contractors.

Our national debt now stands at nearly $2 trillion with the average taxpayer paying in excess of $500 a year simply for interest on that debt. Our Federal deficit last year was $222 billion, equaling 5.7 percent of the gross national product. The debt has more than doubled and deficits have more

than tripled in the last 5 years, cutting national savings in half and sending real interest rates soaring. Our trade deficit now stands at a staggering $130 billion and is growing. All of this threatens the very fabric of our economic and political life and our children's future.

With the deficit in mind, let's look at the $300 billion we will pour into the defense budget this year. How much national security will be buy for our money?

Our Energy and Commerce Oversight and Investigations Subcommittee, after an investigation involving thousands of staff hours and lasting now about a year, uncovered fraud, waste, billion dollar taxpayer-funded bailouts and contractor-organized coverups. According to some defense contractor auditors, at least one-third of our defense procurement budget is wasted. That's $42 billion they say the deficit could be reduced.

Along those lines, we found we've been paying General Dynamics Corp. several billions of dollars each year and that hundreds of millions of America's taxpayers' dollars have gone for illegal and improper charges—diamond trinkets for an admiral's wife, Washington lobbying, $18,500 country club memberships, dog boarding, personal trips in corporate jets, and lavish parties. Defense Secretary Weinberger said after our first hearing that General Dynamics was simply an aberration—a bad apple. Well, we've got a whole apple orchard out there. Some in this body say there is no problem in the procurement system. They say there is no problem that we in this House should dare to resolve. Well, witness after witness has told us an incredible story of industry and Government coverup of widespread fraud and abuse in this current system.

After the Secretary of Defense said General Dynamics was just a bad apple, a Government auditor told us that Pratt & Whitney had charged the taxpayers for Gucci bags, trips to Pago Pago, blank entertainment vouchers, luxury foreign cars, $300 ice sculptures, strolling minstrels, baseball caps and 390 rose corsages. What was done to Pratt & Whitney? It was given larger contracts and more tax dollars and the auditor who stopped these overcharges was rewarded by having his superiors try to fire him and to subject him to criminal investigation. In fact, the Defense Department not only refused to help the auditor secure the Pratt & Whitney documents he needed to complete the case, they buried the information he did find.

Aggressive investigators at the FBI were equally frustrated in their efforts to bring Pratt & Whitney to task for their criminal activities. Nearly a year after the FBI completed its investigation, the U.S. attorney's office still refuses to move the case forward.

After these abuses were exposed, Defense Secretary Weinberger announced on national TV a new "get tough policy." He said that, for the first time, contractors would have to swear to tell the truth when they bill us—just as 95 million American taxpayers do each year when they file their tax returns. But since his announcement, underlings at DOD have muddled this requirement.

The Department of Defense inspector general has recommended that three top executives at General Dynamics be barred from doing business with the Department because of their "lack of business integrity and honesty," as demonstrated by their submission of fraudulent bills. But Navy Secretary Lehman rejected that recommendation, and instead merely temporarily froze new General Dynamics contracts for what he said he hoped to be only "a few weeks"—pending a written code of ethics. That written code of ethics simply embraces the kind of billing practices that so shocked the Nation and the Department of Defense in the first place.

Further evidence of this widespread abuse is the recent audit of 12 major defense contractors by the investigative arm of Congress, the General Accounting Office. It showed that taxpayers have been billed for millions in questionable charges year after year by defense contractor after defense contractor. But we are not to attempt to reform this system?

Just recently, General Electric pleaded guilty to falsifying records to overcharge the Government and General Dynamics has agreed to repay the Government $244 million in improper charges. The Department of Defense inspector general has stated that he is investigating for criminal wrongdoing 9 out of the top 10, 16 out of the top 20 defense contractors in America. He's also said that the Department of Justice has been reluctant to prosecute many of the cases he has referred. But we are told by some not to attempt to reform this system.

Sworn testimony was received of how defense contractors wined and dined the very officials responsible for protecting the taxpayers' money in this procurement process, and how those officials swing through revolving doors into high-paying defense industry jobs. We heard how conscientious auditors were not rewarded for their diligence, and how auditors who got along with defense contractors were commended and promoted.

The bottom line is alarming. We have uncovered widespread fraud, systemic problems in the Defense Department's procurement and auditing procedures and fundamental waste. The system invites unscruplous contractors to defraud the taxpayers. It makes it difficult for honest defense contractors to successfully compete. It discourages conscientious auditors and investigators from pursuing the abuses. And we are told we should not attempt reform of this delicate system.

Well, reforms must come. Only reforms will put an end to these unwarranted, these unprecedented giveaways. As the full House of Representatives considers the procurement sections of the authorization bill before us, we have a greater responsibility than to attempt to restructure this procurement process, save taxpayers money, and build a stronger defense. Defense contractor certification that the items they bill the taxpayers for are legitimate, progress payments that legitimately reward progress on a contract as work is completed, inflation payments for inflation costs, elimination of improper legal fees, independent civilian procurement, unlimited auditor access to auditing information, and incentive savings all can make a substantial difference.

For until Congress acts, abuses will continue and grow. The taxpayers will continue to shell out billions that do not buy a stronger defense. And the oversight system of this Government will continue to be subverted by those President and Gen. Dwight D. Eisenhower warned us of over three decades ago. We know the record, and like the American citizens who have seen these abuses daily on the morning and evening news, we are sick of it. But unlike those who elected us, we have an immediate opportunity to put a lid on it. Let us begin now, on this legislation.

Mr. KASICH. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I would just like to rise and say that again, every time we have a procurement bill, and every time we have a session of Congress, the most distinguished gentleman form Alabama [Mr. NICHOLS], is the man who spearheads the effort to pass something that makes good sense in procurement reform. It is a distinct pleasure for me to serve on the Investigations Subcommittee that has, in my judgment, done the most responsible and the most forward-looking reforms of any committee or subcommittee in the Congress, and it has happened because of the gentleman from Alabama [Mr. NICHOLS] and I want just for a moment to pay a little further tribute to him.

Let me just say this: BILL NICHOLS is now serving his 10th term in Congress, and probably for eight of those terms he viewed the Defense Department and his role here in Congress as one of a strong national defense and that every component of a strong national defense cooperates in trying to do things that are in the best interests of the country. I think over the last sev-

eral years, at least the last 3 years that I have had an opportunity to work with him, we both have experienced some degree of disillusionment when we have noticed the cost of spare parts, outrageous, exorbitant costs of spare parts. Then we stopped and we looked at the problems of quality, and I anticipate we will be doing more in that area. Now, of course, we are examining the area of excess property, as well as the area of overhead costs.

□ 1320

I know it has been a painful process, not just for the gentleman from Alabama [Mr. NICHOLS] but for members of this committee who have served for years and are now starting to find out that maybe some of those components that we had hoped were all working together in the building of our national defense perhaps were letting us down, not just a little bit but a whole lot. I think the Nichols amendment that we are going to adopt today is a giant leap forward in reforming this whole area of overhead costs. It at least spells out in this legislation what is allowable and what is not allowable.

I am going to say that in my judgment this does not completely solve the problem, because there are still plenty of gray areas, but the light that is starting to shine on the practices of defense contractors forces them into the position of being more careful and being more responsible in terms of using this system.

We also now have strengthened several provisions, thanks to the persistence—and I have to say "persistence"—of the gentleman from Michigan [Mr. HERTEL] and the gentleman from Kentucky [Mr. HOPKINS], putting even stronger teeth in the bill, saying that if somebody knowingly submits anything that is in violation of this law, the penalties are in fact going to be severe.

I again commend the gentleman from Alabama for taking two amendments that I offered. One would eliminate the use of corporate aircraft. Corporate aircraft cost four to seven times as much as flying on a commercial plane. This would prohibit them from being able to use that aircraft until they could prove that the costs were lower by using that aircraft or that there was no flight available. That again is a giant step forward in the way we practice, and, frankly, I think we ought to examine the use of corporate aircraft, not just within the Department of Defense but within all Government. It makes no sense for the Government to lay out four to seven times the amount of money that it would cost ordinarily to fly somewhere, just so we can let somebody use a corporate plane. Furthermore, it also limits the ability of companies to fly first class. It just says no one should fly first class. When the rest of us fly coach, we should not have big contractors flying at first-class fares and charging that off to the Government.

But there is one other provision that is in the Nichols amendment that is significant and, in my judgment, is very sweeping. It is one on which I have to compliment several people, both on the committee staff and also one gentleman who is an expert within the Pentagon. Let me explain what this provision does. In establishing interim rates—and this is a very important part of this bill—in establishing interim rates, we generally establish these rates based on the last settlement, the final settlement that was made with the defense contractor.

The CHAIRMAN pro tempore. [Mr. RUSSO]. The time of the gentleman from Ohio [Mr. KASICH] has expired.

(On request of Mr. NICHOLS, and by unanimous consent, Mr. KASICH was allowed to proceed for 1 additional minute.)

Mr. KASICH. Mr. Chairman, I appreciate the gentleman's getting me additional time.

Let me again go back to this, because this is a very important part of this bill. If you make a decision on interim rates based on 10 years ago from a settlement that was made at that time—and let us assume 10 years ago, when the contractor submitted the bills, the Government came and negotiated a rate and decided that in final settlement the acceptable negotiated rate was only 5 percent disallowed costs—well, that rate that was established 10 years ago is the primary basis on which we establish interim rates today. So what happens? You give incentives to contractors to submit phony bills, faulty bills, or to try to put in as much in the gray area as they can possibly put in there, because if the rate at which they are allowed to be reimbursed is established at a 5-percent disallowed rate 10 years ago, companies are submitting as much as 10 or 15 percent that is not allowed. The Government, however, establishes the reimbursement rate based on the final settlement, so they are having in their hands potentially 10 percent more than what they ought to get.

The CHAIRMAN pro tempore. The time of the gentleman from Ohio [Mr. KASICH] has again expired.

(On request of Mr. HOPKINS, and by unanimous consent, Mr. KASICH was allowed to proceed for 3 additional minutes.)

Mr. KASICH. Mr. Chairman, I appreciate the gentleman's getting me the time.

What is critical about this is that it takes away the incentive for the contractors to submit bills that are within the law and clearly within definable costs, for the simple reason that the contractors hold the money, and as long as the contractors hold the money, there is no incentive for contractors to come to the table with the Government people to settle a final deal.

Now, included in this provision is a different turn, a different twist, from where we were under current law, and what this provision says is that if the Defense Contract Audit Agency auditors, decide there are 10 to 15 percent questionable costs under the current bills, the contractor will not be reimbursed at an interim rate that does not take into account those questionable costs.

So what we essentially do is we take the money out of the hands of the contractors and we keep the money in the hands of the Government. There then becomes an incentive for contractors to finally settle.

This is a good provision because, No. 1, we have leverage because we hold the money. But there is a second critical element in this. We have been reading about it in many of the newspapers in the country. This is the revelation that contractors have escaped paying Federal income taxes. Why? Well, under the completed contract cost accounting system, until there is final settlement of a contract, they do not have to pay taxes. This moves them in the direction of final settlement and will force contractors to finally settle their bills. There are many contractors that do not now have an incentive to settle.

Mr. HOPKINS. Mr. Chairman, will the gentleman yield?

Mr. KASICH. I yield to the gentleman from Kentucky.

Mr. HOPKINS. Mr. Chairman, I thank my colleague for yielding.

Mr. Chairman, let me say to my colleagues here that the gentleman from Ohio [Mr. KASICH] has been one of the more active members of our Investigations Subcommittee, and I compliment him for his additions to this bill.

I might ask the gentleman from Ohio to take just a moment, if he will, and explain the particular area involving corporate aircraft. I do not want to give the impression to businesses in this country that they no longer can use their corporate aircraft, and I do not think we ought to leave that impression. I would ask the gentleman to explain that a little more fully.

Mr. KASICH. We certainly do not, Mr. Chairman. What we say is if they want to use their corporate aircraft to fly from Los Angeles to Washington, DC, they will be reimbursed at the coach level. If there is no airplane, for example, flying between Los Angeles and Pomona, CA, in that kind of a situation they would be permitted to use their corporate aircraft and be reimbursed fully for it.

The only time we are reimbursing them at the coach level is when there is clearly the opportunity to fly on a

regular commercial airplane at the coach level and it does not require ridiculous hours, and even if they decide that there is a plane, a regular flight from Los Angeles to Washington, we make provision for that.

The CHAIRMAN pro tempore. The time of the gentleman from Ohio (Mr. KASICH) has again expired.

(On request of Mr. HOPKINS, and by unanimous consent, Mr. KASICH was allowed to proceed for 2 additional minutes.)

Mr. KASICH. Mr. Chairman, I think it is important that we clear this up. We do not take away their ability to use those planes. They still are able to deduct it on their regular income taxes as a cost of doing business. All we talk about, I say to the gentleman from Kentucky [Mr. HOPKINS], is the concept of somebody flying from Los Angeles, CA, to Washington, DC and, rather than taking a commercial flight, choosing to use their corporate aircraft. We think they ought to be able to take a commercial flight, which saves a great deal of money. But it does not kill their ability to use their own corporate aircraft if they so desire.

Mr. DICKINSON. Mr. Chairman, will the gentleman yield?

Mr. KASICH. I am glad to yield to the gentleman from Alabama.

Mr. DICKINSON. I was interested in this debate. Does the gentleman actually mean reimbursement or just that they be counted as an allowable expense?

Mr. KASICH. As an allowable cost.

Mr. DICKINSON. Not a reimbursement per se?

Mr. KASICH. They would be able to submit it as an allowable cost.

Mr. DICKINSON. But as a cost of doing business?

Mr. KASICH. Oh, yes, that is still permitted, certainly, under current law.

Mr. DICKINSON. Mr. Chairman, I thank the gentleman.

Mr. KASICH. Mr. Chairman, in conclusion, let me just say to the gentleman from Kentucky, who is the ranking member of the committee and has spent a tremendous amount of time on this, and to the gentleman from Alabama that I think we have gone a long way in tightening up and defining what is allowable and what is not allowable, and in clearing up the gray areas and moving to the area of black and white, which is where we want to be in most of these cases. I think most people associated with the businesses want it to be that way. They want to understand where we are going.

The change in the formula of reimbursements and of interim rates is perhaps the most significant feature in this bill that provides an incentive for contractors to finally settle their accounts and decide these disputed costs, rather than letting them hang around for 10 years.

□ 1330

It gives us the ability to hold the money. It gives us the leverage that we want, and leverage is the key. Holding the money is the key. Instead of letting them hold it, we are going to hold it.

I think it is a giant step forward, but let me tell you, we are a long way from solving the problem of procurement. We will have to go much further before we do everything necessary, but again, it is a giant leap forward.

Mr. BENNETT. Mr. Chairman, I move to strike the requisite number of words. I rise in support of this legislation. I am not going to trespass too much on the time of the House, but it has been a great pleasure for the Seapower Subcommittee and the investigative committee to work hand in glove on this matter. A lot of these matters occurred with regard to contracts with the Navy.

Many specific things were done here, but I think perhaps the most outstanding one to me is where we actually prohibit certain kinds of claims being made.

There was some argument earlier that we ought to leave that discretionary, but actually even the industries themselves, even the contractors, felt it was a good thing to define those things that were not going to be allowed at all.

The question of not allowing a person to stay on in a fiduciary capacity, the mandatory rotation program for administrative contracting officers, I think that is a good improvement over what we have today.

This bill is a bill which is designed to look at all the errors that have occurred and to try to see if we can eliminate those errors in the future.

I think as time has gone on, most of the people in industry that have talked to me about it have found that they like this bill and they feel that perhaps it is a little overdue and things should have been done about this earlier on.

I am very delighted to congratulate the investigative committee and the gentleman from Alabama [Mr. NICHOLS] in particular for his leadership in this matter and I appreciate the fact the gentleman allowed me to join with him in this activity, along with my committee, the Seapower Subcommittee.

Mr. KINDNESS. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I would point out that up to now I believe in the discussion of this matter we have heard one side. I would like to be the skunk at the family picnic today and just kind of bring to mind that there is another side. There is another aspect to consider.

In view of all that has been said and all that I think needs to be said, I may indeed, and I express this warning now, I may have to ask unanimous consent for additional time in order to express it, because I really do not expect that we are going to find many other people flooding the floor with their remarks in opposition to the amendment of my esteemed friend, the gentleman from Alabama, or the amendments that have been offered to it.

I do feel that there is reason for us not to act today to adopt the amendment of the gentleman from Alabama. This amendment and others relating to so-called reform of defense procurement are an outgrowth of the recently highly publicized abuses by some defense contractors.

These amendments really have not been, to the best of my knowledge, that closely studied by the congressional committees involved, the Department of Defense, the Office of Federal Procurement Policy or the industry, for that matter, that is affected by them.

Let us bear in mind that it is not only the Department of Defense that buys things for the U.S. Government.

Let us also accept the premise that historically we have made an effort to have some reasonably uniformity in our procurement laws and regulations throughout government.

Let us bear in mind that it should not be just one committee's point of view that is expressed in the formulation of procurement policy.

I speak in part as one of the authors of the Government Contract Act of 1978 a few years ago when we tried to improve the climate of Government contracting and create a somewhat more level playing field.

Where has the opposition to living with the law come from with regard to that enactment of 1978? Largely from the Department of Defense and as a result we have more conflict between the contractors and the Department continually, continuing, continuing to take up the time of the Board of Contracts Appeals and the courts.

Why? Because every now and then we have sensationalistic news coverage of events, such as those that have come to mind, come to the public attention recently.

And how do we react in the Congress? Emotionally, in a purely reactive way.

Do we study carefully the whole procurement system, not just DOD, governmentwide, and try to improve it all? No.

Indeed, what is proposed to be done today is to take what is already the law through regulations and make it statutory law.

Look at how long it takes for us to deal with the Department of Defense

authorization bill year after year. Is that a good mechanism in which to enact very detailed provisions with respect to procurement for the Department of Defense? No, it really is not.

If you want something changed, and you have one jot or tittle that is wrong in here—and there is—how are you going to change it? Next year in the course of 25 hours, 28 hours, 30 hours, 40 hours of debate on the DOD bill, maybe you can get some attention directed to this one little part of what is wrong with the procurement system for DOD.

No, my colleagues, I would suggest to you we are taking the wrong step if we adopt this amendment today and you are going to regret not being able to have the flexibility that is currently in the law and that is being exercised by the Department of Defense.

Just in March, I guess it was, around the middle of March——

The CHAIRMAN pro tempore (Mr. RUSSO). The time of the gentleman from Ohio [Mr. KINDNESS] has expired.

(By unanimous consent, Mr. KINDNESS was allowed to proceed for 5 additional minutes.)

Mr. KINDNESS. Mr. Chairman, I think we must remember that the President has created a blue ribbon commission on defense management to study defense procurement, as suggested by my colleague, the gentleman from Alabama [Mr. DICKINSON] and he has appointed former Deputy Secretary of Defense David Packard as Chairman.

Other Members of this House, including our colleague, the gentleman from Wisconsin [Mr. PETRI], have proposed that the Congress create a similar study commission, or suggested a comprehensive review of the procurement process by the GAO. I applaud those efforts. I urge their prompt implementation.

We should wait and have expert advice and recommendations from those bodies, rather than racing forward with so-called reforms, without understanding their effectiveness and consequences.

Both the Congress and the Pentagon must be diligent in spending the public's money and ferreting out fraud and waste. At the same time, we must not in a hurry indict an entire defense industry, either. The amendments which have been offered will result in enormous confusion and litigation, undoubtedly. I have seen that resulting just from the Government Contracts Act of 1978, and it did not deal in this kind of detail with procurement.

It will increase, not reduce, the cost of defense if that is, indeed, the way things go.

Arbitrarily disallowing legitimate costs and giving Government auditors subpoena power to invade the records and perhaps the privacy of contractors, and that will be the claim, no doubt, will drive out of defense contracting some of those who are on the borderline of interest, the very companies we want to encourage to participate in the innovative things that are required for our Nation's defense and security.

We want the leaders in the commercial sector, both large and small businesses, to join in and compete for defense business. These companies not only provide greater competition, but bring advances in technology and proven cost effective management skills.

The principal thrust of the amendment of our colleague, the gentleman from Alabama [Mr. NICHOLS], would be to establish by statute detailed rules governing overhead costs, applicable only to the Department of Defense.

In addition, the Secretary of Defense would be directed to issue additional regulations governing allowability of indirect costs.

By creating those unique rules for DOD, we set aside the concept of a uniform procurement policy throughout the Government.

□ 1340

This close management of the procurement process by the Congress as proposed in these amendments will not be sufficient. We have established the Office of Federal Procurement Policy to consider this type of concern and have given it authority and expertise to prescribe current regulations addressing these problems on a uniform, governmentwide basis.

Our role should be to provide policy direction to those regulators.

The Deputy Secretary of Defense, Mr. Taft, voiced those same concerns in testimony before the Armed Services Committee and agreed that these cost rules are better handled by regulation than by statute.

I want to turn just a moment to this question of subpoena power. How often do we give subpoena power to executive agencies or departments? How right are we when we do it?

The power to subpoena historically, I need not remind those present, is a judicial power, not an executive power. We have indeed changed the law somewhat in modern times in our country and we have given such subpoena power to independent agencies such as the Securities and Exchange Commission and the Federal Trade Commission. They are independent agencies; they are not departments in the executive branch.

Subpoena power? Courts have the power to issue subpoenas ordinarily. It is a serious thing when you consider changing that to give, in effect, an auditor of an executive branch department the power to subpoena.

I am not saying it does not exist. I am saying do not extend that without serious consideration.

Subpoena power is something, I think, to be reserved for those cases where you really need the protection of the public interest.

The CHAIRMAN pro tempore. The time of the gentleman from Ohio [Mr. KINDNESS] has expired.

(On request of Mr. NICHOLS and by unanimous consent Mr. KINDNESS was allowed to proceed for 1 additional minute.)

Mr. NICHOLS. Mr. Chairman, will the gentleman yield to me?

Mr. KINDNESS. I yield to the gentleman from Alabama.

Mr. NICHOLS. Let me just respond to the gentleman if I might.

Let me assure the gentleman that it is not the intent of this gentleman and it is not the intent of our committee to cripple the defense industry. Sometimes I think people have forgotten about Rosie the Riveter, and they have forgotten about the ships that we built on the west coast.

But let me remind the gentleman that every time I go back home to my district, which is a defense district, a strong defense district, my people grab me by the arm, as I suspect is the case with these gentlemen all over here, and they say, "We are for defense, but, can't you do something about these things."

Let me add one other thing about subpoena powers. I just remind the gentleman that we asked the Assistant Secretary of Defense, Mr. Taft, a specific question, if he had any objection to subpoena powers, and his answer was that he had none.

So I think it is a good amendment. It does not go as far as some would like, but I believe it will get the job done and I appreciate the gentleman's interest in it.

Mr. KINDNESS. I appreciate the gentleman's comment, but naturally if you give the Department of Defense more power they are going to take it. They are going to be glad to have it.

I am not concerned about the DOD getting more power. I am concerned about the protection of our institutions and our public interests and the rights of individuals, which also extends to incorporated businesses under decisions of the Supreme Court. We ought not to be creating these old situations in the law that corrupt the principles of separation of powers between the three branches of government.

The CHAIRMAN pro tempore. The time of the gentleman from Ohio [Mr. KINDNESS] has again expired.

(By unanimous consent Mr. KINDNESS was allowed to proceed for 1 additional minute.)

Mr. KINDNESS. I urge the gentleman from Alabama [Mr. NICHOLS] to

not think that I do not hear the same thing from my constituents in my District: "Can't we do something about the cost of defense and these corruptions that have been brought to public light?"

Indeed, they are brought to light because there is a concerted effort to bring them to light and to improve our procurement system within the Department of Defense. And they can do it more effectively than we can do it here on the floor.

I would just urge you not to try to enact the detailed provisions of regulations into law. Give the policies that are needed, improve the process of managing our procurement every place we can, and I do not profess to be an expert in that, that is your committee's jurisdiction, but let us leave the law in a reasonable condition. Let us not confuse the three branches of government and have subpoena powers given to the executive branch.

Mr. STARK. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, would the distinguished gentleman from Alabama [Mr. NICHOLS] be willing to engage in a brief colloquy with me?

Mr. NICHOLS. Mr. Chairman, will the gentleman yield?

Mr. STARK. I will be happy to yield.

Mr. NICHOLS. I will be happy to engage in a colloquy with the gentleman from California.

Mr. STARK. I thank the gentleman and strongly commend him on his outstanding amendment.

I would like to engage in a colloquy regarding the meaning and intent of the gentleman's amendment to help insure that past problems with determining the allowability of various costs do not plague us in the future. For that purpose I would like to step-by-step go through the relevant sections of the bill and offer a few examples of various costs and inquire of the gentleman's intent in each example.

The provision of the gentleman's amendment which states that if a cost is defined as unallowable under one cost principle, it cannot be deemed allowable under any other cost principle should greatly increase the number of costs which are actually disallowed by the contract officers.

Mr. NICHOLS. Yes, sir, I believe it will, I say to the gentleman from California, that often a contractor is denied payment of a cost after an auditor determined it was, for example, entertainment. Then the contractor attempted to be paid for the costs as an employee morale and welfare cost. Under this provision, once the cost is disallowed under one cost principle, it would not be able to be submitted for consideration under another related cost principle.

Mr. STARK. I thank the gentleman.

The first set of costs listed as unallowable on defense contracts is "Costs for entertainment, including amusement, diversion, and social activities, any costs directly associated with such costs (such as tickets to shows or sports events, meals, lodging, rentals, transportation, and gratuities)."

In the past the following sample claims have been paid, in whole or in part. Is it your intent to render unallowable under this provision such costs as:

A Boeing claim for $2,000 for tables purchased at the Wright Brothers Memorial Dinner at which a Boeing executive was honored, or, a claim for $12,900 for entertainment of newsmen by General Dynamics' Communications Department?

Mr. NICHOLS. I would say to the gentleman certainly that is our intent.

Mr. STARK. I would ask the gentleman further, the second type of costs made unallowable by the gentleman's amendment is "Costs incurred to influence—directly or indirectly—congressional action on any legislation or appropriation matters pending before Congress." Is it your intent to render unallowable under this provision such previously paid costs as:

A claim for the salary of a registered lobbyist of Bell Helicopter, and for lobbying support from Bell's Washington office; a claim for $1,188 for dues at the Capitol Hill Club for Boeing?

Mr. NICHOLS. Yes; it is.

Mr. STARK. The next type of unallowable costs which I would like some clarification on is the fifth listed: "Costs of membership in any social, dining, or country club, or organization." Is it the gentleman's intent to render unallowable under this provision such previously paid costs as:

A claim for $7,170 for social club membership for three McDonnell-Douglas executives; a claim for $1,500 for membership in the Navy League of the United States submitted by McDonnell-Douglas Corp?

Mr. NICHOLS. Yes; the gentleman is correct again on that subject.

Mr. STARK. Moving on, if the gentleman will forbear, the next cost category is: "Contributions and donations, regardless of the recipient." Is it the gentleman's intent to render unallowable under this provision such previously paid costs as:

A claim for $11,750 for sponsorship of the World Paper Airplane Championship by Boeing's corporate office; a claim for $10,000 by General Dynamics' Fort Worth Division for a donation to the Industrial Associates of the University of Texas?

Mr. NICHOLS. The gentleman is correct.

Mr. STARK. One of my main concerns in the past has been claims submitted for advertising. The gentleman's amendment disallows "Costs of advertising designed to promote the contractor or its products." Is it the gentleman's intent to render unallowable under this provision costs such as:

A claim for $54,141 for the salaries of General Dynamics' manager of advertising, director of public affairs and advertising, and both their secretaries; and a claim for $178,764 for Paris Air Show costs of Textron's Bell Helicopter Division?

And is it also the gentleman's intent to disallow advertising such as advertising not directly related to employment advertising, but merely stating the company's compliance with Federal employment standards?

Mr. NICHOLS. The gentleman is absolutely correct.

Mr. STARK. Another cost category of concern to me is described in your amendment as "Costs of promotional items and memorabilia, including models, gifts, and souvenirs." Is it the gentleman's intent to render unallowable under this provision previously paid costs such as:

A Boeing claim for $8,525 for gifts to Boeing employees to boost morale?

□ 1350

Or a claim for $5,443 by Textron's Bell Helicopter Division for give-away calendars?

Mr. NICHOLS. That is correct.

The CHAIRMAN pro tempore. The time of the gentleman from California [Mr. STARK] has expired.

(On request of Mr. KINDNESS and by unanimous consent, Mr. STARK was allowed to proceed for 2 additional minutes.)

Mr. KINDNESS. Mr. Chairman, will the gentleman yield to me?

Mr. STARK. I will yield to the gentleman after I finish this statement, that I want to thank the gentleman from Alabama for engaging in this colloquy with me and once again I commend him on his amendment which I think gets to the heart of much of our allowable costs problem, and it is fair. There is much of this which is perceptual, but as the public perceives that they are not getting a fair share of their defense dollars it creates great problems for those of us who would like to legislate and see a strong defense and a defense that is economic.

I appreciate his entering into this laborous colloquy.

Mr. Chairman, I urge support of the gentleman's amendment.

Mr. Chairman, I yield to the gentleman from Ohio.

Mr. KINDNESS. I thank the gentleman for yielding.

Were any of the items mentioned in this colloquy payable?

Mr. STARK. They have all been paid.

Mr. KINDNESS. No, no; they have been discovered. Are any of them payable under the existing regulation pro-

mulgated in March by the Secretary of Defense?

Mr. STARK. Were any of them payable under the existing regulations? That has been a question of some debate. It would be this gentleman's interpretation that they were not.

Mr. KINDNESS. Well, the gentleman is interpreting it incorrectly, but if the gentleman from Alabama would respond, if the gentleman would yield.

Mr. STARK. I yield to the gentleman from Alabama.

Mr. NICHOLS. I thank the gentleman for yielding.

Mr. Chairman, let me say that in my initial statement I mentioned that there are certain gray areas. Advertising, for example; if a man has a full-page ad to advertise his submarine or airplane and so forth, clearly that is not an allowable cost. On the other hand, if he submits an ad in which he is trying to employ electrical engineers or pipefitters and so forth to do a defense job, that is allowable. So these are gray areas, a number of them are, and I hope that is responsive to the question of the gentleman.

Mr. STARK. If I may reclaim my time just a second to indicate that as I stated at the beginning of my colloquy the sample claims that I outlined have been paid in the past, just to set the record straight.

Mr. KINDNESS. If the gentleman would yield further.

Mr. STARK. I yield to the gentleman.

The CHAIRMAN pro tempore. The time of the gentleman from California [Mr. STARK] has again expired.

(On request of Mr. KINDNESS and by unanimous consent, Mr. STARK was allowed to proceed for 2 additional minutes.)

Mr. KINDNESS. Mr. Chairman, will the gentleman yield further?

Mr. STARK. I yield to the gentleman from Ohio.

Mr. KINDNESS. I thank the gentleman for yielding further.

What may have been discovered or even paid in the past is not the question that I seek to have clarified. What I seek to have clarified is: Does this amendment do anything that the existing regulation does not do? And does it not have the same gray areas in it as the existing regulation? And is not this the exact problem with trying to micromanage regulatory matters from the House floor?

Mr. STARK. If the gentleman would yield, we have been oummicromanaged by the outstanding accountants that the defense contractors have. This is an attempt to buttress our Government accounting officials who have attempted to have these claims disallowed in the past, but it is sort of like three-card Molly, these claims shift around on the down cards and we are not looking at the up cards. It is an attempt to get all the cards turned up. I think the gentleman from Alabama has done a great job in making very clear that we do not intend to have the taxpayers pay for junkets to the Paris Air Show, that we do not have them pay for the self-aggrandizement of the contractors, we do not intend to have them pay for country club dues. This spells it out clearly once and for all where in the past it has been a gray area.

Mr. KINDNESS. But it does not spell it out any more clearly than the current regulation.

Mr. STARK. I guess that is a debate under which reasonable people could differ.

Mr. HERTEL of Michigan. Mr. Chairman, will the gentleman yield?

Mr. STARK. I would be glad to yield to my distinguished colleague from Michigan.

Mr. HERTEL of Michigan. I thank the gentleman for yielding.

Mr. Chairman, yes it does, in several direct ways. First, you can have a fine. Second, you can double the cost that was disallowed and make that contractor pay for it. Third, the amendment as amended by the Hertel-Hopkins amendment, if they try to do the same thing a second time they can face criminal penalties also.

Mr. KINDNESS. The gentleman is not talking about justice, but talking about punishment.

Mr. STARK. If I could reclaim my time, I think the gentleman is talking about what we call in the private sector incentives. The incentive to stay out of jail is a great incentive.

The CHAIRMAN pro tempore. The time of the gentleman from California [Mr. STARK] has again expired.

(On request of Mr. HERTEL of Michigan and by unanimous consent, Mr. STARK was allowed to proceed for 3 additional minutes.)

Mr. HERTEL of Michigan. Mr. Chairman, will the gentleman yield further?

Mr. STARK. I yield to my colleague.

Mr. HERTEL of Michigan. I thank my colleague.

Mr. Chairman, that is the important thing that we do have punishment for these things that have gone on. The things that have gone on with taxpayers' money being ripped off is criminal. They would have criminal penalties if they do the same thing a second time. They should be fined when they try these outrageous cost submissions, country club dues, flying a dog around the country. These things are wrong. Those companies know that they are wrong to bill the country for those bills. We are going to stop it through the Nichols amendment to the DOD authorization.

So it is different from the regulations, far different. We put teeth into the regulations by putting them into this statute, by serving notice, by having civil penalties, by doubling the fine and having criminal penalties.

Mr. KINDNESS. If the gentleman will yield, that does not get to the truth. That only gets to the penalty. The truth is what we are seeking to establish: What is allowable as an indirect cost? We are not talking about direct allocable costs, we are talking about indirect costs. If it is the cost of doing business that is normally allowable, that is one thing, and only a portion of it would be allocable to a particular contract. But when we decide that we are going to establish criminal penalties for the misdetermination of some expense, then we are going pretty far.

Mr. STARK. If I could reclaim my time, I would suggest to the gentleman that we do this in the Tax Code and where somebody misinterprets the Tax Code they can have a long paid vacation at Government expense. We are trying to instill some of the same voluntary incentive into the defense contractors through Mr. NICHOLS' outstanding amendment. Oftentimes we need a little compliance incentive. I think that is what the bill does ably, as well as identifying very clearly which things should not be chargeable to the taxpayers of the United States.

Mr. HERTEL of Michigan. If the gentleman would yield on that point.

Mr. STARK. I would be glad to yield.

Mr. HERTEL of Michigan. The fact is if we just carry through with the regulation when people are caught committing improper billing, wrongful billing, and nothing is done, then the practice is not stopped. It is hard for the auditors with the billions and billions of dollars to be spent to catch these things. We are saying when they try to get away with it a second time, the very same thing, they can get a criminal penalty. We are saying that they just cannot give the money back with no loss, no risk to the contractor by having improper billing but instead there can be a fine, there can be a doubling of the cost for that improper billing. That is why we ought to back the Nichols amendment.

Mr. KINDNESS. But you go further than that, you can say that they forfeit the whole claim in addition to the fine.

Mr. HERTEL of Michigan. That is the best part.

Mr. BADHAM. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman and Members of the Committee, I think we are uncovering some very interesting aspects of this well-intentioned amendment.

The gentleman from California [Mr. STARK] who preceded me in the well entered into a lengthy colloquy with the author of the amendment and I would like to ask the author of the

amendment, the distinguished chairman of the subcommittee [Mr. NICHOLS], if I yield to him, would he answer a few questions of mine?

Mr. NICHOLS. I would be glad to.

Mr. BADHAM. I believe that in the colloquy the implication was that defense contractors who had expenses at country clubs or for transportation or for incentive builders at their plants, advertising, and so forth, could not charge these things off to the taxpayers. Does that mean, and is that the intent, that in allowable costs these types of items could not be itemized as direct items of overhead to be charged to a cost-plus contract?

□ 1400

Mr. NICHOLS. The gentleman, I believe, is correct on that. Now, the gentleman understands that there are certain charges that are allowable under Internal Revenue that would not be allowable under cost charges to the Government.

I think what the gentleman is getting at is a certain cost of overhead that is associated with the building of this particular weapons system——

Mr. BADHAM. Of a specific contract.

Mr. NICHOLS. Yes.

Mr. BADHAM. Now, let us take those same expenses, if we might, and I would ask the chairman, are expenses for advertising and incentive builders and country club memberships, in the normal course of business, deductible from corporate gross profits as business expense and therefore deductible from income tax? Is that correct?

Mr. NICHOLS. I have no objection to what interpretation Internal Revenue, places on costs of this kind. I simply say, we cannot charge them to a defense contractor.

Mr. BADHAM. I believe the gentleman said in response to one of the questions during your colloquy with the gentleman from California that a lot of these which he mentioned were heretofore considered gray areas. is that correct?

Mr. NICHOLS. The gentleman is correct. That is the reason that—it is impossible to define—we have set out nine areas in which we say "thou shall not," but there are many other areas that are gray areas, and we have to leave that interpretation to the Secretary of Defense, and we expect him to spell these areas out, to do some clarification, as needed.

Mr. BADHAM. I thank the gentleman very much for his response in the area that has to do with the normal operation of a business in the United States of America.

I commend the gentleman from Ohio, who preceded the previous speaker in the well, for bringing up the situation about the perception amongst the American people that the Congress ought to start defense contractor-bashing.

I would like also to point out that we are merely scratching the tip of the iceberg, as it enters, into these areas of certain kinds of contracts.

I would like to suggest to my colleagues that these kinds of amendments are very, very difficult to oppose, and at the same time are very, very difficult to draft in minutely correct detail.

That is why I think we have given gray area resolution to the Secretary of Defense, to throw the ball, as it were, into his court and thereby, again, relieve ourselves of the need to be precise or responsible. I think it is also part of the situation that we find ourselves in, that we are scared to death by perceptions that we are ourselves have helped create.

The perception that is being left with the public and with the Members of this body is, unfortunately, that we are going to put a bunch of conspirators in jail for involving themselves in gray areas. We ought not jail people for being perceived to be in a gray area.

I would just suggest that as one who came from the business world to enter politics, in the hopes that we might engender some better business practices within the Government, rather than bashing and thrashing the business community of this country.

I think that while we are discussing something that is of very definite value, we are talking about only a small section of the contracting.

(By unanimous consent, Mr. BADHAM was allowed to proceed for 5 additional minutes.)

Mr. BADHAM. The intent is, without question, that we are trying to undo a bad perception that has been created; we are trying to clean up some areas of abuse in the procurement process.

May I, to the members of the committee and the Members of this body suggest, however, that there are other areas upon which we do not touch, and cannot.

We have a growing number of contracts made with industry and the Government, called firm, fixed-price contracts. In these kinds of contracts, the contractors, small, medium, or large, can contract with the Government to provide a certain number of items, systems, things, engines or whatever at a certain price.

Now comes the Government with greater and greater frequency with the help of the press against these contractors and accuses them of making excess profits.

Let me explain just a bit if I might. When a firm-fixed contract is signed between the Government of the United States and a contractor, it is a contract; whether it is the Government and an industry, or whether it is party A or party B it is a contract, and both sides enter that contract.

For the Government then to come back and cry "abuse and fraud" and "excess profits" after the signing of the contract which they signed without force or duress I think is giving a perception that is wrong.

It is saying that in some cases, a person's profit is not legitimate, even though it has been signed in contract. That is not addressed in this overburdened, but should be addressed.

It should be addressed, because if we have contracting officers representing the United States of America, and I am afraid we do in some cases where there is a lack of competence and a lack of expertise; not necessarily by their fault, but by the fault of the system that keeps rotating contracting officers around so they are prohibited from gaining expertise; and they are brought into the system without expertise.

I think these are things at which we must look, and must look very closely. We must also recognize the fact that in our haste to disabuse ourselves of public perception that there is wrongdoing being done, that when we try to draft the perfect law, we are going to fall into several traps, which will add cost to contracts, to the Pentagon, and therefore to the taxpayers, a tremendous amount of time and money for studies, reports, the redoing of contracts, checking, auditors, and so forth, which money might better be saved with a better system of contracting.

So I just suggest to the body that this is not going to be a palliative; it is well intentioned; what is in it is probably good for the most part, but let us not be deluded into the belief that this is going to end all our problems in the procurement process.

Mr. KINDNESS. Would the gentleman yield?

Mr. BADHAM. I yield to the gentleman.

Mr. KINDNESS. I thank the gentleman for his comments, which hit right at one of the very basic problems, of establishing greater competency in our procurement process. That is our proper domain, and we ought to be working on that, it seems to me, and the gentleman has brought it out very clearly.

We need that competence, and the establishment of regularity about the contracting that we do not have in a lot of places at the present time, and it is causing a lot of our problems with ineptitude in contracting, resulting in the kind of situations that ought not to occur to begin with.

We are not helping by emotionally reacting here to country club dues and things like that which, you know, it is nice to talk about it; it sounds colorful; but it does not mean a single thing in

terms of establishing a better procurement process, and we need that Governmentwide and we need to take into account the other parts of Government purchasing as well as the Department of Defense when we are about it.

Mr. BADHAM. I thank the gentleman for his contribution, and I am pleased to join him in suggesting to the body that all the problems are not going to be solved by the process entered into today, however well intentioned.

I yield back the balance of my time.

Mr. McCURDY. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in support of the Nichols amendment. I want to commend the gentleman, the chairman of the Subcommittee on Investigations, which I have the pleasure of being a member, and also the ranking member, the gentleman from Kentucky, who provided excellent leadership in working to bring to the floor of the Congress an amendment which is very sensible, which is very serious; in many respects perhaps does not go far enough, but I think that the effort that is being made is substantial and that we are dealing with more than perceptions, as the gentleman who proceeded me had indicated.

We are dealing with more than perceptions. We are talking about actual abuses. We talk about perceptions and timing; well, the timing happens to be that the Congress and the United States is alerted to an ongoing problem, and are extremely concerned, and if anything, they are just flat mad.

Now, how do we deal with this problem? There is nothing new in this; these recommendations have been made before. It is just that there was brought to light some abuses by certain contractors.

I chaired a special panel on procurement reform 3½ years ago, in the Armed Services Committee. Many of the recommendations we made are now going to be amendments brought to the floor today, and I would commend the chairman, the chairman emeritus of the House Armed Services Committee, Mr. Price, for seeing and having the foresight to look at this problem over a period of time.

□ 1410

And we have looked at this problem. But there was not the consensus. We were in an early stage, from 1981 up to the present time, building and rebuilding our national defenses. And the Government overlooked, I think, the many major concerns as to the proper type of procurement reform. Competition was one of those. Dual sourcing was one of those recommendations that we made, that today will be passed, and it is about time. But these are not automatic solutions. It is going to take time to enforce them.

I would commend the administration early on in the 21 Carlucci initiatives. They were very good. They were great on paper. But they were not enforced.

What we are having to do today is put some teeth in those provisions that people have been sponsoring for some time.

We were talking about the procurement process. Let us not forget one of the biggest problems facing the entire procurement area—and that is Congress, the way we do business on Capitol Hill when we look at the budgeting process. Let us not forget that by having an annual budget process that delays the implementation of budgets, we are adding costs to the defense budget. I think one of the amendments that I offered that was accepted and passed in the committee, at the committee level, was to have a study and come up with recommendations by the Department of Defense and analysis of the impact of a biannual budget, to get away from this annual process of rehashing each of these issues ad nauseam.

I think we are finding out that by going to a multiyear procurement and other areas, that we can save money but at the same time provide some stability for defense procurement. But the important thing, also, to many of my colleagues who are just now entering this debate on the procurement issues, that the importance of a biannual budget is that it improves our ability to oversee the defense budgeting process. With that increased oversight, we have the opportunity to ferret out some of these problems and identify them early enough to resolve them.

So I would ask my colleagues not only to support this amendment but to consider some of the other provisions that are long-term stabilizing provisions, such as biannual budgeting, which we in the Congress have responsibility to follow through with.

Again, I hope that the step we take today will be a step in the right direction to bring to bear some pressure to improve some of the oversights and correct some of the abuses and perhaps again to build upon the consensus in the House that something should be done for procurement reform, but at the same time we are not just stopping at the contractor's door, or at the Pentagon's door, but we must look at ourselves and improve the way that we do budgeting here on Capitol Hill.

Mr. HOPKINS. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, two of the previous speakers, specifically the gentleman from Ohio and the gentleman from California, are very thoughtful Members of this body, and no one challenges that whatsoever. The gentleman from Ohio mentioned the word "truth." The gentleman from California mentioned the word "perception." I submit to my colleagues that "the truth is what the people perceive it to be," and their perception today in this area of allowable cost is that there is no discipline, that there is no punishment being submitted to these defense contractors.

If I could relate a personal story for just 1 minute to my colleagues involving my son, whom I like, as we all like the people involved with the defense contractors, we all know them and we all like them. My son is 14 years old. He is at that stage of his life where he has grown to be too big for me to whip. That does not mean that I do not like him any longer. It just means that since he is too big for me to whip I have to change the discipline methods that are applied, when he doesn't do what I asked him to do.

And I submit to the membership that what we have been doing in the past is not working, clearly. Maybe the defense contractors, like my son, perhaps have grown too big for us to whip. If that is the case, I submit to you that we need to change the discipline that we have which applies to unallowable cost. I think that the Nichols amendment is one that will apply more discipline and make those changes necessary to make unallowable costs unattractive. I highly recommend that you give it a shot, because clearly what we are doing now is not the way to discipline military contractors that perhaps, like my son, need occasionally to be reminded there is such a thing as responsible behavior.

I yield to my friend, the gentleman from Ohio [Mr. Kasich].

Mr. KASICH. Mr. Chairman, let me say that I appreciate the concern of those who worry about micromanagement of the Pentagon. I think there is legitimate concern in that area. However, I think that the gentleman from Alabama through two sessions of Congress has passed legislation that does not bring up or is not reason to have fears about micromanagement.

Let me just very quickly point to a couple of programs: The Competition Advocate General Program, which established offices in all the services, to get greater competition within the services. Those people are doing an outstanding job in trying to compete things that have not been competed before. Going with the definitions on sole source, we are saying now that there are very few programs that ought to be sole-sourced. We are now seeing it with the F-20, the fruit of our labor. If you take a look at the area of reverse engineering, we take proprietary data rights and try to figure out how those parts are made so

that we can break them out for competition. The issue of proprietary rights themselves has not gone far enough, but we have made progress there. In the area of progress payments, we have now, with pressure out of the Armed Services Committee, asked the Pentagon to put pressure on the contractors. They went along with us in lowering progress payments from 90 down to 80 percent, giving the Government the ability to hold money and have leverage rather than overpaying contractors.

And in the Nichols bill, as I said earlier, we have a black and white situation.

Let me just very briefly point out there are two sets of costs that go with reimbursing contractors. There are direct costs and there are indirect costs. Direct costs are pretty easy to determine because those are the costs of material and the cost of construction. The indirect costs are the overhead costs. Those are things like advertising, things like public relations. And what happened was that contractors, operating within this gray area, were able to submit bills that they claimed were legitimate. Many auditors said they were not legitimate. Many of the costs were disallowed. What Mr. NICHOLS tries to do in his amendment is clearly define black and white: These things are permissible, these things are not. You should not file under this set of circumstances; you can file under this set of circumstances.

It also gives some flexibility to the Secretary of Defense to define what is permissible in a variety of areas beyond the nine areas where the Nichols bill sets black and white. I think everybody connected to the DOD at this point says that is exactly what we need. Operating within this gray area is what creates the problem. We are going to set out rules. We are not making them complicated, we are not making them difficult. We are saying that you should not have the cost of country club fees, you should not have the cost of alcohol, you ought not have promotional items like models and gifts, you ought not be able to join a social or dining organization.

The CHAIRMAN pro tempore. The time of the gentleman from Kentucky [Mr. HOPKINS] has expired.

(By unanimous consent, Mr. HOPKINS was allowed to proceed for 3 additional minutes.)

Mr. HOPKINS. Mr. Chairman, I continue to yield to the gentleman from Ohio [Mr. KASICH].

Mr. KASICH. They just clearly set out where we can do what we can do. I do not think that it is micromanagement. I think it is a step in the right direction. Frankly, I think there are many within the Pentagon who endorse what we are trying to do in this bill; and that section that allows us to additionally hold leverage, hold the money, with the interim billing rates, is another step forward, and I know people in the Pentagon support that. They do not view it as micromanagement. We are talking about reformers who want to make sure we better define what we can and what we cannot do.

I appreciate the gentleman from Kentucky yielding.

Mr. BATEMAN. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman and Members of the House, I rise, first of all, to commend the gentleman from Alabama, the chairman of the Investigations Subcommittee of the Committee on Armed Services, likewise the chairman of the Subcommittee on Seapower, who held the joint hearings which are the origins of the legislation that came to the floor. To praise for them should be added commendation to the distinguished gentleman from Kentucky as well as the distinguished gentleman from South Carolina [Mr. SPENCE], the ranking minority member of the Seapower Subcommittee.

I rise in support of the Nichols amendment, most especially that version of it that emanated from the committee following its hearings and deliberations of the committee, both in the subcommittee as well as the full committee.

□ 1420

This matter was investigated, studied, legislation deliberately written; deliberately amended, and let me say how pleasing it was as an experience for this relatively new Member of the Congress to have worked with the distinguished gentleman from Alabama, and the very positive helpful manner in which he gave consideration to suggestions made to him as to how to improve the bill, without any sense of egocentrism or pride of authorship, but what is the best bill that we can bring to the floor of the House.

I would say that I have misgivings not about the Nichols bill or the amendment, as it emerged from the subcommittee and the full committee. I do have some observations that I think need to be made in terms of the legislative process in the way we are going about legislating with reference to this bill, and I suspect, too many others.

Committees meet, function, study, have the closest insight, have the most information, devote more time and more thought to legislation than necessarily the Members of the body generally. Yet, we come to the floor today and here is the Nichols bill with all the deliberation which preceded it being dramatically and importantly changed on the floor of the House.

Let me say that I do have some concerns as to whether or not the amendments to the original legislation which brought into being a subpoena power are going to be something that is ultimately going to serve the broader public interest. I say this because of a concern for precedent; of giving subpoena power to executive agencies which is a rather radical departure from the norm of American law.

Further, I would think that it may be an incentive for our defense contracting community not to make records that may then result in internal corporate documents being subpoenaed and the hassel that they would have to go through if this turns out to be the case. I think there is such a thing as overkill, and I think we may be approaching it with reference to the subpoena powers.

Further, with reference to a new and specific criminal sanction for what amounts to contractor abuse or false certification of claims or knowing misstatements to the Government, it has been my thought that these were already matters which were subject to criminal prosecution where there had been a knowingly false claim that would materially adversely affect the interest of the people of the United States or of the Treasury of the United States. To the extent that is not the case, I am not concerned because I do not want to give recourse or relief to anyone who has knowingly tried to perpetrate a fraud upon the people or the Treasury of the United States; much to the contrary. I would applaud them being properly prosecuted, and when successfully prosecuted, being punished.

However, there is a concern that in something that is as nebulous as Government contract law has been, and even with the statutory clarifications and the insistence, through the statute, on further regulatory clarification on the part of the Secretary of Defense, there are always going to remain very gray areas where people in good faith can make a business judgment, and I hesitate to see people having made such a judgment subjected to the risk of an overzealous prosecutor and bringing criminal charges against them.

The CHAIRMAN pro tempore. The time of the gentleman from Virginia [Mr. BATEMAN] has expired.

(By unanimous consent, Mr. BATEMAN was allowed to proceed for 5 additional minutes.)

Mr. HERTEL of Michigan. Mr. Chairman, will the gentleman yield?

Mr. BATEMAN. I yield to the gentleman.

Mr. HERTEL of Michigan. I thank the gentleman for yielding to me.

Mr. Chairman, I would just briefly like to clarify that point; I am glad the gentleman brought it up. Originally in the committee, there was some doubt as to whether the False Claim Act

would cover these provisions in the Nichols amendment. The problem being that if somebody submits even an outrageous claim, but it is truthful, therefore, it is not a false claim. So if somebody submitted a bill for buying 50 tickets to the Superbowl and submitted it as such, it would not be a false claim, it would be a disallowed claim. Since it was not a false claim, we could not prosecute under the False Claim Act.

Our amendment says that if they submit a disallowed billing that is the very same thing that was disallowed before, so they are on notice that they cannot buy football tickets, for instance, under this amendment, they do it again the next year, the same corporation, then they can be prosecuted under criminal law.

Mr. BATEMAN. Reclaiming my time, I am not opposing the Nichols amendment even with the appendage to it of these provisions, to the extent they are necessary. The gentleman states the case that they are. I applaud them because it is certainly not my design to see people who are guilty of fraud against the United States go without being subject to punishment and in fact being punished.

In view of the fact my time is running and there is another observation I think needs to be made here, let me get to it and conclude with this point: Most of that which we have read and heard about abuse in the military or defense contracting area are incidences which relate to settlement of claims which go back to the late 1970's, and in most instances if not all, claims adjusted or presented for adjustment as long ago as 1981. We therefore are essentially dealing in the context of the 1970's and how this Congress funded and authorized our national defense and the procurement of what is necessary thereto.

This Congress was very niggardly in providing for national defense during the seventies and it is a part of our problem of having to do so much during the 1980's to play catchup in areas of vital importance to our national security.

During the seventies, because the Congress was not authorizing and appropriating sufficient levels for the Department of Defense, we created necessarily a gamesmanship within the Pentagon, which I think the Members of Congress connived at, of underestimating the cost of procuring military systems and weapons systems. This leading to a scenario where contracts were let based upon not a fixed price, but at a presumed or ostensible estimate of what the cost would be. Thereafter the program having been authorized and funded at that level necessitating readjustments, reevaluations, changes in the contracts, claims for excess cost above the original, tentatively agreed price, and this created a very difficult and adversarial relationship between the contractor and the Government. It was almost predictably that this would be the case.

Since 1981, the Department of Defense, and it deserves to have the praise of the Congress for this, has done a very great deal, not at the insistence of the Congress, but by the sounder administration of their authority over defense procurement, to contain the cost of military systems. We do not read about the hundreds of millions of dollars in claims of excess cost in disputes between the Department of Defense today as we did during the 1970's and into 1981.

I can tell you with some assurance and with a great deal of pride that as to the shipyard that I happen to represent in Newport News, VA, that I modestly look upon as the finest shipyard in the world, the 1970's were replete with claims of excess charges and overcharges and underestimating or oversubmission of costs.

In the era in which we are now operating, that shipyard is building naval vessels ahead of time and millions and millions of dollars under estimated costs. It is a part of the reason why in the Department of the Navy alone more than $2 billion has been saved from what was estimated to be the cost of delivering the ships that the Congress authorized and appropriated funds for.

The CHAIRMAN pro tempore. The time of the gentleman from Virginia [Mr. BATEMAN] has expired.

(On request of Mr. KINDNESS and by unanimous consent, Mr. BATEMAN was allowed to proceed for 3 additional minutes.)

□ 1430

Mr. BATEMAN. Let me just conclude with this thought. I think it is important that the American people, and most especially, certainly, the American Congress, understand that a great deal that is positive has been accomplished in improving defense procurement practices and in saving the taxpayers of America money. It is not a perfect system. I submit to my colleagues there is no perfect system that is going to be administered by human beings.

Frankly, I suspect that procurement by the Department of Defense is largely no different than the procurement by other agencies of the Government which we do not even focus on and which do not stand indicted or charged by anyone. There will be abuses and congressional oversight is important and I applaud the notion of the gentleman from Oklahoma of biennial budgeting for the Department of Defense. It ought to be improved. I hope it will be improved, and hope to be a part of improving it, but let us not lose sight of the fact that all that is out there is not negative. There are, indeed, some positive factors.

Mr. KINDNESS. Mr. Chairman, will the gentleman yield?

Mr. BATEMAN. I am happy to yield to the gentleman from Ohio.

Mr. KINDNESS. I thank the gentleman for yielding.

Mr. Chairman, I certainly agree with the gentleman's comment about there being progress here and there, and to the extent that we create an abrasive and adversarial situation between the Government and contractors, we will have the same troubles we have been dealing with since the Civil War, which was the beginning of the legal history of these problems that led up to the Contract Disputes Act of 1978.

The gentleman was engaged a moment ago in a colloquy about the criminal penalty aspects of the amendment that is before us, the Nichols amendment, and it is entirely unclear to me how criminal penalties are going to operate because the amendment states that these disallowable items shall be appealed in the manner provided in section 7 of the Government Contract Appeals Act. The Secretary of Defense finding to disallow a cost and to require repayment by a contractor shall be considered a final decision for purposes of section 6 of the Contract Disputes Act of 1978, and it is appealable.

At what point would the criminal penalties be brought into play after a second incident? It is not very clear. Criminal laws made on this House floor are often quite coarsely considered and coarsely drafted. This one is the ultimate with the amendment that has been added, I think. There is no way I can see that a court clearly could determine how to apply criminal penalties.

Mr. BATEMAN. The gentleman's point is well taken to the extent that he points out technical flaws in the way the bill is written. Neither you nor I or anyone wants a free ride and someone not subject to a penalty who has knowingly sought to defraud the U.S. Government. I share the gentleman's concern as to whether or not we are hastily drafting something that ought to have been more carefully crafted.

Let me call to the gentleman's attention to the amendment that relates all these provisions to subcontractors. A subcontractor is paid through his general contractor for his indirect costs.

PARLIAMENTARY INQUIRY

Mr. HOPKINS. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN pro tempore (Mr. DURBIN). The gentleman will state his parliamentary inquiry.

Mr. HOPKINS. Mr. Chairman, in the interest of time, I would like to inquire of the gentleman from Alabama [Mr. NICHOLS] how many Members

have indicated a desire to speak on this issue. We have on this side three Members who have indicated a desire to talk.

Mr. NICHOLS. Mr. Chairman, I would advise the gentleman that I do not know of any additional requests for time. The gentleman from Minnesota [Mr. SIKORSKI] has a technical amendment. The amendment that we are on at the present time, of course, is the amendment offered by the gentleman from Texas [Mr. BRYANT].

Could I ask if there are other Members who wish to speak for or against the amendment offered by the gentleman from Texas [Mr. BRYANT]?

Mr. HOPKINS. Mr. Chairman, we only have three Members on this side who have indicated a desire to speak.

Mr. NICHOLS. Who wish to speak?

Mr. HOPKINS. That is correct.

Mr. DENNY SMITH. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in strong support of the Nichols amendment. I think the gentleman is to be congratulated. I think it is very important that we try to bring about some fundamental change here.

While I recognize the arguments of possibly overdoing, it looks to me as if we are trying to just draw some straight lines here, where we know what is allowable and what is not allowable, and I think that is extremely important. If we did not have this problem, we would not have the dog kennels, and so forth. I sort of view this, having just recently gotten my dog out of a dog kennel for a few days' stay, as a very expensive lesson for the Federal Government, and something that we need to straighten out here. I would view it as putting a leash on the dog kennel.

Mr. ROWLAND of Connecticut. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in support of the amendment. First let me commend the gentleman from Alabama [Mr. NICHOLS], the gentleman from Texas [Mr. BRYANT], the gentleman from Michigan [Mr. HERTEL], and others on the committee for putting together what I think is an excellent bill at this point. I just wanted to touch on a few things.

In the amendments we have passed so far, we are dealing with certification, which is one of the keys to the bill. It puts the burden of proof on the contractor rather than on the U.S. Government. All we are doing is requiring or asking the defense contractor to merely state that he has not falsified any of the claims that he has made.

Also built into the amendments, we have defined what costs are, the illegal and the legal costs, and into that we have also built-in penalties where we have actually put some teeth in so we have deterrents to stop this crime from happening any longer.

I suppose we can ask, and as we watch the debate today, we can wonder what we are actually trying to accomplish today. In my opinion, being from Connecticut, I have a great many contractors, and I am very concerned. Quite frankly, I proposed a bill earlier in the session that went right after the CEO's, requiring them to be responsible for fraudulent claims. But I am also very concerned about all those employees who work for the contractors. I would like to think that what we are doing today is stopping ripoffs without layoffs. The reason I say that is that at this point we watch the Department of Defense, we watch-Cap Weinberger, reaching out and looking at the ABC Corp., and because of public sentiment, turning to the ABC Corp. and telling them "Well, maybe your chairman should step down," and turning to the XYZ Corp. and inferring that "Perhaps we will no longer do business with you as a contractor, or we will stop making contracts with you for a certain amount of time."

I think those are very scary tactics. What actually happens is that if, indeed, that happens and there are amendments to do that, we will find that employees in all of our districts will be laid off through no fault of their own. So I think it is extremely important that we make those responsible, hopefully the corporate executives some time in the future, but certainly people involved in the contracting field, those superiors, making them responsible for what happens.

I think this bill does not accomplish everything I would like to see in the amendments we have been dealing with, but I think it certainly moves in the right direction and I commend the members of the committee for their thoughtful consideration.

The CHAIRMAN pro tempore. The question is on the amendments offered by the gentleman from Texas [Mr. BRYANT] to the amendment as amended, offered by the gentleman from Alabama [Mr. NICHOLS].

The amendments to the amendment, as amended, were agreed to.

AMENDMENT OFFERED BY MR. SIKORSKI TO THE AMENDMENT OFFERED BY MR. NICHOLS, AS AMENDED

Mr. SIKORSKI. Mr. Chairman, I offer an amendment to the amendment, as amended.

The Clerk read as follows:

Amendment offered by Mr. SIKORSKI to the amendment offered by Mr. NICHOLS; as amended: Strike the word "final" in subsection (f)(1) of section 2324 of title 10 of the United States Code as added by the Nichols amendment.

Mr. SIKORSKI. Mr. Chairman, just briefly, this is a technical amendment to make sure the certification process applies to the settlement process interim and final.

Mr. Chairman, the certification provision in this amendment simply requires a contractor billing the Department of Defense for so-called indirect or overhead costs to certify that those costs have been incurred and are allowable. Contractors will just have to state they earn what they are billing the taxpayers for; that the costs they are asking the taxpayers to pick up are proper under the contract. This is Secretary of Defense Weinberger's idea, issued March 12 of this year. According to the Secretary's directive and embraced by this amendment, contractors will state that:

First, the submitted claim has been reviewed;

Second, the costs are allowable under Defense Department regulations;

Third, there are, under Defense Department regulations no unallowable costs in the claim; and

Fourth, the costs are related to the contract with the Department of Defense and benefit it.

The certification is sworn to and signed by the chief financial officer of the contractor.

Mr. Chairman, on behalf of this certification proposal, let me make three points:

First, this provision simply puts into statute, into this Defense authorization, Secretary Weinberger's March 12 directive that defense contractors will have to tell the truth when they charge for overhead costs. The Secretary issued his directive in the wake of the first Energy and Commerce hearings disclosing that General Dynamics, the Nation's largest defense contractor, had illegally billed the taxpayers for hundreds of millions of dollars in improper, unallowable overhead costs: The personal use of 12 corporate jets, swanky parties and expensive vacations, 10,000 tie tacks, a couple thousand branding irons, $18,500 golf club memberships, chili cookoffs, $546 for a mattress and box spring, babysitting and Texas barbecue flown into Washington, DC, for the wining and dining of Defense Department officials.

While the Secretary of Defense felt General Dynamics was simply an aberration—a bad apple, as he called them—subsequent investigations disclosed that we have a whole apple orchard. Under indirect or overhead charges, Pratt and Whitney has billed the American taxpayers for hundreds of Gucci bags, fishing and golfing trips for generals and foreign military attaches, air conditioner rebates, luxury foreign cars, $300 ice sculptures, strolling minstrels, 5,000 baseball caps, 390 corsages for the Fighter Fling Ball, and even a trip to Pago Pago.

This is illegal, intentional overcharging paid for by the taxpayers, and it's not isolated. The General Accounting Office conducted an audit of nine

major defense contractors and found—without exception—that all of the contractors had charged the taxpayers for costs that were wholly unallowable. These defense contractors included:

General Dynamics, Headquarters; General Dynamics, Fort Werthy; Hercules Aerospace (division of Hughes); LTV; McDonnell Douglas; Martin Marietta, Denver; Raytheon; Saunders Associates; Thiokol-Washatch; and United Technologies.

This amendment strikes at the problem.

Second, what the certification requirement does is place the contractors on a more equal footing with the millions of Americans who also deal with the Government and have to make similar certification. It's only fair.

Just a couple of months ago, 96 million Americans filed our tax returns, and as we signed those forms we swore that we were telling the truth. We said: We've reviewed the returns, and to the best of our knowledge, what we said was accurate. And we face a fine of up to $5,000 and 3 years in prison if we lied.

Is it too much to ask that the defense contractors, claiming taxpayers money, be required at least to be as honest as the taxpayers who are footing the bill?

Even though many of these defense contractors don't pay taxes to the Treasury that they get their profits from, is it too much to ask that they be just as honest as our constituents are when they file their taxes to fund these contracts?

Think about it. Each day you, your family, your constituents have to make the same kind of certification. Shouldn't defense contractors?

Every voter who votes in your district is required to certify the truth of information on the voter registration. Shouldn't those who take billions from those voters be required to say they honestly earned it?

When our citizens get a drivers license, a car license, even a dog license, they have to swear they're telling the truth. Should defense contractors be less responsible? Surely the procurement of a multimillion dollar defense system is as important as a dog license?

Surely, we should not make those sturdy, God-fearing American citizens applying for a fishing or hunting license do more than the defense contractors who make billions of dollars from those citizens?

Surely, we should not require anything less of General Electric or General Dynamics than we require of the dairy farmer in Wisconsin, the cotton farmer in Alabama or the peanut farmer in Georgia? Every one of these farmers has to regularly fill out certificates of inspection and on each one he risks a $1,000 fine and 1 year imprisonment—each one.

If a cattle rancher, hog farmer, poultry producer in any one of our districts sells meat to the Federal Government, he or she has to certify the eligibility of that livestock at the risk of up to $10,000 in fines and 5 years in Federal prison. Egg producers risk a $1,000 fine and 1 year in prison, and oil producers risk a $5,000 fine and 5 years in prison. But not defense contractors and that's not fair—and that's why we need this amendment.

The list does not end there. Every recipient of food stamps in America has to certify eligibility—at the risk of a $10,000 fine and 10 years in Federal prison. Should not the defense contractors?

The college students and their families in your district must certify their applications—at risk of up to $1,000 fine and 1 year in prison. Should not the defense contractors?

Social Security applicants must certify the truth of their applications at a risk of $1,000 fine and 1 year in Federal prison. Should not defense contractors—who have all kinds of taxpayer funded auditors, accountants, and lawyers?

Medicare recipients—three-fourths of them children, elderly or the blind and disabled—must certify their applications—at the risk of up to $10,000 in fines and 1 year in prison. Should not the defense contractors?

Every kid in America receiving a school lunch or school milk must be certified—at risks of a $1,000 fine and 1 year in prison.

Every TV or radio station carrying your press releases has to fill out a statement with the FCC—at risk of a $5,000 fine and 3 years in prison. The fair housing statement filed by every landlord or realtor in the United States—$1,000 and 1 year in prison. Hazardous waste statements—$25,000 per day and 1 year in prison.

The Cuban refugee in Florida, the Asian immigrant in Minnesota, the Polish exile in Chicago and the migrant worker in Texas has to swear to the truth of their immigration applications—at the risk of a $2,000 fine and 5 years in prison.

Offshore oil companies—$2,000 and 5 years in prison.

Alaskan miners—$2,000 and 5 years in prison.

Tobacco farmers—$1,000 and 1 year in prison. Small businesses in bankruptcy—up to $5,000 and 5 years in prison. Home buyers—$5,000 and 1 year in prison. Family farmers—$5,000. SBA applicants—$5,000 and 2 years in prison. Commodity Credit Corporation applicants—$10,000 and 5 years in prison. Consumer credit transactions—$5,000 and 1 year in prison. Horse owners—$5,000 and 3 years in prison. Salmon fishermen—$1,000. Postal claimants—$500 and 1 year in prison. Federal pensioners—$10,000 and 5 years in prison. Goods in interstate commerce—$5,000 and 2 years in prison. Goods entering the United States—$10,000 and 5 years in prison.

Listen to this: Under 18 U.S.C. 1003, a citizen making a demand against the United States of America for more than $100 must certify the claim—at risk of perjury punishable by up to $10,000 in fines and 5 years in prison. But not a defense contractor claiming hundreds of millions of dollars? FHA buyers—$5,000 and 2 years in prison. Federal Land Bank borrowers—$5,000 and 1 year in prison. Passports and Visa applicants—$2,000 and 5 years in prison. Unemployment compensation claims—$1,000 and 1 year in prison.

Campaign fund reports have to be certified—at risk of $10,000 fine and 5 years in prison. OSHA reports—$10,000 fine and 6 months in prison. Labor union reports—$10,000 and 1 year in prison. Patent and Trademark applications—$10,000 and 5 years in prison. Water pollution certifications—$10,000 and 6 months in prison.

So Mr. Chairman, isn't it about time that those defense contractors who make claims upon the tax money of our citizens at least be as responsible as the citizens of this country have to be when they make claims or applications with the Government? Shouldn't defense contractors be at least as responsible as the American citizen paying taxes? Applying for a dog license? Seeking a hunting or fishing or drivers license? Getting Social Security or a school lunch?

I say yes. The American people say yes.

My third and final point. Should we fail to make this modest codification of the Secretary's directive, the current system will continue and along with it, its abuses. We know from our investigation that there are no incentives for contractors to tell the truth or to at least be circumspective in their charges for overhead and indirect costs. In fact, the system rewards exaggeration and overcharging—the more the cost, the more the profit. Auditor upon auditor for the Government have told us, and the GAO and the Inspector General have told us that contractors make wholesale applications for these charges, get a percentage automatically without any review, forestall and subvert the auditing process by withholding records and invoices, submitting blank vouchers, and challenging—with taxpayer paid lawyers and accountants—any disallowances.

This proposal simply shifts a little of the total burden from the auditors and investigators for the taxpayers and places it on the defense contractors who are seeking billions of dollars from the taxpayers. If they honestly earn the money, they should have no

problems with this system. If they don't, they should have problems. Certainly, their burden should be no less than the burden we place on the Social Security recipient, the dog owner, the taxpayer, or that Alabama farmer or Wisconsin hunter.

Mr. NICHOLS. Mr. Chairman, will the gentleman yield?

Mr. SIKORSKI. I yield to the gentleman from Alabama.

Mr. NICHOLS. I thank the gentleman for yielding.

Mr. Chairman, we have examined the amendment. It is clearly a perfecting amendment and we have no objection on this side.

Mr. SIKORSKI. I thank the gentleman.

Mr. Chairman, the intent here is to embrace the directive of the Secretary of Defense.

Mr. HOPKINS. Mr. Chairman, I move to strike the last word.

Mr. Chairman, the Members on this side of the aisle find no objection to the gentleman's amendment and we accept it.

□ 1440

Mr. KINDNESS. Mr. Chairman, I move to strike the last word.

I do so, Mr. Chairman, not because of this particular amendment and its merit—it would seem to have some technical merit—but because, with the situation that has now occurred with the amendment offered by the gentleman from Texas [Mr. BRYANT] to the Nichols amendment, we now have a thoroughly defective amendment before the Committee of the Whole. It is thoroughly defective. I did not ask for a vote because I believe the whole amendment, as amended, deserves to be defeated or rewritten or something done that makes more sense.

But the amendment that has been adopted to the Nichols amendment makes it very clear that we have done some writing of criminal law and it will not stand up in court, and you have got nothing but mush.

So I would urge the defeat of the amendment offered by the gentleman from Alabama [Mr. NICHOLS], as amended by the gentleman from Texas [Mr. BRYANT]. You do not have a sensible system of how this is going to operate. You have an appeal to a board of contract appeals, which can be heard from a finding of the Secretary of Defense, you have access to the court, you have complete confusion between the contract law side of it and the criminal penalty side of it, and it just is not written so it is going to work. So you would be doing a useless act, until you get to the point of conference at least, so we would be able to rewrite this so that it makes some sense.

I suggest that we defeat the amendment and try to get down to the work of trying to improve the procurement process itself in the Department of Defense and not try to make it a special island unto itself as distinguished from the rest of Government procurement, which needs attention just as well.

The Department of Defense is not something so different that broad general principles of procurement law cannot apply to it as well as to the rest of Government, and we ought to be able to take all of that into account at the same time, it seems to me. We have made a special case with this amendment. It really does not change anything in the existing regulations, as I see it, except for adding criminal penalties. Nobody knows how they would work, and a court would have to throw them out.

Mr. Chairman, I suggest that we might very well consider, when we are proposing criminal penalties, that we get some suggestions from the staff of the Committee on the Judiciary or someplace where we could go for some better ideas.

Mr. NICHOLS. Mr. Chairman, I move to strike the requisite number of words.

Mr. HERTEL of Michigan. Mr. Chairman, will the gentleman yield?

Mr. NICHOLS. I yield to the gentleman from Michigan.

Mr. HERTEL of Michigan. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, all we have heard, I would suggest, is actually nothing but mush in this last statement by the gentleman from Ohio. First, the gentleman from Ohio said the bill was not tough enough; all we have done was put regulations in the statute. Then we enumerated over an hour ago and passed criminal penalties that were specific and that come from the Uniform Criminal Code passed by this House last year. Those penalties were 5 years, up to 5 years in jail, and a $5,000 fine, on top of civil fines. That is very straightforward.

No Member on this House floor raised objections to the criminal penalties before, and so far still no one has raised unilateral objections to the Bryant amendment.

The fact is that we took the regulations that the Department of Defense had. Those were strengthened by the chairman and his committee and subcommittee. We then added criminal penalties here on the House floor, after working on that criminal penalty amendment with the gentleman from Kentucky [Mr. HOPKINS], the ranking member, and the gentleman from Alabama [Mr. NICHOLS] for the last month to make sure that we did in fact have the proper language. It is very specific. The second time some corporation or some individual submits wrongful billings that are enunciated specifically in this bill, they can be subject to criminal penalties.

As the gentleman from Ohio brought up before, the fact is that we are putting the regulations into the statute. The whole problem is that just by having them as regulations, that is a violation. There is no punishment. So contractors were having their dogs boarded and charging the taxpayers, buying football tickets, and flying aircraft around the country for entertainment and enjoyment and billing the taxpayers, and when they were finally caught, they just said, "Oh, well, we"ll pay that money back, then." But there was no risk to them, not a single risk to these contractors all this time.

Let me say something that has not come out in debate. There are a lot of hardworking people, citizens of this country working in defense industries, and they are very proud of their jobs, and they are most upset, these people who work for defense companies and contractors, when they see a few contractors do the outrageous and they are all painted with the same brush that they are wasting taxpayers' money.

We should go after the few. We should go after the big ones and set an example with them to show that they cannot escape the law, just as the average citizen cannot escape the law and a smaller corporation cannot escape the law and people cannot escape the law in private business transactions, and punish DOD contractors when they do something wrong and fine them when they do something wrong, so that others will not do that in the future and think that they can get away with it. We want to stop what has been going on.

Now, the gentleman said that we are picking out DOD as just an island as far as contracting is concerned, and so forth. The fact is that it is the biggest continent in the entire budget. It is a third of the entire budget, $300 billion. We have doubled the defense budget in the last 4 years and have a very slight increase in readiness. The American people are more outraged about that than anything else.

In 1981 over 80 percent of the American people wanted an increase in the defense budget. Today, in 1985, over 80 percent of the American people want a cut or a freeze in the defense budget for one reason: Because of the outrageous things some of the contractors have done in stealing from the taxpayers, stealing from the Pentagon, and stealing from the fighting men and women in the armed services, because if they did not waste that money someplace else, it could be used to provide further strengthening of the defense of this Nation.

Mr. Chairman, that is why the Nichols amendment was put together. That is why it has so much strength and

support today. That is why it is going to pass this House today.

The CHAIRMAN pro tempore [Mr. DURBIN]. The time of the gentleman from Alabama [Mr. NICHOLS] has expired.

(By unanimous consent, Mr. NICHOLS was allowed to proceed for 3 additional minutes.)

Mr. COUGHLIN. Mr. Chairman, will the gentleman yield?

Mr. NICHOLS. I yield to the gentleman from Pennsylvania.

Mr. COUGHLIN. Mr. Chairman, I rise in support of the Nichols amendment which incorporates the provisions of H.R. 2397—the Allowable Cost Reform Act—which I am pleased to cosponsor.

The amendment represents an important step in ridding our military procurement system of waste and abuse. It would prohibit contractors from billing the Government for entertainment expenses, lobbying costs, advertising, social functions, sports tickets, fines, gifts or contributions. It would assess liquidated damages against a contractor for the full amount of the disallowed cost, double damages for repeated violations. It would require that contractors certify that the costs they submit for Government reimbursement are allowable and it would disallow any cost that is not fully documented as allowable. The proposal would also require a mandatory rotation policy for all administrative contracting officers.

The shocking examples of indirect costs for which defense contractors have billed the Government has raised a public outcry against this waste and extravagence as well it should. The preception that many defense contractors have routinely used Federal funds to entertain their executives or improve their corporate image has eroded public support for defense programs overall.

We must put contractors on notice that they will be held strictly accountable by specifying those costs which will not be reimbursed and by penalizing them for submitting bills for unallowable expenses. I strongly support the amendment and urge that it be adopted.

Mr. KINDNESS. Mr. Chairman, will the gentleman yield?

Mr. NICHOLS. I yield to the gentleman from Ohio.

Mr. KINDNESS. Mr. Chairman, I thank the gentleman for yielding.

I would just like to ask, is it not the whole intent of this thing to do something effective? If the criminal penalties are not constitutionally provided for here and if they are not effective, then we have been wasting our time. Would that not be the case? I think it should be the gentleman's purpose to make it effective.

Mr. HERTEL of Michigan. Mr. Chairman, will the gentleman yield?

Mr. NICHOLS. I yield to the gentleman from Michigan.

Mr. HERTEL of Michigan. Mr. Chairman, there has been no unilateral or specific constitutional attack on that amendment. Clearly this Congress has the power to set criminal penalties when the law has been violated. With the committee, the House and the Congress have jurisdiction to say that when you are on notice and when you have already done something that constitutes wrongful billing, the second time you have done that specific thing we can have a criminal penalty attached.

There is no question of jurisdiction and there is no constitutional question involved. That is our job here in the Congress.

Mr. KINDNESS. Mr. Chairman, would the gentleman agree that the criminal action, then, could not take place until after the appeal is completed on the second go-round on this disallowable expense? Is that the point at which it would come into play, which might be 5 years later?

Mr. HERTEL of Michigan. No, it would not have to wait until the appeal process at all. It could start at the very time it was found by the Department that they had specifically in this case done the very same thing as far as wrongful billing a second time is concerned.

Mr. KINDNESS. And even though an appeal might be pending to the Board of Contract Appeals or to the court?

Mr. HERTEL of Michigan. Yes, they could still go ahead with the criminal proceeding.

Mr. ROWLAND of Connecticut. Mr. Chairman, will the gentleman yield?

Mr. NICHOLS. I yield to the gentleman from Connecticut.

Mr. ROWLAND of Connecticut. Mr. Chairman, I thank the gentleman for yielding.

I would like to make a point and perhaps pose a rhetorical question, and if I am incorrect in my assumption of what this amendment does, I hope the chairman will correct me.

What we are dealing with is a certification process and not the penalties. What this technical amendment does is take away the word, "final."

The process that we have now is under question. The Department of Defense has moved forward with a certification process, and in that certification process which we started back with a directive starting March 12, we require contractors to certify their costs, and I believe with the amendment, as it stands now, with the word, "final," in there, what we are saying is that the certification process can occur after the claims and the costs have been submitted.

So I think all this amendment does is take out the word, "final," so that the certification process will take place at the same time the submission is made for the overhead costs. So all we are asking the contractors to do is to simply state that the claims that are made are not falsified and that they are correct, and it is being done at the same time it is submitted rather than sometime after the fact, a year or two down the line. If I am incorrect, I would like to hear a correction.

Mr. SLATTERY. Mr. Chairman, I know that my constituents are disgusted by the many disclosures involving waste in the Pentagon budget, and that is why I rise in strong support of this amendment. Restrictions on what a defense contractor can bill to the Pentagon should have been imposed years ago, before we reached this stage. The changes in contracting procedures should help to prevent future fleecing of the American taxpayer. I commend my colleagues on the investigations subcommittee who have offered these amendments. As one of their fellow subcommittee members, I know we were shocked at what was uncovered during an ongoing investigation of the General Dynamics Corp.

We heard testimony of delays in submarine construction in an effort to manipulate stock prices, failure to notify the Government that a director of the firm was improperly granted a top secret security clearance because he was under investigation for bribery, and cases of billings and overhead charges to the Pentagon that ranged from liquor and club dues to paid vacations and kennel fees for an executive's dog. The amendment would bar Defense contractors from billing the Federal Government for a long list of fees that have nothing to do with building our defense readiness, and serve no purpose other than public relations gimmicks and entertainment. Full documentation for claims would be required, and contractors would be subject to fines for submitting billings that are disallowed.

The amendments were developed as a result of our investigation, and would bar not only contractors but subcontractors from receiving Government compensation for legal fees. The subpoena power of Pentagon auditors would be increased, and the Government would be prohibited from paying any bills that are under dispute. The amendment also would make the chief financial officer of any defense contractor subject to prosecution if an unallowed claim is submitted. I am a cosponsor of the legislation introduced by my distinguished colleague from Alabama which is before us today, and I believe that these Oversight Committee additions will provide added muscle to this important amendment.

These changes are essential if we ever hope to restore the broadbased public support that is necessary for

the maintenance of a strong national defense.

□ 1450

The CHAIRMAN pro tempore (Mr. DURBIN). The question is on the amendment offered by the gentleman from Minnesota [Mr. SIKORSKI] to the amendment offered by the gentleman from Alabama [Mr. NICHOLS], as amended.

The amendment to the amendment, as amended, was agreed to.

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentleman from Alabama [Mr. NICHOLS], as amended.

The question was taken; and the Chairman pro tempore announced that the ayes appeared to have it.

RECORDED VOTE

Mr. NICHOLS. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 411, noes 4, not voting 18, as follows:

[Roll No. 185]

AYES—411

Ackerman	Chappie	Evans (IA)
Addabbo	Cheney	Evans (IL)
Akaka	Clay	Fascell
Alexander	Clinger	Fawell
Anderson	Coats	Fazio
Andrews	Cobey	Feighan
Annunzio	Coble	Fiedler
Anthony	Coelho	Fields
Applegate	Coleman (MO)	Flippo
Archer	Coleman (TX)	Florio
Armey	Collins	Foglietta
Aspin	Combest	Foley
Atkins	Conte	Ford (MI)
AuCoin	Conyers	Ford (TN)
Barnard	Cooper	Fowler
Barnes	Coughlin	Frank
Bartlett	Courter	Franklin
Barton	Coyne	Frenzel
Bateman	Craig	Frost
Bates	Crane	Fuqua
Bedell	Crockett	Gallo
Beilenson	Daniel	Gaydos
Bennett	Dannemeyer	Gejdenson
Bereuter	Darden	Gekas
Berman	Daschle	Gephardt
Bevill	Daub	Gibbons
Biaggi	Davis	Gilman
Bilirakis	de la Garza	Gingrich
Bliley	DeLay	Glickman
Boehlert	Dellums	Gonzalez
Boggs	Derrick	Goodling
Boland	DeWine	Gordon
Boner (TN)	Dickinson	Gradison
Bonior (MI)	Dicks	Gray (IL)
Bonker	Dingell	Green
Borski	DioGuardi	Gregg
Bosco	Dixon	Grotberg
Boucher	Donnelly	Gunderson
Boulter	Dorgan (ND)	Hall (OH)
Boxer	Dornan (CA)	Hall, Ralph
Broomfield	Dowdy	Hamilton
Brown (CA)	Downey	Hammerschmidt
Brown (CO)	Dreier	Hansen
Broyhill	Duncan	Hartnett
Bruce	Durbin	Hatcher
Bryant	Dwyer	Hawkins
Burton (CA)	Dymally	Hayes
Burton (IN)	Dyson	Hefner
Bustamante	Early	Heftel
Byron	Eckart (OH)	Hendon
Callahan	Eckert (NY)	Henry
Campbell	Edgar	Hertel
Carney	Edwards (CA)	Hiler
Carper	Edwards (OK)	Hillis
Carr	Emerson	Hopkins
Chandler	English	Horton
Chappell	Erdreich	Howard
Hoyer	Mitchell	Shumway
Hubbard	Moakley	Shuster
Huckaby	Molinari	Sikorski
Hughes	Mollohan	Siljander
Hunter	Monson	Sisisky
Hutto	Montgomery	Skeen
Hyde	Moody	Skelton
Ireland	Moore	Slattery
Jacobs	Moorhead	Slaughter
Jeffords	Morrison (CT)	Smith (FL)
Jenkins	Morrison (WA)	Smith (IA)
Johnson	Mrazek	Smith (NE)
Jones (NC)	Murphy	Smith (NH)
Jones (OK)	Murtha	Smith (NJ)
Kanjorski	Myers	Smith, Denny
Kaptur	Natcher	Smith, Robert
Kasich	Neal	Snowe
Kastenmeier	Nelson	Snyder
Kemp	Nichols	Solarz
Kennelly	Nielson	Solomon
Kildee	Nowak	Spence
Kleczka	Oakar	Spratt
Kolbe	Oberstar	St Germain
Kolter	Obey	Staggers
Kostmayer	Olin	Stallings
Kramer	Ortiz	Stark
LaFalce	Owens	Stenholm
Lagomarsino	Oxley	Stokes
Lantos	Packard	Strang
Latta	Panetta	Stratton
Leath (TX)	Parris	Studds
Lehman (CA)	Pashayan	Stump
Lehman (FL)	Pease	Sundquist
Leland	Penny	Sweeney
Lent	Pepper	Swift
Levin (MI)	Perkins	Swindall
Levine (CA)	Petri	Synar
Lewis (FL)	Pickle	Tallon
Lightfoot	Porter	Tauke
Lipinski	Price	Tauzin
Livingston	Pursell	Taylor
Lloyd	Quillen	Thomas (CA)
Loeffler	Rahall	Thomas (GA)
Long	Rangel	Torricelli
Lott	Ray	Towns
Lowery (CA)	Regula	Traficant
Lowry (WA)	Reid	Traxler
Lujan	Richardson	Udall
Lundine	Ridge	Valentine
Lungren	Rinaldo	Vander Jagt
Mack	Ritter	Vento
MacKay	Roberts	Visclosky
Madigan	Robinson	Volkmer
Manton	Rodino	Vucanovich
Markey	Roe	Walgren
Marlenee	Roemer	Walker
Martin (IL)	Rogers	Watkins
Martinez	Rose	Waxman
Matsui	Roth	Weaver
Mavroules	Roukema	Weber
Mazzoli	Rowland (CT)	Weiss
McCain	Rowland (GA)	Wheat
McCandless	Roybal	Whitehurst
McCloskey	Rudd	Whitley
McCollum	Russo	Whittaker
McCurdy	Sabo	Whitten
McDade	Savage	Williams
McEwen	Saxton	Wirth
McGrath	Schaefer	Wise
McHugh	Scheuer	Wolf
McKernan	Schneider	Wolpe
McKinney	Schroeder	Wright
McMillan	Schuette	Wyden
Meyers	Schulze	Wylie
Mica	Schumer	Yates
Mikulski	Seiberling	Yatron
Miller (CA)	Sensenbrenner	Young (AK)
Miller (OH)	Sharp	Young (FL)
Miller (WA)	Shaw	Young (MO)
Mineta	Shelby	Zschau

NOES—4

Badham	Leach (IA)
Kindness	Stangeland

NOT VOTING—18

Bentley	Guarini	Michel
Breaux	Holt	O'Brien
Brooks	Jones (TN)	Rostenkowski
Fish	Lewis (CA)	Torres
Garcia	Luken	Wilson
Gray (PA)	Martin (NY)	Wortley

□ 1510

Mr. ARMEY changed his vote from "no" to "aye."

So the amendment, as amended, was agreed to.

The result of the vote was announced as above recorded.

PERSONAL EXPLANATION

Mr. LEACH of Iowa. Mr. Speaker, on rollcall 185, an amendment that passed with near unanimous support, I inadvertently voted "no" when I had intended to vote "aye."

AMENDMENT OFFERED BY MR. COURTER

Mr. COURTER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. COURTER: At the end of title VIII (page 143, after line 19), insert the following new section:

SEC. 802. REQUIREMENT OF MINIMUM PERCENTAGE OF COMPETITIVE PROCUREMENTS.

(a) IN GENERAL.—Section 2304 of title 10, United States Code, is amended by adding at the end thereof the following new subsection:

"(i)(1) The amount of competitive defense procurements made during a fiscal year (expressed in total dollar value of contracts entered into) may not be less than the amount equal to the product of—

"(A) the applicable percentage for that year (as defined in paragraph (3)); and

"(B) the amount of all applicable procurements made by the Department of Defense during that year (expressed in total dollar value of contracts entered into).

"(2)(A) If in any fiscal year the amount of competitive defense procurements is less than the amount required by paragraph (1) for that fiscal year, the Secretary of Defense (or Secretary of a military department) may not obligate or expend appropriated funds after such fiscal year for any purchase of goods or services made by a procedure other than competitive procedures until the requirements of subparagraph (B) have been met.

"(B) Subparagraph (A) does not apply on or after the first day on which the total of the amounts of competitive defense procurements during and after such fiscal year is equal to or greater than the amount which is equal to the product of—

"(i) the applicable percentage for that fiscal year; and

"(ii) the total of the amounts of all applicable procurements made by the Department of Defense during and after that fiscal year.

"(3) In this subsection:

"(A) 'Applicable percentage', with respect to a fiscal year, means the lesser of—

"(i) 70 percent; or

"(ii) the sum of—

"(I) the total of the current amounts of all competitive procurements; and

"(II) the product of 5 percent and the number of fiscal years which will have elapsed at the end of that fiscal year since fiscal year 1985.

"(B) 'Competitive defense procurements' means procurements made by the Department of Defense to which this chapter applies that are made through the use of competitive procedures.

"(C) 'Applicable procurements' means procurements to which this chapter applies other than—

"(i) a procurement made through an agreement with another country;

"(ii) a procurement made through an agreement with another Federal agency;

"(iii) a transaction with an educational or nonprofit institution;

"(iv) a contract for the acquisition of utility services;

"(v) a procurement made under section 8(a) of the Small Business Act; and

"(vi) a purchase of brand-name items for resale.".

(b) EFFECTIVE DATE.—Subsection (i) of section 2304 of title 10, United States Code, as added by subsection (a), shall apply with respect to fiscal years after fiscal year 1985.

Mr. COURTER (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN pro tempore. Is there objection to the request by the gentleman from New Jersey?

There was no objection.

Mr. COURTER. Mr. Chairman, this amendment is a very simple one. It does not require a great deal of explanation. We have spent the last 1½ to 2 hours debating an important amendment by Congressman NICHOLS. That amendment concerned itself with the issue of allowable costs. Before then, this body passed an amendment dealing with criminal penalties, debating whether we should attach criminal penalties to the contractors who do not perform according to the law and according to legislation.

Those bills or amendments I think were important. They went to some issues of whether different types of overhead costs could properly and legally be allocated under defense contracts. It is obviously the consensus of this body that some of those requests for reimbursement are so outrageous that they simply should not be permitted and we should pass legislation to prohibit them. That is important and it is all well and good.

But it really, Mr. Chairman, does not get to the heart of the question. The heart of the question is whether all potential contractors or all potential offerors have had the opportunity to compete. That is the real question.

This legislation or this amendment simply says that we would increase the percentage of competitive contracts by 5 percent per year until we reach a threshold of 70 percent of the contracts in the Department of Defense that are competitively bid. It simply says nothing more than that.

Everybody, I think, in this body recognizes the importance of competition. We have seen it again and again. We have seen newspapers such as the Wall Street Journal, New York Times, Washington Post, argue in their editorial pages that what the Department of Defense needs more than anything else is not increased micromanagement, it is not necessarily increased numbers of auditors, not necessarily an increase in legislation, or more penalties or more legislation with a regard to what is allowable cost or not.

□ 1520

But they need a big dose and a prod toward competition. We know the advantages of competition; we see it in our daily lives; we have seen it in prior contracts with the Department of Defense; we saw it in what is considered to be the great engine debate, where two outstanding manufacturers of jet engines competed; Pratt-Whitney and GE. The result being a mix of both those engines in our fighter force; the result being billions of dollars of savings for our taxpayers.

Most recently, we saw even the advantages of the specter of competition in our fighter force. Just a few weeks ago, the F-16 was reconfigured in order to be more competitive, and the prospect of competition with the Northrup F-20 led to a more realistic price structure with regard to our fighter force.

Everybody recognizes and everybody knows the importance of competition. This amendment is very simple, very logical; it appeals to what we all want. It basically says that the Department of Defense should increase by 5 percent per year those contracts that are under the competitive processes until we reach a threshold of 70 percent of all that which is procured, whether it be services or weapons systems, or other items by the Department of Defense under the mechanism of competition.

So the amendment is very simple; it is forthright, it was discussed last year. I almost introduced this amendment—I think it would have passed last year. I withheld because we wanted to have some further dialog with the Department of Defense, with members of the committee; we wanted to have at least one hearing in the House Armed Services Committee as to the value of this type of legislation.

We have gone through that, and I would urge that my colleagues vote in favor of the amendment. There is no need to prolong the debate, I do not think; it is very simple; this is a pro-competition amendment, and I urge that my colleagues vote "aye."

I yield back the balance of my time.

● Mr. SHUMWAY. Mr. Chairman, I rise to support the "creeping capitalism" amendment offered by the gentleman from New Jersey [Mr. COURTER] which will increase competition in the defense procurement process. The horror stories of outrageous Pentagon expenditures confront us regularly on the front pages, angering not only the Congress, but all Americans and undermining their support for a strong national defense. I certainly believe that waste and inefficiency cannot be tolerated within the DOD anymore than they can be wherever else taxpayers' dollars are being spent. Blindly cutting the defense budget, however, is not a responsible approach to solving the problem of wasteful spending. Instead, I believe, increasing competition in the procurement process is the key to driving down costs in Federal contracting without cutting into legitimate national security needs.

The Courter amendment represents this responsible approach to reducing defense costs; it will require the Department of Defense to increase the percentage contracts awarded through competitive procedure by 5 percent each year until a 70-percent level of competition is achieved. Without a doubt, this mandated increase in competition will reduce costs, increase efficiency and ensure that maximum benefit is obtained from every defense dollar spent.

It is crucial that we restore public confidence in the defense procurement process and regain public support for reasonable and effective spending for our Nation's security. The Courter "creeping capitalism" amendment will accomplish these goals in a realistic and responsible manner.

I urge the adoption of the Courter amendment.●

AMENDMENT OFFERED BY MR. NICHOLS TO THE AMENDMENT OFFERED BY MR. COURTER

Mr. NICHOLS. Mr. Chairman, I offer an amendment to the amendment.

The Clerk read as follows:

Amendment offered by Mr. NICHOLS to the amendment offered by Mr. COURTER: In paragraph (2)(A) of section 2304(i) of title 10, United States Code, as proposed to be added by the amendment, strike out "the Secretary of Defense" and all that follows and insert in lieu thereof "the Secretary of Defense shall submit to the Committee on Armed Services of the Senate and House of Representatives, not later than 90 days after the end of that fiscal year, a report explaining why the Department was unable to meet the amount of competitive defense procurements required by paragraph (1) for that fiscal year.

Mr. NICHOLS (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Alabama?

There was no objection.

Mr. NICHOLS. Mr. Chairman, let me say to you that the gentleman from New Jersey has had a long-time interest in this particular amendment, and I commend him on his interest. It is in the right direction.

I sometimes wish we could make all of our contracts competitive rather than on cost-plus, but there are some contracts by their very nature that have to be on a cost-plus.

We have not had any experience with this, and my amendment would simply ask that the 5-percent figure

the gentleman has offered to set aside as a target only, and that a report be made back to the Congress in the event that the Department of Defense is unable to meet this particular target.

I yield to the gentleman from Alabama.

Mr. DICKINSON. I thank the gentleman for yielding to me, and I support the amendment to the amendment of my good friend from New Jersey.

I would point out that with certain large programs such as SDI, the Trident submarine, and the B1, they would really soak up the biggest portion of our defense budget.

So when you establish an arbitrary number like that, sometimes it is not workable. I am in sympathy with the thrust of the amendment. I think we all are for competition and we are all for letting small businesses get in there and compete, because sometimes it seems like we have a few giants in the defense industry that soak up all of the defense dollars.

Because of that, I think it is not workable to make it inflexible and build it into law. I think it is more reasonable to say we will make this a target to work toward. I would support and commend the gentleman from New Jersey for his amendment.

Mr. NICHOLS. I yield to the gentleman from Kentucky [Mr. HOPKINS].

Mr. HOPKINS. I thank my colleague for yielding.

I think, Mr. Chairman, that this House has become accustomed to the brilliance of the gentleman from New Jersey in crafting amendments that he presents to this floor time after time.

The minority members of this committee agree with his amendment and urge others to support it.

Mr. COURTER. Will the gentleman yield?

Mr. NICHOLS. I yield to the gentleman from New Jersey.

Mr. COURTER. I thank the gentleman. I can understand your concern, and because it may be a legitimate concern, I am not going to oppose your amendment to my amendment. I think it would be good, and I believe your amendment requires that if the Department of Defense does not meet these threshold requirements under my amendment, they have to report to the respective Armed Services Committees in the Senate and the House, as to the reason they did not.

The reason I guess I will accept in one sense reluctantly, your amendment to my amendment is the fact that if those explanations during the next 12 months are not clear, and are not reasonable, then of course this body has the option to remove that language that makes the report, and which would in essence require compliance with the 5-percent threshold.

Mr. NICHOLS. I say to the gentleman, that report has to be submitted within 90 days after the close of the fiscal year, and I appreciate the gentleman's remarks.

I yield to the gentleman from Ohio.

Mr. KASICH. I appreciate the gentleman yielding, and I would like to also rise in support of the amendment of the gentleman from New Jersey, and have read with great interest in the newspapers over the last year or so the feelings of the gentleman from New Jersey and the Senator from Iowa whose "creeping capitalism" bills made headlines.

I think it is a great, great idea. The only problem is, I think we have got to go a step further and give the DOD the tools with which to open more competition up. We have done it in the area of the F-20; we have not gone far enough in the area of proprietary rights, data rights, the issue of qualified bidders and a variety of things, including in the area of set-asides, we have made for special businesses to be exempt from these provisions.

The idea of more competition is great, but I ask the gentleman to go farther, and help us give tools to those people who are competition advocates and those in DOD, to give them the ability to do what has to be done to meet those goals.

Mandating the goals are great, but you have got to be able to get to them with the right road map.

(On request of Mr. DICKS and by unanimous consent, Mr. NICHOLS was allowed to proceed for 2 additional minutes.)

Mr. DICKS. Will the gentleman yield?

Mr. NICHOLS. I yield to the gentleman.

Mr. DICKS. I want to compliment the gentleman on his amendment, and I happen to believe that one of the ways we can reduce the cost of major weapons systems is to get more competition, to get two sources, and to make competition work through the procurement process.

I would just urge my distinguished colleagues on the Committee on Armed Services that when they are deliberating on these bills, that when there is a chance for competition, when it is asked for by the administration in power to have competition, not for the Committee on Armed Services to step in and kill competition.

I like this amendment. I like the fact that the Armed Services Committee is going on record in favor of competition, but I just hope we will be consistent when there are chances to have competition; the administration wants competition; that by legislation we do not stand in the way of that competition.

Mr. NICHOLS. The gentleman from New Jersey.

Mr. COURTER. I have nothing to add. I thank the gentleman from Washington for his statement, and I hope and urge my colleagues to support the amendment to the amendment, as well as the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Alabama [Mr. NICHOLS] to the amendment offered by the gentleman from New Jersey [Mr. COURTER].

The amendment to the amendment was agreed to.

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentleman from New Jersey [Mr. COURTER], as amended.

The question was taken; and the Chairman pro tempore announced that the ayes appeared to have it.

RECORDED VOTE

Mr. COURTER. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 416, noes 0, not voting 17, as follows:

[Roll No. 186]

AYES—416

Ackerman	Chandler	English
Addabbo	Chappell	Erdreich
Akaka	Chappie	Evans (IA)
Alexander	Cheney	Evans (IL)
Anderson	Clay	Fascell
Andrews	Clinger	Fawell
Annunzio	Coats	Fazio
Anthony	Cobey	Feighan
Applegate	Coble	Fiedler
Archer	Coelho	Fields
Armey	Coleman (MO)	Flippo
Aspin	Coleman (TX)	Florio
Atkins	Collins	Foglietta
AuCoin	Combest	Foley
Badham	Conte	Ford (MI)
Barnard	Conyers	Ford (TN)
Barnes	Cooper	Fowler
Bartlett	Coughlin	Frank
Barton	Courter	Franklin
Bateman	Coyne	Frenzel
Bates	Craig	Frost
Bedell	Crane	Fuqua
Beilenson	Crockett	Gallo
Bennett	Daniel	Gaydos
Bentley	Dannemeyer	Gejdenson
Bereuter	Darden	Gekas
Berman	Daschle	Gephardt
Bevill	Daub	Gibbons
Biaggi	Davis	Gilman
Bilirakis	de la Garza	Gingrich
Bliley	DeLay	Glickman
Boehlert	Dellums	Gonzalez
Boggs	Derrick	Goodling
Boland	DeWine	Gordon
Boner (TN)	Dickinson	Gradison
Bonior (MI)	Dicks	Gray (IL)
Bonker	Dingell	Gray (PA)
Borski	DioGuardi	Green
Bosco	Dixon	Gregg
Boucher	Donnelly	Grotberg
Boulter	Dorgan (ND)	Guarini
Boxer	Dornan (CA)	Gunderson
Broomfield	Dowdy	Hall (OH)
Brown (CA)	Downey	Hall, Ralph
Brown (CO)	Dreier	Hamilton
Broyhill	Duncan	Hammerschmidt
Bruce	Durbin	Hansen
Bryant	Dwyer	Hartnett
Burton (CA)	Dymally	Hatcher
Burton (IN)	Dyson	Hawkins
Bustamante	Early	Hayes
Byron	Eckart (OH)	Hefner
Callahan	Eckert (NY)	Heftel
Campbell	Edgar	Hendon
Carney	Edwards (CA)	Henry
Carper	Edwards (OK)	Hertel
Carr	Emerson	Hiler

Hillis	Miller (OH)	Shelby
Hopkins	Miller (WA)	Shumway
Horton	Mineta	Shuster
Howard	Mitchell	Sikorski
Hoyer	Moakley	Siljander
Hubbard	Molinari	Sisisky
Huckaby	Mollohan	Skeen
Hughes	Monson	Skelton
Hunter	Montgomery	Slattery
Hutto	Moody	Slaughter
Hyde	Moore	Smith (FL)
Ireland	Moorhead	Smith (IA)
Jacobs	Morrison (CT)	Smith (NE)
Jeffords	Morrison (WA)	Smith (NH)
Jenkins	Mrazek	Smith (NJ)
Johnson	Murphy	Smith, Denny
Jones (OK)	Murtha	Smith, Robert
Kanjorski	Myers	Snowe
Kaptur	Natcher	Snyder
Kasich	Neal	Solarz
Kastenmeier	Nelson	Solomon
Kemp	Nichols	Spence
Kennelly	Nielson	Spratt
Kildee	Nowak	St Germain
Kindness	Oakar	Staggers
Kleczka	Oberstar	Stallings
Kolbe	Obey	Stangeland
Kolter	Olin	Stark
Kostmayer	Ortiz	Stenholm
Kramer	Oxley	Stokes
LaFalce	Packard	Strang
Lagomarsino	Panetta	Stratton
Lantos	Parris	Studds
Latta	Pashayan	Stump
Leach (IA)	Pease	Sweeney
Leath (TX)	Penny	Swift
Lehman (CA)	Pepper	Swindall
Lehman (FL)	Perkins	Synar
Leland	Petri	Tallon
Lent	Pickle	Tauke
Levin (MI)	Porter	Tauzin
Levine (CA)	Price	Taylor
Lewis (CA)	Pursell	Thomas (CA)
Lewis (FL)	Quillen	Thomas (GA)
Lightfoot	Rahall	Torricelli
Lipinski	Rangel	Towns
Livingston	Ray	Traficant
Lloyd	Regula	Traxler
Loeffler	Reid	Udall
Long	Richardson	Valentine
Lott	Ridge	Vander Jagt
Lowery (CA)	Rinaldo	Vento
Lowry (WA)	Ritter	Visclosky
Lujan	Roberts	Volkmer
Lundine	Robinson	Vucanovich
Lungren	Rodino	Walgren
Mack	Roe	Walker
MacKay	Roemer	Watkins
Madigan	Rogers	Waxman
Manton	Rose	Weaver
Markey	Rostenkowski	Weber
Martin (IL)	Roth	Weiss
Martinez	Roukema	Wheat
Matsui	Rowland (CT)	Whitehurst
Mavroules	Rowland (GA)	Whitley
Mazzoli	Roybal	Whittaker
McCain	Rudd	Whitten
McCandless	Russo	Williams
McCloskey	Sabo	Wirth
McCollum	Savage	Wise
McCurdy	Saxton	Wolf
McEwen	Schaefer	Wolpe
McGrath	Scheuer	Wright
McHugh	Schneider	Wyden
McKernan	Schroeder	Wylie
McKinney	Schuette	Yates
McMillan	Schulze	Yatron
Meyers	Schumer	Young (AK)
Mica	Seiberling	Young (FL)
Michel	Sensenbrenner	Young (MO)
Mikulski	Sharp	Zschau
Miller (CA)	Shaw	

NOES—0

NOT VOTING—17

Breaux	Jones (TN)	Owens
Brooks	Luken	Sundquist
Fish	Marlenee	Torres
Garcia	Martin (NY)	Wilson
Holt	McDade	Wortley
Jones (NC)	O'Brien	

□ 1540

Mr. WHEAT and Mr. STANGELAND changed their votes from "no" to "aye."

So the amendment, as amended, was agreed to.

The result of the vote was announced as above recorded.

AMENDMENTS OFFERED BY MR. DORGAN OF NORTH DAKOTA

Mr. DORGAN of North Dakota. Mr. Chairman, I offer three amendments and I ask unanimous consent that they be considered en bloc.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from North Dakota?

There was no objection.

The Clerk read as follows:

Amendments offered by Mr. DORGAN of North Dakota:

At the end of title VIII (page 143, after line 19) insert the following new section:

SEC. 802. REPORT ON SUSPENSION AND DEBARMENT OF DEFENSE CONTRACTORS

(a) REQUIRED REPORT.—The Secretary of Defense shall submit to Congress a report on the policies prescribed and actions taken by the Secretary to implement the recommendations contained in the report of the Inspector General of the Department of Defense entitled "Review of Suspension and Debarment Activities Within the Department of Defense", dated May 1984.

(b) COOPERATION WITH THE OFFICE OF INSPECTOR GENERAL.—The report required by subsection (a) shall be prepared in cooperation with the Office of the Inspector General of the Department of Defense.

(c) DEADLINE FOR REPORT.—The report required by subsection (a) shall be submitted not later than 90 days after the date of the enactment of this Act.

At the end of title VIII (page 143, after line 19) insert the following new section:

SEC. 802. COMPLIANCE OFFICERS FOR PROHIBITED FIRMS.

The Inspector General of the Department of Defene shall assign an independent compliance officer to monitor and report on the performance of a defense contractor that is prohibited from (or debarred from) being awarded a contract with the Department of Defense. Expenses of the United States for any such compliance officer shall be charged by the United States to the contractor.

At the end of title X (page 200, after line 4) insert the following new section:

SEC. 1050. PROHIBITION ON OFFICERS OR EMPLOYEES OF DEFENSE CONTRACTORS INDICTED FOR, OR CONVICTED OF, CONTRACT RELATED FELONIES

An officer or employee of a defense contractor who is under indictment for fraud or any other felony arising out of a contract with the Department of Defense shall be personally suspended from working or or supervising a defense contract. Such individual, if convicted, shall be prohibited from contracting for, or employment with, the Department of Defense for a period of five years from the date of the conviction.

Mr. DORGAN of North Dakota (during the reading). Mr. Chairman, I ask unanimous consent that the amendments be considered as read and printed in the RECORD.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from North Dakota?

Mr. DORGAN of North Dakota. Mr. Chairman, I also have modifications to the amendments, and I ask unanimous consent that they be incorporated in the amendments.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from North Dakota?

There was no objection.

The text of the modifications is as follows:

Modifications to the amendment offered by Mr. DORGAN of North Dakota:

In subsection (c) of the section proposed to be inserted by the amendment relating to a report on suspension and debarment of defense contractors, strike out "90 days" and insert in lieu thereof "180 days".

In the section proposed to be inserted by the amendment relating to a prohibition on officers or employees of defense contractors, strike out "for a period of five years" and insert in lieu thereof "for a period of not less than one year or more than five years".

In the section relating to compliance officers for prohibited firms, strike out all after "COMPLIANCE OFFICERS" in the section heading and insert in lieu thereof the following:

FOR DEBARRED OR SUSPENDED FIRMS.

The Secretary of Defense shall ensure that an independent compliance officer is assigned—

(1) to monitor the activities of a defense contractor that is debarred or suspended from being awarded contracts with the Department of Defense; and

(2) to report on any fraudulent or criminal activity by that contractor with respect to any defense contract.

The test of the amendments, as modified, is as follows:

Amendments offered by Mr. DORGAN, as modified:

At the end of title VIII (page 143, after line 19) insert the following new section:

SEC. 802. REPORT ON SUSPENSION AND DEBARMENT OF DEFENSE CONTRACTORS.

(a) REQUIRED REPORT.—The Secretary of Defense shall submit to Congress a report on the policies prescribed and actions taken by the Secretary to implement the recommendations contained in the report of the Inspector General of the Department of Defense entitled "Review of Suspension and Debarment Activities Within the Department of Defense", dated May 1984.

(b) COOPERATION WITH THE OFFICE OF INSPECTOR GENERAL.—The report required by subsection (a) shall be prepared in cooperation with the Office of the Inspector General of the Department of Defense.

(c) DEADLINE FOR REPORT.—The report required by subsection (a) shall be submitted not later than 180 days after the date of the enactment of this Act.

At the end of title VII (page 143, after line 19) insert the following new section:

SEC. 802. COMPLIANCE OFFICERS FOR DEBARRED OR SUSPENDED FIRMS.

The Secretary of Defense shall ensure that an independent compliance officer is assigned—

(1) to monitor the activities of a defense contractor that is debarred or suspended from being awarded contracts with the Department of Defense; and

(2) to report on any fraudulent or criminal activity by that contractor with respect to any defense contract.

At the end of title X (page 200, after line 4) insert the following new section:

SEC. 1050. PROHIBITION ON OFFICERS OR EMPLOYEES OF DEFENSE CONTRACTORS INDICTED FOR, OR CONVICTED OF CONTRACT-RELATED FELONIES.

An officer or employee of a defense contractor who is under indictment for fraud or any other felony arising out of a contract with the Department of Defense shall be personally suspended from working on or supervising a defense contract. Such individual, if convicted, shall be prohibited from contracting for, or employment with, the Department of Defense for a period of not less than one year or more than five years from the date of the conviction.

Mr. DORGAN of North Dakota. Mr. Chairman, I had previously been employed by a contractor that did a substantial amount of defense work in this country. When I got out of graduate school, I went to work for a major corporation that was a defense contractor.

On the basis of that experience, I believe it would be wrong for those of us in the House to assert or believe that the defense contractors as a block in this country are somehow bilking and cheating the American people en masse.

We have some very good defense contractors that do good work; they have some excellent employees, and they do a great service for this country.

On the other hand, it would be foolish for us, given the evidence that we have today, and given what I saw having worked for a defense contractor, for us to believe that fraud does not exist; that we do not have difficult problems in defense contracting.

For those reasons, I have offered three amendments that are now being considered en bloc to this authorization bill. Let me explain them briefly.

□ 1550

Mr. Chairman, the first amendment is an amendment that will ask the Secretary of Defense to report to Congress on the status of his actions to implement the inspector general report. In May of 1984, the DOD Office of Inspector General issued this report, and it is an interesting report if my colleagues will take the time to read it.

In the report, the inspector general says that nowhere could they determine in the DOD that there was complete information about contract fraud cases. There was not any single place that one could gather that information. He also indicated that 47 fraud cases were pending at the time of this report, 41 cases were never referred to a debarment authority, and 7 of those, which involved convictions, still were not referred to debarment authority. As a result of that, Mr. Chairman, I have in this amendment asked that the Secretary of Defense report to Congress on the status of his actions to implement the IG recommendations.

Second, we have a problem with respect to abuse in contracting that, while we may not be able to pin that abuse on the corporation itself, we can determine responsibility for individuals committing contract fraud. The second part of the amendment says that if an individual is under indictment for contract fraud, he or she must be suspended from work on a defense contract, and if convicted, such an individual would be prohibited from 1 to 5 years from working on a defense contract or working for the Pentagon.

The third part of the amendment, Mr. Chairman, says that in the case of a firm that is continuing work on an existing contract, but a firm that has been debarred because of fraud, the Secretary of Defense shall ensure that an independent compliance officer monitors performance on existing contracts of such contractors. I would expect the Secretary of Defense to cooperate with the inspector general in such cases.

Mr. Chairman, my feeling is that these three amendments, which I have visited with the majority and minority about, are amendments that will assist Congress and help the Department of Defense in trying to get more information about, and also respond to, some of the contract fraud that we have heard about on the floor of this House and read about and seen in the media of this country.

Mr. DICKINSON. Mr. Chairman, will the gentleman yield?

Mr. DORGAN of North Dakota. I yield to the gentleman from Alabama.

Mr. DICKINSON. I thank the gentleman for yielding.

Mr. Chairman, by way of making legislative history, I would like to propound a couple questions to the gentleman so that we all understand what we are doing here.

In the case, say, of General Electric, we had a case recently where there was an allegation and later an indictment charging them with falsification of payroll records. As it turned out, they pled guilty, they paid a million dollar fine, but General Electric is one of our major contractors in the country, of course, and certainly one of our major defense contractors. They make turbine engines, they make aircraft engines, they make any number of things. It is my understanding that they make nuclear reactors. They make any number of major components for weapons systems.

I would inquire under the gentleman's amendment, in the case where it was proven, where some employees in one plant admittedly falsified records, would the gentleman's amendment bar General Electric including the entire conglomerate corporate structure?

The CHAIRMAN pro tempore. The time of the gentleman from North Dakota [Mr. DORGAN] has expired.

(On request of Mr. DICKINSON and by unanimous consent, Mr. DORGAN of North Dakota was allowed to proceed for 5 additional minutes.)

Mr. DICKINSON. Mr. Chairman, how would this affect a hypothetical case such as the one I have just described, which is not that hypothetical, incidentally?

Mr. DORGAN of North Dakota. The gentleman is talking about debarment.

Mr. DICKINSON. I am talking about the gentleman's amendment. That is right.

Mr. DORGAN of North Dakota. The amendment that I have offered is not an amendment for corporate debarment at this point. I have another amendment that I may or may not offer later that talks about corporate debarment. In this instance, in which the gentleman talks about a corporation that falsifies records and is found guilty, or pleads guilty to fraud, I am not mandating that corporation be barred from further defense contracts, although I personally think we ought to do that, with some restrictions.

But that is not what I am suggesting in this amendment. I am suggesting that the individuals who perpetrated that fraud ought to be barred from working on defense contracts.

Mr. DICKINSON. If the gentleman will yield further, he is talking about individuals.

Mr. DORGAN of North Dakota. Yes, I am.

Mr. DICKINSON. I would apologize at this point. It was my understanding the gentleman was going to offer all three of the amendments en bloc, and I thought that he had done so.

Mr. DORGAN of North Dakota. I have offered three en bloc, with the fourth amendment that I have not offered, and that is the amendment that deals with debarment of the corporate entity.

Mr. DICKINSON. I see. All right, I thank the gentleman.

Mr. NICHOLS. Mr. Chairman, will the gentleman yield?

Mr. DORGAN of North Dakota. I would be happy to yield to the gentleman from Alabama.

Mr. NICHOLS. I thank the gentleman for yielding.

Mr. Chairman, let me respond to my colleague from Alabama by saying that I had some concern about that provision as well. Regardless of how infuriated we might get about companies such as the gentleman has mentioned, there are some companies, because of the very nature of the contract they hold, that we just simply cannot afford to debar them from doing military work. We need to get

their attention. I think the gentleman's amendment does this, but as I read it, it would not serve to prohibit the company from doing business.

Mr. DORGAN of North Dakota. Mr. Chairman, might I say that I have not now offered the corporate debarment amendment. The three amendments I have offered, I think, are constructive responses to contract fraud. I personally would like to see corporate debarment. I have not offered it as part of this bloc of amendments.

We have a disagreement about that, but I think these three amendments considered en bloc serve a constructive purpose.

Mr. DICKINSON. If the gentleman would yield further, then I am correct in saying that the gentleman had four and the fourth one dealt with the company or the corporation itself and these simply deal with the employee who was guilty. Is that correct?

Mr. DORGAN of North Dakota. That is exactly correct.

Mr. DICKINSON. And it would bar the employee, not the corporate structure, up to a certain period of time, 5 years?

Mr. DORGAN of North Dakota. Yes; 1 to 5 years.

Mr. DICKINSON. In the discretion of whom, please?

Mr. DORGAN of North Dakota. The Secretary of Defense.

Mr. DICKINSON. All right.

Mr. DORGAN of North Dakota. Let me say that if an employee of a contractor is indicted for fraud, that employee shall be suspended from work on defense contracts. If convicted, that employee shall be severed completely up to 5 years.

I think this is the right approach.

Mr. DICKINSON. All right.

Mr. GEKAS. Mr. Chairman, will the gentleman yield?

Mr. DORGAN of North Dakota. I yield to the gentleman from Pennsylvania.

Mr. GEKAS. I thank the gentleman for yielding.

Mr. Chairman, I have been informed informally that the gentleman intends to withdraw or present at a later time that separate amendment, the fourth amendment in the gentleman's package, dealing directly with the contractor; is that correct?

Mr. DORGAN of North Dakota. That is correct.

Mr. GEKAS. That we will not be debating that at this juncture?

Mr. DORGAN of North Dakota. That is correct.

Mr. GEKAS. I thank the gentleman.

Mr. NICHOLS. I move to strike the requisite number of words.

Mr. Chairman, let me say that we have examined the amendments offered by the gentleman from North Dakota [Mr. DORGAN] and we have no objection to them.

The CHAIRMAN pro tempore. The question is on the amendments offered by the gentleman from North Dakota [Mr. DORGAN], as modified.

The amendments, as modified, were agreed to.

AMENDMENT OFFERED BY MR. SPRATT

Mr. SPRATT. Mr. Chairman, I ask unanimous consent that I be permitted to offer an amendment notwithstanding the fact that it was not printed in the RECORD.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from South Carolina?

Mr. DICKINSON. Mr. Chairman, reserving the right to object, I would inquire of the gentleman if this is substantially like an amendment already printed in the RECORD, and the gentleman is offering it; is that correct?

Mr. SPRATT. If the gentleman will yield, that is correct. As originally printed, it was offered by the gentleman from Wisconsin [Mr. ASPIN]. I am now offering it.

In addition to that, there is technical language which is really adjectives.

Mr. DICKINSON. The point I am trying to make is that there is nothing new that will surprise us. This was an amendment already printed in the RECORD and it just has a different sponsor at the present time.

Mr. SPRATT. Plus the fact that we have added employees of the Department of Defense. There are a few extra words.

Mr. DICKINSON. Mr. Chairman, I withdraw my reservation of objection.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from South Carolina?

Mr. BENNETT. Mr. Chairman, reserving the right to object I did want to ask what these technical changes were.

Mr. SPRATT. If the gentleman will yield, on page 2 of the amendment which is now at the desk, the words "employee of the Department of Defense or a member of the Armed Services" were inadvertently left out. The words "employee" or "member" only was left in.

Mr. BENNETT. I have no objection to that one.

Mr. Chairman, I withdraw my reservation of objection.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

□ 1600

The CHAIRMAN pro tempore. The Clerk will report the amendment.

The Clerk read as follows:

Amendment offered by Mr. SPRATT: At the end of title VIII (page 143, after line 19) insert the following new section:

SEC. 805. CONFLICT-OF-INTEREST IN DEFENSE PROCUREMENT.

(a) LIMITATIONS ON ACCEPTANCE OF COMPENSATION.—(1) An individual who is a former officer or employee of the Department of Defense or a former or retired member of the Armed Forces who during the two-year period preceding the individual's separation from service in the Department of Defense had significant responsibilities for a procurement function with respect to a contractor while serving in a position identified by the Secretary of Defense under subsection (g)(1) may not accept compensation from that contractor for a period of two years following the individual's separation from service in the Department of Defense if that contractor is included in the notice provided that individual under subsection (d).

(2) Whoever knowingly violates paragraph (1) shall be fined not more than $10,000 or imprisoned for not more than one year, or both.

(3) An individual who knowingly offers or provides any compensation to an individual the acceptance of which is or would be in violation of paragraph (1) shall be fined not more than $10,000 or imprisoned for not more than one year, or both.

(b) LIMITATIONS ON CONTRACTORS.—(1) Each contract for procurement of goods or services entered into by the Department of Defense shall include a provision under which the contractor agrees not to provide compensation to an individual if the acceptance of such compensation by such individual would violate subsection (a)(1).

(2) Such a contract shall also provide that if the contractor knowingly violates a contract provision required by paragraph (1) the contractor shall pay to the United States, as liquidated damages under the contract, an amount equal to the greater of—

(A) $100,000; or

(B) three times the compensation paid by the contractor to the individual in violation of such contract provision.

(c) REPORTING OF EMPLOYMENT CONTACTS.—(1) If an officer or employee of the Department of Defense, or a member of the Armed Forces, having responsibilities for a procurement function with respect to a contractor contacts, or is contacted by, the contractor regarding future compensation of the officer, employee, or member by the contractor, the officers, employee, or member shall—

(A) promptly report the contact to the officer, employee, or member's supervisor and to the designated ethics official of the agency in which the officer, employee, or member is serving;

(B) promptly report (as part of the report under subparagraph (A) or as a separate report) when contacts with the contractor concerning such compensation have been terminated without agreement or commitment to future compensation of the officer, employee, or member by the contractor; and

(C) disqualify himself from all participation in the performance of procurement functions relating to contracts with that contractor until a report described in subparagraph (B) is made with respect to such contacts.

(2) If an officer, employee, or member serving in a position with respect to which an exemption is in effect under subsection (g)(4) fails to disqualify himself as required by paragraph (1)(C) with respect to procurement functions relating to contracts of a contractor, subsections (a) and (b) apply to acceptance of compensation by that officer, employee, or member from that contractor.

(d) NOTICE TO OFFICERS AND EMPLOYEES LEAVING DOD SERVICE.—(1) The Secretary of Defense shall give the notice described in paragraph (2) to each officer and employee of the Department of Defense and each member of the Armed Forces—

(A) who after the effective date of this section is separated from service in the Department of Defense; and

(B) who during the two-year period before that separation served in a position in the Department that included significant responsibility for a procurement function and that was identified by the Secretary of Defense under subsection (g)(1).

(2) A notice required by paragraph (1) shall provide the individual receiving the notice—

(A) a written explanation of the provisions of this section; and

(B) the name of each contractor from whom such individual is prohibited from accepting compensation under this section during the two-year period following such separation from service in the Department of Defense.

(e) CONTRACTOR REPORTS.—(1)(A) Each contractor subject to a contract term described in subsection (b) shall submit to the Secretary of Defense not later than April 1 of each year a report covering the previous calendar year. Each such report shall list the name of each individual (together with other information adequate for the Government to identify the individual) who is a former Department of Defense officer or employee, or a former or retired member of the Armed Forces, who—

(i) was provided compensation by that contractor during the preceding calendar year, if such compensation was provided within two years after such officer, employee, or member left service in the Department of Defense; and

(ii) had significant responsibilities for a procurement function during the individual's last two years of service in the Department of Defense. (B) Each such listing shall—

(i) show each agency in which the individual was employed or served on active duty during the last two years of such individual's service in the Government;

(ii) show the individual's job titles during the last-two years of such individual's service in the Government;

(iii) contain a full and complete description of the duties of the individual during the last two years of such service; and

(iv) contain a description of the duties (if any) that the individual is performing on behalf of the contractor.

(C) The first such report shall be submitted not later than April 1, 1987.

(2) The Secretary of Defense shall review each report under paragraph (1) to assess the report for accuracy and completeness and for the purpose of identifying possible violations of subsection (a) or (b) or paragraph (1). The Secretary shall report any such possible violation to the Attorney General.

(3) Whoever fails to file a report required by paragraph (1) shall be fined not more than $10,000.

(f) REVIEW BY DIRECTOR OF OFFICE OF GOVERNMENT ETHICS.—The Director of the Office of Government Ethics shall have access to the reports submitted under subsection (e)(1) and shall conduct an annual random review of the reports for violations of subsections (a), (b), and (e)(1). The Director shall submit a report to Congress not later than October 1 of each year on the operation of this section, including the findings of the Director based on the examination of reports for the preceding calendar year.

(g) COVERED POSITIONS.—(1) Not later than 180 days after the date of the enactment of this Act, the Secretary of Defense shall prescribe and publish in the Federal Register regulations identifying those positions within the Department of Defense that have as their primary duty the management, direction, oversight, or justification, with respect to a particular product or service, of—

(A) development;

(B) production;

(C) funding;

(D) operational and developmental testing;

(E) auditing; or

(F) acquisition.

(2) Positions identified under paragraph (1) shall include as a minimum each position with respect to a contract or program—

(A) as the program manager or deputy program manager;

(B) as a program monitor;

(C) as a member of a source-selection evaluation board or of the technical and cost teams advising the board or as the official responsible for approval of a sole-source contract;

(D) as the head of the system's program office;

(E) as the source selection authority for the system; and

(F) in which an individual is assigned on a permanent basis in the government plant representative office.

(3) Regulations under paragraph (1) shall be revised not less often than once each year. Any revision of such regulations shall be published in the Federal Register.

(4)(A) When a vacancy occurs in a position identified under paragraph (1) and the Secretary of Defense determines that the duties inherent in that position involve significant responsibilities for procurement functions with so many contractors that implementation of subsections (a) and (b) with respect to individuals serving in that position would seriously hamper the ability of the Department of Defense to obtain the services of a highly qualified individual to fill that vacancy, the Secretary, with the concurrence of the Director of the Office of Government Ethics, may exempt the individual appointed to fill that vacancy from the provisions of such subsections by reason of service in such position.

(B) Whenever the Secretary grants an exemption under this paragraph, the Secretary shall promptly submit to the Committees on Armed Services of the Senate and House of Representatives a report describing the exemption and setting forth the specific reasons for the exemption.

(h) EXCLUSION.—This section does not apply—

(1) to a contract for an amount less than $100,000; or

(2) to compensation of an individual by an entity that did not have a Department of Defense contract in excess of $100,000 at the time the individual had significant responsibilities for a procurement function with respect to a contract with that entity.

(i) ADVISORY OPINIONS FROM OFFICE OF GOVERNMENT ETHICS.—(1) An individual who is considering the propriety of accepting compensation that might place the individual in violation of subsection (a) may, before acceptance of such compensation, apply to the Director of the Office of Government Ethics for advice on the applicability of this section to the acceptance of such compensation.

(2) An application under paragraph (1) shall contain such information as the Director requires.

(j) WAIVER OF OTHERWISE APPLICABLE FINES UNDER TITLE 18.—The provisions of section 3623 of title 18, United States Code, shall not apply to maximum fines applicable under subsections (a)(2), (a)(3), and (e)(3).

(k) DEFINITIONS.—For purposes of this section:

(1) The term "compensation" includes any payment, gift, benefit, reward, favor, gratuity, or employment valued in excess of $100 at prevailing market price, provided directly, indirectly, or through a third party.

(2) The term "contractor" means any person, partnership, corporation, or agency (other than the Federal Government or the independent agencies thereof) that contracts to supply the Department of Defense with goods or services. Such term includes any parent, subsidiary, or affiliate thereof.

(3) The term "procurement function", with respect to a contract, means any acquisition action relating to the contract, including negotiating, awarding, administering, approving contract changes, costs analysis, quality assurance, operational and developmental testing, technical advice or recommendation, approval of payment, contractor selection, budgeting, auditing under the contract, or management of the procurement program.

(4) The term "Armed Forces" means the Army, Navy, Air Force, and Marine Corps and includes the Coast Guard when the Coast Guard is operating as a service in the Navy.

(l) SEPARATION OF MEMBERS OF ARMED FORCES.—For the purposes of this section, a member or former member of the Armed Forces shall be considered to have been separated from service in the Department of Defense upon such member's discharge or release from active duty.

(m) TRANSITION.—(1) This section—

(A) does not preclude the continuation of employment that began before the effective date of this section or the acceptance of compensation for such employment; and

(B) does not, except as provided in paragraph (2), apply to an individual whose service with the Department of Defense terminates before April 1, 1986.

(2) Paragraph (1)(B) does not preclude the application of this section to an individual with respect to service in the Department of Defense by such individual on or after April 1, 1986.

(n) EFFECTIVE DATE.—This section shall take effect on January 1, 1986.

Mr. SPRATT (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

Mr. SPRATT. Mr. Chairman, the amendment I am offering is the committee's marked-up and reported version of the Department of Defense Conflict of Interest Act of 1985. The original bill was the brainchild of the gentleman from Florida [Mr. BENNETT]. His Seapower Subcommittee reported it, and even though he disagrees now with some of the changes made by the full committee, it is because of his initiative and tenacity

that this amendment is before us today.

Mr. Chairman, this amendment would address the problem of the revolving door, the problem of civil servants and military officers who leave Government service and then enter employment with defense contractors with whom they have dealt while they were working in procurement positions within the Department of Defense.

The substitute that the gentleman from Florida [Mr. BENNETT] will offer today prohibits this practice for all officers or employees "who have had significant responsibilities for a procurement function with respect to a certain contractor" during the last 2 years when they worked for the Government or for one of the military departments. The substitute of the gentleman from Florida [Mr. BENNETT] uses a generic definition. The full committee considered the provisions of the substitute that will be offered on at least three occasions. On each occasion a majority of the committee found that this key definition, determining the coverage of employees affected by the amendment, was too broad and too indefinite. In fact, since this bill contains criminal sanctions, it was the concern of some that the bill with this definition as its operative provision, the provision that defines the coverage of the act, might be so vague as to make the criminal sanctions and prohibitions in the act void under the fifth amendment.

The committee, therefore, replaced this generic definition of coverage in the original draft of the amendment with procedures that identified specifically those positions that in fact have significant procurement responsibility within the Department of Defense. The amendment requires the Secretary of Defense to publish those positions in the Federal Register within the Department of Defense which have as their primary duty the management, direction, oversight, or justification with respect to a particular product, program, or service. It broadly defines the coverage of this bill to include all major procurement functions, development, production, funding, testing, auditing, and acquisition, and it says specifically that the Secretary of Defense as a minimum shall include in his listing in the Federal Register of those positions that are specifically covered by this bill the following positions: the program manager and his deputy; the program monitor; any member of a source selection team or any cost advisory team or technical advisory team that helps the source selection team make its final decision; the head of the program office; the source selection authority; and anyone assigned on a permanent basis in the Government's plant representative office.

As a matter of fairness to everyone involved, the bill requires the Secretary of Defense to give written notice to all those who are affected by this bill. All who would be subject to the prohibitions and criminal sanctions of this bill must be given written notice in their personnel records of the fact that they are affected and of the contractors for whom they cannot go to work for at least 2 years after leaving Government employment.

As a matter of practicality, our bill also provides an exemption process, but that is a very limited and specific procedure carefully crafted within the bill. It provides that in those circumstances where the Secretary of Defense is confronted with a vacancy, he may, if he finds that he would otherwise be seriously hampered in obtaining the services of a highly qualified individual to fill that vacancy, with the concurrence of the Director of the Office of Government Ethics, exempt the individual he wishes to hire if he is to fill a particular vacancy, from the provisions of this act in subsections (a) and (b) of the act.

In addition to those provisions, this bill also provides that anyone who is contacted by a potential employer, anyone in a procurement function who is contacted by a defense contractor and proffered employment after his separation from Government service, must immediately report that contact to the head of the ethics office within the agency or department where he is working. He must then recuse himself from any further contacts or dealing with that defense contractor until such time as any negotiations between them have been terminated and he is declined employment.

The CHAIRMAN pro tempore. The time of the gentleman from South Carolina [Mr. SPRATT] has expired.

(By unanimous consent, Mr. SPRATT was allowed to proceed for 2 additional minutes.)

Mr. SPRATT. Mr. Chairman, if he does not disqualify himself from all participation in the performance of procurement functions, then he is barred from accepting employment with that particular defense contractor for 2 years. In other words, he comes within the restrictions of this particular act.

Mr. Chairman, this bill, as reported by the committee, attempts to balance several conflicting objectives, all of them laudable objectives. The effort in the bill is to balance them, juggle all three objectives, and come out with a good policy result. One is the necessary objective of restoring public confidence in the integrity of the defense procurement process. Another is the objective of being fair to the honest, capable, hard-working civil servant or military officer who someday may leave the Government and deserves in all fairness to know clearly and unambiguously the restrictions that apply to his subsequent employment.

Finally, we are attempting to serve the objective of being able to attract and retain qualified and capable individuals to serve in positions of extreme responsibility dealing with the procurement of billions of dollars' worth of goods and services for the Department of Defense.

The committee amendment attempts to meet these objectives by, first, establishing procedures that will clearly identify individuals who will be subject to the restrictions of the act and identify the contractors with whom these individuals will be restricted from accepting employment.

Second, we attempt to allow restrictions to be waived only when the Director of the Office of Government Ethics has concurred in the need for a waiver, only when there is a vacancy, and this waiver is needed in order to attract qualified personnel. The waiver of the provision would only be applicable to senior personnel who are generally subject to Senate confirmation.

There is no doubt that this legislation is necessary, but in adopting legislation the House has an obligation to deal fairly and equitably with the Government employees who would be affected by it.

The CHAIRMAN pro tempore. The time of the gentleman from South Carolina [Mr. SPRATT] has expired.

(On request of Mr. DICKINSON, and by unanimous consent, Mr. SPRATT was allowed to proceed for 5 additional minutes.)

Mr. DICKINSON. Mr. Chairman, will the gentleman yield?

Mr. SPRATT. I yield to the gentleman from Alabama.

Mr. DICKINSON. Mr. Chairman, I have a few questions for establishing legislative history, if for nothing else.

The gentleman has alluded to the fact that this is distinguished from the amendment offered earlier in committee and anticipated to be offered again by the gentleman from Florida [Mr. BENNETT]. Could the gentleman tell us what is the difference between this amendment and the Bennett amendment?

Mr. SPRATT. Well, Mr. Chairman, I just attempted to do that in the statement I just made.

First of all, as to the coverage, the Bennett amendment has a generic definition. It applies to all who have significant procurement responsibilities with respect to a particular contractor.

Mr. DICKINSON. Is there a definition for "significant"? I mean how do we tell?

Mr. SPRATT. There is a definition in the closing definitional sections of the bill. It is still in our amendment. "Procurement function" means "any acquisition action relating to the con-

tract, including negotiating, awarding, administering, approving contract changes, costs analysis, quality assurance, operational and developmental testing, technical advice or recommendation * * *."

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Mr. DICKINSON. Now, this then would not apply to someone who simply signed a voucher or was in a position where he had to write a check or approve something that came across his desk, where he had really no discretionary function; is that correct?

Mr. SPRATT. That is correct. The objective of this amendment is to identify or to have the Secretary of Defense identify in advance those positions that have significant procurement responsibilities so that those who hold those positions will know it and they can act accordingly.

Mr. DICKINSON. I think it boils down, if I understand the gentleman correctly, it requires the function of discretion in making a judgment, rather than some perfunctory activity within his office that he is charged with; would that be correct?

Mr. SPRATT. That is correct.

Mr. DICKINSON. Now, would the gentleman help me in this regard. If a person, say, is working for the Navy and is dealing in ships with a particular corporation and then at a subsequent time he is offered a position with that same corporation, dealing in tracked vehicles, something with which he had no connection in the past, no discretion or anything, would he be precluded then from going with another division of the same corporation?

Mr. SPRATT. He would be, if he were covered in the first place and if he had dealt with this particular contractor, having held one of the positions specified in the bill, and regardless whether or not he worked in a civilian or military capacity or division of this particular contractor's firm, he could not go to work for that contractor for 2 years after his severance.

Mr. DICKINSON. Even though there was no relationship between what he was doing and the position in the company to which he went to work or was offered a job, he would be barred or precluded from going to that?

Mr. SPRATT. That is correct. It is a corporate-wide prohibition.

Mr. DICKINSON. All right, I thank the gentleman for his response.

I can see some problems with it, but I can certainly see a need for the thrust of it, and I thank the gentleman.

Mr. McCURDY. Mr. Chairman, will the gentleman yield?

Mr. SPRATT. I yield to the gentleman from Oklahoma.

Mr. McCURDY. Mr. Chairman, I want to commend the gentleman for a very fine and detailed explanation of the committee position and also the distinction between it and the Bennett substitute.

The problem I think that we all face, if the gentleman will continue to yield, is that there is the very distinct problem of recruiting the proper personnel to fill these positions and to do the kind of work and service that we are all concerned about.

The problem that I have with the Bennett substitute, and I think the gentleman in response to the ranking member, the gentleman from Alabama, indicated that under the Bennett substitute the coverage would not be linked to individuals serving in positions identified by the Secretary of Defense as having significant procurement responsibilities.

In other words, to put it in different words, under this amendment the committee position, the gentleman's amendment, that is the Secretary of Defense designates specific positions——

The CHAIRMAN pro tempore. The time of the gentleman from South Carolina [Mr. SPRATT] has again expired.

(At the request of Mr. McCURDY, and by unanimous consent, Mr. SPRATT was allowed to proceed for 3 additional minutes.)

Mr. McCURDY. Mr. Chairman, will the gentleman yield further?

Mr. SPRATT. Yes.

Mr. McCURDY. The Secretary of Defense would specify specific positions which are covered in this policy. They are stated clearly. When they are hired, they know that they cannot do work in this area and immediately leave and go to work for a contractor in the same covered position; is that correct?

Mr. SPRATT. That is correct. That is the objective of this amendment.

Mr. McCURDY. Mr. Chairman, I thank the gentleman for his efforts and explanation and rise in strong support of the amendment offered by the gentleman and in opposition to the Bennett substitute.

Mr. HUNTER. Mr. Chairman, will the gentleman yield?

Mr. SPRATT. Certainly.

Mr. HUNTER. Mr. Chairman, I thank the gentleman for yielding.

Let me say that the chairman of the Seapower Subcommittee has an excellent bill that the committee did work on.

I think it is important that people realize that one aspect of this bill that is very important to the men and women who serve in the civilian capacity, as well as the military capacity, for this Government, is that this bill will give notice to people when they cannot go to work for specific companies, and that means after you get finished with your time working for Uncle Sam, you want to go to work for GE or somebody else, you will be given a notice that says, First, what the bill means; that is, you may be subject to criminal prosecution if you go to work for a specific company.

Second, it lays out what those companies are; so I think there is no confusion in this bill. It is going to allow military families and civilian families to sit down and plan their futures and know what they can do and what they cannot do under the parameters of this new legislation.

So I think the notice that is given to our men and women of the armed services and the civilian forces is very important, and that is manifest in the committee bill.

Mr. DICKINSON. Mr. Chairman, will the gentleman yield further?

Mr. SPRATT. Certainly.

Mr. DICKINSON. Mr. Chairman, I think it is only fair to lay out the other side of the coin. Let's consider the position of the Under Secretary of Defense for Research and Engineering, a job recently filled by Mr. DeLauer. This position deals with procurement and R&D totally across the board.

This amendment would say that the incumbent could not go to work back in the defense industry any place with somebody who did business with the Government. This is because the job is so wide in scope and the incumbent exercises jurisdiction over procurement and R&D. This amendment would make it very difficult, unless it is waived.

Mr. SPRATT. Unless at the outset when the vacancy from that position was being filled he applied for and obtained a waiver.

Mr. DICKINSON. Well, he would not know until he went on board; so what I am saying, it makes it very difficult to attract top-drawer first-class people from industry unless they are ready to retire, because having come in, they have got no place to go back to.

The CHAIRMAN pro tempore. The time of the gentleman from South Carolina [Mr. SPRATT] has again expired.

(By unanimous consent, Mr. SPRATT was allowed to proceed for 3 additional minutes.)

Mr. DICKINSON. Mr. Chairman, if the gentleman will yield further, this is one of the problems that Dick DeLauer faced. This is also one of the problems that we had in filling his position trying to bring somebody with expertise and a good background from industry. They know that once they come on board, if we pass this, they cannot go back to a job where they qualify and where they spent their lives.

So it is not all good. I am just bringing this out to say that there are two

sides to the coin. There is a waiver, as I understand it.

Mr. SPRATT. This would not necessarily preclude even Mr. DeLauer without an exemption or waiver from working for any defense contractor, if he had not had specific and primary responsibility with respect to that contractor.

Mr. DICKINSON. I understand what the gentleman is saying, as Under Secretary of Defense for Research and Engineering, he would have dealt with that, so he cannot go home again.

Mr. SPRATT. The purpose of this amendment is to prevent military officers and Government employees from having to guess whether or not they are within the definition of the original act, whether they fall within it or without it; and second, having to be worried about someone else, a jury some day second-guessing their judgment.

It gives the protection that they deserve. It is fair. It is practical. It is workable and I urge its adoption.

AMENDMENT OFFERED BY MR. BENNETT AS A SUBSTITUTE FOR THE AMENDMENT OFFERED BY MR. SPRATT

Mr. BENNETT. Mr. Chairman, I offer an amendment as a substitute for the amendment.

The Clerk read as follows:

Amendment offered by Mr. BENNETT as a substitute for the amendment offered by Mr. SPRATT: At the end of title VIII (page 143, after line 19) insert the following new section:

SEC. 805. CONFLICT-OF-INTEREST IN DEFENSE PROCUREMENT.

(a) LIMITATIONS ON ACCEPTANCE OF COMPENSATION.—(1) An individual who is a former officer or employee of the Department of Defense or a former or retired member of the Armed Forces who during the two-year period preceding the individual's separation from service in the Department of Defense had significant responsibilities for a procurement function with respect to a contractor may not accept compensation from that contractor for a period of two years following the individual's separation from service in the Department of Defense.

(2) Whoever knowingly violates paragraph (1) shall be fined not more than $10,000 or imprisoned for not more than one year, or both.

(3) An individual who knowingly offers or provides any compensation to an individual the acceptance of which is or would be in violation of paragraph (1) shall be fined not more than $10,000 or imprisoned for not more than one year, or both.

(b) LIMITATIONS ON CONTRACTORS.—(1) Each contract for procurement of goods or services entered into by the Department of Defense shall include a provision under which the contractor agrees not to provide compensation to an individual if the acceptance of such compensation by such individual would violate subsection (a)(1).

(2) Such a contract shall also provide that if the contractor knowingly violates a contract provision required by paragraph (1) the contractor shall pay to the United States, as liquidated damages under the contract, an amount equal to the greater of—

(A) $100,000; or

(B) three times the compensation paid by the contractor to the individual in violation of such contract provision.

(c) REPORTING OF EMPLOYMENT CONTRACTS.—If an officer or employee of the Department of Defense, or a member of the Armed Forces, having significant responsibilities for a procurement function with respect to a contractor contacts, or is contacted by, the contractor regarding future compensation of the officer, employee, or member by the contractor, the officer, employee, or member shall—

(1) promptly report the contact to the officer, employee, or member's supervisor and to the designated ethics official of the agency in which the officer, employee, or member is serving;

(2) promptly report (as part of the report under paragraph (1) or as a separate report) when contacts with the contractor concerning such compensation have been terminated without agreement or commitment to future compensation of the officer, employee, or member by the contractor; and

(3) disqualify himself from all participation in the performance of procurement functions relating to contracts with that contractor until a report described in paragraph (2) is made with respect to such contacts.

(d) CONTRACTOR REPORTS.—(1)(A) Each contractor subject to a contract term described in subsection (b) shall submit to the Secretary of Defense not later than April 1 of each year a report covering the previous calendar year. Each such report shall list the name of each individual (together with other information adequate for the Government to identify the individual) who is a former Department of Defense officer or employee, or a former or retired member of the Armed Forces, who—

(i) was provided compensation by that contractor during the preceding calendar year, if such compensation was provided within two years after such officer, employee, or member left service in the Department of Defense; and

(ii) had significant responsibilities for a procurement function during the individual's last two years of service in the Department of Defense.

(B) Each such listing shall—

(i) show each agency in which the individual was employed or served on active duty during the last two years of such individual's service in the Government;

(ii) show the individual's job titles during the last two years of such individual's service in the Government;

(iii) contain a full and complete description of the duties of the individual during the last two years of such service; and

(iv) contain a description of the duties (if any) that the individual is performing on behalf of the contractor.

(C) The first such report shall be submitted not later than April 1, 1987.

(2) The Secretary of Defense shall review each report under paragraph (1) to assess the report for accuracy and completeness and for the purpose of identifying possible violations of subsection (a) or (b) or paragraph (1). The Secretary shall report any such possible violation to the Attorney General.

(3) Whoever fails to file a report required by paragraph (1) shall be fined not more than $10,000.

(e) REVIEW BY DIRECTOR OF THE OFFICE OF GOVERNMENT ETHICS.—The Director of the Office of Government Ethics shall have access to the reports submitted under subsection (d)(1) and shall conduct an annual random review of the reports for violations of subsections (a), (b), and (d)(1). The Director shall submit a report to Congress not later than October 1 of each year on the operation of this section, including the findings of the Director based on the examination of reports for the preceding calendar year.

(f) COVERED PROCUREMENT FUNCTIONS.—Not later than 180 days after the date of the enactment of this Act, the Secretary of Defense—

(1) shall identify the procurement functions covered by this section and the organizational positions currently performing such functions; and

(2) shall provide a list of such functions and positions to Congress and to the Director of the Office of Government Ethics and publish such list in the Federal Register.

(g) EXCLUSION.—This section does not apply—

(1) to a contract for an amount less than $100,000; or

(2) to compensation of an individual by an entity that did not have a Department of Defense contract in excess of $100,000 at the time the individual had significant responsibilities for a significant procurement function with respect to a contract with that entity.

(h) ADVISORY OPINIONS FROM OFFICE OF GOVERNMENT ETHICS.—(1) An individual who is considering the propriety of accepting compensation that might place the individual in violation of subsection (a) may, before acceptance of such compensation, apply to the Director of the Office of Government Ethics for advice on the applicability of this section to the acceptance of such compensation.

(2) An application under paragraph (1) shall contain such information as the Director requires.

(i) WAIVER OF OTHERWISE APPLICABLE FINES UNDER TITLE 18.—The provisions of section 3623 of title 18, United States Code, shall not apply to maximum fines applicable under subsections (a)(2), (a)(3), and (d)(3).

(j) DEFINITIONS.—For purposes of this section:

(1) The term "compensation" includes any payment, gift, benefit, reward, favor, gratuity, or employment valued in excess of $100 at prevailing market price, provided directly, indirectly, or through a third party.

(2) The term "contractor" means any person, partnership, corporation, or agency (other than the Federal Government or the independent agencies thereof) that contracts to supply the Department of Defense with goods or services. Such term includes any parent, subsidiary, or affiliate thereof.

(3) The term "procurement function", with respect to a contract, means any acquisition action relating to the contract, including negotiating, awarding, administering, approving contract changes, costs analysis, quality assurance, operational and developmental testing, technical advice or recommendation, approval of payment, contractor selection, budgeting, auditing under the contract, or management of the procurement program.

(4) The term "Armed Forces" means the Army, Navy, Air Force, and Marine Corps and includes the Coast Guard when the Coast Guard is operating as a service in the Navy.

(k) SEPARATION OF MEMBERS OF ARMED FORCES.—For the purposes of this section, a

member or former member of the Armed Forces shall be considered to have been separated from service in the Department of Defense upon such member's discharge or release from active duty.

(l) TRANSITION.—(1) This section—

(A) does not preclude the continuation of employment that began before the effective date of this section or the acceptance of compensation for such employment; and

(B) does not, except as provided in paragraph (2), apply to an individual whose service with the Department of Defense terminates before April 1, 1986.

(2) Paragraph (1)(B) does not preclude the application of this section to an individual with respect to service in the Department of Defense by such individual on or after April 1, 1986.

(m) EFFECTIVE DATE.—This section shall take effect on January 1, 1986.

Mr. BENNETT (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. DICKINSON. Mr. Chairman, will the gentleman yield?

Mr. BENNETT. I yield to the gentleman from Alabama.

Mr. DICKINSON. Mr. Chairman, while we were waiting, I just wanted to take the time to say that we have observed several times during the course of this bill and others, too, that we have confusion relating to the amendments offered. As a member of the House Administration Committee I am going to offer a resolution that henceforth all amendments must be numbered by the Member so that we can identify them, since some Members have several amendments pending. I just thought I would point that out as an example of what we need.

Mr. Chairman, I thank the gentleman for yielding.

Mr. BENNETT. Mr. Chairman, this bill is now before us. Ten years ago I introduced with Senator PROXMIRE a bill very similar to this. It passed unanimously in the Senate, but was bottled up in the committee here in the House.

If we had passed that legislation, we might now not have to confront this problem that we have and might not have to confront the problems that have been in the Department of Defense and in industry.

Today the task for the House to rectify this situation is with us.

Mr. Chairman, we have before us two versions of the revolving door amendment. The gentleman from Alabama [Mr. NICHOLS], the gentlewoman from California [Mrs. BOXER], and myself are the authors of both versions, but the one that is here from the gentleman from Wisconsin [Mr. ASPIN] and the gentleman from South Carolina [Mr. SPRATT] have two outstanding amendments on them, which are the main reasons that I and others who feel like I do differ with the Spratt amendment.

One, however, was heavily amended by the House Armed Services Committee upon its passage. That is the version introduced by the gentleman from South Carolina [Mr. SPRATT]. The other one that I introduced as a substitute is an unamended version of that bill.

□ 1620

The committee version introduced by the gentleman from South Carolina [Mr. SPRATT] and our version are very similar in many respects. Both amendments prohibit officials from accepting compensation from the specified DOD contractors they supervise and the ban in both amendments lasts for only 2 years after the official leaves the Government service. In both amendments the official is free to work for any of the other 20,000 prime contractors doing business with the Department of Defense. He is only excluded from doing business for 2 years with the precise contractor across the desk from whom he sat, and having a substantial procurement facility.

In both of the amendments a clause would be required in all new DOD contracts that would fine the contractors if they hire an official in violation of this amendment.

The amendments really are virtually the same. It is just the two superamendments that have been put upon it to which I have an objection.

What we are doing with this amendment I have introduced is just applying to the Department of Defense a common practice used in private industry. Many of the defense contractors' practice, for example, prohibit their sales representatives or executives from going to work for competitors for a few years after leaving the firm. When I was practicing law that was a provision that I regularly put in contracts as a common procedure where this type of thing occurred.

Other brackets of Government also use this type of restriction to prevent conflicts of interest. For example, the Federal Reserve Board prohibits any of its members from being affiliated with any member bank for 2 years after they leave the Board. If we have this kind of commonsense regulation for those who guard our Nation's banking system then it makes sense that we should have similar regulations and provisions for those in charge of our Nation's weapons system.

I am reminded of something that happened during the time of President Truman. You know, I came here during the years of President Truman. He said in his biography, and I am quoting now from his words:

Down at Curtiss-Wright at the airplane plant in Ohio, they were putting defective motors in planes and the generals couldn't seem to find anything wrong. So we went down, myself and a couple of other Senators, and we condemned more than 400 or 500 of those engines. And I sent a couple of those generals who had been approving those engines to Leavenworth, and I believe they are still there. I certainly hope so.

That is the way in which Harry Truman took care of it. We have the same situation today. We have that responsibility that Harry Truman had in those days. We should write it into the law at this point.

We are in complete agreement with the full House Armed Services Committee on the basic things in this law. However, the version offered by the gentleman from South Carolina [Mr. SPRATT] covers only middle level officials. It specifically excludes high level officials.

Well, my dear friends, that is the reason why I got most interested in this matter. It was a shock to see a secretary of a department, and an assistant secretary of the department sitting across the table from big contractors and going immediately after they left their job either into some sort of representation situation as lawyers or actually becoming employees.

Now that is shocking.

The CHAIRMAN pro tempore. The time of the gentleman from Florida [Mr. BENNETT] has expired.

(By unanimous consent Mr. BENNETT was allowed to proceed for 5 additional minutes.)

Mr. BENNETT. So that is the thing that stimulated me to do this. I was never stimulated by the low ranking people, of which there are thousands of people who have made this kind of shift. It was the high level. I am opposed to exemptions of that nature.

Furthermore, there was another amendment put on there not only to take care of high ranking people but there was another one which has the long list of adjustable definitions of jobs where people can be put on and off. Just stop and think for a minute, with the ingenuity there is in the Department of Defense, and the ingenuity that there is in a free enterprise system, you can readily see how contracts would virtually be entered into by people who do not do anything but some PR work for the Department of Defense, or people on the other side. I guess they could be good bridge players and good golf players or something like that. When you are dealing with a few hundred million dollars or a few billion here and there, it is really not easy to come to grips with all of those details. It is probably easier to do it out in the open, in the sunshine, in June and July playing golf. So it could well be that people defined to be not on the list would be the people that would be handling this, and you could do so by definition under the list procedure.

The second amendment you could get rid of a lot of people you wanted to get rid of, both the high ranking and the mid ranking. You could get rid of everybody that you want to get rid of, actually, so the bill would become virtually of no value at all.

It has some value because it is an announcement that we want to be pure, but it really does not provide the way to be pure.

The legislation which I have introduced can actually accomplish something that needs to be accomplished, has been needed to be accomplished for a long period of time.

Thousands of similar cases have been found in the lower ranking people. Not hundreds, but scores have been found with very high ranking people, and they are the people that I am really chiefly interested in taking care of and seeing to it that they cannot indulge in this matter.

Mr. NICHOLS. Mr. Chairman, will the gentleman yield to me?

Mr. BENNETT. I yield to the gentleman from Alabama.

Mr. NICHOLS. Let me just say that I served with the joint committee with the Seapower Committee and our investigation committee which looked into this matter. I commend the gentleman from Florida on his bill. It is something that he has spent most of his legislative life trying to correct. I think the bill he has introduced goes a long way and I am prepared to support it.

Mr. BENNETT. I thank the gentleman very much.

I want to thank the gentleman from Alabama [Mr. NICHOLS] particularly since he is chairman of the investigative subcommittee and he allowed our Seapower Committee, because of these findings and these particular things, to work with this committee. He did not have to do that, but he did.

Mrs. BOXER. Mr. Chairman, will the gentleman yield?

Mr. BENNETT. I yield to the gentlewoman from California [Mrs. BOXER]. I yield to this young lady because, really, I do not think we could have done what we did in this Congress without her. There are some advantages to being young and beautiful, and there are some advantages to being old and thoughtful, and the combination maybe was helpful.

I have had a bill in this field for a long time. But I do not think without her charm and persistence and energy and enthusiasm and brains, we could have ever been able to get anywhere with this.

So, really, without her this would not be here, so we are very deeply grateful to her.

Mrs. BOXER. I am deeply honored to the gentleman for those wonderful remarks and I accept them with great humility. And I want to speak a moment about the gentleman from Florida and his efforts in this incredible fight that he has waged for over 30 years to get a revolving door bill through this House.

I would say to the gentleman from Florida that today is going to be a great day for him because this House is going to pass a revolving door bill, and I hope from the bottom of my heart that the House will vote for the Bennett-Nichols-Boxer version. But regardless of that, this House is going to pass a revolving door bill and it is because of this gentleman's persistence, because the gentleman from Florida has known for years that all was not well in the Pentagon; that we had people immediately leaving Government service and going right to work for a contractor that they were supposed to be supervising. He knew something was wrong.

He had opponents all of these years, and the opponents said something like this: First they said, "There is no problem, there is absolutely no problem."

The gentleman from Florida pursued it and he proved that there was a problem. Now the newspapers have pursued it and the TV's have pursued it, and we know that over the past 3 years that there are 3,000 cases of the revolving door and just the past 3 years.

The CHAIRMAN pro tempore. The time of the gentleman from Florida [Mr. BENNETT] has again expired.

(On request of Mrs. BOXER and by unanimous consent Mr. BENNETT was allowed to proceed for 5 additional minutes.)

Mrs. BOXER. So the gentleman was so right in pursuing this issue.

Then last, the opponents did something, and I think we are going to see it a little bit here today; they twisted the meaning of the gentleman's legislation and they came up with horror stories to divert attention from the real focus of the bill that the gentleman has crafted so well.

I would say to my colleagues that few of our attempts to tackle the defense procurement abuse have been more eagerly anticipated than this amendment before us. This practice is, in my opinion, nothing less than a subtle form of bribery that contributes to the all too familiar trend of escalating costs and declining quality of our weapons. We can no longer afford to allow Defense Department employees charged with making what should be tough decisions about the cost and quality of our weapons programs to be tempted to go easy on a contractor because of the prospect of a job, a well paying job with the very contractor affected by his or her decision. We must restore the traditional arm's-length relationship that should exist between the buyer and the seller, and that is exactly what the gentleman from Florida does in his amendment.

The flow of Government officials to lucrative jobs with contractors they supervise must be stopped.

□ 1630

And this amendment would mandate that retiring DOD procurement officials wait 2 years before they could accept a position with the contractor. It is very, very simple, my friends. You can raise all the red herrings you want; that is a very simple approach to a very difficult problem and I again commend the gentleman [Mr. BENNETT] for sticking with this version of the bill.

Now, in case you want to know some examples, I am going to give you some. I am not going to use any names, I am just going to paint you the picture.

A colonel managed the competition between General Electric and Pratt & Whitney for engines for the F-16 fighter. GE was awarded 75 percent of the 1-year contract. The colonel retired in June of 1984. In November he went to work for GE as manager of quality operations.

Another example. Several Army lieutenant generals involved in the controversial DIVAD program in researching or developing the requirements for the system all retired from the Army and went to work for the DIVAD contractor, Ford Aerospace. All then helped with Ford's proposal to win the contract.

And right now, my friends, perhaps the saddest example of them all and why Mr. BENNETT's bill is so much better than the other bill offered by the gentleman from South Carolina [Mr. SPRATT]: Right now a former Assistant Secretary of the Navy is being investigated by a grand jury for negotiating contracts for General Dynamics after he began negotiating for a job with that very same company. Under the bill by the gentleman from South Carolina [Mr. SPRATT] that position can be easily waived by the Secretary of Defense. I say that is a double standard and we should stick with the Bennett bill.

Now there are those who, particularly those who have enjoyed high ranking and influential positions within the Department of Defense, who say such examples mean nothing, that simply because someone may have switched sides within days of retiring from the Government is no clue that he or she was not tough with a future employer.

Even if we agree, just for the sake of this argument, that those military procurement officials who went to work for the contractor they dealt with were tough guardians of the Government's interest, the circumstances still create a perception of conflict of interest which in itself is damaging.

Conflict-of-interest statutes are built on the premise that the appearance of

a conflict of interest alone should be avoided.

In 1983 the House Committee on Government Operations on which I sit held hearings on conflict of interest in DOD's Defense Science Board. They found that conflict of interest had seriously damaged the Board's credibility. Two Defense Science Board task forces were chaired by a former Pentagon official who at the time happened to be the vice president of TRW. That company was then heavily involved in programs in which the task force were dealing.

The committee expressed its deep concern over "DOD's reluctance to recognize the serious nature of potential conflicts of interest, bias, and favoritism of its senior scientific advisory committees."

I want to point out that the Bennett-Boxer-Nichols bill clearly covers that type of situation.

The gentleman from South Carolina's bill is not that clear.

The CHAIRMAN pro tempore. The time of the gentleman from Florida [Mr. BENNETT] has again expired.

Mr. BENNETT. Mr. Chairman, I ask for 5 additional minutes. While we are debating that, maybe it would be a good idea to consider dividing the time up. I may ask for 5 additional minutes. But to be fair, how much time have we consumed on each side so far, does the chairman know? I know there is no time limit, but I thought I would give her whatever I have left.

The CHAIRMAN pro tempore. The gentleman from Florida has consumed 15 minutes.

Mr. BENNETT. How much time did the gentleman from South Carolina consume?

The CHAIRMAN pro tempore. The gentleman from South Carolina has consumed 15 minutes.

Mr. BENNETT. Mr. Chairman, then I will yield the remainder of my time to the gentlewoman from California.

(By unanimous consent, Mr. BENNETT was allowed to proceed for 3 additional minutes.)

Mrs. BOXER. Mr. Chairman, will the gentleman continue to yield?

Mr. BENNETT. I yield to the gentlewoman from California.

Mrs. BOXER. In an attempt to be fair, Mr. Chairman, let us return to the issue of the real tangible evidence of harm created by such conflict-of-interest situations.

Col. Jack Finder was a staff judge advocate for the Air Force stationed at Kirtland Air Force Base in Albuquerque when he was interviewed by the Office of Government Ethics in 1982. I want to tell you what he told the investigator. This is one of our own people, a very fine Air Force person: "The head of the Air Force plant representative's office at Northrop on Friday could become the Northrop vice president for quality assurance on Monday, and immediately AFPRO employee morale is destroyed." So here is someone from the Air Force saying that morale is destroyed because of the revolving door. We have many other examples. Here is another, a staff judge advocate who said, "It is incongruous to disallow AFPRO employees to have free doughnuts at a contractor conference because of influence and appearances, yet to allow an Air Force plant representative to take a job with a contractor over which he has just had administrative cognizance."

So let me complete my remarks by saying the following: I hope this body will reject the bill that has been offered by the committee, by Mr. SPRATT, the gentleman from South Carolina. I know they are trying to put forward the best bill that they can. But I would appear to this body to go with the gentleman from Florida [Mr. BENNETT] who has worked on this issue for over 30 years, who knows the way to go. I do not think we can afford to legislate a double standard. That is precisely why the Bennett bill is superior. All those making decisions affecting the cost and quality of major weapons programs must be included.

Mr. Chairman, I urge again a strong vote for the Bennett bill.

Mr. CARNEY. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I am pleased to say that at the end of this day we will have an amendment to the DOD authorization bill that will stop this revolving-door process. However we have to be very, very careful that when we do this we do not make it impossible for our country, our Nation to attract to the Department of Defense the types of people we need to run a quality operation down at the Pentagon. Both bills, I might add, would restrict, in fact prohibit, the types of examples that the gentlelady from California just gave prior to my taking the microphone.

The two differences between the bills are quite simple: One, in the Spratt bill the Secretary of Defense will identify positions within the Department of Defense affected by the legislation. That is important, because the gentleman from Florida [Mr. BENNETT], the chairman of the subcommittee, said that he wanted to strike out and hit the big fish, the big guys, not the little ones. But under his bill we would include 498,000 people in the Department of Defense. Now I know we got a lot of big fishes down there, but we do not have 498,000 of them. With the Spratt amendment we can cut that in half, we can clearly define the positions involved. Not only do we clearly define them; those who are involved will know they are involved and will know that it will be against the law to take positions with corporations that they have done business with in the prior 2 years of service to the Government, either as an officer in our military or as an employee of the Department of Defense.

The second difference in the bill is a waiver provision which I think is very, very important. That provision would allow the Secretary of Defense to waive certain positions where he finds it extremely difficult if not impossible to fill those positions.

An Under Secretary of Defense for Research and Development, for instance; if we had to fill that position with a capable person I would hope we would find someone who has dealt with the Department of Defense over the years and brings to that position the experience necessary. But if that person were to come from industry and that person were not allowed to go back to industry for a 2-year period after leaving the Department of Defense, I think it would be difficult for us to recruit a person like that because what would that person do to make a living for 2 years?

□ 1640

We are not saying that everyone can be excluded; we are simply saying that Congress must be informed of those particular positions that the Secretary feels necessary to exclude so he can recruit the caliber of people necessary to run the job.

Now, if you are an Under Secretary for Research and Development, you are going to touch at least 250 programs at any one time, and if you are touching these programs, you would be prohibited employment in the entire defense industry after leaving the job of Under Secretary.

So yes, we are going to have a bill today; yes, our country deserves a bill today, but let us consider the differences; let us consider the waiver so we can fill critical positions; high-level positions at DOD, and let us consider the fact that if we can clearly define the positions involved, we can cut down from 498,000 people to approximately 250,000 people covered by the bill and I think that would be much better.

I yield back the balance of my time.

Mr. STRATTON. Mr. Chairman, I rise to strike the requisite number of words, and in support of the Spratt amendment and in opposition to the Bennett amendment.

Mr. Chairman, this matter of a revolving door is something that has been around for a number of years. I can remember, I think it was the first year that I was in the Congress, when a former chairman of the House Armed Services Committee—he was not the chairman at that time, Mr. Hébert of Louisiana introduced a bill very similar to this legislation before us here today. I remember as a freshman Congressman, being so bold as to

challenge the proposal of this formidable senior member of the committee. I did so because I came from a community, Schenectady, NY, where one of the major manufacturing areas of the General Electric Co. is located, In that community there were a number of individuals working in that major defense organization, who had been in military service. They had served for many years, and had been retired on pension after 20 years of service, he might be 45, years of age or thereabouts, with the rank of lieutenant commander. But people in that age group retiring under the Navy's pension arrangement are usually at the point of their lives when they have two or three children ready to go through college.

What the Bennett proposal would do for the "small fry," as the gentleman from New York [Mr. CARNEY] indicated just a little while ago. It would deny these people whose adult years were largely spent with military duties. If they cannot be allowed to work in a defense factory, we are preventing them from earning an honest living. And at the very time when they need a maximum return to maintain their families, are we going to condemn them to at least 2 years of no income at that crucial time?

There have been stories about moving out of the Pentagon and picking up cushy jobs that are available. Jobs are not likely to be provided to the average retired lieutenant or a retired lieutenant commander, or to a captain in the Army. So we are making a grave mistake if we proceed on the Bennett proposal; it would hurt many people who did have not cushy jobs in the Pentagon. The Spratt proposal is much more realistic. It recognizes that the real abuses are the ones that have been carried out recently in the Department of the Navy. The Spratt amendment is what we ought to be aiming for. I think the House should make it clear that we do not want to penalize the rank and the file of military personnel who have done such an outstanding job over the years and I urge you to defeat the Bennett amendment and support the Spratt amendment that does not deal with this serious problem on a shotgun approach.

Mr. BATEMAN. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I, too, rise in support of the Spratt amendment and in opposition of the proposal of the distinguished chairman of the Seapower Subcommittee. I admire the gentleman very, very deeply and genuinely. I know of few Members of this Congress more sincere in the things that they undertake than he.

Unfortunately in this instance, I think the proposal that he advocates is much too broad and sweeping in its connotations and would not serve this country well.

This country certainly is not going to be served well by a do-nothing, know-nothing procurement function in the Department of Defense, if we go out of our way legislatively virtually to preclude the best talent, the best minds, from being attracted to and staying in the Department of Defense in procurement functions.

There is built into the Bennett proposal, if enacted, an effective date I believe of some date in 1987. Between now and then, some of the best talent, the best minds that are available to us in the Department of Defense procurement functions, are going to have to make a career decision of whether or not to get out before the effective date of this bill, should it be enacted, because if they do not, their careers, their job opportunities, are going to be extraordinarily changed if they do not.

I think that is going to lead to a mass exodus of some of our best people.

Certainly I do not stand before this House and plead a case for conflict of interest and cozying up of contract officers or procurement functionaries or Department of Defense officials with defense contractors. Very much not the case.

I am reminded that the gentlewoman from California made reference to a high functionary of the Department of the Navy negotiating employment with a significant defense contractor while he was actively involved in negotiating settlement of claims. If that in fact occurred, there is no question but what it is wrong, but if it in fact occurred, there is also no question but what it is already in violation of the law enacted by this Congress in 1978, a matter tacitly recognized by the gentlewoman when she suggests or indicates the fact that there has been a grand jury investigation and there has been an indictment, and there will be a trial. But it is not under the Bennett bill; it is under existing laws of the United States of America.

I suggest that to indict wholesale and assume wrongdoing on the part of over 400,000 employees, under a standard as vague as "had significant responsibilities for a procurement function" is a bad way to legislate. It is legislating in gross, not selectively. It is presuming that all 400,000 of these people are or will do something wrong in the name of placating of a public concern because there have been limited, certainly, abuses that we ought to reach.

Mr. CARNEY. Would the gentleman yield on that point?

Mr. BATEMAN. I will be happy to yield.

Mr. CARNEY. Is it not true that the Spratt amendment would clearly define the positions that would be in conflict rather than rely on the term "significant responsibility"?

Mr. BATEMAN. Indeed it would. It is a reason for the fact that with the great concerns that I have had about the structure in this bill from the outset, the Spratt amendment has attacked head on the problem of someone not knowing because the legislation is so vague and imprecise whether they are or are not covered.

□ 1650

The Spratt version of the bill does a great deal to remedy that situation. Those who are covered will know that they are covered. It makes it more enforceable. It makes it administrable, and it reduces that enormous number of people who would be swept under this umbrella under the Bennett proposal.

Reference has been made to scientific advisory boards. Do we want to enact legislation which en masse, en gross and imprecisely would say that the best scientific minds of America cannot be recruited to be members of an advisory panel on things as incredibly important and significant as weapon systems vital to the defense of America and on which concepts are workable and feasible and which are not? I do not think we want to do that.

The CHAIRMAN pro tempore. The time of the gentleman from Virginia [Mr. BATEMAN] has expired.

(By unanimous consent, Mr. BATEMAN was allowed to proceed for 3 additional minutes.)

Mr. BATEMAN. There is an opportunity for this Congress to deal with this problem. But, please, let us try, at least, to deal with this problem on a selective focused basis, not on the basis of legislation en gross sweeping into a net and assuming and indicting, almost, in advance that thousands and thousands of our best career civil service and military personnel are sleazy con artists out to feather their nests at the expense of the public good.

If that is our attitude, we are certainly not going to have the superior talent that this country needs to retain where we now have it, and certainly we need to be mindful of whether or not in the future we will have the brains, the talent, the training, the experience and the judgment that will come into Federal service and stay there.

There are ways to attack this problem without being excessive in doing so.

Mr. STRATTON. Mr. Chairman, will the gentleman yield?

Mr. BATEMAN. I yield to the gentleman from New York.

Mr. STRATTON. Mr. Chairman, I think the gentleman has made a very significant point with reference to scientific advisory boards. I think under the vague language of the Bennett bill

it is conceivable that some of our finest experts and scientific leaders would be hesitant about joining these boards on the ground that they would find they were also listed among those that the Bennett legislation would regard as having been violating their responsibilities.

I think we need the finest minds for our scientific advisory boards that we can get: why should we penalize them and jeopardize them?

As I understand the legislation, it is not just those who have had some responsibility with regard to procurement we are concerned about; it is also those who have made significant decisions in the military establishment who are covered by the Bennett legislation and that would involve the advice of the scientific advisory board membership.

I think the gentleman has made a very important point.

Mr. BENNETT. Mr. Chairman, will the gentleman yield at that point?

Mr. BATEMAN. I yield to the gentleman from Florida.

Mr. BENNETT. The thing that is prohibited is taking compensation. It is true that if they took a job on an advisory board and got substantial compensation they would be covered by this bill. The only U.S. Supreme Court Justice who ever resigned from the Supreme Court, to my knowledge of history, was a man who was on an advisory board. He was being paid to do that, he was on the Supreme Court, and he had to resign. If he is paid for it, he would be prohibited by this law.

Mrs. SCHROEDER. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the Bennett-Nichols-Boxer amendment.

Mr. Chairman, I am enjoying this debate because as Chair of the Civil Service Subcommittee and having come to this body from the practice of personnel law, I eagerly listen to what is being debated, I hear it every day: The reason the revolving door amendment is being debated again is because we have not had the guts to do anything about it. And I salute the gentleman from Florida [Mr. BENNETT], the gentleman from Alabama [Mr. NICHOLS] and the gentlewoman from California [Mrs. BOXER] for bringing this forward, because it is what should be done, and it should have been done years ago.

People are debating this amendment saying: "Oh, my goodness, if we do that, these people working for Defense are going to starve to death, there will be no place for them to work for 2 years, they are going to be out selling apples," it brings tears to my eyes, except they have not read the amendment. The amendment says: that the 2 years of moratorium only happens in regard to companies the person specifically had oversight while working for the Government. There are over 20,000 different defense contractors in which their acquired knowledge is transferable and I am sure many would be willing to hire them. It is just that you cannot cut a cozy little deal with the people you are dealing with on the other side of the table just before you quit. Now, that is not incredible. That is sensible. That is what the private sector has done for years.

Do you want to allow Federal district judges to be able to quit and go work for the companies they had in front of them on legal cases on the basis that no one else would hire them? If so, do you want to know how your antitrust cases would come out? They would go to the highest job bidder. There would go your whole justice system and its image of the lady with her blindfold on, for you just cut big holes in the blindfold. The judge can now see, and the scales are going to get really tilted. That is what we are talking about in this amendment.

Now, the private sector is not upset about that. They have had very tough revolving door amendments in contracts forever and ever amen, because they are not dumb—they are guarding their own profit and loss statement. We ought to be guarding the Federal Treasury. That is what we are talking about. If we do not care enough to guard the Federal Treasury with the same vigor that private industry guards their own P&L statements, then we are really not doing the taxpayer any favor. These people learning defense will not be thrown out on the streets. There are many other contractors they can go to work for that they did not directly oversee.

Think about the other thing that is going on in this country in the private sector. People are debating absolutely contrary to where the whole CEO cult is going. You see all these major corporations, they grab someone from a soft-drink company and put them in as head of a movie company, they grab someone from an oil company and put them in charge of a chemical company. Are some Members saying Defense Department people cannot transfer their skills from one part of the defense industry to another, they are going to starve and sell apples if we pass the Bennett amendment. Well, baloney. That is false. It does not fit the real world. It does not fit the private sector.

Others say, "Well, wait a minute, these employees can make so much more money on the outside." Well, if you really wanted to argue that, then we ought to have a law that anybody who is making all their money off of defense contracts should not make more money than the Commander in Chief. The President of the United States could make more money as president of any of these defense companies. Let us be honest about that. Practically every person who works for NASA can make more money in the private sector. Doctors who work for the Federal Government can make more money out in the private sector. It breaks my heart. I would like to pay people who work for this Government a lot more money. They are working for the reason you work for this Government—because they care, because they believe they have a sacred trust over this Treasury and they are trying to make this country better, not just their own bank account.

What we are doing here if we adopt the Spratt amendment is the absolute wrong thing. We would be saying, "All you good guys who are dumb enough to work for Government for what I think are the right reasons, too bad; we are going to give people special privileges in defense, they can rotate in and out of Government and make more money, and if you are dumb enough to work as a Federal court judge, or some other department without these privileges, that is too bad."

Think about it very seriously. We are really doing the wrong thing in the Spratt amendment. And I am sorry to say that, because the gentleman is such a good friend. But if you allow the Secretary of Defense to waive certain areas because "you can't get good guys from industry otherwise," everybody who comes to work is going to say, "I am not going to come work unless I get a waiver."

There will not be one soul left in the Defense Department in contracting who will come to work and say "Well, I probably could get some kind of job when I left with 1 of the other 19,995 contractors out there that I don't oversee. I won't ask the Secretary of Defense for the waiver." Anyone who waived the waiver would look like a fool because everybody else got the waivers and they revolve right back into the company they came from or oversaw.

So again all I ask is: Look at the amendment loopholes. The loopholes in the Spratt substitute are big enough to drive Mack trucks through. And you do not get the top guys and you allow anybody to be waived that the Secretary of Defense says should be waived only on the basis that otherswise they cannot get "good guys." Well, if the Spratt amendment is the only reform this body accepts, we may as well hand it up. It is not any choice and is not a reform.

Mr. SKELTON. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the Spratt amendment.

Mr. Chairman, I am for a revolving door amendment. We are going to have one today, and I think it is going to be a good one, one that covers the situation and corrects any abuses that might be or might threaten to be

coming along. In doing so, Mr. Chairman, I think that we should do it with great care, do it with judicious thought, not rush to judgment in the process.

I think that we at this time should consider the unintended consequences of what might come to pass should we pass anything other than the Spratt amendment.

□ 1700

If we pass something other than the Spratt amendment, we have two things that might very well come to pass. One is what the gentleman from New York alluded to: Some 490,000 people being covered. That is not the intent of what we want to do today.

The second is that you might very well end up with a group of second-raters; people who are really not the top of their profession that are willing to give up to 2 or 4 or 8 years to the Federal Government in a major position within the Defense Department. Do we want second-raters over there, or do we want people who are responsible? Of course, we want the latter. Let us think of the unintended consequences that might come to pass if we pass something other than the Spratt amendment.

At this time, Mr. Chairman, I wish to engage in a colloquy with the gentleman from South Carolina.

I wish to ask the gentleman: The gentleman from Florida alluded to the fact that only those in the middle area are covered by your amendment. As I read it, that is not correct. Would you clarify that for us, please.

Mr. SPRATT. If the gentleman would yield, the effort of this amendment, as reported by the committee, is not to get those at the upper end or the lower end or in the middle, it is to get those who hold those significant procurement functions and make those critical decisions, who ought to be affected by the strictures of this bill.

It goes a step further than the Bennett bill, that is all, and simply says to the Secretary of Defense, let us define in advance those positions and those people so that they will have notice.

Mr. SKELTON. So we will know in advance as to what the situation is as to what positions are covered and the extent of its coverage. Is that not correct?

Mr. SPRATT. That is correct.

Mr. SKELTON. So we are dealing with something definite in the law; is that not correct?

Mr. SPRATT. That is correct. In addition, some of these positions, a number of these positions which are identified are very responsible, senior government positions. Also, in the military service they would be high eschelon, general officer positions. A program monitor could very well be a general officer. A source selection authority could very well be an Assistant Secretary of Defense. High level positions would be covered by this bill.

Mr. SKELTON. They are covered now. If we do not go with your amendment we could very well throw the baby out with the bath water. Is that not correct?

Mr. SPRATT. The concern expressed in the committee by Mr. BATEMAN from Virginia originally was that we might have a bill here that was so vague that it would be void under the fifth amendment of the Constitution because this is a criminal statute.

The point has been made that these covenants not to complete are included in all private contracts. That is generally true. But they are private contracts and the breach results in damages or an injunction, not in a criminal prosecution that could result in imprisonment and a heavy fine.

Mr. SKELTON. If the gentleman is correct then, from what he tells me, quite frankly, what we would be passing would be nothing because it would have no teeth because it would be vague, it would be unconstitutional and it would amount to absolutely no criminal penalty at all. Is that what the gentleman is telling me?

Mr. SPRATT. The question would overhang.

Mr. SKELTON. Let me ask one further question of the gentleman from South Carolina, if I may.

As I understand this, the gentleman's amendment does not cover what the gentleman and I would call many small businesses; anything under a $100,000 contract. Is that correct?

Mr. SPRATT. The gentleman is correct.

Mr. BENNETT. Mr. Chairman, will the gentleman yield?

Mr. SKELTON. I yield to the gentleman.

Mr. BENNETT. This bill is designed to get at an act. An act from sitting on one side of the table, removing yourself to the other side of the table and becoming employed by the person on the other side.

There are 250 million Americans; every one of them are potentially burglars or rapists or embezzelers. Sure, it applies to every one of them; 250 million. Maybe you would reduce by hundreds of thousands the people who would be covered by this bill, but that has nothing to do with it. It is the act, it is the act of sitting on one side of the table and then moving to the other side of the table.

Mr. SKELTON. Mr. Chairman, reclaiming my time, I point out that not just the gentleman's bill, but the bill offered by the gentleman from South Carolina does this very thing. But it does it specifically; it does it with something in mind that you are aiming at. You are not going to have the threat of an unconstitutional provision; something that can be thrown out by the Supreme Court because it is vague.

Mr. HERTEL of Michigan. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, previously we have had two rollcalls today and they were almost unanimous. Many Members ask why those votes were called. Some individuals wanted to get those votes on the record and that is important.

Let me tell you, the next few votes are not going to be unanimous, because now we are into the guts of the issue of reform. I would like to say as has been pointed out already, Mr. BENNETT has worked on this reform for the past 30 years. Mr. STRATTON, another ranking member of Armed Services has pointed out that he has opposed this approach for the last 20 years-plus. It is a difference of opinion.

We see the Bennett amendment coming straight forward to stop this revolving door process. We see some Members of the committee backing Mr. SPRATT in saying that Mr. BENNETT goes too far; it is too strong an amendment. If you like the system the way it is and do not want to change it too much, then vote with Mr. SPRATT. If you are upset about the system; if you are upset about the examples that Congresswoman BOXER from California and others have brought forward today, you want to change the system, then vote with Mr. BENNETT and Mr. NICHOLS.

I do not think the amendment goes that far. Actually the amendment has been reduced from what it was originally. The Bennett amendment just says simply that if you work in the Pentagon, if you work in DOD that you cannot leave that position and immediately go to work for the person that you were just overseeing as far as contracts. That is all it does. Just for 2 years; not a very long time.

I think the people attacking the Bennett amendment go too far in performing a disservice to our military personnel. They are saying they cannot work anyplace else; they cannot find a job anyplace else unless they go to work for the exact company they just supervised. I think we have intelligent people in the Department of Defense. I think they have good qualifications, and I think if they so choose they can work in the military industrial complex. I think they can get a job for their family and for themselves.

I do not think, and we are talking about a moral issue here that Mr. BENNETT raises. I do not think they should go to work for the same person, the same corporation that they were just in charge of making decisions about in the area of billions of dollars in many cases.

Now, let us look at the approach of the two amendments. The Bennett amendment covers everybody the same who would be in this situation. It does not matter what their rank is; if they are at the top or the bottom or the middle. If they were involved in making a significant decision that benefited a contractor, it does not matter what their rank was. We certainly do not want to exclude the top where the big decisions are made.

The Spratt amendment only goes after those people in the middle levels. They say that the people at the top should have greater flexibility; that they are more important than the people at the middle level. But we all know that there are very significant cases made, decisions and cases made at the top level. The final decisions; the decisions that can go to the biggest weapons contractor for the longest time can be made at the top level. Those people at the top level did not get there because they were not smart. They are qualified to get a job from somebody other than the company they just made a decision for within the last few years. So we are only having this very narrow limitation, even under Bennett, and they want to water it down further.

It was pointed out that the Bennett amendment will cover over 400,000 people; that they would have to obey this law. First of all, the attack that they will not remember who they worked for and supervised before I think is unfair to the military personnel. They are qualified people; they are intelligent people. They will remember whose contract they handled.

They are diligent people, they are concerned people and they want to do the right thing. If they have a question they can ask in the Pentagon. They can ask to whether they come under this stipulation in the Bennett amendment.

So we say 400,000 will be covered, possibly. But you know, it is a very limited law. It is a very specific law. Mr. BENNETT points out over 200 million Americans in this country have to obey every law. So we are talking here about a special class; they know what they are doing; they are limited specifically just to the contractor they just handled, and they are only barred for 2 years. Not that long a time.

□ 1710

The CHAIRMAN pro tempore. The time of the gentleman from Michigan [Mr. HERTEL] has expired.

(On request of Mr. REID and by unanimous consent, Mr. HERTEL of Michigan was allowed to proceed for 10 additional minutes.)

Mr. REID. Mr. Chairman, will the gentleman yield?

Mr. HERTEL of Michigan. I yield to the gentleman from Nevada.

Mr. REID. I thank the gentleman for yielding.

Mr. Chairman, this past weekend I had the pleasure of visiting the U.S. Military Academy at West Point for a meeting with the European Parliament. West Point is a wonderful place and very haunting; not just for its physical beauty, but also for the unbroken tradition of pride and service which it represents.

That visit reminded me of General MacArthur's speech to the corps of cadets in which he stated the professional officer's watchwords and creed: duty, honor, country.

It is in defense of that creed, and of its maintenance, that I rise to speak today.

The Problem: For the past several decades our Nation has been forced by world events to maintain vast military forces in its defense. To support and supply those forces there has grown up a powerful and seemingly ubiquitous group of contractors. Those contractors provide us with guns, the ships, the satellites, and the tanks our country needs to maintain freedom; often with great efficiency and the highest patriotic motives.

For years, however, the public has been aware that not all those contractors are efficient, patriotic, or even honest. Harry Truman made his name as a Senator by exposing waste and corruption among wartime contractors. Of late we have all been aware of new abuses, new overruns, and outright fraud. The public must be assured that we are ending that problem.

One aspect of that assurance is before this House today.

When an officer of the U.S. military has as his job, the procurement of weapons, equipment, and supplies, he bears the same obligation to apply those standards of duty, honor, and country to the tasks before him. The public expects, and has a right to expect, that he will fulfill those tasks in the highest manner of military tradition.

It is that public confidence in our Armed Forces which is at issue today. When an officer negotiates a contract with private industry one day and the next appears in civilian clothes behind the desk where the contract was signed, what can the public think but that his decision was influenced by the job awaiting him.

The solution: The problem is an old one; who will guard the guardians?

The solution is simple. By the legislation before this House we are eliminating even the appearance or the possibility of the existence of an improper employment relationship between a contractor and a contracting officer.

Common sense and fundamental ethics tell us that no individual should be placed in a position where he makes decisions one day as an adversary and the next day as an advocate. We not only have to do away with what is evil, but what appears to be evil. The people have a right to expect that conduct because theirs also is a public trust.

Those serving in the legislative branch and the executive branch of Government have conflict of interest laws. It is time the military had a yardstick to guide them. I, therefore, ask my friends and colleagues to support this badly needed legislation that Mr. BENNETT has offered.

Mr. HERTEL of Michigan. I thank the gentleman.

Mr. Chairman, let me say that, as has been pointed out, the military-industrial complex is vast, $300 million a year, and again we point out that under the amendment offered by the gentleman from Florida [Mr. BENNETT], only for 2 years can they not work for the exact same company. They can work for all those other companies out there, though, for as long as they want.

Mr. PORTER. Mr. Chairman, will the gentleman yield?

Mr. HERTEL of Michigan. I yield to the gentleman from Illinois.

Mr. PORTER. I thank the gentleman for yielding.

Mr. Chairman, I join with the gentleman in rising in support of the Bennett-Boxer amendment.

I have listened to the debate, and I think the opponents are missing the point. It does absolutely no good to have the best minds working in the procurement agencies of the Department of Defense if they are working for the best interests of the contractors rather than the best interests of the American taxpayer. I think the perception is overwhelming in the minds of the American people that that is exactly what is happening in our Department of Defense.

Last January, Senator ROTH and I asked GAO to study part of the revolving door problem. Members may know that under current law, former DOD personnel are required to file a report annually on their defense-related employment for a period of up to 4 years after leaving the DOD. The GAO, and they gave us their report on June 10, 1985, just 2 weeks ago, found out that out of 5,844 employees required to file, only about 1,700, or 29 percent of them, actually reported their new employer to the Department of Defense.

Civilians leaving the DOD were the worst, with only 7.8 percent complying with the law as passed by Congress, the Army 13.6, the Navy 18, the Marine Corps 18.5, the Air Force over 60 percent, but the point here is that even the existing law which requires only a report to be filed by the employees when they leave the Department is not being observed at all. Even in the face of the possibility of a

$1,000 fine and up to 6 months in prison, individuals simply are not complying with the law.

Mr. Chairman, in addition, the GAO found that several DOD employees who supervised contracts actually went to work for the company whose contracts they were supervising even before they left the DOD payroll.

It seems to me that when we look at this entire area, we have to think of what is perceived by the American people, and what is perceived by the American people is that the credibility of the Department of Defense has sunk to very low depths indeed. It seems to me that if we do not take strong and effective measures right now to improve the credibility of the Department by bringing strong restrictions on employment after working for DOD procurement, that 5 or 6 years from now the budget will be shrinking and there will be no one left to defend it.

So, Mr. Chairman, I think the question is how long is the committee, how long is the House, going to stonewall this problem. Now is the time to take effective action and to put this amendment on the books as law.

Mr. AuCOIN. Mr. Chairman, I ask unanimous consent that the gentleman from Michigan [Mr. HERTEL] be granted 3 additional minutes.

The CHAIRMAN pro tempore. The Chair will advise the gentleman that the gentleman from Michigan [Mr. HERTEL] has 3 minutes remaining on his own time.

Mr. AuCOIN. Mr. Chairman, I ask unanimous consent that the gentleman be granted 3 additional minutes.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Oregon?

There was no objection.

The CHAIRMAN pro tempore. The gentleman from Michigan [Mr. HERTEL] is recognized for 6 minutes.

Mr. AuCOIN. Mr. Chairman, will the gentleman yield?

Mr. HERTEL of Michigan. I yield to the gentleman from Oregon.

Mr. AuCOIN. I appreciate the gentleman yielding to me.

Mr. Chairman, I want to associate myself with the remarks of the gentleman in the well, as well as the excellent remarks of the gentleman from Illinois [Mr. PORTER].

Mr. Chairman and colleagues, as a member of the Defense Appropriations Subcommittee, it is my belief that a vast majority of those who are in the Armed Services who would be affected by the provisions of the Bennett-Nichols-Boxer amendment are honest, law-abiding, decent, loyal service people who have as their highest interest the service of this great country.

It is my belief, based on my experience on my Defense Appropriations Subcommittee, that the vast majority of those who work in the industries which provide the munitions for our services are also equally honest.

Having made that statement, I would like my colleagues to listen to an episode that occurred to me within the last few weeks which I think defines the problem that this amendment, the Bennett-Boxer-Nichols amendment, gets at.

Serving on the Defense Appropriations Subcommittee, I sought 2 weeks ago to get a briefing from one of the branches of the Armed Services on a particular weapon, a weapon in which two contractors were in very, very stiff competition. I did not want to hear from one contractor or the other contractor; I wanted to hear from the experts within the service whose colleagues' lives would be at stake on the performance of that weapon if that weapon should be deployed in time of combat.

□ 1720

I am not going to name the service, I am not going to name the weapon, and I am not going to name the contractors, but the branch of the service came into my office and gave me a briefing on the two versions of the weapon that this branch of the service might be competing for.

Imagine my surprise, Mr. Chairman, when I found out within a day of that briefing from one of the contractors, No. 1, that they knew that I had had such a briefing, No. 2, I might offer an amendment that would work to the disadvantage of one of those competitors, and, No. 3, that a person in the armed services called that contractor after a confidential briefing in my office notifying them that they suspected that I might offer an amendment of that sort, and suggesting to that contractor that they ought to gear up a lobbying effort in order to defeat that amendment.

I had no amendment in mind, Mr. Chairman. What I had in mind was to find out the relative merits between the two weapons systems.

Now, that raises an interesting question. What could be the motive of that person in uniform to call one of the two contractors and tell them what happened in that confidential briefing. What could that rationale be? Could it be that that person in uniform wanted to ingratiate himself with a contractor so that at the end of that person's service he could gain employment on top of perhaps a military retirement?

I think it is not hard to spell out or to envision what the reasons are. What we have is an incestuous relationship.

The CHAIRMAN pro tempore. The time of the gentleman from Michigan [Mr. HERTEL] has expired.

(On the request of Mr. AuCOIN, and by unanimous consent, Mr. HERTEL of Michigan was allowed to proceed for 2 additional minutes.)

Mr. AuCOIN. Mr. Chairman, will the gentleman yield further?

Mr. HERTEL of Michigan. I have one other Member who wants me to yield, but I yield very briefly to the gentleman.

Mr. AuCOIN. Mr. Chairman, I want to say to the gentleman in the well that it is hard for me to put into words how angry I am with whoever it was within that particular branch of the armed services who made the call to ingratiate himself with that contractor. I am almost tongue-tied in terms of describing how mad I am. That person put the potential life and safety of his comrades, his comrades in arms, at risk, simply to be befriended by a contractor.

I had no intention other than to get information. There was no amendment offered. I think when we are talking about a revolving door, that, I say to my friends, is one of the many ways in which it works.

Should it apply to middle-level people? Should it apply to upper-level people? You bet it should apply to both levels of people. And when you have an amendment that gives the Secretary of Defense the blanket authority, as the Spratt amendment does, to exempt certain officials on the grounds that it hampers DOD's ability to recruit industry executives, I think you have opened up a loophole that you could drive a General Sherman tank through.

I do not think we ought to be allowing any business of this kind for the Department of Defense. This stinks whenever it occurs.

Mr. Chairman, are we serious about cracking down on defense waste, or aren't we? If we are, we have to eliminate this scandalous revolving door.

How long are we going to allow any high-ranking Defense Department officials to spend their days planning the cushy six-figure private industry jobs they plan to move on to? How long are we going to let any billion-dollar defense contractors be regulated by people who work—or will soon work—for these same contractors?

Is it too much to ask, when somebody comes to work for the Government at a high level, that his first loyalty be to the American people?

The American people say no that it's not unreasonable, and so do I.

The chairman of the committee and the gentleman from South Carolina say we should let the Secretary of Defense keep the revolving door open in specific high-level cases.

I disagree. The higher the level of the job, the more important it is to assure the loyalty of the person holding it.

Do high-level abuses occur? Of course they do.

Just a few months ago we heard a spokesman for the Department of De-

fense, refer to the behavior of top General Dynamics executives as "nauseating." Their behavior was in fact nauseating. They charged the taxpayers for boarding their dogs and other personal expenses. At the time I thought, "Isn't this great. We finally have a top Defense Department spokesman who's willing to come down hard on unacceptable contractor behavior."

But Mr. Chairman, I was fooled. We were all fooled. Just 2 weeks ago, this same spokesman announced plans to resign and go to work for—guess who? Another major defense contractor, a contractor who makes a fighter aircraft who is a direct competitor to the General Dynamics F-16, fighter aircraft.

Viewed in that light, that spokesman's condemnation of his future employer's competition appears somewhat less heroic.

In fact, I'm a bit concerned that the Bennett-Boxer amendment is too permissive. Instead of closing the revolving door tight, it just kind of shoves it against a loose latch that self-destructs in 2 years. Even if we pass this, a dishonest official need only wait 2 years before collecting his pay. That's not a terrifically long time. Surely it's not being unreasonable to require that tiny little bit of delayed gratification.

But the Bennett-Boxer amendment is the best we can do for now. It is a moderate approach. Let's get on with it and pass it.

Mr. SISISKY. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in opposition to the Bennett substitute.

Mr. Chairman, I think that it is important for Members to understand just what the Bennett substitute would do, and how it differs from the amendment offered by Mr. SPRATT and the Armed Service Committee.

Both the Bennett substitute and the Spratt amendment would make it a crime, with penalties that could include a fine of $10,000 and imprisonment of 1 year, for certain former employees of the Department of Defense to take a job with a defense contractor. However, the Bennett amendment would establish the penalties for a group of people that are only vaguely defined. The Bennett amendment would apply the penalties to any individual that had "significant procurement responsibilities" and subsequently took a job with a defense contractor.

The substitute does not define what constitutes a significant procurement responsibility. The substitute makes it clear that a very large number of Government employees may be covered because the procurement functions covered by the amendment would include any acquisition action relating to a contract. The substitute lists the following responsibilities: negotiating, awarding, administering, approving contract changes, costs analysis, quality assurance, operational and developmental testing, technical advice or recommendation, approval of payment, contractor selection, budgeting, auditing under the contract, or management of the procurement program. This very extensive list appears to include virtually anyone in the Department of Defense that is remotely connected with a contractual action.

But what is a "significant" responsibility? The substitute is silent on that point and it does not include any procedure to inform employees of the Department of Defense whether their job includes "significant responsibilities" with respect to a contract. Thus the Bennett substitute defines as a crime the simple act of an employee taking a job with a defense contractor, but it does not provide a mechanism to clearly set out the employees to which limitations would apply nor does it have a mechanism to inform employees of the contractors to whom a limitation would apply.

Mr. Chairman, there is clearly a need to legislate to limit conflicts of interest in defense procurement. But the Bennett substitute fails to strike a proper balance between the public interest and the proper safeguarding of the right of employees of the Department of Defense to earn a living without undue the threat of criminal penalties because the law is vague.

The Spratt amendment would strike that balance by establishing procedures for the Secretary of Defense to identify positions that have significant procurement responsibilities and procedures for notification to employees upon separation of any limitation that applies with respect to specific contractors.

Mr. Chairman, I urge my colleagues to vote against the Bennett substitute and for the Spratt amendment.

□ 1730

Mr. FRANK. Mr. Chairman, will the gentleman yield?

Mr. SISISKY. Yes; I will yield.

Mr. FRANK. Mr. Chairman, I am a little puzzled. First, I welcome the outbreak of civil libertarianism we have gotten from the Armed Services Committee, this insistence that we have strict due process and that everything be very strictly defined for the benefit of prospective defendants is not always a posture that I have seen from my friends in the Armed Services Committee and I welcome it. I hope it outlasts this amendment, although my hope is not strong.

I do have a question about the specific semantics of my distinguished friend, the gentleman from Virginia. On the one hand the gentleman tells us in the amendment offered by the gentleman from Florida and the gentlewoman from California that "significant" is too vague a word to bear much weight. "Significant" is the problem and by simply saying "significant" they say we have not given enough guidance.

I have to ask my distinguished friend then in his role as semanticist, on page 7 of the amendment the gentleman is supporting it says at the bottom, "The Secretary of Defense determines that the duties involve significant responsibility for procurement."

The CHAIRMAN pro tempore. The time of the gentleman from Virginia [Mr. SISISKY] has expired.

(At the request of Mr. FRANK, and by unanimous consent, Mr. SISISKY was allowed to proceed for 2 additional minutes.)

Mr. FRANK. Mr. Chairman, will the gentleman yield?

Mr. SISISKY. Well, I do not know—yes.

Mr. FRANK. Mr. Chairman, the gentleman said "significant" is not a good enough word, but on the bottom of page 7 and the top of page 8, the amendment the gentleman is supporting gives the Secretary of Defense the right to exempt any official of the Defense Department if he has—guess what—"significant responsibility for procurement functions."

So "significant" is apparently too vague and ambiguous to use for enforcement, but it is perfectly all right to use for an exemption, and that is the problem that we have here.

The gentleman's objection is not really to "significant", I say to my friends on the other side. You use "significant" a lot of times here.

Now, I know in other places the Secretary has to provide a list of people, but in the section I am talking about here, "significant" is not further defined.

So if the Secretary of Defense, if it is enough instruction to say to the Secretary of Defense that if they have significant responsibility for a lot of systems, understand the principle here; if you are some mid-level person with responsibility for one system, you are covered. If you are a very important person with significant responsibility in another sense, you are not. Why is "significant" two-sided?

Mr. SISISKY. Mr. Chairman, if the gentleman will allow me without further discussion, as we were marking up the bill, now, understand, the Secretary of Defense, and the gentleman is right, can designate those jobs, I raised the question in the subcommittee, the first one to raise the question, because when I was looking at definitions, I said, "Suppose there was a lieutenant J.G. who was a great engineer serving on an Aegis cruiser who had the testing, part of the testing crew, but had no significant responsibility," except in this bill it was, and I

asked the chairman would he be included, could he get a job with RCA who provides the Aegis cruiser?

I think the answer was that he could not, if the chairman remembers me doing that.

Mr. BATEMAN. Mr. Chairman, will the gentleman yield?

Mr. SISISKY. I would yield to the gentleman from Virginia.

Mr. BATEMEN. Mr. Chairman, it seems to me that the gentleman from Massachusetts has raised what at face value seems to be a very cogent point, that we complain about significant responsibility in one kind of context——

The CHAIRMAN pro tempore. The time of the gentleman from Virginia [Mr. SISISKY] has again expired.

(At the request of Mr. BATEMAN, and by unanimus consent, Mr. SISISKY was allowed to proceed for 2 additional minutes.)

Mr. BATEMAN. Mr. Chairman, if the gentleman will yield further, we complain about significant responsibility in one context being vague, and the gentleman suggests that we in the Spratt amendment use the very same terminology.

I would point out to the gentleman from Massachusetts that there is a constitutional mandate against vagueness when you are defining a crime. There is no constitutional mandate that suggests that you have to be totally precise when you are trying to make clear or to avoid the ambiguity and vagueness that may bring someone to a criminal prosecution; so the words are used, yes, the same words, but in a dramatically different context and definitely should be.

Mr. FRANK. Mr. Chairman, will the gentleman yield?

Mr. SISISKY. Yes; I will yield.

Mr. FRANK. Mr. Chairman, I appreciate that. Of course, the gentleman is aware if we are talking about criminal constitutional questions that "significant" in the sense that it is used in the Bennett-Boxer amendment would in fact be interpreted by courts and what we have is precisely the doctrine the gentleman is talking about. Courts have to interpret that. They interpret it when they do a criminal statute. With respect to specificity—easy for some to say—required in a criminal statute, and it would in fact be interpreted by the court significantly as they interpret equally general words elsewhere so as to give some assurance. If in fact it was found that a particular individual could not reasonably have known that he had significant duties, he would not have been held to that standard.

It is exactly the point the gentleman makes that I think is important. Courts will intervene before anyone can be convicted and I think the same point remains.

The objection is not to the fact that the word "significant" is used. It is to the fact that the Bennett-Boxer amendment does not give the Secretary of Defense the power of exemption.

If "significant" is sauce for the goose, it ought to be sauce for the gander.

Mr. HUNTER. Mr. Chairman, will the gentleman yield?

Mr. SISISKY. I yield.

Mr. HUNTER. Mr. Chairman, I thank the gentleman for yielding.

I think the gentleman from Massachusetts has raised a very good point here. I think it is important to examine this point, because during the hearings in the Armed Services Committee, we asked counsel if you had such and such a situation where an individual employee was called in for a few minutes and asked, will this particular system work on a DDG-51?

The CHAIRMAN pro tempore. The time of the gentleman from Virginia [Mr. SISISKY] has again expired.

(At the request of Mr. HUNTER, and by unanimous consent, Mr. SISISKY was allowed to proceed for 2 additional minutes.)

Mr. HUNTER. Mr. Chairman, if the gentleman will yield further, we asked counsel, if this was the situation, if a person was called in who was an employee of the Department of Defense and was asked in a brief meeting, a 10- or 15-minute meeting, "Can you put this particular system in the DDG-51?"

And he made the remark something like, "Yes; you can, and I think it is a good system and you should go ahead with it." And when the question came up later, you had an ambitious prosecuting attorney and he said, "I think that gentleman or that particular person had significant responsibility with regard to that procurement."

Would in fact that be a viable case? Our counsel could not give us an answer. In other words, it is a question of fact. Gee, maybe he would and maybe he would not.

I think the point that the gentleman from Massachusetts brought up is an excellent point. You have service families here where the breadwinner may have worked on dozens of systems, like Congressmen may have had dozens and dozens of meetings over the weeks, and it is going to be a sad thing if somebody finds out that he is being prosecuted 2 years later for a 10-minute meeting that he had that he had forgotten about somewhere down the line. That is what the gentleman from Virginia was talking about when he said specificity with regard to a criminal prosecution, because—I would remind the gentleman from Massachusetts, as my friend, the gentleman from Virginia said, we are talking about taking somebody and putting them in jail. We are talking about somebody being jailed for the crime of going out and getting a job. That is why significant responsibility is a very, very important term.

Mr. FRANK. Mr. Chairman, will the gentleman yield?

Mr. SISISKY. I yield one more time.

Mr. FRANK. Mr. Chairman, I thank the gentleman for yielding.

We cannot have it both ways, I say to my friend, the gentleman from California, because if a 10-minute meeting is significant potentially for the purposes of the Bennett-Boxer amendment, it is significant to the amendment presumably the gentleman is defending.

What that means then is that we are giving the Secretary of Defense the right to exempt someone who has perhaps a casual contact with one system and a serious one with another, because we are using the exact same word, "significant."

This is my point. We have given the Secretary of Defense in the amendment offered by the gentleman from South Carolina an enormous degree of flexibility.

The CHAIRMAN pro tempore. The time of the gentleman from Virginia [Mr. SISISKY] has again expired.

(At the request of Mr. HUNTER, and by unanimous consent, Mr. SISISKY was allowed to proceed for 2 additional minutes.)

Mr. HUNTER. Mr. Chairman, will the gentleman yield?

Mr. SISISKY. I yield.

Mr. HUNTER. Mr. Chairman, I thank the gentleman for yielding.

I think the gentleman from Massachusetts has come to the final point, and that is this, that coupled with that requirement that we spoke of about identifying the particular job, there is a requirement that a notice be given and that means when you leave the service——

Mr. FRANK. The gentleman is wrong, not under this section.

Mr. HUNTER. Well, the gentleman has not read the entire bill, because this is what makes it more fair. When you leave the service, you are going to be given a notice that says, "Warning. If you go to work for certain contractors, you may be subject to criminal prosecution," and specifically, you may not go to work for General Electric until July 1, 1989, or this other firm until July 1, 1989, and right on down the line; so a service family can sit down at the dinner table and say, "Wait a minute. We can't go to work for these firms, and if we do, we are going to be in trouble." That is the difference between the two versions of this particular bill.

Mr. FRANK. Mr. Chairman, will the gentleman yield for 15 seconds?

Mr. SISISKY. All right, 15 seconds.

MR. FRANK. I simply would like to point out that the eloquent rebuttal my friend just gave was to a point that I have not made. I was talking about

the Secretary's right to give an exemption if it was significant, on page 7. The gentleman is discussing another page, but it was an interesting discussion, nonetheless.

Mr. ROEMER. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in opposition to the Spratt amendment.

Mr. Chairman, today we are discussing obviously two separate proposals for correcting the revolving door problem between the Pentagon and defense contractors of America. I would like to rise for a couple reasons; one because I think the problem is a major one. Some Members of Congress, knowledgeable in military affairs, criticize the attempt to close the revolving door as if it were not a big problem; but common sense tells me, or I could pose the question, when was the last weapons system built on time at a price we could afford? We have done some research in our office. It is the bow and arrow.

One of the problems with the revolving door concept, and it is not the only problem between business and the Pentagon, one of the problems is that over time some incestuous relationships develop.

The reason I rise today, as have many on both sides of this issue, is the revolving door problem is in fact a problem.

Second, in the two approaches today, one by my colleague and good friend, the gentleman from South Carolina [Mr. SPRATT], the other by my colleague and friend, the gentleman from Florida [Mr. BENNETT], we have a choice to make.

□ 1740

It seems to me, speaking as one Member of this Congress, that we would do well to choose the Bennett approach.

There are a couple of reasons. First of all, the Spratt approach seems to allow, in my interpretation of the amendment, some exemptions or waivers to be given by the Secretary of Defense, including the list of definitions of what would be covered, and the waivers in the bill itself exempting certain officials on the ground that it would hamper DOD's ability to recruit industry executives.

If you do think the revolving door concept is a problem—many of us do, some do not—but if you feel it is a problem I do not see how you can support the Spratt amendment because, in effect, it does not close or stop the revolving door. At best it would slow it down.

Second of all, I think in a more positive tone the Bennett amendment does the kind of job that we would like to do. There are no, in my opinion, significant exemptions allowed since it would apply to all Defense employees with significant responsibilities for a procurement function. It would, in effect, close or shut the revolving door.

Finally, I support the Bennett-Boxer amendment because I, like you, am concerned with the military strength of the country. I have been forced for the last 2 years to vote against the Defense bill in the House. I am not proud of that. I am not happy with that. I am very uncomfortable with that. But with stories of $7,600 coffee pots, you know, the coffee pot was designed to produce coffee after the plane crashed—who is going to drink it? Stories of $400 hammers and $1,100 sets of wrenches; we all know the horror stories, and it seems to me that some of the best time we spend in the House is trying to make the relationship between the business world, of which we are legitimately proud in America, and the Defense Department, of which we are also legitimately proud in America, to make that relationship more competitive, stronger, and to eliminate the revolving door.

So the prime reason I stand, Mr. Chairman, not pretending any expertise, I have none, but I have listened, I have worked and been concerned for more than 2 years about it. But I rise because I have had in the past 2 years, I have had to vote against this Defense bill. I would like not to have to do that again this time, but unless we can deal with the competitive aspects of and the relationship between business and the Pentagon, I think that many in this House would be forced to vote "no".

I am asking my colleagues to think carefully about the issue and if they can join with us to vote for the Bennett amendment.

Finally, I do not think the revolving door helps make America any stronger. I think it is just the opposite. If we do not do something like what our friend from Florida [Mr. BENNETT] has proposed to the House we are apt to be weaker in our national defense, not stronger.

Mr. McCURDY. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I have spoken earlier in support of the Spratt amendment but I have to rise in opposition to the Bennett substitute. And I am particularly distressed by perhaps the comments of my good friend who just preceded me in that there are a couple of points that I have to take exception to. That specifically is the gentleman made the point when was the last time that a weapons system was completed on time, and under cost, and on schedule.

I would remind the gentleman there have been a number of occasions. You can take a system such as MLRS or you can take a number of systems that perhaps do not make the front pages, that are not glamorous, and you can take a number of conventional systems that have performed very well, and that have been produced in reasonable fashion.

The gentleman made a comment and said that perhaps we did better with bows and arrows. I would submit that maybe the Bennett amendment or the substitute is really taking a bow and arrow approach to this whole problem.

The gentleman indicates he voted against the bill the last two times. I have stood in the well of this House on a number of occasions as a member of the Armed Services Committee and expressed grave concern and reservation about the Defense bill. I took exception to the priorities within the Defense bill. I raised concerns over the last 5 years about the lack of procurement reform within the Defense bill.

But I would also submit that I rose in support of the Defense bill because it was important that we stood up and voted for those people that serve our country and to support the concept of improving our national security. And on balance I believe we have made substantial progress.

I would also submit to my colleagues that I will stand here with anyone who wants to talk about reform in the Department of Defense. I think I can match anyone when we talk about reform in the Department of Defense and say without a doubt that we have been making progress. And I believe the committee bill that is before us today is the best bill that we have seen during my tenure in the Congress and that the progress we make, the fact that the committee is offering a revolving door amendment, that the committee supports a position of reform, that the investigations committee comes forward with competition and dual sourcing, these are major steps and I think they are progressive steps.

I would submit the point is, again, my colleagues, that by over reacting to a perceived abuse sometimes we create more problems than we are correcting, and I would submit to my colleagues that the Spratt amendment goes a long way to resolving this. But we cannot, we in this body cannot stand here and micromanage every single aspect of the Department of Defense.

I think some of that discretion we have to be able to provide directly and set a tone for the Department of Defense, but we cannot sit here and make the lists ourselves as to who is or who is not involved.

Mr. ROEMER. Mr. Chairman, will the gentleman yield?

Mr. McCURDY. I will be glad to yield to the gentleman from Louisiana.

Mr. ROEMER. I thank the gentleman for rising and just respond that the committee has made a baby step and a genuine one in the direction of

slowing down the revolving relationships here.

But I would say to the gentleman do not characterize a gentleman like the gentleman from Florida [Mr. BENNETT] who has more expertise in this area of military defense than you and I put together, and who offers an amendment, in my opinion, which takes a giant step toward the same, I would not put the gentleman down as someone who has come late to this problem or without study. I think the evidence is just the opposite.

Mr. McCURDY. I will reclaim my time and would say that I said nothing that would impugn the honor or the expertise of the gentleman from Florida, for whom I have a great deal of respect. I was just making the point that the committee has reviewed this issue in great detail and has come out with a very substantive provision and an amendment that makes sense and can resolve, I think, a very major problem. That is the point that I make.

Mr. SPRATT. Mr. Chairman, will the gentleman yield?

Mr. McCURDY. I am happy to yield to the gentleman from South Carolina.

Mr. SPRATT. Mr. Chairman, I simply want to say to the gentleman from Louisiana [Mr. ROEMER], he perhaps was not here when I made my opening comments about this amendment, but I said as my very first statement when I stood up that it is because of the initiative, the tenacity of the gentleman from Florida [Mr. BENNETT] that we are considering this amendment today. He does not agree with all of the provisions of the amendment as reported, but I want to salute him for his efforts, his initiative and his tenacity, and I did so from the outset.

The CHAIRMAN pro tempore [Mr. RUSSO]. The time of the gentleman from Oklahoma [Mr. McCURDY] has expired.

Mr. HUNTER. Mr. Chairman, I move to strike the requisite number of words.

My colleagues, I do not think there should be any doubt about this. One of these provisions is going to be passed, and whichever one is passed it is going to be the Bennett amendment, and it is the result of the many years of hard work by the chairman of the Seapower Subcommittee, the gentleman from Florida [Mr. BENNETT], and he should be commended for it. He has been tenacious, and this is his bill, and that applies regardless of which provision is passed..

Let me just lay this thing out simply, as I see it. What we are doing here is telling some people that they are going to be in violation of criminal statute if they do certain acts, and those acts are pretty simple. They involve going out and getting a job.

Now, I agree with the chairman about the necessity of stopping the revolving door, and I know of particular, specific cases that particularly motivated him.

□ 1750

They angered me as well, and I think a number of other members of the committee. We want to stop it. I think both of these provisions would go a long way toward doing that. Let me tell you what I think is absolutely essential to this particular piece of legislation that is in the Spratt amendment and that is a notice.

You know, we have the words "significant responsibility" here; we are telling some people, "If you have a significant responsibility in a procurement situation, it is going to be against the law for you to go out and get a job with the company that you did business with, however briefly." The problem that a lot of service families are going to have, is: Does that apply to me? How about that meeting I had 2 years ago with General Electric, did that involve a significant responsibility? Gee, did I ever meet with this company before?

What we have done is provide something that is not only going to be a fairness tool but it is going to be a prosecution tool. That tool is simply notice. We are going to give notice to those people. What that means is very simply this: When a person leaves the Pentagon he is given a piece of paper and the piece of paper says this:

Warning: If you go to work for certain contractors that you did business with you are going to be the subject of criminal prosecution, you will have violated certain criminal statutes. Here is the statute you will have violated and these are the companies you cannot go to work for. General Electric, you cannot go to work for General Electric until July 1, 1989, because you did business with them. Grumman Aircraft, you cannot go to work for Grumman Aircraft until July 1, 1989, because you did business with them.

It is a notice; that service family can take that notice home, set it down on the dinner table, and they can plan their career path. They are not going to have to worry that 2 years down the line some ambitious prosecutor is going to say, "Hey, remember that 10-minute meeting you had on July 1, 1982, that involved a weapon system that involved this contractor? Well, I think you have violated the Criminal Code and we are going to prosecute you."

So it gives notice. It is a very fundamental thing.

If we are going to make it a crime for our administrative assistants, for example, to go to work for certain people who did business with our congressional office, the least we owe them is notice. We need to give them a warning, "you are going to be under criminal prosecution if you do these particular things."

That is one thing that the Spratt amendment does.

I think also it is going to help Mr. BENNETT's intent and purpose because it is going to be a great prosecutorial tool, because our prosecutor is going to be able to stride across that courtroom and put this thing in the face of a defendant and say, "Hey, you were given notice, you were told not to go to work for Grumman Aircraft or this other contractor until July 1, 1989, and yet you did, and you were given notice." It is going to be a very effective prosecutorial tool, and it is going to wipe out all these arguments about not having sufficient notice and it is going to wipe out the arguments about vagueness because people are going to be on notice that they cannot go to work for those particular people.

So I would ask the gentleman from Massachusetts [Mr. FRANK], and I guess he is still here on the floor, to consider that point, because although that was not in response to the specific question that he asked last time, it was an answer that I think he needed to hear.

Mr. FRANK. Mr. Chairman, will the gentleman yield?

Mr. HUNTER. I yield to the gentleman from Massachusetts [Mr. FRANK].

Mr. FRANK. I thank the gentleman for yielding.

There are other problems that I have with the bill which I hope to discuss on my own time. But I would say this: What the gentleman has said is that there is what we call a chilling effect in the amendment offered by the gentleman from Florida [Mr. BENNETT]; that is, by broadly imposing a prohibition, people may be feeling overprohibited; they may not go into some areas where they might otherwise be allowed. I think that is a good thing here. We are not talking about free speech or freedom of religion or freedom of the press. Remember what we are talking about. The premise, and this is part of my problem, the gentleman's premise seems to be that people who have been working for the U.S. Army or Air Force or Navy or Marines ought to be expected to then go to work for a private contractor.

The CHAIRMAN pro tempore. The time of the gentleman from California [Mr. HUNTER] has expired.

(On request of Mr. MONTGOMERY and by unanimous consent, Mr. HUNTER was allowed to proceed for 2 additional minutes.)

Mr. FRANK. Mr. Chairman, will the gentleman continue to yield?

Mr. HUNTER. I will yield to the gentleman from Massachusetts [Mr. FRANK] first, and then I will yield to the gentleman from Mississippi.

Mr. FRANK. I thank the gentleman for yielding. I will only take about 30 more seconds to say this: My problem is, I do not mind having that chilling

affect, I do not think there ought to be the expectation that you will work for the Army or the Navy or the Air Force or the Marines and then go to a private contractor. Some of the people on the other side of this issue are acting as if that is the norm, as if the Pentagon was a vocational school for private industry. I do not mind interrupting that flow.

Mr. HUNTER. Let me take back my time and answer my friend and say simple this: If you had one thing that I think the gentleman from Massachusetts does want to give service families, it is notice. If that particular breadwinner has dealt with 200 or 300 projects that involve several dozens of contractors apiece, you do not want to have a guy who forgets that 10-minute meeting or does not realize that that is a significant contact; you do not want to have that guy being prosecuted. You want to deter people from the revolving door; you do not want to trap service families.

Mr. MONTGOMERY. Mr. Chairman, will the gentleman yield?

Mr. HUNTER. I yield to the gentleman from Mississippi.

Mr. MONTGOMERY. I thank the gentleman for yielding.

Mr. Chairman, I would like to change the tempo or the speedy tempo of the gentleman from Massachusetts [Mr. FRANK] and say that I rise in support of the Spratt amendment and I am opposed to the Bennett amendment.

Mr. Chairman, I attended most of the hearings, serving on the committee. The Bennett amendment is really going to frighten away good people to accept jobs in the Pentagon. The Spratt amendment gives the protection on the revolving door and the Spratt amendment is a good compromise. I am going to vote with the majority of the House Committee on Armed Services in support of the Spratt amendment.

Mr. HUNTER. I would simply say in conclusion that the Spratt amendment is the amendment that has the prosecution tool in it. That is, the notice. It is also a tool that is going to provide fairness to our service families and the families that work for the Department of Defense.

Mr. SPENCE. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in support of the committee amendment. I have been sitting here a long time this afternoon. I have heard many times members make reference to the fact that we have people who sit down and negotiate a contract one day and then the next day they go to work for the person with whom they have negotiated that contract. It is just that simple, the way they put it.

I think that what we are trying to prevent is this kind of thing from happening. Here today we have two different amendments to the committee bill, one offered by Mr. SPRATT for the committee, after the committee dealt with the problem and passed out this particular amendment. We also have an amendment by Mr. BENNETT, a friend of mine, chairman of the subcommittee with whom I have served for a number of years. I think we are all trying to do the same thing. We are trying to prevent people who are in a position of influence from using that position of influence to award a contract to some contractor and then later on being rewarded by that contractor by giving him or her a job.

Simply put, that is what it comes down to. But today we have gotten far afield from what we are here about. We are trying, with a broad brush—and we have, I might add—painted with that broad brush the integrity of many men and women of our armed services and also people who are involved in our defense industry.

Everyone involved in this process is not a crook. We have many dedicated people serving this country in these capacities. They should not be pointed out every day because they have been associated now with some horror story.

□ 1800

We have the best defense available today because there are good defense contractors. They are not perfect; they do wrong, they have done wrong; neither are we who are sitting in judgment perfect.

The problem is that we want to get the right people. The committee bill, I think, gets to the right people. The problem with the other bill is that on the one hand we find a few people who do not have any direct involvement with the negotiation of a contract; they are the top of the pyramid. Things funnel through them in the final analysis, but they do not get involved in sitting down across the table, quote-unquote, with someone, and negotiating a contract.

That person should not be involved in this. Neither should the person who has only a cursory connection down the line somewhere with a defense contractor.

The committee amendment exempts those kind of people.

I want to say just this: I do not often get up to take the floor, unless I think I can contribute something that has not been said before. I have listened all afternoon, and I think I have something I can say that has not been said before.

That is, the person that we are trying to exempt is not involved in the intimate negotiation of a contract with any one defense contractor but would be precluded from working for anyone since he had overall management responsibilities. That person, those few people, are the ones being exempted by our committee amendment. I might add that the committee amendment passed by a vote of 29 to 13 in committee.

I urge your vote for the committee amendment.

AMENDMENT OFFERED BY MRS. BYRON TO THE AMENDMENT OFFERED BY MR. SPRATT

Mrs. BYRON. Mr. Chairman, I offer an amendment to the amendment.

The Clerk read as follows:

Amendment offered by Mrs. BYRON to the amendment offered by Mr. SPRATT:

Strike out all after the section heading of the section proposed to be inserted by the amendment and insert in lieu thereof the following:

(a) LIMITATIONS ON ACCEPTANCE OF COMPENSATION.—(1) An individual who is a former officer or employee of the Department of Defense or a former or retired member of the Armed Forces who during the two-year period preceding the individual's separation from service in the Department of Defense had significant responsibilities for a procurement function with respect to a contractor while serving in a position identified by the Secretary of Defense under subsection (g)(1) may not accept compensation from that contractor for a period of two years following the individual's separation from service in the Department of Defense if that contractor is included in the notice provided that individual under subsection (d).

(2) Whoever knowingly violates paragraph (1) shall be fined not more than $10,000 or imprisoned for not more than one year, or both.

(3) An individual who knowingly offers or provides any compensation to an individual the acceptance of which is or would be in violation of paragraph (1) shall be fined not more than $10,000 or imprisoned for not more than one year, or both.

(b) LIMITATIONS ON CONTRACTORS.—(1) Each contract for procurement of goods or services entered into by the Department of Defense shall include a provision under which the contractor agrees not to provide compensation to an individual if the acceptance of such compensation by such individual would violate subsection (a)(1).

(2) Such a contract shall also provide that if the contractor knowingly violates a contract provision required by paragraph (1) the contractor shall pay to the United States, as liquidated damages under the contract, an amount equal to the greater of—

(A) $100,000; or

(B) three times the compensation paid by the contractor to the individual in violation of such contract provision.

(c) REPORTING OF EMPLOYMENT CONTACTS.—(1) If an officer or employee of the Department of Defense, or a member of the Armed Forces, having responsibilities for a procurement function with respect to a contractor contacts, or is contacted by, the contractor regarding future compensation of the officer, employee, or member by the contractor, the officer, employee, or member shall—

(A) promptly report the contact to the officer, employee, or member's supervisor and to the designated ethics official of the agency in which the officer, employee, or member is serving;

(B) promptly report (as part of the report under subparagraph (A) or as a separate report) when contacts with the contractor

concerning such compensation have been terminated without agreement or commitment to future compensation of the officer, employee, or member by the contractor; and

(C) disqualify himself from all participation in the performance of procurement functions relating to contracts with that contractor until a report described in subparagraph (B) is made with respect to such contacts.

(2) If an officer, employee, or member serving in a position with respect to which an exemption is in effect under subsection (g)(4) fails to disqualify himself as required by paragraph (1)(C) with respect to procurement functions relating to contracts of a contractor, subsections (a) and (b) apply to acceptance of compensation by that officer, employee, or member from that contractor.

(d) NOTICE TO OFFICERS AND EMPLOYEES LEAVING DOD SERVICE.—(1) The Secretary of Defense shall give the notice described in paragraph (2) to each officer and employee of the Department of Defense and each member of the Armed Forces—

(A) who after the effective date of this section is separated from service in the Department of Defense; and

(B) who during the two-year period before that separation served in a position in the Department that included significant responsibility for a procurement function and that was identified by the Secretary of Defense under subsection (g)(1).

(2) A notice required by paragraph (1) shall provide the individual receiving the notice—

(A) a written explanation of the provisions of this section; and

(B) the name of each contractor from whom such individual is prohibited from accepting compensation under this section during the two-year period following such separation from service in the Department of Defense.

(e) CONTRACTOR REPORTS.—(1)(A) Each contractor subject to a contract term described in subsection (b) shall submit to the Secretary of Defense not later than April 1 of each year a report covering the previous calendar year. Each such report shall list the name of each individual (together with other information adequate for the Government to identify the individual) who is a former Department of Defense officer or employee, or a former or retired member of the Armed Forces, who—

(i) was provided compensation by that contractor during the preceding calendar year, if such compensation was provided within two years after such officer, employee, or member left service in the Department of Defense; and

(ii) had significant responsibilities for a procurement function during the individual's last two years of service in the Department of Defense.

(B) Each such listing shall—

(i) show each agency in which the individual was employed or served on active duty during the last two years of such individual's service in the Government;

(ii) show the individual's job titles during the last two years of such individual's service in the Government;

(iii) contain a full and complete description of the duties of the individual during the last two years of such service; and

(iv) contain a description of the duties (if any) that the individual is performing on behalf of the contractor.

(C) The first such report shall be submitted not later than April 1, 1987.

(2) The Secretary of Defense shall review each report under paragraph (1) to assess the report for accuracy and completeness and for the purpose of identifying possible violations of subsection (a) or (b) or paragraph (1). The Secretary shall report any such possible violation to the Attorney General.

(3) Whoever fails to file a report required by paragraph (1) shall be fined not more than $10,000.

(f) REVIEW BY DIRECTOR OF OFFICE OF GOVERNMENT ETHICS.—The Director of the Office of Government Ethics shall have access to the reports submitted under subsection (e)(1) and shall conduct an annual random review of the reports for violations of subsections (a), (b), and (e)(1). The Director shall submit a report to Congress not later than October 1 of each year on the operation of this section, including the findings of the Director based on the examination of reports for the preceding calendar year.

(g) COVERED POSITIONS.—(1) Not later than 180 days after the date of the enactment of this Act, the Secretary of Defense shall prescribe and publish in the Federal Register regulations identifying those positions within the Department of Defense that have as their primary duty the management, direction, oversight, or justification, with respect to a particular product or service, of—

(A) development;

(B) production;

(C) funding;

(D) operational and developmental testing;

(E) auditing; or

(F) acquisition.

(2) Positions identified under paragraph (1) shall include as a minimum each position with respect to a contract or program—

(A) as the program manager or deputy program manager;

(B) as a program monitor;

(C) as a member of a source-selection evaluation board or of the technical and cost teams advising the board or as the official responsible for approval of a sole-source contract;

(D) as the head of the system's program office;

(E) as the source selection authority for the system; and

(F) in which an individual is assigned on a permanent basis in the government plant representative office.

(3) Regulations under paragraph (1) shall be revised not less often than once each year. Any revision of such regulations shall be published in the Federal Register.

(4)(A) When a vacancy occurs in a position identified under paragraph (1) and the Secretary of Defense determines that the duties inherent in that position involve significant responsibilities for procurement functions with so many contractors that implementation of subsections (a) and (b) with respect to individuals serving in that position would seriously hamper the ability of the Department of Defense to obtain the services of a highly qualified individual to fill that vacancy from the provisions of such subsections by reason of service in such position.

(B) Whenever the Secretary grants an exemption under this paragraph, the Secretary shall promptly submit to the Committees on Armed Services of the Senate and House of Representatives a report describing the exemption and setting forth the specific reasons for the exemption.

(h) EXCLUSION.—This section does not apply—

(1) to a contract for an amount less than $100,000; or

(2) to compensation of an individual by an entity that did not have a Department of Defense contract in excess of $100,000 at the time the individual had significant responsibilities for a procurement function with respect to a contract with that entity.

(i) ADVISORY OPINIONS FROM OFFICE OF GOVERNMENT ETHICS.—(1) An individual who is considering the propriety of accepting compensation that might place the individual in violation of subsection (a) may, before acceptance of such compensation, apply to the Director of the Office of Government Ethics for advice on the applicability of this section to the acceptance of such compensation.

(2) An application under paragraph (1) shall contain such information as the Director requires.

(j) WAIVER OF OTHERWISE APPLICABLE FINES UNDER TITLE 18.—The provisions of section 3623 of title 18, United States Code, shall not apply to maximum fines applicable under subsections (a)(2), (a)(3), and (e)(3).

(k) DEFINITIONS.—For purposes of this section:

(1) The term "compensation" includes any payment, gift, benefit, reward, favor, gratuity, or employment valued in excess of $100 at prevailing market price, provided directly, indirectly, or through a third party.

(2) The term "contractor" means any person, partnership, corporation, or agency (other than the Federal Government or the independent agencies thereof) that contracts to supply the Department of Defense with goods or services. Such term includes any parent, subsidiary, or affiliate thereof.

(3) The term "procurement function", with respect to a contract, means any acquisition action relating to the contract, including negotiating, awarding, administering, approving contract changes, costs analysis, quality assurance, operational and developmental testing, technical advice or recommendation, approval of payment, contractor selection, budgeting, auditing under the contract, or management of the procurement program.

(4) The term "Armed Forces" means the Army, Navy, Air Force, and Marine Corps and includes the Coast Guard when the Coast Guard is operating as a service in the Navy.

(l) SEPARATION OF MEMBERS OF ARMED FORCES.—For the purposes of this section, a member or former member of the Armed Forces shall be considered to have been separated from service in the Department of Defense upon such member's discharge or release from active duty.

(m) TRANSITION.—(1) This section—

(A) does not preclude the continuation of employment that began before the effective date of this section or the acceptance of compensation for such employment; and

(B) does not, except as provided in paragraph (2), apply to an individual whose service with the Department of Defense terminates before April 1, 1986.

(2) Paragraph (1)(B) does not preclude the application of this section to an individual with respect to service in the Department of Defense by such individual on or after April 1, 1986.

(n) EFFECTIVE DATE.—This section shall take effect on January 31, 1986.

Mrs. BYRON (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be consid-

ered as read and printed in the RECORD.

The CHAIRMAN pro tempore. Is there objection to the request of the gentlewoman from Maryland?

There was no objection.

Mrs. BYRON. Mr. Chairman, basically this amendment changes the date for the enactment to January 31, 1986.

Let me say first of all that the gentleman from Florida [Mr. BENNETT] is not late on this issue; Mr. BENNETT is our leader on this issue. He has led this issue before the committee; he is a champion of this issue.

I have some concerns and some considerations that we might be once again taking too giant a step. Sometimes I think it is a little bit better that we take a smaller step and we move forward. My amendment is a step, I think, in the right direction; it is basically the Spratt amendment, but it addresses the issue that we are all concerned about.

It simply extends the date for the enactment of the Spratt amendment to January 31, 1986. The public is beginning to get a perception that it is a criminal act to go to work for a contractor. I do not think any of us on the committee have that feeling.

It is also a concern of many of us on the committee that we are not going to be able to attract individuals into Government positions if we tighten to the extent that when an individual is going to be given no options for employment afterward.

I think the amendment of Mr. SPRATT has the criminal aspect in it that I think we need; I think we have to have a fairness to our employees to give them a length of time to understand where we are going, and I think the fact that this amendment does extend to that time frame, until January 31, 1986, is a strengthening part of Mr. SPRATT's amendment.

Mrs. BYRON. I yield to the gentleman from New York.

Mr. CARNEY. Am I to understand that the gentlewoman's amendment would include in that amendment the covered positions as defined by the Spratt amendment?

Mrs. BYRON. My amendment is exactly the same as Mr. SPRATT's amendment, except it does change the time frame which is until January 31, 1986.

Mr. CARNEY. So that positions that have as their primary duty the management, direction, oversight, justification with respect to a particular product or service——

Mrs. BYRON. That is absolutely correct.

Mr. CARNEY. So all the jobs having to do——

Mrs. BYRON. All the jobs that are defined in Mr. SPRATT's amendment are also defined in my amendment.

Mr. CARNEY. With procurement.

Mrs. BYRON. With procurement.

Mr. CARNEY. Would you also cover the professional representatives in the manufacturing installations, the Air Force project reps at the installations?

Mrs. BYRON. Exactly the same.

Mr. CARNEY. Would they be clearly defined in the——

Mrs. BYRON. They are very clearly defined.

Mr. CARNEY. The Secretary would delineate those jobs?

Mrs. BYRON. This is basically the amendment that we debated before the full committee which passed overwhelmingly before the full committee.

Mr. CARNEY. Thank you.

Mr. HERTEL of Michigan. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, we have been talking quite a long time about this problem. I think it is important at the outset of the discussion of the Byron amendment that we discuss and point out exactly what it is.

It means we have to vote on the Spratt amendment twice. The Bennett amendment is going to be sandwiched now inside. The Byron amendment, as we just found out, is exactly the same as the Spratt amendment, word for word, except a different date. That means it will come up first for a vote because it is now amending Bennett.

So to the House Members who are very concerned about this revolving door issue, to the House Members who want to do the strongest possible practical reform in this area, they would have to first vote down Byron-Spratt, vote yes on Bennett to win the issue.

I yield to the gentleman from Connecticut on this question.

Mr. GEJDENSON. I thank the gentleman.

Mr. Chairman, I rise in support of the gentleman's position. I believe that what is clear is if we do less than what Bennett asked for, it is to water down something that is terribly needed. The real question is, do we believe that there are not dedicated Americans willing to work for our country, for our Defense Department, simply on the salary they earn, or must we have the lure of a future job in the defense industry to get these people to work for the Government of the United States?

I think there are ample numbers of Americans sufficiently committed to this country who are ready to work for this country with the kinds of restrictions that I think most Americans would like to see on people working for the Department of Defense, understanding that it is not simply a ticket for a fat job with a defense contractor.

Mr. HERTEL of Michigan. Since we are still talking about the Spratt amendment, just with a different date in the Byron amendment now before the House, let us talk about some of the issues that have been clarified over the last hour plus in this debate.

Mr. HUNTER pointed out that his amendment and language in the Spratt, or Byron, amendment; they are both the same except for a different date, is that people will be given notice as to what companies they were in control of in their position in the Department of Defense.

If the Pentagon makes a mistake and by omission then, under the Spratt or Byron amendment, leaves out a company from the list they are given when they retire from the Pentagon, Department of Defense, then they are not going to have to worry about that particular connection, just because of a simple omission; a mistake, they cannot be prosecuted.

So if the Pentagon does not like this revolving door approach, makes a mistake or an omission under Spratt or under Byron, then that individual, that company, will not be covered.

Let me point out again and reiterate: Under Bennett, the individual who has worked for the Department of Defense, can work for any other company in this huge military-industrial complex, which is the biggest and most expensive portion of our industry in this country, any other company except one, except one where they had a direct, significant involvement in making decisions for contracts, and then it is only for a 2-year period.

So let us talk about the very limited scope of the Bennett amendment as we oppose the Byron and Spratt amendments.

Mr. HERTEL of Michigan. I yield to the gentleman from Michigan.

Mr. LEVIN of Michigan. I thank the gentleman for yielding, and I would like to take a few minutes if I might—I may have to ask for a few minutes of additional time—to talk about the issue of scaring away Government employees, because I think we want to get into that.

I would like to indicate, Mr. Chairman, that I think that those who oppose the Bennett amendment because it would scare away people from the Government service are short-selling the people who are in the Government service.

I want to, if I might, draw a bit on my 4 years within the Executive at an assistant secretary or deputy assistant secretary level, whatever it was; and say a word about who these public employees, these Government employees are.

Most of them work hard. Most of them develop skills, if they are in contracting, whatever it is. They develop major skills, and there is a misconception here. These skills are generally transferrable. They are not just usable in Defense or in State, or whatever.

Good contracting officers, good policy officers, have the ability to move these skills from one place to another.

So we are not disinheriting people because we say to them: You cannot use the skills that you developed in relationship to the people whom you were supervising. We are not disqualifying them; we are not disinheriting them.

Indeed, let me just say what I think the exemption means, the way my good friend from South Carolina has written.

I ask the gentleman for 3 additional minutes.

The CHAIRMAN pro tempore. The gentleman's time has expired.

Mr. LEVIN of Michigan. Mr. Chairman, I ask unanimous consent that the gentleman have 3 additional minutes.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Michigan?

Mr. HARTNETT. Mr. Chairman, reserving the right to object.

Mr. Chairman, under my reservation, each Member can receive his own 5 minutes, and I would suggest to the gentlemen who want that time; ask for their own 5 minutes.

□ 1810

Mr. Chairman, I will withdraw my reservation of objection, but I hope that in the future any Member who wants to address this issue would ask for and receive his own 5 minutes.

Mr. HERTEL of Michigan. I wonder if the sponsors might discuss a time limitation, since we are now on an amendment which is exactly the same as what we had been discussing regarding Spratt before.

Mr. FRANK. Mr. Chairman, will the gentleman yield?

Mr. HERTEL of Michigan. I yield to the gentleman from Massachusetts.

The CHAIRMAN. The gentleman from Michigan [Mr. LEVIN] has asked unanimous consent that the gentleman from Michigan [Mr. HERTEL] be allowed to proceed for 3 additional minutes.

Is there objection to that unanimous-consent request?

There was no objection.

Mr. HERTEL of Michigan. Let me just make a quick point. The gentlewoman from Maryland is a tactician that I respect very well, and by her amendment just changing the date will make sure, for the Members of the House who are watching this debate in their offices, that, really, Byron-Spratt will come up first, giving them somewhat of a tactical advantage, but then Bennett will be there. If we can defeat the Byron amendment, Bennett will be there in its strength and with all the 30 years of effort that Chairman BENNETT has put forth in that amendment.

Mr. LEVIN of Michigan. If the gentleman will yield further, we have been here, many of us, for a long time, and others have spoken twice or three times. I just want to, if might, say my piece. I feel strongly about it. I have had an open mind on this issue. I want to address specifically the notion that we are going to prune away the pool of talent available for work in the Defense Department.

Here is how I read the amendment of the gentleman from South Carolina and now the new amendment: The higher the position, the more the skills, the more the capability of finding a like position outside the Defense Department, and the more the damage that could occur through a revolving door, the more likely there will be an exemption.

The higher up the people are, the more likely the exemption.

I do not think that makes sense.

I want to express what I am hearing in town meetings. There is a crisis in confidence in the Defense Department, our largest contracting agency, by far, and our most critical contracting agency. And in some respects, the crisis of confidence is for the wrong reasons. It is not because of serious debate about weapon systems, about the nature of our strength. It is because the Defense Department, over the last years—it has been going on for a long time—has lost the confidence of the American people because they are not contracting well. They are not contracting effectively. They are wasting our money, and they are wasting it in billions of dollars. To say to people who are working in the Defense Department that for a couple of years you are not going to go back and work with the people with whom you were working, I think that is an essential part of resolving the crisis in confidence. So I urge that we support the Bennett amendment and resist others.

Mr. HERTEL of Michigan. I think we have been seeing by the Byron amendment how important the Bennett amendment is. It would make a major change in how the system operates, it will make a change for the better, and I think we see the great importance now, this revolving door amendment, as we consider the DOD authorization. It is going to be a key vote.

Mr. ROEMER. Mr. Chairman, will the gentleman yield on that point?

Mr. HERTEL of Michigan. I yield to the gentleman from Louisiana.

Mr. ROEMER. I thank the gentleman for the work he has done and support his position.

"Yes" for Bennett; "no" on the others.

Mr. BENNETT. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I have risen here because I was curious about why we are changing the date of the bill.

There is nobody in the House that I admire more than the gentlewoman from Maryland [Mrs. BYRON]. My wife and I agreed last night that if there were a lady who should run for President or Vice President, it should be Mrs. BYRON. We agreed on that last night. I told the gentlewoman that this morning.

Despite that accolade, which is well deserved by the gentlewoman, what is the purpose of this amendment? I regret to say it is rather sinister. The purpose of this amendment, as I see it, is to put a situation before us where, if the situation should develop that the Bennett amendment would be turned down as it is now constituted, it would then thereafter not be possible to amend the Spratt amendment. So there is no real enthusiasm here about changing the date. The real purpose is to see to it that the House cannot work its will to see to it that it gets the kind of bill it desires, because under the parliamentary rules, as I understand it, if the gentlewoman's amendment is agreed to, then you cannot amend the Spratt amendment, and it certainly needs amendment, if the Bennett amendment were not accepted in its entirety.

So I must say that I think the gentlewoman is a marvelous woman with brains, ability, character and charm, and all that, but I think that it would be a bad thing for the public to realize that the merits of a bill could give way to parliamentary procedure.

I am a simple person. I like to get simply at the issue that is involved. The simple issue is just if you sit on one side of a desk and represent the Government with a defense contractor on the other side, that for 2 years after you have done that, you cannot go to work for that contractor. It is not complex at all. It is a very simple crime under this law. It is very well defined. There is nothing wrong with the bill which I have introduced. It is very simple. It has had things added to it which I never wanted, but it is there, it is clear, and the American people ought to have this opportunity to have this before them. It should not be obfuscated by any parliamentary procedure.

Mr. FRANK. Mr. Chairman, will the gentleman yield?

Mr. BENNETT. I yield to the gentleman from Massachusetts.

Mr. FRANK. I thank the gentleman for yielding.

Mr. Chairman, let me be clear what the effect of the move by the gentlewoman from Maryland is: It is to protect the waiver by the Secretary of Defense, because the key difference between the 2 amendments is that in the amendment offered by the gentleman from South Carolina there is a blanket waiver authority given the Secretary of Defense. Anybody who is important enough, who has significant responsibilities, that weasel word that so offends the gentleman on the one side,

that they give it to the Secretary of Defense so he can make Swiss cheese out of the amendment of the gentleman from Florida.

The gentleman from Florida has got an amendment. The amendment of the gentleman from South Carolina, beginning at page 7 so the gentleman can find it, it starts on line 24, it gives the Secretary of Defense the power to give a waiver on his say-so to anybody who has significant responsibilities over more than one contractor.

Now, under the previous parliamentary situation, had the substitute failed and the Spratt amendment won, an amendment could have been offered to deal with that.

The gentlewoman from Maryland has now locked in the waiver. Under the parliamentary situation, if you vote for this motion that will come up first, you will have a waiver in the hands of that defender of the public trust, Caspar Weinberger, and Caspar Weinberger will be able to sprinkle waivers around like Johnny Appleseed sprinkling apples. So that if Caspar Weinberger thinks it is essential, there will be no waiver, and there will not be anything you can do about it. If that is reform, I am—and I do not think the rules would allow me to say exactly what. I think it has now been made very clear, because we might have had a situation where the gentleman from Florida could have offered an amendment to the amendment of the gentleman from South Carolina to strike the waiver. So the difference now, the irreducible and frangible difference, is you are stuck with the waiver. I know Members are not going to like it and there will be head shaking and muttering and unfairness charges, but you put the waiver in there, and Secretary of Defense Weinberger, if anybody has got significant responsibilities, that terrible word, over more than one contractor, and it is so important, he can waive it, and all we can do is receive the report, we cannot change it.

I hope the gentleman will yield to the gentleman from South Carolina so he can explain this one.

Mr. BENNETT. Mr. Chairman, I yield to the gentleman from South Carolina [Mr. SPRATT].

Mr. SPRATT. I thank the gentleman from Florida for yielding.

Mr. Chairman, if the gentleman from Massachusetts will look at the amendment, he will see that the Secretary does not have blanket authority. His decision must be concurred in by the Director of the Office of Government Ethics.

Mr. BENNETT. I would like to recapture my time and say that the point is still clear that the sole purpose of this date thing is to prohibit any possibility of the Congress working its will to perfect this Spratt bill if it can be perfected. It is a device, a legislative device, to keep the people of the United States from having a clear-cut situation on this legislation.

Mr. FRANK. Mr. Chairman, will the gentleman yield further to me?

Mr. BENNETT. I yield to the gentleman from Massachusetts.

The CHAIRMAN pro tempore. The time of the gentleman from Florida [Mr. BENNETT] has expired.

(On request of Mr. FRANK and by unanimous consent, Mr. BENNETT was allowed to proceed for 30 additional seconds.)

Mr. FRANK. I apologize to the gentleman from South Carolina. I neglected to mention, and I should have, that the Director of the Office of Government Ethics is also in there. I have seen the operation of the Office of Government Ethics. They have not laid a glove on anybody. And if the people who might be involved are not afraid of Caspar Weinberger, they are not afraid of Caspar Weinberger and the Director of Government Ethics. I am not a great statistician, but I do know one thing: Nothing plus nothing equals nothing. And that is what we have if we have the amendment of the gentleman from South Carolina.

□ 1820

Mr. BADHAM. Mr. Chairman, I move to strike the last word.

Mr. Chairman, this is a serious matter that we are discussing. I do not question the integrity of the offeror of the original amendment, the distinguished gentleman from Florida who has worked on this problem for many years.

The gentleman from Florida sees wrongdoing and potential wrongdoing. I think that is commendable, and I think that the gentleman from Florida, in offering his amendment, has done his level best to bring that before the public, to bring it before this House, and to do something about it. I commend him for that.

His suggestion is straightforward; there is no question about that. I perceive that the gentleman is not an attorney. In that, we share equality; I also am not an attorney. But, I do know this about the law: that a simple, straightforward statement may be, however well intentioned, fraught with grave difficulty.

We have heard on the floor mostly from Members of the House who did not attend the hearings on this bill that somehow the military service of the United States is a "vocational school." The armed services of the United States are not a vocational school. And, while indeed they are not, I would contend that the Members of this body ought to think for a minute about what the voluntary, uniformed armed services of this country do provide at all enlisted and officer grades. They provide skilled technicians to the work force; they provide knowledgeable people to the work force. They provide previously uneducated people with an ability to have skills so that they might find jobs in the marketplace after a short, medium, or long stay serving their country in its uniform.

Vocational school? No. Vocational pool? You bet. "Transferable skills." The gentleman from Michigan alluded to the contention that all of these potential criminals we want to throw in jail have transferable skills and it really does not matter for whom they work after they leave the Pentagon in areas of decisionmaking.

If that be true, why put them in the terrible situation where they have to ascertain whether they go to work for corporation A, division B, or whether they go to work for corporation A, division C or D, and whether or not they are breaking the law. To whom, absent the Spratt amendment, have they to turn to ask whether or not they might be breaking the law?

We have heard statements that the United States of America is not contracting well and is not contracting efficiently and we ought to do something about this. Ladies and gentlemen of this body, let me say that that is an absolute truth with which I agree wholeheartedly. But the fact remains that a contract, however elemental one might address the subject of contracts, be he attorney or not, must agree that a contract is an agreement in writing between two parties or more. If the Government is entering into dumb contracts, there is only one organization that can be blamed, and that is the Government of the United States.

What corporation in its right mind would seek to hire someone who was making dumb contracts anyway?

We do have the fact of the brain drain. Any of us who deal with the Pentagon and with the military-industrial complex or with the defense industry in this country which is diversified, would know that there has been case after case after case of people who have been asked, for purposes of expertise, to leave that business and go to work for the U.S. Government in the Pentagon to add some expertise, some efficiency, and some good business practice to the way the Pentagon does business.

The CHAIRMAN pro tempore. The time of the gentleman from California [Mr. BADHAM] has expired.

(By unanimous consent, Mr. BADHAM was allowed to proceed for 5 additional minutes.)

Mr. BADHAM. If the Pentagon is unable, due to this type of legislation, to hire capable people on a temporary basis from industry, then we will have a brain drain and we will have an inability to get some of the good people to do some of the things we need done in the Pentagon.

Major contractors, against whom the amendment is directed, have divisions. I will name a contractor, for want of another name, General Electric. It is, under the terms of the amendment, that a person who had substantial responsibility for contracting as a uniformed officer in the Pentagon with General Electric on engines, this person could not even entertain employment with General Electric after that, despite the fact that he might seek employment with another division; might want to sell light bulbs; might want to go into plant security, might want to purchase parts for small appliances, et cetera. This is another area where this bill is defect.

Finally, I would just say this: That reference has been made as if there has been some parliamentary trickery pulled over the Members of this House by other Members of the House. Now, members of the committee, my colleagues, if we who are elected to this body for term after term and cannot face up to the fact that this House has parliamentary rules and must complain about the order in which votes are taken as being influential on how a vote might come out, I think that is a little short of the mark, and I think those who tried to make that point should be just a little ashamed about making that point; particularly when their motives, in the purest sense, are good.

Mr. BENNETT. Mr. Chairman, will the gentleman yield?

Mr. BADHAM. I yield to the gentleman.

Mr. BENNETT. Well, I am not a very complicated man; I do not know too much about parliamentary rules. I wondered why it was offered, and so I inquired why it was offered, and it was told to me why it was offered. It makes it more difficult for us to have the issues presented in a yes and no, factual way on the floor. That is a disadvantage. I wanted to expose it because I wanted everybody to know if they want an honest vote on the matter, they ought to vote down Mr. BYRON.

Mr. BADHAM. Reclaiming my time, the gentleman makes a further allegation that the vote will not be honest. The gentleman implies that the Members of this body do not know what is going on.

Mr. BENNETT. Not all of them.

Mr. BADHAM. The gentleman implies that some devious advantage is being sought and that the Members do not know what they are voting on. That is a terrible allegation.

Mr. BEDELL. Mr. Chairman, will the gentleman yield?

Mr. BADHAM. I yield to the gentleman.

Mr. BEDELL. I thank the gentleman.

First of all, I would point out that if somebody wanted to sell light bulbs there are plenty of other places that that person could get a job to sell light bulbs.

The second point I would make, does the gentleman really think that everybody in this body always understands everything about every bit of legislative procedure that takes place in this body?

Mr. BADHAM. First of all; why shouldn't a person be able to sell light bulbs? Why should he be thrown in prison for selling GE light bulbs? Then with the occasional exception of the majority leader who loves to wave a big bill that he voted for and claims he did not know anything in it, I think we know pretty well what is going on in this body.

□ 1830

Mr. BEDELL. If the gentleman will yield further, would the gentleman agree that at least people ought to all be aware of what is happening, and if they are voting for something that precludes an opportunity to amend something, the gentleman from Florida is right in trying to let them know?

Mr. BADHAM. Mr. Chairman, reclaiming my time, I am sure the gentleman is well aware that the parliamentary situation is always well explained by the chair, and indeed, in this case, the person who is presiding in the chair at this time always, without fail, explains the parliamentary situation in which we find ourselves.

So I hope that the Members will consider this very carefully and support the Spratt-Byron amendment and reject the Bennett amendment as being flawed.

Mr. ASPIN. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I am going to try to get a unanimous-consent request approved here on timing.

I would like to ask unanimous consent that all debate on this first amendment, the Byron amendment, comes up first, be completed by 7:10, and that the time be equally divided between the two sides.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Wisconsin?

Mr. ASPIN. And that on following amendments that there be 5 minutes on a side to explain the amendment and argue for it, for the amendments that come following the Byron amendment on this revolving door issue.

The CHAIRMAN pro tempore. As the Chair understands the gentleman's unanimous-consent request, there would be 40 minutes of debate on the Byron amendment.

Mr. ASPIN. Correct.

The CHAIRMAN pro tempore. Subsequent to the Byron amendment, there would be 5 minutes of debate on each side on the Bennett amendment and the Spratt amendment.

Mr. ASPIN. And any further amendments that were offered to the revolving door issue.

The CHAIRMAN pro tempore. And any further amendments.

Is there objection to the request of the gentleman from Wisconsin?

Mr. HARTNETT. Mr. Chairman, reserving the right to object, I have a perfecting amendment to the Bennett amendment which I would like to bring to the desk, and I would like to know whether this time would include that or whether I would be given 5 minutes for my perfecting amendment to the Bennett amendment.

Mr. ASPIN. Mr. Chairman, if the gentleman would yield, he would have 5 minutes on his perfecting amendment.

Mr. HARTNETT. Mr. Chairman, I withdraw my reservation of objection.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Wisconsin?

Mr. ROEMER. Mr. Chairman, reserving the right to object, would the gentleman from Wisconsin [Mr. ASPIN] respond to a question?

Mr. ASPIN. I would be happy to.

Mr. ROEMER. On the 40 minutes on the Bennett amendment, as I understand it, who controls the time and how is it divided?

Mr. ASPIN. If the gentleman would yield, the time is divided half by the gentleman from Florida [Mr. BENNETT] and the other half by the gentleman from South Carolina [Mr. SPRATT] and the gentlewoman from Maryland [Mrs. BYRON].

Mr. ROEMER. I thank the gentleman.

Mr. Chairman, I withdraw my reservation of objection.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Wisconsin?

Mr. BEDELL. Mr. Chairman, reserving the right to object, if I might have the attention of the Chairman, if an amendment is offered at this time and he has 5 minutes, that does not detract, as I understand it, from the 20 minutes per side on the Bennett amendment; is that correct?

Mr. ASPIN. If the gentleman will yield, that would be correct, but the gentleman may not want to offer his amendment, depending on the outcome of the first vote.

Mr. BEDELL. Mr. Chairman, I withdraw my reservation of objection.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Wisconsin?

Mr. HARTNETT. Mr. Chairman, reserving the right to object, it is my understanding that if I do not get my amendment in now, then I would have to come behind the 40 minutes of debate, so that being the case, with the permission of the gentleman from Wisconsin, I am going to object now

and ask to be recognized to submit my amendment and then if the request is made after I offer my amendment, I would not have any objection.

Mr. ASPIN. If the gentleman will yield, the gentleman can be incorporated in the unanimous consent request by the time that the gentleman uses to explain his amendment.

Mr. HARTNETT. Mr. Chairman, further reserving the right to object, on advice of counsel, I would like to incorporate into the unanimous consent request that that be possible.

Mr. ASPIN. So the 5 minutes that the gentleman from South Carolina [Mr. HARTNETT] has to explain his amendment would not be included in the time divided between the gentleman from Florida [Mr. BENNETT] and the gentleman from South Carolina [Mr. SPRATT] and the gentlewoman from Maryland [Mrs. BYRON].

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Wisconsin?

Mr. ROEMER. Mr. Chairman, reserving the right to object, as a point of clarification, would the gentleman from Wisconsin [Mr. ASPIN] respond to a question?

Mr. ASPIN. I would be happy to.

Mr. ROEMER. As I understand it, the gentleman's unanimous consent request is that we limit the Bennett-Byron debate to 40 minutes, 20 on a side.

Mr. ASPIN. The gentleman is correct.

Mr. ROEMER. And that thereafter, on the revolving door issue, each amendment submitted on that issue be limited to 10 minutes, 5 on each side?

Mr. ASPIN. That is correct.

Mr. ROEMER. And that Mr. HARTNETT be incorporated and his amendment would be five on a side coming whenever.

Mr. ASPIN. That is correct, and not included in the 40 minutes.

Mr. ROEMER. I thank the gentleman.

Mr. Chairman, I withdraw my reservation of objection.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Wisconsin?

Mr. SMITH of Florida. Mr. Chairman, reserving the right to object, I would just ask the gentleman from South Carolina why he is to be treated differently than any other Member who may have an amendment.

Mr. ASPIN. He is not being treated differently.

Mr. HARTNETT. Mr. Chairman, I am constrained to object.

Mr. ASPIN. Mr. Chairman, if the gentleman from Florida would yield to let us explain, we are not treating the gentleman from South Carolina's amendment any differently than we are treating anybody else's because we have not completed the amendment that can be offered at this point. He can offer the amendment at this point, but the time would not come out. The gentleman could wait until after the debate is over and offer his amendment. We are not treating him any differently than anybody else.

Mr. SMITH of Florida. If the gentleman would yield, I understand that, and if there is no requirement that the rules right now provide that the amendment has to be printed, then any one of a number of other amendments may come up at some point hereafter and they would have to wait beyond the debate.

Mr. ASPIN. But the point is that we can only have four amendments in order at any one time. If the gentleman wants to go now, what difference does it make?

Mr. SMITH of Florida. Mr. Chairman, I withdraw my reservation of objection.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Wisconsin?

Mr. HARTNETT. Mr. Chairman, I object.

The CHAIRMAN pro tempore. Objection is heard.

AMENDMENT OFFERED BY MR. HARTNETT TO THE AMENDMENT OFFERED BY MR. BENNETT AS A SUBSTITUTE FOR THE AMENDMENT OFFERED BY MR. SPRATT

Mr. HARTNETT. Mr. Chairman, I offer an amendment to the amendment offered as a substitute for the amendment.

The Clerk read as follows:

Amendment offered by Mr. HARTNETT to the amendment offered by Mr. BENNETT as a substitute for the amendment offered by Mr. SPRATT: On page 1, line 4 of the Bennett amendment after the word "defense" add the words "retired Member of Congress"; on page 1, line 5 of the Bennett amendment after the word "forces" add the words "retired Member of Congress"; and on page 1, line 11, strike the period after defense and insert "or the Congress of the United States."

Mr. HARTNETT (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

Mr. HARTNETT. Mr. Chairman, I want to thank the distinguished chairman of the Committee on Armed Services for his indulgence, and I will take just a few moments. I apologize if it appeared that I was receiving any special treatment from my colleagues. I certainly never intended that to be.

We have heard from my colleague, the gentleman from Michigan, this afternoon about a crisis of confidence in the Department of Defense, and further from my colleague the gentleman from Massachusetts [Mr. FRANK] about the other serious problems that the American people have with the Department of Defense.

I am a great admirer of my distinguished chairman of the Seapower Subcommittee, the gentleman from Florida [Mr. BENNETT], and I have worked very closely with him. I think what he is intending to do is probably one of the best intentioned amendments that has ever been offered before this House of Representatives.

However, my friends, we are trying to legislate morals. We are trying to say what people should and should not be in their business ethics and in their practices and how they should conduct themselves. No legislative body in any legislature anywhere in the world has ever been able to legislate morals and tell people how they should or should not act.

We have before us, in my amendment now, an amendment which would also include——

Mr. BENNETT. Parliamentary inquiry, Mr. Chairman.

The CHAIRMAN pro tempore. Does the gentleman yield for a parliamentary inquiry?

Mr HARTNETT. Not at this moment, Mr. Chairman, but I will in just a minute.

Mr. Chairman, we have here in my amendment an amendment which would also preclude former Members of Congress and staff members of the Committee on Armed Services of this House and the other body from going to work for defense contractors.

My colleagues, if the statement was made here that we have a crisis of confidence in the Department of Defense, let me tell Members that there is a serious crisis of confidence in the Congress of the United States among the American people.

I do not mean for this amendment to be trivial, nor do I mean for it to cloud up what my colleague from Florida is trying to do, but men and women from the Defense Department who go to work for contractors, they are not going there because they authorized a contract; they are going there because they are peddling their influence, and who has more influence to peddle than the Defense Department but Members of Congress, and this amendment would preclude Members of Congress from receiving any compensation or from going to work for any defense contractor after having served in the Congress of the United States.

Mr. BENNETT. Mr. Chairman, I would like to raise a point of order, if I can.

The CHAIRMAN pro tempore. The Chair will state for the Members that unless the gentleman from South Carolina wishes to yield for a parliamentary inquiry, the Chair cannot recognize another Member for such purpose.

Mr. BENNETT. I was trying to raise a point of order against the amendment.

The CHAIRMAN pro tempore. The Chair will state that the point of order comes too late.

Does the gentleman from South Carolina [Mr. HARTNETT] wish to yield for a parliamentary inquiry?

Mr. HARTNETT. I thank the chair for his advice, and I refuse to yield right now.

The CHAIRMAN pro tempore. The Chair recognizes the gentleman from South Carolina [Mr. HARTNETT].

Mr. HARTNETT. What is going to happen, Mr. Chairman, is that somebody is going to probably raise a point of order that the amendment is not germane, and all the things that my friend, the gentleman from South Carolina [Mr. SPRATT] is trying to do to make this amendment a little bit more livable, that is not right; that should not be done.

□ 1840

That should not be done. But when you want to bring Members of Congress under that legislation, they say, "Ah, that shouldn't be done either." I find it kind of passing strange that when we have a chance not only to restore confidence in the Defense Department under this legislation but to restore confidence in the Congress of the United States, someone would say, "Oh, that is not germane. We shouldn't do that. We shouldn't restore the American people's confidence in the Congress of the United States by saying that they, too, cannot receive compensation nor be employed by defense contractors after they serve," because it is not the contracts they are peddling; it is their influence that they are peddling. That is what they are paid for, the influence they have with the Department of Defense and the defense contractors.

It is not one contract that might bring some small defense contractor a little wage to keep him and his employees going for a year; it is their influence. And who has more influence with the Department of Defense than former Members of Congress and chairmen of committees and subcommittees?

So, Mr. Chairman, the point might be raised—and perhaps the Chair might have to rule on it—as to the germaneness of this amendment, but I submit that this amendment would restore the American people's confidence in Congress and in their own Congressmen and would preclude them from receiving compensation and going to work for defense contractors.

Mr. ROEMER. Mr. Chairman, will the gentleman yield?

Mr. HARTNETT. I am happy to yield to my colleague, the gentleman from Louisiana.

Mr. ROEMER. Mr. Chairman, I thank my colleague for yielding.

I just received a copy of the gentleman's amendment, and as I understand his amendment, he would add retired Members of Congress in this provision of slamming shut the revolving door?

Mr. HARTNETT. I would.

Mr. ROEMER. You would not change any other aspect of the Bennett amendment?

Mr. HARTNETT. Absolutely not, none whatsoever.

Mr. ROEMER. You would add retired Members of Congress?

Mr. HARTNETT. I say to my colleague, the gentleman from Louisiana, that he is correct, and I am trying to strengthen that amendment.

Mr. ROEMER. Mr. Chairman, if the gentleman would yield further, what about the staff of Members?

Mr. HARTNETT. Well, that is not in my legislation, but I certainly think there is no one more influential than a Member of Congress than a member of the staff in dealing with defense contractors.

Mr. Chairman, I would reclaim my time, and I would yield to my colleague, the gentleman from South Carolina.

Mr. SPRATT. Mr. Chairman, I would appreciate that.

The CHAIRMAN pro tempore. The time of the gentleman from South Carolina [Mr. HARTNETT] has expired.

Mr. BENNETT. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I had never read this amendment, and the gentleman never showed it to me. It would have been subject to a point of order because really the bill deals with people who sat on one side of a table and contracted with the Federal Government, with people on the other side of the table. That is the purpose of the bill. I have been here 37 years, and I do not know of a single Member of Congress who has ever done that. I know of no such thing.

But I have no objection to including the amendment in this bill. It may not be done too artfully because I have not taken every word and studied it in the amendment.

As far as Members of Congress are concerned, if Members of Congress were in the Defense Department, they would have been covered, but they are not in the Defense Department. If that is all it does to the bill, if it just says it applies to Members of Congress in the contracting, there is certainly no objection on my part. I think any Member of Congress who sat on one side of the table and negotiated with General Dynamics or something on the other side of the table and then left Congress and went to work with General Dynamics certainly ought to get every penalty in here.

So as a matter of fact, I support the amendment, and I would like to ask the gentleman, if it is accepted to my amendment, will he vote for my bill?

Mr. HARTNETT. Mr. Chairman, if I was to be recognized through the gentleman's yielding to me, I would answer that question in the affirmative, that I have supported him in his attempt to pass this legislation in committee and in subcommittee. So I submit to you that I would support it.

Mr. BENNETT. I ask the gentleman for that reason because I know he has been supportive of this idea, and I know he has felt as deeply about it as I did.

Mr. FRANK. Mr. Chairman, will the gentleman yield?

Mr. BENNETT. I yield to the gentleman from Massachusetts.

Mr. FRANK. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, as I understand the parliamentary situation, the gentleman from South Carolina has offered this as an amendment to the Bennett amendment. We now have the Byron proposal, and I would like to get, if I may, a ruling from the Chair.

If this is adopted, will it apply equally to the Byron and the Bennett proposals?

The CHAIRMAN pro tempore. The Chair will state that the amendment is only offered to the Bennett substitute.

Mr. FRANK. But not to the Byron amendment.

If I may reclaim my time, I would like to ask the gentlewoman from Maryland——

The CHAIRMAN pro tempore. The gentleman from Massachusetts will suspend.

Does the gentleman from Florida yield to the gentleman from Massachusetts?

Mr. BENNETT. I yield to the gentleman from Massachusetts.

Mr. FRANK. Mr. Chairman, I thank the gentleman.

Mr. Chairman, the gentleman from South Carolina has offered an amendment to the proposal of the gentleman from Florida. The gentleman from Florida has said he will accept it, and at the appropriate time I suppose the House will concur.

The question is, will the gentlewoman from Maryland also accept it at the appropriate time? I think that would come later in the parliamentary situation. If her substitute should be accepted, then it would be subsequently amendable, as I understand it, by the additional language.

So I hope the gentleman from Florida will yield, and we will find out whether the gentlewoman from Maryland would also be willing to go along with this proposal.

Mrs. BYRON. I do not believe it has been proposed to the Byron amendment.

The CHAIRMAN pro tempore. The gentlewoman from Maryland will suspend. The gentleman from Florida [Mr. BENNETT] has the time.

The Chair will state that the vote will come first on the Byron amendment to Spratt. That will be the first vote. The gentleman from Florida has the time.

Mr. FRANK. Mr. Chairman, will the gentleman yield?

Mr. BENNETT. I yield again to the gentleman from Massachusetts.

Mr. FRANK. Mr. Chairman, let me rephrase my question to the gentlewoman from Maryland.

I understand that the first vote will come on the amendment offered by the gentlewoman from Maryland. Should her substitute prevail, she will have succeeded in knocking out the proposal of the gentleman from Florida. It would then be in order for someone to offer the amendment of the gentleman from South Carolina to her proposal, and my question to the gentlewoman from Maryland is this:

The gentleman from Florida has said that if his side wins, he will accept the proposal of the gentleman from South Carolina. My question to the gentlewoman from Maryland is—and I hope the gentleman from Florida will yield to her so she can answer it—if the gentleman from South Carolina should offer his proposal as an amendment to hers, would she accept it?

Mr. BENNETT. I yield to the gentlewoman from Maryland for an answer.

Mrs. BYRON. Mr. Chairman, if I am correct, I believe the gentleman from South Carolina had an amendment to Mr. BENNETT's amendment. That was what we discussed in the timeframe. I do not believe that the gentleman from South Carolina [Mr. HARTNETT] had an amendment to the Byron amendment.

Mr. FRANK. Mr. Chairman, will the gentleman yield to me?

Mr. BENNETT. I yield to the gentleman from Massachusetts.

Mr. FRANK. I understand that. My question to the gentlewoman was, should her substitute——

Mrs. BYRON. I understand what your question is, but I do not believe——

Mr. FRANK. No; I believe the gentleman had yielded to me.

I am distressed that the gentlewoman appears to be wanting to evade the issue.

Mrs. BYRON. Not at all.

Mr. FRANK. I believe the gentleman has yielded to me.

I have asked the gentlewoman what seems to me a very straightforward question. If subsequently the amendment is offered as an amendment to her proposal, would she be willing to support it, as the gentleman from Florida is?

Mrs. BYRON. I would suggest that the gentleman would have to ask the gentleman from South Carolina if his intention is to offer the amendment to my amendment.

Mr. FRANK. Mr. Chairman, will the gentleman yield further?

Mr. BENNETT. Yes, I yield further to the gentleman from Massachusetts.

Mr. FRANK. Mr. Chairman, I will save the gentlewoman the trouble. I will offer it if the gentleman from South Carolina does not. And the gentleman from South Carolina indicates that he will also offer it. The question is, I think, unavoidable to the gentlewoman from Maryland. She can ignore it, but she cannot avoid the fact that it is being asked. And I guess she is not intending to answer it, so we ought to make this clear.

The gentleman from Florida has said he will go along with the proposal of the gentleman from South Carolina. The gentlewoman from Maryland apparently intends not to, leaving me frankly to further doubt the passion with which some of these proposals to stop this revolving door are being pursued on one side.

Mr. Chairman, I thank the gentleman from Florida for yielding.

PARLIAMENTARY INQUIRY

Mr. BEDELL. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN pro tempore. The gentleman from Florida has 30 seconds remaining.

Does the gentleman from Florida yield to the gentleman from Iowa for the purpose of a parliamentary inquiry?

Mr. BENNETT. I yield for that purpose, Mr. Chairman.

Mr. BEDELL. Mr. Chairman, as I understand it, the first vote on the amendments will come on the Byron amendment?

The CHAIRMAN pro tempore. The gentleman is correct.

Mr. BEDELL. Mr. Chairman, if the Byron amendment is to be amended, should the amendment be offered prior to the vote on the Byron amendment so that there can be a vote thereon?

The CHAIRMAN pro tempore. The Chair will state that a 3rd degree amendment is not in order to the Byron amendment. It would have to be offered after the vote on the gentlewoman's amendment.

Mr. BEDELL. Mr. Chairman, will the gentleman yield further so I might proceed?

Mr. BENNETT. I yield to the gentleman from Iowa.

Mr. BEDELL. Is it the case, then, that if the Byron amendment——

The CHAIRMAN pro tempore. The time of the gentleman from Florida [Mr. BENNETT] has expired.

Mr. ASPIN. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, we are in danger here of trivializing a very, very important issue. The issue of revolving doors is a very, very important issue.

I think at one point we had two serious amendments out there. We are about to trivialize this thing in a game of one-upsmanship to a point where we are going to end up taking something over to the Senate, and when I take this thing into the conference, the greeting is going to be so horrendous that we are likely to lose the whole thing.

I would ask the Members to please be serious about this subject. We are dealing with a serious subject. It is a serious subject, and it is a difficult one. The differences between the Bennett amendment and the Spratt amendment, I think, are real differences and real issues of policy, and we debated those, I thought, very seriously here for many hours this afternoon.

□ 1850

I would beg Members please do not trivialize this issue, because when we take it over to the Senate in the conference, if it looks ridiculous, it looks like we did not deal with the issue in a serious way and we are going to have a tough time getting the Senate to deal with it.

I would just like to ask us if we would in considering such amendments to these bills if we would please try to keep the matter on a serious tone.

Mr. GLICKMAN. Mr. Chairman, will the gentleman yield?

Mr. ASPIN. Let me yield to the gentleman from Kansas.

Mr. GLICKMAN. Mr. Chairman, I would like to echo what my colleague is saying. What we are doing here on the revolving door is going to be applicable on every single agency of Government, every single authorization bill, from the Agriculture Department to the Securities and Exchange Commission, to the Federal Trade Commission, to you name it.

What worries me is that we may be taking and applying a different standard to the Pentagon because of the way this particular President and this particular Secretary of Defense operate, that we will then be forced to take and apply across the board to every agency of Government, which may not be fair, which may not be appropriate.

I would just say that I do not really much care whether this particular amendment is adopted or not, but I would say if we are going to do it to this amendment, to this agency, that you are going to have to do it to the Department of Agriculture and to every other department of Government, and it should be applied to every congressional staff person who has any degree of responsibility whatsoever. It gets to be ridiculous when you go down that path, because the rule of reason does not apply. You end up with some prophylactic rule which is not particularly applicable to good sense in running the Government.

So I would just make the point that whatever we do here, whether the gen-

tleman's amendment is adopted or nor, I am going to tell you, it is going to be offered to every single amendment authorizing every single agency of Government.

Mr. HARTNETT. Mr. Chairman, will the gentleman yield?

Mr. ASPIN. Let me yield to the gentleman from South Carolina.

Mr. HARTNETT. Mr. Chairman, if the gentleman would just indulge me for a moment, I would say to the distinguished chairman and to the distinguished chairman of the subcommittee and to my colleague, the gentleman from Massachusetts, that were it parliamentarily correct, I would have offered my amendment to the Byron amendment, but that was not parliamentarily correct, so I had to offer it to the Bennett amendment.

I would inform my chairman to please assure me that the gentleman does not view my efforts as being trivial, because if he does, I would like to assure the gentleman and the author of the original amendment that I commend him for what he has done. It was I who pointed out to the committee that not just employment, Mr. Chairman, but compensation is involved, because a lot of these people do not go to work on the payroll, but as advisors, or lawyers for or counselors to, whatever it might be.

I wanted to include compensation of any kind to a former employee of the Department of Defense.

I think even more so, Mr. Chairman, it ought to be to Members of Congress.

I hope that neither of these two gentlemen will construe my amendment as trivial.

Mr. BENNETT. Mr. Chairman, will the gentleman yield?

Mr. ASPIN. I yield to the gentleman from Florida.

Mr. BENNETT. Mr. Chairman, I do not think the gentleman from South Carolina has ever been trivial about anything. He is a very consecrated, great Congressman. He has served on my committee.

I think, though, the way in which the gentleman's amendment comes to this bill makes it a trivial matter and the reason for that is that this bill only deals with people who are on the opposite side of the table dealing with a contractor on the other side. In my 37 years in Congress, I have never heard of a Congressman being on the other side of the table with a contractor for the Defense Department. I do not think it has every occurred. I do not think it will ever occur.

So although the gentleman's objective is very noble, it winds up on this bill as being a trivial amendment.

The other amendment that is trivial, in fact, is a very interesting amendment, the one of the gentlewoman from Maryland [Mrs. BYRON], winds up being trivial.

I want to say, when the gentleman from Wisconsin [Mr. ASPIN] with all his youth and vibrancy, and me with all my age agree on something, that ought to be an indication that there is somethng virtuous about it. We believe that both these amendments ought to go down.

Mr. HERTEL Of Michigan. Mr. Chairman, I move to strike the requisite number of words.

Mr. HUGHES. Mr. Chairman, will the gentleman yield?

Mr. HERTEL of Michigan. I yield to the gentleman from New Jersey.

Mr. HUGHES. Mr. Chairman, I rise in support of the substitute offered by Representatives BENNETT, NICHOLS, and BOXER. I would like to add my voice to the others we have heard speak in favor of this proposal which can help reduce the possibility of conflicts of interest in the administration of our defense procurement system.

As my colleagues know, this is not a new problem. Indeed, in 1979, I offered a number of amendments in an effort to prohibit high ranking officials of the Defense Department, and other agencies, from accepting post-Government employment with the industries they regulated, or where they were involved in the award of contracts.

Those early efforts were eventually merged into the Ethics in Goverment Act, which sought to restrain abuse by prohibiting former Government employees from talking with their old colleagues in the bureaucracy. Unfortunately, that approach did not really solve the problem, especially since post-Government employment with a major contractor or regulated industry could often serve as a reward to an employee for actions or decisions made while in Government service.

Indeed, there are still numerous well documented examples of Pentagon officials who have left the Government for jobs with the same companies. It is easy to understand why the public can, and does, wonder about the integrity of our defense procurement process when those with the responsibility for spending millions of taxpayer dollars move so easily, back and forth, between the Pentagon and major defense contractors.

While this problem is not unique to the Pentagon, this is probably the most serious area because the Pentagon budget comprises roughly over one-fourth of the entire U.S. Government's budget, and as a consequence, the potential for abuse is more prevalent.

I think we all know that the credibility of the defense procurement process has suffered greatly in recent months and years for a variety of reasons: The lack of competitive bidding, the need for independent test and evaluation, corporate executives boarding their pets at public expense, and revelations concerning ordinary, off-the-shelf items with outlandish pricetags. In that context, it is absolutely imperative that personnel who are making major defense contracting decisions work solely in the interest of the public which is paying their salaries. We cannot afford the appearnce that major contracting decisions are being made with one eye on the possibility of a high-paying job with private industry somewhere down the road.

This substitute, in my judgment, is the best vehicle for responding to that problem, and to close the current public-to-private and private-to-public path that has raised so many serious questions about conflicts of interest in the procurement process. This measure does not allow any room for confusion as others do.

The substitute is drafted to ensure that any personnel with significant responsibility for a defense contract will be prohibited from immediately accepting employment with the company that held the contract; it makes no distinction among the positions of the officials, be they high-, mid-, or lower-level. The proposal also is effective because it places a job restriction on only the specific firm involved thus leaving wide-open the opportunity for other employment opportunities.

I urge support and passage of this substitute—without weakening amendments.

Mr. HERTEL of Michigan. Mr. Chairman, may I ask the Chair, we are on the Hartnett amendment at this time?

The CHAIRMAN pro tempore. The gentleman from Michigan is correct.

Mr. HERTEL of Michigan. Mr. Chairman, let me say that it is clear and obvious to all of us that the Hartnett amendment would not be germane. It is clear at the time the objections would have been made that this amendment would not be germane and in order, but the gentleman from Florida [Mr. BENNETT] decided, as did I, not to object on the germaneness question because we fear no amendments on the revolving door Bennett amendment. In fact, I can accept the Hartnett amendment and I certainly accept the principle; but let me say, our esteemed chairman, the gentleman from Wisconsin [Mr. ASPIN] for the last 2 weeks has talked about the fear that when we got to the floor on the DOD authorization bill, we would have people from outside the committee scribbling amendments, would-be reformers scribbling more amendments that sounded good, that there might be some good ideas in those amendments, but they would not go through the process, they would not be filed amendments and they would not give the Members adequate notice.

Well, we have had no alleged reformers penciling in new amendments,

scribbling new amendments. Oh, no, we have had members of the committee put forth amendments in the last few minutes, the last one-half hour, without publishing those amendments. We are ready to take on any amendments that Members want to write up in the next few minutes.

The gentleman from Florida [Mr. BENNETT] has worked on the revolving door amendment for the last 30 years. We have taken 3 hours this afternoon. We will go the rest of the night, the rest of the week on this question. We do not care how many amendments you bring forward, how long it takes, we are going to get to a vote on the clean Bennett amendment sometime this evening or this week and it is going to pass, no matter how many amendments you put in.

The idea's time has come. The public, the Members of this House, have seen the problem and through this debate it has been enunciated. They are not going to vote for the Spratt amendment because that would give the Secretary of Defense the power to give a waiver to the entire Department, a waiver for any individual or a waiver for everybody. This House is not going to pass that kind of a loophole and tell the public that it is reform, when it it not.

We have seen the argument of the gentleman from California [Mr. HUNTER] that they can get a list of who they were contracting supervision over and then they have that little list, but if the Pentagon makes a mistake, oh, then that is an omission. Then the Spratt or the Byron amendment, which is the same as the Spratt amendment, would not be operative for that violation.

Mr. HARTNETT. Mr. Chairman, will my colleague yield for one question?

Mr. HERTEL of Michigan. I yield for an answer to the one question of the gentleman for South Carolina.

Mr. HARTNETT. Mr. Chairman, I thank my colleague, the gentleman from Michigan, for yielding to me.

The gentleman is right and I commend the chairman, the gentleman from Florida, for the distinguished work they have done.

I just want to pose this question. The chairman, the gentleman from Florida, stated that we did not sit across the table from defense contractors, but it is upon the advice of those people who do that we authorize whether or not we buy a General Dynamics F-16 or a Northrop F-20, or whether or not we buy a Boeing C-17 or whether we buy a Lockheed C-5A; so in a sense we do influence contract buying. That is why I would say to my colleague that I think this is such a critical amendment.

Is that not true, I ask my colleague?

Mr. HERTEL of Michigan. Mr. Chairman, I think the gentleman is sincere, but the gentleman from South Carolina and the gentleman from Kansas [Mr. GLICKMAN] point out a larger problem. It is a broader issue. It does not belong in this bill.

I accept the gentleman's ideals. I accept supporting the amendment that the gentleman has offered. I think it is the wrong place at the wrong time.

What I am saying is that we are not going to lose focus of the issue, which is the Bennett amendment here. Byron and Spratt are the same. No one is really objecting, speaking against the Hartnett amendment at this time, except for the timing of it and the fact that it is not germane.

We have to keep sight of this, no matter how long it takes tonight on this amendment and other genuine reform amendents that Members have worked on, not only for the last year, but for years. By having paper amendments that are written out today, we are not going to be deterred from changing the system, from improving the system, because there is a lot to improve in the system of how we do defense contracting. We are not going to back off. We are not going to be distracted.

Mr. FRANK. Mr. Chairman, will the gentleman yield?

Mr. HERTEL of Michigan. I yield to the gentleman from Massachusetts.

Mr. FRANK. Mr. Chairman, I just want to make clear, as I understand it, while the amendment of the gentleman from South Carolina is not now before us, the gentleman from Florida has indicated that he will support it when the time comes, so we are not fighting that.

The gentlewoman from Maryland has indicated by not wanting to discuss it that she is not inclined to accept it; but we should make it clear that that amendment, if it goes on one place, it is going to go on another.

The amendment offered by the gentleman from South Carolina, which I think is a reasonable amendment, is not relevant to the differences between the gentleman from Florida and the gentleman from South Carolina, because whichever one of those becomes the version, the votes will be there to put that other amendment on or off. I just want to make it clear that they are two separate issues and the choice between the two amendments of the gentleman from Florida and the gentleman from South Carolina is a separate choice from the amendment of the gentleman from South Carolina [Mr. HARTNETT].

Mr. SPRATT. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I simply want to make the point that the gentleman from Florida [Mr. BENNETT] may accept this amendment to his version and it may be possible to integrate what the gentleman from South Carolina [Mr. HARTNETT] is proposing into the Bennett version, because the Bennett version deals with the offense generically. The offense under the Bennett version is applied to people who exercise significant procurement functions.

I suppose by some stretch of logic you could say that we do in voting up and down defense projects exercise significant procurement functions.

□ 1900

You could conceivably take the Hartnett amendment and tag it on to the Bennett amendment and have something that worked.

Under the Byron amendment and the Spratt amendment, the committee's amendment, it will not work and it will not work because ours operates in a different way. Ours takes specific functions that will be identified by the Secretary of Defense and it points to those jobs, those positions in procurement and says as to these, these people holding these positions cannot accept employment with defense contractors with whom they will deal. That is the guts of this whole issue. We are trying to identify very clearly the people who are affected by this amendment so that they will know they are affected and they can act accordingly. We are trying to make the bill fair. We think it is an issue of fairness.

But because of the method we have chosen to reconstruct the bill, it would be impossible to add on an amendment which applied to retired Members of Congress because, as the Members of Congress, we do not hold such positions, such offices. We do not act in decisionmaking positions within the Department of Defense.

Therefore his amendment will not integrate at all within our amendment. Although it might fit, it would be an odd fit with the Bennett amendment and therefore if and when it is offered I would not accept it and would raise a germaneness issue at that time but for that reason.

I do not think it would fit. It would require total redrafting of the bill.

Mr. FRANK. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I appreciate the temporary palsy that hit the members of the committee that could not get up so that some of the nonmembers could talk a little bit on this issue.

The gentleman from South Carolina has addressed why he thinks the amendment of the other gentleman from South Carolina would not be appropriate to his bill. That is not the issue we are going to vote on first, and I agree with my friend on that side of the aisle, and we can discuss that.

The amendment can be drafted so as to apply to the amendment of my friend from South Carolina [Mr. SPRATT]. That is not the problem. We will get to that later. But we are not now discussing the question about applying this to retired Members of Congress. We will reach that issue in due time, and I congratulate the gentleman for offering his amendment.

The issue before us is a choice between the amendment of the gentleman from Florida and the amendment of the gentleman from South Carolina. There are a couple of major differences.

The first difference, and I think the overwhelming difference, is that the gentleman from South Carolina has offered an amendment on behalf of the committee which sounds great and looks great and has a lot of tough teeth in it, and then it makes the Secretary of Defense the dentist-in-chief and he is allowed, with his dental technician, the head of the office of ethics, to pull out all of the teeth of this bill. He will tell Members of Congress, he will be sending us molars, and wisdom teeth, and we will get a few chips and pieces of bone, and we may get a canine or two, and every time he has excised someone we will know they have been excised.

But then the bill will be gumming everybody over there at the Pentagon because what the gentleman from South Carolina's amendment says is if the Secretary, it says now only after a vacancy occurs; that is, as a position is filled new people will come in and they will be exempt, and it says "If the Secretary of Defense determines that the duties inherent in that position involve significant," that word again, "responsibilities for procurement functions with so many contractors that implementation would hamper the ability of the Department to obtain the services of an individual, the Secretary, with the concurrence of the Director, may exempt the individual from this bill."

Now, understand what that says. If you have responsibility for some contractors, in other words, it is OK to say that you cannot go over and engage in what some of us would think was a conflict of interest if you are dealing with one contractor or two. But if you deal with six or seven or eight, if you are an Assistant Secretary, if you are an Under Secretary, if you are a general counsel, if you are important enough then you are exempted.

I mean I have never seen, I mean this is a bill that was drafted by a person who beiieves in the Reagan principle of taxation. And I apologize to my friend over there, I did not mean to be partisan. But I have to say I am struck by this waiver.

What it says, I would have thought maybe we would get a waiver that says if you are a lower level person, if you are a middle level person, if you only have one contract, you will be exempted, but they do not do that. They cover most people, and who do they exempt? Those who have so many responsibilities for so many contracts that they have to be exempted.

So this is an exemption by the Secretary for the Secretary of it, the Assistant Secretaries and the people at the top level. And why are they exempted? Here I have to say I think you are defaming the public spiritedness of the private sector. Why would you have to have an exemption for these people? Because being subject to this reasonable conflict of interest that all the lower level people and all the mid-level people will be subjected to would "seriously hamper the ability of the Department of Defense to obtain the services of highly qualified individuals to fill the vacancy."

In other words, they are telling us that there are people out there that if the Secretary calls on them and says please come to work for us because we are in a death struggle with a foe who is aiming and we have to arm and simultaneously pursue arms reduction, we have this difficult job of trying to defend the United States, would you, with your talents and ability, come here and help your country, then what does the patriotic person say? Sure, if you will exempt me from the conflict of interest statutes. What you are talking about is that really those who you are really talking about attracting are worried that somebody will be asked to join the Defense Department but he will say to the Secretary of Defense "I'm sorry, unless you have the power to exempt me, I might want to go to work for one of those people," if that is in fact their attitude let us not take them aboard, gentleman. I think you are unfair to them. I do not think you will find people turning down people from private industry with the chance to serve their country.

So when you suggest that you have got to give Secretary Weinberger, that guardian of the public trust in this area, a wide-ranging exemption, that is only if he can get the head of the Office of Ethics to go along, which will not be hard because he could otherwise not fill the position, I think then you are actually impugning the public spiritedness of the private sector.

Mr. SCHEUER. Mr. Chairman, will the gentleman yield?

Mr. FRANK. I yield to the gentleman from New York.

Mr. SCHEUER. You are not only impugning them in general, but what you are saying is that an executive from business would not come to work for the Defense Department unless you tell him that he can go to work for one of the corporations he has been doing business with, negotiating with, on behalf of the DOD, and that he wants to do it in less than 2 years.

The CHAIRMAN pro tempore (Mr. DURBIN). The time of the gentleman from Massachusetts [Mr. FRANK] has expired.

(On request of Mr. SCHEUER and by unanimous consent Mr. FRANK was allowed to proceed for 2 additional minutes.)

Mr. FRANK. Mr. Chairman, I yield to the gentleman from New York.

Mr. SCHEUER. You are telling him you are suggesting that that patriotic American executive who wants to help his country in a time of crisis will not come to work unless you tell him that you will permit him in less than 2 years to take a job with the very corporations with whom he has been negotiating on behalf of his Government and that is absolutely absurd. It is a mindless insult to corporate executives who have served their country in the procurement process at personal sacrifice—in time of war and in time of peace over generations.

But there are serious abuses in the procurement process and we must face up to them at last.

Mr. Speaker, we have heard numerous spare parts horror stories today and over the last several months. Both Congress and the public are, unfortunately, all too familiar with $400 hammers, $600 ashtrays, and $700 toilet seats. Both we and they are fed up with the mindless abuse of the process. While these specific abuses are serious, it is important to recognize that each of these instances, in and of themselves, are not the problem.

Rather they are symptomatic of a much broader problem—the utter failure of the Defense Department to exercise proper oversight of Pentagon procurement contracts and the failure of all of us in the House to perform our oversight responsibility. We know it; the Defense Department knows it; the public knows it. They have had it up to here, Mr. Speaker. They are sick and tired of what they have learned the hard way. The public has had it with the horror stories.

Last fall, I participated in hearings held by the Joint Economic Committee on "causes of excess defense costs." At that hearing, we heard the compelling testimony of Ernest Fitzgerald, management systems deputy with the U.S. Air Force.

Along with two of his colleagues from the Air Force, Mr. Fitzgerald candidly discussed cost and pricing data and the ways in which they are manipulated by the contractors at tremendous expense to the taxpayer and at an enormous cost to our national defense. We heard the results of a survey of weapons systems dollars per standard hour—which are the hours that should be spent assembling weapons systems and their components—

and how prices are marked up in order to increase the profit of contractors.

Because defense contracts have a built-in profit ratio, defense contractors can increase their profits by simply adding various overhead and general administrative costs to the direct labor cost per standard hour. In this way, the Government is cheated, the taxpayer is cheated, and our overall defense is weakened.

When I asked Mr. Fitzgerald how much we could save if we gave contractors fair, reasonable, and proper levels of profits, I was astounded by his answer. Mr. Fitzgerald replied that, based on shoulder cost studies, we could save an estimated 30 to 50 percent of the total acquisition budget without reducing quantities.

In a procurement budget of about $100 billion, we could save $30 to $50 billion without the benefit of competition. That $30 to $50 billion saved could be applied toward reducing the deficit, providing essential social services or bolstering our defense programs.

In a time of fiscal austerity and massive deficits, can we afford to keep on doing business the old fashioned way? The public says no. Indeed, the public pounds the wall in frustration and demands no more. With respect to this particular amendment, one of Mr. Fitzgerald's associates—Dr. Tom Amlie—pointed out that French procurement officers are prohibited from working for a contractor for 5 years following their retirement from the military.

Although somewhat less restrictive than French law, this amendment I believe will go a long way toward breaking up the military-industrial complex cited by President Eisenhower almost a generation ago.

I urge my colleagues to support this important amendment.

Mr. FRANK. I reclaim my time because he has pointed out this terrible burden that they are being subjected to is that they have to wait 2 years before they can go to work for someone with whom they have done hopefully an arms' length business, someone on whose behalf they have made decisions involving millions of dollars.

Finally, the point is this: We are told we are overdoing this, we are chilling people's willingness to come to work. The assumption appears to be that the Pentagon is a vocational education department for private contractors.

If we err I do not mind erring on the side of saying to people, "Please come to work for the Government, and many of us think you should be well paid, and you should have good working conditions, and a good pension system. But please, do not come with the expectation that after working for the Federal Government and learning things and gaining some influence, you will be graduating to go to work for the people you were regulating."

If we have in the amendment of the gentleman from Florida [Mr. BENNETT] the effect of substantially diminishing the number of people who after 15, 20, and 30 years working for the Government as taxpayers' watchdogs jump over the fence and go sit in the lap of the people they were watchdogging, I think we will have done a good thing. I think the record has been very clear. The Pentagon, as with other agencies, has been lax in this area. If we do not have sufficient incentives to get people to work for us let us raise their pay, let us improve their working conditions. But let us not give them a license to go out and make private deals that would inure to the disadvantage of the taxpayers.

Mr. BADHAM. Mr. Chairman, will the gentleman yield?

The CHAIRMAN pro tempore. The time of the gentleman from Massachusets [Mr. FRANK] has again expired.

Mr. ASPIN. Mr. Chairman, I move to strike the requisite number of words.

I think we have talked this issue out for a long time today and I hope everybody has had a chance. I would like to get some idea, in trying to go for a time limit, get some idea of who yet wants to speak.

I would ask unanimous consent that debate on these amendments end in 15 minutes.

Mr. ROEMER. Mr. Chairman, reserving the right to object, what does the gentleman mean by the phrase "these amendments"? There are a number of them at the desk.

Mr. ASPIN. That is what I want, to start voting on the amendment in 15 minutes.

Mr. ROEMER. With no debate on any further amendments; is that it?

Mr. ASPIN. How about this: I ask unanimous consent that all debate on this amendment, the first amendment, the Byron amendment, end in 15 minutes. At that point other amendments that come up would have 5 minutes on each side.

□ 1910

Mr. BADHAM. Reserving the right to object, by the parliamentary rules under which we operate we have four items before us and that is all we can load onto the tree.

Mr. ASPIN. At the point.

Mr. BADHAM. At this point. If the gentleman's request were to have in it that all of those would be debated for the next 15, 20 minutes, 10 minutes—I think everybody has said about what they have to say—that would be acceptable. But I think there has to be some method and I hope the gentleman could incorporate it whereby we do not have continual, every time we dispose of one, hanging another fourth one on the tree, a fourth amendment on the tree.

Mr. ASPIN. That cannot be controlled, but I would also urge others not to add more amendments to the tree.

Mr. BADHAM. OK. Continuing my reservation, if more amendments are hung on the tree, at the end of this period, how will the gentleman suggest that the time be divided?

Mr. ASPIN. That whoever stands up, the Chair divide the time between the people standing up and that would be the 15 minutes.

Mr. BADHAM. Just like in the old days.

Mr. Chairman, I withdraw my reservation of objection.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Wisconsin [Mr. ASPIN]?

Mr. ROEMER. Reserving the right to object, Mr. Chairman, I do this in order that I might ask a question of the gentleman from Wisconsin.

Mr. ASPIN. I would be happy to answer.

Mr. ROEMER. Let me repeat to see if I understand what the unanimous consent request is. Putting numbers to your words it would be 15 minutes for Byron.

Mr. ASPIN. Correct.

Mr. ROEMER. Ten minutes for Bennett.

Mr. ASPIN. Right.

Mr. ROEMER. Ten minutes for Hartnett.

Mr. ASPIN. Right.

Mr. ROEMER. Ten minutes for Spratt.

Mr. ASPIN. Correct.

Mr. ROEMER. I have no objection.

Mr. Chairman, I withdraw my reservation of objection.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Wisconsin [Mr. ASPIN]?

Mr. SMITH of Florida. Mr. Chairman reserving the right to object, that, however, would not be the appropriate order.

If the gentleman would answer a question, it would be 15 minutes for Byron?

Mr. ASPIN. Yes.

Mr. SMITH of Florida. Ten minutes for Hartnett?

Mr. ASPIN. Correct.

Mr. SMITH of Florida. Ten minutes for Bennett?

Mr. ASPIN. Correct.

Mr. SMITH of Florida. Ten minutes for Spratt, in that order?

Mr. ASPIN. That is correct.

Mr. SMITH of Florida. Does the gentleman [Mr. ASPIN] intend to include in that time limitation all other amendments offered under the 5-and-5 rule?

Mr. ASPIN. Correct.

Anybody that offers another amendment, it is also 5 for and 5 against.

Mr. SMITH of Florida. Mr. Chairman, I withdraw my reservation of objection.

The CHAIRMAN pro tempore. Would the gentleman from Wisconsin clarify: Does this apply to all subsequent amendments to the pending amendment that there be a limit on the debate, 5 minutes for and 5 minutes against?

Mr. ASPIN. On this revolving door issue, yes, 5 and 5.

The CHAIRMAN pro tempore. On the Spratt amendment and all amendments thereto there would be a 10-minute limitation beyond the Byron amendment as stated?

Mr. ASPIN. Correct.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Wisconsin [Mr. ASPIN]?

There was no objection.

The CHAIRMAN pro tempore. The Members standing at the time the request was made will be recognized for 50 seconds each.

The Chair recognizes the gentleman from California [Mr. BADHAM].

(By unanimous consent Mr. SPENCE yielded his time to Mr. BADHAM.)

The CHAIRMAN pro tempore. The Chair recognizes the gentleman from California [Mr. BADHAM].

Mr. BADHAM. I thank the gentleman. I will be very brief.

Mr. Chairman, the gentleman from Massachusetts in his attack on the Spratt bill said that people were leaving jobs in industry to learn something with the Government and then go back to a lucrative post in industry. That is absolutely not the case and the gentleman knows that that is not the case. The case is that from time to time people from industry contribute their time, taking their leave temporarily from $100,000, $200,000, $300,000 jobs to work for the Defense Department to contribute something. Should they then be deprived from going back to their original company with whom they were in a responsible position after having given their time and talent at a reduced fee to the Federal Government? The gentleman knows his point is incorrect, wrong, and specious.

Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN pro tempore. The Chair recognizes the gentleman from New York [Mr. STRATTON].

Mr. STRATTON. Mr. Chairman, I rise in support of the Byron amendment. I think we ought to recognize that the Pentagon is not a home for millionaires. But the tenor of the debate sounds as though we think that all of those who are employed in the Pentagon or go out of the Pentagon are millionaires. But we must remember that the basic population in the Pentagon, 20,000 of them, are mostly ordinary people, and many of them are enlisted personnel who have spent a lifetime in a military career at sea, in the air and in the Army. Certainly the Byron amendment would give at least these fine people little bit better notice than would be the case with the Bennett amendment, which would do harm to more people than the Spratt-Byron amendment.

Mr. Chairman, I urge the Byron amendment be adopted.

The CHAIRMAN pro tempore. The Chair recognizes the gentleman from New York [Mr. CARNEY].

Mr. CARNEY. I thank the Chairman.

Mr. Chairman, I rise in support of the Byron amendment. One thing should be made very clear. All the examples given today about the abuse in the Department of Defense, when it comes to contracting are covered by all three amendments the Byron, Spratt and Bennett amendment. I would also like to say at this time although I am in support of the Byron amendment I think everyone recognizes the great job that my chairman of the subcommittee, Mr. BENNETT, has done on this issue and the credit should be given to Mr. BENNETT for any bill that comes out of this House of Representatives this year.

The CHAIRMAN pro tempore. The Chair recognizes the gentleman from Iowa [Mr. BEDELL].

Mr. BEDELL. Mr. Chairman, time after time after time when we come to votes in this House the question is whether we are going to do something about a problem on whether we are only going to do a little about it. The American people are aware of the problem that we have got in military procurement. Believe me they are aware of it. We are going to have a chance in a minute to vote whether we want to do something significant about it or whether we want to do just a little bit about it.

I will tell you what I am going to do, I am going to try to do something about it. I hope the rest of the members of this committee also will decide that we want to do something significant; support the Bennett amendment and do not vote for something that only goes part way in solving a serious, serious problem that we have got. The American people demand that something be done about it so that we can restore confidence in our military system which I think is important to everybody in this body.

The CHAIRMAN pro tempore. The Chair recognizes the gentleman from Florida [Mr. SMITH].

Mr. SMITH of Florida. I thank the Chairman.

The Bennett amendment is the appropriate amendment to vote up. The Byron amendment is nothing more than Spratt with a different effective date. Vote it down, then vote down the Spratt amendment.

One example quickly: The Divad air defense gun that I took on here with a number of other colleagues 2 years ago. The gentleman from New York said all things that we were talking about came out of a magazine. Last year the Committee on Armed Services in fact fenced in the money. The answer is five members of the procurement team from the Defense Department went on to the contractor, the Ford Aerospace Co., and pushed that weapon through even though it was not deserving. These are military people we are talking about, too. They get a pension after 20 years. They are well taken care of. They can afford the 2 years that they are not going to be able to work for that prime contractor that they supervised directly. There is not a darn thing wrong with the Bennett amendment, just like there is not anything wrong with the proponent who after 35 years knows exactly what he is talking about.

I urge you to support that amendment.

□ 1920

Mr. SPRATT. Have you read the bill? Have you read the Spratt amendment?

Mr. SMITH of Florida. I have read it.

(By unanimous consent, Mr. HUNTER yielded his time to Mr. BATEMAN.)

The CHAIRMAN pro tempore. The gentleman is recognized.

Mr. BATEMAN. Mr. Chairman, it occurs to me that I basically heard in longer words that old expression "For heaven's sakes, do something even if it's wrong."

Certainly the legislative process that we are going through this afternoon and into the evening here on the floor of the House is one of the best illustrations of how not to legislate I have ever seen.

The Spratt amendment with the changed effective date of the Byron amendment is the committee's amendment; it is the subcommittee's amendment; it is what was fought out, debated, thought over, and brought to the floor.

That inspires more confidence as to the rightness of it, the draftmanship of it, than something done ad hoc and spontaneously here on this floor.

I would suggest to you, yes, there are things that have been done wrong in Defense Department procurement. There ever will be, and perhaps when we get through with this reform, it may be worse not better.

I would say this to you, if your concern is that the American people do not have confidence, if your concern is perception, let us do a little reflection as to whether or not we have some re-

sponsibility to correct misperceptions rather than to politicize perceptions.

I think we have a responsibility to legislate in the real world the circumstances as they exist, and correct misconceptions, not to abuse them or to aggravate them.

The CHAIRMAN pro tempore. The Chair recognizes the gentleman from Texas [Mr. BUSTAMANTE].

Mr. BUSTAMANTE. Mr. Chairman, I rise in support to the Bennett amendment, while the Aspin-Spratt amendment is a step in the right direction, it simply is too narrow in its coverage of Department of Defense personnel and, would therefore, have a minimal effect on the revolving door phenomenon.

At a time when public trust in the Pentagon's integrity is low, the Bennett approach, which covers all officials, would restore that trust. The Aspin-Spratt amendment only would cover program managers and lower ranking personnel, exempting midlevel and higher officials who have given high visibility to the conflict of interest problem. There is no hard evidence to prove that the highly talented men and women, who would be working for the Defense Department, would have a difficult time finding employment in the private sector while any conflict of interest legislation results in some inconvenience, the effort by Mr. BENNETT is well worth the inconvenience as it would restore the American people's confidence in the integrity of the Pentagon's procurement process. I urge my colleagues' support of the Bennett amendment.

(By unanimous consent, Mrs. BYRON yielded her time to Mr. GLICKMAN.)

The CHAIRMAN pro tempore. The gentleman is recognized.

Mr. GLICKMAN. Mr. Chairman, recently I inherited the Subcommittee on the Judiciary that has jurisdiction over ethics and revolving door legislation.

For too long, both the Office of Government Ethics, which has jurisdiction over these issues, as well as this Congress, have been lax in overseeing and enforcing our ethics and conflicts of interest laws, and a lot of the responsibility for the problems we see in the Pentagon today are due to the fact that this Congress has not personally reviewed the ethics laws that we passed several years ago, and we have not been too interested in vigilantly overseeing the ethics laws before us.

Now there are some serious defects in all of the amendments we deal with today on this subject and I am sure the House will work its will on which one it wants, but I want to assure this body that next month and in the months ahead our subcommittee is going to work on making a strong, bona fide, review of our ethics laws under our jurisdiction, particularly revolving door laws, and we will attempt to review those laws to ensure that the kind of bad activities and garbage that occur in connection with revolving door activities between Government agencies and industries which are regulated by the agencies do not continue in the future.

I would remind my colleagues, however, that what we do here with the Pentagon does set a trend to what we do with respect to all other Government agencies. So if my colleagues are willing to live by the stronger language in the Bennett amendment here, they ought to at least consider that that is likely going to be the rule of thumb with respect to all other agencies as well.

The CHAIRMAN pro tempore. The gentleman is recognized.

Mr. ROEMER. Mr. Chairman, I rise in opposition to the Spratt-Byron amendment attempts, and strongly in favor of the Bennett amendment.

There is a problem with revolving door policy at the Pentagon. If there were not a problem, the committee would not be recommending the Spratt amendment. So do not argue whether or not there is problem; there is one.

The question is, what do we do about it? The Spratt-Byron approach slows the door down. The Bennett approach slams the door shut. That is what we ought to do.

Vote no on Byron; vote yes on Bennett, vote no on Spratt. America will be proud of you.

The CHAIRMAN pro tempore. The Chair recognizes the gentleman from Illinois [Mr. GRAY.]

Mr. GRAY of Illinois. Mr. Chairman, I rise in strong support of the Bennett amendment.

Mr. Chairman, I rise in strong support of the Bennett substitute.

Under the agreement to limit debate it is impossible to advance all the abuses now taking place under present law, therefore I hope it will suffice to say that we must stop the revolving door conflict of interest at the Pentagon. The Bennett substitute will do that. I strongly urge all my colleagues to vote down the Byron amendment and vote yes on the Bennett substitute.

(By unanimous consent, Mr. GRAY of Illinois yielded his remaining time to Mr. BRYANT.)

The CHAIRMAN pro tempore. The gentleman is recognized.

Mr. BRYANT. Mr. Chairman, I simply want to rise in strong support of the Bennett amendment and urge Members to reject the Byron-Spratt approach.

I think that those that have spoken out about the possibility of micromanagement, overreaction, radical shifts of policy, ignore the fact that the chairman of the Seapower Subcommittee, with 37 years of experience in this Congress, is hardly an individual who has been given to radical shifts of policy in the past, and the chairman of the Investigations Subcommittee of the Armed Services Committee [Mr. NICHOLS] hardly fits into that category, either.

Both of these individuals, with a solid record of interest in a strong defense for the United States of America support the Bennett amendment.

I urge every Member of the House to do so as well.

THE CHAIRMAN pro tempore. The gentleman is recognized.

Mr. SPRATT. Mr. Chairman, I would emphasize that this is an amendment to the Defense authorization bill, but it is also a criminal statute that we are considering.

Before we put civil servants and military officers in jeopardy of 1 year in jail and a $10,000 fine, let us put them clearly on notice that what they are doing is wrong. That is basically what this amendment would do.

Its sanctions are the same as the Bennett substitute; its provisions are basically similar, but for this difference: Instead of making civil servants and military personnel who work in defense procurement decide for themselves whether they exercise "significant responsibilities for procurement functions." this amendment tells them and tells them clearly: they have notice, and if they violate these provisions therefore they have no defense.

Now the gentleman from Florida [Mr. SMITH] has said that there were five Army officers who left the Army, left DOD, where they were working on Divad; went to work for Ford Aerospace. I want to make it emphatically clear that as part of the source selection effort, they would have been prohibited from doing that under our amendment.

The CHAIRMAN pro tempore. The gentlewoman is recognized.

Mrs. BOXER. My friends, if you want to close the revolving door, you have got one choice: Vote against the Byron amendment; vote for the Bennett amendment.

The Byron amendment weakens the Bennett amendment. The Byron amendment severely narrows the scope of the revolving door legislation that this House so desperately needs to pass.

My friends, let us face it. Byron exempts those high-ranking officials who need to be covered by this bill. Such an exemption will send a horrendous signal to the American people. It will tell them there is a double standard in this country; that for those at the top it will be business as usual.

This is a question of fairness; it is a question of ethics. The gentleman from Florida, by his very presence, stands for ethics, stands for fairness and for common sense. I applaud him.

Vote "no" on Byron, vote "yes" on Bennett.

The CHAIRMAN pro tempore. The gentleman is recognized.

Mr. BENNETT. Mr. Chairman, the Byron-Spratt amendment, the one that just changes the date but has the substance of the Byron-Spratt original amendment, is an amendment which is carefully devised so that there cannot be any further amendments to the Spratt amendment. That is the purpose of it; otherwise it would never be introduced.

It would be a pity if the Congress should turn out a bill like that, one which through such devices would make available such a procedural result.

I urge the defeat of the Byron-Spratt amendment. I am willing to accept the Hartnett amendment to the Bennett proposal. There could be an applicability of the Hartnett bill to the Spratt bill; it is difficult to see how it would be very useful in either one, actually. But it conceivably could.

□ 1930

The heart of this bill is, and has been for the 20 or 30 years I have been introducing it, that when somebody sits on one side of a table and negotiates on the part of the Government with a company on the other side, he should not turn around and take a job with the people on the other side. That is all there really is to the bill. All the rest of it is just dressing.

I urge the Members to support the Bennett bill.

● Mr. LUKEN. Mr. Chairman, I rise in support of the Bennett-Boxer amendment.

This amendment would slam shut the revolving door through which Pentagon procurement personnel pass to take employment with the very same contractors they have monitored during their Government service.

In hundreds of cases, these personnel transfers have fractured the integrity of the procurement process. Therefore, Congress must step in now and act to eliminate these very real conflicts of interest.

This amendment would prohibit procurement personnel for 2 years after leaving Government from attempting to obtain employment with contractors with whom they have dealt. The amendment also would impose criminal and civil penalties on individuals and corporations who violate the law.

This revolving door, under which former procurement personnel leave the Government and move into more lucrative positions with defense contractors, is open and swinging faster every day.

The revolving door diminishes public confidence in the integrity of Government and Government contracting, in particular. The appearance of impropriety in Government contracting undermines the public's faith in its Government and erodes support for necessary programs.

This amendment will do much to restore public confidence in the Pentagon and the defense procurement process.

It will prevent conflicts from arising. It will provide taxpayers with a greater return for the expenditure of public funds. And most importantly, it will enhance our national security.

I urge colleagues to support this important amendment.●

The CHAIRMAN pro tempore (Mr. RUSSO). The question is on the amendment offered by the gentlewoman from Maryland [Mrs. BYRON] to the amendment offered by the gentleman from South Carolina [Mr. SPRATT].

The question was taken; and the Chairman pro tempore announced that the noes appeared to have it.

RECORDED VOTE

Mrs. BYRON. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 140, noes 272, not voting 21, as follows:

[Roll No. 187]

AYES—140

Armey	Grotberg	Myers
Aspin	Hall, Ralph	Nielson
Badham	Hammerschmidt	O'Brien
Barnard	Hansen	Olin
Bartlett	Hatcher	Oxley
Barton	Hiler	Packard
Bateman	Hillis	Parris
Bentley	Horton	Pashayan
Bliley	Hubbard	Quillen
Burton (IN)	Hunter	Ray
Byron	Hutto	Ritter
Callahan	Hyde	Rogers
Campbell	Ireland	Roth
Carney	Johnson	Rowland (GA)
Carr	Jones (OK)	Rudd
Chappie	Jones (TN)	Schuette
Cheney	Kemp	Schulze
Clinger	Kindness	Shuster
Coats	Kramer	Siljander
Coleman (MO)	Lagomarsino	Sisisky
Combest	Leath (TX)	Skeen
Courter	Lent	Skelton
Craig	Lewis (CA)	Slaughter
Daniel	Lightfoot	Smith (NE)
Dannemeyer	Livingston	Smith, Robert
Darden	Lloyd	Snyder
Daub	Loeffler	Solomon
Davis	Lott	Spence
DeLay	Lowery (CA)	Spratt
Dickinson	Lundine	Stangeland
DioGuardi	MacKay	Strang
Dornan (CA)	Madigan	Stratton
Dreier	Martin (IL)	Stump
Duncan	Martin (NY)	Sundquist
Dyson	Mavroules	Sweeney
Emerson	McCain	Swindall
Evans (IA)	McCollum	Taylor
Fiedler	McCurdy	Thomas (CA)
Fields	McDade	Thomas (GA)
Franklin	Mica	Vucanovich
Frenzel	Miller (OH)	Walker
Gallo	Monson	Whitehurst
Gaydos	Montgomery	Wolf
Gekas	Moore	Wylie
Gingrich	Moorhead	Young (MO)
Goodling	Morrison (WA)	Zschau
Gradison	Murtha	

NOES—272

Ackerman	Anderson	Applegate
Addabbo	Andrews	Archer
Akaka	Annunzio	Atkins
Alexander	Anthony	AuCoin
Barnes	Gordon	Pease
Bates	Gray (IL)	Penny
Bedell	Gray (PA)	Perkins
Beilenson	Green	Petri
Bennett	Gregg	Pickle
Bereuter	Guarini	Porter
Berman	Gunderson	Price
Bevill	Hall (OH)	Pursell
Biaggi	Hamilton	Rahall
Bilirakis	Hartnett	Rangel
Boehlert	Hawkins	Regula
Boggs	Hayes	Reid
Boland	Hefner	Richardson
Boner (TN)	Heftel	Ridge
Bonior (MI)	Hendon	Roberts
Bonker	Henry	Robinson
Borski	Hertel	Rodino
Bosco	Hopkins	Roe
Boucher	Howard	Roemer
Boulter	Hoyer	Rose
Boxer	Huckaby	Rostenkowski
Brooks	Hughes	Roukema
Broomfield	Jacobs	Rowland (CT)
Brown (CA)	Jeffords	Roybal
Brown (CO)	Jenkins	Russo
Broyhill	Jones (NC)	Sabo
Bruce	Kanjorski	Savage
Bryant	Kaptur	Saxton
Burton (CA)	Kasich	Schaefer
Bustamante	Kastenmeier	Scheuer
Carper	Kennelly	Schneider
Chandler	Kildee	Schroeder
Clay	Kleczka	Schumer
Cobey	Kolbe	Seiberling
Coble	Kolter	Sensenbrenner
Coelho	Kostmayer	Sharp
Coleman (TX)	LaFalce	Shaw
Collins	Lantos	Shelby
Conte	Leach (IA)	Sikorski
Conyers	Lehman (CA)	Slattery
Cooper	Lehman (FL)	Smith (FL)
Coughlin	Leland	Smith (IA)
Coyne	Levin (MI)	Smith (NH)
Crane	Levine (CA)	Smith (NJ)
Crockett	Lewis (FL)	Smith, Denny
Daschle	Lipinski	Snowe
de la Garza	Long	Solarz
Dellums	Lowry (WA)	St Germain
Derrick	Lujan	Staggers
DeWine	Lungren	Stallings
Dicks	Mack	Stark
Dingell	Manton	Stenholm
Dixon	Markey	Stokes
Donnelly	Marlenee	Studds
Dorgan (ND)	Martinez	Swift
Dowdy	Matsui	Synar
Downey	Mazzoli	Tallon
Durbin	McCandless	Tauke
Dwyer	McCloskey	Tauzin
Dymally	McEwen	Torricelli
Early	McGrath	Traficant
Eckart (OH)	McKernan	Traxler
Eckert (NY)	McKinney	Udall
Edgar	McMillan	Vander Jagt
Edwards (CA)	Meyers	Vento
Edwards (OK)	Mikulski	Visclosky
English	Miller (CA)	Volkmer
Erdreich	Miller (WA)	Walgren
Evans (IL)	Mineta	Watkins
Fascell	Mitchell	Waxman
Fawell	Moakley	Weaver
Fazio	Molinari	Weber
Feighan	Mollohan	Weiss
Florio	Moody	Wheat
Foglietta	Morrison (CT)	Whitley
Foley	Mrazek	Whittaker
Ford (MI)	Murphy	Whitten
Fowler	Natcher	Wirth
Frank	Neal	Wise
Frost	Nelson	Wolpe
Fuqua	Nichols	Wright
Garcia	Nowak	Wyden
Gejdenson	Oakar	Yates
Gephardt	Oberstar	Yatron
Gilman	Obey	Young (AK)
Glickman	Ortiz	Young (FL)
Gonzalez	Panetta	

NOT VOTING—21

Breaux	Latta	Shumway
Chappell	Luken	Torres
Fish	McHugh	Towns
Flippo	Michel	Valentine
Ford (TN)	Owens	Williams
Gibbons	Pepper	Wilson
Holt	Rinaldo	Wortley

□ 1940

Mr. WATKINS and Mr. MOLLOHAN changed their votes from "aye" to "no".

Mr. MOORE changed his vote from "no" to "aye".

So the amendment to the amendment was rejected.

The result of the vote was announced as above recorded.

□ 1950

Mr. HARTNETT. I thank the Chair and I thank my colleagues for their indulgence.

Mr. Chairman, I have before us now an amendment which would, in effect, preclude Members of Congress or former Members of Congress from going to work for defense contractors immediately upon their departure from the Congress.

It has been determined by my colleagues, and especially by my colleague, the gentleman from Florida [Mr. BENNETT], that there apparently exists a problem in the Department of Defense with high-ranking Department of Defense officials and former members of our uniformed services going to work for defense contractors after leaving the Department of Defense or their particular branch of military service, and going to work for contractors with whom they may have had some influence on contracts that those contractors have received. If indeed, that problem exists, and apparently it does with the Department of Defense, then surely it must exist with the Department of Agriculture, the Department of Commerce, and all the other departments of the Federal Government.

If that is a fact, then most assuredly, Mr. Chairman, it must exist here with my colleagues in the Congress of the United States. We, in a sense, perhaps do not decide contracts, Mr. Chairman, but by the very bill that we have before us now, the defense authorization bill, and by the very bill that we call the Defense appropriations bill, we do, in effect, decide which contractors get contracts. We decide whether or not the Congress will authorize and appropriate money to purchase F-20's in lieu of F-16's. We decide if we are going to purchase C-17's in lieu of C5-A's, and we do determine more directly than those members of the Department of Defense of the military which contractors get which contracts, because without our appropriating money, Mr. Chairman, there would be no way for us to authorize or to implement any contract which might have been signed by the Department of Defense.

Basically, what it amounts to is we would be penalizing employees of the Department of Defense and high-ranking military officers. We would be penalizing them and putting on them a requirement that we are not willing to put on ourselves or on other agencies of the Federal Government. I think it is only fair that we, ourselves, who really probably do more influence peddling than anyone else, make this requirement also be applicable to us.

How many of my colleagues have heard the statement by our former colleagues who, after having stayed here for 10 or 15 or 20 years, then gained significant influence where they could be valuable commodities to defense contractors, and they could then be employed by, either directly or as consultants or as advisers, or as Government-relations types by defense contractors, and they go on the payroll, whether it be directly or as a consultant for a defense contractor.

What this amendment would do, Mr. Chairman, would preclude former Members of Congress from going to work for those defense contractors for whom the money was authorized and appropriated here on this floor and on the floor of the other body, and in conference committees.

I think it is only fair that we make the same standards that we are, by legislating, invoking on somebody else apply to ourselves. Why should we sit in judgment and say that all members of the Department of Defense and of the uniformed services are immoral or unlawful when we say, "But not us, American public. We do everything right. We do not peddle our influence when we leave Congress. We do not sell the time that you sent us up here as representatives of our districts."

Let me summarize quickly, because obviously my colleagues are tired, as am I, and I know we want to call it a night.

If Members vote for this amendment, they will be voting to preclude Members of Congress going to work for defense contractors upon leaving Congress and selling their influence. If Members vote against it, then what they are saying is that it is all right for former Members of Congress to do that, but it is not all right for former employees of the Department of Defense.

Mr. DICKS. Mr. Chairman, will the gentleman yield?

Mr. HARTNETT. I yield to my colleague, the gentleman from Washington.

Mr. DICKS. I thank the gentleman for yielding.

Mr. Chairman, I would just like to ask the gentleman, would he also include retired staff members of the Congress?

Mr. HARTNETT. I would think that it should also include a prohibition; however, my amendment does not do that.

Mr. DICKS. Would the gentleman be willing to accept an amendment?

Mr. HARTNETT. Certainly.

Mr. BENNETT. Mr. Chairman, will the gentleman yield?

Mr. HARTNETT. I would yield to my colleague, the distinguished chairman of the Seapower Subcommittee, the gentleman from Florida [Mr. BENNETT].

Mr. BENNETT. I thank the gentleman for yielding.

Mr. Chairman, I think we can shorten this process considerably.

After all, this is an amendment to the bill which I introduced and I worked on for many years. As I read it, it is not a bad lemon and, therefore, I accept it.

Mr. HARTNETT. I thank the gentleman.

AMENDMENT OFFERED BY MR. DICKS TO THE AMENDMENT OFFERED BY MR. HARTNETT TO THE AMENDMENT OFFERED BY MR. BENNETT, AS A SUBSTITUTE FOR THE AMENDMENT OFFERED BY MR. SPRATT

Mr. DICKS. Mr. Chairman, I offer an amendment to the amendment offered as an amendment to the amendment offered as a substitute for the amendment.

The Clerk read as follows:

Amendment offered by Mr. DICKS to the amendment offered by Mr. HARTNETT to the amendment offered by Mr. BENNETT, offered as a substitute for the amendment offered by Mr. SPRATT: On line 4 of the Hartnett amendment, after the word "Congress", insert "or retired staff members".

POINT OF ORDER

The CHAIRMAN pro tempore. Is there objection to consideration of the amendment?

Mr. BENNETT. Mr. Chairman, I have a point of order.

The CHAIRMAN pro tempore. The gentleman will state it.

Mr. BENNETT. Mr. Chairman, there is a point of order that would lie against that amendment. The original amendment had a point of order against it, and I just think we are cluttering it up for no purpose here, although I do not object to it, but I would raise a point of order against the amendment.

The CHAIRMAN pro tempore (Mr. RUSSO). In the opinion of the Chair, the amendment is in the third degree, and the point of order is sustained.

The question is on the amendment offered by the gentleman from South Carolina [Mr. HARTNETT] to the amendment offered by the gentleman from Florida [Mr. BENNETT] as a substitute for the amendment offered by the gentleman from South Carolina [Mr. SPRATT].

The amendment to the amendment offered as a substitute for the amendment was agreed to.

AMENDMENT OFFERED BY MR. HUNTER TO THE AMENDMENT OFFERED BY MR. BENNETT AS A SUBSTITUTE AS AMENDED, FOR THE AMENDMENT OFFERED BY MR. SPRATT

Mr. HUNTER. Mr. Chairman, I offer an amendment to the amendment offered as a substitute, as amended, for the amendment.

The Clerk read as follows:

Amendment offered by Mr. HUNTER to the amendment offered by Mr. BENNETT as a substitute, as amended, for the amendment offered by Mr. SPRATT: After subsection (c) of the section proposed to be inserted by the amendment, insert the following new subsection (and redesignate the succeeding subsections and references thereto accordingly):

(d) NOTICE TO OFFICERS AND EMPLOYEES LEAVING DOD SERVICE.—(1) The Secretary of Defense shall give the notice described in paragraph (2) to each officer and employee of the Department of Defense and each member of the Armed Forces—

(A) who after the effective date of this section is separated from service in the Department of Defense; and

(B) who during the two-year period before that separation served in a position in the Department that included significant responsibility for a procurement function and that was identified by the Secretary of Defense under subsection (f)(1).

(2) A notice required by paragraph (1) shall provide the individual receiving the notice—

(A) a written explanation of the provisions of this section; and

(B) the name of each contractor from whom such individual is prohibited from accepting compensation under this section during the two-year period following such separation from service in the Department of Defense.

Mr. HUNTER (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. BENNETT. Mr. Chairman, will the gentleman yield?

Mr. HUNTER. I yield to the gentleman from Florida.

Mr. BENNETT. I thank the gentleman for yielding.

Mr. Chairman, the gentleman has talked this amendment over with me and I accept this amendment.

Mr. HUNTER. I thank the chairman for accepting this amendment.

Mr. Chairman, this amendment very simply will provide for a notice that will be given to each DOD employee that tells him what specific companies he cannot work for and it will give them notice. It is a matter of fairness and it can be used as a prosecutorial tool.

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentleman from California [Mr. HUNTER] to the amendment offered by the gentleman from Florida [Mr. BENNETT] as a substitute, as amended, for the amendment offered by the gentleman from South Carolina [Mr. SPRATT].

The amendment to the amendment offered as a substitute, as amended, for the amendment was agreed to.

□ 2000

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentleman from Florida [Mr. BENNETT] as a substitute, as amended, for the amendment offered by the gentleman from South Carolina [Mr. SPRATT].

RECORDED VOTE

Mr. BENNETT. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 397, noes 19, not voting 17, as follows:

[Roll No. 188]

AYES—397

Ackerman	Daschle	Hayes
Addabbo	Daub	Hefner
Alexander	de la Garza	Heftel
Anderson	DeLay	Hendon
Andrews	Dellums	Henry
Annunzio	Derrick	Hertel
Anthony	DeWine	Hiler
Applegate	Dicks	Hillis
Archer	Dingell	Hopkins
Aspin	DioGuardi	Horton
Atkins	Dixon	Howard
AuCoin	Donnelly	Hoyer
Badham	Dorgan (ND)	Hubbard
Barnard	Dowdy	Huckaby
Barnes	Downey	Hughes
Bartlett	Dreier	Hunter
Barton	Duncan	Hutto
Bates	Durbin	Hyde
Bedell	Dwyer	Ireland
Beilenson	Dymally	Jacobs
Bennett	Dyson	Jeffords
Bereuter	Early	Jenkins
Berman	Eckart (OH)	Johnson
Bevill	Edgar	Jones (NC)
Bilirakis	Edwards (CA)	Jones (OK)
Billey	Edwards (OK)	Jones (TN)
Boehlert	Emerson	Kanjorski
Boggs	English	Kaptur
Boland	Erdreich	Kasich
Boner (TN)	Evans (IA)	Kastenmeier
Bonior (MI)	Evans (IL)	Kemp
Bonker	Fascell	Kennelly
Borski	Fawell	Kildee
Bosco	Fazio	Kleczka
Boucher	Feighan	Kolbe
Boulter	Fiedler	Kolter
Boxer	Fields	Kostmayer
Brooks	Flippo	Kramer
Broomfield	Florio	LaFalce
Brown (CA)	Foglietta	Lagomarsino
Brown (CO)	Foley	Lantos
Broyhill	Ford (MI)	Latta
Bruce	Ford (TN)	Leach (IA)
Bryant	Fowler	Leath (TX)
Burton (CA)	Frank	Lehman (CA)
Burton (IN)	Franklin	Lehman (FL)
Bustamante	Frenzel	Leland
Byron	Frost	Lent
Callahan	Fuqua	Levin (MI)
Campbell	Gallo	Levine (CA)
Carney	Garcia	Lewis (CA)
Carper	Gaydos	Lewis (FL)
Carr	Gejdenson	Lightfoot
Chandler	Gekas	Lipinski
Chappie	Gephardt	Livingston
Cheney	Gibbons	Lloyd
Clay	Gilman	Loeffler
Clinger	Gingrich	Long
Coats	Glickman	Lott
Cobey	Goodling	Lowery (CA)
Coble	Gordon	Lowry (WA)
Coelho	Gradison	Lujan
Coleman (MO)	Gray (IL)	Lundine
Coleman (TX)	Gray (PA)	Lungren
Collins	Green	Mack
Combest	Gregg	MacKay
Conte	Grotberg	Madigan
Conyers	Guarini	Manton
Cooper	Gunderson	Markey
Coughlin	Hall (OH)	Marlenee
Courter	Hall, Ralph	Martin (IL)
Coyne	Hamilton	Martin (NY)
Craig	Hammerschmidt	Martinez
Crane	Hansen	Matsui
Crockett	Hartnett	Mavroules
Dannemeyer	Hatcher	Mazzoli
Darden	Hawkins	McCandless
McCloskey	Ray	St Germain
McCollum	Regula	Staggers
McCurdy	Reid	Stallings
McDade	Richardson	Stangeland
McEwen	Ridge	Stark
McGrath	Ritter	Stenholm
McKernan	Roberts	Stokes
McKinney	Robinson	Strang
McMillan	Rodino	Studds
Meyers	Roe	Sundquist
Mica	Roemer	Swift
Michel	Rogers	Swindall
Mikulski	Rose	Synar
Miller (CA)	Rostenkowski	Tallon
Miller (OH)	Roth	Tauke
Miller (WA)	Roukema	Tauzin
Mineta	Rowland (CT)	Taylor
Mitchell	Rowland (GA)	Thomas (CA)
Moakley	Roybal	Thomas (GA)
Molinari	Russo	Torres
Mollohan	Sabo	Torricelli
Moody	Savage	Traficant
Moore	Saxton	Traxler
Moorhead	Schaefer	Udall
Morrison (CT)	Scheuer	Vander Jagt
Morrison (WA)	Schneider	Vento
Mrazek	Schroeder	Visclosky
Murphy	Schuette	Volkmer
Murtha	Schulze	Vucanovich
Natcher	Schumer	Walgren
Neal	Seiberling	Walker
Nelson	Sensenbrenner	Watkins
Nichols	Sharp	Waxman
Nielson	Shaw	Weaver
Nowak	Shelby	Weber
O'Brien	Shuster	Weiss
Oakar	Sikorski	Wheat
Oberstar	Siljander	Whitehurst
Obey	Sisisky	Whitley
Olin	Skeen	Whittaker
Ortiz	Skelton	Whitten
Oxley	Slattery	Williams
Packard	Slaughter	Wirth
Panetta	Smith (FL)	Wise
Pashayan	Smith (IA)	Wolpe
Pease	Smith (NE)	Wright
Penny	Smith (NH)	Wyden
Perkins	Smith (NJ)	Wylie
Petri	Smith, Denny	Yates
Pickle	Smith, Robert	Yatron
Porter	Snowe	Young (AK)
Price	Snyder	Young (FL)
Pursell	Solarz	Young (MO)
Quillen	Solomon	Zschau
Rahall	Spence	
Rangel	Spratt	

NOES—19

Armey	Gonzalez	Rudd
Bateman	Kindness	Stratton
Bentley	McCain	Stump
Daniel	Monson	Sweeney
Dickinson	Montgomery	Wolf
Dornan (CA)	Myers	
Eckert (NY)	Parris	

NOT VOTING—17

Akaka	Holt	Shumway
Biaggi	Luken	Towns
Breaux	McHugh	Valentine
Chappell	Owens	Wilson
Davis	Pepper	Wortley
Fish	Rinaldo	

□ 2010

So the amendment offered as a substitute, as amended, for the amendment was agreed to.

The CHAIRMAN pro tempore. (Mr. BRUCE). The question is on the amendment offered by the gentleman from South Carolina [Mr. SPRATT], as amended.

The amendment, as amended, was agreed to.

Mr. ASPIN. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I would ask that the Chair would recognize the gentleman from Oregon who has an amendment

to offer to the bill, which we have agreed to.

PARLIAMENTARY INQUIRY

Mr. SMITH of Florida. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN pro tempore. The gentleman will state his parliamentary inquiry.

Mr. SMITH of Florida. Mr. Chairman, I was on my feet, standing up.

I would like to inquire of the Chair, has he called the vote on the Spratt amendment?

The CHAIRMAN pro tempore. The amendment has been agreed to, as amended.

AMENDMENT OFFERED BY MR. WYDEN

Mr. WYDEN. Mr. Chairman, I offer an amendment.

The CHAIRMAN pro tempore. The Clerk will report the amendment.

Is this an amendment to title VIII?

Mr. WYDEN. Yes, Mr. Chairman. It was the one I just left at the desk.

Mr. Chairman, this is the amendment to limit progress payments. It is in title X.

Mr. Chairman, I ask unanimous consent that it be considered at this time. We can handle it very, very briefly.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Oregon?

Mr. DICKINSON. Mr. Chairman, reserving the right to object, is this printed in the RECORD?

Mr. ASPIN. Mr. Chairman, I have this amendment listed as one of the amendments that was printed in the RECORD to title VIII.

Mr. WYDEN. That is correct and we have asked unanimous at this time to go out of order. It is in title X.

Mr. ASPIN. No; it is in title VIII. I have it listed in title VIII.

Mr. DICKINSON. The gentleman said title X. That is the reason I was asking was it printed.

The CHAIRMAN pro tempore. The only amendment the Clerk has is to title X.

Mr. ASPIN. Mr. Chairman, is it the amendment to limit progress payments to work in progress, is that correct?

Mr. WYDEN. It is in both.

Mr. ASPIN. It is in both, as I recall.

Mr. DICKINSON. Mr. Chairman, the gentleman has asked for unanimous consent to go out of order?

The CHAIRMAN pro tempore. The gentleman sought unanimous consent to go out of order.

Mr. DICKINSON. Reserving the right to object, Mr. Chairman, was this printed in title X and the gentleman is asking to bring it up under title VIII? Please help me understand what we are trying to do.

□ 2020

Mr. WYDEN. Mr. Chairman, will the gentleman yield?

Mr. DICKINSON. I yield to the gentleman from Oregon.

Mr. WYDEN. The answer to the gentleman's question is that we thought that it was in title VIII but it has now been determined that it is in title X and that is why we asked unanimous consent to proceed out of order.

We have worked very hard, both the minority and majority, and have felt it was a good amendment.

Mr. DICKINSON. Under my reservation, may I ask the chairman, if this is the one we have been discussing and have agreed not to object to?

Mr. ASPIN. Mr. Chairman, will the gentleman yield?

Mr. DICKINSON. I yield to the gentleman from Wisconsin.

Mr. ASPIN. If I can respond to the gentleman from Alabama, the gentleman from Oregon printed his original version of this amendment both for title VIII and for title X. We did not like the version that he had printed orginally.

We entered into negotiations to alter the amendment. The gentleman from Oregon has made some important changes which our staff has agreed to, and we now agree on it.

The new version, unfortunately, appears only in title X. So I think we ought to approve the unanimous consent request to put the new version in title X.

Mr. DICKINSON. Mr. Chairman, I withdraw my reservation of objection.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Oregon?

There was no objection.

The CHAIRMAN pro tempore. The clerk will report the amendment.

The Clerk read as follows:

Amendment offered by Mr. WYDEN: Page 172, after line 20, add the following new section:

SEC. 1016. LIMITATIONS ON PROGRESS PAYMENTS.

(a) PROGRESS PAYMENTS TO BE BASED ON ACTUAL PROGRESS.—The Secretary of Defense shall require that progress payments under a defense contract that provides for such payments shall be made only—

(1) after the work (including work in progress) for which payment is made is accomplished, as determined by the Secretary; and

(2) in accordance with a schedule of payments commensurate with the estimated cost of accomplished work of acceptable quality.

(b) REQUIREMENT THAT TERMS BE MADE DEFINITE.—Progress payments referred to in subsection (a) may not be made for more than 80 percent of the work accomplished under a defense contract so long as the Secretary of Defense has not made the contractual terms, specifications, and price definite.

(c) WAIVER OF SMALL PURCHASES.—This section does not apply to contracts for amounts less than the threshold for small purchases applicable under section 2304(g)(2) of title 10, United States Code.

(d) EFFECTIVE DATE.—This section shall apply only to contracts entered into, extended, or substantially altered after the end of the 180-day period beginning on the date of the enactment of this act.

Mr. WYDEN (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Oregon?

There was no objection.

Mr. WYDEN. Mr. Chairman, this amendment would require that progress payments under a defense contract that provides for such payments be provided only after the work for such payment is made is completed and in accordance with a schedule of payments commensurate with the initially estimated cost of completed work of acceptable quality.

It would also limit the use of progress payments by providing that no progress payments may be made on work for which the contractual terms, specifications, and price have not been made definite.

Mr. Chairman, this is a "pay as you go" amendment and, in simplest terms, would allow progress payments on defense contracts to be made only when actual progress is made and can be verified.

Currently, many defense contractors bill the Government according to a schedule set forth at the beginning of a contract. Unfortunately, those payments are frequently made without regard to whether the schedule has been met. This amendment would, quite simply, prevent that from happening in the future.

The most egregious example of how the present systerm of making progress payments can and does lead to abuse comes directly from the Energy and Commerce Committee's investigation of General Dynamics—at the time, the Nation's largest defense contractor. General Dynamics regularly billed the Government for progress payments on the Trident submarine and such payments were made by the Defense Department—all on the basis of a predetermined contract completion schedule.

In reality, however, the actual work lagged badly behind the anticipated completion timetable. As a result, General Dynamics was paid for work that had in fact not been done. Even worse, General Dynamics falsely represented the status of construction on these key submarine contracts in order to prevent erosion of the value of the company's stock. As an aside, the Energy and Commerce Committee is considering separate legislation that would require periodic reports to shareholders and the SEC on the cost and completion status of major weapons contracts entered into by publicly traded defense contractors. With such a system in place, shareholders as well as taxpayers would be afforded an early warning system to alert them to

major delays and cost overruns in defense contracts.

The overruns and delays we've seen at General Dynamics is the sort of abuse we are attempting to correct with this amendment and with other procurement reform amendments that have been offered and will be offered. Unchecked progress payments doled out indiscriminately and without regard to work actually performed amount to interest free loans to defense contractors. Based on recent past practices, contractors like General Dynamics are clearly not deserving of this sort of windfall.

General Dynamics has demanded and received hundreds of millions of dollars of cost overrun payments on various submarine contracts during the past decade. If progress payments had been based on actual progress and if access to records had been unimpeded, perhaps the problems at General Dynamics that resulted in such massive overcharges could have been identified and corrected earlier—at a great savings to the taxpayers. And if we're ever going to get a handle on the waste of tax dollars at the Pentagon and with the military procurement process in this country, the adoption of a realistic system to control progress payments is a vitally important step.

Mr. ASPIN. Mr. Chairman, I move to strike the last word.

Mr. Chairman, as has already been stated, we have had a chance to look at the amendment. I think it is an amendment that we can now accept and we urge the adoption of the amendment.

Mr. DICKINSON. Mr. Chairman, I move to strike the requisite number of words.

We have been in consultation with both the proponent of the amendment, the gentleman offering the amendment, and our chairman. We have no problem with it and we will accept it over here.

Mr. BATEMAN. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise very reluctantly, but I am becoming increasingly disturbed, not necessarily with the gentleman's amendment, but with the processes by which we are apparently about to adopt his amendment.

I am a member of the Armed Services Committee. I take my responsibilities on that committee very seriously.

We have here in this instance, as we have in so many others, a situation where an amendment that I as a member of the committee have never seen, affecting matters which are very important and very complex, arising in this very confused context. It is said that staff has looked at this and there has been negotiation and that one is better than the one previously drawn.

We are told that the amendment was drawn to two different titles of the bill. Which title it ought to be in, heaven only knows.

I am just suggesting that this Member is growing a little weary of being a participant in this type of a process of passing legislation. The gentleman who offers this amendment could have offered it in the committee. He could have offered a bill as a free-standing bill and it could have been referred to a committee. It could have had the kind of scrutiny that legislation especially so important ought to have.

While I do not object to this amendment being considered, even though it apparently required unanimous consent, I do want to raise a word of caution and of concern on my part as to the manner in which we are dealing with matters of very large significance. If I am going to bear responsibility for what we have done, I want to know more about what it is we are doing, why we are doing it, and how we are doing it.

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentleman from Oregon [Mr. WYDEN].

The amendment was agreed to.

AMENDMENT OFFERED BY MR. HERTEL OF MICHIGAN

Mr. HERTEL of Michigan. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. HERTEL of Michigan: At the end of title VIII (page 143, after line 19), add the following new section:

SEC. 802. AUTHORITY OF INSPECTOR GENERAL OF DEPARTMENT OF DEFENSE WITH RESPECT TO CERTAIN CONTRACTS.

(a) IN GENERAL.—Chapter 137 of title 10, United States Code, is amended by inserting after section 2312 the following new section:

"§ 2312a. Inspector General; authority with regard to contract payments

(a) In the case of a contract of the Department of Defense with respect to which the Inspector General of the Department of Defense determines—

"(1) based upon audits of the Department of Defense, that there have been excessive charges to the United States by the contractor; and

"(2) that other remedies available to the United States by law and under the contract are insufficient to eliminate promptly waste, fraud, and abuse with respect to the contract,

the Inspector General may immediately suspend payment under the contract, revise the schedule for such payments, or suspend or debar the contractor in order to protect the interests of the United States.

"(b) The Secretary of Defense may, in the interest of national security, overrule any action of the Inspector General under subsection (a). Not later than 30 days after any action by the Secretary under this subsection, the Secretary shall submit to the Committees and Armed Services and Governmental Affairs of the Senate and the Committees on Armed Services and Government Operations of the House of Representatives a report—

"(1) describing the action of the Inspector General that is being overruled;

"(2) the reason for the decision of the Secretary; and

"(3) the actions being undertaken by the Secretary to eliminate waste, fraud, and abuse in connection with the contract concerned.".

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 2312 the following new item:

"2312a. Inspector General: authority with regard to contract payments.".

Mr. HERTEL of Michigan (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Michigan,

There was no objection.

Mr. HERTEL of Michigan. Mr. Chairman, so far we have passed several reforms in the Defense authorization bill. The revolving door is an amendment which was passed for the future, for people leaving the Department and taking employment with contractors that they would be in conflict with.

Earlier today we passed criminal penalties regarding the amendment offered by the gentleman from Alabama, Mr. NICHOLS, and that also is for the future.

But now we are dealing with an amendment that would give immediate power to the inspector general. I think all of the Members of this House will remember the Energy and Commerce Committee hearings chaired by the gentleman from Michigan [Mr. DINGELL] and all of the terrible fraud, misspent money that was brought to public attention through those hearings.

The inspector general of the Department of Defense himself testified, and he said he would like the power, when he found that type of fraud, to debar that contractor in that particular case.

You see, the problem today is when the Congress established the Inspector General's Office they made him independent of the Department and that was good and that was proper, but all the inspector general has the power to do is to find that fraud, waste, and abuse. Once he finds it he cannot do anything about it.

The inspector general has constantly been referring cases to the Justice Department, been referring cases to the contracting offices, been referring cases to the Pentagon for action, and even though he has found this terrible fraud and abuse, nothing is done about it in the majority of the cases.

This amendment would very simply and very directly give the inspector general the power that he has asked for. That is when he finally finds the fraud, finds the waste and the abuse, in extreme cases he can debar that

contractor in the future and he can stop that contract at that time.

Let me point out there is a caveat, because I know other Members are going to raise the question about what if this contractor is the only company that builds this weapon that is needed for the security of the Nation. Well, we have an out, and it is a complete out for the Secretary of Defense. When he can say that, when the Secretary of Defense believes that, and the Secretary of Defense can say that in the interests of national security for the following reasons the inspector general's recommendations in this case will have to be suspended, we see that it is very clear. The Department, the man, the office that finds the waste, fraud, and abuse that is independent can finally do something about it. He has asked for that authority and I think that the House should give him that authority.

Mr. MITCHELL. Mr. Chairman, will the gentleman yield?

Mr. HERTEL of Michigan. I yield to the gentleman from Maryland [Mr. MITCHELL].

Mr. MITCHELL. Mr. Chairman, I thank the gentleman for yielding this time to me.

I served on the Joint Defense Production Committee for a number of years and it was the most frustrating experience to have those parties in the Department of Defense say yes, we are aware of the inspector general's report; yes, we are aware that they did file this report on that date, and that date, and that date, but nobody ever did anything about it.

□ 2030

We could never get them to fix responsibility for following through on the inspector general's reports. So I think this is an excellent amendment and I would urge that all of us wholeheartedly support it.

Four years on that committee was enough to convince me that unless we pass the amendment of the gentleman from Michigan we are really not going to put a cap on this kind of problem.

Mr. Chairman, I rise today in support of the Hertel amendment to title VIII of H.R. 1872, the Department of Defense authorization for fiscal year 1986, which would authorize the inspector general of the Department of Defense to stop payment or debar contractors in the case of waste, fraud, abuse or excess charges when routine Pentagon audit procedures fail. Further, I would like to thank the gentleman from Michigan [Mr. HERTEL] for his leadership and for his efforts as chairman of the House Democratic Caucus Task Force on Waste, Fraud and Abuse in the Department of Defense in bringing the issue of wasteful mismanagement by our defense establishment to this level of debate in the Congress.

Mr. Chairman, on April 24, the Defense Department's inspector general, Joseph H. Sherick, told the House Energy and Commerce Subcommittee on Oversight and Investigations that the two top officers of General Dynamics Corp. should be suspended or debarred from Federal contracts because the company billed $244 million in improper overhead charges including entertainment, travel and personal expenses, to the Government. This is just the tip of the iceberg. In other testimony, Frank C. Conahan, of the General Accounting Office [GAO], said that all major defense contractors routinely charge the Pentagon for entertainment, public relations, personal travel, promotional giveaways and other unallowable expenses. Moreover, an examination conducted by GAO of 11 top contractors found that the Pentagon's auditors generally questioned these overhead costs, however, less than half the charges were disallowed by Pentagon negotiators.

Under current statute, the inspector general issues recommendations to the contracting officer to make corrections when an audit uncovers irregularities. As one might guess, the contracting officer is virtually the final word in all contracting actions or changes and can either accept the recommendations or ignore them. The only alternative to an ignored recommendation is for the inspector general to reinstitute the contract auditing procedure.

Mr. Chairman, at this point in the standard audit procedure, the inspector general is powerless to protect the Government from waste, fraud, abuse or excessive charges when there is clearly an unallowable cost. This is also the point where the gentleman from Michigan, Mr. Hertel's amendment would become operative. After the routine audit procedure has failed to correct problems initially uncovered by the Defense Contract Auditing Agency, in clear cases of abuse, and when there are indications that no other corrective action will be taken, the inspector general could then take the necessary corrective steps.

Mr. Chairman, this amendment is one of several offered by the task force, which many reform conscious Members must agree will enhance our military procurement procedures in efforts to curtail waste in defense spending. As such, I would like to strongly encourage my colleagues to support this laudable amendment.

Mr. HERTEL of Michigan. The gentleman from Maryland [Mr. MITCHELL] makes a good point.

According to an IG study in May of 1984, a review of suspensions and debarment activities within DOD, 120 cases of procurement fraud were identified in 1981–82; 79 were referred for suspension or debarment to authorities and only resulted in debarment regarding 11; 8 were suspended; 47 cases sat pending; 41 cases were never referred, including seven cases.

I want to make this very clear to the House: Seven cases were never referred even though the IG had found fraud; even when the contractors were convicted of contract fraud, they were not debarred.

Mr. GEJDENSON. Mr. Chairman, will the gentleman yield?

Mr. HERTEL of Michigan. I yield to the gentleman from Connecticut.

Mr. GEJDENSON. I thank the gentleman for yielding.

Mr. Chairman, it would be difficult to overestimate the importance of what we are doing here today to reform the defense contracting process.

Too many of the employees of defense contractors suffer the anxiety of not knowing whether their jobs are in jeopardy because of some unethical behavior on the part of those negotiating defense contracts. This cannot go on. Pipefitters, welders, and machinists who labor to build good, solid ships and aircraft should be able to go to sleep at night without fear that their efforts are for naught because someone in management felt at liberty to bend the rules here and there in the contracting process.

This type of behavior angers the men and women in the yard and on the line, and I understand that anger. We've got to clean this up before any more honest workers are made to pay for the behavior of their superiors.

And the taxpayer is angry and I understand that anger too. It is difficult enough for most to make the financial sacrifices that are necessary to maintain our national security, but to ask that on top of what they are already paying that they also put up with a defense contractor charging $427 for a tape measure and a Department of Defense willing to go along is just too much.

The taxpayers anger is justified and we in Congress have a responsibility to take every opportunity we have in this defense authorization bill to redress those wrongs before any more damage is done.

This Nation, rich as it is, cannot afford to overlook the waste and abuse that daily fills the Nation's newspapers and airwaves. We cannot afford to continue to pay $640 for a toilet seat cover and $44 for a light bulb.

Anyone who wants to do business with the Federal Government ought to know that there are rules that they must live by and that those who break the rules will have to pay.

I urge my colleagues to look favorably on the amendment being offered here today that attempt to address the flaws in the defense procurement process that have permitted abuses to go unchecked. I think that this amendment will go a long way toward

restoring the integrity of the defense procurement process and to restoring the pride American defense workers have in their jobs and the pride our citizens have in a form of government whose system of checks and balances is working to remedy this serious problem.

The CHAIRMAN pro tempore. The time of the gentleman from Michigan [Mr. HERTEL] has expired.

(On request of Mr. GEJDENSON and by unanimous consent Mr. HERTEL of Michigan was allowed to proceed for 2 additional minutes.)

Mr. DONNELLY. Mr. Chairman, will the gentleman yield?

Mr. HERTEL of Michigan. I yield to the gentleman from Massachusetts.

Mr. DONNELLY. I thank the gentleman from Michigan for yielding.

Let me say at the outset that I congratulate the gentleman from Michigan for taking such a leadership role in offering a series, a package of reform amendments to the DOD authorization bill.

Mr. Chairman, I strongly support the amendment offered by the gentleman from Michigan. It is a significant amendment.

There are many of us in this institution who for years advocated the establishment of an inspector general in the Department of Defense. Now that that inspector general's office has come to fruition, I think it is critically important that we put teeth into that office so that when the inspector general sees a wrong he has the ability to right it.

The CHAIRMAN pro tempore. The time of the gentleman from Michigan [Mr. HERTEL] has again expired.

(On request of Mr. DONNELLY and by unanimous consent Mr. HERTEL of Michigan was allowed to proceed for 2 additional minutes.)

Mr. DONNELLY. Mr. Chairman, will the gentleman yield further?

Mr. HERTEL of Michigan. I yield to the gentleman from Massachusetts.

Mr. DONNELLY. I thank the gentleman again for yielding.

Mr. Chairman, let me just say in conclusion that there will be those in this institution that will say that we are singling out the Department of Defense in giving this type of responsibility, this type of authority to the inspector general. I would suggest it would be very prudent for the Congress to give this same type of authority and same type of jurisdiction to the inspectors general throughout each and every Federal agency and the Secretariat. It is a good amendment, it responds to this growing sense of outrage in America that there are things going on, money being misspent, waste, fraud and abuse talked about and pointed out, but nothing is done about it.

This is a chance for the people in this institution to do something about that mismanagement, to do something about the waste, to put some teeth in the inspector general's office and it is an amendment that ought to be adopted.

Mr. HERTEL of Michigan. Mr. Chairman, I yield back the balance of my time.

Mr. DICKINSON. Mr. Chairman, I move to strike the requisite number of words.

Let me just say, Mr. Chairman, I have got no objection to the thrust of what the gentleman intends to do. But let me say this: What we are doing, if we give this authority to the inspector general—and I am for that, I supported the concept of the IG—but I think that we are in the process of throwing out the baby with the bathwater. We all want reform, we all want a system of correcting any waste, fraud, or abuse, no one denies that. What we are doing, though, when we give this authority to the IG, we are denying due process. I would think, especially on the other side of the aisle, the people who spend so much of their time talking about due process, legal rights and so forth, they should be concerned. What we are doing is saying, "All right, we have an inspector general and we are going to let him be the sole arbiter and if he decides that someone is not in compliance or in violation of the law he and he alone can debar or suspend someone," and I do not think that is right. I do not think that is what the Members would support.

I think an orderly process whereby he can make recommendations to the Secretary of Defense who would make the recommendation or actually do the debarment, I think that is a reasonable procedure. But I think it is totally unreasonable to say that one man, who is appointed, answerable to no one, can say, "I am going to debar you and I am going to suspend you" and there is not appellate process. I think it is wrong and I think we are reacting in the emotion of the moment and I think we are going to live to regret it if we do this.

I have no sympathy for people who are guilty. I am simply saying we are putting in place a mechanism that is very much subject to abuse. I think we are giving too much discretion and authority, and we are talking about thousands of contracts, billions of dollars, to that one man who can say, "You are guilty, out; you are guilty, suspended." I do not think that we want to do that.

Mr. MITCHELL. Mr. Chairman, will the gentleman yield?

Mr. DICKINSON. I yield to the gentleman from Maryland.

□ 2040

Mr. MITCHELL. I appreciate the gentleman yielding, and I appreciate his concern. Like him, I always want to examine very carefully, vesting too much power in any one person or one entity, but we have got an absolutely deplorable situation in which the Department of Defense has blithely, capriciously ignored the recommendations of the inspector general.

Now, what is your alternative to what is being proposed by Mr. HERTEL? What are you offering us that will remedy this situation? He is offering us a remedy, and what do you offer us to remedy that situation?

Mr. DICKINSON. Well, my solution, if it is a solution, is something certainly short of a total czar of who may or may not deal with the Department of Defense if there is a claim brought against them.

I would certainly think that the Secretary of Defense has the right and the authority now; I think with impetus given to this legislation, I think with the focal point being brought on the Department of Defense through this bill and other pieces of legislation, certainly he will be more sensitive than he has been in the past not to say that he has not been sensitive in the past.

I think it—certainly we do not want to give one person, without any appeal, without any way to go, the authority to say that you cannot deal with the Department of Defense, and you cannot deal, and there is no appeal. I just do not think that is right.

(On request of Mr. HERTEL of Michigan and by unanimous consent, Mr. DICKINSON was allowed to proceed for 4 additional minutes.)

Mr. HERTEL of Michigan. Will the gentleman yield on that point?

Mr. DICKINSON. Oh, yes, of course.

Mr. HERTEL of Michigan. First of all, the inspector general, as we all know, is appointed directly by the Secretary of Defense, and he can also remove him any time he wants.

Mr. HORTON. Will the gentleman yield on that?

Mr. HERTEL of Michigan. I cannot yield.

Mr. DICKINSON. I have the time.

Mr. HERTEL of Michigan. Let me finish my point.

Mr. DICKINSON. As soon as the gentleman finishes his point, I will be glad to yield to you.

Mr. HORTON. There is an error on that.

Mr. DICKINSON. Let him finish his statement, and I will be glad to yield then to the gentleman from New York.

Mr. HERTEL of Michigan. Under this amendment, in any case, the Secretary of Defense could absolutely overrule—the language says "overrule"—the recommendation of the inspector general. That he would just have to notify Congress as to why it was in the interest of national securi-

ty; why in this case, this contract could not be stopped, or that contractor could not be debarred.

So there is an appeal process. Now, if the company says they did not commit fraud——

Mr. DICKINSON. Are you saying that is due process, to say that "I won't accept your recommendation"?

Mr. HERTEL of Michigan. Let me finish my due process——

Mr. DICKINSON. Well, I thought you had finished your statement.

Mr. HERTEL of Michigan. No. Now, in addition, if you look at the private world, if you have a contract with somebody: You are going to sell them 50 apples, but you do not sell them 50 apples; you deliver 50 oranges. That violates the contract in common law. You have not filled the contract.

In the case, though, with the Government, we do not have that right currently. In other words, if they commit fraud, if they commit fraud, we cannot unilaterally stop the contract.

The inspector general could in this regard have the same right as private contractors, private businessmen. I have had more businessmen in the last 2 years ask why they are under special consideration regulations in the Department of Defense and why they do not have to operate as private businesses do in their relationships.

Mr. DICKINSON. Let me reclaim my time.

Mr. HERTEL of Michigan. Let me just finish the last point, and I will be done, on this point.

That is due process. If they want to show they did not commit fraud, all they have to do is go to Federal district court and prove they did not commit fraud, and therefore they cannot be debarred under the inspector general's ruling.

So they have due process: They have access to the Federal courts, rather than us going, us going to Federal court, we will put the burden on the contractor who has committed fraud under this amendment.

Mr. DICKINSON. Let me say, if I might reclaim my time, that I disagree with the factual situation that the gentleman is enumerating.

The Secretary of Defense can suspend a contract, he can debar someone anytime that he wants to, but to give this authority to the IG I think is wrong.

Let me yield to the gentleman from New York, because I think there has been some misstatements of fact here.

Mr. HORTON. The point that was earlier made by the gentleman from Michigan [Mr. HERTEL] was that the Secretary of Defense appoints the inspector general.

The inspector general is nominated by the President and confirmed by the Senate. The Secretary of Defense has no authority with regard to the appointment process.

All of these inspectors general are nominated by the President and confirmed by the Senate.

Mr. DICKINSON. And independent.

Mr. HORTON. And they are independent.

Mr. DICKINSON. I think there has been a very serious misstatement of fact here. He is not dependent on the Secretary of Defense; he doesn't owe his allegiance to him; he does not have to look to him to keep his job; he has done an outstanding job as far as I know. I know he has been a real active fellow; he has turned up any number of things that we have dealt with here that have obviously been contrary to contract and contrary to law, but I really do not think that we want to give him the absolute authority in his own mind and in his own office without regard to anyone or any appellate procedure to say, "I will disbar you; I am going to suspend you; and all you fellows have to come to me. I am the ultimate authority."

That is wrong. We do not want to do that.

Mr. NICHOLS. Mr. Chairman, I rise in opposition to the amendment of the gentleman from Michigan.

This matter came before the committee last year and we discussed it and we tried to work out some accommodations.

I oppose it since I believe that it is imperative that we maintain a clear line of separation between the responsibility to contract administration and responsibility for audits and investigations.

Now, the responsibility of the inspector general, according to the Inspector General Act of 1978 is, and I quote:

> To conduct and supervise audits and investigations of programs as to fraud and abuse in such programs.

Under that act, I submit that the inspector general's only responsibility in the contracting area is to report to the Secretary, and the responsible contracting personnel any problems that might be revealed during his audits investigation.

Now the contracting officer on the other hand, has the responsibility for all Government actions under the contract. He is the sole agent for the Government, in dealing with the contract.

Among his duties are review and approval of the contractor's request for payment; monitoring the contractor's financial condition, negotiation and execution of the contract documents, issuing contract modifications, so forth and so on.

It is also his responsibility to act when he learns of improper or illegal conduct by the contractor.

I believe that this division of responsibility must be maintained. There has been no evidence that we have heard in our committee that there is any need for altering it.

The inspector general is no more qualified to administer a contract than the contracting officer is to conduct investigations and audits.

Mr. Chairman, the amendment troubles me since it would constitute the inspector general to the Department of Defense as investigator, as prosecutor, and as judge. That combination of responsibility is not placed, to my knowledge, in any other inspector general in the U.S. system of government.

I understand that the inspector general has expressed his willingness to assume responsibilities for suspending or revising payment. Nevertheless, I do not believe it should be given to him. He should be permitted to devote his full time and attention to his statutory responsibilities, his audits and investigation of fraud, waste, and abuse, since that in itself is a full-time operation.

In addition, I oppose the amendment because I believe that the previous amendments passed earlier by this body with only four dissenting votes is a more appropriate means of eliminating improper charges to defense costs.

I believe that our committee has certainly been supportive of the program for both the inspector general and the Defense Contract Audit Agency. In the reprogramming bill just approved on Tuesday of this week, our committee provided $15 million in funding for an additional 400 personnel for the Defense Contract Audit Agency, and $8 million to provide for the consolidation of the Office of the Inspector General into one building, and to fund radio communications systems to enhance investigation function of the Office of the Inspector General.

□ 2050

For all of these reasons, Mr. Chairman, I believe the amendment ought to be defeated.

Mr. WHITEHURST. Mr. Chairman, will the gentleman yield?

Mr. NICHOLS. I yield to the gentleman from Virginia.

Mr. WHITEHURST. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from Michigan [Mr. HERTEL]. This amendment and many others being offered seek to reform defense procurement by undoing resolutions of other fumdamental problems. These resolutions have been developed carefully over years.

I am concerned that in our haste, we may create far more problems than we solve.

I am greatly concerned that the amendment offered by the gentleman from Michigan would make it impossible for any contractor to deal with the Government. Now contractors must deal with the contracting officer warranted to negotiate, sign, and change his contracts. Under this amendment the DOD inspector general would be

given blanket powers to change contract payment schedules, unilaterally and simply on his suspicion of overcharging. Thus, contractors could no longer purchase materials, hire labor, or schedule work without getting permission not only from the contracting officer but also from the inspector general. Is the inspector general going to run the contracts all together?

The gentleman from Michigan also proposes that the inspector general of DOD be permitted to immediately suspend or debar contractors suspected of overcharging. To my knowledge, the courts have always held that due process, with full notice, hearing and opportunity to present evidence, was required before anyone could be debarred from Government contracting. I would suggest that the gentleman's amendment might violate these principles of due process.

I do not wish to belabor the point. Nevertheless, it must be realized by this House that we are not now in the position to deal with these myriad issues. We must, if we are to deal with them at all, study them at some length and not charge ahead blindly, creating far more problems than we solve.

Mr. HORTON. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

Mr. Chairman, this amendment is clearly well-intentioned. It seeks to do something about some very real problems in accounting and paying for costs incurred by defense contractors. I know quite a bit about those problems, because as ranking minority member of the Government Operations Committee, I have participated with my friend, the gentleman from Texas and chairman of the committee, Mr. BROOKS, in investigating many of them. The Government Operations Committee has made sensible, constructive recommendations to the Defense Department for ensuring that payment be made only for work which is done in support of Government contracts. I am pleased to say that DOD has issued proposed regulations which are responsive to our suggestions, and which constitute a significant first step toward resolving the problems.

Also due to my experience on the Government Operations Committee, I am fully conversant with the remedy which the amendment proposes to be applied to these problems. Nine years ago, I helped to conceive and deliver the inspector general concept to the American people. I believed then—and I continue to believe—that inspectors general perform a critical mission in protecting the integrity and efficiency of Federal Government operations. I have come to the well of this House many times to ensure that inspectors general have the independence necessary to continue to perform that important function.

Having studied both the problem and the proposed solution, I must report to the House that in my judgment, the amendment is misguided. It is based upon a fundamental misconception of the role of the inspectors general, and if enacted, would greatly injure the ability of IG's to perform the functions which the Congress has assigned to them.

When we created the very first statutory inspector general at the old Department of Health, Education and Welfare back in 1976, we were very careful to define the mission of the IG and set boundaries on his activities. Because we wanted the IG to be free from agency manipulation, we made him independent. Because we wanted him to be free to concentrate on finding and ferreting out fraud and abuse in Government programs and activities, we were careful to limit his work. The IG was not to have any part in the management of the agency or any of its programs; he was to be close enough to management, however, that he could understand and advise it. To make him an administrator, we felt, would compromise his independence from management and his ability to function as a critic. Since 1976, whenever we have created an inspector general—and there are now 17 of them—we have followed that model.

The amendment now before us would, with regard to the DOD inspector general, make an enormous change in the highly successful work of the IG. It would involve the Defense IG in program management in two significant, new ways. Instead of being simply an investigator, we would become both a prosecutor and a judge as well, on matters relating to charges made to the United States by contractors. His authority would go so far as to debar contractors from doing business with the Government. The inspector general would become not an adviser to management in pointing out what is wrong with the way the agency functions, but a very powerful member of the management team.

There are two major problems with this change. One is that it creates a terribly unfair system of administrative justice, in which the investigator, prosecutor, and judge are the same person. While administrative courts need not observe all the procedural requirements of judicial courts, this deviation is far too great to be tolerable in a country which prides itself on due process for persons who are accused of having committed transgressions.

Mr. DICKINSON. Mr. Chairman, will the gentleman yield?

Mr. HORTON. I yield to the gentleman from Alabama.

Mr. DICKINSON. Well, as one of the originators of the concept and proponent of the law that put this thing in place, was it ever envisioned that the inspector general would be the sole judge, prosecutor, and jury? I mean this sort of blows one's mind. It was my understanding when we voted for it that this would be a fellow to ferret out any wrongdoing and report it but not be the final arbiter. Am I right or wrong?

Mr. HORTON. That is correct. And that is exactly what is wrong with this amendment. I understand what the problem is, but when you try to put the inspector general in as the prosecutor or the person who is going to make those decisions, you create an entirely new situation, which really is going to limit him on his ability to do the job that was designed to be done.

The CHAIRMAN pro tempore. The time of the gentleman from New York [Mr. HORTON] has expired.

(By unanimous consent, Mr. HORTON was allowed to proceed for 3 additional minutes.)

Mr. HORTON. The second problem is that by making the Defense inspector general a member of the management team, the amendment takes away the independence which makes him such a valuable critic. If the IG is an administrative officer of the agency, and is subject to the same pressures as agency managers, his time will be diverted and his views will be colored by his additional responsibilities. He will no longer be able to function as he does now—as the guardian of the agency's propriety and integrity. Under the flag of protecting the interests of the United States, we will, if we enact this amendment, cripple the most effective fighter against waste, fraud, and abuse which the Defense Department now has.

The amendment also takes the DOD inspector general out from under general framework of the IG Act. We have had plenty of trouble in the past making DOD believe that it is just as accountable for its funds as is any other agency, and that its inspector general should be just as independent as any other statutory IG. Let us not send the Department the message now that it and its IG are different after all.

I agree, Mr. Chairman, that we must find better ways to fight contractor abuse of the American taxpayer, but adopting this amendment is not the way to do it. I strenuously oppose the amendment and urge my colleagues to reject it.

Mr. KINDNESS. Mr. Chairman, will the gentleman yield?

Mr. HORTON. I yield to the gentleman from Ohio.

Mr. KINDNESS. Mr. Chairman, I want to congratulate the gentleman for his clear and concise statement. If those who are interested in the amendment pending were listening, it was explained very clearly, from the

gentleman's long years of experience with the development of the Inspector General Act and its amendments to add the additional departments to the Inspector General Act. The gentleman has helped to develop a concept, helped to keep it pure. His argument is very well stated. I would hope that we would retain the integrity and the independence of the inspector general, as the gentleman has so ably argued, and defeat the amendment pending.

Mr. HORTON. I thank the gentleman for his contribution.

Mr. ASPIN. Mr. Chairman, I am trying to get some idea of how many Members are still interested in talking on this issue. I think we have had an exposition of what the differences are. I see the gentleman from Michigan and the gentleman from North Dakota standing.

Mr. HERTEL of Michigan. Mr. Chairman, there are other Members who want to speak. We have only been on this amendment for 20 minutes. We were on the last one for over 3 hours. If it drags on, I will certainly agree to a time limit, but not at this time.

Mr. DINGELL. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the amendment.

Mr. Chairman, I would like to begin by expressing great respect for the chairman of the committee. Mr. ASPIN, and the distinguished gentleman from Alabama, my old and valued friend on the minority side, for whom I have the greatest respect. I would also like to announce the greatest respect and affection for my dear friend, the gentleman from New York [Mr. HORTON]. And on the basis of the reputation of these fine men and my good friend from Alabama over here, Mr. NICHOLS, I would certainly oppose the amendment if it were as they say it is. In point of fact, it is not.

The inspector general remains independent. He is appointed by the President. He is confirmed by the Senate. This amendment does not change that. His actions come into play only when audits conducted by the Department of Defense show that there have been excessive charges by the contractor against the United States and that other remedies available to the United States by law under the contract are insufficient to properly eliminate waste, fraud and abuse with respect to the contract. How does that hurt the independence of the inspector general?

Beyond this, the Secretary of Defense may, in the interest of national security, overrule the action of the inspector general in not later than 30 days. And all he has got to do when he does that is to report his action to the committees of the Congress, the Armed Services Committee and the Governmental Affairs Committee of the Senate, and the Armed Services Committee and the Government Operations Committee of the House, on which the distinguished gentleman who just preceded me serves.

Now, let us look at what the situation is here. Here we have a situation where bills are submitted to the Federal Government, are paid and then are audited. The inspector general comes in and he follows the auditor. The inspector general has the great misfortune of not being listened to by the auditors or by the contracting officers unless they are so moved to do.

□ 2100

Now one must ask is that right? The harsh fact of the matter is the amendment only becomes operative after the audit procedure has failed to correct problems that protect the company's interest and, in reality, the Secretary has failed to act. Then, under the amendment, the inspector general can go in and can take action to correct waste, fraud and abuse not reachable under any other device.

Last year, the inspector general testified before the Committee on Armed Services and he said, well, everything was fine. This year, he testified before our committee after we pointed out how moneys were being expended for dog boarding; moneys were being expended for illegal payments overseas; moneys were being expended for entertainment, for purchase of liquor; moneys were being expended for entertainment and for gifts and donations in violation of law. We pointed out how it was found that in a number of instances submarines near completion were torn apart so that parts of those same submarines could be used to complete other submarines.

The inspector general said he had no way of being able to address these problems. I say it is time that we get our Defense Establishment aware of the fact that you have to audit first and then pay. You have to have mechanisms to retrieve the money.

The Secretary of Defense is busy with matters like Nicaragua; he is busy with important issues like SALT II; he is concerned deeply about problems of Communist penetration in Africa and Asia, and he is concerned about broad issues of national policy. What we try to find out is who is seeing to it that corporate integrity is being adhered to and who is seeing to it that the taxpayers are being protected, and that we can afford the defense of this Nation.

It is wonderful to have an inspector general who is independent; it is wonderful to have the most advanced technology in the world, but it does not do you a bit of good if you cannot afford to defend the country.

Mr. HORTON. Mr. Chairman, will the gentleman yield?

Mr. DINGELL. I yield to the gentleman.

Mr. HORTON. I thank the gentleman for yielding.

The problem, and the gentleman has touched it, and I want to underscore it. The point that we have tried to maintain throughout setting up these inspectors general is not to put them on the management team and not to give them——

Mr. DINGELL. This amendment does not put them on the management team.

Mr. HORTON. Well, it does.

Mr. DINGELL. The inspector general simply can withhold the continuation of payments under the contract. He is not put on the management team. I will be delighted to read the amendment to the gentleman if he desires, but I happen to be short of time. The gentleman simply misunderstands the amendment. The inspector general is appointed by the President. He is confirmed by the Senate. He is independent. The only power that this amendment gives the inspector general is the ability to withhold payments or to debar contractors. That does not withhold payments or to debar contractors. That does not put him on the management team.

The CHAIRMAN pro tempore. The time of the gentleman from Michigan [Mr. DINGELL] has expired.

(On request of Mr. HORTON and by unanimous consent, Mr. DINGELL was allowed to proceed for 3 additional minutes.)

Mr. DINGELL. I yield to the gentleman from New York [Mr. HORTON].

Mr. HORTON. The language that makes the difference here is the language after the two paragraphs that you mentioned, which says that those things having been found, it says, "The inspector general may immediately suspend payments under the contract." That is a new——

Mr. DINGELL. I applaud that, and I point out that does not make him a part of the management team. It simply lets him stop rascality. Now, if the gentleman wants to make him part of the management team, I am sure that the author of the amendment will be delighted to consider that amendment. I will tell him it does not make him a part of the management team; it simply lets him stop rascality indifference, slothfulness, laziness, and disregard of public responsibility by the management team.

I yield to my friend from New York.

Mr. HORTON. The inspector general may also revise the schedule for such payments or suspend or debar the contractor.

Mr. DINGELL. That does not make him a member of the management team. It simply lets him stop rascality. Now, if the gentleman wants to applaud rascality in the interest of the

management team, then so be it. I do not. I want to stop it; I do not know how else to stop it.

Mr. HORTON. So do I, and that is why we have got the inspectors general. If he does not have the independence——

Mr. DINGELL. I have talked to the Secretary of Defense who comes up to my office with one of the most plaintive tales about how he cannot control this waste, fraud and abuse down there. I have been invited to breakfast by the Secretary on many occasions, and he cries on my shoulder about his total inability to address the problems of waste, fraud and abuse in his Department. I think that finally it is time that the Congress do a little bit of something to put somebody in there.

Now, it is said that these inspectors general are to be mean junkyard dogs. I say hallelujah brother, let us hope they are, because the things that we found in connection with our inquiries into corporate integrity under the securities laws with regard to the handling of defense contracts by some of these contractors are a shame and a disgrace. They are a waste of the public's money. They are abuse of the public trust. They are the most scandalous and outrageous matter that cannot be reached by the present system. I think it is time we did something to correct that abuse.

I yield to the gentleman from New York [Mr. HORTON].

Mr. HORTON. What you have done under this new amendment is give new authority to the inspector general which takes him out from under the law that we now have which permits him to be independent.

Mr. DINGELL. We have simply given him the power to correct waste, fraud and abuse of which there is a vast abundance in the Department of Defense.

Mr. KINDNESS. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, we have been treated to a dramatic presentation of ideas. A dramatic presentation that does not tell us anything about this amendment that is accurate, and the gentleman from New York was attempting to explain with accuracy what the amendment would do.

I would certainly be glad to yield to the gentleman from New York concerning the explanation that he was unable to present when we were treated to such a dramatic display.

Mr. HORTON. I thank the gentleman for yielding.

The point I was trying to make to the gentleman from Michigan [Mr. DINGELL] for whom I have the highest respect and regard, and who I also believe wants to ferret our fraud, waste, and abuse. But under the law that we have set up for inspectors general, we were very careful in divising that law to not get the inspectors general involved in the type of activity that is proposed in this amendment. That is what I said earlier: The amendment is well intended, but it is misguided. Because if you put the inspectors general in this responsibility, you are going to take away from him the ability to be independent to ferret our waste, fraud, and abuse. You do not want to, in my judgment, put him in that situation.

Now, the Department of Defense does have the authority to act on these proposals or these recommendations of the inspectors general. All of the authority that is needed that you are talking about giving here to the inspector general is lodged right now with the Secretary of Defense. There is no need to have this additional authority put on the inspectors general.

When you do this, you take away his ability, you take away his ability to ferret out waste, fraud and abuse. I commend the inspector general of the department of Defense for what he has been doing. He has to report to the Congress; he has to report to the Secretary of Defense, and it is made public as to what he is doing. It now is up to the Secretary of Defense to debar, to suspend or take whatever immediate action to revise the schedule for such payments. Those activities are properly in the Office of the Secretary of Defense.

Nobody expects the Secretary of Defense to do all that, but he has people that can make those kind of decisions. But do not put it on the back of the inspectors general or you are going to take away the independence that we have very carefully crafted in the laws that have been passed setting up these 17 inspectors general.

Mr. DICKINSON. Mr. Chairman, will the gentleman yield?

Mr. KINDNESS. I yield to the gentleman.

Mr. DICKINSON. I thank the gentleman for yielding to me.

Mr. Chairman, I would just like to say that I recall when we set up the Office of Inspector General, and that was the debate, that was what we were arguing about. Are we setting up a czar that can be all-powerful and abrogate to himself all these powers? We were assured, we were reassured time and time again, no, he does not have that authority and we are not going to give him that authority, he will simply be an independent agent to ferret out the facts and present them and others will make the decision.

Now, what we are saying is that by this amendment he not only is going to be the investigator, he will be the prosecutor, he will be the judge, he will be the jury; he is the whole ball of wax.

□ 2110

I know it is exactly the opposite of how it was presented when we set up the position. I do not think, even in today's climate of trying to correct abuses, this is what this House wants to set in place. I think it is a mistake. I think we ought to vote against it.

Mr. KINDNESS. I thank the gentleman, and I would just like to add, Mr. Chairman, that many times we see people all caught up in the fire of the moment, the political attractiveness of a particular cause that is in the headlines during a current period of time, and we take something that is worthwhile in our existing laws and corrupt it in order to respond in an seemingly attractive way to the heat of the moment.

This amendment would be a corruption of the concept of the inspectors general. It is working well. Let us not louse it up. Let us defeat the amendment.

Mr. DORGAN of North Dakota. I move to strike the requisite number of words, and I rise in support of the amendment.

Mr. Chairman, let us again review what this amendment does. It says if the inspector general, based upon audits of the DOD, finds that there have been excessive charges to the United States by the contractor, the IG may immediately suspend payments to the contractor, revise the schedule, and so on. It does not do what has been purported by opponents of this amendment.

Let me say this: This amendment, in my judgment, is extraordinarily moderate. I would prefer a much tougher approach. I had an amendment at the desk that I have not offered, and will not this evening, that talks about mandatory 5-year debarment.

We do business in my hometown, on Main Street, a small community and somebody cheats you, if one of your suppliers cheats you, you just quit doing business with him. You say, "Well, we are not talking about your hometown; we are talking about the Department of Defense." It is even more important in that case.

Mr. HORTON. Mr. Chairman, will the gentleman yield?

Mr. DORGAN of North Dakota. When I finish my statement, I will be happy to yield.

It is even more important when we are talking about the defense of this country. If contractors cheat this Government of ours, then by God, we ought to take effective action, and that is all we are talking about on the floor tonight. If we have some people that, it is learned in a newspaper article, cheat the Government out of $300 or $400 or $15,000 as a welfare queen, we have people doing cartwheels to try and tighten things up and change the law.

Mr. HORTON. Mr. Chairman, will the gentleman yield?

Mr. DORGAN of North Dakota. I indicated to the gentleman I would be glad to yield at the end of my statement.

Mr. HORTON. I thought the gentleman had finished.

Mr. DORGAN of North Dakota. In this case, we have examples of waste, fraud and abuse that are not hundreds or thousands of dollars; it is hundreds of thousands of dollar and millions of dollars.

In the middle part of the country where I come from, if you steal a 1962 Ford, somebody is liable to put you in jail for it. Out here you can forge time cards. Hundreds of thousands of dollars are forged, and you can admit to it when you are done, and you can exhibit fraudulent billings to the Federal Government, and you get a slap on the wrist.

The reason we are here now is that the inspector general has told us that there is not now an effective remedy to deal with that. In fact, some people who have committed fraud against this Government have gotten new contracts after they have pleaded guilty to fraud.

I say there is something wrong.

Mr. DINGELL. Will the gentleman yield?

Mr. DORGAN of North Dakota. I yield to the gentleman from Michigan.

Mr. DINGELL. They found 244 million dollars' worth of fraud just looking at a few overhead accounts. I understand that the inspector general says he needs and he wants this power. He says he cannot do enough to stop it unless he gets it.

Mr. HORTON. Mr. Chairman, will the gentleman yield?

Mr. DORGAN of North Dakota. I indicated I would be glad to yield in just a moment.

The point is that we are talking now about millions of dollars in a defense budget that is approaching $300 billion in budget authority and some of us are saying let us get tough, let us do the right thing with respect to contractor abuses.

I have worked for a defense contractor, and I understand there are some very good defense contractors in this country and they have given this country the right kind of materials, the right kind of weapons systems that gives this country strength; but I also know there are some crooks out there.

Mr. HORTON. Mr. Chairman, will the gentleman yield?

Mr. DORGAN of North Dakota. I indicated to the gentleman I would be happy to yield when I complete my statement.

Mr. HORTON. You yielded to the gentleman from Michigan, so I thought you were finished.

Mr. DORGAN OF North Dakota. I indicated I would be happy to yield to the gentleman when I finish my statement.

Mr. Chairman, it seems to me that those who talk about getting tough ought to exhibit their willingness to get tough when we have votes like this. It is time for those of us who say we are against waste, fraud, and abuse to support reasonable and legitimate approaches, such as the Hertel amendment, that simply gives to the inspector general the opportunity and ability, when the inspector general finds these overcharges, to suspend payments. That is the simplest of remedies, in my judgment, and I do not know how on Earth anyone could oppose that sort of amendment.

We are talking about overcharges to the Federal Government. If you are opposed to overcharges to the Federal Government, then it seems to me you ought to support a remedy that the inspector general says does not now exist. I get tired of reading about contractor abuses and then discovering that even though someone has pleaded guilty to fraud, they get a new contract or they are not debarred. I think we ought to be tougher than this, but I am willing to support this.

Mr. HORTON. Mr. Chairman, will the gentleman yield?

Mr. DORGAN of North Dakota. I would be very happy to yield to the gentleman from New York.

Mr. HORTON. I thank the gentleman for yielding.

Mr. Chairman, when we talk about getting tough on waste, fraud, and abuse, you are looking at one of the principal sponsors of the first legislation that created an inspector general. We would not have the testimony before Mr. DINGELL or before any other agency in this government or the Congress by an inspector general if we had not introduced that legislation.

The point I am trying to make to the gentleman and the other people who are arguing for this is that you are taking away the independence. However you want to call it, you are taking away the independence, and to try to put me on the side of people who are condoning fraud, waste, and abuse, you are dead wrong, and I am saying to the gentleman he is going to take away the principal agent for pulling out waste, fraud and abuse if you make him a judge, a prosecutor, and all the other things that you have talked about doing.

Mr. DORGAN of North Dakota. Mr. Chairman, reclaiming my time, I would like to ask the gentleman a question.

The gentleman asserts that the inspector general will lose his or her independence because of this amendment. Would the gentleman please tell me how on Earth this diminishes the independence of the IG?

The CHAIRMAN pro tempore. The time of the gentleman from North Dakota [Mr. DORGAN] has expired.

(By unanimous consent, Mr. DORGAN of North Dakota was allowed to proceed for 4 additional minutes.)

Mr. DORGAN of North Dakota. Mr. Chairman, would the gentleman describe for me how on Earth the inspector general could be described as having less independence if this amendment passes?

Mr. HORTON. If the gentleman would yield, I would be very happy to.

Mr. DORGAN of North Dakota. I would be pleased to yield to the gentleman from New York.

Mr. HORTON. In the very beginning, when we first created the inspector general, and whatever that inspector general might have said to the gentleman or to any of the other people, when we crafted this legislation, we crafted it so that the inspector general's principal responsibility is to ferret out waste, fraud, and abuse, and it is clearly defined. We did not want to make him a court. We did not want to make him an arbiter. We did not want to get him into calling the shots as to what would be done with regard to prosecution. That rests in the Secretary of Defense and the Attorney General.

If you do the things that you are talking about doing here, to give him these authorities, you are going to put a different crown on him, or put him in a different realm, which is going to create problems for him being independent and doing the job he is supposed to do.

Mr. DORGAN of North Dakota. I think the gentleman has answered the question. The fact is that it does not change the inspector general's independence. The fact is, this language does not change his appointment, does not change his duties.

I am saying I applaud the gentleman for, in yesteryear, developing the inspector general approach. We are talking about a defense budget that has doubled in the last 5 years. We are talking about abuse and waste.

Mr. HORTON. I agree with the gentleman.

Mr. DORGAN of North Dakota. If the gentleman will let me finish my statement, we are talking now about a major problem of major proportions. When we talk about the budget issues and the appropriations bills on the floor of the House, we debate over $4 million or $40 million, and now we are talking about big bucks and big decisions.

It seems to me if you really want to tackle waste, fraud, and abuse, you deal with this kind of amendment, because as the gentleman said, the Secretary of Defense probably ought to take care of these problems. The inspector general's report of 1984, for all

those who have read it, documents that the Secretary of Defense is not taking care of these problems, and that is precisely why we need another approach, and it is exactly why this Hertel amendment ought to be adopted by this House. The failure to adopt that amendment will be a signal from this House that we are not interested in getting tough on waste, fraud, and abuse. I am interested and I expect the majority of this House feels similarly.

Mr. BATEMAN. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, here I go again, I guess, and I regret having to do it, but I think we are being caught up in something here that is reaching, to me, rather disturbing, certainly even alarming proportions. I am afraid that we are involved in an excess of zeal that is outstripping our judgment as to what we are doing and what the ultimate connotations of doing it are.

□ 2120

I am not concerned about whether or not the inspectors general are or are not more or less independent. I am not here to look after inspectors general. I am here to try to participate in a rational legislative process to accomplish the public good. I do not see in this legislation that we are going to accomplish a public good.

I am somewhat amazed and appalled, not in the context of what it does to some functionary called an inspector general, but I am concerned in the orthodox context of American jurisprudence that we would deign to legislate something that says the inspector general, based upon an audit that determines their excessive charge, may then take very egregious actions against the person who has made that excessive charge.

Now, are they excessive charges? If in fact they be, if it has been determined by some appropriate process they are excessive, then indeed let there be sanctions. There should be sanctions. But let us put this in the real world. The inspector general acts based upon an audit. Audits performed by whom? Some GS-4, GS-5, GS-6, or GS-7?

There are all kinds of auditors. There are good auditors and bad auditors. Hopefully, we do not have any real bad auditors working for the U.S. Government, but I am not prepared to say that some GS-7 auditor, because he works for the Defense Contract Agency or some inspector general, is the absolute arbiter of whether something is "excessive" or whether it is not excessive, and if that GS-7 says, "Oh, that is excessive," then immediately all these sanctions come down upon someone. There is no determination by the Board of Contract Appeals, no determination by anyone other than the inspector general, a very busy man with hundreds of audits ongoing and thousands of auditors doing them, who has to sign off and does sign off on an audit report at some junction when it says that that is an excessive cost.

Mr. Chairman, this is not a question of those who are for waste, fraud, and abuse and those who are against it. I do not think there is a Member of this body who is for waste, fraud, and abuse, but we must have some logical, some equitable, some rational process of determining what is and what is not an excessive charge and what is or what is not waste, fraud, and abuse.

I have heard that phrase, "waste, fraud, and abuse," even before I came to these Halls. It is beautiful rhetoric. I use it frequently on the hustings myself, but until tonight I am not aware that I ever saw proposed to be put in the United States Code something as loosely undefined as "waste, fraud, and abuse," An auditor says something is excessive, there is no appeal or no determination other than an auditor at some point in time says it is excessive, and so we are going to subject a citizen and taxpayer of the United States to this kind of sanction.

I say to the Members that our defense contractors are not bound by law. They have no obligation of citizenship that is different from yours and mine that says they are required to bid on contract work for the Department of Defense, and if we are going to pass outrageously harsh, unrealistic, unthinking measures such as this, then you look out, if you are really concerned about the cost of defense contracting in this country, because the defense contracting sources are going to dry up. Contractors are not going to expend millions and potentially billions of dollars in costs to have some GS-6 say, "That was an excessive item of cost, it is disallowed, and you are barred henceforth from contracting. The progress payments and any other payments are suspended."

The CHAIRMAN pro tempore. the time of the gentleman from Virginia [Mr. BATEMAN] has expired.

(By unanimous consent, Mr. BATEMAN was allowed to proceed for 1 additional minute.)

Mr. BATEMAN. Mr. Chairman, I centainly hope that we are at a point certainly by now in our deliberations when enough is indeed enough.

I am reminded of my father who told me throughout my childhood, "Son, there are lots and lots of people who say they are going to heaven, but all of them who say they are going ain't going to get there."

There are a lot of people in this House who are against waste, fraud, and abuse. I am against waste, fraud, and abuse, but I am not sure that these excesses are going to get us to the elimination of waste, fraud, and abuse, and economical defense contracting, any more than everyone who says they are going to heaven is going to get there.

Mr. BROOKS. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

Mr. Chairman, no one in this House is more interested in improving contracting procedures in the Department of Defense than I am. My record is clear. Only last Congress my bill opening defense procurement to greater competition was approved in this House and is now being implemented. Now, I would agree with those who say, "we must make sure that contractors who compete in the process and contract with the Government operate in an honest, above-board manner." Again, I agree with that statement, but in my view, the amendment offered by Mr. HERTEL is not an appropriate answer.

While I fully support the concept of suspending payments or revising the schedule of payments as possible remedies when a contractor is found to be making excessive charges to the Government, authorizing the inspector general to take such actions unilaterally would seriously impede the independent operation of the Office of Inspector General. These actions, which would be permitted by this amendment, are clearly program operating functions.

As sponsor of the original legislation creating inspectors general in the departments and major agencies of this Government, I strove to assure that the Office of Inspector General was separated from the operating functions in order not to compromise the audit and investigative functions of the Inspector General Office.

Mr. Chairman, it is the inspector general's responsibility to ferret out waste, fraud, and abuse and to make recommendations to the appropriate officials on what corrective measures need to be taken. It is the responsibility of program officials to take action against those contractors who are not dealing honestly and fairly with the Government.

Let me reiterate my support for improving the accountability of contractors to the Federal Government, but let's not do that at the expense of weakening the independence of the Office of Inspector General and making that office less effective in the long run.

Mr. DICKINSON. Mr. Chairman, will the gentleman yield?

Mr. BROOKS. I yield to my friend, the gentleman from Alabama.

Mr. DICKINSON. Mr. Chairman, I spent a good bit of my life dealing with the law myself, and I was wondering if the gentleman would agree

with me that the analogy would be apt to say that if we do this, it is like saying we would make the chief of police or the sheriff the final arbiter, saying, "We don't need a prosecuting attorney, we don't need a judge, we don't need a jury, we are just going to let the chief of police be the final arbiter. If he finds corruption, waste, fraud, or abuse, he will make the decision, he will make the sentence, and there will be no appeal."

Is that a reasonable analogy?

Mr. BROOKS. Mr. Chairman, I think the gentleman is essentially right. The inspector general is not a judge. He is not a district judge, he is not a circuit court of appeals judge, he is not a Supreme Court Justice.

□ 2130

He is appointed by the President of the United States. His job is to make recommendations and ferret out differences and difficulties within the contracting procedures within that Department. That is what his job is. He is not a judge.

I made basically the same argument when the President of the United States and the Attorney General thought they were judges and said part of the law we passed was not constitutional. That is not their job. That belongs to the courts.

We have got to keep the Constitution in mind and let the people who are judges make judgments. Let the President and the Attorney General make their recommendations. Let the inspector general make recommendations, but it is the Secretary of Defense, the Secretary of the Army and the Secretary of the Navy and the Secretary of the Air Force, they are the ones that are supposed to actually run the organization, not the inspector general.

Mr. HORTON. Mr. Chairman, will the gentleman yield?

Mr. BROOKS. I yield to my distinguished friend, the gentleman from New York [Mr. HORTON], the minority leader of the Government Operations Committee.

The CHAIRMAN pro tempore. The time of the gentleman from Texas [Mr. BROOKS] has expired.

(At the request of Mr. HORTON, and by unanimous consent, Mr. BROOKS was allowed to proceed for 3 additional minutes.)

Mr. BROOKS. Mr. Chairman, I yield to the distinguished gentleman from New York.

Mr. HORTON. Mr. Chairman, first of all, I want to commend the gentleman on his remarks. I concur 100 percent with what the gentleman has said with regard to the inspector general and the role that the inspector general has in ferreting out waste, fraud, and abuse.

I want to underscore one of the things the gentleman pointed out, which I have tried to point out to those who are supporting this amendment, and that is that when we framed the legislation creating the first inspector general and every one of the inspectors general subsequent to that, we tried very carefully to make certain that he does not get into program management, that he does not have this role that would be given to him under this amendement and that is the secret of the ability of the inspector general to ferret out and call the shots with regard to waste, fraud, and abuse.

Mr. BROOKS. Mr. Chairman, the gentleman makes a good point. I want to say that in every agency in the Government where you have an inspector general, we have made clear that the inspector general is not the Secretary of Defense. He is not the Secretary of Health, Education and Welfare. He is not the Secretary of anything. He is not superimposed on top of the appointed heads of our Government agencies and departments and he should not be. If we had ever tried to make the inspector general the Secretary of Defense, the Secretary of HEW, the Secretary of all the Departments in the Government, we would have been run out of town. It is foolish.

Mr. HORTON. Mr. Chairman, will the gentleman yield further?

Mr. BROOKS. If I have time, I yield to the gentleman.

Mr. HORTON. The other point that I would make is that under the amendment, after certain conditions, it states that the inspector general may immediately suspend payments under the contract, revise the schedule for such payments or suspend or debar the contract in order to protect the interests of the United States. Those are additional duties which inspectors general do not now have.

Mr. BROOKS. And should not have; that belongs to the operating functions.

Mr. WYDEN. Mr. Chairman, will the gentleman yield?

Mr. BROOKS. I yield to my friend, the gentleman from Oregon.

Mr. WYDEN. Mr. Chairman, I appreciate the gentleman yielding. I have great admiration for him.

The reason I am for the Hertel amendment is because at the present time the contracting officer is virtually the final word on all contracting actions or changes.

What really concerns me under the inspector general statute, when an audit uncovers an irregularity, the inspector general issues the recommendation to the contracting officer to make the correction, but the contracting officer can either accept the recommendation or ignore it.

I do not think it is in the national interest, and I say this with great admiration for the chairman of the Government Operations Committee, to make these contracting officers virtually the final word on all contracting actions or changes.

That is why we are in trouble, in my view.

Mr. ASPIN. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I would like to try to see if we can get a time limit here.

Mr. Chairman, how about 10 minutes as a time limit, 5 minutes for the gentleman from Michigan [Mr. HERTEL], the sponsor of the amendment, and 5 minutes for the gentleman from Alabama [Mr. DICKINSON], the ranking member of the committee.

Mr. Chairman, I ask unanimous consent for this limitation.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. HERTEL of Michigan. Mr. Chairman, I yield 2 minutes to the gentlewoman from California [Mrs. BOXER].

Mrs. BOXER. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, this body has a way of making straightforward, clear-thinking legislation, into a jumble. It twists it around and it makes it something it is not. I think we saw that in the revolving door bill and, fortunately, my colleagues saw that, where we had a very straightforward clear-thinking piece of legislation that was really torn apart on this House floor, but it passed.

I think the Hertel legislation falls into that same category. It authorizes the inspector general to stop payment in the case of waste, fraud, abuse or excessive charges and gives him the authority to debar contractors when routine Pentagon auditor procedures fail.

Mr. Chairman, I feel this is a very moderate piece of legislation. I think what we are saying is that the system is not working. The American people are tired of overcharges. They are tired of paying to kennel people's dogs and they are ready to give the inspector general a little bit more power.

Mr. Chairman, I think it is a good piece of legislation. I strongly support it.

The CHAIRMAN pro tempore. The Chair recognizes the gentleman from Alabama [Mr. DICKINSON].

Mr. DICKINSON. Mr. Chairman, I think we have been replete with debate on both sides.

Honestly, if we had ever known that we would anticipate giving the inspector general what is proposed here, we would never have approved it in the first place. It was never anticipated, and the authors of the amendment and the chairman of the committee from which this authorization or legis-

lation came testified that we do not want to make him the judge, the jury and the prosecutor. This is beyond the concept that anyone ever had. He is an investigator to make a report. To give him more authority than that is to pervert the office. I think it is a mistake.

I would certainly hope that we would vote this down.

The CHAIRMAN pro tempore. The Chair recognizes the gentleman from Michigan [Mr. HERTEL].

Mr. HERTEL of Michigan. Mr. Chairman, I think we have had a chance to show very clearly there is a difference of opinion. This really should be called the Dingell amendment. As the gentleman from Michigan [Mr. DINGELL] pointed out when his Energy and Commerce Committee held hearings on this problem of waste, fraud, and abuse in the Department of Defense, the examples were outrageous; but the worst part was when the inspector general finally found the waste, fraud, and abuse, reported it, recommended the changes, recommended debarment and other things, nothing happened. That is the most tragic thing.

Too many people in the Department are pointing fingers that, well, that person should have made the decision. We do not have to do it in this case. We do not have to stop the contract in this case, on and on and on.

Yet I went over the figures earlier. The fact is that when the inspector general finds this waste and this fraud, nothing in many cases is done about it whatsoever. Why do we hire him to find it if we are not going to stop it?

As the gentleman from Michigan [Mr. DINGELL] pointed out, under this amendment the inspector general would still be independent. We just give him more independent power. We do not take any of his independence away. We let him say in the most extreme cases, when nothing is done about the fraud that he has found, that he can stop the contractor and he can debar that contractor for the future.

Now, the American people say that we are responsible for running the Government. We are responsible for running that Pentagon, where we spend over $300 billion a year. They want to say that the buck stops someplace. In this case, we say that the inspector general who is, as was pointed out, appointed directly by the President, to have that kind of independence so we cannot have this finger pointing around anymore. Once the case of fraud is found, something should be done about it. It should be stopped. That contract should be stopped. That contractor should be debarred for the future.

Mr. Chairman, I ask my colleagues to give this inspector general the power to stop the waste, fraud, and abuse, that is going on so we can go home and actually say we have done something about it very definitely. We have changed the system.

If you think the system is all right the way it is, if you think there are no problems, if you think the energy and Commerce Committee did not bring forth just awful stories of waste, then vote against my amendment.

If you are unhappy, if you want to change the system, if you want somebody to be in charge, somebody to have the final say, somebody to stop this waste, fraud, and abuse, this embarrassment, this tragedy, then vote yes for this amendment.

The CHAIRMAN pro tempore (Mr. RUSSO). The question is on the amendment offered by the gentleman from Michigan [Mr. HERTEL].

The question was taken; and the Chairman being in doubt, the Committee divided, and there were—ayes 26, noes 26.

RECORDED VOTE

Mr. HERTEL of Michigan. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 176, noes 240, not voting 17, as follows:

[Roll No. 189]

AYES—176

Ackerman	Fawell	Mavroules
Anderson	Feighan	Mazzoli
Applegate	Florio	McCloskey
Atkins	Foglietta	McDade
AuCoin	Foley	McEwen
Barnes	Ford (MI)	Meyers
Bates	Ford (TN)	Mikulski
Bedell	Frank	Miller (CA)
Beilenson	Garcia	Miller (OH)
Bennett	Gejdenson	Mineta
Berman	Gephardt	Mitchell
Biaggi	Gibbons	Moakley
Boland	Gilman	Moody
Bonker	Gray (IL)	Morrison (CT)
Borski	Guarini	Mrazek
Bosco	Hall (OH)	Murphy
Boucher	Hawkins	Nelson
Boxer	Hayes	Nowak
Broomfield	Heftel	Oakar
Brown (CA)	Hendon	Oberstar
Bruce	Henry	Obey
Bryant	Hertel	Panetta
Burton (CA)	Howard	Penny
Carr	Hoyer	Pepper
Chandler	Jacobs	Petri
Clay	Jeffords	Pursell
Coble	Jones (OK)	Rahall
Coelho	Kanjorski	Rangel
Coleman (TX)	Kaptur	Reid
Collins	Kastenmeier	Richardson
Cooper	Kildee	Ritter
Coyne	Kleczka	Robinson
Crockett	Kolter	Roe
Daschle	Kostmayer	Rostenkowski
Dellums	Lantos	Roth
Derrick	Leach (IA)	Roybal
Dicks	Lehman (CA)	Russo
Dingell	Lehman (FL)	Sabo
Dixon	Leland	Savage
Donnelly	Levin (MI)	Saxton
Dorgan (ND)	Levine (CA)	Scheuer
Downey	Lipinski	Schneider
Durbin	Lowry (WA)	Schroeder
Dwyer	Lundine	Schulze
Dymally	MacKay	Schumer
Eckart (OH)	Madigan	Seiberling
Edgar	Manton	Sensenbrenner
Edwards (CA)	Markey	Sharp
Evans (IA)	Martinez	Sikorski
Evans (IL)	Matsui	Smith (FL)
Solarz	Traxler	Wheat
Staggers	Udall	Williams
Stallings	Vento	Wirth
Stark	Walgren	Wise
Stokes	Watkins	Wolpe
Studds	Waxman	Wyden
Torres	Weaver	Yates
Torricelli	Weber	Yatron
Traficant	Weiss	

NOES—240

Addabbo	Glickman	O'Brien
Akaka	Gonzalez	Olin
Alexander	Goodling	Ortiz
Andrews	Gordon	Oxley
Annunzio	Gradison	Packard
Anthony	Green	Parris
Archer	Gregg	Pashayan
Armey	Grotberg	Pease
Aspin	Gunderson	Perkins
Badham	Hall, Ralph	Pickle
Barnard	Hamilton	Porter
Bartlett	Hammerschmidt	Price
Barton	Hansen	Quillen
Bateman	Hartnett	Ray
Bentley	Hatcher	Regula
Bereuter	Hefner	Ridge
Bevill	Hiler	Rinaldo
Bilirakis	Hillis	Roberts
Bliley	Hopkins	Rodino
Boehlert	Horton	Roemer
Boggs	Hubbard	Rogers
Boner (TN)	Huckaby	Rose
Boulter	Hughes	Roukema
Brooks	Hunter	Rowland (CT)
Brown (CO)	Hutto	Rowland (GA)
Broyhill	Hyde	Rudd
Burton (IN)	Ireland	Schaefer
Bustamante	Jenkins	Schuette
Byron	Johnson	Shaw
Callahan	Jones (TN)	Shelby
Campbell	Kasich	Shuster
Carney	Kemp	Siljander
Carper	Kennelly	Sisisky
Chappell	Kindness	Skeen
Chappie	Kolbe	Skelton
Cheney	Kramer	Slattery
Clinger	LaFalce	Slaughter
Coats	Lagomarsino	Smith (IA)
Cobey	Latta	Smith (NE)
Coleman (MO)	Leath (TX)	Smith (NH)
Combest	Lent	Smith (NJ)
Conte	Lewis (CA)	Smith, Denny
Coughlin	Lewis (FL)	Smith, Robert
Courter	Lightfoot	Snowe
Craig	Livingston	Snyder
Crane	Lloyd	Solomon
Daniel	Loeffler	Spence
Dannemeyer	Long	Spratt
Darden	Lott	Stangeland
Daub	Lowery (CA)	Stenholm
Davis	Lujan	Strang
de la Garza	Lungren	Stratton
DeLay	Mack	Stump
DeWine	Marlenee	Sundquist
Dickinson	Martin (IL)	Sweeney
DioGuardi	Martin (NY)	Swindall
Dornan (CA)	McCain	Synar
Dowdy	McCandless	Tallon
Dreier	McCollum	Tauke
Duncan	McCurdy	Tauzin
Dyson	McGrath	Taylor
Early	McKernan	Thomas (CA)
Eckert (NY)	McKinney	Thomas (GA)
Edwards (OK)	McMillan	Valentine
Emerson	Mica	Vander Jagt
English	Michel	Visclosky
Erdreich	Miller (WA)	Volkmer
Fascell	Molinari	Vucanovich
Fazio	Mollohan	Walker
Fiedler	Monson	Whitehurst
Fields	Montgomery	Whitley
Flippo	Moore	Whittaker
Fowler	Moorhead	Whitten
Frenzel	Morrison (WA)	Wolf
Frost	Murtha	Wright
Fuqua	Myers	Wylie
Gallo	Natcher	Young (AK)
Gaydos	Neal	Young (FL)
Gekas	Nichols	Young (MO)
Gingrich	Nielson	Zschau

NOT VOTING—17

Bonior (MI)	Conyers	Franklin
Breaux	Fish	Gray (PA)

Holt	Owens	Towns
Jones (NC)	Shumway	Wilson
Luken	St Germain	Wortley
McHugh	Swift	

□ 2150

Messrs. GROTBERG, FAZIO, and RODINO changed their votes from "aye" to "no."

So the amendment was rejected.

The result of the vote was announced as above recorded.

□ 2200

Mr. ASPIN. Mr. Chairman, I move to strike the last word.

I would like to advise the Members of the Committee that we have still two amendments left to title VIII. Title VIII is the procurement reform section of the bill, and I think it is important that we wrap up title VIII.

We have two more amendments. One amendment is an amendment that will be offered by the gentleman from California [Mr. LEVINE]. The second is an amendment to be offered by the gentlewoman from California [Mrs. BOXER].

It seems to me that the amendment of the gentleman from California [Mr. LEVINE] and Mr. SMITH's amendment is one on which a number of people would like to have a colloquy, but I think the Committee, at any rate, is in a position to accept that amendment.

I think that will take very little time.

The gentlewoman from California would prefer that we deal with her amendment tomorrow morning.

Let me try a unanimous-consent request. The unanimous-consent request would be that we would do the Levine amendment tonight. That upon the completion of the Levine amendment, the Committee would rise and tomorrow morning we would do the Boxer amendment as the last amendment to title VIII with a 1-hour time limit to be divided, one-half hour by the gentlewoman herself and one-half hour by an opponent to her amendment, and we would do that first thing tomorrow morning. In which case we would be able to finish here, I would think, in about 15 to 20 minutes.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Wisconsin?

Mr. BADHAM. Reserving the right to object, Mr. Speaker, I would just ask our distinguished chairman whether or not we have gone long enough tonight.

The gentleman from California and the gentlewoman from California both have serious amendments. I think they are entitled to serious debate.

I would ask the gentleman, would it not be prudent, in the interests of the defense of our country, if we would call it a day tonight and come back tomorrow morning?

Mr. ASPIN. If I could remark to the gentleman.

Mr. BADHAM. I would yield under my reservation.

Mr. ASPIN. What we are going to do is in effect what the gentleman suggest, because I think that the gentleman from California, Mr. LEVINE's amendment, there is an important colloquy to take place between Mr. LEVINE and the gentleman from New York [Mr. STRATTON], but on balance, I think we can accept the Levine amendment. That is not going to take a long time.

The gentlewoman from California's amendment we are going to put off until tomorrow, with the understanding that we will deal with it within a 1-hour time limit tomorrow morning when we start, and that is the end of title VIII.

Mr. DICKINSON. Would the gentleman yield to me?

Mr. BADHAM. Further reserving my right to object, I yield to the gentleman.

Mr. DICKINSON. I have had a number of inquiries, and of course I cannot respond, but would the gentleman from California [Mr. LEVINE], who will offer the amendment, is it anticipated that he would also, even if it is accepted, would ask for a RECORD vote?

Mr. LEVINE of California. No.

Mr. DICKINSON. Is the answer in the negative?

Mr. LEVINE of California. If the amendment is accepted, I will not.

Mr. DICKINSON. I thank the gentleman.

Mr. BADHAM. Further reserving the right to object, may I ask what is embodied in the amendment from the gentleman from California about which I have not been previously informed?

Mr. ASPIN. It is, if I could respond to the gentleman, the dual sourcing amendment that we were discussing in the committee this morning.

Mr. BADHAM. I object.

The CHAIRMAN pro tempore. Objection is heard.

AMENDMENT OFFERED BY MR. LEVINE OF CALIFORNIA

Mr. LEVINE of California. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. LEVINE of California: At the end of title VIII (page 143, after line 19), add the following new section:

SEC. 802. MULTIPLE SOURCES FOR MAJOR DEFENSE ACQUISITION PROGRAMS.

(a) IN GENERAL.—(1) Chapter 137 of title 10, United States Code, is amended by inserting after section 2305 the following new section:

"§ 2305a. Major programs: development of multiple sources

"(a)(1) The Secretary of Defense may not begin full-scale engineering development under a major program until—

"(A) the Secretary prepares a plan for competition under the program; and

"(B) the Secretary submits to the Committees on Armed Services of the Senate and House of Representatives a report describing that plan.

"(2) Each contract for the development and acquisition of the system under the program (and of each major subsystem under the program) shall be awarded in accordance with the plan prepared under paragraph (1).

"(3) The report required by paragraph (1)(B) shall be submitted not later than the submission of the budget materials the Secretary submits to Congress for the fiscal year for which the initial request is made for appropriations for full-scale engineering development of the program.

"(4) If the Secretary proposes to revise a competition plan prepared under paragraph (1) after the report on the plan is submitted under that paragraph, the Secretary shall submit to the committees a report describing the proposed revision. Such a revision may not be implemented until 60 days after the report on the revision is received by those committees.

"(b)(1) The Secretary shall include in the competition plan for a major program an estimate of whether market conditions for such system (and each such subsystem) exist such that the Secretary has a reasonable expectation that there will be competitive alternative sources of supply for the system (and each such subsystem) throughout the period from the beginning of full-scale engineering development through the end of production under the program.

"(2) If the Secretary's estimate under paragraph (1) that competitive alternative sources of supply will exist later proves incorrect in that fewer than two responsive proposals are received in reply to a request for proposals, the Secretary shall revise the competition plan in accordance with subsection (c)(1).

"(3) Each contract (including a follow-on contract) for full-scale engineering development or production under a major program shall be entered into using competitive procedures.

"(c)(1) In preparing the portions of a plan that are required by subsection (b)—

"(A) if the Secretary determines that competitive alternative sources of supply with respect to the system (or a major subsystem of the system) would not otherwise be available throughout the full-scale engineering development of the system (or major subsystem), the Secretary shall provide in the plan for the award of contracts under the program so as to provide and maintain at least two sources of supply for full-scale engineering development; and

"(B) if the Secretary determines that alternative sources of supply with respect to the system (or a major subsystem of the system) would not otherwise be available throughout the production of the system (or major subsystem), the Secretary shall provide in the plan for the award of contracts under the program so as to provide and maintain at least two sources of supply for production.

"(2) If a competition plan includes a provision required by paragraph (1)(B), the plan shall also provide that of the total dollar amount of contracts awarded for a fiscal year for production of the system (or major subsystem)—

"(A) the amount awarded to the contractor whose proposal was most advantageous to the United States shall be greater than the amount awarded any other contractor; and

"(B) the amount awarded any other contractor shall be sufficient to enable that

contractor to compete effectively for the plurality of the next production contract for the system (or major subsystem).

"(3) The Secretary shall determine which proposal is most advantageous to the United States by considering price and other factors included in the solicitation for proposals for the contract.

"(4) The Secretary may waive provisons of a plan required by paragraph (1) if the Secretary determines that the proposal of the contractor submitting the proposal that is the second most advantageous to the United States is not within a competitive range (as determined by the Secretary) of the proposal that is the most advantageous to the United States.

"(5) In carrying out this subsection, the Secretary may provide that the requirements of a competition plan are satisfied even though the contractors do not develop or produce identical systems if the systems developed or produced serve similar functions and compete effectively with each other.

"(d)(1) In preparing a competition plan for a major program, the Secretary (subject to paragraph (4)) may waive the requirements of subsections (b) and (c) with respect to that program if the Secretary determines that the application of those subsections to that program—

"(A) would materially increase the total cost of the program; or

"(B) would unreasonably delay the completion of the total program.

"(2) If the Secretary grants a waiver under paragraph (1), the report submitted under subsection (a)(1) with respect to that program—

"(A) shall include notice that such waiver has been made; and

"(B) shall set forth the reasons for the waiver, together with supporting documentation of comparative cost and schedule estimates.

"(3) The exercise of the authority provided under paragraph (1) shall be made separately with respect to the application of subsections (b) and (c)—

"(A) to full-scale engineering development of the program; and

"(B) to production of the program.

"(4) The Secretary may not grant a waiver under paragraph (1) if the waiver would cause the total cost of either the major development programs or the major production programs for which all such waivers have been granted to exceed 50 percent of the total cost of all the major development programs or the major production programs, respectively, that enter full-scale engineering development after fiscal year 1986.

"(f) In this section:

"(1) 'Major program' means a major defense acquisition program, as such term is defined in section 139a(a) of this title.

"(2) 'Major subsystem', with respect to a major program, means a subsystem of the system developed under the program for which—

"(A) the amount for research, development, test, and evaluation is 10 percent or more of the amount specified in section 139a(a)(1)(B) of this title as the research, development, test, and evaluation funding criterion for identification of a major defense acquisition program; or

"(B) the amount for production is 10 percent or more of the amount specified in section 139a(a)(1)(B) of this title as the production funding criterion for identification of major defense acquisition program.".

(2) The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 2305 the following new item:

"2305a. Major programs: development of multiple sources."

(b) EFFECTIVE DATE.—Section 3205a of title 10, United States Code, as added by subsection (a), shall apply with respect to major defense acquisition programs for which funds for full-scale engineering development are first provided for a fiscal year after fiscal year 1986.

Mr. LEVINE of California (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. LEVINE of California. Mr. Chairman, I offer a modification to the amendment, and I ask unanimous consent that it be included in the amendment at this point.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from California?

Mr. BADHAM. Reserving the right to object, Mr. Chairman, do we have a copy of the modification to the amendment?

Mr. Chairman, I withdraw my reservation of objection.

The CHAIRMAN pro tempore. Is there objection to the unanimous-consent request that the modification be included in the amendment?

There was no objection.

The text of the modification to the amendment offered by the gentleman from California [Mr. LEVINE] is as follows:

In subsection (a)(2) of section 2305a of title 10, United States Code, as proposed to be added by the amendment, strike out "(and of each major subsystem under the program)" and insert in lieu thereof ", and each contract for the development and acquisition of a major subsystem under the program,".

Strike out paragraph (3) of subsection (b) of such section and insert in lieu thereof the following:

"(3) A contract for full-scale engineering development or production (including follow-on contracts) under a major program may not be entered into using procedures other than competitive procedures under the authority of clause (1) or clause (7) of section 2304(c) of this title.

In subsection (c)(1)(B) of such section, insert "competitive" after "determines that".

The text of the amendment offered by the gentleman from California [Mr. LEVINE] as modified, is as follows:

Amendment offered by Mr. LEVINE of California as modified: At the end of title VIII (page 143, after line 19), add the following new section:

SEC. 802. MULTIPLE SOURCES FOR MAJOR DEFENSE ACQUISITION PROGRAMS.

(a) IN GENERAL.—(1) Chapter 137 of title 10, United States Code, is amended by inserting after section 2305 the following new section:

"§ 2305a. Major programs: development of multiple sources

"(a)(1) The Secretary of Defense may not begin full-scale engineering development under a major program until—

"(A) the Secretary prepares a plan for competition under the program; and

"(B) the Secretary submits to the Committees on Armed Services of the Senate and House of Representatives a report describing that plan.

"(2) Each contract for the development and acquisition of the system under the program, and each contract for the development and acquisition of a major subsystem under the program, shall be awarded in accordance with the plan prepared under paragraph (1).

"(3) The report required by paragraph (1)(B) shall be submitted not later than the submission of the budget materials the Secretary submits to Congress for the fiscal year for which the initial request is made for appropriations for full-scale engineering development of the program.

"(4) If the Secretary proposes to revise a competition plan prepared under paragraph (1) after the report on the plan is submitted under that paragraph, the Secretary shall submit to the committees a report describing the proposed revision. Such a revision may not be implemented until 60 days after the report on the revision is received by those committees.

"(b)(1) The Secretary shall include in the competition plan for a major program an estimate of whether market conditions for such system (and each such subsystem) exist such that the Secretary has a reasonable expectation that there will be competitive alternative sources of supply for the system (and each such subsystem) throughout the period from the beginning of full-scale engineering development through the end of production under the program.

"(2) If the Secretary's estimate under paragraph (1) that competitive alternative sources of supply will exist later proves incorrect in the fewer than two responsive proposals are received in reply to a request for proposals, the Secretary shall revise the competition plan in accordance with subsection (c)(1).

"(3) A contract for full-scale engineering development or production (including follow-on-contracts) under a major program may not be entered into using procedures other than competitive procedures under the authority of clause (1) or clause (7) of section 2304(c) of this title.

"(c)(1) In preparing the portions of a plan that are required by subsection (b)—

"(A) if the Secretary determines that competitive alternatives sources of supply with respect to the system (or a major subsystem of the system) would not otherwise be available throughout the full-scale engineering development of the system (or major subsystem), the Secretary shall provide in the plan for the award of contracts under the program so as to provide and maintain at least two sources of supply for full-scale engineering development; and

"(B) if the Secretary determines that competitive alternative sources of supply with respect to the system (or a major subsystem of the system) would not otherwise be available throughout the production of the system (or major subsystem), the Secretary shall provide in the plan for the award of contracts under the program so as to provide and maintain at least two sources of supply for production.

"(2) If a competition plan includes a provision required by paragraph (1)(B), the plan shall also provide that of the total dollar amount of contracts awarded for fiscal year for production of the system (or major subsystem)—

"(A) the amount awarded to the contractor whose proposal was most advantageous to the United States shall be greater than the amount awarded any other contractor; and

"(B) the amount awarded any other contractor shall be sufficient to enable that contractor to compete effectively for the plurality of the next production contract for the system (or major subsystem).

"(3) The Secretary shall determine which proposal is most advantageous to the United States by considering price and other factors included in the solicitation for proposals for the contract.

"(4) The Secretary may waive provisions of a plan required by paragraph (1) if the Secretary determines that the proposal of the contractor submitting the proposal that is the second most advantageous to the United States is not within a competitive range (as determined by the Secretary) of the proposal that is the most advantageous to the United States.

"(5) In carrying out this subsection, the Secretary may provide that the requirements of a competition plan are satisfied even though the contractors do not develop or produce identical systems if the systems developed or produced serve similar functions and compete effectively with each other.

"(d)(1) In preparing a competition plan for a major program, the Secretary (subject to paragraph (4)) may waive the requirements of subsections (b) and (c) with respect to that program if the Secretary determines that the application of those subsections to that program—

"(A) would materially increase the total cost of the program; or

"(B) would unreasonably delay the completion of the total program.

"(2) If the Secretary grants a waiver under paragraph (1), the report submitted under subsection (a)(1) with respect to that program—

"(A) shall include notice that such waiver has been made; and

"(B) shall set forth the reasons for the waiver, together with supporting documentation of comparative cost and schedule estimates.

"(3) The exercise of the authority provided under paragraph (1) shall be made separately with respect to the application of subsections (b) and (c)—

"(A) to full-scale engineering development of the program; and

"(B) to production of the program.

"(4) The Secretary may not grant a waiver under paragraph (1) if the waiver would cause the total cost of either the major development programs of the major production programs for which all such waivers have been granted to exceed 50 percent of the total cost of all the major development programs or the major production programs, respectively, that enter full-scale engineering development after fiscal year 1986.

"(f) In this section:

"(1) 'Major program' means a major defense acquisition program, as such term is defined in section 139a(a) of this title.

"(2) 'Major subsystem', with respect to a major program, means a subsystem of the system developed under the program for which—

"(A) the amount for research, development, test, and evaluation is 10 percent or more of the amount specified in section 139a(a)(1)(B) of this title as the research, development, test, and evaluation funding criterion for identification of a major defense acquisition program; or

"(B) the amount for production is 10 percent or more of the amount specified in section 139a(a)(1)(B) of this title as the production funding criterion for identification of a major defense acquisition program.".

(2) The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 2305 the following new item:

"2305a. Major programs: development of multiple sources.".

(b) EFFECTIVE DATE.—Section 2305a of title 10, United States Code, as added by subsection (a), shall apply with respect to major defense acquisition programs for which funds for full-scale engineering development are first provided for a fiscal year after fiscal year 1986.

Mr. LEVINE of California. I thank the Chair.

Mr. Chairman, understanding the hour, but also understanding the inability to obtain a unanimous-consent request and at the request of the chair of the committee I will now proceed at this time with the amendment.

Mr. Chairman and Members, there is something, as I think has been evident throughout this debate today, seriously wrong with our military procurement system.

Billions of dollars are being wasted every year as a result of outrageously overpriced spare parts, poorly built weapons, contractor malfeasance, and bureaucratic incompetence.

We cannot continue to conduct business as it has been conducted in the past. Unless we have meaningful reforms in the procurement system, this waste, fraud, and abuse will undermine our security just as severely as any action taken by the Soviet Union.

The amendment which my colleague from Oregon [Mr. SMITH] and I propose will make significant changes in the procurement system, and has the potential to address many of the problems which now plague that system.

Put simply, Mr. Chairman, our amendment will require that all major weapons and their subsystems be procured competitively. It would prohibit the Secretary of Defense from beginning full-scale engineering development of a weapon until he has submitted a plan to Congress ensuring competition throughout the life of the program.

This, purely and simply, Mr. Chairman, is a competition amendment. If the Secretary cannot state that there is a reasonable expectation that alternative sources of supply would exist in the future, he would be required to establish a second source of supply.

In such cases, our amendment would require the award of two contracts, with the majority awarded to the contractor whose proposal is most advantageous to the United States. The remainder of the contract would go to a second producer.

For the purposes of our amendment, the competition requirement is satisfied, even though the contractors do not produce identical systems, as long as both perform similar functions and compete effectively with each other.

□ 2010

Mr. Chairman and Members, while I sincerely regret that the unanimous-consent request of the chairman of the committee was objected to and we have to be here at this hour, I do think the Members are entitled to an explanation of this amendment. Let me try to do so, briefly.

The amendment, as I described, will yield the following benefits to our national security:

First, it will inject competition into the defense industry, an industry which has been characterized by sole-source contracts and little if any real competition.

Second, it would provide greater incentives to contractors to hold down price and improve the quality of the weapons they build.

Third, it would help broaden and strengthen our industrial base.

Fourth, it would provide the Secretary of Defense with greater flexibility in choosing who should and who should not receive future contracts.

This amendment, Mr. Chairman, will obviously not solve all of the problems which plague the defense industry, but it will address many of them. While it may not be the ultimate procurement reform, it is a very important starting point that I commend to my colleagues. Both the Washington Post and the New York Times have written editorials calling this the most important reform measure now pending before Congress.

I include those editorials in the RECORD at this point:

[From the Washington Post, June 18, 1985]

PROCUREMENT REFORM

The House will be called upon this week to make a series of decisions on military procurement reform, a complicated subject on which it is easier to showboat than be serious. The system as it stands seems rife with abuses and resistant to change. Congress needs to revise rules. The problem is finding the regulatory choke-point: how to prescribe without putting the system in a strait jacket that would be worse than what exists.

Several amendments are pending to the defense authorization bill that is to be taken up beginning today. The most important is probably one by Reps. Denny Smith and Mel Levine, House chairmen of the Military Reform Caucus, to increase competition in contracting. Messrs. Smith and Levine are still negotiating some of the terms with House Armed Services Chairman Les Aspin. They want his support. As it last stood, the amendment would require the Defense Department to have a procurement plan for every major weapons system. That plan would have to list "alternative sources

of supply" for the system and each of its major components. Where it could list only one source, the department would in some cases be required to develop an alternative. The letting of contracts would then have to be competitive in all but a certain percentage of cases. Which percent and exactly what is meant by competitive are among the subjects still under discussion.

The Pentagon says there is no need for this kind of regimen, that Congress is being meddlesome ("micromanaging" is the term that is used) and that much more of current contracting is competitive than the public has been led to believe. The reformers say that the Pentagon's definition of competitive is a rubber one and that genuine competition will bring down costs. They have some horror stories to prove it. We hope the reformers and Mr. Aspin can agree on an amendment that the House will pass.

A second amendment would limit items for which contractors can bill the Pentagon in the name of "overhead." No more kennel fees for executives' dogs. It's a good amendment; the Pentagon seems to need the help.

A third proposal seeks to deal wih the problem of the ever-whirring revolving door. Under current law, military officers and civilian defense officials can go to work for defense contractors with whom they have been dealing. But for two years they cannot work in sales of weapons they were helping to buy when still in service. Two members, Charles Bennett and Barbara Boxer, want the rule tightened so that for two years officers and officials could not take any job with contractors over whom they had "significant procurement responsibility." The Armed Services Committee says this would keep the most senior officers and officials out of the defense industry altogether upon leaving the Pentagon. Its view is that this would create a recruitment problem, not so much for the industry as for the military and future administrations; the committee would exempt those with jurisdiction over more than one contractor.

A hard call. No one wants to make laws based on a presumption of venality on the part of people who, afterall, are serving their country. But whatever is done, it is important that a public asked to support a $300 billion defense budget have more assurance of integrity in the use of that money than it has now.

[From the New York Times]

TO CLEAN UP THE DEFENSE MESS

For defense contractors, the best deodorant is competition. For lack of it, they have slid en masse into a stench of fraud and deceit. an army of accountants and auditors and a festoon of regulations have merely offered the excuse to add excessive overhead charges without securing simple honesty, much less efficiency or quality.

Read the latest charge-sheet from the Pentagon's Inspector General. Nine of the Pentagon's ten largest contractors, and 45 of the largest 100, are under criminal investigation. McDonnell Douglas and Rockwell are being investigated for alleged misstatements of cost. General Dynamics for subcontractor kickbacks, product substitution, security lapses, defective pricing, cost duplication and false claims. Lockheed for wrong labor charges. Boeing for misstating labor and material costs. General Electric for false claims, defective pricing and product substitution. United Technologies for subcontractor kickbacks, bribery and defective pricing. Raytheon for labor mischarging and product substitution. Litton for bribery and kickbacks, false claims and bid-rigging. Ford for defective pricing and falsifying records. Texas Instruments for product substitution. Northrop for false progress payments.

Much of the trouble implies a more basic malady—bad management. Without the goad of competition, contractors have fallen short of even their own standards of efficiency. The number of hours a contractor estimates a job should require, divided by the hours actually taken, is a telling index of efficiency. In competitive industries it's close to 95 percent. But according to data obtained by the Air Force and reported in the National Journal, General Dynamics is only 58 percent efficient in building the F-16 fighter; Rockwell builds the B-1B bomber at 34 percent efficiency, and Hughes Aircraft makes the Maverick missile at an appalling 21 percent. Efficiency is far higher where procurement is competitive: Raytheon builds the Sidewinder missile, a contract it shares with Ford Aerospace, at 78 percent.

Congress is keen to improve military procurement. In the House, 133 members have now joined the military reform caucus. It has the ideal instrument in an amendment framed by Representatives Denny Smith of Oregon and Mel Levine of California. They would require the Secretary of Defense to state in advance for all new weapons how he will provide for competitive procurement. They would require at least two sources for every weapon, unless that can be shown to cause exceptional cost or delay.

Even if the permitted maximum of 50 percent of the weapons budget is then waivered through this loophole, that would raise the competitively let contracts from 6 percent to 50.

Competition would make contractors reform themselves with a minimum of regulation. If in addition the Pentagon could learn not to overdesign weapons, and Congress not to let parochial interests determine votes on national security, there would be fewer $659 ashtrays and many more weapons of high quality and affordable price.

Mr. LEVINE of California. Along with my colleagues from Oregon [Mr. SMITH], I urge my colleagues to support this amendment. Its passage, Mr. Chairman, will make a major contribution toward obtaining meaningful competition and eliminating the waste, fraud, and abuse which now plague our procurement system.

Mr. BADHAM. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman and Members, under what I understood to be an agreement with the House, the committee was to have risen at 10 o'clock. The hour of 10 o'clock having come and gone, I recognized that fact and I felt that if we were going to have an amendment before us, then it ought to be discussed and not passed lightly or ill-advisedly.

We have an amendment before us that in substance would cause us to say as a legislative body: We have met the enemy and the enemy is us.

I suggest to the membership of this House that the hour is late and we probably should not even be here discussing this amendment at this time because an agreement was made earlier that we would not. But I suggest that we are entering into a very serious discussion here, having been suggested by a Member of this House, not a member of the committee, by a Member of this House, not a member who attends hearings, by a Member of this House who suggested at one point we should have the Israelis check out our weapons systems using live pigs—live pigs, if you will—ensuring and encouraging competition.

I suggest to the membership of this House that 10 o'clock at night is a little late to discuss these kinds of amendments.

I cannot deny that competition is something that we should have in the procurement of military goods. We have had proposals to have competition on virtually every weapon system and every item of every weapon system that we have had. But to suggest for 1 minute that the entire process is faulty, at 10 o'clock at night, is something less than appropriate.

We have been told from time to time that we should have competition for the engine that drives the M-1 tank; we have been told from time to time that we should have competition for the fighter plane that is the main fighter plane that drives the Air Force of the United States; we have been told from time to time that competition is the essence of this and the essence of that, where competition has already taken place.

I would just suggest to the body, at 10:15 tonight, that if we really want to discuss this proposition, we ought to do it under the fullest sense of debate and do it tomorrow morning, not after an agreement has been made when we would rise as the Committee at 10 o'clock tonight.

I respectfully ask the House to reject this amendment, if it is going to be put at this hour, and return to it when we have serious debate tomorrow morning.

Mr. STRATTON. Mr. Chairman, I move to strike the last two words.

Mr. Chairman, this amendment has been billed, as has been said, the ideal instrument for procurement reform and possibly the most important piece of legislation to be introduced this year. However, as the chairman of the Subcommittee on Procurement of the House Armed Services Committee, I should point out that we have not held hearings on this issue, and the members of the committee have asked me to try to clarify some of the language in the committee.

This is a major switch in our procurement process, as the gentleman from California has just indicated, and I am no more happy to be here on the floor at this hour than he is, but if we are going to at least understand the bill, I would like to have a colloquy with the gentleman from California

with respect to some of the items that are in the amendment itself.

In the first place, if I may have the attention of the gentleman from California [Mr. LEVINE], the major purpose of this amendment is to require two sources for every new major acquisition program; is that correct?

Mr. LEVINE of California. If the gentleman will yield, I am happy to engage the gentleman in this colloquy, and I must say that that is not correct. This amendment does not mandate 2 sources for each major program.

The purpose of the amendment is to encourage competition for all new weapons that are produced after 1986, but it does not mandate two sources for each new major program.

Mr. STRATTON. Well, the legislation indicates that the Secretary of Defense may not begin full-scale engineering until he prepares a plan for competition under the program and submits to the Committee on Armed Services a report describing that plan, and that as I read the legislation, the competition would be by no means of two separate sources. Is that not the case?

Mr. LEVINE of California. That is not the case.

Let me try to be as clear as I possibly can about this. The Secretary must, as the gentleman indicated, submit a plan for competition. And pursuant to that plan for competition, I should say to the gentlemen, if competition exists, then the Secretary has the ability either to sole source or dual source the weapons system. If in fact the Secretary determines that no effective means of competition exist, at that point the Secretary moves toward the dual sourcing.

□ 2220

All that this amendment does is require competition; when there is no effective competition it needs to be put together through dual sourcing.

Mr. STRATTON. It is my understanding that the Secretary is allowed, under your legislation, to waive the matter of dual sourcing under certain conditions, and my question is, Whose determination governs what is reasonable or advantageous regarding the waivers? Is it the Secretary of Defense or is it the Congress of the United States?

Mr. LEVINE of California. It is the Secretary of Defense as spelled out in the bill.

Mr. STRATTON. What is the basis for the limitation on waivers that are granted by the Secretary of Defense? He is limited in the number of waivers that he can grant; is that not the case?

Mr. LEVINE of California. He is limited to granting waivers of 50 percent of the dollars expended for any new weapons systems in a given year. It is the belief of those of us who have drafted this amendment on a bipartisan basis, that at the very least we ought to mandate that one-half of the new programs be competitive. This appeared to be a particularly modest requirement in light of the fact that the Pentagon now says that 46 percent of the dollars expended are on completed projects.

The CHAIRMAN pro tempore. The time of the gentleman from New York [Mr. STRATTON] has expired.

(On request of Mr. DANIEL and by unanimous consent, Mr. STRATTON was allowed to proceed for 5 additional minutes.)

Mr. STRATTON. The Secretary then has a cap that there can be no waivers that would go beyond 50 percent of the total items that are included in the year's legislation; is that correct?

Mr. LEVINE of California. That is correct.

Mr. STRATTON. Then would this not mean that if you had a very expensive system such as the B-1 bomber.

Mr. BADHAM. Mr. Chairman, will the gentleman yield?

Mr. STRATTON. I yield to the gentleman.

Mr. BADHAM. I thank the gentleman.

Mr. Chairman, we are discussing a subject that is of great import to the House.

Mr. STRATTON. I agree.

Mr. BADHAM. Have there been hearings held on this?

Mr. STRATTON. I would certainly hope, if I can speak for the committee, that we would get some hearings at the very earliest possible time, because without some hearings to understand the complexity of a totally new arrangement, I think we would find ourselves in considerable difficulty.

My concern is that if there is a major system such as the B-1 bomber that takes up almost half of the total in the defense procurement legislation, that means that the Secretary then will presumably go out and find other sources because there is no opportunity to waive the second source.

Mr. BADHAM. If the gentleman would yield further, does that mean that if somebody came up with a competitive source for B-1's that the Secretary of Defense would have to address himself to that under this amendment?

Mr. STRATTON. Presumably that would be the case, although that is one of the reasons for wanting to enlighten ourselves on these particular items. for example, the SDI may, in another year or so, take up 50 percent of the entire budget, and at that point where are we going to get a second source for the SDI?

I yield to the gentleman from California.

Mr. BADHAM. I just question whether or not we should be discussing this amendment at this hour of night.

Mr. LEVINE of California. Mr. Chairman, will the gentleman yield?

Mr. STRATTON. I yield to the gentleman.

Mr. LEVINE of California. I would like to correct a number of misimpressions that may be created by this dialog. Before doing so, I would like to share the same concern that the gentleman from California has outlined that we should not be debating this at 10:25 at night, and simply remind the body that the bipartisan leadership of the House Foreign Affairs Committee had agreed to accept this amendment, and only one Member on the House floor objected to accepting this amendment.

We would not be discussing this at 10:25 at night if the House Foreign Affairs Committee's agreement to accept this amendment, I mean Armed Services Committee, agreement to accept this amendment had been approved and only one Member on the floor objected to that unanimous-consent request.

Whether it is a B-1 bomber or whether it is SDI or whether it is any system that is currently in production or in design, none of these systems are affected by this amendment. All programs in which we have started full-scale engineering to date are exempt from this amendment. We are not talking about having to make any exceptions for existing programs whether it is a Trident, a B-1, an ASAT or anything else.

We are talking only about new programs. The gentleman from Oregon [Mr. DENNY SMITH] and I, have worked very carefully in presenting an amendment which was acceptable to this committee and which very clearly did not deal with any of the programs that the gentleman from California has raised. So to make the RECORD perfectly clear on this issue, every single one of those questions that was raised by the gentleman from California are not applicable to this legislation.

Mr. BADHAM. Mr. Chairman, will the gentleman yield?

Mr. STRATTON. I yield to the gentleman.

Mr. BADHAM. The gentleman who raised the objections, who raised this amendment at this hour of the night has made repeated references to the House Committee on Foreign Affairs. This is not a Foreign Affairs bill.

The CHAIRMAN pro tempore. The time of the gentleman from New York [Mr. STRATTON] has expired.

(On request of Mr. DANIEL and by unanimous consent, Mr. STRATTON was allowed to proceed for 5 additional minutes.)

Mr. STRATTON. I thank the gentleman.

Let me propose this question: What would happen if Congress does not authorize a second source? Is that counted against the Secretary's waiver limit of 50 percent?

I yield to the gentleman from California [Mr. LEVINE].

Mr. LEVINE of California. I am not sure I understand the question because it is not up to Congress to authorize the second source; it is up to the Secretary of Defense. Can you clarify the question?

Mr. STRATTON. I did not see anything in the gentleman's amendment that would indicate that Congress would have to abandon its privilege of authorizing what is in the Defense recommendation, and if we do not provide the money for a second source, presumably there would not be a second source.

□ 2230

Mr. LEVINE of California. It is not counted within the waiver provision.

Mr. MAVROULES. Mr. Chairman, will the gentleman yield?

Mr. STRATTON. I would be glad to yield to the gentleman from Massachusetts.

Mr. MAVROULES. I thank the gentleman for yielding.

Mr. Chairman, this is just a point of clarification. I want to take the gentleman from California back to his original statement.

After what I have heard here for the last 30 seconds of the last minute, is it true that in our grandfathering of any of the programs that are now in production, are any of the programs that are now in engineering and research and development?

Mr. LEVINE of California. That is correct. This is the ultimate grandfather clause.

Mr. MAVROULES. In other words, the gentleman is saying to this body this evening that this would take effect in 1986; am I correct?

Mr. LEVINE of California. That is correct.

Mr. MAVROULES. I thank the gentleman very much for that clarification.

Mr. STRATTON. Mr. Chairman, let me ask the gentleman one more question.

Does this amendment require competition with Government-owned facilities?

Mr. LEVINE of California. It certainly could.

Mr. ASPIN. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I know that it is a late hour and I know that a number of people who have some concern about this issue have not had a very good chance to look at it, but several of us have had a chance to look at it. I have had a chance to look at it. I have been working with the staff of the gentleman from Oregon [Mr. DENNY SMITH] and the gentleman from California [Mr. LEVINE] and I think they have a fair amendment. They have an amendment that has the right kind of tilt toward dual sourcing, which I think most of the Members of this Congress approve of, with enough loopholes to allow exceptions in cases where it is important to have exceptions.

I urge the approval of this amendment, Mr. Chairman.

Mr. DENNY SMITH. Mr. Chairman, I move to strike the requisite number of words, and I rise in strong support of this amendment and as a cosponsor of this amendment.

Mr. Chairman, I would like to have the House consider some of the things that the gentleman from California had to say. He said that the enemy is us, and I think that nothing is clearer in this House, that we would be here at 10:15, now 10:30 at night, on a serious discussion about the national defense capability of this House. The entire process probably is faulty and that is maybe one of the reasons that we are here, outside the committee process.

What I see the gentleman from California talking about is delay and hearings. Hearings have been talked about for a long time as a way to delay what really needs to be done. We need to be able to provide competitive efforts in trying to put together the defense acquisition for this country.

As I view this situation, I think we have to look at one successful program that we can point to that was dual-sourced about a dozen years ago. The GOW-8 cannon is in the A-10 aircraft. The "should cost" on that ammunition was $85 per round. Through the dual-sourcing of that contract, we are able to buy that ammunition at $14 per round. Nothing could be clearer than trying to be able to acquire something cheaper for the taxpayer that is well tested and will do the best job.

This is not a great burden on the Secretary of Defense. It is not a great burden on the Congress. We are moving the competitive area just a few percentage points to try and be sure that we get more dual-sourcing. It does have many loopholes, as the chairman said, and I think that with continued efforts we can move beyond the 50 percent at some time in the future to a much greater percentage of dual source and competitive effort.

Mr. COURTER. Mr. Chairman, will the gentleman yield?

Mr. DENNY SMITH. I would be happy to yield to the gentleman from New Jersey.

Mr. COURTER. I thank the gentleman for yielding.

Mr. Chairman, I just have an inquiry of the gentleman from Oregon. As the gentleman knows, this body passed an amendment of mine maybe 2 or 3 hours ago that required that in increments of 5 percent competition in contracts be increased until we reach a threshold of 70 percent.

Mr. DENNY SMITH. That is correct, and I was happy to vote for that amendment.

Mr. COURTER. I appreciate the gentleman's support and I am just wondering how my 70-percent threshold requirement in outyears relates to the gentleman's 50-percent threshold in this particular bill? Has the gentleman given it any thought?

Mr. DENNY SMITH. I think what it does is provide for the dual-sourcing rather than just the competition. As the gentleman is well aware, in the GOW-8 Program we are able to have two competitors stay alive, both of them producing and dual source, rather than just a straight competitive effort. So it does allow a certain amount of dual-sourcing, which would force more competition.

Mr. COURTER. I understand that, but I guess my specific question is: Are we dealing now with 50 percent of contracts, as the gentleman has under this amendment or 70 percent as I had under my amendment?

Mr. DENNY SMITH. The gentleman has a good question. What we are talking about is the new programs that require the SAR. Those are the programs that are over $1 billion each, so it would be only for the new programs. It would not affect the major weapons programs that we are working with today.

Mr. BOULTER. Mr. Chairman, will the gentleman yield?

Mr. DENNY SMITH, I yield to the gentleman from Texas.

Mr. BOULTER. I thank the gentleman for yielding.

Mr. Chairman, I rise in support of the Levine amendment. This is an important step toward lower defense costs through improved competition. Dual-sourcing is an idea which was identified by the President's Private Sector Survey on Cost Control—the Grace Commission. It is an amendment that is fully endorsed by myself and by my colleague and Grace caucus cochairman, BUDDY ROEMER. We expect that this is the first of what we hope will be many Grace Commission ideas which will be brought to the floor of this House for a vote.

The thrust of the Grace caucus, is to cut the fat from the Federal Government without cutting the muscle. Mr. SMITH's amendment provides us with a perfect opportunity to do just that. By maintaining at least two competitive sources during the entire production life of Navy weapons programs alone, we could save as much as $1.02 billion over a 3-year period. Grace Commission estimates also project that better use of dual-sourcing will decrease Air Force weapon acquisition costs by about $342 million during the first

year of implementation and about $2.42 billion over 3 years.

I urge all of my colleagues to support this amendment. This is our chance to practice what we preach—the reduction of waste in the Federal Government.

Mr. DENNY SMITH. I thank the gentleman.

Mr. MAVROULES. Mr. Chairman, will the gentleman yield?

Mr. DENNY SMITH. I yield to the gentleman from Massachusetts.

Mr. MAVROULES. I thank the gentleman for yielding.

Mr. Chairman, the only reason I asked the gentleman to yield is the fact that I just learned that on the question I asked before a point of clarification, I mentioned the year 1986 and it was agreed to.

As a matter of fact, it is the year 1987, which you propose, along with the gentleman from California, which certainly would give the committee more than enough time to hold its proper hearings.

Mr. DENNY SMITH. I thank the gentleman. I think that is a true fact.

Mr. THOMAS of California. Mr. Chairman, will the gentleman yield?

Mr. DENNY SMITH. I yield to the gentleman from California.

Mr. THOMAS of California. I thank the gentleman for yielding.

Mr. Chairman, in reading the amendment, it is my understanding that the criteria to determine whether or not market conditions exist for the dual sourcing, will be whether or not two or fewer responsive proposals are received.

The CHAIRMAN pro tempore. The time of the gentleman from Oregon [Mr. DENNY SMITH] has expired.

(On request of Mr. THOMAS of California and by unanimous consent, Mr. DENNY SMITH was allowed to proceed for 2 additional minutes.)

Mr. THOMAS of California. In other words, we put out a contract, and if we get only one bidder, that is the evidence that market conditions do not exist.

Mr. DENNY SMITH. That is one of the conditions. The gentleman is correct.

Mr. THOMAS of California. And if that condition obtains, that there be only one responsive proposal, the Secretary then creates a second source?

Mr. DENNY SMITH. A second source might have to be created to have a dual-sourcing capability. In other words, we are not going to just allow a single contractor to go ahead and drive the price right on through the ceiling, since no one else wants to bid against him.

Mr. THOMAS of California. But if it is the market condition and there are more than two producers out there, but only one chooses to provide a bid, this amendment requires the Secretary to go out and create another one, even though there may be someone out there, but they chose not to do it.

Mr. DENNY SMITH. That is correct. The gentleman is right.

Mr. THOMAS of California. So the Secretary is compelled to create another source, even though there may be other sources out there, but because of the way in which the contract was written——

Mr. DENNY SMITH. Reclaiming my time, if we put this in the waivered portion so the Secretary does not include it in the 50-percent portion, so he has an option not to do it.

Mr. THOMAS of California. He does have a waiver option; that is correct.

Mr. DENNY SMITH. It is not the market situation that drives him completely.

Mr. DENNY SMITH. No; that is correct.

Mr. THOMAS of California. I thank the gentleman.

Mr. DANIEL. Mr. Chairman, will the gentleman yield?

Mr. DENNY SMITH. I yield to the gentleman from Virginia.

Mr. DANIEL. I thank the gentleman for yielding.

Mr. Chairman, would the gentleman tell the committee how the Government creates, how the Department of Defense, creates another source?

Mr. DENNY SMITH. I would hope that it would be done through some kind of a process where the Secretary of Defense would help establish that there was another qualified bidder out there, I guess, who then would be created as the second source.

The CHAIRMAN pro tempore. The time of the gentleman from Oregon [Mr. DENNY SMITH] has again expired.

(On request of Mr. DANIEL and by unanimous consent, Mr. DENNY SMITH was allowed to proceed for 1 additional minute.)

Mr. DANIEL. And if he could not do that, then would the Government pay for an additional source to bid?

Mr. DENNY SMITH. Not if it would be more expensive. I do not believe that would be necessary. It would be at the request of the Secretary of Defense, whatever he decided in his discretion.

Mr. DANIEL. I thank the gentleman.

□ 2240

Mr. ROEMER. Mr. Chairman, will the gentleman yield?

Mr. DENNY SMITH. I am happy to yield to the gentleman from Louisiana.

Mr. ROEMER. Mr. Chairman, I rise in support of the amendment offered by the gentleman from California, Mr. LEVINE and the gentleman from Oregon, Mr. SMITH.

This amendment is one of the measures that Mr. SMITH in his capacity as cochair of the Grace caucus defense task force brought the body's attention.

It would require the Secretary of Defense to state in advance for all new weapons how he will provide for competitive procurement. They would require at least two sources for every weapon, unless that can be shown to cause exceptional cost or delay.

Even if the permitted maximum of 50 percent of the weapons budget is then waivered through this loophole, that would raise the competitively let contracts from 6 to 50 percent.

By encouraging competition, we would make contractors reform themselves with a minimum of regulations, and save the taxpayers money.

I urge my colleagues to support this measure, especially my colleagues on the Grace caucus. It is one of the Grace Commission recommendations.

Mr. BATEMAN. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I do not rise in opposition to either the theory or the practice of dual sourcing and competition in Defense Department contracting. I applaud it. I encourage it. I think this House should do so, but it is not all that easy. If it were all that easy, we just would need about a one-line bill that says, "Thou shalt dual source everything", but obviously, that is not practical.

I am not persuaded that what we have before us in the way of the amendment as originally printed in the RECORD, now apparently to be amended by a floor amendment to the amendment in the RECORD, which is not drawn to this, but to something I have not seen and which has some very, very complex and difficult language to comprehend and the meaning of which is, to say the least, obscure.

It has been said that the leadership of the Armed Services Committee accepts this amendment, and I am not in a position to say that they do not, but I know the last time the committee met was this morning and I heard no voice in the committee saying this amendment should be accepted without hearings and further study as to its implications and the best way to get to where we all want to go. I want to get there, but whether or not we act precipitously on this amendment tonight, the mechanics of which, the practicality of which we know not, is not going to be the end in this session of Congress of whether or not we are going to have more or less dual sourcing.

If you are really serious about dual sourcing defense contracts, then let us have a bill, go through the orthodox procedures of this House, be referred to a committee. Let hearings be held. Let us come to the floor with a bill that we have not only certainty in, but pride in.

I would implore the House not to defeat dual sourcing in this section,

but to defeat this precipitous method of legislating. Let us be sure of what we are doing, because what we are doing is too important not to be carefully considered.

Mr. FRANK. Mr. Chairman, will the gentleman yield?

Mr. BATEMAN. I am pleased to yield to the gentleman from Massachusetts.

Mr. FRANK. Mr. Chairman, I thank the gentleman for yielding.

I would say that I do not think it is fair to characterize it as precipitous. The gentleman from California has made clear his intention to offer this amendment. It has been discussed by people for a long time.

The problem, of course, is that if we adopt a rule that nothing can be offered as an amendment if it has not previously been subjected to hearings in a committee means that anyone who is not on a committee rarely has a chance to offer an idea.

The gentleman from California had circulated the idea. It has been discussed and I think it is entitled to be discussed on the merits. The gentleman says he likes the idea of dual sourcing.

Mr. BATEMAN. Mr. Chairman, if I may reclaim my time, the gentleman is not without recourse to offering a bill, the bill being referred to a committee. I believe the gentleman has been assured, and if not, I believe he would be this evening, that if he offers this bill, it would be the subject of hearings in the committee and it would receive early attention in hearings before the committee.

Mr. FRANK. Mr. Chairman, will the gentleman yield further?

Mr. BATEMAN. I yield.

Mr. FRANK. Mr. Chairman, I thank the gentleman.

I guess the gentleman really has a quarrel with the rules of the House. I have been on some committees. I do not think any of us ought to have the rule that no one ought to ever offer an amendment if it is subject matter that could be a separate bill. I think the gentleman is proposing a change in the rules of the House.

Mr. BATEMAN. Further reclaiming my time, and simply comment that the gentleman has for purposes of his own overstated this gentleman's position as to what the procedure is.

I will certainly not retreat from making the unequivocal statement that this House has not legislated as well today as it deserves to have done and the American people deserve to have it do.

It is not as informed on the nature of the amendments. It does not even know where the amendments are drawn to, because we see amendments floating around here drawn to one document, which is not the document that we even have available to us. It has gone to some other document which is not available to us. That is not the way to legislate.

● Mr. WIRTH. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, the Levine-Smith amendment is a long overdue effort to reform a defense procurement system racked with scandal. We need this amendment to clean up the system, and to restore the integrity and strength of our Defense Establishment.

Any further delay in procurement reform cannot be justified.

In April, the Pentagon's inspector general testified before Congress that 45 of the Nation's top 100 defense contractors are under criminal investigation for abusing the Defense Procurement Program.

The inspector general's testimony comes on top of a steady stream of Pentagon reports about cost overruns, delivery delays, and shoddy workmanship.

These abuses aren't just isolated incidents. They are pervasive, and affect defense items ranging from major weapons systems to minor accessories. They emanate not from one contractor, but from many—all around the country and in all types of defense-related industries.

This is an appalling situation. We must confront it with fundamental reform.

Our defense contractors operate in an environment that encourages cost inflation. Remuneration is often determined by a renegotiable "fixed-price" contract or a cost-plus formula—that is, the contractor is permitted to bill the Government for his costs plus a fixed percentage profit. Obviously, the best way to increase that profit is to inflate costs. It is no surprise that some defense contractors seek to bill the Government for expensive and superfluous spare parts and labor. It is no wonder that many defense production programs have some of the lowest industrial efficiency ratios in American manufacturing.

These problems are exacerbated by the Pentagon's penchant for sole sourcing its production lines. Although DOD may open the initial contracts to competitive bids, it customarily awards the entire production contract to only one firm.

For the remainder of the defense project's life, that one firm is not subject to the healthy effects of real competition. There is no incentive for the company to maintain the quality and cost of its product. Payment is assured. The company has no need to worry about a competitor moving in on its contract.

The Smith-Levine amendment confronts these problems squarely and sensibly. It injects the Pentagon with a substantial dose of capitalism.

This amendment would require the Secretary of Defense to submit to Congress a plan outlining the development and procurement of new major weapons system and its subsystems before production begins. The plan must be based on multiple sourcing of production for new systems, and require the recompeting of the production contracts annually. The amendment directs the Secretary to assure that each qualified production firm receives a sufficient share of the production line to enable it to compete effectively over the duration of the contract.

The Air Force's jet engine program has already reaped the benefits of this approach. Secretary Verne Orr has strongly endorsed the competition between General Electric and Pratt & Whitney engines, which has resulted in billions of dollars of savings for the taxpayer and improved engine performances for our pilots.

There is every reason to extend the benefits of this highly successful experiment to our other major defense procurement programs.

As a member of the military reform caucus, I am proud to support this effort. I commend my colleagues from California and Oregon, as well as the distinguished chairman of the House Armed Services Committee, for their work on this important amendment, and I urge all of my colleagues to follow their example of bipartisan leadership and vote for the Smith-Levine amendment.●

The CHAIRMAN pro tempore (Mr. RUSSO). The question is on the amendment offered by the gentleman from California [Mr. LEVINE].

The question was taken; and the Chairman pro tempore announced that the ayes appeared to have it.

RECORDED VOTE

Mr. BADHAM. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 342, noes 52, not voting 39, as follows:

[Roll No. 190]

AYES—342

Ackerman	Boggs	Coble
Addabbo	Boland	Coelho
Akaka	Boner (TN)	Coleman (MO)
Anderson	Bonker	Coleman (TX)
Andrews	Borski	Collins
Annunzio	Bosco	Conte
Archer	Boucher	Cooper
Aspin	Boulter	Coughlin
Atkins	Boxer	Courter
AuCoin	Brown (CA)	Coyne
Barnes	Brown (CO)	Craig
Bartlett	Broyhill	Crockett
Barton	Bruce	Dannemeyer
Bates	Bryant	Darden
Bedell	Burton (CA)	Daschle
Bellenson	Burton (IN)	Davis
Bennett	Bustamante	de la Garza
Bentley	Callahan	DeLay
Bereuter	Campbell	Dellums
Berman	Carney	Derrick
Bevill	Carr	Dicks
Biaggi	Chandler	Dingell
Bilirakis	Clinger	DioGuardi
Bliley	Coats	Dixon
Boehlert	Cobey	Donnelly

Dorgan (ND)	Lantos	Roe
Dornan (CA)	Latta	Roemer
Dowdy	Leach (IA)	Rogers
Downey	Lehman (CA)	Rose
Dreier	Lehman (FL)	Rostenkowski
Duncan	Leland	Roukema
Durbin	Lent	Rowland (CT)
Dwyer	Levin (MI)	Rowland (GA)
Dymally	Levine (CA)	Roybal
Early	Lewis (FL)	Russo
Eckart (OH)	Lightfoot	Sabo
Edgar	Lipinski	Savage
Edwards (CA)	Lloyd	Saxton
Edwards (OK)	Loeffler	Schaefer
Emerson	Long	Scheuer
English	Lowery (CA)	Schneider
Erdreich	Lowry (WA)	Schroeder
Evans (IA)	Lujan	Schuette
Evans (IL)	Lundine	Schumer
Fascell	Lungren	Seiberling
Fawell	Mack	Sensenbrenner
Fazio	MacKay	Sharp
Feighan	Madigan	Shaw
Fiedler	Manton	Shelby
Fields	Marlenee	Shuster
Flippo	Martin (IL)	Sikorski
Florio	Martinez	Siljander
Foglietta	Matsui	Sisisky
Foley	Mavroules	Skelton
Fowler	Mazzoli	Slattery
Frank	McCain	Smith (FL)
Fuqua	McCloskey	Smith (IA)
Gallo	McCollum	Smith (NE)
Garcia	McCurdy	Smith (NH)
Gejdenson	McDade	Smith (NJ)
Gibbons	McEwen	Smith, Denny
Gilman	McGrath	Smith, Robert
Gingrich	McKernan	Snowe
Glickman	McMillan	Snyder
Gonzalez	Meyers	Solarz
Goodling	Mica	Spence
Gordon	Mikulski	Spratt
Gradison	Miller (CA)	Staggers
Gray (PA)	Miller (OH)	Stallings
Green	Miller (WA)	Stangeland
Gregg	Mineta	Stark
Grotberg	Moakley	Stenholm
Guarini	Molinari	Studds
Gunderson	Mollohan	Sundquist
Hall, Ralph	Moody	Swift
Hamilton	Moore	Swindall
Hartnett	Morrison (CT)	Synar
Hawkins	Morrison (WA)	Tallon
Hefner	Mrazek	Tauke
Heftel	Murphy	Tauzin
Hendon	Natcher	Taylor
Henry	Neal	Thomas (CA)
Hertel	Nelson	Torres
Hiler	Nielson	Torricelli
Hopkins	Nowak	Towns
Horton	O'Brien	Traficant
Howard	Oakar	Traxler
Hoyer	Oberstar	Udall
Hubbard	Obey	Valentine
Huckaby	Olin	Vander Jagt
Hughes	Oxley	Vento
Hunter	Packard	Visclosky
Hyde	Panetta	Volkmer
Ireland	Pashayan	Walgren
Jacobs	Pease	Walker
Jeffords	Penny	Watkins
Jenkins	Pepper	Waxman
Johnson	Perkins	Weber
Jones (OK)	Petri	Weiss
Jones (TN)	Porter	Wheat
Kanjorski	Price	Whitley
Kaptur	Pursell	Whittaker
Kasich	Quillen	Whitten
Kastenmeier	Rahall	Williams
Kennelly	Rangel	Wirth
Kildee	Regula	Wise
Kindness	Reid	Wolpe
Kleczka	Richardson	Wright
Kolbe	Ridge	Wyden
Kolter	Rinaldo	Wylie
Kostmayer	Ritter	Yatron
Kramer	Roberts	Young (AK)
LaFalce	Robinson	Young (FL)
Lagomarsino	Rodino	Young (MO)

NOES—52

Anthony	Barnard	Chappie
Applegate	Bateman	Cheney
Armey	Byron	Combest
Badham	Chappell	Crane
Daniel	Leath (TX)	Pickle
Daub	Lewis (CA)	Ray
DeWine	Livingston	Rudd
Dickinson	Lott	Skeen
Dyson	Martin (NY)	Slaughter
Eckert (NY)	McCandless	Stratton
Franklin	Michel	Stump
Frenzel	Monson	Sweeney
Gekas	Montgomery	Thomas (GA)
Hammerschmidt	Moorhead	Vucanovich
Hansen	Myers	Wolf
Hillis	Nichols	Zschau
Hutto	Ortiz	
Kemp	Parris	

NOT VOTING—39

Alexander	Gephardt	Owens
Bonior (MI)	Gray (IL)	Roth
Breaux	Hall (OH)	Schulze
Brooks	Hatcher	Shumway
Broomfield	Hayes	Solomon
Carper	Holt	St Germain
Clay	Jones (NC)	Stokes
Conyers	Luken	Strang
Fish	Markey	Weaver
Ford (MI)	McHugh	Whitehurst
Ford (TN)	McKinney	Wilson
Frost	Mitchell	Wortley
Gaydos	Murtha	Yates

□ 2300

So the amendment was agreed to.

The result of the vote was announced as above recorded.

● Mrs. KENNELLY. Mr. Chairman, I rise in support of the allowable cost reform amendment.

This amendment is the result of a House Armed Services Committee investigation into the billings of seven major defense contractors. The results of that investigation are appalling—of $4.2 billion in contractor overhead claims, over $100 million amounted to questionable charges. These seven firms asked the Government to pay for a range of items not widely considered essential to our national security—items like hockey tickets, paper airplane contests and executive haircuts.

We know these incredible billings are not isolated instances. And our constituents want to know what we're going to do about them.

This amendment directs the Pentagon to clear up the "gray areas" surrounding allowable and unallowable costs. It prevents unallowable contractor costs under one category from being considered allowable under another category. Perhaps most importantly, this amendment imposes hefty penalties on contractors who repeatedly submit bills that are clearly unallowable.

Mr. Chairman, this amendment will compel contractors to play by the rules. And those rules will have bigger teeth. I urge my colleagues to vote in favor of this amendment.●

● Mr. NICHOLS. Mr. Chairman, last Friday I offered an amendment to the defense authorization bill which was adopted by the House. During the reading of the amendment I inadvertently omitted leaving a copy of the amendment at the desk, along with some backup correspondence supporting the need for corrective legislation. In light of this I would want to submit it for the RECORD at this time:

AMENDMENT TO H.R. 1872, AS REPORTED—OFFERED BY MR. NICHOLS OF ALABAMA

At the end of title III (page 38, after line 10), insert the following new section:

SEC. 308. SPECIFICATION OF CORE-LOGISTICS FUNCTIONS SUBJECT TO CONTRACTING-OUT LIMITATION.

(a) IN GENERAL.—A function of the Department of Defense described in subsection (b) shall be deemed for the purposes of section 307(b) of the Department of Defense Authorization Act, 1985 (Public Law 98-525; 98 Stat. 2514), to be a logistics activity identified by the Secretary of Defense under section 307(a)(2) of such Act as necessary to maintain the logistics capability of the Department of Defense described in section 307(a)(1) of such Act.

(b) DESCRIPTION OF FUNCTIONS.—The functions to which subsection (a) applies are the following:

(1) Depot level distribution and maintenance of mission-essential materiel at the following activities of the Army:

Anniston Army Depot, Anniston, Alabama.

Corpus Christi Army Depot, Corpus Christi, Texas.

Crane Army Ammunition Plant, Crane, Inidana.

Fort Wingate Army Depot, Gallup, New Mexico.

Letterkenny Army Depot, Letterkenny, Pennsylvania.

Lexington-Blue Grass Army Depot, Lexington, Kentucky.

McAlester Army Ammunition Plan, McAlester, Oklahoma.

New Cumberland Army Depot, Harrisburg, Pennsylvania.

Pueblo Army Depot, Pueblo, Colorado

Red River Army Depot, Texarkana, Texas.

Rock Island Arsenal, Rock Island, Illinois.

Sacramento Army Depot, Sacramento, California.

Savanna Army Depot, Savanna, Illinois.

Seneca Army Depot, Romulus, New York.

Sharpe Army Depot, Stockton, California.

Sierra Army Depot, Herlong, California.

Tobyhanna Army Depot, Tobyhanna, Pennsylvania.

Tooele Army Depot, Tooele, Utah.

Umatilla Army Depot, Umatilla, Oregon.

Watervliet Arsenal, Watervliet, New York.

(2) Depot-level distribution and maintenance of mission-essential material at the following activities of the Navy:

Naval Air Rework Facility, Alameda, California.

Naval Air Rework Facility, Cherry Point, North Carolina.

Naval Air Rework Facility, Jacksonville, Florida.

Naval Air Rework Facility, Norfolk, Virginia.

Naval Air Rework Facility, Pensacola, Florida.

Naval Air Rework Facility, North Island, San Diego, California.

Naval Aviation Supply Office, Philadelphia, Pennsylvania.

Naval Construction Battalion Center, Davisville, Rhode Island.

Naval Construction Battalion Center, Gulfport, Mississippi.

Naval Construction Battalion Center, Port Hueneme, California.

Naval Electronics Systems Engineering Center, San Diego, California.

Naval Ordnance Station, Indian Head, Maryland.
Naval Ordnance Station, Louisville, Kentucky.
Naval Shipyard, Charleston, South Carolina.
Naval Shipyard, Norfolk, Virginia.
Naval Shipyard, Long Beach, California.
Naval Shipyard, Mare Island, California.
Naval Shipyard, Philadelphia, Pennsylvania.
Naval Shipyard, Portsmouth, Kittery, Maine.
Naval Shipyard, Pearl Harbor, Hawaii.
Naval Shipyard, Puget Sound, Bremerton, Washington.
Naval Ship Repair Facility, Guam.
Naval Supply Center, Charleston, South Carolina.
Naval Supply Center, Jacksonville, Florida.
Naval Supply Center, Norfolk, Virginia.
Naval Supply Center, Oakland, California.
Naval Supply Center, Pearl Harbor, Hawaii.
Naval Supply Center, Puget Sound, Bremerton, Washington.
Naval Supply Center, San Diego, California.
Naval Undersea Warfare Engineering Station, Keyport, Washington.
Naval Weapons Station, Charleston, South Carolina.
Naval Weapons Station, Colts Neck, Earle, New Jersey.
Naval Weapons Station, Concord, California.
Naval Weapons Station, Seal Beach, California.
Naval Weapons Station, Yorktown, Virginia.
Naval Weapons Station Center, Crane, Indiana.
Navy Ships Parts Control Center, Mechanicsburg, Pennsylvania.
TRIDENT Refit Facility, Bangor, Bremerton, Washington.

(3) Depot-level distribution and maintenance of mission-essential materiel at the following activities of the Marine Corps:
Marine Corps Logistics Base, Albany, Georgia.
Marine Corps Logistics Base, Barstow, California.

(4) Depot-level distribution and maintenance of mission-essential materiel at the following activities of the Air Force:
Aerospace Guidance and Metrology Center, Newark Air Force Station, Ohio.
Ogden Air Logistics Center, Hill Air Force Base, Utah.
Oklahoma City Air Logistics Center, Tinker Air Force Base, Oklahoma.
Sacramento Air Logistics Center, McClellan Air Force Base, California.
San Antonio Air Logistics Center, Kelly Air Force Base, Texas.
Warner Robins Air Logistics Center, Robins Air Force Base, Georgia.

(5) Depot-level distribution and maintenance of mission-essential equipment at the following activities of the Defense Logistics Agency:
Defense Construction Supply Center, Columbus, Ohio.
Defense Depot Mechanicsburg, Mechanicsburg, Pennsylvania.
Defense Depot Memphis, Memphis, Tennessee.
Defense Depot Ogden, Ogden, Utah.
Defense Depot Tracy, Tracy, California.
Defense Electronics Supply Center, Dayton, Ohio.
Defense General Supply Center, Richmond, Virginia.
Defense Industrial Plant Equipment Center, Memphis, Tennessee.
Defense Industrial Supply Center, Philadelphia, Pennsylvania.
Defense Logistics Service Center, Battle Creek, Michigan.
Defense Subsistence Office, Bayonne, New Jersey.

(6) Depot-level distribution and maintenance of mission-essential materiel at the following activities the Defense Mapping Agency:
Aerospace Center, Kansas City Field Office, Kansas City, Missouri.
Aerospace Center, St. Louis AFS, Missouri.
Office of Distribution Services, Brookmont, Maryland.
Office of Distribution Services, Clearfield, Utah.
Office of Distribution Services, Philadelphia, Pennsylvania.

(c) MATTERS INCLUDED WITHIN SPECIFIED FUNCTIONS.—The functions described in subsection (b) include—
(1) the facilities and equipment at the activities listed in that subsection; and
(2) the Government personnel who manage and perform the work at those activities.

(d) EXCLUSION OF CERTAIN FUNCTIONS.—Subsection (b) does not include any function that on the date of the enactment of this Act—
(1) is being performed under contract by non-Government personnel; or
(2) has been announced to Congress for review for conversion to performance by non-Government personnel under Office of Management and Budget Circular A-76.

(e) DEFINITION.—For the purposes of this section, the term "mission-essential materiel" means all materiel which is authorized and available to combat, combat support, combat service support, and combat readiness training forces to accomplish their assigned mission.

(f) TECHNICAL AMENDMENT.—Section 308(b)(4) of the Department of Defense Authorization Act, 1985 (Public Law 98-525; 98 Stat. 2515), is amended by striking out "30-day period" and inserting in lieu thereof "20-day period".

LIMITATION ON CONTRACTING-OUT CORE LOGISTICS FUNCTIONS

SEC. 307. (a)(1) It is essential for the national defense that Department of Defense activities maintain a logistics capability (including personnel, equipment, and facilities) to ensure a ready and controlled source of technical competence and resources necessary to ensure effective and timely response to a mobilization, national defense contingency situations, and other emergency requirements.

(2) The Secretary of Defense shall identify those logistics activities that are necessary to maintain the logistics capability described in paragraph (1).

(b)(1) Except as provided in paragraph (2), performance of a logistics activity identified by the Secretary under subsection (a)(2) may not be contracted for performance by non-Government personnel under the procedures and requirements of Office of Management and Budget Circular A-76 or any successor administrative regulation or policy (hereinafter in this section referred to as "OMB Circular A-76").

(2) The Secretary of Defense may waive paragraph (1) in the case of any logistics activity and provide that performance of such activity shall be considered for conversion to contractor performance in accordance with OMB Circular A-76. Any such waiver shall be made under regulations prescribed by the Secretary and shall be based on a determination by the Secretary that Government performance of the activity is no longer required for national defense reasons. Such regulations shall include criteria for determining whether Government performance of a logistics activity identified under subsection (a)(2) is no longer required for national defense reasons.

(3) A waiver under paragraph (2) may not take effect until—
(A) the Secretary has submitted a report on the waiver to the Committees on Armed Services of the Senate and House of Representatives; and
(B) a period of 20 days of continuous session of Congress or 40 calendar days has passed after the receipt of the report by those committees.

(4) For purposes of paragraph (3)(B), the continuity of a session of Congress is broken only by an adjournment sine die, and the days on which either House is not in session because of an adjournment of more than three days to a day certain are excluded in the computation of such 30-day period.

(c) Identification of logistics activities that are necessary to maintain the logistics capability described in subsection (a)(1) shall be completed, and a report describing those activities (including a detailed specification or listing) shall be submitted to the Committees on Armed Services of the Senate and House of Representatives, not later than April 1, 1985.

THE DEPUTY SECRETARY OF DEFENSE,
Washington, DC, March 29, 1985.

Hon. LES ASPIN,
House of Representatives,
Chairman, House Armed Services Committee, Washington, DC.

DEAR MR. CHAIRMAN: Section 307 of Public Law 98-525 requires I report to the Committees on Armed Services those logistics activities necessary to maintain "a logistics capability . . . to ensure effective and timely response to a mobilization, national defense contingency situations, and other emergency requirements." The report is attached.

It is the policy of the Department of Defense to maintain an in-house capability, managed by government personnel and operated by either government or contractor personnel (or both), to meet the wartime requirements for depot level logistical support to the armed forces. It is also necessary to maintain a commercial-industrial base to perform the same type work. Only in this manner can we conserve resources now and ensure the ability to provide the technical competence to expand rapidly in both Government and commercial facilities during the mobilization and national emergencies. In meeting the required supply and maintenance workloads, we intend to perform the work in the most cost-effective manner, consistent with the need to maintain both a government and a commercial industrial base. I intend to adhere to these policies.

I remain committed to energetic pursuit of A-76 program goals when it makes sense. A-76 competitions save 29 percent of the original cost of doing business without harming, and often enhancing, our ability to execute our mission. Our managers must be able to optimize both effectiveness and efficiency and not be locked into decisions that would cause us to waste scarce Defense resources.

The core logistics capability at the activities on the attached list is comprised of facilities, equipment, and management personnel. The work at those activities may be performed by either government or contractor personnel. Section 502 of Public Law 96-342, as amended, requires the Department to notify Congress of our intention to conduct an A-76 competition. The Military Services and Defense Agencies shall annotate future announcements to Congress when a study of a particular subactivity (not itself core) is planned at a core logistics activity listed here. Should the need arise, I will report fundamental changes of core logistics to the Committees on Armed Services as required by Section 307 of Public Law 98-525.

The above criteria and procedures will be incorporated into the DOD directive and instruction implementing OMB Circular A-76 and the DOD directive on using contractor resources for maintenance of material. This approach provides the necessary flexibility to assure that combat critical support activities are managed and performed effectively and efficiently in both peacetime and wartime.

A similar letter has been sent to the Chairman of the Senate Armed Services Committee.

Sincerely,

William H. Taft IV.

Attachment.

DEPARTMENT OF DEFENSE CORE LOGISTICS ACTIVITIES

It is essential for the national defense that the Department of Defense maintain a depot level logistics capability to ensure a ready and controlled source of technical competence and resources necessary to ensure effective and timely response to a mobilization, national defense contingency situations, and other emergency situations.

This capability can be achieved through use of prudent levels of government owned-government operated (GOCO), government owned-contractor operated (GOCO), and contractor owned-contractor operated (GOCO) facilities, or a combination of the three. The allocation of workload to any of these activities must be made on a case basis considering first, the need for both government and commercial industrial bases and second, the relative cost effectiveness. The facilities, equipment, and management personnel at the following activities comprise the core capability necessary to meet the in-house depot level logistical needs of the Department. We will perform the work at these activities in the most cost-effective manner with either government or contract personnel.

DEFINITIONS

Materiel. Materiel consists of all tangible items (including ships, tanks self-propelled weapons, aircraft, etc., and related spares, repair parts and support equipment; but excluding real property, installations, and utilities) necessary to equip, operate, maintain, and support military activities without distinction as to its application for administrative or combat purposes.

Mission-Essential Materiel. That materiel which is authorized and available to combat, combat support, combat service support, and combat readiness training forces to accomplish their assigned mision.

ARMY

Depot-level distribution and maintenance of mission-essential materiel at the following activities:

Anniston Army Depot, Anniston, AL.
Corpus Christi Army Depot, Corpus Christi, TX.
Crane Army Ammunition Plant, Crane, IN.
Fort Wingate Army Depot, Gallup, NM.
Hawthorne Army Ammunition Plant, Hawthorne, NV.
Holston Army Ammunition Plant, Kings Port, TN.
Indiana Army Ammunition Plant, Charleston, IN.
Iowa Army Ammunition Plant, Burlington, IA.
Kansas Army Ammunition Plant, Parson, KS.
Lake City Army Ammunition Plant, Inpendence, MO.
Letterkenny Army Depot, Letterkenney, PA.
Lexington-Blue Grass Army Depot, Lexington, KY.
Lone Star Army Ammunition Plant, Texarkana, TX.
Longhorn Army Ammunition Plant, Marshall, TX.
Louisiana Army Ammunition Plant, Shreveport, LA.
McAlester Army Ammunition Plant, McAlester, OK.
Milan Army Ammunition Plant, Milan, TN.
New Cumberland Army Depot, Harrisburg, PA.
Pueblo Army Depot, Pueblo, CO
Radford Army Ammunition Plant, Radford, VA.
Red River Army Depot, Texarkana, TX.
Rock Island Arsenal , Rock Island, IL.
Sacramento Army Depot, Sacramento, CA
Savanna Army Depot, Savanna, IL
Scranton Army Ammunition Plant, Scranton, PA.
Seneca Army Depot, Romulus, NY.
Sharpe Army Depot, Stockton, CA.
Sierra Army Depot, Herlong, NY.
Sunflower Army Ammunition Plant, Lawrence KS.
Tobyhanna Army Depot, Tobyhanna, PA.
Tooele Army Depot, Tooele, UT.
Twin Cities Army Ammunition Plant, New Brighton, MN.
Umatilla Army Depot, Umatilla, OR.
Watervliet Arsenal, Watervliet, NY.

NAVY

Depot-level distribution and maintenance of mission-essential, materiel at the following activities:

Naval Air Rework Facility, Alameda, CA.
Naval Air Rework Facility, Cherry Point, NC.
Naval Air Rework Facility, Jacksonville, FL.
Naval Air Rework Facility, Norfolk, VA.
Naval Air Rework Facility, Pensacola, FL.
Naval Air Rework Facility, North Island, San Diego, CA.
Naval Aviation Supply Office, Philadelphia, PA.
Naval Construction Battalion Center, Davisville, RI.
Naval Construction Battalion Center, Gulfport, MS.
Naval Construction Battalion Center, Port Hueneme, CA.
Naval Electronics Systems Engineering Center, San Diego, CA.
Naval Ordance Station, Indian Head, MD.
Naval Ordance Station, Louisville, KY.
Naval Shipyard, Charleston, SC.
Naval Shipyard, Norfolk, VA.
Naval Shipyard, Long Beach, CA.
Naval Shipyard, Mare Island, CA.
Naval Shipyard, Philadelphia, PA.
Naval Shipyard, Portsmouth, Kittery, ME.
Naval Shipyard, Pearl Harbor, HI.
Naval Shipyard, Puget Sound, Bremerton, WA.
Naval Ship Repair Facility, Guam.
Naval Supply Center, Charleston, SC.
Naval Supply Center, Jacksonville, FL.
Naval Supply Center, Norfolk, VA.
Naval Supply Center, Oakland, CA.
Naval Supply Center, Pearl Harbor, HI.
Naval Supply Center, Puget Sound, Bremerton, WA.
Naval Supply Center, San Diego, CA.
Naval Undersea Warfare Engineering Station, Keyport, WA.
Naval Weapons Station, Charleston, SC.
Naval Weapons Station, Colts Neck, Earle NJ.
Naval Weapons Station, Concord, CA.
Naval Weapons Station, Seal Beach, CA.
Naval Weapons Station, Yorktown, VA.
Naval Weapons Support Center, Crane, IN.
Navy Ships Parts Control Center, Mechanicsburg, PA.
TRIDENT Refit Facility, Bangor, Bremerton, WA.

MARINE CORPS

Depot-level distribution and maintenance of mission-essential materiel at the following activities:

Marine Corps Logistics Base, Albany, GA.
Marine Corps Logistics Base, Barstow, CA.

AIR FORCE

Depot-level distribution and maintenance of mission-essential materiel at the following activities and their detachment:

Aerospace Guidance and Metrology Center, Newark Air Station, OH.
Ogden Air Logistics Center, Hill Air Force Base, UT.
Oklahoma City Air Logistics Center, Tinker Air Force Base, OK.
Sacramento Air Logistics Center, McClellan Air Force Base, CA.
San Antonio Air Logistics Center, Kelly Air Force Base, TX.
Warner Robins Air Logistics Center, Robins Air Force Base, GA.

DEFENSE LOGISTICS AGENCY

Depot-level distribution and maintenance of mission-essential equipment at the following activities:

Defense Construction Supply Center, Columbus, OH.
Defense Depot Mechanicsburg, Mechanicsburg, PA.
Defense Depot Memphis, Memphis, TN.
Defense Depot Ogden, Ogden, UT.
Defense Depot Tracey, Tracey, CA.
Defense Electronics Supply Center, Dayton, OH.
Defense Fuel Supply Center, Alexandria, VA.
Defense General Supply Center, Richmond, VA.
Defense Industrial Plant Equipment Center, Memphis, TN.
Defense Industrial Supply Center, Philadelphia, PA.
Defense Logistics Service Center, Battle Creek, MI.
Defense Personnel Support Center, Philadelphia, PA.
Defense Subsistence Office, Bayonne, NJ.
Directorate of IPE Operations: Stockton, CA; Columbus, OH; Mechanicsburg, PA.

DEFENSE MAPPING AGENCY

Depot-level distribution and maintenance of mission-essential materiel at the following activities:

Aerospace Center, Kansas City Field Office, Kansas City, MO.
Aerospace Center, St Louis AFS, MO.
Hydrographic/Topographic Center, Brookmont, MD.
Hydrographic/Topographic Center, Field Office Department, Louisville, KY.
Hydrographic/Topographic Center, Field Office Department, Providence, RI.
Hydrographic/Topographic Center, Field Office Department, San Antonio, TX.
Office of Distribution Services, Brookmont, MD.
Office of Distribution Services, Clearfield, UT.
Office of Distribution Services, Philadelphia, PA.

HOUSE OF REPRESENTATIVES,
Washington, DC, May 14, 1985.

Hon. CASPAR W. WEINBERGER,
Secretary of Defense,
The Pentagon,
Washington, DC.

DEAR MR. SECRETARY: As you are aware, on March 29, 1985, the Department of Defense (DOD) submitted a report on core logistics functions pursuant to section 307 of the Defense Authorization Act, 1985 (P.L. 98-525). After carefully reviewing that report, I regret to say that I find it nonresponsive and inconsistent with the intent of Section 307, if not the actual letter of the law.

I do not make such a statement lightly and I believe a brief review of the background of Section 307 will help explain how I came to that conclusion.

Since the resurgence of contracting-out efforts within DoD in the late 1970's, I have been attempting to get a clear definition of the scope of that program. For at least the past four years I have been told on numerous occasions that there were certain critical Defense jobs performed by civilians that would not be subject to cost studies in accordance with Office of Management and Budget (OMB) Circular A-76. Repeatedly, DoD and service witnesses told me that certain readiness-related civilian jobs would not be contracted out. Ironically, every time I asked for a specific list of these jobs nobody could provide it.

Consequently, I was extremely interested when I learned last year that the Navy Material Command was engaged in a study to identify core logistics functions at shipyards, air rework facilities, and ordnance depots. According to Navy briefers, those functions identified as core logistic would not be subject to future A-76 reviews. Subsequently, I learned that similar efforts were underway by the Army and Air Force.

The point I want to make is that the concept of core logistics functions did not originate on Capitol Hill. It was being developed and refined on the basis of a careful and comprehensive effort within DoD to identify specific mission essential jobs at depots, shipyards, and arsenals. Consequently, there can be little doubt that DoD policymakers were aware of these core legistics reviews and their significance.

Therefore, Section 307 represented an effort on my part to take advantage of ongoing core logistics studies and at the same time get from the Department a partial list of readiness related jobs that were to be exempted from A-76 review. What I was seeking to do was to ask the Department to accelerate these studies, refine them, and provide Congress with a list of the jobs exempted under core logistics criteria.

It should also be clear that it was never my intent to dictate which jobs were to be on such a list. In fact, my only expectation was that core logistics jobs would roughly correspond to those associated with mission functions at industrially-funded activities. Furthermore, I recognize that mission requirements change over time necessitating changes in core logistics criteria. Accordingly, Section 307 contained a waiver provision permitting the Secretary of Defense to take a function off the core logistics list after a hold and wait period following notification of Congress.

In sum, Section 307 does not force the Secretary of Defense to include any specific job on the core logistics list and provides him with a way of taking any job off the list should changing circumstances require it. It was and is nothing more than a modest effort to identify readiness related jobs which DoD and OMB witnesses repeatedly told the Congress would not be contracted out.

It is within this context that I find the Department's response so difficult to understand. The first thing we are told is that Congress did not know what it was asking for when it enacted this provision. Instead of a listing of core logistics jobs or functions, the Department tells us we are asking for a listing of depots, arsenals, shipyards, and the like. This interpretation of Section 307 is the most remarkable assertion I have come across during my entire career in Congress. It would be ludicrous if it were not also insulting. If I had wanted such a list, I would not have sponsored legislation to get it. I could have gotten such a list from a number of DoD publications in my own office.

Even the most cursory examination of the legislative record would have indicated beyond any reasonable doubt that the intent of Section 307 was to have the Department provide Congress with a listing of jobs, or functions, or some other categorization involving workers at industrial funded activities. Furthermore, everyone involved in the legislative consideration of this provision knew that to be the case. Finally, two of the three options reviewed by the Deputy Secretary of Defense recognized this fact.

The second finding of the report is that there are no readiness related core logistics jobs in the Department of Defense. it would appear that earlier DoD and OMB witnesses were mistaken when they repeatedly assured me to the contrary. According to the report, core logistics at the listed depots, shipyards, and arsenals only relates the real estate, physical plant, equipment and management personnel. The rest of the workforce will be subject to A-76 review and contracting out.

I find it difficult to believe that the Department would adopt a policy that places the relative value and contribution of the civilian workforce below real estate, materials, and management. Not only is this one of the most disturbing and insensitive policy statements I have heard in years, it is clearly inconsistent with my views and those of many of my colleagues. More importantly, it appears to be at odds with the attitude of civilian and military managers in the field. I have seen the listings of core logistics functions they have prepared and they do not seem to have any doubts about what should be covered by that criteria. Finally, two of the three options presented to the Deputy Secretary of Defense recognized that the civilian workforce qualified as core logistic assets.

Mr. Secretary, I realize that reasonable men can differ about nuance and detail relating to various policy issues. And I recognize that we can disagree about the utility or desirability of certain courses of action. However, it is incomprehensible to me how the Department could interpret Section 307 in a fashion that is clearly inconsistent with its intent or the legislative record.

Furthermore, I must say that I am deeply disappointed by the legal hair splitting and twisted reasoning contained in this report. It is just not in keeping with the kind of positive working relationship the members of this committee have had with the Department of Defense. It if had been a case of misunderstanding, that would be something else. However, since no effort was made to seek clarification on Section 307, I have to view the entire affair as a conscious effort to circumvent the will of Congress. Over the past 18 years I have been one of the DoD's strongest supporters and until now, I would not have believed it possible for the Department to act in such an arbitrary fashion.

Mr. Secretary, I have tried to be patient in attempting to resolve this matter. I have met repeatedly with those responsible with this report. Although our discussions have been constructive and assurances have been given that the core logistics situation would be reviewed, I have not been advised of the outcome of this reassessment. I must say that my patience is nearly exhausted.

Equally important, the legislative schedule forces me to review my options for remedial action should the Department determine it is unable to modify its position. Given the difficult circumstances surrounding the Defense budget this year, I do this with great reluctance. There are a number of vital issues that need to be carefully addressed without having to expend the time and effort to revisit last year's decisions. nevertheless, I feel obliged to do so due to importance of the matter and the larger issue of compliance with congressional guidance.

Mr. Secretary, I was hoping I would not have to raise this matter with you in this fashion. We have had a good working relationship and I think we can discuss issues openly and frankly. Consequently, I felt it was only fair to express my concerns on this matter in the hopes that it can be quickly resolved in a fashion that is mutually satisfactory and consistent with the intent of Section 307.

With continued best wishes, I remain
Sincerely,

BILL NICHOLS,
Member of Congress.

THE SECRETARY OF DEFENSE,
Washington, DC, May 24, 1985.

Hon. BILL NICHOLS,
House of Representatives,
Washington, DC.

DEAR CONGRESSMAN: This is in response to your letter of May 14, 1985 concerning the report on core logistics we submitted to Congress on March 29, 1985. I have reviewed the matter thoroughly with Deputy Secretary Taft and Dr. Korb.

Your letter addresses an issue of paramount concern to me: the readiness and sustainability of our armed forces. As you noted, the Defense budget faces difficult circumstances this year, and I am sure you will agree that the adequacy of future Defense budgets is also clouded. Our decision on core logistics was not made lightly, and was not in any manner an effort to circumvent the intent of Congress.

The issues involved are basic: (1) our need to maintain flexibility to allocate resources in such a way as to enhance the overall readiness of our armed forces; and (2) whether we can rely on private contractors to perform essential work at defense installations.

First, the Department must have the maximum flexibility in the allocation of resources to ensure the best possible national defense for the dollar. To fence off a significant segment of those resources from management review would not serve to enhance readiness but would detract from it.

Second, the Department and the Nation depend on private contractors to build our weapon systems and equipment. We rely on private contractors to operate many of our existing government managed depot-level facilities. Private contractors have served the Nation ably in past conflicts, even overseas and in hostile areas, and I am confident that we can depend on them in the future. They employ the same loyal, patriotic U.S. citizen we do.

In a very real sense, every employee of the Department, be they military or civilian, contributes to the readiness and sustainability of our armed forces. All of our commanders value their civilian work force, not only those who work in the logistics area. It would be difficult, if not impossible, to rank these employees in order of importance. The previous Congressional testimony you mentioned in your letter attests to the value we place on our employees. We also value contractor employees; not only those who work in our depots, but also those who provide the many services our installations need to be the platform for our armed forces.

I hope that this has helped explain our position and how we arrived at it. I know you've been a strong supporter of Defense for many years and in that spirit I ask your support for the flexibility that is so important to obtain the best national defense for the dollar.

Sincerely,

CAP.

DEPARTMENT OF THE ARMY,
Alexandria, VA, January 22, 1985.

Lt. Gen. BENJAMIN F. REGISTER, Jr.,
Deputy Chief of Staff for Logistics, Department of the Army, Washington, DC.

DEAR GENERAL REGISTER: This responds to your letter on Core Logistics Activities which Major General Russo signed out in your behalf on December 16, 1984.

Forwarded under separate cover, this command submitted a comprehensive depot mission package that traces the development of specific numerical data and that provided the rationale and methodology employed in the computational process. I request your support for these packages and believe that it is important that they be forwarded through COA to the ASA(IL) for approval.

The information attached hereto provides the data requested by your December 16 letter. The approach that drives our thinking in preparing these enclosures is consistent with the premise contained in your letter—that the core should be identified in terms of the functions that must be retained in-house to provide an acceptable mobilization base. We have expanded on that premise by including the concept of essentiality to readiness as an additional characteristic of core functions. These criteria were considered after governmental and national defense functions were filtered out.

While considering the identification of core logistic functions within this command, it has become apparent that logistic functions performed by other Army organizations which directly contributed to mission performance by AMC must also be included in the Army's logistic core. The heavy maintenance effort at Fort Hood, Texas, is an example of such logistic function. Request that the logistic core identified to the Office Assistant Secretary of Defense (Manpower, Installations and Logistics) include such functions.

Sincerely,

RICHARD H. THOMPSON,
General, U.S. Army Commander.

Enclosures.

Activity/installation and function GFA code	Facilities core		Equipment core		Personnel core		Justification
	Yes	No	Yes	No	Yes	No	
Watervliet Arsenal:							
Depot supply opns. (T801A, C, D, E, F, H, T999)	X		X		X		Mob essential. Read essential.
Manufacturing (X931)	X		X		X		Mob essential.
ADP Support (W824)	X		X		X		Nonseparable.
Rock Island Aresenal:							
Depot supply opns. (T801A, C, D, F, G, T999)	X		X		X		Mob essential. Read essential.
Manufacturing (X931)	X		X		X		Mob essential.
Crane AAP:							
Depot supply opns. (T801A, C, D, G, T999)	X		X		X		Mob essential.
Manufacturing (X931)	X		X		X		Mob essential.
ADP support (W824)	X		X		X		Nonseparable.
McAlester AAP:							
Depot supply opns. (T801A, C, D, G, T999)	X		X		X		Mob essential.
Manufacturing (X931)	X		X		X		Mob essential.
ADP support (W824)	X		X		X		Nonseparable.
Anniston:							
General suply dist. (T801A, C, D, E, F, H)	X		X		X		Mob essential. Read essential.
Ammunition dist. (T801A, C, D, E, H, K533, K550)	X		X		X		Mob essential.
Maintenance (K531, K533, K535, K540, K999)	X		X		X		Mob essential. Read essential.
ADP support (W824)	X		X		X		Nonseparable.
Lexington-Blue Grass:							
General supply dist. (T801A, C, D, E, F, H)	X		X		X		Mob essential read.
Ammunition dist. (T801A, C, D, E, F, H, T999, K533, K540)	X		X		X		Mob essential.
Maintenance (K537, K540)	X		X		X		Mob essential. Read essential.
ADP support (W824)	X		X		X		Nonseparable.
Corpus Christi:							
General supply dist. (T801A, C, D, E, F, H)	X		X		X		Mob essential. Read essential.
Maintenance (K531, K532, K541)	X		X		X		Mob essential. Read essential.
ADP support (W824)	X		X		X		Nonseparable.
Letterkenny:							
General supply dist. (T801A, C, D, E, F, H)	X		X		X		Mob essential. Read essential.
Ammunition dist. (T801A, C, D, E, F, H, T999, K533, K540)	X		X		X		Mob essential.
Maintenance (K531, K533, K535, K536, K539, K540, K547)	X		X		X		Mob essential. Read essential.
ADP support (W824)	X		X		X		Nonseparable.
Savanna:							
Ammunition dist. (T801A, D, E, H, T999, X931, K540)	X		X		X		Mob essential.
ADP support (W824)	X		X		X		Nonseparable.
New Cumberland:							
General supply dist. (T801A, C, D, E, F, H, T999)	X		X		X		Mob essential. Read essential.
ADP support (W824)	X		X		X		Nonseparable.
Red River:							
General supply dist. (T801A, C, D, E, F, H)	X		X		X		Mob essential. Read essential.
Ammunition dist. (T801A, C, D, E, F, H, T999, K533, K540)	X		X		X		Mob essential.
Maintenance (K531, K533, K535, K536, K540, K999)	X		X		X		Mob essential. Read essential.
ADP support (W824)	X		X		X		Nonseparable.
Sacramento:							
General supply dist. (801A, C, D, E, F, H, T999)	X		X		X		Mob essential. Read essential.
Maintenance (K531, K533, K534, K535, K999, K537, K540)	X		X		X		Mob essential. Read essential.
ADP support (W824)	X		X		X		Nonseparable.
Seneca:							
Ammunition dist. (T801A, C, D, E, F, H, T999, K533, K540)	X		X		X		Mob essential.
Maintenance (K540, K541)	X		X		X		Mob essential.
ADP support (W824)	X		X		X		Nonseparable.
Sharpe:							
General supply dist. (T801A, C, D, E, F, H, T999)	X		X		X		Mob essential. Read essential.
ADP support (W824)	X		X		X		Nonseparable.
Sierra:							
Ammunition dist. (T801, K540)	X		X		X		Mob essential.

Activity/installation and function GFA code	Facilities core		Equipment core		Personnel core		Justification
	Yes	No	Yes	No	Yes	No	
ADP support (W824)	X		X		X		Nonseparable.
Tobyhanna:							
General supply dist. (T801A, C, D, E, F, H)	X		X		X		Mob essential. Read essential.
Maintenance (K537, K999)	X		X		X		Mob essential. Read essential.
ADP support (W824)	X		X		X		Nonseparable.
Tooele:							
General supply dist. (T801A, C, D, E, F, G, H, T812, T999, K533, K540)	X		X		X		Mob essential. Read essential.
Ammunition dist. (T801A, C, D, E, G, G, H, T812, T999, K533, K540)	X		X		X		Mob essential.
Maintenance (K531, K533, K535, K536, K537, K538, K539, K540, K541, K999)	X		X		X		Mob essential. Read essential.
ADP support (W824)	X		X		X		Nonseparable.
Ft. Wingate:							
Ammunition dist. (T801A, C, D, G, H, K539, K540)	X		X		X		Mob essential.
ADP support (W824)	X		X		X		Nonseparable.
Pueblo:							
General supply dist. (T801A, C, D, E, F, G, T812, T999)	X		X		X		Mob essential. Read essential.
Ammunition dist. (T801A, C, D, E, G, H, T812, T999, K533, K540)	X		X		X		Mob essential.
Maintenance (K533, K536, K539, K540)	X		X		X		Mob essential. Read essential.
ADP support (W824)	X		X		X		Nonseparable.
Umatilla:							
Ammunition dist. (T801A, C, D, G, H, T812, T999, K540)	X		X		X		Mob essential.
ADP support (W824)	X		X		X		Nonseparable

DEPARTMENT OF THE ARMY,
OFFICE OF THE ASSISTANT SECRETARY,
Washington, DC, March 8, 1985.

Memorandum for the Assistant Secretary of Defense (Manpower, Installations and Logistics).

Subject: Core Logistics Activities—Information Memorandum.

This is in response to your memorandum of 20 November 1984, (Tab B), requesting an identification of Army core logistics functions for your consideration in responding to a Congressional request.

We have surveyed the Army's logistic structure using the criteria provided in your memorandum and section 307 of the FY 85 Defense Authorization Act. We have excluded from our survey those activities which are deemed governmental in nature.

In compliance with DoD guidance, our organic depot maintenance peacetime physical capacity is planned to accomplish no more than 70 percent of the gross mission essential depot maintenance work load requirements. At least 30 percent of the gross work load requirements are decided on the basis of economy and timely availability of commercial sources and the need to maintain a commercial industrial mobilization base. DA policy is to work load depots at one shift, 8 hours per day, 5 days per week at 85 percent capacity. Our depot maintenance decision tree process is used to make these organic contract decisions about individual work loads that support or implement the posture that has been planned. The posture planning process determines the high surge and low surge work load mix at each major AMC depot activity to assure wartime accomplishment of mobilization depot work load requirements. The process quantifies the minimum peacetime base of facilities, equipment, and personnel required in the outset of mobilization.

We consider the definition of core logistics as stated by the Joint Logistics Commanders, 8 December 1982, to be valid. Core logistics is the ready source of technical competence and resources required by the Army to provide materiel support to the operational forces.

The logistics core is composed of processes that:

Are essential to the success of war or contingency operations.

Provide direct materiel support to combat forces worldwide or directly support the deployment of combat forces in wartime or contingency situations.

Must be maintained without interruption to assure the peacetime readiness and wartime sustainability of combat forces.

Must be in-house to assure continuity, flexibility, and responsiveness.

Are subject to unacceptable risk of disruption under contract performance.

Are expected to have sizable or unpredictable surges in wartime or contingency situations.

Attached at Tab A are the wholesale level supply and maintenance activities, with their associated ADP support, which constitute Army core logistics activities.

I am available to discuss this matter in greater detail if you wish.

Enclosures.

———— ————.

	Facilities core		Equipment core		Personnel core	
	Yes	No	Yes	No	Yes	No
Maintenance:						
(K531) Aircraft	X		X		X	
(K532) Aircraft Engines	X		X		X	
(K533) Missiles	X		X		X	
(K534) Vessels	X		X		X	
(K535) Combat vehicles	X		X		X	
(K536) Non-Combat Vehicles	X		X		X	
(K537) Electronic & Communication Equipment	X		X		X	
(K538) Railway Equipment	X		X		X	
(K539) Special Equipment	X		X		X	
(K540) Armament	X		X		X	
(K541) Industrial Plant Equipment	X		X		X	
(K547) Other TMOE	X		X		X	
(K999) Other Repair, Maintenance, Modification, Alteration and Rebuilding of Equipment	X		X		X	
Depot supply operations [1]:						
(T801) Storage and Warehousing	X		X		X	
(T801A) Receipt	X		X		X	
(T801C) Shipping	X		X		X	
(T801D) Care Re-warehousing and Support of Materiel	X		X		X	
(T801E) Preservation and Packaging	X		X		X	
(T801F) Unit and Set Assembly and Disassembly	X		X		X	
(T801G) Special Processing of non-stock	X		X		X	
(T801H) Packaging and Crating	X		X		X	
(T812) Rail Transportation Services	X		X		X	
(T999) Other Nonmanufacturing Operations	X		X		X	
(X931) Ordnance equipment	X		X		X	
ADP support:						
(W824) Data Processing Services [2]	X		X		X	

[1] Depot Supply Operations includes ammunition function.
[2] Air services in support of those wholesale maintenance and supply functions/activities identified as core.

OFFICE OF THE ASSISTANT
SECRETARY OF DEFENSE,
Washington, DC, March 18, 1985.

Memorandum for the Assistant Secretary of the Army (I&L), Assistant Secretary of the Navy (S&L), Assistant Secretary of the Air Force (RD&L), Director, Defense Logistics Agency, Director, Defense Mapping Agency.

Subject: Core Logistics Activities.

I have reviewed the lists of core logistics activities you submitted in response to Mr. Calhoun's memorandum of November 20, 1984.

Attached is the draft of the report for Mr. Weinberger to send to Congress.

The report complies with the law by describing the logistics activities and the type of work that should be considered "core." I have deleted activities from your submission if they did not meet the definitions specified in Mr. Calhoun's letter or if they had previously been announced to Congress for A-76 competition. Failure to clear this core logistics test does not preclude an activity from being exempted from A-76 competition for other national defense reasons.

If I do not receive your comments by COB March 21, 1985, I will assume you concur with the report.

DOUG FARBROTHER,
(Acting for Robert A. Stone,
Deputy Assistant Secretary of Defense (Installations)).

DEPARTMENT OF DEFENSE CORE LOGISTICS ACTIVITIES

The wholesale production supply and maintenance of mission essential materiel and the association and support at the following activities are needed by the Department of Defense to maintain a logistics capability (including personnel, equipment, and facilities) to ensure a ready and controlled source of technical competence and resources necessary to ensure effective and timely response to a mobilization, national defense contingency situation, and other emergency requirements, unless:

A particular function at an activity has already been announced to Congress for OMB Circular A-76 cost comparison; except for data processing ammunition services as defined above.

A particular function at an activity is already being performed by contract.

Definitions: Materiel. Materiel consists of all tangible items (including ships, tanks, self-propelled weapons, aircraft, etc., and related spares, repair parts and support equipment; but excluding real property, installa-

tions, and utilities) necessary to equip, operate, maintain, and support military activities without distinction as to its application for administrative or combat purposes.

Mission-Essential Materiel. That materiel which is authorized and available to combat, combat support, combat service support, and combat readiness training forces to accomplish their assigned mission.

ARMY

Activities

Anniston Army Depot, Anniston, AL.
Corpus Christi Army Depot, Corpus Christi, TX.
Crane Army Ammunition Activity, Crane, IN.
Fort Wingate Depot Activity, Wingate, NM.
Letterkenny Army Depot, Letterkenny, PA.
Lexington Blue Grass Depot Activity, Lexington, KY.
McAlester Army Ammunition Plant, McAlester, OK.
Navajo Army Depot Activity, Flagstaff, AZ.
New Cumberland Navajo Army Depot, New Cumberland, PA.
Pine Bluff Arsenal, Pine Bluff, AR.
Pueblo Depot Activity, Pueblo, CO.
Red River Army Depot, Texarkana, TX.
Rock Island Arsenal, Rock Island, IL.
Sacramento Army Depot, Sacramento, CA.
Savanna Depot Activity, Savanna, IL.
Seneca Army Depot, Seneca, NY.
Sharpe Army Depot, Sharpe, CA.
Sierra Army Depot, Hurlong, CA.
Tobyhanna Army Depot, Tobyhanna, PA.
Tooele Army Depot, Tooele, UT.
Umatilla Depot Activity, Umatilla, OR.
Watervliet Arsenal, Watervliet, NY.

NAVY

Naval Air Rework Facility, Alameda, CA.
Naval Air Rework Facility, Cherry Point, NC.
Naval Air Rework Facility, Jacksonville, FL.
Naval Air Rework Facility, Norfolk, VA.
Naval Air Rework Facility, Pensacola, FL.
Naval Air Rework Facility, North Island, San Diego, CA.
Naval Aviation Supply Office, Philadelphia, PA.
Naval Construction Battalion Center, Gulfport, MS.
Naval Ordnance Station, Indian Head, MD.
Naval Ordnance Station, Louisville, KY.
Naval Shipyard, Charleston, SC.
Naval Shipyard, Norfolk, VA.
Naval Shipyard, Long Beach, CA.
Naval Shipyard, Philadelphia, PA.
Naval Shipyard, Portsmouth, Kittery, ME.
Naval Shipyard, Pearl Harbor, HI.
Naval Shipyard, Puget Bound, Bremerton WA.
Naval Ship Repair Facility, Guam
Naval Supply Center, Charleston, SC.
Naval Supply Center, Jacksonville, FL.
Naval Supply Center, Norfolk, VA.
Naval Supply Center, Oakland, CA.
Naval Supply Center, Pearl Harbor, HI.
Naval Supply Center, Puget Sound, Bremerton, WA.
Naval Supply Center, San Diego, CA.
Naval Undersea Warfare Engineering Station, Keyport, WA.
Naval Weapons Station, Charleston, SC.
Naval Weapons Station, Colts Neck, Earle, NJ.
Naval Weapons Station, Concord, CA.
Naval Weapons Station, Seal Beach, CA.
Naval Weapons Station, Yorktown, VA.
Naval Weapons Station Center, Crane, IN.
Navy Ships Parts Control Center, Mechanicsburg, PA.
Trident Refit Facility, Bangor, Bremerton, WA.

MARINE CORPS

Marine Corps Logistics Base, Albany, CA.
Marine Corps Logistics Base, Barstow, CA.

AIR FORCE

Aerospace Guidance and Metrology Center, Newark Air Force Station, OH.
Ogden Air Logistics Center, Hill Air Force Base, UT.
Oklahoma City Air Logistics Center, Tinker Air Force Base CA.
Sacramento Air Logistics Center, McClellan Air Force Base, CA.
San Antonio Air Logistics Center, Kelly Air Force Base, TX.
Warner Robins Air Logistics Center, Robins Air Force Base, GA.

DEFENSE LOGISTICS AGENCY

Defense Construction Support Center, Columbus, OH.
Defense Depot, Mechanicsburg, Mechanicsburg, PA.
Defense Depot, Memphis, Memphis, TN.
Defense Depot, Ogden, Ogden, UT.
Defense Depot, Tracy, Tracy, CA.
Defense Electronics Support Center, Dayton, OH.
Defense General Supply Center, Richmond, VA.
Defense Industrial Plant Equipment Center, Memphis, TN.
Defense Logistics Service Center, Battle Creek, MI.
Defense Subsistence Office, Bayonne, NJ.

DEFENSE MAPPING AGENCY

Aerospace Center, Kansas City Field Office, Kansas City, MO.
Aerospace Center, St. Louis AFS, MO.
Hydrographic/Topographic Center, Brookmont, MD.
Hydrographic/Topographic Center, Geodesy and Surveys Department, Field Office Department, Louisville, KY.
Hydrographic/Topographic Center, Geodesy and Surveys Department, Field Office Department, Providence, RI.
Hydrographic/Topographic Center, Geodesy and Surveys Department, Field Office Department, San Antonio, TX.
Hydrographic/Topographic Center, Geodetic Survey Squadron, Cheyenne, WY.
Hydrographic/Topographic Center, Scientific Data Department, Omaha, NE.
Office of Distribution Services, Brookmont, MD.
Office of Distribution Services, Clearfield, PA.

DEPARTMENT OF THE ARMY,
OFFICE OF THE DEPUTY CHIEF OF STAFF FOR LOGISTICS,
Washington, DC, March 22, 1985.

MEMORANDUM THRU DEPUTY CHIEF OF STAFF FOR LOGISTICS, JAMES A. MCDONALD, LTC, SG, ADA FOR ASSISTANT SECRETARY OF THE ARMY (INSTALLATIONS AND LOGISTICS)

Subject: Core Logistics Activities—Action Memorandum

1. Purpose: To obtain approval of a memorandum to the Assistant Secretary of Defense (Installations) (Tab A) in response to his memorandum of 18 March 1985 (Tab B), requesting Army comments on the draft report for Mr. Weinberger to send to Congress.

2. Discussion:

a. We have reviewed the draft OSD report and concluded that it does not accurately portray the Army position.

b. The proposed memorandum setting forth the Army response has been coordinated with the Vice Chief of Staff, Army and the Under Secretary of the Army.

3. Recommendation: That the memorandum at Tab A be approved.

HENRY G. SKEEN,
MAJOR GENERAL, GS,
Director of Supply and Maintenance.

DEPARTMENT OF THE ARMY,
OFFICE OF THE ASSISTANT SECRETARY,
Washington, DC, March 22, 1985.

MEMORANDUM FOR THE DEPUTY ASSISTANT SECRETARY OF DEFENSE (INSTALLATIONS)

Subject: Core Logistics Activities—Information memorandum

This is in response to your 18 March 1985 memorandum requesting comments on the draft report for Mr. Weinberger to send to Congress.

There are some serious deficiencies in the draft memorandum; for example, the Army does not agree with listing activities by location. The Army's position is that an in-house logistics capability, performed by Government and contractor employees, must be maintained. In meeting the required workloads, the work must be performed in the most cost effective manner. We intend to have a prudent mix of the work performed by Government personnel and by contractor personnel. We cannot preclude using contractor personnel to perform that work when it makes sense and is most cost effective. We intend to use government employees where cost effective.

The attachment to the draft memorandum does not adequately describe core logistics activities, nor does it adequately describe the things that are excluded from OMB Circular A-76. As presently written, an interpretation can be made that the total wholesale supply and maintenance activities performed at these geographic locations are excluded. This was never the intention of the Army.

You could also conclude that we would be excluding from the private sector many things that are now under contract. This also was not our intention. The Army's position basically is that we should use the commercial sector wherever and whenever it is economically and efficient to do so. While we recognize that we must retain a core capability, that core capability can be a government owned contractor operated (GOCO), government owned government operated (GOGO), or contractor owned contractor operated (COCO) facility. We agree with the definition of core logistics as stated in the law: "It is essential for the national defense that Department of Defense activities maintain a logistics capability (including personnel, equipment, and facilities) to ensure a ready and controlled source of technical competence and resources necessary to ensure effective and timely response to a mobilization, national defense contingency situations, and other emergency requirements." Efficiency and effectiveness will be the determining factors for selecting GOCO, GOGO, or COCO as the method of accomplishing core functions. A key criteria in these decisions will be depot workloading at one shift, eight hours per day, five days per week at 85 percent capacity (1-8-5 at 85%).

Should you determine that a list of activities must be submitted to the Congress, you should include the activities listed in the attachment. We believe that the list should be limited to depot wholesale level mainte-

nance of equipment necessary to perform our wartime mission and have so restricted our listing. We intend to maintain an in-house maintenance capability and a commercial-industrial base.

Attached is our recommended version of your draft memorandum to the Chairman, House Armed Services Committee.

Sincerely,

JOHN W. SHANNON,
Assistant Secretary of the Army, Installations and Logistics.

The CHAIRMAN,
House Armed Services Committee. House of Representatives, Washington, DC.

DEAR MR. CHAIRMAN: Section 307 of Public Law 98-525 requires that I report to the Committees on Armed Services those logistics activities necessary to maintain "a logistics capability . . . to ensure effective and timely response to a mobilization, national defense contingency situations, and other emergency requirements." The report is attached.

It is the policy of the Department of Defense to maintain an in-house capability, performed by both government and contractor personnel, to meet the peace-time requirements for wholesale maintenance. It is also necessary to maintain a commercial-industrial base to perform the same type work. Only in this manner can we conserve resources now and insure the ability to provide the technical competence to expand rapidly in both Government and commercial facilities during mobilization and national emergencies. In meeting the required maintenance workloads, we intend to perform the work in the most cost effective manner. This has been our policy and I intend to continue it.

I remain committed to energetic pursuant of A-76 Program goals when it makes sense. A-76 competitions save 29 percent of the original cost of doing business without harming, and often enhancing, our ability to execute our mission. Our managers must be able to optimize both effectiveness and efficiency and not be locked into decisions that would cause us to waste scarce Defense resources.

A similar letter has been sent to the Chairman of the Senate Armed Services Committee.

DEPARTMENT OF DEFENSE CORE LOGISTICS ACTIVITIES

It is essential for the national defense that Department of Defense activities maintain a wholesale maintenance of mission essential materiel capability (including personnel, equipment, and facilities) to ensure a ready and controlled source of technical competence and resources necessary to ensure effective and timely response to a mobilization, national defense contingency situations, and other emergency situations.

This capability can be achieved through use of prudent levels of government owned, contractor operated (GOCO), government owned, government operated (GOGO), and contractor owned, contractor operated (COCO) facilities, or a combination of the three activities. The allocation of materiel maintenance to any of these activities must be made on a case by case basis considering the relative cost effectiveness and Government and commercial-industrial bases. The following facilities are considered to be the core capability necessary to meet the logistical needs of the Department.

DEFINITIONS

Materiel. Materiel consists of all tangible items (including ships, tanks, self-propelled weapons, aircraft, etc., and related spares, repair parts and support equipment) necessary to equip, operate, maintain, and support military activities without distinction as to its application for administrative or combat purposes.

Mission-Essential Materiel. That materiel which is authorized and available to combat, combat support, and combat service support forces to accomplish their assigned missions.

ACTIVITIES—ARMY

Anniston Army Depot, Anniston, AL.

Corpus Christi Army Depot, Corpus Christi, TX.

Letterkenny Army Depot, Chambersburg, PA.

Lexington-Blue Grass Army Depot, Lexington, KY.

Red River Army Depot, Texarkana, TX.

Sacramento Army Depot, Sacramento, CA.

Tobyhanna Army Depot, Tobyhanna, PA.

Tooele Army Depot, Tooele, UT.

DEPARTMENT OF THE NAVY,
Washington, DC, March 20, 1984.

MEMORANDUM FOR THE CHIEF OF NAVAL OPERATIONS

Subject: Commercial Activities (CA) Program Cost Study Exemption Criteria for Naval Air Rework Facility (NAVAIREWORKFAC) Depot Maintenance Core.

You requested an exemption from the requirement to routinely review under the A-76 criteria depot maintenance functions for contracting out. I grant that exemption with the exception of the Preservation and Packaging function to ensure a ready and controlled source of technical competence and resources for depot level maintenance to meet effectively and efficiently peacetime, mobilization, and sustained combat equipment readiness requirements. While I grant the exemption you requested, I am not implying that aeronautical depot maintenance work will not be contracted out. Every year as you plan NARF workloads, decisions are made regarding work to remain in-house and work that will be done in the commercial sector. When a decision is made to contract out workload, that decision must be based on a cost/benefit study.

Further, on new start maintenance decisions, current Navy policy is to review these new workloads for depot maintenance interservicing or contract out decisions. This policy will not change. To the extent that planned workloads are to be done by the other military departments or the commercial sector, in-house Navy personnel and workload requirements will be adjusted accordingly.

In summary, while I fully concur in the need to maintain a ready source of Navy personnel to perform depot maintenance, we must ensure a reasonable balance of in-house and commercial work at the lowest possible cost.

EVERETT PYATT,
Principal Deputy, Assistant Secretary of the Navy, Shipbuilding and Logistics.

DEPARTMENT OF THE NAVY,
OFFICE OF THE CHIEF OF NAVAL OPERATIONS,
Washington, DC, Sept. 26, 1983.

MEMORANDUM FOR THE ASSISTANT SECRETARY OF THE NAVY (SHIPBUILDING AND LOGISTICS)

Subject: Commercial Activities (CA) Program Cost Study Exemption Criteria for Naval Air Rework Facility (NAVAIREWORKPAC) Depot Maintenance Core.

1. Paragraph D.4.a.(3) of reference (a) authorizes exempting from the CA cost comparison process those functions needed for a ready and controlled source of technical competence and resources for depot level maintenance to meet effectively and efficiently peacetime, mobilization, and sustained combat equipment readiness requirements. Enclosure (1) describes such functions at Navaireworkpacs.

It is requested that the Chief of Naval Operations be authorized to exempt appropriate functions at NAVAIREWORKPACs on a case-by-case basis utilizing the criteria in enclosure (1). Your signature on enclosure (2). would grant this request.

T. J. HUGHES,
Deputy Chief of Naval Operations (Logistics).

DEPARTMENT OF THE NAVY,
HEADQUARTERS NAVAL MATERIAL COMMAND,
Washington, DC, January 9, 1985.

From: Chief of Naval Material.
To: Chief of Naval Operations.
Subject: Core Logistics Activities.

1. As requested by reference (a), enclosures (1) through (5) are forwarded to identify and justify the Naval Material Command's core logistics activities. Enclosure (6) summarizes those primary mission functions, while enclosure (7) summarizes those support (non-depot) functions that we recommend for core exemption. We recommend inclusion of selected non J and K functions (depot and intermediate level repair and maintenance of equipment) as primary mission core logistics activities because these functions, at the noted activities, are so integral to the execution of the mission that exclusion would, in effect, directly jeopardize mission performance.

2. Other functions recommended as core logistics activities may, in fact, be better supported as a reclassification to inherently governmental (A100). These functions, however, are currently in the inventory as a CA function. Pending a decision to request a reclasification as inherently governmental, they are recommended for exemption as core logistics activities. The functions include:

a. R660 (RDT&E Maintenance and Support): The operation and maintenance of undersea tracking ranges, performed exclusively by NUWES Keyport, WA, provides critical direct support in the proof testing and evaluation of undersea weapons, weapons systems and components. This is considered the primary mission of this activity. Justification is contained in enclosure (4), Tab J.

b. T803 (Acceptance Testing): This function applies to critical direct combat support in the acceptance, testing and evaluation of weapons, material, and supplies for the Navy at five activities. Justification is contained in enclosure (4), Tab K.

c. T803B (Quality Evaluation): This function provides life cycle evaluation and assessment of explosive ordnance reliability,

maintainability, performance and safety at seven activities. Justification is contained in enclosure (4), Tab L.

d. T813 (Engineering and Technical Services): The specific exemption applies to fleet support engineering. It is imperative that NAVSEA establish and keep current and organic capability to operate and maintain their forward-deployed and deployable-ready platforms and weapons systems. In this regard the technical support which must be furnished physically on our combat-ready ships should be in-house military or civilian employees. Section 320.A.3.b of reference (b) (National Defense Exclusion Criteria) states that contract engineering technical services activities are subject to the policies of reference (c). Reference (c) states that contract field services shall be used only when necessary to accomplish a military mission and when the provision of services by DOD personnel is impractical. In these cases, the use of contract field services is to be limited to a period not to exceed 12 months after the components achieve self-sufficiency in the use of the new equipment. In numerous cases, this limitation is not being met because of lack of sufficient in-house capability. As a result, the Navy has had no choice but to contract out for supplementary engineering and technical services; simply to keep very complex new systems and equipments entering the fleet operating properly. To study additional contracting-out of these support functions would further violate the intent of reference (b) that the services achieve self-sufficiency in the support of their systems and equipments as early as possible. It is only by such exemption that the Navy will be able to maintain a core capability in engineering technical services for vital support of the fleet in time of peace and mobilization.

3. The recommendation to include function code T810 (Air Transportation Services) as a core logistics activity warrants specific emphasis. The air terminal functions performed at NSC Norfolk directly support a major supply pipeline to ships and aircraft at major concentration seaport areas in the Atlantic, Mediterranean, and Caribbean theaters. They also support a key CINCLANT wartime resupply mission for deployed U.S. Navy combatants in the Atlantic and Carribean areas. The risks associated with contractor controlled air terminal operations in terms of the lack of ability to respond quickly to unplanned (or unprogrammed) changes in work load in wartime or other contingencies are not acceptable. By its very nature, the contracting process constrains contingency options by defining contract requirements in terms of specific work loads and projected schedules. Material readiness and survivability depend heavily upon the Navy's flexibility to apply trained resources to meet surge and changing requirements. Operations by Government personnel provide this flexibility.

4. Additionally, the below matrix outlines primary mission and support functions within the Naval Material Command claimancy which are recommended as core logistics activities.

Command	Civ/Mil—		
	Primary mission	Support	Total
NAVAIRSYSCOM	23,148/51		23,148/51
NAVSEASYSCOM	69,805/639	2,979/0	72,784/639
NAVSUPSYSCOM	6,806/0		6,806/0
NAVFACENGCOM	1,019/5	147/0	1,166/5
Total	100,778/695	3,126/0	103,904/695

5. Questions on this request should be directed to Commander Giancola (MAT-01M11), telephone 692-3651.

R.A. MILLER,
Vice Chief of Naval Material.

NAVAL MATERIAL COMMAND PRIMARY MISSION CORE LOGISTICS ACTIVITIES

Function (description)	(Civ/Mil)—				Total
	NAVAIR	NAVSEA	NAVSUP	NAVFAC	
J503 (missiles)		318/319			318/319
J506 (non combat veh)				48/0	48/0
J507 (elect/comm eqpt)		[1] 79/0			[1] 79/0
J510 (railway eqpt)				1/1	1/1
J511 (special eqpt)				161/0	161/0
J512 (armament)		299/78			299/78
K531 (aircraft)	18,647/51	116/0			18,763/51
K532 (engines)	2,767/0				2,767/0
K533 (missiles)	222/0	369/0			591/0
K534 (vessels)		59,302/0			59,302/0
K540 (armament/ammo)		1,264/0			1,264/0
K546 (test eqpt)	611/0				611/0
K547 (qual assurance)		470/0			470/0
L548 (grd suup eqpt)	901/0				901/0
R660 (cps test range)		399/205			399/205
S716D (wt hdlg eqpt)		1,293/0			1,293/0
S717 (transp maint)				7/0	7/0
S725 (elect util)				176/0	176/0
S726 (heat util)				231/0	231/0
S727 (water util)				43/0	43/0
S728 (sewage util)				30/0	30/0
S730 (other util)				73/0	73/0
S725–730 (util ops)		1,083/0			1,083/0
T800 (ocean term ops)		1,131/37	244/0	4/0	1,379/37
T801 (storage/whse)			3,623/0	233/4	3,856/4
T802 (cataloging)				5/0	5/0
T803 (accept test)		728/0			728/0
T803B (qual eval ammo)		1,600/0			1,600/0
T805 (bulk liq stor)			238/0	7/0	245/0
T810 (air trans serv)			70/0		70/0
T813 (flt supt engr)		875/0			875/0
T999G (supply ILS exec)		31/0			31/0
W824 (data process ser)			1,091/0		1,091/0
W826 (sys design, dev/prog)			1,540/0		1,540/0
X931 (production)		427/0			427/0
Z997A (nuclear rr trk maint)		21/0			21/0
Total	23,148/51	69,805/639	6,806/0	1,019/5	100,778/695

[1] Naval Electronic Systems Engineering Center (NESEC San Diego, CA.

NAVAL MATERIAL COMMAND SUPPORT CORE LOGISTICS ACTIVITIES

Function (description)	(Civ/Mil)—				
	NAVAIR	NAVSEA	NAVSUP	NAVFAC	Total
S718 (fire protect ser)		224/0			224/0
S724B (patrol)		372/0			372/0
T801D (storage/whse)		1,573/0			1,573/0
W824 (data process)				67/0	67/0
W826 (sys design, dev/prog)				71/0	71/0
Z992 (indust fac repair)		810/0			810/0
Z998 (graving dock)				9/0	0/0
Total		2,979/0		147/0	3,126/0

DEPARTMENT OF THE NAVY,
NAVAL AIR SYSTEMS COMMAND,
Washington, DC, Dec. 27, 1984.

From: Commander, Naval Air Systems Command.
To: Chief of Naval Material (MAT-01).
Subject: Commercial Activities Program; Core Logistics Activities.
Reference: (a) CNM 1tr Ser 09/1312 of 5 Dec 84.
Enclosure: (1) NAVAIR Core Logistics Activities; (2) COMNAVAVNLOGCEN 1tr 323/4800/16228 of 30 Aug 83.

1. As requested by reference (a), enclosures (1) and (2) are forwarded to identify and justify the Naval Air Systems Command's core logistics activities. Enclosure (1) identifies the authorized positions/billets by function and activity (naval air rework facility). Direct production support integral to and not separable from direct line production is included as part of the primary mission function. Enclosure (2), previously submitted and approved in concept by the Assistant Secretary of the Navy (Installation and Logistics activities. The enclosure (2) rationale applies to each function and activity listed in enclosure (1).

A. J. DIMASCIO,
Deputy Commander.

ENCLOSURE 1.—NAVAIR CORE LOGISTICS ACTIVITIES

[Function and Navaireworkfac's authorized positions/billets] [1]

CODE and Depot level maintenance	Alameda CA		Cherry Pt NC		Jacksonville FL		Norfolk, VA		North Island, CA		Pensacola, FL		Total	
	Civilian	Military	Civilian	Military	Civilian	Military	Civilian	Military	Civilian	Military	Civilian	Military	Civilian	Military
K531—Aircraft	3,409	13	2,335	0	2,477	2	2,882	1	3,956	1	3,588	34	18,647	51
K532—Engines	340	0	565	0	435	0	862	0	565	0	0	0	2,767	0
K533—Missiles	177	0	0	0	0	0	46	0	0	0	0	0	222	0
K546—Automatic test equipment	40	0	26	0	66	0	272	0	179	0	28	0	611	0
K548—Ground support equipment	142	0	49	0	150	0	136	0	409	0	15	0	901	0
Total	4,108	13	2,975	0	3,128	2	4,197	1	5,109	1	3,631	34	23,148	51

[1] Data taken from authorized civilian/military columns of FY-84 Commercial Activities Inventory.

DEPARTMENT OF THE NAVY,
NAVAL AVIATION LOGISTICS CENTER,
Patuxent River, MD.

From: Commander, Naval Aviation Logistics Center; Patuxent River, MD 20670.
To: Chief of Naval Material, Navy Department, Washington, DC 20360.
Via: Commander, Naval Air Systems Command, Washington, DC 20361.
Subject: OMB Circular A-76 Depot Maintenance Core Exclusion.
Ref: (a) OPNAVINST 4860.6C; (b) CHNAVMAT 1tr Ser 00/0753 of 25 Jun 82; (c) COMNAVAIRSYSCOM 1tr Ser 094B of 19 Aug 82; (d) CHNAVMAT 1tr 01MIC/ALL Ser 382 of 5 Oct 82 w/endorsement; (e) NAVAVNLOGCEN 1tr Ser 2111B/4860/2438 of 1 Dec 82 w/endorsement; (f) CNO 1tr Ser 443D/3U392383 of 29 Jun 83.
Encl: (1) A-76 Decision Summary; (2) A-76 Functional Analysis.

1. Reference (a) identifies depot maintenance functions and in accordance with OMB Circular A-76 establishes a process for exempting these functions from cost study if required for national defense. Reference (b) provided guidance and requested submittal of aeronautical depot maintenance (ADM) core requirements. The response provided in reference (c) describes the ADM Combat Support Baseline Plan through which the ADM core resource base required for national defense is identified. Reference (d) requested clarification and subclassification of ADM functions, and reference (e) provided the required response in terms of functions as delineated in reference (a). Enclosures (1) and (2) are submitted to fulfill the requirements of reference (f), which requested a listing, with rationale, of CA functions which provide the core depot maintenance capability (ready and controlled source of technical competence and resources) for peacetime, mobilization, and sustained combat readiness.

2. The NAVMAT approved Baseline methodology, through which the ADM functional resource base was defined, was developed in accordance with DOD 4151.1. The Baseline process is founded upon the DoD priorities of initial readiness, mobilization surge, and wartime sustainability, the three elements required for national defense. Assumptions used in the Baseline plan are based upon current defense guidance. CNO guidance, and fleet wartime operations plans.

3. In response to reference (f), enclosure (1) provides a summary of the decision process used to review all ADM functions at the level required by reference (a). First, those direct production line functions identified by the Baseline plan as the ADM resource core essential to provide wartime readiness and mobilization surge were placed in the A-76 "K" series category; second, those functions which are in direct support and non-separable from the "K" functions and are therefore equally essential to preserving the readiness/mobilization base were identified; and third, functions considered inherently governmental in nature were placed in the A-100 category. Finally, the remaining functions were identified as candidates for A-76 cost study. Because NAVAIREWORKFACs are tenants at Host Naval Air Stations, no Base Operations Support (BOS) functions are accomplished by the NAVAIREWORKFACs; rather, all BOS support is provided by the Hose activities through extensively detailed host/tenant agreements.

4. Enclosure (2) provides analysis and rationale to support exclusion of the three categories of functions described in the preceding paragraph. Numbers provided in the enclosures are approximations of magnitude. More precise numbers will be submitted by 31 March, 1984, as requested in reference (f).

C.J. MOORE.

A-76 DECISION SUMMARY

Functions	Billets	Justification
"K" Functions	15,584	[1]
"K" Support functions	7,774	[2]
Core	23,358	
A100	1,207	[3]
NARF Nonstudiable	24,565	
A-76 Cost-Studiable	331	[4]
Total NARF population as of August 1983	24,896	

[1] Direct production line process. Readiness/mobilization base.
[2] Direct support of production line. Critical to mobilization effort, including direct support of forward deployment. Inseparable from NARF work processes. Readiness/mobilization base.
[3] Inherently governmental in nature.
[4] Does not surge in wartime. Separable from NARF work processes.

FUNCTIONAL ANALYSIS

Category and function title	NARF billets [1]	Rationale/justification
A-100:		
Command staff		Inherently governmental in nature (OPNAVINST 4860.6C, para 110).
Security management (excludes guards and police)		
Legal		
Personnel		
Public affairs		
Safety		

FUNCTIONAL ANALYSIS—Continued

Category and function title	NARF billets [1]	Rationale/justification
Education and Training (Training administration)		
Travel		
Administrative support (Forms issue and control, paycheck distribution and correspondence control).		
Management methods (Management procedures and methods development and analysis. Organizational analysis and position management. Systems policy and management).		
Finance		
Performance review (Review of policy execution and recommended corrections).		
Navy primary standards lab (A–100 exempted by CNO ltr Ser No. 43D5/391143 of 12 Mar 82).		
Receipt control		
Total (billets)	[1] 1,207	
A–76 studiable—Technical libraries	[1] 87	Not essential for national defense; separable; cost-studiable.
A–76—Visual information	7	Do.
A–76—Word processing	16	Do.
A–76—Mail and messenger	45	Do.
A–76—Guards (moratorium)	31	Do.
A–76—Custodial	35	Do.
A–76—Motor vehicle [2] Ops (Light truck)	94	Do.
A–76—Refuse collection	16	Do.
Total A–76 (billets)	331	
Cost studiable	[1] 87	
Grand total	244	
National defense—core:		
Quality and Reliability Assurance	914	National defense: Direct support of production line. Integral element of readiness/mobilization base. Contributes key personnel to field teams and other forward deployment efforts in wartime. Also—A–100: Direct interaction with production personnel. (Authorized to pull certification stamp and direct necessary corrections). Approximately 50% of total Q&RA personnel establish NARF QA policy. Investigate customer complaints and establish NARF Q&RA policy. Nonseparable: Essential work process of NARF. Safety of flight items requires 100% Q&RA verification.
NIF stores [3]	25	National defense: Manages, plans for, orders, stores and issues change kits, material and repair kits, including government furnished items. Supplies production line and feeder shops with new material, as required. Preserves and packs items ready-for-shipment. Must have this organic Core capability in place to meet mobilization surge. Inability to meet surge requirements will disrupt, constrict or paralyze production line processes. Must be retained as a "ready and controlled resource (DoDD 4151.1)." Must be able to meet sizeable and unpredictable surges in workload during wartime or contingency operations. The quantity and type of material will change radically and unpredictably in mobilization because of fluctuations in the product mix. This cannot be forecasted. It is essential that a controlled resource base be maintained for mobilization: These functions are critical parts of an assembly-line operation. Failure to perform will mean the NARFs cannot fulfill their wartime mission. Also—A–100: Direct interaction with NARF employees. Nonseparable: Essential, nonseparable work process of NARF.
Preservation and packaging [4]	191	
Production planning and control	3,356	National defense: Exercise direct control of production line. Establish workload schedules. Determine scope of rework. Correlate workload requirements to production capacity. Coordinate inductions with Fleet. Integral element of readiness/mobilization base. Provides key personnel to field teams and other forward deployment efforts in wartime. Also—A–100: Interprets and initiates planning and policy instructions. Determines program priorities. Plans and develops future and immediate material requirements and manages material in support of direct production programs. Nonseparable: Integral part of production process.
Production engineering	1,399	National defense: Direct support of—production line. Integral element of readiness/mobilization base. Provides logistics support to field teams and other forward deployed elements in wartime. Also—A–100: Provides intermediate and long-range planning. Translates policy into planning and execution. Nonseparable: Integral part of production process.
Production line equipment support	1,319	National defense: This is direct support of production line equipment and industrial machinery and excludes maintenance of plant facilities and other base operations support, which are provided by the host stations under existing host/tenant agreements. This function manufactures, repairs, modifies, adapts and installs sophisticated production line equipment, such as numerically controlled and computerized machinery. This requires precise, technical skills not readily available on a short-term basis. Performance of this function requires technical knowledge and, more importantly, specific knowledge of unique depot production equipment. This function sets up new production lines and modifies existing ones on an unspecified basis. (Long-range overhauls and renovations are handled by contracts). Must be able to provide quick response and must surge in wartime in proportion to the rest of the NARF. This is an essential element of a "ready and controlled organic resource base (DoDD 4151.1)." Also—A–100: Close, working relationship between this function and production line personnel. This function constructs special molds/equipment/devices on the spot in conjunction with verbal requirements of production personnel. Also—Nonseparable: Integral part of production process.
Tool room	170	National defense: Direct support of production line to meet frequent, unpredictable requirements. Initiates manufacture/supply of special tools, as required. Repair and calibrate all production-oriented tools including sophisticated numerically controlled and ATE tooling to support multi-functional production machinery. Determine special tooling requirements for sophisticated manufacture/repair operation. Manufacture new tools as required. Also—A–100: Direct, continuous interaction with production line personnel to meet unpredictable, urgent tool requirements. Review production job packages and determine specialized tool requirements in close cooperation with engineering/shop personnel. Initiate procurement of new tools. Nonseparable: This is not a simple receipt and control operation but an integral part of production line support, an essential work process.
Subtotal (billets), "K" Support functions	7,774	
National defense—Core:		
K–531 A—Airframes	3,443	Direct production-line function. Element of readiness/mobilization base.
K–531 B—Components	4,126	Do.
K–531 C—Modification installation	1,298	Do.
K–531 D—Aircraft support services	1,435	Do.
K–531 E—NESO/WSSD	2,658	Do.
K–531 F—Calibration	797	Do.
K–532—Engines	1,257	Do.
K–533—Missiles	58	Do.
K–546—ATE	137	Do.
K–548—GSE	355	Do.
Total "K" functions	[1] 15,584	
"K" functions	[1] 15,584	
"K" support functions	[1] 7,774	
Depot readiness/mobilization core	23,358	
A–100 functions	[1] 1,207	
Total NARF non-studiable	24,555	
A–75 studiable	331	
NARF population August 1933	24,896	

[1] Approximation based on automated skills listing. Precise numbers will be provided in March 1984 Review Sheets.
[2] Maintenance of vehicles provided by host station moter pools.
[3] This is not warehousing, which is done by the host supply operation. This is sorting and distribution of material to meet short term production requirements.
[4] This is not preservation of airframes, but preservation and packaging of component product workload.

DEPARTMENT OF THE AIR FORCE,
OFFICE OF THE ASSISTANT SECRETARY

Memorandum for AF/CVA.

Subject: Core logistics.

As mentioned in the attached Staff Summary Sheet, I have serious reservations about identifying MASDC, which we have already tried to contract once, as "core". Last week I received an hour long briefing from AFLC and the Commander, MASDC, concerning the current mission and functions at MASDC. I agree they are important. I agree that additional modernization of facilities and equipment is urgently needed at MASDC and applaud the AFLC Commander's efforts to meet these needs in the near term. I agree that we should resist contracting of MASDC until all functions of lessor priority have been contracted.

However, I cannot in good conscience place MASDC and the five ALCs in the same list as "core". It cheapens the meaning of the word "core" and, in my view, will ultimately work against us in a Hill and/or OSD environment which is less friendly than at present.

On the other hand, if the Air Staff really feels strongly about this, then I am willing for yourself or Leo Marquez to sign the proposed memo to OSD. Please provide SAFALG with a dated copy. If the reference to MASDC is deleted, I will be pleased to sign. Otherwise, it is a good document, although you should be aware that, in its present form, by agreement with my office, it does not comply with the Congressional request for specific functions and personnel spaces. The other Services are following our lead in this. It is not yet clear whether OSD will agree to our current approach.

LLOYD MOSEMANN.

DEPARTMENT OF THE AIR FORCE,
OFFICE OF THE CHIEF OF STAFF,
U.S. AIR FORCE,
Washington, DC, February 7, 1985.

Memorandum for Assistant Secretary of Defense (Manpower, Installations and Logistics).

Subject: Depot Core Logistics Activities (your memo, Nov. 20, 1984)—Information memorandum.

The attached Report of the Air Force on Depot Core Logistics Activities constitutes our response to your memorandum of November 20, 1984. We have not included functions or activities excluded from A-76 competition because they are governmental in nature. We believe the approach set forth in our response provides the Air Force the flexibility necessary to assure combat critical logistics support functions are managed and performed effectively in both peacetime and wartime.

ROBERT H. REED,
Lieutenant General, USAF,
Assistant Vice Chief of Staff.

REPORT OF THE U.S. AIR FORCE—DEPOT CORE LOGISTICS ACTIVITIES

A. PURPOSE

The purpose of this report is to provide the Air Force response to the FY85 Authorization Act (Section 307) direction to define logistics core activities, and the 20 November 1984 OSD (MI&L) tasking memo. This report will define Air Force logistics core activities, specific locations of the activities, rationale for why the activities must be retained in-house, and identify specific activities excluded from the logistics core.

B. INTRODUCTION

The Air Force supports the congressional belief that the Services need a "logistics core" to assure a ready and controlled source of technical competence and resources. The logistics core provides flexibility and military command and control that are considered essential for providing logistics support to combat forces, particularly those processes expected to have sizable or unpredictable surges in wartime or contingency situations. The risk potentials associated with contracting out core logistics processes are unacceptable for several reasons. These reasons include: (a) once the organic capability is lost, it could not be readily reconstituted if the contract was disrupted; (b) these processes would be subject to the turmoil and disruption resulting from periodic contract resolicitation; and (c) military managers would be deprived of the flexibility to adjust their resource posture to meet a variety of wartime contingencies.

C. SCOPE

1. While the Air Force is concerned about all aspects of logistics, the Air Force Logistics Command (AFLC) is directly responsible for depot level material support. Therefore, the logistics functions performed by other commands and logistics functions other than AFLC depot level are not addressed.

2. Certain functions within the Air Force are so intimately related to the public interest as to mandate performance only by federal employees. Such governmental functions are not in competition with the private sector and are only performed by government employees. These activities are excluded from cost study and potential contracting under the provisions of OMB Circular A-76. These activities are not included in accordance with the direction contained in the 20 November 1984 OSD (MI&L) memo.

3. Other activities performed by the government are deemed commercial activities, as they provide a product of service which could be obtained from a commercial source. OMB Circular A-76 authorizes the government to operate commercial activities in-house if there is no satisfactory commercial source available, in the interest of patient care, because of lower cost or for reasons of national defense. This report defines Air Force depot core logistics activities which must be exempt from cost study under the logistics core and national defense exclusion criteria.

D. DEFINITION, CRITERIA, AND COMPOSITION

1. The logistics core is the ready and controlled source of technical competence and resources required by the four services' logistics commands to provide depot level materiel support to the operational forces. This definition was approved by the Joint Logistics Commanders (JLC) in 1982 and is consistent with the language contained in Section 307 of the FY85 Authorization Act.

2. The Air Force has adopted the following definition of logistics core which is consistent with the JLC definition but is more descriptive of Air Force core processes. The Air Force depot core logistics consists of the organic resources required to manage and operate the inventory management, depot maintenance, distribution, and information systems processes required to support the combat forces of the US and its allies in military contingencies.

3. The logistics core process are characterized by the following criteria:

a. Are essential to the success of war or contingency operations.

b. Provide direct materiel support to fleet and combat forces worldwide or directly support the deployment of military forces in wartime or contingency situations.

c. Must be maintained without interruption to assure the peacetime readiness and wartime sustainability of the fleet and combat forces.

d. Must be under military command and control to assure continuity, flexibility, and responsiveness.

e. Are subject to unacceptable risk of disruption under contract performance.

f. Are expected to have sizable or unpredictable surges in wartime or contingency situations.

4. The Air Force logistics core is a capability which is continually being updated, improved, and made more responsive to the operational requirements of the Services. It is a dynamic process which is driven by technological changes and required minimum capability. The Air Force must retain the capability to meet peacetime requirements and to surge to meet the increased requirements of wartime. A decision tree analysis is used to determine workloads which must be accomplished organically and the maintenance location at which it is most logical to perform the work. The decision tree analysis and a posture planning process are used to achieve the most responsive workload balance and mix needed to satisfy the Air Force depot core logistics requirement. The Air Force must control those workloads vital to its wartime capability by accomplishing these core workloads in peacetime and maintaining the capability to ensure the core logistic processes to meet wartime requirements.

5. The Air Force uses a decision tree methodology to determine logistics core and non-core activities. The decision tree process assesses workloads to determine whether it is essential to the mission of the Air Force. This process identifies those activities which must be accomplished organically and those non-core activities which could be accomplished by the private sector. The posture planning process assesses the surge capability of the Air Force Logistics Centers and determines the geographic location at which the activity should be performed. Through use of the decision tree methodology and the posture planning process, the organic accomplishment of logistics core activities and the optimum mix of activities at specific geographic locations are assured.

a. The depot maintenance decision tree is used to make organic/contract decisions about individual work loads that support or implement the posture that has been planned through the posture planning process. The posture planning process determines the high surge and low surge work load mix at each major Air Force installation to assure wartime accomplishment of mobilization depot maintenance requirements. The process quantifies the minimum peacetime base of facilities, equipment, and personnel required in the organic depot maintenance core at the outset of mobilization. The depot maintenance logistics core defined in this report has been determined through the posture planning and maintenance decision tree processes.

b. The Generic Logistics Decision Tree (GLDT) is used to evaluate all Air Force Logistics Command depot activities other than depot maintenance. The Air Force has performed a commandwide GLDT review of all activities to determine activities which are potentially contractible. The GLDT analysis has been used in conjunction with the logistics core criteria to determine the Air Force logistics core and exceptions to the core that are defined in this report.

6. A further definition of the Air Force logistics core processes of distribution/supply, information systems, and depot maintenance is contained in the attachments.

AIR FORCE DEPOT MAINTENANCE—CORE ACTIVITIES

FUNCTION DEPOT MAINTENANCE PRODUCTION AND PRODUCTION SUPPORT

1. *General:* The Air Force Logistics Command (AFLC) Depot Maintenance Production and Production Support function is critical to the Air Force's execution of its mission. Depot maintenance management and management support is an inherent governmental function which must be performed by government employees. Depot maintenance production and production support operations are accomplished by both organic and contractual repair sources. The required organic minimum level constitutes the production and production support core. Some amount of all types of work load and operations is included in the core except those listed as exceptions. Those work loads not required as a part of the organic minimum level of capability are not part of the core. The specific work loads and operations included in the core continually change due to changes in wartime work loads and operational programs. Changes are accomplished through a formal decision tree methodology and a posture planning process. The decision tree process is the basis for determining activities which must be accomplished organically and those which are non-core.

2. *Rationale for Including in the Logistics Core:*

a. The rationale presented here includes the planning concepts and management system used by the Air Force to determine the minimum level of organic depot maintenance capability required to ensure effective and timely response to a mobilization, national defense contingency situation, and other emergency requirements. The factors that assure a greater degree of readiness and surge capability by retaining this minimum level under organic command and control are explained. The perspective is provided that the minimum core level retained as organic in FY 83 was approximately 33 percent of total expenditures for depot maintenance; with 67 percent going to contractors.

b. The relative intensity of war dictates the rate of increase of required work loads during emergencies. If management can take corrective actions over an extended period of time, a lesser degree of preplanning and preparedness is required. In past conflicts, this lead time has been available. Both the AFLC and contractual repair sources had time to convert from peacetime to wartime work loads and accomplish the gradual build-up in work load. If this lead time does not exist, intense preplanning must be done to assure an immediate capability to change the mix of work and to accomplish the sudden need for a sharply higher level of output (see figure 1).

(Graph not printed in RECORD.)

c. Thus, the primary focus of the system is to accomplish high surge work loads under organic command and control and to take the necessary actions in advance to assure these work loads can be accomplished in an emergency, contingency, or mobilization situation.

d. Wartime work loads and resource requirements are computed through the AFLC wartime requirements computation. Figure 2 illustrates the factors included in the computations to determine the peacetime organic personnel minimum level core requirements.

(Graphs not printed in RECORD.)

e. As shown, the minimum level is that level of peacetime personnel that can accomplish wartime work loads by working overtime and receiving augmentation from military reserve organizations, new hires, and cross-trained workers transferred from low or no-surge work loads. To reduce organic manning below this minimum level would mean some wartime work loads could not be accomplished. Thus, this minimum level is the depot maintenance organic core requirement that must be preserved and protected.

f. A formal, structured process is used to implement the concepts and system described above. One part of this process is a posture planning activity. A plan is maintained with goals to improve the wartime capability of each Air Logistics Center. A decision logic process, directed and approved by OSD, is used to determine organic versus contractual accomplishment of each new work load. The purpose of these processes is to assure a consistent and open approach, with consideration of all applicable factors, to determine which specific work loads will be included in the minimum level.

g. In addition to personnel, other minimum level resources requirements—such as facilities and equipment—are determined. Wartime work loads are simulated to assure there are no constraining resource shortages.

h. Work not required in the minimum level is placed on contract. This is a simplification of the decision process. There are exceptions to accomplishing all high surge work organically and exceptions to placing each individual work load not required in the minimum level on contract. These exceptions are driven by the consideration that the normal assignment is not cost effective. In some cases, the contractor furnishes all facilities and equipment. In the other cases, the facilities and/or some or all of the equipment is government furnished. These decisions are made on an individual work load basis rather than the functional level addressed in this report.

i. There are several factors that assure a greater degree of readiness and surge capability by retaining this minimum level organic (in-house) capability:

(1) *Command and Control.* Organic depot maintenance command and control is exercised over five Air Logistics Centers and specialized organizations. These organizations have standard organizational structures, management processes, communication channels, and established contingency procedures. Thus, organic command and control can quickly and effectively redeploy resources to meet emergencies or mobilization. In contrast to the limited number of organic depot maintenance organizations, the Air Force uses over 650 contractors with widely differing communication and management structures. The relationship with these contractors is controlled by the terms and complexities of a contractual document rather than by direct command authority.

(2) *Depot Maintenance Integral Part of Logistics Capability.* Depot maintenace is an integral part of the broader logistics wartime capability. Logistics planning must encompass all functions. There are trade-offs between factors such as more or less wartime transportation capability and more or less wartime spare assemblies, subassemblies, or other items. Military management is extensively trained and rotated between operational and logistics assignments to assure detailed understanding of complex interfaces between these processes. Since options and trade-offs between logistics functions are available and will unfold during emergencies or mobilizations, management must be able to direct and control all elements of these connective and interdependent functions. On a broader level, there are trade-offs between Air Force logistics capabilities and the capabilities of the other military services. Retention of a minimum level organic capability provides the base line and technical expertise required to maintain an ongoing planning and assessment process in the complex interservicing area.

(3) *Management Information and Visibility.* A considerable amount of detailed planning is required to assure a wartime surge capability. Wartime work load requirements must be computed for each different type of work load. The requirement and availability of each depot maintenance resource must be separately addressed. As an example of the complexity of this planning, the flow of wartime work loads across all equipment must be simulated to identify bottlenecks in the production process. Due to lead times required to purchase equipment, any bottlenecks must be alleviated before an emergency or mobilization occurs. These planning processes require large amounts of data, are computerized, and require updating on an interactive basis due to changing conditions and missions. These planning processes are effective and affordable because standard management information systems and structures are available at Air Logistics Centers. The wartime simulations can extract and interface information from these standard, automated systems. By contrast, depot maintenance contractors vary widely in size, type of work, and managment information systems.

(4) *War Exercises.* Because depot maintenance is an integral part of the broader logistics capability and because of the availability of management information and visibility, war exercises can be effectively undertaken. These exercises test the depot maintenance response capability and lead to changes and improvements in planning the wartime posture of depot maintenance. Such war exercises are necessary and normal operations of a military organization.

(5) *Organizational Size, Diversity, and Flexibility.* The Air Logistics Centers are large organizations employing thousands of people with a diverse range of skills, working on items that range from complete aircraft or engines to specialized components or items. Because of this diversity of productive skills, management, facilities, and equipment, there is considerable flexibility to adjust to changing conditions and to the different mix or work that would occur in mobilization.

(6) *Organizational Continuity and Longevity.* Depot maintenance contracting is done on a competitive basis. Contractors de-

siring to enter the business may compete and displace those previously accomplishing the work load. Contractors desiring to leave the business are free to do so upon completion of their current contractual commitments. A minimum level core organic capability is required to provide a stable base from which to surge in time of emergency or mobilization.

j. In FY83, the total expenditures for Air Force depot maintenance were $3.448 billion. Of this amount, $1.372 billion was paid to contractors accomplishing depot maintenance. Another $.931 billion was paid to contractual suppliers of materiel and repair parts. Thus, 67 cents of each dollar spent for depot maintenance went to private industry. The minimum level core equipment addressed by this report constituted 33 percent of depot maintenance expenditures in FY83.

k. In summary, there is a need for an organic minimum level depot maintenance capability to ensure a ready and controlled source of technical competence and resources necessary to ensure effective and timely response to a mobilization, national defense contingency situations, and other emergency requirements. The Air Force has a formal system, employing decision tree analysis and posture planning, to determine this minimum level and the specific work loads that should be included. Congressional recognition of this required minimum level core, and of the need to protect it against arbitrary manpower reductions, is heartening. In the past, some work loads have been placed on contract because of manpower ceilings that would not have been placed on contract if the concepts and planning system described herein could have been followed. These work loads may be readdressed in future analyses of minimum level core requirements.

3. *Operations Included in Core:*

a. Depot maintenance management and management support functions are not included in this report because they are governmental functions which are excluded from cost study potential contraction by OMB Circular A-76.

b. Depot maintenance production and production support operations are accomplished by both organic and contractual repair sources. The required organic minimum level constitutes the production and production support core. Some amount of all types of work load and operations is included in the core except those listed below as exceptions. Those work loads not required as a part of the organic minimum level of capability are not part of the core.

c. Depot maintenance production operations sustain materiel in operational status, restore it to serviceable condition, or update and upgrade its functional utility through modification. Technical assistance, production, and support are provided to intermediate maintenance organizations, using commands and other activities. Transient support is provided to host base activities. Production operations rebuild parts, assemblies, subassemblies, components, equipment end items, and weapon systems. Within the Air Force, a wide variety of items, such as aircraft, aircraft engines, missiles, simulators, electronics and communications equipment, industrial plant equipment, and support equipment, are maintained.

d. Included in depot maintenance production are such specific operations as inspection, testing, servicing, calibration, repairing, modification, alteration, modernization, conversion, overhaul, analytical rework, manufacturing, plant services and support, deactivation, reclamation, renovation, storage, and activation. Personnel engaged in production and production support operations represent a wide and diverse range of skills, such as welders, electricians, machinists, carpenters, painters, X-ray technicians, mechanics, calibrators, machine and equipment operators, and programmers supporting automatic test equipment, numerically controlled machines, simulators, and operational equipment.

4. *Organizational Locations Included in the Core.* The production and production support functions at the following organizations, and their detachments that accomplish depot maintenance, are included in the core:

a. Oklahoma City Air Logistics Center, Tinker Air Force Base, Oklahoma.

b. Ogden Air Logistics Center, Hill Air Force Base, Utah.

c. San Antonio Air Logistics Center, Kelly Air Force Base, Texas.

d. Sacramento Air Logistics Center, McClellan Air Force Base, California.

e. Warner Robins Air Logistics Center, Robins Air Force Base, Georgia.

f. Aerospace Guidance and Metrology Center, Newark Air Force Station, Ohio. (Includes depot maintenance, inertial engineering, and metrology.)

g. The Military Aircraft Storage and Disposition Center, Davis-Monthan Air Force Base, Arizona.

NOTE.—Production operations are normally accomplished at the organizations listed above. However, technical assistance and production support are provided by depot personnel at locations throughout the world. Such production operations and locations are covered by this report. Detachments accomplishing depot maintenance are an extension of the depot maintenance capability at the Air Logistics Center and thus are a part of the same core organization. The numbers and locations of these detachments are subject to change as mission requirements evolve. These detachments are located in the CONUS and at overseas locations in direct support of forward deployed forces.

5. *Exceptions to Core.* Operations such as maintenance of general purpose vehicles, office custodial services, telephone services, and fire extinguisher servicing, are not part of the minimum core capability and have been contracted.

AIR FORCE MATERIEL DISTRIBUTION (SUPPLY) CORE ACTIVITIES

Function: Materiel Distribution (Supply) Operations:

1. General: The Air Force materiel distribution function is critical to the Air Force's mission. The Air Force must retain an organic core capability to ensure the ability to meet wartime requirements. Distribution management and management support is an inherent governmental function which must be performed by government employees. The remainder of the distribution function is logistics core except those operations listed as exceptions. The specific work loads and operations within the distribution process may change due to changes in wartime requirements and operational programs. A formal decision tree process is the basis for determining core operations and exceptions to the core.

2. Rationale for Including in Logistics Core:

a. The most important single reason for having an organic capability is to minimize the risk of being unable to react to unplanned (or unprogrammed) changes in work load in wartime or other contingencies short of war. Depot supply activities provide direct materiel support to combat readiness through receipt, issue, and shipment of DOD materiel. The distribution/supply personnel must be under the direct control of the Air Force to provide the uninterrupted flow and flexibility necessary to meet a variety of contingencies.

b. Depot supply characteristics for wartime readiness of the Air Force logistics system dictates this function be prepared for emergency or wartime support. The necessary skills and flexibility would be lost without retention of the organic capability. This activity would be subjected to unreasonable risk and disruption of flow and timely materiel support to the combat forces if placed outside of Air Force military command and control.

c. Materiel readiness and survivability of the Air Force depends upon our ability to surge to meet mobilization requirements. In the event of mobilization or deployment, volumes experienced in peacetime are expected to double, while the mix of commodities involved will change drastically. Initially, this ability to surge must rely on the existing work force with whatever augmentation is possible. Organic operations provide for this augmentation through the Commander's ability to transfer existing work force from lower priority programs to higher priority work. Operational effectiveness depends on the integration and interface of the distribution (supply) functions with the tactical and strategic forces. The relationship of the distribution process is so entwined with, and so vital to, the mission of the front line force that those functions must be performed by government personnel. To do otherwise would seriously jeopardize the Services' ability to perform their missions.

d. Supplying the user from centralized depots dictates the need for an uninterrupted flow of materiel through the pipeline. Major weapon system components are complex and costly. To reduce inventory costs, the Air Force buys only enough spares to fill the pipeline between depot and user. In practice, the user is directly dependent on the depot for sustained operations because there is rarely stock on the shelf in-theater beyond initial war reserves. Therefore, the depot supply organizations contribute directly to the mission capable rate of each combat unit.

e. Many tactical and strategic military units are collocated with the CONUS depots. The ability of these forces to sustain operations is dependent upon the support provided by the depot distribution organization. The depots are also responsible for supporting deploying operational and reserve units located on the same installation, as well as other services' operational units located nearby. The flexibility needed to meet the range of contingencies that this responsibility implies cannot be achieved with a non-organic work force.

f. Because of this direct impact on the combat forces, depot supply functions must be protected from the possibility of any delay or disruption. Past experience has proven that recovery from even a one-day delay can take two months or longer. Any such delay or disruption can have a direct impact on the readiness of supported units by creating a backlog in the logistics pipeline. This translates into unsatisfactory logistics support for field units and combat ca-

pability. A potential source of disruption stems from the fact that contract operations are replaced from time to time. For example, one contractor replaces another as a result of recompetition or where a contractor is defaulted for failure to perform. Each time one contractor replaces another, the depot supply system is adversely affected by training problems, learning curves, and other temporary delays and disruptions that cannot be tolerated in so vital a function.

g. The existence of an organic distribution activity is also essential to combat readiness in terms of establishing and sustaining supply operations in combat theaters. During the Vietnam conflict, rapid area supply and transportation teams were deployed to bases in Southeast Asia. They provided the technical skills and manpower resources to perform supply accounting, inventory, storage, and issue activities. Without this organic capability, supply operations during the early phases of the conflict would have been severely degraded, directly reducing the effectiveness of combat units.

3. Operations Included in the Core:

a. The entire AFLC depot level materiel distribution (supply) process is a logistics core activity except those operations listed in this report as exceptions. The distribution (supply) logistics core process includes the DOD functional areas of Receipt (T801A); Shipping (T801C); Care, Rewarehousing, and Support of Materiel (T801D); Unit and Set Assembly and Disassembly (T801F); and Packing and Crating (T801H).

b. The distribution management and management services function is not included in this report. This function is an inherent governmental function and is excluded from cost study or potential contracting under the provisions of OMB Circular A-76.

c. Materiel distribution (supply) encompasses the depot level operations necessary to accomplish the receipt, storage, issue and shipment, and other related support operations for military materiel. The core operations and exceptions are determined by application of the Generic Logistics Decision Tree (GLDT) and logistics core criteria. The non-core operations are listed in paragraph 5.

d. The core distribution operations include the receipt, segregation, inspection, inventory control, and comparison against receipt documentation and automated system records. Also included are the actions taken to protect stock in storage; perform preventative maintenance on stocks; realign stock configuration, including the related handling, checking, and documentation against automated system recorded; perform cyclic and special inventory management and inspection; ensure preservation of stocks; and the engineering, operation, inspection, and preventative maintenance of storage aids and automated materiel handling systems.

e. Other core operations involve the shipping, shipment planning, selections of the most efficient and economical mode of transport, consolidation and containerization of materiel, on-line packing and crating, packaging design and services, shipment handling and transportation support, terminal operations, and preparation of documentation and automated supply records. Logistics core operations also include disassembly and/or assembly of sets or kits for separate handling or grouping of various issue items for shipment or handling as a single unit. Receipt, storage, issue, and special handling and control of munitions are included in the core process.

4. Organizational Locations Included in the Core. The AFLC depot level materiel distribution/supply operations at the following locations are included in the logistics core:

a. Oklahoma City Air Logistics Center, Tinker Air Force Base, Oklahoma.

b. Ogden Air Logistics Center, Hill Air Force Base, Utah.

c. San Antonio Air Logistics Center, Kelly Air Force Base, Texas.

d. Sacramento Air Logistics Center, McClellan Air Force Base, California.

e. Warner Robins Air Logistics Center, Robins Air Force Base, Georgia.

f. Aerospace Guidance and Metrology Center, Newark Air Force Station, Ohio.

g. The Military Aircraft Storage and Disposition Center, Davis-Monthan Air Force Base, Arizona.

h. Wright-Patterson Air Force Base, Ohio. (NOTE.—Only the Air Terminal Operations and the Aircraft Tire Storage and Distribution Activity are logistics core at this location.)

NOTE.—Detachments accomplishing depot level distribution/supply operations are an extension of the depot distribution function at the Air Logistics Centers and are part of the same core process. Detachments are located in the CONUS and at overseas locations in direct support of forward deployed forces.

5. *Exceptions.*—The following distribution/supply operations are excluded from the logistics core:

a. *Selected Facilities Services Operations.*—The excluded operations include all painters and those carpenters and laborers not in direct support of distribution line operations or materiel handling equipment maintenance.

b. *Railroad operations.*—Operation of the railway engine, railway crane, and associated activities is excluded.

c. *Box Manufacturing and Container Reclamation.*—This operation involves the offline manufacture of wooden crates and cardboard containers. Also included is the reclaiming of lumber and reusable shipping containers and packing materiel.

d. *Kennel Operation.*—The excluded activity is the dog procurement and associated kennel operations at the DOD Dog Center, Kelly AFB TX.

AIR FORCE DATA AUTOMATION/DATA PROCESSING/INFORMATION SYSTEMS CORE ACTIVITIES

Function: Operation and Programming Maintenance of Data Automation/Information Systems—Logistics Management Systems:

1. *General.*—The Air Force Logistics Command (AFLC) operation and maintenance of data automation/information systems Logistic Management Systems (LMS) process is critical to the Air Force's execution of its mission. The Air Force must retain an organic core capability to ensure the ability to meet wartime requirements. Information systems management is an inherent governmental function which must be performed by government employees. The remainder of the information systems function is logistics core except those operations listed as exceptions. The specific workloads and operations within the information systems process may change due to changes in technology, wartime requirements, and operational programs. A formal decision tree process is the basis for determining core operations and exceptions to the core.

2. *Rationale for Including in the Logistics Core.*—

a. Information systems management, computer operations, and programming maintenance/modification of LMS essential to executing core logistics processes are core and must be performed organically. LMS directly supports the distribution, inventory management, and depot maintenance core processes. These information systems form a critical information link across the functional core processes. These logistics processes cannot execute the core functions, either quantitatively or qualitatively, without the LMS operation.

b. The Logistics Management Systems (LMS) have substantial operational surges in wartime or contingency situations and incorporate extensive plans for accommodating such situations. These requirements create order of magnitude increases in some actions and deferral of others and demand maximum management flexibility in acting upon changing needs. LMS is integral to providing the information for direct materiel support to combat forces worldwide and directly supporting the deployment of military forces in wartime or contingency situations. The LMS provides both deployment information and follow-on materiel support, without which the logistics actions cannot be accomplished and military capability drastically declines.

c. AFLC is undergoing accelerated transition into a more modernized posture which provides on-line information services to core logisticians. The LMS provides information not only to enable timely, efficient decisions in peacetime, but also provide critical information for coping with defense contingencies and wartime requirements. Logistics support considerations are being integrated into the military command and control process. The LMS provides the critical information decision base to enable expeditious military decisions. The necessity to assure uninterrupted defense and wartime support information is the key element in designating this a logistics core process.

d. The logistics core processes are so dependent upon information from the LMS that core functions approach inoperability with disruption of information services; the effects starting within hours of the disruption. As the modernization of AFLC information systems proceeds, this interdependency becomes more critical, and the multitude of reasons for contract disruption would threaten the capability of all core processes. The most significant risks are: contract expirations/protests/extensions, problem isolation among multiple contractors and federal agencies, limited reaction time/flexibility/military control under surge and contingency operations, and integration and cohesive operation of multiple contractors at diverse operating sites. Cost stability for large contract operations with limited competitive sources is a recognized problem, but does not directly threaten combat support capability.

3. *Operations Included in the Core.*—

a. This process includes DOD FAC W824, Data Processing Services, and W826, Systems Design, Development, and Programming Services. The entire AFLC information systems process is a core activity, with certain defined exceptions. The three basic elements of the core process are: management services (a governmental function), computer operations, and programming maintenance and minor modification.

b. The information systems management function is not detailed in this report. This function must remain in-house to prevent abridgment of managerial responsibilities.

This function is an inherent governmental function and is excluded from contracting or cost study under the provisions of OMB Circular A-76.

c. The computer operations process provides computer operations and associated data processing and communications support to the Command, tenants, and other organizations. This activity supports the LMS to provide timely, accurate information to all users. This activity supports other information systems activities in the design, testing, documentation review, implementation, modification, and maintenance of management information systems. Other responsibilities are: assure proper classified material processing and management; plan and obtain training of personnel; hardware system and component acceptance test; provide production and media library services; focal point for user and management inquiries; central data handling of all input data for unscheduled jobs; expedite recovery of special jobs and data manipulation which fail during processing; and provide an operational interface between applications, system software, and computer operations.

d. The system programming maintenance and modification process includes the programming maintenance, minor modification, upgrading, and system level testing and documentation. This activity evaluates new system requirements and determines the best method of satisfying those requirements, including system program management and technical support for new systems. Other activities include development actions with the computer manufacturer to improve operating characteristics, system engineering and test, review and evaluate system engineering change proposals, evaluate and analyze new programs and information systems, analyze hardware and software configurations, develop and implement test programs, develop/acquire and maintain system support software for special systems and provide support for major development projects to enhance existing LMS. Additional activities include preparation of procedures for configuration management and system base lines providing quality assurance programs, publishing policy and reviewing documentation to determine compliance, providing or arranging for organic or contractual assistance to LMS users as needed, integrating contractor-developed systems, assuring LMS project compliance with related USAF and DOD directives, and developing project plans and status to provide information necessary for management planning and control of LMS.

4. *Organizational Locations Included in the Core.*—The AFLC information systems/automatic data processing services at the following locations are included in the logistics core:

a. Oklahoma City Air Logistics Center, Tinker Air Force Base, Oklahoma.

b. Ogden Air Logistics Center, Hill Air Force Base, Utah.

c. San Antonio Air Logistics Center, Kelly Air Force Base, Texas.

d. Sacramento Air Logistics Center, McClellan Air Force Base, California.

e. Warner Robins Air Logistics Center, Robins Air Force Base, Georgia.

f. Aerospace Guidance and Metrology Center, Newark Air Force Station, Ohio.

g. The Military Aircraft Storage and disposition Center, Davis-Monthan Air Force Base, Arizona.

5. *Exceptions to Core.*—Significant information system work loads have been contracted and will continue to be contracted when identified as non-core through the Generic Logistics Decision Tree (GLDT) and logistics core decision processes.

a. New System development and Major System Modification. New System design and development and major modifications are non-core and are normally performed by contractual means because of both constrained organic resources and to afford AFLC of the latest technology advances developed by non-government funding. Combat support capability does not depend upon the system until its implementation and subsequent organic operation and control. For existing LMS, the exception to core is limited to major software and hardware modifications. AFLC must retain a core capability for accomplishing existing LMS maintenance, including minor system improvements, correction of system deficiencies, incorporating new policy requirements, and new customer requirements. AFLC may elect to contract, on a case-by-case basis, system programming maintenance for selected new LMS until such time that the new LMS capability is formally accepted as fully operational in the production mode and government personnel are trained and can maintain the system organically. These interim contracting decisions may be subjected to a GLDT analysis to ensure consistency of contracting decisions.

b. Equipment Maintenance. Maintenance and repair of commercially available computer and communications equipment is excluded from the logistics core. The equipment involved is in fixed CONUS locations. An exception to this non-core activity is maintenance of standard Air Force systems subject to deployment into hostile situations. In the latter case, where AFLC may operate similar standard systems at fixed sites, military maintenance personnel may be used to provide a pool of resources in conjunction with the total Air Force program. Much of the data communication capabilities are leased, and this activity will continue as a contracted function.

c. Selected Technical Studies, Support, and Training. Although overall control and approval of technical studies, technical support, and training is logistics core, these activities are selectively contracted on a case-by-case basis. These activities are contracted when the required expertise and resources are not possessed organically. This support typically includes system engineering, operating system software, data base management systems, data communication systems, performance measurement, and related technical areas. This contracting is done on a specific task basis, and overall control and approval of the completed task remains a core function. Tasks considered for contracting may be subject to a GLDT analysis to ensure only non-core functions are contracted.●

Mr. ASPIN. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I would like to ask unanimous consent that when the committee convenes tomorrow, the first order of business be the amendment by the gentlewoman from California [Mrs. BOXER] printed in title VIII, and that the time for consideration of the amendment be limited to 1 hour and the time be divided equally between the gentlewoman from California [Mrs. BOXER] and a Member in opposition to her amendment.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Wisconsin?

Mr. BADHAM. Reserving the right to object, I would like to ask the Chairman at this point if that will be all that remains of title VIII.

Mr. ASPIN. If the gentleman will yield, the gentleman is correct.

Mr. BADHAM. Will the gentleman object to anything else that is raised as an amendment to Boxer or anything else? Or will the gentleman not object?

Mr. ASPIN. The gentleman will not object.

Mr. BADHAM. Then anybody who wants to can amend the Boxer amendment by a perfecting amendment?

Mr. ASPIN. No. Amendments to the amendment are always in order and that does not have to be printed in the RECORD. That is in order under the House rules.

Mr. BADHAM. Does the gentleman propose that that be within the hour?

Mr. ASPIN. I would propose that that be within the hour.

Mr. BADHAM. Is the gentleman's unanimous-consent request based on the fact that everything that happens on title VIII happen within 1 hour and that the first order of business be the Boxer amendment and that all title VIII be limited to 1 hour?

Mr. ASPIN. I am pointing out that we have done title VIII for more than—we have done title VIII since 12 o'clock noon.

Mr. BADHAM. Reclaiming my reservation, I am painfully aware. I continue to yield.

Mr. ASPIN. I am pointing out that this is the last remaining amendment to title VIII.

Mr. BADHAM. Maintaining my reservation, I would yield to the gentleman.

Mr. CARNEY. What I think we are trying to find out is after the Boxer amendment is considered, will title VIII then be closed?

Mr. ASPIN. Correct.

Mr. CARNEY. I thank the gentleman.

Mr. BADHAM. Further reserving the right to object, if the gentleman would make it part of his unanimous-consent request that the Boxer amendment and all amendments thereto be limited to 1 hour's time, then I would remove my request.

Mr. ASPIN. That is what I thought I was asking. The gentleman has stated it better than I can.

Mr. DICKINSON. Mr. Chairman, will the gentleman yield?

Mr. BADHAM. Retaining my reservation, would the gentleman amend it to say just that?

Mr. ASPIN. That is exactly right, the Boxer amendment and all amendments thereto be limited to 1 hour.

The CHAIRMAN pro tempore. The Chair will receive clarification from the gentleman from Wisconsin. It is just that you would wish to restrict further debate on the Boxer amendment; is that correct?

Mr. ASPIN. Yes, and all amendments thereto, if there are any.

Mr. BADHAM. Going back to my reservation, it was my understanding that the Boxer amendment was the last thing in title VIII and that all the Boxer amendment and all amendments thereto finishing title VIII would be completed within 1 hour. If that is the case, if the gentleman would state that, I would remove my reservation.

Mr. ASPIN. I think I have already stated it, that is the correct situation.

Mr. BADHAM. Concluding title VIII.

Mr. ASPIN. Exactly.

Mr. BADHAM. Would the gentleman then, continuing to reserve my right, would the gentleman——

Mr. ASPIN. I point out to the gentleman that we have already closed title VIII. No more amendments are in order to title VIII except for the Boxer amendment, and under the House rules any amendments to the Boxer amendment are also in order because they do not have to be printed in the RECORD. But according to the rules, amendments to these titles also had to be printed in the RECORD. Amendments to title VIII were closed off with the existing number of amendments that we had before us when we started the process today. Among them was the Boxer amendment. The only one remaining is the Boxer amendment. There can be no other amendments offered to title VIII.

Mr. AUCOIN. Mr. Chairman, would the gentleman yield to me?

Mr. BADHAM. Retaining my reservation, what about perfecting amendments?

Mr. ASPIN. As I explained, the gentlelady's amendment is subject to amendment, and that does not have to be printed in the RECORD and that is in order. Amendments to the amendment are in order as they are always under the House rules.

Mr. BADHAM. How about additional amendments printed in the RECORD by tomorrow morning?

Mr. ASPIN. That does not help you.

Mr. BADHAM. I am not looking for help, I am looking for getting rid of title VIII.

Mr. ASPIN. I am helping you get rid of title VIII. If the gentleman had let us have our unanimous consent earlier we would have gotten rid of title VIII easier than we do now. Title VIII, we had a number of amendments starting this morning to title VIII printed in the RECORD. That is all that can be done; that is it. We have gone through all of the amendments to title VIII with one exception. The only one left is the amendment from the gentlelady from California [Mrs. BOXER].

Mr. DICKINSON. Mr. Chairman, will the gentleman yield to me?

Mr. BADHAM. I will yield under my reservation.

Mr. DICKINSON. It is my understanding, and I want the chairman to correct this, the chairman's motion is, the unanimous consent is that starting tomorrow morning when we come in there will be only one amendment in order at the beginning under title VIII, and that is the Boxer amendment and all amendments thereto, and the time will be limited to 1 hour on the Boxer amendment and all amendments thereto, after which time it will be voted on, and we will go to another title. Am I stating that correctly?

Mr. ASPIN. That is correct.

Mr. DICKINSON. Does that satisfy the gentleman from California?

Mr. BADHAM. That satisfies me. I remove my reservation.

The CHAIRMAN pro tempore. The Chair would state, if I might have the attention, the Chair would state that any other amendments printed by June 20 to title VIII would also be in order. I believe the gentleman from Wisconsin's request is that all of those including the Boxer amendment would be limited by 1 hour, that we could do.

Mr. DICKINSON. No, that was not the amendment.

Mr. ASPIN. Just that Boxer amendment and amendments thereto.

Mr. DICKINSON. It closes out title VIII.

PARLIAMENTARY INQUIRY

Mr. AUCOIN. Mr. Chairman, parliamentary inquiry.

The CHAIRMAN pro tempore. The gentleman will state it.

Mr. AUCOIN. Mr. Chairman, is there a unanimous consent request pending?

Mr. ASPIN. My request is pending.

The CHAIRMAN pro tempore. The Committee of the Whole House cannot restrict the offering of amendments printed in the RECORD by June 20; that have been printed. Other amendments other than the gentlewoman from California's that may have been printed.

Mr. AUCOIN. Further parliamentary inquiry, how many amendments have been filed prior to June 20 that are pending at this time?

The CHAIRMAN pro tempore. The Chair is not apprised of the total number. The Committee of the Whole House could not make that restriction, had they been printed before June 20. That is all the Chair wants to apprise the membership of.

Mr. AUCOIN. My parliamentary inquiry is: Mr. Chairman, are there or are there not amendments that fall within that category?

The CHAIRMAN pro tempore. The Chair is apprised that there are more amendments, there may be more amendments other than the gentlewoman from California.

Mr. AUCOIN. There may be.

Further parliamentary inquiry, Mr. Chairman. I understood the unanimous-consent request to restrict debate on the Boxer amendment and on all amendments thereto and on all other amendments to title VIII, and I do not think that is within the rules of the House.

Mr. ASPIN. Will the gentleman yield? We have been working on this amendment.

Mr. AUCOIN. I yield to the gentleman.

Mr. ASPIN. We have been working on all these amendments to title VIII. Some people who offered amendments or had them printed in the RECORD have indicated that they no longer plan to offer their amendments. Under the rules for certain they are still entitled to, because they did print their amendments in the RECORD prior to the 20th and that is the date. So if they were to offer them, they are protected. All that we know of that is left is the Boxer amendment. All that I am asking is unanimous consent that we do an hour on the Boxer amendment tomorrow morning; hopefully the people who thought they did not want to offer their amendment have decided that in fact they do not want to offer their amendment and we can proceed to the end of title VIII.

Mr. AUCOIN. Further reserving the right to object, the gentleman's unanimous-consent request then goes solely to the Boxer amendment and any amendments thereto.

Mr. ASPIN. That is what I said.

Mr. AUCOIN. It came out two ways. That is why I wanted clarification.

Mr. ASPIN. Somebody asked whether that was going to be the end of title VIII. The answer to that question is yes, because so far as we know, the people who have the other amendments are not offering those amendments.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Wisconsin?

Mr. AUCOIN. Further reserving the right to object.

The CHAIRMAN pro tempore. The gentleman from California still has the time.

Mr. AUCOIN. Mr. Chairman, I reserved the right to object and I had the time.

The CHAIRMAN pro tempore. Did the gentleman from California withdraw his objection?

Mr. BADHAM. Mr. Chairman, I would accede to the discretion of the Chair, and I would agree with the gentleman from Oregon that he now has the time.

The CHAIRMAN pro tempore. The gentleman from Oregon reserves the right to object.

Mr. AuCOIN. Further reserving the right to object, Mr. Chairman, I am not trying to make it difficult for the chairman of the full committee. I simply want to understand the situation, and there are a number of Members who want to understand that situation, too.

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I wanted to make sure that if there are people who do have amendments to title VIII beyond that which is going to be offered by the gentlewoman from California that they are able to do so in a way that we will not end up being caught in the ridiculous 1-hour time limitation, in which we may not be able to even hear debate on amendments we are called upon to vote upon.

Mr. BADHAM. Would the gentleman yield?

Mr. AuCOIN. I would be glad to yield.

Mr. BADHAM. It is the purpose of this gentleman to limit debate. I will have to say that in saying that I think we have discussed title VIII ad nauseum.

Mr. AuCOIN. I could not agree with the gentleman more.

Mr. BADHAM. If the gentleman will continue to yield.

Mr. AuCOIN. I further yield to the gentleman.

Mr. BADHAM. I would say that I am willing to not object if we would contain all the balance of amendment and argument on title VIII to the first hour of debate in the morning, no more.

Mr. AuCOIN. To title VIII? All of title VIII?

Mr. BADHAM. All of title VIII.

Now, understanding that any amendment that has been previously printed in the RECORD, and is germane, may be debated after that by being presented and having, I guess, no debate under the parliamentary rules upon which we operate.

I would be willing to accede to that. Under any circumstances, I would object.

Mr. AuCOIN. Further reserving the right to object, Mr. Chairman, that is exactly the ridiculous situation I do not want to see the House get in.

I want to limit debate, too, I would say to the gentleman, but the last thing I want to see is the House get in a situation where potentially, in addition to the gentlewoman from California's amendment, we may have as many as five amendments, because some five different Members may decide to offer their amendments, and we end up having to vote on them without debate.

Mr. BADHAM. Would the gentleman yield under his reservation, again?

Mr. AuCOIN. Further reserving the right to object, I will yield to the gentleman.

The CHAIRMAN pro tempore. The Chair is advised that there are only two other amendments printed in the RECORD before the requisite date.

PARLIAMENTARY INQUIRY

Mr. BADHAM. Parliamentary inquiry, Mr. Chairman. Would those each be entitled to 5 minutes?

The CHAIRMAN pro tempore. 5 each; 10 minutes, 5 each, for and against.

Mr. AuCOIN. Further reserving the right to object, Mr. Chairman, I understand the Chair to say there are only two additional amendments that fall in that category.

The CHAIRMAN pro tempore. Mr. DORGAN and Mr. GONZALEZ.

Mr. AuCOIN. And in yielding to the Chairman for a moment, it is the Chairman's intention then to yield to—he does ask unanimous consent for debate to be limited on the Boxer amendment and all amendments thereto, to 1 hour, divided equally between proponents and opponents; and his limitation goes only to the Boxer amendment.

I understand that the Chairman would allow the gentlewoman from California to manage the one-half hour——

Mr. ASPIN. That is what it said in the unanimous-consent request that I read, yes.

Mr. AuCOIN. I appreciate that, Mr. Chairman. The House is late; a lot of conflicting descriptions were given of the unanimous-consent request. I wanted to clarify.

The CHAIRMAN pro tempore. Is there objection?

Mr. BADHAM. I withdraw my reservation of objection.

Mr. AuCOIN. I withdraw my reservation of objection.

Mr. BADHAM. Reserving the right to object, how does this affect title VIII?

Do we have the Boxer amendment for 1 hour, and then only two more?

Mr. ASPIN. That is right.

Mr. BADHAM. OK. I withdraw my reservation of objection.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. ASPIN. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker pro tempore [Mr. FOLEY] having assumed the chair, Mr. BRUCE, Chairman pro tempore of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 1872) to authorize appropriations for fiscal year 1986 for the Armed Forces for procurement, for research, development, test, and evaluation, for operation and maintenance, and for working capital funds, to prescribe personnel strengths for such fiscal year for the Armed Forces, and for other purposes, had come to no resolution thereon.

REQUEST FOR PERMISSION FOR COMMITTEE ON PUBLIC WORKS AND TRANSPORTATION AND ITS SUBCOMMITTEE ON INVESTIGATIONS AND OVERSIGHT TO SIT ON TOMORROW AND THURSDAY DURING THE 5-MINUTE RULE

Mr. HOWARD. Mr Speaker, I ask unanimous consent that the Committee on Public Works and Transportation and its Subcommittee on Investigations and Oversight be permitted to sit on tomorrow and Thursday of this week during the 5-minute rule.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Jersey?

Mr. WALKER. Reserving the right to object, Mr. Speaker, I am told on our side that the minority is not aware of this request. Has this been cleared by the majority?

Mr. HOWARD. Absolutely. Mr. Speaker, if the gentleman will yield, This is a full committee markup of the water resource bill for tomorrow.

I withdraw my unanimous-consent request, Mr. Speaker.

CONFERENCE REPORT ON S. 883, EXPORT ADMINISTRATION ACT OF 1979 EXTENSION

Mr. BONKER submitted the following conference report and statement on the Senate bill (S. 883) to extend the Export Administration Act of 1979:

CONFERENCE REPORT (H. REPT. No. 99-180)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 883) to extend the Export Administration Act of 1979, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendment of the House and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the House amendment insert the following:

SECTION 1. SHORT TITLE.

Titles I and II of this Act may be cited as the "Export Administration Amendments Act of 1985".

TITLE I—AMENDMENTS TO EXPORT ADMINISTRATION ACT OF 1979

SEC. 101. REFERENCE TO THE ACT.

Except as otherwise expressly provided, whenever in this title an amendment is expressed in terms of an amendment to a section or other provision, the reference shall be considered to be made to a section or other provision of the Export Administration Act of 1979.

SEC. 102. FINDINGS.

Section 2 (50 U.S.C. App. 2401) is amended as follows:

(1) Paragraph (2) is amended by striking out "by strengthening the trade balance and the value of the United States dollar, thereby reducing inflation" and inserting in lieu thereof "by earning foreign exchange, thereby contributing favorably to the trade balance".

(2) Paragraph (3) is amended by striking out "which would strengthen the Nation's economy" and inserting in lieu thereof "consistent with the economic, security, and foreign policy objectives of the United States".

(3) Paragraph (6) is amended to read as follows:

"(6) Uncertainty of export control policy can inhibit the efforts of United States business and work to the detriment of the overall attempt to improve the trade balance of the United States.".

(4) Paragraph (9) is amended by striking out "achievement of a positive balance of payments" and inserting in lieu thereof "a positive contribution to the balance of payments".

(5) Section 2 is amended by adding at the end the following:

"(10) It is important that the administration of export controls imposed for foreign policy purposes give special emphasis to the need to control exports of goods and substances hazardous to the public health and the environment which are banned or severely restricted for use in the United States, and which, if exported, could affect the international reputation of the United States as a responsible trading partner.

"(11) The acquisition of national security sensitive goods and technology by the Soviet Union and other countries the actions or policies of which run counter to the national security interests of the United States, has led to the significant enhancement of Soviet bloc military-industrial capabilities. This enhancement poses a threat to the security of the United States, its allies, and other friendly nations, and places additional demands on the defense budget of the United States.

"(12) Availability to controlled countries of goods and technology from foreign sources is a fundamental concern of the United States and should be eliminated through negotiations and other appropriate means whenever possible.

"(13) Excessive dependence of the United States, its allies, or countries sharing common strategic objectives with the United States, on energy and other critical resources from potential adversaries can be harmful to the mutual and individual security of all those countries.".

SEC. 103. DECLARATION OF POLICY.

Section 3 (50 U.S.C. App. 2402) is amended as follows:

(1) Paragraph (3) is amended by inserting before the period at the end "or common strategic objectives".

(2) Paragraph (7) is amended—

(A) by striking out "every reasonable effort" in the second sentence and inserting in lieu thereof "reasonable and prompt efforts"; and

(B) by striking out "resorting to the imposition of controls on exports from the United States" in the second sentence and inserting in lieu thereof "imposing export controls".

(3) Paragraph (8) is amended—

(A) by striking out "every reasonable effort" in the second sentence and inserting in lieu thereof "reasonable and prompt efforts"; and

(B) by striking out "resorting to the imposition of export controls" in the second sentence and inserting in lieu thereof "imposing export controls".

(4) Paragraph (9) is amended—

(A) by inserting "or common strategic objectives" after "commitments" each place it appears; and

(B) by inserting before the period at the end the following: ", and to encourage other friendly countries to cooperate in restricting the sale of goods and technology that can harm the security of the United States".

(5) Section 3 is amended by adding at the end the following:

"(12) It is the policy of the United States to sustain vigorous scientific enterprise. To do so involves sustaining the ability of scientists and other scholars freely to communicate research findings, in accordance with applicable provisions of law, by means of publication, teaching, conferences, and other forms of scholarly exchange.

"(13) It is the policy of the United States to control the export of goods and substances banned or severely restricted for use in the United States in order to foster public health and safety and to prevent injury to the foreign policy of the United States as well as to the credibility of the United States as a responsible trading partner.

"(14) It is the policy of the United States to cooperate with countries which are allies of the United States and countries which share common strategic objectives with the United States in minimizing dependence on imports of energy and other critical resources from potential adversaries and in developing alternative supplies of such resources in order to minimize strategic threats posed by excessive hard currency earnings derived from such resource exports by countries with policies adverse to the security interests of the United States.

"(15) It is the policy of the United States, particularly in light of the Soviet massacre of innocent men, women, and children aboard Korean Air Lines flight 7, to continue to object to exceptions to the International Control List for the Union of Soviet Socialist Republics, subject to periodic review by the President.".

SEC. 104. GENERAL PROVISIONS.

(a) VALIDATED LICENSES AUTHORIZING MULTIPLE EXPORTS.—Section 4(a)(2) (50 U.S.C. App. 2403(a)(2)) is amended to read as follows:

"(2) Validated licenses authorizing multiple exports, issued pursuant to an application by the exporter, in lieu of an individual validated license for each such export, including, but not limited to, the following:

"(A) A distribution license, authorizing exports of goods to approved distributors or users of the goods in countries other than controlled countries. The Secretary shall grant the distribution license primarily on the basis of the reliability of the applicant and foreign consignees with respect to the prevention of diversion of goods to controlled countries. The Secretary shall have the responsibility of determining, with the assistance of all appropriate agencies, the reliability of applicants and their immediate consignees. The Secretary's determination shall be based on appropriate investigations of each applicant and periodic reviews of licensees and their compliance with the terms of licenses issued under this Act. Factors such as the applicant's products or volume of business, or the consignees' geographic location, sales distribution area, or degree of foreign ownership, which may be relevant with respect to individual cases, shall not be determinative in creating categories or general criteria for the denial of applications or withdrawal of a distribution license.

"(B) A comprehensive operations license, authorizing exports and reexports of technology and related goods, including items from the list of militarily critical technologies developed pursuant to section 5(d) of this Act which are included on the control list in accordance with that section, from a domestic concern to and among its foreign subsidiaries, affiliates, joint venturers, and licensees that have long-term, contractually defined relations with the exporter, are located in countries other than controlled countries, and are approved by the Secretary. The Secretary shall grant the license to manufacturing, laboratory, or related operations on the basis of approval of the exporter's systems of control, including internal proprietary controls, applicable to the technology and related goods to be exported rather than approval of individual export transactions. The Secretary and the Commissioner of Customs, consistent with their authorities under section 12(a) of this Act, and with the assistance of all appropriate agencies, shall periodically, but not less frequently than annually, perform audits of licensing procedures under this subparagraph in order to assure the integrity and effectiveness of those procedures.

"(C) A project license, authorizing exports of goods or technology for a specified activity.

"(D) A service supply license, authorizing exports of spare or replacement parts for goods previously exported.".

(b) CONTROL LIST.—Section 4(b) is amended—

(1) by striking out "Commodity" and "commodity"; and

(2) by striking out "consisting of any goods or technology subject to export controls under this Act" and inserting in lieu thereof "stating license requirements (other than for general licenses) for exports of goods and technology under this Act".

(c) FOREIGN AVAILABILITY.—Section 4(c) is amended—

(1) by striking out "significant" and inserting in lieu thereof "sufficient";

(2) by inserting after "those produced in the United States" the following: "so as to render the controls ineffective in achieving their purposes"; and

(3) by adding at the end the following: "In complying with the provisions of this subsection, the President shall give strong emphasis to bilateral or multilateral negotiations to eliminate foreign availability. The Secretary and the Secretary of Defense shall cooperate in gathering information relating to foreign availability, including the establishment and maintenance of a jointly operated computer system.".

(d) NOTIFICATION OF PUBLIC AND CONSULTATION WITH BUSINESS.—Section 4(f) is amended to read as follows:

"(f) NOTIFICATION OF THE PUBLIC; CONSULTATION WITH BUSINESS.—The Secretary shall keep the public fully apprised of changes in export control policy and procedures instituted in conformity with this Act with a view to encouraging trade. The Secretary shall meet regularly with representatives of a broad spectrum of enterprises, labor organizations, and citizens interested in or affected by export controls, in order to obtain their views on United States export control policy and the foreign availability of goods and technology.".

SEC. 105. NATIONAL SECURITY CONTROLS.

(a) AUTHORITY.—

(1) TRANSFERS TO EMBASSIES OF CONTROLLED COUNTRIES.—Section 5(a)(1) (50 U.S.C. App. 2404(a)(1)) is amended by inserting after the first sentence the following new sentence: "The authority contained in this subsection includes the authority to prohibit or curtail the transfer of goods or technology within the United States to embassies and affiliates of controlled countries.".

(2) CLERICAL AMENDMENT.—Section 5(a)(2) is amended—

(A) by striking out "(A)"; and

(B) by striking out subparagraph (B).

(3) SAFEGUARDS TO PREVENT DIVERSIONS.—Section 5(a)(3) is amended by striking out the last sentence.

(b) POLICY TOWARD INDIVIDUAL COUNTRIES.—

(1) CONTROLLED COUNTRIES.—Section 5(b) is amended by striking out the first sentence and inserting in lieu thereof the following: "(1) In administering export controls for national security purposes under this section, the President shall establish as a list of controlled countries those countries set forth in section 620(f) of the Foreign Assistance Act of 1961, except that the President may add any country to or remove any country from such list of controlled countries if he determines that the export of goods or technology to such country would or would not (as the case may be) make a significant contribution to the military potential of such country or a combination of countries which would prove detrimental to the national security of the United States. In determining whether a country is added to or removed from the list of controlled countries, the President shall take into account—

"(A) the extent to which the country's policies are adverse to the national security interests of the United States;

"(B) the country's Communist or non-Communist status;

"(C) the present and potential relationship of the country with the United States;

"(D) the present and potential relationships of the country with countries friendly or hostile to the United States;

"(E) the country's nuclear weapons capability and the country's compliance record with respect to multilateral nuclear weapons agreements to which the United States is a party; and

"(F) such other factors as the President considers appropriate.

Nothing in the preceding sentence shall be interpreted to limit the authority of the President provided in this Act to prohibit or curtail the export of any goods or technology to any country to which exports are controlled for national security purposes other than countries on the list of controlled countries specified in this paragraph.".

(2) EXPORTS TO COCOM countries.—Section 5(b) is amended by adding at the end the following:

"(2) No authority or permission to export may be required under this section before goods or technology are exported in the case of exports to a country which maintains export controls on such goods or technology cooperatively with the United States pursuant to the agreement of the group known as the Coordinating Committee, if the goods or technology is at such a level of performance characteristics that the export of the goods or technology to controlled countries requires only notification of the participating governments of the Coordinating Committee.".

(3) TECHNICAL AMENDMENT.—Section 5(b)(1), as amended by paragraph (1) of this subsection, is amended in the last sentence by striking out "specified in the preceding sentence" and inserting in lieu thereof "set forth in this paragraph".

(c) CONTROL LIST.—

(1) ANNUAL REVIEW.—Section 5(c) is amended—

(A) in paragraph (1) by striking out "commodity"; and

(B) by amending paragraph (3) to read as follows:

"(3) The Secretary shall review the list established pursuant to this subsection at least once each year in order to carry out the policy set forth in section 3(2)(A) of this Act and the provisions of this section, and shall promptly make such revisions of the list as may be necessary after each such review. Before beginning each annual review, the Secretary shall publish notice of that annual review in the Federal Register. The Secretary shall provide an opportunity during such review for comment and the submission of data, with or without oral presentation, by interested Government agencies and other affected or potentially affected parties. The Secretary shall publish in the Federal Register any revisions in the list, with an explanation of the reasons for the revisions. The Secretary shall further assess, as part of such review, the availability from sources outside the United States of goods and technology comparable to those subject to export controls imposed under this section.".

(2) EFFECTIVE DATE.—The amendment made by paragraph (1)(B) of this subsection shall take effect on October 1, 1985.

(d) EXPORT LICENSES.—Section 5(e) is amended—

(1) in paragraph (1) by striking out "a qualified general license in lieu of a validated license" and inserting in lieu thereof "the multiple validated export licenses described in section 4(a)(2) of this Act in lieu of individual validated licenses"; and

(2) by striking out paragraphs (3) and (4) and inserting in lieu thereof the following:

"(3) The Secretary, subject to the provisions of subsection (1) of this section, shall not require an individual validated export license for replacement parts which are exported to replace on a one-for-one basis parts that were in a good that has been lawfully exported from the United States.

"(4) The Secretary shall periodically review the procedures with respect to the multiple validated export licenses, taking appropriate action to increase their utilization by reducing qualification requirements or lowering minimum thresholds, to combine procedures which overlap, and to eliminate those procedures which appear to be of marginal utility.

"(5) The export of goods subject to export controls under this section shall be eligible, at the discretion of the Secretary, for a distribution license and other licenses authorizing multiple exports of goods, in accordance with section 4(a)(2) of this Act. The export of technology and related goods subject to export controls under this section shall be eligible for a comprehensive operations license in accordance with section 4(a)(2)(B) of this Act.".

(e) INDEXING.—Section 5(g) is amended to read as follows:

"(g) INDEXING.—In order to ensure that requirements for validated licenses and other licenses authorizing multiple exports are periodically removed as goods or technology subject to such requirements becomes obsolete with respect to the national security of the United States, regulations issued by the Secretary may, where appropriate, provide for annual increases in the performance levels of goods or technology subject to any such licensing requirement. The regulations issued by the Secretary shall establish as one criterion for the removal of goods or technology from such license requirements the anticipated needs of the military of controlled countries. Any such goods or technology which no longer meets the performance levels established by the regulations shall be removed from the list established pursuant to subsection (c) of this section unless, under such exceptions and under such procedures as the Secretary shall prescribe, any other department or agency of the United States objects to such removal and the Secretary determines, on the basis of such objection, that the goods or technology shall not be removed from the list. The Secretary shall also consider, where appropriate, removing site visitation requirements for goods and technology which are removed from the list unless objections described in this subsection are raised.".

(f) MULTILATERAL EXPORT CONTROLS.—Section 5(i) is amended—

(1) by striking out paragraph (3);

(2) in paragraph (4)—

(A) by striking out "(4)" and inserting in lieu thereof "(3)"; and

(B) by striking out "pursuant to paragraph (3)" and inserting in lieu thereof "by the members of the Committee"; and

(3) by adding at the end the following:

"(4) Agreement to enhance full compliance by all parties with the export controls imposed by agreement of the Committee through the establishment of appropriate mechanisms.

"(5) Agreement to improve the International Control List and minimize the approval of exceptions to that list, strengthen enforcement and cooperation in enforcement efforts, provide sufficient funding for the Committee, and improve the structure and function of the Secretariat of the Committee by upgrading professional staff, translation services, data base maintenance, communications, and facilities.

"(6) Agreement to coordinate the systems of export control documents used by the participating governments in order to verify effectively the movement of goods or technology subject to controls by the Committee from the country of any such government to any other place.

"(7) Agreement to establish uniform, adequate criminal and civil penalties to deter more effectively diversions of items controlled for export by agreement of the Committee.

"(8) Agreement to increase on-site inspections by national enforcement authorities of the participating governments to ensure that end users who have imported items controlled for export by agreement of the Committee are using such items for the stated end uses, and that such items are, in fact, under the control of those end users.

"(9) Agreement to strengthen the Committee so that it functions effectively in controlling export trade in a manner that better protects the national security of each participant to the mutual benefit of all participants.".

(g) COMMERCIAL AGREEMENTS WITH CERTAIN COUNTRIES.—Section 5(j) is amended to read as follows:

"(j) COMMERCIAL AGREEMENTS WITH CERTAIN COUNTRIES.—(1) Any United States firm, enterprise, or other nongovernmental entity which enters into an agreement with any agency of the government of a controlled

country, that calls for the encouragement of technical cooperation and that is intended to result in the export from the United States to the other party of unpublished technical data of United States origin, shall report to the Secretary the agreement with such agency in sufficient detail.

"(2) The provisions of paragraph (1) shall not apply to colleges, universities, or other educational institutions.".

(h) NEGOTIATIONS WITH OTHER COUNTRIES.—Section 5(k) is amended—

(1) by inserting after "conducting negotiations with other countries" the following: ", including those countries not participating in the group known as the Coordinating Committee,"; and

(2) by adding at the end the following: "In cases where such negotiations produce agreements on export restrictions comparable in practice to those maintained by the Coordinating Committee, the Secretary shall treat exports, whether by individual or multiple licenses, to countries party to such agreements in the same manner as exports to members of the Coordinating Committee are treated, including the same manner as exports are treated under subsection (b)(2) of this section and section 10(o) of this Act.".

(i) DIVERSION OF CONTROLLED GOODS OR TECHNOLOGY.—Section 5(l) is amended to read as follows:

"(l) DIVERSION OF CONTROLLED GOODS OR TECHNOLOGY.—(1) Whenever there is reliable evidence, as determined by the Secretary, that goods or technology which were exported subject to national security controls under this section to a controlled country have been diverted to an unauthorized use or consignee in violation of the conditions of an export license, the Secretary for as long as that diversion continues—

"(A) shall deny all further exports, to or by the party or parties responsible for that diversion or who conspired in that diversion, of any goods or technology subject to national security controls under this section, regardless of whether such goods or technology are available from sources outside the United States; and

"(B) may take such additional actions under this Act with respect to the party or parties referred to in subparagraph (A) as the Secretary determines are appropriate in the circumstances to deter the further unauthorized use of the previously exported goods or technology.

"(2) As used in this subsection, the term 'unauthorized use' means the use of United States goods or technology in the design, production, or maintenance of any item on the United States Munitions List, or the military use of any item on the International Control List of the Coordinating Committee.".

(j) ADDITIONAL NATIONAL SECURITY PROVISIONS.—Section 5 is amended by adding at the end the following new subsections:

"(m) GOODS CONTAINING MICROPROCESSORS.—Export controls may not be imposed under this section on a good solely on the basis that the good contains an embedded microprocessor, if such microprocessor cannot be used or altered to perform functions other than those it performs in the good in which it is embedded. An export control may be imposed under this section on a good containing an embedded microprocessor referred to in the preceding sentence only on the basis that the functions of the good itself are such that the good, if exported, would make a significant contribution to the military potential of any other country or combination of countries which would prove detrimental to the national security of the United States.

"(n) SECURITY MEASURES.—The Secretary and the Commissioner of Customs, consistent with their authorities under section 12(a) of this Act, and in consultation with the Director of the Federal Bureau of Investigation, shall provide advice and technical assistance to persons engaged in the manufacture or handling of goods or technology subject to export controls under this section to develop security systems to prevent violations or evasions of those export controls.

"(o) RECORDKEEPING.—The Secretary, the Secretary of Defense, and any other department or agency consulted in connection with a license application under this Act or a revision of a list of goods or technology subject to export controls under this Act, shall make and keep records of their respective advice, recommendations, or decisions in connection with any such license application or revision, including the factual and analytical basis of the advice, recommendations, or decisions.

"(p) NATIONAL SECURITY CONTROL OFFICE.—To assist in carrying out the policy and other authorities and responsibilities of the Secretary of Defense under this section, there is established in the Department of Defense a National Security Control Office under the direction of the Under Secretary of Defense for Policy. The Secretary of Defense may delegate to that office such of those authorities and responsibilities, together with such ancillary functions, as the Secretary of Defense considers appropriate.

"(q) EXCLUSION FOR AGRICULTURAL COMMODITIES.—This section does not authorize export controls on agricultural commodities, including fats, oils, and animal hides and skins.".

SEC. 106. MILITARILY CRITICAL TECHNOLOGIES.

(a) Section 5(d) (50 U.S.C. App. 2404(d)) is amended—

(1) in paragraph (2)—

(A) in subparagraph (B) by striking out "and" after "test equipment,";

(B) by adding "and" at the end of subparagraph (C);

(C) by inserting after subparagraph (C) the following:

"(D) keystone equipment which would reveal or give insight into the design and manufacture of a United States military system,"; and

(D) by striking out "countries to which exports are controlled under this section" and inserting in lieu thereof the following: ", or available in fact from sources outside the United States to, controlled countries"; and

(2) by striking out paragraphs (4) through (6) and inserting in lieu thereof the following:

"(4) The Secretary and the Secretary of Defense shall integrate items on the list of militarily critical technologies into the control list in accordance with the requirements of subsection (c) of this section. The integration of items on the list of militarily critical technologies into the control list shall proceed with all deliberate speed. Any disagreement between the Secretary and the Secretary of Defense regarding the integration of an item on the list of militarily critical technologies into the control list shall be resolved by the President. Except in the case of a good or technology for which a validated license may be required under subsection (f)(4) or (h)(6) of this section, a good or technology shall be included on the control list only if the Secretary finds that controlled countries do not possess that good or technology, or a functionally equivalent good or technology, and the good or technology or functionally equivalent good or technology is not available in fact to a controlled country from sources outside the United States in sufficient quantity and of comparable quality so that the requirement of a validated license for the export of such good or technology is or would be ineffective in achieving the purpose set forth in subsection (a) of this section. The Secretary and the Secretary of Defense shall jointly submit a report to the Congress, not later than 1 year after the date of the enactment of the Export Administration Amendments Act of 1985, on actions taken to carry out this paragraph. For the purposes of this paragraph, assessment of whether a good or technology is functionally equivalent shall include consideration of the factors described in subsection (f)(3) of this section.

"(5) The Secretary of Defense shall establish a procedure for reviewing the goods and technology on the list of militarily critical technologies at least annually for the purpose of removing from the list of militarily critical technologies any goods or technology that are no longer militarily critical. The Secretary of Defense may add to the list of militarily critical technologies any good or technology that the Secretary of Defense determines is militarily critical, consistent with the provisions of paragraph (2) of this subsection. If the Secretary and the Secretary of Defense disagree as to whether any change in the list of militarily critical technologies by the addition or removal of a good or technology should also be made in the control list, consistent with the provisions of the fourth sentence of paragraph (4) of this subsection, the President shall resolve the disagreement.

"(6) The establishment of adequate export controls for militarily critical technology and keystone equipment shall be accompanied by suitable reductions in the controls on the products of that technology and equipment.

"(7) The Secretary of Defense shall, not later than 1 year after the date of the enactment of the Export Administration Amendments Act of 1985, report to the Congress on efforts by the Department of Defense to assess the impact that the transfer of goods or technology on the list of militarily critical technologies to controlled countries has had or will have on the military capabilities of those countries.".

SEC. 107. FOREIGN AVAILABILITY.

(a) CONSULTATIONS ON FOREIGN AVAILABILITY.—Section 5(f)(1) (50 U.S.C. App. 2404(f)(1)) is amended by inserting after "The Secretary, in consultation with" the following: "the Secretary of Defense and other".

(b) DETERMINATIONS OF FOREIGN AVAILABILITY.—Section 5(f)(3) is amended to read as follows:

"(3) The Secretary shall make a foreign availability determination under paragraph (1) or (2) on the Secretary's own initiative or upon receipt of an allegation from an export license applicant that such availability exists. In making any such determination, the Secretary shall accept the representations of applicants made in writing and supported by reasonable evidence, unless such representations are contradicted by reliable evidence, including scientific or physical examination, expert opinion based upon adequate factual information, or intelligence information. In making determinations of foreign availability, the Secretary

may consider such factors as cost, reliability, the availability and reliability of spare parts and the cost and quality thereof, maintenance programs, durability, quality of end products produced by the item proposed for export, and scale of production. For purposes of this paragraph, 'evidence' may include such items as foreign manufacturers' catalogues, brochures, or operation or maintenance manuals, articles from reputable trade publications, photographs, and depositions based upon eyewitness accounts.".

(c) NEGOTIATIONS ON FOREIGN AVAILABILITY.—Section 5(f)(4) is amended by striking out the first sentence and inserting in lieu thereof the following: "In any case in which export controls are maintained under this section notwithstanding foreign availability, on account of a determination by the President that the absence of the controls would prove detrimental to the national security of the United States, the President shall actively pursue negotiations with the governments of the appropriate foreign countries for the purpose of eliminating such availability. If, within 6 months after the President's determination, the foreign availability has not been eliminated, the Secretary may not, after the end of that 6-month period, require a validated license for the export of the goods or technology involved. The President may extend the 6-month period described in the preceding sentence for an additional period of 12 months if the President certifies to the Congress that the negotiations involved are progressing and that the absence of the export control involved would prove detrimental to the national security of the United States.".

(d) OFFICE OF FOREIGN AVAILABILITY.—

(1) ESTABLISHMENT.—Section 5(f)(5) is amended to read as follows:

"(5) The Secretary shall establish in the Department of Commerce an Office of Foreign Availability which, in the fiscal year 1985, shall be under the direction of the Assistant Secretary of Commerce for Trade Administration, and, in the fiscal year 1986 and thereafter, shall be under the direction of the Under Secretary of Commerce for Export Administration. The Office shall be responsible for gathering and analyzing all the necessary information in order for the Secretary to make determinations of foreign availability under this Act. The Secretary shall make available to the Committee on Foreign Affairs of the House of Representatives and the Committee on Banking, Housing, and Urban Affairs of the Senate at the end of each 6-month period during a fiscal year information on the operations of the Office, and on improvements in the Government's ability to assess foreign availability, during that 6-month period, including information on the training of personnel, the use of computers, and the use of Foreign Commercial Service officers. Such information shall also include a description of representative determinations made under this Act during that 6-month period that foreign availability did or did not exist (as the case may be), together with an explanation of such determinations.".

(2) CLERICAL AMENDMENT.—Section 5(f)(6) is amended by striking out "Office of Export Administration" and inserting in lieu thereof "Office of Foreign Availability".

(e) REGULATIONS ON FOREIGN AVAILABILITY.—Section 5(f) is amended by adding at the end the following new paragraph:

"(7) The Secretary shall issue regulations with respect to determinations of foreign availability under this Act not later than 6 months after the date of the enactment of the Export Administration Amendments Act of 1985.".

(f) TECHNICAL ADVISORY COMMITTEES.—

(1) MEMBERSHIP.—Section 5(h)(1) is amended by inserting ", the intelligence community," after "Departments of Commerce, Defense, and State".

(2) MATTERS ON WHICH COMMITTEES CONSULTED.—Section 5(h)(2) is amended in the second sentence—

(A) by striking out "and" at the end of clause (C); and

(B) by inserting before the period at the end of the second sentence the following: ", and (E) any other questions relating to actions designed to carry out the policy set forth in section 3(2)(A) of this Act.".

(3) FOREIGN AVAILABILITY CERTIFICATIONS.—Section 5(h)(6) is amended by striking out "and provides adequate documentation" and all that follows through the end of the paragraph and inserting in lieu thereof the following: "the technical advisory committee shall submit that certification to the Congress at the same time the certification is made to the Secretary, together with the documentation for the certification. The Secretary shall investigate the foreign availability so certified and, not later than 90 days after the certification is made, shall submit a report to the technical advisory committee and the Congress stating that—

"(A) the Secretary has removed the requirement of a validated license for the export of the goods or technology, on account of the foreign availability,

"(B) the Secretary has recommended to the President that negotiations be conducted to eliminate the foreign availability, or

"(C) the Secretary has determined on the basis of the investigation that the foreign availability does not exist.

To the extent necessary, the report may be submitted on a classified basis. In any case in which the Secretary has recommended to the President that negotiations be conducted to eliminate the foreign availability, the President shall actively pursue such negotiations with the governments of the appropriate foreign countries. If, within 6 months after the Secretary submits such report to the Congress, the foreign availability has not been eliminated, the Secretary may not, after the end of that 6-month period, require a validated license for the export of the goods or technology involved. The President may extend the 6-month period described in the preceding sentence for an additional period of 12 months if the President certifies to the Congress that the negotiations involved are progressing and that the absence of the export control involved would prove detrimental to the national security of the United States.".

(i) STANDARD FOR FOREIGN AVAILABILITY.—Subsections (f)(1), (f)(2), and (h)(6) of section 5 are each amended by striking out "sufficient quality" and inserting in lieu thereof "comparable quality".

(j) TECHNICAL AMENDMENTS.—

(1) Subsection (f)(1) of section 5 is amended in the second sentence by striking out "such destinations" and inserting in lieu thereof "controlled countries".

(2) Subsections (f)(4) and (h)(6) of section 5 are each amended by striking out "countries to which exports are controlled under this section" and inserting in lieu thereof "controlled countries".

SEC. 108. FOREIGN POLICY CONTROLS.

(a) AUTHORITY.—Section 6(a) (50 U.S.C. App. 2405(a)) is amended—

(1) in paragraph (1)—

(A) by striking out "or (8)" and inserting in lieu thereof "(8), or (13)"; and

(B) by inserting in the second sentence after "Secretary of State" the following: ", the Secretary of Defense, the Secretary of Agriculture, the Secretary of the Treasury, the United States Trade Representative,";

(2) by redesignating paragraphs (2) through (4) as paragraphs (3) through (5), respectively;

(3) by inserting after paragraph (1) the following new paragraph:

"(2) Any export control imposed under this section shall apply to any transaction or activity undertaken with the intent to evade that export control, even if that export control would not otherwise apply to that transaction or activity."; and

(4) in paragraph (3), as redesignated by paragraph (2) of this subsection, by striking out "(e)" and inserting in lieu thereof "(f)".

(b) CRITERIA.—Section 6(b) is amended to read as follows:

"(b) CRITERIA.—(1) Subject to paragraph (2) of this subsection, the President may impose, extend, or expand export controls under this section only if the President determines that—

"(A) such controls are likely to achieve the intended foreign policy purpose, in light of other factors, including the availability from other countries of the goods or technology proposed for such controls, and that foreign policy purpose cannot be achieved through negotiations or other alternative means;

"(B) the proposed controls are compatible with the foreign policy objectives of the United States and with overall United States policy toward the country to which exports are to be subject to the proposed controls;

"(C) the reaction of other countries to the imposition, extension, or expansion of such export controls by the United States is not likely to render the controls ineffective in achieving the intended foreign policy purpose or to be counterproductive to United States foreign policy interests;

"(D) the effect of the proposed controls on the export performance of the United States, the competitive position of the United States in the international economy, the international reputation of the United States as a supplier of goods and technology, or on the economic well-being of individual United States companies and their employees and communities does not exceed the benefit to United States foreign policy objectives; and

"(E) the United States has the ability to enforce the proposed controls effectively.

"(2) With respect to those export controls in effect under this section on the date of the enactment of the Export Administration Amendments Act of 1985, the President, in determining whether to extend those controls, as required by subsection (a)(3) of this section, shall consider the criteria set forth in paragraph (1) of this subsection and shall consider the foreign policy consequences of modifying the export controls.".

(c) CONSULTATION WITH INDUSTRY.—Section 6(c) is amended to read as follows:

"(c) CONSULTATION WITH INDUSTRY.—The Secretary in every possible instance shall consult with and seek advice from affected United States industries and appropriate advisory committees established under section 135 of the Trade Act of 1974 before imposing any export control under this section. Such consultation and advice shall be with respect to the criteria set forth in sub-

section (b)(1) and such other matters as the Secretary considers appropriate.".

(d) CONSULTATION WITH OTHER COUNTRIES.—Section 6 is amended—

(1) by redesignating subsections (d) through (k) as subsections (e) through (l), respectively; and

(2) by inserting after subsection (c) the following new subsection:

"(d) CONSULTATION WITH OTHER COUNTRIES.—When imposing export controls under this section, the President shall, at the earliest appropriate opportunity, consult with the countries with which the United States maintains export controls cooperatively, and with such other countries as the President considers appropriate, with respect to the criteria set forth in subsection (b)(1) and such other matters as the President considers appropriate.".

(e) CONSULTATION WITH THE CONGRESS.—Section 6(f), as redesignated by subsection (d) of this section, is amended to read as follows:

"(f) CONSULTATION WITH THE CONGRESS.—(1) The President may impose or expand export controls under this section, or extend such controls as required by subsection (a)(3) of this section, only after consultation with the Congress, including the Committee on Foreign Affairs of the House of Representatives and the Committee on Banking, Housing, and Urban Affairs of the Senate.

"(2) The President may not impose, expand, or extend export controls under this section until the President has submitted to the Congress a report—

"(A) specifying the purpose of the controls;

"(B) specifying the determinations of the President (or, in the case of those export controls described in subsection (b)(2), the considerations of the President) with respect to each of the criteria set forth in subsection (b)(1), the bases for such determinations (or considerations), and any possible adverse foreign policy consequences of the controls;

"(C) describing the nature, the subjects, and the results of, or the plans for, the consultation with industry pursuant to subsection (c) and with other countries pursuant to subsection (d);

"(D) specifying the nature and results of any alternative means attempted under subsection (e), or the reasons for imposing, expanding, or extending the controls without attempting any such alternative means; and

"(E) describing the availability from other countries of goods or technology comparable to the goods or technology subject to the proposed export controls, and describing the nature and results of the efforts made pursuant to subsection (h) to secure the cooperation of foreign governments in controlling the foreign availability of such comparable goods or technology.

Such report shall also indicate how such controls will further significantly the foreign policy of the United States or will further its declared international obligations.

"(3) To the extent necessary to further the effectiveness of the export controls, portions of a report required by paragraph (2) may be submitted to the Congress on a classified basis, and shall be subject to the provisions of section 12(c) of this Act. Each such report shall, at the same time it is submitted to the Congress, also be submitted to the General Accounting Office for the purpose of assessing the report's full compliance with the intent of this subsection.

"(4) In the case of export controls under this section which prohibit or curtail the export of any agricultural commodity, a report submitted pursuant to paragraph (2) shall be deemed to be the report required by section 7(g)(3)(A) of this Act.

"(5) In addition to any written report required under this section, the Secretary, not less frequently than annually, shall present in oral testimony before the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Foreign Affairs of the House of Representatives a report on policies and actions taken by the Government to carry out the provisions of this section.".

(f) EXCLUSION OF CERTAIN ITEMS FROM FOREIGN POLICY CONTROLS.—Section 6(g), as redesignated by subsection (d) of this section, is amended—

(1) by inserting after the first sentence the following: "This section also does not authorize export controls on donations of goods (including, but not limited to, food, educational materials, seeds and hand tools, medicines and medical supplies, water resources equipment, clothing and shelter materials, and basic household supplies) that are intended to meet basic human needs."; and

(2) by striking out the last sentence and inserting in lieu thereof the following: "This subsection shall not apply to any export control on medicine, medical supplies, or food, except for donations, which is in effect on the date of the enactment of the Export Administration Amendments Act of 1985. Notwithstanding the preceding provisions of this subsection, the President may impose export controls under this section on medicine, medical supplies, food, and donations of goods in order to carry out the policy set forth in paragraph (13) of section 3 of this Act.".

(g) FOREIGN AVAILABILITY.—

(1) IN GENERAL.—Section 6(h), as redesignated by subsection (d) of this section, is amended—

(A) by inserting "(1)" immediately before the first sentence; and

(B) by adding at the end the following:

"(2) Before extending any export control pursuant to subsection (a)(3) of this section, the President shall evaluate the results of his actions under paragraph (1) of this subsection and shall include the results of that evaluation in his report to the Congress pursuant to subsection (f) of this section.

"(3) If, within 6 months after the date on which export controls under this section are imposed or expanded, or within 6 months after the date of the enactment of the Export Administration Amendments Act of 1985 in the case of export controls in effect on such date of enactment, the President's efforts under paragraph (1) are not successful in securing the cooperation of foreign governments described in paragraph (1) with respect to those export controls, the Secretary shall thereafter take into account the foreign availability of the goods or technology subject to the export controls. If the Secretary affirmatively determines that a good or technology subject to the export controls is available in sufficient quantity and comparable quality from sources outside the United States to countries subject to the export controls so that denial of an export license would be ineffective in achieving the purposes of the controls, then the Secretary shall, during the period of such foreign availability, approve any license application which is required for the export of the good or technology and which meets all requirements for such a license. The Secretary shall remove the good or technology from the list established pursuant to subsection (l) of this section if the Secretary determines that such action is appropriate.

"(4) In making a determination of foreign availability under paragraph (3) of this subsection, the Secretary shall follow the procedures set forth in section 5(f)(3) of this Act.".

(2) AMENDMENTS NOT APPLICABLE TO CERTAIN EXISTING CONTROLS.—The amendments made by paragraph (1) of this subsection shall not apply to export controls in effect under subsection (i), (j), or (k) of section 6 of the Export Administration Act of 1979 (as redesignated by subsection (d) of this section) immediately before the date of the enactment of this Act, or to export controls made effective by subsection (i)(2) of this section or by section 6(n) of the Export Administration Act of 1979 (as added by subsection (l)(1) of this section).

(h) INTERNATIONAL OBLIGATIONS.—Section 6(i), as redesignated by subsection (d) of this section, is amended by striking out "(f), and (g)" and inserting in lieu thereof "(e), (g), and (h)".

(i) COUNTRIES SUPPORTING INTERNATIONAL TERRORISM.—Section 6(j), as redesignated by subsection (d) of this section, is amended to read as follows:

"(j) COUNTRIES SUPPORTING INTERNATIONAL TERRORISM.—(1) The Secretary and the Secretary of State shall notify the Committee on Foreign Affairs of the House of Representatives and the Committee on Banking, Housing, and Urban Affairs and the Committee on Foreign Relations of the Senate at least 30 days before any license is approved for the export of goods or technology valued at more than $7,000,000 to any country concerning which the Secretary of State has made the following determinations:

"(A) Such country has repeatedly provided support for acts of international terrorism.

"(B) Such exports would make a significant contribution to the military potential of such country, including its military logistics capability, or would enhance the ability of such country to support acts of international terrorism.

"(2) Any determination which has been made with respect to a country under paragraph (1) of this subsection may not be rescinded unless the President, at least 30 days before the proposed rescission would take effect, submits to the Congress a report justifying the rescission and certifying that—

"(A) the country concerned has not provided support for international terrorism, including support or sanctuary for any major terrorist or terrorist group in its territory, during the preceding 6-month period; and

"(B) the country concerned has provided assurances that it will not support acts of international terrorism in the future.".

(j) CRIME CONTROL INSTRUMENTS.—

(1) CONCURRENCE OF SECRETARY OF STATE.—Section 6(k)(1), as redesignated by subsection (d) of this section, is amended by adding at the end the following new sentence: "Notwithstanding any other provision of this Act—

"(A) any determination of the Secretary of what goods or technology shall be included on the list established pursuant to subsection (l) of this section as a result of the export restrictions imposed by this subsection shall be made with the concurrence of the Secretary of State, and

"(B) any determination of the Secretary to approve or deny an export license application to export crime control or detection instruments or equipment shall be made in concurrence with the recommendations of the Secretary of State submitted to the Secretary with respect to the application pursuant to section 10(e) of this Act,

except that, if the Secretary does not agree with the Secretary of State with respect to any determination under subparagraph (A) or (B), the matter shall be referred to the President for resolution.".

(2) APPLICABILITY OF AMENDMENT.—The amendment made by paragraph (1) of this subsection shall apply to determinations of the Secretary of Commerce which are made on or after the date of the enactment of this Act.

(k) CONTROL LIST.—Section 6(l), as redesignated by subsection (d) of this section, is amended—

(1) in the first sentence by striking out "commodity"; and

(2) by amending the second sentence to read as follows: "The Secretary shall clearly identify on the control list which goods or technology, and which countries or destinations, are subject to which types of controls under this section.".

(l) ADDITIONAL PROVISIONS ON FOREIGN POLICY CONTROLS.—

(1) CONTRACT SANCTITY, EXTENSION OF CERTAIN CONTROLS, AND EXPANDED AUTHORITY.—Section 6 is amended by adding at the end the following:

"(m) EFFECT ON EXISTING CONTRACTS AND LICENSES.—The President may not, under this section, prohibit or curtail the export or reexport of goods, technology, or other information—

"(1) in performance of a contract or agreement entered into before the date on which the President reports to the Congress, pursuant to subsection (f) of this section, his intention to impose controls on the export or reexport of such goods, technology, or other information, or

"(2) under a validated license or other authorization issued under this Act,

unless and until the President determines and certifies to the Congress that—

"(A) a breach of the peace poses a serious and direct threat to the strategic interest of the United States,

"(B) the prohibition or curtailment of such contracts, agreements, licenses, or authorizations will be instrumental in remedying the situation posing the direct threat, and

"(C) the export controls will continue only so long as the direct threat persists.

"(n) EXTENSION OF CERTAIN CONTROLS.—Those export controls imposed under this section with respect to South Africa which were in effect on February 28, 1982, and ceased to be effective on March 1, 1982, September 15, 1982, or January 20, 1983, shall become effective on the date of the enactment of this subsection, and shall remain in effect until 1 year after such date of enactment. At the end of that 1-year period, any of those controls made effective by this subsection may be extended by the President in accordance with subsections (b) and (f) of this section.

"(o) EXPANDED AUTHORITY TO IMPOSE CONTROLS.—(1) In any case in which the President determines that it is necessary to impose controls under this section without any limitation contained in subsection (c), (d), (e), (g), (h), or (m) of this section, the President may impose those controls only if the President submits that determination to the Congress, together with a report pursuant to subsection (f) of this section with respect to the proposed controls, and only if a law is enacted authorizing the imposition of those controls. If a joint resolution authorizing the imposition of those controls is introduced in either House of Congress within 30 days after the Congress receives the determination and report of the President, that joint resolution shall be referred to the Committee on Banking, Housing, and Urban Affairs of the Senate and to the appropriate committee of the House of Representatives. If either such committee has not reported the joint resolution at the end of 30 days after its referral, the committee shall be discharged from further consideration of the joint resolution.

"(2) For purposes of this subsection, the term 'joint resolution' means a joint resolution the matter after the resolving clause of which is as follows: 'That the Congress, having received on a determination of the President under section 6(o)(1) of the Export Administration Act of 1979 with respect to the export controls which are set forth in the report submitted to the Congress with that determination, authorizes the President to impose those export controls.', with the date of the receipt of the determination and report inserted in the blank.

"(3) In the computation of the periods of 30 days referred to in paragraph (1), there shall be excluded the days on which either House of Congress is not in session because of an adjournment of more than 3 days to a day certain or because of an adjournment of the Congress sine die.".

(2) APPLICABILITY OF AMENDMENTS.—Subsections (m) and (o) of section 6 of the Export Administration Act of 1979, as added by paragraph (1) of this subsection, shall not apply to export controls in effect immediately before the date of the enactment of this Act, or to export controls made effective by subsection (i)(2) of this section or by section 6(n) of the Export Administration Act of 1979 (as added by paragraph (1) of this subsection).

SEC. 109. PETITIONS FOR MONITORING OR SHORT SUPPLY CONTROLS.

Section 7(c) (50 U.S.C. App. 2406(c)) is amended to read as follows:

"(c) PETITIONS FOR MONITORING OR CONTROLS.—(1)(A) Any entity, including a trade association, firm, or certified or recognized union or group of workers, that is representative of an industry or a substantial segment of an industry that processes metallic materials capable of being recycled may transmit a written petition to the Secretary requesting the monitoring of exports or the imposition of export controls, or both, with respect to any such material, in order to carry out the policy set forth in section 3(2)(C) of this Act.

"(B) Each petition shall be in such form as the Secretary shall prescribe and shall contain information in support of the action requested. The petition shall include any information reasonably available to the petitioner indicating that each of the criteria set forth in paragraph (3)(A) of this subsection is satisfied.

"(2) Within 15 days after receipt of any petition described in paragraph (1), the Secretary shall publish a notice in the Federal Register. The notice shall—

"(A) include the name of the material that is the subject of the petition,

"(B) include the Schedule B number of the material as set forth in the Statistical Classification of Domestic and Foreign Commodities Exported from the United States,

"(C) indicate whether the petitioner is requesting that controls or monitoring, or both, be imposed with respect to the exportation of such material, and

"(D) provide that interested persons shall have a period of 30 days beginning on the date of publication of such notice to submit to the Secretary written data, views or arguments, with or without opportunity for oral presentation, with respect to the matter involved.

At the request of the petitioner or any other entity described in paragraph (1)(A) with respect to the material that is the subject of the petition, or at the request of any entity representative of producers or exporters of such material, the Secretary shall conduct public hearings with respect to the subject of the petition, in which case the 30-day period may be extended to 45 days.

"(3)(A) Within 45 days after the end of the 30- or 45-day period described in paragraph (2), as the case may be, the Secretary shall determine whether to impose monitoring or controls, or both, on the export of the material that is the subject of the petition, in order to carry out the policy set forth in section 3(2)(C) of this Act. In making such determination, the Secretary shall determine whether—

"(i) there has been a significant increase, in relation to a specific period of time, in exports of such material in relation to domestic supply and demand;

"(ii) there has been a significant increase in the domestic price of such material or a domestic shortage of such material relative to demand;

"(iii) exports of such material are as important as any other cause of a domestic price increase or shortage relative to demand found under clause (ii);

"(iv) a domestic price increase or shortage relative to demand found under clause (ii) has significantly adversely affected or may significantly adversely affect the national economy or any sector thereof, including a domestic industry; and

"(v) monitoring or controls, or both, are necessary in order to carry out the policy set forth in section 3(2)(C) of this Act.

"(B) The Secretary shall publish in the Federal Register a detailed statement of the reasons for the Secretary's determination pursuant to subparagraph (A) of whether to impose monitoring or controls, or both, including the findings of fact in support of that determination.

"(4) Within 15 days after making a determination under paragraph (3) to impose monitoring or controls on the export of a material, the Secretary shall publish in the Federal Register proposed regulations with respect to such monitoring or controls. Within 30 days after the publication of such proposed regulations, and after considering any public comments on the proposed regulations, the Secretary shall publish and implement final regulations with respect to such monitoring or controls.

"(5) For purposes of publishing notices in the Federal Register and scheduling public hearings pursuant to this subsection, the Secretary may consolidate petitions, and responses to such petitions, which involve the same or related materials.

"(6) If a petition with respect to a particular material or group of materials has been considered in accordance with all the procedures prescribed in this subsection, the Secretary may determine, in the absence of significantly changed circumstances, that any other petition with respect to the same material or group of materials which is filed within 6 months after the consideration of the prior petition has been completed does not merit complete consideration under this subsection.

"(7) The procedures and time limits set forth in this subsection with respect to a petition filed under this subsection shall take

precedence over any review undertaken at the initiative of the Secretary with respect to the same subject as that of the petition.

"(8) The Secretary may impose monitoring or controls, on a temporary basis, on the export of a metallic material after a petition is filed under paragraph (1)(A) with respect to that material but before the Secretary makes a determination under paragraph (3) with respect to that material only if—

"(A) the failure to take such temporary action would result in irreparable harm to the entity filing the petition, or to the national economy or segment thereof, including a domestic industry, and

"(B) the Secretary considers such action to be necessary to carry out the policy set forth in section 3(2)(C) of this Act.

"(9) The authority under this subsection shall not be construed to affect the authority of the Secretary under any other provision of this Act, except that if the Secretary determines, on the Secretary's own initiative, to impose monitoring or controls, or both, on the export of metallic materials capable of being recycled, under the authority of this section, the Secretary shall publish the reasons for such action in accordance with paragraph (3) (A) and (B) of this subsection.

"(10) Nothing contained in this subsection shall be construed to preclude submission on a confidential basis to the Secretary of information relevant to a decision to impose or remove monitoring or controls under the authority of this Act, or to preclude consideration of such information by the Secretary in reaching decisions required under this subsection. The provisions of this paragraph shall not be construed to affect the applicability of section 552(b) of title 5, United States Code.".

SEC. 110. SHORT SUPPLY CONTROLS.

(a) DOMESTICALLY PRODUCED CRUDE OIL.—Section 7(d) (50 U.S.C. App. 2406(d)) is amended—

(1) in paragraph (1) by striking out "unless" and all that follows through "met" and inserting in lieu thereof "subject to paragraph (2) of this subsection";

(2) in paragraph (2)(A) by striking out "makes and publishes" and inserting in lieu thereof "so recommends to the Congress after making and publishing";

(3) in paragraph (2)(B)—

(A) by striking out "reports such findings" and inserting in lieu thereof "includes such findings in his recommendation"; and

(B) by striking out "thereafter" and all that follows through the end of the sentence and inserting in lieu thereof "after receiving that recommendation, agrees to a joint resolution which approves such exports on the basis of those findings, and which is thereafter enacted into law."; and

(4) by adding at the end the following:

"(4) Notwithstanding the provisions of section 20 of this Act, the provisions of this subsection shall expire on September 30, 1990.".

(b) REFINED PETROLEUM PRODUCTS.—Section 7(e)(1) is amended in the first sentence by striking out "No" and inserting in lieu thereof the following: "In any case in which the President determines that it is necessary to impose export controls on refined petroleum products in order to carry out the policy set forth in section 3(2)(C) of this Act, the President shall notify the Congress of that determination. The President shall also notify the Congress if and when he determines that such export controls are no longer necessary. During any period in which a determination that such export controls are necessary is in effect, no".

(c) UNPROCESSED RED CEDAR.—Section 7(i) is amended—

(1) in the last sentence of paragraph (1) by inserting "harvested from State or Federal lands" after "red cedar logs";

(2) by redesignating paragraphs (2), (3), and (4) as paragraphs (3), (4), and (5), respectively;

(3) by inserting after paragraph (1) the following new paragraph:

"(2) To the maximum extent practicable, the Secretary shall utilize the multiple validated export licenses described in section 4(a)(2) of this Act in lieu of validated licenses for exports under this subsection."; and

(4) by amending paragraph (5)(A), as redesignated by paragraph (2) of this subsection, to read as follows:

"(A) lumber of American Lumber Standards Grades of Number 3 dimension or better, or Pacific Lumber Inspection Bureau Export R-List Grades of Number 3 common or better;".

(d) AGRICULTURAL COMMODITIES.—Section 7(g)(3) is amended to read as follows:

"(3)(A) If the President imposes export controls on any agricultural commodity in order to carry out the policy set forth in paragraph (2)(B), (2)(C), (7), or (8) of section 3 of this Act, the President shall immediately transmit a report on such action to the Congress, setting forth the reasons for the controls in detail and specifying the period of time, which may not exceed 1 year, that the controls are proposed to be in effect. If the Congress, within 60 days after the date of its receipt of the report, adopts a joint resolution pursuant to paragraph (4) approving the imposition of the export controls, then such controls shall remain in effect for the period specified in the report, or until terminated by the President, whichever occurs first. If the Congress, within 60 days after the date of its receipt of such report, fails to adopt a joint resolution approving such controls, then such controls shall cease to be effective upon the expiration of that 60-day period.

"(B) The provisions of subparagraph (A) and paragraph (4) shall not apply to export controls—

"(i) which are extended under this Act if the controls, when imposed, were approved by the Congress under subparagraph (A) and paragraph (4); or

"(ii) which are imposed with respect to a country as part of the prohibition or curtailment of all exports to that country.

"(4)(A) For purposes of this paragraph, the term 'joint resolution' means only a joint resolution the matter after the resolving clause of which is as follows: 'That, pursuant to section 7(g)(3) of the Export Administration Act of 1979, the President may impose export controls as specified in the report submitted to the Congress on .', with the blank space being filled with the appropriate date.

"(B) On the day on which a report is submitted to the House of Representatives and the Senate under paragraph (3), a joint resolution with respect to the export controls specified in such report shall be introduced (by request) in the House by the chairman of the Committee on Foreign Affairs, for himself and the ranking minority member of the Committee, or by Members of the House designated by the chairman and ranking minority member; and shall be introduced (by request) in the Senate by the majority leader of the Senate, for himself and the minority leader of the Senate, or by Members of the Senate designated by the majority leader and minority leader of the Senate. If either House is not in session on the day on which such a report is submitted, the joint resolution shall be introduced in that House, as provided in the preceding sentence, on the first day thereafter on which that House is in session.

"(C) All joint resolutions introduced in the House of Representatives shall be referred to the appropriate committee and all joint resolutions introduced in the Senate shall be referred to the Committee on Banking, Housing, and Urban Affairs.

"(D) If the committee of either House to which a joint resolution has been referred has not reported the joint resolution at the end of 30 days after its referral, the committee shall be discharged from further consideration of the joint resolution or of any other joint resolution introduced with respect to the same matter.

"(E) A joint resolution under this paragraph shall be considered in the Senate in accordance with the provisions of section 601(b)(4) of the International Security Assistance and Arms Export Control Act of 1976. For the purpose of expediting the consideration and passage of joint resolutions reported or discharged pursuant to the provisions of this paragraph, it shall be in order for the Committee on Rules of the House of Representatives to present for consideration a resolution of the House of Representatives providing procedures for the immediate consideration of a joint resolution under this paragraph which may be similar, if applicable, to the procedures set forth in section 601(b)(4) of the International Security Assistance and Arms Export Control Act of 1976.

"(F) In the case of a joint resolution described in subparagraph (A), if, before the passage by one House of a joint resolution of that House, that House receives a resolution with respect to the same matter from the other House, then—

"(i) the procedure in that House shall be the same as if no joint resolution had been received from the other House; but

"(ii) the vote on final passage shall be on the joint resolution of the other House.

"(5) In the computation of the period of 60 days referred to in paragraph (3) and the period of 30 days referred to in subparagraph (D) of paragraph (4), there shall be excluded the days on which either House of Congress is not in session because of an adjournment of more than 3 days to a day certain or because of an adjournment of the Congress sine die.".

(e) CONTRACT SANCTITY.—Section 7 is amended by striking out subsection (j) and inserting in lieu thereof the following:

"(j) EFFECT OF CONTROLS ON EXISTING CONTRACTS.—The export restrictions contained in subsection (i) of this section and any export controls imposed under this section shall not affect any contract to harvest unprocessed western red cedar from State lands which was entered into before October 1, 1979, and the performance of which would make the red cedar available for export. Any export controls imposed under this section on any agricultural commodity (including fats, oils, and animal hides and skins) or on any forest product or fishery product, shall not affect any contract to export entered into before the date on which such controls are imposed. For purposes of this subsection, the term 'contract to export' includes, but is not limited to, an export sales agreement and an agreement to invest in an enterprise which involves the export of goods or technology.".

SEC. 111. LICENSING PROCEDURES.

(a) REDUCTION OF PROCESSING TIME.—Section 10 (50 U.S.C. App. 2409) is amended—

(1) by striking out "60" each place it appears and inserting in lieu thereof "40";

(2) by striking out "90" each place it appears and inserting in lieu thereof "60"; and

(3) by striking out "30" each place it appears and inserting in lieu thereof "20".

(b) AMENDMENTS WITH REGARD TO EXPORTS TO COCOM COUNTRIES.—

(1) ACTION ON APPLICATIONS NOT REFERRED TO OTHER DEPARTMENTS OR AGENCIES.—Section 10(c) is amended by striking out "In each case" and inserting in lieu thereof "Except as provided in subsection (o), in each case".

(2) REFERRALS TO OTHER DEPARTMENTS AND AGENCIES.—Section 10(d) is amended—

(A) by striking out "In each case" and inserting in lieu thereof "Except in the case of exports described in subsection (o), in each case"; and

(B) by adding at the end the following:

"Notwithstanding the 10-day period set forth in subsection (b), in the case of exports described in subsection (o), in each case in which the Secretary determines that it is necessary to refer an application to any other department or agency for its information and recommendations, the Secretary shall, immediately upon receipt of the properly completed application, refer the application to such department or agency for its review. Such review shall be concurrent with that of the Department of Commerce.".

(3) ACTION BY OTHER DEPARTMENTS AND AGENCIES.—Section 10(e) is amended—

(A) in paragraph (1) by striking out the first sentence and inserting in lieu thereof the following: "Any department or agency to which an application is referred pursuant to subsection (d) shall submit to the Secretary the information or recommendations requested with respect to the application. The information or recommendations shall be submitted within 20 days after the department or agency receives the application or, in the case of exports described in subsection (o), before the expiration of the time periods permitted by that subsection."; and

(B) in paragraph (2)—

(i) by striking out "If the head" and inserting in lieu thereof "(A) Except in the case of exports described in subsection (o), if the head", and

(ii) by adding at the end the following:

"(B) In the case of exports described in subsection (o), if the head of any such department or agency notifies the Secretary, before the expiration of the 15-day period provided in subsection (o)(1), that more time is required for review by such department or agency, the Secretary shall notify the applicant, pursuant to subsection (o)(1)(C), that additional time is required to consider the application, and such department or agency shall have additional time to consider the application within the limits permitted by subsection (o)(2). If such department or agency does not submit its recommendations within the time periods permitted under subsection (o), it shall be deemed by the Secretary to have no objection to the approval of such application.".

(4) ACTION BY THE SECRETARY.—Section 10(f) is amended in paragraphs (1) and (4) by adding at the end of each such paragraph the following: "The provisions of this paragraph shall not apply in the case of exports described in subsection (o).".

(c) RIGHT OF APPLICANT TO RESPOND TO NEGATIVE RECOMMENDATIONS.—Section 10(f)(2) is amended—

(1) by inserting "in writing" after "inform the applicant"; and

(2) by striking out ", and shall accord" and all that follows through the end of the paragraph and inserting in lieu thereof the following: ". Before a final determination with respect to the application is made, the applicant shall be entitled—

"(A) to respond in writing to such questions, considerations, or recommendations within 30 days after receipt of such information from the Secretary; and

"(B) upon the filing of a written request with the Secretary within 15 days after the receipt of such information, to respond in person to the department or agency raising such questions, considerations, or recommendations.

The provisions of this paragraph shall not apply in the case of exports described in subsection (o).".

(d) RIGHTS OF APPLICANT WITH RESPECT TO PROPOSED DENIAL.—Section 10(f)(3) is amended by striking out the first sentence and inserting in lieu thereof the following: "In cases where the Secretary has determined that an application should be denied, the applicant shall be informed in writing, within 5 days after such determination is made, of—

"(A) the determination,

"(B) the statutory basis for the proposed denial,

"(C) the policies set forth in section 3 of this Act which would be furthered by the proposed denial,

"(D) what if any modifications in or restrictions on the goods or technology for which the license was sought would allow such export to be compatible with export controls imposed under this Act,

"(E) which officers and employees of the Department of Commerce who are familiar with the application will be made reasonably available to the applicant for considerations with regard to such modifications or restrictions, if appropriate,

"(F) to the extent consistent with the national security and foreign policy of the United States, the specific considerations which led to the determination to deny the application, and

"(G) the availability of appeal procedures.

The Secretary shall allow the applicant at least 30 days to respond to the Secretary's determination before the license application is denied.".

(e) ADDITIONAL PROVISIONS.—Section 10 is amended—

(1) in the section heading by adding "; OTHER INQUIRIES" after "APPLICATIONS"; and

(2) by adding at the end the following new subsections:

"(k) CHANGES IN REQUIREMENTS FOR APPLICATIONS.—Except as provided in subsection (b)(3) of this section, in any case in which, after a license application is submitted, the Secretary changes the requirements for such a license application, the Secretary may request appropriate additional information of the applicant, but the Secretary may not return the application to the applicant without action because it fails to meet the changed requirements.

"(l) OTHER INQUIRIES.—(1) In any case in which the Secretary receives a written request asking for the proper classification of a good or technology on the control list, the Secretary shall, within 10 working days after receipt of the request, inform the person making the request of the proper classification.

"(2) In any case in which the Secretary receives a written request for information about the applicability of export license requirements under this Act to a proposed export transaction or series of transactions, the Secretary shall, within 30 days after receipt of the request, reply with that information to the person making the request.

"(m) SMALL BUSINESS ASSISTANCE.—Not later than 120 days after the date of the enactment of this subsection, the Secretary shall develop and transmit to the Congress a plan to assist small businesses in the export licensing application process under this Act. The plan shall include, among other things, arrangements for counseling small businesses on filing applications and identifying goods or technology on the control list, proposals for seminars and conferences to educate small businesses on export controls and licensing procedures, and the preparation of informational brochures.

"(n) REPORTS ON LICENSE APPLICATIONS.—(1) Not later than 180 days after the date of the enactment of this subsection, and not later than the end of each 3-month period thereafter, the Secretary shall submit to the Committee on Foreign Affairs of the House of Representatives and to the Committee on Banking, Housing, and Urban Affairs of the Senate a report listing—

"(A) all applications on which action was completed during the preceding 3-month period and which required a period longer than the period permitted under subsection (c), (f)(1), or (h) of this section, as the case may be, before notification of a decision to approve or deny the application was sent to the applicant; and

"(B) in a separate section, all applications which have been in process for a period longer than the period permitted under subsection (c), (f)(1), or (h) of this section, as the case may be, and upon which final action has not been taken.

"(2) With regard to each application, each listing shall identify—

"(A) the application case number;

"(B) the value of the goods or technology to which the application relates;

"(C) the country of destination of the goods or technology;

"(D) the date on which the application was received by the Secretary;

"(E) the date on which the Secretary approved or denied the application;

"(F) the date on which the notification of approval or denial of the application was sent to the applicant; and

"(G) the total number of days which elapsed between receipt of the application, in its properly completed form, and the earlier of the last day of the 3-month period to which the report relates, or the date on which notification of approval or denial of the application was sent to the applicant.

"(3) With respect to an application which was referred to other departments or agencies, the listing shall also include—

"(A) the departments or agencies to which the application was referred;

"(B) the date or dates of such referral; and

"(C) the date or dates on which recommendations were received from those departments or agencies.

"(4) With respect to an application referred to any other department or agency which did not submit or has not submitted its recommendations on the application within the period permitted under subsection (e) of this section to submit such recommendations, the listing shall also include—

"(A) the office responsible for processing the application and the position of the officer responsible for the office; and

"(B) the period of time that elapsed before the recommendations were submitted or

that has elapsed since referral of the application, as the case may be.

"(5) Each report shall also provide an introduction which contains—

"(A) a summary of the number of applications described in paragraphs (1)(A) and (B) of this subsection, and the value of the goods or technology involved in the applications, grouped according to—

"(i) the number of days which elapsed before action on the applications was completed, or which has elapsed without action on the applications being completed, as follows: 61 to 75 days, 76 to 90 days, 91 to 105 days, 106 to 120 days, and more than 120 days; and

"(ii) the number of days which elapsed before action on the applications was completed, or which has elapsed without action on the applications being completed, beyond the period permitted under subsection (c), (f)(1), or (h) of this section for the processing of applications, as follows: not more than 15 days, 16 to 30 days, 31 to 45 days, 46 to 60 days, and more than 60 days; and

"(B) a summary by country of destination of the number of applications described in paragraph (1)(A) and (B) of this subsection, and the value of the goods or technology involved in the applications, on which action was not completed within 60 days.

"(o) EXPORTS TO MEMBERS OF COORDINATING COMMITTEE.—(1) Fifteen working days after the date of formal filing with the Secretary of an individual validated license application for the export of goods or technology to a country that maintains export controls on such goods or technology pursuant to the agreement of the governments participating in the group known as the Coordinating Committee, a license for the transaction specified in the application shall become valid and effective and the goods or technology are authorized for export pursuant to such license unless—g

"(A) the application has been otherwise approved by the Secretary, in which case it shall be valid and effective according to the terms of the approval;

"(B) the application has been denied by the Secretary pursuant to this section and the applicant has been so informed, or the applicant has been informed, pursuant to subsection (f)(3) of this section, that the application should be denied; or

"(C) the Secretary requires additional time to consider the application and the applicant has been so informed.

"(2) In the event that the Secretary notifies an applicant pursuant to paragraph (1)(C) that more time is required to consider an individual validated license application, a license for the transaction specified in the application shall become valid and effective and the goods or technology are authorized for export pursuant to such license 30 working days after the date that such license application was formally filed with the Secretary unless—

"(A) the application has been otherwise approved by the Secretary, in which case it shall be valid and effective according to the terms of the approval; or

"(B) the application has been denied by the Secretary pursuant to this section and the applicant has been so informed, or the applicant has been informed, pursuant to subsection (f)(3) of this section, that the application should be denied.

"(3) In reviewing an individual license application subject to this subsection, the Secretary shall evaluate the information set forth in the application and the reliability of the end-user.

"(4) Nothing in this subsection shall affect the scope or availability of licenses authorizing multiple exports set forth in section 4(a)(2) of this Act.

"(5) The provisions of this subsection shall take effect 4 months after the date of the enactment of the Export Administration Amendments Act of 1985.".

SEC. 112. VIOLATIONS.

(a) IN GENERAL.—Section 11(a) (50 U.S.C. App. 2410(a)) is amended by inserting after "violates" the following: "or conspires to or attempts to violate".

(b) WILLFUL VIOLATIONS.—Section 11(b) is amended—

(1) in paragraph (1)—

(A) by striking out "exports anything contrary to" and inserting in lieu thereof "violates or conspires to or attempts to violate";

(B) by striking out "such exports" and inserting in lieu thereof "the exports involved";

(C) by inserting after "benefit of" the following: ", or that the destination or intended destination of the goods or technology involved is,"; and

(D) by striking out "country to which exports are restricted for national security or" and inserting in lieu thereof "controlled country or any country to which exports are controlled for";

(2) in paragraph (2) by striking out the last sentence; and

(3) by adding after paragraph (2) the following new paragraphs:

"(3) Any person who possesses any goods or technology—

"(A) with the intent to export such goods or technology in violation of an export control imposed under section 5 or 6 of this Act or any regulation, order, or license issued with respect to such control, or

"(B) knowing or having reason to believe that the goods or technology would be so exported,

shall, in the case of a violation of an export control imposed under section 5 (or any regulation, order, or license issued with respect to such control), be subject to the penalties set forth in paragraph (1) of this subsection and shall, in the case of a violation of an export control imposed under section 6 (or any regulation, order, or license issued with respect to such control), be subject to the penalties set forth in subsection (a).

"(4) Any person who takes any action with the intent to evade the provisions of this Act or any regulation, order, or license issued under this Act shall be subject to the penalties set forth in subsection (a), except that in the case of an evasion of an export control imposed under section 5 or 6 of this Act (or any regulation, order, or license issued with respect to such control), such person shall be subject to the penalties set forth in paragraph (1) of this subsection.

"(5) Nothing in this subsection or subsection (a) shall limit the power of the Secretary to define by regulations violations under this Act.".

(c) CIVIL PENALTIES; ADMINISTRATIVE SANCTIONS.—Section 11(c) is amended—

(1) by striking out "head" and all that follows in paragraph (1) through "thereof," and inserting in lieu thereof "Secretary (and officers and employees of the Department of Commerce specifically designated by the Secretary)"; and

(2) by adding at the end the following new paragraphs:

"(3) An exception may not be made to any order issued under this Act which revokes the authority of a United States person to export goods or technology unless the Committee on Foreign Affairs of the House of Representatives and the Committee on Banking, Housing, and Urban Affairs of the Senate are first consulted concerning the exception.

"(4) The President may by regulation provide standards for establishing levels of civil penalty provided in this subsection based upon the seriousness of the violation, the culpability of the violator, and the violator's record of cooperation with the Government in disclosing the violation.".

(d) REFUNDS OF PENALTIES.—Section 11(e) is amended—

(1) by inserting after "subsection (c)" the following: ", or any amounts realized from the forfeiture of any property interest or proceeds pursuant to subsection (g),"; and

(2) by inserting after "refund any such penalty" the following: "imposed pursuant to subsection (c)".

(e) FORFEITURES; PRIOR CONVICTIONS.—Section 11 is amended—

(1) by redesignating subsection (g) as subsection (i); and

(2) by inserting after subsection (f) the following new subsections:

"(g) FORFEITURE OF PROPERTY INTEREST AND PROCEEDS.—(1) Any person who is convicted under subsection (a) or (b) of a violation of an export control imposed under section 5 of this Act (or any regulation, order, or license issued with respect to such control) shall, in addition to any other penalty, forfeit to the United States—

"(A) any of that person's interest in, security of, claim against, or property or contractual rights of any kind in the goods or tangible items that were the subject of the violation;

"(B) any of that person's interest in, security of, claim against, or property or contractual rights of any kind in tangible property that was used in the export or attempt to export that was the subject of the violation; and

"(C) any of that person's property constituting, or derived from, any proceeds obtained directly or indirectly as a result of the violation.

"(2) The procedures in any forfeiture under this subsection, and the duties and authority of the courts of the United States and the Attorney General with respect to any forfeiture action under this subsection or with respect to any property that may be subject to forfeiture under this subsection, shall be governed by the provisions of section 1963 of title 18, United States Code.

"(h) PRIOR CONVICTIONS.—No person convicted of a violation of section 793, 794, or 798 of title 18, United States Code, section 4(b) of the Internal Security Act of 1950 (50 U.S.C. 783(b)), or section 38 of the Arms Export Control Act (22 U.S.C. 2778) shall be eligible, at the discretion of the Secretary, to apply for or use any export license under this Act for a period of up to 10 years from the date of the conviction. The Secretary may revoke any export license under this Act in which such person has an interest at the time of the conviction.".

(f) TECHNICAL AMENDMENT.—Section 11(i), as redesignated by subsection (e) of this section, is amended by striking out "or (f)" and inserting in lieu thereof "(f), (g), or (h)".

SEC. 113. ENFORCEMENT.

(a) GENERAL AUTHORITY.—Section 12(a) (50 U.S.C. App. 2411(a)) is amended—

(1) by inserting "(1)" immediately before the first sentence;

(2) by striking out "such investigations and" and inserting in lieu thereof "such in-

vestigations within the United States, and the Commissioner of Customs (and officers or employees of the United States Customs Service specifically designated by the Commissioner) may make such investigations outside of the United States, and the head of such department or agency (and such officers or employees) may";

(3) by striking out "the district court of the United States for any district in which such person is found or resides or transacts business, upon application, and" and inserting in lieu thereof "a district court of the United States,";

(4) by adding at the end the following new sentence: "In addition to the authority conferred by this paragraph, the Secretary (and officers or employees of the Department of Commerce designated by the Secretary) may conduct, outside the United States, pre-license investigations and post-shipment verifications of items licensed for export, and investigations in the enforcement of section 8 of this Act."; and

(5) by adding at the end the following new paragraphs:

"(2)(A) Subject to subparagraph (B) of this paragraph, the United States Customs Service is authorized, in the enforcement of this Act, to search, detain (after search), and seize goods or technology at those ports of entry or exit from the United States where officers of the Customs Service are authorized by law to conduct such searches, detentions, and seizures, and at those places outside the United States where the Customs Service, pursuant to agreements or other arrangements with other countries, is authorized to perform enforcement activities.

"(B) An officer of the United States Customs Service may do the following in carrying out enforcement authority under this Act:

"(i) Stop, search, and examine a vehicle, vessel, aircraft, or person on which or whom such officer has reasonable cause to suspect there are any goods or technology that has been, is being, or is about to be exported from the United States in violation of this Act.

"(ii) Search any package or container in which such officer has reasonable cause to suspect there are any goods or technology that has been, is being, or is about to be exported from the United States in violation of this Act.

"(iii) Detain (after search) or seize and secure for trial any goods or technology on or about such vehicle, vessel, aircraft, or person, or in such package or container, if such officer has probable cause to believe the goods or technology has been, is being, or is about to be exported from the United States in violation of this Act.

"(iv) Make arrests without warrant for any violation of this Act committed in his or her presence or view or if the officer has probable cause to believe that the person to be arrested has committed or is committing such a violation.

The arrest authority conferred by clause (iv) of this subparagraph is in addition to any arrest authority under other laws.

"(3)(A) Subject to subparagraph (B) of this paragraph, the Secretary shall have the responsibility for the enforcement of section 8 of this Act and, in the enforcement of the other provisions of this Act, the Secretary is authorized to search, detain (after search), and seize goods or technology at those places within the United States other than those ports specified in paragraph (2)(A) of this subsection. The search, detention (after search), or seizure of goods or technology at those ports and places specified in paragraph (2)(A) may be conducted by officers or employees of the Department of Commerce designated by the Secretary with the concurrence of the Commissioner of Customs or a person designated by the Commissioner.

"(B) The Secretary may designate any employee of the Office of Export Enforcement of the Department of Commerce to do the following in carrying out enforcement authority under this Act:

"(i) Execute any warrant or other process issued by a court or officer of competent jurisdiction with respect to the enforcement of the provisions of this Act.

"(ii) Make arrests without warrant for any violation of this Act committed in his or her presence or view, or if the officer or employee has probable cause to believe that the person to be arrested has committed or is committing such a violation.

"(iii) Carry firearms in carrying out any activity described in clause (i) or (ii).

"(4) The authorities first conferred by the Export Administration Amendments Act of 1985 under paragraph (3) shall be exercised pursuant to guidelines approved by the Attorney General. Such guidelines shall be issued not later than 120 days after the date of the enactment of the Export Administration Amendments Act of 1985.

"(5) All cases involving violations of this Act shall be referred to the Secretary for purposes of determining civil penalties and administrative sanctions under section 11(c) of this Act, or to the Attorney General for criminal action in accordance with this Act.

"(6) Notwithstanding any other provision of law, the United States Customs Service may expend in the enforcement of export controls under this Act not more than $12,000,000 in the fiscal year 1985 and not more than $14,000,000 in the fiscal year 1986.

"(7) Not later than 90 days after the date of the enactment of the Export Administration Amendments Act of 1985, the Secretary, with the concurrence of the Secretary of the Treasury, shall publish in the Federal Register procedures setting forth, in accordance with this subsection, the responsibilities of the Department of Commerce and the United States Customs Service in the enforcement of this Act. In addition, the Secretary, with the concurrence of the Secretary of the Treasury, may publish procedures for the sharing of information in accordance with subsection (c)(3) of this section, and procedures for the submission to the appropriate departments and agencies by private persons of information relating to the enforcement of this Act.

"(8) For purposes of this section, a reference to the enforcement of this Act or to a violation of this Act includes a reference to the enforcement or a violation of any regulation, order, or license issued under this Act.".

(b) CONFIDENTIALITY.—Section 12(c)(3) is amended—

(1) by striking out "Departments or agencies which obtain" and inserting in lieu thereof "Any department or agency which obtains";

(2) by inserting ", including information pertaining to any investigation," after "enforcement of this Act";

(3) by striking out "the department" and inserting in lieu thereof "each department"; and

(4) by adding at the end the following: "The Secretary and the Commissioner of Customs, upon request, shall exchange any licensing and enforcement information with each other which is necessary to facilitate enforcement efforts and effective license decisions. The Secretary, the Attorney General, and the Commissioner of Customs shall consult on a continuing basis with one another and with the heads of other departments and agencies which obtain information subject to this paragraph, in order to facilitate the exchange of such information.".

SEC. 114. ADMINISTRATIVE PROCEDURE.

Section 13 (50 U.S.C. App. 2412) is amended—

(1) in the section heading by striking out "EXEMPTION FROM CERTAIN PROVISIONS RELATING TO";

(2) in subsection (a) by inserting "and subsection (c) of this section" after "11(c)(2)"; and

(3) by adding at the end the following:

"(c) PROCEDURES RELATING TO CIVIL PENALTIES AND SANCTIONS.—(1) In any case in which a civil penalty or other civil sanction (other than a temporary denial order or a penalty or sanction for a violation of section 8) is sought under section 11 of this Act, the charged party is entitled to receive a formal complaint specifying the charges and, at his or her request, to contest the charges in a hearing before an administrative law judge. Subject to the provisions of this subsection, any such hearing shall be conducted in accordance with sections 556 and 557 of title 5, United States Code. With the approval of the administrative law judge, the Government may present evidence in camera in the presence of the charged party or his or her representative. After the hearing, the administrative law judge shall make findings of fact and conclusions of law in a written decision, which shall be referred to the Secretary. The Secretary shall, in a written order, affirm, modify, or vacate the decision of the administrative law judge within 30 days after receiving the decision. The order of the Secretary shall be final and is not subject to judicial review.

"(2) The proceedings described in paragraph (1) shall be concluded within a period of 1 year after the complaint is submitted, unless the administrative law judge extends such period for good cause shown.

"(3) An administrative law judge referred to in this subsection shall be appointed by the Secretary from among those considered qualified for selection and appointment under section 3105 of title 5, United States Code. Any person who, for at least 2 of the 10 years immediately preceding the date of the enactment of the Export Administration Amendments Act of 1985, has served as a hearing commissioner of the Department of Commerce shall be included among those considered as qualified for selection and appointment to such position.

"(d) IMPOSITION OF TEMPORARY DENIAL ORDERS.—(1) In any case in which it is necessary, in the public interest, to prevent an imminent violation of this Act or any regulation, order, or license issued under this Act, the Secretary may, without a hearing, issue an order temporarily denying United States export privileges (hereinafter in this subsection referred to as a 'temporary denial order') to a person. A temporary denial order may be effective no longer than 60 days unless renewed in writing by the Secretary for additional 60-day periods in order to prevent such an imminent violation, except that a temporary denial order may be renewed only after notice and an opportunity for a hearing is provided.

"(2) A temporary denial order shall define the imminent violation and state why the

temporary denial order was granted without a hearing. The person or persons subject to the issuance or renewal of a temporary denial order may file an appeal of the issuance or renewal of the temporary denial order with an administrative law judge who shall, within 10 working days after the appeal is filed, recommend that the temporary denial order be affirmed, modified, or vacated. Parties may submit briefs and other material to the judge. The recommendation of the administrative law judge shall be submitted to the Secretary who shall either accept, reject, or modify the recommendation by written order within 5 working days after receiving the recommendation. The written order of the Secretary under the preceding sentence shall be final and is not subject to judicial review. The temporary denial order shall be affirmed only if it is reasonable to believe that the order is required in the public interest to prevent an imminent violation of this Act or any regulation, order, or license issued under this Act.

"(e) APPEALS FROM LICENSE DENIALS.—A determination of the Secretary, under section 10(f) of this Act, to deny a license may be appealed by the applicant to an administrative law judge who shall have the authority to conduct proceedings to determine only whether the item sought to be exported is in fact on the control list. Such proceedings shall be conducted within 90 days after the appeal is filed. Any determination by an administrative law judge under this subsection and all materials filed before such judge in the proceedings shall be reviewed by the Secretary, who shall either affirm or vacate the determination in a written decision within 30 days after receiving the determination. The Secretary's written decision shall be final and is not subject to judicial review. Subject to the limitations provided in section 12(c) of this Act, the Secretary's decision shall be published in the Federal Register.".

SEC. 115. ANNUAL REPORT.

(a) CONTENTS OF REPORT.—Section 14(a)(15) (50 U.S.C. App. 2413(a)(15)) is amended by striking out "an analysis" and all that follows through "process, and".

(b) ADDITIONAL REPORTING REQUIREMENTS.—Section 14 is amended by adding at the end the following:

"(d) REPORT ON EXPORTS TO CONTROLLED COUNTRIES.—The Secretary shall include in each annual report a detailed report which lists every license for exports to controlled countries which was approved under this Act during the preceding fiscal year. Such report shall specify to whom the license was granted, the type of goods or technology exported, and the country receiving the goods or technology. The information required by this subsection shall be subject to the provisions of section 12(c) of this Act.

"(e) REPORT ON DOMESTIC ECONOMIC IMPACT OF EXPORTS TO CONTROLLED COUNTRIES.—The Secretary shall include in each annual report a detailed description of the extent of injury to United States industry and the extent of job displacement caused by United States exports of goods and technology to controlled countries. The annual report shall also include a full analysis of the consequences of exports of turnkey plants and manufacturing facilities to controlled countries which are used by such countries to produce goods for export to the United States or to compete with United States products in export markets.".

SEC. 116. UNDER SECRETARY OF COMMERCE FOR EXPORT ADMINISTRATION; REGULATIONS.

(a) IN GENERAL.—Section 15 (50 U.S.C. App. 2414) is amended to read as follows:

"ADMINISTRATIVE AND REGULATORY AUTHORITY

"SEC. 15. (a) UNDER SECRETARY OF COMMERCE.—The President shall appoint, by and with the advice and consent of the Senate, an Under Secretary of Commerce for Export Administration who shall carry out all functions of the Secretary under this Act which were delegated to the office of the Assistant Secretary of Commerce for Trade Administration before the date of the enactment of the Export Administration Amendments Act of 1985, and such other functions under this Act which were delegated to such office before such date of enactment, as the Secretary may delegate. The President shall appoint, by and with the advice and consent of the Senate, two Assistant Secretaries of Commerce to assist the Under Secretary in carrying out such functions.

"(b) ISSUANCE OF REGULATIONS.—The President and the Secretary may issue such regulations as are necessary to carry out the provisions of this Act. Any such regulations issued to carry out the provisions of section 5(a), 6(a), 7(a), or 8(b) may apply to the financing, transporting, or other servicing of exports and the participation therein by any person. Any such regulations the purpose of which is to carry out the provisions of section 5, or of section 4(a) for the purpose of administering the provisions of section 5, may be issued only after the regulations are submitted for review to the Secretary of Defense, the Secretary of State, and such other departments and agencies as the Secretary considers appropriate. The preceding sentence does not require the concurrence or approval of any official, department, or agency to which such regulations are submitted.

"(c) AMENDMENTS TO REGULATIONS.—If the Secretary proposes to amend regulations issued under this Act, the Secretary shall report to the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Foreign Affairs of the House of Representatives on the intent and rationale of such amendments. Such report shall evaluate the cost and burden to United States exporters of the proposed amendments in relation to any enhancement of licensing objectives. The Secretary shall consult with the technical advisory committees authorized under section 5(h) of this Act in formulating or amending regulations issued under this Act. The procedures defined by regulations in effect on January 1, 1984, with respect to sections 4 and 5 of this Act, shall remain in effect unless the Secretary determines, on the basis of substantial and reliable evidence, that specific change is necessary to enhance the prevention of diversions of exports which would prove detrimental to the national security of the United States or to reduce the licensing and paperwork burden on exporters and their distributors.".

(b) PAY FOR THE UNDER SECRETARY.—Section 5314 of title 5, United States Code, is amended by inserting "Under Secretary of Commerce for Export Administration," after "Under Secretary of Commerce for Economic Affairs,".

(c) PAY FOR THE ASSISTANT SECRETARIES.—Section 5315 of such title is amended by striking out

"Assistant Secretaries of Commerce (8)."

and inserting in lieu thereof

"Assistant Secretaries of Commerce (11).".

(d) EFFECTIVE DATE.—The provisions of section 15(a) of the Export Administration Act of 1979, as amended by subsection (a) of this section, and the amendments made by subsections (b) and (c) of this section shall take effect on October 1, 1986.

(e) BUDGET ACT.—Any new spending authority (within the meaning of section 401 of the Congressional Budget Act of 1974) which is provided under this section shall be effective for any fiscal year only to the extent or in such amounts as are provided in appropriation Acts.

SEC. 117. DEFINITIONS.

Section 16 (50 U.S.C. App. 2415) is amended—

(1) in paragraph (3), by inserting "natural or manmade substance," after "article,";

(2) by amending paragraph (4) to read as follows:

"(4) the term 'technology' means the information and know-how (whether in tangible form, such as models, prototypes, drawings, sketches, diagrams, blueprints, or manuals, or in intangible form, such as training or technical services) that can be used to design, produce, manufacture, utilize, or reconstruct goods, including computer software and technical data, but not the goods themselves;";

(3) by redesignating paragraph (5) as paragraph (8); and

(4) by inserting after paragraph (4) the following new paragraphs:

"(5) the term 'export' means—

"(A) an actual shipment, transfer, or transmission of goods or technology out of the United States;

"(B) a transfer of goods or technology in the United States to an embassy or affiliate of a controlled country; or

"(C) a transfer to any person of goods or technology either within the United States or outside of the United States with the knowledge or intent that the goods or technology will be shipped, transferred, or transmitted to an unauthorized recipient;

"(6) the term 'controlled country' means a controlled country under section 5(b)(1) of this Act;

"(7) the term 'United States' means the States of the United States, the District of Columbia, and any commonwealth, territory, dependency, or possession of the United States, and includes the outer Continental Shelf, as defined in section 2(a) of the Outer Continental Shelf Lands Act (43 U.S.C. 1331(a)); and".

SEC. 118. EFFECT ON OTHER ACTS.

(a) TECHNICAL AMENDMENTS.—

(1) Section 17(a) (50 U.S.C. App. 2416(a)) is amended by striking out "Nothing" and inserting in lieu thereof "expect as otherwise provided in this Act, nothing".

(2) Section 17(c) is amended by striking out the last sentence.

(b) ACT NOT TO AFFECT CERTAIN PROVISIONS OF AGRICULTURAL ACT OF 1970.—Section 17 is amended by adding at the end the following:

"(f) AGRICULTURAL ACT OF 1970.—Nothing in this Act shall affect the provisions of the last sentence of section 812 of the Agricultural Act of 1970 (7 U.S.C. 612c-3).".

SEC. 119. AUTHORIZATION OF APPROPRIATIONS.

Section 18 (50 U.S.C. App. 2417) is amended to read as follows:

"AUTHORIZATION OF APPROPRIATIONS

"SEC. 18. (a) REQUIREMENT OF AUTHORIZING LEGISLATION.—(1) Notwithstanding any other provision of law, money appropriated to the Department of Commerce for expenses to carry out the purposes of this Act may be obligated or expended only if—

"(A) the appropriation thereof has been previously authorized by law enacted on or after the date of the enactment of the Export Administration Amendments Act of 1985; or

"(B) the amount of all such obligations and expenditures does not exceed an amount previously prescribed by law enacted on or after such date.

"(2) To the extent that legislation enacted after the making of an appropriation to carry out the purposes of this Act authorizes the obligation or expenditure thereof, the limitation contained in paragraph (1) shall have no effect.

"(3) The provisions of this subsection shall not be superseded except by a provision of law enacted after the date of the enactment of the Export Administration Amendments Act of 1985 which specifically repeals, modifies, or supersedes the provisions of this subsection.

"(b) AUTHORIZATION.—There are authorized to be appropriated to the Department of Commerce to carry out the purposes of this Act—

"(1) $24,600,000 for the fiscal year 1985, of which $8,712,000 shall be available only for enforcement, $1,851,000 shall be available only for foreign availability assessments under subsections (f) and (h)(6) of section 5 of this Act, and $14,037,000 shall be available for all other activities under this Act;

"(2) $29,382,000 for the fiscal year 1986, of which $9,243,000 shall be available only for enforcement, $2,000,000 shall be available only for foreign availability assessments under subsections (f) and (h)(6) of section 5 of this Act, and $18,139,000 shall be available for all other activities under this Act; and

"(3) such additional amounts for each of the fiscal years 1985 and 1986 as may be necessary for increases in salary, pay, retirement, other employee benefits authorized by law, and other nondiscretionary costs.".

SEC. 120. TERMINATION OF AUTHORITY.

Section 20 (50 U.S.C. App. 2419) is amended to read as follows:

"TERMINATION DATE

"SEC. 20. The authority granted by this Act terminates on September 30, 1989.".

SEC. 121. IMPORT SANCTIONS.

Chapter 4 of title II of the Trade Expansion Act of 1962 (19 U.S.C. 1861 et seq.) is amended by adding at the end the following new section:

"SEC. 233. IMPORT SANCTIONS FOR EXPORT VIOLATIONS.

"(a) Any person who violates any national security export control imposed under section 5 of the Export Administration Act of 1979 (50 U.S.C. App. 2404), or any regulation, order, or license issued under that section, may be subject to such controls on the importing of goods or technology into the United States as the President may prescribe.

"(b) Except as provided in subsection (a) of this section, any person who violates any regulation issued under a multilateral agreement, formal or informal, to control exports for national security purposes, to which the United States is a party, may be subject to such controls on the importing of goods or technology into the United States as the President may prescribe, but only if—

"(1) negotiations with the government or governments, party to the multilateral agreement, with jurisdiction over the violation have been conducted and been unsuccessful in restoring compliance with the regulation involved;

"(2) the President, after the failure of such negotiations, has notified the government or governments described in paragraph (1) and the other parties to the multilateral agreement that the United States proposes to subject the person committing the violation to specific controls on the importing of goods or technology into the United States upon the expiration of 60 days from the date of such notification; and

"(3) a majority of the parties to the multilateral agreement (other than the United States), before the end of that 60-day period, have expressed to the President concurrence in the proposed import controls or have abstained from stating a position with respect to the proposed controls.".

SEC. 122. HOURS OF OFFICE OF EXPORT ADMINISTRATION.

The Secretary of Commerce shall modify the office hours of the Office of Export Administration of the Department of Commerce on at least four days of each workweek so as to accommodate communications to the Office by exporters throughout the continental United States during the normal business hours of those exporters.

SEC. 123. TECHNICAL AMENDMENTS.

(a) ARMS EXPORT CONTROL ACT.—Section 38(e) of the Arms Export Control Act (22 U.S.C. 2778(e)) is amended by striking out "(f)" and inserting in lieu thereof "(g)".

(b) MINERAL LEASING ACT OF 1920.—Subsection (u) of section 28 of the Mineral Leasing Act of 1920 (30 U.S.C. 185) is amended—

(1) by striking out "1969 (Act of December 30, 1969; 83 Stat. 841)" and inserting in lieu thereof "1979 (50 U.S.C. App. 2401 and following)"; and

(2) by striking out "1969" each subsequent place it appears and inserting in lieu thereof "1979".

SEC. 124. AMENDMENT TO THE FOREIGN ASSISTANCE ACT OF 1961.

Section 502B(a)(2) of the Foreign Assistance Act of 1961 (22 U.S.C. 2304(a)(2)) is amended by inserting after "Senate" the first place it appears the following: "and the chairman of the Committee on Banking, Housing, and Urban Affairs of the Senate (when licenses are to be issued pursuant to the Export Administration Act of 1979).".

SEC. 125. EXPORT OF HORSES.

The Act of March 3, 1891 (46 U.S.C. 466a and 466b), is amended by adding at the end the following:

"SEC. 3. EXPORT OF HORSES.

"(a) RESTRICTION ON EXPORT OF HORSES.—Notwithstanding any other provision of law, no horse may be exported by sea from the United States, or any of its territories or possessions, unless such horse is part of a consignment of horses with respect to which a waiver has been granted under subsection (b).

"(b) GRANTING OF WAIVERS.—The Secretary of Commerce, in consultation with the Secretary of Agriculture, may issue regulations providing for the granting of waivers permitting the export by sea of a specified consignment of horses, if the Secretary of Commerce, in consultation with the Secretary of Agriculture, determines that no horse in that consignment is being exported for purposes of slaughter.

"(c) PENALTIES.—

"(1) CRIMINAL PENALTY.—Any person who knowingly violates this section or any regulation, order, or license issued under this section shall be fined not more than 5 times the value of the consignment of horses involved or $50,000, whichever is greater, or imprisoned not more than 5 years, or both.

"(2) CIVIL PENALTY.—The Secretary of Commerce, after providing notice and an opportunity for an agency hearing on the record, may impose a civil penalty of not to exceed $10,000 for each violation of this section or any regulation, order, or license issued under this section, either in addition to or in lieu of any other liability or penalty which may be imposed.".

SEC. 126. ALASKAN OIL STUDY.

(a) REVIEW OF ALASKAN OIL POLICY.—

(1) IN GENERAL.—The President shall undertake a comprehensive review of the issues and related data concerning possible changes in the existing incentives to produce crude oil from the North Slope of Alaska (including changes in Federal and State taxation, pipeline tariffs, and Federal leasing policies) and possible changes in the existing distribution of crude oil from the North Slope of Alaska (including changes in export restrictions which would permit exports at free market levels and at levels of 50,000 barrels per day, 100,000 barrels per day, 200,000 barrels per day, and 500,000 barrels per day), as well as the appropriateness of continuing existing controls. Such review shall include, but not be limited to, a study of—

(A) the effect of such changes on the energy and national security of the United States and its allies;

(B) the role of such changes in United States foreign policymaking, including international energy policymaking;

(C) the impact of such changes on employment levels in the maritime industry, the oil industry, and other industries;

(D) the impact of such changes on the refiners and on consumers;

(E) the impact of such changes on the revenues and expenditures of the Federal Government and the government of Alaska;

(F) the effect of such changes on incentives for oil and gas exploration and development in the United States; and

(G) the effect of such changes on the overall trade deficit of the United States, and the trade deficit of the United States with respect to particular countries, including the effect of such changes on trade barriers of other countries.

(2) FINDINGS, OPTIONS, AND RECOMMENDATIONS.—The President shall develop, after consulting with appropriate State and Federal officials and other persons, findings, options, and recommendations regarding the production and distribution of crude oil from the North Slope of Alaska.

(b) CONSULTATION AND REPORT.—In carrying out subsection (a), the President shall consult with the Committees on Foreign Affairs and Energy and Commerce of the House of Representatives and the appropriate committees of the Senate. Not later than 9 months after the date of the enactment of this Act, the President shall transmit to each of those committees a report which contains the results of the review under subsection (a)(1), and the findings, options, and recommendations developed under subsection (a)(2).

TITLE II—EXPORT PROMOTION PROGRAMS

SEC. 201. REQUIREMENT OF PRIOR AUTHORIZATION.

(a) GENERAL RULE.—Notwithstanding any other provision of law, money appropriated to the Department of Commerce for expenses to carry out any export promotion program may be obligated or expended only if—

(1) the appropriation thereof has been previously authorized by law enacted on or after the date of the enactment of this Act; or

(2) the amount of all such obligations and expenditures does not exceed an amount previously prescribed by law enacted on or after such date.

(b) EXCEPTION FOR LATER LEGISLATION AUTHORIZING OBLIGATIONS OR EXPENDITURES.—To the extent that legislation enacted after the making of an appropriation to carry out any export promotion program authorizes the obligation or expenditure thereof, the limitation contained in subsection (a) shall have no effect.

(c) PROVISIONS MUST BE SPECIFICALLY SUPERSEDED.—The provisions of this section shall not be superseded except by a provision of law enacted after the date of the enactment of this Act which specifically repeals, modifies, or supersedes the provisions of this section.

(d) EXPORT PROMOTION PROGRAM DEFINED.—For purposes of this title, the term "export promotion program" means any activity of the Department of Commerce designed to stimulate or assist United States businesses in marketing their goods and services abroad competitively with businesses from other countries, including, but not limited to—

(1) trade development (except for the trade adjustment assistance program) and dissemination of foreign marketing opportunities and other marketing information to United States producers of goods and services, including the expansion of foreign markets for United States textiles and apparel and any other United States products;

(2) the development of regional and multilateral economic policies which enhance United States trade and investment interests, and the provision of marketing services with respect to foreign countries and regions;

(3) the exhibition of United States goods in other countries; and

(4) the operations of the United States and Foreign Commercial Service, or any successor agency.

SEC. 202. AUTHORIZATION OF APPROPRIATIONS.

There is authorized to be appropriated $113,273,000 for each of the fiscal years 1985 and 1986 to the Department of Commerce to carry out export promotion programs.

SEC. 203. BARTER ARRANGEMENTS.

(a) REPORT ON STATUS OF FEDERAL BARTER PROGRAMS.—The Secretary of Agriculture and the Secretary of Energy shall, not later than 90 days after the date of the enactment of this Act, submit to the Congress a report on the status of Federal programs relating to the barter or exchange of commodities owned by the Commodity Credit Corporation for materials and products produced in foreign countries. Such report shall include details of any changes necessary in existing law to allow the Department of Agriculture and, in the case of petroleum resources, the Department of Energy, to implement fully any barter program.

(b) AUTHORITIES OF THE PRESIDENT.—The President is authorized—

(1) to barter stocks of agricultural commodities acquired by the Government for petroleum and petroleum products, and for other materials vital to the national interest, which are produced abroad, in situations in which sales would otherwise not occur; and

(2) to purchase petroleum and petroleum products, and other materials vital to the national interest, which are produced abroad and acquired by persons in the United States through barter for agricultural commodities produced in and exported from the United States through normal commercial trade channels.

(c) OTHER PROVISIONS OF LAW NOT AFFECTED.—In the case of any petroleum, petroleum products, or other materials vital to the national interest, which are acquired under subsection (b), nothing in this section shall be construed to render inapplicable the provisions of any law then in effect which apply to the storage, distribution, or use of such petroleum, petroleum products, or other materials vital to the national interest.

(d) CONVENTIONAL MARKETS NOT TO BE DISPLACED BY BARTERS.—The President shall take steps to ensure that, in making any barter described in subsection (a) or (b)(1) or any purchase authorized by subsection (b)(2), existing export markets for agricultural commodities operating on conventional business terms are safeguarded from displacement by the barter described in subsection (a), (b)(1), or (b)(2), as the case may be. In addition, the President shall ensure that any such barter is consistent with the international obligations of the United States, including the General Agreement on Tariffs and Trade.

(e) REPORT TO THE CONGRESS.—The Secretary of Energy shall report to the Congress on the effect on energy security and on domestic energy supplies of any action taken under this section which results in the acquisition by the Government of petroleum or petroleum products. Such report shall be submitted to the Congress not later than 90 days after such acquisition.

TITLE III—NUCLEAR AGREEMENTS FOR COOPERATION

SEC. 301. AGREEMENTS FOR COOPERATION.

(a) NOTIFICATION OF AND CONSULTATION WITH THE CONGRESS; HEARINGS.—Section 123 of the Atomic Energy Act of 1954 (42 U.S.C. 2153) is amended—

(1) in subsection a. by inserting after "Assessment Statement" the following: "(A) which shall analyze the consistency of the text of the proposed agreement for cooperation with all the requirements of this Act, with specific attention to whether the proposed agreement is consistent with each of the criteria set forth in this subsection, and (B)";

(2) in subsection b. by inserting before "the President" the following: "the President has submitted text of the proposed agreement for cooperation, together with the accompanying unclassified Nuclear Proliferation Assessment Statement, to the Committee on Foreign Relations of the Senate and the Committee on Foreign Affairs of the House of Representatives, the President has consulted with such Committees for a period of not less than thirty days of continuous session (as defined in section 130 g. of this Act) concerning the consistency of the terms of the proposed agreement with all the requirements of this Act, and"; and

(3) in subsection d. by inserting before the sentence which begins "Any such proposed agreement" the following: "During the sixty-day period the Committee on Foreign Affairs of the House of Representatives and the Committee on Foreign Relations of the Senate shall each hold hearings on the proposed agreement for cooperation and submit a report to their respective bodies recommending whether it should be approved or disapproved.".

(b) CONGRESSIONAL REVIEW OF AGREEMENTS.—Subsection d. of section 123 of the Atomic Energy Act of 1954 (42 U.S.C. 2153(d)) is amended—

(1) by striking out "adopts a concurrent resolution" and inserting in lieu thereof "adopts, and there is enacted, a joint resolution";

(2) by striking out the period at the end of the first proviso and inserting in lieu thereof ": Provided further, That an agreement for cooperation exempted by the President pursuant to subsection a. from any requirement contained in that subsection shall not become effective unless the Congress adopts, and there is enacted, a joint resolution stating that the Congress does favor such agreement."; and

(3) by striking out "130 of this Act for the consideration of Presidential submissions" and inserting in lieu thereof "130 i. of this Act".

(c) PROCEDURES FOR CONSIDERATION OF AGREEMENTS.—

(1) TECHNICAL CHANGES.—Section 130 a. of the Atomic Energy Act of 1954 (42 U.S.C. 2159(a)) is amended—

(A) in the first sentence—

(i) by striking out "123 d.,"; and

(ii) by striking out ", and in addition, in the case of a proposed agreement for cooperation arranged pursuant to subsection 91 c., 144 b., or 144 c., the Committee on Armed Services of the House of Representatives and the Committee on Armed Services of the Senate,"; and

(B) in the proviso, by striking out "and if, in the case of a proposed agreement for cooperation arranged pursuant to subsection 91 c., 144 b., or 144 c. of this Act, the other relevant committee of that House has reported such a resolution, such committee shall be deemed discharged from further consideration of that resolution".

(2) PROCEDURES FOR CONSIDERATION OF JOINT RESOLUTIONS.—Section 130 of the Atomic Energy Act of 1954 is amended—

(A) by amending subsection g.—

(i) by redesignating paragraphs (1) and (2) as clauses (A) and (B);

(ii) by striking out "g. For" and inserting in lieu thereof "g. (1) Except as provided in paragraph (2), for"; and

(iii) by adding at the end thereof the following new paragraph:

"(2) For purposes of this section insofar as it applies to section 123—

(A) continuity of session is broken only by an adjournment of Congress sine die at he end of a Congress; and

"(B) the days on which either House is not in session because of an adjournment of more than three days are excluded in the computation of any period of time in which Congress is in continuous session."; and

(B) by adding at the end thereof the following new subsection:

"i. (1) For the purposes of this subsection, the term 'joint resolution' means a joint resolution, the matter after the resolving clause of which is as follows: That the Congress (does or does not) favor the proposed agreement for cooperation transmitted to the Congress by the President on .', with the date of the transmission of the proposed agreement for cooperation inserted in the blank, and the affirmative or negative phrase within the parenthetical appropriately selected.

"(2) On the day on which a proposed agreement for cooperation is submitted to the House of Representatives and the Senate under section 123 d., a joint resolution with respect to such agreement for cooperation shall be introduced (by request) in the House by the chairman of the Committee on Foreign Affairs, for himself and the ranking minority member of the Committee, or by Members of the House designated by the chairman and ranking minority member; and

shall be introduced (by request) in the Senate by the majority leader of the Senate, for himself and the minority leader of the Senate, or by Members of the Senate designated by the majority leader and minority leader of the Senate. If either House is not in session on the day on which such an agreement for cooperation is submitted, the joint resolution shall be introduced in that House, as provided in the preceding sentence, on the first day thereafter on which that House is in session.

"(3) All joint resolutions introduced in the House of Representatives shall be referred to the appropriate committee or committees, and all joint resolutions introduced in the Senate shall be referred to the Committee on Foreign Relations and in addition, in the case of a proposed agreement for cooperation arranged pursuant to section 91 c., 144 b., or 144 c., the Committee on Armed Services.

"(4) If the committee of either House to which a joint resolution has been referred has not reported it at the end of 45 days after its introduction, the committee shall be discharged from further consideration of the joint resolution or of any other joint resolution introduced with respect to the same matter; except that, in the case of a joint resolution which has been referred to more than one committee, if before the end of that 45-day period one such committee has reported the joint resolution, any other committee to which the joint resolution was referred shall be discharged from further consideration of the joint resolution or of any other joint resolution introduced with respect to the same matter.

"(5) A joint resolution under this subsection shall be considered in the Senate in accordance with the provisions of section 601(b)(4) of the International Security Assistance and Arms Export Control Act of 1976. For the purpose of expediting the consideration and passage of joint resolutions reported or discharged pursuant to the provisions of this subsection, it shall be in order for the Committee on Rules of the House of Representatives to present for consideration a resolution of the House of Representatives providing procedures for the immediate consideration of a joint resolution under this subsection which may be similar, if applicable, to the procedures set forth in section 601(b)(4) of the International Security Assistance and Arms Export Control Act of 1976.

"(6) In the case of a joint resolution described in paragraph (1), if prior to the passage by one House of a joint resolution of that House, that House receives a joint resolution with respect to the same matter from the other House, then—

"(A) the procedure in that House shall be the same as if no joint resolution had been received from the other House; but

"(B) the vote on final passage shall be on the joint resolution of the other House.".

(d) APPLICABILITY OF AMENDMENTS.—The amendments made by this section shall apply to any agreement for cooperation which is entered into after the date of the enactment of this Act.

And the House agree to the same.

That the Senate recede from its disagreement to the amendment of the House to the title of the bill and agree to the same.

DANTE B. FASCELL,
DON BONKER,
DAN MICA,
H.L. BERMAN,
TOBY ROTH,
DOUGLAS BEREUTER,

Solely for consideration of sections 113(a)(5) and 114 of the House amendment and modifications committed to conference:

PETER W. RODINO, Jr.
BILL HUGHES,
BILL MCCOLLUM,

Solely for consideration of section 126 and title II of the House amendment and modifications committed to conference:

JOHN D. DINGELL,
AL SWIFT,
JAMES T. BROYHILL,
Managers on the Part of the House.

JAKE GARN,
JOHN HEINZ,
WILLIAM PROXMIRE,
Managers on the Part of the Senate.

JOINT EXPLANATORY STATEMENT OF THE COMMITTEE OF CONFERENCE

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 883) to extend the Export Administration Act of 1979, submit the following joint statement to the House and the Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report:

The House amendment to the text of the bill struck out all of the Senate bill after the enacting clause and inserted a substitute text.

The Senate recedes from its disagreement to the amendment of the House with an amendment which is a substitute for the Senate bill and the House amendment. The differences between the Senate bill, the House amendment, and the substitute agreed to in conference are noted below, except for clerical corrections, conforming changes made necessary by agreements reached by the conferees, and minor drafting and clarifying changes.

SECTION 108. FOREIGN POLICY CONTROLS

House Position: The House bill amends section 6(i) of the Act to restore Iraq to the list of countries supporting international terrorism 90 days after enactment unless the President makes the certification required to remove a country from the list to Congress during that 90 days.

Senate Position: No provision.

Conference Substitute: The conferees have acceded to the State Department's request that language be deleted from the conference substitute which would have required the President to put Iraq back on the list of terrorist-supporting nations in ninety days or certify that Iraq has ceased support for terrorism.

The conferees note that Secretary of State Shultz has sent a letter to the author of the original House's bill requirement requesting deletion of the modified language agreed to in conference. The letter states that the Administration will promptly return Iraq to the list of countries identified as supporting terrorism in any group based in or supported by Iraq engages in terrorist acts.

The conferees believe that this permanent commitment is more useful than the bill's requirement for one Presidential certification in ninety days that Iraq has not supported terrorism for six months. As the Secretary of State's letter notes, there have been periods in the past when the notorious Abu Nidal terrorist organization has apparently moved to Syria only to return to Baghdad later.

The Secretary of State's letter includes a commitment to encourage Iraq to take more active measures against international terrorists. It notes that members of at least one Iraqi-based terrorist organization, May 15, although currently inactive, have not been detained or prosecuted.

Congressional concern about Iraq's policy on international terrorism has been instrumental in securing significant progress over the last several months, including the expulsion of the Abu Nidal organization. Members of Congress will continue to monitor Iraq's actions and urge Iraq to adopt anti-terrorist polices as strong as those of most nations, an unequivocal most Arab nations. Specifically, the government of Iraq is urged to adopt an unequivocal policy of detaining and prosecuting any terrorist or terrorists found on its territory.

The letter from the Secretary of State follows:

THE SECRETARY OF STATE,
Washington, June 20, 1985.

Hon. HOWARD L. BERMAN,
House of Representatives.

DEAR MR. BERMAN: I am writing to request that the House-Senate conference on the Export Administration Act remove from the Act the requirement that the President certify that Iraq does not support terrorism, or put Iraq back on the list of terrorist-supporting nations.

During the more than three years that this provision and similar legislation has been under consideration, Iraq has taken important steps against terrorist organizations previously operating from its territory. Most significant was Iraq's expulsion in 1983 of Abu Nidal's notorious "Black June" organization, whose long record of outrageous terrorist acts includes recent attacks on Jordanian airlines offices in Europe.

Your insistence upon and support for our diplomatic efforts to halt state support for international terrorism has played a direct role in the favorable change in Iraqi policy on this issue. In your own discussions directly with Iraqi Foreign Minister Tariq Aziz, he unequivocally affirmed that his Government had concluded that the activities of these groups are a danger to Iraq itself. We appreciate your concern that Iraq might renew its support for terrorism. There have been periods in the past, for example, when the Abu Nidal organization apparently moved to Syria only to return to Baghdad later. I assure you that, should we conclude that any group based in or supported by Iraq is engaged in terrorist acts, we would promptly return Iraq to the list of countries identified as supporting terrorism.

Although Iraq has effectively disassociated itself from international terrorism, an important objective of our diplomatic discussions on this issue remains to be met: we are encouraging Iraq to take more active measures against international terrorists. You have noted, for example, that although the May 15 organization has been inactive since at least December, 1983, we have no evidence that its members have been detained, prosecuted, or expelled from Iraq.

As you are aware, several recent instances of active Iraqi cooperation against specific terrorist threats to shared interests provide reason to expect further progress. We can best encourage this through continued diplomacy backed by strong Congressional support. Removal of the portion of the proposed amendment to the Export Administration Act relevant to Iraq is appropriate to recognize the steps Iraq already has taken and to encourage further movement. Moreover, under present circumstances, the legis-

lation you proposed would be seen and resented in Baghdad as a foreign attempt to dictate Iraqi policy, severely disrupting our diplomatic dialogue on this and other sensitive issues.

Other governments must know that the U.S policy of promoting active international cooperation against terrorism knows no differences across party lines or branches of government. The most candid consultations between the Congress and Department of State on this issue have been essential to the success we have seen in Iraq's case. Hence, Department officers are instructed to stay in close consultation with interested committees and Members of Congress, such as yourself, on the global issue of state support for international terrorism and particularly on developments in Iraq's policies toward terrorism. We will continue to make available all relevant information on this issue through appropriate channels. I understand the Iraqi Foreign Minister has invited you to visit Baghdad. If you go, I think it would be important and very helpful for you to stress the solidarity between the executive and legislative branches on this issue.

One further point: I know you remain concerned about the sale of aircraft to Iraq. I assure you that I share your concern that U.S. aircraft exports to Iraq are consistent with our foreign policy objectives, particularly our efforts to oppose state support for terrorism. I will keep you and appropriate committees of the Congress advised on licensing questions regarding significant aircraft sales to Iraq.

Sincerely yours,

GEORGE P. SHULTZ.

SECTION 113. ENFORCEMENT

House Position: Section 113 of the House bill added paragraph (4) to section 12(a) of the Act specifying that the enforcement activities of the Commerce Department and the Customs Service under the Act be pursuant to regulations promulgated by the Attorney General.

Senate Position: No provision.

Conference Substitute: The conference substitute revises section 113(b)(4) to require that new law enforcement authorities of the Commerce Department be exercised pursuant to guidelines approved by the Attorney General. Such guidelines are to be issued within 120 days of enactment of the conference substitute. The authorities conferred by subsection 113(b)(3)(B) are intended by the conferees to constitute new Commerce Department enforcement powers.

The conferees believe that the law enforcement powers of the federal government should be uniformly applied by all federal agencies. The statutory requirement of Attorney General guidelines is not extended to the Customs Service, since t' e law enforcement authority of the Customs Service is not new. However, the managers intend that there be consultation between the Attorney General and the Secretary of the Treasury on the exercise of law enforcement authority under the conference substitute by the Customs Service.

SECTION 114. ADMINISTRATIVE PROCEDURE

House Position: The House bill amended section civil 13(c) of the Act to provide, among other things, that parties subject to civil charges under the Act can contest the charges in a hearing before a newly created administrative law judge rather than a hearing commissioner.

Senate Position: No provision.

Conference Substitute: The Senate recedes with an amendment clarifying that any person who, for at least 2 of the 10 years immediately preceding the date of enactment of the conference substitute, has served as a hearing commissioner of the Commerce Department, shall be eligible for appointment to the administrative law judge position created by the subsection.

SECTION 116. UNDER SECRETARY OF COMMERCE

House Position: The House bill creates a new Under Secretary of Commerce for Export Administration with three subordinate assistant secretaries, effective October 1, 1985.

Senate Position: No provision.

Conference Substitute: The Senate recedes with an amendment: 1) delaying the effective date until October 1, 1986; 2) reducing the number of new assistant secretaries from 3 to 2; and 3) clarifying that the new assistant secretaries would be Presidential appointments subject to Senate confirmation.

SECTION 119. AUTHORIZATION OF APPROPRIATIONS

House Position: The House bill authorizes a total of $29,500,000 for FY86, including $10,000,000 for enforcement, $2,000,000 for foreign availability, and $7,500,000 for other activities.

Senate Position: No provision.

Conference Substitute: The Senate recedes with an amendment changing the FY86 levels as follows: total—$29,382,000, including $9,243,000 for enforcement, $2,000,000 for foreign availability, and $18,139,000 for other activities. These changes would conform the authorization levels to the Administration request.

The conference substitute requires that appropriations to the Commerce Department to carry out the Act must be authorized before being obligated or expended, and authorizes appropriations of $24,600,000 for fiscal year 1985, of which $8,712,000 shall be available only for enforcement, $1,851,000 shall be available only for foreign availability assessments, and $14,037,000 shall be available for all other activities, and authorizes appropriations of $29,382,000 for fiscal year 1986, of which $9,243,000 shall be available only for enforcement, $2 million shall be available only for foreign availability assessments, and $18,139,000 shall be available for all other activities.

The processing of export license applications and responses to inquiries from government personnel at ports as to license requirements for particular shipments would be speeded by increasing the number of engineers and other highly trained personnel in the Commerce Department's Office of Export Administration [OEA). Present civil service rating applicable to OEA personnel have resulted in compensation levels which are not comparable to opportunities in the private sector. The conferees expect the executive branch to re-evaluate, and upgrade where appropriate, civil service ratings applicable to such positions.

SECTION 301. NUCLEAR AGREEMENTS FOR COOPERATION

House Position: The House bill contains provisions clarifying the circumstances under which nuclear agreements for cooperation shall be submitted to the Congress for review and the procedures Congress shall employ in conducting such reviews.

Senate Position: No provision.

Conference Substitute: The Senate recedes with an amendment clarifying that the time period during which an agreement for cooperation is referred to the Congress carries over from one session of a Congress to the next session of the same Congress.

Section 123 of the Atomic Energy Act, as amended by the 1978 Nuclear Non-Proliferation Act [NNPA], 42 U.S.C. 2153, requires that proposed agreements for nuclear cooperation with other countries shall include the terms, duration, nature, scope of cooperation, and other requirements listed in that section. Subsection d. of that section presently provides that the President must submit proposed agreements for nuclear cooperation to the Congress and that such agreements cannot become effective if, during a 60-day review period, Congress adopts a concurrent resolution stating Congress does not favor the agreement. The Supreme Court's June 1983 *Chadha* decision raised serious questions about the constitutionality of that concurrent resolution disapproval procedure. In order to remedy that legal problem, and to ensure an adequate and timely congressional review procedure for agreements for nuclear cooperation proposed by the President, the conference substitute makes changes to the existing provisions of sections 123 and 130 of the Atomic Energy Act of 1954.

Section 123a. of the Atomic Energy Act presently requires, among other things, that the Director of the Arms Control and Disarmament Agency [ACDA] must prepare a nuclear proliferation assessment statement regarding any proposed agreement for nuclear cooperation to which the requirement applies. The conference substitute amends section 123a. to require that any such assessment statement must "analyze the consistency of the text of the proposed agreement for cooperation with all the requirements of the Atomic Energy Act, with specific attention to whether the proposed agreement is consistent with each of the criteria set forth in section 123a." This provision is intended to ensure that the ACDA director specifically analyzes in writing why any proposed agreement is or is not consistent with each of these nine criteria.

This provision is very important because section 123d. of the Atomic Energy Act is also amended to provide that if the President exempts a proposed agreement from one or more of the criteria for nuclear agreements which are set forth in section 123a., then the agreement cannot be brought into force unless the Congress adopts, and there is enacted, a joint resolution stating that the Congress does favor the agreement. If there is no exemption, then such agreements for cooperation can be brought into effect after the congressional review period is completed unless Congress adopts a joint resolution of disapproval.

The conference substitute also amends section 123b. of the Atomic Energy Act to require that before the beginning of the 60-day congressional review period set forth in section 123d., as amended by the conference substitute, the President submit the text of a proposed agreement along with the Nuclear Proliferation Assessment Statement to the Committees on Foreign Affairs and Foreign Relations of the House and Senate respectively, and consult with these committees for a period of not less than 30 days of continuous session concerning the consistency of the terms of the proposed agreement with all the requirements of the Atomic Energy Act. This special provision—the amendment to section 123b.—does not have any precedential value for other agreements concluded by the President and is included here solely because a new system for

nuclear cooperation agreements is being adopted so that the balance between the Congress and the President on nuclear agreements that was upset by the *Chadha* decision can be restored. Since the track chosen for approving such agreements depends on whether they are outside the parameters of the nine nonproliferation criteria in section 123a., the provision is intended to ensure that the committees can advise the President on that all important issue during the 30-day prior consultation period but not necessarily before that agreement is signed.

For example, if during the 30-day prior consultation period either the House Foreign Affairs Committee or the Senate Foreign Relations Committee indicates that in its judgment the proposed agreement is outside the parameters of the nine criteria in section 123a., the Congress expects that the President will submit an exemption. When an exemption is submitted, the amendment to section 123d. requires that the Congress pass a joint resolution of approval before such an aggreement becomes effective. During the 30-day period of informal committee review, the respective committees could, of course, conduct hearings to assist their Members in reaching a recommendation as to whether the President should submit an exemption.

The provisions of section 123b., as amended, are not intended to insert Congress into the process of negotiating agreements. After the 30-day period of informal consultation, the President may choose to renegotiate an agreement. However, the provision does not require renegotiation of an agreement prior to its final consideration by the Congress. These provisons are intended to ensure that the President has the advice of the Congress as to whether there should be an exemption from any of the nine nonproliferation criteria of section 123a.

The steps for submitting, consulting and approving nuclear cooperation agreements set forth in section 123b., as amended, need not be taken in any particular sequence. It is up to the President to decide if he wants to authorize the execution of an agreement for cooperation before seeking congressional advice regarding whether an exemption is required, and thus the agreement may or may not be approved and executed prior to submission for the 30-day prior consultation review period. While the President may choose to resubmit an ageement following the 30-day consultation period, these amendments do not require separate submissions under section 123b. and section 123d. A single submission would satisfy the law. The Congress fully expects, however, that the President will resubmit any agreement for which he has not submitted an exemption if either committee during the prior consultation period recommends that an exemption is required.

The conference substitute, as noted above, also amends section 123d. of the Atomic Energy Act to provide that if the President exempts a proposed agreement for nuclear cooperation from any section 123a. nonproliferation criteria, then the agreement cannot be brought into force unless the Congress enacts a joint resolution of approval. If there is no exemption, the agreement can go into effect after the 60-day congressional review period in section 123d. unless Congress passes a joint resolution of disapproval.

Section 123d. is further amended to provide that during the 60-day period proposed agreements for nuclear cooperation are formally before the Congress, the Committees on Foreign Affairs and Foreign Relations of the House and Senate shall hold hearings on them and report to their respective bodies whether such agreements should be approved or disapproved. This is to ensure that Members of each body are given an opportunity to cast an informed vote on such agreements. It is the clear intention of the conferees that the respective committees shall hold hearings on each proposed agreement for cooperation. The conferees fully expect and are directing and mandating in law that the committees of jurisdiction comply with this requirement.

However, if for some reason, either of the committees fails to hold the hearings and/or submit the reports by the end of the congressional review period mandated by section 123d., that would not constitute a procedural defect in the congressional review of an agreement for nuclear cooperation, and would not prevent the entry into force of the agreement. This amendment to section 123 makes clear that only a joint resolution of disapproval may prevent the entry into force of such an agreement unless there has been a Presidential exemption of a required provision, in which case a joint resolution of approval is needed to permit such an agreement to come into force. If unanticipated circumstances ever prevent a hearing from being held or a report from being issued during the statutory period, the conferees fully expect that the appropriate committee chairman will explain in writing to the respective House the precise reasons for such an unexpected omission.

The conference substitute also amends section 130 of the Atomic Energy Act with respect to its provisions providing expedited procedures for consideration of nuclear cooperation agreements. That section has been amended to state, among other things, that all joint resolutions of approval and disapproval which are introduced in the House of Representatives shall be referred to the "appropriate committee or committees." This does not mean that such agreements or resolutions relating to them will be referred to an expanded number of committees in the House or will be subjected to hearings before an expanded number of committees in the House.

It is the intention of the managers that both agreements and related resolutions dealing with civil nuclear cooperation will continue to be referred to the House Foreign Affairs Committee, as under current law, and that agreements and resolutions for defense nuclear cooperation will continue to be referred to the Armed Services Committee as well. This is what would occur currently under House rules, and this is appropriate in view of the expertise and jurisdiction of these committees in this area. Finally, section 130 of the Atomic Energy Act is also amended to make clear that the specified number of days of "continuous session" for Congress to review proposed nuclear agreements for cooperation can carry over from one session of Congress to another, but not to a new Congress. Thus there is a cumulative effect between sessions of the same Congress, but not from one Congress to the next. This amendment also specifies that the intrassessional recess would not be counted as days for the Congressional review of such agreements.

REMAINDER OF BILL

The Senate recedes to the House, and the conferees note the following:

EXPORT ADMINISTRATION ACT—STATEMENT OF MANAGERS

INTRODUCTION

The committee of conference adopted without change most of the provisions worked out in the last Congress by the conferees on similar legislation passed in that Congress, H.R. 3231 and S. 979. The following comments by the committee of conference on S. 883 are not intended to cover all sections of the bill but rather to touch on specific points of interest in this bill and particularly those areas where changes have been made from the 1984 conference agreement.

AMENDMENTS TO SECTION 4

Amendments to section 4(a) of the Export Administration Act of 1979 (the "Act") repeal the authority of the Secretary of Commerce (the "Secretary") to offer qualified general licenses and authorize the Secretary to offer distribution, comprehensive operations, project, and service supply licenses, except that distribution and comprehensive operations licenses may not be offered for exports to controlled countries.

By designating in the conference substitute certain multiple licensing procedures, such as the comprehensive operations license, the conferees do not intend to limit the Secretary's discretionary authority to establish new categories of multiple licenses to assist in the effective and efficient implementation of export controls and enforcement of the Act. (If the Secretary determines that a multiple licensing procedure for exports of certain commodities or to certain geographic locations is needed for the effective and efficient operation of the Act, he may establish the license under his general authority of section 4(a)(4) of the Act.)

The conferees endorse the distribution license for exports to countries other than the controlled countries listed pursuant to section 5(b) of the Act, as amended in the conference substitute, as a means of reducing the burden on exporters engaging in trade not prejudicial to the national security, and of reducing the license processing burden on administering authorities. The factors described in the provision to be considered when relevant in individual applications for a license are not to be determinative in creating categories or general criteria for denial of applications or for withdrawal of such a license. This does not limit the authority of the Secretary to determine which items on the control list are eligible for export under a distribution license.

AMENDMENTS TO SECTION 5

Amendments to section 5(b) of the Act eliminate U.S. licensing requirements for exports to CoCom countries with respect to relatively low-technology items that require only notification for export under CoCom multilateral controls, that is, for items specified in the Administrative Exception Notes [AEN's] of the control list. U.S. licensing requirements for all other exports of controlled goods and technology to such cooperating countries are perserved. However, amendments contained in section 111 of the conference substitute modify the licensing process for these exports effective 4 months after the date of enactment to provide greater speed and predictability for export license applicants.

The application process under section 10 of the Act is amended to provide that for individual validated licenses for exports to CoCom countries, if the Secretary does not inform the applicant within 15 working days

after receipt of the export license application of the disposition of the application or that more time is necessary to consider it, the license automatically becomes valid and effective and shipment can be made pursuant to that license. If the Secretary notifies the applicant that more time is necessary to consider the application, an additional 15-working-day period is available for the Secretary to take action. At the end of this second 15-working-day period, however, absent action by the Secretary to deny the license, the license automatically becomes valid and effective.

The conferees intend that the notification by the Department of Commerce to an export license applicant that the Department has received an export license application contain an application number that will be identical to the number of the subsequent license to export, and when a license becomes effective, either by Government action or by the expiration of the specified time periods, the exporter may refer to that number—such as on a Shipper's Export Declaration—in exporting the goods or technology specified in the application, without waiting to receive a formal license to export.

U.S. exporters gain certainty that they may ship their products to cooperating countries after no more than 15 or, if necessary, 30 working days after submitting an application, unless the application is denied within such time periods. Export authority obtained in this manner constitutes an individual validated export license in all respects, while general and multiple licensing procedures remain unaffected.

The same treatment of license applications shall be applied, as provided in section 5(k) of the Act, as amended in the conference substitute, to all exports to non-CoCom countries which cooperate formally or informally with the United States in maintaining restrictions comparable in practice to those maintained by CoCom.

The review by the conferees of the implementation of the Act during the last session of the 98th Congress revealed instances in which the competitiveness of U.S. exporters has been hampered by the inefficiency of the agencies with regulatory and enforcement authority over exports. Specifically, the conferees are aware that the application of the export administration regulations in some cases is inconsistent and irrational, and that some U.S. exporters and foreign customers are not accorded the fair and equal treatment on a day-to-day basis to which they are entitled.

These problems are not specifically addressed in the conference substitute, in the belief that it is the express policy of the United States that these controls be administered fairly. The two committees of jurisdiction intend, however, to monitor closely the administrative practices in the future and, if necessary, to consider remedial legislation.

The conference substitute expands the category of agreements to export technical data which must be reported to the Secretary under section 5(j) of the Act, and retains the existing exemption for educational institutions.

In retaining the exemption in current law for colleges, universities, and other educational institutions from the requirement to report agreements which involve technical cooperation, the conferees note and emphasize that educational institutions remain subject to the same controls and license requirements for technology transfers as all other exporters. Prior reporting of technical cooperation agreements, however, is a mechanism for possible prior restraint of scientific discourse. The courts have generally recognized and upheld a freer standard for such discourse in the academic setting than for commercial speech. (See, for example, *Trane Co.* v. *Baldrige*, 552 Fed. Supp. 1378, Aff'd 728 F. 2d 915.)

On that basis, the conferees conclude that it is appropriate to require prior reporting of commercial agreements with foreign government agencies, but to place no such requirement on colleges, universities, and other educational institutions, which must nevertheless obtain appropriate licenses before exporting any controlled technology, technical data, or goods. It is the intent of the conference committee that U.S. government agencies should require, as part of U.S. Government research contracts with colleges, universities, and other educational institutions, reporting to the Commerce Department of such institutions' agreements with any agency of the Government of a controlled country that might involve transfer of technology or technical data, to the extent that any U.S. Government agency might wish to be informed of such agreements.

The conference substitute amends section 5(k) of the Act to require negotiations on controls with countries which are not members of CoCom to provide that countries which enter into agreements on export restrictions comparable in practice to those of CoCom are to be treated like CoCom countries for purposes of export controls, and to specify that treating other countries like CoCom countries includes comparable treatment on exports by multiple as well as individual licenses, the elimination of licenses for low-technology items indicated in the Administration Exception Notes, and the expedited processing of applications provided in the new subsection (o) of section 10 of the Act.

The managers believe that the Secretary should focus on the practical effect of agreements with non-CoCom countries in restricting transfer of goods and technology to potential adversaries, rather than the formal or informal nature of the agreements or arrangements, in deciding whether to extend favorable licensing treatment on exports to such cooperating countries.

The conference substitute also amends section 5 of the Act to state that controls may not be imposed on a good containing an embedded microprocessor unless the function of the good itself is such that export of the good would make a significant contribution to the military potential of a controlled country. The conferees concurred with actions of the Secretary, in consultation with the Secretary of Defense, in April 1984 to decontrol 94 categories of unilaterally controlled instruments incorporating microprocessors.

AMENDMENTS TO SECTION 6

The committee of conference agreed to a number of constraints on the President's authority to impose new foreign policy controls, including additional requirements for consultations and reports, and greater attention to foreign availability of items controlled for foreign policy purposes.

The conference substitute amends section 6(e) of the Act, the provision that deals with Congressional consultation. The conferees believe that actual consultation with Congress has rarely been within the spirit of the law. It has been perfunctory at best. That is why the Congress finds it necessary to strengthen this subsection. Under this amendment the President would be required to consult with the Congress prior to the imposition of foreign policy export controls.

This should result in more meaningful consultation, which is in keeping with article I, section 8, of the Constitution which gives to the Congress the power to regulate international commerce. Export control authority is only delegated by Congress to the President, as provided in the Act, and the Congress intends that the President consult with the Congress in the conduct of that delegated authority.

The conferees intend that this will result in greater deliberation given by the President to suggestions to impose foreign policy controls and that once imposed, the prior consultation with Congress will result in wiser control policies enjoying greater Congressional support.

The conferees recognize that, under the provision, the President can still approach the Congress shortly before he wishes to take action imposing foreign policy export controls. In fact, on some occasions conditions may require that consultation take place no sooner than shortly before the controls are imposed.

This consultation provision can be satisfied by means of consultation with the Chairmen and Ranking Members of the committee of jurisdiction in the Senate and the committee of jurisdiction in the House. Such consultation should also extend to the Chairmen and Ranking Members of the relevant subcommittee of these committees.

It is important to note that the Act refers to imposition, expansion or extension of foreign policy controls. Controls in effect on the date of enactment, or made effective by enactment, may be extended for an additional time period upon their renewal date and in some cases are exempted from these new constraints. But addition of items or destinations to the control list constitutes imposition of new controls, even if the items or destinations are added to an existing category of controls. Imposition of new controls or expansion of existing controls after the date of enactment is subject to these new constraints.

One of the most strongly contested issues in the debate over extension of the Export Administration Act of 1979 in the 98th Congress was the question of the extent of the President's authority to require the breaking of contracts previously entered into. The Senate bill (S. 979) effectively precluded the imposition of controls with respect to exports covered by a previous contract or agreement, under section 6 of the Act, although it opened a bit wider the door to doing so in the International Emergency Economic Powers Act (IEEPA) through the declaration of a national emergency.

The House bill (H.R. 3231) also amended current law, which is silent on this subject, by specifying the circumstances under which the President was explicitly permitted to break contracts. Those circumstances included acts of aggression or international terrorism, gross violations of internationally recognized human rights, or nuclear weapons tests.

In the conference on the bills during 1984 the House ultimately agreed to recede to the Senate by a vote of 8 to 7. Subsequently, since no conference report was filed, when a "compromise" bill was offered in the Senate in the closing days of the session by Senators Garn and Heinz, it contained language somewhat different from that which the conferees had agreed to, in the interests of

trying to resolve amicably this bitterly contested matter.

That compromise language was identical to that contained in this conference substitute. It precludes the breaking of contracts except in those situations where a breach of the peace poses a serious and direct threat to the strategic interest of the United States and where the prohibition or curtailment of such contracts, agreements, licenses, or authorizations would be instrumental in remedying the situation posing the direct threat. The provision also specifies that the controls shall continue only so long as the direct threat persists.

The most important thing to note in this new language is the operation of the cause and effect relationship between the two actions that are prerequisites to the imposition of controls on exports subject to a contract or agreement. Simply put, the provision requires a clear and direct relationship between the proposed control that requires the breaking of a contract and the remedying of the event causing the direct threat to our strategic interests. The certification required of the President by this provision must make clear that such breaking or curtailment of a contract or contracts will be instrumental in remedying the situation that has occurred.

It is the judgment of the conferees that this constraint significantly narrows, but does not entirely eliminate, the authority of the President to impose controls on exports subject to, contracts or agreements, and that it will, thereby, be helpful in reestablishing the credibility of U.S. exporters without sacrificing the preservation of U.S. strategic interests. The conferees expect the President to adhere to the intent of Congress in implementing this provision and to treat the certification required by the provision with the utmost gravity. That is, any certification should specify the breach of the peace the President has found to have occurred, the strategic interest of the United States that is seriously and directly threatened, and how the proposed control will be instrumental in remedying such situation.

The conference substitute also contains language (section 108(1)(2)) specifying that the contract sanctity language described above does not apply to controls in effect immediately before the date of enactment of this bill, those made effective by section 108(i)(2) of the conference substitute, and those made effective by section 6(n) of the Act as added by the conference substitute. It is the intent of the conferees that this provision not apply to expansions of such controls, for example, to cover additional products or technology, or to their extension for reasons unrelated to their original imposition. In those circumstances the control in question would be considered to be a new control and therefore subject to the provisions of section 6(m) as added by the conference substitute.

AMENDMENTS TO SECTION 7

Petitions for Monitoring or Controls

The conference substitute amends section 7(c) of the Act to require the Secretary to make and publish certain determinations on private petitions as well as on self-initiated motions before imposing monitoring or controls or both on exports of metallic materials capable of being recycled.

This amendment requires that each petition filed requesting the imposition of monitoring, controls, or both, on metallic materials capable of being recycled shall indicate that each of the criteria in section 7(c)(3)(A) is satisfied. The amendment requires the Secretary to make and publish certain determinations, including findings of fact in support of the determinations, before deciding whether to impose monitoring, controls, or both on exports of such material, including whether there has been a significant increase, in relation to a specific period of time, in exports of such material in relation to domestic supply and demand, and whether exports of such material are as important as any other cause of the domestic price increase or shortage relative to demand.

The amendment continues to permit the Secretary to deny complete consideration to any new petition filed within 6 months after consideration of the prior petition has been completed. The amendment also allows the Secretary to impose monitoring, controls, or both, on a temporary basis after a petition is filed if the Secretary considers such action to be necessary to carry out the policy set forth in section 3(2)(C) of the Act, but before the Secretary makes a determination under section 7(c)(3) only if failure to take such temporary action would result in irreparable harm to the entity filing the petition, or to the national economy or segment thereof, including a domestic industry. This amendment requires that if the Secretary determines, on his initiative, to monitor, control, or both, the export of such material, the Secretary shall publish the reasons for such determination in accordance with section 7(c)(3) (A) and (B).

Existing law requires that increased domestic prices or domestic shortage "results from" increased exports. This language is vague and may lead some to believe that exports have to be the sole or primary cause of an increase in domestic prices or a domestic shortage. The amendment adopted by the conferees would clarify this standard and require that exports of the material must be as important as any other cause of the increased domestic prices or shortage relative to demand found pursuant to clause (ii). Under this standard, increased exports need not be the sole or principal cause of the price rise or domestic shortage in order for exports of the material to be controlled or monitored. If exports are an important cause of the domestic price increase or domestic shortage relative to demand and other causes are not more important than exports, monitoring or controls may be imposed. No mathematical weighing of the factors that contribute to price increase or shortage relative to demand is possible or desirable.

Crude Oil Study

Section 126 of the conference substitute requires a Presidential study on the export of crude oil.

The President is required to submit to the Congress 9 months after enactment of the bill a comprehensive review of the issues and related data concerning possible changes in the existing incentives to produce crude oil from the North Slope of Alaska, including changes in Federal and State taxation, pipeline tariffs, and Federal leasing policies, and possible changes in the existing distribution of crude oil from the North Slope of Alaska, including changes in export restrictions which would permit exports at free market levels and at levels of 50,000, 100,000, 200,000, and 500,000 barrels per day, as well as the appropriateness of continuing existing controls.

It is intended that the study include, but not be limited to, a review of the issues and related data on the effect of such changes on the energy and national security of the United States and its allies; the role of such changes in U.S. foreign policymaking, including international energy policymaking; the impact of such changes on employment levels in the maritime industry, the oil industry, and other industries; the impact of such changes on the refiners and consumers; the impact of such changes on the revenues and expenditures of the Federal Government and the Government of Alaska; the effect of such changes on incentives for oil and gas exploration and development in the United States; and the effect of such changes on the overall U.S. trade deficit, and the U.S. trade deficit with respect to particular countries, including the effect of such changes on the trade barriers of other countries. The President is required to develop, after consulting with appropriate State and Federal officials and other persons, findings, options, and recommendations regarding the production and distribution of Alaskan North slope crude oil, and to transmit the report to the Congress containing the results of the review undertaken, and the findings, options, and recommendations developed, under this section.

In agreeing to require the President to review the issues and related data concerning possible changes in existing incentives to produce crude oil from the North Slope of Alaska, it is expected that the President, in the preparation of the review, seek the advice of such other agencies and departments as the President deems advisable, and should consult with representatives of the maritime industry, the oil industry, consumer groups, environmental groups, foreign governments, and all other industries, groups, or individuals likely to be affected by any change in existing law. To the extent the President delegates responsibility for initial preparation of the review, the conferees intend such delegation to be to the Commerce Department. It is also intended that the report produced as a result of the review address each of the criteria set forth in subsection (a)(1) of this section and provide a detailed description of each of the factors considered with respect to each of those criteria.

Short Supply Contract Sanctity—Unprocessed Red Cedar

The conference substitute provides for sanctity of prior contracts from export controls imposed under section 7 of the Act on any agricultural commodity, including fats, oils, and animal hides, any forest product, and any fishery product, and provides for sanctity of certain contracts to harvest unprocessed western red cedar. It retains the validated license requirement for exports under subsection (i).

The intention is that this provision shall not affect the prohibition contained in section 7(i) of the Act, which took effect on September 30, 1982, on exports of all unprocessed western red cedar logs harvested from Federal or State lands for which contracts were entered into on or after October 1, 1979. The provision permits the export of unprocessed western red cedar logs under harvesting contract on State lands before October 1, 1979, to continue, less any amount that has been exported under the phaseout mandated in section 7(i)(1) (A) through (C) of the Act, and less any amount exported under section 101(o) of the Public Law 96-536 and any other provision of law. This provision is not intended to affect controls mandated by other statutes of exports

of unprocessed western red cedar logs harvested from Federal lands.

The conferees believe that the requirements of this provision may be met through alternatives to the present validated license requirement for each export shipment of unprocessed red cedar logs under a pre-October 1, 1979, harvesting contract on State lands and for exports of unprocessed red cedar logs harvested from private lands, including the granting of a single, validated license to an exporter for multiple shipments of unprocessed red cedar logs.

Export of Horses

The conference substitute strikes out section 7(j) of the Act, and places the provision in the Act of March 3, 1891. The effect is to continue the prohibition on the export by sea of any consignment of horses unless the Secretary of Commerce, in consultation with the Secretary of Agriculture, determines that no horse in that consignment is being exported for purposes of slaughter.

SECTION 10(g)

Throughout the debate over the renewal of the Act, one of the most contentious issues was that of defining the role of the Department of Defense in the licensing process. The ambiguities in the interpretation of the relationship between the Commerce and Defense Departments had led to a serious interagency conflict impeding effective administration of the Act. In an effort to address that problem the Senate bill S. 979 in the 98th Congress initially contained an amendment to section 10(g) of the Act regarding authority for the Defense Department to request to review license applications where there was, in the Department's judgment, a clear risk of diversion. Notwithstanding the fact that the amendment clearly made such review contingent on Commerce Department approval in each case a request was made, substantial opposition to the amendment arose from those who object to review of licenses by the Defense Department other than licenses for exports to controlled countries. In the end, the need for the amendment was removed by the decision of the President on his own initiative to provide for Defense Department review of license applications to specified countries and for specified categories of products, subject to continuing oversight by the National Security Council. As a result, the President's action obviates the need for the legislative change originally proposed by the Senate, and the conference substitute contains no amendment to section 10(g). This matter may be raised again should the need arise, and both House and Senate committees of jurisdiction intend to exercise close oversight with respect to implementation of the President's initiative.

AMENDMENTS TO SECTION 12—ENFORCEMENT

Section 113 of the conference substitute amends section 12(a) of the Act regarding investigation and other enforcement authorities. The intent of these amendments is to clarify as precisely as possible in statutory language the relationship between the Department of Commerce and the Customs Service in enforcing the Act. Enforcement has been hampered by unresolved questions about the nature of that relationship and the inability of the two agencies to develop procedures for sharing information better to assist each agency in its enforcement responsibilities.

With respect to overseas enforcement activities, the conferees intend that the Customs Service have primary enforcement responsibility, particularly in countries where the Customs Service has an enforcement agreement with the host government. The Commerce Department's overseas enforcement role is limited to those areas discussed infra. It is intended that investigations beyond U.S. borders of allegations of wrongdoing should be investigated by the Customs Service, whether or not a license has been issued or persons other than the consignee designated by a license are involved.

The conferees also intend that the Customs Service have primary responsibility for enforcement at ports of entry and exit from the United States. While the term "ports of entry and exit" can logically and properly be construed more broadly for other purposes, for the purpose of defining the area within the United States where the Commerce Department must seek the concurrence of the Customs Service in order to engage in export enforcement operations, the conferees intend that the term be narrowly construed so as to apply to actual borders and ports of entry and exit from the United States. This authority is in addition to, and not a limitation on, any other authority by Congress and recognized by the courts.

Under the conference substitute, the Commerce Department's overseas enforcement activities shall consist of alleged boycott violation investigations, pursuant to section 8 of the Act, investigations of firms prior to the issuance of a license which the firm has applied for, or for which the firm is indicated to be the overseas consignee, and post-shipment verifications. The Department of Commerce shall focus its responsibility for investigating alleged domestic violations of the Act at points other than ports and borders as defined above. In that regard, the conferees expect enforcement officials of the Commerce Department to utilize pre-license checks and investigations to identify possible violations before controlled items leave the country and to prevent issuance of export licenses based on invalid information. As part of that authority, the Commerce Department should also actively engage in enforcement activities designed to discover and deter domestic circumvention of the export licensing system. The exercise by the Commerce Department of enforcement authorities at ports of entry and exit requires the concurrence of the Commissioner of Customs or a person designated by the Commissioner. After a license is issued, post-shipment verifications by the Commerce Department should be sufficient to confirm that all license conditions and representations are, in fact, being fulfilled.

Effective enforcement of the Act will depend on close cooperation between the Customs Service and the Department of Commerce. Accordingly, the conferees intend that the two agencies cooperate with each other fully, including providing each other with access to information necessary to their enforcement efforts. The conferees intend these amendments to the Act to foster open and free exchange of information among the Commissioner of Customs, the Secretary of Commerce, and the Attorney General so that the activities of these agencies complement each other and achieve more effective enforcement.

The conference substitute amends section 12 of the Act to provide that officers of the Customs Service are authorized to conduct border searches in connection with suspected illegal exports of goods or technology. This amendment is in addition to, and not a limitation on, the authority that customs officers already have. Although two United States circuit courts of appeals have specifically held that Customs officers may conduct border searches, it is not clear in the remaining circuits. See *United States* v. *Ajlouny*, 629 F.2d 830 (2nd Cir. 1980); *United States* v. *Swarovski*, 557 F.2d 40 (2nd Cir. 1977), 592 F.2d 131 (2nd Cir. 1979); *United States* v. *Duncan*, 693 F.2d 971 (9th Cir. 1982); *United States* v. *Stanley*, 545 F.2d 661 (9th Cir. 1976). One effect of the amendment is to clarify the situation for the remaining circuits.

The language as provided for by the conference substitute contains specific authority for arrests without a warrant in connection with the enforcement of the Act. This authority is in addition to any other arrest authority presently given to Customs officers. Although Customs officers currently make arrests without a warrant for export violations, as well as for violations of other laws delegated to the Customs Service for enforcement, *United States* v. *Swarovski*, 557 F.2d 40 (2nd Cir. 1977) held that such arrests were to be determined by the standards set forth in the various State laws since Congress had not given Customs officers specific Federal arrest authority in this area. The purpose of this amendment is to create uniformity in laws governing arrests related to export violations. Having to depend on 50 different State laws creates inefficiency and confusion in this area of importance to national security.

The conferees expect that the conference substitute will result in a greater number of criminal prosecutions for violations of the Act. However, the conferees also wish to emphasize that the Commerce Department should continue to bring administrative proceedings seeking to impose civil penalties and other administrative sanctions. In this regard, some confusion has arisen concerning the time limits for initiating administrative actions and on bringing actions in Federal court to collect civil penalties.

The intent of the committee of conference is that the Commerce Department must bring its administrative case within 5 years from the date the violation occurred. Thereafter, if it is necessary for the Government to seek to enforce collection of the civil penalty, the complaint must be filed in Federal court within 5 years from the date the penalty was due, but not paid. Any other interpretation would have the Commerce Department discover, investigate, prosecute, and file a complaint in U.S. District Court to collect the penalty imposed, but not paid, in the administrative proceeding all within 5 years from the date of the violation. In many instances, particularly those involving well-hidden diversions through foreign countries, such a task would be impossible.

IMPORT CONTROL SANCTION

The conference substitute amends the Trade Expansion Act of 1962 to provide authority to impose national security import controls, since such authority belongs more appropriately in trade law containing other provisions authorizing import restrictions for national security reasons. This import control authority, under rules of the House of Representatives, would be solely within the jurisdiction of the Committee on Ways and Means in the House. The chairman of the Subcommittee on Trade has assured the conferees on behalf of the Senate that he will not seek repeal of the authority before there has been a fair opportunity to assess actual experience in its operation, although the subcommittee may wish to hold over-

sight hearings at such time as import controls are actually imposed.

DANTE B. FASCELL,
DON BONKER,
DAN MICA,
H.L. BERMAN,
TOBY ROTH,
DOUGLAS BEREUTER,

Solely for consideration of sections 113(a)(5) and 114 of the House amendment and modifications committed to conference:

PETER W. RODINO, Jr.,
BILL HUGHES,
BILL MCCOLLUM,

Solely for consideration of section 126 and title II of the House amendment and modifications committed to conference:

JOHN D. DINGELL,
AL SWIFT,
JAMES T. BROYHILL,
Managers on the Part of the House.

JAKE GARN,
JOHN HEINZ,
WILLIAM PROXMIRE,
Managers on the Part of the Senate.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. The Chair desires to make an announcement.

Pursuant to the agreement between the majority and minority leadership, the Chair will postpone further proceedings on the motion to suspend the rules and pass the bill, H.R. 1532, as amended, until tomorrow, as the first order of business.

□ 2320

HAPPY BIRTHDAY TO JAY PIERSON

(Mr. COMBEST asked and was given permission to address the House for 1 minute.)

Mr. COMBEST. Mr. Speaker, I would ask that the House wish Jay Pierson, assistant Republican floor manager, a very happy 38th birthday.

AN INTERNATIONAL CONVENTION ON TERRORISM

(Mr. EDWARDS of California asked and was given permission to address the House for 1 minute and to include extraneous matter.)

Mr. EDWARDS of California. Mr. Speaker, we Americans speak with one voice in supporting our President's call for the immediate release, without conditions, of the hostages being held by the Shiite Moslems in Beirut. We pray his efforts will bring the hostages home very soon.

This latest hostage incident highlights the very real and growing problem of international terrorism. Of course our efforts now must focus on the safe return of these latest victims of international terrorism. However, for the future, I believe it is imperative that an international approach be developed.

Today, along with the chairman of the Committee on Foreign Affairs, Mr. FASCELL, the chairman of the Appropriations Subcommittee on Foreign Operations, Mr. OBEY, and the chairman of the Public Works and Transportation Subcommittee on Aviation, Mr. MINETA, I have written to the President urging that he work for an international convention on terrorism.

As our letter notes, "The time is ripe for such a multilateral convention. The majority of civilized nations are ready to band together to combat terrorism."

Mr. Speaker, I would like to insert at this point in the RECORD the text of our letter. The letter follows:

HOUSE OF REPRESENTATIVES,
Washington, DC, June 24, 1985.

The PRESIDENT OF THE UNITED STATES,
The White House,
Washington, DC.

DEAR MR. PRESIDENT: It is essential that a bold, effective program be instituted to deal with the crisis of terrorism.

Currently, solutions are being suggested in a random fashion—better physical security, preemptive strikes, diplomatic moves, and trade embargoes, to mention a few. But we are lacking a coherent, workable plan that will address the problem internationally.

Yet an international approach is exactly what is needed because terrorism is an international problem—innocent citizens of other nations, as well as Americans, are being murdered and taken hostage.

The purpose of this letter is to request, respectfully but urgently, that steps be taken immediately to secure adoption of an international convention on terrorism. The central principle of such an agreement would be that terrorist acts—murder, kidnaping and mayhem against civilians and non-combatants—are crimes and will be punished as such.

An international convention against terrorism could carry real clout. As New York Times columnist Flora Lewis has stated in support of such a convention: "Any country that refuses to sign and apply the rules would brand itself a supporter of terrorism for all the world to see and draw conclusions about air transport, tourism, trade, credit and other benefits of membership in the international community."

Even Iran would have much to lose should it refuse to sign the agreement. Iran's economic ties with Europe have almost returned to pre-revolutionary levels. Japan and West Germany are among Iran's chief trading partners, and Iran has initiated contacts with other western nations and with Islamic rivals for more trade and communication.

The U.S. should work for a convention on terrorism through the European Community and with non-aligned nations, to avoid turning the agreement into a pro or anti-American statement. The object, instead, is to be pro or anti-terrorist, and to focus on punishment for the criminal act, not the ideology that motivates it.

The time is ripe for such a multi-lateral convention. The majority of civilized nations are ready to band together to combat terrorism.

Mr. President, there have been to date too many hasty statements and demands for actions that would almost surely worsen the crisis. What is needed is the establishment of the machinery to deal with a world-wide problem. We urge you to move forward on the promulgation of an international convention on terrorism.

Sincerely,

Dante B. Fascell, Chairman, Committee on Foreign Affairs; Norman Y. Mineta, Chairman, Subcommittee on Aviation, Committee on Public Works and Transportation; David R. Obey, Chairman, Subcommittee on Foreign Operations, Committee on Appropriations; Don Edwards, Chairman, Subcommittee on Civil and Constitutional Rights; Committee on the Judiciary.

ROMAN L. HRUSKA LAW CENTER DEDICATED

(Mr. DAUB asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. DAUB. Mr. Speaker, earlier this month, the Roman L. Hruska Law Center was dedicated in Lincoln, NE.

It is appropriate that this center is named after one of Nebraska's most respected and dedicated public servants—a gentleman who served in the Congress for a quarter of a century.

Roman Hruska was elected to the House of Representatives in 1952 and to the Senate in 1954 where he was ranking member of the Judiciary Committee. He served under six Presidents.

Concurrent with this membership in the Senate, Senator Hruska served on a number of blue ribbon Presidential commissions, including the National Commission on the Causes and Prevention of Violence, the National Commission on Reform of Federal Criminal Laws, and the National Commission on Revision of the Federal Court Appellate System, of which he was chairman.

Senator Hruska's legislative accomplishments range across a broad spectrum of the law—from bail reform to drug abuse, from civil rights legislation to legal services for the poor, from Federal prison reform to appellate review of sentencing.

Among the landmark legislation bearing his mark are the Criminal Justice Act of 1964, the Bail Reform Act of 1966, the Organized Crime Control Act of 1970, and a massive overhaul of title 18 of the Federal Criminal Code.

The Roman L. Hruska Law Center will stand as a tangible memorial to the Senator's important contributions to American jurisprudence. At this point in the RECORD, I would like to share with my colleagues the Senator's remarks at the dedication, along with those of U.S. Circuit Judge Robert Bork who speaks eloquently of the Senator's distinguished career.

REMARKS OF ROMAN L. HRUSKA, DEDICATION OF LAW CENTER, LINCOLN, NE, JUNE 8, 1985

In 1976, a "Pound Re-Visited Conference" was held in St. Paul, Minnesota. It commemorated the 70th Anniversary of Roscoe Pound's appearance before the American Bar Association National Convention.

That celebrated legal scholar and "true Nebraska son of the prairie" delivered a paper on that occasion in 1906, entitled "The Causes of Popular Dissatisfaction With the Administration of Justice."

It has since been described as an occasion on which there was delivered to the law profession and to the nation, the first truly comprehensive, critical analysis of American justice and of problems that had accumulated in the first 130 years of our independence.

Pound's 1906 audience gave him what has been described as a "chilly reception". His critics saw him as "a flaming liberal against the legal establishment", and many American Bar Association members of that day interpreted it as a disparagement of the judiciary and the bar; in fact, as "an attack upon the remedial jurisprudence of America."

Such appraisals, however, were not only disproved, but totally reversed as time went on.

One of the leaders of the bar has since stated that Pound's address was almost universally considered to be the most influential paper ever written by an American legal scholar.

And a third of a century after its delivery, Dean Pound was honored by the American Bar Association with presentation of its Gold Medal for "conspicuous service in the cause of American jurisprudence."

In 1976 that highly controversial lecture of 1906 was the moving spirit behind the organization and convening of a National Conference to consider ways and means of dealing with "the cause of dissatisfaction with the administration of the law."

That was the Pound Re-Visited Conference.

That 1976 conference was called by Chief Justice Warren Burger. It was in fact a "summons to the legal profession to raise its sights and to join in an across-the-board reexamination and re-constitution of American Civil and criminal justice."

The title of Chief Justice Burger's keynote address was: "Agenda for 2000 A.D.—A Need for Systematic Anticipation."

It has been observed that the title suggests, not that the Conference should consider reforms that might be brought about "some day"—but that an "agenda be completed by 2000 A.D."—not to be started then.

From this it can be concluded that the need for action is considered to be of great urgency and of highest priority.

Today's occasion is neither the time nor place even to characterize the nature and the scope of the shortcomings and ills of our present system of jurisprudence. Much less is it a time even to list the categories of action that should eventuate. Instead, it would be well to devote some consideration as to how the most progress can be made to "complete an agenda by 2000 A.D."

To whom or to what can we turn with the hope of meeting and overcoming the challenge raised by the Pound Re-Visited Conference of 1976? Historically and logically it has been the legal profession itself which has been called upon to carry on.

Our profession in its broadest sense—law schools, jurists, the practitioners and Bar Associations—has by training and opportunity, a special obligation to analyze the panoply of the judicial system's operations; to criticize those parts which are working well; and to join forces to fashion and put into operation such supplemental measures as needed.

Such voluntary organizations have been in existence and in operation for well over a century. In the early years some of them were not particularly effective, and in some respects were not expending efforts relevant to the objects of their charters. Criticism in those formative years was leveled on the ground that they were narrowly vocational in their concerns;—unduly pre-occupied with the advancement and protection of the privileges and special interests of lawyers.

Later on, complaint was more often heard that such organizations neglected bread and butter issues of special urgency to the practicing lawyer, and that the legal societies directed too much of their energy to broader, somewhat irrelevant projects to improve administration of justice on idealistic levels.

But with the passage of time, there has been a converging of efforts to strike a happy medium and balance in the spectrum of programs. Marked improvement has been made in the formation of various Sections, each pursuing a different branch of the law; in the employment of professional staffs; in research and reports thereon in areas of pertinent fields, and in legal publications.

Also, there took wide and firm hold on the consciousness of the membership, the realization that the test of soundness of their profession and of the judicial system in its entirely, is the service they afford to the public.

There is a keen awareness that law has a fundamental purpose which should always be uppermost in mind and action. After all, the basic purpose of law is to provide for an orderly and harmonious society—not for the purpose of litigation. Litigation is not the fulfillment of law. In reality it is more the escape valve to which resort is had when there is a breakdown in the fundamental purpose of law.

While the law provides rules and procedures for settlement of disputes when there is such a breakdown, the legal profession and public as well should always remember that harmony under law must be the fundamental principal and philosophy under which we live.

We shall be administering a system of justice which truly deserves that name if we can accommodate disputes, safeguard individual rights, and at the same time preserve and reinforce harmony.

THE NEBRASKA BAR

For over a century the Nebraska State Bar Association has been functioning with its original declared objectives as guiding principles; to wit, that it was established to maintain a high standard of professional integrity among its members, "* * * and to assist in the improvement of the law and the due administration of justice to all classes of society without distinction."

That pronouncement was made in 1876 when 72 bar members met to adopt its constitution. That commitment still obtains.

It was re-affirmed upon creation of the integrated bar in 1937, and later in Supreme Court Rules in 1953, and in the Reorganization of 1970. In this latter document, there were added to the original declaration just cited, the following words: "* * * all to the end that the public responsibilities of the legal profession may be more effectively discharged."

The Nebraska Bar is performing constructively and soundly. It has rounded out a table of organization which results in an up-to-date agenda for action; it is modernized in its outlook; it has assisted in the formation and functioning of related and kindred enterprises and associated affiliates.

It has inter-related with similar organizations, regional and national. It has been favored by a steadfast, devoted, and forward-looking leadership. It has been doing a truly commendable job.

An old adage, however, has it this way: A good workman can do a good job with any kind of tools; but the better the tools, the better the job.

As of today, better tools are being fashioned. We can now look to even better performance in the years ahead in the important roles of the Nebraska State Bar Association, the Nebraska State Bar Foundation and their related organizations.

President Brown of the Bar Association, and President Hamann of the Bar Foundation, you and your fellow officers and committees have wrought splendidly to bring about today's event. The loyalty of the members of the bar, has been well demonstrated.

Nebraska's citizenry has every right to be proud and grateful for this institution which will contribute much to its future well-being. And you do me a great—though underserved—honor by associating my name with this splendid new center. Mrs. Hruska and I are truly grateful. You have our lifelong appreciation.

REMARKS OF HON. ROBERT H. BORK, U.S. CIRCUIT JUDGE, DISTRICT OF COLUMBIA CIRCUIT

It is particularly gratifying to speak on this occasion because I not only admire Roman Hruska as a senator and as a lawyer, I value him as a friend. Indeed, my wife and I regard both Roman and Victoria as friends.

It is also always a keen pleasure to participate in the rapid growth of the State of Nebraska, which apparently takes place to a significant extent through the erection of buildings bearing Senator Hruska's name. A few years back I spoke at the dedication of part of the Creighton law school library named after Senator Hruska. In between, I am informed, there was a dedication in Clay Center, Nebraska of an enormous meat animal research center. For reasons that have not been disclosed, but may be obvious to you, I was not asked to speak at that one.

But we met today to dedicate a Law Center and to honor Roman Hruska, facts that suggest I should speak about the Senator's relations to the law, a subject with which I am somewhat more at ease than that livestock.

I will take as a point of departure some remarks made the other day by another good friend of the Hruskas', Justice William Rehnquist. What I particularly like about those remarks is that they are wrong. It is not often I disagree with Justice Rehnquist and I do it only when I am well away from Washington. In his talk he lamented the decline of the lawyer-statesman in our national life. The Justice selected eight ideal types of the lawyer-statesman—Thomas Jefferson, Alexander Hamilton, James Madison, John Marshall, Abraham Lincoln, Stephen A. Douglas, William H. Seward, and Salmon P. Chase. The Justice went on to say that it has been more than 100 years since a lawyer-statesman has occupied a vital position in the country's government.

That, I am afraid, will come as quite a shock to the shades of William Howard Taft, Charles Evans Hughes, Robert A. Taft, Dean Acheson, and more than a few others.

But there is something else distinctly odd about Justice Rehnquist's list. The men he

identified as the great lawyer-statesmen all come from the two great periods of convulsion and of constitution-making in our national life. Such times set off men's talents in ways that calmer times do not. James Madison, if he lived today, would not be James Madison. As Justice Holmes said of Chief Justice John Marshall, at least a large part of his greatness was due to the unique position in which he found himself, the first expositor of our Constitution, the greatest position ever occupied by a judge.

The lawyer-statesman is still a person vital and essential to the success of our country, and I say to you that the man we honor today, Roman L. Hruska, has been, and remains such a man.

He has been in public life, locally and then nationally, from 1944 to 1976, including four terms and 22 years as a United States Senator from this state.

But that is not what is important. What is important is the quality of that service. Upon the occasion of Roman Hruska's retirement from the Senate, Mike Mansfield, no mean judge of these matters, called him one of the great senators.

That observation is worth pausing over for a moment. It is not an extravagant remark, but too few people understand the reality, what it is to be a legislator of real stature. But those who are in the business, like Senator Mansfield, those who have to make the arduous process of governing work, those men and women know where real accomplishment lies. It lies in shaping legislation and influencing actions through patient, never-ending, exhausting work. The lawyer-statesman in the Senate must understand both the profound ideas that define us as Americans—ideas of justice, liberty, equality, and the rule of law—and that person must also have the knowledge and the strength, indeed the passion, continuously to translate those ideas into the often dry, hard details of law. As has been truly said, God is in the details.

Roman Hruska is a man who has moved effectively between the largest ideas of our society and the details of constitutional law, antitrust law, and criminal law. More than that, he possessed the skills of a politician and a negotiator that were essential to get his ideas accepted. To do these things requires the trust and the admiration of your legislative colleagues. Roman Hruska certainly had that.

If you read the tributes other senators paid him upon his retirement, you will find over and over again words like courage, hard work, patience, honesty, unfailing courtesy, and accomplishment. I must say I did turn pale when I came to one encomium. That senator spoke of "the best 'corn-Hruska' of them all." There are limits, even in these matters.

It is a mark of the esteem in which he was held that in a Democratic Senate he was the only Republican to be given a subcommittee chairmanship.

But is also the measure of the man that, though a member of the minority party, he left his stamp, his ideas and influence, on so much legislation: the Criminal Justice Act of 1964; the Bail Reform Act of 1966; the Organized Crime Control Act of 1970; and he contributed mightily to the gigantic revamping of the Federal Criminal Code. He was the ranking member of the Judiciary Committee and his detailed knowledge of law and his fundamental good sense gave him influence far out of proportion to his party's voting strength.

I was in the Department of Justice during several of Roman Hruska's years in the Senate and I can tell you that Senator Hruska was greatly admired in the Department. The reason was that he understood the system of justice in this country, that he had the energy and intellect to improve it, and that he paid attention to any of our reasonable concerns.

If all this were not enough, Senator Hruska found the time and the energy to serve on a variety of presidential commissions, including the National Commission on Reform of Federal Criminal Laws, the National Commission on the Causes and Prevention of Violence—you may not think that one solved the problem but you ought to see what things would be like without the Commission—and the National Commission on Revision of the Federal Court Appellate System. He was chairman of the latter. These were not honorary posts; he worked at them.

Now I do not mean to suggest to you that Senator Hruska's record is perfect in every respect. There are worrisome aspects. For example, it is a matter of public record that he participated in the confirmation of over 500 federal judges. But I read the record again, and was reassured. It says he participated; it does not say that he voted for the confirmation of over 500 federal judges.

In my reading of the tributes paid Senator Hruska, I was struck by one constantly recurring theme. And that theme sums up the reason I came here to be with you today. It is this: speaker after speaker mentioned Roman Hruska's kindness. If there is one dominant impression of the Senator that I carry in my mind, it is that—he is a kind man.

I had occasion to learn that when I did not even know him except as a name. There was a time some years ago when I found myself in considerable controversy. The details are not important, but I was brand new to Washington, knew very few people, and there did not seem to be exactly an oversupply of friends around. I went before the Senate Judiciary Committee and I was supported warmly throughout by a senator who was only a name to me at that point. What impressed me was what happened afterward. I started to leave the building with my staff when a young man ran after us and said that Senator Hruska wanted me to wait. He came up in a moment with some of his people. He looked around, pulled open the door of a small storage room, ushered me inside, and closed the door, leaving the two staffs standing in the corridor. We sat on stacks of cardboard cartons and Roman Hruska spoke words of personal support and encouragement that were very important to me. It was not about the issue or about politics or about any of the things that absorbed everybody else just then. Instead, it was the sympathy of a veteran for a novice, the simple kindness of one human being to another on a personal level that meant more to me than any political support could have.

That was when I knew that Roman Hruska was a remarkable man. If you want to know what a man is really like, talk to people who were his subordinates. I have talked to a lot of people who worked for Senator Hruska over the years. A number of them are in important positions now, but every one of them remembers his or her service with the Senator as an exciting, wonderful time and speaks of him with an affection so deep that it can only be called love. I cannot imagine what greater tribute a man could want.

I saw the Senator after that episode of course, and only once did he lead me gratuitously into danger and without a word of warning. It was on the occasion of the visit for the dedication at Creighton. Roman and Victoria drove us from Omaha to Lincoln to see Nebraska and L.S.U. play football. I had no slightest inkling of what was involved, being used to Ivy League football and Ivy League crowds—or rather the lack of them. We stopped at one of the Senator's friend's house for a drink before the game. Suddenly, just before it was time to go, the Hruskas and the other couple dashed off and returned in bright red clothes. The significance of that did not dawn on me until we shortly found ourselves amidst 70,000 screaming and fiercely partisan Nebraska fans all dressed in red and two of us sitting there in blue. It was an anxious time. I tried to give the impression I was there to scout Vince Feragammo for the N.F.L.

As you know, a lot of prominent people in government never go home. After a while, they don't know where home is. But Senator and Mrs. Hruska always did. As soon as he laid down his duties in the Senate, they headed for Nebraska. We all know about Potomac Fever but until you know the Senator and his lady you have never seen a really virulent case of Platte Fever. Their roots are here and always will be. After all, the Senator's father, Joseph, came to this country over 100 years ago, and he and his wife, Caroline, soon came to Omaha to raise a family of eleven children. The child we honor today made the old Czech name, Hruska, a part of Nebraska's and America's history.

This afternoon we will dedicate the Roman L. Hruska Law Center. It is an institution that will lead in improving the administration of justice in Nebraska and, through the ideas it generates, in America. The building is both elegant and functional and its location across the street from the State Capitol and the Nebraska Supreme Court is ideal for the work that will be carried on there. It is entirely appropriate that this splendid Law Center in the heart of America should be named after a lawyer-statesman whose heart is entirely American.

THIRTY-FIFTH ANNIVERSARY OF BEGINNING OF KOREAN WAR

(Mr. PARRIS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PARRIS. Mr. Speaker, today is a very important day in American history. On June 25, 1950, 35 years ago today, the Korean war began. The millions of Americans who proudly served in that war, along with their families and friends, will more than likely be reflecting today on this war and its effect on their lives.

Unfortunately, however, the majority of Americans will probably not be thinking about this group of 5.7 million forgotten veterans and the sacrifices which they and their families made for their country and the ideals of freedom and self-determination—the ideals which form the foundation upon which this great Nation is based. On this day, it is particularly important that we remember the more than

54,000 Americans who made the ultimate sacrifice in this war.

It is a sad state of affairs indeed, Mr. Speaker, when, after 35 years, no action has yet been taken to acknowledge and commend the sacrifices of these Americans. The Korean war veterans are the only ones not to be honored with a memorial in our Nation's Capital.

On May 22, I introduced H.R. 2588, a bill authorizing the American Battle Monuments Commission to provide for the construction of an appropriate memorial to the veterans of the Korean war. This bill has received strong, bipartisan support here in the House. Already, more than 125 of my colleagues have asked to cosponsor the Korean War Veterans Memorial Act. Similar success is being enjoyed by my friend in the other Chamber, Senator BILL ARMSTRONG, who introduced a companion bill on May 26.

On this day, marking the 35th anniversary of the beginning of the Korean war, I would like to again share with you the words of one Korean era veteran in his letter to me. His name is Peter Platamone and he is from Redondo Beach, CA. His comments, as follows, are particularly appropriate today:

> We were part of that silent generation sandwiched between the "Big One" (WWII) and the Vietnam Conflict. None-the-less, we served, most of us with distinction and with honor to return to this country once more, silently and without fanfare, to pick up the threads of our collective lives.
>
> It has been almost 33 years since I returned home from Korea, . . . I finally realized something had been left unfinished. Your bill, I am certain, will correct that inequity, and 54,246 Americans will receive the honor they should have received 30 years ago.

Mr. Speaker, I would hope that all of my colleagues and fellow Americans will take a moment today to reflect on the contribution made by these brave men and women who served our great country. Particularly, those 54,000 that served and did not return.

Thank you.

□ 1220

FUNDING FOR UNFPA

(Mr. SCHEUER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SCHEUER. Mr. Speaker, it is apparent that our colleague from New Jersey, Mr. SMITH, intends to resurrect his amendment of last year to eliminate funding for the United Nations Fund for Population Activities when the foreign aid bill comes to the floor.

Mr. SMITH and his supporters base their stand on the premise that UNFPA should not receive U.S. funding because it is supporting reported coerced abortion in China.

Such reports are shocking and I am sure that all of us are appalled by even the concept of forced abortion.

But there are two important facts that must be addressed here:

No U.S. funds are used by UNFPA in China; and

UNFPA provides only 1 percent of the total funds spent by China each year for family planning. No UNFPA funds are used to provide any direct family planning services or to pay the salaries of any persons involved in the program.

As a matter of official policy, UNFPA refuses to support projects which involve abortion or any form of coercion.

The UNFPA projects in China involve demographic research and training, maternal and child health services, contraceptive development, family planning education and training for program staff and managers.

I have no intention of defending the coercive activities reportedly taking place in China.

But I will defend UNFPA and its many years of outstanding service in more than 100 developing nations.

UNFPA activities across the globe have eased suffering and misery for millions of people.

The United States contributes about one-third of UNFPA's budget and it would be a crime to withhold these critically important funds.

Given that China itself spends about $1 billion annually on its family planning program and given that China already has a sophisticated program in place, I would not oppose a decision by UNFPA to stop providing funds to China based on the reports of coercion.

But I will oppose efforts to eliminate U.S. funds for UNFPA.

China doesn't need the minimal amount of funds it receives from UNFPA.

The $10 million a year spent by UNFPA in China could be better used in areas of real need such as sub-Sahara Africa.

The Nations of sub-Sahara Africa are saddled with the highest rate of population growth in the world and they are in dire need of additional assistance to establish some equilibrium between population growth and food production.

I share the concerns of Mr. SMITH and my colleagues over the reports of coercion, but we cannot overlook the damage we will cause to the commendable and vital efforts by UNFPA to ease our global population pressures and problems.

THE LEAGUERS OF NEWARK HONOR MARY AND REYNOLD BURCH

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New Jersey [Mr. RODINO] is recognized for 5 minutes.

● Mr. RODINO. Mr. Speaker, it is with a deep sense of pride that I rise to pay tribute to an organization in my district called The Leaguers, Inc. For four decades this outstanding group has provided guidance, inspiration, and leadership to the young people of Newark. This Friday night, June 28, many of those who have benefited personally from The Leaguers will hold a dinner-dance to honor the two people responsible for the organization's success—Mary and Reynold Burch.

One need not look far in the Newark area to find the evidence of The Leaguer's success. The Leaguers Alumni Association, which is sponsoring the dinner-dance, includes some of the most respected and esteemed leaders in our community. Many of these individuals, who have distinguished themselves in the areas of business, government, education, science, law, and the arts, attribute their achievements directly to their involvement with The Leaguers.

The objective of this organization is to develop a spirit of community cooperation, to promote strong leadership and civic responsibility, to stimulate and assist beneficial, social, cultural and education activities, to provide guidance in vocational education, and to motivate the community toward making necessary provision for its youth.

Forty years ago, a group of young people from Newark—most of them black and low income—sat in Mary Burch's living room and were told that they should set the highest possible standards for themselves, and additionally, they were told to believe in themselves strongly enough to achieve their goals. They were encouraged to grab every educational opportunity they could find. And they were inspired to strive toward personal and professional fulfillment. In a time when opportunities were limited and role models were few for these young people, Mary Burch gave them the principles of civic responsibility and leadership. She taught them to be responsible for themselves—and to be responsive toward others.

Her husband, Dr. Reynold Burch, took his earnings from a successful medical practice and invested wisely—in the future of Newark's youth. Together they set about turning The Leaguers into an established civic organization, with financial support from the city's business community and earning a proud place in Newark's history.

Today, The Leaguers continue to grow, expanding into a new facility at 731 Clinton Ave., adjacent to the original headquarters at 750 Clinton Ave. Included among the programs that The Leaguers now offer are: The

after-school program; the social adjustment program; the community services to families program; summer day camp; the life skills program; the tutorial program; Weequahic/Clinton Hill youth program; the community development project and the Debutante Cotillion Ball/leadership academy; and the early childhood development center.

Mr. Speaker, as one who has known Reynold and Mary Burch for many years, I am proud to join with their many friends and admirers to salute The Leaguers Alumni Association on the occasion of their annual dinner-dance. The most important reward these two special people can possibly have is to see how they have affected the lives of so many young people, and to see that they are now the leaders of our community. I want to take this opportunity to mention those people involved in the alumni ball, beginning with William H. Blakely, Jr., and Alan Kane, who are serving as cochairpersons of this event. The honorary vice chairpersons are Orveal Beal, Mary Bridgeforth, Mr. and Mrs. James E. Felton, Hon. Millicent Fenwick, Robert Franklin, Mr. and Mrs. William R. Giles, Arthur S. Guida, William Brooks, Mr. and Mrs. Reginald Hale, Janice E. Jackson, Everette Jennings, Edward J. Lenihan, Alan Lowenstein, Esq., Bruno A. Mancuso, Hon. Ronald L. Rice, Warren E. Smith, Hon. Larrie W. Stalks, James V. Walker, Marshall L. Wolf, Connie Woodruff, and Dr. Zachary Yamba.

Marilyn Clemons is the president of the Alumni Association; the first vice president is Linzo Jenkins, and the second vice president is Irma Peoples. Other officers are: Yvonne Lowen, recording secretary; Ethel Bartlett, corresponding secretary; Ralph Harris, treasurer; James Moore, assistant treasurer; Gail Mendheim, parliamentarian; Dr. Robert Spellman, historian; Barbara J. Branch, assistant historian; and alumni members: Amiri Baraka, Maxine Flagg Brown, Dr. Richard Cooke, Mary Ellen Elam, Lee Fisher, Henry Hay, Barbara Hampton, James Harris, Jan Jackson, John Love, Esq., Robert Mobley, Joyce Moore, Hon. Donald Payne, William Payne, Rita Peoples, Sesser Peoples, Mr. and Mrs. Theodore Smith, Arthur Taylor, David Travis, and Sidney Travis.

Again, my congratulations and best wishes to The Leaguers, Inc., and to their guiding lights, Mary and Reynold Burch.●

PERSONAL EXPLANATION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from West Virginia [Mr. WISE] is recognized for 5 minutes.

● Mr. WISE. Mr. Speaker, during the proceedings of last Friday, June 21, I missed rollcall No. 182 (approving the Journal of Thursday, June 20, rollcall No. 183 (a quorum call), and rollcall No. 184 (on the amendment by Mr. WEBER clarifying specifications of core logistics functions subject to contracting-out limitations).

Had I been present and voting, I would have voted "yea" on the first, "present" on the second, and "aye" on the last.

It was my responsibility to attend and preside over a black lung factfinding hearing in my West Virginia district last Thursday night, and I was unable to be in Washington on Friday.●

PERSONAL EXPLANATION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Florida [Mr. NELSON] is recognized for 5 minutes.

● Mr. NELSON of Florida. Mr. Speaker, due to official business in my congressional district, I was unable to be present to cast my vote on rollcall Nos. 182 and 184 on Friday, June 21, 1985.

Had I been present, I would have voted "aye" on approval of the Journal, which passed by a vote of 214 to 124, and "aye" on the DOD amendment that clarified the specification of core logistics functions subject to contracting-out limitations, which passed by a vote of 353 to 7.●

SINGLE EMPLOYER PENSION PLAN AMENDMENTS ACT OF 1985

(Mr. CLAY asked and was given permission to extent his remarks at this point in the RECORD and to include extraneous matter.)

● Mr. CLAY. Mr. Speaker, today my distinguished colleague from New Jersey [Mrs. ROUKEMA] and I are introducing the Single-Employer Pension Plan Amendments Act of 1985. The bill is urgently needed to put the Pension Benefit Guaranty Corporation [PBGC], the agency which insures that workers get their private pensions when their companies are in financial difficulty, back on a sound financial footing. The bill would strengthen the PBGC Program in two significant ways: by raising the insurance premium for single-employer plans from the current $2.60 per year per plan participant to $8.50, effective January 1, 1986, and by restructuring the Single-Employer Insurance Program to limit access to PBGC assistance only to those cases in which workers' pensions are jeopardized because their employers are in genuine financial difficulty. No changes to the multiemployer termination insurance system are made by this bill.

Over 3 years ago, the administration asked Congress to approve a single-employer premium increase. The business community strongly objected to the increase, however, unless the system was reformed. At that time at the request of former Congressman John Erlenborn, the then chairman of the Subcommittee on Labor-Management Relations, the late Phillip Burton, agreed to defer action on the premium increase request until the necessary reforms were developed and could be simultaneously enacted.

Few dispute the need for reform. The problem is deciding what type of reform is necessary and how to balance the conflicting interests of providing strong Federal controls to assure the least possible risk to the PBGC system while at the same time permitting private sector business decisionmaking processes to proceed undisturbed. For nearly 4 years, representatives of big and small business, organized labor, and the administration have been struggling to reconcile these competing interests and produce a reform package that all could support.

Last year, former Congressman Erlenborn and I introduced H.R. 3930, which was reported by the Subcommittee on Labor-Management Relations in October 1983. We announced at that time that we would wait to bring our bill before the full Education and Labor Committee until the Senate acted. We were not convinced that the Senate shared our commitment to enacting the premium increase and the reforms.

By the time the Senate Labor Committee finally acted last summer, the bill it reported had lost the support of both business and organized labor.

Since Congresswoman ROUKEMA and I are committed to assuring that both the premium increase and reform measures are enacted this year, we recently instructed the subcommittee staff to prepare legislation addressing to the greatest extent possible the concerns that all parties had expressed with the legislation introduced in the last Congress.

Because of the complicated nature of these proposals and the need for consideration of some of the proposed changes by the Committee on Ways and Means as well as the Committee on Education and Labor, we are today introducing three separate bills. Two will be jointly referred; one will be referred solely to the Committee on Education and Labor. We do this to facilitate consideration of these proposals in light of extraordinarily heavy schedule that our colleagues on Ways and Means will have this session.

One bill authorizes the premium increase only. The second contains both the premium increase and the total reform package, including the necessary conforming changes to the Internal Revenue Code. Both these bills will be jointly referred. The final bill contains ERISA changes only, and thus matters solely within the jurisdic-

tion of the Committee on Education and Labor.

We have tried to simplify and streamline the proposals removing, for the most part, the most objectionable features of the bill introduced last Congress. To accommodate these concerns, we had to restructure the bill.

Although we have preserved the basic reforms proposed in H.R. 3930, there are two areas in which we are actively seeking input from all affected parties.

First, we have reluctantly dropped from this bill the detailed rules governing so-called employer contingent liability. Although we remain as conerned as in the past about the problem of pension liabilities which result from a corporate spinoff transaction, we have decided to address this problem through a general grant of authority to the PBGC to ignore certain corporate transactions if a principal purpose of the transaction is to evade liability which results from a plan termination. The complexity of the rules we proposed in H.R. 3930 and the confusion which resulted from that complexity convinced us to try another approach. We would appreciate commentary on the strengths and weaknesses of the approach we are proposing and the need to develop more detailed rules to address this problem.

Second, we have temporarily removed from the bills a provison designed to remedy another problem in the current law—the granting of funding waivers. In the past, many plans which terminated without assets to pay guaranteed benefits have had a history of subtantial waived funding amounts, thus increasing the potential liability of the PBGC upon plan termination. As we understand current practices, when a waiver of the minimum funding requirements is granted, the Internal Revenue Service often requires that if a plan terminates before the waived amounts are fully repaid, those amounts become a debt due and owing to the plan at the time of termination. The PBGC has long been concerned that current practice does not provide sufficient protection to the plan in cases in which the contribution sponsor eventually goes bankrupt.

Last Congress, both H.R. 3930 and the Senate bill (S. 1227) adopted a similar approach, urged by the PBGC. Under that provision, a lien for the waived amounts would automatically arise in favor of the plan. The PBGC would have had the authority to decide whether, when, and on what collateral perfection of that claim should occur. That approach raised some serious concerns which were never fully resolved to our satisfaction.

Recently we have developed a different approach to address the original concern of PBGC. Under that approach, new rules regarding funding waivers would only apply if the cumulative total of all funding waivers exceeded $1 million. In that case, a funding waiver request could not be granted unless one of the following was furnished to the Secretary of the Treasury: evidence that a bond for 25 percent of the waived amount had been obtained or a certification by PBGC that the plan was adequately secured with respect to the waived amounts.

Because we have not fully decided which approach is best and we do not want to hold up consideration of the legislation, we are soliciting comments on these two approaches. In addition, we would welcome any other alternatives for addressing this problem. We are seeking a solution which continues to recognize that funding waivers are designed to provide relief in cases of business hardship and that not all waivers will result in additional liability for the PBGC. At the same time, we want to provide a reasonable amount of protection for the plan, and ultimately for the PBGC. We fully intend to incorporate some type of a funding waiver proposal when the bills are marked up. Immediately following the summary of the Single-Employer Pension Plan Amendments Act of 1985 are two alternative drafts of legislative language: the first incorporates the original lien proposal of H.R. 3930 and the second the bond approach described above. Interested parties are asked to comment specifically on these drafts.

Although I believe these are good bills on the whole, I have no illusions that they meet all the objectives of all the parties who have been working hard on this issue for so many years. If each of us could write with a clean slate, none of us would pen these precise proposals. But the longer we delay making these essential changes, the greater the financial pressures on the insurance system.

We invite the administration and the single-employer pension community as a whole to work with us to refine these bills. We have identified particular areas of concern in the summary which follows. We intend to work quickly. Enough time has gone by and the problems are well known. The Subcommittee on Labor-Management Relations has tentatively scheduled a hearing on these bills on July 11 in room 2175 of the Rayburn House Office Building at 10 a.m. Shortly thereafter the subcommittee will markup all three bills. We urge all affected parties to share their comments and suggestions with us as soon as possible so that, working together, we may enact this urgently needed legislation this year.

The following summary is of H.R. 2811 which contains both the premium increase and the total reform package. Section numbers, which have been included for the convenience of the reader, are not necessarily the same in all three introduced bills.

SUMMARY OF THE SINGLE-EMPLOYER PENSION PLAN AMENDMENTS ACT OF 1985 (H.R. 2811)

GENERAL POLICY OBJECTIVES

The overall policy objectives of the bill are to encourage the maintenance and growth of single-employer defined benefit plans, while at the same time increasing the likelihood that workers receive their promised pension benefits; to assure that unfunded pension liabilities are transferred onto the termination insurance system only in cases of severe business hardship; and to put the termination insurance system back on a fiscally sound basis by raising the single-employer plan premium and tightening the rules governing both access to the insurance system and liability upon plan termination.

DEFINITIONS

For purposes of clarity and consistency, key terms used throughout the bill and ERISA itself are defined in section 4 of the bill.

PREMIUMS

Effective for plan years beginning after December 31, 1985, the single-employer pension plan termination insurance premium will be $8.50 for participant per year. In addition, the process by which Congress may adopt any future premium increases is changed from a concurrent to a joint resolution procedure, in response to the decision of the U.S. Supreme Court in *Immigration and Naturalization Service* v. *Chadha*, 462 U.S. 919 (1983). Finally, a Congressionally appointed Advisory Council is established and directed to study the process by which single-employer premiums are established under Title IV of ERISA. Not later than two years after date of enactment of this bill, the Advisory Council must report to Congress on whether any legislative or operational changes should be made. The council will consist of individuals expert in these matters who represent affected groups: plan sponsors, employee organizations and the general public (section 5).

TERMINATION OF SINGLE-EMPLOYER PLANS BY PLAN ADMINISTRATORS

Sections 7 through 9 of the bill provide the framework for single-employer plan terminations initiated by the plan administrator. Plans may terminate only under a "standard termination" (new section 4041(b) of ERISA set out in section 8 of the bill) or under a "distress termination" (new section 4041(c) of ERISA set out in section 9). As under the current law, plans may be "frozen" without a termination occurring. Section 6(a) clarifies the authority for such a freeze and is not intended to change current law.

The general rules which apply to both a standard and distress termination appear in new section 4041(a) of ERISA (section 7 of the bill) and require prior notice to affected parties. In addition, with respect to a collectively bargained plan, special rules are provided if, within the 90 day notice priod, the plan administrator and/or the Pension Benefit Guaranty Corporation (PBGC) are notified of the pendency of a related adjudicatory proceeding challenging the termination (new ERISA section 4041(a)(3)). If such a notice is received, the plan administrator or the PBGC (as the case may be) may (solely in its discretion) either suspend the termination pending the outcome of the related proceeding, or proceed with the termination. If the termination proceeds, the plan

administrator or the PBGC (as the case may be) must take such actions (e.g., segregating the assets and maintaining plan records) as may be appropriate to restore the plan if the termination were ultimately ordered to be undone in the related proceeding.

A. Standard termination

This type of termination is available to all contributing sponsors regardless of financial condition and does not require PBGC approval. Certain procedural requirements must be met, however, and certain benefit obligations to employees may not be abrogated.

Under the bill, a plan may only close out its affairs when it has sufficient assets to discharge all benefit entitlements. This is consistent with the overall policy goal of the bill to increase the likelihood that participants receive their full promised and earned benefits.

In general, benefit entitlements include only those benefits for which the participant or beneficiary has satisfied (as of the date of plan termination) all eligibility requirements under the plan. For instance, a disability retirement benefit would only be considered a benefit entitlement with respect to a particular participant if the participant was disabled and satisfied all other requirements under the plan (e.g., age and/or service) for entitlement as of the date the plan terminated. If the participant was not disabled as of that date, even though all other requirements had been met, the disability retirement benefit would not be considered a benefit entitlement. Likewise, in the case of a plan which provides a special plant closing benefit, that benefit would not be considered a benefit entitlement unless the plant closing occured prior to the date of plan termination.

B. Distress termination

Consistent with the overall policy goal of the bill to limit access to the termination insurance system to plans of companies in genuine financial difficulty, PBGC would only be required to pay guaranteed benefits for plans who meet one of four threshold tests (new section 4041(c)(2)(B)):

1. A funding waiver has been granted by the Internal Revenue Service with respect to the terminating plan, in at least three of the five plan years immediately preceding the proposed termination and, with respect to each plan maintained by the contributing sponsor and each substantial member of its controlled group, in at least one of the three prior plan years;

2. The contributing sponsor and each substantial member of its controlled group has filed a petition (which has not been dismissed or converted to a reorganization proceeding) seeking liquidation under federal or state bankruptcy law;

3. The contributing sponsor provides substantial evidence to the PBGC that unless a distress termination is granted, the sponsor and each substantial member of its controlled group will be unable to pay their debts when due and unable to continue in business.

4. With respect to all plans of the contributing sponsor and each substantial member of its controlled group, the costs of providing pension coverage have become unreasonably burdensome, solely as a result of a decline in the covered workforce. A contributing sponsor would have to demonstrate this burdensomeness by showing that both the contribution-wage ratio and the contribution-income ratio for the plan year in which the termination occurs is at least double those ratios for the preceding plan year.

For purposes of these tests, a substantial member of a controlled group is a person whose assets comprise 5% or more of the total assets of the controlled group.

Once one of these tests is met, the procedure followed by the PBGC to effectuate the termination is intended to be generally the same as current law. Determinations of sufficiency and net worth must be made before any distress termination is complete.

TERMINATIONS BY THE CORPORATION

The PBGC's authority to terminate a plan involuntarily under section 4042 is generally unchanged.

LIABILITY FOLLOWING PLAN TERMINATION

Once a plan has been terminated in a distress termination (under new section 4041(c) of ERISA) or by the PBGC under its own authority (section 4042), persons may be liable to the PBGC and, in certain instances, to participants and beneficiaries. That liability is described in section 4062 of ERISA (section 11 of the bill). Those who are liable (each contributing sponsor and all members of their controlled groups) are identified in subsection (a) of section 4062. The amount of liability to PBGC and participants is set forth in subsections (b) and (c) respectively.

A. Liability to PBGC

The contributing sponsors and all members of their controlled groups are generally liable for the full underfunding of the plan with respect to guaranted benefits. In addition, such persons are liable for any "funding shortage" (as defined in new section 4062(d)(1) of ERISA) which includes outstanding amounts of waived funding. Payment in full of this liability is due as of the date of termination, except if the total liability exceeds 30% of the collective net worths of all liable parties. In that case, the excess of liability over and above the 30% may be paid under the profits schedule.

Payments under the profits schedule are made for a period of ten liability payment years following the year in which the plan is terminated. If any liable person has no profits in any of the liability payment years, then no payments to the PBGC are required for that year. The amount of each payment is limited to 10% of the pretax profits of all liable persons. Of course, liability to continue to make payments under the profits schedule is extinguished at the earlier of the completion of the ten-liability-payment-year period or when payment in full of the liability to the PBGC is made.

B. Liability to participants and beneficiaries

If, as of the date of termination, there is an outstanding amount of benefit entitlements under the plan (as defined in new section 4001(a)(19)), contributing sponsors and all members of their controlled group who are liable under section 4062(a) have an additional liability to participants and beneficiaries. Such persons are required to contribute to a trust administered by a trustee, whose duties and responsibilities are detailed in new ERISA section 4049.

Contributions to the section 4049 trustee are limited to 5% of pretax profits calculated and payable in the same fashion as liability to the PBGC under the profits schedule described above. Of course, it is possible that persons who, at the time of termination, would have no additional liability to the PBGC because assets have been sufficient to pay guaranteed benefits, may still have liability to participants and beneficiaries under section 4062(c).

The bill would require the section 4049 trustee, using the actuarial information provided to the PBGC by the liable parties, to determine that total amount of unpaid benefits entitlements for each participant and beneficiary which will not be paid either by the PBGC as guaranteed benefits or by the plan upon termination. Each year, as payments come into the trust, the section 4049 trustee will pay the amounts out (on a pro rata basis if necessary) in order to reduce the total outstanding amount for each participant and beneficiary. These payments are designed to pay whenever possible the difference between vested and guaranteed benefits.

-The requirement to contribute to the trust is limited in duration to a period of ten liability payment years after the year in which the plan terminated or, if earlier, the year in which all liability to participants and beneficiaries is extinguished. Of course, the section 4049 trustee would not be required to set up the trust until the first liability payment year in which contributions must be made under the profits schedule. therefore, if no liable person has profits until, for example, the fifth liability payment year, no trust need be established to receive the contributions until that time.

ENFORCEMENT

Section 14 of the bill contains the enforcement provisions. The bill adds a new section 4070 to ERISA in which is consolidated all rights of contributing sponsors, or participants, and of others to enforce certain Title IV provisions.

EFFECTIVE DATE

The provisions of the bill are generally effective on the date of enactment.

ALTERNATIVE No. 1

SEC. . LIEN IN FAVOR OF SINGLE-EMPLOYER PLAN ARISING FROM GRANTING OF WAIVER OF MINIMUM FUNDING STANDARD OR EXTENSION OF AMORTIZATION PERIOD.

(a) IN GENERAL.—Part 3 of subtitle D of title IV (as designated by section 111 of this Act) is amended by adding after section 4094 (as so designated) (29 U.S.C. 1368) the following new section:

"LIEN IN FAVOR OF SINGLE-EMPLOYER PLAN ARISING FROM GRANTING OF WAIVER OF MINIMUM FUNDING STANDARD OR EXTENSION OF AMORTIZATION PERIOD

"SEC. . (a) TREATMENT OF WAIVED FUNDING DEFICIENCIES AND DECREASES IN MINIMUM FUNDING STANDARD AS DEBT DUE AND OWING TO THE PLAN.—

"(1) GENERAL RULE.—In any case in which a waiver or extension is granted (on or after the date of the enactment of this section) with respect to a single-employer plan under section 303 or 304 of this Act and section 412 (d) or (e) of the Internal Revenue Code of 1954, the amount of the waived funding deficiency arising from the waiver (including interest) and the amount of the decrease in the minimum funding standard arising from the extension (including interest) shall be considered a debt due and owing to the plan by the contributing sponsors of the plan and the members of their controlled groups (hereafter in this section referred to as the 'debtors').

"(2) WAIVERS AND EXTENSIONS NOT CONSIDERED EXTENSIONS OF CREDIT FOR CERTAIN PURPOSES.—Notwithstanding paragraph (1), a waiver or extension referred to in paragraph (1) shall not be considered an extension of

credit for purposes of sections 406 and 407 of this Act or section 4075 of the Internal Revenue Code of 1954.

"(b) ESTABLISHMENT OF LIEN.—

"(1) IN GENERAL.—A lien securing the debt described in subsection (a) shall arise in favor of the plan on the date of the waiver or extension granted with respect to the plan. The lien shall be on all property and rights to property, whether real or personal, of each debtor.

"(2) DURATION OF LIEN.—Except as provided in subsection (d), the lien imposed by paragraph (1) shall continue until—

"(A) the amount on which the lien is based is paid to the plan in full, or

"(B) the plan obtains an interest in property which the corporation determines is sufficient to secure such amount.

"(3) PRIORITY OF LIEN.—Except as otherwise provided under this section, the priority of a lien imposed under paragraph (1) shall be determined in the same manner as under section 6323 of the Internal Revenue Code of 1954 with respect to liens thereunder. Such section 6323 shall be applied for purposes of this section by disregarding subsection (g)(4) and by substituting—

"(A) 'lien imposed by section 4095(a) of the Employee Retirement Income Security Act of 1974' for 'lien imposed by section 6321' each place it appears in subsections (a), (b), (c)(1), (c)(4)(B), (d), (e), and (h)(5);

"(B) 'as directed by the corporation' for 'by the Secretary' in subsection (a);

"(C) 'the payment of the amount on which the lien is based' for 'the collection of any tax under this title' in subsection (b)(3);

"(D) 'a debtor whose property is subject to the lien' for 'the taxpayer' in subsections (b)(8), (c)(2)(A)(i) (the first place it appears), (c)(2)(A)(ii), (c)(2)(B), (c)(4)(B), and (c)(4)(C) (in the matter preceding clause (i));

"(E) 'such debtor' for 'the taxpayer' in subsections (c)(2)(A)(i) (the second place it appears) and (c)(4)(C)(ii);

"(F) 'payment of the loan value of the amount on which the lien is based is made to the single/employer plan' for 'satisfaction of a levey pursuant to section 6332(b)' in subsection (b)(9)(C);

"(G) 'the corporation' for 'the Secretary' in subsection (b)(9)(C);

"(H) 'section 4095(a) lien' for 'tax lien' each place it appears in subsections (c)(1), (c)(2)(A), (c)(2)(B), (c)(3)(B)(iii), (c)(4)(B), (d), and (h)(5); and

"(I) 'the date on which the lien is first filed' for 'the date of the assessment of the tax' in subsection (g)(3)(A)

"(4) APPLICATION OF BANKRUPTCY PROVISIONS.—In any case under title 11, United States Code, any lien imposed under this subsection and perfected within the meaning of section 545(2) of such title shall be treated as securing an allowed claim under section 506 of such title, subject only to the limitations imposed by section 6323 of the Internal Revenue Code of 1954. Any claim for the unpaid amount of waived funding deficiencies arising from waivers or the unpaid amount of decreases in the mimimum funding standard arising from extensions for which liens have not been perfected shall be treated in the same manner as a claim for a tax on income having priority under section 507(a)(6) of such title. In the case of any insolvency proceeding (other than a case under such title 11), any lien imposed under this subsection shall be treated, for purposes of section 3713 of title 31, United States Code, in the same manner as a lien securing a debt due and owing to the United States to which such section applies.

"(5) TREATMENT AS JUDGMENT LIEN ARISING AT TIME OF FILING OF NOTICE.—For purposes of applying section 6323(a) of the Internal Revenue Code of 1954 to determine the priority among the lien imposed under paragraph (1), the lien imposed by section 4094 of this Act, and a Federal tax lien, each lien shall be treated as a judgment lien arising as of the time notice of such lien is filed.

"(c) SPECIAL RULE FOR COMPOSITE SINGLE-EMPLOYER PLANS.—

"(1) IN GENERAL.—In the case of a lien arising under subsection (b) with respect to a composite single-employer plan, the amount of the waived funding deficiency arising from the waiver described in subsection (a)(1) (plus interest) or the amount of decrease in the minimum funding standard arising from the extension described in such subsection (a)(1) (plus interest) which is secured by the lien on the property of each contributing sponsor and all members of such sponsor's controlled group shall be the full amount of such waived funding deficiency (plus interest) or decrease in minimum funding standard (plus interest), multiplied by a fraction—

"(A) the numerator of which is the amount of the contributions required under the plan from such contributing sponsor for the plan year for which the waiver or extension is granted, and

"(B) the denominator of which is the amount of the total contributions required under the plan from all contributing sponsors for the plan year for which the waiver or extension is granted.

"(2) COMPOSITE SINGLE-EMPLOYER PLAN.—For purposes of this subsection, the term 'composite single-employer plan' means a single-employer plan of which there are two or more contributing sponsors, not all of whom are within the same controlled group.

"(d) PERFECTION AND FILING.—The plan administrator shall perfect, and file notice of, a lien imposed by this section with respect to the plan only to the extent directed to do so by the corporation. The corporation may direct such perfection and filing only if—

"(1) the aggregate outstanding amount of waived funding deficiencies and decreases in the minimum funding standard with respect to the plan arising from waivers and extensions described in subsection (a)(1) exceeds $50,000, or

"(2) the amount of unfunded nonforfeitable benefits under the plan exceeds $500,000.

"(e) EARLY RELEASE OF LIEN.—Notwithstanding subsection (b)(2), a lien imposed by this section shall be released at such time, to such extent, and under such conditions as the corporation determines necessary to ensure that the interests of the plan participants and beneficiaries and of the corporation are adequately protected.

"(f) PERFECTION AND FILING BY THE CORPORATION UPON FAILURE OF PLAN ADMINISTRATOR.—In any case in which the corporation directs a plan administrator to perfect and file a lien in accordance with subsection (c) and such plan administrator fails to do so, the corporation may in its discretion, perfect and file such lien on behalf of the plan.

"(g) RESPONSIBILITY FOR COSTS.—Any costs incurred in the perfection, filing, and release of a lien imposed by this section shall be paid by the debtors.

"(h) REQUIREMENT TO PROVIDE INFORMATION.—The debtors shall provide the corporation with such information as the corporation considers necessary to perform its responsibilities under this section.".

(b) CONFORMING AMENDMENTS.—

(1) Section 303(d) (29 U.S.C. 10003(d)) is amended—

(A) by inserting "(1)" before "For corresponding"; and

(B) by adding at the end thereof the following new paragraph:

"(2) For provisions relating to liens in favor of single-employer plans covered by the title IV of this Act arising from granting of waivers of the minimum funding standard, see section 4095 of this Act.".

(2) Section 304 (29 U.S.C. 1004) is amended by adding at the end thereof the following new subsection:

"(c) For provisions relating to liens in favor of single-employer plans covered by title IV of this Act arising from the granting of extensions under subsection (a), see section 4095 of the Act.".

ALTERNATIVE NO. 2

SEC. . SECURITY FOR WAIVERS OF MINIMUM FUNDING STANDARD AND EXTENSIONS OF AMORTIZATION PERIOD.

(a) IN GENERAL.—Subtitle D of title IV is amended by adding after section 4068 (29 U.S.C. 1368) the following new section:

"SECURITY FOR WAIVERS OF MINIMUM FUNDING STANDARD AND EXTENSIONS OF AMORTIZATION PERIOD

"SEC. . (a) IN GENERAL.—If, after any waiver of the minimum funding standards granted with respect to the plan under section 303 of this Act or section 412(d) of the Internal Revenue Code of 1954 or any extension of an amortization period granted with respect to the plan under section 304 of this Act or section 412(e) of such Code, the sum of—

"(1) all waived funding deficiencies arising from waivers (if any) granted with respect to the plan under such sections 303 and 412(d) before, on, or after the date of the enactment of the Single-Employer Pension Plan Amendments Act of 1985, and

"(2) all reductions in the amortization charge arising from extensions granted with respect to the plan under such sections 304 and 412(e) before, on, or after such date,

would equal or exceed $1,000,000, acceptance by the plan sponsor of any such waiver or extension without having obtained adequate security shall be treated as a breach of a fiduciary duty by the plan sponsor under part 4 of subtitle B of title I.

"(b) ADEQUATE SECURITY.—Adequate security described in this subsection consists of—

"(1) a bond covering a contributing sponsor of the plan as provided in subsection (c), or

"(2) a written contract, to which the plan, all contributing sponsors of the plan and members of their controlled groups, and the corporation are parties, setting forth the terms prescribed in subsection (d).

"(c) BONDING REQUIREMENTS.—A contributing sponsor of a plan is bonded as provided in this subsection if—

"(1) the amount of the bond is not less than 25 percent of the sum described in subsection (a),

"(2) the bond provides protection to the plan against inability of the contributing sponsor to make the plan whole for the amount of the waived funding deficiency arising from the waiver or the reduction in the amortization charged arising from the extension,

"(3) the bond has as surety thereon a corporate surety company which is an acceptable surety on Federal bonds under authority granted by the Secretary of the Treasury

pursuant to sections 6 through 13 of title 6, United States Code,

"(4) the bond is in a form or of a type approved by the Secretary of the Treasury, including individual bonds or schedule of blanket forms of bonds which cover a group or class, and

"(5) the bond is not procured from a surety or other company, or through an agent or broker, in whose business operations such plan or any party in interest (within the meaning of section 3(14)) in such plan has any control or significant financial interest, direct or indirect.

"(d) WRITTEN CONTRACT REQUIREMENTS.—A written contract referred to in subsection (b)(2) sets forth the terms prescribed in this subsection if—

"(1) the contract provides that the sum described in subsection (a) would constitute, upon the granting of the waiver or extension, a debt due and owing the plan by the contributing sponsors of the plan and the members of their controlled groups, and

"(2) the contract provides for interest on such debt and security for such debt which the corporation considers adequate to secure the plan for the waiver or extension.".

(b) EFFECTIVE DATE.—The amendment made by this section shall apply with respect to acceptances by plan sponsors of—

(1) waivers of the minimum funding standards with respect to a single-employer plan under section 303 of the Employee Retirement Income Security Act of 1974 and section 412(d) of the Internal Revenue Code of 1954, and

(2) extensions of an amortization period granted with respect to a single-employer plan under section 304 of such Act and section 412(e) of such Code,

granted by the Secretary of the Treasury on or after the date of the enactment of this Act.●

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. STRANG (at the request of Mr. MICHEL), for today, on account of knee surgery.

Mr. FISH (at the request of Mr. MICHEL), for today, on account of minor surgery.

Mr. LUKEN (at the request of Mr. WRIGHT), for today and the balance of the week, on account of medical reasons.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. COMBEST) to revise and extend their remarks and include extraneous material:)

Mr. BOULTER, for 60 minutes, today.

(The following Members (at the request of Mr. WEISS) to revise and extend their remarks and include extraneous material:)

Mr. RODINO, for 5 minutes, today.

Mr. LAFALCE, for 5 minutes, today.

Mr. WISE, for 5 minutes, today.

Mr. NELSON of Florida, for 5 minutes, today.

Mr. ECKART of Ohio, for 5 minutes, today.

Mr. CROCKETT, for 5 minutes, today.

Mr. PEASE, for 5 minutes, today.

Mr. PEASE, for 5 minutes, on June 26.

Mr. RAY, for 5 minutes, on June 26.

Mr. PANETTA, for 60 minutes, on June 26.

Mr. RAY, for 5 minutes, on June 27.

Mr. PEPPER, for 60 minutes, on June 27.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. CLAY, and to include extraneous matter, notwithstanding the fact that it exceeds two pages of the RECORD and is estimated by the Public Printer to cost $1,802.50.

Mr. PRICE, to revise and extend his remarks in the RECORD and to include extraneous matter.

Mr. SLATTERY, to revise and extend his remarks on the Nichols amendment in the Committee of the Whole, today.

(The following Members (at the request of Mr. COMBEST) and to include extraneous matter:)

Mr. GINGRICH.
Mr. OXLEY.
Mr. MCKERNAN.
Ms. SNOWE.
Mr. KEMP.
Mr. SNYDER.
Mr. BROOMFIELD in two instances.
Mr. DAUB.
Mr. COURTER.
Mr. GALLO.
Mr. JEFFORDS.
Mr. GREEN.
Mr. DREIER of California in two instances.
Mr. CLINGER.
Mr. CRAIG.
Mr. DORNAN of California.
Mr. GILMAN.
Mr. HILLIS.
Mr. LIVINGSTON.
Mr. ROTH.
Mr. HARTNETT.
Mr. HYDE.

(The following Members (at the request of Mr. WEISS) and to include extraneous matter:)

Mr. WYDEN.
Mr. GARCIA.
Mr. MORRISON of Connecticut.
Mr. ST GERMAIN.
Mr. WISE.
Mrs. BOGGS.
Mr. BONIOR of Michigan.
Mr. FRANK.
Mr. MATSUI in two instances.
Mr. SCHUMER.
Mr. RAY.
Mr. DYSON.
Mr. ROE in two instances.
Mr. VOLKMER.
Mr. VENTO.
Mr. LAFALCE.
Mr. HUBBARD.
Ms. KAPTUR.
Mr. DYMALLY.
Mr. FLORIO.
Mr. BARNES in two instances.
Mr. EDGAR in three instances.
Mr. EDWARDS of California.
Mr. COELHO.
Mr. WAXMAN.
Mr. ACKERMAN.
Mr. AUCOIN.
Mr. NOWAK.
Mr. BONER of Tennessee in two instances.
Mr. MINETA.
Mr. HOYER.
Mr. WRIGHT.
Mr. FEIGHAN.
Mr. WIRTH.
Mr. MILLER of California.

ENROLLED JOINT RESOLUTION SIGNED

Mr. ANNUNZIO, from the Committee on House Administration, reported that that committee had examined and found truly enrolled a joint resolution of the House of the following title, which was thereupon signed by the Speaker:

H.J. Res. 159. Joint resolution commemorating the 75th anniversary of the Boy Scouts of America.

SENATE ENROLLED JOINT RESOLUTIONS SIGNED

The SPEAKER announced his signature to enrolled joint resolutions of the Senate of the following titles:

S.J. Res. 87. Joint resolution to provide for the designation of July 19, 1985, as "National P.O.W./M.I.A. Recognition Day."

S.J. Res. 125. Joint resolution designating the week of June 23, 1985, through June 29, 1985, as "Helen Keller Deaf-Blind Awareness Week."

ADJOURNMENT

Mr. WEISS. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 11 o'clock and 24 minutes p.m.), the House adjourned until tomorrow, Wednesday, June 26, 1985, at 10 a.m.

Amended reports of House committees concerning the foreign currencies and U.S. dollars utilized by them during the first quarter of calendar year 1985 in connection with foreign travel pursuant to Public Law 95-384 are as follows:

AMENDED REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON FOREIGN AFFAIRS, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN JAN. 1 AND MAR. 31, 1985

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Bonker, Don	1/5	1/8	Brazil		434.25						434.25
	1/8	1/12	Peru		432.00		39.93		24.91		496.84
	1/12	1/16	Argentina		432.00		14.73		140.81		587.54
	1/16	1/18	Barbados		382.00		84.35		194.64		660.99
Military transportation							5,408.12				5,408.12
Committee total					1,680.25		5,547.13		360.36		7,587.74

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

DANTE B. FASCELL, Chairman, June 13 1985.

AMENDED REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON GOVERNMENT OPERATIONS, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN JAN. 1 AND MAR. 31, 1985

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Hon. Mike Synar	2/12	2/13	El Salvador		[3] 75.00						75.00

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.
[3] Original amount reported for per diem was $150; however, $75 of this amount was reimbursed to the U.S. Treasury.

JACK BROOKS, Chairman, June 5, 1985.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1573. A letter from the Auditor, District of Columbia, transmitting a report entitled, "Leasing Agreement of 6045 16th Street, N.W. (The Hebrew Academy Building) by the District Government", pursuant to Public Law 93-198, section 455(d); to the Committee on the District of Columbia.

1574. A letter from the Chairman, Council of the District of Columbia, transmitting D.C. ACT 6-47, "Closing of a Portion of Brentwood Road, N.E., adjacent to Square 4208, S.O. 84-25, Act of 1985", and report, pursuant to Public Law 93-198, section 602(c); to the Committee on the District of Columbia.

1575. A letter from the Chairman, Council of the District of Columbia, transmitting D.C. ACT 6-43, "Museum Building Limited Partnership Project Revenue Bond Act of 1985", and report, pursuant to Public Law 93-198, section 602(c); to the Committee on the District of Columbia.

1576. A letter from the Secretary of Education, transmitting final regulations in connection with the administration of the Excellence in Education Program, pursuant to GEPA, section 431(d)(1) (88 Stat. 567; 90 Stat. 2231; 95 Stat. 453); to the Committee on Education and Labor.

1577. A letter from the Secretary of Education, transmitting final regulations for Secretary's Discretionary Program for Mathematics, Science, Computer Learning, and Critical Foreign Languages, pursuant to GEPA, section 431(d)(1) (88 Stat. 567; 90 Stat. 2231; 95 Stat. 453); to the Committee on Education and Labor.

1578. A letter from the Secretary of Health and Human Services, transmitting a report on waivers granted under authority of section 1915 of the SSA, pursuant to SSA, section 1915(e)(2) (95 Stat. 809, 812); to the Committee on Energy and Commerce.

1579. A letter from the Acting Director, Office of Personnel Management, transmitting a draft of proposed legislation to amend title 5, United States Code, to reform the civil service retirement system; to the Committee on Post Office and Civil Service.

1580. A letter from the Administrator, National Aeronautics and Space Administration, transmitting a letter notifying the Congress that the space transportation capability development is for fiscal year 1984 $6.5 million more than that which was previously reported, with explanation, pursuant to Public Law 98-52, section 104; to the Committee on Science and Technology.

1581. A letter from the Chairman, National Aeronautics and Space Administration, transmitting notification that the planned funding level for the space station—fiscal year 1985—has been exceeded by $5.5 million, pursuant to Public Law 98-361, section 104; to the Committee on Science and Technology.

1582. A letter from the Secretary of Agriculture, transmitting the views of the department opposing H.R. 99, a bill "To provide for the conservation, rehabilitation, and improvement of natural and cultural resources located on public or Indian lands, and for other purposes"; jointly, to the Committees on Interior and Insular Affairs and Education and Labor.

1583. A letter from the Administrator, Environmental Protection Agency, transmitting a report about the necessity for and adequacy of the revenue raised for the post-closure liability trust fund, pursuant to Public Law 96-510, section 301(a)(2)(ii); jointly, to the Committees on Energy and Commerce, Public Works and Transportation and Ways and Means.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. DINGELL: Committee on Energy and Commerce. H.R. 1711. A bill to authorize appropriations for the Nuclear Regulatory Commission for fiscal year 1986 and fiscal year 1987 (Rept. No. 99-93, Part III. Referred to the Committee of the Whole House on the state of the Union.

Mr. DELLUMS: Committee on Armed Services. H.R. 1202. A bill to authorize appropriations to carry out conservation programs on military reservations and public lands during the fiscal years 1986, 1987, and 1988 (Rept. No. 99-129, Pt. II). Referred to the Committee of the Whole House on the state of the Union.

Mr. BONKER: Committee of Conference. Conference report on S. 883 (Rept. No. 99-180). And ordered to be printed.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. JEFFORDS (for himself, Mr. COELHO, Mr. ROSE, Mr. VOLKMER, Mr. PENNY, Mr. JONES of Tennessee, Mr. DASCHLE, Mr. STENHOLM, Mr. BRUCE, Mr. EVANS of Illinois, Mr. SCHUETTE, Mr. BONER of Tennessee, Mr. CARR, Mr. TRAXLER, Mr. QUILLEN, Mr. SKELTON, Mr. ROTH, Mrs. BYRON, Mr. BONIOR of Michigan, Mr. WEBER, Mr. FORD of Michigan, and Mr. MADIGAN):

H.R. 2850. A bill to amend the Agricultural Act of 1949 to establish a price support program for milk for fiscal years 1986 through 1990, to authorize a production adjustment program, to make certain amendments with respect to milk marketing orders, and for other purposes; to the Committee on Agriculture.

By Mrs. SCHROEDER (for herself, Mr. MICA, and Ms. OAKAR):

H.R. 2851. A bill to amend title 5, United States Code, to provide certain benefits for Government employees and similarly situated individuals who are captured, kidnaped, or otherwise deprived of their liberty as a result of hostile action directed against the United States; to provide for certain payments to individuals who were taken hostage as a result of the seizure of the U.S. Embassy in Iran in 1979; and for other purposes; jointly, to the Committees on Foreign Affairs, and Post Office and Civil Service.

By Mr. ANDREWS:

H.R. 2852. A bill to provide that past-due amounts owed by physicians and other health professionals who breached a contract under the National Health Service Corps Scholarship Program shall be deducted from amounts otherwise payable to the physician under the Medicare and Medicaid Programs, and for other purposes; jointly, to the Committees on Ways and Means, and Energy and Commerce.

By Mr. BONIOR of Michigan (for himself, Mr. MRAZEK, Mr. RUSSO, Mr. BARNES, Mr. MILLER of California, Mr. LAFALCE, Mr. BATES, Mr. FORD of Michigan, Mr. WILLIAMS, Mr. MURPHY, Mr. EVANS of Iowa, Mr. EDWARDS of California, Mr. FAUNTROY, Mr. BROWN of California, Mr. STAGGERS, Mr. SYNAR, Mr. BARNARD, Mr. YOUNG of Florida, Mr. KILDEE, and Ms. MIKULSKI):

H.R. 2853. A bill to amend the Internal Revenue Code of 1954 to provide an income tax credit for expenses incurred by an individual taxpayer for the purchase of television subtitle equipment to be used by a hearing-impaired individual; to the Committee on Ways and Means.

By Mr. DYMALLY:

H.R. 2854. A bill to amend title 39, United States Code, to extend to certain officers and employees of the Postal Service the same procedural and appeal rights with respect to certain adverse personnel actions as are afforded to Federal employees under title 5, United States Code; to the Committee on Post Office and Civil Service.

By Mr. FAUNTROY:

H.R. 2855. A bill to amend the District of Columbia Code to broaden the composition of the District of Columbia Commission on Mental Health: to the Committee on the District of Columbia.

H.R. 2856. A bill to authorize the District of Columbia Council to establish the jurisdictional limit for the small claims branch of the Superior Court, to provide permanent authority for hearing commissioners in the District of Columbia courts, and for other purposes: to the Committee on the District of Columbia.

By Mr. FEIGHAN:

H.R. 2857. A bill to terminate the provisional listing of food, drug, and cosmetic color dyes known as FD&C Red No. 3, D&C Red No. 8, D&C Red No. 9, D&C Red No. 19, D&C Red No. 37, and D&C Orange No. 17 under the Federal Food, Drug, and Cosmetic Act; to the Committee on Energy and Commerce.

By Mr. FISH (for himself, and Mr. LUNGREN):

H.R. 2858. A bill to amend chapter 31 of title 28 of the United States Code, authorizing the Department of Justice to accept gifts under certain circumstances; to the Committee on the Judiciary.

By Mr. JEFFORDS:

H.R. 2859. A bill to make certain amendments to the act of September 30, 1950 (Public Law 874, Eighty-first Congress), and for other purposes; to the Committee on Education and Labor.

By Mr. MORRISON of Connecticut (for himself, Mr. BARNARD, Mr. BATEMAN, Mr. BEDELL, Mr. BERMAN, Mrs. COLLINS, Mr. CROCKETT, Mr. DIXON, Mr. FAZIO, Mr. FISH, Mr. FRANK, Mr. GARCIA, Mr. GEJDENSON, Mr. GIBBONS, Mr. HAWKINS, Mr. HAYES, Mr. HORTON, Mr. JONES of North Carolina, Ms. KAPTUR, Mr. LAGOMARSINO, Mr. MORRISON of Washington, Ms. MIKULSKI, Mr. MRAZEK, Mr. OWENS, Mr. REID, Mr. RICHARDSON, Mr. ROE, Mr. ROYBAL, Mr. SAVAGE, Mr. SAXTON, Mr. SCHUMER, Mr. SKEEN, Mr. SKELTON, Mr. SMITH of New Jersey, Mr. VENTO, Mr. WEAVER, Mr. WHITEHURST, and Mr. WYDEN):

H.R. 2860. A bill to amend titles II and XVI of the Social Security Act to provide that overpayments made to a deceased beneficiary and received by an entitled surviving beneficiary shall be considered overpayments to such surviving beneficiary, and shall be subject to the provisions of such Act relating to recovery, waiver of recovery, and adjustment of overpayments; to the Committee on Ways and Means.

By Mr. RUSSO:

H.R. 2861. A bill to amend title 18, United States Code, with respect to firearms; to the Committee on the Judiciary.

H.R. 2862. A bill to amend the Internal Revenue Code of 1954 to provide that the excise tax on handguns will be transferred to a trust fund to be used for purposes of providing compensation to victims of crime, and for other purposes; jointly, to the Committees on the Judiciary, and Ways and Means.

By Mr. WYDEN:

H.R. 2863. A bill to amend title XIX of the Social Security Act to provide that States may provide home or community-based services under the Medicaid Program without the necessity of obtaining a waiver; to the Committee on Energy and Commerce.

H.R. 2864. A bill to amend title XVIII of the Social Security Act with respect to administrative and judicial review of determinations under that title; jointly, to the Committee on Ways and Means, and Energy and Commerce.

By Mr. VOLKMER:

H.R. 2865: A bill to amend the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 to provide for coordination of research information regarding the health and environmental effects of hazardous substances; to establish a program for research, development, and demonstration of permanent remedial action technologies; and to assure adequate public participation in the selection of remedial action; jointly, to the Committee on Energy and Commerce, Public Works and Transportation, and Science and Technology.

By Mr. FORD of Tennessee:

H.R. 2866. A bill to amend the Fair Labor Standards Act of 1938 to permit employees engaged in law enforcement and fire protection activities to take compensatory time off in lieu of receiving overtime compensation; to the Committee on Education and Labor.

By Mr. MILLER of California (for himself, Mr. ANTHONY, Mr. BERMAN, Mrs. BOGGS, Mrs. BOXER, Mrs. BURTON of California, Mr. DYMALLY, Mr. EDGAR, Mr. EVANS of Illinois, Mr. FORD of Tennessee, Mr. HAWKINS, Mrs. KENNELLY, Ms. KAPTUR, Mr. LEHMAN of Florida, Mr. MARTINEZ, Mr. MCHUGH, Ms. MIKULSKI, Mr. MORRISON of Connecticut, Ms. OAKAR, Mr. RANGEL, Mrs. SCHROEDER, Mr. SIKORSKI, Mr. STARK, Mr. WEISS, and Mr. WHEAT):

H.R. 2867. A bill to improve and expand child care services and early childhood education services; jointly, to the Committees on Education and Labor, and Ways and Means.

By Mr. STUDDS (for himself, Mr. DONNELLY, Mr. MARKEY, Mr. MAVROULES, and Mr. MOAKLEY):

H.R. 2868. A bill to settle Indian land claims in the town of Gay Head, Massachusetts, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. DURBIN (for himself, Mr. CARPER, Mr. PENNY, Mr. GRAY of Illinois, and Mrs. BENTLEY):

H.J. Res. 323. Joint resolution proposing an amendment to the Constitution of the United States to provide 4-year terms for Representatives in certain cases; to the Committee on the Judiciary.

By Mr. ROTH (for himself, Mr. SILJANDER, Mr. HYDE, Mr. LAGOMARSINO, Mr. WALKER, Mr. BARTON of Texas, and Mr. SOLOMON):

H.J. Res. 324. Joint resolution to express the opposition of the United States to the genocide being committed on the people of Ethiopia by the Communist regime in power, to encourage that regime to abandon such policies, and for other purposes; jointly, to the Committees on Foreign Affairs, and Ways and Means.

By Mr. CARR (for himself, Mr. LELAND, Mr. FOGLIETTA, Mr. GRAY of Pennsylvania, Mr. EDGAR, Mr. BORSKI, Mr. KOSTMAYER, and Mr. GILMAN):

H.J. Res. 325. Joint resolution to designate July 13, 1985, as "Live Aid Day"; to the Committee on Post Office and Civil Service.

By Mr. LUNGREN:

H.J. Res. 326. Joint resolution to designate November 1, 1985, as "National Philanthropy Day"; to the Committee on Post Office and Civil Service.

MEMORIALS

Under clause 4 of rule XXII.

186. The Speaker presented a memorial of the 18th Legislature of Guam, relative to Federal lands; to the Committee on Interior and Insular Affairs.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 52: Mr. MACK.

H.R. 203: Mr. COATS and Mr. PETRI.

H.R. 367: Mr. MONTGOMERY.

H.R. 370: Mr. TOWNS and Mr. OWENS.

H.R. 704: Mr. LIGHTFOOT, Mr. MONSON, Mr. DANNEMEYER, Mr. DANIEL, Mr. KOLBE, Mr. GINGRICH, and Mr. HEFTEL of Hawaii.

H.R. 864: Mrs. BENTLEY, Mr. FAZIO, Mr. RINALDO, Mr. LOTT, Ms. SNOWE, Mr. MCKERNAN, and Mr. BENNETT.

H.R. 917: Mr. BATES.

H.R. 925: Mr. DIXON, Mr. DURBIN, Mr. LELAND, Mrs. SCHROEDER, and Mr. WHEAT.

H.R. 926: Mr. AUCOIN, Mr. DURBIN, and Mrs. SCHROEDER.

H.R. 976: Mr. HALL of Ohio, Mr. LATTA, and Mr. MURPHY.

H.R. 1161: Mr. MACKAY.

H.R. 1318: Mr. LIGHTFOOT, Mr. MCKERNAN Mr. HILLS, and Mr. HYDE.

H.R. 1458: Mr. BUSTAMANTE.

H.R. 1526: Mr. MORRISON of Connecticut, Mr. ACKERMAN, Mr. FEIGHAN, Mr. SMITH of New Jersey, Mr. WEAVER, Mr. MURPHY, and Mr. BUSTAMANTE.

H.R. 1536: Mr. HAYES.

H.R. 1616: Mr. KOSTMAYER, Mr. SEIBERLING, Mr. PEASE, and Mr. VENTO.

H.R. 1704: Mr. SILJANDER and Ms. SNOWE.

H.R. 1715: Mr. KEMP.

H.R. 1739: Mr. SENSENBRENNER, and Mr. SAVAGE.

H.R. 1769: Mr. MCEWEN, and Mr. PASHAYAN JR.

H.R. 1888: Mr. BATES, Mr. COATS, Mr. COBEY, Mr. FRENZEL, Mr. SEIBERLING, Mr. LOWRY of Washington, Mr. RITTER, Mr. KASTENMEIER, Mr. HAYES, Mr. JEFFORDS, Mr. LEACH of Iowa, Mr. RUDD, Mr. BRYANT, Mrs. MARTIN of Illinois, Mr. SMITH of New Hampshire, and Mr. ROBERTS.

H.R. 1946: Mr. STARK.

H.R. 1973: Mr. HENDON, Mr. RODINO, Mr. DYSON, and Mr. FISH.

H.R. 2025: Mr. MCCAIN, Mr. STUMP, and Mr. HUNTER.

H.R. 2032: Mr. SENSENBRENNER.

H.R. 2116: Mr. MCGRATH and Mr. ROWLAND of Connecticut.

H.R. 2119: Mr. SENSENBRENNER.

H.R. 2205: Mrs. COLLINS.

H.R. 2277: Mr. DAUB and Mr. SKELTON.

H.R. 2302: Mr. DICKINSON.

H.R. 2337: Mr. BATEMAN and Mr. FISH.

H.R. 2361: Mr. WIRTH, Mr. GRAY of Pennsylvania, Mr. YATES, and Mr. WEAVER.

H.R. 2383: Mr. OBERSTAR.

H.R. 2406: Mr. HUGHES, Mr. SIKORSKI, Mr. VENTO, and Mrs. BENTLEY.

H.R. 2451: Mr. WILSON, Mrs. BYRON, and Mr. BEDELL.

H.R. 2453: Mr. CROCKETT.

H.R. 2527: Mr. FAZIO, Mr. EDGAR, Mrs. KENNELLY, Ms. KAPTUR, Mr. STUDDS, Mr. CONYERS, Mr. YATES, Mr. HAYES, Mr. RODINO, Mr. OBERSTAR, Mr. DYMALLY, Mr. WOLPE, Mr. ROE, Mr. BERMAN, Mr. FUSTER, Mr. STOKES, Mr. KASTENMEIER, and Mr. WALGREN.

H.R. 2553: Mr. SILJANDER, Mr. KANJORSKI, Mr. BORSKI, Mr. DELAY, Mr. EARLY, and Mr. VALENTINE.

H.R. 2567: Mr. MORRISON of Connecticut and Mr. SAVAGE.

H.R. 2572: Mr. WEBER.

H.R. 2594: Mr. SWEENEY and Mr. DARDEN.

H.R. 2597: Mr. STRATTON and Mr. BUSTAMANTE.

H.R. 2628: Mr. NIELSON of Utah.

H.R. 2653: Ms. KAPTUR, Mr. DORNAN of California, Mr. GREGG, Mr. EDWARDS of California, Mr. ROSE, Mr. GRADISON, Mr. GIBBONS, Mr. JEFFORDS, Mr. BIAGGI, Mr. SEIBERLING, and Mr. EDWARDS of Oklahoma.

H.R. 2676: Mr. HOYER, Mr. SAXTON, Mrs. BOXER, Mr. JACOBS, Mrs. JOHNSON, Mr. DAVIS, Mr. HUGHES, Mr. BOSCO, Mr. ROBERTS, Mr. STAGGERS, Mr. WORTLEY, Mr. MORRISON of Washington, Mr. GROTBERG, Mr. STUDDS, Mr. FAZIO, Mr. DASCHLE, and Mr. BARNARD.

H.R. 2688: Mr. MORRISON of Connecticut.

H.R. 2712: Mr. TOWNS, Mr. MORRISON of Connecticut, Mr. ACKERMAN, and Mr. CROCKETT.

H.R. 2779: Mr. WOLPE, Mr. DAVIS, Mr. TRAXLER, and Mr. CONYERS.

H.R. 2781: Mr. BRYANT, Ms. KAPTUR, Mr. LAGOMARSINO, Mr. REID, Mr. TOWNS, Mr. WEISS, Mr. WORTLEY, and Mr. BUSTAMANTE.

H.R. 2797: Mr. HUNTER, Mr. LAGOMARSINO, and Mr. GINGRICH.

H.R. 2814: Mr. WHITEHURST, Mr. GROTBERG, Mr. BEVILL, and Mr. BEREUTER.

H.R. 2834: Mr. PASHAYAN.

H.J. Res. 4: Mr. BARTLETT and Mr. RINALDO.

H.J. Res. 36: Mr. WILLIAMS, Mr. SAVAGE, Mr. GREEN, Mr. SUNIA, and Mr. DE LUGO.

H.J. Res. 105: Mr. HENDON, Mr. RINALDO, and Mr. DELAY.

H.J. Res. 141: Mr. LELAND, Mr. HAYES, Mrs. HOLT, Mr. CHAPPIE, Mr. BATEMAN, Mr. ENGLISH, Mr. COELHO, Mrs. BENTLEY, Mr. SMITH of Florida, Mr. BORSKI, Mr. DE LA GARZA, Mr. BEDELL, Mr. CHANDLER, Mr. SHUMWAY, Mr. ROE, Mr. WYDEN, and Mr. SOLOMON.

H.J. Res. 144: Mr. COELHO and Mr. DASCHLE.

H.J. Res. 151: Mr. REGULA.

H.J. Res. 164: Mr. BEILENSON, Mr. BLAZ, Mr. BOUCHER, Mr. COLEMAN of Missouri, Mr. CRANE, Mr. DIXON, Mr. FASCELL, Mr. MACKAY, Mr. MCKERNAN, Mr. MILLER of Washington, Mr. MONSON, Mr. TORRES, Mr. WOLF, and Mr. YOUNG of Florida.

H.J. Res. 179: Mr. AKAKA, Mr. BEDELL, Mr. COBLE, Mr. COOPER, Mr. DAVIS, Mr. FAZIO, Mr. FRENZEL, Mr. GROTBERG, Mrs. LLOYD, Mr. MCDADE, Mr. MCGRATH, Mr. MCHUGH, Mr. MARKEY, Mr. MOLLOHAN, Mr. RINALDO, Mr. RODINO, Mr. TRAXLER, Mrs. VUCANOVICH, Mr. WALKER, Mr. WOLF, and Mr. YATRON.

H.J. Res. 222: Mr. DASCHLE, Mr. KINDNESS, and Mr. NATCHER.

H.J. Res. 225: Mr. MINETA.

H.J. Res. 296: Mr. LUJAN, Mr. CHENEY, Mr. HENDON, Mr. DORNAN of California, Mr. MCKERNAN, Mr. BOEHLERT, Mr. DERRICK, Mr. DAUB, Mr. AKAKA, Mr. SHAW, Mr. KLECZKA, Mr. MATSUI, Mr. VENTO, and Mr. RANGEL.

H.J. Res. 305: Mr. CONYERS, Mr. PURSELL, Mr. WOLPE, Mr. SILJANDER, Mr. KILDEE, Mr. DAVIS, Mr. CROCKETT, Mr. HERTEL of Michigan, Mr. FORD of Michigan, Mr. HAYES, Mr. CARR, Mr. BROOMFIELD, Mr. HEFTEL of Hawaii, Mr. ORTIZ, Mr. VANDER JAGT, Mr. REGULA, Mr. DYMALLY, Mr. ROE, Mr. MATSUI, Mr. CONTE, Mr. KRAMER, Mr. GUNDERSON, Mr. JENKINS, Mr. UDALL, Mr. LEVIN of Michigan, Mr. SMITH of Florida, Mrs. BENTLEY, Mr. DE LA GARZA, Mr. WEISS, Mr. LEWIS of California, Mr. BERMAN, Mr. KLECZKA, Mr. SOLOMON, Mr. FRANK, Mr. ACKERMAN, Mr. KOLTER, Mrs. COLLINS, Mr. FROST, Mr. BEDELL, Mr. HOYER, Mr. SMITH of New Jersey, Mr. LEVINE of California, Mrs. JOHNSON, Ms. KAPTUR, Mr. EVANS of Illinois, Mr. COATS, Mr. EDWARDS of Oklahoma, and Mr. VENTO.

H.J. Res. 306: Mr. MARTINEZ, Mr. WILSON, Mr. HYDE, Mr. ERDREICH, Mr. GINGRICH, and Mr. EDWARDS of Oklahoma.

H.J. Res. 313: Mr. LAGOMARSINO, Mr. BURTON of Indiana, Mr. CRAIG, Mr. HYDE, Mr. SKEEN, Ms. FIEDLER, Mr. BILIRAKAS, Mr. DEWINE, Mr. LENT, Mr. STANGELAND, Mr. BROOMFIELD, Mr. TAYLOR, Mr. LEWIS of California, Mr. WOLF, Mr. RITTER, Mr. DIOGUARDI, Mr. MCCOLLUM, Mr. ROBINSON, Mr. HAMMERSCHMIDT, Mr. SNYDER, Mr. WALKER, Mr. CRANE, Mr. LIVINGSTON, Mr. SMITH of New Jersey, Mr. SAXTON, Mr. MCEWEN, Mr. MOORE, Mr. CHENEY, Mr. DENNY SMITH, Mr. RAY, Mr. BARTON of Texas, Mr. KEMP, Mr. MACK, Mr. COURTER, Mr. WEBER, Mr. WILSON, Mr. SILJANDER, Mr. KASICH, Mr. LOEFFLER, Mr. MCCAIN, Mr. STRATTON, Mr. ECKERT of New York, Mr. BLILEY, Mr. YOUNG of Florida, Mr. LUNGREN, Mr. WHITEHURST, Mr. BATEMAN, Mr. SOLOMON, Mr. DORNAN of California, Mr. PARRIS, Mr. ROTH, Mr. VANDER JAGT, Mr. HOPKINS, Mr. FRENZEL, Mr. GRADISON, Mr. THOMAS of California, Mrs. VUCANOVICH, Mr. DAUB, and Mr. ROWLAND of Connecticut.

H. Con. Res. 26: Mr. GEJDENSON, Mr. BOEHLERT, and Mr. GREEN.

H. Con. Res. 37: Mr. DYSON, Mr. SMITH of New Hampshire, Mr. ROBERT F. SMITH, Mr. STALLINGS, Mr. SYNAR, Mr. TAYLOR, and Mr. WHITTAKER.

H. Con. Res. 57: Mr. BARTON of Texas, Mrs. BOXER, Mr. CLINGER, Mr. GUARINI, Mr. HOYER, Mr. MARTINEZ, and Mr. VENTO.

H. Con. Res. 136: Mr. CONTE, Mr. DORGAN of North Dakota, Mr. OBERSTAR, Mr. CLINGER, Mr. VALENTINE, Mr. DAUB, Ms. KAPTUR, Mr. VANDER JAGT, and Mr. BUSTAMANTE.

H. Con. Res. 157: Mr. BEVILL and Mr. OWENS.

H. Con. Res. 170: Mr. LENT, Mr. PORTER, Mr. ROGERS, Mr. DREIER of California, Mr. EMERSON, Mr. PASHAYAN, Mr. HORTON, Mr. SMITH of New Jersey, Mr. GILMAN, and Mr. MCDADE.

H. Res. 56: Mr. BATEMAN, Mr. BROOMFIELD, Mr. CARPER, Mr. DAUB, Mr. EARLY, Mr. ECKART of Ohio, Mr. EMERSON, Mr. GREEN, Mr. GUARINI, Mr. KEMP, Mr. KINDNESS, Mr. LATTA, Mr. LUKEN, Mr. MCCOLLUM, Mr. MCDADE, Mr. MARKEY, Mr. REGULA, Mr. ROE, Mr. SCHULZE, Mr. THOMAS of Georgia, Mr. WALGREN, and Mr. YOUNG of Florida.

H. Res. 60: Mr. SHUMWAY and Mr. MILLER of Washington.

H. Res. 74: Mr. KEMP, Mr. ACKERMAN, Mr. ERDREICH, Mr. CONTE, Mr. EDWARDS of Oklahoma, Mrs. COLLINS, and Mr. WAXMAN.

H. Res. 131: Mr. FEIGHAN.

H. Res. 178: Mr. BATEMAN, Mr. DAUB, Mr. FRENZEL, and Mr. MILLER of Washington.

H. Res. 193: Mr. DREIER of California and Mrs. BENTLEY.

H. Res. 194: Mr. LEHMAN of Florida, Mr. WEISS, Mr. SIKORSKI, Mr. EVANS of Illinois, Mr. COELHO, Mr. TOWNS, Mr. MRAZEK, Mr. FROST, Mr. MADIGAN, Mr. MATSUI, and Mr. MORRISON of Connecticut.

AMENDMENTS

Under clause 6 of rule XXIII, proposed amendments were submitted as follows:

H.R. 1555

By Mr. DORNAN of California:

—Page 146, after line 4, insert the following:

SEC. 1112. REPEAL OF PROHIBITION ON ASSISTANCE FOR POLICE TRAINING.

Section 660 of the Foreign Assistance Act of 1961 is repealed.

—Page 125, after line 15, insert the following:

SEC. 810. REPEAL OF CLARK AMENDMENT.

Section 118 of the International Security and Development Cooperation Act of 1980 (prohibiting assistance for military or paramilitary operations in Angola) is repealed.

By Mr. LAGOMARSINO:

—Page 81, line 6, immediately after "land reform" insert "reform in tax systems, encouragement of private enterprise and individual initiative, creation of favorable investment climates, curbing corruption where it exists, and spurring balanced trade".

H.R. 1872

By Mr. ADDABBO:

—Amendment to H.R. 1872, Title X to authorize Home Health Care in general:

On page 200 of the bill, after line 4, insert the following new section:

SEC. 1050. PROVISION OF HOME HEALTH CARE.

Home health care may be provided to a chronically ill dependent of an active duty member of the uniformed services, provided that such care is medically necessary or appropriate; cost effective; and the beneficiary is not covered for such care under any other public or private health insurance plan.

By Mr. BENNETT:

—At the end of title X (page 200, after line 4), add the following new section:

SEC. 1050. AUTHORIZATION FOR ADDITIONAL PROCUREMENT FOR CONVENTIONAL FORCES.

(a) FINDING AND PURPOSE.—The Congress finds that the United States should place greater emphasis on the improvement of the capabilities of United States conventional forces and that such an improvement would reduce the threat of nuclear war. Accordingly, this section provides additional authorization of appropriations for programs to improve conventional readiness capabilities of the Armed Forces.

(b) ARMY.—The amounts authorized to be appropriated in section 101 for the Army are increased by the following amounts:

(1) For weapons and tracked combat vehicles, $20,000,000.

(2) For ammunition, $474,100,000.

(3) For other procurement, $216,600,000, of which—

(A) $50,000,000 is for tactical and support vehicles;

(B) $41,100,000 is for communications and electronics; and

(C) $35,500,000 is for other support equipment.

(c) NAVY AND MARINE CORPS.—The amounts authorized to be appropriated in section 102 for the Navy and Marine Corps are increased by the following amounts:

(1) For weapons procurement, Navy, $142,500,000.

(2) For shipbuilding and conversion, $25,000,000.

(3) For other procurement, Navy, $62,500,000, of which—

(A) $15,000,000 is available only for the ship support equipment program; and

(B) $47,500,000 is available for aviation support equipment.

(4) For Marine Corps procurement, $99,300,000.

(d) AIR FORCE.— The amounts authorized to be appropriated in section 103 for the Air Force are increased by the following amounts:

(1) For missiles, $38,000,000.

(2) For other procurement, $12,000,000.

(e) INTEGRATION WITH OTHER PROVISIONS OF ACT.—The increases provided by this section in the authorizations of appropriations in title I—

(1) are in addition to any increase in such authorizations provided in any other provision of this Act; and

(2) are provided notwithstanding any reduction in such authorizations provided in any other provision of this Act.

(f) ARMY PROGRAMS.—The additional authorizations provided by subsection (b) for the Army are available for Army programs as follows:

(1) The additional authorization for weapons and tracked combat vehicles is for initial spares for tracked combat vehicles.

(2) From the additional authorization for ammunition, Army, additional ammunition is authorized in quantities and amounts as follows:

(A) For training ammunition shortfalls:

Cartridge 5.56 blank for squad automatic weapon, 3,278,000 units and $800,000.

Cartridge 7.62 training linked, 1,730,000 units and $600,000.

Cartridge 7.62 ball linked, 2,839,000 units and $800,000.

Cartridge caliber .50 4 ball 1 tracer, 1,197,000 units and $1,700,000.

Cartridge caliber .50 ball linked, 1,174,000 units and $1,400,000.

Cartridge caliber .50 4 ball 1 tracer, 6,281,000 units and $8,100,000.

Cartridge 30-millimeter target practice-tracer, 488,000 units and $5,500,000.

Cartridge 105-millimeter target practice-tracer, 125,000 units and $19,800,000.

Cartridge 105-millimeter discarding sabot-target practice M724, 84,000 units and $16,800,000.

Cartridge 120-millimeter training M865, 28,000 units and $17,000,000. (B) For war reserve shortfalls:

Projectile 8-inch high explosive improved conventional munition, 117,000 units and $100,000,000.

Charge propelling white bag 188, 129,000 units and $28,200,000.

Projectile 155-millimeter high explosive improved conventional munition, 121,000 units and $51,700,000.

Projectile 155-millimeter remote, anti-armor mines M741, 29,000 units and $50,000,000.

Projectile 155-millimeter area denial artillery munition M731, 4,000 units and $17,600,000.

Fuze mechanical time M577, 517,000 units and $35,600,000.

Charge propelling 155-millimeter, green bag M3A1, 111,000 units and $6,200,000.

Charge propelling 155-millimeter, white bag M4A2, 115,000 units and $8,900,000.

Ground improved mine scatter system, anti-tank mine M75, 84,000 units and $16,800,000.

Cartridge 40-millimeter high velocity, high explosive, dual purpose M430, 1,440,000 units and $17,000,000.

Projectile 8-inch rocket assisted projectile, 14,000 units and $17,900,000.

120-millimeter cartridge armor piercing fin stabilized discarding sabot with tracer ME829, 25,000 units and $43,900,000.

120-millimeter cartridge high explosive, anti-tank multipurpose with tracer M830, 3,000 units and $7,800,000.

(3) From the authorization for other procurement, Army, additional items are authorized in quantities and amounts as follows:

For five-ton trucks, 477 units and $50,000,000.

For utility landing craft, 7 units and $33,000,000.

For other support equipment spares, $2,500,000.

For Vinson, 6,558 units and $27,800,000.

For security voice improvement equipment, 286 units and $10,000,000.

For communications and electronics spares, $3,300,000.

(g) NAVY PROGRAMS.—The additional authorizations provided by subsection (c) for the Navy are available for Navy programs as follows:

(1) From the authorization for weapons procurement, Navy, additional items are authorized in quantities and amounts as follows:

For Sidearm, 717 units and $59,500,000.

For AIM-9 L/M Sidewinder, 630 units and $40,000,000.

For drones and decoys, $15,000,000.

For aerial targets, $28,000,000.

(2) from the authorization of shipbuilding and conversion, two ships are authorized for strategic sealift in the amount of $25,000,000.

(3) From the authorization for other procurement, Navy, additional items are authorized in quantities and amounts as follows:

For Skipper, 500 units and $12,500,000.

For low cost sonobuoy, 150,000 units and $35,000,000.

For sealift support, $15,000,000, of which—$3,000,000 is for modular causeway; and $12,000,000 is for seasheds.

(h) MARINE CORPS PROGRAMS.—The additional authorization provided in subsection (c) for the Marine Corps is available for Marine Corps programs in quantities and amounts as follows:

For projectile 155-millimeter high explosive improved conventional munition (dual purpose) M483, 124,261 units and $50,000,000.

For M198 Howitzer, medium, towed 155-millimeter, 94 units and $45,000,000.

For Armored Vehicle Launched Bridge (AVLB), 8 units and $4,300,000.

(i) AIR FORCE PROGRAMS.—The additional authorizations provided in subsection (d) for their Air Force are available for Air Force programs as follows:

(1) From the authorization for missiles for the Air Force, 702,000 units and $38,000,000 are authorized for the AIM-9 L/M Sidewinder program.

(2) From the authorization for other procurement, Air Force, $12,000,000 is authorized for electronics and telecommunications.

By Mrs. BOXER:

—At the end of title X (page 200, after line 4) insert the following new section:

SEC. 1050 COST AND PRICE MANAGEMENT IN DEFENSE PROCUREMENT.

(a) IN GENERAL.—Chapter 141 of title 10, United States Code, is amended by adding at the end thereof the following new section:

"§ 2406. Cost and price management

"(a) In this section:

"(1) 'Covered contract' means a contract that is awarded by a defense agency using procedures as defined in chapter 137 of this title and that is subject to the provisions of section 2306 of this title, including contracts for full-scale engineering, development, or production.

"(2) 'Defense agency' means the Department of Defense, the Department of the Army, the Department of the Navy, the Department of the Air Force, and the Defense Logistics Agency.

"(b)(1) A defense agency that is responsible for the acquisition of property (including major manufactured end items) or services under a covered contract shall cause to be recorded the contractor's proposed and negotiated cost and pricing data acquired by the agency into appropriate categories. Such categories shall include labor costs, material costs, subcontract costs, overhead costs, general and administrative costs, fee or profit, recurring costs, and nonrecurring costs.

"(2)(A) A defense agency that is responsible for the acquisition of major manufactured end items under a covered contract shall cause to be recorded the proposed and negotiated bills of labor for labor used by the prime contractor and each associate contractor in ± manufacturing the item and for labor used by each such contractor in performing routine testing relating to the item. The bill of labor relating to the labor used by any such contractor shall reflect such contractor's computation of the work

required in manufacturing parts and subassemblies for the end item and in performing routine testing of such parts and subassemblies.

"(B) Each contractor preparing a bill of labor referred to in subparagraph (A) shall specify in the bill of labor the current industrial engineering standard hours of work content (also known as 'should-take times') for the work included in a component of the bill of labor and for the total work included in the bill of labor. The contractor shall base the standard hours of work content specified in the bill of labor on the 'fair day's work' concept, as such term is understood in competitive commercial manufacturing industries in the United States. The contractor's standard hours of work content included in the bill of labor may not vary from time standards derived from commercially available predetermined time standard systems widely used in the United States, as determined by the defense agency, subject to verification by audit.

"(C) The head of a defense agency acquiring a bill of labor referred to in subparagraph (A) shall provide for the maintenance of the information relating to standard hours of work content included under subparagraph (B) and shall review such information to determine changes in measured work content as work progresses under the contract to which the bill of labor relates.

"(3) A defense agency that is responsible for the acquisition of major manufactured end items under a covered contract shall cause to be recorded the proposed and negotiated bills of material used by the prime contractor and each associate contractor under the contract in manufacturing the item and of material used by each such contractor in performing routine testing relating to the item. The bill of material used by any such contractor shall reflect such contractor's computation of the material required for manufacturing parts and subassemblies for the end item and for routine testing of such parts and subassemblies. The costs set out in the bill of material shall be expressed in current dollars and shall be maintained and received in a manner similar to the manner provided for bills of labor in paragraph (2)(C).

"(4) A defense agency that is responsible for the acquisition of property (including major manufactured end items) or services under a covered contract shall cause to be recorded incurred costs under the contract in the same manner as the defense agency categorizes and records proposed and negotiated costs, including grouping the costs as provided under paragraph (1).

"(c)(1) Nothing in this section shall prohibit a contractor from submitting a request for payment or reimbursement for any bill of labor or any bill of material developed pursuant to an approved system of cost principles and procedures.

"(2) Nothing in this section shall require the submission of the information to be submitted under this section if the contractor does not maintain such information on the date of the enactment of this section.".

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by adding at the end thereof the following new item:

"2406. Cost and price management.".

By Mr. BROWN of Colorado:

—At the end of title X, on page 200, after line 4, insert the following new section:

SEC. 1050.—Report on establishing needs-based survivor benefit annuity program for surviving spouses of certain retired reservists.

(a) REQUIREMENT FOR REPORT.—The Secretary of Defense shall submit to Congress a plan for establishing a needs-based survivor annuity program for surviving spouses of members of the uniformed services who—

(1) died prior to September 30, 1978; and

(2) at the time of death would have been eligible for retired pay under chapter 67 of title 10, United States Code, but for the fact they were under 60 years of age.

(b) SCOPE OF PLAN.—The plan shall take into consideration the surviving spouse's income for purposes of determining eligibility under the plan. In developing the plan, the Secretary of Defense should analyze a variety of options, including a plan similar to the Minimum Income Widows Program established pursuant to Public Law 92-425, and provide an accounting of the number of potential beneficiaries and the projected cost.

(c) DEADLINE FOR REPORT.—The report required by this section shall be submitted no later than December 31, 1985.

By Mr. CHAPPELL:

—At the end of title X (page 200, after line 4) insert the following new section:

SEC. 1050. ACQUISITION OF ANTI-SUBMARINE WARFARE TRAINING SYSTEMS.

Of the amount appropriated for the Navy pursuant to the authorization for the Navy in section 201, $6,800,000 shall be available only for acquisition of three SQQ-89 anti-submarine warfare shipboard training systems for the Naval Reserve.

—At the end of title X (page 200, after line 4) insert the following new section:

SEC. 1050. ACQUISITION OF ANTI-SUBMARINE WARFARE TRAINING SYSTEMS.

Of the amount appropriated for the Navy pursuant to the authorization for the Navy in section 201, $6,800,000 shall be available only for acquisition of three service test models of the LAMPS MK-1 anti-submarine warfare shipboard training systems for the Naval Reserve.

By Mr. CONYERS.

—Page 200, after line 4, add the following new section:

SEC. 1050. LIMITATION ON PARTICIPATION OF CERTAIN PERSONS WITH RESPECT TO DEFENSE CONTRACTS.

(a) IN GENERAL.—Any officer or employee of a defense contractor who is convicted of any felony in connection with any contract with the United States shall be prohibited from performing any service (including service on the board of directors of any defense contractor) in connection with any contract with the Department of Defense until the expiration of the five-year period following the date of the conviction of such officer or employee for such felony.

(b) LIABILITY OF DEFENSE CONTRACTOR.—Any defense contractor who knowingly and willingly permits any person described in subsection (a) to perform any service for such contractor (including service on the board of directors of such contractor) in connection with a defense contract shall be prohibited from entering into any contract with the Department of Defense until the expiration of the five-year period following the date on which the Secretary of Defense determines that such contractor is in violation of this subsection.

(c) DEFINITION OF DEFENSE CONTRACTOR.—For purposes of this section, the term "defense contractor" means any prime contractor or subcontractor who performs any service or provides any item in connection with any contract with the Department of Defense.

By Mr. DASCHLE:

—Insert the following new section at the end of title X (page 200, after line 4):

SEC. 1050. DEMONSTRATION PROJECT.

(a) IN GENERAL.—The Secretary of Defense shall, with appropriations made pursuant to authorizations in this Act, carry out a demonstration project for the purposes of—

(1) encouraging businesses owned and controlled by—

(A) veterans of the Vietnam-era or the Korean conflict; or

(B) disabled veterans of any era, to enter into contracts with the Department of Defense; and

(2) increasing the number and value of the contracts entered into by the Department of Defense with such businesses.

(b) NUMBER OF CONTRACTS.—(1) In carrying out this section, the Secretary shall determine the number of contracts which are to be awarded to such businesses in order to carry out a meaningful project under this section.

(2) In making such determination, the Secretary shall obtain information about the approximate number and nature of such businesses that are potential contractors with the Department of Defense. To obtain such information, the Secretary shall—

(A) advertise in order to encourage such businesses to participate in such program and provide information to the Secretary concerning the nature and capacity of their operations;

(B) consult with the Administrator of Veterans' Affairs, the Administrator of the Small Business Administration, and veterans' organizations to obtain information about the identity, nature, and capacity of such businesses which may want to participate in such program; and

(C) take other appropriate actions.

(c) REPORT.—The Secretary shall, not later than December 31, 1985, submit a preliminary report to the Congress concerning the demonstration project carried out under this section and shall, not later than April 15, 1986, submit a final report to the Congress. Each such report shall include an accounting of—

(1) the number, nature, and value of the contracts entered into, by the date of such report, under the program carried out under this section;

(2) a detailed summary of the information obtained, by the date of such report, under subsection (b)(2); and

(3) in the case of the final report, recommendations with respect to how the Department of Defense could, in addition to activities carried out under this section, increase the number and value of the contracts it enters into with businesses referred to in subsection (a).

By Mr. DICKS:

—At the end of title X (page 200 after line 4) add the following new section:

SEC. 1050 CEILING ON FUNDS FOR CONTRACTING-OUT.

None of the funds authorized for appropriation or otherwise made available by this act shall be used to increase the dollar expenditures to contract out for services, as governed by Office of Management and Budget Circular A-76, beyond the level of expenditures for such payments in Fiscal Year 1985, except those expenditures necessary to meet wage rate increases required by the Service Contract Act and those expenditures necessary to initiate new contracts for

services legally binding on September 30, 1985.

By Mr. DURBIN:

—Page 167, after line 10, insert the following new section:

SEC. 1002. REPORT ON UNOBLIGATED BALANCES.

(a) REQUIRED REPORTS.—The Secretary of Defense shall submit to the Committees on Armed Services of the Senate and House of Representatives reports containing an estimate of the amount of funds in each appropriation account of the Department of Defense that at the time of the report—

(1) is available for obligation; and

(2) is in excess of the amount needed to carry out the programs for which the funds were appropriated.

(b) MATTERS TO BE INCLUDED.—Each estimate under subsection (a) shall include amounts attributable to—

(1) inflation savings;

(2) foreign currency savings;

(3) excess working capital fund cash; and

(4) all other savings.

(c) UNANTICIPATED INCREASES.—The report shall also identify unanticipated cost increases resulting from adverse economic trends.

(d) SUBMISSION OF REPORT.—The reports shall be submitted to Congress each year with the President's budget for the next fiscal year, with the April Budget Update, and with the Mid-session Budget Review. However, the first such report shall be submitted not later than 30 days after the date of the enactment of this Act.

By Mr. FOLEY:

—At the end of title X, (page 200, after line 4) add the following new section:

LIMITATION ON INTRODUCTION OF ARMED FORCES INTO NICARAGUA FOR COMBAT

SEC. 1050. (a) Funds appropriated to the Department of Defense may not be obligated or expended for the purpose of introducing the United States Armed Forces into or over Nicaragua for combat.

(b) DEFINITION OF COMBAT.—As used in this section, the term "combat" means the introduction of United States Armed Forces for the purpose of delivering weapons fire upon an enemy.

(c) EXCEPTIONS TO LIMITATION.—This section does not apply with respect to an introduction of United States Armed Forces into or over Nicaragua for combat if—

(1) the Congress has declared war or enacted specific authorization for such introduction; or

(2) such introduction is necessary—

(A) to meet a clear and present danger of hostile attack upon the United States, its territories or possessions; or

(B) to meet a clear and present danger to, and to provide necessary protection for, the United States embassy; or

(C) to meet a clear and present danger to, and to provide necessary protection for and to evacuate, United States Government personnel or United States citizens.

(d) EXISTING REQUIREMENTS PRESERVED.—Nothing in this section shall invalidate any requirement of Public Law 93-148.

(e) TREATY AUTHORITY PRESERVED.—Nothing in this section shall invalidate any authority of the United States to act in accordance with the Organization of American States under the provisions of the Inter-American Treaty of Reciprocal Assistance.

By Mr. KASICH:

—Page 200, after line 4, insert the following section:

SEC. 1050. SENSE OF THE CONGRESS CONCERNING ESTABLISHMENT OF TRAVEL OFFICES OR ACQUISITION OF TRAVEL SERVICES.

It is the sense of the Congress that the Secretary of each military department should provide, in the establishment of travel offices or the acquisition of travel services for official travel, for free and open competition among commercial travel agencies, scheduled airline traffic offices (SATOs), and other entities which provide such services.

By Mr. McCOLLUM:

—At the end of title V (page 68, after line 6) insert the following new section:

SEC. 533. CAPITAL PUNISHMENT UNDER UCMJ FOR ESPIONAGE.

(a) IN GENERAL.—Chapter 47 of title 10, the United States Code (the Uniform Code of Military Justice), is amended by inserting after section 906 (article 106) the following new section (article):

"§ 906a. Art. 106a. Espionage

"(a)(1) Any person subject to this chapter who, with intent or reason to believe that it is to be used to the injury of the United States or to the advantage of a foreign nation, communicates, delivers, or transmits, or attempts to communicate, deliver or transmit, to any foreign government, or to any faction or party or military or naval force within a foreign country, whether recognized or unrecognized by the United States, or to any representative, officer, agent, employee, subject or citizen thereof, either directly or indirectly, any document, writing, code book, signal book, sketch, photograph, photographic negative, blueprint, plan, map, model, note, instrument, appliance, or information relating to the national defense, shall be punished by death or other such punishment as a court martial may direct.

"(2) The sentence of death may not be imposed for an offense under paragraph (1) unless the members of the court martial further find that the offense directly concerned—

"(A) nuclear weaponry, military spacecraft or satellites, early warning systems, or other means of defense or retaliation against large-scale attack;

"(B) war plans;

"(C) communications intelligence or cryptographic information; or

"(D) any other major weapons system or major element of defense strategy.

"(b) Any person subject to this chapter who, in time of war, with intent that the same shall be communicated to the enemy, collects, records, publishes, or communicates, or attempts to elicit any information with respect to the movement, numbers, description, condition, or disposition of any of the Armed Forces, ships, aircraft, or war materials of the United States, or with respect to the plans or conduct, or supposed plans or conduct of any naval or military operations, or with respect to any works or measures undertaken for or connected with, or intended for the fortification or defense of any place, or any other information relating to the public defense, which might be useful to the enemy, shall be punished by death or other such punishment as a court martial may direct.

"(c) The death penalty may be imposed under this section only after the members of the court martial consider the presence or lack thereof of mitigating or aggravating factors described in subsections (d) and (e).

"(d) In determining whether a sentence of death is to be imposed on the accused, the following mitigating factors shall be considered but are not exclusive:

"(1) The accused was less than 18 years of age at the time of the offense.

"(2) The accused's capacity to appreciate the wrongfulness of his conduct or to conform his conduct to the requirements of law was significantly impaired, but not so impaired as to constitute a defense to the charge.

"(3) The accused was under unusual and substantial duress, although not such duress as constitutes a defense to the charge.

"(4) The accused is punishable as a principal (as defined in section 877 of this title) in the offense, which was committed by another, but his participation was relatively minor, although not so minor as to constitute a defense to the charge.

"(5) Any other factor the President may set forth in regulations prescribed under section 836 of this title (article 36).

"(e) If the accused is found guilty of or pleads guilty to an offense under this section, the following aggravating factors shall be considered but are not exclusive:

"(1) The accused has been convicted of another offense involving espionage or treason for which either a sentence of life imprisonment or death was authorized by statute.

"(2) In the commission of the offense the accused knowingly created a grave risk of substantial danger to the national security.

"(3) In the commission of the offense the accused knowingly created a grave risk of death to another person.

"(4) Any other factor the President may set forth in regulations prescribed under section 836 of this title (article 36).".

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of subchapter X of such chapter is amended by inserting after the item relating to section 906 (article 106) the following new item:

"906a. Art. 106a. Espionage.".

—At the end of title X (page 200, after line 4) insert the following new section:

SEC. 1050. CAPITAL PUNISHMENT UNDER UCMJ FOR ESPIONAGE.

"(a) IN GENERAL.—Chapter 47 of title 10, the United States Code (the Uniform Code of Military Justice), is amended by inserting after section 906 (article 106) the following new section (article):

"§ 906a. Art. 106a. Espionage

"(a)(1) Any person subject to this chapter who, with intent or reason to believe that it is to be used to the injury of the United States or to the advantage of a foreign nation, communicates, delivers, or transmits, or attempts to communicate, deliver or transmit, to any foreign government, or to any faction or party or military or naval force within a foreign country, whether recognized or unrecognized by the United States, or to any representative, officer, agent, employee, subject, or citizen thereof, either directly or indirectly, any document, writing, code book, signal book, sketch, photograph, photographic negative, blueprint, plan, map, model, note, instrument, appliance, or information relating to the national defense, shall be punished by death or other such punishment as a court martial may direct.

"(2) The sentence of death may not be imposed for an offense under paragraph (1) unless the members of the court martial further find that the offense directly concerned—

"(A) nuclear weaponry, military spacecraft or satellites, early warning systems, or

other means of defense or retaliation against large-scale attack;

"(B) war plans;

"(C) communications intelligence or cryptographic information; or

"(D) any other major weapons system or major element of defense strategy.

"(b) Any person subject to this chapter who, in time of war, with intent that the same shall be communicated to the enemy, collects, records, publishes, or communicates, or attempts to elicit any information with respect to the movement, numbers, description, condition, or disposition of any of the Armed Forces, ships, aircraft, or war materials of the United States, or with respect to the plans or conduct, or supposed plans or conduct of any naval or military operations, or with respect to any works or measures undertaken for a connected with, or intended for the fortification or defense of any place, or any other information relating to the public defense, which might be useful to the enemy, shall be punished by death or other such punishment as a court martial may direct.

"(c) The death penalty may be imposed under this section only after the members of the court martial consider the presence or lack thereof of mitigating or aggravating factors described in subsections (d) and (e).

"(d) In determining whether a sentence of death is to be imposed on the accused, the following mitigating factors shall be considered but are not exclusive:

"(1) The accused was less than 18 years of age at the time of the offense.

"(2) The accused's capacity to appreciate the wrongfulness of his conduct or to conform his conduct to the requirements of law was significantly impaired, but not so impaired as to constitute a defense to the charge.

"(3) The accused was under unusual and substantial duress, although not such duress as constitutes a defense to the charge.

"(4) The accused is punishable as a principal (as defined in section 877 of this title) in the offense, which was committed by another, but his participation was relatively minor, although not so minor as to constitute a defense to the charge.

"(5) Any other factor the President may set forth in regulations prescribed under section 836 of this title (article 36).

"(e) If the accused is found guilty of or pleads guilty to an offense under this section, the following aggravating factors shall be considered but are not exclusive:

"(1) The accused has been convicted of another offense involving espionage or treason for which either a sentence of life imprisonment or death was authorized by statute.

"(2) In the commission of the offense the accused knowingly created a grave risk of substantial danger to the national security.

"(3) In the commission of the offense the accused knowingly created a grave risk of death to another person.

"(4) Any other factor the President may set forth in regulations prescribed under section 836 of this title (article 36).".

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of subchapter X of such chapter is amended by inserting after the item relating to section 906 (article 106) the following new item:

"906a. Art. 106a Espionage.".

—At the end of title X (page 200, after line 4) insert the following new section:

SEC. 1050. CAPITAL PUNISHMENT UNDER UCMJ FOR ESPIONAGE.

(a) IN GENERAL.—Chapter 47 of title 10, the United States Code (the Uniform Code of Military Justice), is amended by inserting after section 906 (article 106) the following new section (article):

"§ 906a. Art. 106a. Espionage

"(a)(1) Any person subject to this chapter who, with intent or reason to believe that it is to be used to the injury of the United States or to the advantage of a foreign nation, communicates, delivers, or transmits, or attempts to communicate, deliver or transmit, to any foreign government, or to any faction or party or military or naval force within a foreign country, whether recognized or unrecognized by the United States, or to any representative, officer, agent, employee, subject, or citizen thereof, either directly or indirectly, any document, writing, code book, signal book, sketch, photograph, photographic negative, blueprint, plan, map, model, note, instrument, applicance, or information relating to the national defense, shall be punished by death or other such punishment as a court martial may direct.

"(2) The sentence of death may not be imposed for an offense under paragraph (1) unless the members of the court martial further find that the offense directly concerned—

"(A) nuclear weaponry, military spacecraft or satellites, early warning systems, or other means of defense or retaliation against large-scale attack;

"(B) war plans;

"(C) communications intelligence or crypotographic information; or

"(D) any other major weapons system or major element of defense strategy.

"(b) Any person subject to this chapter who, in time of war, with intent that the same shall be communicated to the enemy, collects, records, publishes, or communicates, or attempts to elicit any information with respect to the movement, numbers, description, condition, or disposition of any of the Armed Forces, ships, aircraft, or war materials of the United States, or with respect to the plans or conduct, or supposed plans or conduct of any naval or military operations, or with respect to any works or measures undertaken for or connected with, or intended for the fortification or defense of any place, or any other information relating to the public defense, which might be useful to the enemy, shall be punished by death or other such punishment as a court martial may direct.

"(c) The death penalty may be imposed under this section only after the members of the court martial consider the presence or lack thereof mitigating or aggravating factors described in subsections (d) and (e).

"(d) In determining whether a sentence of death is to be imposed on the accused, the following mitigating factors shall be considered but are not exclusive:

"(1) The accused was less than 18 years of age at the time of the offense.

"(2) The accused's capacity to appreciate the wrongfulness of his conduct or to conform his conduct to the requirements of law was significantly impaired, but not so impaired as to constitute a defense to the charge.

"(3) The accused was under unusual and substantial duress, although no such duress as constitutes a defense to the charge.

"(4) The accused is punishable as a principal (as defined in section 2(a) of title 18) in the offense, which was committed by another, but his participation was relatively minor, although not so minor as to constitute a defense to the charge.

"(5) Any other factor the President may set forth in regulations prescribed under section 836 of this title (article 36).

"(e) If the accused is found guilty of or pleads guilty to an offense under this section, the following aggravating factors shall be considered but are not exclusive:

"(1) The accused has been convicted of another offense involving espionage or treason for which either a sentence of life imprisonment or death was authorized by statute.

"(2) In the commission of the offense the accused knowingly created a grave risk of substantial danger to the national security.

"(3) In the commission of the offense the accused knowingly created a grave risk of death to another person.

"(4) Any other factor the President may set forth in regulations prescribed under section 836 of this title (article 36).".

(b) CLERICAL AMENMDMENT.—The table of sections at the beginning of subchapter X of such chapter is amended by inserting after the item relating to section 906 (article 106) the following new item:

"906a. Art. 106a. Espionage.".

By Mr. McKERNAN:

—Page 200, after line 4, add the following new section:

SEC. 1050. AWARDS FOR COST SAVINGS DISCLOSURES.

(a) AWARDS TO CIVILIAN EMPLOYEES OF THE DEPARTMENT OF DEFENSE.—(1) The Inspector General of the Department of Defense may pay a cash award to any civilian employee of the Department whose disclosure of fraud, waste, or mismanagement to such Inspector General has resulted in cost savings for the Department. The amount of any award under this paragraph may not exceed whichever of the following amounts is less:

(A) $25,000.

(B) An amount that the Inspector General determines to be equal to one percent of the cost savings of the Department attributable to the disclosure, including cost savings projected for fiscal years following the fiscal year in which the disclosure was made.

(2) No award may be paid under paragraph (1)—

(A) before October 1, 1985; or

(B) after September 30, 1988.

(3)(A) The Inspector General shall submit to the Congress a report with respect to the effectiveness of the awards provision in this subsection, including the recommendations of the Inspector General—

(i) as to whether the awards provision should be continued after September 30, 1988; and

(ii) if the provision is continued, whether any modification in the provision is appropriate.

(B) The report referred to in subparagraph (A) shall be submitted on or before March 16, 1988.

(b) AWARDS TO MEMBERS OF THE ARMED FORCES.—(1) Section 1124 of title 10, United States Code, is amended in subsections (a), (b), (c), and (f) by inserting "disclosure," before "suggestion".

(2) Such section is amended by adding at the end thereof the following new subsection:

"(i)(1) No award with respect to a disclosure may be paid under this section—

"(A) before October 1, 1985; or

"(B) after September 30, 1988.

"(2)(A) The Secretary of Defense, after consultation with the Secretary of Transportation with respect to the Coast Guard when it is not operating as a service in the Navy, shall submit to the Congress a report with respect to the effectiveness of the provision in this section for awards for disclo-

sures, including the recommendations of the Secretary—

"(i) as to whether the provision should be continued after September 30, 1988; and

"(ii) if the provision is continued, whether any modification in the provision is appropriate.

"(B) The report referred to in subparagraph (A) shall be submitted on or before March 16, 1988.".

(c) CONFORMING AMENDMENTS.—(1) The heading of section 1124 of title 10, United States Code, is amended to read as follows:

"§ 1124. Cash awards for disclosures, suggestions, inventions or scientific achievements".

(2) The item relating to such section in the table of sections at the beginning of chapter 57 of such title is amended to read as follows:

"1124. Cash awards for disclosures, suggestions, inventions, or scientific achievements.".

By Mr. PEASE:

—Page 200, after line 4, add the following new section:

SEC. 1050. AIRCRAFT FUEL CONSERVATION PROGRAM AND REPORT.

(a) ESTABLISHMENT OF PROGRAM.—(1) The Secretary of Defense shall establish a fuel conservation program for the purpose of reducing the use of fuel by military aircraft during takeoffs and other situations in which the Secretary determines that use of fuel may be reduced without lowering the safety standards officially in use by military aircraft personnel on the date of the enactment of this Act.

(2) The program referred to in paragraph (1) shall be established and implemented before the expiration of the 90-day period following the date of the enactment of this Act.

(b) SUBMISSION OF REPORT.—The Secretary of Defense shall submit to the Congress a report with respect to the program referred to in subsection (a) before the expiration of the 90-day period following the date of the enactment of this Act.

By Mr. RICHARDSON:

—At the end of title X (page 200, after line 4) add the following new section:

SEC. 1050. PROHIBITING THE DEPARTMENT OF DEFENSE AND THE CENTRAL INTELLIGENCE AGENCY FROM PROVIDING ASSISTANCE TO THE NICARAGUAN RESISTANCE FORCES.

None of the funds appropriated pursuant to the authorizations of appropriations in this Act may be obligated or expended by the Department of Defense or the Central Intelligence Agency to provide any humanitarian or other assistance to the Nicaraguan resistance forces.

By Mrs. SCHROEDER:

—Page 200, after line 4, insert the following new section:

SEC. 1050. COMPENSATION FOR MILITARY PERSONNEL AND MEMBERS OF THEIR FAMILIES WHO ARE VICTIMS OF TERRORISM.

(a) AUTHORITY TO MAKE PAYMENT.—If an individual who is a member of the Armed Forces or a family member of a member of the Armed Forces is a victim of a hostile action directed against the United States, the President may make a cash payment under this section to that individual (including the member of the Armed Forces).

(b) MATTERS FOR WHICH PAYMENTS MAY BE MADE.—A payment authorized by subsection (a) may include—

(1) expenses for medical and health care and other expenses related to such care to the extent that such care—

(A) is incident to the hostile action; and

(B) is not covered by any Government medical or health program or by insurance; and

(2) an amount based on the nature of the hostile action and the effect of the hostile action on the individual, taking into consideration the treatment received by the individual, the duration of the individual's captivity (if any), and any other factor that the President considers appropriate.

(c) DEFINITIONS.—For purposes of this section:

(1) The term "hostile action" includes terrorist actions, wherever they occur, and includes captivity and physical violence. Such term does not include actions by enemy forces during the time of war in a theatre of war.

(2) The term "family member" has the meaning given that term in section 101(3) of the Hostage Relief Act of 1980 (5 U.S.C. 5561 note).

By Mr. WYDEN:

—Page 167, after line 10, add the following new section:

SEC. 1002. REPORT ON BUDGETING FOR INFLATION.

(a) REPORT ON SAVINGS FROM LOWER INFLATION.—Not later than 90 days after the date of the enactment of this Act, the Secretary of Defense shall submit to Congress a report containing an explanation of what the Department of Defense does in any fiscal year with funds that are not expended as a result of a decrease in the anticipated rate of inflation during that year.

(b) PROPOSALS FOR NEW BUDGET SYSTEM FOR INFLATION ALLOWANCE.—The Secretary shall include in the report under subsection (a) a proposal, or alternative proposals, for a budget system under which—

(1) funds that are appropriated to the Department of Defense for any fiscal year for procurement or for research, development, test, and evaluation would be appropriated to the Department without the addition of an amount for anticipated inflation during such fiscal year; and

(2) requests would be made to Congress at the end of the fiscal year for any additional funds made necessary by reason of inflation during the fiscal year.

(c) RECOMMENDATIONS.—The Secretary shall include in such report—

(1) the Secretary's recommendations for procedures that would effectively implement a proposal submitted under subsection (b); and

(2) a discussion of the advantages and disadvantages of instituting such a proposal, together with any other comments and recommendations that the Secretary considers appropriate.

EXTENSIONS OF REMARKS

A TRIBUTE TO AMNESTY INTERNATIONAL, HELSINKI WATCH, AND AMERICAS WATCH

HON. MICHAEL D. BARNES

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 25, 1985

● Mr. BARNES. Mr. Speaker, an article in the May 12, 1985, Parade magazine described the important work of Amnesty International, Helsinki Watch, and Americas Watch on behalf of human rights around the world. As chairman of the Subcommittee on Western Hemisphere Affairs, I have had the opportunity to work closely with both Amnesty International and Americas Watch, and I can say that both the subcommittee and the victims of oppression in Latin America and the Caribbean have benefited greatly from their efforts. I am very pleased to include the article for the information of my colleagues.

[From the Parade Magazine, May 12, 1985]

THE GREATEST EVIL IS INDIFFERENCE

(By Michael Satchell)

In Diyarbakir Military prison in eastern Turkey, 32-year-old Pasa Uzun struggles to survive in a world of cruelty that is beyond the darkest imagination of most people. Five years of systematic torture, miserable food and brutal discipline have reduced him to something akin to a living corpse. He feet are blackened from *falaka*—the beating of the soles of the feet—and he walks with difficulty. His family and friends, permitted only rare visits, dare not complain of his condition, for they are not anxious to join him.

Pasa Uzun is guilty of nothing more than being born a Kurd, a despised and savagely persecuted ethnic minority in Turkey. He faces 16 more years in Diyarbakir. Without help or intervention, his chance of surviving is slim. He is as alone, and probably as afraid, as man can be.

Half a world away, in Cuba's Combinado del Este Prison, Ricardo Bofill, 41, once a professor of philosophy and the vice rector of the University of Havana, spends day after day alone in dark, windowless cell or lying on a cot in the prison infirmary. His health is precarious—he suffers from a serious heart ailment. He has served more than eight years in Cuban prisons for publicly complaining about the government's human rights violations. Fidel Castro, taking a cue from the Soviet Union, once had him locked up in a mental hospital.

Bofill is held incommunicado—he receives and sends no mail, is allowed no visitors. His wife, Maria Elena, and 18-year-old son, Alberto, live in Miami and depend upon released prisoners for scraps of news about his worsening condition. They worry about whether he can survive the 11 years his sentence still has to run.

Pasa Uzun and Ricardo Bofill are political prisoners, typical of uncounted tens of thousands of similar human rights victims who are rotting away, anonymous and largely forgotten, in the prisons of perhaps half the countries of the world. They are not terrorists who sought change by violence but activists whose only "crimes" were peaceful dissent, complaining of injustice, voicing opposition, demanding reform or seeking recognition for their cause—rights that are guaranteed and protected in the United States and other democratic nations.

Soviet physicist Andrei Sakharov and his wife, Yelena Bonner, are the most widely known human rights victims: A critically acclaimed HBO television special last year starring Jason Robards and Glenda Jackson brought their poignant story into the homes of millions of Americans. Last January, during his tour of South Africa, Sen. Edward M. Kennedy's visit with Winnie Mandela helped focus media attention on the 21-year imprisonment of her husband, Nelson Mandela, Africa's best-known political prisoner.

The vast majority of human rights victims, unfortunately, enjoy no such attention—or the protection that such publicity can bring. They are ordinary people like Pasa Uzun and Ricardo Bofill, far removed from America's consciousness and little known even in their own countries. Their greatest hope lies with human rights groups who work to expose abuses, end torture and executions, speed trials, improve conditions for prisoners and, hopefully, to engineer their freedom. It is a dauntingly difficult task. It is also one in which anyone can play a vital role.

There are three principal groups in the United States dedicated to ending human rights abuses: Amnesty International, Helsinki Watch and Americas Watch. Augmenting their efforts are professional groups—doctors, lawyers, educators—and émigré organizations that focus on abuses within a specific country or region.

"Every American should be concerned about human rights, because every American has a vested interest in the issue," says Robert L. Bernstein, president of Random House publishers. Long an activist for human rights, he is also the chairman of Helsinki Watch.

"It's a powerful tool to get people of other nations to believe in our way of life," adds Bernstein. "Violating basic human rights often promotes communism. It creates unrest and instability in a country, and this can lead to conflict. Conflict in turn may involve the United States. It may be your tax dollar that have to pay for American aid. It may be your son who is drafted to fight this war. Human rights is a far more important issue than many people realize."

The author, scholar and humanist Elie Wiesel says. "The greatest evil today is indifference. To know and not to act is a way of consenting to these injustices. The planet has become a very small place. what happens in other countries affects us."

Wiesel, who survived the Nazis' Buchenwald and Auschwitz concentration camps, shares a particular empathy with today's forgotten human rights victims.

"I felt during the war that what was being done was a secret," he says. "Later, I found out that it wasn't. Absolutely the greatest despair we Jews felt was when we realized that people knew what was being done but didn't care, didn't act to try to help. When we needed help, nobody came. This must not happen today."

Amnesty International, headquartered in London, is the largest, best known and most influential of the groups, with 150,000 members in the United States and 500,000 worldwide. Winner of the Nobel Peace Prize in 1977. Amnesty enjoys a reputation for scrupulous research and strict impartiality as it catalogs abuses and uses its membership to pressure offending governments.

The organization is structured to allow anyone to channel his or her energy and concerns directly toward helping victims. The membership is broken down into small "adoption" groups scattered throughout some 50 nations, with the groups formed around a church, a club, a neighborhood, a factory or an office.

Each group is assigned two so-called "prisoners of conscience"—victims from other countries who have been imprisoned for nonviolent activities. Group members send material aid to the victims and their families—money, food, clothing, medicine—and also launch a mail campaign. Letters of encouragement are sent to the victims; polite, carefully worded appeals for freedom are sent to anyone of influence—prison officials, a minister of security, an ambassador or the country's political leader.

Often there is no way of knowing if the prisoner receives the letters or if the appeals contribute to his welfare. Many times, though, this polite pressure through the simple tactic of writing letters can have a powerful effect.

A Dominican Republic trade union leader named Julio de Peña Valdez, for example, was seized in a police raid and held naked in an underground cell. Amnesty launched an extensive letter campaign that prodded Dominican President Joaquin Balaguer to release him.

"When the first 200 letters came, the guards gave me back my clothes," the grateful prisoner later wrote. "Then the next 200 came, and the prison director came to see me. When the next pile of letters arrived, the director got in touch with his superior. The letters kept coming and coming, 3,000 of them. The president was informed. The letters still kept arriving, and the president called the prison and told them to let me go.

"After I was released, the president called me to his office. He said: 'How is it that a trade union leader like you has so many friends from all over the world?' He showed me an enormous box full of letters he had received and, when we parted, he gave them to me."

Karel Kyncl, an imprisoned Czechoslovak journalist, said after his release: "A political prisoner comes to know about Amnesty's work on his behalf usually only indirectly, from the sarcastic remarks of his jailers or from pieces of information communicated to him by members of his family in their strictly censored letters. But it is enough to give him a wonderful feeling that he is not completely forgotten after all, that somebody cares."

Amnesty also has become synonymous with the effort to expose nations that prac-

tice torture—an issue steeped in both horror and hypocrisy. The United Nations' Universal Declaration of Human Rights, to which all U.N. members subscribe, prohibits torture, and few nations are willing to admit that it happens within their borders. Yet a 1984 Amnesty report titled "Torture in the Eighties" carried meticulously detailed accounts of inhumane treatment of prisoners in 66 countries, from Afghanistan to Zimbabwe.

By publicizing the abuses, Amnesty hopes that the leaders of repressive regimes will be shamed or pressured into curbing torture in the glare of world public opinion and, perhaps, the censure of other nations.

"Even the cruelest tyrants have an element of pride—they want to go down in history looking good," observes Richard Reoch, Amnesty's chief of press relations.

Amnesty's focus on torture victims includes a sort of emergency response team called the Urgent Action Network, which also relies on fast, direct input from members. It works like this: Word is received in London headquarters that a person has been arrested, taken to a detention center and is likely to be tortured. The information is quickly evaluated and flashed to Urgent Action Networks in various countries.

In the United States, Scott Harrison, a former Marine Corps Vietnam veteran, and his wife, Ellen, run the nationwide operation from their home near Nederland, Colo. By telephone, Telex and computer, they contact a network of volunteers. Within days, hundreds—perhaps thousands—of telegrams and letters are on their way to the country in question, appealing for the threatened prisoner.

Americas Watch and Helsinki Watch cooperate closely with Amnesty and share the same broad goals, but they operate differently. Instead of a mass-membership, grassroots organization, the Watch committees are made up of small groups of experts and professionals within various fields.

Helsinki Watch monitors human rights chiefly in the USSR, eastern Europe and Turkey, while Americas Watch concentrates on Central and South America and the Caribbean. The two committees, which can exert strong pressure, serve as watchdogs of official U.S. actions on human rights and are regularly called to testify before Congress.

Selective morality is one of their recurring complaints about U.S. foreign policy. Critics say that our government historically has denounced our Communist or leftist adversaries for human rights abuses while downplaying or ignoring the atrocities committed by our allies.

Aryeh Neier, vice chairman of both Watch committees, asserts: "One-third of the world's countries use torture on a regular basis. If the U.S. government genuinely put its muscle to work, it could influence many of these nations, and we would clearly be more effective. Most of the time, the State Department won't put its muscle behind human rights—it's just not willing to sacrifice its interests. It just looks the other way—and the awful suffering continues."

A perfect example of this dilemma is Turkey—and the case of Pasa Uzun, who is one of the thousands of political prisoners incarcerated and tortured under a martial-law crackdown that began in 1978 and was followed by a military coup in September 1980.

Turkey's importance to the United States is unquestioned. It anchors the southern flank of the NATO defensive line, provides an important intelligence listening post into the Soviet Union (with whom it shares a border) and operates bases for vast amounts of military equipment, including nuclear weapons.

After Israel and Egypt, Turkey is the third-largest recipient of American military and economic aid—$878 million approved by Congress in this fiscal year. The United States obviously can wield considerable influence over Turkey, yet this ally's human rights record is one of the worst.

Jeri Laber, executive director of Helsinki Watch, has traveled extensively throughout Turkey investigating abuses. She reports mass arrests, deplorable prison conditions and wiedespread torture of men, women—even children—that is, she says, "barbaric, primitive and horrendous."

"Diyarbakir Military Prison is possibly the most horrifying hellhole in the world," Laber recently testified before a Congressional hearing. "It is a dungeon of horrors where prisoners are tortured bestially. Seven prisoners reportedly died in Diyarbakir in January 1984. A lawyer held in the prison, one of the few people who have emerged to report his experiences, personally witnessed the murders of 10 of his fellow prisoners, two of whom were burned alive."

Diyarbakir was built to hold 300 inmates. Pasa Uzun is one of 5,000 who are jammed into the nondescript, modern concrete structure lodged in the headquarters complex of Turkey's Seventh Army. Diyarbakir is the center of the Kurdistan region, where the Kurdish people have been under constant attack by the ruling Turks for decades.

A former student training to be a teacher, Pasa Uzun was a founding member of a Kurdish cultural and youth association. He was arrested in 1979 during a wave of violent oppression against Kurds, trade unionists, peace activists and others.

After a series of court hearings over a four-year period, he was found guilty by military judges of "separatist activities" and sentenced to 16 years. An Amnesty International investigation of his case states: "Pasa Uzun is reported to have been extensively tortured after he had delivered a 16-page defense statement during the opening hearing of his trial in November 1980. He is reported to have been unable to walk when brought to a trial hearing on March 19, 1981, and to have been barely audible when he tried to tell the court how he and other prisoners had been tortured."

And what of Pasa Uzun today?

"He's alive," reports an official at Amnesty's London headquarters. "We are uncertain as to his present state of health. Our last reports were that it was very poor. He needs help."

Information on Ricardo Bofill in Havana's Combinado del Este Prison is similarly sketchy. Like Pasa Uzun—and some 5000 other nonviolent political prisoners around the world—he has been adopted as an Amnesty "prisoner of conscience," but it's doubtful that he realizes that strangers overseas are aware of his plight and are writing appeals for his freedom.

Bofill first ran afoul of Cuban authorities in 1967, when he was imprisoned for five years for protesting human rights violations. After his release, he was prevented from returning to his academic career and was allowed to work only as a floor-sweeper in a can factory. His political activities continued, and he was locked up again in 1980 for sending human rights complaints and documents to the United Nations. (Castro has little patience with political dissent. A 45-year-old auto mechanic named Jesus Barrios is serving four years in Combinado del Este for publicly uttering, "Viva Reagan.")

After Bofill's release in 1982, he was subjected to constant official harassment. On April 29, 1983, fearful after telephone threats and other pressure, the small, slightly built Bofill sought refuge in the French Embassy. Cuban guards surrounded the compound, and high-level negotiations began. The French ambassador was given assurances by Cuba's vice president that Bofill would be allowed to leave the country, but the promise was broken. His attempts to emigrate and join his wife and son in Miami were rebuffed, and in September of that year—after he gave a brief interview to two French journalists—Bofill was arrested. After being locked up in a psychiatric hospital, he was sentenced to 12 years in prison for "deviationism."

"My mother and I are very worried about him," says Alberto Bofill, his son. "We have been told that he has received mental and physical torture. He has had a heart attack and gets no medicine. We were very disappointed when Castro did not release him last year with other political prisoners when Jesse Jackson went to Havana. We feel helpless because there's nothing we can do at this time."

Like Pasa Uzun, Ricardo Bofill is no longer an anonymous political prisoner. Whether he returns to the ranks of the forgotten and uncounted thousands of human rights victims remains to be seen.

In Soviet Asylum

For 11 years, Anna Chertkova, a former postal worker, has been imprisoned in the Ninth Section of the Special Psychiatric Hospital in Tashkent, USSR. She is neither ill nor crazy. The Soviet Union uses mental hospitals to punish dissidents and political prisoners. Anna Chertkova is a member of an officially unauthorized branch of the Baptist Church and a religious activist who refuses to renounce her belief.

Now in her late 50s, she has been the subject of official persecution for most of her life for her persistent religious proselytizing. For years, authorities denied her living accommodations in her hometown of Alma-Ata, and she was forced to survive for two winters in a lean-to hut she built from wooden scraps. In February 1974, she was tried on criminal charges of "spreading rumors and fabrications" and "disseminating anti-Soviet slander."

The Special Psychiatric Hospital in Tashkent was designed to hold dangerous mental patients and felons. It is surrounded by high walls and an electric fence and guarded by security men with automatic weapons. A source within the hospital got word to Amnesty International that Anna is subjected to repeated injections of powerful drugs because "she openly confesses her belief in God and refuses to accept communism."

Facing Death Sentence In Pakistan

Convincing evidence of a political frame-up is of little comfort to the Massachusetts relatives of Mohammed Ejaz Bhatti a 24-year-old Pakistani currently held in the Kot Lakhpat jail in Lahore. After voluntarily appearing at a police station for questioning on Dec. 26, 1981, he was arrested, taken to the Moghalpura police station, hung upside down for several days and severely beaten.

An official report maintains that the police arrested Bhatti three days later (when he was in custody), after he fled from

his parent's home with a grenade in his pocket. He was sentenced to 14 years of hard labor, later charged with terrorism and now faces a death sentence.

A student, Bhatti is a member of the Pakistan People's Party, which opposes the country's ruler, President Mohammed Zia. He appears to be the victim of a widespread police roundup of dissidents. His sister, Kausar, who works for Blue Cross in Boston, was allowed to visit her brother recently. Torture sessions involving beating and burning have left him in pitiful condition, she reports, and he is forced to wear leg irons continually.

"He survives on a punishment diet of moldy bread, boiled radishes and turnips, and tea," she reports. "He is allowed no protein. He is like a skeleton, and his teeth are dropping out. He has open wounds which will not heal. These people are so cruel."

DISAPPEARED AFTER ARREST IN HAITI

The case file on William Josma of Haiti is marked "Disappeared," for there has never been any official acknowledgement by the authorities of his arrest and detention. An engineer, owner of a construction business and a former math teacher, Josma, 36, was arrested in Port-au-Prince on April 4, 1981, by the infamous Tonton Macoutes, the security forces of Haitian President Jean Claude Duvalier. He was taken first to the Caserne Dessalines military barracks, where political prisoners are held incommunicado and in solitary confinement. Torture is often employed during interrogation.

The reason for his arrest isn't clear, but in 1979 Josma has stood as an opponent of Duvalier in the legislative elections. Government pressure forced him to withdraw as a candidate.

After three weeks of interrogation, he was transferred to the National Penitentiary. In January 1982—following an abortive invasion attempt by U.S.-based Haitian exiles—Josma was reported by fellow prisoners to have been taken away in handcuffs from his section of the jail. He has not been heard of since. The inmates report that Josma was accused of knowing about the invasion beforehand. An Amnesty International support group based in New York has written to about 40 Haitian officials, and Duvalier also has been petitioned, all without response. There is hope that Josma is still alive.●

TELEVISION SUBTITLE EQUIPMENT FOR THE HEARING IMPAIRED

HON. DAVID E. BONIOR

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 25, 1985

● Mr. BONIOR of Michigan. Mr. Speaker, I am introducing today legislation to provide a tax credit to ease the cost of purchasing television subtitle equipment for the use by the hearing impaired.

I am honored to be joined today in introducing this measure by a broadly based, bipartisan coalition including Mr. MRAZEK, Mr. RUSSO, Mr. BARNES, Mr. MILLER of California, Mr. LAFALCE, Mr. BATES, Mr. FORD of Michigan, Mr. WILLIAMS, Mr. MURPHY, Mr. EVANS of Iowa, Mr. EDWARDS of California, Mr. FAUNTROY, Mr. BROWN of California, Mr. STAGGERS, Mr. SYNAR, Mr. BARNARD, Mr. YOUNG of Florida, Mr. KILDEE, and Ms. MIKULSKI.

Companion legislation is being introduced in the Senate by the distinguished Senator from Vermont, Mr. LEAHY.

Television has become the eyes and ears of the world. It is one of the best ways we keep in touch and stay informed. But, for 16 to 18 million Americans who are deaf or hearing impaired, television has been a mute world. It has been a world with eyes, but no voice.

Imagine not being able to hear the local or national news. Imagine sitting down with your family to watch a movie. Everyone else is laughing or crying. Eager to be included, you ask what has happened, but your family, caught in the movie, motions you to wait.

In our society, television is more than a source of entertainment or news—it is the vitial communication link between our people, the source of lifesaving information on natural disasters, the center of our civil defense alert system.

For the deaf and hearing impaired, the mute world of television has isolated them from current events and from shared experiences with neighbors and family. It has isolated them from the everyday culture that shapes our daily lives.

The world of television is slowly being opened to the deaf and hearing impaired through a system called closed captioning. Closed captions, invisible unless triggered by a special decoding device, enable viewers to read on the TV screen what they cannot hear. The special decoding device is commonly referred to as a line 21 decoder.

Today, closed captioning has emerged as the universal system adopted by all three networks and PBS. However, after nearly half a decade of use, there are still only about 100,000 decoders in use.

For too long, the cost of decoders—approximately $250 each—has deterred the expansion of that market. Families with hearing impaired members, struggling to meet special medical and education costs, as well as the expenses that face all Americans, have been unable to purchase decoders.

The hearing impaired start at a financial disadvantage. The median income of families headed by the hearing impaired is 84 percent of the general level. The figure is even worse for those families headed by a woman. Their income is just 74 percent of the general level.

Working with representatives from the National Association for the Deaf, the National Captioning Institute, Gallaudet College, and each of the national television networks we have developed a proposal that would go far toward expanding the decoder market, and at a minimal cost.

The proposal would amend the Internal Revenue Code of 1954 to provide an income tax credit for expenses incurred by an individual taxpayer for purchase of television subtitle equipment. Only purchases of the equipment for use by a hearing-impaired individual will qualify for the credit.

The tax credit would apply to all captioning systems, including line 21 and the special CBS system, Extravision, when it comes on line. It would apply whether or not the decoders are purchased separately or are already integrated into a television set.

The tax credit under the bill is not refundable. The credit is for 50 percent of the cost of the subtitle equipment, up to a maximum of $250. The bill is estimated to cost less than $6 million per year.

Last year, some 15,000 decoders were purchased. This bill is projected to immediately increase sales to 25,000 per year. That is not only a jump of 66 percent, it represents an increase of 25 percent in the total number of decoders in use. By 1989, nearly 40,000 decoders a year will be purchased.

Since use of the line 21 system began in 1979, the hearing impaired across America have worked hard to ensure its full implementation. Last year, following a landmark decision by CBS, all three networks and PBS have adopted line 21 closed captioning, creating a common and universal system.

That was a major breakthrough, yet no network, no matter how well intentioned, can maintain any programming absent a market. That is a hard fact to face, but it has a flip side as well. Given a strong market, no network will overlook the needs of the hearing impaired.

Now, as in the past, our Nation faces a basic choice. We can be one people, united by equal opportunity, sharing a common vision of hope, or we can let ourselves be divided into separate communities.

Wishing alone will not make us one people. We become one people because we pledge ourselves and our resources to the dream of equal opportunity; because we work to eliminate the barriers of access and communication that threaten to divide us.

Mr. Speaker, I call my colleagues' attention to the text of the bill, which follows:

H.R. —

A bill to amend the Internal Revenue Code of 1954 to provide an income tax credit for expenses incurred by an individual taxpayer for the purchase of television subtitle equipment to be used by a hearing-impaired individual

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. CREDIT FOR TELEVISION SUBTITLE EQUIPMENT.

(a) IN GENERAL.—Subpart A of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1954 (relating to nonrefundable personal credits is amended by inserting before section 26 the following new section:

"SEC. 25A. TELEVISION SUBTITLE EQUIPMENT FOR USE BY HEARING-IMPAIRED INDIVIDUALS.

"(a) CREDIT ALLOWED.—In the case of an individual, there shall be allowed as a credit against the tax imposed by this chapter for the taxable year an amount equal to 50 percent of the television subtitle equipment expenses paid or incurred by the taxpayer during the taxable year.

"(b) MAXIMUM DOLLAR AMOUNT LIMITATION.—The amount of the credit allowed under subsection (a) for any taxable year shall not exceed $250 ($125 in the case of a married individual filing a separate return).

"(c) Definitions.—For purposes of this section—

"(1) TELEVISION SUBTITLE EQUIPMENT EXPENSES.—The term 'television subtitle equipment expenses' means any amount paid or incurred by the taxpayer for the purchase and installation of any television subtitle equipment for use by any hearing-impaired individual who is an individual described in any paragraph of section 152(a) with respect to the taxpayer.

"(2) TELEVISION SUBTITLE EQUIPMENT.—The term 'television subtitle equipment' means equipment—

"(A) which is used in connection with a television,

"(B) which permits subtitles (which, but for such equipment, would not appear on the television screen) to appear on the television screen, and

"(C) the original use of which commences with the hearing-impaired individual referred to in paragraph (1).

"(3) HEARING-IMPAIRED INDIVIDUAL.—The term 'hearing-impaired individual' means an individual whose audible, aural perception is not functional at 70 decibles or lower in the better ear without a hearing aid."

(b) CONFORMING AMENDMENT.—The table of sections for subpart A of part IV of subchapter A of chapter 1 of such Code is amended by inserting after the item relating to section 25 the following new item:

"Sec. 25A. Television subtitle equipment for use by hearing-impaired individuals.".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to expenses paid or incurred after the date of the enactment of this Act in taxable years ending after such date.●

CLEANUP OF SUPERFUND SITES

HON. HAROLD L. VOLKMER

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 25, 1985

● Mr. VOLKMER. Mr. Speaker, today I am introducing legislation to amend the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, popularly known as "Superfund." The purposes of my proposed legislation are to: First, provide coordination of Federal research on the health and environmental hazards from hazardous waste sites, second, establish a research program for the development of technologies for the permanent cleanup of hazardous wastes, and third, provide a procedure for public participation in the decisionmaking process.

For most people in this country, the words "Times Beach" and "Love Canal" may conjure up only dim memories of headlines about contaminated sites, and the effect of that contamination on the lives of people who lived near those sites.

Yet, for the people whose lives have been affected, those words continue to have meaning. The uncertainty continues about the health effects of living near the chemicals that contaminate these and other Superfund sites. It is equally frustrating for the residents to know that no permanent cleanup has occurred. This has caused many people who live near these sites to feel frustrated at, and angered by, their Government.

The legislation that I am introducing will address several key problems. First, the bill establishes a Federal task force to examine the current body of information on the health effects of hazardous pollutions from Superfund sites. Following its study, the task force will make recommendations on the need for additional research, and the need for coordination of the research within the Federal community. This will establish a sound basis for a coordinated, nonduplicative, research effort.

The second section of the bill will establish, for the first time, a research program in Superfund. The importance of this provision cannot be overemphasized. Currently, there are no permitted permanent cleanup technologies in use. As a result, many cleanup efforts of Superfund sites, now underway, undoubtedly will have to be repeated in the future.

A recent Office of Technology Assessment study, "Superfund Strategy," estimated that the number of Superfund sites which may require cleanup could reach 10,000. The cost of cleaning up all the current and future sites could reach $100 billion, OTA estimates. Thus, it is imperative that we find ways of reducing the future costs of the remedial action, while at the same time, protecting the health and environment of the American people. One way of accomplishing this is to develop permanent cleanup technologies. The research program established by this legislation is the best mechanism for producing these new technologies. A vigorous research program to develop new permanent technologies is absolutely necessary.

The third section will provide a mechanism for public participation before remedial action is taken. This part assures that there will be an opportunity for public comment, especially by those citizens most directly affected by the hazardous waste sites, into the decisionmaking process about cleanup.

Finally, the bill authorizes $25 million annually to establish a Superfund research program, which will be administered by the Environmental Protection Agency. The amount of funding requested is based on analysis developed by OTA in their recent report. The authorized funds are taken from the Hazardous Substance Response Trust Fund.

The legislation that I am introducing, is a necessary step in the development of long-term, cost-effective technologies that will provide permanent solutions to one of America's most pressing problems.

I urge my colleagues to join me in supporting this forward-looking bill.

I insert the bill in the RECORD at this point.

H.R. 2865

A bill to amend the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 to provide for coordination of research information regarding the health and environmental effects of hazardous substances; to establish a program for research, development, and demonstration of permanent remedial action technologies; and to assure adequate public participation in the selection of remedial action

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. FINDINGS AND PURPOSE.

(a) FINDINGS.—The Congress finds that—

(1) the number of hazardous substances facilities which will require a response pursuant to the Comprehensive Environmental Response, Compensation, and Liability Act is expected to increase substantially in the near future;

(2) the responses currently utilized have not provided permanent remedies and, therefore, these responses often must be repeated;

(3) utilization of remedial actions providing permanent remedies, would substantially improve the cost-effectiveness of any response actions taken;

(4) without adequate funding for research, development, and demonstration innovative remedial actions which provide permanent remedies cannot be developed or tested under field conditions in a timely manner;

(5) the body of information concerning the potential health and environmental effects caused by the release of hazardous substances into the environment is inadequate; and

(6) there is a need for coordination of research by Federal agencies regarding the potential health and environmental effects of the release of hazardous substances into the environment; and

(7) there is not an adequate opportunity for public participation, especially for those most directly affected, before the appropriate remedial action is determined at facilities subject to remedial action under the Comprehensive Environmental Response, Compensation, and Liability Act of 1980.

(b) PURPOSES.—The purposes of this Act are—

(1) to coordinate Federal research into the health and environmental effects caused by the release of hazardous substances from facilities,

(2) to advance the research into innovative and permanent remedy technologies for hazardous substances, and

(3) to provide a mechanism for public participation in decisionmaking before options for remedial action are chosen for response to releases of hazardous substances.

SEC. 2. HAZARDOUS SUBSTANCE TASK FORCE.

Title III of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 is amended by adding the following new section at the end thereof:

"SEC. 310. HAZARDOUS SUBSTANCE TASK FORCE.

(a) TASK FORCE.—The President shall establish a Task Force to coordinate research by Federal agencies on the risks associated with exposure to hazardous substances, pollutants, and contaminants which have been released (or which may be released) into the environment and which may require a response under title I of this Act. The Task Force shall—

"(1) examine, summarize, and interpret available toxicological information on hazardous substances, pollutants and contaminants in order to ascertain their effect on human health and the environment;

"(2) determine the nature, scope, and necessity for toxicological testing of such substances, pollutants, and contaminants where information is insufficient or not available; and

"(3) develop recommendations on the need for and coordination of additional research within the Federal agencies.

Within one year after establishment of the Task Force, the Task Force shall submit a report to the President and the Congress setting forth the views of the Task Force regarding the areas where additional research is needed to determine the effects of hazardous substances on health and the environment. The Task Force shall cease to exist upon submission of such report. To the extent that any recommendations of the Task Force can be implemented by any department or agency of the United States without additional legislation, such department or agencies shall implement such recommendations, as may be directed by the President.

"(b) MEMBERS OF TASK FORCE.—The Task Force shall be composed of not more than 25 individuals, including the Administrator of the Environmental Protection Agency, the Secretary of Health and Human Services, the Secretary of Labor, the Secretary of the Interior, or delegates of the foregoing officials, representative of State agencies, universities, industries having expertise regarding hazardous substances, public interest organizations, and private citizens affected by releases of hazardous substances. The Administrator shall serve as chairman of the Task Force.

"(c) BASIC PAY.—

"(1) Except as provided in paragraph (2), members of the Task Force shall each be entitled to receive the daily equivalent of the maximum annual rate of basic pay in effect for grade GS-15 of the General Schedule for each day (including travel time) during which they are engaged in the actual performance of duties vested in the Task Force. While away from their homes or regular places of business in the performance of services for the Task Force members of the Task Force shall be allowed travel expenses, including per diem in lieu of subsistence, in the same manner as persons employed intermittently in Government service are allowed expenses under section 5703 of title 5 of the United States Code.

"(2) Members of the Task Force who are full-time officers or employees of the United States shall receive no additional pay, allowances, or benefits by reason of their service on the Task Force.

"(d) DIRECTOR AND STAFF OF COMMISSION.—

"(1) DIRECTOR.—The Chairman of the Task Force may appoint a Director, without regard to section 5311(b) of title 5, United States Code. The Director shall be paid at a rate not to exceed the maximum rate of basic pay payable for GS-15 of the General Schedule.

"(2) STAFF.—Without regard to section 5311(b) of title 5, United States Code, the Director may appoint and fix the pay of such additional personnel as the Director considers appropriate.

"(3) APPLICABILITY OF CERTAIN CIVIL SERVICE LAWS.—The Director and staff of the Task Force may be appointed without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and may be paid without regard to the provisions of chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates, except that no individual so appointed may receive pay in excess of the annual rate of basic pay payable for GS-15 of the General Schedule.

"(e) EXPERTS AND CONSULTANTS.—The Task Force may procure temporary and intermittent services under section 3109(b) of title 5 of the United States Code, but at rates for individuals not to exceed the daily equivalent of the maximum annual rate of basic pay payable for GS-15 of the General Schedule.

"(f) STAFF OF FEDERAL AGENCIES.—Upon request of the Task Force, the head of any Federal agency is authorized to detail, on a reimbursable basis, any of the personnel of such agency to the Task Force to assist the Task Force in carrying out its duties under this section.

"(g) TERMS.—The definitions applicable to title I under section 101 of this Act shall also apply for purposes of this section.".

SEC. 3. RESEARCH, DEVELOPMENT, AND DEMONSTRATION OF CLEAN UP TECHNOLOGIES.

Title III of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 is amended by adding the following new section after section 310:

"SEC. 311. RESEARCH, DEVELOPMENT, AND DEMONSTRATION OF RESPONSE TECHNOLOGIES.

"(a) AUTHORITY.—The Administrator of the Environmental Protection Agency shall establish a program to develop and demonstrate innovative technologies which can be used for carrying out remedial action under title I of this Act and which will provide for the permanent protection of public health, welfare, and the environment from releases of hazardous substances into the environment. The demonstrations of innovative technologies shall be carried out at facilities on the National Priorities List which are deemed by the Administrator to be appropriate for such purposes.

"(b) CONTRACTS AND GRANTS.—The Administrator may enter into contracts and may make grants to State and local agencies, public or nonprofit private agencies, institutions, and organizations, and to businesses and individuals for research, development, and demonstration of technologies referred to in subsection (a). Contracts may be entered into under this section without regard to section 3324 of title 31 of the United States Code.

"(c) PERMANENT PROTECTION.—As used in this section the term 'permanent protection of public health, welfare, and the environment' includes (but shall not be limited to) any technique, method, or process which destroys, neutralizes, or otherwise changes the physical, chemical, or biological composition of any hazardous substance so that the substance is no longer a hazardous substance within the meaning of section 101(14) of this Act.".

SEC. 4. PUBLIC PARTICIPATION.

Section 104 of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 is amended by adding the following new subsection at the end thereof:

"(j) PUBLIC PARTICIPATION.—Before final adoption of remedial action to be undertaken by the United States or a State and before settling or disposing of a claim arising under this Act, notice of such proposed action and an opportunity for a public meeting in the affected area, as well as a reasonable opportunity to comment, shall be afforded to the public. Such notice shall be accompanied by a discussion and analysis sufficient to provide a reasonable explanation of the proposal and alternative proposals considered. Upon final adoption of remedial action or upon entry of a settlement decree providing for remedial action, the Administrator shall publish a response to each of the significant comments, criticisms, and items of new data submitted during the comment period which were not incorporated into the remedial action. Nothing in this subsection shall be construed to affect other opportunities for public comment regarding remedial action or settlement of claims.".

SEC. 5. FUNDING FOR TASK FORCE AND NEW TECHNOLOGY PROGRAM.

"(a) AUTHORITY TO USE SUPERFUND MONEYS.—Title III of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 is amended by adding the following new section after section 311:

"SEC. 312. FUNDING FOR TASK FORCE AND NEW TECHNOLOGY PROGRAM.

"There is authorized to be appropriated for the fiscal year 1986 and for each fiscal year thereafter, from sums appropriated or transferred to the Hazardous Substance Response Trust Fund established under section 221, not more than $25,000,000 to be used for purposes of carrying out section 310 (relating to the Hazardous Substance Task Force) and section 311 (relating to response technologies). No amount is authorized to be appropriated under this section before the fiscal year 1986.".

"(b) AMENDMENT OF FUNDING PROVISIONS.—

(1) SECTION 221.—(A) Section 221(c)(1) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 is amended by—

(i) striking out "as in effect on the date of the enactment of this Act,";

(ii) striking out "and" at the end of subparagraph (C);

(iii) striking out the period at the end of subparagraph (D) and substituting ", and"; and

(iv) adding the following at the end thereof:

"(E) the cost of carrying out section 310 (relating to the Hazardous Substance Task Force) and section 311 (relating to research, development, and demonstration of permanent remedial action technologies)."

(B) Section 221(c)(2) of such Act is amended by inserting after "shall be reserved" the following: "for the purposes specified in sections 310, 311, and".

(2) SECTION 111.—(A) Section 111(a) of such Act is amended by—

(i) striking out "and" at the end of paragraph (3);

(ii) striking out the period at the end of paragraph (4) and substituting ", and"; and

(iii) adding the following at the end thereof:

"(5) the cost of carrying out section 310 (relating to the Hazardous Substance Task Force) and section 311 (relating to research, development, and demonstration of permanent remedial action technologies).".

(B) Section 111(e)(2) of such Act is amended to read as follows:

"(2) For reservation of certain amounts appropriated to the Fund established under title II for specific purposes, see section 221(c)(2).".●

FAIR MEDICARE APPEALS ACT OF 1985

HON. RON WYDEN

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 25, 1985

● Mr. WYDEN. Mr. Speaker, I am introducing today legislation, the Fair Medicare Appeals Act of 1985, which will restore justice to the Medicare appeals process and will protect the legitimate rights of our senior citizens.

Times have changed, but unfortunately not all of the Medicare system has kept up with the change. Problems with our Medicare appeals process, both part A which pays for hospital services and part B which covers all outpatient services, require alteration so that they are brought on line with our present health care system.

Under part A, the administration has seen fit to take away the right of our senior citizens to be represented in an appeals proceeding by their doctor or hospital. For more than 18 years, senior citizens and providers have had the option to work together in filing an appeal.

Recently, without hearings or public notice, this choice was taken away. The Congress never instructed the Health Care Financing Administration to save dollars by taking away the rights of senior citizens. That is why this bill restores them.

My legislation will also bring the Medicare part B appeals process in line with the times. Currently, Medicare part B appeals are heard by hearing officers often employed by insurance carriers. It was a system designed to adjudicate small claims.

But part B is no longer only small claims. Under the new prospective payment system, more and more care is taking place outside the hospital and part B claims are getting bigger. The system for appealing coverage of those claims should be changed to reflect that fact.

That is what this legislation will do.

The legislation will provide for hearings by the administrative law judge for any part B claim greater than $500. For disputes of more than $1,000, judicial review will be available if the beneficiary is not satisfied with the results of the administrative law judge review.

If we don't bring the part B appeals system up-to-date, the Federal Government may end up paying more in the long run. Without a rational and equitable appeals system, beneficiaries and providers are going to be denied payments they are entitled to receive. In turn, seniors won't get care they need because they can't pay for it, and some providers will not be able to pick up the bill. Seniors who can't get care are likely to get sicker and sicker and may eventually need the most expensive care of all: institutional care.

The fact is that the Medicare system makes mistakes. We need to make these changes in the Medicare appeals process so that when mistakes are made in the denial of Medicare coverage, beneficiaries have a fair opportunity to appeal the decision.

I urge my colleagues to support this bill, because with these changes—which are just plain common sense—we will be moving a long way toward making the Medicare Program more efficient and more fair. I think that's a combination that ought to be law.

The text of the bill follows:

H.R. 2864

A bill to amend title XVIII of the Social Security Act with respect to administrative and judicial review of determinations under that title

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as "The Fair Medicare Appeals Act of 1985."

SEC. 2. CHANGING MEDICARE APPEAL RIGHTS.

(a) PERMITTING PROVIDER REPRESENTATION OF BENEFICIARIES.—Section 1869(b)(1) of the Social Security Act (42 U.S.C. 1395ff(b)(1)) is amended by adding at the end the following new sentence: "Section 206(a), 1102, and 1871 shall not be construed as authorizing the Secretary to prohibit an individual from being represented under this subsection by a person that furnishes or supplies the individual, directly or indirectly, with services or items solely on the basis that the person furnishes or supplies the individual with such a service or item.".

(b) REVIEW OF PART B DETERMINATIONS.—(1) Section 1869 of such Act (42 U.S.C. 1395ff) is further amended—

(A) by inserting "or part B" in subsection (a) after "amount of benefits under part A",

(B) by inserting "or part B" in subsection (b)(1)(C) after "part A", and

(C) by amending paragraph (2) of subsection (b) to read as follows:

"(2) Notwithstanding paragraph (1)(C), in the case of a claim arising—

"(A) under part A, a hearing shall not be available to an individual under paragraph (1)(C) if the amount in controversy is less than $100 and judicial review shall not be available to the individual under that paragraph if the amount in controversy is less than $1,000; or

"(B) under part B, a hearing shall not be available to an individual under paragraph (1)(C) if the amount in controversy is less than $500 and judicial review shall not be available to the individual under that paragraph if the aggregate amount in controversy is less than $1,000.

In determining the amount in controversy, the Secretary, under regulations, shall allow two or more claims to be aggregated if the claims involve the delivery of similar or related services to the same individual or involve common issues of law and fact arising from services furnished to two or more individuals.".

(2) Section 1842(b)(3)(C) of such Act (42 U.S.C. 1395u(b)(3)(C)) is amended by striking out "$100 or more" and inserting in lieu thereof "at least $100, but not more than $500,".

(3) Section 1879(d) of such Act (42 U.S.C. 1395pp(d)) is amended by striking out "section 1869(b)" and all that follows through "part B)" and inserting in lieu thereof "sections 1869(b) and 1842(b)(3)(C) (as may be applicable)".

(c) EFFECTIVE DATES.—(1) The amendment made by subsection (a) takes effect on the date of the enactment of this Act.

(2) The amendments made by subsection (b) shall apply to claims submitted on or after October 1, 1985.●

AMENDMENT TO H.R. 1555

HON. CHARLES E. SCHUMER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 25, 1985

● Mr. SCHUMER. Mr. Speaker, this week the House is scheduled to consider H.R. 1555, the International Security and Development Cooperation Act, which authorizes foreign assistance for fiscal year 1986 and fiscal year 1987, including $275 million in aid for each year to the Philippines. I plan to offer an amendment requiring that one-fourth of the developmental and food assistance authorized for the Philippines be provided through nongovernment sources.

As my colleagues are well aware, the Philippines is suffering a severe economic crisis with record inflation and staggering unemployment. The poor economic health of the Philippines has been exacerbated by the unwillingness of the Marcos government to enact the necessary economic reforms to restore efficiency and competitiveness to an economy dominated by monopolies owned by close associates of the Presidential family.

In addition, aid that the Philippine Government has received from the United States and the World Bank has been mismanaged and squandered on unfeasible and unnecessary projects; $18 million of U.S. economic aid earmarked for school construction was locked into a 6-year certificate of deposit. Current Government projects

include the construction of a 100-foot high bust of Mr. Marcos. And one of the projects of Mrs. Marcos' Ministry of Human Settlements, the Government agency that receives the lion's share of development aid, is the extension of Manila to the Pacific Ocean so that it will "touch two seas." This project involves extending the city across miles of undeveloped land and hard-to-traverse hills. These are the development projects of a government whose people are the second poorest fed in Asia.

Economic troubles and Government mismanagement are compounded by political turmoil and the Government's blind eye toward military abuses and human rights violations. Amnesty International has documented numerous incidents of illegal arrest and detention, torture and extrajudicial executions. The number of political detainees is often as high as 900 at one time. Detention without the right of habeus corpus is sanctioned by law.

My amendment has three aims. First, by requiring that at least one-fourth of developmental and food assistance be channeled through private and voluntary organizations, including the Catholic Church and private cooperatives, the amendment ensures that this portion of our assistance actually gets to the people who need it. Second, my amendment sends a message to the Filipino people that our aid is not for Marcos or any other particular government but for the Philippine nation. Finally, it sends a message to President Marcos that the United States will not support a regime that violates the political, economic, and human rights of its people.

My amendment does not represent a major shift in our development policy in the Philippines. The Agency for International Development has been moving slowly toward more private distribution of U.S. assistance. My amendment merely formalizes and accelerates this process. Moreover, it deliberately requires only one-fourth of the aid to be distributed privately because this is the most that the PVO's can currently handle. The amendment provides an emergency waiver so that in the event that even this amount proves to be too great for the private groups to handle, needed aid will not go to waste.

In addition, my amendment does not in any way interfere with the aid provided to the Philippines in conjunction with the agreement allowing two U.S. military bases in that country. The distribution requirement imposed by the amendment only affects aid unrelated to the bases agreement.

I urge my colleagues to support this effort to make sure our assistance gets to where its needed and to send a message that the United States wants an economically sound, democratic and independent Philippines.

I insert the text of my amendment in the RECORD.

AMENDMENT TO H.R. 1555

Page 143, strike out lines 15 through 22 and insert in lieu thereof the following:

(3) DISTRIBUTION OF ASSISTANCE THROUGH THE CATHOLIC CHURCH, PVO'S, AND COOPERATIVES.—The reports pursuant to this subsection shall include an analysis of the effectiveness of the private distribution of United States food and development assistance to the Philippines and of efforts to increase the use of private distribution pursuant to subsection (d).

Page 144, after line 2, insert the following:

(d) DISTRIBUTION OF DEVELOPMENT AND PUBLIC LAW 480 ASSISTANCE THROUGH THE CATHOLIC CHURCH, PVO'S AND COOPERATIVES.—

(1) MINIMUM DISTRIBUTION REQUIREMENTS.—Except as provided in paragraph (2), for each of the fiscal years 1986 and 1987—

(A) not less than one-fourth of the assistance provided for the Philippines under chapter 1 of part I of the Foreign Assistance Act of 1961, and

(B) not less than one-fourth of the total amount of assistance provided for the Philippines under title I (including title III) and title II of the Agricultural Trade Development and Assistance Act of 1954,

shall be provided through the Catholic Church, private and voluntary organizations, and cooperatives.

(2) DISTRIBUTION OF LESSER AMOUNTS.—The amount of assistance distributed through the Catholic Church, private and voluntary organizations, and cooperatives for fiscal 1986 or for fiscal year 1987 may be an amount which is less than the amount specified in subparagraph (A) or (B) of paragraph (1) if the Administrator of the Agency for International Development reports to the Congress, during the first 60 days of that fiscal year, that such lesser amount is the maximum amount which those entities can distribute effectively in that fiscal year.●

WHEELS OF THE FUTURE: THE ENTREPRENEURIAL SPIRIT IS ALIVE AND WELL AT GM

HON. JACK F. KEMP

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 25, 1985

● Mr. KEMP. Mr. Speaker, Newsweek magazine recently described how the entrepreneurial spirits of Roger Smith, chairman of General Motors, and H. Ross Perot of Electronic Data Systems, have joined to lead a second industrial revolution at GM. GM's Saturn project may lead the way to a renaissance of the American automobile industry through the application of sophisticated technology to basic manufacturing. GM's goal, in the words of Ross Perot, is not only to "reclaim the subcompact business in this country," but to also build "a product so good it can be sold in Japan." That's an attitude we could use more of, and I commend the following article to the attention of my colleagues as an answer to those who think we have to accept a historical decline of our industrial base.

WHEELS OF THE FUTURE

He is assembly-line standard, plain as his name; you could lose Roger Smith among the pasty faces on any suburban commuter train. When he became chairman of General Motors in 1981, no one thought he'd be anything more than another good gray manager. It was an inauspicious moment. GM had just recorded its worst year in history, losing $763 million, a lumbering dinosaur with 750,000 employees, it was in danger of beginning a gradual slide to extinction. So Roger Smith became a reluctant revolutionary. "I'm not a guy that likes to change," he says. "But we have to change." He ordered the company's most sweeping corporate restructuring, merging the car maker's five divisions into two. In a stunning break with tradition, he formed a joint venture with Toyota. Then he did something really radical. He paid $2.5 billion to buy a Dallas computer-services company called Electronic Data Systems; in other words, he hired H. Ross Perot.

Perot is a jug-eared little man with an off-center nose, a haircut flat as Main Street and a self-made fortune of more than $1 billion. A practitioner of the improbable, he's undertaken such quixotic errands as the rescue of two employees from an Iranian prison (successful) and the delivery of Christmas presents, food and supplies to American POW's in Hanoi (unsuccessful). He is a passionate patriot and has brought his zeal to bear on a wide assortment of causes, from improving secondary education to drug reform, to bringing New York's Museum of the American Indian to Texas. And, oh, yes, the former IBM salesman knows a little something about business: starting out with $1,000 and an idea about helping people use their computers, he built Electronic Data Systems into the nation's second largest computer-services company.

Together Roger Smith and H. Ross Perot have set out to lead a second industrial revolution: a thorough redesign of the systems used to manufacture durable goods. For despite all the talk of an information age and a service economy, people will still need cars and washing machines in the next century, and the companies that build them will still be crucial to America's economic well-being. But, Smith and Perot insist, they cannot go on building them with the methods and machines invented 70 years ago. More efficient systems must be found, and computers are the key to finding them.

Gaps: That's why GM needs EDS. With over a hundred IBM mainframes scattered around its facilities, GM is the single largest user of computers outside the U.S. government. But they are deployed haphazardly. Many of them duplicate functions of others and there are serous gaps; design computers, for example, cannot communicate directly with production. EDS specializes in organizing computers. In effect, it will become the central nervous system of GM, linking engineers with designers, salesmen with executives, robots with computers. "What we're trying to do," says EDS president Mort Meyerson, "is to make information available in the proper amount, with the proper speed, to the proper people. Nobody has ever taken a mammoth corporation and done that before. It's going to happen everywhere. The question is, 'Who gets there first, and who does it best?' "

As he demonstrated again last week, Roger Smith is absolutely determined that

GM shall be the leader. With an offer of $5 billion in cash and stock, GM won the bidding for Hughes Aircraft Co., the nation's seventh largest defense contractor. "We decided we were going to build our future, not stumble into it backwards," said Smith in announcing the deal. In part, the purchase represents simple diversification: it gives GM a major stake in the booming defense industry. Coupled with Smith's other recent acquisitions, Hughes may help reduce GM's vulnerability to slowdowns in the auto industry. Ultimately, though, Hughes's technological contributions may be more important than its profits. Its advanced lasers may find their way into machine vision systems that can manufacture auto parts that fit perfectly. The ultra-lighweight composite materials that Hughes develops for satellites could be adapted to make lighter, more fuel-efficient cars. A little farther down the road, the electronic gear that Hughes puts in aircraft cockpits could end up on GM dashboards. The possibilities include crash-warning radar, computer road maps and TV screens that would replace rearview mirrors.

Still, the key component of Roger Smith's GM of the future is not Hughes or any other purchase he may make, but the company he's building from scratch: Saturn. The Saturn project will begin in earnest as early as next month, when GM announces the site where it will be built. Far more than just a plan to manufacture small cars cheaply, Saturn is an experiment in reinventing the manufacturing process. It will be the proving ground for many of the computer and automation innovations that GM hopes to employ throughout the company. Saturn is also the place where GM will try to set labor relations on a new footing—reducing union control over work rules and making wages more dependent on productivity. "Saturn will give us the entree to go back and Saturnize the rest of the company," says chairman Smith. "That, to me, is 90 percent of the goal. Saturn, the car, is 10 percent."

'Change It': There is one more crucial element in Smith's strategy to transform GM: H. Ross Perot. For Perot brings with him not just high-tech flair but entrepreneurial spirit: sensitivity to the market, willingness to adapt to changing conditions and, above all, a competitive drive that borders on the fanatical. Those qualities seeped out of GM and many other large industrial companies long ago during years of easy world domination. "The thing I hope you'll always encourage is that if it doesn't make sense, change it!" shouts coach Perot at a get-acquainted session with a group of GM data processors. "Now, I've often said, there are too many people still reading Mr. Sloan's book. [Alfred P. Sloan, GM's legendary chairman, conceived the company's decentralized management system in the 1920s.] And I believe if Mr. Sloan could come back, he'd probably have it burned . . . Mr. Sloan would be the first to say, 'Let's do what works now, let's do what's relevant, let's do what it takes to win in 1985'."

With that kind of thrust behind him, Smith is confidently plotting a trajectory well beyond Saturn and deep into the 21st century. "The project after Saturn doesn't even have a name yet," he says. "And beyond that is the Trilby project, as far out from Saturn as Saturn is from Chevrolet, maybe even farther, maybe more lessons and systems than car. And there will be something beyond Trilby, but we haven't come to that yet. Star Trek is a name some of our junior people gave the plan, and I don't call it Star Trek in my mind, though it's kind of fun." Smith prefers to say that "we stand now at the gate of what might be called 'The Age of Aquarius' in the auto industry." If that phrase seems a tad out of date, well, that's just a sign of how far behind the times the auto industry has been.

Meanwhile, back on Earth, here's how Aquarian Autobuilding will work. When Mr. Consumer wants to buy a Saturn car, a salesman sits him down at an EDS computer terminal, where he begins to put the pieces together. Mr. Consumer doesn't smoke and doesn't like people who do, so he specifies a dashboard with no ashtray and no lighter. Since Mr. Consumer lives in Oregon where it rains all the time, he sees no need for tinted windows; he selects plain ones. He likes planting his soggy shoes on thick carpeting, so he orders some shag beige. He wants his car to be the sky blue he rarely sees. He likes loud music, so he chooses a top-of-the-line radio/compact-disc player and four Panasonic speakers to overcome the acoustical damping of his wet thick shag carpeting. On he ranges down the checklist: steel-belted whitewalls, digital speedometer, cruise control. After reviewing his choices, he presses the "enter" key.

Mr. Consumer's car is now an electronic blip on the EDS communications network, a vast array of computers linked by 18 Information Processing Centers around the country. The computers at the Saturn plant receive the order, giving it a number and an assembly date. Then they kick back onto the EDS network to order four tires from Goodyear, six spark plugs from Champion, one untinted windshield from PPG Industries, one trunk liner from Detroit Gasket and so on. GM's suppliers will build their 15,000 parts on a no-inventory system: each is made when ordered, not before. Back in the Saturn showroom the salesman has already done a credit check on Mr. Consumer via the EDS network and has lined up GMAC financing and insurance from MIC, GM's insurance arm. Mr. Consumer shakes hands with the dealer, who tell him that the car will be ready in a week.

On the Saturn assembly line, a radio transponder is attached to the frame of Mr. Consumer's car. As it moves down the assembly line, the transponder gives off signals to computers and robots: "I am job #123456 and I need a six-cylinder engine . . . I am job #123456 and I need six spark plugs . . . I am job #123456 and I need an untinted windshield . . . a blue paint job . . ."

Signals: When Mr. Consumer's blue Saturn rolls out the factory door and onto a truck, another EDS computer signals the dealer that the car is on the way, instructs GMAC to start collecting finance payments and MIC to start collecting insurance payments and tells the receiving department to pay the suppliers for the parts. Mr. Consumer has his dream car and GM has just built it for $2,000 less than it costs today.

If it works—and there is no guarantee that it will—this marriage of sun belt and rust belt may become the model corporation of the future. "Have you thought what happens if Saturn succeeds?" asks David Cole, director of the Office for the Study of Automotive Transportation at the University of Michigan. "It means it cuts 75 to 80 percent out of labor, including management. The thrust for everyone else in the industry will be to look at what EDS and GM have done and make a decision as to whether to leave—or change the way EDS and GM have. It means that the United States becomes the premier technology power in the world. The only way the United States can surpass the competition, which can pay its work force one-half or one-tenth what we pay ours, is by out-teching them. That is what EDS and GM are working toward."

Beyond the factory floor, the flow of information will allow dinosaur GM to move in the marketplace with the agility of an athlete. "Think what access to information can do," says New York auto-industry analyst Maryann Keller of Vilas-Fischer Associates. "By sitting down at a computer, people running GM will be able to see what colors are selling, what components are selling. If you want to look at the number of orders to date for two-door cars, you log into the computer. Now you've just done what it previously would have taken a market researcher three to six weeks to do. You don't end up with 20,000 unsalable cars."

Opportunity Knocks: The first shots in the revolution were fired on April 4, 1984, when GM first approached EDS. Perot was hesitant, EDS president Meyerson dubious. "I laughed," Meyerson says. "I said, you mean GE, don't you?" But the chance to participate in the revitalization of GM was an opportunity they couldn't resist.

For Perot, the sale marked the culmination of more than 20 years of empire building. After graduating from Annapolis and serving four years on a carrier, Perot went to work for IBM. In 1962, when he was 32 years old, he found himself in his fifth year of duty as a computer salesman. All across the land, Perot reasoned, executives were buying computers that they really didn't know how to use. Why not offer clients the services of an on-site staff of IBM computer whizzes to do all the chores of a data-processing department? When IBM rejected the idea, Perot struck out on his own. His investment: a personal $1,000 check made out to cash, dated Aug. 23, 1962, which today sits framed on a windowsill in Perot's office.

In turned out to be money well spent. Gobbling up contracts to process Blue Cross/Blue Shield and state-administered health-insurance programs, EDS doubled and redoubled in size, dazzling Wall Street. His reliance on Great Society programs caused the now-defunct Ramparts magazine to label Perot "America's first welfare billionaire"—a tag that still nettles the fervent free enterpriser. During the mid-'70s EDS's growth slowed and Perot's reputation suffered from his failure to save two New York brokerage firms, Du Pont Glore Forgan, Inc., and Walston & Co. But EDS bounced back. In 1977 it opened its first office in Washington and began bidding for major federal government jobs. One big payoff came in 1982, when the Army awarded EDS a 10-year $656 million contract to replace outmoded IBM mainframes at 47 Army bases around the country with an EDS-designed computer network.

Off Wall Street Perot made a reputation for himself as a swashbuckling superpatriot. A few days before Christmas in 1969 Perot announced that the planned to fly to Hanoi with 180,000 pounds of medical supplies, mail, personal items and canned Christmas dinners for American POW's. North Vietnam refused him entry and the supplies were never delivered. The mission was not a failure, Perot says, because the publicity led to better treatment for the POW's. Ten years later Perot organized a team of 15 EDS employees and sent them on raid of a Teheran prison to free two fellow employees. He later persuaded Ken Follett to en-

shrine the exploit in "On Wings of Eagles," which became a best seller in 1983. Less dramatically, Perot has thrown himself into preaching the heresy that the Texas school system should pay more attention to education and less to high-school football.

Filter Up: One of the keys to the success of EDS was Perot's ability to imbue his employees with his own enthusiasm and values. As if to stress the fact that each employee should strive for the heroic, EDS has been handing out copies of "On Wings of Eagles" to visiting GM workers. And Perot is determined never to ignore an employee's idea the way IBM ignored his. "Ideas are precious and fragile things, and it's terribly important that we encourage them," he told GM's data processors. Allowing ideas to filter up means keeping hierarchical separations to a minimum. In the EDS lunchroom, where he is addressed as Ross, Perot buses his tray just like everyone else and will sit with the security guards or other low-level employees to hear what's on their minds. He has already done some "management by walking around" at GM. To learn about the auto business, he has slinked into GM dealer showrooms in Texas and beyond, at night or on Saturday afternoons, in khaki pants and a sport shirt. "I don't look impressive, and the most interesting thing is, to a lot of guys, I don't look like I could afford a car," says Perot.

A somewhat less appealing aspect of Perot's personality is reflected in the slightly weird, cultlike character of the EDS corporate culture. Its insular nature is obvious even on the outside of its Dallas headquarters, where the main-gate guards do one of corporate America's best imitations of Checkpoint Charlie. Inside, past all the flags and the bust of John Paul Jones, the personnel policy bristles with strict rules. All new EDS employees must sign an agreement to abide by the code of conduct, a 12-page pamphlet, when they are hired. Along with discussing such topics as whistle-blowing and international trade regulations, the code stresses the dangers of drug abuse and notes that consuming alcohol during working hours—including lunch time—is ground for immediate dismissal.

Boot Camp: The large number of veterans on the premises adds to the military flavor, though most of those vets say the Army or Navy never expected them to speak out like Perot does. During its early years, EDS hired returning Vietnam vets to man its data centers. Perot concedes that in addition to thinking the vets would make good workers, he was eager to make a gesture of support for them at a time when they were not being given a warm welcome home. While the recruitment of veterans has tailed off, an EDS equivalent of boot camp remains. After a year on the job, employees attend a 10-week session of technical training and indoctrination. "Other [company] classes are 'I'm OK, you're OK'," says Stuart Reeves, head of recruiting. "Ours is intensely competitive. It's deliberately intense because we're looking for character. We're not a legion of workaholics, but this is where we drive that part of the culture home."

In sum, EDS is a lean, mean, fighting machine, a mirror image of its creator, mixing the discipline of Parris Island with the esprit de corps of a Silicon Valley start-up. "I've never seen a company with such tremendous discipline, tremendous loyalty and tremendous respect for the quality of the work," says computer analyst Sandra Kraus of Kidder, Peabody & Co. Recognizing that the elan of EDS might be smothered under the weight of GM, Smith worked out a plan with Perot that allowed EDS stock to be publicly traded on the New York Stock Exchange after the sale; it is now known as GM Class E. EDS workers of all ranks had long been able to share in the company's success through stock ownership, and the Class E plan provided a way to preserve that participatory spirit.

There is no question that Perot believes GM could use some EDS-style discipline. "If you cut a finger at EDS, you'd go down to the doctor's office, get it sewed up and go home," he says. "Cut your finger at a company like General Motors, you go in the hospital on Thursday, lie around there until Tuesday afternoon, get a suntan and leave with a hearing aid and orthopedic shoes. It's almost that bad, really." And Roger Smith appears to agree. "Roger has said GM has to become faster, more entrepreneurial, basically feistier," says EDS president Meyerson.

Culture: Grafting that spirit on to GM will be the greatest challenge facing Perot and Smith. "GM is hungry and thirsting and envious of that culture, that work ethic, the whole EDS style," says Merrill Lynch analyst Stephen McClellan. "I think it will carry over, starting at the top levels, but God knows how long it will take to work its way down. For 1 percent to impact the other 99 percent is a gargantuan undertaking but I think it's going to happen." There is a question, though, whether the culture appropriate to a tough little high-tech firm can work in a huge manufacturer. "Their culture has to change," says Meyerson. "But I'd be stunned if it looks very much like EDS. Cultures develop based on what works in context. Their culture will be a result of what they discover works—not for us, but for them."

Minds are meeting already. Both Perot and Smith find serious shortcomings in the industry's traditionally adversarial labor-management relations. "The words 'management' and 'labor' create divisions among people," says Perot to a group of GM employees. "And if my team is eaten up with internal politics, infighting, backbiting and what have you, and you bring in a unified team . . . you're going to beat me every time." Chairman Smith would agree. Saturn's assembly-line workers, in fact, may receive a salary like white-collar workers, instead of the traditional hourly wage.

Both men want to drive home competitive reality to a company that is accustomed to dominating its market without really trying. "In looking at the differences in our backgrounds, never forget that EDS from day one has been in a very competitive business," says Perot. "Now, that's not so obvious at a company the size of General Motors. And particularly when you have the dealers selling the car, you literally have got tens of thousands, maybe hundreds of thousands of people at General Motors who are quite insulated from the harsh realities of the competitive marketplace."

Perot sometimes seems to have been born to give pep talks, and lately he's been giving a lot of them. But it will take more than the exhortations of Ross Perot to convert GM workers to the EDS creed. The first signs of culture clash appeared when all of GM's 8,000 data processors were assigned to EDS. Though the UAW has never been very successful in organizing GM white-collar workers, EDS faced union challenges at 14 of the 200 GM data-processing sites it took over. GM employees resented what they termed EDS arrogance and were uncomfortable with moving from a world of guaranteed cost-of-living hikes to one of pay for performance and incentive bonuses. Their loudest complaints came over having to exchange GM's hefty benefits package for EDS's more stingy one. In December two GM workers filed a class-action suit over the benefits issue. GM responded with an offer of early retirement or a generous severance payment. About 800 data processors accepted.

Since last October EDS has brought 2,500 GM data processors to the Dallas headquarters for two-day orientation sessions. Having heard about rampant workaholism at EDS, one woman wanted to know if she would be the only mother in the company. Another requested a glossary of military terms so she would be able to understand what she imagined to be EDS-speak. More often, though, the questions have been about benefits. "We're stock-oriented," says EDS vice president David Behne. "That's going to be worth something in 15 or 20 years. But then somebody says, 'You won't pay for my eyeglasses'." Some outsiders believe a dose of anxiety was just what GM needed. "I mean, I love what's going on now," says one auto-industry analyst. "I love the fact that I'm hearing a lot of rumblings from the people in the financial department at GM about, 'Boy, I don't know who's taken over whom.' I think it's terrific that these guys are snarling, because these are the same people who decide to give a car a push rod instead of an overhead cam and then pat themselves on the back for creating another boring car."

Fewer Jobs: GM's bold corporate strategy may pose a challenge to the very life of the labor movement. "Pretty soon some of these workers are going to start tuning into the fact that all of this is going to mean fewer jobs," says Harley Shaiken, an expert on technology and labor at the Massachusetts Institute of Technology. "If 6,000 workers at Saturn can produce half a million cars a year, one could do a rough calculation that 120,000 workers could build 10 million cars. That is not the core of a big industry." GM seems well aware that it cannot stride into the future without reaching an accommodation with its unions. The announcement of the location for the Saturn project, for example, has been delayed as GM tries to hammer out the general outlines of a union agreement. GM wants the Saturn contract to serve as a blueprint when it goes back to "Saturnize" the rest of the company.

While its first mission will be helping GM to save money, EDS may turn out to be a significant profit center as well. In addition to expanding its current lines of business, EDS will market the integrated manufacturing systems it develops for GM, along with many of the innovations GM and Hughes have developed already. "Ross Perot has told me many times," says Smith, "that as they go around to a lot of our places they're absolutely astounded, coming across pockets of brilliance where individual guys have solved some problem. So what we're going to do is take a lot of that and market it to other people . . . because EDS's job is marketing."

The data-processing might of EDS will also help GM expand into other areas of business. As Perot sees it, the computer network that EDS is building for GM will be a "Panama Canal"—a passageway that will allow GM to expand its operations in such fields as finance, insurance and health care. Last month GM's financial arm, GMAC, bought the Colonial Group, a group of

seven mortgage banking and servicing companies with a $7.4 billion mortgage portfolio and it is also buying the right to service Norwest Corp's $11 billion worth of mortgages. Those acquisitions made GM the nation's second largest mortgage company and have prompted speculation that Star Trek might include heading in the direction of one-stop financial shopping complete with credit or debit cards.

Roger's Plan: All these wonders from plain old Roger Smith! Perhaps those who glimpsed him darting around the suburbs of Detroit in his 1959 blue and white Corvette knew he was capable of bold strokes. "Credit needs to go where credit is due," says EDS chief financial officer Tom Walter. "A lot of this is Roger's personal initiative. We fit into a plan that Roger's working on." Of course, part of Smith's genius was choosing Ross Perot, the human turbocharger, to help kick GM into overdrive.

Listen to one more pep talk: "On the Saturn project," Perot told a group of GM employee last month, "people around GM were saying, 'Let's just reclaim the subcompact business in this country.' That's kind of a goal. But now the theme is, 'Let's put those things on ships and ship 'em back to Japan.' Now that's worth fighting for, right? That's worth doing. That means you're in the game. That means you built a product so good it can be sold in Japan." That, in essence, is what GM paid $2.5 billion for: the world-beating attitude of Ross Perot, the difference between merely "reclaim the subcompact business in this country" and "ship 'em back to Japan." If Perot and Smith can make that attitude work throughout the company, the General Motors of the future will be awesome to behold.●

CONGRESSIONAL SALUTE TO THE FARNHAM GIRLS CHOIR AND SINGERS OF SURREY, ENGLAND, AND THE INTERNATIONAL FRIENDSHIP COMMITTEE OF WEST PATERSON, NJ, DURING THEIR 1985 INTERNATIONAL CULTURAL EXCHANGE ACTIVITIES IN AMERICA

HON. ROBERT A. ROE

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 25, 1985

● Mr. ROE. Mr. Speaker, on Friday, June 28, a most exciting happening is taking place in the Borough of West Paterson, my congressional district and State of New Jersey with the welcoming to New Jersey of the Farnham Girls Choir and the Farnham Singers of Surrey, England, by the West Paterson International Friendship Committee culminating 1½ years of preparing and planning another segment of a highly unique international cultural exchange program between citizens of Great Britain and the United States of America that was initiated in 1976 during our Nation's bicentennial celebration in West Paterson, NJ.

Mr. Speaker, I know that you and our colleagues here in the Congress will want to join with Mayor Alfred H. Baumann and residents of West Paterson, NJ, in extending our heartiest greetings and felicitations to this group of musicians whose talented artistry and artistic performance will bring joy and happiness to our people—the Farnham Girls Choir and Singers of Surrey, England. Their dynamic vocal rhythm, melody and harmony encourage and bring forth spontaneous participation and delightful relaxation and recreation to their audiences.

At the outset let me commend to you the diligence, foresight and hard work that has been extended by the American and British participants in this valuable experience to travel, live with families on both sides of the ocean and exchange professional talents, views and knowledge about other societies and cultures.

I would like to insert at this point in our historic journal of Congress a roster of the principal participants, as follows:

THE INTERNATIONAL FRIENDSHIP COMMITTEE

Hosts: The Honorable Alfred H. Baumann, Mayor, Floyd D'Amico, Carol D'Amico, Bern Nathanson, Elaine Nathanson, Frank Radleigh, Al Schraoder, Pat Schraoder, John Szilagyi, Marie Szilagyi, Chuck Theodora, Ruth Theodora.

The British Arrive in '85 Program Committee: The Honorable Rita Robinson, Chairperson; Joseph Tudda, Treasurer; Lois Reda, Chairperson, Fund Raising; Jerry Sharp, Chairperson, Housing; Frances Trawinski, Trip Coordinator.

Host Families: The Honorable: Jim and Maria D'Errico, Bob and Lynn Dowling, Olga Gregg, Ben and Sarah Haefeli, Elmer and Harriet Griswold, Brian and Irene Hunt, Jim and Angela Jones, Carl and Jane Lee, Tom and Eva May, Howard Mohler, Vince and Margaret Mulrooney, Jack and Gloria Nash, Roger and Larue Porter, Al and Lois Reda, Gordon and Rita Robinson, Jerry and Gloria Sharp, Tom and Beth Siedel, Ed and Emma Sowa, Joe and Frances Trawinski, Joe and Jennie Tudda.

Guests: Farnham Girls Choir and Singers—The Honorable Mary Knight, Mary Woolridge, Carol Mansey, Meg Daniels, June Cann, Susan Larby, Amanda Davey, Beryl Slatter, Christine Tucker, Julie Stephens, Margaret Mullery, Hillary Bloomfield, Allyson Chatfield, Teresa Caillard, Mary Joynes, Founder and Director; Brenda Hill, Hettie Friend, Joanna Luff, Clair Simms, Frank Wibaut, International Concert Pianist; Patrick Nelson, Folk Singer.

Accompanied by: the Honorable Alan Woolridge, Timothy Mullery, Arnold Perera, Peter Watts, Elizabeth Nelson.

Mr. Speaker, these most prestigious vocalists and masters of sounds and musical selections range in age from early teens to middle age and are under the direction of Mary Joynes, founder and conductress of the choir now in its 36th year. The group includes international concert pianist Frank Wibaut and folk singer Patrick Nelson. The only boy in the group is 12-year-old Timothy Mullery of Farnborough Hants, whose mother Margaret Mullery is a member of the choir. Timothy will be housed with 12-year-old David Jones and his family.

A gala celebration is planned for the visitors from England and will formally commence with a municipal reception at town hall on Saturday, June 29. Their agenda will be bustling with activity including a visit to New York City for a tour of the United Nations, Empire State Building, South Street Seaport and a free public concert by the guests at the World Trade Center Plaza as well as a tour of the U.S. Military Academy at West Point. They will also visit Trenton, the capital city of New Jersey, with stops at the statehouse, British Barracks and Washington's Crossing. In Philadelphia, PA, they will enjoy a tour of the mint, Independence Hall and a firsthand view of the Liberty Bell.

The Farnham Girls Choir and Singers, which has sung throughout England, France, Holland, Belgium, West Germany, and Luxembourg, will entertain at the Holy Family Residence in West Paterson and St. Joseph's Home for the Elderly in Totowa, NJ. They will also present a program of their musical talents to senior citizens at the West Paterson Nutrition Center. They will sing at J.C. Penny's store in Wayne, NJ, and present a free concert entitled "A British Salute to the People of West Paterson," at Union Hall, Little Falls, NJ.

West Paterson residents will fete the guests from Surrey, England, at several parties in tribute to the excellence of their outstanding musical performances and the warmth of their friendship and goodwill highlighted by a testimonial get-together in their honor at the annual West Paterson town picnic at municipal park and several farewell parties on the eve of their departure. On Friday, July 12, they will bid goodbye to their West Paterson friends and return to England.

Mr. Speaker, the arrival of the Farnham Girls Choir and the Farnham Singers of Surrey, England, on the 28th of June will not be their first visit to West Paterson, NJ. The choir's original visit was arranged and organized by the West Paterson Bicentennial Commission in July 1976. At that time the choir along with students from Haslemere Heights Preparatory School and Farnham in Surrey, England, composed a group of 57 visitors 10 to 60 years of age who were housed by 37 host families in West Paterson.

During their 1976 visit the choir participated in the West Paterson's Bicentennial Parade, visited New York City, Trenton, NJ, and Philadelphia, PA. They sang before a Yankee/Royals baseball game and gave a rousing concert for over 500 enthusiastic guests in West Paterson's Middle School.

Before leaving for home in 1976, the English visitors extended an invitation to members of the host families to

visit England. Sixty West Paterson residents made a 3-week visit to England during Queen Elizabeth II's silver jubilee celebration in July 1977. The American group was housed by citizens in the Farnham area, located 40 miles southwest of London.

While in England the group visited London, Windsor Castle, Hampton Court, and Sandhurst, the English West Point. They were guests at several receptions and parties hosted by local and county English municipal organizations and private citizens.

Mr. Speaker, I know you will agree with me that this magnificent international exchange initiative is a "people-to-people" bridge which provides a learning experience about the world, develops a greater appreciation of the value of one's heritage, promotes greater understanding and strengthens the longstanding elegant bonds of friendship between Great Britain and the United States of America. The Borough of West Paterson, our State, and Nation welcome the opportunity to have guests from England experience the American way of life with its emphasis on family and democratic values, by living for a time with American families. I appreciate the opportunity to seek national recognition of the leadership endeavors of the people of West Paterson, NJ, and Surrey, England, in this international exchange program and express appreciation to the families who have opened their homes to the people of England.

We do indeed salute the West Paterson International Friendship Committee and the Farnham Girls Choir and Singers of Surrey, England, during their 1985 international cultural exchange festivities in America.●

LET'S END THE PRACTICE OF CHECKHOLDS!

HON. FERNAND ST GERMAIN

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 25, 1985

● Mr. ST GERMAIN. Mr. Speaker, by July 4, 1985, my staff will have contacted the office of every Member of the House. They are calling to talk about cosponsoring H.R. 2443, a bill which would eliminate checkholds—the expensive, annoying, and unnecessary practice many banks employ to earn additional income at their customers' expense.

H.R. 2443 is entitled the Expedited Funds Availability Act. Drawing on committee hearings and nearly 2 years of technical analysis of the U.S. check clearing procedures, H.R. 2443 would bring about major improvements in check clearing and benefit every household in America.

I urge every Member to add their name to the growing list of House cosponsors.

Mr. Speaker, here is another letter—one of the hundreds you, I, and other Members have received about checkholds. This letter clearly exemplifies the problem and documents the need for enacting H.R. 2443, the Expedited Funds Availability Act.

The letter follows:

WASHINGTON, DC,
June 17, 1985.

Mr. H. JOE SELBY,
Acting Comptroller of Currency, Administration of the National Bank, Washington, DC.

DEAR MR. SELBY: This letter is written to you because I think you should be aware of a current banking practice which I think severely penalizes the American banking public. Specifically I am referring to the hold time on a deposit of checks.

Recently I sent my daughter and her husband, Barbara and Roger McIntyre, a check which was deposited in their account at the First National Bank of Chicago (account number 3450163). This check was deposited on Thursday, June 6th. When they attempted to use automatic teller machines for a withdrawal of a small amount of cash on Saturday, June 8th the transaction would not process and they subsequently were advised that the bank had put a hold on all of the funds in their account i.e. the June 6th deposit plus all previously collected funds in the account at that time. As a consequence they were unable to obtain any cash to carry out their normal activities.

Although I understand the need to place a hold on deposits, particularly those which include out-of-state checks, I believe the policy in this case is unreasonable in view of the following. Upon hearing of the problem I checked with my local bank and found that the check in question had been cleared against my account in Maryland on Friday, June 7th. It would appear to me that the First National Bank of Chicago has some means of processing larger checks through the system at a very rapid rate since a deposit in Chicago on June 6th cleared through my bank account on June 7th. Although the First National Bank of Chicago has had the use of these funds since June 7, as of today, June 17th, these funds are not yet available to my daughter and her husband.

I have also been advised that repeated calls to the bank are unanswered or not returned by the account executive. I believe this is clearly an example of the banking system taking advantage of its customers. Perhaps it is time that legislation be enacted by the Congress to prevent this type of activity. So that other interested parties may be aware of my concerns in this area, I have taken the liberty to copy them on this letter.

Sincerely,

WILLIAM WARSHAUER, Jr.●

FORMER SENATOR SMITH NAMED "CITIZEN OF THE YEAR"

HON. OLYMPIA J. SNOWE

OF MAINE

HON. JOHN R. McKERNAN, JR.

OF MAINE

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 25, 1985

● Ms. SNOWE and Mr. McKERNAN. Mr. Speaker, we would like to call the attention of our colleagues to the recent honor bestowed on former Senator Margaret Chase Smith of Maine. Mrs. Smith has been named "Citizen of the Year" by the National Conference on Citizenship. This prestigious award was given to only six individuals this year, based upon their significant contributions to American society.

A Skowhegan native, Mrs. Smith admirably represented her beloved Maine in Congress for 33 years. She was first elected to fill the congressional seat vacated in 1940 by the death of her husband. She went on to become a respected and influential Representative in her own right over the next decade, culminating in her election as Maine's Senator in 1948. She was the first woman to be elected to both Houses of Congress.

In 1950, Mrs. Smith showed the courage of her convictions in effectively thwarting the extremes of McCarthyism in her eloquent "Declaration of Conscience" speech. Her integrity was widely recognized both in Maine and across the United States, and she was rewarded with reelection to three more Senate terms, the last ending January 1973.

Mrs. Smith's record of public service stands as a model toward which we should all strive. Her sensitivity to the needs of society, and her determination to do what was right, provide us with a modern-day example of the responsibilities of citizenship.

Mrs. Smith's selection as "Citizen of the Year" should give her great pride, not only as a representative of Maine, but as an American. We ask our colleagues to join us in saluting Mrs. Smith's record of service, and her well-deserved selection as "Citizen of the Year."●

THE LATIN AMERICAN DEBT CRISIS

HON. ROBERT GARCIA

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 25, 1985

● Mr. GARCIA. Mr. Speaker, former Secretary of State Henry Kissinger wrote a thought-provoking article for today's Washington Post on the Latin American debt crisis. Mr. Kissinger discusses this problem in detail, proposing possible solutions to what is fast becoming an almost unmanagable situation.

I say almost simply because as long as persons such as Mr. Kissinger continue to develop realistic strategies for this enormous problem, there will continue to be hope that we can alleviate the pressure of debt that weighs so heavily on many Latin nations. I submit Mr. Kissinger's article for my colleagues to consider. At the very least, he realizes that both sides will

have to work out a solution, neither side can solve this grave problem alone.

[From The Washington Post, June 25, 1985]

"BUILDING A BRIDGE OF HOPE TO OUR LATIN NEIGHBORS"

(By Henry Kissinger)

The most important event of the recent economic summit of the industrial democracies at Bonn was a letter signed by the heads of government of 11 major Latin American countries, appealing for assistance because their "grave problems" cannot be solved by the victims alone.

The response of the democracies was ritualistic and evasive. They congratulated themselves on the fact that the debt problems, "though far from solved, are being flexibly and effectively addressed." In lay language this meant that they intended to take no new action. Reiteration of familiar slogans cannot, however, change the reality that when the major Latin American countries raise their voices and are ignored, long-term political relationships within the Western Hemisphere are in jeopardy.

To the United States and most of the other industrial democracies, the issue is the excessive indebtedness of the Latin American countries, and they propose to solve it by traditional financial methods. But to our neighbors to the south, the issue is nothing less than the survival of their political institutions. The administration has congratulated itself repeatedly on the spread of democratic governments, but the key question remains whether these new democracies can survive in the face of dramatically falling standards of living that appear to be imposed from the outside.

Frustration and lack of hope could well generate a populism that rejects free enterprise and cooperative Western Hemisphere relations long before the market forces on which orthodox theory depends generate the investment essential for development. Once the process of radicalization is under way, even constructive U.S. policies are more likely to accelerate than to reverse it.

If the United States waits too long, it will teach the dangerous lesson that only populist, anti-market pressures get its attention. If that were to happen, the United States would find itself on the political defensive in its own back yard.

It is no accident that Fidel Castro of Cuba has recently taken up the debt crisis in—for him—comparatively moderate terms. Taking up the cause of the Latin American debtors enables Castro at one and the same time to achieve respectability in Latin America and be a revolutionary undermining U.S. relations with its southern neighbors.

In Brazil and Argentina, interest payments alone are likely to equal at least 45 percent of export earnings; for Mexico the figure is just under 40 percent. The current approach thus has the paradoxical result of turning developing countries in desperate need of investment into exporters of capital.

I do not dispute the financial validity of this approach. I question its political wisdom and viability. The governments of Latin America have for the most part responded to the crisis with courage and resolution. The drastic reform program recently announced by Argentine President Raul Alfonsin is a good example. Nor are the banks or the international financial institutions that have conducted the debt negotiations primarily at fault. They have gone to the limit of what profitmaking institutions can sustain or what the charter of international organizations will permit.

The head of the U.S. Federal Reserve Bank, Paul Volcker, has heroically and almost single-handedly held matters together at the U.S. end. But these institutions cannot fill the vacuum created by the inaction of Western governments.

What would have happened if America in the late '40s had preached to Europe the lessons it now puts forth to Latin America? If George Marshall had argued that the way to overcome the economic crisis of that time was for Europe to produce more than it consumed, to export more than it imported, to but government services and to grow entirely through resources generated within each country?

U.S. actions then defined the answer: to preserve democracy in Western Europe, to overcome despair and give hope, the United States put forth the Marshall Plan.

This farsighted measure was not a means to escape reform or to avoid the responsibility for difficult decisions. It did not spare Europe many years of serious hardship. But it provided the hope—and the means—without which hardship becomes politically disintegrating and morally unsustainable. It created a political framework that has sustained Atlantic relations for 40 years.

How different is the current approach of the United States and the other industrial democracies to Latin America! Matters of life and death for new democratic governments are being handled by bankers and international civil servants who, no matter how farsighted, have not sufficient authority or experience to shape political relationships.

Yet constructing a new set of relationships is precisely what is most needed. Brazil, just emerging from military rule, has scheduled congressional elections 15 months hence and the first direct presidential elections in a little more than three years. Its political center has been thrown into disarray by the tragic death of President-elect Tancredo Neves, the first civilian president in 20 years. Brazil must hear a compassionate and hopeful political voice from its great neighbor to the north.

In Argentina, a new democracy finds itself squeezed between a military only recently deprived of power and the Peronists with their record of profligacy based on state enterprise and latent anti-U.S. attitudes.

And, although Mexican institutions are much more firmly established, they are undergoing the strains of rapid population growth, falling oil prices and the transformation of an agricultural society into an industrial one.

Major economic adjustments are required, of course, and most governments in Latin America recognize this. But in the end, sacrifice needs to be sustained by hope, by a clear prospect for improvement. The Latin American dialogue with the creditors—especially with the United States—must expand from the collection of interest payments to economic development.

No developing country, including the United States at a comparable period, has ever been asked both to develop with only its domestic savings and to export capital at the same time. Without a Western Hemispheric development program, not only will the debt structure collapse sooner or later, but Latin American political institutions and Western Hemispheric political cooperation will also be at grave risk.

That is why the United States must now propose the modern philosophical equivalent of the Marshall Plan, a Western Hemisphere Development Program. It should combine the three chief actors in the current crisis—the U.S. government and, I hope, other industrial democracies; the financial institutions; and the debtor governments—in a common approach. Specifically:

The United States, with other democracies, should establish a Western Hemisphere Development Institution open to creditor and debtor countries with a binding terminal date of say, five to seven years.

The institution could be financed, and its budgetary impact reduced, by using the credit of the industrial democracies to raise funds in international capital markets. One dollar of subscribed capital might in fact support several dollars of new loans. The proceeds would then be lent, not given, to participating countries.

To keep the new interest cost from increasing the debt service excessively the funds would be lent at a fixed low rate of interest. Any difference between the plan's cost of borrowing and this rate would be added to the principal to be repaid after other scheduled payments.

The debtor countries' participation should be geared to their special circumstances. Their incentive will be the realization that this may be their last, and certainly their best, opportunity to achieve self-sustaining growth.

Most of the reforms now urged by the International Monetary Fund are in fact essential to economic recovery. The difficulty is that the time allowed for these IMF programs is too short for building the required infrastructure, forcing economics highly dependent on foreign borrowing and imported goods to adjust in a matter of months to dramatically lower levels of both. This shock translates into recession, political turmoil and a threat to constructive long-term relations between the industrial and debtor countries.

Longer-term, and larger-scale public financing, as I propose, would ease the shock. It would also permit real progress toward debt reduction rather than the current financial minuet, which too often calls for polite promises that both creditors and debtors know are unlikely to be met. IMF programs are not only a source of tension between the industrial democracies and the debtors, they threaten to become an invitation to irresponsibility. I would argue that only a program geared to the prospect of growth has any chance of long-term success.

The creditor institutions, in return for achieving a framework that makes possible a long-term and realistic repayment of debt, should agree to a ceiling on interest charges including the spread—the price they charge for rescheduling agreements. The "cap" on interest rates should be set at the inflation rate plus the historical real interest rate, around 3 percent. The debtor country should pay the difference between that figure and current interest rates—a figure that is shrinking in any event—in local currency into the Western Hemisphere Development Plan for relending. Alternatively, it could be added to principal outstanding.

Everything would depend on the spirit with which such a program were administered. The Western Hemisphere Development Program must avoid the condescendingly paternalistic project approach by which bilateral aid so often drains the initiative and sometimes the self-respect of the recipient. It should focus on overall programs of stabilization and growth, for which the recipients must assume ultimate responsibility, rather than on individual technical projects supervised from abroad.

Because of the time limit, participating countries would know that they faced a nonrecurring opportunity to accelerate and consolidate their development efforts. It would be up to the developing countries themselves, assisted by the technical expertise of the international agencies and the creditor governments, to take advantage of the opportunity.

Restoring vitality to the international economy, purpose to Western Hemisphere political relationships and hope to those seeking to strengthen democratic institutions is the ultimate goal. The final success would be to nurture a generation of leaders in the industrial democracies and in the developing countries with the experience of working together.

It is easy to anticipate the superior smiles of experts pointing out the impossibility of each an approach in an age of deficit reduction and shrinking domestic social services. However, students of history will reply that we can afford nothing less. The long-run economic cost of closed or controlled markets in Brazil, Argentina, Mexico and Venezuela would far exceed the costs of the program outlined here, and the political cost would be unmeasurable.

Just as there can be no lasting peace if East-West relations are reduced to nuclear accounting, so, too, there can be no hope for North-South cooperation if discussions are confined to quarterly crisis meetings on overdue interest payments. The true test of a vital foreign policy is whether it can produce as a voluntary act of creation what otherwise will be imposed on it by chaos and crisis.●

ACADEMICS AND ATHLETICS

HON. LINDY (MRS. HALE) BOGGS

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 25, 1985

● Mrs. BOGGS. Mr. Speaker, on June 16, 1985, the Sunday Advocate, in Baton Rouge, carried an editorial by the president of Tulane University, Eamon Kelly. The article addresses an important dilemma in this country: academic excellence versus athletic excellence. A dilemma that is slowly deteriorating this country's colleges and universities. I would like to share Dr. Kelly's observations on the role of intercollegiate athletics in our universities.

First, Dr. Kelly points to the disintegration of the student athlete. The student athlete has now become, for the most part, only an athlete. Academics have taken a second seat to the prospect of big contracts from the professionals.

Second, the competition between universities to get their share of the national media revenues and spotlight is an injustice to the institutions they represent. No longer is intercollegiate sports merely a game. With millions of dollars at stake, winning is essential.

Dr. Kelly believes the first step in reversing this trend toward academic mediocrity rest in the hands of university administrators. They must "reassert control over their athletic departments." No longer can athletics erate as an autonomous entity within the university framework.

Dr. Kelly's comments and suggestions on such an important issue are thought provoking.

[From the Baton Rouge [LA] Sunday Advocate, June 16, 1985]

MONEY KILLED INTERCOLLEGIATE ATHLETICS IDEAL

(By Eamon Kelly)

I recently sent a letter to approximately 52,000 Tulane alumni explaining my reasons for recommending to the university's board that men's intercollegiate basketball be discontinued. In the letter, I defended the action as necessary to reassert the primacy of academics at Tulane, to uphold the institutional ideal of integrity, and to preserve the value of a Tulane degree—not just for past graduates but for future generations.

The troubling disclosures surrounding Tulane's basketball program, coupled with a national environment that has—as I wrote to the alumni—seen similar scandals surface with sad regularity, together reveal a national sports malaise of which Tulane's misfortunes were only one example. Big money, media pressure and gambling now permeate the culture of intercollegiate athletics in America.

And—if the overwhelmingly favorable alumni response to my decision is any indication—large numbers of Americans are, quite simply, disgusted by this commercialization and by intercollegiate sports' long drift away from the central purposes of a university.

How far we have come from the first organized football game ever played in New Orleans: Christmas Day in 1888, at Sportsman's Park. Six hundred people came to watch that game, which had to be called off when the bladder was kicked over the fence into a canal and ruptured. The modest proceeds from ticket sales were donated to Charity Hospital's ambulance horse fund.

How has the present state of affairs in collegiate sports come about?

In my judgment, it is one consequence of the enormous financial rewards of fielding a highly competitive team. As Chancellor James Wharton of LSU has aptly stated, the material incentives attendant to successful athletic competition are so great that the moral fabric at a university ". . . is stretched and stretched and stretched until it basically tears."

It seems so quaint—the ideal of the true "student-athlete": the young man or woman for whom successful competition in sports is merely the physical expression of inner spiritual strength and intellectual attainment; that rare individual in whom the well-conditioned body and the well-educated mind exist harmoniously. Once, sporting events at colleges and universities were homegrown affairs, strictly for the enjoyment of players, classmates, faculty, alumni and administration. They featured teams composed of young men who more or less approximated the ideal. As is true now, such contests were hard fought, and partisan sentiment and school pride ran high. But with few exceptions, the world wasn't watching. At season's end, the victory purse for a bowl game (if there was one) was filled with thousands, not millions, of dollars.

Today, the market for intercollegiate competition has changed radically. Increasingly, the present audience—or potential audience—is a national one, and the economic stakes for success or failure are considerable. The resulting pressure to win at any cost has had a corrosive effect on universities in a variety of areas, notably recruiting, admissions and curriculum.

The unrelenting attention of the national media and the money it holds out as a carrot for success have tended to undermine personal and societal values, obscure institutional priorities, and erode educational standards for student-athletes. Players become cynical at a young age (well before college) about the propriety of receiving special favors in consideration of their prowess; they become ethically numbed to improper conduct by recruiters, coaches and teammates; they willingly accept or even expect that academics will be secondary to sports during their college years, for often this was true of their high school experience. And while differential admissions standards for scholarship athletes are more characteristic of highly selective private universities such as Tulane than large public universities, the underlying question of the academic preparation and aptitude of student-athletes is relevant to public and independent institutions alike.

What to do about the current situation? The problem is manmade and, I am convinced, amenable to human solution. First, university administrators must reassert control over their athletic programs and boosters, insisting that all fund-raising, recruiting and other supporting activities be undertaken only in conformity with school policy and NCAA regulations. Academic standards must be clearly defined for student-athletes and then strictly adhered to. And, as the Presidents' Commission of the NCAA has discussed, the huge sums of money generated by collegiate football and basketball must be used to benefit higher learning and not simply be retained by athletic departments—in effect making successful sports programs virtually independent of their host institutions.

We may never recapture the ideal of the student-athlete, but neither should we accept as inevitable the growing pre-professionalism among scholarship players. They deserve better; universities must demonstrate it by expecting more of athletes and by reaffirming the institutions' essential mission of teaching, learning and research.●

IS NICARAGUA JUST ANOTHER GRENADA?

HON. NEWT GINGRICH

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 25, 1985

● Mr. GINGRICH. Mr. Speaker, I'd like to share with my colleagues today an article that appeared in the Daily Times-Georgian.

Bill Fordham, from Carrollton, GA, provides an excellent, concise summary of the Grenada documents and their importance to the study of Leninism. His column gives a clear picture of the nature of the Communist threat prior to Grenada's liberation and now in Nicaragua.

I urge my colleagues to review this column and to share it with their friends back home.

IS NICARAGUA JUST ANOTHER GRENADA?

Last week's column on the Grenada Documents elicited much response from readers wanting to know more about these documents seized from the Marxist-Leninist government of Grenada when U.S. and other military forces landed there in 1983 to protect American and other students on the island.

Thirty-five thousand pounds of official New Jewel Movement papers were taken, and they reveal a blueprint for moving Grenada into the communist circle with Cuban assistance.

The attitude of Maurice Bishop, leader of the New Jewel Movement, towards the "Revolution" and how it was to be accomplished is revealed in his speech to his comrades called "The Line of March."

Last week I reported how the NJM planned to control those opposed to the revolution with emphasis on removing religion, the designated enemy of the revolution, from public life and the schools.

Following are more excerpts from Bishop's speech:

On the working class—"First of all, having a small working class is a very serious disadvantage because only the working class can build Socialism. Again, it is the working class that is most prepared for organization and discipline because of having to work everyday, having to arrive on time, having to engage in collective organization and collective bargaining in their trade unions and so on.

On the upper class—"It is also important to note, comrades, that while we are in an alliance with sections of the bourgeoisie and upper petty-bourgeoisie, they are not part of our dictatorship. They are not part of our rule and control—they are not part of it. We bring them in for what we want to bring them in for. They are not part of our dictatorship because when they try to hold public meetings and we don't want that, the masses shut down the meeting. When we hold Zonal Councils and we don't want them there, we keep them out. When they want to put out a newspaper and we don't want that, we close it down. When they want freedom of expression to attack the Government or to link up with the CIA and we don't want that, we crush them and jail them. They are not part of the dictatorship. In fact, if the truth be told, they have been repressed by the dictatorship. They have lost some of the rights they used to have."

On the "path of socialist orientation"—

"Firstly, the state sector must be built to be the dominant sector. Building the state sector to be the dominant sector means a number of things:

"(A) We must assume total control of all financial institutions over a period of time.

"(B) We must assume total control of all foreign trade and also of some aspects of internal trade.

"(C) We must assume total control of all Public Utilities—electricity, telephone, water, National Transport Service. And here again, as comrades know, we already in fact control those four. The missing one for us now is Cable and Wireless and the Satelite (sic) Dish from the Soviet Union will be one aspect of the timing in relation to Cable and Wireless."

Discussing the infrastructural development of a system that might develop into capitalism instead of socialism, Bishop said:

"What this means is that our primary task must be to sink the ideas of Marxism/Leninsim amongst the working people so that their own ideological level can advance and they can begin to better understand what we are trying to do and why their class consciousness can be raised in this way.

"Secondly, of course we can control the development of capitalism through the use of laws and regulations; because one thing we do have is political control (and we have that firmly) so we can decide on how much taxes to charge, we can decide who gets credits, we can decide who gets concessions and pioneer incentives, we can decide what (blank) of Laws to pass and when, we can decide who to "manners" and when."

In a summation of plans for the revolution, Bishop's final point was that they should move rapidly into an alliance with the Soviet Union and other communist block nations.

Again, I urge everyone to read the Grenada Documents and to compare what was happening in Grenada to current events, especially in Nicaragua.●

EEOC PAY EQUITY DECISION

HON. MARY ROSE OAKAR

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 25, 1985

● Ms. OAKAR. Mr. Speaker, last Monday, Clarence Thomas, Chairman of the Equal Employment Opportunity Commission, announced that his office would reject "pure comparable worth" cases. EEOC's decision to thwart pay equity comes as no surprise to me.

Clarence Thomas, like his colleague at the Commission on Civil Rights, Clarence Pendleton, has become a key spokesperson for the administration in its concerted attack on pay equity. Only a week earlier, the U.S. Commission on Civil Rights voted on a final draft of its paper which rejects the concept of comparable worth and urges Federal enforcement agencies to follow suit.

Both the Civil Rights Commission and the EEOC seek to mislead the American public by defining "comparable worth" in such a broadbrushed fashion that even its most ardent supporters would reject it. Such disingenuous and deceitful conduct is outrageous.

It is sad and disturbing to watch our civil rights agencies engage in this demeaning activity. The EEOC decision will force more women to seek restitution through our courts. Litigation is an expensive and laborious process. The EEOC is requiring millions of women to pursue legal redress in a manner that it was created to prevent.

Despite the efforts of Thomas and Pendleton, Mr. Speaker, pay equity will not go away. States, cities, and local governments will continue bargaining for wages, with an eye toward preventing sex-based wage discrimination, as will scores of companies in the private sector. And, I will proceed with my legislation calling for a pay equity study of the federal system. The American worker deserves no less.

The following editorial which appeared in the Washington Post deserves Member's attention.

[From the Washington Post, June 24, 1985]

COMPARABLE WORTH AND THE EEOC

By some accounts, the Equal Employment Opportunity Commission has closed its doors to cases involving "comparable worth"—the notion that jobs ought not to pay lower wages just because they tend to be held by women. But, in fact, the EEOC's decision is based on a definition of comparable worth that does not fit most cases in which sex-based wage discrimination is alleged. The decision should not be taken as a severe setback in the fight against sex discrimination in the marketplace.

As the General Accounting Office carefully lays it out in a new report, much of the raging debate over "comparable worth" turns out to be an argument over terms. One side defines comparable worth to mean one thing—which it then attacks ferociously—while the other side defends a totally different concept. The Reagan administration, speaking first through the Civil Rights Commission and now through the EEOC, has chosen to define comparable worth as a requirement that all jobs with the same value to the society be paid the same.

Against such a sweeping claim, it is easy to agree with EEOC Chairman Clarence Thomas that "Congress never authorized the government to take on wholesale restructuring of wages that were set by non-sex based decisions, by collective bargaining or by the marketplace." But the fact is that, as Mr. Thomas surely knows, such a claim is not being made—at least not any longer—by most proponents of comparable worth. They are using a more limited definition of comparable worth known as "pay equity."

By this less sweeping definition, an employer can still maintain different pay scales for jobs in which women predominate as long as the employer can show that such differences are justified by nondiscriminatory factors such as seniority, merit pay, skill shortages or collectively bargained agreements. But if the differences turn out to based in whole or in part on the employers' feeling that women don't need to support families, or on the fact that companies in the area have agreed not to bid up wages for secretaries, then the employer ought to be made to clean up his pay practices.

In fact, the EEOC says it agrees that cases should be pursued where there is evidence of actual sex discrimination in pay practices. And since most cases before the EEOC or state courts involve precisely such claims, last week's ruling may have little practical effect—as long as there is no confusion about what EEOC actually decided.●

FEDERAL ASSISTANCE FOR PUBLIC TRANSPORTATION VITAL TO CITIES AND TOWNS

HON. BARNEY FRANK

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 25, 1985

● Mr. FRANK. Mr. Speaker, some of the important programs which President Reagan sought to cut in his proposed budget, and which the House has preserved by making equivalent budget cuts elsewhere, are sometimes

considered to be only for the very big cities. In fact, many of the urban programs that exist have value in a wide range of communities, from small towns to major metropolitan centers. One of these programs with very broad impact is Federal assistance for State and local public transportation programs.

In 1973, the Massachusetts Legislature empowered other areas in the State besides the Greater Boston area to establish regional transit authority. While there was some skepticism about the value of these at the time, they have become among the most popular and widely supported Government programs in the State, providing important service for business, for older people, and for citizens in general. One of those which has been a great success is the Greater Attleboro-Taunton Regional Transit Authority [GATRA], the importance of which was described in a recent excellent article by Donna Hartman in the Sun Chronicle of Attleboro, MA. I can attest to the importance that GATRA has in its service area, because when I met with local officials in my district during January and February, one of the strongest points made to me in the Attleboro area was the importance of keeping adequate Federal help for public transportation.

I want to congratulate Mr. Gay for the excellent work that's done by himself and those who work with him and I ask that the article by Donna Hartman about GATRA be printed here as an example of a Federal program which works well.

GATRA—TINY BUS LINE GROWS INTO BUSY SYSTEM FOR 12 TOWNS

(By Donna Hartman)

ATTLEBORO.—Since GATRA was formed in 1976, it has expanded from three buses and one van to 13 buses and 11 vans, from six to 12 member communities and has increased its operating budget from $300,000 to $2.9 million.

GATRA stands for the Greater Attleboro-Taunton Regional Transit Authority.

It is one of 13 regional transit authorities in the state. It has grown into a substantial business since state legislation enabling communities to form and join regional transit authorities was passed in 1974.

GATRA was incorporated in 1976 and buses started rolling in Attleboro and Taunton in 1978.

GATRA has come a long way since the trial runs and limited service of late 1978.

Ridership figures have climbed in each successive year of service and passengers have come to depend on the service.

But, if President Ronald Reagan gets his way, GATRA riders could face increased fares or reductions in service this fall, says Francis Gay, GATRA director.

Reagan has proposed that the government cut by 10 percent or more federal assistance to regional transit authorities. GATRA gets 50 percent of its $2.9 million operating budget from the federal government.

Congress is currently considering Reagan's proposal as part of the total federal budget for fiscal 1985-86.

"If we are level-funded, we could provide the same service as we did this year without any substantial increase in fares or reductions in service," Gay said.

In the early days of GATRA, the ridership was composed of 60 percent senior citizens, Gay said.

Today, through a little education and with a proven record of reliable service, most of GATRA's passengers are commuters riding to and from work and students. Elderly people still take advantage of the service and special low rates for senior citizens.

GATRA has survived a major controversy over potential elimination of the Massachusetts Bay Transportation Authority commuter rail service (which GATRA participates in operating from the Attleboro and Mansfield train stations), the unionization of bus drivers and seven years of unpredictable New England weather.

Gay can remember only two stormy winter days over the past seven years when the buses were called off the roads.

GATRA gets 50 percent of its operating budget from the federal government, 25 percent from the state and 25 percent from member communities.

Because of Proposition 2½, it cannot increase the assessments of member communities.

GATRA is working with the Southeastern Regional Planning and Development District commission to form a contingency plan in the event the federal government doesn't come through with its full 50 percent financial assistance this fall.

"We wouldn't feel the impact until after October." Gay said.

"But, no one knows what's going to happen yet," he said. "There is a good coalition of industry leaders, mayors and governors lobbying Congress not to make cuts. The states and cities can't afford to pick up the extra cost."

Whatever happens with federal assistance in October. GATRA will make every attempt to be fair to its passengers.

Right now, fares are 40 cents per trip for regular passengers and 20 cents per trip for senior citizens and students. Passengers pay an additional 40 cents when they cross the border into another community.

The state Legislature passed enabling legislation in 1974 to allow local communities to form regional transit authorities because private bus companies were in financial trouble.

Bus companies which provided service for decades in communities statewide in the late 1960's could no longer afford the rising costs of equipment, maintenance and fuel and started to go out of business.

The new state law provided the funding to communities to contract with bus companies to provide bus service. Ridership gained in the mid-to-late 1970's with gasoline shortages and soaring gas prices.

People started to become accustomed to riding buses to and from work, for shopping trips and other purposes.

Gay says regional transit authorities in Massachusetts should serve as models for communities nationwide.

"We have drawn praise from other areas and Washington, D.C.," Gay said. "Massachusetts is recognized for its regional transit authority service."

And, if you really want to, you can go just about anywhere in the country when you hop on a GATRA bus in Attleboro.

Just take a ride down Route 123 to Taunton and pick up a GATRA bus to the Bonanza bus terminal in Providence, which is just a few blocks from AMTRAK.

Gay is also proud of the GATRA drivers and the lack of vandalism experienced on GATRA buses.

"The drivers are the first line of selling our service," he said. "They are our public relations people."

In 1979, a total of 63,755 passengers rode on GATRA buses systemwide. That same year, 48,050 passengers boarded GATRA buses in Attleboro.

In 1984, a total of 465,970 passengers rode on GATRA buses systemwide. That same year, 252,300 passengers boarded GATRA buses in Attleboro.

GATRA started out in late 1978 with Attleboro and Taunton as its member communities.

Other local communities, including North Attleboro in 1983, have joined since 1979 to make a total membership of 12 communities. The town of Carver voted to join last week.

GATRA RIDERSHIP 1979–84

Year	System	Attleboro
1979	63,755	48,050
1980	177,650	111,870
1981	278,506	157,495
1982	315,200	151,980
1983	350,020	160,615
1984	465,970	252,300

HELP FARMERS AND SMALL BUSINESSES

HON. CARROLL HUBBARD, JR.

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 25, 1985

● Mr. HUBBARD. Mr. Speaker, I received an excellent May 23 letter from my constituent, John W. Adams of Hopkinsville, KY, that I believe will be of interest to my colleagues in the House of Representatives.

John Adams, a prominent farmer in western Kentucky has written to me in order to provide an update on what is happening in rural America, particularly in light of the adverse consequences that are being faced daily by our farmers and small businessmen. In particular, Mr. Adams writes about the recent interest rate increase of the Federal Land Bank Association and its effect upon borrowers.

I urge my colleagues to read his comments and to help support efforts that will enable small businesses and the agriculture industry to return to a favorable economy. The letter from John W. Adams follows:

MAY 23, 1985.

HON. CARROLL HUBBARD,
U.S. Representative,
Rayburn House Office Building,
Washington, DC.

DEAR CONGRESSMAN HUBBARD: Thank you for the hard work you are doing on behalf of Kentucky. The economic times and the many state and national issues being pressed make your job one of the toughest in the country.

My intention in this correspondence is to update you briefly on what is happening in rural America. This past week, the Dow Jones Industrial Average in Wall Street topped 1,304 points. The Federal Reserve System reduced their rate to 7 ½ percent and the prime loan rates dropped to 10 percent. Certainly, that is good for Wall Street.

On Main Street, U.S.A., farmers and small businessmen are being devastated. Effective May 1, 1985, as you will see on the attached, the Federal Land Bank Association, 4th District, raised their interest rate to farmers from 12.5 to 13.25 percent. I know that there is no immediate solution. However, the "fly by night" operators and those who were the victims of circumstance because of purchasing at an inopportune time have been gone from farming for quite some time. The ones remaining have to be good managers. But as I am sure you will agree as evidenced by the enclosed, its getting more difficult each day.

Revisions in the Cargo Preference Act for Agriculture will help.

Your continued concern and interest on behalf of Rural America is appreciated. Thank you very much.

Sincerely,

JOHN W. ADAMS.●

TO AMEND TITLE 18, UNITED STATES CODE

HON. ROBERT T. MATSUI

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 25, 1985

● Mr. MATSUI. Mr. Speaker, I am today reintroducing legislation to require the U.S. Parole Commission and the Bureau of Prisons to share periodically specific information concerning Federal parolees with local police officials. This type of cooperation between all levels of our national law enforcement community is essential to assure that the public's safety is protected adequately.

Studies indicate that nearly 30 percent of all probationers and parolees are arrested for new crimes. This legislation addresses this pressing problem by assisting police officials in fulfilling their obligation to protect the public. My bill codifies and strengthens present administrative rulings by requiring the Commission to provide a parolee's fingerprints, photographs, FBI numbers, and dates of birth.

My legislation would also require the Bureau of Prisons to adopt a similar procedure and provide data to law enforcement officials about halfway house residents. The Bureau currently does not provided such information on these individuals.

In order to protect these individuals' privacy, the law enforcement agency may not disseminate the information received from either the Parole Commission or the Bureau of Federal Prisons.

Upon introduction of this legislation in the previous Congress I polled the parole boards in each State. The key question I asked was, "What kind of notification is provided to the victims, law enforcement agencies, judges, or prosecutors once the decision is reached to release the individual?" Of the 30 States that responded, 18 routinely provided some type of notice to local police officials about paroled State offenders. In Ohio, the California Legislature is contemplating legislation which would require the disclosure of information about State parolees to law enforcement agents. Two States advise local police about upcoming parole hearings. Six States notify only the sentencing judge and prosecutor about persons being paroled. Three States have no notification policies at all.

In the previous Congress this legislation enjoyed the support of a commission appointed by the attorney general of California and the California Legislature. The legislature subsequently adopted a resolution memorializing the Congress to give "the U.S. Parole Commission and the Bureau of Federal Prisons the authority to release all relevant information concerning specified federal prisoners and parolees * * * to local State law enforcement agencies."

In the 97th Congress similar legislation was endorsed by the Police Executive Research Forum, the Peace Officers Research Association of California, and the Patrolmen's Benevolent Association of the city of New York.

This bill has the strong support of John Kearns, chief of the Sacramento Police Department.

In order to comprehensively plan for the safety of our communities, it is important to provide law enforcement agencies with assistance that will aid in the identification, apprehension and incarceration of criminals. The regular sharing of essential law enforcement information between the Federal and State agencies could result in the better supervision of Federal parolees while assuring local police access to the fundamental information necessary to carrying out their responsibility for protecting our public's safety. My legislation provides for a concerted effort at all levels of the Government in addressing the ever-growing menace of crime.

H.R. —

A Bill to amend title 18, United States Code, to modify certain procedures applicable to parole determinations, to require the United States Parole Commission to make available to State and local law enforcement agencies certain information regarding parolees, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, section 4082 of title 18, United States Code, is amended—

(1) by redesignating subsection (f) as subsection (g), and

(2) by inserting after subsection (e) the following new subsection:

"(f) The Attorney General shall make available periodically to any law enforcement agency of a State or of a unit of local government in a State, upon the request of the head of such agency, the following information with respect to prisoners who have been convicted of offenses against the United States punishable by imprisonment for a term exceeding ten years and who are confined at a facility which is a residential community treatment center located in the geographical area in which such agency has jurisdiction:

"(1) the names of such prisoners:

"(2) the addresses of such prisoners;

"(3) the dates of birth of such prisoners;

"(4) the Federal Bureau of Investigation numbers assigned to such prisoners;

"(5) photographs and fingerprints of such prisoners; and

"(6) the nature of the offense against the United States of which each such prisoner has been convicted and the factual circumstances relating to such offenses.

Any law enforcement agency which receives information under this subsection shall not disseminate such information outside of such agency.".

SEC. 2. Section 4164 of title 18, United States Code, is amended—

(1) by inserting "of more than 180 days" after "deductions", and

(2) by striking out "less one hundred and eighty days".

SEC. 3. (a) Section 4203(a)(2) of title 18, United States Code, is amended by striking out ", but in no event less than five".

(b) Section 4203 of title 18, United States Code, is amended by adding at the end thereof the following new subsection:

"(e) The Commission shall make available periodically to any law enforcement agency of a State or of a unit of local government in a State, upon the request of the head of such agency, the following information with respect to individuals who are under the jurisdiction of the Commission, who have been convicted of offenses against the United States punishable by imprisonment for a term exceeding ten years, and who reside, are employed, or are supervised in the geographical area in which such agency has jurisdiction.

"(1) the names of such individuals;

"(2) the addresses of such individuals;

"(3) the dates of birth of such individuals;

"(4) the Federal Bureau of Investigation numbers assigned to such individuals;

"(5) photographs and fingerprints of such individuals; and

"(6) the nature of the offenses against the United States of which each such individual has been convicted and the factual circumstances relating to such offenses.

Any law enforcement agency which receives information under this subsection shall not disseminate such information outside of such agency.".

SEC. 4. Section 4204(a)(5) of title 18, United States Code, is amended by striking out "three" and inserting in lieu thereof "not fewer than three".

SEC. 5. (a) Section 4205(f) of title 18, United States Code, is amended by striking out ", unless" and all that follows through "custody".

(b) Section 4205(g) of title 18 United States, Code, is amended by inserting "or the Commission" after "Bureau of Prisons".

(c) Section 4201(5) of title 18, United States Code, is amended by striking out "or section 4205(f)".

SEC. 6. (a) Section 4208(g) of title 18, United States Code, is amended by inserting

"any representative of" before "the Commissioners".

(b) Section 4208(h) of title 18, United States Code, is amended by striking out the colon and all that follows through the period at the end thereof, and inserting in lieu thereof "every twenty-four months.".

SEC. 7. Section 4209(d)(1) of title 18, United States Code, is amended by adding at the end thereof the following: "Notwithstanding any other provision of this paragraph, the Commission may modify conditions of parole, without regard to such ten-day period, on any such motion if the Commission determines that the immediate modification of conditions of parole is required to prevent harm to the parolee or to the public.".

SEC. 8 (a) Section 4210(b) of title 18, United States Code, is amended—

(1) in paragraph (1) by striking out "section 4164 (relating to mandatory release) or", and

(2) in paragraph (2)—

(A) by striking out "Federal, State, or local crime" and by inserting in lieu thereof "criminal offense",

(B) by striking out "crime" and inserting in lieu thereof "offense", and

(C) by inserting "exceeding six months" after "incarceration".

(b) Section 4210 of title 18, United States Code, is amended—

(1) by striking out subsection (e), and

(2) by redesignating subsection (f) as subsection (e).

SEC. 9. (a) The heading of section 4215 of title 18, United States Code, is amended to read as follows:

"§ 4215. Appeal".

(b) Section 4215 of title 18, United States Code, is amended by striking out subsection (a) and subsection (b), and inserting in lieu thereof the following new subsection:

"(a) Whenever parole release is denied under section 4206, parole conditions are imposed or modified under section 4209, parole discharge is denied under section 4211(c), or parole is modified or revoked under section 4214, the individual to whom any such decision applies may appeal such decision to the National Appeals Board by submitting a written notice of appeal not later than thirty days following the date on which such decision is rendered. The National Appeals Board, upon receipt of the appellant's papers, must act pursuant to rules and regulations within sixty days to reaffirm, modify, or reverse the decision and shall inform the appellant in writing of the decision and the reasons therefor.".

(c) Subsection (c) of section 4215 of title 18, United States Code, is redesignated as subsection (b).

(d) The table of sections at the beginning of chapter 311 of title 18, United States Code, is amended by amending the item relating to section 4215 to read as follows:

"4215. Appeal.".

SEC. 10. Section 4217 of title 18, United States Code, is repealed.

SEC. 11. (a) Chapter 314 of title 18, United States Code, is amended—

(1) by striking out sections 4251, 4252, 4253, and 4254,

(2) in section 4255—

(A) by striking out the first paragraph,

(B) by inserting before the period in the first sentence of the second paragraph the following: "who is a drug dependent person within the meaning of section 2(q) of the Public Health Service Act, as amended (42 U.S.C. 201), and who is released on probation, on parole, as if on parole, or conditionally", and

(C) by redesignating such section as section 4251, and

(3) by amending the table of sections at the beginning of such chapter to read as follows:

"Sec.
"4251. Supervision in the community.".

(c) Section 3651 of title 18, United States Code, is amended—

(1) by striking out "an addict within the meaning of section 4251(a) of this title, or", and

(2) by striking out "section 4255" and inserting in lieu thereof "section 4251".

(d) Section 4209(c) of title 18, United States Code, is amended—

(1) by striking out ", who is an addict within the meaning of section 4251(a), or" and inserting in lieu thereof "who is", and

(2) by striking out "section 4255" and inserting in lieu thereof "section 4251".●

THANKING JOHN CHAPLICK

HON. JAMES J. FLORIO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 25, 1985

● Mr. FLORIO. Mr. Speaker, I would like to draw the attention of my colleagues to a recent letter which I sent to John Chaplick. John is a constituent of mine and was the New Jersey State commander of the Disabled American Veterans in 1984–85.

I am sure that many Members have people like John in their districts who are well versed in matters relating to veterans and have the dedication to match that knowledge. Mr. Speaker, John Chaplick is one of those individuals, and I thank him for all the help he has been to the veterans of New Jersey.

Mr. Speaker, the letter follows:

JUNE 24, 1985.

MR. JOHN CHAPLICK,
Heritage Road,
Sewell, NJ.

DEAR JOHN: Its hard to believe that a year has passed since I was honored to address the Disabled Amerian Veterans New Jersey State Convention last year in Seaside Heights. That was an important event for me. It was made even more important by the fact that by the time the convention had finished you had been elected the State Commander. This achievement was a very special one for all of us who live in Southern New Jersey.

Many things were accomplished with veterans this year, John. I am thankful to you for the important role which you played in all the events and programs which we worked together on—especially the visit of Sonny Montgomery to New Jersey and the "Operation Match" in Camden last spring. I am certainly going to miss the close working relationship which my office has had with the DAV and I'm hopeful that your successors keep up your legacy.

On behalf of the thousands of veterans in the First Congressional District I thank you John for the fine work which you did for all of us this year. You are truly a "winner" in every sense of the word and we all hope that you remain active in this very important area. Congratulations on a job well done!

With best wishes,
Sincerely,

JAMES J. FLORIO,
Member of Congress.●

LEWIS LEHRMAN AND THE DEMOCRATIC INTERNATIONAL

HON. JIM COURTER

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 25, 1985

● Mr. COURTER. Mr. Speaker, the founders of this country often declared that the principles of the new American Government were applicable to all men at all times. Historicists and skeptics have doubted that. But to those who are less comfortable, who do not merely read and write about tyranny but endure it, Jefferson's words may not seem an anachronism.

Early this June, Lewis Lehrman, chairman of Citizens for America, helped organize a remarkable conference in Angola involving Jonas Savimbi's UNITA, Adolfo Calero, head of the Nicaraguan Democratic Force, and freedom fighters from Afghanistan and Laos. Mr. Lehrman spoke to this Democratic International, and presented each delegate with a framed copy of the American Declaration of Independence.

Mr. Speaker, permit the RECORD for today to include the text of the common declaration released by these contemporary partisans of freedom, as well as the letter President Reagan penned to Mr. Lehrman on the occasion. Both these were published in the Washington Times newspaper. I also wish to include my own response, addressed to the Washington Times, to some Americans who found it amusing that Mr. Lehrman should present modern revolutionaries with our 200-year old document on liberty.

[From the Washington Times, June 6, 1985]

RESISTANCE GROUPS ISSUE DECLARATION

JAMBA, ANGOLA.—Following is the "Declaration of the Democratic International," issued June 2 by four anti-communist resistance groups following a meeting in Jamba, Angola:

We, free peoples fighting for our national independence and human rights, assembled at Jamba, declare our solidarity with all freedom movements in the world and state our commitment to cooperate to liberate our nations from Soviet Imperialists. We pledge our lives, our treasures, and our honor on behalf of this everlasting cause of national life and liberty, without which we cannot pursue the happiness of our peoples.

We know that together, as a Democratic International, we shall triumph, but divided, the road to victory will be much more difficult.

Our common goals of liberty and constitutional democracy lead us to form this Democratic International.

To this end, and with the help of God, we offer our leadership, our labor and our lives to fulfill this dream of freedom which shall not perish from this Earth.

Our struggles are one struggle—the fight for independence from Soviet colonialism, a colonialism brutally enforced by Soviet troops and the troops of her surrogates.

Colonialism denies the right of free people to legitimate self-determination. The old colonialism of the eighteenth and early nineteenth centuries has passed into oblivion with the success of the Independence Movements of the 1950s and 1960s. Today, there is only one colonial power in the world—the Soviet Empire. An empire more vicious and oppressive than all others that passed before.

Soviet Imperialism is the common enemy of mankind.

Today, the tide of history has turned against Soviet colonialism. The Soviet empire is fated to fall—just as all previous empires have collapsed, because Soviet imperialism violates the true nature of man.

Our liberation movements began as national struggles, but we recognize the international solidarity of our cause. The victory of any freedom loving movement is the victory of all, for the struggle for freedom transcends borders and nationalities.

On to victory
On to freedom
United we shall win

PRESIDENT PRAISES REBEL CONFERENCE

JAMBA, ANGOLA.—The following is the text of a statement by President Reagan read by Lewis Lehrman, chairman of Citizens for America, at the conference of four anti-communist resistance movements here:

DEAR LEW, I understand you're off to attend a gathering of freedom fighters. From what I'm told, this is surely a unique event.

Around the world we see people joining together to get control of their own affairs and to free their nations from outside domination and an alien ideology. It is a global trend, and one of the most hopeful of our times. Those of us lucky enough to live in democratic lands have to be moved by the example of men and women who struggle every day, at great personal risk, for rights that we have enjoyed from birth. Their goals are our goals.

Good luck and God bless you.

Sincerely,

RONALD REAGAN.

[From the Washington Times, June 24, 1985]

I did not share in the amusement, evidenced in some American quarters, when Lewis Lehrman met in Angola with freedom fighters from around the world and presented them with framed copies of the U.S. Declaration of Independence.

Opposition to tyrants should be no cause for smugness in comfortable observers. And anyone who finds it odd to recommend opposing African or Asian tyrants with the principles of Thomas Jefferson would do well to consider that, after all, those principles were avowed to be universal.

A history of the Hungarian Revolution of 1956 by Lettis and Morris contains the following about the last broadcast of one of the multilingual radio stations that flourished before the Soviet counterattack:

"Faint signals and calls for help, made unintelligible at times by jamming and atmospheric conditions. Suddenly, out of the welter of background noise, a voice in clear English:

'Four score and seven years ago our fathers brought forth on this continent a nation conceived in liberty and dedicated to the proposition that all men are created equal . . .

' . . . The brave men living and dead who struggle here have consecrated it far beyond our poor power to add or detract . . .' The voice became inaudible."

The Hungarians had American inspiration, but no American aid. Mr. Lehrman wants the freedom fighters in newly occupied countries like Laos and Afghanistan to have both, and he is to be commended for it.

Rep. JIM COURTER,
U.S. House of Representatives.●

THERE REALLY IS A WELFARE DILEMMA

HON. BILL GREEN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 25, 1985

● Mr. GREEN. Mr. Speaker, the following article was brought to my attention by my constituent, B.A. Rittersporn who is affiliated with the Institute for Socioeconomic Studies in New York. This op-ed piece, which appeared in the Washington Post will be of interest to my colleagues.

[From the Washington Post, June 10, 1985]

THERE REALLY IS A WELFARE DILEMMA

(By William Raspberry)

Every other week, it seems, another social scientist trots out a new list of figures to challenge or support the contention of Charles Murray ("Losing Ground") that the welfare system has increased poverty in America. The debate over which set of numbers is more accurate, or more accurately interprets reality, tends to obscure a point of fundamental agreement among conservatives and liberals and "neos" of both camps; that there really is a welfare dilemma.

The dilemma is this: It is unacceptable, particularly in a rich country, to allow anyone to live in hunger and squalor for want of money. But unearned payments designed to alleviate hunger and squalor have the perverse effect of making entry-level jobs unattractive. To discourage poor people from taking entry-level jobs is to condemn them to dependency and its attendant pathology (including the erosion of the work ethic), even while alleviating their hunger.

Recent years have seen a number of attempts to resolve the dilemma; work-incentive programs, negative income tax, workfare, and any number of other ideas have been broached and found wanting.

Leonard M. Greene, president of the Institute for Socioeconomic Studies, states the problem clearly enough. "Income transfers are not inherently wrong. Trouble arises from the form of the transfers used. By our well-meaning approach, if a welfare recipient takes a job, his family may lose its public housing and medical benefits in addition to suffering a reduction in welfare payments. The consequent mathematics of the situation are irresistible. We have destroyed the motivation to work and trapped people into a dependency as insidious as poverty itself."

He has also proposed an attractive way out: the Graduated Income Supplement, a single national income supplement that would go to all adults, with a smaller amount going to all children. The supplement would be taxable income, which means that it would result in extra income only for those poor enough to need it. Those too poor to pay taxes would get the benefit in cash.

Greene's proposal sounds a good deal like Richard Nixon's negative income tax, except that since the GIS would be universal, without any eligibility criteria there would be no need for a welfare system to distribute it. The program would be administered by the IRS, "allowing dismantling of today's cumbersome and amazingly expensive welfare bureaucracy."

Under the proposal, a poor family could earn an additional $4,000 a year and be taxes at a maximum marginal rate of 14 percent. Under present law, the tax on the $4,000 might be above 100 percent, considering loss of eligibility for public housing and health benefits.

Greene believes his proposal would ameliorate another dilemma that is attracting a growing amount of attention: the fact that illegal aliens have more incentive for economic progress than native-born Americans.

"In fact, we have a dual economy. Native-born Americans receive many protections and benefits. Working conditions are generally good and fringe benefits, such as pensions and health care, substantial. At the same time, illegal aliens work in an environment little changed since the 19th century. Sweatshops abound. Families . . . do piecework, toiling around the clock at wages that can be less than $1 per hour.

"Yet, ironically, the system appears to be serving the illegal aliens better than America's underclass. Historically, waves of immigrants have worked their way up the American economic ladder, and many recent immigrants seem to be doing the same. The subminimum-wage jobs that they have attained offer opportunity—a first step up the ladder that for many has already led to prosperity and success."

Greene, obviously, does not advocate a reinstitution of 19th century sweatshops. His point is that it is counterproductive and wrong that a poor person willing to work hard at unpleasant jobs should be subjected to a financial penalty—which, unfortunately, is how the present system works.●

A BILL TO END UNFAIR TREATMENT OF WIDOWED SOCIAL SECURITY RECIPIENTS AND THEIR DEPENDENTS

HON. BRUCE A. MORRISON

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 25, 1985

● Mr. MORRISON of Connecticut. Mr. Speaker, today I am reintroducing, along with 37 original cosponsors from both sides of the aisle, legislation to relieve the anxiety, embarrassment, and hardship felt by too many of our Nation's senior citizens. Unfortunately, the pressing business of the House in the 98th Congress prevented the consideration of a less comprehensive bill, H.R. 5411, but I am hopeful that this legislation will receive the attention it deserves in the 99th Congress.

Mr. Speaker, the pain that many of our senior citizens experience, and to which I have just referred, is caused by Federal procedures used to collect Social Security and SSI payments made to deceased beneficiaries and received by their surviving spouses or other relatives entitled to benefits under their payment schedule. As we all know, Social Security checks are regularly sent out after beneficiaries die, even when the Social Security Administration has prompt notice of the death. Later, however, when the bureaucracy catches up, Social Security recoups these payments through a process known as "reclamation;" Social Security notifies the Treasury Department, which instructs the bank that cashed the checks, or received them through direct deposit, to debit the depositor's account.

Neither Social Security nor Treasury gives prior notice of this recoupment action. Nor is the survivor afforded the opportunity to negotiate a repayment schedule or to request a waiver of the recoupment in the case of a special hardship. Social Security maintains that these rights, which are required in all cases of overpayments made to beneficiaries, are not applicable in cases where benefits are received by survivors after the beneficiary's death. Such payments, they maintain, are not overpayments, but erroneous payments.

My bill would clarify the definition of an overpayment in the Social Security Act. While I believe that the present overpayment provisions, along with the prior legislative history and the overall purposes of the Social Security Act, support the proposition that erroneous payments to a deceased beneficiary should be considered as overpayments under section 204, this legislation would make this interpretation explicit. It would make it clear that Congress expected that the procedural protections afforded to Social Security and SSI recipients who receive overpayments are also afforded to their surviving spouses or other entitled beneficiaries. My legislation is necessary because courts have rendered conflicting decisions on this issue.

If adopted, the legislation would require that prior to any collection action, the Social Security Administration would first have to ascertain whether the person who received the payment is a surviving spouse or other entitled beneficiary under Social Security or SSI. If this is found to be the case, Social Security would be limited to using the methods of recovery authorized in cases of overpayments in the Social Security Act, and would be required to extend the waiver provisions of the act to such persons. The surviving relative would have to receive notice of the recovery action, and would have an opportunity to establish a repayment schedule or to seek a waiver in the case of special hardship.

Let me illustrate the problem which is created by the current procedures used by the Social Security Administration through an actual case. One of my constitutents, Mrs. Alphena Breault, was a Social Security recipient at the time of the death of her husband, also a Social Security recipient. She promptly notified the Social Security Administration of his death. While waiting for her survivors benefits to be processed, she received several checks in her husband's name. A Social Security employee advised her to deposit these checks and to use this money for living expenses. She was advised that her account would be adjusted at a future date.

Many months later the adjustment came without warning. The entire amount of her husband's checks was suddenly removed from her account. She learned of this action only when a check that she had written for a small auto repair bounced.

My constituent joined in a class action law suit which challenged these procedures on the grounds that they violated the overpayment provision of the Social Security Act and their constitutional right of due process. The court initially found in the plaintiff's favor; the U.S. Court of Appeals for the Second Circuit has recently ruled in this case that while the reclamation procedure used did not violate the Social Security Act, it may have violated my constituents due process rights, and has remanded the case for further consideration on this point back to the district court—*Breault* v. *Heckler,* U.S. Court of Appeals, Second Circuit, docket No. 84-6258, May 21, 1985. In a similar case in California, the U.S. district court has ruled that the reclamation procedure currently used by the Social Security Administration in these cases violated both the Social Security Act and the plaintiff's due process rights—*Thomas* v. *Secretary of Health and Human Services,* U.S. district court, ND California, docket No. C-81-2485, September 14, 1983. Unfortunately, current reclamation procedures continue to be applied in those parts of the country where they have not been forbidden by the courts.

Mr. Speaker, I believe that it is time that those entitled to survivors benefits are afforded these protections. I believe that Congress intended that all Social Security and SSI recipients who are overpaid by mistake should be afforded the fundamental rights of prior notice, a fair repayment schedule, and waiver in cases of special hardship. Many of my colleagues in the House agree, and I am pleased that an identical bill is being introduced today in the other body by the distinguished chairman of the Special Committee on Aging. Senator HEINZ of Pennsylvania has extensive knowledge of the problem which this legislation attempts to address, and his committee has heard testimony from witnesses who have been the victims of the Social Security Administration's current practices. I urge my colleagues in the House to make a commitment to rectify this situation.●

MILESTONE FOR McDONOUGH

HON. DEAN A. GALLO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 25, 1985

● Mr. GALLO. Mr. Speaker, a Congressman's administrative assistant is asked to make hundreds of decisions on a daily basis. Issues and concerns, both large and small, are the stock and trade of every congressional office. It is the administrative assistant who is asked to translate the wishes of a Member of Congress into action.

The job requires a quick thinker with a well developed sense of humor. It also requires a person who can work with other people to solve difficult problems.

Peter J. McDonough, Jr., exhibits these qualities. He is a person well-suited for the job of administrative assistant in a congressional office.

In the midst of making the important decisions associated with his position in my office, Peter J. McDonough, Jr., recently made a personal decision that will be the most important decision of his life.

On August 10, 1985, Peter will be married to Mary Pitcher Sword, daughter of Mr. and Mrs. William Sword of Princeton, NJ.

Miss Sword, who is known as Molly, graduated from Princeton Day School, attended Denison University and is currently studying at Rutgers University. She is a songwriter, arranger, and performer.

Before coming to Washington to join my staff in January of this year, Peter was the executive director for the Republicans in the New Jersey General Assembly. He comes by his interest in government honestly. His father is a former State senator in New Jersey and his grandfather held local office in Plainfield, NJ.

When Peter announced his intentions to my Washington staff on April 1, I must admit that I was skeptical. Frankly, I had concerns about a 31-year-old single man, recently relocated in the Nation's Capital, who decides it is time to put aside his bachelorhood to join the rest of us who have entered into the bonds of holy matrimony.

But, you know, Washington, is not Sin City, as has been imagined by people living in other parts of the country. The parties at the Tidal Basin usually break up too early,

around 10 p.m., and that sort of thing gets boring after a while anyway.

In truth, since coming to Washington, Peter's big nights out have been going to receptions with me or going for a run after work and before dark. He tells me his only real pleasure has been derived from hosting cookouts for his friends on his back porch.

On August 10, that lonely existence will come to an end.

Peter and his bride-to-be represent a real American success story for the 1980's. As members of our postwar generation, Peter and Molly share a strong belief in the worth of the individual.

That belief, held widely by an entire generation of Americans is the ultimate goal of our Founding Fathers, who envisioned a form of government based on natural law. Our form of government is well suited to a society of responsible individuals with common respect for one another. It is upon this belief that the foundation of this country was built.

That respect for individuality within the commonwealth runs deeply through the American spirit. It comes to the surface from time to time when it is most needed to keep our country on the right track.

As we celebrate the joining together of these two people, Peter and Molly, we also celebrate the higher calling of individuals to join together in the commonweal of community—the bringing together of two communities to create another, larger, community.

Active involvement in community service is a tradition in the McDonough and Sword families. I am sure the tradition is in good hands for the future.

I wish all of the best for Peter and Molly and hope for them the sunshine that makes all living things grow.●

TRIBUTE TO JOHN AND LOUISE CLINKSCALES

HON. RICHARD RAY

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 25, 1985

● Mr. RAY. Mr. Speaker, I rise today in tribute to a family in my district whose members have given of themselves even as they were suffering.

I speak of John and Louise Clinkscales of LaGrange, GA. Their son, Kyle, has been missing since 1976 when he left their home to drive to Auburn University, about 40 miles away.

John and Louise have turned their 9 years of pain and uncertainty into positive action which, in turn, helps other people find missing children or other loved ones. They wrote a book, "Kyle's Story: Friday Never Came," outlining procedures which can be used to locate missing persons and to determine whether or not foul play was involved in the disappearance. In a recent airing of "Adam" and commentary on missing children, NBC called "Kyle's Story" one of the best overall treatments of the missing persons phenomenon.

The Clinkscales have also authored a booklet called "Action" which they continually update. Each year they receive over 2,000 requests for the booklet which they provide to families everywhere free of charge. In recognition of the knowledge that the Clinkscales have gained and shared, John Clinkscales was recently appointed to the board of directors for the National Center for Missing and Exploited Children.

The Clinkscales were the guiding force behind the creation and passage of "Family Reunion Month," a bill I sponsored in the House of Representatives last year and this year. This legislation designates the period between Mother's Day and Father's Day as a period to remember the importance of the family in America and to work towards being reunited with those family members who are missing or estranged.

When I rise on July 4 to present a copy of this tribute to the Clinkscales I will think about the fact that they embody a lot of what is right about America. In the face of adversity, they are still trying to find information about their son. In addition, they are helping others by providing them with hope and guidance on how to search for a missing loved one.

Finally, I think the Clinkscales are a living example of what makes the family the cornerstone of our great land. Through their caring, we have all benefited. Through their unselfish giving, we have all gained understanding and knowledge. It is through our Nation's families that we are nurtured and shown the way. And through John and Louise Clinkscales' efforts to reunite families, our Nation is blessed.●

BILL TO EXTEND REPRESENTATIVES TERM

HON. RICHARD J. DURBIN

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 25, 1985

● Mr. DURBIN. Mr. Speaker, today I rise in support of a bill I have introduced to extend the length of the term for U.S. Representatives. The bill, requiring a constitutional amendment, would establish one 2-year term and two 4-year terms in every 10-year period following reapportionment.

The amendment has many benefits. First, it will reduce the number of political campaigns, providing voters with a welcome respite from the din of campaign rhetoric.

Second, it will help moderate the spiraling cost of campaigning.

And third, it will at least partially liberate Members from a constant preoccupation with campaigning, thereby giving Congress a greater opportunity to deliberate.

The original rationale in 1789 for 2-year terms was to force Members to keep in touch with their districts. I share that goal. However, with modern communication technology and the realization that a Member who neglects his district will soon lose his seat, the original rationale for the 2-year term no longer serves the challenges facing Congress.

Under my resolution, all House seats would be up for election in the year of reapportionment. After that election, House Members would be divided by lot into two equal groups. The first group would stand for election in 2 years, and thereafter every 4 years until the next reapportionment. The second group would start the 10-year cycle with two 4-year terms and end with a 2-year term. This method ensures that there are House elections every 2 years and that all seats are up for election in reapportionment years. There would be no limit on how many terms a Representative could serve, although the Member would have to give up his seat if he filed to run for the Senate.

There is growing support for consideration of the 4-year term both within the House and at the grassroots level throughout the country. In an effort to better guage House sentiment on this issue, I formally solicited the views of our colleagues by circulating a survey which Members could complete and return anonymously. As of June 25, I received 122 responses, which represent over 28 percent of the House membership. Of those responding, 64 percent favored extending the House term. I believe this response indicates that a majority of House Members are dissatisfied with the current 2-year term.

In addition, I have discussed the 4-year term with my constituents in Illinois 20th Congressional District. During my 2½ years in the House, I have held 131 town meetings which feature open discussion of issues of interest to local residents. At these meetings, I have found strong support for lengthening House terms as a means of reducing the cost and frequency of campaigns and focusing greater attention on important legislative issues.

Also, earlier this year I sent a questionnaire to my constituents which included a question on extending the terms of Congressmen from 2 to 4 years. I received approximately 20,000 responses. Seventy-two percent of the

respondents said they favor the 4-year term.

From the results of these informal opinion polls and my discussions with colleagues and constitutents, I am convinced that the time is right for public debate on the term extension issues. I also believe that such debate would elicit considerable support for the 4-year term.

I urge my colleagues to join me in cosponsoring this timely and necessary congressional reform.●

ASSISTANT ADMINISTRATOR LEAVES EPA

HON. GENE SNYDER

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 25, 1985

● Mr. SNYDER. Mr. Speaker, the resignation of Josephine S. Cooper from the Environmental Protection Agency to enter the private sector is a great loss both for that Agency and the Federal Government. She is leaving to join the American Paper Institute.

As EPA's first Assistant Administrator for External Affairs, Jo Cooper has had an enormous impact on those programs under her administrative control and on the vastly improved communication between the Agency and Capitol Hill.

Without the able assistance of Jo Cooper, the job of Administrator William Ruckelshaus would have been far more difficult. The turmoil that engulfed that Agency during Anne Burford's difficulties and ultimate resignation had shaken public confidence in the Agency and badly strained its relations with Congress. In short, the Environmental Protection Agency had a fairly severe image problem.

That was, until Jo Cooper arrived to head the Agency's Office of External Affairs in October 1983. Since that time, she has been responsible for EPA's liaison with Congress, the public, press, other Federal agencies, States, and environmental, union and industry groups.

From the very start, she quickly opened the lines of communication between the administration and Congress and soon helped give the Agency a new image of openness, concern, confidence, and effectiveness. For that accomplishment alone, Jo Cooper's shoes will be hard to fill.

In addition to her liaison duties, she has been National Program Manager for implementation of the National Environmental Policy Act and the Federal Facilities Compliance Program.

Her management ability, technical expertise in economic and environmental matters, and special capacity for resolving conflicting issues effectively and nonconfrontationally—all of these attributes have made Jo Cooper an invaluable asset to the EPA.

I had the opportunity to work closely with her during her stay at the Agency and found her always to be conscious of and responsive to the needs of Congress, and I know that many of my colleagues share that observation.

Actually Jo had amassed considerable experience in both the executive and legislative branches, having served on the Senate side and at EPA previously, before moving again to the Agency in 1983.

She served as Senator Howard Baker's representative on the professional staff of the Environment and Public Works Committee from 1981 until her EPA appointment. As a member of the committee staff, she developed amendments and new initiatives in hazardous waste legislation, including Superfund and the Resource Conservation and Recovery Act [RCRA]. She was also involved with oversight of environmental research, the Tennessee Valley Authority, and all other environmental legislation before the Congress.

Before joining Senator Baker, Jo served with the EPA from 1968 until 1981, during which she worked in a wide range of environmental activities, including coordination of program planning and budget for research related to hazardous waste, drinking water, and ground water; development of agency policy on population exposure to environmental contaminants; and evaluation of transportation control strategies.

With her 17 years of service in the Federal Government, Jo Cooper will obviously bring a wealth of valuable experience to her new duties with the American Paper Institute.

She has left her mark indelibly on the Environmental Protection Agency, and she can take great satisfaction in knowing that during her service with the Agency, she truly made a difference. I wish her the very best as she leaves Government service for a new career.●

THE JEEP GETS A NEW ADDITION

HON. MARCY KAPTUR

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 25, 1985

● Ms. KAPTUR. Mr. Speaker, for nearly five decades, my district has proudly provided the American public, the national defense, and the world with one of the most durable, quality vehicles ever produced. The Jeep, Mr. Reliable, has long been a symbol of American strength and resourcefulness. This week, the Jeep gets a new addition to its family. On Friday, American Motors, Jeep Division, headquartered in Toledo, will be celebrating the initiation of a new product line. The first Comanche, a light pickup truck, will roll off the assembly line ushering in a new era for one of the best known names in automotive manufacturing. This is the first entry by Jeep into this product line.

Because American Motors has made a commitment to building this product in America, 1,000 new jobs will be created in my district. Comanche symbolizes a new confidence in the future of American automotive manufacturing and in the industrial Midwest. It is a big step in the right direction not only for the economy of my district, but for the economy of the entire region as well. We love the logo "Made in U.S.A."

I know my colleagues join me in applauding those in management and labor responsible for this important business expansion—taking place right here in America. To the management of American Motors who made this positive decision and to the workers who will be turning the idea into reality, my colleagues and I in the House of Representatives offer our congratulations. We wish you the best of luck in the future. The Jeep's rich history is a solid foundation on which to build for tomorrow.●

CHINESE STATEMENT ABOUT TAIWAN

HON. MICHAEL G. OXLEY

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 25, 1985

● Mr. OXLEY. Mr. Speaker, this past May, Hu Yaobang, Secretary General of the Chinese Communist Party, publicly stated that Beijing "might consider a military attack against Taiwan in the next decade." He went on to say:

> We have to wait until our economy is on the right track, military power is based on economic power. In 7 to 10 years time, we may enjoy a strong economy equipped with modernized defense power. By then, if most Taiwan people wish to return—to the mother country—and only a few saying no, we will have to use some force on them.

I find these statements most disturbing. This past November, I led a congressional delegation to Taiwan where I met with President Chiang, Prime Minister Yu, and other top officials. I witnessed, firsthand, how Taiwan has developed into a world industrial power. During 1984, the Republic of China on Taiwan recorded a high 10.92 percent economic growth. Unemployment in Taiwan is a mere 2.5 percent. The per capita income in Taiwan has increased sixtyfold since 1949, standing presently at $3,400 compared to Mainland China's per capita income of $500.

Unlike most other developing nations, Taiwan's wealth is well distributed. There is virtually no abject poverty on the island. Some 99.8 percent of the homes have electricity and most have televisions and telephones.

Education is vitally important in the Republic of China. Illiteracy is almost nonexistent; 99.8 percent of all children go to public schools and more than 40 percent go on the college.

Elections are held regularly and in a recent election, 63 percent of the population voted. I was in Taipei during the 1983 elections and observed firsthand the election process. This is an excellent turnout where there is no coercion to vote. The judiciary is independent of political control. People travel freely within the country, live and work where they like, and dress in styles that please them.

The Taiwan Relations Act passed by this legislative body stipulates that—

Enactment of this act is necessary to make clear that the United States decision to establish diplomatic relations with the People's Republic of China rests upon the expectation that the future of Taiwan will be determined by peaceful means and to consider any effort to determine the future of Taiwan by other than peaceful means, including by boycotts and embargoes, a threat to the peace and security of the Western Pacific area and of grave concern to the United States.

The Republic of China on Taiwan has many friends in the United States who are interested in her future. It is important to emphasize that Taiwan is not only doing things right economically; its political development is also far ahead of most Third World Nations. Comments such as those stated by Secretary General Hu Yaobang do not go unnoticed, and are not condoned.●

TRIBUTE TO NICHOLAS ONOFARO

HON. BOB EDGAR

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 25, 1985

● Mr. EDGAR. Mr. Speaker, I rise today in tribute to Nicholas Onofaro, a constituent of mine from Springfield, PA, who recently retired as president of the United Electrical, Radio, and Machine Workers of America (UE) District No. 1.

Nick's entire adult life has been dedicated to the labor movement and his record of accomplishments proves this point. He served his union in many capacities: union steward, chief steward, general committeeman as well as local president and district president. He has also served as an international vice president.

A 43 year employee of Westinghouse Electric Co.'s plant in Lester, PA, even in the face of the many attacks and hardships his union endured, Nick has played an active role in shaping UE. Although retired, he continues to participate in the struggle to improve the conditions of working people in my congressional district and throughout the Nation. His example continues to serve as a foundation for the many others who will follow him.●

ADVERSE ACTION APPEAL RIGHTS FOR POSTAL EMPLOYEES

HON. MERVYN M. DYMALLY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 25, 1985

● Mr. DYMALLY. Mr. Speaker, today I am introducing a piece of legislation which corrects what I believe to be a basic inequity in the laws governing adverse action procedures for certain employees of the U.S. Postal Service. This bill is the second measure I have introduced this year which attempts to ensure that Federal and postal employees have access to a fair and objective review of an adverse action.

At the beginning of the 99th Congress I introduced H.R. 917, a bill which extends to certain excepted service employees in executive agencies the same due process procedures in an adverse action situation which are currently afforded competitive service personnel and veterans preference eligibles in the excepted service. Under chapter 75 of title 5, United States Code, the latter groups of employees are entitled to procedural safeguards and the right of appeal to the Merit Systems Protection Board when faced with a removal, long-term suspension, reduction in grade or pay, or short-term furlough. In sharp contrast, nonveteran excepted service employees have none of these due process rights, even though many of them serve many years in the civil service. They may be summarily dismissed without any recourse or any way to defend themselves against arbitrary and capricious actions by their employing agencies—short of taking their case into Federal court.

After conducting an extensive review of adverse action procedures Government-wide, it came to my attention that another group of employees did not have access to an independent review of such an action. In the U.S. Postal Service, supervisors and managerial personnel such as Postmasters who are not preference eligibles may not appeal an adverse action outside of the agency hierarchy. While the Postal Service has established an internal appeal procedure for these supervisors and Postmasters, I fear that this structure does not lend itself to objectivity and impartiality—the cornerstones of a fair appeal.

My legislation amends title 39, United States Code, to allow certain Postal Service employees who are not covered by collective bargaining agreements the right to appeal an adverse action under chapter 75 of title 5, United States Code. Stated simply, all supervisors, Postmasters, and other managerial officials will be entitled to the same review of an adverse action as veterans preference eligibles in these positions, including the right to request a hearing before the Merit Systems Protection Board. I would like to point out that chapter 75 covers conduct-related adverse actions only; it does not govern performance-related actions or reductions in force.

I am happy to report that H.R. 917 has received widespread support. At a time when Government employees are faced with unprecedented attempts to reduce their pay and benefits, I am pleased that many of my colleagues still recognize the contributions of our civil servants and are supportive of their basic right to protect themselves from arbitrary personnel actions. I hope that this companion bill to H.R. 917 will be viewed favorably, as well.●

ANTHONY YEN, A FINE BUSINESSMAN

HON. MARY ROSE OAKAR

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 25, 1985

● Ms. OAKAR. Mr. Speaker, I would like to take the opportunity to recognize business and civic leader Anthony Yen of Cleveland. In May, Mr. Yen received the Cleveland Growth Association/Cleveland World Trade Association International Business Executive of the Year 1985 Award. Seldom have I known someone more qualified for this distinction. Mr. Yen has faithfully served his local and national business community with excellence and professionalism. Today I join with President Reagan, the State of Ohio and the city of Cleveland—who have already congratulated Mr. Yen.

Anthony Yen has contributed significantly in promoting international trade. He has devoted his time to greeting foreign trade representatives to our country, and leading trade delegations to many countries overseas. In pursuing international trade so vigorously and effectively, Mr. Yen has demonstrated the roll-up-your-sleeves approach that we need so much to alleviate our burdensome national trade deficit.

In addition to his role as an international businessman, Tony Yen has loyally served his own community. His commendable service to the Cleveland World Trade Association of the Greater Cleveland Growth Association, and

other organizations, clearly attests to this service.

With a great deal of satisfaction and pride I join in recognizing and honoring this great American who has served so well his country, his city, and his fellow citizens. Congratulations, Mr. Yen.●

TRIBUTE TO SEVENTH DISTRICT RESCUE SQUAD OF AVENUE, MD

HON. ROY DYSON

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 25, 1985

● Mr. DYSON. Mr. Speaker, I rise today on behalf of the Seventh District Rescue Squad of Avenue, MD, which will celebrate its 25th anniversary on July 13, 1985. In honor of this celebration I would like to take a moment to praise this organization for the protection it provides and the services it renders to the community of Avenue. This rescue squad is one of thousands around the country that serves as a vital, sometimes lifesaving link between the community and medical facilities which are oftentimes many miles away.

I have read many letters-to-the-editor, in the local papers of my district, and I am sure that each of my colleagues have read similar letters in their local papers, thanking the members of the local rescue squad for their kindness in all circumstances.

The Seventh District Rescue Squad of Avenue, MD, provides a service to that community which makes it a better place to live. The citizens of Avenue know they can count on their team of rescuers in any time of need. For this and for all that they do, I salute them.●

OUTSTANDING LABOR LEADER: PETER J. RYBKA

HON. JOHN J. LaFALCE

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 25, 1985

● Mr. LaFALCE. Mr. Speaker, I wish to take a moment to commend the record of an outstanding labor leader from my home area of western New York State. Peter J. Rybka has served the labor movement for over 50 years, beginning as a steward in 1933 and working through the ranks to a position on the national executive board of the Maritime Trades Department and the vice presidency of the American Federation of Grain Millers International, a post he held for 24 years.

During those years of dedicated service, Mr. Rybka has held virtually every key union position. He has been a recording secretary, business representative, and labor consultant for the Grain Millers Local 110. He also served as a member of the War Manpower Commission during World War II, on the executive board of the Buffalo AFL-CIO Council since 1941, as a delegate to both State and national AFL-CIO conventions, as president of the Feed Mill Workers Federal Credit Union and, even in retirement, holds the position of local president of the American Federation of Grain Millers Retirees.

In the political arena, Pete was elected a councilman-at-large of the city of Buffalo in 1947, receiving a record vote total; he later rose to the position of majority leader of the council. Mr. Rybka has served on community boards and councils too numerous to mention and has received many community awards in recognition of his service. Among those honors are the Bishop Edward Head Award for labor management skills (1974), the Am-Pol Eagle Citizen of the Year designation (1976), the Maritime Trades Award (1979), the Labor Perspective Award (1979), and recently his induction into the Labor Leader Hall of Fame by the AFL-CIO.

The breadth of elected positions and community honors Peter J. Rybka has earned illustrate clearly that he has made an extraordinary contribution to the quality of life of thousands of working men and women and that our entire western New York community has benefited greatly from his dedication and perserverance. In recognizing Peter J. Rybka today, we recognize a great labor leader and a true gentleman.●

PERSONAL EXPLANATION

HON. MICHAEL G. OXLEY

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 25, 1985

● Mr. OXLEY. Mr. Speaker, I was unavoidably absent from the House proceedings on Friday, June 21, 1985, due to official business in my district. Had I been present, I would have voted "yea" on rollcall No. 182, "present" on rollcall No. 183, and "yea" on rollcall No. 184.●

TRIBUTE TO EDWARD ROSENBLUM

HON. MICHAEL D. BARNES

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 25, 1985

● Mr. BARNES. Mr. Speaker, on June 30, 1985, Edward (Eddie) Rosenblum will receive the Leo Bedlock Humanitarian Award, given by the Jewish War Veterans of the U.S.A., Lt. Harold E. Greenburg Post 692.

This award is richly deserved, for Eddie Rosenblum, through his countless contributions to the Jewish community and to the field of athletics, has touched the lives of millions in a special and lasting way.

The following appreciation of this great veteran and sports enthusiast, which appeared in the Montgomery Journal recently, only tells part of the story. There is no way to do justice to the life of Eddie Rosenblum in a few paragraphs, or to imagine how one individual could accomplish so much—even in 92 years: setting up the Young Men's Hebrew Association (now the Jewish Community Center of Washington); founding the Amateur Athletic Union [AAU]—later to become the National Collegiate Athletic Association [NCAA]; aiding in Eastern European recovery efforts after World War I; and organizing USO programs in Washington during World War II—to say nothing of his many activities on behalf of the U.S. Olympic Committee, B'nai B'rith and many other organizations.

It is indeed a privilege for me to represent Eddie Rosenblum in Congress.

The Journal article follows:

VETERANS POST SAYS THANKS TO SPORTSMAN

(By Mark O'Hara)

Sometimes we forget to say thank you.

Then many times it's too late.

Lt. Harold Greenberg of the Jewish War Veterans of the U.S.A. Post 692, isn't going to make that mistake.

Next Sunday the post is going to say thank you to Eddie Rosenblum at a breakfast in his honor by giving him the Capt. Leo Bedlock Humanitarian Award.

The Bedlock Award is presented to those who believe wholeheartedly and most sincerely in the dignity of their fellow man and personally obligated themselves to the task of improving the welfare of mankind by easing the pain or suffering."

Steep requirements, but Rosenblum had no trouble qualifying.

Born in New Jersey, Rosenblum moved to the Washington area to attend George Washington University Law School before he became a practicing attorney. Neither are credentials for the Bedlock Award.

Those came after he returned home from World War I.

Rosenblum believed that athletics was a great way for underprivileged children to learn and prepare for adult life. He helped found the Amateur Athletic Union in the Washington area, along with creating the Young Men's Hebrew Association, which became the Washington Jewish Community Center.

"Eddie has been a sportsman all of his life," said Albert Lerner, commander of Post 692. "He started to organize baseball teams and then all sorts of sports. As it grew bigger and bigger—the groups grew from 36 to more than 140 members—it became the YMHA.

"When he came home from World War I, he was watching some boxing and he wondered why we didn't have an athletic amateur group and he formed the AAU. He was president of that for some time."

There is no question that boxing was one of Rosenblum's favorite sports. He was still

helping the sport in the area in the 1970s when boxing was struggling.

"Speaking to Mr. (Jim) Evans, who is one of the ring group, he told me that there are so many different boxers that can say it if wasn't for Eddie not only wouldn't they have been in the ring but they would never have been recognized," Lerner said.

"When I was chairman of the Boxing Committee for the Potomac Valley (AAU), Eddie was very instrumental in helping me carry out the program," Jim Evans said. "He helped me build it from one club up to about 25 at that time; that was back in the 1970s.

"He was very interested in boxing. Maybe you don't know but Eddie was there when President Roosevelt signed the bill to legalize boxing in Washington, D.C. I was president of the Washington Boxing Hall of Fame a few years ago and Eddie Rosenblum presented to me one of the pens Roosevelt used to sign that bill. We have that down at the Touchdown Club now.

"Years ago when the bill was signed and the old Times-Herald was around, they sponsored boxing quite a bit, but since those groups got out of it boxing has been in a kind of limbo and we're going to build it up now into a good amateur program," Evans said.

Rosenblum has been elected to the Washington Boxing Hall of Fame, and he was present when Muhammad Ali, then Cassius Clay, won his Olympic gold medal and has also traveled with the United States Olympic Committee to several Olympics.

There were more than just sport contributions. After World War I, Rosenblum remained in Europe to help with the recovery operations to aid Eastern European communities that were victims of Russian programs. He also helped feed and relocate displaced persons. When World War II came, Rosenblum was at it again. Along with Monseigneur Thomas Dade, they organized USO programs in the Washington area during World War II.

Eddie Rosenblum will receive the Bedlock Award next Sunday at 10 a.m. at the Crowne Plaza Hotel in Rockville. It will also be a belated birthday party—he was 92 years young on June 1.

Happy birthday.

And more important, thank you.●

DEFENSE OF SATELLITES

HON. GEORGE E. BROWN, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 25, 1985

● Mr. BROWN of California. Mr. Speaker, yesterday I inserted in the RECORD some comments about the next generation of technologies having potential as antisatellite [ASAT] systems, and quoted at some length from the Defense Department publication "Soviet Military Power, 1985," describing Soviet progress in these technologies. A key observation in this report, which I would like to quote again, was the following:

The Soviets apparently believe that these techniques offer greater promise for future antisatellite application than continued development of ground-based orbital interceptors equipped with conventional warheads.

Today I would like to make a few comments about satellite survivability and to quote one respected scientist, Dr. Robert Jastrow, who is a strong supporter of space defense systems, about the feasibility of defending our existing space assets.

First, I should like to make it quite clear, in the most emphatic terms, that the Soviet co-orbital ASAT does not constitute a serious threat to our space assets, even if it worked perfectly; and it has failed to work at all in its last series of tests, and has succeeded only about 50 percent of the time in its total test program. Even if it worked perfectly, it could not reach any of our critical early warning, communication, nuclear blast detection, or navigational satellites. It can reach, but not threaten, our low orbit observation and weather satellites, if these are designed for survivability, as described by Jastrow below.

As to our own proposed MHV—ASAT, it is equally limited in its threat. It is not able to reach very many of the critical Soviet satellites, and the GAO has indicated in earlier reports that, when fully deployed in the early 1990s, it would meet only 25 percent of the DOD's stated mission requirements. Its highest priority targets would be the low-orbit Soviet EORSAT and RORSAT, which are assumed to have naval targetting capabilities. Naval flag officers with whom I have discussed this capability state that conventional ECM—electronic countermeasure—procedures can be used to protect naval vessels from this threat.

Mr. Speaker, my colleagues and I, who support a moratorium on ASAT testing and a real and sincere effort to reach agreement with the Soviets on keeping weapons out of space, are equally eager to provide defense against attack and other survivability features for our own satellites. We support an amendment by our colleague, Congressman HOYER of Maryland, to provide additional funds for that purpose.

Mr. Speaker, I include below a few paragraphs from Dr. Jastrow's recent book discussing satellite defense and survivability.

HOW TO MAKE NUCLEAR WEAPONS OBSOLETE

(By Robert Jastrow)

The same circumstances that make a satellite a tempting target for destruction by one superpower also make it a valuable asset to the other, and one to be defended at all cost. Fortunately for the side that is trying to protect its satellites in this contest, a satellite can be defended very well. It is sometimes said that satellites are very vulnerable to attack, more so than missiles. However, the reverse is true. A ship cannot be armored too heavily and still stay afloat; a missile cannot be loaded with too much shielding, or it will not get off the ground, but a satellite in orbit is weightless and can be armored as heavily as necessary, within reason, without adverse effects on its performance. A satellite can also be armed with its own weapons, to destroy any intruding satellite that approaches within lethal range. It can shoot down smart bullets with its own smart bullets. And it can be supplied with onboard rocket engines and a large supply of fuel, so that it can maneuver out of the path of an intruder.

Critical satellites can also be protected by placing them in very high orbits, out of the adversary's range. It would take several hours for a killer satellite or a smart bullet to climb 22,000 miles to the altitude of a geosynchronous satellite. That long period gives threatened satellites plenty of time to draw a bead on the approaching killer satellite and destroy it. Or, if the approaching intruder is a smart bullet that seems to be homing in with radar or heat detectors, the satellite under attack can wait until it is quite close and then nimbly step aside. Smart bullets have a limited maneuvering ability; they cannot make a sudden change of course to follow a last-minute change of course by their quarry.

An even greater measure of protection can be obtained by placing key satellites in orbits halfway to the moon, which could take the adversary's killer satellites twelve to twenty hours to reach. Some of the most important battle-management satellites, which would coordinate our defending satellite forces in the event of a massive Soviet missile attack, may be placed in these so-called cislunar orbits.

A satellite could also be protected at any altitude by the methods bomber and fighter pilots use to foil the enemy in aerial combat. If a smart bullet homes in on the satellite with a heat-sensitive instrument, a warm decoy can be tossed out to the side to distract the instrument. If a satellite senses it is being probed by a radar beam—indicating that a killer satellite is stalking it—the satellite under attack can analyze the radar beam and send back spurious pulses that tell the killer satellite, "I'm not here, I'm over there."

Some of these stratagems can also be used by Soviet missiles to evade our defense. Decoy warheads—lightweight imitations of the real warhead—are a particularly useful ploy because we must find a method of discriminating between the decoy and the real warhead, or waste our resources by trying to shoot down everything in sight. However, the number of decoys a missile can deploy is limited by the fact that the missile must rise up against gravity; it cannot carry too much excess baggage in the form of decoys or any other protective device. A satellite, being weightless in orbit, does not have this restriction.

Instruments to detect an adversary's attempts at mischief—the probing radar beam, the laser beam, or the hit scored by a smart bullet—are being installed on U.S. military satellites now under construction, so that in the future we will know when our key satellites have come under attack.

The newest satellite models also are being hardened or protected against the effects of nuclear explosions in space. These explosions generate a pulse of electrical voltage that can burn out radios and hair dryers across a continent and also put a nation's entire satellite fleet out of action. Some defense experts believe that nuclear explosions in space, disabling our satellites by damaging their electronic circuits, will be the first step in a nuclear attack on the United States. However, a thin metal casing around the critical electronic parts can shield the satellite from this effect. Increas-

ing reliance on fiber optics—thin glass wires that replace the electronic circuits in satellites by using pulses of light instead of electricity—can eliminate that problem entirely.

Proliferation is another stratagem available to the defense for the protection of its satellites. This means, for example, putting a silent spare in orbit, which never reveals its presence to the adversary by talking to receiving stations on the ground, but only talks to other American satellites. Hidden in space, the silent spare is instantly available to take over the duties of a satellite that has been hit.

Armor, guns, maneuverability, spoofing, proliferation—these are time-honored methods for protecting valued military assets. They have not been used in space because no one is shooting at today's satellites yet. Tomorrow's satellites will be another story.●

FAILURE OF THE MIND

HON. ROBERT K. DORNAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 25, 1985

● Mr. DORNAN of California. Mr. Speaker, I have on many occasions risen in defense of the foreign policy of the United States against those colleagues of mine who feel the need to blame America first for the woes of the world. These colleagues decry nearly every foreign policy action that the president takes and continually compare our actions with activities of the Soviet Union. These vicious attacks try to portray the United States and the Soviet Union as "moral equivalents." I have argued long and hard that there is a sharp difference between the slave-masters in the Soviet Union and the democratically elected presidents of the United States. There is a difference in circumstances, intentions and results. But I have never been able to put it quite so eloquently as Philip Gold has done in today's Washington Times. As Mr. Gold points out there is a obvious difference between Afghanistan and Grenada. if we cannot make the distinction between these two invasions, then as Gold puts it, "there is no essential difference between what a bridegroom does on his wedding night and what a rapist does in an alley." Mr. Speaker, I submit Mr. Gold's article for the Record and encourage every Member of Congress to read this truly insightful piece. Some of you should commit it to memory.

FAILURE OF THE MIND

The argument has been around for quite some time. It is currently known as "moral equivalence," and consists of a single assertion that there is no fundamental difference between the global roles and actions of the United States and those of the Soviet Union and its surrogates.

Many different types of people make this argument. Some are simply professional American-haters, working out. Others, rather often the aging residue of the '60s New Left, have a more personal stake; they have the past to come to terms with, and "moral equivalence" helps them evade the obligation of mature introspection.

Still others on the contemporary left, having despaired of ever justifying communism on its merits, now try to do it by the novel technique of blanket condemnation. As a rule, these are also the folks who manage to explain away communism's outrages while simultaneously demanding that the United States adhere to impossibly high standards of international morality (assuming that slow suicide can be so designated). And still others merely wish to be shocking.

I no longer take the time to argue with the "moral equivalence" crowd life being short and indifference as good a response to irrationality as any.

On occasion, I even agree. Of course, there's no essential difference between Grenada and Afghanistan: both were invasions. True, just as there is no essential difference between what a bridegroom does on his wedding night and what a rapist does in an alley. After all, it's the act that matters, not the circumstances, or intentions or results (some feminist would no doubt agree).

But more often these days, when encountering "moral equivalence," I find myself thinking of a little-known book I discovered in graduate school, a short book written by a truly great man.

The name Marc Bloch means nothing to most Americans. By profession, Mr. Bloch was medievalist at the Sorbonne, one of the leaders in his esoteric field. But Mr. Bloch was also a soldier. He fought in World War I, winning a battlefield commission and four decorations for courage under fire.

When World War II broke out, Mr. Bloch refused the mobilization exemption he rated as a man in his 50's and the father of four minor children. But because he had neglected his reserve training, he was recalled at his old rank. He was, he liked to claim, the oldest captain in the French Army.

Following the German victory, Mr. Bloch went home. He spent the summer and fall of 1940 writing a book which he probably never expected to see published. The book represented his private attempt to understand the catastrophe. He entitled *it Strange Defeat.*

According to Mr. Bloch, the French disaster had been primarily a failure of mind: not simply of the military mind, but of the entire national intellect. True, the Germans had thought out and implemented a new form of warfare while the French had remained addicted to outmoded concepts and techniques. But, Mr. Bloch discerned a greater failure—a national inability to understand that, whatever the flaws of French society, there was a basic difference between them and their enemies.

As Mr. Block wrote of the "moral equivalence" of his day.

"They said that French capitalism was a hard taskmaster; and in that they were certainly not wrong. But what they forgot was that victory for the totalitarian regimes would be bound to lead to the complete enslavement of the workers. . . .They taught, not without reason, that war builds up a mass of useless destruction. But they omitted to distinguish between a war which men have deliberately undertaken and a war imposed from without, between murder and legitimate self-defense. . . . They maintained that war is the concern of the rich and powerful, that the poor should have nothing to do with it. As though, in an old society, cemented by centuries of a shared culture, the humble are not always, for good or ill, constrained to make common cause with the mighty. They whispered—I have heard them—that Hitler was not nearly so black as he was painted. . . . How, I wonder, do these noble apostles feel today?"

After finishing *Strange Defeat,* Marc Bloch joined the resistance. Four years later he was captured, tortured, and executed, his death as much the result of the "moral equivalence" of his countrymen as of a Nazi firing squad. He left as his intellectual legacy a half dozen volumes of medieval history, all now classics in the field.

And one small book of perhaps a broader relevance.●

VIETNAM VETERANS' FORUM

HON. BOB EDGAR

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 25, 1985

● Mr. EDGAR. Mr. Speaker, I want to bring to the attention of the Members of the House of Representatives the testimony of James Foster of the San Francisco Health Commission at a recent Vietnam Veterans' Forum held by the House Veterans' Affairs Subcommittee on Hospitals and Health Care. His testimony is an eloquent statement of how a dedicated health department is attempting to meet the health care needs of some of our most unfortunate citizens; those who are homeless and often suffering from physical and mental illnesses and those who are aging. The difficulties he describes are to a large extent results of the reductions in health care funds and major shifts in the emphasis of Federal support for health care and health care funding for the medically indigent.

I am pleased that H.R. 505, a bill I introduced and which hs been passed by the House, responds to some of the needs expressed at the forum and by Mr. Foster with regard to encouraging the VA and communities to work together to meet health care needs and to improving opportunities for non-institution-based health care. The testimony of Mr. Foster follows:

THE DEPARTMENT OVERVIEW

(By James Foster, San Francisco Health Commission)

I am speaking today on behalf of the City and County of San Francisco, and its Department of Public Health, as well as on behalf of its residents who require our services.

These are both exciting and difficult times in health care, whether the issue is the outbreak of AIDs, the crisis in Mental Health Services, or the profound changes in the reimbursement strategies being adopted to contain health care costs.

The mission of the San Francisco Department of Public Health is to provide leadership in health systems improvement, promote a safe and healthful environment, and provide a high quality continuum of efficient and effective health care services which address the preventive and curative health needs of San Francisco residents.

In addition to this basic philosophical commitment, the Department operates within certain legal mandates to provide services. Most notably Sec. 17000 of the California Welfare and Institutions Code, which mandates indigent care services.

San Franciso's Department of Public Health has one of the broadest scopes of programs of any county in the country. The Department discharges its responsibilities through a comprehensive and integrated health care delivery system that includes San Francisco General Hospital, Laguna Honda Hospital, Community Mental Health Services, Community Substance Abuse Services, Forensic Services, Emergency Medical Services, Community Public Health Services, and a wide range of programs that cut across specific service boundries.

In the provision of health services, the Department frequently works in cooperation with other governmental and private agencies.

Examples of cooperative working relationships that have resulted in the development of new program areas are; the Office of Senior Health Services has worked closely with the Commission on Aging, the Department of Social Services, the Downtown Senior Center and the San Francisco Housing Authority to develop a comprehensive range of health and social services for senior residents in San Francisco. The dramatic outbreak of AIDS required an unprecedented and immediate response involving a diversity of health and social support services: The AIDS Activity Office has been responsible for coordinating services with the Department of Social Services, AIDS Foundation, Haight-Ashbury Free Clinic, Garden Sullivan Hospital, Hospice of San Francisco, Shanti Project and the AIDS Health Project. The Department was recently awarded a $1.4 million grant from The Robert Wood Johnson Foundation and Pew Memorial Trust to provide health care to the homeless, a project that is the product of joint efforts of the Department, The Mayor's Task Force on the homeless and a broad array of community agencies providing services to the homeless.

SF HOMELESS—PROBLEM STATEMENT

Despite repeated efforts to estimate the numbers of homeless persons in San Francisco, it is not known how many people are actually homeless in the city. It is evident, however, that the number of homeless persons has dramatically increased in recent years.

Surveys of persons using the emergency shelters revealed some demographic characteristics of the persons using emergency shelters, and these have been submitted for your review. Although surveys indicated varying percentages, it is clear that 30 percent to 50 percent of the homeless people using emergency shelters are veterans, although veterans only comprise 11 percent of the general population.

In a recent study entitled "The Challenge to The V.A. Health System" authored by Donald L. Custis, M.D., former Chief Medical Director of the V.A. in which he states that when the mandated means test was last applied, "over 98 percent of the non-service connected patients were indeed in the poverty class". Currently one-half of all VA health care systems outpatients and two-thirds of all inpatients are veterans with non-service connected disabilities.

We would like to note that all care for non-service connected veterans is contingent upon space and resource availability. We, as county providers "of last resort", however, are seeing an increasing number of indigents of which a large population are homeless veterans, and upwards of 70 percent of these veterans manifest disabling conditions. It is obvious that further budget reductions in the VA will result in further "dumping" of indigent veterans on an already overloaded county health system.

The homeless in San Francisco suffer from a wide array of severe medical and mental health problems. Although estimates of the homeless population in San Francisco conservatively range from 3,500 to 4,000 individuals (or under .06 percent of the general population), the homeless account for at least 7.7 percent of the admissions to San Francisco General Hospital. Many of these patients are hospitalized multiple times, often for the same related diagnosis. A survey of homeless patients admitted to San Francisco General Hospital during the 1st quarter of 1983 indicated 58.4 percent were admitted for medical or surgical problems and 41.6 percent were admitted for psychiatric problems. The morbidity of the health problems affecting the homeless is enormous. Based on the survey of inpatients at SFGH, a minimum annualized cost of inpatient care for homeless patients in 1983 exceeded $7,850,000. Despite the heavy utilization of services by the homeless and the substantial economic toll that the homeless place on local health delivery systems, there are serious questions as to how adequate the medical and psychiatric services available to this population are. The striking proportion of medical and psychiatric admissions for problems easily treated on an outpatient basis (cellulitus or schizophrenia, for example), and the high rates of repeated admissions for similar problems, suggest a utilization pattern for a system that may be ineffective. A pilot program offering some clinical care in the shelters has recently begun under a generous grant from The Robert Wood Johnson Foundation and Pew Memorial Trust, and the Department is now working closely with shelter providers in the community to provide screening and primary care at the shelter sites.

CURRENT LEGISLATIVE INITIATIVES

Recently there have been several attempts to respond to the homeless crisis on the part of Congress.

The Committee on Government Operations, chaired by Congressman Weiss, has recently published a report entitled "The Federal Response To The Homeless Crisis".

We concur with the committee findings: (1) The magnitude of homelessness is a national emergency; (2) the federal response has been inadequate; and (3) the homeless population has become more heterogeneous; and we concur with the committee recommendations, especially:

(A) The President should issue an executive order to all federal departments and agencies, declaring homelessness a national emergency and directing all federal programs to expedite assistance to homeless Americans through outreach and any other available means.

(B) The Congress should appropriate funds for shelter demonstration projects offering emergency shelter, food, medical care, psychiatric care and employment counseling for individuals and families.

Comments on dissenting views

We do not see an inconsistency between having the federal government take the lead in providing assistance and seeking solutions, and having the most meaningful, long-term response being provided at the local level by local governments, private organizations, and families.

As noted in the dissenting views, the director of the Federal Interagency Task Force, Dr. Veith, noted "reflects an emphasis on community initiative and responsibility in partnership with federal technical and material assistance". We in San Francisco find immense community initiative and seek that "partnership" with federal technical and material assistance.

H.R. 1526—Weiss "Homeless Emergency Relief Act of 1985": We consider this to be a model bill in response to the crisis, however, we also require longer term methods of coordinating federal, state, and local resources to manage those persons who, by virtue of age, disability, or chronic conditions may require a continuum of services on a long term basis. The aging veteran population is one example of a group that may require more resources than any one level of government can provide.

S-6—Cranston "Veteran Administration Health Care Amendments of 1985"; S-876—Murkowski "VA Health Care Programs improvement Act of 1985": The Cranston bill introduces pilot programs for case management and research in providing non-institutional care to promote a better understanding of the most appropriate mix of needed services.

The second area of research included in the Cranston bill involves VA-community interaction and cooperation. The goal to exert maximum efforts to coordinate and integrate VA programs for the aging veteran with similar programs in the community at large in a fashion which will benefit both the VA and the community is most compelling, but we need to include all veterans in our communities and service patterns.

Similarly, the Murkowski bill introduces piloting programs that will allow improved quality of services, more appropriate services, and cost-effective services aimed at obviating the need for institutional care. The catch is ". . . to veterans who would otherwise be eligible for nursing home care . . .".

Eligibility criteria based on a "priority" system, and with a built-in contingency of space and resource availability is a mirage at best.

According to Dr. Custis, nationally the VA is currently turning away 20,000 veterans a month who are seeking treatment. (Pg. 3) Veterans denied access to VA medical care must either seek care in budget or public health systems, or receive no care at all until acute deterioration of their medical condition brings them to county emergency rooms. With budget cuts in VA health care, Medicare, and Medicaid; the states, and ultimately the countries are forced to be the "safety net."

EMPHASIS ON SOLUTIONS

The VA Department of Medicine and Surgery is the nations largest integrated comprehensive health system. It has an exemplary record of no growth in terms of inflation corrected constant dollars in its annual medical care budget for the past ten years. During this decade there was, however, a marked increase in productivity and economy. However, the costs of care and the budgetary priorities seem to indicate that we must cut back on veterans health care spending. This is an error that may be penny-wise and dollar foolish.

What makes more sense is to integrate and coordinate service planning activities on federal, state, and local levels to seek out cooperative and cost effective solutions rather

than further reducing a fragmented, overloaded, and inefficient non-system of care.

Pilot programs, joint ventures, demonstration projects and private/public collaboration activities need to be fostered and encouraged through funding and capital/in kind sharing incentives. Many times we will find pockets of expertise, specialization, and, yes, even duplication, which could be shared or, where there is duplication, reduce. Each level of govenment needs to identify liaison persons and offices with which others can network, share information, and plan cooperative activities, including private sector and community providers.

The leadership needs to come from all levels, integrated nationally, and priorites need to be established at each level. There are many areas where collaboration between the VA, Health Care Financing Administration, state, local, and community groups could be developed, and demonstrated, such as joint coordination of existing programs and pooling resources to develop new services.

Issues already identified include quantification of need, flow of patients between the VA and the community, clarification of the eligibility of veterans, especially non-service connected veterans with disabilities, the costs of indigent care and elderly imposed on community providers, and integration of planning and information systems so as to assist linkages between the various levels and systems.

SUMMARY AND CONCLUSION

The Department of Public Health in San Francisco is taking the initiative and offering to join with the VA, the federal government, state and local agencies, and community providers to develop coordination and linkages between service systems and levels of government for meeting our constituents' needs currently, and in the future. The evidence is abundantly clear that we are all at-risk in this era of budgetary deficits and shrinking resources. We are all struggling with similar problems, such as demographic changes, higher costs for personnel and technology, increasing caseloads, and diminishing revenues.

We seek to overcome the barriers to coordination and collaboration between the VA and local providers of health care services. At risk are the thousands of poor, sick, disabled, and elderly citizens who continue to flood our separate health care systems. The crisis is a national problem, both for the veterans and the poor, and only by sharing information, expertise, and resources, can we hope to meet the growing need.

The Department of Public Health would like to thank Congresswoman Boxer, Congressman, Edgar, and the other members of the Subcommittee for the opportunity to testify today, and we hope our input will inspire further federal efforts to support local initiatives.●

STATUE OF LIBERTY BILL, H.R. 47

HON. LARRY E. CRAIG

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 25, 1985

● Mr. CRAIG. Mr. Speaker, today, I stand to applaud the actions of the House. Over the last 4 years, Senator McCLURE and myself have worked hard and long to fight the efforts of the administration to sell silver from the national defense stockpile. It wasn't the disposal of the silver that was bothersome; it was the method of disposal.

I was adamantly opposed to the administration's proposal to sell 105 million troy ounces of silver currently held in the stockpile because I could not agree with the rationale that silver was not a strategic and critical material. In late 1981, the General Services Administration [GSA] put together a method to dispose the silver that consisted of an auction, held weekly, with 1.25 million ounces offered each week. The outcome was disastrous.

Only four sales were completed totaling about 2 million ounces out of 5 million that were offered. Three of the sale offerings were rejected because the bids were too low. But the real impact was the effect the weekly offerings had on the price of silver.

Silver dropped. How much? The price of an ounce of silver, before the auctions started was $12. After the first offering the price started to drop and when the decision was made to halt the weekly auctions because of a lack of qualified bids, the price of an ounce of silver had dropped to $8 an ounce. The Federal Government was displeased because they were unable to get a good price for the silver, but the real victims became the hard rock miners across the Nation and in my State of Idaho, who lost their jobs.

The fight started. Senator McCLURE and myself pulled out all the stops and successfully passed an amendment included in the defense appropriations bill that brought to a halt the sale of silver from the stockpile. While we realized the rationale behind the administration's feelings for disposing the silver, we could not agree on their method of disposal. This is why Senator McCLURE and myself have introduced legislation that requires that any silver disposed from the national defense stockpile be done by the minting of coins. The silver would be fabricated into 1-ounce silver bullion coins. The revenue would go back to the Federal Government for the use of purchasing strategic and critical materials.

In a study done by a reputable researcher, the results were supportive of our legislation to mint coins from the silver held in the national defense stockpile. The study included a survey that asked Americans if they would be interested in purchasing an American bullion coin priced in the $15 range. Overwhelmingly, the American public responded with enthusiasm about the opportunity of purchasing a 1 ounce coin made from silver. The bottom line is—the demand is there.

Mr. Speaker. This is why, I am applauding the action that the House had taken here today. With the passage of H.R. 47 as amended, silver coins will be minted from the national defense stockpile. The amendment to H.R. 47 allows the Secretary of the Treasury broad authority to develop a marketing program that will put the silver coin in the hands of the buyers that want the coins the most—the average person working nine to five.

Without the support of Mr. ANNUNZIO, the subcommittee chairman on coinage, Senator McCLURE's and my efforts would have been that much tougher. Mr. ANNUNZIO graciously agreed to allow the Statue of Liberty bill to be amended to include the silver coin language. This is extremely important to the primary mineral producers. It takes away the threat of another weekly auction that would dump silver on the market and cause irreconcilable harm to our primary metal industry.

Again, Mr. Speaker, I stand here today, thanking Mr. ANNUNZIO for his assistance; Senator McCLURE for his assistance; and the primary metal industry for their perseverance for waiting so long for a silver coin legislation to be passed.

The long haul was worth it. The fact that 1 ounce of silver coins will be minted from the national defense stockpile marks a new first. The Federal Government will benefit and our primary mineral industry can breathe a small sigh of relief.

Thank you, Mr. Speaker.●

JOHN BONADELLE

HON. TONY COELHO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 25, 1985

● Mr. COELHO. Mr. Speaker, I would like to take this opportunity to share with my colleagues an article focusing on Mr. John Bonadelle, one of Fresno's most accomplished citizens, which appeared in the Fresno Bee on June 16, 1985. For almost 40 years, John Bonadelle has significantly contributed to the development and enhancement of the Fresno community. Adopting the work ethics professed by his Swiss immigrant parents, John has devoted his adult life providing affordable housing for Fresno's ever-increasing population. A concerned Californian who takes an active interest in local politics, John also finds time to raise Ankole Watusi cattle and exotic birds. John Bonadelle is truly an exceptional individual.

The article follows:

JOHN BONADELLE

(By Jim Boren)

"He was his own worst enemy as far as the public was concerned. He contributed to the negative image. He was a little pushy and that caused him problems."—Jim Logan, former councilman.

Developer John Bonadelle recently told an acquaintance about an encounter he had in a Fresno store with a woman who wanted to know if he was truly John Bonadelle.

Yes, Bonadelle replied graciously.

Perplexed, the woman asked him again. Was he *the* John Bonadelle? Yes, he said, he was *the* John Bonadelle.

"Well," said the woman, "you're a real disappointment."

Bonadelle acknowledges in private conversations that people often are surprised to see that he doesn't fit the rough-and-tumble image that he has gained over the years.

In past battles with elected officials, professional planners and political enemies, Bonadelle has developed a reputation as a nasty street fighter. To many in Fresno County, his image is bigger than life.

But in a face-to-face meeting with Bonadelle, he appears friendly and somewhat folksy, one of the San Joaquin Valley's good old boys.

He's not some huge, cigar-smoking man who made his millions slyly subdividing the people's land. He's a short, thin man with a craggy face who became a millionaire through hard work and building affordable homes.

Not only does controversy follow Bonadelle around, but some contend that Bonadelle actually seeks it out. At social occasions, he seems to relish talking about the battles he has had over the years and how he is often maligned by the power structure and Fresno institutions.

Almost everyone has a John Bonadelle story. Fresno City College psychology instructor Kenneth Hallstone tells about meeting the legendary developer a few years ago at a fund-raiser for Fresno Councilman Chris Petersen.

Hallstone told Bonadelle that he invokes the developer's name each semester when he talks with his students about the hunger drive. Some people fill that need by eating at a greasy hamburger stand, while others, such as Bonadelle, would drive some distance to have a fancy $20 lunch, according to Hallstone.

"I asked the students what drive is operating that would cause Bonadelle to do that. I always used that vignette in class because Bonadelle owns this town."

But Hallstone said that when he met Bonadelle, he found him not to be the ogre he expected, but actually quite delightful.

"Bonadelle told me he loved eating in places like the greasy hamburger stand and then he went on to defend his viewpoint. He said he had given jobs to people—their first jobs. He used that to defend the non-union wages he pays his labor.

"I came away liking him a little more and also came away knowing once again that images and stories about people never seem to grasp the complexity of people."

Bonadelle also is unpredictable and seems to delight in confounding many of those he comes across.

For this profile, he refused a formal interview with The Bee, citing the newspaper's editorial page criticism of certain of his development proposals over the years.

But he answered a few questions posed in a brief telephone conversation. He also is quite friendly with Bee reporters in social situations and loves to talk about the battles he has had with the newspaper.

In 1968, he bought part of the now-defunct Fresno Guide in an attempt to compete with The Bee. In a statement at the time, he said he could not understand why The Bee would "advocate a go-slow policy on land development."

Bonadelle said The Bee had been carrying on a one-sided battle to intimidate him, but with the purchase of the paper, he said he was prepared to "meet and defeat each Bee sally."

Although friendly, Bonadelle remained adamant last week about not sitting down for an interview.

"Why would I now want to talk with you people?" Bonadelle asked a Bee reporter. "You've already cut my heart out and put it on the table. Now you want to kick it off the table."

Bonadelle's provocative statements generally seem to be made for dramatic effect.

Despite a somewhat negative public image, Bonadelle is a generous man, according to former Fresno Councilman Jim Logan, who worked for the developer for seven years.

"When I quit, he paid me a full year's salary," Logan said. "He treats people very well and they have a tremendous loyalty to him. I have nothing bad to say about that man."

Because of his public image, Logan said, people who don't know him tend not to like him.

"He was his own worst enemy as far as the public was concerned," said Logan, who now represents developers before public bodies. "He contributed to the negative image. He was a little pushy and that caused him problems. But once his projects were completed, they were excellent and everyone was pleased."

Logan said Bonadelle has mellowed in recent years and now realizes that public relations is important.

"As his kids have grown up and as his grandchildren have come along, he has definitely mellowed," Logan said.

Public relations consultant Paul Winter, who has known Bonadelle for more than 25 years, said he has never seen a better father than Bonadelle.

"Throughout the time Karen, Paula and John Jr. were growing up, he made it clear that they were an important part of his life," Winter said. "He would show them land he was developing and the projects he was contemplating. He let his kids share the vision."

Although Bonadelle goes to the office most days and is involved in various development projects, he says he is retired. The business is run by Bob McCaffrey, who is married to his daughter Karen; Jerry DeYoung, who is married to his daughter Paula; and his son, John Jr.

"I don't work," Bonadelle said. "This is pleasure. This is fun."

He said McCaffrey, DeYoung and John Bonadelle Jr. are equals in the business.

"I do everything that I can not to make a decision," the 67-year-old developer said during a brief telephone conversation. "I give them their space. They're honest, fair and sincere. They're trying to do their best."

Bonadelle constantly calls himself a "common man" who just wants to help "common people" by building homes they can afford and putting people to work to build those homes.

He has built about 10,000 homes in the Fresno area, according to one estimate, and his trademark has been to build homes that would be financially available in the greatest number of families.

Bonadelle said he never wanted to be rich.

"It just sort of happened," he said. "If I had to live my life over again, I would play more and work less."

As he has begun moving away from his business dealings, he has been spending more time at his cattle and exotic bird farm west of the Fresno city limits. He has imported Ankole Watusi cattle, an ancient African breed of the longest-horn cattle in the world.

But one wonders if Bonadelle would be capable of truly slowing down.

He has seemingly unending energy. Winter, Bonadelle's former public relations and advertising adviser, said the developer is up by 5 a.m. and has a full day's work done by the time he hits the office.

"Then he spends much of the day on the telephone," Winter said. "He is one of the most efficient people I've ever known at getting work accomplished on the telephone."

Winter said Bonadelle's father was the one who instilled the work ethic in him. The hard work that was to characterize Bonadelle's later life began on a Tulare County dairy farm.

His parents, John B. and Clementine Bonadelle, immigrants from Switzerland, purchased the farm about 1913, four years before their son was born. Bonadelle (he changed the spelling of his name when he began building houses) quit school in the seventh grade to work full time on the farm.

As a young man, he also tried prizefighting, although he never made the professional ratings.

Bonadelle came to Fresno in 1947 and began life here as a laborer. He married Pauline Clancetti in 1952.

Bonadelle's career as a builder and developer began to bloom during the growth spurt of metropolitan Fresno in the 1950s and early 1960s. He joined with builders Spalding G. and Richard G. Wathen of Headliner Homes in developing tract-home subdivisions in the early 1950s.

Later, he started his own home-building firm and built thousands of moderately priced tract homes in north Fresno and in Clovis.

"John would take every penny he had and shoot it on the next tract," a Bonadelle associate once said of the developer. "Most of us would want to save some, but he never doubted for a minute the market would be good. He never doubted there would be money."

A former Bonadelle employee said the developer never forgets those he thinks have wronged him. He recalls the feud that Bonadelle had with former Madera County Supervisor Jack W. Schmitz over development of rural land.

The battle between Schmitz and Bonadelle erupted into open argument some years ago at the Fresno Convention Center after the two had begun a sort of teasing banter that ended with the threat of a recall movement by Bonadelle against the supervisor.

A year later, a recall movement was begun, but there was never any solid evidence that Bonadelle was involved. The recall failed by a 6-1 ratio. But finally in 1978 Bonadelle got some semblance of revenge.

"He remembered those battles with Schmitz and he sure had a smile on his face when J. Gordon Kennedy defeated Schmitz by a mere 32 votes," the former employee said last week.

In 1971, Bonadelle's reputation as a behind-the-scenes political player began to dominate the headlines after Fresno County Planning Commissioner Heyward Moore Jr. charged that the majority of the Board of

Supervisors was controlled by Bonadelle. The majority of the board then fired Moore.

Moore went to court and although Bonadelle was not a party to the suit, his name dominated both the trial and the Superior Court ruling that reinstated Moore.

The late Superior Court Judge Matt Goldstein, in a 70-page ruling at the time, described Bonadelle as a "highly intelligent, knowledgeable and successful builder and real estate developer" who was "above all, a formidable adversary to those who blocked or stood" in his way.

"Bonadelle also practiced techniques in achieving his ends, which varied according to his purpose or the individual whose assistance and support he sought," the judge said. "With regard to elected officials, he made himself useful to those whose official actions were helpful to him. He relentlessly turned his wrath on those who opposed him.

"He was a generous purchaser of tickets to money-raising gatherings in the support of the election of board members who voted favorably on his requests. He also did favors for those helpful to him."

Through the years, Bonadelle's political reputation continued to increase.

"John Bonadelle is from the old hardball school of politics," said a former Fresno council member, who spoke only on the condition that he not be identified. "He is vindictive, carries a grudge and lives by the motto of rewarding friends and punishing enemies."

The former council member said Bonadelle uses all channels open to him when bringing a project to the city.

"He would negotiate with the staff and get the best deal possible," the former council member said. "Then he would try for another bite of the apple by going to the council and using his political influence to get a better deal."

Two politicians that have had recent public battles with Bonadelle are Clovis Mayor Peggy Bos and former Fresno County Supervisor Jeff Reich. Bos and Bonadelle tangled over a 70-acre subdivision in Clovis.

After being asked for her assessment of Bonadelle, Bos gave the following description:

"He is a persuasive, energetic individual who maintains a network of loyalty from major decisionmakers of this area. The loyalty is based on his generous, social personality and his significant financial contributions.

"He is a coercive gentleman."

Reich would not return The Bee's phone calls on the subject, but during a Local Agency Formation Commission meeting in 1983, his feud with Bonadelle erupted publicly. Reich called the developer a "grand master at political manipulation and propaganda."

Councilman Chris Petersen, who is in his first term, said Bonadelle has almost legendary status around City Hall. But Bonadelle has not used his standing to pressure him, the councilman said.

"He has contributed to me, but he has never approached me [for favors]," Petersen said. "Most of what he proposes these days seems to be pretty standard stuff."

Petersen said he was surprised at his first meeting with Bonadelle.

"When you meet him face to face, he looks like everybody's grandfather."●

PROTECTING AIR TRAVELERS

HON. HENRY J. NOWAK

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 25, 1985

● Mr. NOWAK. Mr. Speaker, all civilized human beings share grief and anger in the wake of incidents like the hijacking of TWA flight 847 and the Air India jumbo jet explosion over the Atlantic.

Those feelings are heightened, of course, when one's friends and neighbors are involved in such tragic events. That is the case for the Buffalo, NY, area, which rejoiced last week when three of the hostages released from TWA flight 847—Mr. and Mrs. John Mazurowski and their daughter, Melissa—returned safely to their suburban Lancaster, NY, home.

This week, the Buffalo area grieved at the news that seven western New Yorkers, including Dr. Ruth Asirwathan and her two daughters from Cheektowaga, NY, were among the 329 persons who perished on the Air India jet.

These violent incidents, including the explosion at the Tokyo airport, point up the need for enactment of legislation the House passed last week to require the Secretary of Transportation to assess security at all foreign airports used by U.S. carriers and by foreign carriers serving U.S. airports. The legislation further would require the Secretary to then notify appropriate foreign authorities of any deficiencies in airport security with recommendations for improvement.

If the improvements were not made within 120 days, the Secretary would be required to post notification of the deficiency at all U.S. airports and to notify all passengers purchasing tickets for the foreign airports. The bill would allow the Secretary to revoke the operating authority of any carrier to provide service between the United States and the deficient airport.

Mr. Speaker, it is humanly impossible to protect totally against irrational, unpredictable terrorist strikes against airports and civilian aircraft. However, the House-passed legislation would be an important step toward insuring we are trying to do everything humanly possible.●

SPECIAL TRIBUTE

HON. ELWOOD HILLIS

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 25, 1985

● Mr. HILLIS. Mr. Speaker, I would like to pay special tribute today to the 24 athletes from Kokomo High School who, within 10 days of each other, won two Indiana State championships in golf and baseball.

Their accomplishments have brought excitement and pride to my hometown and served to cement the very special union of the city's two public high schools into one great Kokomo High School.

On June 13, the Wildkat golf team, led by Head Coach John Bingaman and Assistant Coach Dave Pettay, took the State title by four strokes over Lafayette Jefferson. Kokomo led by 8 shots going into the final day's 18 holes when Lafayette's two top golfers each burned the front 9 with identical par 36's.

The result was a 10-shot turnaround and Kokomo trailed by 2 going into the last 9 holes. But, with senior John Andrews leading the way, the Kats rallied to win, giving Kokomo its first golf title since 1958.

The title was especially sweet for John Andrews and Jon Ousley who, as members of the former Kokomo Haworth golf team, finished fourth, second, and third in the State the previous 3 years. Other members of the State title team included Jeff Ousley, Anthony Andrews, and Chris Williamson.

The KHS baseball team, led by Coach Mike Smith and Assistant Charlie Hall, make it two titles in a week and a half last Saturday by capping a 29–4 season with a 6 to 2 win over South Bend Washington in the title game.

Kokomo won its last 15 games of the season—a streak which I know every suffering Cub fan these days wishes on the Boys of Wrigley Field.

A great pitcher by the name of Troy Solinas won the semifinal game against Whiteland Friday night, striking out a record 15 batters on the way to an 8 to 2 win. Troy compiled an amazing 10–0 record this year, striking out 110 in 76 innings and posting a 1.11 ERA. He wasn't bad at the plate either, batting better than .400.

Jeff Shrock pitched the championship game and his win was extra special. Both of his older brothers played baseball for Haworth in 1970 and 1978 when the team reached the State finals only to lose. Little brother now has family bragging rights.

Besides Troy and Jeff, other members of the championship baseball team included Don Imbus, Jeff Behny, Andy Weir, Shawn Mayfield, Tim Markus, Chris Sayers, Blake Burgan, Ron Lasecki, Rick Stiner, Mike Rennaker, Ken Shipley, Dennis Keller, Greg Johnson, Brian Newburn, Dean Reynolds, Kevin Snyder and Jay Priest.

The two State championships are more than just an athletic milestone for Kokomo.

The consolidation of Kokomo and Haworth high schools last year was a traumatic experience for many people.

Both schools had built proud traditions and the crosstown rivalry blossomed as the years went by. Finally, however, economics mandated a union of the two schools—a marriage that has taken some time to work.

1984's championship seasons, forged in the name of Kokomo High School, were built largely on the contributions from athletes who began their education and athletic careers at Haworth.

Thanks to the efforts of Athletic Director Ron Barsh, the two outstanding programs were successfully assimilated with outstanding results.

The bonds these young men have formed through their athletic achievements have helped to make Kokomo and Haworth one. My congratulations to them and best wishes for a successful future.●

IMPACT AID AMENDMENTS OF 1985

HON. JAMES M. JEFFORDS

OF VERMONT

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 25, 1985

● Mr. JEFFORDS. Mr. Speaker, today I am introducing legislation submitted to the Congress by the President which would amend the Impact Aid Program, Public Law 81-874. This bill removes provisions of the program statute which authorize payments on behalf of "b" children, including payments under section 3(d)(2)(B) to school districts in which at least half of the children are federally connected.

Mr. Speaker, this legislation continues the clear responsibility of the Federal Government to assist school districts which are directly affected by the presence of Federal installations or Federal property which serve as places of residence for families with school-age children. This legislation, however, would effectively direct Federal payments to those districts in the country which truly are burdened by a significant Federal presence—"a" districts.

This legislation would, in fact, implement policy approved by the Congress under the 1981 Budget Reconciliation Act. It was the decision of Congress that "b" payments would be phased out by fiscal year 1984 but, as is often the case, last year we reversed that decision by simply reauthorizing the Impact Aid Program for another 5 years with no significant changes.

In addition to eliminating the authorization for "b" payments, these amendments would redefine full entitlement, the maximum payment allowed under the law, for children who reside in federally subsidized, low-rent housing with a parent employed on Federal property to be 15 percent of the amount determined under calculations currently mandated in Public Law 81-874. This change would make payments of funds on behalf of children living in such housing more commensurate with the burden they represent and would also reflect the policy adopted by the Congress in appropriation language in recent years.

This bill would also make changes affecting preliminary payments to all districts. This would make program administration more efficient by reducing the frequency and amounts of overpayments, while ensuring that districts would continue to receive funds early in each school year. Also, this legislation replaces the tiered payment schedule set forth in current law with a simple formula for making payments on behalf of "a" children, and it raises the threshold of eligibility for the Disaster Assistance Program to $10,000 or 5 percent of prior year operating expenditures, whichever is less.

Mr. Chairman, the legislation I am introducing today not only targets limited Federal moneys to those districts most deserving of Federal assistance, but it recommends several changes to make the Impact Aid Program more efficent. I urge my colleagues in the House to join with me in sponsoring this legislation.●

CHILD CARE OPPORTUNITIES

HON. BOB EDGAR

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 25, 1985

● Mr. EDGAR. Mr. Speaker, as an original cosponsor of the Child Care Opportunities for Families Act of 1985 introduced in the House today, I am pleased to bring to your attention this comprehensive package which attempts to improve both the quantity and quality of child care in America. It is imperative that we move this legislation through the House as quickly as possible in order to alleviate the ever-increasing child care problem.

Demographic changes over the past several decades have made child care a desperate problem for many American families. Approximately 47 percent of women with children under the age of 1 are working, yet there has been limited response to the drastically increased need for child care. The problem will only continue to grow as more women join the labor force and will be intensified by the predicted baby boom of the 1990's. It is time for us to take action to alleviate this national crisis.

Today, many women work out of economic necessity and turn to child care as one of the few viable options. However, these women encounter a severely limited supply of acceptable services since they are often overbooked, expensive, and poor in quality. Therefore, many families are forced to live below the poverty level or leave their children at home alone. The Federal Government must join State and local efforts to improve the availability, affordability, and reliability of child care services.

Our bill is both comprehensive and farsighted. The provisions are aimed at five major areas: Increasing the supply of child care, upgrading State child care standards, expanding private sector initiatives, training child care personnel, and providing child care services for special groups.

We propose the following:

Increasing the social services block grant, with $300 million set aside specifically for child care services.

Matching State initiatives to fund demonstration programs in local school districts extending child care services to preschool aged children.

Offering incentive grants to States to help improve their child care regulatory and monitoring systems.

Providing a 50-percent Federal match for any contributions from a for-profit business to a community child care fund.

Expanding assistance to States for training providers, licensing and enforcement officials, and parents in child development and child abuse prevention.

Establishing a $1.5 million scholarship fund to encourge more child care providers to seek the child development association credential [CDA].

Authorizing grants to expand programs preparing students for careers in early childhood education and development.

Sending funds to States to train providers and to improve the management of family day care homes.

Establishing a grant program subsidizing child care for low-income, first-generation college students.

Offering grants to establish, on a sliding-fee scale, in-home and out-of-home respite care for families with disabled and chronically ill children.

Providing assistance to non-profit agencies and organizations in establishing crisis nurseries where families can voluntarily bring their children during an emergency or crisis in order to prevent abuse.

Establishing programs to encourage school-located comprehensive service centers including health care services, family counseling, parenting education, academic counseling, and employment counseling and placement.

The provisions of the Child Care Opportunities for Families Act of 1985 have been carefully designed to meet the needs of both children and parents. I urge my colleagues to consider this important piece of legislation and join me in support of this bill.●

DR. AND MRS. MAX STEIN CELEBRATE THEIR 50TH WEDDING ANNIVERSARY

HON. GARY L. ACKERMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 25, 1985

● Mr. ACKERMAN. Mr. Speaker, it is with great pleasure that I rise today to congratulate Dr. and Mrs. Max Stein of Jamaica Estates, NY, on the joyous occasion of their 50th wedding anniversary, which will be celebrated on June 29, 1985.

The Steins have been active and dedicated members of the Queens County community for many years. Their contributions to both civic and professional organizations have helped better the lives of the citizens of the Borough.

Dr. Stein's dedication to others goes back to World War II, when he served our country as a captain in the U.S. Army Medical Corp. He has been caring for his neighbors as a thoughtful and compassionate member of the medical community ever since. Max has been Chief of Medical Services at several Army hospitals, is the former director of the Medical Group of Central Brooklyn and was a board member of the Health Insurance Plan of New York City. Dr. Stein is currently Attending Emeritus in Medicine at Brookdale Hospital in Brooklyn.

Bertha Stein is a 25 year member of the Queens County Democratic Committee. She was the first woman president of a democratic club in Queens, the Independence Democratic Club. Mrs. Stein is the president of the Hollis Chapter of the National Council of Jewish Women, and is a trustee of the Junior League of Brookdale Hospital.

Their 50th wedding anniversary is an event that will be cherished by the entire community, but especially by their sons Jeffrey, Ethan, and Matthew, and their many friends.

Mr. Speaker, Dr. and Mrs. Stein have meant so much to others, as they have worked to make Queens an even better place to live.

I would like to ask my colleagues in the U.S. House of Representatives to join me in congratulating the Steins on their many contributions and to celebrate their 50th wedding anniversary.●

SAVING OUR COUNTRY FROM DEFICITS—OREGON ESSAY CONTEST WINNER

HON. LES AuCOIN

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 25, 1985

● Mr. AuCOIN. Mr. Speaker, I would like to bring my colleagues' attention to an essay written by a young man in Oregon which sends a strong message to all of us about the serious threat of the deficit to the future of this country.

David Scheer, a college student in Portland, OR, submitted the essay for a contest sponsored by the Oregon and National League of Savings Institutions. Students statewide entered essays for the contest theme "How Federal deficit spending affects your country and your future."

I commend the Oregon League for encouraging young people to think about the consequences of the deficit and to put those thoughts in writing to be shared with others.

I hope that my colleagues will take note of David's essay. It shows that the deficit is not just a matter of rhetoric for politicians and front page news. It's a matter that affects the quality of life and economic opportunity of future generations of Americans.

I congratulate David Scheer for a job well done and ask that his winning composition be reprinted here.

SAVING OUR COUNTRY FROM DEFICIT DETRIMENTS

(By David Scheer)

I have an uncle who is terrible with investments. He keeps putting money into companies that give little or nothing in return. There is one corporation in particular which he absolutely loves. Quite frankly, they've got him so snowed that he's actually withdrawing money from good stocks so he can put more into their's. What profit is he making from the deal? Absolutely none! In fact, he's going so deeply into debt that some people think he'll never recover. But that's his problem not, ours. Right? Wrong, you see, the money he's investing is coming out of our pockets.

The uncle's name is Sam; the debt he is building is called the National Budget Deficit, and the money being wasted is our tax dollars. How dangerous is this deficit? According to Senator Barry Goldwater (R-Ariz.), it is a threat "far more destructive than anything the Soviets can throw at us." [1] And this threat will grow an average of $204 billion a year for the next five years. This, according to the Congressional Budget Office, will result in a "total addition to the National debt of more than $1 trillion by 1989." [2]

Of the many problems created by the deficit, none have been more widely discussed in the recent years than the connection between the deficit and interest rates. As the deficit grows, it pulls U.S. interest rates up with it, attracting foreign funds and strengthening the exchange rate for the dollar. Since 1980 the dollar has grown 73% stronger "on a trade weighted basis against the currencies of 10 major U.S. trading partners." An over strong dollar raises the price of American goods, making them unattractive in comparison to foreign products.[3]

The result of such price differences is that foreign products are out-selling U.S. goods creating what is known as a trade deficit. This trade deficit is "currently running at an annual rate of around $120 billion." [4] It is estimated that the trade deficit has already cost the American public two million jobs since 1980 alone.[5]

Another way in which the budget deficit is poisoning our economy is by dwindling away the lending supply previously available to businesses and consumers. "Simply put, when the Treasury borrows more, less is left for others." [6] According to Senator Robert Dole we are already "paying 154 billion dollars just in interest on the debt." [7] The resulting loss of jobs caused by the above factors reduce our countries tax resources, thereby feeding the deficit and generating a catch 22.

Still further damage is being done to our country by the budget cuts being made in response to the deficit.

The Budget Director has proposed reductions in Medicare, Medicaid, farm subsidies, veteran's benefits, civil service, retirement programs and grants to states and localities for such purposes as education and urban development.[8]

Being a student, I am personally and painfully aware of the budget cuts being made in education. In particular those being made in government aid to college students. Coming from a family whose total annual earnings are over 30,000 dollars, I—as well as four of my close friends—have lost my eligibility to receive a Pell grant to help pay for my schooling next year. As a result of these cuts, the U.S. government is expecting to save $2.1 billion over the next three years.[9] In the state of Oregon (where I am a resident) college students will lose an estimated $12.6 million in federal aid for the 1986-7 school year.[10] The final result being that students like myself may be forced to withdraw from school before getting a degree. This would make a mockery of us, and turn the efforts we have already expended into a virtual waste of time.

One of the biggest contributing factors to our even deepening deficit, is the gross amount of money being pumped into the military-industrial complex of our society. While other programs are being cut, the Pentagon is given more and more money to play with. The defense budget for 1985 has been set at $259 billion. Under a recent deal cut between Reagan and Defense Secretary Casper Weinberger, this budget will be increased by an average of $33.3 billion each year over the next three years. This will make for a $359 billion defense bill in 1988 and a total of over $1.2 trillion being spent on defense from 1985 through 1988.[11] "If the Pentagon's share of the 1985 budget were the same as it was in 1978, military spending would be $71 billion less—a reduction that would erase 40% of the $176 billion deficit projected for 1985." [12]

Defense spending further feeds the deficit by increasing unemployment in our country. According to a study by the Employment Research Association of Lansing, Michigan, based on procurement figures from the Defense Department and the Bureau of Labor Statistics, the $154 billion Defense bill for 1981 "caused a net loss of 1,520,000 jobs to the industrial and commercial base of the United States." [13] Once again, the loss of jobs means a reduction in tax revenues, thereby increasing the National Debt.

President Eisenhower once said that "Every gun that is made, every warship launched, every rocket fired, is a theft from those who hunger." [14] At no time has this statement been more true then now, with defense and the deficit combining to reduce jobs, discourage trade, and drain badly needed funds out of the social services. It's no wonder that over "15% of the U.S. population lives below the official poverty level." [15]

Now that we have examined the ravaging effects of the deficit on our economy and identified it's major contributor, it is time to look at the most important topic of all; what we can do to stop it. Unfortunately, here too we run into some bad news. The reason being that the programs which can best serve to reduce the deficit are the same programs that our government is cutting.

Of these programs, education holds the most promise for both short and long term recovery. In fact the recent report by the National Commission on Excellence in Education "argues that investment in education is the key to solving the economic problems of the U.S." [16] This report is not unique. Reports have been issued by many different groups in recent years with the unanimous contention "that higher standards in the schools will help keep America competitive in foreign markets." [17]

The reasoning behind these reports should be obvious, namely that the demands of the foreign market are increasingly centered around products that require advanced knowledge and skills in order to be produced. If we, as a nation, are unable to supply a work force that is skilled enough to produce these products then we will be squeezed out of the market by other countries who can. In the words of James B. Hunt, governor of North Carolina, and chairman of the Task Force on Education for Economic Growth, "We must equip our citizens to be scientifically and technologically literate if our nation is to participate in a technology-based world economy." [18]

To accomplish these goals, the National Commission on Excellence in Education recommended raising teachers' salaries, upgrading curricula, and lengthening the school day and year.[19] All of these recommendations call for a commitment of more money, and according to Governor Hunt "a commitment at the federal level is imperative." [20]

If the federal government were to make such a commitment, our economy would experience not only the long term benefits of which these reports speak, but also the immediate benefits of thousands of new jobs. If, for example, we were to cut a mere $10 billion from the massive $259 billion defense budget and invested that money into education, we would achieve a net increase of 1,115,890 jobs.[21] The increased tax revenue resulting from all these jobs would provide for an immediate slow down of the skyrocketing deficit. The long term benefits would then enter in to carry on the recovery. Added to the economic benefits will be the residual advantages of agricultural, medical and technological advances, being put forth by a better educated citizenry. All of these benefits would work together to improve our nation and upgrade our standard of living.

We can save our nation, lift it from the deficits of despair and once again make the most of its mighty resources. To do this however, we must take on a difficult task. We, as a nation, must join together in demanding a more responsible government. One that recognizes the immense value of education and then DOES something about it; One that recognizes the foolishness, indeed dangers of an oversized defense budget, and then DOES something about it. One, in short, that recognizes both the elements and detriments of the deficit and then takes the necessary action to make a real and lasting change.

If you are interested in helping to save our nation, the first thing you should do is educate yourself about the problem. Once you know the facts, spread your knowledge to as many others as you can, then work to educate your uncle. Together, we can teach him to invest our money more wisely. Together, we can save our nation.

FOOTNOTES

[1] David C. Morrison, "Defense and the Deficit," Mother Earth News, November/December, 1984 p. 43.
[2] Ibid p. 43.
[3] Richard Alm and Robert Morse, "Deficit Fallout: Dangers for Business, Workers", U.S. News & World Report, Feb. 11, 1985 p. 30.
[4] B. Steinberg, "Why you can't love the Deficit," Fortune, Oct. 15, 1984, p. 39.
[5] Alm p. 30.
[6] Ibid p. 29.
[7] "An Interview with Robert Dole", U.S. News & World Report, Dec. 31, 1984/Jan. 7, 1985, pp. 74-75.
[8] George J. Church "Up Go the Trial Balloons," Time, Dec. 10, 1984, pp. 22 and 24.
[9] William R. Doerner "Cutting to the Quick," Time, Dec. 17, 1984, p. 24.
[10] "Reagan's Cuts will Cost Oregon," Portland State Vanguard, Apr. 9, 1985, p. 1.
[11] George J. Church, "The Military's Majority," Time, Dec. 31, 1984, pp. 10-11.
[12] Morrison p. 43.
[13] David E. Anderson (UPI), "Defense, Job Losses Linked," reported in the Oregonian, Feb. 10, 1984.
[14] "Gods of Metal," a film by Maryknoll Missionaries.
[15] Charles P. Alexander "A Year of Rolling Sevens," Time, Jan. 7, 1985, p. 76.
[16] Joel Spring "Education and the Sony War," Phi Delta Kappan, April 1984, p. 536.
[17] Ibid p. 534.
[18] Governor James B. Hunt, Jr., "Education for Economic Growth: A Critical Investment," Phi Delta Kappan, April 1984, p. 539.
[19] John W. Donahue, "Notes and Quotes on School Reform," America, Oct. 27, 1984, p. 242.
[20] Hunt p. 541.
[21] Anderson.●

SOVIETS INTENSIFY "MIGRATORY GENOCIDE" IN KUNAR VALLEY OFFENSIVE

HON. DAVID DREIER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 25, 1985

● Mr. DREIER of California. Mr. Speaker, in the largest Soviet combat offensive of 1985, at least 10,000 Soviet troops, strongly supported by aircraft, are systematically leveling the villages and agriculture of the strategic Kunar Valley near the Afghan-Pakistan border. Field reports from the Union of Afghan Mujahid Doctors [UAMD], a Peshawar-based relief agency, indicate many thousands of civilian dead and wounded since the Soviet offensive began a few weeks ago.

This offensive, a part of the Soviet strategy of "migratory genocide"; that is, the systematic destruction of arable land and murdering or forced migration of its inhabitants, is designed to starve out resistance leader Ahmad Shah Massoud and Afghan rebel troops. To accomplish this, the Soviets are prepared to kill 200,000 innocent villagers in that region, according to the Committee for a Free Afghanistan.

In recent articles from the Associated Press, it has been reported that the Soviets have also bombed towns along the Kyber Pass in an effort to close off these supply routes.

Dr. J. Preston Darby, a Texas physician with the International Medical Corps [IMC], a Los Angeles-based relief group providing surgical care inside Afghanistan, has just returned from a 2-month assignment. Dr. Darby is the first American doctor to have met with Massoud. In a presentation before congressional staff sponsored by the Congressional Forum, Darby noted that the danger of widespread famine "is no longer just a potential situation. It's there. These people are starving," referring to those in the Panjsher Valley.

"The most shocking thing about this war," said Darby, "is the systematic destruction of an entire people by (Soviet) national policy."

Darby observed first-hand the aftermath of the 1984 Soviet destruction of the once beautiful area that was the Panjsher Valley. The valley is now deserted, the centuries old irrigation systems have been destroyed by high-altitude Soviet bombing and even the trees are dying. There is virtually no medical assistance now inside the Kunar Valley. This invasion destroyed IMC's medical-surgical unit there, killing the Afghan medical personnel and their patients. Fortunately, the American medical team had returned to Peshawar 2 weeks earlier, having run out of medical supplies.

Dr. Darby described the primitive medical abilities of the mujaheddin in the Panjsher. Massoud's doctor has reportedly performed 205 amputations last year. These operations were performed under local anesthesia. After the amputations, the mujahed would recover in cave-hospitals. If he survived, he was carried on another Afghan's back 200 miles over mountainous terrain to Pakistan. Many would die along the way.

In addition to the use of toy bombs on innocent Afghan children, Soviet torture, noted Darby, was also directed at animals. Eyewitness reports obtained by Massoud, detail how the Soviets, after raiding villages, would place donkeys on the second floor of buildings to starve, and would nail live chickens to the ground and place food and water just beyond their reach. "If you want to starve the Afghans, why don't they just kill the animals. Why torture them?" asked Darby.

Dr. Darby returned to the United States with an urgent appeal from Massoud requesting immediate assistance. Food, medical, and military supplies are all needed in order to survive and to stave off Soviet aggressors. These supplies include: Tons of concentrated foodstuffs prepared in individual packets for troops; additional food and medical supplies to ward off starvation and epidemics such as diphtheria, which has already killed

many Afghan children; air defense supplies, especially the improved SAM-7 surface-to-air missiles now available through Arab countries and Western nations; and, armor-piercing ammunition for ground fighting.

When questioned by Dr. Darby as to how the Afghans are prepared to continue fighting in the face of these conditions, Massoud replied, "If I die, my yet unborn grandson will come down from the hills and fight on."

"But how can this happen when the Soviets are forcibly taking thousands of Afghan children to Russia for indoctrination?" Darby questioned the audience.

Mohamad Ishaq, a top lieutenant of Massoud joined Darby at the hearing. Ishaq questioned why aid has been kept at a no-win level and implored Western nations for effective military assistance to "allow us to win the war." Resistance forces without SAM-7 missiles are essentially defenseless against Soviet air attacks.

Omar Shardil, the New York representative of Massoud's Jamiat-E-Islami Party, announced at the hearing the beginning of the "propaganda war." Shardil is working to restore recognition to the United Nations to the true representatives of the Afghan people: The resistance leaders whose troops control most of the country. Recently resistance leaders have formed a political coalition. They also intend to take the Soviet Union to the World Court at The Hague, Netherlands for their violation of the 1949 Geneva accord.

Dr. Darby summarized the efforts of the American and Afghan support groups at the hearings. When asked whether his 25-day trip over mountain passes was worth it, Dr. Darby responded, "it isn't worth a dime unless I can convince people to help."

Mr. Speaker, I hope Congress will not ignore this plea for help from those fighting for freedom in Afghanistan.●

PERSONAL EXPLANATION

HON. WILLIAM F. CLINGER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 25, 1985

● Mr. CLINGER. Mr. Speaker, on June 19, 1985, I was absent from the floor of the House of Representatives for part of the session. Had I been present, I would have voted in the following fashion:

Rollcall No. 170: H.R. 1872, Defense Department authorizations, the House rejected the Bennett amendment that sought to transfer $4 billion of funds previously appropriated for conventional forces to be equally divided by the Army, Navy, and Air Force, "no."

In addition, I was absent from the House of Representatives on June 21, 1985. Had I been present, I would have voted in the following fashion:

Rollcall No. 182: Journal, the House approved the Journal of Thursday, June 20, "no"; and

Rollcall No. 184: H.R. 1872, Defense Department authorizations, the House agreed to the Nichols amendment that clarifies specifications of core logistics functions subject to contracting-out limitations, "aye."●

SETTING THE RECORD STRAIGHT ON THE FBI'S DOMESTIC TERRORISM PROGRAM

HON. DON EDWARDS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 25, 1985

● Mr. EDWARDS of California. Mr. Speaker, 2 weeks ago I made a point of order striking a $1.4 million supplemental appropriation for the FBI's domestic terrorism program. During last Thursday's special orders session, remarks were made regarding the point of order that could have misled the listener as to the adequacy of our Nation's antiterrorist program. The facts are as follows:

First, the additional funds for domestic terrorism stricken by my point of order were not supported even by the administration. The administration's 1985 supplemental appropriation request for the FBI sought only $1.5 million to meet added demands placed on the Bureau by the Comprehensive Crime Control Act of 1984 and $15.7 million for the pay increase granted to all Federal employees by the President last year. The extra $1.4 million for domestic terrorism stricken by the point of order was added to the bill during subcommittee markup. Thus, the Reagan administration would have had to share the blame for any inadequacy in the FBI's domestic terrorism program that the point of order might have caused.

Second, however, there is no need to blame either the administration or me, since the point of order will not in any way hinder or diminish the Bureau's domestic terrorism program. That program is vigorous and well staffed and will remain so despite the point of order. The Bureau presently has 384 agents working on domestic terrorism matters. This is an increase of 52 agents over fiscal 1984, when the Bureau spent $25.8 million on domestic terrorism investigations.

These increases have been achieved by allocating agents from other, less pressing areas. The supplemental appropriation would not have increased domestic terrorism staffing, but would only have allowed the FBI to replace the agents borrowed from other areas. The point of order really only affects the overall staffing level of the FBI. It has no effect on the Bureau's ability to continue focusing its resources on domestic terrorism investigations or to assign even greater resources to that area from other operational categories if the need arises.

Third, the FBI's domestic terrorism program has been tremendously successful at current operating levels. There has been a steady decrease in terrorist incidents in the United States, from an average of 100 a year 7 years ago, to 51 in 1982, 31 in 1983 and 8 in 1984. In 1984, no one was killed or injured as a result of terrorist activity in the United States. This year, while other nations have been racked by terrorism and while Americans have been subjected to increasing attacks abroad, we are below the 1984 level in domestic incidents.

Fourth, one must distinguish, as the FBI does, between domestic terrorism, international terrorism, and espionage. My point of order had no relevance to the Bureau's international terrorism program, which focuses on terrorist activity by foreign-controlled groups. The funds stricken by the point of order would have had no effect on the FBI's ability to anticipate, prevent or respond to the recent TWA hijacking, to terrorism in this country by Iranian or other Islamic radicals, or to any Soviet controlled terrorism.

Fifth, the point of order also had no effect on the FBI's foreign counterintelligence program. For the past 2 years, with my support, the Bureau has received substantial increases in foreign counterintelligence resources, and an additional signficant increase is expected for fiscal 1986.

Anyone is entitled, of course, to make what political hay he can from terrorist attacks on U.S. citizens. But the American people should not be misled into believing that I or the administration have not provided adequate resources for antiterrorist activities.●

CHEMICAL WEAPONS MODERNIZATION NEEDED

HON. DAVID DREIER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 25, 1985

● Mr. DREIER of California. Mr. Speaker, I have listened carefully over the past 4 years to the debate on chemical weapons. I am convinced it is imperative that we modernize our stockpile. Each year, our debate has not been a question of whether or not to possess chemical weapons; the United States already has a large stockpile of nerve gas stored all around the United States. Instead, it is a question of whether or not we will

modernize and improve the safety of our chemical weapons.

The chemical weapons currently in our stockpile are called "unitary" chemical weapons because the chemicals have already been mixed together into nerve gas. With the new binary weapons, the chemicals are kept separate. They can even be stored at different locations, thereby greatly reducing the potential for any accidents or theft by terrorists. The two chemicals that make binary nerve gas do not even have to be put in the same shell together until the weapon is ready to be fired.

Additionally, our current stockpile does not include any useable chemical weapons that give us a vitally-needed deep-strike capability. When our present stockpile was produced back in the 1950's and 1960's, long-range weapons were filled with nonpersistent nerve agent that evaporates quickly. Most of this nonpersistent agent was loaded into our only deep-strike chemical weapon—the spray tank. These spray tanks are to spray nerve agent from a low altitude. Obviously, new advances in radar techniques make this delivery mode a suicide mission.

The Bigeye binary bomb is designed to give us the capability to make deep strikes behind enemy lines and take out enemy supply lines, depots, and airfields. As with the shells, the chemicals in the Bigeye will be kept separate and don't even start mixing until the bomb is dropped from the airplane. The Bigeye will be filled with persistent agent, which will put the enemy out of commission for weeks or even months rather than hours or a few days.

Finally, the Soviet response to the U.S. position of no new production of chemical weapons has not been positive. For the last 3 years, this Congress has rejected attempts to produce the new binary chemical weapons. Even when the Soviets walked out of the START and INF talks, chemical arms talks remained underway at the Conference on Disarmament in Geneva. Regrettably, there has still been no progress, even though the United States presented a draft treaty over 2 years ago.

For these reasons and others, I strongly supported the Skelton-Hunter amendment to permit us to modernize our chemical weapons stockpile. This amendment had an important safeguard that made it even more attractive: funds for binary production cannot be spent until after September 30, 1987. This will give us even more time at the arms talks to get a treaty banning chemical weapons.

Mr. Speaker, I sincerely hope we can get that treaty.●

THE AIDS EPIDEMIC

HON. HENRY A. WAXMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 25, 1985

● Mr. WAXMAN. Mr. Speaker, during the past 7 days, 200 Americans have died of AIDS.

We have, as Members of Congress and as people familiar with the often slow pace of decisionmaking, become accustomed to delay as a way of government. We are certainly accustomed to delay as a way of budgetmaking.

I believe, however, that the delays that have become routine as part of the budgetmaking for the Public Health Service's response to the AIDS epidemic are inexcusable. The result is not just one more week when the Secretary does not forward the PHS scientists' recommendations: It is one more week added to the epidemic. This week that means 200 Americans died. Next year the same routine delay will mean 450 Americans will die.

I want to emphasize to my colleagues that the Department of Health and Human Services has made a practice of delaying or ignoring the budget requests of its researchers and experts. Year after year the epidemiologists, biologists, geneticists, and physicans have made recommendations for greatly increased funding for research into the cause, treatment, cure, and prevention of the disease. But year after year the administration has delayed or failed altogether to transmit these recommendations to the Congress.

Let me remind my colleagues of years past. In 1983, the Public Health Service recommended a virtual doubling of AIDS activities through the use of transfer authority, taking money from one program to use in another. The recommendations, however, arrived at the Appropriations Committee so late in the process that they could not be used in the committee's formulation of the supplemental appropriations bill and had to be considered by amendment on the floor of the House. The amendment was offered by the chairman of the subcommittee, Mr. NATCHER, and the ranking minority member of the committee, Mr. CONTE.

The gentleman from Massachusetts pointed out at that time that the subcommittee had endeavored to find the amounts of funding that were necessary to deal with the beginning of the AIDS crisis, and, as he pointed out then,

> Every agency involved in the investigation and research on AIDS was asked to describe their efforts and to indicate what more could be done. They all stated that they had adequate resources:

The gentleman from Massachusetts went on to urge the body to support the amendment, but added

> I might say that I am personally very distressed with this situation, where the administration comes before the subcommittee and states time after time that sufficient resources are available and then changes its tune suddenly, at a time when it is very difficult for the committee to consider this new position. Now that borders on not dealing with the subcommittee in good faith and I for one must indicate my disappointment with the actions of the Department on this issue.

During the next year's debate on AIDS funding, the administration once more maintained that all needed resources were available to them. At that time, however, the Reagan-appointed Assistant Secretary for Health, the Reagan-appointed Director of the National Institutes of Health, the Reagan-appointed Commissioner of the Food and Drug Administration, and the Reagan-appointed Director of the Centers for Disease Control—all had recommended to the Secretary that $56 million of "urgently needed" funds be made available. Three and a half months later the Secretary rejected their recommendation and refused to transmit requests to the Congress. A copy of the Assistant Secretary's requests was printed in the RECORD at my request and the Senator from California [Mr. CRANSTON], offered an amendment to the appropriations bill that was largely based on the requests of the PHS scientists.

This year, we again find ourselves in the same situation. The Acting Assistant Secretary for Health, Dr. Mason, testified before the Subcommittee on Health in February that he had requested a review of the adequacy of the PHS's resources and personnel to deal with the epidemic. The Secretary of HHS, Mrs. Heckler, has also made public commitment to conduct such a review.

It is the third week in June. The budget resolution is in conference. The supplemental appropriations bill has already been considered. The Appropriations Committee will soon begin considering the funding levels for fiscal 1986. But once more, we *do* not have the promised recommendations for needed resources. Once more we are told that a review will be done, but we are given no guidance as to the administration's scientists' best professional judgment.

Mr. Speaker, 200 Americans died last week. We cannot afford to wait for more delays and equivocations in the administration's response.

Mr. Speaker, I submit the following statistics for the week ending June 23:

ACQUIRED IMMUNE DEFICIENCY SYNDROME [AIDS] WEEKLY SURVEILLANCE REPORT, JUNE 24, 1985, U.S. CASES

	Reported cases	Reported deaths
Adult/adolescent	11,139	5,544
Pediatric (under 13 at diagnosis)	132	97
Total	11,271	5,641

AIDS patients

Age:	
Under 13	132
13–19	62
20–29	2,367
30–39	5,341
40–49	2,358
Over 49	1,011
Total	11,271
Residence:	
New York	4,070
California	2,575
Florida	807
New Jersey	703
Texas	574
Pennsylvania	238
Illinois	233
Massachusetts	209
District of Columbia	178
Georgia	175
Maryland	145
Connecticut	127
Louisiana	127
Puerto Rico	127
Washington	114
Virginia	99
Colorado	88
Michigan	68
Ohio	68
Missouri	54
North Carolina	53
Arizona	48
Hawaii	37
Indiana	35
Oregon	33
Minnesota	27
South Carolina	26
Kentucky	25
Wisconsin	25
Alabama	24
Oklahoma	19
Rhode Island	15
Delaware	14
Nevada	14
Utah	13
Tennessee	12
Other States (12)	72
Total	11,271

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